UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 83d CONGRESS
FIRST SESSION

VOLUME 99—PART 5

MAY 28, 1953, TO JUNE 24, 1953

(PAGES 5749 TO 7218)

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1953

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PROCEEDINGS AND DEBATES OF THE 83d CONGRESS, FIRST SESSION

SENATE

THURSDAY, MAY 28, 1953

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Gracious God our Father, whose still, small voice invites us to turn aside from feverish ways and whose tender love bids us find our rest in Thee: In the silence of this shrine of each patriot's devotion we would lose our restlessness, refresh our energies and, turning aside from all cynicism, recapture the sense of being in tune with Thee.

We thank Thee for the lessons of the road we have traveled. We are warned by mistakes, encouraged by success, and enriched by experiences of gladness and sadness. We are grateful for work that must be done and play that may be enjoyed, for times of struggle, for hours of peace, for things that shake our overconfidence and enduring things that give strength and courage.

Make us worthy of our great heritage. Give us a kindling sense of national destiny as we face the duties of today and the problems of tomorrow. We ask it in the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, May 27, 1953, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on May 27, 1953, the President had approved and signed the following acts:

S. 166. An act for the relief of Sister Louise Marie Josephine Belloir;

S. 167. An act for the relief of Sister Jeanne Maria Henneth Langlo;

S. 193. An act for the relief of Toni Anne Simmons (Hitomi Urasaki);

S. 207. An act for the relief of Jimy Okuda;

S. 371. An act for the relief of Georgia Andrews;

S. 709. An act to give proper recognition to the distinguished service of Col. J. Claude Kimbrough;

S. 1524. An act to authorize the Secretary of the Navy to furnish certain supplies and services to foreign naval vessels on a reimbursable basis, and for other purposes;

S. 1525. An act to authorize the Secretary of the Navy to convey to the Tarrant County Water Control and Improvement District No. 1 certain parcels of land in exchange for other lands and interests therein at the former United States Marine Corps air station, Eagle Mountain Lake, Tex.;

S. 1527. An act to amend section 40b of the National Defense Act, as amended (41 Stat. 759, 777), to remove the limitation upon the detail of officers on the active list for recruiting service and for duty with ROTC units;

S. 1528. An act to continue in effect certain appointments as officers and as warrant officers of the Army and of the Air Force;

S. 1530. An act to amend the Army-Navy Nurses Act of 1947 to authorize the appointment in the grade of first lieutenant of nurses and medical specialists in the Regular Army and Regular Air Force, and appointment with rank of lieutenant (junior grade) of nurses in the Regular Navy;

S. 1546. An act to amend the act authorizing the Secretary of War to approve a standard design for a service flag and service lapel button;

S. 1547. An act to authorize payment for the transportation of household effects of certain naval personnel;

S. 1549. An act to retrocede to the State of Virginia concurrent jurisdiction over certain highways within Fort Belvoir, Va.; and

S. 1641. An act to retrocede to the State of Oklahoma concurrent jurisdiction over the right-of-way for United States Highways 62 and 277 within the Fort Sill Military Reservation, Okla.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 5238. An act for the relief of Franciszek Jarecki; and

H. R. 5376. An act making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1954, and for other purposes.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 1324) to authorize the Commissioners of the District of Columbia to fix certain licensing and registration fees, and it was signed by the President pro tempore.

LEAVE OF ABSENCE

On his own request, and by unanimous consent, Mr. PASTORE was excused from attendance on the sessions of the Senate on Monday, June 1, and Tuesday, June 2, 1953.

CALL OF THE ROLL

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be vacated, and that further proceedings under the call be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

AMENDMENT OF UNITED STATES CODE RELATING TO THREATS AGAINST THE PRESIDENT-ELECT AND VICE PRESIDENT

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to amend title 18, United States Code, section 871, to provide penalties for threats against the President-elect and the Vice President (with an accompanying paper); to the Committee on the Judiciary.

REPORT OF UNITED STATES ADVISORY COMMISSION ON EDUCATIONAL EXCHANGE

A letter from the Chairman, United States Advisory Commission on Educational Exchange, transmitting, pursuant to law, a report of that Commission for the period July 1–December 31, 1952 (with accompanying papers); to the Committee on Foreign Relations.

REPORT ON CONTRACTS NEGOTIATED FOR RESEARCH AND DEVELOPMENT PROJECTS

A letter from the Acting Chairman, Munitions Board, Washington, D. C., reporting, pursuant to law, on contracts negotiated for research and development projects, for the period July 1, 1951, to December 30, 1952; to the Committee on Armed Services.

THE CHEROKEE NATION, FOR AND ON BEHALF OF THE WESTERN (OLD SETTLER) CHEROKEE INDIANS, PLAINTIFFS v. UNITED STATES

A letter from the Chief Commissioner, Indian Claims Commission, reporting, pursuant to law, the settlement of the claim of the Cherokee Nation, for and on behalf of the *Western (Old Settler) Cherokee Indians, plaintiffs*, v. *The United States of America, defendant*, Docket No. 24 (with accompanying papers); to the Committee on Interior and Insular Affairs.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

The petition of Robert Edward Edmondson, of Bend, Oreg., praying for a redress of grievances; to the Committee on the Judiciary.

A letter in the nature of a petition from the American Bulgarian League, Pittsburgh, Pa., signed by K. Elieff, president, relating to civil rights in Bulgaria; to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BRIDGES, from the Committee on Appropriations:

H. R. 4974. A bill making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes; with amendments (Rept. No. 309).

By Mr. JENNER, from the Committee on Rules and Administration:

S. Con. Res. 30. Concurrent resolution authorizing the printing of United States wall maps for the use of the Senate and the House of Representatives; with an amendment (Rept. No. 312);

S. Res. 25. Resolution to investigate means of expanding foreign investments; with additional amendments (Rept. No. 310); and

S. Res. 89. Resolution to study juvenile delinquency in the United States; with additional amendments (Rept. No. 311).

AMENDMENT OF ACT OF JULY 1, 1947, RELATING TO ERECTION OF A MEMORIAL TO MARINE CORPS DEAD—REPORT OF A COMMITTEE

Mr. JENNER. Mr. President, from the Committee on Rules and Administration, I report favorably, without amendment, the joint resolution (H. J. Res. 157) to amend the act of July 1, 1947 (61 Stat. 242), as amended, and I submit a report (No. 313) thereon.

At the request of the Senator from South Dakota [Mr. CASE], I ask unanimous consent that a statement by him on the joint resolution be printed in the RECORD.

The PRESIDENT pro tempore. The report will be received, and the joint resolution will be placed on the Calendar; and, without objection, the statement will be printed in the RECORD.

The statement referred to is as follows:

STATEMENT OF SENATOR CASE ON HOUSE JOINT RESOLUTION 157

On January 29 of this year I introduced a joint resolution (S. J. Res. 82) identical to that introduced in the House of Representatives by Mr. DEVEREUX. In order to expedite consideration of this measure I am suggesting to the Committee on Rules and Administration that it report out House Joint Resolution 157 favorably.

Legislation passed in 1947 authorized the Marine Corps League to erect within 5 years a memorial to the Marine Corp dead of all wars on public land in the District of Columbia. Subsequently, by Public Law 462, 82d Congress, that act was amended to change the name of the agency to Marine Corps War Memorial Foundation and to extend the time for commencement of the project from 5 to 10 years. The huge monument which has been selected by the Foundation is now in the casting stage but in order to get a wider range of sites for its placement the sponsors of the bill have requested this additional amendment in order to contemplate public land near the District of Columbia, perhaps in Virginia.

The Chairman of the Commission of Fine Arts, Mr. David E. Finley, has suggested the placing of the memorial on a location now in Government ownership such as, for instance, that adjacent to the north boundary of the Arlington National Cemetery. He states that the memorial should not be placed on the direct axis of the Mall and the Lincoln Memorial.

I believe there are no objections to the passage of this joint resolution and I do feel that the Congress should approve it and thereby accommodate the Marine Corps War Memorial Foundation.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, May 28, 1953, he presented to the President of the United States the enrolled bill (S. 1324) to authorize the Commissioners of the District of Columbia to fix certain licensing and registration fees.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JENNER:

S. 2010. A bill for the relief of Alexy W. Katyll and Ioanna Katyll; to the Committee on the Judiciary.

By Mr. LANGER:

S. 2011. A bill to exempt from tax admissions to dances conducted to maintain and operate community halls and community centers; to the Committee on Finance.

S. 2012. A bill for the relief of Roy Shigemasa Osaki;

S. 2013. A bill for the relief of sundry members of the Reserve Officers Training Corps;

S. 2014. A bill for the relief of certain disbursing officers of the Army of the United States, and for other purposes;

S. 2015. A bill for the relief of Paul D. Banning, Chief Disbursing Officer, Treasury Department, and for other purposes;

S. 2016. A bill to amend section 501, Communications Act of 1934, as amended;

S. 2017. A bill to revise the procedure in the district courts relating to the disposition of the wages and effects of deceased and deserting seamen, and for other purposes;

S. 2018. A bill to relieve disbursing officers, certifying officers, and payees with respect to certain payments made in contravention of appropriation restrictions regarding citizenship status, and for other purposes; and

S. 2019. A bill to further amend the act of July 3, 1943, entitled "An act to provide for the settlement of claims for damage to or loss or destruction of property or personal injury or death caused by military personnel or civilian employees, or otherwise incident to activities, of the War Department or of the Army," so as to make it applicable in time of armed conflict as well as in time of war; to the Committee on the Judiciary.

By Mr. JOHNSTON of South Carolina (for himself and Mr. LANGER):

S. 2020. A bill to amend section 433 of title 18, United States Code, relating to exemptions with respect to certain contracts; to the Committee on the Judiciary.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H. R. 5238. An act for the relief of Franciszek Jarecki; to the Committee on the Judiciary.

H. R. 5376. An act making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1954, and for other purposes; to the Committee on Appropriations.

NOTICES OF MOTIONS TO SUSPEND THE RULE—DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE APPROPRIATION BILL—AMENDMENTS

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4974) making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes, the following amendment, namely: On page 7, after line 13, insert the following:

"Section 602 of the Departments of State, Justice, Commerce, and the Judiciary Appropriation Act, 1952, as amended (65 Stat. 599), is hereby amended as follows: At the end of the second proviso in the first paragraph and before the period, insert: 'Caribbean Commission and the Joint Support Program of the International Civil Aviation Organization.'"

Mr. BRIDGES also submitted an amendment intended to be proposed by him to House bill 4974, making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4974) making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes, the following amendment, namely: On page 37, after line 24, insert the following:

"Ship construction: For payment of obligations incurred on or after July 1, 1953, for new ship construction in accordance with section 504 of the Merchant Marine Act 1936, $3,056,000; and in addition the Secretary is authorized to enter into contracts for such construction in an aggregate amount not to exceed $40,144,000."

Mr. BRIDGES also submitted an amendment intended to be proposed by him to House bill 4974, making appropriations for the Departments of State Justice, and Commerce for the fiscal year ending June 30, 1954, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4974) making appropriations for the Departments of State, Justice, and Commerce for the fiscal year ending June 30, 1954, and for other purposes, the following amendment, namely: On page 4, line 10, strike "$60,000,000" and insert "$50,000,000 and in addition $15,600,000 of the unobligated balances of all appropriations avail-

able to the Department of State during fiscal year 1953 of which latter amount not to exceed $5,600,000 may be used to cover the costs of reduction-in-force, including salaries, terminal leave, travel, and transportation expenses of officers and employees whose services are terminated, and travel and transportation costs in connection with transfers necessary as a result of reduction-in-force."

Mr. BRIDGES also submitted an amendment intended to be proposed by him to House bill 4974, making appropriations for the Departments of State, Justice, and Commerce for the fiscal year ending June 30, 1954, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4974) making appropriations for the Departments of State, Justice, and Commerce for the fiscal year ending June 30, 1954, and for other purposes, the following amendment, namely: On page 16, after line 18, insert the following:

"SEC. 111. Notwithstanding the provisions of section 6 of the act of August 24, 1912 (37 Stat. 555) or the provisions of any other law, the Secretary of State may, in his absolute discretion, during the current fiscal year, terminate the employment of any officer or employee of the Department of State or of the Foreign Service of the United States whenever he shall deem such termination necessary or advisable in the interests of the United States."

Mr. BRIDGES also submitted an amendment intended to be proposed by him to House bill 4974, making appropriations for the Departments of State, Justice, and Commerce for the fiscal year ending June 30, 1954, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4974) making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes, the following amendment, namely: On page 26, after line 23, insert the following:

"SEC. 208. Not to exceed 10 percent of the appropriations for legal activities and general administration in this title shall be available interchangeably, with the approval of the Director of the Bureau of the Budget, but no appropriation shall be increased by more than 10 percent and any interchange of appropriations hereunder shall be reported to the Congress in the annual budget.

"SEC. 209. Section 542 of title 28 of the United States Code is amended to read as follows:

"'542. Appointment and tenure of deputies and assistants

"The Attorney General may authorize any United States marshal to appoint deputies and clerical assistants. Any person determined by the marshal to be qualified for appointment to the position of deputy marshal shall become eligible for such appointment upon passing such suitable noncompetitive examination as may be prescribed by the Civil Service Commission. Deputy marshals shall be subject to removal by the marshal pursuant to civil-service regulations, except that with the approval of the Attorney General and without regard to the provisions of the civil-service laws and regulations, a deputy marshal may be removed by the marshal under whom he serves at any time within 60 days after such marshal has taken the oath of office and entered upon his duties.'

"Notwithstanding the provisions of the last sentence of section 542 of title 28 of the United States Code, as amended, deputy marshals in office on the date of enactment of this act shall be subject to removal at any time prior to the expiration of 60 days after the date of enactment of this act by the United States marshal under whom they serve, with the approval of the Attorney General and without regard to the provisions of the civil-service laws and regulations.

"Section 541 of title 28 of the United States Code is amended by adding at the end thereof a new subsection as follows:

"'(e) Upon the expiration of the term of office of a marshal who at the time of his appointment as marshal was serving as a deputy marshal, such marshal shall, upon application therefor made within 30 days after expiration of his term as marshal, be restored to the position of deputy marshal'."

Mr. BRIDGES also submitted an amendment intended to be proposed by him to House bill 4974, making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4974) making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes, the following amendment, namely: On page 5, after line 11, insert the following:

"ACQUISITION OF BUILDINGS ABROAD

"For carrying into effect the Foreign Service Buildings Act, 1926, as amended (22 U. S. C. 292–300), foreign currencies and credits owed to or owned by the United States in an amount not to exceed the equivalent of $4 million, to be available through June 30, 1954: *Provided*, That when such foreign currencies and credits are made available for purposes of said act, as amended, the Department of State shall issue certificates in equivalent dollar terms, and credits shall be allowed in the proper accounts of Government departments and agencies concerned: *Provided further*, That section 1415 of the Supplemental Appropriation Act, 1953 (Public Law 547, 82d Cong., approved July 15, 1952), or provisions relating thereto providing for reimbursement therefor to the Treasury from applicable appropriations of the agency concerned shall not apply to foreign currencies or credits used for the purposes of this authorization."

Mr. BRIDGES also submitted an amendment intended to be proposed by him to House bill 4974, making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4974) making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes, the following amendment, namely: On page 7, after line 7, insert the following:

"PAYMENT TO THE REPUBLIC OF PANAMA

"The Secretary of the Treasury shall cause to be paid annually out of any money in the Treasury not otherwise appropriated, $430,000 as a payment to the Republic of Panama in accordance with the treaty of 1936 (53 Stat. 1818)."

Mr. BRIDGES also submitted an amendment intended to be proposed by him to House bill 4974, making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL, of the standing rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4974) making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes, the following amendment, namely: On page 7, line 7, before the period insert the following: "*Provided further*, That, in the event the government, or pretended government, of any nation which has, or may have been, declared an aggressor by the General Assembly or the Security Council of the United Nations, or which has participated in armed resistance to forces which are carrying out the orders of the United Nations, or has given sanctuary to forces engaged in any such armed resistance, shall hereafter be admitted to membership in the Security Council, or its representative hereafter be recognized as the representative of such nation on such Security Council, no installment shall thereafter be available for payment so long as the government of such nation or nations continue to enjoy such membership or recognition."

Mr. BRIDGES also submitted an amendment intended to be proposed by him to House bill 4974, making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the standing rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4974) making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes, the following amendment,

namely: On page 28, after line 15, insert the following:

"SEC. 210. Notwithstanding the provisions of section 6 of the act of August 24, 1912 (37 Stat. 555), or the provisions of any other law, the Attorney General may, in his absolute discretion, during the current fiscal year, terminate the employment of any officer or employee of the Department of Justice whenever he shall deem such termination necessary or advisable in the interests of the United States."

Mr. BRIDGES also submitted an amendment intended to be proposed by him to House bill 4974, making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4974) making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes, the following amendment, namely: On page 52, after line 19, insert the following:

"SEC. 304. Notwithstanding the provisions of section 6 of the act of August 24, 1912 (37 Stat. 555), or the provisions of any other law, the Secretary of Commerce may, in his absolute discretion, during the current fiscal year, terminate the employment of any officer or employee of the Department of Commerce whenever he shall deem such termination necessary or advisable in the interests of the United States."

Mr. BRIDGES also submitted an amendment intended to be proposed by him to House bill 4974, making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4974) making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes, the following amendment, namely: On page 6, after line 19, insert the following: "together with such additional amount as may be necessary to pay the United States assessment applicable to the first 6 months' operating budget of the United Nations during the calendar year 1954: *Provided*, That the amount of this appropriation to meet obligations to the United Nations during the fiscal year ending June 30, 1954, shall be available for payment only in equal monthly installments for each semiannual period of such year for which the total amount of such contributions shall have been fixed, such payments to be payable on the first day of each of the respective months; except that the payments of obligations accrued for the period January 1, 1953, to June 30, 1953, may be made in one lump-sum payment."

Mr. BRIDGES also submitted an amendment intended to be proposed by him to House bill 4974, making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

NOTICE OF HEARING ON NOMINATION OF DR. H. VAN ZILE HYDE, TO BE UNITED STATES REPRESENTATIVE ON EXECUTIVE BOARD OF WORLD HEALTH ORGANIZATION

Mr. WILEY. Mr. President, the White House has sent to the Senate the nomination of Dr. H. van Zile Hyde, of New York, to be the representative of the United States of America on the Executive Board of the World Health Organization. Notice is hereby given that the nomination will be considered by the Committee on Foreign Relations after 6 days have expired, in accordance with the committee rule.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. BRIDGES:

Address delivered by Senator WELKER before the New Hampshire Federation of Republican Women's Clubs in Concord, N. H., May 22, 1953.

By Mr. HICKENLOOPER:

Statement by J. C. Holbert, president, Iowa Beef Producers Association, Washington, Iowa, discussing the reasons for lower beef prices.

By Mr. MARTIN:

Editorial entitled "Patriotism," published in a recent issue of the Pittsburgh (Pa.) Sun-Telegraph.

By Mr. BRICKER:

Editorial entitled "'Inferential' Protection," published in the Beaumont (Tex.) Enterprise of May 6, 1953; and an article by Felix Morley, published in the Nation's Business of June 1953, both dealing with the necessity of protection against the supremacy of treaty law.

By Mr. ROBERTSON:

Newsletter entitled "Tangibles and Intangibles," published in the Remington Arms Co. News Letter for April 23, 1953.

By Mr. PAYNE:

Editorial entitled "Mr. Humphrey on the Air" published in the New York Times of May 27, 1953.

By Mr. JACKSON:

Article entitled "Let's Stop Underestimating Soviet Strength," written by Marguerite Higgins and printed in the magazine This Week on May 24, 1953.

By Mr. KENNEDY:

Editorials from certain New England newspapers with reference to his plans regarding the New England economy.

By Mr. BUTLER of Maryland:

Editorial from the Washington Star of May 27, 1953, relating to appropriations for the Air Force.

The PRESIDENT pro tempore. Morning business is concluded.

MAKING OF PHOTOGRAPHS AND SKETCHES OF PROPERTIES OF MILITARY ESTABLISHMENT

The PRESIDING OFFICER (Mr. HENDRICKSON in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 1448) to amend the act of June 25, 1942, relating to the making of photographs and sketches of properties of the Military Establishment, to continue in effect the provisions thereof until 6 months after the present national emergency, which was, in line 6, after "Congress)" insert "and as further extended by section 1, Public Law 12, Eighty-third Congress, approved March 31, 1953."

Mr. SALTONSTALL. I move that the Senate concur in the amendment of the House, which is purely technical.

The motion was agreed to.

OCCASIONS FOR WEARING UNIFORM OF ARMED FORCES BY CERTAIN PERSONS

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1550) to authorize the President to prescribe the occasions upon which the uniform of any of the Armed Forces may be worn by persons honorably discharged therefrom, which were, to strike out line 7, and insert "President" issued after prior consultation with the Armed Services Committees of Congress.", and in line 11, after "the" insert "President" issued after prior consultation with the Armed Services Committees of Congress."

Mr. SALTONSTALL. Mr. President, the amendments are entirely satisfactory, and I am confident there will be no objection to them. I move that the Senate concur in the House amendments.

The motion was agreed to.

EXECUTIVE SESSION

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. HENDRICKSON in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. MILLIKIN, from the Committee on Finance:

Joseph E. Talbot, of Connecticut, to be a member of the United States Tariff Commission;

Chester R. MacPhee, of California, to be collector of customs for customs collection district No. 28, with headquarters at San Francisco, Calif.;

Charles F. Brown, Jr., to be collector of customs for customs collection district No. 42, with headquarters at Louisville, Ky.;

Cleta M. Smith, of Missouri, to be collector of customs for customs collection district No. 45, with headquarters at St. Louis, Mo.; and

Carl F. White, of California, to be collector of customs for customs collection district No. 27, with headquarters at Los Angeles, Calif.

Mr. KNOWLAND. I ask that nominations under the head of "New Reports" be considered at this time.

The PRESIDING OFFICER. If there be no further reports of committees, without objection, the clerk will proceed to state the nomination on the Executive Calendar, under the head of "New Reports."

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk read the nomination of Arthur Gardner to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Cuba.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of R. Douglas Stuart to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Canada.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of William T. Pheiffer to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Dominican Republic.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Michael J. McDermott to be Ambassador Extraordinary and Plenipotentiary of the United States of America to El Salvador.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

DEFENSE MATERIALS PROCUREMENT ADMINISTRATION

The Chief Clerk read the nomination of Edmund F. Mansure to be Defense Materials Procurement Administrator.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES COAST GUARD

The Chief Clerk read the nomination of Frank T. Kenner to be rear admiral.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

COAST AND GEODETIC SURVEY

The Chief Clerk proceeded to read sundry nominations in the Coast and Geodetic Survey.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the nominations in the Coast and Godetic Survey be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

IN THE ARMY

The Chief Clerk proceeded to read sundry nominations in the Army.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the nominations in the Army be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

REGULAR AIR FORCE

The Chief Clerk read the nomination of Midshipman John Bellows Sturges, Jr., United States Naval Academy, class of 1953, for appointment in the Regular Air Force in the grade of second lieutenant.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

IN THE NAVY

The Chief Clerk proceeded to read sundry nominations in the Navy.

The PRESIDING OFFICER. Without objection, the nominations in the Navy are confirmed en bloc.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the President be immediately notified of the nominations this day confirmed.

The PRESIDING OFFICER. Without objection, the President will be notified.

UNITED STATES MARSHAL, EASTERN DISTRICT OF WASHINGTON

Mr. LANGER. Mr. President, will the Senator from California yield for a question?

Mr. KNOWLAND. I yield.

Mr. LANGER. Mr. President, I notice under the heading "Nominations Passed Over" the name of Darrell O. Holmes, to be United States marshal for the eastern district of Washington. At the time the nomination came up in the Committee on the Judiciary the senior Senator from Washington [Mr. MAGNUSON] asked that the nomination be held up because Mr. Holmes lacked about 6 months of 20 years of service, which would entitle him to retirement. At the Senator's request I took the matter up with the Attorney General, and this morning I received a letter from the Attorney General stating that other provisions had been made for Mr. Holmes, whereby he would get another civil-service position which would insure him 20 years of service, so as to entitle him to his retirement rights.

I now ask that the action in passing over consideration of the nomination be reconsidered, because I am satisfied that the senior Senator from Washington would have no objection now to the confirmation.

Mr. KNOWLAND. I would say to the Senator from North Dakota that the nomination was passed over at the request of the minority leader, who had been in communication with the Senators from Washington. I told him it would not be acted upon, but held in abeyance. If the distinguished Senator from North Dakota will permit me to consult with the minority leader, I believe that during the day we can determine the matter so there will be no untoward delay.

Mr. LANGER. I will be very glad to show the minority leader the letter which I received from the Attorney General.

Mr. JOHNSON of Texas. I shall be very glad to cooperate with the acting majority leader. I am sure that before the day is over we will be able to reach an agreement.

LEGISLATIVE SESSION

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

DISPOSITION OF AGRICULTURAL SURPLUSES

Mr. EASTLAND. Mr. President, the channels of world trade are clogged.

The farmers of this country are suffering hard times and unless there is dynamic action on the part of the administration, American agriculture is about to take a terrific beating.

At the end of the current crop year it is estimated that there will be a surplus of 560 million bushels of wheat; 5 million bales of cotton; 700 million bushels of corn; 175 million pounds of butter, and 3,650,000,000 pounds of tobacco.

The Department of Agriculture is now feverishly seeking storage space for the gigantic grain surpluses. The newspapers state that some of our wartime merchant ships are being taken out of mothballs to store this surplus. The export of wheat has fallen and it is estimated that from a normal export of 410 million bushels last year, we will export only an estimated 275 million bushels this year. In the case of cotton our exports are falling from roughly 6 million bales during the last cotton year to 3 million bales this year.

The dairy industry has received much adverse publicity and criticism because of a butter surplus of roughly 1 pound for each American citizen. What is not generally known is that approximately one-half the 1952 American production of cottonseed oil, the base of margarine, is now owned and held in storage by the Commodity Credit Corporation.

Mr. President, I quote from a very sound article by Gerald L. Dearing, which appeared in the Memphis (Tenn.) Commercial-Appeal last Sunday:

> As of March 31 the Commodity Credit Corporation had about a quarter of a billion dollars of its funds obligated for stocks of cottonseed oil, meal, and linters. We have in storage about half of the entire 1952 crop of cottonseed oil.
>
> The Government's cottonseed oil supplies were equivalent to 1,200 million pounds of margarine. That is 8 pounds for every man, woman, and child in the United States compared with a surplus of only two-thirds of a pound of butter per person.

The Commodity Credit Corporation is trying to dispose of its butter surplus by subsidizing the use of butter in the Armed Services. But, Mr. President, we have got to admit with this backed-up

supply of margarine in addition to butter this device is a razzle-dazzle which is no solution to the disposal of our total surplus of fats comprising both margarine and butter.

These gigantic surpluses, with falling export markets, if permitted to accumulate, will blow up the farm support-price program.

Mr. President, 90 percent of parity price supports are the finest thing that has ever happened not only for American agriculture but for the Nation as a whole because it has stabilized agricultural purchasing power and thus stabilized the prosperity of the entire United States.

These surplus figures speak for themselves. They simply mean that the administration must move to export the gigantic surpluses which are being accumulated.

I suggest to the administration that we negotiate with foreign governments from whom we buy military equipment to pay for this equipment with farm products which are now in surplus supply and owned by the Government. Of course, the matter should be handled through the private channels of trade. Our allies in Western Europe and Japan do not produce all of their food and fiber supplies and are in need of our agricultural surpluses. They can get these supplies elsewhere and when part of the dollars to pay for offshore military equipment are not earmarked by agreement to be used to purchase surplus American food and fiber, these dollars are used for the purchase of industrial goods here instead because wheat, fiber, and vegetable oils can be secured in soft-currency areas. This means, Mr. President, that the American taxpayer is taking a whipping in both ways; he is taxed to pay for the surpluses which are stored and he is taxed to pay for offshore military equipment.

I know that if the administration would take the initiative to export these surpluses much of them would move abroad. The losses of the Commodity Credit Corporation would be greatly reduced; the domestic market for agricultural products would be firmed up, and American agriculture would not find itself in the desperate plight which it faces today.

American agriculture is entitled to these markets. The administration cannot afford to sit paralyzed while American farmers lead the Nation into depression. Acreage reduction will tend to control the output, but it is not the solution. The solution, if we are to prosper, must be trade. One of the great sources of dollars to pay for this surplus is the money we pay for offshore military equipment, and it is nothing but right and just, Mr. President, that some of these dollars be earmarked for the purchase of our surpluses.

Great Britain recently purchased 69,000 bales of cotton from Brazil and paid for it with 70 jet airplanes. My information is that we buy planes from the same company in Britain which made the planes for the Brazilian Government.

If we had in the United States such practical leadership as Britain has, we would not have the terrific surpluses which now plague us.

Mr. President, at this point in my remarks I ask unanimous consent to have printed an editorial which appeared in the Financial Times, of London, on February 11, together with a news article from the Financial Times of the same date.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

[From the London (England) Financial Times of February 11, 1953]

BRAZILIAN BARTER

The doubts originally aroused by the proposals for a large-scale barter deal with Brazil have not been removed now that the deal has actually come to fruition. Indeed, the developments that have occurred since the proposal was first mooted last year appear to make the principle initially used to justify the transaction extremely shaky. The only possible justification for giving Brazil 70 jet aircraft in return for some exports of cotton, instead of demanding that the sterling proceeds of these exports should go toward meeting the arrears of commercial debt due to this country, was that without some such arrangement Britain would have received no Brazilian cotton at all. In other words, the deal was to make possible a given volume of useful trade which would not otherwise have occurred.

JETS-FOR-COTTON PACT DETAILS—DEAL WITH BRAZIL WORTH £4,241,700

Terms of the cotton-for-aircraft barter deal with Brazil, which was concluded last weekend, were disclosed yesterday by the Hawker-Siddeley Group, parent company of Gloster Aircraft, which is supplying 70 Meteor jet fighters in exchange for the cotton.

Total value of the deal is £4,241,700, for which Brazil is selling 15,000 tons of cotton to the Raw Cotton Commission. The commission is to establish a credit at Lloyds in London, from sales of the cotton to the home market, and the Gloster Aircraft Co. will draw on this credit as the aircraft are delivered to Brazil.

In the course of the negotiations, it is stated, Brazil reduced the price of its cotton substantially from its original offer of about 47d per pound to about 31d per pound.

This is still, however, somewhat above the world price at which the Cotton Commission will sell to the home market.

It seems clear, therefore, that in order to make the deal possible, Gloster Aircraft has agreed to take a lower profit on its aircraft than would normally accrue from a direct cash sale at the price negotiated with Brazil.

The Cotton Commission will presumably retain this margin to cover its loss on the sale of the cotton, paying over to Gloster's less than the price of the aircraft as it is represented to Brazil.

Shipments of the cotton from Brazil, which are starting almost immediately, will be completed by the end of March.

Deliveries of the 70 Meteor fighters, beginning with the first 4 next week, are due to be completed by October this year. They are to be broken, crated and shipped over, and recrected in Brazil.

AIRCRAFT AND SPARES

The aircraft have been sold to Brazil at about £40,000 each, including their engines. On the British side, the contract also includes spares for the aircraft, and their armament, as well as financial allowance for service items including the training of Brazilian pilots and mechanics in this country, the provision of engineers to recrect the aircraft and of Gloster pilots to test them in Brazil, and shipment.

So far as Gloster Aircraft is concerned, the deal represents an important move in the search for new overseas markets for British aircraft, in order to retain labor and capacity for production of newer types of aircraft later on.

It is the first time that Brazil has bought aircraft from Britain. In the past all its aircraft have been supplied by the United States, so that the contract represents penetration of what was exclusively an American market.

TWO THOUSAND WORKERS SAVED

The extra production of Meteors which it involves will avoid laying off about 2,000 workpeople at Gloster's who would otherwise have become redundant as Meteor production tapered off.

Sir Frank Spriggs, managing director of the Hawker-Siddeley Group, pointed out at a press conference yesterday that these men would have been lost to an aircraft organization which had to be warmed up to production of the super-priority Javelin fighter, ordered under the rearmament program.

He declared that the contract was negotiated with the full blessing of the Government, and that it could not have happened without that blessing.

Sir Frank recognized that some barter deals could be to the disadvantage of the U. K., but the Government's approval of this particular deal was indicated by the fact that the Meteors for Brazil were being diverted from current production for the RAF, from the point of view of delivery dates.

Mr. EASTLAND. Mr. President, I also ask unanimous consent to have printed in the RECORD an article, explaining the Brazilian deal, published in the London Times on November 14, 1952.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the London (England) Times of November 14, 1952]

BARTER TRADE WITH BRAZIL.—COTTON FOR JET AIRCRAFT

Mr. Thorneycroft replying to questions by Mr. K. Thompson (Liverpool, Walton, C.) and Mr. Erroll (Altrincham and Sale, C.), about the sale by Hawker-Siddeley Aircraft, Ltd., of jet aircraft to Brazil on a compensation basis in return for the sale to Britain of Brazilian cotton, said that while the problems which had arisen in our trade with Brazil were serious and the Government was giving them anxious thought, they needed in their view more fundamental remedies than compensation deals. This proposed deal, which, as far as he knew, had not yet been concluded, was not a transaction between governments. The point he was asked to decide was whether, if the Hawker-Siddeley Group could dispose of aircraft to Brazil on suitable terms, and if the Raw Cotton Commission could agree terms for the purchase of Brazilian cotton, he would take steps to stop the transaction.

There would have been only two ways of intervening. Either the Government would have had to refuse an export license for the sale of aircraft to a friendly country to which no security objections applied, or else a direction would have had to be issued to the Raw Cotton Commission interfering with their freedom to buy when and where they thought it commercially desirable. Both of these steps would have been very difficult to justify if, indeed, a direction to the Raw Cotton Commission in this case would have fallen within the provisions of the Cotton (Centralised Buying) Act 1947. While barter deals were no solution to our trade problems, he did not think that the disadvan-

tages of this particular transaction were such as to justify intervention.

Mr. Thompson asked if the president was aware, setting aside the merits or demerits of barter or compensation transactions, that this deal had been negotiated in terms which implied that it was possible to obtain agreement on a rate of exchange between Brazilian and British currency. Did that not suggest that the Board of Trade might do something on the same lines on a larger scale for all channels of trade?

Mr. THORNEYCROFT. If the honorable member is suggesting that I should take this deal as an example and try to obtain barter and compensation deals all over the world, the general criticism that has been directed to this isolated and rather defensible case is my best answer.

Replying to Mr. Erroll, Mr. Thorneycroft said there was no change in the government's policy.

Mr. Erroll gave notice that he would raise the matter again.

Mr. EASTLAND. Mr. President, as a single illustration, I hold in my hand a dispatch from London, which was published recently in the Wall Street Journal. The headline is: "Britain Expected To Get $100 Million Contract From United States for Planes."

The article states that the contract about to be signed with Mutual Security Agency officials in Paris is reputed to be worth $100 million, and is to be for the purchase of "several hundred" jet fighters known as Hawker Hunter.

Mr. President, I ask unanimous consent that the article from the Wall Street Journal be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BRITAIN EXPECTED TO GET $100 MILLION CONTRACT FROM UNITED STATES FOR PLANES—JET ORDER REPORTED TO BE BIGGEST EVER PLACED BY MSA UNDER OFFSHORE PROCUREMENT PROGRAM

LONDON.—Britain in the next few days expects to receive the biggest contract America has ever placed under its offshore procurement program, according to reliable sources here.

The contract, about to be signed with Mutual Security Agency officials in Paris, is reputed to be worth $100 million, and to be for the purchase of "several hundred" jet fighters known as Hawker Hunters. The plane, whose Rolls-Royce Avon engines thrust it through the air at over 670 miles an hour, is built by Hawker Aircraft, Ltd., a subsidiary of Hawker-Siddeley Group, Inc.

It is possible, these sources disclosed, that the British may farm out part of this contract to the Dutch and Belgians, with the former building some of the aircraft, and the latter building the Avon engine for them, which can be done under an existing license with Rolls.

On the other hand, the British might undertake the venture alone, with the MSA placing an order for still more of the planes with the Dutch and Belgians, the sources said.

Mr. EASTLAND. Mr. President, Britain desperately needs wheat, vegetable oils, butter, and cotton. Why cannot our Government give us the same business leadership which the British used in her deal with Brazil?

Mr. President, I now ask unanimous consent to have printed in the RECORD, at the conclusion of my remarks, an article by Gerald L. Dearing, which appeared on Sunday, May 24, in the Memphis Commercial Appeal.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

COTTON COMMENT—PRICE SUPPORTS AT LEVELS THAT PRODUCTS CAN SELL SEEM IN THE MAKING AS SUPPLY OF COTTONSEED PRODUCTS THREATENS TO BECOME AS MUCH OF A PROBLEM AS POTATOES

(By Gerald L. Dearing)

There is an implied intention in the Department of Agriculture to seek a farm pricing policy which will move farm products to market, either at home or abroad, and do away with high-priced surpluses.

Secretary Benson's remarks on cottonseed meal and oil at the Delta Council meeting are a basis for such thinking. He said: "One of our serious problems is the Government's rapid accumulation of heavy inventories of end products under the cottonseed price-support program. As of March 31 the Commodity Credit Corporation had about a quarter of a billion dollars of its funds obligated for stocks of cottonseed oil, meal, and linters. We have in storage about half of the entire 1952 crop of cottonseed oil. Meanwhile imports of meal and linters are coming in attracted by our support prices. Imports—when we have been for years on an export basis."

It had been pointed out to the Secretary the night before, as he was musing about his 100 million pounds of excess butter stocks, that his cottonseed-oil supplies were equivalent to 1,200 million pounds of margarine. That is 8 pounds for every man, woman, and child in the United States, compared with a surplus of only two-thirds pound of butter per person.

If the screams over the potato price-support program are recalled, it can be seen that there is dynamite in the present cottonseed products price-support policy.

It is no wonder that the Secretary continued:

"These stocks are creating a problem which concerns growers as well as the rest of the cotton trade, for losses sustained under cottonseed price supports cannot fail to reflect on the soundness of the whole cotton program, including the lint program. We seek the advice and help of all of you in developing new approaches to farm programs which do not involve ownership of excessive stocks by the Government."

ESTONIAN VIEW OF SOVIET RUSSIA "PEACE OFFENSIVE"

Mr. FERGUSON. Mr. President, I have received a letter from the Estonian National Committee in the United States. Attached to that letter is a copy of a letter the Estonian National Committee in the United States sent to President Eisenhower. These letters are in reference to the so-called peace moves of the Soviet Union.

I should like to read one paragraph of the letter which was addressed to President Eisenhower, and then I shall ask unanimous consent to have the entire letter printed in the RECORD as a part of my remarks. I now read from the letter:

One of the ways in which the Soviets could prove their peaceful intentions and willingness to abide by international law would be for them to end their unlawful occupation of the Baltic states, withdraw from the Baltic states their military forces and administration, release all Baltic nationals forcibly deported to Soviet Russia, and enable the Baltic peoples to continue their national existence according to their own laws.

Certainly, Mr. President, those would be deeds, not words; and I share the views of the writer of the letter.

Because of the stand the Estonians have taken, I now ask unanimous consent to have both letters printed at this point in the RECORD, as a part of my remarks.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE ESTONIAN NATIONAL COMMITTEE IN THE UNITED STATES,
New York, N. Y., May 14, 1953.

Hon. SENATOR FERGUSON,
Senator from Michigan,
United States Senate,
Washington, D. C.

SIR: In connection with the so-called peace offensive which the Soviets have launched recently we enclose for your information a copy of a memorandum addressed to the President which expresses the position of the Estonians in the United States in regard to this maneuver.

Respectfully,

JUHAN VASAR, *President.*

(Enclosure)

MAY 9, 1953.

The PRESIDENT,
The White House,
Washington, D. C.

MR. PRESIDENT: The board of representatives of the Estonian National Committee in the United States, duly elected by Estonians in the United States, having considered and discussed the present world situation at its session on May 9, 1953, has decided to submit to you, Mr. President, the following observations:

The Estonians in the free world have followed with deep appreciation and satisfaction your endeavors on behalf of all peoples enslaved by Soviet Russia. We are convinced this feeling is shared by all Estonians behind the Iron Curtain. Your leadership guarantees that the principles embodied in your policy declarations will be actually applied all over the world, including Estonia and the other Baltic States.

On March 15, 1953, the Premier of the Union of Soviet Socialist Republics, Georgi M. Malenkov, declared:

"The Soviet policy of peace is based on respect for the rights of peoples of other countries, big and small, on observance of established international norms; Soviet foreign policy is based on strict and unflinching observance of all treaties concluded by the Soviet Union with other states.

"At the present time there is not one disputed or undecided question that cannot be decided by peaceful means on the basis of the mutual understanding of interested countries. This is our attitude toward all states, among them the United States of America."

The bitter experience of the Baltic States has proved that the Soviet Union has persistently violated the rules of international law and all treaties concluded between those states and the Soviet Union. Nothing has happened recently which might give evidence of any actual change in the behavior of the Soviets.

In view of the record of misdeeds and violations committed by the Soviets, it has to be concluded that the Soviets' so-called peace offensive is just a tactical maneuver in conformity with the Communist strategy as defined by Lenin and Stalin.

The Estonians are strongly convinced that any agreements with Soviet Russia do not lead to lasting peace but create only favorable conditions for achievement of their ultimate aim—the destruction of the entire free world.

The Republic of Estonia and the other Baltic States had concluded with the Soviet

Union a series of agreements against aggression and for the establishment of friendly relations. These agreements did not prevent in the slightest Soviet Russia from forcible annexation of these countries as independent states and enslavement of their peoples. Thus the Baltic nations were the first victims of Soviet open aggression.

One of the ways in which the Soviets could prove their peaceful intentions and willingness to abide by international law would be for them to end their unlawful occupation of the Baltic States, withdraw from the Baltic States their military forces and administration, release all Baltic nationals forcibly deported to Soviet Russia, and enable the Baltic peoples to continue their national existence according to their own laws.

By these steps could the Soviet Union show her sincerity in carrying out the policy proclaimed by Premier Malenkov.

All Estonians are deeply grateful for your endeavors, Mr. President, toward the freedom of all enslaved peoples. May God bless you.

Respectfully,

JUHAN VASAR,
President.

WALTER BRUNBERG,
Member of the Board of Directors.

ARMENIAN INDEPENDENCE DAY

Mr. FERGUSON. Mr. President, I wish to make a few remarks on the observance of today, May 28, the anniversary of Armenian independence.

It gives me a great deal of pleasure to observe the anniversary of Armenian independence, May 28, and on this occasion to extend my heartfelt good wishes to Americans of Armenian descent.

Of the many historic developments which resulted from the First World War, one of the most welcome was the rebirth of several independent states in Eastern Europe and the Near East. Some of these states had for several hundred years been deprived, against their will, of their independence and their national existence. In international councils some of the submerged nations were practically forgotten. Their past glory and freedom were remembered only in history books and in the hearts of their brave, freedom-loving countrymen. Among these nations was Armenia.

This ancient and historic people, who had lived in Eastern Asia Minor since the beginning of recorded history, had lost their national independence late in the 15th century, 500 hundred years before World War I. During nearly all that time their country was partitioned, and various segments were under the domination of the Turks, the Russians, and the Persians. Despite their long period of subjection to foreign rule, the Armenian people never lost sight of their national goal, the regaining of their political independence.

During World War I, they were the victims of large-scale massacres and brutal crimes which exterminated a large portion of the Armenian Nation. Fortunately, even these terrible disasters could not kill the Armenian desire for freedom and self-government, and the survivors sought refuge in a section of their homeland near Mount Ararat. There they proclaimed Armenian independence on May 28, 1918, the anniversary of which we commemorate today.

It is the treasured memory of these periods of freedom that keeps alive in the hearts of all Armenians the spirit of liberty and independence—blessings which all of us in America treasure so highly, and which we here must retain for those abroad who are forbidden even to think of freedom.

REGISTRATION, CLASSIFICATION, AND INDUCTION OF CERTAIN MEDICAL AND DENTAL CATEGORIES

The Senate resumed the consideration of the bill (H. R. 4495) to amend the Universal Military Training and Service Act, as amended, so as to provide for special registration, classification, and induction of certain medical, dental, and allied specialist categories, and for other purposes.

Mr. SALTONSTALL. Mr. President, the Senate now has before it House bill 4495, an act to amend the Universal Military Training and Service Act, as amended, so as to provide for special registration, classification, and induction of certain medical, dental, and allied specialist categories, and for other purposes.

Your Committee on Armed Services decided to consider the House bill because it was passed by the House by voice vote. So we used it as the basis for our consideration of this subject and tried to make it as fair as possible.

We have recommended a few amendments to it, which I should like to try to explain briefly.

First, Mr. President, I should like to say that this bill, extending the doctors' draft law, has been the subject of very extensive and lengthy consideration by the Senate Committee on Armed Services. Hearings were held for 3 days, and representatives from more than 18 groups, along with numerous individuals, were heard.

The Armed Services Committee reached the unanimous conclusion that the bill now before the Senate represents the most equitable solution to the complex problems involved in the doctors' draft law.

In the main, this bill continues the existing doctors draft law as it now operates, but, at the same time, the bill corrects many of the inequities in the existing law.

I shall discuss briefly the major provisions of the bill, and then shall attempt to answer any questions on any other portions of the bill.

First, the bill extends the present doctors draft law for 2 years, until July 1, 1955. This date, it might be pointed out, coincides with the expiration date of the authority to induct men into the Armed Forces under the Universal Military Training and Service Act.

Second, the bill corrects the vexatious problem concerning priority II doctors, who have had a considerable number of months of prior military service. Under the existing doctors draft law there might be this case: A priority II physician may have had 20 months prior military service. He could be called, as many have, for as much as 24 additional months. He would, therefore, serve a total of 44 months. A priority II doctor is presently defined as one who was deferred during the war to pursue a medical education or who participated in the Army specialized training program or similar programs and who served more than 90 days but less than 21 months subsequent to the completion of his education.

House bill 4495 reduces the 21 months to 17 months. The man with 20 months of prior service will not be qualified for priority IV and he will not be subject to call at the present time since priority III doctors must be called before those in priority IV.

The entire question of priorities is one of which doctor will serve first since the priorities beginning with I must be exhausted before reaching the next priority. It has nothing to do with how long a doctor will serve after he is called.

The next major point is that the bill shortens the periods which a physician must serve after he is called, depending upon the amount of his prior military service. House bill 4495 was amended in committee to provide for 5 different periods of service—24, 21, 19, 17, and 14 months. These periods depend on the prior amounts of military service beginning with more than 6 months up to 15 months. It was felt that this was a most equitable way of treating military veterans.

Next, the bill provides that any doctor who would be called under its provisions is exempt from liability if he has had 21 months of military service since September 16, 1940. The committee felt that the veteran with this amount of service should be protected.

Next, the bill makes it very simple for doctors to resign their commissions upon completion of their period of service. Ordinarily a commissioned officer does not receive a discharge as does an enlisted man in the Armed Forces. Most of the doctors called under this act accepted Reserve commissions rather than serve as privates, but some of the commissions were of an indefinite duration. The desire of most is to sever completely their military status when they have finished their tour of duty. This bill provides that these commissions shall be mandatorily terminated unless the doctor is registered under other provisions of the Universal Military Training and Service Act. The right of permissive resignation is extended to those doctors who were not registered under the doctors draft law but would have had to register had it not been for their membership in one of the Reserve components.

Another important provision is that a doctor who is now on active duty, but who would not have been called had the provisions of this proposed law been in effect at the time he was ordered to active duty, will be released within 90 days after the effective date of this bill. We thereby extend all the benefits of this bill not only to those who have not been called but also to those who have been called. Finally, the bill extends the $100 a month equalization pay to those physicians and dentists who come on duty after July 1, 1953. Under the Career Compensation Act of 1949, physicians and dentists entering the service after July 1, 1953, will no longer receive this pay. Under the present law, however,

those who are already on duty prior to that time will continue to receive it. The Department of Defense recommended in order to prevent a situation where some doctors would be receiving this pay and others would not, that the pay be extended. The committee agreed.

This amendment is not in any way meant to provide permanent legislation on equalization pay. The question of whether there should be permanent legislation on this subject the committee felt should be considered separately, and at a later date.

The bill also extends the $100 equalization pay to veterinarians beginning July 1, 1953. Since veterinarians are subject to the doctors draft law it was felt only fair to extend this equalization pay to them.

The committee report is before each Member of the Senate and covers the details of the bill.

Mr. President, there are a number of committee amendments, and I should be glad either to try to answer questions now, or to wait until the various committee amendments are stated, whichever Senators may prefer.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Kansas?

Mr. SALTONSTALL. I yield.

Mr. SCHOEPPEL. I should like to say to the distinguished Senator from Massachusetts that the questions I may ask him will have reference to a communication I received. Frankly, I probably should have been able to acquaint myself with certain phases of this inquiry, but I did not have an opportunity to do so, since the matter was only called to my attention last night. I have the communication to which I referred in my hand, and I desire to make certain brief quotations from it. The writer of the letter had reference to Senate bill 1531, though in general the questions he presents are equally applicable to the pending bill. He says:

Now, this matter in my opinion still includes certain inequities which must be corrected. Among these are the exempting from further service of men who have served 12 or more months since June 1950, with the result that a veteran in priority IV of perhaps 6 years' service is subject to recall prior to a man who has served for only 12 months.

Mr. SALTONSTALL. I would respectfully say to the Senator that that provision is omitted from the pending bill.

Mr. SCHOEPPEL. That is fine. The writer of the letter continues:

There is no credit given for accrued or terminal leave. The method of calling up for the priority III physicians is such that the pool will lose 3,000 men per year who become too old to serve.

Mr. SALTONSTALL. If I correctly understand the Senator's question that is taken care of by reducing the period from 21 months to 17 months.

Mr. SCHOEPPEL. He further says:

There is not sufficient——

Mr. HUNT. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Wyoming?

Mr. SALTONSTALL. I yield.

Mr. HUNT. I may say to the distinguished Senator from Kansas, if I have the permission of the Senator from Massachusetts, that we requested the armed services representatives during the committee hearing to call alternately one in the lower bracket and then one in the higher bracket, in order to prevent such a situation as that to which the Senator has referred.

Mr. SCHOEPPEL. Mr. President, I am especially pleased to have that explanation from the distinguished Senator from Wyoming. I may say that has been a very troublesome situation to certain segments of the medical fraternity who are under the call, physicians who have served, and who find themselves in a somewhat embarrassing position.

Mr. HUNT. I may add that taking into consideration and giving credit for terminal-leave time reduces the likelihood of that occurring as often as it has occurred in the past.

Mr. SCHOEPPEL. Then, Mr. President, with reference to another phase of this matter, I may say to the distinguished Senator from Massachusetts that the writer of the letter points out:

I feel that there is not sufficient authority for the National Advisory Committee, and more particularly the local advisory committee.

Mr. SALTONSTALL. I would say to the Senator that that question arose during the committee hearings. The representative of the Selective Service Board who was present, Colonel Frank, told us that the local board, in his opinion, had very broad authority regarding the situation existing in any one community, to determine, if there were 3 doctors, 2 of whom were already in the service, whether the third doctor should or should not be called? There were other questions of that character; and that, I assume, is what is referred to by the question.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield to the Senator from Rhode Island.

Mr. PASTORE. The specific question I should like to ask the distinguished Senator from Massachusetts is, in the event a doctor has already previously served 20 months and has been recalled, how much longer will he be required to serve, or when will he become eligible for release?

Mr. SALTONSTALL. He will be released within 90 days. The term of service at present is 17 months. Anyone who is in the service today and who has served longer than 17 months, but less than the full time, will be eligible for release within 90 days.

Mr. PASTORE. In other words, a doctor who has served more than 17 months previously is eligible for immediate release, or within 90 days. Is that correct?

Mr. SALTONSTALL. It is applicable as of the date he was recalled.

Mr. HUNT. Mr. President, will the Senator yield for one more question?

Mr. SALTONSTALL. I yield.

Mr. HUNT. Is it correct that, under the provisions of the pending bill, he must be released within 90 days?

Mr. SALTONSTALL. That is correct.

Mr. HUNT. There is no limit upon how quickly he can be sent abroad.

Mr. PASTORE. Do I correctly understand that anyone who has previously served more than 17 months must be released within the period of 90 days?

Mr. HUNT. That is correct.

Mr. SALTONSTALL. That is correct.

Mr. LANGER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from North Dakota?

Mr. SALTONSTALL. I yield.

Mr. LANGER. Will the Senator tell us whether the age limit has been changed?

Mr. SALTONSTALL. The age limit has not been changed. The age limit is 50 years.

Mr. LANGER. If the Senator will yield for another question, assuming that a doctor wanted to enter the service, but was rejected as being IV–F, and assuming further that, at the conclusion of the war, though he had rendered special service in a hospital, he refused to accept any of the $100 a month, but obtained additional education, for which he himself paid, could he thereafter be drafted, assuming him to be under 51 year of age?

Mr. SALTONSTALL. He can be, if he meets the physical standards. I would say to my colleague from North Dakota that on the day before yesterday there was a case in my office which was similar to the one which he has cited. The man is perfectly willing to serve. The Department of Defense has reduced the physical qualifications very materially, so that a man who was formerly in the service can be taken into the service now and be given limited duties at home or at any place where he is physically fit to go. He will not be sent overseas if he is not physically fit.

Does that answer the Senator's question?

Mr. LANGER. Not quite. A certain doctor is anxious to go, but he has been rejected because of his IV–F status. He is married and has a family.

Mr. SALTONSTALL. He can now be called if he is physically fit.

Mr. LANGER. He refused to take the $100 allowance from the Government; he educated himself. He said he was perfectly willing and able to go. The man is now approximately 50 years of age. Can he be called?

Mr. SALTONSTALL. He can be taken into the service if he physically meets the low-standard requirement for home service.

Mr. LANGER. I notice that a large number of veterinarians are to be taken. I wonder why.

Mr. SALTONSTALL. We did not change anything in that respect. I think approximately 740 veterinarians have been taken. We included veterinarians in the $100 equalization pay, because they are subject to call up to the age of 50, just as is a doctor. It was my own personal feeling that any

man who is subject to call from his private life up to the age of 50 years should be entitled to the same benefits. That is opposed to the idea of a young man who has served 2 years and then has 6 years in the Reserve, and, theoretically, would be all through at the age of 28 years. A doctor with 4 children and at the peak of his practice at 45 years of age is still able to serve; and the same applies to a veterinarian.

Mr. LANGER. Is not 50 years a rather old age for such service? The Senator has cited the case of a doctor with four children, who has established a fine practice. If we take a man away from his practice for all the months mentioned——

Mr. SALTONSTALL. There is no question that it is a high age, but we must have a certain number of doctors in the military services. Age 50 was considered to be the proper maximum for registration. Nothing is absolutely fair, but that was deemed to be appropriate. Up to that age we must get the supply of doctors we need and also leave at home doctors who are needed there. There is no other way out.

Mr. HUNT. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield.

Mr. HUNT. I should like to say to the distinguished Senator from North Dakota that in private practice a physician or a dentist is at his peak and carrying on a very active and strenuous practice at the age of 50 years. He will not be called upon to be any more active or to do any greater amount of work in the service than he is probably doing in his private practice. That is one reason, as the Senator has said. The second reason is that we feel we must go that high if we are to secure the number we must have.

Mr. SALTONSTALL. I thank the Senator from Wyoming.

Mr. LANGER. Mr. President, will the Senator from Massachusetts yield for a further question?

Mr. SALTONSTALL. I yield to permit my colleague from Wyoming, an eminent dentist, to answer the Senator's question.

Mr. HUNT. I thank the distinguished Senator from Massachusetts.

Mr. LANGER. Suppose there is only 1 dentist in a town, serving perhaps 5,000 or 6,000 people. Cannot provision be made that in such a situation dentists can be left at home?

Mr. HUNT. There is a local medical advisory board, and that advisory board, without any question of doubt, would say to the local selective-service board, "This man is essential in this community and we recommend that he be not taken." I am certain that under those circumstances he would not be taken.

Mr. SALTONSTALL. I do not think there is any question about that, if I may supplement my colleague's answer.

Mr. CARLSON. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield.

Mr. CARLSON. Perhaps the Senator from Massachusetts has already answered this question, but I have had much correspondence from doctors with reference to it. If I correctly understand, if a doctor has served 17 months he is eligible for discharge; is that correct?

Mr. SALTONSTALL. The Senator's understanding is a hundred percent correct.

Mr. CARLSON. That will be a great relief to many who have written me.

If the Senator will yield further——

Mr. SALTONSTALL. I yield.

Mr. CARLSON. I notice that veterinarians are included in the bill. I have received a large number of communications from veterinarians who are members of the ROTC, in accredited colleges, and their grades are good. At the same time, they are being given a status of I–A. It is quite a problem. They feel they are entitled to the same consideration as that accorded dentists and doctors.

Mr. SALTONSTALL. I would say, in answer to the Senator's question, that doctors are taken in by regular draft and are given commissions. At the present time I believe there are sufficient veterinarians, so that they have not had to be drafted. That is my understanding.

Mr. CARLSON. Mr. President, will the Senator from Massachusetts yield further?

Mr. SALTONSTALL. I yield.

Mr. CARLSON. Students, however, who are taking advanced veterinarian work have received commissions in the ROTC, the same as doctors. Is that correct?

Mr. SALTONSTALL. I believe so.

Mr. GRISWOLD. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield.

Mr. GRISWOLD. I should like to have an explanation of the generalized wording in line 17 on page 9, where reference is made to persons "in medical, dental, and allied specialist categories." I should like to have an explanation of why those general terms are used—"allied specialist categories."

Mr. SALTONSTALL. I would answer the Senator's question by saying that that is a definition of certain persons as contained in the basic act.

Mr. GRISWOLD. Are those words defined in some other place?

Mr. SALTONSTALL. That is correct. We put those words in the House bill merely for clarification.

Mr. GRISWOLD. Can the Senator state what those words mean under the provisions of the bill?

Mr. SALTONSTALL. As it now stands, I am informed that the definition includes physicians, dentists, and veterinarians, so that the allied specialist would be a veterinarian, and no other person.

Mr. GRISWOLD. It does not include nurses or laboratory technicians?

Mr. SALTONSTALL. No.

Mr. GRISWOLD. I thank the Senator from Massachusetts.

Mr. SCHOEPPEL. Mr. President, will the Senator from Massachusetts yield for a question?

Mr. SALTONSTALL. I yield.

Mr. SCHOEPPEL. I should like to cover a matter which I have been requested to present to the Senator from Massachusetts.

I hold in my hand a telegram from a doctor who represents a number of excellent medical men; in fact, they have collaborated on many phases of the proposed legislation, and they want to be helpful. They recognize that it is very important that the men in the service should receive adequate medical help and assistance. They say that the bill should be passed, but that group III should be called, the oldest, first, so as to provide more experienced doctors in case of emergency.

I should like to have the Senator's explanation as to how that would be handled under the terms of this bill.

Mr. SALTONSTALL. We discussed that point in the committee. It was deliberately omitted from the House bill, and we decided not to include it in our version of the bill. It is my recollection—and I am subject to correction by my colleague from Wyoming [Mr. HUNT]—that General Armstrong, representing the Department of Defense, stated that they would follow that course so far as they could, but it was wiser not to put it into the law.

I ask the Senator from Wyoming if he will substantiate or correct that statement.

Mr. HUNT. The Senator from Massachusetts is quite correct with respect to our conversations with the military. I might add that if we took only from the upper bracket of priority III we would get an imbalance with reference to age; that is, we would get more of the older men. Because of some of the types of services these men must perform on the front line, it is necessary that we have a balance between the older men and the younger men. This was suggested to the military, and they promised that they would take one from the lower bracket and one from the upper bracket. The object is to prevent those in priority III from getting beyond the age limit before they are called. The military is going to watch that rather closely.

Mr. SCHOEPPEL. Mr. President, will the Senator from Massachusetts further yield?

Mr. SALTONSTALL. I yield.

Mr. SCHOEPPEL. I wish to refer to a matter to which my attention has been called. I think there is some validity in the approach to the matter, and I am glad to hear the Senator from Wyoming say that the military have indicated how they would choose the men in these groups.

It has been pointed out to me that the minor deficiency is in first calling up the youngest in group III. My correspondent says:

> I realize that this sounds reasonable, but there are two factors which should be strongly considered. First, the calling up of only younger men who haven't had long training could result in an inadequate number of men of high skill to handle complicated injuries and illnesses. Secondly, there is a definite morale factor among the IV's because these older III's include many of the men who could have been in the service if they had chosen to waive a minor ailment which was a disability only from the viewpoint of the military.

I thought I should point that out, because, in making a history of the case, I believe my correspondent has a valid approach to the problem.

Mr. HUNT. The Senator's correspondent has a very valid approach. In

order to get into the service those who had been previously deferred because they did not meet physical qualifications, the qualifications now are being stepped down considerably, and men are now being taken in who have been deferred heretofore as physically not fit.

Mr. SCHOEPPEL. Mr. President, will the Senator yield further?

Mr. SALTONSTALL. I yield.

Mr. SCHOEPPEL. Another matter pointed out as a deficiency in the bill, as stated to me, is that it allows anyone now on active duty to resign his commission on completing his tour of duty, which currently is 24 months. My correspondent says:

I have had nearly twice this length of service, yet I am a "captive reserve" in the Navy. They won't let me resign. I have never been interested in the Navy Reserve. I accepted a commission in it in order to contribute my services and do my part during World War II. They now have a draft law to supply them with doctors, and yet the Navy alone holds its reserves captive.

I am not seeking to have this matter decided merely by way of a question, but does the Senator have any comment on that phase of the situation?

Mr. SALTONSTALL. That subject came up very actively in the committee. The person to whom the Senator has referred as a reservist can now resign his commission, just as can those who were called up. The committee covered specifically the type of case to which the tor from Kansas has referred.

Mr. SCHOEPPEL. I thank the Senator from Massachusetts. I am certain that his explanation will answer some of the questions in the mind of the doctor who has written to me.

Mr. SALTONSTALL. Mr. President, I suggest that the committee amendments now be stated.

The PRESIDING OFFICER. The clerk will state the first amendment of the committee.

Mr. HUNT. Mr. President, with the approval of the chairman of the committee, I ask that the amendments be considered en bloc.

Mr. SALTONSTALL. I believe that would be very helpful.

The PRESIDING OFFICER. Without objection, the committee amendments will be considered and agreed to en bloc.

The committee amendments agreed to en bloc are as follows:

On page 1, line 7, after the word "duty", to strike out "and active duty for training"; in line 8, after the word "in", to strike out "subsections 101 (b) and (c)," and insert "subsection 101 (b) of the"; in line 10, after the word "service", to insert "subsequent to September 16, 1940"; on page 2, line 7, after the numerals "1940", to strike out "and (D)," and insert "(D)"; in line 10, after the word "allied", to insert a semicolon and "and (E) service performed as physicians or dentists by United States citizens employed by the Panama Canal Health Department between September 16, 1940, and September 2, 1945"; in line 23, after the word "Guard", to strike out the comma and "or while being processed for entry into or separation from any such program"; on page 3, line 4, after the word "degree", to strike out "and"; in line 6, after the word "physical", to strike out "examination." and insert "examination;" after line 7, to insert:

"(D) periods of active duty for training, performed subsequent to the enactment of this subsection, as defined in subsection 101 (c), Armed Forces Reserve Act of 1952 (66 Stat. 481); and

"(E) periods of active service which terminate subsequent to April 30, 1953, in other than an Armed Force terminated by orders which specify that such termination is without the approval of the agency concerned."

On page 4, line 6, after the word "thereof", to insert a colon and *"Provided*, That any such person who is not a citizen of the United States, who is appointed as a commissioned officer, may in lieu of the oath prescribed by section 1757 of the Revised Statutes, as amended (5 U. S. C. 16), take such oath of service and obedience as the Secretary of Defense may prescribe."

On page 5, line 2, after the word "to", to strike out "physicians and" and insert "physicians"; in line 3, after the word "dentists", to insert "and veterinarians"; in line 11, after the word "law", to insert "any person liable for induction under the act of September 9, 1950, as amended, or"; on page 6, line 3, after the word "of", to strike out "17" and insert "12"; in line 18, after the word "of", to strike out "17" and insert "12"; on page 7, line 21, after the word "amended.", to strike out "The period of active duty such persons may be required to perform shall not exceed 24 months, and if they have performed a total of 12 months or more of active service, as defined in paragraphs (4) and (5) of subsection 4 (i) of the Universal Military Training and Service Act, as amended, since September 16, 1940, but prior to the date of their order to active duty under this subsection, such period shall not exceed 17 months." and insert "The period of active duty that any such person may be required to perform shall not exceed (A) 24 months if he has had less than 6 months of active service, as defined in paragraphs 4 (i) (4) and (5) of the Universal Military Training and Service Act, as amended; (B) 21 months if he has had at least 6 but less than 9 months of such service; (C) 19 months if he has had at least 9 but less than 12 months of such service; (D) 17 months if he has had at least 12 but less than 15 months of such service; (E) 14 months if he has had at least 15 or more months of such service, since September 16, 1940, but prior to the date of his order to active duty under this subsection."

On page 9, line 4, after the word "not", to insert "as of the effective date of this act"; in line 7, after the word "shall", to insert "if he makes application therefor"; in line 17, after the word "Persons", to insert "in medical, dental, and allied specialist categories"; on page 10, line 5, after "(i)", to insert "(2)"; in line 10, after "(i)", to strike out "(1) and"; in line 22, after the word "for", to insert "not less than"; at the top of page 11, to insert:

"SEC. 8. Section 203 of the Career Compensation Act of 1949, as amended, is amended (1) by deleting in subsection (a) thereof, the date 'July 1, 1953', wherever it appears therein, and inserting in lieu thereof the date 'July 1, 1955'; (2) by deleting in subsection (b) thereof, 'subsection (a)' where it first appears therein, and inserting in lieu thereof 'subsections (a) and (c)'; and (3) by adding at the end thereof the following new subsection:

"'(c) The term "commissioned officer", as used in this section, shall, in addition to those categories defined in subsection (a) hereof, include (1) those commissioned officers in the Veterinary Corps of, or designated as veterinary officers in, the Regular Army and Air Force and commissioned veterinary officers of the Regular Corps of the Public Health Service who are on active duty on the date of enactment of this subsection; (2) those commissioned officers of the Veterinary Corps of, or designated as veterinary officers in, the Regular Army and Air Force and commissioned veterinary officers of the Regular Corps of the Public Health Service, who were retired prior to the date of enactment of this subsection and who thereafter but prior to July 1, 1955, have been or may be assigned to active duty; (3) those officers who subsequent to the date of enactment of this subsection but prior to July 1, 1955, may be commissioned in the Veterinary Corps of, or designated as veterinary officers in, the Regular Army and Air Force or as veterinary officers of the Regular Corps of the Public Health Service; (4) such officers who on the date of enactment of this subsection are or who hereafter may be commissioned in the veterinary Corps of, or designated as veterinary officers in, the Army Reserve, the Air Force Reserve, the Army of the United States, the Air Force of the United States, or as veterinary officers of the Reserve Corps of the Public Health Service and who are on active duty on the date of enactment of this subsection as a result of having been called or ordered to extended active duty of 1 year or longer, or who may, prior to July 1, 1955, be called or ordered to extended active duty of 1 year or longer; (5) general officers appointed from the Veterinary Corps of, or previously designated as veterinary officers in, the Regular Army, the Army Reserve, the Army of the United States, the Regular Air Force, the Air Force Reserve, and the Air Force of the United States who are on active duty on the date of enactment of this subsection; and (6) general officers who, subsequent to the date of enactment of this subsection, may be appointed from those officers of the Veterinary Corps of, or from those officers designated as veterinary officers in, the Regular Army, the Army Reserve, the Army of the United States, the Regular Air Force, the Air Force Reserve, and the Air Force of the United States who are included in parts (1), (2), (3), or (4) of this subsection.'"

And on page 13, line 3, to change the section number from "8" to "9."

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 4495) was read the third time and passed.

Mr. SALTONSTALL. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House thereon, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. SALTONSTALL, Mr. BRIDGES, Mr. FLANDERS, Mr. RUSSELL, and Mr. BYRD conferees on the part of the Senate.

Mr. DOUGLAS subsequently said: Mr. President, let me say to my good friend, the Senator from Massachusetts, that unfortunately I was not on the floor when the so-called doctors draft bill was passed; I did not think it would be passed as quickly as it was.

So I should like to ask the Senator from Massachusetts whether his committee considered including as "active duty" and "active service," in subsection 4 (i), service in the merchant marine during the period of active hostilities from December 7, 1941, to September 2, 1945. This would permit those doctors who served as seamen in the country's merchant marine in that period to be liable to draft only in priority IV, instead of in the nonveteran priority III.

Mr. SALTONSTALL. The committee did. It heard witnesses on that subject,

and had quite a long discussion in executive session on the question whether the merchant marine should be included.

After discussion, we decided not to include the merchant marine, even though several of the members of the committee felt there was considerable merit to the proposition of including the merchant marine.

We reached that decision because of the position in which we would be involved in respect to the Red Cross and a number of other groups of that character, and particularly because of the problems involved in a broad general way in connection with the GI bill of rights, the educational facilities for GI veterans, and other problems in connection with the selective-service law.

We felt that if the merchant marine were to be included, in order to receive the service benefits accorded to veterans, that should be done in a broad general way, and not in connection with the doctors draft law.

There is a great emotional plea by certain persons who served on the Murmansk run and other runs. The service rendered by them and the fact that many members of the merchant marine died in the service make one feel very sympathetic toward including them in the same general group.

However, inasmuch as there were no doctors in the merchant marine and inasmuch as the matter involves such broad general questions, about which the veterans' organizations have a great deal of feeling, we did not believe that what the Senator from Illinois has suggested should be done; and the committee did not vote to do it.

Mr. DOUGLAS. Mr. President, does not the Senator from Massachusetts feel that in many cases a great injustice is being done to former members of the merchant marine, because although in many cases the pay was high and although in some cases the men served intermittently and escaped the draft, nevertheless more than 6,000 men in the merchant marine were either killed or missing during the period of hostilities; and during the war the Provost General's Office recognized service in the merchant marine as equivalent to military service.

Mr. SALTONSTALL. I agree with the Senator from Illinois. As I have said, as a member of the committee I have listened to discussions of this subject during the past 5 years.

We have a great deal of sympathy with those in that service. They were very brave.

However, the difficulty is that if the merchant marine is included, then what about the Red Cross and other organizations, and how far shall we go in making the GI bill of rights available to them?

Mr. DOUGLAS. Is it the intention of the Armed Services Committee to keep this problem under review and to consider whether in the future it may be possible to accord a greater degree of justice to those who experienced dangers and did not obtain undue advantages from their service in the merchant marine?

Mr. SALTONSTALL. I would say to my colleague from Illinois that the problem comes up constantly. I think the only way it can ultimately be solved, if the treatment of it is to be changed, is to have a subcommittee study the subject and what is involved and hold very full hearings which would permit the veterans' organizations and the military services to discuss the matter, rather than to attempt to handle it under a 2-year extension.

Mr. DOUGLAS. I thank the Senator from Massachusetts.

Mr. SALTONSTALL. I thank the Senator from Illinois.

APPROPRIATIONS FOR THE DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE

Mr. SCHOEPPEL. Mr. President, I move that the Senate proceed to the consideration of the bill (H. R. 4974) making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes, with the distinct understanding that there will be no votes on the bill today.

The PRESIDING OFFICER. If the Senator from Kansas will temporarily withhold his motion, the Chair wishes to announce that a number of routine nominations are lying on the desk and should be considered in executive session. The Chair would entertain a motion that the Senate proceed to the consideration of executive business.

Mr. SCHOEPPEL. Mr. President, the acting majority leader, the Senator from California [Mr. KNOWLAND], desired that I inform the Chair that he wished to be notified with respect to the call of the Executive Calendar. I assure the Presiding Officer that that has been done, and I understand that the acting majority leader will be on the floor in a very short time.

The PRESIDING OFFICER. The question then recurs on the motion of the Senator from Kansas that the Senate proceed to the consideration of H. R. 4974.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 4974) making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes, which had been reported by the Committee on Appropriations with amendments.

Mr. MANSFIELD obtained the floor.

Mr. WILLIAMS. Mr. President, will the Senator from Montana yield to me for 10 or 15 minutes?

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Delaware?

Mr. MANSFIELD. I yield, provided I do not lose my right to the floor.

Mr. WILLIAMS. I thank the Senator.

The PRESIDING OFFICER. With the understanding that he will not lose the floor, the Senator from Montana yields to the Senator from Delaware.

MERGER OF KAISER-FRAZER CORP. AND WILLYS-OVERLAND MOTORS, INC.

Mr. WILLIAMS. Mr. President, recently the press gave widespread attention to the merger as agreed upon by the Kaiser-Frazer Corp. and the Willys-Overland Motors, Inc., and the Reconstruction Finance Corporation, who helped finance the deal.

About the same time public announcement was made that Mr. John W. Snyder, the former Secretary of the Treasury and a former member of the Policy Board of the Reconstruction Finance Corporation, had 9 days after leaving the Government service accepted a position as vice president of Willys-Overland.

Upon reading that this proposed merger was being encouraged and perhaps financed by the Reconstruction Finance Corporation, I placed an inquiry as to what benefits through improved positions or possible repayments would develop so far as the Government loans were concerned.

With one of our former top Government officials getting a rather lucrative position with one of the companies involved, I wanted to know whether or not the best interests of the Government had been fully protected.

As a result of this inquiry I have received certain detailed information which I shall incorporate in the RECORD; however, first I wish to point out that upon reviewing this report I am convinced that the United States Government is the loser by several million dollars under the proposed merger agreement.

I make that statement because in this report I fail to find one single instance in which the position of the Government loans is improved; on the other hand, there are many instances in which our position is much worse.

Before placing in the RECORD the documents showing how under this merger agreement the best interests of the United States Government were completely ignored, I shall go back to 1948, at which time the Kaiser group purchased from the United States Government the Willow Run bomber plant and began financing their venture in the automobile field out of the Federal Treasury.

At the end of World War II the United States Government, through the General Services Administration, held title to the Willow Run bomber plant, the construction cost of which was $42,804,479.57.

This plant was declared surplus, and on December 1, 1948, was sold to the Kaiser-Frazer Corp. for $15,100,000; terms, 10 percent down payment with a proviso that the remaining $13,590,000 be secured by a 20-year first mortgage. This mortgage was to bear interest at the rate of 4 percent and provide for annual installments on the principal of $679,500.

Even before this sales agreement had been executed and the mortgage recorded, the Kaiser group had filed application with the Reconstruction Finance

Corporation for a $35 million loan to operate the plant.

Before approving this loan the Reconstruction Finance Corporation required certain collateral, and the General Services Administration agreed to allow the Kaiser enterprises to use the Willow Run bomber plant, which at that time had not been paid for and upon which the mortgage had not been recorded, as collateral for the $35 million loan.

This $35 million loan was approved upon these terms, using an unpaid-for Government plant as collateral, and the General Services Administration finally recorded their note as a second mortgage.

At this point I ask unanimous consent to have incorporated in the RECORD a memorandum prepared by the General Services Administration confirming this highly irregular transaction.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

I. QUESTIONS WITH RESPECT TO THE SALE OF THE FORMER WILLOW RUN BOMBER PLANT TO KAISER-FRAZER CORP.

The subject property constituted the industrial portion of Plancor 151 (RR-Mich. 54B), Ford Motor Co., Willow Run bomber plant, Ypsilanti, Mich. This Plancor was constructed by the Defense Plants Corporation for the manufacture of B-24 bombers for the Army Air Force, and was operated during World War II by the Ford Motor Co. The Reconstruction Finance Corporation declared the Plancor surplus on January 4, 1946, subject to the lease which that agency had made with the Kaiser-Frazer Corp. under date of November 1, 1945. On December 1, 1948, the former War Assets Administration sold to the Kaiser-Fraser Corp. those portions of the Plancor leased under agreement between the Reconstruction Finance Corporation and the Kaiser-Fraser Corp., dated November 1, 1945, and all amendments thereto.

1. "What was the date and the original sales price of this property to the Kaiser Enterprises?"

A letter of intent was issued by the former War Assets Administration under date of December 1, 1948, and accepted by the Kaiser-Frazer Corp. on December 2, 1948. This letter of intent constituted the sales agreement and set forth the terms of sale to the Kaiser-Fraser Corp. of that portion of Plancor 151 leased under the agreement between the Reconstruction Finance Corporation and the Kaiser-Frazer Corp., dated November 1, 1945, and all amendments thereto, together with 74.411 acres of land and 2,238 feet of railroad spur track. The letter on intent reveals that the sale price to Kaiser-Frazer Corp. was $15,100,000.

2. "What are the terms of sale and interest rates on the loan?"

The terms of sale to the Kaiser-Frazer Corp. as set forth in the above-mentioned letter of intent called for a down payment of $1,510,000 and a 20-year mortgage providing for yearly installments of $679,500 each, together with interest at the rate of 4 percent per annum on the balance.

3. "How much remains outstanding on this loan and what collateral do you have pledged as security?"

The records of this administration reveal that the outstanding balance owed the Government on the subject property is $12,231,000. For your further information in this respect the following is a schedule reflecting the payments made to the Government:

Purchase price	$15,100,000
Down payment	1,510,000
Mortgage	13,590,000

Principal	Mortgage	Interest
Dec. 5, 1949	$13,590,000 679,500	$543,600
Dec. 1, 1950	12,910,500 0	516,420
Dec. 12, 1950	12,910,500 679,500	1,060,020 0
Dec. 1, 1951	12,231,000 0	1,091,020 489,240
Dec. 1, 1952	12,231,000 0	1,549,200 489,240
	12,231,000	2,038,500

With respect to the nonpayment of principal for the years 1951 and 1952 the following information is submitted:

By letter dated April 21, 1951, to Kaiser-Frazer Corp., the General Services Administration agreed to grant deferments of principal payments on the purchase of the Willow Run plant until May 30, 1954, or the earlier repayment of a revolving credit of $25 million to be financed by private banking institutions. Said letter was based on the understanding that private financing was necessary to Kaiser-Frazer for the performance of certain defense contracts, and that such financing could be obtained provided all defense work was placed in a separate subsidiary of Kaiser-Frazer and principal payments on the Willow Run plant deferred by General Services Administration. Kaiser-Frazer was to extend the GSA mortgage to cover certain parts of the plant which had been acquired by Kaiser-Frazer Corp. from private parties and were not then subject to the Government's mortgage. The stock of the subsidiary handling defense work was to be assigned to General Services Administration subject to the prior rights of Reconstruction Finance Corporation. Pursuant to this commitment General Services Administration entered into agreement, dated June 20, 1951, with Kaiser-Frazer Corp. whereby General Services Administration agreed to defer all principal payments on the purchase of the Willow Run plant "until May 30, 1954, or 3 months after maturity of the revolving credit, or 3 months after payment and termination of the revolving credit, whichever is the earliest." Interest on the indebtedness of the Kaiser-Frazer Corp. to the General Services Administration was unaffected by this agreement and continues to be paid on the existing due dates. The principal balance of the Kaiser-Frazer Corp. indebtedness to the General Services Administration on that date was $12,231,000 subject to final audit. Kaiser Manufacturing Corp., wholly owned subsidiary of Kaiser-Frazer Corp. into which all defense work had been placed, entered into credit agreement dated June 1, 1951, with certain banking institutions financing the revolving credit as follows:

	Amount	Percent
Bank of America National Trust and Savings Association	$11,125,000	44½
Mellon National Bank & Trust Co.	11,125,000	44½
Bankers Trust Co.	2,750,000	11
Total	25,000,000	100

The revolving fund was guaranteed by Kaiser-Frazer Corp. and partially guaranteed by the Department of the Air Force. It is being used to finance the performance of 4 contracts (referenced in the credit agreement) with the Department of the Air Force for such items as C-119 and C-119C airplanes and R-1300 and R-1300-1 aircraft engines. Four subcontracts for the supply of the components of P2V airplanes are also named in said credit agreement as having been entered into pursuant to prime contracts with Lockheed Aircraft Corp.

With respect to the matter of collateral the General Services Administration holds a mortgage on the Willow Run property sold to Kaiser-Frazer Corp., which mortgage has been subordinated to the Reconstruction Finance Corporation. In addition, this Administration holds a mortgage on additional property acquired by Kaiser-Frazer Corp. for the expansion of the subject plant, as well as 3,000 shares of capital stock of the Kaiser Manufacturing Co. Both of these latter items of collateral security are subject to prior liens of the Reconstruction Finance Corporation, as explained below.

4. If this is not a first mortgage loan please explain the circumstances wherein you lost your prior position?

As of December 31, 1948, when the former War Assets Administration entered into an agreement with the Kaiser-Frazer Corp. covering the sale of the subject property to that corporation the property was Government-owned and free of any encumbrances. Before the quitclaim deed from the Government to Kaiser-Frazer Corp. was executed on November 4, 1949, as of December 1, 1948, the Kaiser-Frazer Corp. applied to the Reconstruction Finance Corporation for a loan as did Kaiser-Frazer Sales Corp. One of the conditions imposed by the Reconstruction Finance Corporation to a loan of $34,400,000 to the Kaiser-Frazer Corp. was that the Reconstruction Finance Corporation receive a paramount mortgage upon the Willow Run plant. Under the terms of the sale between War Assets Administration and Kaiser-Frazer Corp. there was paid to the Government $1,510,000 leaving $13,590,000 to be secured by a purchase money mortgage. In order to assist in the financing proposed by the Reconstruction Finance Corporation, the General Services Administration as the successor to War Assets Administration, on November 4, 1949, executed a subordination agreement as to the lien position of the purchase-money mortgage, in favor of the Reconstruction Finance Corporation with respect to its $34,400,000. It is our understanding that the mortgages and the subordination agreement were all recorded simultaneously so that the first time any mortgage encumbrances upon the property appear in the local record is on the date of the joint recordations, November 8, 1949, the mortgages being $13,590,000 in favor of General Services Administration and $34,400,000 in favor of Reconstruction Finance Corporation, with the former mortgage being subordinated in lien position to the RFC mortgage. The subordination agreement executed by General Services Administration was as to lien position only and did not affect GSA's rights to receive payments upon the purchase-money-mortgage debt.

Under the agreements in question the Reconstruction Finance Corporation was required to look first to its other security in the event of default of Kaiser-Frazer Corp. before looking to the Willow Run plant.

Subsequently, on December 6, 1950, General Services Administration subordinated its purchase money mortgage, then reduced to $12,231,000, to an additional mortgage executed by Kaiser-Frazer Corp., to Reconstruction Finance Corporation to secure obligations not to exceed $35 million from Kaiser-Frazer Sales Corp. to Reconstruction Finance Corporation. Thus, there then appeared of record the purchase money mortgage reduced to $12,231,000, the original $34,400,000 mortgage from Kaiser-Frazer Corp. to Reconstruction Finance Corporation, and the new mortgage to secure a debt not to exceed $35 million to Kaiser-Frazer Sales Corp., such mortgage having been executed by Kaiser-Frazer Corp., with the purchase money mortgage being subordinated to the other two mortgages. This new advance by Reconstruction

Finance Corporation to Kaiser-Frazer Sales Corp. was secured in part by automobiles in storage.

It is our understanding that the agreement of Reconstruction Finance Corporation to advance up to $35 million to the sales corporation represented, in effect, a consolidation of an original $10 million advance made by Reconstruction Finance Corporation to the sales corporation secured in part by automobiles, and a new request from the sales corporation for an additional $25 million. It is our further understanding that as late as April 1951 only $22,500,000 had been advanced by the Reconstruction Finance Corporation on the $35 million potential loan.

Mr. WILLIAMS. Mr. President, upon receiving the above information from the General Services Administration I requested from Mr. Harry A. McDonald, then the Administrator of the Reconstruction Finance Corporation, their version of this transaction; and under date of May 19, 1953, I received a reply signed by Mr. K. R. Cravens, the new Administrator.

In this letter, which I shall later incorporate in the RECORD, Mr. Cravens pointed out the position of the RFC loans both prior to and after the merger of the Kaiser-Frazer and Willys-Overland companies.

This report confirms that the former administration representatives failed completely to protect the interests of the United States Government.

The merger agreement between these two companies as approved by the Reconstruction Finance Corporaton will undoubtedly result in the loss of many additional millions by the American taxpayers.

Before incorporating this report I shall review the RFC loans which had been granted to this group:

First. On October 6, 1949, the Reconstruction Finance Corporation approved a $34,400,000 loan to the Kaiser-Frazer Corp. This is the loan referred to previously as having been secured by a mortgage on the Willow Run bomber plant, which plant had been assigned to the Kaiser group by the General Services Administration without its first having been paid for. The repayment schedule provided for under this loan of $34,400,000 called for annual principal payments in the amount of $3,440,000. Final maturity date was listed as November 5, 1959.

Second. On October 21, 1949, the Reconstruction Finance Corporation extended a second loan of $10 million to the Kaiser group. This loan was scheduled to mature in 18 months from the date of the note.

Third. On December 4, 1950, the Reconstruction Finance Corporation granted a third loan of $25 million to the Kaiser group. This $25 million loan was to bear interest at the rate of 5 percent per annum and provided for payment of the principal on or before November 7, 1951.

The payment of these three RFC loans was secured by a mortgage on the Willow Run bomber plant, which as I have heretofore pointed out, had been bought from another Government agency but which had not been paid for, plus an additional guaranty to the extent of $20 million, which guaranty was given by the Henry J. Kaiser Co.

This later $20 million guaranty was secured as of December 31, 1952, by $20 million worth of Government bonds.

This briefly outlines the position of the Reconstruction Finance Corporation and the General Services Administration prior to the merger negotiations.

I shall now list what I consider to be the reprehensible manner in which the Reconstruction Finance Corporation released several million dollars worth of good collateral in favor of the two merging companies, thereby placing the Federal Government so far as collecting its unpaid balance is concerned in an even more precarious position. For instance:

First. The Reconstruction Finance Corporation released the $20 million worth of Government bonds which had been placed as collateral for their outstanding obligations in exchange for a $15 million payment on the notes. We thereby lost $5 million of certain collateral.

Second. As collateral toward the payment of the Reconstruction Finance Corporation and the General Services Administration obligations, the Government had held all the common stock of the Kaiser Manufacturing Co., a wholly owned subsidiary of the Kaiser-Frazer Corp. As of November 30, 1952, the book value of the common stock of this company was $4,235,000.

This amount included $1,250,000 which had been paid into this subsidiary by the parent company and thereby actually represented $1¼ million of Government funds, since the Kaiser-Frazer Corp. was obtaining its cash from the Reconstruction Finance Corporation.

Under the merger arrangements the Reconstruction Finance Corporation relinquished its rights to prior claim of this company's assets and agreed that it might pledge these asests as security for a $20 million loan from the Bank of America, the purpose of which loan was to carry out the merger agreement.

Likewise, the Reconstruction Finance Corporation agreed that the Kaiser-Frazer Manufacturing Co. could issue a certain amount of preferred stock, which further reduced the equity of the common stock.

Third. The Reconstruction Finance Corporation has agreed to waive practically all payments upon the principal of their obligations for the next 3 years and allow the Kaiser-Frazer—Willys-Overland group to use all cash accumulated during this period toward paying off the stockholders of the two concerns.

Fourth. Another inducement toward carrying out the merger agreements, and one which will cost the American taxpayers millions, is that provision in the tax law whereby the group expect to cancel the earnings of the Willys-Overland Motors, Inc. against the accumulated losses of approximately $30 million by the Kaiser-Frazer enterprises and thereby avoid all Federal income taxes for the next few years. This tax saving, based upon our present 52-percent corporation tax rates, not giving any consideration to our excess profits tax, is the equivalent of a $15 million bonanza.

Of course in all of this maneuvering the $12,231,000 note which was held by the General Services Administration, representing the unpaid balance of the original purchase price of the Willow Run bomber plant, was, as usual, subordinated to all other obligations. Their position might well be described as one of those "when and if" positions.

The Reconstruction Finance Corporation furthermore graciously agreed that the merged corporation through sinking fund arrangements could earmark their earnings not for the payment of their obligations to the Federal Government but rather toward the repayment of their outside obligations and the various stockholders.

At this point I ask unanimous consent to have incorporated in the RECORD the report referred to above as prepared by the Reconstruction Finance Corporation under date of May 19, 1953.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

RECONSTRUCTION FINANCE CORPORATION,
Washington, D. C., May 19, 1953.

Hon. JOHN J. WILLIAMS,
United States Senate,
Washington, D. C.

DEAR SENATOR WILLIAMS: Pursuant to the request contained in your letter of March 26, 1953 to Mr. Harry A. McDonald, Administrator, Reconstruction Finance Corporation, the following report is submitted respecting this Corporation's $34,400,000 loan (hereinafter called the first loan) to Kaiser-Frazer Corp., Willow Run, Mich. (hereinafter called Frazer) and this corporation's $10 million and $25 million loans (hereinafter respectively called the second loan and the third loan) to Kaiser-Frazer Sales Corp., Willow Run, Mich. (hereinafter called sales), a wholly owned subsidiary of Frazer:

A. HISTORY OF THE LOANS

The first loan was authorized by the Board of Directors of RFC by resolution adopted on October 6, 1949, as amended, for the purpose of providing funds for the acquisition and installation of tooling for new model automobiles and for operating expenses. Funds in the aggregate amount of $33,520,497 were disbursed on account of the first loan beginning approximately November 7, 1949, and the sum of $879,503 of the $34,400,000 authorization was canceled. The repayment schedule provided for the payment of interest at the rate of 4 percent per annum monthly beginning in 1 month from the date of the note, and for principal payments in the amount of $940,000 on the second day of each calendar year beginning January 2, 1951, and in the amount of $2,500,000 on the first day of July of each year beginning July 1, 1951, and for additional annual principal payments equal to 50 percent of borrower's net earnings, with a final maturity of 10 years from the date of the note—November 7, 1959.

The first loan was secured by a first mortgage covering Frazer's fixed assets, then appraised at a going-concern value of $67,177,000 and at a liquidating value of $37,333,000, and all fixed assets thereafter acquired by Frazer and a pledge with voting rights of all of the capital stock of Frazer's subsidiaries, including all of the capital stock of Kaiser Manufacturing Co. (hereinafter called "Manufacturing").

The second loan was authorized by the Board of Directors of RFC by resolution adopted on October 21, 1949, as amended, for the purpose of providing funds for the purchase from Frazer of new automobiles for delivery to distributors and dealers. Funds in the aggregate amount of $10 million were

disbursed on account of the second loan beginning approximately December 7, 1949. The repayment schedule provided for the payment of interest at the rate of 4 percent per annum monthly beginning in 1 month from the date of the note and for a final maturity in 18 months from the date of the note—May 7, 1951. No fixed principal repayments were required by the repayment schedule.

The second loan was secured by the prime hypothecation, with right of withdrawal and substitution, of new automobiles having an aggregate loan value, as determined by the schedule of loan values specified by RFC, of not less than the outstanding principal balance of the second loan. The schedule of loan values was specified as follows, representing 90 percent of the dealers' wholesale price f. o. b. Willow Run, plus Federal excise taxes and $92 average weighted freight charge:

Kaiser special	$1,491
Kaiser traveler	1,619
Kaiser de luxe	1,700
Kaiser vagabond	1,766
Frazer	1,841
Frazer Manhattan	1,949

It was further required that the loan values of automobiles hypothecated as collateral for the second loan plus funds in cash collateral account should at no time be less than the outstanding principal balance of the second loan. The second loan was further secured by the hypothecation, subject only to the hypothecations thereof securing the first loan, of all property and interests hypothecated as collateral for the first loan.

The third loan was authorized by the Board of Directors of RFC by resolution adopted on December 4, 1950, for the purpose of providing (a) not more than $2,500,000 for relending by sales to Frazer for the performance by Frazer of a subcontract with Lockheed Aircraft Corp. in the approximate amount of $4,600,000, and (b) the balance for the purchase by sales from Frazer of new Kaiser and Henry J. model automobiles and for either the performance by sales of defense contracts or subcontracts approved by the RFC Board of Directors or for relending by Sales to Frazer for the performance by Frazer of defense contracts or subcontracts approved by the RFC Board of Directors. Funds in the aggregate amount of $22,625,128 were disbursed on account of the third loan beginning approximately December 8, 1950, and the sum of $2,374,872 of the $25 million authorization was canceled. Of the total funds disbursed on account of the third loan the sum of $2,500,000 was disbursed for relending by sales to Frazer for the performance by Frazer of the Lockheed Aircraft Corp. subcontract and the sum of $20,125,128 was disbursed for the purchase by Sales from Frazer of new automobiles. The repayment schedule provided for the payment of interest at the rate of 5 percent per annum payable monthly beginning in 1 month from the date of the note and for the payment of principal on or before November 7, 1951. No fixed principal repayments were required by the repayment schedule.

The third loan was secured by the assignment of the promissory note of Frazer to sales in the amount of $2,500,000 evidencing the amount reloaned by sales to Frazer, secured by the assignment by Frazer to sales and the reassignment by sales to RFC of the moneys due and to become due to Frazer under the Lockheed Aircraft Corp. subcontract and the prime hypothecation of warehouse receipts, with right of release and substitution, covering new Kaiser and Henry J. model automobiles having a wholesale selling price f. o. b. Willow Run, Mich. (book value), of not less than 111⅛ percent of the unpaid balance of that part of the proceeds of the third loan disbursed for the purchase by sales from Frazer of new Kaiser and Henry J. model automobiles. The third loan was further secured by the hypothecation, subject only to the hypothecations thereof securing the first loan and the second loan, of all property and interests hypothecated as collateral for the first loan.

The payment of the first loan, the second loan, and the third loan was guaranteed to the extent of $20 million in the aggregate, by Henry J. Kaiser Co. (hereinafter called "Kaiser Co.") and such guaranty was secured by collateral having a sound value, in the opinion of the RFC Board of Directors, of not less than $15 million.

The payment of the second loan and the third loan was unconditionally guaranteed by Frazer.

B. STATUS OF LOANS AS OF MARCH 31, 1953

In the service and administration of the three loans, changes and adjustments were made at times in the repayment schedules, the collateral requirements, the guaranty agreement of Kaiser Co., and the amount and nature of the collateral securing such guaranty.

As of the close of business on March 31, 1953, the principal of the first loan had been reduced by principal payments in the aggregate amount of $8,527,158, leaving as of that date an outstanding principal balance of $24,993,339. Interest on the first loan was current having been paid to April 7, 1953. The repayment schedule then in effect provided for the payment of interest monthly at the rate of 4 percent per annum, a principal payment in the amount of $2,500,000 on May 15, 1953, principal payments in the amount of $940,000 on the second day of each calendar year, and $2,500,000 on July 1 of each year, and the annual 50 percent net earnings payments. The final maturity remained the same as originally fixed—November 7, 1959.

The first loan was secured by a first mortgage covering Frazer's fixed assets having a net book value of $40,530,290, and a pledge, with voting rights, of all of the capital stock of Frazer's subsidiaries, including all of the capital stock of Manufacturing.

As of the close of business on March 31, 1953, the principal of the second loan and the third loan had been reduced by principal payments in the aggregate amount of $9,203,228, leaving as of that date an outstanding principal balance on account of the second loan and the third loan of $23,421,900. Interest on both loans was current. The repayment schedule provided for the payment of interest monthly at the rate of 5 percent per annum and for May 30, 1954, as the final maturity of both loans.

The second and third loans were secured by the hypothecation of parts and accessories inventory, parts and accessories accounts receivable, accounts receivable from dealers, sundry accounts receivable, and new automobiles having the following respective book values: $3,274,400, $606,565, $723,600, $932,432, and $15,873,181. The second and third loans were further secured by the hypothecation, subject only to the hypothecations thereof securing the first loan, of all property and interests hypothecated as collateral for the first loan. The third loan was further secured by an assignment of the promissory note executed by Frazer to sales in the principal amount of $7,274,641 due and payable May 30, 1954, with interest thereon at the rate of 5 percent per annum, in connection with which Frazer then had unencumbered production inventories having a book value of $10,249,217, subject to hypothecation as additional collateral for the third loan upon the request of RFC pursuant to an agreement between Frazer and RFC.

The payment of the first loan, the second loan, and the third loan was guaranteed to the extent of $20 million in the aggregate by Kaiser Co., and such guaranty was then secured by $20 million par value United States Treasury bonds. The payment of the second loan and the third loan was unconditionally guaranteed by Frazer.

C. AGREEMENT BY RFC TO REARRANGE LOANS IN CONNECTION WITH ACQUISITION BY MANUFACTURING OF OPERATING ASSETS OF WILLYS-OVERLAND MOTORS, INC.

In connection with the acquisition by Manufacturing of the operating assets of Willys-Overland Motors, Inc., and in consideration of—

1. A loan in the amount of $15 million by Kaiser Co. to Frazer and the payment of such amount by Frazer to RFC for application on account of the payment in full of the third loan and in reduction of the outstanding principal balance of the second loan;

2. The payment of the sum of $10 million by Kaiser Co. to Frazer for the purchase of common capital stock of Frazer;

3. A loan in the amount of $5 million by Frazer to Manufacturing to be evidenced by the promissory note of Manufacturing in like amount payable on or before November 7, 1959, with interest at the rate of 5 percent per annum payable semiannually beginning June 30, 1953, and with provision for fixed semiannual sinking-fund principal payments in the amount of $250,000 beginning with the first June 30 or December 31, as the case may be, following the repayment in full of a $20 million term loan from Bank of America to Manufacturing, and for additional semiannual sinking-fund principal payments each in an amount equal to 85 percent of the net earnings of Manufacturing for the preceding 6 months' period, after provisions for Federal income and excess-profits taxes and after credit for the fixed sinking-fund principal payment made 30 days prior thereto, the first such additional sinking-fund principal payment to be due and payable 30 days after the first June 30 or December 31, as the case may be, following the repayment in full of the $20 million Bank of America term loan, and with provision that the rights of the holder thereof shall be subordinate to the rights of Bank of America under the $20 million term loan and the rights of the holders of the class A preferred stock of Manufacturing, and that no payment shall be made on the principal of such note until the $20 million term loan has been repaid in full and all of the class A preferred stock of Manufacturing has been redeemed;

4. The assignment of the $5 million note referred to in item 3 hereof by Frazer to RFC as collateral for the first loan and the second loan with the right in RFC to apply the payments received thereunder on account of the principal of the first loan;

5. The pledge, subject only to the prior lien of Bank of America under the $20 million term loan to Manufacturing and the prior rights of the holders of the class A preferred stock of Manufacturing therein and thereto, of 500,000 shares of the common capital stock of Kaiser Steel Co. (having a then market value of approximately $5 million) by Kaiser Co. to RFC as collateral for the $5 million promissory note of Manufacturing referred to in item 3 hereof;

6. The subordination of the obligation of Frazer in the amount of $15 million issued by Frazer to Kaiser Co. evidencing the $15 million loan referred to in item 1 hereof to the claims of RFC respecting the first loan and the second loan and to the claims of General Services Administration respecting the purchase-money note and mortgage on the Willow Run plant of Frazer; and

7. The written agreement of Manufacturing with RFC that Manufacturing will not pledge, mortgage, or otherwise convey the plants, machinery, or equipment acquired by it from Willys-Overland Motors, Inc., except as Manufacturing may be required to so do

pursuant to its obligations with Bank of America respecting the $20 million term loan, and pursuant to its obligations respecting any short-term borrowings, not exceeding $10 million in the aggregate, which are necessary for and are used to satisfy the liabilities of Willys-Overland Motors, Inc., assumed by Manufacturing.

RFC agreed to—

(a) Effect the release to Kaiser Co. of the guaranty agreements executed by Kaiser Co. respecting the first loan, the second loan, and the third loan, and the collateral securing such guaranties;

(b) Effect a change in the provisions of the note evidencing the second loan so as to provide that the maturity thereof will be on or before June 30, 1956, and that principal payments will be due and payable thereon as follows: $1,421,089 on or before June 30, 1954, $2,000,811.60 on or before December 31, 1954, $1,671,089 semiannually beginning June 30, 1955;

(c) Effect a change in the collateral requirements respecting the second loan so that inventories of service parts and accessories, accounts receivable, and finished automobiles will have the same respective loan values as those established by RFC and in effect immediately prior to January 21, 1953;

(d) Effect a change in the provisions of the note evidencing the first loan so as to provide that (i) no principal payments will be due and payable thereon prior to the maturity thereof until the payment in full of the second loan, and (ii) upon payment in full of the second loan, consecutive semiannual principal payments (in lieu of the fixed principal payments then required) in the amount of $1,671,089 will be due and payable thereon beginning with the first June 30 or December 31, as the case may be, following such repayment in full;

(e) Permit the transfer of the assets of Kaiser & Frazer Parts Corp. (a wholly owned subsidiary of Frazer) to Frazer, provided that all real property, equipment, machinery, and tools so transferred shall be hypothecated as collateral for the first loan and the second loan;

(f) Effect a change in the pledge agreement respecting the common capital stock of Manufacturing so as to provide that Frazer, the owner of such stock, may vote the same, not inconsistent with any obligations of Frazer and Sales, or either of them, to RFC, so long as neither Fraser nor Sales is in default on account of the first loan or the second loan; and

(g) Enter into an agreement with Frazer providing that in the event of any default by Frazer in payment of its indebtedness on account of the first loan or by Sales in payment of its indebtedness on account of the second loan, RFC will not sell or dispose of any of the common capital stock of Manufacturing, pledged by Frazer to RFC as collateral for the first loan and the second loan, until the repayment in full of the $20 million Bank of America term loan to Manufacturing.

D. STATUS OF LOANS AS OF THE CLOSE OF BUSINESS ON APRIL 30, 1953

The rearrangement of the loans pursuant to the agreement set forth in part C hereof was consummated on April 28, 1953, at which time the sum of $15 million was received by RFC. Of this amount the sum of $13,499,909 was applied in payment in full of the third loan and the sum of $1,500,001 was applied on account of the principal of the second loan.

As of the close of business on April 30, 1953, the principal of the first loan had been reduced by principal payments in the aggregate amount of $8,529,066 leaving an outstanding principal balance of $24,991,431. Interest was current. The repayment schedule then in effect provided for the payment of interest monthly at the rate of 4 percent per annum, semiannual principal payments in the amount of $1,671,089 beginning with the first June 30 or December 31 as the case may be following the repayment in full of the second loan and the annual 50 percent net earnings payments after the repayment in full of the second loan. Under the repayment schedule, no principal payments were required prior to the maturity of the first loan until the repayment in full of the second loan. The final maturity of the first loan remained the same as originally fixed—November 7, 1959.

The first loan was secured by a first mortgage covering Frazer's fixed assets having a net book value of approximately $40,530,290, a pledge, with voting rights, of all of the capital stock of Frazer's subsidiaries (except Manufacturing) and a pledge, with voting rights after default on account of the first loan or the second loan, of all of the common capital stock of Manufacturing.

As of the close of business on April 30, 1953, the principal of the second loan had been reduced by principal payments in the aggregate amount of $1,578,099, leaving an outstanding principal balance of $8,421,901. The interest was current. The repayment schedule then in effect provided for the payment of interest monthly at the rate of 5 percent per annum, for a final maturity of June 30, 1956, and for the following principal payments thereon: $1,421,089 on or before June 30, 1954; $2,000,811.60 on or before December 31, 1954; $1,671,089 semiannually beginning June 30, 1955.

The second loan was secured by the hypothecation, subject to the hypothecations thereof securing the first loan, of all property and interests hypothecated as collateral for the first loan and the hypothecation of parts and accessories inventory, parts and accessories accounts receivable, accounts receivable from dealers, sundry accounts receivable, and new automobiles having the following respective book values: $3,102,415, $478,025, $856,852, $872,780, and $12,503,098. The collateral formula provided that at no time should the unpaid principal balance of the second loan exceed 80 percent of the book value of the parts and accessories inventory, 75 percent of the book value of the parts and accessories accounts receivable, and 90 percent of the book value of the accounts receivable from dealers, sundry accounts receivable, and new automobiles then hypothecated, and that in the event of a deficiency at any time in the required amount of collateral sales will be obligated to deposit cash collateral with RFC in the amount of such deficiency.

The payment of the second loan was unconditionally guaranteed by Frazer.

The first loan and the second loan were further secured by the assignment of the $5 million promissory note executed by Manufacturing to Frazer described in item (3) of part c hereof with the right in RFC to apply the payments received thereunder on account of principal of the first loan and the payment of such $5 million promissory note was secured by the pledge, subject only to the prior lien on the Bank of America under its $20 million term loan to Manufacturing and the prior rights of the holders of the class A preferred stock of Manufacturing therein and thereto, of 500,000 shares of the common capital stock of Kaiser Steel Co. having a market value of approximately $5 million.

There is attached the annual report 1952 issued by Frazer, which sets forth the financial condition of Frazer and its subsidiaries, including Manufacturing, the recapitalization of Manufacturing, the details of the acquisition by Manufacturing of the operating assets of Willys-Overland Motors, Inc., including the financing of such acquisition and the benefits to be derived from such transactions.

Sincerely,

K. R. CRAVENS,
Administrator.

Mr. WILLIAMS. Mr. President, this briefly outlines the position of the Reconstruction Finance Corporation and the General Services Administration both prior to and after the merger agreements. However, I point out that there have been other loans made to this syndicate upon which the United States Government has guaranteed payments.

For instance, as of February 28, 1953, there were three V-loans upon which the Federal Reserve Banks of San Francisco, New York, and Philadelphia had guaranteed 90 percent payment.

The first of these loans upon which there is a $19 million balance outstanding was negotiated with the Kaiser Manufacturing Co., while the second and third loans with outstanding balances of $12 million and $12,980,000, respectively, were negotiated with 2 affiliated companies, namely, the Chase Aircraft Co. and the Kaiser Metal Products Co.

As of February 28, 1953, there was an outstanding balance on these three loans of $43,980,000.

I ask unanimous consent to have incorporated in the RECORD at this point a record of these loans as prepared by Mr. William McC. Martin, Jr., Chairman of the Board of Governors of the Federal Reserve System.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM,
OFFICE OF THE CHAIRMAN,
Washington, April 7, 1953.

The Honorable JOHN J. WILLIAMS,
United States Senate,
Washington, D. C.

DEAR SENATOR WILLIAMS: Reference is made to your letter of April 1, 1953, addressed to Gardner L. Boothe II, requesting information regarding V-loans made to the Kaiser enterprises.

As you know, under the provisions of the Defense Production Act of 1950, the Federal Reserve Banks act only as fiscal agents of the United States in executing V-loan guaranty agreements on behalf of the armed services and certain other departments of the Government participating in the defense program. Neither the Board of Governors nor the Federal Reserve banks originate, approve, nor disapprove the loans made by commercial banks and guaranteed by the Government.

The Board's records indicate that on June 15, 1951, the Department of the Air Force authorized the Federal Reserve Bank of San Francisco, as its fiscal agent, to execute a guaranty agreement covering 90 percent of a $25 million loan to be made by the Bank of America N. T. & S. A., San Francisco, Calif., to the Kaiser Manufacturing Corp., of Willow Run, Mich. As of February 28, 1953, $19 million of this loan was outstanding.

The records further indicate that on December 21, 1951, the Department of the Air Force authorized the Federal Reserve Bank of New York, as its fiscal agent, to execute a guaranty agreement covering 90 percent of a $15 million loan to be made by the Mount Vernon Trust Co., Mount Vernon, N. Y., and the Chase National Bank, New York City, to the Chase Aircraft Co., Inc., West Trenton, N. J. There was a balance outstanding of $12 million on this loan February 28, 1953.

The records also indicate that on July 26, 1951, the Department of the Air Force authorized the Federal Reserve Bank of Philadelphia, as its fiscal agent, to execute a guaranty agreement covering 80 percent of a $2 million loan made by the Pennsylvania

Co. for Banking and Trusts, Philadelphia, Pa., to Kaiser Metal Products, Inc., Bristol, Pa. Subsequently, the Air Force authorized increases in this loan as follows:

September 5, 1951, loan increased to $6 million.

March 31, 1952, loan increased to $8 million.

July 2, 1952, loan increased to $11 million.

October 3, 1952, loan increased to $13 million and the percentage of guaranty increased to 85 percent.

March 17, 1953, loan increased to $20 million until August 1, 1953, after which date the maximum credit available will be reduced to $15,500,000 and the percentage of guaranty increased to 90 percent.

There was outstanding a balance of $12,980,000 on this loan February 28, 1953.

In view of the fact that under the provisions of the Defense Production Act relating to the V-loan program, the Federal Reserve banks act, not on their own behalf, but merely as fiscal agents of the several guaranteeing agencies of the Government, inquiries regarding operations under the program should properly be addressed to the guaranteeing agencies themselves. I would, therefore, suggest that should you desire further information regarding these loans or other matters in connection with the program that you communicate directly with the appropriate guaranteeing agency. For your information, the departments of the Government which have authority to guarantee loans are the Departments of the Army, Navy, Air Force, Commerce, Interior, Agriculture, and the Atomic Energy Commission, General Services Administration, and Defense Materials Procurecent Agency.

With kindest regards.

Sincerely yours,

WILLIAM McC. MARTIN, Jr.

Mr. WILLIAMS. Mr. President, thus we find that after the merger of these two corporations and after the $15 million payment had been made—which payment was made in exchange for the release of $20 million worth of Government bonds previously held as collateral—the new syndicate still owes the United States Government, either as direct loans or through loan guaranties:

1st loan, RFC, balance due Apr. 30, 1953	$24,903,339
2d loan, RFC, balance due Apr. 30, 1953	8,421,901
Loan, GSA, balance due Dec. 1, 1952	12,231,000
1st V-loan,[1] balance due Feb. 28, 1953	19,000,000
2d V-loan,[2] balance due Feb. 28, 1953	12,000,000
3d V-loan,[3] balance due Feb. 28, 1953	12,980,000

[1] Kaiser Manufacturing Co., 90 percent guaranteed.

[2] The Chase Aircraft Co. (one of Kaiser enterprises), 90 percent guaranteed.

[3] Kaiser Metal Products, Inc. (one of Kaiser enterprises), 90 percent guaranteed.

Or a total of approximately $89 million.

Mr. President, I may say that since preparing this statement I have been informed that it does not represent all the loans which the Kaiser enterprises received from various Government agencies. I hope to have a complete report later.

I understand that the V-loans referred to above are secured against existing Government contracts.

An examination of this report clearly demonstrates that there are many ways under the newly arranged merger whereby the stockholders of these two companies can gain; however, from every angle there is only one result as far as the Federal Government is concerned and that is, the taxpayers lose.

Agreement on the part of the United States Government as to the merger arrangements as outlined above was approved by the executive officers of the respective Government agencies under the former administration.

Likewise, the merger arrangements were approved by the old Policy Board of the Reconstruction Finance Corporation, of which John W. Snyder was the key member.

Significantly, 9 days after Mr. Snyder resigned from Government service he obtained a position as vice president of the Willys-Overland Co., one of the companies which stands to gain substantially as a result of this deal.

Mr. McDonald, former Administrator of the Reconstruction Finance Corporation, upon questioning emphatically denied that he had discussed this merger agreement or its terms with Secretary Snyder while he was in office and pointed out that he was confident that Mr. Snyder had not taken any part in the arrangements due to the fact that during the weeks immediately prior to his separation from Government service on January 20, 1953, he was enjoying a little relaxation away from his office.

This explanation, however, cannot be reconciled with Mr. Snyder's own action, because I point out that upon his separation from Government service on January 20, 1953, he filed a claim for $5,476.56 as accumulated annual leave on the basis that during his term of office he had been so busy attending to his official duties he had been unable to take any time off.

After the new administration took over on January 20, 1953, and prior to the final agreement being signed, the policy board of the new administration objected strenuously to the agreements which had been reached by the old regime and issued an emphatic rejection of any proposal that the Reconstruction Finance Corporation or the General Services Administration should relinquish any preferred position as regards to collateral which they then held.

However, Mr. McDonald, the holdover Administrator of the Reconstruction Finance Corporation, exercised his legal right as the Administrator of that agency to override the recommendations of the new policy board and signed on behalf of the Federal Government the agreement relinquishing $5,000,000 in Government securities and other collateral as outlined above.

It is significant and perhaps not without point that Mr. McDonald, who so arbitrarily overrode the recommendations of some of the most important members of his new policy board in approving these merger agreements, submitted his resignation from that agency exactly 2 days following his notification that this entire transaction was under investigation.

The record of the Kaiser syndicate as relating to loans from the Federal Government, as well as to the awarding of contracts, has been a continuous record of favoritism and special consideration.

Mr. President, I most respectfully suggest that the appropriate committee of the United States Senate, launch a thorough examination of this pampered stepchild of a discredited Government agency and that in the course of this investigation the former Government officials who in their official capacity failed to adequately protect the Government's interest be called upon for further explanation.

Mr. President, I might add that, while Mr. McDonald denied that he had discussed these questions with Secretary Snyder, nevertheless, he does admit he did discuss the case with the present Secretary of the Treasury, Mr. Humphrey, and I quote his statement:

> I did undertake to discuss the matter with Secretary Humphrey, however, in part because of the tax implications of the transaction, and in part because of my knowledge of his concern with budgetary matters.

Mr. President, Secretary Snyder, by virtue of his position, automatically was the key man on the policy board of RFC. Likewise, when Secretary Humphrey took office, he, too, was the key member. Therefore it is only natural that they should discuss the subject.

It is strange indeed that this important deal, which the former administrator of the RFC admitted was of such importance that he saw fit to discuss it with the new Secretary of the Treasury, now says that at no time did he ever discuss it with the former Secretary, Mr. Snyder.

That may well be true. However, when I asked whether the former Secretary of the Treasury had disqualified himself because he was going to accept employment with the company after leaving office, I was told that that was not the case. Mr. McDonald denied he knew the Secretary was even considering going with the company, or that he discussed it with him in any way at all. The same tax implications existed before January 20 as did afterward; likewise, the same budgetary questions were there. Both men held the same position, and it is hard to understand why it was so important to make a record of discussing it with one and not the other. Remember Mr. McDonald admits that these merger negotiations began in late December 1952 or nearly 4 weeks before Mr. Snyder left office. I believe an explanation should be forthcoming as to why the man who held a top position in the United States Government and was the ranking member of the policy board of the agency which financed these transactions, should be able to get a vice presidency with the company 9 days after leaving Government service. One does not negotiate a vice president with a major company in 9 days. If these discussions regarding Mr. Snyder's future employment were going on prior to January 20, it raises a grave question because it was the Treasury Department of which Mr. Snyder was the head that ruled on the tax phase of this merger while it was the RFC that made the decision to release the collateral and to extend the payments of our loans. Mr. Snyder served as the ranking member of the policy board of that agency.

PERSONAL STATEMENT BY SENATOR MORSE

Mr. MANSFIELD. Mr. President——

Mr. MORSE. Mr. President, will the Senator from Montana yield, to permit me to ask unanimous consent to speak for 5 minutes, with the understanding that in yielding for that purpose he will not lose the floor? I have to catch a train, and I have a very unpleasant task to perform for 5 minutes.

Mr. MANSFIELD. I yield.

Mr. MORSE. Mr. President, yesterday I said on the floor, in the course of my speech, that the Associated Press lied in a story it published about me.

I repeat the statement today; it did lie.

I wish to say that earlier in the week when the Associated Press writer smeared me in a story which left with the people of my State the false impression that I was a poor sport as a result of the action taken by the Senate on the committee assignment matter—which was exactly the impression the writer of the article left—and, if he had any brains at all, he would have known he would have left that impression when he wrote that I left the floor "fighting mad" after the decision of the committee assignment matter—he continued the record which has been that of the Associated Press for some months.

I rise now to advise my colleagues that, following the taking of the recess yesterday afternoon, even before the galleries had emptied, and at a time when visitors were still in the galleries, and when some Members of the Senate were still on the floor of the Senate, that Associated Press man came through the door to the left of the rostrum, approached me on the floor of the Senate, addressed me, and in an insulting and brazen manner said, "I understand I have had the honor of being called a liar by you."

I made clear to him that I did not call him a liar, but that his story lied.

I tell him so again today.

I rise to point out to the members of the Press Gallery that when they come to the floor of the Senate, they do so as guests of the Senate; and I do not intend to have this incident constitute a precedent that Senators have to take any insults from any member of the Press Gallery.

I happen to be one Member of the Senate—and I think the same may be said of the other 95 Members of the Senate—who is not afraid of the press. If there is anyone in the press who thinks he is some little third degree artist let him get it through his skull now that I do not propose to be insulted on the floor of the Senate by any man in the Press Gallery; and if such an incident as the one I have referred to is repeated, I shall take the position that the member of the Press Gallery who acts in any such manner is personally obnoxious to me, and I shall request of the Senate that he be banned from the floor of the Senate.

I think the men of the press can understand this language.

I do not know what has gotten into some of them. I do not know what it is that makes them think that liberals on the floor of the Senate, in the midst of this administration, are going to take the kind of treatment we are taking from some persons here, such as the Associated Press, without making a protest on the floor of the Senate.

I wish to say to the Associated Press that until I receive an apology for the conduct of their correspondent on the floor of the Senate yesterday afternoon, I never want a member of the Associated Press ever to darken the door of my office, because as of now they are persona non grata, so far as the junior Senator from Oregon is concerned; and I would not give them a conference on any subject, because I do not trust their veracity, I do not trust their intellectual honesty, I do not trust their journalistic ethics. I think the Associated Press will understand that language.

I warn the Associated Press and anyone else in the Press Gallery that if there is a repetition by any correspondent of the conduct which occurred on the floor of the Senate yesterday—whether in reference to the junior Senator from Oregon or in reference to any other Senator—I shall insist that the rule be applied. I have consulted the Sergeant at Arms this morning, and also the Senator from Arizona [Mr. HAYDEN], a member of the Committee on Rules and Administration, the only member of that committee I could find; and I am assured I am correct in the announcement I now make: Let the members of the press understand that when they walk on the floor of the Senate or into the cloak rooms when the Senate is in recess, they do so as guests of the Senate, and they should try to conduct themselves as guests of the Senate, or else the junior Senator from Oregon will do what he can to see to it that they are barred from admission to the floor of the Senate and to the cloak rooms.

THE 18 MONTHS' TAX DODGE

Mr. MANSFIELD. Mr. President, I was pleased to note that the President in his speech of May 19, recommended that the excess-profits tax be continued until January 1, 1954. I hope sincerely that the Congress will see fit to accept the President's recommendation and will extend the excess-profits tax, which expires on June 30, 1953, to January 1, 1954.

It would be catastrophic if the excess-profits tax were to be dropped on June 30, as the law now provides, and the last income-tax increase extended until January 1, 1954, as the law also provides. I believe that before any action is taken to end or reduce the excess-profits tax, income taxes should, as a matter of necessity and simple justice, first be reduced. I believe, at the same time, that certain rectifications should be made in our income-tax laws so that exemptions would be raised from $600 per person to $1,000 per person; that allowances should be made for tax-reduction purposes on the incomes of widowed mothers who are compelled to work in order to provide adequately for their children; and that the income-tax law, as it applies to overseas incomes in section 116 (a) (1) and (2) of the Internal Revenue Code of the Revenue Act of 1951, should be corrected.

Under this section of the Revenue Act of 1951, United States citizens working abroad for 17 out of 18 months are exempted from tax on the income earned abroad. Adopted primarily to aid technicians, skilled workmen, managers, and so forth, to go abroad, and tied in as it is, with the point 4 program, actors and actresses have also taken advantage of it. Other stars are said to be insisting that their studios give them work abroad. Apparently some stars concede the tax-saving purpose of their foreign travel, while others deny a definite tie-in. There is evidence that not many can actually take advantage of it. This provision should be withdrawn with respect to actors, who were never intended to be the beneficiaries of it, although it is generally believed that they qualify under the terms of the statute.

The most vocal opposition to the migrations of movie stars has come from labor unions, who fear the loss of work opportunity for local workers, artists, extras, and so forth, by reason not only of stars going abroad, but also because of the shooting of entire pictures abroad. It appears that the independent studios, as distinguished from the major studios, are the principal groups that are increasing their production of foreign pictures. It appears, further, that blocked funds abroad and lower cost factors have also influenced an increase in the number of pictures made abroad.

Since Congress, in 1951, exempted from tax the incomes of United States citizens working abroad for 17 out of 18 months, the press from time to time has carried notes of particular actors or actresses who have gone abroad for extended periods in order to avoid the payment of income taxes in the United States. In addition, much discussion is being aroused by news of production abroad by American companies, linking the foreign production with the benefits which will accrue to the stars by reason of continuous absence abroad.

According to a statement attributed to the chairman of the Hollywood A. F. of L. Film Council, and carried in the Hollywood Reporter of January 26, 1953, there are 32 top names in Hollywood who are rejecting assignments to make American pictures, unless made outside the United States, and unless they are thus given the opportunity to take advantage of the 18-month tax-free period.

An earlier press item somewhat discounted the importance of the emigrations abroad. The Christian Science Monitor of March 8, 1952, pointed out that many foreign locations were planned for 1952. The press item then continued:

> Usually leading actors return to Hollywood for a certain proportion of the shooting, at least in the case of the major studios. • • • It seems likely, therefore, that only a few Hollywood people would find the so-called 18-month club a profitable enterprise.

A recent item, published in the Washington Daily News of February 26, 1953, indicated that many stars will be taking off for Europe and that a herd of filmfolk have already taken advantage of the loophole to stash away some of their

huge earnings. This article further says:

Several stars who have been working abroad are on the last lap of their 18-month tour of duty.

Gene Kelly was sent to Europe by MGM over a year ago, and when he finishes Brigadoon, in England, his time will be up. At the salary Gene commands, he should return a wealthy man.

Claudette Colbert, according to Hollywood reports, has told friends she'll have better than $500,000 in the sock when she returns from abroad.

Gary Cooper • • • flew to Samoa last May and after finishing Return to Paradise flew to Canada for some fishing and is now in Mexico making a picture. Coop is slated for a trip to Europe after his South of the Border picture.

Errol Flynn will have completed his 18-month stint in August and will have to carry his savings home by freighter.

According to the Los Angeles Times of January 18, 1953, Gene Kelly, one of the actors named as staying abroad in order to avoid United States income taxes, denies the tax motive as the reason for his absence. He attributes his stay abroad solely to the decision of MGM, his employer. If his employer asks him to return, he must return; if it asks him to stay in Europe, then he must remain. MGM has a reason for the foreign making of films, namely, that it is done with frozen funds.

Another story on foreign activities of American studios is set forth in Vanity, one of the industry's trade publications. Under date of November 3, 1952, it makes the following statement:

Hollywood's constantly growing trend toward overseas production zooms to an all-time high this year, with more than 50 pictures turned out abroad. A total of 46 either have been completed or currently are before the cameras to date, while at least 12 more are slated to roll in foreign parts between now and end of 1952.

Twenty countries have already been repped in American companies' farflung lensing operations, and backgrounds in another four will be used for those coming up. Tendency has been more and more for films to be made entirely abroad, where in previous years the number was few, most of Hollywood's operations being to send location companies overseas for exteriors and interiors finish here. This practice still is followed, but studios are coming to the realization that considerable coin may be saved by completing the job abroad.

To a great extent, films are still financed by frozen funds, but cheaper production costs and the desire to limn fresh foreign backgrounds has led to the increased utilization of American dollars for these junkets. It is felt in many production quarters that such fields yield valuable exploitation assets which will be more than recouped at the box office.

As a result of the quest to line up unfamiliar and spectacular story and scenic backdrops American producers have been covering the whole world. Even the most inaccessible part of the globe is none too ambitious a project. A sterling example here is a project which will be launched in November, Irving Allen and Cubby Broccoli's Warwick Productions, The White South.

England, as in the past, still is the favored site for Hollywood producers, due both to the fact that greater amounts of frozen sterling are available and the greater production facilities of London. Africa probably leads as the next most popular location and American eyes are also turning to India.

Of those pictures either ended or now shooting, the lineup includes: England, 17; Africa, 4; France and Mexico, 3; India, Israel, Germany, and Canada, 2. Single films have been made in Trinidad, Japan, Guatemala, Argentine, Italy, Jamaica, Alaska, Samoa, Fiji Islands, Spain, Peru, and Hawaii. Slated locations for upcoming films before the end of 1952 are: Africa, England, Norway, and Sweden, 2 each; and China, Italy, France, and Jamaica, 1 apiece.

India producers far outdistance the majors in foreign production, but the majority of the latter is scheduling added films out of the country. A breakdown of production already completed or at work discloses that the indies have 20 films to their record; Twentieth-Fox, 8; Metro, 6; Columbia, 4; Paramount, 3; Warners, 2; and Universal-International, Republic, and Allied Artists, 1 each.

It's interesting to note that 8 indies are using technicolor and 1, Ansco. Nine of the majors made use of technicolor and 1, trucolor.

With as much as possibly one-sixth of Hollywood's total output this year being made abroad, there has been growing irritation among the labor unions over this out-of-country production policy, and representations already have been made by leaders to curb such film making. It is argued, and rightly, that the practice gives Hollywood technicians less employment.

Producers in many cases send whole production crews abroad, but in the majority of instances either only key personnel accompany troupe or crews are lined up 100 percent in the country in which the picture is made. This, unions maintain, is obviously unfair, to slough off craftsmen who have spent their whole lives in attaining the technical skill they have to offer. Even the actors are grumbling, since many Thespians abroad are cast in roles which normally would have been filled here.

Major studios—not independents—deny that there is a planned increase in overseas filming. A statement issued by the Association of Moving Picture Producers, and carried in the Hollywood Reporter of January 23, 1953, reads:

A complete discussion of the various aspects of the problem was held. • • • The projected figures of foreign productions showed that there would be no increase of foreign productions in 1953 over the figures for 1952 by these companies.

The figures disclosed that foreign production in 1952 by these companies was less than that done by them in 1951.

The labor unions, however, appear not to have been satisfied with the discussions. Thus, according to the Hollywood Reporter of January 26, 1953, the head of the A. F. of L. Film Council, referring to stars going abroad in order to save taxes, said that—

None of us wants to pay taxes that we are not required to pay. But the result of such action is to deny employment to thousands of workers; to deny salaries to hundreds of creative artists in Hollywood, and to deny producers the opportunity of producing American pictures with American stars in their American studios. We think this is wrong not only for us but for everyone concerned and we think it is destructive to the best interests of our American industry.

The feeling of the unions is further pointed up by a request for a monthly list of motion-picture films made abroad by American movie stars or other American personnel "clearly and unquestionably for the purpose of taking advantage of the 18-month tax dodge." The list, according to an ILNS press release of February 28, 1953, would be made available to the various labor news services. The list would include "those pictures that could have been made in Hollywood, should have been made in Hollywood but were instead made in a foreign country by a greedy, un-American motion-picture star so that—regardless of how many film technicians, lesser actors, and extras lost the opportunity to work and earn a living—he can take advantage of the tax-avoidance loophole."

Unions, in addition to opposing the action of stars in going abroad to save taxes, have also been exerting pressure to prevent the making of pictures abroad for the sake of lower production costs. Thus, the Hollywood Reporter of January 20, 1953, in a news note, said:

Hollywood producers going outside the country to make films may be required to take a full crew from here, under regulations being promulgated by members of the Hollywood A. F. of L. Film Council to halt runaway production. • • • IATSE business agents met yesterday to discuss the problem of producers going abroad primarily to avoid paying higher technicians' salaries here and will make recommendations to the council at its meeting today chairmaned by President Roy Brewer.

Refusal on the part of the producers to cooperate may result in the withholding of the IATSE "bug" on the main title, which would leave alliance projectionists throughout the country in a position to refuse to run the picture.

The news note then went on to cite two movies scheduled for production in Mexico, which became the first casualties. The producer of one of the movies indicated that, because of the union's pending demands, he had abandoned plans for making the film in Mexico.

Mr. President, at this point I ask unanimous consent to have incorporated in the RECORD, as a part of my remarks, a summary and history of the law under which the particular tax dodge is being perpetrated.

There being no objection, the summary and the history of the law was ordered to be printed in the RECORD, as follows:

SUMMARY AND HISTORY OF THE LAW

The provisions of law which have inspired actors to go abroad are to be found in section 116 (a) (1) and (2) of the Internal Revenue Code. Under these provisions as enacted by the Revenue Act of 1951, the compensation paid to an American citizen employed outside the United States (other than by the United States Government) may be exempt from income tax, if the recipient is physically present in a foreign country or countries for at least 17 months or 510 days during any period of 18 consecutive months.

The declared purpose of the enactment, and the argument leading to its adoption, seem not in any way to have been for the benefiting of actors and actresses or relieving them from income taxes. This point, as well as a reference as to whether or not they actually qualify for the exemption, will be discussed later below. To aid in a full understanding of the background of the legislation, a brief history is presented now.

Prior to the Revenue Act of 1942, a citizen of the United States residing abroad for more than 6 months during a taxable year was completely exempt from United States tax on his earned income from sources outside the United States, except with respect to employees of the United States. The Revenue Act of 1942 greatly restricted the exemption and limited it to citizens who

were actually bona fide residents of a foreign country during the entire taxable year. This gave rise to two problems, the one related to determining who was a bona fide resident, and, second, the requirement that the residence had to be for the entire taxable year.

The Treasury itself in 1950 recognized the inequity of the provision requiring residence for the entire taxable year. A Treasury statement on the tax treatment of foreign income therefore said:

"The exemption provision for earned income begins to apply only with the full year of bona fide residence abroad. Accordingly, if an individual leaves the United States in February of 1950 to take up a bona fide residence in a foreign country, he can qualify for the exemption only with respect to his earnings for the year 1951. The tendency of this provision is either to delay the departure of those contemplating service in foreign countries until the end of a year or to accelerate the departure of such individuals. The result in either case is to interfere with the optimum arrangements for training programs by business firms and with the proper settlement of the business and personal affairs of those going abroad.

"It is suggested, therefore, that the exemption provision be made applicable to the entire period of an individual's bona fide residence abroad. The present eligibility requirement for attaining an exempt status would remain, but once it was acquired the exemption would apply to the individual's entire earned income from foreign sources. This would require a refund of tax on income earned during the first part-year of an individual's bona fide residence abroad."

Taxpayer representatives, however, protested that the Treasury recommendation did not go far enough. Thus, a spokesman for the United States Chamber of Commerce said, according to the Senate Finance Committee hearings on revenue revisions of 1950, that—

"In one respect, however, this proposal does not go far enough. Since the present provision was enacted in 1942, the courts have inclined toward construing 'residence' as tantamount to 'domicile.' For example, they have refused to recognize foreign residence because the taxpayer left his family in the United States or gave other evidence of an intention to return at some time in the future.

"This construction entirely misconceives what we believe to have been the purpose of the 1942 amendment. The people whom that act was supposed to benefit were not expatriates who had renounced the United States forever. They were the armies of managers, technicians, and skilled workmen who are induced to commit themselves for 18 to 36 months abroad. In many instances the nature and location of their work does not permit them to take their families. In practically no instances do such men have an intention on their original departure of making their home abroad permanently, even though they may renew their contracts many times and stay abroad for years. We know of no single tax measure which would be so helpful to all American enterprise abroad as an amendment to section 116 (a) making the exclusion date from the inception of the foreign residence, and clarifying the meaning of foreign 'residence' to include physically residing in some foreign country perhaps for some minimum period of time."

Further protests on both points were elaborated in 1951 by spokesmen for the National Foreign Trade Council and the United States Chamber of Commerce before the Senate Finance Committee.

The Senate Finance Committee heeded these requests and recommended changes which were ultimately adopted. In reporting the proposal, the committee said, according to Senate Report No. 781 (82d Cong., 1st sess.):

"However, the present law has two defects which section 321 of your committee's bill corrects. First, the exclusion is allowed only with respect to an entire taxable year with respect to which the individual is a bona fide resident of the foreign country. Thus, exemption is denied an individual in his first year abroad unless he becomes a bona fide resident of the foreign country as of January 1. Section 321 of your committee's bill corrects this defect of present law by granting the exclusion with respect to 'an uninterrupted period which includes an entire taxable year' with respect to which an individual was a bona fide resident of a foreign country.

"In addition, the term 'bona fide' residence abroad has been construed quite strictly with the result that many persons who have gone abroad to work even for a relatively long period of time have been unable to meet the test of a 'bona fide resident' of a foreign country. Sometimes this has occurred because the nature of the individual's work is such as to make it difficult to establish a 'residence' in the more widely accepted use of the term. On other occasions it has resulted from the fact that individuals have gone abroad only for a stated period of time. Examples of this are managers, technicians, and skilled workmen who are induced to go abroad for periods of 18 to 36 months to complete specific projects. Your committee believes, in accord with the point 4 program, that it is particularly desirable to encourage men with technical knowledge to go abroad. As a result your committee has added a paragraph to section 116 (a) of the code providing that income earned abroad by a citizen of the United States who is present in a foreign country or countries for 17 out of 18 consecutive months is to be excluded from income, and that deductions chargeable to such income will be disallowed in computing his Federal income tax."

RIGHT OF ACTORS TO THE EXEMPTION

Whether motion-picture stars may qualify for the exemption which was designed especially for technicians, skilled workmen, business managers, etc., has recently been the subject of a note in the New York Times of March 1, 1953. Excerpts from the article are quoted below:

"The question of whether motion-picture stars and other entertainers can qualify for a special tax exemption because they work abroad headed for a showdown today, with the prospect that Congress would have to provide the answer.

"Some stars believe they can qualify and avoid paying income taxes in this country on money recently earned in foreign countries. The exemption does not apply on money earned in this country. The law exempts persons who have worked outside the country for 17 out of 18 months.

"It is possible, officials said, that in some cases those taking advantage of the exemption provision here would have to pay taxes in the country where they worked. But by moving from country to country during the 17-month period they may be able to escape liability altogether.

"The Bureau of Internal Revenue will make the initial ruling on whether entertainers qualify for the exemption. Officials said this ruling might be made within the next few weeks, perhaps right after the March 15 deadline for filing income-tax returns.

"If the Bureau rules against them, they may take their case to court. If it is finally decided that they do qualify, then it will be up to Congress to decide whether to change the law.

"Several members of the House Ways and Means Committee said they would urge speedy action if it were decided that stars working abroad were exempt."

Mr. MANSFIELD. Mr. President, as this particular tax situation works a hardship on the employment setup in the motion-picture industry, I took the liberty of contacting Mr. Roy M. Brewer, international representative of the International Alliance of Theatrical Stage Employees and Moving Picture Machine Operators of the United States and Canada, relative to his views on this particular subject. I ask unanimous consent that I may include Mr. Brewer's letter to me at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HOLLYWOOD, CALIF., *May 5, 1953.*

Hon. MICHAEL MANSFIELD,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: I am sorry, Senator, that I have been late in getting the information to you which you wanted on the 18 months' tax, but when I got back to my office this last week I found myself completely swamped and found difficulty in getting time to get it together for you.

The story of the 18 months' tax briefly is as follows: When the last revenue bill was passed a clause was inserted which reads as follows:

"SEC. 116. Exclusions from gross income.

"In addition to the items specified in section 22 (b), the following items, shall not be included in gross income and shall be exempt from taxation under this chapter:

"(a) Earned income from sources without the United States—

"(2) Presence in foreign country for 17 months: In the case of an individual citizen of the United States, who during any period of 18 consecutive months is present in a foreign country or countries during at least 510 full days in such period, amounts received from sources without the United States (except amounts paid by the United States or any agency thereof) if such amounts constitute earned income (as defined in paragraph (3)) attributable to such period; but such individual shall not be allowed as a deduction from his gross income any deductions properly allocable to or chargeable against amounts excluded from gross income under this paragraph."

This, obviously, was intended to aid those technicians who were being asked to go abroad by companies which were developing projects, directly or indirectly, to supply the war effort. There is in existence a permanent-residence clause which is a part of our treaty arrangements, I understand, with quite a number of foreign countries such as England, France, Italy, etc. Some of these individuals who were being asked to go abroad could not qualify under the permanent-residence clause and therefore this amendment was made.

These conclusions, of course, are my own, based upon the information which I have been able to gather.

Some agent for movie actors here in Hollywood discovered that the language of this law could be made applicable to movie stars and it was arranged that certain of them, including Mr. Gene Kelly, who apparently was one of the first, could arrange to have a shooting schedule set up which would take them out of the country for the 18-month period and thus qualify them for this tax exemption. As soon as this became general information there began a general exodus out of Hollywood and a mad scramble on the part of writers and producers to find stories which would be adaptable to foreign locale, which they could use to justify the picture and therefore qualify for the tax ex-

exemption. Once this got started it began enlarging like a snowball.

For example, an actor who might not otherwise have thought of going to a foreign country was assigned to a picture in a foreign country because some other star was already there on the 18-month tax. This person then, having spent several months in Europe, would use that opportunity to try to line up an additional picture and, if successful, then become determined to wait out the 18 months in order to get the tax exemption. There are two producer-directors—namely, Mr. John Huston and Mr. Willie Wyler—who are also in Europe taking advantage of this and among the prominent stars there are Gary Cooper, Clark Gable, Errol Flynn, Ava Gardner, Lana Turner, and a host of others.

I enclose some newspaper clippings which have been published on this matter which contain many of these lists.

We cannot assume that every person shooting abroad, of course, is going there because of the 18-month tax, but certainly the vast majority of this production has been stimulated by this fact. For example, there was a picture recently shot in Mexico called Blowing Wild, in which Mr. Gary Cooper was the star. There were five prominent actors in this picture, namely, Barbara Stanwyck, Ruth Roman, Anthony Quinn, and Ward Bond. So far as I know these other four are not attempting to avoid payment of tax, but the point is that this picture would have been made in America with American technicians exclusively had it not been for the impetus of the tax problem, so far as Mr. Cooper is concerned. Furthermore, there is information available that Mr. Quinn is now seeking a picture out of the country to continue his sojourn, but there is no way of knowing for sure which of these people are really intending to take advantage of the 18-month tax until either it is announced or it becomes evidenced by their attitude.

The publicity which has now been given has discouraged many of them and I think the recent announcement made by Congressman REED and Congressman KING would discourage them.

So far as the effect of the tax situation on the industry is concerned, the industry is now at one of the lowest points of production it has been at for many, many months. This applies specifically to that portion of the industry which produces theatrical films as distinguished from television films. Not all of the slump can be blamed directly to the 18-months-tax matter. Some of it is due to the innovations in the motion picture industry brought about by the development of wide-screen and third-dimension projection. There is considerable uncertainty with respect to the standardization of the new product and the acceptance by the public of third dimension films, which require viewing through polaroid glasses. However, one need only review the enclosed material to realize that there is a tremendous amount of American production being made abroad which would have been made here had it not been for the fact of this tax.

The employment situation in general terms is as follows: The industry normally employs about 20,000 technicians. This is exclusive of the talent groups. In times past approximately 25 to 30 percent of these persons were in so-called independent companies. These are companies not attached to any of the eight major studios which are: Metro-Goldwyn-Mayer, Twentieth Century-Fox, Paramount, Columbia, Republic, RKO, Warner Bros., and Universal-International.

With the advent of television the production of the independents has materially declined, but the persons who used to be employed in such production have now moved into television production; so that approximately 30 percent of the total number of technicians are now employed in the production of films for television. This would normally mean that 70 percent of our employees would be employed in films for motion picture production. We now have approximately 30 to 35 percent unemployed, so that only about half of those who are normally employed in such production are now being employed and the prospects are that it will get worse before it gets better.

We have been encouraged this morning by the announcement from Metro-Goldwyn-Mayer that they intend to make 34 pictures in the next 18 months, but this is considerably lower when compared with a schedule of 40 to 50 pictures a year in years past. Further than this it will probably be some time before these pictures get into work, so that the immediate prospects are not good. It is really imperative from the standpoint of employment that Congress take a decisive step with respect to the 18-months-tax loophole at the earliest possible moment.

There is one other phase of this activity which should be mentioned. As you know, we have been waging a relentless war against Communist infiltration and the spearhead of this fight has come from the unions represented by the Hollywood A. F. of L. Film Council. So far as the industry is concerned, we have been quite successful, with the help of the House Un-American Activities Committee, in eliminating persons from this industry who are members of or under the influence of the Communist Party. Some of these people have attempted to move to Europe where the climate for persons with such leanings is better than it is at the present time in Hollywood, and the 18-months-tax loophole has given a tremendous impetus to those persons who are trying to develop a foreign center in that country where they can work without rigid scrutiny so far as their Communist leanings are concerned—as in Hollywood they are now under close observation.

A revision of this tax law is demanded by the interests of the motion-picture industry, and the employees who make a living from it; by the interests of the United States in our fight against the Communists; and by the interests of our ultimate victory in the cold war.

Anything you can do to assist us will be greatly appreciated. If there is any additional information I can furnish you, please feel free to call upon me.

With best wishes.

Sincerely,

ROY M. BREWER,
Informational Representative.

Mr. MANSFIELD. Mr. President, I also ask that unanimous consent be granted that I may be allowed to include articles relative to this particular situation contained in news stories from the Los Angeles Times of Sunday, March 15, 1953; Citizen-News, Hollywood, of Saturday, February 21, 1953; the Hollywood Reporter of January 28, 1953; Washington Times-Herald of March 13, 1953; Washington Daily News of May 9, 1953; Variety of January 27, 1953.

There being no objection, the news stories were ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times of March 15, 1953]

THIRTY ACTORS IN FOREIGN LANDS NOW—NEW RULING, PUBLIC OPINION MAY KEEP PLAYERS AT HOME

(By Edwin Schalbert)

More than 30 Hollywood film stars, many of them top performers, have left the United States to work in pictures. Today is deadline day for income-tax returns. It seems a proper time to have a look at all this scrambling to foreign shores.

There are three reasons given for this exodus. Working in a foreign country has a talent-broadening influence. Work abroad is available through frozen assets—the eight major studios are reported to have a total of $40 million still tied up in foreign lands. The third reason, the average filmgoer believes, is the real reason, to escape paying income tax. The filmgoers of the country now are raising this question: Are fugitives from paying income tax being unpatriotic and undemocratic?

An internal revenue act passed in 1951 exempts workers abroad from paying tax on wages earned abroad provided they are away for 17 months out of 18, and they must not accept work in the United States during that extra month. It is intended for a vacation visit home.

HOLE FOUND IN DIKE

The act was primarily to lure workers to the searing climate of oil fields in the Near East at a time when petroleum was a major item in national defense. The high-bracket film worker burdened with a tremendous Government take during a comparatively short earning life was quick to discover this hole in the income dike and the scramble was on.

There is a movement afoot in Congress to plug this hole. One proposed law to limit the exemption to the first $25,000 of each year's earnings would cut the Revenue Act back to what it was intended for.

Meanwhile the joint congressional committee has told the Bureau of Internal Revenue to find out if the exemption under the law can be controlled by an administrative ruling which could be made immediately.

SOME STAY NEAR END

Some film people like John Huston, Gene Kelly, and Gregory Peck are well on the way to completion of their 1½ year period away from home. Others, like Directors William Wyler, Anatole Litvak, and Players Clark Gable, Kirk Douglas, and Claudette Colbert have evidently launched similar projects.

One star, Evelyn Keyes, as a result of a fluke, has already been able to complete 18 months away, and is probably $75,000 to $100,000 richer than she would have been if she stayed in this country. Miss Keyes actually went abroad for personal appearances and various engagements commenced to develop.

Prior to her departure for Europe, she had made a picture in Mexico, titled "One Big Affair," and recently completed a film Rough Shoot with Joel McCrea in England. In between, there was Anything Can Happen in Paris, shot in France.

KELLY'S "TAKE" ESTIMATED

Miss Keyes' winnings are nothing to compare with those forecast for Kelly, as a result of his long stay in England. He left here the end of December 1951, just a few weeks after the new tax law was passed. There seems no question that he will be able to remain through the full 17-month period, because he is scheduled to star in Crest of the Wave following Invitation to the Dance. Kelly is rated as receiving a salary of $5,000 a week. Consequently, he will return with close to $375,000, clear of tax.

Kelly has never been back since he went to England. When he talked to this writer several months ago, he was somewhat dubious about continuing abroad, was not too sure about the tax-free benefits he might derive; doubtless due to still prevailing uncertainties about just how the legislation will be enforced.

HUSTON GETS BREAK

Huston, because of his work on the African Queen, has had a foreign sojourn of 17 months by now. Though he has returned to this country twice, it has only been for brief visits. His stay abroad is enabling him to catch up with his back income tax, which he might never have been able to pay if he had remained here. So the Government actually

loses little, or nothing, in his particular case.

The exact operation of the new law is not too well determined. This has led to a setback in the plans of many a Hollywood personality for going abroad for pictures in the last few months. However, there are a number of players and others who are potential as tax avoiders.

Apparently willing to take a chance on such a future are, for instance, Cary Grant, Betsy Drake, and Howard Hawks, who anticipate doing several pictures abroad.

MORE POTENTIALS

But it is interesting to observe that Kirk Douglas, who went to Israel for the Juggler, has continued on in France for Somewhere in the World, and will follow that with the Odyssey. Clark Gable goes from Mogambo in Africa and London to South America for Green Fire. Errol Flynn spends most of his time away from Hollywood.

One wonders what Gene Tierney, who is abroad, and George Sanders have in mind for their future program. Directors William Wyler and John Ford might be staying away for quite a time. Potential, too, are such players as Cornel Wilde, Mel Ferrer, and Ava Gardner.

Orson Welles, if he ever gets a high-paying job, has certainly piled up enough foreign tims. He might pay off the back income tax he owes the Government under the present legislation.

BREWER'S COMMENT

Paulette Goddard has been back and forth so much that one wonders exactly what her status might be. Joan Fontaine has hardly remained long enough in Europe at any time to take advantage of the new law, and is here again now.

Gary Cooper has been to the South Seas and to Mexico, but it remains to be seen whether or not he will return to Hollywood.

Roy Brewer, chairman of the Hollywood A. F. of L. Film Council which has officially opposed the hegira to foreign countries, feels that the idea of such venture abroad is losing ground. "Before the ides received so much unfavorable publicity, fully half of the pictures made by our producers might have been shot abroad by this summer," he said. "There is a change in the attitude of the studios themselves as well as on the part of many individuals who thought of taking advantage of the legislation.

"In Hollywood, we are only concerned with the problems of unemployment arising in connection with a large foreign production. Needless to say, if this increases to 50 percent it would hurt us badly.

"I feel that some legislation should be applied that would relieve motion-picture stars of their heavy tax payments during their moneymaking years. The tax should be spaced out and adjusted properly but I don't think that concentrating on European or other foreign production is a proper solution of this problem," Brewer concluded.

[From the Hollywood Citizen-News of February 21, 1953]

ALL ABROAD—UNITED STATES TAX LAW EMPTIES HOLLYWOOD OF STARS

(By Aline Mosby)

Hollywood is minus familiar faces today, for many a star who feels sick in his bank account is stuck overseas taking the 18-month cure.

Two years ago Congress passed a tax law amendment that says anybody who works outside the country for 510 days, with short visit home allowed, doesn't have to pay income tax for that period.

The ruling was designed to help oil and construction companies lure necessary American workers overseas. But cinema city luminaries, who pay heavy taxes but often have short-lived careers, sniffed a loophole for their dilemma. Now several are on the last lap of their 18-month stretch away from home. Gene Kelly was sent abroad by MGM 13 months ago. He has one more picture, Brigadoon, to do in England. Unless his studio calls him back, he'll return a richer man. Claudette Colbert, gone almost that long, has told friends she can sock away a $500,000 tax saving. Her husband, Dr. Joel Pressman, stayed home and is busy denying rumors she's taking a marriage cure, too.

Gary Cooper flew to Samoa last May to appear in Return to Paradise, skipped to Canada to go fishing and now is emoting in Blowing Wild in Mexico. He plans a trip to Europe next.

Fan magazine parties haven't looked the same since Alan Ladd and his wife took off for a series of films in Europe. Recently, however, Mrs. Ladd announced she was bringing their children back to movietown and her homesick husband might come, too.

Errol Flynn's wife has had to commute to his side while he sticks out his stay in Italy and France. His 18 months will be up in August.

Gregory Peck and his wife left for Europe 8 months ago. But the gossip columns buzz about their squabbles as if they still lived down the street. Kirk Douglas took off last October for pictures in Israel and France. Evelyn Keyes and Gene Tierney are other globetrotters who may be able to take advantage of the tax ruling.

Directors Howard Hawks, John Huston, Anatole Litvak and William Wyler and Producer Frank McCarthy also are making films overseas.

Some stars frown on the economy. Joan Fontaine once lashed it as "unpatriotic." Bud Abbott and Lou Costello say they turned down European offers because "we just can't see ourselves staying away from America for 18 months." And movie labor unions complained to the studios that the rush of stars and moviemakers overseas was taking the movie industry away from Hollywood.

But a spokesman at the Department of Internal Revenue says the money saving device was O. K. by Uncle Sam.

"It's legal," he said. "So far, nobody has come back from Europe to claim the exemption. But when they do, they just have to furnish proof—work permits or hotel receipts—that they worked abroad for 18 months.

"If oil workers can do it, so can movie stars."

[From the Hollywood Reporter of January 28, 1953]

RECORD NUMBER IN FOREIGN ACTIVITIES

PARIS.—To one less accustomed to seeing Hollywood's big names darting in and out of places in Europe it would seem that a big percentage of American film personalities are either in Europe or on their way here. A random roundup shows:

George Sanders: Is in Rome to play opposite Ingrid Bergman in Duo; goes to England in spring to join Robert Taylor in King Arthur of the Round Table.

Clark Gable: Made film in England; now starring in Mogambo in Africa; plans vacation in Italy; then goes to South America to make Green Fire.

Ava Gardner: Costarring with Gable in Mogambo; will star in All Roads Lead to Rome, announced for production in Italy.

Errol Flynn: Now making film for Warners at Naples, to be followed by William Tell in Italy and Switzerland.

George Raft: Going to Cairo to complete Cairo Incident film started in Rome; heads for home and TV; will return to Italy in March.

Jennifer Jones: Starring in Terminal Station in Rome; next will be Beat the Devil.

David O. Selznick: Producer-husband of Miss Jones, associated in her present film, has announced others planned for Europe.

Humphrey Bogart: To star with Miss Jones in Beat the Devil.

John Huston: Directed Moulin Rouge, produced in France, and will direct the Jones-Bogart picture.

Gregory Peck: Now vacationing at St. Moritz; plans another European film.

Orson Welles: Has many picture plans, all for Europe.

Montgomery Clift: In Rome, played opposite Jennifer Jones in Terminal Station.

Lana Turner: Scheduled to star in Nint, MGM film to be made in Italy.

Gene Tierney: In Europe for some time; scheduled to star in film in London for Joan Harrison.

Eduardo Cianelli: Called back to Italy a year ago from MGM's the People Versus O'Hara, with Spencer Tracy; has since made five films here.

Robert Taylor: Scheduled to make King Arthur of the Round Table in London this spring.

Jose Ferrer: Starred in Moulin Rouge, made in France; scheduled to make comedy with noted French comedian Fernandel, for which production men are now at work in Rome.

Alan Ladd: Vacationing on Riviera; starts the White South in England soon, with another to follow in Italy.

Katharine Hepburn: Goes to London in spring to star in the Millionairess.

Charles Boyer: Likely to costar with Miss Hepburn.

Hildegarde Neff: Loaned by 20th to Sir Alexander Korda for film called Berlin Story.

Mary Martin: Goes to J. Arthur Rank to do a film based on life of late actress Gertrude Lawrence.

Kirk Douglas: Stars in the Girl on the Via Flaminia and then plans to return to Italy to make own independent film, or play opposite Ava Gardner in All Roads Lead to Rome.

Danny Kaye: London in the spring to film Knock on Wood.

Gene Kelly: Abroad more than year; made picture in France, Germany; recently finished Invitation to the Dance in London.

William Dieterle: Directs Elephant Walk in Ceylon.

William Holden: Named to star in Wings Across the Sea, about Americans in the RAF, to be made in England.

Olivia de Havilland: Set to star in End of the Affair, in England.

Dana Andrews: Has given up plans to make Sea Devil in Berlin; goes to Ceylon to costar with Vivien Leigh in Elephant Walk.

[From the Washington Times-Herald of March 13, 1953]

LOUELLA PARSONS IN HOLLYWOOD

I've suspected for some time that Gary Cooper has joined the list of stars staying out of the country 18 months for tax reductions, and this news practically confirms it:

After finishing Blowing Wild in Mexico City, Gary goes to Spain to make Somerset Maugham's Catalina with Hugo Fregonese, his present director.

While Gary waits in Mexico, Fregonese will return here to talk with M-G-M about releasing the Spanish picture, a 17th-century story with a religious background.

South and Central America are getting almost as many Hollywood visitors as Europe. When Lon McAllister finishes Combat for Jack Broder, he's off for 4 months in Lima, Peru, and Rio de Janeiro—not for his health.

Several months ago Lon obtained backing to make a series of travelogs in color in countries of our South American neighbors.

Now he gets an additional bankroll (North American cash) to make a feature-length picture, In Search of a Soul, to be filmed in Brazil. He'll direct—his first directing job by the way—as well as star in the venture.

[From the Washington Daily News of May 9, 1953]

UNITED STATES ACTORS ABROAD FIND A WAY TO DODGE TAXES

(By Milton Berliner)

It will take legislation to plug the income-tax loophole that is permitting movie actors to duck taxes by working abroad for 17 months at a stretch.

T. Coleman Andrews, new Internal Revenue Commissioner, has told a House Appropriations subcommittee that this abuse cannot be eliminated by administrative ruling, according to testimony made public today.

"We are getting a lot of complaints about it," Mr. Andrews testified. "There is some feeling in Congress that we ought to solve the problem by administrative ruling. We cannot do it because the law says specifically, if you are out of the States for 17 months, 510 days, and you earn money while you are away, you are automatically exempt from the income tax.

TERRIFIC INCOMES

"As a result, these people have gone abroad and lived for 17, 18, and 20 months, made terrific incomes, and they have come back here with every dollar of it in their pockets, and we cannot touch it."

Representative OTTO E. PASSMAN, Democrat, of Louisiana, asked if those in industry as well as the entertainment field can go overseas and avoid taxes.

"That is what it was passed for," Mr. Andrews replied. "When you adopted point 4, the idea was to make it attractive to these various technicians, who would go abroad to assist foreign countries, to accept that employment.

"The law was not drawn specifically for movie actors, but they were smart enough to see it very quickly."

"I mentioned movie actors and actresses because they seem to be the source of most of the abuses," said Representative PASSMAN.

"That is right, sir," Mr. Andrews replied.

Mr. Andrews cited the case of a man who worked abroad for an oil company for 25 years. He retired to Richmond and, until he died, drew about $25,000 in pension.

"The position taken by some is that the money having been earned abroad ought not to be taxable in this country," said Mr. Andrews. "So you have the anomalous situation of 2 men living side by side, 1 drawing a pension of $25,000 and another man next door working to earn his $25,000 and he pays a tax while the other does not."

[From Variety of January 27, 1953]

BREWER LISTS 21 NAMES AS SEEKING TAX-EXEMPT ASSIGNMENTS OVERSEAS

Some of Hollywood's top box-office names are on a list cited by IATSE coast representative Roy M. Brewer as either working in pictures overseas to benefit from the 18-month tax exemption, or considering going overseas on such a deal, it was reliably reported yesterday. List includes some stars who have been back from overseas treks for some time, such as Linda Darnell, inked yesterday for RKO's Second Chance, to be made in the United States. Miss Darnell is set for two pictures in Europe after that assignment, however.

Those on Brewer's list include Humphrey Bogart, Gary Cooper, Kirk Douglas, Mel Ferrer, Clark Gable, Van Johnson, Gene Kelly, James Mason, Ray Milland, Gregory Peck, Robert Taylor, Cornel Wilde, Claudette Colbert, Linda Darnell, Ava Gardner, Merle Oberon, Gene Tierney, Lana Turner, Evelyn Keyes, William and Robert Wyler, and John Huston. Other names are to be added to the list.

Miss Turner, now working in Latin Lover at Metro, is set to star in Nina in Europe for her studio. It's understood union isn't certain yet of Taylor's status.

Mr. MANSFIELD. Mr. President, I should like to invite the attention of the Senate Finance Committee to another dodge which seems to be operating at this time, as indicated in an item carried in the Washington Times-Herald of May 14, 1953, which I ask unanimous consent be incorporated at this point in my remarks.

There being no objection, the item was ordered to be printed in the RECORD, as follows:

[From the Washington Times-Herald of May 14, 1953]

VOICE OF BROADWAY

(By Dorothy Kilgallen)

Top stars, on the alert for legitimate-tax dodges, have evolved a new one. They sell their personal appearance rights to an outside source for a large sum, and record the amount paid them as a capital gain, which enables them to keep far more than if they were booked in the usual way and paid directly.

Mr. MANSFIELD. Mr. President, in conclusion I wish to state that it is my hope that the Ways and Means Committee of the House and the Finance Committee of the Senate will consider the matters outlined in this speech at their earliest opportunity. With income taxes as high as they are, I feel that at the first appropriate opportunity, relief should be given to those whose earnings are in the lower income-tax brackets. At the same time I feel that the tax loopholes enumerated above should be corrected so that these people taking advantage of a section of the law which was not meant to apply to them, will be made to pay their fair share of income taxes along with other citizens of the United States.

ROUTINE PROMOTIONS IN THE ARMY

The PRESIDING OFFICER. As in executive session, the Chair invites the attention of the Senate to 1,049 promotions in the Army which are entirely routine.

Without objection, as in executive session these nominations for promotion will be confirmed, and the President will be immediately notified.

Mr. JACKSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JACKSON. Do I correctly understand that the nominations referred to are entirely relative to promotions in the Military Establishment?

The PRESIDING OFFICER. That is correct. They are routine nominations reported unanimously from the Committee on Armed Services.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 1561) authorizing the transfer of certain property of the Veterans' Administration (in Johnson City, Tenn.) to the State of Tennessee.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 4654) to provide for the exemption from the Annual and Sick Leave Act of 1951 of certain officers in the executive branch of the Government, and for other purposes; asked a conference with the Senate on the disagreeing of the two Houses thereon, and that Mr. REES of Kansas, Mr. CORBETT, Mrs. ST. GEORGE, Mr. MURRAY, and Mr. DAVIS of Georgia were appointed managers on the part of the House at the conference.

RECESS TO MONDAY

Mr. SCHOEPPEL. Mr. President, as in legislative session, I move that the Senate take a recess until next Monday at noon.

The motion was agreed to; and (at 1 o'clock and 55 minutes p. m.) the Senate took a recess until Monday, June 1, 1953, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 28, 1953:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Nelson Aldrich Rockefeller, of New York, to be Under Secretary of Health, Education, and Welfare.

UNITED STATES ATTORNEYS

George Harrold Carswell, of Florida, to be United States attorney for the northern district of Florida, vice George Earl Hoffman, retired.

James L. Guilmartin, of Florida, to be United States attorney for the southern district of Florida, vice Herbert S. Phillips, retired.

Jacob S. Temkin, of Rhode Island, to be United States attorney for the district of Rhode Island.

UNITED STATES MARSHAL

Clarence H. Spence, of Delaware, to be United States marshal for the district of Delaware, vice Paul B. Messick, resigned.

IN THE COAST AND GEODETIC SURVEY

Subject to qualifications provided by law, the following for permanent appointment to the grades indicated in the Coast and Geodetic Survey:

To be commissioned captains

Leonard S. Hubbard, in accordance with law.

Philip C. Doran, in accordance with law.

To be commissioned lieutenant commanders

Robert C. Darling, effective June 10, 1953.

Miller J. Tonkel, effective June 28, 1953.

To be commissioned lieutenant

Hubert W. Keith, Jr., effective July 5, 1953.

To be commissioned lieutenant (junior grade)

Alfred C. Holmes, effective June 25, 1953.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 28, 1953:

DIPLOMATIC AND FOREIGN SERVICE

Arthur Gardner, of Michigan, to be Ambassador Extraodinary and Plenipotentiary of the United States of America to Cuba.

R. Douglas Stuart, of Illinois, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Canada.

William T. Pheiffer, of New York, to be Ambassador Extraordinary and Plenipotentiary

of the United States of America to the Dominican Republic.

Michael J. McDermott, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to El Salvador.

DEFENSE MATERIALS PROCUREMENT ADMINISTRATION

Edmund F. Mansure, of Illinois, to be Defense Materials Procurement Administrator.

UNITED STATES COAST GUARD

The following Coast Guard officer for promotion to permanent rank in the United States Coast Guard:

To be rear admiral

Frank T. Kenner

COAST AND GEODETIC SURVEY

The following for permanent appointment to the grade indicated in the Coast and Geodetic Survey, subject to qualifications provided by law:

To be commanders

Dorland H. Konichek — Paul Taylor
Philip A. Weber — Horace G. Conerly

To be ensign

Clinton D. Upham

IN THE ARMY

The following-named officers for appointment in the Regular Army of the United States to the grades indicated under the provisions of title V of the Officer Personnel Act of 1947:

To be major generals

Maj. Gen. Albert Pierson, O11838.
Maj. Gen. John Howell Collier, O12388.
Maj. Gen. Blackshear Morrison Bryan, O15004.
Maj. Gen. Carter Bowie Magruder, O15155.
Maj. Gen. William Frishe Dean, O15453.
Maj. Gen. William Howard Arnold, O15556.
Maj. Gen. George Winfered Smythe, O15816.
Maj. Gen. George Jacob Nold, O6888.
Maj. Gen. William Lillard Barriger, O11220.
Maj. Gen. Howard Louis Peckham, O12058.
Maj. Gen. Wayne Clifton Zimmerman, O12456.
Maj. Gen. Francis Henry Lanahan, O12735.

To be brigadier generals

Brig. Gen. John Ray Hardin, O12283.
Brig. Gen. Eugene McGinley, O12318.
Maj. Gen. George Windle Read, Jr., O12603.
Maj. Gen. Richard Clare Partridge, O12630.
Brig. Gen. Edward John McGaw, O12631.
Brig. Gen. James Malcolm Lewis, O12650.
Maj. Gen. Charles Kenon Gailey, Jr., O12782.
Maj. Gen. Francis William Farrell, O12784.
Maj. Gen. Edward Thomas Williams, O12818.
Maj. Gen. William Lemuel Mitchell, O12832.
Brig. Gen. William Edmund Waters, O14700.
Brig. Gen. Frank Charles McConnell, O14873.
Maj. Gen. William Stevens Lawton, O14924.
Brig. Gen. Numa Augustin Watson, O14968.
Brig. Gen. James Robinson Pierce, O14979.
Brig. Gen. Oliver Perry Newman, O15016.
Brig. Gen. Harry McKenzie Roper, O15176.
Brig. Gen. Eugene Ware Ridings, O15230.
Brig. Gen. Elwyn Donald Post, O15243.
Maj. Gen. George Craig Stewart, O15349.
Maj. Gen. Robert Leroy Dulaney, O15351.
Maj. Gen. Arthur Gilbert Trudeau, O15513.
Maj. Gen. Charles Trueman Lanham, O15568.
Maj. Gen. Charles Lanier Dasher, Jr., O15634.

PROFESSOR OF MECHANICS, UNITED STATES MILITARY ACADEMY

Col. Harvey R. Fraser, O21747, for appointment as professor of mechanics, United States Military Academy, effective June 23, 1953.

REGULAR AIR FORCE

Midshipman John Bellows Sturges, Jr., United States Naval Academy, class of 1953, for appointment in the Regular Air Force in the grade of second lieutenant, effective June 2, 1953.

IN THE NAVY

APPOINTMENTS

To be ensigns

Philip G. Charest — Miles M. Shatzer
Robert McB. Schucker — Eugene W. Stuart, Jr.
Stanley B. Waid — Richard R. Tarrant
Bernard J. Kravits — Thaddeus P. Fleischman
James L. Youngblood
John E. Arnold — Baruch Rosenberg
Donald M. Bohrer

To be second lieutenants, Marine Corps

Richard R. McConnell — Jerry E. Kehrle
Stephen W. Bartlett — Robert R. Leisy
James T. Gillespie — Buford L. Toney
John J. Hogan

To be lieutenant (junior grade), Chaplain Corps

Dempsey G. Salter

To be lieutenants (junior grade), Dental Corps

Kirk C. Hoerman
Jay D. Shaw

To be lieutenants (junior grade)

James "G" Hayes
Clarence O. Robins
Burton H. Shepherd

To be ensign

William P. Span

To be lieutenants (junior grade)

Eugene B. Ackerman — Edward A. Lipchak
Ellison Capers — James H. Lowe
Steve C. Charnas — Gerald McNulty
Theodore Dorsa, Jr. — John A. Miesner, Jr.
Edward P. Farr — Frank "D" Rogers, Jr.
Harold Feeney — Samuel J. Rose, Jr.
Joseph P. Fleming — Ralph W. Sensel
Joseph W. Golden — Bertrand T. Sperling
William K. Lally, Jr. — James R. Switzer

To be ensigns

Thomas R. Averett, Jr. — Theodore Miguel, Jr.
Charles W. Barrett — Everett L. Morris, Jr.
James W. David — William E. O'Leary
Ralph O. Davis — William B. Regan
Claud B. Fallis, Jr. — Robert W. Ritz
William A. Fitzpatrick — James G. Simcox
Donald P. Frei

To be lieutenants (junior grade)

Betty B. Garland
Mary A. Gore
Margaret J. Gravatt

To be ensigns

Joan P. Adams — Bonnie J. Schuler
Eva W. Schekorra — Helen I. Spiegel

To be lieutenants (junior grade), Supply Corps

Ernie F. Johnson — Emmett J. Wild
Robert M. Morlan — Dorsey V. Wilson

To be ensign

Richard F. Reynolds

To be lieutenant (junior grade), Supply Corps

Lois E. Harden (woman officer).

To be lieutenants (junior grade), Civil Engineer Corps

Richard E. Anderson
Jack R. Wagoner

To be ensign, Medical Service Corps

Milton T. VanMetre.

To be lieutenant, Nurse Corps

Helen J. deMariano

To be lieutenant (junior grade), Nurse Corps

Mary J. Knepper

To be ensigns, Nurse Corps

Elizabeth T. McDonald
Shirley M. Parent

IN THE NAVY

PERMANENT APPOINTMENTS IN THE NAVY

The nominations of Benjamin P. Field, Jr., et al., which were confirmed today, were received by the Senate on May 12, 1953, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning with the name of Benjamin P. Field, Jr., which is shown on page 4801, and ending with the name of Richard P. Holway, which appears on page 4803.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 28, 1953

The House met at 12 o'clock noon.

Father Timothy L. McDonnell, S. J., of the University of San Francisco, San Francisco, Calif., offered the following prayer:

Let us pray: O God, our Creator, who endowed us with life and liberty and decreed that our pursuit of happiness should be aided by the help of Your grace and through the guidance of law, grant to our Representatives the wisdom and prudence necessary to enact the laws we need to attain the common good in this time of trial; and grant us Your grace that we may know You and love You and serve You in this life and be happy with You forever in the next. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate disagrees to the amendments of the House to the bill (S. 35) entitled "An act to provide for the repair and rehabilitation of public airports damaged by the armed services during the present national emergency, to extend beyond June 30, 1953, the availability of previous appropriations for payment of claims under section 17 of the Federal Airport Act, and for other purposes"; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BRICKER, Mr. SCHOEPPEL, Mr. GRISWOLD, Mr. JOHNSON of Colorado, and Mr. PASTORE to be the conferees on the part of the Senate.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER. The Chair designates the gentleman from Illinois, Mr. ARENDS, to act as Speaker pro tempore on Monday next.

CONSENT CALENDAR

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the call of the Consent Calendar in order on Monday next may be called up on Tuesday.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

ADJOURNMENT OVER

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

THE LATE CHARLES R. TORBERT

Mr. LECOMPTE. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 248 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there shall be paid out of the contingent fund of the House of Representatives to the estate of Charles R. Torbert, late an employee of the House of Representatives, an amount equal to 6 months' salary at the rate he was receiving at the time of his death, and an additional amount not to exceed $350 toward defraying the funeral expenses of the said Charles R. Torbert.

Mr. LECOMPTE. Mr. Speaker, may I just in behalf of this resolution say one word? Mr. Torbert has been employed by the House of Representatives since August 22, 1901. He has rendered almost 52 years of faithful service. I am informed that he has always been courteous, faithful, diligent, and a very fine employee. He served almost since the turn of the century.

The SPEAKER. The question is on the resolution.

The resolution was agreed to, and a motion to reconsider was laid on the table.

THE LATE SARAH WALDRON

Mr. LECOMPTE. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 247 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there shall be paid out of the contingent fund of the House of Representatives to Sarah Waldron, mother of Mary Waldron, late an employee of the House of Representatives, an amount equal to 6 months' salary at the rate she was receiving at the time of her death, and an additional amount not to exceed $350 toward defraying the funeral expenses of the said Mary Waldron.

The resolution was agreed to, and a motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1954

Mr. WILSON of Indiana. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations have until midnight tomorrow night to file a report on the bill making appropriations for the District of Columbia for the fiscal year 1954.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. NORRELL reserved all points of order on the bill.

FRANCISZEK JARECKI

Mr. GRAHAM. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5238) for the relief of Franciszek Jarecki.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Franciszek Jarecki shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That for the purposes of the Immigration and Nationality Act, Franciszek Jarecki shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act; and that his past membership in the classes defined in section 212 (a) (28) of the Immigration and Nationality Act shall not hereafter be a cause for his exclusion from the United States."

The committee amendment was agreed to.

Mr. GRAHAM. Mr. Speaker, I ask unanimous consent that there be 20 minutes of debate on this bill, the time to be equally divided and controlled by the gentleman from Pennsylvania [Mr. WALTER] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GRAHAM. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin [Mr. O'KONSKI].

Mr. O'KONSKI. Mr. Speaker, this is a bill for the relief of the young Polish flier who escaped from Communist-dominated Poland and flew the first Russian MIG into the free world. He was a lieutenant in the Polish Air Force, under Communist Soviet Russian domination. He flew the plane to Bornholm, Denmark, where the Western democracies and the free world had the first opportunity to examine a MIG in completed form.

This courageous lad is entitled to remain in the United States. He thought he was landing on an airbase managed by Americans. Perhaps many Members of the House do not know that when this young lad decided to make his break for freedom he thought he was going to land at an American airbase. When he decided to land at Bornholm, Denmark, he thought he was flying to an American airbase. The manner in which he got that impression was very peculiar.

In the Communist propaganda against the United States of America they depicted in cartoon style a giant of an American whipping some Danish citizens at slave labor at the so-called American airbase at Bornholm. The title of the cartoon was, "This is the American occupation of Denmark." That cartoon that they sent around Poland in their propaganda against the United States gave this young lad the idea that Bornholm, Denmark, was an American airbase. That is why he decided to break for Bornholm, Denmark.

It is significant to note that he wanted to land among American authorities. It is fitting, therefore, to give haven to this lad in a land he sought to come to, to be free.

Franciszek Jarecki is a symbol of Poland. He is a modern Kosciusko and Pulaski. He represents the heart, the mind, and the yearning of every true Pole. There are millions of Franciszek Jareckis in Poland. They only await the time when they can throw off the yoke of communism. Given a safe place to land and some encouragement we can have thousands of Franciszek Jareckis repeating this noble and gallant feat.

Franciszek Jarecki represents the true Poland. He represents that gallant general of World War II of Monte Cassino fame, General Anders. It is worthy of note that when this lad landed in Denmark he asked that he be permitted to report to his general, General Anders. Just think of it. After 12 years of Communist indoctrination this lad always considered General Anders, and not any Russian, as his true general. Here is a lad who rose to the highest position in the Communist-controlled air force. Yet all this time he considered General Anders his true general and asked to report to him when he landed in Denmark.

Just think, my fellow Americans, what a force for freedom there would be to have General Anders and his army of gallant Polish soldiers supported by the free world. This move would do more damage behind the Iron Curtain than any other force or factor in existence.

Remember this well, too: That this lad and 24 million like him in Poland consider the Polish Government-in-exile in London as their true and honorable government. They despise their present Communist-dominated leaders. They despise any Pole who betrayed their Government-in-exile for personal glory or fame. Unfortunately Poland, too, has a few quislings who thought it was right for Poland to be friendly with Soviet communism. Unfortunately our State Department still recognizes and supports these quislings as the so-called leaders of Poland. These quislings will never produce a Franciszek Jarecki. The Franciszek Jareckis despise quislings.

We are honored today to have in the gallery Franciszek Jarecki, whose bill for permanent stay in the United States we are now considering. With him is the honest and true Ambassador of Poland to this country, Ambassador Joseph Lipski. Although our Government unfortunately recognizes the Communist Ambassador of Poland, the thing that counts most is that the 24 million gallant people of Poland do not. Their Ambassador is Ambassador Lipski and we feel honored to have him with us today.

To understand Poland and its Government-in-exile you must understand men like Franciszek Jarecki, General Anders,

and Ambassador Lipski. Making every sacrifice, they value freedom so high that they will not compromise it. Freedom to them is indivisible. Freedom to them must grow or it will die. Freedom is more precious to them than life itself. Their only aim in life is to serve the cause of freedom. To them and 24 million gallant people in Poland I say, "Don't give up hope. God is on your side. Poland will rise and live again and forever be free."

Mr. WALTER. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. MACHROWICZ].

Mr. MACHROWICZ. Mr. Speaker, as one of the cosponsors of this legislation, I wish to take this occasion, first of all, to commend the Committee on the Judiciary and its subcommittee, over which the gentleman from Pennsylvania [Mr. GRAHAM] presides, on the prompt and considerate manner in which they have handled this bill.

I am confident that this action of the House will be followed by prompt action by the other body, and eventually by the President, granting this gallant young Polish flier, who sits right above us in the gallery here today, the right to permanent residence in the United States. There certainly can be no doubt in the mind of any Member of this House that this young man has proved by his bravery and by his devotion to freedom that he merits our consideration.

By the action which we take today we will demonstrate clearly to the world that we recognize and appreciate the tremendous sacrifice he has made. We will also accomplish something of much more importance beyond the effect on this young man's future personally.

When the news of our action reaches the people behind the Iron Curtain, and it most certainly will, it will instill in them a new hope in the honesty and the sincerity of the American Nation. It will encourage many others to bold action, and will be the most effective morale builder that could be imagined. Let us not forget that this young man was not moved by any hope of monetary reward or by any personal glory. It was simply the love of freedom and independence which is typical of every Pole now and for generations past. It was his desire not only to help the cause of freedom in his own enslaved nation, but the intense desire to aid the free peoples of the world everywhere to conquer the specter of communism which threatens the freedom of all of us. The fact that Lieutenant Jarecki's bold and heroic action was not just an exceptional instance is shown by the fact that only last week another Polish lieutenant, under similar circumstances, also risked his life to escape the clutches of communism and join the Western World in its struggle to end the threat to the entire world of that barbarian and godless philosophy. This is a fine demonstration of the true spirit of the new Polish generation which has been brought up under Communist indoctrination, but nevertheless is loyal to the ideals of freedom and true democracy and to the ideal of independence of the Polish nation.

In these troublesome days, when we hear with great concern of disunity among the Allies, of the desire of some of them to make more and more concessions to the Soviets and to appease communism, with compromises on matters of principle, it is indeed heartening to know that there is at least one nation—one which suffered probably more than any other and which still suffers under the yoke of Communist oppression—that has not had its spirit broken, that is firm in its faith in us that we will give the free world the spiritual leadership needed to lead us into an era of true and firm peace. It is well for us to remember that in Poland, 8 years of Communist indoctrination, 8 years of terrorism and oppression have left that nation, still strong in soul and spirit, as loyal an ally of ours as any nation on earth.

I sincerely hope that Lieutenant Jarecki's brave deed will serve as an impetus to us to speed the day of restoring freedom to his Polish nation and that he will have the opportunity in the uniform of a soldier of the United States of America, to avenge the cruel and inhumane tyranny under which his people are living today.

I sincerely hope and believe that this bill, granting him permanent residence in these United States, has the unanimous support of every Member of Congress.

Mr. GRAHAM. Mr. Speaker, I yield 2 minutes to our distinguished majority leader, the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, few events have served to emphasize so dramatically that the flame of freedom still burns in hearts behind the Iron Curtain than the recent escape from Poland of Lt. Franciszek Jarecki.

Here is a young man of 21, subjected since childhood to the insidious blandishments of communism, who has struck his blow for liberty.

I am not concerned with rewarding Lieutenant Jarecki for having flown a Soviet-built MIG into the hands of our technicians—the first such undamaged aircraft our people have had the chance to study—although we are unquestionably grateful for such a prize.

I am concerned that we do not fail to recognize such a demonstration of fitness for American citizenship.

As between life under communism and under a government of free people, Lieutenant Jarecki has made a choice.

Such a choice would be easy for us over here. For him it was a step into the unknown—a step that could end in liberty or in death.

Lieutenant Jarecki's choice was one that could have been made only by someone completely devoted to the cause of free men.

It could have been made only by a mind that distinguishes clearly between good and evil, between right and wrong—and by a character which accepts the good and rejects the evil, at the price of life itself, if necessary.

Making the choice was one step. The plan of action to bring a dream to reality was the next.

It was this step which demanded resourcefulness, courage, skill, and determination.

Lieutenant Jarecki's deed was not one for the faint of heart to attempt. It was a modern-day epic in the history of mankind's age-old battle against tyranny and oppression.

It does not seem too much to me that we, in the Congress of the United States, take due note of such heroism, especially in view of its great significance to the world, both free and slave.

It does not seem too much to me that we offer this young man the greatest gift it is within our power to bestow on one who seeks freedom at the risk of life itself—the gift of American citizenship.

This is the home of the brave.

We can do no less than welcome Lieutenant Jarecki as one who has proved his worthiness to enjoy the blessings of the free.

Mr. WALTER. Mr. Speaker, I yield 1 minute to the gentleman from Illinois [Mr. GORDON].

Mr. GORDON. Mr. Speaker, it is my pleasure to commend the Judiciary Committee for the rapidity and unanimous action it took on reporting to the House a bill for the relief of Lt. Franciszek Jarecki, the brave Polish lad who recently dared to escape the clutches of Communist-controlled Poland in the latest type Russian MIG–15. At the risk of his life he landed this craft undamaged in neutral territory, which craft gave much data to the allied nations.

Much is known of him already as he has traveled in our country exposing the slavery the people of Poland are subjected to under their Soviet rulers, and it is heartening to know that this great Nation of ours is opening its arms and giving him protection and asylum.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. GORDON. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Indiana [Mr. MADDEN] may extend his remarks at this point.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MADDEN. Mr. Speaker, I wish to commend the Judiciary Committee for its diligence and promptness in favorably reporting the bill to give United States citizenship to Lt. Franciszek Jarecki.

Lieutenant Jarecki is a living example of millions of young men and women from Poland and other satellite countries behind the Iron Curtain who would gladly break the shackles of Communist tyranny if they could be assured haven and protection in the free countries of the world.

It is young men like Lieutenant Jarecki who are today behind the Iron Curtain who will eventually overthrow the Communist dictatorship. He has told the American people of the inherent love of liberty burning in the hearts of the people in Poland who are looking forward to the day when their country can be restored its freedom. His example in flying his jet plane across the Iron Curtain will no doubt be an inspiration to others to keep up the fight against slavery and the overthrow of the Communist menace.

Every effort should be made by the Voice of America and all other mediums of sending information to advise the people behind the Iron Curtain that our Congress has gladly given citizenship to

this boy who succeeded in severing the chains of slavery so that he can enjoy freedom and liberty not only for himself, but so he can continue the fight to restore freedom to Poland and other subjugated countries.

Mr. GRAHAM. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks at this point in the RECORD on this subject.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. KLUCZYNSKI. Mr. Speaker, on May 1, I had the honor to be one of the first among the group of Polish-Americans to greet Lt. Franciszek Jarecki at the Midway Airport in Chicago.

As the young, handsome Polish pilot stepped out of the plane, which had brought him from New York, I could see his eyes popping out from joy and excitement. And, as he stepped down the loading steps, he looked around and was impressed by the sight of the wide and huge airport, with all its modern installations. To Lieutenant Jarecki this was only a small part of our great and prosperous country, but he could not keep his eyes away from the interesting picture before him. At the time he did not realize there was much more to follow, that this was only the beginning, his first glance at our country which we so proudly like to display to any visitor, or guest from another country.

Today, I am once again witnessing Franciszek Jarecki, here from the floor of the House, as he is sitting up in the House Gallery, while we are debating H. R. 5238 which when enacted, will enable Lieutenant Jarecki to remain in this great country of ours and permit him to become a future citizen of the United States. To my knowledge, never before in the entire history of this great legislative body, has so many of its Members participated in a discussion preceding the enactment of a private bill.

There is not enough time to go into the merits of the patriotic venture of this 21-year old aviator, which enabled us to get a look, for the first time, at an undamaged Soviet MIG plane, that he landed safely at the tiny strip of the Bornholm's runway. This example of bravery and courage will inspire many others of Jarecki's discouraged compatriots to look ahead for a brighter future in their own enslaved country. Only 2 weeks ago another Polish flyer, folowed the example of Lieutenant Jarecki and brought the second MIG out of Poland.

Franciszek Jarecki is nothing but the true expression of the Polish spirit, which has spoken out so many times in the past of that most unfortunate country. Jarecki has the same spirit of those Poles, who had joined up in exile and formed armies to liberate their country. He embodies all the characteristics and the spirit of that handful of Polish peasants who back in 1794, under General Kosciuszko, fought and won the battle of Raclawice against the Tsarist army. He embodies that Polish love for freedom, which brought some 5,000 Poles together, who during the last war, so courageously defended the lines in Tobruck against the overwhelming forces of Field Marshal Rommel's Africa Corps. It is the same Polish spirit which permitted the Polish civilians in 1939 to keep off German attacks against the inhabitants of Warsaw; and which helped the Polish home army to clear their capital from the German invaders 4 years later, in one of the greatest uprisings the world has ever known.

The month of May seems to favor the Poles. It was in May 1791 when the Poles enacted their most liberal constitution and it was just over 9 years ago, when Polish troops of General Anders Second Polish Corps conquered the Monastery of Monte Cassino, after one of the most furious battles fought in World War II. Thus they opened the road to Rome, bringing the victory of the Italian campaign to a closer end. A few days after this victorious battle, General Anders in one of the orders to his troops, had this to say:

> And when strangers will ask you "What are you fighting for," the reply is that the Polish soldier fights for the same reason which led him into the battle 5 years ago, he fights to prevent force from dominating over law, no matter whether on our soil or foreign.

This is one of the reasons Franciszek Jarecki left his native land, and when he came here, the first thing he asked was to contact the United States Air Force. After he landed in Denmark, he wanted to see General Anders, that soldier who would never compromise with the Russians. It was General Anders who designated his adjutant, Captain Lubinski, with the mission of accompanying Lieutenant Jarecki to the United States.

Mr. Speaker, let us not forget that for every Jarecki who is now safe in this country, there are many more Jarecki's back in Poland. Their hearts are beating and waiting impatiently for the moment when they will be able to throw off the Soviet chains of slavery, and to enjoy freedom as we have enjoyed it in America for generations. Let us also remember, that without the help of the traditional Polish spirit, little can be done in a future liberation of the European continent. Therefore Mr. Speaker, we should welcome many more Jarecki's on our beloved free and independent shores.

Mr. GRAHAM. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. LAIRD] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. LAIRD. Mr. Speaker, Franciszek Jarecki's flight for freedom in a Russian jet MIG–15 vividly portrays to the free world the unrest behind the Iron Curtain. In one of his first statements here in this country he said, "W szesc minut zamienilem tyranie na wolnose." This statement translated into English means, "In 6 minutes I exchanged tyranny for freedom."

This Congress is to be commended for giving prompt action to H. R. 5238, the bill by my colleague from Wisconsin's Tenth District, the Honorable ALVIN E. O'KONSKI. I hope this bill will receive the full support of the membership of this House and immediate action by the United States Senate.

Mr. GRAHAM. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin [Mr. KERSTEN].

Mr. KERSTEN of Wisconsin. Mr. Speaker, I understand that Lt. Francis Jarecki is in the gallery. I salute him and, through him, the members of the Polish armed forces who are the enemies of communism, for I believe Lieutenant Jarecki is a symbol of the people behind the Iron Curtain, the overwhelming majority of whom are enemies of the Communists. What he said when he escaped from the Communists I believe to be true—that is, that every member of his jet fighter group, without exception, would like to get out. If we Americans and the rest of the world set up a proper program whereby we will be able to provide for members of the armed forces that would escape to the West side of the Iron Curtain, it would be the most effective thing to stop Communist aggression. The average rank-and-file Polish soldier behind the Iron Curtain would fight on the side of the West and not for the Communists. The Kremlin knows this and that is why they are so much against the policy of liberation of the slave world.

When will the Western World wake up to the fact that our most sincere allies against the Communists are among the millions of their victims?

We cannot shore up the free world with only American soldiers.

How eloquent were the words of Jarecki when he said, "The only thing that is needed is to provide a place in the West where Poles could go and join in a common effort to fight this tyranny."

This is the key to crack Soviet power without war. What is true of Poland is also true of other Communist-dominated countries. If we place our faith in the people rather than Communist dictators, we can avoid atomic world war III.

Mr. WALTER. Mr. Speaker, I join with my colleagues in extolling the splendid contribution that this brave young man has made in this struggle for freedom.

At this point I think I should explain to the House just exactly what we are doing. Under section 212 (a) (28) of the Immigration and Nationality Act, this young man is barred from admission to the United States because he was a member of a proscribed organization. This bill removes that disability. He is being admitted for permanent residence and his past membership in a class defined in section 212 (a) (28) of the new code is waived.

Contrary to misinformation that many of you must have received during the campaign of vilification, designed to discredit the Immigration and Nationality Act in order to bring about its repeal, a person who was a member of a proscribed organization is not permanently barred from admission to the United States.

First, under paragraph (I) of section 212 (a) (28) such person may be admitted even for permanent residence if he or she can show active opposition to the totalitarian doctrines for at least 5 years, and if the admission of such former member of the groups subscribing

to the sinister ideologies is deemed to be in the public interest.

However, a past and even a present member of a proscribed organization, although barred from entering the United States for permanent residence, may be admitted to this country temporarily. The people behind the campaign of vilification of the McCarran-Walter Act maintained that the bar is absolute and that nothing can be done in order to remove it. Here, today, we are witnessing the contradiction of that charge. Under section 212 (d) (3), the machinery is set up whereby the Attorney General of the United States, after a finding by the Secretary of State that the admission of an otherwise inadmissible alien is in the public interest, may authorize the temporary admission of such excludable alien.

In the case of this young man, the Attorney General has, on the Secretary of State's recommendation exercised his discretionary power and the boy has been admitted, temporarily, for 60 days. In further compliance with the Immigration and Nationality Act, to be more specific, with section 212 (d) (6), the Attorney General made a detailed report to the Congress stating facts that prompted him to exercise the discretionary power that we vested in him. This report, submitted by the Attorney General, is printed in the report accompanying the bill under consideration so that every Member of the House can now see how this legal machinery operates.

So it was possible to admit an inadmissible alien if there were strong reasons for such action. I wanted to make that clear for the benefit of those who may be occasionally misled by the propagandists.

All we are doing here today is to waive permanently the impediment which would prevent the beneficiary of this legislation from moving in and out of this country even after we grant him permanent residence. We are also refraining from making him pay the customary visa fee and from deducting one number from the immigration quota for Poland. We are doing that because we do not believe that the boy should pay the fee and that some other Pole be deprived of the quota number because this man made a successful flight to freedom. I believe that this young man has earned that privilege.

Mr. GRAHAM. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. BONIN].

Mr. BONIN. Mr. Speaker, from the beginning of recorded time, the force that has propelled civilization onward has been man's desire for freedom. When that desire fails the wheels of progress cease to turn. When it is most active, civilization makes the greatest advancement. We have seen freedom demonstrated today by the action of this House. Lieutenant Jarecki took his life in his hands with the determination to become free. He has demonstrated to the people behind the Iron Curtain that they, too, can liberate themselves from Communist oppression which threatens the entire civilized world. I sincerely hope that this action of the House of Representatives today along with the Senate in the near future will demonstrate to all people throughout the world that they may have freedom if they are only willing to run the risk.

I congratulate the committee on the speedy action it took on behalf of Lieutenant Jarecki, and I sincerely hope that the second young man who followed his course may also reach a point where freedom will be demonstrated as it is here in America.

Mr. WALTER. Mr. Chairman, I yield the remainder of my time to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, as we study history we learn of the constant struggle down through the ages of past generations trying to obtain liberty under the law. There have been various clarion calls on the painful onward journey of mankind toward the attainment of liberty under the law such as: "Where law ceases, tyranny starts." Those of us who are students of history even to a limited extent are aware of the efforts of past generations to wrest a little liberty from the dictators of the past, whether they represented an absolute monarchy or some other form of dictatorial control of people; and as we study a little further, we find that the desire for liberty comes from the natural law that liberty is a God-given right to every human being whether in America or a member of a wild tribe in some unknown part of the world; that there is law, the natural law, at the time of birth that gives to every human being certain instincts, certain desires, certain what might well be termed inherent rights. You and I who believe in God, know that the natural law comes from God Himself; but we know that each and every human being is at the time of birth possessed by a superior law which comes from God Himself. One of these inherent possessions is the desire for liberty, another is the desire for some of the fruits of our efforts; another is the sacredness of family life. Man-made law protects those rights where liberty exists, but the right never came as a result of the exercise of a man-made law; it came from superior law, the natural law, which comes from God Himself. May I observe that this young man, Lt. Franciszek Jarecki, as one Member said, is a symbol of that spirit. He can thank God he is in the United States. He is a symbol of countless millions of other persons behind the Iron Curtain and elsewhere, who, like him, are seeking liberty under God and justice under law.

Mr. GRAHAM. Mr. Speaker, I yield 1½ minutes to the gentleman from Connecticut [Mr. SADLAK].

Mr. SADLAK. Mr. Speaker, the action contemplated by this resolution is, in my opinion, most worthy. It affords permanent asylum in these United States to a unique individual who performed a most unusual and unprecedented feat impelled by his undaunted spirit seeking the truth that there was freedom beyond the confines of the boundaries of his homeland and his desire to aid those now enjoying freedom in order that through this means he may help in bringing freedom to those he left behind the Iron Curtain.

Mr. Speaker, in the words of the Polish anthem and to the opening strains of that first sentence, namely, "Poland is not yet lost while we live," I want to add that Poland is not yet lost while the youth and the people behind the Iron Curtain, symbolized in Lt. Franciszek Jarecki, continue to feel assured that there is freedom beyond the confines of their own enslaved countries and are given hope that there will come aid and succor to them in their native lands which are temporarily overlorded by puppet governments.

Mr. Speaker, I will say the last sentence in Polish in order that this distinguished young flier, who is in the gallery, may understand me.

Jeszcze Polska nie zginela dopoki my zyjemy—dopoki miodziez i ludnosc po za zelazna kurtyna ktorym symbolem jest Porucznik Franciszek Jarecki, dopoki posiadaja zapewnienie ze jest Wolnosc i Niepodleglos po za granicami Polski i innych ujarzmionych krajow i dana im jest Nadzieja ze pomoc i ulga nadejda dla nich i ich ziem nad ktora tymczasowo goruja rzady nieprzyjacielskie.

Long live the Jareckis and all that they symbolize.

The SPEAKER. The Chair wishes to state that the rules of the House prevent any Member from referring to one who is in the gallery. The Chair is not admonishing the gentleman from Connecticut because he does not know what he said.

Mr. GRAHAM. Mr. Speaker, a number of Members have requested the opportunity of meeting this young man. Through the graciousness of the Speaker I am informed they can meet him, after the consideration of this bill, in the Speaker's office; is that correct?

The SPEAKER. That is correct.

Mr. BOLAND. Mr. Speaker, I am privileged to join with my distinguished colleagues and friends in paying tribute to the fearless, young, liberty-loving, daring Lt. Franciszek Jarecki. I congratulate the Committee on the Judiciary and the Congress for the speedy action they have taken in passing the resolution granting permanent residence in the United States to Lieutenant Jarecki. This brave young man is indeed a symbol to the freedom-loving people who still live behind the Iron Curtain. By our action today, we tell them that they are welcome in this land of liberty. There is no doubt that Lieutenant Jarecki's action is but the forerunner of similar action on the part of many who yearn for the day of opportunity to throw off the yoke of Communist oppression and brutality. Lieutenant Jarecki's fearless action is another indication of the burning zeal for freedom that lurks in the minds and hearts of the Polish people. In behalf of the thousands of great Polish citizens that reside in my district, I seize the opportunity to welcome Lieutenant Jarecki to this country and to congratulate him on the contribution he has made to the cause of freedom throughout the entire world.

Mr. HELLER. Mr. Speaker, I, too, wish to compliment our colleagues the gentleman from Wisconsin [Mr. O'KONSKI] and the gentleman from Michigan [Mr. MACHROWICZ] for sponsoring bills to grant political asylum in this country to the gallant Polish flier, Franciszek Jarecki, who fled from his Communist-

dominated homeland. I also wish to congratulate the gentleman from Pennsylvania (Mr. GRAHAM), the chairman of the subcommittee, for taking prompt action on the measure. They deserve a lot of credit for introducing it and for their efforts to bring it before this House for immediate consideration. I am happy to cast my vote in favor of this measure.

The feat accomplished by this Polish airman in escaping from his Communist pursuers and bringing a prized Red MIG–15 to the free world is a great victory in the fight for freedom. It is the best evidence for the whole world to learn how the people behind the Iron Curtain are treated and how eager they are to escape from the yoke of their Communist oppressors whenever the opportunity to do so presents itself to them.

Our action in speedily approving this bill and enabling this young man to remain in the United States and eventually to attain American citizenship, will undoubtedly have a great psychological impact on all those living behind the Iron Curtain. They are bound to hear of it, they will surely learn of the warm reception given him in the House of Representatives, and the friendship extended to him by the American people. It will bring great joy and hope to many millions in the Communist lands.

The people of Poland and our own American citizens of Polish descent have every reason to feel mighty proud of their countryman, Mr. Jarecki. This is their great day, as much as his. It emphasizes their loyalty to democratic ideals and their devotion to the great struggle for freedom in which the free nations of the world are now engaged. America is glad to open its heart and its gates to admit Mr. Jarecki, who is the symbol of a free Poland.

Mr. LESINSKI. Mr. Speaker, the acceptance of Lieutenant Jarecki as a citizen of this country is a step forward to what should be done to many others under similar circumstances. America was built by people who dared to break away from the customs and traditions of their mother countries. It was built by peoples who severed all ties and took a chance to build for themselves a new home where they could exercise the rights of freemen, freedom from religious persecutions and oppression.

These people, as Lieutenant Jarecki and many others, were and are willing to risk death to come to America, to this land of freedom, where they will not have the continuous threat of seizure or violence over them. If we would only open our arms to many others as we did in the past to those who gambled their lives for freedom, we would be doing the world and ourselves a great deed. Under the Communist heel people with these same ideals are dying by the millions. The people behind the Iron Curtain are slowly returning to the Dark Ages and if some break does not soon come, the word "America" may mean nothing to them.

America missed the boat, right after World War II. Russia today would not have had the MIG nor the atom bomb if we had acted quickly and made plans to help the oppressed of Europe. These same people who were our friends are now working against us, not because of love for their present oppressors, but for the fear of death that is ever so near them.

When we awake and go back to the days of our forefathers in our sense of responsibility to others, and stop thinking only in the term of "me," we will gain considerably. As the Bible says "Those that giveth, so shall receive" does not only pertain to us individually, but also to a nation.

Yes, America, let us awake and give asylum to more Lieutenant Jareckis for in the end we will be the beneficiaries.

Mr. O'HARA of Illinois. Mr. Speaker, I am happy that I can be here today to join with my colleagues in opening wide the doors of our country to this great Polish patriot. He comes to us as a vibrant symbol of the unconquerable spirit of the people of his native land. He has written a new and brilliant chapter in the book of heroism. His exploit of surpassing courage will be told and retold from one generation to another. That burning passion for freedom that came to our shores in the inspired human instrumentalities of Kosciusko and Pulaski again has come to us in Franciszek Jarecki. The bond of understanding and of affection between the people of Poland and the people of the United States has been entwined yet closer because of Franciszek Jarecki.

Mr. Speaker, what we are doing here today in this most unusual parliamentary proceeding cannot fail to have most beneficial repercussions behind the Iron Curtain. It will give to the oppressed people of Poland the heartening cheer of knowing that we in the United States stand by them with the closeness of one brother standing by the side of another brother. The cause of a free Poland is the cause of a free United States.

For all the men and women of the Second District of Illinois I extend to Franciszek Jarecki our sincere good wishes for his future years in association with us in our land and what henceforth is to be his land. I join with others in commending the committee, the Speaker, and the majority and minority leaderships in bringing this bill to the floor of the House on a high level of patriotic bipartisanship.

Mr. FORD. Mr. Speaker, we here in America, living under free skies, working and playing in a democracy which respects our individual rights as human beings, can have little real knowledge of the horror of life under Communist dictatorship. A bill under consideration today, H. R. 5238, brings us to the very brink of the Iron Curtain and to the terror which lies behind it. I am sure that each and every Member of Congress is familiar with the story of internal conflict and the ultimate courage which brought Franciszek Jarecki out of the jaws of Communist oppression and into the free world.

I wish at this time, to add my vote of appreciation to that of my colleagues who have commended so highly the heroic accomplishment of this young Polish flier.

Twenty-one-year-old Jarecki not only conceived the plan for his own escape from the Communists, but also devised a scheme to bring into the hands of our allies a completely undamaged Soviet-made MIG–15 jet fighter plane. Until the time Jarecki had accomplished this heroic act, technicians of the free world had had no opportunity to examine this type of aircraft which has been such a problem to our military operations in Korea.

In my judgment, Mr. Speaker, Franciszek Jarecki has proved himself. No man would take such risks unless he were fully conscious of the stakes. To Franciszek Jarecki freedom was worth any risk. He made use of the MIG plane to effect his escape and to provide our allies with a Russian MIG completely intact.

There is no doubt in my mind but that Jarecki's proposed tour throughout the cities of America will do much to enlighten the citizens of America concerning our enemy, Russia.

America and her allies owe a great debt of gratitude to Franciszek Jarecki and we welcome him to America.

Mr. WOLVERTON. Mr. Speaker, it is a privilege to vote for the legislation now before this House, H. R. 5238, for the relief of Franciszek Jarecki.

The purpose of the bill is to grant the status of permanent residence in the United States to Franciszek Jarecki, a native and citizen of Poland.

This is the case of the 21-year-old Polish airman who, on March 5, 1953, escaped from Poland in a Soviet-made MIG–15 jet fighter plane and landed it, undamaged, on the Danish island of Bornholm, thus giving the technicians of the free world their first opportunity to examine an undamaged aircraft of that type.

Subsequent to his escape, the beneficiary of this bill, Lt. Franciszek Jarecki, applied for and was granted asylum in Denmark. On March 18, 1953, Lieutenant Jarecki was admitted to the United Kingdom where he remained until his entry into the United States, on May 1, 1953.

The story of the escape of this young man from Poland is one of the most thrilling and exciting episodes I have ever read. Back of his daring escape was an intense and dominating desire to enjoy liberty and freedom.

This thrilling story is best told in the words of the report from the Committee on the Judiciary of the House. In part it reads as follows:

Lt. Franciszek Jarecki was born in 1931 in eastern Poland. He escaped the mass deportation of Poles to Soviet Russia in 1940, but his father, an officer in the prewar Polish Army, was taken to a labor camp in Siberia where he died.

After the war, the boy went to a technical school for the purpose of becoming a pilot. At that time he already dreamed of escaping to freedom from communism. But he knew also that first he had to become a model Communist in the eyes of his Russian supervisors. He was soon recognized as a political zealot, a star pilot, and a reliable hater of the western democracies.

In April 1952 he graduated from the officer's training school at Deblin as the best student of the year and was posted to the crack regiment of the Polish Air Force in Warsaw. From there, in September 1952, he was transferred to the new airfield at Siupsk, specially built to take the latest type of Soviet MIG–15A fighter.

He first got the idea of getting out of Communist-ruled Poland in 1948 at the technical school in Bytom. Later as a star pilot, with all the privileges of his position in the

Communist Party and the air force, he felt that his escape would prove that no one in Poland can be trusted to support the Soviet puppet regime. After gaining asylum in England he expressed this in these words: "As a serving officer, I realized more and more that I did not want to fight against the West, and when in July 1952, I was made to sign a 'voluntary' secret pledge—under penalty of court martial, if I mentioned it to anyone—to spy on other members of my unit, I knew then the time had come."

Lieutenant Jarecki is a product of a Soviet people's democracy who had breathed communism since childhood, yet in the isolation of his own thoughts he had rejected communism and had ventured his life to escape it.

Lieutenant Jarecki's escape story in his own words follows:

"I always wanted to fly. Always, since I was a student in 1948, I wanted to escape from Poland; it seemed to me that the two went together. In September last year I was posted to a special squadron equipped with the latest type Soviet MIG fighters. Shortly before Christmas, I set my escape date for March 5.

"On the morning of Wednesday the 4th I went to the briefing room and stole a map which showed—as ours didn't—the Danish island of Bornholm, my objective. As the day wore on I became more and more nervous. Tomorrow I was to lead a training flight—my opportunity—but the weather prospects weren't good. At 1 p. m. I went to see the met. officer—he thought the flight might have to be canceled.

"It was my turn that evening to give the regular political peptalk to the men in the squadron. I took the usual line—hammering home that the Polish Air Force must stand ready because the attack from the West might come any moment. I ended it by saying that every airman should follow the example of leading pilots. I said, 'You must follow my example in whatever I do,' and I hoped they would remember that later.

"After supper I rang up the met. officer. When he said there was no improvement I was so worked up that I slammed down the receiver without saying goodby. I lay on my bed and switched on to dance music from West Germany on the radio given to me by a Russian general for flying proficiency. Listening to foreign stations was prohibited: somehow, just hearing those ordinary dance tunes coming from the other half of the world revived hope. But I couldn't sleep. At midnight I again rang the met. officer, although I knew my anxiety might seem suspicious; once more the report was pessimistic.

"Some time in the early hours, despondent, I fell asleep. I awoke at 6:30 a. m. and sprang to the window—it was a clear, fine morning. I dressed quickly. I'd shaved the night before. All I could force down for breakfast was a roll and a cup of coffee; my excitement choked me. I went back to my room and I spent an hour burning letters, papers, and the pages of my diary bearing the names of friends. I couldn't take it with me. Bulging pockets in my flying suit might be noticed. The addresses of girl friends went up in smoke—but I had deliberately not formed close relationships. I had been determined that no emotional entanglements should affect my plan.

"At 8:50 a. m. I walked over to my aircraft. Four trainers were to patrol in two pairs. I ordered one pair to fly along the Baltic, and told the pilot accompanying me that we were taking a parallel course at a slightly higher altitude. The first pair took off at 9:05 a. m. As I prepared to start I found that the fuel cutout wasn't working. I was determined to have my aircraft completely intact when I landed, so I had the cutout put right. Then I switched on the radio and called 'November (code name for my station), may I take off?' The reply came '731, 731, you may take off.' I knew the moment had come. I had a last look round and waved to my ground crew. They didn't know it was goodby.

"I made a last check of the instruments and my eye stayed a second on the gun-button. Four of the ten MIG's there were always kept operational, with guns loaded; the training aircraft's guns weren't primed, but I'd managed to get two of mine set up. I was ready to fight my way out if I had to.

"The two of us took off and, climbing, we set course for Kolobrzeg. Visibility over the Baltic wasn't too good—somewhere north through the mist was the sanctuary of Bornholm which, we'd been told, was a heavily manned American airbase. I ordered the other pilot to stay in front. We turned out over the Baltic. We were at 18,000 feet. The time had come for me to jettison my reserve tanks to give me the extra speed I'd need to escape.

"I reached out to press the button, and my thumb slipped off. My mind froze. Everything that day seemed to have a separate significance. Perhaps this was a sign. Perhaps I'd better wait. Perhaps another day would be better * * * because I knew this was the moment of no return. The instant the tanks fell away, the other pilots would know what I was up to.

"Then I acted. I pressed the button, the tanks dropped off, and I pushed down the nose into a steep dive. The radio roared. I heard the voices of the other pilots shouting, '731 is escaping.' On an impulse I yelled back, 'Yes, I'm going to fetch medicine for Daddy Stalin.' I switched on the combat wavelength and I heard base shouting the word 'krest'. I knew what that meant, it was code for 'shoot down.' Within seconds I heard the four operational MIG's taking off in pursuit.

"The aircraft began to shake and wobble. I was on the brink of the sonic barrier and it needed all my strength to level up. Now I had dropped to 1,500 feet, out of the radar field, and I knew I couldn't be followed on the screen.

"As I shot across Bornholm, I was astonished that the air was empty of aircraft. Where were the American fighters to intercept me? And the vast concrete runway that had been described to us, it was nothing but a tiny grass strip, much too short for a jet. Well, it just had to be long enought this once. I cut down speed and I got ready for the run in. Then I saw, right in front, a wire fence. I dragged back on the stick, leap-frogged it and set down. I just managed to stop short of a thicket at the very end. Quickly I taxied under some trees—barely in time, for over came the four MIG's. They seemed not to have seen me, for after circling they headed north, presumably thinking I was heading for Copenhagen.

"I was there. I sucked in a great gulp of air and unsipped my coat. The relief was almost too much to bear. As I climbed out I saw a young woman with a baby in her arms come out of a nearby house. I knew it wasn't—and yet the terrifying thought suddenly gripped me, 'Perhaps this is Communist territory.' With my hand on my pistol holster I said in broken German, 'Are there any Communists here?' Her face was twisted with fright. She gasped, 'No, no.' I turned and walked toward the control tower and a group of men came running forward—members of a civilian flying club, I learned later. They spoke to me—all at once—in English, German, and Danish, but all I could say was, 'Poland, Poland—Communists kaput,' and then 'Asyl' (asylum).

"The police took me over and I spent that night in a cell. It was a bad night. Suppose, I kept thinking, they should decide to hand me back to the Communists?"

But he was not sent back, instead he received asylum in Denmark, then in England, and now is touring the United States, lecturing to Polish-American groups in several large cities.

The story of this boy seeking residence in this Nation of freedom is illustrative of the burning desire in the heart of every true Pole for freedom. It is this spirit that cannot be quenched that will eventually bring liberty and freedom to Poland and its people.

To cut the red tape, as this bill will do, and make it possible for this young Pole to become a citizen of this land of the free and home of the brave, is a worthy gesture upon our part, and, will give courage to all others who yearn for freedom from the yoke of communism.

Mr. GRAHAM. Mr. Speaker, the Members will take notice accordingly, and at this time I yield the balance of the time on this side to myself.

Mr. Speaker, as chairman of the Subcommittee on Immigration and Naturalization it becomes my duty to handle these cases, as we all know. I think the Members will be surprised to know that at the moment there are 1,770 private cases or bills pending before our committee. This is one-third of all the workload of the House of Representatives. I simply cite that to show the tremendous volume of work which passes through our committee.

Secondly, there are certain cases which, as we all know, require special attention. But I know of no case that has impressed me more than the case of this young man. We may be charged with speed in this matter, and undoubtedly we have moved with speed, but time is of the essence in this movement in order to protect this young man and to carry the message behind the Iron Curtain.

This young man said, "I heard on at least 20 different occasions the Voice of America being beamed over there to us."

He said, "I cannot tell you how much it has meant to me and to my fellow people behind the Iron Curtain."

I wish every man and woman in this country could have seen this boy when he said, "I hate communism. My father was sent to Siberia. I do not know whether my mother is living or dead. I am here in an asylum where I hope some day that I may join the American Army and fight with it."

What better tribute could any man give who has found asylum here in America? I want to say on behalf of my absent colleague [Mr. HILLINGS] who is detained on other work, that we of the subcommittee loyally and faithfully passed upon this matter. We are only too glad to bring this unanimous recommendation to the House, and we trust it will meet with your approval.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. GRAHAM. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I think the RECORD should also show not only the fine, quick action on the part of the committee but that it is a most unusual procedure in the House on a private bill, because we recognize the significance of it. The leadership of the House, our beloved Speaker, the majority leader, the minority leader, as well as the members of the

committee all cooperated to bring this bill up under this most unusual parliamentary procedure, bipartisan in nature, in order to effectively convey to the world what the spirit of liberty and freedom means as exemplified by this young man.

Mr. GRAHAM. I thank the gentleman.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed and a motion to reconsider was laid on the table.

SPECIAL ORDER GRANTED

Mr. BOW (at the request of Mr. HALLECK) was given permission to address the House today for 15 minutes, following any special orders heretofore entered.

VETERANS' HOSPITAL PROGRAM

Mr. PELLY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PELLY. Mr. Speaker, I am most interested, as I am sure other Members of this Congress are, in the veterans' hospital program. I have received from my district numerous letters and telegrams from people in all walks of life who are disturbed, as I am, by the fear regarding lack of adequate provisions for the care of sick and disabled veterans. This fear should not be allowed to develop. I have made a careful check of the State of Washington with the Veterans' Administration, and I find the following to be the facts regarding veterans' hospital beds in my State and in my district:

	Beds
American Lake Hospital (mental hospital)	904
Vancouver, Wash. (barracks)	575
Walla Walla	421
Spokane	200
Seattle (new general, medical, and surgical hospital)	325
Total	2,425

I also find that one of the great difficulties of the Veterans' Administration is personnel (doctors, nurses and trained personnel). There is a shortage of trained psychiatrists and specialists in tuberculosis. These hospitals are staffed by civilian doctors, and I am wondering if the Armed Forces, by drafting the number of doctors and dentists and specialists, are not severely handicapping our disabled veterans. For instance, in the city of Seattle I am informed that out of the 325 beds in the new veterans hospital there are only 264 in use on account of the lack of doctors and trained personnel to take care of the patients.

In this great country of ours which our wounded and disabled veterans have done so much to protect and maintain, I am sure it is the desire of this Congress to give them adequate medical attention. I believe we should investigate thoroughly the shortage of doctors which undoubtedly is causing the lack, if there is a lack, of attention to our hospitalized veterans. Money that is appropriated by Congress for the purpose of caring for the veterans should not be transferred into too much administrative and office work. I am informed by doctors in the armed services that many doctors in the service are confined to administrative or paper work. Surely arrangements could be made for this type of work to be done by nonprofessional personnel. Doctors and dentists must practice their profession whether in or out of the service if they are to maintain a high standard in their work.

Appropriations alone cannot make doctors or nurses. Therefore, we should see to it that too many doctors are not taken out of the necessary work in caring for the sick and wounded veterans, that the young men and women enrolled in the medical schools be encouraged to continue their studies in order that our armed services and civilian population will have adequate medical care.

Appropriations alone cannot make a satisfactory Veterans' Administration hospital program. In addition to adequate funds Congress must see to it that this Nation has a sound policy, well administered to provide for our veterans.

TARIFFS

Mr. HUNTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HUNTER. Mr. Speaker, earlier during this session, I introduced a bill, H. R. 3482, which would eliminate tariffs on automobiles and automobile parts. This bill was introduced following recommendations of the automobile industry that tariffs be eliminated.

This month, I have received from the National Federation of Independent Business the results of a nationwide poll of its members, all independent business and professional men, which reflect that 66 percent are opposed to my bill, 29 percent are for it, and 5 percent are undecided.

Although there have been 2 or 3 oral inquiries from representatives of the automobile industry relative to my bill, I have received no written indication of support or willingness to testify in favor of it. In this connection, it is also interesting to note that the automobile industry has not testified during the recent hearings on tariff matters before the House Committee on Ways and Means. Furthermore, I have been unable to find a single automobile dealer in my district who has expressed any enthusiasm for the elimination of the tariff on automobiles.

Ironically, despite the automobile industry's articulate demands for free trade, there has been no reduction in the tariff on foreign automobiles during the last 20 years, whereas tariffs on agricultural commodities, for example, have been cut more than half during that period.

MILITARY EXPENDITURES

Mr. CURTIS of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, I am inserting in the CONGRESSIONAL RECORD today excerpts from a speech made by the Honorable CHARLES B. BROWNSON at the Mount Vernon Republican Club in Baltimore, Md., on May 25. I would say that if the Democrat Party leaders wish to make an issue out of getting the military expenditures back to reason, we on the Republican side would be most happy to answer this challenge.

I am also placing in the RECORD an article by Gould Lincoln appearing in the Washington Star on May 26, 1953, which discusses the same subject.

I expect to get a special order some time next week to discuss this matter of military expenditures and I would be most happy to have the gentlemen from the other side of the aisle present to debate this matter if they care to. I think it is time that this business of slipping prepared statements in the RECORD under the guise of debate, and releasing same to the press, should stop. For example, I do not believe my colleagues on the other side of the aisle would have cared to have delivered on the floor of the House the attacks they made on the Eisenhower administration which they inserted in the RECORD the other day. As every Member of the House knows, there is a great deal of difference between actually delivering a speech on the floor and subjecting yourself to the critical rebuttal of your colleagues, and simply inserting a statement into the RECORD without giving anyone a chance to refute it.

[From the Washington Star of May 26, 1953]

BLAST AT WILSON IS REALLY AN ATTACK ON PRESIDENT—DEMOCRATS HAVEN'T COURAGE TO DENOUNCE EISENHOWER

(By Gould Lincoln)

The Democrats, in their current bitter attacks upon Secretary of Defense Wilson, are camouflaging an assault upon President Eisenhower. They are calling for Mr. Wilson's official head—on the theory he is scuttling national defense in the program of appropriations and expenditures for the fiscal year 1954, and for the following year. They haven't quite the courage yet to denounce the President himself.

The President is fully cognizant, however, of the details and effect of the defense program which Mr. Wilson has submitted to Congress. It is unthinkable that the program has been laid before that body without his approval. As a trained military man and as Commander in Chief, it is equally

unthinkable that President Eisenhower would put his seal of approval on a program that threatens the national defense. If the American people cannot trust General Eisenhower in military decisions such as these, whom can they trust?

ASTRONOMICAL SUM

The spearhead of the Democratic attack upon Secretary Wilson is the proposed cut in appropriations for the Air Force. The revised budget request for the Air Force for fiscal year 1954 is $11.69 billion. The estimated carryover from previous appropriations for the Air Force is $28.48 billion. This means a total of $40.17 billion available for the Air Force in fiscal year 1954, an astronomical sum which the Air Force could not possibly spend in that period. The revised budget request, however, cut $5 billion from the Truman budget for that branch of the service. Looking into the future, Mr. Wilson's critics charge that this cut threatens the eventual strength of the Air Force in a disastrous manner, Mr. Wilson to the contrary nothwithstanding.

Senator MILLIKIN, of Colorado, chairman of the Republican conference committee of the Senate, has dared the Democrats to make a political issue of the proposed Air Force money cuts, insisting the country will support the judgment of President Eisenhower as to the air strength we should have. The Colorado Senator, when he issued his challenge, may have had in mind an investigation which is about to be launched into spending by the Air Force in recent years. A subcommittee of the Senate Armed Forces Committee, headed by Senator BRIDGES, of New Hampshire, will begin this investigation June 2. If reports are true, the waste of funds that will be turned up will shock the American people. In one quarter it is said that large sums might as well have been dumped in the Atlantic Ocean. The other members of this subcommittee are Senators FLANDERS, of Vermont, and DUFF, of Pennsylvania, Republicans, and Senators BYRD, of Virginia, and SYMINGTON, of Missouri, Democrats. The word is going out that it would be better to go slow on demands for greater appropriations for the Air Force until all the facts are known.

GLOVES COME OFF

The Democrats in Congress—or some of them—are beginning to take the gloves off, in preparation for a bare-fist fight with the Republican opposition. Senator LYNDON JOHNSON, of Texas, the minority leader of the Senate, addressing the Women's National Democratic Club here, asked:

"Does our Defense Department think that fewer ships, fewer guns, and fewer planes mean greater strength to defend our country against communism? The American people are a proud people. They are strong in their confidence; firm in their determination to defend their country. They did not vote [in 1952] for weakness and confusion. They did not call for a reduction in their fighting power."

There was much more to the Johnson speech, criticizing the Eisenhower administration. In it the Democratic leader said the people are seeking firm direction, and he added: "If the constitutional leader does not lead, there follows, first, disenchantment, then disillusionment, and, finally, complete despair." Here is the suggestion, if nothing more, that President Eisenhower is not providing that leadership.

A demand will be made that President Eisenhower himself defend the details of the national-defense program. In his recent address to the Nation on taxes and defense, the President did give his approval in a general way to the defense budget. Members of Congress, including some of those who are strongly favorable to the President, will wish to hear from him more specifically in regard to items of the program before they vote for it. Nor does it appear likely the President will hesitate. On the contrary, it may be expected the President will express himself firmly.

EXCERPTS FROM SPEECH BY HON. CHARLES B. BROWNSON BEFORE MOUNT VERNON REPUBLICAN CLUB, OF BALTIMORE, MD.

BALTIMORE, MD., May 25.—"Citizens sincerely interested in sound defense will not be deluded by the corporal's guard of heavy spenders who chose to pit their meager military experience against the judgment of President Eisenhower and Secretary of Defense Wilson last week," Congressman CHARLES B. BROWNSON, Republican, of Indiana, told a meeting of the Mount Vernon Republican Club here tonight.

"It's just another case of publicity-hungry, armchair strategists charging into bloodless battle astride the Democratic donkey," BROWNSON charged. "This attack is a politically inspired attempt to sell the American people on the false idea that we can spend our way to armed strength by following the Truman budget.

"It is hard for those whose political lives have depended on heavy spending to admit that efficiency, economy, and the elimination of duplication in the Air Force can result in more fighting planes on the line in spite of a cut of $5.1 billion from the flabby fat of Truman's defense budget," the Congressman noted.

So far, Secretary Wilson has been attacked by several Democrats including Senator LYNDON B. JOHNSON, Democrat, of Texas; Senator HENRY M. JACKSON, Democrat, of Washington, and Representative SAMUEL W. YORTY, Democrat, of California, all three known for their past voting records in favor of heavy spending and in opposition to economy. "These attackers fail to consider," BROWNSON added, "that the estimated carryover from previous Air Force appropriations is $28.48 billions. This will make over $40.17 billions available to the Air Force even with the sound Eisenhower cut in force."

Out of 31 possible votes in favor of economy in 1951, Senator JOHNSON voted for higher spending 28 times and economy 3 times. In 1952, out of a possible 20 votes for economy, he is listed as supporting higher spending 14 times and economy only 5 times. This is the same LYNDON JOHNSON who cries that the President is not providing sound leadership.

Senator HENRY M. JACKSON'S economy record was created in the House of Representatives. In 1951, out of 14 possible votes in favor of economy JACKSON voted 12 times for higher spending, no votes for economy and was absent twice. In 1952, with 10 possible votes for economy, JACKSON voted 5 times for spending, twice for economy and was absent on 3 economy votes," BROWNSON noted from JACKSON'S voting record.

"It was was Senator JACKSON who demonstrated an all-time high in fiscal irresponsibility when he stood on the floor of the House on October 9, 1951, and begged for a 10 times increase in the atomic-energy appropriation which would have cost $9 billion for fiscal year 1952 alone, then, with obvious political cynicism voted against the annual tax bill 10 days later.

"Representative SAMUEL W. YORTY also has an outstanding record as an advocate of higher spending. In 1951, out of 14 opportunities to vote for economy, YORTY voted 12 times for higher spending, no votes for economy, and was absent on two economy votes. In 1952, out of 10 opportunities to vote for economy, YORTY favored higher spending 8 times, voted for economy only once, and was absent on another economy vote.

"Those who oppose President Eisenhower's judgment in cutting the fat in the Air Forces appropriations by $5.1 billion are the same ones who spent the Nation into its present sorry financial strait. This is a case of a Navy commander, an Army private, an Air Force captain, and several civilians, free spenders all, pitting their limited knowledge of the high-level military needs of the country against the considered and deliberative judgment of the general who led us to victory in Europe in World War II. When the partisan tumult has died down, I hope these well-meaning but relatively uninformed lawmakers will think the situation over very seriously before they vote to override the budget recommendations of General Eisenhower, whom the people elected last fall as an evidence of their confidence in his leadership in time of armed conflict. It resolves itself into a simple issue: Did Truman in his budget, or does Eisenhower in his budget, know best our armed services' needs?

"Ever since World War II our dollars appropriated to the armed services have had wings. Unfortunately you cannot drop an atom bomb from a billion-dollar appropriations check with wings fastened on it. It's the planes and firepower that make for combat effectiveness, not the Air Force mimeograph machines, real estate, or snowflake cameras.

"The wasteful process of giving wings to our tax dollars has not been, is not, and will not be a substitute for a realistic, efficient, cost conscious program of producing fighting components and eliminating frills, duplication and inefficiency.

"Since the end of World War II, Congress has appropriated over $235 billions for our armed services. If money alone would build fighting might, we would be invincible today. Interservice rivalries, duplication, inefficiency and waste have drained heavily on the real combat value of these tax dollars. Incidents like that of the $45 million squandered by the Army on overcoats that were never fit for use, the deliberate duplication of medical supply services in the San Francisco area and the scandals in the construction of our foreign bases have alerted the taxpaying public to the fact that appropriation of dollars alone will not build a sound Military Establishment without the kind of management the President and his Secretary of Defense are prepared to deliver. More wasteful scandals in armed services procurement under the Truman administration are being uncovered by every new investigation. Money down the drain won't build a single plane.

"In the last few weeks there has developed on the floor of Congress, a vicious partisan effort to seek heavy increases in every nonpartisan appropriation bill in a desperate attempt to make sure the budget cannot be balanced. This has resulted not only in playing partisan politics by seeking to raise the defense appropriation, but in building high the hopes of pressure groups whose projects are worth while but which should be financed at the State or local level.

"The administration has taken a firm stand. The Eisenhower goal is more defense for the dollar spent instead of more dollars for defense spending. The country will applaud this decision even while the Truman clique of heavy spenders in Congress view with alarm the end of the gravy train."

USE OF FEDERALLY OWNED LANDS

Mr. D'EWART. Mr. Speaker, I ask unanimous consent to insert the following letters at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

WYOMING FEDERATION OF WOMEN'S CLUBS,
Cheyenne, Wyo., March 30, 1953.

DEAR FELLOW AMERICAN: On March 10, I received a printed letter and enclosed resolution addressed to officers of the State Federa-

tions of Women's Clubs, urging them to rubberstamp that resolution, which strongly opposed the proposed Uniform Land Tenancy Act. I was appalled by the many misleading and reckless arguments which were put forward in that resolution.

Feeling strongly that such distortions should not go unrefuted, I wrote the accompanying letter to the author of the original letter. I am sending a copy of this letter to you because I know that you want to be correctly informed about a problem that will affect every family in the United States.

The efficient and most economic use of the federally owned lands is of vital concern to you and to every family because of the tremendous part these lands play in providing food and clothing. We women of the West would be the last to wish to spoil the recreational and esthetic values and the outstanding fishing and hunting opportunities which we ourselves enjoy. No such desecration is contemplated by this proposed act.

Will you please read the accompanying letter? More than ever the citizens of America need to be well-informed. I am tired of people feeling that they can use the clubwomen of America for their own selfish schemes.

Will you let me know your reactions?

Sincerely yours,

SHIRLEY BOICE,
Mrs. Fred D. Boice, Jr.,
Second Vice President, Wyoming Federation of Women's Clubs.

WYOMING FEDERATION OF WOMEN'S CLUBS,
Cheyenne, Wyo., March 18, 1953.

MR. FRANK MCQUEEN,
President, Malheur-Harney-Lake Counties Central Wildlife Council, Burns, Oreg.

DEAR MR. MCQUEEN: On March 10 I received your printed letter of February 5 addressed to officers of the Federation of Women's Clubs and the resolution which you ask us to send to Secretary of the Interior, Douglas McKay; Secretary of Agriculture, Ezra T. Benson; Secretary of Labor, Martin P. Durkin, and to our Senators and Representatives in Congress.

Since I am a rancher's wife and know something of ranching as well as the proposed Uniform Federal Land Tenancy Act, I am astounded at the many misleading statements you and your council make about the western stockmen and the proposed land tenancy act.

It is the purpose of this letter to disprove your charges and explain the position of the stockman as to his use of the Federal grazing land.

The grass that grows on the ranges in the West is the primary source of the meat the housewife serves at her table. Without the conversion of this grass to meat by livestock, the yearly grass crop would go to waste for there is no other way to utilize it.

The stockman believes the grass on both private and public lands should be utilized. And he has been converting it into meat for many years. On federally owned lands his use of the grass is regulated by many departments of the Government and the terms of his tenancy in this use are different in each department.

His main purpose in proposing the Uniform Grazing Land Tenancy Act is to have these terms of his tenancy on the Federal lands made uniform and to insure regulation by law instead of by departmental edict.

In many cases the proposed law simply restates present regulations and laws on grazing.

For instance, what you say in your letter about the proposed act granting stockmen "renewable 10-year permits or leases to public owned forests and grazing lands to give them the use of the land as their own" is, except for the words "as their own" a statement of fact. The stockman actually is only a tenant on the Federal lands he uses and others are not excluded.

Your letter continues: "and to let them transfer these rights with the sale of the land."

This is a clever way of intimating that the stockman would get a vested interest in the Government land. It is actually a fact that the tenancy is usually transferred with the stockman's base property (his privately owned land and livestock).

But you do not say that both the 10-year permit system of leasing the lands to stockmen and the transfer of the permit when the stockman's base property is sold is a practice of long standing and is, in fact, already part of the law and regulations concerning leasing and transfers.

Neither the Government nor the stockmen have objected to these terms. It is the way in which you have set forth these two facts that make them seem objectionable. If the public knew all the details about Government leasing of lands for grazing, such criticism would be meaningless.

Your letter also charges: "It (the proposed law) will exclude small ranchers, farmers, and the general public."

The fact is that there is no Government land left to speak of open for entry now, so ranchers, large and small, and everyone else, are in that sense excluded from Government land. That was inevitable. The so-called free land could not have lasted forever and most of the ranchers today have bought their places anyway. The era of the homesteader had to end some time. It ended quite a few years ago.

But that does not mean that a small rancher or farmer cannot still buy a place with contiguous public land available to him. He would be no more excluded under the proposed law than he has ever been.

It is also true that the public's use of the Federal land for recreation would continue as free under the proposed act as it has been. In fact, this use could even be enlarged upon, for in the words of the proposal (sec. 11)—

"Nothing herein contained shall be construed to restrict the power of the Secretary, in his discretion, to limit or discontinue the grazing use of any lands under his jurisdiction for the purpose of preventing injury to said lands from grazing, or to change the use of any such lands from grazing to any other authorized use."

Section 12 (b) reads:

"Nothing in this act shall be construed as in any way altering or restricting the right to hunt or fish, in accordance with the laws of any State, upon lands to which this act applies or as vesting in any grazing-privilege holder any right whatsoever to interfere with any multiple use of such lands."

There are many restrictions written into the bill—for instance, section 12 (c):

"Nothing herein contained shall restrict (1) the acquisition, granting, or use under existing law of permits or right-of-way within the lands to which this act applies; (2) ingress or egress over such lands for all proper and lawful purposes; or (3) prospecting, locating, developing, mining, entering, leasing, or patenting the mineral resources of such lands under laws applicable thereto."

Other sections vouchsafe the continuation of the State's police power over the land for purposes of public health or welfare, and, incidentally, provide that—

"The issuance of a permit pursuant to the provisions of this act shall not create any right, title, or interest or estate in or to the lands or in any way limit or restrict any right, title, or interest of the United States in such lands."

Notwithstanding these clear words in the proposed act, your wildlife council, which admits having read the proposal, says that:

"It is a subterfuge and another step to actually take over control and in practice own the public lands to the exclusion of the small cattlemen, farmers, and the general public, and could be the first step in the greatest land grab in American history."

Where is the stockman's control, when the proposal states that the Secretary may change the use of the land and that the United States Government's title shall not be impaired?

It is only a fair, uniform tenancy law, subject to all the restrictions mentioned, and many others, that the stockmen want; and, the thousands of stockmen, big and little, who are members of the American National Cattlemen's Association and the National Wool Growers Association, are backing the proposed act, together with scores of State, regional, and local associations.

Your letter says the cattleman's policy is to "destroy the public-owned elk and deer and ruin the public's recreation grounds in order to pasture more range cattle."

And your suggested resolution adds:

"During the past 50 years the ravishing and destruction of the native grasses and habitat is a direct result of the cattlemen refusing to cut down their herds from the peak pasturage load during recent years and to increasing the cattle numbers in the United States to nearly 100 million in 1952." (January 1, 1953 figure for total cattle numbers was 93,696,000; 56,817,000 for beef cattle.)

Anyone at all familiar with the West knows that the cattleman does not destroy elk and deer. He knows that the cattleman conserves these animals, for it is his haystacks that keep many of the animals alive during a hard winter.

United States Forest Service figures show that in he past 30-odd years, during which period the permitted use on forest reserves for domestic animal grazing has been more than cut in half, the increase in antelope, deer, and elk numbers has amounted to 225 percent.

Your council attacks the proposal for "giving cattlemen the right by law to fence and cross-fence thousands of grazing areas."

The proposal does encourage the Secretary to promote the construction and maintenance of fences and other improvements in order to better control the grazing thereon, but this does not mean that the stockman may willy-nilly put up fences at his pleasure. Actually, the practice has been, and the proposal so provides, that fences and other improvements are to be erected under the authority of the proper Government agency.

You can trust your forest ranger to see that no fences are put up that will infringe upon recreation or any other proper use of the forest lands.

The stockman's proposed act in no way restricts or interferes with the present multiple use of Federal lands.

Your suggested resolution objects to the stockman's way of running his ranch in these words:

"There is no active effort made to intensify farming procedure and raising of forage to feed cattle. On some of the richest land in the Nation, wild hay and bunchgrass is the main crop and in thousands of instances is practically the only crop to the exclusion of seeded forage and grain crop."

It is fortunate that in many of the semiarid areas of the West the good grasslands have not been disturbed. Otherwise, with dry years and high winds much of its topsoil would have blown away.

On the other hand, the stockmen have reseeded where necessary many thousands of acres of rangeland to grass. Figures that come to mind concerning a western area show that, whereas the Forest Service had reseeded 200,000 acres of Government land, the stockmen had reseeded 700,000 acres of their range land. Often the stockman reseeds Government land upon permission. He wants the land improved. It is the only source of his income.

Your council points to 13 cents an animal month fee that stockmen pay for grazing on Government land. The average in Forest Service Region No. 2 is 67 cents. You should realize that where public land is an important part of a community resource, ranch property and deeded range lands are valued and taxed at higher rates, thus "averaging up" the public land grazing cost.

But even this question of costs is provided for in the act. Section 8 (a) provides that—

"The Secretary of Agriculture and the Secretary of the Interior are authorized and directed to conduct jointly a comprehensive economic study for the purpose of obtaining such information with respect to the various regions concerned as may be necessary to establish a schedule of fees for grazing privileges on the lands to which this act applies which will take into consideration the investment required in base properties, requirements of the local economy of the particular region, and all other relevant facts and circumstances."

I have tried here to answer dispassionately the charges you and your council make. Such misleading and reckless arguments must not go unrefuted.

Sincerely,

SHIRLEY BOICE,
Mrs. Fred D. Boice, Jr.,
Second Vice President,
Federation of Women's Clubs.

VETERANS' ADMINISTRATION

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1561) authorizing the transfer of certain property of the Veterans' Administration, in Johnson City, Tenn., to the State of Tennessee, with a Senate amendment thereto, and concur in the Senate amendment.

I may say, Mr. Speaker, that the amendment provides that the State of Tennessee shall perpetuate and provide for the maintenance of the cemetery located on the property. I am advised that the gentleman from Tennessee [Mr. REECE] has no objection. The bill was passed recently. Only a few acres of land are involved. The bill was reported unanimously by the Committee on Veterans' Affairs and passed the House unanimously on the Consent Calendar.

I might say also that I have consulted the leadership on both sides, and they are agreeable to this.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 10, after "transfer", insert "*Provided*, That the State of Tennessee shall perpetuate and provide for the maintenance of the cemetery located on the property."

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

ADMINISTRATION POLICY TOWARD SMALL BUSINESS

Mr. BOLLING. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no exception.

Mr. BOLLING. Mr. Speaker, in a broadcast on October 1, 1939, Sir Winston Churchill said:

I cannot forecast to you the action of Russia. It is a riddle wrapped in a mystery inside an enigma.

The recent testimony before the Senate Banking and Currency Committee of Yngvar Brynildssen, Acting Administrator of the Small Defense Plants Administration, as reported in the New York Times, of May 23, indicates that the present administration's policy toward small business is also "a riddle wrapped in a mystery inside an enigma."

The Eisenhower administration says it is anxious to help small business. When it comes to actions, however—and certainly actions do speak louder than words—the Reconstruction Finance Corporation under the new administration issues a directive which in the words of Mr. Brynildssen will mean "that RFC henceforth will approve virtually no loans to finance small-business defense contracts."

When this action is related to the apparent desire of Secretary of Defense Wilson to narrow the mobilization base to exclude smaller business enterprises from a share in defense production there is good reason for every small-business man to look to the future with grave concern. Can it be that big business, which is so well represented in the present administration, does not really want to encourage competition from its smaller brothers in the moderate-sized enterprises which have contributed so much to America's strength and standard of living?

INEQUALITIES IN THE ARMED FORCES

Mr. MULTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MULTER. Mr. Speaker, I am introducing a bill to remove the inequalities between the compensation to which members of the Reserve components of the Armed Forces are entitled for death or disability incurred in line of duty and that to which other members of the Armed Forces are entitled.

The differences in disability or death compensation between members of the Regular Army and the Reserves come in those portions of the laws dealing with survivor benefits.

The disability provisions pertaining to the soldier himself, Regular or Reserve, in time of peace are the same—see next to last proviso in title 5, United States Code, page 797—and appear in title 38, United States Code, chapter 12, Veterans Regulation 1 (a).

The benefits to survivors are paid under different laws at present; that is, the Regular soldier's survivor continues to come under Veterans Regulation 1 (a), supra, while the Reserve soldier's survivor comes under the Federal Employees Compensation Act by virtue of Public Law 732, 75th Congress, the Naval Reserve Act of 1938, title 34, United States Code, section 855, and Public Law 179, 76th Congress, title 5, United States Code, section 797.

The following table published in the Army, Navy, Air Force Journal, March 14, 1953, page 819, indicates the differences in rates between the two:

Initial monthly income to surviving widow under various laws

Pay grade	Active-duty pay and allowances [1]	Initial monthly income to widow, present laws	
		Regular [2]	Reservist [3]
E-1	$168.30	$167.90	$167.29
E-2	173.10	167.90	170.80
E-3	194.32	167.90	180.34
E-4	243.05	167.90	202.27
E-5	281.27	167.90	219.47
E-6	311.84	167.90	233.23
E-7	357.71	167.90	253.87
W-1	383.06	167.90	265.28
W-2	437.16	167.90	289.62
W-3	498.52	167.90	317.23
W-4	606.41	167.90	365.78
O-1	355.68	167.90	252.96
O-2	445.90	167.90	293.56
O-3	535.80	167.90	334.01
O-4	612.18	167.90	368.38
O-5	688.56	167.90	402.75
O-6	851.58	167.90	476.11
O-7	1,048.80	167.90	564.86
O-8	1,211.82	167.90	617.90

[1] Includes basic pay plus allowances for quarters and subsistence.
[2] Veterans' Administration, $75; soldier indemnity, $92.90; total, $167.90.
[3] FECA, 45 percent of pay and allowances; soldier indemnity, $92.90.

It should be pointed out that the Federal Employees Compensation Act is applicable to the survivors of reserves at present because the United States is not now at war. The Korean operations have not been declared to be war.

For combat-duty pay see Public Law 488, 82d Congress, title VII, page 22.

I urge the early enactment of my bill which will correct those inequalities.

THE ATOMIC AGE

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, within the last few weeks and months, many nationally known magazines such as this month's issue of Fortune and this week's issue of the U. S. News & World Report and other periodicals have contained articles in regard to the industrial use of atomic-produced civilian power. A good many of these articles, in my opinion, convey a false hope to the American people that the atomic cookstove is ready for the kitchen, and the atomic automobile is now ready for the people. I think there must be a design behind these articles which are being propagrandized through these magazines, and, therefore, I have requested an hour's time for Monday next in which I intend to go into this whole subject at some length. I would invite the attendance

of the Members of the House at the discussion, and if any are not able to be present, I would invite them to read my remarks.

AIR FORCE BUDGET

Mr. STEED. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. STEED. Mr. Speaker, the Members of Congress are vitally interested in the matter of national defense. I have received a telegram from a publisher of five New England papers, which I think might be of interest to my colleagues. The telegram is as follows:

MAY 20, 1953.

Congressman TOM STEED,
House Office Building,
Washington, D. C.:

Some of us Republicans and Independents don't want to be bombed out of existence by the Russians either. Therefore I send heartiest congratulations on your stand against the fantastic action of Secretary Wilson in reducing the Air Force budget. Hope you will continue to fight as vigorously as possible not only to restore the Air Force's original budget but to increase it.

Regards.

WILLIAM LOEB,
Publisher, Manchester (N. H.) Union Leader; Sunday News, Burlington, Vt.; Daily News, St. Albans, Vt.; Daily Messenger, Vermont Sunday News.

Mr. WILLIAMS of Mississippi. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WILLIAMS of Mississippi. Mr. Speaker, to what extent, if any, political considerations might have influenced or motivated the action of the administration in recommending a sharply reduced budget for the Air Force, they alone know. It is impossible for me to entertain the slightest suspicion that the President might have had partisanship in mind, and I would like it to be understood here now that I would never make such an assertion. I have the utmost respect for our President, and have never doubted his sincerity of purpose.

While I feel that the President was sincere in his endorsement of the Defense Department's recommendations, I reserve the right to question the judgment exercised in formulating this budget.

There is reason, however, to suspect that this budget might not represent the unbiased collective judgment of our best military minds; that it might have been tempered by interservice jealousies and rivalries. Despite efforts of Congress through the years to unify the services, these interservice wars seem to continue unabated.

I am firmly convinced that the Air Force is our most effective instrument of attack, without which we would be hopelessly vulnerable. I think this view is shared by the general public and everyone who is willing to face realities. This is not to minimize, of course, the essentiality and effectiveness of the other services in their respective spheres of operation.

It would be tragic indeed if petty differences and jealousies among the services should be permitted to form the basis for determining the respective budgets for the several branches.

I trust that the Appropriations subcommittee now considering this appropriation will use every means at its command to insure that every phase and circumstance attendant to working out this budget be looked into before submitting their recommendations to the House.

I was very much disturbed to read an article which appeared in the Boston (Mass.) Herald under date of May 24, 1953, which casts some serious reflections upon this budget and possible prejudices which might have had a hand in its writing. Under leave to extend my remarks at this point in the RECORD, I am including this article, in order that the committee may have it before them as they consider the propriety of this reduced Air Force budget.

Therefore, Mr. Speaker, I ask unanimous consent that I may include this item as part of my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

(The article follows:)

EX-BANK CASHIER DICTATES CUT IN AIR FORCE; BACKS BIG CARRIER

(By George Akerson)

Air power is the dominant factor in modern warfare—according to President Eisenhower, Prime Minister Churchill, Field Marshal Montgomery, Generals Ridgway and Bradley, and an assortment of civilian experts.

And, in the face of the Russian threat, we are deficient in that airpower—according to recent testimony by Generals Ridgway and Bradley.

But, despite the concentration of high-powered military and civilian talent on this subject, plus the fact that our Air Force buildup has been a Republican program, started by former Senator Lodge, an inconspicuous Truman holdover is the key man in the development of United States airpower.

He is Wilfred J. McNeil, former circulation manager of the Washington Post, onetime bank cashier in Iowa, and lately Assistant Secretary of Defense under Forrestal, Lovett, and now Wilson.

He is the key to our country's airpower because he is the budget expert in the Defense Department. The publicity goes to the airpower programs passed in Congress and recommended by the Joint Chiefs of Staff. Everyone knows that the Air Force said it needed 163 wings of all types, that Lodge said we must have 150 combat wings, and that the Joint Chiefs of Staff, backed by the best civilian industrial talent the country could muster, finally agreed that 143 air wings was the minimum for defense against the Soviet atomic threat. But any airpower program is only as good as the dollars behind it—and that is where McNeil comes in.

Eisenhower is on the horns of a dilemma, obviously. He is for a buildup of our Air Force—that's a Republican program.

He's for a cut in the budget and a consequent cut in taxes—that's a Republican program.

How do the two get tangled up? Well, the President, naturally, is sensitive to his campaign promises, particularly in regard to a budget and tax cut. So he asks Secretary of the Treasury Humphrey to examine the problem.

Humphrey is a good operator with a smart staff. He pinpoints the fact that the only substantial reduction can come from the Department of Defense. So he goes to Secretary of Defense Wilson.

"Charlie," he says, "we've got to come up with a cut of $7 billion and outside of a little bit from Mutual Security, it must come from your Department. What can you do?"

Wilson says he doesn't know. Which is smart, because he doesn't. He goes back to his Department and asks his assistant in charge of the Defense Department budget. This is the Iowa bank cashier and newspaper circulation manager. He says, "Sure, I think we can make it."

And he does. He gives Wilson a new paper with a cut of $7 billion. Five billion comes from the Air Force, the other two billion from the Army and Navy.

Why? Some people in Washington say it's because the Navy handed newspaper circulation manager McNeil a rear admiral's commission in the Navy. Others say McNeil is only doing a good job of examination of the facts just as an Iowa bank cashier would.

McNeil's ideas, and they are really Wilson's, technically, since McNeil only recommends, cut the Air Force to an effective total which is at least 23 wings below the total of what the Joint Chiefs, Lodge, Vinson, and the Senate and the House said was the minimum to protect against the Russian threat.

It all started back in 1949. Russia had exploded its first A-bomb. Up to that time all military appropriations had a fixed dollar ceiling and it was cut in thirds, with about equal parts for the Army, Navy, and Air Force.

NEW THREAT IMPOSED

But now a new threat was imposed. Russia had its own Alamagordo. They were where we were in the summer of 1945 in nuclear-fission development—the A-bomb in other words. This was a shock to us because it was about 2½ years before we expected it. We can blame Fuchs et al. for that.

What should we do? The President (Truman) asked the Joint Chiefs to study the problem. They did. They came up with a general policy that there were certain areas in the world that must be defended against the Russian threat—now backed with the A-bomb.

Truman said O. K., we'll defend those areas, but now you (Joint Chiefs) tell me what forces we'll need to defend those areas.

So the Joint Chiefs studied again and they came up with the conclusion that the Air Force, in the face of the world threat, must have 143 wings. Meantime, Lodge was plugging for 150 wings. And, the Air Force was making a case of its own, for 163 wings.

LOVETT VETOED CUT

All of this took 20 months. When the recommendation finally reached the then Secretary of Defense Lovett it stopped for a while. McNeil was there then. He recommended the Air Force be cut—he said the country couldn't afford this total. But, meantime, Lovett called in a supersecret civilian advisory committee, composed of the Nation's top industrialists and scientists. They studied the problem and they backed the original recommendation of 143 wings. So Lovett, Cabinet officer in a Democratic administration, did not go along with McNeil.

But then Eisenhower beat Truman. There is a change of administration. Lovett goes and Wilson takes his place but McNeil stays on. Some say it is because he is the only one in the Defense Department who is hep to all the budget figuring. Others say it is because he is a Republican all along anyway.

Now comes pressure for savings. McNeil never made the savings before, even under a Democratic administration in the face of a Republican Air Force program.

But now he's the key man because the high moguls are looking for savings.

McNeil says the big saving can come out of the Air Force.

McNeil says we can save money right now by not buying aircraft that might be obsolete a few years from now. He doesn't refer to the Joint Chiefs of Staff the problem of what protects us meantime. But the Washington intelligentsia say that is not the job of a bank cashier.

Oldtime Air Force people say Billy Mitchell and Hap Arnold turn over in their graves at this. They say the whole "air force in being" theory, on which this country's security is based, is out the window if such a theory is supreme.

BACKS SUPERCARRIER

But McNeil, in his recommendations, still approves the supercarrier for the Navy. He says this is not increasing the Navy's force, is only modernization of the existing Navy.

But, though the Air Force has, in effect, been cut to 110 wings, the Joint Chiefs haven't been asked to reexamine the problem of our security versus Russia.

Wilson has made a bow in some direction by saying: "It will all be looked at again this summer when we have a new Joint Chiefs of Staff," meaning that the new regime of Radford, Twining, Ridgway, etc., will reexamine. But meantime the 1954 money and budget go into effect.

The best recommendations of the Joint Chiefs, all the top generals and admirals, still stick at 143 wings for the Air Force.

But McNeil ranks now with Eisenhower, Churchill et al. He is the dollar man. In big companies, they say the man who controls the dollar is king. McNeil may not be king but on the evidence to date he at least ranks with some of the top men of the world.

IMMIGRATION FROM ITALY

Mr. HELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HELLER. Mr. Speaker, the problem of overpopulation in Italy and the need for emigration first came to my attention several years ago. A constituent of mine, Mr. Joseph Matera, had visited his relatives in Italy in 1949. While there he met a little orphan boy, 4 years old, a homeless and emaciated waif, whom he decided to adopt and bring to the United States.

Mr. Matera came to me, as his Congressman, for help. I found this a most deserving case and undertook to do all in my power to help bring this child to America and unite him with his foster parents. It was no easy matter, as I soon discovered. There were so many regulations and legal obstructions under our immigration laws, particularly affecting aliens born in countries with low quotas assigned to them, that it looked like a forlorn case.

Finally, I decided to introduce a private bill. After many months approval was finally obtained and the boy arrived in this country in 1951. It took a year and a half, but fortunately my efforts in his behalf were successful.

Mr. Speaker, one of the things that came to my attention through this case was the great difficulty Italy was undergoing at the time in adjusting itself to the impact of political, economic, and social changes in postwar Europe. A prime factor in this difficult situation is its surplus of population and the need for increased emigration from Italy to other parts of the world as a solution of the problem.

In an area approximately twice the size of New York State, Italy must support a population nearly a third as large as that of the United States. The economy of the country is not able to maintain a population of this size. At the beginning of 1953, the number of unemployed in Italy had reached an all-time high of more than 2 million, compared with 1,830,000 in 1951 and 1,700,000 in 1950. Thus, the situation is growing steadily worse.

Furthermore, the cost of living there has been rising slowly but steadily. With the coming of national elections in Italy, all of these problems—overpopulation, unemployment, high cost of living—will unquestionably reflect the seriousness of the situation. Some of the discontentment will probably find an outlet in the vote for the Communists and other extreme elements in the coming national elections in Italy.

A substantial increase in the rate of emigration, therefore, is regarded as an important answer to Italy's plight. The United States is in a position to help in two ways: First, by admitting a considerable number of Italian immigrants to this country; second, by helping to finance large-scale Italian immigration to other countries, such as Canada, Australia, Argentina, Brazil, and other Latin-American countries.

I am not in a position to discuss the second suggestion, since this is a matter for our Department of State, the Mutual Security Administration, and possibly the United Nations. But as for the first suggestion, namely, the admittance of a considerable number of Italian immigrants to this country, I wish to make a specific proposal in the nature of a bill which I am introducing in the House today.

My bill provides for the admission to the United States of 100,000 immigrants from Italy, outside of quota restrictions, during the 2 years beginning January 1, 1954, at the rate of 50,000 immigrants per year. I am further asking that the usual preferences established under section 203 of the Immigration and Nationality Act shall be waived in the case of those eligible to receive visas under my bill, and in lieu of such preferences the following should be given consideration for admission under this act: First, persons whose skills or services are needed in this country on the basis of their education, training, and experience; second, blood relatives of United States citizens or lawfully admitted alien residents; third, unskilled workers who are under 40 years of age. No priority as between these three preferences is prescribed in the bill.

Mr. Speaker, Italy is one of America's best friends and allies in Europe. We have done much to help Italy during the past few years since the end of World War II, but the contribution made toward the growth and development of the United States over the past century or more by immigrants from Italy is no less great. By their hard work and their diligence, Italian immigrants in this country have helped the United States achieve its present greatness and its unparalleled position of world leadership. This country can use the skills and the productive capacity of these immigrants to maintain the continued growth of our economy and the development of our resources.

I urge all of my colleagues to support this most deserving measure.

The text of my bill is as follows:

A bill to admit 100,000 immigrants who are natives and citizens of Italy

Be it enacted, etc., That, during the 2 years beginning January 1, 1954, not more than 100,000 immigration visas may be issued without regard to quota limitations for those years to natives and citizens of Italy seeking to enter the United States as immigrants: *Provided*, That not more than 50,000 such visas shall be issued under this act during each of such 2 years: *And provided further*, That such persons are otherwise eligible to enter the United States for permanent residence.

SEC. 2. The preferences provided within the quotas by section 203 of the Immigration and Nationality Act shall not be applicable in the case of any person receiving an immigration visa under this act. In lieu of such preferences the following preferences, without priority in time of issuance of visas as between such preferences, shall be applicable in the case of such persons and their spouses and unmarried dependent children (including adopted children and stepchildren) under 21 years of age, in the consideration of visa applications.

(1) Persons whose services are determined to be needed in the United States because of the education, technical training, specialized experience, or exceptional ability of such persons and to be substantially beneficial prospectively to the national economy, cultural interests, or welfare of the United States.

(2) Persons who are the blood relatives of citizens or lawfully admitted alien residents of the United States, such relationship in either case being within the third degree of consanguinity computed according to the rules of the common law.

(3) Persons who are unskilled workers under 40 years of age.

SEC. 3. The determination of eligibility for preference under paragraph (1) or (2) of section 2 of this act shall be made jointly by the Secretary of State and the Attorney General upon a petition filed by any United States citizen, or any lawfully admitted alien resident of the United States, or any American institution, firm, organization, or governmental agency desiring to have a person specified in the first section of this act classified under that paragraph. The petition shall be in such form as the Secretary of State and the Attorney General may jointly by regulations prescribe and shall state the basis for the need of the services of the alien in whose behalf such application is made, or state the degree of relationship, as the case may be. The petition shall contain such additional information and be supported by such documentary evidence as may be required by regulations authorized to be issued under this section, and it shall be made under oath administered by any individual having authority to administer an oath if executed in the United States, or administered by a consular officer if executed outside of the United States.

WEATHER BUREAU STATION AT BUTTE, MONT.

Mr. METCALF. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. METCALF. Mr. Speaker, Secretary of Commerce Sinclair Weeks is closing the weather stations all over the United States. Among those he proposes to eliminate is one at Butte, Mont. Butte, Mont., is more than a mile high, located in northerly latitude, and therefore the weather is extremely variable.

I hope that Mr. Weeks will reconsider closing this station, because, Mr. Speaker, how are the people of Butte going to know when it is necessary to put battery additive AD-X2 into their batteries if they are not warned of an impending cold spell?

SPECIAL ORDERS GRANTED

Mrs. ROGERS of Massachusetts (at the request of Mr. COLE of Missouri) was granted permission to address the House for 10 minutes today, following the legislative business of the day and any other special orders heretofore entered.

Mr. BONNER (at the request of Mr. MCCORMACK) was granted permission to address the House for 30 minutes on Tuesday next, following the legislative business of the day and any other special orders heretofore entered.

Mr. MCCORMACK asked and was granted permission to address the House today for 5 minutes on the subject of Armenian Independence Day, following any other special orders heretofore entered.

EXEMPTION FROM ANNUAL AND SICK LEAVE ACT OF 1951

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4654) to provide for the exemption from the Annual and Sick Leave Act of 1951 of certain officers in the executive branch of the Government, and for other purposes, with Senate amendments, disagree to the Senate amendments, and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kansas? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. REES of Kansas, Mr. CORBETT, Mrs. ST. GEORGE, Mr. MURRAY, and Mr. DAVIS of Georgia.

CALENDAR WEDNESDAY

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that business in order on Calendar Wednesday next week may be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

THE LATE HONORABLE GOMER SMITH

Mr. JARMAN. Mr. Speaker, I rise to pay tribute to a former Congressman from Oklahoma, Hon. Gomer Smith, who passed away day before yesterday in Oklahoma City.

This colorful Oklahoman served as Representative of the 5th District in the 75th Congress, filling the vacancy caused by the death of Hon. Robert P. Hill.

Gomer Smith was born in Jackson County, Mo., on July 11, 1896. He was graduated from Rockingham Academy, Kansas City, Mo., in 1915, and taught in a country school at Excelsior Springs, Mo., from 1916 to 1918. He studied law, and, after having been admitted to the Missouri bar, came to Oklahoma, where he was admitted to the bar as a practicing attorney in 1922. He became one of the most prominent lawyers in our State.

Every member of the political scene in Oklahoma is aware of the active part Mr. Smith took in both our State and national life. While he was not an actual political officeholder after 1938, his keen interest in national affairs made him a prominent Oklahoman of our time. His passing removes an active force from Oklahoma's life.

I know I here express the sympathy of Members of the House to Gomer Smith's family in this time of deep bereavement.

Mr. JARMAN. Mr. Speaker, I yield to the gentleman from Oklahoma [Mr. EDMONDSON].

Mr. EDMONDSON. Mr. Speaker, it is difficult for any Oklahoman to realize and comprehend that Gomer Smith is gone.

In his brilliant career and lifetime, he was a driving force of great vitality and energy, with a tremendous impact upon the government and life of Oklahoma.

He was also one of the great orators of the entire history of the Southwest, with a splendid gift of eloquence which was well known to every Sooner.

Lawyers knew him as a peerless and untiring foe in the courtroom, who fought with every fiber of his being for his cause and his client.

I knew Gomer best through friendship with his son, Gomer, Jr., who is a worthy heir to the great name to which his father gave such distinction in the field of government, in the field of politics, and in the practice of the law.

By his fine character, generous nature, and noble spirit, even as a boy, Gomer, Jr., gave full evidence of the nobility of the father.

To this splendid son of a great Oklahoman who has fallen, and to all other members of the Smith family, I am grateful for the opportunity to join in this expression of sincere sympathy.

Mr. JARMAN. Mr. Speaker, I yield to the gentleman from Oklahoma [Mr. STEED].

Mr. STEED. Mr. Speaker, news of the death of Gomer Smith has saddened me because I have lost a very fine personal friend and my State has lost a distinguished citizen.

I had the privilege of serving as secretary to Mr. Smith during the time he served as a Member of the 75th Congress. This association made it possible for me to know him intimately and to understand his philosophy of life.

He was a great orator, a pioneer liberal, and a fighter who loved to champion the underdog. Long ago lawyers learned to respect him in the courtroom as a worthy opponent and much of his fame stems from the battles he waged so successfully in litigation in the courts of Oklahoma. Some of the first decisions in cases involving newspaper libel laws came from his legal efforts and the press owes him a debt of gratitude for this work.

But, most of all, he championed great liberal causes. Years before most of the programs we take for granted today were popular as political issues, he was speaking out for them. He made numerous races for State office in his lifetime and each campaign was marked by his colorful and effective espousing of issues in which the common people had a great stake. It was often said of him that he always thought ahead of the times.

He was a generous and considerate employer. Possessed of a great capacity for reading, his mind was always searching for new knowledge and new ideas. I profited greatly from this association and learned much in the affairs of government from him.

He was a devoted father and husband. His family life was a warm picture of the finest type of American living.

My sympathy goes out to his wife, Hazel, and to his 2 sons and 3 daughters.

It will be a long time before another such stalwart defender of the common man comes this way.

Mr. JARMAN. Mr. Speaker, I yield to the gentleman from Louisiana [Mr. LONG].

Mr. LONG. Mr. Speaker, it was my privilege to be personally acquainted with Gomer Smith, a former Member of this body from Oklahoma, who passed away yesterday. I have had the pleasure of speaking from the same platform with Mr. Smith many, many times. Mr. Smith came to Oklahoma while I was yet a resident of that State in 1922, and his rise to prominence in Oklahoma was very rapid. Gomer Smith began life as a poor boy, but gained a great deal of wealth after coming to Oklahoma, gained it by his own efforts. He was considered one of Oklahoma's greatest lawyers and orators.

I join my colleagues from Oklahoma in extending to his family my sincere sympathy in their hour of bereavement.

Mr. WICKERSHAM. Mr. Speaker, I learned with deep regret of the death of the Honorable Gomer Smith, one of our former colleagues from the great State of Oklahoma. Gomer Smith and all the members of his family were very close personal friends of mine. Gomer Smith distinguished himself as one of the outstanding leaders of our Nation. His untimely death is regrettable. He will long be remembered by his outstanding achievements during his lifetime. He had a wealth of friends far above his great wealth in money.

He was a man of sound judgment; he possessed a keen judicial mind. He had a way of winning friends. He was a silver-tongue orator, like William Jennings Bryan. His natural wit and homespun

philosophy characterized him, as those qualities did the late Will Rogers of Oklahoma. He was an outstanding trial lawyer, a real statesman, and a wonderful family man. He had wonderful power of persuasion before a jury and before the people.

I wish to extend my sympathy to the members of his bereaved family and his many friends.

Mr. ALBERT. Mr. Speaker, I join with my colleagues in deeply regretting the death of the late Honorable Gomer Smith, formerly a Member of this House.

I have known Gomer Smith for many years. He was one of the outstanding lawyers in the history of the Oklahoma bar. As a trial attorney, he had few peers anywhere. He was a man of great intelligence, tremendous courage, and remarkable tenacity.

His death is a great loss to the people of my State. I extend to his family and loved ones my deepest sympathy.

Mr. JARMAN. Mr. Speaker, I ask unanimous consent that all Members of the House of Representatives may extend their remarks at this point in the RECORD on the life and character of the late Gomer Smith.

The SPEAKER pro tempore (Mr. HESELTON). Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

COMMUNISTIC AND SOCIALISTIC PROPAGANDA PUBLICATIONS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Ohio [Mr. BOW] is recognized for 15 minutes.

Mr. BOW. Mr. Speaker, I have today introduced two bills aimed at combating the widespread distribution of communistic and socialistic propaganda publications which put forth a constant effort to poison the minds of Americans, and which are particularly aimed at the youth of America.

In a speech on the floor of the House on April 30, I pointed out the danger of permitting the uninhibited distribution of publications such as New Hungary, which is published by the legation of the Hungarian People's Republic. As I stated on that occasion, New Hungary is sent unsolicited to schools throughout the Nation. It is replete with glowing statements of the advantages of socialism; claims that Hungary is interested only in peace; and has only praise for Soviet Russia.

My great concern, and the concern of school officials who have discussed the matter with me, is that perhaps some of the young people in our schools, not well enough acquainted with propaganda to recognize it, may accept the misrepresentations of the Communists and Socialists as fact.

That is the reason for my bills. I am confident that no good American citizen, young or old, will be taken in by the propaganda line of Hungary or any other nation if he knows beforehand that the publication he is reading is propaganda material and that it is published or distributed by one of those countries which has as its aim the undermining of our Nation.

One bill which I introduced would require the Office of Education to compile and make available to schools throughout the United States a list of all foreign publications which might be undesirable for school use because of their tendency to promote undemocratic forms of government. Under the provisions of the bill, the Office of Education would study and examine all publications made available in the United States by foreign governments or their official representatives, in order to determine whether these publications include material which promotes any communistic, socialistic, fascistic, or other form of government incompatible with our own. The Commissioner of Education would be required to issue periodic bulletins to be sent to all public and private schools and colleges, listing undesirable publications and citing reasons for their being classified as undesirable.

The second bill provides that any publication distributed through the mails by or on behalf of a communistic, socialistic, or fascistic nation must bear a prominent and clear label stating the name of the nation and the form of the government.

You will note that neither bill attempts to censor these publications, or to prevent their being mailed. The purpose of the bills is merely to assure that recipients of these publications know the nature of the material they receive. If after receiving a warning from the Office of Education to the effect that a certain publication is undesirable, a school wishes to continue to receive the publication, it is free to do so.

In other words, this is simply and plainly an effort to adopt a hardheaded and sensible approach toward one prong of the effort by our enemies to undermine the American way of life. This is too important a matter to permit softness. It is time we got practical and tough, and make it more difficult for foreign nations to bombard our people with vicious propaganda which they smoothly disguise as truth.

I call upon every Member of the Congress to support these bills. They in no way impose censorship; they merely require that students and older citizens of America be given fair warning as to the contents of foreign publications.

Mr. BUSBEY. Mr. Speaker, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Illinois.

Mr. BUSBEY. Mr. Speaker, I have read the two bills that the gentleman from Ohio [Mr. BOW] has introduced and I wish to commend him for his study regarding this situation. The two bills should be favorably acted upon by the House of Representatives.

Mr. BOW. I thank the gentleman for his comment.

WILLIAM OATIS

The SPEAKER pro tempore. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 10 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I see by the press it is feared that William Oatis developed tuberculosis while he was a prisoner. I was one of those who spoke often on the floor of the House begging and insisting that William Oatis be freed. I felt our own Government at that time could have done more in having him freed than it did. I said on the floor as others did that undoubtedly the health of William Oatis would be very much impaired and even his reasoning might be harmed by his imprisonment. Nobody knew what had been done to him; nobody knew what sort of food he received. The development of tuberculosis, I think, proves that our contentions were right. Seeing him on television after his release, I noted that he looked like a very sick man and I thought also he talked like a deeply distressed man. I am sure if we had anyone in prison in the United States for any purpose, that prisoner would not be treated so that he would develop tuberculosis.

Mr. Speaker, I hope William will have the best of care and a speedy recovery.

THE PRESIDENT'S GARDEN PARTY

Mrs. ROGERS of Massachusetts. Mr. Speaker, yesterday I attended, as I have for many years since the early days, approximately 40 years ago, the garden party given by the President and the First Lady of the land. It was a beautiful day. President Eisenhower and Mrs. Eisenhower seemed very glad to see our disabled veterans. For 2 hours they received them. My mind went back to the early days of the early garden parties in World War I given by President and Mrs. Wilson when there were comparatively few disabled veterans. Then came the increased number of veterans at the garden parties given by succeeding Presidents, then recently, since the Korean war, the tremendously increased load. Yesterday afternoon I talked with many persons there regarding the proposed cuts in the care of our veterans. It is unthinkable, Mr. Speaker, that today there should be cuts; cuts where they hurt in hospitalization, in care and service to the veterans. I hope and pray that the Committee on Appropriations will ponder very carefully before they make those cuts. The budget has been ruthless.

Mr. BOW. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Ohio.

Mr. BOW. Does the gentlewoman know of any cuts that are anticipated or that have been proposed which directly affect the care and welfare of the veterans?

Mrs. ROGERS of Massachusetts. Yes, I understand that they are proposed by the budget office. The Committee on Appropriations has not yet O. K.'d them, I believe, and I am hoping that they will not.

Mr. BOW. Well, could the gentlewoman tell the House in what particular there are specific cuts proposed by the Director of the Budget which would affect the hospital care or the actual care of the veterans themselves, or whether or not, perhaps, the cuts go to other things in the veterans' bill.

Mrs. ROGERS of Massachusetts. I hear entire hospitals are to be deferred,

contact men eliminated and other personnel. I have not the figures before me but I will be glad to, perhaps this afternoon or at a later date, insert them in the RECORD.

Veterans have died because they were not hospitalized, and service-connected cases at that. There have been mental cases who were not cared for. Boys have even committed suicide and committed murder because they could not be hospitalized. It should be gone into extremely carefully before any cuts are made. There is one thing we can do, and that is take care of our disabled men by hospitalization.

Mr. BOW. Although I am not on the subcommittee that handles veterans' affairs, I am a member of the Appropriations Committee. I think most of the Members feel as I do, that we should not cut anything which affects the care, the hospitalization, or the rehabilitation of a deserving veteran. Perhaps there are some places in administrative work where some cuts should be made, but as to the actual care of a disabled veteran, certainly it would not be my position as to a veterans' law, and I feel there are many others who feel the same, that any cuts should be made with that kind of care.

Mrs. ROGERS of Massachusetts. I think some cuts can be made in the administration, but cuts should not be made where they are going to prevent men from being hospitalized or given proper service. Services should not be nullified for veterans because money is not appropriated.

Mr. BOW. I agree with the gentlewoman.

Mrs. ROGERS of Massachusetts. I am sure the gentleman feels that way. I hope the whole Appropriations Committee will go into this very carefully, as should the Members of the House, because you cannot do it by working a day or two on that particular subject, or even a week or a month. It takes months and months and years and years of study. I think all the time we are learning as to their care.

There were veterans at the garden party from Canada to see what we are doing in this country in the care of our veterans. Canada is ahead of us in some ways. Canada is doing more in many respects for its veterans than we are. I understand Australia is. There were some amputees at the garden party, very brave, fine men. There was a quadruple amputee there from Walter Reed Hospital, with both hands and both legs gone. That amputee was walking on his artificial legs. Their courage is inspiring.

I hope there will be no cuts in the program for prosthetic appliances, because this country and the Congress are responsible, having passed the bill I introduced—and the gentleman from Pennsylvania [Mr. KELLEY] introduced a similar bill—which provides $1 million each year for research work in prosthetic appliances. Anyone who saw the demonstration before our Veterans' Affairs Committee the other day realizes what an intense value that has. The men who demonstrated lunched with me at the Capitol afterward, and with Col. Robert J. Allen, who is an amputee, who has been a human dynamo in trying to perfect the prosthetic appliances. He was very much interested in having the bill become law.

It was very interesting to me that every man as he left the dining room said, "Thank you," to the Congress for having passed the bill. I think it was a very touching thing, because we cannot make up to them what they have given but we can give them a chance to come back and be normal citizens.

Take the case of William Oatis. He was not a veteran, but if he had been properly cared for he would not have developed tuberculosis. I hope he will now be properly taken care of. Hospitalization in TB cases means health. We are very short of beds for tuberculous patients. We are very short of beds for mental cases also. There is some additional money suggested in the budget for the care of some of the surgical cases, I understand. In one of the hearings before our Committee on Veterans' Affairs it was recommended that we give less medical care, second-grade medicines, and less good food in order to cut expenses. That would be unthinkable, to my mind.

This House has given the money for having consultants come to the Veterans' Administration hospitals in connection with giving them extra care. They have saved a great many lives by it. I know the men in the hospitals are very grateful for those outside expert medical suggestions about care.

I hope that when the Members of this House return to their home districts for Memorial Day they will have uppermost in their minds the debt we all owe to our disabled veterans and the families of those men who did not return. All of us want economy in Government but in making cuts in appropriations we must guard carefully the rights and privileges we owe to our disabled veterans and their dependents.

Mrs. SULLIVAN. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentlewoman from Missouri.

Mrs. SULLIVAN. A hospital is being built in St. Louis but the completion of it has been postponed on at least four different occasions, for 6 months, a year, and then 6 months. Last July it was to have been completed. In December of this past year they gave us the date of this July, and now I understand it is postponed again until next year. The feeling there is that this is going to be put off continually, because they say there is not a need for the hospital, so it is just going to be delayed and delayed. There is very much concern over that in St. Louis today. Can the gentlewoman tell me anything about that?

Mrs. ROGERS of Massachusetts. I do not have with me the list of hospitals that are recommended by the budget for deferment. I hope very much they can all be built, because they certainly are all going to be needed. We are having an increasing veteran load from Korea all the time, and we are having an increased load of older veterans. It is a very serious thing. Unfortunately last year, many Members voted for it. Some voted against it; I think under a misunderstanding. They voted for a $30 million cut in the Veterans' Administration appropriation which the House and Senate passed. I voted against the cut because I felt it should not be done.

Mrs. SULLIVAN. I wonder if it seems to be a trend and if they will delay the completion of not only this hospital, which I have referred to, but others.

Mrs. ROGERS of Massachusetts. There are some 12 hospitals, I do not have the figures here with me, which will be deferred and delayed in the building and in the opening. I think there is a need for hospitals all over the country. There is no doubt about that. I hope everyone can all work together toward seeing that there are more hospitals. I think there is less need in some areas than there is in others. I hope the gentlewoman will be successful in her efforts.

The following is a list of hospitals under construction, whose openings will be deferred:

Chicago: General medical; 500 beds; Representatives DAWSON, O'HARA of Illinois, BUSBEY, MCVEY, KLUCZYNSKI, O'BRIEN of Illinois, GORDON, YATES, SHEEHAN, JONAS of Illinois.

West Haven, Conn.: General medical; 500 beds; Representative CRETELLA.

Oklahoma City, Okla.: General medical; 500 beds; Representative JARMAN.

Ann Arbor, Mich.: General medical; 500 beds; Representative MEADER.

Brockton, Mass.: Neuropsychiatric; 1,000 beds; Representative WIGGLESWORTH.

Pittsburgh, Pa.: Neuropsychiatric; 1,000 beds; Representatives EBERHARTER, CORBETT, BUCHANAN, FULTON.

Salisbury, N. C.: Neuropsychiatric; 1,000 beds; Representative ALEXANDER.

Chicago Research: General medical; 500 beds (see above).

St. Louis, Mo.: General medical; 500 beds; Representatives KARSTEN of Missouri, CURTIS of Missouri, SULLIVAN.

Cincinnati, Ohio: General medical; 500 beds; Representatives SCHERER, HESS.

Pittsburgh, Pa.: General medical; 750 beds (see above).

New York City, N. Y.: General medical; 1,250 beds (there are 22 New York Representatives who represent some part of New York City).

Mrs. SULLIVAN. I thank the gentlewoman.

The SPEAKER. The time of the gentlewoman from Massachusetts has expired.

ARMENIAN INDEPENDENCE DAY

The SPEAKER. Under previous order of the House, the gentleman from Massachusetts [Mr. MCCORMACK] is recognized for 5 minutes.

Mr. MCCORMACK. Mr. Speaker, the freedom to develop fully one's own mental, spiritual, and physical faculties and to do this in an atmosphere of liberty and peace, is the most cherished ideal of all human beings. Though this ideal has not been attained by everyone, it is safe to say that everyone desires it, and many are prepared to pay for it, if necessary, even by making the supreme sacrifice. What is true of individuals, or groups of individuals, is also true of nations, great and small, old and new, rich or poor, progressive or backward. Political independence is an absolute prerequisite for the full and free development of a nation's aptitudes and talents.

In order to live as decent and self-respecting human beings, nations must be masters of their own destinies.

Armenians have known the real significance of national independence for a long time, for they were an independent nation before the birth of many modern states. Almost 3,000 years ago in their historic homeland, round about biblically famous Mount Ararat, they formed a great state, the independence of which lasted more than 2,000 years. Late in the 11th century the country was overrun by onrushing hordes from the East. Toward the end of the 14th century the Armenians lost the last traces of their national independence. For more than 500 years, almost to the end of World War I, Armenian independence remained a thing of the past, something only to be thought of, to be recalled and remembered. But at the same time, for the purpose of keeping it a living, a guiding ideal for all Armenians, their leaders continued to preach its glories and the desirability of regaining it. In the course of years, as the weight of the alien yoke over Armenia became heavier, and autocratic Ottoman Government in Armenia became more cruel, all Armenians learned one lesson: that there could be no decent life in store for them without political freedom. Toward the end of World War I those Armenians who survived the massacres of 1915 found refuge in that part of Armenia occupied by Russia, and, on May 28, 1918, proclaimed Armenian independence. Unfortunately that independence did not last more than 2½ years. Late in 1920 implacable enemies of the new state, Communist Russia on the north and nationalist Turkey on the south, ravaged the little country and put an end to Armenian independence. Since those tragic days Armenia has been a part of the Soviet Union wherein, as we all know, there is no real freedom of any kind. These Armenians are not even allowed to celebrate their independence day. I am glad to see it celebrated here. I am happy to join you all in the 35th anniversary celebration of Armenian Independence Day and heartily hope that it will be celebrated again soon in a truly independent Armenia.

POST OFFICE DEPARTMENT

Mr. SIEMINSKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SIEMINSKI. Mr. Speaker, because the following observations are varied, one might call them potpourri.

First, on postal operations, it is good to note that without hurting employees, the New York Post Office envisions saving $10 million a year in postal operations. Two and one-half million dollars of the savings is to go toward improving working conditions. The trick to be used to reduce the cost might well have come out of Henry Ford's scrapbook: "Reduce motions and you increase profits." But what makes the promised feat outstanding is that a substantial saving is to be made without taking bread off breadwinners' tables. Here is no slash for the sake of slashing.

Postmaster General Summerfield deserves, I believe, the fullest cooperation in his herculean attempt to cut down the postal deficit without impairing the quality of service or the morale of postal employees.

Second, on judging people, it is good to know that here in the United States, quite unlike Communist Russia, the Book of Judgment rests in heaven and not on the table of any political commissar. This point was brought out quite vividly the other day when the Polish pilot, Lieutenant Jarecki, who recently flew his MIG out of Poland, and upon whom this distinguished House today conferred the privilege of becoming an American citizen, spoke in effect as follows: "Ladies and gentlemen, I am accused in this letter which I hold before you, written by a Communist spy, of being a traitor to Poland. When I took my officer's oath, I was made to take it with loyalty to the Communists, and not to God, whose will I followed."

Achilles heel of the Reds? Need we say more, Mr. Speaker?

VETERANS' AFFAIRS

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. STAGGERS. Mr. Speaker, I was intensely interested in the remarks of the gentlewoman from Massachusetts on veterans. My mail is heavy with inquiries from veterans and veterans' organizations, protesting the proposed cuts in veterans' benefits. This morning I received a call from the Director of Veterans' Affairs in West Virginia wanting to know the status of this appropriation. These drastic cuts are in the rumor stages now, but I feel it is time the program should be clarified.

From my observation, I believe that the public would rather see reductions made in any other branch of the Government than in the veterans' program. In this situation, reductions might mean the difference between life and death for many of our disabled veterans who have fought for our Nation's protection. We are still at war, you know, and each day increases the number of veterans in need of hospitalization. This situation has created a fear rampant throughout the Nation, especially among the veterans. It is high time that the administration clarify these rumors and restore to our veterans their confidence in the future.

The SPEAKER. The time of the gentleman from West Virginia has expired.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Appendix of the RECORD, or to revise and extend remarks, was granted to:

Mr. COUDERT (at the request of Mr. HALLECK) and to include an article.

Mr. HARRISON of Nebraska to revise and extend the remarks he made yesterday and to include extraneous matter.

Mr. YOUNGER and to include a resolution.

Mr. ADAIR in two instances and to include an editorial.

Mr. HILLINGS (at the request of Mr. HUNTER).

Mr. O'KONSKI and to include an article.

Mr. CURTIS of Missouri and to include extraneous matter.

Mr. MCDONOUGH and to include extraneous matter.

Mr. EDMONDSON and to include extraneous matter.

Mr. RODINO (at the request of Mr. MULTER) and to include extraneous matter.

Mr. MULTER and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $357.

Mr. WILLIS (at the request of Mr. BOGGS) and to include extraneous matter.

Mr. BOGGS and to include extraneous matter.

Mr. CELLER (at the request of Mr. HELLER) in three instances and to include extraneous matter.

Mr. METCALF and to include an article.

Mr. ROGERS of Colorado and to include an address by the gentleman from Arkansas [Mr. HAYS] in Denver, Colo.

Mr. BOLAND and to include extraneous matter.

Mr. MACK of Illinois in two instances and to include extraneous matter.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1324. An act to authorize the Commissioners of the District of Columbia to fix certain licensing and registration fees.

ADJOURNMENT

Mr. VAN PELT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 16 minutes p. m.), under its previous order, the House adjourned until Monday, June 1, 1953, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

722. A letter from the Chairman, United States Advisory Commission on Educational Exchange, transmitting the semiannual report of all programs and activities carried on under authority of section 603 of Public Law 402, 80th Congress (H. Doc. No. 154); to the Committee on Foreign Affairs and ordered to be printed.

723. A letter from the Chief Commissioner, Indian Claims Commission, transmitting copies of the Commission's statement and findings of fact, etc., regarding the claim of *The Cherokee Nation, for and on behalf of the Western (Old Settler) Cherokee Indians, Plaintiffs, v. The United States of America, Defendant* (Docket No. 24), pursuant to provisions of section 21 of the Indian Claims

Commission Act of August 13, 1946 (60 Stat. 980; 25 U. S. C. 70); to the Committee on Interior and Insular Affairs.

724. A letter from the Acting Secretary of the Treasury, transmitting a draft of a bill entitled, "A bill to amend 18 United States Code 871 to provide penalties for threats against the President-elect and the Vice President"; to the Committee on the Judiciary.

725. A letter from the Secretary of the Army, transmitting a draft of a bill entitled, "A bill to amend the act approved July 8, 1937, authorizing cash relief for certain employees of the Canal Zone government"; to the Committee on Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LeCOMPTE: Committee on House Administration. House Resolution 248. Resolution providing for the payment of 6 months' salary and $350 funeral expenses to the estate of Charles R. Torbert, late an employee of the House of Representatives; without amendment (Rept. No. 492). Ordered to be printed.

Mr. LeCOMPTE: Committee on House Administration. House Resolution 247. Resolution providing for the payment of 6 months' salary and $350 funeral expenses to Sarah Waldron, mother of Mary Waldron, late an employee of the House of Representatives; without amendment (Rept. No. 493). Ordered to be printed.

Mr. WOLCOTT: Committee on Banking and Currency. H. R. 5141. A bill to create the Small Business Administration and to preserve small business institutions and free, competitive enterprise; with amendment (Rept. No. 494). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BOW:

H. R. 5447. A bill to provide that the Commissioner of Education shall compile and make available to schools in the United States a list of all foreign publications which are undesirable for school use because of their tendency to promote undemocratic forms of government; to the Committee on Education and Labor.

H. R. 5448. A bill to amend chapter 83 of title 18, United States Code, so as to make certain foreign publications nonmailable unless they bear an appropriate label indicating the country of origin, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. FRAZIER:

H. R. 5449. A bill to amend section 47c of the National Defense Act of June 3, 1916, as amended; to the Committee on Armed Services.

By Mr. HELLER:

H. R. 5450. A bill to admit 100,000 immigrants who are natives and citizens of Italy; to the Committee on the Judiciary.

By Mr. HOPE:

H. R. 5451. A bill to amend the wheat-marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, and for other purposes; to the Committee on Agriculture.

By Mr. McDONOUGH:

H. R. 5452. A bill to amend the Internal Revenue Code, act of February 10, 1939; to the Committee on Ways and Means.

By Mr. MACK of Illinois:

H. R. 5453. A bill to amend section 22 (b) (13) of the Internal Revenue Code to provide that the exclusion from gross income in the case of members of the Armed Forces serving on active duty in a combat zone during any month shall not apply unless the individual serves for at least 6 days; to the Committee on Ways and Means.

By Mr. PRIEST:

H. R. 5454. A bill to provide for the construction of a Veterans' Administration hospital, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. SCHERER:

H. R. 5455. A bill for the relief of the Board of County Commissioners of Hamilton County, Ohio; to the Committee on the Judiciary.

By Mr. AYRES:

H. R. 5456. A bill to extend to June 30, 1954, the direct home and farmhouse loan authority of the Administrator of Veterans' Affairs under title III of the Servicemen's Readjustment Act of 1944, as amended, to make additional funds available therefor, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. BENTSEN:

H. Res. 257. Resolution to authorize the Committee on Interstate and Foreign Commerce to conduct an investigation and study of the status of local service airlines under the Civil Aeronautics Act of 1938; to the Committee on Rules.

By Mr. COUDERT:

H. Res. 258. Resolution creating a select committee to conduct an investigation and study of how the annual budget may be balanced and deficit financing eliminated; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARTLETT:

H. R. 5457. A bill to authorize and direct the sale of certain land in Alaska to John Ekonomos, of the Fairbanks Precinct, Alaska; to the Committee on Interior and Insular Affairs.

By Mr. BRAMBLETT:

H. R. 5458. A bill for the relief of William Nasato, Josephine Nasato, and Carolyn M. Nasato; to the Committee on the Judiciary.

H. R. 5459. A bill for the relief of Takeko Ishiki; to the Committee on the Judiciary.

By Mr. DAVIS of Georgia:

H. R. 5460. A bill for the relief of Sgt. Chancy C. Newsom; to the Committee on the Judiciary.

By Mr. DEROUNIAN:

H. R. 5461. A bill for the relief of Wah Chang Corp.; to the Committee on the Judiciary.

By Mr. GOODWIN:

H. R. 5462. A bill for the relief of Mrs. Romana Michelina Serini; to the Committee on the Judiciary.

By Mr. HAGEN of Minnesota:

H. R. 5463. A bill for the relief of Pauline Ann Dufault and Michael Francis Dufault; to the Committee on the Judiciary.

By Mr. KEOGH:

H. R. 5464. A bill for the relief of Nicola Scala di Antonio; to the Committee on the Judiciary.

H. R. 5465. A bill for the relief of Nicola Scala di Felice; to the Committee on the Judiciary.

By Mr. REES of Kansas:

H. R. 5466. A bill for the relief of Mrs. Amy Louise Cowan Tarrant; to the Committee on the Judiciary.

By Mr. THOMAS:

H. R. 5467. A bill for the relief of Francis A. Reilly; to the Committee on the Judiciary.

By Mr. TOLLEFSON:

H. R. 5468. A bill for the relief of Sidney Blechman; to the Committee on the Judiciary.

H. R. 5469. A bill for the relief of Alton B. York; to the Committee on the Judiciary.

By Mr. WIDNALL:

H. R. 5470. A bill for the relief of Salvatore Mario Veltri; to the Committee on the Judiciary.

SENATE

MONDAY, JUNE 1, 1953

(Legislative day of Thursday, May 28, 1953)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, with our burdened lives tense and strained in a violent world, we seek the peace which is the gift of Thy grace to all those who yield their wills to Thy will, their minds to Thy truth, their hearts to Thy obedience. God of our fathers, save us from the supreme hypocrisy of decorating tombs and at the same time desecrating the heritage which graves guarantee. Make us clean in mind and imagination, upright in character and life. Help us to stand for the hard right against the easy wrong. Amid all the strife and confusion of our times preserve to us a vision of the world as Thou wouldst have it be, and grant us some part in molding it nearer to Thy purposes of love and grace. With our eyes always on that shining goal, as our Nation stands in the valley of decision, save us from any expedient compromise which would mean the crucifixion of moral principle and prove to be in the fateful tomorrow but part of a progressive surrender to the pagan forces which have vowed the destruction of the free world. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, May 28, 1953, was dispensed with.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., June 1, 1953.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. WALLACE F. BENNETT, a Senator from the State of Utah, to perform the duties of the Chair during my absence.

STYLES BRIDGES,
President pro tempore.

Mr. BENNETT thereupon took the chair as Acting President pro tempore.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller,

one of his secretaries, and he announced that on May 29, 1953, the President had approved and signed the act (S. 837) for the relief of Eugene Rivoche and Marie Barsky.

LEAVES OF ABSENCE

On request of Mr. JOHNSON of Texas, and by unanimous consent, Mr. GEORGE, Mr. GREEN, and Mr. SMITH of North Carolina were excused from attendance on the sessions of the Senate today.

On request of Mr. JOHNSON of Texas, and by unanimous consent, Mr. JOHNSTON of South Carolina and Mr. STENNIS were excused from attendance on the sessions of the Senate today and tomorrow.

On request of Mr. JOHNSON of Texas, and by unanimous consent, Mr. HUNT and Mr. MCCARRAN were excused from attendance on the sessions of the Senate during this week.

On his own request, and by unanimous consent, Mr. BUSH was excused from attendance on the sessions of the Senate from June 4 to June 8, inclusive.

On his own request, and by unanimous consent, Mr. LANGER was excused from attendance on the sessions of the Senate from June 4 to June 8, inclusive, in order to conduct hearings for the Judiciary Committee in Florida.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I am about to suggest the absence of a quorum. However, I ask unanimous consent that immediately following the quorum call Senators may be permitted to introduce bills and joint resolutions, make insertions in the RECORD, and transact other routine business without debate, under the 2-minute time limitation that has been previously adhered to.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CALL OF THE ROLL

Mr. KNOWLAND. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gillette	Martin
Barrett	Goldwater	Maybank
Beall	Gore	McClellan
Bennett	Griswold	Millikin
Bricker	Hayden	Monroney
Bush	Hendrickson	Morse
Butler, Md.	Hill	Neely
Byrd	Hoey	Payne
Capehart	Holland	Potter
Carlson	Jackson	Purtell
Chavez	Jenner	Robertson
Clements	Johnson, Colo.	Russell
Cooper	Johnson, Tex.	Saltonstall
Cordon	Kefauver	Schoeppel
Daniel	Kennedy	Smathers
Douglas	Kerr	Smith, Maine
Duff	Kilgore	Sparkman
Dworshak	Knowland	Symington
Eastland	Kuchel	Tobey
Ellender	Langer	Watkins
Ferguson	Lehman	Williams
Flanders	Long	Young
Frear	Malone	
Fulbright	Mansfield	

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr. BRIDGES], the Senator from Nebraska [Mr. BUTLER], the Senator from South Dakota [Mr. CASE], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from New Jersey [Mr. SMITH], the Senator from Ohio [Mr. TAFT], the Senator from Minnesota [Mr. THYE], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

The Senator from Illinois [Mr. DIRKSEN] is absent by leave of the Senate on official committee business.

The Senator from New York [Mr. IVES] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

The Senator from South Dakota [Mr. MUNDT] and the Senator from Wisconsin [Mr. WILEY] are absent on official business.

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Georgia [Mr. GEORGE], the Senators from Rhode Island [Mr. GREENE and Mr. PASTORE], the Senator from Wyoming [Mr. HUNT], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Nevada [Mr. MCCARRAN], the Senator from North Carolina [Mr. SMITH], and the Senator from Mississippi [Mr. STENNIS] are absent by leave of the Senate.

The Senator from Missouri [Mr. HENNINGS] and the Senator from Washington [Mr. MAGNUSON] are absent by leave of the Senate on official committee business.

The Senator from Minnesota [Mr. HUMPHREY] is absent on official business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate, having been appointed a delegate to attend the forthcoming International Labor Organization Conference at Geneva, Switzerland.

The ACTING PRESIDENT pro tempore. A quorum is present.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT OF BOARD OF GOVERNORS OF FEDERAL RESERVE SYSTEM

A letter from the Chairman, Board of Governors, Federal Reserve System, transmitting, pursuant to law, a report of that Board for the year 1952 (with an accompanying report); to the Committee on Banking and Currency.

REPORT OF CIVIL AIR PATROL

A letter from the Chairman, National Board, Civil Air Patrol, Washington, D. C., transmitting, pursuant to law, a report of that patrol for the calendar year 1952 (with an accompanying report); to the Committee on Armed Services.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of Washington; to the Joint Committee on Atomic Energy:

"Senate Joint Memorial 11

"To the Honorable Dwight D. Eisenhower, President of the United States, and to the Senate and House of Representatives of the United States of America in Congress Assembled:

"We, your memorialists, the Senate and the House of Representatives of the State of Washington, in legislative session assembled, respectfully represent and petition as follows:

"Whereas the Supreme Court of the United States has recently held that the activities of a private contractor performing services for the Atomic Energy Commission are to be treated as activities of the Atomic Energy Commission itself for the purpose of securing immunity from State and local taxes: Now, therefore,

"Your memorialists respectfully petition the Congress of the United States to amend the Atomic Energy Act so as to eliminate therefrom any language which may be interpreted as providing for the extension of tax exemption to private contractors with the Atomic Energy Commission or to the vendors of such contractors, contrary to the well-established principles of intergovernmental relations which have assured to the States and their political subdivisions full power to impose nondiscriminatory taxation upon private persons who deal with the Government; and be it

"Resolved, That copies of this memorial be transmitted to the Honorable Dwight D. Eisenhower, President of the United States, the Secretary of the United States Senate, the Clerk of the United States House of Representatives, and to each Member of the Washington congressional delegation."

By Mr. SALTONSTALL (for himself and Mr. KENNEDY):

Resolutions of the General Court of the Commonwealth of Massachusetts, protesting against a reduction of the appropriation for the national school-lunch program; to the Committee on Appropriations.

(See resolutions printed in full when laid before the Senate by the President pro tempore on May 27, 1953, p. 5630, CONGRESSIONAL RECORD.)

Three resolutions of the General Court of the Commonwealth of Massachusetts, relating to congratulating members of the Armed Forces, proposed curtailment of employment or work at the Boston Naval Shipyard, and to urge that any steps aimed at curtailment of employment or curtailment of work at the Boston Naval Shipyard be reconsidered, in view of the value of this facility to the State and National defense and to the State and National economic security; to the Committee on Armed Services.

(See resolutions printed in full when laid before the Senate by the President pro tempore on May 27, 1953, p. 5630, CONGRESSIONAL RECORD.)

COMMUNISM IN POLAND—RESOLUTION OF POLISH ROMAN CATHOLIC UNION OF AMERICA, SALEM, MASS.

Mr. SALTONSTALL. Mr. President, on behalf of myself and my colleague, the junior Senator from Massachusetts [Mr. KENNEDY], I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a

resolution unanimously adopted by the delegates of 52 societies and 7 circuits, numbering more than 15,000 members, of the Polish Roman Catholic Union of America, located in the First District of Massachusetts, Rhode Island, Vermont, and New Hampshire, convened at the united societies and circuit meeting held in the Martyr Dolorosa Hall in Holyoke, Mass., on April 26, 1953, relating to the treatment of Catholic priests by the Communist government of Poland.

There being no objection, the resolution was referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

RESOLUTION OF POLISH ROMAN CATHOLIC UNION OF AMERICA, UNITED SOCIETIES AND CIRCUITS, NEW ENGLAND BRANCH

The delegates of 52 societies and 7 circuits, numbering more than 15,000 members, of the Polish Roman Catholic Union of America, located in the First District of Massachusetts, Rhode Island, Vermont, and New Hampshire, convened at the united societies and circuit meeting held in the Martyr Dolorosa Hall in Holyoke, Mass., on April 26, 1953, unanimously adopted the following resolution:

"Whereas the Communist government of Poland is carrying on a campaign of persecution, jailing, and murder of Catholic priests, dictated by its Soviet masters; and

"Whereas this communistic regime is striving, through compulsory atheistic teaching in its schools, to annihilate the inherent religious spirit of the youth of Christian Poland; and

"Whereas the controlled press, radio, and Communist dictators of Poland persist in leveling baseless and unjust charges and attacks on His Holiness, Pope Pius XII; and

"Whereas the Polish nation is held in bondage and is being oppressed and tortured by the agents and puppets of Red Russia, masquerading as the Polish Government: Now, therefore, be it

"*Resolved*, That, raising our voices to the civilized world, in protest of these vicious and inhuman activities of the Soviet tyrants, we importune the President and Congress of the United States to help Poland, the historic friend and ally of our country, in its difficult struggle against communism and all of its evil forces; and be it further

"*Resolved*, That a copy of the foregoing resolution be forwarded to the President of the United States, Dwight D. Eisenhower; Vice President Richard Nixon, President of the Senate; Hon. Joseph Martin, Speaker of the House; United States Senators and to the Members of the United States House of Representatives from the State of Massachusetts, Rhode Island, Vermont, and New Hampshire."

RESOLUTION COMMITTEE.
KASIMIR I. KOZAKIEWICZ.
SOPHIA C. ANDRUSZKIEWICZ.
EDWARD W. DOBEK.
JOHN A. BUBZYNSKI.
WILLIAM J. SONDAJ.

DEVELOPMENT OF GREAT LAKES-ST. LAWRENCE WATERWAY—RESOLUTION

Mr. FERGUSON. Mr. President, I present a resolution, expressing the unanimous endorsement of the Republican delegation in Congress from the State of Michigan to the proposed plan of cooperation between the Government of the United States and the Government of Canada in the development of the Great Lakes-St. Lawrence Waterway. The junior Senator from Michigan [Mr. POTTER] joins me in presenting the resolution. I ask unanimous consent that it be appropriately referred and printed in the RECORD, at this point, together with the signatures attached, as a part of my remarks.

There being no objection, the resolution was referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, with the signatures attached, as follows:

This resolution expresses the unanimous endorsement by the Republican delegation to the Congress from the State of Michigan of the proposed plan of cooperation between the Government of the United States and the Government of Canada in the development of the Great Lakes-St. Lawrence Waterway project:

"Whereas President Eisenhower, his Cabinet, and the National Security Council have unanimously endorsed the participation by our Government in the proposed development of the Great Lakes-St. Lawrence Waterway project; and

"Whereas the national security of the United States requires that the Great Lakes-St. Lawrence Waterway project be constructed to transport raw materials and finished goods uninterruptedly, notwithstanding the disruption of internal transportation that would inevitably be caused by shortages in time of war; and

"Whereas the national security of the United States requires that raw materials be at all times readily accessible to industry in Michigan, the industrial heart of the Nation, which demonstrated its productive power in World War II by turning out more war goods than any other State in the Nation; and

"Whereas the maintenance and development of a sound, prosperous, and healthful national economy demands the development of the Great Lakes-St. Lawrence Waterway project in order that raw materials might always be readily accessible to the industrial heartland of the Nation; and

"Whereas the example of international trust, good will, and hemispheric solidarity which will be demonstrated to the world by our cooperation with our great neighbor and good friend Canada in the development of the Great Lakes-St. Lawrence Waterway project will inspire the free world by demonstrating the benefits attainable by international trust, good will, and cooperation: Therefore be it

"*Resolved*, That it is the sense of the undersigned that the Government of the United States should join with the Government of Canada in the joint development of the Great Lakes-St. Lawrence Waterway project. We commend President Eisenhower for his farsighted stand on this matter, and we urge our colleagues in the Congress to join with us in our support of the policy urged by the President.

"HOMER FERGUSON, United States Senator; CHARLES E. POTTER, United States Senator; GEORGE MEADER, Member of Congress, 2d District; PAUL W. SHAFER, Member of Congress, 3d District; CLARE E. HOFFMAN, Member of Congress, 4th District (the advocates of St. Lawrence should be heard); GERALD R. FORD, Jr., Member of Congress, 5th District; KIT CLARDY, Member of Congress, 6th District; JESSE P. WOLCOTT, Member of Congress, 7th District; ALVIN M. BENTLEY, Member of Congress, 8th District; RUTH THOMPSON, Member of Congress, 9th District; ELFORD A. CEDERBERG, Member of Congress, 10th District; VICTOR A. KNOX, Member of Congress, 11th District; JOHN B. BENNETT, Member of Congress, 12th District; CHARLES G. OAKMAN, Member of Congress, 17th District; GEO. A. DONDERO, Member of Congress, 18th District."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MILLIKIN, from the Committee on Finance:

S. 754. A bill for the relief of Ethel Hudson Morrison; without amendment (Rept. No. 314);

H. R. 1730. A bill to provide for furnishing transportation in Government-owned automotive vehicles for employees of the Veterans' Administration at field stations in the absence of adequate public or private transportation; without amendment (Rept. No. 315); and

H. R. 4730. A bill to provide for the conveyance by the United States to the city of Cincinnati, Ohio, of certain lands formerly owned by that city; with amendments (Rept. No. 316).

By Mr. TOBEY, from the Committee on Interstate and Foreign Commerce:

S. 1461. A bill to amend the Interstate Commerce Act, as amended, concerning requests of common carriers for increased transportation rates; with amendments (Rept. No. 317).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ROBERTSON:

S. 2021. A bill to amend section 13b of the Federal Reserve Act, and for other purposes; to the Committee on Banking and Currency.

(See the remarks of Mr. ROBERTSON when he introduced the above bill, which appear under a separate heading.)

By Mr. KEFAUVER:

S. 2022. A bill authorizing and directing the Secretary of the Navy to advance 1st Sgt. Charles H. Gray, United States Marine Corps (retired), to the grade of chief warrant officer on the retired list of the Marine Corps; to the Committee on Armed Services.

S. 2023. A bill to amend the Social Security Act so as to prescribe circumstances under which the Federal old-age and survivors insurance system may be extended to State and local employees who are covered by retirement systems; to the Committee on Finance.

By Mr. FERGUSON:

S. 2024. A bill to withdraw the privilege of free transmission of official mail matter from certain Government corporations and agencies; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. FERGUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. BUSH (by request):

S. 2025. A bill to amend section 9 (b) of the Atomic Energy Act of 1946 relating to the exemption from taxation of certain activities of the Atomic Energy Commission; to the Joint Committee on Atomic Energy.

(See the remarks of Mr. BUSH when he introduced the above bill, which appear under a separate heading.)

By Mr. LANGER:

S. 2026. A bill for the relief of the Henly Construction Co.; to the Committee on the Judiciary.

By Mr. BARRETT:

S. 2027. A bill authorizing the Secretary of the Interior to issue quitclaim deeds to the States for certain lands; to the Committee on Interior and Insular Affairs.

By Mr. BEALL:

S. 2028. A bill to promote safe driving, to eliminate the reckless and financially irresponsible driver from the highways, and to provide for the giving of security and proof of financial responsibility by persons driving or owning vehicles of a type subject to registration under the laws of the District of Columbia; to the Committee on the District of Columbia.

By Mr. BYRD:

S. 2029. A bill to provide for the disposal of property acquired by the United States in Fairfax County, Va., for the purpose of constructing a public airport in the vicinity of the District of Columbia under authority of the act of September 7, 1950; to the Committee on Interstate and Foreign Commerce.

By Mr. MILLIKIN:

S. 2030. A bill to authorize and direct the Secretary of the Interior to correct an incomplete and faulty survey in township 8 north, range 53 west, of the sixth principal meridian in Colorado, and to issue patents describing any new areas included in lots 1, 2, 3, and 4 in sections 1 through 6, township 8 north, range 53 west, of the sixth principal meridian in Colorado; to the Committee on Interior and Insular Affairs.

By Mr. MILLIKIN (for himself and Mr. JOHNSON of Colorado):

S. 2031. A bill for the relief of Mrs. Anna Horrell; to the Committee on Finance.

By Mr. BEALL (for himself, Mr. BUTLER of Maryland, and Mr. BYRD):

S. 2032. A bill to modernize the charter of Washington Gas Light Co., and for other purposes; to the Committee on the District of Columbia.

By Mr. DWORSHAK:

S. 2033. A bill relating to the labeling of packages containing foreign-produced trout sold in the United States, and requiring certain information to appear on the menus of public eating places serving such trout; to the Committee on Interstate and Foreign Commerce.

By Mr. HOLLAND:

S. 2034. A bill for the relief of Hermine Lorenz; to the Committee on the Judiciary.

ADDITION OF COSPONSOR OF SENATE BILL 671

Mr. KUCHEL. Mr. President, I ask unanimous consent that the junior Senator from Connecticut [Mr. PURTELL] be made a cosponsor of Senate bill 671, a bill to amend section 9 (b) of the Atomic Energy Act of 1946, relating to the exemption of activities of the Atomic Energy Commission from State and local taxation.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT OF FEDERAL RESERVE ACT, RELATING TO GUARANTY FOR CERTAIN LOANS

Mr. ROBERTSON. Mr. President, last April I introduced the bill (S. 1559) to amend section 13b of the Federal Reserve Act to authorize the Federal Reserve Board to guarantee the loans of chartered banks up to 90 percent. That authority was to be a substitute for long-term capital loans previously handled by the RFC, the activities of which many of us believe should now be discontinued.

Today, I introduce for appropriate reference a new bill for S. 1559, which changes my previous bill in the following respects:

First. The loans are to meet demonstrated military or defense requirements or essential civilian requirements for necessities.

Second. A limitation of $100,000 is placed upon such loans.

Third. I provided for the termination of disaster loans by the RFC without affecting the disbursement of funds or the carrying out of any commitment or other obligation entered into pursuant to section 4 (a) 4 of the RFC Act as amended and to loans upon the recommendation of the Small Defense Plants Administration under section 714 (b) (1) (A) of the Defense Production Act of 1950 as amended.

My bill makes no provision for disaster loans because they can be made under other statutes by the Farmers Home Administration, the Federal Housing Administration, the emergency fund for the President and an act of September 30, 1950 (64 Stat. 1109). Therefore, in my opinion, we do not need authority for the RFC to make disaster loans nor the existing authority under section 13b of the Federal Reserve Act under which the Federal Reserve banks in exceptional circumstances can make 5-year loans to industrial or commercial businesses.

But my bill makes credit available to small business up to $100,000, in full keeping with our private-enterprise system and without expense to the taxpayers.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2021) to amend section 13b of the Federal Reserve Act, and for other purposes, introduced by Mr. ROBERTSON was received, read twice by its title, and referred to the Committee on Banking and Currency.

WITHDRAWAL OF FREE MAILING PRIVILEGE FROM CERTAIN GOVERNMENT CORPORATIONS AND AGENCIES

Mr. FERGUSON. Mr. President, I introduce for appropriate reference a bill to withdraw the privilege of free transmission of official mail matter by certain Government corporations and agencies, and ask unanimous consent that it be printed in the RECORD, at this point, as a part of my remarks.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2024) to withdraw the privilege of free transmission of official mail matter from certain Government corporations and agencies, introduced by Mr. FERGUSON, was received, read twice by its title, referred to the Committee on Post Office and Civil Service, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That official matter which has heretofore been sent through the mails free of postage under the penalty privilege by (1) the Tennessee Valley Authority, (2) the Commodity Credit Corporation, (3) the Federal Crop Insurance Corporation, (4) the Inland Waterways Corporation, (5) the Bonneville Power Administration, (6) the Southwestern Power Administration, (7) the Southeastern Power Administration, (8) the Alaska Railroad, (9) the Reconstruction Finance Corporation, and (10) the Federal Deposit Insurance Corporation shall be subject to postage at the regular rates, including registry fees if registration is required.

SEC. 2. This act shall take effect 30 days after the date of its enactment.

AMENDMENT OF ATOMIC ENERGY ACT OF 1946, RELATING TO EXEMPTION FROM TAXATION OF CERTAIN ACTIVITIES OF ATOMIC ENERGY COMMISSION

Mr. BUSH. Mr. President, at the request of the Legislature of the State of Connecticut, I introduce for appropriate reference a bill to amend section 9 (b) of the Atomic Energy Act of 1946 relating to the exemption from taxation of certain activities of the Atomic Energy Commission.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2025) to amend section 9 (b) of the Atomic Energy Act of 1946 relating to the exemption from taxation of certain activities of the Atomic Energy Commission, introduced by Mr. BUSH (by request), was received, read twice by its title, and referred to the Joint Committee on Atomic Energy.

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE APPROPRIATIONS, 1954—AMENDMENTS

Mr. DOUGLAS submitted amendments intended to be proposed by him to the bill (H. R. 4974) making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes, which were ordered to lie on the table and to be printed.

Mr. FERGUSON submitted amendments intended to be proposed by him to House bill 4974, supra, which were ordered to lie on the table and to be printed.

Mr. CARLSON submitted amendments intended to be proposed by him to House bill 4974, supra, which were ordered to lie on the table and to be printed.

NOTICE OF HEARINGS ON JOINT RESOLUTION EXTENDING TO CITIZENS 18 YEARS OF AGE THE RIGHT TO VOTE

Mr. LANGER. Mr. President, I give notice that at 2 o'clock tomorrow, in room 424 of the Senate Office Building, the Subcommittee on Constitutional Amendments of the Committee on the Judiciary will hold a public hearing on the joint resolution proposing a constitutional amendment to provide that citizens of 18 years of age may vote.

NOTICE OF HEARING ON SENATE JOINT RESOLUTION 8, AND SIMILAR RESOLUTIONS, PROPOSING AMENDMENTS TO THE CONSTITUTION RELATIVE TO NOMINATION AND ELECTION OF PRESIDENT AND VICE PRESIDENT

Mr. LANGER. Mr. President, on behalf of the standing Subcommittee on Constitutional Amendments of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Thursday, June 11, 1953, at 10 a. m., in room 424, Senate Office

Building, on Senate Joint Resolution 8, and similar resolutions, proposing amendments to the Constitution relative to the nomination and election of President and Vice President. Persons desiring to be heard should notify the committee so that a schedule can be prepared for those who wish to appear and testify. The subcommittee consists of myself, chairman, the Senator from Illinois [Mr. DIRKSEN], the Senator from Maryland [Mr. BUTLER], the Senator from West Virginia [Mr. KILGORE], and the Senator from Tennessee [Mr. KEFAUVER].

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. LANGER:

Memorial Day address delivered by Senator HENDRICKSON under the auspices of the William Stokes Bonsal Post, No. 133, American Legion, at Woodbury, N. J.

By Mr. POTTER:

Address on the St. Lawrence seaway and power project, delivered by Attorney General Brownell at Canton, Ohio, on May 19, 1953.

By Mr. KEFAUVER:

Article on the Eisenhower administration, written by Edward Lamb in his column, The Publisher's Notebook, and published in the Erie Dispatch of Sunday, May 16, 1953.

Article entitled "Fisk Gets Chapter of Phi Beta Kappa," published in the New York Times of April 4, 1953.

By Mr. JACKSON:

Article entitled "Foedick at 75—Still a Rebel," written by Gertrude Samuels, and published in the New York Times magazine of May 24, 1953.

By Mr. JACKSON (for Mr. MAGNUSON):

Editorial entitled "Hells Canyon and the GOP Repudiation," written by Howard Ordway, and published in the Waterville Empire-Press.

Article entitled "Reclaimed Basin Land Produces Sugar Crop," written by Fred Niendorff, and published in the Seattle Post-Intelligencer of May 25, 1953.

By Mr. MONRONEY:

Article entitled "A Sickness of Fear," dealing with the nomination of Mrs. Mildred McAfee Horton, written by Mrs. Dwight Davis, and published in the Washington Post of May 31, 1953.

By Mr. WATKINS:

Article entitled "New Refugee Influx Swamps West Berlin," published in the New York Times of May 28, 1953.

By Mr. CARLSON:

Letter addressed to him by Harry W. Colmery, of Topeka, Kans., in support of the so-called Bricker resolution proposing an amendment to the Constitution of the United States.

By Mr. MORSE:

Editorial entitled "Tricky Grazing Bill," published in the Oregon Sunday Journal.

THE LIVING VETERANS OF THE CONFEDERATE ARMY

Mr. JOHNSON of Texas. Mr. President, Saturday was Memorial Day. On that day we honored the dead of all the wars in which this Nation has engaged, including that most tragic of all wars in which our Nation was divided within itself.

We have been for these many years a united country. The bitterness that lived after the end of the War Between the States has died away. Few, indeed, are the survivors of that conflict. Nearly all those brave men are gone from among us.

In tribute to them, I should like to name and pay honor to the still living veterans of the Confederate Army. To my knowledge, there are only four of them. They are Thomas E. Riddle, of the Confederate Soldiers' Home in Austin, Tex.; Walter Williams, of Franklin, Tex.; W. A. Lundy, of Laurel Hill, Fla.; and John Stallings, of Slant, Va.

I honor these men. They represent today the thousands of brave men who fought and died for a land they loved. They have lived through other wars. Our greatest glory is that they have lived to see this a truly united nation, undivided and indivisible. They deserve and have our respect and esteem.

REPORT TO CONGRESS BY THE CIVIL AIR PATROL

Mr. SALTONSTALL. Mr. President, it has been customary for some years to print in the body of the RECORD the annual report of the Civil Air Patrol, auxiliary of the United States Air Force. I have before me the report of the Civil Air Patrol for the year 1952. In accordance with the custom, I ask unanimous consent that it be printed in the body of the RECORD at this point.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *May 1953.*

CIVIL AIR PATROL, AUXILIARY OF THE UNITED STATES AIR FORCE, REPORT TO CONGRESS FOR 1952

INTRODUCTION

The national headquarters, Civil Air Patrol, was established April 29, 1943, as an exempted activity under the commanding general, Army Air Force. Under Public Law 476, 79th Congress, approved July 1, 1946, Civil Air Patrol was incorporated and declared to be a body corporate by the name of "Civil Air Patrol." Under Public Law 557, 80th Congress, approved May 26, 1948, Civil Air Patrol was established as a civilian auxiliary of the Air Force. The Secretary of the Air Force was authorized to extend aid to Civil Air Patrol in the fulfillment of its objectives and to accept and to utilize the services of Civil Air Patrol in the fulfillment of the noncombatant mission of the United States Air Force Establishment.

Civil Air Patrol has an organizational structure consisting of a national headquarters, 8 regions, 52 wings located in each of the 48 States, the District of Columbia, and the Territories of Alaska, Hawaii, and Puerto Rico. Each wing has groups and squadrons located throughout its area with a total of 211 groups and 1,756 squadrons. Air Force personnel are assigned to the national headquarters, regions, and wings to assist and to advise Civil Air Patrol personnel regarding operational, administrative, and logistical problems and to act as liaison between the Air Force and Civil Air Patrol.

The national commander, Civil Air Patrol, is a regular United States Air Force general officer designated by the Chief of Staff, United States Air Force. He discharges the responsibilities of the Chief of Staff, United States Air Force, with respect to the inspection and supervision of the activities of Civil Air Patrol. The national headquarters, Civil Air Patrol, is staffed with United States Air Force officers and airmen. The military headquarters is designated Headquarters Civil Air Patrol, United States Air Force.

The governing body of Civil Air Patrol is the National Board, which consists of 52 wing commanders, 11 members of the National Executive Board and 9 members-at-large. The business of the corporation, when the National Board is not in session, is carried on and conducted by the National Executive Board, which consists of the 8 regional directors, a chairman, a vice chairman, and the chief financial officer. The National Commander has been vested with all the powers, duties, and privileges enjoyed by the National Board and the National Executive Board when the above boards are not in session.

MISSION

The mission of Civil Air Patrol was established by Public Law 476, 79th Congress, July 1946. The objects and purposes of the corporation as stated in section 2, chapter 527, are:

"(a) To provide an organization to encourage and aid American citizens in the contribution of their efforts, services, and resources in the development of aviation and in the maintenance of air supremacy, and to encourage and develop by example the voluntary contribution of private citizens to the public welfare;

"(b) To provide aviation education and training especially to its senior and cadet members; to encourage and foster civil aviation in local communities, and to provide an organization of private citizens with adequate facilities to assist in meeting local and national emergencies."

In the accomplishment of these objectives, Civil Air Patrol is engaged in a nationwide program of public education on matters pertaining to the advancement of aeronautics and the maintenance of air supremacy, is developing a reserve pool of personnel trained in the fundamentals of aviation by conducting an aviation education program for a continuing group of 100,000 or more carefully selected Civil Air Patrol cadets between the ages of 15 and 18, has organized a nationwide radio network for training communications specialists and for emergency purposes, and is performing volunteer missing-aircraft search and rescue missions as an auxiliary of the Air Rescue Service, Military Air Transport Service, and other emergency operations. In addition to service rendered for the Air Force, Civil Air Patrol also performs emergency missions for other Federal agencies and State governments, patrolling forests, pipelines, public utilities, and flooded areas when ordered by the National Commander, Civil Air Patrol. Under mobilization conditions, the Civil Air Patrol will continue as a permanent auxiliary of the Air Force and will remain a volunteer civilian organization to assist the military and civil agencies during the war period.

PERSONNEL

Civil Air Patrol membership is separated into two categories—cadet and senior members. Any United States citizen 15 to 18 years of age can become a cadet member of Civil Air Patrol. At the end of 1952, 47,308 cadets were enrolled. This was a 9-percent increase over 1951 membership and was substantially higher than the goal of 46,000 cadets established for the year. The ultimate goal is 100,000 cadets, which has been programed for 1955. Any United States citizen over 18 years of age may become a senior member of Civil Air Patrol. At the end of 1952, 29,196 senior members were enrolled.

OPERATIONS AND TRAINING

Operations and training were conducted on the basis of fulfilling the following objectives: (1) increasing the interest of American

citizenry in aviation, (2) providing a pool of airminded youth as a source of procurement for the Air Force, (3) providing an organization capable of alleviating the burden of the Air Force in fields of search, rescue, and disaster relief, (4) providing a semimilitary organization of aviation-minded civilians capable of taking an active part in civil defense and other flying aspects of national defense, (5) providing the Air Force with an organization that is making a concerted effort to contribute to better understanding of air power at the grassroots level.

OPERATIONS

Air Rescue Service-Civil Air Patrol actual search and rescue missions: During 1952, Civil Air Patrol flew a total of 111 actual search missions under the control of Air Rescue Service units. A total of 6,901 hours was amassed in actual search during this period, and 5,310 aircraft were utilized. Operating with minimum equipment and often at great personal risk, there can be no better test of the sincerity of these light-plane pilots than their readiness to fulfill a request for aid in search and rescue work.

Air Rescue Service-Civil Air Patrol aircraft wreckage marking missions: Air Rescue Service and Civil Air Patrol have an agreement whereby Civil Air Patrol will aid Air Rescue Service in the marking of aircraft wreckage sites. Marking of sites is under the direction and control of Air Rescue Service personnel. Equipment and supplies necessary for the actual marking of sites are furnished by that organization.

Civil Air Patrol-Civil Defense exercises: To carry out the joint Federal Civil Defense-Civil Air Patrol policy established in 1951, each Civil Air Patrol wing was authorized participation in one statewide Civil Defense exercise a year. The policy of one exercise a year in no way prohibits Civil Air Patrol units from engaging in other State or local exercises requested by Civil Defense personnel. Sixteen field exercises were conducted in 1952, with Civil Air Patrol air units flying 676 hours in direct support of ground mobile support teams. Four thousand nine-hundred and fifty-eight Civil Air Patrol personnel volunteered their services to conduct the joint exercises. There were 118 mobile support teams available for search and rescue work when requested by local and State Civil Defense authorities. Development of good mobile support units has been slow; lack of equipment for the ground teams is considered the primary limiting factor.

Civil Air Patrol-Air Defense Command Ground Observer Corps missions: Of interest to both civil and military defense is the increase of missions and hours flown in 1952, to aid Air Defense Command units in training filter center personnel and civilian ground observers. Missions and hours flown represented a 100-percent increase over 1951. There were 107 logged missions and 8,949 hours flown.

Miscellaneous missions: During 1952, 179 Civil Air Patrol aircraft flew a reported 831 hours on missions involving special flights for the American Red Cross, city, and State officials, and independent search and rescue missions. These missions represent only a few of the flights made, many unreported, which constituted a service to the Nation.

United States Air Force on-loan aircraft: Perhaps the greatest morale booster and aid to the Civil Air Patrol recruitment program has been the allocation of United States Air Force liaison-type on-loan aircraft to Civil Air Patrol units. During the period of this report, 63,463 hours, involving both corporate and on-loan aircraft, were flown for orientation and familiarization training. The availability of on-loan aircraft is largely responsible for this tremendous increase over last year. On-loan aircraft were flown a total of 35,816 hours, with an average of over 5,000 hours flown a month in the latter part of the year when more aircraft were made available.

CADET TRAINING

The Civil Air Patrol Cadet program is designed to develop in youth an awareness of the social, political, economic, international, and vocational aspects of aviation. This concept is interpreted and applied in the Aviation Education program and Special Activities related to air-age indoctrination. Aviation education is that branch of general education concerned with communicating knowledges, skills, and attitudes about aviation and its impact upon society. This training is accomplished by academic instruction in squadrons and high schools. Areas of instruction include: Our Air Age, Know Your Airplane, Why the Airplane Flies, Power of Flight, The Airplane and the Airman, Weather, The Path of Flight, Air Traffic Control, National and International Problems of Safety and Control, Airports, and Vocational Opportunities in Aviation. Aviation education does not stress the technical aspects of aeronautical instruction; hence, the course is not to be confused with the preflight courses taught in schools and colleges during the war. Aviation education is general education and is not based on a temporary need. Aviation education in high school is a 1-year program taught by regular members of the school faculty. Any interested student is eligible for enrollment on an elective-course basis; Civil Air Patrol membership, though desired, is not a prerequisite. Educational accrediting associations, in realising the value of aviation education as a part of the school curriculum, have approved the granting of academic credit for the high-school course. Since its inception in 1949, the number of schools and students participating has increased steadily. Guidance in obtaining source and reference materials from governmental agencies, airline companies, and aviation industries has been rendered to Civil Air Patrol squadrons and high schools offering a course in aviation education. For its outstanding efforts in promoting and sponsoring air-youth education, Civil Air Patrol was awarded the Frank G. Brewer Trophy for 1952. To develop an air-minded citizenry is to insure the conservation and proper utilization of our human resources.

Flight orientation: To motivate the interest of cadets in actual flying activities and to afford application for his academic training in aviation education, flight orientation rides are provided. This opportunity engenders interest in aviation either professionally, vocationally, or avocationally. The extent of this activity in 1952, is reflected by 25,583 cadets flying 52,857.36 hours.

Civil Air Patrol cadet encampments: In order to acqaint cadets with the operational activities of the Air Force at its bases, encampments are scheduled for each wing during the summer months. Forty-two cadet encampments were conducted at 39 Air Force bases during the summer of 1952. All 52 wings, with the exception of Louisiana, stricken by a polio epidemic, engaged in encampment activities. The first all-girl national encampment, composed of wing representatives, was held at Lockland Air Force Base, Texas.

Special activities: These include the international cadet exchange program and international drill competition which are designed to provide the cadet with an opportunity to apply some of the knowledges and skills he has acquired in the Civil Air Patrol training program and to foster international good will and relationships.

The international cadet exchange was conducted in 1952, with the following countries: Belgium, Brazil, Canada, Denmark, England, France, Italy, Luxembourg, Mexico, Portugal, Spain, Sweden, Switzerland, and the Netherlands. Civil Air Patrol provided 111 cadets and 15 escorts; foreign countries sent to the United States 113 cadets and 26 escorts. This exchange of airminded youth did much to foster good will and understanding by the intermingling of groups of different nationalities and cultures.

Regional, national, and international drill competitions were held in the summer of 1952. The 52 wings were formed into 5 regional areas. The regional winners (New Jersey, Puerto Rico, Michigan, Colorado, and Utah) competed in the national exercise held at Mitchel Air Force Base, New York. Puerto Rico, the national winner, was awarded the Stone Trophy. The international drill team was composed of selected members from the five regional teams, with the exception of Colorado's all-girl unit. The international drill competition held at the Minnesota State Fair, Minneapolis, Minn., was between the United States and Canada. The General Beau Trophy was awarded to the United States team for the first time since the inception of the international meet in 1947.

National aviation education workshop: The success of the aviation education program is, to a large degree, measured by the support it receives from the public-school systems. They, in turn, need interested, enthusiastic, and qualified teachers to make the program meaningful and productive of its stated objectives. Realizing this need, Civil Air Patrol cosponsored and directed the first national aviation education workshop at the University of Colorado during the summer of 1952. Over 100 teachers and Civil Air Patrol senior members attended this workshop for which four semester hours of college credit were granted. Civil Air Patrol personnel at the community level obtained the cooperation and support of service, civic, and fraternal organizations in providing scholarships for a number of those attending; others paid their own expenses. This educational project provided an excellent opportunity for Civil Air Patrol to work with other related aviation agencies which provided materials, instructors, and guest speakers. These included: Civil Aeronautics Administration, United States Office of Education, National Aeronautics Association, and the Academy of Model Aeronautics. As a result of this successful endeavor, several colleges and universities have been encouraged to sponsor workshops.

SENIOR TRAINING

The senior training program is designed to orient members as to the purposes, scope, and functions of the organization. In order to accomplish this objective, senior training is divided into three phases: CAP-USAF orientation, which consists of the history, organization, and mission of Civil Air Patrol and its relation to the United States Air Force as an auxiliary service; military orientation, comprised of customs and courtesies of the service, leadership, wearing of the uniform, command and staff functions; and operational training which is accomplished primarily by a familiarization course and search and rescue practice missions (SARCAPs) under the direction and supervision of Air Rescue Service. Statutory provisions restrict the utilization of Civil Air Patrol to missions of a noncombatant nature. Other practice missions include Ground Observer Corps and civil defense exercises. Civil Air Patrol's operational effectiveness was greatly increased by these various field exercises.

Practice search and rescue training missions: To improve search and rescue technique of Civil Air Patrol units, at least one practice search and rescue mission, monitored and evaluated by Air Rescue Service personnel, was accomplished in each Civil Air Patrol wing. Additional independent search and rescue missions were authorized when considered justifiable. In 1952, 72 practice missions were flown utilizing 2,532 aircraft for a total of 8,925 training hours. Twelve thousand Civil Air Patrol members volunteered their services to gain the practical experience offered from the training mission.

Extension course institute enrollment: Senior members are urged to increase their individual effectiveness by taking courses from the Extension Course Institute, a United States Air Force sponsored correspondence school. Group study is also encouraged. Enrollments during the year 1952 increased substantially.

Cooperation between the Air Force Reserve Officers' Training Corps and Civil Air Patrol: During 1952, closer cooperation between the Air Force Reserve Officers' Training Corps and Civil Air Patrol was effected. Professors of air science and tactics were encouraged to lend assistance to Civil Air Patrol units (senior and cadet) in providing classroom instructors, guest lecturers, drill instructors, advisory personnel, classroom facilities, training aids, and such other assistance as would be practicable. One of the accomplishments of this program was the granting of priority considerations for Air Force Reserve officer training to cadet and senior members who have been recommended by commandant of cadets and squadron commanders, respectively.

Reserve participation in Civil Air Patrol: In order to afford additional training opportunities for certain categories of Air Force Reservists and at the same time, obtain greater efficiency in Civil Air Patrol, qualified Air Reserve officers are attached on an inactive voluntary basis to Civil Air Patrol units. Reservists are predominantly utilized as unit instructors; however, other duties may include assistance and advisory service to Civil Air Patrol commanders in the administration and operation of their organization. Point credits toward promotion, retention, and retirement are earned for this duty.

MANPOWER AND ORGANIZATION

With the expansion of Civil Air Patrol, there is a continuous need for analysis of manpower requirements and a study of the organizational structure, Civil Air Patrol Corporation. Civil Air Patrol was reorganized in January 1952, in order to authorize a larger number of staff positions and establish separate cadet squadrons. The purpose was to enable unit commanders to enlarge their staff for more efficient operation and activate cadet squadrons in areas where no senior squadrons were located. In addition, this reorganization established positions whereby professional and businessmen could be appointed as advisers to the national commander, regional directors and wing commanders. These advisers are particularly helpful in the legal, educational, communication, and religious fields.

COMMUNICATIONS

There were two main objectives of the communications program: (1) the organization and operation of a nationwide radio network to provide communications facilities for the operational facets of Civil Air Patrol and (2) the provision of communications training to Civil Air Patrol members. In accomplishing these objectives, the primary efforts were directed toward reorganizing the Civil Air Patrol radio network so that adequate coverage could be provided each wing. Other areas of activity included establishing mobile communication facilities, maintaining communications discipline, standardizing procedures, licensing radio stations, and implementing a standardized communications training program.

The organization of the Civil Air Patrol communications program has been based on the fundamental principle that "communications is a function of command." During 1952, action was taken to reorganize the Civil Air Patrol radio network so that definite command control could be exercised by each commander from the national headquarters level down to the lowest echelon in Civil Air Patrol. While lack of radio equipment has not permitted full radio coverage in all wings, the foundation for a command communications system has been laid.

The missions of Civil Air Patrol call for extreme mobility and flexibility of communications. In 1952, great emphasis was placed on mobility of Civil Air Patrol radio stations. Wing commanders and communications officers were urged to decommission radio stations located in the cellars and attics in the homes of Civil Air Patrol members and to place this equipment in their private automobiles. The result of this concerted drive for mobility of communications is evident, as the ratio of mobile stations to fixed stations is now approximately 9 to 1 as compared to a ratio of approximately 5 to 1 in 1951. The lack of lightweight airborne VHF equipment for Civil Air Patrol aircraft has reduced the overall efficiency of the organization, particularly on practice and actual search and rescue missions. Less than 15 percent of the total number of aircraft assigned to Civil Air Patrol are VHF equipped. The total number of radio stations increased from 9,000 stations in 1951, to approximately 11,000 stations in 1952. Most of the equipment was purchased by the individual Civil Air Patrol communicator or from unit funds. Heretofore, very few Civil Air Patrol cadets have been exposed to any communications training due to the lack of a standardized program. A communications training program for cadets has been initiated.

The licensing of Civil Air Patrol radio stations has presented a problem in that Civil Air Patrol members have been forced to fill out two complicated Federal Communications Commission forms in order to obtain a station license. Through close cooperation with the Federal Communications Commission, a new form for licensing Civil Air Patrol radio stations was developed. This new form includes all the necessary licensing information on one page; radio station licenses are processed in a few days as opposed to the 6 to 8 weeks' delay previously encountered. Relationships between Civil Air Patrol and Federal Communications Commission during the past year have been harmonious and have resulted in expeditious action on all joint matters.

While Air Force support was limited because of the wording of Public Law 557, 80th Congress, that rendered to the Civil Air Patrol communications program greatly enhanced its overall efficiency. Although the assignment of two additional HF frequencies helped, the operation of a large number of Civil Air Patrol radio stations on assigned Air Force high frequencies has resulted in many interference reports from United States and Canadian agencies operating on adjacent channels; therefore, every effort is being made to shift to VHF. Lack of equipment and frequencies has seriously impeded this plan.

The assignment of nine Philco technical representatives to Civil Air Patrol facilitated the supervision of communications operations at the regional level and aided in the implementation of the cadet communications' training program.

PROPOSED LEGISLATION

Proposed legislation was caused to be introduced in the second session, 82d Congress, to bring Civil Air Patrol members, killed or injured while engaged in missions requested and directed by the Air Force, under the provisions of the Federal Employees' Compensation Act, with an assumed monthly pay of $300 on which to base computation of compensation. The legislation was introduced by Mr. POLK, of Ohio, on January 30, 1952, as H. R. 6331 and by Senator Cain on July 5, 1952, as S. 3489. Congress adjourned before hearings were held in the House Armed Services Committee. Necessary action was taken to ensure its reintroduction in the first session of the 83d Congress. The desirability of and need for this proposed legislation are manifest.

It was the intent of Congress, in enacting Public Law 557, 80th Congress, to permit the Secretary of the Air Force to extend aid to Civil Air Patrol by making available obsolete or surplus aircraft, materiel, and equipment of the Air Force. Passage of the Federal Property and Administrative Services Act of 1949, Public Law 152, 81st Congress, largely nullified the benefits to Civil Air Patrol of Public Law 557 by preventing the Secretary of the Air Force from making such property available. To effectuate the intent of the 80th Congress and to increase and to utilize fully the Civil Air Patrol potential, H. R. 8525 was caused to be introduced by Mr. VINSON on July 4, 1952, and by Senator CAIN on July 4, 1952, as S. 3483 before the second session of the 82d Congress. Necessary action was taken to ensure its reintroduction in the first session of the 83d Congress. The bill will again enable the Secretary of the Air Force to provide Civil Air Patrol with necessary property no longer required by the Air Force and will also permit the Air Force to budget for limited amounts of certain equipment. It is imperative that this bill be enacted into law if Civil Air Patrol operations are to continue effectively.

SUPPLY AND MAINTENANCE

Headquarters, Civil Air Patrol-United States Air Force, with the concurrence of all agencies concerned, formulated an administrative procedure which permitted the Department of Defense to donate certain supplies and equipment to Civil Air Patrol; however, this method of procuring equipment cannot be used as a sole means of supporting Civil Air Patrol. Only a limited amount has been obtained although the procedure has been in effect 1 year in May. This procedure will be continued as a means of supplementing equipment to be procured under the revised Public Law 557.

The assignment of on-loan aircraft to Civil Air Patrol has substantially increased its operational capabilities; however, no priority is assigned to maintenance support of these on-loan aircraft by Air Force installations. Due to this fact, aircraft are retained by the supporting installations for extensive periods resulting in a low-utilization rate.

Supply support in other categories has been received by Civil Air Patrol from the Air Force. Authorization was granted Civil Air Patrol members to purchase uniforms from Air Force clothing sales stores, although in this particular instance, the purchase of uniforms for female members was precluded because of a shortage of stock.

PUBLIC INFORMATION

Utilizing all communications media, Civil Air Patrol has conducted a varied and inclusive program of information and publicity. The success of this program can be attributed to several factors among which are: (1) The public-service feature of the Civil Air Patrol, (2) local community support of Civil Air Patrol activities, and (3) human-interest element of Civil Air Patrol operations. Increased public recognition and public support have resulted.

A large number of radio programs and panels were aired during year; among them was the national commander's appearance on Time for Defense. In the field, Civil Air Patrol units have sponsored radio programs using the public-service time provided by the Federal Communications Commission. Fillers and shorts were used for the purpose of recruitment. Television time was also obtained for a number of short programs and panels. The national commander and the chairman of the national executive board appeared on television programs.

Guest speakers to tell the story of Civil Air Patrol are in great demand. The speakers' bureau method was utilized in furnishing representatives for specialized and important audiences.

In order to improve and to increase the information activities being done in the field, Civil Air Patrol supplies such tools as copies of national news releases, films, tapes, prepared radio scripts, magazine reprints, and brochures. Elaborate press packets are prepared for distribution prior to the beginning of summer encampments, the international cadet exchange, and anniversary celebrations. Other areas of information liaison are protocol, congressional dinner programing, and speech and media research for the headquarters staff.

Contact, a semimonthly publication, incorporates the Civil Air Patrol newspaper as a regular 4-page insert. This organ of Civil Air Patrol serves as a medium of expression for the national organization and as a means of recognizing singular activities of field units. Editorial content includes staff section coverage, supplemented by news and pictures from the field. Contact is mailed to each active senior member of Civil Air Patrol.

CHAPLAIN

Progress within the Civil Air Patrol chaplaincy is evidenced by such factors as: (1) the increase in number of Civil Air Patrol chaplains, (2) the authorization and assignment of a deputy air chaplain at national headquarters, (3) the organization and initial meeting of the national chaplain's committee, (4) the authorization of regional and deputy regional chaplains and the assignment of 6 of the 8 regional chaplains authorized, (5) the holding of training conferences at regional and wing levels, and (6) publication of the National Air Chaplain Monthly Bulletin forwarded to all Civil Air Patrol chaplains. The chaplaincy continues to impart to Civil Air Patrol a spiritual tone. It makes available to Civil Air Patrol the one profession best qualified to assume the leadership in connection with the moral and citizenship training of the Civil Air Patrol cadets; affords Civil Air Patrol a most convincing talking point for the recruiting of cadets, as it concerns the parents of cadets; and makes available a source of cadets which otherwise would not be available—Sunday schools, church, and youth societies. The chaplaincy associates Civil Air Patrol with the greatest obstacle standing in the path of communism today: religion.

CONCLUSIONS

Civil Air Patrol, in 1952, met to a markedly successful degree, each of its missions as set forth by the Air Force and as established by law. It accomplished this with relatively little expense to the taxpayers and to the Air Force. Civil Air Patrol renders a major contribution in meeting local and national emergencies. It also supports Civil Defense agencies throughout the country. Civil Air Patrol performed 77 percent of the air search and rescue missions within the continental United States, and thereby released United States Air Force Air Rescue Service personnel and planes for other commitments.

The Air Force benefits both directly and indirectly from the training received by members of Civil Air Patrol. This is particularly true in the fields of aviation education, communications, and search and rescue.

The capability of Civil Air Patrol to perform its mission is directly proportionate to the materiel support received from the Air Force and other services and from the contribution of its voluntary members.

Civil Air Patrol is composed of air-minded American citizens who believe in air power, work for air power, and conceive it as both military and civil aviation in all their relationships. Its members are determined to ensure an Air Force capable of guaranteeing our national security.

Civil Air Patrol annual financial statement as of December 31, 1952

RECEIPTS

Balance Dec. 31, 1951	$31,256.90
Receipts:	
Memberships	90,762.00
Prepaid memberships for 1953	8,610.00
Insurance refund from cancelled policy	1,472.87
Donations	3,355.00
Interest on savings accounts	400.25
Sale of aircraft	250.40
Miscellaneous refunds	650.00
Total receipts, 1952	136,757.42

DISBURSEMENTS

Cadet drill competition	4,707.10
International Cadet Exchange	22,610.38
Official Civil Air Patrol News publication	11,945.59
Insurance and bonds	12,133.15
National Educational Advisory Committee meetings	835.73
Printing and photography	3,897.58
Rents	192.24
Legal	1,001.21
Wing commanders' conference (congressional dinner)	5,027.33
Petty cash	670.80
Miscellaneous	2,364.02
Total disbursements, 1952	65,475.13
Total receipts	136,757.42
Less disbursements	65,475.13
	71,282.29
Savings funds on deposit	50,936.66
Balance, Dec. 31, 1952	122,218.95

HOMETOWN WELFARE?

Mr. MARTIN. Mr. President, the newest member of President Eisenhower's Cabinet, the distinguished Mrs. Oveta Hobby, made a statement to the effect that more of our welfare work should be done by the people themselves at the local level of government. She stated: "A tax dollar that goes to Washington never comes back intact."

In this connection, the Pittsburgh Press of yesterday commented favorably on the statement of Mrs. Hobby, and I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks the editorial printed by the Pittsburgh Press entitled "Hometown Welfare?"

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HOMETOWN WELFARE?

The interesting suggestion that welfare programs might cost less if they were financed locally is raised by Mrs. Oveta Hobby, the new Cabinet member who administers welfare activities.

Our welfare programs do cost a good deal, even though they are not as elaborate as those in some other countries where everyone is entitled to free medical care and where governments encourage overpopulation by monthly allowances for each child in a family.

But government programs have a tendency to grow and to cost more and more as the years go by.

In these times of full employment the people in the individual States and cities might well ask themselves whether they wouldn't be better off—financially as well as morally—to handle and pay for their welfare programs themselves and look to the Federal Government only in cases of grave emergency.

Despite the pleasant self-deception involved in accepting handouts from Washington, the taxpayers must pay for them anyway, and, as Mrs. Hobby so succinctly puts it, "a tax dollar that goes to Washington never comes back intact."

THE OUTER CONTINENTAL SHELF AND ITS DEVELOPMENT

Mr. HENDRICKSON. Mr. President, the distinguished Committee on Interior and Insular Affairs has been conducting hearings on Senate bill 1901, dealing with the outer Continental Shelf and its development.

Because I have pending before the mittee amendments pertaining to this subject and to the revenues to be derived, the senior Senator from Oregon [Mr. CORDON], who is an outstanding authority on this subject, courteously invited me to submit a statement on this vital matter.

I fear that we have heard too little concerning the disposition of this great area, seaward of the States' historic boundaries, wherein is located the great bulk of our offshore oil resources.

Mr. President, I ask for unanimous consent that my statement, in the form of a letter to the senior Senator from Oregon be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 26, 1953.

Hon. GUY CORDON,
Senate Committee on Interior and Insular Affairs, Senate Office Building, Washington, D. C.

MY DEAR GUY: I want to tell you how very much I appreciate your kind suggestion that I submit a statement to your distinguished Committee on Interior and Insular Affairs relative to pending legislation dealing with development of the outer Continental Shelf. Perhaps you would offer this letter outlining my views for the record being built by your committee.

You will recall that my amendments, submitted to the committee some time ago, dealt with this very problem of the outer shelf. I recollect, with appreciation, your own kind remarks on the floor of the Senate wherein you pointed out that the essentials of my amendments, and Senator ANDERSON'S amendments as they pertained to the outer shelf, were the basis for Senate bill 1901, now pending before the committee.

As the Senator knows, I do not believe that big government—a big Federal Government—should come along after 160 years of legal lethargy and tell any State that it does not own its own property. For that reason, I supported Senate Joint Resolution 13, vesting State title to the submerged lands within the historic boundaries of those States.

However, when Senate Joint Resolution 13 merely confirmed jurisdiction and control of the United States over the natural resources of the Continental Shelf seaward of State boundaries, it seemed to me that the resolution did not go far enough.

My amendments, you will recall, do two things: First, they give to the Federal Government exclusive development rights in this outer-shelf area beyond historic State boundaries.

I emphasize my belief that Federal law should pertain in this area. In my view, there are no valid State claims there, and that to extend State jurisdiction—be it through State conservation laws or taxation prerogatives or other forms of State control—is an inconsistent and unworkable approach.

If the outer shelf is to be confirmed for the Federal Government, it should be without attendant strings attached.

I saw no reason why the Federal Government should participate in the development of those offshore lands within historic State boundaries. I see no reason why the coastal States should have any jurisdiction within the federally controlled areas seaward of these boundaries.

My amendments would also disburse the revenues derived from the resources lying to the edge of the shelf, for educational purposes.

The aid-to-education proposal which I have suggested to the Committee on Interior and Insular Affairs varies from that offered in the past by my distinguished colleague from Alabama, Mr. HILL.

In my opinion, this step would both solve the controversial question of Federal aid to education, and also would bestow the fruits from an area of Federal resources upon the needy school systems of all our States and Territories. In the case of the amendments which I have proposed, the funds derived from the rich seabeds of the Continental Shelf are clearly Federal funds, unmuddied by the proposition that it is State resources which we would be asked to disburse to the Nation as a whole.

My amendments go a step further by spelling out a simple formula for disbursement of these funds to primary, secondary, and higher educational facilities within the States. Under this simplified formula, the old bugaboo of Federal aid to education will not sully the purpose of assisting our sorely pressed school systems. My proposal would transfer the funds derived from these resources to the school systems on the basis of school population alone.

There is no issue of Federal control and dictation herein involved. There is no rigid formula of aid to education whereby the Government in Washington lays down the law in a province traditionally reserved to the States, and forces school systems to line up their budgets and their State constitutions as well in order to qualify for assistance.

In my own State of New Jersey, all moneys arising from the sale of riparian rights are dedicated to the school fund of the State and cannot be used for any other purpose. My suggestions represent what I deem to be a practical and sensible approach to the disbursal of Federal funds derived from our natural resources. Those funds would go where they would do a great good for a growing and deep-seated problem of our times, without stirring up the rancors consistent with heavy handed Federal control.

Estimates to date indicate that from 70 to 90 percent of offshore wealth are located in that area of the Continental Shelf which appertains along its seabed to the Federal Government.

I realize that claims are being made for State participation in this outer Shelf region. I must oppose these claims.

Again, I am most grateful for your consideration and kindness in soliciting my views for your record. Naturally, I hope that they will be incorporated in the measure reported to the Senate.

With kindest personal regards, I am,

Sincerely yours,

ROBERT C. HENDRICKSON.

DIPLOMATIC REPRESENTATION IN CAPITALS OF UKRAINE AND BYELORUSSIA—LETTER OF UKRAINIAN CONGRESS COMMITTEE OF AMERICA, BISMARCK, N. DAK.

Mr. LANGER. Mr. President, I am in receipt of a letter from the North Dakota State Branch of Ukrainian Congress Committee of America, Bismarck, N. Dak., signed by Dr. Anthony Zukowsky, president, concerning the establishment of American diplomatic representation in the capitals of Ukraine and Byelorussia. I ask unanimous consent that the letter be printed in the body of the RECORD, including the names of the officers of the committee, a group of outstanding and distinguished citizens of our country.

There being no objection, the letter, including the names of the officers, was ordered to be printed in the RECORD, as follows:

UKRAINIAN CONGRESS
COMMITTEE OF AMERICA, INC.,
STATE BRANCH OF NORTH DAKOTA,
Bismarck, N. Dak., April 27, 1953.

Hon. WILLIAM LANGER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR LANGER: The North Dakota State Branch of Ukrainian Congress Committee of America is vitally interested in the adoption of House Concurrent Resolution No. 58 concerning the establishment of American diplomatic representation in the capitals of Ukraine and Byelorussia.

We believe this would be an excellent move on the part of the United States in its psychological strategy because it would (1) cause concern in the Kremlin over America's interest in these two vital areas of the Soviet Union; (2) enhance the meaning of our counter-Soviet propaganda; (3) expose the Soviet's fraudulent claims of the independence of the republics; (4) tighten the bonds of alliance which the Ukrainians and Byelorussians naturally feel with America and the West; (5) cause embarrassment to the puppet delegations now falsely representing the Ukrainian and Byelorussian people in the United Nations; (6) be a valid test of the Soviet Union's current manifestations of a desire for peace and friendly relations; (7) gain for the United States additional listening posts behind the Iron Curtain, and open possibilities for contact with active anti-Soviet national leaders.

We respectfully urge you to support this resolution in the interest of America's gaining the initiative in the crucial area of psychological strategy and exposing the camouflaged imperialistic acts of the Soviet Union toward the captive peoples and satellite nations.

Respectfully yours,

Dr. ANTHONY ZUKOWSKY,
President, UCCA State Branch of North Dakota.

Vice presidents: Steve Hlebichuck, Bismarck, N. Dak.; Irene Hordynsky, Drake, N. Dak.; Alex Chorny, Wilton, N. Dak.

Secretary: William Sawycky, Wilton, N. Dak.

Treasurer: William Melnik, Beach, N. Dak.

Board members: Nick Chernos, Wilton, N. Dak.; John Klytor, Dickinson, N. Dak.; Peter Iwaniw, Riverdale, N. Dak.

Advisory board: Dr. Bohdan Hordynsky, Drake, N. Dak.; Irene Mychajluk, Enderlin, N. Dak.; Nick Prokop, Belfield, N. Dak.; Katherine Melnik, Beach, N. Dak.; Dmytro Sawycky, Wilton, N. Dak.; Nick Sologuk, Wilton, N. Dak.

WHEAT FOR PAKISTAN

Mr. CARLSON. Mr. President, Congress is being urged to act immediately on a request for the shipment of 37.5 million bushels of wheat to Pakistan.

Yesterday at a radio forum, Harold Stassen, Director of the Mutual Security Agency, stated that a committee from the State Department had made a thorough study of this famine-stricken country and the need for this food.

Governor Stassen stated that it was his firm conviction that the shipment of this amount of food to Pakistan would not only stabilize the present Government, which is friendly to us, but would mean much to our future relations in that entire section of Asia.

We shall have, on July 1, a carryover of some 550 million bushels of wheat. Therefore, wheat is one commodity we can ship without in any way damaging our reserve.

Let me respectfully suggest that—

First. The Senate take early action on this request.

Second. Every effort be made to get some of this grain to Pakistan by August 1, for I am advised that arrival of the wheat at that time would be most helpful.

Third. A percentage of it be shipped in the form of flour, in order that this foodstuff may be ready for immediate use.

I now ask unanimous consent to have printed at this point in the RECORD a copy of the letter I have written to Governor Stassen.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 1, 1953.

Hon. HAROLD STASSEN,
Director, Mutual Security Administration, Washington, D. C.

DEAR GOVERNOR STASSEN: After listening last Sunday to your splendid statement regarding your trip to the Far East, your statement in regard to the famine conditions in Pakistan, and the benefits to be derived from the shipment of foodstuffs, I am urging immediate action in the Senate in order that we may have the full benefit from the shipment of this grain.

As I understand it, the National Security Council is making a study of this request and I sincerely trust they will make their recommendations at an early date.

We have a surplus of wheat in this Nation and the shipment of wheat and flour from our reserves would not in any way endanger our own food supply.

I would recommend that a portion of this shipment be in the form of flour, in order that it would be ready for immediate use on arrival.

If I can be of further assistance in this matter, kindly let me know.

Sincerely yours,

FRANK CARLSON.

EXEMPTION FROM ANNUAL AND SICK LEAVE ACT OF CERTAIN OFFICERS IN THE EXECUTIVE BRANCH

The ACTING PRESIDENT pro tempore laid before the Senate a message from the House of Representatives disagreeing to the amendment of the Senate to the bill (H. R. 4654) to provide for the exemption from the Annual and Sick Leave Act of 1951 of certain officers in the executive branch of the Government, and for other purposes, and asking a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. CARLSON. Mr. President, I move that the Senate insist upon its amendment, agree to the conference

asked by the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Acting President pro tempore appointed Mr. CARLSON, Mr. DUFF, Mr. JENNER, Mr. JOHNSTON of South Carolina, and Mr. NEELY conferees on the part of the Senate.

EXECUTIVE SESSION

Mr. KNOWLAND. Mr. President, I move that the Senate now proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The ACTING PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting the nomination of Mason Sears, of Massachusetts, to be the Representative of the United States of America on the Trusteeship Council of the United Nations, which was referred to the Committee on Foreign Relations.

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. SALTONSTALL, from the Committee on Armed Services:

Adm. Arthur William Radford, United States Navy, for appointment as Chairman of the Joint Chiefs of Staff in the Department of Defense;

Gen. Matthew Bunker Ridgway, United States Army, for appointment as Chief of Staff, United States Army;

Adm. Arthur William Radford, United States Navy, to have the grade and rank of an admiral while serving as Chairman of the Joint Chiefs of Staff in the Department of Defense;

Gen. Nathan Farragut Twining 10A (major general, Regular Air Force), United States Air Force, for appointment as Chief of Staff, United States Air Force, with the rank of general; and

Adm. Robert Bostwick Carney, United States Navy, to be Chief of Naval Operations in the Department of the Navy.

The ACTING PRESIDENT pro tempore. If there are no further reports of committees, the clerk will proceed to state the nominations on the calendar.

UNITED STATES MARSHAL

Mr. KNOWLAND. Mr. President, I now ask that the Senate proceed to the consideration of the nomination of United States marshal for the eastern district of Washington.

The ACTING PRESIDENT pro tempore. The nomination will be stated.

The legislative clerk read the nomination of Darrell O. Holmes to be United States marshal for the eastern district of Washington.

Mr. JACKSON. Mr. President——

Mr. KNOWLAND. I yield to the Senator from Washington.

Mr. JACKSON. Mr. President, this nomination was passed over at a previous session of the Senate at the request of my colleague, the senior Senator from Washington [Mr. MAGNUSON]. At that time he pointed out that there was some question about obtaining an appointment for Mr. Wayne Bezona, the marshal who is still holding that position, in order that he might continue in the Government service until February 28, 1954, when he will have served his full 20 years.

This morning I was advised by Mr. William Rogers, Assistant Attorney General, that an arrangement has been worked out with the present marshal, Mr. Wayne Bezona, whereby he may be made an investigator for the Immigration and Naturalization Service, with classification GS–9, I believe, until February 28, 1954, by which time he will have served his full 20 years and will be able to obtain his retirement benefits.

I should like to say that my colleague, the senior Senator from Washington [Mr. MAGNUSON], and I are both very appreciative of the courteous way in which the Attorney General has handled this matter and has made what appears to be a satisfactory arrangement with Mr. Wayne Bezona, the present marshal.

The ACTING PRESIDENT pro tempore. The question is, Will the Senate advise and consent to this nomination?

The nomination was confirmed.

UNITED STATES TARIFF COMMISSION

The legislative clerk read the nomination of Joseph E. Talbot, of Connecticut, to be a member of the United States Tariff Commission.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

COLLECTOR OF CUSTOMS

The legislative clerk proceeded to read sundry nominations of collectors of customs.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc.

Mr. KNOWLAND. Mr. President, I ask that the President be notified forthwith of nominations confirmed.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. KNOWLAND. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

DESIGNATION OF SERVICE PERSONNEL AS CLERKS AND ASSISTANT CLERKS IN THE POST OFFICE DEPARTMENT

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate bill 1643, Calendar No. 276.

The ACTING PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1643) to authorize the Post Office Department to designate enlisted personnel of the Army, Navy, Air Force, Marine Corps, and Coast Guard as postal clerks and assistant postal clerks, and for other purposes.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from California that the Senate proceed to consider the bill.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1643) to authorize the Post Office Department to designate enlisted personnel of the Army, Navy, Air Force, Marine Corps and Coast Guard as postal clerks and assistant postal clerks, and for other purposes.

Mr. SALTONSTALL. Mr. President, before discussion ensues on the Senate bill, I move that the bill be indefinitely postponed, and that in its place the Senate proceed to the consideration of House bill 2327, which is Calendar Order No. 300, an identical bill which has come from the House.

The ACTING PRESIDENT pro tempore. The clerk will state the House bill by its title.

The LEGISLATIVE CLERK. A bill (H. R. 2357) to authorize the Post Office Department to designate enlisted personnel of the Army, Navy, Air Force, Marine Corps, and Coast Guard as postal clerks and assistant postal clerks, and for other purposes.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Massachusetts.

The motion was agreed to; the bill (S. 1643) was indefinitely postponed, and the Senate proceeded to consider House bill 2357.

Mr. SALTONSTALL. Mr. President, very briefly I shall explain the bill. At the present time the Navy, Marine Corps, and Coast Guard are not required to bond their servicemen who are handling mail. The Army and the Air Force are required to do so. The pending bill would simply make it possible for the Army and the Air Force to be given the same status as that of the Navy, the Marine Corps, and the Coast Guard. There are times, at the front, at sea, or in other difficult places, where it is impossible to obtain bond. I am informed that this arrangement will be satisfactory to the Post Office Department. The bill would not relieve from combat duty any serviceman who may now be doing post-office work. The purpose is simply to continue the present procedure, except insofar it gives the Army and the Air Force an opportunity to waive a bond for the serviceman who may be handling post-office work.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield to the Senator from Kansas.

Mr. CARLSON. I do not intend to oppose the pending bill; in fact, I am in favor of it, but I believe I should mention for the RECORD the fact that the

Committee on Post Office and Civil Service is somewhat jealous of its prerogatives, and there was some question as to why this bill was not referred to that committee. I think we would have approved it, and we do approve it. I assure the distinguished Senator from Massachusetts that my only reason for making this statement is that I feel it my duty to protect and preserve the prerogatives of the Committee on Post Office and Civil Service.

Mr. SALTONSTALL. Mr. President, the Armed Services Committee would not have wanted to take jurisdiction of this bill had it known there was any question about it. The bill was referred to our committee. Representatives of the Post Office Department testified in favor of it. It was not our purpose in any way to take anything away from the distinguished Committee on Post Office and Civil Service.

Mr. GORE. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield to the Senator from Tennessee.

Mr. GORE. The junior Senator from Tennessee has been much concerned, as have other Members of the Senate, I believe, over the tendency to assign more and more servicemen to duties and functions which could properly be performed by civilians. I inquire of the chairman of the Armed Services Committee whether the passage of the pending bill would in any way increase the number of men drafted for necessary military service, but subsequently assigned only to postal functions which could be performed by civilians.

Mr. SALTONSTALL. The answer is a clear and emphatic "No."

Mr. GORE. Mr. President, will the Senator yield further?

Mr. SALTONSTALL. I yield.

Mr. GORE. Does the Senator think the passage of the pending bill would tend in that direction?

Mr. SALTONSTALL. It is my understanding, and it was the information of the committee that it would not make any change whatever in the procedures which are now being followed, and that it would not in any way make draftees or other servicemen mail clerks, when they were drafted for military service.

Mr. GORE. Mr. President, will the Senator yield for a further question?

Mr. SALTONSTALL. I yield further to the Senator from Tennessee.

Mr. GORE. To what extent are servicemen assigned to postal duties within the United States?

Mr. SALTONSTALL. I am informed that a very limited number are so assigned within the United States. The pending bill would apply principally to units at the front, where servicemen in uniform are employed in post-office work.

Mr. GORE. Mr. President, with the assurance of the distinguished chairman of the committee, I shall interpose no objection to passage of the pending bill. However, I respectfully wish to call to the attention of the chairman and the other members of the committee the glaring fact that hundreds of thousands of men drafted for military service are new performing functions which could be performed quite as well, and in many cases perhaps better, by civilians.

Mr. SALTONSTALL. That has been a constant question in the minds of members of the Senate Armed Services Committee. Last year we questioned at length some of the uses that were being made of Marines. I remember that, as one example. But the best information we have is that the pending bill is primarily aimed at conditions at the front, and that it will not mean taking men into the services and assigning them merely to post-office duties. It is a bill which, if passed, will give the Army and the Air Force a little greater opportunity and more ease in handling their mail.

Mr. GORE. Then, Mr. President, I shall join the Senator in supporting the bill.

Mr. SALTONSTALL. I thank the Senator from Tennessee.

The ACTING PRESIDENT pro tempore. The bill is open to amendment. If there be no amendment to be offered, the question is on the third reading of the bill.

The bill (H. R. 2357) was ordered to a third reading, read the third time, and passed.

PRINTING OF UNITED STATES WALL MAPS FOR USE OF SENATE AND HOUSE OF REPRESENTATIVES

Mr. KNOWLAND. Mr. President, I ask that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of Senate Concurrent Resolution 30, which is Calendar Order No. 315.

The ACTING PRESIDENT pro tempore. The clerk will state the concurrent resolution by its title.

The LEGISLATIVE CLERK. A concurrent resolution (S. Con. Res. 30) authorizing the printing of United States wall maps for the use of the Senate and the House of Representatives, which had been reported from the Committee on Rules and Administration with an amendment in line 3, after the word "of", to strike out "a United States wall map," and insert "the official United States wall map, published by the Bureau of Land Management, Department of the Interior", so as to make the concurrent resolution read:

Resolved by the Senate (the House of Representatives concurring), That there be printed 30,015 copies of the official United States wall map, published by the Bureau of Land Management, Department of the Interior, size 5 feet by 7 feet, of which 99 copies, mounted and backed, and 7,425 copies, not mounted or backed, shall be for the use of the Senate; and 441 copies, mounted and backed, and 22,050, not mounted or backed, shall be for the use of the House of Representatives.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from California?

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. HAYDEN. Mr. President, by way of explanation of the concurrent resolution, I may say that, prior to World War II, it was customary every 4 or 5 years to print large wall maps of the United States, which Senators and Representatives could distribute. That practice was discontinued during the war, because there were no new editions of the maps. The Department of the Interior is now preparing a new edition of the map of the United States.

The alert Senator from Indiana [Mr. JENNER] heard about it and suggested that the Congress take advantage of this new printing. Therefore, the preparation of these maps is not an original job being done for the Congress, but it is proposed that when the maps are impressed, we take advantage of that fact and have additional copies printed. There would be made available one mounted wall map for each Senator and Representative. In addition, it would be possible for each Senator to have in the document room 50 of these maps, which could be distributed to schools or elsewhere in his State. Seventy-five copies would be made available for each Member of the House.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The concurrent resolution, as amended, was agreed to.

PROHIBITION OF DISPLAY OF FLAGS OF INTERNATIONAL ORGANIZATIONS OR OTHER NATIONS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the unfinished business may be temporarily laid aside, and that the Senate proceed to the consideration of Senate bill 694, which is Calendar Order No. 256.

The ACTING PRESIDENT pro tempore. The clerk will state the bill by its title.

The LEGISLATIVE CLERK. A bill (S. 694) to prohibit the display of flags of international organizations or other nations in equal or superior prominence or honor to the flag of the United States except under specified circumstances, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with amendments, on page 2, line 2, after "United States," to insert a period, and in line 11, after the word "prominence" to strike out "of" and insert "or," so as to make the bill read:

Be it enacted, etc., That (a) the analysis of chapter 1 of title 4, United States Code, is amended by inserted at the end thereof the following:

"4. Display of other flags equal, above, or in place of the flag of the United States."

(b) Such chapter is further amended by adding at the end thereof the following new section:

"§ 4. Display of other flags equal, above, or in place of the flag of the United States.

"(a) No person shall display the flag of the United Nations or any other national or international flag equal, above, or in a position of superior prominence or honor to, or in place of, the flag of the United States at any place within the United States or any Territory or possession thereof: *Provided*, That

nothing in this section shall make unlawful the continuance of the practice heretofore followed of displaying the flag of the United Nations in a position of superior prominence or honor, and other national flags in positions of equal prominence or honor, with that of the flag of the United States at the headquarters of the United Nations or at any place at which any official meeting or proceeding of the United Nations is in progress.

"(b) Whoever knowingly violates the provisions of this section shall be fined not more than $250 or imprisoned not more than 6 months, or both."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

STUDY OF JUVENILE DELINQUENCY IN THE UNITED STATES

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Senate Resolution 89, calendar No. 314.

There being no objection, the Senate proceeded to consider the resolution (S. Res. 89) to study juvenile delinquency in the United States, which had been reported from the Committee on the Judiciary with amendments, and subsequently from the Committee on Rules and Administration with additional amendments. The amendments of the Committee on the Judiciary were, on page 2, after line 4, to insert a new section, as follows:

SEC. 2. The committee, or any duly authorized subcommittee thereof, is authorized to sit and act at such places and times during the sessions, recesses, and adjourned periods of the Senate, to hold such hearings, to require by subpenas or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and, within the amount appropriated therefor, to make such expenditures as it deems advisable. The cost of stenographic services to report hearings of the committee or subcommittee shall not be in excess of 40 cents per hundred words. Subpenas shall be issued by the chairman of the committee or the subcommittee, and may be served by any person designated by such chairman.

A majority of the members of the committee, or duly authorized subcommittee thereof, shall constitute a quorum for the transaction of business, except that a lesser number to be fixed by the committee, or by such subcommittee, shall constitute a quorum for the purpose of administering oaths and taking sworn testimony.

In line 25, to change the section number from "2" to "3", and on page 3, line 4, to change the section number from "3" to "4."

The amendments were agreed to.

The additional amendments of the Committee on Rules and Administration were, on page 2, line 3, after the word "violating", to insert "Federal"; on page 3, line 3, after the word "than", to strike out "March 1" and insert "January 31", and in line 9, after the word "exceed", to strike out "$50,000" and insert "$44,000", so as to make the resolution read:

Resolved, That the Committee on the Judiciary, or any duty authorized subcommittee thereof, is authorized and directed to conduct a full and complete study of juvenile delinquency in the United States. In the conduct of such investigation special attention shall be given to (1) determining the extent and character of juvenile delinquency in the United States and its causes and contributing factors, (2) the adequacy of existing provisions of law, including chapters 402 and 403 of title 18 of the United States Code, in dealing with youthful offenders of Federal laws, (3) sentences imposed on, or other correctional action taken with respect to, youthful offenders by Federal courts, and (4) the extent to which juveniles are violating Federal laws relating to the sale or use of narcotics.

SEC. 2. The committee, or any duly authorized subcommittee thereof, is authorized to sit and act at such places and times during the sessions, recesses, and adjourned periods of the Senate, to hold such hearings, to require by subpenas or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and, within the amount appropriated therefor, to make such expenditures as it deems advisable. The cost of stenographic services to report hearings of the committee of subcommittee shall not be in excess of 40 cents per hundred words. Subpenas shall be issued by the chairman of the committee or the subcommittee, and may be served by any person designated by such chairman.

A majority of the members of the committee, or duly authorized subcommittee thereof, shall constitute a quorum for the transaction of business, except that a lesser number to be fixed by the committee, or by such subcommittee, shall constitute a quorum for the purpose of administering oaths and taking sworn testimony.

SEC. 3. The Committee shall report its findings, together with its recommendations for such legislation as it deems advisable, to the Senate at the earliest date practicable but not later than January 31, 1954.

SEC. 4. For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to employ upon a temporary basis such technical, clerical, and other assistants as it deems advisable. The expenses of the committee under this resolution, which shall not exceed $44,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

The additional amendments were agreed to.

Mr. ELLENDER. Mr. President, may we have an explanation of the resolution?

Mr. HENDRICKSON. Mr. President, I shall gladly explain this resolution. It authorizes a study of juvenile delinquency, its causes and contributing factors, throughout the country by a subcommittee of the Committee on the Judiciary. The purpose of the study is to suggest in a report to be submitted to the Senate not later than January 31, 1954, such legislation as may be found to be appropriate.

Mr. ELLENDER. Could the Senator inform us as to whether any such investigation has been conducted in the past?

Mr. HENDRICKSON. There is none pending at this time.

Mr. ELLENDER. Was any such investigation ever made in the past by this body?

Mr. HENDRICKSON. Not to my knowledge.

Mr. ELLENDER. Will the Senator tell us what will be the scope of the investigation?

Mr. HENDRICKSON. It will be primarily to furnish leadership in this field so as to stimulate some activity in the States. In my own State of New Jersey, for example, since the introduction of this resolution, the agency having jurisdiction of this subject has offered to the Senate the services of one of the best criminologists in the country to aid in the investigation. I think we can save a portion of the committee-approved appropriation because of the voluntary aid we shall receive from the States and from the Department of Justice and other agencies of the Federal Government. I look for cooperation all along the line.

Mr. ELLENDER. Is it the Senator's view that the appointing of a subcommittee to investigate the subject will cause the States to follow suit and to assist in the project?

Mr. HENDRICKSON. I feel very definitely that that is the case, Mr. President. I also feel that we have the responsibility of taking some leadership in this field.

Mr. ELLENDER. Is it the purpose of the proposed subcommittee to hold hearings, or simply to gather statistics?

Mr. HENDRICKSON. To hold some hearings; a limited number of hearings. Of course, the subcommittee has not as yet been created. I cannot tell what the subcommittee may do; but, assuming that I may be honored with membership on the subcommittee, I certainly would want to hold hearings. The initial hearings would be attended by appropriate representatives of the Department of Justice and appropriate representatives of the States whose participation may be desired.

Mr. ELLENDER. Would the Senator not say that the investigation would deal primarily with the gathering of statistics?

Mr. HENDRICKSON. No, Mr. President. Statistics will be an important factor, but I think we shall receive some very informative material which will enable us to develop a program at the national level which will aid the States in developing their own individual programs.

Mr. ELLENDER. Mr. President, will the Senator from New Jersey yield further?

Mr. HENDRICKSON. I yield.

Mr. ELLENDER. I notice on page 4 of the report that a proposed budget was made up. Is that on a yearly basis?

Mr. HENDRICKSON. No. It runs from the time of the adoption of the resolution to January 31, 1954. The Committee on Rules and Administration amended the original resolution which provided for an appropriation of $50,000. The amount was reduced to $44,000.

Mr. President, it is my hope that if I may have the privilege of serving on the subcommittee, we shall not use all of the $44,000, because I think we shall receive aid from agencies of the States and from agencies of the Federal Government, which will make unnecessary the employment of all the contemplated personnel.

Mr. ELLENDER. Mr. President, I will say to my distinguished friend from New Jersey that I shall be the most surprised man in the United States if such

a thing shall occur, because, as a rule, every dollar appropriated is expended.

The Senator assures us that the amount of money being sought will be used for the employment of the persons indicated on page 4 of the report, up to January 31, 1954.

Mr. HENDRICKSON. That is correct.

The PRESIDING OFFICER. The question is on agreeing to the resolution as amended.

Mr. ELLENDER. Mr. President, will the Senator from New Jersey yield further?

Mr. HENDRICKSON. I gladly yield.

Mr. ELLENDER. Can the Senator give us any assurance that the subcommittee will complete its work on or before January 31, 1954?

Mr. HENDRICKSON. I can give assurance, with the understanding, of course, that I shall be a member of the subcommittee—if I have the good fortune to be a member of it—that I shall insist that we complete our work by the time mentioned.

Mr. ELLENDER. I am sure the Senator will recall that some time ago, when we were considering resolutions providing money for the Judiciary Committee of the Senate, it was pointed out that that committee leads all other committees in the amount of money used for investigation purposes, and my recollection is that the amount was in excess of half a million dollars.

Mr. HENDRICKSON. I am aware of that fact, and I share the feeling of the distinguished Senator from Louisiana with respect to such expenditures. If the Senator will look over my record while serving on the Committee on Rules and Administration, he will find that I insisted again and again on cuts in such appropriations.

Mr. ELLENDER. Since the Senator from New Jersey is the author of this resolution I have no doubt that he will be appointed a member of the subcommittee. I hope so; and I hope he will come to the Senate next year without a request for more funds.

Mr. HENDRICKSON. I sincerely hope that I shall be able to come before the Senate and report exactly the result which the Senator from Louisiana wishes.

Mr. HENDRICKSON subsequently said: Mr. President, earlier in the session this afternoon the Senate adopted Senate Resolution 89. At the time of the adoption of the resolution I had intended to make a formal statement on that measure. However, the resolution was adopted as a result of colloquy between the distinguished Senator from Louisiana and myself.

Therefore, I ask unanimous consent that my formal statement on the resolution be printed in the RECORD at an appropriate place, in connection with that colloquy.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HENDRICKSON

I rise today in support of Senate Resolution 89, authorizing a full and complete study of juvenile delinquency.

It was back on March 4 when I first addressed the Senate concerning this study of one of the grave problems facing this Nation of ours today.

On March 4, the same day upon which I made my brief remarks, I introduced Senate Resolution 89, directing the Committee on the Judiciary or a duly authorized subcommittee thereof, to make this inquiry to determine the nationwide extent and character of juvenile delinquency, its causes and contributing factors.

The resolution, in part, calls for a review of present Federal statutes dealing with youthful offenders, correctional action taken with respect to youthful delinquents by Federal courts, and a study of the extent to which juveniles are violating narcotics laws.

When I first discussed before this body the thoroughly disgraceful story of the rotten roots that are gradually tearing at the sturdy trunk of our most priceless heritage—our youth—I recall having referred to juvenile delinquency as the fifth horseman of doom.

Since that time, through the medium of our daily newspapers, which are depicting a true and ever more grisly tale of increasing incidence of child crime, we who are concerned with this momentous problem have heard the rising crescendo of hoofbeats from that self-same fifth horseman.

The Committee on the Judiciary, of which I am proud to be a member, has approved this resolution, as has the Committee on Rules and Administration.

I believe that the staggering figures, the latest available, as correlated by our Federal Bureau of Investigation, have in no small way pointed up to my responsive and responsible colleagues the need for such an inquiry.

The newspapers tell only the most sensational part of the story of child crime.

True enough, the accounts are startling to parents concerned with the spreading problem.

The recent police raid on a teen-age fraternity "smoker" here at which obscene motion pictures were displayed is sensational news.

The 15-year-old New Jersey boy whose father taught him to rob and to murder makes a stark story.

But I am convinced from a reading of the latest FBI figures that the headlines merely reflect a small part of what is happening to our society—to all levels of our society—which can countenance and enable such tragic events to transpire.

Please permit me to touch upon merely a part of what the FBI found to be the facts concerning the incidence of child crime in these United States of America.

Of the more than 1,110,000 arrests reported by 232 cities with populations exceeding 25,000, 147,632, or 13.3 percent, were boys and girls under 21 years of age.

These youths accounted for 37.2 percent of the robbery arrests, 46.9 percent of the larcenies, 61.7 percent of the burglaries, and 68.6 percent of the auto thefts in the cities.

More than 13 percent of all auto theft arrests were children who were less than 15 years of age, Mr. President.

In our very midst, here in the District of Columbia, the Washington Criminal Justice Association reported that in 1952 there was an increase of 60.5 percent in delinquent acts committed by juveniles.

The pattern is the same throughout the cities of our land. The results of an Associated Press survey made in 1952 showed that about a million children get into trouble each year, and if the total increases only in proportion to the child population, the police will have to handle 1,420,000 child cases in 1960. Heaven help us and our civilization, Mr. President, if the present trend continues.

That this trend is continuing is known to all too few people. Surely, some parents see the problem. Welfare agencies do. However, too few people are bothering to take a second look at this situation.

To root the problem out at its core; to alert local authorities to the methods of combating this evil, and where those methods might be falling short; to establish the menace firmly in the public mind for the problem it is—these worthy purposes, Mr. President, constitute part of the scope of this study we are proposing today.

Since the resolution was introduced, my office has received many expressions of support from agencies such as the American Public Welfare Association, from interested church groups, from State officials and criminologists, and from juvenile and domestic relations court judges.

These good proponents of my resolution have expressed a variety of reasons for their support. Witness what the Honorable Libby E. Sachar, judge of the juvenile and domestic relations court of Union County, N. J., had to say. Judge Sachar called it "a very important piece of legislation, since we have not had a nationwide estimate of the true picture of delinquency for many years. There is no accurate record of the number of delinquents in the United States.

"I should consider this a great service in terms of having authentic figures and a true estimate of the situation."

Commissioner Sanford Bates of our New Jersey Department of Institutions and Agencies, a top-ranking student of criminology, advises me of his belief in the need for stimulation of "real sacrifice and effort on the part of our parents, our social agencies, our politicians, and our local leaders."

I feel that the work of the subcommittee would provide just such stimulation by throwing an effective spotlight on the situation and alert presently disinterested parties right down to the family level of their responsibilities and what they can do in the way of correction.

The Honorable Harry W. Lindeman, judge of the juvenile and domestic relations court of Essex County, N. J., called the resolution proper and timely. Judge Lindeman wrote: "I have been greatly concerned during this past year with gangs of the older teen-age boys. When 14- to 17-year-old children take it upon themselves to settle fancied wrongs by use of guns, knives, brass knuckles, auto wrenches, and broken bottles, and when students are beaten and cowed into paying tribute as the price of being left alone, when groups of students of one school prey on students of another to preserve a superior social status or athletic prowess, and when constituted authority is pushed around by junior mobsters, and when citizens are mugged and robbed by gangs of boys seeking an easy dollar, then it is about time for the community and the Nation to map out an overall strategy of action to combat this unhealthy trend."

These are just a few of the expressions of support which have been forthcoming since the resolution was introduced. Those who deal with the problem have given of their assurances that this study is a necessary one. I now call on the Senate of the United States to agree to give such expert opinion a forum for their ideas, so that we may correlate what has been done; determine what remains to be done, and supply the responsible agencies throughout our country with an overall study.

The PRESIDING OFFICER. The question is on agreeing to the resolution, as amended.

The resolution (S. Res. 89), as amended, was agreed to.

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE APPROPRIATIONS, 1954

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, House bill 4974.

The Senate resumed the consideration of the bill (H. R. 4974) making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be vacated, and that further proceedings under the call be dispensed with.

The PRESIDING OFFICER (Mr. PURTELL in the chair). Without objection, it is so ordered.

Mr. BRIDGES. Mr. President, I wish to make a few brief remarks about the bill which is now before the Senate for consideration. As Senators know, this is one of the major appropriation bills, and concerns fund requirements for the Departments of State, Justice, and Commerce for the fiscal year 1954.

For these three departments, the Committee on Appropriations recommends a total of $1,104,379,882. This sounds like a tremendous sum, and it is. However, I should like to make some comparisons. This amount is a decrease of $38,766,830, or 3.3 percent, from the House figure. Many times when the House sends appropriation bills to the Senate, the Senate increases the amounts provided by the House. In this instance, the amount recommended by the Senate Committee is lower than the House figure, and also it is 14.4 percent below the amount appropriated for the present fiscal year, which is very unusual. Furthermore, it is 24.8 percent—practically 25 percent—below the figure in the budget which former President Truman sent to Congress in January. So I believe the Committee on Appropriations has done excellent work on this bill providing funds for these three important departments.

At the same time, notwithstanding the reductions, I believe the committee has provided adequate funds for the departments. Without going into details at this time, I should like to give an overall picture of the amounts appropriated.

The committee felt that $90,258,676 should be sufficient to carry on the activities of the Department of State. This amount is $12,486,111, or 12.1 percent, under the House figure. It is $42,776,203 or 32.1 percent, below the appropriation for the State Department for the present fiscal year. It is $60,889,914, or 40.2 percent, below the amount requested by former President Truman in January of this year. None of these figures, either in estimates or recommended sums, include funds for the International Information and Educational Activities, as the estimates for such programs have been deferred for later consideration.

The allowance for the Department of Justice is $177,975,000. This is $1,290,000, or less than 1 percent, below the figure allowed by the House. Compared with the 1953 total, the allowance is a decrease of $6,318,000, or 3.4 percent. It is $9,175,000, or 4.9 percent, below the budget estimate for 1954.

For the Department of Commerce, the bill provides total appropriations of $836,146,206. This sum includes $3,750,000, the House allowance, for the Civil Aeronautics Board. The allowance recommended by the Committee on Appropriations for the Department is $24,990,719, or 2.9 percent, below the total allowed by the House; it is $137,583,930, or 14.1 percent, below the comparable figures for the 1953 appropriation; and $295,049,719, or 26 percent, under the 1954 budget estimates proposed by former President Truman in January.

I believe this statement gives to the Senate, particularly to Senators who are especially concerned with the matter of appropriations, a general picture of the appropriations for the three departments covered by the bill. Certainly a real opportunity is offered to effect economy and get the fiscal affairs of the United States into better shape.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. AIKEN. In addition to the appropriation shown on page 38 of the bill, I notice there is a contract authorization for the Secretary of Commerce to grant subsidies for ship construction amounting to $40,144,000. Can the Senator from New Hampshire state how this amount compares with the contract authorization for fiscal 1953?

Mr. BRIDGES. There were no contract authorizations in fiscal 1953.

As chairman of the committee, I will say to the Senator from Vermont that I opposed this item in the subcommittee and full committee, but the full committee, in its wisdom, decided to include it in the bill. It came down to the issue of whether or not we were to maintain a minimum of shipyard facilities in this country.

Mr. AIKEN. Is this a make-work project?

Mr. BRIDGES. No. The ships are certainly necessary. It is a question whether or not we wish to maintain certain minimum shipyard facilities so that they will be in operation for defense purposes.

Mr. AIKEN. As I understand, this authorization is to enable two companies to build ships, namely, the Moore-McCormack Lines and the Grace Line. I think those are the names.

Mr. BRIDGES. I do not know the names, but essentially the idea is to permit the continuation of certain shipyard facilities.

Mr. AIKEN. Did the committee look into the record of operating costs of certain very successful steamship lines, such as the United Fruit Lines and the Waterman Steamship Co., which do not express a desire for subsidies, but claim that they can operate efficiently without them? I was wondering if the committee looked into the question, to ascertain why certain lines feel that they must have Government contributions in order to remain in business, while others, which appear to be equally successful, apparently do not encourage the Government subsidy program.

Mr. BRIDGES. What the distinguished Senator from Vermont is referring to is undoubtedly the operating subsidy rather than the construction subsidy.

Mr. AIKEN. I am referring to construction subsidies also.

Mr. BRIDGES. The committee did not make a complete study of the question, because it did not have the time. It went into the subject generally. The opinion of the Senator from New Hampshire with respect to certain maritime activities is about like that of the Senator from Vermont.

Mr. AIKEN. I ask the question because there are many persons, particularly those living on farms, who are watching the appropriation for maritime subsidies, in order to decide whether there exists in the administration and in the Congress this year a real determination to accomplish economical government and to balance the budget.

Mr. BRIDGES. I may say to the distinguished Senator from Vermont that I think it is a policy decision which the Senate will have to make. The Senator from New Hampshire did not favor the proposal, but as chairman I now offer it as a part of the bill.

Mr. AIKEN. I agree with the Senator.

I also notice that the pressure for certain types of appropriations comes from districts which would get more work of a Government nature, supported by Government checks, if certain appropriations were made. I am not pointing out any particular areas, but the question arises whether, in the long run, we are doing our national economy any good by encouraging dependency on Federal appropriations in order to maintain operations in certain lines of industry, and whether, so long as Government checks are forthcoming, those industries will seriously return to the competitive civilian field. I have in mind particularly the suggested cut in the appropriation for the Air Force. I cannot help but notice that the pressure for maintaining a tremendous advance-log rather than a backlog of appropriations seems to stem from areas in the United States where certain industries apparently are dependent upon Government contracts for many years into the future.

Mr. BRIDGES. I will say to the Senator from Vermont that another program was proposed, which the committee did not approve, with respect to ship construction, involving tankers and certain other types of vessels. It was a conversion program. I think the Senator from Maryland [Mr. BUTLER] and other Senators intend to speak on that subject. We were told frankly that if we did not make an appropriation for this purpose under one of the sections of existing law, conversion of the ships would be done in Japan, at a low labor cost. We were told also that if this proposal were not accepted work of this type would move out of our shipyards to England, Japan, and other nations. So there is a policy decision for the Senate to make, as to whether or not we shall maintain in operation at a minimum level certain shipyard facilities, or whether we shall allow ship conversion—or force it, as the witnesses who testified expressed it—to go to Japan, England, or somewhere else. The Senator from

New Hampshire thinks the Senate ought to decide that question.

Mr. AIKEN. I presume that some of those who are so insistent on Federal appropriations for keeping industries in operation in this country are likewise talking about filling the dollar gap with respect to certain foreign countries. I think some of them are rather inconsistent in that regard. When these ships are constructed, some of them will be used for transporting to the United States goods made in foreign countries at labor costs of 30 or 40 cents a day, to compete with the high-priced labor of the United States.

Mr. GORE. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. GORE. Are those involved in either the recommended appropriation of $3 million or the contract authorization in the amount of $40 million-plus funds for the prototype tanker?

Mr. BRIDGES. No.

Mr. GORE. Is the proposed program for passenger ships?

Mr. BRIDGES. It is a program involving combination passenger and cargo ships.

Mr. GORE. Mr. President, will the Senator further yield?

Mr. BRIDGES. Certainly.

Mr. GORE. The junior Senator from Tennessee is not so familiar with the parliamentary rules of the Senate as he may have been with the rules of the body in which he served last year. However, it seems to me that the contract authorization is clearly legislation on an appropriation bill. At least it will be the purpose of the junior Senator from Tennessee to make the point of order when that point in the bill is reached.

Mr. BRIDGES. The committee takes the position that it is not legislation. It is true that for the past 2 or 3 years we have not provided for contract authorizations. We contend that the provision is not legislation. The Senator from Tennessee will be privileged to make the point of order at the proper time and the Chair will rule on it.

Mr. GORE. Mr. President, will the Senator further yield?

Mr. BRIDGES. Certainly.

Mr. GORE. In the event the contract authorization of $40 million were granted, would it not be fair bookkeeping to deduct that amount from the savings or reductions reported by the chairman of the committee in connection with the pending bill?

Mr. BRIDGES. No; because that would be authorization over a period of years. The only appropriation in the coming year will be the amount of $3 million plus to which the Senator has referred.

The Senator from New Hampshire is perhaps a poor advocate of this particular item because he is not enthusiastic about it. He is merely carrying out the mandate of the committee, where he happened to be in the minority. Nevertheless, to the best of his ability and conscience, he certainly will defend it.

Mr. GORE. The Senator from Tennessee understands and appreciates the position of the Senator from New Hampshire and congratulates the Senator upon his lack of enthusiasm.

Mr. BRIDGES. Mr. President, I ask that the formal reading of the bill be dispensed with, that it be read for amendment, and the amendments of the committee be first considered.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the first committee amendment.

The first amendment of the Committee on Appropriations was, under the heading "Title I—Department of State—Salaries and Expenses," on page 2, line 4, after the word "including", to insert "the cost of transporting to and from a place of storage and the cost of storing the furniture and household and personal effects of an employee of the Foreign Service who is assigned to a post at which he is unable to use his furniture and effects, under such regulations as the Secretary may prescribe."

Mr. DOUGLAS. Mr. President, has the Senator from New Hampshire concluded his introductory statement?

Mr. BRIDGES. I have.

Mr. DOUGLAS. Mr. President, this is a very strange appropriation bill which our friends on the other side of the aisle have submitted to the Senate. On the face of it, the appropriations of $1,104 million are alleged to be a saving of $32.8 million under the amount appropriated by the House, and are also alleged to be a saving of approximately $187 million compared to the amount appropriated last year.

FICTITIOUS ECONOMIES, WASTEFUL INCREASE IN EXPENDITURES

I have great respect for the Senator from New Hampshire, but I think he and his associates have been working with mirrors on this budget. Houdini, in his palmiest days, could not equal their record.

A most amazing financial sleight-of-hand has been performed on these figures, as I shall try now to show.

Mr. President, what is it that the committee has done with regard to this bill, as it came from the House?

I call attention to the additions which it has made.

If Senators will examine the report and also examine the bill they will find that it is proposed to spend $4 million, which the House did not provide, for the acquisition of buildings abroad for the State Department.

That item, as I shall show, is tucked away. It is not listed as an appropriation, but as money credited to us as counterpart funds which will be used to cover the item.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield, but I was just starting my discussion. This is my opening popgun. However, I am very glad to yield to the distinguished Senator from New Hampshire.

Mr. BRIDGES. The Senator from New Hampshire has great respect for the Senator from Illinois.

Mr. DOUGLAS. The feeling is mutual, I assure my distinguished friend from New Hampshire.

Mr. BRIDGES. I would suggest, Mr. President, that we be accurate in our statements. Of course, counterpart funds are funds available to us in foreign currency which have accrued to our credit through various programs. They are available to us abroad. Rather than see some of them dissipated on items which would not be of any benefit to the American taxpayers, the Appropriations Committee—and I believe the Senate, too—feels the funds should be used for the benefit of our taxpayers. For example, if we need a new office building for our representation in a foreign country, counterpart funds could be used for its construction. In that way the funds would be of benefit to the United States in years to come, and at the same time we would not use American dollars in their construction.

Mr. DOUGLAS. Mr. President, what was the question the Senator from New Hampshire desired to ask me? I yielded for a question.

Mr. BRIDGES. Mr. President, I understood the Senator to refer to popguns. I thought we should dispose of the first popgun.

Mr. DOUGLAS. I submit that the $4 million in counterpart funds could be used by us for other purposes. For example the amount involved could be used for offshore procurement of military supplies, and therefore could be used to diminish by that amount our foreign aid contributions. Instead, we have taken it away from foreign aid, so that it does not show up in our accounts as a payment. But it is one just the same.

It is item No. 1—and it is a very small item—in the financial legerdemain which permeates this whole bill.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. BRIDGES. Of course, we could use the sum for administrative expenses in mutual aid. Some of it will be used for mutual aid. But treaty agreements control the use of these funds. A capital asset would be made valuable to the Foreign Service of the United States in that the buildings would be useful for decades to come. I think it is a sound move.

Mr. DOUGLAS. I should like to say to my good friend from New Hampshire that his eyesight on this item is not so sharp as it is customarily. Moreover, it is an item calling for expenditures which are not listed as an appropriation in the bill. On this point he has suffered a financial myopia, and he has been sucked in and seduced by the gentlemen in the State Department.

Among the other operations of the Appropriations Committee, it has also approved items which were turned down by the House for various censuses, namely, the censuses of business, transportation, manufactures, agriculture, and mineral industries. The item was disapproved by the House, but it has been placed in the bill by the committee.

Mr. BRIDGES. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield for a question, not for a statement.

The PRESIDING OFFICER. The Senator from Illinois yields for a question.

Mr. BRIDGES. Does the Senator know that the statement he has made is not a factual nor an accurate statement?

Mr. DOUGLAS. Does the Senator from New Hampshire mean that the census of mineral industries is not included?

Mr. BRIDGES. Yes.

Mr. DOUGLAS. Very well. We will strike out mineral industries.

Mr. BRIDGES. Mr. President, will the Senator yield for another question?

Mr. DOUGLAS. Is it not correct to say that the censuses of business, transportation, manufactures, and agriculture are included?

Mr. BRIDGES. It is not correct. I want the Senator from Illinois to be accurate in his statement, and I believe he wants to be accurate.

Mr. DOUGLAS. Is it not true that the item does refer to censuses of business, manufactures, and agriculture?

Mr. BRIDGES. Yes. The Senator from Illinois is correct for the first time today.

Mr. DOUGLAS. I should like to point out that if I was inaccurate in my statement, I was inaccurate because I read from the report prepared by the very able Senator from New Hampshire. The report, at page 27, shows censuses of business, transportation, manufacturers, and mineral industries.

Now that the Senator from New Hampshire has corrected his own record, I am very glad to continue.

Mr. BRIDGES. Mr. President, will the Senator from Illinois yield for one more question?

Mr. DOUGLAS. I yield.

Mr. BRIDGES. I suggest that the Senator from Illinois read the report at page 13, approximately 13 lines down, where the following statement appears:

> The committee has refused funds for censuses of transportation and mineral industries.

Mr. DOUGLAS. That is correct. However, the table at the end of the report does not give that information. At any rate, I should like to point out that the committee has approved censuses of business, manufacturers, and agriculture. While the committee admits that the costs during the current year will be $11.6 million, it does not attempt to take into account the fact that not all the work will be done during the current fiscal year, but will carry over into 1954 and 1955.

According to the estimates of the Secretary of Commerce, an additional $8 or $9 million will be required to complete the business and manufactures censuses and according to the House hearing, page 83, the total costs of the census of agriculture will be $23 million, or another $20.8 million in addition to the amount appropriated in this bill. By the inclusion of these items, the committee has added to the total expenses of the Government not $11.6 million, but approximately $40 million.

OTHER RECOMMENDATIONS FOR INCREASED EXPENDITURES

Furthermore, the committee has added $12,500,000 for a Federal-aid airport program, which was not recommended by the Secretary of Commerce—in fact, the Secretary recommended the item be omitted. Nor was it recommended by the House committee, nor passed by the House. It has been added by the Senate committee.

Moreover, an item is included which was mentioned by the senior Senator from Vermont [Mr. AIKEN]; namely, the authorization and partial appropriation for subsidies on the construction of four passenger-cargo ships.

A little work has been done with mirrors on that item also. The ultimate cost will be $43.2 million, or an average of a little more than $10 million for each ship. However, the initial amount appropriate is only $3.1 million, and $40.1 million is to be pledged in the future as a contract authorization; and the taxpayers will have to pay the bill. Therefore, in reality, $43.2 million have been added for this item.

In addition, $2.3 million, which had been eliminated by the House with respect to the Weather Bureau, has been restored by the committee. The House eliminated that item. The Committee on Appropriations of the Senate has restored it.

OTHER INCREASES FOR THE STATE DEPARTMENT

There are further increases which are concealed by bookkeeping entries in the salaries and expenses of the Department of State. The committee claims it has cut appropriations $10 million under the amount voted by the House of Representatives and $26 million under the amount voted last year. However, if we read the fine print—in short, if we use a magnifying glass and examine the footnotes; in fact, one almost needs a microscope to deal with this item—then, by examining footnote 4, after the item of $50 million on page 25, and if we follow that footnote to the bottom of the page, we see that the appropriation is one of $50 million plus $15,600,000 of the unobligated balances of all appropriations available to the Department in the fiscal year 1953. So, in reality, the committee is recommending an appropriation, not of $50 million, but of $65,600,000, which is not a saving of $10 million over the amount voted by the House of Representatives, but is an increase of $15,600,000 over the amount voted by the House.

In addition, if we trace through the report, we find that the amount for salaries has actually been increased by another $2,800,000 by transferring funds for the consular and diplomatic activities in Germany and Austria from the State Department appropriation bill to the foreign-aid bill. There has been a transfer of appropriations to the foreign-aid bill, thus permitting an extra $2,800,000 for the purposes in this bill. But this is not a reduction in expenditures.

So, in all, the committee has increased expenditures, over the appropriations voted by the House, in this year and in the years to follow, by $113 million.

Mr. President, I ask unanimous consent to insert at this point in the RECORD, a table showing the committee amendment which will add expenditures for the taxpayers to shoulder.

There being no objection, the table was ordered printed in the RECORD, as follows:

TABLE 1.—*Senate committee amendments to H. R. 4974 for substantial increases in expenditures*

Item	Increase in expenditures, 1953–54	Increase in total expenditures
	Millions	*Millions*
1. Department of State, salaries and expenses (net effect of reducing 1954 appropriation by $10 million but extending $15.6 million in unobligated 1953 appropriation)	[1] $5.6	$5.6
2. Department of State, salaries and expenses (by permitting funds for consular and diplomatic activities with Germany and Austria to be appropriated in a separate bill rather than included in total provided in this bill)	[1] 2.8	2.8
3. Acquisition of buildings abroad	[1] 4.0	4.0
4. Census of business, manufactures	9.4	[1] 20.0
5. Census of agriculture	2.2	[1] 23.0
6. Federal-aid airport program	12.5	12.5
7. Ship-construction subsidies ($3.1 million cash and $40.1 million in contract authority)	3.1	43.2
8. Weather Bureau, salaries and expenses	2.3	2.3
Total substantial increases	41.9	113.4

[1] Not all indicated in committee tabulations as an increase.

Mr. DOUGLAS. It is true that the committee has made some savings on certain specific items under the amounts voted by the House. My computation shows that the reductions on other items have amounted to approximately $14 million. But if we subtract the $14 million of savings from the $113 million of increased expenditures, we arrive at a net increase of $99 million in the recommended appropriations.

FINANCIAL LEGERDEMAIN

Here is where the financial legerdemain comes in. If we examine page 1 of the report and also page 30 of the report, we find that the committee claims it has cut the appropriations voted by the House of Representatives by $38,800,000, although in reality the committee has voted to increase total expenditures by $99 million.

This reminds one of the well-known description of the three kinds of lies: lies, bad lies, and statistics. I would say that our friends have used statistics in this case in a strange and wonderful way, so as to give the impression that savings have been made, when in reality no savings have been made, and, on the contrary, expenditures have been increased, and it is expenditures which count. I should like to indicate how that is done.

I have already called attention to one item which is covered in footnote 4, on page 25 of the report. In reality, the committee has voted an appropriation of $65,600,000, because it is taking over $15,600,000 of unexpended balances. Yet the committee says it is voting to appropriate only $50 million; and therefore it conceals, in fine print, the $15,600,000 which really constitutes an added expenditure.

I also invite attention to page 28 of the report, where at the bottom of the page we find the item "Liquidation of

Contract Authorization." The House voted $64 million for this purpose. The Senate Appropriations Committee recommends an appropriation of $59 million, and thus the committee claims to have voted a saving of $5 million. However, that is purely a paper, fictitious, and spurious economy, because this item is to pay outstanding bills under the subsidy granted for ship construction, and those outstanding obligations are said to amount to $140 million. Those are obligations made under past formulas, and we do not decrease the ultimate expenditures by $1, simply by reducing the appropriations to meet those obligations. Such an operation merely means that at a later time we shall have to appropriate more funds in order to meet the obligations which are outstanding at the present time. So this is purely a bookkeeping, paper economy which in no sense reduces expenditures.

OPERATING DIFFERENTIAL SUBSIDIES

Then let us look at the next item, namely, that of the operating differential subsidies. In connection with this item there is a huge volume of outstanding claims, which according to the testimony also amounts to $140 million. Those subsidies have piled up because in the past the firms have been allowed to draw up to 75 percent of the amounts due them under the temporary formula. However, the temporary formula has now been revised by a permanent formula, at a much higher subsidy level, so that the Nation became obligated to an additional sum of $140 million, beyond and in excess of the amounts which already had been paid. These bills are now hanging over the head of the country. We notice that for this item the committee recommends an appropriation of $20 million, which is approximately only one-seventh of the outsanding obligations. Yet a saving of $5 million over the appropriations voted by the House is claimed by the committee. However, that is not a saving in expenditures at all. The committee merely has acted to pile up for the future another $5 million, which will have to be paid later. That is not a reduction in expenditures.

FEDERAL-AID HIGHWAY

Now let us consider the item under the Bureau of Public Roads. The committee recommends an appropriation of $475 million, a reduction of $35 million, allegedly, so far as the appropriation voted by the House of Representatives is concerned. We have been over this issue many, many times; and we know it has been established—improperly, I believe, but nevertheless established by precedent—that once the authorizations are made, once the pledges have been given to the States for the ensuing fiscal year, Congress has obligated itself to appropriate, and that therefore the amounts due the States will have to be met during the year. We are not diminishing the claims of the States upon the Federal Government by one dollar, by appropriating only $475 million. We are not saving $35 million at all. So, as a matter of fact, that also is a spurious and fictitious saving.

Mr. President, I ask unanimous consent to insert at this point a table showing savings claimed by this committee which are fictitious.

There being no objection, the table was ordered printed in the RECORD, as follows:

TABLE 2.—*Outline of apparent reductions made in H. R. 4974 by Senate Appropriations Committee which are not real*

Item:	Reduction shown (millions)
1. Salaries and expenses of State Department (report shows reduction of $10 million for this item, but $15.6 million of unobligated balances from prior years was extended; the net effect is actually an increase	$10
2. Ship construction (liquidation of contract authorization) (report shows reduction of $5 million for this item, but commitments are made by law and must ultimately be met)	5
3. Operating-differential subsidies (total amounts owed total $140 million; this must all be paid ultimately and reduction cannot stick)	5
4. Federal-aid highways (expenditures for this item are committed in advance so that the cut will not stick; as was the case last year, a supplemental bill will be required to restore this cut)	35
Total unreal reductions	55

Mr. DOUGLAS. So, $55 million of claimed savings are not savings at all.

Now, Mr. President, let us see how the committee arrived at their claimed cut of nearly $39 million below the House figures in this bill. As we have seen from table 1, they increased expenditures for 1953–54 by $41.9 million. But they did not count the increases in the State Department, totaling $12.4 million. This leaves their indicated increases at only $29.5 million. These are offset by real reductions of $14 million, or a net increase of $15.5 million. Then this is offset by fictitious savings of $55 million as shown in table 2 for a net fictitious saving of about $39 million, or the amount the committee claims to have saved.

In reality, they have made net increases for 1953–54 of $27.9 million, and ultimate increases, when subsequent fiscal years are considered, of $99 million (that is, $113 million in increases offset by $14 million actual saving, on certain specific items already mentioned.

The result is that wastefulness is made to masquerade in the guise of economy. Vices are disguised as virtues.

Furthermore, if we make comparisons with the amounts for the past year, as included in the budget for 1952–53, we find that the committee claims, on paper, economies of $186 million, although in reality there are no such economies. I have worked out the figures, and I shall submit a detailed table which indicates that, on the whole, in terms of expenditures, $157 million of the cuts claimed by the committee as being below amounts appropriated last year are fictitious. When we add to these fictitious cuts of $157 million the increase of $40.1 million in contract authority for ship construction, we find that, instead of savings of $186 million below amounts appropriated for 1952–53 claimed by the committee, we actually have an increase of at least $11 million. Indeed, when we consider added expenditures in future years for censuses, total increases will exceed $43 million.

Mr. President, I ask unanimous consent to insert a table at this point, which bears this out.

There being no objection, the table was ordered printed in the RECORD, as follows:

TABLE 3.—*Claimed reductions in H. R. 4974 below amounts appropriated last year which are fictitious*

Item:	Fictitious saving (millions)
1. State Department, salaries and expenses (report shows savings of $26 million; but this is offset by extending $15.6 million in prior-year spending authority and transferring $2.8 million for diplomatic and consular services—Germany and Austria—to foreign-aid appropriation bill)	$18.4
2. State Department, acquisition of buildings abroad (report shows a cut of $6.5 million but this does not consider $4 million given in foreign credits)	2.5
3. Department of Justice; Federal Bureau of Investigation (a total of $14.1 million of this item was transferred to other agencies; thus not only is there not a $7.4 million saving—there is a $6.7 million increase)	7.4
4. Department of Commerce, 17th Decennial Census (work is completed for this item, so that it could hardly be claimed as a saving)	1.7
5. Department of Commerce, air navigation facilities (liquidation of contract authority), not a real saving since unexpended balances of $18.5 million are available anyway)	3.6
6. Claims, Federal Airport Act (there was no request for this item)	1.8
7. Export control (no request for this item)	5.7
8. Ship construction, liquidation of contract authorization (the rate of liquidation of contract authority for this program is set by law)	81.0
9. Federal-aid highways (rate of expenditure determined by law)	35.0
Total fictitious savings below amounts appropriated for 1952–53	157.1

In addition, further future expenditures of $40.1 million for ship construction for which no appropriations are made and the some thirty-two million dollars of future expenditures for census are included, we actually have a budget which is out of line with the facts by $229 million. This more than swallows up the $186 million of claimed economies as compared with 1952–53. Hence the committee has increased, not decreased, actual expenditures.

Mr. DOUGLAS. The committee has claimed $186 million saving—by failing to take account of expenditures authorized in the present but which are not met by appropriations, by failing to take into account past commitments which are not met, and by an extraordinary item, a claimed economy of $81 million, the liquidation of the contract authorization for the construction of ships which is found on page 28. Let us look at this item.

Congress last year appropriated $140 million for this item. The committee recommends only $59 million, and it then preens itself upon having saved $81 million. But I emphasize the fact that the obligations of the Government continue. No saving of expenditures is accomplished by appropriating a smaller amount than last year to meet a huge volume of outstanding obligations, when apparently the committee is depending in large part upon unexpended balances of last year to help eke out its appropriations of this year.

Mr. President, I wish to say in all soberness, in spite of the great respect I have for the Senator from New Hampshire, that the pending bill proposes phony cuts. It is not an economy measure, it is a spending bill; it is a wasteful measure, and I think it about time some real economy was brought about.

The independent offices appropriation bill, supported by the majority, contained hundreds of millions of dollars of phony economies, through a failure to appropriate for retirement funds, although the obligations would obviously continue, whether or not the appropriations were made.

What the majority is doing is failing to take account of obligations piling up, appropriating, but not saying they are appropriating, letting the country in for expenditures, but not providing for them, and shifting to the future, to another Congress or possibly to another administration, the burden which they do not reduce in the present, and for which they will not appropriate. If what is proposed were acted on favorably, another administration might then properly claim that they had been let in for a financial mess bequeathed to them by their predecessors.

Mr. GORE. Mr. President, will the Senator yield for a question?

The ACTING PRESIDENT pro tempore. Does the Senator from Illinois yield to the Senator from Tennessee?

Mr. DOUGLAS. I yield.

Mr. GORE. What good purpose, what public purpose, is to be served by the kind of procedure which the distinguished Senator from Illinois has described?

Mr. DOUGLAS. I do not believe any good purpose is served by it. The only purpose which it has fulfilled has been to cover up and actually increase expenditures by financial legerdemain, which purports to show economies which are fictitious and not real.

Mr. GORE. Mr. President, will the Senator yield for a further question?

Mr. DOUGLAS. I yield for a question.

Mr. GORE. Does the Senator from Illinois contend that the United States Government has a contractual obligation with the States with respect to Federal-aid highway construction, which renders the so-called reductions claimed in the pending bill a nullity?

Mr. DOUGLAS. I do not so claim; and in previous sessions I have tried to cut appropriations for the ensuing year for highways, on the ground that the authorizations made by the Bureau of Public Roads were not binding upon the Congress when the proposals were made. But the Senate has overruled the position which I have taken, and, by rather heavy majorities, has taken the position that, once the letters of authorization have gone out to the States from the Bureau of Public Roads for a highway program which has been authorized in the past, then Congress is obligated to appropriate money with which to meet the cost of the letters of authorization. So, while I think Congress is wrong in this matter, I am out of step with Congress, and I can only say that the will of Congress not only has prevailed, but will prevail, and that, therefore, we will not be able to reduce the expenditures during the current year merely because we reduce the present appropriations. The States have already been authorized to get their money, through the Bureau of Public Roads; they ask for it, and we will have to appropriate the necessary sums, either in supplemental appropriation bills or in subsequent appropriation bills.

Mr. GORE. Mr. President, will the Senator yield for a further question?

Mr. DOUGLAS. I yield.

Mr. GORE. Does the distinguished Senator from Illinois believe that a contract authorization of $40 million for ship-construction subsidy is tantamount to the making of an appropriation?

Mr. DOUGLAS. Of course, I do, and it will be binding.

Mr. GORE. Does the Senator believe that the tabulated report of the committee should include that, as an item for which expenditure is authorized?

Mr. DOUGLAS. I certainly do; and it should be included in large type, and not appear merely as a microscopic footnote, which I can barely read with my reading glass, which, if we follow down to the bottom of the page, says, "Plus not to exceed $40,144,000 in contract authority." Instead of tucking away these items in fine print at the bottom of the page, they should be printed in large type in the appropriation bill itself.

Mr. GORE. Mr. President, will the Senator yield for a further question?

Mr. DOUGLAS. I yield.

Mr. GORE. Does the Senator have to use his magnifying glass in order to find that in the report?

Mr. DOUGLAS. It may be that my eyes are a little weak, but if the Senator from Tennessee will observe, he will find it is pretty hard to read. It is not evident to the casual eye; and a reading glass comes in very handy. But the fact is, the taxpayers cannot afford microscopes. They pay the bills.

REAL REDUCTION OF $250 MILLION POSSIBLE

Mr. President, I think we ought to bring about some real economy, and, if the occasion presents itself, as I hope it will, I am going to offer certain amendments which will in their total reduce the appropriation contained in this bill by $250 million. That will be a real cut.

COMMITTEE INCREASES SHOULD BE STOPPED

In the first place, I think we should oppose the committee amendments on pages 5 and 6, which will authorize expenditures in the sum of $4 million for State Department buildings abroad.

On page 30, I oppose the request for an appropriation of $9,400,000 for a census of business by the Department of Commerce and, on the same page, the item of $2.2 million for a census of agriculture.

Let me again remind the Members of the Senate that these two censuses will not only cost the $11.6 million listed for the ensuing fiscal year, but the first one will cost 8 or 9 million dollars more in subsequent years, with a total cost of $20 million, and that the agricultural census will later cost an additional $20 million.

Mr. President, with reference to these proposed censuses, a tremendous amount of political heat has been generated in the effort to get money for them, and the heat has come primarily from those who proclaim from the housetops their zeal for economy. The number of "economy-but-ers" is really extraordinary. I understand that the Senate Appropriations Committee has received approximately 3,000 letters asking for the restoration of this item which was eliminated by the House. The interesting thing is that these letters do not come from Democrats and from alleged high spenders, but from those business groups in our population who scream loudly about the high level of Government spending and the high tax level, and, with certain individual exceptions, the people who are asking for the $20 million are largely the same ones who have opposed expenditures for the relief of slum dwellers, the poor, and the sick. They are generally the same persons who damn the growth of big government and the welfare state. Apparently it is not the welfare state to which they object so long as it is their own welfare being furthered, and apparently they do not object to expenditures from which they benefit. They are, as I say, "economy but-ers"—economy for the poor, but not for me; economy for the other fellow, but not for me.

I agree with Members of the other House that we need to reduce expenditures, and I hope the Senate will heed the voluminous demands for economy by cutting off funds for the proposed censuses.

POLITICAL AIRPORTS

On page 33 of the bill there appears an item of $12,500,000 added by the committee for the federally aided airport program. I shall speak at greater length upon this item when it is reached in regular order.

Mr. President, we already have a thousand federally aided airports, and approximately 4,000 private airports. The country is studded with airports. From the standpoint of military defense, I am sure we have a sufficient number of airports, but the committee now proposes to spend $12,500,000 for more airports, and this at a time when we are reducing the amounts to be spent for military airplanes.

This appropriation was not recommended by the Secretary of Commerce. He asked that provision for additional airports be deferred until the matter could be further studied. It was not approved by the House, but the Senate

committee, this economy committee, comes forward and ups the appropriation to $12,500,000.

I know that localities like to have airports constructed at bargain rates—with Federal help. But in most cases the money is to be used for passenger facilities and for administration buildings, which will really not add in the slightest degree to military effectiveness.

I thought I detected certain political overtones with reference to some of these items, the idea being that if certain cities could be taken care of they might help the Grand Old Party.

I may say that the political considerations are also not absent from the recommendations for $40 million of censuses, because census takers or enumerators happen to be named by Senators and Representatives, so that it is a way to build up Republican patronage at public expense.

MORE PASSENGER SHIPS BUT FEWER MILITARY AIRPLANES

The Senator from Vermont [Mr. AIKEN] has invited attention to the extraordinary ship-construction item. The committee recommends an appropriation of only $3.1 million, but the Senator from Tennessee [Mr. GORE] and the Senator from Vermont [Mr. AIKEN] have both pointed out that there are also added contract obligations for $40,100,000 to finance the building of four new passenger and cargo ships. The Administrator was asked, as appears on page 407 of the House hearings, whether these ship appropriations were urgent, and he replied, "No; they are not urgent." Yet, Mr. President, the committee proposes this commitment of $43 million. Why?

Is this being done to keep certain shipyards of the country busy so they may derive a large profit from the construction of ships? Is it to enable them to get a cut on the amounts appropriated? We have already spent in the past 5 or 6 years approximately $200 million in financing the construction of ships, and I may say that many of those appropriations have been tainted with practices condemned by the Comptroller General of the United States, Mr. Lindsay Warren, and condemned by the very able House Committee on Government Operations headed by Representative PORTER HARDY. The whole program has reeked with fraud, and several of us have risen in past years to denounce the practices which have prevailed. Yet the committee pours $43 million more into the shipyards, subsidizing them at a time when we are cutting down on airplanes.

The shipyards have only approximately half of the so-called mariner vessel program completed. That is a $350 million program. I looked over the tabulation of completions, and as I remember approximately only 7 of the 35 ships have been finally accepted. Another 9 have been launched, but have not been fully equipped. Keels have been laid, I believe, in the case of 13 ships, and on the residue of 6 ships the keels have not even been laid. So there is still a stockpile of ship construction available for the shipyards. But that does not satisfy the committee. It pours in $43 million more to keep the shipyards busy representing a subsidy for the shipbuilders on the Atlantic Coast, with a proviso that the shipbuilders on the Pacific Coast can also come in for their share of the pie.

I notice the program is popular with the large ship operators and the large shipbuilders, but I submit that in this period of financial urgency, when we are in trouble so far as money is concerned, we should not appropriate these sums.

Mr. GORE. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield for a question.

Mr. GORE. I should like to raise a question with reference to the use of contract authorizations instead of direct appropriations. As the Senator from Illinois knows, it was my privilege to serve on the Appropriations Committee of the House of Representatives for several years, and it was the unanimous conclusion of that committee, in view of the extravagance and the loss of control by the Congress over expenditures resulting from contract authorizations, that we should abolish the practice of writing a blank check, which is what a contract authorization amounts to, and, instead, make direct appropriations for the purposes for which Congress wished to spend the people's money.

We are now faced with a return to the blank-check method of dispensing the people's money. I believe we should stop that practice. It will be my purpose to make a point of order against this contract authorization provision, which, in my opinion, clearly is affirmative legislation on an appropriation bill.

Mr. DOUGLAS. I quite agree with the Senator from Tennessee that it is a very bad practice. Virtually every student of the budget has condemned it. It is a means of making appropriations without being honest enough to admit what is being done. The Senator from Virginia [Mr. BYRD] who has just left the Chamber, has attacked this method time and time again in the past. Senators on the other side of the aisle attacked it when they were in the minority. However, when they are in the majority, they come forward with a similar plan.

I think the Senate should oppose the committee amendments now under consideration, and should also oppose the increase of $2.6 million for the Weather Bureau. Every locality wants a local weather bureau, and popular is the Senator or Representative who can get one and keep it in his State or district. The House had courage enough to eliminate the $2.3 million, but the Senate Committee has restored the item. I think the Senate should emulate the stringency of the House on the question of saving $2.3 million for the taxpayers. These are committee amendments which I think we should oppose.

Mr. President, I ask unanimous consent to insert at this point a table showing savings in expenditures if we reject the committee amendments listed.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 4.—*Committee amendment to H. R. 4974 which Douglas will oppose*

Amendment	Increases opposed	
	1953–54	Total
	Millions	*Millions*
Pp. 5–6. State Department acquisition of buildings abroad	$4.0	$4.0
P. 30. Department of Commerce, Census of Business	9.4	20.0
P. 30. Department of Commerce, Census of Agriculture	2.2	23.0
Pp. 33–34. Department of Commerce, Federal-aid airport program	12.5	12.5
Pp. 37–38. Department of Commerce, ship construction subsidies	3.1	43.2
P. 51. Department of Commerce, Weather Bureau	2.3	2.3
Total committee increases opposed	33.5	105.0

Mr. DOUGLAS. Thus, by rejecting these six committee amendments we can save $33,500,000 next year and total savings including subsequent years would amount to $105 million.

OTHER AMENDMENTS WOULD SAVE LARGE SUMS

I shall also submit three amendments of my own, which will make additional savings. The first amendment would not save much money, only an infinitesimal amount, but I think it would lay down a very valuable principle. I shall move to cut the representation allowance for the Department of State by $100,000, with the proviso—and it seems to be popular to legislate on appropriation bills—that none of the money is to be spent for the serving of alcoholic beverages in countries where the Mohammedan faith is the predominant religion. As everyone knows, the Koran, the sacred book of Mohammedans, prohibits the drinking of strong liquor or alcoholic beverages. If our representatives give parties at Government expense and serve liquor in Mohammedan countries, they hurt the foreign relations of the United States of America. So while the saving would be infinitesimal, namely, $100,000—and I would be willing to reduce the saving to $50,000 or even less in order to establish the principle—I think it would have a very beneficial effect upon our foreign relations.

Now let us consider a real economy. I propose to reduce very greatly the differential subsidies for ship operation. I shall try to amend page 39 of the bill. According to the House committee report, page 15, the subsidies for operating ships have grown in the last 6 years like a Upas tree. In 1947 they amounted to less than $200,000. For the current year, they amount to more than $50 million.

What has happened has been that 1,600 trips have been subsidized, at an average cost of $30,900, roughly $31,000 a trip.

The committee has provided that there shall be 1,600 trips. Therefore, it obligates the Government for costs during the ensuing year of $50 million, but the committee has appropriated only $20

million to meet the costs. This means that there will be a $30 million cost for which the committee has not appropriated funds, and for which the country later will have to pick up the check in a later appropriation bill.

I grant that there should be some subsidies for the operation of ships, but this amount has been growing at a tremendous rate, from $200,000 6 years ago, to more than $50 million now. The way to strike at the problem is to restrict the total number of trips per year for which subsidies will be paid. I shall offer an amendment to restrict the total number of trips to 500 a year, which will save $34 million.

Mr. MORSE. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I yield.

Mr. MORSE. Am I correct in understanding the Senator from Illinois to say there is in this appropriation bill an item which the committee knows is not sufficient in amount to cover the actual cost which is bound to be incurred during the period of time covered by the budget?

Mr. DOUGLAS. I never like to pass judgment on what other people know.

Mr. MORSE. I shall rephrase my question.

Mr. DOUGLAS. The committee has authorized 1,600 trips. The average subsidy a trip during the last year was approximately $31,000. Therefore, the committee has authorized total subsidies of approximately $50 million, but it has proposed an appropriation of only $20 million. If members of the committee can multiply and substract, they ought to know that they have failed to appropriate for the added costs by $30 million.

Mr. MORSE. Will the Senator yield for a further question?

Mr. DOUGLAS. I am glad to yield.

Mr. MORSE. In order to make the matter perfectly clear in the RECORD, and to overcome the Senator's sensitivity in regard to speaking about what other people may know, let me put the question this way: In the opinion of the Senator from Illinois, is it a fact that this particular item of ship subsidy in the bill is less in amount, in relation to the number of trips which will be made by the ships, than the amount needed to cover the subsidy for the total number of trips which will be made by the ships on the basis of schedules?

Mr. DOUGLAS. That is correct. As I have said, the liability which will have been incurred will be approximately $50 million; namely, 1,600 trips at an average subsidy, last year, of approximately $31,000 a trip.

Mr. MORSE. Mr. President, will the Senator yield for a further question?

Mr. DOUGLAS. I yield.

Mr. MORSE. Has the Senator from Illinois studied the record of the hearings sufficiently to be able to state whether or not the facts concerning the total number of trips to be made were brought out in the record?

Mr. DOUGLAS. Yes; the figure of 1,600 trips was in the House bill.

Mr. MORSE. Then, for the purpose of emphasis, am I correct, in my interpretation of what the Senator has said, in assuming that the Committee on Appropriations has brought to the floor of the Senate an appropriation bill containing for subsidy an amount which is less than the amount that will be needed in order to pay the total bill before the period covered by the appropriation bill has ended?

Mr. DOUGLAS. I think I should say that there are approximately $140 million of unpaid subsidies from past years, which have not yet been finally processed and paid. Therefore, unless further appropriations are made, the effect of the committee's failure fully to appropriate for current liabilities will be to increase this sum by $30 million—$20 million in appropriations offset by $50 million in additional obligations.

Mr. MORSE. Mr. President, will the Senator yield for one more question?

Mr. DOUGLAS. I am glad to yield.

Mr. MORSE. Is this the only instance the Senator from Illinois has found in this appropriation bill in which the Committee on Appropriations is recommending to the Senate an amount less than the total amount needed to cover the known expenses which will have to be incurred during the period covered by the bill?

Mr. DOUGLAS. By no means. For example, it is proposed to appropriate $35 million less for highways than the States will claim. Furthermore, it is proposed to appropriate for several other items less than the actual expenditures during the coming year will be for the items which are authorized.

Mr. MORSE. Mr. President, will the Senator yield for an additional question?

Mr. DOUGLAS. I yield.

Mr. MORSE. Am I to understand that I am being asked to vote for an appropriation bill which does not contain the total sums which the record itself shows will be needed in order to cover the expenses and costs to the Government of the items mentioned in the appropriation bill?

Mr. DOUGLAS. That is correct.

Mr. MORSE. Speaking for myself, I wish to say that if that is true, the bill ought to be recommitted to the committee with instructions to the committee to report back a bill which coincides, in the amount asked for, with the total cost which the people of the country are to be asked to pay for the period covered by the appropriation. The idea of postponing to a deficiency bill what the committee—if the Senator from Illinois is correct—knows is to be the total cost, is not, in my judgment, a proper way to bring an appropriation bill before the Senate.

Mr. DOUGLAS. I welcome the statement by the Senator from Oregon, because it is a splendid contribution to sound finance and true economy.

Mr. GORE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. GORE. In order that the record may be entirely clear, will the Senator turn to page 38 of the bill and note that the appropriation therein contained is for obligations incurred prior to the present rather than to pay for obligations to be incurred by voyages in futurity.

Mr. DOUGLAS. Is the Senator from Tennessee speaking of lines 5 to 10 on page 38?

Mr. GORE. I am speaking of lines 12 through 15. Let me read:

> For the payment of obligations incurred for operating differential subsidies granted on or after January 1, 1947—

So the way to effect some real economy for the future is by way of a limitation on subsidized voyages.

Mr. DOUGLAS. The Senator is correct.

Mr. GORE. The obligations to which the junior Senator from Oregon [Mr. MORSE] referred are much larger than the $20 million appropriation contained herein. To that extent the reduction from $25 million to $20 million is no saving at all.

Mr. DOUGLAS. None at all.

Mr. GORE. Nor, indeed, are we empowered, without breaking a contract, to make any economy on obligations heretofore incurred.

Mr. DOUGLAS. That is correct.

Mr. GORE. We are still paying subsidies on voyages made back in 1947. There is a backlog of many millions of dollars which must be met.

Mr. DOUGLAS. Approximately $140 million. The Senator from Tennessee is entirely correct. The situation is about as follows: The unpaid past obligations, as of the most recent date for this item, were approximately $140 million. The liabilities for the year 1953–54, which the committee is authorizing, will amount to approximately $50 million, namely, 1,600 trips at approximately $31,000 a trip.

Mr. GORE. Mr. President, will the Senator yield?

Mr. DOUGLAS. May I finish and then I will yield.

The House appropriated $25 million, leaving a deficit of $25 million on current liabilities. So while the $25 million would be used to pay past bills, $50 million more would accumulate during the current year. The Senate committee has done even worse. It proposes to appropriate only $20 million. So as we pay $20 million on past bills, $50 million of obligations will accrue during the current year, and unless further appropriations are made we shall be $30 million worse off at the end of the year than when we started.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. LANGER. Has the Senator from Illinois made any investigation to ascertain how the General Motors Corp. makes appropriations?

Mr. DOUGLAS. No; I have not.

Mr. LANGER. It certainly would not make appropriations piecemeal.

Mr. DOUGLAS. I do not think it would appropriate piecemeal. I think such a course is very bad financial practice.

Mr. LANGER. General Motors would ascertain what the costs of operating the business were expected to be.

Mr. DOUGLAS. I think it should do so, and I think it does. I think we should do so.

The final statement which I intend to offer would really bring about a reduction in the Federal aid highway program. In view of past votes in the Congress, I do not think we can effect economies in

the present appropriation bill. However, we have heard a great deal of comment on the backlog of spending authorizations left by the previous administration. I intend to propose an amendment by means of a limitation which would prevent States from spending more than 80 percent of the amounts the Congress authorizes for Federal aid to highways during the fiscal year 1954–55, thus helping the Eisenhower administration to balance its budget for the fiscal year 1954–55, to which period, apparently, the program of balancing the budget has now been postponed. I wish to make a contribution of $115 million in this direction.

I may say that, although the Senator from New Hampshire [Mr. BRIDGES] may raise a point of order when I offer this amendment, I do not think it is subject to a point of order, since a similar amendment which I submitted on April 21, 1952, was declared by the Vice President to be in order. I refer to the CONGRESSIONAL RECORD, volume 98, part 3, page 4162.

These additional amendments would save $149 million. If these can be passed, and if the six committee amendments I have listed are rejected, total savings for 1953–54 and for subsequent years would amount to $254 million.

ECONOMY NOT A PARTISAN ISSUE

Mr. President, I do not believe I can be accused of partisan motives in proposing these reductions. In previous years, when my own party was in power, I have stood upon the floor of the Senate and proposed economy measures. Frequently such proposals were unpopular with 1600 Pennsylvania Avenue, and were also unpopular with certain of my colleagues on this side of the aisle. I proposed such economies when the Democrats were in power, when it was not to my political advantage to do so. Many of these economy proposals were hostile to the relationships which I had with the high command of the Democratic Party. Therefore, I do not think I can be accused of politics if I insist that the present majority party live up to its campaign pledges and really introduce economy, instead of spending in a wasteful, spendthrift fashion, and trying to delude the American people by false bookkeeping into the belief that they are really putting into effect economies when in reality they are spending and spending—for whom? Spending for the shipowners; spending for the ship contractors and shipbuilders; spending for favored cities which want airports; spending for businessmen and advertising agencies who wish to have the Government perform their research functions for them; spending for the favored few, even as they take out the pruning knife and make economies at the expense of the poor.

My own party has many faults. We used to appropriate for big business. We would appropriate more for big business than we would appropriate for the poor; but we would permit at least a little money to go to the poor—not too much, but a little.

What our friends on the other side of the aisle are proposing is to cut out virtually all money for the poor but to give more subsidies, more money, to big business, and to favored groups which have been feeding on public subsidies. The hypocrisy of the claim that the opposing party stands for economy, in the face of the two budgets which they have submitted, should be by now transparent.

Mr. MORSE. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I yield.

Mr. MORSE. I wonder if the Senator would not agree with me, in view of his very accurate appraisal of the appropriation record of the two major parties, that it is about time, now that the people's party is operating, for the Senator from Illinois to come into the Independent Party with me, and help to stop this practice.

Mr. DOUGLAS. I think the Democratic Party is largely the people's party, and with the help of the Senator from Oregon we can make it more so. I hope he will join us.

Mr. President, certain words are bandied about in the Chamber and throughout the country. They are words such as socialization. I should like to point out to my friends that subsidies are a form of socialization. What we have been doing is socializing the shipping operations and ship construction of our country, and thus feeding people at the public trough, and I may say they are people whose appetites increase as we feed them.

It is about time that we took the pruning knife and cut out these subsidies granted to people who do not need them.

It is extraordinary, Mr. President, at a time of national peril, with the administration proposing to reduce the number of airplanes which would be used in the defense of the Nation, that the majority party should come to Congress with a proposal to build four new passenger ships, which the Administrator himself admits are not urgent at this time.

Mr. MAYBANK. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield for a question.

Mr. MAYBANK. The Senator from Illinois does not believe that the administration will get away with any reduction of the Air Force, does he?

Mr. DOUGLAS. I know that that is what they are trying to do. They are proposing to cut the Air Force from 143 wings to something less than 120 wings, which would certainly diminish the armed security of the Nation. If we do not have sufficient money to provide 143 air wings for the defense of our country, how can we afford to subsidize the construction of 4 passenger ships, which the Administrator of the program has stated are not urgently needed.

Two of the ships are to be replacements for vessels which are 6 months over 20 years of age. Apparently, when a passenger ship becomes 20 years of age it is considered by the subsidy boys to be senile and must be scrapped, and another ship must be constructed to take its place. Apparently a ship 1 year over age has such disability that it must be removed and replaced by another ship.

Mr. President, I submit we can get along with the 2 ships of the Grace Line which are 20 years and 6 months of age, and I believe we can also get along with the 2 ships of the Moore-McCormick Line also, even though the Administrator may admit they are not in first-class condition.

Why should we pour millions of dollars in subsidies into ship construction? This budget is growing like the upas tree. These subsidies are where the Government money goes. A great many people think we have a welfare state for the poor. Actually it is a welfare state for the wealthy.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield for a question.

Mr. MAYBANK. Is the Senator aware of the fact that the Navy has done considerable work on reconversion?

Mr. DOUGLAS. Yes.

Mr. MAYBANK. Is the Senator aware that the Navy has transferred much of its construction work to private yards?

Mr. DOUGLAS. I am sure that is true.

Mr. MAYBANK. It is true. Orders have gone out from the navy yards to that effect.

Mr. DOUGLAS. It shows the tender solicitude on the part of the committee for private shipyards on the Pacific, the Gulf, and the Atlantic, as well as similar solicitude on the part of the Defense Administration.

Mr. MAYBANK. The committee has not approved it. I was speaking of the transfer to private yards of construction and reconversion work, about which the Senator perhaps did not know. Workers are being transferred from navy yards to private shipyards so that the latter can have construction work. I may say I did not vote for what the Senator has been discussing.

Mr. DOUGLAS. I understand. I may say that we seem to be involved in an extraordinary piece of arithmetic. The administration says we will have to do with 120 air wings instead of 143, and that such a reduction represents strength. In other words, weakness is strength. By the same crazy arithmetical logic, I could say we would get a stronger merchant marine by having fewer vessels. I do not say that. But I do say that if I have to choose between planes and passenger-cargo ships, I shall choose planes every time. Perhaps we can save on both.

Mr. President, at an appropriate time I shall offer my amendments, and I hope that the Senate will reject the committee amendments. The result would be a saving in expenditures of $231 million as compared with the committee figures, which increase expenditures over last year by about $5 million, and which increase expenditures over the House figure by about $72 million.

Mr. President, let us have real economy. I ask my colleagues on the other side of the aisle to practice, when they are in power, that which they advocated when they were out of power.

Mr. BRIDGES. Mr. President, I have listened to the tirade on the other side of the aisle and to the use of words like "phony," "hypocrisy," and similar words.

We have before us a very simple appropriation bill.

The Senator from Illinois has stated that there were hidden figures in the bill. Every bit of information which the Senator from Illinois has used is contained in the report or in the bill. All of it is written in the English language. The only reason the Senator from Illinois knows anything about it is because he has read it in the report or in the bill. I know he is a very learned and brilliant gentleman. I assume therefore that he can read the English language. Anyone can understand exactly what the bill proposes and what it appropriates.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. BRIDGES. No; I will not yield at this point.

Mr. DOUGLAS. I yielded to the Senator for questions.

Mr. BRIDGES. I shall yield a little later. First I should like to give the Senator from Illinois a few facts. The amount of the bill as reported to the Senate is $1,104,379,882. It is a decrease of $38,766,830, or 3.3 percent below the House figure.

It is $186,678,133 under the appropriations for 1953, or a decrease of 14.4 percent. It is $365,114,633 under the Truman budget for 1954, or a reduction of 24.8 percent.

To start with, Mr. President, the Senator from Illinois said that he would shoot his first popgun. Well, it was a popgun. He started to talk about censuses. In the first place, he said, we are having censuses for business, manufactures, agriculture, mineral industries, and transportation. Of course transportation and mineral industries were denied by the committee and are excluded from the bill. All the Senator had to do was to read the report to know that to be a fact.

Secondly, the Senator from Illinois has indicated that we are inaugurating new census activities in the bill. The agricultural census was started in 1922. It has been conducted ever since. The business census was started in 1929. It has been conducted ever since. I cite those items as illustrations.

Let us consider the State Department representation allowances, to which the Senator from Illinois referred. He infers that all of it is for liquor. I do not believe that the State Department would spend all of its representation allowances for liquor.

The allowances are used, for example, on important occasions such as the death of a prime minister, to send flowers on behalf of our Government or for laying wreaths on the monuments of national heroes or former heads of governments. In Great Britain, for example, it is used on the Fourth of July, on the anniversary of our Declaration of Independence, to entertain in our embassy in London. I admit that all of that is not completely necessary, as the Senator from Illinois has indicated, but it is in conformity with the way governments do business. It was done year after year before the Senator from Illinois was in the Senate and before the Senator from New Hampshire was in the Senate. It was done under Democrats, and under Republicans, and will probably continue under both in the future.

Let me mention the item of $15,600,000 for the State Department, to which the Senator from Illinois referred. That is money which was previously appropriated. The committee has rescinded that amount of money which had been previously appropriated, and has applied it to the current year. It has been used for several purposes; for example, one of the things we did was to reduce the number of State Department employees by 2,566. Of the $15,600,000 we have earmarked $5,600,000 for terminal leave and the costs of bringing employees home from abroad. The balance of $10 million is for regular salary items. I think it was sound to do so.

Now let me refer to another of the figures cited by the Senator from Illinois. In answer to the Senator from Oregon [Mr. MORSE], the Senator from Illinois said the figure stated was not a correct one because we did not add the contract authorizations to the total appropriations provided by the bill. However, by the same token, if we do not add contract authorizations, then why do we add the amounts to pay for previous contract authorizations, as provided in the past by the Democratic administration? We cannot carry these items twice and maintain accurate bookkeeping. Substantial items in the bill are for the purpose of paying previous authorizations. For instance, I have before me one for $59 million for ship construction, liquidation of contract authorization. According to the theory of the Senator from Illinois, that should not be included, but we should simply get the money out of the air. We have in the past not carried contract authority in the totals of the bill; we do include the appropriations for liquidating authority.

Mr. President, I wish to cooperate with the Senator from Illinois. Whenever he is in favor of real economy, I join him, as I have done in the past; and sometimes he has joined me. But I wish him to give the correct picture, and not to deal in generalities and statements which he cannot back up.

I remember—and I do not have a poor memory—that although the Senator from Illinois was very strongly in favor of economy in some cases, in other cases he took a different attitude. For example, I hold in my hand a vote taken on May 28, 1952, on the foreign-aid bill. An amendment was offered to reduce the amount of the foreign-aid appropriations by $1 billion. I find among the Senators who voted against the proposed reduction the Senator from Illinois.

I also hold in my hand a vote on an amendment proposed by the Senator from Louisiana [Mr. ELLENDER] to cut appropriations. The Senator from Louisiana proposed a cut of $500 million. I find among the Senators who opposed that amendment was the Senator from Illinois [Mr. DOUGLAS].

So he has not been entirely consistent in his economy voting record.

Mr. DOUGLAS. Mr. President, will the Senator from New Hampshire yield for a question, in clarification of the RECORD?

Mr. BRIDGES. Certainly.

Mr. DOUGLAS. Is it not a fact that the committee had previously acted to cut by $1 billion the requested appropriations for foreign aid, and that then I voted for a further cut of $500 million, but I balked at a still further cut of $500 million more?

Mr. BRIDGES. Not according to the vote I have before me, which was taken on May 28, 1952. That vote was taken on a proposal to make a cut of $500 million in the appropriations. The result of the vote was 34 yeas and 43 nays. I shall have the vote read at this time, if the Senator from Illinois wishes to have that done.

Mr. DOUGLAS. Since the issue has been raised, of course, the vote should be read.

Mr. BRIDGES. Very well; I shall read the vote. On that vote, the Senators voting "yea" were the following: Senators Bennett, Bricker, Bridges, Butler of Maryland, Butler of Nebraska, Capehart, Carlson, Case, Cordon, Dirksen, Dworshak, Ellender, Ferguson, Hickenlooper, Jenner, Johnson of Colorado, Johnston of South Carolina, Kem, Long, Malone, Martin, McCarran, McKellar, Millikin, Mundt, Schoeppel, Smith of Maine, Smith of North Carolina, Taft, Thye, Watkins, Welker, Williams, and Young.

Senators voting "nay" were: Senators Aiken, Anderson, Benton, Brewster, Chavez, Clements, Connally, Douglas, Eastland, Frear, Fulbright——

Mr. DOUGLAS. If the Senator is ready to stop at this point, I shall be glad to reply.

Mr. BRIDGES. Very well; but I wish to be fair.

Mr. DOUGLAS. Let me say to my good friend, the Senator from New Hampshire, that I did not come prepared with voting records on all past appropriation bills, as the Senator from New Hampshire evidently has done, with the obvious purpose of "putting me on the spot."

Mr. BRIDGES. No; it was not with that purpose but merely to illustrate that we do not always agree as to where we should effect economies.

Mr. DOUGLAS. I think my memory is correct when I say I voted for another amendment calling for a further reduction of approximately $500 million. Various amendments were offered at the time. I should like to look up this matter, and insert my reply at the proper place in the RECORD.

Mr. BRIDGES. I say to the Senator from Illinois that all I wanted to show is that sometimes he has varied a little in his consistency.

Mr. DOUGLAS. I have never thought that one must vote for every proposed cut in order to be in favor of economy. I do not claim to have perfect judgment.

I can simply say that under Democratic administrations I have sought economy, at real personal cost; and I hope the Senator from New Hampshire will not accuse me of indulging in a tirade when I try to carry out the same

principles when the Republicans are in power.

I stand for economy at all times—not like some who propose economy when the other side is in power, but favor spending with both hands when their side is in power.

Mr. BRIDGES. I do not know whether the Senator from Illinois is referring to me; but if he is, he is not stating the facts.

Mr. DOUGLAS. The Senator from New Hampshire should apply my statement to himself only if his own conscience tells him to do so.

Mr. BRIDGES. I suggest that the Senator from Illinois apply it according to his own conscience, too. I shall take care of both myself and the Senator from Illinois at any time and any place, on the question of economy.

Let me say that only twice last year did I vote for an increase of appropriations, and one of those items was in regard to Air Force research and the other was in regard to Air Force development. I am very proud of that record, and I stand on it.

Mr. President, I admire the Senator from Illinois when he votes for economy. However, there is no use in his shouting about these matters.

Why not proceed with the amendments to the bill, and in that way we can see how the Senator from Illinois votes.

Mr. DOUGLAS. I shall not say the Senator from New Hampshire has been indulging in a tirade; but will he yield for specific questions on the points he makes?

Mr. BRIDGES. Certainly I yield for a question.

Mr. DOUGLAS. Let me correct the RECORD at one point by saying that I voted against the amendment of the Senator from Louisiana [Mr. ELLENDER] proposing a cut of $500 million; but on the subsequent vote on an amendment calling for a cut of approximately $500 million, the RECORD will show that I voted in favor of the amendment. In connection with that matter, I shall make the insertion in the RECORD at the proper point, for I have here the record of the votes. Vote 47, CONGRESSIONAL RECORD, volume 95, part 5, page 6107, shows that the Ellender amendment called for a cut of $580 million, not $500 million. I voted against that as I did against a motion by Senator WELKER for a cut of $1 billion—vote 44, CONGRESSIONAL RECORD, volume 95, part 5, page 6012. But I voted for a later Welker cut of $500 million and for a long cut of $400 million. See votes 45 and 46, CONGRESSIONAL RECORD, volume 95, part 5, page 6095 and page 6098.

So, Mr. President, the Senator from New Hampshire has referred to one amendment calling for an appropriation decrease of $580 million, against which I voted; but he has omitted to refer to another amendment, calling for a decrease of $500 million in appropriations, for which I voted.

Mr. BRIDGES. Let me say to the Senator from Illinois that I have the floor. I sent for the votes on foreign aid in which the Senator from Illinois participated; and some of the votes show that he voted, not for economy, but for larger appropriations.

Mr. DOUGLAS. If the Senator from New Hampshire will examine vote 45, taken on May 28, 1952, as it appears in the CONGRESSIONAL RECORD, volume 95, part 5, page 6095—and that vote occurred on the question of agreeing to the amendment offered by the Senator from Idaho [Mr. WELKER], proposing a reduction of $500 million in the total authorized appropriations for foreign aid—or to reduce the appropriation of $6,900,000,000 as recommended by the committee, to $6,400,000,000—the Senator from New Hampshire will find that the Senators voting "yea" were:

Senators BENNETT, BRICKER, BRIDGES, BUTLER of Maryland, BYRD, CAPEHART, CARLSON, CASE, CORDON, DIRKSEN, DOUGLAS, DWORSHAK——

Mr. BRIDGES. Fine, I congratulate the Senator from Illinois.

Mr. DOUGLAS. The full record should be given. Senators should not pick out ex parte a vote involving a somewhat higher amount, and refer to it.

Mr. BRIDGES. I congratulate the Senator from Illinois.

Mr. DOUGLAS. Will the Senator from New Hampshire now withdraw the aspersions he made?

Mr. BRIDGES. I have not made any aspersions against the Senator from Illinois. I simply quoted his official voting record.

Mr. DOUGLAS. I wish to point out that on a substantially similar vote, I voted to cut foreign aid appropriations by $500 million; and the Senator from New Hampshire now has that vote in his hand.

If I had made a similar statement about the Senator from New Hampshire, and if I had been caught in the act, I would have admitted it. So I hope the natural gentility of the Senator from New Hampshire will now assert itself.

Mr. BRIDGES. Mr. President, let me say in courtesy to the Senator from Illinois that I hold in my hand a record of the vote of May 28, 1952, which was the vote on an amendment offered by the Senator from Idaho [Mr. WELKER]. This shows that the Senator from Illinois voted for the reduction, and I congratulate him.

Mr. DOUGLAS. I am delighted.

[Manifestations of applause in the galleries.]

The PRESIDING OFFICER (Mr. BENNETT in the chair). The Chair finds it necessary to remind the occupants of the galleries that they are present as guests of the Senate. This is not an entertainment for their amusement. The occupants of the galleries will refrain from any demonstration of their feelings, and will maintain the decorum of the Chamber.

Mr. BRIDGES. Mr. President, I also hold in my hand the other votes which I quoted.

Mr. DOUGLAS. Mr. President, I may say to my good friend from New Hampshire that I hold in my hand the RECORD of May 28, 1952, showing the vote on another amendment offered by the Senator from Idaho [Mr. WELKER], proposing a cut of $500 million, on which I voted in the affirmative.

Mr. BRIDGES. Mr. President, will the Senator from Illinois get the record straight? I will agree that the Senator holds in his hand the RECORD, which he has quoted. But the Senator from New Hampshire holds in his hand the record of two other votes of the Senator from Illinois, and he would be very glad if the Senator from Illinois would examine them.

Mr. DOUGLAS. I voted against the further cut of $1 billion on top of a committee cut of $1 billion; and hence I voted against the first Welker proposal but I voted for the second Welker proposal. I voted against a cut of $580 million sponsored by Senator ELLENDER, not for cuts of $400 million and $500 million proposed by Senators LONG and WELKER respectivey. I may say to the Senator from New Hampshire that when a witness takes the stand, he takes an oath to tell the truth, the whole truth, and nothing but the truth. The Senator from New Hampshire told a part of the truth, but he did not tell the whole truth, he did not tell all the truth.

Mr. BRIDGES. Mr. President, may we proceed with the amendments?

Mr. DOUGLAS. I think it would be well if we did, but before we do so, I should like to ask the Senator from New Hampshire a question. Does the Senator from New Hampshire contend that reducing the appropriation for Federal aid to highways from $510 million, as recommended in the House bill, to $475 million, will reduce actual expenditures by the Federal Government by $1? Will it reduce actual expenditures? That is the test.

Mr. BRIDGES. The Senator from Illinois knows that we are making appropriations. Perhaps he is not aware that the Appropriations Committee, on taking this matter up with the Bureau of Public Roads, found that the cash requirements necessary to pay the States for work performed were less than originally estimated. The amount provided will be sufficient to meet every need in the fiscal year. There is a reduction of appropriations.

Mr. DOUGLAS. But is it a reduction of expenditures?

Mr. BRIDGES. It is not a reduction of expenditures; it is a reduction of appropriations.

Mr. DOUGLAS. That is all the Senator from Illinois has to say.

Mr. BRIDGES. We are recommending that appropriation.

Mr. DOUGLAS. But it is very important that the country should recognize the difference between appropriations and expenditures. What the members of the committee on the other side of the aisle have been doing is to give the impression, in large type, that a reduction in appropriations means a reduction in expenditures; whereas, by failing to meet obligations incurred, there is simply no reduction at all in the outlay.

Mr. BRIDGES. The Senator from New Hampshire, of course, knows, as every other Senator knows, that the problem of expenditures is a wholly different thing from the problem of appropriations. The committee reported an

appropriation bill. Let me remind the Senate and the country that we in the United States of America are now faced with more than $81 billion of carry-overs from previous administrations for which the present administration must raise revenues next year, the year after, and the year after that.

Mr. DOUGLAS. Let me say to my good friend from New Hampshire that the amendment I intend to propose with respect to the highways will reduce actual expenditures in 1954–55 by $115 million; and I shall welcome the support of the Senator from New Hampshire when that amendment is reached.

Mr. BRIDGES. I may say to the Senator from Illinois that the appropriation for roads represents the amount which is necessary to carry out authorizations already made and for commitments made to the States. It represents the cost of work completed or to be completed in the year. It is an appropriation. When the money is paid, it will be an expenditure. It will be an expenditure to meet the requirements of the States under a formula established by law.

Mr. DOUGLAS. Mr. President, will the Senator yield for a further question?

Mr. BRIDGES. I yield.

Mr. DOUGLAS. Does the Senator from New Hampshire contend that the $20 million appropriated for operating differential subsidies for ships will be adequate to meet the added costs of the 1,600 authorized trips for which subsidies will be paid?

Mr. BRIDGES. The Senator from New Hampshire points out that the appropriation referred to is for the payment of operating costs—subsidies for previous years, incurred during the Democratic administration.

Mr. DOUGLAS. The Senator from New Hampshire, I may say, has not answered the question. Is it not true that the committee is authorizing costs during the current year of approximately $50 million, namely, 1,600 trips at an average cost of about $31,000 a trip, for which it proposes to appropriate only $20 million; so that, at the end of the year, we will be $30 million worse off than when we started?

Mr. BRIDGES. No; the Senator is not correct.

Mr. DOUGLAS. In what particular am I not correct?

Mr. BRIDGES. Because we do not know what the the figure will be this year. No one has any idea what it will be, and no one can forecast accurately what it will be.

Mr. DOUGLAS. Has not the committee authorized 1,600 trips?

Mr. BRIDGES. Yes.

Mr. DOUGLAS. Is it not true that the average cost in the past year was $30,900 a trip?

Mr. BRIDGES. That is approximately correct.

Mr. DOUGLAS. Does not that indicate an approximate figure of $49,600,000?

Mr. BRIDGES. It is not certain, by any means, nor are we certain as to the cost per trip in the coming years that all those trips will be made.

Mr. DOUGLAS. Is it not virtually true that in the past the number of trips authorized have been made?

Mr. BRIDGES. No; the Senator is not correct in that respect. In some instances the number of trips authorized was made, but in others the number authorized was very far from being made.

Mr. DOUGLAS. Is it not true that within the past year 1,638 trips, approximately, were made?

Mr. BRIDGES. That is about correct.

Mr. DOUGLAS. Does the Senator contend that, if 1,600 trips are authorized, the ship-operating companies will voluntarily forego the subsidy which would be theirs if they made the 1,600 trips?

Mr. BRIDGES. No. The entire subject of subsidies for ships being built, and for ship-operation subsidies, is a very troublesome one, calling for a policy decision, which the Congress of the United States will have to make. But we must recognize that the costs the Government pays are only arrived at after a careful study of operating costs, foreign competition costs, and similar factors. Some of these payment figures have been under question for 7 years.

Mr. DOUGLAS. All I wish to point out is that the committee is apparently letting us in during 1953–54 for obligations which will amount to approximately $50 million, and is appropriating only $20 million with which to meet that and the $140 million of past obligations. I repeat, at the end of the year, we will be $30 million worse off than when we started.

Mr. BRIDGES. No; the Senator is merely guessing.

Mr. DOUGLAS. No. I submit the Senator has virtually confirmed everything I have said, subject to a margin of a few hundred thousand dollars.

Mr. President, I would now like to point out that in the case of highways the committees seem to claim a saving of $35 million in expenditures, which turns out to be a chimera, and in the case of operating differentials a saving of $30 million in appropriations, which likewise turns out to be a chimera. So we have $65 million of chimeras in 2 items, and there are numerous others.

Mr. BRIDGES. Mr. President, I have the floor, and all I wish to suggest is that I should think the Senator from Illinois would like to be informed, so that he could be a little more accurate and not state half-truths, as he has done. Why does he not state all the facts, rather than half-truths and only a part of the facts?

The appropriation for roads is to meet previous authorizations and contracts. It is made according to law on a formula basis. The $35 million was eliminated because work progress was less than originally estimated. The $475 million appropriated by this bill, will be sufficient to meet the entire requirements next year. I never figured that there would be a saving on expenditures. I am addressing myself to an appropriation bill, and I have been very frank in saying what the road program is.

Mr. President, may we proceed with the amendments?

The PRESIDING OFFICER. The question is on agreeing to the first committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, on page 3, line 12, after the word "seamen", to insert "from United States vessels"; on page 4, at the beginning of line 10, to strike out "$60,000,000" and insert "$50,000,000 and in addition $15,600,000 of the unobligated balances of all appropriations available to the Department of State during fiscal year 1953 of which latter amount not to exceed $5,600,000 may be used to cover the costs of reduction-in-force, including salaries, terminal leave, travel and transportation expenses of officers and employees whose services are terminated, and travel and transportation costs in connection with transfers necessary as a result of reduction-in-force"; in line 18, after the word "which", to strike out "not less than"; and in the same line, after the figures "$8,000,000", to strike out "shall" and insert "may."

The amendment was agreed to.

The next amendment was on page 5, after line 11, to insert:

ACQUISITION OF BUILDINGS ABROAD

For carrying into effect the Foreign Service Buildings Act, 1926, as amended (22 U. S. C. 292–300), foreign currencies and credits owed to or owned by the United States in an amount not to exceed the equivalent of $4 million to be available through June 30, 1954: *Provided*, That when such foreign currencies and credits are made available for purposes of said act, as amended, the Department of State shall issue certificates in equivalent dollar terms, and credits shall be allowed in the proper accounts of Government departments and agencies concerned: *Provided further*, That section 1415 of the Supplemental Appropriation Act, 1953 (Public Law 547, 82d Congress, approved July 15, 1952), or provisions relating thereto providing for reimbursement therefor to the Treasury from applicable appropriations of the agency concerned shall not apply to foreign currencies or credits used for the purposes of this authorization.

Mr. DOUGLAS. Mr. President, I hope this amendment will not be agreed to. It increases the expenditures of the United States Government for the acquisition of buildings abroad, for which we have already appropriated very large sums. I believe we have appropriated approximately $200 million for the acquisition of buildings abroad. As of March 1 of this year, there was an unobligated balance of $9.3 million available for this purpose, which, according to the report of the House committee, should be sufficient to carry out the most necessary projects.

For this purpose the Senate committee proposes to spend $4 million out of counterpart funds. The State Department advises that if we do not use those funds we shall lose them, and that here is a way to get something for nothing. This myopic position might be expected from the budget officers of the State Department, but Congress should not be sucked in by it. In the first place, the counterpart funds can be used for other expenses of our foreign-aid program,

and also for offshore procurement and payment for munitions produced in foreign countries. I repeat that these sums do not have to be spent for buildings. They can be spent for more vital purposes and to that extent relieve a burden upon the American taxpayer.

Since reductions are being made in the personnel of the State Department overseas, the need for quarters could also be expected to subside. It seems to me that this is an item upon which we can well save.

Is it not much more important to furnish munitions than to build more stately mansions for the members of the Foreign Service?

I hope this committee amendment will be rejected.

Mr. BRIDGES. Mr. President, the issue is very clear. It has been, in part, stated by the Senator from Illinois. The United States Government owns certain counterpart and other foreign funds abroad, in foreign currency. Are we going to use those funds? Are they to be used for something which will be a capital asset to the United States? The question is, Do we want to use counterpart funds, which might otherwise go down the drain, for the purchase of buildings which will always be a capital asset to the United States? We feel we should convert these monetary assets into physical assets.

Mr. CARLSON. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield.

Mr. CARLSON. Mr. President, I should like to confirm the statement which has just been made by the distinguished chairman of the committee. Recently, I visited in Stockholm, Sweden, where we are renting office space in several buildings for embassy quarters and for personnel. We are now erecting there a new building with counterpart funds which is costing us no new money.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. DOUGLAS. Mr. President, I ask for the yeas and nays. I hope Senators will give us the yeas and nays instead of sitting on their hands. I see no hands raised on the other side of the aisle. Now I see only two, namely those of the senior Senator from Delaware [Mr. WILLIAMS], and the junior Senator from New Hampshire [Mr. TOBEY].

The PRESIDING OFFICER. The demand for the yeas and nays is not sufficiently seconded.

Mr. LONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Clements	Fulbright
Barrett	Cooper	Gillette
Beall	Cordon	Goldwater
Bennett	Daniel	Gore
Bricker	Douglas	Griswold
Bridges	Duff	Hayden
Bush	Dworshak	Hendrickson
Butler, Md.	Eastland	Hill
Byrd	Ellender	Hoey
Capehart	Ferguson	Holland
Carlson	Flanders	Humphrey
Chavez	Frear	Jackson
Jenner	Malone	Russell
Johnson, Colo.	Mansfield	Saltonstall
Johnson, Tex.	Martin	Schoeppel
Kefauver	Maybank	Smathers
Kennedy	McClellan	Smith, Maine
Kerr	Millikin	Sparkman
Kilgore	Monroney	Symington
Knowland	Morse	Thye
Kuchel	Neely	Tobey
Langer	Payne	Watkins
Lehman	Purtell	Williams
Long	Robertson	Young

The ACTING PRESIDENT pro tempore. A quorum is present.

Mr. DOUGLAS. Mr. President, on this vote, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. FERGUSON. Mr. President, on this particular item, I believe the Senate ought to realize what is contemplated, and to consider whether or not the item involves an appropriation of American taxpayers' dollars.

In foreign countries there are certain funds known as counterpart funds. When appropriations similar to the one now under consideration were made in the past, a certain percentage of the funds was made up by counterpart funds. In other words, if the United States provided France with a certain number of tractors, France would sell the tractors to French citizens and receive francs in payment and the proceeds went into what were called counterpart funds. A certain amount would be set aside in francs. Our agreements with foreign countries provided that counterpart funds should be spent in certain ways. It is the purpose of the Federal Government to use such counterpart funds for the buying of land and the construction of building in foreign countries. So American taxpayers not only are not appropriating this fund, but they are saving this amount of money, because they would not be able to use the counterpart funds, which are currency of a foreign country, except for the purpose here proposed, or some other purpose of a similar nature.

Therefore, we are merely asking that the United States Government be able to use, in a specific country, counterpart funds which are currency of that country, in order to buy land and construct buildings in which our embassies and various other governmental staffs may be housed.

The item appears as though it were an appropriation, but for bookkeeping purposes only. In this way, the Director of the Budget can keep track of the item. The funds will be placed in the Treasury, and Congress will appropriate the money. Thus, the money will be placed right back in the Treasury, and the counterpart funds will be taken out and used for the construction of buildings or the purchase of land. So, as far as American taxpayers are concerned, they will not have to pay anything.

Mr. HENDRICKSON. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to the Senator from New Jersey.

Mr. HENDRICKSON. Has the committee determined that the acquisitions and construction are necessary?

Mr. FERGUSON. They have, to an extent.

I should like to ask a question of the distinguished Senator from New Hampshire [Mr. BRIDGES].

Is it not a fact that only about 15 percent of our overseas staff is housed in United States Government-owned buildings?

Mr. BRIDGES. That is correct. For about 85 percent of American personnel abroad, office space is now rented. So this item would eliminate a part of the rent, and would save us money.

Mr. HENDRICKSON. It would save us money.

Mr. FERGUSON. Is it not also true that if we do not construct these buildings out of counterpart funds we may at some later date, if the currencies are depreciated, find ourselves in a position where we may have to use United States dollars, as we formerly had to do, in constructing this type of building?

Mr. BRIDGES. I think that would be the probability.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. MAYBANK. Is it not also true that counterpart funds can be used by the Battle Monuments Commission to maintain cemeteries and build monuments? This year alone we saved $1 million of the taxpayers' money, as the Senator may recall, in connection with the independent offices bill, by using counterpart funds to start the last monument to be built in Luxembourg.

Mr. FERGUSON. That is correct. The Senator from Michigan and other members of the Appropriations Committee have been urging that United States dollars be not used for such purposes.

I think there are other purposes for which we can use counterpart funds in certain countries, and, therefore, save money for the taxpayers, as we did in connection with the construction of monuments and the maintenance of graves and cemeteries. It is a simple matter when we understand what the counterpart funds are. For example, in Italy many natives are employed in maintaining lawns and graves in cemeteries where American boys are buried. Those employees can be paid in the lira of Italy which are in the counterpart funds. That is why we believe it is the proper thing to use the counterpart funds, which are in the currencies of the particular countries.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. CHAVEZ. The Senator from Michigan referred to Italy. I am glad he did so. The Senator from South Carolina [Mr. MAYBANK], the Senator from Minnesota [Mr. THYE], and several other Senators know from personal knowledge that if it had not been for counterpart funds we would still be paying rent in Rome, Italy, for some of the buildings which are now being used by the American Government.

Mr. FERGUSON. That is correct.

Mr. CHAVEZ. I will say to the Senator from Michigan that I wish we had this program all over the world. In Buenos Aires, for example, we are renting a building from a Boston bank, and

paying hundreds of thousands of dollars of the taxpayers' money, simply because we have no building. Whether the buildings be constructed with counterpart funds or by some other method, I think the dignity of the United States Government is such that we should own a little property all over the world for governmental purposes. I think this is an excellent program.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. DOUGLAS. The Senator has been making a very piteous plea for the use of counterpart funds in maintaining the graves of American soldiers who died abroad. I ask the Senator from Michigan whether this particular item involves the maintenance of the graves of American dead, or the construction of handsome buildings to house Foreign Service officers of the State Department?

Mr. FERGUSON. This particular fund is not for the maintenance of graves. That was covered in another item. It was referred to by the distinguished Senator from South Carolina [Mr. MAYBANK].

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. MAYBANK. I mentioned the subject only to furnish another example of the use of such funds.

Mr. FERGUSON. I feel rather certain that the distinguished Senator from Illinois knew that we were talking about another appropriation of counterpart funds.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. DOUGLAS. The Senator from Michigan made such a strong argument that we really should properly maintain the graves of our soldiers abroad, an argument in which the Senator from Illinois joins, that I thought perhaps some might be deluded into believing that we are now about to vote to maintain graves instead of constructing abroad lavish, extravagant buildings for the benefit of Foreign Service officers of the State Department.

Mr. FERGUSON. The Senator from Michigan realizes that some of these buildings are what he personally would consider expensive buildings. However, there is something in the idea that when we construct buildings in foreign nations they should be in keeping with the dignity of the United States of America. Therefore the Senator from Michigan feels that many of these expenditures do not represent extravagance.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. FERGUSON. I am glad to yield.

Mr. CHAVEZ. I should like to make a brief observation, with the permission of the Senator from Michigan. What the Senator said about the United States making proper provision for its officials, whether they be under Eisenhower, Truman, Roosevelt, or anyone else, is correct. On the Island of Trinidad, for example, the representative of the communistic government in China has a better home than has the Consul General of the United States. I do not wish to indulge in extravagance in the construction of buildings, but I think we have reached a point in history where our officers who are sent to foreign countries should be invested with a little dignity and accorded the respect which is their due.

Mr. FERGUSON. I appreciate the Senator's remarks.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. FERGUSON. I am glad to yield.

Mr. FULBRIGHT. Will the Government buy anything in Trinidad with this appropriation?

Mr. FERGUSON. No.

Mr. FULBRIGHT. Can the Senator tell us where it is proposed to use this money to purchase or erect buildings.

Mr. FERGUSON. Wherever the credits are available. I shall be glad to supply the list. Trinidad would not be covered, because I think there is no counterpart fund there.

Mr. FULBRIGHT. No; there is not. Is it not a fact that if these credits were not used for the purpose suggested, they might be used for the payment of salaries of employees, or for other programs? In other words, the use which is suggested is not the only use to which these credits can be put.

Mr. FERGUSON. The proposed expenditures are, of course, for capital assets. It is true that such funds could be used for purposes other than the acquisition of capital assets. We could use them for the payment of salaries of employees in embassies; but, as I understand, there are sufficient funds in existence for the acquisition of capital assets. Such funds could also be used for the purposes which the distinguished Senator from Arkansas has in mind.

Mr. FULBRIGHT. Mr. President, will the Senator further yield?

Mr. FERGUSON. I yield.

Mr. FULBRIGHT. In most of the countries I have visited, where counterpart funds exist, we have bought extremely lavish buildings. For example, in Rome the Government bought one of the finest villas in the city, the Villa Taverna. I have no idea what was paid for it. Our officials would not tell me. However, it looks as though it had cost several million dollars. I do not believe that that is the best use to which counterpart funds could be put. There are alternative ways to use them, which would save our Government an equal amount of money, provided we do not really need these buildings. In the case of Buenos Aires, no counterpart funds exist.

Mr. FERGUSON. They do not apply to Buenos Aires.

Mr. FULBRIGHT. Take Bonn, for example. There has been much in the press recently in criticism of the extravagant buildings we are erecting in Bonn. I did not criticize. In fact, the criticism as to the lavishness of the buildings in Bonn arose from the other side of the aisle. But they have already been erected.

Take the case of England. Many Members of the Senate have visited London. I do not think anyone could successfully allege that there is any shortage of building space in London. If the reorganization plan which has just been submitted goes into effect, there will be many vacant buildings in Paris, because we have already bought a very great many very handsome residences and other buildings in Paris. I should like to know exactly what it is proposed to do with the money, and where it is to be spent. There are alternative ways of spending which might be just as beneficial as this, or more so.

Mr. FERGUSON. The Senator from Arkansas is talking about buildings purchased under a Democratic administration.

Mr. FULBRIGHT. That is correct, but the buildings are still there.

Mr. FERGUSON. They are still there.

Mr. FULBRIGHT. They can be used. I do not believe that Republicans would refuse to use them because they were purchased during a Democratic administration.

Mr. FERGUSON. Oh, no.

Mr. BRIDGES. Mr. President, may I reply to the Senator from Arkansas?

Mr. FERGUSON. I am glad to yield the floor.

Mr. BRIDGES. The Senator from Arkansas has raised the question with reference to where these funds would be used. The places where they could be used are limited to places where the funds are available, and places where capital improvements are needed. We are also restricted in our use of the counterpart funds by the executive agreements entered into by previous administrations.

One building is to be in Honduras.

Mr. FULBRIGHT. In Honduras?

Mr. BRIDGES. Yes. One is to be in Mexico.

Mr. FULBRIGHT. May I ask whether counterpart funds are involved in the case of Mexico or Honduras?

Mr. BRIDGES. The one in Honduras involves United States currency.

Mr. FULBRIGHT. Are counterpart funds involved in the case of Mexico? I do not believe so.

Mr. BRIDGES. In Mexico, a counsellor's office building is to be constructed. In Finland——

Mr. FULBRIGHT. Do counterpart funds exist in Mexico? I never heard of any counterpart funds existing in Mexico.

Mr. BRIDGES. We are dealing not only with counterpart funds but foreign credits which have been built up under various programs.

Mr. FULBRIGHT. From what source?

Mr. BRIDGES. From the sale of surplus property and from various other sources. They have been built up over the years. Foreign credits or counterpart funds, whichever happens to be available, can be used.

Mr. FULBRIGHT. In Mexico, from what source did these foreign credits arise?

Mr. BRIDGES. So far as we know, they were from the sale of surplus commodities after World War II.

Mr. FULBRIGHT. Surplus war property?

Mr. BRIDGES. Commodities sold after World War II.

Mr. FULBRIGHT. In Mexico? The reason I am asking these questions of the Senator is——

Mr. BRIDGES. I have before me the situation as it exists. In Mexico at this time there are funds available to us in foreign credits, based upon lend-lease agreements, of $5,250,000.

Mr. FULBRIGHT. That is lend-lease, which is a very different source.

Mr. BRIDGES. It is foreign credit.

Mr. FULBRIGHT. Yes, but it arises from an entirely different source than from the sale of surplus property, or counterpart funds.

Mr. BRIDGES. The funds come from various sources. I do not have the Mexican situation before me.

Mr. FULBRIGHT. The point I am trying to make is that where it is possible to buy property with counterpart funds, it is also possible to use the money for many other purposes.

Mr. BRIDGES. Certainly.

Mr. FULBRIGHT. Which would be quite beneficial to our country. In Mexico, for example, we are appropriating great sums of money for the control of the hoof-and-mouth disease. Why could not the funds available there be used for that purpose, instead of purchasing palaces?

Mr. BRIDGES. As the distinguished Senator from Arkansas knows, the use of the funds is controlled by treaty or agreements with the countries involved, which specify how the funds may be used, and we must be somewhat guided by those restrictions.

Mr. FULBRIGHT. But those treaties or agreements do not specify that we must use the funds for the purchase of real estate.

Mr. BRIDGES. Oh, no.

Mr. FULBRIGHT. We have a good deal to say as to what we will do with the money.

Mr. BRIDGES. Certainly.

Mr. FULBRIGHT. When we have money available, it should be used to the best advantage. We should get the best value out of the expenditure of the money. It is more than a question of whether we want bigger and better palaces. Extravagant palaces arouse considerable resentment in the countries where we purchase them, if they are out of keeping with similar buildings in that country.

Mr. BRIDGES. The Senator from New Hampshire does not feel too strongly about this matter, but he is aware that we are paying rent for a large number of buildings all over the world, and if we can acquire permanent structures through the use of foreign credits or counterpart funds, it is to our advantage to do so. In that way we would eliminate the yearly payment of rent. It is probably good business to do so. However, the Senator from New Hampshire does not feel too strongly about it.

Mr. FULBRIGHT. I do feel strongly about it, particularly in some cases. In Turkey, for example, we spent a considerable amount of money in building an unusual palace in Ankara, which I do not think we should have built at all. The excuse given me when I inquired about it was, "Oh, well, we have counterpart funds available. What difference does it make?"

It does make a difference, Mr. President, because the counterpart funds could be used to pay the salaries of our employees in those countries.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. CHAVEZ. I do not want to differentiate as between counterpart funds and credit money or any other kind of money. However, if we can obtain a building which will belong to us, I think it is very unsound to continue to pay rent for the space the Government needs.

In Mexico City, for example, where I visited less than 4 months ago, our Embassy is located on 2 or 3 different floors of one of the largest office buildings in Mexico City. We are paying rent for those floors.

I am not trying to defend the use of counterpart funds, or any other kind of funds. However, there should be a method developed by which we can acquire our own property overseas, so as to eliminate the necessity for paying rent. In Mexico City our Embassy is located in a great big office building where we are paying a rental every year—the State Department probably can tell us how much we are paying—of probably hundreds of thousands of dollars.

Mr. BRIDGES. On this particular item, may I say to the Senator from Arkansas, who has raised the question about it, the funds could be used, for instance, to buy marble in Italy, for erecting a marble building in Holland. They could be used to pay for the marble in Italy, which would in turn help the industry of Italy, and in a way would be economic aid to that country. The marble could be transported to Holland for the construction of an office building there, assuming that we would construct a marble building in Holland. I am citing that situation only as an example. I do not know whether we are building any structures of marble.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. DOUGLAS. Is it not correct to say that counterpart funds sums could also be used for the purchase of strategic materials? For example, is it not true that the pounds sterling, which we hold in counterpart funds and from the sale of surplus materials, could be used to buy rubber and tin in British Malaya, thus diminishing the amount which we must pay for these crucial items and stockpiling them? Is it not incorrect to say that these funds can be spent only for the construction of buildings? Is it not rather true that they can be spent also for strategic materials, and for paying employees of foreign nationality who work in our embassies, as well as for various other purposes, and hence serve pro tanto to reduce the burden on our taxpayers? Should not this program be called "a palace-purchase program?"

Mr. BRIDGES. In answer to the Senator's question, let me say to the Senator from Illinois that he must know, because the Senator from New Hampshire has stated it time after time, counterpart funds can be used for other purposes. They cannot always be used for the purchase of strategic materials. It would depend on the terms of the treaty we have with a particular country, whether strategic materials could be purchased. It all depends on the situation involved in each individual case.

So far as its being a palace-purchasing program, if it were a palace-purchasing program it certainly has been carried out during the previous administration, of which the Senator from Illinois was a part. The Senator from New Hampshire believes this to be a sound program, but he has no strong feelings about it.

Mr. DOUGLAS. Would the Senator consent to the rejection of the committee amendment, with the understanding that the Committee on Appropriations will later study the matter in greater detail?

Mr. BRIDGES. The Senator from New Hampshire——

Mr. DOUGLAS. I notice that the Senator from New Hampshire is weakening in his advocacy.

Mr. BRIDGES. The committee went into the matter quite fully. We know which countries are involved, and in which we are paying excessive rent. We believe that the acquisition of buildings in those countries will mean definite economy to the United States over a period of years.

Mr. GORE. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield.

Mr. GORE. The junior Senator from Tennessee is trying to make up his mind how to vote on this amendment. I think it is clear that there is wide latitude as to the use of the counterpart funds. Therefore, the question really boils down in my mind to whether the buildings in the countries involved are needed. Will the Senator not proceed to inform the Senate where these buildings are to be constructed, and if in the opinion of the Committee on Appropriations the buildings are needed therein?

Mr. BRIDGES. One of the buildings is in New Delhi, India. It involves the construction of a building costing $1 million for office purposes and staff housing. There the present office space facilities are limited. They are very inadequate for the office operations.

The chancery building is typical of many of the old, rambling buildings of Delhi, with unusually high maintenance and repair costs. Office space on the outside is at such a premium and at such a cost that it is impossible to secure. We are now using a former Army barracks for the accommodation of the staff. Security protection is absolutely jeopardized because of the Embassy's operations being spread over various buildings.

Housing for Embassy personnel is also at a premium, the demand for high rent, payments of rent 2 to 3 years in advance and key money, precludes lower paid staff employees from acquiring suitable housing. Lack of adequate housing plus tropical summer temperatures has a depressing effect on morale, which is reflected in a lowering of the efficiency of office work, and an unwillingness of most personnel to return for a second tour of duty.

The situation at New Delhi, India, is typical of the situation generally existing in similar locations.

For instance, I might refer to the situation existing at Dakar, in French West

Africa, where $227,000 is recommended as an appropriation for the consul general's residence and staff housing. I read from the description of this project, as set forth in the hearings:

> Housing in Dakar presents a serious problem. It is practically impossible to rent either an apartment or a house. At the present time all consular properties are leased. The consul general's residence is an old-colonial-type house and not considered suitable for occupancy by the principal officer, particularly from the viewpoint of representation. It has been necessary because of lack of available quarters to house one of the consular officers in a part of the consul general's residence which has been converted into an apartment. In addition, four other properties are leased for staff housing. Three of these units are leased from the French Government and are uniformly old and badly in need of overall maintenance repairs. Available facilities are inadequate by American standards. The remaining property is a small, modern, two-room apartment, rental on which is considered excessive. It is planned to buy a tentatively selected site and erect a nine-unit apartment building. This will provide adequate staff housing and effect savings over a period of time. The French Government has offered a site to the consulate upon which a representative residence for the consul general will be constructed.

Similarly, an appropriation of $525,000 is recommended for a new Embassy office building at The Hague, Netherlands. In that connection, I read from the description of the item, as set forth in the hearings:

> The Embassy offices at The Hague are now housed in an American Oil Co. building and in several scattered locations, entailing a serious security problem as well as loss of efficiency. Furthermore, the owners of the building have indicated a desire to terminate the current lease upon its expiration date in August 1953.
>
> In order to provide consolidated office quarters which will eliminate the present serious security problem and provide for improved operating efficiency, it is proposed to construct an office building on a site already owned by the Government. The savings which will be effected will be especially important, as substantial increases in rental will have to be met this year, particularly in negotiating for new quarters.

Mr. President, I shall not take time to go through all the items, unless it is desired that I do so. All of them are explained in more or less the same manner.

Mr. DOUGLAS. Mr. President, will the Senator from New Hampshire yield for a question?

Mr. BRIDGES. I yield.

Mr. DOUGLAS. Is it not true that the House report on this matter stated that—

> The committee was advised that the unobligated balance for this item, as of March 1, 1953, was $9,290,363, of which $8,689,078 was in credits and the remainder in dollars. A sizable unobligated balance will be carried over into the fiscal year 1954, which should be sufficient to carry on the most necessary projects.

Mr. BRIDGES. That was the judgment of the House of Representatives; yes.

Mr. FERGUSON. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield.

Mr. FERGUSON. Does not the Senator from New Hampshire feel that there is involved the question of security, which from time to time has been brought up in connection with the advisability of renting buildings in some foreign countries, where there would be better security if we had a separate building belonging to the United States?

Mr. BRIDGES. Certainly. Security is becoming a major problem in many of these critical-development centers.

Mr. FERGUSON. When we speak of security, we mean, do we not, protection from espionage on the part of the Communist countries?

Mr. BRIDGES. Yes; that is absolutely true.

Let me point out when Mr. Truman was President of the United States, in January he asked $15 million for this item. The revised budget, as submitted by the Eisenhower administration, asked for $5 million. The committee voted for $4 million, which we thought was a conservative use of money.

Of course there is involved in this matter a question of principle. If Senators do not wish to vote for this item, they do not have to do so. However, I believe this to be a sound move which, over a period of years, will result in substantial savings.

Mr. CHAVEZ. That is true, Mr. President.

Mr. President, I should like to say to my good friend, the Senator from New Hampshire, that of course whenever an appropriation is made for any purpose it costs money. On the other hand, I think this proposal is one of the soundest that has ever been made to save money to the American taxpayers. Of course, $4,000,000 will be spent; but, as a result of that expenditure, at the end of 15 years we probably shall have $4,000,000 worth of property, whereas if we continue to pay rent in the amount of thousands of dollars so that embassy buildings may be available in various areas—for instance, in Buenos Aires, Rome, and The Hague—we shall not have anything to show for the large amounts of rent we shall have to pay over the years.

So I believe this proposal is a very sound one, and I hope the Senate will support the chairman and the other members of the committee on this item.

Mr. LEHMAN. Mr. President, I believe I take as much pride in the manner in which our Government and our people are represented abroad as does any other Member of this body. Ordinarily I might wish to vote for the committee amendment.

However, we have heard that it is necessary, because of our financial situation, to reduce our defense appropriations probably to the extent of considerably more than $5 billion and that reduction will largely affect the size of our air defense. We have heard that because of our financial situation it will probably be necessary to reduce—or at least it is proposed by the administration under Republican leadership to reduce—the appropriations for mutual security by approximately $2,400,000,000.

We know there is a proposal to make a material reduction in the appropriations for the point 4 program.

Furthermore we know that very substantial cuts are proposed in the appropriations for health activities, for research, for education, and for welfare.

So long as there is need to make substantial reductions in the appropriations, in order to balance or to attempt to balance the budget, we certainly should not give consideration to proposed expenditures of funds for purely convenience or show purposes.

Like many of my colleagues, I have been abroad a great many times. I think the buildings representing the United States in the large capitals of Europe are not below the dignity of our country.

When the distinguished Senator from Michigan indicates that this money is to be used for the acquisition of buildings to house our diplomatic missions or for the secretarial staff—as the Senator did at the beginning of his remarks—of course he is completely inaccurate. The counterpart funds can be used in our defense; they can be used for the furtherance of the principles of mutual security; they can be used for the acquisition of munitions and strategic materials; they can be used for offshore procurement; they can be used to pay the expenses of all non-American personnel in every diplomatic mission and every consular mission we have abroad. The use to which these funds can be put is substantially endless.

In the face of that situation, I see no reason why we should commit ourselves to the expenditure at this time of $4 million for the acquisition or erection of new buildings for diplomatic officers. The use of the counterpart funds, as I have pointed out, is the equivalent to using cash which we need for the many purposes I have enumerated, and otherwise.

Mr. President, I feel so strongly about the need of full defense for the United States, which will proceed pari passu with our efforts to secure peace, that I shall vote against every proposed cut in defense appropriations or in mutual security appropriations which I believe will endanger the security of the United States. By the same token I believe the health, education, and welfare needs of the American people are so great that I shall continue to vote for every reasonable appropriation proposed for those purposes.

But to me, Mr. President, when we are struggling to save money for defense, for education, for health, for welfare, and for the security and safety and happiness and welfare of our people, it simply does not make sense that we should today be willing to appropriate for what is purely a piece of showmanship.

I may say further that I do not think we ought to appropriate money for nonessential purposes, or for purposes other than those of national security and the national welfare.

Therefore, Mr. President, I shall vote against the committee amendment.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 16, beginning in line 19. On this question the yeas and nays have been ordered.

Mr. GRISWOLD. Mr. President, I spent a little more than a year in an organization which used counterpart funds for the United States of America. It is very easy to say this item will not

cost the taxpayer anything, but that the money will come from credits we already have. It has been offensive to me, as I have traveled in Europe, to observe the embassies of the United States, which I think should reflect the dignity of this Nation. In many foreign countries the embassy is not an adequate office building. At the same time in many foreign countries I have seen homes occupied by the second secretary of the embassy, the third secretary, or our consul, which are finer as my observation goes, than the home of any Senator of the United States of America. It brings discredit on the United States to have exhibited such a waste of public funds in foreign countries. It creates the impression that there is a great Santa Claus in the United States who can take care of all the needs of the people of those countries. I think it has brought discredit to us in foreign nations.

I also desire to point out that when a larger building is erected by our Government, whether it be a home or whether it be an office building, it actually creates a liability for the Government. It does not create an asset, since additional funds will be required to defray the normal expenses of the building in all the years to come; and we may not always have counterpart funds with which to pay such expenses. Our country needs to be suitably represented, and our representatives ought to have adequate facilities; but there is a dividing line. There has been so much waste, in years past, in the field to which I am referring, that I believe there is apprehension as to what is going to be done in the future.

Mr. GILLETTE. Mr. President, I merely desire to say a word in explanation of why I am opposed to the committee amendment. There is no limitation provided. I am not referring to counterpart funds, but there is set forth in the amendment no limitation with respect to the credits or currencies owned by the United States which can be used for the purpose suggested, within the limits of the foreign-aid act. Neither is there any limit to the amount that can be spent at one place, or within one area or country. Reference is made to counterpart funds, but the amendment is so worded that as much as $4 million in credits or currencies owned by the United States abroad, regardless of the source from which they may be derived, can be used.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 5, beginning on line 12. On this question the yeas and nays have been ordered.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the inquiry.

Mr. DOUGLAS. Do I correctly understand that a vote "yea" is a vote for the committee amendment and for the expenditure of $4 million, and that a vote "nay" is a vote against the committee amendment and against the expenditure of $4 million?

The PRESIDING OFFICER. A vote "yea" is a vote for the committee amendment. The clerk will call the roll.

The legislative clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Nebraska [Mr. BUTLER], the Senator from South Dakota [Mr. CASE], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from Michigan [Mr. POTTER], the Senator from New Jersey [Mr. SMITH], the Senator from Ohio [Mr. TAFT], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

I also announce that the Senator from Illinois [Mr. DIRKSEN] is absent by leave of the Senate on official committee business.

The Senator from New York [Mr. IVES] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

I further announce that the Senator from South Dakota [Mr. MUNDT], and the Senator from Wisconsin [Mr. WILEY] are absent on official business.

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Georgia [Mr. GEORGE], the Senators from Rhode Island [Mr. GREEN and Mr. PASTORE], the Senator from Wyoming [Mr. HUNT], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Nevada [Mr. MCCARRAN], the Senator from North Carolina [Mr. SMITH], and the Senator from Mississippi [Mr. STENNIS] are absent by leave of the Senate.

The Senator from Missouri [Mr. HENNINGS] and the Senator from Washington [Mr. MAGNUSON] are absent by leave of the Senate on official committee business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate, having been appointed a delegate to attend the forthcoming International Labor Organization Conference at Geneva, Switzerland.

The result was announced—yeas 34, nays 38, as follows:

YEAS—34

Aiken	Dworshak	McClellan
Barrett	Ellender	Millikin
Beall	Ferguson	Purtell
Bennett	Flanders	Russell
Bridges	Gore	Saltonstall
Butler, Md.	Hayden	Sparkman
Capehart	Hill	Symington
Carlson	Johnson, Tex.	Thye
Chavez	Kefauver	Watkins
Cooper	Knowland	Young
Cordon	Kuchel	
Daniel	Maybank	

NAYS—38

Bricker	Hoey	Mansfield
Bush	Holland	Martin
Byrd	Humphrey	Monroney
Clements	Jackson	Morse
Douglas	Jenner	Neely
Duff	Johnson, Colo.	Payne
Eastland	Kennedy	Robertson
Frear	Kerr	Schoeppel
Fulbright	Kilgore	Smathers
Gillette	Langer	Smith, Maine
Goldwater	Lehman	Tobey
Griswold	Long	Williams
Hendrickson	Malone	

NOT VOTING—24

Anderson	Hunt	Pastore
Butler, Nebr.	Ives	Potter
Case	Johnston, S. C.	Smith, N. J.
Dirksen	Magnuson	Smith, N. C.
George	McCarran	Stennis
Green	McCarthy	Taft
Hennings	Mundt	Welker
Hickenlooper	Murray	Wiley

So the committee amendment was rejected.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, under the subhead "Contributions to international organizations," on page 6, line 17, after the word "organizations", to strike out "the Government of Panama"; and in line 19, after the word "Congress", to strike out "$30,044,787" and insert "$29,614,787 together with such additional amount as may be necessary to pay the United States assessment applicable to the first 6 months operating budget of the United Nations during the calendar year 1954: *Provided*, That the amount of this appropriation to meet obligations to the United Nations during the fiscal year ending June 30, 1954, shall be available for payment only in equal monthly installments for each semiannual period of such year for which the total amount of such contributions shall have been fixed, such payments to be payable on the first day of each of the respective months; except that the payment of obligations accrued for the period January 1, 1953 to June 30, 1953, may be made in one lump-sum payment."

Mr. ELLENDER. Mr. President, may I suggest to my good friend from New Hampshire [Mr. BRIDGES] that this amendment go over, to be considered with the companion amendment which the Senator expects to offer to the bill at a later time?

Mr. BRIDGES. I am willing to do that.

Mr. President, I ask unanimous consent that this committee amendment be considered with one with which I expect to offer later.

The PRESIDING OFFICER. Without objection, the amendment will be passed over. The clerk will state the next committee amendment.

The next amendment was, on page 7, after line 7, to insert:

PAYMENT TO THE REPUBLIC OF PANAMA

The Secretary of the Treasury shall cause to be paid annually out of any money in the Treasury not otherwise appropriated, $430,000 as a payment to the Republic of Panama in accordance with the treaty of 1936 (53 Stat. 1818).

The amendment was agreed to.

The next amendment was, on page 7, after line 13, to insert:

Section 602 of the Departments of State, Justice, Commerce, and the Judiciary Appropriation Act, 1952, as amended (65 Stat. 599), is hereby amended as follows: At the end of the second proviso in the first paragraph and before the period, insert: ", Caribbean Commission and the Joint Support program of the International Civil Aviation Organization."

The amendment was agreed to.

The next amendment was, under the subhead "Missions to international organizations," on page 8, line 10, after the word "chauffeurs", to strike out "$1,300,000" and insert "$1,100,000."

The amendment was agreed to .

The next amendment was, under the subhead "International contingencies," on page 9, line 13, after "(44 U. S. C. 111)", to strike out "$1,300,000" and insert "$1,000,000."

The amendment was agreed to.

The next amendment was, under the subhead "Construction," on page 11, at the beginning of line 5, to strike out "$6,600,000" and insert "$5,100,000"; and in line 17, after the word "State", to insert a colon and *"Provided further*, That $1,500,000 of the amount previously appropriated for the Anzalduas diversion dam is hereby transferred, to be available until expended, to the construction account of the Falcon Dam project and related works."

Mr. GORE. Mr. President, I think the Senator from Texas [Mr. JOHNSON] is interested in this amendment. I ask unanimous consent that the amendment on page 11, at the beginning of line 5, and the one in line 17, go over until the senior Senator from Texas returns to the Chamber.

Mr. BRIDGES. Mr. President, that is agreeable to me. I see the junior Senator from Texas is present, but the senior Senator from Texas is absent at this time.

The PRESIDING OFFICER. Without objection, the amendment will be passed over.

The clerk will state the next committee amendment.

The next amendment was, under the subhead "Operation and maintenance," on page 11, at the beginning of line 25, to strike out "$1,000,000" and insert "$900,000."

The amendment was agreed to.

The next amendment was, under the subhead "American sections, international commissions," on page 12, line 23, after the word "Commissions", to strike out "$500,000" and insert "$543,889."

The amendment was agreed to.

The next amendment was, on page 16, after line 14, to strike out:

SEC. 111. No part of any appropriation contained in this title shall be used to pay any expenses incident to or in connection with, participation in the International Materials Conference.

The amendment was agreed to.

The next amendment was, on page 16, after line 18, to insert:

SEC. 111. Notwithstanding the provisions of section 6 of the act of August 24, 1912 (37 Stat. 555), or the provisions of any other law, the Secretary of State may, in his absolute discretion, during the current fiscal year, terminate the employment of any officer or employee of the Department of State or of the Foreign Service of the United States whenever he shall deem such termination necessary or advisable in the interests of the United States.

Mr. CARLSON. Mr. President, will the distinguished chairman of the Appropriations Committee be kind enough to yield to me for a moment or two?

Mr. BRIDGES. I yield to the Senator from Kansas.

Mr. CARLSON. Mr. President, if I correctly understand this amendment, it is similar to one which has been approved in previous sessions of Congress regarding the dismissal of employees of the State Department. Personally, I do not think this language is necessary at the present time, in view of Public Law 733 and the President's Executive Order No. 10450. More than that, it is legislation on an appropriation bill.

Mr. MAYBANK. Mr. President, will the Senator from Kansas yield?

Mr. CARLSON. I yield.

Mr. MAYBANK. Is it not a fact that the same language appears in the bill with reference to the Department of Commerce and also with reference to the Department of Justice?

Mr. CARLSON. That is correct.

Mr. MAYBANK. Mr. President, I wonder if the Senator from Kansas would ask unanimous consent that the similar amendments with reference to the State Department, the Department of Justice, and the Department of Commerce, be treated together. We do not want to treat the State Department in one way, the Commerce Department in another way, and the Department of Justice in still another way.

Mr. CARLSON. I had hoped to make the same objection to all three amendments, Mr. President, and I therefore ask unanimous consent that we may consider the three amendment sat the same time.

Mr. MONRONEY. Mr. President, will the Senator from Kansas yield?

Mr. CARLSON. I yield.

Mr. MONRONEY. May I ask the Senator from Kansas if he does not intend to make a point of order against these three provisions, namely, the provisions relating to the State Department, the Department of Justice, and the Department of Commerce? If we pass them over, the point of order should be raised at the same time, should it not?

Mr. CARLSON. Mr. President, I do expect to make a point of order against section 111, on page 16, section 210, on page 28, and section 304, on page 52 of the bill.

Mr. MAYBANK. Mr. President, will the Senator from Kansas yield further?

Mr. CARLSON. I yield.

Mr. MAYBANK. I thank the Senator from Kansas for yielding to me. I understand he intends to make a point of order with reference to the sections which he has enumerated. I am very glad he proposes to follow that course.

Mr. AIKEN. Mr. President, will the Senator yield for a question?

Mr. CARLSON. I yield.

Mr. AIKEN. Have provisions similar to these ever been incorporated in previous appropriation bills?

Mr. CARLSON. Yes, they have been. I believe this provision has been incorporated in appropriation bills for several years.

I wish to state to the Senator from Vermont that I do not believe we have needed this section since Congress passed Public Law 733. Certainly we do not need it now, under the President's Executive Order No. 10450. In that order, the President is authorized to remove personnel for several reasons. He is now authorized to remove an employee, first, for any behavior, activities, or associations which tend to show that he is not reliable or trustworthy.

Second, for any deliberate misrepresentations, falsifications, or omissions of material facts.

Third, for any criminal, infamous, dishonest, immoral, or notoriously disgraceful conduct, habitual use of intoxicants to excess, drug addiction, or sexual perversion.

Fourth, for an adjudication of insanity, or treatment for serious mental or neurological disorder without satisfactory evidence of cure.

Fifth, for any facts which furnish reason to believe that the individual may be subjected to coercion, influence, or pressure, which may cause him to act contrary to the best interests of the national security.

I contend that under that order, the President can take care of these situations.

I wish to be very frank with the Senate. We have some personnel problems in various Government departments. In my opinion, there are some individuals who should be removed. I do not know if the matter can be handled in this bill, but I think it might be done if the Senate authorized the heads of agencies to remove persons from excepted service.

Of two and one-half million employees, there are now 310,000 in the excepted service in various departments. We might just as well be frank about the matter. Those employees came into the service through political preference or political appointment. I contend that no one would wish to remove 310,000 employees at this time. But in all fairness to the heads of agencies, a number of them should be removed. That could be done if there were adopted in this appropriation bill an amendment which would permit the termination of employment of persons in various departments who are excepted from the competitive civil service.

To be very frank about the matter, there are 4,000 attorneys in the Office of the Attorney General who are in the excepted class. They do not come under the regular civil-merit system. Yet under the present situation, they cannot be removed. I do not say the Attorney General would wish to remove all 4,000, but I am sure he would feel much better if he had the power to remove certain individuals from the Department.

Personally, I am opposed to the method proposed in the bill, but I would urge that some consideration be given to the heads of the departments, so that they might control their personnel and secure employees who will cooperate with them.

Mr. AIKEN. Mr. President, does the Senator from Kansas believe that under the suggestion he has made, which would permit the removal of employees in excepted service, plus authority which has already been granted to the President to remove employees for certain reasons, there would be adequate power to permit the present administration to have a smooth-working organization, with authority at the same time to remove saboteurs? I do not refer to saboteurs in the sense of persons who might blow up the Capitol or the White House, but persons who perhaps might be called boobytrap specialists, a few of whom I could name who might come within that category?

The President or the departments heads should have power to remove from office persons who are working to give the President as bad an administration as possible, but who are at least partially protected at the present time.

Mr. CARLSON. I have every reason to believe that if the amendment with respect to excepted appointments were adopted, and applied in conjunction with the President's Executive order, we would not have the problem that seems to be facing us now. I make this statement to Senators interested in the proper operation of various departments of the Government.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. CARLSON. I yield to the Senator from South Carolina.

Mr. MAYBANK. I wish to say to the distinguished Senator from Kansas that I believe policymaking officers of the Government should be subject to removal, but I do not believe the proper place to provide for the removal of such employees is in an appropriation bill. I have never favored legislation on appropriation bills without holding hearings. I am a member of the Committee on Appropriations. That committee held no hearings on the subject of who should or who should not be removed. Therefore, I am delighted that the Senator from Kansas has made the point of order. Likewise, the Committee on Post Office and Civil Service has held no hearings on this subject.

There may be some employees who should be removed, but I do not believe this is the proper time or place to make the determination. I voted against this amendment in the committee, and I intend to vote against a motion to suspend the rule so as to make it in order.

Neither do I believe that Congress should give a blanket check to the Secretary of State, to the Attorney General, or to the Secretary of Commerce. We were not elected to Congress to do that.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. TOBEY. Does the Senator from South Carolina mean a "blanket" check or a "blank" check?

The ACTING PRESIDENT pro tempore. The Senator from Kansas has the floor.

Mr. MAYBANK. I meant exactly what I said—a blanket check.

Mr. TOBEY. How would the Senator define a "blanket check"?

Mr. MAYBANK. I should be glad to explain it, if the Senator from Kansas would yield.

Mr. CARLSON. I wish to make this comment with respect to the point the Senator from South Carolina has raised. I am as anxious as is the Senator from South Carolina to protect civil-service employees. That is the reason why I plan to make a point of order against the three sections. I am also concerned about a few thousand persons who are not under the regular civil-service merit system, and should be dismissed. Department heads should have the power to dismiss some of them. It is for that power that I am pleading this afternoon. If the Senate desires to consider an amendment which I have prepared as a substitute for the amendment of the committee, my amendment would be limited only to those persons in the civil service who have excepted status. They are the only ones the amendment would deal with.

Mr. PURTELL. Mr. President, will the Senator yield?

Mr. CARLSON. I am glad to yield to a member of my committee.

Mr. PURTELL. The Senator from Kansas in an earlier statement said that there were 310,000 employees, if I heard his words correctly, who should be removed. I am certain the Senator did not mean to say that. For the RECORD, I wonder if the Senator did not mean that there are 310,000 employees as to whom the heads of departments should be allowed to determine the question of removal.

Mr. CARLSON. If I said they should be removed. I did not mean to say so. What I meant to say was that they are eligible for removal. I feel certain that no one wishes to remove 310,000 employees, but I am sure that in the various agencies there are a limited number of persons who should be removed, and the present heads of departments cannot remove them. Therefore, we ought to give the department heads some leeway.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. CARLSON. I yield to the Senator from Indiana.

Mr. CAPEHART. Does the Senator from Kansas intend to offer an amendment to give the President the right to remove the 310,000 employees?

Mr. CARLSON. If the amendment now before the Senate is rejected, I propose to offer an amendment, which I shall read to the Senate in the hope that the distinguished chairman of the Committee on Appropriations will accept it.

Mr. CAPEHART. Are the 310,000 persons employees of the civil service who were frozen into their position under an Executive order of the outgoing President of the United States?

Mr. CARLSON. They do not have civil-service merit status as a result of examinations, as do regular classified civil-service employees.

Mr. CAPEHART. They were frozen into their positions by the outgoing President, were they not?

Mr. CARLSON. At various times.

Mr. CAPEHART. And have not had civil-service status?

Mr. CARLSON. That is correct.

Mr. CAPEHART. Why should they not be restored to the positions they held before the outgoing President issued his order?

Mr. CARLSON. I assume they accepted their appointments, having that in mind.

Mr. CAPEHART. I feel certain they did. I hope the Senator from Kansas will offer his amendment, and that the Senate will agree to it.

Mr. MONRONEY. Mr. President, will the Senator from Kansas yield?

Mr. CARLSON. I yield.

Mr. MONRONEY. I am somewhat surprised to hear the distinguished chairman of the Post Office and Civil Service Committee announce on the floor of the Senate that in connection with an appropriation bill he intends to make a proposal which would impinge upon and destroy the jurisdiction of that committee. Certainly a matter affecting the job security of some 310,000 employees is entitled to a hearing. There have been no hearings whatsoever. With respect to such precipitate action as the distinguished chairman says he will propose in a substitute amendment, on behalf of the distinguished former chairman of the Committee on Post Office and Civil Service, the Senator from South Carolina [Mr. JOHNSTON], and myself, let me say that we shall be forced to raise a point of order against such an amendment as also being legislation on an appropriation bill.

We shall be glad to join with the distinguished chairman of the committee in a proper study and consideration of whatever is necessary to accomplish the end which he seeks; but I certainly do not think today is the time to wipe out the civil-service protection of a large number of faithful, loyal Government employees.

Mr. MAYBANK. Veterans' preferences are also involved.

Mr. MONRONEY. Veterans' preferences are also involved.

Furthermore, in this same bill there is a committee amendment which would wipe out the entire civil-service system in connection with the Office of United States Marshal, clerks, and deputy marshals. Such a measure has been before the Senate countless times, and has been voted down without exception.

Mr. CARLSON. Mr. President, the junior Senator from Kansas is not so naive as to believe that such a proposal as he suggests could be put through on the floor of the Senate this afternoon. He realizes full well that it is legislation on an appropriation bill. However, the subject should have the attention of the Senate, and should be well considered.

In making the point of order against the committee amendment, I wish to make this explanation, at least, of a problem which confronts the various agencies of Government. In all fairness, I believe every Senator realizes that some action should be taken about this matter. In my opinion, the Senator from Oklahoma [Mr. MONRONEY] is absolutely correct as to the course we should follow. I think it is the duty of the committee to hold hearings on the proposal. However, the question was before the Senate, and I could not let the opportunity pass without calling attention to what I consider to be a serious defect in the civil-service laws. If we do not correct it, it will be very damaging to the civil service in the future.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. CARLSON. I yield.

Mr. FERGUSON. I wonder whether the Senator would consider offering his amendment as an amendment to the committee amendment, inasmuch as it is legislation on an appropriation bill and therefore notice must be given in order that it might be made a part of the bill. Would the Senator offer his amendment to cover only those whose positions are excepted from competitive civil service, which is what I understand he proposes to do by his amendment?

Mr. CARLSON. Mr. President, in order to get the question before the Senate, and make it a matter of record, I intend to offer the amendment which is written for the particular agency which we are now discussing, the Department of State. Of course, a similar amendment could be written to deal with various other department heads. The amendment reads:

Notwithstanding the provisions of existing law, the Secretary of State may, in his discretion, during the current fiscal year, terminate the employment of any officer or employee of the Department of State whose position is excepted from the competitive civil service, whenever he shall deem such termination necessary or advisable in the interests of the United States.

Mr. MORSE. Mr. President——

Mr. FERGUSON. Mr. President, will the Senator from Kansas offer his amendment as an amendment to the committee amendment?

Mr. AIKEN. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. AIKEN. Who has the floor?

The ACTING PRESIDENT pro tempore. The Senator from Kansas has the floor.

Mr. CARLSON. Mr. President, I wish to be very careful not to get myself in a position where any legislation I approve today would throw wide open the civil-service status of employees of the Government. On the other hand, I think there are some who should be eligible for dismissal by the head of the particular agency involved. For that reason, I wish to be cautious about what I accept.

Mr. FERGUSON. Would the Senator offer his amendment as an amendment to the committee amendment, rather than as a new amendment, with respect to which notice would have to be given, and which would have to lie over for a day?

Mr. CARLSON. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. CARLSON. If I should offer my amendment as an amendment to the committee amendment, would that in any way interfere with the rights of the civil-service employees of the United States, aside from those whom I wish to reach by my amendment?

Mr. MORSE. Mr. President, a point of order——

The ACTING PRESIDENT pro tempore. The Chair will ask the Senator from Kansas to send his amendment to the desk in order that it may be read.

Mr. MONRONEY. Mr. President, a parliamentary inquiry——

The ACTING PRESIDENT pro tempore. The Chair is trying to prepare himself to answer the inquiry of the Senator from Kansas, which has not yet been answered.

Mr. MORSE. Mr. President, I wish to raise a point of order about the inquiry.

The ACTING PRESIDENT pro tempore. Does the Senator from Kansas wish to offer his amendment as a substitute, or as an amendment to the pending committee amendment?

Mr. CARLSON. It is my intention to offer it as a substitute for section 111.

The ACTING PRESIDENT pro tempore. The amendment offered by the Senator from Kansas will be stated.

The CHIEF CLERK. On page 16, line 19, it is proposed to strike out section 111, in the committee amendment, and insert the following:

Notwithstanding the provisions of existing law, the Secretary of State may, in his discretion, during the current fiscal year, terminate the employment of any officer or employee of the Department of State whose position is excepted from the competitive civil service, whenever he shall deem such termination necessary or advisable in the interests of the United States.

Mr. FERGUSON. Mr. President——

Mr. MORSE. Mr. President, I raise the point of order that the amendment constitutes legislation on an appropriation bill, and is therefore out of order.

Mr. FERGUSON. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. FERGUSON. Does the rule of the Senate require, if this amendment is offered as a substitute for the language now in the bill, that notice be given under the rule?

The ACTING PRESIDENT pro tempore. Notice having been given with respect to the original amendment, the Chair rules that no notice is necessary with respect to a substitute offered for the original amendment.

Mr. FERGUSON. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. FERGUSON. Does the same rule apply to amendments——

The ACTING PRESIDENT pro tempore. The ruling of the Chair applies to amendments to the original amendment, with respect to which notice has been given.

Mr. FERGUSON. If the rule of the Senate does not apply to a substitute, I think the proper thing to do is to offer the amendment as a substitute.

Mr. MORSE. Mr. President, may I have a ruling on my point of order?

Mr. MONRONEY. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The point of order of the Senator from Oregon is sustained.

The Senator from Oklahoma will state his parliamentary inquiry.

Mr. MONRONEY. As I understood the parliamentary situation before the junior Senator from Kansas [Mr. CARLSON] rose, he had asked unanimous consent that section 111 be passed over. He has now offered a substitute for section 111. May I ask what is the question before the Senate at this time?

The ACTING PRESIDENT pro tempore. The committee amendment itself was the question pending before the Senate. The request of the Senator from Kansas for unanimous consent was not heard by the Chair, and therefore was not put. So there is no unanimous-consent agreement to pass over section 111.

Mr. MONRONEY. Then the question before the Senate is the consideration of the substitute for the committee amendment, to strike out section 111 and substitute certain other language. Is that correct?

The ACTING PRESIDENT pro tempore. Except that a point of order has been raised against the substitute, and the Chair ruled that the point of order was sustained. Therefore, unless an attempt is made to take an appeal from the ruling of the Chair, the substitute has been rejected on a point of order, and the question pending before the Senate is the committee amendment itself.

Mr. BUSH. Mr. President——

Mr. MONRONEY. Mr. President, I make a point of order against the committee amendment, which is now pending, on the ground that it constitutes legislation on an appropriation bill.

The ACTING PRESIDENT pro tempore. The point of order is sustained.

Mr. AIKEN. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. AIKEN. May not the Senator from Kansas offer his substitute, standing on its own feet, or, rather, may he not give notice that he intends to offer it? If there is a two-thirds vote in favor of suspending the rule, will he not be authorized to offer it and have it acted upon?

The ACTING PRESIDENT pro tempore. He may give 24 hours' notice, and his amendment may be acted upon as an original amendment.

Mr. AIKEN. The Senator from Kansas can give 24 hours' notice that he intends to offer his amendment.

The ACTING PRESIDENT pro tempore. The Chair did not hear the entire statement of the Senator from Vermont.

Mr. AIKEN. As I understand, it is perfectly proper for the Senator from Kansas to give 24 hours' notice that he intends to propose this amendment, which would be challenged, of course, as legislation on an appropriation bill. However, he would have a right to offer it, would he not?

Mr. MAYBANK. Mr. President, a parliamentary inquiry.

Mr. BRIDGES. Mr. President——

The ACTING PRESIDENT pro tempore. Such notice must be given in writing, and is valid only provided the bill has not been previously disposed of.

Mr. MAYBANK. The Senator must give notice to suspend the rule.

The ACTING PRESIDENT pro tempore. That is correct.

Mr. BRIDGES. Mr. President, I appeal from the ruling of the Chair on the Carlson amendment, and ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. The Chair must rule that other business having been transacted in the meantime, the appeal from the ruling of the Chair is not in order at this time. The ruling applies only to the Carlson amendment.

Mr. FERGUSON. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from Michigan will state it.

Mr. FERGUSON. The Senator from Michigan thought he had propounded a parliamentary inquiry as to whether the substitute for the language in the bill would require notice. Notice has al-

ready been given on the amendment contained in the bill.

The ACTING PRESIDENT pro tempore. That is correct. However, because the Senator from Oklahoma [Mr. MONRONEY] made a point of order against the original amendment, the making of that point of order constituted transaction of business by the Senate after the point of order was made against the substitute. It is in order for the Senator from New Hampshire to move to suspend the rule, but with the understanding that the rule will apply to the committee amendment, not to the Carlson substitute.

Mr. FERGUSON. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from Michigan will state it.

Mr. FERGUSON. Does the ruling of the Chair mean that no vote may be taken on the Carlson amendment?

The ACTING PRESIDENT pro tempore. It means no vote can be taken on the Carlson amendment, unless and until the Senator from Kansas offers it again, with 24-hour notice of his intention to ask for the suspension of the rule.

The Parliamentarian reminds the Chair that if the motion of the Senator from New Hampshire to suspend the rule prevails, and the committee amendment remains in the bill, the Carlson amendment may be offered again as a substitute.

Mr. MORSE. Mr. President, I wish to say a few words with regard to the merits of the proposition which is now before the Senate. I quite agree that we should have a procedure to make it possible to eliminate from Government service employees who are not competent or qualified or safe for Government service.

However, I have confidence in the Committee on Civil Service. I do not think we ought to invade the jurisdiction of a standing committee of the Senate via the Appropriations Committee. I believe we should constantly be on guard to see to it that the Appropriations Committee confines itself to appropriations and does not seek to turn itself into a superlegislative committee of the Senate.

Furthermore, Mr. President, I am always disturbed, as the RECORD will show, when I read in any proposals such language as: "The Secretary of State may in his absolute discretion during the current fiscal year terminate the employment of any officer." I recognize in these days that anyone who says a word in support of Government employees is suspect.

I am very much concerned about the morale of the Government employees. As I have argued many times on the floor of the Senate, no citizen has the right to Government employment, but once a person has been employed he has the right to fair treatment, when it comes to discontinuance of his service. He has such right as a citizen and as an employee and we, as Senators, ought to be constantly on guard to see to it that we protect his right for the good of the Government service itself. If we do not do so we will wreck morale in Government service.

What we need in the United States is the building up of Government career work to a greater degree than has been done. We ought to be encouraging young men and young women to recognize the fact that Government service is a fine occupation and a great career; we ought to encourage people to go into Government service, rather than discourage them.

There are many objections which I have to the amendment, including one with respect to veterans' preference. My main objection goes to the procedure which is proposed for the dismissal of employees from Government service. I do not like absolute discretion. Whenever I see absolute discretion granted, I become very worried because absolute discretion is always pregnant with dangerous abuse. It always makes possible capricious, arbitrary action on the part of mere men.

If we mean it when we so often speak on the floor of the Senate in support of the principle of government by law, we ought to protect that great principle when it comes to the adoption of procedures for the administration of government.

When we give blanket and absolute discretion to mere men who are administering Government departments, we go a long way from government by law, and walk down the trail of government by men.

Although no one has the right to Government service, and no one has the right to be continued in a Government job, certainly every employee has the right to the fair procedures we have developed in civil service for the establishment of proof that a person's service ought to be discontinued.

The assumption has become more or less widespread that because a man is blanketed into civil service by Executive order therefore he does not have a civil-service rating. True it is that such employees did not obtain their employment through competitive examination, but, unless I am completely misinformed on this point, it is my understanding that the Civil Service Commission always treats those who have been blanketed into civil service as having gained civil-service rights.

I agree with my friend from Kansas that undoubtedly many employees have obtained appointment by political influence, and to that extent they are, in fact, political appointees.

I remember some years ago, when I was in the Department of Justice, the common attitude was that there were two classes of lawyers in the Department, namely, those who were there on the basis of merit, and those who were appointed as a result of political pressure, induced by a desire to pay off a political debt. I have no reason for believing that that situation in the Department does not exist today.

I am pleading for trust and confidence in the Carlson committee. I have confidence in that committee. I am satisfied it will go into the problem of employment in Government service on the part of persons who, in fact, are holding political-patronage jobs, but who, by way of political pressure, have become blanketed into what amounts to a civil-service rating. If they are not competent, if they are not good security risks, or if there is any other good reason, on the merits, for getting rid of them, that fact can be established on the record. I do not think we ought to give someone absolute discretionary power to fire them at will. When that is done, it is very difficult to convince other employees that we are drawing a clear distinction between political appointees and persons who are entitled to Government employment on the basis of merit.

It is a widely known fact that within the Government service employees are fearful as to what will happen to them. If Senators will talk to any of them they will find that their attitude is stated in replies like: "I do not know how long my job will last, although I have civil-service rating. No one seems to be very secure any more."

I think that is bad for the Eisenhower administration, and I am sure it is bad for the Government service. That is why I argue again today, as I have in the past, for an end to an arbitrary, absolute discretion procedure for dismissal, and a following of the regular procedure.

After all, Mr. President, I would prefer to spend money in the interest of being fair to Government employees, rather than spend money in the name of economy, and at the same time do injustice to some of them.

If any Government's employees are suspect and are not competent, I do not say that the head of the department in which they work should keep them in positions in which they might do great harm, until he can establish that they are not qualified to perform their jobs. I would go along with the procedure recommended by the Committee on Post Office and Civil Service, which would favor the suspension of such employees, insofar as concerns the performance of particular jobs; but I favor being fair to the employees. Thus, I would not favor having them removed from the payroll before the facts were determined. I would favor giving them their day in court, through civil-service procedure.

If we do not do that, I think we shall destroy the morale of the Government service and shall do great harm to Government service as a career.

If the Republicans wish to get rid of political appointees, I think they should do so under the procedure the Committee on Post Office and Civil Service can establish, rather than attempt to make provision, in an appropriation bill, for the dismissal of what very well may be, in specific cases, good and faithful public servants.

Mr. FERGUSON. Mr. President, in accordance with rule XVI of the standing rules of the Senate, I send to the desk a notice of a motion to suspend the rule, and ask that it be read, printed, and lie on the table.

The ACTING PRESIDENT pro tempore. The notice will be read.

The legislative clerk read as follows:

In accordance with rule XL of the standing rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI, for the purpose of proposing to the bill (H. R. 4974) making appropriations for the Departments of State, Justice, and Commerce, for the

fiscal year ending June 30, 1954, and for other purposes, the following substitute amendment, namely, on page 16, after line 18, to insert the following:

"Notwithstanding the provisions of existing law, the Secretary of State may, in his absolute discretion, during the current fiscal year terminate the employment of any officer or employee of the Department of State whose position is excepted from the competitive civil service, whenever he shall deem such termination necessary or advisable in the interest of the United States."

Mr. MONRONEY. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from Oklahoma will state it.

Mr. MONRONEY. Does not the notice submitted by the Senator from Michigan constitute an effort to suspend the rule in the case of an amendment which already has been ruled out of order? The original committee amendment, incorporating section 111, has been ruled out of order; and the motion to suspend the rule would apply only to the original committee amendment which has recently been ruled out of order?

The ACTING PRESIDENT pro tempore. The Chair rules that the point of order raised against the proposed substitute amendment offered by the Senator from Kansas applied to it only as it was offered today. But it may come up again tomorrow; and under the proper notice of suspension of the rule, it may be considered.

A point of order may be made against it tomorrow; but it may be then considered.

Mr. MONRONEY. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from Oklahoma will state it.

Mr. MONRONEY. Is it not a fact, then, that this amendment is a substitute for an amendment which, under the rules of the Senate, has been ruled out of order? So the basic amendment which the Carlson amendment seeks to amend is out of order, so far as the Senate is concerned, at this time; and the only way the amendment can be in order is for two-thirds of the Senate to vote in favor of an appeal from the decision of the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Oklahoma, by making a point of order against the original committee amendment, has knocked it out of the bill; but it is possible to offer the Carlson amendment as a completely new amendment tomorrow, since there is no such committee amendment in the bill.

Mr. MONRONEY. That is the point I was trying to reach, namely, that the root amendment for which this amendment seeks to be a substitute is no longer before the Senate.

The ACTING PRESIDENT pro tempore. That is correct, but it may be offered as an original amendment in its own right tomorrow.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. MORSE. Then is it not true that tomorrow rather than today, will be the time to give notice of intention to suspend the rule, in the case of the proposed Carlson substitute, when the point of order is raised, if it is raised again tomorrow?

The ACTING PRESIDENT pro tempore. The amendment has been proposed today, and 24 hours' notice must be given before a vote may be had on suspension of the rule. So it is proper that the notice be given today, at the time when the amendment is offered, and that it be acted upon tomorrow.

Mr. FREAR. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from Delaware will state it.

Mr. FREAR. Is the present situation that the substitute originally offered by the Senator from Kansas has been offered again by the Senator from Michigan [Mr. FERGUSON]? The original substitute, which was offered by the Senator from Kansas, was ruled out of order, was it not?

The ACTING PRESIDENT pro tempore. That is correct.

Mr. FREAR. And the original committee amendment was ruled out of order, was it not?

The ACTING PRESIDENT pro tempore. That is the present parliamentary situation, namely, that the original committee amendment has been ruled out of order.

Mr. FREAR. The parliamentary inquiry is this: Has the original substitute, offered by the Senator from Kansas, been reoffered by either himself or the Senator from Michigan?

The ACTING PRESIDENT pro tempore. Notice has been given that when the amendment is again offered, a motion to suspend the rule will be made.

Mr. FREAR. The giving of notice of intention to move to suspend the rule does not require that the substitute be on the table, then?

The ACTING PRESIDENT pro tempore. No.

Mr. MAYBANK. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from South Carolina will state it.

Mr. MAYBANK. I understood that the Senator from Kansas would give notice of intention to move to suspend the rule.

The ACTING PRESIDENT pro tempore. Notice was given by the Senator from Michigan in the case of a proposed amendment identical with that offered by the Senator from Kansas.

Mr. MAYBANK. Does that include a motion to suspend the rule?

The ACTING PRESIDENT pro tempore. The Senator from Michigan has given notice of his intention to move a suspension of the rule.

Mr. MAYBANK. I thank the Chair.

Mr. ELLENDER. Mr. President, was unanimous consent granted to have sections 111, 210, and 304 considered?

The ACTING PRESIDENT pro tempore. No; the present debate is limited to section 111.

Mr. MONRONEY. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from Oklahoma will state it.

Mr. MONRONEY. The amendment for which notice has been given of intention to move to suspend the rule will be the Ferguson amendment, not the Carlson amendment, although the new Ferguson amendment embodies the language of the Carlson amendment; is that correct?

The ACTING PRESIDENT pro tempore. The Chair thinks that is a distinction without a difference.

Mr. MONRONEY. I beg to disagree, for the Carlson amendment was a dead issue before the Senate. The amendment now before the Senate, as a substitute for section 111 was offered by the senior Senator from Michigan [Mr. FERGUSON]; and the motion to suspend the rule will apply to the amendment of the senior Senator from Michigan, instead of to the amendment of the junior Senator from Kansas [Mr. CARLSON] who, incidentally, is chairman of the Committee on Post Office and Civil Service.

The ACTING PRESIDENT pro tempore. The Senator from Oklahoma is correct as to the authorship of the amendment. The Chair was referring to the fact that the language of the amendments is identical.

The Senator from Michigan has given notice that when an amendment is offered, embodying the language of the Carlson amendment, he intends to move that the rule be suspended. In that manner, the amendment can be considered after 24 hours.

Mr. MONRONEY. It would then become the Ferguson amendment, not the Carlson amendment. Is that correct?

The ACTING PRESIDENT pro tempore. That is correct.

Mr. BRIDGES. Mr. President, in connection with this matter, let me say that I listened to my friend, the distinguished Senator from Oklahoma, when he said we are now proposing to take action which would remove all protection of the civil service. I admire the Senator from Oklahoma, but I must point out that the statement he has made is not a correct one. I believe that when I explain the matter, the Senator from Oklahoma, able and distinguished as he is, will wish to correct the statement he has made.

This provision has been the law of the land for 7 years, Mr. President. It is the law this minute. So we do not propose that any protection be removed. This provision has been the law of the land for 7 long years.

Mr. MONRONEY. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield.

Mr. MONRONEY. Is the Senator from New Hampshire acquainted with Public Law 733, which was passed by the 81st Congress, in substitution for the various limitations which have been written into the appropriation bills for the past several years?

Mr. BRIDGES. Yes; I am familiar with it.

Mr. MONRONEY. Then, does not the Senator from New Hampshire feel that the proper approach to the security matter is by means of having the legislative committee which deals with the civil-service matters act to protect the secu-

rity of the United States in its defense agencies which are of a sensitive nature, but at the same time to give the right of appeal to civil-service employees who may be charged? The entire purpose of Public Law 733 was to protect the security of the United States in that way. On that law long hearings were held by the Committees on Post Office and Civil Service of both Houses. It was designed to provide a rule to take the place of such legislation as is now proposed on this appropriation bill.

Mr. BRIDGES. The point I wanted to make to the distinguished Senator was that this provision has been the law of the land for several years. It is on the statute books at this minute. So the statement which the Senator made, and which I do not think he would want to allow to stand, since it was inaccurate, was the provision that we would under this bill do away with all protection to civil-service employees.

The situation which now exists has prevailed in the State Department for 7 long years, and in the Commerce Department for 3 or 4 years. The provision which had been carried in the law was not changed by the Democratic Party, to which the distinguished Senator belongs, and which had a controlling majority. Not a voice was raised against it. Not one Senator from either party rose to speak against it, or voted against it. It was adopted by unanimous vote.

Mr. President, something strange has happened to make what now seems to be so offensive, when it was so acceptable last year. While the Senator from Oklahoma has indicated that, in the subsequent period, a new law was passed, both acts, nevertheless, are on the statute books today.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield to the Senator from Oregon.

Mr. CORDON. Is it not a fact that Public Law 733 was approved on August 26, 1950, subsequent to the approval of the former act, and therefore was amendatory of that act, and that in the 1951, 1952, and 1953 appropriation bills the same provision came to this floor and was adopted year after year?

Mr. BRIDGES. The Senator from Oregon is entirely correct.

Mr. MONRONEY. Mr. President, will the Senator yield for a question?

Mr. BRIDGES. I yield.

Mr. MONRONEY. I do not believe my distinguished colleague and beloved friend would want to create the inference that the limitation provision applying to the State Department extends to the Commerce Department, as to which the provision was for 2 years only.

Mr. BRIDGES. It was for 3 years.

Mr. MONRONEY. The limitation was not in the Justice Department appropriation for a single year. The provisions of the bill now before the Senate, go far beyond the provisions which the Senator was discussing in connection with the State Department. I refer particularly to the limitations as to discharging an employee under civil service, without the possibility of appeal.

Mr. CORDON. Mr. President, will the Senator from New Hamsphire yield for a question?

Mr. BRIDGES. I yield.

Mr. CORDON. Is not the question now before the Senate the amendment to the State Department appropriation bill? Is not that the matter under discussion?

Mr. BRIDGES. It is.

Mr. CORDON. Is it not true that the Secretary of State was given this authority for 3 years, after Congress passed Public Law 733? Is it not also true that, while the provision of law is most drastic, and might well be criticized as being a case of "rule by men rather than rule by law," it was explained on the Senate floor time after time that it was necessary, in view of the conditions under which the Government was laboring? We then determined that there was no right to work for the Government, but only a privilege to work for the Government, and if there were a doubt in the mind of a department head, he should resolve the doubt in favor of the security of his country, not in favor of the employee?

Mr. BRIDGES. Mr. President, this act was first approved, as the distinguished Senator from Oregon has indicated, in 1946. I hold in my hand the CONGRESSIONAL RECORD, containing the proceedings of the Senate. I refer to volume 92, part 6, page 7295. I observe at that point in the RECORD the substance of the amendment as reported by the committee. It was a Democratic Senator, the Senator from Nevada [Mr. MCCARRAN], who moved the adoption of the amendment. It was agreed to by unanimous vote of the Senate. Not one Senator, Republican or Democrat, raised his voice against it at the time; and I do not recall that in subsequent years, though I have not checked the RECORD, any objection was ever raised either by the Senator from Oklahoma or by any other Senator. There was agreement, even, on the part of the Independent Party, the Senator from Oregon, I may say. Even the Independent Party must have approved this provision since it was agreed to unanimously.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield to the Senator from Oregon.

Mr. MORSE. I am satisfied the RECORD will show that when this question came before the Senate the Independent Party, then a Republican, rose on this side of the aisle to speak against the principle involved in the original act, of which the Senator speaks.

Mr. BRIDGES. I have before me the RECORD for 1 day. Perhaps the Senator was not in the Senate at that time.

Mr. MORSE. We shall have the RECORD before us presently. I have called for it, and when I receive it, I shall be very glad to present it to the Senator.

Mr. BRIDGES. Certainly there was no vote against the amendment when it was adopted. No voice was raised against it.

Mr. SCHOEPPEL. Mr. President, will the Senator from New Hampshire yield for a question?

Mr. BRIDGES. I yield to the Senator from Kansas.

Mr. SCHOEPPEL. I should like to ask the distinguished Senator from New Hampshire whether there has been a disposition on the part of departmental heads to discriminate, strictly on a political basis, against employees who were in the departments?

Mr. BRIDGES. No; there has not been. As a matter of fact, I may say to the distinguished Senator from Kansas that in my judgment this provision has not been used often enough. In fact, I do not know of a single instance in which it has been used in respect to one of the major political parties. It might have been used with respect to a party for which we do not care too much in this country.

Mr. AIKEN. Mr. President, will the Senator yield for a question?

Mr. BRIDGES. I yield.

Mr. AIKEN. Inasmuch as this provision of law was first passed in 1946, and has been on the statute books ever since, what material improvement has the Senator from New Hampshire observed in the State Department since the Secretary was given the authority?

Mr. BRIDGES. I do not know that I can state to the distinguished Senator from Vermont how much improvement there has been, though I know there was testimony about several hundred employees who had been removed on the ground of their being security risks, or who resigned while investigation was under way, and likewise many homosexuals who had resigned or were dismissed. I may say that indirectly the provision may have had some effect, though I do not have the facts with which to support the statement.

Mr. FERGUSON. Mr. President, will the Senator yield for a question?

Mr. BRIDGES. I yield to the Senator from Michigan.

Mr. FERGUSON. Does not the Senator from New Hampshire believe that the law, as it was on the statute books, placed a responsibility upon the Secretary of State to get rid of unfit employees in the State Department, and that it made it impossible for him to offer the alibi that he was handicapped by the civil-service rules? It at least accomplished that much.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Before the Senator from New Hampshire became the senior member of the Subcommittee on State and Justice Departments, I was for 2 years the senior member of the minority of the subcommittee under the Senator from Nevada [Mr. MCCARRAN]. It is my distinct memory that the representative of the State Department, when this amendment came before the committee, at a time when there were but a few of us present, was in favor of the amendment and did not object to it, for the simple reason that he thought it would be of assistance to the State Department to have such a provision on the statute books; not that he expected that it would be used very much, but that it

would be helpful in connection with certain personnel problems, as they arose. So far as I know there has never been any objection to it in our committee, nor has there been any discussion of it until this year.

Mr. MONRONEY. Mr. President, if the distinguished Senator from New Hampshire has concluded, I desire to obtain the floor.

Mr. BRIDGES. I yield the floor.

Mr. MONRONEY. Mr. President, I appreciate the very courteous and kindly chastisements which the distinguished chairman of the Appropriations Committee attempted to give me. I regret that I do not share the confidence and the great good will of the new members of the administration, or the love and affection and undying loyalty to the civil service the Senator from New Hampshire seems to have.

In some way or other the name of Dr. Astin seems to strike a familiar note in my memory, and from across the marshes of the duck pond comes the name of a Dr. Day, as we consider the civil service.

As I have talked to dozens of civil service employees, citizens of Washington, who have never voted the Democratic ticket or the Republican ticket, I see in them fear and trembling, and a feeling that disaster is about to strike this great career service. This service has been built up over the years—since McKinley's time, as I recall, in an effort to give the Nation the services of public servants beyond and above the exigencies of political patronage.

I rather assume that there are deserving Republicans who are anxious to take over the positions in the departments and fill them.

I cannot quite agree with the distinguished chairman of the Committee on Appropriations that the issue before the Senate is solely the limitation on the State Department which has been in the appropriation bills for some 7 years. As I read other pages of the bill, I find it extends to the Commerce Department, and that it has been stretched to include the Department of Justice. On another page of the bill it appears that clerks and deputy United States marshals are deliberately taken from under the protection of the civil service.

By all these committee amendments now included in the bill we are proposing to do what the Senate heretofore has consistently refused to do when the matter came before it, namely, withdraw civil service protection, wipe out the veterans' preference law, which has resulted in practically 100 percent employment of veterans, who have gone into the service as deputy United States marshals since those positions were placed under the civil-service law.

The fear the junior Senator from Oklahoma has of this provision is shared by the commander of the American Legion, who, in a telegram dated May 4, 1953, to Hon. JOHN J. ROONEY, House Office Building, Washington, D. C., said:

American Legion strongly protests provisions sections 103, 207, and 304 of H. R. 4974, appropriation bill for State, Justice, and Commerce, granting Secretaries and Attorney General absolute discretion dismiss any officer or employee whenever deemed necessary. Such request cannot be justified on ground national security since this is already covered in President's Executive Order 10450, April 27.

As national commander, American Legion, respectfully request you vote to eliminate these sections because they destroy veterans preference laws. Thanks and regards.

LEWIS K. GOUGH,
National Commander, the American Legion.

Mr. President, I read a telegram from the national legislative director of Disabled American Veterans, as follows:

WASHINGTON, D. C., *May 4, 1953.*

Hon. JOHN J. ROONEY,
House of Representatives,
Washington, D. C.:

H. R. 4974 due for House consideration tomorrow. Disabled American Veterans worked since 1921 to place a veterans' preference act on the statute books and succeeded in 1944. H. R. 4974 contains provisions which will destroy the existing Veterans' Preference Act. Please use your influence to have this provision stricken from the bill.

FRANCIS M. SULLIVAN,
National Legislative Director,
Disabled American Veterans.

Mr. President, it is all very well to argue that the provision has been in the law for 7 years with reference to the State Department, and for 2 years with reference to the Department of Commerce. It has never been applicable to the Department of Justice. Only two appropriation bills containing this provision have been passed since Congress enacted Public Law 733 in the 82d Congress, which was approved August 26, 1950. That is, in a way, an illustration of the dangers of legislative riders on appropriation bills. Once a part of an appropriation bill they may continue for 20 years or more without being noticed. The question of whether the need for them has passed is not considered.

The law which makes these riders unnecessary provides that the head of the Department of State, the Department of Commerce, the Department of Justice, the Department of the Army, the Department of the Navy, the Department of the Air Force, the Coast Guard, the Atomic Energy Commission, the National Security Resources Board, or the National Advisory Committee for Aeronautics may suspend any employee in the interest of national security. An employee can be suspended tomorrow afternoon. But—and this may be because we are still living in America, where individual rights are rather important to the people—Public Law 733 further provides that, within 30 days after suspension, the employee so discharged shall be given notice in writing of the charges against him, shall have 30 days in which to reply to the charges, and shall be entitled to a hearing.

Is it asking too much that employees who work for lower wages than the average person receives and who do not have a share in the profit system under free enterprise, shall be given merely a minute form of job protection? They can be suspended tomorrow afternoon, but they are entitled to know what the charges are, and they are entitled to have a hearing before the agency which makes charges against them.

This rider here may have been necessary before we passed Public Law 733. It may have been necessary before we had President Eisenhower's loyalty plan and program. Maybe it was still necessary even after passage of Public Law 733, but now—after this law and a new administration—do we want a no-confidence vote against President Eisenhower's own loyalty program? Public Law 733 has been applauded throughout the Nation by the press, by Republicans, and by many Democrats, as being a vast improvement over any loyalty program previously in force.

When we see the cornerstone of civil service chipped away we cannot help but wonder whether the Republican Party is up to some kind of monkey business to try to tear away some of the protection which has been afforded career civil servants throughout the years under our great system of government.

Mr. HUMPHREY. Mr. President, will the Senator from Oklahoma yield?

Mr. MONRONEY. I yield.

Mr. HUMPHREY. Does not the Senator from Oklahoma feel that this particular provision assumes a different complexion in the face of the unprecedented action taken against Dr. Astin, the forced resignation of other persons, and the printing of lists of available Government jobs? Does the Senator from Oklahoma see in it anything but an attempt to equip the executive departments of the Government with the absolute right of firing employees without any appeal whatsoever under any circumstances? Is not that what the Senator sees?

Mr. MONRONEY. I definitely see that there is a grave danger. I should dislike to give to a new administrator, without any pattern, without any restrictions or limitations or tests, the power contained in the three amendments to this bill. I am not talking about only 1 amendment, because the fight is on 3 amendments which affect the Departments of State, Justice, and Commerce. The language is as follows: "Whenever he shall deem such termination necessary or advisable in the interests of the United States."

Do Senators think any new Republican administrator would not deem it advisable to replace some of the present employees with deserving Republicans? It is in the very nature of politics. If we are going to write limitations, if we are going to support this kind of rider on an appropriation bill, we should at least say: "Deems it advisable for the security of the United States."

We should provide some safeguard, so that we will not turn back to patronage politics and throw out many of the GI's who are rendering good service but under these riders are under a constant threat that at the whim of one man at the top they can be cut off the payroll tomorrow without any appeal whatsoever.

Mr. HUMPHREY. Mr. President, does not the Senator believe that the case of Dr. Astin shows exactly what this is aimed at? I recall that the distinguished Secretary of Commerce said that he was going to appoint a committee of eminent

scientists to look into the case of Dr. Astin. I suggest that the majority tell us when this committee is to be appointed. I recall that the Secretary of Commerce said later that he was not going to do anything about it.

This is nothing but a patronage amendment, and it ought to be labeled as such. This is the first frontal attack on the bulwark of the civil-service system which a great Republican President authored and asked Congress to establish.

It appears to me that the hunger for jobs has overcome the understanding and judicious judgment on the part of the majority.

Mr. MONRONEY. I thank the Senator from Minnesota for his comment.

I say if we lose the career protection in the civil service in the bill before the Senate today, it will be only a matter of months when job security for even the most faithful and efficient persons in the career service will be in grave jeopardy.

Mr. SPARKMAN. Mr. President, will the Senator from Oklahoma yield?

Mr. MONRONEY. I yield.

Mr. SPARKMAN. I wish to ask the distinguished Senator from Oklahoma, who is as well versed as is anyone else in the Senate, I believe, in regard to civil-service matters, if Congress from time to time has not given a degree of protection to veterans, and an even greater degree of protection to disabled veterans, and if this amendment is agreed to, will it not interfere with or destroy the preference we have given to veterans, and particularly to disabled veterans?

Mr. MONRONEY. I feel that if we consider the amendments in their entirety and adopt them, under the language which provides that any of the three Secretaries can discharge an employee "whenever he shall deem such termination necessary or advisable in the interests of the United States," veterans' preference will amount to nothing.

We have the advantage of the opinions of no less authorities than National Commander Lewis K. Gough, of the American Legion, and Francis M. Sullivan, national legislative director of the Disabled American Veterans. The question is whether we are going to maintain a career civil service, or go back to the days when only political patronage controlled appointments.

Mr. SPARKMAN subsequently said: Mr. President, earlier in the day, while the Senator from Oklahoma [Mr. MONRONEY] had the floor, I asked him some questions concerning veterans' preference. I ask unanimous consent that at this point in the RECORD there may be inserted a telegram from Mr. Lewis K. Gough, national commander of the American Legion; a letter from Mr. Miles D. Kennedy, together with a prepared statement giving the position of the American Legion on the proposed amendment; and also a letter from Mr. Francis M. Sullivan, national legislative director of the Disabled American Veterans.

The PRESIDING OFFICER. Is there objection?

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *May 29, 1953.*

Senator JOHN SPARKMAN,
Senate Office Building,
Washington, D. C.:

Understand Senate begins consideration Monday H. R. 4974 appropriation bill for State, Justice, and Commerce. American Legion strongly opposed to sections 111, 210, and 304 giving Department heads absolute discretion dismiss any officer or employee whenever deemed necessary without hearing or appeal. Such requests cannot be justified for national security reasons as same fully provided in President's Executive order April 27. Earnestly urge you vote to strike said sections from bill. There is absolutely no question but what these riders would destroy veterans' preference laws in these three Departments. Thanks and regards.

LEWIS K. GOUGH,
National Commander, the American Legion.

THE AMERICAN LEGION,
NATIONAL LEGISLATIVE COMMISSION,
Washington, D. C. May 29, 1953.

Re H. R. 4974, appropriation bill for State, Commerce, and Justice Departments for fiscal year 1954.

Hon. JOHN J. SPARKMAN,
United States Senate,
Senate Office Building,
Washington, D. C.

DEAR SENATOR SPARKMAN: We note that the Senate Appropriations Committee has reported out the above bill containing appropriations for the three Departments in question for the fiscal year 1954.

As reported by the Senate Appropriations Committee the bill contains three riders granting the Secretaries of State and Commerce and the Attorney General absolute discretion to dismiss any officer or employee without a hearing or appeal. The sections in question are Nos. 111, 210, and 304.

These same riders were contained in the bill as originally reported out by the House Appropriations Committee but all were stricken from the bill during debate and before it passed the House on May 5, 1953.

There is absolutely no question but what the three riders would destroy veterans' preference laws in these Departments.

Enclosed please find a memorandum setting forth the reasons why the American Legion opposes the three riders.

I respectfully submit that an appropriation bill is not the proper place to insert riders which would destroy veterans' preference laws. We feel it would be far more equitable to have hearings held by the congressional committees having jurisdiction over civil-service matters, where an opportunity to be heard on the merits of the proposed legislation could be granted all concerned. We like to feel our veterans have earned this right.

I earnestly request that you do everything possible to cause these riders to be stricken from the bill before it is approved by the Senate.

Thanking you kindly for your cooperation, and with warm personal regards, I am,

Sincerely yours,

MILES D. KENNEDY,
Director.

(Enclosure)

WHY THE AMERICAN LEGION OPPOSES SECTIONS 111, 210, AND 304 OF H. R. 4974, THE APPROPRIATION BILL FOR STATE, COMMERCE, AND JUSTICE DEPARTMENTS FOR THE FISCAL YEAR 1954

The bill H. R. 4974 as reported by the Senate Appropriations Committee on May 27 contains three riders giving the heads of the departments above-named blanket authority to dismiss any employee. Employees would not have recourse to the usual civil-service protection. They are denied the right of hearing or appeal.

Similar provisions were contained in the bill as it was reported out by the House Appropriations Committee on April 30, but all were stricken from the bill during debate and before it passed the House on May 5, 1953. The Senate Appropriations Committee has restored the riders.

The language of the three riders is the same in each section, except for identification of the respective departments.

We feel certain we are in complete agreement that the American Legion is one of the greatest foes of communism and subversive elements and that our organization would not condone the hiring or continued employment of any Reds, pinks, or sex perverts. We believe the American Legion's support of the Internal Security Act of 1950, and its stand on the numerous fights against communism over the past 30 years support this statement.

For your information, we had the privilege of reviewing a preliminary draft of the President's Executive Order No. 10450 before it was issued on April 27, 1953. As first drawn, it was a most drastic order and we raised objections to the lack of appeal provisions and to separation from service without any stated reasons.

We understand that many of the executive agencies objected for similar reasons. As a result, the Executive order was amended to provide impartial and equitable treatment at the hands of the Government. It is further noted that the Executive order is applicable to each department and agency of the Government and provides a prompt and effective method of severing employees whose conduct is not in the interest of our country. The riders attached to the Appropriation bill H. R. 4974 carry the same provisions except they permit the discharge of Federal employees—including veterans—in the sole and absolute discretion of the department head without the right of an appeal or hearing. The President's Executive order contains appeal provisions for Federal civil-service employees, including veterans.

As we see it, the issue is whether or not we are going to continue to protect the veterans' preference laws now in effect, or are we to leave their observance solely to the discretion of the heads of the three departments concerned, without any right of appeal from their decisions.

Your attention is also invited to the fact that Congressman EDWARD H. REES, Republican, of Kansas, chairman of the House Post Office and Civil Service Committee, and who, we think you will agree, is considered to be one of the greatest authorities in Congress on civil-service legislation, vigorously opposed these riders during the debate in the House on May 5, 1953.

If the three riders in question are approved we will have no end of confusion, because there will then be an Executive order and two public laws all running concurrently, on the same subject matter:

(a) President Eisenhower's Executive Order No. 10450 issued April 27, 1953, which contains appeal rights; and

(b) Public Law 733, approved August 26, 1950, which contains appeal rights; and

(c) The law which will follow enactment of H. R. 4974, the current bill. These riders will supersede all veterans' preference laws in the three departments. None of said riders contains any appeal rights.

It is our honest conviction that the Executive Order is sufficient to carry out the intent of the proposed riders in a more equitable and American manner. It is also the feeling of the American Legion that the three riders will be a duplication of the Executive Order and result in demoralizing the sincere and hard-working Federal employees because of the constant threat of dismissal handing over their heads without any appeal rights.

We submit that the incorporation of riders in an appropriation bill is not the proper way to enact legislation affecting Federal Civil Service, especially veterans preference laws. We would like to be permitted to suggest that the fair and equitable way to handle this proposed legislation would have been to introduce bills and cause hearings to be held thereon by the Senate and House Post Office and Civil Service Committees, where the advocates and opponents would have been granted a chance to be heard. We were given no such opportunity by either the Senate or House Appropriations Committees on the riders in question.

Wherefore, the national organization of the American Legion respectfully requests that you vote to strike these three riders from the bill H. R. 4974 when same comes up on the floor of the Senate for consideration.

DISABLED AMERICAN VETERANS,
NATIONAL SERVICE HEADQUARTERS,
Washington, D. C., May 29, 1953.

DEAR SENATOR: On May 5, 1953, the House of Representatives passed the bill H. R. 4974, the appropriations bill for the Departments of State, Justice, and Commerce for the fiscal year ending June 30, 1954. This bill has now been reported to the Senate by the Senate Appropriations Committee.

When the bill was reported by the House committee it contained three sections which gave the Secretaries of the State Department, Commerce Department, and the Attorney General the absolute discretion to discharge any officer or employee when it was necessary on the grounds of national security. The provisions in the law gave the head of the agency the right to discharge an officer or employee without furnishing the employee a right to appeal and in many cases the employee did not know the charge placed against him.

We, of the DAV, realize that such a right has been in the Secretaries of State and of Commerce for the past several years. H. R. 4974 extended the authority to the Attorney General. If H. R. 4974 passed the House with the aforementioned provisions the DAV was fearful that all Federal agencies would seek the same provisions of law in their appropriation bills. The DAV, as well as the American Legion and the Veterans of Foreign Wars, requested the elimination of these provisions on the floor of the House and they were eliminated by a vote of 181 to 168.

Our concern with these provisions is that there is now on the statute books Public Law 733, 81st Congress, approved August 26, 1950. Under this law the President has issued an Executive Order No. 10,450. Under the act and under the Executive Order 10,450 the head of each department and agency of the Federal Government may discharge an officer or employee within the department or agency if the officer's or employee's employment is not consistent with the interests of the national security. We, of the DAV, believe the law and Executive order now cover the situation. The law and the Executive order set up procedure to give each one who may be affected by the law or the Executive order his or her day in court. Further, it prohibits the Veterans' Preference Act of 1944, in which the DAV is primarily interested.

If the proponents of this type of legislation believe Public Law 733, 81st Congress, is not sufficient, then they should go to the appropriate legislative committees and hearings will be held. We all know that a rider in an appropriation bill is not the proper way to legislate.

It is contended by the DAV that Public Law 733, 81st Congress, and Executive Order No. 10,450 are sufficient law to protect the Federal Government against officers and employees who may be suspected on the ground of national security. The DAV will appreciate anything you may be able to do to have the three sections eliminated from H. R. 4974 on the Senate floor.

With best wishes, I am,

Very sincerely yours,

FRANCIS M. SULLIVAN,
National Legislative Director,
Disabled American Veterans.

Mr. LONG. Mr. President, will the Senator from Oklahoma yield?

Mr. MONRONEY. I am glad to yield to the Senator from Louisiana.

Mr. LONG. Are we to understand that if these three amendments are agreed to, employees so discharged would have no right to appeal?

Mr. MONRONEY. They would have no right of appeal, even under Public Law 733, which did give the right of appeal. This provision negates and rules out the action of Congress in passing that law, because the language is, "Notwithstanding the provision of any other law." So there is absolutely no shred or whit of any protection.

Perhaps the distinguished chairman of the Committee on Appropriations has far more confidence in his new administration than I have with respect to resisting the pressure for jobs, which I understand rather reliably is welling up in all the offices of the Senate and the House of Representatives. If he has confidence that heads of the three Departments can withstand that pressure to open up the jobs, he has more confidence in them than I have.

Mr. LONG. Mr. President, will the Senator yield further?

Mr. MONRONEY. I yield.

Mr. LONG. Under this amendment, would it be possible for a war veteran who has been disabled while fighting for his country to be discharged without even the right to prove that he was not a security risk to his country?

Mr. MONRONEY. The matter of security risk has nothing to do with the language in the bill. It is merely brought in as a part of the discussion.

Mr. LONG. Is it not argued on behalf of the amendment that some veterans might not be good security risks?

Mr. MONRONEY. I certainly would suggest that if we are to consider adopting these amendments, we ought at least to give the veterans who are going to lose preferential rights a test, if they are to be discharged because they are disloyal or because they are bad security risks. But the language of these amendments affords no protection and provides no standards whatsoever regarding discharge. Employees could be fired for any reason. There is only the debate on the floor of the Senate to indicate that they are going to be fired if they are disloyal, or homosexuals, or have bad characters. These riders permit the veterans to be fired because their superiors did not like the color of their eyes, the way they parted their hair, or the kind of hats their wives wore.

Mr. LONG. Can the Senator give us assurance that the national security is already adequately protected?

Mr. MONRONEY. I believe that Public Law 733 of the 81st Congress, plus the loyalty program of President Eisenhower, which is an excellent loyalty program, according to all the experts I have heard, will afford complete protection for the Nation. Certainly if we need to write riders into an appropriation bill, let us provide specifically that disloyalty, being a security risk, or abnormality constitute grounds for dismissal. Let us not grant the authority to make blanket firings without cause by three newly appointed Secretaries downtown, with pressure upon them to open up thousands and thousands of jobs.

Every road into Washington is filled with Republicans willing to serve their country. That we appreciate greatly, but we do not like to see veterans being discharged in order to make way for so many deserving Republicans. I think these riders are highly dangerous.

Mr. GORE. Mr. President, will the Senator from Oklahoma yield?

Mr. MONRONEY. I yield to the Senator from Tennessee.

Mr. GORE. The Senator from Oklahoma has referred to the President's Executive order and has also referred to Public Law 733, which provides the procedure under which security risks may be dismissed from the service of the Government. I do not believe he has gone so far back as to mention the La Follette Act of 1912, and also the Veterans' Preference Act. In reply to the distinguished Senator from Louisiana, I should like to read the amendment which appears as section 111 of the pending bill. The amendment provides:

> Notwithstanding the provisions of section 6 of the act of August 24, 1912 (37 Stat. 555), or the provisions of any other law, the Secretary of State may, in his absolute discretion, during the current fiscal year, terminate the employment of any officer or employee of the Department of State or of the Foreign Service of the United States.

If that does not eliminate all personal rights of job security, I do not know how language could be written more particularly.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield to the Senator from New Hampshire.

Mr. BRIDGES. Mr. President, the Senator from Tennessee has told only half the story. He is a clever, able Senator; but he ought to have gone on and read two more lines. Instead of ending with "Foreign Service of the United States," the Senator should have continued with the clause:

> Whenever he shall deem such termination necessary or advisable in the interests of the United States.

The phrase "in the interests of the United States" puts a different tone into the language. The United States is the Senator's own country.

I might point out that the law to which the Senator from Tennessee refers to is a law for which he voted. It is a Democratic law.

When the Senator from Louisiana asked a question of the Senator from Oklahoma, the heart of the Senator from Louisiana was bleeding, even though there was a smile on his face, as he thought of the Republicans coming to Washington from the South. He voted for the law, too. There was not a Democrat who raised his voice against this law for years. They put it on the statute books. It is their law.

Mr. GORE. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. GORE. The distinguished senior Senator from New Hampshire accuses me of dwelling upon a part of the language. The Senator, in turn, has dwelt upon the word "necessary." He passed over without comment the word "advisable."

When he refers to Republicans coming up from the South, he gives me the impression of trying to grab the jobs for Republicans.

Mr. MONRONEY. I do not doubt the patriotism and ability of many of the Government officials who have been given these nice administrative jobs. I am sure that they sincerely feel that the election of a Republican administration last November 5 was "necessary and advisable in the interests of the United States."

I am sure that as good, loyal Republicans they will not feel hemmed in by this provision for they know that the discharge of any employees whom they wanted to unload to make new jobs for more deserving Republicans could easily be termed necessary and advisable.

I should like to read briefly from a letter from Miles D. Kennedy, director of the national legislative commission of the American Legion, addressed to the Honorable HERBERT H. LEHMAN. It is as follows:

THE AMERICAN LEGION,
NATIONAL LEGISLATIVE COMMISSION,
Washington, D. C., May 29, 1953.

Hon. HERBERT H. LEHMAN,
United States Senate,
Senate Office Building,
Washington, D. C.

DEAR SENATOR LEHMAN: We note that the Senate Appropriations Committee has reported out the above bill containing appropriations for the three departments in question for the fiscal year 1954.

As reported by the Senate Appropriations Committee the bill contains three riders granting the Secretaries of State and Commerce and the Attorney General absolute discretion to dismiss any officer or employee without a hearing or appeal. The sections in question are numbers 111, 210, and 304.

These same riders were contained in the bill as originally reported out by the House Appropriations Committee but all were stricken from the bill during debate and before it passed the House on May 5, 1953.

There is absolutely no question but what the three riders would destroy veterans' preference laws in these departments.

Enclosed please find a memorandum setting forth the reasons why the American Legion opposes the three riders.

I respectfully submit that an appropriation bill is not the proper place to insert riders which would destroy veterans' preference laws. We feel it would be far more equitable to have hearings held by the congressional committees having jurisdiction over civil-service matters, where an opportunity to be heard on the merits of the proposed legislation could be granted all concerned. We like to feel our veterans have earned this right.

I earnestly request that you do everything possible to cause these riders to be stricken from the bill before it is approved by the Senate.

Thanking you kindly for your cooperation, and with warm personal regards, I am,

Sincerely yours,

MILES D. KENNEDY,
Director.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield to my distinguished colleague from Michigan.

Mr. FERGUSON. Does the Senator from Oklahoma know whether or not the veterans objected when this provision became law, back in 1946, and when it was placed in the bill relating to the State Department, as well as the Commerce Department appropriation bill, in the following year?

Mr. MONRONEY. I have tried to explain the reason. I do not have that information from the veterans. The reason was that there was no Public Law 733 during 5 of those years. We had a great deal of trouble with charges which were being made and determined to see whether or not there were loyalty risks in the State Department. So as a stopgap program, before the legislative committee could act, this rider was carried in appropriation bills to try to guarantee the security of the State Department. Since that time, as I have said, Public Law 733 has been enacted; and since that time the Eisenhower loyalty program has been added to the protection.

Mr. FERGUSON. When was Public Law 733 enacted?

Mr. MONRONEY. Public Law 733 was approved August 26, 1950. Congress has enacted two appropriation bills similar to the one now pending since that law was passed. What I said a moment ago was that that was the trouble with legislative riders. Once they are in, they are likely to remain in for 40 years, because they are not reviewed by the legislative committee.

Mr. FERGUSON. Will the Senator tell us why he did not raise his voice in 1950, 1951, and 1952 against such terrible legislation, which took away all these rights?

Mr. MONRONEY. I will say to the Senator that the "pattern of expansion" which stretched the program into a patronage grab was not then present. The law applied only to the State Department. Then 4 years later it was applied to one other department. Now we find the Republicans adding the Justice Department, the United States Marshal's Office, and other positions. We find that there is a pattern in Washington of trying to open up jobs for deserving Republicans, regardless of civil-service status.

Mr. FERGUSON. Mr. President, will the Senator yield for a further question?

Mr. MONRONEY. I yield.

Mr. FERGUSON. Does the Senator from Oklahoma contend that the American Legion and the veterans who have given so freely of their time, and even their lives and their health, want to keep anyone on the payroll if it is against the interests of the United States?

Mr. MONRONEY. I will say to the distinguished senior Senator from Michigan that the American Legion, through its national commander, and the Disabled War Veterans, who represent the legless and the armless, are just as much interested in American security and in protecting loyalty in the various departments of the Government as is any Member of the United States Senate.

Mr. FERGUSON. I agree; and when they understand the situation I am sure they will go along, as they did in 1946, and every year following that, with respect to the Department of Commerce appropriation bill and other bills after that. They felt that it was in the interest of the United States.

Mr. MONRONEY. I will tell the Senator why the veterans are fearful today. The veterans comprise a large percentage of civil service workers. They enter the service under veterans' preference rights. They have been given opportunities under legislation enacted in the past 20 years, which almost makes it possible for a very large percentage of our governmental employees to be veterans.

Representatives of the veterans, conscious as they are of national security, know, I believe, a little better than some Senators, what is important in Public Law 733. Veterans do not mind being put under the security check. They do not mind being subjected to Public Law 733, which provides that they have the one right which every American ought to be entitled to—certainly a veteran of the United States—namely, the right of appeal and hearing before he is summarily discharged, even if such termination is considered necessary or desirable in the interests of the United States.

Mr. FERGUSON. Mr. President, will the Senator from Oklahoma yield?

Mr. MONRONEY. I yield to my distinguished colleague from Michigan.

Mr. FERGUSON. Does the Senator know of any complaints from the veterans that under the law now on the books, which was enacted by a Democratic Congress, the administration of which has been in the hands of Republicans only since January 20 of this year, any veteran has been discharged in a case in which the discharge was not in the interest of the United States? If we should continue this provision for another year, what reason is there to expect that there would be discharges not in the interest of the United States? The present law with respect to both the Commerce Department and the State Department extends until June 30.

Mr. MONRONEY. The Senator is using a very peculiar argument when he argues that, because the veterans have been safe for the past 7 years under a Democratic Secretary of State, it necessarily follows, with all the advertised changes which were the cornerstone of the Republican Party's campaign, that the same veterans would be safe under the new Secretary of State. Certainly what has happened during the first 100 days of the present administration is not of a character to inspire the enthusiasm and confidence of the veterans that they will be undisturbed if they simply do a good job.

Mr. LEHMAN rose.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. MONRONEY. I promised to yield first to my distinguished colleague, the junior Senator from New York.

Mr. LEHMAN. Mr. President, I am very grateful to the Senator from Oklahoma for having read the letter from the American Legion, which was addressed to me.

I ask the Senator from Oklahoma whether or not I am correct in my interpretation of this section, that when one of the Secretaries, in his absolute discretion—and it would be absolute discretion—decides to discharge an employee from his department, the Secretary is not required to make any accounting or report, or to give any justification to anyone, including the President of the United States. He acts entirely within his own discretion. Is not that correct?

Mr. MONRONEY. As I understand the proposed riders, if they were applied as I believe the power proposed to be granted would allow them to be applied, there would be no way to prevent any number of discharges being made, even running into the tens of thousands, without any public record being provided as to who was discharged, or for what cause, or in which one of the three departments. The door would be wide open to violation of the Veterans' Preference Act.

Mr. LEHMAN. Mr. President, will the Senator further yield?

Mr. MONRONEY. I yield.

Mr. LEHMAN. As a veteran, I am deeply interested in the welfare of the veterans. I certainly have cooperated with them as fully as I could during the many years I have been in the public service.

However, I am also very deeply interested in civil servants generally, whether they be veterans or nonveterans. I know from my experience as governor of a great State for 10 years how important it is to safeguard the interests and protect the rights of the men and women in the civil service who have given loyally of their time and effort, usually at low pay, in the service of their State or country. So I have always felt that instead of weakening the civil service, whether it be in the Federal Government, the State government, or the municipal government, those at the head of government in the executive departments should use every possible means to strengthen and safeguard the rights of civil servants.

Mr. MONRONEY. Insurance of tenure is one of the reasons why Government positions may be low paid. There are compensating factors, one of which is the assurance that a civil servant will not be subject to discharge at the whim of some department head.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield to my distinguished colleague from Arkansas.

Mr. McCLELLAN. I am very much interested in this discussion, and particularly in the question of the discretionary power proposed to be conferred.

I am just as much in sympathy with and I have just as deep interest in the veterans and all employees of the Government as any other Senator, but some of the arguments I have heard made on the floor of the Senate this afternoon sound rather strange to me. It is proposed to give power to the head of a department to dismiss one or more employees if he chooses to do so. I have heard many arguments made on that point. Yet, last week we gave power to the Secretary of another department to reorganize completely his Department, in his discretion, and not even give notice of the reorganization, unless he deems it practical to do so. We gave him power to reorganize and disorganize the lives of hundreds of people, and to dismiss them. Now, we are talking about a little power to discharge someone that does not suit the top man. I want to see an amendment offered to protect the veterans.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. MORSE. Mr. President, will the Senator yield, with the understanding that I may make a brief statement?

Mr. MONRONEY. The Senator from Oklahoma intends to yield the floor.

I yield the floor.

Mr. KNOWLAND. It is my intention to move to recess the Senate until tomorrow.

Mr. JOHNSON of Texas. Mr. President, while I was out of the Chamber this afternoon two committee amendments were passed over. They are on page 11. If I may have the attention of the distinguished chairman of the Committee on Appropriations, I should like to ask unanimous consent that the Senate return to the consideration of the amendments.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Texas? The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 11, line 5, it is proposed to strike out "$6,600,000" and to insert in lieu thereof "$5,100,000."

Mr. JOHNSON of Texas. I am also interested in the amendment at line 17. I ask that it too be stated and that the two amendments be considered en bloc.

The ACTING PRESIDENT pro tempore. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 11, at the end of line 17, it is proposed to insert *"Provided further,* That $1,500,000 of the amount previously appropriated for the Anzalduas Diversion Dam is hereby transferred, to be available until expended, to the construction account of the Falcon Dam project and related works."

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

Mr. MORSE. Mr. President, I see no reason why these amendments should not go over until tomorrow. Many of our colleagues have absented themselves from the Chamber. I do not know whether they are opposed to the amendments, but I believe the amendments should go over until tomorrow, and I respectfully make that request.

Mr. JOHNSON of Texas. If the Senator from Oregon has objection to their present consideration, of course, I shall not press my request. However, the committee was laboring under a misapprehension which has been cleared up since the committee took action on these amendments.

When the amendments were passed over the Senator from Texas was not available on the floor. If any Member of the Senate has an interest in the amendments and feels he would like to take a contrary position, very well. However, as I understand, the Senator from New Hampshire [Mr. BRIDGES] is now of the opinion that the committee amendments referred to should be rejected.

Mr. MORSE. Mr. President, I have no objection, but I do not know whether any of the Senators who are not now present on the floor have any objection to the procedure requested by the Senator from Texas. Many of our colleagues have left the floor with the understanding that the Senate was about to recess, and to them it is only fair that consideration of the amendments go over until tomorrow, or that we have a quorum call, so they will know that business is to be transacted.

Mr. JOHNSON of Texas. I have no objection to a quorum call. Other speeches will be made this evening anyway. However, the leadership has given no assurance that no votes will be had today. There are many Senators on the floor at the present time. If I could do so I should like to explain how the situation in connection with these amendments arose.

The sum of $1,500,000 was appropriated by Congress last year for the Construction of the Anzalduas Dam on the Rio Grande. That dam is to be built jointly by the United States and Mexico. A condition in making the appropriation was that the local interests would provide the right-of-way. Three counties are involved. The first county had an election on the question of voting the bonds to provide the right-of-way. That election carried about 10 to 1. The second county failed to secure the necessary two-thirds vote authorizing the issuance of the necessary bonds. The third county has an election scheduled for the 10th of June. The county that failed to vote by a two-thirds majority has applied to the commissioners court, and the commissioners court is authorizing an election to be held during the month of June.

The Committee on Appropriations, by its amendment, would divert to another project the money which has been appropriated for this project, of which Mexico would pay half, because it thought the local interests had refused to provide the right-of-way.

We have asked the committee to leave the measure as it came from the House, because during the month of June it will be determined whether the conditions attached to the appropriation will be met. If they are met, the money will be available, and the State Department and the Government of Mexico can proceed. If they are not met, we will have the entire month of July, and whatever other time we are here, to divert the funds to another project.

Mr. BRIDGES. Mr. President, I think the Senator from Texas has stated essentially the facts involved in the case. At the time the committee acted, it appeared, so far as the committee knew,

that nothing would be done. No movement was made by one of the participating counties to go forward. Therefore, we felt the money should revert to the use of the Government. However, since the committee has acted, this particular county has provided for a new election to pass on the question. Should it pass favorably on the question, the funds should be available with which to keep the Federal part of the agreement. If the county should reject the proposal, I would like to see it in a supplemental appropriation bill, if we have one, or put in another appropriation bill, provision made to rescind the money.

I feel that what the Senator from Texas [Mr. JOHNSON] has stated is a correct statement of the facts. The money should remain available to keep our part of the agreement, the county having decided to have a new election.

Mr. JOHNSON of Texas. If the bonds are voted and the local interests provide the right of way, and if we adopt the committee amendment, we would have to proceed de novo. Since the elections are scheduled for June, if we do not adopt the amendment, we will have ample opportunity to pass on the question. I hope the amendments will be rejected en bloc.

The ACTING PRESIDENT pro tempore. What is the desire of the committee?

Mr. BRIDGES. Of course, I have no authorization to speak for the committee, but I should think that the members of the committee, as reasonable men and able Senators, having a new set of facts presented to them, would probably concur in the withdrawal of the amendments. Therefore I have no objection to their being withdrawn, and to our meeting the issue at another time, if the county involved fails to act.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendments en bloc. A negative vote would eliminate the committee amendments.

Mr. MORSE. Mr. President, I think the explanation of the Senator from Texas is satisfactory. I wish to say to my friend from New Hampshire, the chairman of the Committee on Appropriations, that I will now count on him to follow through on this particular provision, and should the Texas officials fail to pass the bond issue the Senator from New Hampshire will see to it that a rescission is presented to the Senate for action.

Mr. BRIDGES. I assure the Senator from Oregon that that will be done.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendments en bloc.

The amendments were rejected.

ORDER FOR RECESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that when the Senate concludes its business today it take a recess until tomorrow at 12 o'clock noon.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, for the information of the Senate, I will state that no further votes will be taken this evening. I assume that some insertions will be made in the RECORD, and other routine business will be transacted.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Hawks, one of his secretaries.

ADDITIONAL EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate additional messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

USE OF INSCRIPTION "IN GOD WE TRUST" ON POSTAGE STAMPS—RESOLUTION OF HALLOCK AERIE, 2617, FRATERNAL ORDER OF EAGLES, HALLOCK, MINN.

Mr. HUMPHREY. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution which I have received from the Hallock Aerie, No. 2617, Fraternal Order of Eagles, Hallock, Minn., adopted at their regular meeting on May 12, 1953, relating to the use of the inscription "In God We Trust" on postage stamps.

There being no objection, the resolution was referred to the Committee on Post Office and Civil Service, and ordered to be printed in the RECORD, as follows:

HALLOCK AERIE, NO. 2617,
FRATERNAL ORDER OF EAGLES,
Hallock, Minn., May 16, 1953.

HON. HUBERT HUMPHREY,
United States Senate,
Washington, D. C.

DEAR SENATOR HUMPHREY: Members of Hallock Aerie, No. 2617, of the Fraternal Order of Eagles, adopted the following resolution at their regular meeting on May 12. We would appreciate any support that you may be able to give to bill S. 1482. The resolution is self-explanatory:

"Whereas our postage stamps do not bear the inscription 'In God We Trust,' while our coinage does; and

"Whereas our postage stamps reach into millions of foreign homes and offices in which our coinage is never seen; and

"Whereas postage stamps, on which the inscription 'In God We Trust' will be printed, can be an effective means of describing the fundamentally spiritual nature of this country to all nations of the world; and

"Whereas in our current struggle against the irreligious philosophy of communism, it is important that we pray to God for help; and

"Whereas many foreign nations do not consider Americans basically religious; and

"Whereas such postage stamps would serve to remind our own people of their debt to God; and

"Whereas Hon. MIKE MANSFIELD, United States Senator from Montana, who is a member of the Fraternal Order of Eagles, has introduced a bill into the Senate instructing the Post Office Department to place the inscription 'In God We Trust' on all of our postage stamps: Now, therefore, be it

"*Resolved*, That the officers and members of Hallock Aerie No. 2617 of the Fraternal Order of Eagles in Hallock, Minn., hereby express their endorsement of this legislation with the recommendation that it be given speedy attention and prompt passage; and be it further

"*Resolved*, That the officers and members of Hallock Aerie No. 2617 of the Fraternal Order of Eagles invite other civic, religious, patriotic, and fraternal organizations to join with them in the support of this project."

With best wishes,

Sincerely yours,

WALTER PETERSON,
Worthy President.
LYNN H. LUCAS,
Secretary.

PROPOSED REDUCTIONS IN APPROPRIATIONS FOR VETERANS' ADMINISTRATION—RESOLUTIONS

Mr. HUMPHREY. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a number of resolutions adopted by various posts and auxiliaries of the Veterans of Foreign Wars, protesting proposed reductions in appropriations for the Veterans' Administration.

There being no objection, the resolutions were referred to the Committee on Appropriations, and ordered to be printed in the RECORD, as follows:

RESOLUTION UNANIMOUSLY ADOPTED BY MESABA RANGE POST, NO. 1172, VETERANS OF FOREIGN WARS, OF EVELETH, MINN., AT ITS REGULAR MEETING, MAY 18, 1953

"Whereas great hosts of veterans suffering from tuberculosis, mental disturbances, and chronic diseases yet unable to secure treatment because of lack of beds; and

"Whereas a new economy drive is endangering our VA hospital and medical program for disabled veterans: Therefore be it

"*Resolved*, That this post protests the action led by Representative JOHN PHILLIPS, of California, toward this new economy drive; and be it further

"*Resolved*, That efforts should be made by Congress to appropriate sufficient funds for VA to reopen all hospital beds closed in fiscal 1953 and to keep all available VA hospital beds in operation throughout fiscal 1954; and be it finally

"*Resolved*, That this resolution be sent to the honorable Senators HUBERT HUMPHREY and EDWARD J. THYE, and Representative JOHN A. BLATNIK."

Passed May 18, 1953.

The foregoing resolution was offered by Tony Malevich, and supported by Ray Bastianelli, and was carried unanimously.

ROY VITO, *Commander.*

Attested:

RONALD J. ANDERSON,
Adjutant.

VETERANS OF FOREIGN WARS,
OF THE UNITED STATES,
FRANK J. KALIS POST, NO. 1778,
Wells, Minn., May 16, 1953.

HON. HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.

DEAR SIR: It has come to our attention that the present administration is considering a reduction in the funds allotted to the Veterans' Administration for the purpose of maintaining its hospitals.

Enclosed is a resolution, which expresses the feeling of this post on the matter. We would appreciate your doing your utmost to see that the reduction in funds is not made.

Yours very truly,

NICHOLAS STENZEL,
Commander.

"RESOLUTION

"Whereas the Congress of the United States of America has under consideration a bill calling for a reduction in funds to be appropriated for the Veterans' Administration for the operation of hospitals for the treatment of the veterans of the wars of the United States; and

"Whereas the reduction in the appropriation would make it impossible for many veterans in need of hospitalization to secure same; and

"Whereas Frank J. Kalis Post, No. 1778, Wells, Minn., considers this reduction to be in the nature of false economy and not in the best interests of the veterans of the wars of the United States or of the people of the United States in general: Be it

"*Resolved*, That Frank J. Kalis Post, No. 1778, of the Veterans of Foreign Wars of the United States, Wells, Minn., calls upon the Congress of the United States to appropriate sufficient funds to enable the Veterans' Administration to reopen all hospital beds closed during the fiscal year of 1953 and to keep all available Veterans' Administration hospital beds in operation throughout the year 1954.

"Done this 18th day of May 1953.

"NICHOLAS STENZEL,
"Post Commander.
"ROBERT F. STENZEL,
"Post Adjutant."

RESOLUTION OF LADIES AUXILIARY TO CHARLES MCLAUGHLIN POST, NO. 906, VETERANS OF FOREIGN WARS OF THE UNITED STATES, HUTCHINSON, MINN., MAY 15, 1953

Whereas our Veterans' Administration hospital and medical program for disabled veterans is in serious danger due to the special slashing of VA appropriations for the fiscal year 1954, which starts July 1, 1953; and

Whereas this will force the closing of additional thousands of hospital beds and seriously aggravate a situation which even today finds great hosts of veterans suffering from tuberculosis, mental disturbances, and chronic diseases, and unable to secure treatment because of lack of beds; and

Whereas we wish to join our national organization in a determination to fight this false economy; and

Whereas the new VA budget will be under consideration before May 25, we feel that it is necessary to act promptly and in this manner: Now, therefore, be it

Resolved by the members of the Ladies Auxiliary to Charles McLaughlin Post, No. 906, Veterans of Foreign Wars, convened in special meeting May 15, 1953, That our Congressmen be mailed this copy, asking them to call upon Congress, in their respective Houses, to appropriate sufficient funds for the VA to reopen all hospital beds closed in fiscal 1953 and to keep all available VA hospital beds in operation throughout 1954.

Approved by unanimous vote of membership assembled in special meeting May 15, 1953.

DOROTHY KLAWITTER, *President.*
HELGA R. NIELSEN, *Secretary.*

RESOLUTION OF ST. PAUL POST, NO. 4160, VETERANS OF FOREIGN WARS OF THE UNITED STATES, ST. PAUL, MINN.

Whereas it has come to the attention of the officers and members of the St. Paul Post, No. 4160, Veterans of Foreign Wars of the United States, that a bill is now pending before Congress to substantially reduce the VA appropriations for fiscal 1954, which will start July 1, 1953: Be it

Resolved, That the officers and members of St. Paul Post, No. 4160, VFW, at a regular meeting held May 12, 1953, unanimously went on record as opposing any decrease in appropriations that would decrease the number of beds available in our veterans' hospitals throughout the Nation. It has also come to our attention that many cases now needing hospital care are unable to get it because of the hospitals not having ample facilities.

We hereby respectfully request that you do everything in your power to see that this bill does not pass.

Adopted May 12, 1953.

JAMES M. BARRETT,
Post Commander.
ELMER E. CHESTER,
Post Adjutant.

MAY 15, 1953.

Senator HUBERT HUMPHREY,
United States Senate,
Washington, D. C.

Hon. Senator HUMPHREY: We are enclosing a resolution which we sincerely hope you will give your utmost consideration.

Our post has 72 members and our auxiliary has 26 members. They unanimously passed the attached resolution. If possible, we would like to hear from you on this subject.

If you are ever in Randall, we would like very much to have you stop at our clubrooms and pay us a visit.

Sincerely,

HUREL KAZEK.
NELLIE MUNSON.

"RESOLUTION OF CURTIS OLSON POST, NO. 9073, VETERANS OF FOREIGN WARS OF THE UNITED STATES, RANDALL, MINN., MAY 15, 1953

"Whereas there are many veterans of World War I and World War II in need of hospitalization and medical care; and

"Whereas the Korean war has increased and aggravated the existing situation and shall continue to do so; and

"Whereas there is a false economy drive being led by Representative JOHN PHILLIPS of California that will force the closing of Veterans' Administration hospitals and the urgently needed and necessary Veterans' Administration hospitalization facilities; and

"Whereas such expenditures are necessary to care for the men and women who served their country well and faithfully: Now, therefore let it be

"*Resolved*, That Curtis Olson Post, No. 9073 of the Veterans of Foreign Wars, and the Curtis Olson Post, No. 9073, Ladies Auxiliary, Randall, Minn., be on record as unanimously calling upon the Congress of the United States to appropriate sufficient funds for the Veterans' Administration to reopen all hospital beds closed in the fiscal year 1953 and to keep all available Veterans' Administration hospital beds in operation throughout the fiscal year 1954 and oppose the false economy drive led by the abovenamed Representative to hurt the cause of the American veteran.

"Passed in joint session of May 15, 1953, by unanimous vote of all members present.

"HUREL KAZEK,
"Commander.
"PAUL CHANDLER,
"Adjutant.
"NELLIE MUNSON,
"President, Ladies Auxiliary.
"FLORENCE SUTTON,
"Secretary, Ladies Auxiliary."

VETERANS OF FOREIGN WARS OF THE UNITED STATES,
ARTHUR O. HAUKLAND POST, NO. 1350,
North St. Paul, Minn., May 16, 1953.

The Honorable HUBERT HUMPHREY,
United States Senate,
Washington, D. C.

DEAR SENATOR HUMPHREY: The members of Arthur O. Haukland Post, No. 1350, Veterans of Foreign Wars of North St. Paul, Minn., voted unanimously at our meeting of May 13 to present the attached resolution to our representatives in the Congress of the United States.

We urge you to do everything in your power to fight any cuts in Veteran's Administration funds which might result in curtailing any services to which our wounded veterans are honestly entitled.

Very truly yours,

HENRY W. BERG, *Commander.*
EMIL J. LABORELLE, *Adjutant.*

"Whereas the number of disabled veterans is increasing, not decreasing, as a result of the Korean police action; and

"Whereas the Veteran's Administration hospital facilities are already overburdened as a result of previous budget cuts; and

"Whereas a shortage of Veteran's Administration hospital attendants is reducing the personal attention required by many of our hospitalized veterans; and

"Whereas it is the obligation of the Government to care for the wounded and disabled veterans of all wars: Now, therefore, be it

"*Resolved*, That we, the members of Arthur O. Haukland Post, No. 1350, Veterans of Foreign Wars of North St. Paul, Minn., strongly protest the economy drive led by Representative John Phillips of California insofar as it concerns cuts in the Veteran's Administration appropriations for the hospital and medical program for wounded and disabled veterans."

RESOLUTION ADOPTED AT A SPECIAL MEETING OF LYLE RUSSELL POST, NO. 1210, VETERANS OF FOREIGN WARS, HASTINGS, MINN., ON MAY 12, 1953

Whereas certain Members of the Congress of the United States have and are advocating drastic reductions in the amount of money to be appropriated to the Veterans' Administration for use in the operation of VA hospitals; and

Whereas many veterans are at the present time, though in dire need, unable to procure treatment through VA hospitals for chronic diseases, tuberculosis and mental disorders because of lack of beds; and

Whereas veterans who have given freely of their time, their personal liberty and in many cases their health and physical well-being in the military service of the United States of America are entitled to the abovementioned medical care at the expense of the Federal Government: Now, therefore, be it

Resolved, That Lyle Russell Post, No. 1210, Veterans of Foreign Wars, Hastings, Minn., and its members, do everything possible to procure a careful appraisal of the needs of the VA hospital system when the matter is considered in connection with appropriations by the Congress of the United States; and be it further

Resolved by the members of Lyle Russell Post, No. 1210, Veterans of Foreign Wars, Hastings, Minn., That the Congress of the United States be charged with the duty of appropriating sufficient funds to the Veterans' Administration to allow them to reopen all hospital beds closed in fiscal 1953 and to keep all available hospital facilities in operation during fiscal 1954.

WILLIAM M. NIEDERKORN,
Post Commander.
VICTOR A. KIEFFER,
Post Adjutant.

VETERANS OF FOREIGN WARS,
GEORGE R. WOLFF POST, NO. 425,
Hopkins, Minn., May 12, 1953.

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HUMPHREY: At our last regular meeting May 7, we the members of George R. Wolff Post, No. 425, VFW, of Hopkins, Minn., adopted a resolution to oppose this new economy drive led by Representative JOHN PHILLIPS, of California, to cut funds from the VA that are to be used to hospitalize our host of veterans suffering from tuberculosis, mental disturbances, and chronic diseases.

If this economy drive goes through it would be a big blow to our disabled veterans.

United action is needed.

Your wholehearted support will be very much appreciated.

"RESOLUTION

"Whereas Congress appropriate sufficient funds for VA to reopen all hospital beds closed in fiscal 1953, and keep all available VA hospital beds in operation throughout fiscal 1954: Now, therefore, be it

"*Resolved*, That George R. Wolff Post, No. 425, Veterans of Foreign Wars, of Hopkins, Minn., deplores the action of Congress to act on it, and that we give our wholehearted support to said Congressmen."

Sincerely,

MELVIN J. WERNESS,
Commander.

DONALD J. CONNER,
Adjutant.

RESOLUTION OF OLAF B. DAMM AUXILIARY TO POST NO. 1216, VETERANS OF FOREIGN WARS OF THE UNITED STATES, AUSTIN, MINN., MAY 13, 1953

Whereas the Constitution of the United States guarantees certain freedom and protection to all citizens of the United States and those living under the protection of the Constitution, and in return for such guaranties requires all male citizens to bear arms in defense of the United States if need be; and

Whereas by reason of past congressional action or legislation of the Congress of the United States has admitted definite obligations to those bearing arms in defense of this country; and

Whereas the Congress of the United States has decided that the safety of our country requires a continuation of calling of men to the colors, the great majority of whom are young men who have had no opportunity to secure any financial security; and

Whereas the present Veterans Administration statistics prove that 90 percent of patients in veterans' hospital are either veterans suffering from a service-connected disability or veterans suffering from long-term chronic ailments, far beyond the financial ability of such veterans to pay for such treatment: Now, therefore, be it

Resolved by the Ladies Auxiliary to Olaf B. Damm, Post No. 1216, Veterans of Foreign Wars of the United States, Austin, Minn., in regular meeting assembled this 13th day of May 1953, That we respectfully petition the Minnesota Senators and Representative of the First Minnesota Congressional District to use their utmost influence to curtail and vote against any attempted congressional action which would reduce Veterans' Administration appropriations and deprive any needy and deserving veterans of treatment and hospitalization at a Veterans' Administration hospital or facility; be it further

Resolved, That a copy of this resolution be spread upon the minutes of this meeting and copies be forwarded to the Honorable EDWARD J. THYE, the Honorable HUBERT H. HUMPHREY, and the Honorable AUGUST H. ANDRESEN.

IRENE PAULSON,
President.

LEONE COLE,
Secretary.

VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
ARTHUR BERNARD JOHNSON POST NO. 1112,
Little Falls, Minn., May 12, 1953.

Senator HUBERT HUMPHREY,
United States Senate,
Washington, D. C.

Hon. Senator HUMPHREY: We are enclosing a resolution which we sincerely hope you will give your utmost consideration.

Our Post has 452 members and our auxiliary has 98 members. They unanimously passed the attached resolution. If possible, we would like to hear from you on this subject.

If you are ever in Little Falls, we would like very much to have you stop at our clubrooms and pay us a visit.

Sincerely,

STANLEY MROZIK,
Commander.

MADGE MCGUIRE,
President, Ladies Auxiliary.

"Whereas there are many veterans of World War I and World War II in need of hospitalization and medical care; and

"Whereas the Korean war has increased and aggravated the existing situation and shall continue to do so; and

"Whereas there is a false economy drive being led by Representative JOHN PHILLIPS, of California, that will force the closing of Veterans' Administration hospitals and the urgently needed and necessary Veterans' Administration hospitalization facilities; and

"Whereas such expenditures are necessary to care for the men and women who served their country well and faithfully: Now, therefore, let it be

"*Resolved*, That Arthur Bernard Johnson Post, No. 1112, of the Veterans of Foreign Wars, and the Arthur Bernard Johnson Post, No. 1112, Ladies' Auxiliary, Little Falls, Minn., be on record as unanimously calling upon the Congress of the United States to appropriate sufficient funds for the Veterans' Administration to reopen all hospital beds closed in the fiscal year 1953 and to keep all available Veterans' Administration hospital beds in operation throughout the fiscal year 1954, and oppose the false-economy drive led by the above-named Representative to hurt the cause of the American veteran.

"Passed in joint session of May 12, 1953, by unanimous vote of all members present.

"STANLEY MROZIK,
"Commander.

"LAMBERT LARSON,
"Adjutant.

"MADGE MCGUIRE,
"President, Ladies' Auxiliary.

"DOROTHY LARSON,
"Secretary, Ladies' Auxiliary."

VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
NEVILLE-LIEN POST, NO. 1287,
Winona, Minn., May 14, 1953.

Hon. HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.

DEAR SENATOR: Will you please find enclosed a resolution passed at our May 13, 1953, regular meeting unanimously to combat action of certain Congressmen to cut the VA appropriations in the fiscal year 1954.

Any action you can do for your veteran constituents will be greatly appreciated by Neville-Lien Post, No. 1287, and having heard your speech at the Winona Athletic Club on May 12, 1953, we know you won't let us down. Thanking you in advance for the interest we know you will give us on this matter, and for your many favors in the past, I remain,

Yours very respectfully,

LAURIS G. PETERSEN,
Adjutant.

"Whereas action is being taken by certain Members of the Congress of the United States to slice millions of dollars from Veterans' Administration appropriations for the fiscal year 1954; and

"Whereas a reduction of appropriations would force the closing of thousands of hospital beds and seriously aggravate a situation which even today finds great hosts of veterans suffering from tuberculosis, mental disturbances, and chronic diseases yet unable to secure treatment for lack of beds: Be it hereby

"*Resolved*, That the Neville-Lien Post, No. 1287, of Winona, Minn., demands the Congress of the United States appropriate sufficient funds for the Veterans' Administration to reopen all hospital beds closed in the fiscal year 1953, and to keep all available Veterans' Administration hospital beds in operation throughout the fiscal year 1954; and be it further

"*Resolved*, That a copy of this resolution be sent to Hon. AUGUST H. ANDRESEN, House of Representatives; Senator EDWARD J. THYE; and Senator HUBERT H. HUMPHREY.

"Dated at Winona, Minn., this 14th day of May 1953.

"GERALD F. VAN PELT,
"Commander."

RESOLUTION OF MONGEAU-THOLEN POST, NO. 742, VETERANS OF FOREIGN WARS OF THE UNITED STATES, MARSHALL, MINN.

"Whereas it has come to the attention of this post that there is a movement on foot in the Congress of the United States whereby large sums of money would be cut from the appropriations to the Veterans' Administration; and

"Whereas curtailment of funds for use of the Veterans' Administration would deprive veterans of beds in hospitals and would deprive hospitalization to veterans suffering from chronic ailments of various kinds; and

"Whereas one of the chief objectives of the Veterans of Foreign Wars has always been the care of sick and disabled veterans, their dependents and widows: Be it

"*Resolved*, That this post go on record as being opposed to lowering the amount of appropriation for use of the Veterans' Administration during the coming fiscal year, and that all available hospital beds be kept for use of veterans; and be it further

"*Resolved*, That copies of this resolution be sent to Senators THYE and HUMPHREY and to Representative H. CARL ANDERSEN."

I hereby certify that the above resolution was duly voted upon and passed at a special meeting of Mongeau-Tholen Post, No. 742, held at Marshall, Minn., on May 11, 1953.

A. S. LE BEAU,
Adjutant.

RESOLUTION OF LADIES' AUXILIARY TO GRANT COUNTY POST, NO. 1208, VETERANS OF FOREIGN WARS OF THE UNITED STATES, ELBOW LAKE, MINN., MAY 12, 1953

Whereas our VA hospital and medical program for disabled veterans is in danger if so-called economy drive succeeds; and

Whereas veterans in this area suffering from tuberculosis and mental diseases are now being taken care of by State hospitals due to lack of funds by VA; and

Whereas, due to lack of funds, veterans are put on long waiting lists for dental and outpatient treatment; and

Whereas area hospital located at Fargo, N. Dak., with a 400-bed capacity, is operating at about 25 percent due to lack of funds; and

Whereas 16,000 beds more are needed, and Congress refuses to appropriate funds for what we now have: Therefore be it

Resolved, That we, the Ladies' Auxiliary to Grant County Post, No. 1208, VFW, of Elbow Lake, Minn., in our regular meeting this Tuesday, May 12, 1953, unanimously call upon your office for your aid, as our representative, in support of additional funds for VA sufficient to meet the need at this time.

ROSE ANDERSON,
President.

RUBY GREELEY,
Secretary.

VETERANS OF FOREIGN
WARS OF THE UNITED STATES,
RED RIVER VALLEY POST, NO. 3817,
East Grand Forks, Minn., May 15, 1953.

Hon. HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.

DEAR SENATOR HUMPHREY: At a regular meeting of the Veterans of Foreign Wars, Red River Valley Post, No. 3817, held May 12, 1953 in their meeting rooms in East Grand

Forks, Minn., the following resolution was passed:

"Whereas many of our Veterans served their country at great cost to themselves mentally, physically, and financially; and

"Whereas many of these veterans are financially unable to pay for the medical attention they badly need at this time; and

"Whereas the present hospital and medical facilities available to them are definitely inadequate: Therefore be it

"*Resolved*, That the Congress of the United States should as soon as possible appropriate sufficient funds for the Veterans' Administration to reopen all hospital beds closed in the fiscal year of 1953 and to keep all available Veterans' Administration hospital beds in operation through the fiscal year of 1954 and thereafter; and to appropriate funds for further treatment of dental care that is very inadequate at this time. There are waiting lists that are behind schedule as much as a year."

Respectfully submitted.

BALLARD FAHEY,
Commander.
NORMAN S. JOHNSON,
Adjutant.

VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
Hinckley, Minn., May 14, 1953.

Senator HUBERT H. HUMPHREY,
Washington, D. C.

DEAR SENATOR: We of the John and George Wallick Post, No. 4118, Veterans of Foreign Wars, Hinckley, Minn., adopt the following resolution:

"*Be it resolved*, That the Congress appropriate sufficient funds for the Veterans' Administration, reopen all hospital beds closed in fiscal 1953 and to keep all available VA hospital beds in operation throughout fiscal 1954."

We will appreciate your fullest cooperation in this matter.

Thanking you, we are,

Respectfully yours,

RALPH ROHWEDEN,
Commander.
RAY PROCHASKA,
Adjutant.

Whereas Public Law 242, 68th Congress, as amended by Public Law 448, 69th Congress and Public Law 427, 82d Congress, has established a minimal rating of $67 per month for a veteran suffering from a service-connected tuberculous condition, which condition has, in the judgment of the Administrator of Veterans' Affairs, reached the state of complete arrest; and

Whereas R. and P. R. 1132 and 1135, as issued by the Veterans' Administration, makes allowance for the payment of not less than $67 per month to a veteran with arrested tuberculosis; and

Whereas a great many veterans who have suffered from a pulmonary tubercular disease have had, through the action of the disease or by reason of surgical intervention, some portion of their anatomy removed or destroyed; and

Whereas the residual disability from such loss of anatomy is most frequently of such severity to be granted compensation; and

Whereas the Veterans' Administration in drawing up its 1945 rating schedule, has indicated, on page 76 of such rating schedule, a directive that the 50 percent, 30 percent, and 20 percent ratings for arrested or inactive pulmonary tuberculosis are not to be combined with ratings of other respiratory disabilities; and

Whereas the Veterans' Administration has applied this criteria in the awarding of the $67 per month statutory award so as to prevent a veteran, so entitled, from receiving his disability compensation in addition to the statutory award; and

Whereas statutory awards for other types of disability such as amputation, are added to the percentage disability rating set out by the rating schedule; and

Whereas it is apparent that many veterans who have suffered losses of anatomy, particularly portions of or all of their lungs, due to either pulmonary tuberculosis or surgical intervention, are considerably more disabled than a veteran who has suffered from a minimal tuberculosis condition; and

Whereas under the present rating schedule and the directives of the Veterans' Administration, the minimum monthly compensation for a veteran who has lost a portion or all of his lungs is no greater than that paid a veteran who has suffered only a minimal tuberculosis attack; and

Whereas this is obviously a drastic case of discrepancy against the more seriously disabled veteran: Now, therefore, be it

Resolved, That the 9th District, Department of Minnesota, Veterans of Foreign Wars of the United States, in the annual department encampment at East Grand Forks, Minn., on May 3, 1953, do hereby request and solicit the National Rehabilitation Service of the Veterans of Foreign Wars to exert every influence in its power to correct the injustice being done to veterans suffering from an arrested tuberculosis and other respiratory conditions; and be it further

Resolved, That the National Rehabilitation Service be directed and authorized to work with the national legislative director in the drawing up of a bill to be presented to the Congress of the United States for passage to correct this discrepancy; and be it further

Resolved, That this resolution be presented to the Annual Encampment of Minnesota to be held in St. Cloud on June 11, 12, and 13, 1953, for its favorable consideration and that copies of this resolution also be forwarded to the Honorable HAROLD HAGEN, Member of the House, of the 9th Congressional District of Minnesota; the Honorable EDWARD THYE, and the Honorable HUBERT HUMPHREY, Members of the Senate of the State of Minnesota.

Yours in comradeship,

A. C. CARLSON,
Commander Ninth District of the V. F. W., Department of Minnesota, Hallock, Minn.

VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
FREEMOND MADSON POST, NO. 447,
Albert Lea, Minn., May 12, 1953.

Senator HUBERT HUMPHREY,
Washington, D. C.

DEAR SIR: It has become apparent that the present Congress is taking away some of our veterans' benefits.

We of Post No. 447, Albert Lea, Minn., have drawn up the following resolution which was adopted by our first district, and will be presented at the State VFW encampment.

"Whereas veterans of all wars have given unselfishly of their efforts on behalf of the United States in time of war; and

"Whereas the Veterans' Administration was enacted by the Congress of the United States to protect and administer the rights and privileges granted to veterans by laws of Congress; and

"Whereas the veterans' hospitals under the direction of the Veterans' Administration has rendered fair, efficient, and liberal hospital services to service-connected and non-service-connected cases alike, to the benefit of all veterans; and

"Whereas certain groups in Congress have expressed themselves as being in favor of greatly reducing the number of non-service-connected cases admitted to veterans' hospitals for medical attention; and

"Whereas more than half of non-service-connected cases admitted for medical care in vets' hospitals have incomes of less than $1,000 per year: Therefore be it

"*Resolved by Freemond Madson Post, No. 447, in regular meeting assembled*, That we oppose any reduction in appropriations for veterans' hospitals below those made in the last Congress; and be it further

"*Resolved*, That we desire to have the present liberal policy so far as non-service-connected cases are concerned to be continued as heretofore; and be it finally

"*Resolved*, That we urge Congress to make such additional appropriations as are necessary to handle further needs, and that copies of this resolution be sent to Senators and Representatives in Congress from this State and the Committees on Veterans' Affairs in Congress."

RAYMOND SCHULTZ,
Post Commander.
HAROLD SCHREIBER,
Post Adjutant.

WACONIA POST, NO. 5462,
VETERANS OF FOREIGN WARS,
Waconia, Minn., May 13, 1953.

Hon. HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.

SIR: We, the undersigned, being the duly elected commander and adjutant of the Waconia VFW Post, do hereby certify that the following resolution was adopted unanimously by our post at a special meeting held on May 13, 1953:

"Whereas there is currently being led an economy drive by a certain Representative JOHN PHILLIPS, of California; and

"Whereas this economy drive proposes the cutting of veterans' appropriations; and

"Whereas such a cut would force the closing of additional thousands of hospital beds; and

"Whereas many veterans even now are unable to secure treatment because of a lack of beds: Now, therefore, be it

"*Resolved by the Waconia Post, No. 5462, Veterans of Foreign Wars of the United States*, That such legislation, which proposes economy at the expense of the veteran, is not worthy of support; and be it further

"*Resolved*, That we call upon you to, and all of our Representatives in Washington to, support the appropriation of sufficient funds to enable the VA to reopen all hospital beds closed in fiscal 1953 and to keep available VA hospital beds in operation throughout fiscal 1954.

WARREN GONGOLL,
Commander.
FRANK SCHELITZCKE,
Adjutant.

ARMENIAN INDEPENDENCE DAY—STATEMENT BY SENATOR HUMPHREY

Mr. HUMPHREY. Mr. President, I ask unanimous consent that a statement I prepared for insertion in the RECORD on Armenian Independence Day, which fell on May 28, be printed in the body of the RECORD.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUBERT H. HUMPHREY ON ARMENIAN INDEPENDENCE DAY

In contrast to our joyous July 4, the celebration of Armenian Independence Day is an occasion for sober reflection and rededication to the goal of ultimate liberation of the Armenian people. Like for many other people in the Soviet sphere, freedom for the people of Armenia is a goal still to be attained.

History records that the sorrowful period of oppression of the Armenian people long preceded the advent of the Soviets. For centuries, their freedom to live as they please in their home country has been restricted

or even denied to them. Throughout this time, proudly withstanding the efforts of their persecutors, the Armenian people have clung to their Christian religion, their culture, and their traditions. But the price they paid was high. Because they wished to retain their religious and national identity many of them were brutally murdered. As a result of the cruel massacres in the Ottoman Empire, in which hundreds of thousands were slain, they became the first victims of genocide in modern times.

The first ray of hope in centuries came for the Armenian people shortly before the end of World War I when a free and independent Armenia became a reality. On May 28, 1918, Armenia proclaimed its independence. As Americans we can proudly say that our own President Wilson took an active interest in the strengthening of the new Armenian state.

Unfortunately Armenia's independence was short lived. Attacked by both Soviet Russia and the Ottoman Empire and without assistance from abroad, Armenia succumbed in 1920 to the international law of the jungle.

Throughout the long period of oppression, which continues to this very day, many Armenians have left their home country, and, through their ability and industriousness, have enriched many another nation. Our own country has been one of these beneficiaries and we count today many citizens of Armenian descent who have made fine contributions to our development.

As I greet these fellow citizens today, I want to assure you that the great ideals of Woodrow Wilson live on. Self-determination for all peoples, including the people of Armenia must still be our goal. Let us, therefore, rededicate ourselves to the principle of substituting international order for international lawlessness. International law and order will ultimately bring freedom to the long-suffering people of Armenia.

REORGANIZATION PLANS NOS. 7, 8, 9, AND 10—MESSAGES FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate messages from the President of the United States transmitting Reorganization Plans Nos. 7, 8, 9, and 10. The messages and plans have been read in the House. If there is no objection, they will be entered on the record of the Senate without the necessity of reading them, and they will be referred to the appropriate committee, which is the Committee on Government Operations.

REORGANIZATION PLANS NOS. 7 AND 8 OF 1953, RELATING TO REALINEMENT OF FOREIGN ASSISTANCE AND RELATED ECONOMIC OPERATIONS — UNITED STATES INFORMATION AGENCY — MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore laid before the Senate a message from the President of the United States, relating to Reorganization Plans Nos. 7 and 8 of 1953, regarding the realinement of foreign assistance and related economic operations, and the United States Information Agency, which was referred to the Committee on Government Operations.

(For text of message from the President, see pp. 5848–5850 of House proceedings of today.)

REORGANIZATION PLAN NO. 7 OF 1953 RELATING TO FOREIGN AID FUNCTIONS AND AGENCIES—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore laid before the Senate a message from the President of the United States, relating to Reorganization Plan No. 7 of 1953, providing for reorganization of various foreign aid functions and agencies, which, with the accompanying paper, was referred to the Committee on Government Operations.

(For text of message from the President, see pp. 5850–5851 of House proceedings of today.)

REORGANIZATION PLAN NO. 8 OF 1953 RELATING TO FOREIGN INFORMATION FUNCTIONS—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore laid before the Senate a message from the President of the United States, relating to Reorganization Plan No. 8 of 1953, providing for the reorganization of foreign information functions, which, with the accompanying paper, was referred to the Committee on Government Operations.

(For text of message from the President, see pp. 5851–5852 of House proceedings of today.)

REORGANIZATION PLAN NO. 9 OF 1953 RELATING TO COUNCIL OF ECONOMIC ADVISERS IN EXECUTIVE OFFICE OF THE PRESIDENT—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore laid before the Senate a message from the President of the United States, relating to Reorganization Plan No. 9 of 1953, providing reorganizations in the Council of Economic Advisers in the Executive Office of the President, which, with the accompanying paper, was referred to the Committee on Government Operations.

(For text of message from the President, see pp. 5852–5853 of House proceedings of today.)

REORGANIZATION PLAN NO. 10 OF 1953 RELATING TO SEPARATE PAYMENT OF AIRLINE SUBSIDIES—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore laid before the Senate a message from the President of the United States, relating to Reorganization Plan No. 10 of 1953, providing for the separate payment of airline subsidies, which, with the accompanying paper, was referred to the Committee on Government Operations.

(For text of message from the President, see pp. 5853–5854 of House proceedings of today.)

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE APPROPRIATIONS, 1954

The Senate resumed the consideration of the bill (H. R. 4974) making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes.

Mr. CARLSON. Mr. President, earlier this afternoon I offered an amendment as a substitute for a committee amendment.

In order that the RECORD may be complete, and inasmuch as there are two similar amendments to sections 210 and 304, I now offer for the RECORD two amendments as substitutes for those sections.

The ACTING PRESIDENT pro tempore. The amendments will be received, printed, and lie on the table.

Mr. FERGUSON. Mr. President, I give notice in writing of intention to move to suspend the rule in relation to the last two amendments which have just been submitted by the distinguished Senator from Kansas; and I ask that this notice be applicable, as indicated therein, to all three of the amendments, first, as to the Department of State, second, as to the Department of Justice; third, as to the Department of Commerce, in the same way that the last amendment applied to those three Departments.

I also ask unanimous consent that the notice of intention to move to suspend the rule, in the form in which it is submitted, be considered in connection with all three amendments.

Mr. SPARKMAN. Mr. President, reserving the right to object, I should like to ask a question: Where the notice of intention to move to suspend the rule appears in the RECORD, will it show it is applicable to all three of the amendments, and not merely to one of them?

Mr. FERGUSON. Yes; and the title reads as follows——

Mr. SPARKMAN. I am speaking of the way the text of the notice will read, not the way the title of the notice will read.

Mr. FERGUSON. I ask unanimous consent that it so show.

Mr. SPARKMAN. It seems to me that should be done.

The PRESIDING OFFICER. Without objection, it is so ordered.

The notice is as follows:

NOTICE OF MOTION TO SUSPEND THE RULE

Mr. FERGUSON submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4974) making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1953, the following amendments, namely:

On page —, after line 18, insert the following:

"SEC. 14. Notwithstanding the provisions of existing law, the Secretary of State may, in his absolute discretion, during the current fiscal year, terminate the employment of any officer or employee of the Department of State whose position is excepted from the competitive civil service, whenever he shall deem such termination necessary or advisable in the interests of the United States."

On page 28, after line 15, insert the following:

"SEC. —. Notwithstanding the provisions of existing law, the Attorney General may, in his absolute discretion, during the current fiscal year, terminate the employment of any officer or employee of the Department of

Justice whose position is excepted from the competitive civil service, whenever he shall deem such termination necessary or advisable in the interests of the United States."

On page 52, after line 19, insert the following:

"SEC. —. Notwithstanding the provisions of existing law, the Secretary of Commerce may, in his absolute discretion, during the current fiscal year, terminate the employment of any officer or employee of the Department of Commerce whose position is excepted from the competitive civil service, whenever he shall deem such termination necessary or advisable in the interests of the United States."

Mr. KNOWLAND obtained the floor.

Mr. MORSE. Mr. President, will the Senator from California yield to me?

Mr. KNOWLAND. I yield.

Mr. MORSE. My good friend, the Senator from New Hampshire [Mr. BRIDGES], has been very kind in remaining until I could state my record on the proposal to give the administrative officers absolute discretion to discharge employees at will.

First, Mr. President, I wish to say that on August 3, 1950, I moved to strike from an appropriation bill the very provision which, in principle, we are discussing this afternoon. At that time I made the arguments which in essence I made this afternoon in opposition to the same principle.

I now ask unanimous consent to have printed at this point in the RECORD excerpts from the speech I made in the Senate on August 3, 1950.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

[From the CONGRESSIONAL RECORD, vol. 96, pt. 9, pp. 11706 and 11709]

Mr. MORSE. Mr. President, I offer the amendment which I send to the desk and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 476, it is proposed to strike out the language in section 1113, beginning in line 5, through line 20.

Mr. MORSE. Mr. President, I am satisfied that if the Senate will hear me through on this amendment—and I expect to take less than 5 minutes—the Senate will agree with me that this section should be stricken from the bill.

My first point is that if this language had been proposed by the Senate committee as an amendment to the bill, it would have been subject to a point of order, because clearly it would have been legislation proposed to an appropriation bill. However, the Parliamentarian advises me that because the section was inserted by the House of Representatives, it is not subject to our Senate point of order rule.

My second point is that there is now pending a bill on security risks in Government employment known as the Tydings bill. Those of us who are members of the Armed Services Committee have been working hard on the Tydings bill in trying to iron out some differences in regard to appeal procedure. I say we should handle all measures on this subject of security risks in one bill, because if we proceed on that subject by piecemeal operations, we shall find that there will be considerable differences in procedures between the departments in respect to the handling of security risks.

My next point is that in its present form this section of the bill is highly arbitrary. It does not provide a check or any review or any appeal at all from the decisions of the dismissing officers. Of course, we wish to get the security risks out of Government employment, but we also wish to see that we are fair to the innocent. We owe it to our sense of fair play and justice to provide some appeals procedure and checks on the discretionary action of dismissing officers. However, on the basis of section 1113 of the bill which my motion seeks to strike, we might just as well repeal the entire civil-service appeal system now.

Mr. President, because I think this matter should be handled in a separate bill; because I think the procedure should be uniform; because section 1113 of the bill is legislation on an appropriation bill, although not subject to our Senate point of order, I say we should strike this section from the bill, and then should proceed to cover the same subject by means of the Tydings bill, which will be before the Senate in a very few days.

* * * * *

Mr. MORSE. Mr. President, I want to assure the Senator from Nevada that there is no one in this body who wants to make more certain that subversives will be eliminated from Government than does the junior Senator from Oregon. Under the Tydings bill we are trying, however, to work out a procedure that will protect something which is pretty precious and fundamental in America. That is, that after a man has been dismissed from any of these so-called security-risk departments his case can be reviewed by an appeal officer. I want him to stay dismissed as far as the department that dismissed him is concerned. In other words, I do not want Louis Johnson in Defense, or McGrath in the Department of Justice, or anyone else at the head of any other department to be required to take back a man in whom he does not have confidence during the period of this great crisis with which we are confronted. But, Mr. President, mistakes in judgment can be made. People can and do dismiss loyal and fine employees because they have a grudge against them. Damage can be done and too frequently is done to innocent people. There is one principle in America that we must preserve: It is the principle that the exercise of discretion in determining the guilt of people shall be subject to review.

Let us not get to the point in this land of ours where people can be ruined for life by the exercise of judgment on the part of someone over them as to their guilt, when in fact a review of that decision would show them to be innocent.

The right of review from decisions as to one's guilt is basic to our American conception of fair play and fair trial. It is essential to just treatment. I cannot support the continuation of a procedure under which the Secretary of State can condemn a man as being subversive, if in fact the record will not support the judgment of the Secretary of State. I want his record cleared if he in fact is innocent. I do not want him sent back to the State Department if the Secretary of State does not have confidence in him. I think we should resolve doubts in favor of the public interest in these matters, and I do not think such a man should have a right to go back to the State Department and work. But I do think the judgment of the Secretary of State should be reviewed. That is basic to American justice as I know it, and that is all I am pleading for. I think that a check upon the decision of mere men in our Government as to the loyalty of employees of Government should be subject to review. The purpose of having section 1113 stricken out of this bill is so we can consider this subject in one bill applicable to all the departments. We should discuss the issue in a separate bill and fight it out here on the floor of the Senate in full debate as to the substance of the matter. We should not try to ram this section through here on the basis of House language that would be subject to a point of order if it were Senate language.

That is my position, and I shall stand on it no matter what misinterpretations are made as to the purposes of the junior Senator from Oregon in regard to this matter. The right to review the decisions of men in this country as to the guilt of people is pretty precious to all of us under the spirit and intent of the Bill of Rights.

Mr. MORSE. Mr. President, I dealt then with the so-called Rooney amendment to an appropriation bill. That amendment was identical in principle with the amendment which is before the Senate this afternoon.

In the course of the debate which occurred on August 3, 1950, I said:

Mr. MORSE. Mr. President, I want to assure the Senator from Nevada that there is no one in this body who wants to make more certain that subversives will be eliminated from Government than does the junior Senator from Oregon. Under the Tydings bill we are trying, however, to work out a procedure that will protect something which is pretty precious and fundamental in America. That is, that after a man has been dismissed from any of these so-called security-risk departments his case can be reviewed by an appeal officer. I want him to stay dismissed as far as the department that dismissed him is concerned. In other words, I do not want Louis Johnson in Defense, or McGrath in the Department of Justice, or anyone else at the head of any other department to be required to take back a man in whom he does not have confidence during the period of this great crisis with which we are confronted. But, Mr. President, mistakes in judgment can be made. People can and do dismiss loyal and fine employees because they have a grudge against them. Damage can be done and too frequently is done to innocent people. There is one principle in America that we must preserve: It is the principle that the exercise of discretion in determining the guilt of people shall be subject to review.

I proceeded in the same vein to argue the question at some length.

Mr. President, I have not had time to check all my remarks on this subject, and I say quite facetiously and good naturedly that it is a considerable task even for me to check quickly the index of all the arguments I have made in the Senate during the past 8 years. But I state at this time, without fear of successful contradiction, that on at least four different occasions during my tenure in the Senate I have spoken on the floor of the Senate in opposition to the principle which is involved in the amendment now before the Senate, because I believe it is a dangerous principle.

I believe it is in the interest of government by law to see to it that some checks are provided, and absolute discretion is not granted to the Secretary of State or to any other Cabinet officer to dismiss employees at will.

I checked with the chairman of the Committee on Post Office and Civil Service—I see he has now left the floor—on the argument I made earlier this afternoon. I thought I was correct, but I wished to be certain again as to the procedure.

The fact is that when persons are blanketed into the civil service, they have civil-service ratings. From that time on, insofar as the Civil Service Commission is concerned, they are civil-service employees.

If we do not like the blanketing-in process—and I do not like it, and I think

we should modify it—then let us amend the law which gives such authority.

But because we have granted an authority which in some instances we do not like in application, let us not adopt a principle which establishes or continues the exercise of arbitrary discretion on the part of a Government officer.

I agree with my colleague, the senior Senator from Oregon [Mr. CORDON]—and I said so earlier this afternoon, during my argument—that no person has a right to work for the Government; working for the Government is a privilege. But once a person gets on the Government payroll, he has a right to receive fair treatment, and he should not be subjected to arbitrary discretion which might ruin his life. Certainly he should have the right to make the record in his own case.

Mr. President, my last point is that I believe we heard a strange argument this afternoon, when various Senators were challenged to show that at any time heretofore they had risen in the Senate in objection to the adoption of such a rule. I have frequently heard that argument, and I believe it to be very unsound. In view of the volume of business which goes through the Senate, certainly it is not sound to take the position that a knockout rebuttal is made when Senator X says to Senator Y, "Did you say anything in 1946 or 1947 or 1948 in opposition to this proposal? Why do you object now if you did not object then?"

Of course, the answer to that argument is, "If I did not object then, so what? What do you have to say about the merits of the principle now? I am pointing out now what I think is wrong with the principle; and the fact that I may have missed it before or the fact that I even may have voted for it before because I did not fully appreciate the abuses which might develop under it, is no argument that I should remain silent today."

Mr. President, I hope Senators will always have the right to change their minds on issues, on the basis of the experience they have had since they have served in the Senate.

So I wish to say to my friends on this side of the aisle, and also to my friends on the other side of the aisle, that I do not believe it is sound to argue in favor of this principle on the ground that Senators may have remained silent about it in the past. If we now believe the principle is bad, we should speak against it; and our silence on it before is no reason for our silence on it today or for our acquiescence in it today.

Mr. President, I close by saying we should adopt a principle to govern the discharge of incompetents in the Government service. I encountered the principle involved in the problem of dismissal for incompetence when I was in the academic field, because there we constantly met the old argument of academic freedom. However, when a faculty member in fact was not competent and was not qualified to carry on the duties of his job, I have never known of a case when it was impossible to get rid of him on the basis of the record. He could be given a fair hearing; but if the evidence was on the side of those who alleged his incompetence, it was possible to build up a case which would justify his dismissal.

I make that statement now regarding the blanketing in of civil-service employees. If there is a case against them, it can be proved by procedure under the jurisdiction of the Committee on Post Office and Civil Service, and we should not allow the Appropriations Committee to become a super Committee on Post Office and Civil Service.

We should fight to protect the jurisdiction of the Committee on Post Office and Civil Service; and we should serve clear notice on the Appropriations Committee that, no matter how many times in the past it has gotten away with riders of this type, the time now has come to halt the Appropriations Committee from proceeding by way of riders on appropriation bills.

I am very glad my good friend, the Senator from New Hampshire [Mr. BRIDGES], who remained for at least a portion of my comments, has extended me the courtesy of giving me this opportunity to make the record straight and clear, so far as his comments about my past record are concerned.

I have a record of opposition to the principle embodied in this committee amendment. Even if I did not, even if I had never spoken against it heretofore since I have been a Member of the Senate, I certainly have a right to speak against it today. Once I am satisfied it is an evil principle, certainly I have a right to make my argument and to express by opposition. I do so now, and I say leave it to the Committee on Post Office and Civil Service, because that is their jurisdiction, and let us not try to do their job for them on an appropriation bill.

THE HARD-MONEY POLICY—DEPRECIATION OF VALUES

Mr. KERR. Mr. President, in my judgment, this day, June 1, will go down in the economic history of our country as a very dark day. What happened today not only constitutes evidence of the fallacy of the hard-money policy of the Secretary of the Treasury of the United States; it is also a day, Mr. President, the events of which prophesy darker days ahead.

The overall average of Government bonds was reduced in value today between one-half a point and five-eighths of a point, if I read the news tickers correctly. That means that the holders of Government bonds in our country have seen the value of their bonds reduced today in excess of $1.5 billion. The Associated Press tells us that while that was happening, and in part as a result thereof, on the stock market in our country $1.8 billion has been wiped off the quoted market value of stocks. The Associated and other press services tell us that at the same time the values of wheat and corn and other farm commodities have suffered an appreciable decline today. I am also advised, Mr. President, that across the length and breadth of the cattle country the value of cattle has suffered another decline today. I would say that over all, the value of stocks and bonds and agricultural products and livestock has declined today approximately between four and five billion dollars.

Mr. MORSE. Mr. President, will the Senator from Oklahoma yield?

Mr. KERR. I yield to the Senator from Oregon.

Mr. MORSE. I was at a dinner party Friday night, and a good many of the wives who were present were discussing this very problem. They raised the point about which I shall ask the Senator from Oklahoma. They asked, "Why is it that the retail meat prices in the meat shops of America still have not gone down with a decrease comparable to the decrease in the price the farmer receives for his beef on the hoof?"

Mr. KERR. Mr. President, the question of the Senator from Oregon is very appropriate. Such a question would have been appropriate for the past several months. As I view the situation, the condition arises by reason of the fact first, that the farmer has no protection with reference to the value of his cattle at the market place. He is subject to the whim and desire of the representatives of the packers of the Nation. They have steadfastly pushed the price of cattle down, knowing that the producer had to sell.

For months past there have been more cattle in the feed pens than at any comparable time in our history. The feed which the feeders have been buying, bolstered as it is by the farm-products-support program, has been costing the feeders a good deal more than the increased weight any given amount of feed would put on the animal being fed. The result has been that each day the feeder kept the animal in the feed pen, and bought feed at the supported price, added to the loss the feeder was taking.

The cattle raisers have held on, Mr. President, in desperation, hoping that the Secretary of Agriculture would use his presently authorized power to come into the marketplace, under the authority he has, to support the price of meat. The Secretary of Agriculture, on March 8, within 30 days after assuming office, made the announcement that he had taken measures which had checked the decline in the price of cattle. Yet, Mr. President, since that time, since 30 days after he took office, the price of cattle has gone down to such an extent that the cattle owners have lost billions upon billions of dollars; and the end is not yet.

But the packers, as they have forced the price down to the producer, have not passed the reduction on to the consumer. The fact is that the packers are today making more money per head on first-class fed cattle than at any comparable time in our history, at the same moment when the producers of cattle are suffering economic losses which, if they are compelled to continue to sustain them, will bring bankruptcy to them by the hundreds of thousands.

Mr. HUMPHREY. Mr. President, will the Senator yield for a question?

Mr. KERR. I yield to the Senator from Minnesota.

Mr. HUMPHREY. The Senator from Oklahoma is aware of the fact, I am sure, that there is now a growing move on the

part of some, such as packers and those who are in the business of processing cattle or meat, to bring about a lower price-support level under the farm-price-support program. The argument runs like this: That one cannot feed 90 percent price-supported corn into no-price-supported cattle. Therefore, the packers, the processors who have always been against a fair break for the farmer, say, "Reduce the price supports on corn, and then you will be able to meet the low costs of beef." The theory, of course, is, "Now we have got you—" indicating the producer of cattle— "in a position where you are going broke so get the corn farmer broke, too." The argument does not run, "Lift up the beef producer to the level of the corn producer," but "Push the corn producer down to the level of the beef producer."

I have just returned from my State, Mr. President, and I am prepared to testify to the fact that in the State of Minnesota 75 percent of the agricultural income accrues to cattle feeders. There is a tremendous amount of that kind of business. Thousands and thousands of dollars are being lost. I talked to farmers who have as many as 150 or 200 head of cattle, who are going to lose their cattle because they cannot pay their loans. I talked to farmers in the western part of my State who have already lost their farms because they could not pay the loans which were coming due on their cattle, loans they had to make in order to feed the cattle and to purchase food. That is the situation, all the headlines in the press to the contrary notwithstanding. Farmers do not feed cattle under the policies which are coming from the Department of Agriculture in the present administration; and we cannot raise prices by telling farmers that prices should be all right. I submit, Mr. President, that the Secretary of Agriculture in this administration should be thinking in terms not of lowering any price support of the producers of grain, but in terms of raising such prices.

Mr. KERR. I thoroughly agree with the distinguished Senator from Minnesota, and invite attention to the fact that warnings have been issued on this side of the aisle for months that unless positive action is taken by the Secretary of Agriculture, the price of cattle will continue to decline until increasing bankruptcy is forced upon the cattle producers. That cannot continue without spreading to other segments of agriculture and to other segments of the Nation's economy.

Is it possible, Mr. President, that men in high positions want to see that situation become epidemic before they use the powers which they have?

Mr. MORSE. Mr. President, will the Senator from Oklahoma yield?

Mr. KERR. In a moment I shall be delighted to yield.

The Secretary of the Treasury today saw the 3¼-percent bonds, which he so proudly announced but a few weeks ago had been oversubscribed, selling at less than 99 cents on the dollar. He saw them selling at approximately 98¾ or less, by reason of the fact that he has surrendered the prerogative of his office to fix the interest rate on Government bonds and has abdicated that power to financial interests, that now have him in a squeeze from which they will not release him until they have forced him again to increase the interest rate on Government securities.

I say that unless dynamic, positive, definite action is taken, Mr. President, we shall see the next issue of long-term Government bonds sold on the basis of 3½-percent interest. When that happens, the long-term bonds now outstanding will continue their decline and each day the decline continues, it will mean the loss of additional billions of dollars to American citizens.

I now yield to the Senator from Oregon for a question.

Mr. MORSE. Mr. President, I rise to say to the Senator from Oklahoma that in view of the nature of his remarks—and I think they are remarks which are long overdue in the Senate of the United States—I can well understand that there are only two Republicans on the Senate floor at this time, the acting majority leader and the Senator who is at the moment presiding over the Senate, because what the Senator from Oklahoma is saying is not very pleasing to Republican ears. But the people of the United States will be interested in what the Senator is saying, and the farmers are much concerned about what he is saying, because they know how true his statement is.

Mr. President, I rose to give a little testimony in support of what the Senator from Minnesota has said and what the Senator from Oklahoma has said.

Last week I bought some cattle, because my little farm in Oregon was showing an abundance of pasture which would soon develop into hay, and I figured that farm prices were so unstable that I did not want to take the chance of waiting to harvest the hay. I thought it better to get the hay into the bellies of some cattle. So I said to the man whom I hired to operate my farm in my absence, "Go on into the open market and buy the skinniest cattle, that can walk, you can find. Let them be healthy, but as skinny cattle as you can find. Buy them and turn them onto the farm and we will harvest our hay crop through the cattle, because we might, by fall, get enough meat on those cattle, even with the expectation of declining prices, to get at least an expense coverage on the hay crop."

That is the attitude of farmers generally. I should like to buy good feeders, but I will not run the risk of buying them. I would rather buy a number of thin cattle.

It is a rather sad state of affairs, Mr. President, that within a few months after the coming in of the Eisenhower administration we find ourselves in such a situation as that.

As I told the Senator from Oklahoma previously, I spend weekends with dirt farmers in Maryland. They will not even take a chance on buying skinny cattle, because they want to see some stability developed in the cattle market before they will run the risk and the gamble of the feed lot.

I think one reason why my Republican friends do not like the tune which the Senator from Oklahoma is playing this afternoon is that it is not good music to their ears, but it at least is a warning to the farmers that if the Eisenhower farm program continues, the farmers are going to be tobogganed into a serious depression.

Mr. KERR. Mr. President, I appreciate the remarks of the Senator from Oregon, who, I know, is aware of the fact that since the Secretary of Agriculture said the decline had been halted, the price of cattle has tobogganed until there has been a collapse.

Across the length and breadth of America, farmers will suffer, school districts will suffer, State and Federal tax income will suffer.

Mr. FREAR. Mr. President, will the Senator from Oklahoma yield at that point?

Mr. KERR. I yield.

Mr. FREAR. A moment ago the Senator gave the price on today's market at which the 3¼ percent bonds were selling. Does the Senator happen to know about the price of the 2½ percent bonds?

Mr. KERR. For the first time in the history of those bonds, since they were issued, they sold today at less than 90 cents on the dollar.

Mr. FREAR. In the Senator's opinion, will that have any serious repercussions on the Federal tax income over the next fiscal year? Will the bankers who own the bonds take the opportunity of selling them at a loss to overcome some of the tax payments they have to make?

Mr. KERR. Very definitely, they will; because, first, they have already suffered an enormous loss in the value of the bonds in their portfolios; second, if they have profits from other phases of their business, they will sell those bonds as an offset against the profit they may have made in other lines of their business, which will mean not only a markdown of what they would have had as profit but also a reduction in what they will owe the Government in taxes.

They will also sell the bonds for a further reason. They know that we are not at the end of the present process, but are in the midst of it. They know that the Secretary of the Treasury has to refinance many billions of dollars of maturing bonds this year. In view of the fact that the 3¼s are now selling below par, he will be compelled to offer a higher rate of interest on the next issue, and that, in turn, will reduce the value of the 2½-percent bonds still further. So in the face of a continuing loss by retaining them, the holders of the bonds naturally are going to sell them. As a matter of course, their profits will be reduced. Naturally, that will decrease the amount of taxes they will be paying to our Government.

Mr. FREAR. Mr. President, will the Senator from Oklahoma yield?

Mr. KERR. I yield.

Mr. FREAR. Last week the Senate failed to adopt a resolution offered by the Senator from Georgia [Mr. RUSSELL], which would have denied the Secretary of Agriculture the privilege of putting into effect a reorganization plan proposed by the administration. As I understand, that reorganization plan

will go into effect in a very few days. Is that not true?

Mr. KERR. The Senator is correct.

Mr. FREAR. With that reorganization plan in such shape that the Secretary of Agriculture could use it to any extent he might think best, would he not then be in a better position to stop the agricultural catastrophe which seems to confront the farmers of the country? Will the reorganization plan strengthen his hand, or does he already have sufficient power to handle the situation?

Mr. KERR. The answer to the Senator's question is very simple. The Secretary of Agriculture will have far greater powers when the reorganization goes into effect than any other Secretary of Agriculture has ever had, but he already has power, which he has spurned to use, to check the decline of the prices of farm products. He is dedicated to using all the power of his office, not to assist farmers to the greatest possible extent in the matter of the prices of farm products, but to prevent any assistance from the Government to aid the farmers in obtaining better prices for their products.

Mr. FREAR. Mr. President, will the Senator yield for a further question?

Mr. KERR. I yield for a question.

Mr. FREAR. We realize that heretofore the powers under which the Secretary would have to act were in accordance with rules and regulations promulgated by the previous administration. The reorganization plan will give additional powers to the present administration. Thereby, the Secretary of Agriculture may see fit to use the reorganization plan to curb an economic collapse. Does the Senator agree with that?

Mr. KERR. I would agree that the plan gives him additional power which would enable him to do so; but in view of his expressed purpose to refrain from doing so, I would say it would give him power further to diminish the prices of farm products, and to accelerate their decline, rather than to halt it.

Mr. SPARKMAN. Mr. President, will the Senator yield for a question?

Mr. KERR. I wish to yield first to the Senator from Tennessee, who was on his feet earlier; then I shall be delighted to yield to the Senator from Alabama.

Mr. GORE. Will the distinguished senior Senator from Oklahoma agree with some mental calculations I have made, to the effect that the people of the United States, who have bought Government bonds in good faith, lost more money today on their bonds than the amount contained in the entire appropriation bill for the Departments of State, Justice, and Commerce?

Mr. KERR. The Senator from Tennessee is entirely correct. As I understand, the amount provided in the bill is $1,400,000,000. The market value of outstanding Government bonds today declined in an amount in excess of the total to be appropriated by the bill. Likewise, the market value of outstanding Government bonds last week declined in an amount in excess of that sought to be appropriated by this bill.

Mr. GORE. Was not that true the week before, and the week before that?

Mr. KERR. I should say that in the past 6 weeks the decline has been to an extent of from 3 to 4 times the amount appropriated by the bill. But even sadder than that, on the basis of either no policy or the negative policy of the Secretary of the Treasury today, the decline will continue; it has not ended.

Mr. GORE. Mr. President, will the Senator yield further?

Mr. KERR. I yield.

Mr. GORE. Several days ago, in colloquy with the distinguished senior Senator from Oklahoma, I expressed the opinion that if the United States should continue to let the so-called free money market, which means Wall Street, determine the rate of interest on Government bonds, there was but one direction in which it could or would go, and that was up, up, up. Is not that still the situation?

Mr. KERR. The interest rate would go up, up, up; the value of outstanding bonds would go down, down, down.

Mr. GORE. And the value of the product of the laboring of men's hands and the value of the products of the soil would go down, down, down.

Mr. KERR. The Senator from Tennessee is tragically correct.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. KERR. I shall yield after I have made a correction. The amount proposed to be appropriated by the pending bill is $1,104,000,000. So in the past 6 weeks the decline in value of outstanding Government bonds has been from 4 to 6 times the appropriations provided in the bill.

I may say further to the distinguished junior Senator from Tennessee that within the past 10 days the value of cattle in this country has decreased in excess of twice the amount contained in the bill.

Mr. HUMPHREY. Mr. President, will the Senator from Oklahoma yield?

Mr. KERR. I am glad to yield to the Senator from Minnesota.

Mr. HUMPHREY. I am certain the Senator from Oklahoma, who is a good student of history, recalls much more vividly than I do the tragic period immediately following World War I. The situation which developed then was tragically similar to the situation which is developing now. The Harding administration adopted the hard-money policy by raising interest rates, and the bond market fell. Then the big financial combines garnered on the market the low-priced bonds they could buy, interest rates went up, and a recession set in, which finally ended in a depression in the early years of the 1930's. Does the Senator recall that?

Mr. KERR. The Senator from Minnesota is eminently correct. I say to him that the same economic forces which were set in motion then, such as the restriction of credit, the increase in interest rates, and the hardening of money, brought on the cycle which ended in that disastrous depression. Were it not for the many programs put into effect by Democratic administrations in the past 20 years, such as minimum wage, unemployment insurance, social security, and other provisions, without having that foundation of strength under our economic structure, I say to the distinguished Senator from Minnesota that the economic forces which this administration has already set in motion would just as inevitably lead to another disastrous depression.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. HUMPHREY. The Senator has made a point of the fact that the bond market is depressed, so that bondholders have suffered a loss and the banking industry itself today is uncertain as to what its future course will be, because it, too, has suffered a loss.

Mr. KERR. To the extent that it now owns outstanding Government bonds.

Mr. HUMPHREY. To the extent that it now owns outstanding bonds.

The Senator has also made the point that the recent issues of Government bonds are selling below par.

Mr. KERR. That is correct.

Mr. HUMPHREY. The third point which I am sure the Senator is making is that the Government interest rate is but an indicator of the private interest rate.

Mr. KERR. It is but a fixer.

Mr. HUMPHREY. It is a fixer, but with compound interest on top of the fix.

Mr. KERR. The Senator is correct.

Mr. HUMPHREY. If the Government establishes an interest rate, say, at 3¼ percent, it reflects itself somewhere around 5 percent in private credit.

Mr. KERR. The Senator is correct.

Mr. HUMPHREY. Therefore is it not a fair question to ask, What is the cost to the borrower, to the man who needs credit for his small business, to the farmer who needs commodity credits to tide him over the years, and to the GI who needs credit to build a home? What would the Senator say would be the annual total in increased interest which those consumers of credit would have to pay?

Mr. KERR. Mr. President, I do not have in mind the figure as to oustanding credit.

Mr. HUMPHREY. Would the Senator permit me to refresh his memory?

Mr. KERR. I would.

Mr. HUMPHREY. There is private outstanding indebtedness to the tune of $330 billion.

Mr. KERR. Then the interest rate increase which has taken place in the past few months by reason of the policy of the Secretary of the Treasury means an increase in cost to those borrowers of between $5 billion and $6 billion a year, because private interest rates either increased or are in the process of increasing about 2 percent on the total outstanding indebtedness.

Mr. HUMPHREY. Mr. President, will the Senator further yield?

Mr. KERR. I yield.

Mr. HUMPHREY. I saw a conservative estimate in the Wall Street Journal some weeks ago, which I shall present to the Senate at the time I address the Senate on this subject, which I intend to do this week. This estimate was to the effect that on the basis of one-half of 1-percent increase in the private credit structure, which would be very

conservative, as the Senator from Oklahoma knows, the additional cost to the user of the credit would be approximately $1,750 million. Yet this administration talks about economy. Every dollar this Government obtains it obtains from the people; and every dollar the people borrow, they must borrow from other people. So actually when we get down to the facts, if we save $500 million in a great economy wave in the Senate, and then increase the cost or the wages of money to the private borrower, who is the same taxpayer, by the fiscal policy of this administration we have robbed Peter to pay Paul, or we have robbed Paul to pay Peter.

Mr. KERR. We have rewarded those who have the commodity of money in their possession and penalized those who either now owe money or who must borrow money in the course of home building, business operations, farming, or any other activity in which money must be borrowed.

Mr. HUMPHREY. Mr. President, will the Senator further yield?

Mr. KERR. I yield for a question.

Mr. HUMPHREY. I recall the day when the distinguished Senator from Alabama [Mr. SPARKMAN] addressed the Senate on the subject of GI interest rates for veterans' housing. I recall that he brought forth some very pertinent economic data on that subject. The Senator from Oklahoma will recall also that the junior Senator from Minnesota and the senior Senator from Oklahoma were engaged in a television debate with the distinguished Presiding Officer [Mr. BENNETT] and the senior Senator from Indiana [Mr. CAPEHART]. The subject of that debate, or the theme of the opposition, was that the increase in interest rates made the dollar more valuable, made it buy more, stabilized the dollar. The Senator from Oklahoma appropriately terms this the hard-money policy.

The junior Senator from Minnesota tried to give an analogy to show how much more the hard dollar buys. Of course, he went back to what the Senator from Alabama [Mr. SPARKMAN] said in his splendid address to the Senate on this subject.

I recall that the Senator from Alabama pointed out that a GI who needed to borrow money to build a three-bedroom house, under the increased interest rate, with the hard dollar, the stabilized dollar, the solvent dollar, the new GOP dollar, instead of obtaining a three-bedroom house for the amount of money he borrowed, would obtain only a two-bedroom house. That is how much more the hard dollar would buy.

Let us assume the GI needed $15,000 to build a three-bedroom house under the old interest rate. He would use the same $15,000, and, with the new, revitalized purchasing dollar he would provide himself with two bedrooms. That is an indication of how much more the hard dollar would buy.

Mr. SPARKMAN. Mr. President, will the Senator from Oklahoma allow me to make an observation at this point?

Mr. KERR. I am delighted to yield to the Senator from Alabama.

Mr. SPARKMAN. Of course, the GI could obtain the same house by paying the same amount monthly for 5 years longer.

Mr. HUMPHREY. Certainly. If he can live long enough to make the grade he will be able to have a three-bedroom house; but by that time he will not need three bedrooms.

Mr. KERR. Unless he is housing his grandchildren.

Mr. HUMPHREY. That is correct.

Mr. SPARKMAN. Mr. President, will the Senator further yield?

Mr. KERR. Just one word, and then I shall be delighted to yield.

The remarks of my distinguished friends from Minnesota and Alabama were addressed to the situation which had arisen by reason of the increase in the interest rate to the GI to 4½ percent. I say to them that under the policy now being pursued by the Secretary of the Treasury, they might just as well prepare themselves for another increase in the interest rate on GI homes, because it is as inevitable as the continuation of this policy by the Secretary of the Treasury.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. SPARKMAN. In that connection I should like to remind the distinguished Senator that I was speaking the day after the increase went into effect. I made the statement on the floor that I doubted that the increase in the interest rate of one-half of 1 percent would have any effect whatsoever, because the action in connection with the issuance of the three-and-a-quarter-percent bonds had already pushed the interest rates up to such an extent that the private mortgage market would not be stimulated. Is not that exactly the result which occurred?

Mr. KERR. Exactly. The Senator could not have been more prophetic had he been divinely inspired.

Mr. SPARKMAN. Mr. President, I should like to ask the Senator from Oklahoma 2 or 3 questions.

Mr. KERR. I am delighted to yield.

Mr. SPARKMAN. I remind the Senator that he promised earlier to yield to me. I have waited rather patiently.

Mr. KERR. I am delighted to yield.

Mr. SPARKMAN. In the meantime I have accumulated several more questions.

Mr. KERR. There is no Member of the Senate better informed, more alert, or more able than is the Senator from Alabama, either in questioning or in speaking with reference to this issue. I welcome his questions.

Mr. SPARKMAN. I appreciate that statement.

Let me say that I live among and represent people who are being hurt by this policy. I do not refer to it so much as the hard-money policy. I refer to it as the hard-credit policy.

Those people must have credit in order to live. They must have credit to operate their businesses. They must have credit in order to make their crops. I know the difficulty that they are having in obtaining credit. I know what the situation is doing to them.

A while ago the Senator from Oklahoma referred to the subject of further financing of the debt. By the way, the other day I read in the New York Times, as I recall, a statement to the effect that over a period of the next 12 months $41 billion in public debt must be refinanced. There was a little want ad in the finance column, which read, "Wanted, $41 billion." We must refinance between $6 billion and $8 billion of that amount within a very short time.

The Senator from Oklahoma referred to the rate of interest we would have to pay. I remind the Senator that in connection with the present issue of 1-year notes the interest rate was increased to 2⅞ percent. I believe that rate replaced a rate of 2 percent. Some of those notes run for as long as 10 years. That shows what happens. The rate is going up and up and up; and the cost to the people has been alluded to by the Senator from Oklahoma. Does not that process take money away from the people to the same extent that an appropriation or the levying of a tax would take it away?

Yet the present administration boasts of the fact that it is cutting appropriations, and it holds out hope, forlorn as it may be, that it will be able to cut taxes. Is the administration not taking it away from the people in another way by this policy and this program?

Mr. KERR. Very definitely so, and it is fixing things so that the ability of the people to pay taxes is being pared down and whittled down and deteriorated, and eventually will be destroyed.

Mr. SPARKMAN. Mr. President, the Senator from Oklahoma referred a few minutes ago to the depression of the early thirties. I should like to enter a little protest. I know that among the farmers with whom I have lived the depression started long before that. As a matter of fact, it started when the hard-credit policy went into effect.

Mr. KERR. In the twenties.

Mr. SPARKMAN. In the early twenties. That is when the depression started. As in every depression, it was the depressing influence upon the farmers which started us down the toboggan ride that finally hit the people who were profiting when the farmer was suffering, just as is true today.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. SPARKMAN. Mr. President, may I ask one more question of the Senator from Oklahoma?

Mr. KERR. I yield further to the Senator from Alabama.

Mr. SPARKMAN. I heard a statement made on the television program to which the Senator from Minnesota referred a few minutes ago. I did not see the whole program, but I did see a part of the TV program to which the Senator referred. I heard the statement made that the present policy was being pursued in the interest of those who are saving. Does the Senator from Oklahoma know what I thought when I heard that statement? I thought, What about the people who have been saving up to now? What about the people who now must sell for less than 90 cents on the dollar bonds which they bought for 100 cents on the dollar? That is the situation in the case the Senator from Oklahoma has mentioned. Are they not being hit?

Mr. KERR. Very definitely so.

Mr. SPARKMAN. Are they not the sufferers?

Mr. KERR. They constitute the great bulk of the savers and those who own the great bulk of the outstanding bonds.

Mr. SPARKMAN. Is it not on those bonds that the life insurance companies of America depend today, and on which their business is based. As a matter of fact, in the portfolio of every small bank throughout the country are not those bonds serving as the reserve for their liquid assets?

Mr. KERR. Very definitely. They have been looked upon as an asset which guaranteed the solvency and the liquidity of the average bank. Therefore, whether we call it hard credit or hard money, it adds up to hard times, and its effect will react into every community and every home in the Nation.

Mr. MORSE and Mr. GORE addressed the Chair.

Mr. KERR. I yield first to the Senator from Tennessee. Then I shall yield to the Senator from Oregon.

Mr. GORE. The demand debt this year—the Government bonds on which the holders have a right to demand redemption—amounts to approximately $60 billion. That is an astounding figure, as I overheard someone say. Certainly it is an astounding figure. It very much more astounding when we realize that the value of the dollar, the value of the Government bond, and the value of our entire monetary structure depend upon the confidence of the people. Shake their confidence, and the tabernacle of this Government will quiver. How much lower below par must Government bonds fall before that confidence is shaken?

I say to the distinguished senior Senator from Oklahoma that it is a sad hour. Far from desiring to make partisan capital of it, the junior Senator from Tennessee raises his voice once more in a plea to the administration to stop, look, and think before the confidence of the American people in the integrity of their money and in the integrity of their bonds and in the integrity of their Government is shaken.

Mr. KERR. I appreciate the remarks of the distinguished Senator from Tennessee, and I add that the people's confidence is already shaken. What gives me such concern is whether this administration will act before their confidence is shattered.

The United States Government owes $260 billion. Yet those in charge of our fiscal policy are doing everything in their power to destroy the confidence of the holders of Government bonds in the value of the bonds. Those responsible for the fiscal policy of the Government are doing everything in their power to increase the cost of the annual interest on those bonds. Further than that, Mr. President, they are doing everything within their power to make it harder, and harder, and harder to get the money with which to pay off that indebtedness, which means that every time the value of the dollar is increased—since we are the world's greatest debtor—the national debt is increasing.

I say, if they were deliberately seeking to betray the trust which the people have reposed in their hands, they could not do it more effectively.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. KERR. I yield to the Senator from Oregon.

Mr. MORSE. Mr. President, before I make my comment I rise to correct one figure which the Senator from Oklahoma used. I know he was speaking in general terms, but the national debt is not $260 billion, but $267 billion plus. That additional $7 billion is quite a sum of money.

Mr. KERR. I thank the Senator from Oregon.

Mr. MORSE. What I heard the Senator from Minnesota [Mr. HUMPHREY] say about Republican representations on one television program yesterday causes me to comment on Republican representations made on another program.

That great Republican master of glittering generalities and political hokum and political opportunism, the Director of Mutual Security, Mr. Stassen, was engaged in one of his say-nothing programs yesterday. In the course of that effusion of the wind of a vacuum he had the nerve—when he finally got down to one alleged statement of fact—to tell the American people that under the Eisenhower administration profits were at the highest level and employment was at the highest level in the history of our country. He happens to be wrong.

There is in America a rising graph of unemployment. He had better go to Minnesota and talk to the farmers about profits. What he means is the profits of big business are at the highest level in our history. The little people are already beginning to feel the pinch of the coming Eisenhower depression. Not one word from the big Minnesota wind about that.

I think the time has come—and I intend to be tough about it—if the leaders of this administration seek to give the people the misinformation that characterized the Stassen broadcast yesterday, that their hands should be called, because we must get the facts to the American people and let them understand that if they play along with the group now in control they will have a repetition of what occurred in the twenties.

Mr. KERR. The distinguished Senator from Oregon is utterly right. I say to him—and it is inherent in the remarks he has made—that the people at the crossroads are already aware of it. They are getting the facts the hard way. They are learning them the tragic way. I say that the person who should acquaint himself with the facts is the man, in whatever position he may occupy in the administration, who is acting on the basis that these policies are being helpful to and are accepted gladly by the people, because the shock will come, not when the people learn more about the administration—for the people have already learned about it—but when the administration learns how the people feel.

Mr. SPARKMAN. Mr. President, will the Senator from Oklahoma yield to me?

Mr. KERR. I yield.

Mr. SPARKMAN. Several days ago one of my good friends on the other side of the aisle said to me that everything was all right with the 3¼ percent bond issue; that it showed a slight dip, but had leveled off at about where it should be. At that time it was three thirty-seconds below par.

Did I correctly understand the Senator from Oklahoma to say it went below 99 today?

Mr. KERR. Yes; I believe it was about $98^{22}/_{32}$ today. I think that is correct.

Mr. GORE. Twenty thirty-seconds.

Mr. KERR. Yes; $98^{22}/_{32}$.

Mr. SPARKMAN. That sounds like an auction, except it is going down, instead of up.

Does the Senator from Oklahoma see any sign that it has yet leveled off?

Mr. KERR. Mr. President, the end mark of the uninformed in government is the statement that everything is all right and that the decline is halted. That is what the Secretary of Agriculture said in his statement which was released on March 8, namely, that the decline in the price of cattle had been halted within 30 days after he took office.

Mr. SPARKMAN. He took full credit for it, did he not?

Mr. KERR. He did. He said the measures he had put into effect had brought it about. Furthermore, there was this tragic and terrible note: He said that the American farmers could look forward to the solution of all their problems in the same effective way that he had solved the problem of the decline of the price of cattle.

Mr. SPARKMAN. Was that similar to his undue-disaster statement?

Mr. KERR. It was in line with his philosophy that the Government should have no farm program except to insure farmers against undue disaster.

I wish to say to him that disaster has already overtaken the farmers.

Mr. SPARKMAN. Was it due or "undue"? The farmers do not make that distinction, do they?

Mr. KERR. When unconsciousness sets in, darkness adds nothing to it.

Mr. SPARKMAN. Mr. President, will the Senator from Oklahoma yield for another question?

Mr. KERR. I yield.

Mr. SPARKMAN. The question is suggested by the reference the Senator made to a statement the Secretary of Agriculture made, to the effect that everything is all right and that prosperity for the farmer is just around the corner.

Mr. KERR. He said it was already here.

Mr. SPARKMAN. Yes. I recall he also said the farmer could look with hope—in fact, that it would be a reality, and that he would see to it—to a vigorous export market for his crops.

Yet just a day or two ago I read a statement in which the Secretary of Agriculture showed the terrible decline in exports. The exports of cotton are only 50 percent of what they were last year, and they are going down and down and down.

If it were not for the 90-percent price-support program which is helping our cotton farmers, the price of cotton would be on the toboggan slide, just as it was preceding the great depression.

Mr. KERR. The Senator from Alabama is entirely correct. Not only the price of cotton, but the price of wheat, the price of corn, the price of peanuts, the price of rice, and the price of tobacco are declining.

I say further to my distinguished friend, the Senator from Alabama, that the American farmer should be alerted to the statement of the distinguished majority leader, the Senator from Ohio [Mr. TAFT], who the other day said that fixed-price supports have to go. I wonder where he thinks they will have to go, and where he thinks that will take him and his party, when they do go.

Mr. SPARKMAN. Of course, the worst question is where the farmers will go when the fixed price-support program is abandoned.

Mr. MORSE. Mr. President, will the Senator from Oklahoma permit me to ask a simple question, for information? I should like to ask a question of the Senator from Alabama, if the Senator from Oklahoma will consent to my doing so.

Mr. KERR. If unanimous consent is given for that purpose, I shall be delighted to yield.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, the Senator from Oregon may proceed.

Mr. MORSE. In view of the comment on cotton of the Senator from Alabama, can he tell me whether it is true that a great deal of cotton is raised in Texas?

Mr. SPARKMAN. Texas raises a great deal of cotton; yes.

Mr. MORSE. I thank the Senator from Alabama.

Mr. KERR. Let me say to the distinguished Senator from Oregon that Oklahoma raises some cotton and Oklahoma raises a great deal of wheat. For its size and population, Oklahoma is in the very front rank of the producers of cattle.

Mr. MORSE. The purpose of my question was merely to call that fact to the attention of the Republican Democrats in Texas.

Mr. SPARKMAN. Let me say that Texas is the greatest cotton-producing State in the Union.

Mr. HUMPHREY. Mr. President, will the Senator from Oklahoma yield to me?

Mr. KERR. I yield.

Mr. HUMPHREY. Does the Senator from Oklahoma recall that in the past week the Secretary of Agriculture admonished the Congress, particularly the House of Representatives, for having gone above his budget estimates on such matters as soil conservation funds and funds for the rural electrification program—the latter being loan funds, not appropriations? Does the Senator from Oklahoma recall that?

Mr. KERR. I do.

Mr. HUMPHREY. Does the Senator from Oklahoma also recall that the Secretary of Agriculture—who, as the Senator from Oklahoma knows, is a very important part of the present administration—is often referred to as one of the strong men in the administration?

Mr. KERR. Yes; he is often referred to as probably the most detrimental man in the administration.

Mr. HUMPHREY. Does the Senator from Oklahoma agree with me that it is rather peculiar to see the sharp and immediate concern of one of the spokesmen for the Eisenhower administration over the appropriation of reasonable funds for soil conservation and the REA and agricultural research, and yet not to hear one voice in the present administration raised in opposition to the bankers' program of increased interest rates? Is not that rather shocking and strange?

Mr. KERR. It is shocking, indeed, especially in view of these two facts: First, the last utterance I know of by the Secretary of Agriculture in reference to the price of cotton was that the price had not yet declined anywhere near far enough to warrant the taking of emergency action; and second, the continued policy by the Secretary of the Treasury which will result in still further increases in interest rates or still higher interest rates.

Mr. HUMPHREY. Mr. President, will the Senator from Oklahoma yield further to me?

Mr. KERR. I yield.

Mr. HUMPHREY. Is not the Senator from Oklahoma aware of the fact that during the campaign and also in recent weeks the administration has said it believed in the REA program?

Mr. KERR. I am aware of that.

Mr. HUMPHREY. Is not the Senator from Oklahoma aware of the fact that the Secretary of Agriculture testified before the Committee on Government Operations, of which I am a member, that he had no intention in any way of limiting the activities of the REA?

Mr. KERR. I recall that testimony.

Mr. HUMPHREY. Does not the Senator from Oklahoma know that the function of the REA is essentially or technically that of help to rural electrification cooperatives and loans to rural electrification cooperatives, or, in short, help and loans to farm people who want electricity? Is not that correct?

Mr. KERR. That is correct.

Mr. HUMPHREY. The REA borrows money from the Government, does it not?

Mr. KERR. Yes; the national REA borrows its money from the Government. It is not provided funds by congressional appropriations.

Mr. HUMPHREY. The present interest rate for the REA is 2 percent on a 35-year loan, is it not?

Mr. KERR. That is correct.

Mr. HUMPHREY. Does the Senator from Oklahoma think this administration has any intention whatsoever of giving the farmers of the United States a 2 percent loan on REA funds, when they already have a 30-year loan at 3¼ percent and when there is in the House of Representatives a bill calling for 4 percent REA loans?

Mr. KERR. In answer, I must say to the distinguished Senator from Minnesota that if the administration had such an intent, it is born of ignorance and will be due to suffer the fate of a stillborn project, because by the action of the administration in increasing the interest rate on the money it borrows, the administration set in action an inevitable force which will compel an increase in the interest rate charged to the local rural electrification cooperatives on the money they have to borrow from the Government.

Mr. HUMPHREY. Mr. President, will the Senator from Oklahoma yield further to me?

Mr. KERR. I yield.

Mr. HUMPHREY. Does it not seem to the Senator from Oklahoma that an administration which scolds Congress for providing even limited funds for soil conservation, agricultural research, the Forest Service, and other vital programs of the Department of Agriculture, and which on the other hand offers a bonanza or gift by way of an increase in interest rates unprecedented in 20 years, is an administration that is not dedicated to the well being of those in America who produce the real wealth, namely, the food, fiber, and work, but is an administration that is interested primarily in the fiscal management and the financial lords of the nation? Is not that a fair statement?

Mr. KERR. Mr. President, it is but an act consistent with the long record of the Republican Party in putting a premium on the dollar. They have always done it. They promised the people last year that, if returned to power, they would do it again; and I have never seen an administration more diligent in the keeping of a campaign pledge than they have been in their efforts, successful efforts, to increase the value of the dollar, with a proportionate decrease in the value of labor and the value of farm products.

Mr. HUMPHREY. Mr. President, will the Senator yield further?

Mr. KERR. I yield.

Mr. HUMPHREY. Does the Senator know the officials in the Treasury Department who are responsible for debt management? Is he aware who those officials may be, other than the Secretary of the Treasury?

Mr. KERR. My concept is that the Secretary of the Treasury has the direct responsibility. Of course, he has a staff and various assistants who carry out the elements involved in that responsibility.

Mr. HUMPHREY. Mr. President, would the Senator be interested in knowing that the President has made a special appointment of a special assistant to the Secretary of the Treasury, with the express responsibility for debt management—one individual? Does the Senator know that that gentleman is a very able man of fine character, a good citizen, Mr. Randolph Burgess?

Mr. KERR. I am aware of his appointment to the position, and of some of the things he has done in connection with increasing the interest rate on Government bonds and reducing the value of outstanding Government bonds.

Mr. HUMPHREY. I may preface my next question by saying that my interrogation concerning Mr. Burgess, is no reflection at all upon his integrity, his ability, his experience, or his character. I know him to be a man of fine character, and, therefore, my questions are only in terms of the knowledge of his policies. Does the Senator from Oklahoma recall that he, as a Senator from Oklahoma, or the junior Senator from Minnesota, or the minority leader, the Senator from Texas [Mr. JOHNSON], or the junior

Senator from Tennessee [Mr. GORE], the junior Senator from Oklahoma [Mr. MONRONEY] or the junior Senator from Oregon [Mr. MORSE], or the junior Senator from Alabama [Mr. SPARKMAN] was consulted about the appointment of Mr. Burgess? Did any of us ever have a chance to confirm this appointment? Did the appointment come to this body?

Mr. KERR. The Senator is aware, of course, that it did not.

Mr. HUMPHREY. Yet is not the office of debt management one of the most important fiscal-policy positions in the Government of the United States?

Mr. KERR. It is important to every citizen.

Mr. HUMPHREY. Is it not strange that, all at once, when we have a great public debt of $267 billion, some $40 billion of which is to be refinanced this year, the decisions in terms of debt-management policy, and of fiscal policy concerning Government bonds, are being made by one who, regardless of his fine ability and his excellent character, has never even been approved by a committee of the Congress, or interrogated by a committee of the Congress, or, much less, confirmed by the Senate? Is not that rather unusual?

Mr. KERR. Mr. President, it is unfortunate. Of course, the Senator from Oklahoma takes the position that this official acts merely as an assistant to the Secretary of the Treasury, who has the responsibility; and who, I must say to my distinguished friend from Minnesota, served notice on the world that one of the things he aimed to do was to increase the value of the dollar.

Mr. HUMPHREY. The Senator does not mean the distinguished Senator from Minnesota served that notice.

Mr. KERR. No, no; I am informing the Senator from Minnesota that the Secretary of the Treasury gave notice to that effect.

Mr. HUMPHREY. I wish to say that when I used the word "distinguished" I was only repeating what the Senator from Oklahoma said—and it was an unwarranted compliment. I was only repeating.

Was the Senator aware of the fact that the manager of the public debt in this country was formerly associated with the National City Bank of New York.

Mr. KERR. I believe that is correct.

Mr. HUMPHREY. That is a wonderful banking institution. Again, I may say—and my statement is in no way an innuendo, it is in no way an insinuation, or in any way an effort to derogate the abilities or the capacity of the individual—that it seems to me it is rather important to find out what the attitudes of some the men in high position may be. Does the Senator recall when we had Mr. Wilson, now Secretary of Defense, before the Armed Services Committee? The Senator recalls that, evidently.

Mr. KERR. I understand, from having read it at the time, that he made the statement, quite frankly, that in his opinion what was good for General Motors was good for the country.

Mr. HUMPHREY. The Senator also recalls, does he not, that by the time we got through with his interrogation, the law of the land was complied with, namely, that he had to divest himself of whatever interests he might have in General Motors? Is that not true?

Mr. KERR. There were certain interests of which he had to divest himself in order to be eligible to the position to which he had been appointed.

Mr. HUMPHREY. That is correct. I only make this statement in the form of an interrogation. Is it not worthy of note that similar standards were not applied in connection with some of the fiscal-policy positions in the Government?

Mr. KERR. I may say to my friend from Minnesota that in his campaign last fall the President himself made an issue of the fact that the value of the dollar must be increased, must be stabilized. The man whom he selected to be Secretary of the Treasury was acknowledged to be one well qualified to carry out that policy. The gentleman referred to by the Senator from Minnesota, Mr. Burgess, had not only had experience in the handling of fiscal matters which enabled him to help formulate policies designed to secure the objectives which were desired; but he had also been in an environment that resulted in his having a desire to increase the value of money and, proportionately, to reduce the value of labor and farm products.

Mr. HUMPHREY. Mr. President, will the Senator yield further?

Mr. KERR. I do.

Mr. HUMPHREY. I wish to make it clear to the Senate that I have high regard for Mr. Burgess as an economist, and as a fine citizen.

Mr. KERR. The Senator from Minnesota knows very well that Mr. Burgess is perfectly aware of what he is doing.

Mr. HUMPHREY. Yes. All the Senator from Minnesota wishes to point out is that, looking at the money market from the point of view of the National City Bank of New York, the Chase National Bank of New York, the Continental Bank of Chicago, or the Bank of America, of California, is vastly different from looking at it from the point of view of the small-business man who needs a loan in order to continue in business, or a farmer who needs a crop loan in order to harvest his crop, or a GI who needs a house in which to place his family.

Mr. KERR. The Senator is eminently and profoundly correct.

Mr. HUMPHREY. I can only pick up the help I am receiving from the sidelines, to say that what may be good for the Chase National Bank, or even the National City Bank, is not necessarily good for the folks back home, or for the Nation.

Mr. KERR. Not necessarily.

Mr. HUMPHREY. Would it not be a matter of reasonable hope and, I would say, of reasonable concern for the country, that when credit policies and fiscal policies are to be established, both sides of the credit line be considered, namely, the creditor and the debtor, the borrower and the lender? I respectfully say that in the present instance the Secretary of the Treasury has consulted primarily the lenders, not the borrowers. That is exactly what is happening in terms of interest rates.

Mr. KERR. Very definitely so; and I say to the Senator from Minnesota, if the Secretary of the Treasury were to try to do that which would result now in giving a direct bonus to the holders of bonds, and to those hereafter purchasing them, he would be guilty of an act which would expose him to impeachment. But he is doing by policy that which he could not do by direct action, that is, increasing the amount of the indebtedness by making the value of the dollar which is owed greater, and thereby making it harder for the Government to obtain it.

Mr. LONG. Mr. President——

Mr. KERR. I yield to the Senator from Louisiana.

Mr. LONG. Is the Senator familiar with the fact that the Secretary of the Treasury, when appearing before the Finance Committee, explained to the committee that he held no Government bonds and that it would be very inappropriate for him to hold Government bonds because of the enormous influence which the Secretary of the Treasury could have on what happens to Government bonds?

Mr. KERR. I remember that quite well, and as we go further, I think the statement will have more and more significance and will enable us better to understand why the Secretary of the Treasury has no desire to own any Government bonds.

Mr. President, I say, again, that this day will go down in history as having demonstrated what the policy of the Secretary of the Treasury has already done to the economy of the Nation, and it will be a day of prophecy, pointing to still further tragic events, unless the devastating policy of the Secretary of the Treasury is changed.

FINANCIAL POLICY OF EISENHOWER ADMINISTRATION — BROADCAST BY FRANK EDWARDS

Mr. MORSE. Mr. President, Mr. Frank Edwards is one of the radio broadcasters who speaks courageously and fearlessly to the American people. He states the facts in regard to the many issues which he discusses each night in his broadcasts.

I commend him for the great job of public education which he is doing these days in American radio, when I am so well aware of the fact that it is not easy for a radio commentator to stand up against the pressures which are brought to bear and when it is well known that it is not uncommon for reactionary interests to make clear to radio stations and to sponsors that if they have to listen to ideas they do not like to hear it will have a very definite effect on their support, by advertising and other ways, of a radio station which puts on the air such fearless broadcasters.

On May 19, Frank Edwards had something to say about the problem of turning the Government over to financial operators, and I ask unanimous consent to have an excerpt from that broadcast

made a part of my remarks and printed in the body of the RECORD at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

When the American people went to the polls last fall, it seems unlikely that very many of them voted to turn this Government over to the financial operators on the Federal Reserve Board. Recently, in a hearing before the House Banking Committee, Congressman WRIGHT PATMAN of Texas required Federal Reserve Board Chairman William Martin to furnish the committee with the banking connections of some key Government figures. That reveals that R. B. Anderson, Secretary of the Navy, was a director of the Federal Reserve Bank of Dallas at the time of his appointment; Budget Director Joseph Dodge was in the Federal Reserve Bank of Chicago; Under Secretary of the Treasury Folsom was with the Federal Reserve Bank of New York; Dr. John Hannah, Assistant Secretary of Defense, was with the Federal Reserve Bank of Detroit; Comptroller of the Currency Ray Gidney was president of the Federal Reserve Bank of Cleveland; W. I. Myers, now Chairman of the National Agricultural Advisory Committee was with the Federal Reserve Bank of New York; Secretary of the Navy Robert Stevens came from the Federal Reserve Bank of New York; as did Philip Young, Chairman of the Civil Service Commission. And Mr. Randolph Burgess, the architect of the interest rate hikes now being instituted, was a director of the Federal Reserve Bank in New York at the time he came to Washington.

The American people are becoming aware of the real meaning of the financial maneuvers that are going on; the mail to the Senators and Congressmen shows that clearly enough. With the key Government positions being held by bankers, it should surprise no one to see them following a policy that will pour billions of dollars a year into the pockets of other bankers. In brief: This has become a Government of the bankers, by the bankers, and for the bankers.

AMENDMENT TO THE NATURAL GAS ACT—RESOLUTION SUBMITTED BY PUBLIC UTILITIES COMMISSIONER OF OREGON

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution relating to House bills 3769 and 3892, which resolution was sent to me by the public-utilities commissioner of Oregon.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas H. R. 3769 and H. R. 3892 (introduced by Congressman HINSHAW, of California, and Congressman HARRIS, of Arkansas, respectively) are now pending in the 83d Congress, first session; and

Whereas such bills would amend the Natural Gas Act by creating a new subsection (c) to section 1 thereof, as follows:

"(c) The provisions of this act shall not apply to any person engaged in or legally authorized to engage in the transportation in interstate commerce, or to the sale in interstate commerce for resale, of natural gas received by such person within or at the boundary of a State and ultimately consumed within such State, or to any facilities used by such person for such transportation or sale, provided such person and operation be subject to regulation by a State commission or other legally constituted local public authority. The matters exempted from the provisions of this act by this subsection are hereby declared to be matters primarily of local concern and subject to regulation by the several States"; and

Whereas the enactment of such legislation would benefit State jurisdiction and would not materially affect Federal jurisdiction; and

Whereas the several States are able to regulate the matters and things contained in said proposed legislation and the adoption of said proposal appears to be in the public interest: Now, therefore, be it

Resolved, That the public utilities commissioner of the State of Oregon urges that Congress of the United States to enact said proposed legislation into law.

Signed this 20th day of May 1953.

CHARLES H. HELTZEL,
Public Utilities Commissioner of Oregon.

RECESS

The PRESIDING OFFICER. If there be no further business to come before the Senate, without objection, and under the order previously entered, the Senate will stand in recess until 12 o'clock noon tomorrow.

Thereupon (at 6 o'clock and 54 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until tomorrow, Tuesday, June 2, 1953, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 1 (legislative day of May 28), 1953:

UNITED NATIONS

Mason Sears, of Massachusetts, to be the representative of the United States of America on the Trusteeship Council of the United Nations.

NORTH ATLANTIC COUNCIL

John C. Hughes, of New York, to be the United States permanent representative on the North Atlantic Council, with the rank and status of Ambassador Extraordinary and Plenipotentiary.

DEPARTMENT OF THE NAVY

Raymond Henry Fogler, of New York, to be Assistant Secretary of the Navy.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 1 (legislative day of May 28), 1953:

UNITED STATES TARIFF COMMISSION

Joseph E. Talbot, of Connecticut, to be a member of the United States Tariff Commission for the term expiring June 16, 1959. (Reappointment.)

UNITED STATES MARSHAL

Darrell O. Holmes to be United States marshal for the eastern district of Washington.

COLLECTOR OF CUSTOMS

Carl P. White to be collector of customs for customs collection district No. 27, with headquarters at Los Angeles, Calif.

Charles F. Brown, Jr., to be collector of customs for customs collection district No. 42, with headquarters at Louisville, Ky.

Cleta M. Smith to be collector of customs for customs collection district No. 45, with headquarters at St. Louis, Mo.

Chester R. MacPhee, to be collector of customs for customs collection district No. 28, with headquarters at San Francisco, Calif.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 1, 1953

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore, Mr. ARENDS.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou who hast called us to serve our generation in these days of crisis and darkness grant that we may be men and women of spiritual vision, of strong moral character, and of clear-seeing practical wisdom.

We pray that we may eagerly embrace every opportunity we have of assisting mankind find in life its majestic meanings, its lofty purposes, and its enduring satisfactions.

Show us how we may minister more helpfully to all the people of the earth as they look wistfully for a light to illumine the skyline of their hopes and aspirations.

May we be guided by Thy divine spirit in achieving the cooperation of men and nations everywhere in the great task of building a better world.

Grant that no divergency of material interests may break that unity of spirit that we so sorely need as we strive for those blessings of peace and prosperity which none can ever find and enjoy alone.

Hear us in Christ's name. Amen.

The Journal of the proceedings of Thursday, May 28, 1953, was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Hawks, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On May 21, 1953:

H. R. 2277. An act to amend the act entitled "An act to incorporate the Roosevelt Memorial Association," approved May 31, 1920, so as to change the name of such association to "Theodore Roosevelt Association," and for other purposes; and

H. R. 4465. An act to amend the Export-Import Bank Act of 1945, as amended.

On May 22, 1953:

H. R. 4198. An act to confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, to provide for the use and control of said lands and resources, and to confirm the jurisdiction and control of the United States over the natural resources of the seabed of the Continental Shelf seaward of State boundaries.

On May 27, 1953:

H. R. 2420. An act for the relief of Ruth D. Crunk; and

H. R. 3389. An act for the relief of Pio Valensin.

On May 29, 1953:

H. R. 782. An act for the relief of Kurt J. Hain and Arthur Karge;

H. R. 1563. An act to amend Veterans Regulation No. 2 (a), as amended, to provide that the amount of certain unnegotiated checks shall be paid as accrued benefits upon

the death of the beneficiary-payee, and for other purposes;

H. R. 2363. An act for the relief of David H. Andrews and Joseph T. Fetsch;

H. R. 2667. An act for the relief of Mrs. Lennie P. Riggs, James A. Carson, and Vernon L. Ransom;

H. R. 2990. An act to amend the act which incorporated the Veterans of Foreign Wars of the United States;

H. R. 3042. An act for the relief of Anna Bosco Lomonaco;

H. R. 3406. An act to authorize payment of salaries and expenses of officials of the Klamath Tribe; and

H. R. 4606. An act to amend section 10 of the Federal Reserve Act, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Ast, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4495. An act to amend the Universal Military Training and Service Act, as amended, so as to provide for special registration, classification, and induction of certain medical, dental, and allied specialist categories, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. SALTONSTALL, Mr. BRIDGES, Mr. FLANDERS, Mr. RUSSELL, and Mr. BYRD to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 1448. An act to amend the act of June 25, 1942, relating to the making of photographs and sketches of properties of the Military Establishment, to continue in effect the provisions thereof until 6 months after the present national emergency; and

S. 1550. An act to authorize the President to prescribe the occasions upon which the uniform of any of the Armed Forces may be worn by persons honorably discharged therefrom.

The message also announced that the Senate insists upon its amendment to the bill (H. R. 4654) entitled "An act to provide for the exemption from the Annual and Sick Leave Act of 1951 of certain officers in the executive branch of the Government, and for other purposes"; disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CARLSON, Mr. DUFF, Mr. JENNER, Mr. JOHNSTON of South Carolina, and Mr. NEELY to be the conferees on the part of the Senate.

THE LATE ANTHONY J. DIMOND

The SPEAKER pro tempore. The Chair recognizes the Delegate from Alaska [Mr. BARTLETT].

Mr. BARTLETT. Mr. Speaker, it becomes my sad duty today to inform the House of the passing of a former Member. Judge Anthony J. Dimond died in Anchorage, Alaska, on the evening of May 28, following a short illness.

Judge Dimond served in the House of Representatives as Delegate from Alaska from 1932 until 1945, when he returned to Alaska to become a Federal judge there. He was a great Alaskan, a great American. His was almost a prophetic insight. In the early thirties he repeatedly but vainly called for fortifying Alaska against the possibility of Japanese aggression, which even then he viewed as a distinct possibility. His pleas went unheeded; had it been otherwise, the tremendous effort which we exerted in the Aleutians and other parts of Alaska, and on such short notice, would not have been necessary. And even before the end of World War II, then Delegate Dimond in public utterances pointed to the Communist threat.

Judge Dimond was 71 years of age last November 30. He was born in Palatine Bridge, N. Y., in 1881, the son of John P. and Emily Sullivan Dimond. He attended the public schools and St. Mary's Catholic Institute at Amsterdam, N. Y. After teaching school for a time in New York, Judge Dimond started out across country on a trip which was by slow stages to take him to the great frontier. He tarried in Louisiana and Ohio and elsewhere before arriving in Alaska in 1905.

Once in Alaska, Tony Dimond—as he became known to thousands of Alaskans—in company with so many of the adventurous young men of his time—started a search for gold. He prospected for several years and then his mining career was abruptly halted when a gun he was carrying was accidentally discharged and massive damage was done to a leg. During his months in a hospital convalescing he resumed the study of law which he had started in a desultory sort of way back in New York State. Admitted to the Alaska bar in 1913, he became United States Commissioner at Chisana, Alaska, then in 1917 special assistant United States attorney at Valdez, and later and for many years engaged in the private practice of law as a member of the firm of Donohoe & Dimond. He served as a member of the Alaska Territorial Senate in 1923, 1926, 1929, and 1931. Tony Dimond made Valdez his home and was mayor of that Prince William Sound community from 1920 to 1922 and again from 1925 until 1932.

In February 1916 he was married to Miss Dorothea Frances Miller of Valdez. Mrs. Dimond passed away in Anchorage in 1949. Their three children were born in Valdez—Sister Marie Therese, now a member of the faculty of Trinity College, in Washington, D. C.; John H. Dimond, who served with valor and distinction in many Pacific campaigns and who recently resigned as assistant attorney general of Alaska at Juneau in the expectation of joining his father in the practice of law at Anchorage; and Mrs. Thomas Reilly, a resident of Ketchikan, Alaska.

Judge Dimond is survived also by 2 sisters and 2 brothers—Mrs. Henry Scheiber, of Kersey, Pa.; Mrs. Jane Showerman, of Fonda, N. Y.; Roy, of Fonda; and Herbert F., an attorney, of New York City.

Tony Dimond served in the United States House of Representatives from the 73d through the 78th Congress. He retired of his own motion so that he might accept appointment as United States District Judge for the Third Judicial Division, Territory of Alaska, with headquarters at Anchorage. He was serving in that capacity when fatally stricken.

Those are the bare biographical facts. A man was born, experienced through the Biblical span the joys and sorrows that are the lot of man, and died. He was with us, having succeeded much and failed little, and now he is gone.

In the sweep of Alaska history a biographical sketch does not suffice for the man that was Tony Dimond. If ever there was in our time one to whom the description of Christian gentlemen could be applied without qualification, that man was Judge Dimond. He was kind, and considerate. He was good. He stood on high moral principles which he embraced instinctively. The choice between the right and the wrong which a man must make so many times found him never on the side of the wrong, but always on the side of the right.

Long ago Tony Dimond became a leader in Alaska affairs. It was a position attained and held through no desire on his own part, because his own preference would naturally have led him to a career of study and contemplation, but because of the understanding of the people from Point Barrow to Ketchikan that in him they had found the thinker, the spokesman, the man capable of achievement in representing their highest aspirations.

I daresay that during the six terms he served in Congress there was not a single colleague who did not hold him in the greatest respect. To those close to him, he inspired a rare affection. The scope of his intellect gained early recognition in the House of Representatives. His willingness to work, and his capacity to do so, coupled with the fact that he always sought those things which would be good for the people he served, made him, in my judgment, the outstanding Delegate who has represented Alaska in the Congress of the United States. These later years on the Federal bench at Anchorage fortified the esteem in which he was held, and added to his stature.

Tony Dimond was as modern as today. His vision always looked forward. He never dwelled in the past. Yet he was truly one of that pioneer breed that first opened Alaska to the development and settlement that are proceeding so rapidly now. From the pioneer days to the time of his death Judge Anthony J. Dimond symbolized the very best in the hardy stock that opened the gates to our last frontier. In equal measure he symbolized those modern pioneers who carry on and perfect the work of those who preceded them.

In the history of Alaska, no matter how long it runs or how important it becomes, Tony Dimond will deserve and have a chapter of his own. Gentleman unafraid, affectionate husband and father, true Alaskan, patriotic American, of Tony Dimond it can and will be said

that his contribution to the welfare of his adopted land was in direct proportion to his capacity, and his capacity was very real and very great.

SPECIAL ORDERS GRANTED

Mr. GROSS asked and was given permission to address the House for 10 minutes today, following any special orders heretofore entered.

Mr. SMITH of Wisconsin asked and was given permission to address the House for 30 minutes on Thursday next, following the legislative program and any special orders heretofore entered.

FELEKY HUNGARIAN COLLECTION

Mrs. FRANCES P. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. FRANCES P. BOLTON. Mr. Speaker, I am today introducing a bill to authorize and direct the Librarian of Congress to sell the Feleky Hungarian collection now in the Library of Congress to such individual or private nonprofit association which will preserve and maintain the collection as originally conceived intact for public use.

Mr. Charles Feleky, who died in New York City in 1930, was an internationally known musical director long associated with Klaw & Erlanger and their productions of Ben Hur and Prince of India, as well as with the Martin Beck Theater productions.

He came to this country from Hungary as a young man and became a devoted student of Hungarian-English-American relations. He assiduously collected material on many phases of Hungarian and central European economic, political, and cultural development.

When Mr. Feleky died he left a collection of about 6,600 books and 2,600 pamphlets, about one-third of which are in the Hungarian language; files of newspapers, periodicals, and photographs; and some 10,000 periodical articles extracted from more than 800 English-language periodicals.

Since his collection on Hungarica was unusually valuable, containing some items that neither the National Library of Hungary nor the British Museum possessed, it was felt by Hungarian and American friends of Hungary that it ought to be preserved as a national treasure after his death. It was bought from his widow by the National Museum of Hungary for $16,000 with the proviso that it should be the nucleus of the Hungarian Reference Library established in New York.

With the outbreak of war between this country and Hungary in 1941 the reference library could not continue to function and the Feleky collection was crated and turned over to Columbia University for safekeeping. Later it was seized by the Alien Property Custodian and sold by him to the Library of Congress for $2,000.

Dr. Joseph Remenyi, professor of comparative literature at Western Reserve University in Cleveland, Ohio, called my attention to the fact that a divided reference collection would add only an infinitesimal value to the various divisions of the Library of Congress, whereas a complete specialized collection can serve as an invaluable source of reference.

There is an added reason why this particular collection of Hungarian material should be retained intact at this time. Its dispersal, even within our magnificent Congressional Library where each piece would be valuable, would have two results:

First. At a time when the American Committee for Free Europe and other such organizations are doing everything to keep alive the spirit of resistance of the Hungarian people behind the Iron Curtain, the Kremlin would most certainly seize upon this dispersal and use it as an example of the American disregard for the feelings of the Hungarian people. They would blazon it out at every point that "America did not care about Hungarian national feeling," "America did not appreciate the rare quality of Hungarian culture," and so forth.

Second. If on the other hand we demonstrate our recognition of this very unusual collection of Hungarian culture, it cannot help but give courage to the brave men and women who are quietly standing against the unholy desire of the Communist regime to destroy their very souls.

The Feleky collection is known far and wide in Hungary. It was bought from Mr. Feleky's widow by the National Museum of Hungary to be made a center here in this country for reference and better understanding of the culture of this ancient people.

Mr. Speaker, it would seem a very fitting gesture for this Congress to restore the collection to its original purpose—that of making it a symbol of Hungarian culture in the new world. This would give evidence of America's recognition of the contribution Hungary has made and will make to the culture of the world.

A responsible group of Americans of Hungarian descent is being formed to buy this collection the moment the Librarian of Congress is authorized to sell it. This group will provide for its adequate housing and thus make it available for its original purpose, which is to serve as a nucleus for study and reference.

Mr. Evans, the Librarian of Congress, has agreed to preserve the collection intact until action can be taken on my bill. Therefore, Mr. Speaker, it is my hope that the Committee on House Administration and the Congress will act on this important matter at an early date.

HOSPITAL BILLS DUE VETERANS' ADMINISTRATION

Mr. BENTLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BENTLEY. Mr. Speaker, I have recently been disturbed to learn of the tremendous number of unpaid hospital bills which are owing to the Veterans' Administration from private insurance companies. I understand that, during the first half of 1952, 14,952 veterans who had some form of private insurance were treated in VA hospitals for non-service-connected ailments. In these cases, the VA sent out bills totaling $4,913,390 but was able to collect only $1,265,564. Approximately 75 percent of the private insurance companies refused to admit liability, some probably for sound legal reasons, but many on the pretext that entitlement to free Federal care was absolute in any case, or by interpretation of escape clauses in the insurance policies which prohibited payment to tax-supported agencies.

Recently I received a letter from Admiral Boone, Chief Medical Officer of the Veterans' Administration, which I would like to insert in the RECORD at this point. This letter on the question of bill-collecting by the VA gives five reasons for the present state of affairs and I want to comment on each of these.

First, it seems that VA hospital admittance procedure requests each veteran who enters for treatment to state whether or not he holds a private health or accident insurance policy. If he owns such a policy, the veteran is required to assign any proceeds payable to the Veterans' Administration, and the VA then prepares the bills and sends them to the insurance companies before a determination of legal liability is made. Of course, merely because the veteran is insured, it does not follow that the company is liable, but no effort is made by the VA to determine liability—it is strictly up to the insurance company's lawyer. If he says there is no obligation on the part of his client, apparently the VA accepts his verdict without question.

Secondly, entitlement to free Federal medical care because of the broad range of VA-approved non-service-connected disabilities has encouraged insurance companies offering prepaid hospital plans to constantly narrow the coverage terms of their policies, on the theory that "the Government has to pay for it anyway, so why should we include it in our policy?" Since no one has found a practical method of regulating the coverage terms of a private insurance contract between two parties, this condition can only be cured by scrutinizing with care the list of non-service connected diseases and disabilities for which the VA is now obligated to hospitalize the afflicted veteran.

Third, when the hospitalized veteran collects on an accident liability policy as the result of his being a successful plaintiff in a damage action, most insurance companies escape payment by inclusion of a provision in the policy precluding payment to any "tax supported agency," or through obtaining out-of-court setlements for such minimal amounts as to make it impossible for the VA to recover anything.

Fourth, many of the policies are what is known as "reimbursement policies," requiring payment only for actually incurred hospital expenses, and since the veteran pays nothing to the VA after he

has signed the statutory application for admission containing a statement of his inability to defray the cost of hospitalization, there is obviously nothing to reimburse him for.

Fifth, in the case of policies falling within the provisions of the State Workmen's Compensation Act, the main idea is to keep the rates low so the insurance may be made available to the greatest possible number of workers, and the problem of narrow coverage is also dominant in this field. Very few States have laws requiring the employer to contract with his workers for hospitalization insurance, and the few States that do have not undertaken to interfere in the private contractual relations of the two parties, in order to compel them to agree to certain coverage.

In submitting the letter from Admiral Boone, I wish to say, Mr. Speaker, that it seems that very serious consideration should be given at the earliest possible time to remedial legislation which would help to plug this obvious leak in the Veterans' Administration hospital budget.

MAY 25, 1953.

Hon. ALVIN M. BENTLEY,
House of Representatives,
Washington, D. C.

DEAR MR. BENTLEY: Receipt is acknowledged of your letter of May 14, 1953, addressed to Mr. Harold G. Lockwood, Assistant Director, Congressional Liaison Service, which has been referred to this office for consideration and reply. In this letter you indicate that it has been brought to your attention that the Veterans' Administration has encountered considerable difficulty in attempting to collect from some private insurance companies for hospitalization furnished to veterans for treatment of non-service-connected conditions. Furthermore, it is your understanding that although 14,592 veterans were treated for injury and sickness for the first half of fiscal year 1952, and that bills totaling $4,913,390 were sent to the insurers, only $1,265,564 was collected. You requested that we advise you whether the difficulty in collecting the difference between what was actually billed and the sum that was collected was due either to faulty legislation or failure on our part. Please be reassured that neither of these two reasons are responsible for noncollection of the full amount billed.

The figures quoted by you, are identical with those taken from information supplied the Comptroller General by the Veterans' Administration and contained in the report of the Comptroller General to the Chairman, Committee on Veterans' Affairs, which showed the collections accomplished for the first half of fiscal year 1952. This report has been the subject of considerable correspondence by this office. In fact, it was the basis for an Associated Press article and appeared in many newspapers throughout the country. Unfortunately, the newspaper release was not entirely consistent with all the facts. Because of certain omissions in the article by its author, many persons have raised questions along the line of those raised in your letter. Some correspondents have assumed that the difference between the figures billed and the collections represents liabilities of insurance companies which they refuse to pay. That this is not a fact, may, I think, be readily demonstrated. In fact there is no significance whatever in the amounts, and no relationship between them.

Because of the procedure necessarily followed by the Veterans' Administration, there is no direct relationship between the amount billed and the amount collectible, or, indeed, the amount, if any, that ought to be collected in any particular case. Under the regulations which have been in effect for many years, each veteran admitted to a Veterans' Administration hospital for treatment of a non-service-connected disability is asked whether he has any insurance, or was injured under circumstances possibly resulting in liability of a third party, under workmen's compensation statutes, or otherwise. In the event of an affirmative answer, the veteran is requested to execute an assignment in favor of the Veterans' Administration. Obviously, neither the applicant nor the admitting officer, nor the finance officer of the hospital can know at that time whether there exists a statutory or a tort liability; or liability under the terms of an insurance policy or policies held, if any. Naturally, the policy or contract is not then available. If it were, it would not affect the situation, since lawyers are not stationed at the hospital. The bills are prepared on the basis of the administratively prescribed rate for each day of hospital care and for all chargeable items of service furnished without investigation of the facts or law applicable in a particular case. Insurance companies which, under their policies, are legally liable, usually make payment either routinely or after the matter has been referred to our local chief attorney, for collection, upon appropriate explanation. If it is determined that the insurance company is not liable, no further efforts to collect are in order. Obviously, the matter is determinable strictly upon the terms of the insurance policy involved and the facts of the particular case. It is quite erroneous to assume that the mere existence of an insurance contract affords an answer as to the right to collect. In this field of contract law, as in others, differences of opinion as to liability, and the extent thereof, do occur. But in most cases the terms of the contract are reasonably clear.

As in the cases of other correspondents the inquiry is in error in assuming that it is only with respect to some private health insurance that the question arises. The quoted term is a popular term used generally to identify all types of prepaid plans of medical or hospital care. It has no definite meaning, taken alone. Other types of policies, either individual or group, often are the contracts potentially applicable. Some cover third-party liability as for injury in automobile and other accidents. Others are personal accident policies. Further, there are, under various State workmen's compensation laws policies covering, within limits, care for certain occupational diseases, as well as for injuries.

With respect to the so-called common prepaid hospital plan, the Veterans' Administration some 15 or 20 years ago, made every effort to secure agreements whereby it could be repaid, at least in part, for the hospital care furnished by the Veterans' Administration for treatment of non-service-connected disabilities of veterans insured under such plans. For reasons which are at once apparent, considering the state of the law (38 U. S. C. 706), it was not legally possible to deny hospital care for eligible veterans who signed the required statement of inability to defray cost of hospitalization. This was and is true notwithstanding such persons may have such insurance policies; this, for the reason, among others, that no such policy in existence then or now covers everything which is afforded an eligible veteran under the Federal statute in a Veterans' Administration hospital. Some of these companies demurred on the ground that the veteran was entitled to the Federal care and to use his prepaid privileges would deprive his family and possibly him of such care that might be needed later. (It will be borne in mind that practically all policies fix a limit on benefits, either in dollars or in hospital time, or both.) They also objected to the length of hospital stay in Veterans' Administration hospitals which, for reasons readily seen, is generally higher than that in private hospitals. The matter was taken up by the Veterans' Administration with the State commissioners of insurance in some of the States, wherein such corporations were organized or did business, but without any tangible results. Probably in few, if any, States do the commissioners of insurance, or other officials have any legal right to prescribe the terms of the policies of insurance. They often do have statutory functions with respect to rates. We are not here discussing statutory standard fire policies, so-called. Certainly, it is most unlikely that any governor has been given any such powers. In due course, in the light of experience, the companies quite generally changed their insurance contracts so as to expressly exclude from coverage any hospital care furnished in a State or Federal hospital; some also mentioned municipal hospitals; others generalize by excluding tax-supported hospitals.

With respect to liability policies, much greater success was, and still is attained. These policies indemnify the assured, within limits, against loss by reason of liability for tort. Other individual or group policies undertake, within limits, to pay for expensive medical and hospital care occasioned by accident or illness. In the first group fall many of the cases in which assignments are taken, that is, emergency cases where the veteran has been injured in an accident, usually an automobile accident. Quite obviously the question of liability under such policies depends upon establishing that the insured was at fault in causing the injury, and the injured person was free of fault. In many cases liability is not conceded but must depend upon the result of a proper action filed in a court of competent jurisdiction. Many of such cases are compromised, often for a relatively minimal amount of the total damages claimed, and frequently under circumstances which make it impossible for the Veterans' Administration to recover any sum, or more than a small token payment for the services furnished. The Veterans' Administration has no legal right to take anything from the veteran. The law varies in different States as to recovering from a tort defendant the cost of the plaintiff's hospital expense, when plaintiff has not paid same. In the second of the type of policies mentioned in this paragraph, the insurance companies have quite generally changed their policies so as to preclude payment to the Veterans' Administration, or to other tax-supported agencies. This is done in various ways, the means being influenced no doubt by supposed sales resistence, and individual choice; rather than by purely legal considerations. Some policies are reimbursement policies only, that is, they purport to cover only amounts actually paid by the insured. The insurer is not liable under such policy because the veteran does not pay the Veterans' Administration. In fact, the Veterans' Administration has no legal authority to collect from the veteran who signs the statutory application. (This, of course, also precludes collection if the policy provides for paying specified amounts to the insured irrespective of whether and to what extent he incurs expense.) Still other policies cover care only in designated participating hospitals, viz., those which admit patients of affiliated physicians. It is safe to say that most of the policies currently being written contain one of these, or similar, exclusion clauses. There is nothing illegal about this. The parties have a right to contract as they please. No State insurance commission, or other regulatory body, or governor, would have any legal authority to require such insurance companies to insure a risk they do not want to insure.

There is still another category of cases, namely those covered under workmen's compensation laws. Upon proper application and proof by our chief attorneys, Veterans' Administration bills for hospital care of the type herein considered, if given in emergency in a case covered by such act, can be and are

collected within the limits prescribed by such act. As a general rule this type of insurer is extremely cooperative.

It is impracticable to examine the statutes of 48 States to ascertain the exact scope of the widely varying regulatory statutes presently existing. Except for certain compulsory automobile liability insurance statutes (e. g., Massachusetts), it probably is correct to say that in every State an insurer is at liberty to refuse to contract, and in general to determine the scope of coverage if he does contract. Moreover, even when the State statutes authorize certain regulations, or a fixing of premium rates, it necessarily is true that the losses suffered will to a large extent determine the required rates. To protect the public the insurer must be given profitable rates, or insolvency is inevitable if the particular type risk is continued. There is a natural and proper effort to provide premiums sufficient to carry each particular type of risk, so as to avoid charging other types of assureds for a risk they have not insured, e. g., life premiums ought not to be used to pay disability losses, etc. To the extent that potential losses are circumscribed, the necessity for higher rates is avoided, or postponed. As a matter of economic and industrial history of the United States the experience of insurers in the health field has been generally unprofitable. The record in the reorganization of several companies active in that field in the past, and which got into financial difficulties, demonstrates the reasons for caution as to coverage, and the necessity for restrictive coverage if premium rates are to be kept within a range that the purchasers of insurance can and will pay. These are simply existing facts that must be recognized, irrespective of one's regret that they exist. The parties, insurer and insured, have a right to contract as they please. Either can refuse to contract if the terms are not satisfactory. The Government is not a party to the contract and does not pay the premium.

In retrospect I realize this explanation is quite lengthy. However, because of the debate now going on in the House of Representatives on this subject, I felt it would be more advantageous to furnish you with complete information on the subject, rather than a brief reply which would not, in any way, fully answer the questions raised by you.

In conclusion, the Office of the Chief Medical Director is always willing and anxious that the role of the Veterans' Administration, and in particular the part played by this office in furnishing medical care and treatment to eligible veterans is in accord with current legislation and the intentions of the Congress.

Very truly yours,

J. T. BOONE,
Vice Admiral (MC), United States Navy, Retired,
Chief Medical Director.

ST. LAWRENCE SEAWAY

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DONDERO. Mr. Speaker, several things have happened of late in regard to the St. Lawrence seaway that should be made a matter of public record. The Security Council of the Nation unanimously has urged that we proceed with the construction and completion of this waterway jointly with Canada. The President's Cabinet has unanimously urged the same thing. The President of the United States himself has urged that this country participate with Canada in the completion of this most important waterway. Canada has given notice that unless the United States wishes to participate with her, she is ready, able, and willing to build the seaway alone. Should that occur, it seems to me that as a nation we would be a stupid people to sit idly by and see Canada do this work alone, and thereby lose control over one of the most important waterways in the world. In addition to that we would lose our voice in determining what the tolls shall be on the commerce that may use that waterway.

I wish to make a part of my remarks a resolution unanimously agreed to by the Republican delegation from Michigan in the House and Senate approving the construction and completion of the St. Lawrence seaway jointly with Canada:

This resolution expresses the unanimous endorsement by the Republican delegation to the Congress from the State of Michigan of the proposed plan of cooperation between the Government of the United States and the Government of Canada in the development of the Great Lakes-St. Lawrence Waterway project:

"RESOLUTION

"Whereas President Eisenhower, his Cabinet, and the National Security Council have unanimously endorsed the participation by our Government in the proposed development of the Great Lakes-St. Lawrence Waterway project; and

"Whereas the national security of the United States requires that the Great Lakes-St. Lawrence Waterway project be constructed to transport raw materials and finished goods uninterruptedly, notwithstanding the disruption of internal transportation that would inevitably be caused by shortages in time of war; and

"Whereas the national security of the United States requires that raw materials be at all times readily accessible to industry in Michigan, the industrial heart of the Nation, which demonstrated its productive power in World War II by turning out more war goods than any other State in the Nation; and

"Whereas the maintenance and development of a sound, prosperous, and healthful national economy demands the development of the Great Lakes-St. Lawrence Waterway project in order that raw materials might always be readily accessible to the industrial heartland of the Nation; and

"Whereas the example of international trust, good will, and hemispheric solidarity which will be demonstrated to the world by our cooperation with our great neighbor and good friend, Canada, in the development of the Great Lakes-St. Lawrence Waterway project will inspire the free world by demonstrating the benefits attainable by international trust, good will, and cooperation: Therefore be it

"*Resolved*, That it is the sense of the undersigned that the Government of the United States should join with the Government of Canada in the joint development of the Great Lakes-St. Lawrence Waterway project. We commend President Eisenhower for his farsighted stand on this matter, and we urge our colleagues in the Congress to join with us in our support of the policy urged by the President.

"HOMER FERGUSON, United States Senator; CHARLES E. POTTER, United States Senator; GEORGE MEADER, Member of Congress, 2d District; PAUL W. SHAFER, Member of Congress, 3d District; CLARE E. HOFFMAN (the advocates of St. Lawrence should be heard), Member of Congress, 4th District; GERALD R. FORD, JR., Member of Congress, 5th District; KIT CLARDY, Member of Congress, 6th District; JESSE P. WOLCOTT, Member of Congress, 7th District; ALVIN M. BENTLEY, Member of Congress, 8th District; RUTH THOMPSON, Member of Congress, 9th District; ELFORD A. CEDERBERG, Member of Congress, 10th District; VICTOR A. KNOX, Member of Congress, 11th District; JOHN B. BENNETT, Member of Congress, 12th District; CHARLES G. OAKMAN, Member of Congress, 17th District; GEO. A. DONDERO, Member of Congress, 18th District."

ST. LAWRENCE SEAWAY

Mr. OAKMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. OAKMAN. Mr. Speaker, at this time I wish to add my own voice to those of 14 others from Michigan, in the United States Senate and the House of Representatives, who signed the resolution presented today in both Chambers, supporting the St. Lawrence seaway enabling legislation.

I was one of the signers of that resolution, Mr. Speaker. I am proud to have my name inscribed along with those of the other Republican Members of Michigan's distinguished delegation to the Congress of the United States. I feel myself honored to be a member of that delegation.

But it was not for these reasons alone that I signed my name to the resolution, potent as those reasons may be. I subscribed to the resolution with heartfelt sincerity, because it expresses not only the convictions of all its signers, but also on my own part, a profound belief that the St. Lawrence seaway, in many respects, it vitally necessary to the survival of the Republic.

Furthermore, Mr. Speaker, it is my deep conviction that only by American participation with Canada in seaway construction and subsequent operation can the best interests of the two nations and the free world be served in years to come.

A few of my colleagues present here today, on both sides of the aisle, have expressed the opinion that Canada has offered to build the seaway canals, from Montreal to Lake Erie, without recourse to American participation, financial or otherwise, and that Canada therefore should be permited to go it alone.

This opinion, Mr. Speaker, is based upon several important misconceptions. Or at least so it seems to me. It is based in part on the present fiscal position of the American Government; also in part on the idea that a St. Lawrence seaway would serve no great purpose for the American economy, whatever it might do for the economy of Canada.

Still further, it is held by some that a St. Lawrence seaway would be of little service in the event of another world war, simply because for a few months of each year the Great Lakes are icebound. Of what use, they ask, is an ice-bound waterway on the day of a national emergency?

And, finally, those who oppose American participation in seaway construction, point to the American railroads and the New York barge canal. They are handling the transportation job adequately, it is asserted. Why build a seaway that is not needed?

The answers to these questions, and to the statements with respect to seaway financing and seaway economic justification, are not hard to find, Mr. Speaker. They are answers based upon the most irrefutable logic, and upon facts conceded by everyone whose mind is open to factual considerations.

Let me repeat once more, that under the provisions of seaway enabling legislation now before the Congress of the United States, not $1 of American tax money need be appropriated for our full participation in the St. Lawrence seaway project. Furthermore, the project is completely self-liquidating over a reasonable term of years.

The assertion that a St. Lawrence seaway would serve no real purpose for the American economy, let me say with all due respect to you, my colleagues, is based not upon facts, but upon a narrow sectionalism and a conglomeration of selfish interests, which do no credit to those who thus refuse to consider the welfare of all the people of the United States.

I submit to you that in all the history of transportation in America, it has proved invariably true that more transportation, even when it paralleled already existing facilities, has justified its construction many times over, in greater prosperity for all of the people, and not for just the comparative few whose immediate convenience was served. Nobody's interest has suffered; all have benefited.

With respect to the assertion that a St. Lawrence seaway would be of little advantage in the event of another world war, it is argued further that America's greatest supply of iron ore is located at the head of the Great Lakes, and would not have to come through the St. Lawrence River.

The answer to this, Mr. Speaker, is simply that the supply of high-grade ores in northern Michigan and Minnesota soon will be exhausted. Satisfactory utilization of the low-grade ores from the same area remains somewhat problematical. On the other hand, one of the greatest iron-ore bodies ever discovered lies in Labrador, and would move to American steel plants most easily through the proposed seaway.

The argument that a St. Lawrence seaway would be of little value, either in war or peacetime, because it would be frozen over for a part of each year, seems to me rather nonsensical. The Great Lakes, too, are icebound for a part of each year. Yet how do you suppose the present vast tonnage of iron ore moves from the head of the lakes to ports on Lakes Erie and Michigan?

In this connection I should point out, Mr. Speaker, that the railroads of the Middle West are prosperous railroads, even though they move almost no ore tonnage at all from the iron ranges to the steel plants of Illinois, Michigan, Ohio, and Pennsylvania. Their facilities are strained to handle shipments of other kinds.

Then why should the railroads, between the Middle West and the seaboards, suffer in the least from competition, if you want to call it that, of a great new waterway? They would not suffer at all. On the contrary, they would participate in the benefits of a vastly expanded American prosperity. And this, Mr. Speaker, reminds me of something else.

For many years the legislative representatives of many areas in the United States, outside of the Middle West, have asked Congress to appropriate huge sums for construction of multiple-purpose power and irrigation dams, and for other dams designed to control the rivers which so often flood vast lowland areas.

In view of the fact that construction costs of these big projects more often than not are in excess of the economic justification with respect to those receiving the immediate benefits, Congress has been told that increased prosperity for the areas benefited by the projects means increased prosperity for the entire Nation.

Then why is this not true, also, of the proposed St. Lawrence seaway?

Members of Congress from the Middle West have cooperated generously with members from the land irrigation and flood-control areas of the country. They have supported tremendous appropriations from the United States Treasury for those huge electric power, land irrigation, and flood-control projects.

They have done so because they had in mind the welfare of all Americans, in all parts of the country, conceding that prosperity for one area spells prosperity for all. They have done so, even though by so doing they accepted for their constituents tax inequities and serious regional disadvantages in the competitive position of both agriculture and industry.

Now I shall make a statement, Mr. Speaker, which embodies solely my personal views. I speak only for myself. But it seems to me that those who ask hundreds of millions for projects of direct benefit only to their own areas, cannot ask with good grace for anything more, unless they give wholehearted support to the seaway project now asked by a majority from the Middle West.

It is my hope, Mr. Speaker, that the resolution presented for the record here today will serve to enlist the support of those who have thought hitherto in terms only of regional and competitive interest.

It is my greatest hope that in the end the United States will join with Canada in constructing the St. Lawrence seaway. Thereby the two nations would give to all the world a demonstration of solidarity among the free nations; a demonstration which should be an object lesson to those who seek world conquest.

SPECIAL ORDERS GRANTED

Mr. MEADER asked and was given permission to address the House on tomorrow for 30 minutes, following any special orders heretofore entered.

Mr. JONES of Alabama asked and was given permission to address the House today for 10 minutes, following any special orders heretofore entered.

ST. LAWRENCE SEAWAY

Mr. MACHROWICZ. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MACHROWICZ. Mr. Speaker, I have asked for this time because of the remarks made by the gentleman from Michigan [Mr. DONDERO], the distinguished chairman of the House Public Works Committee, regarding the St. Lawrence seaway and to express my happiness over his statement that the Republican Members of the House from the State of Michigan have now unanimously endorsed United States participation in the St. Lawrence Waterway project. On behalf of the Democratic Members of the House from the State of Michigan I wish to state that we have not circulated any similar resolution, and the reason is quite simple. There never has been and there never will be any question where the Democratic Members of the House from the State of Michigan and from the Great Lakes area stand in regard to United States participation in the St. Lawrence Waterway project. We have always supported it unanimously. We sincerely hope that the House Public Works Committee will, in the very near future, hold hearings on that important matter.

TRADE AGREEMENT WITH CZECHOSLOVAKIA

Mr. BAILEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BAILEY. Mr. Speaker, I have asked this time in order to denounce the sordid dollar diplomacy being practiced by our State Department under the guise of "more trade, less aid."

Some days ago, Members of Congress were thrilled to learn that William A. Oatis, an Associated Press reporter, imprisoned in Czechoslovakia on espionage charges was being released. The matter took on a humanitarian slant when it was learned that he was being released as a result of a rather appealing and pathetic letter written by his wife to the President of the Czech Republic.

The real facts back of his release are now known. It appears his release was brought about as a result of a letter written by President Eisenhower to the President of the Czechoslovak Republic, suggesting the resumption of trade relations predicated on the release of Mr. Oatis. A reply to our President's communication by the President of Czechoslovakia indicated their willingness to do business on this basis. The incident

makes one recall the necessity for buying the release of certain American airmen shot down some months ago behind the Iron Curtain. It is another illustration of paying tribute and is to say the least, a radical departure from the stand taken by one of our early diplomats, Mr. Pinckney of South Carolina, who said, "Millions for defense but not one cent for tribute."

My colleagues well remember the action taken by the Congress in cancelling the Reciprocal Trade Agreements Act with the Czech Republic as an outgrowth of the Oatis incident. The restoration of this trade agreement will again place the handmade glass industry of this Nation in a precarious position.

Over 50 percent of the handmade glassware imports come from Czechoslovakia. American plants which have resumed operations since the cancellation of the Czech treaty will once more be forced to close operations which will result in unemployment for thousands of skilled American workmen.

GRANTING UNITED STATES CITIZENS WHO HAVE ATTAINED THE AGE OF 18 THE RIGHT TO VOTE

Mr. DOYLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DOYLE. Mr. Speaker, in view of the fact that the Vice President of the United States, together with the chairman of the Republican National Committee, Leonard W. Hall, have both this last week, very vigorously advocated that 18-year-olds have the right to vote in the United States at the earliest possible date, I think it is appropriate for me to again call the attention of the House to the fact that on January 3, 1953—in other words, the first day of this session—I introduced House Joint Resolution 30, which was referred to the House Committee on the Judiciary. It would now appear entirely appropriate for me to urge its consideration. Therefore, in view of the fact that the Vice President of the United States and the chairman of the Republican National Committee this last week, through the newspapers, have both emphatically and publicly approved the proposal of House Joint Resolution 30, to wit: That the citizens of the United States who have attained the age of 18 years have the right to vote, I specifically ask and urge that the House Committee on the Judiciary have hearings on this House Joint Resolution 30. I note that both these nationally-known Republican Party leaders have publicly stated that they felt in substance that the majority of the young people of America, on arriving at 18 years of age, might be logically expected to identify with the Republican Party at the next national election after they obtained the right to vote.

Mr. Speaker, I am not so much concerned whether they first register with the Republican Party or with the Democratic Party. That is not the prime motive I have in mind in urging that these important young people have the right to vote at 18 years of age. But, I do have in mind, that they are not only mature enough to exercise their franchise at that age in national elections; but at the ballot box they will make a real contribution to the social, economic, and political stability of our great Nation. In fact, their having acquired this worthy right in exercising the privilege granted them through this right to vote is, in my humble judgment, far more important than to try to deviate them now before they get the right to vote into one or other of the major political parties.

All the leaders of both the major political parties should be anxious that the 18-year-olds in America acquire the right of voting franchise as soon as practical. Let them decide through considered judgment with the material facts before them in which of the two major parties they wish to cast their first vote.

While we can all appreciate the anxiety of the Vice President and of the Chairman of the Republican National Committee to hope that a great majority of the 18-year-olds of America would register with that particular political party, I submit that no such premise, should become the basis upon which the American people are asked to amend the Constitution of the United States. Nor, is it any premise upon which any State legislature should be asked to grant the privilege of the franchise of the 18-year-olds in their respective States. Rather, Mr. Speaker and my colleagues, the fundamental premise must be that it is right and sound and in the best interest of our great Nation, that these 18-year-olds shall have the privilege of voting at the age of 18.

Recognizing that for practical purposes, it will take several years for three-fourths of the legislatures of the several States to ratify an amendment to the Constitution which will give to those 18-year-olds the right to vote. I urge that the leaders of both of the major parties take two immediate steps; both of which appear clearly to me as in the best interests of our great Nation, to-wit:

First. That there be an organized effort and program to encourage three-fourths of the legislatures of the several States to themselves pass legislation through their own State Legislatures, granting the citizens in their respective States, who have attained the age of 18 years, the right to vote in their own State.

The State of Georgia is presently the only State in which 18-year-olds have that right.

Second. There should be hearings upon the principles involved in the Doyle resolution, House Joint Resolution 30. In this connection, I wish to frankly state that I, as a member of the minority party, cordially recognize that being a member of the minority party this my fourth term in Congress, if any resolution embodying the right of 18-year-olds to vote by way of an amendment to the Constitution of the United States, does pass committee, such resolution would emanate from the House Judiciary Committee to the floor of Congress under the authorship of some member of that distinguished committee who also has membership in the majority party this session of Congress. I recognize that this is the way the House functions in such matters. I am not interested in pride and authorship.

Of course, every State which, by its own legislature would during the next year, grant the right to vote within that State of those 18-year-old citizens would, at a later date, logically vote for an amendment to the Constitution of the United States which had been submitted to the several States by the United States Congress for ratification by the legislature of the several States.

So, Mr. Speaker and my colleagues, it appears clear as crystal to me that those interested State legislatures and the United States Congress have an interest and common knowledge of action in the premises.

Mr. Speaker, I am pleased to present to you and all of my distinguished colleagues the full text of House Joint Resolution 30:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE —

"SECTION 1. The right of citizens of the United States, who are 18 years of age or older, to vote shall not be denied or abridged by the United States or by any State on account of age. The Congress shall have power to enforce this article by appropriate legislation.

"SEC. 2. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within 7 years from the date of its submission to the States by the Congress."

FOREIGN OPERATIONS ADMINISTRATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 156)

The SPEAKER pro tempore laid before the House the following message from the President of the United States, which was read and referred to the Committee on Government Operations and ordered to be printed:

To the Congress of the United States:

The history of recent decades has brought a profound and irrevocable change in the role of our Nation in world affairs. We have assumed a position of leadership among the free nations of the world in our united quest of a just and lasting peace. No national ambition, no selfish desire, but the sheer force of circumstance—the compelling need of freedom's cause—has brought us to this position and this responsibility.

To meet this responsibility, our Nation today is dedicated to international

action in concert with other nations—through the United Nations and in regional arrangements with other nations for collective security, for economic and social cooperation, designed to foster a community of world law. We have come to know that national security entails mutual security with other free nations. And we have come to know that their freedom, in turn, depends heavily upon our strength and the wisdom with which we use it.

To meet the challenge of this responsibility effectively—to convert earnest intent into constructive fact—we must achieve the most efficient and cohesive possible organization for the conduct of our foreign affairs. Slackness, confusion, blurred authority, and clouded responsibility—any of these can defeat the noblest purposes of any foreign policy.

Our organization for the conduct of foreign affairs has been built upon a patchwork of statutes which needs careful restudy as a basis for new legislation. The development of new legislation will take time. By early next year we will be prepared, with appropriate consultation with the Congress, to recommend such legislation. In the meantime we must improve the present arrangements within the framework of existing legislation.

To date the organization of the executive branch for foreign affairs has been deficient in two major respects. First, there has been no clear assignment of central responsibility for foreign policy below the President. Second, a number of programs which implement our foreign policy have been scattered within the executive branch rather than being grouped together for the most efficient and economical administration.

We must correct these deficiencies. The measures proposed are directed toward that objective. The consideration of new legislation will open up further reorganization possibilities.

First. We are taking the necessary steps to confirm the historic responsibility of the Department of State as the agency responsible under the President for the development and control of foreign policy and all relations with foreign governments. Not only must the Department of State be given clear authority to provide guidance on our foreign policies to all other agencies of the Federal Government; it is equally important that each Chief of Diplomatic Mission in each foreign country provide effective coordination of, and foreign policy direction with respect to, all United States Government activities in the country.

Second. We must bring together in a single organization foreign assistance and related economic operations now dispersed among several agencies of the executive branch.

Third. We must provide a new, separate organization for the international information programs now administered by the Department of State and the Mutual Security Agency.

To achieve the organization I have outlined requires a series of related actions. Accordingly I am transmitting to the Congress today, by the required statutory message in each instance, Reorganization Plans Nos. 7 and 8 of 1953, under the Reorganization Act of 1949, as amended. Those plans take many of the necessary steps. I am making other changes by Executive order. I am, in addition, setting forth in a letter addressed to department and agency heads the arrangements which will govern relationships among executive branch officials in the conduct of our international responsibilities.

Reorganization Plan No. 7 has as its major purpose the realinement of our foreign assistance and related economic operations. It establishes a new Foreign Operations Administration and abolishes the present Mutual Security Agency and certain offices. It centers in the head of the new Administration the functions vested in the Mutual Security Agency and the Director for Mutual Security, including the Director's functions under the Mutual Defense Assistance Control Act.

To centralize further the foreign assistance and related economic responsibilities in the head of the new Foreign Operations Administration, I am taking certain administrative actions. These include the transfer from the Secretary of State to the Director of Foreign Operations Administration four responsibilities: the administration of the Act for International Development; assistance to private foreign relief organizations; programs for aiding persons who have escaped from Communist areas; and operating functions with respect to United States participation in the United Nations Technical Assistance Program, the United Nations International Children's Emergency Fund, the United Nations Korean Reconstruction Agency, and the Intergovernmental Committee for European Migration. These administrative actions also include the delegation by the President to the Director of the Foreign Operations Administration of appropriate responsibilities respecting the Palestine refugee program.

The new Foreign Operations Administration will have as its direct responsibility two major related assistance programs which previously have been separately administered. Both the Technical Cooperation Administration in the Department of State and the Mutual Security Agency have administered technical assistance programs. At the very least, this has meant some duplication in the performance of certain common functions, including the recruitment of technicians and the formulation of general policies. It has made difficult the achievement of a balanced programing of technical assistance on a worldwide basis.

The transfer of the Technical Cooperation Administration is not intended to modify the character of the United States technical cooperation program as a long-range effort to cooperate with the governments and peoples of other countries in developing their economies and raising their standards of living. The technical cooperation program will be carried out solely in furtherance of the purposes of the Act for International Development. The transfer of the functions vested in the President by the Act for International Development includes the programs under that act administered by the Institute of Inter-American Affairs.

The new Director of the Foreign Operations Administration will have the same responsibilities as his predecessor for continuous supervision, general direction, and coordination of all foreign assistance programs, including the military assistance responsibilities vested in the Secretary of Defense.

Reorganization Plan No. 7 of 1953 provides for abolishing the Offices of Special Representative in Europe and Deputy Special Representative in Europe, as authorized by section 504 of the Mutual Security Act of 1951, as amended. I am establishing a new United States mission to the North Atlantic Treaty Organization and European regional organizations. The chief of the mission will report to and receive instructions from the Secretary of State. The mission will include representatives of the Secretary of Defense, the Secretary of the Treasury, and the Director of the Foreign Operations Administration.

Reorganization Plan No. 8 establishes a new agency—the United States Information Agency—for the conduct of our information programs. These include, with certain limited exceptions, four programs: The information activities now administered by the International Information Administration of the Department of State; the information programs financed in connection with government in occupied areas; the information program of the Mutual Security Agency; and the Technical Cooperation Administration information program. The first three of these programs would be shifted by Reorganization Plan No. 8, while the last would be reassigned by Executive order.

Various arrangements have been provided in the past for the coordination of these programs, but the placing of them in a single agency seems the one sound way to provide real unity and greater efficiency. This action, moreover, brings under single management all the funds to be expended on these foreign-information activities.

These information activities must, of course, be subject to special guidance and control in view of their direct relation to the conduct of foreign affairs and national security policy. Therefore, Reorganization Plan No. 8 specifies that the Secretary of State shall provide to the Director of the new agency on a current basis full guidance concerning the foreign policy of the United States. The plan also specifies, and I have amplified this in my letter to the department and agency heads, that the Secretary of State shall control the content of a program setting forth official United States' positions for use abroad. The program will be clearly identified as such by an exclusive descriptive label. I have likewise instructed that the new United States Information Agency shall report to the President through the National Security Council or as the President may otherwise direct.

In administering the information program in the Department of State, the Secretary of State has relied on various

general statutes authorizing and controlling administrative matters. To insure that adequate authority may be vested in the new Director, Reorganization Plan No. 8 provides that he may, in carrying out his functions, exercise such administrative authorities of the Secretary of State and of certain other officers as the President may specify.

This is necessary because the legislation dealing with the information programs does not contain administrative provisions. For example: the Director of the new United States Information Agency will need personnel authority. I, therefore, plan to authorize an independent personnel system for this agency's foreign operations under authority of the last subsection of section 2 of plan No. 8. This system will be based on the provisions of the Foreign Service Act of 1946. It will give authority to the Director to appoint personnel and take such other personnel actions as are necessary, thereby relieving the Secretary of State of responsibility with respect to personnel actions. Such personnel would receive compensation, allowances, and other benefits applicable to Foreign Service Reserve, staff, and alien personnel. It is not planned to extend to the new agency any authority with respect to the appointment of Foreign Service officers.

While these arrangements will enable the new agency to function with reasonable effectiveness from the outset, I do not consider them permanently suitable. There is need for a critical analysis of the various systems of employment and compensation for United States Government overseas civilian personnel. I am directing that this entire matter be studied with a view toward recommending appropriate legislation.

While divesting the Department of State of the foreign-information programs, the reorganization plan does not transfer the responsibility of that Department for the educational-exchange programs authorized by various acts of the Congress. Close coordination of our information and educational-exchange programs will, of course, be effected by the Secretary of State and the Director of the United States Information Agency.

The Constitution of the United States places the duty upon the President for the conduct of our foreign affairs. Reorganization Plans Nos. 7 and 8 and the related Presidential actions are designed to protect and strengthen the role of the Secretary of State as the principal officer, under the President, in the field of foreign affairs. In the last analysis, however, the ability of the Secretary of State to discharge his responsibilities depends upon the backing accorded to him by the President, including consultation with the Secretary on the appointment and maintenance in office of the directors created by these reorganization plans. I shall continue to exercise my powers of appointment so that these offices are occupied only by men who support and enjoy the full confidence of the Secretary of State.

I urge the Congress to give its full support to these reorganizations.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 1, 1953.*

REORGANIZATION PLAN NO. 7 OF 1953—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 157)

The SPEAKER pro tempore laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Government Operations and ordered to be printed:

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 7 of 1953, prepared in accordance with the Reorganization Act of 1949, as amended, and providing for the reorganization of various foreign aid functions and agencies. My reasons for proposing the plan are stated in another message transmitted to the Congress today.

After investigation, I have found and hereby declare that each reorganization included in Reorganization Plan No. 7 of 1953 is necessary to accomplish one or more of the purposes set forth in section 2 (a) of the Reorganization Act of 1949, as amended. I have also found and hereby declare that it is necessary to include in the accompanying reorganization plan, by reason of reorganizations made thereby, provisions for the appointment and compensation of officers specified in section 1 of the plan. The rates of compensation fixed for these officers are, respectively, those which I have found to prevail in respect of comparable officers in the executive branch of the Government.

The statutory authority for the exercise of the functions abolished by section 8 (a) (5) of the reorganization plan is section 413 (a) of the Act for International Development, as amended. The vesting of the functions of planning, implementing, and managing the programs authorized by that act, as amended, in an officer other than the President is incongruous with the pattern of the act as a whole, whereby other functions are vested in the President, with power of delegation. In the interest of having the most flexible arrangements for the administration of the act, the functions in question could be either abolished or transferred to the President. I have concluded that they overlap the authority of the President under the act generally, are thus dispensable, and should be abolished.

I expect that the improved organizational arrangement provided for in Reorganization Plan No. 7 of 1953 will lead to substantial economies and significantly improved effectiveness of administration. It is not practicable, however, to itemize at this time the reductions in expenditures which will probably be brought about by the taking effect of the reorganizations included in the reorganization plan.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 1, 1953.*

REORGANIZATION PLAN NO. 7 OF 1953

(Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, June 1, 1953, pursuant to the provisions of the Reorganization Act of 1949, approved June 20, 1949, as amended)

FOREIGN OPERATIONS ADMINISTRATION

SECTION 1. Establishment of Foreign Operations Administration: (a) There is hereby established a new agency which shall be known as the Foreign Operations Administration, hereinafter referred to as the "Administration."

(b) There shall be at the head of the Administration a Director of the Foreign Operations Administration, hereinafter referred to as the "Director." The Director shall be appointed by the President by and with the advice and consent of the Senate and shall receive compensation at the rate of $22,500 a year. The Secretary of State shall advise with the President concerning the appointment and tenure of the Director.

(c) There shall be in the Administration, a Deputy Director of the Foreign Operations Administration, who shall be appointed by the President by and with the advice and consent of the Senate, and who shall receive compensation at the rate of $17,500 a year. The Deputy Director shall perform such functions as the Director shall from time to time designate, and shall act as Director during the absence or disability of the Director or in the event of a vacancy in the office of Director.

(d) There are hereby established in the Administration six new offices with such title or titles as the Director shall from time to time determine. Appointment thereto shall be by the President, by and with the advice and consent of the Senate. The compensation for each of 2 of the said offices shall be at the rate of $16,000 a year and the compensation for each of the other 4 offices shall be at the rate of $15,000 a year. The persons appointed to the said new offices shall perform such functions as the Director shall from time to time designate, and are authorized to act as Director, as the Director may designate, during the absence or disability of the Director and the Deputy Director or in the event of vacancies in the offices of Director and Deputy Director.

SEC. 2. Transfer of functions to the Director: There are hereby transferred to the Director:

(a) All functions vested by the Mutual Security Act of 1951, as amended, or by any other statute in the Director for Mutual Security provided for in section 501 of that act, or in the Mutual Security Agency created by that act, or in any official or office of that Agency, including the functions of the Director for Mutual Security as a member of the National Security Council.

(b) All functions vested by the Mutual Defense Assistance Control Act of 1951 in the Administrator created by that act.

(c) The function vested by section 6 of the Yugoslav Emergency Relief Assistance Act of 1950 in the Secretary of State.

SEC. 3. Institute of Inter-American Affairs: The Institute of Inter-American Affairs, together with its functions, is hereby transferred to the Administration. All functions vested by the Institute of Inter-American Affairs Act in the Secretary of State are hereby transferred to the Director. Functions with respect to serving as employees of the said Institute or as members of the board of directors thereof, including eligibility, as the case may be, to be detailed as such employees or to serve as such members, are hereby transferred from the officials and employees of the Department of State to the officials and employees of the Administration. The Institute shall be administered subject to the direction and control of the Director.

SEC. 4. National Advisory Council: The Director shall be a member of the National Advisory Council on International Monetary and Financial Problems (22 U. S. C. 286b).

SEC. 5. Performance of functions transferred to the Director: The Director may from time to time make such provisions as he shall deem appropriate authorizing the performance by any other officer, or by any employee or organizational entity, of the Administration, of any function of the Director, except the function of being a member of the National Security Council and the function of being a member of the National Advisory Council on International Monetary and Financial Problems.

SEC. 6. Transfer of functions to the President: All functions vested in the Secretary of State by the United Nations Palestine Refugee Aid Act of 1950 are hereby transferred to the President.

SEC. 7. Incidental transfers: (a) Personnel, property, records, and unexpended balances of appropriations, allocations, and other funds, employed, used, held, available, or to be made available in connection with functions transferred or vested by this reorganization plan shall be transferred, at such time or times as the Director of the Bureau of the Budget shall direct, as follows:

(1) So much of those relating to functions transferred to or vested in the Director or the Administration as the Director of the Bureau of the Budget shall determine shall be transferred to the Administration.

(2) Those of the Institute of Inter-American Affairs shall be transferred along with the Institute.

(3) So much of those relating to the functions transferred by section 6 hereof as the Director of the Bureau of the Budget shall determine shall be transferred to the agency or agencies of the Government to which the President delegates the said functions.

(b) Such further measures and dispositions as the Director of the Bureau of the Budget shall deem to be necessary in order to effectuate the transfers provided for in subsection (a) of this section shall be carried out in such manner as he shall direct and by such agencies as he shall designate.

SEC. 8. Abolitions: (a) There are hereby abolished:

(1) The offices of Director for Mutual Security and Deputy Director for Mutual Security, provided for in sections 501 and 504, respectively, of the Mutual Security Act of 1951, as amended (including the organization in the Executive Office of the President known as the Office of the Director for Mutual Security).

(2) The Mutual Security Agency.

(3) The title of Administrator provided for in the Mutual Defense Assistance Control Act.

(4) The four positions provided for in section 406 (e) of the Mutual Defense Assistance Act of 1949, as amended.

(5) The offices of Administrator and Deputy Administrator for Technical Cooperation, provided for in section 413 (a) of the Act for International Development, as amended, together with the functions vested in the Administrator by the said section 413 (a), as amended.

(6) The offices of the Special Representative in Europe and Deputy Special Representative in Europe, provided for in section 504 (a) of the Mutual Security Act of 1951, as amended. The abolition of the said offices of Representative and Deputy Representative shall become effective on September 1, 1953 (unless a later date is required by the provisions of section 6 (a) of the Reorganization Act of 1949, as amended).

(b) The Director shall wind up any outstanding affairs of the aforesaid abolished agencies and offices not otherwise provided for in this reorganization plan.

SEC. 9. Interim provisions: The President may authorize the persons who, immediately prior to the effective date of this reorganization plan, hold offices or occupy positions abolished by section 8 hereof to hold offices and occupy positions under section 1 hereof until the latter offices and positions are filled pursuant to the provisions of the said section 1 or by recess appointment, as the case may be, but in no event for any period extending more than 60 days after the said effective date, as follows:

(a) The Director and Deputy Director for Mutual Security as the Director and Deputy Director of the Foreign Operations Administration, respectively.

(b) The Administrator for Technical Cooperation and the person occupying the senior position provided for in section 406 (e) of the Mutual Defense Assistance Act of 1949, as amended, to serve in the two senior positions created by section 1 (d) hereof.

(c) The Deputy Administrator for Technical Cooperation and the persons occupying the 3 positions provided for in section 406 (e) of the Mutual Defense Assistance Act of 1949, as amended, to serve in the 4 positions created by section 1 (d) hereof which have compensation at the rate of $15,000 a year.

REORGANIZATION PLAN NO. 8 OF 1953—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 158)

The SPEAKER pro tempore laid before the House the following message from the President of the United States which was read and, together with the accompanying papers, referred to the Committee on Government Operations and ordered to be printed:

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 8 of 1953, prepared in accordance with the Reorganization Act of 1949, as amended, and providing for the reorganization of foreign information functions. My reasons for proposing this plan are stated in another message transmitted to the Congress today.

After investigation, I have found and hereby declare that each reorganization included in Reorganization Plan No. 8 of 1953 is necessary to accomplish one or more of the purposes set forth in section 2 (a) of the Reorganization Act of 1949, as amended. I have also found and hereby declare that it is necessary to include in the accompanying reorganization plan, by reason of reorganizations made thereby, provisions for the appointment and compensation of officers specified in section 1 of the plan. The rates of compensation fixed for these officers are, respectively, those which I have found to prevail in respect of comparable officers in the executive branch of the Government.

I expect that the improved organizational arrangement provided for in Reorganization Plan No. 8 of 1953 will lead to substantial economies and significantly improved effectiveness of administration. It is not practicable, however, to itemize at this time the reductions in expenditures which will probably be brought about by the taking effect of the reorganizations included in the reorganization plan.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 1, 1953.*

REORGANIZATION PLAN NO. 8 OF 1953

(Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, June 1, 1953, pursuant to the provisions of the Reorganization Act of 1949, approved June 20, 1949, as amended)

UNITED STATES INFORMATION AGENCY

SECTION 1. Establishment of agency: (a) There is hereby established a new agency, which shall be known as the United States Information Agency, hereinafter referred to as the Agency.

(b) There shall be at the head of the Agency a Director of the United States Information Agency, hereinafter referred to as the Director. The Director shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate of $17,500 a year. The Secretary of State shall advise with the President concerning the appointment and tenure of the Director.

(c) There shall be in the Agency a Deputy Director of the United States Information Agency, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive compensation at the rate of $16,000 a year. The Deputy Director shall perform such functions as the Director shall from time to time designate, and shall act as Director during the absence or disability of the Director or in the event of a vacancy in the office of the Director.

(d) There are hereby established in the Agency so many new offices, not in excess of 15 existing at any one time, and with such title or titles as the Director shall from time to time determine. Appointment thereto shall be under the classified civil service, and the compensation thereof shall be fixed from time to time pursuant to the classification laws, as now or hereafter amended, except that the compensation may be fixed without regard to the numerical limitations on positions set forth in section 505 of the Classification Act of 1949, as amended (5 U. S. C. 1105).

SEC. 2. Transfer of functions: (a) Subject to subsection (c) of this section, there are hereby transferred to the Director (1) the functions vested in the Secretary of State by title V of the United States Information and Educational Exchange Act of 1948, as amended, and so much of functions with respect to the interchange of books and periodicals and aid to libraries and community centers under sections 202 and 203 of the said act as is an integral part of information programs under that act, together with so much of the functions vested in the Secretary of State by other provisions of the said act as is incidental to or is necessary for the performance of the functions under title V and sections 202 and 203 transferred by this section, and (2) functions of the Secretary of State with respect to information programs relating to Germany and Austria.

(b) Exclusive of so much thereof as is an integral part of economic or technical assistance programs, without regard to any inconsistent provision of Reorganization Plan No. 7 of 1953, and subject to subsection (c) of this section, functions with respect to foreign information programs vested by the Mutual Security Act of 1951, as amended, in the Director for Mutual Security provided for in section 501 of the said act are hereby transferred to the Director.

(c) (1) The Secretary of State shall direct the policy and control the content of a program, for use abroad, on official United States positions, including interpretations of current events, identified as official positions by an exclusive descriptive label.

(2) The Secretary of State shall continue to provide to the Director on a current basis full guidance concerning the foreign policy of the United States.

(3) Nothing herein shall affect the functions of the Secretary of State with respect to conducting negotiations with other governments.

(d) To the extent the President deems it necessary in order to carry out the functions transferred by the foregoing provisions of this section, he may authorize the Director to exercise, in relation to the respective functions so transferred, any authority or part thereof available by law, including appropriation acts, to the Secretary of State, the Director for Mutual Security, or the Director of the Foreign Operations Administration, in respect of the said transferred functions.

SEC. 3. Performance of transferred functions: (a) The Director may from time to time make such provisions as he shall deem appropriate authorizing the performance of any function of the Director by any other officer, or by any employee or organizational entity, of the agency.

(b) Representatives of the United States carrying out the functions transferred by section 2 hereof in each foreign country shall be subject to such procedures as the President may prescribe to assure coordination among such representatives in each country under the leadership of the Chief of the United States Diplomatic Mission.

SEC. 4. Incidental transfers: (a) So much of the personnel, property, records, and unexpended balances of appropriations, allocations, and other funds, employed, used, held, available, or to be made available in connection with the functions transferred or vested by this reorganization plan as the Director of the Bureau of the Budget shall determine shall be transferred to the agency at such time or times as he shall direct.

(b) Such further measures and dispositions as the Director of the Bureau of the Budget shall deem to be necessary in order to effectuate the transfers provided for in subsection (a) of this section shall be carried out in such manner as he shall direct and by such agencies as he shall designate.

SEC. 5. Interim provisions: Pending the initial appointment under section 1 of this reorganization plan of the Director and Deputy Director, respectively, therein provided for, their functions shall be performed temporarily, but not for a period in excess of 60 days, by such officers of the Department of State or the Mutual Security Agency as the President shall designate.

REORGANIZATION PLAN NO. 9 OF 1953—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 159)

The SPEAKER pro tempore laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Government Operations and ordered to be printed:

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 9 of 1953, prepared in accordance with the Reorganization Act of 1949, as amended, and providing reorganizations in the Council of Economic Advisers in the Executive Office of the President.

The legislative history of the Employment Act of 1946 makes it clear that it is the determination of the Congress to help develop a strong economy in the United States. A strong economy is necessary to preserve the peace, to build our defenses and those of the free world, to raise the living standards of our people, and to stimulate trade and industry in friendly countries throughout the world.

A strong economy means a free economy, with full opportunities for the exercise of initiative and enterprise on the part of all individuals.

It means a stable economy, so that satisfying jobs are as numerous as the men and women seeking work, and the production of goods is abundant to meet our needs.

It means an expanding economy, in which workers, managers, and farmers, using more and better tools, constantly increase the output of useful products and services and receive steadily rising incomes in a dollar of stable value.

It means a humane economy, to the end that the aged, infirm, and those suffering hardships receive every needed help.

The achievement and preservation of a strong economy—an economy that is progressive as well as competitive, an economy that remains free from the distortions of inflation and the ravages of depression, an economy that forms the solid foundation for the flourishing of our democratic social and political institutions—is everybody's job. Workers, businessmen, bankers, farmers, housewives—all have an important role to play. The Federal Government, too, shares in this vital task. For example, the duties of the President require that he be fully informed of major economic trends and activities in order to recommend proper measures for the consideration of the Congress, and to take into account economic realities in seeing that the laws be faithfully executed.

It is well that the Congress has declared in the Employment Act of 1946 the continuing policy and responsibility of the Federal Government to coordinate and utilize all its plans, functions, and resources for the purpose of creating and maintaining, consistently with free competitive enterprise and the general welfare, employment opportunities for all. That act dedicates the Federal Government to the promotion of maximum employment, production, and purchasing power.

To assist in carrying out those purposes, the Congress provided for the establishment of the Council of Economic Advisers in the Executive Office of the President to make appropriate recommendations to the President and to assist in the preparation of his annual Economic Report to the Congress.

I believe in the basic principles of the Employment Act, and it is my purpose to take the appropriate actions to reinvigorate and make more effective the operations of the Council of Economic Advisers. Our needs for proper advice on economic matters are equaled only by our needs to have the very best advice and planning on matters of national security.

In taking these actions I have the benefit of the study and work of the Economic Adviser to the President recently provided by the Congress. The Economic Adviser has reviewed the past operations of the Council of Economic Advisers and has recommended to me a series of actions aimed at making it more fully effective in performing its statutory duties.

Accordingly, I intend to appoint a full membership of three members to the Council of Economic Advisers and to recommend to the Congress that adequate funds be appropriated to operate the Council as a fully going unit capable of providing the kind of economic staff work required.

The accompanying reorganization plan provides changes which strengthen the internal administration of the Council and clarify its relationships with the President.

To achieve the first objective—strengthened internal administration—the reorganization plan will make the Chairman of the Council, rather than the whole Council, responsible for certain administrative functions of the Council. Because the Council is essentially an advisory body, these administrative functions relate principally to managing the staff employed to assist the Council. Placing the Chairman in a position to perform these functions will obtain the benefits of single management of the staff. To make possible such an arrangement, the accompanying reorganization plan transfers to the Chairman the functions vested in the Council of Economic Advisers by section 4 (b) of the Employment Act, which relate to employing the staff and other necessary specialists and consultants to work for the Council.

To further the other objective—a clearer relationship with the President—the reorganization plan transfers to the Chairman the function of reporting to the President on the activities of the Council. This change will improve and simplify the relationship of the Council to the President and enable the President to deal with the Council more directly through the Chairman.

The increased responsibilities placed upon the Chairman by this plan would, in my judgment, make it appropriate for the Congress to take action to increase the compensation of the Chairman.

The reorganization plan provides for the elimination of the Vice Chairman of the Council of Economic Advisers, whose designation is provided for in the last sentence of section 4 (a) of the Employment Act of 1946. The objective of this step is to place the members of the Council, other than the Chairman, in an equal status. I shall make provision for one of the members of the Council, other than the Chairman, to act as Chairman of the Council on such occasions as necessity may arise therefor.

In order to make the work of the Council of Economic Advisers more effective at the top-policy level of the executive branch, I am also asking the heads of several departments and agencies, or the representatives they may designate, to serve as an advisory board on economic growth and stability, under the chairmanship of the Chairman of the Council of Economic Advisers. At all times, close liaison must be maintained by the Council with all departments and agencies, and with interdepartmental committees, especially the National Advisory Council on International Monetary and Financial Problems.

It is contemplated that the advisory board on economic growth and stability, supported by the existing staffs of the

various departments and agencies, will meet frequently, and through its chairman will keep me closely informed about the state of the national economy and the various measures necessary to aid in maintaining a stable prosperity.

Because of the complexity of our economy and the variety of views regarding its problems, I shall expect the new Council of Economic Advisers to seek advice energetically, not only from the departments and agencies of the Federal Government, but also from representatives of industry, agriculture, labor, consumers, and other groups concerned with economic matters, from representatives of State and local governments, and from universities. I want the best economic thinking in the country to be canvassed by the Council. Through advisory groups, through the employment of expert consultants, and through informal relationships with informed citizens, the Council will make use of economic talent wherever it may be.

I deem it especially significant that the Congress has provided in the Employment Act for the Joint Committee on the Economic Report, composed of Members of both Houses of the Congress, to study matters relating to the economic report and to make recommendations to the two Houses for legislation. I expect to impress upon the Council of Economic Advisers the importance which I attach to the fullest cooperation of the Council with the joint committee to assist the joint committee in its important tasks.

After investigation I have found and hereby declare that each reorganization included in the accompanying reorganization plan is necessary to accomplish one or more of the purposes set forth in section 2 (a) of the Reorganization Act of 1949, as amended.

The taking effect of the reorganizations included in the accompanying reorganization plan is expected to result in a more effective performance of the statutory functions of the Council of Economic Advisers and to provide the President with better advice upon economic matters. It is impracticable to specify or itemize at this time any reduction of expenditures which it is probable will be brought about by the taking effect of this reorganization plan.

The reorganization plan will make the Federal Government better able to carry out its responsibilities to the American people to foster a strong, free, and prosperous economy so that we may all enjoy an ever-rising standard of living. I urge the Congress to permit the reorganization plan to become effective.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 1, 1953.*

REORGANIZATION PLAN NO. 9 OF 1953

(Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, June 1, 1953, pursuant to the provisions of the Reorganization Act of 1949, approved June 20, 1949, as amended)

COUNCIL OF ECONOMIC ADVISERS

The functions vested in the Council of Economic Advisers by section 4 (b) of the Employment Act of 1946 (60 Stat. 24), and so much of the functions vested in the council by section 4 (c) of that act as consists of reporting to the President with respect to any function of the council under the said section 4 (c), are hereby transferred to the Chairman of the Council of Economic Advisers. The position of vice chairman of the Council of Economic Advisers, provided for in the last sentence of section 4 (a) of the said act, is hereby abolished.

REORGANIZATION PLAN NO. 10 OF 1953—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 160)

The SPEAKER pro tempore laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Government Operations, and ordered to be printed:

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 10 of 1953, prepared in accordance with the provisions of the Reorganization Act of 1949, as amended.

The reorganization plan provides for the separate payment of airline subsidies, which now are merged with payments for the transportation of airmail. The purposes of the plan are to place responsibility for subsidy payment in the agency which determines the subsidies and to enable the Congress and the President to maintain effective review of the subsidy program. The plan accomplishes these objectives by transferring from the Postmaster General to the Civil Aeronautics Board that portion of the present airmail payment functions which relates to subsidy assistance.

The reorganization plan will not alter the basic national policy of promoting the sound development of air transportation through Federal aid. Nor will the plan in itself change the aggregate amount of revenue for which any airline is eligible. The policy of providing financial aid for airline development was adopted in the Civil Aeronautics Act of 1938, and reflects the broad national interest in securing a system of air-transport services adequate to the needs of defense, commerce, and the postal service. Federal aid provided under that act has contributed greatly to the rapid development of commercial air transportation during the past 15 years. Continued subsidy support will be required for some time to enable certain segments of the industry to achieve the full measure of growth required by the public interest.

At present, airline subsidies are provided by means of mail transportation rates established by the Civil Aeronautics Board and paid by the Post Office Department. In essence, the Civil Aeronautics Act provides that such mail rates may be set at a level sufficiently high to overcome deficits incurred by the airlines on their total operations, including passenger and freight traffic. Total mail payments by the Post Office Department thus include, not only a reasonable compensation for the service of transporting the mail, but also a subsidy element where required to support the general program of airline development. This method of furnishing subsidy restricts the opportunity for congressional and public review, and substantially inflates the reported cost of the postal service.

Under the reorganization plan, the Civil Aeronautics Board will continue to determine the overall level of payments to be made to the airlines, and will do so in accordance with the existing policy standards of the Civil Aeronautics Act. However, the Post Office Department will pay only that portion which represents compensation for carrying the mail on the basis of fair and reasonable rates determined by the Board without regard to the need for Federal aid. The plan will transfer to the Board the responsibility for paying any amounts in excess of such compensation, this excess being the subsidy element of the aggregate Federal payment.

In the interest of prompt effectuation, the plan contains an interim provision which authorizes the Board to establish without prior notice or hearing the initial rates to be paid by the Post Office Department, subject however to the right of the Board or any affected party to initiate a proceeding at any time for a hearing and a determination of a new rate. The Board has already made studies estimating the subsidy element contained in airmail payments, and for some time has been setting forth in connection with its mail-rate decisions a breakdown between the subsidy and compensatory elements of the overall rate. The plan will permit the Board to base the initial rates payable by the Post Office Department on the compensatory rates contained in these studies and decisions.

By providing for a complete and formal separation of subsidy from compensation for the transportation of mail, the reorganization plan will clearly fix the fiscal responsibility for the subsidy program in the appropriate agency. It will assure the Congress and the public of continuing information on the cost of this program. It will give the Congress an opportunity to review and take any appropriate action with respect to the level of subsidy aid in the course of the regular appropriation process. It will also result in a more accurate presentation of the cost of the postal service, by removing from the budget of the Post Office Department a nonpostal expenditure currently estimated at nearly $80 million a year.

The basic principle of airline subsidy separation was recommended in 1949 by the Commission on Organization of the Executive Branch of the Government. Legislation to accomplish separation has been under discussion for several years. Such legislation has generally gone beyond a simple transfer of the subsidy function, and has included provisions which would change existing substantive law. Some of these proposed substantive changes have been the subject of controversy, and have been responsible for the past delays in enacting legislation on this matter. The present reorganization plan provides an opportunity to accomplish immediately the important objective of transferring subsidy payment responsibility, within the framework of existing statutory policy. In view of the general agreement on the principle of subsidy separation, I trust

that this plan will have widespread support.

At the same time, the immediate transfer of subsidy payment under this reorganization plan should not preclude the consideration by the Congress of legislation to effect refinements and modifications in the basic law in this field. One such change, for example, would be an amendment of the Civil Aeronautics Act to provide specifically that compensatory rates for mail transportation should be based upon the cost of rendering mail service, plus a fair return. I understand that the Civil Aeronautics Board has been following this general policy in those cases where it has established compensatory mail rates. The reorganization plan will not affect its right to continue applying such a policy in the future. However, I believe it would be appropriate to establish the cost principle as a matter of definite legislative policy.

After investigation, I have found and hereby declare that each reorganization included in the accompanying reorganization plan is necessary to accomplish one or more of the purposes set forth in section 2 (a) of the Reorganization Act of 1949, as amended.

The reorganization plan, by providing a sounder basis for the administration and congressional review of the affected functions, should in the long run promote increased economy and effectiveness of the Federal expenditures concerned. It is not practicable, however, to itemize in advance of actual experience the reductions of expenditures to be brought about by the taking effect of the reorganizations included in the reorganization plan.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 1, 1953.*

REORGANIZATION PLAN NO. 10 OF 1953

(Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, June 1, 1953, pursuant to the provisions of the Reorganization Act of 1949, approved June 20, 1949, as amended)

PAYMENTS TO AIR CARRIERS

SECTION 1. Transfer of functions: There are hereby transferred to the Civil Aeronautics Board (hereinafter referred to as the Board) the functions of the Postmaster General with respect to paying to each air carrier so much of the compensation fixed and determined by the Board under section 406 of the Civil Aeronautics Act of 1938 (52 Stat. 998, as amended, 49 U. S. C. 486) as is in excess of the amount payable to such air carrier, under honest, economical, and efficient management, for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith at fair and reasonable rates fixed and determined by the Board in accordance with that section without regard to the following provision of subsection (b) thereof: "the need of each such air carrier for compensation for the transportation of mail sufficient to insure the performance of such service, and, together with all other revenue of the air carrier, to enable such air carrier under honest, economical, and efficient management, to maintain and continue the development of air transportation to the extent and of the character and quality required for the commerce of the United States, the postal service, and the national defense."

SEC. 2. Interim provisions: The Board may fix, without prior notice and hearing, the initial rates to be paid by the Postmaster General under this reorganization plan for mail transportation services rendered on and after the date when the plan becomes effective. At any time thereafter the Board upon its own motion may, and upon the petition of the Postmaster General or the carrier concerned shall, institute new proceedings to fix and determine, after notice and hearing, the rates to be paid by the Postmaster General in accordance with section 1 of this reorganization plan, and the rates so fixed and determined shall supersede the initial rates from the date of the motion or petition.

SEC. 3. Incidental transfers: There shall be transferred from the Post Office Department to the Board so much of the personnel, property, records, and unexpended balances of appropriations, allocations, and other funds, employed, held, used, available, or to be made available in connection with the functions transferred by this reorganization plan as the Director of the Bureau of the Budget deems to be required for the performance of those functions. Such measures and dispositions as the Director of the Bureau of the Budget shall deem to be necessary in order to effectuate the transfers provided for in this section shall be carried out in such manner as he shall direct and by such agencies as he shall designate.

SEC. 4. Effective date: The provisions of this reorganization plan shall take effect on the first day of the first calendar month following 45 days after the date they would take effect under section 6 (a) of the Reorganization Act of 1949, as amended, in the absence of this section, and shall be applicable only with respect to services rendered on and after the date on which the reorganization plan takes effect under this section.

REORGANIZATION PLAN NO. 10 OF 1953

Mr. HESELTON. Mr. Speaker, the President's message with reference to Reorganization Plan No. 10 of 1953 and the plan itself marks a very significant improvement in the handling of the problem of separating airmail subsidies from airmail pay by clearly fixing the fiscal responsibility for the subsidy program in the Civil Aeronautics Board. In terms of the recent developed administrative separations in both the domestic and international fields, the public, the Congress, and the President should be in a position to take any further steps necessary in order to clarify the soundness of the subsidy program. But basically, the plan is confined to the very sound objective of transferring subsidy payment responsibility from the Post Office Department to the Civil Aeronautics Board. Obviously, this will provide real relief to the Post Office Department, which has heretofore carried a very heavy fiscal burden without having any effective voice as to a subsidy program. In my opinion, the Civil Aeronautics Board can be expected to cooperate fully not only in administering its responsibilities under this plan, but in developing the further steps which undoubtedly will be necessary in this field.

Certainly, the President is entitled to the widespread support he hopes this plan will have since practically everyone concerned with this problem has, in fact, expressed general agreement on the principle of subsidy separation.

I am very glad that the President called specific attention to the fact that the plan "should not preclude the consideration by the Congress of legislation to effect refinements and modifications in the basic law in this field":

The one example he cited as to an amendment to the Civil Aeronautics Act "to provide specifically that compensatory rates for mail transportation should be based upon the cost of handling mail services, plus a fair return," is an excellent one. And when he states that he believes "it would be appropriate to establish the cost principle as a matter of definite legislative policy," I am confident that he will have widespread support of that recommendation. In that connection, I want to quote briefly, first, from the report of the House Committee on Interstate and Foreign Commerce in connection with such legislation, and, next, from the report of a minority of that committee submitted July 2, 1952, accompanying S. 436:

THE COST STANDARD

(Committee report of 81st Cong.)

This bill accomplishes the separation of subsidy from mail pay by amending subsections (a), (b), and (c) of section 406 of the Civil Aeronautics Act so that subsections (a) and (b) deal solely with the fixing of fair and reasonable rates for the transportation of mail, and subsection (c) deals solely with subsidy for essential aircraft operation. Paragraph (2) of the amended subsection (a) provides that the fair and reasonable rates "* * * shall not exceed the necessary cost to the air carrier, under honest, economical, and efficient management, of the mail transportation services actually rendered or such services to be rendered * * * plus a fair and reasonable return."

The committee feels that this provision is called for by reason of the present rate-making provision of the Civil Aeronautics Act under which compensation for the transportation of mail, and subsidy for the development of a sound air transportation system, have been lumped over a period of 12 years. The committee deems this provision necessary to insure as completely as the present state of the science of accounting will permit the clear separation of the subsidy element from mail pay. Unless this is done, and done well, there is serious danger that, no matter how clearly we state that we want the subsidy element separated, it will still remain in substantial part in the compensation for the transportation of mail. This provision is fair and just to the carriers and the Government alike. Section 405 (g) of the Civil Aeronautics Act imposes a duty upon carriers certificated for the carriage of mail to carry mail tendered them by the Postmaster General. It also requires the Postmaster General to tender mail "to the extent required by the postal service." Thus, there are obligations on both sides. Considering the fact that public utilities are entitled only to a fair and reasonable return on their investments devoted to the public service, there is no occasion for air carriers to object if they receive no more than their costs, plus a fair and reasonable return, for transporting mail, and, on the other hand, the Government cannot reasonably object to making payment in that amount for the service it receives.

[From the minority report of July 2, 1952]

This cost standard, which is totally absent from the bill reported by the majority, is essential to protect the Post Office and the taxpayers from continuing to be overcharged by the airlines for carriage of the mail.

Subsequent to the committee report of the 81st Congress, the former Chairman of the Commission on Organization of the Executive Branch, former President Hoover, wrote that "The most practical and accurate way to separate these two types of payments is to base the determination of the mail pay

upon what it costs the carriers to furnish mail carriage services to the post office. * * * That type of standard will make it possible for the taxpayers and the Congress to have accurate information. In order for the reform to be effective, it is not equitable to exempt any mail carriers, foreign or domestic. The reform should apply equally to all."

Former President Hoover's subsequent letter reaffirms the sound principle of the committee report of 1950.

President Truman has twice more indicated his conviction that mail pay should mean compensation for the "cost" of carrying air mail, and this same standard has been specifically endorsed at the committee hearings in the 82d Congress by the Budget Bureau, Post Office Department, and Civil Aeronautics Board.

We urge that without the cost standard there would be no definite dividing line between what constitutes mail pay, on the one hand, and what constitutes subsidy, on the other hand. Such a dividing line is essential to separation.

Another important legislative proposal, directly connected with the establishment of a sound cost standard, is the problem of standards for allocating receipts and expenditures.

Again I want to quote briefly excerpts from the two reports I have cited:

STANDARDS FOR ALLOCATING RECEIPTS AND EXPENDITURES

(Committee report of 81st Cong.)

Closely related to the problem of the cost standard discussed above is the amendment to existing law, made by section 3 of the bill, which directs the Civil Aeronautics Board, on or before July 1, 1951, to prescribe standards by which air carriers, in keeping their accounts, records, and memoranda, shall allocate receipts and expenditures among four classes of service (passenger, freight, express, and mail). In fact, the provisions which relate to the cost standard (par. (2) of the amended sec. 406 (a)) expressly provide that the cost of the mail transportation services rendered by an air carrier is to be computed in accordance with the standards so prescribed by the Board.

It is, of course, impossible to arrive at the cost of one service rendered by an air carrier, such as its mail service, without arriving at the cost of the other services it renders. Furthermore, while it is true that the final determination of the cost to any carrier of rendering mail services will have to be made in the proceeding for the fixing of the mail rate for such carrier, the making of such determination will be greatly facilitated if the carrier or carriers concerned in the proceeding have been keeping their accounts, records, and memoranda in accordance with the general principles of cost allocation which, as required by paragraph (2) of the amended section 406 (a), will be used in the proceeding. Nor is the value of requiring adherence to these general principles limited to the field of air-mail pay. It will be helpful, for example, in determining the economic soundness of a particular service, in determining the amount of subsidy needed to maintain a particular service, and for ascertaining the rates which should be charged to the public for any nonmail transportation service.

[From the minority report of July 2, 1952]

If the cost of mail services rendered is accepted as the proper standard for mail pay in the future, as it is by the great preponderance of opinion in the executive branch, among other congressional committees, and among the public, then it is essential to provide a means of getting at the cost figures.

The Hoover Commission Task Force Report on Regulatory Commission stated:

"The mail rates should no longer include any need for subsidy element, but should be based on the service rendered. They should reflect a fair allocation of costs between mail, passenger, and freight services."

H. R. 508 requires such allocation of costs to be made by the airlines under standards prescribed by the Civil Aeronautics Board, as the House committee bill of the 81st Congress did. The only subsequent change has been in deference to the request of the Civil Aeronautics Board not to be confined to the four specified categories of airline traffic, viz, passengers and baggage, freight, express, and mail, as previously specified in H. R. 9184.

Therefore, H. R. 508 simply requires that the airlines should allocate costs "among the air transportation services rendered by them." Thus it is left to the discretion of the Civil Aeronautics Board how many categories there should be.

This change, which was in the direction of compromise or concession, has been know as the Brown amendment, offered December 7, 1950. In telegrams of December 11, 1950, to the gentlemen from Massachusetts, Mr. Kennedy and Mr. Heselton, Dr. Robert L. Johnson, the chairman of the Citizens Committee for the Hoover Report, stated:

"In the message to Congressman CLARENCE BROWN we have defined what we believe to be the three essentials which any effective measure must contain and have pointed out that the proposed changes so far as they safely may in the direction of compromise without weakening or negating the aims of the bill as a whole. Mr. BROWN's recommendation on cost allocation represents absolute bare minimum, and we recommend keeping this provision as strong as possible." (House committee hearings, 82d Cong., pp. 397-398.)

Another matter involved in the overall problem of subsidy separation has to do with the question of what carriers should be eligible for the payment of subsidy upon an adequate showing as to the soundness of any such subsidy payment. Again, two brief quotations from the reports I have cited outline clearly the justification for eliminating the restriction in existing law of payments only to air carriers holding a mail certificate:

CARRIERS ELIGIBLE FOR SUBSIDY

(House committee report of 81st Cong.)

Since, under existing law, any subsidy paid to an air carrier by the Federal Government is included in that carrier's airmail pay, an air carrier may receive subsidy only if it holds a mail certificate.

Subsection (c) of section 406 of the Civil Aeronautics Act, as it would be amended by section 2 (a) of the bill, would permit the payment of subsidy not only to an air carrier holding a mail certificate but also to an air carrier holding any other type of certificate authorizing it to engage in air transportation. The committee feels that, with the separation of subsidy from airmail pay made by the bill, there is no logical basis for limiting the class of air carriers eligible for subsidy to those holding mail certificates, particularly in view of the fact that subsidy determinations are to be made with respect to furthering not 1 national objective, but 3: That is, the national defense and the commerce of the United States, as well as the postal service.

[From the minority report of July 2, 1952]

The language of the House committee bill of the 81st Congress, making "any certificated air carrier" eligible to apply to the Civil Aeronautics Board for the newly separated subsidies, is in H. R. 508.

The following choice of language was placed before the Defense Department between: (a) The most restrictive—only "carriers holding a certificate authorizing transportation of mail by aircraft" (embodied in S. 436 and also in the present majority bill; a term covering only the 51 lines now receiving mail pay, all of whom are members of the Air Transport Association); (b) the middle-ground definition—"any certificated air carrier" (embodied in H. R. 508), which term covers all airlines holding a certificate of convenience and necessity, regardless of what type of traffic is authorized in that certificate, therefore includes the 51 airmail lines and also 12 airlines holding certificates for passengers and for freight but not mail; and (c) the broadest terms—"any air carrier," embodied in H. R. 4827, which includes not only the companies defined under (a) and (b) above but also some 2,000 small nonscheduled airlines.

Of these three choices, the Defense Department selected the middle one, as evidenced in this letter.

DEPARTMENT OF THE AIR FORCE,
OFFICE OF THE SECRETARY,
Washington, D. C., March 28, 1952.

Hon. JOHN W. HESELTON,
House of Representatives.

DEAR MR. HESELTON: Thank you for your letter of March 24, 1952, requesting the views of the Department of Defense concerning the eligibility of air carriers to apply for subsidies.

The Department of Defense would prefer that any certificated air carrier be made eligible to apply for subsidy. If mail pay is to have an actual service or use basis there would seem to be no reason to relate separate subsidy payments to the carrying of mail.

The Department of Defense has a twofold interest in defense requirements concerning civil aircraft. These requirements are for passenger and light cargo aircraft and heavy cargo transports. It is the opinion of the Department of Defense that it would be inconsistent to deny to the Government the possibility, if desirable in the national interest, of subsidizing operators of heavy freight aircraft requiring little conversion for military use. The requirements of passenger and freight traffic are both important to the military program.

It is a pleasure to be of service to you, and I hope you will not hesitate to call on me if I may be of further assistance to you.

Sincerely yours,

R. L. GILPATRIC.

The same answer, preference for any certificated air carriers, had also been given by the Postmaster General to the gentleman from Massachusetts, Mr. KENNEDY.

OFFICE OF THE POSTMASTER GENERAL,
Washington 25, D. C., December 12, 1950.

Hon. JOHN F. KENNEDY,
House of Representatives.

DEAR CONGRESSMAN: This is in reply to your telegram of December 10, 1950, concerning H. R. 9184.

The Department should not be required to tender mail to air carriers certificated for purposes other than the needs of the postal service. The present language of H. R. 9184, page 4, line 12, "certificated air carriers," would protect the Post Office Department from being required to tender mail and pay for services not actually required.

The Civil Aeronautics Board would be required to determine whether such nonmail carriers were entitled to subsidy support and to pay any subsidy from appropriation for that purpose, without involving the Post Office Department.

Sincerely yours,

J. M. DONALDSON,
Postmaster General.

In my opinion, it would strengthen the probability of an adequate annual review on the part of Congress if an affirmative legislative provision was made

that such a report should include data relative to the mail payments and subsidy payments, both in the aggregate and on an individual basis with a separate analysis of the bases upon which each such mail payment and each such subsidy payment was provided.

For the convenience of those interested in this important problem, I would like to give the citation of the report of the Committee on Interstate and Foreign Commerce of July 2, 1952. It is report No. 2439, 82d Congress, 2d session.

I referred to the administrative separations which have been instituted by the Civil Aeronautics Board. In that connection, I would like to make available at this point certain summary features of those separations.

The separation of subsidy from total mail payments to domestic carriers was made September 28, 1951.

It established the following breakdown for fiscal 1951, on an actual basis and for fiscal 1952 and 1953, on an estimated basis as follows:

	1951	1952	1953
Service mail pay	$27,369,000	$29,599,000	$31,786,000
Subsidy	34,565,000	27,786,000	24,134,000
Total mail payments to domestic air carriers	61,934,000	57,385,000	55,920,000

While it is encouraging to note the trends of increases in service mail pay and of decreases in subsidy, the fact remains that when so significant a sum as $86,485,000 is involved in subsidy in these 3 years alone, it is crystal clear that all steps that are necessary to develop an economically sound method of handling this program should be taken as soon as possible.

In this report, the Civil Aeronautics Board estimated that in the 13-year period since the passage of the Civil Aeronautics Act to the time of the report, a total of $457 million had been paid to domestic carriers for mail service of which approximately $270 million represented subsidy.

In carrying out the administrative separation, the CAB established seven groups with varying service rate pay per ton-mile. Those groups and the respective rates in these 3 years are as follows:

GROUP I.—*Service rate per mail ton-mile $0.45*

1951	1952	1953
American	American	American.
Eastern	Eastern	Eastern.
TWA	TWA	TWA.
United	United	United.
	Northwest	Northwest.

GROUP II.—*Service rate per mail ton-mile $0.53*

1951	1952	1953
Braniff	Braniff	Braniff.
Capital	Capital	Capital.
Chicago & Southern.	Chicago & Southern.	Chicago & Southern.
Delta	Delta	Delta.
National	National	National.
Northwest		
Western	Western	Western.

GROUP III.—*Service rate per mail ton-mile $0.75*

1951	1952	1953
Colonial	Colonial	Colonial.
Continental	Continental	Continental.
Inland	Inland	Inland.
Mid-Continent	Mid-Continent	Mid-Continent.
Northeast	Northeast	Northeast.
	Pioneer	Pioneer.
		Piedmont.

GROUP IV.—*Service rate per mail ton-mile $0.91*

1951	1952	1953
Piedmont	Piedmont	
Pioneer		
Robinson	Robinson	Robinson.
Southwest	Southwest	Southwest.

GROUP V.—*Service rate per mail ton-mile $1.48*

1951	1952	1953
All American	All American	All American.
Bonanza	Bonanza	Bonanza.
Empire	Empire	Empire.
Frontier	Frontier	Frontier
Trans-Texas	Trans-Texas	Trans Texas.
West Coast	West Coast	West Coast.
Wisconsin-Central	Wisconsin Central.	Wisconsin-Central.
	Lake Central	Lake Central.
	Ozark	Ozark.
	Southern	Southern.

GROUP VI.—*Service rate per mail ton-mile $2.58*

1951	1952	1953
Lake Central		
Ozark		
Southern		
	Central	Central.

GROUP VII.—*Service rate per mail ton-mile $7.26*

1951	1952	1953
Central		
Mid-West	Mid-West	Mid-West.
Wiggins	Wiggins	Wiggins.

The 45-cent rate for American, Eastern, TWA, and United was established by the Board in the so-called Big Four mail-rate case on September 19, 1951, and it is indicated in the report that this is a service mail rate without subsidy.

On July 14, 1952, the CAB issued an administrative separation of subsidy from mail payments to United States international, overseas, and territorial air carriers.

This separation established the following division of total mail-rate pay between service mail pay and subsidy mail pay for the fiscal years 1951, 1952, and 1953, as follows:

	1951	1952	1953
Service mail pay	$17,005,000	$18,218,000	$19,329,000
Subsidy	40,111,000	44,513,000	45,997,000
Total mail pay	57,116,000	62,731,000	65,326,000

In this instance, it is encouraging that the service mail pay increases annually during these 3 years, but it is significant that the subsidy does not decline but increases. The total amount of subsidy is fixed at $130,621,000; added to the amount of subsidy for the domestic carriers during the same period, the overall total is $217,106,000. This greatly emphasizes the urgent necessity of developing legislatively sound standards and procedures in order to implement the excellent step taken by the President in the reorganization plan.

It is to be noted that the Board said that the techniques of separation should be basically the same for United States international air carriers as for United States domestic air carriers and that there is no sound basis in principle for differentiation in the manner of effecting separation. The Board adopted as the most reasonable means of effecting separation the cost of carrying the mail including a fair return on the investment used in the mail service.

Under this policy, the Board grouped the United States international carriers by geographical areas to allow for variation in political-economic conditions and operational differences. The applicable service rates for each group during these 3 fiscal years were then determined as shown in the following table:

Group	Carrier	Service rate per mail ton-mile
A	Transatlantic operations	$0.45
	Trans World Airlines.	
	Pan American World Airways—Atlantic.	
B	Latin American operations:	
B-1	Pan American World Airways—Latin American	.50
B-2	Braniff Airways	.88
	Chicago and Southern Air Lines	
	Pan American Grace Airways	
B-3	Caribbean Atlantic Airlines	1.38
C	Transpacific operations	.67
	Pan American World Airways—Pacific.	
	Northwest Airlines.	
D	Hawaiian operations	.81
	Hawaiian Airlines.	
	Trans-Pacific Airlines.	
E	States Alaska operations	.47
	Alaska Airlines.	
	Pacific Northern Airlines.	
	Pan American World Airways—Alaska.	
F	Intra Alaska operations:	
F-1	Alaska Airlines	1.29
	Pacific Northern Airlines	
	Northern Consolidated Airlines	
	Wien Alaska Airlines	
F-2	Alaska Coastal Airlines	2.50
	Byers Airways	
	Cordova Air Service	
	Ellis Air Lines	
	Reeve Aleutian Airways	
G	International stub-end operations of domestic air carriers:	
G-1	American Airlines, to Mexico.	.45
	Eastern Air Lines, to Puerto Rico	
	United Air Lines, to Hawaii	
G-2	National Airlines, to Cuba	.53
G-3	Colonial Airlines, to Bermuda	.75

Under permission granted, I am including the text of H. R. 131 which I introduced on January 3, 1953, and which was referred to the Committee on Interstate and Foreign Commerce

It seems obvious to me that certain clerical changes with reference to dates should now be made in the text of that bill and I am having prepared and shall introduce a bill revised to take into consideration the terms of Reorganization Plan No 10 as to dates.

Beyond that, it is my personal opinion that the essential provisions in this House resolution come well within the field of legislation to effect refinement and modification in the basic law referred to by the President. I believe, also, that the provisions with reference to the establishment of fair and reasonable rates of compensation would be a desirable legislative action which would implement the sound efforts undertaken in Reorganization Plan No. 10.

The text of H. R. 131 follows:

A bill to provide for the separation of subsidy from airmail pay, and for other purposes

Be it enacted, etc.—

SHORT TITLE

SECTION 1. This act may be cited as the "Airmail Subsidy Separation Act of 1953."

RATES FOR TRANSPORTATION OF MAIL AND SUBSIDY FOR ESSENTIAL AIRCRAFT OPERATION

SEC. 2. (a) Subsections (a), (b), and (c) of section 406 of the Civil Aeronautics Act of 1938, as amended, are hereby amended to read as follows:

"RATES FOR TRANSPORTATION OF MAIL AND SUBSIDY FOR ESSENTIAL AIRCRAFT OPERATION

"Authority to fix compensatory rates

"SEC. 406. (a) (1) The Civil Aeronautics Board is empowered and directed, upon its own initiative or upon petition to the Postmaster General or an air carrier, to determine and fix from time to time, after notice and hearing, fair and reasonable rates of compensation for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith (including the transportation of mail by an air carrier by other means than aircraft whenever such transportation is incidental to the transportation of mail by aircraft or is made necessary by conditions of emergency arising from aircraft operation), by each holder of a certificate authorizing the transportation of mail by aircraft, and to make such rates effective from such date, after the institution of the proceeding under this subsection, as it shall determine to be proper; to prescribe the method or methods, by aircraft-mile, pound-mile, weight, space, or any combination thereof, or otherwise, for ascertaining such rates of compensation; and to fix different rates for different air carriers or classes of air carriers, or different classes of service, or on the basis of any other reasonable classification of carriers, services, routes and route segments, or any combination thereof. The rates so determined and fixed shall be published by the Board and shall be paid by the Postmaster General from appropriations for the transportation of mail by aircraft.

"(2) The rates determined and fixed under paragraph (1) of this subsection shall in no event exceed the reasonable and necessary cost to the air carrier, under honest, economical, and efficient management, of the mail-transportation services rendered or to be rendered, including a fair return.

"(3) The Board is authorized to issue orders, with or without hearing, prescribing temporary rates for the transportation of mail pending determination of final rates. Such temporary rates shall not be considered final for any period and shall be superseded by the final rates fixed for the periods during which the temporary rates were in effect.

"Recommendations as to rates

"(b) (1) Any petition for the fixing of rates under subsection (a) of this section shall state and support in detail the rates recommended by the petitioner as being fair and reasonable.

"(2) The Postmaster General shall introduce as a part of the record in all proceedings under subsection (a) of this section a comprehensive statement of all service to be required of the air carrier and such other information in his possession as he deems, or as may be deemed by the Board, to be material to the inquiry.

"(3) The burden of proof in any proceeding under subsection (a) of this section which is initiated by petition shall be with the petitioner.

"Subsidy for essential aircraft operation

"(c) (1) The Board is empowered, upon its own initiative, or upon the petition of the air carrier, to make, after notice and hearing, subsidy payments to a certificated air carrier in amounts determined by the Board to be essential (when taken together with all the other actual and potential revenues of the air carrier) to enable the air carrier under honest, economical, and efficient management to maintain and continue the development of air transportation to the extent and of the character and quality required for the national defense, the commerce of the United States, or the postal service. The Board is empowered to make subsidy payments for individual air carriers or classes of air carriers, or on the basis of any other reasonable classification of carriers, services, routes and route segments, or any combination thereof, and to prescribe the method or methods of such payments and duration of period for which applicable. The Board may make such subsidy payments effective from such date, after the institution of the proceeding under this subsection, as it shall determine to be proper. Payments under this subsection shall be made by the Board out of sums appropriated to the Board for such purpose.

"(2) Every petition for the fixing of a subsidy shall state and support in detail the amount the petitioner believes that he is entitled to under the subsidy provision of this section and the carrier shall have the burden of establishing the amount of subsidy payment, if any, which is required for its operations under the standard established by this act. The fact that an air carrier has been granted a certificate of public convenience and necessity authorizing it to offer certain services shall not be deemed conclusive of the issue as to whether such services are sufficiently required in the interest of the national defense, the commerce of the United States, or the postal service to justify the amount of subsidy that would be required to keep such services in operation.

"(3) The Board is authorized, with or without hearing but upon a showing by the air carrier or carriers concerned of essentiality and urgency, to make temporary subsidy payments pending the determination of final subsidy payments. Temporary subsidy payments so made shall not be considered final, and when final subsidy payments are determined they shall cover any period with respect to which a temporary subsidy payment was made and shall supersede such temporary payment for such period."

(b) The amendment made by subsection (a) of this section shall apply only with respect to (1) the transportation of mail or (2) operations in air transportation occurring after June 30, 1953.

ALLOCATION OF AIR-CARRIER RECEIPTS AND EXPENDITURES

SEC. 3. Section 407 (d) of the Civil Aeronautics Act of 1938, as amended, is hereby amended—

(1) By inserting "(1)" after "(d)"; and

(2) By inserting at the end thereof the following new paragraph:

"(2) On or before June 30, 1953, and from time to time thereafter, the Civil Aeronautics Board shall, after notice and hearing, prescribe standards by which air carriers, in keeping their accounts, records, and memorandums, shall allocate receipts from, and expenditure for, any air-transportation service rendered by them. From and after July 1, 1953, it shall be unlawful for any air carrier, in keeping any account, record, or memorandum (other than any additional account, record, or memorandum kept pursuant to the proviso of paragraph (1) of this subsection), to allocate any receipt from, or expenditure for, any air transportation service it renders in any manner other than a manner which conforms to the standards prescribed pursuant to this paragraph."

ADDITIONAL INFORMATION IN ANNUAL REPORTS

SEC. 4. The second sentence of section 206 of the Civil Aeronautics Act of 1938, as amended, is hereby amended by inserting after "civil aeronautics" a comma and the following: "including data relative to the mail payments and subsidy payments, both in the aggregate and on an individual basis, made under this act with a separate analysis of the bases upon which each such mail payment and each such subsidy payment was provided."

STUDIES AND REPORT

SEC. 5. (a) The Civil Aeronautics Board is authorized to make studies in connection with any of the provisions of this act. In the conduct of such studies the Board is authorized, without regard to section 3709 of the Revised Statutes, to enter into contracts or other arrangements, or modifications thereof, for the carrying on of such studies by such persons or organizations as may be designated by the Chairman of the Civil Aeronautics Board and the chairmen of the Committees on Interstate and Foreign Commerce of the Senate and House of Representatives of the United States.

(b) On or before July 1, 1953, the Civil Aeronautics Board shall, on the basis of a comprehensive study, render a written report to the Congress on what aggregate sums it estimates will be required during the fiscal year ending June 30, 1954, (1) to provide fair compensation for services to be rendered by air carriers in the carriage of the mails, in accordance with the provisions of section 406 (a) of the Civil Aeronautics Act of 1938, as amended by this act, and (2) to provide for payment of essential subsidy, in accordance with section 406 (c) of such act, as amended by this act. Such report shall include a study of the potential revenues from all forms of air traffic and of the potential economies which could be achieved in airline costs, as well as such other factors as may be pertinent to the development, with the least possible expenditures by the United States, of an efficient and economical air transport industry to the extent and of the character and quality required for the national defense, the commerce of the United States, and the postal service.

(c) There are hereby authorized to be appropriated to the Civil Aeronautics Board such sums, not to exceed $300,000 in the aggregate, as may be necessary to carry out the provisions of this section.

EXCESS-PROFITS TAX AND RECIPROCAL TRADE AGREEMENTS ACT

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. EBERHARTER. Mr. Speaker, this morning the Committee on Ways and Means of the House commenced hearings on the subject of the President's request for an extension of the excess-profits tax for another 6 months. Being of kind heart, I naturally sympathize with the position in which the President finds himself in requesting

this extension in spite of the opposition of the Republican members of the committee. But the embarrassment which the administration feels now will be nothing compared with what it will feel when it fails to pass the Reciprocal Trade Agreements Act, or the extension of the act, which expires, Mr. Speaker, in 11 days from now. The country demands of the administration that measures be taken to extend this reciprocal trade-agreement program. The world at large demands that there be more trade as between the various nations of the free world, and to fall down on the extension will at this time be most embarrassing to the administration in the future conduct and in any proposition which it proposes to the Congress of the United States. I sympathize with President Eisenhower quite completely.

ATOMIC ENERGY AND PRIVATE ENTERPRISE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from California [Mr. HOLIFIELD] is recognized for 60 minutes.

Mr. HOLIFIELD. Mr. Speaker, in these days of private assault on the public domain and the Nation's resources, it seems almost quaint and old-fashioned to talk of the public interest. But I prefer to be old-fashioned where the public interest is concerned, and particularly in a realm which embraces so widely the hopes and fears of mankind—atomic energy.

As a member of the Joint Committee on Atomic Energy I have watched with great fascination, coupled with feelings of awe and humility, the progress of this Government-sponsored enterprise. I have been a privileged witness to astonishing events and have shared in state secrets fraught with the utmost significance.

ADMINISTRATION STRETCHOUT IN ATOMIC POWER

From that vantage point I view with misgivings the budget reductions in the atomic-energy program ordered by the Eisenhower administration. These cutbacks represent, in my considered judgment, a dangerous retreat from national-security goals and a threat to continued progress in atomic development. I say this not to spread false alarms, not to inject politics into the atomic field, but to remind the Congress and the public that we dare not allow any backsliding in this vital area of defense and security.

Certain phases of reactor development, looking toward atomic-powered aircraft carriers and airplanes, have been eliminated. This means a stretchout in atomic-power progress, a postponement of the day when the atom will do useful work for industry and the public. For the technical lessons that we learn in building atomic powerplants for military vehicles have direct application to atomic power in other fields.

Administration leaders believe, so the newspapers report, that atomic power had best be left to private enterprise for development. That might account in part for the decision to slow down the military-reactor programs. It seems more than a coincidence that this decision comes at a time when certain industrial executives are beating the drums for revision of the Atomic Energy Act to favor private industry.

ATOMIC DEFENSE NEEDS STILL URGENT

Rapid progress has been made in atomic energy, an enterprise hardly more than 10 years old, because many minds have been working in a vast cooperative endeavor financed by public funds. To cut the program at any point in its present stage of development is to throw it for a net loss. We dare not let leadership in the atomic field slip from our grasp. To pull up short now and look for economies when the issue is nothing less than the survival of the free world is to trifle with destiny and to court disaster.

The atomic bomb was born of an impelling wartime need to outpace our enemies and to bring the terrible conflict to a speedier end, so that the lives of many of our loved ones might be spared. Today, we have different enemies, actual or potential, and a different kind of war. The secrets of the atom are no longer, if they ever were, held exclusively by the United States. Atomic weapons are not made by us alone. In this tense and divided world, each side contesting for its way of life, we have no alternative but to forge ahead, to maintain undisputed leadership in atomic armament. We pray for peace, but we dare not let down our guard for freedom.

The people of this country have given generously—have invested billions to advance the atomic program—not only for their own security, but to reinforce the strength of other free nations, and to open up new vistas of atomic science that will contribute to the health and well-being of mankind. Men of science and industry, soldiers, engineers, skilled workmen, and administrators are probing this new field. Almost every day new discoveries are made about the meaning of atomic fission to medicine, to the industrial arts, to military strategy, to many other pursuits.

But let us not forget for a moment that national defense is still the heart of this endeavor. The sense of military urgency should be not less today than it was before. The momentum of the atomic-energy program must not be slackened. Therefore, I have a deep feeling of disquiet about the decision of the Eisenhower administration to call a halt in certain lines of atomic-energy development.

M'MAHON ACT GUIDES DEVELOPMENT

When renowned scientists learned how to split the atom in 1939 and then brought together their new-found knowledge to make the atomic bomb, they realized quickly the exciting and manifold possibilities implicit in the release of energy by nuclear fission. Locked up in a small amount of fissionable uranium was an enormous energy potential that could be harnessed to generate electric power for whole cities; to propel great ships and submarines and aircraft. New weapons could be devised, less crude and ponderous than the original atomic bomb, to be fired as artillery or to be launched as guided missiles. And the process of atom splitting pointed the way to the reverse process of atom fusion, which led to the idea of the hydrogen bomb, a weapon several hundred times more potent and terrifying than those that fell on Hiroshima and Nagasaki.

Those were some of the possibilities. Before they could even begin to be realized, many costly and complicated experiments had to be undertaken. Nature would not give up her secrets easily and cheaply. Wartime atomic production facilities had to be brought up to date and great new plants built. Materials had to be processed and machines designed or adapted to perform radically new tasks. Private enterprise had to be brought in on a wider scale and workmen trained in new skills and special methods of protection against the lethal effects of radioactivity had to be devised. And, above all, it was necessary to frame new legislation after the war; to write a charter that would guide the development of this war-created enterprise so freighted with meaning for the future of the world.

In 1946 the Congress passed the Atomic Energy Act, legislation fathered by the late Senator Brien McMahon. All of us who had the privilege of working with him were elevated by his inspired leadership and his devotion to principle. The comprehensive legislation which bears his name, except for minor amendments, remains today the charter for progress in atomic science. The achievements that have been wrought in this field under the guiding policies of the McMahon Act are testimony to its basic worth and soundness.

CAMPAIGN TO CHANGE ATOMIC LAW

In certain quarters a campaign is afoot to drum up sentiment for drastic changes in the Atomic Energy Act. Efforts are being made to persuade the Congress and the country that key provisions of the act are outmoded, that these provisions are imposing a straitjacket on the industrial development of atomic power. There is a bold-faced bid to withdraw from the United States Government the exclusive ownership of bomb-making materials and to make possible the issuance of restrictive patents to private firms. Speeches and writings by some prominent industrialists and ex-members of the Atomic Energy Commission, which inspire feature articles and editorials in leading newspapers and magazines, are pouring out in a flood and trying to batter down existing statutory safeguards for atomic energy development. A bill, H. R. 4687, proposing drastic changes in the atomic-energy law, has been introduced in the present Congress. Other bills are being drafted.

Now I believe that private industry should participate to the fullest possible extent in atomic activities. In fact the Atomic Energy Commission—the Government agency set up by law to administer atomic programs—depends upon private industry to construct and operate its atomic facilities. But I do not believe that private industry should go the whole hog and insist on private ownership of bomb-making materials and the facilities for producing them.

The time is not yet at hand, atomic technology is not far enough advanced, to tear down the legislative structure which supports our atomic programs.

ATOMIC GIVEAWAY MANEUVERS OPPOSED

Some of those who seek so avidly to change the atomic-energy law believe that this a good time to move in, regardless of the fact that there is no demonstrated need for new legislation. Presented with an administration that hearkens readily to the demands of big business, they see an opportunity to soften up the Atomic Energy Act, to open the legislative door as a strategic maneuver now for self-serving purposes in the future. For example, not more than 10 days had elapsed after the 1952 election when the president of the Utah Power & Light Co. called for a reversal of what he termed socialistic trends by amendment of the atomic-energy law to give more concessions to private industry. As if Senators McMahon and Vandenberg and the other distinguished framers of the basic law could be called Socialists.

Mr. Speaker, I do not intend to sit idly by and give silent assent to a giveaway program in atomic energy. The American people have a $10 or $12 billion investment in this program. When anyone begins to tamper with its legislative foundations, I, for one, will want to see convincing evidence that the public interest is fully protected. It will be important to make sure that this sudden zeal for giving industry greater privileges in the atomic field is not, as someone aptly remarks, a desire for "industrial participation in the United States Treasury instead of in atomic power."

ATOMIC POWER PROSPECTS OVERSOLD

The plain fact of the matter is that some company executives and Government bureaucrats, past or present, are trying to sell the American people a bill of goods on the prospects for atomic power. To take at face value what they say, the atom is all set to go to work in private industry, if only the Congress of the United States will take off the legislative shackles. Well, the atom is not ready to produce power in competition with energy from conventional sources such as coal and falling water, and it will not be ready for years to come. This fact is well known to all responsible and informed persons.

The science and technology of atomic energy are progressing rapidly and legislative changes may well be needed at a later date. Indeed the Atomic Energy Act expressly contemplated that the need might arise. But the need has not yet arisen, except in the minds of a few enterprising men who are maneuvering to get into the atom-bomb business as a means of building privately owned atomic powerplants with Government subsidy. What the proponents of legislative change mainly are after is an opportunity to produce bomb-making materials as a private venture and to develop atomic power as a byproduct of this very profitable occupation. I shall analyze this proposal more closely in a moment.

Most outspoken of these men is Dr. Charles Allen Thomas, president of Monsanto Chemical Co. In an interview he gave recently, featured in a popular weekly publication called Parade, Dr. Thomas deliberately left the impression that atomic power could soon be the housewife's boon, running the gadgets of the kitchen and doing the household chores. This is sheer nonsense. Atomic power is no mysterious new kind of energy device. To do useful domestic work, the energy released by splitting the atom must be converted into electric power at a central station.

Atomic power in the form of electricity is the same juice that now runs the factory and lights the store and home. But it requires complicated, costly machines and processes, still in the experimental stage, to derive electricity from the atom. The housewife who expects atomic power to run her home in a few years must be prepared to pay electric bills 5 to 6 or even 10 times as much as the present ones.

Now Dr. Thomas, the chemical magnate, sees a likely way to get into the atomic-power business. If he can persuade the Congress to change the Atomic Energy Act and let his company manufacture plutonium for atom bombs, in place of present manufacture in Government-owned plants, the fat revenues derived from plutonium sales to the Government will make it worth while to build facilities in the same plant for converting atomic energy into electricity.

To turn over the production of bomb-making materials to private hands of course would present problems of the gravest national concern.

HASTY CHANGES IN ATOMIC LAW OPPOSED

Excepting the vocal agitators of change in the Atomic Energy Act, the weight of opinion by informed persons is against hasty action on this score. A special survey conducted by the staff of the Joint Committee on Atomic Energy, in which company executives, Government officials, scientists, and lawyers were interviewed, led to the following report:

Most of the individuals who had been associated with power-study projects were inclined to recommend putting off any and all revisions or additions to the Atomic Energy Act at least until one or more prototypes have been built and operated experimentally. These individuals were not at all certain that experience would prove that extensive legislative revisions are necessary at all, especially if Government ownership of all reactors proves to be workable.

Among those in the surveyed group who believed that the present legislation was flexible enough to provide some degree of incentive for bolder private efforts, the consensus was that all planning would stop for 6 months if Congress undertook to revise the laws. Then another year, they believed, would be consumed in examining the implications of the new legal provisions and in reworking pending proposals for industrial participation to conform to the new laws. This anticipated year-and-a-half setback, be it noted, refers to the role of private industry. And what would happen to the Government-financed atomic-energy program in the course of legislative revision? I can see only uncertainty and disruption and delay—in an era when our leadership in atomic-energy development is crucial to the security of the free world.

PRESENT LAW PERMITS PRIVATE INDUSTRY ADVANCE

Let it be clearly understood that the law as it now stands does not prevent private industry from going ahead with atomic reactor research and development, and if desired, investing its own research funds. In fact the Atomic Energy Commission has undertaken a positive program of encouraging private firms to explore the technical and economic possibilities of atomic power. Eight large corporations, working in pairs, each including a utility company, have investigated the engineering feasibility of their designing, constructing, and operating a materials and power producing reactor.

In April 1952 one of these teams, the Dow Chemical Co.-Detroit Edison Co., proposed and the Commission approved, a further study costing about $1 million and financed one-quarter by private and three-quarters by public funds. Later in the year it was announced that 11 more utility and industrial concerns would work with Dow-Detroit Edison in the same study program; and subsequently 12 more companies were added. Also a fifth industrial team embarked on a power study under Commission auspices.

Apart from these industrial investigations, a number of companies are conducting independent studies and at least a score now have actual contracts with the Atomic Energy Commission to perform work in the reactor-development field. Reactors for testing materials; for breeding nuclear fuels; for powering submarines, ships, and airplanes; and for special research purposes are in various stages of planning or operation by contractors. Extensive knowledge concerning the industrial possibilities of atomic power has been acquired by these companies working for the Government.

ATOMIC-POWER PROPOSALS ARE VARIED

Although the Atomic Energy Commission has made public only partial reports of the industrial surveys now completed, various alternative recommendations for atomic-power development are known to be made. One group—Monsanto Chemical-Union Electric—wants the Government to build a pilot plant producing power and to gather more technical data which can be used later by industry in building and operating power reactors with private funds. Another group—Dow Chemical-Detroit Edison—sees the need for further study and research, partly at its own expense, leading to the private financing and construction of atomic powerplants without any pilot-plant stage. A third group—Commonwealth Edison-Public Service—proposes that the Government should finance and own an atomic reactor while the private concerns would construct the generating equipment for converting the atomic power to electricity. Presumably the Government in this case would obtain some revenue from the power sales. Those who favor this approach point out that it requires no

changes in existing atomic-energy legislation.

There are still other proposals looking to the development of atomic power. A former employee of the Atomic Energy Commission—Dr. George Weil—advocates the establishment of a nonprofit foundation financed largely by private funds to construct a power-only atomic reactor, in order to determine the performance and economics of power production. A suggestion has come from Gordon Dean, Chairman of the Atomic Energy Commission, that the Government build small-scale reactors in areas remote from normal sources of power and sell the electricity from such systems to private consumers. Mining and ranching interests in Nevada actually have petitioned the Atomic Energy Commission to build a reactor in a desert area for use in pumping water from mines and desert irrigation.

Military authorities are interested in the possibilities of developing such power sources for remote stations, port facilities, and catastrophe areas. Extending the idea to underdeveloped areas in other parts of the world, some persons have suggested that we might well undertake to build atomic reactors for power-hungry countries now receiving economic and technical aid from the United States.

And finally, in view of the fact that the atomic-energy program now consumes large amounts of electricity from conventional sources, there are those who believe that the Government should relieve this heavy drain on the economy by producing its own atomic-power needs in conjunction with the manufacture of plutonium.

ATOMIC POWER TIED TO PLUTONIUM PRODUCTION

These proposals possessing varying degrees of merit certainly demonstrate a healthy interest in the industrial possibilities of atomic energy. To me they also indicate clearly that a great deal of thinking, investigating, experimenting, and building remains to be done before private industry can see any investment opportunities and realize any legitimate profit in the atomic-energy field. However, the industrial survey teams who have reported their findings to the Atomic Energy Commission, taking their cue from Dr. Thomas, of Monsanto, see a neat way for private companies to get into atomic power production more quickly. This is how the Commission summarizes their findings in its 13th semiannual report:

> The reports indicate that large reactors might be built in a few years which could furnish economic power to the systems of the utilities in the groups if weapon-grade plutonium were produced and bought by AEC at Hanford costs.

There is the rub. Private enterprise is willing to produce atomic power for private sale if the heavy costs of building and operating atomic reactors are borne largely by the Federal Government through guaranteed purchases at high prices of the plutonium needed in atomic bombs. In other words, atomic power is not ready to pay its own way. The only way it could be produced and utilized commercially in the immediate years ahead is by linking it to plutonium manufacture in a dual-purpose reactor producing both power and plutonium.

Now we can understand more easily the new-found interest shown by some industrial spokesmen in atomic power and their sudden zeal for changing the Atomic Energy Act. Plutonium is the fissionable substance wrested from uranium 238 by intricate and costly methods developed at the Hanford plant. Under existing law the Government is the exclusive owner of all fissionable materials—the bombmaking elements—and of the facilities, with certain exceptions, for making such materials. Private firms can and do produce plutonium for bombs under contract with the Government but they cannot lawfully own the atomic reactors or the plutonium produced in them. For such firms to engage in the profitable business of making and selling plutonium to the Government for atomic weapons and simultaneously utilizing the byproduct energy for commercial power production, it would be necessary to amend the law which now vests exclusive ownership of fissionable materials and their producing facilities in the Government. This would constitute a complete redirection of national policy in atomic energy.

PLUTONIUM-SUPPORTED PRIVATE POWER INDUSTRY UNSOUND

Putting aside for a moment the question of public policy, would private enterprise be exercising good business judgment in attempting to build a new costly industry by tying its future to Government purchases of plutonium for an atomic bomb stockpile? Harry A. Winne, vice president of General Electric Co., an industrial organization experienced in atomic work, says "No." In his judgment:

> This situation does not constitute a sound basis for an atomic-electric power industry. * * * Atomic power will be really economically sound only when it can compete with conventional electric power without requiring a Government-supported weapons market. It could not do that today—unless in some peculiar and very unusual circumstances—nor, in my opinion, for a good many years to come.

In the same vein Philip Sporn, president of the American Gas & Electric Co., says:

> Whatever the value and the interest in proceeding with present developments of ideas for such plants, in the end, hope for nuclear energy as a more or less permanent economical source of power, must rest on the straight power reactor and the breeder reactor.

That is to say, until atomic power can stand on its own feet in the market place and be freed of dependence on the scarce raw materials for atomic fission now utilized almost entirely in weapons production, it will have a precarious place in the economy.

GOVERNMENT COULD PRODUCE BYPRODUCT POWER

Of course the Government itself, deeply committed to the expenditure of huge sums for the production of plutonium in its own plants, could convert the great quantities of nuclear energy released in the fission process to electrical power for commercial use. If private industry could produce cheap power from atomic energy as a derivative of plutonium production, so could the Government, without the need for any change in the law. Indeed the Atomic Energy Act expressly anticipated this development, providing in section 7 (d) that byproduct power obtained from the production of fissionable material could be used by the Atomic Energy Commission, transferred to other Government agencies, or sold to public or private utilities under contracts providing for reasonable resale prices.

The counsel of common sense and good business judgment would seem to indicate that the Atomic Energy Commission adapt its plutonium facilities for simultaneous power production in order to return revenues from power sales to the United States Treasury. The tremendous heat generated in plutonium manufacture at Hanford, which can be converted into electrical energy, is now dissipated in the cooling waters of the Columbia River. Thus, instead of handing over plutonium to private ownership and manufacture to help finance the private exploitation of atomic power, the Government itself might well produce and sell the power to help make up for the heavy cost of plutonium.

We know from Government experience in the field of hydroelectric energy that power sales help pay the bill for other useful activities such as flood control, navigation, and irrigation. Likewise, electrical power from atomic processes could help pay the bill for atomic armaments. Even if the Atomic Energy Commission could produce, in the earlier phases, enough atomic power to replace power now required from outside sources in running atomic installations, substantial savings would be realized.

ATOMIC PROGRAM HEAVY POWER CONSUMER

Pointing out that the atomic energy program is one of the largest consumers of electrical energy in the Nation, the Chairman of the Atomic Energy Commission cites an estimate that power requirements for atomic installations by the middle of 1953 will amount to 2½ percent of the total installed electric power capacity of the United States. Since total installed electric power capacity at the end of 1951 was reported at 75½ million kilowatts, we can figure roughly that the atomic energy program is eating up power on a scale approaching 2 million kilowatts output. New projects under way will double the power demand. Obviously, to satisfy all or part of this huge requirement with atomic power generated in the Government's own facilities, ultimately would cut down the operating costs of the atomic energy program. And furthermore, the energy now supplied for atomic programs by Government power agencies such as TVA and Bonneville could be turned back for regular sale to consumers, bringing additional revenues to the United States Treasury.

It is not necessary to get into a debate at this time over the merits of public or private power. Under the present law the Atomic Energy Commission is authorized to produce atomic power for its own use, for other Government agencies, or for sale to public or private utilities. What policies should guide the distribution of atomic power produced in pub-

licly owned facilities can be considered when the prospects of atomic power production are more imminent. I see nothing in the present law to bar private utilities from working out arrangements with the Atomic Energy Commission to acquire energy produced in Government-owned reactors and to generate and distribute power through privately owned and privately financed facilities.

SECURITY IMPLICATIONS FOR PRIVATE ATOMIC ENTERPRISE

It seems very doubtful that those in private industry who clamor for the privilege to own and use fissionable materials have thought through the implications of their demands. As private owners they would still have to depend on the Government for the scarce and valuable uranium ores. They would still have to account for production and disposition of every bit of fissionable material. Security requirements, which now bear down heavily enough on private firms who do atomic work for the Government, would be doubled and redoubled, not lightened, if such firms went into the atom-splitting business on their own. Private industry, which now seeks more freedom from Government controls, would find itself burdened with a kind of Government surveillance in atomic activities, the like of which has never before been known.

Henry D. Smyth, a member of the Atomic Energy Commission, said in an address before the American Mining Congress:

> We cannot split the atomic energy industry in two parts, labeling one for military purposes and keeping it under Government control, and labeling the other for civilian purposes and releasing it to private industry.

The inherent difficulty of separating military and civilian phases, as Mr. Smyth pointed out, underlay the decision of the Congress in 1946 to make atomic energy development a public enterprise. Indeed, from the very beginning, the burning need for national security dictated that the Government itself should own and control the materials and facilities that produce the atom bomb. Every precaution had to be taken that the means of producing this terrible new weapon, which could wipe out major centers of population with a few blows, did not come within the capabilities of any private individual or agency. Atomic projects were hedged around with the most elaborate security safeguards. Security protection today still constitutes an expensive obligation of the Atomic Energy Commission.

It is not necessary to take issue with those who assert that atomic secrecy is overdone, that many restrictions are unnecessary and serve only as obstacles to the wide dissemination of technical data vital to industrial progress in this field. The large element of truth in these complaints does not mean that we can afford to let down all the bars to atomic security. The stakes are too high, the dangers too great to permit any careless or easy attitudes on this score. Businessmen along with the rest will have to adjust to the hard realities of the situation.

I warn those who think it is time for private industry to have free play in atomic energy: Atomic war hangs like a heavy dark cloud over the minds of men and the affairs of nations. The people of this country will not sanction the abandonment by their Government of jurisdiction in atomic matters. If you want to make profit from the atom in the present state of world tension and danger, you will pay a heavy price in rigorous and far-reaching Government controls. Given the kind of world in which we live, the Government simply dare not relinquish these controls over atomic energy even if private ownership is involved.

VEXING NEW PROBLEMS FOR ATOMIC INDUSTRY

The security problem, taken by itself, is so overwhelming as to cast grave doubt on the feasibility of private production of plutonium for bombs and power for industry. But security considerations, crucial as they are, only begin to suggest the problems confronting private atomic enterprise. With new atomic weapons in the making, which constantly open up new possibilities of military application, how much of the source materials—uranium ores, and so forth—could be made available for industrial use? Which private firms would be selected to acquire these limited materials? Would friendly foreign governments upon whom we depend for the bulk of our uranium supplies be willing to permit any diversion from defense to private profitmaking outlets? What changes would be needed in State and Federal laws to provide protection against industrial hazards to personnel and property?

If the dual-purpose atomic reactors are built by private industry to supply plutonium to the Government for bombs and power for industrial use, what should the Government do with its own huge and expensive plutonium-manufacturing facilities? How much plutonium should the Government buy from private sources, for how long at what price? What firms shall be permitted to manufacture plutonium? Will location for strategic purposes interfere with economic requirements? What principles and methods of cost accounting are needed to properly allocate costs between plutonium and power?

Suppose we assume that the intricate problems of plutonium plus power reactors under private ownership are capable of solution: What then happens to the private investment in atomic-power facilities and to supporting industries when the Government no longer needs plutonium because of bulging stockpile of atomic weapons? Eugene M. Zuckert, a member of the Atomic Energy Commission, raised the question pointedly in his remarks before the American Chemical Society:

> If the buying of plutonium were stopped, it is easy to imagine the dislocation to civilian industries that would have sprung up around the reactor sites to utilize atomic power. With a sudden stop order on plutonium buying and the resultant sharp increase in the price of power, what means could be devised to avoid or minimize dislocations?

REVISION OF ATOMIC ENERGY ACT PREMATURE

These and a host of other problems, the solution of which is for the future, add up to a compelling conclusion: Drastic revision of the Atomic Energy Act at this time would be premature, ill-considered and unwise. It would disrupt the atomic-energy program, possibly setting it back 3 to 5 years. I am absolutely convinced that innumerably more difficulties would be created than resolved. The participation of private enterprise would be narrowed, not widened by the legislative changes now demanded in the name of private enterprise. And the priority now accorded to military requirements in the atomic energy program would suffer.

In the context of the move for amendment of the basic law we can see more clearly the significance of the proposed cutback in the atomic-energy program. The administration wants to call a halt to work that has been started for the development of atomic-powered aircraft carriers and airplanes. Reductions on the order of 30 percent below previous budget estimates are indicated. According to published reports, administration officials have taken this step in the expectation that private industry will assume a greater share of the responsibility for carrying on the experimental work in the field of atomic power.

Private firms are now performing this work under contract with the Atomic Energy Commission. Neither these firms nor any others are prepared to make costly investments on their own in the experimental phases of atomic power. And, despite all the ballyhoo and inspired articles in the press and periodicals, no private firm has offered to build atomic reactors for commercial production of power without substantial Government assistance in one form or another. Consequently, stoppage of work on nuclear reactors for ships and aircraft only means extra years of delay in the development of atomic power—delay calculated to give leeway to those who are pressing for changes in the atomic energy legislation.

PUBLIC FUNDS BUILT ATOMIC ENTERPRISE

We would be wise to retain a sense of perspective about the origin and development of atomic energy. This field of enterprise, as I have said, is hardly more than 10 years old and born of an urgent wartime need. All the funds invested in it came from the public Treasury. The brains and brawn, the skills and ingenuity, of many persons from diverse national origins and walks of life, were drawn upon to make the atomic bomb a reality and to chart new paths in nuclear science. Our scientists, our engineers, our military and civilian administrators, American labor and management, teamed up for the most exciting and awesome venture known in this century. What they have done and still are doing is a monument to cooperative endeavor by public and private agencies and enterprises in a free society.

Military necessity and limiting technical factors inevitably made the atom the business of Government. Practical policy and administration led the Government to call in private industry and initiative as its agents in performing the tasks of atomic development. Private industry and initiative alone, without the public funds and the military drive, would never have launched the atomic-energy program we see today.

INDUSTRIAL PARTICIPATION SHOULD BE WIDENED

Therefore, while we pay well-deserved tribute to private industry for its contributions to atomic-energy development, let us not fall for the blandishments of those who would make it appear that atomic energy is somehow the peculiar concern and private preserve of a limited sector of industry. Certainly private industry has, and already performs, an important role in this youthful enterprise which holds so much promise for the future. I believe that industrial participation by private firms in atomic-energy fields should be progressively widened, so that America can have the benefit of the freer play of competitive forces. I take seriously the objective of Congress declared in the Atomic Energy Act "of strengthening free competition in private enterprise." That is why I am opposed to hasty removal of the statutory safeguards in the atomic-energy law.

CHANGES IN LAW WOULD FAVOR INSIDE GROUP

Anyone who has the merest acquaintance with the hard facts of industrial life should recognize that to suddenly throw wide open the door to private ownership of fissionable materials and to private patents is to mark out an illusory path for free enterprise. The giant industrial firms already inside the door, now executing construction and development contracts for the Atomic Energy Commission, possessed of considerable technical know-how and managerial experience in atomic work, would be the primary if not the exclusive beneficiaries of the new legislation. They would get first claim on the scarce and precious raw materials for producing atomic energy allotted to private ownership. They would narrow the industrial opportunities for their competitors by translating technical superiority into patents on atomic processes and equipment. In short, the door that we are being asked to open to all private enterprise would later be slammed shut by a few strategically placed elements in industry.

GOVERNMENT OWNS BUT INDUSTRY OPERATES

Wordy complaints about Government monopoly under present atomic energy legislation should not beguile us to promote greater industrial monopoly by drastic amendment of this legislation. We should remember, too, that Government monopoly in this field—which usually refers to Government ownership and production of fissionable materials—is more a formality than a fact. The formal requirement was written into law by men of conservative bent in both parties who insisted that the paramount and overriding issue of national security made it imperative to maintain Government control of fissionable materials. The fact is that the Atomic Energy Commission has bent over backward in a determination to delegate its functions to private enterprise. Private industrial corporations, under contract with the Commission, design, build, and operate the huge atomic plants and facilities, run the towns that service these great installations, conduct basic and applied research, fabricate components for atomic weapons. In the fiscal year 1952 private contractors in atomic energy construction and operations employed almost 143,000 persons contrasted with 6,600 employed by the Atomic Energy Commission. The Government Agency, in other words, has not seen fit to build up a mammoth organization of Government personnel. It owns, but private industry builds and operates.

BIG FIRMS RUN ATOMIC PROGRAMS

The Atomic Energy Commission has been criticized for delegating major atomic energy tasks to a relatively few big corporations. The precedent was set by the military authorities when the wartime atom bomb project was under control of the Manhattan engineer district. Great industrial organizations like Du Pont, General Electric, Westinghouse, Monsanto Chemical, and Union Carbon and Carbide have been selected to carry out the Commission's primary responsibilities. Certainly the Commission should be more zealous to bring additional private firms and industries into the program, and some progress is being made in this direction. But the Commission's early decision, whether wise or not, to designate a handful of industrial giants as its operating agents was not based on any requirement in the law. On the contrary, the Atomic Energy Act not only had as one of its declared objectives strengthening free competition in private enterprise but it called for the broadest possible exploitation of atomic energy fields and qualified the Commission's licensing authority by attaching a specific injunction against any activities that might serve to maintain or foster the growth of monopoly and restraint of trade.

True it is that the industrial corporations which expend the billions of public funds in wages and salaries for their own employees and for the purchase of supplies and services to run the major atomic-energy installations do not operate in the usual profit-and-loss manner. They invest no money of their own; they incur no financial risks. Uncle Sam foots the bill for all costs, allows generous amounts for overhead, and pays a nominal or moderate contractor's fee. But the private operators of the atomic-energy program derive a valuable return not measured in immediate dollars and cents. They are in on the ground floor of a new, great and growing industry, learning new techniques, experimenting with new materials and processes, training themselves to a new high order of industrial precision demanded by the exacting requirements for the technology of atomic fission.

PRIVATE BUSINESS PROFITS FROM ATOMIC ACTIVITIES

Aside from the great contractor-operators who are the hired hands of the Atomic Energy Commission, private business profits in many ways from atomic energy activities. Thousands of firms, large and small, throughout the Nation furnish supplies, materials, equipment, and services to the primary contractors. To cite one example: Westinghouse Electric Co., contractor for a land-based prototype of a submarine reactor, had the assistance of hundreds of subcontractors and suppliers in 23 States. The Government also lets contracts to processors of uranium ores, contracts to operators of feed materials plants, contracts to architect-engineers, contracts to research laboratories and institutions, contracts to construction firms, contracts to electrical utilities; those are some of the numerous lines of business activity involved in the atomic-energy program.

To illustrate the last mentioned item—electrical utilities: In planning for the construction and operation of the gaseous diffusion plant at Portsmouth, Ohio, the Atomic Energy Commission contracted with a group of 15 private power companies to supply the 1,800,000 kilowatts of electric power which the Portsmouth plant will require. The private utilities in a combined venture, will build and operate two steam generating plants with an installed capacity of 2,200,000 kilowatts and will use about 7,500,000 tons of coal a year.

Industrial firms lead the list of the 1,100 users of radioisotopes distributed by the Atomic Energy Commission. By the end of 1952 more than 32,000 shipments of radioactive isotopes and 2,000 shipments of concentrated stable isotopes had been made to users within the United States.

It is plain enough that atomic energy, far from being a Government monopoly in the ordinary sense of the term, is a creative force for vast range of private industrial activities in the American economy.

PUBLIC INTEREST MUST BE PROTECTED

Whatever the future holds in store for private enterprise in atomic energy, national policies will have to be shaped in the light of the fact that the American taxpayer already has a huge investment in this field. The public purse paid and still pays for the costly production plants, laboratories, stockpiles of raw materials and weapons, technical experiments—the whole complex of activities now being conducted to advance the science and industry of atomic energy. The public interest must be fully represented at the conference table whenever the policy-makers begin to discuss changes in the basic legislation.

The benefits of atomic energy—

President Truman once wrote to Senator McMahon—

are the heritage of the people; they should be distributed as widely as possible.

In recent days and under the impetus of a somewhat different philosophy of government entertained by the present administration, it has become rather old-fashioned, as I remarked at the outset, to talk of the public interest in atomic energy. For example, Thomas E. Murray, a member of the Atomic Energy Commission, taking issue with the argument that atomic energy should remain a public enterprise, said before the Detroit Economic Club:

The trouble with such an argument is that it falsely assumes that profit to private enterprise confers no benefits upon the taxpayers. It lays down the class-conscious and demonstrably untrue postulate that the interests of business units are inevitably or generally opposed to those of citizens.

I trust that Commissioner Murray in arguing against one extreme is not moving to another. For the people of this country are not quite prepared to accept

the thesis that what is good for General Motors, let us say, is inevitably or generally good for them. And especially since atomic energy contains the dread possibilities of savage and wholesale destruction, the American people will not lightly subordinate the question of life or death for the free world to the profit-making desires of a few companies.

Certainly it is within the power of Congress to make adequate provision for widespread participation by private enterprise in this new field of human endeavor. When the time comes that reactors can be designed, built, and operated to produce cheap atomic power, when the economic and social effects of the widespread use of atomic power become more clearly outlined, then we can consider what changes are necessary in the basic legislation. Acting thus, we will be in accord with the spirit and purpose of the McMahon Act.

In the meantime it behooves us, the members of the Joint Committee on Atomic Energy, to deliberate with care and caution, and to give searching scrutiny to every proposal for new legislation. We must account to the Congress and to the public for our stewardship.

CONCLUDING SUMMARY

Commercial production of electrical power derived from atomic energy is still a project of the future. It is not just around the corner, contrary to the optimistic stories in the popular magazines. All the experts agree, and the studies consistently have shown, that atomic power in the known state of the technology, would be too costly for industrial use; it could not compete with conventional sources of energy—coal, oil, natural gas, and falling water.

Reactors for the commercial production of atomic power have never been designed or built and no private company is prepared to invest a cent of its own funds in such facilities unless substantial aid is forthcoming from the Federal Government.

Nevertheless, a campaign is afoot to obtain drastic changes in the Atomic Energy Act on the argument that the present law is holding back the industrial development of atomic power. Some industrial spokesmen are overselling the prospects for atomic power and exaggerating its possible uses to induce sentiment favorable to their ends.

Budget cuts in the atomic-energy program ordered by the Eisenhower administration fit in with demands for concessions to private industry in atomic activities. The budget cuts sound a dangerous retreat in atomic defense and development.

The advocates of amendment seek the privilege of owning and producing fissionable materials in order to sell plutonium to the Government for atomic weapons and to produce atomic power as a byproduct.

To allow the production of bomb-making materials by private groups poses overwhelming problems of security and rests the commercial development of atomic power on the uncertain economic base of Government purchases of plutonium.

Furthermore, the relatively few large corporations on the inside of the atomic-energy program, would stand to gain the greatest benefits from immediate changes in the law, thus narrowing the opportunities for competitive enterprise in the atomic field.

Under existing law, the Government, which now owns the plutonium facilities, could develop its own atomic power. Substantial savings might be realized if the Government supplied all or part of the huge power needs of its atomic installations and relieved the energy drain on the economy.

Until atomic technology is further advanced, Government-financed research and experimentation in reactor development under the present basic legislation must be vigorously pushed; the lessons learned in building atomic-power plants for aircraft carriers and airplanes and for various experimental purposes will have industrial application.

Because there is no demonstrated need for drastic amendments to the Atomic Energy Act, the Joint Committee on Atomic Energy should proceed with care and caution and give searching scrutiny to any proposed changes.

The public investment of ten or twelve billion dollars in the atomic-energy program and the public interest in continued atomic progress for world peace and security and national welfare must be fully protected.

THE UNITED NATIONS AND THE UNITED STATES

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Iowa [Mr. GROSS] is recognized for 10 minutes.

Mr. GROSS. Mr. Speaker, recent events have focused much needed attention on the United Nations, that expensive and potential tombstone of American sovereignty and individual liberties. For too long, too many individuals who should know better have regarded this international fraud as sacred.

Even now we are hearing from various and sundry throats the old, off-key tune that without the United Nations we would have no allies, we would have no peace, and would, quote "have to go it alone."

Harping the loudest on the theme that Americans should shut up, that there should be no public criticism of the dismal failures of the United Nations, are certain individuals who have made numerous trips to Europe at taxpayers' expense and who have been royally entertained by foreign governments. By some strange line of reasoning, known only to themselves, these individuals bleat like lost sheep when citizens of their own country protest international injustices, but they are not heard above a whisper when the United States is assailed as it was recently by British spokesmen.

In the United Nations, as it has been and is operated, we have few if any real allies, and certainly it has provided no security or peace. We are "going it alone" anyway, and have been since the end of World War II, despite our billions of dollars in foreign handouts.

Where are those allies we allegedly could lose through the U. N.? In the Korean war, we furnish 90 percent or more of all so-called United Nations troops, whereas 46 members of the United Nations, with a combined population of more than a billion, have failed to contribute a single combat soldier. That is why, a few days ago, I offered an amendment to cut the United States appropriation to the United Nations by 90 percent. This would have left 10 percent, or more than equal to the contribution other members of the U. N. are making to the fighting and dying in Korea.

And do not forget, when the United Nations is defended as a great instrumentality in behalf of the United States, that we have one vote in the General Assembly while Russia has three. We pay about 35 percent of the cost of the U. N. while Russia pays 12 percent. That is how the cards are stacked against the American people in the United Nations.

Yet when it is suggested by an American that the U. N. stand and deliver in Korea and elsewhere or the United States withdraw, and the sordid story is finally brought to light of British ships being used to transport Chinese Communist troops, an anguished bleat is heard from British Ambasador Makins.

The revelations concerning the use of British ships, according to Makins, do injury to quote "the common cause."

What common cause?

Britain, as a member of the United Nations, could engage in no act more perfidious than to permit direct or indirect use of her ships for the transport of enemy troops. Neither is it serving the common cause for the British Government, which voted in the U. N. for the war in Korea, to permit almost unabated trade with the Chinese Communists. Evidence already submitted to a committee of Congress charges that more than 100 ships flying the British flag engaged in trade with the Chinese Communists in the first quarter of this year.

Whose common cause is being injured when the British refuse to withdraw their recognition of the Red Chinese government and refuse to repudiate their 20-year pact with Red Russia?

Ambassador Makins, questioned recently as to why the British have not made a greater contribution to the fighting in Korea, replied that a substantial number of Britain's troops are fighting in Malaya. That is a deliberately specious answer. Makins knows that there has been but little fighting in Malaya for several months, and he knows that the comparatively few casualties sustained there have been among native forces and not those of the Commonwealth Caucasians.

The time has come to recognize the United Nations for what it is—a spawning ground for license and treachery. One of its chief architects was the infamous Alger Hiss. Its ignominious failures are attested by the treaties and pacts that have been negotiated through a deliberate bypassing of the U. N. conference table. The scheduled conference to be held soon in Bermuda is the latest proof that it is nothing more than a sumptuous debating society,

maintained largely for the benefit of Soviet Russia.

As an instrumentality for collective action and peace, the United Nations is a snare and a delusion.

If the British, French, and others continue to flout all moral law, consorting with whom they please, trading with whom they please, and refusing to join in punishing those who they have joined in designating as aggressors—in other words, if they have elected a course of going alone then the United States can take no other course, and the sooner we make our intentions known, the better it will be for us.

PRIVATE UTILITY INDUSTRIES

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Alabama [Mr. JONES] is recognized for 10 minutes.

Mr. JONES of Alabama. Mr. Speaker, last April when the United States Chamber of Commerce was meeting here in Washington and on other occasions, the press has reported a good many addresses praising the brilliance, the initiative, the competence, and the energy of the private utility industries and citing as an illustration of all these desirable qualities the organization of Electric Energy, Inc., 5 private utility companies joined together to provide a portion of the power requirements at the AEC installations at Paducah, Ky., and of another group of 15 utilities called OVEC, I believe, organized in similar fashion to provide power for AEC facilities under construction at Portsmouth, Ohio.

As I understand, the burden of most of these remarks is to compare those enterprises with the operations of TVA with a view to discrediting the latter. There were plenty of speakers who, in April and earlier, were devoting a good deal of attention to extolling the enterprise displayed by EEI which was building a powerplant at Joppa, Ill., while TVA had under construction a plant called Shawnee just across the river. Both plants are being built to provide power for the atomic-energy installations at Paducah. Before April 9 when power from the first unit at TVA's Shawnee plant went on the line the private utility propagandists were doing a lot of talking about a race between TVA and Electric Energy, Inc. Private utility spokesmen felt reasonably secure in calling attention to their race with TVA, because, as a matter of fact, the first unit of their plant at Joppa was scheduled to come in 3 months ahead of the first unit at TVA's Shawnee. It had priority in the scramble for equipment and scarce material. It was therefore a peculiar kind of race, with the result fixed in advance in favor of the private companies. But who won? In an upset victory TVA came in ahead. The private power companies lost the race they had themselves set up as a test of competence in performance.

Now it is fine for the private power companies and their friends to be enthusiastic about the Joppa plant. No one could object. But we can object if in their enthusiasm they misrepresent the situation, and try to discredit TVA's performance which deserves generous and widespread recognition. Private power spokesmen are making a great deal of the fact that the Joppa plant is not being built with the people's tax money, in contrast with Shawnee, constructed with funds appropriated by the Congress. It is true that EEI is borrowing most of its construction funds from private sources. What its champions fail to point out, however, is that AEC, a Government agency, supported by appropriated funds, guarantees to make payments for power sufficient to retire the capital invested in the plant over a 25-year, or even a shorter period. The Joppa plant will in fact be paid for with the people's tax money, although when the people, through AEC, will have paid for the plant EEI will continue to own it and to own the income it provides. Furthermore, the people, through AEC, will pay the interest on the money borrowed by EEI, and the rate will be higher than it would be if the Government had borrowed the money directly and had made it available to TVA to use.

The private power spokesmen say that EEI operations will pay heavy taxes while TVA will not. Let us get the record straight on that one. AEC, in its power bills, will pay all EEI's operating costs including taxes, so the money to pay the Federal income and all other taxes of which their spokesmen boast will in fact be provided by the people through the Government itself. All of us will join in congratulating the private companies whenever they are able to get the Joppa plant in operation. But let us at the same time warn them that we are weary of their ceaseless misrepresentations, endeavoring to discredit TVA.

Mouthpieces for the private power companies have been claiming that the cost of constructing EEI's Joppa steam plant will be less than the cost for constructing TVA's Shawnee steam plant, implying that EEI is more economical, more prudent, more wise than TVA. Well, the facts are that the estimates of cost for the first four units at TVA's Shawnee steam plant comes to $88½ million, which, on the basis of capability of 600,000 kilowatts, is less than $148 a kilowatt. Published reports indicate that the first four units at the Joppa steam plant will cost approximately $100 million, some 10 percent more than originally estimated. On the basis of a reported capability of 163,000 kilowatts for each of the four units, this would amount to about $158 a kilowatt, higher than the costs of TVA at Shawnee. Costs can be compared when the figures are in. One point is worth making now.

TVA has a remarkable record of holding its costs close to its estimates. On about $600 million invested in hydro and steam plants built by TVA, actual construction costs were only 3.1 percent in excess of estimates in the face of constantly rising prices. Until the final costs records on both these plants are in, I would suggest that the private power propagandists postpone their hosannas. Their assertions so far have not been very realistic.

They are claiming, for instance, that AEC will be charged less for power purchased from EEI at Joppa than from TVA. The facts are that, based on the original estimates of the cost of constructing the Joppa plant, EEI's rates were slightly higher than TVA's, but the rates of EEI are subject to escalation if the costs of constructing the Joppa plant go up. Construction cost estimates for the Joppa plant have already increased by 10 percent. That means an increase in the rate which AEC will pay EEI for power. Under its contract with AEC the component of the TVA rate which is related to the capital investment in the Shawnee steam plant is to be escalated, too, but in relation to changes in the building cost index of the Engineering News Record, not to take care of any imprudence on the part of TVA. The index could go down, and it is unlikely to rise by as much as the increase in cost of the Joppa plant already foreseen. The cost of power from TVA is therefore likely to be measurably less to AEC than the cost of the power it buys from EEI.

Utility spokesmen have done a lot of talking about the public-spirited nature of EEI's construction and projected operation of the plant at Joppa. The private companies should have whatever credit is due whenever their plant starts operation, but let us not overlook the fact that the Government will pay for the plant itself; the Government will pay for all its costs of operating, including interest and taxes, and that the companies are guaranteed an 8-percent return on the limited investment of their own funds.

There is a myth about Government agencies and Government employees, and a myth about private enterprise. It appears to be part of our national folklore to believe that a Government agency is never as efficient as a private business. Maybe that was true once, but it is not true now. It goes hard with those who believe in myths to discover that TVA has its Shawnee plant in operation closer to its original schedule by many months than the Joppa plant will meet its schedule, although the latter is being built by the combined efforts of a group of five private-utility companies, and, as they say, with the announced purpose of showing that private companies can be depended upon to do a better and a faster job of meeting such important defense-power requirements as those of the Atomic Energy Commission.

EXTENSION OF REMARKS

By unanimous consent permission to extend remarks in the Appendix of the RECORD, or to revise and extend remarks, was granted to:

Mr. GROSS and to include a newspaper editorial.

Mr. BENTLEY and to include extraneous matter.

Mr. MACK of Washington and to include extraneous material.

Mr. HOSMER in two instances and to include extraneous material.

Mrs. ROGERS of Massachusetts (at the request of Mr. AYRES) and to include a comparative table of Veterans' Administration funds.

Mr. AYRES and to include two letters and a survey.

Mr. CLARDY in three instances and to include extraneous matter.

Mr. DONDERO and to include a statement by the Honorable Frank C. Nash, Assistant Secretary of Defense, regarding the St. Lawrence seaway.

Mr. OAKMAN and to include a statement relative to the St. Lawrence seaway by Hon. Walter Williams.

Mr. JENKINS in two instances and to include extraneous matter.

Mr. BURDICK.

Mr. TEAGUE (at the request of Mr. BATTLE) in three instances and to include extraneous matter.

Mr. JONES of Alabama in two instances and to include in one a resolution.

Mr. DOYLE in two instances.

Mr. PRICE in three instances and to include extraneous matter.

Mr. MCMILLAN and to include an address delivered by Colonel Eddy to the Naval War College.

Mr. TRIMBLE and to include an address.

Mr. O'HARA of Illinois in three instances.

Mr. Moss in two instances and to include extraneous matter.

Mr. CANNON and to include an article from the Wall Street Journal.

Mr. MCCORMACK and to include extraneous matter.

Mr. FARRINGTON and to include a letter.

Mr. BETTS and to include an article from the New York Times.

Mr. HESELTON to extend his remarks in the body of the RECORD immediately following the message of the President on Reorganization Plan No. 10, and include a resolution; and to extend his remarks in the Appendix and include extraneous matter.

Mr. YORTY (at the request of Mr. MCCORMACK) in three separate instances, in each to include extraneous matter.

ADJOURNMENT

Mr. GROSS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 41 minutes p. m.) the House adjourned until tomorrow, Tuesday, June 2, 1953, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

726. A letter from the Acting Secretary of Agriculture, transmitting a draft of a bill entitled "A bill to amend the act of May 29, 1884, as amended, to provide for the control and eradication of scrapie and blue tongue in sheep, and incipient or potentially serious minor outbreaks of diseases of animals; and for other purposes; to the Committee on Agriculture.

727. A letter from the Chairman, National Board, Civil Air Patrol, transmitting the 7th Annual Report of Civil Air Patrol for the calendar year 1952, pursuant to section 7, Public Law 476, 79th Congress; to the Committee on Armed Services.

728. A letter from the Acting Chairman, Munitions Board, transmitting a report of negotiated contracts during the period July 1, 1951, to December 30, 1952, pursuant to section 2 (c) (11) of Public Law 413, 80th Congress; to the Committee on Armed Services.

729. A letter from the Chairman, Board of Governors of the Federal Reserve System, transmitting the 39th Annual Report of the Board of Governors of the Federal Reserve System, covering operations for the calendar year 1952; to the Committee on Banking and Currency.

730. A letter from the Chairman, Federal Communications Commission, transmitting a report on backlog of pending applications and hearing cases in the Federal Communications Commission as of April 30, 1953, pursuant to section 5 (c) of the Communications Act, as amended July 16, 1952, by Public Law 554; to the Committee on Interstate and Foreign Commerce.

731. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated January 23, 1953, submitting a report, together with accompanying papers on a review of reports on the Tennessee River and tributaries, North Carolina, Tennessee, Alabama, and Kentucky, with a view to determining the feasibility of flood control in Lick Creek Valley, Greene County, Tenn., and providing flood protection along Lick Creek, Tenn., requested by resolutions of the Committee on Public Works, House of Representatives, and the Committee on Public Works, United States Senate, adopted on August 17, 1949, and July 29, 1949, respectively; to the Committee on Public Works.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of May 28, 1953, the following bill was reported on May 29, 1953:

Mr. WILSON of Indiana: Committee on Appropriations. H. R. 5471. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1954, and for other purposes; without amendment (Rept. No. 495). Referred to the Committee of the Whole House on the State of the Union.

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COLE of New York: Committee on Armed Services. H. R. 5304. A bill to permit members of the Armed Forces to elect certain contingency options, and for other purposes; with amendment (Rept. No. 496). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, pursuant to the order of the House of May 28, 1953, the following bill was introduced on May 29, 1953, and referred as follows:

By Mr. WILSON of Indiana:

H. R. 5471. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1954, and for other purposes; to the Committee on Appropriations.

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mrs. FRANCES P. BOLTON:

H. R. 5472. A bill to provide for the sale of the Feleky Hungarian collection in the Library of Congress; to the Committee on House Administration.

By Mr. BROYHILL:

H. R. 5473. A bill to provide for the sale of all the real property which has been acquired by the Secretary of Commerce for the construction of the Burke Airport, Va.; to the Committee on Interstate and Foreign Commerce.

By Mr. COLE of New York:

H. R. 5474. A bill to provide for the rotation among the armed services of the Chairman of the Joint Chiefs of Staff; to the Committee on Armed Services.

H. R. 5475. A bill to provide for entertainment allowance to the chaplain at the United States Military Academy and to the chaplain at the United States Naval Academy; to the Committee on Armed Services.

By Mr. EBERHARTER:

H. R. 5476. A bill to permit the Federal National Mortgage Association to make commitments to purchase certain mortgages; to the Committee on Banking and Currency.

By Mr. HARRISON of Virginia:

H. R. 5477. A bill to amend the Social Security Act to provide for disclosure of information to the Federal Bureau of Investigation in certain cases; to the Committee on Ways and Means.

By Mr. HARRISON of Wyoming:

H. R. 5478. A bill to liberalize the residence requirements for purchasers of certain public lands within Federal irrigation projects; to the Committee on Interior and Insular Affairs.

By Mr. KLEIN:

H. R. 5479. A bill to amend section 621 (a) of the National Service Life Insurance Act of 1940, as amended, to extend the time within which insurance may be applied for, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. MACK of Washington:

H. R. 5480. A bill to extend coverage under the Federal old-age and survivors insurance system to employees performing services in the catching, taking, harvesting, cultivating, or farming of any kind of fish, shellfish, or other acquatic forms of animal or vegetable life; to the Committee on Ways and Means.

By Mr. PRICE:

H. R. 5481. A bill to establish permanent firing squads for national cemeteries in which burials are conducted; to the Committee on Armed Services.

By Mr. PRIEST:

H. R. 5482. A bill to amend section 24 (c) of the Internal Revenue Code to permit the deduction from gross income of certain expenses and interest incurred or accrued, but not paid, during the taxable year; to the Committee on Ways and Means.

By Mrs. ROGERS of Massachusetts (by request):

H. R. 5483. A bill to exclude life insurance payments from any source in the annual income computation for death-pension purposes; to the Committee on Veterans' Affairs.

By Mr. MULTER:

H. R. 5484. A bill to remove inequalities between the compensation to which members of the Reserve components of the Armed Forces are entitled for death or disability incurred in line of duty and that to which other members of the Armed Forces are entitled; to the Committee on Armed Services.

By Mr. DODD:

H. Res. 259. Resolution expressing the sense of the House of Representatives with respect to the expeditious transmission of mail to Italy during the period remaining before the Italian general elections; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Ohio, memorializing

the President and the Congress of the United States relative to copies of the mutual aid interstate compacts developed by the State of Ohio with the States of Arizona, California, Colorado, Connecticut, Delaware, Florida, Maryland, Massachusetts, New Mexico, New Hampshire, Nevada, Oklahoma, Oregon, Rhode Island, South Dakota, Texas, and West Virginia; to the Committee on Armed Services.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States, to enact legislation authorizing the Hawaiian Homes Commission to exchange certain "available land" and certain easements on the Island of Hawaii as designated by the Hawaiian Homes Commission Act, 1920, for certain privately owned land on said island; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to transfer certain lands in and around Diamond Head Crater to the Territory of Hawaii for recreational purposes; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BATES (by request):

H. R. 5485. A bill for the relief of Luigi Caddeo; to the Committee on the Judiciary.

By Mr. CLARDY:

H. R. 5486. A bill for the relief of Irene Andrews; to the Committee on the Judiciary.

By Mr. FERNANDEZ:

H. R. 5487. A bill for the relief of Ismal Beltran; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H. R. 5488. A bill for the relief of Ivan Bruno Lomm, also known as Ivan B. Johnson; to the Committee on the Judiciary.

By Mr. PATTERSON:

H. R. 5489. A bill for the relief of Rocco Forgione; to the Committee on the Judiciary.

By Mr. PRICE:

H. R. 5490. A bill to provide for the renewal of Patent No. 1,596,994, issued August 14, 1926, relating to shoe button-snaps; to the Committee on the Judiciary.

By Mr. RAY:

H. R. 5491. A bill for the relief of Giovanni Castelli, Mrs. Francesca M. Castelli, and Angelo Castelli; to the Committee on the Judiciary.

By Mr. RIEHLMAN:

H. R. 5492. A bill for the relief of Andromachi Vattas; to the Committee on the Judiciary.

By Mr. SCOTT:

H. R. 5493. A bill for the relief of Mei Jong Tzao; to the Committee on the Judiciary.

By Mr. SMITH of Wisconsin:

H. R. 5494. A bill for the relief of Edward V. DeFreitas; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

294. By Mr. HOLMES: Resolutions adopted by Moses Lake Chamber of Commerce, Moses Lake, Wash., relative to stating that any surplus funds not used in administering the employment security department program be restored to the employers, or that said surplus funds be used for additional needed services of areas where needs in excess of normal have developed; to the Committee on Appropriations.

295. By Mr. NORBLAD: Petition of Mrs. Rosa A. Green of Nehalem, Oreg., and 40 other citizens of the State of Oregon, urging consideration and passage of the Bryson bill, H. R. 1227, to prohibit the transportation in interstate commerce of alcoholic beverage advertising in newspapers, periodicals, etc., and its broadcasting over radio and television; to the Committee on Interstate and Foreign Commerce.

296. By Mr. SCOTT: Resolution of the General Society of the Sons of Revolution in support of continuation of the excess-profits tax and deferment of reduction of personal income tax; to the Committee on Ways and Means.

297. By the SPEAKER: Petition of the Southern Baptist Convention, Washington, D. C., concerning selective-service legislation for vocational lay religious workers; to the Committee on Armed Services.

298. Also, petition of the National Society, Daughters of the American Revolution, Washington, D. C., endorsing the principles of Senate Joint Resolution No. 1, known as the Bricker resolution, which provides a treaty or executive agreement shall become effective as internal law in the United States only through the enactment of appropriate legislation by the Congress; to the Committee on Foreign Affairs.

299. Also, petition of New England Annual Conference of the Methodist Church, Holyoke, Mass., transmitting two resolutions adopted at the annual conference dealing with United Nations International Children's Emergency Fund, and the United States-India relationships respectively; to the Committee on Foreign Affairs.

300. Also, petition of the secretary-treasurer, Third Congressional District Council of Townsend Clubs of Maine, requesting passage of H. R. 2446 and H. R. 2447 social-security legislation, known as the Townsend plan; to the Committee on Ways and Means.

301. Also, petition of Mrs. Arthur N. Pond and others, of St. Petersburg, Fla., requesting passage of H. R. 2446 and H. R. 2447 social-security legislation, known as the Townsend plan; to the Committee on Ways and Means.

302. Also, petition of the National Council of the Republic of Poland, London, England, relating to religious persecution in Poland; to the Committee on Foreign Affairs.

SENATE

TUESDAY, JUNE 2, 1953

(Legislative day of Thursday, May 28, 1953

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O Thou who art the King of Kings and the Lord of Lords, amid toils and turmoils testing our jaded spirits, we thank Thee that each day as we enter this forum of debate and decision there swing open before us these gates of peace and prayer. Above the pomp and circumstance of temporal coronations which enthrone earthly rulers we would today hear another voice declaring: "Hallelujah, for the Lord God omnipotent reigneth."

In that Eternal Presence we would bow, at whose holy altar this day has humbly knelt an earthly queen with crown removed. We would crown Him Lord of All of whom the prophet of the Most High declared in ages past: "And the government shall be upon His shoulders," knowing that His are the only shoulders strong enough to bear the task of governing the destinies of mankind; and that there can be no stable peace and no final security until upon His brow rests the royal diadem. So, this day, when a weary, war-worn world beholds a fleeting scepter placed in a woman's hand in the mortal realm where swift to its close ebbs out life's little day, in our personal and in our national life we would—

"Crown Him the Lord of peace,
Whose power a scepter sways,
From pole to pole that wars may cease
And all be prayer and praise.
His reign shall know no end,
And 'round His pierced feet
Fair flowers of paradise extend
Their fragrance ever sweet."

In His name whose right it is to reign. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., June 2, 1953.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. EDWARD MARTIN, a Senator from the State of Pennsylvania, to perform the duties of the Chair during my absence.

STYLES BRIDGES,
President pro tempore.

Mr. MARTIN thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. HENDRICKSON, and by unanimous consent, the reading of the Journal of the proceedings of Monday, June 1, 1953, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed, without amendment, the following bills of the Senate:

S. 261. An act granting the consent and approval of Congress to the Connecticut River flood-control compact;

S. 380. An act to authorize the sale or lease by the State of Kansas of certain lands situated near Garden City, Kans.;

S. 484. An act conferring jurisdiction upon the United States District Court for the District of Colorado to hear, determine, and render judgment upon the claim of J. Don Alexander against the United States;

S. 1292. An act providing for the reconveyance to the town of Morristown of certain land included within the Morristown National Historical Park, in the State of New Jersey;

S. 1334. An act for the relief of the Reverend A. E. Smith;

S. 1545. An act to authorize the Secretary of the Army to convey certain Government-owned burial lots and other property in the Washington Parish Burial Ground, Washington, D. C., and to exchange other burial lots; and

S. 1870. An act to extend the time for filing a report by the Committee on Retirement Policy for Federal Personnel, established by the act of July 16, 1952;

The message also announced that the House had agreed to the amendment of the Senate to each of the following bills of the House:

H. R. 1334. An act for the relief of Helmuth Wolf Gruhl; and

H. R. 2366. An act for the relief of Fred B. Niswonger.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore, with the exception of S. 1550:

S. 1448. An act to amend the act of June 25, 1942, relating to the making of photographs and sketches of properties of the Military Establishment, to continue in effect the provisions thereof until 6 months after the present national emergency;

S. 1550. An act to authorize the President to prescribe the occasions upon which the uniform of any of the Armed Forces may be worn by persons honorably discharged therefrom;

H. R. 1561. An act authorizing the transfer of certain property of the Veterans' Administration (in Johnson City, Tenn.) to the State of Tennessee; and

H. R. 2327. An act to authorize the Post Office Department to designate enlisted personnel of the Army, Navy, Air Force, Marine Corps, and Coast Guard as postal clerks and assistant postal clerks, and for other purposes.

LEAVE OF ABSENCE

On request of Mr. CLEMENTS, and by unanimous consent, Mr. SMITH of North Carolina was excused from attendance on the session of the Senate today.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. CASE. Mr. President, I ask unanimous consent that the Committee on the District of Columbia may meet next Friday afternoon at 2 o'clock, notwithstanding the fact that the Senate may be in session, but subject to the understanding that if any votes are to be taken, the committee will recess and return to the Senate.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

On request of Mr. FLANDERS, and by unanimous consent, the Subcommittee on Airplane Procurement of the Committee on Armed Services was authorized to meet at 2:15 p. m. today.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. HENDRICKSON. Mr. President, I am about to suggest the absence of a quorum. Before doing so, I ask unanimous consent that, following the quorum call, Senators may be permitted to introduce bills and joint resolutions, make insertions in the RECORD, and transact other routine business without debate, under the 2-minute rule.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

CALL OF THE ROLL

Mr. HENDRICKSON. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Goldwater	Maybank
Barrett	Gore	McClellan
Beall	Green	Millikin
Bennett	Griswold	Monroney
Bricker	Hayden	Morse
Bridges	Hendrickson	Mundt
Bush	Hickenlooper	Neely
Butler, Md.	Hill	Payne
Byrd	Hoey	Potter
Capehart	Holland	Purtell
Carlson	Humphrey	Robertson
Chavez	Jackson	Russell
Clements	Jenner	Saltonstall
Cooper	Johnson, Colo.	Schoeppel
Cordon	Johnson, Tex.	Smathers
Daniel	Kefauver	Smith, Maine
Douglas	Kennedy	Sparkman
Duff	Kerr	Stennis
Dworshak	Kilgore	Symington
Eastland	Knowland	Thye
Ellender	Kuchel	Tobey
Ferguson	Langer	Watkins
Flanders	Lehman	Welker
Frear	Long	Wiley
Fulbright	Malone	Williams
George	Mansfield	Young
Gillette	Martin	

Mr. SALTONSTALL. I announce that the Senator from Illinois [Mr. DIRKSEN] is absent by leave of the Senate on official committee business.

The Senator from New York [Mr. IVES] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

The Senator from Nebraska [Mr. BUTLER], the Senator from South Dakota [Mr. CASE], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from New Jersey [Mr. SMITH], and the Senator from Ohio [Mr. TAFT] are necessarily absent.

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Wyoming [Mr. HUNT], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Nevada [Mr. MCCARRAN], the Senator from Rhode Island [Mr. PASTORE], and the Senator from North Carolina [Mr. SMITH] are absent by leave of the Senate.

The Senator from Missouri [Mr. HENNINGS] and the Senator from Washington [Mr. MAGNUSON] are absent by leave of the Senate on official committee business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate, having been appointed a delegate to attend the forthcoming International Labor Organization Conference at Geneva, Switzerland.

The ACTING PRESIDENT pro tempore. A quorum is present.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON ADMINISTRATION AND ENFORCEMENT OF REGISTRATION PROVISIONS OF SUBVERSIVE ACTIVITIES CONTROL ACT

A letter from the Attorney General, transmitting, pursuant to law, a report on the administration and enforcement of the registration provisions of the Subversive Activities Control Act, for the period June 1, 1952, through May 31, 1953 (with an accompanying report); to the Committee on the Judiciary.

CONTROL AND ERADICATION OF SCRAPIE AND BLUE TONGUE IN SHEEP, AND OUTBREAKS OF DISEASES OF ANIMALS

A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation to amend the act of May 29, 1884, as amended, to provide for the control and eradication of scrapie and blue tongue in sheep, and incipient or potentially serious minor outbreaks of diseases of animals, and for other purposes (with an accompanying paper); to the Committee on Agriculture and Forestry.

REPORT ON CONTRACTS IN EXCESS OF $50,000, FOR RESEARCH DEVELOPMENT AND EXPERIMENTAL PURPOSES

A letter from the Assistant Secretary of the Navy for Air, transmitting, pursuant to law, a semiannual confidential report for the period July 1 to December 31, 1952, of contracts, in excess of $50,000, for research development and experimental purposes awarded by the Department of the Navy (with an accompanying report); to the Committee on Armed Services.

REPORT ON BACKLOG OF PENDING APPLICATIONS AND HEARING CASES IN FEDERAL COMMUNICATIONS COMMISSION

A letter from the Chairman, Federal Communications Commission, transmitting, pursuant to law, a report on backlog of pending applicatibns and hearing cases in that Commission, as of April 30, 1953 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

REPORT OF PROCEEDINGS OF SPECIAL SESSION OF JUDICIAL CONFERENCE OF THE UNITED STATES

A letter from the Chief Justice of the Supreme Court of the United States, transmitting, pursuant to a resolution adopted by the Judicial Conference of the United States, a report of a special meeting of the conference, held on May 8, 1953, the major portion of which deals with maintenance expenses for Federal judges (with an accompanying report); to the Committee on the Judiciary.

MUTUAL AID INTERSTATE COMPACTS ENTERED INTO BY STATE OF OHIO

A letter from the Deputy Director, Adjutant General's Department, Civil Defense Corps, State of Ohio, Columbus, Ohio, transmitting, pursuant to law, copies of mutual aid interstate compacts developed by the State of Ohio and executed by the States of Arizona, California, Colorado, Connecticut, Delaware, Florida, Maryland, Massachusetts, New Mexico, New Hampshire, Nevada, Oklahoma, Oregon, Rhode Island, South Dakota, Texas, and West Virginia (with accompanying papers); to the Committee on Armed Services.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The ACTING PRESIDENT pro tempore appointed Mr. CARLSON and Mr. SMITH of North Carolina members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A concurrent resolution of the Legislature of the State of Texas; to the Committee on Interstate and Foreign Commerce:

"Senate Concurrent Resolution 52

"Whereas under the Federal Power Act, any State, State agency or municipality proposing to construct a dam across a 'navigable' stream, at which hydroelectric power is to be generated, must first file a declaration of such intention with the Federal Power Commission; and

"Whereas the act provides that if the Commission finds that the construction of the dam will 'affect' interstate commerce, the structure cannot be built without a license by the Commission; and

"Whereas under existing interpretations by the United States Supreme Court and by the Commission it is difficult to conceive of a stream so dry or so far removed from the sea as to escape the jurisdictional finding that it is 'navigable'; and

"Whereas the act provides that any licensed State or municipally owned project is subject to continued supervision and regulation by the Federal Power Commission, and upon the expiration of such license the Government has the right to take over and thereafter to own said project upon payment of a consideration to be fixed by the Commission without reference to the then value of the property; and

"Whereas compliance with such law is subjecting States and municipalities to serious delays in their water conservation programs and the existence of the recapture provision is a serious impediment to the financing of such structures; and

"Whereas the water conservation program of the State of Texas is being impeded thereby, since several of the water conservation dams in this State cannot be financed without the inclusion therein of hydroelectric facilities: Now, therefore, be it

"Resolved by the Senate of the State of Texas (the House of Representatives concurring):

"1. That the attention of the Congress be directed to such serious impediment to the water conservation program of the several States, including the State of Texas.

"2. That the Senators and Representatives from the State of Texas be requested to support legislation designed to amend the Federal Power Act: so that (1) the Federal Power Commission will have jurisdiction of such State or municipally owned dams only when the streams on which the project is to be located are being used regularly for carrying goods or persons in interstate commerce, and the construction of the dam would materially lessen the volume, frequency, or dependability of such interstate transportation; and (2) repealing the provision whereby the Government can take over and own the project at the expiration of such license.

"3. That the Texas delegation in the Congress be requested to consider favorably and to support S. 1522 (83d Cong., 1st sess.) by Senator BUTLER of Nebraska, which is intended to accomplish such objectives.

"4. That a copy of this resolution, properly authenticated, be transmitted to each of the following officials of the United States: The President of the United States; the President of the Senate; the Speaker of the House of Representatives; the majority leader of the Senate; the majority leader of the House; two Senators from Texas; and the several Congressmen from Texas.

"BEN RAMSEY,
"President of the Senate.
"REUBEN E. SENTERFITT,
"Speaker of the House.

"I hereby certify that Senate Concurrent Resolution No. 52 was adopted by the senate on May 12, 1953.

"LOYCE M. BELL,
"Secretary of the Senate.

"I hereby certify that Senate Concurrent Resolution No. 52 was adopted by the house on May 20, 1953.

"CLARENCE T. JONES,
"Chief Clerk of the House.

"Approved May 27, 1953.

"ALLAN SHIVERS,
"Governor."

A concurrent resolution of the Legislature of the Territory of Hawaii; to the Committee on Armed Services:

"Senate Concurrent Resolution 31

"Concurrent resolution requesting the Congress of the United States to transfer certain lands in and around Diamond Head Crater to the Territory of Hawaii for recreational purposes

"Whereas the growing population of Honolulu and the rapidly developing tourist industry necessitate the development of adequate recreational facilities in the city of Honolulu; and

"Whereas such geographical factors as steep mountains close to coastal waters greatly restrict the land area in Honolulu that can be utilized for parks development; and

"Whereas the crater of Diamond Head is, by reason of its close proximity to the world-famous beach of Waikiki and its natural formation, ideal for the purpose of developing an amphitheater and a recreational area which the city of Honolulu can use to great advantage; and

"Whereas the crater of Diamond Head is presently a part of Fort Ruger, which is no longer being fully utilized as an active military post: Now, therefore, be it

"Resolved by the Senate of the 27th Legislature of the Territory of Hawaii (the House of Representatives concurring), That the Congress of the United States of America be, and is hereby, respectfully requested to enact appropriate legislation for the transfer of the lands in and around Diamond Head Crater, Honolulu, Hawaii, to the Territory of Hawaii, to the end that such lands may be developed into an amphitheater and recreational area; and be it further

"Resolved, That duly authenticated copies of this concurrent resolution be transmitted to the President of the United States, to the President of the Senate and the Speaker of the House of Representatives of the Congress, to the Secretary of the Interior, and to the Delegate to Congress from Hawaii."

A joint resolution of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"Joint resolution requesting the Congress of the United States of America to enact legislation authorizing the Hawaiian Homes Commission to exchange certain available land and certain easements on the island of Hawaii as designated by the Hawaiian Homes Commission Act, 1920, for certain privately owned land on said island

"Whereas the Ahupuaa of Puukapu situated at Waimea, South Kohala, island of Hawaii, has been designated and set apart as available land and placed under the control of the Hawaiian Homes Commission by the Hawaiian Homes Commission Act of 1920 (48 U. S. C. A. 691), and amendments thereto; and

"Whereas Richard Smart, an American citizen, owns in fee simple a tract of land situate at Hamakua, Hawaii, consisting of all of the land of Waikoloa 1st, a portion of the land of Waikoloa 2nd, all of the land of Waialeale 2nd, and a portion of the land of Waialeale 1st, containing a total area of 1,225 acres; and also certain kuleanas situate within said Ahupuaa of Puukapu, containing an area of 31.474 acres, and, in addition, claims title to or interest in that certain kuleana within said Ahupuaa of Puukapu designated as land commission award 4210B, royal patent 6835, to Wawaeluhi ia Mokuhia, and containing an area of 3 acres by reason of the fact that he and his predecessors in interest have for more than 10 years past been in the open, notorious, adverse, continuous, and exclusive possession of said kuleana; and

"Whereas the Hawaiian Homes Commission, after careful investigation, believes that an exchange whereby a portion of said Ahupuaa of Puukapu, containing a net area of 994.25 acres, is conveyed to said Richard Smart in return for the conveyance by him to said commission of said area of 1,225 acres, said area of 31.474 acres, and of his right, title, and interest in and to said parcel of 3 acres, would be for the benefit of the commission, and that said tract of 1,225 acres, said 31.474 acres, and said parcel of 3 acres, would fit in better with the objects and purposes of the commission, and that the fair market value of said 1,225 acres, plus said 31.474 acres and said 3 acres, is fully as great as that of the said 994.25 acres and the perpetual easements for pipelines hereinafter mentioned (all more fully described in the form of bill made a part hereof): Now, therefore

"Be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. The Congress of the United States of America is hereby respectfully requested to enact legislation permitting and authorizing the Hawaiian Homes Commission, upon being satisfied of the validity of the fee simple title of Richard Smart to said 1,225-acre tract, said 31.474-acre tract, and of a claim or interest in said 3-acre tract, to convey to the said Richard Smart 994.25 acres of the said Ahupuaa of Puukapu, and the perpetual easements described in said proposed bill, in exchange for the conveyance by him to said commission of said 1,225-acre tract, said 31.474-acre tract, and all of his right, title, and interest in said 3-acre tract, said tracts, when so conveyed, to constitute and become available land within the meaning of said Hawaiian Homes Commission Act of 1920, and the Congress of the United States of America is requested to enact and adopt a bill in substantially the following form, to wit:

"'A bill to authorize the Hawaiian Homes Commission to exchange certain Hawaiian Homes Commission land and certain easements for certain lands in private ownership

"'*Be it enacted, etc.*—

"'SECTION 1. The Hawaiian Homes Commission is hereby authorized and empowered to convey to Richard Smart, an American citizen, the following described tract of available land designated herein as tract 1, and also perpetual easements for pipeline purposes along and across the areas described as tract 2, in exchange and return for the conveyance in fee simple to the commission by said Richard Smart of the tracts of land hereinafter described as tracts 3 and 4, and also the conveyance of all of his right, title, and interest in the land hereinafter described and designated as tract 5, the said tracts being described as follows, subject to minor variations:

"'TRACT 1

"'Being a portion of the Hawaiian homes land of Puukapu at Waimea, South Kohala, Hawaii:

"'Beginning at the most northerly corner of this piece of land on the south side of Mamalahoa Highway, the same being also the northwest corner of grant 4955 to J. T. Baker, the coordinates of said point of beginning referred to Government survey triangulation station West Base being 1003.50 feet south and 350.76 feet west, thence run-

ning by azimuths measured clockwise from true south:

"'1. 336° 52' 1,173.10 feet along grant 4955 to J. T. Baker;

"'2. 254° 51' 590.26 feet along same;

"'3. 329° 08' 2,488.30 feet along fence, along the remainder of the land of Puukapu to corner of fence;

"'4. 329° 08' 750.00 feet along the remainder of the land of Puukapu;

"'5. 254° 45' 1,127.17 feet along the remainder of the land of Puukapu to fence;

"'6. 329° 08' 1,069.30 feet along fence, along the remainder of the land of Puukapu;

"'7. 352° 29' 15" 6,140.05 feet along the remainder of the land of Puukapu to a 2-inch pipe in concrete monument at an angle in the boundary between the lands of Puukapu and Waikoloa;

"'8. 95° 07' 1,325.30 feet along the land of Waikoloa;

"'9. 107° 28' 30" 2,066.90 feet along the land of Waikoloa to a 1-inch pipe in concrete monument;

"'10. 115° 17' 30" 2,360.60 feet along the land of Waikoloa to the southeast boundary of the new Kamuela Airport;

"'11. 232° 00' 2,802.55 feet along the southeast boundary of the new Kamuela Airport;

"'12. 142° 00' 600.00 feet along the northeast boundary of the new Kamuela Airport;

"'13. 52° 00' 3,104.43 feet along the northwest boundary of the new Kamuela Airport to the boundary between the lands of Puukapu and Waikoloa;

"'14. 115° 17' 30" 175.94 feet along the land of Waikoloa to an old + on rock;

"'15. 153° 06' 977.13 feet along the land of Waikoloa to a concrete monument;

"'16. 155° 02' 1,150.60 feet along the land of Waikoloa to an old + on rock;

"'17. 210° 53' 1,218.50 feet along the land of Waikoloa to a concrete monument marked +;

"'18. 200° 10' 530.30 feet along the land of Waikoloa to a concrete monument marked +;

"'19. 190° 27' 30" 272.60 feet along the land of Waikoloa to a concrete monument marked +;

"'20. 240° 10' 179.50 feet along the land of Waikoloa to an old + on rock;

"'21. 164° 42' 353.24 feet along the land of Waikoloa to a concrete monument marked +;

"'22. 252° 16' 30" 305.90 feet along the land of Waikoloa to a pipe in concrete;

"'23. 240° 51' 197.90 feet along the land of Waikoloa to a concrete monument marked +;

"'24. 213° 27' 307.90 feet along the land of Waikoloa to a concrete monument marked +;

"'25. 186° 14' 751.75 feet along the land of Waikoloa to a concrete monument marked +;

"'26. 229° 32' 159.90 feet along the land of Waikoloa to a concrete monument marked +;

"'27. 245° 29' 403.60 feet along the land of Waikoloa to a concrete monument marked +;

"'28. 188° 01' 30" 209.05 feet along the land of Waikoloa to a concrete monument marked +;

"'29. 182° 14' 452.10 feet along the land of Waikoloa to a concrete monument marked +;

"'30. 205° 48' 530.42 feet along the land of Waikoloa to a concrete monument marked +;

"'31. 205° 59' 30" 414.10 feet along the middle of old stonewall, along the land of Waikoloa to a concrete monument marked +;

"'32. 238° 57' 30" 105.58 feet along the southeast side of old stonewall, along the remainder of the land of Waikoloa to a concrete post marked +;

"'33. 239° 43' 30" 259.40 feet along the southeast side of old stonewall, along the remainder of the land of Waikoloa to a pipe on the northeast side of stonewall, and passing over a pipe in concrete in stonewall at 257.40 feet;

"'34. 156° 48' 461.45 feet along northeast side of old stonewall along the remainder of the land of Waikoloa to a concrete monument marked +;

"'35. 187° 29' 285.30 feet along the land of Waikoloa to a concrete monument marked +;

"'36. 129° 08' 106.77 feet along the land of Waikoloa to the south side of the Mamalahoa Highway;

"'37. 262° 19' 49.92 feet along the south side of Mamalahoa Highway to the point of beginning and containing a gross area of 1,030.82 acres and a net area of 944.25 acres after excepting and reserving therefrom all Grants and Land Commission Awards and portions of same containing an area of 36.57 acres.

"'TRACT 2

"'*Easements*

"'Parcel P: Perpetual pipeline easement through the Hawaiian homes land of Pauahi at Waimea, South Kohala, Hawaii. Said pipeline easement being (3.00 feet wide) and extending for (1.50 feet) on either side of the center line of pipeline as constructed and more particularly described as follows, subject to minor variations:

"'Beginning on the center line at the northeast end of this easement (3.00 feet wide) in the middle of the Manaewa Gulch, which is also the boundary between the lands of Momoualoa and Pauahi, the coordinates of said point of beginning referred to Government Survey Triangulation Station Puu Kawaiwai 1948, being 1,551.69 feet north and 6,153.45 feet east, thence running along the center line by azimuths measured clockwise from true south:

"'1. 54° 00' 59.00 feet;

"'2. 58° 07' 158.90 feet;

"'3. 59° 40' 180.35 feet;

"'4. 59° 10' 30" 342.50 feet;

"'5. 56° 18' 25.80 feet;

"'6. 59° 38' 341.10 feet;

"'7. 59°26' 30" 364.50 feet;

"'8. 81° 57' 25.00 feet;

"'9. 92° 52' 81.50 feet;

"'10. 94° 10' 30" 113.00 feet, to the middle of the Umipoho Gulch, which is also the boundary between the lands of Pauahi and Kapia, containing an area of 5,075 square feet.

"'Parcel T: Perpetual pipeline easement through the Hawaiian homes land of Puukapu at Waimea, South Kohala, Hawaii. Said pipeline easement being (3.00 feet wide) and extending for 1.50 feet) on either side of the center line of pipeline as constructed and more particularly described as follows, subject to minor variations:

"'Beginning on the center line at the southwest end of this easement (3.00 fect wide) and on the boundary between the lands of Waikoloa and Puukapu, the true azimuth and distance from a 3" pipe marking a boundary corner of the lands of Waikoloa and Puukapu, being 97° 39' 43" 590.50 feet, and the coordinates of said point of beginning referred to Government Survey Triangulation Station West Base, being 13,441.60 feet south and 16,040.80 feet east, thence running along the center line as follows on the following approximate azimuths and distances:

"'1. 224° 00' 1,450 feet through the land of Puukapu;

"'2. 236° 00' 5,650 feet through the land of Puukapu to the west boundary of R. P. 4945, L. C. Aw. 4348-B to Harry Purdy, containing an area of 0.49 acre.

"'Parcel U: Perpetual pipeline easement through the Hawaiian homes land of Kamoku at Hamakua, Hawaii. Said pipeline easement being (3.00 feet wide) and extending for (1.50 feet) on either side of the center line of pipeline as constructed and more particularly described as follows, subject to minor variations:

"'Beginning on the center line at the southwest end of this easement (3.00 feet wide) and on the boundary between the land of Kamoku and Grant 632 to G. S. Kenway, the approximate coordinates of said point of beginning referred to Government Survey Triangulation Station Puu Io, being 14,700 feet north and 1,090 feet west, thence running along the center line as follows on the approximate azimuth and distance:

"'1. 235° 30' 6,000 feet through the Hawaiian homes land of Kamoku to the boundary between the lands of Kamoku and Kapoaula, containing an area of 0.41 acre.

"'Parcel W: Perpetual pipeline easement through the Hawaiian homes land of Nienie at Hamakua, Hawaii. Said pipeline easement being (3.00 feet wide) and extending for (1.50 feet) on either side of the center line of pipeline as constructed and more particularly described as follows, subject to minor variations:

"'Beginning on the center line at the south end of this easement (3.00 feet wide) and on the boundary between the lands of lower Paauhau and Nienie, the true azimuth and approximate distance from Government Survey Triangulation Station Puu Nohu, 252° 00' 5,950 feet more or less, thence running along the center line as follows on the approximate azimuth and distance:

"'1. 187° 30' 900 feet through the land of Nienie to the middle of the Kahaupu Gulch, containing an area of 0.06 acre.

"'TRACT 3

"'*Waikoloa-Waialeale lands*

"'Being all of Waikoloa 1st and Waialeale 2nd covered by Boundary Certificate No. 20; a portion of Waikoloa 2nd, L. C. Aw. 9971 Apana 4 to W. P. Leleiohoku; a portion of Waikoloa 1st, Grant 791 to J. P. and E. Parker; a portion of Waialeale 2nd, Grant 868 to J. P. and E. Parker and a portion of Waialeale 1st, L. C. Aw. 9971 Apana 8 to W. P. Leleiohoku; situated at Hamakua, Hawaii:

"'Beginning at a concrete post marked + near the southwest corner of this piece, the true azimuth and distance to "Camp Triangulation Station" (marked by a △ on concrete post, on top of prominent knoll, about 1,100 feet north of the Government road and about 1,700 feet west from Waikoloa Gulch) being 262° 33' 1,143.5 feet and from said Camp Triangulation Station and true azimuth and distance to Kamakaukuapuu Triangulation Station (marked by △ on concrete post) being 311° 11' 30" 5,044.0 feet and the coordinates of said Camp Triangulation Station referred to Government Survey Triangulation Station Puu Io are 23,673.9 feet north and 1,595.3 feet east, thence running by azimuths measured clockwise from true south, but subject to minor variations:

"'1. 179° 51' 1,317.8 feet along the Government land of Kamoku to a concrete post marked +;

"'2. 192° 24' 561.5 feet along same to a concrete post marked +;

"'3. 183° 05' 3,437.6 feet along same, and cutting through reservoir to a concrete post marked + just north of the fence around said reservoir;

"'4. 190° 25' 1,192.0 feet along same to a concrete post marked + on small knoll;

"'5. 219° 15' 953.0 feet along same to a concrete post marked +;

"'6. 212° 58' 461.0 feet along same and passing over a concrete post marked + at 457.8 feet, to an old rock marked + and ahu, at Pulupakea near the east edge of small gulch;

"'7. 209° 16' 30" 1,353.0 feet along same to a concrete post marked +;

"'8. 216° 36' 2,027.4 feet along same to a concrete post marked +;

"'9. 206° 14' 1,753.0 feet along same to a concrete post marked +;

"'10. 86° 25' 464.0 feet along same to large rock in gulch marked XII, also a concrete post by said rock;

"'Thence down along the center of small gulch in all its turns and windings, along

the government remainder of Puanui and grant 1767 to Kahooma to a concrete post marked + on the east edge of gulch, the direct azimuth and distance being,

" '11. 190° 45' 3,190.0 feet;

" '12. 214° 18' 420.0 feet along grant 1767 to Kahooma to a concrete post marked +;

" '13. 182° 24' 365.0 feet along grant 1765 to Paele to a concrete post marked + on ridge;

" '14. 270° 33' 2,356.0 feet across the lands of Waikoloa 2nd, and 1st, and Waialeale 2nd and 1st, along the Pacific Sugar Mill Co.'s land to a concrete monument;

" '15. 16° 20' 2,900.0 feet along grant 2124 to Haalau to a + on rock in stream at the head of waterfall in same;

" 'Thence following up along the center of the Kapulena Gulch in all its turns and windings, along the government land of Kapulena to a concrete monument marked + at the junction of a small gulch from the east with the Kapulena Gulch, the direct azimuth and distance being,

" '16. 8° 10' 5,702.0 feet;

" '17. 17° 31' 726.0 feet along the government land of Kapulena to a concrete post marked + on pali, on the west side of gulch;

" '18. 330° 42' 463.0 feet along same to a concrete monument marked + in gulch;

" '19. 17° 12' 3,584.0 feet along same to a concrete monument marked +;

" '20. 18° 24' 30" 2,206.75 feet along same to a concrete monument marked +;

" '21. 23° 34' 494.7 feet along same to a concrete monument marked +;

" '22. 37° 50' 1,793.95 feet along same to an old + on large rock on the west edge of stream in Waikoloa Gulch;

" '23. 98° 05' 2,048.17 feet along the government land of Kamoku to a concrete monument marked + on the side of a small rise;

" '24. 173° 33' 794.8 feet along same to the point of beginning and containing an area of 1,225 acres.

" 'TRACT 4

" 'A. R. P. 6848, L. C. Aw. 4183–B, to Kanaue, containing an area of 3 acres;

" 'B. L. C. Aw. 3842, Ap. 1 and 2, to Kaulunui, containing an area of 3.24 acres;

" 'C. R. P. 6836, L. C. Aw. 4227, AP. 1, to Kaulunui, containing an area of 3 acres;

" 'D. R. P. 6834, L. C. Aw. 3685, AP. 1 and 2, to Mahoe, containing an area of 3.248 acres;

" 'E. R. P. 7334, L. C. Aw. 4130, AP. 1 and 2, to Kanakaole, containing an area of 3.245 acres;

" 'F. R. P. 7684, L. C. Aw. 4132, AP. 1 and 2, to Kaina ia Kanekuapuu, containing an area of 3.248 acres;

" 'G. R. P. 8445, L. C. Aw. 4218, AP. 1 and 2, to Kaohimaunu, containing an area of 3.245 acres;

" 'H. L. C. Aw. 3686, AP. 1, to Muluhi, containing an area of 3 acres;

" 'I. R. P. 6271, L. C. Aw. 4183, AP. 1, to Kaluahinenui and Kanaue, containing an area of 3 acres;

" 'J. R. P. 7675, L. C. Aw. 4210, AP. 1 and 2, to Kalua, containing an area of 3.248 acres;

" 'K. L. C. Aw. 4212, AP. 2, to James Hanehane, containing an area of 0.248 acres.

" 'TRACT 5

" 'R. P. 6835, L. C. Aw. 4210–B, to Wawaeluhi ia Mokuhia, containing an area of 3 acres.

" 'SEC. 2. The said tracts 3, 4, and 5, upon the conveyance thereof to the commission, shall be and become available land within the meaning of said Hawaiian Homes Commission Act of 1920, and any amendments thereto.

" 'SEC. 3. The exchange which is provided for in this act shall not be effected by the Hawaiian Homes Commission unless and until the values of the lands involved in the proposed exchange are first determined by appraisals to be made by three competent appraisers to be appointed by the Governor of the Territory of Hawaii showing that the lands belonging to Richard Smart are of equal or greater value than the Hawaiian Homes Commission lands above mentioned.

" 'SEC. 4. This act shall take effect upon its approval.'

"SEC. 2. That certified copies of this joint resolution shall be transmitted to the President of the United States of America, to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States of America, to the Secretary of the Interior, and to the Delegate to Congress from Hawaii.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 22d day of May A. D. 1953.

"SAMUEL WILDER KING,
"Governor of the Territory of Hawaii."

A resolution adopted by the railroad and public utilities commission, State of Tennessee, Nashville, Tenn., favoring the enactment of legislation to provide adequate funds for expansion of generating equipment by the Tennessee Valley Authority; to the Committee on Appropriations.

A petition signed by Morgan O'Donald, and 1,522 other citizens of the 12th Congressional District of Brooklyn, N. Y., praying for the enactment of House bill 4308, to authorize postage cancellation with the words "In God We Trust," postage stamps to bear the inscription "In God We Trust" and the amending of the pledge of allegiance to the flag to include the words "under God"; to the Committee on Post Office and Civil Service.

A letter from JESSE P. WOLCOTT, Member of Congress from the State of Michigan, enclosing a resolution adopted by the entire Michigan delegation in Congress, relating to the development of the Great Lakes-St. Lawrence Waterway (with an accompanying paper); to the Committee on Foreign Relations.

Resolutions adopted by the 62d Continental Congress, National Society, Daughters of the American Revolution, at Washington, D. C., April 20–24, 1953, relating to lawmaking by treaties, and so forth; to the Committee on Foreign Relations.

SCHOOL-LUNCH PROGRAM—LETTER FROM BENJAMIN FRANKLIN JUNIOR HIGH SCHOOL, FARGO, N. DAK.

Mr. LANGER. Mr. President, I have received a very interesting letter from the Benjamin Franklin Junior High School of Fargo, N. Dak., signed by Mrs. Albert Beseth, cafeteria manager. It reads:

BENJAMIN FRANKLIN
JUNIOR HIGH SCHOOL,
Fargo, N. Dak., April 23, 1953.

Hon. Senator LANGER,
Washington, D. C.

DEAR HONORABLE SENATOR: Thank you very much for looking into the butter problem for North Dakota. Since requesting your help we have received our quota. Now we find our cash subsidy is to be cut for April. We will not receive any for May. This of course is very bad. The increase in schools participating in the program has depleted last year's allotment and our problem for next year is serious. The budget director has recommended a drastic cut in hot-lunch operations and should that be the case a great number of our programs will not be able to operate. Right now the margin is so very small that we are not able to serve as many free lunches as we would like. We have been serving approximately 20 free lunches each day. If this new budget cut goes into effect our underprivileged children plus those from all schools will be those who suffer.

This is the second year we are in our new school and we feed 500 to 550 daily. We should be glad to have you visit us any time you are in Fargo and free at noontime.

Thank you very much for anything you can do for our lunch program.

Sincerely,

Mrs. ALBERT BESETH,
Cafeteria Manager.

Mr. President, I read the letter for the purpose of showing that while we are appropriating between five and six billion dollars for mutual aid to help the children of other countries, we in the United States are neglecting our own children who are underprivileged, and we are not providing sufficient money for free lunches. I want to bring that fact to the attention of the Committee on Appropriations. Therefore, I ask that the letter be referred to that committee.

The ACTING PRESIDENT pro tempore. The letter will be referred to the Committee on Appropriations, as requested by the Senator from North Dakota.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. MUNDT, from the Committee on Government Operations:

S. 690. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to authorize the Administrator of General Services to enter into lease-purchase agreements to provide for the lease to the United States of real property and structures for terms of more than 8 years but not in excess of 25 years and for acquisition of title to such properties and structures by the United States at or before the expiration of the lease terms, and for other purposes; with amendments (Rept. No. 318).

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, June 2, 1953, he presented to the President of the United States the enrolled bill (S. 1448) to amend the act of June 25, 1942, relating to the making of photographs and sketches of properties of the military establishment, to continue in effect the provisions thereof until 6 months after the present national emergency.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WILEY:

S. 2035. A bill for the relief of George P. Switlick; to the Committee on the Judiciary.

By Mr. DANIEL:

S. 2036. A bill for the relief of Joseph Robin Groninger; and

S. 2037. A bill for the relief of Cecil Lee Ginger, Jr.; to the Committee on the Judiciary.

By Mr. SALTONSTALL (by request):

S. 2038. A bill to amend the act approved July 8, 1937, authorizing cash relief for certain employees of the Canal Zone government; to the Committee on Armed Services.

(See the remarks of Mr. SALTONSTALL when he introduced the above bill, which appear under a separate heading.)

RELIEF FOR CERTAIN EMPLOYEES OF CANAL ZONE GOVERNMENT

Mr. SALTONSTALL. Mr. President, by request, I introduce for reference to

the Committee on Armed Services a bill relating to certain employees of the Canal Zone Government.

The bill is accompanied by a letter from the Department of the Army which explains the purpose of the bill.

I ask that the letter be printed in the RECORD immediately following the listing of the bill.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 2038) to amend the act approved July 8, 1937, authorizing cash relief for certain employees of the Canal Zone Government, introduced by Mr. SALTONSTALL (by request), was received, read twice by its title, and referred to the Committee on Armed Services.

The letter to accompany Senate bill 2038 is as follows:

DEPARTMENT OF THE ARMY,
Washington, D. C., May 27, 1953.

Hon. LEVERETT SALTONSTALL,
Chairman, Committee on Armed Services, United States Senate.

DEAR SENATOR SALTONSTALL: There is forwarded herewith a draft of legislation "to amend the act approved July 8, 1937, authorizing cash relief for certain employees of the Canal Zone Government." This legislation is believed to be noncontroversial. Its enactment at an early date is regarded as important and necessary.

While the so-called Cash Relief Act of July 8, 1937, applies in terms only to employees of the Panama Canal (now the Canal Zone Government), the system established thereby was promptly extended to employees of the Panama Railroad Company (now the Panama Canal Company) by authority of the Board of Directors of that Company. Similar action would be contemplated as to the enclosed legislation.

Under the cash relief system as so extended, cash relief is paid to such employees of the Canal Zone Government and the Panama Canal Company not coming within the scope of the former Canal Zone Retirement Act (an act which covered United States citizens only), as may become unfit for further useful service by reason of mental or physical disability resulting from age or disease. The 1937 act limits the amount of relief to $1 per month for each year of service with an overall maximum of $25 per month; and at least 10 years service with the Canal Zone Government or the Panama Canal Company, or their predecessor agencies, is a prerequisite to any payment.

The sole purpose and effect of the proposed legislation is to increase the maximum payments to $1.50 per month per year of service with an overall maximum of $45 per month.

The necessity for the Cash Relief Act and the purpose of that act in respect to the measure of relief to be afforded are apparent from the House report on that act in bill form (H. Rept. No. 620, 75th Cong., to accompany H. R. 6436). The act was designed to provide some small measure of compensation in order that these employees, when disabled by age or disease, and the members of their families, might not become public charges.

An act of July 21, 1949 (63 Stat. 475), repealed the Canal Zone Retirement Act and brought within the coverage of the Civil Service Retirement Act the employees of the Panama Canal and the Panama Railroad Company who were subject to the provisions of the former act, namely, the United States citizen employee. Employees who were paid in accordance with local native prevailing wage rates, other than United States citizens, were not within the coverage of the Canal Zone Retirement Act, and, after the repeal of that act, remained within the coverage of the Cash Relief Act. The act of September 26, 1950 (64 Stat. 1038), changed the name of the Panama Canal to the Canal Zone Government and changed the name of the Panama Railroad Company to the Panama Canal Company.

The Canal Zone Government and the Panama Canal Company now have a combined total of 12,762 permanent and w. a. e. employees on the Isthmus of Panama who are paid in accordance with local native prevailing wage rates for the area. Of such total 1,406 are employed by the Canal Zone Government while 11,356 are employed by the Panama Canal Company.

The 12,762 employees above referred to are within the potential coverage of the cash relief system. Of this number, the majority are Panamanian citizens while most of the remainder are natives, or descendants of natives, of the islands of the West Indies who will remain in the Republic of Panama after the termination of their employment. Inadequate provision for these employees constitutes a deteriorating influence on relations between the United States and Panama.

The present cash relief system is obviously inadequate even when appraised on the basis of its limited original objective. The fixed maximum payments remain as originally established in 1937 ($1 per month per year of service, with an overall maximum of $25 per month) despite the great increase in living costs since that time. In consequence of the inadequacy of the present payments, there is a natural tendency to continue a substantial number of local-rate employees of long service on the active employment rolls beyond the period of their full usefulness.

Legislation to improve the retirement situation for the local-rate employees of the Panama Canal agencies has been under study for several years and the need for such improvement is urgent.

As a permanent solution to this problem, the Canal Zone government and Panama Canal Company have developed a twofold program, involving (1) an increase in the monthly payments, under the cash-relief system as in the enclosed legislation; and (2) the adoption of a suitable retirement plan for application, prospectively, to the local-rate employees.

Under such program the increased cash-relief payments would be continued in the case of employees on the cash-relief rolls immediately prior to the effective date of the retirement plan. A proposed bill designed to achieve both features of this program has been drafted; however, it appears that the clearance of such bill to the Congress must of necessity be considerably delayed in order that the second feature of the program, namely, the retirement plan, can be studied and reported upon by the special committee set up to study Federal retirement legislation pursuant to Public Law 555 of the 82d Congress.

In the meantime, it is deemed not only appropriate but also urgently necessary that the first feature of the program, namely, liberalization of the cash-relief payments, be adopted immediately.

Actuarial consultants for the Company have estimated that the proposed amendment to the Cash Relief Act, if passed, will increase the amount of the relief costs by approximately 60 percent. At the present time these costs are running about $1 million per year, and they are expected to rise to a maximum of $1,400,000 in the near future. The actuaries predict that at the present volume of employment the costs will ultimately return to about their present level. The increase in cost, therefore, under the proposed legislation, would be a maximum of $840,000 per year and would eventually decline to $600,000 per year.

It should be noted that the relief costs payable by the Panama Canal Company will be wholly financed from corporate revenues and not from appropriations. The amounts payable by the Canal Zone government, while initially financed from appropriations, will be repaid annually to the Treasury out of operating revenues of the Canal Zone Government and the Company. In total, therefore, no burden will be added to the Federal Treasury as a result of the proposed legislative action.

The enclosed legislation has the approval of the Board of Directors of the Panama Canal Company and of the Governor of the Canal Zone. In my capacity as stockholder of the Panama Canal Company, and in my supervisory capacity with reference to the Canal Zone Government, I recommend the early enactment of the enclosed legislation.

The Director of the Bureau of the Budget has advised that there is no objection to the submission of this legislation to the Congress.

Sincerely yours,

ROBERT T. STEVENS,
Secretary of the Army.

APPROPRIATIONS FOR DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, 1954—AMENDMENTS

Mr. SCHOEPPEL submitted amendments intended to be proposed by him to the bill (H. R. 4974) making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes, which were ordered to lie on the table and to be printed.

Mr. SALTONSTALL (for himself, Mr. BUTLER of Maryland, Mr. KENNEDY, and Mr. BEALL) submitted an amendment intended to be proposed by them, jointly, to House bill 4974, supra, which was ordered to lie on the table and to be printed.

Mr. BRIDGES (for himself, Mr. MCCLELLAN, Mr. FERGUSON, Mr. KNOWLAND, Mr. SALTONSTALL, Mr. MUNDT, Mr. CORDON, Mr. DWORSHAK, Mr. CHAVEZ, Mr. ELLENDER, Mrs. SMITH of Maine, Mr. YOUNG, and Mr. THYE) submitted an amendment intended to be proposed by them, jointly, to House bill 4974, supra, which was ordered to lie on the table and to be printed.

NOTICE OF CHANGE OF DATE OF HEARING ON S. 1106 AND S. 1444, RELATING TO RENDITION OF MUSICAL COMPOSITIONS ON COIN-OPERATED MACHINES

Mr. WILEY. Mr. President, on behalf of the standing Subcommittee on Patents, Trademarks, and Copyrights of the Committee on the Judiciary, I desire to give notice that the public hearing originally scheduled for Friday, June 5, 1953, at 10 a. m., in room 424, Senate Office Building, on S. 1106 and S. 1444, relating to the rendition of musical compositions on coin-operated machines, has been rescheduled for Wednesday, June 24, 1953, at 10 a. m., in room 424, Senate Office Building. Persons desiring to be heard should notify the committee so that a schedule can be prepared for those who wish to appear and testify. The subcommittee consists of myself, chairman, the Senator from Indiana [Mr. JENNER], and the Senator from Mississippi [Mr. EASTLAND].

NOTICE OF HEARINGS ON CERTAIN NOMINATIONS

Mr. WILEY. Mr. President, the Senate has received the nominations of

Mason Sears, of Massachusetts, to be the representative of the United States of America on the Trusteeship Council of the United Nations, and John C. Hughes, of New York, to be the United States permanent representative on the North Atlantic Council, with the rank and status of Ambassador Extraordinary and Plenipotentiary. Notice is hereby given that these nominations will be considered by the Committee on Foreign Relations after 6 days have expired, in accordance with the committee rule.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. WILEY:

Address delivered by him at the Memorial Day services, National Amphitheater, Arlington, Va., on May 30, 1953.

By Mr. MUNDT:

Address delivered by Secretary of Agriculture Ezra T. Benson before the South Dakota Livestock Growers Association, Deadwood, S. Dak., on May 27, 1953.

Essay written by Donald Waldman, of Hoven High School, Hoven, S. Dak., entitled "What Is Freedom?"

By Mr. TOBEY:

Editorial in tribute to Senator MOSES, published in the Lincoln Star of May 27, 1953.

Address entitled "The Practical Prospects for Disarmament and Genuine Peace," delivered by Mr. Grenville Clark at the annual dinner of the American Philosophical Society in Philadelphia, Pa., on April 24, 1953.

By Mr. FULBRIGHT:

Address delivered by Dean Elmer Ellis before annual meeting of Missouri State Historical Society, Columbia, Mo., March 10, 1953.

By Mr. BRIDGES:

Article and editorial with reference to the use of the fifth amendment to the Constitution as a shield for Communist instructors.

By Mr. HILL:

Editorial entitled "The President and Airpower," published in the Birmingham (Ala.) News of May 26, 1953.

By Mr. THYE:

Article entitled "Dulles Is Enlightened," written by Constantine Brown, and published in the Washington Evening Star of June 1, 1953.

COMMENCEMENT ADDRESS BY SENATOR WALTER F. GEORGE TO GRADUATING CLASS OF UNIVERSITY OF SOUTH CAROLINA

Mr. MAYBANK. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an eloquent address delivered by the distinguished senior Senator from Georgia [Mr. GEORGE] at the commencement exercises of the University of South Carolina, Columbia, S. C., on yesterday. The most able address delivered by that great jurist and Senator deserves the consideration of the people of the Nation, and I commend it to every Member of the Senate.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Governor Byrnes, President Russell, members of the graduating class of June 1953, it is a real pleasure to be back among neighbors again.

And when I say "neighbors," I refer to something more than a common State border. You know, you South Carolinians and we Georgians have a real bond in the educational field.

The University of Georgia and the University of South Carolina were among the first three State-owned universities to be founded in this country. That, I am sorry to say, is a fact not commonly known in other parts of the United States.

But there is a second bond which is particularly interesting to me. The LeConte brothers—long known as among the Nation's leading educators—have contributed much to the cultural development of both Georgia and South Carolina. The LeContes were educated at the University of Georgia. They really began their professional careers as teachers on your campus. And they later moved on to help found the University of California at Berkeley.

I like to think of the LeContes' inspiration and foresight as having been born in Georgia, raised in South Carolina, and matured in California.

Inspiration and foresight, I might add, are qualities of mind and spirit that have never gone out of style. I shudder to think what might happen if they did.

You—who are about to go on to fields of greater and greater responsibility—are going to need an ample dose of both and other qualities besides.

This is a troubled world. We, of the older generations, have tried hard to make it the kind of world we'd like to see our children and our grandchildren inherit. We have had some successes. Unfortunately, we have had our share of failures, too. But—good, bad, or indifferent—this world is your inheritance.

And you are going to have to live in and with it.

I think too much of your intelligence to spend my time here preaching at you. But I do not think it out of place to pass along a few words of advice as to the sort of toughness of mind and moral fiber you "inheritors" are going to need if our Nation and our ideals are to survive and progress.

I fear that you will require something more than meekness.

For one thing, you will require an open mind if your generation is to be a success. You will have to be willing to listen to discussion and to reason. You will have to distinguish between fact and fancy, between accusation and guilt.

Your decisions will have to be sound.

Most certainly, you will have to admit your mistakes. And, believe me, you will make them. I have—though they say it is not good politics to admit it.

You will also require a solid self-confidence in yourselves, in your country, and in a free society. We older Americans know how essential this is. For, self-confidence is our armor against hysteria, against unreasoned fear, against any wanton abuse of our cherished rights and liberties.

Lack of self-confidence in the face of adversity—and the fear that lack generates—has been known to put free societies into chains. The Communists would like nothing better than to put us in chains. We would be most stupid to do the job for them.

I am convinced that we can and will retain and strengthen our free way of life so long as we remain confident in ourselves. Belief in the ideals which made our Nation great is our Gibraltar.

A third requirement for your generation, if it is to meet its many problems, is that you be realistic. "We do the improbable today, but the impossible takes a little longer" is a fine slogan. But it is impossible.

We Americans must think in terms of the realities of life and we must order our existence in keeping with them.

It is with just such realities that I should like to deal today. Specifically, I should like to talk about some of the realities of American foreign policy.

For foreign policy is the number one problem area of the present and of the immediate future. Our domestic stability is vital and cannot, of course, be separated from our aims in the international relations field. But it is in the field of foreign policy that we are called upon to make our most difficult and, in many ways, irrevocable decisions.

Today's world is both challenging and demanding. It is challenging because it offers us a chance to strengthen and develop the sort of peaceful relationships among nations which genuine progress requires.

It is demanding because our Nation has had to accept grave responsibilities which Americans of half-century ago would not have dreamed of accepting.

Fifty years ago some Americans were concerned with manifest destiny. Today, thoughtful Americans are concerned with mankind's destiny.

I don't need to detail for you the menace of international communism. It is not only a theory which threatens us—it is a condition. It is a condition which threatens both our way of life and the many good things that way of life has given us.

This condition has emerged with one of history's mightiest empires—the empire founded upon Marxism by Nicolai Lenin, built to mammoth proportions by Joseph Stalin and now controlled by the "mechanized" men whom Stalin molded.

In the face of this massive threat, we Americans have had no choice but to accept the role of free world leadership in order to protect ourselves, our freedoms, and world peace.

We did not seek leadership. It sought us.

There are those—and not the Communists alone—who accuse us of seeking power for power's sake. They would do well to heed the words of the English writer, Caleb Charles Colton. Colton wrote—and I quote: "To know the pains of power, we must go to those who have it; to know its pleasures, we must go to those who are seeking it."

The power involved in accepting the free world's leadership is not painless. The American taxpayer, the American legislator, and the American diplomat can all testify to that.

Had we hesitated to accept leadership, the technology which has shrunk time and space would have shortly convinced us of our folly. In today's world, there is no geographic barrier to danger. Our two oceans are highways—not protective moats. Political and economic developments in Europe, in southeast Asia, in the Middle East—all are of immediate concern to us. All have an immediate bearing on our security.

That is why it is so terribly important that the free peoples maintain their basic unity before the common menace of communism. Regardless of any differences the free nations may have, none of us dares go it alone. Free world unity is our security.

Today—even as I talk to you—that unity is being put to the most severe of tests in far-off Korea. If there was ever a situation that demanded a full measure of realism, that situation is the one in Korea. For some of you here in this audience, Korea has a very real personal meaning today or it may have such a meaning in the not too distant future.

I am fully aware of this. However, the stakes in Korea go well beyond the purely personal.

It is of the highest importance that we recall why it was that we first went into Korea. It is equally important that we understand what is possible and what is not possible in Korea.

In June 1950, the Communists launched their unprovoked, naked aggression against the South Korean Republic. The United Nations moved to counter that aggression. We took the lead in supporting that United Nations action.

In doing so, we recognized that something more than the fate of a single free people was at stake—important though that is.

Also involved was the fate of Asia, of the free world, of ourselves.

Had the Communists been permitted to get away with their aggression in Korea, the psychological, political, and strategic conditions for aggressive advances elsewhere would have been created. The Communists would have taken a vital step toward global domination.

Other free peoples—seeing the Communists unopposed in Korea—might well have concluded that there was no percentage in fighting Communist subversives at home or standing up to Communist threats from abroad.

The road would have been cleared for further piecemeal aggression. The Kremlin would have been in position to tear the free world apart, bit by bit. Southeast Asia, Iran, and other areas on the periphery of the Communist-controlled orbit might well have fallen to the aggressor.

On the heels of this piecemeal aggression, the Communists would have been in position to force a global war on their terms. And we Americans might have found ourselves fighting a battle for survival—a battle far more costly than the one in Korea—and fighting it on our own soil.

Does all this sound fantastic? I assure you that it is not fantastic. It could have happened. I believe it would have happened had we not fought with the United Nations in Korea.

It did not happen because the United Nations checked the Communist aggressors in Korea. For the first time in modern history, collective security has worked on the battlefield. The Communists have been driven back to the frontier from which they launched their aggression—and in some cases beyond it.

The United Nations objective partially has been achieved.

Where do we go from here?

I make no claims to knowing exactly what is being said at Panmunjum today or what was said there yesterday. I know only what all of us have been reading in the papers about that.

But this much is clear.

Our purpose in accepting the Communist offer to negotiate in Korea was to achieve a truce and ultimately a peace with honor. The purpose of the negotiations is peace—not war.

The decisions which will come out of these negotiations—though they may well have military implications—will be political decisions.

Now, we have been negotiating with the Communists for almost 2 full years. We have been acting as the United Nations representatives in these negotiations.

It is true that American boys and others have been fighting and dying while these discussions have been going on. It is also true that the Communists have been most difficult to deal with. The patience of our negotiators—the patience of the American people—has been sorely tried many times.

However, agreement has been reached on all the true issues but one—that of the prisoners of war. At least, that was the situation as of the time I left Washington yesterday. Both the Communists and ourselves have had to make compromises on many of the issues upon which agreement has been reached.

The essence of any negotiated agreement is compromise. However, that does not mean compromise with principle. We desire peace in Korea—but a peace with honor. From our standpoint, a peace with honor demands that prisoners of war not be treated as cattle, not be coerced in any way and not be forced to return to their home countries against their will.

We are assured that the administration has no intention of trading this principle for a false peace. A dishonorable peace would be no peace at all.

It is my conviction that we have given the Communists every reasonable opportunity to agree to an honorable truce. If they fail to do so, all humanity may suffer the consequences.

Now, there are those people who insist that only "full military victory" in Korea would give us a peace with honor. These people generally insist that we were foolish even to begin negotiating for a Korean truce.

There are other people who insist that—if we can't come to terms with the Communists soon—we ought to get out of Korea. These are a small minority, but a vociferous one.

Both of these views reflect a lack of understanding of both our motives in going into Korea and of the current position there. In short, both views are unrealistic.

Let us look at the full military victory thesis. It proposes that we launch an all-out assault, drive the Communists entirely out of Korea and back across the Yalu. Some who support this view believe that we should have done just that a long time ago.

The original purpose of going into Korea—as I have pointed out—was to check aggression, localize the conflict, and thus to limit the threat to the free world's security. It was not to drive the Communists out of North Korea which they had reached even before our forces arrived in South Korea at the close of World War II.

Korea was not split in two at the 38th parallel by the Communist aggression in 1950. The Communists started their aggression from the 38th parallel, having controlled the territory north of that parallel ever since 1945. It is well for us to remember this.

To pursue the full military victory thesis to its logical conclusion is to demand that the Communists surrender unconditionally in Korea. A demand for unconditional surrender—if World War II is any guide at all—can be a costly one for its sponsors regardless of the moral merit it may have. For—in our dealings with the Communists in Korea as well as with our enemies in the last war—we have had to concern ourselves with power as well as with principle.

In seeking a full military victory in Korea, we must be prepared to send our forces across the Yalu into Chinese territory if that becomes necessary. We must be prepared to challenge both Soviet and Chinese power in their own backyards. We must be prepared for the possibility that the drive for full military victory would lead to world war III with the mainland of Asia its first theater.

Are we prepared to make the huge expenditures in American lives, equipment, and dollars that this might involve? Are we prepared to risk going it alone in the event that our major allies refuse to join us in this venture?

I do not know the answer to these questions. Only the American people can answer them. But I do know that it is essential that we Americans be fully aware of all the possible consequences if the decision is ever taken to pursue full military victory in Korea.

The second alternative noted—that of getting out of Korea altogether—is, it seems to me, no alternative at all. For it not only defeats our initial purpose in going into Korea but also implies that the losses we have suffered to date have been suffered in vain. It would give the Communists the kind of victory that would destroy the free world's entire position in Asia and might well compromise our ability to continue to lead the free nations with the consequences for our national security that that implies.

It is my belief that we must remain in Korea until such time as a political settlement has been reached and a reasonable measure of stability has been restored to the area.

Now, I do not know whether we shall be successful in arriving at an honorable truce in Korea. I can only hope and pray that we will be. I reiterate that we have been wise to do everything consistent with principle and with our security to achieve such a truce.

If we are not successful, we must make it clear that it is the Communists who are to blame.

If we are not successful, we must reconsider our position and reconsider it carefully. In deciding upon a new course of action, we must measure it against the full costs that it may involve. We must measure it against the realities of power in the Far East.

We should certainly reach no decision on what steps to take unless that decision is reached in consultation with and in accord with our allies.

And we most certainly should not abandon the United Nations in Korea or anywhere else.

To take unilateral action in Korea at this time would constitute the sort of blow to free world unity which the Kremlin is doing its utmost to achieve. It would divide the free nations. It would give the Communists an opportunity to launch an all-out war in a situation in which their risks are the smallest and ours are the greatest.

If we do not maintain the unity of the free nations now, it is very doubtful that we can maintain our security for long.

We dare not forget this.

On the other hand, if we are successful in reaching an honorable truce in Korea, we would be wise to look ahead to some of the pressing political problems presented by the far eastern situation as a whole. In fact, we ought to have some reasonably well-developed ideas on this score now.

For the far-eastern situation is a complex of many problems.

What, for example, will our relations with Red China be like if there is peace in Korea? What attitude does one take toward a Communist government whose soldiers have been killing ours, once the killing is over and it is clear that that government remains in control of the Chinese mainland?

What will be the future of the Chinese Nationalist government in Formosa?

Can some sort of peaceful settlement be worked out in southeast Asia which will satisfy the legitimate nationalist aspiration of the Asian peoples?

What can be done to help the Japanese maintain economic stability, presuming that the materials Japanese industry has been producing for the United Nations effort in Korea are no longer needed in their present quantity?

The Chinese mainland is normally one of Japan's major markets. In light of our desire to keep strategic materials out of Communist hands, even if there is a truce in Korea, can Japan develop other markets to compensate for the lack of normal trade relations with the mainland?

These, then, are some of the problems posed by the far-eastern situation. Like so many others in the foreign-policy field, they are not subject to solution overnight. But that hardly lessens the need for solution.

I have the feeling that your generation will be called upon to find some of these solutions.

There is comfort for me in the fact that these solutions are likely to rest in educated hands.

More than a century ago, John Bright, the English philosopher, spoke of the American Government as the world's strongest. Our Government was the strongest, Bright said, because, and I quote: "It is based on the will, and the good will, of an instructed people."

John Bright's statement is as good today as it ever was. And I think that you—and thousands of others like you—will prove the soundness of that statement in the future.

REPORT OF SECRETARY OF STATE DULLES ON HIS TRIP TO THE NEAR EAST AND SOUTH ASIA

Mr. WILEY. Mr. President, last night the Secretary of State, John Foster Dulles, gave a complete and very interesting report to the American people on his trip to the Near East and south Asia. He underlined the importance of this area to the United States, discussed its problems, and appealed to all of us to develop a better understanding of the people of the Near East and south Asia. I heartily endorse his conclusions. In fact, I have repeatedly urged in recent weeks that it was in the interest of the whole free world that the nations of the Near East get together to settle their problems, including the problem of Arab refugees, as soon as possible—a point which Secretary Dulles emphasized in his speech.

In order that his fine speech may be given the widest possible circulation, I ask unanimous consent that it be printed in the body of the RECORD following my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

About 3 weeks ago, the Director of Mutual Security, Mr. Harold Stassen, and I and our associates set out, at President Eisenhower's request, on a trip to 12 countries which lie in between the Mediterranean in Europe and China in Asia. I shall give you our country-by-country impressions and then our general conclusions.

A FRIENDLY WELCOME

First, let me say that everywhere we were well received. This was encouraging, for several of the countries feel that the United States policies have, in recent years, been harmful and even antagonistic to them. The Communists have vigorously exploited this feeling. They staged some hostile demonstrations. But these were inconsequential. The governments received us with warm hospitality, and as we drove through the streets, the people usually greeted us with friendly smiles and applause. The political leaders talked intimately with us and we gained new friendships and new understanding which will stand us in good stead for the future. Also in each capital I spoke to all of the United States foreign service personnel. They are a fine body of men and women of whom we can be proud.

THE IMPORTANCE OF THE AREA

It is high time that the United States Government paid more attention to the Near East and South Asia which, until our trip, no United States Secretary of State has ever visited. Our postwar attention has been primarily given to Western Europe. That area was and is very important; but not all-important.

It came as a surprising shock when the 450 million Chinese people, whom we had counted as friends, fell under Communist domination. There could be equally dangerous developments in the Near East and South Asia. The situation calls for urgent concern.

The area we visited contains about one-fourth of the world's population. It represents about one-half of the people of the world who are still free of Communist domination.

The Near East possesses great strategic importance, as the bridge between Europe, Asia, and Africa. The present masters of the Kremlin, following the lead of past military conquerors, covet this position. In 1940 Soviet leaders specified, in secret negotiations with the Nazis, that Soviet "territorial aspirations center * * * in the direction of the Indian Ocean and * * * the Persian Gulf."

This area contains important resources vital to our welfare—oil, manganese, chrome, mica, and other minerals. About 60 percent of the proved oil reserves of the world are in the Near East.

Most important of all, the Near East is the source of three great religions—the Jewish, the Christian, and the Moslem—which have for centuries exerted an immense influence throughout the world. Surely, we cannot ignore the fate of the peoples who have first perceived and then passed on to us the great spiritual truths from which our own society derives its inner strength.

EGYPT AND THE SUEZ BASE

Our first stop was in Egypt. There we had 3 days in which to get acquainted with General Naguib, who heads the Government. He is a popular hero, and I could readily see why. He and his associates are determined to provide Egypt with a vigorous government which will truly serve the people. Also, they seek to end the stationing of British troops and exercise of British authority at the Suez base.

Before we arrived in Egypt, a very tense situation had developed between the British and the Egyptian Governments. Conversations looking to an orderly withdrawal of British troops had been suspended and there was danger that hostilities would break out.

We discussed the situation with General Naguib. The heart of the trouble is not so much the presence of British troops, for both sides agreed that they should be withdrawn, but the subsequent authority over and management of this gigantic base, its airstrips, and its depots of supplies. Experienced administrative and technical personnel is needed to keep the base in operating efficiency and the provision of this personnel causes difficulty. The matter has an importance which goes beyond Egypt, for the base serves all near eastern and indeed western security.

I am convinced that there is nothing irreconcilable between this international concern and Egyptian sovereignty. We asked, with some success, that there be further time to find a peaceful solution. The United States is prepared to assist in any desired way.

Egypt stands at the threshold of what can be a great new future. If this Suez problem can be satisfactorily solved, I am confident that Egypt can find the means to develop its land and lift up its people, and add a new bright chapter to a glorious past.

ISRAEL, JERUSALEM, AND REFUGEES

Next we went to Israel. We were impressed by the vision and supporting energy with which the people are building their new nation. Inspired by a great faith, they are now doing an impressive work of creation. They face hard internal problems, which I believe they can solve. Furthermore, the Prime Minister, Ben-Gurion, and other Israeli officials asserted convincingly their desire to live at peace with their Arab neighbors.

Jerusalem is divided into armed camps split between Israel and the Arab nation of Jordan. The atmosphere is heavy with hate. As I gazed on the Mount of Olives, I felt anew that Jerusalem is, above all, the holy place of the Christian, Moslem, and Jewish faiths. This has been repeatedly emphasized by the United Nations. This does not necessarily exclude some political status in Jerusalem for Israel and Jordan. But the world religious community has claims in Jerusalem which take precedence over the political claims of any particular nation.

Closely huddled around Israel are most of the over 800,000 Arab refugees, who fled from Palestine as the Israeli took over. They mostly exist in makeshift camps, with few facilities either for health, work, or recreation. Within these camps the inmates rot away, spiritually and physically. Even the grim reaper offers no solution, for as the older die, infants are born to inherit their parents' bitter fate.

Some of these refugees could be settled in the area presently controlled by Israel. Most, however, could more readily be integrated into the lives of the neighboring Arab countries. This, however, awaits on irrigation projects; which will permit more soil to be cultivated.

Throughout the area the cry is for water for irrigation. United Nations contributions and other funds are available to help refugees and Mr. Stassen and I came back with the impression that they can well be spent in large part on a coordinated use of the rivers which run through the Arab countries and Israel.

JORDAN

Irrigation needs became most vivid as we motored from Jerusalem to Amman, the capital of Jordan. The road goes through the Dead Sea area, a scene of desolation with no sign of life other than the tens of thousands of refugees who survive precariously on the parched land largely by aid of United Nations doles. Later on, as we flew north, we observed the waters of the Yarmak River, which could perhaps be diverted so as to return some of this vast desert valley into fertile land.

At Amman, we dined with the charming and able new King Husein and his government. They are preoccupied with the problem of refugees and of relations with Israel. The inflow of refugees has almost doubled the population, and the long armistice line with Israel gives rise to frequent and dangerous shooting episodes.

SYRIA, LEBANON, IRAQ, AND SAUDI ARABIA

From Jordan we went to Syria. There we were impressed by General Shishikli. He is eager to develop the resources of his country, which are substantial. Thus, the living standards of the Syrian people could be raised. This would, in turn, enable them to receive more refugees into a land which relatively is sparsely populated.

From Damascus, the capital of Syria, we motored to Beirut, the capital of Lebanon. The road took us over a mountain range, with refreshing snow in sharp contrast to the heat of the desert plains.

You will recall that Beirut is the home of the American University, which has educated many of the Arab leaders of today. President Chamoun of Lebanon talked to us of his high hopes for his country and pointed to the role it might play, representing uniquely a meeting of East and West.

Leaving Lebanon for Iraq, we flew over the Tigris and Euphrates Valleys. This was the site of the Garden of Eden. Under its new ruler, King Faisal, who visited the United States last summer, the Government of Iraq is beginning to develop these valleys and restore their former productivity. The revenues from the oil production are being largely directed to this and other construction purposes. Iraq can be, and desires to be, the granary for much of this part of the world.

In Saudi Arabia we were received by King Ibn Saud, one of the great near eastern figures of this century, conspicuous in his dignity and singleness of purpose. He is a good friend of the United States, as he has shown by deeds. Our policy will be to reciprocate this friendship. In Saudi Arabia, Americans and Arabs are working together in good fellowship in the vast oil fields of the country. It is a good relationship.

INDIA AND PAKISTAN

We left the Arab area to go first to India and then to Pakistan. These two nations, although independent for less than 6 years, already play an influential part in world affairs.

In India I met again with Mr. Nehru, one of the great leaders of our time. We had long conversations together in the intimacy of his home. His calm demeanor and lofty idealism impressed me. We reviewed together the international problems which concern both our countries, including the problem of a Korean armistice and the threat to southeast Asia. We did not always agree, but we did clear up some misunderstandings and, I felt, gained respect for the integrity of our respective purposes. India is now supporting the armistice position of the United Nations Command in Korea.

Mr. Stassen and I also obtained a clearer view of the Government of India's 5-year program to improve the welfare of the Indian people.

India is the world's largest self-governing nation. It has about 2,000 miles of common boundary with Communist China. There is occurring between these two countries a competition as to whether ways of freedom or police-state methods can achieve better social progress. This competition affects directly 600 million people in these two countries. In the long run, the outcome will affect all of humanity, including ourselves. Our interest fully justifies continuing, on a modest scale, some technical assistance and external resources to permit India to go on with its 5-year plan.

Pakistan is the largest of the Moslem nations and occupies a high position in the Moslem world. The strong spiritual faith and martial spirit of the people make them a dependable bulwark against communism.

The new Prime Minister, Mohammed Ali, whom we recently knew as Ambassador to Washington, energetically leads the new government. We met with a feeling of warm friendship on the part of the people of Pakistan toward the United States.

A grave and immediate problem is the shortage of wheat. Without large imports, widespread famine conditions will ensue. Last year we helped India in a similar emergency. I believe that prompt United States wheat assistance to Pakistan is essential.

It is not possible to think about United States aid without also thinking that these countries cannot afford to waste their efforts in quarreling with each other, and diverting their strength for possible use against each other.

That thought applies to the dispute between India and Pakistan about Kashmir. It is my impression from my conversations with the Prime Ministers of India and Pakistan that this controversy can be settled. Surely, it needs to be settled. We tried tactfully but firmly, to make clear that the United States, as a friend of both countries, hopes for an accord which would make more fruitful such economic aid as we render.

IRAN

It was not practical to include Iran in our schedule. However, we arranged that our Ambassador to Iran should meet us in Pakistan. Iran is now preoccupied with its oil dispute with Great Britain. But still the people and the government do not want this quarrel to expose them to Communist subversion. They have not forgotten the Soviet occupation of 1941–46.

The United States will avoid any unwanted interference in the oil dispute. But we can usefully continue technical aid and assistance to this agricultural nation of Iran and in that way perhaps help prevent an economic collapse which would play into the hands of predatory forces.

TURKEY, GREECE, AND LIBYA

After Pakistan, we went to Turkey and Greece. These two countries have clearly demonstrated their intent to stand steadfast against Communist aggression and subversion. Despite their heavy commitments to NATO, both countries have contributed valiantly to the United Nations efforts in Korea.

We, in turn, plan to continue to help Greece and Turkey to grow stronger. They are valiant in spirit and hold a strategic position in Europe and Asia which enables them to help us. While in Greece I dined with the King and Queen and passed on to this charming couple President Eisenhower's invitation that they visit us this fall.

Our last stop before returning to the United States was Libya the newest member of the family of nations. This country is located at a key spot on the north African coast on the Mediterranean. It has recently become an independent nation by action of the United Nations. Libya is cooperating with the United States and the United Kingdom in strengthening its own defenses and those of the Mediterranean area.

Let me turn now to conclusions.

COLONIALISM

1. Most of the peoples of the Near East and south Asia are deeply concerned about political independence for themselves and others. They are suspicious of the colonial powers. The United States too is suspect because, it is reasoned, our NATO alliance with France and Britain requires us to try to preserve or restore the old colonial interests of our allies.

I am convinced that United States policy has become unnecessarily ambiguous in this matter. The leaders of the countries I visited fully recognize that it would be a disaster if there were any break between the United States and Great Britain and France. They dont want this to happen. However, without breaking from the framework of western unity, we can pursue our traditional dedication to political liberty. In reality, the Western Powers can gain rather than lose, from an orderly development of self-government.

I emphasize, however, the word "orderly." Let none forget that the Kremlin uses extreme nationalism to bait the trap by which it seeks to capture the dependent peoples.

LIVING STANDARDS

2. The peoples of the Near East and Asia demand better standards of living, and the day is past when their aspirations can be ignored. The task is one primarily for the governments and the peoples themselves. In some cases they can use their available resources, such as oil revenues, to better advantage. There are, however, ways in which the United States can usefully help, not with masses of money but by contributing advanced technical knowledge about transport, communication, fertilization, and use of water for irrigation. Mr. Stassen and I feel that money wisely spent for this area under the mutual-security program will give the American people a good return in terms of better understanding and cooperation.

ARAB GOOD WILL

3. The United States should seek to allay the deep resentment against it that has resulted from the creation of Israel. In the past we had good relations with the Arab peoples. American educational institutions had built up a feeling of good will, and also American businessmen had won a good reputation in this area. There was mutual confidence to mutual advantage.

Today the Arab peoples are afraid that the United States will back the new state of Israel in aggressive expansion. They are more fearful of Zionism than of communism and they fear lest the United States become the backers of expansionist Zionism.

On the other hand, the Israeli fear that ultimately the Arabs may try to push them into the sea.

In an effort to calm these contradictory fears the United States joined with Britain and France in a declaration of May 25, 1950, which stated that "the three governments, should they find that any of these states (of the Near East) was preparing to violate frontiers or armistice lines, would, consistently with their obligations as members of the United Nations, immediately take action, both within and outside the United Nations, to prevent such violation." That declaration, when made, did not reassure the Arabs. It must be made clear that the present United States administration stands fully behind that declaration. We cannot afford to be distrusted by millions who could be sturdy friends of freedom. They must not further swell the ranks of Communist dictators.

The leaders in Israel themselves agreed with us that United States policies should be impartial so as to win not only the respect and regard of the Israeli but also of the Arab peoples. We shall seek such policies.

PEACE BETWEEN ISRAEL AND THE ARAB NATIONS

4. There is need for peace in the Near East. Today there is an uneasy military armistice between Israel and the Arab states, while economic warfare is being conducted by the Arab states, in retaliation for alleged Israeli encroachments. The area is enfeebled by fear and by wasteful measures which are inspired by fear and hate.

Israel should become part of the Near East community and cease to look upon itself, or be looked upon by others, as alien to this community. This is possible. To achieve it will require concessions on the part of both sides. But the gains to both will far outweigh the concessions required to win those gains.

The parties concerned have the primary responsibility of bringing peace to the area. But the United States will not hesitate by every appropriate means to use its influence to promote a step-by-step reduction of tension in the area and the conclusion of ultimate peace.

MEDO

5. A Middle East defense organization is a future rather than an immediate possibility. Many of the Arab League countries are so engrossed with their quarrels with Israel or with Great Britain or France that they pay little heed to the menace of Soviet communism. However, there is more concern where the Soviet Union is near. In general, the northern tier of nations shows awareness of the danger.

There is a vague desire to have a collective security system. But no such system can be imposed from without. It should be designed and grow from within out of a sense of common destiny and common danger.

While awaiting the formal creation of a security association, the United States can usefully help strengthen the interrelated defenses of those countries which want strength, not as against each other or the West, but to resist the common threat to all free peoples.

FRIENDLY UNDERSTANDING

6. In conclusion, let me recall that the primary purpose of our trip was to show friendliness and to develop understanding. These peoples we visited are proud peoples who have a great tradition and, I believe, a great future. We in the United States are better off if we respect and honor them and learn the thoughts and aspirations which move them. It profits nothing merely to be critical of others.

President Eisenhower's administration plans to make friendship—not fault finding—the basis of its foreign policy. President Eisenhower brought with him from Europe an unprecedented measure of understanding and personal friendships. Before he was inaugurated, he went to Korea. Twice since inauguration Mr. Stassen and I have been to Europe. Now we have been to the Near East and South Asia. Later this month

the President's brother, Dr. Milton Eisenhower, and Assistant Secretary of State Cabot will go to South America.

Thus, your Government is establishing the worldwide relationships and gathering the information which will enable us better to serve you, the American people.

DEPARTMENTS OF STATE, COMMERCE, AND JUSTICE APPROPRIATIONS, 1954

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business, which is H. R. 4974.

The Senate resumed the consideration of the bill (H. R. 4974) making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes.

The ACTING PRESIDENT pro tempore. The next amendment will be stated.

The next amendment was, under the heading "Title II—Department of Justice—Legal Activities and General Administration—Salaries and Expenses, General Administration," on page 17, line 15, after the word "field", to strike out "$2,495,000" and insert "$2,375,000."

The amendment was agreed to.

Mr. FERGUSON. Mr. President, before we take up the next amendment, I should like to make a unanimous-consent request. We have previously passed over section 111. I ask unanimous consent that the Senate consider at the end of the bill sections 209, 210, and 304, which relate to similar subjects.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. MONRONEY. Does it include the amendment of the committee abolishing civil service for marshals and clerks?

Mr. FERGUSON. Yes; that is section 209.

Mr. MONRONEY. The request applies to the three riders affecting certain departments, does it not?

Mr. FERGUSON. Yes. I ask unanimous consent that the sections to which I referred be considered at the end of the bill.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The clerk will state the next committee amendment.

The next amendment was, under the subhead "Salaries and Expenses, General Legal Activities," on page 17, line 22, after "(31 U. S. C. 529)", to strike out "$10,160,000" and insert "$9,960,000."

The amendment was agreed to.

The next amendment was, under the subhead "Fees and Expenses of Witnesses," on page 19, line 2, after the word "Code", to strike out "$1,200,000" and insert "$1,000,000."

The amendment was agreed to.

The next amendment was, under the subhead "Federal Prison System—Salaries and Expenses, Bureau of Prisons," on page 22, at the beginning of line 22, to strike out "$25,770,000" and insert "$25,000,000."

The amendment was agreed to.

The next amendment was, under the subhead "Office of Alien Property—Salaries and expenses," on page 23, line 24, after the word "exceed", to strike out "$3,500,000" and insert "$2,500,000."

The amendment was agreed to.

The legislative clerk proceeded to state the amendment on page 24, line 18, under the heading "General Provisions—Department of Justice."

Mr. FERGUSON. I ask that that amendment be passed over.

The ACTING PRESIDENT pro tempore. The amendment will be passed over.

The next amendment was, on page 26, after line 23, to insert:

SEC. 208. Not to exceed 10 percent of the appropriations for legal activities and general administration in this title shall be available interchangeably, with the approval of the Director of the Bureau of the Budget, but no appropriation shall be increased by more than 10 percent and any interchange of appropriations hereunder shall be reported to the Congress in the annual budget.

Mr. LEHMAN. Mr. President, I ask unanimous consent that the Senate return to the consideration of the provision on page 20, pertaining to the Immigration and Naturalization Service. I know it is subject to a committee amendment, but I should like to ask the chairman of the committee some questions with regard to the appropriation.

Mr. FERGUSON. On page 20?

Mr. LEHMAN. Yes; with reference to the "Immigration and Naturalization Service—Salaries and expenses."

Mr. FERGUSON. I have before me the following information, which may or may not answer the question the Senator from New York desires to ask:

For salaries and expenses of the Immigration and Naturalization Service, the committee agrees to the House allowance of $42,250,000. This sum is $6,150,000 below the original budget estimate for 1954, and $1,851,000 in excess of the 1953 appropriation. The allowance will permit the employment of additional personnel required to carry out the increased workload in those activities affected by the McCarran-Walter Act, Public Law 414. The committee expressly directs that sufficient funds be allotted to the activity "Patrol for prevention and detection of illegal entry" to enable continuance of the board patrol aircraft program.

Does that answer the Senator's question?

Mr. LEHMAN. No; it does not. I should like to make a comment.

Mr. FERGUSON. In order to give further information, I should like to read from the slipsheets:

Inspection for admission into the United States, $11,829,999; detention and deportation, $11,132,000; naturalization, $3,719,200; patrol for detection of illegal entry, $6,744,300; investigating alien status, $7,550,500; alien registration, $780,700.

Mr. LEHMAN. The Senator has read the item I have in mind.

Mr. FERGUSON. Patrol for detection of illegal entry?

Mr. LEHMAN. Yes.

Mr. FERGUSON. The allotment for that item is $6,744,300.

Investigating aliens' status, $7,550,500; alien registration, $780,700; executive direction, $59,600; central administrative services, $2,157,600; total, $43,973,800.

The total amount allowed by the bill as reported by the committee is less than that; it is $42,250,000.

Mr. LEHMAN. I thank the distinguished Senator from Michigan.

Mr. President, I wish to make a brief observation with regard to this matter, because there is so much misunderstanding about it on the part of the people of the United States.

We hear a great deal about the aliens who apply for legal admission and who enter the country under the provisions of the McCarran-Walter Act of 1952. That number at most is between 80,000 and 100,000 a year.

What is not understood, and, in my opinion, what constitutes a grave danger both to the security and to the economy of the United States, is that nearly 1 million so-called wetbacks enter the United States illegally, merely by walking across the Mexican border into the United States, usually over the Rio Grande River. That unregulated flow of completely illegal immigration is a great menace, yet the effort made to prevent this illegal immigration is only half-hearted. Among that great number of nearly 1 million persons, any number of subversives could enter the United States; and the McCarran-Walter Act is very weak, indeed, in its provisions to stop this great and dangerous flood of illegal immigration.

These persons are a menace to the security of the United States, because there is no practical control of the subversives who, in that way, can enter the United States in large numbers. Their entry constitutes a danger not only to our security but also to the economy of the Nation because such illegal immigrants compete in the South and in the Southwest with American labor, but they work for wages far lower than the wages paid American labor. Their entry is a threat to the economy of the North as well as the South. Many of these illegal aliens go north—in fact, many of them go as far north as Michigan and Minnesota—and there compete with American labor, for cutthroat wages.

They are employed on farms in the South and Southwest at virtually any wages the farmers may determine to pay them, because there is always hanging over these persons a threat that the farmer can report them as illegally in the United States and can compel their return to Mexico.

Mr. President, last year, when the appropriation bill was before the Senate, we were faced again with the proposal to appropriate the paltry sum of $6 million for the purpose of detecting and preventing the influx of illegal immigrants.

I recall that my distinguished colleague, the Senator from Illinois [Mr. DOUGLAS], and I submitted an amendment to increase the appropriation. But we had no chance of success, and our amendment was defeated.

Then we submitted an amendment—I believe that my distinguished colleague, the Senator from Illinois, and I were the two Senators who submitted it—pro-

posing to make it a misdemeanor for anyone in the United States to employ immigrants who entered the country illegally, when such employers knew the immigrants were illegally in the United States, but employed them wittingly, with that knowledge at their disposal. That amendment was also rejected.

But, Mr. President, that is the only way we are ever going to succeed in detecting and excluding the illegal immigrants who come across the Mexican border into the United States.

We make a great fuss about the relatively few persons who enter the United States legally if some few of these are later shown to be unworthy. Certainly we should exclude anyone who is unworthy. On the other hand, the really great threat to our security and our economy comes from the horde of persons who every day are entering the United States illegally, and who are apprehended and returned to Mexico in relatively small numbers. It was testified that these wetbacks are entering the United States at the rate of 2 a minute, or nearly 1 million a year. Yet we do virtually nothing to stop them.

I make these remarks because I wish it understood that this menace which we are facing, and which we are not making any real attempt to control is far more dangerous than any other form of immigration, and it cannot possibly be met by any provisions of the McCarran-Walter Act.

I think the appropriation which has been provided in this case is totally inadequate. It should be twice as large if we are to take really useful and effective steps to stem this evil influx and to prevent a real threat and a very great danger to the security of the United States, and to its economy.

INTEREST RATE ON GOVERNMENT BONDS

Mr. BUSH. Mr. President, yesterday afternoon, in the later part of the session, there occurred a debate in which several Democratic Senators participated, on the subject of interest rates.

I wish to comment briefly on some of the statements which were made because I believe a deliberate attempt is being made on the floor of the Senate, to misrepresent this situation to the people of the United States.

I shall not try to deal with the many misstatements and false statements which were made yesterday afternoon, but I shall illustrate my point by quoting only 2 or 3 of them.

First I shall quote the Senator from Oklahoma [Mr. KERR], who, in referring to the Secretary of the Treasury, said:

> He has surrendered the prerogative of his office to fix the interest rate on Government bonds and has abdicated that power to financial interests.

Mr. President, that is a very sweeping statement, and it is absolutely untrue. The Secretary of the Treasury has not surrendered any prerogative he ever had to fix the interest rate on Government bonds. He did fix the interest rate on the last issue of Government bonds. He fixes it on every issue, because he has to do so, and he has to fix it in accordance with what the market on Government bonds is at the particular time.

I defy the Senators to prove that the Secretary of the Treasury has ever surrendered any prerogatives of his office or in any way has failed to do his duty in his office in connection with the very important matter of fixing the interest rate on Government bonds.

Mr. TOBEY. Mr. President, will the Senator from Connecticut yield to me?

Mr. BUSH. I yield.

Mr. TOBEY. Does the Senator from Connecticut agree with me that the Secretary of the Treasury is one of the strong men of the Cabinet, and is a great American who is worthy of the position he occupies?

Mr. BUSH. Indeed, I do agree with the Senator from New Hampshire; he is absolutely correct.

The Secretary of the Treasury is a very excellent Secretary of the Treasury, and we are, indeed, very fortunate in having a man of such fine qualities and high caliber and integrity and great experience to deal with this important matter at this time.

Mr. TOBEY. That is the way I feel about it, too.

Mr. BUSH. The Senator from Oklahoma [Mr. KERR] also said:

> Yet those in charge of our fiscal policy are doing everything in their power to destroy the confidence of the holders of Government bonds in the value of the bonds.

Mr. President, I say to you, sir, that is an absolutely false and untrue statement. I say that those in charge of the fiscal policy of the United States have not done one thing to destroy the confidence of the holders of Government bonds in the value of the bonds.

The Senator from Oklahoma must know, if he knows anything at all about finance, that the value of Government bonds is one thing that cannot be destroyed, and that every one of the bonds will be paid at par, just as it was promised at the time of their issue they would be paid at par; and that is true no matter what the interest rate on the bond may be. It is a very dangerous assertion the Senator from Oklahoma made; and if anything can tend to destroy confidence in the credit of the United States, it is the making of wild and uninformed statements of that kind.

The Senator from Oklahoma also said:

> Those responsible for the fiscal policy of the Government are doing everything in their power to increase the cost of the annual interest rate on those bonds.

Mr. President, I defy the Senator from Oklahoma to prove that statement, and I defy him to show one affirmative act on the part of those responsible for the fiscal policy of the Government that caused an increase in the interest rate on those bonds.

Mr. President, it is very difficult to keep up with this running attack on the administration, which in my opinion is wholly unjustified, unsound, uneconomic, and somewhat dangerous. But from time to time I expect to have something to say about it.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. BUSH. I will yield in a moment, and I shall be very much pleased to do so; but before I yield, I should like to ask unanimous consent to insert in the RECORD at this point in my remarks an excerpt from an article entitled "Market Comment," written by Lucien O. Hooper, which appeared in the May 15, 1953, issue of Forbes magazine, and also an excerpt from an article entitled "Stock Analysis," written by Heinz H. Biel, and published in the May 15, 1953, issue of Forbes magazine.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

[Excerpt from Market Comment, by Lucien O. Hooper, appearing in the May 15, 1953, issue of Forbes magazine]

Previously, comment has been made on the strong credit team now in the Treasury and on the Federal Reserve Board. The wisdom of what it has been doing, it seems to me, is more apparent to an objective observer than to those who are long on high-grade bonds. Interest rates have been too low for years, too low to give savers an adequate wage on their funds. Interest rates have been lower in America, especially for the last 4 or 5 years, than almost anywhere else in the world. Low interest rates tend to foster inflation. Rising rates tend to arrest it.

This is a good time to firm interest rates because (1) it tends to offset the inflationary impact of the present and prospective heavy Federal deficits; (2) it does business little harm (at least initially, and up to a point); (3) it discourages possibility of uneconomic borrowing; and (4) it is necessary to get rates higher and credit tighter now so as to have elbowroom to reduce rates a bit and ease credit if business begins to slide. The very low rates gave the credit authorities practically no elbowroom at all.

[Excerpt from Stock Analysis by Heinz H. Biel, appearing in the May 15, 1953, issue of Forbes magazine]

After 20 years of Government based on New Deal and Fair Deal philosophy, we are now returning to more sensible policies. The dollar is again sound. The shortsighted cheap money policy of Mr. Snyder and his predecessor which was penny wise and pound foolish, has been completely reversed. No one in the present administration wants deflation, but they do want to eliminate the latent danger of inflation which for much too long has been undermining our financial and economic structure at a dangerous pace. Since common stocks have been the least beneficiaries of inflation, it does not seem to make much sense to consider the return to sound monetary practices a bearish element.

Many of us had become increasingly concerned over the growing concentration of political and economic powers in Washington with the inherent dangers of socialism. We should be jubilant, not gloomy, when the Government now gives a wholehearted endorsement of the free-enterprise system.

Mr. BUSH. I now yield to the Senator from Indiana.

Mr. CAPEHART. Mr. President, I wish to commend the able Senator for what he has just said. I know that what he has said is true. However, I think the Senator from Connecticut must remember that the Senators on the other side of the aisle must be permitted to have what they call a little fun once in a while. They must have an opportunity to do a little needling. They must be permitted to make a few speeches.

From day to day they must try to do that in their efforts to find some way by which to embarrass the present administration. No one, I think, is taking them too seriously. The people of the United States are interested in seeing that we have a sound dollar, and they are further interested in having no further inflation. In fact, the people would like to have a little reduction in the general price level.

Exactly what Mr. Humphrey, the Secretary of the Treasury, and the administration are trying to do is to establish a sound dollar, a dollar which will not depreciate further in purchasing power. Senators on the other side of the aisle know that, though they cannot be denied the right to rise on the Senate floor once in a while and talk. They like to do that. They consider it to be great sport, but I do not believe anyone is taking them very seriously. I suspect they will continue to follow that course from time to time. They will talk, not only on the floor of the Senate, but also on the radio and television. But I do not think we should take them too seriously, since, in the first place, they are in error; and, secondly, since we of the Republican Party have the responsibility at the moment of operating the Government, we ought to operate it in the best interests of all the people, and that is exactly what we are endeavoring to do. We shall continue to do that.

So let us allow Senators on the other side of the aisle an opportunity to do a little talking, since they do not have much else to do. Let them rise on the floor of the Senate once in a while, and embrace the opportunity to talk about something. It is, of course, understood that they desire to have something about which to complain.

Mr. BUSH. I commend the Senator from Indiana very highly for his very tolerant view of the situation; and perhaps he is correct. I feel, however, that when absolutely false statements are made regarding the administration, they should be nailed. I do not feel that we should allow such statements as those which were made yesterday by the Senator from Oklahoma to pass unnoticed. The statements go into the RECORD, and some people who may not know very much about fiscal matters may believe some of those false statements.

Mr. BENNETT. Mr. President, will the Senator from Connecticut yield?

The ACTING PRESIDENT pro tempore. Does the Senator from Connecticut yield to the Senator from Utah?

Mr. BUSH. I yield very happily to the Senator from Utah.

Mr. BENNETT. The Senator from Utah was in the Chair for 2 hours yesterday afternoon while the statements in question were being made. As I attempted to analyze the reasoning behind the statement to which the Senator from Connecticut has referred; namely, that the Secretary of the Treasury had abandoned or had forsaken his responsibility to fix interest rates, a question entered my mind. The question is: Is it not the impression of the Senator from Connecticut that what the Secretary was avoiding was a return to the captivity of the Federal Reserve Board?

Mr. BUSH. I should like to say to the Senator from Utah, on that point, that what happened could not mean anything else. Those responsible could not do what they desire in any other way. The Senator is entirely correct.

Mr. BENNETT. Is it not the Senator's impression that those who were formerly in charge of the fiscal policy of the United States would like to see the independence of the Federal Reserve Board destroyed, so that it would again become an instrument of inflation, as it was during the preceding administration?

Mr. BUSH. I believe the Senator from Utah is correct. I do not believe that the administration could accomplish the purpose they have in mind in any other way—unless it were by making the Federal Reserve Board subservient to the Treasury of the United States, a thing which, for many years, was tried and was accomplished by the Truman administration.

Mr. GORE. Mr. President, will the distinguished Senator from Connecticut yield?

Mr. BUSH. I yield very gladly to the Senator from Tennessee.

Mr. GORE. I should first like to comment upon the statement of the distinguished Senator from Indiana, the chairman of the Banking and Currency Committee. As I understood him, he indicated he did not think anyone was particularly worried either about what the Senators on this side of the aisle might say, or about anything that might be carried to the country as a result thereof. I should like to inquire of the distinguished Senator from Connecticut whether in his opinion the people who bought Government bonds in good faith and who can now receive for a $1,000 bond less than $900, are worried?

I should like to propound that question to the Senator from Connecticut, who, only a few days ago, informed the Senate that in his opinion, the value of Government bonds was being stabilized. I propound that question to him in view of the fact that on yesterday bonds took a terrific drop, and in view of the fact that the market opened this morning with bonds again going down. While they have gone down, the interest rate, of course, has gone up and up.

I wonder whether the Senator thinks no one is concerned or worried about that, particularly the people who own Government bonds. I wonder whether the Senator from Indiana thinks the people who have had billions of dollars of their assets wiped out as the result of this policy are worried. The Senator may not be worried about what the Senator from Oklahoma said yesterday, but the people of the country are worried. I am worried. I hope that the Senators on the other side of the aisle will in a body call upon this administration to stop the downward plunge of Government bonds.

Mr. BUSH. Mr. President, will the Senator from Tennessee kindly state his question? I yielded for a question, not for a speech. I should very much like to answer the Senator's question.

Mr. GORE. I have already asked the Senator the question. I shall be glad to restate it.

Mr. BUSH. I should like to have the Senator do that.

Mr. GORE. In view of what the Senator from Connecticut said a few days ago, and in view of what happened in the market on yesterday, does he think the people who own Government bonds, and who bought them in good faith are worried, when they now see their value eroded?

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. BUSH. I may say, in answer to the question of the Senator from Tennessee, that, in the first place, anyone who purchased a long-term Government bond knew, when he bought it, that he would get 100 cents on the dollar in return, and that is all he needed to know about it or, at least, it was the best assurance he could have about a long-term bond.

There is but one creditor in the United States, corporate or otherwise, that is certain to pay on maturity, and that is the United States Government. The people who bought long-term Government bonds at 99, 100, or 102, as well as those who bought bonds at 90, 92, or 93, know very well that if they keep their bonds they will receive 100 cents on the dollar. Furthermore, if the purchasers of the Government bonds are banks, the banks know they can go to the Federal Reserve bank at any time and borrow 100 cents on the dollar. So I do not think the Senator from Tennessee has any cause for concern on that score.

I may say, also, that it was inevitable that the United States Treasury, as it did in recent years under the Democratic administration, would depress interest rates and hold them down, simply to build up the forces of inflation. The people will put the blame where it properly lies.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. BUSH. I yield first, to the Senator from Tennessee.

Mr. GORE. Mr. President, the Senator from Connecticut just stated that it was inevitable, under the policies of the previous administration, that interest rates would be held down.

Mr. BUSH. I did not say that.

Mr. GORE. Will the Senator restate what he said?

Mr. BUSH. I said it was inevitable from the policy of the previous administration to depress interest rates and hold them down that this market situation would one day develop.

Mr. GORE. Will the Senator now admit that the present downward trend in the value of United States Government bonds is the inevitable consequence of a policy of the present administration?

Mr. BUSH. No; I will not admit it, unless the Senator states to what policy he refers. If the Senator wishes to reframe his question, I shall try to answer it, but I cannot answer the vague question just propounded by the Senator.

Mr. KERR. Mr. President, will the Senator from Connecticut yield?

Mr. GORE. I shall be glad to defer to the Senator from Oklahoma whose statement has been attacked on the floor.

Mr. BUSH. I yield to the Senator from Oklahoma.

Mr. KERR. I should like to ask the Senator from Connecticut if he made statements about me while I was not present?

Mr. BUSH. I read from the CONGRESSIONAL RECORD statements made by the Senator from Oklahoma and made comments——

Mr. KERR. Did the Senator say that the statement of the Senator from Oklahoma was false?

Mr. BUSH. I did. I said that the statement the Senator had made was not a true statement.

Mr. KERR. Will the Senator repeat the statement with reference to which that remark was made?

Mr. BUSH. I want to be sure to get the right statement. There were 2 or 3 statements made which, I think, fall into that category, but I am not sure which ones I read. But I believe I said it about this statement which was made by the Senator from Oklahoma:

> Those in charge of our fiscal policy are doing everything in their power to destroy the confidence of the holders of Government bonds in the value of the bonds.

I say I do not believe that is a true statement.

I also stated that, in my opinion, the following statement is an untrue statement:

> Those responsible for the fiscal policy of the Government are doing everything in their power to increase the cost of the annual interest on those bonds.

Mr. KERR. Mr. President, will the Senator from Connecticut yield for a further question?

Mr. BUSH. I yield for a question.

Mr. KERR. What could they do in addition to what they have done that would increase the interest to a greater rate or to a greater amount?

Mr. BUSH. The administration has done nothing to cause an increase in interest rates. The reason goes back many years. The fault lies with the Truman administration. With the interest rates depressed, it was absolutely inevitable that the rates would go up when the Government returned to a sound fiscal policy and to a law which gives the Federal Reserve Board power over the money market. That began in 1951, as the Senator will remember.

Mr. KERR. Mr. President, will the Senator from Connecticut yield for another question?

Mr. BUSH. I yield.

Mr. KERR. Did the Senator make the statement a while ago that the Federal Reserve Board would loan money to any bank at 100 cents on the dollar on long-term bonds owned by member banks?

Mr. BUSH. The Senator from Connecticut made that statement.

Mr. KERR. Would the Senator tell us whether or not the Federal Reserve Board has authority to buy those bonds at 100 cents on the dollar?

Mr. BUSH. I do not believe the Federal Reserve Board would do so. It may have the authority. I do not think its authority is limited to what it will pay for bonds in the open market.

Mr. KERR. Will the Senator answer my question as to whether the Federal Reserve Board has authority to buy Government bonds at 100 cents on the dollar?

Mr. BUSH. In my opinion, the Federal Reserve Board has that authority. May I ask the Senator from Oklahoma if he does not agree with me about that?

Mr. KERR. I am certain of it.

Mr. BUSH. Yes. Then, will the Senator state his question?

Mr. KERR. I did, and the Senator has answered it. I should now like to ask this question: If the Federal Reserve Board declines to support the market on Government bonds, is it not inevitable, in the economic structure which we have, that the price of those bonds will continue to go down so long as the Secretary of the Treasury at the same time issues new bonds at a higher rate of interest than that of the outstanding bonds?

Mr. BUSH. I do not think that it is inevitable.

Mr. KERR. Mr. President, will the Senator yield for a further question?

Mr. BUSH. I yield for a further question.

Mr. KERR. I should like the Senator to explain to the Senate how it is that outstanding bonds at a fixed rate of interest will remain at par so long as there is an abundance of new bonds being issued at a higher rate of interest?

Mr. BUSH. The Senator will have to explain that to me. I do not see how they can.

Mr. KERR. I do not either, but the Senator answered a question in a way which indicated that he thought otherwise.

Mr. BUSH. Quite the contrary. I had no intention of answering the question in that way, and I do not believe I did.

Mr. KERR. Mr. President, will the Senator yield for another question?

Mr. BUSH. I shall be glad to yield for another question.

Mr. KERR. I read a report from the Associated Press, just off the wire, as the basis for a question which I wish to ask:

> Interest on Treasury bills, the Government's shortest-term security, today reached the highest point in 20 years.
>
> Secretary of the Treasury Humphrey announced that $1,500,701,000 (B) of the 91-day bills, dated June 4, had been sold at a discount equaling 2.416 percent interest. A Treasury official said this was the highest rate the Treasury has paid in 91-day buying since the money drought of the bank holiday in March 1933.
>
> The new issue replaces one of $1,301,388,000 (B) maturing June 4, and thus brought in approximately $200 million new money. This raised Treasury borrowing of new money since April 23 to $900 million. The Treasury plans to raise approximately $1,800,000,000 (B) new money through bills by June 25 by replacing all maturing issues through that date with issues of $1½ billion.

I desire to ask the Senator if that does not indicate that the Secretary of the Treasury is offering higher interest for money than has been paid in 20 years.

Mr. BUSH. It seems to indicate that, but, as I said a while ago, it was absolutely inevitable that he would have to do so if he operated the Treasury Department in accordance with the law which leaves the Federal Reserve Board in charge of the money market.

Mr. KERR. Does not the Federal Reserve Board have authority to buy 91-day bills, if it so desires, at a lesser rate of interest?

Mr. BUSH. The Federal Reserve Board?

Mr. KERR. Yes.

Mr. BUSH. So far as I know, it has that authority.

Mr. KERR. If the Secretary of the Treasury goes into the private market and pays a higher rate of interest than any other Secretary has paid in 20 years, when he has a Government agency available to him, is it not a matter of judgment on his part as to which course he should follow?

Mr. BUSH. He has not a Government agency available to him. The Federal Reserve Board is a creature of Congress. It does not report to the Secretary of the Treasury, and it does not do his bidding. Some years ago it was persuaded to do his bidding.

Mr. KERR. By whom?

Mr. BUSH. By the Democratic administration.

Mr. KERR. By whom in the Democratic administration?

Mr. BUSH. I presume by the Secretary of the Treasury.

Mr. KERR. Would it not be wonderful if the Republican Party had a Secretary of the Treasury with equal powers of persuasion?

Mr. BUSH. It certainly would not be.

Mr. KERR. Would it not save the taxpayers and the interest payers money if this administration had a Secretary of the Treasury with equally persuasive powers?

Mr. BUSH. It certainly would not. As I tried to demonstrate last week—and I will send the Senator from Oklahoma a marked copy of my speech—the policy of inflation cost the taxpayers and the citizens very much more than would any increase in interest rates in the money market.

Mr. KERR. Mr. President, will the Senator yield for a further question?

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. BUSH. I yield to the Senator from Indiana.

Mr. KERR. I thought the Senator from Connecticut yielded to me for another question.

Mr. BUSH. I do not want to be discourteous to the Senator from Oklahoma. I hope he does not feel that I have cut him off.

Mr. KERR. Mr. President, will the Senator yield for another question at this point?

Mr. BUSH. I yield for one more question.

Mr. KERR. If the Senator from Connecticut does not wish to be discourteous to the Senator from Oklahoma, how does he interpret the remark, made in my absence, that the statement I made was untrue?

Mr. BUSH. Mr. President, I can only interpret it by saying that I do not believe the Senator from Oklahoma intended to tell a deliberate untruth, and it was not my intention to accuse him

of doing so. I simply said that the statement was untrue, and I am trying to prove it to the Senator.

Mr. KERR. I must say that I would be greatly interested in listening to the proof.

Mr. BUSH. I assure the Senator from Oklahoma that I mean no discourtesy. This is a very important matter, and the truth must be told. I do not accuse the Senator of having deliberately told an untruth. I say that the Senator has been misled, misguided, and misinformed, and that he made a statement which is not correct. As a matter of fact, he made two or three such statements.

Mr. KERR. Mr. President, will the Senator yield for a question?

Mr. BUSH. I yield for a question.

Mr. KERR. If the Senator admits that one part of the administration has authority to buy bonds at a lesser rate of interest than another part of the administration is selling them for elsewhere, how can he arrive at a conclusion other than that the policies of the administration are resulting in higher rates of interest?

Mr. BUSH. I can only say that there is a difference of opinion between the Senator from Oklahoma and me as to what constitutes the administration. I have never admitted, and I do not believe anybody could admit, that the Federal Reserve Board is a part of the administration, in the sense that the Senator has used the word.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. BUSH. I yield to the Senator from Indiana.

Mr. CAPEHART. I think that possibly we are becoming a little confused on two points, as to which I think the record ought to be made perfectly clear.

Mr. BUSH. Mr. President, I yield the floor.

Mr. CAPEHART. Mr. President, I am sure no one wishes to leave the inference that the Government will not pay 100 cents on the dollar for Government bonds when they mature. Of course the Government will pay 100 cents on the dollar. I do not believe any of us desire to leave the inference—and I am certain this is true of Senators on both sides of the aisle—that Government bonds at the moment not worth 100 cents on the dollar, because we know that when the bonds mature the Government will pay 100 cents on the dollar.

Billions of dollars worth of bonds are maturing every few months. I think about $98 billion will mature during the next 14 or 18 months, and the Government will pay 100 cents on the dollar on those bonds.

The second point as to which I believe we are becoming a little confused is this: Everyone in America, including Senators on the other side of the aisle, wants to stop inflation. We do not want any more inflation. We do not desire any further depreciation, devaluation, or reduction of the purchasing power of the dollar. I think we would all agree to that 100 percent. I do not know of any Senator who would not agree with that statement.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. FERGUSON. Does the Senator from Indiana say that no one in the past administration wanted inflation? Was it not the policy of the last administration to have inflation?

Mr. CAPEHART. The end result has been inflation. I do not like to accuse them of it, but the end result has been inflation. However, all the 160 million people in America desire to have inflation stopped. All Americans want a stop put to the devaluation of the dollar. I think that is 100 percent true of everybody. Inflation must be ended. We cannot continue to have inflation. We cannot continue to devalue the purchasing power of the dollar. I think all of us will agree to that.

What is the best way to accomplish that objective? I presume we might well differ on methods of how best to do so. The present administration has adopted a policy it believes will put a stop to further inflation.

We do not desire to see the general price level rise. I am not referring to the prices of individual items, such as farm prices, because some farm prices are too low. I am talking about the general price level. We certainly do not want to see that level go any higher. We certainly do not want to see the consumers' index, which indicates the cost of things people buy, go any higher. The hope of the administration is that there may be an end of inflation. That is the desire of Mr. Humphrey, the Secretary of the Treasury, that is what all of us are hoping to see result, and the administration has adopted a method of accomplishing that objective.

Those who are criticizing Mr. Humphrey and the administration fail to tell the people of America why the program which has been adopted is being followed. It is being carried out in the best interests of the American people. If inflation and the depreciation of the dollar can be stopped, a great service will have been done for the people of the United States.

Mr. KERR. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. KERR. Would the Senator from Indiana tell us what the administration has done to stop inflation?

Mr. CAPEHART. The Senator from Oklahoma knows as well as I do what the administration has done to stop inflation. The administration is trying to decrease somewhat the supply of money. The Senator from Oklahoma knows that as well as I do. He knows as well as I do that when the Federal Reserve bank goes into the open market and buys Government bonds at par, that is inflationary.

Mr. KERR. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. KERR. Am I to understand the Senator is now telling us that the administration has stopped the Federal Reserve bank from doing that?

Mr. CAPEHART. We did not do it; the Senator's administration did it in 1951. President Truman did it, and I congratulate him on having done so.

Mr. KERR. I thought I asked what the administration of the Senator from Indiana was doing to stop inflation.

Mr. CAPEHART. We are continuing the policy begun by former President Truman and former Secretary of the Treasury Snyder; namely, of stopping the Federal Reserve bank from going into the open market and buying all Federal bonds that are offered for sale. We are continuing that policy.

Likewise, we are raising the interest rates on Government bonds, primarily in order to transfer billions of dollars of short-term bonds into longer-maturing bonds, because the Senator from Oklahoma, who is a businessman, knows that it is always dangerous for an individual, a company, or a corporation to have too much money coming due too soon. We are trying to convert the short-term bonds into long-term bonds, and likewise to get them into the hands of the people at an interest rate which will be attractive to them, so that they will buy 30-year and 40-year bonds and hold them as investments.

Mr. KERR. Mr. President, will the Senator yield for a further question?

Mr. CAPEHART. I yield.

Mr. KERR. As I understand, the Senator is now telling us that the policy of the present administration to stop inflation includes these two principal factors: First, a continuing, I believe he has said, of the policy of preventing the Federal Reserve bank from supporting the price of Government bonds.

Mr. CAPEHART. That is correct; it is a continuation of the old policy.

Mr. KERR. But it is one of the policies adopted by the present administration in an effort to stop inflation; is it?

Mr. CAPEHART. We certainly have not changed it, and the able Senator from Oklahoma knows that it does stop inflation.

Mr. KERR. I do not wish to argue about words; I simply wish to have a clear picture of the Senator's position.

The second factor in the policy of the administration to stop inflation is to increase the interest rate on Government bonds. Is that correct?

Mr. CAPEHART. The increasing of interest rates will have a tendency to stop inflation, but that is likewise made necessary because of the necessity of refinancing the enormous $267 billion debt which this administration inherited.

Mr. KERR. Mr. President, will the Senator yield for another question?

Mr. CAPEHART. I yield.

Mr. KERR. Does the Senator remember that a few years ago, when there were more bonds outstanding than there are now, 2½-percent bonds were selling at about 105?

Mr. CAPEHART. I remember that, and I remember also that during that entire period prices in America were in what we call an inflationary spiral, going up, up, up, and that it was costing the American people, American housewives, and others, literally billions and billions of dollars. It has been costing American taxpayers, by way of increased costs of articles which the Government buys, from $60 billion to $70 billion a year. It

has been increasing taxes. Inflation has been gradually pushing prices up, up, up. I am sure the able Senator from Oklahoma, as a businessman, would like to stop that. I am sure he would like to cooperate with the Republican Party in stopping it.

Mr. KERR. Mr. President, will the Senator yield for one moment?

Mr. CAPEHART. I yield.

Mr. KERR. The position of the Senator from Oklahoma in that regard is what it is. That is purely academic. I was only questioning the disinguished Senator from Indiana as to the policies of this administration in stopping inflation.

Mr. CAPEHART. We are trying to do it. Just give us a little time.

Mr. KERR. The two policies to which the Senator from Indiana has referred and stated are, first, continuation of the policy of the Federal Reserve Board in declining to support the price of Government bonds at any point.

Mr. CAPEHART. It is not supporting the price. The policy prior to 2 years ago, as the able Senator knows, was that the Federal Reserve bank was in the market buying all the United States Government bonds that were offerred for sale.

Mr. KERR. That no one else would buy.

Mr. CAPEHART. When no one else would buy them. I presume that was true.

Mr. KERR. The Senator now tells us that the policy of this administration is a continuation of the policy of not doing that.

Mr. CAPEHART. Up to this time we have not changed that policy.

Mr. KERR. The other element in the policy is to continue to increase the interest rate on Government bonds.

Mr. CAPEHART. We have increased the interest rate on Government bonds in order to convert the short-term bonds into long-maturing bonds, and place them in the hands of the public, rather than having so many of them in the hands of the banks.

Mr. KERR. Mr. President, will the Senator yield for another question?

Mr. CAPEHART. That is not all we are doing to stop inflation. We are likewise going to try to balance the budget. We are going to try to reduce expenditures. We are going to try to gain the confidence of the American people in a sound dollar, because in my opinion that will do more to stop inflation than any other single thing.

Mr. KERR. Mr. President, will the Senator yield for one more question?

Mr. CAPEHART. I yield.

Mr. KERR. At what point does the Senator think the Federal Reserve bank should support the price of Government bonds; and at what point does the Senator think the Secretary of the Treasury should stop increasing the interest rate on Government bonds?

Mr. CAPEHART. I do not think I could answer that question. I would certainly say that we ought to do it in the best interests of stability in the United States. I do not know at what point. I know one thing, and that is that all we are trying to do is to have a stable dollar, and to stop the eternal increases in prices in America. There are 80 million insurance policyholders in America. I do not want to see the value of their policies to their beneficiaries reduced, in terms of the purchasing power of the dollar. Millions of people are on fixed incomes; millions of people are on pensions.

Mr. KERR. Mr. President, will the Senator yield for a further question?

Mr. CAPEHART. I yield.

Mr. KERR. The Senator from Indiana tells us that the policy of the administration in this regard has been put into effect to stop the increase in the value of commodities, to stop the increase in the prices of things the people buy.

Mr. CAPEHART. The policy is to stop inflation.

Mr. BUSH. Mr. President——

Mr. KERR. In order that we may understand what the Senator is speaking about, and in order that the ordinary man may understand it, the Senator is referring to the prices of things we buy, is he not?

Mr. CAPEHART. Of course, the size of the dollar is not changed. It is the purchasing power of the dollar that is changed. To put it in language which I am sure the Senator can understand, we are trying to establish a dollar that will buy more of the things the people need in order to live.

Mr. KERR. That is just another way of saying that the administration is trying to increase the value of the dollar, is it not?

Mr. CAPEHART. What we are trying to do is to increase the buying power of the dollar.

Mr. KERR. Is not that the same as the value of the dollar?

Mr. CAPEHART. If it will please the Senator, I will say yes.

Mr. KERR. Mr. President, will the Senator answer this question——

Mr. BUSH. Mr. President, will the Senator yield to me?

Mr. KERR. Is not the result to bring about inflation of the value of the dollar and deflation of the value of everything else in relation to it?

Mr. CAPEHART. The Senator knows as well as I do what this administration is trying to do.

Mr. KERR. Mr. President, will the Senator answer my question?

Mr. CAPEHART. The Senator from Oklahoma is against inflation, as I am. The Senator does not want to see prices go up.

Mr. KERR. Mr. President, may I say something?

Mr. BUSH. Mr. President——

Mr. CAPEHART. We are trying to hold the price level.

Mr. KERR. Since the Senator has stated my position, will he not allow me to state it?

Mr. BUSH. Mr. President, will the Senator yield to me?

Mr. KERR. The Senator from Oklahoma is even more opposed to the inflation of the value of the dollar——

Mr. BUSH. Mr. President, I think I was recognized.

Mr. KERR. The Senator from Oklahoma is even more opposed to the inflation of the value of the dollar than he is to the inflation of the value of things which people have to trade for the dollar.

I wish to thank the distinguished Senator for making it clear that the policy of this administration is to stop the inflation of everything but the dollar, and that the policy of the administration in doing so is to increase the value of the dollar.

Mr. CAPEHART. The Senator——

Mr. KERR. I say to the Senator from Indiana that that policy results in inflation, but it is inflation of the value of the dollar rather than inflation of the value of the products of labor.

Mr. CAPEHART. The Senator himself does not understand what he has just said. No one else understands it. The Senator knows as well as I do what we are trying to do.

Mr. KERR. The Senator from Oklahoma knows too well not only what the present administration is trying to do, but what it has succeeded in doing.

Mr. CAPEHART. The Senator from Oklahoma is in favor of it. He knows that it is in the best interests of the American people to stop inflation and to establish a sounder dollar. He knows that as well as I do. He may well quarrel with our methods, but he certainly cannot quarrel with what we are trying to do. If he has a better way of doing it, I think he ought to rise on the floor of the Senate and offer some constructive way of doing what we are trying to do; namely, to stop inflation and establish a sounder dollar.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. KERR. Mr. President, will the Senator yield to me?

Mr. CAPEHART. I yield to the Senator from Connecticut.

Mr. BUSH. The Senator from Oklahoma asked the Senator from Indiana a question as to what this administration proposed to do to stop inflation.

Mr. KERR. Mr. President, I rise to a point of personal privilege.

The PRESIDING OFFICER (Mr. COOPER in the chair). Does the Senator from Indiana yield for that purpose?

Mr. CAPEHART. I yield.

Mr. KERR. If the Senator from Connecticut proposes to quote the Senator from Oklahoma, the Senator from Oklahoma asks that he do it accurately.

Mr. BUSH. Mr. President, I have no intention of misquoting the Senator from Oklahoma. My recollection is that he asked—and I tried to gain recognition to answer him at that point, about 10 minutes ago—if the Senator from Indiana would state what steps the administration had taken or proposed to take with respect to checking inflation. The Senator from Oklahoma did raise a question of that substance, did he not?

Mr. KERR. That is correct; but that is not what the Senator from Connecticut said when he started his discourse.

Mr. BUSH. I stand corrected. I am grateful to the Senator from Oklahoma for correcting me. I have no desire whatever to misquote the Senator from Oklahoma. I am sure he understands that.

I ask the Senator from Indiana if it is not true, in his opinion, that one of

the steps which this administration proposes to take and has, in fact, taken, is to recognize that control of the money markets lies legally in the province of the Federal Reserve Board and the Federal Reserve System. Is not that so?

Mr. CAPEHART. There is no question about it.

Mr. BUSH. I also ask the Senator from Indiana if it is not the expressed intention of this administration, in connection with the same project, namely, the stopping of inflation, to eliminate, so far as possible, waste and extravagance in Government, to reduce the number of Government employees wherever it can be done efficiently, and to economize wherever it can be done efficiently. Is not that another step?

Mr. CAPEHART. Certainly—to balance the budget and reduce waste.

Mr. BUSH. Thirdly, I ask the Senator from Indiana if it is not the expressed intention of this administration to balance the Federal budget and keep it in balance. Is not that point No. 3?

Mr. CAPEHART. I am certain that it is.

Mr. BUSH. Will the Senator not agree with me that if that three-point program is carried out, we shall, indeed, check inflation; and we shall, indeed, have a sound dollar? I may say that if we have a sound dollar, I do not agree with the implication the Senator from Oklahoma made, that prices need necessarily always go down. Indeed, in periods when we have had a sound dollar prices have often gone up, including the price of oil and other commodities.

Mr. KERR. Mr. President, will the Senator yield for a question?

Mr. CAPEHART. I yield.

Mr. KERR. The Senator from Oklahoma would like to ask the Senator from Connecticut or any other Senator to tell him, or this body, or the country, how we can increase the value of the dollar without decreasing the value of things for which the dollar is spent.

Mr. BUSH. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. Mr. President, if we were to follow the philosophy stated by the Senator from Oklahoma, prices would go up and they would continue to go up.

Mr. KERR. That was not the question.

Mr. CAPEHART. We always have a fluctuation in prices in every market under the private enterprise system. Under our system prices will always go up and down. What we are trying to do is to see to it that they do not go up any higher than they are at the moment, except on a gradual basis, and likewise that they do not go down. We are trying to bring about a stable price level, and to stabilize the economy of the country.

Mr. KERR. At what level does the Senator from Indiana think the price of cattle ought to be stabilized?

Mr. CAPEHART. I believe the price of cattle is entirely too low at the moment. I think it ought to go up. I do not know what the exact price should be. However, cattle is one segment of our economy that is too low in price.

Mr. KERR. Does not the Senator believe that the Secretary of Agriculture should use some of the authority he now has and make an effort to stabilize the price of cattle?

Mr. CAPEHART. If he has the authority under the law he ought to use it; yes. Of course he should not violate the law.

Mr. KERR. It is not a question of violating the law. It is a question of his using the prerogative which he has under the law. It is not a mandatory provision of law. Does not the Senator from Indiana believe that the Secretary of Agriculture ought to use such authority as he has, although it is not mandatory, to support the price of cattle?

Mr. CAPEHART. The Senator from Oklahoma knows the position of the senior Senator from Indiana with respect to farm prices and parity. I have always been for parity and always will be.

Mr. KERR. I am delighted that there is such an important question upon which the Senator from Indiana and the Senator from Oklahoma can agree.

Mr. CAPEHART. I will do everything necessary to protect the cattle grower, because I feel that the prosperity of the Nation depends entirely on the prosperity of the farmer. I have always believed so, and I shall continue to believe so.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. TOBEY. Mr. President, as I have listened to the controversy this morning and the references to such technical subjects as prices, parity, bonds, and inflation, I am reminded of what is written in the Good Book, in the Book of Job:

> Who is this that darkeneth counsel by words without knowledge?

Mr. KERR. Would the Senator from New Hampshire indicate whether that is an admission or an accusation; and if an accusation, against whom?

Mr. TOBEY. If the coat fits, put it on.

Mr. CAPEHART. Some of us must accept the responsibility for certain actions, and we are willing to accept that responsibility, and I think we have accepted. We will continue to do so. I do not know what the able Senator from New Hampshire meant, but it is perfectly all right with me.

Mr. KERR. I may say that that is another subject on which the Senator from Oklahoma and the Senator from Indiana find themselves on common ground.

Mr. GORE. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I yield to the Senator from Tennessee.

Mr. GORE. The Senator from Indiana said a few moments ago that it was the purpose of the administration to convert a large portion of the public debt into long-term securities. Is the Senator aware of the fact that that policy has already failed? Is he aware of the fact that as of this day the United States Treasury is exchanging 1-year bonds bearing 2⅝ percent interest for 10-year bonds which bear 2 percent interest? Is the Senator from Indiana aware of that fact?

Mr. CAPEHART. I think so. What is the point? What is the Senator trying to prove? All I am trying to say is that the policy of the administration is to stabilize the dollar and to put a stop to further inflation and give the American people more purchasing power with the dollar.

Mr. GORE. I hope the Senator will answer the question.

Mr. CAPEHART. As a result, I think we can reduce the people's taxes and maintain prosperity, because we cannot forever have prices going up, up, and up. We had better stop at some point.

Mr. GORE. I trust the Senator will attempt to answer my question, instead of leaping over it.

Mr. CAPEHART. It is rather hard to answer the Senator's question, because I do not know what he means. Will he restate the question?

Mr. GORE. I shall be very glad to restate it. The Senator stated on the floor only a few minutes ago that it was the policy of the Treasury Department and the administration to convert a large amount of the public debt from short-term bonds into long-term bonds.

Mr. CAPEHART. That is correct.

Mr. GORE. The Senator from Indiana acknowledges that he made that statement?

Mr. CAPEHART. I think that is what they would like to do. In my opinion, that is what they ought to do. I hope they will be able to do it.

Mr. GORE. Does the Senator from Indiana realize that after the issuance of $1 billion plus in long-term bonds, the Treasury has turned in the other direction and is now exchanging short-term bonds for long-term bonds?

Mr. CAPEHART. There is nothing unusual about that. That is the way to handle these matters. In other words, Mr. President, the Treasury issues bonds, long-term and then perhaps it will want to put out another issue in a month, or in 90 days. In the interim it would certainly want to put out a short-term issue. The American people cannot absorb in 30 or 40 years all of the 267 billion dollars in debt.

Mr. GORE. The record stands, then, that except for one refinancing operation of $1 billion-plus in long-term bonds, which is the opinion of the junior Senator from Tennessee was for too long a period and at too high a rate of interest, thus demoralizing the money market, the Treasury is now engaged in refinancing $5 billion plus, none of which is in long-term bonds, and some of which is in a 1-year issue exchange for a 10-year issue.

Mr. CAPEHART. That is very easy to understand.

Mr. GORE. I am pleased that the Senator from Indiana understands it, but——

Mr. CAPEHART. If the Senator from Tennessee will stop for a moment, I will explain it to him. That happens all the time in operating a business. In other words, Mr. President, a business puts out a bond issue for 20 or 30 years, or it puts out debentures. Then it may borrow money for 90 days or for 6 months in order to operate. That is not unusual. It is a very orthodox and sound procedure. The Senator from Tennessee need not worry about it at all.

Mr. GORE. That is something the Senator from Indiana is not worried about; but about which the junior Sen-

ator from Tennessee is worried, and I daresay the people of this country are worried. I daresay the holders of bonds who are now having to take far below par for them are worried about it, too.

Mr. CAPEHART. When the bonds mature they will receive par. The Senator from Tennessee does not want anyone listening to the debate to believe that he is saying the United States Government will not pay par on the bonds when they mature; does he?

Mr. GORE. No.

Mr. CAPEHART. I hope not.

Mr. GORE. Nor do I believe the Senator from Indiana, able Senator that he is, wants the people to understand that if they have a $1,000 bond bearing 2½-percent interest, which they wish to dispose of now, for whatever urgent reason they may have, they can get anywhere near par for it. The price broke below 90 yesterday.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. BUSH. I should like to ask the Senator from Tennessee: If he thinks the Federal Government should support the Government bond market in long-term bonds at par all the time? Does the Senator from Tennessee believe that?

Mr. GORE. I shall be glad to respond to that question after the distinguished and able Senator from Indiana responds to the question I submitted to him.

Mr. CAPEHART. Will the Senator from Tennessee repeat the question?

Mr. BUSH. I should like to have an answer to my question.

Mr. CAPEHART. I can answer for the Senator from Tennessee, the question of the Senator from Connecticut. The Senator from Tennessee does not expect the Federal Government to do it.

Mr. GORE. What was that answer?

Mr. CAPEHART. I said I could answer the question of the Senator from Connecticut for the Senator from Tennessee.

Mr. GORE. Mr. President, I do not want the Senator to answer for me. I have asked the Senator from Indiana a question. Please let me have his answer first.

Mr. CAPEHART. What was the Senator's question?

Mr. GORE. I want to know whether the Senator from Indiana, able and distinguished and patriotic Senator that he is, who is willing to accept the responsibility to which he referred a moment ago, wants to leave the impression on the Senate or on the country that a widow, who has saved her money and purchased in good faith, a $1,000 bond, can now get any more than $900 for it?

Mr. CAPEHART. I think there are some issues which are selling as low as 91. However, let me say that when she bought her bond she knew it was a 10 or 20-year bond, and at the end of that period she would receive 100 cents on the dollar. In the meantime she has been paid interest on the bond twice a year. The bond has declined in price at the moment. Some of them are selling as low as 91. If she sold it today she would get $910 for it.

Mr. GORE. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I yield.

Mr. GORE. The Senator speaks of 91. I fear he did not look at the market yesterday; the bonds broke below 90. They were down to 89-plus; and I should like to inform the Senator from Indiana——

Mr. CAPEHART. If it will make the Senator from Tennessee feel any better, then I will say 90.

Mr. GORE. I should also like to inform the Senator from Indiana that when the market opened this morning it was down again.

Mr. BUSH. Mr. President, will the Senator from Indiana yield to me?

Mr. CAPEHART. No, Mr. President; I do not yield at this point. I wish to make a statement.

There is no question that after 20 years of mismanagement and after 20 years of running up a $267 billion debt and after 20 years of squandering money, it is hard to handle this situation at the moment. The Senators on the other side of the aisle should give us a little time, because how would they like to have inherited a $267 billion debt, with $98 billion of it coming due, let us say, within 14 months.

Mr. GORE. We tried hard to obtain the privilege of continuing that responsibility. [Laughter].

Mr. CAPEHART. I know that, but the American people said they did not want any more of it. The American people voted to stabilize the dollar and to put a stop to these huge expenditures and huge debts.

Mr. GORE. Mr. President, will the Senator from Indiana yield further?

Mr. BUSH. Mr. President, will the Senator from Indiana yield to me, so that I may obtain from the Senator from Tennessee an answer to my question, inasmuch as a few minutes ago the Senator from Indiana asked me to wait for a moment?

Mr. CAPEHART. Yes; I yield now to the Senator from Connecticut.

Mr. BUSH. Mr. President, again I ask the Senator from Tennessee—now that he has heard my friend, the Senator from Indiana, so carefully answer the first question—whether he will answer my question.

Mr. GORE. Mr. President, will the Senator from Indiana yield to me?

Mr. CAPEHART. I yield.

Mr. GORE. I will say to the distinguished and able Senator from Connecticut that I am anxious to answer his question, but I decline to do so until I obtain an answer to my question from the distinguished chairman of the Banking and Currency Committee.

Mr. CAPEHART. Mr. President, it seems to me the Senator is getting a little ridiculous and a little silly, because I answered his question a moment ago.

Mr. GORE. Mr. President, will the Senator from Indiana state the answer?

Mr. CAPEHART. I thought I did; I said some issues are selling for 91.

Mr. GORE. Then the Senator from Indiana does not mean to leave the impression that the saver—for whom the distinguished Senator from Connecticut spoke the other day—can market his holdings of 2½-percent United States Government bonds for as much as 90 percent of par today.

Mr. CAPEHART. I said a few issues are selling that low. But the great bulk of the Government bonds now in the hands of the American people are series E, F, G, H, and I bonds; and with those bonds the American people can drop into the bank or the post office tomorrow and can get their money, 100 cents on the dollar. The able Senator from Tennessee knows that to be so.

Mr. GORE. Does the Senator from Indiana know of any United States Government bond, except the issues to which he has just referred—even though he said a few are selling low—which are not selling below par—including the latest issue?

Mr. CAPEHART. Yes, I think there are some above par.

Mr. GORE. Will the Senator from Indiana name them?

Mr. CAPEHART. I cannot remember what they are, but I wish the Senator from Tennessee would take my word for it. If he finds I am wrong, he can correct the RECORD tomorrow.

Mr. GORE. I will surely take the distinguished Senator's word, but I also request him to check again and give me any advice he may receive.

Mr. BUSH. Mr. President, will the Senator from Indiana yield now to me?

Mr. CAPEHART. I yield.

Mr. BUSH. Is the Senator from Tennessee now prepared to answer my question?

Mr. GORE. Will the Senator from Connecticut restate it?

Mr. BUSH. The question is whether the Senator from Tennessee believes the Federal Government should support at par the market for all Government bonds, so that the friend of the Senator from Tennessee who bought a Government bond at par, and now finds it worth only 90, let us say—in the case of 2½-percent bond—could immediately turn it in at par, even though it does not mature for 20 years. Does the Senator from Tennessee think that should be done?

Mr. GORE. Mr. President, will the Senator from Indiana now yield to me sufficient time to enable me to reply to the Senator from Connecticut?

Mr. CAPEHART. How much time does the Senator from Tennessee desire to have yielded to him?

Mr. GORE. I would say 5 minutes.

Mr. CAPEHART. That would be sufficient time to make a speech. Cannot the Senator from Tennessee make his reply in a little less time? It seems to me he could answer the question by stating either "Yes" or "No."

Mr. GORE. I would be glad to state the reply in 4½ minutes.

Mr. CAPEHART. Why cannot the Senator from Tennessee answer the question "Yes" or "No"?

Mr. BUSH. Mr. President, the question can be answered "Yes" or "No," and I care not much which way the Senator from Tennessee answers it.

Mr. CAPEHART. Is the Senator from Tennessee afraid to answer the question by saying either "Yes" or "No"?

Mr. GORE. I do not wish to be compelled to give a "Yes" or "No" answer to a question that deserves, as well as requires, some explanation.

Mr. CAPEHART. Could the Senator from Tennessee answer the question by

saying "maybe?" We shall be satisfied with a "maybe" answer. Will the Senator from Tennessee answer the question by saying "maybe"?

Mr. GORE. I shall be very glad to make my own answer, if the Senator from Indiana will yield for that purpose.

Mr. CAPEHART. Mr. President, I do not care to yield anymore, because I think we have taken up enough time.

Mr. TOBEY. Mr. President, will the Senator from Indiana yield to me?

Mr. CAPEHART. I yield to the Senator from New Hampshire.

Mr. TOBEY. For the benefit of the Senator from Tennessee, who asked about the selling price of Government bonds, let me read from the financial section of yesterday's New York Times. The Senator from Tennessee asked whether any Government bonds are selling at par. The answer is that three issues of Government bonds are selling either at par or above par; and in support of that statement I now read from the financial section of yesterday's New York Times:

2-¾s, 1950-56: bid, 101.20; asked 102.0.
2-¾s, 1953-58: bid, 102.12; asked, 102.24.
2-¾s, 1955-60: bid, 103.0; asked, 104.0.

Those are three instances in which Government bonds are selling anywhere from par to 3 points above par.

Mr. GORE. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. No, Mr. President, I do not care to yield.

Mr. President, I simply wish to say, in closing, that the administration has a big job because it has a $267 billion debt to handle and it has approximately $70 billion worth of expenditures to finance each year.

I do not think we are wrong in what we are trying to do. Perhaps we are, but I do not admit we are wrong. I think we are right. What we are trying to do is to stop further inflation and restore more purchasing power to the American dollar. I think that is exactly what all the 160 million American people want us to do.

If Senators on the other side of the aisle will simply give us a little time, instead of complaining and needling us every day, as has been occurring on the floor of the Senate for the last 2 or 3 weeks, I think we shall get the job done.

Mr. GORE. Mr. President, in my own time, I shall be glad now to make reply to the question asked by the Senator from Connecticut.

In the first place, we must proceed from where we are. The Senator from Connecticut asked me if I would favor action on the part of the United States Government to support all Government bonds at par.

Mr. President, to do that would be to use the power of the Government, in one fell swoop, to regain all the ground which has been lost. Who would profit by that? The holders of bonds who in the meantime have sold them to the banks? According to the Senator from Connecticut—and with the statement I agree—banks can take them to the Federal Reserve banks and can borrow 100 cents on the dollar. Now that the Government has driven down the price of the bonds, or has permitted the price of the bonds to fall even below 90, would the Senator from Connecticut have the Government reward those who have bought the bonds, by pushing the price of the bonds all the way back to par? That would be a serious operation. I would not now be prepared to see my Government, with my consent, give a financial windfall of such proportions to the financial institutions of the country.

For weeks, Mr. President, the junior Senator from Tennessee has been pleading with the Government to stop the decline in the value of securities in the hands of the American people and in the hands of the institutions of the country. Failing to do so, much ground, great assets have been lost. It is very difficult to regain the lost ground. I should like to see the Government of the United States give support to the bonds of the United States Government. As I have said, I would not be prepared to see the Government, summarily, by one act, make an increase from 89 back to 100, but I would hope that some action would be initiated immediately to prevent a further decline.

The distinguished Senator from Indiana referred to the public debt. The distinguished Senator from Connecticut, as I recall, recently referred to the free money market. I ask, where is there a free money market? I inquire, how can this money stream flow freely and evenly, when it is dammed up by a $267 billion debt? The dam is larger than the stream. Yet we have the Treasury Department of the Government saying that it is going to allow the free money market to fix the rate of interest on Government bonds. With a policy of that kind I would agree were we not overburdened with an enormous debt. I wish I could find myself in agreement with that kind of policy, but I could find myself in agreement only after we had reduced by a sizable sum the present enormous debt, which overwhelms the money market of the country—and then only after there had been some regulation.

The Senator from Connecticut referred to the operation of the Federal Reserve Board through its open market committee of past years, as if that were a very bad thing. Let me inform the Senator that, according to my advice, when the market opened this morning, Government bonds were again on a decline, with practically no bidders. What happened? Today the open market committee of the Federal Reserve Board stepped in and bought $81 million of bills, and the United States Federal Reserve Bank of New York stepped in and bought for the Treasury account $3 million of long-term bonds, which were virtually going without a purchaser at yesterday's closing rate.

Ah, Mr. President, perhaps we have done some good. Perhaps the speech made yesterday afternoon by the distinguished stalwart Senator from Oklahoma, great Senator that he is, had some effect. Instead of condemning the action taken this morning by the Federal Reserve System, I applaud it. I think it high time that a government which has the largest public debt in the history of the world should take action to give some support, some integrity, some encouragement, to the value of its securities.

For the attention of the United States Senate, let me read something from the Wall Street Journal of today:

New York City dealers raised the interest rates on commercial paper they sell to banks and investors for the fourth time in 3 months.

Mr. President, I want the Senator from Connecticut to hear that. Did the Senator hear it?

Mr. BUSH. I am sorry, I did not hear the Senator.

Mr. GORE. I shall be glad to read it again for the Senator, because it shows the consequences of the present policy.

Mr. BUSH. If I may interrupt the Senator, will the Senator begin where he wants me to hear, please?

Mr. GORE. I want the Senator to hear it, from alpha to omega.

Mr. BUSH. That is what I want to hear.

Mr. GORE. I read from the Wall Street Journal of today:

New York City dealers raised the interest rates on commercial paper they sell to banks and investors for the fourth time in 3 months.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. GORE. I yield to the Senator from Connecticut.

Mr. BUSH. The Senator regards the Wall Street Journal as pretty good authority in such matters as interest rates, money markets, and things of that sort, does he not?

Mr. GORE. I regard it as a journal that reports news from the financial districts of the country with remarkable accuracy.

Mr. BUSH. I should be glad to send the Senator a recent editorial from the Wall Street Journal, in which it applauds the policy of this administration regarding a stable dollar, and stabilizing the value of the dollar by keeping its hands out of the money market and out of the Federal Reserve System's business. I think the Senator will find it a very interesting editorial.

Mr. GORE. Mr. President, I shall be glad to receive the editorial, or any other advice and information which the distinguished and able Senator from Connecticut desires to submit. However, I did not go further than to compliment the Wall Street Journal upon being an accurate reporting medium in the publication of news respecting financial matters. The junior Senator from Tennessee—I almost called myself "the distinguished junior Senator from Tennessee——"

Mr. BUSH. Mr. President, that would not be inappropriate.

Mr. GORE. Thank you. I confess I become mixed up a bit in the use of what is to me the new language of the Senate. I did not intend to endorse the editorial policy of the Wall Street Journal, nor do I intend to follow its editorial policy. What I am complaining about is that the monetary authorities of the administration are lending a sympathetic ear, an ear which is entirely too sympathetic, to the money marts of the country. I am glad to know that there was some stabilization of the market today as the result

of action on the part of the open market committee of the Federal Reserve Board.

Mr. KERR. Mr. President, will the Senator yield for a question?

Mr. GORE. I yield.

Mr. KERR. Does not the Senator from Tennessee feel that, with the Federal Government faced with carrying the present tremendous debt and refinancing it, it should follow some policy that will give the people sufficient confidence in the bonds of the United States, so that as the Government finds it necessary to offer new issues, the people will respond to the extent of their ability in buying them?

Mr. GORE. Mr. President, without the confidence of the American people, our entire monetary system is but an inverted pyramid. It is the confidence of the American people that supports the monetary system and allows our banking system to operate. I think it absolutely imperative that confidence in the securities of the United States Government be maintained.

Mr. KERR. Mr. President, will the Senator yield for a further question?

Mr. GORE. I yield.

Mr. KERR. Does the Senator not think that a government which treats its outstanding obligations as orphans of the storm of the so-called free money market will find itself in a position where it will be impossible for it to offer successfully long-term bonds at a reasonable rate of interest?

Mr. GORE. Mr. President, I believe an affirmative answer is the only one that can be given, in truth and in fact, to the interrogation of the brilliant and able senior Senator from Oklahoma.

Mr. GRISWOLD. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Nebraska?

Mr. GORE. I yield with delight to my friend the able Senator from Nebraska.

Mr. GRISWOLD. I am wondering if the junior Senator from Tennessee is in any way interested in the stability of the purchasing power of the American dollar?

Mr. GORE. Mr. President, were the Senator more familiar with the record of the junior Senator from Tennessee for the past 14 years in fighting inflation, it is doubtful that he would propound such an inquiry. Indeed, I am interested in stability. Stability is that for which I am pleading. But, Mr. President, for the Secretary of the Treasury to give a 40-percent increase in the rate of interest on Government short-term securities is not stability; it is deflation. For the Secretary of the Treasury to bull the market and give a 30-percent increase in the interest rate on long-term bonds is not stability; it is disruption of stability; it is instability.

Mr. GRISWOLD. Mr. President, will the Senator from Tennessee yield for another question?

Mr. GORE. I yield.

Mr. GRISWOLD. I happen to be a small-business man and I deal constantly with farmers. Has the Senator from Tennessee ever heard of a case such as that which was reported to me last year of a man who had a $1,000 bond for which some years ago he paid $750? He told me that he had sold 10 cows in order to buy the bond. The Government was living up to its obligation; it was paying him $1,000, but at the end of 10 years the money would buy only four cows. During that time the farmer had lost six head of cattle.

I consider that to be instability in the purchasing power of the American dollar; and it has been brought about by keeping the price of bonds pegged and continuing the inflationary policy. That is what has brought us to the situation in which we find ourselves today. I am wondering if the Senator from Tennessee approves of that kind of policy, that kind of fraud which has been practiced on the people of the United States.

Mr. GORE. Mr. President, the distinguished Senator from Nebraska must be referring to two different kinds of cattle. He is referring, in one instance, to a Democratic cow, and in the other instance to a Republican cow.

Mr. GRISWOLD. No; the Senator is mistaken. Let me correct the RECORD.

Mr. GORE. I decline to yield until I finish my response.

I am glad to say to the Senator, as a farmer of small means in Tennessee, that if the farmer mentioned by the Senator will send me his bond I will sell him seven Eisenhower cows for it.

Mr. KERR. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I yield.

Mr. KERR. Would the Senator be surprised to know that, instead of cattle being at a price where only 3 could be bought for a thousand dollars, only yesterday in the market in Nebraska and Oklahoma cattle were selling for less than $60 a head, instead of $330 apiece. If the Senator from Nebraska does not know that, he had better go back home and find it out.

Mr. GRISWOLD. Mr. President, I want to correct the RECORD.

Mr. GORE. I yield for whatever correction of the RECORD the Senator wishes to make.

Mr. GRISWOLD. Mr. President, I should like to state that in Nebraska we are not selling Nebraska cows for the amount to which the Senator from Oklahoma has referred. I should like to remind him that in 1940, after the Democratic administration had been in power for many years, the average price of cattle was 7 cents a pound and the average price of hogs was 5 cents a pound. That was during the glorious agricultural prosperity to which our Democratic friends refer.

Mr. KERR. And back to which Secretary Benson is doing his best to take us.

Mr. GORE. Mr. President, the distinguished Senator from Nebraska has raised an interesting question. Let us compare the fall in the price of a Government bond with the fall in the price of cattle, and let us compare the rise in the interest rate with the fall of prices of farm commodities. Let us look at the seesaw as it has operated. Yes, Government bonds were down yesterday below 90. There has been some question in the public mind as to which would first break 90—the President in his golf game, or the bonds in the so-called free market. I believe the bonds beat him to it. The going interest rate has been increased by this administration by more than 40 percent on short-term bonds, including the new issue, out today, about which the distinguished senior Senator from Oklahoma read an Associated Press bulletin. The interest rate on commercial paper, as I have just read, had its fourth increase in 3 months yesterday. What has happened on the other side of this seesaw? The prices of cattle of which the Senator speaks have been going down and down and down. I do not know exactly what the market is in Nebraska. The Senator from Tennessee knows that he sold some cattle last week and hopes to sell some more next week, and would be very pleased to exchange 7 cows for the $1,000 bond to which the Senator from Nebraska has referred.

Mr. KERR. Mr. President, will the Senator yield for a question?

Mr. GORE. I yield.

Mr. KERR. The Senator has referred to the increase in the interest rate on Government bonds amounting to 40 percent. Would the Senator state, when it is fully implemented with reference to the outstanding indebtedness, even though it is not increased further, how much more it will cost the American taxpayers to pay the interest on the public debt each year than it had been costing them before the increased interest rate was put into effect?

Mr. GORE. I am sure the distinguished Senator from Oklahoma is a better mathematician than is the junior Senator from Tennessee, but it is axiomatic that a 1 percent interest increase on a $267 billion debt is $2,600,000,000 a year.

Mr. KERR. Which must be paid by the American taxpayers.

Mr. GORE. Indeed, so.

Mr. KERR. And the 1 percent about which the Senator speaks is approximately the amount which has already been added to the cost of financing the Government debt.

Mr. GORE. I believe that is generally true. But that is by no means the more serious cost and consequence of this policy. Let us extend consideration momentarily, once again, to the people who bought Government bonds in good faith, but who, because, maybe, of sickness in the family, or for some other reason, must now market a thousand-dollar bond for less than $900. Let us consider, also, the consequence to the borrowers of the country of a fourth increase in commercial interest rates in 3 months. Let us consider what it means to the GI home-loan program as to which we have heard it said, and about which we have had assurances, that if we would permit the increase of interest on GI loans to 4½ percent the program could move forward. But what has happened?

Bankers and home builders from my State last week told me they could not now sell GI 4½-percent mortgages because insurance companies and other secondary markets for GI loans, say, "Oh, it costs money to service a mortgage, and there is some risk involved. We simply prefer a 3¼ percent Government bond. Furthermore, we think that

if we wait a little while, the rate will be 3½ percent."

Let us think of that. The GI mortgage interest rate will have to go up to 5 percent if this policy continues.

Let us also consider the consequences of such a policy in tightening up the economy of the country. It will cause one industry after another to defer or cancel expansion. Unemployment will be sure to follow, unless there is a turn.

It may be, Mr. President, that the entrance into the market today by the open market committee of the Federal Reserve System will cause a turning of the tide. I hope so.

Mr. LONG. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. LONG. I notice reference was made to the fact that the Wall Street Journal has applauded the policy of raising interest rates. I am certain that many other prominent newspapers likewise have done so. We have been told in the Senate that the raising of interest rates is part of a program to provide a dollar that will purchase more. Did the Senator from Tennessee hear that statement made on the floor of the Senate today?

Mr. GORE. I believe the words were "a little more."

Mr. LONG. The Senator from Tennessee can understand why bankers, engaged in the business of lending money and collecting interest, would be pleased to see two things happen: First, to have dollars so valued that they will buy more; second, to have interest rates increased, so that moneylenders will be able to get more dollars. Can the Senator understand why bankers, particularly Wall Street bankers, might applaud such a policy?

Mr. GORE. I do not have the instincts of a banker. I find myself in some difficulty imagining how a banker would react to that set of circumstances. However, it is my imagination that it would be music to his ears.

Mr. LONG. On the other hand, can the Senator from Tennessee appreciate how a farmer might feel, when he has to sell a greater number of cattle in order to get dollars; when he has to work harder to get dollars with which to repay his debts, and he has to pay more dollars in order to pay for the money he owes on his farm?

Mr. GORE. That question is like throwing a rabbit into a briar patch. Certainly I know what the farmer's reaction would be. I was born and bred on a farm, and still operate one. I am losing money now on cattle. Yes; I know how a farmer feels.

Mr. LONG. Did the Senator notice the story recently in the press that profits in manufacturing industries during the last year were down about 10 percent and that, on the other hand, during the same period banks made the largest profits, after taxes, they have ever made in the history of the United States?

Mr. GORE. Yes; I read that report.

Mr. LONG. Does it not stand to reason that, as interest rates are increased, small-business men, who must borrow money, will find themselves in debt and will have their expenses increased?

Mr. GORE. That is but one more consequence of a policy which, unless checked, may have disastrous effects upon the economy of the United States.

Mr. LONG. Does not that mean that when a man undertakes to start a new business, and tries to make the business successful through the use of money he is able to earn, he will have to pay more for the capital he must borrow, which will leave less for his own enterprise and initiative?

Mr. GORE. I agree thoroughly with the Senator.

Mr. ELLENDER. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I now yield to the senior Senator from Louisiana.

Mr. ELLENDER. The distinguished Senator from Tennessee has been talking about the dire consequences that will follow to veterans, to farmers, to small-business men, and others. A while ago, the distinguished Senator from Connecticut [Mr. BUSH] stated that one of the three things necessary in order to bring back the value of the dollar, and thereby increase its purchasing power, was to balance the budget.

Does not the Senator from Tennessee agree that since the interest rate on bonds has been increased for certain issues, the same trend will continue, and that the interest rate on short-term bonds that have become due will rise?

Mr. GORE. I see no other possible result of the policies now under way.

Mr. ELLENDER. Three or four months ago, before the interest rate on bonds arose, the interest charge on our enormous debt aggregated about $6.5 billion. If the present debt were financed at an interest rate of 3¼ percent, such as we are now talking about, the interest load would increase to almost $9 billion, or almost $2½ billion more, all of which would have to be added to our present expenses. In other words it would further increase our deficit.

Mr. GORE. I appreciate the statement made by the distinguished and able senior Senator from Louisiana. I wish to remind him that the sum of which he speaks is considerably more than the entire expenditures of the United States Government a few years ago, when I came to the House of Representatives. Yet it is the policy, as announced here today, to convert a large amount of the public debt to long-term, higher interest rate bonds.

I see no particular magic or virtue in a 30-year bond. Does the Senator from Louisiana see any justification or any particular merit in placing the Government debt on a 30-year basis?

Mr. ELLENDER. I do not, except that such bonds might find a better market with insurance companies and similar institutions that deal in long-term paper.

Mr. GORE. Neither do I. I am not prepared to say that some part of the public debt, perhaps a considerable part, should not be in long-term financing, but I do not believe that, in order to place a large part of the debt in long-term securities, we should either materially increase the burden of carrying the debt, as the Senator has described, or raise the interest rate so precipitously as to demoralize the money market and shake the confidence of the people in the securities of their Government, to which the distinguished Senator from Oklahoma [Mr. KERR] a few moments ago referred.

Mr. KERR. Mr. President, will the Senator yield?

Mr. GORE. I yield to the Senator from Oklahoma.

Mr. KERR. Would the distinguished Senator from Tennessee, who has so ably and brilliantly presented the matter he has been discussing, join with me in warning this administration that they can very easily make dollars so hard that it will become impossible for the average man to get a sufficient number of them to exist in any kind of security?

Mr. GORE. I shall be glad to join the Senator in such a warning. However, I would rather place it more on the basis of a plea that the administration recognize the consequences and possible dangers that lie ahead if this policy is pursued. I am not sure that the dangers are too far ahead, because I have in my possession indications that concerns that but a few months ago considered themselves sound, are now on a shaky basis, because their assets have been to a considerable extent placed in Government bonds, which are now drastically reduced in value. True, the banks can go to the Federal Reserve bank and get 100 cents on the dollar, but a private concern which is not a banking institution cannot do so. Is that not correct?

Mr. KERR. That is correct.

Mr. President, will the Senator yield for another question?

Mr. GORE. I yield.

Mr. KERR. Is it not one of the best known facts of economics that it is much easier to start a deflation than it is to check one?

Mr. GORE. Indeed so. That prompts me to say this in further response to the question of the Senator from Connecticut: I do not contend that the policy which was followed throughout World War II, of rigidly pegging the interest rate on Government bonds, could forever be followed without any degree of flexibility. I sincerely believe that there is room to give the open money market some play, and assign to it its proper influence in arriving at the fair interest rate on Government bonds. But, Mr. President, instead of moderation the present Secretary of the Treasury has turned and gone off the deep end in the other direction. He has undertaken to let the so-called free money markets alone fix the interest rate on United States Government bonds. I say that is fallacious. I say that there is no such thing as a free money market when there is a $267 billion United States Government debt.

Mr. President, I yield the floor.

Mr. KERR subsequently said: Mr. President, I desire very briefly to refer to the remarks of the distinguished Senator from Connecticut [Mr. BUSH], who today accused the senior Senator from Oklahoma of having made false, untrue, and dangerous statements to the Sen-

ate about the Republican administration's financial position.

Yesterday afternoon, Mr. President, the Senator from Oklahoma called attention to the drastic decline in the market value of Government bonds. There was considerable discussion, participated in by various Members of the Senate, in which it was made clear that we felt that the Federal Reserve Board, both for itself and for the United States Treasury account, should enter into the market and should support the price of long-term Government bonds, which had so drastically declined in yesterday's market. When the market opened this morning, Mr. President, 3¼-percent long-term bonds recently issued by the Treasury were down an additional four thirty-seconds of a point, to the level of 98^{16}/$_{32}$. The 2½-percent long-term bonds were selling at 89^{2}/$_{32}$, a decline of four thirty-seconds from the close on yesterday.

The Senator from Oklahoma would not presume to indicate that what the Federal Reserve Board did today was caused by what was said on the floor of the Senate yesterday; but when the report of the Federal Reserve Board comes out later this week, Mr. President, it will disclose that the Board, for its own account and for the Treasury account, of which it has custody, entered the market on Government bonds and bills today, and bought more than $100 million of Government paper.

Mr. President, that information did not pass without notice in the money markets of the country. It flashed like an electric flame in the quarters where the market for Government bonds is made; and in a little while the 3¼-percent bonds were selling at yesterday's close; and when the market closed today, those bonds were selling at 98 24/32ds, which was eight-thirty-seconds, or a full one-fourth of 1 point above their opening price this morning, and four-thirty-seconds above their closing price yesterday. The 2½-percent long-term bonds shortly recovered the price at which they had opened, which was the figure at which they were selling, day before yesterday at the market's close. By the time the market closed today, those bonds were selling at 8 points above yesterday's close, and considerably more, I believe 10 or 12 points, above their opening price today.

Mr. President, I desire to commend the Federal Reserve Board for the action it took today. It illustrates what the present administration can do to help maintain the confidence of the people in Government bonds. I appreciate what the distinguished senior Senator from Indiana [Mr. CAPEHART] said on this floor today. He demonstrated that what the senior Senator from Oklahoma had said yesterday afternoon was neither false nor untrue; because the Senator from Indiana stated forthrightly and frankly on the Senate floor today that it was the policy of the present administration to do that which would increase the value of the dollar and would increase the interest rate. The youngest student of economics knows that those policies are calculated to reduce the value of long-term outstanding Government bonds bearing low-interest rates.

Mr. President, the record of this day's events corroborates what the Senator from Oklahoma said yesterday afternoon. Let the voices of those who believe otherwise, or who desire otherwise, sound in this Chamber and echo across the land, until every man and woman in America knows what the policy of the present administration is, and how easily its policies may either encourage the decline in the value of Government bonds, or sustain and support their value; and then, Mr. President, let the record of their own deeds prove whose statements are false, untrue, or dangerous.

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE APPROPRIATIONS, 1954

The Senate resumed the consideration of the bill (H. R. 4974) making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes.

The PRESIDING OFFICER (Mr. BEALL in the chair). The clerk will state the next committee amendment.

The next amendment was, on page 24, after line 17, to strike out:

SEC. 202. Not to exceed $750,000 in the aggregate from the appropriations made in this title for general administration, general legal activities, and United States attorneys and marshals shall be available, without regard to the Classification Act of 1949, for compensation (not to exceed $14,000 per annum) of United States attorneys and special attorneys and special assistants to the Attorney General and to United States attorneys not otherwise provided for: *Provided*, That reports be submitted to the Congress on the 1st of July and January showing the names of the persons employed under the foregoing limitation, the annual rate of compensation or amount of any fee paid to each, together with a description of their duties.

Mr. ELLENDER. Mr. President, I have a notation that this amendment was to be passed over. A Senator asked me to request that it be passed over.

Mr. BRIDGES. Does the Senator refer to the item for salaries of United States attorneys?

Mr. ELLENDER. I refer to the amendment on page 25.

Mr. BRIDGES. I had an idea that it was the item with respect to United States marshals which was to be passed over.

Mr. ELLENDER. Will the Senator agree to allow this amendment to be passed over for the moment?

Mr. BRIDGES. Certainly.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. Was not consent given earlier in the day that all the salary amendments would be considered after the other amendments had been acted upon?

The PRESIDING OFFICER. That is true.

Mr. JOHNSON of Texas. I am correct, am I not, as to consent having been given to pass over certain salary amendments?

The PRESIDING OFFICER. That is true.

Without objection, the amendment on page 24, after line 17, will be passed over temporarily.

The clerk will state the next committee amendment.

The next amendment was, on page 25, after line 5, to insert:

SEC. 302. Not to exceed $1 million in the aggregate from the appropriations made in this title for general administration, general legal activities, and United States Attorneys and Marshals shall be available for compensation of United States Attorneys, Assistant United States Attorneys, special attorneys, and special assistants to the Attorney General and to United States Attorneys without regard to the Classification Act of 1949 as amended: *Provided*, That in no event shall the annual salary of any United States Attorney be less than $10,000 or more than $15,000 and in no event shall the annual salary of any Assistant United States Attorney or any special attorney or special assistant be less than $6,000 or more than $12,000: *Provided further*, That the maximum of $12,000 shall only apply to the Chief Assistant United States Attorney in each office.

Mr. GORE. Mr. President, I make the point of order against the amendment that it is legislation on an appropriation bill.

The PRESIDING OFFICER. The Chair is advised that notice has been given with respect to this amendment.

Mr. BRIDGES. I shall discuss it when it comes up.

The PRESIDING OFFICER. Does the Senator wish the amendment to go over?

Mr. BRIDGES. I will let it go over, and discuss it later.

The PRESIDING OFFICER. Without objection, the amendment will be temporarily passed over.

The clerk will state the next committee amendment.

The next amendment was, on page 26, after line 23, to insert:

SEC. 208. Not to exceed 10 percent of the appropriations for legal activities and general administration in this title shall be available interchangeably, with the approval of the Director of the Bureau of the Budget, but no appropriation shall be increased by more than 10 percent and any interchange of appropriations hereunder shall be reported to the Congress in the annual budget.

The amendment was agreed to.

The next amendment was, on page 27, after line 5, to insert:

SEC. 209. Section 542 of title 28 of the United States Code is amended to read as follows:

"§ 542. Appointment and tenure of deputies and assistants

"The Attorney General may authorize any United States marshal to appoint deputies and clerical assistants. Any person determined by the marshal to be qualified for appointment to the position of deputy marshal shall become eligible for such appointment upon passing such suitable noncompetitive examination as may be prescribed by the Civil Service Commission. Deputy marshals shall be subject to removal by the marshal pursuant to civil-service regulations, except that with the approval of the Attorney General and without regard to the provisions of the civil-service laws and regulations, a deputy marshal may be removed by the marshal under whom he serves at any time within 60 days after such marshal has

taken the oath of office and entered upon his duties."

Mr. MONRONEY. Mr. President, is not this one of the amendments which was to be passed over?

Mr. BRIDGES. Yes.

The PRESIDING OFFICER. Without objection, the amendment will be passed over.

The clerk will state the next committee amendment.

The next amendment was, on page 27, after line 22, to insert:

Notwithstanding the provisions of the last sentence of section 542 of title 28 of the United States Code, as amended, deputy marshals in office on the date of enactment of this act shall be subject to removal at any time prior to the expiration of 60 days after the date of enactment of this act by the United States marshal under whom they serve, with the approval of the Attorney General and without regard to the provisions of the civil-service laws and regulations.

The amendment was agreed to.

The next amendment was, on page 28, after line 6, to insert:

Section 541 of title 28 of the United States Code is amended by adding at the end thereof a new subsection as follows:

"(e) Upon the expiration of the term of office of a marshal who at the time of his appointment as marshal was serving as a deputy marshal, such marshal shall, upon application therefor made within 30 days after expiration of his term as marshal, be restored to the position of deputy marshal."

The amendment was agreed to.

The next amendment was, on page 28, after line 15, to insert:

SEC. 210. Notwithstanding the provisions of section 6 of the act of August 24, 1912 (37 Stat. 555), or the provisions of any other law, the Attorney General may, in his absolute discretion, during the current fiscal year, terminate the employment of any officer or employee of the Department of Justice whenever he shall deem such termination necessary or advisable in the interests of the United States.

Mr. BRIDGES. Mr. President, this amendment should also go over.

Mr. MORSE. The same point applies to this amendment.

The PRESIDING OFFICER. Without objection, the amendment will be passed over.

The clerk will state the next committee amendment.

The next amendment was, under the heading "Title III—Department of Commerce—Office of the Secretary," on page 29, line 6, after "(not exceeding $1,000)", to strike out "$1,875,000" and insert "$1,533,281; and in addition, in order to provide for additional organization and management surveys of the Department of Commerce, the Secretary may transfer not to exceed $100,000 to this appropriation from any other appropriations available to the Department of Commerce for salaries and expenses for the current fiscal year."

Mr. BRIDGES. Mr. President, I send to the desk an amendment to the amendment, and ask that it be stated.

The PRESIDING OFFICER. The amendment offered by the Senator from New Hampshire to the committee amendment will be stated.

The CHIEF CLERK. On page 29, line 12, before the period, it is proposed to insert the following: "and in addition not to exceed $450,000 of the unobligated balances of all annual appropriations available to the Department of Commerce during fiscal year 1953 to be used to cover the costs of reduction-in-force of officers and employees whose services are terminated, which amount may be allotted by the Secretary, to be used exclusively for terminal leave expenses of the offices and bureaus concerned."

Mr. BRIDGES. Mr. President, this amendment is similar to the one which was offered in connection with the State Department items. This is an amendment to provide for payment of terminal leave to those whose services are terminated. It allows the Department to make an adjustment on a satisfactory basis, without the necessity for new appropriations. It involves an existing unobligated balance of not to exceed $450,000.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Hampshire to the committee amendment on page 29, line 12.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, under the subhead "Bureau of the Census," on page 30, at the beginning of line 2, to strike out "$6,770,000" and insert "$6,000,000."

The amendment was agreed to.

The next amendment was, on page 30, after line 2, to insert:

Censuses of business and manufactures: For expenses necessary for taking, compiling, and publishing the censuses of business and manufactures as authorized by law, including personal services by contract or otherwise at rates to be fixed by the Secretary of Commerce without regard to the Classification Act of 1949 as amended; and additional compensation of Federal employees temporarily detailed for field work under this appropriation; $9,400,000, to remain available until December 31, 1956.

Mr. DOUGLAS. Mr. President, I very much hope that this amendment will be rejected. It calls for ultimate outlays for the census of business and manufacturers of sums which have been estimated by the Department of Commerce as totalling $16 million. Only approximately $9,400,000 is to be spent during the current fiscal year, but the remainder will carry over into the fiscal year 1954–55.

The census of business which will require some $12¼ million of the total of $16 million, is primarily used as a service for large business concerns so that they may estimate what volume of goods is likely to be purchased from them. It is really a form of business research financed by the people for the benefit of large corporations. I hope very much that those gentlemen may be willing to apply to themselves the precepts of economy which they have urged for others.

I am informed that when this item for the censuses was stricken by the House and the bill came over to the Senate, the Senate Committee on Appropriations received 3,000 letters from business concerns protesting against the elimination of these censuses.

I see the distinguished chairman of the committee [Mr. BRIDGES] before me. He is the No. 1 man on the Appropriations Committee. If I make a misstatement as to the number of letters received, I hope he will correct me. Since he has not corrected me, I assume that silence gives assent.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. BRIDGES. I will say to the Senator that I have received letters, numbering probably 2 or 3 thousand, so I bear out the statement of the Senator from Illinois in that respect.

Mr. DOUGLAS. I am very glad to have such a characteristically fair statement from the Senator from New Hampshire. There has been tremendous pressure on the part of business concerns and marketing and research agencies to have the Government do their work for them. There is a certain irony in the fact that these are the very groups which, in general, insist upon economy, and wish to eliminate expenditures by the Government for welfare functions, but, as I stated yesterday, they are economy "buters". They are for economy in everything except that which concerns themselves. They are opposed to welfare appropriations for the poor, but they believe that the Government should help the well-to-do.

I think we should be consistent in this matter. We now have an opportunity to save approximately $9.4 million this year, and a further $5 million next year. I hope very much that the amendment will be rejected.

Mr. MORSE. Mr. President, I wish to go back to the amendment on line 2, page 30, for a moment, and ask the chairman a question or two with reference to it. I have no objection to the amendment which has already been adopted. However, from personal observations and from information furnished me I am a little concerned about two matters in respect of automobile use by the officials of the Government departments.

Has the Appropriation Committee made a study of the subject of motor vehicle replacement in order to find out if anyone checks a department to determine whether or not a car in fact should be replaced?

We have been led to believe that some Government departments, especially in the case of cars for top officials, purchase the latest model because they feel they must have it, and then turn in as second-hand cars automobiles which are perfectly usable. In the case of a Cadillac, for example—in this Cadillac administration—a car with 20,000 miles is still a pretty new car. I wonder whether it is necessary to replace such cars, and whether anyone is checking on the necessity of their replacement.

Mr. BRIDGES. Mr. President, let me say to the distinguished Senator from Oregon that it is a matter—looking now to the future—which the committee intends to go into during the interval between the end of the present session and

the first of next year. The committee proposes to go into that question very thoroughly. In the meantime a standard of mileage and age has been used as the determining factor when we have gone into the question of cars and no sizable number of cars has been involved. In those cases we have taken the word of the department or of the Bureau of the Budget with respect to the situation. We have made no personal check; but in the months ahead we will make a spot check. Of course, we will not be able to check on all the cars, but we will make a spot check. At the present time we must accept the standards of the General Services Administration and the Bureau of the Budget, on the basis of age and mileage.

Mr. MORSE. Mr. President, as the Senator from New Hampshire knows, I have always supported him in any proposal to have the Committee on Appropriations make a spot check on such requests by various departments for automobiles. There should be established a watchdog procedure whereby a check could be made concerning the necessity of some of the requests for the purchase of cars.

I am correct, am I not, that, by and large, it has been necessary for the Appropriations Committee in the past to rely merely upon the statements of the heads of the departments that they need a new car, or need so many new cars, and we have always taken their word for it. Is that correct?

Mr. BRIDGES. Yes. The Senator is absolutely correct in the point he is making. We have had, as the Senator from Oregon knows, a very limited staff with which to do work of that character. It has been calculated—and this will be of interest to Senators—that if the Appropriations Committee devoted 1 day to each agency, division, bureau, and department which comes before the committee with requests for appropriations, it would take the committee 6 years to cover them all. Therefore, at best we have been doing only a superficial job. However, the Senator from Oregon is right. We will certainly make a spot check, and, when we find it is necessary to do so, we will go into the subject in detail.

I will say to the Senator from Oregon that the item to which he refers in the bill covers buses for the Bureau of the Census in Suitland, Md. Suitable transportation must be provided for the various officials of the Census Bureau to enable them to attend meetings and conferences with other Government officials in downtown Washington. There are three buses used for that purpose. The item involved is for the replacement of 2 of those 3 buses. I think it is a fair request based on the information the committee had as to the age and mileage of the vehicles.

Mr. MORSE. I am very glad to have the assurance of the chairman of the Committee on Appropriations as to the specific details concerning these particular vehicles. I make the assertion, however—and I am not fearful at all of successful contradiction—that, in connection with the purchase and use of automobiles, there has been on the part of the administrative branches of the Federal Government tremendous waste which has been going on for many years. A great many cars have been and are being turned in when they should not have been turned in. They were perfectly usable. A car need not be of the latest model to be a usable car. A great saving could be effected.

I should like to say also—and I know my good friend from New Hampshire will not dispute the statement, because he served with me when I was a member of the Armed Services Committee—that when the Long subcommittee started the job of watchdogging military installations, we reduced expenditures from the appropriation which had been requested by 27 percent, as I recall the figure.

There can be no doubt, Mr. President, that millions of dollars could be saved by the Senate alone if we were to finance adequately the Appropriations Committee and provide it with such a staff as would make it possible for the committee to—for the want of a better term—continue the watchdog practice as to what actually happens to the money we appropriate, and as to the justification for some of the requests, which one may think involve minor matters and small sums of money, but the small sums accumulate into millions of dollars if we do not check on them.

The purchase of automobiles is merely one of the items.

The next question I wish to ask the chairman of the Committee on Appropriations involves another item of waste. I think a warning signal should be raised in the RECORD today with respect to these matters, because this kind of waste should be stopped. My question is: To what extent has the Appropriations Committee gone into the requests of the various departments for funds to be used for the hiring of chauffeurs?

Let me say, Mr. President, that the chauffeur population of Washington, D. C., is rather high. Most mornings, when I drive my own car to the Capitol, I usually tail in behind a series of Cadillacs, driven by chauffeurs, and carrying Government license plates. As I look at the men occupying the cars, some of them in brass and braid, and some in civilian clothing, I cannot detect anything physically wrong with them. As I look at them, and as I see them get out of the cars, I can take judicial notice of the fact that they are able bodied. If they are able bodied, Mr. President, they ought to be driving their own cars. Because someone has a position of so-called prestige in the Government, I see no reason why he should not be behind the steering wheel of his own car. I think we are wasting entirely too much money in providing livery, with all the trappings, to Government officials. I am satisfied that the little people of America, who pay the bill, will agree with me that the time has come when we ought to ask able-bodied administrators in Government to drive their own automobiles.

Over the weekends I attend functions such as teas and receptions. Not cocktail parties, Mr. President, because I will not waste my time at them. I can think of nothing that is a greater waste of human energy than to stand around and listen to people, half lit with alcohol, carrying on the kind of conversation that goes on at Washington cocktail parties every weekend.

Long ago I gave up the idea that I owe any responsibility to the people of my State to abuse myself by attending such worthless social functions as Washington cocktail parties.

I do go to some respectable teas and official dinners.

At Washington social functions, a parade of Cadillacs, driven by Government chauffeurs, will drive up to the door, and again able-bodied men will step from the cars to attend the functions. I do not see why able-bodied men cannot drive their own cars. I do not know why we should supply them with cars and chauffeurs for such functions.

My question is: To what extent has the committee gone into the subject of supplying chauffeurs for social occasions and chauffeurs to drive Government officials to work, when they ought to be driving their own cars? The cost in sum total is not inconsiderable, Mr. President. My question is: To what extent has the committee gone into that subject?

Mr. BRIDGES. I know how the Senator feels. My answer will have to be the same as my previous answer. This year, in the limited time we have had, we have been able to do only a rather superficial job. One of the plans we have outlined is a motor-vehicle study which will go into the subject between the time Congress recesses or adjourns—and I hope it will adjourn at the end of July—and the beginning of next year.

We are going into the question of planes, too. Many of the departments own planes. We find that in some Embassies abroad the Government has not only a naval plane but also an Air Force plane. In other words, some Embassies have two airplanes. We are going into the whole transportation system, from planes to automobiles.

But I have to say to the Senator from Oregon that this year—because this bill has had to be handled in a period of weeks—what we have done of a superficial nature indicates the necessity of going into the entire problem.

Mr. MORSE. I wish to assure the chairman of the Appropriations Committee that again this year, as I did last year and the year before and the year before that—in fact, I have done so ever since I have been a Member of the Senate—I shall support him in this oft-repeated request that the Appropriations Committee be given more assistance in trying to economize along the lines we are talking about, because a great deal of money can be saved.

The Long-Stennis-Morse subcommittee, for example, was very much concerned about the car-pool problem abroad. I do not think the American people have any conception of the extent to which the car pool is being used by Americans who are serving their Government abroad. Entirely too much money is spent on such car pools abroad. No check is made on them, and thousands of dollars are being wasted in that way.

We also encountered the question of the use of airplanes for pleasure jaunts

or at least for unnecessary so-called official trips.

If we really mean to economize—and I do—we must give the Appropriations Committee the support it needs, so this kind of waste, which runs into large sums of money, can be eliminated.

Mr. MUNDT. Mr. President, will the Senator from New Hampshire yield to me?

The PRESIDING OFFICER (Mr. PAYNE in the chair). Does the Senator from New Hampshire yield to the Senator from South Dakota?

Mr. BRIDGES. I yield.

Mr. MUNDT. Yesterday, when the vote was taken on the Douglas amendment, I was necessarily absent from the Senate, and consequently could not vote.

It occurs to me—and I have checked on the status of conditions existing at that time on the floor of the Senate—that a great many of our colleagues did not hear the debate which ensued and did not clearly understand the issues involved in that amendment.

For that reason, so that we may have the amendment carefully and clearly explained in the presence, I hope, of a full attendance of the Senate at an appropriate time, I move that the Senate reconsider the vote by which the amendment beginning on page 5, line 11, and including line 4, on page 6, was rejected.

The PRESIDING OFFICER. The motion to reconsider will be entered.

Mr. BRIDGES. Mr. President, we are now on the census items. The Senator from Illinois [Mr. DOUGLAS] has expressed opposition to this appropriation item. If I may have his attention, let me explain to him the situation in this respect.

When this item came before the House of Representatives the House voted to eliminate it. When the item came before the subcommittee of the Senate Appropriations Committee, of which the Senator from New Hampshire is chairman, the subcommittee took no action on it. Then, when the item came before the full Appropriations Committee it was discussed at some length.

Finally in the full committee agreement was reached to strike out the appropriations for the two new census proposals, namely, those relating to mineral industries and transportation. They were separated because the manufactures census and the business census has been in effect since 1929; and the agricultural census has been in effect since 1920, and is made every 5 years.

It was testified that the statistics gathered under the agricultural census and the business census are of tremendous importance in shaping the economic policies of the Nation. That was the basis for the support given those items.

I should like to have the Senator from Illinois bear in mind that the Truman official estimate for this purpose was $21 million, and the revised estimate was $11,500,000. We voted to appropriate $9,400,000 for the business and manufactures census. The original estimate for the agricultural census was $2,400,000, the revised estimate $2,200,000, and the committee recommends $2,200,000 for the agricultural census. We thought those amounts were the minimum which would suffice.

I am explaining the situation which led the committe to make the decision it reached. However, the Senate itself will have to decide whether it wishes to continue to have an agricultural census every 5 years and whether it is helpful in shaping agricultural policies, and also whether a census of business, on which plans may be based, is helpful and worth the cost.

The committee in its wisdom, after considering all the facts, including those available for the last quarter of a century in one instance, and those available for more than three decades in the other instance, decided that these censuses are worth what they cost.

The committee recommends the very minimum amounts for which the censuses can be made.

If the Senate in its wisdom decides it does not wish to have any further censuses of business or of agriculture, I shall not weep about the matter. I merely state the basis on which the committee decided to include these items, and I believe the basis is a sound one.

Mr. BUSH. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield.

Mr. BUSH. Is it possible to obtain this information from the States?

Mr. BRIDGES. The inquiry we made would indicate that it is not possible to obtain the information accurately in that way. We realize that there is cooperation along the line, but we understand that there is no other way to obtain accurate information on these matters. Therefore, I believe the Senate should either decide to appropriate the minimum amounts the committee has recommended, or should decide to eliminate the items.

Mr. BUSH. In my own State the Association of Manufacturers should be able to supply such information, I believe, to the Department of Commerce, if the information is requested.

Mr. BRIDGES. At one time we thought of including only a small amount for this purpose, and asking that next year there be a review of the program. We were told, in effect, that that would be worse than useless, in that a staff would be created, but would not have sufficient funds to perform the necessary work.

So we discarded that proposal, in favor of the item now recommended by the committee. In doing so, the committee recommended that an effort be made to obtain cooperation from the users of these statistics and that a study be made to determine what could be done on a voluntary basis.

A policy decision is involved. So far as the chairman of the committee is concerned, he is perfectly willing to have the Senate decide this question.

Mr. DOUGLAS. Mr. President, will the Senator from New Hampshire yield for a question?

Mr. BRIDGES. Certainly.

Mr. DOUGLAS. Do I correctly understand that the subcommittee of which the distinguished Senator from New Hampshire was chairman, voted against the continued inclusion of this item?

Mr. BRIDGES. No. There was a difference of opinion in the subcommittee, and action on the item was deferred. No favorable action was taken by the subcommittee; no adverse action was taken by the subcommittee. The subcommittee merely referred the item to the full committee for action.

Mr. DOUGLAS. At least no favorable action was taken by the subcommittee. Is that correct?

Mr. BRIDGES. No favorable action was taken by the subcommittee; likewise no unfavorable action was taken by the subcommittee.

Mr. DOUGLAS. Is it correct that the cost of the 1953 Census of Business is contemplated to be $11,720,623, and that the cost of the 1953 Census of Manufacturers is contemplated to be $3,823,281?

Mr. BRIDGES. Does the Senator from Illinois mean the total cost over a period of years?

Mr. DOUGLAS. I do.

Mr. BRIDGES. The total cost of the Business Census would be $10,726,338, as projected over the years; and the total cost of the Manufacturers Census would be $3,429,027, projected over the future.

Mr. DOUGLAS. I have before me a statement from the Department of Commerce, reading in part as follows:

> The revised budget for the 1953 Census of Business contemplates a total cost, including costs of preparation in fiscal 1952 and 1953, and completion costs in 1955 and 1956, of $11,720,623 * * * similarly for the 1953 Census of Manufactures the total contemplated cost will be $3,823,281.

If we add those together, we arrive at a figure of somewhat more than $15,500,000.

Mr. BRIDGES. We did not accept those figures. We went into the matter with the department in detail, and we cut all the corners we could. My figures are the result of a later departmental revision.

Mr. DOUGLAS. Ultimately, the total cost will probably be close to $15 million, will it not?

Mr. BRIDGES. The ultimate cost of the censuses of business and manufactures will be close to $14 million.

Mr. DOUGLAS. So that, in respect to the $9,400,000 for censuses of business and manufactures, for which we are being asked to appropriate, it would occasion an additional cost of $5 million, would it not?

Mr. BRIDGES. It would be approximately that amount.

Mr. DOUGLAS. Again, I should like to point out that so far as the census of business is concerned, this does not have particular public interest in comparison to the interest which private business has in it. The information is designed primarily for the use of marketing agencies, advertising, and other groups who would like to have the public do their research work for them. I suggest that it is a form of subsidy with a dangerous tendency toward the socialization of statistics, which in my judgment should be resisted.

Mr. SCHOEPPEL. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield to the Senator from Kansas.

Mr. SCHOEPPEL. I should like to ask the Senator from New Hampshire, the distinguished chairman of the Appropriations Committee, whether it is his opinion that the statistical information is impartially collected and made available to any person, to any department of the Government, and to any business concern that may wish to have it.

Mr. BRIDGES. I would say to the distinguished and able Senator from Kansas that we have information to the effect that the data are impartially collected, that the sources are treated confidentially and are protected, and that the information is made available to any group, business, public division, or anyone else in the country who may wish to use it.

Mr. SCHOEPPEL. Then, it would seem to the Senator from Kansas to serve a very useful purpose for the country, and for our economy. If the information collected is reliable, and gives a true picture of the economic situation and of the needs or deficiencies of the country, I am unable to see why the program should not be sustained.

Mr. BRIDGES. I thank the Senator.

Mr. DOUGLAS. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were not ordered.

Mr. DOUGLAS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Goldwater	McClellan
Barrett	Gore	Millikin
Beall	Green	Monroney
Bennett	Griswold	Morse
Bricker	Hayden	Mundt
Bridges	Hendrickson	Neely
Bush	Hickenlooper	Payne
Butler, Md.	Hill	Potter
Byrd	Hoey	Purtell
Capehart	Holland	Robertson
Carlson	Humphrey	Russell
Chavez	Jackson	Saltonstall
Clements	Jenner	Schoeppel
Cooper	Johnson, Colo.	Smathers
Cordon	Johnson, Tex.	Smith, Maine
Daniel	Kennedy	Sparkman
Douglas	Kerr	Stennis
Duff	Kilgore	Symington
Dworshak	Knowland	Thye
Eastland	Kuchel	Tobey
Ellender	Langer	Watkins
Ferguson	Lehman	Welker
Flanders	Long	Wiley
Frear	Malone	Williams
Fulbright	Mansfield	Young
George	Martin	
Gillette	Maybank	

The PRESIDING OFFICER (Mr. POTTER in the chair). A quorum is present. The question is on agreeing to the committee amendment on page 30, beginning in line 3.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. Do I correctly understand that the amendment on page 30 includes lines 3 to 11, inclusive, but does not include lines 12 to 22, inclusive?

The PRESIDING OFFICER. The Senator from Illinois is correct in his understanding.

Mr. DOUGLAS. Mr. President, the amendment involves the expenditure of a sum in excess of $14 million. Therefore, I ask for the yeas and nays, and I hope the request will be granted.

The yeas and nays were ordered.

Mr. FLANDERS. Mr. President, I wish to express my strong disapproval of the proposal of the Senator from Illinois to eliminate the funds provided for the censuses of business and manufactures and for the census of agriculture. I must confess that I am a little bit surprised that the Senator should so propose. I wish it had been possible for me to have been present while the Senator explained his position. I am sure that prima facie it requires some explanation. We have ahead of us the most serious problem on which the whole world waits, namely, the problem of maintaining prosperity, we hope, during peace times or during a period when there is a reduction in the cost of defense. It is the cant of the Communists that we cannot do this, and I should be willing to agree that we cannot do it unless we continue to have information on agriculture and on business and manufactures on which our action must be based.

Mr. DOUGLAS. Mr. President, will the Senator from Vermont yield?

Mr. FLANDERS. I yield for a question.

Mr. DOUGLAS. I regret that the Senator from Vermont was not on the floor when I tried to make the point clear that I did not refer to the census of agriculture, but only to the censuses of business and manufactures.

Mr. FLANDERS. Do I correctly understand that the Senator from Illinois raised the question a moment ago with the Chair as to whether the amendment included lines 12 to 22, inclusive, on page 30?

Mr. DOUGLAS. I raised a question as to whether it did, and the Chair ruled, as I hoped the ruling would be, that the amendment now under consideration covered only lines 3 to 11, inclusive.

Mr. FLANDERS. Then I would direct to this more restricted area the same objections I would apply to the provision from line 3 to line 22, inclusive. It seems to me to be a rather remarkable place for the Senator from Illinois to apply his useful, active, and sometimes successful endeavors to cut the budget. It is the wrong place.

Mr. BRIDGES. Mr. President, I suggest—and I think the suggestion should be perfectly agreeable to everybody—that the amendments relating to the censuses of business and manufactures and the item of census of agriculture, because they are on the same subject, be voted upon en bloc.

Mr. DOUGLAS. No; I cannot agree. In fact, I would be willing to have the census of business separated from the census of manufactures. The census of manufactures would cost less than the census of business. In my opinion, it would be worth more. The census of business would be primarily to give free market information to advertising agencies and private research groups, and would constitute a socialization of statistics, which should be resisted by friends of the American system.

Mr. BRIDGES. Mr. President, I may say to the Senator from Illinois that I have never before heard of a socialization of statistics. I have heard many interesting proposals made by the Senator from Illinois, but this is a new one. If the only thing socialized in this country was statistics, we would be well off. If we confined ourselves to figures and statistics, we would have nothing to worry about. What the censuses of business, manufactures, and agriculture propose to do is to get facts, so that we can shape our business, economics, and agricultural programs over the years.

As I have said, this is a question for the Senate to determine. I am not trying to tell the Senate that it should or should not approve these items; I am stating reasons why the items were included in the bill, and why I feel the censuses are necessary. They have been conducted for more than a quarter of a century.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. SALTONSTALL. Was there not evidence before the committee that if the amount of money included in this item were eliminated, and the item remained as the House left it, the statistics which have been developed in the past would be more or less useless, because there would be a hiatus, and when the studies were resumed, a fresh start would have to be made with no comparison, or, at least, not a valid comparison, with what had gone before?

Mr. BRIDGES. The Senator is correct.

Mr. SALTONSTALL. The amount which the committee placed in the bill was the minimum amount with which the censuses could be accomplished, if they were to be completed at all. Is not that correct?

Mr. BRIDGES. The Senator is correct.

Mr. CAPEHART. Mr. President, I wish to take a minute to say to the Senator from Illinois that I believe we would be making a great mistake if we terminated these censuses. I know that is so because they provide statistics which private industry cannot accumulate. This is one instance in which the Government can do the work better for the people than they can do it themselves. I think that ought to be the test, when any question of socialization is raised.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 30, after line 2. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. Do I understand correctly that a vote of "yea" on this amendment is a vote to uphold the recommendation of the committee for an immediate appropriation of $9,400,000, and subsequent expenditures of approximately $5 million additional; and that a vote

of "nay" is a vote for economy, and a vote against the committee amendment?

The PRESIDING OFFICER. The Chair will state that a vote "yea" is a vote to uphold the committee's position in the appropriation of $9,400,000. A vote "nay" is a vote against the committee's position, which would leave the appropriation at $6 million.

Mr. KNOWLAND. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. I merely wished to raise the point of order that once a roll-call has been started, the debate is finished. Any further argument or description about what the amendment does is debate.

The PRESIDING OFFICER. The Chair was attempting to answer a parliamentary inquiry.

The clerk will resume the call of the roll.

The legislative clerk resumed and concluded the call of the roll.

Mr. SALTONSTALL. I announce that the Senator from Nebraska [Mr. BUTLER], the Senator from South Dakota [Mr. CASE], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from New Jersey [Mr. SMITH], and the Senator from Ohio [Mr. TAFT] are necessarily absent.

I also announce that the Senator from Illinois [Mr. DIRKSEN] is absent by leave of the Senate on official committee business.

The Senator from New York [Mr. IVES] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Wyoming [Mr. HUNT], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Nevada [Mr. MCCARRAN], the Senator from Rhode Island [Mr. PASTORE], and the Senator from North Carolina [Mr. SMITH] are absent by leave of the Senate.

The Senator from Missouri [Mr. HENNINGS] and the Senator from Washington [Mr. MAGNUSON] are absent by leave of the Senate on official committee business.

The Senator from Tennessee [Mr. KEFAUVER] is absent on official business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate, having been appointed a delegate to attend the forthcoming International Labor Organization Conference at Geneva, Switzerland.

The result was announced—yeas 41, nays 38, as follows:

YEAS—41

Aiken	Ferguson	Langer
Beall	Flanders	Malone
Bennett	Frear	McClellan
Bricker	George	Millikin
Bridges	Gillette	Mundt
Butler, Md.	Hayden	Russell
Capehart	Hendrickson	Saltonstall
Carlson	Hickenlooper	Schoeppel
Chavez	Hill	Symington
Clements	Hoey	Thye
Cooper	Humphrey	Watkins
Cordon	Johnson, Tex.	Wiley
Daniel	Kerr	Young
Ellender	Knowland	

NAYS—38

Barrett	Jackson	Neely
Bush	Jenner	Payne
Byrd	Johnson, Colo.	Potter
Douglas	Kennedy	Purtell
Duff	Kilgore	Robertson
Dworshak	Kuchel	Smathers
Eastland	Lehman	Smith, Maine
Fulbright	Long	Sparkman
Goldwater	Mansfield	Stennis
Gore	Martin	Tobey
Green	Maybank	Welker
Griswold	Monroney	Williams
Holland	Morse	

NOT VOTING—17

Anderson	Ives	Murray
Butler, Nebr.	Johnston, S. C.	Pastore
Case	Kefauver	Smith, N. J.
Dirksen	Magnuson	Smith, N. C.
Hennings	McCarran	Taft
Hunt	McCarthy	

So the committee amendment was agreed to.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. Would an amendment to the committee amendment be in order at this time?

The PRESIDING OFFICER. The Chair will state that an amendment to the committee amendment just agreed to would not be in order.

Mr. DOUGLAS. Mr. President, I submit that we should reconsider the vote by which the committee amendment was agreed to. The Senator from South Dakota [Mr. MUNDT] wished to reconsider the vote by which we saved $4 million yesterday on Foreign Service buildings abroad. If the motion to reconsider should be agreed to, I should then like to modify the committee amendment so that it would include the census of manufactures, but not the census of business. This would save in the first year approximately $5,300,000, and ultimately would save approximately $10 million, because the chief expense is in connection with the census of business. So I shall move to reconsider the vote by which the committee amendment was just agreed to.

The PRESIDING OFFICER. The Chair will state that the Senator from Illinois cannot move to reconsider because of the fact that the Senator was on the losing side in the vote just taken.

Mr. DOUGLAS. Mr. President, I hope that there will be a conversion, and that some Senator who voted for the committee amendment will move to reconsider so that we may save on the census of business. I throw myself on the mercy of the Senate.

Mr. KNOWLAND. Mr. President, I move—but not for the purpose which the distinguished Senator from Illinois stated—to reconsider the vote by which the committee amendment was agreed to.

Mr. FERGUSON. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Michigan to lay on the table the motion of the Senator from California to reconsider the vote by which the committee amendment was agreed to.

Mr. DOUGLAS. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. DOUGLAS. Mr. President, I do not wish to be constantly making parliamentary inquiries, but these questions become complicated. I wonder if the Presiding Officer will state the question.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Michigan [Mr. FERGUSON] to lay on the table the motion of the Senator from California [Mr. KNOWLAND] to reconsider the vote by which the committee amendment was agreed to. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Illinois [Mr. DIRKSEN] is absent by leave of the Senate on official committee business.

The Senator from New York [Mr. IVES] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

I also announce that the Senator from Nebraska [Mr. BUTLER], the Senator from Pennsylvania [Mr. DUFF], the Senator from Nevada [Mr. MALONE], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from New Jersey [Mr. SMITH], and the Senator from Ohio [Mr. TAFT] are necessarily absent.

If present and voting the Senator from Nevada [Mr. MALONE] would vote "yea."

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Wyoming [Mr. HUNT], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Nevada [Mr. MCCARRAN], the Senator from Rhode Island [Mr. PASTORE], and the Senator from North Carolina [Mr. SMITH] are absent by leave of the Senate.

The Senator from Iowa [Mr. GILLETTE], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from West Virginia [Mr. KILGORE], and the Senator from Missouri [Mr. SYMINGTON] are absent on official business.

The Senator from Missouri [Mr. HENNINGS] and the Senator from Washington [Mr. MAGNUSON] are absent by leave of the Senate on official committee business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate, having been appointed a delegate to attend the forthcoming International Labor Organization Conference at Geneva, Switzerland.

The result was announced—yeas 39, nays 35, as follows:

YEAS—39

Aiken	Daniel	Langer
Beall	Ellender	Martin
Bennett	Ferguson	McClellan
Bricker	Flanders	Millikin
Bridges	Frear	Mundt
Butler, Md.	Hayden	Russell
Capehart	Hendrickson	Saltonstall
Carlson	Hickenlooper	Schoeppel
Case	Hill	Smith, Maine
Chavez	Hoey	Thye
Clements	Johnson, Tex.	Watkins
Cooper	Kerr	Wiley
Cordon	Knowland	Young

NAYS—35

Barrett	Douglas	Fulbright
Bush	Dworshak	George
Byrd	Eastland	Goldwater

Gore	Lehman	Purtell
Green	Long	Robertson
Griswold	Mansfield	Smathers
Holland	Maybank	Sparkman
Humphrey	Monroney	Stennis
Jackson	Morse	Tobey
Jenner	Neely	Welker
Johnson, Colo.	Payne	Williams
Kuchel	Potter	

NOT VOTING—23

Anderson	Johnston, S. C.	Murray
Butler, Nebr.	Kefauver	Pastore
Dirksen	Kennedy	Smith, N. J.
Duff	Kilgore	Smith, N. C.
Gillette	Magnuson	Symington
Hennings	Malone	Taft
Hunt	McCarran	
Ives	McCarthy	

So Mr. FERGUSON'S motion to lay on the table Mr. KNOWLAND'S motion to reconsider was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment beginning on page 30, line 12, which will be stated.

The LEGISLATIVE CLERK. On page 30, after line 11, the committee proposes to insert the following:

Census of agriculture: For expenses necessary to prepare for taking, compiling, and publishing the 1954 census of agriculture, as authorized by law, including personal services by contract or otherwise at rates to be fixed by the Secretary of Commerce without regard to the Classification Act of 1949, as amended; and additional compensation of Federal employees temporarily detailed for field work under this appropriation; $2,200,000 to remain available until December 31, 1954: *Provided*, That the unexpended balance of the appropriation granted under this head for the fiscal year 1953 shall be merged with this appropriation.

Mr. DOUGLAS. Mr. President, I suppose that as a result of the vote just taken some $14 million will be expended for the censuses of business and manufactures. In a sense, that means the Senate will approve a census also for agriculture. The census for agriculture will cost ultimately, according to the estimates of the Department of Commerce, as given on page 83 of the House hearings on the bill, $23 million, even though the initial appropriation is only $2.2 million. Since we have given similar amounts to business, I suppose we will not deny a census to agriculture. I shall vote against the appropriation, but I shall not ask for a yea-and-nay vote.

Mr. THYE. Mr. President, no item in this appropriation bill is any more valuable to the economy of our country, and to the businessmen within our economy, than is this appropriation. Such a census is of value to business, whether it be a small or large business, and is likewise valuable to agriculture. It is the only barometer available which will give us information relative to the economy. For that reason I supported the appropriation for censuses of business and manufactures, and I certainly recommend that the appropriation for an agricultural census be supported.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment beginning on page 30, line 12.

The amendment was agreed to.

Mr. LEHMAN. Mr. President, I was out of the Chamber at the time the Senate considered the committee amendment on page 23 with respect to the Office of Alien Property, salary and expenses. I ask unanimous consent that the Senate return to that item so that I may ask the distinguished chairman of the Committee on Appropriations certain questions.

Mr. BRIDGES. The Senator from New Hampshire would not agree to reconsider the vote on the amendment, but he will be very glad to return to it in order to answer some questions.

Mr. LEHMAN. I understand that some of the operations of the Office of Alien Property would be endangered by this cut in the appropriation. I may point out that the committee recommended $2½ million for general administrative expenses of the Office of Alien Property, which amounts to a reduction of $1 million below the House figure, a reduction of $1,400,000 below the original 1954 estimate, and $1,300,000 below the 1953 appropriation. It is a reduction of more than one-third from what was provided last year. I would very much like to have some assurance from the distinguished chairman of the committee that the very substantial reduction which has been made, which seems to be hardly justified under present conditions, will not paralyze the operations of the Office of Alien Property, to the extent that the work of the Office cannot be carried on successfully.

Mr. BRIDGES. Mr. President, the basic reasoning in the case of this item is that a great many properties of tremendous value were taken over by the United States under the war powers, and the Government has been operating them ever since.

It is my opinion and the opinion of a majority of the Appropriations Committee that the Government of the United States should, at the earliest possible date, get out of the business of operating alien properties. We believe it is not the function of the Government to operate, over a long period of years, properties which should be in private hands.

We also find that in the case of some companies directorships and official positions have been used—or at least it is alleged that they have been used—as favors.

One of the ways by which we felt we perhaps could bring about a speeding up of the disposal of these properties was by limiting the administrative costs. We have not voted to limit them so much that the properties could not be efficiently operated, but we have voted to limit the administrative costs to such an extent that some cuts in executive and administrative costs would be required. Our action was taken for that purpose, and in the realization that good administration could still be maintained with the amount recommended by the committee.

I say very honestly that our action was taken in an endeavor to prune the overhead administrative costs, so there would be no encouragement to the officials to hang on to their jobs and to retain these properties.

Mr. LEHMAN. Mr. President, I wish to point out that it is obvious that a paralysis of the Office of Alien Property would paralyze the War Claims Commission. I also wish to point out that the War Claims Act provides for the payment of $1 a day to Americans who were prisoners of war, for each day during which they suffered malnutrition while they were in the hands of the enemy. By an amendment, the War Claims Commission was directed to pay another dollar and a half a day to those prisoners who did forced labor while they were in the hands of the enemy.

In my opinion, and, I am sure, in the opinion of all my colleagues, this is a mere pittance in recognition of the great suffering of these American citizens.

The money must come from the Office of Alien Property, after it liquidates enemy property seized by the Alien Property Custodian. If the appropriation for the Office of Alien Property is cut as the committee recommends, no more money will be forthcoming for years and years.

Just at this time the War Claims Commission is completely out of funds. It has not paid anywhere near all the prisoners of war who suffered malnutrition and were forced to work during their captivity. The War Claims Commission urgently needs another $60 million to pay these claims. Under this appropriation bill, the Office of Alien Property will be unable to liquidate assets for payment to the Commission.

I do not feel that we should sacrifice the rights of thousands of Americans who suffered in such a manner. The present proposal would be false economy. It would save $1 million, and would lose $60 million, and would dishonor our promise to many, many former prisoners of the enemy.

Mr. President, I do not make these statements with the hope of reversing the action of the committee in voting for the cut, although I believe the cut is completely unjustified. I know that my opposition to the action of the committee is hopeless. But I make these statements in order that the record will show exactly the effect of the cut on the appropriations and what the cut in appropriations will mean to Americans who are prisoners of war, and to Americans who appreciate the sacrifices and the sufferings of those prisoners of war.

Mr. BRIDGES. Mr. President, the very eloquent plea made by the Senator from New York has nothing directly to do with the item in question. It has something to do indirectly with the War Claims Commission and claims which are being liquidated, but it has nothing to do directly with the top administrative costs of the Office of Alien Property, does it?

Mr. LEHMAN. Yes; I think it has very much to do with it, for, as I understand, the income of the War Claims Commission comes from the revenue from the properties now held or previously held by the Alien Property Custodian.

If we prevent the Office of Alien Property from operating efficiently, certainly the revenue from the properties still held by that Office will be greatly reduced, if not completely eliminated.

I know there is a great effort to dispose of these properties, and perhaps it is wise to do so, provided we do not dispose of properties which now are in process of liquidation.

I am very much afraid that is exactly what will happen as the next step, namely, that we shall provide for the disposal of these properties, on the basis of the plea that the money obtained from the disposal of the properties can be placed in escrow until the suits are decided. However, if that is done, no funds will be at the disposal of the War Claims Commission.

Mr. BRIDGES. I know the Senator from New York is sincere in his statement, but I believe he unknowingly misinterprets the situation. Actually, our committee was informed there are on hand sufficient funds to take care of the war claims. So, by reducing the administrative costs, instead of harming the situation to which the Senator from New York refers, we shall actually be helping it, because we shall be limiting the amount of money which may be used for executive and administrative costs.

Mr. CHAVEZ. Mr. President, if the money is taken from the administrative costs, there will be that much more money for the ex-servicemen and former prisoners of war.

Mr. LEHMAN. In theory the Senator from New Mexico is correct, of course. However, in practice, if we paralyze the operations of the Office of Alien Property—as I believe will be done if we reduce by 40 percent the appropriation that is necessary for the efficient operation of that Office, as compared with the appropriation made last year, whereas there has been very little change in the properties held by that Office—then I believe we may paralyze the operations of the War Claims Commission because it will have considerably less revenue.

Mr. CHAVEZ. I am sure the Senator from New York means exactly what he says. However, I have been on the Appropriations Committee for 14 or 15 years, and there we hear, every year, the statement by the various agencies and departments, "If you cut one person from our staff, we cannot do our job properly."

That plea is made because each of the departments wishes to add a number of employees to its staff.

I do not believe anyone in the Office of Alien Property will suffer or that anyone in the various agencies of Government having to do with that Office will suffer if the committee amendment is agreed to.

I am strongly in favor of helping the ex-servicemen. Thousands of the former prisoners of war who are receiving these payments come from my State. The entire New Mexico National Guard was in service abroad. Goodness knows, I would not favor depriving those men of a thing.

On the other hand, if by abolishing 1 administrative job in 1 office we shall be hurting those ex-servicemen, then certainly we are in a terrible condition.

Mr. LEHMAN. It is not a question of doing away with 2 or 3 or 4 offices. I would certainly be the last one to object to that, if I thought it a real measure of economy. But we are here dealing with human beings. We are dealing with suffering people who have made great sacrifices for their country.

Mr. CHAVEZ. May I say a word further?

Mr. LEHMAN. I should like to finish, but I yield.

Mr. CHAVEZ. Let me inform the Senator from New York that I was responsible for the first bill providing for a dollar a day, and the Senator from Kentucky [Mr. COOPER], who was presiding over the Senate a little while ago, and the Senator from Washington [Mr. MAGNUSON] were the Senators who conducted hearings on the bill. So I know what the Senator from New York is talking about, and I certainly agree with him in the sincere plea he is making.

Mr. LEHMAN. I may say that I know the great heart of the Senator from New Mexico. He and I have fought together in many battles to obtain money for research and for medical care, and for increased training for doctors and nurses.

Mr. CHAVEZ. I will join the Senator again in similar battles.

Mr. LEHMAN. The Senator from New Mexico and I have fought together in connection with many bills for furtherance of the fight against cancer, heart disease, mental disease, and for education. So I may assure the Senator from New Mexico that no one has greater admiration for him or greater appreciation of the things for which he stands than do I. But I may say that last year there was before the Senate a request for an appropriation of $3,500,000 for general administrative expenses of the Office of Alien Property. When the appropriation came from the House it was for $3,500,000, and it was left at that figure. This is $1 million less than the House appropriation, or approximately 30 percent less. But it is $1,400,000 below the original 1954 estimate. I know that the Senate is not bound, of course, by the estimate presented by our former great President, but it is also $1,300,000, or nearly 40 percent, under the 1953 allowance. For the life of me, I cannot see what possible justification there can be for cutting the appropriation—an appropriation which deals with human lives, with human suffering, and with human sacrifices. I can see no possible justification for making a cut in the amount suggested. I wish to make the RECORD clear in that regard.

Mr. LANGER. Mr. President, I deeply regret that the junior Senator from Illinois [Mr. DIRKSEN] is not present on the floor of the Senate. I understand that he is in Tokyo on official business. The entire question of the sale of alien property and payment of claims is before the Judiciary Committee, and is in charge of a subcommittee, of which the Senator from Illinois [Mr. DIRKSEN] is chairman, and of which I am a member.

The manner in which alien property has been handled during the past 15 or 20 years has been a disgrace to the United States of America, and it is the purpose of our committee to clean it up, so far as we can.

We find that there are nearly 63,000 claims involving alien property, thousands of which involve less than $500. We find that there are claims which grew out of World War I. We have held meeting after meeting. We have had all the men who have been conducting the affairs of the Office of Alien Property before our committee. We had as a witness Jack Bride, the head of the Analine Film Co. We have had before our subcommittee a group of lawyers headed by the distinguished Senator from North Carolina [Mr. SMITH].

Mr. President, there is one thing upon which we are determined, and that is to correct the deplorable situation which now exists, and we believe we can do that within 8 months or a year. That is the opinion of Mr. Hayes, former head of the American Legion, whom we retained as Chief Counsel for the subcommittee. We are going to settle the problems in accordance with the advice of Dallas Townsend, the newly appointed head of Alien Property. I am entirely satisfied that the $2,500,000 is more than ample for the work to be done.

I was interested in what the Senator from New York [Mr. LEHMAN] said about former prisoners of war. I wonder whether he is aware of the fact that $150 million has already been advanced, even though nothing came in from the sale of the assets. I wish to assure my colleague that the plan of the subcommittee, headed by the Senator from Illinois [Mr. DIRKSEN] is to clean up the entire matter; and we believe we can do that within about 2½ years, and that there will be sufficient money available, under the committee amendment, to make it possible to conclude the work.

The PRESIDING OFFICER. The clerk will state the next amendment.

The next amendment was, under the subhead "Civil Aeronautics Administration," on page 31, line 14, after the word "snowshoes", to strike out "$105,500,000" and insert "$104,500,000."

The amendment was agreed to.

The next amendment was, on page 32, at the beginning of line 7, to strike "$7,000,000" and insert "$5,000,000."

Mr. SMATHERS. Mr. President, I desire to ask the distinguished Senator from New Hampshire about this amendment, which proposes a reduction of $2 million in the appropriation for aviation and for navigational facilities. Will that in any way lessen the safety factor in the operation of commercial airlines throughout the country? What was the committee's reasoning in proposing this reduction?

Mr. BRIDGES. Mr. President, so far as I know, it will not lessen the safety factor or impair current operations. It may result in delay in the acquisition of new apparatus, but it will not impair the current situation.

Mr. SMATHERS. I had been advised that the cut of $2 million would result in failure to build civilian radar sets at certain large airports, such as those at Omaha, Spokane, and San Diego.

Mr. BRIDGES. That is not what the distinguished and able Senator from Florida asked me. He inquired whether the reduction would lessen the safety factor. It would not lessen the safety factor.

Mr. SMATHERS. I can appreciate that; but it would stop the development of the safety program. Is not that correct?

Mr. BRIDGES. It will perhaps retard it over a period of time. It may lessen or may increase the time factor in connection with the construction of certain installations, but it would do nothing to interfere with existing facilities.

Mr. SMATHERS. I merely wondered whether the Senator from New Hampshire knew what construction would be stopped as a result of the reduction of $2 million.

Mr. BRIDGES. One of the reasons for the position taken by the Senate committee was that on June 30 this year there will be an unobligated balance of $10,513,786. There is ample opportunity for the administration to proceed during the next year with an orderly program. The reduction from $7 million to $5 million is not going to be harmful.

Mr. SMATHERS. I am sure I can agree, when I see the Senator from New Hampshire recognizing the importance of aviation and the importance of developing new navigational facilities. If it were represented to his committee that there was a need for the development of new navigational facilities for the safety of commercial airlines and military operation, his committee would be glad, I am sure, to consider a supplemental request, if it could be substantiated.

Mr. BRIDGES. I may point out to the Senator that last year there was an appropriation of $9,950,000. This year the carry-over is $10,500,000, plus $5 million provided in this bill, which would make available approximately $15.5 million. I should think that would be all the office could reasonably take care of.

Mr. SMATHERS. I should think so, too, except that I am advised that, while $10 million is unobligated, nevertheless it is programed. Programs have been drawn up under which the administration had expected to establish radar controls.

Mr. BRIDGES. I think that is correct. The $10 million is programed, and we have provided $5 million for new programs. Therefore, we have a fairly well-balanced situation. Certainly the committee has definitely in mind safety provisions, and it intends that nothing in this bill shall interfere with the safety of commercial air traffic. I have told the Senator the actual facts as the committee found them to be.

Mr. SMATHERS. I may say to the Senator from New Hampshire I have no desire to labor the point. I agree with him that if the funds carried over are unobligated it would not make much sense to appropriate a large amount of additional funds. However, if representatives of the CAA come before the committee and are able to substantiate the claim that the reduction would interfere with the safety factor in the operation of commercial airlines and military airlines, would not the committee chairman be happy to hear their argument and, if necessary, to recommend the appropriation of the necessary funds?

Mr. BRIDGES. I cannot say what we shall do. We certainly shall be glad to hear them and listen to the evidence. It would then be up to the committee to decide. The Senator from New Hampshire cannot promise that the money will be appropriated.

Mr. CORDON. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield.

Mr. CORDON. Referring to page 31 of the bill and to the amount recommended and agreed to by the Senate, in line 14, this sentence occurs in the committee report on page 13:

> In distributing the reduction, the committee directs that no portion be applied to the allotments for operations of Federal airways and aviation safety activities.

The question is, Does that sentence mean, as the Senator from Oregon understood it to mean when it was discussed in committee, that no portion of the reduction made either by the House or by the Senate shall in anywise be applied to the allotments for operation of airways and aviation activities? I ask the question because the sentence might be construed as referring only to the Senate reduction.

Mr. BRIDGES. It is my view that the Senator's interpretation is correct.

Mr. CORDON. I so understood when the committee had the question under consideration. In view of the fact that within the amount appropriated there are such sums as $1,350,000 for interfunctional activities, and for staff and administrative purposes $5,500,000, in round figures, certainly there is room in the administrative section to make that kind of a reduction without in anywise affecting the operation of airways or of aviation safety activities. Certainly there are adequate funds to absorb that reduction without any necessity of reducing the present safety appliances, including the 18 traffic-control towers.

Mr. BRIDGES. The distinguished Senator from Oregon is absolutely correct. That was the thought of the committee, and that is the interpretation which the committee put on the language.

Mr. CORDON. I thank the Senator from New Hampshire.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 32, line 7.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, on page 33, line 4, after the word "Administration", to strike out "$1,000,000" and insert "$500,000."

Mr. CAPEHART. Mr. President, I move to amend the committee amendment by striking out "$500,000" and substituting in lieu thereof "$950,000."

I do not know how the committee arrived at the figure $500,000, but I should like to invite the attention of the Senate to the fact that in 1948 there was appropriated $1,600,000; in 1950, $1,450,000; in 1951, $1,375,000; in 1952, $1,363,000; and in 1953, $1,162,972.

The House recommended $1 million for the next fiscal year, and the President's budget called for approximately $1,163,000.

The pending bill, under the committee amendment, calls for $500,000.

This appropriation has to do with the operation of the CAA main laboratory at Indianapolis, where the Government has an investment of approximately $5 million. I think I can say without fear of successful contradiction that practically all the safety devices we now have on the airlines of the United States were developed at this laboratory. To cut the appropriation from $1 million to $500,000 would be a serious mistake.

I know considerable about the laboratory and about the property on which it is located. I fly over it and drive by it quite often. Such a reduction in funds would practically render it useless, it seems to me, despite the fact that it has to do with the safety of our airlines in the United States. One accident could easily cost $500,000. If any one of us should be so unfortunate as to be in an airplane crackup we might wish we had appropriated an additional amount for safety devices.

I understand that one reason for the cut is that the appropriation for the laboratory at Langley Field, Va., under the National Advisory Committee for Aeronautics was cut to $6,400,000. The budget a year ago, I think, was $7,700,000 and this was reduced by the House to approximately $6,400,000. In this bill the Senate has recommended an appropriation of $624,350. I do not believe we should cut operations at the laboratory in Indianapolis so drastically. A reduction from $1 million to $500,000 is drastic. I am suggesting that we make the amount $950,000, which is a 20 percent cut. It seems to me that when there are more airplanes in the air all the time the factor of safety is paramount; better beacons are needed to promote safety on the airlines. This cut might well prove to be false economy.

I hope, Mr. President, that the chairman of the committee will accept my amendment.

Mr. BRIDGES. I will say to the Senator from Indiana that in making the decision to reduce the amount to $500,000, the committee had in mind that we have in this instance duplicating facilities. There is a big laboratory at Langley Field, Va., which is to a certain degree devoted to supersonic research and development in military aircraft. We have the National Advisory Committee for Aeronautics, as well as private industry, conducting research and development. It was the thought of the committee that there was duplication in this field, and this was one place where a cut could be applied. These laboratories are adapting certain products to aeronautical use.

Of course, that has to do with safety appliances, gadgets, and the like. The Senator spoke of an airplane crackup. This item relates only indirectly to such things, although the laboratory could develop some gadget or appliance which would promote the safety of planes.

Mr. CAPEHART. Of course, they do not develop all the safety devices and all the lighting equipment, but they test them to make certain that they will do what is intended.

A few years ago, a group of Senators flew to Indianapolis to visit this laboratory, and at that time they were given some wonderful demonstrations of blind

flying. They flew around and made observations, and the laboratory there talked the pilot in.

That laboratory developed and tested the system of telling a pilot the distance he is from an airport. That is an important development.

It might well be that this particular laboratory could be merged with some other laboratory. However, the point is that that has not been done, and to reduce this appropriation from $1,100,000 to $500,000 might well prove to be false economy, because the reduction would almost completely destroy the laboratory. Perhaps the item had better be eliminated entirely, rather than be reduced so drastically.

It might well be that the installations at Langley Field ought to be moved to Indianapolis, or those at Indianapolis moved to Langley Field. The point is that that is not being done. I do not believe there is a conflict between what is being done by the National Advisory Committee for Aeronautics at Langley Field and what is being done at Indianapolis.

Mr. GOLDWATER. Mr. President, I wish to speak briefly in favor of the amendment offered by the distinguished Senator from Indiana. As a pilot, I am vitally interested in the particular phase of aviation affected by the amendment. I feel that a reduction of the appropriation for the research program would be false economy. I am not a proponent of economy where research is concerned.

The committee report, on page 14, states that the committee feels there is a great deal of duplication. I wish to touch on that briefly.

Private enterprise merely develops equipment and sends it to Indianapolis, where the CAA evaluates it for use in private and commercial planes. I can state from experience that the Navy and the Air Force do not lead in this particular field of the electronic control of flying, but follow.

The National Advisory Committee at Langley Field is concerned chiefly with aeronautical design, airflow, surfaces, and so forth. The laboratory at Indianapolis is the only place in the United States that is devoted exclusively to the development of electronic control of flight, which means safety during instrument-flight weather.

I call attention to the fact that the CAA has control of all the thousands of miles of airways in the United States over which airplanes fly. The CAA has control over the types of equipment used in airplanes and on the ground to communicate with airplanes.

Briefly, I call the attention of the Senate to the fact that in the next 2 years the aircraft of the United States will be changed over from the old low-frequency ranges to what are known as omniranges, or very high frequency ranges. The transition will entail much study before all equipment can be approved for private planes. It will entail study so that private and commercial pilots can use the new equipment with safety.

The distance-measuring equipment, which the Senator from Indiana [Mr. CAPEHART] mentioned, will become available to private and commercial pilots. That is an entirely new development in flying.

I feel that we would be practicing false economy by reducing this appropriation $500,000, in view of the fact that in the United States we have just begun the development of safety procedures in connection with instrument-flight conditions. Therefore, I propose to support the amendment of the Senator from Indiana.

Mr. BRIDGES. Mr. President, I may say to the Senator from Indiana that, as chairman of the committee, I do not feel I could accept his amendment. I realize what the latest information shows with respect to the 2 or 3 new programs that are planned.

This matter will go to conference between the Senate and the House. The House figure is $1 million; the amount proposed by the Senate is $500,000. The amendment of the Senator from Indiana would bring up the figure to an amount which would allow the conference very little latitude in which to negotiate. If the Senator would consider modifying his amendment to bring the amount about halfway between the Senate and the House figures, for example, to the sum of $750,000, so that there would be latitude for study and negotiation by the committee of conference, I, as one member of the Senate committee which has handled the bill, shall be glad to accept it.

Mr. CAPEHART. Mr. President, I wish to modify my amendment, so as to provide for $750,000, instead of $950,000.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified, offered by the Senator from Indiana [Mr. CAPEHART] to the committee amendment.

The amendment, as modified, to the committee amendment was agreed to.

The committee amendment, as amended, was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, on page 33, line 15, after the word "utilities", to strike out the comma and "$400,000" and insert "(boilers), $200,000."

The amendment was agreed to.

The next amendment was, on page 33, after line 16, to strike out:

Federal-aid airport program, Federal Airport Act: Not to exceed $1,500,000 of the unobligated balance of the appropriation made available under this head in the Department of Commerce Appropriation Act, 1953, shall be available during the current fiscal year for expenses necessary for administration of the Federal Airport Act of 1946, as amended (49 U. S. C. 1101–1119), including maintenance and operation of aircraft, and of said amount not to exceed $250,000 may be transferred to the appropriation for the current fiscal year for "Salaries and expenses, Civil Aeronautics Administration."

And insert:

Federal-aid airport program, Federal Airport Act: For carrying out the provisions of the Fedeal Airport Act of May 13, 1946, as amended (except sec. 5 (a)), to be available until June 30, 1958, $12,500,000, of which (1) $10 million shall be for projects in the States in accordance with section 6 of said act, (2) $400,000 for projects in Puerto Rico, (3) $25,000 for projects in the Virgin Islands, (4) $400,000 for projects in the Territory of Hawaii, (5) $175,000 for projects in the Territory of Alaska, and (6) $1,500,000 shall be available as one fund for necessary planning, research, and administrative expenses; including purchase (not to exceed 10 for replacement only) of passenger motor vehicles; of which $1,500,000 not to exceed $250,000 may be transferred to the appropriation "Salaries and expenses, Civil Aeronautics Administration," to provide for necessary administrative expenses, including the maintenance and operation of aircraft: *Provided*, That the appropriation under this head for the next preceding fiscal year is hereby merged with this appropriation and the contract authorization heretofore granted for the foregoing purposes may hereafter be accounted for under this head.

Mr. ELLENDER. Mr. President, I offer an amendment and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment of the Senator from Louisiana.

The LEGISLATIVE CLERK. In the committee amendment on page 34, beginning on line 4, it is proposed to strike out down to and including line 24 and insert the following:

Federal-aid airport program, Federal Airport Act: For carrying out the provisions of the Federal Airport Act of May 13, 1946, as amended (except section 5 (a)), to be available until June 30, 1958, $30,000,000 of which (1) $25,125,000 shall be for projects in the States in accordance with section 6 of said act, (2) $800,000 for projects in Puerto Rico, (3) $50,000 for projects in the Virgin Islands, (4) $800,000 for projects in the Territory of Hawaii, (5) $350,000 for projects in the Territory of Alaska, and (6) $2,875,000 shall be available as one fund for necessary planning, research, and administrative expenses; including purchase (not to exceed 10 for replacement only) of passenger motor vehicles; of which $2,875,000 not to exceed $450,000 may be transferred to the appropriation "Salaries and expenses, Civil Aeronautics Administration," to provide for necessary administrative expenses, including the maintenance and operation of aircraft: *Provided*, That the appropriation under this head for the next preceding fiscal year is hereby merged with this appropriation and the contract authorization heretofore granted for the foregoing purposes may hereafter be accounted for under this head.

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute for the committee amendment, offered by the Senator from Louisiana [Mr. ELLENDER].

Mr. ELLENDER. Mr. President, the purpose of this amendment is to increase the amount of the appropriation for Federal aid to airports from $12,500,000, as reported by the committee, to the full sum of $30 million which was carried in the original budget estimate.

I believe that it would be false economy on our part not to appropriate this recommended sum. In 1946 the Congress enacted the Federal Aid to Airports Act, under which $500 million was authorized to be appropriated for the purpose of assisting municipalities and other public bodies in building airports over a period of 5 years. In 1950 this act was extended for an additional period of time. It does not now expire until 1958. I should like to emphasize this legislative history again, Mr. President. The original act provided for the expenditure of the authorization over a period of 5 years, and

the renewal act added 7 years to that time. Thus, the Congress has given ample evidence that it will do its share toward making funds available under the act.

In the justification for the original $30 million appropriation it was stated that—

During the past few years the volume of civil-military aviation activities in the United States has undergone a tremendous increase and has placed heavier demands upon airports, mainly through the use of faster and heavier aircraft. The new types of aircraft require longer and stronger runways and attendant taxiways. Excessive deterioration of existing runways is being caused by present overloading, thereby creating an operational and safety hazard to aircraft using these facilities. Unless promptly corrected, this deterioration will increase with the resultant additional cost of restoration, and, to a greater extent, affect the safety of aircraft and passengers. Local political subdivisions are prepared to finance their share of the improvement and construction of airport runway and taxiway facilities to safely and adequately accommodate these heavier types of aircraft. The advent of jet aircraft, together with the increase in the volume of all air traffic, has created many complex problems concerning the location and use of civil airports in the vicinity of highly populated areas.

What is the amount I am now requesting proposed to be used for? I refer again to the justification sheets which were presented to the committee in connection with the original budget amount. They show that there are 55 airports awaiting modernization on which military units are based. Of the sum of $30 million, $9,125,000 would be spent on these 55 airports. Bear in mind that this amount would be matched by moneys collected locally, and the airport would be used by the military.

Second, the amount requested includes work on 185 airports used by the military on an itinerant basis. Of the $30 million my amendment appropriates, $14 million would be spent on these airports, used frequently by military aircraft, and an equal amount would be spent by municipalities and other local political bodies.

There are 20 air-carrier airports, which are not included in those I have just mentioned. They, too, are used by the military. Of the sum referred to, $2,300,000 would be spent on these carrier airports.

Mr. President, I ask unanimous consent that a table showing the disposition of Federal funds provided in my amendment be printed at this point in my remarks.

There being no objection, the table referred to was ordered to be printed as follows:

Federal-aid airport program, Federal Airport Act, disposition of funds by airport use

	Number	Operational safety	Operational efficiency	Total
1. Airports on which military units are based	55	$6,625,000	$2,500,000	$9,125,000
2. Airports used by the military on an itinerant basis	185	10,500,000	3,500,000	14,000,000
3. Air-carrier airports not included in 1 and 2	20	2,000,000	300,000	2,300,000
4. Other airports necessary to the national economy	45	1,500,000	200,000	1,700,000
Total	305	20,625,000	6,500,000	27,125,000

Distribution of 1954 program

Service type	Number of airports	Federal funds
Secondary	65	$1,200,000
Feeder	65	3,100,000
Trunk	87	5,500,000
Express	43	3,700,000
Continental	21	3,800,000
International continental	15	6,000,000
International continental express	9	3,825,000
Total	305	27,125,000

Mr. ELLENDER. When the Aid-to-Airports Act of 1946 was approved, it was intended that a plan for the establishment of airports throughout the country would be made available, so that in case of war the Government would have the use of such airports. There is such a plan in existence and as provided by Congress it has been revised frequently. That was the reason why the Government placed in the law the provision which, in effect, holds that although the airports are erected with joint funds, at any time the Federal Government desires to use them, at any time we may find ourselves in an emergency, the Federal Government may take over the airports, as was frequently done during World War II.

Before any of these airports are erected, plans and specifications must be in strict accord with standards determined in advance by the Civil Aeronautics Administration. Before any money is made available from the Federal Government the plans must be in strict accord with these specifications. The property must be purchased by the various municipalities for the purpose of expanding existing facilities or erecting new facilities. There must be a clear and unencumbered title.

What have we done in the past with respect to the law as it now stands on the statute books? Have we appropriated the sum of $100 million a year, as was contemplated when the act was approved? We certainly have not. The most that the Federal Government provided by way of matching funds in any one year was less than $40 million. Yet this act was used more or less as an incentive to induce political subdivisions throughout the Nation to create huge obligations. Many communities have incurred large debts in this connection. Today there are communities wherein a total of $75 million could be spent if only it ware matched by the Federal Government. This money has been raised by the various municipalities. They are ready to go. They have sold their bonds. They are paying interest on the bonds which they have issued in order to be able to construct the facilities which were agreed to by the Federal Government.

It is true that the act itself provides that the Government shall not be bound to put up the money unless the Congress appropriates the funds.

However, Mr. President, the act states specifically that the CAA shall prepare plans and shall state where the various airports are to be located. Then it is up to the communities interested to agree to put up their share for the payment of the costs of these facilities.

Let me read a few sentences from the original act as to why it was placed on the statute books. I read from page 408 of the hearings:

SEC. 3. (a) The Administrator is hereby authorized and directed to prepare, and revise annually, a national plan for the development of public airports in the United States, including the Territory of Alaska, the Territory of Hawaii, and Puerto Rico and the Virgin Islands. Such plan shall specify, in terms of general location and type of development, the projects considered by the Administrator to be necessary to provide a system of public airports adequate to anticipate and meet the needs of civil aeronautics.

These plans have been worked on, have been revised frequently, and have been available to local communities since 1946. These plans are renewed from year to year.

Because of that fact various communities have come in, and, as I have indicated, have taken the Government up on its word, as it were, and have said to the Federal Government, "You pay half and we pay half." That is the way it was offered to them.

Today, I repeat, some communities have provided funds to the tune of $75 million. They are ready to go ahead. There are, in addition, many communities where money has not been actually provided but which can provide the required amounts on short notice. The total thus available amounts to over $150 million. All of the facilities could be built in the long run if only Congress would appropriate the funds.

Mr. President, either we should appropriate the money necessary in order to permit the building of these facilities, or the act should be repealed.

Mr. LONG. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield to my colleague.

Mr. LONG. My colleague knows, does he not, that the facilities of these airports are useful for more than mere civilian purposes? In the event of a grave national emergency, we might find it necessary to use great numbers of these airports in our own defense. In the event many of our bases were struck, as some of us fear might happen, we might find it necessary to use many of these runways and taxiways and fuel-storage facilities for the defense of the Nation. Is that correct?

Mr. ELLENDER. That is exactly what I indicated in my opening remarks, I will say to my colleague. That is why I have stated it is false economy for us not to appropriate this money. We are putting up a dollar and the local municipalities or the local bodies are putting up a dollar. In case of an emergency, the Government can have use of the facilities to the exclusion of civilian use.

Mr. LONG. Mr. President, will the Senator yield further?

Mr. ELLENDER. I yield.

Mr. LONG. As a matter of fact, the junior Senator from Louisiana played some part last year in deleting one appropriation for a new air base, which was to have been built in New Jersey. It would have cost this year more than $100 million. It would have been in a location where it could have been easily struck by an enemy and destroyed, and it would not have increased the Nation's ability to defend itself. The argument which my colleague is making is in favor of a number of airports and facilities which could be used in the event we neded them. Is that correct?

Mr. ELLENDER. That is exactly the proposal I am submitting to the Senate, that instead of curtailing the program we should proceed to build according to our original proposal. I may say to my colleague that in 1946 it was intended to spend a half billion dollars for that purpose. In 5 years we have spent less than 22½ percent of that amount.

Mr. LONG. Mr. President, will the Senator yield further?

Mr. ELLENDER. I yield.

Mr. LONG. Last year, when the junior Senator from Louisiana had the honor to be chairman of a subcommittee studying military base expenditures, in no instance would we suggest a reduction in proposed expenditures for runways and taxiways and fuel-storage facilities, but we always make it a point to suggest that the reductions apply to housing, office facilities and unnecessary buildings, so as not to interfere with the ability of American airplanes getting into the air in the event of an attack. That logic would apply to the argument which my distinguished colleague is making today, namely, that by having these airports available for civilian use we could use them during peacetime, and in the event we found ourselves at war they would be useful for defense purposes.

Mr. ELLENDER. My colleague is eminently correct. That is why I am so insistent on Congress at least carrying out its part of the bargain with the municipalities which have already sold bonds in order to build these facilities. If Congress does not want to go ahead, we should repeal the law, not leave it on the books as an incentive as I have stated, for local communities to incur huge obligations only to have the Government fail to live up to its part of the bargain.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. SMATHERS. I wish to commend the distinguished Senator from Louisiana for the argument he is making today. I may say that I happen to know of two communities in the State of Florida which had thought they were going to be able to participate in this program, and in view of that fact had gone out and obligated themselves to the issuance of bonds, at high interest rates. Now they understand, from the cut which has been leveled against this program, that they will not be able to get any money. Yet they have obligated themselves to pay from 3½ to 4 percent interest on the bonds they have issued, with which to build the airports.

Therefore, I certainly commend the Senator from Louisiana for his argument. I may say that there are 362 cities, as I read the record, which today have filed applications and have raised money and have obligated their city government or county government, as the case may be, in the belief that they were going to participate in this program. Now they find that the Federal Government is in fact breaking faith with them. Having put themselves figuratively out on a limb, the Federal Government is now sawing it off behind them. If this amendment is adopted, in some measure it will make up to the people what they feel should have been done originally.

Mr. ELLENDER. Mr. President, I was reading from the original act of 1946, which indicated the purposes for which the funds were to be appropriated, so as to establish throughout the country airfields which could be used both in time of war and in peacetime.

At first the work was very slow. It prompted Congress in 1950 to extend the act, as I previously stated. Let me read what the Committee on Interstate and Foreign Commerce, headed by the Senator from Colorado [Mr. JOHNSON] at that time, said in its report:

> Approximately 2 years were required to permit States and municipalities to set up the necessary laws to conform with the Federal Airport Act, and additional time is necessary for municipalities to provide the money to carry out their part of the program. Various congressional committees have requested the CAA to place emphasis on the development of the larger type airports. This has held up the development of a large number of small airports which will be required for a national system. Congress has appropriated at the average rate of $40 million per fiscal year; therefore, only 22.5 percent of the $520 million.

Yet it was originally intended to spend the entire amount within a 5-year period.

> The airport program involves dealing with separate municipalities and political subdivisions, many of which are now raising funds. Some of the preliminary steps cities must process before they can enter into a contract for the actual performance of the work in many instances require much greater time than that available between now and the termination of the Federal Airport Act. The annual development programs for airport improvement and construction have provided for stage construction or units of work which necessitate further stages over a period of several years.

In that connection let me say that any number of large airports have been under construction by stages, and some of the work is one-third completed, whereas in other cases the work is half completed. Unless we provide sufficient funds for the completion of these airports, the result will probably be a total loss to many of the municipalities that have bonded themselves in order to be able to put up sufficient funds to pay their share of building these facilities.

I read further from the report:

> It is often necessary to plan airport-development programs in various stages to extend over periods of 3 to 5 years.

Mr. President, that has been done in many cases. I repeat that if we were not to provide sufficient funds, the result would be a tremendous loss to the communities that have bonded themselves, and are paying the interest on the bonds, in order to build these facilities in stages.

I read further from the report:

> Public agencies sponsoring airport development, therefore, must plan their programs for airport improvement, construction, and financing considerably in advance of actual construction. Many public agencies are awaiting at this time as to whether the Federal Airport Act will be extended in order to proceed with their plans for airport financing and construction.

Mr. President, if Congress had no intention of appropriating further funds, then instead of renewing or extending the act, Congress should have repealed it or should have let it die a natural death.

I read further from the report:

> If such a vital act for national defense would be terminated it would leave not only an uncompleted overall airport program but a large number of partially completed airports.
>
> The Federal airport program has become a vital part of our national economy. We are now beginning to feel the full effect of this program. This program, together with the implementation of the RTCA program, will do much to improve our air transportation system by providing for greater safety and acceptance of aircraft at our airports. Project requests from public agencies now on file with the CAA are in excess of $330 million.

Mr. President, we should remember that this report was submitted 2 years ago. At that time the project requests amounted to $330 million, and that was a little short of the $500 million authorized.

I read further from the report:

> Extension of time for completion of the program will permit proceeding with the airports on a priority list already established and which will be processed when Federal funds are available. The Federal airport program permits the construction and development of all types of airports with public agencies and the Federal Government as sponsors. The development of these types of airports with Federal aid is in line with our national policy of developing highways, waterways, and other utilities.

Mr. President, as I indicated a while ago, up to now the appropriations have fallen woefully short of the annual amounts called for by the act.

I have before me an analysis of the Federal airport program from July 1, 1947, to June 30, 1953. The analysis indicates that the entire amount of funds obligated for all projects was $194,432,298, and the cash expenditures and contract authorizations in the case of all those projects amounted to $165,418,883, thereby leaving an estimated amount of $29 million-plus that is required in order to liquidate the present agreements.

By the way, Mr. President, that amount is provided for as the next item in this bill.

Mr. President, I ask unanimous consent that the analysis of the Federal airport program to which I have been referring, be printed at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Analysis of Federal airport program from July 1, 1947, to June 30, 1953

APPROPRIATIONS	
Projects (excludes administrative):	
1947	$42,750,000
1948	30,662,500
1949 [1]	(3,182,828)
1950 [1]	(3,000,000)
1951 [1]	(3,000,000)
1952	15,850,000
1953	11,750,000
Total	101,012,500
Liquidation cash:	
1947	0
1948	0
1949	0
1950	11,500,000
1951	34,000,000
1952	10,000,000
1953 regular	5,500,000
1953 supplemental	3,500,000
Total	64,500,000
Total appropriations for projects	165,512,500
EXPENDITURES	
For projects:	
1948	5,148,889
1949	30,390,990
1950	33,182,519
1951	30,388,415
1952	32,808,070
1953 (estimated)	33,500,000
Total expenditures	165,418,883
Estimated balance in cash appropriated for program purposes, exclusive of administration, as of June 30, 1953	93,617
RECAPITULATION	
Total appropriated for projects	101,012,500
Plus contract authority:	
1949	36,817,172
1950	36,500,000
1951	21,200,000
Total	94,517,172
Total available for projects	195,529,672
Less total agreements entered into	194,432,298
Estimated obligational authority available as of June 30, 1953	1,097,374
Grant agreements:	
1947	3,041,906
1948	25,490,758
1949	49,908,900
1950	44,049,461
1951	39,703,042
1952	19,538,231
1953 (estimated)	12,700,000
Total grant agreements	194,432,298
Less cash expenditures on projects	165,418,883
Estimated additional amount needed to liquidate present agreements	29,013,415

[1] Cash appropriated for administration only for 1949, 1950, 1951 not in total.

Mr. ELLENDER. So in the space of 5 years Congress has fallen far short of appropriating the amount of money which had been authorized.

Mr. President, as I indicated a moment ago, the record shows that the municipalities are now able and willing to proceed under the agreement which was entered into between them and the Federal Government. These municipalities have a combined fund of $75 million with which to proceed to the development of many of the airports. The appropriation I am requesting at this time will take care of less than 50 percent of the municipalities that now are able, willing, and ready to proceed to build these facilities.

To say the least, Mr. President, I think it would be bad faith on the part of the Federal Government not to proceed at least to meet the municipalities half way in providing funds sufficient to permit the building of these airports. No doubt the airports will be needed by us, should we get into a third world war—although, of course, I pray we shall not get into one.

Failure to provide a sufficient amount of money to permit the discharge of valid obligations of the Government could have an extremely adverse effect upon our defense effort, as I have just indicated.

Mr. President, I wish to read from a report which was made to the President of the United States by his Airport Commission, a group of experts appointed by the President to study the problem of adequate airfields. General Doolittle was one of the members of the Commission, and the report was made in May 1952.

I now read from the report:

> The Federal Airport Act of 1946 established a continuing program of Federal airport aid at a rate not to exceed $100 million per year with an authorized total of $500 million. Unfortunately, the implementation of this program by yearly appropriations has lagged; furthermore, it has proved difficult to synchronize the matching of funds, Federal and municipal. To date only about $169 million of Federal matching funds have been appropriated under the act and the prospective appropriation for the coming fiscal year is less than $15 million.

That was a year ago.

I read further from the report:

> It is understood that there are now over $75 million of local matching funds available in communities for desirable projects. A firm decision should now be made as a matter of national policy to continue the Federal-aid airport program at a sufficient level to match local funds.

Mr. President, I am not even asking that so large an appropriation be made. As I have just indicated, the Federal Government, in order to meet the needs of the projects that are ready to be proceeded with, should appropriate $75 million, not $30 million. But I am reasonable, Mr. President, and I believe in true economy. I have evidence that $30 million will be adequate for the 1954 fiscal year.

I read further from the Doolittle report:

> If this cannot be done, consideration should be given to discontinuing this program. Then local communities will realize that they must bear the full costs of airport construction and improvement. National interest requires that airport improvements not be delayed. For the present, the limited funds available for Federal aid should be used for those airports contributing most to national production, national defense and overseas airlifts. The CAA has attempted to do this. The needs of such projects transcend local interests and airports concerned are included in mobilization calculations of logistics.

Mr. President, in my opening statement I suggested to the Senate where these moneys would be used. In 90 percent of the cases the money would be used for airports which are now actually being used by the military.

I read further from the report:

> Today's investment in civil airports cannot be stated with accuracy. Many of these airports or portions of them were acquired from the military as war surplus, and many other airport facilities have been financed by private interests. However, it is estimated that the acquisition cost of all United States civil airports, with their ground establishments, is in the vicinity of $4 billion.

Mr. President, I could say much more in respect to this amendment, but I shall not take further time. It is my hope that the Senate will at least appropriate $30 million, so that we may meet halfway the municipalities which are ready to proceed. However, I should like to remind Senators that even though we should appropriate the entire sum, it would fall short by more than $45 million of the amount necessary in order to meet the municipalities that are now ready and willing and able to proceed.

Mr. BRIDGES. Mr. President, the Senator from Louisiana, who is a distinguished and able member of our committee, has presented his plea for $30 million. I may point out that the Bureau of the Budget eliminated this item, and recommended nothing for it. The House eliminated the item, and recommended no appropriation for it. When it came to the Senate committee, we gave due consideration to the various factors involved.

We provided, among other items for the municipalities, one for the completion of existing contracts for airports, in the sum of $22,700,000.

We then considered the proposed additions to airports, in situations where the faith of the community was involved. For example, let us suppose that a community had in good faith issued bonds, had given proper consideration to safety factors, and had kept faith all along the line, in anticipation of the passage of a basic law. After a considerable discussion, a great deal of study, and much effort, we arrived at $12.5 million as a figure which would take care of the more essential programs. That sum, together with the $22.7 million provided for the purpose of liquidating previous contracts, and $12.5 million for the ones most necessary for the future, I think could be justified.

I am sure the Senator from Louisiana, who, as I said, is an able and distinguished member of our committee, and who has given a great deal of thought and attention to the matter, can, without doubt, make an eloquent plea for the

$30 million. I know a great many Senators on this floor are opposed to giving a single cent for this purpose, but the $12.5 million represents a middle course, which we hope will meet the most essential requirements of the airport program. Therefore, as chairman of the committee, I must oppose the Senator in his desire to increase the amount to $30 million, but I shall be glad to defend the $12.5 million program when, as I understand, an attempt will be made to eliminate it.

SEVERAL SENATORS. Vote! Vote!

Mr. KERR. Mr. President, I support the amendment of the distinguished Senator from Louisiana. The amendment he has offered is worthy of favorable consideration by the Senate; indeed, it is required in order to match the appropriations of local communities across the Nation for the improvement of airport facilities which are most vital, both in peace and in war.

EXECUTIVE SESSION

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. PURTELL in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

REVISION AND RENEWAL OF INTERNATIONAL WHEAT AGREEMENT—REMOVAL OF INJUNCTION OF SECRECY

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the injunction of secrecy be removed from Executive H, 83d Congress, 1st session, an agreement revising and renewing the International Wheat Agreement, in the English, French, and Spanish languages, which was open for signature in Washington April 13 to 27, inclusive, 1953, and was signed during that period on behalf of the Government of the United States of America and the governments of 44 other countries, and that the agreement, together with the President's message be referred to the Committee on Foreign Relations, and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, the injunction of secrecy will be removed from the agreement, and the agreement, together with the President's message, will be referred to the Committee on Foreign Relations, and the President's message will be printed in the RECORD.

The President's message is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, if the Senate approve thereof, I transmit herewith a certified copy of the agreement revising and renewing the International Wheat Agreement, in the English, French, and Spanish languages, which was open for signature in Washington April 13 to 27, inclusive, 1953, and was signed during that period on behalf of the Government of the United States of America and the governments of 44 other countries.

The purposes and provisions of the agreement are set forth in greater detail in the enclosed report of the Acting Secretary of State and in the summary enclosed therewith.

Attention is invited particularly to the final paragraph of the report of the Acting Secretary of State. It is my hope that the Senate will find it possible to give early consideration to the agreement so that, if the agreement be approved, final action by this Government with respect thereto may be taken by July 15.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 2, 1953.*

(Enclosures: (1) Report of the Acting Secretary of State, with enclosed summary of principal provisions. (2) Agreement revising and renewing the International Wheat Agreement.)

The PRESIDING OFFICER. If there be no reports of committees, the clerk will state the nominations on the Executive Calendar.

DEPARTMENT OF DEFENSE

The Chief Clerk read the nomination of Adm. Arthur William Radford, United States Navy, to be Chairman of the Joint Chiefs of Staff in the Department of Defense.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Adm. Arthur William Radford, United States Navy, to have the grade and rank of an admiral while serving as Chairman of the Joint Chiefs of Staff in the Department of Defense.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

THE ARMY

The Chief Clerk read the nomination of Gen. Matthew Bunker Ridgway, United States Army, to be Chief of Staff, United States Army.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES AIR FORCE

The Chief Clerk read the nomination of Gen. Nathan Farragut Twining, United States Air Force, to be Chief of Staff, United States Air Force, with the rank of general, for a period of 2 years beginning from date of appointment.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

DEPARTMENT OF THE NAVY

The Chief Clerk read the nomination of Adm. Robert Bostwick Carney, United States Navy, to be Chief of Naval Operations in the Department of the Navy, with the rank of admiral, for a term of 2 years.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. KNOWLAND. Mr. President, I ask that the President be notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, the President will be immediately notified.

LEGISLATIVE SESSION

Mr. KNOWLAND. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

WEARING OF UNIFORM OF ARMED FORCES BY CERTAIN PERSONS

Mr. SALTONSTALL. Mr. President, I move to reconsider the action by which the Senate on Thursday last agreed to the House amendments to the bill (S. 1550) to authorize the President to prescribe the occasions upon which the uniform of any of the Armed Forces may be worn by persons honorably discharged therefrom. I shall offer a concurrent resolution, which the Parliamentarian has drafted, to void the Speaker's signature on the bill, in order that the amendments may be taken to conference.

The bill relates to the wearing of the uniform of any of the armed services. The President was asked to submit the regulations to the Senate and House Committees on Armed Services, whereas the reference should have been to the Secretary of Defense. In order to correct the measure without a veto message, I am suggesting the procedure I have just indicated.

The PRESIDING OFFICER. The motion to reconsider will be entered.

Mr. SALTONSTALL. I now submit a concurrent resolution and ask unanimous consent for its present consideration.

The PRESIDING OFFICER. Is there objection?

There being no objection, the concurrent resolution (S. Con. Res. 31) was read, considered, and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the action of the Speaker of the House of Representatives in signing the enrolled bill (S. 1550) to authorize the President to prescribe the occasions upon which the uniform of any of the Armed Forces may be worn by persons honorably discharged therefrom be, and it is hereby, rescinded, and that the House be, and it is hereby, requested to return to the Senate its message announcing its agreement to the House amendments.

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE APPROPRIATIONS, 1954

The Senate resumed the consideration of the bill (H. R. 4974) making appropriations for the Departments of State, Justice, and Commerce, for the fiscal

year ending June 30, 1954, and for other purposes.

NOTICE OF MOTION TO SUSPEND THE RULE

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4974) making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes, the following amendment, namely: At the proper place in the bill insert the following:

"It is the sense of the Congress that the Communist Chinese Government should not be admitted to membership in the United Nations as the representative of China."

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, with the consent of the distinguished Senator from Louisiana [Mr. ELLENDER] I ask unanimous consent that the order for a quorum call be rescinded and that further proceedings under the call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. KNOWLAND. I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 56 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, June 3, 1953, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 2 (legislative day of May 28), 1953:

IN THE ARMY

The following-named persons for appointment in the Regular Army of the United States, in the grades and corps specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), and Public Law 36, 80th Congress, subject to physical qualification:

To be captain

Frederick O. Joerns, MC, O1544710.

To be first lieutenant

Robert E. Wheatley, DC, O986702.

To be second lieutenants

Erna J. Dunn, ANC, N805449.
Eleanore G. May, ANC, N900468.
Madeleine V. Paradis, ANC, N901578.

The following-named persons for appointment in the Medical Corps, Regular Army of the United States, in the grade of first lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), and Public Law 408, 82d Congress, subject to completion of internship, and subject to physical qualification:

John M. Albea, O1880043.
Raymond H. Bishop, Jr., O1880042.
Wilbur H. Bittick, O1889599.
Estis G. Copen, O2263869.
Earl S. Gerard, O1893359.
Earl W. Gorby, O980811.
Eileen B. McAvoy, K999957.
Stuart B. McConkie, O1928860.
Holger Rasmussen, O1892463.

The following-named persons for appointment as chaplains of the Regular Army, in the grade of first lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to physical qualification:

Charles S. Burton, O514336.
Cloma A. Huffman, O931414.
Robert W. Williams, O931559.

The following-named persons for appointment in the Regular Army of the United States, in the grades specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to physical qualification:

To be first lieutenants

Kenneth R. Aboe, O1560306.
Domingo I. Aguilar, O2033718.
Charles E. Ahearn, O2033958.
James E. Bartlett, O1686807.
Eugene R. Bauer, O1340026.
Carl F. Bernard, O1688498.
Sidney E. Beverly, O2033692.
Virgil W. Bolton, O2206403.
James A. Brettell, Jr., O1341501.
William A. Brooks, O2206180.
Lloyd J. Brown, O979858.
Crawford Buchanan, O1341074.
Lawrence H. Bulawsky, Jr., O1340356.
Wilfred S. Burgin, O1913467.
Robert E. Campbell, O953556.
Chester M. Clark II, O1335900.
Norman W. Coates, O954467.
Larry A. Caid, O1686687.
Wayne C. Campbell, O1688763.
Richard C. Chabot, O2014715.
Thomas E. Collins, O2203060.
Hubert W. Combs, Jr., O1560532.
Wendell F. DeLaMare, O1329930.
Albert V. Dixon, O1334984.
Kenneth E. Dohleman, O1340270.
Clifford R. Dorsey, O1685664.
Warren C. Eagan, O1597161.
Guy A. Eberhardt, O2033709.
Thomas D. Emery, O1058791.
Charles A. Faris, Jr., O2019442.
Elmer F. Faust, O1913202.
John V. Fitzpatrick, O2033783.
Belvin S. Freeman, O1688553.
Jack M. George, O1338812.
John F. Georger, O1340362.
Arthur B. Glenn, Jr., O2033695.
David E. Grange, Jr., O2021044.
Edmund F. Gregg, Jr., O2021058.
Lowell B. Harlan, O545971.
Ronald V. Harris, O2014490.
Victor J. Hawthorne, O2029755.
William C. Heard, O2204018.
Glenn H. Henderson, O2014583.
Joseph E. Henderson, O1946287.
Elmer R. Hermes, O2021040.
James M. Hill, O1342376.
John Hollinger, Jr., O1913485.
Irving C. Hughes, O2019594.
John L. Insani, O1332818.
Donald L. Jenkins, O589835.
Erik G. Johnson, Jr., O2014763.
Lawrence H. Johnson, Jr., O2014459.
Nelson H. Jones, O2033689.
James J. Judd, O2014602.
Harold G. Keebaugh, O958335.
Paul E. Kilpatrick, O1688765.
John E. King, O2019604.
William P. Koeckert, O1341441.
Zane V. Kortum, O1699950.
Edward L. Landry, O1342090.
Thomas A. Lawlor, O2206700.
John L. Lewis, O1338359.
Marion A. Lewis, Jr., O1685029.
James R. Lindholm, O1120627.
William J. Lober, Jr., O956070.
Arthur P. Lombardi, O2007730.
Francis A. McEntee, O2018033.
Robert D. McGuire, O1336243.
John C. Mahan, Jr., O2204051.
John F. Meritt, O2206075.
Melvin Messer, O2014713.
Robert J. Meyer, O1341562.
John P. Mihoch, O1599050.
Donald W. Moreau, O2208613.
Davis O. Morris, O2014517.
Wallace W. Nelson, O2014512.
James H. Nix, O1913384.
Ronald R. Olson, O2033913.
Richard O'Shea, O1688749.
Donald C. Oswald, O1339464.
Bertram L. Parr, O2014587.
William G. Phillips, O954032.
Lewis D. Prather, O2073531.
Manfred R. Quantz, O2033742.
George M. Reed, O1341119.
William H. Rice, O1688670.
William G. Riggs, O781411.
Robert H. Robinson, O1334904.
Sam Rumore, O1897799.
John P. Schuster, O2011384.
Richard G. Shank, O2014625.
Paul M. Shanley, O955939.
Don F. Simmons, O1685032.
Dale M. Smith, O1339116.
Jerry E. Smith, O957214.
Paul T. Smith, O1944599.
Victor P. Spruill, O955118.
James M. Staigers, O1339576.
Donald E. Stewart, O2210034.
Louis S. Stickney, Jr., O1685592.
Arthur D. Stigall, O959285.
Warren C. Stone, O1688622.
James C. Struthers, O1688561.
Donald L. Taylor, O2206158.
Richard F. Taylor, O1333141.
George E. Thayer, Jr., O1186935.
James H. Thibeault, O1342403.
Aubrey O. Thornton, O2018072.
William P. Tierney, O954784.
Thorveld R. Torgersen, O1342312.
Austin F. Tussing, O1342406.
Irving K. Van Riper, O1688774.
Robert D. Vaughn, O1686666.
John L. Vestal, O1688764.
Raymond P. Wassel, O1299156.
Robert N. Weaver, O2208726.
Raymond A. Whelan, O2200120.
Harry W. Wilkinson, O1684983.
Francis F. Williams, O543780.
John R. Williams, O1658022.
Francis J. Winslow, O1540891.
Wallace H. Woods, O2210502.
Billy R. Wright, O1186657.
Albert S. Yaggi, Jr., O2020603.

To be second lieutenants

James H. Aarestad, O974736.
Franklin W. Aldenderfer, Jr., O993117.
George W. Aldridge, O974487.
John C. Allen, O1917793.
Edward S. Basanez, O2206725.
Alfred K. Baum, O2074565.
Daniel J. Benefiel, O1861615.
John J. Bilon, O991960.
Robert M. Bond, O1917656.
Morris J. Brady, O963738.
Paul F. Braim, O986212.
John F. Brandenburg, O1327806.
William R. Brown, O969291.
Baird P. Bryson, O978514.
Joseph W. Burkett, O2016843.
Lowell E. Burkholder, O2084205.
James R. Burns, O2033851.
John W. Campbell, O974737.
Ralph G. Chadbourne, O984816.
Carlyle H. Charles, O968423.
Corneille L. Church, O2103340.
Thomas C. Clary, O972670.
Leo R. Clough, O2208140.
Edward E. Crow, O954440.
James J. Derhaag, O1876269.
Robert R. Dobson, O1330911.
Robert L. Dorman, O1924768.
Leo Drescher, O972387.
William T. Duba, O970713.
Christian F. Dubia, O1326824.
Norman Eva, Jr., O1924692.
Bill G. Evans, O975591.
Stanton E. Fisher, O1340067.
Frederick F. Flemming, O958311.
Harley C. Fox, O2021135.
Albert A. Fuerst, O985461.
Clarence H. Fuller, O1332051.

James A. Fyock, O2014773.
Rudolph M. Goffredo, O982906.
John D. Gordon, O767193.
George B. Gray, Jr., O1886314.
Bob L. Gregory, O2206787.
Frank H. Halley, O2105006.
David E. Hardy, Jr., O983135.
James M. Harlan, O783553.
Audley C. Harris, O1339442.
Howard B. Helm, O964972.
John T. Henderson, O1339443.
Jack A. Henson, O2021152.
William F. Henson, O1120584.
Ullrich Hermann, O1924527.
William W. Higgins, O1111121.
Joe R. Hooker, O986115.
Ralph B. Hoppe, O990826.
Henry C. Howells, Jr., O2201190.
William A. Hudson, O2205372.
William R. Huggins, O1119312.
Harold W. Humphrey, O2006171.
Clarence C. Igo, O1917679.
Jack J. Isler, O1339808.
Walter N. Israel, O1798579.
George T. James, O2209797.
Herman H. James, Jr., O1924676.
Daniel F. Johnson, O557982.
Keith E. Keister, O983997.
Edwin C. Kelton, Jr., O1120479.
Marvin E. Kemp, O954306.
Robert C. Kerner, O1924616.
Edward L. King, O978062.
Emory W. Kline, Jr., O967978.
Emil E. Kluever, O2091038.
Richard H. Koenig, O2201349.
Wilbur K. Kreigh, O1339178.
Bruce S. Lane, O1875591.
John R. Lauderdale, O968940.
William H. Lawler, O1057497.
Carl A. Lee, O956638.
Norman J. LeMere, O2021239.
John R. Lund, O1881532.
Francis J. Lynch, O1924558.
Thomas E. Lytle, O986725.
Norman F. McGinnis, Jr., O1331071.
John E. McGlothlin, O2019908.
George W. McIlwain, O2003087.
Leslie G. McNair, O1337985.
Jules R. Meyer, Jr., O1924051.
Woodburn J. Mickel, Jr., O1337737.
William W. Millican, O970461.
Harry L. Moore, O2033852.
Joseph E. Moore, O2204452.
Harold P. Mueller, O2033931.
Abraham F. Muscari, O993681.
Paul D. Nefstead, O1120460.
Ralph B. Osgood, Jr., O2203828.
Paul H. Otis, O2207150.
Joe M. Palmer, O545485.
John W. Park, Jr., O989775.
Rodney G. Parrish, O994385.
James C. Pennington, O1918912.
Louis Peterka, O2021241.
William I. Pippin, O2021185.
Carl Reno, O2021068.
Donald L. Roberts, O964876.
Richard A. Rooth, O2014648.
Peter W. Rose, O967137.
Robert R. Rudy, O963033.
Robert J. Saxton, O1924680.
William E. Schiller, O2206296.
Francis D. Schuyler, O959556.
James Scudder, O984157.
Leslie R. Sears, Jr., O2203922.
Eldred S. Sessions, O2021210.
Wilbur C. Shepherd, O2033858.
Athol M. Smith, O2003113.
Joseph W. Smith, O2205356.
Lewis I. Stein, O2038040.
Herbert W. Stephens, O2034064.
Cameron H. Stone, O1341918.
Robert G. M. Storey, O1120733.
John H. Talbot, O2207086.
David C. Thomas, O1334229.
Daniel G. Traver, O1924641.
William W. Waters, O1331121.
Obel H. Wells, O1924611.
Marion E. White, O918906.
Paul J. Willett, O1340243.
Charles A. Wilson, O980320.
Charles W. Yerkes, Jr., O2036575.
James O. Youngblood, O2205720.
Richard E. Zastrow, O1924714.

The following-named distinguished military students for appointment in the Regular Army of the United States, effective June 15, 1953, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to designation as distinguished military graduates, and subject to physical qualification:

Roy A. Bledsoe, Jr.
Thomas P. Rademacher

IN THE AIR FORCE

The following-named officers for temporary appointment in the United States Air Force under the provisions of section 515, Officer Personnel Act of 1947:

To be major generals

Brig. Gen. Carl Brown McDaniel, 65A, Regular Air Force.
Brig. Gen. John Ferral McBlain, 203A, Regular Air Force.
Brig. Gen. Chester Earl McCarty, AO235959, Air Force Reserve.
Brig. Gen. Walter Gelvin Bain, AO290604, Air Force Reserve.
Brig. Gen. Ralph Powell Swofford, Jr., 547A, Regular Air Force.
Brig. Gen. Leland Samuel Stranathan, 406A (colonel, Regular Air Force), United States Air Force.
Brig. Gen. Richard August Grussendorf, 543A (colonel, Regular Air Force), United States Air Force.
Brig. Gen. Sory Smith, 573A (colonel, Regular Air Force), United States Air Force.

To be temporary brigadier generals

Col. Alvin Louis Pachynski, 325A, Regular Air Force.
Col. John Mills Sterling, 328A, Regular Air Force.
Col. Ralph Edward Koon, 375A, Regular Air Force.
Col. Don Zabriskie Zimmerman, 443A, Regular Air Force.
Col. George Fletcher Schlatter, 549A, Regular Air Force.
Col. Kurt Martin Landon, 571A, Regular Air Force.
Col. Leo Peter Dahl, 609A, Regular Air Force.
Col. Daniel Stone Campbell, 615A, Regular Air Force.
Col. Charles Hardin Anderson, 623A, Regular Air Force.
Col. Romulus Wright Puryear, 637A, Regular Air Force.
Col. Edward Joseph Tracy, 19037A, Regular Air Force (Medical).
Col. Richard Lee Scott, 864A, Regular Air Force.
Col. John Mel Schweizer, Jr., 920A, Regular Air Force.
Col. John David Howe, 909A, Regular Air Force.
Col. Stanley Joseph Donovan, 1089A, Regular Air Force.
Col. John Markward Reynolds, 1299A, Regular Air Force.
Col. Wayne Otho Kester, 18976A, Regular Air Force (Veterinary).
Col. Bernard Adolf Schriever, 1519A, Regular Air Force.
Col. David Wade, 1582A, Regular Air Force.
Col. Charles Duncan Jones, 1589A, Regular Air Force.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 2 (legislative day of May 28), 1953:

DEPARTMENT OF DEFENSE

Adm. Arthur William Radford, United States Navy, to be Chairman of the Joint Chiefs of Staff in the Department of Defense.

IN THE ARMY

Gen. Matthew Bunker Ridgway, United States Army, to be Chief of Staff, United States Army.

UNITED STATES AIR FORCE

Gen. Nathan Farragut Twining 10A (major general, Regular Air Force), United States Air Force, to be Chief of Staff, United States Air Force, with the rank of general, for a period of 2 years beginning from date of appointment.

DEPARTMENT OF THE NAVY

Adm. Robert Bostwick Carney, United States Navy, to be Chief of Naval Operations in the Department of the Navy, with the rank of admiral, for a term of 2 years.

Adm. Arthur William Radford, United State Navy, to have the grade and rank of an admiral while serving as Chairman of the Joint Chiefs of Staff in the Department of Defense.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 2, 1953

The House met at 12 o'clock noon.

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

JUNE 2, 1953.

I hereby designate the Honorable LEO ALLEN to act as Speaker pro tempore today.

JOSEPH W. MARTIN, Jr.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, who art the inspiration of every noble thought and every heroic achievement, we are beseeching Thee in our noonday prayer to evoke in our minds and hearts a sincere longing to follow the ways which Thou hast marked out for us.

Thou knowest how vain and futile are all our plans and purposes and how misdirected are all our energies unless we have a vivid sense of Thy guiding and sustaining presence and power and heed Thy voice as Thou dost say, "This is the way, walk ye therein."

Grant that we may come to the close of each day with the assurance of Thy benediction, "Well done thou good and faithful servant."

Hear us in the name of our blessed Lord who is the way, the truth, and the life. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 2327. An act to authorize the Post Office Department to designate enlisted personnel of the Army, Navy, Air Force, Marine Corps, and Coast Guard as postal clerks and assistant postal clerks, and for other purposes.

The message also announced that the Senate had passed a bill and concurrent resolution of the following titles, in which

the concurrence of the House is requested:

S. 694. An act to prohibit the display of flags of international organizations or other nations in equal or superior prominence or honor to the flag of the United States except under specified circumstances, and for other purposes; and

S. Con. Res. 30. Concurrent resolution authorizing the printing of United States wall maps for the use of the Senate and the House of Representatives.

DAIRY MONTH

Mr. MARSHALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to include an article.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. MARSHALL. Mr. Speaker, June is Dairy Month. The importance of dairying to our livelihood is most effectively pointed out in a recent article by Ralph Wayne in the Stock and Dairy Farmer for May 1953 which reads as follows:

Butter consumption is down but we are eating 70 percent more cheese per person than we did 20 years ago. We are using 8½ million cans of evaporated milk daily in the United States. The per capita consumption of fluid milk and cream has increased 17.6 percent since prewar days. We are healthier today, too.

If all the milk to be produced in 1953 were put in quart bottles and set side by side, the bottles would circle the earth 140 times. If a canal were dug across the United States from New York to California 40 feet wide and 3 feet deep, the milk produced in 1 year would fill it brimful. The butter produced annually gives humans more energy than that generated by the Hoover Dam in a like period. Our annual cheese production would cover the man in the moon with a layer 1-inch thick. Today, a quart of milk costs an industrial worker 8 minutes' work as compared to 11 minutes in 1940. Milk is an economical food. The dairy industry supplies 30 percent of the food Americans eat for only 15 percent of the food dollar.

One quart of milk gives the adult physically active man 49 percent of his daily protein need, 22 percent of his daily calories, 48 percent of the phosphorus, more calcium than he needs, 92 percent of his riboflavin vitamin requirements, and sizable amounts of other vitamins. Yes, we have a great industry and a great food; let's tell others about it. Do your part during Dairy Month and the other 11, too.

A NEW VOICE OF AMERICA

Mr. KERSTEN of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KERSTEN of Wisconsin. Mr. Speaker, some sturdy vocal chords can now be put into the Voice of America. The President, by creating the new United States Information Agency outside the State Department, has put the Voice of America in a position where it can do a real job both on the positive side of telling the truth about America and on the negative side of telling the unadulterated atrocious truth about what it means for a human being to live in Communist Katyn Forest Poland, Peoples' Court Red China, or MVD Run U. S. S. R.

Of course, under the new Executive order, our Information Service will have to follow the line of our foreign policy. But it will not be tied down with all the protocol inherent to professional diplomacy.

President Eisenhower has put it in the record that the American conscience will never be at rest until the enslaved nations regain their freedom. He has also pointedly advised the United States Congress that we will never acquiesce in the enslavement of any nation. These are strong words. These are bold words. But they are vital to the safety of our Nation and to the peace of the world. They are basic in our new foreign policy.

Under the direction of Dr. Johnson, the United States Information Agency will unlimber America's propaganda guns and begin to use the ammunition that we have had all this time but which the fearful appeasers of the previous administration failed to use.

Dr. Johnson has been rolling up his sleeves and, I believe, is about to take off his gloves to rip the phony mask from the Communist line and expose it in all its hideousness to America and to the world.

This is what the American people want. This, I believe, is what Dr. Johnson and his new associates will do.

I heartily support the President's plan to reorganize overseas activities because it brings commonsense to the relief of a muddled and somewhat desperate situation.

That situation is due not merely to world conditions and our reaction to them. In considerable part it is due to the multitude of peripheral activities which have been wished—if not forced—upon the State Department, not suited to political warfare.

As the Hoover Commission has pointed out, program operations were imposed upon State, after the last war, simply because no other place could be found for them. The consequent responsibilities have been a burden upon the Department, which should be free to devote itself to its overriding obligation of conducting the usual activities of foreign policy.

If the Department is to be permitted to do a better job in its own field, the foreign information program should be enabled to do the same. The information program should be required to stand on its feet and to make its own showing. This is another way of saying that it should operate as an independent agency; it should be given the means for carrying out its task; and it should be held accountable for its performance.

To me, the desirability of such a separation is so obvious that I cannot understand why anyone should object to it. The Hoover Commission did not propose this step in early 1949 only because—at that time—the activities of what we know as the International Information Administration had not become so widespread and numerous as they are now. The truth is, the American people had not yet fully realized—4 years ago—the significance of the campaign to win men's minds in the deadly struggle between the free world and the slave world.

What President Eisenhower is now urging is that we let the State Department make policy—and a new agency disseminate and implement such policy in the information field. The information mediums of the International Information Administration will be taken over and reinforced and stimulated under the management of a fresh organization, stripped for vigorous, flexible, imaginative action on a most vital sector of the free world's battleline.

In the face of the ugly realities of the hour, we should give first place to making ourselves as strong as possible by mobilizing our information as well as our military resources. President Eisenhower has asked us for a more dependable weapon in the war of ideas. I say, let us give it to him.

ELIZABETH II

Mr. DEANE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. DEANE. Mr. Speaker, today a young woman, Britain's Queen, Elizabeth II, committed her life in Westminster Abbey to the struggle of good against evil, of right against wrong, of Christ against anti-Christ. In this commitment she receives the prayers of millions throughout the free world, even those who are today denied freedom.

In this day of friction and division among peoples and between nations, may the crowning of Elizabeth II renew the same commitment in ourselves as the key to the survival of liberty.

I feel honored that our two daughters are in London today, associated with Dr. Frank Buchman and a moral rearmament task force which has just returned from 8 months in India, Kashmir, and Pakistan. It pleases me to know that these daughters could be a modest link between Congress and the coronation. I wish to be particularly associated with the good wishes of many in this House to Queen Elizabeth II.

ALLISTER COCHRANE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, on January 31, 1902, Allister Cochrane came to the House as a substitute reporter, and after serving two terms in that capacity was appointed by Speaker Cannon, of Illinois, as Official Reporter of Debates of this body.

Yesterday, June 1, 1953, Mr. Cochrane was retired upon his request. For over 50 years he loyally, faithfully, and ably performed his important duties. During this period, in addition to reporting the debates of the House, Mr. Cochrane was called upon to render like service at international conferences and special congressional proceedings at times when the House was not in session. Some of his outside special assignments were The Hague International Conference of 1907, and the famous Lorimer trial in 1911 and 1912.

During his long period of service Mr. Cochrane has seen some thousands of Members come and go. He has earned and enjoyed the confidence and respect of every Member who served in the House during the past five decades.

The Members have great respect for the officers and employees of the House. From the page boy up they serve us with loyalty and devotion. This particularly applies to Allister Cochrane.

As our late friend Roy Woodruff, of Michigan, said of Mr. Cochrane, on January 31, 1945:

> Mr. Cochrane, who has served this House longer, with few exceptions, than any present employee, typifies in the highest degree the loyalty, the industry, the efficiency, and the devotion of congressional employees as a whole.

Those of us who have known Mr. Cochrane will always remember him for his ability, his loyalty, and his devotion to the House and its Members, but we will also remember him for his simplicity, for his nobility of character, for the fact that he never intruded in the performance of his duties, but he was always present.

It is proper that we pause for a few moments to acknowledge the debt that we owe to this fine gentleman, to this faithful servant of the House, and pay our respect to him, and to say that he was noticed and appreciated

His character of service will be an inspiration to and an example for all others connected with the House to follow. I am sure I express the thoughts of all Members in extending to Allister Cochrane our thanks and that his years in retirement will be many and happy.

Mr. RAYBURN. Mr. Speaker, in every expression of good will and thanks to Mr. Cochrane by the gentleman from Massachusetts [Mr. McCORMACK], I join fully. Mr. Cochrane has been an efficient and faithful employee of this House.

His has been a full life, and one of service to fellow man and country. May he live much longer to be of pleasure to family and friends.

Throughout the years he has been my friend, and helpful to me in every way he could.

I ask unanimous consent, Mr. Speaker, that all Members who desire may extend their remarks at this time, following the remarks of the gentleman from Massachusetts [Mr. McCORMACK] on the service of our friend Mr. Cochrane.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

THE CONSENT CALENDAR

The SPEAKER pro tempore (Mr. ALLEN of Illinois). Under the previous order of the House, the Consent Calendar will be called.

VETERANS' AFFAIRS OFFICE IN THE REPUBLIC OF THE PHILIPPINES

The Clerk called the bill (H. R. 3884) to extend the authority of the Administrator of Veterans' Affairs to establish and continue offices in the Republic of the Philippines.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. TRIMBLE. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

Mr. ADAIR. Mr. Speaker, I object on behalf of the chairman of this committee to the bill's being passed over.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. TRIMBLE, Mr. CUNNINGHAM, and Mr. ASPINALL objected; and, under the rule, the bill was stricken from the calendar.

Mr. ADAIR. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a letter from the Assistant Secretary of State and a note from the Chargé d'Affaires of the Philippines.

The SPEAKER pro tempore, Is there objection to the request of the gentleman from Indiana?

There was no objection.

(The matter referred to follows:)

DEPARTMENT OF STATE,
Washington, May 29, 1953.

The Honorable EDITH NOURSE ROGERS,
Chairman, Committee on Veterans' Affairs, House of Representatives.

MY DEAR MRS. ROGERS: I enclose for the information of the Committee on Veterans' Affairs a copy of a note from the Philippine Chargé d'Affaires ad interim, dated May 19, 1953, containing the views of the Philippine Government with respect to H. R. 3884, "to extend the authority of the Administrator of Veterans' Affairs to establish and continue offices in the Republic of the Philippines" until June 30, 1960.

The Chargé d'Affaires ad interim is being informed that his Government's views are being transmitted to your committee.

Sincerely yours,

THRUSTON B. MORTON,
Assistant Secretary
(For the Acting Secretary of State).

(Enclosure: Note from Philippine Chargé d'Affaires ad interim, dated May 19, 1953.)

The Chargé d'Affaires ad interim of the Philippines presents his compliments to His Excellency the Acting Secretary of State and has the honor to refer to a bill, H. R. 3884, "to extend the authority of the Administrator of Veterans' Affairs to establish and continue offices in the Republic of the Philippines" until June 30, 1960.

In view of the thousands of pending claims for veterans' benefits which are still in the process of adjudication in the Philippines, the Philippine Government strongly supports and endorses this proposed legislation.

The Chargé d'Affaires ad interim will appreciate the good offices of His Excellency in this matter with a view to securing approval of H. R. 3884.

EMBASSY OF THE PHILIPPINES,
WASHINGTON, *May 19, 1953.*

MEDICAL CARE OF CERTAIN PERSONNEL OF THE FORMER LIGHTHOUSE SERVICE

The Clerk called the bill (H. R. 1026) to amend the Public Health Service Act to provide medical, surgical, and dental treatment and hospitalization for certain officers and employees of the former Lighthouse Service.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM. Mr. Speaker, inasmuch as this bill is scheduled to come up under a suspension of the rules, I ask unanimous consent that it be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

NATIONAL SCIENCE FOUNDATION

The Clerk called the bill (H. R. 4689) to amend the National Science Foundation Act of 1950.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, reserving the right to object, it is my understanding that this bill has been passed over without prejudice heretofore. I think it might be well to do likewise at this time; for I believe the same objection exists today, as far as the individual who previously made the request is concerned, as existed at that time. I, therefore, withdraw my reservation of objection and ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

REPEALING TRANSFER OF FORT DES MOINES, IOWA

The Clerk called the bill (H. R. 4978) to repeal the act of September 30, 1950, authorizing the transfer to the State of Iowa of Fort Des Moines, Iowa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act authorizing the transfer of Fort Des Moines, Iowa, to the State of Iowa," approved September 30, 1950, is hereby repealed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALE OR LEASE TO STATE OF KANSAS OF CERTAIN LANDS SITUATED NEAR GARDEN CITY, KANS.

The Clerk called the bill (S. 380) to authorize the sale or lease by the State of Kansas of certain lands situated near Garden City, Kans.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, reserving the right to object, I would like to ask the distinguished gentleman from Kan-

sas [Mr. HOPE] whether or not these funds which will accrue from the oil revenues will be used in the State of Kansas for purely administrative purposes, or will the funds be used for the acquisition of additional conservation lands?

Mr. HOPE. It is my understanding that practically all the funds will be used for the acquisition of additional lands in the way of State game refuges.

Mr. FORD. I think there might be some very legitimate objection to this legislation if these oil royalty revenues are to be used to support the program generally in the State of Kansas. If it is a program to acquire additional conservation lands, it would seem to me it is perfectly all right, but I do not think these funds should be used to support the personnel and administrative duties of the conservation department of the State of Kansas.

Mr. D'EWART. The report signed by Mr. Orme Lewis states:

> The royalties received from this lease, of course, are required to be used for the purchase of lands within the area designated in the 1928 act.

Mr. FORD. Is that earmarking spelled out in the bill?

Mr. D'EWART. It is not spelled out in the bill, but it is spelled out in the report signed by Mr. Orme Lewis.

Mr. FORD. Would that letter have any validity as far as the State of Kansas is concerned?

Mr. D'EWART. I think it would. The history of the bill and the report are always considered in interpreting the intent and purpose of legislation.

Mr. FORD. Would the gentleman have any objection to the inclusion of an amendment which would earmark these funds for the acquisition of land and denial of the use of such funds for administrative purposes?

Mr. D'EWART. I have no personal objection to it.

Mr. HOPE. I may say to the gentleman from Michigan that, as far as I have been informed, there is no intention of using any of these funds for general administrative expenses. I think our State fish and game commission has ample funds for that purpose. They do have a program of land acquisition and the entire purpose, I am sure, is to use this money along that line. Personally, I would have no objection whatever to an amendment that the gentleman might want to offer along that line and I am quite certain there would be no objection on the part of the people in Kansas who are interested in this, but that would require the bill to go back to the Senate if we adopt the amendment. I was in hopes we could avoid that, but I would have no objection to such an amendment.

Mr. FORD. On the basis of the assurances given by the distinguished gentleman from Kansas and the gentleman from Montana, which is unequivocal that there shall be no use of these funds for general administrative purposes, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to authorize the sale of certain lands near Garden City, Kans.," approved March 10, 1928, is amended to read as follows: "That the State of Kansas is hereby authorized to sell or lease for any purpose all or any part of the lands granted to the State under the provisions of the act entitled 'An act granting to the State of Kansas title to certain lands in said State for use as a game preserve,' approved June 22, 1916, without regard to any restrictions contained in such act, but upon condition that the proceeds of any such sale or lease be used by the State of Kansas to purchase or acquire other land in the State to be used as a State game refuge or for the further purposes and uses of the Forestry, Fish, and Game Commission of the State of Kansas as may be provided by the laws of the State."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MORRISTOWN NATIONAL HISTORICAL PARK, NEW JERSEY

The Clerk called the bill (S. 1292) providing for the reconveyance to the town of Morristown of certain land included within the Morristown National Historical Park, in the State of New Jersey.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized to convey to the town of Morristown, a municipal corporation of the State of New Jersey, without consideration, for public use, and under such terms and conditions as the Secretary may deem advisable, the following described property comprising a part of the Morristown National Historical Park:

That certain parcel of land comprising a part of the Fort Nonsense area of Morristown National Historical Park, bounded and described as follows:

Beginning at the twelfth corner of the eleventh tract which was conveyed by town of Morristown to the United States of America by deed dated July Fourth, One Thousand Nine Hundred and Thirty-Three, which has been recorded at the Morris County Clerk's office in book of deeds Q-33, page 433; thence—

(1) following the twelfth course therein south forty-nine degrees forty-six minutes east ninety-nine and fifty one-hundredths feet, to the thirteenth corner thereof, thence

(2) following the thirteenth course therein north forty-two degrees fourteen minutes east seventy and seventy one-hundredths feet, to the fourteenth corner thereof, thence

(3) following the fourteenth course therein north eight degrees ten minutes east one hundred eight and twenty one-hundredths feet, to the fifteenth corner thereof, thence

(4) following the fifteenth course therein north forty-seven degrees eighteen minutes west ninety-seven feet, to the sixteenth corner thereof, thence

(5) South twenty-two degrees forty-six minutes twenty seconds west one hundred seventy-four and fifty-eight one-hundredths feet to the point and place of beginning, containing approximately eighteen thousand square feet.

The above described land, upon conveyance to the town of Morristown, shall thereupon cease to be a part of the Morristown National Historical Park.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 7 OF THE FLOOD CONTROL ACT OF 1941

The Clerk called the bill (H. R. 2954) to amend section 7 of the Flood Control Act of 1941 relating to the apportionment of moneys received on account of the leasing of lands acquired by the United States for flood-control purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 7 of the act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes," approved August 18, 1941, as amended (33 U. S. C. 701c–3), is amended by striking out "situated:" and inserting in lieu thereof "situated, or for defraying the expenses of county government in such county or counties, including public obligations of levee and drainage districts for flood control and drainage improvements."

With the following committee amendment:

Page 1, line 8, after the word "defraying", insert "any of."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONNECTICUT RIVER FLOOD CONTROL COMPACT

The Clerk called the bill (H. R. 183) granting the consent and approval of Congress to the Connecticut River flood-control compact.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. CUNNINGHAM. Mr. Speaker, an identical bill, S. 261, has been passed by the Senate, and I ask unanimous consent that it be substituted for the bill, H. R. 183.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the consent and approval of Congress is given to the Connecticut River flood-control compact between the States of Massachusetts, Connecticut, New Hampshire, and Vermont. Such compact reads as follows:

CONNECTICUT RIVER FLOOD-CONTROL COMPACT

Whereas the Federal Government exercises jurisdiction over the Nation's navigable rivers and their tributaries through passage of the Flood Control Act of 1936 and various other acts amendatory thereto; and

Whereas these acts provide for construction by the United States of dams for flood control and, where feasible in addition to flood control for storage of water to be used for irrigation, recreation or hydroelectric power or for any of these purposes; and

Whereas the Connecticut is an interstate river and control of major floods on it can be obtained only by the construction of dams by the United States under authorization of the above-mentioned acts; and

Whereas the Commonwealth of Massachusetts and the States of Connecticut, New

Hampshire, and Vermont recognize that it is in the interest of their general welfare that the United States construct in the Connecticut River Valley a comprehensive system of local protection works and dams and reservoirs to control floods and prevent loss of life and property, the disruption of orderly processes and the impairment of commerce between the aforesaid States; and

Whereas the United States has constructed dikes, flood walls, and other local protection works at Hartford and East Hartford in the State of Connecticut and at Springfield, Riverdale, West Springfield, Chicopee, Northampton, Holyoke, and Springdale, in the Commonwealth of Massachusetts and dams and reservoirs for the storage of floodwaters at Knightville, Birch Hill, and Tully in the Commonwealth of Massachusetts, at Surry Mountain in the State of New Hampshire and at Union Village in the State of Vermont and has reached agreements with the State wherein located for construction of dams and reservoirs for the storage of floodwaters at Barre Falls in the Commonwealth of Massachusetts and at Ball Mountain and at Townshend in the State of Vermont; and

Whereas the Congress has at various times authorized construction by the United States of other dams and reservoirs for the storage of floodwaters in the Commonwealth of Massachusetts and in the States of New Hampshire and Vermont and has more recently instructed the Corps of Engineers to determine what additional local protection works and dams and reservoirs are required for a comprehensive system to control floods in the Connecticut River and its tributaries; and

Whereas it is believed that such a comprehensive flood-control system should include dams and reservoirs controlling flood runoff from approximately 25 percent of the total drainage area of the Connecticut River above Hartford, Conn., and strategically located in reference to characteristics of tributaries and to damage centers; and

Whereas construction by the United States of additional dams and reservoirs in the Commonwealth of Massachusetts and in the States of New Hampshire and Vermont, to complete such a comprehensive flood-control system, will remove from the tax rolls of local governments of those States such property as is acquired by the United States and may work other hardships against the people of Massachusetts, New Hampshire, and Vermont; and

Whereas it is highly desirable that any flood-control dam and reservoir constructed by the United States in the Connecticut River Valley have the approval of the State wherein it is located and that States benefiting from construction of such dam and reservoir make reimbursement for such loss of taxes and for such hardships; and

Whereas a comprehensive system for the prevention of destructive floods and for water resources utilization in the Connecticut River Valley can best be accomplished by cooperation between the several States in the valley and by and through a common and joint agency of said several States;

Now, therefore, the said Commonwealth of Massachusetts and States of Connecticut, New Hampshire, and Vermont do hereby enter into the following compact, to wit:

ARTICLE I

The principal purposes of this compact are: (a) to promote interstate comity among and between the signatory States; (b) to assure adequate storage capacity for impounding the waters of the Connecticut River and its tributaries for the protection of life and property from floods; (c) to provide a joint or common agency through which the signatory States, while promoting, protecting, and preserving to each the local interest and sovereignty of the respective signatory States, may more effectively cooperate in accomplishing the object of flood control and water resources utilization in the basin of the Connecticut River and its tributaries.

ARTICLE II

There is hereby created "The Connecticut River Valley Flood Control Commission," hereinafter referred to as the "commission," which shall consist of 12 members, 3 of whom shall be residents of the Commonwealth of Massachusetts; 3 of whom shall be residents of the State of Connecticut; 3 of whom shall be residents of the State of New Hampshire; and 3 of whom shall be residents of the State of Vermont.

The members of the commission shall be chosen by their respective States in such manner and for such term as may be fixed and determined from time to time by the law of each of said States respectively by which they are appointed. A member of the commission may be removed or suspended from office as provided by the law of the State for which he shall be appointed, and any vacancy occurring in the commission shall be filled in accordance with the laws of the State wherein such vacancy exists.

A majority of the members from each State shall constitute a quorum for the transaction of business, the exercise of any of its powers or the performance of any of its duties, but no action of the commission shall be binding unless at least two of the members from each State shall vote in favor thereof.

The compensation of members of the commission shall be fixed, determined, and paid by the State which they respectively represent. All necessary expenses incurred in the performance of their duties shall be paid from the funds of the commission.

The commission shall elect from its members a chairman, vice chairman, clerk, and treasurer. Such treasurer shall furnish to the commission, at its expense, a bond with corporate surety, to be approved by the commission, in such amount as the commission may determine, conditioned for the faithful performance of his duties.

The commission shall adopt suitable bylaws and shall make such rules and regulations as it may deem advisable not inconsistent with laws of the United States, of the signatory States or with any rules or regulations lawfully promulgated thereunder.

The commission shall make an annual report to the governor and legislature of each of the signatory States, setting forth in detail the operations and transactions conducted by it pursuant to this compact.

The commission shall keep a record of all its meetings and proceedings, contracts and accounts, and shall maintain a suitable office, where its maps, plans, documents, records and accounts shall be kept, subject to public inspection at such times and under such regulations as the commission shall determine.

ARTICLE III

The commission shall constitute a body, both corporate and politic, with full power and authority: (1) to sue and be sued; (2) to have a seal and alter the same at pleasure; (3) to appoint and employ such agents and employees as may be required in the proper performance of the duties hereby committed to it and to fix and determine their qualifications, duties and compensation; (4) to enter into such contracts and agreements and to do and perform any and all other acts, matters and things as may be necessary and essential to the full and complete performance of the powers and duties hereby committed to and imposed upon it and as may be incidental thereto; (5) to have such additional power and duties as may hereafter be delegated to or imposed upon it from time to time by the action of the legislature of any of said States, concurred in by the legislatures of the other States and by the Congress of the United States.

The commission shall make, or cause to be made, such studies as it may deem necessary, in cooperation with the corps of engineers and other Federal agencies, for the development of a comprehensive plan for flood control and for utilization of the water resources of the Connecticut River Valley.

The commission shall not pledge the credit of the signatory States or any of them.

ARTICLE IV

The signatory State wherein is located the site of each of the following dams and reservoirs agrees to the construction by the United States of each such dam and reservoir in accordance with authorization by the Congress:

In the Commonwealth of Massachusetts, (1) At Barre Falls on the Ware River controlling a drainage area of approximately 57 square miles and providing flood storage of approximately 8 inches of runoff from said drainage area.

In the State of Vermont, (1) At West Townshend on the West River controlling a net drainage area of approximately 106 square miles and providing flood control storage of approximately 6 inches of runoff from said drainage area.

(2) At Ball Mountain on the West River controlling a net drainage area of approximately 132 square miles and providing flood control storage of approximately 6 inches of runoff from said drainage area.

(3) At North Hartland on the Ottauquechee River controlling a drainage area of approximately 222 square miles and providing flood control storage for approximately 6 inches of runoff from said drainage area.

(4) At Groton Pond on the Wells River controlling a drainage area of approximately 17.3 square miles and providing flood control storage for approximately 8 inches of runoff from said drainage area.

(5) At Victory on the Moose River controlling a drainage area of approximately 66 square miles and providing flood control storage for approximately 7 inches of runoff from said drainage area.

(6) In Bloomfield on the Nulhegan River controlling a drainage area of approximately 70 square miles and providing flood control storage for approximately 9 inches of runoff from said drainage area.

In the State of New Hampshire, (1) At South Keene on the Otter Brook, tributary of the Ashuelot River, controlling a drainage area of approximately 47 square miles and providing flood control storage for approximately 7 inches of runoff from said drainage area.

(2) At Walpole on the Cold River controlling a drainage area of approximately 101 square miles and providing flood control storage for approximately 8 inches of runoff from said drainage area.

(3) At Bethlehem Junction on the Ammononoosuc River controlling a drainage area of approximately 90 square miles and providing flood control storage for approximately 6 inches of runoff from said drainage area.

(4) At Franconia on the Ammonoosuc River controlling a drainage area of approximately 30 square miles and providing flood control storage approximately 8 inches of runoff from said drainage area.

(5) At Swiftwater on the Wild Ammonoosuc River controlling a drainage area of approximately 57 square miles and providing flood control storage for approximately 10 inches of runoff from said drainage area.

ARTICLE V

The Commonwealth of Massachusetts agrees to reimburse the State of New Hampshire 50 percent and the State of Vermont 50 percent of the amount of taxes lost to their political subdivisions by reason of

ownership by the United States of lands, rights, or other property therein for the flood-control dams and reservoirs at Surry Mountain in New Hampshire and at Union Village in Vermont.

The State of Connecticut agrees to reimburse the Commonwealth of Massachusetts 40 percent, the State of New Hampshire 40 percent and the State of Vermont 40 percent of the amount of taxes lost to their political subdivisions by reason of ownership by the United States of lands, rights, or other property therein for the flood-control dams and reservoirs at Tully, at Knightville, and at Birch Hill in Massachusetts, at Surry Mountain in New Hampshire and at Union Village in Vermont.

The Commonwealth of Massachusetts agrees to reimburse the State of New Hampshire 50 percent and the State of Vermont 50 percent of the amount of taxes lost to their political subdivisions by reason of acquisition and ownership by the United States of lands, rights, or other property therein for construction in the future of any flood-control dam and reservoir specified in article IV and also for any other flood-control dam and reservoir hereafter constructed by the United States in the Connecticut River Valley.

The State of Connecticut agrees to reimburse the Commonwealth of Massachusetts 40 percent, the State of New Hampshire 40 percent, and the State of Vermont 40 percent of the amount of taxes lost to their political subdivisions by reason of acquisition and ownership by the United States of lands, rights, or other property therein for construction in the future of any flood-control dam and reservoir specified in article IV and also for any other flood-control dam and reservoir hereafter constructed by the United States in the Connecticut River Valley.

Annually, not later than November 1 of each year, the commission shall determine the loss of taxes resulting to political subdivisions of each signatory State by reason of acquisition and ownership therein by the United States of lands, rights, or other property in connection with each flood-control dam and reservoir for which provision for tax reimbursement has been made in the four paragraphs next above. Such losses of taxes as determined by the commission shall be based on the tax rate then current in each such political subdivision and on the average assessed valuation for a period of 5 years prior to the acquisition by the United States of such property, provided that whenever a political subdivision wherein a flood-control dam and reservoir or portion thereof is located shall have made a general revaluation of property subject to the annual municipal taxes of such subdivision, the commission may use such revaluation for the purpose of determining the amount of taxes for which reimbursement shall be made. Using the percentage of payment agreed to in said four paragraphs, the commission shall then compute the sum, if any, due from each signatory State to each other signatory State and shall send a notice to the treasurer of each signatory State setting forth in detail the sums, if any, each is to pay to and to receive from each other signatory State in reimbursement of tax losses.

Each signatory State on receipt of formal notification from the commission of the sum which it is to pay in reimbursement for tax losses, shall, not later than July 1 of the following year, make its payment for such tax losses to the signatory State wherein such loss or losses occur, except that in case of the first annual payment for tax losses at any dam or reservoir such payment shall be made by payor States not later than July 1 of the year in which the next regular session of its legislature is held.

Payment by a signatory State of its share of reimbursement for taxes in accordance with formal notification received from the commission shall be a complete and final discharge of all liability by the payor State to the payee State for each flood-control dam and reservoir within the payee State for the time specified in such formal notification. Each payee signatory State shall have full responsibility for distributing or expending all such sums received, and no agency or political subdivision shall have any claim against any signatory State other than the payee State, nor against the commission relative to tax losses covered by such payments.

Whenever a State which makes reimbursement for tax losses and a State which receives such reimbursement from it shall agree, through the commission, on a lump-sum payment in lieu of annual payments and such lump-sum payment has been made and received, the requirement that the commission annually shall determine the tax losses, compute sums due from each State, and send notice thereof to the treasurer of each State shall no longer apply to the aforesaid States with respect to any flood-control dam and reservoir for which lump-sum payment has been made and received.

The Commonwealth of Massachusetts and the State of Connecticut each agrees to pay its respective share in reimbursement, as determined by the commission under the procedure following, for economic losses and damages occurring by reason of ownership of property by the United States for construction and operation of a flood-control dam and reservoir at any site specified in article IV, and for any other flood-control dam and reservoir constructed hereafter by the United States in the Connecticut River Valley, provided, however, that no reimbursement shall be made for speculative losses and damages or losses or damages for which the United States is liable.

On receipt of information from the Chief of Engineers that request is to be made for funds for the purpose of preparing detailed plans and specifications for any flood-control dam and reservoir proposed to be constructed in the Connecticut River Valley, including those specified in article IV, the commission shall make an estimate of the amount of taxes which would be lost to and of economic losses and damages which would occur in political subdivisions of the signatory State wherein the dam and reservoir would be located, wholly or in part, by reason of acquisition and ownership by the United States of lands, rights, or other property for the construction and operation of such flood-control dam and reservoir and shall decide whether the flood-control benefits to be derived in the signatory States from such flood-control dam and reservoir, both by itself and as a unit of a comprehensive flood-control plan, justifies, in the opinion of the commission, the assumption by signatory States of the obligation to make reimbursement for loss of taxes and for economic losses and damages. Such estimate and decision shall thereafter be reviewed by the commission at 5-year intervals until such time as the United States shall have acquired title to the site of such flood-control dam or plans for its construction are abandoned. The commission shall notify the governor, the Members of the United States Senate, and the Members of the United States House of Representatives from each signatory State, and the Chief of Engineers as to the commission's decision and as to change in such decision.

On receipt of information from the Chief of Engineers that any flood-control dam and reservoir is to be constructed, reconstructed, altered, or used for any purpose in addition to flood control, including those flood-control dams and reservoirs heretofore constructed and those specified in article IV, the commission shall make a separate estimate of the amount of taxes which would be lost to and of economic losses and damages which would occur in political subdivisions of the signatory State wherein such dam and reservoir would be located, wholly or in part, by reason of acquisition and ownership by the United States of lands, rights, or other property for the construction and operation of such dam and reservoir in excess of the estimated amount of taxes which would be lost and of the economic losses and damages which would occur if the dam were constructed and operated for flood control only and the commission shall decide the extent to which, in its opinion, the signatory States would be justified in making reimbursement for loss of taxes and for economic losses and damages in addition to reimbursement for such dam and reservoir if constructed and used for flood control only. Such estimate and decision shall thereafter be reviewed by the commission at 5-year intervals until such time as such dam and reservoir shall be so constructed, reconstructed, altered or used or plans for such construction, reconstruction, alteration or use are abandoned. The commission shall notify the governor, the Members of the United States Senate, and the Members of the United States House of Representatives from each signatory State as to the commission's decision and as to any change in such decision.

Within 30 days after acquisition by the United States of the site of any flood-control dam the commission shall proceed to make a final determination of economic losses and damages occasioned by such dam and reservoir. The commission shall not include in such determination either speculative losses and damages or losses and damages for which the United States is liable.

The commission shall compute the share the Commonwealth of Massachusetts and the State of Connecticut shall each pay to the State wherein such dam and reservoir is located by multiplying the sum of such losses and damages, as previously determined, by the percentage of flood-control benefits which the Commonwealth of Massachusetts and the State of Connecticut each receives, in the allocation by States, of the flood-control benefits resulting from the dam and reservoir.

The commission shall send a notice to the treasurer of the Commonwealth of Massachusetts and to the treasurer of the State of Connecticut setting forth in detail the sum, if any, each is to pay to the State wherein such dam and reservoir is located in reimbursement for economic losses and damages and shall also send such notice to the treasurer of the State wherein such dam and reservoir is located.

The Commonwealth of Massachusetts and the State of Connecticut on receipt of such formal notification by the commission shall each pay its share of such economic losses or damages to the signatory States wherein such losses or damages occur. Full payment by either State of the sum specified in such formal notification from the commission as to the amount of economic losses and damages for which such State is to make reimbursement shall be a complete and final discharge of all liability by the payor State to the payee State for economic losses and damages for each flood-control dam and reservoir within the payee State designated in such formal notification. Each payee signatory State shall have full responsibility for distributing or expending all such sums received and no agency, political subdivision, private person, partnership, firm, association, or corporation shall have any claim against any signatory State other than the payee State, nor against the commission relative to such economic losses and damages.

A signatory State may, in agreement with the commission and the chief of engineers, acquire title or option to acquire title to any or all lands, rights or other property required for any flood control dam and reservoir within its boundaries and transfer such

titles or options to the United States. Whenever the fair cost to said signatory State for such titles or options, as determined by the commission, is greater than the amount received therefor from the United States, the Commonwealth of Massachusetts and the State of Connecticut shall each pay its share of such excess cost to said signatory State, such share to be determined by the commission in accordance with procedure herein contained for determining reimbursement for economic losses and damages.

Whenever the commission shall not agree, within a reasonable time or within 60 days after a formal request from the governor of any signatory State, concerning reimbursement for loss of taxes or for economic losses and damages at any flood control dam and reservoir heretofore or hereafter constructed by the United States in the Connecticut River Valley, or concerning the extent, if any, to which reimbursement shall be made for additional loss of taxes and for additional economic losses and damages caused by construction, reconstruction, alteration or use of any such dam for purposes other than flood control, the governor of each signatory State shall designate a person from his State as a member of a board of arbitration, hereinafter called the board, and the members so designated shall choose one additional member who shall be chairman of such board. Whenever the members appointed by the governors to such board shall not agree within 60 days on such additional member of the board, the governors of such signatory States shall jointly designate the additional member. The board shall by majority vote decide the question referred to it and shall do so in accordance with the provisions of this compact concerning such reimbursement. The decision of the board on each question referred to it concerning reimbursement for loss of taxes and for economic losses and damages shall be binding on the commission and on each signatory State, notwithstanding any other provision of this compact.

ARTICLE VI

Nothing contained in this compact shall be construed as a limitation upon the authority of the United States.

ARTICLE VII

The signatory States agree to appropriate for compensation of agents and employees of the commission and for office, administrative, travel, and other expenses on recommendation of the commission subject to limitations as follows: The Commonwealth of Massachusetts obligates itself to not more than $7,500 in any 1 year, the State of New Hampshire obligates itself to not more than $1,000 in any 1 year, the State of Vermont obligates itself to not more than $1,000 in any 1 year, and the State of Connecticut obligates itself to not more than $6,500 in any 1 year.

ARTICLE VIII

Should any part of this compact be held to be contrary to the constitution of any signatory State or of the United States, all other parts thereof shall continue to be in full force and effect.

ARTICLE IX

This compact shall become operative and effective when ratified by the Commonwealth of Massachusetts and the State of New Hampshire, Vermont, and Connecticut and approved by the Congress of the United States. Notice of ratification shall be given by the governor of each State to the governors of the other States and to the President of the United States, and the President of the United States is requested to give notice to the governors of each of the signatory States of approval by the Congress of the United States.

SEC. 2. The right to alter, amend, or repeal this act is expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed.

A similar House bill (H. R. 183) was laid on the table.

A motion to reconsider was laid on the table.

AUTHORIZING SALE OF CERTAIN LANDS TO THE STATE OF OKLAHOMA

The Clerk called the bill (H. R. 4505) to authorize the sale of certain lands to the State of Oklahoma.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Army is hereby authorized to convey by quitclaim deed to the State of Oklahoma, for public park and recreational purposes only, such areas within the portion of Denison Dam and Reservoir project, Oklahoma, presently leased to said State for public park and recreational purposes, as he shall deem essential to provide building sites for permanent buildings and other improvements for public park and recreational purposes, but not to exceed 70 acres, at fair value as determined by him, which in no event shall be less than the cost to the Government of acquiring such areas, and under such terms and conditions as he shall deem advisable to assure that the use of said areas by the State will not interfere with the operation of said dam and reservoir project and such additional terms and conditions as he shall deem advisable in the public interest.

The conveyance authorized by this act shall not pass any right, title, or interest in oil, gas, fissionable materials, or other minerals.

In the event actual construction of the said buildings and improvements has not commenced within 5 years from the effective date of this act, or in the event said property shall cease to be used for public park and recreational purposes for a period of 2 successive years, then title thereto shall immediately revert to the United States.

With the following committee amendment:

Page 2, line 17, after the word "two", insert "successive."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYING CERTAIN LAND TO THE STATE OF TEXAS

The Clerk called the bill (H. R. 4823) to convey by quitclaim deed certain land to the State of Texas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Army is hereby authorized to convey by quitclaim deed to the State of Texas, for public park and recreational purposes only, such areas within the portion of Denison Dam and Reservoir project, Texas, designated as Eisenhower State Park, as he shall deem essential to provide building sites for permanent buildings and other improvements for public park and recreational purposes, but not to exceed 160 acres, at fair value as determined by him, which is no event shall be less than the cost to the Government of acquiring such areas, and under such terms and conditions as he shall deem advisable to assure that the use of said areas by the State will not interfere with the operation of said dam and reservoir project and such additional terms and conditions as he shall deem advisable in the public interest.

The conveyance authorized by this act shall not pass any right, title, or interest in oil, gas, fissionable materials, or other minerals.

In the event actual construction of the said buildings and improvements has not commenced within 5 years from the effective date of this act, or in the event said property shall cease to be used for public park and recreational purposes for a period of 2 years, then title thereto shall immediately revert to the United States.

With the following committee amendment:

Page 2, line 14, after the word "two" insert "successive."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING THE SALE OF CERTAIN LANDS TO THE STATE OF OKLAHOMA

The Clerk called the bill (H. R. 4540) to authorize the sale of certain lands to the State of Oklahoma.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Army is hereby authorized to convey by quitclaim deed to the State of Oklahoma, for public park and recreational purposes only, such areas within the portion of Fort Gibson Dam and Reservoir project, Oklahoma, presently leased to said State for public park and recreational purposes, as he shall deem essential to provide building sites for permanent buildings and other improvements for public park and recreational purposes, but not to exceed 50 acres, at fair value as determined by him, which in no event shall be less than the cost to the Government of acquiring such areas, and under such terms and conditions as he shall deem advisable to assure that the use of said areas by the State will not interfere with the operation of said dam and reservoir project and such additional terms and conditions as he shall deem advisable in the public interest.

The conveyance authorized by this act shall not pass any right, title, or interest in oil, gas, fissionable materials, or other minerals.

In the event actual construction of the said buildings and improvements has not commenced within 5 years from the effective date of this act, or in the event said property shall cease to be used for public park and recreational purposes for a period of 2 years, then title thereto shall immediately revert to the United States.

With the following committee amendment:

Page 2, line 15, after the word "two" insert "successive."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CIVIL SERVICE RETIREMENT ACT

The Clerk called the bill (H. R. 5275) to amend the Civil Service Retirement Act of May 29, 1930, as amended.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 1870, be considered in lieu of the House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

Mr. BAILEY. Mr. Speaker, reserving the right to object, would some member of the committee please explain the contents of this legislation?

Mrs. ST. GEORGE. Mr. Speaker, the purpose of this legislation is to extend the time granted to the Committee on Retirement Policy for Federal Personnel established by Public Law 555 of the 82d Congress. Originally this report was scheduled for December 31, 1953, and at the request of the chairman of the Committee on Retirement Policy of Federal Personnel, H. R. 5275 has been introduced to provide for an additional 6 months within which time to file a report. The reason for this primarily is due to the fact that owing to the change in administration the committee was not able to start functioning until late in February 1953.

Mr. BAILEY. I thank the gentlewoman for the information. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That section 2 (b) of the act entitled "An act to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended," approved July 16, 1952 (66 Stat. 723), is amended by striking out "December 31, 1953" and inserting in lieu thereof "June 30, 1954."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 5275) was laid on the table.

DISPLACED PERSONS ACT

The Clerk called the bill (H. R. 5363) to amend section 14 of the act of June 25, 1948, as amended.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, reserving the right to object, I would like to ask several questions in reference to this legislation. I wish to predicate my questions on the fact that I have supported displaced persons legislation in the past and will certainly be sympathetic to similar legislation in the future. I do feel, however, that we should not, by this action, set a precedent which means that the organizations affected will not be expected to comply with the terms of the basic legislation.

If we can have that assurance from a member of the Committee on the Judiciary I would have no objection to this extension.

Mr. WALTER. That assurance, of course, is given without hesitation. Actually, the reason why this legislation is necessary is that at the time of the writing of the law we fixed the time for repayment of these loans as of June 30, 1953, without regard to when they were made. When the early loans were made, of course, the time for repayment was considerably longer than for these later ones. Most of the ones to which this would apply could be paid now, but it would be a great strain on the church organizations.

I might state that the people who were the beneficiaries of the loans, responded nobly. I know of hundreds of cases where these people have taken the first money they have earned and turned it over to the churches that were responsible for resettling them in this country.

Mr. FORD. Do I correctly understand that if the extension is given gradual repayment will be made from month to month, rather than waiting to the last minute to make the final payment?

Mr. WALTER. Yes. The largest debtor on the list is in a position to pay over one-third of the indebtedness now. I understand that is true of all these church groups. They are able to pay part now, but they are not able to extinguish the entire debt.

Mr. DEANE. Mr. Speaker, will the gentleman yield?

Mr. FORD. I yield to the gentleman from North Carolina.

Mr. DEANE. I think the distinguished gentleman from Pennsylvania [Mr. GRAHAM] is in a position to give the list of churches and organizations which still owe loans. I wonder if he would give them for the RECORD.

Mr. GRAHAM. I would be very glad to. They are as follows:

Serbian National Defense Council	$160,000
American Committee for Resettlement of Polish DP's	18,750
American National Committee To Aid Homeless Armenians	35,000
United Ukrainian-American Relief Committee	50,000
Polish Immigration Committee	10,000
American Federation of International Institutes	21,970
NCWC	910,000

Mr. WALTER. May I ask the distinguished gentleman from Pennsylvania what that totals?

Mr. GRAHAM. The total is $1,205,720.

Mr. WALTER. That is out of $5 million that was authorized to be loaned. The record has been very, very good. I trust that these fine people will be given the relief they seek.

Mr. FORD. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the date "June 30, 1955" be substituted for the date "June 30, 1953," appearing in section 14 of the act of June 25, 1948, as amended (U. S. C., title 50, App. 1962a).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CANAL ZONE

The Clerk called the bill (H. R. 2564) to make the provisions of section 1362 of title 18 of the United States Code, relating to injury to or interference with communications systems operated or control'ed by the United States, applicable to and within the Canal Zone.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 14 of title 18 of the United States Code is hereby amended by inserting "1362," after "1301."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WAR-RISK HAZARD AND DETENTION BENEFITS

The Clerk called the bill (H. R. 4126) to continue the effectiveness of the act of December 2, 1942, as amended, and the act of July 28, 1945, relating to war-risk hazard and detention benefits, until July 1, 1954.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 201 of the act of December 2, 1942 (ch. 668, 56 Stat. 1033), as amended, is amended by—

(a) Deleting the words "the end of the present war" and substituting in lieu thereof "July 1, 1954";

(b) Adding the following new paragraphs at the end thereof:

"(c) The term 'enemy' means any nation, government, or force engaged in armed conflict with the Armed Forces of the United States or of any of its allies.

"(d) The term 'allies' as used in this act and as used in the statutory provisions referred to in section 101 (a) (1) of this act, means any nation, government, or force participating with the United States in any armed conflict.

"(e) The terms 'national war effort' and 'war effort' include national defense; the term 'war effort' as used in the statutory provisions referred to in section 101 (a) (1) of this act also includes national defense.

"(f) The term 'war activities' includes activities directly relating to military operations."

SEC. 2. Section 5 (b) of the act of July 28, 1945 (ch. 328, 59 Stat. 505), is amended by—

(a) Inserting after the words "during the present war" the words "and until July 1, 1954".

(b) Adding at the end thereof the following:

"The term 'enemy' as used in this subsection means any nation, government, or force engaged in armed conflict with the Armed Forces of the United States or of any nation, government, or force participating with the United States in any armed conflict."

SEC. 3. Sections 1 (a) (13) and 1 (a) (17) of the Emergency Powers Continuation Act (ch. 570, 66 Stat. 332) are repealed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER pro tempore. That is the last eligible bill on the Consent Calendar.

AMENDING SECTION 7 OF FLOOD CONTROL ACT OF 1941

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to return to 99 on

the Consent Calendar, and ask for the present consideration of the bill (S. 117) to amend section 7 of the Flood Control Act of 1941 relating to the apportionment of moneys received on account of the leasing of lands acquired by the United States for flood-control purposes.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the Senate bill?

Mr. ASPINALL. Mr. Speaker, reserving the right to object, may I inquire of the gentleman from Michigan if the bill he is asking to substitute for the House bill is an identical bill?

Mr. DONDERO. With one exception and that is, it permits the counties to use this money which comes from lease lands for other purposes other than schools and roads where they do not need the money in that county for that particular purpose.

Mr. ASPINALL. Does that have the unanimous consent of your committee?

Mr. DONDERO. I so understand that it does.

Mr. ASPINALL. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the Senate bill?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That section 7 of the act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes," approved August 18, 1941, as amended (33 U. S. C. 701c–3), is amended by striking out "situated:" and inserting in lieu thereof "situated, or for defraying any of the expenses of county government in such county or counties."

Mr. DONDERO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DONDERO: Strike out all after the enacting clause and insert "That section 7 of the act entitled 'An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes,' approved August 18, 1941, as amended (33 U. S. C. 701c–3), is amended by striking out 'situated;' and inserting in lieu thereof 'situated, or for defraying any of the expenses of county government to such county or counties, including public obligations of levee and drainage districts for flood control and drainage improvements.'"

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Michigan [Mr. DONDERO].

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

By unanimous consent, the proceedings whereby a similar House bill (H. R. 2954) was passed were vacated and the House bill laid on the table.

SPECIAL ORDER GRANTED

Mr. PATMAN asked and was given permission to address the House for 15 minutes today and tomorrow, following the legislative business of the day and at the conclusion of special orders heretofore granted, and also to revise and extend his remarks and include certain extraneous matter.

ANGLO-AMERICAN RELATIONS

Mr. CHELF. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. CHELF. Mr. Speaker, last year during our Judiciary subcommittee's investigation of the Department of Justice which, incidentally, extended well into the white heat of the presidential campaign, as chairman, I took special care to refrain from making public statements that might possibly have tossed our committee into partisan politics or public ridicule. I tried to do what I thought was best for America. At the present time, when our country and the United Nations face such critical problems in a sincere attempt to bring about an honorable peace in the world—I am inclined to believe that all of us rocking-horse generals and synthetic secretaries of State, ought to refrain from making statements of any kind that might possibly interfere with, or hamper our progress toward reaching a satisfactory adjustment of the existing Korean war crisis. Needless loss of our GI's in Korea is at stake.

Some of us holding elective and appointive offices have been talking when we ought to have been listening. Some of our utterances have unfortunately tended to badly aggravate our present difficulties. If we do not anchor some of our tongues, the first thing we know we will not only have our allies "talking to themselves" in wonderment but "actually scratching where it does not even itch" in the resulting confusion.

With respect to the recent blasts aimed at us by the British and our prompt return fire, I am inclined to think that since each of us has blown off this excess steam—the boilers of our mutual friendship are far more likely to withstand future world tension and pressures. As I see it, our exchange of uncomplimentary salvos was a definite mistake but I sincerely trust that our British cousins and our other allies understand that it was, after all, the use of the God-given right of freemen to differ and to exercise the freedom of speech that the United States, Great Britain, and the United Nations are so desperately seeking to preserve throughout the world today. While we Americans may have occasionally condemned the British and the British may in turn have criticized us—both with equal justification, I am sure—nevertheless, over the years our respective governments have not allowed any would-be world conqueror to gang up on the other without a fight. Arm in arm, shoulder to shoulder, we have administered crushing defeats to those who have sought to destroy our liberty and our way of life. We will do it again if necessary, even if we have fussed just like any average American or British family. However, if we here in the United States and our British friends across the Atlantic will just refrain in the future from using a trigger-happy lip, our mutual shortcomings and mistakes cannot be further used against us by our common enemies. By talking too much we give our enemies a decided advantage. If they know all that we know, plus what they already know, that nearly makes them twice as smart as we are. That is not good. It is one thing to have freedom of speech; it is quite another to know when to use it.

I sincerely hope that with the coronation of Queen Elizabeth II today there will come a new era of better understanding and greater cooperation between all of the freedom-loving peoples of the world; most especially between the United States and Great Britain. America salutes our old friends of long standing throughout the United Kingdom upon this momentous and solemn occasion and, in unison with all freemen everywhere, we pray Almighty God that His blessings of happiness, freedom, prosperity, and genuine peace will shine as brightly as the effulgence of a noon-day sun upon us all—always.

PRIVATE CALENDAR

The SPEAKER pro tempore. This is Private Calendar day. The Clerk will call the first bill on the calendar.

GRONISLAV VYDAEVICH AND LEONID ZANKOWSKY

The Clerk called the bill (H. R. 1141) for the relief of Gronislav Vydaevich and Leonid Zankowsky.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Leonid Zankowsky and Gronislav Vydaevich the sum of $10,000 each, as indemnification for injuries received August 12, 1945, at Campten, South Bavaria, through gunfire at the hands of American soldiers: *Provided*, That no part of either of the sums appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out "$10,000" and insert "$4,000." Page 1, line 7, strike out "Campten" and insert "Kampten."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN W. McBRIDE

The Clerk called the bill (S. 140) for the relief of John W. McBride.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

CONVEYANCE OF CERTAIN GOVERNMENT-OWNED BURIAL LOTS

The Clerk called the bill (S. 1545) to authorize the Secretary of the Army to convey certain Government-owned burial lots and other property in the Washington Parish Burial Ground, Washington, D. C., and to exchange other burial lots.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Army is authorized to convey to the rector and vestry of Washington Parish (Christ Church), Washington, D. C., hereinafter referred to as the "vestry," all right, title, and interest of the United States in and to 392 burial lots, more or less, and a vault located in the Washington Parish Burial Ground, Washington, D. C., formerly designated Congressional Cemetery, in consideration of the payment by the vestry to the United States of $100 and the release from the vestry of any claim it may have against the Government for reimbursement of moneys expended by it during prior years for upkeep and special care of Government-owned lots situated in the cemetery; and to acquire 8 burial lots, more or less, owned by the vestry but occupied by Government burials, cenotaphs, or monuments, by exchange, without other consideration, for a like number of Government-owned burial lots; it being the intent of this act to authorize the Secretary of the Army for the considerations stated, to dispose of the Government-owned vault and all Government-owned burial lots in the Washington Parish Burial Ground for which there is no present or foreseeable need and to acquire from the vestry all burial lots owned by the vestry and now occupied by Government burials, cenotaphs, or monuments.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

W. C. PALLMEYER AND E. M. COLE

The Clerk called the bill (H. R. 5349) authorizing the United States Government to reconvey certain lands to W. C. Pallmeyer and E. M. Cole.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Army is authorized to reconvey to W. C. Pallmeyer so much of tract W–F518 Whitney Dam and Reservoir project lying above contour elevation 573, being approximately 24 acres, and to E. M. Cole that portion of tract W–F514A lying above contour elevation 573 of said project, being approximately 74 acres, more or less, for a price equal to the sum heretofore paid by the United States Government for the acquisition of such lands plus the cost of any surveys necessary as an incident of such reconveyance.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

J. DON ALEXANDER

The Clerk called the bill (S. 484) conferring jurisdiction upon the United States District Court for the District of Colorado to hear, determine, and render judgment upon the claim of J. Don Alexander against the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any statute of limitations or lapse of time, jurisdiction is hereby conferred upon the United States District Court for the District of Colorado to hear, determine, and render judgment on the claim of J. Don Alexander, of Colorado Springs, Colo., against the United States for recovery of income tax paid by him for the year 1929 which covered the capital net gain from the sale of 9,000 shares of stock in the Alexander Industries, Inc., which stock was later held by the United States circuit court of appeals in *Alexander v. Thelemen* (69 F. (2d) 610 (1934)), to be the property of Alexander Industries, Inc., and not of the said J. Don Alexander.

SEC. 2. Suit upon such claim may be instituted at any time within 1 year after the date of enactment of this act. Proceedings for the determination of such claim and review thereof, and payment of any judgment thereon, shall be in accordance with the provisions of law applicable to cases over which the court has jurisdiction under section 1346 (a) (1) of title 28 of the United States Code. Nothing contained in this act shall be construed as an inference of liability on the part of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM R. JACKSON

The Clerk called the bill (S. 712) for the relief of William R. Jackson.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

REV. A. E. SMITH

The Clerk called the bill (S. 1334) for the relief of Rev. A. E. Smith.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Reverend A. E. Smith, of Bismarck, N. Dak., the sum of $1,706.40, in full satisfaction of all claims against the United States for reimbursement for custom duties paid upon the importation of stained glass windows for use in St. George's Church in Bismarck, N. Dak.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANK B. PINDLE

The Clerk called the bill (H. R. 660) for the relief of Frank B. Pindle.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Frank B. Pindle, of East Orange, N. J., the sum of $1,152.60. Such sum represents the amount of the judgments and costs for which Frank B. Pindle was held liable to Daniel Russomano and Isaac and Catherine Fisher, on December 21, 1951, in a civil action in Essex County district court, New Jersey. This civil action was the result of an accident which occurred on Broad Street in Newark and which involved a United States mail truck being driven by Frank B. Pindle, a motor-vehicle employee in the United States post office, Newark, N. J. Such sum shall be paid only on condition that Frank B. Pindle shall use such sum or so much thereof as is necessary, to pay such judgments and costs in full: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. INDIA TAYLOR PALMI STEVENSON

The Clerk called the bill (H. R. 812) for the relief of the estate of Mrs. India Taylor Palmi Stevenson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the case of any overpayment of income tax by Mrs. India Taylor Palmi Stevenson, San Antonio, Tex., for the taxable year ending December 31, 1929, for which an allowance of a credit or refund of such overpayment is prevented by the operation of any law or rule of law, credit or refund of such overpayment shall, nevertheless, be allowed or made if claim therefore is filed by the said estate of Mrs. India Taylor Palmi Stevenson within 1 year from the date of enactment of this act.

With the following committee amendments:

Page 1, line 9, strike out "therefore" and insert "therefor."

Page 1, line 11, after the word "act:", insert "*Provided*, That no interest shall be paid on the amount refunded under this act."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

W. A. SAMPSEL

The Clerk called the bill (H. R. 1167) for the relief of W. A. Sampsel.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to W. A. Sampsel, Los Angeles, Calif., the sum of $1,658.71. The payment of such sum shall be in full settlement of all claims of the said W. A. Sampsel against the United States for reimbursement for losses sustained by him when he was compelled, under orders of the United States Navy on or about April 3, 1942, to abandon the restaurant business which he was operating (under the name "Bayside") on Seaside Avenue, Terminal Island, Calif.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$1,658.71" and insert "$813.71."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLARENCE R. SEILER AND OTHER EMPLOYEES OF THE ALASKA RAILROAD

The Clerk called the bill (H. R. 2021) for the relief of Clarence R. Seiler and other employees of The Alaska Railroad.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the persons enumerated below the sums specified, in full settlement of all claims against the Government of the United States, as reimbursement for personal effects and work tools destroyed as a result of the fire which occurred on January 15, 1951, in the Anchorage Terminal Mechanical Building of The Alaska Railroad: Clarence R. Seiler, $118.60; Stephen Harris, $916.75; John R. Howard, $59.25; Edward P. Goehring, $109.20; Archie A. McKinney, $109.40; Benjamin Hughes, $70; Homer G. Hansen, $28.50; and Roy M. Stafford, $308.35.

SEC. 2. No part of the amounts appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM M. SMITH

The Clerk called the bill (H. R. 2387) for the relief of William M. Smith.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William M. Smith, of Homestead, Fla., the sum of $1,027, in full settlement of all claims against the United States for all of the damages sustained by the said William M. Smith as the result of a collision between his truck and a United States Army ambulance, which occurred at Haddonfield, N. J., on January 9, 1946; the claim of the said William M. Smith being a claim that is not cognizable under the Federal Tort Claims Act, as amended: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLARD CHESTER CAULEY

The Clerk called the bill (H. R. 3623) for the relief of Willard Chester Cauley.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Willard Chester Cauley, Leesburg, Fla., the sum of $433.23. The payment of such sum shall be in full settlement of all claims of the said Willard Chester Cauley against the United States for compensation for hospital, medical, and surgical expenses incurred by him in June 1951, when he was compelled to obtain treatment for serious personal injuries at a private hospital after being erroneously refused admittance to the Veterans' Administration Hospital at Bay Pines, Fla. This claim is not cognizable under the Federal Tort Claims procedure: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 8, strike out the word "compensation" and insert the word "reimbursement."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TERRY L. HATCHETT

The Clerk called the bill (H. R. 4097) for the relief of Terry L. Hatchett.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

HUNTINGTON, McLAREN & CO.

The Clerk called the bill (H. R. 4329) for the relief of Huntington, McLaren & Co.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

OTHO P. HIPKINS

The Clerk called the bill (H. R. 4799) for the relief of Otho P. Hipkins.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

SUSPENSION OF DEPORTATION PROCEEDINGS IN THE CASE OF CERTAIN ALIENS

The Clerk called Senate Concurrent Resolution 25, favoring the granting of the status of permanent residence to certain aliens.

The SPEAKER pro tempore. Is there objection to the present consideration of the concurrent resolution?

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that this concurrent resolution may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

IRENE P. M. BOYLE

The Clerk called the bill (H. R. 674) for the relief of Irene P. M. Boyle.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Irene P. M. Boyle shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendments:

Page 1, line 3, strike out "immigration and naturalization laws" and insert "Immigration and Nationality Act."

Page 1, line 8, strike out "and head tax."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

YUSUF (UASH) LAZAR

The Clerk called the bill (H. R. 786) for the relief of Yusuf (Uash) Lazar.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the immigration and naturalization laws, Yusuf (Uash) Lazar shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Page 1, lines 3 and 4, strike out the words "immigration and naturalization laws" and insert in lieu thereof "Immigration and Nationality Act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MONIKA KLEIN

The Clerk call the bill (H. R. 819) for the relief of Monika Klein.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Monika Klein, shall be held and considered to be the natural-born alien child of Dr. and Mrs. Ralph Charles Wood, citizens of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HANNELORE MAYERL FULBRIGHT

The Clerk called the bill (H. R. 1106) for the relief of Hannelore Mayerl Fulbright.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of the 11th category of section 3 of the Immigration Act of 1917, as amended, Hannelore Mayerl Fulbright may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of the immigration laws.

With the following committee amendment:

Strike out all after the enacting clause and insert "That, notwithstanding the provisions of section 212 (a) (9) of the Immigration and Nationality Act, Hannelore Mayerl Fulbright may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. MILDRED G. KATES AND RONALD KATES

The Clerk called the bill (H. R. 1459) for the relief of Mrs. Mildred G. Kates and Ronald Kates.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Mrs. Mildred G. Kates and her minor son, Ronald Kates, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this act, upon payment of the required visa fees and head taxes. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

With the following committee amendments:

Page 1, line 3, strike out "immigration and naturalization laws" and insert "Immigration and Nationality Act."

Page 1, line 8, strike out "and head taxes."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. MANOUSOS A. PETROHELOS

The Clerk called the bill (H. R. 1754) for the relief of Dr. Manousos A. Petrohelos.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Dr. Manousos A. Petrohelos shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendments:

Page 1, line 3, strike out "immigration and naturalization laws" and insert "Immigration and Nationality Act."

Page 1, line 8, strike out "and head tax."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. PIA BONDI

The Clerk called the bill (H. R. 820) for the relief of Mrs. Pia Bondi.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mrs. Pia Bondi shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Page 1, line 4, strike out "Bondi" and insert "Biondi."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: A bill for the relief of Mrs. Pia Biondi."

A motion to reconsider was laid on the table.

BETTY AND IRENE ROBERTSON

The Clerk called the bill (H. R. 892) for the relief of Betty and Irene Robertson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purpose of the immigration laws, Betty and Irene Robertson shall be held to have been born in Great Britain.

With the following committee amendment:

Strike out all after the enacting clause and insert "That section 202 (a) (4) of the Immigration and Nationality Act shall be held to apply to Betty Robertson and Irene Robertson."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "For the relief of Betty Robertson and Irene Robertson."

A motion to reconsider was laid on the table.

LAURI ALLAN TORNI

The Clerk called the bill (H. R. 2604) for the relief of Lauri Allan Torni.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Lauri Allan Torni shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head

tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendments:

Page 1, line 3, strike out "Immigration and naturalization laws" and insert "Immigration and Nationality Act."

Page 1, line 8, strike out "and head tax."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PANAGIOTES G. KARRAS

The Clerk called the bill (H. R. 3831) for the relief of Panagiotes G. Karras.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purpose of sections 203 (a) (3) and 205 of the Immigration and Nationality Act, the alien Panagiotes G. Karras shall be held and considered to be under 21 years of age.

The bill was ordered to be engrossed and read a third time, and was read a third time, and passed, and a motion to reconsider was laid on the table.

ELEONORE FRIEDRICH McANELLY

The Clerk called the bill (H. R. 4424) for the relief of Eleonore Friedrich McAnelly.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (9) of the Immigration and Nationality Act, Eleonore Friedrich McAnelly may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HORMOZ MAHMOUD

The Clerk called the bill (H. R. 4833) for the relief of Hormoz Mahmoud.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Hormoz Mahmoud shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendments:

Page 1, line 3, strike out "Immigration and naturalization laws" and insert "Immigration and Nationality Act."

Page 1, line 8, strike out "and head tax."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MATSUE HASHIMOTO

The Clerk called the bill (H. R. 2413) for the relief of Matsue Hashimoto.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Matsue Hashimoto, the fiance of Earl F. Reeves, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that said Matsue Hashimoto is coming to the United States with a bona fide intention of being married to the said Earl F. Reeves and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Matsue Hashimoto, she shall be required to depart from the United States and upon failure to do so she shall be deported in accordance with the provisions of sections 241 and 242 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Matsue Hashimoto, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Matsue Hashimoto as of the date of the payment by her of the required visa fee.

With the following committee amendment:

Page 2, line 5, strike out "241 and 242" and insert "242 and 243."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHIYOKO MIKI TOMONO

The Clerk called the bill (H. R. 2187) for the relief of Chiyoko Miki Tomono.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Chiyoko Miki Tomono, the fiance of Arthur H. Hammett, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Chiyoko Miki Tomono is coming to the United States with a bona fide intention of being married to the said Arthur H. Hammett and that she is found otherwise admissible under the immigration laws. In the event that marriage between the above-named persons does not occur within 3 months after the entry of the said Chiyoko Miki Tomono, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 241 and 242 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Chiyoko Miki Tomono, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Chiyoko Miki Tomono as of the date of the payment by her of the required visa fee.

With the following committee amendment:

Page 2, line 5, strike out: "241 and 242" and insert: "242 and 243."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. JOHNSON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. JOHNSON. Mr. Speaker, it was with much pleasure that I listened to your announcement that the bill for the relief of Chiyoko Miki Tomono had been passed. This will permit the culmination of a romance that started in Japan. The young lady mentioned above will now be permitted to come to the United States to marry Capt. Arthur H. Hammett, of Sacramento, Calif. He was a member of the 184th Infantry Regiment of the 49th Infantry Division. He served in Korea and while in Korea met Miss Tomono in Japan. They became engaged but the captain was ordered to the United States before the wedding could be held. Now this will be possible and I congratulate the captain and his bride and hope their wedding will be successful and result in as much happiness as mine did, which also was the culmination of a war romance.

Captain Hammett is now stationed in Texas and has the unanimous blessing of his comrades in arms as the following telegram indicates, which was sent to me today:

Entire First Battalion Mortar and Tank Companies, 142d Infantry, support your private bill 2187, for the relief of Chiyoko Miki Tomono.

CAPTAIN ROBERTS,
Radio Headquarters Company 1st Battalion, 142d Infantry.

The SPEAKER. That concludes the call of the bills on the Private Calendar.

FRED B. NISWONGER

Mr. JONAS of Illinois. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill H. R. 2366, an act for the relief of Fred B. Niswonger, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 6, strike out "$966.64" and insert "$666.64."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

HELMUTH WOLF GRUHL

Mr. JONAS of Illinois. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1334) for the relief of Helmuth Wolf Gruhl,

with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the Senate amendment, as follows:

Line 12, after "benefits", insert ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1954

Mr. WILSON of Indiana. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5471) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1954, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 1 hour, the time to be equally divided and controlled by the gentleman from Arkansas [Mr. NORRELL] and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Indiana.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 5471, with Mr. BROWN of Ohio in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. WILSON of Indiana. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, first of all, I want to congratulate the members of my subcommittee for their very diligent, strenuous, and untiring efforts to adequately determine the needed finances for the District of Columbia. Every member on this subcommittee attended the sessions at all times when it was at all possible, even the evening sessions. For 4 or 5 evenings we spent 3½ hours hearing people who cared to be heard. I would like to add that every taxpayer and every other interested person within the District of Columbia had a chance to be heard and to voice his sentiments on this budget.

The estimate for 1954, was $151,564,975. The committee on H. R. 5471 recommends $146,354,739, which is a reduction of $5,210,236 from the budget request. However, this is an increase of $9,460,588 above fiscal year 1953.

As the result of cuts in the bill the estimated general fund surplus for 1954 is increased from $3,800,000 to $8,500,000. This surplus will not quite compensate for estimated deficit in 1955, and a much larger deficit will occur if the $3,579,000, covering the policemen and firemen pay bill, which is now pending in the Senate, has to be paid. This additional money will be needed in 1954 and subsequent years if the pay bill passes. Therefore the tax revenues will probably have to be increased next year in spite of the fact that the bill provides for the full legal limit of $12 million in Federal contribution.

The committee took into consideration, and deliberated at length on the reorganization plan for the District of Columbia establishing a Department of General Administration, which was the result of the passage of Reorganization Plan No. 5. That caused us the most concern and we went into it in very great detail. We had all the Commissioners, department heads, and counsel before our committee.

Reorganization Plan No. 5 gave the District Commissioners unlimited authority to transfer functions from one department to another or from any of the various departments coming under the plan to the new Department of General Administration.

Our committee last year deleted the $100,000 requested by the Bureau of the Budget for reorganization purposes. However, under Reorganization Plan No. 5 the Commissioners went ahead and reorganized and assessed the department heads a certain amount to carry on reorganization. Along with functions and personnel that were transferred were funds amounting to close to $2,500,000.

We were unable to pin the different department heads down to any estimate or approximate estimate as to the functions and the amount of the appropriations we were allowing them. There were to be transfers. It was almost impossible for the Appropriations Committee to hold any department to a specific appropriation. It was almost impossible for us to determine how much money they would need in view of the fact we were never quite sure which functions were to be transferred. We actually found places where funds had been transferred yet no functions had been transferred, and thus such a department had been forced to operate on a slightly less appropriation than had been intended. About this we did hear some complaint.

It looked to us as though the plan was not entirely workable or at least not the best plan for the best interests of the District of Columbia. Therefore, we decided to stop the assessment of funds from any departments and gave the Department of General Administration an outright appropriation of about $2⅔ million. We expect it to operate on that amount. They still have authority to transfer functions interdepartmentally. We do not feel that that will be too great a problem. If the Department of General Administration does the things it claims it will do in the way of economy, both of money, time, and operation, we will be able to pinpoint that savings when they come in for their appropriation for 1955. That is one of the reasons the committee had in mind in appropriating direct to the Department of General Administration.

As to the capital outlay, $7,200,000 of the $9,460,000 increase over 1953 is for capital outlay items, principally urgently needed school facilities, the new Children's Center, and the East Capitol Street Bridge now under construction.

We increased school operating funds $393,400, allowing all additional teachers requested.

The school situation in the District of Columbia is one that concerns me more than any other. Perhaps that is due to the fact that at one time I was a school administrator, and I recognize the values and benefits to be derived from good schools. We have good schools in the District of Columbia, although they do have their shortcomings. I think that is due more to the lack of sufficient financing for the schools than improper administration of the schools. Of course, the city of Washington has grown like many other cities in the United States, especially those in southern California. It has been very hard to keep pace with that growth. We are suffering those same growing pains, and we have not been able to keep up with the growth. I would say we are 2 or 3 years behind in providing school plant facilities for the children of the District of Columbia, and I for one think the children of the District of Columbia are entitled to just as good an education as children in any other part of the country. I am not one who thinks that every extracurricular activity is a fad or a frill. I think if you give the children plenty of ripe apples, they will not eat so many of the green ones.

We have an additional problem, however, in addition to the actual growth, and that is the shift in the population of the schoolchildren in division 1 and division 2. Since 1946, the number of white children in division 1 of the public schools has decreased by 4,500. The children in division 2 have increased by 14,000, which means we are not hiring any new teachers for division 1 unless they be specialist replacements. We are hiring new teachers only for division 2. We are doing everything that is humanly possible to keep division 1 schools and division 2 schools on a par.

I do hope that as a result of a better financed picture, which may mean an increase in the taxes and revenues next year, will permit us to come in more adequately prepared to bring the plant facilities for the District of Columbia schools up to par with those of schools throughout our Nation.

In the Police Department, we have allowed an increase of $685,837 which will allow them to hire 125 to 150 additional policemen of the two hundred and some that they contend that they are short, or pay overtime to the lower salaried policemen who are working 40 hours today at their jobs, and who are driving taxicabs on the outside or doing something else for 10 or 15 hours a week in order to supplement their earnings. We recognize the fact that the pay for policemen, firemen, and teachers in the

District of Columbia is rather low. You cannot buy a $4,000 or $5,000 teacher for $3,000, any more than you can buy a $5,000 automobile for $3,000. The starting salaries are pretty low. We have many vacancies as a result of these low starting salaries. Something has to be done to partially relieve this shortage of policemen on the streets. We have provided for the employment of 200 civilian crossing guards to replace those policemen who are protecting the children while crossing the streets.

We allow Gallinger Hospital an increase of $365,000, which includes funds for 100 additional nurses and the rehabilitation service program.

I was a little disturbed last night when our Commissioners on the air made a very bad misrepresentation of what this committee is doing for Gallinger Hospital. We allowed them $112,000 additional for housekeeping services, some of which could be transferred for the employment of these so vital nurses they talk about, provided the need is in that direction.

I think we have adequately taken care of every department of our District government. Most of them have been increased where increases were requested and where the committee could determine there was need for that increase. Only such decreases were made as were merited on the basis of surplus, restoration of lapses, or the transfer of duties from that department to the Office of General Administration.

I reserve the balance of my time, Mr. Chairman.

Mr. NORRELL. Mr. Chairman, I yield myself 10 minutes.

The chairman of this subcommittee has and will discuss the bill from the standpoint of individual items of appropriation. I will discuss it from a little different angle—that of implementing the policies by the money allowed.

In the beginning let me say it was the desire of the subcommittee, so far as possible, to permit the taxpayers of the District of Columbia to expend their money as they desired.

Mr. Chairman, with but very few exceptions we acted according to the recommendations of the Commissioners, based, of course, upon the expressed wishes of the taxpayers. The budget estimate is established through procedure that is well known to the taxpaying citizens of the District of Columbia. Citizens and taxpayers have an opportunity, and they should have any opportunity, to be heard when the budget is being considered by the Commissioners. Then when it goes to the Bureau of the Budget and to the President, it later comes to us in a concrete form as to how the District of Columbia wants to spend its money.

Then, in addition to this, the chairman of this subcommittee granted every citizen of the District of Columbia, who requested an opportunity to be heard, to testify before our subcommittee. They came before our subcommittee and testified and the bill was changed slightly by virtue of the fact that we took into consideration all of the evidence, and we tried to be governed by what we believed to be the wishes of the taxpayers of the District of Columbia.

This is my second tour on the District of Columbia Subcommittee on Appropriations. When I was a beginner in Congress, a long time ago, I served on this subcommittee when the chairman of the full committee requested it. So this year my chairman on the Democratic side came and asked me if I would serve on the subcommittee. I gladly agreed. Sometimes I have made the mistake of saying that this was my second tour of duty. That is incorrect. I take it, Mr. Chairman, that every Member of Congress, 435 in the House and 96 in the Senate, is on a tour of duty for his Capital City.

All of you are interested in this city. It is our city. We desire to give Washington the best government possible. So we are all interested in the District of Columbia. Talk to me about the District not having representation. I will say it has more representation than any other similar area in the world. I believe we are all interested in the District of Columbia; I am, my chairman is, the other members of the subcommittee are; we all are. And so when we present this bill today I know that everybody will acclaim our efforts, not only the subcommittee but also the Congress for trying to do what we believe the taxpayers of the District of Columbia want done.

I would say that the appropriations run to about 99 percent, according to recommendations of the Commissioners. I am going to discuss now 3 or 4 items of policy that we may be implementing with money in the bill. One is the reorganization.

The bill is going to close the reorganization of the District of Columbia during the next fiscal year if it is enacted. I think it should. There is nothing too complicated about it. It has been going on long enough. I see nothing wrong with that.

We are not allowing the Commissioners to transfer funds; we asked them, however, if they had the authority what amount of money would be transferred from the different agencies. They told us. That was what we did. We transferred what they said they wanted. But it does stop any further transfers, and the various departments can know that they have the money that is left with which to operate their departments during next fiscal year.

We had something to say in our report about the restoration of lapses. That is something that Congress decided that they did not want to do last year. Briefly, these items restore cuts made last year. I do not believe we ought to be asked to appropriate next year for some cut that we make this year; and I hope that we will not see any item of reinstatement of lapses of money in next year's budget. It means about the same thing as to say we ought to have what we asked for last year.

Now, the Office of Civil Defense. I have noticed something being said about it in the press. If they had all the money they requested what could they do should an atom bomb be dropped on Washington? If they had all the money in the Treasury Department, as far as I know, it would make no difference. We have allowed them something; money to continue an educational program is about the best thing that is in sight. Let me ask you what has been done with all the money we have allowed both throughout the Federal Government, throughout the United States, as well as in the District of Columbia in years gone by? I cannot today tell you one thing that we have accomplished. Be that as it may, if Washington needs civilian defense, I think the Army Department and the other armed services in time of emergency will exert their every effort in this respect.

We have allowed practically everything the schools asked, and we should. The committee turned down one item: They made a request for $400,000 to commence the construction of a television station. That was deleted because we really thought there were more urgent matters needing money in the schools than a television station.

We have allowed a substantial increase to the Police Department, and Health Department. We have allowed every nurse Gallinger Hospital requested, allowing about 100 nurses; and I will say that the entire Health Department of Washington has just about everything that it requested.

We are recommending to Congress appropriation of the maximum statutory authorization for the District of Columbia, which is $12 million. We recommend a total of $12 million. I think the time has come when we ought to pay the full amount authorized by the Congress. I am not saying that we ought to increase that authorization. That is the duty of another committee. But we ought this year to appropriate the full authorized amount of money.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. NORRELL. I yield to the gentleman from Michigan.

Mr. DINGELL. For a number of years I have introduced bills, one of which is now pending, and which would provide for bringing the police force up to its normal strength. It would moreover provide for an increase of 600 additional policemen, 300 to be foot patrolmen, the old-fashioned flatfoot who faithfully and regularly patrols his beat hourly, and in addition 200 more to be assigned to 100 of the most modern scout cars available, bulletproof, armored, bulletproof glass, with mounted machine gun, also 100 motorcycle-equipped policemen, making a total of 600 additional men with proper modern equipment.

The bill also provided for better pay. I will not go into detail because that was all gone into before the committee. It also provided for a more liberal retirement and it also provided for bonuses in cases where patrolmen were killed in the pursuit of their duty. I am anxious about that bill and its more liberal provisions at this time because I do not think that the wage level in this bill has been lifted sufficiently. As a matter

of fact, the bill that passed the House was cut by the Senate. I do not know if the cut has been restored. But I think the essential thing today is the maintenance of a good high-class police system, because it is most important to every individual citizen who lives in Washington.

Mr. NORRELL. May I say to the gentleman from Michigan that we are allowing this year $564,000 plus more money than we did last year for the Police Department. The increase is sufficient to allow $200,000 for civilian crossing guards and $345,000 for the uniformed services.

Mr. Chairman, I hope the bill will be passed as reported by the committee.

Mr. WILSON of Indiana. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. KEARNS].

Mr. KEARNS. Mr. Chairman, I want to express my appreciation to the chairman of the subcommittee and the members thereof for the efforts they made to cope with the problems that we have in the District of Columbia. Naturally, I am quite disturbed and disappointed that the committee was unable to incorporate the provisions as set forth in H. R. 3795, which passed this House unanimously 2 months ago. That bill provided a pay schedule for the police and firemen of the District of Columbia. It was not a handout appropriation or cost-of-living increase, but it was a salary schedule set up on an incentive basis whereby the police and fire authorities of the District of Columbia could employ men capable of doing the job of maintaining law and order in the Nation's Capital. It is badly needed here. I am sorry that the Bureau of the Budget is so powerful that they can come up here to the Congress of the United States and say, "You gentlemen can appropriate just so much money; there is not any more that you can appropriate." I hope sometime along the line while I am here that Congress will assert itself rather than listen to other people who say what we can do and what we cannot do.

Mr. Chairman, today in the District of Columbia we are not able to get men to serve on the police force. Three thousand four hundred dollars starting pay is not sufficient to entice anyone to seek that kind of occupation. Right today we have to go out through the rural districts all over this country, especially in the nearby States, and really shanghai men to come in here for a job on the Metropolitan Police Force. I am telling you it is a sad situation here in the Nation's Capital.

Furthermore, I think this bill was going along pretty well until the teachers came in. They, too, want an increase, and I am for the teachers getting an increase. Goodness knows, I have been in the teaching profession all my life, but let me say right here that you will not have any schools open if you do not have law and order in the community, and law and order in this community, the Nation's Capital, is threatened. I was talking to Members of the Senate District Committee today, and they are most hopeful of getting this bill out this week over in the Senate. I hope that after the Senate does report this bill they will pass it, and we will be able, in conference, to bring this bill back under some kind of a supplemental appropriation whereby the policemen and the firemen in the District of Columbia are given the salary that they should be given. Just imagine—all we are asking in H. R. 3795 is for $4,000 a year starting pay for policemen and firemen. My goodness, if we think so much of the children of our country we certainly need firemen, too, that know how to protect children in burning school buildings and to protect the lives of the boys and girls of whom we are so considerate and so thoughtful in this particular day and age of ours.

So, Mr. Chairman, I sincerely hope that the Members of the House will be open-minded to the report that we will receive from the Senate, and then we can again consider this bill when it comes back from conference.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. KEARNS. I yield to the gentleman from Michigan.

Mr. DINGELL. My good friend has gone a long way to be helpful in this instance. It is of the utmost importance to all of us who reside here and as an example to the rest of the Nation. As I understand, the gentleman's bill provided for a 15-percent increase.

Mr. KEARNS. I think the figure is not that high.

Mr. DINGELL. And the proposal before us now is not over 8 percent; is that correct?

Mr. KEARNS. It is nearer 7 percent. But, it is just money down the drain because it does not set up any salary schedule or incentive payment for the beginner.

Mr. DINGELL. And there is no incentive if they do come in.

Mr. KEARNS. Right now we are not recruiting 4 policemen a month, and we are losing 12 a month.

Mr. NORRELL. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. POWELL].

Mr. POWELL. Mr. Chairman, I want to bring before you for consideration the fact that we are legislating today the appropriation for the Capital of the Nation, and, more than that, the capital of world democracy.

We heard a remarkable speech yesterday by our Secretary of State, John Foster Dulles, in which he pointed out that the peoples of the world have been led into the wrong belief concerning our policy as a Nation and that it is his purpose and that of the Department of State to correct that belief and to let the world know that we are on the side of freedom and helping the freedom-struggling peoples of the world and not on the side of helping any other Nation in repressing people.

I think one of the finest things we could do would be to so legislate in the District of Columbia that the citizens of America and the citizens of the free world would know that this is a Capital of democracy and that here in this Capital there would be no discrimination and no segregation and, as it affects this bill specifically, that there shall be no use of any Federal funds in any agency of our District government that practices any form of discrimination or segregation.

In Mr. Eisenhower's campaign the only specific pledge he made in the field of civil rights was that he would work toward the abolition of segregation in the District of Columbia. It was just recently, in response to a question at a White House press conference, that our President said that he saw no moral or legal justification for the use of Federal funds in the support of segregation.

Here in the District of Columbia we do not have a civil-rights law nor do we have a Jim Crow law. What I am proposing to do later is not to attack the broad question of civil rights for the whole District but merely to attack that part of the violation of civil rights in the use of Federal funds.

Further, may I point out to the economy-minded Members of the House on both sides of the aisle that segregation is a useless squandering of money. To finance, for instance, a dual school system, which we now have in the District of Columbia, means a duplication in officials, teachers, and buildings. This costs, literally, millions of dollars more than if we had a true American system of education such as we have in increasing numbers in the States throughout the Union. Increasingly even in the South there is integration in education, integration on a higher educational level and integration, also, here and there in the South in the secondary schools and junior colleges. Whatever section you may come from, there can be no legal or moral justification for segregation in the District of Columbia, which is not a part of a section but is the Capital of the 48 States and, more than that, the Capital of the free world.

Mr. WILSON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. POWELL. I yield.

Mr. WILSON of Indiana. Is not the gentleman aware of the fact that this is not within the realm of the authority of the subcommittee of the Committee on Appropriations, that we have this segregation by law. This is an appropriation bill, and it is not within our authority to make any change in that regard. If we should legislate in the way the gentleman proposes to do there would be no funds available for many departments of the Government in the District of Columbia until existing legislation is amended.

Mr. POWELL. In the first place, may I compliment the subcommittee on its very good job and, secondly, say it is within the power of Congress to provide that no funds on an appropriation bill shall be used unless certain things are considered. It is not out of order.

Mr. WILSON of Indiana. That is correct, you are exactly right. No funds could be used because we have segregation in the schools by law, as set out in title 31 of the District of Columbia Code.

Mr. POWELL. If I may correct the gentleman, we do not have it by law.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. NORRELL. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Chairman, I am not going to use the full 5 minutes, but I do want to be on record as favoring more generous treatment of the policemen and firemen and schoolteachers of the District of Columbia. I think the record is clear that I have always been in their corner, fighting their battle. But that is not what I want to talk about now.

Mr. Chairman, for purely practical reasons, for the safety of my own home, family, and children, I favor a substantial increase in the base pay for every policeman from top to bottom. I had a bill which provided a certain flat, straight, across-the-board increase, and provided also for liberalization of the pension system of the policemen and firemen, and which provided certain premiums, for example, if an officer or fireman were killed in line of duty. I feel that the way to build up a police department is to offer some incentive and to put in some inducements, which will in turn give us the protection that we need. The policemen of the Capital should be as well paid as any in the country, they should be a prototype, and the system should be built up which would be an inducement for other communities to help to raise the standards and rate of pay of their own policemen and firemen and schoolteachers. I am not satisfied that in this bill we have gone far enough. In the first place, we have a certain set figure which is the minimum number of members necessary for the Police Department to function properly. We are far under that requirement.

I want to stress that for years we have been short of men in the Police Department and even today cannot get caught up because of the rate of pay and lack of incentive. My bill provided for 600 additional policemen. Three hundred were to have been the old-fashioned flatfoot patrolman—the man who pounds the sidewalks day in and day out. We should have, according to the bill, 100 2-man scout cars of the most modern type, bulletproof and armored, and even provided with machineguns. There should be another 100 policemen with the most modern motorcycles. That would make in total an additional 600 new men, first bringing the force up to what the law now requires. I understand they are substantially below that figure now. As I say, I am going to vote to support this bill. It goes a certain distance in the right direction, but it does not go far enough. We should have more patrolmen. They should be better paid while they are active and useful and in good health, and we should provide a retirement system that is up to date, and it should also provide, as I say, extra compensation to the widows and children of patrolmen and firemen who have been killed in the line of duty.

Mr. Chairman, that is all I can, in an impromptu way, contribute to this discussion.

Mr. NORRELL. Mr. Chairman, I yield 5 minutes to the gentleman from New Mexico [Mr. FERNANDEZ], a member of the committee.

Mr. FERNANDEZ. Mr. Chairman, once again I will, if I may, congratulate our distinguished chairman [Mr. TABER] and the leadership of the House for bringing these appropriations bills to the floor on the week following the report of the committee, rather than, as had been the custom, reporting them on one day and bringing them up to the floor for action on the next. The practice inaugurated this year is very beneficial, in my opinion, and very considerate of the leadership of the House. I hope that practice is continued in the future.

This is my first opportunity to serve on this particular subcommittee, but I thoroughly enjoyed serving under the leadership of the distinguished gentleman from Indiana [Mr. WILSON]. Though I was a freshman on the committee, the chairman and the other members were most courteous, patient, and helpful in every respect, and I for one believe the committee has done a splendid job. Of course, the various items in these bills are always a matter of compromise, but in this bill the compromises reflect satisfactory agreement on the part of all the members, I believe. The chairman did a thorough job of examining witnesses and on the markup we took our time. In fact, on that phase of the work we had three separate meetings, mainly because of the difficulties presented by the reorganization of the District government. The solutions arrived at in that respect were, I think, splendid. I am in thorough agreement with this bill and every item in it.

The consideration of the District appropriation bill presents a somewhat unique situation, first, in that we must operate within a balanced budget for the District, against the background of needs for operation, maintenance, and particularly capital outlay, far above the money available; and, second, in that the Commissioners and the budget officer representing the people of the District themselves prune down and give priority on their own responsibility as such representatives, to the various needs of the District. That determination must be given great weight by the committee. The request made of the Commissioners by the various agencies and department heads to meet operations and construction required and justly demanded by the people of the District amounted to $181 million. The Commissioners scaled these requests down to $151,564,975 so as to balance the budget and leave a small surplus for the 1955 fiscal year. The committee, after considering the bill item by item, ended up with a lesser recommendation of $146,354,739.

Mr. Chairman, I thoroughly agree with the remarks made by the gentleman from Michigan [Mr. DINGELL] awhile ago about the needs of the Police Department. I think the police part of the appropriation bill is one which was raised probably more than any of the other operation items of the bill. Otherwise, it may be generally said of this bill as to operation and administration of the District government that the increases over the 1953 appropriations reflected only the normal increase in work load and the normal increase in costs. In other words, we adhered fairly close to the 1953 appropriations insofar as the operation, maintenance, and administration of the Government is concerned. The bulk of the increase over the 1953 appropriation consists mainly in capital outlay for construction, including greatly needed structures for Public Welfare and for schools. This bill reflects an increase of $7,177,500 above the 1953 appropriations for capital outlay. That figure corresponds very closely to the $7,511,963 surplus estimated to be available at the end of this fiscal year. It is that surplus which made possible this increase in capital outlay so sorely needed, and if the Congress had not reneged on its just share of contributions by $1 million last year, and $1,200,000 in each of the 2 previous years, we could have done much better. Notwithstanding that the total allowed for capital outlay is $28,909,700 for this year, and far more than that is required. The schools are crowded and the demand will continue to exceed the construction. The hospitals are crowded and something should be done about it.

Because of this the committee has recommended that "methods of increasing tax revenues should be given most serious consideration by the new Commissioners" and in turn the committee has recommended the full $12 million which the Congress, through its legislative committee, fixed as the just and proper share of the Federal contribution in lieu of taxes.

In that connection I feel strongly that both of these recommendations should be carried out this year. I feel, however, that the tremendous need for capital outlay requires more. The Fiscal Affairs Subcommittee of the legislative District Committee should give consideration to increasing the Federal contribution to a more realistic figure. That committee should also give consideration to a plan whereby construction of schools, hospitals, welfare buildings, recreation buildings, and sewer and waterworks may be in part at least financed and amortized by the issuance of municipal bonds, just as it is done in every other progressive municipality. It is not fair to tax the present generation for cash construction of buildings which will serve many generations of taxpayers to come. Such construction ought to be amortized for a period of years and the burden of paying for construction shared by the future beneficiaries thereof.

At the public hearings of the committee many citizens voiced the same views respecting the amortization of facilities by the floating of bonds. The merchants and businessmen's associations of this city, upon whom will fall the burden of taxation to a greater extent, should give that proposal consideration in their meetings and should urge the enacting of legislation authorizing amortization of construction. The community and especially the businessmen should take a more active interest in the long-range planning of facilities which will be necessary. Mr. Giles E. Dawson, vice president of the Connecticut Avenue Citizens Association, and speaking also for the

Uptown Lions Club and the Uptown Connecticut Avenue Businessmen's Association, answered a question propounded by me as follows:

Mr. FERNANDEZ. Has your association given any consideration to the proposals suggested here tonight that the District be permitted to float bonds as other communities do to provide capital outlay for their community facilities?

Mr. DAWSON. So far as I know, that has not been discussed in our association.

It may be that I am wrong in this suggestion, but that is the way we build gymnasiums, schools, hospitals, and other community facilities in the West. We consider this as a progressive, fair, and equitable method of distributing the burden of providing community facilities for the future.

Aside from needed community facilities of every description, there is a crying need for other services which progressive parents have a right to expect for their children and which they are not getting. One of those is a music program for the children of this district. As was pointed out at the public hearings, parents from other cities who come here to serve in the Congress or in Federal offices find that the music facilities which are considered a matter of course at home are not available to their children in this great Capital of ours. The requests made at the public hearings were more than modest. Under the necessity, however, of adhering to the program budgeted by the Commissioners, those items could not be included because they were not budgeted for. The citizens should go this coming year to the Commissioners and present their demands to them, and I think the Commissioners should give them sympathetic reception, and should include such items in the budget for the coming year.

There are many other needs by way of facilities, not fully provided for, or not provided for at all, which were called to our attention by the citizens of the District. I shall not list all of them, but some of the major ones which certainly ought to be considered in future budgets are as follows:

First. New 800-bed unit, Glenn Dale Sanatorium.

Second. Seven-hundred-bed additional, Gallinger Hospital.

Third. New school to replace Van Ness School, Fourth and M SE.

Fourth. Forty-three room junior high school near Fourth and Mississippi SE., to replace overflow Kramer Junior High School.

Fifth. New school at 56th and East Capitol.

Sixth. Deane Avenue paving.

Seventh. Five hundred thousand dollar Watts Run flood control.

Eighth. Construct junior high school, 42d and Grant NE.

Ninth. Traffic lights at 27th and Pennsylvania SE.

Tenth. Library facilities, Anacostia side.

Eleventh. Twenty thousand dollars for addition to Lucy Slowe School.

Twelfth. Three hundred and thirty thousand dollar annex to Washington Vocational High School.

Thirteenth. Approximately $400,000, enlarge health school—orthopedically handicapped children—includes estimate for additional transportation facilities.

Fourteenth. Phelps Vocational High School, $750,000 to begin construction.

Mr. WILSON of Indiana. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. There being no further requests for time the Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That there are appropriated for the District of Columbia for the fiscal year ending June 30, 1954, out of (1) the general fund of the District of Columbia, hereinafter known as the general fund, such fund being composed of the revenues of the District of Columbia other than those applied by law to special funds, and $11 million, which is hereby appropriated for the purpose out of any money in the Treasury not otherwise appropriated (to be advanced July 1, 1953), (2) highway funds, established by law (D. C. Code, title 47, ch. 19), (3) the water fund, established by law (D. C. Code, title 43, ch. 15), and $1 million, which is hereby appropriated for the purpose out of any money in the Treasury not otherwise appropriated (to be advanced July 1, 1953), and (4) the motor vehicle parking fund, established by law (D. C. Code, title 40, ch. 8), sums as follows:

Mr. CEDERBERG. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CEDERBERG: Page 2, line 2, strike out "$11 million" and insert "$9 million."

Mr. CEDERBERG. Mr. Chairman, I realize that the offering of this amendment to reduce the Federal Government participation from $11 million to $9 million for the general fund of the District of Columbia will not make me a popular resident here. I think, however, when we realize that last year the House passed a bill appropriating $8,600,000 that this represents an increase of $400,000 on the appropriation which was agreed to by the House for the present fiscal year.

When we stop to consider that the Federal Government, which is made up of all of the citizens of the United States from all of the 48 States and all of our various communities, contributes to the government of the District of Columbia—which is fair and proper in order that it should operate efficiently—we must also consider that there are a great number of contributions made to the people of the District which are not made to people in other areas of the United States: Hospitals, the park system, and so forth. I think it would be unwise for us to make this contribution too large.

As I understand, last year after the bill went to conference the Senate agreed to make it $11 million and a final figure of $10 million was agreed upon. My amendment reduces the amount to $9 million, which I think is a fair contribution from the Federal Government to the support of the local government of the District of Columbia.

It seems to me that the District of Columbia should explore all other avenues of taxation to be sure that the citizens of this District are contributing their fair share to the operation of their own government. I know that we in the various States have many taxes they do not have in the District of Columbia. I offer this amendment therefore in sincere good faith. I do not believe it will hamper in any way the effective operation of the government here but that it will be a step in the right direction of making the people here revise their own tax program, or make the Congress revise the tax program for the District of Columbia. I think that is very important and necessary.

Mr. WILSON of Indiana. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think it is important that the Federal contribution remain at $12 million. Because of the financial outlook for the District of Columbia, and for other reasons, even with the $12 million contribution it is estimated that the deficit in 1955 with the firemen's and policemen's pay raise will be approximately $13 million. If you will turn to page 128 of part 1 of the hearings you will see that the Federal Government has taken over approximately 13,000 acres of taxable land in the District of Columbia valued at about $412 million. This is 42 percent of the land value in the District, and the loss in taxes to the District is more than $18 million.

Other benefits received by the Federal Government for which the District of Columbia is not reimbursed are special police details estimated at $180,000 annually. There is also the matter of installing curbs and gutters abutting Federal property, estimated at $50,000 a year; cleaning streets abutting Federal property and refuse collection and disposal, estimated at $134,000; handling and treating sewage from Federal property, estimated at $165,000; water furnished Federal agencies, estimated annually at a cost of $1,237,000, which is a quarter of a million dollars more than the amount we pay for water.

Now, this actual cost of supplying the water has long been more than a million dollars, yet the Federal Government is constantly adding buildings and other places that need water to the District water supply. Not long ago Andrews Field and the Government developments out there were tied into the District water facilities, which meant transporting that water about 7 miles outside of the District. In this manner water from the District of Columbia is received free because the million dollars that the Federal Government pays is already inadequate to pay the actual cost of the water the Government uses.

There are also improvements, maintenance, and policing of nationally owned parks which amount to about $1 million a year.

I am not going to lose a single vote back home if we take the whole $12 million away, the whole $12 million Federal contribution. I could stand up here and make a few votes back home because I could say, I am for economy, I am for cutting out the Federal contribution, I am for cutting down Federal taxes. But I have a higher respect for the integrity and the intelligence of the people

of my district than to think they would buy a proposition like that.

I ask you, therefore, to go along with the committee. The subcommittee as well as the full committee recommended the $12 million after a very careful deliberation. I ask that the Committee of the Whole support the Appropriations Committee in its request for this full $12 million.

Mr. HUNTER. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, I feel that the Members of the House would do well to support the full appropriation of $12 million which has been authorized by the Congress and which has been recommended by the Appropriations Committee. I do not believe we can appropriate less under present conditions. Even with the appropriation of $12 million, the time has come when the District of Columbia will have to increase its own taxes. When we are considering at the present time an increase in pay for policemen, firemen, and schoolteachers, increases which in most instances are well deserved, it means that the future deficit will be greater.

There has been some mention of the fact there are other payments made by the Federal Government for the benefit of the people of the District of Columbia. That is true, but in the aggregate they do not constitute an unreasonable amount, considering the nature of the relationship between the District and the Federal Government. For example, the Federal Government contributes to the Columbia Institute for the Deaf $24,000, to Freedmen's Hospital $312,470, to St. Elizabeths Hospital $557,250, and the National Park Service $283,315, which makes a total of $1,177,035 that you might call an annual subsidy on the basis of the 1954 estimate. Of course, there are in addition certain grants-in-aid, but this type of contribution to the local government is the same type of contribution that is made to the 48 States. The District of Columbia is not coming in for any more than its pro rata share. The residents of the District of Columbia are taxpayers and, of course, they are contributing to the overall cost of the Federal Government.

Mr. Chairman, I hope that the amendment will be voted down.

Mr. FERNANDEZ. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the subcommittee handling this bill considered that proposition very, very carefully and were unanimously of the opinion that the full $12 million should be included in this year's bill. Then we went further and recommended that the tax structure be worked over by the Commissioners, to find methods of increasing tax revenues. But how in the world can we ask the Commissioners to increase their taxes, to revise their tax structure so that the taxpayers carry their fair share, if we on our part, in connection with the Federal contribution, say that we will not carry our fair share, which the legislative committee fixed at $12 million, and which the Congress approved and made into law 5 years ago? We have been reneging on that and therefore we cannot very well complain if the taxpayers do not pay what they could in taxes. Mind you, I am not saying that they are not doing what they should.

I remember a couple of years ago when the gentleman from Virginia [Mr. SMITH], who served on the fiscal affairs subcommittee of the District Committee, stood up here and told you about a survey that had been made by that committee, a survey that involved comparisons between Maryland and Virginia and the District on homes and structures of exactly the same type, made by the same builder, which showed that the residents of the District of Columbia on a dollar-for-dollar basis were paying more than residents in adjoining municipalities in Maryland and in Virginia. I remember also that he explained to us that the amount which that committee had fixed and which the Congress had passed was not a maximum, but was considered the fixed amount which the Congress should allow as its fair contribution to the District.

I certainly hope that this House will stand by the committee on this recommendation. When the matter came up before the full committee no objection was made to it, and we took it to be the opinion of the full committee that the full amount the law requires should be contributed to the District of Columbia. If it had not been for the little surplus that was built up we would not have been able to allow for the new buildings this year, and, as I pointed out a while ago, if we had not reneged upon this payment which the law requires the Federal Government to make to the District government, we could have gone further and provided for the much needed additional hospital beds and welfare buildings and schools that are a crying need in this city. I am sorry that our bill does not provide for a good many things that the committee thought the city ought to have, but under the necessity of adhering to the budget and of staying within the revenues of the city we have had to cut this budget down. Now you propose to cut it $2 million more, and that without any evidence whatsoever that it will not wreck the tight budget under which they operate. I trust the amendment is not adopted.

Mr. HYDE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I call the attention of the committee to a little bit of practical experience in connection with this problem of the method of raising revenues in a community where the principal business in the community, as it is in the District of Columbia, is the business of the Federal Government.

The point has been raised here that there are many forms of taxes levied in some other communities which are not levied in the District of Columbia. I suspect that that is true.

Before I came to Congress I happened to represent nearby Montgomery County in the Maryland Senate. Our situation there and our problems are very similar to those in the District of Columbia. In that big suburban area the taxes on our homes are reaching the breaking point. We were in search of other forms of revenue, so we passed some bills through the Maryland Senate levying other taxes, primarily taxes on commercial property and on business. Other counties were in somewhat the same situation.

Those taxes were fine for counties in commercial areas such as Baltimore County and Anne Arundel County, outside of Baltimore City, but for Montgomery County and Prince Georges County the yield in revenue was practically worthless, because we simply did not have the business there from which to get the tax. So when you say there are taxes in other communities which are not levied in the District, that is true, but even if they were levied here in the District you probably would not get sufficient revenue from them to do you any good.

I believe that where the principal business is the business of the Government, that business must pay its fair share of the expense of running that government, just as a private business would. Certainly the amount provided in this bill is little enough, taking into consideration what they would be paying if they were a private business taking up the same amount of space and receiving the same services the Federal Government does.

Mr. SMITH of Virginia. Mr. Chairman, I move to strike out the last 3 words and ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. SMITH of Virginia. Mr. Chairman, this matter of the annual contribution of the Federal Government to the operation of its Capital is one that has been under debate ever since I can remember.

As you know, originally the law provided that the Federal Government would pay 50–50 on the operating expenses of the District government. It was cut down gradually and gradually from time to time by the Appropriations Committee, until a few years ago serious attention was given to that subject. Both Houses of Congress passed a bill by which it was provided that the annual contribution of the Federal Government should be $12 million a year, not that it should be some figure that some Member of the House might pick out of his mind while a bill was under consideration. It was the thought that this contribution should be $12 million; in other words, that it should be in effect a contract as long as the law stands on the books. Yet every year a motion is made to cut it down to some extent, the motion is carried in the House, the bill goes over to the Senate and the amount is put back there, and we have had all that trouble for nothing.

My purpose in rising is not so much to discuss that particular amendment as to see if I can alert Members of Congress a little bit more and bring home to them a little more the fact that this is the Nation's Capital. It is a sort of thing around here for folks to get up and say, "Well, these people in Washington are escaping taxation." This city does not belong to the people of Washington. It belongs to the people of the United States. It is the Nation's Capital. It ought to be the finest city in the world, and it is the duty of the Congress

of the United States, and not the duty of the taxpayers of Washington, to see to that. Some folks are going to disagree with that statement, but I do not think there is any Member here who wants to go home and tell his people that this is a second-rate city. That is what it is getting to be. There are many things that bring that about. I wonder if Members of Congress are proud of the fact that you can go out here on the steps of the Capitol and almost throw a stone into slum areas that you would be ashamed of in your own hometown, wherever that may be. I wonder if Members of Congress give very much consideration to this duty which is fixed upon you by the Constitution of the United States to govern this Nation's Capital. I say these things to you because while it does not appear in this bill—I happen to be on the legislative committee of the District of Columbia in the House, and while it does not appear on the face of this bill, the fact is that the institutions of this Capital of yours have gotten to such a point where many of the public institutions here are run down so that you would not tolerate them in your own State or city. The District of Columbia does not have the money for these capital improvements. They are not going to have the money for these capital improvements. Congress is going to have to do something about it, or this Capital is going to get in a worse fix than it is in now. I say that to you in great seriousness because I have watched this situation in Washington for many years. As you know, I am from an area that is close by. I have known Washington all my life, and my sole purpose in rising at this time is to ask Members of Congress if they will not give some serious consideration to what you are going to do about your Nation's Capital. Are you going to let it become a slum area or are you going to make it the finest city in the world? I say that to you because the leading businessmen of this Capital have been giving it serious consideration, and sooner or later there will come to this Congress proposals from organizations of businessmen of the city, men who have pride in the Nation's Capital, and men who pay a great deal of taxes, and they are going to lay this baby on your lap and say, "Now this is going to involve a great deal of money, if you are going to get this Capital the way it ought to be. Now what are you going to do about it?" I think we should be thinking a little bit about what we are going to do. Are you going to let this Capital go down and down and down? I will not make any specific propositions to you, but you all live around here and have seen and know this Capital situation. You have seen the exodus from the Capital into Maryland and Virginia, and you have seen some of the best people of this town move out of the town. You have seen them replaced by some who are not the best people in the world. That situation is going on day by day. It has increased your crime situation here until the point has been reached where Washington has the greatest crime record of any city in the United States. The question I want to propound to you is what are you going to do about it? Let us give a little thought to this subject as Members of Congress whose duty it is to see that this is the finest city in the United States.

Mr. HALE. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. HALE. The gentleman touched on the point I want to emphasize because it has always been a source of great humiliation and chagrin to me to read statistics of the crime in this city. I do not know what can be done about it, but I feel strongly about it.

Mr. SMITH of Virginia. I might say to the gentleman that something is being done about it. The Committee on the District of Columbia expects to bring to you an omnibus crime bill in a few weeks which will tighten up the laws and thus discourage lawlessness in the District of Columbia. In other words, if we make this a bad place for professional criminals they will seek some other place.

Mr. HALE. Let me say to the gentleman I shall vote for such a measure with a great deal of pleasure.

Mr. SMITH of Virginia. I am sure the gentleman will.

Mr. NORRELL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, in former years I have not been one who stood on the floor of this House and proposed increases in the amount of the contribution to the District. However, this subcommittee this year has gone into the matter thoroughly. The District of Columbia is entitled to this amount of $12 million, in lieu of taxes.

Are there not precedents somewhere else? What are we doing in the TVA? We are expending money there in lieu of taxes. That is as it should be.

What are we doing in the case of the Bonneville Power Administration? Every year they make contributions in lieu of taxes that are not collected on the property of the Government.

I could go on and on with similar examples. The same thing is true in the Grazing Service. I could mention dozens of items, but let me get down to this one point in conclusion.

The total budget of the District of Columbia, in round figures, amounts to about $150 million a year—a little less than that. At least 42 percent of the property of the District of Columbia, according to our hearings, is used by the Federal Government. The Federal Government owns it. That property is not taxed.

What is the proportion of $12 million to $150 million? Should we make a larger contribution? I am not going to argue that. I would be opposed to it. But let me urge you not to cut the amount of $12 million.

That amount has been authorized by Congress. It has been recommended by your subcommittee. President Eisenhower recommended it. President Truman recommended it. All of the jurisdictional agencies say we ought to allow it, and I hope, I plead with you, especially my southern brethren, to go along this year with this $12 million recommendation.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. NORRELL. I yield to the gentleman from New Mexico.

Mr. FERNANDEZ. I think the Members of the House know that there is no more economy-minded Member of this House than the gentleman from Arkansas. And the membership knows that there is no more economy-minded man than the gentleman from Virginia who spoke a while ago. And there is no man in the House who knows as much as Judge SMITH does about the government of the District, because of his long service on the legislative committee. I hope that the Members will follow the advice of the gentleman from Arkansas and the advice of the gentleman from Virginia.

Mr. NORRELL. I thank the gentleman.

One more point in conclusion. The population here has nearly doubled in the last few years. Property has nearly doubled in the last few years. That in the possession of the Federal Government has nearly doubled, also, in the last few years. There is every reason why we ought to be fair with the District of Columbia and allow this amount of $12 million.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. CEDERBERG].

The amendment was rejected.

The Clerk read as follows:

DISTRIBUTION OF APPROPRIATIONS

The sums hereinafter specified for any office or agency abolished under the provisions of Reorganization Plan No. 5 of 1952 are appropriated to the Board of Commissioners of the District of Columbia to enable the Commissioners to provide for performance of the functions heretofore assigned to any such office or agency. Such sums may be allocated by the Commissioners to offices, agencies, or other organizational units established by or pursuant to said plan, but shall be available only for the functions provided for herein, and only in the amounts respectively appropriated for such functions, namely:

Mr. POWELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. POWELL: On page 3, line 12, after "agency", insert *"Provided*, That no part of any appropriation contained in this bill shall be used for any of the purposes therein mentioned by any agency, office, or department of the District of Columbia which segregates the citizens of the District of Columbia in employment, facilities offered, services performed, accommodations furnished, instruction or aid granted, on account of race, color, creed, or ancestry of the citizens of the District of Columbia."

Mr. NORRELL. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from Arkansas reserves a point of order.

The gentleman from New York is recognized in support of his amendment.

Mr. POWELL. Mr. Chairman, this amendment has been held germane for the past sessions of Congress; no point of order has been sustained against it. The identical wording has been held by the Parliamentarian and the Chairman at each session to be in order.

I wish to begin where our distinguished colleague the gentleman from Virginia left off. The gentleman from Virginia unwittingly laid the philosophical support for the amendment I am offering. I want to thank him. I respect his intelligence, his wisdom, his experience, although we have disagreed most frequently on political issues. Our esteemed colleague from Virginia said:

> This is the Nation's Capital. • • • It ought to be the finest city in the world. • • • It does not belong to any one group of people. It is the duty of Congress to see to it that this is the finest city. It is getting to be a second-rate city; it is getting to be worse.

I want to thank him for these statements; they lay the philosophical support for my amendment.

My amendment is one which does not in any way attempt to bring about civil rights in the District of Columbia; if so, it would be out of order at this time. It does, however, very specifically say that no funds under this bill can be used by any agency of the Federal Government in the District of Columbia that practices any form of segregation of the citizens of the District of Columbia because of race, creed, color, or ancestry.

To the best of my knowledge, there is no law that guarantees Jim Crowism or segregation in the District of Columbia. In fact, there was a law passed in the reconstruction period by a Republican Congress which states just the opposite.

It is time that we stand up as mature men and women, irrespective of our sectional backgrounds, and face this problem just as our distinguished colleague from Virginia has stated. This is the Nation's Capital. It ought to be the finest city; it cannot be a second-rate city; it is not the duty of Congressmen to come and legislate here on the basis of their particular group; but we must come here and legislate on the basis that this is the Capital of all the people. As long as you have second-class citizens, you will have a second-class city.

The President of the United States on September 5 last year in Chicago said:

> I believe we should eliminate every vestige of segregation in the District of Columbia.

In Wheeling, W. Va., on September 24 last year he said:

> Segregation in the Nation's Capital must be abolished.

In Los Angeles on October 9, 1952, he said:

> I am for wiping out every inequality of opportunity, and I am for starting to do that right in our Nation's Capital as well as in every other operation, military and civil, of our Government.

I agree with him, but I do not go that far with this amendment. All my amendment is concerned with is President Eisenhower's idea of abolishing segregation in the Capital insofar as Federal funds are used.

Furthermore, I say to the gentleman from Michigan, who just offered an amendment to decrease the amount of appropriation, that if my amendment is adopted he will find in the next year and in years to come real economy. We will be able to decrease the amount of appropriation by $2 million because segregation is expensive. It costs money to maintain a dual system of education with dual superintendents, dual teachers, dual buildings, and a dual program.

May I remind you that yesterday the Supreme Court of the United States reaffirmed that the paramount thing in any issue is the "intent of Congress." It is up to us who are here today to so state the intent of Congress in order that this Nation and the freedom-loving peoples of the world may look to us with respect in order that we may be able to walk before the peoples of the earth with dignity and in order that they will know that we are not asking them to follow a kind of democracy which we are not willing to practice here.

So, Mr. Chairman, I ask that my amendment be agreed to.

The CHAIRMAN. Does the gentleman from Arkansas insist upon his point of order?

Mr. NORRELL. Mr. Chairman, I still insist on the point of order.

The CHAIRMAN. Does the gentleman desire to be heard?

Mr. NORRELL. Mr. Chairman, first, I want to call attention to what I believe to be correct. That is that this amendment is legislation on an appropriation bill. Second, if the Chair holds it is not outright legislation on an appropriation bill, then I make the further point of order if it were to be adopted it would place additional important duties and legislative responsibilities upon the departments of the District of Columbia. In either case, Mr. Chairman, I think it is clearly subject to a point of order.

The CHAIRMAN. Does the gentleman from New York desire to be heard?

Mr. POWELL. Mr. Chairman, I would like to state what I said before in reference to the point of order, that this amendment is in the exact words of an amendment that has been offered heretofore in other sessions of the Congress. They have been ruled to be germane and a point of order has never been sustained against this amendment.

The CHAIRMAN. The Chair is ready to rule.

The Chair has read and studied this amendment carefully. It appears to him to be a limitation on an appropriation bill, it being exactly in line with amendments that have been offered in the past, and held to be merely limitations on the funds in the bill. According to the precedents of the House, the Chair is compelled to overrule the point of order.

The question is on the amendment offered by the gentleman from New York [Mr. POWELL].

The question was taken; and on a division (demanded by Mr. POWELL) there were—ayes 15, noes 78.

So the amendment was rejected.

Mr. WILSON of Indiana. Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read and open to amendment at any point thereof.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. D'EWART. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. D'EWART: On page 31, line 17, insert "*Provided*, That funds appropriated herein shall not be available for the construction of any bridge, including the preparation of plans therefor, which would utilize Roosevelt Island in the Potomac River or affect in any way the continued maintenance and administration of the Island as a natural park for the recreation and enjoyment of the public."

Mr. D'EWART. Mr. Chairman, I am informed that the District of Columbia appropriation measure now under consideration includes a sum of $200,000 which the District Commissioners propose to spend for the planning of a new bridge to serve the central area of the city. Further, it is my understanding that the plan most favored is to construct a bridge across the Potomac at E Street.

I am somewhat alarmed by this proposal, since it appears that the preliminary plans for the so-called E Street Bridge would require the use of Theodore Roosevelt Island in the Potomac River and some of the principal supports of the bridge would be situated upon the island.

Theodore Roosevelt Island is set apart by law as a natural park for the recreation and enjoyment of the general public. I think it would be very unwise to permit its use for any other purpose, and I am of the opinion that such a use of the island would be inconsistent with the requirements of existing law.

Pursuant to the act of May 31, 1920, the Roosevelt Memorial Association was incorporated for the purpose of perpetuating the memory of Theodore Roosevelt. This corporation was authorized to solicit, receive, hold, and maintain a fund or funds, and to apply the principal thereof and income therefrom to any one or more of 3 specified objects, 1 of which was the erection and maintenance of a suitable and adequate monumental memorial in the city of Washington, D. C., to the memory of Theodore Roosevelt.

The memorial association chose to buy the island in the Potomac then known as Analostan Island, and present it to the Government as a permanent natural memorial to Theodore Roosevelt.

I think there could have been no more suitable memorial to this great President. All of us remember and revere Teddy Roosevelt as a great outdoor man and a true conservationist. It was under his leadership that our system of national forests was established. The conservation and development of resources in the United States received its first great impetus under his administration. It is particularly appropriate that there should be in the heart of the Nation's Capital an unspoiled, natural memorial for the use and enjoyment of the people.

By the act of May 21, 1932, the Congress authorized the Director of Public Buildings and Public Parks of the National Capital—now the Director of the National Park Service—"to accept and receive as a gift from the Roosevelt Memorial Association, Inc., for and in behalf of the United States, the island in the Potomac River heretofore variously known as Barbadoes, Analostan,

and Macons Island, together with accretions thereto; and that, upon acceptance of this gift of land, the said island shall hereafter be known as Roosevelt Island and shall be maintained and administered by the Director of Public Buildings and Public Parks of the National Capital as a natural park for the recreation and enjoyment of the public."

The 1932 act further provides that—

No general plan for the development of the island be adopted without the approval of the Roosevelt Memorial Association, and that, so long as this association remains in existence, no development, inconsistent with this plan, be executed without the association's consent.

Committee hearings on this bill clearly show the intent of Congress that this island is to be preserved in a natural state as a memorial to the late President. They also show that it was with this understanding the Roosevelt Memorial Association proposed to convey the island to the United States. During hearings on the bill, Mr. Hermann Hagedorn, representing the association, stated:

As for the matter of our purpose in regard to the island, what we have in mind is, I think, what all of you gentlemen have in mind also, that Analostan Island as a memorial to Theodore Roosevelt should be kept, if possible, a wild place. Of course it will have to be tamed to the extent that the rubbish and underbrush to some extent will have to be cleared out, paths will have to be cut, and so on. But as far as possible we hope that it will remain a wild sanctuary in the Capital. We have hoped for that reason that motors may be permanently excluded, that access will be only by foot bridges, that the question of parking on the island and everything it means will not be brought up, but that there shall be only paths; that it shall be a place which will be accessible within 3 or 4 minutes of the Lincoln Memorial, and yet, accessible as it will be, shall have a sense of remoteness, a sense of sanctuary where the people may flee from modern civilization.

Acting in accordance with the 1932 act, Roosevelt Island was accepted on behalf of the United States from the Roosevelt Memorial Association on March 2, 1933. It appears clear to me that the Congress has specifically agreed with the association and provided that Roosevelt Island shall be maintained and administered as a natural park for the recreation and enjoyment of the public.

To this date, the island has been kept in its natural state, and the purpose of the memorial association and the Congress in honoring the memory of Theodore Roosevelt has been faithfully executed.

The proposed E Street bridge, however, would necessarily be a massive structure requiring extensive supports. The island contains only 90 acres. The utilization of the island for the piers and foundations of a bridge would certainly not be consistent with its preservation as a natural park. Any such bridge clearly would interfere intolerably with the use and enjoyment of the public. Such use, therefore, would be inconsistent with and in violation of the 1932 statute.

While it seems to me there can be no doubt about the law on this subject, the persistence of the discussion on the E Street site leads me to fear that others may not be informed of it or may be prepared to disregard the special nature of this sanctuary.

I am certain that an appropriation of funds for the construction of such a bridge or for plans for its construction would constitute legislation in an appropriation act and be subject to a point of order.

However, to remove any doubts on this matter, I offer as an amendment to the bill the proviso that no funds may be expended for the planning or construction of any bridge that would affect the proper use and maintenance of Theodore Roosevelt Island.

Mr. WILSON of Indiana. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the committee went into this proposition very carefully. We do not think we should exercise the authority of specifically prohibiting the choice of that particular location for this much-needed bridge, in view of the fact that all the data are not available. Surveys show that the bridges during the morning hours and the hours of 5 to 6 in the evening are now operating at capacity, and it is indicated that in 5 years they will be absolutely unable to handle the traffic. There must be a new bridge somewhere. If that is the proper place and if it can be justified, we do not want to eliminate funds for that study and the planning for that bridge.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Montana.

The amendment was rejected.

Mr. WILSON of Indiana. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose, and the Speaker having resumed the chair, Mr. BROWN of Ohio, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 5471) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1954, and for other purposes, had directed him to report the bill back to the House with the recommendation that the bill do pass.

Mr. WILSON of Indiana. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time.

Mr. POWELL. Mr. Speaker, I demand the reading of the engrossed copy.

The SPEAKER. The gentleman from New York [Mr. POWELL] demands the reading of the engrossed copy of the bill. Obviously, that cannot be done now; consequently further consideration of the bill will go over until tomorrow.

SPECIAL ORDER GRANTED

Mr. COOLEY asked and was given permission to address the House for 45 minutes today, following the legislative program of the day and any special orders heretofore entered.

GENERAL LEAVE TO EXTEND

Mr. WILSON of Indiana. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks on the District of Columbia appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

ELECTION IN ITALY

Mr. DODD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. DODD. Mr. Speaker, the general election to be held in Italy next Sunday, June 7, is of vital significance to the security of free peoples everywhere in the world. Because the vote of the Italian people against communism and against the recurrence of fascism in their country is so important to all of us, I am urging all citizens in Connecticut to send a final last-minute message to their friends and relatives in Italy to vote for the coalition party of the center against the Communist and Fascist Parties.

I have also introduced a resolution declaring it to be the sense of the House of Representatives that the Postmaster General should expedite and give special priority to all mail sent to Italy before the Italian general elections are held on June 7, 1953.

The importance of the decision which is to be made in Italy on next Sunday, June 7, is dramatically pointed up in two front-page editorials of the Boston Post for May 31 and June 1, both written by Mr. John Fox, the distinguished and able publisher of that paper. These editorials are in keeping with the series of splendid editorials in the Post exposing the evils and the dangers of communism. At a later date I intend to ask for permission to insert in the CONGRESSIONAL RECORD these Post editorials on the dangers of communism, and I am hopeful that one or more of our national patriotic organizations will underwrite the publishing of these excellent editorials in pamphlet form so that this information may be available to all of the citizens of the United States.

It is my conviction that Mr. John Fox is performing an outstanding service to the people of the United States in the writing of these editorials and I take this occasion to publicly commend him for it.

The editorials referred to follow:

[From the Boston (Mass.) Post of May 31, 1953]

ITALIAN ELECTIONS JUNE 7 MAY DECIDE FATE OF THE WORLD

(By John Fox)

On Sunday, June 7, general elections will be held in Italy. The Communists may well get a plurality or even a majority of the votes. In 1948, the whole power of the Catholic Church was thrown into the election, with the result that the Communists were defeated. In that election, 92 percent of all Italians eligible to vote did vote. Despite this, however, the Communists succeeded in polling a larger vote than they had in 1946.

In the elections next Sunday, there is more than a bare chance that the Communists will win. If they do, they will have won permanently in Italy and perhaps in the world. It must never be forgotten that communism is not a thing that a nation tries and discards. Whenever communism has taken control of a country, by whatever method, that control has been swiftly, ruthlessly, remorselessly and altogether effectively strengthened, consolidated, and finally perfected until the nation has ceased to exist, except as a helpless slave state.

The most extraordinary thing about such a result would be that, for the first time in the history of the world, a nation in a free election had voluntarily voted to embrace communism. If that should happen next Sunday, the results would be ghastly. The very possibility that Communists might win a general election in Italy is enough to shock even the mentally lethargic and complacent American people into the realization of what an utter failure has been the policy of pouring money in seemingly endless billions into the countries of Europe, in a futile attempt to buy for dollars either popularity, or loyalty to a concept of freedom which most Europeans are not even able to understand.

DEADLY RESULTS

The deadly results of a Communist victory almost automatically divide themselves into three divisions.

1. The effect in Italy.

2. The effect on Mediterranean and Middle Eastern countries.

3. The effect on the world.

The first result in Italy would be the establishment of a secret police, patterned exactly on the model of those which exist in Czechoslovakia, Poland, Lithuania, and Austria. Next would be a mass of legislation, much of which would sound attractive because of what is promised peasants, industrial workers and the unemployed, and which would have a wide appeal to the poor and ignorant, but which would contain provisions for heavy penalties for crimes against the state. These crimes might comprise simply disagreeing with the Communists or for that matter, merely being well-to-do or well-educated. Political leaders, of high or low degree, who objected to the legislation, would be quietly and swiftly murdered or would disappear. The rest would quickly get the point, and there would be no more objectors.

The secret police would, of course, be first a tool and quickly a branch of the NKVD, with headquarters in the Kremlin, Italy, as a nation, would have ceased to exist. All the familiar experiences of other nations that have found themselves in the same position would be hers. Thousands of people would be notified at 3 o'clock in the morning, after the dread knock on the door, to appear on the street in 15 minutes for transportation, thence to be shipped like cattle to desolate places in central and eastern Asia and Siberia, husbands to one place, wives and mothers to another, and children to a third where they would be taught Communist doctrine in Communist schools, many from infancy.

WHAT OF VATICAN?

Meantime, what of Vatican City, high officials of the Catholic Church, the Pope himself? Vatican City, which lies within the city of Rome, comprises a tract of less than 200 acres. It is nominally independent, but only nominally, since it is an integral part of a great city, depending on Rome for its utilities—water, sewage, and electricity—and upon all the other facilities of Rome as well. It is independent by virtue of the Lateran treaty made with Mussolini in 1929. A Communist Italian Government could quickly repudiate this treaty, and probably would. If Rome were to become the principal city of a Communist state, everyone in Vatican City, regardless of his or her identity, would become an actual, physical prisoner of Malenkov. The Pope would be no exception.

It is a sickening and appalling thing that the Communist leaders are fully aware, while the heads of our Government are not, that the hundreds of millions of people in their hands have only one hope: that the Western powers will come to a realization before it is too late of what is in store for them and that they will, in the only way possible—by war to the finish—crush the powers of evil which already are so far along the road of world enslavement. Consider the effect on the minds of these hundreds of millions, especially the Catholics in the hands of their Russian slave masters, if a procession of the most revered and eminent cardinals, perhaps even the Pope himself, were to appear in Moscow-directed, Moscow-supervised and Moscow-staged trials, and plead guilty to charges of criminal acts however bestial, heinous, and disgusting, and however degraded they might cause the admitters to appear. This may be revolting and shocking—but not unbelievable. It has happened ere this.

DREADFUL THING

The process known as "brainwashing," a phrase coined by the Chinese who saw it work, is a hideous and altogether dreadful thing. The Russian Secret Police, acting on the direct orders of Stalin, Malenkov, and their associates in the Kremlin, through the technique of using tens of millions of human beings as laboratory animals, have discovered how to break men's minds so completely that they have neither awareness of what they are doing, nor recollection of what they have done in the past. Sometimes men whose minds have been so shattered do not even remember at a later time anything that they said or did during the mockeries which the Kremlin calls "trials," and sometimes the disaster of mental wreckage is so complete, that even when circumstances have freed them of the influence of their Communist oppressors, they still insist and believe that they testified to the truth, even when it be demonstrable, as a matter of fact, that that to which they testified as truth could not have been possible.

There may be men on whom such treatment will not work. In that case, they are simply murdered and no one ever learns their fate. In cases where it does work, however, the victims are paraded before the eyes of the world. Cardinal Mindszenty was one of these. There have been hundreds of others. There is no way of telling in advance which mind will shatter and which will not. There is, however, a percentage in everything. The Communists have repeatedly demonstrated their contempt for all religions, particularly Roman Catholicism. The fact that there are only 48 priests left out of thousands in Bulgaria is not proof, but only confirmation. The proof was established long ago.

MIGHT TRANSFER SEAT OF CHURCH

In the event that the Communists take Italy next Sunday, the Pope might, although it is not easy to conceive, elect to transfer the seat of the Catholic Church from Rome to a free country for security reasons. This is wholly understandable. If the Communists took Italy, all wires into the Vatican would be tapped and recordings made of every conversation. Messengers would be waylaid and searched. Mail would be rigorously censored and eventually the Vatican would be entered, files searched, records read, with the resulting deaths of thousands of people behind the Iron Curtain who, at the risk of their lives, had sent out information to the free world.

These possibilities are not the less frightening or shocking because of their imminence. Next Sunday, the die will be cast in Italy, one way or the other. We should steel ourselves to face, for the first time, the consequences of our own folly and blindness of the past 20 years. For it was we, more than any other nation, who permitted the growth of the thing that is communism to the point where it is now almost strong enough to spread its black pall over the whole world, including us.

If the Communists win in Italy next Sunday, there will be other terrible results—the fall of two of our most effective allies, Turkey and Greece—and the dissolution of the British Empire.

After that, it will then be our turn.

[From the Boston (Mass.) Post of June 1, 1953]

ITALIAN ELECTIONS JUNE 7 MAY DECIDE FATE OF THE WORLD

(Pt. II)

(By John Fox)

The point has been made repeatedly in this column that the greatest potential source of strength that the United States of America have in the death struggle in which we are now engaged, is the people, including the Russians, who are now enslaved by their Communist masters. The men in the Kremlin know this. The men in the White House obviously do not.

For a long time, the whole of Soviet effort has been devoted to demonstrating to their subject peoples the weakness, the stupidity, and the cowardice of the fat and degenerate Americans. Cowardly, we may not be. Degenerate, in the sense that the word means soft, fat, and spoiled, we certainly are. Stupid in all of our foreign relations, we are beyond any possibility of question. Stupid, we have been; stupid we continue to be.

The whole of Soviet effort, over and beyond that which is devoted to the subjugation and isolation of their several hundred millions of newly conquered peoples, is being devoted to the promulgation of the doctrine that the Soviet Union is irresistible, and that western civilization is doomed. Since no other western power means much of anything as an effective fighting force, by western civilization they have in mind, primarily, us. So do all their subjugated peoples. If, therefore, we permit Italy, the traditional seat of Christianity, to fall to the Kremlin, the result might well be—it probably would be—the complete despair of the hundreds of millions of innocent people whose only hope lies in our intelligence and strength, a hope that as regards intelligence, at least, has thus far been forlorn.

MEDITERRANEAN AREA

Consider the situation in the whole Mediterranean area as it is now—and as it will be in the event that Italy falls into the maw of the Kremlin next Sunday—which will be the case if the Communists win the Italian elections.

At the present time, the whole Mediterranean area is smouldering, barely short of being actually aflame. The draft that provides continuing life for the smouldering embers blows straight from the Kremlin. The Mediterranean coast of France, particularly the port of Marseilles, is in a constant state

of unrest, with the Communists probably in actual control of the city. The Communists in Italy are so strong as to be threatening to take over the country. Yugoslavia is already Communist, what variety does not matter, since all forms of communism are basically alike. Bulgaria has degenerated into a division of Communist Russia, and the Greeks, now as for years past, are engaged in actual warfare to save themselves from Communist slavery. Turkey, like Greece, has remained free only because of the superb fighting qualities of her men. The news dispatches of last week reported that repressive measures had been taken by the Egyptian Government against the 15,000 Jews resident in the country, the result of the Kremlin's anti-British and anti-Semitic campaign. The latter, although of long standing, was made public and official only by the announcement in February of the arrest of Jewish doctors in Moscow on trumped-up murder charges.

The treachery and stupidity of the British after World War I caused the Arabs to hate England. They have hated her ever since. It is, therefore, an easy thing for Communist agents to incite them to repeated acts of vengeance, at whomever directed, provided only that England is hurt even as a collateral consequence. In their hatred of England they are wholly justified by the fact that Britain shamefully doublecrossed the Arabs after the First World War. The British were not more blameless after the recent world war in their treatment of the Arabs, who, accordingly, have continued to hate the English nation with a fierce and lasting hatred. The Arabs also hate the allies of Britain, the United States, because of the failure of both to make adequate and satisfactory provision for the hundreds of thousands of Arabs displaced from their homes to make room for the State of Israel. That hatred is steadily maintained at white heat by Communist agents.

IRAQ AND IRAN

Iraq and Iran need only the assurance that the Soviets can and will win, to cause them to rise up against the West. That they may desire independence rather than the Soviet vassalage which they would exchange for their present status is of no importance. Where people's emotions are involved, they are seldom intellectual. The people of Iran and Iraq have hated the British for generations, and with good reason, since they have been exploited and short-changed by the British for a century. Communist agents never let them forget that hate.

The atomic bomb in the hands of a hostile nation with air bases as close as Italy would make Gibraltar militarily ineffective. A hostile Italy could close the Suez Canal with little difficulty with a single atomic bomb. England would thereby be entirely cut off from trade with and the supplies of East Africa, India, and the whole of the Far East, including Australia. Except for the British Isles and Canada, those territories comprise almost all the British Empire. When they are cut off there is no longer any British Empire in existence.

Without free access to her by both England and the United States, Israel could not survive. A Communist victory in the Italian election next Sunday would end all freedom of access to Israel from the West, and make it entirely a matter of Moscow's whim. In view of all this, which is so patent as to require no proof, it is at the same time deplorable and almost unbelievable that recent reports from Israel have disclosed a bitter quarrel among government leaders. Some of them desired to display the Red emblem of communism, complete with hammer and sickle, on public buildings throughout the land on May Day. Some of them were violently opposed. This altercation has its contemporaneous counterpart in differences of opinion not only between factions in the British, French, Italian, German, and United States governments, but between sovereign states, themselves, of which the United States and England, unfortunately, are the prime examples.

AFRICA IN UNREST

The whole of Africa is in a state of unrest, all Communist-inspired. The British have their hands full, and more than full, everywhere in Africa. We have suspected for a long time that India was more Communist than anything else in its leanings and sympathies. If Nehru himself be no Communist, and the possibility is not beyond question, it is certainly true that he follows the Kremlin line seven times out of ten, which is always a cause for skepticism, if not actual suspicion.

The closing of the Mediterranean Sea and the Suez Canal would result not in merely weakening the British Isles, but in their reduction to absolute impotence. France is already more than a third Communist, and generally debilitated as well. Germany is disarmed and helpless. With the Suez closed, there would be no power left in Europe on whom the Communists could not look with contempt.

Where does that leave the world? The Philippines could not be retained by the United States in the face of a Communist-dominated Asiatic mainland. Neither could Japan remain free, nor any other part of Asia, including the Malay Archipelago; nor, for that matter, could Australia. The atomic bomb makes the Hawaiian Islands untenable.

SOUTH AMERICA LOST

South America is already in large part lost to Soviet Russia. The Argentinians make no secret of their dislike for us. Bolivia is already close to being effectively controlled by the Communists. Nicaragua, which in the hands of Russia could beyond question close the Panama Canal, is already in the actual control of a Communist government. Cuba has already been so corrupted by Communist infiltration and influence that at the first suspicion of the inhabitants that we might not win in a fight with the Kremlin, it is doubtful that the United States would retain control of the island except by force of military strength.

That leaves us only Canada and Mexico. In the event that the Communists win in Italy, we not only might stand alone with our neighbors to the north and south, but almost surely would. On that basis, it is doubtful that we could win the final fight. Our only possible hope would be to face immediately the grim realization that this thing that we did so much to create when we recognized Russia in 1933 has now grown so strong that we face the alternative of destroying it, or being destroyed by it.

During the present week, no doubt a parade of Communist intellectuals will sneeringly show their contempt for the utterly stupid American people by self-righteously proclaiming their right, in proceedings held before some of the most eminent representatives of the United States Government, to refuse to testify on the grounds that their testimony might tend to incriminate them. If they do, we, as proud Americans, shall have the bitter satisfaction of knowing that their contempt is well merited.

SPECIAL ORDER

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. MEADER] is recognized for 30 minutes.

Mr. MEADER. Mr. Speaker, I ask unanimous consent that my special order for today be vacated and that I may address the House for 30 minutes on Monday next, following the legislative program of the day and any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

SURPLUS PROPERTY: LET US BEGIN TO PLAN AHEAD FOR KOREA

The SPEAKER. Under previous order of the House, the gentleman from North Carolina [Mr. BONNER] is recognized for 30 minutes.

Mr. BONNER. Mr. Speaker, should we not begin to think and plan for an orderly method of disposal of war surplus? I say the time for that is now. We saw what costs we incurred in our inept handling of that problem after World War II. How often must a nation even as wealthy as ours learn a lesson? Korea is our next opportunity to meet the challenge of an orderly disposal of war surplus.

Should peace come to Korea tomorrow we would find a situation similar to our experience in Europe: A divided nation; a war-ravaged national economy, and a civil government requiring support from the community of free nations, with the inevitable call on our national Treasury for financial aid. We saw this happen in Germany, Italy, France and elsewhere in Europe. It has been the pattern in two world wars. We should accept its likelihood for Korea.

While I stress this possibility for Korea I should like to submit the interesting story of what happened in Europe and elsewhere in brief and allow you to judge for yourselves—see hearings on dispositions of war surplus property, Commission on Expenditures in the Executive Departments, 82d Congress, House of Representatives.

Surplus property of over a billion dollars was left in Germany by the American forces at the close of World War II. We left this property to the German Nation ostensibly to aid its rehabilitation. Today we know that the machinery and equipment left under this program proved impractical in the circumstances then existing in Germany. For example, in using the automotive truck parts and spares the lack of high-octane gasoline so necessary for vehicular operation and blasted and ruined road facilities did not permit employment of such equipment. The German Government was only in process of formation; the German people lacked the money with which to purchase these surplus items for themselves. It is no wonder that in this situation German leadership resolved to sell this material to the highest bidder. Their reasoning was that funds received for this material and brought into the German economy could revive the Nation much quicker than use of the items. Yet, this opportunitw spawned a rash of international surplus syndicates.

Defenders of this method of disposal of surplus have sought to indicate from time to time that the bulk sales effected by the German Government did have the salutary effect of reviving the economy of West Germany. We can expect that Korea will provide a similar golden opportunity for international trafficking of surplus and apologies for that method in high places.

When the office of Foreign Liquidation Commission and the Department of the Army closed out all surpluses then available in American hands on January 31, 1948, to the representatives of West Germany, the latter placed this material in the custody of a quasi-governmental corporation known as STEG—Staatliche Effassungs-Gesellschaft fur Offentliches Gut. MBH. This agency roughly approximated our War Assets Administration of unlamented memory. What happens under such a circumstance can be best told in recounting the activities of a typical war surplus syndicate.

After several offers by other international dealers and scrapping services, a bulk sales agreement was concluded by STEG with a Lichtenstein-organized mystery corporation called Trucks and Spares, Inc. This corporation was headed by a British subject, George Dawson. He, by advertising surplus offerings in leading New York newspapers, was able to sell options in this German surplus to American surplus dealers. Dawson was enabled to buy STEG surplus by lumping the downpayments totaling $250,000 which he received under these option agreements. In this manner Dawson was able to take over almost a billion dollars of property with no outlay in cash by himself or his associates. The activities of this syndicate was particularly interesting, since Trucks and Spares, Inc., maintained offices in Germany in the very building housing STEG, and more than just close liaison was observed as existing between its employees and his associates. Dawson has from time to time sought to disavow his connection with Trucks and Spares, Inc., and on June 23, 1950, in a self-serving statement he alleged he purchased from STEG as an agent and on behalf of the Continental Motor Trust, Vaduz, Lichstein. Continental Motors Trust, however, is directed by George Mitchell, Paris, France, one of his associates.

To give an insight into the background of some of the foreign dealers in this field, it should be known that Dawson first came to public attention in England when he was imprisoned in 1938 for conspiracy to defraud. Following the return of American troops to the United States from England, through independent sources he was enabled to purchase vast quantities of British and American war-surplus in England. This provided the financial springboard for his German operation. By 1950 control of all available war surplus property on the German scene had passed to him. During the past few years he has had a number of business associates. They have included, among others, John Van Allen, of New York City; George Chadwick, Washington, D. C.; John Maragon, recently released from Federal prison after serving a sentence for perjury; Allen Braithwaithe, son of a British peer; George Mitchell, a Greek subject of Hungarian birth, residing in France; and Dr. Paul Hagenbach of Switzerland. This conveys an idea of the international membership of such a group. Korea is no remote or inaccessible spot to these men—they search out any area if they can turn it to profit.

When the Korean war began a subcommittee of which I had the honor to be chairman became concerned with the possibility of this war surplus slipping through our fingers in Europe, while another part of our Government might have dire need of it. Therefore, we requested that this material be "frozen" and screened for all possible use. Thereafter followed a train of events that would do well for comedy if they were not so costly to the taxpayer. The Department of the Army after a false start or two screened the European Command for any surplus in American hands; this was retaken where determined to be essential to American needs. However, the vast bulk of the material as we have seen was not in American hands, but in a German corporation STEG. The original screening had not been comprehensive enough because it was restricted to surplus in American hands, generated in the normal course of theater operations.

In addition, although EUCOM representatives screened some surplus stocks in STEG depots, they had restricted recapture to property usable in the EUCOM theater only. No steps were taken to repossess for worldwide requirements of the Department of Defense.

The most immediate hurdle in this inspection process proved to be the absence of a centralized inventory control procedure for such property in the hands of the Germans. The STEG inventories in 14 individual depots, scattered through Western Germany, were cataloged under German nomenclature and specifications. Therefore, when the Department of the Army's action was indicated, the German organization immediately was tipped off that the property in their hands was about to be repossessed. This resulted in heavy exodus of materials from the depots by purchasers, together with some illegal requisitioning. This situation became aggravated since the inspections proceeded in successive fashion through the 14 STEG depots, with sizable quantities of the materials and equipment disappearing from several of those installations last in line before the freeze inspection could reach them.

Shortly thereafter the chairman was instructed by the subcommittee to contact the office of the Secretary of the Army and recommend a freeze order in EUCOM for possible worldwide requirements.

Some difficulty was encountered in contacting the Secretary of the Army, and it was not until March 15, 1951, that the Secretary of the Army appeared before the subcommittee to discuss the relationships of STEG and EUCOM. In the course of his testimony, the Secretary of the Army indicated that a freeze order, as requested by the subcommittee, had been placed on Army surplus then in German hands. When pressed as to the date of this action, he admitted that it had been initiated on the day previous to his appearance, March 14, 1951.

The United States High Commissioner for Germany has certain responsibilities in connection with relationships with the Federal Republic for Western Germany. Although the High Commissioner of Germany stated that the right of inspection of the fiscal and accounting data of the Bonn government could be exercised, it was emphasized that in view of the sovereign nature of the Bonn government, the freeze orders were only directory in nature, and although brought about through the High Commissioner, could not be effected other than with the cooperation of the Bonn government. The High Commissioner of Germany representatives bore down hard on the point that ownership in this property had passed into German hands and that any repossessions were subject to the approval of the Bonn government.

Despite this pulling and hauling by our departments, many millions of dollars of usable property was retaken as a consequence of these freezes. They contributed in great part to our mobilization requirements during the first year's action in Korea.

WAR SURPLUS IN ENGLAND AND FRANCE

By the end of hostilities in Europe in 1945 the American military forces had accumulated vast quantities of materials, equipment, and supplies in England and France for support of European operations. The Office of Foreign Liquidation Commission undertook disposal of this mass of material to the public. During this phase, the background, integrity, or purposes of any buyer were not subjected to examination. Ability to pay was the sole qualification. As a result, a number of questionable organizations and individuals embarked in trading ventures involving surplus stocks.

Among this group of surplus property operators were many syndicates which succeeded in purchasing sizable quantities for worldwide distribution. Since English, French, and Italian locales were among the first to make available surplus property with their many tons of American-made items, a pattern for such operations took form; the success of war profiteering in these ventures laid the groundwork for the later and larger surplus property activities of well heeled syndicates.

The American public and the public officials during this period were exerting great pressure and effort on the United States Government agencies to speed disposal of such property. At the same time in the business world there was a mounting clamor from the large firms in the hard-goods field designed to prevent the reimportation of this material into the United States from overseas. This action stemmed from an understandable fear of saturation of the market, with possible recessive effects on general economic conditions. This reaction crystallized in section 402 of Public Law 152, which barred such reimportations unless determined by the Secretary of Agriculture in the cases of agricultural products, and the Secretary of Commerce, in case of nonagricultural items to be necessary to relieve domestic shortage, or otherwise beneficial to the economy of this country.

These factors contributed to the situation where any and all might present themselves as qualified bidders on surplus property at the Office of Foreign Liquidation Commission. When viewed in retrospect it can be seen that it ex-

erted a very bad effect on the program of disposal. The Office of Foreign Liquidation preferred this method since swift disposal was commended, while any obstacles to such a course brought down the wrath of the Congress and the public. Added to this, it must be admitted that there was a very definite desire on the part of the Departments of State, Navy, and the Army, and other interested governmental agencies to remove themselves as quickly as possible from responsibilities involving surplus-property programs, in deference to meeting the more urgent public demands for swift return and military discharge of servicemen assigned overseas.

In the dispatch of American divisions to Europe, we must be cognizant of the logistic requirements for the proper maintenance of these troops. This must perforce lead to the stocking of supplies and equipment less normal allowance for generation of surplus arising from wear or obsolescence—even in the event there is no outbreak of armed conflict. It is clear that the property disposal methods employed by the Office of Foreign Liquidation have been less than successful; a better solution must be advanced.

During the consideration of the Mutual Security Act in the 82d Congress, with the approval of the subcommittee membership, an amendment was offered aimed at insuring recapture of title to American material or equipment when no longer used by eligible nations under the mutual security program. This amendment is as follows:

Amendment offered by Mr. BONNER:

"(f) guarantees by the eligible nation that it will notify the United States whenever it ceases to use any equipment or material furnished to it under this act (other than equipment or material furnished under terms requiring the nation to reimburse the United States in full therefor) for the purposes of this act and that it will transfer title to, and possession of, such equipment or material to the United States (1) for return to the continental United States for salvage or scrap, or (2) for such other disposition as the President shall deem to be in the interest of the United States."

This amendment was accepted by the House Committee on Foreign Affairs and incorporated into the Mutual Security Act as passed by the House of Representatives, and carried substantially into the public law enacted—CONGRESSIONAL RECORD, volume 97, part 8, page 10284. At least, this was a step forward.

A GLIMPSE OF WAR SURPLUS IN THE PHILIPPINES

After the liberation of the Philippine Islands in 1944, the American forces accumulated on many islands in this group tremendous quantities of equipment and material. The policy factors stressed previously which militated against return of war surplus to the United States at the close of World War II and the insistence on distribution to locally constituted authorities for rehabilitation purposes, caused this huge mass of material to be turned over to a newly established Philippine Government. Following some preliminary disposal under American authority, when a free and independent Philippine Government was declared in 1946, a Filipino Commission for Surplus Property was created. This commission undertook to dispose of all property and material left by the American liberation forces.

The war-torn population of the Philippine Islands was in no position to use or to absorb this material, and its existence attracted the international dealers in Government surplus property. So attractive was the lure in surplus profits, there are numerous instances of American servicemen who remained in the Philippines after their release from Army duty to traffic in this property. Within a short time these operators in the international surplus trade and independent ventures began scouring the various camps and commands of the Islands wherever this material was stored. The Filipino Surplus Property Commission had very few, if any, administrative procedures, and it can be inferred that regulation was very lax.

According to my information, surplus property was graded from "good" to "poor" and bribery and corruptive influence could cause property, when located, to be rated according to the circumstances and prospective yield of the venture. Some high officials of the Philippine Government, in administering this program, operated in a somewhat high-handed fashion, to say the least.

Mr. BROWNSON. Mr. Speaker, will the gentleman yield?

Mr. BONNER. I yield to the gentleman from Indiana who so ably assisted in the work of the committee which brought all these matters to light.

Mr. BROWNSON. I want to compliment our former chairman for the statement he is making today and the work he led for 2 years. He pointed out, I think, very dramatically that truly we have scattered our natural resources throughout the world, and in each depot, with no hope of reclaim. I want to commend him for his planning for the future and hope that the executive branch of our Government can assure us now that they, too, are planning for the future as more and more of our armed might becomes surplus through obsolescence and wear and tear. I hope through this plan we can avoid the unfortunate occurrences that he pointed out so dramatically at the outset of his speech where those high in our Government conspired with those in other governments to bring about a very unfortunate and unsavory trade in the sale of these surplus commodities.

Mr. BONNER. The gentleman is correct in his observation. There must be some better planning and program, because the natural resources of this country will not stand continuously an exportation of materials that are critical and vital to our own existence, and the scrap of these materials not brought back to this country, and no care taken to preserve them for incidents that may happen, because we must look upon Korea as only one of the incidents that will take place in our fight against communism.

Mr. DEANE. Mr. Speaker, will the gentleman yield?

Mr. BONNER. I yield to the gentleman from North Carolina.

Mr. DEANE. I would like to join with my colleague from Indiana in commending the gentleman from North Carolina for his forthright statement. I am reminded that in 1949 I was in Korea, and I learned that here was a great yacht that was given to that government. They used it for a short time, and for the lack of a magneto it was beached and of no further use. I was just wondering if the gentleman has an opinion on these various pipeline depots as to what is going to happen in the event that we might have a truce in Korea.

Mr. BONNER. The gentleman has brought up a point that I have discussed in my statement, but on account of the lateness of the hour and the shortness of time I cannot develop it. There will be in Korea an inestimable amount of property, as well as there will be in the Pacific area, and if the same policies are carried out and the disposal is carried out with respect to this property then we will be furnishing materials and instruments of war to all of the satellite countries to fight our friends and allies in years to come. And, we may write it down now that Korea is only one of the many incidents that may arise in that area.

Mr. DEANE. I further commend the gentleman, Mr. Speaker, and point out that in scores and scores of areas of the world our forces are now deployed, and unless there is some concrete method by which to keep tab of these supplies we are going to face the same situation again. Is that not the opinion of the gentleman?

Mr. BONNER. That is correct. I wish to also state that the people who deal in these services are only interested to the extent that they can sell after they have picked them up at a small price. Mere distance is no obstacle to these dealers. Their interest is global, their funds unlimited, their methods unorthodox. Is Korea to provide the next chapter to this story? Unless there is some planning program where these materials can be gathered together, restocked, reclassified, and shipped to our allies who must carry on this fight, then this country will not be able to continuously supply the necessary material to keep democracy working around the world.

Mr. DEANE. If the gentleman will yield further, I was greatly concerned with this provision in regard to the sale of the vehicular machines in the Pacific, that provisions were written into the contracts that certain of these vehicular machines were not allowed to be brought back to America. Was that true?

Mr. BONNER. As I pointed out, in the amendment to the Surplus Property Act we now have a provision for "guaranties by the eligible nation that it will notify the United States whenever it ceases to use any equipment or material furnished to it under this act (other than equipment or material furnished under terms requiring the nation to reimburse the United States in full therefor) for the purposes of this act and that it will transfer title to, and possession of, such equipment or material to the United States for return to the continental United States for salvage or scrap."

However, the principal part of this is my views, conclusions, and recommendations, with which I am winding up this address to the House. I say in the first recommendation:

If Korea is to be recognized for what it is—one battle in a war against communism—it is recommended that the Office of Defense Management, the Department of Defense, and General Services Administration cooperate in a study and plan for improved and realistic policy and procedures in any dispositions of war surplus in a postwar Korea.

There were many dealers swarming over the islands, but our purpose can be served by telling you about one instance. Among these surplus-trade operators in the Philippines were two who became involved in a most interesting tale of trading opportunity. They were Morris and Seymour Green, of Green Bros. Enterprises, of Chicago, Ill. The Green Bros., on a tip from a Mr. Joseph Freeman, were able to acquire approximately 1,000 heavy-duty trucks located in former United States Army supply camps near Manila. These trucks were reimported into the United States under repair bond for reexport. These trucks and spares were acquired for approximately $200 to $250 per truck. Green Bros., in testifying, estimated it required approximately $700 to $800 each to condition them for sale. After the trucks appeared on the American shores, the Greens were saddled with a number of lawsuits and claims. Among these claims they paid $40,000 in a settlement out of court to the widow of Freeman with the startling observation that they did not care to go to a jury in the case because Freeman, then deceased, had left a young widow and infant son, and it was felt by the Greens that the jury might be sympathetically influenced.

While their trucks were being repaired through a repair agency operated by a third brother in California, the Green Bros. hired a firm of lawyers to intercede with the Department of Commerce for a revision in the ruling on reexportation. Six weeks later the Department of Commerce issued a ruling stating that the retention of these trucks in America and all trucks and spares of a similar variety and type was justified because they were in short supply and were beneficial to the national economy.

As in the case of the European surplus property imports, no manufacturers' tax had been paid by the Green Bros. on importation into the United States. Steps have been taken for such collection by the Bureau of Interial Revenue.

Shortly after the revised Commerce ruling in May 1948, the Schnitzer Bros. Steel Co., Portland, Oreg., told the Green Bros. that the Atomic Energy Commission was searching the market for the type of truck then in the possession of the Green Bros. Green Bros. offered the Atomic Energy Commission the trucks now repaired and free to be sold within the continental United States, and delivery of 358 in all was made to Hanford, Wash. The stipulated price was $3,900 for White 6 by 6 trucks and $3,400 for Diamond T dump trucks. Schnitzer Bros. Steel Co. received a commission for supplying this information aggregating 10 percent of the total sales price, or about $125,000.

A suit by a Mr. J. T. Haggerty, who allegedly assisted in the procurement in the Philippines, was settled upon payment of $15,000. An associate of Haggerty, a Mr. Bisell, in this connection was also paid $15,000. Seymour Green, a brother of the principals of Green Bros. Enterprises, but alleged as working on a commission basis only, received $85,000 for arranging for the purchase, shipment, and some sales work.

A Sam Winer was paid $20,000 as a commission for assisting Seymour Green in facilitating delivery for loading of the trucks in the Philippines.

A Sam Goodman told the Green Bros. that the Weyerhauser Lumber Co., of Tacoma, Wash., was anxious to acquire this type truck. The Weyerhauser Lumber Co. purchased 17 of these trucks at $5,500 per truck. Mr. Goodman received $9,000 commission for his part in these negotiations. The remainder of the trucks imported were disposed of in small lots, and shortly thereafter Green Bros. Enterprises became inactive.

We can see this is big business and involves fat sums.

ADVENTURE IN BERMUDA

From 1946 until late in 1949 there was a great quantity of miscellaneous equipment and material on the island of Bermuda. The Office of Foreign Liquidation maintained a small office on this island location. In 1949 the remnants of this material were on hand and the Office of Foreign Liquidation was anxious to dispose of this property and terminate activities in Bermuda. In order to attract bidders, a bulk sale was proposed, inasmuch as this would have the advantage of disposing of all material in one sale, rather than permitting purchasers to select from among the mass of material. Several bidders were interested because of the possibility of inclusion of certain naval derrick equipment. However, when it became apparent that this naval equipment would not be included in the sale, interest on the part of surplus dealers in the acquisition of the remaining surplus property lagged noticeably.

In 1948 Dawson and his associates after hearing of the existence of this material, which included some scrap, visited Bermuda and offered a bid of about 8½ percent of the original cost, amounting to $800,000. This was about 2-percent higher than all previous bids. The transaction was closed at this figure and the property transferred to Trans-World Traders, a Dawson organization. Shortly thereafter the Office of Foreign Liquidation Commission closed its agency on the island. The OFLC employee in charge thereupon became an employee of Dawson.

An analysis of State Department files and testimony of witnesses evidences that this was not one of Dawson's more profitable ventures. It was a bulk sale with transportation to be provided by the vendee, a situation presumably of benefit to the OFLC since in one movement it would take all this material from the island. However, Dawson and his associates selected from the bulk property purchased and abandoned the remainder, so that in effect the advantages of the bulk sale were lost. The facts appear to show that Dawson paid a slightly higher amount than he might otherwise have been called upon to do. It is important, however, in that it shows that mere distance is no obstacle to these dealers. Their interest is global, their funds unlimited, their methods unorthodox. Is Korea to provide the next chapter to this story?

CONCLUSIONS AND RECOMMENDATIONS

(A) Conclusions:

First. Two World Wars have demonstrated that disposals of war surplus have been characterized by improvisation, loose methods, and poor policies. This has been a source of gigantic financial loss to the Federal Government.

Second. Disposing of war surplus to friendly, cobelligerent, or defeated nations as a means of assisting their rehabilitation has proved highly ineffective and inept.

Third. A war-ravaged national life, deflated currency, and prostrate industrial and commercial economy cannot be revived by grants of war surplus.

Fourth. War surplus in the possession of our allies or former foes speedily attracts international scavenger syndicates which through various means, legitimate or otherwise, acquire this material for their own purposes and profit. There is every indication that some of this material has been transshipped after World War II to regions behind the Iron Curtain.

Fifth. There is an immediate and compelling need for some new policy and advance planning on this subject by the Congress with the cooperation of the executive branch.

Sixth. In view of our present worldwide commitments, it would seem practicable to devise some plan dealing with war surplus in a postwar Korea. This should not only include provision for adding this material to our war reserve stocks, but for its redeployment to other trouble spots where the free nations are embattled. The projected shortening of our industrial and production base at home lends increased importance to this conclusion.

(B) Recommendations:

First. If Korea is to be recognized for what it is—one battle in a war against communism—it is recommended that the Office of Defense Management, the Department of Defense and General Services Administration cooperate in a study and plan for improved and realistic policy and procedures in any dispositions of war surplus in a post-war Korea.

Second. The military services should make every reasonable effort to relate the materials on hand in surplus status in the event of a Korean truce to the requirements of the Korean situs as well as to the other military requirements for which we are obligated elsewhere.

Third. It should be recognized that any Korean peace will not parallel our 1946 military situation, and therefore it is recommended that the redistribution of war surplus must involve a plan of

transhipment rather than a disposal on the spot in Korea.

Fourth. Syndicate operations of the nature I have outlined should be prevented, by debarred bidders' lists, licensing or other appropriate methods.

Fifth. It is recommended that bulk sales be discouraged where its use enables one person or group to control all the war surplus in a theater of operations.

TERRIFYING SITUATION AFFECTING OUR ECONOMY

The SPEAKER. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 15 minutes.

Mr. PATMAN. Mr. Speaker, only yesterday the Government bond market broke 90. A facetious remark has been going the rounds for some time in Washington that the Government bond market will break 90 before President Eisenhower breaks 90 on the golf links. However, this is too serious for levity. It is a terrifying, shocking situation that is likely to lead to disaster if not stopped soon. The following statement appeared in the New York Times on June 2, this morning:

STOCK PRICES CRACK ON UNITED STATES BOND SLUMP—COMBINED AVERAGE FALLS 3.25 POINTS TO THE LOWEST LEVEL SINCE EARLY NOVEMBER—TWO BILLION IN VALUE LOST

Since May 21, the last day on which Treasury issues showed a gain, the Victory 2½s of 1972-67 have fallen from 91$^{15}/_{32}$ to 89$^{25}/_{32}$, sending their yield from 3.05 to 3.18 percent. Yesterday the bid price dropped $^{24}/_{32}$.

PRESIDENT TRUMAN PROTESTED

President Harry S. Truman had plenty of trouble with the Board of Governors of the Federal Reserve banks. The Board refused to reduce the harsh, rigid requirements of regulation W after a special request from the President when it was obvious that such action should be taken. The President had reason to believe that the Board was contemplating breaking the traditional policy of the Federal Reserve System to support Government bonds at par. The President asked the Federal Reserve Board and the members of the Federal Open Markets Committee to meet with him at the White House January 31, 1951. The next day after the meeting the President sent to Chairman McCabe the following letter:

Hon. THOMAS B. MCCABE,
Chairman, Board of Governors,
Federal Reserve System,
Washington, D. C.

DEAR TOM: I want the members of the Federal Reserve Board and the members of the Federal Open Market Committee to know how deeply I appreciate their expression of full cooperation given to me yesterday in our meeting.

As I expressed to you, I am deeply concerned over the international situation and its implications upon our economic stability.

Your assurance that you would fully support the Treasury Defense financing program, both as to refunding and new issues, is of vital importance to me. As I understand it, I have your assurance that the market on Government securities will be stabilized and maintained at present levels in order to assure the successful financing requirements and to establish in the minds of the people confidence concerning Government credit.

I wish you would convey to all members of your group my warm appreciation of their cooperative attitude.

Sincerely yours,

HARRY TRUMAN.

After the President had given assurances that this policy would not be taken by the Board, the Board defied the President of the United States and adopted this dangerous policy anyway.

It was at that time farm prices commenced to decline. It is well known that farm prices very quickly respond to changes in monetary policy. Farm prices have declined since this unusual and devastating action of the Board in failing and refusing to support Government bond prices at par.

The Board although defying President Truman and making bold steps in the direction of denying any support to Government bonds did not go all-out in the program until the election of President Eisenhower in November 1952. Since that time, the Board has adopted its policy 100 percent, and bonds have dropped continuously until yesterday they fell below 90.

If the Board of Governors of the Federal Reserve banks does not commence action soon to correct this situation, Congress should take a hand and do something about it.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the distinguished gentleman from Massachusetts.

Mr. McCORMACK. I remember the time when the gentleman from Texas, who is speaking, made a speech calling attention to the fact that with the removal of the support of Government bonds, Government bonds would go below 100. I remember the gentleman from Massachusetts, to whom the gentleman from Texas has just yielded, also made a speech predicting that with the removal of the support-price bonds would go down to as low as they were after the First World War, when they were gobbled up. The little holder would be compelled to sell through fear, or because of the necessity of having money. The bonds would be gobbled up. And remember, after World War I, there were hundreds and hundreds and hundreds of millions of dollars made under market conditions that existed at that time.

The gentleman from Texas and the gentleman from Massachusetts were attacked as being alarmists, only within the past 2 years, when we made the speeches that we did, urging a continuance of the support of the Government market. In addition, the value of all other private bonds has gone off; the gentleman is aware of that fact. And now people are getting out of common stocks and getting into bonds, because the difference between the income from common stocks and bonds is getting narrower and narrower. As a matter of fact, persons in the higher income-tax brackets would be induced to get into municipal bonds that are not subject to Federal income taxation, because the return is much greater than the return they are getting from investments in common stocks.

Mr. PATMAN. I am glad the gentleman mentioned that. That was just about the time, to which the gentleman has referred, when these meetings were going on between the President and the open-markets committee. I remember I had a special order one afternoon, and the gentleman from Massachusetts had a special order. We both talked about that. We had not conferred about it. It just happened that each one of us had arranged to make a speech on that subject. I believe it is to be found in the CONGRESSIONAL RECORD, volume 97, part 1, beginning on page 1008.

We were in agreement as to what the results would be and it happened that way subsequently.

The prices of farm products go up or down according to what the monetary policy of the country is, more quickly than the price of any other commodity, or anything else. They respond more quickly to monetary changes, I will say, than anything else. If you will go back and read the tables and the documents concerning farm prices, you will discover that farm prices commenced going down right then. When Government bond prices commenced going down, farm prices commenced going down.

They have been going down over 2 years, commencing at the very time that they took out the support or the prop, or the peg under Government bond prices, and have been going down ever since.

The Federal Reserve Board all during the time President Truman was in office, although they had defied him—somehow or other, they did not have the courage or they were not bold enough to go all out on this program to take the props out entirely; they just took them out a little bit and let the bonds go down a little. They were just feeling the country out and the Congress out, to see how far they could go and get by with it and loosen things up. They did not have the courage to go all out 100 percent until the election last fall. And, for some reason, they felt now is the time; we will just take the props out entirely, and they did. And bonds went down to 96, 95, 94, 93, 92, 91; and yesterday they not only went to 90, they went below 90.

The truth is that the Government has recently put out a 3¼-percent bond. It was absolutely unnecessary, but it was done. And it will cost the taxpayers a lot of extra money.

In order for a 2½-percent long-term bond to draw or earn as much as the 3¼-percent bond that has just been issued, the 2½-percent long-term bond will have to go down to 88. And that is where they are headed now; they are headed for 88.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. They are in the hands of the new owners. But what about the ones who paid 100 cents on the dollar for them,

Mr. PATMAN. That is right.

Mr. McCORMACK. What are their feelings?

Mr. PATMAN. They are out the money now.

One distinguished gentleman, a Member of this House,—he has lost the other members of his family and had no reason to maintain a home, and he sold his home—it was needed in the area where he lived, and he sold it and got cash for it. He took every bit of that money and invested it in long-term United States Government bonds, 2½ percent bonds. He had reason to believe that those bonds would continue 100 cents on the dollar like they had been for 10 or 15 years, and that the Federal Reserve System would continue to support them like it always had. But after this policy was invoked those bonds commenced going down, and they got down to about 93 or 94. This gentleman called up Mr. Martin, the Chairman of the Federal Reserve Board, and he said: "Mr. Chairman, I notice that these Government bonds have gone down to 93"—I believe it was at that time—"Do you not think that is going to jeopardize the capital of a lot of banks in this country that own so many of these bonds as a part of their capital structure?"

Mr. Martin replied substantially: "Congressman, you would be surprised how happy the banks are over this situation. They will lose in the sale of their bonds, that is true, if they sell their bonds, but the banks do not have to sell their bonds; they are carried at 100 cents on the dollar on the backs of the bank, but if they sell them they get the benefit of the capital gains tax, not in excess of 26 percent and the banks will make so much more in higher interest."

Mr. Martin said the reason the banks were happy was because they were getting so much higher interest, they would would get so much more in the long run. But this great Member one of the finest and best Members of this body did not tell him the plight he was in, and he was in no position to get the higher interest that the banks would get. So the banks were happy over it. Why, certainly they were happy over it. But while you are making the banks happy you are absolutely disrupting our entire economy. When you raise interest rates one-eighth of one percent, that runs into tremendous money throughout a debt structure of five or six hundred billions of dollars. One-half of 1 percent will mean $3 billion a year on our debt structure, both private and public. It runs into money, and where this thing amounts to so much: Out here in Maryland the other day the Maryland Sanitary District wanted to sell several million dollars worth of bonds. They had to pay 3¾ percent interest on those bonds, which was 50 percent more than they had ever paid, because of this high interest policy.

What does 3¾-percent interest mean? It means, as the gentleman from Massachusetts pointed out a while ago, that a person in the hundred-thousand-dollar tax-income bracket can buy those 3¾-percent bonds and pay no tax of any kind whatsoever to the Federal Government or to any State or local government, so one in the hundred-thousand-dollar income bracket can buy those bonds and receive the equivalent of 35 percent as compared to a taxable bond; in other words, if he purchased a taxable bond, instead of buying the 3¾-percent tax-exempt bond, he would have to get a security paying as much as 35 percent to compare with this 3¾-percent tax-exempt bond. This is going to entice the big wealth of the country into tax-exempt securities.

FDIC CHAIRMAN SAYS FAILURE TO SUPPORT GOVERNMENT BONDS WOULD BE BREAKING FAITH

I am inserting herewith excerpts from hearings before the Subcommittee on Monetary, Credit, and Fiscal Policies, 81st Congress, 1st session, 1949, pages 114–115. They are as follows:

Senator DOUGLAS. If you get a depression, and if the value of Government obligations, for example, which you have treated as being completely solid, suppose those should shrink along with loans and discounts, and the banks find themselves with declining assets, as compared with the deposit liabilities which they have set up through loans, and the big depositors take fright, knowing that they are not insured, and withdraw, what is there to protect the solvency of the bank?

Mr. HARL. You have raised a policy question there which is beyond the entire control of the FDIC.

Senator DOUGLAS. We are all groping.

Mr. HARL. We have labored under the policy that Government securities will be supported at all times. In 1940 and 1941, when the war came on, I was a State bank commissioner. I was assured by people in high places that the Government bond market would be supported. In that connection we went to our banks and asked them to participate in the war effort by making certain purchases. Naturally, the bankers who were there in 1929 to 1933, in those days, and particularly in 1920 and 1921, when Liberties dropped to, I think, 85, were reluctant to participate until we, as State bank commissioners, told them that we were told that the bankers of this country would be protected on a stabilized Government market.

Senator DOUGLAS. Was that protection a guaranty for an indefinite period of time, world without end, or was it for a stated period?

Mr. HARL. There was no statement made as to the length of guaranty or the time involved. We were told that the Government bond market would be protected. As you remember very well, in those early twenties, Liberties went to 85. Therefore, you know, if you discount 15 percent of your Government holdings in the banks of the country, it would materially affect their capital structure.

Senator DOUGLAS. But suppose the Federal Reserve, for example, should decide either to end the system of support price or to lower the support price. Where would you be then?

Mr. HARL. I think, if that were done, that good faith would have been broken with the banking fraternity which has supported, by large investment, Government bonds. I don't think we could have won the war if the bankers of the country hadn't gone in and bought these bonds like they did. I understand that it cost us one-tenth of 1 percent to dispose of our governments. The bankers rallied and bought these bonds. I know, frankly, that I would have not recommended to any bank under my supervision at that time that they invest heavily in governments unless there was some assurance that they would be protected.

As you notice in the statement, on December 31, 1948, nearly half of the resources of the banks in this country were in Governments. That reached an all-time high in 1945, when we had a total in insured mutual-savings banks of 63 percent and 56 percent in commercial banks. In 1945 the insured commercial banks of this country had 56 percent of their assets in Government securities.

I think that the bankers of this country believed, and had a right to believe, that their Government would see that the bond market was supported at par, or they would not, as trustees of these large sums and these large deposits, have invested 56 percent of their assets in the securities of this Government.

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Senator DOUGLAS. Suppose, however, your assumption concerning the Federal Reserve Board is wrong and that for reasons, whether good or bad, the Federal Reserve Board decides to remove the peg either completely or partially. Would you have as much confidence in the insurance system taken by itself to maintain the solvency of the banks as you otherwise would?

Mr. HARL. In that case you would have to have dollar for dollar for everything you guaranteed, because if Government bonds are not worth par you would then have to have—if you guarantee anything, you would have to have almost the equivalent in cash.

By that same token, if you look at our financial statement you will note on this assumption that you mentioned there, you will also see what would happen to the Federal Deposit Insurance Corporation, which has roughly $1 billion invested in Governments, and I will say the Congress, when they enacted this law, definitely stated we had to invest our money in Governments.

Therefore, it would seem that the Congress at that time felt as if the most gilt-edged and safest investments in the country were Government securities. By the same token, if you will pull the plug, so to speak, on Governments, you would not only hurt every man and woman who invested in Governments, but you would likewise do a great injustice, whoever pulls that plug, to this Corporation, because if you look at the statement you will see the investments of the Corporation are primarily, and statutorily so, in Government securities.

So, getting back to that assumption, if this market slides off it would not only hurt the banks per se but the Insurance Corporation, and every man, woman, and child in this country, including some large trust funds.

Mr. Harl stated what was generally understood, that the Government bonds would be supported at par. The people had a right to rely upon the traditional policy.

Banktrends, a Washington news service issued weekly to subscribers by U. V. Wilcox & Associates, had the following to say in its May 25, 1953, issue:

A BANKERS' ADMINISTRATION

The fact that the Eisenhower administration is dominated by bankers is a source of pride to many in the financial world. But to the wise and discerning, everywhere bankers have shouldered a sober responsibility.

For many long years bankers were more or less anathema in this city. Those who held posts of responsibility in Government found it necessary to play down their banking connections. But now bankers walk proudly down the streets of Washington, and sit comfortably in swivel chairs as authorities.

The opposition has not been slow to seize upon those acts of this administration which seem to offer bankers special advantages. The sharp criticism over the raising of interest rates was the first opportunity for a concerted attack on what is called the banker's mind. The banker is pictured as concerned with profits first and individual welfare last.

There are at least a dozen bankers in policy positions in Government. Reserve Board Chairman William McChesney Martin was asked by the House Banking Committee to name those who came out of the Federal Reserve System.

He listed alphabetically nine bankers: R. B. Anderson, of the Reserve Bank of Dallas; W. Randolph Burgess, a director of the New York Federal Reserve; Joseph M. Dodge, director of the Detroit Branch of the Chicago Federal Reserve; Marion B. Folsom, director of the New York Federal Reserve; Ray M. Gidney, president of the Reserve Bank of Cleveland; John A. Hannah, director of the Detroit Branch of the Chicago Federal Reserve; W. I. Myers, director of the New York Federal Reserve; Robert T. Stevens, chairman of the New York Federal Reserve; Philip Young, director of the New York Federal Reserve Bank.

There are still others, such as: Robert Cutler, Boston banker, and Albert J. Robertson, Des Moines banker; and Kenton R. Cravens, St. Louis banker.

All the foregoing are what the critics call big bankers, and used synonymously with big business.

One thoughtful banker, from the Midwest, commented in a letter that "Big business is, of course, in the saddle. It has its opportunity to show what it can do, but if history repeats itself, the results will be far from the likings of the people. We doubt if human nature changes much. A successful businessman owes his success to his smartness and predatory instincts."

This bankers' administration is now on trial. It is trying to be realistic, moneywise. But will not its success depend as much on its acumen in balancing the budget, as to its ability to understand humanity with its fears and sometimes unreasoning phobias?

Found among those referred to in this statement, Mr. Cutler is Secretary of the President's National Security Council; Mr. Robertson is Assistant Postmaster General; and Mr. Cravens is Administrator of the Reconstruction Finance Corporation. Mr. R. B. Anderson, although he was a class C director of the Dallas Federal Reserve Bank, is not a banker but a very prominent rancher and cattleman of the Southwest.

In the April 27, 1953, issue of Banktrends, it was stated:

Some are saying that the Eisenhower administration is moving slowly. For money and banking it has been speeding.

Lower United States Government bond prices means higher interest. Higher interest means higher taxes, not only for Federal income taxpayers but for all taxpayers in States, counties, cities, and political subdivisions. It means high utility and other bills. It will cause higher rents and wage earners will have to get more pay to take care of their living expenses caused by higher interest.

The farmers and all other groups who furnish the purchasing power to make business good, and America strong and healthy, will also be hit equally as hard.

MARBLE TOWERS TO HOUSE PERSONNEL TO CLEAR CHECKS FOR PRIVATE BANKS

A few weeks ago the House passed a bill, which was later passed by the Senate and, I assume, was signed by the President, permitting $20 million more to be spent for Federal Reserve bank buildings. These buildings will not be used for the public generally, but they will be used by the banks to house personnel to clear checks. This $20 million could be used mighty well for the construction of post office buildings, which would be used by the public generally and are so much needed in so many localities in the United States today. The money that is being spent is public funds.

At the time the bill was favorably reported by the Banking and Currency Committee of the House, I filed minority views, as follows:

MINORITY VIEWS BY CONGRESSMAN PATMAN

Since I will have only a very short time to prepare this minority report, I shall necessarily be brief in my comments.

This bill involves $20 million for the construction of new bank buildings. It is a small amount of money compared to the earnings of the Federal Reserve banks annually or the volume of business that is done annually by the Federal Reserve System. In the hearings on the bill, I showed by questioning the chairman of the Board of Governors of the Federal Reserve System that a congressional committee has never been furnished a copy of an audit of the Federal Reserve Board or a Federal Reserve regional bank or of the Open Markets Committee during the 40 years of the existence of the Federal Reserve System. Up until less than 2 years ago, when I raised the question before the Joint Committee on the Economic Report, there had never been an independent audit of the Federal Reserve Board. Since that time I understand such an audit has been made by auditors selected by the System's officials.

The Federal Reserve banks have tremendous power. They have the power to issue money on the credit of the Nation, which is in effect the power to use a blanket mortgage on all the property of all the people and a lien upon the incomes of all the people as a backing and as security for the issuances of money on the credit of the Nation. The Bureau of Engraving and Printing turns out Federal Reserve notes by the billions of dollars every year. These notes are put into circulation by the 12 Federal Reserve banks. Each note provides: "The United States of America will pay to the bearer on demand $20" or whatever the denomination of the bill happens to be. In other words the Federal Reserve bank does not promise to pay this bill. It is not secured by any assets owned by the Federal Reserve banks, that is, such assets are not depended upon for redemption, but the credit of the entire Nation is relied upon to redeem this bill, which includes the taxing power.

The 12 Federal Reserve banks, acting through the Open Markets Committee, trade non-interest-bearing United States currency, printed at the Bureau of Engraving and Printing, for other United States obligations which are interest bearing, also printed at the Bureau of Engraving. In other words, these banks trade non-interest-bearing obligations, currency, greenbacks, or whatever you want to call them, issued by the United States Government, for interest-bearing obligations of the same Government. These 12 banks have about $23 billion of such interest-bearing obligations of our Government that they have secured this way.

Over the years, these banks have done an annual business running into hundreds of billions of dollars. They have had unlimited power through the Federal Reserve System to take currency and trade for bonds. The Federal Reserve System has complete control of the gold certificates that are used in the place of the actual metal that is stored at Fort Knox, Ky. The gold at Fort Knox was recently checked and all found to be there. The Government has not checked the gold certificates in charge of the Federal Reserve System; neither has it checked or audited the books of the System to determine whether or not the trillions of dollars of money that has gone through the System during the past 40 years has actually been properly accounted for.

The General Accounting Office has never audited a Federal Reserve bank or the Federal Reserve Board. I must confess my complete ignorance in that I thought, until 2 years ago, that the audits of the Federal Reserve banks and the Federal Reserve Board, required by law to be made, were filed with congressional committees. I discovered, to my amazement, that no audit of the System or any part of it has ever been filed with a congressional committee. Naturally, over the years, the law of averages applying to people working for the System that applies to all other groups, there have undoubtedly been certain practices and possibly acts of misconduct that have been engaged in. If so, they have never been brought to the attention of Congress or any department of the Government. They have all been settled within a sort of Kremlin of their own.

Audits usually disclose criticisms that are constructive. Over the years, doubtless many criticisms have been made by auditors, although they were auditors of the System, that would be helpful to congressional committees. But these audits have never been made available—not one of them—to a congressional committee. The Board of Governors of the Federal Reserve System are quick to admit that the System is an agency or servant of Congress for the obvious reason that they want to remain just as far away from the Executive as possible.

Consider the fact that this agency of Congress has not only never filed an audit of any part of its System with Congress or a congressional committee, the officials of the System object to filing any such audits with a congressional committee and strenuously object to the Government's having an audit of its own through the General Accounting Office.

In view of this situation, which I have hurriedly presented, I think the least the House of Representatives can do is to turn down this bill and all similar bills relating to the conduct of the Federal Reserve System until we know more about what the System has done in the past 40 years and until at least we have seen the most recent audits of the Board and the Federal Reserve banks.

Respectfully submitted.

WRIGHT PATMAN.

REORGANIZATION OF THE DEPARTMENT OF AGRICULTURE

The SPEAKER. Under previous order of the House, the gentleman from North Carolina [Mr. COOLEY] is recognized for 45 minutes.

Mr. COOLEY. Mr. Speaker, but for the importance of the subject which I desire to discuss and but for the limited time which will be available tomorrow when the motion to discharge the Committee on Government Operations is made by my colleague from North Carolina [Mr. FOUNTAIN], I would not burden you or the RECORD with the remarks I am about to make concerning the proposed reorganization of the Department of Agriculture.

I have actually been surprised to observe that many Members of the House are not at this moment prepared to vote on the proposition that will confront them tomorrow. Many Members have not refreshed their recollections by a reexamination of the Reorganization Act. Many Members have not even read the proposed plan of reorganization of the Department of Agriculture. For these reasons, I am constrained to make these remarks.

Before proceeding with my statement, I would like to mention the fact that

during my entire service in the House of Representatives, over a period of 18 years, I have served on the Committee on Agriculture and have devoted my time, talent, and attention to the problems of agriculture. During the 18 years I have served on the Committee on Agriculture, most of the legislation now on the books affecting the welfare of agriculture was enacted into law. I think I am safe in saying that during the last 18 years since I have been a Member of the House Committee on Agriculture more legislation beneficial to the farmers of America has been enacted into law than had theretofore been enacted during the entire history of this Republic.

During these 18 years in which I have participated in the preparation and passage of legislation affecting the welfare of farmers, we have built a well-rounded farm program, a program which is definitely in the interest of the farmers of the Nation, definitely in the interest of the consumers of the Nation, and positively in the interest of the welfare of all the people of the Nation. During these 18 years we have increased the per-unit yields on all the farms of this country. We have provided an abundance of food and fiber. The farmers have performed magnificently both in time of peace and in time of war.

While I am not aware of any intention on the part of the present administration to repeal outright a single part or parcel of the Federal farm program, I am definitely apprehensive about what might happen in the event this proposed reorganization plan is permitted to go into effect at midnight tomorrow.

I think if you would study the legislation now on the books and could read the statistics of agricultural income you would appreciate the value of the farm program we now have. Before the Republican Convention last year I made a speech here on the floor of the House in which I challenged the Republican Party to advocate the repeal of a single law now on the books affecting agriculture. I challenged its members to name or to number a single law the repeal of which they would advocate if they came to power. For 5 months now we have been under this new administration. This administration has not advocated the repeal of a single, vital part of the program now in operation, but, on the contrary, I think that the administration has approved just about every part and parcel of the program we now have.

This program is vital to the life and to the welfare and the happiness of all the people I represent here in Congress. Without this program my people would be prostrate. Without this program, even at the end of this year, the somber draperies of bankruptcy would be hanging on the homes of my district, because my district is dependent upon the prosperity of agriculture. Even without the tobacco-control law and the acreage allotment and marketing-quota law we would face distress, not because of our inability to produce in abundant quantities all the things that come from our fields, but actually because we would produce a tremendous surplus which would demoralize prices and bring grief and distress to all our farmers, merchants, and businessmen and others living in our section. If there is by chance some sinister scheme of which we are unaware which might later emerge in this reorganization and through which our farm program might be destroyed, then I would be even far more apprehensive than I now am.

Mr. BONNER. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from North Carolina.

Mr. BONNER. The present Secretary of Agriculture has stated in no uncertain terms that he is not favorable to the program that we have been pressing so and the program that has brought so much prosperity to the country; that is correct, is it not?

Mr. COOLEY. That is my idea of what he has been saying.

Mr. BONNER. The present Secretary of Agriculture has practically thrown the fear of God into all rural people.

Mr. COOLEY. I think that my colleague is exactly right.

Mr. BONNER. If this authority is given to the Secretary, a fine gentleman no doubt, and a Christian man, who is bold enough to say that he does not believe in the present program of agriculture, to give him a plan with no strings, with unlimited authority to revise the Department of Agriculture, would that not weaken the Department of Agriculture in its plans and facilities for planning and throw it out of gear? Is that not what might be expected if he were to get authority when he is not in favor of the program?

Mr. COOLEY. I am inclined to agree with my friend's observation. Unfortunately, I have a very definite feeling that our program is now in unfriendly hands. The Secretary has said publicly that he would support prices on the basic commodities at 90 percent of parity for the next 2 years.

Mr. BONNER. As long as the law requires it.

Mr. COOLEY. What else could he say? Yes, because the law requires him to do it.

We are not dependent upon his charitable views in the administration of that law. We know the Congress as one of its very last acts before the adjournment of the last session by a tremendous vote in both Houses approved the 90-percent support program on the basic commodities when farmers had not rejected acreage allotments and marketing quotas.

Mr. BONNER. This plan, as I understand it, is more far-reaching than the plan that was requested only a year or so ago.

Mr. COOLEY. In 1950, if I may be permitted to say so, a somewhat similar proposal was sent here by the administration then in power. It was rejected in the United States Senate. A Democratic Congress refused to give similar powers to a Democratic Cabinet officer, and he was Mr. Charles Brannan, who, I think, did an excellent job as Secretary of Agriculture. Now we are asked by this administration to abdicate all of our legislative powers and functions and place them in the hands of Mr. Benson, with less than 5 months experience in his high post.

Mr. BONNER. But it must be admitted that the majority of the farmers and agricultural leaders did not agree at that time with Mr. Brannan's views and future planning. Is that correct?

Mr. COOLEY. The gentleman is exactly correct.

Mr. BONNER. Then, by a like token, I do not see how the majority side of this House today can support this plan or the power requested.

Mr. COOLEY. I might just observe that if the gentleman will read the testimony he will find that many of the farm leaders of America have made laborious efforts to justify a change in their views. Actually they do not have any good reason for changing their views. They say there are certain limitations in this proposal that were not in the other proposal. Every limitation that is in this proposal is written into the organic law, the Reorganization Act of 1949, but the spirit and intent of that act are not observed in this reorganization plan.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Michigan.

Mr. DINGELL. Purely in the interest of keeping the record straight, at least Secretary Brannan had a plan, whether we agreed with the plan or not. The present Secretary of Agriculture does not have so much as a plan. All he wants is blanket power, for what purpose, plan or no plan?

Mr. COOLEY. I agree with my friend from North Carolina [Mr. BONNER] that no one seems to question the character and the sterling qualities of the present Secretary of Agriculture, but everyone, everywhere, seems to question his competency to do the job which has been assigned to him. No one doubts his purity, but I am afraid of his purpose.

The Secretary of Agriculture made a speech down in the gentleman's district on May 18, in a great agricultural area, where farmers were talking about 75 percent of parity as related to 90 percent of parity, and as to how it affected their income and their welfare. While they were concerned about such matters, the Secretary made a speech. He did not talk about parity. But here is a Washington news story—the headline is this: "Benson four-square for 100 percent of purity." It is perfectly all right for him to stand for 100 percent of purity, and probably it is unfortunate that others do not recognize purity in public service more than they do. But when I think of this reorganization plan and the Secretary of Agriculture, I am constrained to say that here comes a pious prince riding a Trojan horse—because I actually believe this plan is a Trojan horse. We see it coming but we do not know what it is. When he rides his horse into the Department of Agriculture, he can then wreak havoc with the program we have built up in the last two decades. This plan calls for more power than any good man should want, and certainly for more power than any bad man should have.

Mr. Speaker, I shall insert in the RECORD at this point certain pertinent sec-

tions of the Reorganization Act so that Members of Congress, when they read the RECORD tomorrow, can refresh their recollection. I shall also insert the proposed plan.

If the Members of this House will read the Reorganization Act of 1949 and the proposed reorganization plan, they will be forced to conclude that the proposed plan is not such a plan as was contemplated by the Reorganization Act. They cannot fail to recognize that the proposal is nothing more or less than a bold grasp for power, a determined effort to centralize rather than decentralize authority now vested in agencies created by the Congress.

[Public Law 109, 81st Cong.]
[Ch. 226, 1st sess.]
H. R. 2361

An act to provide for the reorganization of Government agencies, and for other purposes

Be it enacted, etc.—

TITLE I

SHORT TITLE

SECTION 1. This act may be cited as the "Reorganization Act of 1949."

NEED FOR REORGANIZATIONS

SEC. 2. (a) The President shall examine and from time to time reexamine the organization of all agencies of the Government and shall determine what changes therein are necessary to accomplish the following purposes:

(1) To promote the better execution of the laws, the more effective management of the executive branch of the Government and of its agencies and functions, and the expeditious administration of the public business;

(2) To reduce expenditures and promote economy, to the fullest extent consistent with the efficient operation of the Government;

(3) To increase the efficiency of the operations of the Government to the fullest extent practicable;

(4) To group, coordinate, and consolidate agencies and functions of the Government, as nearly as may be, according to major purposes;

(5) To reduce the number of agencies by consolidating those having similar functions under a single head, and to abolish such agencies or functions thereof as may not be necessary for the efficient conduct of the Government; and

(6) To eliminate overlapping and duplication of effort.

(b) The Congress declares that the public interest demands the carrying out of the purposes specified in subsection (a) and that such purposes may be accomplished in great measure by proceeding under the provisions of this act, and can be accomplished more speedily thereby than by the enactment of specific legislation.

REORGANIZATION PLANS

SEC. 3. Whenever the President, after investigation, finds that—

(1) the transfer of the whole or any part of any agency, or of the whole or any part of the functions thereof, to the jurisdiction and control of any other agency; or

(2) the abolition of all or any part of the functions of any agency; or

(3) the consolidation or coordination of the whole or any part of any agency, or of the whole or any part of the functions thereof, with the whole or any part of any other agency or the functions thereof; or

(4) the consolidation or coordination of any part of any agency or the functions thereof with any other part of the same agency or the functions thereof; or

(5) the authorization of any officer to delegate any of his functions; or

(6) the abolition of the whole or any part of any agency which agency or part does not have, or upon the taking effect of the reorganization plan will not have any functions,

is necessary to accomplish one or more of the purposes of section 2 (a), he shall prepare a reorganization plan for the making of the reorganizations as to which he has made findings and which he includes in the plan, and transmit such plan (bearing an identifying number) to the Congress, together with a declaration that, with respect to each reorganization included in the plan, he has found that such reorganization is necessary to accomplish one or more of the purposes of section 2 (a). The delivery to both Houses shall be on the same day and shall be made to each House while it is in session. The President, in his message transmitting a reorganization plan, shall specify with respect to each abolition of a function included in the plan the statutory authority for the exercise of such function, and shall specify the reduction of expenditures (itemized so far as practicable) which it is probable will be brought about by the taking effect of the reorganizations included in the plan.

* * * * *

LIMITATIONS ON POWERS WITH RESPECT TO REORGANIZATIONS

SEC. 5. (a) No reorganization plan shall provide for, and no reorganization under this act shall have the effect of—

(1) abolishing or transferring an executive department or all the functions thereof or consolidating any two or more executive departments or all the functions thereof; or

(2) continuing any agency beyond the period authorized by law for its existence or beyond the time when it would have terminated if the reorganization had not been made; or

(3) continuing any function beyond the period authorized by law for its exercise, or beyond the time when it would have terminated if the reorganization had not been made; or

(4) authorizing any agency to exercise any function which is not expressly authorized by law at the time the plan is transmitted to the Congress; or

(5) increasing the term of any office beyond that provided by law for such office; or

(6) transferring to or consolidating with any other agency the municipal government of the District of Columbia or all those functions thereof which are subject to this act, or abolishing said government or all said functions.

(b) No provision contained in a reorganization plan shall take effect unless the plan is transmitted to the Congress before April 1, 1953.

REORGANIZATION PLAN NO. 2 OF 1953

(Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, March 25, 1953, pursuant to the provisions of the Reorganization Act of 1949, approved June 20, 1949, as amended)

DEPARTMENT OF AGRICULTURE

SECTION 1. Transfer of functions to the Secretary: (a) Subject to the exceptions specified in subsection (b) of this section, there are hereby transferred to the Secretary of Agriculture all functions not now vested in him of all other officers, and of all agencies and employees, of the Department of Agriculture.

(b) This section shall not apply to the functions vested by the Administrative Procedure Act (5 U. S. C. 1001 et seq.) in hearing examiners employed by the Department of Agriculture nor to the functions of (1) the corporations of the Department of Agriculture, (2) the boards of directors and officers of such corporations, (3) the Advisory Board of the Commodity Credit Corporation, or (4) the Farm Credit Administration or any agency, officer, or entity of, under, or subject to the supervision of the said Administration.

SEC. 2. Assistant Secretaries of Agriculture: Two additional Assistant Secretaries of Agriculture shall be appointed by the President, by and with the advice and consent of the Senate. Each such Assistant Secretary shall perform such functions as the Secretary of Agriculture shall, from time to time, prescribe and each shall receive compensation at the rate prescribed by law for Assistant Secretaries of executive departments.

SEC. 3. Administrative Assistant Secretary: An Administrative Assistant Secretary of Agriculture shall be appointed, with the approval of the President, by the Secretary of Agriculture under the classified civil service, and shall perform such functions as the Secretary of Agriculture shall, from time to time, prescribe. The provisions of the item numbered (1) of the third proviso under the heading "General Provisions" appearing in chapter XI of the Third Supplemental Appropriation Act, 1952, approved June 5, 1952 (66 Stat. 121), are hereby made applicable to the position of Administrative Assistant Secretary of Agriculture.

SEC. 4. Delegation of functions: (a) The Secretary of Agriculture may from time to time make such provisions as he shall deem appropriate authorizing the performance by any other officer, or by any agency or employee, of the Department of Agriculture of any function of the Secretary, including any function transferred to the Secretary by the provisions of this reorganization plan.

(b) To the extent that the carrying out of subsection (a) of this section involves the assignment of major functions or major groups of functions to major constituent organizational units of the Department of Agriculture, now or hereafter existing, or to the heads or other officers thereof, and to the extent deemed practicable by the Secretary, he shall give appropriate advance public notice of delegations of functions proposed to be made by him and shall afford appropriate opportunity for interested persons and groups to place before the Department of Agriculture their views with respect to such proposed delegations.

(c) In carrying out subsection (a) of this section the Secretary shall seek to simplify and make efficient the operation of the Department of Agriculture, to place the administration of farm programs close to the State and local levels, and to adapt the administration of the programs of the Department to regional, State, and local conditions.

SEC. 5. Incidental transfers: The Secretary of Agriculture may from time to time effect such transfers within the Department of Agriculture of any of the records, property, and personnel affected by this reorganization plan and such transfers of unexpended balances (available or to be made available for use in connection with any affected function or agency) of appropriations, allocations, and other funds of such Department, as he deems necessary to carry out the provisions of this reorganization plan; but such unexpended balances so transferred shall be used only for the purposes for which such appropriation was originally made.

In this connection, I want to say that in 1950, when the House Committee on Agriculture was considering the plan which was then before the other body, our committee reported a bill, which I introduced, which provided for two additional Secretaries and one administrative assistant for the Secretary of Agriculture. I presented that plan and called attention to the fact that the Secretary

of Agriculture had less assistants than any other Cabinet officer in the Government. I was then perfectly willing to give him the assistants which he thought he needed, and I am today perfectly willing to give to Mr. Benson the assistants which he needs to carry out the programs which have been entrusted to his tender mercies. To this end I recently introduced the bill which is pending before our committee to provide the assistants requested in the reorganization plan; and I feel quite certain that if the distinguished chairman of our committee will call the committee together tomorrow morning, that bill will be unanimously reported by the House Committee on Agriculture, and certainly it can be passed in this House and will become the law of the land. If you will strip from this proposed plan these Assistant Secretaries of Agriculture and the administrative assistant, you have nothing left but this—and here is the plan, and here is the important language:

> There are hereby transferred to the Secretary of Agriculture all functions not now vested in him.

All the functions of all other officers in all of the agencies, and all other employees of the Department of Agriculture. Here is an administration the leaders of which came into power assuring the people of this country that they would recapture the powers which Congress had surrendered, and that they would place these great powers back into the hands of the people. Lo and behold, from the Department of Agriculture comes a man on a Trojan horse not saying, "I am going to give you back power"—not saying, "I shall decentralize power"—but rather saying "Give me all the power I do not now have and I shall do with it what I please to do."

We set up the rural electrification program. The law was written in the Committee on Interstate and Foreign Commerce, and authored by our most distinguished Democratic former Speaker of this House, the gentleman from Texas [Mr. RAYBURN]. The bill definitely took REA out of politics. It provided for the appointment of an administrator who would hold office for 10 years. But what happened? When this politically-minded administration came into power the administrator of REA was driven from public office to avoid the humiliation and embarrassment which were being heaped upon him by a request for his resignation. They not only changed the administrator, but they want to take away from the administrator of REA every function he has, perhaps, and give it to some underling who will take his orders from the Secretary of Agriculture.

We provided for the Farmers Home Administration, dealing with farmers in the low-income brackets, making loans to unfortunate farmers who are unable to obtain adequate credit elsewhere, and we sought to take that agency out of politics. We set it up as a separate agency. Are we going to permit Mr. Benson to undo all the things we have done? Are we coming here with a plea of confession and avoidance and saying to the people of this Republic that we did not know what we were doing when we arranged the Department of Agriculture as it has been ararnged?

Mr. Dillard Lasseter of the Farmers Home Administration has done a magnificent job in directing the affairs of that agency. Not a single human being has ever stood on the floor of this House and criticized Dillard Lasseter; not one, either on the Republican side or on the Democratic side. I have never heard him criticized in the press or on the radio or on the floor of the United States Senate. The FHA has operated well, and yet we are by this one act abdicating all of our rights over this and other agencies of the Department of Agriculture, our legislative functions, which we will never recapture.

If you grant the Secretary this power, you may have cause to regret your action. If in the use of the power he destroys the program now in operation, you certainly will not be free to criticize his action. If he starts to pull to pieces the programs we have provided, we will be forced to stand by helpless. The only way we can ever take this power back from the Executive would be over a veto, because the minute we start to reclaim these powers, the President will veto the bill. We would then have to have a two-thirds vote to override that veto.

Mr. POAGE. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. Yes, I yield to the gentleman from Texas.

Mr. POAGE. Does this so-called plan not provide that before any major change—I do not know what is meant by a major change—is made, the Secretary shall consult with the members of the Committees on Agriculture of the House and Senate; and did not the Secretary come before the committee and suggest that that was an adequate safeguard to protect the Congress against the executive branch destroying the will of the Congress?

Mr. COOLEY. I would just like to observe in connection with the gentleman's remarks that the procedure contemplated by the present Secretary of Agriculture would be to the effect that he would write the judgment and sign it, and then let us read it.

Mr. POAGE. That is right, and we would have no opportunity to change it, no matter what we thought of it, would we?

Mr. COOLEY. We could not modify it or alter it in any way.

Mr. POAGE. Does the gentleman want anything more than an opportunity to read it? You are just a member of a legislative body. You are just elected by the people. What do you want? Did you want to have something to do with this yourself?

Mr. COOLEY. The reorganization plan contemplates that the administration will propose a plan which the Congress can review and study and scrutinize, and then reject or accept. Here we have no plan, and we have it out of the Secretary's very own mouth that he does not have a plan. He has refused time and time again to tell us one thing that he intends to do. He has refused to criticize publicly a single function in the Department, or a single person in the Department, or a single agency of the Department; and he has not indicated how he will use this power even in one particular.

Mr. POAGE. Mr. Speaker, will the gentleman yield further?

Mr. COOLEY. I yield.

Mr. POAGE. It is perfectly plain, then, is it not, that this proposed plan is no plan at all except to take power from the legislative branch of the Government and place it in the hands of the Executive; it is simply a grab for power, and it bears no relationship to the so-called Reorganization Act which provided at least that the Executive should tell the Congress what he had in mind and giving Congress an opportunity to pass upon the wisdom of the proposed changes.

Mr. COOLEY. The gentleman is correct, and that is the reason I am calling the attention of the House to the act itself which spells out in clear unambiguous language just what the act contemplates. It numbers one, two, three, four, five, six, the things that the President shall do, the findings that he shall make; and then it describes the Reorganization Plans 1, 2, 3, 4, 5, 6, a, b, c, and so forth. But when you ask the Secretary of Agriculture what the plan is, here is his answer:

> No conclusions have as yet been reached with respect to any specific changes, and it would be unwise to make any attempt to anticipate what the conclusions will be.

Mr. DINGELL. Well, he is perfectly honest at least.

Mr. COOLEY. I admitted in the outset that I thought the Secretary was honest.

Mr. DINGELL. But he does not know what it is all about.

Mr. COOLEY. I think he must believe that some of us are dumb—and maybe some of us are dumb; but I am not willing to relinquish the Fourth North Carolina Congressional District lock, stock, and barrel to the tender mercies of Mr. Benson, a newcomer in the field of agriculture. I am not willing to turn over all the farmers of this Nation to Mr. Benson because, in the first place, the farmers of the Nation are afraid of Mr. Benson.

But this is no plan; this is not Mr. Benson's plan; this is not Mr. Eisenhower's plan, as a very distinguished Member of the other body said the other day. I want to read you something here which will indicate whose plan this is. Here is a communication, bearing the following letterhead:

The Waldorf-Astoria Towers, New York, N. Y.

The communication is dated May 9, 1953, and addressed:

> Hon. MARGARET CHASE SMITH, chairman of the Subcommittee on Reorganization.
>
> MY DEAR SENATOR SMITH: I have your request through Mr. Walter Reynolds for my views on the President's Reorganization Plan No. 2 of 1953 for the Department of Agriculture. I attach herewith a statement.
>
> Yours faithfully,
>
> HERBERT HOOVER.

This is the Herbert Hoover plan; it is not the plan of the Hoover Commission. These are the views of Mr. Herbert Hoover. Even the mention, the mere

mention, of the name Herbert Hoover sends chills up and down the spines of the farmers of the Nation. They remember the days of the Hoover depression; they remember when Mr. Herbert Hoover was President; they remember the days of the Hoover carts, and of the distress and starvation that stalked the land throughout the length and breadth of our great Republic.

Mr. DINGELL. I am wondering if the gentleman would yield to answer whether he thinks the farmers still remember 2-cent hogs and 10-cent corn?

Mr. COOLEY. I think they do remember.

Mr. DINGELL. I kind of have my doubts after what I heard in the last election and the last election returns.

Mr. COOLEY. You just wait until the next election and until you can read the next election returns; then you can see whether the farmers know what they are doing. The farmers of this Nation know who their friends have been and they know what the Democratic Party has done for them and for their families.

Mr. DINGELL. I hope so.

Mr. COOLEY. I do not think there is any question about it.

I hope the Members will pardon me for a few more observations on this important subject. It is almost inconceivable to me that any member of my party would be willing to embrace this plan and go back to his constituents in an effort to explain to them why he was willing to put all of his faith and confidence in Mr. Benson, why he was willing to surrender to Mr. Benson, this man who is unknown to American agriculture, all of the legislative functions that are vested in you by the Constitution of the United States. I think it would be a very difficult thing for a Member of Congress to go back to his district and be forced to frankly admit that he gave up this great power not knowing the purpose for which it was desired or how it would be used. Mr. Benson himself does not know why he wants this power. I do not believe the man even knows what he will do with it if you give it to him. But I am afraid there is somebody standing behind him. You know, we have a popular song out now, I Am Walking Behind You. "Look over your shoulder," it goes, "I'm walking behind you." I do not like the purposes of the people whom Benson has walking behind him. I do not like the policies those men advocate, those men he will see if he looks over his shoulder. I am afraid of this plan, the farmers of the Nation are afraid of it, and when I say I am afraid of Mr. Benson, I know some of my Republican colleagues on that side of the aisle are afraid of him, too.

Mr. POAGE. I want to suggest the gentleman might see the Benson plan if he would look over at the Republican side of the aisle. There is not a single seat occupied. You will see a mirror of the plan over there.

Mr. COOLEY. There is just about as much plan as there is Republican representation on the floor at the moment, but I am not concerned with whether they are here or not because they probably will jump at the party lash and they probably will accept this plan lock, stock, and barrel, and probably will not suffer any pains or anguish on account of it.

I appeared before the Committee on Reorganization, and I want to thank the chairman of that committee for the courtesies he accorded me and the members of my committee. We were invited to sit in and to participate in the discussion. Some of the members of our committee did attend the meetings. However, I did not feel it was appropriate for me to usurp the time of the members of the Reorganization Committee by attempting to cross-examine Mr. Benson. I did submit at that time a statement and I did at that time suggest that it might be appropriate and well if Members would propound certain questions to the Secretary when he appeared there in person. I shall include some of these questions at this point in my remarks.

How much money will be saved? I do not believe that even the Secretary would be foolish enough to hazard a guess or make even a wild estimate.

How many people will be fired? Again, I do not believe that he can give us even an idea.

What functions will be transferred? Again, he cannot answer.

What agencies will be consolidated? Again, he will not be able to answer.

What does he intend to do with the Farmers' Home Administration?

Does he intend to transfer the Farmers' Home Administration to the Farm Credit Administration?

Does he intend to transfer the REA to the Farm Credit Administration?

Does he intend to transfer the functions of the Soil Conservation Service to the Extension Service?

Does he intend to transfer the functions of the PMA, along with the Soil Conservation Service, to the Extension Service?

Just what consolidations, transfers, mergers does he intend to make?

Does he want to tell the Administrator of the Farmers' Home Administration what to do and how to perform the functions of his office?

Does he want to direct and control the Administrator of the REA?

How does he propose to further decentralize the functions of the Production and Marketing Administration?

I think it is only fair that we should be given at least meager information about what this man proposes to do with this great Department of Agriculture. If we fail to pass the resolution introduced by my colleague from North Carolina [Mr. FOUNTAIN] and if we permit this plan to go into effect, I do not see how any of us will ever hereafter be able to complain about how Mr. Benson has used the power. If he does something unwise, and I am quite certain he will, and if you go home to explain to your constituents when they ask you, "Why did you do this?" they will not be satisfied by a mere answer to the effect that the man was honest and was a man of capacity and competency. I think we ought to know. I was impressed by the splendid statement presented by our delightful and beloved colleague, the gentleman from Kansas [Mr. HOPE] when I went with him before the Reorganization Committee.

He frankly told the committee that the Secretary should tell us what he plans to do, and notwithstanding the fact that everybody has called upon him to give us not the minute details of the plan, but give us even the high spots of the plan, he says, "I have no details, I have no plans; we are just studying the proposition." Now, why would it not be wise for us to reject the plan, let the Secretary finish his study, and then when he comes here again let him bring a plan which we can understand. On former occasions when we have voted to permit plans to go into effect at least the committee had a general knowledge as to why the power was needed and how it would be used. But, I am not willing to give up the power to legislate for the farmers of my district. We have no idea what Mr. Benson will do, when he will do it, or how he will do it. Ask him how much money will be saved, and he has no idea; how many people will be discharged, and he has no idea. But, I have an idea that a great number of people will be discharged in the next few months and at a later date an even greater number will be employed, and they will probably be of a different political persuasion.

I know that Mr. Benson is honest enough to say that he was utterly amazed at the authority that the Secretary of Agriculture now has. He had no idea that he was walking into a position of such great authority, of such great responsibility. Now he wants us, as he rides by on the Trojan horse, to hand him all the power he does not now have, make him lord almighty of all the Department of Agriculture and of the welfare of the farmers of the Nation. I do not know what he would do with PMA, Soil Conservation, REA, FHA, or the Forestry Service. He could transfer all those functions to the Librarian if he wants to. If this is a plan, then I do not believe we need to worry about other plans. Other plans are coming, do not worry about that. The Executive just sent down, I think, two, three, or four more. Now if we are going to let the Executive run this Government as he and his associates want to run it, we might as well adjourn sine die and go home. I am not willing for Mr. Benson to run it; I am not willing for him to legislate for the people of the district I represent. I want him to administer the programs that Congress gives him to administer, and I am not willing to surrender the legislative power to him.

One concluding remark. I do want to thank the Chairman of the Committee on Reorganization for printing the hearings which I understood the other day would not be printed. It is unfortunate that the committee does not take action so that we might know the views of the members of that important committee, but at least now there is no excuse for a Member of Congress to vote in ignorance of the views of the Department of Agriculture because the record has been printed; and if the Members of Congress will read the record they will be better prepared to vote with intelligence when the roll is called, if it is

called tomorrow. I want to make it perfectly clear that I am not encouraged to believe that the plan will be rejected but I also want to make it perfectly clear that HAROLD COOLEY is opposed to the plan.

Mr. DINGELL. And so is Mrs. Dingell's boy, Johnny.

Mr. COOLEY. I hope that my colleagues will familiarize themselves again with the law, will look at the plan, and if they conclude that they are going to abdicate and turn over to this man Benson all of the great powers that he contemplates using, then I do not believe we can complain, when next we go to the public, about how he may have used these powers. If he is against this farm program, let him come in through the front door. If he wants to do away with any part of the program, let him walk in the front door and not in the back door. Let him disclose his intentions and not ride in on a Trojan horse.

I do not think those Members from farm districts will cast a more important vote during this session of Congress than the vote on this reorganization plan. As almost conclusive evidence that the Department of Agriculture is operating economically and efficiently, I need only to suggest to you that for 5 months the great man, Mr. Benson, has not proposed to Congress a single, specific change. For 5 months he has searched every agency and department, and he tells us here in the good month of June, "I do not know what needs to be done." How many months will he have to stay there to find one thing wrong? I challenge him to point out one thing that is wrong and to propose a single specific change.

If any lawyer in this House can read the Reorganization Act and read this proposed plan and come to the conclusion that it is even remotely contemplated by the act, then he has a different understanding than I have of the act.

I have made this little talk to the end that it may not be hereafter said that I did not express my views as strongly as I have it in my power to express them in opposition to this pending measure, and to express the hope that every Member of this House will study this monstrous proposition which bears the misnomer of a "plan."

I am not going to be embarrassed by the fact that plans of other kinds for other departments have been adopted on other occasions. I am frank to confess I know but very little about the organization framework of the Department of Commerce or the Department of Justice, other than as is generally known by a lawyer, but I am supposed to know something about the Department of Agriculture and I take pride in the fact that I do know something about it.

This one thought and I am through: Less than a year ago, just before Congress adjourned and just before we went to our party conventions, I had Mr. Brannan, the then Secretary of Agriculture, his Budget Director, and his Director of Personnel, meet in our committee room, and I had them bring charts showing all of the agencies of the Department of Agriculture and the budget for each agency and each commission and each bureau. After a long, extended hearing, and after the committee had propounded question after question, I turned to the Republicans on that committee and said, "Gentlemen, do any of you have any suggestions that you can make to the Secretary and his associates as to how he can improve the Department of Agriculture, how he can make it more efficient, how he can achieve more in economy?" There was not a single suggestion made.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Michigan.

Mr. DINGELL. That was, of course, after you had turned the Secretary of Agriculture inside out?

Mr. COOLEY. That is right, after we had gone into every agency and bureau in his Department, and he had achieved all the economy at that time, apparently, the other party thought he could achieve. I am not saying the Department of Agriculture is perfect. If it can be improved, I, of course, want it improved. But I want to know something about the proposed improvement before I give the Secretary the instrument to tear it to pieces.

I thank those of you who have listened to me so patiently. I hope when the vote comes here tomorrow we will have time to discuss the matter further, but unfortunately under the rules the debate will be limited to a very short time.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Appendix of the RECORD, or to revise and extend remarks, was granted to:

Mr. BURDICK in three instances.

Mr. KERSTEN of Wisconsin in four instances and to include extraneous matter.

Mr. HALE and to include an article from the New Leader entitled "Half Way to Moscow Is Suicide."

Mr. MACHROWICZ in two instances in each to include extraneous matter.

Mr. SPENCE and to include an article from the Journal of Commerce.

Mr. EVINS in two instances and to include extraneous matter.

Mr. MCMILLAN and to include extraneous matter notwithstanding the fact that it will cost $273.

Mr. BAILEY and to include an article on the occasion of the unveiling of a monument of the famous Confederate general, Stonewall Jackson, at the place of his birth at Clarksburg, W. Va.

Mr. MADDEN and to include a resolution from the Polish American Citizens League of Pennsylvania.

Mr. FORD and to include a speech by Deputy Secretary of Defense Roger M. Kyes.

Mr. MCVEY and to include an article by David Lawrence.

Mr. HOSMER and to include extraneous matter.

Mr. COON in two instances and to include extraneous matter.

Mr. FARRINGTON and to include with his remarks the official list of the men who lost their lives in the sinking of the *Arizona* in Pearl Harbor on December 7, 1941, notwithstanding the fact that it will cost $927.

Mr. BERRY and to include a memorial sermon by Rev. Philip Gordon Scott, of Westmoreland Congregational Church, in Washington.

Mr. WIGGLESWORTH (at the request of Mr. KEARNS) and to include a letter from Senator SALTONSTALL.

Mr. FOGARTY (at the request of Mr. EBERHARTER) and to include a dispatch from the New York Times of June 2, 1953, with relation to the greetings extended by the Archbishop of Ireland to the new Queen of England.

Mr. VAN ZANDT in four instances and to include extraneous matter.

Mr. HUNTER and to include extraneous matter.

Mr. BOW and to include extraneous matter.

Mr. MULTER in three instances and to include extraneous matter, in one instance notwithstanding the cost is estimated to be $364.

Mr. SMITH of Wisconsin in three instances and to include extraneous matter.

Mr. ROONEY in two instances and to include therewith extraneous matter.

Mr. BROWNSON and to include a newspaper column from today's Washington News.

Mr. RODINO (at the request of Mr. POWELL) in two instances.

Mr. ADDONIZIO (at the request of Mr. POWELL).

Mr. HELLER (at the request of Mr. PRIEST).

Mr. MCCORMACK and to include an article.

Mr. WIDNALL (at the request of Mr. SCHENCK) and to include an editorial.

SENATE BILL AND CONCURRENT RESOLUTION REFERRED

A bill and concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 694. An act to prohibit the display of flags of international organizations or other nations in equal or superior prominence or honor to the flag of the United States except under specified circumstances, and for other purposes; to the Committee on the Judiciary.

S. Con. Res. 30. Concurrent resolution authorizing the printing of United States wall maps for the use of the Senate and the House of Representatives; to the Committee on House Administration.

ENROLLED BILLS SIGNED

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1561. An act authorizing the transfer of certain property of the Veterans' Administration (in Johnson City, Tenn.) to the State of Tennessee; and

H. R. 2327. An act to authorize the Post Office Department to designate enlisted personnel of the Army, Navy, Air Force, Marine Corps, and Coast Guard as postal clerks and assistant postal clerks, and for other purposes.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1448. An act to amend the act of June 25, 1942, relating to the making of photographs and sketches of properties of the Military Establishment, to continue in effect the provisions thereof until 6 months after the present national emergency; and

S. 1550. An act to authorize the President to prescribe the occasions upon which the uniform of any of the Armed Forces may be worn by persons honorably discharged therefrom.

BILLS PRESENTED TO THE PRESIDENT

Mr. LeCOMPTE, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 1561. An act authorizing the transfer of certain property of the Veterans' Administration (in Johnson City, Tenn.) to the State of Tennessee; and

H. R. 2327. An act to authorize the Post Office Department to designate enlisted personnel of the Army, Navy, Air Force, Marine Corps, and Coast Guard as postal clerks and assistant postal clerks, and for other purposes.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mrs. KEE (at the request of Mr. COOLEY), for 2 weeks from Wednesday, June 3, 1953, on account of official business.

ADJOURNMENT

Mr. SCHENCK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 6 minutes p. m.) the House adjourned until tomorrow, Wednesday, June 3, 1953, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

732. A letter from the Assistant Secretary of the Navy for Air, transmitting the first semiannual report of contracts, in excess of $50,000, for the period July 1 to December 31, 1952, for research, development, and experimental purposes awarded by the Department of the Navy, pursuant to section 4 of Public Law 557, 82d Congress; to the Committee on Armed Services.

733. A letter from the Under Secretary of Agriculture, transmitting a copy of the printed Report of the Agricultural Experiment Stations, 1952, covering the fiscal year ending June 30, 1952; to the Committee on Agriculture.

734. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal and lists or schedules covering records proposed for disposal by certain Government agencies; to the Committee on House Administration.

735. A letter from the Attorney General, transmitting the report of the Attorney General on the administration of the Foreign Agents Registration Act of 1938, as amended, for the calendar year 1952; to the Committee on the Judiciary.

736. A letter from the Attorney General, transmitting the report of the administration and enforcement of the registration provisions of the Subversive Activities Control Act as required by section 9 (c) of the act for the period from June 1, 1952, through May 31, 1953; to the Committee on Un-American Activities.

737. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated January 23, 1953, submitting a report, together with accompanying papers and illustrations, on a review of reports on Los Angeles Harbor, Calif., with a view to determining if it is advisable at this time to improve Bixby Slough and Dominguez Del Amo for the purpose of providing an inner harbor closer to the city of Los Angeles, and Los Angeles-Long Beach Harbor, Calif., with a view to determining whether further harbor and channel improvements in the East Basin area, Los Angeles, are advisable at this time, requested by resolutions of the Committee on Rivers and Harbors and the Committee on Public Works, House of Representatives, adopted on February 1, 1946, and February 17, 1950, respectively (H. Doc. No. 161); to the Committee on Public Works and ordered to be printed, with three illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 1308. A bill to amend the Color of Title Act; without amendment (Rept. No. 497). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 2231. A bill to authorize the negotiation and ratification of separate settlement contracts with the Sioux Indians of the Lower Brule and the Crow Creek Reservations in South Dakota for Indian lands and rights acquired by the United States for the Fort Randall Dam and Reservoir, Missouri River Development; and to authorize an appropriation for the removal from the taking area of the Fort Randall Dam and Reservoir, Missouri River Development, and the reestablishment of the Indians of the Yankton Indian Reservation, S. Dak.; with amendment (Rept. No. 498). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 3581. A bill to further the policy enunciated in the act of October 26, 1949 (63 Stat. 927), to facilitate public participation in the preservation of sites, buildings, and objects of national signficance or interest by providing for a National Trust for Historic Preservation in the United States; without amendment (Rept. No. 499). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SIMPSON of Pennsylvania:

H. R. 5495. A bill to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes; to the Committee on Ways and Means.

H. R. 5496. A bill to amend the Trade Agreements Extension Act of 1951 and certain other provisions of law to provide adequate protection for American workers, miners, farmers, and producers; to the Committee on Ways and Means.

By Mr. BAKER:

H. R. 5497. A bill to provide that Army officers who have successfully commanded military units in combat shall be retired in grades not lower than those normally held by commanders of such units; to the Committee on Armed Services.

By Mr. BENNETT of Florida:

H. R. 5498. A bill to allow hospitalization in naval hospitals of widows and dependents of Coast Guard personnel who die while the Coast Guard is operating as a part of the Navy; to the Committee on Armed Services.

By Mr. BUDGE:

H. R. 5499. A bill to provide for the construction, maintenance, and operation of the Michaud Flats project for irrigation in the State of Idaho; to the Committee on Interior and Insular Affairs.

By Mr. CORBETT:

H. R. 5500. A bill to permit the Federal National Mortgage Association to make commitments to purchase certain mortgages; to the Committee on Banking and Currency.

By Mr. CURTIS of Nebraska:

H. R. 5501. A bill to authorize modification of the flood-control project for agricultural levee unit 513–512–R in Richardson County, Nebr.; to the Committee on Public Works.

By Mr. DAVIS of Tennessee:

H. R. 5502. A bill relating to the definition of the term "medical care" for the purposes of section 23 (x) of the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. FORAND:

H. R. 5503. A bill to reclassify dictaphones in the Tariff Act of 1930; to the Committee on Ways and Means.

By Mr. KEARNS:

H. R. 5504. A bill to amend the Labor Management Relations Act, 1947, in order to facilitate the freedom of association of professional personnel; to the Committee on Education and Labor.

By Mr. MACK of Washington:

H. R. 5505. A bill to terminate the withholding of Oregon State income tax from the wages of certain residents of the State of Washington who are employed by the Corps of Engineers at Bonneville Dam; to the Committee on Ways and Means.

By Mr. ROGERS of Texas:

H. R. 5506. A bill to permit the Commodity Credit Corporation to sell corn which is stored, at a price fixed by the Secretary; to the Committee on Agriculture.

By Mr. SHORT:

H. R. 5507. A bill to provide for the recovery, care, and disposition of the remains of members of the uniformed services and certain other personnel, and for other purposes; to the Committee on Armed Services.

H. R. 5508. A bill to provide certain construction and other authority for the military departments in time of war or national emergency; to the Committee on Armed Services.

H. R. 5509. A bill to amend the Army-Navy Medical Services Corps Act of 1947 relating to the percent of colonels in the Medical Service Corps, Regular Army; to the Committee on Armed Services.

By Mr. YOUNG:

H. R. 5510. A bill to amend and supplement the reclamation laws to provide for Federal cooperation in non-Federal projects, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SHORT:

H. J. Res. 269. Joint resolution postponing the effective date of section 205 (b) of the Armed Forces Reserve Act of 1952 relating to the maximum strength of the Ready Reserves; to the Committee on Armed Services.

By Mr. RODINO:

H. J. Res. 270. Joint resolution designating the period beginning August 10 and ending August 16 of each year as Orphans Week; to the Committee on the Judiciary.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By Mrs. CHURCH: Memorial of the 68th General Assembly of the State of Illinois in opposition to abandonment by the Federal Government of the Illinois-Mississippi Canal (also known as the Hennepin Canal). Congress is urged to authorize and direct the United States Army Corps of Engineers to maintain the canal in its present state until the Congress authorizes the proper Federal agencies to convert and develop the canal and lake area for recreation and to make the necessary appropriations; and that the Congress designate the Illinois-Mississippi Canal and Sinnissippi Lake area as either (1) a national park or memorial or (2) a public recreational area under the supervision of the United States Fish and Wildlife Service; to the Committee on Public Works.

By the SPEAKER: Memorial of the Legislature of the State of Texas, memorializing the President and the Congress of the United States relative to the impediments of the water-conservation program of the several States, etc.; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BECKER:

H. R. 5511. A bill for the relief of Clara Gabriel; to the Committee on the Judiciary.

By Mr. BOGGS:

H. R. 5512. A bill for the relief of the Employers' Liability Assurance Corp.; to the Committee on the Judiciary.

By Mr. BURDICK:

H. R. 5513. A bill to direct the Secretary of Interior to make certain changes in the Buford-Trenton project; to the Committee on Interior and Insular Affairs.

By Mr. DAVIS of Georgia:

H. R. 5514. A bill for the relief of Jack Cohen; to the Committee on the Judiciary.

By Mr. DONOVAN:

H. R. 5515. A bill for the relief of Rebecca Polak; to the Committee on the Judiciary.

H. R. 5516. A bill for the relief of Manuel, Elvira, and Gerardo Barrios; to the Committee on the Judiciary.

H. R. 5517. A bill for the relief of Salvatore Cardinale; to the Committee on the Judiciary.

By Mr. DORN of New York:

H. R. 5518. A bill for the relief of Alexander and Charlotte Berkes; to the Committee on the Judiciary.

By Mr. FINO:

H. R. 5519. A bill for the relief of Dominick Lechich; to the Committee on the Judiciary.

By Mr. GARY:

H. R. 5520. A bill for the relief of Gerardus Emile Kokkhoorn; to the Committee on the Judiciary.

By Mr. GATHINGS:

H. R. 5521. A bill for the relief of Quan Yee; to the Committee on the Judiciary.

By Mr. GENTRY:

H. R. 5522. A bill for the relief of Joseph Robin Groninger; to the Committee on the Judiciary.

By Mr. KILBURN:

H. R. 5523. A bill for the relief of Solange Renee Painter; to the Committee on the Judiciary.

By Mr. McGREGOR:

H. R. 5524. A bill for the relief of George Risto Divitkos; to the Committee on the Judiciary.

By Mr. MORANO:

H. R. 5525. A bill for the relief of Alberto Yurman; to the Committee on the Judiciary.

By Mr. PHILBIN:

H. R. 5526. A bill for the relief of Luigi Caddeo; to the Committee on the Judiciary.

By Mr. SHORT:

H. R. 5527. A bill to authorize the employment in a civilian position in the Office of the Secretary of Defense of Lt. Gen. Graves Blanchard Erskine, upon retirement from the United States Marine Corps, and for other purposes; to the Committee on Armed Services.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

303. By the SPEAKER: Petition of Massachusetts Congregational Conference and Missionary Society, Boston, Mass., relative to endorsing legislation for the admission of an additional number of immigrants above the regular quotas of the countries of their origin to enter the United States; to the Committee on the Judiciary.

304. Also petition of the Kiwanis Club, Troy, N. Y., expressing the wish that the handling of the Niagara Power project be entrusted to private enterprise; to the Committee on Public Works.

305. Also, petition of Gertrude Daniels and others, St. Petersburg, Fla., requesting passage of H. R. 2446 and H. R. 2447 social-security legislation known as the Townsend plan; to the Committee on Ways and Means.

306. Also, petition of Ever Harris and others, Daytona Beach, Fla., requesting passage of H. R. 2446 and H. R. 2447 social-security legislation known as the Townsend plan; to the Committee on Ways and Means.

307. Also, petition of the Ukrainian Congress Committee of America, Philadelphia, Pa., requesting support of Ukrainians and other captive peoples behind the Iron Curtain in their resistance to the Communist regime; to the Committee on Foreign Affairs.

SENATE

WEDNESDAY, JUNE 3, 1953

(Legislative day of Thursday, May 28, 1953)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, beset by the perplexities of these calamitous days with all their fury and terror, let not our strength fail, nor the vision fade. Save us from blighting disillusionment and corroding cynicism. Make us alive and alert to the spiritual values which underlie all the struggle of these epic days. With a sense of empty futility we confess our utter inability to save our own souls and our world by our own lifting and devices. May the integrity and stability of our own personalities, freed of pettiness and prejudice and radiant with contagious good will which leaps all separating barriers, be channels through which Thy saving grace may flow for the healing of the nations. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, June 2, 1953, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed the bill (S. 117) to amend section 7 of the Flood Control Act of 1941 relating to the apportionment of moneys received on account of the leasing of lands acquired by the United States for flood-control purposes, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 660. An act for the relief of Frank B. Pindle;

H. R. 674. An act for the relief of Irene F. M. Boyle;

H. R. 786. An act for the relief of Yusuf (Uash) Lazar;

H. R. 812. An act for the relief of the estate of Mrs. India Taylor Palmi Stevenson;

H. R. 819. An act for the relief of Monika Klein;

H. R. 820. An act for the relief of Mrs. Pia Biondi;

H. R. 892. An act for the relief of Betty Robertson and Irene Robertson;

H. R. 1106. An act for the relief of Hannelore Mayeri Fulbright;

H. R. 1141. An act for the relief of Gronislav Vydaevich and Leonid Zankowsky;

H. R. 1167. An act for the relief of W. A. Sampsel;

H. R. 1459. An act for the relief of Mrs. Mildred G. Kates and Ronald Kates;

H. R. 1754. An act for the relief of Dr. Manouses A. Petrohelos;

H. R. 2021. An act for the relief of Clarence R. Seiler and other employees of the Alaska Railroad;

H. R. 2187. An act for the relief of Chiyoko Miki Tomono;

H. R. 2387. An act for the relief of William M. Smith;

H. R. 2413. An act for the relief of Matsue Hashimoto;

H. R. 2564. An act to make the provisions of section 1362 of title 18 of the United States Code, relating to injury to or interference with communications systems operated or controlled by the United States, applicable to and within the Canal Zone;

H. R. 2604. An act for the relief of Lauri Allan Torni;

H. R. 3023. An act for the relief of Willard Chester Cauley;

H. R. 3831. An act for the relief of Panagiotes G. Karras;

H. R. 4126. An act to continue the effectiveness of the act of December 2, 1942, as amended, and the act of July 28, 1945, relating to war-risk hazard and detention benefits, until July 1, 1954;

H. R. 4424. An act for the relief of Eleonore Friedrich McAnelly;

H. R. 4505. An act to authorize the sale of certain lands to the State of Oklahoma;

H. R. 4540. An act to authorize the sale of certain lands to the State of Oklahoma;

H. R. 4823. An act to convey by quitclaim deed certain land to the State of Texas;

H. R. 4833. An act for the relief of Hormoz Mahmoud;

H. R. 4976. An act to repeal the act of September 30, 1950, authorizing the transfer to the State of Iowa of Fort Des Moines, Iowa;

H. R. 5349. An act authorizing the United States Government to reconvey certain lands to W. C. Pallmeyer and E. M. Cole; and

H. R. 5363. An act to amend section 14 of the act of June 25, 1948, as amended.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 261. An act granting the consent and approval of Congress to the Connecticut River flood control compact;

S. 380. An act to authorize the sale or lease by the State of Kansas of certain lands situated near Garden City, Kans.;

S. 484. An act conferring jurisdiction upon the United States District Court for the District of Colorado to hear, determine, and render judgment upon the claim of J. Don Alexander against the United States;

S. 1292. An act providing for the reconveyance to the town of Morristown of certain land included within the Morristown National Historical Park, in the State of New Jersey;

S. 1334. An act for the relief of the Reverend A. E. Smith;

S. 1545. An act to authorize the Secretary of the Army to convey certain Government-owned burial lots and other property in the Washington Parish Burial Ground, Washington, D. C., and to exchange other burial lots;

S. 1870. An act to extend the time for filing a report by the Committee on Retirement Policy for Federal Personnel established by the act of July 16, 1952;

H. R. 1334. An act for the relief of Helmuth Wolf Gruhl; and

H. R. 2366. An act for the relief of Fred B. Niswonger.

LEAVES OF ABSENCE

On request of Mr. JOHNSON of Texas, and by unanimous consent, Mr. GILLETTE and Mr. LONG were excused from attendance on the sessions of the Senate today and tomorrow.

On request of Mr. CLEMENTS, and by unanimous consent, Mr. FREAR was excused from attendance on the sessions of the Senate today and tomorrow, because of a death in his family.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. BRICKER, and by unanimous consent, the Committee on Foreign Relations was authorized to meet during the session of the Senate today.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that immediately following the quorum call, and before proceeding with the unfinished business, Senators may be permitted to introduce bills and joint resolutions, make insertions in the RECORD, and transact other routine business under the customary 2-minute rule.

The PRESIDENT pro tempore. Without objection, it is so ordered.

CALL OF THE roll

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	Millikin
Barrett	Griswold	Monroney
Beall	Hayden	Morse
Bennett	Hendrickson	Mundt
Bricker	Hickenlooper	Neely
Bridges	Hill	Pastore
Bush	Hoey	Payne
Butler, Md.	Holland	Potter
Byrd	Humphrey	Purtell
Capehart	Jackson	Robertson
Carlson	Jenner	Russell
Case	Johnson, Colo.	Saltonstall
Chavez	Johnson, Tex.	Schoeppel
Clements	Johnston, S. C.	Smathers
Cooper	Kefauver	Smith, Maine
Cordon	Kennedy	Smith, N. J.
Daniel	Kerr	Smith, N. C.
Douglas	Kilgore	Sparkman
Duff	Knowland	Stennis
Dworshak	Kuchel	Symington
Eastland	Langer	Thye
Ellender	Lehman	Watkins
Ferguson	Malone	Welker
Flanders	Mansfield	Wiley
Fulbright	Martin	Williams
George	Maybank	Young
Gore	McClellan	

Mr. SALTONSTALL. I announce that the Senator from Illinois [Mr. DIRKSEN] is absent by leave of the Senate on official committee business.

The Senator from New York [Mr. IVES] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

The Senator from Nebraska [Mr. BUTLER], the Senator from Arizona [Mr. GOLDWATER], the Senator from Wisconsin [Mr. MCCARTHY], and the Senator from Ohio [Mr. TAFT] are necessarily absent.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Iowa [Mr. GILLETTE], the Senator from Wyoming [Mr. HUNT], the Senator from Louisiana [Mr. LONG], and the Senator from Nevada [Mr. MCCARRAN] are absent by leave of the Senate.

The Senator from Delaware [Mr. FREAR] is absent by leave of the Senate because of a death in his family.

The Senator from Missouri [Mr. HENNINGS] and the Senator from Washington [Mr. MAGNUSON] are absent by leave of the Senate on official committee business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate, having been appointed a delegate to attend the forthcoming International Labor Organization Conference at Geneva, Switzerland.

The PRESIDENT pro tempore. A quorum is present.

Mr. BRICKER. Mr. President, unanimous consent has already been granted to Members of the Senate to transact routine business, has it not?

The PRESIDENT pro tempore. Such consent has been granted.

BOOKLET ENTITLED "UNITED STATES SENATE"

The PRESIDENT pro tempore. The Chair calls the attention of Senators to a booklet entitled "United States Senate," which has been placed on the desks of all Senators. Copies of it will be distributed in the galleries to guests of the Senate. It is a rather attractive booklet, and the Chair feels he should call it to the attention of Senators.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON AGRICULTURAL EXPERIMENT STATIONS

A letter from the Under Secretary of Agriculture, transmitting a printed copy of the report on the agricultural experiment stations, 1952, for the fiscal year ended June 30, 1952, which is to take the place of a typewritten report on the same subject, transmitted to the Senate on January 2, 1953 (with an accompanying report); to the Committee on Agriculture and Forestry.

REPORT ON ADMINISTRATION OF FOREIGN AGENTS REGISTRATION ACT OF 1938

A letter from the Attorney General, transmitting, pursuant to law, a report on the administration of the Foreign Agents Registration Act of 1938, as amended, for the calendar year 1952 (with an accompanying report); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders granting the applications for permanent residence filed by certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for granting such applications (with accompanying papers); to the Committee on the Judiciary.

GRANTS-IN-AID TO WEST VIRGINIA DEPARTMENT OF HEALTH—RESOLUTION OF WEST VIRGINIA PUBLIC HEALTH ASSOCIATION, CHARLESTON, W. VA.

Mr. KILGORE. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the West Virginia Public Health Association at its May convention at Charleston, W. Va., relating to the proposed reductions in specific categorical grants-in-aid from the United States Department of Health, Education, and Welfare to the West Virginia State Department of Health.

There being no objection, the resolution was referred to the Committee on Appropriations, and ordered to be printed in the RECORD, as follows:

The following resolution, presented by E. E. Myers, M. D. Myers Clinic, Philippi, W. Va., was unanimously adopted by the membership of the West Virginia Public Health Association at the 29th Annual State Health Conference, Charleston, W. Va., May 8, 1953:

"Whereas the West Virginia Public Health Association views with alarm the proposed reductions in specific categorical grants-in-aid from the United States Department of Health, Education, and Welfare to the West Virginia State Department of Health; and

"Whereas although the defense of the Nation has imposed a heavy burden of taxation, it is recognized that the health of the people is an essential part of that defense, and that basic health services are necessary to preserve the health of the people; and

"Whereas the West Virginia Public Health Association, composed of 700 persons vitally interested in public health, including over 300 lay leaders in the State, wishes it to become known that such a reduction in funds will have a detrimental effect upon the public health program in general in the State of West Virginia and a disastrous effect upon certain programs where the proposed reductions are greatest; and

"Whereas the programs which will be most adversely affected, if reductions are made, are tuberculosis control, the mental health program, heart disease control, venereal disease control, and the hospital construction program; and

"Whereas in tuberculosis control this reduction would mean that the mass X-ray and diagnostic clinic program, through which over one-half the reported cases in West Virginia are discovered, would be cut in half; and

"Whereas in venereal disease control it would mean that the only remaining effective means of controlling the spread of disease would be the laboratory blood testing service; it would mean virtually the end of a local program of clinics, case investigation and followup and all health educational activities; and

"Whereas in heart disease control it would mean that all health educational activities of the State department of health would have to cease; and

"Whereas in the mental health program it would mean sharp curtailment of clinical services and the educational program; and

"Whereas in the hospital program it would mean postponement of much proposed construction with a consequent lowering of standards of hospital care in the State; therefore be it

"*Resolved*, That the West Virginia Public Health Association hereby goes on record as stating that the proposed reductions in grants-in-aid for public health purposes in West Virginia would endanger the health of the people of this State, and requests that the reductions in these budgetary items be reconsidered; be it further

"*Resolved*, That copies of this resolution be sent to the President of the United States, to the Secretary of the Department of Health, Education, and Welfare, and to the Senators and Representatives of the State of West Virginia."

FUNDS FOR CONSTRUCTION OF ADDITIONAL GENERATING FACILITIES BY TENNESSEE VALLEY AUTHORITY—RESOLUTION OF RAILROAD AND PUBLIC UTILITIES COMMISSION OF TENNESSEE

Mr. KEFAUVER. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Railroad and Public Utilities Commission of the State of Tennessee.

The commission urges that funds "as the Tennessee Valley Authority has found necessary and has recommended" be approved "to meet the present and immediately foreseeable future demands for electric energy in Tennessee" and adjoining States.

Mr. President, I hope that all Members will consider this resolution, adopted by a body of men who are sworn to represent the public interest, and who, by the nature of their duties are familiar with the need for power in our State and region.

The TVA budget, now being considered by the House committee, no longer provides the additional power-generating facilities that "the TVA has found necessary and has recommended." It has been cut $63,000,000 by the Budget Bureau. It now includes no funds for an extremely important addition to our generating capacity—a proposed steam plant at Fulton, near Memphis. In fact, it is a budget which forecasts a power shortage for the Tennessee Valley region by 1956, unless we Members of Congress restore the funds necessary for TVA to build this new generating plant.

There being no objection, the resolution was referred to the Committee on Appropriations, and ordered to be printed in the RECORD, as follows:

Whereas the Railroad and Public Utilities Commission of the State of Tennessee is an instrumentality or agency of the State government composed of three commissioners, elected by the people, and having, among other things, statutory authority to regulate, control and prescribe the rates to be charged by various public utilities performing intrastate services in Tennessee, including all privately owned corporations and firms engaged in the production, distribution and sale of electric power within the State of Tennessee; and

Whereas pursuant to this statutory authority the commission is required to be familiar with the facilities, resources and services rendered by such enterprises insofar as they operate within and serve the people of the State of Tennessee; and

Whereas with the exception of some 6 or 7 communities, most of them small, and all of them located adjacent to the boundaries of other adjoining States, all of the people of the State of Tennessee are supplied with electricity generated by the publicly owned facilities of the Tennessee Valley Authority and (with one exception) distributed by municipalities, cooperatives, electric membership corporations and other instrumentalities not within the jurisdiction of this commission to regulate and control, so that Tennessee is virtually a 100 percent public-power State; and

Whereas it is the opinion of this commission that under existing conditions and circumstances the expansion of the generating facilities of the Tennessee Valley Authority to the extent sought by that agency of the United States in its recommendations to Congress is the only way and manner in which the growing demands for electric energy in Tennessee, and the other States comprising the Tennessee Valley area can be promptly and efficiently supplied, and it is the further opinion of this commission that it is not feasible, practicable or economically sound to supply such demand by means of the supplementation of the services of the Tennessee Valley Authority through construction of privately owned generating and distribution facilities within this State: Be it therefore

Resolved by the Railroad and Public Utilities Commission of the State of Tennessee, That we respectfully petition the President of the United States to recommend, and the Congress to enact, legislation which will provide adequate funds for the construction of such additional generating facilities as the Tennessee Valley Authority has found necessary, and has recommended, in order to meet the present and immediately foreseeable future demands for electric energy in Tennessee and the adjoining States comprising what is known as the Tennessee Valley area; be it further

Resolved, That copies of this resolution be forwarded to the President of the United States, the Vice President of the United States, the Chairman of the Appropriations Committees of the Senate and House of Representatives, and to each member of the Tennessee delegation in Congress.

HAMMOND FOWLER, *Chairman*.
JOHN C. HAMMER, *Commissioner*.
CAYCE L. PENTECOST.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 3, 1953, he presented to the President of the United States the following enrolled bills:

S. 261. An act granting the consent and approval of Congress to the Connecticut River flood-control compact;

S. 380. An act to authorize the sale or lease by the State of Kansas of certain lands situated near Garden City, Kans.;

S. 484. An act conferring jurisdiction upon the United States District Court for the District of Colorado to hear, determine, and render judgment upon the claim of J. Don Alexander against the United States;

S. 1292. An act providing for the reconveyance to the town of Morristown of certain land included within the Morristown National Historical Park, in the State of New Jersey;

S. 1334. An act for the relief of the Reverend A. E. Smith;

S. 1545. An act to authorize the Secretary of the Army to convey certain Government-owned burial lots and other property in the Washington Parish Burial Ground, Washington, D. C., and to exchange other burial lots; and

S. 1870. An act to extend the time for filing a report by the Committee on Retirement Policy for Federal Personnel established by the act of July 16, 1952.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. KEFAUVER:

S. 2039. A bill for the relief of the city of Harriman school district; to the Committee on the Judiciary.

By Mr. SALTONSTALL (by request):

S. 2040. A bill to define service as a member of the Women's Army Auxiliary Corps as active military service under certain conditions; to the Committee on Armed Services.

(See the remarks of Mr. SALTONSTALL when he introduced the above bill, which appear under a separate heading.)

By Mr. MARTIN:

S. 2041. A bill to amend the Public Buildings Act of 1949 to authorize the Administrator of General Services to acquire title to real property and to provide for the construction of certain public buildings for housing of Federal agencies or departments, including post offices, by executing purchase

contracts, and for other purposes; to the Committee on Public Works.

By Mr. GRISWOLD (for himself and Mr. BUTLER of Nebraska) (by request):

S. 2042. A bill for the relief of J. Trinidad de Anda-Munos; and

S. 2043. A bill for the relief of Arturo Miranda Lopez; to the Committee on the Judiciary.

By Mr. SMITH of New Jersey:

S. 2044. A bill for the relief of Louise Russu Sosanski; to the Committee on the Judiciary.

By Mr. SALTONSTALL (for himself and Mr. BRIDGES):

S. 2045. A bill for the relief of Leon H. Callaway, Irwin F. Hall, Sylvester T. Harlin, Robert B. How, and Edward S. Waldron; to the Committee on the Judiciary.

(See the remarks of Mr. SALTONSTALL when he introduced the above bill, which appear under a separate heading.)

By Mr. HOEY:

S. 2046. A bill for the relief of William L. Long; to the Committee on Finance.

By Mr. SALTONSTALL (for himself, Mr. TAFT, and Mr. ANDERSON):

S. J. Res. 82. Joint resolution to provide for the reappointment of Robert V. Fleming as citizen regent of the Board of Regents of the Smithsonian Institution; to the Committee on Rules and Administration.

S. J. Res. 83. Joint resolution to provide for the appointment of Owen Josephus Roberts as a member of the Board of Regents of the Smithsonian Institution; to the Committee on Rules and Administration.

DEFINITION OF SERVICE IN WOMEN'S ARMY AUXILIARY CORPS

Mr. SALTONSTALL. Mr. President, by request I introduce for reference to the Committee on Armed Services a bill defining service in the Women's Army Auxiliary Corps.

The bill is accompanied by a letter from the Department of Defense which explains the purpose of the bill.

I ask that the accompanying letter be printed in the RECORD immediately following the listing of the bill.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 2040) to define service as a member of the Women's Army Auxiliary Corps as active military service under certain conditions, introduced by Mr. SALTONSTALL (by request), was received, read twice by its title, and referred to the Committee on Armed Services.

The letter to accompany Senate bill 2040 is as follows:

OFFICE OF THE SECRETARY OF DEFENSE,
Washington, D. C. June 2, 1953.

Hon. LEVERETT SALTONSTALL,
Chairman, Committee on Armed Services, United States Senate.

DEAR MR. CHAIRMAN: There is forwarded herewith a draft of legislation to define service as a member of the Women's Army Auxiliary Corps as active military service under certain conditions.

This proposal is a part of the Department of Defense legislative program for 1953 and the Bureau of the Budget has advised that there is no objection to the submission of this proposal for the consideration of the Congress.

PURPOSE OF THE LEGISLATION

The purpose of the bill is to grant credit for service as a member of the Women's Army Auxiliary Corps, to any person who subsequently performed active military service in the Armed Forces, as active military service in World War II.

The Women's Army Auxiliary Corps served with the Army under regulations prescribed by the Secretary of War; members were, in appropriate circumstances, subject to the Articles of War. They served in similar positions with the same responsibilities as personnel of the Army and their pay scale was similar to that of the Army. Persons in the Women's Army Auxiliary Corps were included in the term "persons in military service" and the term "persons in the military service of the United States" as used in the Soldiers' and Sailors' Civil Relief Act of 1940 (54 Stat. 1178), as amended.

Members of the WAVES, Marines, and SPARS were actually commissioned or enlisted in a reserve component and as such were serving in an active military capacity while their counterparts in the Army were considered to be an auxiliary only. The inequality of not crediting service in the Women's Army Auxiliary Corps has been strongly emphasized in connection with the involuntary and voluntary recall to extended active duty of women reservists of the armed services. Such reservists who had Navy or Marine Corps service during the same period of the Women's Army Auxiliary Corps, become entitled to more active service credit for basic pay, retirement, and separation than the recalled women reservists with Women's Army Auxiliary Corps service.

For the above reasons, it is believed that the enactment of the proposed bill is in the interests of equitable treatment of women in the services insofar as concerns creditable service for the purposes of basic pay, retirement, and severance pay.

The Department of Defense has consistently opposed the crediting of civilian or quasi-military service as active military service, but since service in the Women's Army Auxiliary Corps was military in nature, this proposal should not be construed as a precedent for the granting of similar benefits to other individuals whose service was not military in nature even though performed in an organization serving with the armed forces.

LEGISLATIVE REFERENCES

S. 3078, 81st Congress, and S. 924, 82d Congress, were bills which had a similar purpose. S. 592, 83d Congress, is a bill which has a similar purpose.

COST AND BUDGET DATA

It is estimated that the additional costs resulting from the enactment of this proposal will be nominal (Air, $57,000 per year for pay; Army, $60,000 for pay; OSD and Navy—none) which will be absorbed by the applicable available apropriations.

DEPARTMENT OF DEFENSE ACTION AGENCY

The Department of the Army has been designated as the representative of the Department of Defense for this legislation.

Sincerely yours,

JOHN G. ADAMS,
General Counsel, Acting.

LEON H. CALLAWAY, IRWIN F. HALL, SYLVESTER T. HARLIN, ROBERT B. HOW, AND EDWARD S. WALDRON

Mr. SALTONSTALL. Mr. President, on behalf of myself, and the Senator from New Hampshire [Mr. BRIDGES], I introduce for appropriate reference a bill for the relief of certain former naval personnel.

The bill is accompanied by a letter of transmittal from the Department of the Navy which explains its purpose.

I ask that the accompanying letter be printed in the RECORD immediately following the listing of the bill introduced.

The PRESIDENT pro tempore. The bill will be received and appropriately referred, and, without objection, the letter will be printed in the RECORD.

The bill (S. 2045) for the relief of Leon H. Callaway, Irwin F. Hall, Sylvester T. Harlin, Robert B. How, and Edward S. Waldron, introduced by Mr. SALTONSTALL (for himself and Mr. BRIDGES), was received, read twice by its title, and referred to the Committee on the Judiciary.

The letter to accompany Senate bill 2045 is as follows:

DEPARTMENT OF THE NAVY,
Washington, May 28, 1953.

Hon. LEVERETT SALTONSTALL,
Chairman, Committee on Armed Services, United States Senate.

MY DEAR MR. CHAIRMAN: There is enclosed a draft of proposed bill "For the relief of Leon H. Callaway, Irwin F. Hall, Sylvester T. Harlin, Robert B. How, and Edward S. Waldron."

This proposal has been approved by the Bureau of the Budget. The Department of the Navy recommends that it be enacted by Congress.

PURPOSE OF THE LEGISLATION

The purpose of this measure is to relieve the retired naval officers named therein of liability to repay to the United States certain sums of money determined to have been paid them for certain specific periods as retired pay, in violation of the provisions of the so-called dual-compensation law.

The facts and dates concerning the case of one of these officers, Irwin F. Hall, chief machinist, United States Navy (retired) are set out below, as representative of all of these cases. Each of the individuals named in the bill is in substantially the same plight as Hall, and each case has similar equities, although the sums of money involved vary considerably.

Mr. Hall, after completion of about 25 years' active duty in the Navy was, on July 2, 1946, transferred to the Fleet Reserve in the enlisted rate of chief machinist's mate. On June 1, 1950, he was placed on the retired list by reason of physical disability, and on April 5, 1951, it was determined, pursuant to section 10 of the act of July 24, 1941 (55 Stat. 605), as amended by subsection 8 (a) of the act of February 21, 1946 (60 Stat. 28), that the highest grade and rank in which he served satisfactorily in a temporary appointment during World War II was the commissioned warrant rank of chief machinist. Accordingly, he was on that day, April 5, 1951, advanced to chief machinist, retroactively effective from the date of retirement, and he was so notified.

Up to this point, the plight of Mr. Hall and the others here concerned is similar to the set of facts which prompted introduction of S. 3059 of the 82d Congress, a bill "For the relief of Harold S. Waller." Waller, and those situated like him, had been retroactively advanced to commissioned rank. They, like Mr. Hall, having been employees of the Federal Government during the time and earning from civilian employment and retired pay as an officer a total in excess of $3,000 per year, were then subject to checkage of their retired pay as a result of the operation of the dual-compensation law, section 212 of the act of June 30, 1932 (47 Stat. 406). The Comptroller General held in the case of Mr. Waller (Comp. Gen. B-108117 of May 29, 1952) that the retired pay which was received for the period prior to the date of notice of advancement on the retired list to commissioned warrant officer rank was actually paid to the recipient as an enlisted man and that the payments were legal and proper when made. Hence, it was further held that the recipient acquired a vested right to the payments received prior to notice of advancement and

that the retroactive advancement could not legally subject him, retroactively, to the provisions of the dual-compensation law, so as to divest him of his vested right to the retired pay as an enlisted man during the period prior to notice of advancement.

The application of the foregoing holding of the Comptroller General to the case of Mr. Hall relieved him of liability to repay any of his retired pay for the period from June 1, 1950, to April 5, 1951.

At the time of the notification letter to Mr. Hall, April 5, 1951, the Department of the Navy was interpreting section 511 of the Career Compensation Act as prohibiting persons in Mr. Hall's category from drawing the pay of their officer grade prior to completion of 30 years' service, which in Mr. Hall's case had not occurred at that time. Subsequent to the date of the notification letter, however, it was learned by the Department of the Navy that persons in Mr. Hall's category were entitled to the pay of their officer grades from the effective date of their advancement thereto upon retirement, but computed under the laws in effect immediately prior to the enactment of the Career Compensation Act. The Department of the Navy, however, through an unfortunate and much regretted error, did not at this time increase Mr. Hall's retired pay to that of his commissioned grade, nor was he notified of his entitlement to that increase.

Mr. Hall continued in the foregoing status until August 14, 1952, on which date he resigned his civilian position under the Federal Government, on being put on notice that he might be subject to checkage under the dual compensation provisions of law. He then discovered that for the period April 5, 1951, the date of his notification of advancement to commissioned rank, until August 14, 1952, he was not entitled to his retired pay because his retired pay as a commissioned officer when combined with the compensation from his civilian position amounted to over $3,000 per year.

It is to be especially noted that during the 16-month period, Mr. Hall, in reliance on the notification letter from the Chief of Naval Personnel, believed he was being paid retired pay on account of services as an enlisted man. Such pay is not subject to the dual compensation provisions. Further evidence of Mr. Hall's good faith can be seen in his immediate resignation from his civilian employment on receipt of notice.

The case of another retired officer so situated, Chief Electrician Edward S. Waldron, United States Navy (retired), has been presented to the Comptroller General for decision. It was believed possible that the holding referred to above (Comp. Gen. B-108117 of May 29, 1952) might be extended to the instant case. The Comptroller General held, however (Comp. Gen. B-110540 of January 2, 1953), that after the issuance of the order advancing the claimant to his commissioned rank, retired pay legally accrued to him in the rank to which advanced, and the fact that there was at the time a contra administrative view affords no basis for concluding that the claimant was not subject to the provisions of the dual compensation provisions of law from the date of the order advancing claimant to the status of a commissioned officer.

The Department of the Navy is of the opinion that to require repayment of their retired pay for the period here in question, by these five retired officers, is unjust. There appears to be no question but that each of these five officers accepted these payments in complete good faith, in reliance on representations of the Department of the Navy that they were so entitled. This Department regrets the series of circumstances which brought about this unfortunate situation and recommends enactment of the legislation for the relief of these officers.

COST AND BUDGET DATA

Enactment of this proposal would result in a cost to the Government of $9,777.96.

Sincerely yours,

JOHN F. FLOBERG,
Assistant Secretary of the Navy for Air.

INCREASE IN SALARIES OF MEMBERS OF CONGRESS, CERTAIN JUDGES, AND ATTORNEYS — AMENDMENT

Mr. JOHNSON of Colorado submitted an amendment intended to be proposed by him to the bill (S. 1663) to increase the salaries of Members of Congress, judges of United States courts, and United States attorneys, and for other purposes, which was ordered to lie on the table and to be printed.

HOUSE BILLS REFERRED OR PLACED ON CALENDAR

The following bills were severally read twice by their titles, and referred, or placed on the Calendar, as indicated:

H. R. 660. An act for the relief of Frank B. Pindle;

H. R. 674. An act for the relief of Irene F. M. Boyle;

H. R. 786. An act for the relief of Yusuf (Uash) Lazar;

H. R. 812. An act for the relief of the estate of Mrs. India Taylor Palmi Stevenson;

H. R. 819. An act for the relief of Monika Klein;

H. R. 820. An act for the relief of Mrs. Pia Biondi;

H. R. 892. An act for the relief of Betty Robertson and Irene Robertson;

H. R. 1106. An act for the relief of Hannelore Mayerl Fulbright;

H. R. 1141. An act for the relief of Gronislav Vydaevich and Leonid Zankowsky;

H. R. 1167. An act for the relief of W. A. Sampsel;

H. R. 1459. An act for the relief of Mrs. Mildred G. Kates and Ronald Kates;

H. R. 1754. An act for the relief of Dr. Manousos A. Petrohelos;

H. R. 2021. An act for the relief of Clarence R. Seller and other employees of the Alaska Railroad;

H. R. 2187. An act for the relief of Chiyoko Miki Tomono;

H. R. 2387. An act for the relief of William M. Smith;

H. R. 2413. An act for the relief of Matsue Hashimoto;

H. R. 2564. An act to make the provisions of section 1362 of title 18 of the United States Code, relating to injury to or interference with communications systems operated or controlled by the United States, applicable to and within the Canal Zone;

H. R. 2604. An act for the relief of Lauri Allan Torni;

H. R. 3623. An act for the relief of Willard Chester Cauley;

H. R. 3831. An act for the relief of Panagiotes G. Karras;

H. R. 4126. An act to continue the effectiveness of the act of December 2, 1942, as amended, and the act of July 28, 1945, relating to war-risk hazard and detention benefits, until July 1, 1954;

H. R. 4424. An act for the relief of Eleonore Friedrich McAnelly;

H. R. 4833. An act for the relief of Hormoz Mahmoud; and

H. R. 5363. An act to amend section 14 of the act of June 25, 1948, as amended; to the Committee on the Judiciary.

H. R. 4823. An act to convey by quitclaim deed certain land to the State of Texas;

H. R. 4978. An act to repeal the act of September 30, 1950, authorizing the transfer to the State of Iowa of Fort Des Moines, Iowa; and

H. R. 5340. An act authorizing the United States Government to reconvey certain lands to W. C. Palimeyer and E. M. Cole; to the Committee on Public Works.

H. R. 4505. An act to authorize the sale of certain lands to the State of Oklahoma; and

H. R. 4540. An act to authorize the sale of certain lands to the State of Oklahoma; placed on the calendar.

NOTICE OF HEARING ON NOMINATION OF AMOS J. PEASLEE, TO BE AMBASSADOR TO AUSTRALIA

Mr. WILEY. Mr. President, the Senate received today the nomination of Amos J. Peaslee, of New Jersey, to be Ambassador of the United States to Australia. Notice is given that the nomination will be considered by the Committee on Foreign Relations, after 6 days have expired, under the committee rule.

NOTICE OF HEARING ON NOMINATION OF JACOB S. TEMKIN, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF RHODE ISLAND

Mr. LANGER. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Thursday, June 11, 1953, at 10 a. m., in room 424, Senate Office Building, upon the nomination of Jacob S. Temkin, of Rhode Island, to be United States attorney for the district of Rhode Island. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of myself, chairman, the Senator from New Jersey [Mr. HENDRICKSON], and the Senator from Tennessee [Mr. KEFAUVER].

NOTICE OF HEARING ON NOMINATION OF GEORGE HARROLD CARSWELL, TO BE UNITED STATES ATTORNEY FOR THE NORTHERN DISTRICT OF FLORIDA

Mr. LANGER. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Thursday, June 11, 1953, at 10 a. m., in room 424, Senate Office Building, upon the nomination of George Harrold Carswell, of Florida, to be United States attorney for the northern district of Florida, vice George Earl Hoffman, retired. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of myself, chairman, the Senator from New Jersey [Mr. HENDRICKSON], and the Senator from Tennessee [Mr. KEFAUVER].

NOTICE OF HEARING ON NOMINATION OF CLARENCE H. SPENCE, TO BE UNITED STATES MARSHAL FOR THE DISTRICT OF DELAWARE

Mr. LANGER. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hear-

ing has been scheduled for Thursday, June 11, 1953, at 10 a. m., in room 424, Senate Office Building, upon the nomination of Clarence H. Spence, of Delaware, to be United States marshal for the district of Delaware, vice Paul B. Messick, resigned. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of myself, chairman, the Senator from New Jersey [Mr. HENDRICKSON], and the Senator from Tennessee [Mr. KEFAUVER].

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. BUTLER of Maryland:

Statement prepared by him on the subject of television channels for educational purposes.

By Mr. KILGORE:

Letters addressed to him on the subject of proposed immunity legislation.

By Mr. BENNETT:

Editorial entitled "The Sound Dollar: Mr. Eisenhower's Goal," published in the Salt Lake Tribune of May 28, 1953.

By Mr. LEHMAN:

Article entitled "Matter of Fact Talks With Foreigners," written by Joseph and Stuart Alsop in their syndicated column Matter of Fact, published in the New York Herald Tribune of June 1, 1953.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. WILEY, from the Committee on Foreign Relations:

Samuel C. Waugh, of Nebraska, to be an Assistant Secretary of State;

Llewellyn E. Thompson, Jr., of Colorado, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary to Austria, and also United States High Commissioner for Austria; and

James S. Moose, Jr., of Arkansas, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary to the Republic of Syria.

By Mr. BENNETT, from the Committee on Banking and Currency:

William D. Mitchell, of Colorado, to be Administrator, Small Defense Plants Administration.

By Mr. LEHMAN, from the Committee on Banking and Currency:

Frank A. Southard, Jr., of New York, to be United States Executive Director of the International Monetary Fund.

By Mr. WILEY, from the Committee on Foreign Relations:

Harold Shantz, of New York, a Foreign Service officer of class 1, to be Envoy Extraordinary and Minister Plenipotentiary to Rumania, to which office he was appointed during the last recess of the Senate.

CONVENTIONS WITH COMMONWEALTH OF AUSTRALIA RELATING TO EVASION OF TAXES ON INCOME, ESTATES OF DECEASED PERSONS, AND GIFTS—REMOVAL OF INJUNCTION OF SECRECY

The PRESIDENT pro tempore. As in executive session, the Chair lays before the Senate messages from the President of the United States, transmitting Executive I, 83d Congress, 1st session, a convention between the United States of America and the Commonwealth of Australia, signed at Washington on May 14, 1953, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income; Executive J, 83d Congress, 1st session, a convention between the United States of America and the Commonwealth of Australia, signed at Washington on May 14, 1953, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on the estates of deceased persons, and Executive K, 83d Congress, 1st session, a convention between the United States of America and the Commonwealth of Australia, signed at Washington on May 14, 1953, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on gifts. Without objection, the injunction of secrecy will be removed from the conventions, and the messages and conventions will be referred to the Committee on Foreign Relations, and the President's messages will be printed in the RECORD. The Chair hears no objection.

The messages from the President are as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the convention between the United States of America and the Commonwealth of Australia, signed at Washington on May 14, 1953, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income.

I also transmit for the information of the Senate the report by the Acting Secretary of State with respect to the convention. The convention has the approval of the Department of State and the Department of the Treasury.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 3, 1953.*

(Enclosures: (1) Report by the Acting Secretary of State; (2) convention between the United States and Australia relating to taxes on income.)

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the convention between the United States of America and the Commonwealth of Australia, signed at Washington on May 14, 1953, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on the estates of deceased persons.

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DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 3, 1953.*

(Enclosures: (1) Report by the Acting Secretary of State; (2) convention between the United States and Australia relating to taxes on gifts.)

UNITED NATIONS INTERNATIONAL CHILDREN'S EMERGENCY FUND

Mr. WILEY. Mr. President, on many occasions I have commented in the Senate on the crucial importance of the United Nations International Children's Emergency Fund. I believe that my position on this great humanitarian organization is so well known as not to require elaboration.

At the present time I send to the desk a series of messages which have come to me from national and local groups in my own State and elsewhere throughout the Nation. I ask unanimous consent that all of these items be printed at this point in the body of the RECORD.

There being no objection, the items were ordered to be printed in the RECORD as follows:

NEW YORK, N. Y., *May 28, 1953.*

Senator ALEXANDER WILEY,
Chairman, Foreign Relations Committee,
United States Senate,
Washington, D. C.:

The executive board, United States Committee for UNICEF, this morning resolved that it is in best interests of United States that our Government continue to support UNICEF; calls on United States Government to approve extension of UNICEF mandate as long as it continues perform useful work and enjoy confidence of governments and peoples; recommends that United States Government pledge $14 million for calendar year 1954 to UNICEF.

H. PANTALEONI,
Chairman.

GENERAL FEDERATION OF WOMEN'S CLUBS,
Washington, D. C., June 1, 1953.

Hon. ALEXANDER WILEY,
Chairman, Foreign Relations Committee, Senate Office Building, Washington, D. C.

MY DEAR SIR: Since the General Federation of Women's Clubs has from its very inception been interested in the welfare of children, and since under the UNICEF program the children of war-torn countries have had some consideration from the United States, the women of the General Federation of Women's Clubs feel very anxious about this program.

Naturally the women of this federation are concerned with reduction of expenses because it is the women of the home who come face to face with the problems of consumer goods. Regardless of this, women feel earnestly that reductions should not be made in the field of child welfare—first because children are charges of adults and we are responsible for their welfare; second because properly fed, clothed, and educated children grow up into better citizens.

For these reasons the General Federation of Women's Clubs would like to have the enclosed statement included in the record of your hearings which are to be held in the near future according to information that has come to my desk.

SALLY BUTLER,
Director, Legislative Research.

CONTINUED APPROPRIATIONS FOR UNITED NATIONS INTERNATIONAL CHILDREN'S EMERGENCY FUND

I am Sally Butler, legislative research director of the General Federation of Women's Clubs, which has a membership of five and one-half million women in the United States with a voting membership of 815,000. The General Federation supports or opposes legislation only after it has been given authority to do so through resolutions adopted at national conventions.

All except emergency resolutions are mailed in the Convention Call to member clubs 6 weeks before the national meeting. This enables them to take action and, if desired, instruct their delegates.

The General Federation of Women's Clubs, composed as it is of many of the mothers of the United States of America and of the world, deplores the fact that there has been an inclination on the part of Congress to cut the appropriation which has been set up to care for the children whose lives have been shattered by the evils of and aftermath of wars.

As American women our members in the United States are aware that we must balance the budget of the United States Treasury. But we feel certain it is not a good policy to let the children who need rehabilitation and proper care suffer further. We believe such a policy would likely result in losing friends for the United States rather than making friends. We know you cannot buy friendship. We know, too, if we help to feed, clothe, and educate, we make it possible for children to grow up into healthy young people. The knowledge that the United States of America helped them when they needed aid most will likely cause them to become citizens who will understand that the United States has no greedy purposes. These young people who are tomorrow's citizens will know the true greatness of our beloved country.

We, therefore, feel that the United States should continue to participate in the work of UNICEF by continuing its contribution to the fund, and would urge authorization for the full amount as it appears in the 1954 legislation being considered.

LEAGUE OF WOMEN VOTERS,
Madison, Wis., May 22, 1953.

The Honorable ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: So that you may know of the action in regard to appropriations to the United Nations International Children's Emergency Fund taken by the League of Women Voters at its State convention this week we are sending you the text of a telegram sent to Secretary of State Dulles and to Wisconsin Congressmen DAVIS and LAIRD. Our telegram read:

"The League of Women Voters of Wisconsin in convention assembled urges the immediate appropriation of the remainder of those funds authorized for the UNICEF by the 83d Congress. Sixteen million four hundred and eighty-one thousand dollars was authorized and only $6,666,667 so far appropriated. The invaluable program of the U. N. Children's Fund is in danger of collapse. Other nations have been increasing the size of their donations and services to the fund. The humanitarian and constructive aspects of the work for 60 million underprivileged and suffering children in the less developed areas of the world are everywhere recognized, and the United States contribution to this far-reaching U. N. agency creates good will throughout the world."

Yours very truly,
CARROLL GUNDERSEN
(Mrs. Alf H. Gundersen),
President.

THE FIRST METHODIST CHURCH,
Green Bay, Wis., May 27, 1953.

Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: It has come to my attention that our Government is not giving adequate support to the United Nations International Children's Emergency Fund. It seems to me that here is one place where we must act quickly. Starving children can't wait. We as a nation will not be able to hold up our head with the rest of the nations in a position of respect if we are not willing to help the children of the world.

I urgently request you to do what you can to see that our Nation supports amply this program.

Feeling certain that you will see the wisdom of this course, I am,

Very sincerely yours,
WILLIAM A. RIGGS,
Pastor.

GREENDALE, WIS., *May 28, 1953.*

The Honorable Senator ALEXANDER WILEY,

DEAR SIR: We have just finished reading an editorial about the United Nation's International Children's Emergency Fund in the June issue of the Parent's magazine. We feel that it is our obligation to see that the $9,814,000 authorized by the last Congress for the UNICEF, be appropriated as soon as possible. Will you please vote aye for the appropriation and do whatever you deem possible for the continuing adequate support of the fund by the United States.

Sincerely,
Mr. and Mrs. CLARENCE FREITAG.

UNIVERSAL GUARANTEED DISARMAMENT—UNANIMOUS CONSENT AGREEMENT

Mr. FLANDERS. Mr. President, being mindful of the practice of the Senate not to have a prolonged morning hour, I ask unanimous consent, if it is appropriate to do so, that immediately following the transaction of routine business I may have the privilege of submitting a resolution and of speaking on it for not more than 14 minutes.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Vermont, that immediately following the transaction of routine business the Senator from Vermont have the floor for the purpose of submitting a resolution and addressing the Senate for not more than 14 minutes? The Chair hears none, and it is so ordered.

AMERICANS OF ITALIAN EXTRACTION AND THE ITALIAN ELECTIONS

Mr. KENNEDY. Mr. President, as the junior Senator from Massachusetts I have the honor to represent several hundred thousand Americans of Italian extraction, many of whom immigrated to the United States directly or are the sons and daughters of Italians who came here at the turn of the century to build their homes and raise their families. They have made a singular contribution to the life of our States and country. They have a deep devotion to God and to democratic principles. They are the strong links in the chain that has bound us to Italy.

In 1948, they helped through letters to their friends and families to prevent the Communists from seizing control of Italy. They are writing and cabling again in 1953, and I urge them to continue through the remainder of this vital week.

We have no desire to interfere in the affairs of the Italian people and they have repeatedly shown that they are wholly capable of managing their own destinies, but we do want them to know that we are thinking of them, and that we have faith that they will continue to march with the free nations of the world.

The PRESIDENT pro tempore. Morning business is closed.

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE APPROPRIATIONS, 1954

The PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business, which is House bill 4974, the State, Justice, and Commerce appropriations bill.

The Senate resumed the consideration of the bill (H. R. 4974) making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Louisiana [Mr. ELLENDER], proposed as a substitute for the part of the committee amendment inserting certain words on page 34 between lines 4 to 24.

Under the unanimous-consent agreement, the Senator from Vermont has the floor for 14 minutes.

UNIVERSAL GUARANTEED DISARMAMENT

Mr. FLANDERS. Mr. President, on February 26, 1951, a little more than 2 years ago, a resolution calling for universal guaranteed disarmament was read on this floor, and a number of Senators spoke in favor of it. At this time, more than 2 years later, I am submitting a second concurrent resolution for guaranteed disarmament, and I am joined in it by the following cosponsors: Mr. SPARKMAN, Mr. BRICKER, Mr. BUTLER of Maryland, Mr. CASE, Mr. COOPER, Mr. DOUGLAS, Mr. DUFF, Mr. FERGUSON, Mr. GILLETTE, Mr. HENDRICKSON, Mr. HILL, Mr. HUMPHREY, Mr. JOHNSON of Colorado, Mr. KEFAUVER, Mr. KENNEDY, Mr. LANGER, Mr. LEHMAN, Mr. MANSFIELD, Mr. MARTIN, Mr. MORSE, Mr. MUNDT, Mr. MURRAY, Mr. NEELY, Mr. PAYNE, Mr. PURTELL, Mr. SALTONSTALL, Mrs. SMITH of Maine, Mr. SMITH of New Jersey, Mr. THYE, Mr. TOBEY, Mr. JACKSON, Mr. FULBRIGHT, and Mr. MONRONEY.

While the earlier resolution was never acted upon by the Senate or by the House, and while it was never even reported from committee, it nevertheless had its effect. It played its part in getting guaranteed disarmament adopted as a definite policy by our Government. This, in turn, played a deciding part in having a committee on disarmament set up in the United Nations. That committee very properly combined the committee for the control of conventional weapons and armed forces with the new responsibilities for the control of atomic weapons.

Every 2 years the complexion of Congress changes by elections for all the Members of the House and for one-third of the membership of this body. Every 4 years a presidential election is held, and in 1952 this resulted in a Republican victory, so that we have a completely new administration. In view of the changes in the House and Senate and the complete change in the administration, it seems important and timely for the Congress again to consider a disarmament resolution, in order that the United Nations may know that we continue to be of the same mind as before, and in order that our own people may be reassured that there has been no change in policy with the coming of new faces into the administrative and legislative branches of our Government.

In the more than 2 years that have passed, the Disarmament Commission has been set up in the United Nations. The Soviet Government and its captive satellites continue their opposition to a guaranteed disarmament. Yet the evils of the continued armament race not only remain but grow.

The people of the Soviet and its satellites are burdened beyond any easy stretch of the imagination by the weight of the tremendous percentage of the total effort these countries are putting into the preparation of arms and armaments and the maintenance of armed forces. Our Western allies are burdened also by the existing military requirements. Alone among the great powers, we have been able to maintain a high standard of living simultaneously with a heavy defense effort.

Yet in spite of our ability to produce both guns and butter, to use a familiar phrase, our people are in this armament race from grim necessity, not from any warlike desires or policies.

Our people know that we desire nothing that the Soviet Government or its satellites possess in the way of territory, natural riches, industrial equipment, or any other thing. We desire only to live in peace with all peoples, and we hope that they desire to live in peace with us.

It is incredible that we should be pitted against each other, to the spiritual harm and economic disadvantage of all of us, when the means for insuring peace and prosperity can so directly be attained by means of supervised disarmament, to the attainment of which this resolution is aimed.

Mr. President, I shall now proceed to read the concurrent resolution:

"Whereas the peoples of the earth are plunged into an accelerating armament race, which imposes crushing burdens on their economic well-being, threatens their lives, and impinges on their basic freedoms; and

Whereas the American people and their Congress ardently desire peace and the achievement of a system under which armaments can be rendered unnecessary while at the same time the national security of our own and other nations will be protected; and

Whereas armaments can only be eliminated if all nations, without exception, reach agreements looking toward universal disarmament covering all weapons down to those needed for the maintenance of domestic and international order and if these agreements provide for progressive disarmament and enforcement operating under law agreed upon through an international agency; and

Whereas until such secure international disarmament agreements are reached, both the security of the United States and its ability to espouse the cause of peace depend in good part upon its continued military strength; and

Whereas the Congress has heretofore declared its intention to continue to exert maximum effort to obtain agreements to provide the United Nations with armed forces, as contemplated in the charter, and agreements to achieve universal control of weapons of mass destruction, and universal regulation and reduction of armaments, including armed forces, under adequate safeguards to protect complying nations against violations and evasions: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it continues to be the declared purpose of the United States to obtain, within the United Nations, agreements by all nations for enforceable universal disarmament, down to those arms and forces needed for the maintenance of domestic order, under a continuing system of United Nations inspection, control, and international police protection; to this end, be it further

Resolved, (1) That the President continue to search for a practical program for complete enforceable world disarmament, including efforts to solve the scientific and technical problems involved in the effective control and elimination of atomic and other weapons capable of mass destruction, and also to explore whether or not changes in the United Nations Charter may be required for the achievement and enforcement of world disarmament, and whether existing United Nations agencies, such as the Disarmament Commission, could be more fully utilized.

(2) That the President (a) develop a plan for the transfer of resources and manpower now being used for arms to constructive ends at home and abroad; and (b) recommend similar action to the United Nations and member states, such plans to give due consideration to the possibilities for vastly increased trade with other nations, and to the vital share which the United States and other nations should undertake in helping to overcome hunger, disease, illiteracy, and despair which have been among the prime causes of past wars.

Resolved, That the United States proposals and endeavors for world disarmament be repeatedly and continuously made known to our own people and to the world as evidence of our honest determination to achieve world peace, and as an incentive to the peaceful aspirations of other peoples.

Resolved, That copies of this resolution be transmitted to the President of the United States, to the Secretary of State, to the Secretary General of the United Nations, and to each United Nations delegate, and that copies be transmitted to the presiding officer of every national parliament, congress, and deliberative assembly throughout the world.

Mr. President, I submit the concurrent resolution for appropriate reference.

The PRESIDING OFFICER (Mr. HENDRICKSON in the chair). The concurrent resolution will be received and appropriately referred.

The concurrent resolution (S. Con. Res. 32), submitted by Mr. FLANDERS (for himself and other Senators), was referred to the Committee on Foreign Relations.

Mr. CASE. Mr. President, will the Senator from Vermont yield?

Mr. FLANDERS. I yield.

Mr. CASE. I should like to commend the Senator from Vermont upon having submitted the concurrent resolution, and having taken the leadership in saying to the peoples of all the world, not merely to the people of the United States, that there is a ray of hope; that we do not accept war as inevitable, and that we do not accept the increasingly costly program of competitive armaments as the only thing the Congress can offer as an insecure alternative.

Mr. President, the increasingly competitive situation in the matter of world armaments is discouraging. The mounting cost of the race in the production of airplanes, atomic bombs, and other means of accomplishing destruction is such that if that race is to continue the world can only expect bankruptcy or war, and war, of itself, would mean bankruptcy, and would create problems which would be more difficult perhaps than those with which the war began.

Mr. President, the world learned, or should have learned, as the result of World War II, that war creates problems involving enormous expenses and which are seemingly more difficult of solution than those which existed at the time the war started.

So, Mr. President, the effort of the Senator from Vermont should be commended as indicating our intention to try to find an alternative to the continual round of competition in arms.

We shall continue, of course, to develop a position of strength to deter and discourage aggression and to be able to speak effectively in world councils, but we shall also seek ways to free the people of the world from a competitive race in arms. I applaud the Senator from Vermont for his efforts in this direction.

Mr. FERGUSON. Mr. President, will the Senator from Vermont yield?

Mr. FLANDERS. I yield.

Mr. FERGUSON. Mr. President, I desire to compliment the Senator from Vermont for submitting a concurrent resolution designed to promote disarmament. I believe the people of America and the people of all other countries should exert all their available driving force to bring about disarmament. In my opinion, every effort should be made to get the peoples of the world to believe in disarmament, and to wean them away from the idea that their problems can be settled by war. The last two wars have demonstrated, I believe, that, though it is possible to win on the battlefield, in the skies, and on the sea, the final victory must come in the winning of the minds of men.

I hope the concurrent resolution submitted by the distinguished Senator from Vermont will lead the way, not only for the Congress, but for all the nations and peoples of the world to drive forward to a solution of their problems, not by means of the sword, but by peaceful means. I fervently hope we shall be able to achieve that goal.

Mr. MARTIN, Mr. KEFAUVER, and Mr. SALTONSTALL addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Vermont yield, and if so, to whom?

Mr. FLANDERS. I shall yield first to the distinguished Senator from Pennsylvania, but, before doing so, I should like to say that the support given to the concurrent resolution, both by way of signatures and by way of comments on the floor of the Senate, is most important and most useful, and will assist in assuring both foreign nations and the people of our own country that we mean what we say.

I now yield to the Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. MARTIN. Mr. President, I wish to comment most favorably on the attitude of the Senator from Vermont. He deserves both commendation and support. I should like to say that I believe the people of America must soon determine whether our greatest danger lies in the threat of aggression on the part of communism from without, or in insolvency from within. Insolvency would mean distress and chaos.

Mr. President, I have supported and worked for a strong military organization all my life, and I have sincerely felt that great military power on the part of the United States would result in peace for the world. However, the last two World Wars, and the possibility of a third, have convinced me that it is impossible for us to become sufficiently strong to achieve that goal; indeed, it is almost impossible to provide sufficient money to assure an adequate defense. The defense of a people, Mr. President, must be within the minds of the people.

If we in America will all get behind the resolution submitted by the distinguished Senator from Vermont, and will think in terms of peace, I believe our attitude will come to be accepted across the seas, and our fervent hope for peace throughout the world may be realized. If the present armament race continues, all the nations of the world will go bankrupt; and that would mean chaos. I again commend the distinguished Senator from Vermont for his timely action.

Mr. FLANDERS. I thank the Senator from Pennsylvania.

The PRESIDING OFFICER. The Chair regrets to announce that the time of the Senator from Vermont has expired.

Mr. SALTONSTALL. Mr. President, I ask unanimous consent that the time of the Senator from Vermont be extended for 30 seconds, to permit me to join with him.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Massachusetts?

Mr. SPARKMAN. Mr. President, I shall not object, but I should like to submit a unanimous-consent request that the Senator from Vermont be allowed to retain the floor for sufficient time to allow several of us, who desire to do so, to comment on the concurrent resolution. It is a very important measure. If I may, I should like to ask unanimous consent that the Senator from Vermont be allowed to retain the floor for not more than 15 minutes, so as to allow Senators, who may desire to do so, to ask questions.

Mr. SALTONSTALL. Mr. President, I withdraw my request.

The PRESIDING OFFICER. The Chair agrees with the Senator from Alabama that this is a very important matter. Without objection, the request of the Senator from Alabama is agreed to.

Mr. SALTONSTALL. Mr. President, I am glad to join the Senator from Vermont in his concurrent resolution, and to associate myself with his remarks on the subject covered by it. One of our most important obligations today is to convince the people of the world that we are not arming ourselves for aggressive purposes, and that we desire to disarm ourselves as quickly as possible, consistent with security. That is the objective of the concurrent resolution, and I am glad the Senator from Vermont has submitted it.

Mr. KEFAUVER and Mr. SPARKMAN addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Vermont yield, and if so, to whom?

Mr. FLANDERS. I yield first to the distinguished Senator from Tennessee.

WE STAND BEHIND THE PRESIDENT

Mr. KEFAUVER. Mr. President, I am happy to associate myself with the distinguished Senator from Vermont [Mr. FLANDERS], the able Senator from Alabama [Mr. SPARKMAN], and other Senators in submitting the concurrent resolution. I congratulate them upon the leadership they have shown.

I consider this resolution a necessary supplementary step to the proposals of President Eisenhower in his address before the American Society of Newspaper Editors. In that address the President outlined a broad foreign-policy program which included the control of armaments and atomic weapons. He declared that success in that program would release the productive energies of the world for constructive, rather than destructive, uses, thereby further promoting peace in the world. The President said:

> The peace we seek, founded upon decent trust and cooperative effort among nations, can be fortified—not by weapons of war—but by wheat and by cotton; by milk and by wool; by meat and by timber and rice.

Let us by this concurrent resolution show the other governments of the world that the Congress of the United States stands firmly behind our President in his desire to secure peace through cooperation with other nations.

Let us show that the most powerful nation of the world abhors war and that it considers war no longer a weapon of power, but an instrument of suicide.

Let us, by our actions here, seek to lift the hearts and minds of men everywhere to a goal and a program that is as bold creatively as the atom bomb is destructively.

Mr. SPARKMAN. Mr. President, will the Senator from Vermont yield?

Mr. FLANDERS. I yield to the Senator from Alabama.

Mr. SPARKMAN. I desire to express to the distinguished Senator from Vermont my appreciation of his taking the leadership in submitting the concurrent resolution. I have been happy to join with him in so doing, and I am delighted that so many Members of the Senate, on both sides of the aisle, with no view of partisanship whatever, have also joined with the Senator from Vermont.

I take pleasure, Mr. President, in recalling that when the late distinguished Senator from Connecticut, Brien McMahon, offered his resolution on June 6, 1950, I joined with him in that resolution. It may be recalled that he made a stirring speech on the floor of the Senate in which, for the first time, he invited the attention of the world to the real possibility of peace if the peoples of the world were relieved of the tremendous burden of carrying on an armaments race. Certainly, if that was true at that time, it is now even more true.

Not very long after the speech of the then Senator from Connecticut I was appointed a delegate to the United Nations. I had the distinction, the honor, and the privilege of representing our Government as a delegate to the Fifth General Assembly. I was a member of the Economic Committee. I well recall that when in that committee I presented the views of the United States Government, there was discussed the tremendous burden which had been imposed upon us because the great powers of the world had not found it possible to work together after they agreed on the charter of the United Nations. At that time I threw out this challenge—and I did so with the full accord of the United States Government—that if all the nations of the world would join with us in a work-

able plan whereby it would be possible to bring to an end the terrible armaments race, we would be willing to share a goodly part of the savings effected thereby with other nations in helping them to help themselves in conserving their resources.

Mr. President, during the time I served as a delegate to the United Nations, I became impressed with the idea that a great portion of the world, not just the large nations of which we so often speak, but the great majority of the nations and of the peoples of the world, was afraid of the armaments race in which the world has become engaged.

I have never subscribed to the idea that the United States as a nation was warlike or wanted war. I know we want peace. Yet, Mr. President, Russia and her satellites have succeeded in instilling in the minds of people in many areas of the world the idea that we are warlike. I have sometimes thought that in the great program and undertaking of building up the defenses of the free world it is likely to be forgotten that the ultimate objective which we are always seeking is a peaceful world. I believe this resolution, in which I have the honor to join with the distinguished Senator from Vermont and with many other Senators, points again to that ultimate objective. It serves notice on the world that we are ready to stop the armaments race whenever it becomes possible to do so safely and honorably and are prepared to join with the other nations of the world in building permanent peace and prosperity.

Mr. President, I ask unanimous consent to include at this point in my remarks an article which appeared in several newspapers. It is dated Princeton, N. J., May 26. It is a Gallup poll which shows the attitude the people of the country take toward this kind of a program.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ARMS SAVING BACKED FOR POVERTY USE

(By George Gallup)

PRINCETON, N. J., May 26, 1953.—President Eisenhower's proposal to devote a substantial part of any savings achieved by real disarmament to worldwide human betterment meets with the approval of a substantial majority of Americans.

A coast-to-coast institute survey finds that virtually 2 out of every 3 voters—65 percent—stand ready to join with other nations in such a plan, 26 percent are opposed, and 9 percent express no opinion.

Here is the question which interviewers asked:

"If defense spending can be safely cut, would you favor or oppose having the United States, along with other nations, use part of the money they would save to help the needy countries of the world?"

The vote	*Percent*
Favor	65
Opposed	26
No opinion	9
Total	100

Opinion on the question is relatively uniform throughout the various major segments of the population.

College-trained people are more inclined to favor the proposal than are persons with less formal education, as the following table shows:

	College	High school	Grade school
	Percent	*Percent*	*Percent*
Favor	74	65	61
Opposed	21	26	28
No opinion	5	9	11
Total	100	100	100

There are two especially interesting aspects of today's survey:

1. This is one of those rare issues on which both rank-and-file GOP and Democratic voters see exactly eye to eye, with 65 percent in each group voting in favor.

2. The occupational group most in favor of the plan is the Nation's farmers, with 74 percent approving. Next comes the professional and business group, with 71 percent in favor.

Mr. SPARKMAN. Mr. President, I thank the distinguished Senator from Vermont, first for taking the leadership in this matter and, second, for yielding to me at this time for these few remarks.

Mr. LEHMAN. Mr. President, will the Senator from Vermont yield?

Mr. FLANDERS. I yield to the Senator from New York.

Mr. LEHMAN. Mr. President, I congratulate the Senator from Vermont and the Senator from Alabama for their leadership in preparing and presenting this resolution, of which I am very proud to be a cosponsor. I think it is timely and fitting, and it represents the views and the mood of the American people. I have been one of those who have been strongest in advocacy of full military strength so long as the threat of Soviet aggression remains. I shall continue to be a strong advocate of such policy. I believe we should be making a great mistake, so long as the threat of aggression persists, if we failed to keep ourselves and our allies as strong militarily as we possibly can. At the same time I realize perfectly well that the fight against Soviet aggression, against the threat that undoubtedly exists, should not be made solely by military strength.

So, Mr. President, as we go along in the months and possibly the years which lie ahead to maintain our military strength as I believe we must we should simultaneously make every effort, as has been suggested by this fine resolution, to win the hearts and minds of the peoples of the free world and to convince them and the people of Russia and her satellites that we have no warlike designs, but are willing to make sacrifices for peace in the same degree we have been willing to make sacrifices for our own military defense. I think there is nothing more important than, first, to keep the door wide open for peaceful settlement of every difference that divides the countries of the world, and, second, aggressively to fight for peace by proving our good faith and our desire for peace.

I again wish to congratulate the distinguished Senator from Vermont.

Mr. FLANDERS. I thank the Senator from New York.

Mr. HUMPHREY. Mr. President, will the Senator from Vermont yield?

Mr. FLANDERS. I yield.

Mr. HUMPHREY. Mr. President, I rise to join with my colleagues in commending the Senator from Vermont for his resolution and for the spirit in which he has offered it. I fully agree with its purpose and objective. I happen to be one who joined with the Senator from Vermont and other Senators in sponsoring this resolution as an expression of policy and of faith on the part of the Government of the United States.

I regret to say that during recent years all too often our country has lost its initiative as being a nation working in behalf of peace. The initiative at times has been lost because of the subtle propaganda and strategy of the Communist conspiracy and the propaganda forces of communism which Russia has been able to rally. To me it has always seemed somewhat paradoxical that the Soviet propagandists who represent the warmakers should be able to cloak themselves in the disguise of peacemakers. It has always been somewhat alarming, to me, that those who practice regimentation should be those who appeal to other peoples of the world in the spirit of liberty.

In an era of warmaking, I believe this resolution will do much to reassert again American leadership as a peace-loving nation.

The people of the world look to the United States as a nation of compassion, generosity, service, fair play, and equality. Our secret weapon has never been the atomic bomb; our strength has never been in our Armed Forces. It has been in the spirit of human liberty for which America stands, and in our generosity, kindness, and humaneness which have permeated the history of this land.

Think, Mr. President, what a wonderful world this could be if the energies which are now directed to making instruments of destruction could be directed to the making of instruments of peace and construction. Imagine what we could do in the work of preventing disease and eradicating the causes of poverty if we were to turn our energies and the great knowledge of modern mankind upon the solution of these great problems. Think what we could do for education and for better health for millions of people throughout the world if we spent a fraction of the money we now spend on armaments for education and for the physical welfare of mankind.

I believe, Mr. President, we can take hope from the resolution which is now before the Senate, which literally demands that we turn our swords into plow shares and use our energy and spirit for the good of all mankind.

I heartily commend the Senator from Vermont for his resolution. No Senator in this body could better sponsor it because of his own spirit and his own sincere attitude in the field of world peace.

Mr. FLANDERS. I thank the Senator from Minnesota.

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. BRICKER. I wish to thank the Senator from Vermont for the opportunity that has been given to me to

join with him in submitting the concurrent resolution. I had not read the resolution, since it had not been called to my attention.

Mr. FLANDERS. That was due to my oversight.

Mr. BRICKER. A series of experimental bursts of atom bombs has just been finished in the great western part of our country. No one but scientists can understand fully the destructive effects of those instruments of war. With these bonds, we have the power today to obliterate nations, and the temptation to do so at this hour is greater than ever before in history.

I sincerely hope that the resolution will be given consideration by the Senate, and be brought to the attention of all the nations of the world. I thank the Senator from Vermont for permitting me to join with him in submitting it.

Mr. FLANDERS. I concur particularly in the words which the Senator from Ohio has just spoken.

Mr. President, I hold in my hand scores of statements, most of them brief, but all of them supporting the idea of guaranteed disarmament. Their very volume attests to the widespread and great interest in this subject. I ask unanimous consent that the statements may be printed in the body of the RECORD following my remarks.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

AMERICAN ASSOCIATION FOR THE UNITED NATIONS

THE GOAL: DISARMAMENT

Progress toward disarmament is clearly dependent upon progress toward collective security and political settlements. While recognizing that armed strength is necessary to defend freedom in an armed world, our goal is the abolition of war.

The United States must give new emphasis to its efforts for agreement in the United Nations Disarmament Commission. The struggle for a progressive reduction of armaments, both atomic and conventional, secured through United Nations inspection, verification and control, is of the highest urgency.

Effective world disarmament would release vast sums which could be directed toward raising standards of living and relieving human misery throughout the world. In anticipation of armament limitation the United States should plan now for the redirection of resources and personnel to constructive purposes.

No nation in this atomic age can be indifferent to the threat to its survival inherent in total war. In the interest of common survival all nations must quicken their efforts within the United Nations if they are to free the world of the burdens and fears of armaments and the scourge of war. (Resolution adopted at Washington, D. C., March 3, 1953, at the third annual conference on United Nations Responsibility for World Leadership called by the American Association for the United Nations.)

The New England Conference of the Methodist Church meeting in Melrose, Mass., May 20–24, 1953, passed the following resolution:

"UNIVERSAL DISARMAMENT AND WORLD REHABILITATION

"We endorsed the general proposal for reduction and elimination of armaments and the use of part of the funds saved for world reconstruction and rehabilitation, as outlined in the President's speech of April 16, 1953, and urge our Senators and Representatives to give support to the measures introduced to advance this program."

Methodist: We must keep disarmament before the nations as they seek an alternative to war. We seek firmer grounds of security in mutual understanding, international cooperation, and the use of our economic resources for better standards of living throughout the world (resolution adopted by the 1952 general conference).

SOME STATEMENTS AND RESOLUTIONS ON WORLD DISARMAMENT BY NATIONAL ORGANIZATIONS

1. AMERICAN BAPTIST CONVENTION

"Whereas a congressional group composed of prominent members of both political parties has introduced a resolution urging the President to place a permanent invitation before the United Nations to join in action moving toward universal disarmament of all weapons: Therefore be it

"*Resolved*, That we heartily endorse this high aim, and petition our President and the Congress to take the necessary steps through the United Nations to halt the vast armament race before it is too late by supporting a call for a world conference on disarmament." (From resolutions adopted by the Council on Christian Social Progress of American Baptist Convention, June 1951.)

2. AMERICANS FOR DEMOCRATIC ACTION

"For the immediate future the United States faces a host of issues in the United Nations. Among the most urgent needs are:

"1. Persistent efforts as pointed out by President Truman to the United Nations to promote universal and effective disarmament, inclusive of all weapons of war, not only to stop a suicidal armaments race and thus to move toward peace, but to release the resources so desperately needed to attack hunger, disease, and ignorance throughout the world. Only thus can the United Nations meet the demands of peoples who might otherwise in desperation turn to the false salvation offered by totalitarian forces." (From statement of foreign policy in March 1951 issue of ADA World.)

3. AMERICAN FRIENDS SERVICE COMMITTEE

"Armaments are both a symptom and a contributing cause of international tensions. Their very existence is evidence of distrust and suspicion and a cause of additional anxiety. The great expansion of a suspicion-breeding secrecy on both sides of the Iron Curtain during and since World War II has created additional uncertainty and insecurity. In a dilemma where suspicion breeds armaments and armaments augment suspicion, successful negotiation at any point may help break the vicious circle. In the world of 1952 an agreement in Korea or Germany would certainly help the disarmament discussions, but the reverse of this would also be true. This being the case, real progress toward peace requires new efforts to reduce armaments drastically without delay. Whichever way we turn, we are aware that the major problems facing the United Nations are bound up with and rendered more insoluble by armaments. It is for this as well as for religious and moral reasons that we believe mankind's next step is to disarm, and that the time for disarmament is now." (From Toward Security Through Disarmament, a report prepared for American Friends Service Committee, 1952.)

4. AMERICAN UNITARIAN ASSOCIATION

"Whereas peoples of the world desire positive action which promotes peace; and

"Whereas a stable program for peace depends largely upon programs on the issues of trade, commerce, poverty, civil liberties, self-government, and national independence under the Charter of the United Nations: Therefore be it

"*Resolved*, That the American Unitarian Association commends the efforts of the American Friends Service Committee in initiating programs of peace and that this association joins with the Friends in support of their declaration that a "worldwide attack on poverty, disease, hunger, and outworn social and economic patterns must be launched simultaneously with renewed effort toward disarmament and the establishment of world law." (Passed by the Unitarian Association, May 27, 1952.)

5. AMERICAN VETERANS COMMITTEE

"We recognize that an arms race among nations, because it increases world tensions to the point where a just and peaceful settlement of differences is made well-nigh impossible, and because it creates a self-sustaining spiral of arms and more arms almost inevitably leads to war. Therefore we maintain that it should be the permanent policy of the United States to champion the cause of complete world disarmament with effective international inspections. We maintain further that our Government should work relentlessly to sell such a program to all the peoples and governments of the world, with all the ingenuity, vigor, and forcefulness at its command, through the United Nations and via all the propaganda media at its disposal." (From international affairs program adopted at the fifth national convention, New York City, 1951.)

6. CATHOLIC ASSOCIATION FOR INTERNATIONAL PEACE

"The organization of the United Nations was and is the greatest step forward in the effort to maintain national security and international peace through international cooperation. So far as it is or can be effective the United Nations, as well as its specialized agencies, should be given every support.

"The development of the United Nations into an effective organization for the maintenance of international peace and security means the amendment of the Charter to compel submission of all international justifiable disputes to adjudication by law and to maintain international peace and security.

"Pending the achievement of these aims all the potentialities of the United Nations and the Specialized Agencies should be explored and made use of toward the elimination of violence in the settlement of international disputes." (From the Catholic Association for International Peace pamphlet: toward an Integrated World Policy, 1950.)

7. CHAMBER OF COMMERCE OF THE UNITED STATES

"The possible possession of atomic and even more powerful weapons by many nations adds new emphasis to the need for effective international control of atomic energy. We believe that while there can be no compromise on the principle of a truly effective control which will make surprise atomic attacks impossible, every avenue should be explored in the hope of reaching agreement.

"In this we are in accord with the General Assembly of the United Nations, which, on November 23, 1949, passed a resolution stating its conviction that an international cooperative effort can avoid the dangers of use of atomic energy for war and hasten its development for peaceful ends, and calling upon Government to do everything in their power to make possible, by the acceptance of international control, the effective prohibition and elimination of atomic weapons." (From Declarations on International, Commercial and Political Policy, Chamber of Commerce of the United States, 1952.)

8. FEDERATION OF AMERICAN SCIENTISTS

"The evident progress in thermonuclear weapons research reported by the ARC and the press drives home with renewed force the

need for some alternative to the present armaments race. We may be sure that we are not the only country engaged in such research. We must have no illusions of security based on monopoly of a superweapon. In fact, no nation is secure against the hydrogen bomb and our people must realize that the threat is nowhere greater than here. The kind of security we need and want can be had only by building a stable peace.

"Our country must distinguish between the false security of bombs and the genuine security, which requires a slow, step-by-step, but positive approach to peace by mutual agreement, by gradual disarmament, and by a worldwide economic reconstruction and development.

"The nations of the world are loading the balance with a terrible weight for destruction. A greater weight must now be found for the side of real security and peace.

"Almost 3 years ago we urged establishment of a top-level commission with broad perspective to make a fresh start on our atomic policy. A State Department advisory panel has this objective in part and a release of their finding is eagerly awaited. The entire problem must be a matter of the first and most urgent consideration by the new administration. Efforts toward international atomic control must be pushed forward in spite of present obstacles. The AEC announcement is a sober and grim reminder to the world that a way must be found to prevent the use of these and even more potent weapons to come." (Text of statement by Dr. Jules Halpern, chairman, Federation of American Scientists, November 1952.)

9. FRIENDS COMMITTEE ON NATIONAL LEGISLATION

"We would encourage the systematic development of enforceable world law in the field of disarmament. This would include the power to supervise a universal program of disarmament, to administer effective inspection anywhere as insurance against the rearming of any nation, to prohibit the manufacture or possession of weapons not required for internal policing, to apprehend and bring to trial in world courts individuals or groups who violate world law in respect to the manufacture of illegal weapons or who violate other provisions for a disarmed world.

"Among the steps toward general disarmament we would recommend—

"(a) That the United States take the initiative in the United Nations in urging world disarmament. Our Government should come forward with a comprehensive plan for world-wide disarmament of all nations down to internal policing levels with effective supervision and inspection. Careful preparation should be begun now for the calling of an international disarmament conference.

"(b) That the United Nations be urged to establish an international commission to study the present armament burden on civilian economies and to determine how such expenditures can be shifted from unproductive military use without creating serious repercussions in employment and business activity.

"(c) That international agreements should be concluded—to abolish conscription; to eliminate weapons of mass destruction and preparation for bacteriological warfare; for the internationalization and demilitarization under the United Nations, of strategic waterways and the polar regions." (From Statement on Legislative Policy for 1951.)

10. NATIONAL COUNCIL OF CHURCHES OF CHRIST IN THE UNITED STATES OF AMERICA

"The National Council of the Churches of Christ in the United States of America believes it is essential that the United States exercise its moral leadership by demonstrating its determination to discover and develop peaceful alternatives to war.

"We welcome, therefore, the disarmament proposals laid before the General Assembly of the United Nations (November 18, 1951) by the United States, Great Britain, and France. Without presuming to pass judgment on the specifics of these proposals we believe they constitute a satisfactory basis for a workable program of progressive disarmament. Bold action by the General Assembly will be required if the race in armaments is to be stopped and the drift toward war arrested.

"We recognize that, pending the acceptance by all nations of a trustworthy system whereby all armaments, including atomic weapons, can be placed under international control, it is unavoidable that the United States should strengthen its military defenses. Our recognition of this fact, however, must not be construed to mean that we are ignorant of, or indifferent to, the dire consequences that may befall our own and other nations unless the race in armaments now under way can be stopped.

"As the production of atomic weapons is accelerated the danger will increase that these weapons may some day be used. As the race in armaments continues, the more likely it is that reliance upon military power will provoke some nation to precipitate the very conflict which these armaments were designed to prevent. We are fearful lest there deepen in our country, a disposition to place primary reliance upon the preponderance of military strength; to subordinate the civil to the military in the formulation of policy; and to despair of the possibility of composing differences between the United States and the Soviet Union by means other than war. It would be a calamity if the people of other lands who, in times past, looked to our country for moral leadership, were to conclude that the United States had abandoned the search for peaceful alternatives to war.

"It is a matter of record in which we take pride that the United States, on many occasions, has declared its readiness to participate in arrangements that would bring the armaments of the nations under international control. To this record is now added the statement of President Truman (November 7, 1951) that once the burden of armaments is lifted 'new energies and resources would be liberated for greatly enlarged programs of reconstruction and development.' This is a goal toward which the National Council of Churches strives. We believe a peace offensive of the kind here envisaged would capture the imagination of the free peoples of the world, and would offer promise that conditions of poverty and social injustice upon which communism thrives, would be largely overcome." (From International Regulation and Reduction of Armaments, adopted November 28, 1951.)

11. NATIONAL COUNCIL OF JEWISH WOMEN, INC.

"STRENGTHENING THE UNITED NATIONS

"Whereas the success of the United Nations depends upon the ability of each of the member states to transcend its own special interests: Therefore be it

"*Resolved*, That the National Council of Jewish Women urge the United States Government to support efforts toward the transfer of sovereignty by member nations to the United Nations in those fields of activity where concerted international action can advance peace and welfare."

"INTERNATIONAL CONTROL OF ARMAMENTS

"Whereas the maintenance of strong armed forces by individual nations constitutes a potential threat to peace; and

"Whereas world peace can best be assured through the collective security system provided by the United Nations: Therefore, be it

"*Resolved*, That the National Council of Jewish Women urge the United Nations to continue to support (1) the establishment of armed force as provided in the United Nations Charter, (2) the regulation and reduction of conventional armaments, (3) the establishment of a system of effective international control and inspection of atomic energy and other weapons of mass destruction." (From resolutions adopted at the 19th triennial convention, 1949.)

12. NATIONAL WOMAN'S CHRISTIAN TEMPERANCE UNION

"3. We favor the initiation by the United States of negotiations leading to the international abolition of conscription, and the reduction of armaments."

"5. Early establishment of international control of atomic energy and other modern scientific discoveries and technical developments to insure their use only for peaceful purposes." (Quoted from legislative program, 1950–51.)

13. THE PARENT-TEACHER ASSOCIATION OF CONNECTICUT, INC.

"We believe that the security of our Nation can be achieved only by the elimination of war. Therefore, we urge that in the diligent pursuit of peace, the United States give full economic and political support to the United Nations. We urge adequate appropriations for the United States share in its projects such as aid to underdeveloped countries, assistance to war-devastated areas, care of displaced persons. We urge, moreover, that our national legislation should be integrated with our obligations to the United Nations and that the United States use the channels of the United Nations for its international activities in all possible ways.

"Because our special concern is with children and youth, we emphasize especially those United Nations agencies dealing with child welfare and education, such as the World Health Organization, the Food and Agriculture Organization, the Children's Emergency Fund, the United Nations Educational, Scientific, and Cultural Organization.

"We urge also that the United States continue its efforts to achieve through the United Nations universal disarmament, including conventional armaments as well as weapons of chemical, biological, and atomic warfare." (Adopted by the board of managers of the Parent-Teacher Association of Connecticut, Inc., January 1951.)

14. POSTWAR WORLD COUNCIL

"Yet although Western Europeans are reluctantly persuaded that rearmament is necessary, with reason they deplore its cost in terms of civilian austerities. Consciously or unconsciously the masses are aware from history that no arms race long continued ever resulted in peace.

"We have let the Communist devil have the good tunes of peace. We have been content to expose the hypocritical nature of the Stockholm peace petition and of that new and powerful Communist front called Partisans for Peace. President Truman, on October 24, 1950, did propose before the United Nations foolproof disarmament, but neither he nor any other ruler nor the Socialist and labor movement has excited the world as we ought about the reasonableness of enforcible and foolproof disarmament under a strengthened United Nations. If we had done that we should have greatly changed the present political and moral climate of much of Asia and Europe. We should have faced Stalin with the kind of world opinion which that realist would have to accept even if he should continue to boggle over the controls necessary to effective disarmament." (From a statement by Norman Thomas in the Post War World Council Bulletin, May 1951.)

15. PRESBYTERIAN CHURCH IN THE UNITED STATES OF AMERICA

"The proposals for disarmament adopted by the Sixth General Assembly of the United Nations at Paris in 1951, at the initiation of our Government, Great Britain, and France are a good beginning toward asserting our real objectives to all the world. We urge the United States Government to continue in

this course so that our true goal of building a structure for permanent peace may be realized" (approved report of the standing committee on social education and action of the 164th general assembly, New York City, May 28, 1952).

16. STATEMENT BY WALTER REUTHER, PRESIDENT OF THE UNITED AUTOMOBILE, AIRCRAFT, AND AGRICULTURAL IMPLEMENT WORKERS OF AMERICA, CIO

"The achievement of universal disarmament would bring the blessings of lasting peace to America in terms of intangible human values on which no price can be set. In addition, it would make possible for the American people to make substantial social progress in the form of higher living standards, greater security, increased social services, and a fuller, richer life in educational and cultural values.

"The achievement of universal disarmament would permit America to divert the billions of dollars now being spent for military requirements and national security to the task of meeting the unlimited peacetime needs of our people." (From a statement by Walter Reuther in A Total Peace Offensive, 1950.)

17. UNITED WORLD FEDERALISTS

"In a lawless world, torn apart by war and threats of war, attention is diverted from the goal of a United Nations able to maintain peace by enforcing law. But to concentrate only on preparation for war and to set aside the hope of peace is to lose sight of the goal. Before the achievement of a United Nations comes the advocacy of it. In that advocacy, America has the opportunity to assume the moral leadership of the world, to seize the initiative from Communist imperialism and to join together in a unified front all nations truly seeking peace. The dynamic moral offensive is not only the essential first step to peace; it is also indispensable to defense against Communist aggression. The anounced determination to seek the necessary revision of the United Nations to give it power to prevent aggression will give a positive purpose and direction to American foreign policy. It will make our program for defense a means to the larger end of establishing for all nations protection under law.

"If the Soviet Union, faced with the suicidal consequences of a continued arms race, should accept this American offer and agree to join in creating a common structure of security under enforcible law, then the necessary changes in the United Nations will be achieved and the threat of armed aggression removed from the competition between differing ideologies and systems of government.

"To make the United Nations such a world organization, and to give it the power on which we and other nations can safely rely for our security; we propose that there be granted to the United Nations power (1) to prohibit by law the right of nations to use force or threat of force in international affairs; (2) to make laws binding on individuals and national governments prohibiting the construction or possession of armaments beyond that required for internal police purposes and thereafter to administer an agreed schedule for universal disarmament; (3) to maintain adequate and effective civilian inspection and police forces to assure that world law controlling national armaments is respected; (4) to maintain United Nations armed service sufficient to enforce world law prohibiting aggression and to support the United Nations civilian police where necessary; (5) to bring to trial in world courts any individual or groups who conspire to build weapons of war in violation of world law." (From the Policy of the United World Federalists, Inc., adopted June 1952.)

18. WOMEN'S INTERNATIONAL LEAGUE FOR PEACE AND FREEDOM

"The Women's International League for Peace and Freedom has watched with deep concern the extension of militarism and rearmament throughout the world. The concept of the containment of communism by armed might has been implemented and expanded with each succeeding year.

"The league fully supports the action of the United Nations General Assembly in establishing the Disarmament Commission as a step in the direction of total world disarmament.

"To insure progress toward disarmament, the Women's International League for Peace and Freedom recommends that our Government along with all member governments of the United Nation Disarmament Commission, recognize that only through compromise will an agreement be reached and a solution found. Such a compromise will necessitate a willingness of a government to modify its plans in the light of plans submitted by other governments.

"The league further recommends that our government be encouraged to take the initiative in calling for a world disarmament conference. Our major duty is to work with new energy and imagination for universal foolproof disarmament." (From 1952–53 Principles and Policies, United States section, Women's International League for Peace and Freedom.)

19. YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE UNITED STATES

"We support the United Nations as a major instrument for cooperation among nations and urge our government to work through it as the primary channel for the conduct of international affairs.

"We support the strengthening of the United Nations for the realization of a world order based on common allegiance to international law and world government in which nations cannot resort to war for settlement of international disputes.

"We affirm the principle of the United Nations control of atomic energy and all weapons of mass destruction such as the atomic bomb, the hydrogen bomb, and bacteriological weapons." (From assembly actions, National Student YMCA, National Student Council, YMCA, at the fourth national assembly of the Student Christian Social Movement, Miami University, Oxford, Ohio, 1951.)

20. YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF THE UNITED STATES

"As a Christian women's movement, the Young Women's Christian Association has revealed its social concern. Both within a nation of increasing power and a world hungry for peace and security we have a corporate responsibility to give continued support to the United Nations and its specialized agencies in its search for collective security; its attempts to bring about universal and effective reduction of armaments; its work for the promotion of human rights; its technical-assistance program and other programs for human welfare." (From the national public-affairs program adopted by the 19th national convention, Young Women's Christian Association of the United States of America, May 1952.)

(NOTE.—These resolutions and statements collected and compiled by the Committee for World Development and World Disarmament, Philadelphia, Pa.)

21. CONGRESS OF INDUSTRIAL ORGANIZATIONS

"Our Government must continue to play a leading role in the development of a workable disarmament plan.

"The world must recognize that our goal is not war, but a sound structure for permanent peace. We must seek general disarmament, including international control of atomic energy with full powers of inspection" (from the program adopted at the 14th convention of the CIO in Atlantic City, 1952).

22. INTERNATIONAL CONFEDERATION OF FREE TRADE UNIONS

"We demand a universal system of atomic control with effective international inspection and widest possible application and use of atomic energy and science for the welfare of mankind and not for its destruction. We urge that all possible immediate steps be taken to carry out a progressive program of universal disarmament and the creation of a United Nations force to keep the peace. Social justice and understanding between peoples and nations alone can secure the peace of the world." (From the declaration on economic and social demands adopted at the ICFTU Congress held in 1951 in Milan, Italy.)

23. THE NATIONAL GRANGE

"Opportunity to promote a peaceful world is offered by membership in the United Nations. We should devote every effort to cooperate with other member nations in building the conditions of peace through the Economic and Social Council, while attempting to prevent actual aggression and war through action in the General Assembly and the Security Council.

"Not our official Government, but only we, the people of America, can cultivate that confidence, respect, and understanding among the peoples of the world which must be developed before we can achieve that condition of good will among men which will lead to peace on earth. Therefore, we set forth the following international policies and recommend—

"1. That the National Grange confer with other citizen organizations in an effort to determine whether it would be helpful to call an international citizens conference to discuss means of promoting a more favorable basis for peace through mutual understanding and cooperation.

* * * * *

"3. That the United States use its influence to increase the effectiveness of the United Nations by promoting cooperation among its members in (a) exerting all possible influence to prevent conflict; (b) taking vigorous action to stop aggression; (c) establishing and maintaining the police force provided by the charter, (d) securing as soon as possible adequate and effective limitation and regulation of all armaments, through agreement enforced by complete inspection in all nations. * * * (i) striving to develop a world public opinion which will brand aggressive warfare as a crime against mankind." (From the legislative policies and programs, 1953.)

24. INDIANA PASTORS CONFERENCE

"Whereas history records the fact that armament races lead to war; and

"Whereas atom bombs, hydrogen bombs, bacteriological and other scientific weapons have made iminently possible the extermination of human and all other life on our planet; and

"Whereas we recognize that if the present armament race continues it will not only destroy our economy but also result in the destruction of mankind: Therefore be it

"*Resolved*, That we urge the President and the Congress of the United States to use the offices of the United Nations and all other available channels to bring about universal disarmament adequately safeguarded with provisions for inspection." (From the 22d annual Indiana pastors conference, January 26–28, 1953.)

"The Seventh Plenary Assembly of the World Federation of United Nations Associations—

"Deeply concerned to lift from all peoples their fear of a third world war;

"Recalling that at its second and third plenary sessions the federation asked for the prohibition and suppression of atomic and bacteriological arms and of similar means of mass destruction, and at its fifth plenary session for a system of inspection and control of atomic energy to insure that it should be used for peaceful purposes only;

"Repeats its requests to all governments to reach a general agreement to prohibit the use of atomic, bacteriological, and all other arms of mass destructions, and at the same time to accept an effective system of control and inspection by which this prohibition can be assured;

"Welcomes the concessions made by the great powers which have now led to further negotiations in a new Disarmament Commission; and

"Expresses the deepest wishes of countless people in urging that these negotiations must be continued until success is achieved.

"The federation believes that the Disarmament Commission should also make proposals which will insure the limitation of all national armed forces and armaments to the minimum size necessary for the defense of the common peace, taking into account all relevant factors, and at the same time an effective system, within the scope of the Security Council, of international inspection and control of all armed forces and armaments and hopes that the five great powers will be the first to accept these proposals in order to show their will to peace to restore the confidence of all the world." (Adopted unanimously, seventh plenary assembly, Geneva, September 1–7, 1932.)

STATEMENT BY UNITED STATES NATIONAL WOMEN'S ORGANIZATIONS, JUNE 23, 1952

The undersigned American Women's organizations welcome the establishment of the Disarmament Commission at the sixth session of the United Nations General Assembly. We wish the Disarmament Commission every success in its long and difficult task of developing comprehensive, coordinate plans, under international control, for the regulation, limitation, and balanced reduction of all armed forces and all armaments, for the elimination of all major weapons adaptable to mass destruction, and for the effective international control of atomic energy to insure the prohibition of atomic weapons and the use of atomic energy for peaceful purposes only.

Though it may take many years to achieve any substantial reductions in armaments, we commend this new, realistic approach to the disarmament problem, representing, as it does, a compelling desire for a radical limitation and reduction of all Armed Forces and armaments. We are heartened by the progress which is being made in the United Nations in the development of new methods of peaceful settlement of disputes and in the development of practical techniques for collective action against aggression. We consider that all these efforts will bring us nearer to the time when a comprehensive program for disarmament may be put into effect.

We recognize that armaments, necessary as they are until greater security against aggression has been achieved, will not of themselves bring about peace and stability. We are keenly aware that increasing emphasis should be placed on moral and spiritual values. We recognize the continuing need to alleviate the all-too-prevalent conditions of hunger, ill health, poverty, and illiteracy which are the breeding places of unrest and strife. In the belief that measures for economic and social betterment contribute to peace we commend the programs for equitable land reform and economic aid to underdeveloped areas.

One of the basic policies of all our organizations, which have long worked for peace, is support of the United Nations as a means of strengthening world peace and freedom. The combined membership of our organizations numbers more than 26,000,000; each woman has a share in the formation of her organization's policies. Each woman within her organization elects her leaders who serve for fixed terms. Each of our organizations develops its policies separately through democratic procedures, and, through cooperation, we have been able to advance our individual objectives.

We reaffirm our belief in the principles of the United Nations Charter, including the obligation of member nations to assist, by collective measures, victims of aggression and to refrain from aggression or assistance to aggressors.

We realize that a peaceful world cannot be built in a day, or a year. We are fully aware of the obstacles which lie in the path of international cooperation and of the need for patience, for understanding of the views of others and for unflagging efforts toward just and peaceful settlements. We are determined that these obstacles shall not discourage us but that they shall serve as a challenge to our faith in the principles of the United Nations.

Our organizations should increase our efforts to inform the American people about the constructive achievements of the United Nations, as we dedicate ourselves anew to the ceaseless endeavor to achieve peace with freedom.

American Association of University Women, Susan B. Riley, president, by Miss Helen D. Bragden, general director.

American Nurses Association, Elizabeth K. Porter, president, by Mrs. Frances C. Smith, United Nations program.

American Women's Association, by Elizabeth N. Corning, president.

General Department of United Church Women, Mrs. James D. Wyker, president, by Mrs. William B. Parsons, accredited observer.

Hadassah, by Miss Hannah L. Goldberg, national secretary.

League of Women Voters, Mrs. John G. Lee, president, by Mrs. Zella Ruebhausen, accredited observer.

National Board, YWCA, Mrs. Edward W. Macy, president, by Mrs. Roland P. Beattie, vice president.

National Council of Catholic Women, Mrs. Gerald B. Bennett, president, by Mrs. Henry Barkhorn, accredited observer.

National Council of Jewish Women, Mrs. Irving M. Engel, president, by Mrs. Adolf Robison, accredited observer.

National Council of Women, Dr. Dorothy B. Ferebee, president, by Mrs. Eunice Carter, accredited observer.

National Council of Women in the U. S. A., by Mrs. Thomas G. Evans, president.

National Federation of Business and Professional Women's Clubs, by Judge Sara T. Hughes, president.

National Federation of Temple Sisterhoods, Mrs. Abram V. Goodman, chairman, peace and world relations, by Mrs. Leonard Golluber, member, peace and world relations.

National Panhellenic Conference, Mrs. W. Harold Hutchinson, chairman, by Mrs. Darral B. Rasmussen, accredited observer.

National Women's Conference of the American Ethical Union, by Mrs. David H. Freudenthal, president; Mrs. Walter H. Weis, accredited observer.

United States Committee of the Pan Pacific Women's Association, by Mrs. Louise Laidlaw Backus, chairman.

Women's Division of Christian Service of the Board of Missions and Church Extension of the Methodist Church, Mrs. F. G. Brooks, president, by Mrs. Clifford A. Bender, associate secretary.

Women's International League for Peace and Freedom, Elsie Picon, president, United States section, by Mrs. Gladys Walser, accredited observer.

Women's Trade Union League, by Sylvia Altman, executive secretary.

Women in World Affairs, Inc., board of directors, by Dorothy Kenyon, acting chairman.

The PRESIDING OFFICER (Mr. HENDRICKSON in the chair). Before the Senator from Vermont yields the floor, the Chair, speaking as the junior Senator from New Jersey, wishes to commend the Senator for his leadership in offering this resolution.

The present occupant of the chair wishes also to associate himself with the remarks of the distinguished Senators who have spoken on the resolution. He is very happy to be one of the cosponsors. He feels it is an honor and a privilege to be a cosponsor of this splendid proposal.

Mr. FLANDERS. It is rare, indeed, that a Member of the Senate is commended by the Chair. In fact, I think it is almost unprecedented, and I am correspondingly grateful for the commendation.

Mr. President, I yield the floor.

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE APPROPRIATIONS, 1954

The Senate resumed the consideration of the bill (H. R. 4974) making appropriations for the Departments of State, Justice, and Commerce for the fiscal year ending June 30, 1954, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana [Mr. ELLENDER], which has been offered as a substitute for the committee amendment, on page 34 of the bill, from line 4 to line 24, inclusive.

Mr. ELLENDER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Green	Millikin
Barrett	Griswold	Monroney
Beall	Hayden	Morse
Bennett	Hendrickson	Mundt
Bricker	Hickenlooper	Neely
Bridges	Hill	Pastore
Bush	Hoey	Payne
Butler, Md.	Holland	Potter
Byrd	Humphrey	Purtell
Capehart	Jackson	Robertson
Carlson	Jenner	Russell
Case	Johnson, Colo.	Saltonstall
Chavez	Johnson, Tex.	Schoeppel
Clements	Johnston, S. C.	Smathers
Cooper	Kefauver	Smith, Maine
Cordon	Kennedy	Smith, N. J.
Daniel	Kerr	Smith, N. C.
Douglas	Kilgore	Sparkman
Duff	Knowland	Stennis
Dworshak	Kuchel	Symington
Eastland	Langer	Thye
Ellender	Lehman	Watkins
Ferguson	Malone	Welker
Flanders	Mansfield	Wiley
Fulbright	Martin	Williams
George	Maybank	Young
Gore	McClellan	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from from Louisiana [Mr. ELLENDER], as a

substitute for the committee amendment on page 34, lines 4 to 24, inclusive.

Mr. ELLENDER obtained the floor.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. BRIDGES. I understand the Senator desires to have a yea and nay vote on his amendment. Inasmuch as we have had a quorum call, I suggest that he ask for the yeas and nays at this time.

Mr. ELLENDER. I thank the Senator. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. ELLENDER. Mr. President, as I explained yesterday, the purpose of the amendment is to provide the sum of $30 million, to meet up to 40 percent of the amount of money already provided by various municipalities throughout the United States in constructing or improving airports under the Federal Aid to Airports Act. As I further pointed out, of the 305 airports which would receive funds, 260 are now being used by the military.

It would be shortsighted policy, indeed, for the Congress not to appropriate this sum of money. Should we be unfortunate enough to find ourselves in another war—and I pray we shall not—or should the present emergency continue it may well be that our Government will be compelled to continue to expand the building of airport facilities. Here we have an opportunity to actually save money, by sharing the burden of constructing airports—available for military use—with local interests. We can kill two birds with one stone, so to speak.

In this instance, we are dealing with municipalities throughout the country which would put up $1 for each dollar we appropriate. Thus I submit, the Federal Government can share the construction burden, and actually do our Armed Forces and municipalities a world of good at the same time. In addition, Mr. President, the Congress has a contract to perform; we have a duty to the municipalities created by the 1946 Airport Act. It was found necessary in 1950 to extend the original act, the original 1946 act, so that the program which had been worked out by the CAA could be continued. The act, as amended, will not expire until 1958.

Thus in 1950 the Congress gave ample indication that it would continue to meet the obligations created under the terms of the 1946 act. We provided an incentive for municipalities to bond themselves and raise funds to be used for airport construction on terms provided by an act of Congress. The adoption of my amendment will make it possible for us to match 40 percent of the funds which have already been provided by the various municipalities. If we should do otherwise we shall certainly be breaking faith with the local sponsors. We will, in effect, be in the position of telling the municipalities to go ahead and create indebtedness, and then turning our backs on responsibilities we have indirectly helped to create. I maintain, Mr. President, that this is not good policy; it is neither fair nor honest. I realize the extent of our national debt; I am appalled by it, but airports are necessary and here the Congress has the opportunity of getting the same airport value for half the money, so to speak. Here we have an opportunity to build vital defense facilities and share the cost with the local sponsors. Otherwise, the Federal Government must put up the full amount. I leave it up to the Senate: Does not the Federal Government, paying one-half the cost of an airport, represent greater economy than our paying the entire cost? It is just a matter of mathematics and commonsense, Mr. President.

In addition we have an obligation to meet—a debt to pay, if you will. If this appropriation is not provided, we will have broken faith with the municipalities. In other words, certain municipalities of our country have sold bonds, or raised funds by other means, to the extent of $75 million, to build airports. The Congress would merely be providing funds to match 40 percent of that amount.

In justice to the municipalities which have issued bonds and are now paying interest on them, I believe we should meet them at least almost halfway. I ask that the amendment be adopted.

The PRESIDING OFFICER (Mr. CARLSON in the chair). The question is on agreeing to the amendment offered by the Senator from Louisiana [Mr. ELLENDER], as a substitute for the committee amendment on page 34, lines 4 to 24, inclusive.

Mr. BRIDGES. Mr. President, I wish to state the committee's position on the amendment. The bill contains an appropriation for $22,700,000 to liquidate certain commitments. The Bureau of the Budget made no recommendation, and the House appropriated nothing for this item. The Committee on Appropriations of the Senate, after hearing all the evidence, felt the Government had certain ethical or moral commitments, if not legal commitments, in cases where communities, counties, or other political divisions, anticipating aid from the Federal Government, had gone forward in good faith, to the extent even of holding elections and voting bond issues. Therefore, it was felt we should meet situations in which the Federal Government had an obligation, in spite of the fact that the House and the Bureau of the Budget had taken no action.

After a great deal of discussion the committee arrived at the figure $12,500,000.

Mr. ELLENDER. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. Certainly.

Mr. ELLENDER. Was not that figure arbitrarily arrived at?

Mr. BRIDGES. Yes; it was.

Mr. ELLENDER. Was it not shown that the municipalities in question had sold up to $75 million worth of bonds, and were ready to spend that amount of money if the Federal Government matched it?

Mr. BRIDGES. I do not recall the exact figures. I will say that a study committee is looking into the subject. The Department of Commerce has created a study committee for the purpose of going into the whole matter. Therefore we will have a more detailed consideration of the problem later. The amount recommended would take care of the emergency items, and the figure was arrived at on that basis. The Senator from Louisiana will remember that the subject was discussed in committee and that he took the position in the committee which he is now consistently taking on the floor.

The Senator from New Hampshire is presenting the majority opinion of the committee, which he believes suggests a fair solution of the problem.

Mr. KERR. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield to the Senator from Oklahoma.

Mr. KERR. If the greater appropriation is made, it would not be spent, except in matching funds of the local communities? Is that correct?

Mr. BRIDGES. That is correct, except that there is a difference of opinion as to the matching of the funds. I do not have in my hand the matching laws. However, funds are allocated to the States in accordance with a formula. For example, I hold in my hand the Illinois statute. In Quincy, Ill., at Baldwin Field, the sponsor is the city of Quincy. The Federal Government is asked to put up $30,000, and the sponsoring city is to put up $10,000. The total is $40,000. Therefore, the Federal Government is asked to match funds on a 3-for-1 ratio.

On the same page, I find listed from the same State other cities—for instance, Moline, Chicago, and Kankakee. In each case there is to be equal matching between the Federal Government and the sponsor. So apparently there is a variation in some cases, but we provide a definite formula for the States.

Mr. KERR. Mr. President, will the Senator from New Hampshire yield for a further question?

Mr. BRIDGES. Certainly.

Mr. KERR. I wish to express my appreciation to the distinguished Senator from New Hampshire for his courtesy and friendliness in this matter. I say to him that I am asking these questions in the most friendly manner because I know how he feels.

For instance, he has said he has before him figures in the case of Illinois. May I ask whether he also has available figures for Oklahoma?

Mr. BRIDGES. I think I have.

Mr. KERR. Can the Senator from New Hampshire tell me what Oklahoma's allocation would be in the case of the $12 million provided by the committee amendment, or, on the other hand, in the case of the $30 million which would be provided by the amendment of the Senator from Louisiana [Mr. ELLENDER] to the committee amendment?

Mr. BRIDGES. I cannot give the Senator from Oklahoma a breakdown of the figures. I hold in my hand the proposed 1954 Federal-aid airport program as recommended by the regional offices. It has never been approved by the Civil Aeronautics Authority in Washington or by the Department of Commerce or by the Bureau of the Budget or by the House of Representatives. What I have before me is simply the proposed program.

Among the requests for Oklahoma, as set forth in the tabulation I hold in my hand, is one for the Bartlesville Municipal Airport. The share of the Federal Government would be $78,580; the share of the sponsor would be $74,420.

In the case of the Duncan, Okla., municipal airport, the Federal contribution would be $98,611; the contribution of the sponsor would be $93,389.

In the case of the Enid, Okla., municipal airport, the Federal contribution is proposed to be $6,163, and the share of the sponsor is proposed to be $5,837.

In the case of the Holdenville municipal airport, the Federal Government's share is proposed to be $6,677, and the share of the sponsor is proposed to be $6,323.

In the case of the Lawton, Okla., municipal airport, the share of the Federal Government is proposed to be $6,934, and the share of the sponsor is proposed to be $6,566.

In the case of Will Rogers Field, at Oklahoma City, Okla., the share of the Federal Government is proposed to be $61,632, and the share of the sponsor is proposed to be $58,368.

I recall that is the airport about which the distinguished Senator from Oklahoma particularly spoke to me; and he and others representing the State of Oklahoma appeared before the committee and discussed the matter there.

In the case of the Tulakes (Okla.) Airport, the share of the Federal Government is proposed to be $36,928, and the share of the sponsor is proposed to be $34,972.

In the case of the Tulsa municipal airport, the share of the Federal Government is proposed to be $48,106, and the share of the sponsor is proposed to be $45,558.

In the case of the West Woodward Airport, at Woodward, Okla., the share of the Federal Government is proposed to be $8,731, and the share of the sponsor is proposed to be $8,269.

Those are the requests which have been made in the case of Oklahoma; they are the ones the regional office which has Oklahoma under its jurisdiction has submitted to the top officials in Washington. That is as far as any official presentation or recommendation has gone.

Mr. KERR. Can the Senator from New Hampshire tell me, further, whether the project to which he has referred would be included under the $12,500,000 appropriation recommended by the committee, or can he tell me whether the larger appropriation, as proposed by the Senator from Louisiana, would be required for that purpose?

Mr. BRIDGES. I cannot completely answer the Senator from Oklahoma on that point, because whatever appropriation is made will be distributed among the States according to a formula, and then each State will play a part in the decision as to where the money will be spent within the State.

So a cooperative decision would have to be made, and the State of Oklahoma would play a part in reaching the decision as to the airports in Oklahoma to which the money would be applied.

Mr. KERR. Mr. President, will the Senator from New Hampshire yield further to me?

Mr. BRIDGES. I yield.

Mr. KERR. The smaller the allocation for the entire State, the more difficult it will become to secure the cooperation. Has not the Senator from New Hampshire found that to be the case?

Mr. BRIDGES. I would say to the distinguished and able Senator from Oklahoma, who apparently knows his arithmetic very well, that, of course, that would be the situation.

Mr. KERR. I thank the Senator very much.

Mr. ELLENDER. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield.

Mr. ELLENDER. I invite my colleagues to examine the hearings at page 1642. There it will be noted that the proposed 1954 Federal aid airport program, as recommended by the regional offices, sets forth where the money will be spent.

As I have pointed out, in the case of every project mentioned in the list, the municipalities already have sold their bonds and already have met the requirements necessary to conform to the act of 1946, as amended. It simply goes without saying that if we reduce the appropriation by more than half, the aid extended for airports will be much less than is indicated in the statement to which I have referred.

The Senator from Oklahoma has asked about Oklahoma airports. In response, the Senator from New Hampshire has mentioned the Bartlesville, Okla., municipal airport, and the airports at Duncan, Enid, Holdenville, Lawton, the Will Rogers Field at Oklahoma City, the Tulakes Field at Oklahoma City, and the airfields at Tulsa, Okla., and Woodward, Okla. The total Federal aid in this case would be $352,362—assuming that Congress appropriates the $30 million.

Mr. KERR. Mr. President, will the Senator from New Hampshire yield to permit me to ask a question of the Senator from Louisiana?

Mr. BRIDGES. Certainly.

Mr. KERR. Is it not a fact that if we appropriate only $12 million, some worthy municipalities will receive funds, but other municipalities just as worthy will be denied funds? In other words, the use of the appropriation for airports for certain municipalities will result in exhausting the fund for airports before other municipalities just as worthy will be able to receive any of the fund?

Mr. ELLENDER. Certainly. Not only that but even if we were to appropriate the $30 million, some worthy airports would still have to be omitted.

A while ago I pointed out that the municipalities already have provided $75 million to be used to match the funds of the Federal Government. By the amendment I propose to the committee amendment there will be appropriated only $30 million, or approximately 40 percent of the $75 million which the municipalities are prepared to contribute.

Mr. KERR. Mr. President, will the Senator from New Hampshire yield again to permit me to ask another question of the Senator from Louisiana?

Mr. BRIDGES. Certainly.

Mr. KERR. Then, if we confine this appropriation item to $12 million, there will be funds available for only 1 out of every 6 of the municipalities which are worthy of receiving funds, whereas if we appropriate $30 million, 40 percent of the municipalities that have provided for local participation funds will be able to have their funds matched by Federal funds. Is that correct?

Mr. ELLENDER. That is correct.

Mr. KNOWLAND. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield.

Mr. KNOWLAND. I wish to point out what I am sure every Member of the Senate must realize, and what we certainly must keep in mind as we consider the various appropriation bills, the one now pending being only the second regular appropriation bill to be considered by the Senate this year: We have a Federal debt of more than $265 billion; we have an unbalanced budget; and even with the reductions in appropriations which have been proposed, the budget will still remain unbalanced.

Proposals will be made for additional taxation.

Obviously, in the case of an airport list, such as the one to which reference has been made, or in the case of lists of other projects which no doubt will be before the Senate in connection with every appropriation bill, when we reduce the appropriation, each State and each area will receive less money. But how in the world shall we ever get the budget under control, and how in the world shall we ever prevent the terrific impact of continually unbalanced budgets, unless each Senator from each State is willing to have his State take a proportionate share of the cuts in appropriations, in connection with the total, overall budget?

Even with the proposed reductions, we shall not have a balanced budget.

I call to the attention of every Member of the Senate the fact that we are not now dealing with surplus funds, as we vote increased appropriations; but we are voting additional expenditures of money borrowed by the Federal Government. Certainly we must somewhere, somehow, reach an area of agreement looking toward a gradual balancing of the Federal budget. If we do not assume the responsibility of doing that, even this great Government of ours will take the same path other governments have taken, which has led to an absolutely disrupted currency, a bankrupt government, and collapse of the national economy. In every other area of the world where that has happened the countries have lost their free institutions.

So, certainly, let us recognize that in any appropriation we must exercise a wise moderation. I am not having particular reference to this appropriation. My State of California perhaps has as much interest in aviation and in airports as has any other State of the

Union, and obviously we, too, are going to have to bear our share of any reduction in the appropriation. If we do not assume that responsibility, we are then going to end up with a completely bankrupt Federal Government.

Mr. KILGORE. Mr. President, will the Senator yield to me for the purpose of replying to a question of the Senator from Illinois?

Mr. BRIDGES. I yield for that purpose.

Mr. KILGORE. I call the attention of the Senator from Illinois to page 1657 of the document to which he has just referred. At the bottom of that page he will find a reference to certain airports in the State of West Virginia. I ask the Senator from Louisiana whether, in each case, the funds are matched?

Mr. ELLENDER. Yes; and I pointed that out. Those airports may be needed by the Nation. If the worst is to come, the Federal Government may have to spend the entire amount necessary for their construction. Under the amendment the Federal Government would have a chance to have the funds matched by the local communities.

Mr. KILGORE. Mr. President, if the Senator from New Hampshire will indulge me, I should like to ask the Senator from Louisiana whether it is not true that flying over the areas of West Virginia in which the airports are located, as well as in the State of Pennsylvania, is considered to be extraordinarily hazardous, or has been so considered in the past; and that the airports are badly needed for the purpose of emergency landings? The items for West Virginia involve the sum of $375,000. Though I agree with what the Senator from California [Mr. KNOWLAND] has said, I may say to the Senator from Louisiana that I believe California should be interested in airports, since many airplanes are made in that State. The flight of airplanes over certain of the mountainous regions has been extremely hazardous. Here we have a matter involving four airports, with but $375,000 standing in the way of the building of those airports, which will provide emergency landing fields.

Mr. ELLENDER. Mr. President, if the Senator from New Hampshire will permit, I should like to say that, as I pointed out yesterday, some of these programs are so large that sufficient money could not be raised by the local authorities to complete the necessary work within 1 or 2 years. Some of it would have to be spread over a period of 5 years. In some cases, not only in West Virginia but in many other States, there are airports which are two-thirds completed, some of them 50 percent completed. Unless Congress appropriates the money, a great opportunity will be lost. Communities have sold their bonds in good faith in order to build airports.

Mr. SMATHERS. Mr. President, will the Senator from New Hampshire yield to me to address a question to the Senator from Louisiana?

Mr. BRIDGES. I yield.

Mr. SMATHERS. Is it not a fact that the development of aviation itself is no better and no worse than the development of the airport program, which, of course, goes with it?

Mr. ELLENDER. That, I think, is true.

Mr. SMATHERS. Is it not a fact that today, because of the development of jet engines and heavier aircraft, many airports are compelled to sidetrack much of their traffic, because they cannot now take care of the new developments?

Mr. ELLENDER. Exactly so. As I pointed out yesterday, the major portion of the money will be used to extend facilities at existing airports, in order to meet the very situation which the distinguished Senator from Florida has described.

Mr. SMATHERS. Is it not a fact that about 55 of the airports about which we are talking share facilities with the military, and that, if it were not for the continued development of the airport program, the military would undoubtedly be asking the Congress for separate appropriations?

Mr. ELLENDER. That is true. As the Senator stated, 55 airports are now being shared with the military.

Mr. SMATHERS. Is it not a fact, therefore, that if we continue this very worthwhile program, it will actually result in a saving, since, in that event, the military would be in no position to demand separate airports?

Mr. ELLENDER. That is what I pointed out.

Mr. BRIDGES. Mr. President, I hope we may proceed expeditiously in the consideration of the pending bill. I should like to say but one or two things. In the case of the State of West Virginia, to which the distinguished Senator from West Virginia referred, the only items under consideration are four. None of them are strictly emergency fields. One is the Bluefield-Princeton Airport, where it is proposed to construct a permanent building.

Another is the airport at Clarksburg, where it is proposed to reconstruct the pavement. Another is the airport at Huntington, where it is proposed to construct new taxiways and to extend the apron, and to remove certain obstructions.

Mr. KILGORE. Mr. President, if I may reply to the distinguished Senator from New Hampshire, I would say that the improvements which he has pointed out, with one exception, are absolutely essential to military use of those fields in case of emergency. The improvements planned at Huntington and at other airports are clearly necessary to the national defense. The amount involved is relatively pitifully small, in view of the fact that it would mean the completion of those airports for active use. In each case, the community is contributing half of the amount required.

Mr. BRIDGES. Mr. President, in order to clarify the matter before the vote is taken, I should like to point out that at page 409 of the hearings on the pending bill, the following paragraph appears:

> DISTRIBUTION OF FUNDS AVAILABLE FOR PROJECTS IN STATES
>
> APPORTIONMENT OF FUNDS
>
> SEC. 6. (a) As soon as possible after any appropriation is made under section 5 (b), 75 percent of the amount thereof available for grants for projects in the several States shall be apportioned by the Administrator among the several States, one-half in the proportion which the population of each State bears to the total population of all the States, and one-half in the proportion which the area of each State bears to the total area of all the States.

In other words, there is a very definite formula under which the money is to be apportioned among the States; and the States provide the remainder of the necessary funds. I hope we may now vote on the pending amendment.

SEVERAL SENATORS. Vote! Vote!

Mr. DOUGLAS. Mr. President, it might be the course of prudence for me to remain quiet on the subject of the pending amendment, but I shall not do so. Throughout the country there are now a thousand airports which have been built with Federal aid, and there are about 4,600 more private airports. The Federal Government has already spent $200 million on these airports. I have gone over the list of approximately 350 projects and have made a rough tabulation. Approximately one-fourth of the money is to be spent for administrative buildings, for parking lots, for approaches, and so on, and not for the actual physical improvement of runways or the addition of new runways. At a time when it is said that the need for economy is so great that we must reduce the appropriation of Federal funds, it seems to me to be against public policy to spend money for additional airports, which are not needed.

I know that the proposal of the Senator from Louisiana, and indeed, the proposal of the committee, make a strong appeal.

Approximately 350 projects are listed. If the appropriations are made, there is always a chance that airports in one's own State will be included, and the more money appropriated, the greater the chance of allocations to one's own State. This is in danger of becoming a new pork barrel, and I submit that, in the interest of economy, we certainly should not adopt the amendment of the Senator from Louisiana. I must say that, if that fails, I shall then move to strike from the bill the whole appropriation of $12.5 million.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Louisiana in the nature of a substitute for the provision proposed to be inserted by the committee amendment on page 34, lines 4 to 24, inclusive.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. Is the vote which is about to be taken on the Ellender amendment to the committee amendment, increasing the amount proposed in the committee amendment to $30 million?

The PRESIDING OFFICER. The vote is on the amendment of the Senator from Louisiana as a substitute for the committee amendment.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Illinois [Mr. DIRKSEN] is absent by leave of the Senate on official committee business.

The Senator from New York [Mr. IVES] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

On this vote the Senator from Illinois [Mr. DIRKSEN] is paired with the Senator from Washington [Mr. MAGNUSON]. If present and voting, the Senator from Illinois [Mr. DIRKSEN] would vote "nay," and the Senator from Washington [Mr. MAGNUSON] would vote "yea."

I also announce that the Senator from Nebraska [Mr. BUTLER], the Senator from Vermont [Mr. FLANDERS], the Senator from Arizona [Mr. GOLDWATER], the Senator from Wisconsin [Mr. MCCARTHY], and the Senator from Ohio [Mr. TAFT] are necessarily absent.

If present and voting, the Senator from Arizona [Mr. GOLDWATER] would vote "nay."

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Iowa [Mr. GILLETTE], the Senator from Wyoming [Mr. HUNT], the Senator from Louisiana [Mr. LONG], and the Senator from Nevada [Mr. MCCARRAN] are absent by leave of the Senate.

The Senator from Delaware [Mr. FREAR] is absent by leave of the Senate because of a death in his family.

The Senator from Missouri [Mr. HENNINGS] and the Senator from Washington [Mr. MAGNUSON] are absent by leave of the Senate on official committee business.

The Senator from South Carolina [Mr. MAYBANK] and the Senator from North Carolina [Mr. SMITH] are absent on official business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

The Senator from Washington [Mr. MAGNUSON] is paired on this vote with the Senator from Illinois [Mr. DIRKSEN]. If present and voting, the Senator from Washington would vote "yea," and the Senator from Illinois would vote "nay."

I announce further that if present and voting, the Senator from Louisiana [Mr. LONG] would vote "yea."

The result was announced—yeas 19, nays 58, as follows:

YEAS—19

Clements	Hayden	Malone
Cooper	Johnson, Colo.	Mansfield
Daniel	Johnson, Tex.	Neely
Eastland	Johnston, S. C.	Smathers
Ellender	Kefauver	Symington
Fulbright	Kerr	
Green	Kilgore	

NAYS—58

Aiken	Bricker	Byrd
Barrett	Bridges	Capehart
Beall	Bush	Carlson
Bennett	Butler, Md.	Case
Chavez	Jenner	Robertson
Cordon	Kennedy	Russell
Douglas	Knowland	Saltonstall
Duff	Kuchel	Schoeppel
Dworshak	Langer	Smith, Maine
Ferguson	Lehman	Smith, N. J.
George	Martin	Sparkman
Gore	McClellan	Stennis
Griswold	Millikin	Thye
Hendrickson	Monroney	Watkins
Hickenlooper	Morse	Welker
Hill	Mundt	Wiley
Hoey	Pastore	Williams
Holland	Payne	Young
Humphrey	Potter	
Jackson	Purtell	

NOT VOTING—19

Anderson	Hennings	McCarthy
Butler, Nebr.	Hunt	Murray
Dirksen	Ives	Smith, N. C.
Flanders	Long	Taft
Frear	Magnuson	Tobey
Gillette	Maybank	
Goldwater	McCarran	

So Mr. ELLENDER's amendment to the committee amendment was rejected.

Mr. DOUGLAS. The Senate has done well in rejecting the proposal to spend $30 million on airports, but, in my judgment, it would be a mistake to spend even the $12,500,000 recommended by the committee. We should realize that the Secretary of Commerce, in the budget which he presented, requested no appropriations for airports, on the ground that the Eisenhower administration needed time to survey the entire airport program.

The House committee, and the House of Representatives itself, did not include any appropriation for additional airports, except the amounts required to liquidate outstanding obligations. This present item of $12½ million is a net addition by the Senate Committee on Appropriations.

The information in the hearings indicates that as of March 31, 1953, a carryover of nearly $11 million was available for new airports; so the Department is not entirely stripped of additional money. I think there is grave danger that we may fall for a flying pork-barrel in the form of airport appropriations. Therefore, I hope the committee amendment will be rejected.

The PRESIDING OFFICER. The question is on the committee amendment.

Mr. DOUGLAS. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. DOUGLAS. Mr. President, I ask for a division.

On a division, the committee amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The next amendment was, on page 35, line 19, after the word "expenses", to strike out "$1,500,000" and insert "$1,085,000."

The amendment was agreed to.

The next amendment was, under the subhead "Coast and Geodetic Survey," on page 36, line 24, after the word "law", to strike out "$12,200,000" and insert "$12,000,000."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Foreign and Domestic Commerce," on page 37, line 14, after the word "reports"; to strike out "$2,750,000" and insert "$2,500,000."

The amendment was agreed to.

The next amendment was, under the subhead "Maritime Activities," on page 37, after line 23, to insert:

Ship construction: For payment of obligations incurred on or after July 1, 1953, for new ship construction in accordance with section 504 of the Merchant Marine Act, 1936, $3,056,000; and in addition the Secretary is authorized to enter into contracts for such construction in an aggregate amount not to exceed $40,144,000.

Mr. BUTLER of Maryland. Mr. President, I move that on page 37, line 25, after the word "construction" and before the word "in", there be inserted the words "and conversion."

Likewise, on page 38, line 3, after the word "construction" and before the word "in", I move that the words "and conversion" be inserted.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. In the committee amendment on page 37, line 25, after the word "construction", it is proposed to insert the words "and conversion."

On page 38, line 3, after the word "construction", it is proposed to insert the words "and conversion."

The PRESIDING OFFICER. The question is on agreeing to the amendments of the Senator from Maryland [Mr. BUTLER] to the committee amendment.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. Do I understand correctly that the adoption of this amendment, which would enable the Baltimore yards to get in on the gravy, would constitute approval of the committee amendment?

Mr. BUTLER of Maryland. Mr. President, although that is not a parliamentary inquiry, I shall be happy to answer it.

The PRESIDING OFFICER. The Chair rules that that is not a parliamentary inquiry.

Mr. DOUGLAS. I eliminate the reference to the Baltimore yards.

Do I correctly understand that approval of the amendment of the Senator from Maryland to the committee amendment would carry with it approval of the committee amendment?

The PRESIDING OFFICER. The Chair advises the Senator from Illinois that that is a matter of construction, not a parliamentary inquiry.

Mr. BUTLER of Maryland. Mr. President, the purpose of my amendment is to appropriate $4,600,000 for the conversion of three dry-cargo ships to ore and oil carriers, under section 504 of the Merchant Marine Act of 1936. If the amendment is agreed to private capital to the extent of $4,800,000 will be added to the fund for the purpose of carrying on this work.

The nature of the project is to lengthen three dry-cargo vessels by 110 feet and to make ore and oil carriers out of them, so that each would be 632 feet in length and each would have a capacity of 20,200 tons.

The vessels are very badly needed to carry Labrador ore to the mills of the United States, and would therefore be of great aid in the defense effort, which is also very urgent now.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. BUTLER of Maryland. I yield.

Mr. FULBRIGHT. Who owns the ships?

Mr. BUTLER of Maryland. The ships are presently owned by the American-Hawaiian Lines.

Mr. FULBRIGHT. Are they privately owned?

Mr. BUTLER of Maryland. They are privately owned ships. This proposal comes under section 504 of the Merchant Marine Act. The Department c? Commerce has passed on the application. The ships have been declared to be essential by the Department of Commerce and the Maritime Administration has approved application for subsidy. I think the item was originally included in the Department of Commerce budget, but was taken out by the Secretary of Commerce.

The ships are very much needed for the purpose of bringing Labrador ore to the mills of the United States. No such tonnage is available under American registry.

The ships are also essential from the standpoint of being standby oil tankers, which are very badly needed in our defense effort.

If these ships are not converted in American yards, the work will be done in Japanese yards. That will mean a loss to American labor of 1,000 workers for 1 year in American yards at a time when the industry is in a state of decline. It will also mean the loss to the industry of our skilled labor and technical personnel.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. BUTLER of Maryland. I yield.

Mr. WILLIAMS. The Senator said that $4,800,000 would be added to the fund for the conversion of the ships. From what source will the money come to take care of the increased authorization?

Mr. BUTLER of Maryland. I said that if the amendment were adopted, $4,800,000 in private funds would be added to the subsidy for the purpose of converting the vessels.

Mr. WILLIAMS. Will the Senator yield further?

Mr. BUTLER of Maryland. I am happy to yield.

Mr. WILLIAMS. But where in the appropriation bill is money provided to pay the Government's portion that would automatically be available if the Senator's amendment were agreed to?

Mr. BUTLER of Maryland. The money is in the general appropriation of some $43 million total. It is in the appropriation of $40,144,000 and $3,056,000, provided for in the bill.

Mr. WILLIAMS. Mr. President, will the Senator further yield?

Mr. BUTLER of Maryland. I am glad to yield.

Mr. WILLIAMS. Do I correctly understand that the $4 million authorization for the ships which the Senator is now asking is already in the bill?

Mr. BUTLER of Maryland. It is already in the bill.

Mr. WILLIAMS. Then if we reject the Senator's amendment, would the other figure automatically be reduced?

Mr. BUTLER of Maryland. Will the Senator please state his question again?

Mr. WILLIAMS. If the Senator's amendment is not agreed to, will that mean that there will be $4½ million in the proposed $40 million which should not have been put there in the first place? Is that correct?

Mr. BUTLER of Maryland. No; that is not correct.

Mr. WILLIAMS. What happens to the $4 million if the Senator's amendment is not agreed to? If the money is already in the bill to pay for the program which the Senator is now asking to be authorized, why was the money placed in the bill, if it did not serve a purpose?

Mr. SALTONSTALL. Mr. President, will the Senator yield to me?

Mr. BUTLER of Maryland. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Under the Merchant Marine Act of 1936, there are two ways in which the Government can assist private industry in building ships. Under section 501 the Government is the prime contractor, and carries the ships. They are gradually paid for on a construction subsidy basis.

Under section 504, which is the subject matter of this amendment, the ship company is the prime contractor, and the Government takes a mortgage on the ship, and on that basis puts in its construction subsidy. As I understand the amendment of the Senator from Maryland, it amounts to this:

There is $3 million plus in the appropriation for this year, with permission to contract for not more than $40 million more over future years, as it is needed to be spent. If the words "and conversion," as suggested by the Senator from Maryland, are added, the language will permit the Maritime Commission to come in under section 504, with private industry as the prime contractor, for the amount of the construction subsidy which is authorized under the law for the Government to add. The Senator from Maryland states that private capital will put in $4 million. The construction subsidy today is on a 60-40-percent basis. Therefore private industry, as the prime contractor, puts in its $4 million plus, and the Government adds 40 percent of this amount this year and carries through until the program is completed.

Mr. WILLIAMS. Mr. President, I thank the Senator from Massachusetts for that explanation, but I still repeat my question, which I do not think has been answered. On page 38, line 4, there is an item of $40,144,000 which is supposed to be for ship construction. Now if we add to the authorization for $4 million as conversion authority then where will that money come from unless you plan to increase the appropriation?

Mr. BUTLER of Maryland. I know what the Senator's question is. The money was intended to be there, but the words "and conversion" were not added.

Mr. WILLIAMS. That gets back to the original point; namely, that there is $4 million in the proposed $43 million which should not have been there, unless the words "and conversion" were added. Is that correct?

Mr. SALTONSTALL. Mr. President, will the Senator from Maryland yield to me to answer that question?

Mr. BUTLER of Maryland. I am happy to yield.

Mr. SALTONSTALL. Certainly that statement is not correct. There is nothing in the amendment except the Government's share. Ultimately the $40 million and the $3 million represent approximately 40 percent of the cost of the ships which may be constructed. The other 60 percent comes from private industry.

Mr. WILLIAMS. I still do not understand the answer, because the language in the bill would authorize $43,200,000 for ship construction. If there was justification before the committee for this amount for ship construction, how can we write in the words "and conversion," which would authorize the expenditure of $4 million more, and pay for it out of the same amount? The truth is that either today or later we will be asked to appropriate the additional money; you cannot authorize an expenditure of four million without paying for it. Either we shall be short after we get through, or we have too much to start with.

Mr. BUTLER of Maryland. We can take it or leave it on that basis. I am talking about the essential nature of the program. I am speaking on the basis of what is right and proper in connection with an arm of defense of this great nation. We have no standby tanker capacity. We are about to open up vast mines in Labrador. We have no ships of American registry to bring the ore into American mills.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

Mr. BUTLER of Maryland. I should like to say also to the Senator that if these ships were moved from America and taken to Japan, to remain there for a year in that danger spot in Asia, to save the small sum of $4,600,000, it would be most reprehensible.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. BUTLER of Maryland. I yield.

Mr. SALTONSTALL. My understanding of this amendment is that by adding the words "and conversion" we make the language refer to construction or conversion.

Mr. BUTLER of Maryland. That is correct.

Mr. SALTONSTALL. Construction or conversion of ships under section 504, with the shipowner as the prime contractor up to the amount of money which is allowed in the amendment. The ships to be constructed may be tankers; they may be passenger ships; they may be cargo ships; or any other kind of ship for which the Maritime Commission believes it is wise to spend the money.

Mr. BUTLER of Maryland. That is correct.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BUTLER of Maryland. I am very happy to yield.

Mr. AIKEN. I am very happy the Senator from Maryland is so concerned over

the defenses of the United States. I infer that the people of Baltimore are also concerned with having a strong defense for the United States. I also am concerned. If it is so necessary to convert tankers into ore carriers to bring Labrador ore to the steel mills at Baltimore——

Mr. BUTLER of Maryland. Let me correct the Senator——

Mr. AIKEN. If that is necessary, why are the so-called vested interests in Baltimore doing everything within their power to prevent ore carriers constructed by companies which are willing to construct them at their own expense from carrying some of the same ore to the great steel industry of the Midwest?

Mr. BUTLER of Maryland. The Senator's facts are just as faulty as his argument. In the first place, these are dry-cargo ships. We propose to convert them into ore carriers and oil carriers. We need both very badly.

Mr. AIKEN. I understood the Senator to say they would be used as ore carriers, to carry ore from Labrador. I do not know what oil is produced in Labrador. Are there oil wells in Labrador?

Mr. BUTLER of Maryland. There may not be any oil wells in Labrador, but oil tankers are very badly needed by this country for its defense.

Mr. AIKEN. In Labrador?

Mr. BUTLER of Maryland. The ships would be used to carry ore from Labrador when the channel was open. When the channel was not open, and they could not be used for that purpose, they would be used to carry oil from all parts of the world.

Mr. AIKEN. My question is, Why are the interests in Baltimore so determined that the steel mills of the great Central West, which is the great steel center of the United States today, shall not be permitted to get ore from Labrador in ships which they are willing to construct at their own expense? Not only do the interests in Baltimore want to prevent the Midwest from getting Labrador ore, but they want the contributions of the taxpayers to build ships for them.

Mr. BUTLER of Maryland. Let me answer that question. We have a program under the Merchant Marine Act of 1936 to keep our merchant marine strong. We grant subsidies for that purpose. We do not do it for the purpose of making money for private enterprise. We do it for the purpose of having on hand when we need them tankers, ore carriers, and troopers. Yesterday the Senator from Illinois [Mr. DOUGLAS] referred to certain liners for which he said we can wait another year. These are not passenger ships. They are troopers. We need them in time of war to transport our troops to all parts of the world in time to do good. A delay of 1 year may mean a great deal to the security of the country. If we are to follow the policy which I have described, why criticize those who are taking advantage of the act which is on the books?

Mr. AIKEN. "Taking advantage" is right.

Mr. BUTLER of Maryland. If the law is not right, take it off the books.

Mr. AIKEN. My question is, Why should the taxpayers of the United States build four ships to present to Moore-McCormack and Grace Lines when other lines, because of good management, are able to operate under their own power and initiative? Why should we impose on the taxpayers and continually give those two companies ships which admittedly are good for only 20 years? For the cost of five of these ships we could build the Great Lakes-St. Lawrence seaway, which would be far more valuable to the United States as a whole.

Mr. BUTLER of Maryland. And which would not carry one single soldier or 1 ton of military cargo in time of emergency or war.

Mr. AIKEN. It would produce more steel than by what the Senator proposes.

Mr. KERR. Mr. President, will the Senator yield for a question?

Mr. BUTLER of Maryland. I yield.

Mr. KERR. Can the Senator from Maryland tell us how many individuals would be the beneficiaries of the $3,056,000 provided by the bill to take care of obligations incurred on and after July 1, 1953, for new ship construction, in accordance with section 504 of the Merchant Marine Act of 1936; how many individuals or identities would be the beneficiaries under the provision for $40 million, for contracts for such construction in the future; and how many individuals would be added as beneficiaries under the amendment suggested by the Senator from Maryland.

Mr. BUTLER of Maryland. The view I take of the situation is that 160 million people would be benefited. All the American people would be directly benefited.

Mr. KERR. Would the Senator from Maryland tell the Senate through how many identities the 160 million people would be benefited?

Mr. BUTLER of Maryland. The Senator from Oklahoma must have all that information available.

Mr. KERR. The Senator from Oklahoma is reading the bill and referring to the amendment of the Senator from Maryland.

Mr. BUTLER of Maryland. The Senator from Maryland says exactly what he means, namely, that the amendment would provide something of great advantage, not only to the shipbuilding industry and the ship-repair industry, but to the standby capacity of our Nation for national defense.

Mr. KERR. Mr. President, will the Senator from Maryland yield for a further question?

Mr. BUTLER of Maryland. I am very happy to yield.

Mr. KERR. If the money is appropriated, it will be paid directly to some identity or identities; will it not?

Mr. BUTLER of Maryland. That is correct.

Mr. KERR. Can the Senator from Maryland tell the Senator from Oklahoma how many such identities there are to whom this money would be actually paid?

Mr. BUTLER of Maryland. The Senator from Maryland will tell the Senator from Oklahoma that he does not know, and that the Senator from Maryland is not interested in personalities. The Senator from Maryland is interested in doing what he believes to be right, and he is standing on the floor doing just that.

Mr. KERR. Would the Senator from Maryland give the Senate his estimate of how many identities or individuals would be the direct recipients of the appropriation?

Mr. BUTLER of Maryland. I will ask the Senator from Oklahoma to tell us how many people are going to be direct recipients of any appropriation made by the Senate.

Mr. KERR. We are not voting on "any" appropriation.

Mr. BUTLER of Maryland. Oh, yes; we are voting on a great many appropriations.

Mr. KERR. Mr. President, can the Senator from Maryland answer my question?

Mr. POTTER and Mr. DOUGLAS addressed the Chair.

Mr. BUTLER of Maryland. I yield first to the Senator from Michigan.

Mr. POTTER. Mr. President, in answer to the question asked by the Senator from Oklahoma, as to who would receive the benefit from the amendment offered by the Senator from Maryland, I may say that the employees——

Mr. KERR. Mr. President, I raise a point of personal privilege.

The PRESIDING OFFICER (Mr. PAYNE in the chair). The point of personal privilege is out of order. The Senator from Michigan will proceed.

Mr. POTTER. Mr. President, I will state that the employees of four shipyards of the United States would be the beneficiaries of the amendment offered by the Senator from Maryland. This is the situation——

Mr. KERR. Mr. President, will the Senator yield for a question at that point?

The PRESIDING OFFICER. The Senator from Maryland has the floor.

Mr. KERR. A point of order, Mr. President.

The PRESIDING OFFICER. The Senator from Maryland does not have to yield for a point of order. The Senator from Maryland has the floor, and he has yielded to the Senator from Michigan for a question.

Mr. KERR. A point of order, Mr. President. If the Senator from Maryland has yielded the floor to the Senator from Michigan——

Mr. BUTLER of Maryland. The Senator from Maryland has not yielded the floor.

The PRESIDING OFFICER. The Chair rules that the Senator from Maryland has not yielded the floor. The Senator from Maryland has yielded for a question to the Senator from Michigan.

Mr. KERR. Then the Senator from Oklahoma makes the point of order that the Senator from Michigan is not asking a question, but making a statement.

The PRESIDING OFFICER. The Senator from Michigan will state the question.

Mr. POTTER. Does the Senator from Oklahoma know that we have on the statute books a provision which allows certain ship operators or any citizen of the United States, for that matter, to apply for a construction subsidy? Congress has acted on that provision.

For example, let us take the American-Hawaiian Line, which has applied and has been granted authority by the Maritime Administration to convert 3 or 4 vessels into ore carriers for a specific trade. The Maritime Administration has granted the authority. The Administration has held that the line meets the qualifications set forth in the statute. The Eisenhower administration has not asked for the funds. I say that we should either repeal the law or, if the line qualifies, it should receive the funds.

The Senator from Oklahoma must know that if these ships are not converted in American yards they will be converted in Japanese yards. These are military-type vessels, which would be sent to Japan for conversion. They would be sent into a dangerous area of the world, and perhaps they would be harbored there for a year's time. During that time anything could happen. We could lose the ships. At the same time, Mr. President, thousands of American workmen in our shipyards would be denied work which should go to them. I say if we are going to maintain the fourth arm of our national defense we must provide for an adequate merchant marine.

Mr. DOUGLAS. Mr. President, will the Senator from Michigan yield for a question?

Mr. BUTLER of Maryland. I yield now to the Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, has the Senator from Michigan concluded?

Mr. POTTER. Yes.

Mr. SALTONSTALL. Mr. President, I should like to say, in reply to my friend from Oklahoma, that I have an answer to his question. Specifically I agree with what the Senator from Michigan [Mr. POTTER] has just stated. We have today, instead of 1,500,000 men employed in 100 active shipyards, as we had during World War II, only 8 shipyards building for oceangoing service, employing no more than 100,000 persons.

At the present time there is not a shipyard in the United States which will have any work at all in any of its yards after February 1955. The purpose of the amendment with respect to construction and conversion is to permit the Maritime Administration, in its discretion, to decide, under section 504, which is the section that permits prime contracts to be held in the industry, with a mortgage taken by the Government, and a construction subsidy allowed, what type of ships can best be built with the amount of money appropriated and carried over for the next 3 or 4 years.

As I said, in the Fore River yards in Massachusetts, there will be no work after February 1955. In the Bethlehem yard at San Francisco there will be nothing after February 1955. In the New York Shipbuilding Co.'s yards there will be nothing after May 1954. In the Bethlehem yards at Sparrows Point, Md., there will be no work after November 1954. In the Ingalls shipbuilding yards, which I believe are in Birmingham, Ala., there will be no work after March 1954. In the Todd Shipyards at Houston, Tex., there is nothing at the present time. In the Newport News yards there will be nothing after December 1954. In the Sun Shipbuilding & Drydock Co. there will be nothing after April 1954.

If the shipyards are to be kept alive, if the trained and skilled ship-construction workers are to remain available, and if the naval architects who know how to design good ships are also to remain available, the Government should take some interest in this matter.

This subject has been discussed by me with persons who have come to my office from Alabama, Louisiana, Maryland, Massachusetts, and Virginia. I have also had telephone conversations on this subject with persons in Virginia.

A few private ships may be ordered without having a Government construction subsidy available.

The proposal we make will not give the Maritime Administration specific authority to provide for the spending of the sum of money appropriated. But, if the money can be advantageously spent; if the private shipowners are able to meet the requirement, under the Merchant Marine Act, to maintain a certain reserve, and if the Maritime Administration then decides, under the terms of the act, that the ship proposed for construction would be advantageous to the Government, in time of war, or in time of need during peace—for instance, at a time such as the present—then it will be possible for the Maritime Administration to enter into contracts with the shipping concerns.

I have favored this proposal, as has the Senator from Maryland [Mr. BUTLER], because we wish to do what we can to keep the shipyards alive, so that in time of need, whether in peace or in war, there will be in the United States a foundation upon which the shipbuilding industry will be able to expand.

Does what I have said answer the question of the Senator from Oklahoma?

Mr. KERR. Mr. President, will the Senator from Maryland yield further, to permit me to ask another question of the Senator from Massachusetts?

Mr. BUTLER of Maryland. I am glad to yield for that purpose, if I do not thereby lose the floor.

Mr. KERR. I have asked only a simple question; I have not attempted to embarrass any Senator. My purpose has been to obtain information.

Mr. SALTONSTALL. I have tried to provide the information desired.

Mr. KERR. Then I must assure my good friend, the Senator from Massachusetts, that evidently he did not understand my question.

Mr. SALTONSTALL. Will the Senator from Oklahoma please repeat his question?

Mr. KERR. I ask how many identities—either individual or corporate—would receive direct payments of Federal funds if the amendment to the committee amendment becomes a part of the law.

Mr. SALTONSTALL. Not one person or corporation would receive a penny until the Maritime Administration determined that the requirements had been complied with and it approved a contract.

Mr. KERR. The money is to be paid, is it not? Will the Senator from Massachusetts state whether the money will eventually be paid by the Treasury of the United States?

Mr. SALTONSTALL. The construction subsidy will be paid eventually to the shipping company whose contract is approved by the Maritime Administration and whose contract is accepted on the basis of a bid; in the case of the shipyard that is the lowest bidder.

Mr. KERR. Can the Senator from Massachusetts tell me how many such identities there will be, to whom the funds will be paid?

Mr. SALTONSTALL. The funds ultimately will be paid to the firm approved by the Maritime Administration, which has funds of its own to be used in accordance with the provisions of the Maritime Act. Such a firm might be the Moore-McCormack Lines or the Grace Line, in the case of a passenger ship; or in the case of an oil tanker, it might be some other line. The Senator from Maryland [Mr. BUTLER] may know the names of such lines; I do not know them. It might be one of the large oil companies that are building new oil tankers. It might be any company which could put up 60 percent or could show that it had in reserve 60 percent, in order to pay its share.

Then, if the Maritime Administration was convinced that the firm was able to meet the requirements, payment of the money would be approved by the Maritime Administration. That is my understanding of the arrangement.

Mr. KERR. Mr. President, will the Senator from Maryland yield again, to permit me to ask a further question?

Mr. BUTLER of Maryland. Mr. President, I yield the floor.

Mr. SALTONSTALL obtained the floor.

Mr. KERR. Mr. President, will the Senator from Massachusetts yield to me now?

Mr. SALTONSTALL. I shall be glad to answer the Senator's question.

Mr. KERR. Does the Senator from Massachusetts think that 10, 15, or 20 companies, or more, or less, might participate in the program?

Mr. SALTONSTALL. I must guess. I assume that the companies which might participate, and which would have reserves sufficient to enable them to build sizable ships, would probably be not more than 10, and probably less.

Mr. KERR. I thank the Senator from Massachusetts for the information.

Then the money would be a Federal subsidy paid to the companies which eventually would become the owners of the ships, for the construction of which the companies would pay a certain percentage and the Federal Government would pay a certain percentage. Is that correct?

Mr. SALTONSTALL. The Merchant Marine Act of 1936 sets forth a fundamental provision for a strong merchant marine, namely, that the construction for which a subsidy is paid must be "necessary for the national defense and for the development of our national and domestic commerce."

That would be the basis upon which the Maritime Administration would arrange for such contracts.

Mr. KERR. I understand that the Federal Government would pay this

much either in the case of the conversion of ships now owned by these companies or in the case of the construction of ships by them. After the ships were either converted or constructed, with the assistance from the Federal Government, they would belong 100 percent to the private owners, would they not?

Mr. SALTONSTALL. Under section 504, the ship, if built under that section, subject to the provisions of the amendment, would become the property of the private owner; but there would always be a mortgage held by the Government, and the Government could take over the ship if the company did not live up to the terms of the Merchant Marine Act.

Mr. KERR. Mr. President, will the Senator from Massachusetts yield further to me?

Mr. SALTONSTALL. I yield.

Mr. KERR. The Senator from Massachusetts said there would be provision for the Federal Government to have a mortgage. Does that mean the Federal Government would have a right to take over the ship by paying for it?

Mr. SALTONSTALL. It is my understanding that if the ship company did not live up to the terms of the contract, the Federal Government would hold the mortgage and could take over the ship.

Let me state that I assume the Senator from Oklahoma understands the provisions of the Merchant Marine Act. Under that act there are two kinds of subsidies. One of them is a construction subsidy; the other is an operating subsidy. The purpose of the construction subsidy is to permit ships to be built in the United States. Such a subsidy is necessary because of the higher cost of living and the higher cost of construction in the United States. The operating subsidy permits United States shipping companies to operate the ships.

Under the law an operating subsidy may be paid, for the reason that in the United States wage costs and maintenance costs are greater than in the case of other countries. Operating subsidies are determined by comparing the costs in other countries where ships are built or operated—such countries as England or Belgium, and so forth—with the costs in the United States. The subsidy the Federal Government pays is based on the difference.

The operating subsidy is very similar to the price supports in the case of agriculture.

Mr. KERR. Mr. President, will the Senator from Massachusetts yield for a further question?

Mr. SALTONSTALL. I yield.

Mr. KERR. The Secretary of Agriculture has said he is going to cleanse and purify the American farmer from the taint that attaches to him by reason of the Federal Government's cooperation and support.

Will the Senator from Massachusetts explain to me how it is that the Federal Government's program of support in the case of agriculture is something that taints and corrupts the farmer, when 7 million farm families are participating in a program which costs approximately $60 million a year, whereas the $40 million for the construction and conversion subsidy and the $40 million to $50 million for the operations subsidy for less than 15 shipping companies remove from them the possibility that they also may be tainted just a little?

Mr. SALTONSTALL. I prefer not to engage in a debate on agricultural matters with the Senator from Oklahoma, this afternoon. I have never indulged in personalities. The word "taint" involves personalities in my judgment.

Inasmuch as Oklahoma is an agricultural State and inasmuch as many of the people of Massachusetts still go down to the sea in ships, let both of us believe it will be possible for the industries of our States to perform their proper functions.

Mr. AIKEN and Mr. DOUGLAS addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Massachusetts yield; and if so, to whom?

Mr. SALTONSTALL. I yield first to the distinguished Senator from Vermont.

Mr. AIKEN. Mr. President, I may observe, first, that there is a difference between subsidizing 6 million farm families, or subsidizing them potentially, and subsidizing two shipping companies. The report of the committee clearly indicates that it is expected that the subsidy will be used for the purpose of constructing 2 ships for the Grace Line and 2 for the Moore-McCormack Co. I read from the report:

> The Government construction-differential subsidy for each ship is $13,600,000.

That means a total of $27,200,000. The Government's share on each of the 2 Grace Line ships would be $8 million, a total of $16 million. If, of the $43,200,000, $27,200,000 is given to the Moore-McCormack Co., and $16 million to the Grace Line, how much will that leave for all other shipping lines of the United States, and particularly the 8 to which the Senator has referred as possibly being eligible under this provision? In view of the report of the committee, will not the Maritime Commission be obligated, once it gets this money, to spend it in the building of 2 ships for the Grace Line and 2 for the Moore-McCormack Lines?

Mr. SALTONSTALL. I am glad indeed that the Senator from Vermont has asked that question. I answer it by saying that the Truman budget called for $118 million for ship-construction subsidies. The Eisenhower budget eliminated the entire item. The House omitted it. The amendment would restore $3 million and permit the spending of $40 million more over the period of the next few years.

Mr. AIKEN. Is that to be done by the President?

Mr. SALTONSTALL. Yes. Now, let me come to the Senator's question. The $118 million in the Truman budget was based on the construction of 4 passenger ships, 2 by the Moore-McCormack Lines, 2 by the Grace Line, and 1 prototype oil tanker. The program, as it was presented to the Appropriations Committee and agreed to, called for 4 passenger ships, omitting the prototype oil tanker. Both Senators from Maryland brought up the question of conversion in addition to construction. As one of the original sponsors of the committee amendment, I did not wish to increase the amount of the appropriation, so I agreed to the construction or conversion, with the thought that the Maritime Administration might decide what type of ship it wanted, and whether to convert ships or to build new ones, within the amount appropriated.

Mr. AIKEN. But in view of the fact that $43,200,000 would be available, $27,200,000 is promised to the Moore-McCormack Lines. Is not that true?

Mr. SALTONSTALL. No; it is not promised to anyone.

Mr. AIKEN. From a reading of the committee report, I would think that after the appropriation is made the money is clearly promised to the Moore-McCormack Lines and the Grace Line.

Mr. SALTONSTALL. No. I may say to the Senator from Vermont that it is my understanding that not one penny of the amount mentioned will necessarily be appropriated, unless the conditions laid down in the Merchant Marine Act of 1936 are complied with. Certain contracts would first have to be worked out. They must be backed up by certain reserves that can be used in the event the Government enters into the contract. By making this appropriation, we do not commit the Government to the expenditure of the money. It merely makes it possible for the Maritime Administration to spend it.

Mr. AIKEN. Mr. President, does the Senator think for 1 minute that the Maritime Administration, as the successor to the Maritime Commission, will not place contracts with Bethlehem Steel and other large corporations that would profit from them, or will insist upon that being done? Does the Senator know of any instance in which the Maritime Administration has stood up against such influences?

Mr. SALTONSTALL. I cannot specifically say as to that, but I do know that all the ship-construction funds have not been used in the past. This is a mere appropriation.

Mr. AIKEN. In fact, it is a subsidy to the two companies named, is it not?

Mr. SALTONSTALL. I should not so look upon it, but it is appropriated in order that people employed in shipyards might maintain a degree of skill. As a result of keeping our shipyards going, ships that might be needed could be built. I call the Senator's attention to the fact that the four passenger ships, if built, would take the place of five ships that are now overage. The safety regulations of the Coast Guard are waived in the case of government-owned ships which are now operated as passenger ships.

Mr. AIKEN. If we are to apply measures of this sort to the shipyards, at a time when the economy of the country and the income of the country are at an all-time high, are we not merely inviting trouble if the time arrives when there may actually be unemployment in the country?

Mr. SALTONSTALL. I do not consider the amendment as intended to afford relief. If there is a desire to repeal the Merchant Marine Act of 1936, to have no shipyards, no ship construction, and no new ships to be operated

under the American flag, that is a question for the Congress to decide. Two or three years ago, we amended and improved, to a certain extent, the Merchant Marine Act of 1936. The fundamental principles of that act have remained in force. We may as well admit, and I should be less than frank if I did not admit, that American shipyards cannot compete in costs with those of Japan or England. The problem we must face is whether we desire to have any American shipyards, and whether we want the American flag flying off the stern of any merchant vessel or passenger ship. If we do, then we must continue the subsidies; we must continue the aids. If we do not desire those things—and there are those who feel that we should not have a shipbuilding industry—then we can repeal the Merchant Marine Act of 1936.

Mr. AIKEN. How many shipyards could be subsidized by the building of four ships at a cost of $43,200,000?

Mr. SALTONSTALL. There are today eight shipyards in the United States which are building oceangoing vessels. As I said to the Baltimoreans who came to see me, this involves competitive bidding. The Senator from Vermont is very familiar with farming expressions and similes. As I said to those interested in shipping who came from Baltimore to see me, in the event the pending bill becomes law, with the pending amendment embodied in it, if they have ever been in a chicken yard and picked up a fistful of corn, scattered by the farmer for a flock of chickens, they will understand what will happen in this matter.

Mr. AIKEN. I may add, there is an advantage in it, if the private ship companies shut down, for when prices go down, the Government can rebuild the shipyards.

Mr. SALTONSTALL. Many workers would be thrown out of employment.

Mr. AIKEN. Yes; but the Senator has just been reading the figures, and saying that the appropriation is to take care of orders until 1954.

Mr. SALTONSTALL. No. I referred to the ships which are being constructed at the present time. I do not want to make an erroneous statement, but, to the best of my knowledge, the naval architects, the drawing-board experts, and all others who are engaged in shipyard activities, are fast completing all the work that is available, if they have not already done so.

Mr. AIKEN. As I understood the Senator, he said that the work on most of the ships would be completed by November 1954.

Mr. SALTONSTALL. That means that the last rivet will have been driven.

Mr. AIKEN. Does the Senator think it good policy, and that it contributes to the strengthening of our econmy and the security of the Nation, to have a great industrial establishment so dependent upon Government orders that, if it does not receive orders running for years into the future, it will be something to worry about?

Mr. SALTONSTALL. My answer to that question is, yes, if we want any ships flying the American flag. I have stated already that some persons think we should rely on England, or on Japan, or on Belgium, or on Norway and Sweden and other shipping countries for all our shipping. But I would say to my distinguished colleague that we have enacted a law, year after year, on the subject of mutual security, providing that 50 percent of everything granted by way of mutual security shall be shipped in American bottoms. We cannot have American bottoms unless we have operating subsidies. We cannot have them unless we have some form of construction subsidies.

Mr. AIKEN. Is it not a fact that the requirement that 50 percent of the work shall be done in American yards is itself a subsidy to American shipyards and American shipping?

Mr. SALTONSTALL. It makes it possible for American citizens who are the officers and men on the ships to be paid the wages we believe are proper in the United States. Furthermore, we have recently completed in Japan a certain number of cargo-carrying and troop-carrying ships for use by the Army in time of war. Do we want all our troops to be carried by foreign-built vessels unless they are completely owned by the Government?

Mr. AIKEN. It is possible for the merchant marine to fly the American flag on ships which perhaps are built in foreign yards. Possibly the best ship operators out of the port of Boston are having ships built in foreign countries. As I understand, they can get them built better and for less than half the cost of those constructed in the United States. They can get them built in accordance with their own specifications, and they do not come under Government domination and control forever afterward.

Mr. SALTONSTALL. I know the Senator from Vermont is a very patriotic citizen. Supposing Japan were overrun, or supposing an atomic bomb were dropped on England, and we should become involved. If there were no yards in the United States we would be in a most unfortunate position.

Mr. AIKEN. As I remember, we constructed a great many ships in a very short time when war came.

Mr. DOUGLAS. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield.

Mr. DOUGLAS. Referring to the immediate question of the amendment of the Senator from Maryland, may I ask if it is not a fact that yards on the Atlantic coast which are regarded as most adapted for conversion purposes are the Baltimore yards of the Bethlehem Shipbuilding Corp., otherwise known as the Sparrows Point yards?

Mr. SALTONSTALL. I cannot answer that question.

Mr. BUTLER of Maryland. They are not.

Mr. SALTONSTALL. Of my own knowledge, I do not know the answer to the Senator's question.

Mr. DOUGLAS. Is it not true that the Fore River Shipbuilding Co. is owned by the Bethlehem Shipbuilding Corp.?

Mr. SALTONSTALL. Yes.

Mr. DOUGLAS. Does it still have the Alameda, Calif., yard?

Mr. SALTONSTALL. That I cannot answer.

Mr. DOUGLAS. Are there still shipyards at Alameda, Calif.?

Mr. SALTONSTALL. I cannot answer that question. There are private shipyards on the Pacific coast, and there are navy yards on the Pacific coast.

Mr. DOUGLAS. The Senator read a list a while ago, and I was wondering if the Alameda plant was still in production?

Mr. SALTONSTALL. There is a Bethlehem yard at San Francisco.

Mr. DOUGLAS. In other words, Bethlehem has 3 shipbuilding yards, 1 at Fore River, Mass., 1 at Baltimore, Md., and 1 in San Francisco Bay, which used to be the old Alameda yard.

Mr. SALTONSTALL. That is correct.

Mr. BUTLER of Maryland. Is there not one at Kearny, N. J.?

Mr. SALTONSTALL. There is a yard in New Jersey, and a yard in Virginia.

Mr. DOUGLAS. All owned by the Bethlehem Co.?

Mr. SALTONSTALL. No.

Mr. DOUGLAS. May I ask the Senator two further questions?

Mr. SALTONSTALL. Certainly.

Mr. DOUGLAS. My first question is this: If the amendment of the Senator from Maryland is agreed to, obligating us to the conversion of cargo ships into tankers, could the ultimate expenditures be held down within the total of $43,200,000?

Mr. SALTONSTALL. Yes, because none of the money needs to be obligated unless the Maritime Administration signs contracts for the Government's share. Naturally, it will not sign a contract for more money than it has.

Mr. DOUGLAS. If the construction of the four ships is authorized, and the conversion of cargo ships is also authorized, and they are all started, and if it costs $43,200,000 as the Government's share of the subsidy for the four passenger and cargo ships, will there not have to be a later appropriation for the conversion of cargo ships into tankers?

Mr. SALTONSTALL. The answer to that question is that there will not have to be, because the Maritime Administration will not commit itself if the funds are not available.

Mr. DOUGLAS. But there could be great pressure upon the Maritime Administration to request and upon this body to grant further appropriations to provide for these conversions.

Mr. SALTONSTALL. No; I do not think so. The construction subsidies will run along from year to year, or not from year to year, as the Congress shall determine. Certainly, if the Maritime Administration should authorize a greater amount than that appropriated by Congress, it would be subject to very severe penalties.

Mr. DOUGLAS. Is it not true that the two ships of the Grace Line, which are said to be over age, are over age only by 6 months, namely, that they are 20 years and 6 months old?

Mr. SALTONSTALL. It is my understanding that all five of the passenger ships now operated by the Grace Line and by the Moore-McCormack Lines are over age.

Mr. DOUGLAS. I read the testimony, and, subject to correction by members of the staff, it is my understanding——

Mr. SALTONSTALL. I would take the Senator's word for that.

Mr. DOUGLAS. May I ask the Senator to consult his staff with reference to that question?

Mr. SALTONSTALL. The ships became 20 years of age during the past calendar year. The Coast Guard has urged that something be done. These ships are still owned by the Government. They were not built under section 504. Therefore, the Government is operating passenger ships at a time when its own regulations for privately owned ships are not being lived up to.

Mr. DOUGLAS. Is not the Senator now referring to the two ships of the Moore-McCormack Lines rather than to the two ships of the Grace Line?

Mr. SALTONSTALL. It is my understanding that it refers to all.

Mr. DOUGLAS. Do these ships become obsolete and senile because they are slightly over 20 years of age?

Mr. SALTONSTALL. Looking at my colleague from Illinois I know he is not senile, but the life of a ship runs out before that of the Senator from Illinois.

Mr. DOUGLAS. I appreciate the Senator's answer, but is it not true that when the Administrator, Mr. Gatov, was asked whether construction was urgent, he replied, at page 407 of the House hearings, that it was not urgent?

Mr. SALTONSTALL. If the Senator says so, I would say that that is the statement the Administrator made.

Mr. BUTLER of Maryland. Mr. President, will the Senator from Massachusetts yield?

Mr. DOUGLAS. I have just consulted, within the past 5 minutes, the House hearings, and it was the statement of the Administrator that the construction of new ships and the retirement of the four old ships were not urgent. The Administrator was asked this question in the hearings:

Mr. COUDERT. So, as a matter of fact, there is no great urgency to undertake commitments for construction of these four ships at this time?

The Administrator replied:

I would not say so, on the urgency basis; no, sir.

Mr. SALTONSTALL. I would not dispute that statement. Let me answer the statement of the Senator from Illinois in this way:

In 1947 the President's Advisory Committee on Merchant Marine recommended the construction of 46 pasenger ships over the 4-year period from 1948 to 1951. Since then, only three new ships have been constructed—3 out of 46. None is now under construction.

Mr. DOUGLAS. Mr. President, will the Senator yield for a further question?

Mr. SALTONSTALL. I yield.

Mr. DOUGLAS. Is it not true that the two ships of the Grace Line which are 6 months over 20 years of age are the *Santa Rosa* and, I believe, the *Santa Maria*?

Mr. SALTONSTALL. Yes.

Mr. DOUGLAS. Is it not true that those ships were reconverted at Government expense, and at enormous cost, only 6 years ago?

Mr. SALTONSTALL. I cannot answer that question of my own knowledge.

Mr. DOUGLAS. Is it not true that the Government paid the cost of reconversion of those ships?

Mr. SALTONSTALL. On the basis of what the Senator has said, I assume that they were used as troop-carrying ships, as I know some others were, and were then converted to passenger ships.

Mr. DOUGLAS. Is it not true that they were converted at Government expense about 6 years ago?

Mr. SALTONSTALL. Simply because the Government had destroyed their value as passenger ships in order to transport American troops during the war.

Mr. DOUGLAS. Now, after only 6 years of use as passenger ships, they are to be scrapped, and new ships are to be constructed at a cost to the Government of approximately $16 million. Is not that correct?

Mr. SALTONSTALL. That is because their age limit has run out.

Mr. DOUGLAS. Only by 6 months. Are we going to say that when a ship passes by 1 day the 20-year point, it must be scrapped?

Mr. SALTONSTALL. I shall not engage in a debate with my distinguished colleague, the Senator from Illinois, over whether or not the Coast Guard regulations are proper regulations to insure the safety of our citizens. It is my understanding that the Coast Guard has stated that they are waiving, after 20 years, the safety regulations required of private ships which had been owned by the Government.

I call the attention of the Senator from Illinois to the fact that in the past all the ships have been built under section 501. If this amendment is agreed to, it will be the first time any ships will be built under section 504 in which private concerns are the prime contractors. This is an experiment.

Personally, I recommended this language because it was my desire to keep the Government subsidy as low as possible, and I wished to make certain that if private companies did not have funds to go into this project, no money would be spent. The companies concerned are now supposed to have in their possession sufficient reserves to enable them to proceed to contract.

Mr. DOUGLAS. Would the Senator from Massachusetts be interested in hearing the testimony of Administrator Gatov, of the Maritime Administration, which appears on page 406 of the House hearings?

Mr. SALTONSTALL. I should be glad to hear anything the Senator thinks is pertinent.

Mr. DOUGLAS. Mr. Gatov, speaking of the Moore-McCormack Lines ships, said:

Those particular ships are beyond the age, I think, where they can be economically operated. They were built in 1928, and their birth date is beginning to show. There is no reason why you cannot defer it. I would be less than honest if I said we had to go all-out and build those new ships. There is a certain amount of usefulness left in the existing vessels—I cannot deny that—but again the act is our guiding principle. Vessels over 20 years of age can be subsidized only if it can be shown that it is in the public interest to do so. It is one of our fundamental principles.

Mr. COUDERT. Would you have to stop paying subsidies on those ships operated for 21 years?

Mr. GATOV. Yes, sir; the law specifies it.

Mr. COUDERT. Does the law say anything about 20 years?

Mr. GATOV. Yes, sir. The law says a vessel over 20 years of age is not eligible for a subsidy unless it can be shown to be in the public interest to subsidize them.

Mr. COUDERT. I am asking you if the Maritime Board will stop the operation of those ships when they pass their 20th birthday?

Mr. GATOV. They have already passed it.

Mr. COUDERT. And are still being subsidized?

Mr. GATOV. Yes, sir.

In other words, these vessels can continue in operation, and, in the case of the Moore-McCormack Lines, have continued for 4 years beyond the 20-year period, and are still being subsidized under the operating differential. I think on the same principle the two Grace Line ships, the cost of which the Government has already paid, can be continued in operation. But no, we are asked to scrap them all and pour $43 million of public funds into these companies, and into the four shipyards which will build the ships.

Mr. SALTONSTALL. I say again to the distinguished Senator from Illinois, what I have repeated over and over again, that the Coast Guard regulations are being waived, and when that is done there is some doubt about the safety of the passengers on those ships. The Coast Guard does not like that practice. The Coast Guard, in 1 day, if my information is correct, could take those ships out of operation.

Mr. CASE. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield to the Senator from South Dakota.

Mr. CASE. Will the amendment of the Senator from Maryland to the committee amendment result in some saving by providing for conversion rather than new construction?

Mr. SALTONSTALL. In my opinion, it is a proper amendment, because it would give the Maritime Administration more latitude in choosing the ships which it is most necessary to build under a construction subsidy within the amount of the appropriation. It is a perfectly proper amendment.

Mr. CASE. My thought was that if conversion would save some money over the cost of new construction, would it not be also in order to reduce the amount of the construction authorization proposed by the committee amendment?

Mr. SALTONSTALL. That is a perfectly proper question. I would hope that the amount would not be reduced, because I do not know what the effect of reducing it would be. I understand three ships will be eligible for conversion if the amendment shall be agreed to.

I call the attention of the Senator from South Dakota to the fact that there are some new ships being built for American companies today in England and Japan. As the Senator from Maryland has said, the conversions would go

to Japanese yards if the work were not done in the United States.

Mr. CASE. Could the Senator give assurance that if the amendment remained in the bill when it went to conference, and it should develop that the addition of the amendment offered by the Senator from Maryland would permit a reduction in the total amount of contract authorizations proposed, the Senator from Massachusetts would assent to such a reduction in conference?

Mr. SALTONSTALL. I would not oppose any reasonable amendment. I say that because I am interested not so much in the question whether these ships are economical, or are safe or unsafe, but my desire is that some of our shipyards be kept open and that some employees having a knowledge of naval architecture and naval construction be retained, so that in the event we should become involved in another war, we would not have to depend entirely on England, Norway, Sweden, or Japan. That is the fundamental principle on which I am working.

Mr. CASE. I thank the Senator.

Mr. MORSE. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield to the Senator from Oregon.

Mr. MORSE. Is it not true that the Coast Guard regulations are followed on an automatic basis of age, and not after inspection and a finding that ship X or Y is in fact unsafe? If the Coast Guard finds that a ship has reached the age limit, its recommendation is automatic, is it not?

Mr. SALTONSTALL. I cannot answer the Senator's question from my own knowledge. I should suppose that that would be a matter of prima facie evidence, and that the Coast Guard would have to be shown that it was safe to operate the ship.

In that connection, I may say to the Senator from Oregon that it has been pointed out to me by an assistant from the Committee on Appropriations that it appears in the justification furnished with the Truman budget, under present requirements the Moore-McCormack ships are not completely fireproof.

Mr. MORSE. Mr. President, will the Senator yield for a further question?

Mr. SALTONSTALL. I yield.

Mr. MORSE. Does the Senator from Massachusetts realize that as the Senator from Illinois has pointed out, these ships were converted and reconditioned in very recent years, and placed in a condition suitable for the transportation of troops?

Mr. SALTONSTALL. Again I cannot speak of my own knowledge. I assume that the ships were converted for war use and then reconverted for passenger use; but I do not know that as a fact.

Mr. MORSE. When they were reconverted for passenger use, were they not subject to Coast Guard inspection? Or does the Senator wish to argue that the Coast Guard allowed to go to sea, after conversion to passenger use, ships that were unsafe for the carrying of passengers?

Mr. SALTONSTALL. I would agree with the implication the Senator from Oregon has made.

Mr. MORSE. Is it not true that we have on the seas a great many ships which are not, in fact, fireproof in every detail, but nevertheless are ships which are allowed to fly the American flag and to carry passengers? We are dealing here with a technical "out" which is being advanced, because the Coast Guard has been asked to make the finding that in some respects these ships are not entirely fireproof.

Mr. POTTER and Mr. LEHMAN addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Massachusetts yield; and if so, to whom?

Mr. SALTONSTALL. I believe the Senator from Michigan was first on his feet.

Mr. POTTER. Mr. President, is it not true that the reason it is necessary for us to have a continuing shipbuilding program is that this country is faced in a very few years with a block obsolescence situation, when our warbuilt ships will all become of age at about the same time? Unless we continue to build a few ships each year, in a few years we shall lose all of our ships at one time. Consequently, we shall be confronted with the problem of mass shipbuilding. One of the great difficulties we have had in the past is that our maritime industry has been a boom-or-bust industry. We expand tremendously during a war or an emergency, and after the war or emergency passes we let our maritime industry slip away.

As the Senator pointed out, the shipbuilding industry is a technical industry. If it is allowed to disintegrate now, and if we do not maintain a certain amount of shipyard facilities, if we do not build a few new ships each year, then at a time when we need ships, we shall not have the wherewithal to produce them.

Mr. SALTONSTALL. The Senator is absolutely correct. There are 14,800 cargo-carrying ships now laid up in "moth-balls." Of those, approximately 300 are not worth reconditioning. All of them are slower than the ordinary merchant ships at the present time. They could be used in a great emergency. We have built approximately 30 so-called "Pioneer Class" ships, but they are of value only for use by the Government, and are not commercially useful. Therefore at the present time we are pretty well down to bedrock with respect to merchant ships which are capable of making a profit.

Mr. POTTER. Mr. President, will the Senator further yield?

Mr. SALTONSTALL. I yield.

Mr. POTTER. Is it not true that from a national defense standpoint it is essential that we have modern type vessels and build up our modern fleet on a gradual basis? In case of an all-out war we would be in dire straits if we did not have the passenger vessels with which to transport our troops.

Mr. SALTONSTALL. I will say to my colleague that that is why I am on my feet at the present time.

Mr. POTTER. If the Senator from Massachusetts will yield for one further observation, I am sure he realizes that during World War II our Government paid to England more than $100 million for the rent of the two Queens. If we allow our passenger ship program to dwindle, and do not consider the national defense aspects of this program, which incidentally was one of the basic reasons why the subsidy program was adopted, we shall find ourselves at the mercy of our friends and allies, even though they may be in a position to help us. Consequently, in spite of the fact that they have the ships with which to help us in case of an emergency, we shall be at their mercy, and in the long run the cost to us will be 10 times what this program is costing us today.

Mr. SALTONSTALL. The troop-carrying capacity in this country today is down to one-third what it was in 1939.

Mr. POTTER. Mr. President, will the Senator yield for a further question?

Mr. SALTONSTALL. I yield.

Mr. POTTER. We have heard considerable discussion about nonsubsidized operators. Personally, I do not believe there is a nonsubsidized operator in the passenger trade.

Mr. SALTONSTALL. I respectfully say that I do not think the Senator is quite correct in that statement. I know that the United Fruit Co. lines and several other lines are not subsidized.

Mr. POTTER. They are in the combination trade.

Mr. SALTONSTALL. Yes.

Mr. POTTER. It is necessary in the interest of national defense to have large passenger vessels available.

Mr. SALTONSTALL. I believe the Senator is correct in saying there are no nonsubsidized operators in the strictly passenger trade.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. LEHMAN. Obviously, under present conditions, in the consideration of appropriations we must take account of the relative importance of the various proposals made. I do not wish to belittle the importance of building up the merchant marine. I understand its importance. But we know that we shall be confronted with a proposal to reduce appropriations for our air forces by a very large amount, possibly more than $4 billion, which will mean the reduction of our air strength from 143 wings to less than 120. I wonder whether my distinguished friend from Massachusetts will tell me whether he thinks this proposed appropriation is as important as maintaining to the greatest extent, within our possibilities and means, the air strength of this country.

Mr. SALTONSTALL. I agree with what the Senator has said with reference to maintaining air strength. I have devoted considerable study to the subject to which the Senator has referred, namely, the Air Force. I do not think the Senator wants me to go into an argument on that subject at this time. I simply say that it is not at all clear to me that we are reducing our air strength by cutting out the $5 billion, but I shall not argue with the Senator on that point. I agree that the question is one of relative importance.

I should like to read a paragraph or two from a telegram sent last autumn by President Eisenhower regarding the merchant marine:

I consider the merchant marine to be our fourth arm of defense and vital to the stability and expansion of our foreign trade.

The thousands of skilled workers in our shipyards and in allied industries who have spent their working lives in the building of ships and the machinery for those ships, together with the thousands of merchant seamen who have devoted their lives to the sea, need assurance that never again will the United States neglect its merchant fleet.

That is President Eisenhower's summation of the value of the merchant fleet. With regard to the Air Force, I agree with my distinguished colleague from New York that the question is one of relative importance. The Senator from New York was Governor of his State for many years, as well as a legislator. I know, as he knows, that everything is relative.

Mr. LEHMAN. Mr. President, will the Senator further yield?

Mr. SALTONSTALL. I yield.

Mr. LEHMAN. It seems to me that next to the paramount importance of national military defense and national spiritual defense, the next most important thing is the subject of the health, welfare, and education of our people. We know that there is a proposal before the Congress of the United States that we cut the appropriations for research in health, mental health, heart disease, cancer, and other deadly diseases, as well as appropriations for education, by an amount of $25 million this year, a cut equal to approximately one-third of the appropriations we have been making for several years past, which in themselves, in my opinion, were inadequate.

When it comes to the question of deciding whether we want to spend this $43 million for the reconditioning and conversion of ships, and the building of facilities for private shipyards, or for some other purpose, the question becomes one of relative importance. I still believe that national defense is of paramount importance. However, if we do not use the money for that purpose, if the choice lies between the things I have mentioned and the continuation of steps to protect and advance the health, welfare, and education of our people, at least so far as I am concerned there is no choice. I doubt whether my distinguished friend from Massachusetts would disagree with me.

Mr. SALTONSTALL. Unemployed people are the ones who suffer the greatest damage to their health and are most likely to become the recipients of welfare services. There are approximately 100,000 people employed in our shipyards today. If all the shipyards cease to operate, a substantial percentage of those people will be thrown out of work.

For example, in Quincy, Mass., at the Fore River Shipyard, the employment is down. That situation applies to yards everywhere. Of course we must balance between things. However, the fourth arm of our defense is needed in order to protect the security of the country. We cannot have health and welfare unless we have security. The pending amendment would add to the security of our country.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. LEHMAN. I do not believe we can have security without health and welfare and decent education and fair and equal opportunity.

Mr. SALTONSTALL. I shall not argue that point with the Senator. I do not want to argue about the Air Force and health at the present time.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. ROBERTSON. This morning the junior Senator from Virginia attended a hearing on the question of appropriations for cancer research, to which the distinguished Senator from New York has referred. The House has sent us a cancer research bill which contains an appropriation of approximately $400,000 more than was spent last year for that purpose. So far as the junior Senator from Virginia can influence the action of his subcommittee, the amount we will appropriate this year for cancer research and heart research will not be less than the amount appropriated last year. It may not be as much as some people would like to see provided, and it may not be as much as was recommended in the Truman budget.

Mr. LEHMAN. Mr. President, will the Senator from Massachusetts yield, so I may reply to the Senator from Virginia?

Mr. SALTONSTALL. Mr. President, provided I do not lose the floor, I yield to the Senator from New York so that he may reply to the Senator from Virginia.

Mr. LEHMAN. I wish to say, even though I am not a member of the Committee on Appropriations, I understand that the appropriation bill to which I made reference has not been reported by the committee. I am referring to recommendations made by Mrs. Hobby with regard to the Department of Health, Education, and Welfare appropriations.

I have been told that for mental health alone—and that is a subject in which I am deeply interested, because in New York State more than 100,000 persons are confined in mental hospitals—a reduction has been proposed of approximately $10 million; and in the various correlated activities to which I made reference a few minutes ago the proposed appropriations show a reduction of $25 million from those which were made last year and proposed again this year. I do not know what the Appropriation Committee will do.

Mr. ROBERTSON. The House has sent us a bill for vocational education and mental health in an amount which is considerably below the recommendation in the Truman budget. The $3 million which will be contained in this bill, for fiscal 1954, for the shipbuilding program, will not meet that situation ipso facto. It may add $3 million to some phase of that program, but that is all it can do.

So far as cancer and heart research is concerned, involving diseases which are killing so many people today, it is the hope of the Senator from Virginia that the appropriation will not be less than the appropriation last year. When the distinguished Senator from Massachusetts yields the floor the junior Senator from Virginia will make a brief comment in behalf of his amendment.

Mr. LEHMAN. I may say to the Senator from Virginia that I very much hope the Committee on Appropriations will increase the appropriation for cancer and heart research over what it was last year. I believe the appropriations for last year and for the past 2 or 3 years have been completely inadequate to meet the health and welfare problems of our country.

Mr. ROBERTSON. We appropriated a little more than $17 million, and the new budget recommended $26 million. The experts testified today that they could use it all to good advantage.

Mr. SALTONSTALL. I believe in what I have had to say I have answered to the questions asked of me. I shall be glad to accept the amendment of the Senator from Maryland [Mr. BUTLER], and have a vote on the amendment as a whole, if that is agreeable to him.

Mr. BUTLER of Maryland. I ask for the yeas and nays.

Mr. AIKEN, Mr. MORSE, and Mr. WILLIAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. SALTONSTALL. Mr. President, I have not yielded the floor.

The PRESIDING OFFICER. The Senator from Massachusetts has the floor.

Mr. SALTONSTALL. I should like to say, in conclusion, that in 1939 we had 123 ships, capable of carrying 38,000 passengers. Today we have 44 ships, capable of carrying 13,000 passengers. The Advisory Committee on the Merchant Marine, in 1947, recommended the construction of 46 ships, to be built over a 4-year period. Only 3 of the recommended ships were constructed, and none are being constructed today.

In World War II there were 100 active shipyards in the country. Today there are 8 active shipyards. During World War II more than 1.5 million men were employed in our shipyards. Today less than 100,000 men are employed in the shipyards.

Since World War II 1.5 million deadweight tons of passenger ships have been built, 25 percent for the United Kingdom, and 7.3 percent for the United States.

In 1952, out of a total of 40 passenger ships built, one was built in the United States. Out of 159 tankers built, 8 were built in the United States.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I should first like to complete my statement on this point. It is my belief that the amendment is worthwhile and should be adopted, in order to help keep our shipbuilding industry alive. We need the industry very badly in time of emergency.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. AIKEN. I understood the Senator from Massachusetts to indicate that the passenger business of the United States ship lines is declining. Is that correct?

Mr. SALTONSTALL. It is declining to a marked degree.

Mr. AIKEN. Is that not due to the tremendous increase in air travel? As I understand, certain types of travel have been completely taken away from the shipping lines by the airlines.

Mr. SALTONSTALL. In my opinion that would not apply to the figures which I have given. I do not say that air traffic has not taken business away from passenger ship traffic. It has taken business away from all traffic. However, that would not apply to the figures I have tried to give.

Mr. AIKEN. Am I right in assuming that the two companies concerned, the Moore-McCormack Lines and the Grace Line, carry traffic which comprises largely tourist business to South America?

Mr. SALTONSTALL. I do not understand that it is necessarily tourist business. It is all kinds of business—cargo, passenger, and everything else.

Mr. AIKEN. But a businessman going to South America or to Africa would naturally fly, would he not?

Mr. SALTONSTALL. The traffic goes both ways. I assume that some people still do not like to fly. I will say to my friend from Vermont that the amendment calls for ships to be built under section 504. None of these companies, if it does not think it can operate ships successfully, need try to get a contract and a construction subsidy. It is entirely up to them; they are the prime contractors.

Mr. AIKEN. Am I correct in understanding that the Eisenhower budget did not call for this appropriation?

Mr. SALTONSTALL. That is correct.

Mr. AIKEN. Or contract authorizations?

Mr. SALTONSTALL. That is correct. It has been called to my attention that the decline in passenger traffic on American ships is not caused by lack of business, but by lack of ships.

Mr. AIKEN. Does the Senator from Massachusetts understand that the President and the entire Cabinet have urged immediate participation of the United States, jointly with Canada, in the construction of the St. Lawrence seaway?

Mr. SALTONSTALL. Yes. I would say to my distinguished friend—and I do not know whether we will differ ultimately on that point—if we build the St. Lawrence seaway project, I hope we will have American oceangoing ships which will use it. If we do not build the ships, we will not have them.

Mr. AIKEN. One argument in favor of it, as made by the administration, I believe, is that it would provide an inland haven for the construction of ships, in the event of war.

However, I do not wish to get into an argument on this point with the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, will my colleague yield to me?

The PRESIDING OFFICER (Mr. SCHOEPPEL in the chair). Does the Senator from Massachusetts yield to his colleague?

Mr. SALTONSTALL. I yield.

Mr. KENNEDY. Are not more than 10,000 persons, approximately, now employed at the Fore River yard?

Mr. SALTONSTALL. I have the exact figure among my papers.

Mr. KENNEDY. Is it not true, as my colleague has said, that unless the appropriation now proposed is made, many men at the Fore River yard and many men at other private shipyards in the United States will be thrown out of employment?

Mr. SALTONSTALL. That is correct.

Mr. KENNEDY. Is it not also true that already the Navy Department is taking work from the Navy yards and is turning it over to the private yards, in order to maintain employment at the private yards at least at a minimum level?

Mr. SALTONSTALL. That is correct.

Mr. KENNEDY. If these ships are not built and if other ships are not constructed, is it not a fact that any yard, such as the Fore River yard—which had 10,000 men working earlier this year—within 1½ years will be almost completely shut down?

Mr. SALTONSTALL. That is correct. My colleague knows—because he and I have discussed the problem with officials of the Navy Department—that they believe it is vitally important that the private yards be kept in operation, because in time of emergency they will be needed for ship construction.

Mr. KENNEDY. Has not my colleague been informed in the last year or so by the Navy Department that employment throughout the country in the navy yards is now being substantially reduced because of the necessity of maintaining at reasonable levels employment at the private yards?

Mr. SALTONSTALL. That is the reason that has been stated.

Let me say now, in answer to the question previously asked by my colleague, that at the present time the total employment at the Fore River yard is approximately 8,000, and it will decline to 3,400 by July 1, 1954.

Mr. KENNEDY. And after that date, the decline will continue.

Is it not a fact that since the enactment of the Merchant Marine Act of 1937, and even before then, it has been the policy of the United States to maintain at least at a minimum level the construction skills and the operations at the private yards? Is not that an essential part of our national defense?

Mr. SALTONSTALL. Of course that is so. Both my colleague and I know that Massachusetts men have always gone down to the sea in ships. There are a certain number of ship-construction yards in Massachusetts; and those yards are, so we have always believed, necessary as a part of our national economy and as a part of our national security.

Mr. KENNEDY. Of course, there can be no doubt that this is a subsidy; but, if we do not grant the subsidy, these ships will be built abroad, as my colleague has said. Perhaps they will be built in Japan. Is not that correct?

Mr. SALTONSTALL. That is my understanding.

Mr. KENNEDY. Therefore, we must decide today whether the subsidy we pay is worthwhile in keeping these men at work, and, even more important, in keeping the skills collected within the private yards. Is not that the decision we have to make?

Mr. SALTONSTALL. Yes.

Mr. KENNEDY. In view of the fact that subsidies in many other fields are not alien to the activities of this body, it seems to me that we now have to decide whether the appropriation we are being requested to make for this purpose will be worthwhile.

Mr. SALTONSTALL. The important question is whether, in subsidizing an industry, the industry is necessary as a part of our security in time of need.

Mr. KENNEDY. Is it not a fact that the private yards on the west coast have been the hardest hit, from the point of view of maintaining employment?

Mr. SALTONSTALL. I cannot answer that question on a relative basis. I believe that the west-coast yards have been hard hit, but I do not have detailed information about how hard they have been hit.

Mr. KENNEDY. Mr. President, let me say that I appreciate the courtesy of my colleague in answering the questions I have asked.

Mr. SALTONSTALL. I thank my colleague for asking them.

Mr. LEHMAN. Mr. President, will the Senator from Massachusetts yield to me?

Mr. SALTONSTALL. I yield.

Mr. LEHMAN. I certainly sympathize with anyone who is threatened with loss of employment. I think it is a calamitous situation, and I believe that both private and public industries should do everything within their power to prevent it.

However, I wonder whether the Senator from Massachusetts realizes that the great navy yard at Brooklyn, N. Y., has because of the diversion of many naval-construction projects, had to reduce its force by 4,000 or 5,000 men.

Although I very greatly sympathize with a man in Boston, California, Delaware, or any other place, who has lost his employment or is threatened with loss of employment, yet there is not much difference between the loss of employment by that man and the loss of employment by a man who previously has worked in one of the Federal navy yards—for instance, that in New York or those in other parts of the Nation. Those men have devoted their lives to the vocation in which they are engaged. Yet because of the diversion from Government navy yards to private ship yards, large numbers of those men are now unemployed or are threatened with loss of employment.

I assure the Senator from Massachusetts that I do not lack sympathy for persons who have been working in private shipyards and who may be out of work at this time.

Mr. SALTONSTALL. Let me reply to the Senator from New York by reading

an excerpt from a letter written by Rear Adm. Homer N. Wallin, Chief of the Bureau of Ships. His letter is dated May 20, 1953, and reads in part as follows:

> This reduction is part of a general curtailment at all of the naval shipyards, the principal reasons therefor being the following:
>
> • • • • •
>
> (c) The necessity for diverting more repair work, principally on noncombatant ships, to our private yards. These yards, as you can appreciate, must maintain a nucleus of vital skills and facilities, in order to be prepared to undertake their planned mobilization tasks.

So Admiral Wallin, who is Chief of the Bureau of Ships, informs us that in part the reduction at the navy yards is for the purpose of keeping the private shipyards in operation.

Mr. LEHMAN. I am glad the Senator from Massachusetts does not dispute the statement I have made, namely, that the reduction in employment at the navy yards is due, at least in part, to the diversion of work from the Government shipyards to private shipyards—which I believe may be perfectly sound.

I also wish to say that I am sincerely sorry for anyone who loses employment, and I would do my utmost to prevent such loss of employment.

On the other hand, many persons will also lose employment when there is a curtailment of airplane production. I am afraid there is no way to prevent such loss of employment if we persist in our plan to cut down our defense activities.

I am thoroughly in opposition to cutting down our defense appropriations and our defense activities, because I do not believe we have yet reached a level of security which would indicate the wisdom of such a course.

Mr. SALTONSTALL. Mr. President, at the present time I do not wish to debate with the Senator from New York the subject of our air defense. Only this morning I listened to testimony by the Secretary for Air and by one of his generals—the one in charge of the budget, I believe. Both of them said the present plans were not to cut down in any way on the building of our combatant air fleet. Incidentally, the transport fleet is to have 1 less wing, but in the National Guard and in the Reserve there are to be 7 more wings than were planned under the Truman budget.

I must make that statement because of the statement which has been made by the Senator from New York. At another time I shall be glad to debate that subject with him, in answer to any questions he may care to ask. However, I do not think that is a part of the ship-construction problem.

Mr. President, I now yield the floor.

Mr. MORSE. Mr. President, I had intended not to speak today. In fact, the representative in the Senate of the Independent Party was making a valiant effort this afternoon to speak less and to listen more. But, Mr. President, the trouble with listening is that often we sit here and listen to such fallacious and unsound arguments that if we are to live up to our obligations as Members of the Senate we must make a record against such arguments. In my judgment the fallacies and unsound public policy arguments stated this afternoon by the Senator from Massachusetts must be answered for the record. I propose to do so very briefly.

Mr. President, in response to the arguments made by the Senator from Massachusetts, I wish to say we must apply some basic principles to the entire problem of ship subsidies.

Judging from the argument made this afternoon by the Senator from Massachusetts [Mr. SALTONSTALL], one might suggest that the motto of the Eisenhower administration in this field is this: Handouts for big business as support for millionaires are proper; but if we provide price supports for the farmers of the United States, in order that they may maintain a high purchasing standard, and thus may prevent the Nation from tobogganing into a depression, that is creeping socialism.

It is surprising how easy it is to listen to spokesmen of the administration as they talk about subsidies and handouts and giveaways for vested interests in this country; but when one makes a fight on the floor of the Senate for the little people of America, he is a Socialist. He is smeared with the charge that he is an advocate of creeping socialism. But permit me to tell what is being overlooked by those who take that view. They are overlooking the sights of the little people of America who are beginning to see through the game that is being played. They are beginning to recognize that the present administration is strong for the "haves," but suffering from myopia when it comes to the "have-nots."

Mr. President, I wish to say that the argument here this afternoon in support of this ship subsidy amendment in my judgement, is economic-isolationism rampant. We hear a great deal in this country about "trade—not aid." We talk a great deal about sound international relations. But I suggest most respectfully, that this afternoon, we are again overlooking a fact we had better notice before it is too late. It is that the economic productive power of our allies is the greatest defense weapon the American people have.

I have never known a time when a make-work program was sound economically. And if the assumption is true, though I do not accept the premise, that the ships can be converted in Japan at a great saving to American taxpayers, that is exactly where they ought to be converted. They ought to be converted on the basis of sound international economics. They ought to be converted there on the basis of a sound international policy, recognizing that we simply cannot have our economic cake and eat it, too.

We had better recognize, Mr. President, that it does not do us very much good, in the long run, to build the munitions and weapons of war and give them to our allies, if as a result of a selfish nationalistic economic policy in this country we are leaving economically weak our allies who use these weapons.

Mr. President, do you want to know why our allies are losing morale? Do you want to know why we are losing friends very rapidly around the world, among the allied countries? It is because they are not seeing very much advantage in the policy we are following in the world-defense program, so far as their economic productive power is concerned.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. MORSE. I yield.

Mr. DOUGLAS. Would the Senator from Oregon call a subsidy of $43,200,000 a WPA program for the ship operators and shipbuilders?

Mr. MORSE. I think it is in that class; which leads me to the next point I desire to make.

Mr. BUTLER of Maryland. Mr. President, will the Senator yield for a question?

Mr. MORSE. I yield for a question.

Mr. BUTLER of Maryland. Does not the Senator believe that it is better to have private capital join with Government capital to construct the ships, to keep them on the seas, to keep them in repair, to keep them ever ready to meet the needs of defense, rather than have the Government do the whole job?

Mr. MORSE. That leads me to the very next point I wish to make, Mr. President. I say most respectfully and kindly in the RECORD today that I have much greater confidence in the American shipbuilding industry than apparently do the Senators from Massachusetts and Maryland. I know something about the shipbuilding industry. In my judgment the American shipbuilding industry is a much stronger industry economically and competitively than the argument here this afternoon would indicate. It is not true that it cannot compete unless we give them huge subsidies to the extent to which they have been granted. For years the shipping industry has been playing a racket, Mr. President. It has been using a fear argument on the Congress and on the American people. It has been planting here on the floor of the Senate for years scarecrows to the effect that we are not going to have a ship industry in our country unless we hand out millions of dollars of subsidy. It frightened us and frightened us with its "wolf," "wolf" cries.

Mr. President, it is not true that all segments of the industry have needed a huge subsidy. I grant that we need to work out some better cooperative contracts, not in the form of unreasonable subsidies, but diverting more of the so-called Government shipyard work to the private yards. This is true particularly of the repair work. If we did that it will be found that they would be placed in a stronger competitive position than the argument this afternoon made by the Senator from Massachusetts [Mr. SALTONSTALL] would seem to indicate.

Of course, they are going to accept a huge, unreasonable subsidy as long as we offer to give it to them. But let me say that in my judgment the time has come, for at least 1 year—for us to take the "gravy bowl" away from them, and see what happens. For at least 1 year, Mr. President, let us make clear to them that we are going to have a little better understanding with the shipbuilding industry in this country than we have had heretofore, because it happens to be my judgment, since I have gone into the

books of a good many ship companies in this country that we have been giving them "bowls of gravy," each year, to which they were not entitled. The gravy, Mr. President, is being taken away from the little people of this country through high taxes with which to pay them subsidies. I want to stress the point that a make-work program is economically unsound. I know, as the Senator from Massachusetts points out, that, of course, we cannot afford to lose the shipbuilding skills of the American workers. But I do not accept his premise that these huge subsidies are necessary in order to maintain a shipbuilding potential in this country.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Illinois?

Mr. MORSE. I yield for a question.

Mr. DOUGLAS. Is it not true that the Newport News Drydock & Shipbuilding Co., which is probably the most efficient shipbuilding company in the country, can produce ships at a tonnage cost lower than that of most of the foreign yards?

Mr. MORSE. I do not know it to be a fact, but I know that is the claim.

Mr. President, I close by saying that I think this issue affords an opportunity, with the evidence that has been placed in the RECORD this afternoon, to realize that there is no proved urgency in this matter. I am satisfied that the overage argument in regard to these particular ships is not very sound, for the reason that the ships really have had a great deal of remodeling work done on them within recent years. We ought to deny the subsidy, this afternoon, and let this thing jell for a year. Let us serve notice on the shipbuilding industry that we are going to call a halt to what they have come to accept as almost a certainty, namely, a guaranty on the basis of their fear argument, of almost any subsidy, in whatever amount they ask.

Mr. ROBERTSON. Mr. President, will the Senator yield for a question?

Mr. MORSE. Oh, I yield gladly. I am happy to yield to the Senator from Virginia.

Mr. ROBERTSON. The Senator from Oregon was asked, as I understood, whether it was not true that the Newport News Drydock & Shipbuilding Co. could build ships on a tonnage basis cheaper than the European yards could build them. The Senator from Virginia will admit that that is the biggest shipbuilding company in the world, and is, in his opinion, the most efficient one in this country. But it cannot pay the wages it now pays, which are the very top wages, and build passenger and cargo ships as cheaply as they can be built in any foreign shipyard I know anything about.

Mr. MORSE. I merely desire to say, Mr. President, I do not think any great catastrophe will be suffered by that company for a year or two if we do not pass the bill carrying the subsidy.

The PRESIDING OFFICER. The question is on agreeing to amendment offered by the Senator from Maryland to the committee amendment on page 37, line 25.

Mr. WILLIAMS. Mr. President, I think we should get the RECORD straight with reference to this amendment. The senior Senator from Massachusetts pointed out a shortage in passenger ships. I emphasize the fact that the passenger ship situation has nothing whatever to do with the amendment offered by the Senator from Maryland [Mr. BUTLER].

The purpose of the amendment of the Senator from Maryland is to take care of the conversion of three particular ships for the American-Hawaiian Steamship Co.

The Senator from Oklahoma [Mr. KERR] wondered to whom the money would be paid——

Mr. KERR. Mr. President, will the Senator from Delaware yield for a question.

Mr. WILLIAMS. I yield.

Mr. KERR. Did not the Senator from Maryland tell the Senate and the Senator from Oklahoma that if the amendment of the Senator from Maryland should be adopted, the money paid out by the Government by reason of the amendment would go in its entirely to one shipbuilding company?

Mr. WILLIAMS. That is my understanding: one shipping company, the American-Hawaiian, will receive the entire benefit.

Mr. KERR. I thank the Senator.

Mr. BUTLER of Maryland. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. BUTLER of Maryland. I do not know how the Senator could get that understanding. I do not know that it is a fact. It may be true. The construction will be on the basis of competitive bidding. I hope the contract goes to a Maryland yard.

Mr. WILLIAMS. I did not say it would not go to one Maryland yard. I said the one company involved is the American-Hawaiian Steamship Co.

Mr. KERR. Mr. President, will the Senator from Delaware yield further?

Mr. WILLIAMS. I yield.

Mr. KERR. I want to thank the Senator from Delaware. I have asked that question a number of times and I failed to get an answer.

Mr. WILLIAMS. I want to point out this additional information in reference to these three ships about which we are talking. Two years ago, we sold five ships to the American-Hawaiian Steamship Co., five C–4's. The 3 ships about which we are talking are 3 of those 5 ships. They are not 20 years old. They were built in 1946 at a cost to the American taxpayers of around $7½ million for each ship. They were not battle-scarred ships. They were new ships coming out of the yard in 1946.

Mr. SALTONSTALL. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. SALTONSTALL. It is my understanding that the purpose of converting these ships is to make them more practical and economical, which they are not in their present condition.

Mr. BUTLER of Maryland. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. BUTLER of Maryland. The three vessels are dry-cargo C–4 vessels. They will be used primarily for the hauling of ore from Labrador. When that cannot be accomplished, owing to the freezing conditions in that part of the world, the ships will be used as oil tankers, as a part of the standby fleet.

Mr. FULBRIGHT. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. FULBRIGHT. Did I correctly understand the Senator to say each ship was built at a cost of $7½ million?

Mr. WILLIAMS. The Government built these five ships from 1944 to 1946. These ships were the *Mount Davis*, costing $7,396,040; the *Mount Greylock*, costing $7,895,685; the *Mount Whitney*, costing $8,294,951; the *Mount Rogers*, costing $7,461,264; and the *Mount Vickery*, costing $7,520,875.

Those five ships are all C–4's. In 1951 the ships were declared surplus and were sold to the American-Hawaiian Steamship Co. for $1,547,338 each or at a loss of more than $30 million to the American taxpayers.

Today we are asked to appropriate $4 million to reconvert three of these same ships.

Mr. ROBERTSON. Mr. President, will the Senator from Delaware yield further?

Mr. WILLIAMS. I yield.

Mr. ROBERTSON. Is it not true that the Saltonstall amendment as included in the bill provides only for new construction of passenger and cargo ships, and not for reconversion, and that we have not yet voted on the Butler amendment providing for reconversion of the ships about which the Senator from Delaware is speaking and about which the Senator from Oregon [Mr. MORSE] spoke and which the members of the committee, including the Senator from Virginia voted against?

Mr. WILLIAMS. The Senator is correct. The Butler amendment provides for conversion as well as construction. That is the subject about which we have been talking.

Mr. BUTLER of Maryland. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. BUTLER of Maryland. The ships were sold under the Ship Sales Act of 1946. The purchase price was arrived at by the statutory formula prescribed in that act. All the Senator from Delaware says may be perfectly true, but the fact remains that the Labrador mines will open in the summer of 1954, and we have no cargo vessels to carry the ore. We need these ships. We also need them for oil tankers.

If we look back into history we may find some little thing that would sound bad, but the essentiality of this situation is that we need these ships very badly.

Mr. WILLIAMS. Mr. President, I have heard much said about the need for these ships. They are good ships. I do not question that. They were among the best ships we had. But with all due respect to the need for these ships from a national defense standpoint, this is not the only case in which we have practically given away our ships. Since the

outbreak of the war in Korea in November 1950, we sold 3 others of the same type ships which cost us an average of $7½ million each for as little as $102,000 apiece. All I am trying to say is that we should make up our minds. Let us build and equip the ships and not give them away.

Mr. BUTLER of Maryland. It has been stated that we sold some Army and Navy surplus materials which had cost approximately $20 an item for a very small sum. We need these ships as we now need the surpluses which we have sold. We should like to have them back, but we cannot get them back unless we buy them.

Mr. WILLIAMS. Mr. President, I have been in the Senate for 6 years, and I have heard the same argument every year. I say to the Senator from Maryland that the ships to which I have referred were sold, under the provisions of a bill which was passed by Congress over the objection of the administration which was in power at that time. Both the Senator's amendment and the committee amendment are being offered today in opposition to an administration which says that we do not need the $40 million requested on the basis of the amendment.

Mr. BUTLER of Maryland. Mr. President, will the Senator from Delaware yield further?

Mr. WILLIAMS. I yield.

Mr. BUTLER of Maryland. I am the Chairman of the Merchant Marine Subcommittee of the Committee on Interstate and Foreign Commerce. Within the past 10 days we have been holding hearings and representatives of the Maritime Commission and of the Department of Commerce have testified as to the essentiality of these ships.

Mr. WILLIAMS. Other representatives of those agencies have said we do not need them. Perhaps there should be a little coordination in those agencies.

Mr. BUTLER of Maryland. I am only telling the Senator from Delaware what I heard while sitting as a member of a committee of the Senate.

Mr. DOUGLAS. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. DOUGLAS. Is it not true that on page 403 of the House hearings the Administrator, in the presence of high officials of the Department of Commerce, testified that there was no urgency with respect to these ships?

Mr. WILLIAMS. That is correct. In addition to that, even if the ships are not converted, they are still there, still afloat. The Government can get them anytime it wishes to do so. The ships are not going anywhere.

Mr. BUTLER of Maryland. The ships, if not converted here, will be converted in Japan, I would remind the Senator.

Mr. WILLIAMS. I was a member of the same committee to which the Senator has referred. In the Senate we have complained many times about the fact that there are no fixed cargo rates on these ships. The Government has no control as far as rates are concerned. During the Korean war, shipping rates jumped 2 or 3 times above what they had been. Now that the shipping companies are getting a little short of cargo, they want to hook their expense accounts to the Federal Treasury.

If we are going to finance these ships and subsidize them, the very least we can do is to extend the control, so that in an emergency the private companies cannot highjack the United States Government.

Mr. BUTLER of Maryland. Certainly I wish to protect the interests of the United States. Certainly I am for protecting the Treasury of the United States. I am just as conscious of high taxation as is the Senator from Delaware. But the ships will be reconverted either here or in Japan. If they are to be reconverted in Japan, the United States will lose 1,000 shipyard workers for a whole year from the standpoint of their labor.

Mr. WILLIAMS. As the Senator from Oregon has pointed out, the United States Government is making contributions to the Japanese Government to get Japan on its feet. If we can put some of them to work, whether it be by building ships or not, perhaps we can get out of making further contributions. So I am not too much concerned about that particular point. As long as we are still having to pay dollars to these countries we should get something in return.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield to the Senator from Virginia.

Mr. ROBERTSON. The distinguished Senator from Delaware said that I was only partly correct with reference to the parliamentary situation, so I desire to make a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ROBERTSON. Is not the question before the Senate on agreeing to the Butler amendment to the committee amendment?

The PRESIDING OFFICER. That is the pending question.

Mr. ROBERTSON. Then the distinguished Senator from Delaware will have to admit that I was 100-percent correct, and not partly correct, when I said that the committee was against conversion, and that I, individually, was against conversion. Yet the Senator from Delaware said the Senator from Virginia, on the parliamentary situation, while both amendments were pending, was only partly correct, and he continued to argue against conversion.

Mr. WILLIAMS. I said that a representative of the Committee on Appropriations, who is present on the floor, had indicated that the committee was in support of conversion. That is what we have been speaking about all afternoon. But it makes no difference whether we are speaking about subsidy for conversion or construction; the fact is that the administration was against both amendments, and frankly, I think that they ought to be voted on together and defeated.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. ROBERTSON. The theory of voting on both amendments together is that if an amendment which is not thought desirable is added to the committee amendment, both amendments can be defeated together.

Mr. WILLIAMS. I certainly do not think the amendment of the Senator from Maryland would improve the committee amendment, however I think both amendments should be defeated so that this $44 million may be saved.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. DOUGLAS. Would the Senator from Delaware characterize this program as an unsinkable seagoing pork-barrel? [Laughter.]

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Maryland to the committee amendment on page 37, line 25.

Mr. MORSE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Griswold	Millikin
Barrett	Hayden	Monroney
Beall	Hendrickson	Morse
Bennett	Hickenlooper	Mundt
Bricker	Hill	Neely
Bridges	Hoey	Pastore
Bush	Holland	Payne
Butler, Md.	Humphrey	Potter
Capehart	Jackson	Purtell
Carlson	Jenner	Robertson
Case	Johnson, Colo.	Russell
Chavez	Johnson, Tex.	Saltonstall
Clements	Johnston, S. C.	Schoeppel
Cooper	Kefauver	Smathers
Daniel	Kennedy	Smith, Maine
Douglas	Kerr	Smith, N. J.
Duff	Kilgore	Smith, N. C.
Dworshak	Knowland	Sparkman
Eastland	Kuchel	Stennis
Ellender	Langer	Symington
Ferguson	Lehman	Taft
Flanders	Malone	Thye
Fulbright	Mansfield	Watkins
George	Martin	Wiley
Gore	Maybank	Williams
Green	McClellan	Young

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Maryland [Mr. BUTLER] to the committee amendment beginning on page 37, line 25.

Mr. ROBERTSON. Mr. President, the hour is growing late. Rather than delay a vote, I ask unanimous consent to have printed in the RECORD at this point a brief statement which I have prepared explaining why I regard the committee amendment, without the Butler amendment, as a part of a proper defense program. Also I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a memorandum prepared, as I understand, by the Propeller Club of America, which is dedicated to the promotion of the merchant marine.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR ROBERTSON

If, as naval officers have so frequently claimed, our merchant marine in time of war, is a vital and necessary auxiliary of our naval strength, then the only proper way for those of us who are just as strong believers in economy as the distinguished Senator from Illinois [Mr. DOUGLAS] to consider the Saltonstall amendment to the Commerce bill

for a continuation of merchant marine shipbuilding subsidies is to decide whether or not we want a strong and efficient merchant marine and shipbuilding and repairing facilities in this Nation in the event of another world war.

Commentators are now predicting that the Congress will accept the President's defense budget which makes a cut of over a billion dollars in the naval program which the Chief of the Bureau of Ships advises me will be reflected in reduced operations next year in the Government shipyards and a cut of some $5 billion in the Air Force, which may not slow airplane deliveries in fiscal 1954, but is definitely geared to a program of 120 wings instead of 143 which last year we thought would be a proper goal.

But the same commentators likewise frankly say that in accepting this reduced military budget the Congress is going to take a calculated risk. What is that calculated risk? Since the year of 1956 has been set as our goal of preparedness, it means that we either, on a fair appraisal of Soviet intentions or else on the basis of the hope that is said to spring eternal in the human heart, are guessing that Russia will not start World War III prior to 1956. Apparently no one has ventured a prophecy beyond that time.

So to know what would be the status of our merchant marine by 1956 in the event we ended all shipbuilding subsidies, I asked the present chairman of shipbuilding of the Maritime Administration to give me his appraisal of that situation. He replied that we would probably have as many merchant ships in 1956 as we have now but that they would be 3 years older and of course some of them might have outlived their usefulness, but that without the shipbuilding subsidy practically every private shipbuilding yard in the Nation would be closed down in 1956.

I, and just a few other Members of the Senate, have been in the Congress for the past 20 years but certainly every Member of the Senate is well aware of the shipping problem which confronted us in both World Wars. Prior to our entry in World War I German submarines sank so many merchant ships that Great Britain was threatened with a serious food problem and we built ships as fast as our capacity permitted to help solve that problem of transportation. In the early stages of World War II, the destruction of merchant shipping by German submarines was even more serious. At one time they were sinking an average of one ship a day, which was greater than the replacement rate. Hitler might have won his war had not our fine Navy finally solved the submarine problem and greatly reduced the casualty rate. And that action, of course, was supplemented by feverish activity both in established shipyards and in new emergency shipyards to build replacement vessels. Our first experiment was with concrete ships, largely I assume because at that time we had more concrete than we had steel. Those ships proved to be absolutely worthless except perhaps for use as breakwaters to protect a ferry landing, as was done at Cape Charles, Va.

Then we built, at great expense for the value received, a lot of steel ships. Everyone will recall, of course, the boast of Mr. Henry Kaiser of how fast he was turning out those ships. We used those steel ships during World War II because we had to but after the war was over no private shipping line would use them because they were too slow and their carrying capacity too small to make their operation profitable.

We know that as of today the Soviet Union has more snorkel-type submarines than the Germans had when they were sinking merchant ships faster than we and our allies could replace them. Should another war come, it will not be limited to atomic bombing. Those Russian submarines will go into action against the shipping of the free world and any ships that can't do better than 20 knots will be like a sitting duck for those snorkel submarines. The problem of naval defense against that type of submarine warfare will be even greater than it was against Hitler's submarine war.

As much, therefore, as I believe in economy and as earnestly as I desire to see a balanced budget and then appropriate tax relief, I am compelled to regard the continuation of the operation of our private shipyards as a vital element of our defense program and that the shipbuilding subsidy, without which we cannot build passenger-cargo ships in this country to compete with the lower cost shipyards of the world, is not only a proper item of our defense program but a vitally necessary one.

MEMORANDUM RE THE NECESSITY FOR UNDERTAKING THE CONSTRUCTION OF ADDITIONAL PASSENGER SHIPS WITHOUT DELAY

It has been conclusively determined by the armed services, as a result of experience in World Wars I and II and, more recently, the present Korean war, that the shipbuilding and ship-repairing industry is an indispensable element of the national security, so much so that it, together with the shipping industry and other elements of maritime industry, as a whole, are termed the fourth arm of the national defense.

The part played by the shipbuilding and ship-repairing industry in any national emergency is the production of the additional ships required for the transport of men, munitions, and supplies overseas, and the maintenance and repair of the ships already in active operation to the end that the logistic requirements of the armed services may be satisfactorily complied with. Without that essential transportation, no war can be successfully prosecuted.

It has been established in the past wars that the ships available at the commencement of hostilities are hopelessly inadequate and that their numbers and types must be multiplied manyfold by new construction in order to meet the exigencies of the situation. In the past, fortunately, we had allies to attempt to hold the line and the considerable period that intervened before we became actually involved enabled at least a start on a ship production program and the expansion of facilities and organizations necessary therefor.

Certainly we cannot afford again to rely upon a period of grace to get ready to defend ourselves in the event of war. Undoubtedly, the next one, if it should come, will be sudden, with this country in the forefront. We have been engaged for the past several years in preparing for such an eventuality by the training of troops and production of military equipment and supplies of all kinds. At the same time we have neglected to provide the means to assure the use of those troops, equipment and supplies, viz, overseas transportation, which is equally as important as the items transported.

Heading the list in order of importance is the transportation of troops for which passenger ships in active operation are required. The potential troop lift of existing passenger ships is hopelessly inadequate and many more are needed. The conclusions of the President's Advisory Committee on the Merchant Marine, an impartial industry group, included, among other things, in its report submitted to the President in November 1947, a recommendation for the construction of 46 passenger ships, over the 4-year period from 1948–51 inclusive, as essential to national security.

Nearly 6 years have elapsed since the recommendation was made, and in that period 3 of the 46 ships contemplated in the recommendation for a 4-year period have been constructed and are in service, with no others as yet on order.

The 4 passenger ships originally recommended for the 1954 budget, 2 for Moore-McCormack Lines, Inc., and 2 for Grace Lines, Inc., would at least add that many new passenger ships to the active fleet. That would only make a total of 7 ships, if, and when they are completed at least 2 years from now. Even then, there would be an almost complete failure to accomplish the recommended 4-year program, the net result being only 15 percent of that program, in 6 years instead of 4.

In the meantime, the ships intended to be replaced grow older, more expensive to operate and offer little assurance as to the safe transportation of troops under current conditions of sea warfare.

The further deferment of the construction of the four passenger ships under consideration is inconsistent with the national policy on the merchant marine as set forth in the Merchant Marine Act of 1936, as amended, and reiterated in the Merchant Ship Sales Act of 1946, with the contractual obligations of the owners involved, with the recommendations of the President's Advisory Committee on the Merchant Marine, and is highly dangerous to the national security.

It also is completely inconsistent with the position taken by the administration, as evidenced by the telegram of October 3, 1952, from the President of the United States, then a candidate, to the president of the Propeller Club of the United States at the annual convention of that organization in conjunction with the American Merchant Marine Conference in Los Angeles, and with the policy statement made at that meeting by Senator SALTONSTALL, selected by the President as chairman of a special committee of experienced legislators to advise him on merchant-marine problems.

Entirely aside from the economic considerations involved and the direct effect upon a vital industry, the shipbuilding and ship repairing industry, the elimination of contractual authority and necessary funds required under the law for Government assistance in the construction of these four passenger vessels is unwise and dangerous to the national security for the reasons already cited and certainly is inconsistent with other preparations now under way to meet whatever eventuality may occur, however impelling the necessity for governmental economy may be.

In the final analysis, the proposed elimination of funds for new ship construction in the appropriation for the fiscal year 1954, does not actually effect any saving to the Federal Government. It is merely a deferment to the fiscal year 1955, at which time undoubtedly the necessity for Government economy will be just as important as it now is. The amount involved for the fiscal year 1954 is relatively small and thus cannot have any far-reaching effect upon the national budget. All that is required is the necessary contractual authority together with an appropriation of sufficient funds to take care of any financial obligations, insofar as the Government construction subsidy is concerned, that may be incurred during the coming fiscal year. The construction period undoubtedly will approximate at least 2 and possibly 3 years. Thus the major part of the Government construction subsidy will not be due and payable until the fiscal years 1955 and 1956.

It must not be overlooked that the construction of these passenger ships, so vital to national security, under the law is a joint undertaking of Government and private industry, with the latter assuming the greater part of the financial burden. With private industry making such a financial contribution to the production of vital elements of a national defense program, it would be shortsighted and ill-advised to defer that program now. Such a deferment would be compromising with national security with no resulting benefit.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Mary-

land [Mr. BUTLER] to the committee amendment on page 37, line 25.

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question recurs on agreeing to the committee amendment on page 37, after line 23.

Mr. DOUGLAS. Mr. President, we are now considering the committee amendment, which carries with it an ultimate expenditure of $43,200,000. During the past 6 years we have spent $453 million in subsidies for ship construction, and there is approximately $60 million more due, for which we are appropriating in the next item in the present bill. So we have already poured out over a half billion dollars on subsidies since 1948. We are now asked to spend $43 million more for a program which is grossly wasteful, which subsidizes private business, and which has reeked with corruption so far as passenger ships are concerned.

The Comptroller General of the United States has repeatedly called attention to the gross abuses in the granting of subsidies for the construction of large passenger liners. He is refusing at this moment to certify payment of $6½ million which was granted only a few months ago by the Federal Maritime Administration.

I hold in my hand a statement by the attorney for the General Accounting Office, Mr. Casey, which exposes the proceedings of the Maritime Board. I think it is about time to stop this giveaway of public funds and begin to save money for the American people. It is time to preserve the taxpayers from subsidizing uneconomic enterprises.

Mr. President, I ask for the yeas and nays on this amendment.

The yeas and nays were ordered.

Mr. SALTONSTALL. Mr. President, I wish to reply very briefly to what the Senator from Illinois [Mr. DOUGLAS] has said.

We have been considering this subject for a long time. If we believe in ship construction, if we believe in the maintenance of a shipyard industry to enable us to be prepared in time of emergency or in time of war, I hope the committee amendment will be adopted.

Let me point out a few facts. In 1939 we had 123 passenger ships with a carrying capacity of 38,000. Today we have 44 such vessels with a carrying capacity of 13,000. During the past year, 1952, of a total of 40 passenger ships built, only one was built in the United States. Of 159 tankers, only 8 were built in the United States.

Only 3 passenger ships have been constructed in the United States in the past 5 years, whereas the President's Committee on the Merchant Marine recommended that 46 such ships be built. Under those conditions I hope the committee amendment will be adopted.

The present President of the United States calls the merchant marine the fourth arm of our defense. He has been a strong advocate of continuation of the merchant marine. If we wish to be dependent entirely upon foreign merchant shipping in time of need or in time of war, then we do not need to go forward with any subsidies such as this. If we believe in maintaining a shipbuilding industry in this country, I hope we shall adopt the committee amendment.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 37, after line 23. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Illinois [Mr. DIRKSEN] is absent by leave of the Senate on official committee business.

The Senator from New York [Mr. IVES] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

The Senator from Nebraska [Mr. BUTLER], the Senator from Oregon [Mr. CORDON], the Senator from Arizona [Mr. GOLDWATER], the Senator from Wisconsin [Mr. MCCARTHY], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

If present and voting, the Senator from Arizona [Mr. GOLDWATER] would vote "nay."

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Iowa [Mr. GILLETTE], the Senator from Wyoming [Mr. HUNT], the Senator from Louisiana [Mr. LONG], and the Senator from Nevada [Mr. MCCARRAN] are absent by leave of the Senate.

The Senator from Virginia [Mr. BYRD] is absent on official business.

The Senator from Delaware [Mr. FREAR] is absent by leave of the Senate because of a death in his family.

The Senator from Missouri [Mr. HENNINGS] and the Senator from Washington [Mr. MAGNUSON] are absent by leave of the Senate on official committee business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate, having been appointed a delegate to attend the forthcoming International Labor Organization Conference at Geneva, Switzerland.

I announce further that, if present and voting, the Senator from Washington [Mr. MAGNUSON] would vote "yea."

The result was announced—yeas 24, nays 54, as follows:

YEAS—24

Beall	Hayden	Millikin
Bennett	Hendrickson	Potter
Bridges	Hickenlooper	Robertson
Butler, Md.	Johnston, S. C.	Saltonstall
Capehart	Kennedy	Smith, N. J.
Chaves	Knowland	Taft
Ellender	Kuchel	Wiley
Flanders	Malone	Young

NAYS—54

Aiken	George	Langer
Barrett	Gore	Lehman
Bricker	Green	Mansfield
Bush	Griswold	Martin
Carlson	Hill	Maybank
Case	Hoey	McClellan
Clements	Holland	Monroney
Cooper	Humphrey	Morse
Daniel	Jackson	Mundt
Douglas	Jenner	Neely
Duff	Johnson, Colo.	Pastore
Dworshak	Johnson, Tex.	Payne
Eastland	Kefauver	Purtell
Ferguson	Kerr	Russell
Fulbright	Kilgore	Schoeppel
Smathers	Sparkman	Thye
Smith, Maine	Stennis	Watkins
Smith, N. C.	Symington	Williams

NOT VOTING—18

Anderson	Gillette	Magnuson
Butler, Nebr.	Goldwater	McCarran
Byrd	Hennings	McCarthy
Cordon	Hunt	Murray
Dirksen	Ives	Tobey
Frear	Long	Welker

So the committee amendment was rejected.

Mr. MORSE. Mr. President, I move that the Senate reconsider the vote by which the amendment was rejected.

Mr. AIKEN. Mr. President, I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the concurrent resolution (S. Con. Res. 31) rescinding the action of the Speaker in signing the bill (S. 1550) to authorize the President to prescribe the occasions upon which the uniform of any of the Armed Forces may be worn by persons honorably discharged therefrom, and requesting the return of papers by the House.

The message returned to the Senate, in compliance with Senate concurrent resolution 31, the message of the Senate announcing its agreement to the House amendments to the bill (S. 1550) to authorize the President to prescribe the occasions upon which the uniform of any of the Armed Forces may be worn by persons honorably discharged therefrom.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 4495) to amend the Universal Military Training and Service Act, as amended, so as to provide for special registration, classification, and induction of certain medical, dental, and allied specialists categories, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SHORT, Mr. ARENDS, Mr. COLE of New York, Mr. KILDAY, and Mr. DURHAM had been appointed managers on the part of the House at the conference.

The message further announced that the House had passed a bill (H. R. 5471) making appropriations for the Government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1954, and for other purposes, in which it requested the concurrence of the Senate.

ADDITIONAL HOUSE BILL REFERRED

The bill (H. R. 5471) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against

the revenues of said District for the fiscal year ending June 30, 1954, and for other purposes, was read twice by its title, and referred to the Committee on Appropriations.

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE APPROPRIATIONS, 1954

The Senate resumed the consideration of the bill (H. R. 4974) making appropriations for the Department of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes.

The PRESIDING OFFICER (Mr. SCHOEPPEL in the chair). The clerk will state the next committee amendment.

The next amendment was, on page 38, line 10, to strike out "$64,000,000" and insert "$59,000,000."

The amendment was agreed to.

The next amendment was, on page 38, at the beginning of line 17, to strike out "$25,000,000" and insert "$20,000,000."

The amendment was agreed to.

The next amendment was, on page 40, line 1, after the word "Administration", to strike out "$16,300,000" and insert "$15,500,000."

The amendment was agreed to.

The next amendment was, on page 40, line 9, after the word "models", to strike out "$8,000,000" and insert "$7,200,000."

The amendment was agreed to.

The next amendment was, on page 41, line 25, after "(34 U. S. C. 1121–1123)", to strike out "$349,800" and insert "$379,800", and on page 42, at the beginning of line 8, to strike out "$860,000" and insert "$890,000."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Public Roads," on page 45, line 21, after the word "expended", to strike out "$510,000,000, which sum is composed of $387,500,000, the balance of the amount authorized to be appropriated for the fiscal year 1952, $119,500,000" and insert "$475,000,000, which sum is composed of $387,500,000, the balance of the amount authorized to be appropriated for the fiscal year 1952, $84,500,000."

The amendment was agreed to.

The next amendment was, on page 46, line 15, after the word "expended", to strike out "$15,000,000, which sum is composed of $3,400,000, the remainder of the amount authorized to be appropriated for the fiscal year 1952, and $11,600,000" and insert "$14,000,000, which sum is composed of $3,400,000, the remainder of the amount authorized to be appropriated for the fiscal year 1952, and $10,600,000."

The amendment was agreed to.

The next amendment was, on page 47, at the beginning line 13, to strike out "$7,500,000" and insert "$5,500,000."

The amendment was agreed to.

The next amendment was, under the subhead "National Bureau of Standards," on page 51, after line 2, to insert:

Working capital fund: Hereafter the working capital fund created by the act of June 29, 1950 (64 Stat. 279), may be credited with advances from applicable appropriations for the cost of facilities and services to be financed by said fund, and said advances shall cover the same charges as those for which reimbursements are made to the fund.

The amendment was agreed to.

The next amendment was, under the subhead "Weather Bureau," on page 51, line 17, after the words "only", to strike out "$24,700,000" and insert "$27,000,000."

Mr. DOUGLAS. Mr. President, this committee amendment would increase by $2,300,000 the amount of the appropriation voted by the House of Representatives for the maintenance of the Weather Bureau.

The purpose of the committee amendment is to keep in operation certain of the less efficient and less necessary weather stations.

Although I realize that weather stations are popular with local constituencies and local newspapers which wish to report the local weather, nevertheless the House of Representatives, in an effort to obtain economy, voted to curtail the program by approximately 9 percent.

The committee amendment would restore the appropriation to the amount voted last year, and would not provide for any real economy.

Therefore, I hope the appropriation voted by the House of Representatives for this item will be allowed to stand. It will be 214 percent of the amount appropriated in 1944.

Mr. BRIDGES. Mr. President, the committee amendment affecting the Weather Bureau provides for an increase in the appropriation voted by the House of Representatives. In one way this subject is controversial because it involves the closing of Weather Bureau stations.

The Senate Appropriations Committee felt, and the testimony will reveal, that, day in and day out, nothing is closer to the average citizen than the Weather Bureau stations. Certainly the average citizen turns to the radio, the television, the press, and various other means of communication, to learn about the weather. That is so both in the case of farmers and in the case of those who live in urban or suburban areas. This item also has a bearing on the safety of aircraft and the safety of ships at sea or shipping on the lakes. It is tied in very intimately with the life of the average citizen.

I venture to assert that every Member of the Senate has some contact with the weather during the course of the day.

Under the circumstances, the committee has voted to restore the full amount of the item, by adding $2,300,000 to the appropriation voted by the House of Representatives.

I wish to say very frankly to the Senate that so far as I was concerned—and I was chairman of the subcommittee, as well as chairman of the full committee—I favored restoring only $2 million. But the full committee in its wisdom voted to restore $2,300,000.

Appropriations to provide adequate reporting of the weather, for the benefit of the individual citizen, to help him in his planning and to promote his safety, probably come as close to home as almost any other appropriation item.

I realize that the committee amendment provides for an increase over the amount of appropriation voted by the House of Representatives. There is a difference of opinion as to what weather stations would be eliminated if the increased amount were not provided.

The chairman of the committee must support the recommendation of the committee. Although the committee's recommendation is for a somewhat larger amount than I myself felt necessary, nevertheless I feel that the recommendation of the committee can be justified.

Mr. CARLSON. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield.

Mr. CARLSON. For years we have been building up a good system of weather reporting over the Nation. I believe it is essential to those who do a great deal of flying. The weather stations are being well located. In the past few years we have had some demonstrations of how essential this service is.

I am not certain whether the proper amount of appropriation for this purpose should be an additional $2 million or an additional $2,300,000, but certainly I hope nothing will be done to curtail the safety of those who fly or the safety of the present aviation activities.

Mr. BRIDGES. Mr. President, I share the view of the Senator from Kansas. I believe that one of the factors taken into consideration by the committee, when it voted for the larger appropriation, was that it is essential that safety be maintained for aviation. For that purpose, we must have the most accurate weather information possible.

Mr. CHAVEZ. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield.

Mr. CHAVEZ. In addition to the statement made by the Senator from Kansas about the importance of weather reports in connection with the operation of airplanes, let me say that such reports also are essential to the farmers, in their activities every day of the week. In fact, the Weather Bureau was originated for the benefit of the farmer, so that he could know when to prepare to plant or when to prepare to harvest the various crops. Every farmer in the Nation is interested in the Weather Bureau. Of course, those who travel by airplane are likewise interested in the Weather Bureau.

Mr. HOLLAND. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield to the Senator from Florida.

Mr. HOLLAND. Am I correct in understanding that the restoration of this appropriation item to $27 million will permit us to have assurance that no weather stations will be closed, but that the full complement of weather stations now existing will continue to operate?

Mr. BRIDGES. The chairman of the committee cannot guarantee that this amendment, if adopted, will mean that no weather stations will be closed. I

understand that the committee amendment, if adopted, will pretty well meet that situation, but I would not wish to guarantee that there would not be some closings.

I hope the Weather Bureau will take due notice of this debate and also of the action taken by the committee, and will proceed accordingly; but I could not make a guaranty to the Senator from Florida.

Mr. HOLLAND. In the report I notice the following:

With the amount provided, the committee feels that no weather stations will have to be closed.

Mr. BRIDGES. I hope that is true. But the Senator from Florida asked me a question, and I do not dare give him a "yes" or "no" answer, because we had considerable difficulty at times in obtaining the full facts about the Weather Bureau. Finally I obtained a list of the Weather Bureau stations in the various States and Territories. I think it might be wise to have that list placed in the RECORD. It shows fairly well the setup.

I believe it is the thought and intention of the committee that if the committee amendment is adopted, there will be no closings. I shall not say absolutely that there will be none, although that is my understanding.

Mr. HOLLAND. Mr. President, will the Senator from New Hampshire yield further to me?

Mr. BRIDGES. I yield.

Mr. HOLLAND. I certainly hope that understanding is correct, because at least in our part of the country it is highly necessary that the weather stations remain open. They are our avenues of warning in the hurricane season, and they are our avenues of warning against freeze and frost during the winter season. The continued operation of those stations is essential to our shipping industry, our shrimp industry, and our fishing industry. The operation of those stations is of very great importance to our State. It seems to me it would be very poor economy to deprive our people of the benefits which are obtained from the operation of those stations.

I certainly hope the judgment of the committee will be endorsed by the Senate.

Mr. BRIDGES. Mr. President, perhaps I can clarify the matter a little further. The intention of the Appropriations Committee in submitting this amendment was to provide sufficient funds so that the Weather Bureau would not be forced to close stations. It was the understanding of the Appropriations Committee, in voting to restore the funds, that as a result the Weather Bureau would not be forced to close stations. I assume that is correct, and I assume the Weather Bureau will take due notice of the committee's action and will take due notice of the action of the Senate.

Mr. President, in closing I may say there is nothing that either the Senator from New Hampshire or the Senator from Florida could do if it should suddenly be decided to close some stations. The intent is not to do so, and I would express that very clearly to the Senator from Florida, the Senator from Kansas, and other Senators who have made inquiry. I know the distinguished Senator from Maine [Mrs. SMITH] has a very deep interst in this item, as have other Senators. I hope the amendment of the committee will be adopted.

Mr. HOLLAND. I thank the Senator.

Mr. CASE. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield to the Senator from South Dakota.

Mr. CASE. I should like to express the hope and the understanding that the hands of the Weather Bureau will not be tied in the making of such consolidations as might be in order, when stations are found within a few miles of each other, and in establishing new stations in the areas where there are from 300 to 500 miles between stations. There came to my attention during the past week one station, the closing of which had been suggested. That station was within 10 miles of another station. Possibly it should be closed; I do not want the record to prevent such economy. I know of another point where an effort has been made to establish a station in which the amateur pilots, the flying farmers, and the commercal pilots are all interested, because there is a gap of almost 500 miles without reliable weather reports. It would seem to me that the Weather Bureau and the Department of Commerce should not have their hands tied to the extent that they could not close a station which is, in a certain sense, a duplication of another station, and use that saving either for the benefit of the Treasury or establishing a new station where needed.

Mr. BRIDGES. Mr. President, I would say to the Senator from South Dakota that that, of course, is one of the reasons why nothing was written into this bill as a mandate to prevent the closing of stations. As I indicated, it is rather difficult to satisfy everyone. It was the intention of the committee, certainly, to permit the essential weather stations to remain open, and to provide adequate funds with which to operate them. Though there may be some duplication, certainly there is nothing in the bill that would prevent the opening up of a new station. Generally speaking, the appropriation is for the purpose of maintaining the present Weather Bureau system.

Mr. CASE. Or for the purpose of avoiding the requirement that stations shall be closed. Is that correct?

Mr. BRIDGES. Yes.

Mr. CASE. It would be possible for them to remain open, in case they should be kept open.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 51, line 17.

The amendment was agreed to.

The PRESIDING OFFICER. The next amendment, under the subhead "General Provisions—Department of Commerce," on page 52, after line 19, has been ordered to be passed over.

The clerk will state the next amendment of the committee which is in order.

The next amendment was, under the heading "Title V—Corporations—Inland Waterways Corporation," on page 54, line 9, after the word "exceed", strike out "$240,000" and insert "$480,000", and in line 10, after the word "exceed", strike out "$6,000" and insert "$12,000."

The amendment was agreed to.

The next amendment was, under the heading "Title V—General Provisions," on page 56, after line 15, to insert:

SEC. 503. No part of any appropriation contained in this act shall be used to pay any expenses incident to or in connection with participation in the International Materials Conference.

Mr. BRIDGES. Mr. President, I think I should request that there be stated an amendment which is proposed by members of the Appropriations Committee in place of the amendment which I had intended to offer on behalf of the committee, denying funds to the United Nations organization in case of the admission of Communist China to the United Nations. I ask that that amendment be stated. It is offered, following advance notice, under a motion to suspend the rule.

The PRESIDING OFFICER. The Senator from New Hampshire should be informed that it is the amendment on page 56, following line 15, that is before the Senate, not the amendment to which the Senator is referring. The question is on the pending amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The Senator from New Hampshire may now proceed to discuss the amendment in which he is concerned.

Mr. BRIDGES. Mr. President, I call up my amendment dated June 2, 1953, lettered A, which is offered following 1 day's advance notice. We are offering it as a substitute for the amendment which was to be proposed, of which notice was given, and which would have withdrawn funds from the United Nations in the event of the admission of Communist China to membership in that organization.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. At the proper place in the bill it is proposed to insert:

It is the sense of the Congress that the Communist Chinese Government should not be admitted to membership in the United Nations as the representative of China.

Mr. ELLENDER. Mr. President, I merely wish to state that I was happy to join my good friend, the Senator from New Hampshire, and others, in the offering the substitute amendment. I happen to be 1 of 4 Senators who voted in committee against the so-called Dirksen amendment. I opposed the amendment because I felt that it infringed upon the jurisdiction of the Committee on Foreign Relations, as well as upon the prerogatives of the President.

Mr. President, while I am opposed to the admission of Red China to the United Nations, it is my sincere belief that the Congress should attack this problem in a direct manner. It is unthinkable that Red China, labeled an aggressor by the United Nations, would be admitted to membership in that international body. As a matter of fact, as long as the United States retains its membership in the

United Nations, we are capable of blocking the admission of Red China through our veto power on the Security Council. Be that as it may, Mr. President, if by some evil chance Red China ever should be admitted to the United Nations then this country should at least walk out of the front entrance, rather than duck out through a side door. We should stand up and let the world know why we are leaving, rather than deal the organization a death blow by the indirect method of cutting off its operating funds. In denying Red China—an aggressor—recognition among the family of sovereign nations, we must attack the problem in a cooperative and affirmative manner, rather than try to do it by beating our allies over the head with our moneybags. I repeat, Mr. President—I am happy that the so-called Dirksen amendment is being withdrawn and the substitute offered in its place. This substitute amendment is identical, as has been stated by the distinguished Senator from New Hampshire [Mr. BRIDGES], with the so-called McClellan resolution which was unanimously adopted by this body in January of 1951.

Mr. BRIDGES. I thank the Senator. I may say, Mr. President, that before the Senate acts on this amendment, I should like to withdraw the committee amendment on page 6, beginning in line 19, ending on page 7, line 7.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

Mr. BRIDGES. Mr. President, I should like to have—and I think that, for the good of the American people and the free world, we should have—a record vote on the amendment last stated to show the American people how we stand on the question. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. McCLELLAN. Mr. President——

Mr. BRIDGES. I will certainly yield to the Senator from Arkansas.

Mr. McCLELLAN. I desire to obtain the floor for a moment, when the Senator from New Hampshire concludes. I thought he had concluded.

Mr. BRIDGES. Before yielding the floor, Mr. President, I would say that this amendment is identical, with the exception of 1 or 2 words, with a resolution offered 2 years ago by the distinguished Senator from Arkansas [Mr. McCLELLAN], on which he obtained a unanimous vote in the United States Senate. I respect and honor the Senator from Arkansas for what he did at that time. I think he set an excellent example, one which should be followed now, and which I trust will be followed. I believe action on this amendment will be completely bipartisan.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield to the distinguished Senator from Texas.

Mr. JOHNSON of Texas. The only difference in the language of the two amendments is that one provided for action by the Senate, the other for action by the Congress. Is that correct?

Mr. BRIDGES. That is correct.

Mr. BUSH. Mr. President, will the Senator yield for a question?

Mr. BRIDGES. I yield.

Mr. BUSH. I desire to inquire whether the amendment proposed by the Senator from New Hampshire has been discussed and approved at the White House. Or does the Senator care to answer that question?

Mr. BRIDGES. Yes; it was discussed and approved. It has the full endorsement of the President.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. BRIDGES. I am glad to yield.

Mr. McCLELLAN. Mr. President, before we vote I wish to say that I supported the original proposal reported by the Appropriations Committee. That proposal or amendment has now been withdrawn. It provided that, in the event the Government of Red China or any aggressor nation should be admitted to the United Nations, our contribution and appropriations in support of that organization would immediately cease.

I wish to say, Mr. President, that notwithstanding the fact that that amendment has been withdrawn—possibly at the urgent request of the President of the United States—it still expresses my sentiment. I oppose our continuing to support the United Nations if its membership is to be loaded down with Communist aggressors.

Mr. President, as has been stated, this amendment just offered is identical, word for word, with the resolution which I introduced on January 16, 1951, and which was adopted by the Senate, by a vote of 91 to 0, on the 23d day of January 1951.

It declared it to be the sense of the Senate that the Red Chinese Government should not be admitted to membership in the United Nations. At that time, Mr. President, I said, and I repeat today, that if Red China should now be admitted to the United Nations, that would be an infamous day in the history of the world. If and when that should occur, when Red China walks in America should walk out.

Mr. President, though I should prefer to support the original amendment which came from the Appropriations Committee, I think it well that the Congress, the Senate of the 83d Congress, go on record reaffirming the action taken by the Senate of the 82d Congress. Let us renew the warning. Let us renew it, not only to our allies and to the United Nations but also to the leaders of this country, so that they may know, in future negotiations and in the conduct of future relations not only with our allies but in negotiations now in process with our enemies, that the Congress and the American people do not intend to dignify and reward aggression, or to honor and exalt the aggressor. We must not tolerate appeasement of this sort, by taking aggressors into the family of nations on the same plane of honor and decency as that upon which the United Nations organization was set up, to carry out the great mission of peace and security that was committed to it.

I do not believe that mission can be achieved nor that the integrity of the United Nations can be preserved by admitting aggressor nations to membership in it. Therefore, Mr. President, I am glad to vote for this amendment, and I trust that we shall have again a unanimous vote in support of it. I cannot conceive that any patriotic, loyal American would oppose it.

Mr. ELLENDER. Mr. President, will the Senator from Arkansas yield?

Mr. McCLELLAN. I am very glad to yield to my distinguished friend from Louisiana.

Mr. ELLENDER. I was looking for the original resolution which the distinguished Senator introduced. It is my recollection that the resolution was referred to the Foreign Relations Committee.

Mr. McCLELLAN. No; the Senator is mistaken. On the day I offered the resolution, which was identical with the amendment now pending, I submitted three resolutions. The first one was Senate Resolution 35, which declared it to be the sense of this body that the United Nations should declare Red China an aggressor. That resolution was agreed to by unanimous consent.

The second resolution was Senate Resolution 36, which was the same as the amendment we are now considering. After modification it was adopted in the identical language of the pending amendment. It provided that it was the sense of the Senate that the Red China Government should not be admitted to membership in the United Nations.

The third resolution dealt with a blockade of China. It was Senate Resolution 37, which was referred to the Foreign Relations Committee, but no action was ever taken on it.

Mr. ELLENDER. I was under the impression that the resolution was considered by the committee.

Mr. McCLELLAN. It was not referred to the committee. It was submitted on the 16th of January and remained on the table until January the 23d, at which time it was considered and agreed to. It had been slightly modified. As it was agreed to it read as follows:

Resolved, That it is the sense of the Senate that the Communist Chinese Government should not be admitted to membership in the United Nations as the representative of China.

Mr. President, that language is identical with that of the amendment now being considered, save and except that where the word "Senate" appears the amendment contains the word "Congress."

I urge that the pending amendment be adopted immediately and unanimously by the Senate.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Hampshire for himself and other Senators, which will be stated.

The LEGISLATIVE CLERK. At the proper place in the bill it is proposed to insert the following:

It is the sense of the Congress that the Communist Chinese Government should not be admitted to membership in the United Nations as the representative of China.

The PRESIDING OFFICER. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Illinois [Mr. DIRK-

SEN] is absent by leave of the Senate on official committee business.

The Senator from New York [Mr. IVES] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

If present and voting, the Senator from Illinois [Mr. DIRKSEN] and the Senator from New York [Mr. IVES] would each vote "yea."

I further announce that the Senator from Nebraska [Mr. BUTLER], the Senator from Arizona [Mr. GOLDWATER], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from Ohio [Mr. TAFT], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

If present and voting the Senator from Nebraska [Mr. BUTLER], the Senator from Arizona [Mr. GOLDWATER], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from Ohio [Mr. TAFT], and the Senator from Idaho [Mr. WELKER] would each vote "yea."

I also announce that the Senator from Ohio [Mr. BRICKER], the Senator from Michigan [Mr. POTTER], and the Senator from New Hampshire [Mr. TOBEY] are absent on official business.

If present and voting, the Senator from Ohio [Mr. BRICKER], the Senator from Michigan [Mr. POTTER], and the Senator from New Hampshire [Mr. TOBEY] would each vote "yea."

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Iowa [Mr. GILLETTE], the Senator from Wyoming [Mr. HUNT], the Senator from Louisiana [Mr. LONG], and the Senator from Nevada [Mr. MCCARRAN] are absent by leave of the Senate.

The Senator from Delaware [Mr. FREAR] is absent by leave of the Senate because of a death in his family.

The Senator from Arkansas [Mr. FULBRIGHT] is necessarily absent.

The Senator from Missouri [Mr. HENNINGS] and the Senator from Washington [Mr. MAGNUSON] are absent by leave of the Senate on official committee business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate, having been appointed a delegate to attend the forthcoming International Labor Organization Conference at Geneva, Switzerland.

I announce further that if present and voting, the Senator from New Mexico [Mr. ANDERSON], the Senator from Delaware [Mr. FREAR], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Iowa [Mr. GILLETTE], the Senator from Missouri [Mr. HENNINGS], the Senator from Wyoming [Mr. HUNT], the Senator from Louisiana [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], the Senator from Nevada [Mr. MCCARRAN], and the Senator from Montana [Mr. MURRAY] would each vote "yea."

The result was announced—yeas 76, nays 0, as follows:

YEAS—76

Aiken	Gore	Kilgore	Robertson
Barrett	Green	Knowland	Russell
Beall	Griswold	Kuchel	Saltonstall
Bennett	Hayden	Langer	Schoeppel
Bridges	Hendrickson	Lehman	Smathers
Bush	Hickenlooper	Malone	Smith, Maine
Butler, Md.	Hill	Mansfield	Smith, N. J.
Byrd	Hoey	Martin	Smith, N. C.
Capehart	Holland	Maybank	Sparkman
Carlson	Humphrey	McClellan	Stennis
Case	Jackson	Millikin	Symington
Chavez	Jenner	Monroney	Thye
Clements	Johnson, Colo.	Morse	Watkins
Cooper	Johnson, Tex.	Mundt	Wiley
Cordon	Johnston, S. C.	Neely	Williams
Daniel	Kefauver	Pastore	Young
Douglas	Kennedy	Payne	
Duff	Kerr	Purtell	
Dworshak			
Eastland			
Ellender			
Ferguson			
Flanders			
George			

NOT VOTING—20

Anderson	Goldwater	McCarthy
Bricker	Hennings	Murray
Butler, Nebr.	Hunt	Potter
Dirksen	Ives	Taft
Frear	Long	Tobey
Fulbright	Magnuson	Welker
Gillette	McCarran	

So the amendment offered by Mr. BRIDGES and other Senators was agreed to.

Mr. BRIDGES. Mr. President, I understand that the clerk's record shows that the amendment on page 6, line 19, in which the amount reported by the Senate committee is shown as $29,614,787, was not agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment on page 6, line 19.

The amendment was agreed to.

Mr. BRIDGES. I should now like to call up the amendment on page 25, section 202, which was passed over. The amendment is a simple one, and I think that if Senators understand it, they will agree to it. The amendment appropriates not to exceed $1 million for general administration, general legal activities, and United States attorneys and marshals.

The amendment also sets minimum and maximum limits to the pay of United States attorneys and assistant United States attorneys. The maximum limits are raised, contingent upon United States attorneys and their assistants working full time.

As will be noticed, a higher leeway was requested in which to operate, but the Senate committee felt that a maximum of $15,000 was as high as we should go. I believe the amendment is a rather simple one, and I hope there will be no opposition to it.

The PRESIDING OFFICER. The question is on agreeing to the amendment on page 25, beginning on line 6.

The amendment was agreed to.

Mr. HOLLAND. Mr. President, will the Senator from New Hampshire yield for a question?

Mr. BRIDGES. Certainly.

Mr. HOLLAND. I notice the following provision in the last sentence of section 202, which has just been adopted:

That the maximum of $12,000 shall only apply to the chief assistant United States attorney in each office.

Does that mean in each district, or in each separate office that is maintained within a district?

Mr. BRIDGES. In each United States attorney's district.

Mr. HOLLAND. Would there be only one chief assistant in a complete district?

Mr. BRIDGES. Yes. The United States attorney may have other assistants subject to him, but only one assistant would be the chief assistant, who could receive the maximum.

Mr. President, I now call up the amendment designated "5-28-53-F," which has to do with the appointment and removal of United States deputy marshals. This is an amendment to section 209.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 27, line 6, it is proposed to insert a new section, section 209, as follows:

SEC. 209. Section 542 of title 28 of the United States Code is amended to read as follows:

"§ 542. Appointment and tenure of deputies and assistants.

"The Attorney General may authorize any United States marshal to appoint deputies and clerical assistants. Any person determined by the marshal to be qualified for appointment to the position of deputy marshal shall become eligible for such appointment upon passing such suitable noncompetitive examination as may be prescribed by the Civil Service Commission. Deputy marshals shall be subject to removal by the marshal pursuant to civil-service regulations, except that with the approval of the Attorney General and without regard to the provisions of the civil-service laws and regulations, a deputy marshal may be removed by the marshal under whom he serves at any time within 60 days after such marshal has taken the oath of office and entered upon his duties."

Notwithstanding the provisions of the last sentence of section 542 of title 28 of the United States Code, as amended, deputy marshals in office on the date of enactment of this act shall be subject to removal at any time prior to the expiration of 60 days after the date of enactment of this act by the United States marshal under whom they serve, with the approval of the Attorney General and without regard to the provisions of the civil-service laws and regulations.

Section 541 of title 28 of the United States Code is amended by adding at the end thereof a new subsection as follows:

"(e) Upon the expiration of the term of office of a marshal who at the time of his appointment as marshal was serving as a deputy marshal, such marshal shall, upon application therefor made within 30 days after expiration of his term as marshal, be restored to the position of deputy marshal."

Mr. MONRONEY. Mr. President, I make a point of order that this is legislation on an appropriation bill.

Mr. BRIDGES. A motion has previously been entered to suspend the rule.

The PRESIDING OFFICER. The Chair sustains the point of order. A motion to suspend the rule has already been entered.

Mr. BRIDGES. I wish to say a few words on this proposed amendment. It would do three things relative to the United States marshals:

First, in the case of deputies to be appointed, they would be compelled to take a noncompetitive examination, and would be subject to removal by the marshal, pursuant to civil-service regulations, except that a deputy marshal could be removed with the approval of the Attorney General at any time within 60 days after the marshal had taken the oath of office.

Second, any deputy marshal holding office on the effective date of this act

could be removed at any time prior to the expiration of 60 days after the date of the enactment of the act, without regard to civil-service regulations.

Third, any deputy marshal who had been promoted to marshal, upon being replaced in that particular position, would, upon his own application, within 30 days, be restored to the position of deputy marshal.

Mr. MONRONEY rose.

Mr. BRIDGES. I shall not pretend to the Senator from Oklahoma or to any other Senator that this amendment does anything other than what the language provides. There is nothing concealed in it. It will allow the Department of Justice to have control over United States deputy marshals.

Some Senators believe that United States deputy marshals should be appointed under the civil service and should be continued in office. They believe that United States deputy marshals should be considered the same as the most sacred cow in any of the appointive branches of the Government.

Very frankly, I do not think so. I consider appointments to the position of United States deputy marshal to be political appointments. I think there should be some leeway in the case of deputy United States marshals.

I am not trying to fool anyone. As a matter of fact, the Senator from New Hampshire did not make this proposal in the committee. The Senator from New Hampshire, as chairman of the committee, is simply representing the views of the committee.

While this provision might operate to the advantage of Republicans at this time, it would be equally advantageous to Democrats at another time. It would provide for greater responsiveness among deputy United States marshals.

I hope the Senate will not waste too much time on this amendment. The issue is clear, and I think Senators are ready to vote.

I have talked with the Senator from Oklahoma [Mr. MONRONEY] about this amendment. He is very much opposed to it, and intends to speak on it, but I hope we can reach a vote upon it soon.

Mr. MONRONEY. Mr. President, I am very glad that, with his usual candor and honesty, the chairman of the Appropriations Committee and the President pro tempore of the Senate has admitted that this is an out-and-out patronage amendment.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. BRIDGES. I did not say it was a patronage amendment. I said I was not coloring it. It certainly has a great deal of merit.

Mr. MONRONEY. I am inclined to disagree with the distinguished chairman of the committee. At any rate, we like to phrase our observations in genteel, parliamentary language. The political boys in Oklahoma would say that this is a "pie counter" amendment.

I do not blame the distinguished chairman of the Appropriations Committee.

I know that the Republicans have taken care of the board of directors of General Motors. They have taken care of the top echelon by placing them in top echelon jobs. I am sure that the county chairmen of the Republican Party are pretty much the same kind of folks as Democratic county chairmen. At the doorstep of every Republican Senator's office there must be long waiting lines of "deserving" Republicans who wish to acquire the appointments which they seem to feel they instead of the deserving Democrats who now hold such positions, should have.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. CORDON. Would not the Senator agree that, at least up to date, in filling various offices it has not been necessary to take any of the Communist Party or any fellow travelers?

Mr. MONRONEY. I believe the RECORD will not show any fellow travelers or Communist Party members appointed and confirmed by the Senate, upon the recommendation of any Democratic United States Senator. If the Senator has any such case in mind, I should be glad to have him submit it at this time to the Senate, so that we may have the name of the individual, as well as the name of the appointing officer.

Mr. CORDON. Is any greater crime involved in the appointment of those not needing confirmation than in the case of those who require confirmation?

Mr. MONRONEY. I will say to the distinguished Senator that the patronage so far as United States marshals are concerned has already been taken by the Republican Members of the Senate. Democratic United States attorneys are rapidly being replaced with "deserving" Republicans, although some of the outstanding United States attorneys still have a 3-year term to run. However, the demand has been made for their resignations, and such positions are being filled with "deserving" Republicans.

I believe that when we ride roughshod over the veterans' preference, as is now guaranteed in this amendment in the case of deputy United States marshals, and also in the case of clerks in the marshals' offices, we are setting a pattern and precedent which I believe is destructive of the civil service.

Practically all the applications for jobs that I know of in the office of deputy United States marshal go through with the regular 10-percent credit given to disabled veterans. A 5-percent credit is given to those who are war veterans but not disabled. If they are disabled and make a grade of only 70, they go to the top of the list, under the Democratic type of civil service and the methods heretofore applied in filling positions of deputy United States marshals and clerical positions.

If I read this amendment correctly—and I should be very happy to have the chairman of the committee correct me—all the veterans' preference rights are swept overboard in the interest of deserving county chairmen and the Republican faithful. There is no guaranty whatsoever of veterans' preference rights, which have obtained with reference to the filling of such positions in the past.

I do not believe that the Senate is ready to kick overboard the civil-service laws, and the veterans' preferences which were carefully written into law just as the boys were beginning to return from the European theater and the Pacific theater.

I do not believe the Senate is ready to go back to a political patronage system, regardless of the demands of county chairmen and others who would like to have these lower-paid jobs, now that the "millionaire type" of constituency has been taken care of.

I do not believe that the Senate is ready to do violence to veterans' preference rights.

In my experience most of the men who have gone into positions as deputy United States marshals or into clerical positions have had to qualify under the Veterans' Preference Act.

When any job becomes open it is subject to that act, and certainly cannot be filled by a nonveteran if a disabled veteran is applying for the position. Everyone knows that you cannot skip over a disabled veteran, or a veteran who is not disabled, and appoint a nonveteran from the list of eligibles on the Civil Service register.

So a very simple issue is involved. Do we want to deny to veterans the rights heretofore accorded them by law, to preference in these jobs, or do we want to fill the positions strictly on the basis of the recommendation of local political leaders?

This amendment is important, because it is one of the four patronage amendments contained in the bill. When we finish with this amendment, we shall have to consider three others which are also designed to relieve the stress and strain on Republican Senators and Representatives in connection with applications for these lower-paying jobs.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. DOUGLAS. Would the Senator from Oklahoma agree with me that this amendment might be termed a "pass the pork, pappy" amendment?

Mr. MONRONEY. I thank the Senator for his contribution.

I invite attention to some very interesting language in the amendment:

> Notwithstanding the provisions of the last sentence of section 542 of title 28 of the United States Code, as amended, deputy marshals in office on the date of enactment of this act shall be subject to removal at any time prior to the expiration of 60 days after the date of enactment of this act by the United States marshal under whom they serve, with the approval of the Attorney General and without regard to the provisions of the civil-service laws and regulations.

Any one or all of the clerks or deputies may be fired without cause, simply because deserving Republicans want these positions, notwithstanding the fact that many of the present holders of the positions have rendered a great many years of faithful service.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. KILGORE. Is the Senator aware that in 1921 a general "ripper" act was

passed which authorized the heads of departments to reorganize their departments without regard to the civil service?

Mr. MONRONEY. I do not recall.

Mr. KILGORE. At this time we are doing it piecemeal by riders on appropriation bills.

Mr. MONRONEY. I certainly agree with the distinguished Senator from West Virginia. This proposal, which would release deputy United States marshals and clerks from civil-service requirements, would throw such positions open to patronage, without regard to veterans' preference or the standing of the individuals on the register.

Such a proposal has been consistently defeated in the Congress by Democratic administrations. If one will consult the RECORD, I believe it will be found that those on this side of the aisle have voted consistently not to throw these positions onto the patronage counter. Many Democrats have consistently fought against retreat from the career service. When we start the retreat under a new administration, we are setting a time bomb which will destroy the merit system of civil service.

Mr. KILGORE. Mr. President, will the Senator from Oklahoma yield for another question?

Mr. MONRONEY. I yield.

Mr. KILGORE. Is the Senator from Oklahoma aware of the fact that in 1933 another ripper bill was passed? I do not know what happened in the State of Oklahoma, but in the State of West Virginia one of the United States marshals, who was a brother of the present Republican National Committeeman, held office until the end of his 4-year commission. No change was made in his case. In the last session of Congress and in previous sessions bills were debated on the floor of the Senate to take deputy marshals out of civil service, and they were overwhelmingly defeated on three different occasions. Is the Senator aware of that fact?

Mr. MONRONEY. That is correct; and a good portion of the votes to defeat such proposed legislation came from the Republican side of the aisle. Of course the issue may be on the other foot today. Perhaps the patronage problem facing Senators is so great that they would like to forget about the advantages of an integrated service of career employees in the marshal's office. If Senators are at all concerned with preserving veterans' preference, for men who have served their country, they will certainly vote against the adoption of the pending amendment.

Mr. President, I should like to clarify the parliamentary situation with the distinguished chairman of the committee. I ask that the amendments pertaining to section 209, on page 27, beginning on line 6, and going over to page 28, line 15, be considered en bloc.

Due to a misunderstanding in the way the amendments were reported, I find that inadvertently, in the compilation of the RECORD, the latter part of the amendment was adopted yesterday, although an agreement had been entered into that the so-called United States marshal amendments would be passed over until the end of the bill.

A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER (Mr. BENNETT in the chair). The Senator will state it.

Mr. MONRONEY. Is it necessary to ask unanimous consent that the amendments pertaining to section 209, United States marshals, which were all contained in one printed amendment, and appear on page 27, line 6, through page 28, line 15, be considered as one amendment, and that the action taken yesterday in the Senate by which a portion of the amendment was adopted, be vacated?

The VICE PRESIDENT. The Chair will inform the Senator from Oklahoma that no part of the amendment has been acted upon by the Senate.

Mr. MONRONEY. I read from the CONGRESSIONAL RECORD at page 5888. After I raised the point, I said:

> Mr. MONRONEY. Mr. President, is not this one of the amendments which was to be passed over?
>
> I was referring to United States marshals, section 209.
>
> The distinguished Senator from New Hampshire [Mr. BRIDGES] said, "Yes."
>
> The PRESIDING OFFICER. Without objection, the amendment will be passed over.

The amendment was then split and there was read by the clerk, according to the CONGRESSIONAL RECORD, the latter portion of the amendment appearing on page 27 of the bill, beginning at line 23.

The RECORD shows that that portion of the amendment was agreed to.

The same is true with reference to the amendment on page 28, lines 7 to 15.

Mr. BRIDGES. If there is any question about it the committee would have no objection to consider as one amendment the language of section 209, from page 27, line 6, through line 15 on page 28, because the language pertains to one matter.

The VICE PRESIDENT. Without objection, the amendment will be considered in the form requested by the Senator from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. And the reported action of yesterday will be declared vacated?

The VICE PRESIDENT. The Chair is informed by the parliamentarian that the RECORD is in error in that respect, and that no action was taken upon that portion of the amendment. The action taken was actually on page 25.

Mr. MONRONEY. In closing, Mr. President, I ask the Senate not to retreat from the guaranteed veterans' benefits and rights of our disabled veterans to have first chance at these positions of clerks and deputy United States marshals, but to be fair with regard to veterans' preference, and the employment of veterans, both disabled and not disabled, as clerks and deputy United States marshals throughout the country.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. McCLELLAN. I merely wished to make one observation. A year ago, when we considered the reorganization plan for the Bureau of Internal Revenue, it was deemed advisable by a majority of this body to place under civil service the position of collector of internal revenue, which I believe to be a policy-forming position. Now it is proposed to take the little fellow, who is a clerk, from under civil service. To be consistent, Mr. President, if we place internal-revenue collectors, who are at the head of an office which is much larger than that of a marshal's office, under civil service, certainly clerks and marshals should also be placed under civil service.

Mr. MONRONEY. I thank the distinguished Senator from Arkansas for his observation. Certainly no one can consider the job of deputy United States marshal a policy-making job, and certainly we do not want to turn over the job of enforcing the decision of our Federal courts—and thus turning back the clock for 20 years— to any political hack who may be recommended for the job. It is too important a job, and we should not go backward.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. KILGORE. I should like to ask the Senator from Oklahoma if he does not think action such as is proposed completely defeats the purpose of the civil service, which is the sole guaranty of job tenure and the protection of career employees? In other words, does not the amendment provide a political tool whereby the civil service can be bypassed instead of remaining what it was intended to be, namely, an arrangement under which we could build up career employees in the Government and increase the efficiency of the Government?

Mr. MONRONEY. The Senator from West Virginia is entirely correct. The promise of more efficient performance from Government employees, made by the Republican Party in its campaign, is going to fall flat on its face; and we now see the dagger of fear pointing at two million career employees, who see the new administration, under a Republican-controlled Congress, trying to take away the hard-won rights of the career employees in Government.

I yield the floor.

Mr. CAPEHART. Mr. President, the able chairman of the Appropriations Committee was very candid in his statement in respect to what the amendment would do, and I think the able Senator from Oklahoma has been equally candid. He wants to retain all Democrats in these jobs. I think the issue is a very clear-cut one.

Mr. BRIDGES obtained the floor.

Mr. KNOWLAND. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield.

Mr. KNOWLAND. I have been quite impressed with the statement made by the Senator from Oklahoma in some respects. I was wondering whether the distinguished Senator from New Hampshire would accept a modification of his amendment which would make it nonapplicable to every employee who was appointed on merit after passing an examination, and to make the amendment applicable only to those persons who were blanketed in without going through that process?

Mr. BRIDGES. I think that would be very fair. I think we should protect the merit system. I would be very glad to restrict my amendment to those employees who were blanketed in without examination. I accept the modification.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. WATKINS. Is it not true that in the last days of the New Deal thousands of persons were put on the Federal payroll and later blanketed into civil service, without examination?

Mr. BRIDGES. Yes, it is.

Mr. WATKINS. Was not the purpose of that move, and is not the purpose of the move now being made in an attempt to block this matter, to make the spoils system permanent insofar as the Democrats are concerned?

Mr. BRIDGES. That is correct.

Mr. President, we would perfect the amendment.

Mr. MONRONEY. Mr. President, I rise to a point of order.

The VICE PRESIDENT. The Senator from Oklahoma will state it.

Mr. MONRONEY. This amendment is an entirely new one. Since it would write legislation into an appropriation bill, 24 hours' notice would have to be given before the action proposed could be taken.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from California will state it.

Mr. KNOWLAND. It is my understanding that notice was given in the case of the amendment. We have here a modification of the amendment; the modification has been accepted by the proponent of the amendment. So now we are faced with the same amendment, but with a modification.

Mr. MONRONEY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Oklahoma will state it.

Mr. MONRONEY. Is it permissible to change the entire text of the amendment, although the new text is not printed and is not available in the Senate Chamber?

So far as I know, no member of the Senate has seen the changed amendment or knows what is running through the mind of the distinguished majority whip or through the mind of the chairman of the Appropriations Committee.

Mr. BRIDGES. Mr. President, before the Chair rules, I modify my amendment as follows:

On page 28, after line 15, insert:

"The amendments provided in section 209 of this act shall not apply to those employees who derived civil-service status by competitive examination."

Mr. JOHNSTON of South Carolina. Mr. President, I rise to make a point of order.

The VICE PRESIDENT. The Senator from South Carolina will state it.

Mr. JOHNSTON of South Carolina. This amendment is not the original amendment of the Senator from New Hampshire. He is now trying to amend a committee amendment, on the floor of the Senate, without giving the required 24 hours' notice.

Mr. BRIDGES. Mr. President, the committee directed me, as the chairman of the committee, to offer the amendment. The chairman of the committee submitted the amendment, and gave notice of intention to move to suspend the rule.

Unquestionably when the committee gave the chairman of the committee authority to offer the amendment, the committee authorized and directed the chairman of the committee to offer the amendment as his own amendment. Under the circumstances, certainly I have the privilege of speaking for the committee, for the committee authorized me to make such changes as would protect the amendment.

I point to the fact that the amendment is entitled "amendment intended to be proposed by Mr. BRIDGES to the bill (H. R. 4974) making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes." In the caption of the amendment there is no statement to the effect that the Appropriations Committee authorized and directed me to offer the amendment. I offer the amendment myself.

Mr. MONRONEY. Mr. President, I still insist on the point of order.

Mr. JOHNSTON of South Carolina. Mr. President, I wish the record to be clear. First, let me ask whether the committee discussed the amendment at all.

Mr. BRIDGES. If the Senator from South Carolina refers to the additional words I have just stated, I may say the committee has not met and considered those words.

Mr. JOHNSTON of South Carolina. The committee has not discussed those words in any way whatsoever; is that the case?

Mr. BRIDGES. Of course, the committee considered the amendment, and was in accord with the amendment, and directed me to offer the amendment. But I have not had an opportunity to discuss with the committee the additional words.

As the proponent of the original amendment, even though it was offered by direction of the committee, I believe I have a right to modify the amendment.

Mr. MONRONEY. Mr. President, I should like to be heard further on the point of order.

The question is whether a committee amendment, offered as such, and not appearing in the printed bill, is subject to modification by one member of the committee, even though he be the distinguished chairman of the committee.

Furthermore, the point of order goes to the required 24 hours' notice in the case of intention to move to suspend the rule, in order to make in order an amendment proposing the inclusion of legislation in an appropriation bill.

Therefore, Mr. President, in this case 24 hours' notice is required, because of the change proposed to be made in the amendment.

For both reasons, I believe the modification of the amendment is clearly out of order.

Mr. KNOWLAND. Mr. President, as I understand the parliamentary situation, the committee itself proposed that the words we find set forth at this point in the bill be included as part of the bill. I understand that a point of order was raised against that proposal, and in effect those words were stricken out or rejected.

Under the rule, therefore, the chairman of the committee in his own name offered the amendment as his own amendment. It was then a completely de novo amendment. The Senator from New Hampshire offers the amendment. He has given notice of an intention to move to suspend the rule. He has also asked to modify his amendment.

I understand that since time immemorial, the author of an amendment has had the right to accept modification of his own amendment. I understand that is the parliamentary situation.

This matter becomes important because in voting on a motion to suspend the rule, the Senate might vote in an entirely different way if, as a result of the amendment, as proposed, the merit system would be maintained, and if the continued civil-service status of only those who had been blanketed in, without regard to the merit system, were the issue.

It seems to me that at least that point should be clarified, namely, whether the Senator from New Hampshire—the item having been knocked out of the bill on a point of order—has a right to modify his amendment prior to the taking of the vote on the motion to suspend the rule.

The VICE PRESIDENT. The question before the Senate is on agreeing to the motion to suspend the rule, so as to make it possible for the Senate to consider the amendment the Senator from New Hampshire has proposed to offer.

The Senator from California is correct when he states that the committee amendment has been ruled out, on a point of order.

However, since the question now before the Senate is on agreeing to the motion to suspend the rule, in order to make it possible to consider the amendment of the Senator from New Hampshire, the amendment itself is not at this time before the Senate.

Therefore, under the circumstances the vote will be on agreeing to the motion to suspend the rule.

The Senator from New Hampshire could indicate to the Senate that after the rule is suspended, if it is, and if his amendment then is in order, he will modify his amendment.

But the question now before the Senate is on agreeing to the motion to suspend the rule.

Mr. JOHNSTON of South Carolina. Mr. President, I wish to say that the Senate is preparing to vote on a matter which the Committee on Post Office and Civil Service has held hearings many times. In the committee both the Republican Members and the Democratic Members have been unanimous in reaching the conclusion that the deputy marshals of the United States should continue under civil service. That question has been before us many times in recent years, and Senators on both sides of the aisle have voted almost unanimously to keep the deputy marshals under the civil service.

Mr. BRIDGES. Mr. President, will the Senator from South Carolina yield to me?

Mr. JOHNSTON of South Carolina. I yield.

Mr. BRIDGES. That is exactly what the amendment I seek to have added to the bill would provide, namely, that those who are entitled to civil-service status shall be protected, but that those who were politically blanketed in will not be protected.

Mr. JOHNSTON of South Carolina. I call attention to the fact that the present question is on agreeing to the motion to suspend the rule. If the rule is suspended, then the amendment the committee has proposed will first come before the Senate. Thereafter, amendments could be offered to that amendment. That is in accordance with the rule.

However, the first vote to be taken will be on the question of agreeing to the motion to suspend the rule.

I, for one, do not believe we should vote to suspend the rule, in order to begin to break down the civil-service system. Some of those who are under civil service at this time have had 25 or more years of service under the civil-service system. This is a deliberate attempt to remove them from the civil service.

I warn my colleagues and I warn the civil-service workers of the United States that this is only the first step; and if it is approved, we shall be asked to remove other workers from under the merit system. That attempt will be made because of a desire to play politics. So we should let them know just what this move amounts to.

I am one who believes that we should have a civil-service merit system in the United States Government. When Senators vote, let them consider the effect of their votes upon the veterans who were promised protection from political influence when serving their Government. Will it be said that he cannot be approved until the matter comes to the Congress for political approval? Was this young American boy asked his political preference when directed to fight for this Nation? Some of them are in these positions now because they are disabled World War veterans. Will Senators vote to create a situation under which they can be tossed out to make a job for some politician? Mr. President, we had as well face the facts. This matter ought to be studied thoroughly in the committee which deals with civil-service matters. I want it plainly understood that, so far as I am concerned, I am not in favor of breaking down our merit system in the United States Government.

SEVERAL SENATORS. Vote! Vote!

The VICE PRESIDENT. The question is on the motion of the Senator from New Hampshire [Mr. BRIDGES] to suspend the rules.

Mr. MONRONEY. I ask for the yeas and nays.

The yeas and nays were ordered.

The VICE PRESIDENT. The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Wyoming [Mr. BARRETT], the Senator from Maryland [Mr. BEALL], the Senator from Ohio [Mr. BRICKER], the Senator from Nebraska [Mr. BUTLER], the Senator from Arizona [Mr. GOLDWATER], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from Ohio [Mr. TAFT], the Senator from Idaho [Mr. WELKER], and the Senator from North Dakota [Mr. YOUNG] are necessarily absent.

If present and voting, the Senator from Wyoming [Mr. BARRETT], the Senator from Ohio [Mr. BRICKER], the Senator from Nebraska [Mr. BUTLER], the Senator from Arizona [Mr. GOLDWATER], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from Ohio [Mr. TAFT], and the Senator from Idaho [Mr. WELKER] would each vote "yea."

The Senator from New Hampshire [Mr. TOBEY] is absent on official business. If present and voting, the Senator from New Hampshire [Mr. TOBEY] would vote "yea."

I also announce that the Senator from Connecticut [Mr. BUSH] and the Senator from Illinois [Mr. DIRKSEN] are absent by leave of the Senate on official committee business.

The Senator from New York [Mr. IVES] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

If present and voting, the Senator from Connecticut [Mr. BUSH], the Senator from Illinois [Mr. DIRKSEN] and the Senator from New York [Mr. IVES] would each vote "yea."

I further announce that on this vote the Senator from Maryland [Mr. BEALL] was paired with the Senator from Montana [Mr. MURRAY], and the Senator from North Dakota [Mr. YOUNG] was paired with the Senator from Georgia [Mr. RUSSELL].

If present and voting the Senator from Maryland [Mr. BEALL] would vote "yea," and the Senator from Montana [Mr. MURRAY] would vote "nay." The Senator from North Dakota [Mr. YOUNG] would vote "yea," and the Senator from Georgia [Mr. RUSSELL] would vote "nay."

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Iowa [Mr. GILLETTE], the Senator from Wyoming [Mr. HUNT,] the Senator from Louisiana [Mr. LONG], and the Senator from Nevada [Mr. MCCARRAN] are absent by leave of the Senate.

The Senator from Virginia [Mr. BYRD], and the Senator from Georgia [Mr. RUSSELL] are absent on official business.

The Senator from Arkansas [Mr. FULBRIGHT] is necessarily absent.

The Senator from Delaware [Mr. FREAR] is absent by leave of the Senate because of a death in his family.

The Senator from Missouri [Mr. HENNINGS] and the Senator from Washington [Mr. MAGNUSON] are absent by leave of the Senate on official committee business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate, having been appointed a delegate to attend the forthcoming International Labor Organization Conference at Geneva, Switzerland.

The Senator from Georgia [Mr. RUSSELL] is paired on this vote with the Senator from North Dakota [Mr. YOUNG]. If present and voting, the Senator from Georgia would vote "nay," and the Senator from North Dakota would vote "yea."

The Senator from Montana [Mr. MURRAY] is paired on this vote with the Senator from Maryland [Mr. BEALL]. If present and voting the Senator from Montana would vote "nay," and the Senator from Maryland would vote "yea."

I announce further that if present and voting, the Senator from Louisiana [Mr. LONG], and the Senator from Washington [Mr. MAGNUSON] would vote "nay."

The result was announced—yeas 35, nays 36, as follows:

YEAS—35

Aiken	Flanders	Payne
Bennett	Griswold	Potter
Bridges	Hendrickson	Purtell
Butler, Md.	Hickenlooper	Saltonstall
Capehart	Jenner	Schoeppel
Carlson	Knowland	Smith, Maine
Case	Kuchel	Smith, N. J.
Cooper	Langer	Thye
Cordon	Malone	Watkins
Duff	Martin	Wiley
Dworshak	Millikin	Williams
Ferguson	Mundt	

NAYS—36

Chavez	Holland	Maybank
Clements	Humphrey	McClellan
Daniel	Jackson	Monroney
Douglas	Johnson, Colo.	Morse
Eastland	Johnson, Tex.	Neely
Ellender	Johnston, S. C.	Pastore
George	Kefauver	Robertson
Gore	Kennedy	Smathers
Green	Kerr	Smith, N. C.
Hayden	Kilgore	Sparkman
Hill	Lehman	Stennis
Hoey	Mansfield	Symington

NOT VOTING—25

Anderson	Fulbright	McCarthy
Barrett	Gillette	Murray
Beall	Goldwater	Russell
Bricker	Hennings	Taft
Bush	Hunt	Tobey
Butler, Nebr.	Ives	Welker
Byrd	Long	Young
Dirksen	Magnuson	
Frear	McCarran	

So Mr. BRIDGES' motion to suspend the rules was rejected.

Mr. MUNDT. Mr. President, I call up my motion which is at the clerk's desk.

The VICE PRESIDENT. The clerk will read the motion of the Senator from South Dakota.

The CHIEF CLERK. Mr. MUNDT moves to reconsider the vote by which the Senate agreed to the amendment on page 5, line 12, of the bill, providing for the acquisition of buildings abroad.

Mr. MUNDT. Mr. President, I am asking that the Senate reconsider the vote which was cast on last Monday on a committee amendment, found on page 5 of the bill, because in reading the RECORD and in analyzing the vote, it occurred to me that many Senators, who were not on the floor during the debate, voted, I am sure, in contradiction to their normal inclinations as members of the economy bloc, because, if there ever was an economy amendment offered by the committee, it is the amendment on page 5 of the bill which provides that not to

exceed $4 million of our foreign credits may be made available for the purpose of building suitable housing for American diplomats in our Embassies abroad, thus saving us a very sizable cost of annual rental which it is now necessary to pay in foreign capitals where we do not have our own property.

I invite the attention of the Senate to the fact that the amount requested is less than one-half of 1 percent of the total amount available to us as credits. These credits are being hoarded in various sections of the world. After the war, we sold surplus property to foreign nations. By executive agreement it was stipulated that the money could be spent for the exchange of students, and it can be spent for the acquisition of buildings for which we are now paying excessive rentals.

By agreeing to the amendment the Senate would certainly be acting in the interest of economy. I notice that many of my good friends in the Senate who normally vote for an economy measure, voted on this particular occasion against that economy impulse, and I thought it would be well to have a clear-cut explanation, while many Senators are present, so that, at least, they would be sure about the issue involved in this particular amendment.

I should like to point out where the buildings are to be constructed.

An office building and principal officers' residence are to be constructed at Asuncion, estimated to cost $315,000.

An office building and principal officers' residence is to be constructed at Tangier, the estimated cost of which is $500,000.

Office buildings and staff housing for consular posts on the United States border are to be constructed in Mexico, at an estimated cost of $650,000.

An office building is to be constructed in Helsinki at an estimated cost of $600,000.

An office building is to be constructed in The Hague at an estimated cost of $525,000.

An office building and staff housing are to be constructed in New Delhi at an estimated cost of $1 million.

Staff housing is to be constructed in Bangkok at an estimated cost of $60,000.

An office building is to be constructed in Djakarta at an estimated cost of $350,000.

These projects would total $4 million.

Mr. President, not one single dime of the $4 million comes out of the United States Treasury; not one single dime is being appropriated in this bill for this purpose. It is provided that money now being hoarded shall be available for the construction of these buildings, thus saving the rental charge on housing in the locations which I have mentioned and enabling us to get some good out of our foreign credits before they entirely disappear.

Mr. HICKENLOOPER. Mr. President, will the Senator from South Dakota yield?

Mr. MUNDT. I am happy to yield to the Senator from Iowa.

Mr. HICKENLOOPER. Mr. President, I am pleased that the Senator from South Dakota is presenting this matter, and I hope the Senate will reconsider its action of last Monday. I say that especially because I was necessarily absent from the Senate last Monday and was unable to cast my vote.

I desire to say to the Senator from South Dakota and to the Senate, Mr. President, that I am sure anyone who has seen the situation abroad will agree with me that this is one place, and about the only place of which I know, where the American people will be getting something back for money they have spent. It comes from funds which, if not used in this way and in other ways available to us, will be dissipated and lost and we will get nothing.

Mr. MUNDT. Mr. President, there is no question about that. We shall have a generous impulse some day and give all the money away, unless we use it at this time for the purpose which I have described.

Mr. HICKENLOOPER. Mr. President, here is an opportunity to have buildings and housing which otherwise we would be paying for through the nose. It seems to me that this is a sensible provision. We hear great praise of the program with respect to the exchange of students. I think it is a very excellent program. The Senator from South Dakota [Mr. MUNDT], has been interested in it, as has the Senator from Arkansas [Mr. FULBRIGHT]. One of the strongest arguments used to support that program is that in the main the money to support it comes from funds frozen abroad in local currencies, which cannot be used except for the student program and the acquisition of real estate and property which otherwise the United States Government would have to rent from local agencies.

I earnestly urge Members of the Senate to consider that the amendment does not involve the expenditure of money out of the Treasury of the United States. It is derived from credits which we already have in foreign nations and which will eventually go down the drain if we do not use them.

I think the amendment is a worthy one. It gives us something for our money. In most instances we do not get anything for the money which we spend out of the Treasury in many operations which we conduct.

Mr. GEORGE. Mr. President, will the Senator from South Dakota yield?

Mr. MUNDT. I yield.

Mr. GEORGE. Mr. President, I was absent on Monday when the vote was cast on this particular amendment. I do not know whether there was a yea-and-nay vote——

Mr. MUNDT. There was a yea-and-nay vote.

Mr. GEORGE. There must have been a misapprehension, because the money does not come out of the United States Treasury. It is from counterpart funds which we are recovering in several foreign nations. We have heretofore authorized the construction of some buildings out of the same funds. I am quite sure that if the Senate properly evaluates the question it will not vote down the amendment. I hope that the motion to reconsider will be agreed to, so that we may vote on the merits.

Mr. MUNDT. I thank the Senator from Georgia very much.

Mr. CASE. Mr. President, will the Senator yield to me?

Mr. MUNDT. I gladly yield to my colleague from South Dakota.

Mr. CASE. Mr. President, I, too, was necessarily absent from the Senate on Monday. Had I been present I certainly would have supported the amendment. I hope the motion to reconsider will be agreed to so that we can have another vote.

I should like to say with reference to one point in connection with the merits of the question that in looking through the RECORD I noticed that one objection was raised in the debate on the ground that if we construct buildings and own them we shall have to provide operation and maintenance costs for them.

The alternative is that we shall not have to rent buildings and also pay operation and maintenance costs. So, Mr. President, here is an opportunity to avoid having to pay rent in addition to operation and maintenance expenses.

Mr. MUNDT. I thank my colleague.

Mr. President, I think no Senator is any more interested in the student exchange program than I am.

If I felt that the amendment would in any way impair that program, I would not support it. However, throughout the world the United States has $650 million frozen in foreign credit. We are speaking of only $4 million, which is about one-half of 1 percent. This item would not impair the student-exchange program, but would enable the United States to get something worth while, tangible, and valuable for money which would otherwise be dissipated and go down the drain.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. ELLENDER. I am quite certain that the Senate was under a misapprehension with respect to these funds when the vote was taken yesterday. It was stated that some of the credit agreement funds could be used for the purchase of various items of material which are needed. I wish to refer to the amount that the distinguished Senator from South Dakota has mentioned, namely, the amount of outstanding balances under credit agreements that were available for payment in foreign currencies. I have before me a statement showing that as of December 31, 1952, the total amount in all countries was $689,570,447.

I should like to point out, however, that this huge amount cannot be used by us in any particular year; withdrawals from these funds are spread over long periods

of time. For instance, in Austria, the amount is to become available over a period of years, and the last withdrawal cannot be made until 1976.

In the case of the United Kingdom, for which the greatest amount is shown on the paper I have in my hand, the use of these credits is to extend over the years, becoming liquidated in the year 2000.

Mr. MUNDT. That is correct.

Mr. ELLENDER. The total amount in all countries that is available as of this date is only $42,909,396.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks a statement indicating the purposes for which these funds are to be used.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF LIMITATIONS AND RESTRICTIONS AGAINST USE OF FOREIGN CURRENCIES MADE AVAILABLE UNDER CREDIT AGREEMENTS, AS OF DECEMBER 31, 1952

1. BOLIVIA

(Source: Lend-lease)

A. Balance available held by Treasury. These funds were originally held for the Department's building program, but are now being used for operating expense and buildings.

2. BRAZIL

(Source: Surplus property)

A. Balance held by Department in trust for Treasury, due to heavy taxation on nonresident bank account. About $80,000 equivalent represents earned interest on deposits, which amount is being used by the Department for operating expenses. The remainder represents principal payment made specifically for a building program in Brazil.

3. COLOMBIA

(Source: Surplus property)

A. Negotiations are currently under way for the payment of this small balance. Payment was delayed due to difference of opinion on appropriate exchange rate applicable to previous payments by Colombia.

4. ECUADOR

(Source: Surplus property)

A. There are no restrictions on the use of currency held by Treasury and subsequent payments by Ecuador may be used for payment of any United States expenses in Ecuador.

5. MEXICO

(Source: Lend-lease)

A. The balance due under this settlement arrangement, $3,250,000, is payable $1 million in January 1953 (payment has been made) and $750,000 each January 1954, 1955, and 1956. The Government of Mexico will still owe a balance of $6,750,000 after the above payments are made. A new settlement arrangement will be worked out at that time. Funds acquired under this agreement are available for any United States expenses in Mexico.

6. NICARAGUA

(Source: Lend-lease)

A. The foreign currency obtained under this agreement is through a settlement arrangement under which Nicaragua will pay the equivalent of $33,483.34 each quarter, January 1953 through October 1954, at which time the debt will be liquidated. These funds are available for any United States expenses in Nicaragua; however, the Department's building program has awarded contracts in excess of $400,000 and sufficient currency must be reserved to liquidate this obligation.

7. PERU

(Source: Surplus property)

A. Negotiations are currently under way for the payment of the balance of this credit. The funds received will be available for any United States expenses in Peru.

(Source: Lend-lease)

B. The Government of Peru owes the United States $2,882,910.64 under a lend-lease settlement. A settlement arrangement is being negotiated for the settlement of this credit, which will probably carry facilities for at least partial payment in foreign currency, which would be available for any United States expenses in Peru.

8. HAITI

(Source: War assets agreement)

A. Negotiations are under way for the settlement of this credit. If payment is accepted in Haitian gourdes, they would be available for any United States expenses.

9. AUSTRIA

(Source: Surplus property)

A. The surplus property credit agreement is available for accelerated payments without annual limitation; $827,500 equivalent thereof has been reserved for the completion of an approved educational foundation program.

B. The war asset agreements are handled by the General Services Administration and options to accelerate payments in foreign currencies have not been exercised to date.

C. Foreign currency equivalent to $3,852,902.42 held by the Treasury were made available for the occupied area program by the Mutual Security Agency and are reserved for that purpose.

10. BELGIUM

(Source: Mutual-aid settlement)

A. The balance available under this agreement is available only for educational and building programs under the terms of the agreement. The balance outstanding for the educational program is $2,392,500, while $3,012,348 is available for buildings. The balance on hand in the Treasury was drawn under the building section of the agreement; $5 million originally established for any United States expenses has been used. Limitation $5 million per year.

11. CZECHOSLOVAKIA

(Source: Surplus property)

A. Accelerated payments under the terms of this agreement have been temporarily suspended by the Czech Government. If payments are resumed, the funds received are available for any United States expenses and the annual limitation for such payments is $2 million.

12. DENMARK

(Source: Surplus property)

A. Funds available for accelerated payment under this agreement have been reserved for an approved educational program.

B. Foreign currencies equivalent to $581,655.94 held by Treasury were originally made available by the Mutual Security Agency and are reserved to meet contract payments against the building program.

C. The Mutual Security Agency made additional funds available here and the Treasury has a balance of $793,625.95 that is available for any United States expenses. Two million dollar limitation per year.

13. FINLAND

(Source: Surplus property)

A. An educational program in the amount of $1,250,000 has been approved for Finland and funds in that amount reserved. The Finland Agreement has no annual limitation and funds received thereunder are available for any United States expenses.

14. FRANCE

(Source: Surplus property)

A. One surplus property credit agreement in the total amount of $300 million provides that $15 million thereof may be used for the acquisition of property and that $10 million thereof may be paid in French currency that may be used for buildings or an educational program.

B. Due to the very bad dollar position of the French Government and through the medium of settlement arrangements, the French francs acquired for any United States expenses have ben credited to interest payments against the French agreements.

C. There is an annual limitation of $10 million in any single fiscal year applicable to all agreements combined. Ten million dollar limitation per year.

15. HUNGARY

(Source: Surplus property)

A. This agreement is available for any United States expenses in Hungary and carries an annual limitation of $3 million.

B. Accelerated payments are made by the Legation at Budapest and funds held in trust account in favor of the Treasury.

16. ITALY

(Source: Surplus property)

A. This agreement is available for any United States expenses in Italy and carries an annual (calendar year) limitation of $6 million.

17. NETHERLANDS

(Source: Surplus property)

A. This agreement is available for any United States expenses and has no annual limitation on the amount that may be drawn.

B. Accelerated payments have been made only with respect to educational foundation funds as the Treasury holds large quantities of Netherlands declared surplus by the Mutual Security Agency. No annual limitation.

18. NORWAY

(Source: Surplus property)

A. There is no annual limitation against payments under this agreement and the funds acquired are available for any United States expenses in Norway.

(Source: Lend-lease)

B. This agreement is also available for payment in Norwegian kroner which may be used for any United States expenses without annual limitation.

19. POLAND

(Source: Surplus property)

A. Accelerated payments under this agreement are available for any United States expenses in Poland with an annual limitation of $2 million.

B. Payments are requested by the Embassy at Warsaw as needed and the zlotys acquired are carried in a trust account in favor of the Treasury.

20. SPAIN

(Source: German reparations)

A. The outstanding balance under this heading is temporarily held up by the Spanish Government.

B. Funds on hand in Treasury are reserved to meet a contract for construction at Madrid.

21. SWEDEN

(Source: Surplus property)

A. Due to limited source here, the total available has been reserved for an educational program and to meet contract payments for construction in Sweden.

22. SWITZERLAND

(Source: German reparations)

A. The Inter-Allied Reparations Agency at Brussels has drawn up an agreement with the Swiss for the settlement for German external assets in the amount of 80 million Swiss francs. The agreement must be approved by the Swiss Parliament and is before that body at this time. When settlement is made, the United States share should be about 14,500,000 Swiss francs, conservatively estimated to be worth $3 million.

23. YUGOSLAVIA

(Source: Lend-lease)

A. Payment has been temporarily delayed on this agreement due to exchange-rate difficulties.

24. ICELAND

(Source: Surplus property)

A. Exchange-rate difficulties with respect to this agreement were cleared up during the last week of January. Funds are available for any United States expenses.

25. AUSTRALIA

(Source: Surplus property)

A. Funds under this agreement are restricted to buildings and an educational program. Balance, $4,249,694 for an educational program and $1,241,705 for a building program.

26. NEW ZEALAND

(Source: Surplus property)

A. The original agreement was restricted to buildings and educational programs, but negotiations are under way for the extension of use of a part of the balance for any United States expenses. The balance outstanding approved for an educational program is $1,945,000.

27. SOUTH AFRICA

(Source: Surplus property)

A. The balance of $50,000 in the Treasurer's account is reserved for an educational program.

28. UNITED KINGDOM

(Source: Mutual-aid settlement)

A. The balance outstanding under this settlement is, by the terms of the agreement, restricted to use for an educational program in England and to a building program in England and the colonial possessions. No annual limitation—cannot be used for operating expenses.

29. GERMANY

(Source: Surplus property)

A. The balance of $65,877,403 represents the amount due from the bulk sales of surplus property. The Department of the Army had two other types of property deliveries to Germany, known as quantitative receipts and incentive materials. It is understood that a combined settlement agreement for the three types is being negotiated at this time and that the amount thereof will probably be $200 million. The original surplus-property agreement was without annual limitation and available for any United States expenses.

B. Deutschemarks equivalent to $3,094,416.26 held by the Treasury were obtained under the information media guaranty program and are in a "blocked" account; however, $95,000 thereof are sold to the Department for operating expenses each month.

30. GREECE

(Source: Surplus property)

A. The surplus property agreement is available for any United States expenses with an annual limitation of $5 million. Limited drawings have been made against this agreement due to the large amount held by the Treasury.

B. The funds held by the Treasury were drachmae surplus to the needs of the Mutual Security Agency in Greece.

31. IRAN

(Source: Surplus property)

A. Funds acquired under this agreement are normally available for any United States expenses and have an annual limitation of $3 million. However, options to accelerate under this agreement have not been exercised due to the very bad political and economic situation in Iran over the past year and a half.

32. IRAQ

(Source: Surplus property)

A. Five hundred sixty thousand dollars of the balance held by the Treasury in Iraq has been reserved for an approved educational program. The balance is available for any United States expenses.

33. ISRAEL

(Source: Surplus property)

A. Funds on hand in the Treasury are available for any United States expenses.

34. JORDAN

(Source: Surplus property)

A. Balance available for any United States expenses.

35. LEBANON

(Source: Surplus property)

A. Settlement of this agreement has been accomplished in January and funds are available for any United States expenses.

36. TURKEY

(Source: Surplus property)

A. Funds under this agreement are available for any United States expenses. Turkey has made annual United States dollar payments early each year and it is expected the balance will be used prior to June 30, 1953.

37. INDIA

(Source: Surplus property)

A. While payments under this agreement are permissible, the options have not been exercised due to large amount held by the Treasury.

B. The balance shown in Treasury account represents proceeds from surplus property.

C. Large amounts held in a second account of the Treasury have been sold to the Department and this source will be exhausted before June 30, 1953.

38. CEYLON

(Source: Surplus property)

A. The funds in the Treasury are reserved for an approved educational program.

39. EGYPT

(Source: Surplus property)

A. The funds held by the Treasury are available for any United States expenses in Egypt; $723,500 thereof have been reserved for an approved educational program.

40. ETHIOPIA

(Source: Lend lease)

A. The balance in this account is reserved for contract payments for buildings.

41. LIBERIA

(Source: Surplus property)

A. The balance in this account is reserved for contract payments for buildings.

42. PAKISTAN

(Source: Surplus property)

A. The balance in the Treasurer's account is available for any United States expenses in Pakistan.

B. Treasury has sold considerable currency to the Department from another account in this area. Balance not available.

43. BURMA

(Source: Surplus property)

A. Payments under this agreement are available for any United States expenses and may not exceed 75 percent of the unpaid balance.

44. CHINA

(Source: Surplus property)

A. No payments under this agreement since Nationalist Government left China.

45. INDONESIA

(Source: Surplus property)

A. Funds acquired under this agreement are available for any United States expenses and without annual limitation. The agreement provides that $7 million may be used for an educational program and $1,300,000 for buildings both subject to change by negotiations.

46. JAPAN

(Source: Surplus property)

A. The surplus property settlement was not included in the peace treaty, but was left for subsequent settlement. Accelerated payments thereunder will be required in about 90 days. OFD is looking into this. An educational agreement has been approved for $4,750,000 of which a balance of $4,314,273 is outstanding.

47. KOREA

(Source: Surplus property)

A. This agreement is available for any United States expenses without annual limitation. The annual interest payment is also made in Korean won which has provided ample currency for the Department's needs until this year.

48. PHILIPPINES

(Source: Surplus property)

A. The balance under this agreement is restricted for use by educational foundation and for buildings. The balance outstanding for the approved educational program is $1 million, while the balance for buildings is $490,043.

49. THAILAND

(Source: Surplus property)

A. Funds acquired under this agreement are available for any United States expenses with an annual limit of $1 million. An educational program was approved for $1 million of which $580,000 is still outstanding.

50.

All war asset agreements shown in the availability statement are handled by the General Services Administration and no accelerated payments thereunder have been accomplished to date.

Mr. ELLENDER. Mr. President, in Bolivia, these funds were originally held for the Department's building program, but are now being used for operating expense and buildings.

In practically every country there is a limitation placed on the use of these funds. For instance, in France, one surplus property credit agreement provides that $15 million may be used for the acquisition of property, and that $10 million thereof may be paid in French currency that may be used for buildings or an educational program. The expenditures of such funds in foreign countries are limited along the lines I have just indicated.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement listing the outstanding balances under credit agreements available for payments in foreign currencies as of December 31, 1952, excluding foreign aid counterpart funds.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Outstanding balances under credit agreements available for payments in foreign currencies Dec. 31, 1952 (excludes foreign aid counterpart)

	Surplus property	Lend-lease	War assets	Reparations	Foreign currencies held by Treasury		Country totals
					Treasurer's accounts	U. S. D. O. accounts	
American Republics:							
Bolivia					$37,796		$37,796
Brazil 002						$529,771	529,771
Colombia	$22,334						22,334
Ecuador	166,529				33,242	16,165	215,936
Haiti			$150,501				150,501
Mexico		$3,250,000			229,020		3,479,020
Nicaragua		267,866			208,763		476,629
Peru	110,976						110,976
Europeans:							
Austria	7,257,030		1,656,996		108,843		13,022,889
Belgium	5,404,848				164,274		5,569,122
Czechoslovakia	4,989,063					5,000	4,994,063
Denmark	695,321				275,252		2,070,573
Finland	16,471,164		4,424,585		69,722		20,965,471
France	57,438,000		4,316,556		2,083,832	2,237,341	66,075,729
Hungary	13,598,624					60	13,598,684
Italy	127,038,109				677		127,038,786
Netherlands	15,352,559		454,684		5,610,724		21,417,967
Norway	3,954,248	5,900,000	305,763		153,466		9,413,477
Poland	34,194,891					68,000	34,262,891
Spain				$270,387	984,442	56,035	1,310,864
Sweden	931,352				51,741		983,093
Switzerland				3,000,000			3,000,000
Yugoslavia		260,635			5,324		265,959
Iceland	358,483				41,438		399,921
Australia	5,491,399				24		5,491,423
New Zealand	3,553,273				60,000		3,613,273
Union of South Africa					50,000		50,000
United Kingdom	30,345,298						30,345,298
Germany	65,877,403				3,088,582		68,965,985
Near and Middle East-Africa:							
Greece	80,086,909				8,690,571		88,777,540
Iran	25,304,541						25,304,541
Iraq					806,774		806,774
Israel					81,875		81,875
Jordan					187,428		187,428
Lebanon	417,260						417,260
Turkey	719,138						719,138
India	10,792,424				5,576,835		16,369,259
Ceylon					364,124		364,124
Egypt					1,728,242		1,728,242
Ethiopia		103,900					103,900
Liberia	65,330						65,330
Pakistan					2,485,647		2,485,647
Far East:							
Burma	3,439,935						3,439,935
China	46,079,237						46,079,237
Indonesia	59,243,480				172,676		59,416,156
Japan	7,849,735				1,431,895		9,281,630
Korea	20,950,019					89,833	21,039,852
Philippines	1,490,043		820,729				2,310,772
Thailand	2,689,414					23,962	2,713,376
Grand total	621,478,449	9,782,401	12,129,814	3,270,387	39,883,229	3,026,167	669,570,447
Available now					42,909,396		

Mr. ELLENDER. Mr. President, I ask unanimous consent to have printed the RECORD at this point in my remarks a list of Federal building projects to be financed under the certification procedure requested for the fiscal year 1954.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

List of FBO projects to be financed under the certification procedure requested for fiscal year 1954

Location	Type of building	Estimated cost
Asuncion	Office building and principal officers residence.	[1] $315,000
Tangier	do	500,000
Mexico	Office building and staff housing.	650,000
Helsinki	Office building	600,000
The Hague	do	825,000
New Delhi	Office building and staff housing.	1,000,000
Bangkok	Officer housing	60,000
Djakarta	Office building	350,000
Total		[2] 4,000,000

[1] Balance required ($300,000) to be supplied out of dollar reserves.

[2] Probably will be met by lend-lease and surplus property credits.

No sewage; no water system.

Mr. SCHOEPPEL. Mr. President, will the Senator from South Dakota yield?

Mr. MUNDT. I yield.

Mr. SCHOEPPEL. I am very happy the Senator from South Dakota has brought this matter to the attention of the Senate. I shall make a confession. I was one of the Senators who came to the Senate floor late, just previous to the vote on this amendment, and I certainly was under the impression that the funds we were striking out were funds which ultimately would have to be paid by the taxpayers of this country.

The Senator's explanation has placed an entirely different light on the situation. I am certainly happy that he has brought up the matter, because I can now see very quickly that unless we utilize these funds, which I know will be judiciously used in the construction program, it will be necessary to use money voted out of the United States Treasury if it is desired to have the improvements sought to be made in foreign countries.

Mr. MUNDT. Finding the name of the Senator from Kansas [Mr. SCHOEPPEL] among those who voted in the negative, and remembering his record for economy, were among the reasons that impelled me to submit the motion to reconsider. I knew that the Senator from Kansas, who has been attending a committee meeting, coming into the Chamber late and seeing an opportunity to eliminate practically $4 million from the bill, thinking that that was probably a way to economize, voted against the amendment.

Mr. CHAVEZ. Mr. President, will the Senator from South Dakota yield?

Mr. MUNDT. I yield.

Mr. CHAVEZ. I am sure that those who voted against the amendment under a misapprehension are delighted to have the explanation made by the Senator from South Dakota. However, their action was not the fault of the Senator from New Hampshire [Mr. BRIDGES], the chairman of the Committee on Appropriations, who explained the amendment exactly as the Senator from South Dakota is now doing.

My misapprehension arose from the fact that so many Senators on the other side of the aisle were against the amendment. Even some who had heard the Senator from New Hampshire explain the proposition voted in the negative.

However, I believe that they did not understand the intent of the amendment.

Mr. MUNDT. I think the vote can be explained by the fact that most Republican Senators are so diligent in their committee work that they were not on the floor to hear the explanation.

Mr. CHAVEZ. I tried to assist the Senator from New Hampshire by stating practically what the Senator from South Dakota has stated. I told the Senate that I had seen with my own eyes how buildings had been obtained in Europe with this class of funds, and how we were buying them on a high market. I called attention to the hundreds of thousands of dollars spent by this Government in Argentina in order to obtain buildings.

Our Ambassador in Mexico occupies quarters in a rented building. It is necessary to provide space for our staffs, and if we can obtain such space with this class of funds, I believe money can be saved.

Mr. MUNDT. Mr. President, I have no desire to detain the Senate longer. I believe the Senator from Illinois [Mr. DOUGLAS] is seeking to obtain the floor in his own right.

Mr. DOUGLAS obtained the floor.

LEGISLATIVE PROGRAM

Mr. KNOWLAND. Mr. President, will the Senator from Illinois yield, so that I may outline the program that it is intended to follow tomorrow and the remainder of the week?

Mr. DOUGLAS. Certainly.

Mr. KNOWLAND. It is the purpose of the acting majority leader, if the Senate agrees, after the completion of this bill tonight, to have the Senate recess until tomorrow. It is proposed to call up three bills tomorrow, which I believe are noncontroversial. They are as follows:

Calendar No. 317, H. R. 1730, to provide for furnishing transportation in Government-owned automotive vehicles for employees of the Veterans' Administration at field stations in the absence of adequate public or private transportation.

Calendar No. 321, S. 690, to amend the Federal Property and Administrative Services Act of 1949, as amended, to authorize the Administrator of General Services to enter into lease purchase agreements to provide for the lease to the United States of real property and structures for terms of more than 8 years but not in excess of 25 years and for acquisition of title to such property and structures by the United States at or before the expiration of the lease terms, and for other purposes.

Calendar No. 320, S. 1461, to amend the Interstate Commerce Act, as amended, concerning requests of common carriers for increased transportation rates.

Upon the completion of action on those bills, and following such other business as may come before the Senate, the acting majority leader would propose that the Senate recess until Monday, in order to afford an opportunity to committees, which have been having difficulty in conducting hearings while debate on the pending bill has been in progress, to hold meetings. For instance, the members of the Committee on Appropriations, which has been holding hearings on the armed-services budget, have been called to the Chamber 3 or 4 times to answer rollcalls. It is felt that the business of the Senate can be expedited if committees can work uninterruptedly and Senators can have an opportunity to catch up on their activities.

Mr. CLEMENTS. Mr. President, would the acting majority leader kindly restate the bills which he proposes to have considered tomorrow?

Mr. KNOWLAND. The first bill which I would propose for consideration would be Calendar No. 317, H. R. 1730.

Mr. ELLENDER. What does that bill deal with?

Mr. KNOWLAND. H. R. 1730 is a bill to provide for furnishing transportation in Government-owned automotive vehicles for employees of the Veterans' Administration at field stations in the absence of adequate public or private transportation. The bill was reported by the Committee on Finance. That would be the first bill to be considered tomorrow.

Also, I would propose that Calendar No. 320, S. 1461, be considered, and possibly Calendar No. 321, S. 690.

Following completion of action on those measures, if they were completed tomorrow, I would propose that, at the conclusion of any other business, the Senate recess until Monday, in order to give committees an opportunity to function uninterruptedly.

JOINT COMMITTEE ON ATOMIC ENERGY

The VICE PRESIDENT. The Chair appoints the Senator from Rhode Island [Mr. PASTORE] as a member of the Joint Committee on Atomic Energy, to fill the vacancy caused by the resignation of the Senator from Texas [Mr. JOHNSON].

STATEMENT BY 195 MEMBERS OF THE LEGISLATIVE YUAN OF REPUBLIC OF CHINA

The VICE PRESIDENT laid before the Senate a letter from the Chinese Ambassador, transmitting, at the request of 195 members of the Legislative Yuan of the Republic of China, a statement by them relating to their views on the Korean problem, which, with the accompanying statement, was referred to the Committee on Foreign Relations.

DEPARTMENTS OF STATE, JUSTICE AND COMMERCE APPROPRIATIONS, 1954

The Senate resumed the consideration of the bill (H. R. 4974) making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes.

The VICE PRESIDENT. The question is on the motion of the Senator from South Dakota [Mr. MUNDT] to reconsider the vote by which the committee amendment on page 5, beginning in line 12 was rejected.

Mr. DOUGLAS. Mr. President, the State Department dies hard. We have spent nearly $200 million in the past few years to provide sumptuous housing accommodations for members of the State Department abroad. In addition, out of reparations from Germany, which should have been credited to the accounts of the taxpayers of the United States, elaborate and costly palaces have been erected.

On Monday we made a move toward economy. But the State Department rallied its forces, and now seeks to put through its palace-purchase program.

FOREIGN CREDITS SHOULD BE USED FOR TAXPAYERS, NOT STATE DEPARTMENT

I am surprised at the argument of the Senator from South Dakota [Mr. MUNDT] that this is the only way that we can spend dollar credits and counterpart funds. These funds, it is true, are in terms of foreign currency; but it is also true, as will be shown, that they can be spent for a wide variety of purposes other than for buildings, and hence save money for the taxpayers. They can be spent for the Fulbright student-exchange program, which is financed from the sale of surplus property. It is also true that in nearly all countries where plans call for new buildings, they can be spent for the pay of foreign nationals in embassy and consular offices. By the way, such employees form the majority of our employees abroad; and to the degree that the credits are used for such purposes they will diminish by that amount the appropriations which we must make for the State Department.

I believe the RECORD will show that in many cases these funds can be used for the purchase of strategic minerals. I point out that in the Dutch currency area and in Indonesia, these funds can be used for the purchase of tin and rubber, which are vital to our stockpiling program. Such credits as we have in India can be used not only for the payment of native personnel, but also for the purchase of raw materials. This is particularly important in the case of manganese, which is vital to our production of steel. We depend upon overseas countries for manganese. India has one of the largest deposits of manganese in the world.

The idea that we must spend this money on buildings or lose it seems to me to be an extraordinary fallacy. That is the argument which we have heard from time to time on the floor of the Senate. It was the argument used to support the lavish expenditures of the army of occupation in Germany and the huge palace which was erected in Bonn.

Mr. President, these credits should be used for constructive purposes, to reduce expenditures which we would otherwise make for other purposes. But there is a final argument which I wish to stress——

Mr. GRISWOLD. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I am very glad to yield to my distinguished colleague.

Mr. GRISWOLD. I wonder if the Senator can advise me whether counterpart funds were used to build or buy the four large homes which were being used by the High Commissioner to Germany

the last time I read anything about the situation.

Mr. DOUGLAS. It is my information that those came out of German reparations.

Mr. GRISWOLD. I wonder if the Senator can tell me whether counterpart funds were being used in practically all the countries of Europe, not to house the ambassadors, but to house under secretaries, and second and third secretaries, in very fine large homes. Were those counterpart funds?

Mr. DOUGLAS. They were foreign credits owed to the United States.

Mr. GRISWOLD. I wonder if the Senator can advise me if he read in the newspapers along about the first of January, when the Secretary of Commerce came back from Europe, and when many Senators on both sides of the aisle came back from Europe, statements telling us of the lavish conditions under which Americans were living all over Europe. Did the Senator from Illinois read such statements?

Mr. DOUGLAS. I certainly did; and I have myself seen many evidences of such lavish living.

Mr. GRISWOLD. I wonder if the Senator can tell me whether he thinks the construction or purchase of such buildings would help to change that condition, so that our representatives abroad might live more modestly and more in keeping with the dignity and simplicity of the American way of life.

Mr. DOUGLAS. I should like to point out that there is an item of $1 million for the construction of an office building and staff housing in New Delhi. How do the disciples of Mahatma Ghandi, believers in the simple life, welcome a $1 million housing project for American officials?

LAVISH QUARTERS HURT INTERNATIONAL RELATIONS

This is a point upon which the very able Senator from Nebraska touched yesterday, and which I should like to emphasize. The rest of the world is poor. Part of the world is hungry. We are wealthy. Do Senators believe that we make friends and influence people for the United States by erecting lavish quarters for our diplomats to live in abroad? On the contrary, it excites envy, hostility, and opposition, and weakens the friendship which we should build up with other peoples.

Mr. President, the glory of America does not consist in lavish living, in elaborate buildings, in sumptuous quarters, in high-category meals, or in Cadillac automobiles. The glory of America consists in our principles; and those can be exemplified by simplicity of living far better than by lavish living.

Who have been the men and women who have made great impressions upon the people of foreign countries in the past few years? I pay tribute to our distinguished colleague on the other side of the aisle, the Senator from Nebraska [Mr. GRISWOLD], who represented this country in Greece with great honor, distinction, and efficiency. Friends of mine reported that when they went to Athens they found him living in two rooms in a second-class hotel. By that very act he had convinced the Greeks that he was not over there seeking special privilege, that he was not there for a free ride, but that he was there to render service. The Senator from Nebraska, then the representative of this Government, did more, I think, to build sound relationships by his simplicity of living than if he had been housed in a quarter-of-a-million-dollar house.

Who did more in India—the professional diplomats who had gone before, and who high-hatted the Indians, or Chester Bowles, who lived among them, sent his children to Indian schools, rode a bicycle, and attended local gatherings?

Who did more in Denmark—the professional diplomats who went there to live in fancy quarters, or Mrs. Anderson, who gave a simple party for the workmen, learned the Danish language, and lived as one of the people?

The present situation is very different from that which existed 50 or 60 years ago. Then diplomats talked with diplomats. They dealt with courts. It may be that to acquire prestige it was necessary to have expensive surroundings. Now, however, our representatives must talk to the people. The diplomats are our representatives not only with other professional diplomats, but among the people of foreign countries. If they live lavishly they excite opposition and play into the hands of our opponents. If they exhibit simplicity and human kindness they win friends.

The argument that the United States of America must make a great show of luxury to impress the nations of the world is ridiculous. Since when must the world's most powerful country try to make a superficial show to impress those living in other lands? They are impressed already by our wealth and our strength. If we are to have firm friends in this time of great danger, we cannot permit the folly of allowing our representatives to create an air of arrogance for that is not typical of our beloved country. Our people are not wasters and spendthrifts living in the lap of luxury. We are a hard-working, frugal people who know the value of a dollar. We should not permit our representatives to present such a different impression.

So I object to this palace-purchase program of the State Department. These funds can be used for better purposes which will help the taxpayers and not alienate our allies. We can and must build friendship on a firmer foundation than sumptuous quarters. I hope very much that the motion to reconsider will not be agreed to.

Mr. CLEMENTS. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. CLEMENTS. Can the Senator state to the Senate the other purposes for which counterpart funds may be used?

Mr. DOUGLAS. The foreign credits can be used for the Fulbright program. They can be used for the pay of foreign personnel. They can be used for the purchase of strategic materials.

Mr. LIUNDT. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. CASE in the chair). Does the Senator from Illinois yield to the Senator from South Dakota?

Mr. DOUGLAS. I yield.

Mr. MUNDT. The answer of the Senator from Illinois was correct, but the Senator from Illinois was asked a question which does not deal with this particular amendment. The Senator from Illinois was answering a question with respect to counterpart funds. However, the answer to the question would not be correct so far as the funds covered by this amendment are concerned. In the case of the particular foreign credits to which this provision refers, such foreign credits in nowise touch counterpart funds. These are foreign credits which we received because of the sale of lend-lease materials; $6,000,000,000 worth of such materials were sold for $600,000,000. We are trying to get some value out of the $600,000,000. The Senator is correct insofar as these funds deal with the cost of buildings and the Fulbright program, but not so far as concerns the purchase of minerals. That subject applies to counterpart funds only.

Mr. SMITH of North Carolina. Mr. President, I should like to ask a question of the Senator from Louisiana.

Mr. DOUGLAS. Mr. President, may I inquire who has the floor?

The PRESIDING OFFICER (Mr. CASE in the chair). The Senator from Illinois still holds the floor.

Mr. DOUGLAS. I shall be very glad to yield to the Senator from North Carolina.

Mr. SMITH of North Carolina. The Senator from North Carolina will wait until the Senator from Louisiana [Mr. ELLENDER] obtains the facts. We have heard a discussion, not about the facts, as I understand them. I saw some of these places last summer. I will say to the Senator from Illinois that, as I understand, these are not counterpart funds, in the first place, and therefore they cannot be used as counterpart funds.

As I understand from the Senator from Louisiana [Mr. ELLENDER], as well as from the Senator from South Dakota [Mr. MUNDT], these are funds which came about by reason of the sale of American supplies, about $650 million worth, and the funds now on hand can be used for only a few specific purposes, such as the acquisition of real estate and for Fulbright scholarships. As I understand, these funds cannot be used to pay the salaries of American officials; nor can they be used, as I understand, for the lush living the distinguished Senator from Illinois [Mr. DOUGLAS] has described. They are circumscribed and restricted to such an extent that if they are not used in some way for which the law now provides, they cannot be used at all.

After a while, in perhaps 5 or 10 years, someone will say, "Let us cancel all these debits against the foreign nations, and remit the funds to them."

As I understand from what the Senator from Louisiana [Mr. ELLENDER] has told me, these funds can be used now for the purchase of real estate, which will become the property of the United States of America, and at least that much will not be given away. That is what I want the Senator from Louisiana to explain to the Senate, so we may have the facts,

and not a discussion of counterpart funds or other funds, other than these particular funds, which we know come from a different source.

Mr. DOUGLAS. I may say that in the discussion which took place on Monday, it is my memory and understanding that the distinguished chairman of the Appropriations Committee, the President pro tempore of the Senate, stated that these funds were both foreign credits and counterpart funds, and I believe the RECORD will so show.

Mr. ELLENDER. Perhaps it was stated that way, but the facts are that these funds come from certain transactions other than the Marshall plan, such as lend-lease, war assets, and reparations, and the total amount aggregates $689,570,447, as of December 31, 1952. It is from these funds that the buildings are to be erected.

Mr. DOUGLAS. Is it the contention of the Senator from Louisiana that these funds can be used only for the purchase of real estate?

Mr. ELLENDER. Oh, no.

Mr. DOUGLAS. What are the other purposes for which these funds can be used?

Mr. ELLENDER. Let us take Great Britain, for example. That is where a good deal of the money has been spent, and where we still have a great deal of this money outstanding.

I read from the memorandum:

> The balance outstanding under this settlement is, by the terms of the agreement, restricted to use for an educational program in England and to a building program in England and the colonial possessions.

Mr. DOUGLAS. Of course the $4 million item under consideration does not contain any buildings planned for construction in Great Britain. But may I ask who furnished the memorandum from which the Senator from Louisiana is reading?

Mr. ELLENDER. The War Assets Administration. In some instances, I may say, these funds may be used for other purposes, but they are all restricted in use.

Mr. DOUGLAS. Would the Senator read about what they can be used for in India?

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. ELLENDER. With reference to India, the memorandum reads:

> While payments under this agreement are permissible, the options have not been exercised due to large amount held by Treasury. The balance shown in Treasury account represents proceeds from surplus property. Large amounts held in a second account of the Treasury have been sold to the Department and this source will be exhausted before June 30, 1953.

Mr. DOUGLAS. Mr. President, the statement shows that there are no restrictions on these credits in India.

Now, would the Senator read about Mexico? There would be $650,000 made available in Mexico.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. DOUGLAS. In a minute I shall be glad to yield.

Mr. ELLENDER. The funds in Mexico can be used for any United States expenses in Mexico.

Mr. DOUGLAS. That is just the point. The $650,000 can be used for any purpose in Mexico. Why do we have to tie up the $650,000 in buildings?

What about France? It is proposed to build eight residences in Paris for use of the American Ambassador, Ministers, and attachés.

Mr. ELLENDER. In France $15 million of the funds may be used only for acquisition of property and $10 million for buildings or an educational program.

Mr. DOUGLAS. At last we come to a country where it is proposed to construct a building where there are limitations on the use of the credits. Even here, the credits could be used for the acquisition of air bases or other military necessities. Now, for the general information of the Senate, what about Japan?

Mr. ELLENDER. According to this memorandum: "The surplus property settlement was not included in the Peace Treaty, but was left for subsequent settlement.".

The PRESIDING OFFICER. Will the Senator from Louisiana suspend. There is so much audible conversation going on among Senators it is difficult to hear the Senator from Louisiana.

Mr. ELLENDER. I read from the memorandum:

> The surplus-property settlement was not included in the peace treaty, but was left to subsequent settlement. Accelerated payments thereunder would be required in about 90 days. OFD is looking into this. An educational agreement has been approved for $4,750,000 of which a balance of $4,314,273 is outstanding.

Mr. DOUGLAS. In other words, the Japanese credits could be used to meet the expenses of the occupation? Is that correct?

Mr. ELLENDER. It would have to be done in accordance with an agreement entered into between our Government and Japan.

Mr. DOUGLAS. Although the item under consideration does not affect Japan, does the Senator from Louisiana believe that Japan would object to such an agreement, under which the expenses of the occupation could be reduced and in that way the burden on the American taxpayers correspondingly reduced? I think it will be found, from a reading of the available information, that only in a relatively small number of countries are there severe restrictions in effect. Only one building included in the $4 million item is affected; that is the one at Tangier. There are not any restrictions in the case of Mexico and India. What about Indonesia? There is a proposal to build buildings worth $350,000 in Indonesia.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. BRIDGES. The Senator from Illinois has stated that the Senator from New Hampshire referred to counterpart funds during the debate on Monday. The Senator from New Hampshire did use the phrase "counterpart funds." He also used phrases such as "foreign funds," and "foreign currency," and "foreign credits." But he did use the phrase "counterpart funds." The Senator from Illinois [Mr. DOUGLAS] also used that term.

Mr. DOUGLAS. Largely because the Senator from New Hampshire had used the phrase. I assumed I had it right out of the horse's mouth.

Mr. BRIDGES. I am looking at page 5812 of the RECORD. The amendment was called up, and the first statement about it was the statement of the Senator from Illinois. I read:

> Mr. DOUGLAS. Mr. President, I hope this amendment will not be agreed to. It increases the expenditures of the United States Government for the acquisition of buildings abroad, for which we have already appropriated very large sums. I believe we have appropriated approximately $200 million for the acquisition of buildings abroad.

I skip a portion of his statement. Then he said:

> For this purpose the Senate committee proposes to spend $4 million out of counterpart funds.

Therefore the first mention of counterpart funds was made by the distinguished Senator from Illinois [Mr. DOUGLAS]. The Senator from New Hampshire readily admits the use of that phrase, and the phrases "foreign credits" and "foreign currencies," in a very general way. The Senator from New Hampshire desires to correct the inference that he was using the term as an exclusive term, when in fact he was using the term as a general term. However, I agree with the Senator from Illinois that the phrase "counterpart funds" should not have been used as a restrictive term.

Mr. DOUGLAS. I am not interested in scoring points off the Senator from New Hampshire. The reality, not the terms used, is the main thing.

I point out that in the third column of page 5814 of the CONGRESSIONAL RECORD, the distinguished Senator from New Hampshire [Mr. BRIDGES] is shown to have said:

> We are dealing not only with counterpart funds, but with foreign credits which have been built up under various programs.

Since we are dealing not only with counterpart funds, the implication certainly was that we are dealing partly with counterpart funds.

The really important point is, not whether we have counterpart funds or foreign credits from the sale of surplus equipment, but whether the funds can be used.

I submit that although there are restrictions in the case of the use of such funds in France there are no restrictions in the case of the use of such funds in Mexico or the other countries involved; and in large part the use of this money for building would decrease the amount of money which would then be available to be spent for other purposes and help the taxpayers.

FRANCE IS ONLY COUNTRY AFFECTED WHERE THERE ARE RESTRICTIONS ON USE OF CREDIT

As a matter of fact, if there are restrictions which apply in the case of the use of such funds in France, I suggest that we stop the palace-construction program, and that we increase the student-exchange program, use the credits for military purposes such as airstrips and barracks, or renegotiate the agreement. I have seen, as many other per-

sons have, the large number of United States buildings in Paris and in London. I believe there are 16 residences for our staff personnel in London, in addition to the elaborate buildings in Grosvenor Square.

In Paris the United States State Department is housed in magnificent palaces.

Last summer I was in Rome, and I can say that there the United States Embassy was housed in two of the most magnificent palaces in Rome, near the Villa Borghese. Those buildings stuck out like a sore thumb. The very elaborateness of those quarters feeds anti-American propaganda.

I think it is time we had simplicity in living and simplicity in quarters, not only to save money for the American taxpayers, but also to increase American prestige, because in the modern world we do not increase prestige by indulging in elaborate spending. On the contrary, elaborate spending serves only to excite envy and jealousy.

Mr. GREEN. Mr. President, will the Senator from Illinois yield to me?

Mr. DOUGLAS. I yield.

Mr. GREEN. I wonder whether my distinguished colleague, the senior Senator from Illinois, has given consideration to one phase of the matter which has not been brought up on the floor while I have been present. I refer to the fact that it is desirable that the United States own its own embassy buildings. It is desirable that, if possible, the United States erect those buildings. That is desirable for security reasons.

Several years ago Senator Lodge, of Massachusetts, and I went abroad to study the question of security. When we returned, we made to the State Department definite recommendations for improving our security abroad. After some time, we inquired how many of our recommendations had been carried out. We learned that of the dozen recommendations we had made, approximately 10 had been put into effect, but that there were others which could not be put into effect with the funds available to the State Department.

One of our recommendations which could not be carried out was that the United States own its own embassies, because we found that in a number of cases where leased buildings had been used by our representatives abroad, the walls of the buildings had been wired for listening purposes, and thus there was no security at all from spies.

I agree with my distinguished colleague, the Senator from Illinois, that we should not have lavish buildings; but I believe we should have adequate buildings and dignified buildings. Above all, I believe we should have secure buildings, if we expect to compete with nations who indulge in various ways of obtaining secret information.

For that reason, I believe it very desirable that the counterpart funds be used for the construction of buildings in foreign countries, where we do not own buildings now. That is the purpose of this item.

Mr. DOUGLAS. Mr. President, I ask unanimous consent that I may be permitted to ask of the Senator from Louisiana [Mr. ELLENDER], who seems to have before him the document relating to this matter, a question about the uses to which foreign credits may be put in Finland and in Holland, because an expenditure of $600,000 is proposed for the Legation office building in Finland, and an expenditure of $525,000 is contemplated for an Embassy office building at The Hague, in Holland.

The PRESIDING OFFICER. Without objection, the Senator from Illinois may proceed.

Mr. ELLENDER. Mr. President, I think the distinguished Senator from Illinois had already asked me about an item in regard to Indonesia.

Mr. DOUGLAS. That was another item.

Mr. ELLENDER. Previously I stated that these funds are spent through agreement between the United States and the country involved.

In the case of Indonesia, the money can be spent for any purpose, but the purpose to which the money is to be devoted must be agreed upon by the two governments.

An agreement which was entered into provides that $7 million may be used for an educational program and $1,300,000 may be used for buildings, both being subject to change by way of negotiation.

The same is true with respect to all the other cases of this sort in respect to these foreign credits; the funds may be used only by way of negotiation.

Mr. DOUGLAS. Will the Senator from Louisiana state the specific added information in the case of the Netherlands and Finland?

Mr. ELLENDER. Yes. In the case of the Netherlands, the agreement is that the money is available for any United States expenses, and there is no annual limitation on the amount that may be drawn.

Mr. DOUGLAS. Let me say here that $650,000, I believe, is proposed to be spent for an office building in the Netherlands, although the Senator from Louisiana has already stated that the money could be used for any other purpose.

Will the Senator from Louisiana now state the situation in the case of Finland?

Mr. ELLENDER. The paragraph with respect to Finland reads:

> An educational program in the amount of $1,250,000 has been approved for Finland and funds in that amount reserved. The Finland agreement has no annual limitation and funds received thereunder are available for any United States expenses.

Mr. DOUGLAS. I want to point out that there is another half million. It turns out that the only restrictions in countries where it is proposed to construct buildings are with respect to France, and that in the other countries the funds can be used for any purpose. This is borne out by the statement inserted by the Senator from Louisiana [Mr. ELLENDER]. I am very sorry that our good friends have, so to speak, committed themselves, as a result of misleading statements conveyed to them by someone, presumably by the State Department.

The PRESIDING OFFICER. The question is on the motion of the Senator from South Dakota [Mr. MUNDT] to reconside. the vote by which the amendment on page 5, line 12, was rejected.

Mr. DOUGLAS. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Wyoming [Mr. BARRETT], the Senator from Maryland [Mr. BEALL], the Senator from Ohio [Mr. BRICKER], the Senator from Nebraska [Mr. BUTLER], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from Connecticut [Mr. PURTELL], the Senator from Ohio [Mr. TAFT], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

The Senator from Connecticut [Mr. BUSH] is absent by leave of the Senate.

The Senator from Illinois [Mr. DIRKSEN] is absent by leave of the Senate on official committee business.

The Senator from New York [Mr. IVES] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

The Senator from North Dakota [Mr. LANGER] and the Senator from New Hampshire [Mr. TOBEY] are absent on official business.

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Iowa [Mr. GILLETTE], the Senator from Wyoming [Mr. HUNT], the Senator from Louisiana [Mr. LONG], and the Senator from Nevada [Mr. MCCARRAN], are absent by leave of the Senate.

The Senators from Virginia [Mr. BYRD and Mr. ROBERTSON] are absent on official business.

The Senator from Arkansas [Mr. FULBRIGHT] is necessarily absent.

The Senator from Delaware [Mr. FREAR] is absent by leave of the Senate because of a death in his family.

The Senator from Missouri [Mr. HENNINGS] and the Senator from Washington [Mr. MAGNUSON] are absent by leave of the Senate on official committee business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate, having been appointed a delegate to attend the forthcoming International Labor Organization Conference at Geneva, Switzerland.

I announce further that if present and voting, the Senator from Louisiana [Mr. LONG] would vote "nay."

The result was announced—yeas 48, nays 23, as follows:

YEAS—48

Aiken	George	Millikin
Bennett	Gore	Mundt
Bridges	Green	Payne
Butler, Md.	Hayden	Russell
Capehart	Hendrickson	Saltonstall
Carlson	Hickenlooper	Schoeppel
Case	Hill	Smith, Maine
Chavez	Johnson, Colo.	Smith, N. J.
Cooper	Johnson, Tex.	Smith, N. C.
Cordon	Johnston, S. C.	Sparkman
Daniel	Kefauver	Stennis
Duff	Kilgore	Symington
Dworshak	Knowland	Thye
Ellender	Kuchel	Watkins
Ferguson	Malone	Wiley
Flanders	McClellan	Young

NAYS—23

Clements	Hoey	Kennedy
Douglas	Holland	Kerr
Eastland	Humphrey	Lehman
Goldwater	Jackson	Mansfield
Griswold	Jenner	Martin

Maybank	Neely	Smathers
Monroney	Pastore	Williams
Morse	Potter	

NOT VOTING—25

Anderson	Fulbright	McCarthy
Barrett	Gillette	Murray
Beall	Hennings	Purtell
Bricker	Hunt	Robertson
Bush	Ives	Taft
Butler, Nebr.	Langer	Tobey
Byrd	Long	Welker
Dirksen	Magnuson	
Frear	McCarran	

So Mr. MUNDT's motion to reconsider was agreed to.

The PRESIDING OFFICER. The question now recurs on agreeing to the committee amendment.

Mr. DOUGLAS. Mr. President, I should like to offer an amendment in line 16, page 5, that the sum of $4 million be stricken and that there be substituted therefor the amount of $1,500,000; and that after the colon on line 17, the following proviso be inserted: "*Provided*, That these funds shall not be used where such foreign credits can by agreement be used for general purposes."

The PRESIDING OFFICER. Will the Senator from Illinois send his amendment to the desk so that the clerk may state it.

Mr. DOUGLAS. I offer the amendment which I send to the desk and ask to have stated.

The CHIEF CLERK. It is proposed, on page 5, line 16, to strike out "$4,000,000" and to insert in lieu thereof "$1,500,000"; and after the colon in line 17 to insert the following proviso: "*Provided*, That these funds shall not be used where such foreign credits can by agreement be used for general purposes."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois to the committee amendment.

Mr. DOUGLAS. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

The PRESIDING OFFICER (putting the question). The "noes" seem to have it.

Mr. MAYBANK and other Senators asked for a division.

Mr. DOUGLAS. I suggest the absence of a quorum.

The PRESIDING OFFICER. On a division, the amendment is rejected.

Mr. DOUGLAS. Mr. President, did I not suggest the absence of a quorum before the result of the vote was announced?

The PRESIDING OFFICER. The Senator is correct. The clerk will call the roll.

Mr. DOUGLAS. Mr. President, I shall be willing to withhold the suggestion of the absence of a quorum if we may have the yeas and nays.

Mr. BRIDGES. Mr. President, had not the Chair announced the result of the vote before the Senator from Illinois suggested the absence of a quorum?

The PRESIDING OFFICER. The Senator from Illinois suggested the absence of a quorum before the announcement of the vote.

Mr. THYE. Mr. President, the Senator from Illinois merely suggested the absence of a quorum. He did not address the Chair.

The PRESIDING OFFICER. That is the customary way in which the absence of a quorum is noted in the Senate.

The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. DOUGLAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded and that further proceedings under the call be dispensed with.

The PRESIDING OFFICER. Is there objection?

Mr. CORDON. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard. The clerk will resume the call of the roll.

The Chief Clerk resumed and concluded the call of the roll, and the following Senators answered to their names:

Aiken	Hayden	Millikin
Bennett	Hendrickson	Monroney
Bridges	Hickenlooper	Morse
Butler, Md.	Hill	Mundt
Capehart	Hoey	Neely
Carlson	Holland	Pastore
Case	Humphrey	Payne
Chavez	Jackson	Potter
Clements	Jenner	Russell
Cooper	Johnson, Colo.	Saltonstall
Cordon	Johnson, Tex.	Schoeppel
Daniel	Johnston, S. C.	Smathers
Douglas	Kefauver	Smith, Maine
Duff	Kennedy	Smith, N. J.
Dworshak	Kerr	Smith, N. C.
Eastland	Kilgore	Sparkman
Ellender	Knowland	Stennis
Ferguson	Kuchel	Symington
Flanders	Lehman	Thye
George	Malone	Watkins
Goldwater	Mansfield	Wiley
Gore	Martin	Williams
Green	Maybank	Young
Griswold	McClellan	

The PRESIDING OFFICER. A quorum is present.

Mr. DOUGLAS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois to the committee amendment.

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question now recurs on agreeing to the committee amendment.

The amendment was agreed to.

Mr. BRIDGES. Mr. President, I send to the desk amendments A, B, and C, dated June 1, 1953, and ask that they be stated.

The PRESIDING OFFICER. The amendments will be stated.

The CHIEF CLERK. On page 16, after line 18, insert the following:

SEC. —. Notwithstanding the provisions of existing law, the Secretary of State may, in his absolute discretion, during the current fiscal year, terminate the employment of any officer or employee of the Department of State whose position is excepted from the competitive civil service, whenever he shall deem such termination necessary or advisable in the interests of the United States.

On page 52, after line 19, it is proposed to insert the following:

SEC. —. Notwithstanding the provisions of existing law, the Secretary of Commerce may, in his absolute discretion, during the current fiscal year, terminate the employment of any officer or employee of the Department of Commerce whose position is excepted from the competitive civil service, whenever he shall deem such termination necessary or advisable in the interests of the United States.

On page 28, after line 15, it is proposed to insert the following:

SEC. —. Notwithstanding the provisions of existing law, the Attorney General may, in his absolute discretion, during the current fiscal year, terminate the employment of any officer or employee of the Department of Justice whose position is excepted from the competitive civil service, whenever he shall deem such termination necessary or advisable in the interests of the United States.

Mr. KNOWLAND. Mr. President, I wonder if we might have an agreement that the Senate may vote on the three amendments en bloc.

Mr. MONRONEY. Mr. President, so far as I am concerned, it is agreeable to vote on the three amendments en bloc.

The PRESIDING OFFICER. Without objection, the three amendments will be considered and voted on en bloc.

Mr. BRIDGES. Mr. President, the hour is late, and I realize the situation. So far as I am concerned, it is not my intention to press for a record vote. If a voice vote is clearly determinative, and if it is agreeable to the Senator from Kansas, certainly it will be agreeable to me, with the right, of course, of any Senator to demand a record vote.

Mr. MONRONEY. Mr. President, in order that the RECORD may be kept clear, I wish to raise the point of order which was originally made yesterday to the amendment relating to the Department of State, but applying also to the other two departments, all three amendments now being considered en bloc. The point of order was that suspension of the rule must be voted in order to reach consideration of these amendments.

The PRESIDING OFFICER. The Chair understands that the point of order can be raised, but the Senator from Michigan [Mr. FERGUSON] did give notice that he would move to suspend the rule.

Mr. MONRONEY. That is correct.

Mr. FERGUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. FERGUSON. Will the vote then be on the motion of the Senator from Michigan to suspend the rule?

The PRESIDING OFFICER. If the point of order is made, the question will be on the motion to suspend the rule.

Mr. MONRONEY. I make the point of order that the three amendments now being considered en bloc are legislation on an appropriation bill.

Mr. McCLELLAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCLELLAN. I should like to know whether an amendment would be in order before the vote is taken on the motion to suspend the rule, or would an amendment to the proposed amendment be in order after the motion has been disposed of?

The PRESIDING OFFICER. An amendment would be in order if the rule were suspended. It would then be in order to submit germane amendments.

If the point of order were sustained, and the amendments were ruled out of order, the Senator from Arkansas could offer a new amendment.

Mr. McCLELLAN. Mr. President, I wish t serve notice that if the rule is suspended, I shall offer an amendment to the proposed amendment which would exempt from the effect of the amendment all persons who are covered by the Veterans' Preference Act.

The PRESIDING OFFICER. The question is on the motion to suspend the rule.

Mr. CARLSON. Mr. President, I shall not detain the Senate long, but I wish the RECORD to show what the Senate is to vote on if the rule is suspended.

For 7 years the Secretary of State has had authority to remove employees from his Department at his discretion, at any time he desired to do so. The other day, I stated that I was opposed to such a grant of authority to the Secretary of State or to any other officer at the present time, and that, because of Public Law 733 and Executive Order 10450, I did not think such authority was necessary. However, I did feel that the heads of agencies and departments should have some authority to remove some of the employees who were blanketed into their positions under civil service, but without having taken civil service examinations. The pending amendment applies only to exempted civil-service employees. The persons now holding these exempted positions did not take competitive civil-service examinations for their positions. Senators should keep that in mind. They obtained their positions by political appointments.

The distinguished Senator from Arkansas [Mr. McCLELLAN] has stated that he would offer an amendment to provide that veterans be given preference, as provided under the Veterans' Preference Act. He has said that he would submit an amendment to the bill when we reached the place for its consideration. But I wish to remind the Senate that, in the first place, no consideration of veterans' preference was given when these appointments were made. These persons were simply blocked in, so to speak, through political appointments.

Heads of agencies and departments of the Government are now embarrassed, if I may use that word, because there are few employees whom they can remove.

I think the question before the Senate today is simply whether Senators are willing to give to the heads of departments the same discretion that has been given to them for 20 years to blanket in or to employ persons who will cooperate with them, whose thinking is along the same lines as that of the new administration. I believe the Senate this afternoon is trying to determine whether it is willing to give the heads of departments that much leeway.

Senators should not be concerned about the 2½ million regular, classified civil-service employees. They would not be affected by this amendment. The amendment was written purposely to take care of them. I would not go along with any proposal to give the heads of departments or agencies authority to remove classified civil-service employees, but I would go along, and I believe there is much merit in going along, with an amendment that would permit the head of an agency to surround himself with persons who would work with him.

It would not be necessary to remove all exempted persons, and they would not be removed. There are 21,000 of them in the FBI. Do Senators think that any Senator or the head of any agency, would do anything to upset the FBI? Of course not. We would not think of doing that. However, there are a few persons whom the heads of agencies should be authorized to remove.

To show that my amendment has some merit, I wish to read for the RECORD a telegram I have received from James R. Watson, executive director of the National Civil Service League. That organization has been fighting the battle for civil-service employees for years. The telegram reads:

NEW YORK, N. Y., *June 2, 1953.*

Senator FRANK CARLSON,
United States Senate:

The National Civil Service League endorses your amendment to the so-called McCarran rider which would restrict power to summarily discharge employees of the Department of State, Commerce and Justice to positions exempt from civil-service protection. This modification in effect eliminates the protective provisions of the Veterans Preference Act from these exempt positions. We believe the modification is in line with the original intent of Congress in passing the Veterans' Preference Act. The new administration must be permitted to fill top policy-making positions with individuals of their own choosing.

Your amendment recognizes correctly that it is the protective aspects of veterans' preference more than the civil-service system that now impedes the new administration.

The original McCarran rider endangered the basic fabric of the civil service. Your modification places correct emphasis on the program and should help clear up public misunderstandings about civil service.

JAMES R. WATSON,
Executive Director, National Civil Service League.

Mr. PASTORE. Mr. President, will the Senator yield for a question?

Mr. CARLSON. I am happy to yield.

Mr. PASTORE. The distinguished Senator from Kansas is chairman of the Committee on Post Office and Civil Service. There may be considerable merit to the argument he makes this afternoon, but why should what he seeks be done by the process of a rider on an appropriation bill? Why has not a bill been introduced to accomplish precisely what the Senator is suggesting, so that hearings can be held? If there is any merit to the Senator's argument, the action he favors can be accomplished through the proper processes of committee consideration.

Mr. CARLSON. The distinguished Senator from Rhode Island has made a very good point. I firmly believe that this matter should be handled by legislation, but we were confronted with this fact: Three amendments were included in an appropriation bill. I would not go along with them, but I felt that it was my duty to have a substitute to offer to the Senate. I have the substitute, and I am ready to defend it at any time. I believe our committee ought to consider the matter.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. CARLSON. I am glad to yield.

Mr. MONRONEY. I wish to ask the distinguished and competent chairman of the Civil Service Committee if the Civil Service Commission, under President Eisenhower, has recommended this action?

Mr. CARLSON. No; I would not say it has, but I have discussed the matter with the Commission.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. CARLSON. I yield.

Mr. STENNIS. Could the Senator estimate the number of employees in the Department of State, the Department of Justice, and the Department of Commerce, to whom the Senator's amendment would apply?

Mr. CARLSON. I should say that most of the Foreign Service personnel are in the exempt class. I believe about 20,000 employees are in that group. I do not think it would be in the interest of anyone to remove 20,000 Foreign Service employees.

In the State Department, 22,921 employees are excepted. About 1,730 would be affected by my amendment, or I assume they might be reached through the amendment.

In the Department of Justice, probably about 2,000 employees would be affected.

I have secured these figures from the Civil Service Commission.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. CARLSON. I yield.

Mr. STENNIS. Did the Senator give the figures as to the Department of Commerce?

Mr. CARLSON. I do not happen to have them.

Mr. STENNIS. What is the figure for the Department of Justice.

Mr. CARLSON. Roughly, 2,000.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. CARLSON. I yield.

Mr. SPARKMAN. Is my understanding correct, that employees of the FBI are not under civil service?

Mr. CARLSON. So I am advised.

Mr. SPARKMAN. In other words, the effect of the Senator's amendment would be to open up the entire FBI list?

Mr. CARLSON. That is correct.

Mr. SPARKMAN. Is it not true also that the great majority of those employed by the State Department, and throughout the Foreign Service, are not under civil service?

Mr. CARLSON. That is correct.

Mr. SPARKMAN. The Senator's amendment would open up those positions?

Mr. CARLSON. I so stated.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. CARLSON. I yield.

Mr. FERGUSON. As I recall the act, there is already a provision in the permanent law under which employees of the FBI may be discharged, and they

are not covered by the Senator's amendment. I read from page 20, line 18 of the bill:

None of the funds appropriated for the Federal Bureau of Investigation shall be used to pay the compensation of any civil-service employee.

They have never been under civil service. In my opinion, the FBI could not be operated under civil service.

Mr. CARLSON. I will say to the distinguished Senator from Michigan that no one would think of moving out the employees of the FBI. That is not considered at all. I did not bring up the amendment for that reason.

Mr. COOPER. Mr. President, I should like to ask the distinguished Senator a question.

Mr. CARLSON. I yield.

Mr. COOPER. I ask the distinguished Senator if the 300,000 employees to which his amendment is directed now enjoy the same status as those who were properly taken in under civil service laws?

Mr. CARLSON. Yes, because of the Veterans' Preference Act and the La Follette Act.

Mr. COOPER. If the head of the Department wished to remove one of those employees, would such employee now be entitled to the same rights as one who had been properly taken in under civil-service laws?

Mr. CARLSON. He would, absolutely.

Mr. COOPER. I should like to ask another question. Does the Senator believe that the President's order and Public Law 733 are adequate to cover the situation?

Mr. CARLSON. I think the President's order and Public Law 733 are all that is necessary at this time to remove individuals in any branch of the classified service, but I do not believe that they reach the excepted class. It is in that field that I believe the head of the Department should have some authority.

Mr. COOPER. Under the President's order is there authority to do what the Senator intends to accomplish by his amendments, with the exception of the fact that the employee would have the right of appeal? Is that the difference between the President's order and the amendments of the distinguished Senator?

Mr. CARLSON. I think the President's order is very broad and would go far enough to take care of this situation. However, I do not think the President's order should be used in many instances. Many of these individuals are not cooperating, so to speak, with the head of the agency. I think that is the point which ought to be emphasized.

The PRESIDING OFFICER. The Senator from Oklahoma [Mr. MONRONEY] has made the point of order that the amendments offered by the Senator from New Hampshire [Mr. BRIDGES] constitutes legislation on an appropriation bill. The Chair has examined the amendments. They do propose to give certain cabinet heads authority and discretion not authorized in existing law. Therefore they would amend existing law, and are in contravention of the rule. The Chair sustains the point of order.

Mr. MONRONEY. Mr. President, notice was filed of a motion to suspend the rule, which would require a two-thirds vote to permit consideration of the three amendments en bloc. I presume the question now is on the suspension of the rule.

The PRESIDING OFFICER. If a motion to suspend were made, that would be true.

Mr. MONRONEY. Is there no pending motion to suspend the rule?

The PRESIDING OFFICER. Notice was given, but the motion itself has not been made.

Mr. FERGUSON. Mr. President, I move that paragraph 4 of rule XVI be suspended, pursuant to notice already given by the Senator from Michigan.

The PRESIDING OFFICER. The Senator from Michigan moves that paragraph 4 of rule XVI be suspended.

Under the unanimous-consent order already agreed to, the amendments will be voted upon en bloc if the rule is suspended.

Mr. KNOWLAND. Mr. President, I suggest a division.

Mr. MONRONEY rose.

The PRESIDING OFFICER. Does the Senator from Oklahoma desire recognition?

Mr. MONRONEY. I am seeking recognition on the question of suspending the rule.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. MONRONEY. Mr. President, these amendments of the distinguished chairman of the Civil Service Committee [Mr. CARLSON] are better only to the degree that, instead of affecting some 2 million employees, they affect some 310,000 employees. Largely those 310,000 employees are in the same status of career service as their brothers in the total civil-service picture. The idea that those employees were placed in political patronage jobs simply does not square with the facts of the case.

There is a total of 150,000 such employees. In the State Department there are 1,800, largely in Foreign Service; in the Treasury Department 2,400; in the Army 11,500; in the Air Force 2,900; in the Navy 10,000; in the Department of Justice 15,500, including all the FBI; in the Department of the Interior 6,000; in the Department of Commerce 30,000; in the Atomic Energy Commission 6,200; in the Mutual Security Administration 2,000; in the Federal Security Agency 2,000; in the Veterans' Administration 25,000, including doctors, dentists, nurses, orderlies and other medical attendants; and in the TVA 20,000. Outside the continental limits of the United States there are 27,000 in the State Department, largely Foreign Service officers. The Mutual Security Administration has 10,000; the Army, Navy, and Air Force have a combined total of 110,000. The Panama Canal has 15,000.

Those are the 310,000 employees who are threatened with immediate discharge without cause, and without reference to veterans' preference in any way, shape, or form. They are the same type of civil-service employees as is to be found in all other Government agencies, except that they may have had the misfortune, after a certain number of years under civil service, to have their agency classified under the excepted status, because of the confidential nature or the technical and scientific nature of their employment. Their agency may have been classified under the excepted status because it was not feasible to give competitive civil-service examinations or to find the proper applicants for such jobs because of the scientific or supersensitive nature of the positions.

President Eisenhower has expanded this classification to take in another category, which is that of policymaking positions. The effect could be expanded, not to 310,000 but to 510,000 or any other number desired. Any of the 310,000 in the excepted services can be fired today at the will of the Secretaries here involved, if they are not veterans. But if they are veterans they have a preference. The Carlson amendments would wipe out veterans' preference.

I have before me telegrams from the Disabled War Veterans, the American Legion, and the Veterans of Foreign Wars, condemning the Carlson amendments as being destructive of veterans' rights.

Mr. President, in the interest of time, I yield the floor so that the Senate may vote.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Michigan [Mr. FERGUSON], pursuant to notice given by him on the first instant, to suspend paragraph 4 of rule XVI, in order that certain amendments which have heretofore been held to be subject to a point of order may be offered.

Mr. HUMPHREY. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. JENNER. Mr. President, I know that it would be practically impossible to accomplish a suspension of the rule. I merely wish to say that unless this authority is given to the heads of departments—and I am referring now particularly to the State Department—we could have a continuation of the betrayal of this country's interests which has gone on in the past in that Department of Government.

Today, in the Internal Security Committee we had paraded before us employees of the Federal Government who never took a civil-service examination. My good friends on the other side of the aisle know it to be true that when we have asked some of the witnesses if they are members of the Communist Party they refused to answer under the protection of the fifth amendment of the Constitution, which is a recognized ground for refusal to answer.

Mr. President, we all admit we are living in a time of crisis. Some of the worst betrayals of this country are not crimes. Owen Lattimore, in the State Department, never took a civil-service examination. I am becoming a little weary of hearing a little talk of veterans' preference. Are we talking about Democratic veterans or Republican veterans? Owen Lattimore never took a civil-service examination. I presume that in the eyes of the law he never committed a

crime, because it is not a crime to teach that the Chinese Communists are merely agrarian reformers. But the damage is done.

Do we want to continue a policy of handcuffing the Chief Executive and handcuffing Cabinet members so they cannot get rid of a man of that stripe and that ilk, when they know he is doing great damage to this country?

So far as civil service is concerned, I wonder if it should not all be revised. I understand that the Government has been trying to fire a drunken employee, and the case has been taken all the way up to the United States Supreme Court. The Government has spent a half million dollars trying to fire him, and he is still on the payroll.

Politics is one thing, the security and peace of this great country of ours is another.

Let me remind Senators that we have had before our committee such men as Coe, Glasser, and Smith. I say we should take the wraps off people like that.

In these highly technical and sensitive positions, let the discretion lie with the head of the department as to whether an employee is unfaithful, because his unfaithfulness may very well wreck our country.

That is why we are in the trouble we are in. It is not the crimes that Owen Lattimore committed, but the influencing of men in high positions that brought it on.

Time cannot be lost waiting for judicial proof that persons who gave false advice were deliberately disloyal.

I think at this time in our history, if we cannot trust the head of our executive government and the Cabinet members—and I am particularly referring to the State Department—then I say we will have a continuation of the sell-out of the Nation's interests, as we have had in the past; and as blood is dripping from the bodies of American boys in Korea it will be dripping from the bodies of American boys in the four corners of the earth.

Now let us vote.

SEVERAL SENATORS. Vote! Vote! Vote!

Mr. AIKEN. Mr. President, I should like to ask two or three questions of the chairman of the Committee on Appropriations. Is it a fact that for the past 7 years the Secretary of State has had authority to discharge suspected persons within that Department.

Mr. BRIDGES. That is correct.

Mr. AIKEN. Was that authority granted by reason of a rider in an appropriation bill similar to that which we are now considering?

Mr. BRIDGES. That is correct; in 1946.

Mr. AIKEN. Is it a fact that for the past 3 years the Secretary of Commerce has had full authority to discharge suspected persons in his department without preliminary or routine procedures?

Mr. BRIDGES. That is correct.

Mr. AIKEN. Is it a fact that the Secretary of Defense was granted authority by the 81st Congress, under Public Law 733, to suspend suspected persons working for the Department of Defense, without going through any routine procedures?

Mr. BRIDGES. That is correct.

Mr. AIKEN. The employees have the right of appeal, have they not?

Mr. BRIDGES. That is correct.

Mr. AIKEN. But the Secretary has——

Mr. BRIDGES. The Secretary has the right of automatically suspending employees.

Mr. AIKEN. The Secretary has the right to suspend suspected persons or subversives or perverts or poor security risks, without going through any long-drawn-out procedure?

Mr. BRIDGES. That is correct.

Mr. AIKEN. Is it the purpose of the pending provision in the appropriation bill to give the Secretaries of the departments involved the same authority to suspend poor security risks or suspected subversives who are working in their departments, who are not covered by civil service?

Mr. BRIDGES. The purpose is to give the same authority, for example, to Secretary Dulles that Dean Acheson had for years and did not use, except to a limited extent.

Mr. AIKEN. I understand he did use it to the extent of discharging several hundred undesirable employees.

Mr. BRIDGES. He did to a certain degree. I modify my statement. Yes; it is to allow Cabinet officers to have the right to rid themselves of subversives and homosexuals, and all other undesirables.

Mr. AIKEN. Is it the opinion of the Senator from New Hampshire, with reference to such persons, if it is suspected that they might do considerable damage to the national security, that the Secretaries should have the right to suspend them and to put them out of the department, where they cannot do any further damage?

Mr. BRIDGES. That is correct.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. WATKINS. Will the distinguished chairman of the Committee on Appropriations tell us how many veterans are actually involved in these groups?

Mr. BRIDGES. I do not know, but I think relatively few.

Mr. WATKINS. Is it not possible that our friends on the other side of the aisle may be attempting to keep in service a great many people who are hiding behind veterans' preference but who are not actually veterans?

Mr. BRIDGES. Yes. What we would like to do is to provide that the Secretaries can get rid of sexual perverts and poor security risks and drunkards, and in that way perhaps we can get some Korean war veterans into those positions. Instead of trying to protect some of the perverts and bad security risks, if the authority is given to the Secretaries, perhaps we can replace some of those persons with veterans of World War II and veterans from Korea.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. AIKEN. Does not the Senator from New Hampshire observe a change of attitude on the part of some Senators, who for the past few years have steadfastly insisted that the heads of departments should have the right to rid their departments of suspected subversives and perverts, in that such Senators now take the position that the heads of departments should not have that right; and does not the Senator from New Hampshire find such a change of attitude a little short of amazing?

Mr. BRIDGES. Yes; they have gone around the circle, to the other side of the issue.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. MONRONEY. I should like to ask the chairman of the Appropriations Committee whether President Eisenhower, under the completely revamped loyalty program, issued under an Executive order, has not broadened the base and equipped the heads of all Government departments with a sound system of getting rid of these characters, whom various distinguished Republican Members of the Senate have mentioned; and therefore, would it not be assuming that the President's loyalty program is of no consequence, of no value, and of no effectiveness at all, if we place on the statute books the proposed summary legislation, which grants opportunity to a Republican department head to convict without proof of any charge made and to fire at will any of the 300,000 employees, some of whom are veterans of World War II and of the Korean war?

Mr. BRIDGES. It would allow the department heads to fire a Russian spy, for example.

Mr. MONRONEY. The bill does not say anything about firing any Russian spy. It gives blanket authority to department heads to fire at will anyone because they do not like the color of an employee's eyes or the way he parts his hair.

SEVERAL SENATORS. Vote! Vote! Vote!

Mr. FERGUSON. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield.

Mr. FERGUSON. I wish to ask the distinguished Senator from New Hampshire whether he recalls the testimony of James F. Byrnes, who was Secretary of State—of course, at this time he is Governor of South Carolina—when in 1946 he testified before the Appropriations Committee, at the time when we were working on this particular problem. Does the Senator from New Hampshire recall that at that time Secretary Byrnes told us that it was essential that he have this kind of law, because it was impossible for him to go through with the long, tedious trials required under civil service, in order to ferret out the subversives and others who, in the interest of the United States, should be discharged from his Department?

Mr. BRIDGES. That is correct.

Mr. FERGUSON. That was done upon his recommendation, was it not?

Mr. BRIDGES. Yes.

Mr. FERGUSON. I ask the Senator from New Hampshire whether the testimony taken before the Appropriations Committee shows that in the opinion of those in the State Department, such a provision is now essential, in order that we may protect our security; and I ask my colleague whether the testimony shows that such action cannot be taken by the loyalty boards or in any way by giving the head of the Department authority to discharge in his own discretion and on his own responsibility?

Mr. BRIDGES. That is correct.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Michigan [Mr. FERGUSON] that paragraph 4 of rule XVI be suspended, for the purpose of permitting the submission of the three amendments referred to.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. KNOWLAND. I announce that the Senator from Wyoming [Mr. BARRETT], the Senator from Maryland [Mr. BEALL], the Senator from Nebraska [Mr. BUTLER], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from Connecticut [Mr. PURTELL], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Ohio [Mr. TAFT], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

The Senator from Connecticut [Mr. BUSH] is absent by leave of the Senate.

The Senator from Illinois [Mr. DIRKSEN] is absent by leave of the Senate on official committee business.

The Senator from New York [Mr. IVES] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

The Senator from North Dakota [Mr. LANGER] and the Senator from New Hampshire [Mr. TOBEY] are absent on official business.

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Iowa [Mr. GILLETTE], the Senator from Wyoming [Mr. HUNT], the Senator from Louisiana [Mr. LONG], and the Senator from Nevada [Mr. MCCARRAN] are absent by leave of the Senate.

The Senator from Virginia [Mr. BYRD] and the Senator from Georgia [Mr. RUSSELL] are absent on official business.

The Senator from Arkansas [Mr. FULBRIGHT] is necessarily absent.

The Senator from Delaware [Mr. FREAR] is absent by leave of the Senate because of a death in his family.

The Senator from Missouri [Mr. HENNINGS] and the Senator from Washington [Mr. MAGNUSON] are absent by leave of the Senate on official committee business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate, having been appointed a delegate to attend the forthcoming International Labor Organization Conference at Geneva, Switzerland.

I announce further that if present and voting, the Senator from Iowa [Mr. GILLETTE], the Senator from Louisiana [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], and the Senator from Montana [Mr. MURRAY] would vote "nay."

The yeas and nays resulted—yeas 35, nays 36, as follows:

YEAS—35

Aiken	Ferguson	Mundt
Bennett	Flanders	Payne
Bricker	Goldwater	Potter
Bridges	Griswold	Schoeppel
Butler, Md.	Hendrickson	Smith, Maine
Capehart	Hickenlooper	Smith, N. J.
Carlson	Jenner	Thye
Case	Knowland	Watkins
Cooper	Kuchel	Wiley
Cordon	Malone	Williams
Duff	Martin	Young
Dworshak	Millikin	

NAYS—36

Chavez	Holland	Maybank
Clements	Humphrey	McClellan
Daniel	Jackson	Monroney
Douglas	Johnson, Colo.	Morse
Eastland	Johnson, Tex.	Neely
Ellender	Johnston, S. C.	Pastore
George	Kefauver	Robertson
Gore	Kennedy	Smathers
Green	Kerr	Smith, N. C.
Hayden	Kilgore	Sparkman
Hill	Lehman	Stennis
Hoey	Mansfield	Symington

NOT VOTING—25

Anderson	Gillette	Murray
Barrett	Hennings	Purtell
Beall	Hunt	Russell
Bush	Ives	Saltonstall
Butler, Nebr.	Langer	Taft
Byrd	Long	Tobey
Dirksen	Magnuson	Welker
Frear	McCarran	
Fulbright	McCarthy	

The VICE PRESIDENT. Two-thirds of the Senators present not having voted in the affirmative, the motion to suspend paragraph 4 of rule XVI is rejected.

Mr. BRIDGES. Mr. President, I should like to have the RECORD show that the vote just taken and announced will also apply to the committee amendment appearing on page 28, after line 15, in the case of the Department of Justice, and also to the committee amendment appearing on page 52, after line 19, in the case of the Department of Commerce. It has been agreed that those amendments, if it were possible to consider them as a result of an agreement to the motion to suspend paragraph 4 of rule XVI, would be considered en bloc.

The VICE PRESIDENT. Without objection, both those committee amendments will be considered as disagreed to, along with the committee amendment on page 16, after line 18, which was ruled out on a point of order, on June 1.

Mr. SCHOEPPEL. Mr. President, let me inquire of the distinguished Senator from New Hampshire whether I am correct in my understanding that all action on the committee amendments has now been concluded.

Mr. BRIDGES. It has been concluded.

Mr. SCHOEPPEL. Mr. President, I call up two amendments which I have previously sent to the desk. So far as I am concerned, the amendments can be consolidated, for the purpose of voting on them.

The first amendment I have sent to the desk reads as follows: On page 50, line 12, strike out "$3,000,000" and insert in lieu thereof "$4,000,000."

The second amendment reads as follows: On page 50, lines 19 and 20, strike out "$2,000,000" and insert in lieu thereof "$2,613,000."

Mr. President, these amendments relate to research and testing and radio propagation and standards, under the National Bureau of Standards.

In support of the two amendments I have offered I should like to say, though I know the time is getting late, that the Bureau's regular scientific program is supported by two appropriations, research and testing, and radio propagation and standards. The funds provided by these appropriations make it possible for the Bureau to undertake research and development work in areas related to the Bureau's basic responsibility for the standards of physical measurement. They support, as well, the Bureau's calibration and testing of instruments used throughout the Nation's laboratories in comparison with the basic standards of physical measurement which the Bureau develops and maintains in its laboratories in Washington.

These two appropriations were for four and two and three-quarter million dollars, respectively in fiscal year 1953. For fiscal year 1954 it has been now proposed that they be reduced by approximately 25 percent. The purpose of these remarks is to show that these reductions, if allowed to stand, will result in irreparable damage to the Nation's scientific and technological resources. Therefore, I want to recommend that these two appropriations be allowed to remain during fiscal year 1954 at the levels recommended by the new administration.

If the two appropriations are reduced to a total of $5 million, the Bureau will be receiving for its basic scientific functions approximately 10 percent less in dollars than it received from the Congress in fiscal year 1947. Since fiscal year 1947, however, as we all know, the prices of services, supplies, and various technical materials which the Bureau must purchase for its work have greatly increased. There has also been a significant increase in the level of civil-service salaries paid to the scientists, engineers, and technicians now on its payroll. Accordingly, the proposed reduction will place the capacity of the National Bureau of Standards to perform the services required of it by American science and industry at a level much below the levels of fiscal year 1947, which was the first year of its comeback from almost 100 percent utilization as a military laboratory during the Second World War. Not only will its capacity be thus reduced, but—and most significantly—the Bureau, for the first time in 20 years, will be forced to undergo a reduction in force in its regular technical staff.

For emphasis, I desire to repeat that statement. The proposed reduction will place the capacity of the National Bureau of Standards to perform the services required of it by American science and industry at a level much below the levels of fiscal year 1947, which was the first year of its comeback from almost 100 percent utilization as a military laboratory during the Second World War. Not only will its capacity be thus reduced, but—and most significantly—the Bureau, for the first time in 20 years, will be forced to undergo a reduction in force in its regular technical staff.

I think that is important for the Senate to consider.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. SCHOEPPEL. I am glad to yield to the distinguished Senator from Mississippi.

Mr. STENNIS. Mr. President, may we have order? We cannot understand the speaker in this area.

The VICE PRESIDENT. The Senate will be in order.

Mr. STENNIS. If I understood correctly, the Senator said that unless these amounts are granted, there will be a reduction in the technical staff in the Bureau of Standards. Is that correct?

Mr. SCHOEPPEL. That is correct. I have been so advised by those in responsible positions within the Bureau.

Mr. STENNIS. Does the Senator mean by the technical staff the men who really do the scientific and technical work in the important field of radio and other fields?

Mr. SCHOEPPEL. In the matter of collaboration, and with respect to the other scientific work, the Senator from Mississippi is correct, according to the information which the Senator from Kansas has received.

Mr. HICKENLOOPER. Mr. President, will the Senator yield at that point for a question?

Mr. SCHOEPPEL. I am glad to yield to the distinguished Senator from Iowa.

Mr. HICKENLOOPER. Does the Senator have the figures as to the amount of contractual work the Bureau of Standards has been doing increasingly during the past few years; that is, contractural work in competition with private and semiprivate research organizations?

Mr. SCHOEPPEL. I may say to the Senator, frankly, I do not have those figures.

Mr. HICKENLOOPER. Is the Senator aware that the Bureau of Standards may possibly be injecting itself directly into competition with private and semiprivate organizations, such as institutional research laboratories, which are already established and are doing a great deal of work, and that the Bureau is entering into the field of competition, seeking contracts, for example, which have heretofore gone to private institutions, or, by way of illustration, let us say, to colleges and universities and other research laboratories?

Mr. SCHOEPPEL. My understanding is to the effect that the cutting of this appropriation will cripple the work the Bureau actually does, outside the work to which the Senator is referring.

Mr. HICKENLOOPER. That, of course, will put a different light on it, in my mind, and in the Senator's understanding. I do not question the Senator's word, but I am fearful that, in recent years, the Bureau of Standards has been invading a competitive field; that it has not stuck to its knitting, as a very restricted arm and service of the Government, with its interests as a scientific laboratory, limited as they have been heretofore; but has entered into competition with research organizations, and thus getting into a field for which it never was intended or designed. In so doing, it has built plants at various places to enable it to accept and to carry out contracts which it has gone forth to seek; and it needs some of this money to maintain the expanded program which it has built up as a result of private contracts.

I am not sure about that. I am not on a committee which has gone into that matter. But I should like to ask the Senator from Kansas whether he can give us any light on that subject. I do not wish to destroy the normal, ordinary functions of the Bureau of Standards, but I am not disposed to support the Bureau when it enters into competition and builds plants to enable it to do so, and then wants more employees to man the plants, and more money with which it may seek contracts in order to keep going plants that are outside the scope of its normal activities. I do not say that is true; I am merely suggesting that there is that feeling on the part of many people. I should like to have some light on it, if the Senator can furnish it.

Mr. SCHOEPPEL. I may say to the distinguished Senator from Iowa that I cannot give him detailed information on that subject, but my information is to the effect that this cut will affect the personnel and the services performed in the ordinary, regular, channeled activities of the Bureau.

It may well be that some of the activities to which the Senator has referred could be and would be objectionable. The Senator from Kansas is not going to say on the floor of the Senate that perhaps there has not been some expanded relationship; but I am talking this evening regarding the ordinary, regular, channeled activities of the Bureau of Standards in the scientific field, which have already been expanded tremendously, as I am sure the Senator from Iowa knows. I am not an expert on this subject, but when I note that $1,600,000 is involved, it would not seem to me that the Bureau could expand too much with new plants and new activities.

Mr. HICKENLOOPER. Mr. President, if the Senator from Kansas will yield further, I may say I am not raising the point or taking issue in regard to the particular amount. I am only raising the question as to the principle, in the matter of the new pattern of operation that may be developing. I shall be very frank about it. I think very highly of the Bureau of Standards. It has done some very excellent work in the past, and I feel sure it will do some very excellent work in the future, in connection, for example, with the Army and the Navy, and its service to scientific groups, by way of research. But it runs in my mind, if we must also support some of the great research institutions, operating under our great universities and our colleges, that it is our duty to see that they do not suffer by reason of a governmental agency acting as a competitor taking work away from them in many places. I am a little apprehensive of the policy of the agency in expanding itself.

Mr. SCHOEPPEL. I may say in reply that the Senator from Iowa knows, of course, that there is a new head of the Department of Commerce. I am sure the Senator is aware that recently the Secretary of Commerce has taken action which has resulted in the appointment of the National Academy of Sciences to make a complete study of the functions of the Bureau of Standards in relation to present national needs. I shall cover that point a little later in my statement. I think it has a very substantial bearing on the question which the Senator has asked. I feel that with the present head of the Department of Commerce and they way in which he is approaching the question, if some of the activities which the Senator has mentioned exist, they will be corrected.

I wish to point out that the only time during the last generation the National Bureau of Standards has had to reduce its regular technical staff was during the fiscal year 1934. There is no question that a reduction in force, carried out at a time that the Bureau's backlogs of requirements for scientific information and tests of various kinds are greater than they have ever been, will represent a blow to the Bureau's effective efforts and to its capacity to keep and recruit a competent scientific staff which it will be difficult, if not impossible, to overcome in future years.

I am told that the backlog of work has tremendously increased, and if its appropriations are cut to this low figure, I cannot help but believe the work of the Bureau will be crippled.

Aside from the greatly diminished capacity of the Bureau to serve much greater needs than existed a few years ago, the Bureau's ability to carry out current and very important commitments for the weapons programs of the Department of Defense will be seriously impaired. It is true that neither of these two basic Bureau appropriations supports directly any of the work of the Department of Defense. However, the Bureau's abilities to maintain a competent scientific staff working on defense projects and to use, for consultation and advice on military programs, its entire senior technical staff, will be obviously reduced. I have been told that 85 percent of the Bureau's present total program is devoted directly to the interests of national security. I must take someone's word for it. I questioned representatives of the Department on that matter, and I am sure I have been correctly informed.

Mr. STENNIS. Mr. President, will the Senator from Kansas yield?

Mr. SCHOEPPEL. I yield.

Mr. STENNIS. Will the Senator repeat his last statement, please?

Mr. SCHOEPPEL. The Bureau's abilities to maintain a competent scientific staff working on defense projects and to use, for consultation and advice on military programs, its entire senior technical staff, will be obviously reduced. Some 85 percent of the Bureau's present total program is devoted directly to the interests of national security.

In this connection, it should be made clear, however, that the availability of large amounts of funds from the Department of Defense does not, in any way, decrease the importance to the Bureau of its regular appropriations.

Mr. KNOWLAND. Mr. President, will the Senator from Kansas yield?

Mr. SCHOEPPEL. I shall be glad to yield to the acting majority leader.

Mr. KNOWLAND. Mr. President, the hour is now approaching 8 o'clock, and if

it be agreeable to the distinguished Senator from Kansas and to the distinguished Senator from New Hampshire, and if I may be permitted to interrupt without the Senator from Kansas losing his right to the floor, so that he will be in the same position when the Senate convenes tomorrow, I would propose that the Senate take a recess at this time.

Mr. BRIDGES. Let me say to the distinguished acting majority leader that I had hoped we could finish the consideration of the bill tonight. The Members of the Senate have been very patient and tolerant. They have stayed so far this afternoon, and I know they have spoiled their evening. I was under the impression that the only amendment to be considered is that of the Senator from Kansas [Mr. SCHOEPPEL]. I just heard by the "grapevine" that the distinguished Senator from Illinois [Mr. DOUGLAS] has several amendments which he is going to propose. If that be the case, and his amendments are going to take some time, I do not want to keep Senators beyond a reasonable hour.

Mr. STENNIS. Mr. President, will the Senator from Kansas yield?

Mr. SCHOEPPEL. I yield.

Mr. STENNIS. It seems that there is considerable unanimity here with reference to the amendments of the Senator from Kansas.

Mr. KNOWLAND. I thought that if the bill was to go over until tomorrow anyway, and there are some Senators who have amendments to offer while there was no commitment made that we would not have any more votes tonight, some Senators on this side of the aisle have pointed out that the hour is late, and the Senate might recess until tomorrow.

Mr. SCHOEPPEL. Mr. President, I will say to the distinguished acting majority leader that I shall certainly not have any objection to taking a recess at this time, providing I do not lose my place on the floor tomorrow.

Mr. GORE. Mr. President, will the Senator from Kansas yield?

Mr. SCHOEPPEL. I yield.

Mr. GORE. The Senator has made such a persuasive argument with reference to this particular amendment, and in view of the fact that I have checked on this side and find no question in the mind of any Senator that the amendment should be adopted, I wonder if the chairman of the committee will not agree to the amendment and let us get it out of the way.

Mr. BRIDGES. Mr. President, will the Senator from Kansas yield?

Mr. SCHOEPPEL. I yield.

Mr. BRIDGES. I will say to the acting minority leader that I have talked with various members of the committee, and most of the Senators to whom I have talked are absolutely opposed to the position of the Senator from Kansas. I have found only one Senator who favors his position. It is pointed out that the Bureau is getting two or three times the total appropriations and transfers from other departments than they are perhaps entitled to, and some Senators feel very strongly about it. So I would not have the backing of my committee if I acquiesced in accepting the amendment.

Mr. GORE. I withdraw the suggestion.

Mr. FERGUSON. Mr. President, I send to the desk an amendment and ask that it be printed, lie on the table, and be considered tomorrow.

The VICE PRESIDENT. The amendment of the Senator from Michigan will be received, printed, and lie on the table.

THE AIR FORCE

During the delivery of Mr. DOUGLAS' remarks,

Mr. MAYBANK. Mr. President, will the Senator from Illinois yield, to permit me to request unanimous consent to have certain testimony and a memorandum printed in the body of the RECORD?

Mr. DOUGLAS. I should like to pursue a little further the subject I have been discussing with the Senator from Louisiana [Mr. ELLENDER].

Mr. MAYBANK. I wish to ask unanimous consent to have some testimony and a memorandum relative to another matter printed in the body of the RECORD.

Mr. DOUGLAS. Mr. President, I am glad to yield to the Senator from South Carolina, if it is understood that in doing so I shall not lose my right to the floor.

The PRESIDING OFFICER (Mr. CASE in the chair). Without objection, the Senator from South Carolina may proceed.

Mr. MAYBANK. Mr. President, I rise only to request unanimous consent to have printed in the body of the RECORD some testimony and a memorandum in regard to a matter which I consider to be of the greatest importance.

The testimony and the memorandum to which I refer will show in the future how correct Gen. Hoyt S. Vandenberg was in his testimony today before the Appropriations Subcommittee, where he stood firm in testifying that the United States should have proper and adequate air power.

I now request unanimous consent to have printed in the body of the RECORD a copy of the testimony General Vandenberg gave to the subcommittee today, because the American people who read the RECORD should know of the necessity of our having a 143-wing Air Force, and should know the absolute necessity of having Congress provide for the proper air defense of the United States.

So, Mr. President, I ask unanimous consent to have printed in the body of the RECORD the testimony given today by Gen. Hoyt S. Vandenberg, in his appearance before the Armed Forces Subcommittee of the Appropriations Committee; and I also ask unanimous consent to have printed in the RECORD, following that testimony, a memorandum prepared by General Vandenberg in connection with his budget statement before the House Appropriations Committee, on March 6, 1953.

There being no objection, the testimony and memorandum were ordered to be printed in the RECORD, as follows:

STATEMENT BY GEN. HOYT S. VANDENBERG BEFORE THE ARMED FORCES SUBCOMMITTEE OF THE APPROPRIATIONS COMMITTEE OF THE UNITED STATES SENATE, JUNE 3, 1953

Three months ago, on March 6, 1953, I appeared before the Armed Forces Subcommittee of the Appropriations Committee of the House of Representatives. The purpose of my appearance there was to introduce the Air Force budget for the fiscal year 1954. The budget introduced at that time was designed to continue the buildup toward the 143-wing air force goal which had been fixed by the Joint Chiefs of Staff, approved by the Department of Defense, and sanctioned by congressional action.

The statement I made before the House committee included a detailed review of enemy and friendly air strength. It provided a background of information which served to explain why an air force of at least 143 wings is an essential component of our worldwide resistance to Communist power. It stated that an air force of no less than 143 wings is the minimum force which can assure the ability of this Nation to resist successfully an all-out Communist attack.

In that statement I also expressed the hope that continued and uninterrupted progress toward an air force of this size and strength would deter the Soviet rulers from launching such an all-out attack against us.

An unclassified version of my statement was submitted to the House committee for its record. Since there has been no significant change in the facts there presented, or in my personal views, I am also submitting to this Senate committee the same statement and would appreciate its being made a part of this record. That will make it unnecessary for me again to go over the same ground.

In order to make my formal statement to this committee as brief as possible I have cast it in the form of answers to questions. I am aware that further elaboration may be necessary in some cases to clarify these issues, but I ask the privilege of completing this, my prepared statement, before answering other questions.

The first question: What is the origin of the 143-wing program for the Air Force? When and by whom was it established and approved?

Answer: Four principal events were instrumental in bringing about the formulation of the 143-wing air force:

The first was the exploding of an atomic bomb by the Soviet Union in September 1949.

The second was the Communist invasion of South Korea in June 1950, followed by the entrance of the Chinese Communist armies into Korea in November 1950—signifying the Communist intention to use armed might.

Third was the commitment of United States forces to assist in the defense of Western Europe.

Fourth, the calculation by the Joint Chiefs of Staff, based on our best available intelligence, that by the middle of 1954 the Soviet Union would be able to launch an all-out atomic attack against the United States.

The decision by the Joint Chiefs of Staff to recommend a 143-wing Air Force was not lightly made. Actually, the Air Force requested consideration of a 155-wing force consisting of 138 combat wings and 17 airlift wings. Although the Air Force requested a force of 155 wings, the Joint Chiefs of Staff agreed to recommend only 143 wings.

In saying that the Joint Chiefs agreed, I am saying that the Chief of Staff of the Army, the Chief of Naval Operations, and I, as Chief of Staff of the Air Force, agreed to the 143-wing plan. All the arguments against, as well as for, an Air Force of this size were presented and considered by the

Joint Chiefs of Staff before a decision was reached. I want to emphasize the fact that the 143-wing Air Force was agreed to by all the services as necessary to the security of the United States.

There was a detailed analysis of the tasks and missions charged to the Air Force and a careful evaluation of the forces which would oppose us in the event of a general war in 1954 or thereafter.

The year 1954, I repeat, was considered critical principally because of the estimate that the Soviet Union will, by that time, have a stockpile of atomic weapons sufficient to mount a devastating attack on United States military installations, industry, and population centers.

The size and composition of the proposed force was based on an examination of all factors such as the buildup of our own atomic stockpile, the improvements to be expected in our own weapons and in the enemy's weapons, and the expected size, nature, and disposition of Communist military forces. There have been no significant or unexpected changes in weapons development or in forces since the decision was made.

Question. Have there been changes in the strategic situation that indicate the desirability of reducing the 143-wing program or delaying the date by which it is achieved?

Answer. There has been very little change in the strategic situation. There are many indications, however, that Soviet military strength and particularly Soviet air strength, has increased tremendously in recent years. The priority given by the Kremlin to the buildup of Communist air forces has achieved results.

Question. Did the Air Force or its Chief of Staff approve the reduction of the Air Force to an interim goal of 120 wings?

Answer. The Air Force did not, and I did not.

Question. Have the Joint Chiefs of Staff approved a reduction of the Air Force program from 143 wings to 120 wings, either on an interim or any other basis?

Answer. They have not. As recently as March 1953 the Joint Chiefs of Staff stated to the Secretary of Defense that any reduction of the program of 143 wings to be attained as soon as practicable after fiscal year 1954 would increase the risk to national security beyond the dictates of national prudence.

Question. Are there any strategic factors which either reduce the Soviet threat below what it was when the 143-wing program was established or which reduce the air forces required to meet that threat?

Answer. There are no such factors known to me. I know of no change in the strategy which the 143-wing Air Force was designed to enable us to carry out. Nor do I know of any alternate strategy designed to protect the security of the United States and its people which would not require an equal or greater Air Force than the 143-wing force toward which we have been building for 2 years.

Question. Would it have been possible for the Air Force to complete the 143-wing program by December 1955?

Answer. Six months ago our program of expansion and modernization was progressing in an orderly manner and there was no reason to doubt that we could attain 143 modern wings before December 1955. Base construction had already become a more serious bottleneck than aircraft procurement, but the solutions were in sight if we could have carried them out.

Question. Aside from the $5.1 billion budget reduction, has anything happened during the past several months to delay the progress of the Air Force toward its goals?

Answer. Yes. Much of the confusion as to the effect of the budget reduction arises from the fact that a great many other limitations have also been imposed upon the Air Force. The effect of all these limitations must be considered in order to fully comprehend the impact of the administrative and fiscal actions of the past few months. Five principal types of restrictions have been imposed which have in one way or another weighed heavily upon Air Force progress.

First, limitations on base construction. Early in February a restriction was imposed by the Office of the Secretary of Defense which prohibited the letting of all new construction contracts pending another review and clearance by that office. This action caused a 3-month deferment in contracts amounting to more than a half-billion dollars and a consequent slippage of that portion of our base program.

Another directive later in February placed a freeze on advertising for bids on construction projects. Of construction funds appropriated by the Congress and again certified as necessary by the Air Force, over half a billion dollars has not been released.

Second, personnel limitations. Early in February further hiring to meet new civilian-personnel requirements generated by the Air Force buildup was prohibited, and on March 9 the Office of the Secretary of Defense required the Air Force to reduce its personnel by about 10,000.

Limitations on civilian personnel still in effect cause us to be short 93,000 of the number now required for the buildup toward 143 wings. More recently a ceiling has been placed on military personnel which requires the Air Force to reduce its uniformed personnel to a level of 20,000 below present strength within 2 years, despite the fact that we will organize and man new wings during that period.

Third, limitations on requests for appropriations. Requests for new appropriations for fiscal year 1954 are to be limited to $11.7 billion. This is the figure which receives the greatest amount of attention because it is the most readily understood. However, statements have recently been made by the Department of Defense that the Air Force will, after all, buy the combat planes for a 143-wing force—but without the other elements of such a force. If a plan such as this is to be carried out, some further adjustment of the budget figure will, of course, be necessary.

This decision to purchase the combat aircraft for 143 wings in a program limited to 120 wings plus the modernization of the Air National Guard and Air Reserve, leaves most of these airplanes without units, people, or bases, and the only alternative is to store them.

Fourth, limitations on expenditures. Money to be paid out next year, mostly from appropriations of previous years, has been estimated by the Department of Defense not to exceed $15.1 billion. At this moment we believe that an expenditure limitation above $16 billion is more realistic.

Very recently, however, other statements from the Office of the Secretary of Defense have indicated that the expenditure figure was supposed to be elastic, and that it may be changed. Obviously, a change will be necessary if more combat airplanes than those required for a 120-wing force are to be purchased as has recently been indicated.

Fifth, limitations on force levels. The strength of an Air Force is generally expressed in terms of wings. We have been directed to plan and to program toward a so-called interim goal of 120 wings instead of the previously approved goal of 143 wings.

I must apologize if the picture I have presented appears somewhat confused. The numerous and sometimes contradictory administrative and fiscal actions of the past few months have caused the greatest amount of uncertainty and confusion in the Air Force and among allied activities that has existed since the demobilization after World War II.

Question. What has been the effect on the Air Force program of the administrative and fiscal actions of the past few months?

Answer. What disturbs me most about these actions is the fact that a modern Air Force, being composed of many interdependent parts, can be seriously weakened through tampering with any of those parts.

An Air Force consists of three principal elements—people, planes, and bases. The people include many kinds of specialists and most of these require extensive training. The planes are of many types and they all require extensive support in the form of spares, repairs, and auxiliary equipment. Bases also are of several types in a variety of locations, and most of them require a long time to build.

A shortage in any one of these many elements which go to make up a modern Air Force may render the remainder of that force ineffective. To keep everything in gear and to enable the entire program to move forward on schedule and with economy requires a consistent and orderly progression to established goals.

Great waste occurs when a setback in one aspect of the program causes a delay in all the other aspects. Viewed in this light, it should be clear that any one major element of an Air Force program is just as important as any other and that so-called supporting elements cannot be sacrificed without crippling combat strength.

For example, it is possible to train mechanics after they are assigned to combat units instead of in schools where they ought to be trained. To do so will produce a paper saving of personnel at no loss in number to the combat unit. But it is an inefficient procedure and it actually lowers combat strength instead of increasing it, since it constitutes a drain on the combat capability of a unit which should be ready to go. Also, it is possible to complete the training of pilots after they have been assigned to combat units, but this again is wasteful and dangerously deceptive, because it means that the combat units are never quite ready for combat.

It is relatively easy to make adjustments of this character in an effort to save money but such adjustments can only cause waste and a further postponement of the goal.

At the present time the principal limitation is the latest manpower ceiling placed upon the Air Force which compels us to make reductions in supporting units that are just as vital to the combat elements as the roots of a tree are vital to its branches. Program schedules such as training rates and flying hours have been adjusted downward because of limitations in bases and manpower. For example, the pilot training rate will be held at 7,200 pilots per year instead of rising to 12,000.

Because of reductions in the manpower of supporting units and reductions in funds for maintenance and operations, the Air Force will fly fewer hours next year, with a greater number of wings, than it is flying this year. This inevitably means a reduction in maintenance standards and in standards of aircrew skill and experience.

In addition, there will be a heavy reduction in the total airlift which was planned to be available to all the Armed Forces of the United States.

The 120-wing force, under the new program, will not be as well supported as the 143-wing force under the old program.

Question. What will be the effect of the recent budgetary and fiscal actions on the planned combat strength of the Air Force?

Answer. The strategic Air Forces will lose combat wings, the tactical air forces will lose combat wings, and there will be a reduction

in those units which support the combat operations of the Army.

Question. When will the new restrictions have their greatest effect on the Air Force?

Answer. Some reductions—such as those in base construction, in civilian personnel for overhaul, repair, and supply activities, and in military recruiting—are already having their effects.

In general, however, the construction, fiscal, and manpower controls now being imposed will have their greatest effect in future years. In the discussion of the shorter lead times that can now be achieved as production advances, the necessary lead time for the production of trained people is too often overlooked.

For instance, if it should be decided next year that the Air Force will, after all, have 143 wings, it will then be impossible to recruit and train the personnel for such a force earlier than 1957.

The problem of providing trained personnel in sufficient numbers is particularly acute in the Air Force because next year we will begin losing large numbers of men, now skilled and experienced, who have joined us since the beginning of the Korean war.

When a force is reduced in size the quality becomes more important than ever, yet reductions in training facilities, units, equipment and personnel will damage the quality of our force as well as reduce its size.

There has even been a heavy reduction in funds that can be used for research, and for the development of planes and weapons of the future.

Question. Why does the Air Force need very large new appropriations when it already has $28.5 billion of unexpended funds?

Answer. If the Air Force could buy from the shelves of a store everything it needs it could spend its money as Congress provides it, year by year. But to have a jet bomber in 1956 we have to make a contract for it in 1953 or 1954.

Before we can make a contract for it we have an appropriation by Congress—which used to be called contractual authority and is now called obligating authority, terms which mean the same thing. The longer it takes to build an item of military equipment the longer in advance it has to be ordered. For every year between the date when it is ordered, which is the year of appropriation, and the date on which it is delivered, which is the year of payment, the money for this piece of military equipment is contained in unexpended balances. Of the $28.5 billion carried over from previous years, $25.2 billion represents actual contracts we have made; $3.3 billion represents funds for the procurement of items already planned and programed, for which no contracts have yet been let. None of this is new money which we can use again and no fiscal juggling can turn it into new money. It is money we have already earmarked for items that we will have to pay for when they are delivered.

Therefore, these unexpended funds are neither surprising nor especially significant, despite the attention that has been directed to them. They are a normal consequence of the manner in which funds are appropriated by the Congress for long lead time items.

Because of the long lead time involved in starting production on new model aircraft, the Air Force has not yet reached its planned force level.

The authorized programs of the Army and Navy have been substantially achieved. The Air Force program is two-thirds along the way. No sound military reason has been offered to explain why the Air Force buildup to the agreed force level is again to be delayed. Once again the growth of American air power is threatened with start-and-stop planning, and at a time when we face an enemy who has more modern jet fighters than we have and enough long-range bombers to attack this country in a sudden all-out atomic effort. Rather than reduce our efforts to attain air superiority over the Communists we should now increase those efforts.

In closing I want to emphasize that this country, if it is to have a chance for victory in any major war, must have an Air Force that is second to none.

Since 1948 I have served as a member of the Joint Chiefs of Staff. These views are respectfully presented to this committee with that background of experience. To the best of my knowledge they are also the views of all those experienced in modern air warfare.

HOUSE BUDGET STATEMENT BY GEN. HOYT S. VANDENBERG, CHIEF OF STAFF, UNITED STATES AIR FORCE, MARCH 6, 1953

Since 1948 the situation I have had to report to you has not been a happy one. Not only has the Soviet Union—and the Communist world dominated by the U. S. S. R.—become more and more belligerent, but also more and more capable of damaging us and our allies.

We Americans are traditionally an optimistic people. The cold facts concerning Communist strength in the air have been heeded by members of this committee, but for many people it seems necessary to repeat again and again. There is always the hope that somehow Red power, and particularly Red airpower, will suffer an unpredictable decline.

There is always the half-believed rumor that perhaps our enemies are much weaker than all the evidence indicates. This tendency to optimism is a fortunate characteristic because it makes life among us happier in many ways. But it can lead to wishful thinking and to disaster if those of us who know the facts fail to state them repeatedly—even when we ourselves would like to forget them.

Ever since World War II it has been difficult to overcome skepticism about Communist industrial and military progress. The possibility of early success in atomic bomb manufacture by the U. S. S. R. was recognized as early as 1947.

Nevertheless, news of the first explosion in Russia caused great surprise. During the years that followed World War II the Air Force and other agencies commented often on Soviet aircraft production and particularly on the high performance jet fighters they were building. Yet news of the MIG–15 in Korea seemed to cause more surprise.

I venture to say that most Americans would be surprised even now to learn that the Soviets have already produced many thousand MIG–15's. They are still producing these formidable fighters at a tremendous rate. Lately we of the Air Force have been concerned about the rising number of Soviet twin jet light bombers known as IL–28's. Several hundred of these fast bombers have been produced and they present a formidable threat to our oversea positions and to our overseas allies. These jet light bombers have already been introduced into the Chinese air force and the number is growing rapidly. If committed in quantity against U. N. airfields, ports, and supply lines in South Korea these high performance bombers could quickly jeopardize our position there.

The Communist air threat in the Far East is a most serious one. This is true despite the brilliant success of a few Air Force fighter pilots against a very small percentage of the total number of Soviet-built MIG–15's.

From Communist bases on the coast of China, along the Yalu, and on the coast of Siberia, MIG–15's carrying external fuel tanks can range far beyond their present zone of activity. The new jet light bombers, now appearing in increasing numbers, have a radius of action that would permit them to operate across the Sea of China and the Sea of Japan.

The Air Force is proud of the record established by its Sabre-jet pilots, its fighter-bomber pilots, and its bomber pilots and crews in Korea. Nevertheless, we must not lose sight of the fact that the war in Korea has not as yet provided any real test of air power—ours or the enemy's.

Air power is indispensable to United Nations ground forces in Korea and it has kept down our own casualties in the face of suicidal opposition on the ground. But the situation in Korea is a special one such as never has occurred before and is not likely to occur again.

Because of the peculiar circumstances of the Korean war, which are familiar to all of us, neither side has made full use of its air power. We have not attacked enemy air bases and the enemy has not attacked ours. We have not attacked the sources of his reinforcements and supplies and he has not attacked ours.

Against the Chinese Communist air strength of more than 2,000 airplanes, the United States Air Force has committed about half that number. As yet, we have employed only a small percentage of these planes against the Chinese Communist air force. The great preponderance of our effort in Korea has been directed against the Chinese ground forces in North Korea.

Communist efforts to disrupt our attacks against these ground forces have cost them nearly 600 MIG–15's shot down, plus operational losses of at least an equal number. This is a serious loss and its represents the most expensive loss of Soviet equipment caused by the Korean war.

But the loss rate for MIG–15's is completely under Communist control. In the present situation they can avoid this loss entirely, whenever they desire, by simply keeping their planes north of the Yalu. They have made no sustained and desperate effort, as yet, to disrupt our own operations over Korea and it is clear that they are using that area principally for combat training. There are many evidences that large numbers of Communist fighter pilots are rotated in and out of combat.

They have made no effort whatever against our bases in Korea and Japan, despite their superior strength in aircraft. Their ability to damage us grows every day as they introduce more and more jet light bombers into the Chinese air force. While they have not yet used these jet bombers against us, there is no justification for assuming they will not do so at a time of their choosing.

The fact that we are in action in the Far East draws our attention there, but air warfare should never be discussed in terms of one theater alone. It is important to remember that an air war between great nations would be worldwide in scope, and air strategy should be studied on a globe rather than on a map.

Air warfare is global not only because of the range and speed of airplanes, but also because the features of geography that confine and restrict surface warfare do not affect the flight of airplanes. Thousands of airplanes can be concentrated over a very small area or dispersed over a very wide area in a few hours' time.

There can be no holding or fortifying of positions in the air. In a few weeks time the focus of air conflict can shift from one side of the continent to the other or from one continent to another.

In the air as on the ground Russia has internal lines of communication. The shifting of many ground units from Siberia to Eastern Europe or from Eastern Europe to Siberia would require many weeks of concentrated effort. But it is possible to shift thousands of combat aircraft from one end of Russia to the other in a matter of hours. The Soviets have already prepared an excellent system of bases which would make such transfers possible.

Nevertheless, there is a definite advantage to be gained by having an air unit already on the spot and operating where it will be

needed most when an all-out struggle begins. For this reason the deployment of Soviet tactical air strength is interesting.

In addition to the Chinese Air Force of more than 2,000 aircraft, the Russians have in the Far East a total of more than 5,000 tactical aircraft. At the other end of Russia there is a much larger number of Soviet tactical aircraft, most of which are near the NATO area. The significance of the large numbers of Soviet tactical aircraft facing Western Europe is apparent when we consider operating radii of many of these aircraft will permit them to cover most of that area. Communist MIG's, for instance, can reach Denmark and the low countries as well as northern Italy, Yugoslavia, Greece, and western Turkey. Their jet light bombers can cover England, France, Italy, Turkey, and most of the Mediterranean. The large numbers of these aircraft, together with high performance capabilities and the excellent base system already prepared for them, constitute as great a menace to the NATO nations as the Russian ground forces, and one which can be far more rapidly applied.

The flying time of a jet bomber from inside the Iron Curtain across most of Western Europe and the Mediterranean is just a little more than 1 hour.

As a matter of passing interest, this is one of the reasons why the Air Force was so anxious to get strategic bases in north Africa, near the Atlantic and beyond the range of most of the Soviet Air Force.

Another important element of the Soviet Air Force is the medium bomber force. It has the capability of carrying atomic bombs for a distance of 2,000 miles and returning to its bases. It can also deliver the atomic bomb through staging bases already prepared in Siberia and northern Russia to any target in the United States on a one-way mission.

Whether the Soviets are yet completely prepared to commit this force in a full-scale attack against the United States we do not know. But we do know that these planes can reach us. Note that, while most of the Soviet strategic Air Force is located in Europe, many are in the far-eastern area, despite the fact they are not now using them in the Korean war. The number of strategic bombers they have in the Far East is greater than the number we have in that theater at the present time.

The numbers of Soviet aircraft now deployed east and west are further evidence of heavy Soviet aircraft production during recent years. You will recall from my briefing last year that the Soviets built up this great preponderance of aircraft strength, far in excess of our own, over the years of 1947–48–49. That was a period when aircraft production in this country was severely restricted by limitations on the Air Force budget. The Soviets, however, are not content to rest on the lead they established during the years. Their production continues to increase.

The Soviets are moving rapidly toward a jet-powered air force and they are neglecting none of their basic elements of combat air power—air defense, long-range bombardment, and offensive tactical power. In the last—offensive tactical powers—the Soviets, with their new twin-jet bombers, are achieving a performance which is as great, an advance over the old piston types as the MIG–15 was an advance over their old piston fighters.

The MIG–15, despite warnings, was a great surprise to most Americans. But the MIG–15 was a defensive airplane and has never been used against us offensively. The jet light bomber, on the other hand, represents as great a technical advance as the MIG–15 and it is far more dangerous to us since it is designed for offensive use against our planes on the ground, our bases, our troops, our support, and supply systems.

The most significant fact concerning the Soviet buildup over the past year is simply that it has continued substantially as expected. We can find some justification for encouragement, however, in the fact that new experimental models have been slow in making an appearance. It is possible that our technological lead in the design and production of jet aircraft can be maintained for a few years longer if we continue our efforts on the present scale.

On the other hand, the Soviets were extremely reluctant to reveal new models last year. They abandoned their former practice of parading test models in flights over Moscow. We have to admit the possibility that their latest developments are being tested in greater secrecy than ever before.

From other witnesses appearing before this committee you have heard a discussion of Communist ground forces and a discussion of Communist naval forces. You will also receive from these same witnesses an outline of the increase in our own ground and naval forces which is proposed in Army and Navy budgets for the fiscal year 1954.

You will be informed in detail concerning the proposed increase in the strength and effectiveness of the United States Air Force by succeeding witnesses for the Air Force.

This program of expansion is based on the target set for us last year—to build and maintain a modern force of 143 wings.

It was hoped originally that we could have 143 modern wings by 1954, but decisions based on other than military factors caused a postponement of the readiness date.

When we do attain the target level by December of 1955, we will have a force which was planned against our estimates of Soviet capabilities 2 years earlier than that date.

Since the decision for this postponement was made after a full consideration of the facts, we are now concentrating our efforts entirely on carrying it through with maximum effectiveness. It is important, however, to understand that 143 wings is a conservative estimate of the strength that is needed and that within this 143-wing force we have planned for only the top priority items.

We recognize that the people of this country will be willing to carry the heavy defense burden, which is so important for them to carry, only if they are fully satisfied that every dollar of defense money is being used to the best advantage. They must have reason to feel that the military establishment is being run with economy and with the highest degree of managerial competence. Economy and efficiency would, in any circumstances, be important objectives; in the present circumstances they are imperative.

In the operation of a military establishment the practice of economy has two aspects. One, economy in program planning, and, two, economy in program execution. It is the latter that usually attracts the most attention and is subject to the most criticism, but it is in the former that the greatest savings are to be had. It is in program planning that resources are specifically related to missions or tasks. Economy in this area means providing only for the performance of tasks that are absolutely indispensable and providing only the minimum amount of resources required to carry out these tasks effectively.

This is the appraisal of the situation which we have accepted in the Air Force as the basis for our planning and our operations. Throughout the preparation of this budget, economy has been the keynote. In a determined effort to eliminate any remaining excesses in the Air Force budget we have, in many areas, deliberately reduced our estimates below our calculated requirements.

The problem of what forces are required to provide only for the most essential tasks is continuously under study within the Defense Department. Last year the Joint Chiefs of Staff, after an exhaustive study of all the factors involved, recommended and the Secretary of Defense and the President approved, 143 wings as the minimum force required and funds for the first phase of the buildup were appropriated by the Congress. At the start of the fiscal year 1954 budget planning cycle, the Joint Chiefs of Staff again reexamined the force requirements and again recommended to the Secretary of Defense and the President the 143-wing force goal. This recommendation was approved, and the budget was prepared on that basis.

The Joint Chiefs of Staff recommended to the Secretary of Defense and the President only the major force requirements. The Military Departments then developed the support forces and reserve requirements. These are, of course, subject to review by the Secretary of Defense and the President in connection with the budget estimates, and by the Congress in the making of appropriations. It is in the provision of the support forces, reserves, and in the allocation of resources that the United States Air Force has effected major economies. In the area of support forces we have deliberately programed a lesser number of units than our computations indicate as required. For example, we have eliminated the two development squadrons we originally planned for this program. We have similarly reduced the number of air depot wings programed.

We are using second-line equipment wherever possible in the equipping of our regular units, and we have provided only partial ground equipment for our reserve units. Except for six training wings for which no other aircraft were available, no first-line equipment is being provided for our reserve flying units. These will be equipped with second-line aircraft released as the regular forces are modernized. Lack of first-line equipment in the reserve units, of course, reduces the combat effectiveness of the Air Force as a whole. This is an additional risk which the Air Force has accepted for reasons of economy.

The Air Force has also achieved great economies in the manning of the forces. It was originally estimated that the 143-wing force would require approximately 1,700,000 military personnel. Last year, however, I instituted studies designed to reduce this figure to 1,210,000. Studies made during this last year indicate that we might be able to man the forces with this number without reducing the number of crews provided our combat forces. These are very real savings. The reduction from 1,210,000 to 1,155,000 reflects a detailed review of our tables of organization and tables of distribution. Our planned personnel increase is extremely low as compared with the programed increase in wings.

We have also deliberately lowered the level of flying activity planned for the 143-wing force. Each year we have found that the flying program is not met, for causes which cannot be anticipated, such as the grounding of a particular model of aircraft, fuel shortage, etc. We have faced this issue squarely and have discounted the total computed flying hours to take account of future program difficulties. This results in a significant reduction in funds requested for the maintenance and operation of the Air Force and provides a tighter budget.

Another area of major economies in program planning is in the provision of combat reserves. The Air Force should provide a reserve of aircraft sufficient to replace those lost in combat after D-day which cannot be replaced from post D-day production. Our calculations show a requirement of thousands of aircraft for this purpose. For reasons of economy, the Air Force has programed for only that small number of combat reserve aircraft which can be obtained without acceleration of production.

Another type of requirement, under the heading of war reserve, exists for such consumables as fuel, ammunition, and spares. A

sufficient reserve of consumables should be provided to permit the forces to operate from D-day until production catches up with consumption. Our calculations indicate that a stock sufficient for many months at wartime consumption rates would be required on the average. For reasons of economy we have programed only a few months, acknowledging the additional risk.

Finally, a reserve of combat crews should be provided to enable rotation after D-day. The number programed in this category does not meet the full requirement. This means that available crews will have to serve longer, thus reducing their chance of completing a tour to below the level deemed acceptable from a morale viewpoint.

Another area in which great economies have been made in planning the program has been in bases. Although the Air Force has been the target of much criticism on this count, major economies have been effected by the simple expedient of doubling up units on one base. Medium bomber bases, for example, have been planned to accommodate two wings per base. This is not the most desirable arrangement from a purely military point of view since our Strategic Air Command bases here and abroad will be a high priority target system for the enemy. We have decreased the overall cost of the medium bomber wing installations program but have also increased the margin of risk.

Although the Air Force has achieved significant economies in both the planning and the execution of its program, much remains to be done.

With respect to program planning, force requirements must be kept continuously under review. Changes in weapons systems and changes in the overall military situation must be promptly reflected in the composition of our forces. As we gain additional experience in the operation of the larger Air Force, opportunities for further economies in the allocation of resources to specific tasks may become apparent. These should and will be promptly introduced. Additional savings in the execution of the program will continue to be sought by better management practices and by even greater emphasis on economy and efficiency throughout all, and particularly the lower echelons of command. It is at the squadron and base level that the job is actually done, and it is here that day-to-day economies must be made.

Mistakes or failures in management and in the detailed execution of military programs are seldom decisive in warfare and they do not compare in seriousness with mistakes in planning or strategy. They may seem minor in each separate instance, but taken all together they can add up to a formidable sum. In times of peace, when basic plans and strategies are not subject to test, errors and inefficiency in management can become the principal source of annoyance and embarrassment as well as a drain upon resources.

Much official and public attention has been devoted to management problems in recent years, and in the Air Force we are attempting to capitalize on all of it. Not content with the employment of many recognized experts in management from business and industry to advise us, we have systematically trained our commanders and staff officers in the principles and practices of economy.

In discussing economy, I should like to register an objection—a very serious objection—against a false and dangerous standard that has been widely advocated in recent months. It seems incredible to me that anyone could propose to judge the efficiency and the effectiveness of a military organization by calculating the percentage of its men intended to manipulate weapons and to be subjected to enemy fire.

This kind of analysis entirely overlooks the fact that what counts in warfare is fire power, and that fire power is not necessarily proportionate to the number of men handling weapons.

The evolution of modern warfare has led from many men with simple weapons requiring little support to a few men with powerful weapons requiring a tremendous amount of support. Obviously, the more ammunition a man can deliver the more help he needs to keep him supplied with that ammunition—and to service his powerful but complex weapons. Judged by such a standard as the one to which I am objecting, Caesar's legions equipped with simple broadswords were far more efficient than any military force of modern times.

In every combat air squadron the men who remain on the ground are several times as numerous as those who take to the air in combat crews. But the men on the ground make possible the delivery of explosives that are far more effective than all the broadswords or muzzle loaders ever made. If we use any such misleading standard of measurement as the ratio of men firing weapons to those servicing weapons, we would find air forces, like all other military forces, getting less efficient every day.

The simpler the airplane, the more limited its range and the lighter its load of weapons. The primitive airplanes of World War I and the obsolete planes of World War II required fewer men on the ground, and they required many more men in combat crews to deliver the same load. They also had far less effect on the enemy.

It should be recognized without too much argument that more powerful planes and weapons are far more complex and require many more men to service them, supply them, and to provide bases for their operations. It is fortunate, rather than unfortunate, that the crews they require in the air do not increase proportionately and that the ratio of weapon handlers has declined steadily in recent years. The total effect on the enemy, however, has risen enormously.

It is necessary and desirable that we search continuously for new savings through better management and administration. But these efforts should not blind us to the fact that the greatest waste, by far, can result from mistakes in the composition or the employment of a military force.

The dominant question is whether or not we have chosen the strategy most likely to bring us victory in peace or in war. The second most important question is whether or not we are building, within the resources allotted to us, a combination of men and weapons and bases best designed to carry out that strategy. Besides these questions, problems relating to the economical management of our military resources may seem to be minor. Nevertheless, they are sources of waste and they involve sums that are large indeed in comparison with anything other than unwise or inadequate planning and strategy.

The greatest loss in the administration of the Air Force today is one that attracts far too little attention. It is the loss of trained men through failure to reenlist and through failure to extend tours of active duty.

The popular illusion persists that men enter military service to learn certain routine duties and to learn to fight, whatever that may mean. Actually, the Air Force is made up of highly trained technicians performing duties similar to those in the transportation or electronics industry, but performing them in the face of discomforts and dangers which no such industry could tolerate. Despite our most urgent efforts to retain trained men in the service, no more than one-half can be depended upon to remain beyond their terms of enlistment. As a result, we have to retrain what amounts to a new Air Force every few years, and our huge but efficient Training Command absorbs a high percentage of the resources allotted to us. Relatively small sums devoted to better pay, better housing, and more stabilized living conditions for these men would save us many billions in the long run.

The next greatest source of waste, in my opinion, has been the unfortunate fluctuation in our programs over the years that has caused so many expensive preparations to come to naught because of failure to follow through. I sincerely hope that no more of our scarce resources will be wasted in this manner and that the goals toward which we have been building at great cost over the past few years will not be abandoned.

Because of the nature of the equipment needed by a modern air force, there is no way to escape the necessity of implementing our program through decisions that have to be made years before their results materialize. In the case of planes that take 2 years to produce, a failure to place orders in 1954 means a failure of deliveries in 1956.

Decisions made with respect to the new obligational authority we are asking for today are really decisions with respect to the striking power of the Air Force 2 years and 3 years from now. That striking power is not a thing that can be adjusted to the country's defense needs by last minute decisions.

Fortunately, the same is true of enemy forces. What we have to do is watch the trend of developments in the Communist world and plan ahead to make sure that at no future point in time will our own strength be so low that Communist strength can overwhelm us.

Our greatest hope for peace or for victory is to invest our military resources exclusively in those programs and projects which will have the greatest influence on our enemy in restraining him from all-out war—and the greatest effect upon him if the restraint proves insufficient.

Our global strategy designed to contain Red aggression, deter all-out war and, in the event such a war is forced upon us, to assure the survival of the United States and its allies, has been discussed before this committee by earlier witnesses. However, some elaboration of the air power aspects may prove helpful in relating our 143-wing program to that strategy.

One of the consequences of the air-atomic revolution in warfare is that the initial blows in any struggle are likely to be the decisive ones. We can no longer count on having time, as we did in the last two wars, to mobilize our military resources after the fighting has begun. If Soviet industries, and airfields, and transport facilities were left intact while they struck with atomic weapons at those of the West, we would have no chance of ever meeting them again on anything like equal terms.

No matter how strong our air defense, we could not prevent them from getting through with enough bombs to do us enormous damage. That is why we need to have, also in instant readiness at all times, a strategic force of our own capable of doing more than equal damage to the warmaking capacity of our potential enemies. This is the assignment of our Strategic Air Command.

An attack by Soviet Russia on the United States or on any of our NATO allies would bring this ready force into action. Its job would be to deliver atomic bombs against those targets in enemy territory which are most vital to his military operations. I cannot begin to explain to you the amount of planning and organization that has been required to put us in a position to carry out this mission. Nor can any of us fully comprehend the power of destruction that new developments have created. The idea of our ever having to use it is horrifying to all of us. But if we did not have it as part of our Defense Establishment, we would be inviting the global war which we hope to prevent.

Our enemies need have no fear that we will be the first to start an all-out war. On the other hand, they know that they might be

rendered incapable of continuing a conflict. Until we succeed in working out a foolproof, enforceable system of worldwide disarmament, we must, however reluctantly, put our faith mainly in our ability to counterattack. We must maintain our strategic Air Force in whatever strength is necessary to make it an effective deterrent to aggression.

Should a war against the West be started by the Soviets, one of their first moves might be a large-scale sneak attack on our air bases, ports, industrial centers, and on other strategic targets in this country. Therefore, the Air Defense Command must be ready on a moment's notice to send up our interceptors to engage the attacking planes. We have been setting up radar installations to pick up enemy planes while they are still many miles away from our most vital targets. If the attack were made at night, as it probably would be, our interceptors would have to be able to locate the invaders in the dark. I need not stress how much would depend on the effectiveness of this operation, nor the importance of our having the best possible equipment to carry it out.

No less essential to our strategy is the Tactical Air Command. With the important part it has played in holding the Korean front you are familiar. It also has a place of importance in the scheme of defense against any attack that might be made in Europe. In spite of the revolution taking place in methods of warfare, the NATO allies must still be prepared to offer direct resistance to invasion by enemy ground forces.

Crippling air blows against sources of supplies and lines of communication would sap the power of invading armies. But in the time that would elapse before this effect was felt those armies could, if not effectively opposed, carry the war deep into the territory of our allies.

The purpose of our tactical air operations in Europe would be to assist in repelling any such attack as well as to resist superior enemy air forces. For us, as well as for our more vulnerable allies, the defense of the NATO area is a matter of vital concern, and the importance of the part which can be played in it by tactical air power is being increased by technological developments.

By readiness to counter an attack we do not mean that we should have in being all the forces needed to fight a war. We mean only those that are required to give us a clear advantage in the first round of such a war if it were forced upon us. The maintenance of forces for any other purpose is of lesser importance. If we could not protect ourselves against the first onslaught of an enemy equipped with atomic weapons, and deal him harder blows in return, there would be no second round in the conflict.

The Air Force which will be created out of the budget being presented to you today is not designed primarily for difficult but indecisive actions such as the war in Korea; it is designed primarily to guarantee the survival of this Nation and its warmaking capacity in the event of an all-out war, to destroy the warmaking capacity of an enemy in the event of such a war, and to provide the maximum possible assistance to our allies. I know of no other guaranty against defeat, and I know of no way by which all-out war might be averted other than through the creation of the Air Force which would be made possible by the adoption of this budget.

I want to conclude by saying just a word about the strategy which we would have to depend upon. Contrary to some opinions which have been expressed recently, that strategy is not particularly complex and it is not difficult to understand. Nonmilitary men sometimes use the term "war plan" when they really mean strategy.

A complete war plan is, of course, the detailed instructions for implementing strategy, and it runs into volumes of fine print. The hundreds of thousands of details are interesting enough, and are worthy of study by military men, but the complete exposition of one war plan would require far more than an entire session of Congress.

In any case, a nation such as ours can have no final and positive war plan since we do not propose to begin a war on our own terms. We will fight if attacked but we cannot be sure just how or where we may be attacked. Our plans consist of agreed courses of action to be taken in response to attack. They must be changed repeatedly, since our forces and those of the enemy are constantly being modified. Our strategy, however, which is the basis for all such plans, is relatively constant.

Misunderstandings which sometimes arise with regard to our global strategy, and especially with regard to the air strategy which we must follow, have often resulted from a lack of familiarity with the globe. Old-fashioned Mercator maps are very misleading when they are used to illustrate the geographical relationship between the United States and our potential enemy across the Pole.

A polar projection, on the other hand, shows the Soviet Union in its true geographical relationship to the United States. Let us consider this relationship as indicated on such a map, or on a globe. Obviously a much simpler military problem would exist if the Soviet Union had no satellites and we had no allies. Alaska would provide a point of contact between American forces and Russian forces, but because of Arctic conditions surface warfare in that area could scarcely take place on a large scale.

Long-range atomic warfare between the Soviet Union and the United States would be possible but except for our own heavy bombers, most of the missions would, at the present time, be one-way missions. Neither Alaska nor Siberia contains many profitable targets for air bombardment and only the extreme northwest corner of the United States is within two-way range of Soviet TU-4's flying from Siberia.

Since the peformance and range in aircraft is steadily increasing, we can expect that, after a few more years, direct, two-way atomic warfare between the United States and Soviet Russia would become possible on a decisive scale. In such an event the victory would go to the nation possessing the strongest and most effective weapons and the strongest and most effective air force to deliver those weapons at long range.

However, the simple strategic problem that would be presented by a direct conflict between the United States and Soviet Russia, if each stood alone, does not exist today and may never exist.

The true situation is best seen on a globe or polar projection showing the Soviet Union surrounded by its satellites and partially surrounded by allies of the United States.

The existence of the Soviet satellites provides us with a few advantages, such as the possibility of revolt, but also with some very serious problems. One of these problems, of course, is the Korean war.

On our side, the fact that we have allies creates some difficulty for us and at the same time provides us with a great opportunity. The burden we assume in protecting allies near the Iron Curtain is obvious. Most of these allies are even more vulnerable to all forms of Soviet attack than our own distant outpost of Alaska.

By providing aid and protection for allies in Europe and Asia, we save them from seizure by the Soviets and we save their human and material resources from exploitation by the Soviets. At the same time we greatly complicate our own strategic problem, because it becomes necessary for us to move our defense outposts near to the threat of the huge Red army and beneath the threat of the entire Soviet Air Force.

Only 5 percent of that air force consists of long-range aircraft and it is only to that 5 percent that the United States itself is directly vulnerable.

Our allies near the Iron Curtain, on the other hand, are vulnerable to most of the remaining 95 percent of the Russian Air Force. If we are to keep them as allies, we must help provide them with protection against ground and air attacks.

The Air Force has no choice, therefore, but to maintain bases and units overseas which are at all times ready for action. Except for Great Britain, none of our allies is alone capable at present of providing their own air defense. With the exception of the three larger nations in Europe, none is capable of manufacturing modern aircraft, or of operating and maintaining a modern air force.

Two nations which would probably be the first to suffer from Soviet air and ground strikes are Germany and Japan, neither of which has the beginning of an air force.

The present strength of the Soviet tactical air force in the West far exceeds the present total strength of all NATO air forces in Europe. The planes with which the NATO air forces are equipped are generally inferior to the Russian planes in quality. The disparity in numbers alone, however, is sufficiently disturbing.

The air situation in the Far East is even more serious, despite the fact that our principal stronghold there—Japan—is not directly accessible to land armies. We have assumed full responsibility for the air defense of Japan and we are at present somewhat limited in our ability to furnish this defense.

While there has been much discussion of relieving some of our own ground forces through the training and equipping of other ground forces in the Far East, there has been little discussion of any relief from United States Air Force commitments in that area. The training of local ground forces is not being matched by the development of local air forces. The Korean Air Force, for example, consists of just a few F-51 aircraft. Almost all of the necessary air cover and support for the expanding Korean Army must come from somewhere else and that, we must assume, means from the United States Air Force.

These are some of the problems created by the fact that we are determined to resist further extension of the Iron Curtain and by the fact that we must support the allies necessary to prevent such an extension. It is in the air that all these allies have the least capability to help themselves.

We have, however, gained one very great advantage from the fact that these allies are located so near the Iron Curtain. They provide us with the opportunity for strategic outposts of air power. Without these strategic outposts we would have great difficulty in delivering atomic bombs against the most important targets in Russia.

The areas inside Russia which contain most of the basic Soviet war industry are deep in the interior. The principal target area which is nearest the Iron Curtain is Moscow and it is nearly 1,000 miles by any possible approach from bases on land or sea. Small airplanes cannot operate over such a distance—not even light bombers can make it across the 1,000 miles to Moscow and back. Only medium and heavy bombers can cover this distance.

Targets in the famous Ural Mountain industrial complex, in the atomic weapons area on Lake Baikal, and in other principal centers of war industry are protected by even greater distances.

The Soviets could scarcely have placed these vital areas with more care. Even in friendly areas to the west and south, it would be unwise to build strategic bases near the 1,000-mile circle, because they would be under the shadow of the entire Soviet air force. It is most desirable, therefore, to have strategic bases more than 1,000 but less than 3,000 miles from the most important target areas in the Soviet Union.

Fortunately, our allies can provide us with the base areas we need. This gives us one

great advantage over the Soviet Union, which is unable to obtain base areas so near to vital targets in this country. The targets in this country which would most nearly correspond to the ones I have illustrated here would, of course, be New York, Chicago, Detroit, Pittsburgh, and Washington. All of these are more than 3,000 miles from present Soviet bases.

Questions are often asked as to why we need overseas bases since we have the intercontinental B–36 and will have, in a few years, some jet powered intercontinental B–52's. It is true that these heavy bombers are capable of reaching most of the important targets in Soviet Russia from this continent. If we did not have strategic units already operating from overseas bases at the beginning of any future world war, we would have to depend almost entirely on a few hundred heavy bombers operating from the northeast and from Alaska. There are several disadvantages to this, in addition to the fact that most of China and southern Russia would be out of range.

Heavy bombers are very expensive and their numbers will always be limited. The long trips required could not be made as often and the routes of approach would all be from the north. Furthermore, our bases in Alaska have the disadvantage of being close to Soviet bases and, at the same time, far from most worthwhile Soviet targets.

The opportunities afforded us by overseas bases create a far more favorable situation. Heavy bombers can reach more targets and reach them more readily from such overseas bases as those in north Africa, Okinawa, while the far more numerous medium bombers—B–29, B–50, and B–47—from bases in Alaska, Japan, Okinawa, England, and north Africa can also reach principal Soviet targets without air refueling.

Of course, we will continue to need heavy bombers as well as medium bombers. Because of the high performance possibilities of the B–52 and its importance in the delivery of powerful new weapons, we will need them in increasing numbers. But our worldwide base system enables us to use to full advantage our medium bombers, which make up most of our strategic force.

It should not be assumed, however, that the worldwide deployment of our strategic force will involve the exposure of most of that force within easy range of Soviet air attack. It is necessary to operate from foreign bases during peace if we expect to be able to operate from them quickly in war. But it will still be possible for us to keep most of our medium and heavy bombers on bases in the United States.

In case of all-out war, as these units move out from the United States for the air campaign against the heart of the Soviet Union, the first strike of that campaign would already be under way. These strikes, if they must be made, would overshadow all the campaigns that ever have been fought on the face of the globe. The greatest land mass on earth would become one battlefield, with carefully spaced and carefully timed air units moving across it from many directions at once. This method of attack would require a worldwide control of men and planes far more complete than General Lee or General Meade could exercise over their 5 miles of battleline at Gettysburg.

Only an attack such as this, resulting from years of planning and preparation, could be carried out without staggering losses. At the same time it is difficult to conceive how such an attack, if carried out successfully, could leave any nation with the ability or the will to continue fighting a modern war.

This is the possibility that the Kremlin has to contemplate when it ponders the problem of when to begin world war III. In my opinion, no other consequence could possibly disturb them one-tenth as much or be one-tenth as effective an influence for peace.

Of course, the Soviets are improving their capability for a similar strike against us, even though handicapped by a lack of bases that are positioned as favorably as ours—bases that too few people in this country understand and appreciate.

The Soviets are also enlarging and improving their interceptor defense force. At the same time, we are increasing the capabilities of our own striking force to insure that we maintain our present lead and to insure that it can do the job that may be required of it. That is one of the most important goals toward which the proposed Air Force budget is designed to move.

In summary, the strategy which your Air Force can and must follow in any major war is first: to provide all possible protection for the people of the United States, for the military forces of the United States, and for those vital installations and industries which are the basis of our strength. Second: to provide all possible aid and protection for allied nations to whom our assistance is pledged and whose assistance will help to bring us victory in any world struggle. Third: through carefully coordinated attacks by well-deployed forces of long-range bombers to deliver powerful weapons against those forces and installations within the country of the enemy that are most vital to his hope of success.

I need not emphasize that to be able to succeed promptly in this third objective is practically to insure that with the aid of our other forces, the first and second objectives will also be accomplished. The deployment of forces for carrying out these objectives, the types and sizes of the forces which will be required, the weapons which would be used, and the state of training and readiness which we must maintain are all reflected in our proposed budget.

Witnesses for the Air Force who are scheduled to follow me will explain in detail what these forces are, how they are trained and organized, and how the funds requested in the budget are to be applied to these ends. I am sure there will be many detailed questions raised throughout the hearings. The more questions the better.

I hope you will address to me any questions you now have concerning the strategy of defense which is the basis for all our plans and preparations.

Mr. MAYBANK. Mr. President, I express my very real appreciation to the Senator from Illinois for yielding to me so courteously.

Mr. DOUGLAS. Mr. President, I have been glad to yield to the Senator from South Carolina, because we love him so much that even if another Senator was in the midst of presenting a funeral oration, if the Senator from South Carolina were to request that he be allowed to interrupt, an interruption by him would be welcomed.

Mr. MAYBANK. Mr. President, I know the senior Senator from Illinois loves the Air Force as much as I do, and thus it is that I have requested that he permit me to ask unanimous consent to have these matters printed in the body of the RECORD.

RECESS

Mr. KNOWLAND. Mr. President, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 7 o'clock and 57 minutes p. m.) the Senate took a recess until tomorrow, Thursday, June 4, 1953, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 3 (legislative day of May 28), 1953:

DIPLOMATIC AND FOREIGN SERVICE

Amos J. Peaslee, of New Jersey, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Australia.

PATENT OFFICE

Arthur Wilbur Crocker, of Maryland, for the position of Assistant Commissioner of Patents.

COMPTROLLER OF CUSTOMS

Edwin A. Leland, Jr., of Louisiana, to be comptroller of customs with headquarters at New Orleans, La.

COLLECTORS OF CUSTOMS

James P. Winne, of Hawaii, to be collector of customs for customs collection district No. 32, with headquarters at Honolulu, T. H.

John A. Stanek, of Illinois, to be collector of customs for customs collection district No. 39, with headquarters at Chicago, Ill.

Theodore H. Lyons, of Louisiana, to be collector of customs for customs collection district No. 20, with headquarters at New Orleans, La.

IN THE NAVY

The following-named women officers of the Navy for permanent promotion to the grade of lieutenant commander, subject to qualification therefor as provided by law:

Lillian A. Arslanian
Barbara A. Conard
Sara N. Brown
Ellen M. Uren

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 3, 1953

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou who art our creator and benefactor, may our lives during this new day be filled with the very best things.

Help us to realize that there is no time in it for anything except the doing of good and a sincere effort to be good.

We pray that in the realm of human relationships, now so tense and troubled, mankind may learn the wisdom of putting into practice the Golden Rule.

May we listen in on the life of one another with attitudes of sympathy and considerateness, of kindness and good will.

Show us how we may bring cheer and encouragement to all whose workaday world is dull and drab. May we enable them to find the secret of joyous living and the fulfillment of their fondest hopes.

Hear us in the name of our Master who went about doing good. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Ast, one of its clerks, announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 31. Concurrent resolution rescinding the action of the Speaker in signing S. 1550, relative to the wearing of service

uniforms by veterans, and requesting the return of papers by the House.

The message also announced that the Vice President has appointed Mr. CARLSON and Mr. JOHNSTON of South Carolina members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 53–9.

TRUTH IS OUR WEAPON

Mr. STEED. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. STEED. Mr. Speaker, in view of the President's message last Monday on his plan to reorganize, among other things, the Voice of America and other information programs, I think it appropriate to call attention of the Congress to a new book on this general subject which will be issued June 15 by the Funk & Wagnalls Publishing Co.

The book was written by Edward F. Barrett and is titled "Truth Is Our Weapon." I have just read a preedition copy of this book and can recommend it as factual, thoughtful, and informative. To any Member of the Congress interested in the subject of our international information problem this book is must reading.

Mr. Barrett is perhaps better qualified to write such a book than almost any other American. He was former Administrator of the Voice of America and during World War II served as a top executive in the Office of War Information. His long career as a newspaperman displays itself in the readable manner in which he has prepared his material.

Any person who reads this book will have a better knowledge and understanding of the Nation's as yet unsolved problem of carrying on an effective and proper campaign of propaganda and information to the world.

Whatever program our Government adopts must first be approved by the Congress. Hence, it goes without saying that the better the Members know this subject, the better the program will be. None can be too well informed on this problem. The tremendous research work and effort made to prepare the material for this book attests its reliability. In my opinion, it is the finest text on the subject yet written.

Since I am perhaps the only Member of the House who has actually served in overseas propaganda work, I believe I am somewhat qualified to know this subject and to recommend a book dealing with it.

COMMITTEE ON RULES

Mr. ALLEN of Illinois. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain reports and resolutions.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1954

The SPEAKER. The unfinished business is the reading of the engrossed copy of the bill (H. R. 5471) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1954, and for other purposes.

The Clerk read the title of the bill.

Mr. POWELL. Mr. Speaker, I ask unanimous consent that the reading of the engrossed copy be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Speaker, segregation on account of color or race in the District of Columbia is indefensible under our Constitution. The expression of President Eisenhower's support for the elimination of segregation in the Nation's Capital was properly hailed widely, and its implementation will be a great thing for our country at home and in the eyes of the world. There are some measures to eliminate segregation in the District Government which can be taken by the Commissioners and these I have already urged upon them. Other measures to eliminate District of Columbia segregation must be taken by the Congress. In the Appendix of the CONGRESSIONAL RECORD of February 6, 1953, I inserted a study of laws affecting the District of Columbia which in effect provide for segregation. I shall continue in every way, by action on this bill and otherwise, to join in the effort, which must be unremitting to end segregation in the District of Columbia.

The SPEAKER. The question is on the passage of the bill.

Mr. NORRELL. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. NORRELL. I am.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion.

The Clerk read as follows:

Mr. NORRELL moves to recommit the bill H. R. 5471, the District of Columbia appropriation bill, 1954, to the Committee on Appropriations.

The SPEAKER. The question is on the motion to recommit.

The motion was rejected.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

REORGANIZATION PLAN NO. 2—DEPARTMENT OF AGRICULTURE

Mr. FOUNTAIN. Mr. Speaker, I offer a privileged motion.

The Clerk read as follows:

Mr. FOUNTAIN moves to discharge the Committee on Government Operations from further consideration of House Resolution 236, to declare that the House does not favor the Reorganization Plan Numbered 2 of 1953 transmitted to Congress by the President on March 25, 1953.

The SPEAKER. Is the gentleman from North Carolina in favor of the resolution?

Mr. FOUNTAIN. I am.

The SPEAKER. The gentleman from North Carolina is recognized for 30 minutes, and the gentleman from Michigan [Mr. HOFFMAN] is recognized for 30 minutes.

CALL OF THE HOUSE

Mr. RAYBURN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. HALLECK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 48]

Barden	Kee	Reed, Ill.
Boykin	Kelley, Pa.	Regan
Brooks, La.	Lesinski	Richards
Broyhill	Lovre	Rogers, Colo.
Bush	Lucas	Sheppard
Crosser	Lyle	Short
Dawson, Utah	Martin	Shuford
Fogarty	Miller, Calif.	Sikes
Grant	Miller, Kans.	Small
Hagen, Minn.	Miller, N. Y.	Sullivan
Heller	Morrison	Vinson
Herlong	Moulder	Withrow
Jackson	O'Neill	Yates
Jarman	Perkins	Young
Jones, Mo.	Reece, Tenn.	Zablocki

The SPEAKER. On this rollcall 383 Members have answered to their names. A quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

SPECIAL ORDER GRANTED

Mr. PHILLIPS asked and was granted permission to address the House on tomorrow for 1 hour, following the legislative business of the day and any other special orders heretofore entered, on the subject of Veterans' Administration appropriation.

AMENDING UNIVERSAL MILITARY TRAINING AND SERVICE ACT

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4495) to amend the Universal Military Training and Service Act, as amended, so as to provide for special registration, classification, and induction of certain medical, dental, and allied specialist categories, and for other purposes, with Senate amendments thereto, disagree with the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Illinois? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. SHORT, ARENDS, COLE of New York, KILDAY, and DURHAM.

RETURN OF BILL TO SENATE

Mr. ARENDS. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Concurrent Resolution 31.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read as follows:

Resolved by the Senate (the House of Representatives concurring), That the action of the Speaker of the House of Representatives in signing the enrolled bill (S. 1550) to authorize the President to prescribe the occasions upon which the uniform of any of the Armed Forces may be worn by persons honorably discharged therefrom be, and it is hereby, rescinded, and that the House be, and it is hereby, requested to return to the Senate its message announcing its agreement to the House amendments.

The resolution was agreed to, and a motion to reconsider was laid on the table.

REORGANIZATION PLAN NO. 2—DEPARTMENT OF AGRICULTURE

The SPEAKER. The gentleman from North Carolina is recognized.

Mr. FOUNTAIN. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, ladies and gentlemen of the House, I had hoped that the chairman of the Committee on Government Operations would call together our committee for consideration of the evidence taken at our hearing for debate on Reorganization Plan No. 2 and for a vote either favoring or rejecting House Resolution 236, which I introduced on May 14. Not only did I expect this to be done, but I requested such of the chairman of our committee. He has refused to call the committee together for such consideration, debate, and action. I know of no other way to enable the Members of this House to consider this plan and to act upon it than by the motion which I have just made to discharge the Committee on Government Operations from further consideration of House Resolution 236.

I would like to preface my remarks upon this motion and my later remarks in support of House Resolution 236 with this statement: I know of no Member of Congress who supported with more enthusiasm than I did the extension of the Reorganization Act of 1949. When I supported extension of that law, I did so with high hopes and great expectations that the President of these United States in all of his reorganization proposals would tell you and me what he proposed to do. Maybe that is one of the weaknesses of a new Member of Congress—to have high hopes and expectations. As I read the Reorganization Act of 1949, the extension of which I supported, I sincerely felt that I would have an opportunity to study true reorganization plans. If Reorganization Plan No. 2 is an example of what we may expect to continue to receive from the President, I am greatly disappointed. It goes without saying that I am disappointed that this particular plan does not, at least, in a general way, do what I believe the Reorganization Act requires.

Before going into a discussion of my objections to this sweeping grant of power to a nonelected official, a grant of power far in excess of that which Congress has heretofore seen fit to give even to the President of the United States, I want to tell you why I introduced House Resolution 236.

I was disappointed in Reorganization Plan No. 1. However, that plan was far more specific than this plan, and it did have a proviso in section 7 thereof "that no professional or substantive function vested by law in any officer shall be removed from the jurisdiction of such officer under this section." After that plan was approved by this body, I began a study of the Reorganization Act of 1949, which we extended, and then when Reorganization Plan No. 2 was proposed, I read and studied it carefully, together with the President's message submitting it, and then reread it and restudied the Reorganization Act. I became greatly concerned about this plan. I did not want to take upon myself the responsibility of introducing a disapproving resolution. As a result of informal discussions by the members of our Committee on Government Operations, while in session, I thought that our committee would have informal hearings on the plan, call in Mr. Benson, the new Secretary of Agriculture, and others, so that we might find out just what this plan would mean ultimately and what its effects would be. We never had such an informal hearing. Time was passing rapidly. I kept thinking that a senior Member of this body would introduce either a resolution of disapproval or a resolution of approval, which would require consideration by the appropriate committee. I continued to study the plan and the Reorganization Act. The more I studied it the more convinced I became that it should not become law, at least until it had been carefully considered by the appropriate committee. I, therefore, introduced H. R. 236, so that the matter could be considered by the appropriate committee and finally by the Members of this body. My mind was not closed against the plan, but it was sufficiently strong against it to convince me that such far-reaching legislation, prepared and submitted by one outside of Congress, even the President, granting such unlimited authority to another outside of Congress, a nonelected official should not become the law of this land by default. It appeared to me that it would be a dangerous precedent to passively approve such legislation.

Let me say here also that my introduction of this resolution was completely nonpartisan. I did not ask for, nor receive, a single commitment in support of it before I introduced it; nor did I contact a single member of the minority committee on the Committee on Government Operations to get their views. So, whatever may be the purpose of anyone else in supporting or opposing this resolution, and, consequently, in supporting or opposing Reorganization Plan No. 2, I introduced it on my own for the reasons which I have already mentioned. I do not at this moment know how more than 3 or 4 Members of this body will vote on this motion.

Now, why have I made this motion to discharge the committee from further consideration of this resolution? I have done so primarily because the committee has not acted upon it. Neither the committee, nor those of us at the hearing representing the committee, have done anything other than to question witnesses and listen to testimony. The plan has not been carefully considered by the full committee or by a subcommittee. And even should we assume that it has been considered by the members individually, there has been no collective action resulting in a recommendation by that committee to this House.

It is my feeling that the primary reason for the unusual provision contained in section 204 of title II of the Reorganization Act, providing for a highly privileged motion to discharge the committee, is to enable the Members of this House and of the Senate to give consideration to, and to engage in debate upon, and to take action on reorganization legislation which the appropriate committee refuses to act upon, or has acted upon unfavorably. Regardless of my personal views on this plan, I cannot conceive of any Member of this body, who believes in the principle of open and free discussion, objecting to the discharge of the committee considering H. R. 236 so that this body may take action which has not been taken by the committee and either defeat or pass this resolution of disapproval upon the floor of this House. Regardless of its outcome, if this plan is debated on the floor of this House, we can truly feel that this body has given it due consideration and has taken that action which it feels is appropriate. This matter should be debated on the floor of this House. That will not happen unless this motion to discharge the committee is passed. No legislation completely surrendering the authority of Congress over an executive department of this Government should become the law of this land until this body, in keeping with the American tradition, has given it careful consideration. In my opinion, such has not been done to date by enough Members of this House to justify accepting this so-called plan for reorganization of the Department of Agriculture. If I were to request a show of hands at this point, or even after the brief period for debate on this motion, as to how many Members of this House have studied this plan and the spirit and the intent of the Reorganization Act, I wonder how many could conscientiously raise their hands and say "I have."

All I am asking you to do is to thrash this matter out on the floor of this House. If, in your wisdom, you should decide to ask the President to submit another, and more specific plan, you can do so. If you are satisfied with the plan he has submitted, you can say so. Your vote to discharge the committee would not necessarily mean that you oppose plan No. 2.

Now, what is this so-called Reorganization Plan No. 2? It does substantially what Reorganization Plan No. 4 of the second session of the 81st Congress did and that plan was soundly rejected by the Senate with a nonpartisan vote. I submit that the heart of this whole plan No. 2 is identical with the 1950 plan No. 4 which was condemned by both Repub-

licans and Democrats alike as a blanket abdication of the power of the Congress. I am told that in the Senate there was scarcely a dissenting voice raised when plan No. 4 was rejected.

Let me read into the RECORD the pertinent portion of both plans, which is found in section 1. Section 1 of plan No. 4 of 1950 is as follows:

SECTION 1. Transfer of functions to the Secretary: Except as otherwise provided in subsection (b) of this section, there are hereby transferred to the Secretary of Agriculture all functions of all other officers of the Department of Agriculture and all functions of all agencies and employees of such Department.

Now, here is what plan No. 2 of 1953 says:

Subject to the exceptions specified in subsection (b) of this section, there are hereby transferred to the Secretary of Agriculture all functions not now vested in him of all other officers and all agencies and employees of the Department of Agriculture.

The only difference between those sections is that one uses the word "except" and the other uses the word "subject." Both of them are subject to the same objections that were made to plan No. 4 of 1950—that it was too sweeping a grant of congressional power of unlimited duration to a nonelected public official.

In the hearings before the Senate committee in 1950, witnesses who opposed plan No. 4 called it "unbridled grant of power." It was objected to because it did not conform to the report of the Hoover Commission because the proposed reorganization was being sought before the Department knew the nature of its long-range farm program for agriculture in this country. Does the Department know that now?

I was astounded to discover the names of some of those who opposed plan No. 4 in 1950 who are favoring the same grant of authority in 1953. Our committee hearings disclosed that two of the strongest opponents of this unlimited grant of power in 1950 will occupy the two positions of assistant secretaries which this plan No. 2 proposes to add. They are Mr. John H. Davis, who appeared before the Senate committee in 1950 as executive secretary of the National Council of Farmer Cooperatives, and the Honorable Romeo E. Short, another top official of the Department of Agriculture, who appeared in 1950 in opposition to plan No. 4 as the vice president of the American Farm Bureau Federation. These are two of the officers to whom, I assume, a good portion of the Secretary's unlimited authority will be delegated.

What did Mr. Davis, the Assistant Secretary to be, have to say in 1950 about plan No. 4? On pages 38 to 40 of the hearings before the Senate Committee on Expenditures in Executive Departments in 1950 is found the following statement of Mr. Davis:

We feel that it leaves too much open to discretion and too much latitude for the people who are carrying it out. • • •

At the present time our basic agricultural policy is more or less of a state of flux. The farm plan that will be the basic structure for the next several years is not definitely crystallized. There are various plans that are up for discussion and it seems to us that it is very difficult and unwise to try to reorganize the Department until we know what kind of farm plan the Department is to carry out.

I think we will know much more about the shape of our farm policy within a few months, and the reorganization should be geared to the evolving farm policy. We do not think now is a good time for a reorganization to take place.

We feel further that Congress should assume the responsibility for the laying out of the general outline of organization at the time Congress lays out the general outline of basic farm policy.

The other point that I want to make is this: Within the Department of Agriculture there are a number of strong, well-organized agencies. They are agencies that are set up to carry out important functions. The people that are heading those agencies and that are working in those agencies are most of them very sincere people, but it is only human nature for a person to think that his particular task and his particular agency is the most important. The result is that whenever a reorganization takes place in the Department—and they are fairly common—it is more or less a matter of rivalry among agencies as to which particular program and agency will be dominant. I think that any future reorganizations will pretty much suffer from the same type of pressure from within the Department. This being true, it seems to us that it is going to be very difficult for any Secretary of Agriculture—and this is no reflection upon any particular Secretary of Agriculture—to build and put into effect from within the Department the outline of a sound reorganization.

That is further reason why we think that the general pattern—the overall pattern—should be laid down by Congress. • • •

The thing that we object to most is that plan No. 4 turns over to the Secretary the whole job of reorganization, and then it provides that if after experimentation with such plan it does not work, he is free to reorganize it again as he sees fit.

We think that the task of organizing or reorganizing the Department of Agriculture is so basic for the welfare of the farmers and so much a part of the overall farm policy that that job ought to be done by the Congress. • • •

We oppose plan No. 4 because it turns over the whole job of reorganizing and determining the center of emphasis within the Department to the Secretary. If I were Secretary I certainly would prefer to have Congress outline the organization structure, rather than attempt to do it myself.

Now let us see what Mr. Romeo E. Short, another Assistant-Secretary-to-be, representing the American Farm Bureau Federation, in 1950, had to say on pages 50–51 of the same hearings:

Reorganization plan No. 4, submitted by the President on March 13, constitutes a general grant of authority to the Secretary of Agriculture, without direction or guidance to him to carry out any phase of reorganization recommended either by the Hoover Commission or its task force on agriculture. Since it is without guide or direction, we regard the plan as an unwise grant of general authority and power.

Reorganization plan No. 4 is really not a plan. A plan should have recommendations, framework, and structure. Plan 4 does not have these. It is therefore not a plan. • • •

We would like to call attention to the fact that the United States Department of Agriculture is a very large department; its agencies reach into every State, into every community and into every county, not with just one program, but with several. If, in the future, effort was made to misuse this extensive administrative organization, the ill effects or the disadvantages of centralized government might be much more noticeable in an organization of this kind than in some of the other administrative branches of government. We would like to call attention to the fact that the legislative history of the Reorganization Act indicates that the reorganization plans submitted to Congress would be in some detail, so that the Congress would know, and everyone else would know something about the direction the reorganization was taking. Reorganization plans are supposed to go into considerable detail, thus enabling the Congress to have some check on authority granted in the Reorganization Act.

Therefore, we want to again say that by reason of the fact that plan No. 4 is really not a plan—just a grant of authority without congressional check—we feel it should be rejected.

Another leader on the legislative counsel of the National Grange, Mr. J. T. Sanders, opposed plan No. 4. On page 35 of the same hearings we find his statement, which is as follows:

We trust the Senate will reject plan No. 4 for reorganization of the Department of Agriculture. It grants to the Secretary of Agriculture practically complete authority to reorganize any of the agencies in the Department in any way he sees fit without regard to the expressed wishes of Congress or the expressed recommendations of the Hoover Commission. The theory that we should place full responsibility on an executive and then hold him responsible to get favorable results is merely theory when applied to governmental operations of this kind and does not work out in practice. • • •

The only way to avoid the possibility of such abuse is for the Congress itself to lay down in the law the broad course it desires to be followed in the administration of the law. Plan No. 4 would abolish all these safeguards and policies and give the Secretary power to do anything he wanted. We feel this is a most dangerous grant of power.

In addition, on page 91 of the hearings before the same Senate committee, there is a list of State Farm Bureau federations from 30 States who opposed plan No. 4. I do not know what the positions of those federations are now.

In my study of the report of the Senate committee on Reorganization Plan No. 4, of 1950, I ran across the following statement of Mr. H. P. Rusk, dean of the College of Agriculture of the University of Illinois, who stated that the Hoover Commission task force, in studying the operations of the Department of Agriculture, "soon found that a well-coordinated organization could not be secured by merely shuffling the existing units"; that Reorganization Plan No. 4 "offers no directive in support of any efforts the Secretary may make toward adoption of the basic administrative grouping of functions recommended by the Commission." Dean Rusk then pointed out that—

The record of a previous attempt during the years to secure a more effective, economical organization of this and other departments of the executive branch of the Government shows that the absence of specific directives places the Secretary in a very weak position with respect to vested interests in and outside of the Department. He then concluded: "We, as former members of the Agriculture task force, believe that Reorganization Plan No. 4 should be rejected, and that specific directives should be provided by the Congress to effectuate the basic principles and recommendations of the Commission. I am advised that legislation is now being prepared to accomplish this objective.

I also understand that Mr. True Morse, former president of the Doane Agricultural Service, likewise opposed plan No. 4 for similar reasons. Where is he now?

He is the Under Secretary of Agriculture. Others, too numerous to mention, including Mr. William Rhea Blake, executive vice president of the National Cotton Council, and 7 of the 8 members of the Hoover Commission task force, which Dean Rusk was representing when he spoke, opposed an identical grant of authority in 1950, to a nonelected official without the veto authority of Congress.

I cannot find at any place any testimony, by former President Hoover in support of plan No. 4, when another political party was in power. I understand that he, Dean Rusk, Mr. Davis, Mr. Short, Mr. Morse, and others I have already mentioned, favor plan No. 2 of 1953. What prompted all of these gentlemen to change their minds? What have they discovered about this plan that will take it outside of the broad objections they raised to it in 1950? What do they say in substance? Oh, they say that plan No. 2 carries important limitations on the Secretary's authority that were not in the plan of 1950. It adds one more exemption—the Farm Credit Administration. Mr. Benson said there were dangers involved in transferring those functions to him. It makes certain that unexpected funds which are transferred, as functions are transferred, may be used only for the purposes for which such funds were originally appropriated. They say also that this plan provides that any change must have as its purpose the simplification and increased efficiency of Department operations; that administration of farm programs must be placed close to State and local levels and that the administration of such programs must be adapted to meet local needs. Then they emphasize, as a last limitation, the requirement of advanced public notice, and hearings on any proposal for major reorganization or changes "to the extent deemed practicable by the Secretary."

Now I am frank to admit that the provisions dealing with unexpended funds and exempting the Farm Credit Administration are improvements over plan No. 4, but the remainder of the so-called limitations are nothing more than what Senator RUSSELL described as "window dressing." Is the Secretary of Agriculture not impliedly obligated to do these other things; to seek to simplify and make efficient the Department's operations and to give interested persons and groups an opportunity to be heard? However, note that there is nothing mandatory about the so-called public hearings. Note also that there is no provision including Members of Congress under the term "interested persons"; and even if each and every secretary of Agriculture from now on out were to do what the present Secretary of Agriculture said before our Committee he would do—consult Members of Congress before making any major changes—is there anything binding on him? If he disagrees with the Members of Congress whom he chooses to confer with, is he not free to use his own judgment notwithstanding that expressed by Members of Congress?

I submit, Mr. Speaker, ladies and gentlemen of this House, that there is nothing in Reorganization Plan No. 2 to take it outside of the argument which was so capably made by the aforementioned parties against Reorganization Plan No. 4, of 1950. I submit that the changes included in plan No. 2 are minor in character and there is nothing in the plan that such changes as the Secretary of Agriculture might make must meet with the approval of those that are effected or anyone else. There is no appeal from his decision. There is no way on earth for the farmers of America, or Members of Congress, who might disapprove of something which the Secretary wished to do under this plan, to enforce their demands.

I stated earlier that I had studied the Reorganization Act, which we recently extended. I have studied it carefully. I have studied plan No. 2. Plan No. 2 does not offer a single specific proposal for the reorganization of the Department of Agriculture, nor does it, in my opinion, offer a single proposal which complies with the spirit and the intent of the Reorganization Act. I believe it was the spirit and intent of the Reorganization Act that this Congress should at least know the general form the Department is to take, after reorganization is had, before it approves a reorganization plan. I admit I am more satisfied now as to what the present Secretary of Agriculture does not intend to do than I was before our hearings. At least, it is some satisfaction insofar as the present Secretary is concerned, to have him say that he would not do certain things, but at no place in his testimony does he tell us what he proposes to do with this unlimited grant of authority. On page 107 of the House record of hearings by our committee, I asked Mr. Benson this question:

> Now, if you do not have anything in mind, or in such a tangible form that you feel you could present it, would you have objection to preparing the framework of such a plan or plans from time to time at least in such reasonably specific terms that they could be clearly understood by the Members of Congress, giving them an opportunity to reject or accept the plan.

Here is Mr. Benson's answer:

> I tried to make clear in my statement, Mr. Congressman, that as I look at this, it is a continuing thing. It isn't something you can do today and say, "The job is done. This is the plan." As we move forward, we will have to continue our study, and I agree fully with the statement that was made back in 1937, which I quoted—that it is not possible to make a blueprint once and for all and say, "This is the job we're going to do." We can set forth some broad objectives, some broad principles, and work toward those objectives; but it must be a continuing job, as I view it. Now, we've only been in office, as you know, a short time; but we've already found from week to week some of the things that have come to our attention which need adjusting in the interests of efficiency and more effective administration. Now, I expect as the months ahead pass by we'll find other things that need our attention. I wouldn't feel that I could make out any definite blueprint once and for all, today or in the immediate future. I think this is a thing that will have to be continued—this study—and we will have to follow in line with what the studies reveal.

I submit that if the present Secretary of Agriculture does not know now why he wants such a broad grant of authority he should study his Department a little bit longer and submit to Congress from time to time such reorganization proposals as he deems necessary and advisable in the interests of economy and efficiency. He does not have to do all of his reorganizing at one time. If he sees where one phase of reorganization is important, he can very easily prepare an order for the President to send to Congress, as stated in the act. The Congress can then approve his plans in piecemeal until April 1, 1955. Under this plan, the President is, in effect, repealing the time limit of April 1, 1955, set forth in the Reorganization Act, as the time for submission of reorganization plans, and enacting new legislation giving the Secretary of Agriculture, whomever he may be, at whatever time, in the future, to do his own reorganizing, without the opportunity of Congress to approve or disapprove. Is that the spirit and intent of the Reorganization Act? Quoting Senator RUSSELL:

> If we accept a proposal of this kind, giving this permanent and unlimited power, without having the slightest idea as to what is going to be done with the functions of the Department of Agriculture, the Congress might as well shut up shop and go home, as far as agricultural legislation is concerned.

I might modify that statement by saying "except for appropriations." And even that, with statutory functions, enacted into law by Congress, transferred to the Secretary and from the Secretary to certain officers or agencies, I wonder if Congress will still be in a position to appropriate with accuracy?

I might say at this point, Mr. Speaker, that I am impressed with the sincerity of the present Secretary of Agriculture. I have no reason to doubt that he has honest intentions. My opposition to this plan in no way involves personalities, for ours is a Government of laws and not of men.

I do not believe it is the intent and spirit of the Reorganization Act to give to a Secretary of Agriculture, whoever he may be, such a delegation of authority on a permanent and continuing basis, without restraint or restriction as to how or when it would be exercised.

This plan enables him to take action which could, in effect, destroy the will of Congress, as expressed in basic legislation outlining the various functions of the agencies of the Department of Agriculture. He, or the one to whom he delegates authority could transfer important services now performed by traditionally accepted agencies within the Department to other agencies of his, or his subordinate's, personal preference. He could take action which might injuriously affect matters of substantive policy, adopted by Congress after many years of study. The present Secretary of Agriculture does not deny that this plan gives him such authority. He sim-

ply says he needs adequate authority to carry out his responsibility.

While the plan attempts to carry out the Hoover recommendations for establishing a line of authority from top to bottom, it admittedly leaves out at least nine of the recommendations of the Hoover Commission. The statement that it simply gives him a blank check to reorganize, at his pleasure, and at his will, all of the far-flung activities of the Department, excepting those agencies and offices exempted, is true. It is definitely a plan without a plan.

I would like to ask this question of the members of this House: Is there one of you who has the slightest idea as to what will be done by the present Secretary of Agriculture, or any other secretary, with the various functions of the Department of this plan? Which of the functions will be magnified? Who among the officers, or which of the agencies will be given greater power? Which function or functions will be subordinated or stifled, or even possibly eliminated? All of these are questions of major importance to the people of America, especially the farmers, and I truly believe that Congress is entitled to an answer to these questions before we acquiesce in such a broad grant of authority. Agriculture is basic to the lives of our people. Millions of Americans, on the farms and in the cities, are affected by decisions of the Secretary of Agriculture or his subordinates.

Just this week, the farmers in my district in North Carolina, largely in Northampton and Bertie Counties, sustained from a destructive hailstorm damages roughtly estimated at over $1½ million and affecting from 1,100 to 1,200 families. From 8 to 10 thousand acres of cotton, 10 to 12 thousand acres of corn, and approximately 900 acres of tobacco were destroyed or damaged in that area.

This is just one example of the trying and distressing experiences our farmers have from year to year. Fortunately, they are eligible for disaster loans. I make mention of this disaster to emphasize that these are some of the millions of families affected by agricultural legislation and decisions of the Secretary of Agriculture.

Down through the years Congress has developed agricultural policies and programs that have played a great part in the prosperity and well-being of the American farmer. Safeguards, such as disaster loans in situations like the above, have been erected against many of the hazards that brought about the farm depression of the twenties and the thirties. Are we going to abandon our power and our responsibility completely? As I understand it, functions are created by Congress. Congress ought to know in advance what is going to be done with those functions.

Do you believe it was the spirit and intent of the Reorganization Act to permit the President to get around the April 1, 1955, deadline, by transferring to the Secretary of Agriculture the unlimited powers of permanent duration to reorganize, and to shift and to shuffle, whenever and wherever he chooses, without the authority of Congress?

Let me get back to one of the major objections I raised to this plan, that it violates the spirit and intent of the Reorganization Act. Can any one of you read the President's plan and discern any reorganizations of the Department of Agriculture? Can you find anything in the plan which tells what the Secretary of Agriculture shall do with respect to the Bureau of Agricultural Economics, the Forest Service, the Soil Conservation Service, the Farmers' Home Administration, the Rural Electrification Administration, and the Office of the Solicitor, the seven agencies which the Secretary contends this plan will affect? Is there any Member of Congress who knows what will happen to any one or more of the functions of those respective agencies or of any other agencies which now have their functions by statute, after they are transferred to the Secretary of Agriculture? Did you know that under this plan all functions of all agencies will reside in the Secretary of Agriculture and that until he redelegates, no other officer, employee, or agency of the Department will have any functions? Do you believe such was contemplated by the Reorganization Act? Let us go to the Reorganization Act itself and see what it says. Section 8 of the act reads as follows:

SEC. 8. For the purposes of this act the term "reorganize" means any transferring, consolidation, coordination, authorization, or abolition, referred to in section 3.

Now, in that section you have the definition of reorganizations but the reorganizations contemplated by that section are dependent upon the content of section 3. Now, section 3 gives a list of six types of findings or reorganizations which the President is authorized to make. Mr. Loos, the Solicitor of the Department of Agriculture, says that item 1 of section 3 is the pertinent finding in this plan. Now let us read that portion of section 3 which is pertinent:

SEC. 3. Whenever the President, after investigation, finds that: (1) The transfer of the whole or any part of any agency, or of the whole or any part of the functions thereof, to the jurisdiction and control of any other agency; * * * is necessary to accomplish one or more of the purposes of section 2 (a), he shall prepare a reorganization plan for the making of the reorganizations as to which he has made findings and which he includes in the plan, and transmit such plan to Congress, together with a declaration that, with respect to each reorganization included in the plan, he has found that such reorganization is necessary to accomplish one or more of the purposes of section 2 (a).

Now, Mr. Loos, the Solicitor, testified that, in his opinion, section 7 of the Reorganization Act, which includes an officer under the term "agency," authorizes the transfer of all of these functions to the Secretary. However, if, for the sake of argument, we conclude that he is technically correct, do you believe it was the spirit and intent of these sections to authorize a transfer of all functions to the Secretary of Agriculture, without any further explanation as to what would happen to them? Is such a transfer a reorganization plan for the making of the reorganizations as to which he has made findings and which he includes in the plan, and does plan No. 2 comply with the spirit and intent of that portion of section 3 which requires that the President make a declaration with respect to each reorganization included in the plan, where he has found that such reorganization is necessary? What reorganizations—note the plural—does he include in this plan? Does not the authority contained in section 3 (1), in dealing with transfers to the jurisdiction of another agency, mean an agency other than the Secretary; particularly in view of the fact that plan No. 2 transfers all of the functions of all of the agencies, officers, and employees to one point, namely, the Secretary of Agriculture?

If the Reorganization Act contemplated any such grant of authority to a nonelected official, why did it place a time limitation upon an elected official, the President? Do you believe a transfer of all of these functions to the Secretary is the kind of reorganization contemplated by the Reorganization Act? Does it not contemplate an outline in the plan of each transfer, and in the cases of the other findings, each consolidation, coordination, or abolition? Has the President made any finding of need for the authority he proposes to grant to the Secretary of Agriculture by plan No. 2? Has he included any form of reorganization?

Now looking at the spirit and intent of the Reorganization Act, let us go to section 4, which uses such expressions as "any reorganization plan transmitted by the President under section 3 shall change the name of any agency, the title of its head, and shall designate the name of any agency resulting from a reorganization and the title of its head," and so forth. Four subparagraphs deal with things the President shall do. The proponents of the plan claim a technical compliance. Assuming that to be true, does that phraseology contemplate any such provisions as shown in plan No. 2?

Under what agency, other than the Secretary, if you call him an agency, is any function placed by this plan?

Dealing further with the spirit and intent of the act, the laugh comes when we go to section 11, which reads as follows:

Each reorganization plan which shall take effect shall be printed in the Statutes at Large in the same volume as the public law, and shall be printed in the Federal Register.

Now, does anyone seriously believe it was the intent and spirit of the Reorganization Act for any such thing as plan No. 2 to be printed in the Statutes at Large? Well, if this plan becomes effective, that is what will happen. And I assume that a layman or a lawyer, searching for the President's reorganization of the Department of Agriculture is expected to look into the Statutes at Large, or the Federal Register, read this plan, understand it, and know what it does and with whom and where functions of the Department reside.

If Mr. J. Earl Coke, the Assistant Secretary of Agriculture, does not know what the plan does, how can any layman or lawyer be expected to know.

I give you an excerpt from an article dated April 23 by Mr. E. W. Keickhefer,

farm editor of the Louisville Courier-Journal, reporting on an interview of J. Earl Coke, Assistant Secretary of Agriculture, by members of the Newspaper Farm Editors Association:

When a report pointed out that the President's advisers, the Secretary's advisory committee, and members of the USDA staff had reviewed the reorganization proposal and asked, "with all due respect, do you mean to say that if the proposal passes Congress nobody here knows what will happen?" Coke replied, "I suspect you are right."

The proponents of this plan contend that it is identical with other plans that have become effective. While I have not had an opportunity to study all of the other reorganization plans which have become effective, I do not concede that they are identical with this one. I am told by Members who have been here for a long time that all of the other plans dealing with major departments have been accompanied by a blueprint or proposal of what was to be done under the plan. Definitely this was true in the case of the Bureau of Internal Revenue, plan No. 1 of 1951, and plan No. 14 of 1950 relating to labor standards and enforcements, which were specific. Should we assume, however, that the authority granted in other plans is identical to the authority herein granted, let us not overlook the fact that this plan deals with an agency next in importance to the Department of Defense—in many ways far more important. The Department of Agriculture interlocks its activities with those of States and counties and special districts and special areas of different types, created on the local and State level, to handle matters pertaining to agriculture. For example, can anyone contend that the functions of the Department of Commerce require the same kind of cooperation between the Federal Government and the States and local communities and people that is required in the Department of Agriculture in the maintenance of experiment station service, in the field of agriculture extension service, where the Federal Government, States, and counties cooperate financially and otherwise; is there anything in the Department of Commerce comparable to the activities in the PMA field where selected State officials serve on a State basis and local officials serve on a county level and even on the community level, officials selected by the farmers themselves? What about the field of REA associations and soil-conservation work and the many other activities of the Department of Agriculture which have a direct relationship with State and local governments and with the citizens themselves? Someone said the Department of Health, Education, and Welfare works down through the State and local levels. That is true in a sense with an entirely different purpose, but because it does, President Eisenhower said in Reorganization Plan No. 1 that none of the present functions should be taken from any officer in the reorganization of that Department. Plan No. 2 does not protect those functions created by Congress.

I submit, Mr. Speaker, that our present Secretary of Agriculture is asking for authority without telling us how he proposes to use it and without convincing us that he needs it to accomplish the purposes set forth in the President's letter accompanying the plan. Does any Member of this House presently know how much authority the Secretary of Agriculture now has? On page 106 of the hearings before our committee, you will find a record of my question and Mr. Benson's answer with respect to his present authority. I asked him if he had ever stated that the Secretary of Agriculture now had too much authority. Here is his answer:

Of course, I don't remember exactly what I have said on every occasion, but I do remember distinctly that I said I was very much surprised to find the great responsibility and authority vested in one office, namely, the Secretary of Agriculture. It's enough to almost stagger any person as he becomes familiar with the authority that has been centered in that office; and certainly were it not necessary in order to carry out the responsibility which is mine I would not be inclined to ask for any more authority.

When Mr. Benson appeared before the special subcommittee of the House to investigate the dairy industry in the United States he said:

The Secretary of Agriculture has a lot of authority now, as you know, Mr. Chairman. I am not seeking for myself more power or authority.

Then the gentleman from Minnesota [Mr. H. CARL ANDERSEN] made this statement:

I notice in a recent statement that you said the Secretary of Agriculture had too much authority.

To which Mr. Benson replied:

I have been very much surprised to find out how much authority is vested in the one office.

The statements are recorded in the hearings of the House committee in March and April 1953 on page 291. And then on pages 864 and 865, part 3 of the hearings wherein Mr. Benson appeared before the House Subcommittee on Appropriations for the Department of Agriculture we find the following:

Mr. ANDERSEN. I, personally, would like to know what your intent is for the future before I would be willing, as a Member of Congress, to vote to give you this authority. I think I am justified in asking of you what your intent is if we do give that authority to you. Also, do you have any specific plans in mind which will consolidate the Soil Conservation Service, the PMA, and the Extension Service?

Secretary BENSON. No. I can say to your last question, Mr. Chairman, that I do not have in mind any plans which will consolidate any agencies at the present time. We have not pursued our studies far enough to reach any conclusions on that. My feeling is that those agencies will continue probably as independent agencies. I feel that the Soil Conservation Service must continue. It is a very important one; the Extension Service is also.

Then on page 863 of the same record of hearings the gentleman from Minnesota [Mr. H. CARL ANDERSEN] asked this question of Mr. Benson:

How will this reorganization simplify and make more effective the operation of the Department?

Secretary Benson replied:

I do not know that I have reached a final conclusion, Mr. Chairman. It is a very big problem, of course.

Most assuredly I do not criticize the Secretary of Agriculture for not knowing how he proposes to use the authority contained in plan No. 2. I do, however, seriously question the wisdom of granting such authority until he knows how he wants to use it. Under the Reorganization Act he has until April 1, 1955, to submit any number of plans for reorganizations within the Department of Agriculture for consideration by Congress. It is interesting to note, nevertheless, that while there seem to be no plans as to how the Department will be reorganized, reorganization started immediately after the present Secretary took office. The Secretary moved into office on January 20 and I believe that around the 22d of January he proposed a reorganization plan under the powers he now has. On page 867, part 3, of the hearings of the House Subcommittee on Agriculture Appropriations on March 26 of this year, Congressman H. CARL ANDERSEN, of Minnesota, was questioning Mr. John H. Davis, President of the Commodity Credit Corporation, and one of those in line to become an Assistant Secretary of Agriculture. Mr. H. CARL ANDERSEN made the following inquiry:

I do not presume you have anything in mind which will take away from the township and county committees elected by the farmers any of their present authority?

Mr. DAVIS. That is right. We have not made any change in that at all.

Mr. ANDERSEN. You say you have made no changes. Have you any change in mind for the future?

Mr. DAVIS. No.

In spite of those statements just a little later the same morning Congressman FRED MARSHALL placed in the RECORD Notice General–101, which had been previously issued to State PMA committees without public announcements. It frankly stated that it will require realinement of duties and responsibilities in the Production and Marketing Administration. This matter is also referred to on pages 48, 49, and 50 of the hearings before the Senate subcommittee on Senate Resolution 100—disapproving Reorganization Plan No. 2 of 1953.

Note that I have said nothing about the plan's provision for additional Presidential appointees. The House Committee on Agriculture has previously found that the two additional Secretaries and the Administrative Assistant are needed. At the same time, it is an unusual thing that practically all of the reorganization proposals, allegedly designed to bring about more economy and greater efficiency, have actually resulted in the addition of employees. In view of campaign oratory during the recent general election, I was amazed when the first piece of legislation of any consequence upon which I was called to vote was to add another Under Secretary of State at a salary of $17,500. In view of the previous study which has been made of the needs for these additional Secretaries, nevertheless, and the recommendation of the appropriate committee, I, for one, would be willing to vote to give to the Department of Agriculture the additional officers requested.

Mr. Speaker, and ladies and gentlemen of the House, many of the leading

farm organizations are going along, so to speak, with this plan but the masses of the farmers of America are greatly concerned about the future. In view of statements which have been made by those in authority they have great reason for fear, and fear is a dangerous thing. They are already concerned about their boys on the battlefield of Korea, and now they have been repeatedly given reason to become concerned about their means of existence. I, frankly, feel that the day is fast approaching when the Secretary of Agriculture should tell the American farmers about the farm plan he has in mind. One of the serious objections to Reorganization Plan No. 4 of 1950 was that our farm policy had not been blueprinted. Do we now have any definite information about our future farm policy?

Mr. Speaker, I hope our present Secretary does an excellent job. If you give him this authority, he may do an excellent job. He may not abuse his authority. But most assuredly he is only one of the many Secretaries of Agriculture we may have in the years to come. If this plan becomes law, the destiny of the American farmer, insofar as his life is affected by functions of Government created by Congress, will be placed in the hands of whatever individual happens to be the head of the Department of Agriculture. Is it reasonable for us, under these circumstances, when the Secretary says he does not know what he will do with the power, to delegate this power and abdicate our responsibility?

All during the last general election there were voices that echoed and reechoed up and down and across our Nation singing battle tunes to recapture for the American people powers concentrated in the hands of a few. Does this plan recapture any authority for the American people? History has recorded the sad story of overcentralization and reluctance or inability on the part of legislative bodies to keep checks on the tremendous authority they grant to governments and to individuals. Our forefathers were wise indeed when they provided for our system of checks and balances. That system has played a great part in preserving for our people the freedom which we have and toward which our ancestors struggled for centuries. We have the power which was once in the hands of kings and dynasties. The experience of other nations should warn us that the freedom we have and the freedom we want to keep—which is security and opportunity, and a more abundant and meaningful way of life for all our people—is not to be preserved by giving up our power and responsibility to men of many promises or by isolating our Nation from the rest of the world. It is childish for us to place any blame for our misfortunes on the ideal of democracy. The trouble lies in ourselves. We have not yet fully accepted the responsibility, which is to be enlightened in our use of power. We are still fighting for the ideals of 1776.

Approximately 177 years ago the Declaration of Independence was enunciated by a struggling band of our forefathers. With a ragged Army of untrained farmers and craftsmen, facing the disciplined troops of the King of England, and the threat of mercenary Hessian soldiers, with only hope and courage in their hearts, the leaders of the American Revolution made one of the boldest declarations in history.

The phrases of that Declaration attracted the sympathy and the hopes of common people throughout the world:

> That all men are created equal, that they are endowed by their Creator with certain inalienable rights, that among these are life, liberty, and the pursuit of happiness. That to secure those rights governments are instituted among men, deriving their just powers from the consent of the governed, that whenever any form of government becomes destructive of those ends, it is the right of the people to alter or abolish it.

That was more than a revolt against a particular tyranny. It was a revolt against despotism itself in whatever form it had expressed itself in the past or might reveal itself in the future. That Declaration embodied the ideal for an endless and worldwide struggle for human freedom. Today, however, democracy stands once again in a great shadow. In the midst of the chaos and complexities of this machine and atomic era, the people of many lands have forfeited the privileges of democracy for the paternalism of dictatorship.

Strong, and oftentimes sincere and honest, men, to begin with, have extended gloved hands filled with promised prosperity to discouraged and fearful people. Unwilling or afraid to decide their own destinies and still more fearful of the chaos of indecision, great peoples have delivered themselves and their children into those gloved hands, "only to discover themselves in the power of the mailed fist of dictators unable to give them bread, and forced to use the sword to compel the masses to be satisfied with stones."

It is fitting for us to pause and consider the suffering of those people who have given up their liberty and freedom and their power through their duly elected representatives, because they were unwilling to pay the price of freedom by accepting the responsibility of power. Many of them have neither security nor the liberty to struggle for it.

To the Congress of the United States, therefore, falls the historic mission of making democracy work by preserving and keeping for the people the powers which they won at such a costly price. I look upon the Congress of the United States as the peoples' principal safeguard of their freedom. Ours ought to be the breathtaking human adventure of actually promoting justice, creating domestic tranquility, providing for the common good, and attaining the general welfare and blessings of liberty.

Millions of Americans are awakening to a realization that for the first time in the history of America our land can be invaded, our cities can be bombed, and our Nation can become a bloody battlefield. Your democracy and my democracy is getting away from you and from me in direct ratio to the decline of Christianity and to the willingness of the people, through their duly elected representatives, to transmit to others their responsibilities. Sad will be the day, if ever it comes, when the Congress of the United States fails to breathe and to live the spirit of the Declaration of Independence and the Constitution of the United States.

Someone has said:

> Our Constitution stands as a rule and as a guide for rulers and people in peace as in war, and covers with the shield of its protection all classes of men at all times and under all circumstances. We in America today hold in our hands the fate of the world and the hope of the coming years. Disgrace and shame will be upon us if the light of freedom, shining so brightly in our eyes, be dimmed and if we trail in the dust the golden hopes of men.

This may sound foreign to the legislation at hand but truly it is not. Too much power in the hands of anyone who is not answerable directly to the people is the open door to chaos and destruction.

As we think upon this and similar legislation which may confront us from time to time, it is both fitting and appropriate for us to breathe and live the words of Abraham Lincoln uttered upon the Gettysburg battlefield on November 19, 1863. They contained not alone the spirit and challenge of that day, but the spirit and challenge of today and tomorrow:

> That this Nation, under God, shall have a new birth of freedom; and that government of the people, by the people, and for the people, shall not perish from the earth.

The approval of this plan may not bring disaster, but it is another step in that direction.

Mr. HOFFMAN of Michigan. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, my colleague, a member of the committee, complains rather bitterly that the committee did not take any action on his resolution. The committee did not take any action except to hold hearings. There are 171 pages of testimony printed and available to every Member of the House. The Secretary, Mr. Benson, Mr. Cooley, Mr. Hope, and others testified and were questioned by my colleague, the gentleman from Massachusetts [Mr. McCORMACK], and by others. The gentleman is a member of the committee, and if he wanted action all he had to do was to make a motion that the committee report out his resolution or take other action. He did neither. I do not criticize. Apparently he did not want any action because he did not make any motion nor did he ask for committee action. If he had, it would have been entertained and of course, acted upon.

Now the gentleman complains that Reorganization Plan No. 2 does not tell us what the Secretary of Agriculture intends to do. That is right. It is not a blueprint of proposed procedure. Like all other reorganization plans that ever came before this House, it proposes to bring about efficiency and economy—those two broad general catchwords. We were never able to learn when our good friends were in authority what any of the reorganization plans sent up would do. We have never been able to learn what they thought they were going to do. It is a little late to come in now, after you have supported the Reorganization Act, which enables this situation to arise, and cry about it. A little

late, a little late. I have always consistently opposed the basic reorganization which makes this situation possible. One reason was that under it the Congress was forced to take a declaration of good intentions rather than an outline which would give it some information as to the manner and means by which we were to get remedial legislation. If I wanted to be critical I would say to my young friend, "Where were you when we passed the Reorganization Act this year? Where were you?" As I recall, every Member of the House who voted on the Reorganization Act, except 3 Republicans and 2 from the other side, voted to adopt it. I opposed it, as I have always opposed it, because primarily it just discharges the Congress from doing its duty and turns our legislative function over to the executive department. I recall when there were 168 Republicans and every one of them who voted on the proposition but one, Bob Rich, of Pennsylvania, our former distinguished colleague, a man we all admire and respect, voted against the Reorganization Act.

On October 4, 1945, when an amendment to fix the effective date of a plan, in the following words, "But only if, between the date of transmittal and the expiration of such 60-day period, there has not been passed by either House a resolution stating in substance that it does not favor the reorganization plan," was before the House, of the 190 Republican Members, 24 were absent; 1, Rich, of Pennsylvania, opposed the amendment. But the others—163 in number—including the Republican leader, Mr. Martin, of Massachusetts; the assistant leader, Mr. Halleck, of Indiana; the party whip, Mr. Arends, of Illinois; and, believe it or not, Sherman Adams, then a Member of the House, later President Eisenhower's preconvention adviser and manager, now his executive assistant in the White House, voted for the amendment.

But when we got a Republican President, after 20 long years of suffering, what did we do? Republicans voted to give the President authority to send up these reorganization plans, and now we are in a mess, as the gentleman so clearly and forcefully pointed out. Up come these plans. No one in the House knows what the executive department intends to do. The Republicans vote for them because they have confidence in the integrity and the ability of the folks downtown.

Before, they voted against them because they did not have full confidence in some of the administrators who were to administer them. For instance, in Oscar Ewing. We did not like Oscar because of his ideas, we did not want any truck with him. We did not want him to have any truck with the writing of the legislation. But, along comes Mrs. Hobby from Texas, and, lo and behold, we took a plan which she was to administer. I voted "present" on that one. I did not want to vote against her. And the plan was endorsed by some who had previously opposed it. I could not vote for her as much as I admire her, nor for the plan. I could not do that, and so I just voted "present," I think for the first time since I came here.

So we have this reorganization bill. Always, heretofore, until we had a President we thought we had confidence in; maybe I should not say that; I will revise it and fix it up somewhat; we always voted against it, and now we vote for it; and these gentlemen over there, who were all in favor of reorganization plans when they had two Presidents before this one, they are all against this type of legislation now, while before they were for it. I do not know why the change, but it is all right with me. I like to accept those things.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Indiana for a helpful suggestion and no criticism of my present position.

Mr. HALLECK. I would like to say at this point that I consider the original reorganization plan, that is, the basic authority——

Mr. HOFFMAN of Michigan. What?

Mr. HALLECK. There were certain things about it that I was not too happy about, but I supported it.

Mr. HOFFMAN of Michigan. Pardon me. Let me make a correction. You were 1 of those 163 who, with the exception of our former colleague, Bob Rich, who voted for reorganization legislation, voted against the reorganization plan. That is the record.

Mr. HALLECK. If the gentleman will permit me, there were certain features, as I said, that I did not like, but in respect to the plans as they came along, there were many of them I did support. I would not want the record to stand to the effect that all of us on the Republican side opposed all of the reorganization plans which were sent up here because that just is not the way it was.

Mr. HOFFMAN of Michigan. That is not what I said. I was not talking about the plans but about the act which permitted them to be sent up. What I am talking about is the basic reorganization act. As long as the issue has been raised, I will print, and I ask unanimous consent to insert it in the RECORD, and I will print the names. No, I will just refer to the RECORD, October 4, 1945, where they are found.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. FERNANDEZ. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield.

Mr. FERNANDEZ. The gentleman said a while ago that all of us on this side now are against it. I think that is covering a little bit too much territory. I know I am not against it.

Mr. HOFFMAN of Michigan. Oh, I have often been accused, and probably have been guilty as I now may be of covering too much territory and perhaps unsuccessfully. If the gentleman says he voted against the act which permits plans to be submitted I stand corrected.

With these disapproving resolutions, do you see where we get?

Up comes a plan. I do not know how many we have now. There are four, I believe, over there on my desk.

Mr. McCORMACK. Five.

Mr. HOFFMAN of Michigan. The distinguished gentleman from Massachusetts who has a minimum of admiration for me, as he said one day, corrects me and says there are five. I thank the gentleman for that compliment.

Mr. McCORMACK. Will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield, but I wonder what you are going to say.

Mr. McCORMACK. I just want the RECORD clear that I said not a minimum of admiration——

Mr. HOFFMAN of Michigan. Yes, a minimum of admiration. I looked it up and it means that is the least possible admiration. On the other hand, I have the greatest possible admiration, a maximum of admiration for the gentleman from Massachusetts.

Mr. McCORMACK. I want the RECORD to show that I said a minimum of high regard.

Mr. HOFFMAN of Michigan. Ho, hum. The purpose was the same.

Under permission to revise my remarks, I will give you just what did happen on the 30th day of March, 1953, when, after the gentleman from Massachusetts [Mr. McCORMACK] had characterized my appointment of a special subcommittee as "a disgraceful abuse of power," he continued:

> Why, if anyone said to me on the floor of the House or outside of this House that the gentleman from Michigan [Mr. HOFFMAN] was disgraceful, I would resent it and I would defend him, and I would defend the gentleman because I have a minimum high regard for him.

When I thanked him for the compliment by stating:

> I just call attention of the House, after words expressing some sort of appreciation of the gentleman from Michigan, the gentleman then said it was a minimum.

He continued:

> Mr. McCORMACK. No, no, I said "minimum high regard" and very few have even that for my friend. I am still one of the few Members of the House that have a liking for him.
>
> Mr. HOFFMAN of Michigan. I thank the gentleman for that compliment. There may be more than you think.
>
> Mr. McCORMACK. I hope there are, because I am a kindhearted fellow. I want to think well and good of all of my fellow men, and I want all of my fellow men to think well of others, and to think there are more than a few that have a minimum high regard for my dear friend.
>
> Mr. HOFFMAN of Michigan. I thank the gentleman. Let me call attention to this, as strange as it may seem to you.
>
> Mr. McCORMACK. Strange as it may seem? You are one of my strange things.
>
> Mr. HOFFMAN of Michigan. And difficult as it may be for you to give credence to it, I never made any statement to the press. I never saw those papers until you waved one of them over in the committee hearing. I have not read one of them—but will do so at my earliest convenience.
>
> Mr. McCORMACK. The fact remains that somebody spoke to the press. I did not. That is a fact. Somebody did the speaking.

The gentleman then on that occasion proceeded to criticize me because he had not received notice of subcommittee meetings. As a matter of fact, there had been no such subcommittee meetings.

And if after that "compliment," wholly undeserved, you could have seen

me the next time I went to buy a hat, after I read his remarks in the RECORD, it was two sizes smaller than the one previously worn. And the old hat? If it had not been for my ears it would have gone clear down over my head. That is the effect the gentleman's "compliment" had on me. Thankful am I that my constituents have not accepted his opinion.

Now, Mr. Speaker, back to the issue here before us. Other plans are coming up. There are 5 or 8 on my desk. In order that the hearings can be held, and to save the time of those in the executive departments, and to save the time of the members of the committee, so that we may hold hearings and get it over with and report back to the House, it is my purpose, if no one else does, in 3 or 4 days, if not today, to introduce a disapproving resolution without even knowing what the plan would do, if it were adopted. That will let the House have a chance to discuss the plan.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield.

Mr. COOLEY. Why is not the gentleman willing to discharge the committee, and give this House an opportunity to discuss the proposed plan. That is what my colleague, the gentleman from North Carolina [Mr. FOUNTAIN] is asking for.

Mr. HOFFMAN of Michigan. Because you have been so slow on it, and the plan will go into effect anyway. You do not have the votes to disapprove it, so what is the use of wasting time.

Mr. COOLEY. The gentleman from North Carolina [Mr. FOUNTAIN] waited until the last day of the 60-day period before he made the motion to discharge the committee, in the hope that the gentleman would call his committee together and take action, and then the House could know and understand and discuss this question.

Mr. HOFFMAN of Michigan. The gentleman did not ask for such action. I did not believe it would bring any different result if we voted his resolution up or down. I think the vote we take today will prove I was right. My colleague who has just made that statement was chairman of the Committee on Agriculture last year, was he not? It was his privilege to introduce a resolution, if you wanted to, and you fooled along with it. You know, do you not, that you do not have the votes to reject the plan, that the motion to discharge will be defeated? Everybody here on the Republican side, with a few exceptions, will vote against the motion to discharge the committee.

Mr. COOLEY. The gentleman knows that the Senate in 1950 rejected an almost similar plan.

Mr. FOUNTAIN. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. ABERNETHY].

Mr. ABERNETHY. Mr. Speaker, I think possibly this procedure is legal, but it is certainly highhanded and very unusual. In the last few years, there have been 18 or 19 reorganization plans brought to this Congress. In not a single instance has the House been denied the privilege of discussing the merits or demerits of the various plans. Why should we be denied that privilege in this instance? It makes us all rather suspicious. Is there something to be concealed? Is there something in this plan that the proponents wish to hide? Why all of this extraordinary effort to cover up? Why should we not have the privilege of discussing this matter?

I do not know whether the gentleman from North Carolina, the author of the disapproving resolution, acted exactly at the appropriate time or not. The chairman of the committee indicates that he did not. But the fact remains that he proceeded and acted within the rules as laid down under the Reorganization Act and he is not to be criticized for it.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. ABERNETHY. I yield.

Mr. HOFFMAN of Michigan. My point was that he might have acted before.

Mr. ABERNETHY. Well then, he did act within the proper time and what he has done is not improper. Therefore, I do not think he should be criticized for what he has done and that is the only interpretation to be placed on the gentleman's remarks.

This plan was sent up on March 25. It was said that the reason for it was to effect efficiency and economy and eliminate overlapping authority in the Department of Agriculture. I do not know of a man or woman in this House who would disapprove of such. But that is rather general reasoning. How will it accomplish these things? I do not know whether that is what the plan will do or not. If it will, I am all for it—strong. Secretary Benson says he does not know what he will do. Then, how do we know that what he may hereafter do would be good. I want to know what his plans are and I am entitled to that information.

I would like to hear those who are for the plan explain in detail what it will do for agriculture and I would like to hear those who disapprove of it give their views as to what it will not do to agriculture.

May I impress upon you that in the last few years, of the 18 or 19 plans which have been submitted to this Congress, in not a single, solitary instance has this committee denied the House the privilege and opportunity of debating, and voting on each plan. Why this unusual highhanded method of forcing this thing down our throats?

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman from North Carolina.

Mr. COOLEY. We are now assured by the gentleman from Michigan, the chairman of the committee [Mr. HOFFMAN] that we will not hereafter be denied the right to discuss all other reorganization plans, because the chairman has said that he would introduce the disagreeing resolution, if it became necessary for him to do so. That, to me, is a very good reason for us to discharge this committee and fix a reasonable time for debate, so that we can discuss this reorganization plan for agriculture.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. That is a very unfair position to take, to throw over onto the chairman of the committee the things that you should do for yourselves. I cannot wet-nurse everybody who wants to oppose any of these plans.

Mr. ABERNETHY. I do not yield further, Mr. Speaker.

I think the gentleman from North Carolina [Mr. FOUNTAIN] has done all he could do as a member of the Government Operations Committee to permit the 435 Members of this House to discuss a plan which affects a very vital agency of this Government. And I wish to compliment him for his effort.

There are approximately 30 million people who live on our farms. The Department of Agriculture is probably closer to more people than any other agency of this Government. And here we have pending a proposal to reorganize that Department, giving unto the Secretary unlimited powers to do with it almost as he will. Yet we are denied even the privilege of discussing the plan, of inquiring who is for it and why. Such is a poor example of democracy in action. No matter how good the plan may be the people will condemn you for putting it into effect in such a manner.

The distinguished chairman of this committee—and he is a very able and entertaining man—justified the language of the plan on the ground that the Democrats had invoked similar plans. Well, look where we Democrats are now. Maybe that is one of the reasons we lost control of this Government. Do you not remember last year when you Republicans were carrying your appeal to the people of this country, criticizing the Democrats for delegating great and unlimited powers to the Chief Executive and to the heads of his departments? Do you not remember how you told the people you were going to see to it that the Congress recaptured its power? Where would you be today if you had told the people last fall you were going to do as the Democrats had done?

The SPEAKER pro tempore. The time of the gentleman from Mississippi has expired.

Mr. FOUNTAIN. I yield the gentleman another one-half minute.

Mr. ABERNETHY. You told the people you were going to see to it that the Congress recaptured its powers and again become the real representatives and voice of the people, and the maker of their laws. You successfully criticized the Democrats for yielding to the executive department and now you find yourselves doing the same thing without even a chirp.

I do not think it is a very good argument to say, "The reason we Republicans are doing it this way is because that is the way you Democrats did it." Remember that you came into power criticizing the way we had heretofore conducted ourselves.

If you are not afraid of this plan, if you are able to defend it, then let us have a full, free, and complete discussion of it.

The SPEAKER pro tempore. The time of the gentleman from Mississippi has again expired.

Mr. HOFFMAN of Michigan. Mr. Speaker, I yield 10 minutes to the gentleman from Kansas [Mr. HOPE], who will discuss the issues.

Mr. HOPE. Mr. Speaker, I shall not take time to discuss the theory of the Reorganization Act or the policies which should or should not be followed in the committee. Rather, I shall devote what little time I have to discussing just what is contemplated in this reorganization proposal.

Let me say, in the first place, that plan No. 2 is nothing new, as far as reorganization plans go. Except for a few safeguards, it is identical with the plans approved by the Congress in the 81st and 82d Congresses for the Treasury Department, the Department of Justice, the Post Office Department, the Interior Department, the Labor Department, and the Department of Commerce.

What the plan does can be stated very briefly: With the exception of certain agencies that are excepted, it transfers to the Secretary all functions not now vested in him of all other officers, agencies, and employees of the Department of Agriculture.

It creates three new positions: Two Assistant Secretaries, and an administrative assistant to the Secretary. I believe everyone will agree that those places are needed. The Department of Agriculture today has but 1 Assistant Secretary, while every other department has from 3 to 10.

Then it authorizes the Secretary to delegate the functions that have been vested in him to any officers, agency, or employee of the Department subject to giving public notice with oportunity for interested parties to be heard.

It authorizes the transfer within the Department of records, property, and personnel as well as unexpended balances of appropriations with the proviso that the funds transferred may be used only for the purposes for which the appropriations were originally made.

The important thing to remember about this plan, and the important thing about all the other plans that I have mentioned, is that it does not permit the Secretary to change functions. He can transfer a function from one agency to another, but he cannot change a function; he cannot abolish a function, and he cannot create a function; only Congress can do those things. The only thing that he can do is to move the functions from one agency in the Department to another in the interest of better and more efficient administration.

As I said a moment ago, this plan is exactly the same plan this Congress has approved for six other Cabinet departments; and, certainly, if it is wrong to give the Secretary of Agriculture this power, then we should take away from these other department heads the power that has been given them to make their departments operate more efficiently and economically.

Let me call your attention to what in practical effect we are giving the Secretary under this reorganization plan: I will begin by listing the agencies which are excepted. They are: first, the corporations, like the Commodity Credit Corporation and the Crop Insurance Corporation. The Commodity Credit Corporation, of course, is one of the most important agencies in the Department, because it deals with the price support programs. The crop insurance program is also important. The plan exempts these corporations. It exempts the advisory board of the Commodity Credit Corporation. It exempts the Farm Credit Administration or any agency, officer, or entity under or subject to the supervision of the Farm Credit Administration.

The following agencies in the Department are not affected by the plan because the Secretary already has control of all of their functions. I want to enumerate them as follows: Agriculture Research Administration, which was set up by Claude Wickard back in 1942 as a reorganization plan within the Department; the Production and Marketing Administration set up by Clinton Anderson in a reorganization of the Department while he was Secretary.

The Commodity Exchange Authority, the Extension Service, the Office of Foreign Agricultural Relations, recently reorganized by the present Secretary; there is the Office of Budget and Finance, the Office of Information, Office of Personnel, Office of Plant and Operations and the Library. None of those agencies can be affected in any way by this plan because the Secretary already has the authority to deal with them and most of them have been changed, modified, and reorganized throughout the years without arousing any more than passing comment and attention.

That leaves only the following agencies which are affected: The Bureau of Agricultural Economics. That Bureau does not determine departmental policy, everybody knows that. There is the Forest Service, a very noncontroversial agency, the Soil Conservation Service, Farmers Home Administration, Rural Electrification Administration and the Office of the Solicitor, which, of course, is a legal, not a policymaking office.

Some Members in discussing this matter in the lobbies and cloakrooms have expressed the fear that the Secretary might effect a reorganization under this plan which would affect price-support programs. Well, the answer to that suggestion is that this plan does not permit the Secretary to deal with functions in any way except to transfer them from one agency to another so there is nothing here which would affect that matter one way or another. In the second place, the Production and Marketing Administration and the Commodity Credit Corporation are the two agencies which deal with price supports. The Secretary already has the power to do anything he sees fit to do with PMA. As to the Commodity Credit Corporation it is excepted from this reorganization plan, hence nothing could be done with its activities even if that were desired.

There are three agencies affected by this plan in which there is great public interest. One is the Soil Conservation Service, another is the Farmers' Home Administration and the other is the Rural Electrification Administration. I know there are Members of Congress who have been sincerely concerned because they thought some substantial changes might be made in those agencies. Of course, the only thing that could be done would be to transfer their functions or to consolidate their functions with those of some other agency in the Department.

I think all of us are entitled to know what the attitude of the present Secretary of Agriculture is toward those agencies and what ideas he might have concerning them. When he was before the Committee on Government Reorganization he was asked a number of questions on these matters to which he replied very sincerely and frankly.

The SPEAKER. The time of the gentleman from Kansas has expired.

Mr. HOFFMAN of Michigan. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. HOPE. Mr. Speaker, the Secretary was asked the question whether he would consolidate the Farmers' Home Administration with the Farm Credit Administration which, of course, he cannot do. He could not do it even if he wanted to, because the Farm Credit Administration is not involved here. It is exempted. In answer to a question by the gentleman from Texas [Mr. POAGE] he said:

Secretary BENSON. Let me mention the Farmers' Home Administration first. The question has been raised several times. It was raised before the Senate committee. Farm Credit Administration and Farmers' Home Administration are two distinct agencies. One of them deals in what we call hard or sound credit and the other in soft or emergency type credit. I am on record before the Senate committee, and I would like to repeat my position here, that I have no intention whatever of dismantling the Farmers' Home Administration. I feel that the Farm Credit Administration and the Farmers' Home Administration operate in different fields and that they are both needed. The Farm Credit Administration is intended to extend solid credit, while the Farmers' Home Administration serves those who are not able to get credit from the usual credit agencies. I would question very much the wisdom of trying to consolidate those two agencies.

I know there are some Members who are concerned about the Soil Conservation Service. There have been rumors at various times that the Soil Conservation Service might be consolidated with the Extension Service or that other action agences might be consolidated with the Extension Service. So I asked the Secretary when he was before the committee this question:

What is your general feeling on the question of whether action agencies, like the Soil Conservation Service, should be consolidated or merged with the educational agencies like the Extension Service?

Here is his reply:

Secretary BENSON. Well, Congressman HOPE, I've always looked upon the Extension Service as being primarily an educational agency, and Soil Conservation and PMA are action agencies. It has always seemed to me that these action agencies and educational agencies have a different function and, therefore, the work ought to be done in separate organizations, separate agencies.

There have been questions raised about the REA. On that point I want to read what the Secretary has said in a letter to me in which he quotes from statements he has made before the House and Senate committees. In that letter

he refers to a question asked him by the gentleman from North Carolina [Mr. FOUNTAIN]:

Do you intend to transfer the REA to the Farmers' Credit Administration?

Secretary Benson said:

No, I have no plans of that sort whatever.

Then the gentleman from North Carolina [Mr. FOUNTAIN] said:

One other question I will ask you. These matters concern a lot of people. Do you intend to change the name of the REA to the RES?

Secretary BENSON. I don't know what the S stands for.

Mr. FOUNTAIN. Rural Electrification Service.

Secretary BENSON. I have never heard of it.

Speaking further of the Rural Electrification Administration, the Secretary quoted from his testimony before the committee as follows:

On the question of the Rural Electrification Administration, I am very much interested in that program, although some people have accused me of being otherwise. My boyhood goes back to the time where we did not have the telephone and the electric light. I will never forget the day we had the electric light in our home. * * * I have been tremendously interested in the Rural Electrification Administration program and seeing it extended in other areas of the country.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. HOPE. I yield.

Mr. HOFFMAN of Michigan. The gentleman has been reading the testimony from the hearings, has he not, before that?

Mr. HOPE. Yes.

Mr. HOFFMAN of Michigan. Sure.

Mr. HOPE. To conclude, I think the purposes and the ideas of Secretary Benson are very well summed up in this letter in which he says, "The entire purpose of the plan is to enable the Department to more effectively, efficiently, and economically carry out the will of Congress as expressed in substantive legislation."

Mr. Speaker, the Secretary of Agriculture ought to have the same right and authority to put his house in order that six other Secretaries in the Government departments already have. He ought to have the opportunity to reorganize the Department of Agriculture so that it can render a better service to the farmers of this country. Why should the agency which deals with agriculture be less efficient and less effective than the agencies that are set up to look after other matters of Government interest and concern. Mr. Speaker, this motion to discharge the committee should be voted down.

The SPEAKER pro tempore. The time of the gentleman from Kansas has expired.

Mr. FOUNTAIN. Mr. Speaker, I yield 2½ minutes to the gentleman from Texas [Mr. POAGE].

Mr. ABERNETHY. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. The speech of the gentleman from Kansas was fine, but it just shows what we have before us. Some of the rest of us would like to have a little time to discuss the demerits of the plan.

Mr. POAGE. The whole purpose of our plea today is that the House should give us time to discuss a program that is of vital importance to the American people and particularly to the farmers. The resolution that you are voting on is not a resolution either approving or rejecting the reorganization plan; the resolution is one to discharge the committee in order that the House of Representatives may debate and pass upon the plan.

It is my hope that we may be able to consider the merits or demerits of this proposal without regard to the personality of the present Secretary of Agriculture, or of any past or future Secretaries. I have every confidence in the personal character and integrity of Secretary Benson. I have had the opportunity to meet him on several occasions. He has impressed me as a man of high ideals and noble purposes. I am sure that he is dedicated to what he conceives to be the welfare of American farmers. I do not wholly agree with him as to the methods, or lack of methods he desires to use. I fear that the fact that lots of people question the effectiveness of his plans has at least contributed to the present widespread lack of confidence in the livestock and commodities markets. I do not believe, and most people do not believe, that you can make farmers prosperous by reducing their income. I do not, however, doubt that the Secretary sincerely believes that he is following a sound course.

Fortunately, it is not necessary for us to agree on the question of price supports, and on the desirable level of farm prices, to resolve the question now before us. Simply stated, that question is, "Do we believe it is desirable to delegate the power of the legislative branch to the Executive, without any clear statement, without even any outline, of the way in which those powers will be used?" I consider such a blind delegation of power to be an unwise policy. I am always fearful of any concentration of power. I have not, however, been unmindful of the fact that as a practical matter it is necessary to give the Executive power to reorganize the activities of the various departments. I have, therefore, as most of you have, voted to give the power to initiate such reorganizations to the President. I voted to give that power to a Democratic President. I voted to give the same power to the present Republican President. But, the legislation we passed clearly provided that any reorganization plan should be submitted to the Congress with an explanation of the reasons for the reorganization. The legislation also provided that the President should give each of the two Houses of Congress a chance to reject any proposed plan.

Three years ago the other House of this Congress rejected a plan for the reorganization of the Department of Agriculture very similar to this proposal. I know that it is possible to split hairs and to allege that this proposal is not absolutely identical with the 1950 proposal, but I challenge any Member to point out any really substantial difference. I hope that the advocates of this plan will be fair and not hide behind some meaningless technicality. In fact, this so-called "plan" does nothing specific except to give the Secretary three additional Assistant Secretaries. I voted to give him these Assistant Secretaries in the past. I stand ready to give them to him now.

Now the gentleman who just preceded me—my esteemed and beloved chairman—pointed out what Mr. Benson, the present Secretary of Agriculture, would not do, and I am sure that he will not do the things that he said he will not do, but he has not said what he is going to do. Now, I ask you as reasonable men and women why should the head of any Department come and ask the Congress for unlimited and unspecified power if he does not have anything in mind in regard to the use of those powers? There has not been one suggestion, and I challenge the gentleman who is going to follow on the Republican side, to name one thing that the Secretary of Agriculture should do, and which he will be able to do under this plan, that he does not have the power to do now?

Oh, you can say that this plan will give him three Assistant Secretaries, and so it will, but that is not a part of the reorganization; that is legislation. I supported that legislation 3 years ago for the then Secretary and I will support it now for the present Secretary.

We have been told some of the things that the present Secretary will not do if given this power. We have no idea what any future Secretary may or may not do. The Congress has been requested to simply delegate unlimited and unspecified powers, not simply to the present Secretary of Agriculture, but to all his successors. Actually, the picture which the administration has painted, or failed to paint, reminds me of the man who was found sitting on a hill overlooking a mental institution, painting with a dry brush on a perfectly blank canvas. He was asked, "What are you painting?" He replied, "This is a picture of the Children of Israel crossing the Red Sea." "Where are the Children of Israel?" he was asked. He replied, "They have passed on before." "Where is the Red Sea?" "It is rolled back," he explained. "Well, where is the Pharoah and his chariots?" "They will be along presently," the artist replied.

I suppose that artist's blank canvas truly and correctly represented exactly the conditions he purported to represent, but it conveyed very little to the onlooker. Possibly Reorganization Plan No. 2 meets the technical requirements of the Reorganization Act, but it is still a blank canvas, and it surely conveys no information to this House. I don't feel that this plan meets the intent of Congress. I think this House should be given a full and frank disclosure of the Secretary's positive as well as of his negative plans before, not after, this remarkable grant of power is effected. Up to this moment, we do not have such a disclosure.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. FOUNTAIN. Mr. Speaker, I yield 2½ minutes to the gentleman from Illinois [Mr. DAWSON].

Mr. DAWSON of Illinois. Mr. Speaker, I am for the plan, but I am for the orderly conduct of the business of the Congress as set out in the Reorganization Act in handling matters of reorganization.

The able chairman of the Committee on Agriculture stated that he would discuss the issues. He did not discuss the issue now before the Congress, because the issue before the Congress now is whether or not we are going to discharge the Committee on Government Operations and have this matter heard on the floor of the Congress. A resolution of disapproval was filed. The law provides that the Committee on Government Operations should hold hearings upon that resolution, and report back to the Congress in 10 days, and if they fail to report back, then any Member of the Congress has the right to call up that matter before this body and so availing himself of that right given to him under the law. Inasmuch as the Committee on Government Operations failed to report back to the House, the Congressman now stands before you, and asks for time for this plan to be considered. The very fact that the able chairman of the Committee on Agriculture stood up here for 20 minutes and defended the plan is an argument why this Congress should hear every Member who is against that plan. I am appealing to the Members of this Congress to give to the Congress that right provided by the Reorganization Act under which this plan was drawn. When I was chairman of the Committee on Government Operations, then called the Committee on Expenditures in the Executive Departments, disapproving resolutions were filed, we held our hearings, and, in each case, reported back to the Congress and gave the Congress an opportunity to hear both sides of the matter when it had been raised under the Reorganization Act. I am appealing to you today to grant the motion of this Congressman to discharge this committee, of which I am a member, and let this matter be heard on the floor of the Congress.

Mr. FOUNTAIN. Mr. Speaker, I yield 1 minute to the gentleman from Connecticut [Mr. DODD].

Mr. DODD. Mr. Speaker, I rise in support of the motion to discharge this resolution from the committee. In the minute that is available to me, I merely want to point out to my friends on the other side of the aisle, as well as to my friends on my side of the aisle, that I have been greatly interested in governmental reorganization. I am for this plan, as my colleague, the gentleman from Illinois, said he is. I do not think it is the best plan that we could have, but it is probably the best plan that we can get.

But all we are asking for here today is to be given an opportunity to discuss this plan on this floor.

I was chairman of the citizens committee which supported the recommendations of the Hoover Commission in my State. I went up and down my State with Republicans and Democrats at my side urging support of those recommendations. One of the questions most frequently asked me was, "Is this not a dangerous delegation of legislative responsibility to the Executive?"

I constantly said to my friends that the Congress would protect the people against that danger, and that the requirements in the parent reorganization law of congressional review and of congressional opportunity to reject were adequate safeguards against the danger.

If the House does what it seems it is about to do, I am afraid today I will have to go back home and say, "No, Congress will not protect the people against this danger." I want to see the Congress get back its legislative and constitutional responsibilities. I think my party went too far in the direction of delegation of these responsibilities. We ought to get back where we rightfully belong as a legislative body.

There has been no real opportunity for the Members of Congress to examine this reorganization plan. Our committee held a brief and entirely inadequate hearing. At no time has our committee ever discussed this plan; at no time has the plan ever been submitted to our committee for approval or disapproval; and unless an opportunity is afforded the membership on the floor today, this House will have permitted this important reorganization plan of one of the largest departments in the Government to go into operation without even the most superficial examination.

This seems to me to be the last step, not only in delegation of legislative responsibility, but in absolute neglect of legislative responsibility. The least that the people of this country can expect from us is that we will take time enough to make an examination of these proposals when they are submitted to us under the law.

The question before us is not approval or disapproval of the Agriculture Department's reorganization plan. The only question that confronts us at this hour is whether or not we will take the time, as we are required to do, to study a reorganization plan when it is submitted to us under the law of the land.

Mr. HOFFMAN of Michigan. Mr. Speaker, I yield myself 1 minute and 30 seconds.

Now this is where we are at. The gentleman from Illinois [Mr. DAWSON] and the gentleman who just left the well, both said they were for this plan. Many others have made like statements. Now what do they want?

If they are for it, they certainly must know what is in it. Neither would be for something he did not know anything about. To argue otherwise would be to suggest incompetency—that none could do. Why then do they want to talk about the plan?

And if they do want to talk about it, why did they not come along with a resolution long before and get it on the floor where if they wished and the House agreed we could have had 10 hours' debate. They had that opportunity. Talk about hearings. Listen, here they are. There are 171 pages of testimony. Mr. COOLEY testified over 18 pages. Mr. HOPE testified; Mr. MCCORMACK, Mr. FOUNTAIN, Mr. DAWSON, and others questioned Secretary Benson. The committee did not consider that there was anything in the plan that would justify further consideration by the House and hence decided to let it become law at the end of the 60-day period.

If we vote against this motion to discharge the committee, the plan will become effective at midnight tonight. As long as gentlemen are for it, why waste the time of the House? Why do you not go along and vote against the motion to discharge the committee? If on any other plan debate is desired it can be had by the introduction of a resolution.

Mr. FOUNTAIN. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia [Mr. WHEELER].

Mr. WHEELER. Mr. Speaker, ever since the submission of this Reorganization Plan No. 2, I have attempted by various means to ascertain just what the Secretary of Agriculture proposes to do under this plan. I have failed to learn. I had hoped under the orderly operation of the Reorganization Act that a proposal would be brought to the floor of this House, and that then I could sit and listen to such informed Members as the distinguished chairman of my Committee on Agriculture, and then perhaps since he would be expected to have the confidence of the Secretary, I might have some hope of learning just what was proposed in the plan. Frankly, I do not know whether I could conscientiously support the plan or not. I am inclined to think I could not, but I could be convinced and go along with your Secretary, if you would give me an opportunity on the floor of this House of listening to your reasons, whatever they may be, for supporting the plan. I want to support this motion to discharge. I listened to my chairman in his remarks, and about all I gathered from that was that we should, by unanimous consent, acquiesce in the adoption of this plan, on the ground that 5 or 6 other plans had been adopted. To me that is not a compelling reason.

The chairman of the Committee on Government Operations gives as his excuse for not following orderly procedure the fact that there are not enough votes in the House to defeat the plan. I would like to know how he knows how many votes there are for or against.

I grant you, Mr. Speaker, that there are probably many things that should be done within the Department of Agriculture in the way of reorganization. In fact, if I had the time, I could suggest some things that should be done on this score. However, before voting to give any appointive official of the Government unlimited authority to reorganize as he sees fit, I should like to be advised, at least in a general way, as to what he proposes to do.

It is true that the Secretary has said that he wants to reorganize in such way as to achieve more efficient and economical operation of the Department, but he does not say, even in a general way, as to how he propose to achieve this end. No Member of this House would be more pleased to know that efficiency and economy had been achieved in the operation of all departments of the Government and I sincerely hope that the Secretary of Agriculture is successful in achieving this worthy goal

when he is given the authority that he is obviously going to be given by this Plan No. 2.

If the plan has all the merit its proponents claim for it, then they should not object to the passage of this discharge resolution which does no more than give the Members of this House the opportunity of being advised as to just how good the plan is. By the same token, those who are opposed to the plan would have the opportunity of presenting their side of the case.

One of the greatest mistakes, in my opinion, that has been made by the Congress during the past 20 years, is that more and more legislative authority has been yielded to the executive department of this Government. This plan No. 2 seems to be another step in the direction of ultimately surrendering all legislative authority to the executive department. If this be true then I would be constrained to oppose the plan. On the other hand, if there are adequate safeguards protecting the legislative prerogatives of Congress, I would like for the proponents of the measure to have the opportunity of assuring the Congress and the American people accordingly in open debate on the floor of this House.

The SPEAKER. The time of the gentleman from Georgia has expired.

Mr. HOFFMAN of Michigan. Mr. Speaker, I yield myself 30 seconds to ask the gentleman a question.

Did you read the hearings, 171 pages of them?

Mr. WHEELER. I did.

Mr. HOFFMAN of Michigan. You have read the hearings?

Mr. WHEELER. Yes, sir.

Mr. HOFFMAN of Michigan. And you still do not know what is in the plan?

Mr. WHEELER. No, sir.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

Mr. FOUNTAIN. Mr. Speaker, I yield 1 minute to the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Speaker, the only plan here is to give not to Mr. Benson specifically but to the Secretary of Agriculture, the right to reorganize, to do just about what he pleases with the Department of Agriculture, with the exception of four agencies. Mr. Benson himself says he has no plan if you do give him this authority. From the actions of some people apparently they think they know what he will do. Let us say for argument's sake that you would approve what he might do with this authority. Mr. Benson might not be there a year. This is a continuing grant of authority. This is permanent legislation that you provide in this grant of power. Some may say they have confidence in the present administration and in the present Secretary, Mr. Benson, doing what is right. What if former Secretary Brannan comes back as Secretary of Agriculture? He had his views. If he did come back as Secretary certainly he would not do what many wanting this grant of authority want done. But if he should come back, this authority would be his. What then? His coming back is not impossible. Some folks even say the President may not be elected as many as four times. You are granting power to the Secretary of Agriculture, whoever he may be, to do almost as he pleases from now on with this department. Instead of you passing laws for the operation of the Department he does. Instead of you repealing laws he does. Also you are doing the act of divesting yourselves of authority and responsibility in this high-handed way of not even bringing the matter on the floor for discussion on its merits. You say you have the votes to put it over anyway. Perhaps you do but perhaps you would not have if we had time to really point out what is involved here. In my judgment it is basic. Is this the legislative branch or is it not? If you do not discharge this committee you will not have any chance to discuss on its merits what is involved here.

I make no attack on Secretary Benson. I opposed this same move when Mr. Brannan was Secretary of Agriculture. At that time Mr. Davis opposed it. Mr. Short opposed it. Now they are for it. Of course now, if this grant becomes law they will be Assistant Secretaries of Agriculture, positions which I guess were not offered them before. Of course I would not say that is their reasoning but this authority if granted will be left for the next Secretary whoever he is. If this Congress is going to do this kind of thing, leave it to the executive department. Why not stay at home and merely send a message to the executive branch of the Federal Government and tell it to go ahead and run the whole business. I favor quite a bit of reorganization in the Department but let us do it by law after proper discussion. To effect changes in agricultural laws through the Congress may be too slow and cumbersome for some people—but is safer in the long run. That is my way. I hope you will pass the motion.

The SPEAKER pro tempore. The time of the gentleman from Mississippi has expired.

Mr. FOUNTAIN. Mr. Speaker, I yield 5 minutes to the gentleman from North Carolina [Mr. COOLEY].

Mr. COOLEY. Mr. Speaker, it is rather unfortunate that Members of the House will not have an opportunity to discuss the proposed reorganization plan for the Department of Agriculture. I regret very much that the Committee on Government Operations has apparently refused to take final action on the resolution introduced by my colleague, the gentleman from North Carolina, Congressman FOUNTAIN. According to my information, no other reorganization plan to which a disapproving resolution has been filed has been permitted to go into effect without adequate time for debate. We are today assured by the distinguished chairman of the committee [Mr. HOFFMAN of Michigan] that hereafter disapproving resolutions will be filed in connection with every other proposed reorganization plan, even if it is necessary for him to file such disapproving resolution. This means that hereafter, as heretofore, adequate time for debate will be provided. If this is the situation which has heretofore existed and which will hereafter obtain, it is strange indeed that the chairman of the Committee on Government Operations should refuse to permit his own committee to work its will and opposes discharging the committee from further consideration, so that Members of the House might work their will on this monstrous plan. This proposed reorganization will be forced upon us without an opportunity to even discuss it here on the floor of the House. The hearings before the committee were not printed until I insisted that the chairman order the printing to be done. Can there be any real reason for the committee to refuse to take action on a matter of this importance? Refusing to discharge this committee and to permit adequate time for debate is, to say the least, inappropriate and unbecoming. This is obviously nothing but a grab for power. If you permit this reorganization plan to go into operation, you will be surrendering your legislative functions to the Secretary of Agriculture. You will turn over to Mr. Benson lock, stock, and barrel the entire Department of Agriculture and the future welfare of our farmers.

The Congress has arranged the Department of Agriculture as the Congress thought it should be arranged. Now we are about to give to the Secretary the right to rearrange the Department according to his own wishes and plans. I want to make one thing perfectly clear and that is that I am definitely and unalterably opposed to this grab for power and I am not willing to surrender to the Secretary of Agriculture my legislative functions. My distinguished colleague the chairman of the Committee on Agriculture, the gentleman from Kansas [Mr. HOPE], made an effort to justify this insidious proposal and he tried laboriously to discover merit in the proposition now before us. He pointed out that the Secretary had told us that he would not do certain things, but never on one occasion has the Secretary told us one thing he intends to do.

Here is the plan in 16 words:

> There are hereby transferred to the Secretary of Agriculture all functions not now vested in him.

That is the plan: All the functions of all the agencies of all the employees of all the people in Agriculture are placed in him, and then he shall do with it just as he pleases.

Mr. WILLIAMS of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Mississippi.

Mr. WILLIAMS of Mississippi. I am one of many who, at the moment, is not completely sure how he is going to vote on this plan when it comes up on its merits. I am not a member of the Committee on Agriculture or Government Operations Committee, and I have not had a chance as an individual Member of Congress to take a good look at the plan—other than what is written into it, and what was in the President's message accompanying it. I think it is my duty as a Member of Congress to be as fully informed as possible on any measures that come before us in this Congress. Certainly it is the duty of

Congress to take a look at this measure; not to blindly pass judgment on it. I think that the attempt to railroad this legislation through the House without giving the House an opportunity to look at it is shameful.

Mr. COOLEY. I agree with the gentleman's observations.

Mr. HOLIFIELD. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. HOLIFIELD. I want to say that I certainly think the committee should be discharged. This is a matter of great importance. It should be discussed by the House, and I hope that the Members will give these Members who feel so strongly about this subject the right to discuss it in full before the House.

Mr. COOLEY. I thank the gentleman.

Now, back to the proposition before us. Will you stifle the debate or will you permit a full and frank discussion? Is the administration afraid to face the facts in forthright fashion? Does the administration actually have a plan? If so, is there any Member of this House who knows what it is? If the administration would comply with the clear provisions of the Reorganization Act and submit a real plan for our consideration, we might be ready and willing to approve it, but why should we take a leap into the dark unknown and blindly surrender our functions to the Secretary of Agriculture who frankly admits he does not know why he wants the power or what he will do with it if it is conferred upon him? It will be difficult for you to explain to your constituents why you gave away and surrendered your legislative authority and responsibility. Yes, Mr. Benson will take over at midnight and functions will start flying from one to another when the sun comes out of the east tomorrow. Oh, how happy Mr. Benson will be when he realizes in the morning that he is the lord and master of all he surveys. You Republicans came here on a promise to decentralize this great bureaucratic Government. You told the people that you would recapture and reclaim the powers and the authority which the Democrats had taken away from the people and you promised to transfer those powers back to the people, but what are you doing now? You are utterly disregarding your campaign pledges. You are centralizing power rather than decentralizing. You are placing all the power under the Department of Agriculture in the hands of one man to wield and to use it or to abuse it as he pleases. We do not have the votes to stop you but there will be another day.

While I do not know what intentions the great Secretary of Agriculture has, because he has flatly refused to tell us what he intends to do, I am very much afraid that he will wield the hatchet in ruthless fashion. He will in all probability fire people by the dozens without regard to the efficient manner in which they have served the public, and when he has made room enough for the faithful—and I mean by that not those who have been faithful to the Government but those who have been faithful to the Republican Party, he will then retransfer the functions to those who will be paid off with patronage. What becomes of civil service? It becomes a mockery, a sham, and a delusion. This administration seems to have one objective in mind—to cut expenditures without regard to national defense, domestic security, or ultimate consequences—to reduce personnel without regard to faithful service to the end that the faithful few might be rewarded.

Mr. HOFFMAN of Michigan. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Speaker, I have listened carefully to this debate. It has been very interesting to me as I have considerable agriculture in my district.

Our distinguished friend, the gentleman from North Carolina, has said this reorganization plan is an attempt to "grab for power." Well, you know this is pretty hard to take after the last administration was in power for 20 years—a bureaucratic administration with an insatiable appetite for power, reaching out for more and more power, over the years, over the lives and destines of the American people; ramming down our throats, year after year, anything and everything they wanted.

I think they are greatly concerned because there may be some changes, and certainly the Department of Agriculture needs some changes.

I am quite sure Secretary Benson will not come up with the program that former Secretary Wallace had during his administration when they converted the young hogs into fertilizer to distribute the fertilizer to the farmer to increase the yield and production, and plow it under. Or with the plan of the previous Secretary of Agriculture, Mr. Brannan, who conceived the Brannan plan, high prices for the producer and low prices for the consumer but nobody ever mentioned who was going to pay the bill.

The present Secretary of Agriculture, Mr. Benson, is talking about efficiency and economy, eliminating duplication and overlapping, and I have every confidence in him. Secretary Benson is the finest type of man we have in public life; a man of recognized ability, character, and integrity. I feel certain he will turn in a great performance if he is given a chance to reorganize the Department of Agriculture.

Certainly in 6 months you cannot correct the mistakes of the past 20 years.

We certainly ought to be reasonable and give him an opportunity to reorganize and do the kind of a job I know he can do if he is given this opportunity. He is a firm believer in the American way of life. He is interested in those things that mean the welfare of all of our people.

He certainly can do no worse than what we have had for the past 20 years, with an accumulation of an estimated $3 billion worth of foodstuffs and farm products piled up in storage and warehouses to deteriorate and rot.

Certainly there is need for some reorganization and some new thinking and changes to get away from these great losses and devastating programs that have cost the American taxpayers millions of dollars.

This motion should be overwhelmingly defeated to indicate to Secretary Benson our confidence and faith in him to do a real job in the Department of Agriculture. Let us get back to free enterprise and the American way of life.

The SPEAKER. The gentleman from North Carolina has 30 seconds remaining.

Mr. FOUNTAIN. Mr. Speaker, I wish to ask the distinguished chairman of the Committee on Government Operations, the gentleman from Michigan, a question.

Mr. HOFFMAN of Michigan. I am honored; what is it?

Mr. FOUNTAIN. Do I understand the gentleman to say in view of the fact that the record of the hearings has been printed, the members of the committee decided it was not necessary to take any other action on this resolution?

Mr. HOFFMAN of Michigan. That is what I understood the sentiment of the Republican Members to be.

Mr. FOUNTAIN. Oh, the Republican Members?

Mr. HOFFMAN of Michigan. Sure.

Mr. FOUNTAIN. You have caucused with them?

Mr. HOFFMAN of Michigan. How is that?

Mr. FOUNTAIN. You have caucused with them and found that out?

Mr. HOFFMAN of Michigan. I talked with them and with some of the minority Members of the House and it was my opinion then as it is now that 218 votes against the plan could not be found. If an individual Member opposed the plan as a matter of either expediency or principle he was privileged under the Reorganization Act to demand action. I have no objection because the gentleman did not call up his resolution immediately upon the expiration of the 10-day period. That was for him to decide. All I am doing now is to ask for the defeat of his motion to discharge the committee because, if the motion should prevail, all we will get or gain if it be a gain is just more talk. Why waste time?

The SPEAKER. The gentleman from Michigan has 3 minutes remaining.

Mr. FOUNTAIN. May I repeat my question?

Mr. HOFFMAN of Michigan. No, no; I am almost overcome by the way in which our colleagues on that side of the aisle are supporting the Eisenhower administration they talked so much about the first 2 weeks of this session. That is about all they did talk about. For days we listened to their assertions that they not the Republicans were the President's supporters.

Is today an example of the way they support the President when he sends down a plan; knifing it? Is that the way you gentlemen get behind the President? If this procedure today is a sample of your support, Ike better keep his back to the wall.

You have had 59 days, 59 less the 10 the committee had in which to consider it, to bring this matter up, but you sat on your hands and did nothing. Now you come in and cry because the Reorganization Act—the overall act which every one of you, with one exception who is making this fight, supported—is being used and the result does not suit you. You have had more than one plan come up and go into effect without any adverse

action or without the approval of the committee. That has happened before, and yet here you are yelling about not having an opportunity to debate when all you had to do was act when the plan came down or ask for a vote in the committee. I do not know why you complain now when you know you do not have the votes to defeat the plan and when most of you favor it.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. No, I cannot yield; my time is too limited.

Then you use as an argument my statement that I said that hereafter I would offer disapproving resolutions. This is not the first disagreeable job I have had to do, not only for Members on your side but sometimes for some on this side, because you did not have the guts to do it yourself. Now you come along and complain. But I will do it. I am glad to help you out. I think you need the help.

This plan becomes effective if the committee is not discharged. The thing to do is to vote this motion down. Show your support of Eisenhower by something other than hot air by voting against the motion to discharge the committee.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Indiana.

Mr. HALLECK. Mr. Speaker, I think it is fairly well understood among a lot of us that there is no violent objection to this plan. At least I did not hear any voiced to me. On the contrary, it seemed to me as if pretty much everybody thought the plan should go into effect. As the chairman of the Committee on Government Operations has pointed out, action could have been had in the committee. Therefore, I trust this motion to discharge will be voted down. It is very, very obvious, it seems to me, that you could not possibly muster the constitutional majority to defeat this plan. In view of that circumstance, and the fact this is a substantial plan, I do not know of any reason why anyone should feel constrained to vote for the motion to discharge the committee. I cannot see that anything will be accomplished by voting for the motion, therefore I hope the motion will be defeated so that we can go on with the other business of the House of Representatives.

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks at this point in the RECORD in reference to the pending matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. GATHINGS. Mr. Speaker, to approve Reorganization Plan No. 2, which was recently submitted to Congress, would place in the hands of the Secretary of Agriculture sweeping powers to reorganize and consolidate the agencies in that Department and would mean a complete abdication of congressional prerogatives as to the basic policies of government in the agriculture field. This reorganization is a permanent delegation of power to any person who may hold the position of Secretary of Agriculture. He may shift any agency or any of its functions from one departmental branch to another without submitting such reorganization proposal to the elected representatives of the people for approval. Under this plan, which is now before both Houses of Congress for approval or rejection, an appointive officer is given a blank check.

In 1950, Reorganization Plan No. 4, a forerunner of the present Reorganization Plan No. 2, was submitted to and rejected by Congress. There is little difference between these two plans. Under Reorganization Plan No. 2 of 1953, the Secretary of Agriculture would hold hearings before placing into effect major changes in the Department. Partisanship has no place in a decision on this issue. The 1950 plan was not rejected because the Democrats were in power; neither will political considerations be resorted to at this time in approving or rejecting plan No. 2 now that the Republicans are in power and Ezra Taft Benson is the appointed head of the Department.

The Hoover Commission made a careful and intensive study of all phases of the work falling within the scope of the Department of Agriculture. When the Hoover Commission filed its report, it made definite recommendations as to the administrative reorganization of the Department. It recommended that the various agencies of the Department be placed under eight subdivisions. The Hoover plan would have placed in these eight categories the following: Staff Services; Research Services; Extension Services; Agricultural Resources Conservation Services; Commodity Adjustment Services; Regulatory Services; Agricultural Credit Services; and Rural Electrification Services.

The 1953 plan transfers all functions "not now vested in him" except those of hearing examiners, corporations, of the Department, the boards of directors and officers of such corporations, the Advisory Board of the Commodity Credit Corporation, and the Farm Credit Administration.

The question is being asked, What functions, if any, will the present Secretary of Agriculture wish to transfer or consolidate? Where will the ax fall? What phase of these functions will be exempt from consolidation at this time, or in the future? Which will be limelighted? Which will be pushed into the background? A plausible approach to this problem would be for Secretary Benson to prepare a departmental reorganization plan in specific terms and ask the President of the United States to submit it to the Congress. Should plan No. 2 be adopted and one or more segments of American agriculture be aggrieved at the action of the Secretary in exercising such unlimited authority, the only recourse would be to enact new legislation. This course would probably require a two-thirds vote of both Houses of Congress, since the President would probably veto such legislation and acquiesce in the action of his appointed official.

Members of both Houses of Congress cannot shirk their responsibilities. Should adversity ensue, the American farmer would look to his elected representatives to rectify the wrong, and not to an appointed official of the executive branch of the Government. For many years agriculture laws have been enacted which have been of inestimable worth to the Nation's farmers. The many programs set up under these laws were designed to eliminate the pitfalls which resulted in the bringing on of the great farm depression of the early thirties. Agriculture is our basic business, and when it prospers the whole economy is a healthy one.

Any specific plan or reorganization of the Department of Agriculture which would result in more efficiency and economy and in the elimination of duplication would have my hearty support. I cannot lend my support to a proposal which would give unbridled authority to the Secretary of Agriculture as is contained in Reorganization Plan No. 2.

Mr. EDMONDSON. Mr. Speaker, I am voting for the Fountain resolution to discharge the Committee on Government Operations in order to make possible proper debate and consideration by the House of the administration's Reorganization Plan No. 2.

Frankly speaking, I am doubtful that I favor the broad authority provided for the Secretary of Agriculture, in view of his reluctance in committee hearings to give details of his plans for reorganization. The opposition of leading Democrats of the House Agriculture Committee to this blanket grant of authority is a persuasive factor in my thinking.

On the other hand, I have been urged by several farm groups in our State to support the reorganization proposal as advanced, and I have no reason to question the sincerity or good intentions of these groups.

I believe the matter is of sufficient importance to our Nation to justify full debate and careful consideration on the floor of this House, as contemplated by the basic Reorganization Act, for which I voted. I believe every Member would benefit from this detailed and careful consideration, and believe we owe it to the farmers of the country.

For this primary reason I am voting for the Fountain resolution, and hope it will be adopted, thereby making possible a full hearing on the merits of this important measure.

Mr. BOLAND. Mr. Speaker, I am in favor of Reorganization Plan No. 2 submitted by President Eisenhower, providing for reorganizations in the Department of Agriculture. I am convinced just as is the President that reductions in expenditures will result from reorganizations within this Department. I voted, in the early days of this Congress, to extend the Reorganization Act of 1949 so that President Eisenhower would have the same powers under the act that were enjoyed by his predecessor. Several weeks ago I supported and voted for the plan to reorganize the Federal Security Agency into the Department of Health, Education, and Welfare—a Presidential recommendation.

However, Mr. Speaker, I believe that the Members of the House should have an opportunity to listen to the merits and demerits of the plan. Thus, I intend to vote to discharge the Committee

on Government Operations to make possible full floor debate on this matter. If that motion prevails, I will vote for President Eisenhower's recommended plan for the reorganization of the Department of Agriculture.

Mr. HUNTER. Mr. Speaker, this belated action is not what it is purported to be, namely, a move to obtain more time for debate on the merits of President Eisenhower's plan to reorganize the Department of Agriculture. That sounds good, but it just is not so. On the contrary, all that is sought and intended by this action is to discredit the Eisenhower administration and Secretary of Agriculture, Mr. Ezra Benson, in the eyes of the American farmer. It is a political propaganda move, pure and simple. If there was any genuine desire to provide an opportunity for the Members of this body to hear and participate in a discussion of the plan itself, action would not have been deferred until the very last day before the plan takes effect.

Personally, I am in favor of the plan. It will permit the Secretary of Agriculture to organize his Department so as to make it function in the best interests of United States agriculture and in the best manner to carry out the laws enacted by the Congress.

I have been very much impressed with the opinion expressed on this matter by the Honorable CLINTON P. ANDERSON, a former Secretary of Agriculture and at the present time a United States Senator from the State of New Mexico. Mr. ANDERSON is an honest and able public servant who has had experience in both the executive and legislative branches of our Federal Government. Mr. ANDERSON, being a Democrat, perhaps those on the other side of the aisle who oppose this reorganization plan, will take more heed in what he has to say than what is said on this side. He has expressed himself in favor of the plan. In his testimony before the Senate Committee on Government Operations on May 18, 1953, he had this to say:

> The need for the sort of authority provided in Reorganization Plan No. 2 of 1953—authority to simplify, clarify, and adjust the internal organization of the Department of Agriculture to meet changing needs—has been recognized for a long time by different individuals and groups.
>
> Former Secretaries of Agriculture have recognized this need. Leading farm organizations have recognized it. Members of Congress have recognized it. Students of efficient government—like the Hoover Commission on Organization of the Executive Branch of the Government—have recognized it, and have recommended the basic authorities now proposed.
>
> There have been differences of opinion as to methods. There have been fears, sometimes justified, that adequate safeguards were not provided in certain past proposals. But there has been little difference of opinion as to the need to provide adequate flexibility in the authority granted the Secretary of Agriculture to make it possible for him to do a commonsense job of administration. This means the authority to regroup and adjust units and services to meet the currently most urgent problems, as well as the activities directed at long-range objectives.
>
> I want to draw on my personal experience to point out the flexible authority neded by a Secretary of Agriculture. The very fact that the Department covers such a broad scope of service and activities emphasizes this need. Conditions can change very fast. Today's task goes into tomorrow's pigeonhole. National and even international emergencies can and do develop overnight.

I have studied this proposed reorganization plan and see nothing in it which would allow the Secretary of Agriculture to change the laws or to make appropriations—only Congress can do that.

Generally speaking, the plan gives the Secretary of Agriculture authority over the different agencies listed as part of the Department of Agriculture, which he has at the present time over the Office of Foreign Agricultural Service, the Production and Marketing Administration, the Commodity Exchange Authority, and the Agricultural Research Administration.

The argument has been advanced that this plan is similar to a plan which was rejected 3 years ago by the Congress. Although I was not here at that time, my review of the debate on the plan reflects that the opposition thereto was based primarily on the general objection to the centralization of government in Washington.

In this connection, it is important to note that the present plan differs from that defeated 3 years ago in that it directs the Secretary to place the administration of farm programs close to the State and local levels and to adapt the administration of the program of the Department to regional, State, and local conditions.

This provision satisfies, therefore, the principal objection to the plan as it was previously proposed.

The SPEAKER. The question is on the motion to discharge the Committee from further consideration of the resolution.

The question was taken; and on a division (demanded by Mr. FOUNTAIN) there were—ayes 96, noes 156.

Mr. JUDD. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 128, nays 261, not voting 41, as follows:

[Roll No. 49]

YEAS—128

Abernethy	Dodd	Lane
Albert	Dollinger	Lanham
Alexander	Donohue	Lantaff
Andrews	Donovan	Long
Bailey	Dorn, S. C.	McCormack
Barrett	Dowdy	McMillan
Battle	Doyle	Machrowicz
Bennett, Fla.	Durham	Madden
Bentsen	Eberharter	Magnuson
Boland	Edmondson	Mahon
Bolling	Feighan	Matthews
Bonner	Fine	Metcalf
Boykin	Forand	Miller, Calif.
Brooks, Tex.	Forrester	Mollohan
Brown, Ga.	Fountain	Morgan
Buchanan	Gathings	Moulder
Buckley	Gentry	Multer
Burleson	Gordon	Murray
Byrd	Granahan	Norrell
Byrne, Pa.	Green	O'Brien, Ill.
Camp	Gregory	O'Brien, Mich.
Cannon	Gross	O'Hara, Ill.
Carlyle	Haley	Passman
Carnahan	Hays, Ark.	Patman
Celler	Holifield	Pfost
Chelf	Holtzman	Pilcher
Chudoff	Ikard	Poage
Colmer	Jones, Ala.	Powell
Condon	Jones, N. C.	Preston
Cooley	Kelly, N. Y.	Priest
Crosser	Keogh	Rabaut
Davis, Ga.	Kilday	Rains
Dawson, Ill.	Kirwan	Rayburn
Deane	Klein	Rhodes, Pa.
Delaney	Kluczynski	Riley
Dingell	Landrum	Roberts
Rogers, Fla.	Steed	Wickersham
Rogers, Tex.	Teague	Williams, Miss.
Rooney	Thompson, La.	Willis
Roosevelt	Thornberry	Wilson, Tex.
Shelley	Trimble	Winstead
Smith, Miss.	Wheeler	Yorty
Spence	Whitten	

NAYS—261

Abbitt	Frazier	Nelson
Adair	Frelinghuysen	Nicholson
Addonizio	Friedel	Norblad
Allen, Calif.	Fulton	O'Brien, N. Y.
Allen, Ill.	Gamble	O'Hara, Minn.
Andersen, H. Carl	Garmatz	O'Konski
	Gary	Osmers
Andresen, August H.	Gavin	Ostertag
	George	Patten
Angell	Golden	Patterson
Arends	Goodwin	Pelly
Aspinall	Graham	Philbin
Auchincloss	Gubser	Phillips
Ayres	Gwinn	Pillion
Baker	Hagen, Calif.	Poff
Bates	Hale	Polk
Beamer	Halleck	Poulson
Becker	Hand	Price
Belcher	Harden	Prouty
Bender	Hardy	Radwan
Bennett, Mich.	Harris	Ray
Bentley	Harrison, Nebr.	Reams
Berry	Harrison, Va.	Reece, Tenn.
Betts	Harrison, Wyo.	Reed, N. Y.
Bishop	Hart	Rees, Kans.
Blatnik	Harvey	Rhodes, Ariz.
Boggs	Hays, Ohio	Richlman
Bolton, Frances P.	Hébert	Rivers
	Heselton	Robeson, Va.
Bolton, Oliver P.	Hess	Robsion, Ky.
	Hiestand	Rodino
Bonin	Hill	Rogers, Mass.
Bosch	Hillelson	Sadlak
Bow	Hillings	St. George
Bramblett	Hinshaw	Saylor
Bray	Hoeven	Schenck
Brown, Ohio	Hoffman, Ill.	Scherer
Brownson	Hoffman, Mich.	Scott
Broyhill	Holmes	Scrivner
Budge	Holt	Scudder
Burdick	Hope	Secrest
Busbey	Horan	Seely-Brown
Byrnes, Wis.	Hosmer	Selden
Campbell	Howell	Shafer
Canfield	Hruska	Sheehan
Carrigg	Hunter	Sheppard
Case	Hyde	Sieminski
Cederberg	James	Simpson, Ill.
Chatham	Javits	Simpson, Pa.
Chenoweth	Jenkins	Smith, Kans.
Chiperfield	Jensen	Smith, Va.
Church	Johnson	Smith, Wis.
Clardy	Jonas, Ill.	Springer
Clevenger	Jonas, N. C.	Staggers
Cole, Mo.	Judd	Stauffer
Cole, N. Y.	Karsten, Mo.	Stringfellow
Coon	Kean	Sutton
Cooper	Kearney	Taber
Corbett	Kearns	Talle
Cotton	Keating	Taylor
Coudert	Kersten, Wis.	Thomas
Cretella	Kilburn	Thompson, Mich.
Crumpacker	King, Calif.	
Cunningham	King, Pa.	Thompson, Tex.
Curtis, Mass.	Knox	Tollefson
Curtis, Mo.	Krueger	Tuck
Curtis, Nebr.	Laird	Utt
Dague	Latham	Van Pelt
Davis, Tenn.	LeCompte	Van Zandt
Davis, Wis.	McCarthy	Velde
Dawson, Utah	McCulloch	Vorys
Dempsey	McDonough	Vursell
Derounian	McGregor	Wainwright
Devereux	McIntire	Wampler
D'Ewart	McVey	Warburton
Dies	Mack, Ill.	Watts
Dolliver	Mack, Wash.	Weichel
Dondero	Mailliard	Westland
Dorn, N. Y.	Marshall	Wharton
Elliott	Mason	Widnall
Ellsworth	Merrill	Wier
Engle	Merrow	Wigglesworth
Evins	Miller, Md.	Williams, N. Y.
Fallon	Miller, Nebr.	Wilson, Calif.
Fenton	Mills	Wolcott
Fernandez	Morano	Wolverton
Fino	Moss	Young
Fisher	Mumma	Younger
Ford	Neal	

NOT VOTING—41

Barden	Herlong	Lovre
Brooks, La.	Jackson	Lucas
Bush	Jarman	Lyle
Fogarty	Jones, Mo.	McConnell
Grant	Kee	Martin, Iowa
Hagen, Minn.	Kelley, Pa.	Meader
Heller	Lesinski	Miller, Kans.

Miller, N. Y.	Richards	Vinson
Morrison	Rogers, Colo.	Walter
Oakman	Short	Wilson, Ind.
O'Neill	Shuford	Withrow
Perkins	Sikes	Yates
Reed, Ill.	Small	Zablocki
Regan	Sullivan	

So the motion to discharge was rejected.

The Clerk announced the following pairs:

On this vote:

Mrs. Kee for, with Mr. Bush against.
Mrs. Sullivan for, with Mr. Jackson against.
Mr. Grant for, with Mr. McConnell against.
Mr. Vinson for, with Mr. Martin of Iowa against.
Mr. Yates for, with Mr. Miller of New York against.
Mr. Heller for, with Mr. Wilson of Indiana against.
Mr. Kelley of Pennsylvania for, with Mr. Small against.
Mr. Fogarty for, with Mr. Short against.
Mr. Lesinski for, with Mr. Reed of Illinois against.
Mr. Jarman for, with Mr. Zablocki against.
Mr. Walter for, with Mr. Rogers of Colorado against.

Until further notice:

Mr. Hagen of Minnesota with Mr. Morrison.
Mr. Oakman with Mr. Perkins.
Mr. Meader with Mr. Herlong.
Mr. Lovre with Mr. Sikes.
Mr. Withrow with Mr. O'Neil.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

COMMITTEE ON FOREIGN AFFAIRS

Mr. VORYS. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may have until midnight tonight to file a report on House Joint Resolution 234.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

COMMITTEE ON GOVERNMENT OPERATIONS

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, I have been advised that the Rules Committee is waiting for a report from the Committee on Government Operations. If the members of that committee will get over to the committee room, perhaps we can do some business tomorrow.

AMENDMENT TO PUBLIC HEALTH SERVICE ACT CONCERNING OFFICERS AND EMPLOYEES OF THE FORMER LIGHTHOUSE SERVICE

Mr. NICHOLSON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 249 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 1026) to amend the Public Health Service Act to provide medical, surgical, and dental treatment and hospitalization for certain officers and employees of the former Lighthouse Service. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the amendment recommended by the Committee on Interstate and Foreign Commerce now in the bill. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill, and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. NICHOLSON. Mr. Speaker, I yield one-half of my time to the gentleman from Texas [Mr. RAYBURN].

Mr. Speaker, this rule makes in order the consideration of the bill (H. R. 1026) to amend the Public Health Service Act to provide medical, surgical, and dental treatment and hospitalization for certain officers and employees of the former Lighthouse Service. This involves a rather small matter and in the opinion of the Committee on Rules the bill should have been placed on the Consent Calendar.

This will not cost the Government very much money to maintain what few lighthouse people there are on the rolls.

I have no further requests for time and reserve the balance of my time.

Mr. RAYBURN. Mr. Speaker, ordinarily at this stage of the session I would want to use at least 30 minutes to tell of the accomplishments of the Republican administration but it would take me such a short time to go through with all of those accomplishments and so long to tell of what has not been done that I am so discouraged I shall take no more time, but maybe some of these days this administration will spread its wings and get off the ground and let us know where it is going and how.

I now yield 10 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, I notice that this bill is designed to provide for the hospital treatment of certain persons who are enumerated therein. So far as I am concerned, I favor the bill, although there are many who would view this bill with hesitancy, particularly those who talk about socialized medicine. I do not think this bill involves the matter of socialized medicine at all.

This legislation is meritorious; it is a step in the right direction; only a limited section of the country will benefit from the operation of the bill; and, above all, it does not in any way enter into the field of so-called socialized medicine. While I am speaking on that subject, which was the main purpose of my rising to make some remarks, I believe it is about time that the American Medical Association and the Republican Party discontinue trying to deceive the American people about the recommendations of former President Truman constituting socialized medicine.

If ever there was a deception practiced upon the people of the United States, it is that charge. If ever there was a political falsehood transmitted to the people of the United States, it is the charge that any recommendation made by former President Truman in relation to hospitalization constituted socialized medicine. Everybody with commonsense knows that the Republican Party used it purely for political reasons, and it was a source of keen regret to me that the American Medical Association, splendid association that it is, lent itself to furthering that charge, which was purely political in nature.

President Truman made certain recommendations. The gentleman from Michigan [Mr. DINGELL] introduced a bill carrying out the recommendations, but at all times President Truman said that he was not committed to the particular type of a bill that was introduced; that he felt there was something in the field that should be done; that if anyone had any other plan and the Congress passed it, that it would be acceptable to him. The recommendation he made was a deserving one because it was made during the campaign; the same promise made by the Republican candidate for President. I recognize that there are some who might oppose certain provisions of the bill introduced by the gentleman from Michigan [Mr. DINGELL], and he recognizes that fact himself. But he introduced that bill in order to concentrate attention upon this important question and for constructive criticism and counterproposal to be made.

On a number of occasions President Truman and Oscar Ewing publicly stated that they welcomed constructive criticism of the bill, they welcomed constructive suggestions, and President Truman said that he would accept any constructive proposal passed by the Congress. So, the facts are that there was no justification at any time of the charge that President Truman and the Democratic Party stood for so-called socialized medicine.

We now see, within the past few days, where the American Medical Association recognizes the fact that something must be done. The new Secretary of the new department, Mrs. Hobby, only within a few days said there was a challenge to the medical profession. I am sure she recognizes that there are 6 million families in America today that have a total family income of $1,000 a year or less; that there are 6,500,000 families in America that have a family income today of less than $2,200, and between $1,000 and $2,200; that there are about 6,500,000 families in America today that have a total family income of between $2,200 and $3,500; in other words, about 19 million American families, representing 90 million of our people, the majority of our people, about 50 percent of the American families, but constituting

over 50 percent of the American people, have a total family income of less than $3,500. When the loved ones of any one of those families get sick, they want them to recover. They want them to have good medical treatment. They love the members of their family just as much as those of us who have a dollar in our pockets love the members of our family. They love the members of their family just as much as the person who is fortunate enough to possess a million dollars loves the members of his family. They are their loved ones, and they are the ones who make up their family life. The amazing thing in America today, powerful Nation that we are, is that there are still 19 million families, not individuals, but families, the little unit of government which is the very foundation of the Government and upon which depends whether the Nation is strong or weak—if there is a strong family life, the Nation is strong, if there is a weak family life, the Nation is weak; but as I was saying, there are 19 million families in America today, 1953, that have a total family income of $3,500 a year or less. When their loved ones get sick, they are concerned about them. It is difficult for them to pay $15 a day or more in a hospital, and I am not blaming the hospital. The hospital has its problems. It is difficult for them to pay $50 for X-rays, and I am not blaming those who charge it. It is difficult for them to pay 2 weeks in advance if a loved one has to go into a hospital, and I am not, as I have said, blaming the hospitals. But what I am saying shows there is a problem in this field which concerns the people of America very much, and that the cry of socialized medicine is just a political bogey. It is about time we forgot that. It is about time that the thinking men and women of America concentrated on this question of 90 million Americans constituting 19 million American families with a total family income which does not enable them to give their loved ones the kind of hospital treatment and care and consideration that they would like to see them get. We can do something to help to see that they get what they need in the American way. So the cry, as I said, of socialized medicine was purely political. Let us forget about that. Let us realize the conditions and the situation that existed in relation to the 19 million American families. Let us try to do something in the American way to help them when their loved ones get sick. So far as this bill is concerned, slight as it is, I am in favor of it. There is no such thing as socialized medicine involved in this bill. It is a step in the right direction, and I hope the House will pass it unanimously.

Mr. NICHOLSON. Mr. Speaker, I yield myself such time as I may require. I thank the gentleman from Massachusetts for explaining this bill so thoroughly, and for the consideration that he and the gentleman from Texas have given me. They have been very kind to me in the short time I have been here, and I appreciate it very much. I do want to say a few words about this. It takes care of a segment of society that we are trying to do something for, and it will not hurt anybody else. I hope everybody will vote for this rule so that the bill can come before us and be thoroughly discussed by Members who know more about it perhaps than you and I, Mr. Speaker.

Mr. RAYBURN. Mr. Speaker, I yield to the gentleman from Alabama [Mr. BOYKIN] such time as he may require.

Mr. BOYKIN. Mr. Speaker, one of the finest men in this Chamber with whom I have had the pleasure of serving is my good friend the gentleman from South Carolina, the Honorable JOHN L. MCMILLAN.

I have known JOHN MCMILLAN long before he was a Member of this body, while he was serving as the very able secretary to the late Honorable Allard H. Gasque, of South Carolina.

The complete vindication by the courts of our good friend of any wrongdoing or any intent to do wrong was fully justified and expected by all of us who knew of JOHN MCMILLAN'S integrity and his honesty. It is a tragic fact that when any man in public life is accused of any wrongdoing, the charges appear in screaming headlines in our newspapers, while his exoneration and complete vindication of the charges usually rate a dispatch that is nearly buried in other news reports in that portion of the paper that the average reader seldom sees.

The Honorable T. Blake Kennedy, district judge of the United States District Court for the State of Wyoming, has again confirmed the fairness and justice of our courts. Too often prosecution becomes persecution. Congratulations to my good friend, JOHN MCMILLAN. I know he has come through this ordeal a bigger man than ever.

JOHN MCMILLAN is a great man, an outstanding statesman, and one of the great Americans of this Congress and this Nation.

Mr. NICHOLSON. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. HALE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 1026) to amend the Public Health Service Act to provide medical, surgical, and dental treatment and hospitalization for certain officers and employees of the former Lighthouse Service.

The SPEAKER. The question is on the motion offered by the gentleman from Maine [Mr. HALE].

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 1026) to amend the Public Health Service Act to provide medical, surgical, and dental treatment, and hospitalization for certain officers and employees of the former Lighthouse Service, with Mr. LECOMPTE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Maine [Mr. HALE] is entitled to 30 minutes and the gentleman from Tennessee [Mr. PRIEST] is entitled to 30 minutes.

Mr. HALE. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this bill makes a very simple amendment to the Public Health Service Act, as the Members will see if they will glance at pages 5 and 6 of the report.

Under the present law the Coast Guard, the Coast and Geodetic Survey, and the United States Public Health Service are entitled to medical service and hospitalization in United States Public Health Service hospitals.

As a matter of fact, under other statutes, drug addicts are also entitled to similar treatment; although I never quite understood the philosophy of that legislation.

But the necessity for this legislation, H. R. 1026, which I introduced, arises from the history of Lighthouse Service, which had its origins in the earliest days of the Republic, without going into too much historical facts let me say simply that the Service was run by civilian personnel from 1910 to 1939.

In 1939, the Lighthouse Service, under a reorganization act passed that year, was taken over by the Coast Guard, and since that time the Coast Guard has performed the duties of the old Lighthouse Service, furnishing keepers for the various lighthouses on the coast, of which, as I believe the Members all know, there are a great many, servicing aids to navigation and so on.

Under the existing law, section 710 of the act of July 1, 1944, lightkeepers, assistant lightkeepers, and officers and crews of vessels of the former Lighthouse Service, including any such persons who subsequent to June 30, 1939, have involuntarily been assigned to other civilian duty in the Coast Guard, who were entitled to medical relief at hospitals and other stations of the Service prior to July 1, 1944, and who are now on active duty or who have been or may hereafter be retired under the provisions of section 6 of the act of June 20, 1918, are entitled to medical, surgical, and dental treatment and hospitalization at hospitals and other stations of the Public Health Service.

This bill extends this coverage so that such treatment and hospitalization would be provided for those officers and employees of the former Lighthouse Service who are now or may hereafter serve on active duty or are now or may hereafter be retired under the provisions of the 1918 act, without restriction as to their former entitlement to medical benefits.

The bill would also extend certain medical, dental, and hospitalization benefits to the dependents and widows of all officers or employees serving or retired under the Lighthouse Service laws.

It is believed, in fact it is certain, that the number of persons who would be affected by this legislation is very small. As of January 31, last, there were approximately 776 living members of the former Lighthouse Service retired under the Lighthouse Service Act of 1918. There are also approximately 300 living widows of former Lighthouse Service employees. Approximately 500 of the

former Lighthouse Service employees are working for the United States Coast Guard in the maintenance of lighthouses and aids to navigation. These 500 are all that remain of some 5,000 members of the Lighthouse Service at the time of its abolition on July 1, 1939.

The retirees of the Lighthouse Service receive pensions of $129 a month and on that pension they cannot afford hospitalization for themselves and their families. The Public Health Service has 23 marine hospitals, 18 outpatient clinics, and 86 outpatient offices.

The Public Health Service advises that no additional appropriation will be required to enable them to take on the very modest burdens which would be imposed under this bill.

At the present time if a man kept a lighthouse sometime prior to the year 1939, he has no right to hospitalization or medical treatment, but if he kept a lighthouse after 1939, and down to the present time, he has such right. That is the anomaly that this present bill seeks to correct. I think it is a piece of simple justice to an extraordinarily faithful, capable service of the United States Government; a body of men who have incurred, in the prosecution of their work, risks and hardships of no mean order.

I hope that the bill will receive the unanimous support of the Members of the Committee and of the House.

I yield back the balance of my time, Mr. Chairman.

Mr. PRIEST. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I believe the distinguished gentleman from Maine [Mr. HALE] has very adequately covered the provisions of this bill, and I doubt if it is necessary to add further discussion.

The bill came before the Committee on Interstate and Foreign Commerce and after hearings it was reported unanimously. There was no opposition on the part of the committee to the bill.

This is a simple bill, one that I think does simple justice to perhaps a thousand people in the United States. As I understand, there are perhaps 776 former employees of the Lighthouse Service who were living as of last January, and possibly 300 widows.

I want merely to point out that widows and dependents of these former Lighthouse employees may be eligible for treatment in the Public Health Service hospitals at per diem rates prescribed by the President. I think maybe there might be a little misunderstanding in that connection. That is not a free service to these dependents, but is at a per diem rate prescribed by the President of the United States for patients who are dependents and are treated in these hospitals.

Because of the limited number and frankly because of the age of those who are now eligible for treatment in these hospitals, I think we may reasonably assume that it is a service that will not cost any appreciable sum.

I believe, Mr. Chairman, that the bill has been adequately explained. I hope it will be approved.

Mr. HALE. Mr. Chairman, I yield such time as he may desire to the distinguished chairman of our committee, the gentleman from New Jersey [Mr. WOLVERTON].

Mr. WOLVERTON. Mr. Chairman, the need for this legislation has been recognized for some time. In fact, the author, Mr. ROBERT HALE, introduced legislation seeking to afford relief to former employees of the Lighthouse Service and their dependents during previous sessions of the Congress.

This bill seeks to aid approximately 800 living members of the former Lighthouse Service who are now retired under the Lighthouse Service Act of 1918. These members have a very small pension. It amounts to $129 a month. On that pension it is impossible for them to buy the necessary medical services needed by their families. It must be recognized that the average age of those who formerly belonged to the Lighthouse Service is getting rather high. In fact, there are only 500 remaining of the 5,000 members originally transferred to the Coast Guard on July 1, 1939, who are still actively employed.

The policy of the Treasury Department is to discontinue employment of personnel under the regulations of the former Lighthouse Service so that within a short time there will be no employees so covered. This legislation will apply to the 500 employees presently employed by the United States Coast Guard, the 776 former Lighthouse Service personnel who are retired under the Lighthouse Service Act of 1918, the 300 widows of former Lighthouse Service employees, and a few individuals not heretofore covered. The Coast Guard, the Coast and Geodetic Survey employees and certain Public Health personnel are now eligible for benefits roughly comparable to those that will be made available to personnel of the former Lighthouse Service.

It seems equitable that legislation of this kind be enacted so that this rapidly diminishing group of Government employees can be provided with the minimum of health services during their few remaining years.

The cost of this legislation is so nominal that when inquiries were made of the Public Health Service as to their estimate of the added burden that would be placed upon their hospital facilities, the statement was made that the burden would be so small that additional funds would not be required and that they would not request funds for this purpose.

I realize that this legislation has not been endorsed by the Treasury Department and I can understand the reason for their reluctance to approve additional benefits for a group of their employees who are working alongside regular civil-service personnel. However, the transfer of the former Lighthouse personnel to the Coast Guard, a division of the Treasury, should not work to lessen benefits which this personnel would have enjoyed had the Lighthouse Service remained an independent agency and benefits which are now enjoyed by the Coast Guard, the Coast and Geodetic Survey, and Public Health Service personnel.

Mr. PRIEST. Mr. Chairman, I yield 3 minutes to the gentleman from Arkansas [Mr. HARRIS].

Mr. HARRIS. Mr. Chairman, this is a very simple piece of legislation; there is really no issue involved here at all. There was some discussion on the floor a moment ago in the consideration of the rule about the possibility of socialized medicine being involved in this legislation. As the distinguished gentleman from Massachusetts [Mr. MCCORMACK] said, there is no socialized medicine involved in this legislation at all. There have been several Members who inquired about it throughout the discussion, but I concur with the others that the issue is not involved here.

As has been stated, Mr. Chairman, this is a matter that involves simply the extending of medical and hospital service to the former Lighthouse Service employees. The fact remains that a good many of these former employees, as I understand, are now working for the Coast Guard in the Lighthouse Service. Those presently employed under the more recent provisions of the service do have the medical and hospital privileges extended to them by the Public Health Service. I ask the gentleman from Maine if that is not right.

Mr. HALE. I think the gentleman is entirely correct.

Mr. HARRIS. And there are a few of the former members of the old Lighthouse Service under the originally established policy of the country who do not have this service extended to them at this time. Is that true?

Mr. HALE. I think the gentleman is quite correct.

Mr. HARRIS. This merely extends to these former employees the same rights and benefits that present employees receive.

Mr. HALE. That is correct.

The CHAIRMAN. If there are no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the section heading of section 326 of the Public Health Service Act is amended by inserting "former Lighthouse Service," immediately after "Coast and Geodetic Survey,".

SEC. 2. Section 326 (a) of the Public Health Service Act, as amended, is hereby amended by renumbering paragraphs (2) and (3) as "(3)" and "(4)," respectively, and by inserting the following new paragraph immediately after paragraph (1):

"(2) officers and employees of the former Lighthouse Service, including any such persons who subsequent to June 30, 1939, have involuntarily been assigned to other civilian duty in the Coast Guard and who are now or hereafter on active duty or who have been or may hereafter be retired under the provisions of section 6 of the act of June 20, 1918, as amended (33 U. S. C., sec. 763);".

SEC. 3. Section 710 (b) of the act entitled "An act to consolidate and revise the laws relating to the Public Health Service, and for other purposes," approved July 1, 1944, as amended, is hereby repealed.

With the following committee amendments:

Page 2, after line 8, insert the following:

"SEC. 3. Section 326 (b) of the Public Health Service Act, as amended, is amended to read as follows:

"'(b) Subject to regulations of the President, the dependent members of families (as defined in such regulations) of persons specified in subsection (a), other than temporary members of the United States Coast Guard Reserve, and widows (as defined in

such regulations) of deceased persons specified in paragraph (2) of subsection (a), shall be furnished medical advice and outpatient treatment by the Service at its hospitals and relief stations, and they shall also be furnished hospitalization at hospitals of the Service, if suitable accommodations are available, at a per diem cost equal to the uniform rate prescribed from time to time by the President for the hospitalization of dependents of naval and Marine Corps personnel at any naval hospital, pursuant to section 2 of the act of May 10, 1943 (57 Stat. 80)'."

Page 3, line 1, change "3" to "4."

The committee amendments were agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. LECOMPTE, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 1026) to amend the Public Health Service Act to provide medical, surgical, and dental treatment and hospitalization for certain officers and employees of the former Lighthouse Service, pursuant to House Resolution 249, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to amend the Public Health Service Act, with respect to the provisions of certain medical and dental treatment and hospitalization for certain officers and employees of the former Lighthouse Service and for dependents and widows of officers and employees of such Service."

A motion to reconsider was laid on the table.

FLAMMABLE FABRICS ACT

Mr. NICHOLSON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 250 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5069) to prohibit the introduction or movement in interstate commerce of articles of wearing apparel and fabrics which are so highly flammable as to be dangerous when worn by individuals, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. NICHOLSON. Mr. Speaker, I yield 30 minutes to the gentleman from Arkansas [Mr. HARRIS], and yield myself such time as I may desire.

Mr. Speaker, this bill makes in order the consideration of H. R. 5069, a bill which will stop the sending of inflammable goods in interstate commerce. The situation has been quite serious in the last few years. It developed that the States could not take care of the matter so it became certain that the Federal Government should look into it. We have a bill before us now which will be properly discussed, I know. So far as the majority is concerned, we have no requests for time, Mr. Speaker.

Mr. HARRIS. Mr. Speaker, I do not have any requests for time on the rule on this side. As far as I know, there is no objection to the rule.

This is a very important bill. It is one that I think the Members of the House are very much interested in and therefore I think the rule should be adopted in order that we can take it up.

Mr. NICHOLSON. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. WOLVERTON. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5069) to prohibit the introduction or movement in interstate commerce of articles of wearing apparel and fabrics which are so highly flammable as to be dangerous when worn by individuals, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 5069, with Mr. SADLAK in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. WOLVERTON. Mr. Chairman, I yield myself such time as I may require.

PURPOSE OF LEGISLATION

Mr. Chairman, this bill, H. R. 5069, now being considered is, in my opinion, one of the most important bills which has been brought before us during this session of the Congress. Its purpose is to protect the public from the dangers surrounding the use in wearing apparel of highly flammable textiles of the types which have caused either bodily injury or death to numerous individuals. The bill is limited in scope to wearing apparel and fabrics which are intended for sale for use in wearing apparel. It will outlaw, for example, the introduction, movement, or sale in interstate commerce of highly flammable children's cowboy playsuits and the so-called torch sweaters or jackets which have caused serious injuries and death to a number of innocent and unsuspecting individuals in recent years.

Legislation seeking to effect this purpose has been before the Congress for several years. At the last session a bill was passed by the Senate and came to the House. It was reported favorably by the House, but in the closing days of the session there was apparently not sufficient time; at least, the opportunity was not given for its passage. This legislation, as I said, has been before the Congress for some considerable time. There have been some individuals above others who have been particularly outstanding in their efforts to procure legislation of this kind. I think it may appropriately be said that our colleague, the gentleman from California [Mr. JOHNSON], was the pioneer of this type of legislation. In the 79th Congress he introduced two bills to eliminate dangerously flammable fabrics from interstate commerce. His second bill was very similar to the one we are considering today. It provided that the Bureau of Standards establish a simple test of flammability to which fabrics must adhere if they were to be shipped in interstate commerce. He has had similar bils in every Congress since. We are pleased to have his support of the bill being considered today, because it is based on so much study and experience with the problem that this bill will solve.

In addition to him the gentleman from New Jersey [Mr. CANFIELD] has likewise been an individual who through a period of years has shown extreme interest in this type of legislation. He has brought to the attention of the committee time and again bills that would effectuate the fundamental purpose of this legislation. At all times he has been helpful and cooperative with our committee in its endeavor to bring before this House satisfactory legislation on this subject. His interest has likewise covered a period of years. His contribution to the subject has been worth while and extremely helpful. We consequently, as a committee, feel greatly indebted to him for his endeavors in behalf of this legislation. There are also other individuals to whom I could properly refer as having made a real contribution to the work of the committee in its consideration of this legislation. Among those I have in mind in this connection is the gentleman from Mississippi [Mr. WILLIAMS], a member of the Committee on Interstate and Foreign Commerce, who at all times has been extremely helpful.

SUPPORT FOR LEGISLATION

Mr. Chairman, this bill has the unanimous approval of the entire Committee on Interstate and Foreign Commerce. It was introduced by me, chairman of the committee, at the direction of the committee, as a "clean" bill as a result of the committee hearings and after executive consideration of all the bills pending before the committee.

Every witness who testified before the committee during its hearings on this legislation urged prompt and effective Federal legislation to protect the public from the dangers of highly flammable wearing apparel and fabrics used in wearing apparel, and supported, in principle, the bills pending before the committee dealing with this subject. Moreover, the committee was urgently requested to take prompt action on this legislation. It was pointed out that if

this legislation is not enacted, a variety of State and local regulations lacking in uniformity might very well ensue. It seems obvious that uniformity of regulation in this matter is necessary.

Testimony in support of legislation on this subject was received from the Federal Trade Commission, the National Cotton Council of America, the National Retail Dry Goods Association, the Tufted Textile Manufacturers Association, the society of the plastics industry, the rayon and acetate fiber producers, and others.

Favorable reports on this legislation were received from the Federal Trade Commission, the Department of Commerce, the Department of Agriculture, and the Board of Commissioners for the District of Columbia.

NEED FOR THE LEGISLATION

Actual experiences in the past show that the risks and possibilities of bodily harm suffered by consumers in the use of highly flammable wearing apparel are severe and most dangerous. Still fresh in our minds is the great wave of burnings and even deaths which children have suffered when wearing highly flammable cowboy playsuits. More recently, there have been a number of cases involving the so-called explosive sweaters which were sold to the public by itinerant vendors. Many incidents, were cited, during our hearings and in the committee's report on this legislation, of tragedies which occurred as a result of the use of highly flammable wearing apparel.

Your committee is advised by the Federal Trade Commission that the authority conferred by existing statutes is not adequate to forestall the introduction of these products into the channels of trade. The Commission can only proceed after the material has gotten into the market. The Commission further advises that the right of applying a temporary restraining order or injunction, or of preventive inspections, is presently not available to it.

Legislation is needed to make it possible effectively to forestall the introduction into the market of these highly flammable products. After the dangerous articles leave the factory and get into one or more of the many channels of trade, it becomes impossible to track them down in time to prevent persons from being badly burned and even suffering death, as in the case of the playsuits which were worn by children when they took fire and resulted in the death of many of them. Legislation in which the corrective power is of a preventive nature is required to be effective in reaching the evil, as well as power to enjoin and stop continued distribution of the dangerous articles.

HISTORY OF LEGISLATION

The first bill to prohibit the interstate movement of highly flammable fabrics was introduced in the House by the gentleman from California [Mr. JOHNSON] on March 6, 1945. It was H. R. 2496 of the 79th Congress. The stated purpose of this bill was to prohibit the use of the mails or instrumentalities of interstate commerce for the sale or delivery of any article of wearing apparel, cloth, drapery or other fabric material made from or containing any "hazardous, explosive or other substance in sufficient quantity as to make such fabric or material more highly inflammable than cotton cloth in its natural state." On February 11, 1946, Mr. JOHNSON introduced another bill, H. R. 5445, which declared the transportation of any inflammable textile fabric in interstate commerce to be unlawful. The term "inflammable textile fabric" was defined in the bill as "any textile fabric of combustible fibers which have a nap or pile and which flash or burn in horizontal position with the nap or pile on the upper face at greater average rate than 1 inch per second, the size and condition of samples and methods of testing to be in accordance with the procedure prescribed in National Bureau of Standards Letter Circular No. 818 on Flameproofing of Textiles."

In the 80th Congress, three bills were introduced in the House to prohibit the introduction or movement in interstate commerce of certain highly flammable textile fabrics. These bills were H. R. 505, by Mr. Canfield, of New Jersey; H. R. 601, by Mr. Johnson, of California; and H. R. 1111, by Mr. Arnold, of Missouri. Your committee held extensive hearings on these bills in March of 1947. The committee recognized the need for enacting legislation on flammable fabrics. However, no bill was reported to the House chiefly because no adequate method of testing the flammability of such textiles was available at that time. Indeed, such a test method was finally approved and promulgated by the Secretary of Commerce only 5 months ago.

In the 81st Congress, Mr. JOHNSON, of California, introduced H. R. 4149, relating to this subject. No action was taken by the committee on this bill.

In the 82d Congress, 7 bills on this subject were introduced in the House, namely, H. R. 6076 and H. R. 7256, by Mr. Canfield, of New Jersey; H. R. 6077 and H. R. 7257, by Mr. Johnson, of California; H. R. 6099 and H. R. 7258, by Mr. Seely-Brown, of Connecticut; and H. R. 6290 by Mr. Edwin Arthur Hall, of New York. No hearings were held on these bills by the committee.

On March 26, 1952, Senator JOHNSON, of Colorado, introduced in the Senate S. 2918. The Senate Committee on Interstate and Foreign Commerce held public hearings on this legislation in May 1952, during which certain amendments were suggested. On June 16, 1952, Senator JOHNSON introduced an amendment in the nature of a substitute to the original S. 2918. This amended bill was circulated to the industry, the Federal Trade Commission, and the Department of Commerce. On June 27, 1952, the Senate committee reported favorably S. 2918 with an amendment, incorporating in the reported bill the amendments suggested by the industry and the executive departments. On July 3, 1952, S. 2918, as reported by the Senate Commerce Committee was amended on the floor of the Senate and passed unanimously.

Your committee reported favorably to the House S. 2918 on July 4, 1952. However, the House took no action on that bill prior to the adjournment of the Congress on July 7, 1952.

In the present Congress, five similar bills were introduced in the House, namely, H. R. 389, by Mr. CANFIELD, of New Jersey; H. R. 2768, by Mr. WOLVERTON of New Jersey; H. R. 3851, by Mr. CANFIELD, of New Jersey; H. R. 4159, by Mr. JOHNSON, of California; and H. R. 4500, by Mr. WILLIAMS, of Mississippi.

STANDARDS OF FLAMMABILITY

The major problem in formulating legislation to control the use of dangerously flammable textiles is to discriminate between the conventional fabrics that present moderate and generally recognized hazards and the special types of fabrics which present unusual hazards and are highly dangerous.

The rate of burning of a garment or other textile product depends upon the kind of fiber, the finishing materials present, the structure of the yarn and fabric, and such circumstances as the relative humidity. In general, wool textiles ignite and burn with difficulty while cotton and rayon ignite and burn more readily. The major hazards arise from certain cotton or rayon fabrics having fuzzy or furlike surfaces which flash and burn with exceeding rapidity. Most synthetic textiles melt when heated and the molten material is capable of producing serious burns on coming in contact with the skin.

Section 4 of the reported bill prescribes the standards of flammability. Commercial Standard 191–93, promulgated by the Secretary of Commerce effective January 30, 1953, prescribes the standard flammability of clothing textiles and Commercial Standard 192–53, promulgated by the Secretary of Commerce effective May 22, 1953, prescribes the standard of flammability for vinyl plastic film.

Commercial Standard 191–53 is a voluntary standard developed through the combined effort of a number of scientific and technical groups and represents the combined opinion of an industry committee speaking for the cotton and rayon producers, and fabric manufacturers, finishers, converters, wholesalers, retailers, and consumers coordinated by the American Association of Textile Chemists and Colorists and the National Retail Dry Goods Association. The National Bureau of Standards participated in this work by active service on technical committees, by the conduct of a wide variety of investigational and testing work, and by aiding in the reconciliation of different points of view.

This standard is the culmination of almost 8 years of continuous experimentation with different test methods and procedures and collaboration among all segments of the textile industry. As finally established, this standard was accepted by cotton and rayon manufacturing and converting groups representing at least 65 percent of the volume of business of this industry. There was no active valid opposition to this standard.

The flammability test provided in the Commercial Standard 191–53 makes use of strips of fabric 2 by 6 inches in dimensions. The test consists of measuring the burning time in seconds when the test

piece is mounted in a specially designed apparatus and a flame is applied in a prescribed manner. Fabrics with a flame spread of more than 7 seconds are classed as having normal flammability. Those with a flame spread of less than 4 seconds are classed as rapid and intense burning, while those burning in 4 to 7 seconds are rated as having intermediate flammability. This bill is directed to those fabrics which are classed as rapid and intense burning fabrics.

Commercial Standard 191–53 states that this standard shall not apply to hats, gloves, and footwear. Notwithstanding this specific exception made in the Standard, this act would provide that this standard shall be applicable to the hats, gloves, and footwear defined in section 2 (d) of this act. Commercial Standard 192–53 makes no exception to hats, gloves, and footwear.

Commercial Standard 192–53 is the industry-approved standard with respect to vinyl plastic film. Such film is used in the manufacture of various articles of wearing apparel such as raincoats, capes, hoods, pants, and aprons. The flammability test, as prescribed in paragraph 3.11 of this standard, provides that the rate of burning of this film shall not exceed 1.2 inches per second as judged by the average of five determinations lengthwise and five determinations transverse to the direction of processing, when tested in accordance with the methods prescribed in that standard.

Section 4 provides further that if at any time the Secretary of Commerce finds that the commercial standards referred to above are inadequate for the protection of the public interest, he shall submit to the Congress a report setting forth his findings, together with such proposals for legislation as he deems appropriate.

The committee intends that the Secretary of Commerce shall make continuous studies of the suitability and effectiveness of these and related test methods in providing adequate protection to the public from the hazards of flammability.

COMPARISON OF BILLS INTRODUCED IN 83D CONGRESS

As previously stated, in the present Congress, 5 bills, namely H. R. 389, H. R. 2768, H. R. 3851, H. R. 4159, and H. R. 4500, were introduced to prohibit the introduction or movement in interstate commerce of highly flammable articles of wearing apparel and fabrics. As a result of our hearings and after executive consideration of all these bills, I introduced, at the direction of the committee, H. R. 5069, the reported bill.

All six bills are identical in scope; they all seeks to control commerce in highly flammable fabrics.

H. R. 389, by the gentleman from New Jersey [Mr. CANFIELD], is identical to the bill which passed the Senate last year, namely, S. 2918, 82d Congress. The bill which I introduced, H. R. 2768, is practically identical to S. 2918, the only difference being that the Senate approved bill provided for an exemption to exporters who shipped from the United States to any foreign country wearing apparel or fabric made in accordance with the specifications of the purchaser, while my bill makes no such exemption. H. R. 3851, H. R. 4159, and H. R. 4500 are identical bills. They were referred to during our hearings as the revised bills.

I should like to compare the provisions of my bill, H. R. 2768, with the revised bills and the reported bill, H. R. 5069. Sections 1, 2, 3, 5, 6, 7, 9, and 10 of all 6 bills are substantially identical. These sections are explained in the committee report on H. R. 5069 and I shall, therefore, not discuss these sections here. There are, however, substantial differences in the provisions of sections 4, 8, 11, and 12 of these bills. The essential differences in these sections are as follows:

1. STANDARDS OF FLAMMABILITY (SECTION 4)

All six bills provide in section 4 that commercial standard 191–53, promulgated by the Secretary of Commerce, effective January 30, 1953, shall be the test standard for determining the lawful or unlawful character of the flammability of clothing textiles under this act. However, my bill, H. R. 2768, authorizes and directs the Secretary of Commerce to establish test methods, procedures, and standards for determining the rapid and intense burning of wearing apparel and fabrics and to promulgate them. It also provides that the Secretary of Commerce shall not establish any test method, procedure, or standard for determining the rapid and intense burning of wearing apparel and fabrics unless, in his opinion, such test method, procedure, and standard are adequate for the protection of the public interest.

The revised bills, H. R. 3851, H. R. 4159, and H. R. 4500, also authorize the Secretary of Commerce, when in his opinion the protection of the public so requires, to modify or supplement the test methods, procedures, and standards provided in this act by adopting any revision of or amendment to Commercial Standard 191–53, or any new applicable standard. However, the revised bills provide that any modification or supplementation of such test methods, procedures, and standards must be developed under the same procedures which were in effect and used in connection with the establishment of Commercial Standard 191–53. In effect, this means that the Secretary of Commerce may not modify or supplement such test method, procedure, and standard, even though he finds that the protection of the public interest requires it, unless he obtains written acceptances to the modifying or supplementing provisions from the industries concerned, representing at lease 65 percent of the volume of business and with no active, valid opposition being registered. Such are the requirements, under presently existing procedures, for the establishment of commercial standards. Under the revised bills, therefore, the criterion of what is necessary for the proper protection of the public interest is limited and controlled by what the industry will consent to.

In a report to this committee on these bills, the Assistant Secretary of Commerce, Mr. Sheaffer, stated, in part:

> The assent of a large segment of the affected industry is required before standards are placed in effect or modified under presently existing procedures. Where adherence to commercial standards is purely voluntary, this procedure is satisfactory. The required assent to modifications of the standards of flammability by a substantial number of the persons to be regulated by the proposed law raises a question of the constitutionality of the delegation of authority to establish modifications in the standard. The applicable law is not clear. In any event, the policy involved appears subject to question.

Mr. Henry Miller, Assistant General Counsel of the Federal Trade Commission, and Mr. Kenneth F. McClure, Assistant General Counsel for Domestic Affairs in the Department of Commerce elaborated on the constitutionality of this delegation of authority in a memorandum of law which they presented to the committee during our hearings on these bills.

H. R. 5069, the reported bill, adopts the standards of flammability prescribed in the commercial standards promulgated by the Secretary of Commerce, identified as Flammability of Clothing Textiles, Commercial Standard 191–53 and General Purpose Vinyl Plastic Film, Commercial Standard 192–53. The latter standard was not specifically mentioned in any of the five bills upon which hearings were held because it had not been promulgated upon to that time. Subsequent to the hearings it was promulgated by the Secretary, effective May 22, 1953.

The reported bill provides, in effect, that should any modification or supplementation of the test methods or procedures prescribed in these standards become necessary in the public interest, an amendment to this act would be required to make them effective. Thus, the objections voiced by the industry to the provision of section 4 of my original bill, H. R. 2768, which would have permitted the Secretary of Commerce, in his discretion, to establish and promulgate test methods, procedures, and standards for determining the rapid and intense burning of wearing apparel and fabrics, are nullified. At the same time, the questions raised on the constitutionality of the provisions in section 4 of the revised bills, are avoided.

The reported bill directs the Secretary of Commerce to report to the Congress any inadequacies in the commercial standards for the protection of the public interest, with recommendations for changes in such standards.

2. GUARANTY (SECTION 8)

All bills contain, in section 8, a guaranty provision. It is designed to relieve from the criminal penalties of this act retailers and other individuals who purchase articles of wearing apparel and fabrics, if they can establish a guaranty received in good faith from the seller of these goods to the effect that they are not dangerously flammable within the meaning of this act. This is a reasonable provision. The tens of thousands of retailers in this country should not be required to become testing experts and to evaluate the goods purchased. The guaranty, however, is voluntary. If a manufacturer does not wish to furnish the guaranty, the retailer has no protection unless he tests the goods himself.

The guaranty provision in my bill, H. R. 2768, provides, in effect, that a guaranty, if issued, would state that each article of wearing apparel and each yard of fabric is not so highly flammable as

to be dangerous when worn by individuals. During our hearings testimony was received from many witnesses to the effect that manufacturers would be unable to furnish a guaranty. Obviously, each item of wearing apparel and each yard of fabric could not be tested. Yet, under the provisions of this bill the manufacturer is asked to guarantee something which he has not tested.

Section 8 of the revised bills provides that a manufacturer may furnish a guaranty to the effect that reasonable and representative tests have been made, under the provisions of the act, and that the specific type of fabric covered by the guaranty was found to be safe. This guaranty protects the retailer who receives goods with the understanding that they are safe. At the same time, the manufacturer is not relieved from the penalties of the act, if he sells or ships highly flammable material.

Section 8 (a) of the reported bill, H. R. 5069, provides that the criminal penalties provided for in section 7 of this act for a violation of section 3 of this act do not apply to any person who establishes a guaranty received in good faith to the effect that reasonable and representative tests made under the provisions of section 4 of this act, show that the fabric covered by the guaranty, or the article of wearing apparel made from that fabric is not so highly flammable as to be dangerous when worn by individuals. However, should the fabric or wearing apparel be found to be highly flammable, in spite of such guaranty, the Federal Trade Commission would have authority to proceed under the Federal Trade Commission Act as provided in section 3 of this bill, and under section 6 of this bill by initiating injunction and condemnation proceedings, where such proceedings are found to be necessary in the public interest.

The reported bill retains the provision contained in H. R. 2768 providing for a continuing guaranty. The revised bills do not contain specific provisions for a continuing guaranty.

Section 8 (b) of H. R. 2768, although eliminated in the revised bills, is retained in the reported bill, H. R. 5069. It contains the enforcement provisions against the issuance of a false guaranty. Any person who issues a false guaranty is guilty of an unfair method of competition and an unfair or deceptive act or practice in commerce within the meaning of the Federal Trade Commission Act.

The Federal Trade Commission, under section 6 of this act, is authorized and directed to prescribe such rules and regulations as may be necessary and proper for the administration of this act. The Commission, also, is authorized to make inspections, tests, analyses, and examination of any article of wearing apparel or fabric which it has reason to believe falls within the prohibitions of this act. The Commission should utilize its general rule-making authority, including its trade practice conference procedure, to the extent applicable, for the purpose of aiding and guiding the industry in applying the requirements for making reasonable and representative tests under section 8 of this act.

3. EXPORTS (SECTION 11)

The revised bills provide for an exemption from the provisions of this act to any person who exports from the United States to any foreign country highly flammable wearing apparel or fabric made in accordance with the specifications of the purchaser. My bill, H. R. 2768, and the reported bill, H. R. 5069, do not provide for this exemption. The committee felt that our Government should not put itself in the position of saying that highly flammable goods shall not be sold in the United States because they are unfit for American consumers, but permit these goods to be sold for use by citizens of other countries.

4. EFFECTIVE DATE (SECTION 12)

The revised bills provide that this act shall take effect 1 year after the date of its enactment. H. R. 2768 provides for an effective date of 6 months after the date of enactment. The reported bill, H. R. 5069, provides for an effective date of 1 year after the date of enactment. Witnesses who appeared before the committee testified that the industry will need 1 year's time to acquire testing equipment, and gain experience in evaluating fabric flammability.

CONCLUSION

Your committee believes that the inadequacy of present statutory powers to cope effectively with the urgent problem of protecting innocent and unsuspecting individuals from bodily injury and even death resulting from the use of wearing apparel, and fabrics used in wearing apparel, which are highly flammable makes the enactment of this legislation imperative.

Mr. Chairman, I trust this bill will have, and I believe it will, the unanimous support of the House because it does meet a situation that in the last few years has grown to considerable importance because of the number of catastrophes that have happened throughout the country especially to children and young women and others who have used garments that were dangerously flammable.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. WOLVERTON. I yield.

Mr. GROSS. I call the gentleman's attention to section 9, on page 11, which is as follows:

SHIPMENTS FROM FOREIGN COUNTRIES

SEC. 9. Any person who has exported or who has attempted to export from any foreign country into the United States any wearing apparel or fabric which, under the provisions of section 4, is so highly flammable as to be dangerous when worn by individuals may thenceforth be prohibited by the Commission from participating in the exportation from any foreign country into the United States of any wearing apparel or fabric except upon filing bond with the Secretary of the Treasury in a sum double the value of said products and any duty thereon, conditioned upon compliance with the provisions of this act.

The question I should like to ask the gentleman is why there should not be a flat prohibition against the importation rather than the posting of a bond, which might permit him to continue the importation of flammable material.

Mr. WOLVERTON. Of course, the purpose of the committee in placing section 9 in the bill is what the gentleman has already indicated, namely, to preclude from coming into the country any fabrics that would be contrary to the formula describing a dangerous flammable fabric as stated in this bill. The provision for the posting of a bond applies only to individuals who have exported or attempted to export wearing apparel or fabrics in violation of this act. It would also give the importer the opportunity of availing himself of whatever statutes there may be or rules and regulations to determine whether the importation was in fact contrary to the formula that is fixed in the act. It in no way gives any privilege to him.

Mr. GROSS. Will the gentleman not agree that it does permit the exporter to ship into this country flammable material, if he is willing to put up a bond for double the amount of the product to be imported?

Mr. WOLVERTON. No, it does not mean that the fabric or article can move in interstate commerce. It could not move in interstate commerce. It does enable the importer who is alleged to have violated this act to have a determination of the question whether the material does violate the act. The import would be stopped at the port of entry, and when the importer makes bond, it enables him to have the question decided as to whether it does violate the formula.

Mr. GROSS. Then the product would be stopped at the port of entry into this country; in other words, it could not be distributed in this country if the Interstate Commission said that it could not be distributed?

Mr. WOLVERTON. That is my understanding; and the purpose of the committee.

Mr. PRIEST. Mr. Chairman, will the gentleman yield?

Mr. WOLVERTON. I yield to the gentleman from Tennessee.

Mr. PRIEST. I believe the gentleman from Iowa said something inadvertently when he referred to the Interstate Commission. The enforcement of this act is under the Federal Trade Commission. Of course, the Federal Trade Commission, as the chairman has said, does not control exports and imports, but they may require that goods meet the test before they go into interstate commerce.

Mr. O'HARA of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. WOLVERTON. I yield to the gentleman from Minnesota.

Mr. O'HARA of Minnesota. Let me say to my chairman that I think this is a splendid piece of legislation and in the public interest and in the public welfare. I do want to congratulate the gentleman from New Jersey and the other gentlemen who, over the years, have fought for this legislation, the gentleman from California [Mr. JOHNSON], the gentleman from New Jersey [Mr. CANFIELD], the gentleman from Mississippi [Mr. WILLIAMS], and the gentleman from New Jersey [Mr. WOLVERTON], on the fine, public-spirited efforts which they have given to this proposed legislation. Let

me say that I know, as the committee members know, that a great deal of time has been spent working out the details of this legislation; first, in the public interest; and secondly, so that it would not be harmful to the industries themselves.

Mr. WOLVERTON. May I say in reply to the gentleman from Minnesota, that I think the admirable results that have been obtained have been obtained because of the very conscientious and able assistance that was given by members of the Committee on Interstate and Foreign Commerce.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. WOLVERTON. I yield to the gentleman from New York.

Mr. JAVITS. It is my understanding that the idea for this kind of legislation originated with the gentleman from New Jersey [Mr. CANFIELD]—I do not know about the other gentlemen—through a letter that he received from a constituent. I think that this should be noted very importantly, because a great many people write to their Congressmen, and often nothing happens. But, as I understand, here is a bill which, with the gentleman from New Jersey [Mr. CANFIELD], had its origin in a letter from a mother whose child had been seriously hurt in just such a situation as has been described. I think that should be noted.

I should like to join in congratulating the gentleman from New Jersey [Mr. CANFIELD], the chairman of the committee [Mr. WOLVERTON], and all these men who have done such a fine job on this bill.

Mr. WOLVERTON. I yield such time as he may desire to the gentleman from New Jersey [Mr. CANFIELD], who has done such important work and been so helpful in connection with this legislation.

Mr. CANFIELD. Mr. Chairman, every day of the year thousands of women and children through this land are courting serious painful injury and death simply because, quite unwittingly, they are wearing clothing made of highly flammable fabrics. It is high time that we take the simple and effective action that is needed to keep such potentially dangerous fabrics from being manufactured and off the retailers' shelves.

In the May, 1953, issue of the Woman's Home Companion, Paul W. Kearney has a lead article, captioned "Are You Dressed to Kill?" The first few paragraphs read as follows:

> Right now—at the moment you are reading this sentence—thousands of women and children throughout this country are dressed to kill.
>
> Blithely unaware of their danger, they go about their daily work and play wearing highly flammable clothes which can kill or maim them literally in a flash. Death or disfiguration is only as far away from them as the nearest spark. And the distressing fact is that they have no way of recognizing the hazard until too late.
>
> Consider my young friend, whom I'll call Alice Eames. Alice, at the age of 11, has lost 1 year of life. She spent those 12 dreary months lying on her stomach in a hospital bed while skilled surgeons gave her more than 9,000 pinprick skin grafts. She had 35 blood transfusions and lost 40 percent of her weight. Her body will never again be pretty but the surgeons did an amazing job on her face.
>
> Why did Alice have to spend that tortured year in a hospital? Because a year and a half ago her Halloween costume exploded on her back when a boy putting a candle into a hollowed-out pumpkin accidentally brushed it against her.
>
> Three times Congressman GORDON CANFIELD, of New Jersey, has introduced measures seeking to establish national standards which would ban the sale of hazardous wearing apparel and fabrics. No one has ever opposed them. The important textile interests wholeheartedly endorse the idea. Yet each time the bill has died in committee, yessed to death.

It is, I may add, a problem that has long been with us, and that becomes less and less excusable with every passing day. Twenty-eight years ago at a Christmas party, in a 1-room schoolhouse near Hobart, Okla., 36 persons died because a Santa Claus mask caught fire from a candle, ignited the costume, which in turn touched off the Christmas tree. Many of you remember the epidemic of flash fires of cowboy suits about 1945. In Washington, D. C., alone, 6 little boys were burned to death and 7 others severely burned while wearing cowboy outfits with fleecy highly flammable chaps. A little more than a year ago at least 20 people were burned by torch sweaters that were consumed in 20 to 40 seconds after contact with a match flame. The danger continues. Thousands of costumes, masks, sweaters, and dresses may, if touched by a careless spark, burst into flame. It is impossible for the layman to recognize a highly flammable material until it is too late. But it is not impossible for something to be done to protect the consumer from unknowingly acquiring such hazardous apparel.

Thus far, we must be candid, very little has been done. Only a single State, California, has enacted legislation to protect consumers against the hazard of these flammable textiles. In California there is a law making illegal the manufacture or sale of wearing apparel made with fibers which constitute a dangerous risk of fire and hazard of injury. The question of determining what fabrics are dangerously inflammable has been left in the California State legislation to the State fire marshal. There the marshal has defined as dangerous a garment or fabric which, first, burns at a rate faster than 5 inches in 6 seconds; or, second, ignites within 5 seconds in a specially designed test cabinet. Other special testing apparatus has been perfected to measure burning and ignition rates and elaborate precautions have been taken to make the tests impartial and scientifically sound.

Representatives of cotton and rayon producers, fabric manufacturers, finishers, converters, wholesalers, retailers, and consumers have been working to develop a commercial standard for flammability of clothing textiles, under the coordination of the American Association of Textile Chemists and Colorists and the National Retail Dry Goods Association. They would much prefer a single Federal law utilizing a single standard for flammability than have each State enact a different law with different standards.

Just as we have enacted legislation to protect American consumers from adulterated and dangerous foods and drugs, we can and should without further delay pass a bill protecting our wives and sons and daughters from the danger of flammable materials. I have introduced legislation in the 80th Congress, in the 82d Congress, and again in this Congress to prohibit the interstate shipment and sale of materials so flammable as to be dangerous to the wearer.

The bill now before us and introduced in the name of the committee chairman, the distinguished gentleman from New Jersey [Mr. WOLVERTON], like mine, vests enforcement in the Federal Trade Commission and prescribes the standards of flammability: Commercial Standard 191–53, promulgated by the Secretary of Commerce, effective January 30, 1953, for clothing and textiles; and Commercial Standard 192–53, promulgated by the Secretary of Commerce, effective May 22, 1953, for vinyl plastic film.

Legislation of this character is supported by the Federal Trade Commission, the National Cotton Council of America, the National Retail Dry Goods Association, the Tufted Textile Manufacturers Association, the Society of Plastics Industry, Inc., the Rayon and Acetate Fiber Producers, and others.

I am proud to say that the great majority of manufacturers and retailers are heartily in favor of preventing dangerously flammable textiles from being sold to an unsuspecting public. Recently, when fire inspectors showed one manufacturer of "torch" sweaters what he had in stock, he set fire to $30,000 worth of the sweaters in a vacant lot. Responsible retailers likewise generally are alert to screening out dangerous articles submitted by manufacturers who may themselves be ignorant of the hazards they are promoting. This legislation like that I have sponsored would protect these retailers and manufacturers as well as the public.

This is certainly a nonpartisan measure which can be passed quickly without any prolonged debate. It has the backing of the important textile manufacturing and retailing interests. Its sole purpose is to protect American women and children from innocently exposing themselves to the danger of death or horrible disfiguration. It is a piece of legislation that is long overdue. It should be passed without further delay.

In closing, I would like to read a telegram I received from a constituent under date of January 8, 1947:

> HON. GORDON CANFIELD,
> *House of Representatives,*
> *Washington, D. C.:*
>
> We lost our little boy last June through one of the cowboy suits that you are trying to outlaw. We thank you for your efforts to spare other parents the pain that we endured. If I can do anything in any way to further the bill please let me know.
>
> IRVING SUKINIK,
> *Passaic, N. J.*

Do we have to wait longer?

Mr. HAND. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from New Jersey.

Mr. HAND. Let me just add to the words that have already been generously said by others, with reference to my

colleague from New Jersey, the chairman of the committee [Mr. WOLVERTON], and most especially I think the gentleman from New Jersey [Mr. CANFIELD], who have labored for 4 or 5 years on this bill.

I do not suppose that its benefits would have any more effect on the people of New Jersey than elsewhere. But there has been a great deal of talk about it in New Jersey. There was some real damage done in New Jersey. This is a step, and an important step, to rectify the dangers which have been faced.

It is supported entirely by the textile industry in the gentleman's district and, I may add, is completely supported among the Retail Merchants' Associations of our State, with many others.

I congratulate the gentleman from New Jersey, the chairman of the committee [Mr. WOLVERTON], and also the gentleman from New Jersey [Mr. CANFIELD] for their efforts in bringing this bill to the floor and getting it passed.

Mr. HARRIS. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. KLEIN], a member of the committee.

Mr. KLEIN. Mr. Chairman, I shall not use all of that time, but I do want to take the time to ask the chairman of our committee 2 or 3 questions, the answers to which I believe should clarify the issues.

Am I correct, Mr. Chairman, in stating that the legislation which we now have under consideration was not intended to cover buttons which are affixed to garments which may be made of this flammable material?

Mr. WOLVERTON. That is true.

Mr. KLEIN. The reason I ask that question is because many manufacturers of buttons are somewhat confused as to whether their product is included in the prohibited category.

It is my impression—and I ask the gentleman if that is not the fact—that the reason buttons are not included is because there were no proper standards available with regard to flammability of buttons and that the standards of flammability provided for textile fabrics which are in the bill would not be appropriate to apply to entirely different substances such as the material of which buttons are made?

Mr. WOLVERTON. Yes; and not only that, but in addition there has been no evidence before the committee to indicate that there was any widespread or particular danger arising from the use of buttons, at least to the extent that applies to the use of fabrics of a highly dangerous character.

Mr. KLEIN. I thank the gentleman. I think that makes it very clear.

I might say, Mr. Chairman, that I, too, would like to compliment the chairman of the committee and the Members of the House who have sponsored this legislation, who testified before our committee, because this is a very important subject. Many, many parents throughout the country are alarmed at the number of accidents which resulted in children being burned to death in some cases, and seriously burned in others, due to the fact that they were wearing articles of clothing made of flammable materials. There was nothing that could be done by the Federal Trade Commission or any other agency unless they could prove criminal negligence, which was impossible in most cases. There is no other way of preventing the shipment of articles of clothing made of this type of material. This is a very forward-looking piece of legislation and I am certain that every Member of the House will vote for it.

Mr. HARRIS. Mr. Chairman, I yield myself 6 minutes.

Mr. Chairman, I want to join my colleagues in supporting this legislation and commending it to the membership of the House. It is commendable legislation; it is needed legislation. Experience in the past few years, we are sorry to report, has been sad. Certain conditions arose that existing agencies did not have the authority to cope with and, therefore, this problem has come to us over a period of several years.

I think it might be interesting to note, Mr. Chairman, that as far back as the 79th Congress this was brought to the attention of our committee and the House. Legislation was proposed then and succeeding Congresses; lengthy hearings have been held, and the complications that developed made it necessary to take quite a long time in working out what we felt would be a satisfactory approach to the problem.

It will be recalled that in the 82d Congress hearings were held and a bill was reported out of our committee. It was near the close of the session; there was some objection raised by certain of the industry and some Members of the House; consequently, we were unable to get the bill up for consideration in the few remaining days of that session. As I understand, the other body did report a bill which was passed in the Senate; and that, too, was presented to our Committee on Interstate and Foreign Commerce for consideration.

The question was brought to us by many Members of the House. As I recall, the gentleman from California [Mr. JOHNSON] took a very active part originally, and our colleague from New Jersey [Mr. CANFIELD], as has been stated, took a very active interest in the problem. This matter was presented by the industry. The industry was divided on the approach to the problem, and that made it rather complicated.

The complication was, due largely to the degree of flammability of any given fabric. The standard which had been adopted by the Department of Commerce—and incidentally that took a good long while to be worked out, but the standard which was finally agreed to was satisfactory generally to the industry and almost everyone concerned. We reached the point that the only question we had to resolve was in case there was need for adjustment of the standard to be applied, how should the adjustment be made? We had some very interesting witnesses before the committee who gave splendid testimony as to their position and what would be the effect of the various approaches. Some of the industry thought that should a readjustment of the standard be necessary it should be done after 65 percent of the industry approved it. Then there was the other viewpoint that the agency itself, the department itself, should have the authority to make the adjustment. We have tried to approach that problem in this bill adopting the present standard which has been approved and promulgated by the Department of Commerce, with the proviso that should the Secretary of Commerce decide there was need for changes the problem would be brought back to the Congress and the Congress would make the decision.

That is just about the problem we have before us. This legislation is in just about as good form as we can hope to get it at the present time; therefore I recommend it to the favorable consideration of the House.

Mr. WOLVERTON. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. JOHNSON].

Mr. JOHNSON. Mr. Chairman, I will start my discussion on this bill by first congratulating the chairman of the Interstate Commerce Committee and the committee for bringing us this bill. Also, I wish to congratulate them especially for the type of bill which they have presented to us here today.

The struggle for the protection of the public from the fire menace presented by dangerously flammable fabrics has been before the Congress since the 79th Congress. I introduced two bills in that Congress in an effort to get the problem solved. I became interested in the problem through a suggestion from Walter P. Jones, the editor of the McClatchy newspapers. His interest stemmed from the fact that California had passed a law that aimed at solving the problem in that State. He felt, and so did I, that the problem was a national one. To effectively solve it, we must prevent fabrics which are dangerous because of their flammability to be shipped in Interstate Commerce.

When I first presented the bill I discussed the matter with Clarence Lea, the then chairman of the Interstate and Foreign Commerce Committee. He was a Member of the House from California. Mr. Lea took enough interest in the bill to designate one of his committee members, the gentleman from Tennessee [Mr. PRIEST] to be present in my office to observe a demonstration of a method of testing whether certain cloth was dangerous for human wear because of their flammability. Present at this test were Mr. Ingberg and also Miss Sandholzer who were the ones in charge of flammability problems at the Bureau of Standards. They had devised a standard which the Bureau thought would accurately test whether or not certain cloth which was proposed to be used for human wearing apparel was dangerous. Present were members of the industries manufacturing cotton, wool, the synthetic fiber fabrics, and many other interested individuals including retailers of clothes. These tests convinced us that there was a simple way to test whether cloth which was to be used for wearing apparel was, in fact, dangerous.

The general idea demonstrated at that hearing is the basic idea in the bill before us.

It is also very encouraging to note that the Retail Dry Goods Association of the United States is backing this legislation. This legislation provides for a test to be

made by a Government agency to determine whether cloth which is to be used for wearing apparel is, in fact, dangerous. This is parallel with the idea in the Pure Food and Drug Act, wherein the Government determines, for instance, what type of meat is fit for sale for human consumption and what type is not. Furthermore, a provision of this bill, which is very good, is the one that provides that any change which may be proposed in the flammability test must receive the approval of Congress. The committee did not, by its bill, hand over to any Government agency the arbitrary authority to change the test as to what fabrics are safe. It reserves that right for the Congress. If a change is made, and it is reasonable, it should be aired before the Interstate Commerce Committee of the House or the Senate and their judgment should be reflected in an appropriate amendment to this bill in the form of a new test, which would insure the safety of fabrics to be used for clothes.

I do not think it is generally understood that the number of people who have been injured or who have died from injuries from burns due to dangerous fabrics is large. There are no accurate statistics on the matter but that is largely due to the fact that our insurance companies in reporting injury and in paying claims for injuries or death due to burns usually give the nature of the injury as to whether a person is standing near a fireplace, or that they were ignited by standing too near an open gas range—things like that, but, very seldom, until recently, have they indicated that the real cause of the damage was the rapid burning capacity of the fabric which was worn by the individual. Literally hundreds of people have lost their life by injuries sustained by burns due to dangerous fabrics and undoubtedly thousands have been injured in a more or less serious degree due to dangerously flammable fabrics which they wore.

Since the 79th Congress we have continued to introduce bills to try to solve this problem. We had a very exhaustive hearing in one Congress but somehow we were unable to get a bill out of the committee. Finally, I almost gave up in despair but this year I again introduced a bill. The bill which the committee has written, for it is really their work, I consider exceptionally adapted to handling the problem in a simple and very conclusive fashion. It is pleasant to know that something in which I have been intensely interested and something which is a very constructive step will now be consummated, perhaps in this Congress. The other body passed a bill last year and undoubtedly when this bill is sent to the other side of the Capitol, it will receive very favorable reception and I trust it will become the law of the land.

I want to present one matter for thought to those who happen to be listening to what I have to say here today. This is only the beginning of the problem of danger from fire from various types of fabrics, including buttons. It is not generally known but there still are fabrics in homes, such as curtains and in some instances perhaps rugs, which are really dangerous. In the test which we made in 1945 I learned, much to my amazement, that some types of buttons are extremely dangerous. Several were ignited in our presence at that time. I have a very vivid recollection of the intensity with which they burned. If these buttons were on a lady's coat or on her waist and they should get started to burn, it might be almost impossible for the woman to get the clothes off from her body before she would be severely and perhaps fatally burned.

I have no current information but some years past, and I think perhaps still today, some of the toys which are used by children are very dangerous from the standpoint of flammability. I remember when my children were young, I heard a discussion by the State fire marshal of California which aroused my interest and shocked me when he explained how many of the toys that were sold in the open market were extremely dangerous. These should all be taken off the market, and I believe that the people who handle them, especially the retail trade, are hoping that that will happen. The ones who get the brunt of the criticism as well as the expense of this type of injury are the retailers of America. They are the ones who sell it to the customer and who want the safety of the fabric or the buttons. They have no part in manufacturing it, and undoubtedly when they purchased it from the manufacturer or the wholesaler, they assumed that it was fit to wear and not dangerous. The result is that the customer looks to the retailer, the man who sold him the product. Many judgments have been recovered against retailers who are entirely innocent of any wrongdoing whatever. Be that as it may, I firmly believe that the manufacturers of fabrics of the United States are themselves anxious to find ways and means to manufacture things which will not be injurious to the persons that use them. Therefore, this bill is only the beginning of the crusade to make America safe against flammable fabrics, no matter what their form or what their use or where they may be. It is a happy day for me because of my interest going back to almost the beginning of my service in Congress, to find that a bill of this kind will now be passed and undoubtedly will become the law.

Mr. HARRIS. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. WILLIAMS].

Mr. WILLIAMS of Mississippi. Mr. Chairman, the fact that this legislation does not appear to be controversial—everyone seems to be agreed on it—does not necessarily mean, however, that the Committee on Interstate and Foreign Commerce merely gave perfunctory consideration to it.

Mr. WOLVERTON. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I will be delighted to yield to the gentleman from New Jersey.

Mr. WOLVERTON. I overlooked naming the gentleman from Mississippi [Mr. WILLIAMS] when I was making reference to those who had introduced legislation on this subject. I said that there were others. I had him in mind also, and I want to say at this time that he was very helpful in bringing this matter to the attention of the committee and assisting the committee in bringing about a satisfactory result.

Mr. WILLIAMS of Mississippi. I am very grateful to my chairman.

Mr. PRIEST. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield to the gentleman from Tennessee.

Mr. PRIEST. Just to follow up what the gentleman has said, I believe the very fact that there seems to be no great controversy over the legislation at present indicates how thoroughly the committee has worked out controversial elements that might have appeared before bringing it to the House, and to that I believe the gentleman will agree since he was so valuable in helping to work out some of these difficulties.

Mr. WILLIAMS of Mississippi. Except for his flattering reference to me, for which I am most grateful, of course, the gentleman has stated what I had intended to say when I began, but in much clearer and finer language.

Mr. Chairman, we found when we began to consider this legislation, that there were several suggested approaches to the problem confronting us. We found that the industry was in disagreement originally as to the proper approach, and we found that there was some disagreement even among Government agencies that were to administer it. However, the committee did successfully work out these differences to the point where now we have legislation before us in which everybody seems to be agreed and in harmony with.

Mr. Chairman, I see no reason for belaboring the House further with a detailed discussion of this legislation. It has been very ably explained by my distinguished chairman and other members of the committee. I assume that this legislation will pass unanimously, and if we can get them to take it up in the other body, it should become law soon.

I do want to congratulate the chairman of my committee on the splendid manner in which he handled this highly technical, and at one time, controversial piece of legislation. I think he has done a masterful job and I congratulate him and the members of his committee for a job well done.

Mr. WOLVERTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Massachusetts [Mr. HESELTON].

Mr. HESELTON. Mr. Chairman, this bill in its present form is a very real tribute to the cooperative efforts on the part of responsible representatives of the industries concerned, Government officials, of the House Committee on Interstate and Foreign Commerce, its staff, and the staff of the legislative counsel. This is attested to by the fact that the House committee was unanimous in reporting the final version. That unanimity should, and I am confident will, justify unanimous action of the House in approving the bill.

There is one phase of the bill which I believe deserves some emphasis because of its importance. In a letter dated April 15, 1953, addressed to the chairman of

the committee, Assistant Secretary of Commerce C. R. Shaeffer wrote, in part:

We wish to invite your attention to the fact that H. R. 4159 and H. R. 3851 provide that the standard of flammability shall be the commercial standard now in effect, and any modification thereof shall be made in accordance with presently existing procedures for the development of commercial standards.

The assent of a large segment of the affected industry is required before standards are placed in effect or modified under presently existing procedures. Where adherence to commercial standards is purely voluntary, this procedure is satisfactory. The required asset to modifications of the standards of flammability by a substantial number of the persons to be regulated by the proposed law raises a question of the constitutionality of the delegation of authority to establish modifications in the standard. The applicable law is not clear. In any event, the policy involved appears subject to question.

An examination of the hearings will indicate that this expression of concern as to constitutionality led members of the committee to examine witnesses closely on the point. As a result, the committee reached a definite policy decision and refused to approve of the procedure originally suggested of permitting future modifications of the standards now in effect, solely under the presently existing procedures for the development of commercial standards. While it was demonstrated to the satisfaction of the committee that commercial standards 191–53, prescribing the standard for flammability of clothing textiles and 192–53, prescribing the standard of flammability of vinyl plastic film had been developed in an entirely satisfactory manner, it will be clear from a wording of section 4 that the committee was firm in its insistence that, should these standards be found by the Secretary of Commerce to be inadequate for the protection of the public interest, he must submit a report to the Congress setting forth his finding, together with such proposals for legislation as he may deem to be appropriate. I believe it may well become a matter of importance, in terms of the legislative history of this legislation, to make it clear beyond any question that the committee was keenly conscious of the significance of the original proposal of delegation of authority to a segment of the industry affected by the legislation and that it has consciously and deliberately declined to accept that suggestion because of its convictions as to the unconstitutionality of any such delegation. I am equally certain that the industry and the public can and will be completely protected by the continuous studies which the committee expects the Secretary of Commerce to make of the suitability and effectiveness of the test methods provided in these standards, and related test methods, together with the specific authority and duty on the part of the Secretary to report to the Congress whenever he finds any inadequacy has developed in the application of these standards. I know that the committee and Congress will be ready always to do whatever may become necessary to improve upon and perfect any procedures in the important field so as to promote the public welfare or to insure a greater degree of safety. However, the committee has also demonstrated its consciousness of its own responsibility to insure that any procedures or methods it recommends to the House meet the requirements of the Constitution. In that way only can the public welfare be best guaranteed.

Mr. WOLVERTON. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. SCHENCK].

Mr. SCHENCK. Mr. Chairman, it is a very real privilege and pleasure for me to be associated with the Committee on Interstate and Foreign Commerce for the first time this year. This committee has done a magnificent job under the very capable leadership of our distinguished chairman, the gentleman from New Jersey [Mr. WOLVERTON], and the members of the committee have been most earnest, sincere, and dedicated to doing this kind of a job. I say this for both the majority and the minority members of the committee. I have not seen anywhere a greater degree of dedication to the real service of the country than has been the case by the members of this committee.

This particular piece of legislation could easily have become bogged down in a maze of controversial things, but the fine work of the members of the committee prevented that, and the legislation which has been brought out has been brought out only after the most careful consideration.

In two instances I asked two different chiefs of fire departments in my district if they would like to comment on this legislation. I call attention of the Members of the House to their letters which are inserted in the hearings on this bill on pages 196 and 197 in which these two chiefs of fire departments recommended that this type of legislation be passed unanimously and quickly and gave reasons why it was most important.

Mr. HARRIS. Mr. Chairman, we do not have any further requests for time on this side.

Mr. WOLVERTON. Mr. Chairman, I yield such time as he may require to the gentleman from Minnesota [Mr. O'HARA].

Mr. O'HARA of Minnesota. Mr. Chairman, I think the legislation now before us is a good example of the kind of work that the Committee on Interstate and Foreign Commerce has to deal with in its deliberations as a committee of this House. Out of that committee came the first wool labeling bill many years ago. At that time the legislation was highly controversial. Since then it has had the very strong support of both the public and the industries that might be affected thereby. I had the privilege and honor of being the author of the fur labeling bill. It took some 5 years of legislative work and hearings before that bill finally became law. Having some personal experience and interest in that legislation, let me say that oftentimes it does make for better legislation if it does take a little time before a bill becomes law because generally speaking the conflicts and mistakes which might be made without extensive hearings are avoided or resolved as a result of extensive consideration and hearings. As has been so well pointed out by my colleagues, the present legislation is unquestionably a much better piece of legislation as a result of the consideration which has been given to it by the committee and by the industry and by the departments of Government affected in its administration. As a result, we have before us legislation which I think has been carefully considered, and frankly considered from a practical viewpoint. If it is administered, and I have every confidence that it will be fairly administered by the Federal Trade Commission, we will have a law upon the books that will be of great benefit to the public and which, I think, will have the uniform cooperation and support of the industries affected as well as the hearty approval of the public.

Mr. Chairman, I wish to compliment again those who have spent a great deal of time upon this legislation, and to congratulate them on the fine result which has been obtained.

Mr. Chairman, I yield back the remainder of my time.

Mr. FINE. Mr. Chairman, I have been asked by several of my constituents interested in H. R. 5069, entitled "The Flammable Act," to make inquiry as to whether or not this bill does include, or is intended to include, buttons on garments or wearing apparel. In response to such correspondence, I made inquiry of the chairman, and during the debate the gentleman from New York, Congressman KLEIN, a member of the Committee on Interstate and Foreign Commerce, propounded several questions to clarify the point. I myself have received a written communication from the chairman to the effect that the committee did not accept an amendment to include buttons within the purview of the bill. I append herewith the letter from the chairman, dated June 3, 1953:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE,
Washington, D. C., June 3, 1953.

Hon. SIDNEY A. FINE,
Member of Congress,
House Office Building,
Washington, D. C.

DEAR COLLEAGUE: Reference is made to your letter of June 1, 1953, inquiring whether buttons on wearing apparel are included in the provisions of H. R. 5069, a bill to prohibit the introduction or movement in interstate commerce of articles of wearing apparel and fabrics which are so highly flammable as to be dangerous when worn by individuals, and for other purposes.

The provisions of this bill are limited to articles of wearing apparel and fabrics. These terms are defined in the bill as follows:

"(d) The term 'article of wearing apparel' means any costume or article of clothing worn or intended to be worn by individuals except hats, gloves, and footwear: *Provided, however,* That such hats do not constitute or form part of a covering for the neck, face, or shoulders when worn by individuals: *Provided further,* That such gloves are not more than 14 inches in length and are not affixed to or do not form an integral part of another garment: *And provided further,* That such footwear does not consist of hosiery in whole or in part and is not affixed to or does not form an integral part of another garment.

"(e) The term 'fabric' means any material (other than fiber, filament, or yarn) woven, knitted, felted, or otherwise produced from

or in combination with any natural or synthetic fiber, film, or substitute therefor which is intended or sold for use in wearing apparel except that interlining fabrics when intended or sold for use in wearing apparel shall not be subject to this act."

During our hearings on this legislation Mr. W. P. Fickett, representing the National Association of Button Manufacturers, appeared before the committee and urged that this legislation be amended to include buttons as well as fabrics and wearing apparel. The committee did not adopt his amendment.

You will find Mr. Fickett's testimony beginning with page 182 of our hearings on this legislation. A copy each of the hearings and H. R. 5069 are enclosed.

Sincerely yours,

CHARLES A. WOLVERTON,
Chairman.

Mr. WOLVERTON. Mr. Chairman, I have no further requests for time on this side.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc.—

SHORT TITLE

SECTION 1. This act may be cited as the "Flammable Fabrics Act."

DEFINITIONS

SEC. 2. As used in this act—

(a) The term "person" means an individual, partnership, corporation, association, or any other form of business enterprise.

(b) The term "commerce" means commerce among the several States or with foreign nations, or in any Territory of the United States or in the District of Columbia, or between any such Territory and another, or between any such Territory and any State or foreign nation, or between the District of Columbia and any State or Territory or foreign nation.

(c) The term "Territory" includes the insular possessions of the United States and also any Territory of the United States.

(d) The term "article of wearing apparel" means any costume or article of clothing worn or intended to be worn by individuals except hats, gloves, and footwear: *Provided, however,* That such hats do not constitute or form part of a covering for the neck, face, or shoulders when worn by individuals: *Provided further,* That such gloves are not more than 14 inches in length and are not affixed to or do not form an integral part of another garment: *And provided further,* That such footwear does not consist of hosiery in whole or in part and is not affixed to or does not form an integral part of another garment.

(e) The term "fabric" means any material (other than fiber, filament, or yarn) woven, knitted, felted, or otherwise produced from or in combination with any natural or synthetic fiber, film, or substitute therefor which is intended or sold for use in wearing apparel except that interlining fabrics when intended or sold for use in wearing apparel shall not be subject to this act.

(f) The term "interlining" means any fabric which is intended for incorporation into an article of wearing apparel as a layer between an outer shell and an inner lining.

(g) The term "Commission" means the Federal Trade Commission.

(h) The term "Federal Trade Commission Act" means the act of Congress entitled "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," approved September 26, 1914, as amended.

PROHIBITED TRANSACTIONS

SEC. 3. (a) The manufacture for sale, the sale, or the offering for sale, in commerce, or the importation into the United States, or the introduction, delivery for introduction, transportation or causing to be transported in commerce or for the purpose of sale or delivery after sale in commerce, of any article of wearing apparel which under the provisions of section 4 of this act is so highly flammable as to be dangerous when worn by individuals, shall be unlawful and shall be an unfair method of competition and an unfair and deceptive act or practice in commerce under the Federal Trade Commission Act.

(b) The sale or the offering for sale, in commerce, or the importation into the United States, or the introduction, delivery for introduction, transportation or causing to be transported in commerce or for the purpose of sale or delivery after sale in commerce, of any fabric which under the provisions of section 4 of this act is so highly flammable as to be dangerous when worn by individuals, shall be unlawful and shall be an unfair method of competition and an unfair and deceptive act or practice in commerce under the Federal Trade Commission Act.

(c) The manufacture for sale, the sale, or the offering for sale, of any article of wearing apparel made of fabric which under section 4 is so highly flammable as to be dangerous when worn by individuals and which has been shipped or received in commerce shall be unlawful and shall be an unfair method of competition and an unfair and deceptive act or practice in commerce under the Federal Trade Commission Act.

STANDARD OF FLAMMABILITY

SEC. 4. (a) Any fabric or article of wearing apparel shall be deemed so highly flammable within the meaning of section 3 of this act as to be dangerous when worn by individuals if such fabric or any uncovered or exposed part of such article of wearing apparel exhibits rapid and intense burning when tested under the conditions and in the manner prescribed in the Commercial Standard promulgated by the Secretary of Commerce effective January 30, 1953, and identified as "Flammability of Clothing Textiles, Commercial Standard 191–53" or in the Commercial Standard promulgated by the Secretary of Commerce effective May 22, 1953, and identified as "General Purpose Vinyl Plastic Film, Commercial Standard 192–53." For the purposes of this act, such Commercial Standard 191–53 shall apply with respect to the hats, gloves, and footwear covered by section 2 (d) of this act, notwithstanding any exception contained in such Commercial Standard with respect to hats, gloves, and footwear.

(b) If at any time the Secretary of Commerce finds that the Commercial Standards referred to in subsection (a) of this section are inadequate for the protection of the public interest, he shall submit to the Congress a report setting forth his findings together with such proposals for legislation as he deems appropriate.

ADMINISTRATION AND ENFORCEMENT

SEC. 5. (a) Except as otherwise specifically provided herein, sections 3, 5, 6, and 8 (b) of this act shall be enforced by the Commission under rules, regulations and procedures provided for in the Federal Trade Commission Act.

(b) The Commission is authorized and directed to prevent any person from violating the provisions of section 3 of this act in the same manner, by the same means and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act were incorporated into and made a part of this act; and any such person violating any provision of section 3 of this act shall be subject to the penalties and entitled to the privileges and immunities provided in said Federal Trade Commission Act as though the applicable terms and provisions of the said Federal Trade Commission Act were incorporated into and made a part of this act.

(c) The Commission is authorized and directed to prescribe such rules and regulations as may be necessary and proper for purposes of administration and enforcement of this act.

(d) The Commission is authorized to—

(1) cause inspections, analyses, tests, and examinations to be made of any article of wearing apparel or fabric which it has reason to believe falls within the prohibitions of this act; and

(2) cooperate on matters related to the purposes of this act with any department or agency of the Government; with any State, Territory, or possession or with the District of Columbia; or with any department, agency, or political subdivision thereof; or with any person.

INJUNCTION AND CONDEMNATION PROCEEDINGS

SEC. 6. (a) Whenever the Commission has reason to believe that any person is violating or is about to violate section 3 of this act, and that it would be in the public interest to enjoin such violation until complaint under the Federal Trade Commission Act is issued and dismissed by the Commission or until order to cease and desist made thereon by the Commission has become final within the meaning of the Federal Trade Commission Act or is set aside by the court on review, the Commission may bring suit in the district court of the United States or in United States court of any Territory for the district or Territory in which such person resides or transacts business, to enjoin such violation and upon proper showing a temporary injunction or restraining order shall be granted without bond.

(b) Whenever the Commission has reason to believe that any article of wearing apparel has been manufactured or introduced into commerce or any fabric has been introduced in commerce in violation of section 3 of this act, it may institute proceedings by process of libel for the seizure and confiscation of such article of wearing apparel or fabric in any district court of the United States within the jurisdiction of which such article of wearing apparel or fabric is found. Proceedings in cases instituted under the authority of this section shall conform as nearly as may be to proceedings in rem in admiralty, except that on demand of either party and in the discretion of the court, any issue of fact shall be tried by jury. Whenever such proceedings involving identical articles of wearing apparel or fabrics are pending in two or more jurisdictions, they may be consolidated for trial by order of any such court upon application seasonably made by any party in interest upon notice to all other parties in interest. Any court granting an order of consolidation shall cause prompt notification thereof to be given to other courts having jurisdiction in the cases covered thereby and the clerks of such other courts shall transmit all pertinent records and papers to the court designated for the trial of such consolidated proceedings.

(c) In any such action the court upon application seasonably made before trial shall by order allow any party in interest, his attorney or agent, to obtain a representative sample of the article of wearing apparel or fabric seized.

(d) If such articles of wearing apparel or fabrics are condemned by the court they shall be disposed of by destruction, by delivery to the owner or claimant thereof upon payment of court costs and fees and storage and other proper expenses and upon execution of good and sufficient bond to the effect that such articles of wearing apparel or fabrics will not be disposed of for wearing apparel purposes until properly and adequately treated or processed so as to render them lawful for introduction into commerce, or by sale upon execution of good and sufficient bond to the effect that such articles of wearing apparel or fabrics will not be disposed of for wearing apparel purposes until properly and adequately treated or processed so as to render them lawful for introduction into commerce. If such products are dis-

posed of by sale the proceeds, less costs and charges, shall be paid into the Treasury of the United States.

PENALTIES

SEC. 7. Any person who willfully violates section 3 or 8 (b) of this act shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not more than $5,000 or be imprisoned not more than 1 year or both in the discretion of the court: *Provided*, That nothing herein shall limit other provisions of this act.

GUARANTY

SEC. 8. (a) No person shall be subject to prosecution under section 7 of this act for a violation of section 3 of this act if such person (1) establishes a guaranty received in good faith signed by and containing the name and address of the person by whom the wearing apparel or fabric guaranteed was manufactured or from whom it was received, to the effect that reasonable and representative tests made under the procedures provided in section 4 of this act show that the fabric covered by the guaranty, or used in the wearing apparel covered by the guaranty, is not, under the provisions of section 4 of this act, so highly flammable as to be dangerous when worn by individuals, and (2) has not, by further processing, affected the flammability of the fabric or wearing apparel covered by the guaranty which he received. Such guaranty shall be either (1) a separate guaranty specifically designating the wearing apparel or fabric guaranteed, in which case it may be on the invoice or other paper relating to such wearing apparel or fabric; or (2) a continuing guaranty filed with the Commission applicable to any wearing apparel or fabric handled by a guarantor, in such form as the Commission by rules or regulations may prescribe.

(b) It shall be unlawful for any person to furnish, with respect to any wearing apparel or fabric, a false guaranty (except a person relying upon a guaranty to the same effect received in good faith signed by and containing the name and address of the person by whom the wearing apparel or fabric guaranteed was manufactured or from whom it was received) with reason to believe the wearing apparel or fabric falsely guaranteed may be introduced, sold, or transported in commerce, and any person who violates the provisions of this subsection is guilty of an unfair method of competition, and an unfair or deceptive act or practice, in commerce within the meaning of the Federal Trade Commission Act.

SHIPMENTS FROM FOREIGN COUNTRIES

SEC. 9. Any person who has exported or who has attempted to export from any foreign country into the United States any wearing apparel or fabric which, under the provisions of section 4, is so highly flammable as to be dangerous when worn by individuals may thenceforth be prohibited by the Commission from participating in the exportation from any foreign country into the United States of any wearing apparel or fabric except upon filing bond with the Secretary of the Treasury in a sum double the value of said products and any duty thereon, conditioned upon compliance with the provisions of this act.

INTERPRETATION AND SEPARABILITY

SEC. 10. The provisions of this act shall be held to be in addition to, and not in substitution for or limitation of, the provisions of any other law. If any provision of this act or the application thereof to any person or circumstances is held invalid the remainder of the act and the application of such provisions to any other person or circumstances shall not be affected thereby.

EXCLUSIONS

SEC. 11. The provisions of this act shall not apply (a) to any common carrier, contract carrier, or freight forwarder with respect to an article of wearing apparel or fabric shipped or delivered for shipment into commerce in the ordinary course of its business; or (b) to any converter, processor, or finisher in performing a contract or commission service for the account of a person subject to the provisions of this act: *Provided*, That said converter, processor, or finisher does not cause any article of wearing apparel or fabric to become subject to this act contrary to the terms of the contract or commission service; or (c) to any article of wearing apparel or fabric shipped or delivered for shipment into commerce for the purpose of finishing or processing to render such article or fabric not so highly flammable, under the provisions of section 4 of this act, as to be dangerous when worn by individuals.

EFFECTIVE DATE

SEC. 12. This act shall take effect 1 year after the date of its passage.

AUTHORIZATION OF NECESSARY APPROPRIATIONS

SEC. 13. There is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

Mr. WOLVERTON (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the bill be considered as read and open for amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Clerk read as follows:

Committee amendment: On page 5, line 3, strike out the word "in" and insert in lieu thereof the following: "exhibits a rate of burning in excess of that specified in paragraph 3.11 of."

Mr. WOLVERTON. Mr. Chairman, the amendment which has just been read makes no change in policy or in substance so far as the bill is concerned. It is merely for the purpose of supplying language to make a correct reference to the flammability standards in commercial standard 192–53 identified as general purpose vinyl plastic.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. WOLVERTON].

The amendment was agreed to.

The CHAIRMAN. Are there any further amendments?

If not, under the rule, the Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SADLAK, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 5069) to prohibit the introduction or movement in interstate commerce of articles of wearing apparel and fabrics which are so highly flammable as to be dangerous when worn by individuals, and for other purposes, pursuant to House Resolution 250, he reported the same back to the House, with an amendment adopted in Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

Mr. WOLVERTON. Mr. Speaker, I ask unanimous consent that all Members may have the privilege of inserting their remarks in the RECORD at that point in the general debate.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. WOLVERTON. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may have until midnight tonight to file its report on the bill H. R. 3203, and that the gentleman from New York [Mr. KLEIN], representing the minority, may have a similar privilege to file a minority report.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

INTERNATIONAL MATERIALS CONFERENCE

The SPEAKER. Under special order heretofore entered, the gentleman from Connecticut [Mr. SADLAK] is recognized for 30 minutes.

Mr. SADLAK. Mr. Speaker, about a year ago this body clearly expressed its will with respect to continued United States participation in the International Materials Conference. While the Defense Production Act was under consideration the House adopted by teller vote of 160 to 102 an amendment which I introduced to prevent the IMC from using the Defense Production Act to implement its international allocations.

Mr. Speaker, you will recall the statements of the distinguished gentleman from North Carolina [Mr. DURHAM], who has contributed so much to the development of our stockpiling laws that the International Materials Conference interfered with our stockpiling program, which was authorized by Public Law 520, 79th Congress. Stockpiling of strategic materials is vital to our security.

Many of us were sure that, in spite of the IMC and its entitlements to consumption, copper allocated to the European nations at the expense of our citizens was going behind the Iron Curtain. Life magazine, in a feature article by David Douglas Duncan on January 26, 1953, finally proved that this was the case. I am indebted to the gentleman from New York [Mr. JAVITS], who inserted this article in the Appendix of the CONGRESSIONAL RECORD on February 2. This article referred to those who assisted Russia in obtaining these critical materials as "sixth columnists." Let me read what Life said about one of them:

> We can consider here the case of Josef Cremer, who, I am told on good authority, is the most active of all the sixth columnists now at work. • • •
>
> Cremer has had a standing contract to supply 1,000 tons of copper a month to the Communists in Prague. He will also deal in

practically anything else. He even jests about his activities as he once did with the Communist boss to whom he was delivering the copper. "I see you're getting fat," said the Communist. Cremer laughed loud and long. "We're all getting fat," he said. "You with my copper. We with your money."

Mr. Speaker, remember while Russia was "getting fat" on the copper allocated to Europe by the International Materials Conference, American workers in the brass mills in my State and in the automobile plants in Michigan were losing their jobs.

In the Life article, Mr. Duncan attempted to estimate the magnitude of this East-West trade. He said:

One expert, with no special ax to grind, gave me the estimate that the total sixth column trade to East Germany amounted to $225 million in 1951. This he figured, included $7,500,000 worth of highly critical machinery and $15 million worth of chemicals, plus some 32,500 tons of copper, zinc, aluminum, mercury, bronze, cobalt and cadmium. For 1952 my source thought, the illegal trade was perhaps a third higher than this. Exactly how much of the goods comes from West Germany is unknown. It is certainly larger than the German authorities and our Eastern Economic Division would like to think.

Mr. Speaker, you will note that bronze, copper, zinc, and cobalt were all IMC materials and supposedly allocated to strengthen the free world.

When the conference report on this legislation was submitted, the language of our amendment had been modified so that the final Defense Production Act did not effectively limit our participation in the International Materials Conference. The House was not satisfied with this action. The gentleman from North Carolina showed us that the Defense Production Act did not authorize the International Materials Conference, but it merely recognized its existence. The gentleman from New York [Mr. TABER], now the distinguished chairman of the Appropriations Committee, made a motion to recommit the fiscal 1953 appropriations bill for the State Department so that language originally proposed by the other body could be inserted to read as follows:

No part of any appropriation contained in this title shall be used to pay any expense incident to, or in connection with, the participation in the International Materials Conference.

I want to remind the Members of this House that on July 3 when we were ready to adjourn, we thought it sufficiently important to instruct our conferees to adopt an amendment proposed by the other body when we recommitted this appropriation bill by a rollcall vote of 184 to 157. I want to particularly remind my colleagues on this side of the aisle that 153 of us voted for this action and 29 of us were paired in its favor. Our conferees returned after further deliberation and accepted this amendment. In addition the report of the conferees said:

The conferees on the part of both Houses agree on Senate amendment No. 18 and it is the intention of the conferees that the wording of the amendment will not preclude the Department of State from observing the activities of the International Materials Conference in the same manner and to the same extent that the United States might observe the activities of other international organizations to which the United States does not belong.

Mr. Speaker, the report of the conferees clearly indicated that our relationship to the International Materials Conference was that of an observer, and that this was an international organization to which the United States does not belong. I need not remind you, Mr. Speaker, that Senate Document No. 166 which was prepared by the distinguished senior Senator from New Hampshire and yourself describing the record of our party in the 82d Congress commented on its action in dealing with the International Materials Conference, as follows:

Senator HOMER FERGUSON, Republican, of Michigan, in the Senate, and Republicans in the House sought to prevent our State Department from using the defense program to bring about international control of basic materials without authority from Congress.

Republicans took other action in the world-trade field as it affects our program of allocating scarce materials. House Republicans formed four committees to look into the activities of the International Materials Conference. These Republicans discovered that the IMC is using the defense emergency to bring about international planning and international rationing of basic materials, including some that are produced in the United States, with the result that it was costing Americans thousands of jobs.

Republicans, adhering to the principle that our industries are entitled to justice in the scramble for key materials around the world, battled in the Senate and House to prevent discrimination against American producers and labor by the IMC.

As a result of Republican efforts in the 82d Congress, workers in the automobile plants in Michigan and workers in many other industries now have a better chance to hold their jobs.

Republicans will not allow the American economy to be throttled or world government to be fastened upon the American people by measures taken without congressional authority or under the pretext of national defense.

My purpose in requesting this time today is to review the activities of the International Materials Conference since the Congress so clearly expressed its will in connection with our continued participation in this organization.

I am happy to be able to inform my colleagues that 5 of the original 7 IMC committees, those dealing with wool, cotton, newsprint, sulfur, copper, lead, and zinc have been disbanded. The central group of the International Materials Conference, however, is still in being as well as the Tungsten-Molybdenum Committee and the Manganese-Nickel-Cobalt Committee. International allocations are continuing for both nickel and molybdenum.

I am concerned that the International Materials Conference has not been disbanded and I have carefully reviewed its second report on operations which was recently issued, as well as a report by the United States delegate to the International Materials Conference, Mr. Winant. He replaced Mr. King as United States delegate to the central group on November 3, 1952, just 1 day before the national election. Mr. Winant was elected a vice chairman of the International Materials Conference at a meeting of the central group on March 5, 1953.

Mr. Winant's report entitled "A summary statement on the IMC through December 31, 1952," is dated January 5, 1953, 15 days before our new administration was inaugurated. Mr. Winant's justification of United States financing of the International Materials Conference in this report is most illuminating. He said:

The United States share of total IMC expenses, previously borne by the State Department, had been planned for the fiscal year beginning July 1, 1952, in terms of a contribution of 57 United States personnel to a total IMC staff of 75. Upon congressional action denying the use of State Department funds for IMC purposes, DPA agreed to take over the responsibility of providing the IMC with the minimum necessary United States personnel on condition that other interested agencies in Government would share in the cost. Subsequently, arrangements were concluded between the Defense Production Administration and the Office of Defense Mobilization, Office of the Director for Mutual Security and the Department of Commerce for the establishment of a working fund, under DPA administration, to support a United States personnel contribution to the IMC staff of not exceeding 25 in the quarter ending September 30, 1952, and further reduced personnel thereafter.

Assumption of this administrative responsibility by DPA is in addition to, and consistent with, its directive responsibility for United States participation in the IMC, and is also consistent with the continued participation anticipated by the amendment to the Defense Production Act quoted above.

In other words, Mr. Winant believes that although the intent of Congress in denying funds to the State Department was unmistakable, that the Truman administration was justified in using funds from the Office of Defense Mobilization, the Mutual Security Agency and the Department of Commerce to support a United States personnel contribution to the International Materials Conference staff in addition to the personnel in the Defense Production Administration, who represent the United States in the International Materials Conference. This is an amazing statement from any public servant.

The International Materials Conference, in its second year's report attempts to justify the continued existence of the central group and explains that it may recommend what committees should be formed or reconstituted. In other words Mr. Speaker, as long as this central group is in existence new commodity committees may be formed at its pleasure and discretion.

As I have already stated, only two commodities are today under international allocation—nickel and molybdenum. Most of the world's nickel is produced in Canada. In fact, one producer—the International Nickel Co.— is the principal supplier. Ninety-eight percent of the world's molybdenum is furnished by two countries—the United States and Chile. The United States, alone, supplies 92 percent of the free world supply. Only two or three firms produce the entire world output.

I think the time has come when an International Materials Conference is not required to allocate such materials among the free nations of the world.

Furthermore, the elimination of controls here in the United States will make it impossible for us to effectively implement such allocations.

The International Materials Conference have always professed an intention to disband as soon as their job is done. I was naturally surprised to find that new quarters were opened by the IMC on May 4 on the eighth floor of the Lafayette Building, 811 Vermont Avenue. Obviously the International Materials Conference is not planning to disband if it is opening new offices at this time.

The London Economist, a leading British business paper which has often called the turn where plans of the International Materials Conference are concerned, said in its issue of April 25, 1953:

> But if the two last allocation committees are presently wound up it will still be pertinent to consider whether, on strategic, and on economic grounds, some form of international secretariat may be desirable to continue the study of raw materials which have been, and may again become, scarce.

If we have an all-out war, there will, of course, be need for international allocations of materials and for controls of many kinds. Under today's conditions, the President has clearly indicated that he does not favor such standby measures as have been suggested by the London Economist.

Mr. Speaker, I want to remind the House that when we recently passed the 1954 appropriation bill for the State, Justice, and Commerce Departments, H. R. 4974, this body again included in section 111 the same provision against the use of any funds under this title for the operation of the International Materials Conference as we inserted in the 1953 act.

The time has come when the will of Congress must not be thwarted by devious devices, such as those outlined in Mr. Winant's report, whereby funds from other agencies are used to maintain an organization which the Congress has clearly shown we do not wish to support.

Mr. Speaker, we are trying to cut expenses to give the American people a tax cut as soon as possible. Here is one place where we can disband a useless, unauthorized international agency and can show our faith in free markets which should be relied upon to allocate materials—short of an all-out war.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Appendix of the RECORD, or to revise and extend remarks, was granted to:

Mr. BEAMER and to include an editorial.

Mr. BENTLEY in two instances.

Mr. BRAY.

Mr. JAVITS and to include extraneous material.

Mr. KEARNEY.

Mr. HOSMER and to include extraneous matter.

Mr. BLATNIK and to include an article.

Mr. ASPINALL in two instances and to include extraneous material in each instance.

Mr. POWELL and to include a letter.

Mr. HALLECK and to include certain editorials.

Mr. BURDICK in two instances.

Mr. WOLVERTON in two instances and to include extraneous matter.

Mr. LANE in three instances and to include extraneous matter.

Mr. PATTEN in two instances and to include extraneous matter.

Mr. DODD and to include two articles and an editorial.

Mr. HOLTZMAN and to include extraneous matter.

Mr. RHODES of Pennsylvania and to include two articles.

Mr. VAN ZANDT in four instances and to include extraneous matter.

Mr. D'EWART in two instances and to include extraneous matter.

Mr. PILLION and to include a statement.

Mr. FINO and to include a statement.

Mr. CRETELLA and to include a letter which he received from a resident of Arlington County.

Mr. BERRY.

Mr. DONOHUE in five instances and to include extraneous matter.

Mr. PHILBIN.

Mr. THOMPSON of Texas and to include a newspaper article.

Mr. HOWELL and to include an editorial.

Mr. HARRISON of Virginia and to include extraneous matter.

Mr. POULSON in five instances and to include extraneous matter.

Mr. KEOGH (at the request of Mr. FRIEDEL) and to include extraneous matter.

Mr. RODINO.

Mr. HESELTON and to include extraneous matter.

Mr. HILLINGS (at the request of Mr. YOUNGER) and to include extraneous matter.

Mr. WOLVERTON and to include extraneous matter.

Mr. HOFFMAN of Michigan and to include extraneous matter.

ENROLLED BILLS SIGNED

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1334. An act for the relief of Helmuth Wolf Gruhl; and

H. R. 2366. An act for the relief of Fred B. Niswonger.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 261. An act granting the consent and approval of Congress to the Connecticut River flood-control contract;

S. 380. An act to authorize the sale or lease by the State of Kansas of certain lands situated near Garden City, Kans.;

S. 484. An act conferring jurisdiction upon the United States District Court for the District of Colorado to hear, determine, and render judgment upon the claim of J. Don Alexander against the United States;

S. 1292. An act providing for the reconveyance to the town of Morristown of certain land included within the Morristown National Historical Park, in the State of New Jersey;

S. 1334. An act for the relief of the Reverend A. E. Smith;

S. 1545. An act to authorize the Secretary of the Army to convey certain Government-owned burial lots and other property in the Washington parish burial ground, Washington, D. C., and to exchange other burial lots; and

S. 1870. An act to extend the time for filing a report by the Committee on Retirement Policy for Federal Personnel established by the act of July 16, 1952.

ADJOURNMENT

Mr. WOLVERTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 47 minutes p. m.) the House adjourned until tomorrow, Thursday, June 4, 1953, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

738. A communication from the President of the United States, transmitting proposed supplemental appropriations for the fiscal year 1954 and for other purposes, in the amount of $15,359,330, together with several proposed provisions pertaining to existing appropriations (H. Doc. No. 162); to the Committee on Appropriations and ordered to be printed.

739. A letter from the Chief Justice, Supreme Court of the United States, transmitting a report of the proceedings of a special session of the Judicial Conference of the United States held on May 8, 1953, pursuant to a resolution adopted by the Judicial Conference (H. Doc. No. 163); to the Committee on the Judiciary and ordered to be printed.

740. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated July 30, 1952, submitting a report, together with accompanying papers and an illustration on a preliminary examination and survey of Patchogue River, Conn., authorized by the River and Harbor Act approved on July 24, 1946 (H. Doc. No. 164); to the Committee on Public Works and ordered to be printed, with one illustration.

741. A letter from the Executive Secretary, National Advisory Committee for Aeronautics, transmitting a draft of a bill entitled, "A bill to amend Public Law 472, 81st Congress, approved April 11, 1950, entitled 'An act to promote the national defense and to contribute to more effective aeronautical research by authorizing professional personnel of the National Advisory Committee for Aeronautics to attend accredited graduate schools for reseach and study' "; to the Committee on Armed Services.

742. A letter from the Acting General Counsel, Office of the Secretary of Defense, transmitting a draft of a bill entitled, "A bill to define service as a member of the Women's Army Auxiliary Corps as active military service under certain conditions"; to the Committee on Armed Services.

743. A letter from the Administrator, Federal Civil Defense Administration, transmitting the quarterly report of property acquisitions for the quarter ending March 31, 1953, pursuant to subsection 201 (h) of the Federal Civil Defense Act of 1950; to the Committee on Armed Services.

744. A letter from the president, Board of Commissioners, District of Columbia, transmitting a draft of a bill entitled "A bill to provide public assistance to needy persons in the District of Columbia, and for other

purposes"; to the Committee on the District of Columbia.

745. A letter from the Assistant Secretary of the Navy for Air, transmitting a draft of a bill entitled "A bill for the relief of Leon H. Callaway, Irwin F. Hall, Sylvester T. Harlin, Robert B. How and Edward S. Waldron"; to the Committee on the Judiciary.

746. A letter from the clerk, office of the Clerk, United States Court of Claims, transmitting a certified copy of the court's opinion entered in the case of *Mrs. Rosario Cusimano* v. *The United States* (Congressional No. 17868); to the Committee on the Judiciary.

747. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to Public Law 863, amending subsection (c) of section 19 of the Immigration Act of February 5, 1917, as amended (8 U. S. C. 155 (c)); to the Committee on the Judiciary.

748. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to section 4 of the Displaced Persons Act of 1948, as amended; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 1802. A bill to amend the act of Congress approved March 4, 1915 (38 Stat. 1214), as amended; with amendment (Rept. No. 500). Referred to the Committee of the Whole House on the State of the Union.

Mrs. ROGERS of Massachusetts: Committee on Veterans' Affairs. H. R. 5456. A bill to extend to June 30, 1954, the direct home and farmhouse loan authority of the Administrator of Veterans' Affairs under title III of the Servicemen's Readjustment Act of 1944, as amended, to make additional funds available therefor, and for other purposes; without amendment (Rept. No. 501). Referred to the Committee of the Whole House on the State of the Union.

Mr. DONDERO: Committee on Public Works. S. 639. An act to provide for the abandonment of a certain part of the Federal project for the Broadkill River in Delaware; without amendment (Rept. No. 502). Referred to the Committee of the Whole House on the State of the Union.

Mr. VORYS: Committee on Foreign Affairs. House Joint Resolution 234. Joint resolution authorizing an appropriation to defray the expenses of the annual meeting of the Interparliamentary Union for the year 1953, to be held in Washington, D. C.; with amendment (Rept. No. 503). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOFFMAN of Michigan: Committee on Government Operations. H. R. 4406. A bill to establish a Commission on Governmental Functions and Fiscal Resources; with amendment (Rept. No. 504). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOFFMAN of Michigan: Committee on Government Operations. H. R. 992. A bill for the establishment of the Commission on Organization of the Executive Branch of the Government; with amendment (Rept. No. 505). Referred to the Committee of the Whole House on the State of the Union.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 265. Resolution for consideration of H. R. 5141. A bill to create the Small Business Administration and to preserve small-business institutions and free, competitive enterprise; without amendment (Rept. No. 506). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 266. Resolution for consideration of H. R. 4406, a bill to establish a Commission on Governmental Functions and Fiscal Resources; without amendment (Rept. No. 507). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 267. Resolution for consideration of H. R. 992, a bill for the establishment of the Commission on Organization of the Executive Branch of the Government; without amendment (Rept. No. 508). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 268. Resolution for consideration of H. R. 5304, a bill to permit members of the Armed Forces to elect certain contingency options, and for other purposes; without amendment (Rept. No. 509). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 269. Resolution for consideration of H. R. 3770, a bill to amend the act of December 23, 1944, authorizing certain transactions by disbursing officers of the United States, and for other purposes; without amendment (Rept. No. 510). Referred to the House Calendar.

Mr. HOFFMAN of Michigan: Committee on Government Operations. H. R. 3770. A bill to amend the act of December 23, 1944, authorizing certain transactions by disbursing officers of the United States, and for other purposes; without amendment (Rept. No. 511). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BRAY:

H. R. 5528. A bill to provide that certain former members of the uniformed services shall be notified if they have claims against the United States for amounts due them because of military service; to the Committee on Armed Services.

By Mr. D'EWART:

H. R. 5529. A bill to preserve within Manassas National Battlefield Park, Va., the most important historic properties relating to the Battles of Manassas, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. DONDERO:

H. R. 5530. A bill to amend the Internal Revenue Code to provide that certain gains and losses in respect of contracts for the sale of real property, or in respect of mortgages on real property, shall be capital gains and losses; to the Committee on Ways and Means.

By Mr. HESS:

H. R. 5531. A bill for the relief of the Board of County Commissioners of Hamilton County, Ohio; to the Committee on the Judiciary.

By Mr. HYDE:

H. R. 5532. A bill to modernize the charter of Washington Gas Light Co., and for other purposes; to the Committee on the District of Columbia.

By Mr. KEAN:

H. R. 5533. A bill to amend the Federal old-age and survivors insurance provisions of the Social Security Act so as to increase benefit payments by revising the method for computing an individual's average monthly wage so as to use the best 10 consecutive years, and for other purposes; to the Committee on Ways and Means.

By Mr. MORANO:

H. R. 5534. A bill to suspend for 1 year certain duties upon the importation of aluminum and aluminum alloys; to the Committee on Ways and Means.

By Mr. O'KONSKI:

H. R. 5535. A bill to authorize the Administrator of Veterans' Affairs to guarantee loans made to certain veterans for the purchase of trailers to be used as homes; to the Committee on Veterans' Affairs.

By Mr. PATTEN:

H. R. 5536. A bill to authorize the leasing of restricted Indian lands for public, religious, educational, recreational, residential, business, and other purposes requiring the grant of long-term leases; to the Committee on Interior and Insular Affairs.

By Mr. SIMPSON of Pennsylvania:

H. R. 5537. A bill to provide an income-tax basis of certain trusts subject to the Federal estate tax; to the Committee on Ways and Means.

H. R. 5538. A bill to provide for voluntary contributions of an employer to an employee's stock bonus or profit-sharing trust; to the Committee on Ways and Means.

By Mr. SMITH of Mississippi:

H. R. 5539. A bill to amend the Public Buildings Act of 1949 to authorize the Administrator of General Services to acquire title to real property and to provide for the construction of certain public buildings for housing of Federal agencies or departments, including post offices, by executing purchase contracts, and for other purposes; to the Committee on Public Works.

By Mr. WAMPLER:

H. R. 5540. A bill to amend the Social Security Act to provide for payment under the Federal old-age and survivors insurance system of child's insurance benefits to children who have attained the age of 18 but are incapable of self-support because of physical or mental disability, and for other purposes; to the Committee on Ways and Means.

By Mr. DORN of South Carolina:

H. Res. 260. Resolution providing for the payment of 6 months' salary and $350 funeral expenses to Eva Bush, sister of Walter Puckett, late an employee of the House of Representatives; to the Committee on House Administration.

By Mr. HOFFMAN of Michigan:

H. Res. 261. Resolution disapproving Reorganization Plan No. 7 of 1953; to the Committee on Government Operations.

H. Res. 262. Resolution disapproving Reorganization Plan No. 8 of 1953; to the Committee on Government Operations.

H. Res. 263. Resolution disapproving Reorganization Plan No. 9 of 1953; to the Committee on Government Operations.

H. Res. 264. Resolution disapproving Reorganization Plan No. 10 of 1953; to the Committee on Government Operations.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to repeal the Federal taxes on the transportation of persons and property as each affects interisland transportation in Hawaii and between Hawaii and the mainland United States; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOW:

H. R. 5541. A bill for the relief of Laura Olivera Miranda; to the Committee on the Judiciary.

By Mr. BRAY:

H. R. 5542. A bill for the relief of Anthony S. Jarana; to the Committee on the Judiciary.

By Mr. BUCKLEY:

H. R. 5543. A bill for the relief of Regina Hochstein (also known as Regina Tenenbaum) and Chaim Hochstein; to the Committee on the Judiciary.

By Mr. DAWSON of Utah:

H. R. 5544. A bill for the relief of Jacob Fraim Zubli; to the Committee on the Judiciary.

By Mr. DOLLINGER:

H. R. 5545. A bill for the relief of Dr. Lycourgos E. Papadakis; to the Committee on the Judiciary.

By Mr. DOYLE:

H. R. 5546. A bill for the relief of Hildegard Helena Stern; to the Committee on the Judiciary.

By Mr. HALEY:

H. R. 5547. A bill for the relief of Mrs. Thamena Hanna; to the Committee on the Judiciary.

By Mr. HELLER (by request):

H. R. 5548. A bill for the relief of Samuel Kaufman, Mrs. Pepa Kaufman, and Meyer Kaufman; to the Committee on the Judiciary.

H. R. 5549. A bill for the relief of Ervin Eckstein; to the Committee on the Judiciary.

By Mr. KILBURN:

H. R. 5550. A bill for the relief of Simone Gilliland; to the Committee on the Judiciary.

By Mr. MORANO:

H. R. 5551. A bill for the relief of Raul Conde, Esperanza J. Conde, and Araceli Conde; to the Committee on the Judiciary.

By Mr. TAYLOR:

H. R. 5552. A bill for the relief of John Hatgegeorge; to the Committee on the Judiciary.

By Mr. WILSON of Texas:

H. R. 5553. A bill for the relief of Dr. Lu Jen-lung; to the Committee on the Judiciary.

By Mr. YOUNG:

H. R. 5554. A bill for the relief of Zara A. Brillanti; to the Committee on the Judiciary.

H. R. 5555. A bill for the relief of Dimitrios Costas Melachrinos; to the Committee on the Judiciary.

SENATE

THURSDAY, JUNE 4, 1953

(Legislative day of Thursday, May 28, 1953

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rabbi Norman Gerstenfeld, minister of the Washington Hebrew Congregation, Washington, D. C., offered the following prayer:

O Thou who hast led us out of bondage with a vision of man's righteousness, Thou who hast taught us that we are faithful children of a just God only when we labor for liberty and justice for all, guide us in our deliberations so that we shall clear the path that leads upward, the way that builds new strength and new hope for the children of men.

O Thou who hast led us across the Red Seas and the wilderness of the yesteryears in a vision of a covenant with Thy law, quicken that vision in our minds so that with renewed faith we will be the living witnesses of that covenant in our lives; a covenant that will inspire freemen toward a rebirth of freedom to face the promise and the dangers of a new age.

We pray in the hope of our fathers that we shall preserve the freedoms our fathers have won, and raise a standard for the wise and the honest freemen of our day; so that through our labors a just peace shall be to him who is far and to him who is near, and the time shall soon come when the world shall be filled with the knowledge of a righteous God even as the waters cover the seas. Amen.

THE JOURNAL

On request of Mr. TAFT, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, June 3, 1953, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 1026. An act to amend the Public Health Service Act, with respect to the provisions of certain medical and dental treatment and hospitalization for certain officers and employees of the former Lighthouse Service and for dependents and widows of officers and employees of such Service; and

H. R. 5069. An act to prohibit the introduction or movement in interstate commerce of articles of wearing apparel and fabrics which are so highly flammable as to be dangerous when worn by individuals, and for other purposes.

LEAVE OF ABSENCE

On request of Mr. JOHNSON of Texas, and by unanimous consent, Mr. KERR was excused from attendance on the session of the Senate today.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. TAFT, and by unanimous consent, the Committee on the District of Columbia and subcommittees thereof were authorized to meet today during the session of the Senate.

CONFIRMATION OF EXECUTIVE NOMINATIONS

Mr. TAFT. Mr. President, six nominations are on the Executive Calendar. So far as I am aware, there is no objection to the confirmation of these nominations, and I should like to have them disposed of now. If the minority leader has any objection, I shall be glad to postpone the request for their consideration.

Mr. JOHNSON of Texas. Does the Senator from Ohio refer to the new reports?

Mr. TAFT. Yes.

Mr. JOHNSON of Texas. I know of no objection.

Mr. TAFT. Mr. President, I ask unanimous consent that, as in executive session, the Senate proceed to the consideration of nominations under the heading "New Reports."

The PRESIDENT pro tempore. As in executive session, the clerk will state the nominations on the Executive Calendar under the heading "New Reports."

DEPARTMENT OF STATE

The legislative clerk read the nomination of Samuel C. Waugh, of Nebraska, to be an Assistant Secretary of State.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

INTERNATIONAL MONETARY FUND

The legislative clerk read the nomination of Frank A. Southard, Jr., of New York, to be United States Executive Director of the International Monetary Fund.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk read the nomination of Llewellyn E. Thompson, Jr., of Colorado, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Austria, and to be also United States High Commissioner for Austria.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of James S. Moose, Jr., of Arkansas, to be Ambassador Extraordinary and Minister Plenipotentiary of the United States of America to the Republic of Syria.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Harold Shantz, of New York, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Rumania.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

SMALL DEFENSE PLANTS ADMINISTRATION

The legislative clerk read the nomination of William D. Mitchell, of Colorado, to be Administrator, Small Defense Plants Administration.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. TAFT. Mr. President, I ask unanimous consent that the President be notified immediately of the confirmation of these nominations.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. LANGER, from the Committee on the Judiciary:

James W. Dorsey, of Georgia, to be United States attorney for the northern district of Georgia, vice J. Ellis Mundy;

Leonard G. Hagner, of Delaware, to be United States attorney for the district of Delaware, vice William Marvel;

Frank O. Evans, of Georgia, to be United States attorney for the middle district of Georgia, vice John P. Cowart;

Frank D. McSherry, of Oklahoma, to be United States attorney for the eastern district of Oklahoma;

Lester Shields Parsons, Jr., of Virginia, to be United States attorney for the eastern district of Virginia, vice A. Carter Whitehead;

Hartwell Davis, of Alabama, to be United States attorney for the middle district of Alabama, vice Edward Burns Parker;

James Major Baley, Jr., of North Carolina, to be United States attorney for the western district of North Carolina, vice Thomas A. Uzzell, Jr.; and

Leonard Page Moore, of New York, to be United States attorney for the eastern district of New York, vice Frank J. Parker.

REPORT ON NOMINATION OF DALLAS S. TOWNSEND TO BE AN ASSISTANT ATTORNEY GENERAL

Mr. HENDRICKSON. Mr. President, as in executive session, from the Committee on the Judiciary, it gives me great pleasure to report favorably from that committee the nomination of Dallas S. Townsend, of New Jersey, to be an Assistant Attorney General.

The PRESIDENT pro tempore. The report will be received as in executive session, and the nomination will be placed on the Executive Calendar.

REPORT ON NOMINATION OF CLINTON G. RICHARDS TO BE UNITED STATES ATTORNEY FOR DISTRICT OF SOUTH DAKOTA

Mr. CASE. Mr. President, as in executive session, on behalf of and by courtesy of the chairman of the Committee on the Judiciary [Mr. LANGER], I report favorably from that committee the nomination of Clinton G. Richards, of South Dakota, to be United States attorney for the district of South Dakota.

The PRESIDENT pro tempore. The report will be received as in executive session, and the nomination will be placed on the Executive Calendar.

REPORT ON NOMINATION OF WENDELL A. MILES TO BE UNITED STATES ATTORNEY FOR WESTERN DISTRICT OF MICHIGAN

Mr. FERGUSON. Mr. President, as in executive session, on behalf of the chairman of the Committee on the Judiciary [Mr. LANGER], I report favorably from that committee the nomination of Wendell A. Miles, of Michigan, to be United States attorney for the western district of Michigan.

I hope that the Senate will take favorable action on the nomination as early as possible. I am sure Mr. Miles will make a very distinguished United States attorney.

The PRESIDENT pro tempore. The report will be received as in executive session, and the nomination will be placed on the Executive Calendar.

TRANSACTION OF ROUTINE BUSINESS

Mr. TAFT. Mr. President, I ask unanimous consent that Senators may be authorized to transact business which would be in order during the morning hour, speeches not to exceed 2 minutes as is the practice.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT OF MARITIME ADMINISTRATION

A letter from the Secretary of Commerce, transmitting, pursuant to law, the quarterly report of the Maritime Administration of the Department of Commerce, for the period January 1 through March 31, 1953 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

LAWS ENACTED BY MUNICIPAL COUNCILS OF ST. THOMAS AND ST. JOHN AND ST. CROIX, V. I.

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, copies of laws enacted by the Municipal Councils of St. Thomas and St. John and St. Croix, V. I. (with accompanying papers); to the Committee on Interior and Insular Affairs.

STATEHOOD FOR HAWAII

A letter from the Assistant Secretary of the Interior, transmitting, at the request of the Governor of Hawaii, a copy of a resolution unanimously adopted by the Legislature of Hawaii, favoring the enactment of legislation granting statehood to Hawaii (with an accompanying paper); to the Committee on Interior and Insular Affairs.

REPORT ON PROPERTY ACQUISITIONS BY FEDERAL CIVIL DEFENSE ADMINISTRATION

A letter from the Administrator, Federal Civil Defense Administration, reporting, pursuant to law, on property acquisitions by that administration, for the quarter ended March 31, 1953; to the Committee on Armed Services.

ATTENDANCE OF CERTAIN PROFESSIONAL PERSONNEL AT ACCREDITED GRADUATE SCHOOLS FOR RESEARCH

A letter from the Executive Secretary, National Advisory Committee for Aeronautics, Washington, D. C., transmitting a draft of proposed legislation to amend Public Law 472, 81st Congress, approved April 11, 1950, entitled "An act to promote the national defense and to contribute to more effective aeronautical research by authorizing professional personnel of the National Advisory Committee for Aeronautics to attend accredited graduate schools for research and study" (with an accompanying paper); to the Committee on Armed Services.

AUDIT REPORT ON CORPORATIONS SUPERVISED BY FARM CREDIT ADMINISTRATION AND AGRICULTURAL MARKETING REVOLVING FUND (ADMINISTERED BY FARM CREDIT ADMINISTRATION) (H. Doc. No. 165)

A letter from the Comptroller General, transmitting, pursuant to law, an audit report on corporations supervised by Farm Credit Administration and Agricultural Marketing Revolving Fund (administered by Farm Credit Administration), for the fiscal year ended June 30, 1952 (with an accompanying report); to the Committee on Government Operations.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, and referred as indicated:

By the PRESIDENT pro tempore:

A concurrent resolution of the Legislature of the Territory of Hawaii; to the Committee on Finance:

"House Concurrent Resolution 10

"Concurrent resolution requesting the Congress of the United States to repeal the Federal taxes on the transportation of persons and property as each affects interisland transportation in Hawaii and transportation between Hawaii and the mainland United States

"Whereas the United States now levies a tax of 15 percent of the amount paid for the transportation of persons, and a similar tax of 3 percent on the amount paid for the transportation of property between the Territory and the mainland United States, and between the several islands of the Territory of Hawaii; and

"Whereas these taxes were imposed as wartime excises to discourage unnecessary transportation of persons and property, which reason is no longer sufficient to justify continuing their levy; and

"Whereas due to the geographic makeup of the Territory virtually all interisland shipments of food and other goods as well as transportation of persons must be accomplished by commercial means and are therefore subject to the payment of these taxes, a condition not true on the mainland with regard to either intrastate or interstate transportation; and

"Whereas these taxes materially increase the cost of transportation of persons and property both from the mainland, to the Territory and within the Territory, thus directly contributing to the high cost of living in the Territory and working great hardship on the people of the Territory who must pay inflated prices for food and other necessities because of these taxes; and

"Whereas the cost to the carriers of collecting these taxes substantially increases the cost of transportation, which cost is ultimately paid by the users of such transportation facilities and results, therefore, in an additional and unnecessary charge upon the public; and

"Whereas these taxes put Hawaii in a very unfavorable position in its competition with Europe, South and Central America, the Carribean area and other southern trade areas for tourist business, which is Hawaii's third-ranking industry and is rapidly increasing in importance, as well as in Hawaii's bid for a place in the import-export business of the world, inasmuch as transportation to and from the aforesaid mentioned areas are not subject to these taxes; and

"Whereas these taxes definitely discourage passenger travel and shipping activities via commercial means at a time when transportation systems generally are hard-pressed financially, which is particularly detrimental to the low-income groups in the Territory who cannot afford the resultant higher travel costs in the Territory; and

"Whereas the 26th Legislature of the Territory of Hawaii also requested the Congress of the United States to repeal said taxes: Now, therefore, be it

"*Resolved by the House of Representatives of the 27th Legislature of the Territory (the Senate concurring)*, That the Congress of the United States be and it is hereby respectfully requested to repeal the Federal tax on the transportation of persons and the tax on the transportation of property as each applies to travel and shipping within the Territory of Hawaii and as each applies to travel and shipping between the mainland United States and the Territory of Hawaii; and be it further

"*Resolved*, That duly certified copies of this concurrent resolution be transmitted to the President of the United States, to the President of the Senate and to the Speaker of the House of Representatives of the Congress of the United States, to the Secretary of the Interior, and to the Delegate to Congress from Hawaii."

A resolution adopted by the Southern Baptist Convention, at Houston, Tex., relating

to selective service legislation for vocational lay religious workers; to the Committee on Armed Services.

WHEAT FOR PAKISTAN—RESOLUTION OF EXECUTIVE BOARD, DIVISION OF FOREIGN MISSIONS, NATIONAL COUNCIL OF THE CHURCHES OF CHRIST OF AMERICA

Mr. WILEY. Mr. President, I have received today a resolution adopted by the executive board of the division of foreign missions, National Council of the Churches of Christ in the United States of America, on the humanitarian issue of wheat for Pakistan.

I ask unanimous consent that the resolution be printed at this point in the RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

DIVISION OF FOREIGN MISSIONS,
NATIONAL COUNCIL OF
THE CHURCHES OF CHRIST IN
THE UNITED STATES OF AMERICA,
New York, N. Y., May 28, 1953.

The Honorable ALEXANDER WILEY,
Foreign Relations Committee,
Washington, D. C.

MY DEAR SENATOR WILEY: The executive board of the division of foreign missions of the National Council of the Churches of Christ in the United States of America, representing approximately 48 Protestant foreign mission boards and agencies, with an annual overseas expenditure of almost $40 million, in session in New York City on May 27, 1953, took the following action:

"Whereas it is known that many thousands of people in Pakistan are now suffering from hunger and the effects of malnutrition; and

"Whereas it is understood that on April 3, 1953, the Government of Pakistan requested aid from the Government of the United States for the purpose of securing from this country emergency supplies of surplus wheat: Be it

"*Resolved*, That the executive board of the division of foreign missions of the National Council of the Churches of Christ in the United States of America in session May 27, 1953, record its full support of the request made by the Government of Pakistan and urge officers of the National Council of the Churches of Christ in the United States of America to present to the appropriate bodies in the United States Government an urgent appeal for favorable action upon this request upon terms mutually agreeable to the two Governments."

The division of foreign missions is deeply appreciative of your interest and concern in meeting Pakistan's dire need of food.

This letter has also been sent to President Dwight D. Eisenhower and Secretary of State, the Honorable John Foster Dulles.

Please accept our sincere good wishes in the carrying out of the important responsibilities committed to you.

Respectfully yours,
LUTHER A. GOTWALD,
Executive Secretary.

RESOLUTIONS OF NORTH IDAHO CHAMBER OF COMMERCE, PRIEST LAKE, IDAHO

Mr. DWORSHAK. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, two resolutions adopted by the North Idaho Chamber of Commerce, on May 22, 1953, at its spring meeting at Priest Lake, Idaho, relating to imports of foreign metals, and the location of mining claims on public lands.

There being no objection, the resolutions were received, appropriately referred, and ordered to be printed in the RECORD, as follows:

To the Committee on Finance:

"RESOLUTION OF THE NORTH IDAHO CHAMBER OF COMMERCE ON MAY 22, 1953, AT ITS SPRING MEETING AT PRIEST LAKE, IDAHO

"Whereas the lead-zinc mining industry is of major importance to the economy of North Idaho, and particularly important to communities, businesses, and employees who depend on this industry for their livelihood; and

"Whereas uncontrolled and unrestricted imports of foreign lead and zinc have caused a critical condition in this industry with attendant curtailment of operations, reduced employment, and unfavorable local business conditions; and

"Whereas the record is clear that foreign producers deny the United States consumer lead and zinc when this country needs them and in turn dumps metal in unprecedented amounts when it is not needed; and

"Whereas the industry, its employees and their unions, civic associations, and affected communities have petitioned the United States Congress to correct the abuse of crippling the domestic lead-zinc industry and cease favoring foreign producers, many of whom pay wages unthinkable in America: Now, therefore, be it

"*Resolved*, That the North Idaho Chamber of Commerce joins these communities, organizations, employees, and companies in their case before the Congress and urges that proper legislation be adopted to enable this country to maintain a healthy domestic lead-zinc industry and at the same time continue imports of foreign metal only in an amount actually needed for consumption. We particularly favor the sliding scale import stabilization tax as proposed in H. R. 4294 (Simpson bill) and in the bills introduced by Senator DWORSHAK (S. 1562) and Representative DAWSON (H. R. 4320)."

To the Committee on Interior and Insular Affairs:

"RESOLUTION OF THE NORTH IDAHO CHAMBER OF COMMERCE, MAY 22, 1953

"Whereas present mining laws of the United States permit the location of mining claims on public lands giving the locator control of all surface rights, including limited use of the timber therein; and

"Whereas it is alleged that unscrupulous individuals have fraudulently taken advantage of these permissive laws to locate mining claims for the purpose other than mining; and

"Whereas present violators of the mining laws are not being prosecuted by governmental agencies charged with that duty; and

"Whereas these abuses are detrimental to both the legitimate mining locator, the mining industry and the general public; and

"Whereas there is now pending before Congress Senate bill 1830 and H. R. 4983, identical bills providing additions to present mining laws which will afford more adequate protection against abuses and fraudulent location of mining claims: Now, therefore, be it

"*Resolved*, That—

"1. We are opposed to any basic change in the present mining laws which would deprive the locator or patentee of surface rights necessary for mining development of the claim.

"2. We recommend existing rights to prospect for, locate, develop, and ultimately obtain title in fee to mineral lands in the public domain be preserved and safeguarded, and that present mining laws be fully enforced by present existing agencies charged with that responsibility.

"3. We recommend that Senate bill 1830 (DWORSHAK) and H. R. 4983 (D'EWART), now before Congress, be enacted into law."

USE OF INSCRIPTION "IN GOD WE TRUST" ON POSTAGE STAMPS—RESOLUTION OF WINONA (MINN.) AERIE 1243, FRATERNAL ORDER OF EAGLES

Mr. HUMPHREY. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Fraternal Order of Eagles, Aerie No. 1243, of Winona, Minn., relating to the use of the inscription "In God we trust" on postage stamps.

There being no objection, the resolution was referred to the Committee on Post Office and Civil Service, and ordered to be printed in the RECORD, as follows:

RESOLUTION OF WINONA AERIE, NO. 1243, FRATERNAL ORDER OF EAGLES, WINONA, MINN.

Whereas our postage stamps do not bear the inscription "In God we trust," while our coinage does; and

Whereas our postage stamps reach into millions of foreign homes and offices in which our coinage is never seen; and

Whereas postage stamps, on which the inscription, "In God we trust" will be printed, can be effective means of describing the fundamentally spiritual nature of this country to all nations of the world; and

Whereas in our current struggle against the irreligious philosophy of communism, it is important that we pray to God for help; and

Whereas many foreign nations do not consider Americans basically religious; and

Whereas such postage stamps would serve to remind our own people of their debt to God; and

Whereas Hon. MIKE MANSFIELD, United States Senator, from Montana, who is a member of the Fraternal Order of Eagles, has introduced a bill into the Senate instructing the Post Office Department to place the inscription "In God we trust" on all of our postage stamps: Now, therefore, be it

Resolved, That the officers and members of Winona Aerie, No. 1243, of the Fraternal Order of Eagles in Winona, Minn., hereby express their endorsement of this legislation with the recommendation that it be given speedy attention and prompt passage; and be it further

Resolved, That the officers and members of Winona Aerie, No. 1243, FOE invite other civic, religious, patriotic, and fraternal organizations to join with them in the support of this project.

A. M. MADEGAN,
Worthy President.
HENRY C. EHMCKE,
Secretary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LANGER, from the Committee on the Judiciary, without amendment:

S. 57. A bill for the relief of Blanca Ibarra and Dolores Ibarra (Rept. No. 321);

S. 154. A bill for the relief of George Pantelas (Rept. No. 322);

S. 312. A bill for the relief of Giuseppe Orsi (Rept. No. 323);

S. 316. A bill for the relief of Vera Lazaros and Cristo Lazaros (Rept. No. 324);

S. 454. A bill for the relief of Connie Joyce May (Ayako Goto) (Rept. No. 325);

S. 625. A bill for the relief of Michael Raymond Juenger (Joji Hatano) and Vivian Nakajima Nobuko (Rept. No. 326);

S. 1431. A bill for the relief of Holly Layne Roberts (Mariko Uchiyama) (Rept. No. 327);

S. 1607. A bill for the relief of Joseph David Eller (Joseph Ushimura) (Rept. No. 328);

H. R. 663. A bill for the relief of Dr. Alexander Fiala (Rept. No. 329);

H. R. 868. A bill for the relief of Francesca Servello (Rept. No. 330);

H. R. 1103. A bill for the relief of Maria Buffoni and Emma Botta (Rept. No. 331);

H. R. 1187. A bill for the relief of Mother Anna DiGiorgi (Rept. No. 332);

H. R. 1200. A bill for the relief of Ronald J. Palmer and Ronda Kay Palmer (Rept. No. 333);

H. R. 1517. A bill for the relief of Cpl. Predrag Mitrovich (Rept. No. 334);

H. R. 1752. A bill for the relief of William Robert DeGrafft (Rept. No. 335);

H. R. 1887. A bill for the relief of Marjorie Goon (Goon Mei Chee) (Rept. No. 336);

H. R. 1888. A bill for the relief of Gary Matthew Stevens (Kazuo Omiya) (Rept. No. 337);

H. R. 1952. A bill for the relief of Cecile Lorraine Vincent and Michael Calvin Vincent (Rept. No. 338);

H. R. 2176. A bill for the relief of Norma Jean Whitten (Rept. No. 339);

H. R. 3244. A bill for the relief of Patricia Ann Dutchess (Rept. No. 340);

H. R. 3358. A bill for the relief of Erna Meyer Grafton (Rept. No. 341);

H. R. 3678. A bill for the relief of George Prokofieff de Seversky and Isabelle Prokofieff de Seversky (Rept. No. 342);

H. R. 3724. A bill for the relief of Anthony Lynn Neis (Rept. No. 343); and

H. R. 3758. A bill for the relief of Stavrula Perutsea (Rept. No. 344).

By Mr. LANGER, from the Committee on the Judiciary, with an amendment:

S. 196. A bill for the relief of Alejandro de la Cruz Hernandez (Rept. No. 345);

S. 470. A bill for the relief of Julia Ann Smith (Rept. No. 346);

S. 505. A bill for the relief of Rev. John T. MacMullen (Rept. No. 347);

S. 591. A bill for the relief of Samuel V. Goekjian (Rept. No. 348);

S. 669. A bill for the relief of Helene Olga Iwasenko (Rept. No. 349);

S. 781. A bill for the relief of Dr. Jacob Griffel (Rept. No. 350);

S. 801. A bill for the relief of Eugenio S. Rolles (Rept. No. 351);

S. 1105. A bill to incorporate the National Safety Council (Rept. No. 352); and

H. R. 1482. A bill for the relief of Hildegard Schoenauer (Rept. No. 353).

By Mr. LANGER, from the Committee on the Judiciary, with amendments:

S. 257. A bill for the relief of Rosette Sorge Savorgnan (Rept. No. 354).

By Mr. BARRETT, from the Committee on the District of Columbia, without amendment:

H. R. 1832. A bill to provide for the suspension of the imposition or execution of sentence in certain cases in the municipal court for the District of Columbia and in the juvenile court of the District of Columbia (Rept. No. 355);

H. R. 3706. A bill relating to the incorporation of the Columbus University of Washington, D. C. (Rept. No. 356);

H. R. 4484. A bill to amend section 365 of the act entitled "An act to establish a code of laws for the District of Columbia," approved March 3, 1901, as amended, to increase the maximum sum allowable by the court out of assets of a decedent's estate for funeral expenses (Rept. No. 357);

H. R. 4485. A bill to amend the law of the District of Columbia relating to publication of partnerships (Rept. No. 358);

H. R. 4486. A bill to amend the law of the District of Columbia relating to forcible entry and detainer (Rept. No. 359);

H. R. 4487. A bill to amend the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as further amended by an act of April 19, 1920 (title 20, ch. 1, sec. 116, D. C. Code, 1951), relating to continuing decedent's business (Rept. No. 360); and

H. R. 4550. A bill to amend the Code of Laws of the District of Columbia in respect to the recording, in the Office of the Recorder of Deeds, of bills of sale, mortgages, deeds of trust, and conditional sales of personal property (Rept. No. 361).

By Mr. BARRETT, from the Committee on the District of Columbia, with an amendment:

H. R. 3425. A bill to amend the act entitled "An act to authorize the Commissioners of the District of Columbia to appoint a member of the Metropolitan Police Department or a member of the Fire Department of the District of Columbia as Director of the District Office of Civil Defense, and for other purposes," approved May 21, 1951 (Rept. No. 362).

By Mr. BARRETT, from the Committee on the District of Columbia, with amendments:

S. 1004. A bill to amend section 86, Revised Statutes of the United States relating to the District of Columbia, as amended (Rept. No. 363); and

S. 1946. A bill to provide for the more effective prevention, detection, and punishment of crime in the District of Columbia (Rept. No. 364).

By Mr. BEALL, from the Committee on the District of Columbia:

S. 755. A bill to provide for the treatment of users of narcotics in the District of Columbia; with amendments (Rept. No. 365).

By Mr. PAYNE, from the Committee on the District of Columbia, without amendment:

S. 1839. A bill to amend section 32 of the Fire and Casualty Act so as to provide that an agent or solicitor may secure a license to solicit accident and health insurance in the District of Columbia under that act without taking the prescribed examination, if he is licensed under the Life Insurance Act (Rept. No. 366);

S. 2032. A bill to modernize the charter of Washington Gas Light Co., and for other purposes (Rept. No. 367); and

H. R. 3087. A bill to authorize the Board of Commissioners of the District of Columbia to permit certain improvements to two business properties situated in the District of Columbia (Rept. No. 368).

By Mr. PAYNE, from the Committee on the District of Columbia, with amendments:

S. 1691. A bill to authorize Potomac Electric Power Co. to construct, maintain, and operate in the District of Columbia, and to cross Kenilworth Avenue NE., in said District, with certain railroad tracks and related facilities, and for other purposes (Rept. No. 369).

AID TO KOREA WEEK

Mr. BUTLER of Maryland. Mr. President, from the Committee on the Judiciary, I report favorably, without amendment, the joint resolution (S. J. Res. 80) requesting and authorizing the President of the United States to officially proclaim the week of June 7–14, 1953, as "Aid to Korea Week" and I submit a report (No. 319) thereon.

The PRESIDENT pro tempore. The report will be received.

Mr. KNOWLAND. Mr. President, I have discussed with the acting minority leader the matter of considering the joint resolution which was just unanimously reported from the Committee on the Judiciary. I have also discussed it with the Senator from North Dakota [Mr. LANGER], and the action I am about to propose meets with their full approval.

Because Aid to Korea Week will be next week, and it is the intention of the acting majority leader to move that the Senate, when it concludes its business today, recess until Monday, obviously if any action is to be taken on the joint resolution it will have to be taken at this time.

The joint resolution is not on the calendar. I request that the clerk read the joint resolution, including the preamble.

The PRESIDENT pro tempore. The clerk will read the joint resolution as requested by the Senator from California.

The legislative clerk read as follows:

Joint resolution requesting and authorizing the President of the United States to officially proclaim the week of June 7–14, 1953, as "Aid to Korea Week"

Whereas the people of the United States feel a strong bond of friendship toward the people of the Republic of Korea in our common fight in defense of freedom; and

Whereas Korean women, children, aged, and maimed have been subject to the ravages of war for almost 3 years; and

Whereas the facilities of the Government of the Republic of Korea and the magnanimous aid of private relief agencies have not to date been nearly adequate for the monumental task of rehabilitation of the millions of injured, destitute, and homeless Koreans; and

Whereas the American military forces in Korea have been so moved by the suffering of the civilians there that they have contributed millions of dollars of their own money to help these stricken people; and

Whereas recent reports estimate there are 9 million dislocated persons, 100,000 orphans, 300,000 war widows, and 15,000 amputees in desperate need in that land which has borne such sacrifice to retain its freedom and independence and to resist Communist aggression; and

Whereas the practice of assistance through private relief agencies is in the best American tradition: Now, therefore, be it

Resolved, etc., That the President of the United States is requested and authorized to officially proclaim the week of June 7–14, 1953, as "Aid to Korea Week": And be it further

Resolved, That the President shall by this proclamation call upon the American people, by their observance of this week, to demonstrate their friendship and affection for the distressed people of the Republic of Korea.

Mr. KNOWLAND. Mr. President, I ask unanimous consent for the immediate consideration of the joint resolution.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS—REPORT OF A COMMITTEE

Mr. LANGER. Mr. President, from the Committee on the Judiciary, I report an original concurrent resolution favoring the suspension of deportation of certain aliens, and I submit a report (No. 320) thereon.

The PRESIDENT pro tempore. The report will be received, and the concurrent resolution will be placed on the calendar.

The concurrent resolution (S. Con. Res. 33) was placed on the calendar, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months:

A-6221631, Adame-Valenzuela, Jose.
A-8190215, Agoropulos, Demetrios or James.
A-5997454, Alexandra, Nicholas Michael De.
A-5739973, Altadonna, Maria (nee Galati).
A-9948019, Altamura, Francesco or Frank.
A-8065712, Ammirato, Teresa Vincenza.
0300-344781, Anderson, Hjoje, or George Anderson.
A-2825368, Antonio, Bernardino.
A-8155835, Antonio, Felix San.
A-7802758, Apollonio, Luciano Antonio.
A-7049107, Armendariz, Esteban, or Esteban Armendariz-Burciaga.
A-6467334, Arredondo, Atiliano.
A-7269653, Arredondo, Antonia Cardiel De.
A-6611467, Ary, Amin Neto.
A-9099021, Athineos, Nicholas, or Nicolaos Athineos or Nicolas Athineos or Nicolaos Athinaios.
A-4380361, Baer, Hilda Syralia, formerly Hilda Syralja Carlson or Ellen Carlson (nee Hilda Syralia Wahlstrom).
0200-112336, Ballon, Carmelo Ricardo.
A-6108318, Barba-Garcia, Domingo.
A-5636200, Barreras, Maria Ramirez de, or Maria Ramirez-Garcia.
A-2309337, Bartelamia, Francesco.
A-6853320, Batchelor, Lilian Violet (nee Wallis).
A-3826349, Battaglia, Frank or Francesco.
A-7140060, Beadle-Esparza, Henry.
A-2790147, Bicecci, Primo.
A-4576339, Biebernell, Barbara Anna.
A-4776181, Blackman, Clothilda Eudora or Brewster or Clothilda Blackman.
A-1245322, Bolko, Fred.
A-7762608, Bonilla, Ana Elena Rangel-Vargas (nee Ana Elena Rangel-Vargas).
A-7140110, Boulos, Hamid Michel alias Michel Boulos Macary or Hamid Antoon Boulos.
1412-1368, Borjas-Chaire, David.
A-6991902, Brettler, Isaac.
A-8190180, Brown, Lester Earl.
A-7269877, Burriesci, Lucia.
A-1185691, Calen, Reynold Sandfried, alias Reynold Sandfried Kalen or Reynold Sandfried Peterson.
A-1845143, Calomeris, Muriel Hewitt (nee Smith).
A-8117566, Campbell, Clarance E. B.
A-7491350, Candelas-Valadez, Jose Rosalio.
A-7821684, Carbone, Mario Vincenzo.
0500-43065, Cardenas, Elvia Rose or Elvia Rose Cardenas Tweedy.
1307-4991, Cardenas-Soria, Andres.
A-4872924, Casale, Umberto Di or Umberto De Casale or Albert Casale.
V-944219, Casare, Antonio alias Di Cesare.
A-6134959, Castillo, Edward or Edwardo Castillo or Eduardo Alvarado or Edward Castillo Alvarado or Enrique Alvarado-Munos.
A-7290024, Ceniceros, Guadalupe Vasquez or Antonia Resendez Mendoza or Antonia Resendez.
A-7079672, Ceniceros, Andres Reyes.
V-684256, Cerundolo, Giovanni Nicola.
A-7627454, Chang, Mao Sheng.
A-7118570, Chao, Che Shen, alias Paul C. S. Chao.
A-7251022, Char, Wong Tick, alias Thomas C. Wong.
A-6730659, Chao, Ming-Chang.
A-6730660, Chao, Li Chiah Huang.
0502-6639, Che, Jung Kwong, alias Jung Daw.
A-1547431, Cheng, Alfonso Chao-Fong.
A-6033473, Cheng, Wen-Yu.
A-7375410, Cheng, Helen Kuomei Huang De.
A-6694113, Cheng, Chung.
A-6620721, Cheng, Yu Bei Wang.
A-8196992, Cheo, John Keaghliang or John Kongliang Cheo or Kong Liang Djou.
A-1423692, Chepanos, Stevan John, alias John Stevan.
A-8117045, Chew, Ben Foo or Chew Toon Fou.
A-9150016, Choon, Chan, alias Chan Chong or Chin Cheong or Chan Cheong.
A-9507457, Chick, Mak.
A-7384982, Chien, Fung Soong Yuen (nee Soon Yuen Chien).
A-7368968, Chin, Yen Sheng.
A-6848625, Chin, Yuying Elaine.
A-3690660, Chong, Hee Kee alias Hee Fook.
A-8217472, Chong, Lazaro Manuel or Lazaro Manuel Chong y Rodriguez alias Manny Chong.
A-8196193, Chong, Tom Sing alias Lam Kam or Lum Kum.
A-2964387, Chow, Eng Yee alias Eng Koon alias Henry Chow.
A-2887149, Chu, Yo Lu.
PR-901264, Chu, Yi Chiang nee Cheng.
A-6699841, Chung, Chi Lu.
A-5612164, Chung, Po or Chung Bia.
A-5821070, Cohen, Dora or Dora Alvo or Dora Perez.
A-8015421, Contento, Orfeo Luigi.
A-7098468, Cook, David Hutchison.
A-8217085, Corai, Natale Gino.
A-7828647, Corral-Castro, Juan.
A-7828624, Corral-Castro, Francisca.
A-7828782, Corral-Castro, Maria Luisa.
A-7828643, Corral, Luis, or Luis Corral-Guerra.
A-8082322, Csak, Eva Maria.
A-7149327, Cymberg, Bala (nee Kwalwasser), alias Bala Waldmann.
A-7149326, Cymberg, Chemia alias Heniek Waldmann.
A-4146930, Dagnino, Giobatti.
A-2028702, Deblauwe, Ernest.
A-6253447, De Franco, Maria Cervantes alias Leonor Cervantes De Franco.
A-2921139, Dentrinos, Ioannis or John.
A-7251716, De Paulis, Giovanni alias John De Paulis.
A-7802203, De Villalon, Micaela Castaneda.
A-2145272, Di Giacomo, Nicolo.
A-4934371, Dolesal, Rudolf.
0205-24973, Douglas, Kenneth Eric, alias Douglas Jones.
0300-391152, Dousmanis, Constantinos, or Konstantinos Dousmanis or Gus Dousmanis or Costas Dousmanis.
A-7139062, Dowdall, Margherita, alias Margherita Michetti Dowdall.
A-7841865, Duarte, Isabel Maria DeCastro.
A-5097417, Dupre, Percival Edwin or Percy Dupre or Edwin Louis Gonzaque Percival Dupre.
A-2846612, Eng, Fook Shew.
A-2398935, Eng, Lon Kong or Eng Lon Kong or Charlie Lon.
A-8259414, Eng, Sam alias Joe Kee.
A-8217930, Fafalios, George Marcus.
V-1386400, Figuerredo, Alicia Roque nee Francisco Alicia Roque y Garau.
A-6382740, Fischer, Wilhelm.
A-4878205, Foca, Fioravanti.
A-7469038, Fontes, Jose Da Encarnacao Coutinho.
A-9532593, Foster, Hubert Peter.
1000-21010, Fox, Edra Young.
A-7849954, Francis, Benjamin Alonzo.
A-2587567, Freeman, Louis.
A-7476444, Fren, Rosa or Rose (nee Gorra).
0203-11024, Freniere, Marie Cecile Denise.
A-7874933, Fritz, Charles Richard.
A-8065529, Ganzag, Mary Etta.
A-6887477, Garcia, Maria Mercedes Martinez (nee Martinez y Perez de Arrilicea or Maria Mercedes or Maria Mercedes Martinez).
A-8258644, Garcia-Correa, Daniel.
A-9764887, Garifalos, James Athanasios, alias Demetrios Athanasios Garifalos.
A-4113415, Gee, Ahmed.
A-8227056, German, John.
A-4493736, Gilbert, Bella.
A-6916050, Glazel, Nelly, alias Nelly Katz Falk.
A-4868522, Godson, Maria (nee Carter).
0301-19307, Gomez, Gladys Liduvina.
A-8259041, Gonzalez de Saldana, Estanislada.
A-4428321, Goodwin, Isabell, or Isabelle Goodman.
A-3065134, Goodwin, Wilson or Wilson Goodman.
A-6207835, Goseco, Francisco Bradley, Jr.
A-7779136, Gott, Euyen.
A-8065527, Groves, Kenneth Samuels.
A-6535495, Gracia, Carmen or Carmen Gracia-Tesan.
A-1461362, Guerin, Guerrino Mario.
A-7890016, Guillotin, Martha nee Munro.
A-5466719, Gutierrez-Machado, Celso.
A-8091946, Guze, Sara alias Susan Guze.
0205-28429, Hall, Randall Samuel alias Randall Blackwood or Ronnie S. Hall.
0300-267277, Hall, William John or Frank William Hall alias John Hibbert.
0608-7617, Hansen, Adele Catherine.
0300-124141, Harrison, Charles Aston alias Aston Eric Wilmott.
A-5390609, Hasslacher, Brosi or Ambrose (Ameros) Hasslacher.
A-6825209, Haszprunar, Ingrid Angela.
A-4085987, Heinrich, Martin.
A-3771075, Heinrich, Sally.
A-7025385, Heinrich, Edeman Howard.
A-4640134, Hem, Wang Gum or Gum Hem Wang.
A-8217659, Henriksen, Hans.
A-7128926, Ho, Ngok or Se Kam Tjoeng.
A-8217655, Holoszyc, Leon alias Hippolit Molla.
A-5387327, Hong, Richard Y (Yun-Sick) or Richard Hong or Ko In Shoko or Yun Sick Hong.
A-4688978, Hong, Soon Kamp Lee or Rosalind Lee Hong.
A-6634818, Huber, Reinhard.
A-6634817, Huber, Heimur Othmar.
A-7957331, Hynes, Hanyo alias Harry Hynes.
A-9948024, Iaquilino, Nicholas or Nicola.
A-2426562, Ichioka, Kunio.
A-2428900, Ichioka, Sei.
A-7609990, Inamoto, Noboru.
A-5967144, Jensen, Knud Borge Johannes or Carl Jensen.
A-9517349, Jew, Bue or Chai Piu.
0300-376482, Johnson, Lawrence Cardwell or James Lawrence Johnson.
A-4766816, Jones, Robert Stuart Hamilton.
A-6999671, Jordan, Leon George A.
A-7178538, Jordan, Margaretha Emelie.
A-2929562, Kaimakliotes, Costas alias Costas Pavlides.
A-8065995, Kan, Poo alias Chan Shuck Gun.
A-7768047, Kao, Tin-Tsong.
A-6626115, Kao, Siu Lin (nee Siu Lin).
A-2454621, Katsingris, Antonios Panagiotis.
1010-1096, Kennedy, William Thomas.

A–8117477, Klein, Lillian.
A–4960814, Koberg, Louise Sophie Marie Schmidt De Wall (nee Fisher).
A–5667730, Kobert, Wilhelm Heinrich or William Henry Koberg.
A–5706445, Koepnick, Bert August or Bert Gust Gwinn.
A–5127521, Kolefsky, John George.
A–6968056, Kongsgaard, Sverre.
1000–18581, Kongsgaard, Dagrun.
A–9764588, Kontos, Michael or Makis Kontos.
A–7094784, Koppl, Klaus.
A–6457489, Kopelowitz, Aaron alias Aaron David Kopelowitz.
A–8015749, Krawczyk, Ryszard Metody.
A–1787978, Kuchta, Stanislaw.
A–8217394, Kuon, Tom Wing or Hon Wing Guen.
A–7276639, Kyriacou, Anna (nee Philippou).
V–904271, Laconsay, Maxima Castillo or Maxima Valentin Castillo.
A–9748126, Ladeira, Joaquin Gomes.
A–3752542, Lang, Dong Yep.
A–5661846, Langer, Herman Ernst Heinrich.
A–6087757, Lawler, Bertha Carrillo or Berta Jimenez or Berta Carrillo Jimenez.
0300–391327, Lee, Hee or Hay Lee.
A–5080000, Lee, Nam Bow alias Lee Mum Bo alias Mam Bo Lee alias Moy Yu.
PR–905357, Lee, Richard Tuh Yu.
A–4844400, Lee, Julie Tse Chung (nee Julie Tse Fung Chang).
A–5101303, Lee, Sing Ah, or Sing A. Lee.
0300–368549, Lee, Yeu Shing, alias James Lee.
A–8217625, Leija-Luna, Andres.
A–8217608, Leija, Teresa Tobias De.
A–3688691, Leontis, John K., alias Ioannis Kyriakou Leontis.
A–7086438, Lepre, Rudolph.
A–9645333, Leung, Sai Goon, alias Yeong Yin.
A–5350140, Levasseur, Joseph Hector.
A–3443867, Limatola, Michele.
A–7450229, Lin, Andrew Damon or Andrew (Ta-Wen) Lin.
A–7858080, Linderman, Alice H. or Alice Hosana Linderman.
A–9744743, Lindo, Carlton Sheridan Raphael.
A–1856670, Ling, George Huie.
A–9695119, Lio, Mao Lin or Lio Mao Lin.
A–2314197, Lombardino, Rosalie (nee Fermo).
1409–10795, Lopez, Francisco Soria.
1409–13949, Cisneros, Emma Soria.
1409–13950, Cisneros, Consuelo Soria.
A–8217395, Lopez-Jauregui, Cayetano.
A–4657553, Lotito, Joseph.
A–4130839, Louvis, Panagiotis Efstathiou.
A–8106465, Luen, Liu Chiu alias Li Chiu Luen Chao alias Patricia Chao.
A–6171861, Mandaat, Jose Ricardo nee Garcia y Roca or Richard Mandatt.
A–3430277, Marian, Ruth.
A–7469336, Markham, George Clifford or George C. Malcolm.
A–7392084, Martinez-De Lira, Felipe.
1409–13161, Matamoros, Agustin Lopez.
A–3995282, Matsuno, Tamaki.
A–3995271, Matsuno, Mitoshi.
V–937570, Mastrovincenzo, Francesco.
A–5400246, Mayon, Tom alias Semen Marinsky or Samuel May.
A–6751966, McKen, Keith Neville.
A–6737232, McKenzie, Basil Levy.
A–6848715, McHugh, Bethsaida Villacorta (nee Bethsaida Sequerra Villacorta).
A–3352223, Mendonis, Andreas or Andrew.
0800–81367, Merriles, Nancy Hain (nee Seva).
A–8027842, Miguelucci, Alfredo.
A–8196104, Millin, Jack.
A–2702490, Minarovich, Anton or Anton Minarovic.
A–5545968, Mitchell, Herbert Louis.
A–5610286, Miura, Kansiti.
A–9741459, M'Latamou, Day.
A–6017358, M'Latamou, Thelma Helen Monica (nee Thompson).
A–9726331, Mobijohn, William Edmond.
A–6794935, Mohsenin, Nezam.
A–2707818, Monaco, Damiano.
0206/10811, Moore, Dolores Marie Simonne (nee Dubois).
0807/5064, Mpras, Stefanos.
A–6861361, Munilla, Jose Antonio or Jose Antonio Munilla y Razoqui.
A–8217730, Murillo-Nava, Porfirio.
A–5620271, Nakawatase, Hideyoshi, or Fred Nakawatase.
A–3843055, Nansheng, Yee, alias Yen Nansheng.
A–5673345, Napier, Evelyn Russell.
A–8196619, Naranjo de Rodriguez, Mercedes.
A–6985709, Nardone, Ernesto.
A–7287924, Natal-Hernandez, Jesus.
A–7112185, Navarro-Arevalo, Juan or Juan Arevalo-Navarro.
A–4725297, Nees, Polly or Polly Nitskanskaea or Nitshanskaes or Mrs. Barney Sayet.
0300–398363, Ng, Kim Chow alias John Moy or Jung Moy Oi.
A–7962481, Ng, Woon Nan alias Stanley Wu.
A–1814044, Nicolaou, Mihael Hristov.
A–4163218, Niserakes, Panagiotis Peter or Paraviotes Peter Niserakes.
A–2436381, Noriega, Loreto.
A–3860278, Novak, Betty.
0807/5419, Obregon-Villanueva, Juan.
0807–5418, Obregon, Maria Josefa De.
A–4784371, Ohlsen, Carl Siegfried, or Karl Ohlsen.
A–7809130, O'Rourke, Samuel Lester.
1614–2509, Orozco-Ramirez, Rafael.
1409–14589, Ortega-Madrigal, Amador.
1409–14588, Mejia de Ortega, Paula.
1409–14589, Ortega-Mejia, Florentina.
1409–14589, Ortega-Mejia, Zeferino.
1409–14589, Ortega-Mejia, Delfino.
1409–14589, Ortega-Mejia, Espedito.
A–6815337, Oseria-Chavez, Roberto or Roberto Oseria.
A–9098103, Osman, Ismail Bin or Smaile Osman.
A–9948030, Ottaviano, Vincenzo Francesco or Francis.
0300–374395, Palmer, Audrey George alias Ralph Aiken.
A–6447035, Palomo, Purifico Ymzon.
A–9740959, Pantelaros, Isidoros.
A–4292400, Pearce, Enrique Raymundo or Henry Ray Pearce.
V–1256195, Pelle, Ertedore.
A–1058064, Peloponissios, John, alias John Pelos.
1300–110154, Petrini, Erminio.
A–4866990, Pignato, Vincenza, or Vincenza Bonifazio (nee Cingari).
A–3854221, Pizzolato, Edonide alias Edonite Pizzalato, alias Giovanni Lamberti alias Pizzolato Edonide.
A–3985871, Pomaro, Emmanuela Zarcone or Nelly Pomaro or Nelly Zarcone Pomaro.
A–6459325, Pop, Eugen V. or Eugene Valeri Pope.
A–5108394, Poulos, Anastasios George.
A–7821688, Progin, Vera (nee Marichich).
A–4125361, Puccinelli, Aldo.
A–8090442, Quelch, Cecil O.
A–8090416, Quintana-Serna, Alvaro or Alvaro Quintana or Alvaro Quintana-Cerda or Alvaro Quintana-Gamez.
A–6617905, Quiroga-Escamilla, Ruben or Ruben Quiroga.
A–6145931, Riddle, Dominga Faustino.
A–7809154, Rocha-Almanza, Jose Guadalupe.
V–514323, Rodriguez, Orlando Hoed.
V–671918, Rojas, Francisco Ramon Taveras Y or Francisco Ramon Taveras.
A–2170341, Roknich, Gajo or Guy Roknich alias Stevan Rokrich or Stevan Roknick or "Steve."
A–3479491, Romney, Eileen.
A–6685494, Rosenstein, David Leopold.
A–9711299, Rospel, Michel.
A–5438808, Rosseland, Sverre.
A–3427526, Roy, Joseph Louis Noe.
A–3427120, Roy, Yolande Viola Hermine Stella.
A–8151081, Rusich, Enrico alias Henry Rusich.
A–7119165, Sackenreuther, Annemarie.
A–7135354, Sackenreuther, Marie Luise.
A–7890508, Saguinsin, Jose formerly Jose Cano Perez.
A–5653311, Salo, Paul or Paul Hirvisalo.
A–3488792, Samilpa-Galderon, Abraham or Abraham C. Samilpa.
0300–355982, Samuels, Eric Edward.
A–6522099, Sanchez, Gloria Telles de, alias Neomi Lopez.
A–6755334, Schaeffer, Joan Isabelle (nee Campbell).
A–9802679, Schintu, Giuseppe.
A–5679752, Schnell, Otto Albert, alias Peter Gynt.
A–4128227, Sciabassi, Giovanni Bautist or John Sciabassi or Joe Volpati.
A–7886711, Segura, Raul Soto.
A–7377006, Seltzer, Gertrudes De Castro.
0300–400996, Shand, Hubert Benjamin.
A–8217365, Shanner, Arthy, alias Ernest Shanner.
A–4948552, Sheard, Frederick.
A–6022003, Sheem, Cheong or Sin, alias George Cheong Sheem.
0501–19631, Shou-Chin, Wang or Shou-Chin Wong.
A–9687822, Shun, Lo.
A–7982684, Silber, Julius.
T–679024, Silva, Ursula Czalka.
A–7711213, Simor, Ferenc, alias Francesco Simor or Francis Simor.
A–8117052, Sinclair, Vincent Leslie, alias Byron Summerville.
0300–358313, Smith, Gilbert, or James Smith.
A–4861034, Soto, Castor Gonzalez.
A–7125250, Spitz, Sidonia.
A–7483059, Stoddard, Nicole Marguerite (nee Dumas).
A–6879794, Stahl, Ragnar Leonard.
A–7381386, Stanescu, George Vasili or Gheorge Stanescu.
A–9116435, Stanisik, Nikola.
A–4825899, Steeves, James Herman.
A–7383860, Stein, Ruth, alias Ruchel Mintzer (nee Marcus).
A–9061063, Sun Lee King, alias Lee King San or Lee King Sam.
A–2765685, Svon, Sung, alias Svon Pan Dang or Pan Dang Svon.
A–9539446, Teixeira, Manuel Jesus or Manuel De Jesus Teixeira.
A–5211831, Thomas, Joseph Anthony Paul, alias Joseph Bugeja.
A–7203124, Tiberi, Oliviero.
A–7049645, Torrez-Lopez, Jose or Jose Torres.
A–9532703, Tsalas, Vasilios.
A–7414990, Tsao, Eugene You-Chen.
A–2097037, Tsao, Lian Shu.
A–5716966, Tsukano, Yoshi (nee Yosi Suziki).
A–1181773, Ullah, Rham, alias Raymon Allie or Rahim Ullah.
A–2860557, Uzep, William Michael or Vasilios Mikel Uzep or William Uzep or Vasili Michail Uzepchuk.
A–8117463, Valdes, Rene Elio Sosa Y alias Rene E. Sosa.
A–7909434, Valdivia-Contreras, Marcos or Marcos Valdivia or Jose Marcos Valdivia.
A–6330784, Vasquez, Angelina or Angelina Ibanez y Valle.

A-1466270, Vasquez-Gonzales, Luis or Luis Vasquez or Luis G. Vasquez.
V-1325973, Vavala, Maria Antonio (nee Bruni).
A-1311661, Vega, Sara Santos De alias Sara Santos De La Torre or Sara Santos or Sara Vega.
A-4667666, Vidotto, Francesco or Frank.
A-6628402, Walker, Eileen Mary formerly Palese (nee Tierney).
A-5615114, Walker, Frederick Sylvester.
A-7244879, Weiss, Aron.
A-9656098, Wenas, Hendrik Frederik.
A-5908014, Westerhausen, Egon.
A-9567604, Wilkins, Fernando Dudley.
A-6843461, Williams, Daisy Tsung-Fuh Eben.
A-9560242, Wing, Chan or Chin Wing.
A-7445145, Wong, Check Kwong.
A-6694216, Wong, King Fong.
A-8190315, Wong, Kwai Mon alias Mon Wong.
A-6769036, Wong, Mary nee Mary Yu.
A-6741150, Wood, George Cyril.
V-638132, Wopinsky, Chaim.
A-6921101, Wong, Sophia Chang.
A-5430300, Yamaguchi, Ritei.
A-6962991, Yanes, Virginia nee Ruamero.
A-8039464, Ybarra-Torrez, Francisco.
A-8039465, Ybarra, Fidela Beserra de.
A-5615440, Yerouchalmi, Hadji Hay alias Hay Yerouchaomi alias Yerusalmi.
A-7995817, Yook, Lew alias Song Chong or Fong Chong.
A-5113904, Yuen, Char, alias Charles Yuen or Yuen Char or Chas Yuen.
A-6399897, Zabadilja, Dragutin, alias Charles Antonio Zabadilja.
A-4298702, Zarnas, George, alias George Tsarnas.
A-8258704, Acevedo-Cadena, Elisa.
A-4368836, Adachi, Seiko.
A-8155739, Adame-Armendariz, Rodolfo.
A-8017243, Alcaraz-Suarez, Benito.
A-9765590, Ali, Eshad or Ehed Ali.
A-7130824, Alvarado, Jose Trinidad.
A-7130825, Alvarado, Petronilo.
A-7130826, Alvarado, Maria.
A-7130835, Alvarado, Magdaleno.
A-7073993, Amarant, Adolf.
A-7828720, Amato, Giuseppe.
A-8065711, Angel-Moreno, Jesus.
A-4942513, Antepara, Carlos Eduardo.
A-6888061, Arana-Cortez, Vicente.
A-7415103, Arnold, Brigitt.
A-4790700, Arpadjian, Garabed, or Charles Howard.
A-7376143, Arrindell, Albertha Yvonne Maria.
A-5510011, Arrojado, Americo or Raul De Matos Correia.
A-5502280, Atalla, Mohamad Mousa.
A-7127027, Azua, Uvaldo Aguilar.
A-9646302, Bacoka, Ante or Anton.
A-6704088, Baptiste, Ronald Philip.
A-9821935, Batista, Jose Pereira.
A-3049737, Beekman, Josephus Antonius Maria.
V-797591, Beekman, Olga.
A-8217393, Bella, Victoria Lopez.
A-8021083, Berardi, Giuseppe.
V-246025, Bernstein, Alberto Selig.
A-2583044, Bero, Joseph or Joe or Josef.
A-6969533, Best, Edward Parry or Edward Brathwaite.
A-7841971, Bijlaard, Tine.
A-1356326, Bio, Matheos Bin.
A-7450049, Block, Robert Christian.
A-5960615, Blumenthal, Anneliese, or Anneliese Gaertner Blumenthal.
A-5411877, Blythe, Herbert Edwin, or Roy Williams De Valliere.
A-6805612, Bocsko, Murray or Moszko Bocsko.
A-6427870, Bodiya, Naser Georges.
A-1432184, Bohonowsky, Anton or Anthony or Bohanowsky or Anton or Anthony.
A-6420772, Boom, Abraham.
A-4374602, Borghese, Adele Ritoli.
A-3329912, Bosnos, George Constantino.
A-5870495, Bosnos, Catalia Cano de.
A-7450116, Bowen, Herbert Alfred.
A-1939646, Bradshaw, George Robert.
0300-287204, Brandl, Elisabeth.
A-9810494, Braun, Erwin or Erwin Kwiram.
0300-393922, Broderick, Reynold Alexander or Leslie Broderick or George Graham.
A-1260534, Brown, Jexblake Wilston.
A-9333977, Bruers, Victor Martin.
A-5674622, Buse, Emil Carl, or Rudolf Brandt.
A-8010673, Bustamante, Jose Guadalupe.
A-9667775, Calabrese, Joseph Rosolino or Guiseppe Calabrese.
A-5432733, Callsten, Olga Kaarina.
A-5061044, Callsten, Sulo Richard.
0300-400100, Calvera, Carlos Raul.
A-7621711, Calves, Martinez, Antonio.
A-6720253, Calvo, Alberto Alfonso or Luis Charbonier or Antonio Alfonso.
A-7243319, Calvo-Camacho, Francisco.
A-2160560, Campbell, Amos.
1500/48037, Campos-Rodriguez, Manuel.
A-8117589, Carrasco-Carrillo, Tomas or Tomas Carrasco or Thomas Carasco.
A-8190399, Carvounis, Ioannis or John Carvounis or John Karvounis.
A-5311928, Casnas, Fanny (nee Fanny Rocheminor) or Fannie or Fanny Cassas; Casson; Cassus; Kassas.
A-8117056, Castano, Pedro, or Pedro Manuel Andres Castano Vasquez.
V-941728, Cavaliero, Isacco or Isaac Davide or John David Cavalieros.
A-9048100, Cenatiempo, Raffaele.
A-7358650, Cereceres, Francisco.
A-7358651, Cereceres, Ismael.
A-7358652, Cereceres, Florentino.
A-7358653, Cereceres, Rosa.
A-4762715, Cerniglia, Hattie (nee Porlles).
A-9765731, Cesare, Pasquale Scotto Di or Pasquale Scotto.
A-3697945, Challenor, Ivan A. or Ivan Lincoln Herlis or Arthur Clarke.
A-6620935, Chang, Juliet Marie.
A-6620875, Chang, David.
A-9518818, Chin, Tai On or Wan Dai or Chin Hing.
A-8117570, Chong, Jew or Lee You Chong.
A-8227966, Christie, James Murray or Murray James Christie.
A-6739345, Chu, Louise Jen-Cheng Wong or Louise Jen-Cheng Wong.
A-6702204, Chu, Daniel Ta-Kung, or Ta-Kung Chu.
0300-392393, Chueng, Shui Ming.
0300-391029, Chun, Leong or Hong Chun Leong.
A-2796084, Chung, Ng Yee or Jimmy Lee or Eng Yee Chung or Lim Way.
A-8196989, Clarke, Roy Hubert Wycliffe.
A-3063192, Cobos, Mary nee Rodriguez or Maria Arza Rodriguez.
A-7962541, Cojulun, Gregorio Pac or Gregory Cojulun.
A-8217475, Cona, Carmelo.
A-6823376, Correya, Thereza Clemente y.
A-5022180, Cosenza, Mario or Morris Cosenza.
A-5250787, Cuenin, Frieda Bertha.
A-4120165, Damonte, Nicholas or Nicola M.
A-7178299, Deangelis, Giuseppe or Joseph Deangelis.
A-5537737, Delise, Olimpio August.
0400/43811, Denis, Anna Marie.
A-6922690, Deutsch, Herman.
A-7898976, Dickerson, Violet Agatha.
0300-291760, Domingo, Vincent George.
0300-187983, Donizetti, Ermenegilda.
A-5129633, Dorochenko, Victor George, or Victor D. Harper.
A-8190140, Dovidio, Damiano or Don Dovidio.
0300-368223, Duncan, Walter Samuel or Walter Brown or Joseph Newbold.
A-8217709, Dunner, Lloyd Bertram.
A-6706397, Duval, Alfred Wolfgang formerly Naxer.
A-6174596, Eloquin, Georges Joseph Francois.
A-6562844, Escobar-Segura, Salome or Segura Segura-Escobedo or Jose Hernandez.
A-8190288, Espinoza-Garza, Gregorio or Gregorio Espinosa.
1300-110452, Espinoza-Orozco, Jesus.
A-3178028, Esposito, Raimondo.
A-9765189, Estrada, Reginald Nicholas or Reginald Lewis Ronald.
A-8217928, Ete, Usoro Akapan or Usoro Akapan Ette or Rufus Akapan.
0300-27409, Evancho, Mercedes nee Ruiz Ortiz or Mercedes Nunez.
A-9948137, Facchini, Vincent e Vincenzo.
A-6327320, Falco, Leopoldo G.
A-8039178, Fazio, Vittorio Di.
A-5346294, Fink, Anna (nee Davidesko), or Davidetzki, or Anna Finkelstein.
A-9659395, Flamos, Eleftherios Kyriakos.
A-6080906, Flores, Eliseo Ramirez.
A-8039390, Flores, Mariano.
A-3897904, Fong, Lai or Lai Chung Ming.
A-4957821, Franco, Maria de Jesus Perida.
A-8031109, Franklin, Carol Doreen.
A-7450071, Fraser, Ferdinard Edward.
A-4090668, Freeman, Pedro Francisco or Pete Freeman or Piet Vriend or Pedro Francisco Vrience.
A-2647389, Frieze, Henry.
A-8155946, Fucilli, Michele or Michael.
A-2755094T, Gabrera, Vincent.
V-745091, Galimitakis, Zoe Jean (nee Statharakis).
A-7879647, Galindo-Mercado, Maximo.
A-7394440, Garcia, Jose Garcia.
A-4881873, Garcia, Maria Oseguera de or Maria Oseguera or Maggie Rodrigues or Maria Gonzales.
A-2292622,Garcia-Zapata, Vicent.
A-2810022, Garcia, Rosa Rodriguez De.
A-8078951, Garza-Valdovinos, Genaro.
A-8078896, Garza, Victoria Medina De.
A-9625302, Giannisis, Elias George.
0300-377833, Gittens, Lionel Victor, or Lionel Victor Brown.
A-8217871, Gold, Harold.
A-7383278, Goldfeld, Yosef Lejwa.
A-8227746, Gonzalez, Isabelo Lopez.
A-5053481, Grazioso, Francesco or Frank Grazioso or Francesco Graziose.
A-7962035, Gryz, Jan.
A-6400094, Gudgeon, Patricia or Patricia Josephine Smiley.
A-8217767, Guerra-Negrete, Maximiano.
A-4562561, Halvorsen, Otto.
A-3831642, Hanos, Lorentso or Louis Hanos.
A-8217333, Harker, Aramis Alencon or John Constantine Harvey.
A-6071011, Harrison, Priscilla (nee Garnet).
A-8196253, Harvey, John Richard.
A-8117195, Hernandez, Manuela Lopez de.
1502/5807, Hernandez-Lopez, Tomas Jose.
A-6645153, Heyka, Antoni.
A-5396839, Hing, Hoo or Hing Hoo.
A-7264958, Hoff, Johanna nee Steigler.
A-7898797, Hogikyan, Dr. Azat.
A-7178530, Hollander, Vilma Kahan nee Vilma Kahan.
A-9653679, Holligan, George Everton.
A-9015519, Hsu, Man Goon or Man Kwong Hsu or Hsu Man Kwong.
0300-295669, Hunte, Clement Dacosta or Jones.
A-7395055, Ih, Yung Hsiang.
A-4066077, Inoue, Helene.
A-4511992, Inoue, Kakutaro.
A-7802345, Jallorina, Maria Laura Monge de.
A-5172480, James, Margaret Henrietta or Margaret James or Mrs. Octov Jensen or Margaret Henrietta Bailey.
A-5585382, Jamrow, Hildegarde Paula nee Hildegarde Paula Willman.
A-6031383, Joe, Chin, or Joe Chin.

A-8196046, Josaphat, Max.
A-9765868, Juriaco, Antonio.
A-9139414, Kalafatidis, Savas or Savas Kalifatadis or Callifatif or Kalafidis.
A-7821462, Khouri, Youssif Maroun El.
A-4750733, Kuzele, Tomo.
A-9767546, Katsafados, Elias (Louis).
A-3444187T, Keppler, Simon or Koppler.
A-4891791T, Keppler, Vera (nee Erny).
A-9740960, Kontovaakis, Nicholas or Nick Kontos.
A-4059728, Kamakaris, Petros Emanuel.
0300-317676, Kormadis, Ioannis or John Calos.
A-2300662, Kovar, Emilia or Emily (nee Skultety).
0300-371925, Kramer, Klara or Ida Kamenegorsky.
0300-388873, Kon, Ng or Ing Kon.
0300-316350, Khachadurian, Kevorak.
0300-316351, Khachadurian, Alis.
A-3396920, Kalavrezos, Elias Antoniou, or Louis Anthony Callas.
A-7890535, Kish, Joseph or Kesh.
A-1847265, Kwan, Hin or Lee Chong Sing.
A-4871165, Kunisch, Albert Adalbert.
A-9235895, Kwan, Cheung.
A-9948164, Lacenere, Donato.
A-7983479, Lam, Mon King or Mon King Lum.
A-5841876, Larsen, Fred.
A-5543362, Lau, Ah Chun or Lok Shi.
A-5534962, Lebovits, Rita (nee Rita Cassell), or Rita Lebois.
A-8117357, Lee, Kenneth Leo or Kock Lieng Lee.
A-6858819, Leer, Hans Jorg.
A-3704017, Leino, Karl Aran.
A-8190525, Leon, Raymon.
0301-18626, Leone, Philip or Filippo.
A-4602820, Leung, Solomon Wency or Hum Ho Leung.
A-4946206, Leung, Ann Hsi or Yu Tsung Hsi.
A-4258615, Levy, Solomon, or Levi or Bohar Eskinazi or Samuel Beher.
A-4700036, Levy, Alice or Levi or Maria Lozano.
0301-19481, Lewis, Wentworth H.
A-3626381, Li, Te Chuan.
A-5877234, Lindberg, Lasse Valdemar.
A-9317610, Ling, Chang Chung.
A-6576392, Lis, Josif.
A-4948579, Lisciani, Massimo.
A-7983442, Livingston, Constantine Premara.
0300-353139, Lopez, Isabelmaria Lorenzo Rosales de or Isabel Maria Lopez.
A-4159680, Lopez, Justo.
A-2345306, Lopez, Luis Alberto.
A-7863337, Lopez, Teodora Rojo De or Teodora Rojo-Lopez or Teodora Lopez Rojo.
A-8196118, Lorenzo, Juan or Juan Gualberto Lorenzo-Marti.
A-7083991, Lua-Garcia, Memesio, or Arturo Lua.
0301-18615, Macaluso, Calogero.
A-5651088, Mackie, Otto Jalmar or Otto Maki or Otto Jalmar Lehtimaki or Markie.
A-8217361, Maio, Frank De or Francesco Saverio De Maio.
A-5061512, Manetti, Angelo.
A-6933888, Mangassarian, Babgen.
A-6933887, Mangassarian, Katharine.
A-7476768, Markub, Sigrid Carmen or Sigrid Carmen Salong.
A-7999525, Marron-Escamilla, Ramon.
A-7999524, Marron, Ana Maria Perez de.
A-9543572, Marthinson, Sten Olai or Sten Olie Marthinson or Sten Marthenson, or Sten Olai Marthinsen or Stein Olai Marthinson.
A-7115062, Matthews, Josephine or Josephine Cossin or Josephine Verstappen or Josephine Cossin Matthews.
A-6490505, Maya, Alberto.
A-0945645, McCree, Cerilla (or Cerilia) McDavid.
A-4418648, McInerney, John.
A-8221498, Medal, Daisy Auxiliadora.
A-8217626, Mejia, George Lucas, or George Lucas.
A-9825399, Meldon, Maurice William.
A-7999557, Mezzo, Giovanni Reimondo, or John Mezzo.
A-7061843, Michopoulos, John Efthimios or John E. Michopoulos.
A-7073665, Miller, Micheline Claire Lotode.
A-5301236, Mincin, Balduino.
A-7138066, Miotek, Abraham.
A-6598356, Moncada, Julian Manrique.
A-9646327, Mong, Ma.
A-8258614, Montalvo, Herminia Garcia De.
1607-19816, Montes, Etelvina Revueltas de.
A-8217345, Moraities, Stamatios.
A-7010559, Moy, Helen or Moy Toy Goon.
A-7070190, Moy, Joe Gee or Joe You or Chow You or Joe Hong.
A-5063159, Mrwik, Hugo Ludwig.
A-6145741, Munjee, Amanulla Dostmahamed.
A-5441764, Munroe, Elkanah Adolphus or Elkanah Munroe or Manuel Rowe.
A-8057186, Nassar, Muharib Said.
A-6851993, Navarro, Raul Uribe, or Marcelino Caudillo.
A-3473201, Neverow, Vassili Arsenievich.
A-2782956, Ng, Suey Sing or Ng Suey Sing or Chy Yem.
A-8190050, Nunez, Hugo.
A-5691346, Okuda, Tsutomo Tom.
A-8196956, Olivas, Maria Luisa (nee Flores).
A-4983601, Olsen, Louis Frederick.
0300-379624, Orto, Mario Dell'.
A-3546054, Otero, Constante Soto or Constante Soto.
1610-8619, Pacheco, Lucina Morales de.
1610-8649, Pacheco-Morales, Dimeteria.
1610-8650, Pacheco-Morales, Miguel.
A-5429753, Panico, Vincenzo.
A-3900463, Panovich, Ante Ivan.
A-1127543, Pantazaras, Nicolaos or Nicolaos Pantas.
A-8031507, Pappagallo, Michele or Mike Pappagallo.
A-4069092, Parisi, Carmine.
A-8065688, Parochoguk, Aniela or Nellie (nee Murawa).
0300-288335, Pasara, Markijol.
V-347102, Passarelli, Giovanni, or John Maria Passarelli.
A-6019937, Peddle, Ira or Astanley, Moulton.
A-6440144, Pedersen, Leif Helmich.
A-2606439, Penna, Clementina.
A-3386203, Penna, Vera Florence or Vera Penna.
A-8117775, Perez, Francisca Perez De.
A-8193584, Perez-Perez, Guadalupe.
A-8190653, Perez-Perez, Micaela.
A-8196994, Pipinou, Georgios or George Pipinou or Gerogio Pipino.
0300-384513, Ploussas, Stamos.
A-9654368, Poo, Wong Zee or Wong Yu Po.
A-8196605, Poy, Yip.
A-7821689, Progan, Francois.
A-8196005, Puertas, Alberto.
A-8117777, Pulito, Vincenzo.
A-4431783, Quock, Quong.
A-7927611, Rabain, Roger McNeil.
A-7061877, Rafanelli, Ignazio.
A-7061878, Rafanelli, Marta.
A-7061879, Rafanelli, Giuseppe.
A-7061880, Rafanelli, Beatrice.
A-5623908, Ramirez, Maria Luisa Ramirez de or Maria Luisa Ramirez-Garcia.
0612/32186, Ramirez, Shirley or Soledad Ramirez.
A-5829841, Ramirez-Leal, Pedro or Pedro Ramirez or Peter Ramirez or Pete Ramirez.
A-3676667, Rando, Domenico.
A-4548907, Ressel, Karl Paul.
1600-100370, Reynolds, Leslie Augustus or Albert Clark.
A-6829095, Rezk, Aki Abi.
A-3785002, Richman, Rose.
A-5887154, Ridao, Francisco.
A-6887295, Riley, Maria Geertruide Mulders.
A-9948060, Rinde, Olaf.
1607-19907, Rodriguez-Cardenas, Andres.
A-7821923, Roges, Tomas Abbott.
A-1773723, Romano, Vincenzo.
A-8196356, Romero, Daniel Ona or Daniel Romero Ona.
1300-114148, Romero, Juana Ayala or Juana Ayala-Garcia.
0800-66358, Roselli, Salminia (nee Spaccapatelli).
A-4711903, Rosenbaum, Isidor.
A-5422558, Ross, Solomon or Solomon Goldstein.
A-5861952, Ross, Polly or Polly Goldstein (nee Pescea Gayman).
A-3970377, Roy, Cyril De or Cyril Randolph De Roy.
A-4392813, Sacco, Michael or Michelarcangelo Sacco.
A-9005859, Salleh, Janit Ben.
A-2405311, Salong, Peter.
A-5083753, Sanchez-Arvizu, Urbano, or Orlando Sanchez.
0300-309462, Santalo, Oscar Rosendo, or Oscar Rosendo Santalo y Rosello.
A-5280796, Schiappacasse, Remo Santo, or Remo Schiappacasse.
A-5296732, Schimmelpsenning, Hanz.
A-4764146, Schneider, Celia, or Celina Schneider (nee Klein).
A-1783056, Seidl, Josef.
A-7828405, Serra, Florida, or Florida Giusti.
A-3308929, Shiu, Yip, or Ip Shui.
A-3034235, Silasuvan, Choon.
A-1155627, Sing, William, or Sing Ah Sing.
A-5121914, Smith, Ida Constantia.
0616-2598, Smith, Joshua Charlsworth.
A-5006133, Smith, Lionel Osborn, or Leo Osborn Smith.
0300-401766, Smith, Milton De Costa, or Sam Small.
V-1391980, Soljanich, Ante.
A-5766951, Sorensen, Ansgar Izar.
A-7373448, Sorensen, Joan Bjorvik (nee Joan Bergljot Bjorvik).
A-7092437, Soria-Vaca, Gilberto, or Gilberto Soria-Baca.
A-6522332, Stamos, Despina Rocha, or Lena Stamos.
0300-332909, Stephens, Kenneth Roy.
0300-389957, Stephenson, Paschal Joseph, or Joscelyn Blake or Paschal Joseph Stevens.
A-5327682, Stiller, Alfons Heinrich.
A-3497128, Stoeckel, Elisabeth.
A-9028353, Storm, Meindert.
0300-378298, Sueiro, Jose.
0300-391512, Suey, Low.
A-5168205, Sullivan, Timothy.
A-9831068, Surian, Giuseppe.
A-8091849, Tai, Mai or Mar Tai or Mar Lai or Ma Tai.
A-5094538, Tatakis, Constantino or Gus Tatakis.
A-8031089, Tateosian, Virginia A. (nee Virginia Arakelian), or Mariana Magarian.
A-2497138, Thomas, Frederick.
A-5466752, Thomen, Luz Trinidad, or Luz Rosa or Luz Moller.
A-6044211, Rosas, Julius or Julio C. de la Rosa.
A-7009921, Tirpak, Ladislav, or Ladislaw or Leslie John.
A-1821749, Tojo, Dr. Hiromi.
A-6233157, Tong, Ho, or Ho Toong or Tong Ho.
A-8196902, Tong, Kong, or Gong Tung.
A-6584966, Torchia, Anna Maria.
A-6887041, Trindade, Fernando das Neves.
A-7983073, Tsolakis, Charles, or Ysidore Tsolakis.
A-6703215, Tsui, Yat Wah.
A-7632193, Tung, Kung Liang.
A—5618462, Tyrrel, Winnifred, formerly Manning May Drinkwater, or Edith Jack.
A-8155994, Vajao, Jorge Batista Goncalves, or George Vajao.

A–8155987, Vidal-Solomon, Marta.
A–2980010, Vikse, Torkel.
A–6392746, Villarejo, Ardenio or Ardenio Villarejo y Mendoza.
A–4850988, Volarich Joseph Anton, or Josit Anton Volaric.
A–5412653, Vollrath, Elizabeth Forsythe or Elizabeth Blanchard Forsythe or Betty Vollrath.
A–2863669, Wagner, Margaret Anna, formerly Gerhardt (nee Hess).
A–5674112, Wah, Cheung.
0300–399352, Wah, Leong.
A–9103476, Walppu, Atte Severi or Valppu.
A–6958544, Wang, Percy Hung-Fan, formerly Wang Hung-Fan.
A–6965659, Wang, Lydia Shui-Chih Yu, formerly Yu Shui-Chih.
A–7991576, Weber, Frederick Richard formerly Reginald Victor Brophy.
V–1522250, Weir, Socorro L. (nee Socorro Larrazabal).
A–7606416, Wen, Alfred Yueh Hsiung.
A–6505399, Wen, Alma Pui-Hang To.
A–8189464, Wey, Jaw Sean.
0300–345930, Wilson, Henry Headley Casablanca.
V–63633, Witter, Oswald, formerly Oswald Aston Witter Kong or Oswald Aston Kong.
A–4585718, Wolfson, Gisela (nee Klein).
A–7014937, Wolfson, Montagu Peter.
A–9235814, Wong, Mook Fong or Song Lin or Wong Lam.
A–6961607, Woodson, Anthony John.
A–5627609, Wowscik, Guido Victor or Guido Victor Hartman.
A–6954159, Wright, Bertram Jefferson.
A–8196438, Wyle, Robert Patterson.
A–9518779, Yan, Chong or Chong Hsein or Hsein.
A–4034583, Yan, Lui or Lui Choy Chun or Louis Yan or Lewis Yan.
A–6610337, Yaqub, Adil Mohamed or Yacub.
0300–395267, Yoo, Chan or Chan Soo.
A–1302496, Yorsten, Charlotte Elizabeth (nee Estabrook).
A–3487089, Yunek, Benjamin.
A–4658105, Yunek, Eva or Eva Comtz.
A–7135629, Zandieh, Fakhrezeman Matinraza or Fakre Zandieh.
A–1413605, Zoleszi, Bartolomeo or Bartolomes.
A–4555152, Zuclich, Pio C.
A–7053503, Agrapides, Constantina (nee Nicolis).
A–7983324, Amador, Francisco Pelavo Conejo.
A–6243420, Amarant, Oswald Leon.
A–8155741, Andersen, Leis.
A–4457505, Anderson, Carl Tolver Robert or Robert Anderson.
A–7178606, Badalamente, Rosalia formerly Bozzo nee Vitale.
A–6427869, Bahosky, Bernard Razzouk.
A–9529854, Bardho, Spiro Largo or Mike Bardho or Mihaliaq (Llago) Bardhi (Bardo).
A–3640452, Barkovic, Antonio or Anthony Barkovich or Tony Bartrovich.
A–9503940, Basfield, Edward Richard.
A–3945652, Bauhuber, Ludwig.
A–8190138, Beckett, Peter.
A–7868215, Bejar, Luis or Luis Vejar Ogalla.
A–6953462, Berkowitz, Signoru Bella (nee Signoru Bella Cohen).
A–7921652, Bernardi, Remo.
A–7695373, Bienwald, Gabriele (or Gabrielle) (nee Boehm).
0302–2565, Black, Elfriede Renner (nee Schulte).
0300–12212, Boen, Hie Lo or Louie Boen.
A–8227368, Bonelli, Anita Christalia.
A–7137132, Bones, Elba Mercedes (nee Troncoso Gaton).
A–7992867, Bonhomme, Jean Ernest alias John Green.
A–8217191, Borgogna, Vincenzo.
A–4847952, Brandon, Robert Jules.
A–6666976, Breuer, Joseph or Josef Breuer.
A–6653295, Breuer, Berta (nee Falk).
A–2367712, Brooke, Paul Peter.
A–6771867, Broomfield, Archibald Henry.
A–6181325, Brown, Joseph Zeachariah.
0300–390556, Bue, Lee Wah or Henry Lee.
A–7377262, Burfiend, Else Alfrida (nee Olsen).
A–4790717, Burnash, Patrick Michael.
0300–392539, Burns, Hildebran Patrick.
A–4726161, Burrows, Walter Byron alias Walter Fallis.
A–2385281, Carrillo, Charles, or Carlos Cecilio Des Lazaro.
A–7193763, Carter, Clarence.
A–8196987, Castro, Guido Jorge Cordova Y, or Guido Jorge Cordova.
A–9643957, Chan, Chuen.
A–7427663, Chee, You Park.
0900/45577, Chen, Pang, alias Hammond P. Chen.
A–6847985, Chen, Catherine Chi (nee Chi Lu).
A–7890080, Chen, Samuel Shin Tsai, or Shih Tsai Chen.
A–7890081, Chen, Wen Hsien Wan.
A–8190104, Cheng, Chu.
A–3785016, Cherry, Bertha, or Bertha Richman.
A–9687709, Cheung, Nagu.
A–7222804, Chi, Hilary Shou Yu.
A–1497379, Chiang, Yao.
A–3247210, Chien, Charles C. F., alias Chi Foong Chien.
A–4226280, Shin, Yuen Hing, or Chin Yuen Hing.
A–5928232, Ching, Tong Kin.
A–9647405, Chong, Yew Chor or Chong Yew Chor, alias Lam Kwai.
A–7463786, Chow, Fu now Mrs. Biau Yang.
A–8227009, Choy, Johnnie, or Choy Fook.
0300–400856, Choy, Sam Seng, alias Choy Shing.
A–2847260, Christodoulou, Christo or John Christ.
A–3824561, Chung, Suey.
A–3081998, Clark, Enos.
A–8196990, Clarke, Vincent Harvey alias Harvey Alexander Clarke.
A–5829028, Claxton, Ellen Rebecca (nee Hyndman).
A–8190212, Claxton, William Henry.
A–8217879, Coppola, Vincenzo alias Vincent Coppola.
A–6262160, Costopoulos, Assimina or Asimini.
A–1997501, Couto, John Barallobre.
A–7566590, Cruikshank, George Mair.
A–9002422, Dagris, Ernest.
99587/615, Damjanovich, Jovo.
V–855195, D'Andre, Patrick Olivier, alias Krause.
V–74533, Dang, Florence Eudora, alias Florencia Eudora Low or Florencia Eudora Chong or Mrs. Domingo Chee Chong.
0300–172061, Davy, Renal.
0035/8297, De Hernandez, Gaudalupe Lopez.
A–7873852, De Lara, Manuele De La Luz Mejia.
A–6302151, De Luzuriaga, Eusebio Ruiz.
A–6920852, Dembitzer, Manes.
A–5995975, De Vasquez, Carmen Montes De Oca.
A–1364034, Diamantis, Nicholas or Nicholaos John.
A–8227207, Diaz, Albert Rosario.
A–3483876, Diaz, Lydia Rodriguez (nee Lydia Rodriguez).
A–4360119, Dodson, Mabel Katherine (nee Bell).
A–5355309, Dong, Kee Yeow or Dong Kee Yow or Lew Fook.
A–3642027, Dung, Lee or Dung Lee.
0300–312417, Dunn, Noel Ostwald.
A–5951521, Echevarria, Leoncio Bilbao.
A–8217937, Edwards, Allan Reginald.
0300–411002, Elliott, Arthur Alexander, alias Isaac Bent.
A–9634733, Errico, Victor, or Vittoreo Errico.
A–4899224, Esposito, Vincenzo.
A–8217920, Esposito, Vincenzo.
A–8039451, Falcone, Rita Maria.
A–1959355, Fang, Henry Ping.
A–8091089, Farn, Mario, or Tang Yet Farm.
0300/398022, Fat, Lai.
A–5928433, Fat, Lam.
A–9769862, Feito, Mario Caunedo.
A–8217914, Fernandez, Pedro, or Fernandes.
A–7742208, Fernandez y Gonzalez, Agapito.
A–7702895, Fernandez, Rosalie Boto Y Rodriguez De.
A–9715354, Figuredo, Domingo Acosta, alias Domingo Acosta.
A–5109517, Fischer, Albert Robert.
A–9759379, Flamos, Loukas.
A–7809038, Fong, Ah Kew.
A–5069854, Forlini, Michael, or Michele.
A–3127329, Forti, Attilio Joseph.
A–3438691, Fortin, Joseph Albert.
A–7491804, Frassetto, Roberto.
A–4007800, Freed, Alys (nee Bould), formerly Alys Bramen.
A–6720914, Friesner, Rudolf Dawid or Rudolf David Friesner.
A–8199103, Frost (or Fross), Molly Marie or Mary.
0300–287670, Fugmann-Christensen, Gert alias Gerd Fugmann-Christensen or George Schulz.
A–8155800, Gallegos-Chavez, Juan.
A–4390578, Garcia, Alejandro.
A–6711962, Garcia-Rivera, Jose or Joe Garcia.
A–6610761, Goitia, Hilda or Hilda Victoria Alveraz.
A–6321362, Gonzales, Francisco Javier alias Frank Gonzales.
A–6759320, Goodson, Joyce (nee Shai).
A–6084943, Gorostisa, Rusbio Ramos alias Chevo Ramos.
A–1880095, Grazia, Joseph Di or Giuseppe De Grazia.
A–3724379, Greco, Joseph.
A–9765852, Gronfeldt, Arne.
A–2964314, Guntveit, Severin L.
A–6948171, Gutierrez-Torres, Pedro.
A–6948179, Gutierrez, Enedina Fuentes de.
A–4538751, Hanchar, Adam, or Damian Hanczar, alias Joe Charny.
0300/135158, Hastings, Patrick Joseph.
A–2545032, Healy, Patrick.
A–7196342, Hernandez, Hortensia alias Hortensia Martino Garcia.
A–5138199, Hernandez, John Jose.
1415–3624, Hess, Frederick Cecil alias Jose Hargrave.
A–2914257, Hewitt, George Lorenso.
A–7229253, Hinkson, Thelma Elise (nee Moore).
A–3168618, Ho, Louie On.
A–7247405, Hong, Lee Shew or Albert Chung.
V–49222, Hong, Wha Sook alias Wha Sook Lee Hong.
A–6304585, Hwang, Yung-Yuan.
A–7395035, Hwang, Bertha Samtoy.
0501–19176, Iwanade, Isao, alias Nicholas G. Johansen.
0501–19177, Iwanade, Kaoru, alias Eric R. Johansen.
0501–19178, Tanahashi, Fumio, alias Warren S. Johansen.
A–7389308, Jaffee, Israel Morris alias Morris Jaffee.
T–829929, James, Emanuel or Arthur James.
A–1614160, Johansen, Karen (nee Karen Johansen).
A–3790521, Jon, Sophie.
A–2690546, Kallimanis, Spyros alias Spirpos Kalpinanis.
A–9777413, Kavurias, Nicolaos or Kavorias.
A–7391998, Kerner, Salomon.
A–3339512, Kitover, Anna.
A–1802099, Koehler, Emil or Emil Heinrich August Johan Koehler or John Wagner.
A–7125416, Konter, Ida Hannah (nee Swinbells).
A–9544670, Krokos, Leoenidas.
A–6248606, Kuun, Arvid Valentine.
A–9682619, Kwai, Sue Gee, or Sung Ah Fat.
A–4753012, Kwok, Gun Bew, or Kwok Bew or Ng Hoong.

A-5561212, Ladendorf, Martha Marie.
A-3079091 Lai, Chong or Joey Chong.
A-4129278, Lai, William T. or Lai Poy.
A-6131442, Lango, Pablo Perez.
A-8217624, Lavorante, Ciro.
A-7287918, Ledesma, Genovevo or Genovevo Ladesma-Acosta.
A-6383423, Lee, Kam Tseung.
A-3810786, Leo, Ying.
A-8091836, Leong, Wone alias Sam Wong alias Wone Sam.
0612/32090, Libby, George Patrick.
A-4438810, Liebowitz, Alexander.
A-4183958, Lipman, Ida.
A-9606324, Lo, Ven Sing alias Lo Ven Sing alias Lowe Sing.
A-6093214, Locario, Daniel Emanuel.
A-7978964, Lopez-Quintero, Jesus.
V-369762, Loy, Suey or Sue Fong.
A-7419010, Lozano, Edgardo Manuel.
A-7991564, Lubrano, Mario, alias Nunzio Lubrano.
A-7954014 (1), Ludwig, Gisele.
A-7954014 (2), Hagenfeld, Margarete, alias Margarete Hagenfeld Clark.
A-6524360, Mahkonen, Saimi Aline, or Saimi A. Mahkonen.
A-3652154, Mailloux, Lucienda Marie Laura (nee Dube).
A-7630533, Manning, Samuel Lawrence.
A-7654630, Manning, Melitta (nee Shottnegg-Zinzenfels).
A-7654320, Manning, Raymond.
A-8106446, Mar, Benny or Mar Ben.
A-9948021, Martin, Manuel Pena alias Manuel Pena.
A-3834708, Mavris, Panagiotis alias Peter J. Mavis.
A-8031315, May, Cheng or Cheng Mee or Cheng Moy.
A-8227428, Medina, Doroteo Soria.
A-4447029, Melchionna, Generoso alias Genaro Melchiorna.
A-6343686, Mergemekes, Anastasia or Anastasia George Dadakis.
A-5239447, Miguel, Alberto.
A-5800050, Millen, Alexander.
A-7184156, Minikes, Mayer or Major.
A-8282641, Minino, Ramon alias Ramon Casamanes.
A-3759616, Minutolo, Lorenzo.
A-5818018, Mitchell, Mary Elizabeth or Mary Elizabeth James or Mary Elizabeth Dennis or Mary Elizabeth Bailey or Mary Martin.
A-4117504, Mon, Lee alias Henry Chung.
A-3004666, Montello, Gennaro.
A-9741364, Moon, Kan.
0302-4221, Morelli, Valentine Elizabeth.
A-5645955, Moreno, Antonio or Tony Moreno.
A-8276875, Morton, Edith Elva Godsoe (nee Gilbert).
A-9634740, Mugnone, Oreste or Oreste Mugnone Barattolo.
A-2795373, Mui, Jak Lim or Sang Moy.
A-7174718, Nemeth, Margit.
A-5566678, Newmann, Henry Hugo.
A-8196958, O'Halloran, Thomas Patrick.
A-6926004, Ontiveros-Ortega, Jose.
A-4569250, Org, Amalia, or Amalia Schirmer.
A-4859638, Palmeri, Francesco, alias Francesco Palmier alias Alberto Sinna.
A-7174732, Palomo, Eufrosina Vergara (nee Mallari).
A-7457678, Panis, Ricardo Manalaysay.
A-3962253, Papadopoulos, George.
A-6054276, Penn, Enid Louise.
A-8082568, Penn, Muriel Naomi.
A-4399239, Penoucos Y Lopez, Daniel.
A-7190923, Perlmutter, Herbert.
A-1021915, Peters, Johannes Lambertus Adrianus.
A-7040402, Peterson, William James.
A-4200579, Petrolekas, John or John Lekas.
A-3919810, Phillips, Frederick Robert.
A-8117792, Pinson, Lillian May formerly Clarke formerly Myers (nee Fielding).
A-7962068, Psarianos, Stylianos.
A-5585140, Raffaelli, Gino.
A-5947381, Reyes, Ofelia Candia y, or Ofelia Candia.
A-8227500, Richardson, Wilfred.
A-6454232, Ricketts, Allen Donald, or Allen Donald, or Allen D. Reeves, or Sidney Wallace.
A-3164583, Rivera, Victor.
A-4849421, Robinson, Nina Yankowsky, or Fatima Nina Robinson, or Nina Stevens.
A-4533146, Rommel, Johnnes Max Gustav.
A-4344936, Rosenfield, Leah.
A-4726943, Rosenfield, Louis.
A-3014463, Rovira, John, or John Rovira Panier, or Juan Rovira Pamies, or John Revera.
V-872310, Ruber, Peter.
0300-371492, Ruber, Michael.
A-5017702, Ruchan, Dotty (nee Dvora Hillman).
A-6535802, Ruiz-Gaitan, Hilario.
A-6686125, Ruiz-Nino, Antonio, or Antonio Ruiz.
A-9949023, Ruiz, Manuel Vazquez.
A-7135781, Salkow, Maria, or Maria Begona Oru or Iturregui.
O300-387313, Salmon, Leonard Alexander, alias Leslie Chaplain.
A-1170953, Sandro, Alexander Ilych Petroff Von.
A-5911507, Santo, Joaquin Joao.
A-8117469, Sciancalepore, Marino, or Mario Sciancalepore.
A-3577305, Sen, Lo, or Sin or Sem or Low Sen.
A-7128160, Shapiro, Irving, alias Izak Szapiro.
0300-371940, Shaw, John Samuel, or Samuel Shaw or John Brown.
A-7967100, Shen, Chun Kang, alias John C. K. Shen.
A-4247406, Shing, Low.
A-3864397, Shiro, Yasukichi.
A-9679228, Shui, Chin, or Chen Sui.
A-8106893, Sibli, Ahmed, alias Manua Sulin or Manue Sulin.
A-3443073, Silva, Antonio, alias Antonio da Silva alias Sebolo.
A-8227170, Sing, Chen.
A-2799307, Sing, Lee.
A-4908852, Siniscalchi, Matteo.
A-3448309, Sjogren, Toini Rauha (nee Arvonen).
A-9511726, Sjokvist, Torsten Stellan.
A-2873073, Smalic, Krezan, or Chris Smolich.
A-1427476, Soares, Reginald, or Reginald Suarez.
A-1063822, Sorensen, Robert.
A-7463136, Spadafino, Rosa (Rosetta) (nee Reiggiero).
A-4090847, Stefanatos, Jerry C. or Gerasimos C. Stefanatos.
A-8227418, Stelatos, Gerasimos.
A-7809394, Stephens, Maria.
A-9155925, Storelli, Vito.
A-3096932, Suey, Sing or Shing Sun.
A-4037183, Sun, Wong Yat alias Sun Wong.
A-7828753, Sunn, Mimi (nee Mei-Ta Chang).
PR-901185, Sze, Mai-Wai Yuen Tsung.
A-8190958, Tablada, Nina Cabrera.
A-5547492, Tegeder, Ernest or Ernst.
A-9543938, Teles, Enrique or Henrique Teles.
A-3252195, Terilli, Mary Josephine alias Mary Josephine Machado alias Mary Josephine Frisello (nee Mary Josephine Tenna).
A-7995800, Terrazzer, Lucio.
A-7287048, Thompson, Frederick Oliver.
A-2710048, Toth, Stephen.
A-7370989, Tratner, Israel.
A-9757037, Tricoglou, Michael or Trikoglou.
A-3930366, Tsung, Chin Gay, or Gay Tsung Chin.
A-5636163, Ukmar, John or Giovanni.
A-9757109, Vadala, Domenico.
A-8190840, Valdes, Manuel Ortaga.
A-1237393, Vasilaros, Demetrios or James Vasilaros or Jim Vasalis or Patakos.
A-9749169, Ventoso, Jesus.
A-9770967, Verde, Salvatore or Salvatore John Balente.
A-9669401, Viera, Victoriano.
A-9667780, Viso, Giacomo.
A-5063187, Vito, Tony alias Antonio Tancredi.
A-3256713, Wah, Yuen alias Wah Yuen.
083-7844, Wals, Rafael.
A-7223138, Weinberger, Bernard.
A-5713960, White, Elizabeth.
0300-346968, Wong, Hing or Wong Bow.
A-3609864, Wong, James, alias Chong Yong Wong.
0646/1110, Wong, Kwai Jimmy.
A-7779637, Wong, Man-Shun.
A-3562308, Wong, Florence Kit-Wah Kwan.
A-3096901, Wong, Sak Sing.
A-2502349, Wong, Sing Fuh.
A-6855642, Woo, Yu Tsung (nee Dsung).
A-3538384, Yee, Moo.
A-9655340, Yen, Mo alias Haw Kau.
A-4223068, Ying, Wong or Mok Him.
A-7182617, York, Au alias Tan Wan Au.
A-4128110, Young, Chan Kow alias Kow Chin or Chan Kow.
A-9705072, Yow, Yuen or John Yaun or Yow Yuen or Yen Yow.
A-8117651, Yuen, Yip or Yip Ying.
A-9543441, Yun, Yip alias Soo Kun.
A-4765722, Zamboca, Albert.
A-7910571, Zamora Y Gonzalez, Armando Eulalio.
A-3270583, Chuen, Ho Wing, or Ho Ming Ngem or Jose Herrera.
A-7967432, Galvan-Rivera, Antonio.
A-1640445, Hernandez De Aguilar, Maria De Jesus.
A-1247540, Hernandez-Hernandez, Jesus.
A-7957327, Hernandez-Hernandez, Marciano Emilio or Emilio Hernandez.
A-6131180, Lopez-Lopez, Ignacio or George Casillo or Jorge Castillo.
A-4132634, Petito, Guiseppe.
A-6763324, Sanchez-Hernandez, Luis or Luis Hernandez or Luis Sanchez.
A-8090430, Tavares, Maria Guadalupe Cauz De or Ester Guadalupe Cauz De Tavares or Guadalupe Cauz.
A-7351084, Williams, Leon Emanuel or Raymond Williams.
A-3921090, Wong, Ling or George William.
1010-1082, Arendt, Alfred William Peter.
A-5568769, Aresta, Joao Maria Silva.
A-7476679, Edgar, Sidney Ellis.
A-7128768, Fenakel, Nikolas, or Niklos.
A-7980352, Osle-Aloma, Fausto, or Fausto Oslo.
A-7980303, Osle, Irida Rodriguez or Irida Osle (nee Irida Rodriguez Diaz).
A-6921151, Xerizotis, Constantin or Gust Zotas.
A-4332793, Carr, Annie Mary or Nan Carr or Annie Mary Thorgersen.
A-6984629, Halmschlager, Elfriede Elizabeth or Norcross.
A-5121683, Hsun-Hsiang, Nyi or Nyi Husan-Hsin and Henry Nyi.
T-2072747, Islas-Casillas, Canute Jesus.
A-2684180, Islas, Antonia Gomez de.
A-3066112, Marinidis, Constantine Marino or Constantine Marino Marinides.
0300-371589, Prieto, Maria Concepcion Panton (nee Conchan Rivas).
A-5003003, Riecr, John.
A-6984672, Shek, John Liensheng.
A-6620894, Shich, Benea or Sih Benea.
V-1358915, Smollar, Waltraut Wiederhold.
A-8117532, Billinis, Costas Alex.
A-9555659, Vukic, Ante.
A-7286952, Schniewind, Paul Werner Konrad.
A-7073776, Schniewind, Maria Friederike Fernande.
A-2911254, Matarela, Maurice of Mike Matarela.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CAPEHART (for himself and Mr. BRICKER):

S. 2047. A bill to amend the Rubber Act of 1948, as amended, to provide for the sale of

Government-owned rubber-producing facilities, to repeal and modify certain of its provisions affected thereby, and for other purposes; to the Committee on Banking and Currency.

(See the remarks of Mr. CAPEHART when he introduced the above bill, which appear under a separate heading.)

By Mr. YOUNG (for himself, Mr. EASTLAND, Mr. MUNDT, and Mr. ELLENDER):

S. 2048. A bill to provide for the use of surplus agricultural commodities in paying for offshore purchases of military supplies and other goods and services; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. YOUNG when he introduced the above bill, which appear under a separate heading.)

By Mr. SMITH of North Carolina:

S. 2049. A bill to prohibit the payment of compensation to officers or employees of the Government who have refused on grounds of self-incrimination to give testimony before congressional committees; to the Committee on the Judiciary.

(See the remarks of Mr. SMITH of North Carolina when he introduced the above bill, which appear under a separate heading.)

By Mr. HUMPHREY:

S. 2050. A bill for the relief of Masao Kato (Michael Francis Dufault) and Kumigai Naoko (Pauline Ann Dufault); and

S. 2051. A bill for the relief of Arthur Alexander Cornelius and Frank Thomas Cornelius; to the Committee on the Judiciary.

By Mr. HOLLAND:

S. 2052. A bill for the relief of Methodius Cirylius Petruch; to the Committee on the Judiciary.

By Mr. DOUGLAS:

S. 2053. A bill for the relief of Loh Bei-Li (Mary Loh); and

S. 2054. A bill for the relief of Cpl. Natale Bunici; to the Committee on the Judiciary.

By Mr. AIKEN:

S. 2055. A bill to amend the act of May 29, 1884, as amended, to provide for the control and eradication of scrapie and blue tongue in sheep, and incipient or potentially serious minor outbreaks of diseases of animals; and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. KILGORE:

S. 2056. A bill for the relief of Deborah Jordan Williams (Grace Yoko Watanabe); to the Committee on the Judiciary.

By Mr. HENDRICKSON:

S. 2057. A bill for the relief of Magdalene Rose Denes; to the Committee on the Judiciary.

By Mr. TOBEY:

S. 2058. A bill for the relief of Maj. Kenrick W. Hackett; to the Committee on Finance.

By Mr. JACKSON:

S. 2059. A bill for the relief of Bjorn Normann Bough; to the Committee on the Judiciary.

By Mr. CASE:

S. 2060. A bill to amend the National Defense Facilities Act of 1950 to provide for National Guard representation in certain agencies engaged in its administration; to the Committee on Armed Services.

By Mr. WILLIAMS:

S. 2061. A bill to amend section 101 (d) (6) of the Agricultural Act of 1949 so as to limit to the 1953 crop the requirement that the prices of basic agricultural commodities be supported at 90 percent of parity; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. WILLIAMS when he introduced the above bill, which appear under a separate heading.)

SALE OF GOVERNMENT-OWNED RUBBER-PRODUCING FACILITIES

Mr. CAPEHART. Mr. President, on behalf of myself, and the Senator from Ohio [Mr. BRICKER], I introduce for appropriate reference a bill to amend the Rubber Act of 1948, as amended, to provide for the sale of Government-owned rubber-producing facilities, to repeal and modify certain of its provisions affected thereby, and for other purposes. I ask unanimous consent that the bill, together with an explanatory statement by me, and a sectional analysis of the bill be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill, statement, and sectional analysis will be printed in the RECORD.

The bill (S. 2047) to amend the Rubber Act of 1948, as amended, to provide for the sale of Government-owned rubber-producing facilities, to repeal and modify certain of its provisions affected thereby, and for other purposes, introduced by Mr. CAPEHART (for himself and Mr. BRICKER), was received, read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act may be cited as the "Rubber Plant Disposal Act of 1953."

SEC. 2. Section 9 of the Rubber Act of 1948 (62 Stat. 101, 50 U. S. C. App. 1921), as amended, is further amended to read as follows:

"SEC. 9. (a) It is hereby declared that the sale of the Government-owned rubber-producing facilities to private enterprise pursuant to the provisions of this section will best promote the national security and the public welfare, and will further effectuate the policy set forth in section 2 of this act with respect to the development within the United States of a free, competitive synthetic rubber industry.

"(b) (1) There is hereby established in the Executive Office of the President a Rubber Plant Disposal Board consisting of the Secretary of the Treasury, who shall be Chairman, the Attorney General, and the Administrator of General Services. The Board shall appoint a disposal agent who shall, subject to the general supervision and control of the Board and in accordance with rules and regulations prescribed by it, negotiate promptly for the sale of the Government-owned rubber-producing facilities as specified hereinafter. The disposal agent shall receive compensation at the rate of $17,500 per annum and shall devote his full time to his duties as such agent.

"(2) The Board shall be furnished upon its request all available information concerning the Government-owned rubber-producing facilities in the possession of the department, agency, officer, Government corporation, or instrumentality of the United States designated from time to time by the President pursuant to subsection (a) of section 7 of this act.

"(3) The disposal agent, subject to the approval of the Board, is authorized to employ technical, professional, clerical, and stenographic assistance, and is further authorized to request and receive the assistance of any employee of any department, agency, officer, Government corporation, or instrumentality of the United States concerned with the operation of the Government-owned rubber facilities, and may utilize such voluntary and uncompensated services as may from time to time be needed, being authorized to provide by regulation for exemption of persons whose services are so utilized from the operation of sections 281, 283, 284, 434, and 1914 of title 18 of the United States Code and section 190 of the Revised Statutes (5 U. S. C. 99).

"(c) (1) All dispositions shall be by sale except as provided in subsection (n) of this section.

"(2) The disposal agent as soon as practicable after appointment shall invite, upon 21 days' notice and advertisement, proposals for the purchase of the rubber-producing facilities. The period for the receipt of proposals shall be determined and publicly announced by the disposal agent and in no event shall be less than 60 days nor more than 90 days. All data concerning such facilities which in the judgment of the disposal agent may be reasonably required for the submission of a bona fide proposal shall be furnished by the disposal agent upon request by any prospective bidder unless the disposal agent has reason to believe that such prospective bidder has not identified his principal, or is not financially responsible, or is a poor security risk.

"(3) Proposals shall be in writing, and shall contain—

"(A) identification of the person in whose behalf the bid is submitted, including the business affiliations of such person;

"(B) the facility or facilities which are proposed to be purchased, and the order of preference if more than one facility is proposed to be purchased;

"(C) the arrangements or plans, formal or informal, for the supply of feedstock to, and the disposition of the end products of, the respective facilities proposed to be purchased;

"(D) the amount proposed to be paid for each of the facilities, and, if such amount is not to be paid in cash, then the principal terms of the financing arrangement proposed;

"(E) the general terms and conditions which the prospective purchaser of a facility would be willing to accept in order to make the end product of such facility available for sale to small-business enterprises and users other than the purchaser of the facility; and

"(F) such other information as the disposal agent may reasonably require.

"(4) The disposal agent may, after the termination of the period for the submission of proposals provided for in paragraph (2) of subsection (c) of this section, disclose the contents of the proposals to such extent as he deems appropriate.

"(5) Each person or group of persons submitting a proposal or proposals shall deposit with the disposal agent cash or United States Government bonds equal to 1 percent of the aggregate amount proposed to be paid but not more than $100,000. Except in the case of successful bidders, deposits made hereunder shall be refunded without interest and not later than the time when all contracts of sale shall become fully effective as provided in paragraph (2) of subsection (l) of this section. In the case of successful bidders, deposits made hereunder shall be applied, without interest, to the purchase price.

"(d) Payment of the purchase price may be made in part by a first lien purchase-money mortgage, in an amount not to exceed 80 percent of the purchase price. The terms of any such mortgage obligation shall be determined by negotiation, and shall provide among other things for a maturity of not more than 10 years, periodic amortization, and an interest rate consistent with interest rates on comparable loans currently made by private lenders. Such mortgage may permit anticipation of prescribed periodic payments by the mortgagor without penalty.

"(e) Promptly after the termination of the period for the receipt of proposals, pursuant to paragraph (2) of subsection (c) of this section, and for such period thereafter not to exceed 180 days as may be determined and publicly announced by the disposal agent, negotiations shall be conducted with those submitting proposals for the purpose of entering into definitive contracts of sale which shall be binding and effective as to the disposal agent and the bidder, subject only

to the further procedures specified in subsection (i) of this section: *Provided*, That the Board may, upon a finding that further time for negotiation is desirable, extend such period for an additional period not to exceed 90 days. In disposing of a rubber-producing facility, the disposal agent shall negotiate only with those who have submitted proposals for that particular facility unless, in the judgment of the disposal agent, such limited negotiation would defeat the purposes of this act. In such event, the disposal agent may negotiate with those who have submitted bids for any of the facilities.

"(f) (1) The disposal agent shall develop a disposal plan that will realize for the Government the fair value of each Government-owned rubber-producing facility and that will not, in the opinion of the Attorney General, tend to create or maintain a situation inconsistent with the antitrust laws. Any disposal pursuant to such plan shall be deemed not to violate the antitrust laws.

"(2) The disposal plan for the Government-owned rubber-producing facilities shall insure that small business enterprises and users other than the purchaser of the facility involved receive a fair share of the end products of the facilities sold.

"(3) The disposal plan shall insure the potential manufacture of not less than 400,000 tons of general-purpose rubber annually and not less than 45,000 tons of butyl rubber annually during the useful life of the facilities sold; otherwise no disposal of such facilities to private ownership shall be effected under this section.

"(4) Each purchaser of a Government-owned rubber-producing facility must present evidence satisfactory to the disposal agent that he is a good security risk and that the proposed management and operations of the facility will be consistent with the national-security interests of the United States.

"(g) All contracts of sale and instruments in execution thereof shall contain an appropriate national-security clause designed to assure the prompt availability of the rubber-producing facilities for the production of synthetic rubber and the component materials thereof for the purposes of national defense when need therefor is declared by the President.

"(h) All contracts of sale shall become fully effective upon the expiration of 30 days after submission to the Board by the disposal agent of the disposal plan as provided in paragraph (2) of subsection (1) of this section, unless such disposal plan is disapproved by the Board within such period and the transfer of possession of all of the rubber-producing facilities included in the disposal plan shall be made as promptly as practicable after the effective date, in accordance with the terms of the contracts, but in any event within a uniform reasonable transfer period.

"(i) Upon termination of the transfer period, as provided in subsection (h) of this section, neither the disposal agent nor the agency designated by the President under section 7 of this act shall make any further sales of synthetic rubber or its component materials except as provided in subsection (j) of this section.

"(j) During the period of 1 year following the termination of the transfer period, the disposal agent shall offer for sale at a price determined in accordance with the Government pricing policy prevailing at the close of the transfer period, all finished stocks of synthetic rubber and its component materials held by the Government at the close of the transfer period in such a manner as to make available to nonpurchasers of facilities and small-business enterprises a fair share of such finished stocks of synthetic rubber. For the purposes of this section a small-business enterprise shall be deemed to consist of an enterprise independently owned and operated which is not dominant in its field of operation, due regard being given to the number of its employees and dollar volume of business. Any synthetic rubber or component materials not sold during such 1-year period shall thereafter be transferred to the General Services Administration for disposal as surplus property.

"(k) Upon the termination of the transfer period the rubber-producing facilities not sold shall be taken out of production and placed in adequate standby condition as promptly as practicable consistent with sound operating procedures. After the termination of production, such facilities shall be transferred without reimbursement or transfer of funds to the General Services Administration and administered in accordance with the provisions of sections 6, 7, and 8 of the National Industrial Reserve Act of 1948 (62 Stat. 1227, 50 U. S. C. 456-458), as amended, except that (1) no such facility shall thereafter be operated as a rubber-producing facility for the account of the Government except pursuant to further act of the Congress; (2) no such facility, other than alcohol butadiene facilities, shall be leased for operation as a rubber-producing facility at any time; and (3) no such facility shall be disposed of by sale within a period of 1 year from the termination of the transfer period. In any subsequent sale, the General Services Administration shall secure the advice of the Attorney General as to whether the proposed sale would tend to create or maintain a situation inconsistent with the antitrust laws.

"(l) (1) Not later than 30 days after the termination of the negotiating period provided in subsection (e) of this section, the disposal agent shall prepare and submit to the Board a report setting forth—

"(A) the steps taken to elicit bids and the bids which have been received;

"(B) the principal terms of all contracts of sales approved by the disposal agent;

"(C) in the event that there may have been a financially more advantageous bid for any rubber-producing facility than the contract of sale approved, a statement of the reasons why such contract was approved;

"(D) the program to be followed to place in standby condition the rubber-producing facilities not sold;

"(E) an inventory report stating the Government's current stocks of synthetic rubber and its component materials;

"(F) a program for the continuance, to the extent he deems necessary, during the fiscal year following the fiscal year in which the transfer period terminates, of the basic research program on synthetic rubber and its component materials then being carried on by the Government;

"(G) the names of persons who have represented the Government or the purchasers in conducting negotiations or in making contracts for disposal of the rubber-producing facilities; and

"(H) the circumstances under which the disposal agent negotiated for the sale of any rubber-producing facility with bidders who did not submit any proposal for the particular facility.

"(2) Unless the Board disapproves the disposal plan within 30 days after its submission, the disposal agent shall proceed forthwith to carry out the contracts and programs outlined in his report. The Board shall disapprove the disposal plan if it finds that such plan will not realize for the Government the fair value of each rubber-producing facility proposed to be sold, will tend to create or maintain a situation inconsistent with the antitrust laws in the production and marketing of synthetic rubber and its component materials, will not protect the national security and public welfare, or is otherwise not in conformity with the provisions of this section. If the Board disapproves the disposal plan within such 30-day period, it shall submit promptly a report to the Congress setting forth its reasons for such disapproval. Thereafter, no further negotiations shall be held looking toward disposal of the Government-owned rubber-producing facilities unless and until the Congress shall so provide by law.

"(m) No rubber-producing facility shall be sold except in accordance with this section or, so long as it shall remain operative, paragraph (4) of subsection (d) of section 7 of this act.

"(n) Notwithstanding any other provision of this act, the department, agency, officer, Government corporation, or instrumentality of the United States designated by the President under section 7 of this act may, subject to subsections (k), (m), and (q) of this section, at any time before unsold Government-owned rubber-producing facilities are placed in standby condition as permitted by subsection (l) of this section, and after securing the advice of the Attorney General as to whether the proposed lease would tend to create or maintain a situation inconsistent with the antitrust laws, enter into a contract of lease for any alcohol butadiene facility for a period of not more than 3 years: *Provided*, That any such lease shall contain (1) a national security clause, and (2) provisions for recapture of each leased facility by the Government and termination of the lease, if the President declares that the national interest so requires. When the unsold rubber-producing facilities are placed in standby under subsection (l) of this section, the Administrator of General Services shall succeed to all rights, powers, and duties of the lessor in leases of alcohol butadiene facilities entered into prior thereto, and shall succeed to the power to make such leases subject to the conditions prescribed in this subsection.

"(o) At the expiration of 1 year after the transfer period or as soon thereafter as the Congress is in session, the President shall report to the Congress concerning the Nation's rubber requirements and resources and the need, if any, for further basic research by the Government relative to the production or use of synthetic rubber.

"(p) Notwithstanding the provisions of section 18 of this act, the term 'rubber-producing facilities' as used in this section shall not include the Government-owned evaluation laboratory at Akron, Ohio.

"(q) All net proceeds from disposal of the rubber-producing facilities shall be covered into the Treasury as miscellaneous receipts."

SEC. 3. The sales, leases, or other dispositions made prior to the enactment of this act, pursuant to subsection (b) of section 9 of the Rubber Act of 1948 (62 Stat. 101), as amended, shall not be affected by this act.

SEC. 4. The Rubber Act of 1948 (62 Stat. 101), as amended, is further amended as follows:

(a) In subsection (e) of section 10, strike "(a)."

(b) Section 20 is amended to read as follows:

"SEC. 20. (a) This act shall remain in effect through March 31, 1956.

"(b) If the disposal plan submitted by the disposal agent pursuant to paragraph (1) of subsection (l) of section 9 is not disapproved by the Board within the period provided in paragraph (2) of subsection (l) of section 9, then, at the expiration of 30 days after termination of the transfer period, the following sections and subsections hereof shall be repealed: Sections 3, 4, 5, 6, 7, 8, and subsections (c), (d), and (e) of section 10."

SEC. 5. No contract for the sale of any Government-owned rubber-producing facility shall be entered into unless the purchaser (1) certifies to the disposal agent the names of all attorneys, agents, or other persons engaged by or on behalf of the purchaser for the purpose of obtaining such contract of

sale, and the fees paid or to be paid to such persons; and (2) executes an agreement binding the purchaser for a period of 2 years after transfer of any such facility from the disposal agent to it, to refrain from employing, tendering any office or employment to, or retaining for professional services, any person who on the date of such transfer or within a year prior thereto shall have served as a member of the Board or as an attorney, agent, or employee of the Board or the disposal agent in activities involving discretion with respect to negotiations or contracts of sale under this act.

SEC. 6. The Board and the disposal agent, subject to the Government Corporation Control Act of 1945 (59 Stat. 597, 31 U. S. C. 841), as amended, are each authorized to acquire, hold, and dispose of property, determine the character of and necessity for their obligations and expenditures and the manner in which they shall be incurred, allowed, and paid, and exercise such other powers as may be necessary or appropriate to carry out the provisions of this act. All costs incurred by the Board and the disposal agent pursuant to the provisions of this act shall be charged against the operating costs of the Government-owned synthetic rubber program, administered by the department, agency, officer, Government corporation, or instrumentality of the United States designed from time to time by the President pursuant to subsection (a) of section 7 of the Rubber Act of 1948 (62 Stat. 101, 50 U. S. C. App. 1921), as amended.

The statement by Mr. CAPEHART is as follows:

STATEMENT BY SENATOR CAPEHART

The bill would authorize the disposal of the Government-owned synthetic rubber-producing facilities.

It is the strong conviction of the junior Senator from Ohio and myself that the sale of Government-owned rubber-producing facilities to private enterprise as provided in this bill will best promote the national security and the public welfare and will foster a free and competitive synthetic-rubber industry, which in turn will provide full and fair competition for the producers of natural rubber. At the same time the bill requires that the Government obtain the full fair value of each facility sold.

This bill amends section 9 of the Rubber Act of 1948, and modifies and repeals certain other provisions of that act. It follows closely in many respects the original recommendation of the Reconstruction Finance Corporation disposal report and the recommendations of the President. A 3-member Rubber Plant Disposal Board is created by the bill, consisting of the Secretary of the Treasury, who is designated as chairman, the Attorney General and the Administrator of General Services. This Board will supervise and control the activities of the disposal agent it appoints, and will approve or disapprove of the disposal plan submitted to it by the disposal agent.

After appointment and upon reasonable notice, the disposal agent invites proposals for the purchase of each of the plants. An adequate period of from 60 to 90 days, to be publicly announced, is established for the submission of proposals. Following that, the disposal agent is given 180 days to negotiate contracts of sale, with provision being made for an additional period of 90 days, if the Board deems it necessary.

At the termination of the negotiation period, the disposal agent is required to submit a full and complete report to the Board, setting forth his recommendations with respect to disposal of the plants and placing in standby those not sold. If the Board does not disapprove the disposal plan, it becomes effective 30 days after submission. In the event the Board disapproves the disposal plan within 30 days after submission, it must submit promptly a report to the Congress setting forth its reasons for disapproval. Unless and until further authorization is provided by the Congress, no further negotiations may then be conducted.

Criteria are established by the bill to guide the Board in determining whether or not the disposal plan should be approved. The Board must disapprove, if it finds the plan will not realize the full fair value of each rubber-producing facility proposed to be sold, or will violate the antitrust laws, or will not protect the national security and public welfare.

Any plants not sold must be placed in standby with the General Services Administration. Such plants may not be sold for 1 year and may not be operated by the Government except under further act of the Congress. Authority is provided for leasing the Government-owned alcohol butadiene plants for 3 years if they are not sold.

Each person or group submitting a proposal must furnish the disposal agent with certain basic information. The principal must be identified; the facility or facilities proposed to be purchased must be designated in order of preference; any arrangements, formal or informal, for the supply of feedstocks and the disposition of the end products must be indicated; and the general terms and conditions which the prospective purchaser would be willing to accept in order to make the end product of the facility available for sale to small-business enterprises and users other than the purchaser of the facility must be set forth.

A good-faith deposit in cash or United States Government bonds equal to 1 percent of the aggregate amount proposed to be paid but not exceeding $100,000 must accompany proposals submitted by one person or group. If a bidder is unsuccessful, his deposits are refunded without interest; otherwise they are applied, without interest, to the purchase price.

At least 20 percent of the purchase price must be paid in cash. A purchase-money mortgage for the balance maturing not later than 10 years, carrying the going rate of interest on private loans, may be taken by the Government. The sale may provide for accelerated payment without penalty.

In order to encourage the submitting of proposals, provision is made to limit negotiations to those submitting bona fide proposals.

Several basic principles are enumerated to guide both the Board and the disposal agent in the formulation of a disposal plan. First, the plan must insure that small-business enterprises and users other than the purchaser of the facility involved receive a fair share of the end products produced by the facilities that are sold. Secondly, before the facilities are sold, the plan must insure a potential manufacture of at least 400,000 tons of general-purpose rubber and at least 45,000 tons of butyl rubber annually. Third, satisfactory evidence must be presented that the purchaser is a good security risk and that the operations of the facility will be consistent with our national security. Fourth, an appropriate national-security clause designed to assure prompt availability for national defense must be included in each contract of sale.

Within 30 days after termintion of the negotiating period, the disposal agent must submit to the Board a written report covering covering the steps taken to obtain proposals; the proposals received; his recommendations as to sale and the main terms of the contracts of sale; an explanation why the high bid was not taken, if such was the case; his program for placing in standby the facilities not sold; an inventory of current synthetic-rubber stocks and component materials held by the Government; his recommendation with respect to the need for further basic research by the Government; the names of persons representing the Government and the purchasers during the negotiations; and the circumstances under which negotiation was had with a bidder who did not submit a proposal for the particular facility involved.

For a period of 1 year after the transfer of the facilities, the disposal agent is authorized to sell in accordance with Government pricing policies prevailing at the close of the transfer period, all finished stocks and component materials held by the Government. Such sales must be made in a manner to make available to small-business enterprises and nonpurchasers of facilities a fair share of the stocks of synthetic rubber.

The bill prohibits any contract of sale unless the purchaser (1) certifies the names of agents engaged for the purpose of obtaining such contract and the fees paid or to be paid for those services; and (2) agrees not to hire for 2 years a member of the Board, the disposal agent, or any person employed by the Board or disposal agent in activities involving discretion during the negotiations.

All costs incurred by the Board and disposal agent are subject to the provisions of the Government Corporation Control Act.

All facilities that can be disposed of are to be disposed of under this bill, except the Government laboratory at Akron, Ohio. This facility is to engage in basic Government research only for a period of 1 year, at which time the President is to make recommendations to the Congress with respect to the need for further research of this type.

The sectional analysis presented by Mr. CAPEHART is as follows:

SECTIONAL ANALYSIS OF A BILL TO AMEND THE RUBBER ACT OF 1948, AS AMENDED, TO PROVIDE FOR THE SALE OF GOVERNMENT-OWNED RUBBER-PRODUCING FACILITIES

Section 1—short title—The Rubber Plant Disposal Act of 1953.

Section 2 amends section 9 of the Rubber Act of 1948, as amended, to read as follows:

"SEC. 9 (a). Declaration of policy: Sale of these synthetic-rubber plants to private ownership will promote national security and public welfare.

"SEC. 9 (b) (1). Creates Rubber Plant Disposal Board. Chairman, Secretary of Treasury. Other members: Attorney General and Administrator of General Services. Board to appoint full-time disposal agent to negotiate sale of plants. His salary, $17,500 per year.

"SEC. 9 (b) (2). On request, board can get all available information on plants from RFC, which supervises plant operations.

"SEC. 9 (b) (3). Disposal agent may hire employees and use voluntary services exempt from conflict-of-interest statutes.

"SEC. 9 (c) (1). All disposals to be by sale except for possible lease of alcohol butadiene plants.

"SEC. 9 (c) (2). Disposal agent to invite purchase proposals as soon as practicable, giving 21 days' advertisement. Proposals to be received during 60- to 90-day period set by disposal agent. Data needed by prospective bidders to be furnished by disposal agent, but not to those with undisclosed principal, financially irresponsible, or poor security risks.

"SEC. 9 (c) (3). Written proposals required. Include:

"(A) naming principal and its business affiliations;

"(B) plants to be negotiated for and priority of preference;

"(C) arrangements for feedstocks and use of end products of plants;

"(D) amount to be paid for plants and main financing terms;

"(E) arrangements to make end products available to small business and those who don't purchase a plant;

"(F) other information disposal agent requires.

"SEC. 9 (c) (4). Disposal agent may disclose contents of proposals.

"SEC. 9 (c) (5). Good-faith deposit in cash or United States bonds required. One percent of total amount offered in proposals by one person or group. Maximum of $100,000. Deposits refunded without interest to nonpurchasers. Deposits applied without interest toward purchase price for purchasers.

"SEC. 9 (d). May use purchase money mortgage up to 80 percent of price. Terms set by negotiation. Maturity not over 10 years. Periodic amortization required. Interest rate consistent with private loans. May allow anticipated payments without penalty.

"SEC. 9 (e). After close of time to make proposals, negotiations for sale of plants to be conducted for not over 180 days, with 90-day extension allowed if Board thinks it advisable. Negotiations on each plant held only with those who submit proposals on such plant, unless disposal agent thinks it advisable to extend negotiations to those who submit proposal for any of the plants.

"SEC. 9 (f) (1). Disposal plan to get fair value of plants for Government, and not be inconsistent with antitrust laws in Attorney General's opinion.

"SEC. 9 (f) (2). Disposal plant to insure fair share of end products of each plant for small business and those who do not buy such plant.

"SEC. 9 (f) (3). Disposal plan to insure potential manufacture of at least 400,000 tons of general purpose rubber and 45,000 tons of butyl rubber annually during life of plants; else no disposal.

"SEC. 9 (f) (4). Purchaser must show agent it is a good security risk and management and operations will be in national interest.

"SEC. 9 (g). Sale instruments to have national-security clause to assure plant availability for producing rubber and feed stocks whenever need declared by President.

"SEC. 9 (h). Sale contracts effective 30 days after disposal plan submitted to Board, unless it disapproves disposal plan in that period. Possession of plants to be transferred promptly after effective date under contract terms and within uniform reasonable transfer period.

"SEC. 9 (i). After close of transfer period, disposal agent and RFC can't sell synthetic rubber or component materials except as set out in next paragraph 9 (j).

"SEC. 9 (j). During 1 year after close of transfer period, disposal agent shall offer for sale under Government pricing policy at close of transfer period all finished stocks of synthetic rubber and component materials held by Government. Offer of sale to make fair share of rubber available to small business and those who buy no plant. Small business defined: independently owned and operated, not dominant in field, give due regard to number of employees and dollar volume of business. Rubber or component materials unsold during that yearly period go to General Services Administration for disposal as surplus.

"SEC. 9 (k). At close of transfer period, unsold plants placed in standby with GSA under National Industrial Reserve Act. But no such plant (1) to be operated for Government except under later act of Congress; (2) to be leased for rubber production, except alcohol butadiene plants; and (3) to be sold for 1 year after close of transfer period. Later sale made only on Attorney General's advice whether it would be inconsistent with antitrust laws.

"SEC. 9 (l) (1). Within 30 days after end of negotiating period, disposal agent to report to Board—

"(A) steps to get bid and bids received;

"(B) main terms of contracts of sale proposed;

"(C) why less than highest bid was accepted, if pertinent;

"(D) program to put unsold plants in standby;

"(E) inventory report of Government stocks of synthetic rubber and component materials;

"(F) program to continue basic research on synthetic rubber and component materials for 1 year;

"(G) persons who represented Government or purchasers in negotiations and contract-making for plants; and

"(H) why negotiations were held with those who didn't submit proposal for a particular plant, if pertinent.

"SEC. 9. (l) (2) Unless Board disapproves disposal plan in 30 days after submission, disposal agent proceeds forthwith with sales and programs set out in his report to Board. Board to disapprove plan if fair value not received for each plant, or antitrust laws tend to be violated, or national security or public welfare not protected, or plan not in accord with other statutory disposal requirements. On disapproval of disposal plan, Board to report its reasons promptly to Congress. Thereafter, disposal negotiations end unless Congress enacts new law.

"SEC. 9 (m). No plant to be sold except under this section 9, or unless it becomes obsolete while section 7 of the Rubber Act remains in effect.

"SEC. 9 (n). RFC may lease out alcohol butadiene plants for not over 3 years after getting Attorney General's advice whether lease would be inconsistent with antitrust laws. Each lease to contain national security clause and recapture clause. After unsold plants go into standby, GSA succeeds RFC as lessor on any lease made and gets power to make leases on same conditions.

"SEC. 9 (o). One year after transfer period or as soon as Congress convenes thereafter, President to report to Congress on Nation's rubber needs and resources and need, if any, of further Government basic research on synthetic rubber.

"SEC. 9 (p). Amends definition of 'rubber-producing facilities' in Rubber Act of 1948 to exclude Government laboratory at Akron, Ohio, from disposal plan.

"SEC. 9 (q). Net proceeds from plant disposal to go into United States Treasury as miscellaneous receipts."

Section 3: Sales or leases made in past under section 9 (b) of Rubber Act of 1948 not affected by this act.

Section 4: Rubber Act of 1948 amended further—

(a) to delete "(a)" from section 10 (e), so it will refer to reports required under section 9 as revised by this act, and delete reference to reports already made by RFC and President to Congress.

(b) Amends section 20 to read:

"20. (a) Rubber Act remains effective through March 31, 1956.

"20. (b) If disposal plan takes effect, Rubber Act is amended by repealing section 3 (mandatory use quotas), 4 (import and export controls), 5 (production quotas), 6 (general Government research), 7 (Government operation of rubber plants), 8 (standby facilities), 10 (c) (creation of Government operating corporation), 10 (d) (President's power to transfer facilities, personnel, and funds to other Government agency), and 10 (e) (President's annual report to Congress)."

Section 5: No contract for sale of plant to be made unless (1) purchaser certifies to disposal agent names of purchaser's representatives in negotiations and fees paid or to be paid them, and (2) purchaser makes agreement not to hire for 2 years after transfer of plant any Board member, the disposal agent, or any employee of either having discretionary authority in negotiating sale of plant, who has been such within 1 year prior to transfer of the plant.

Section 6: Disposal agent and Board to comply with Government Corporation Control Act on expenditures and audits thereof. Expenses of program under this disposal act are charged against Rubber Act appropriations for operating plants.

USE OF SURPLUS AGRICULTURAL COMMODITIES IN PAYING FOR OFFSHORE PURCHASES OF CERTAIN SUPPLIES

Mr. YOUNG. Mr. President, on behalf of myself, the Senator from Mississippi [Mr. EASTLAND], the Senator from South Dakota [Mr. MUNDT], and the Senator from Louisiana [Mr. ELLENDER], I introduce for appropriate reference a bill to provide for the use of surplus agricultural commodities in paying for offshore purchases of military supplies and other goods and services. I ask unanimous consent that the bill, together with a joint statement we have prepared be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and joint statement will be printed in the RECORD.

The bill (S. 2048) to provide for the use of surplus agricultural commodities in paying for offshore purchases of military supplies and other goods and services, introduced by Mr. YOUNG (for himself, Mr. EASTLAND, Mr. MUNDT, and Mr. ELLENDER), was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Secretary of Agriculture, together with the Secretary of Defense and other agencies making expenditures or donations in or to foreign countries, shall arrange to use surplus agricultural commodities acquired as a result of price support operations, to the maximum extent practicable, in making such expenditures or donations. Arrangements may include (1) barter, (2) sale of surplus agricultural commodities for foreign currencies, (3) exchange of foreign currencies so acquired for appropriated or other funds available for such expenditures or donations, (4) use of such foreign currencies for such expenditures and donations, and (5) arrangements under which amounts paid for goods and services, or as donations, shall be used by the recipients for the purchase of surplus agricultural commodities. As used in this act the term "surplus agricultural commodities" shall mean agricultural commodities determined by the Secretary of Agriculture to be in excess of the quantity required for domestic consumption and export (other than export resulting from the operation of this act). The provisions of this act shall be applicable to agricultural commodities having an inventory value not exceeding $2 billion; but nothing in this act shall be deemed to limit any authority of the Secretary of Agriculture to dispose of agricultural commodities.

The joint statement is as follows:

Senators YOUNG, EASTLAND, MUNDT, and ELLENDER today introduced a bill to provide for the use of surplus agricultural commodities in paying for offshore purchases of military supplies and other goods and services.

In a joint statement the Senators declared that the Commodity Credit Corporation already owned approximately $3 billion worth of agricultural commodities and pointed out

that they foresaw a distressing situation whereby the Commodity Credit might have an accumulation in excess of $4½ billion worth of surplus agricultural commodities by the end of the year. Acreage controls are threatened and severe losses in these commodities are becoming more probable as exports continue their drastic decline. These exports of agricultural commodities have declined severely despite a sharp downturn in the prices of exportable surpluses. For example, exports of cotton are off from 6 to 3 million bales. Wheat exports have declined from 410 million bushels to 275 million bushels, and a similar situation exists with fats, tobacco, and other commodities.

The Senators point out that these commodities can be sold abroad through the adoption of programs which would make them available to foreign nations in dire need of these surpluses, thereby preventing great losses to the taxpayers and forestalling agricultural distress which could well have a serious and disastrous effect on the stability of our entire economy.

The bill directs the Secretary of Agriculture, together with agencies making expenditures or donations in foreign countries, to work to the end that surplus agricultural commodities, rather than dollars, may be used in making such expenditures and donations. While the methods by which this end is to be accomplished are left in large measure to the discretion of the agencies administering the purposes of the bill, it is probable that arrangements would include barter, the sale by Commodity Credit Corporation of surplus commodities for foreign currencies, the use of such foreign currencies for the purchase of military and other supplies by the United States, and reimbursement to Commodity Credit Corporation from appropriated funds available for military and other supplies. Funds spent for military supplies might also be earmarked for use by the recipient country for the purchase of surplus commodities.

Surplus agricultural commodities under the bill would be those in excess of requirements for domestic consumption and export (other than such additional export as may result from operation of the bill).

A typical transaction which is contemplated under the bill would be similar to a deal recently consummated whereby Britain bartered 70 jet planes to Brazil for Brazilian cotton. At identically this same time America was purchasing planes from the same manufacturer with dollars in its offshore military-procurement program.

Under this bill the Secretary of Agriculture and the Defense Department would attempt to negotiate for the purchase of these planes with agricultural surpluses. The Secretary of Agriculture and the other affected agencies may use these surpluses wherever dollars are now being used and where their use would be to the advantage of the United States Government.

The bill is limited to $2 billion worth of surplus commodities which is roughly 50 percent of the agricultural surplus which can be reasonably anticipated as arising during the crop year.

DENIAL OF COMPENSATION TO GOVERNMENT EMPLOYEES IN CERTAIN CASES

Mr. SMITH of North Carolina. Mr. President, as a member of the Internal Security Subcommittee of the Committee on the Judiciary, I introduce for appropriate reference a bill to prohibit the payment of compensation to officers or employees of the Government who have refused on grounds of self-incrimination to give testimony before congressional committees. I ask unanimous consent that I may speak for 2 minutes regarding the bill.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the Senator from North Carolina is recognized for 2 minutes.

The bill (S. 2049) to prohibit the payment of compensation to officers or employees of the Government who have refused on grounds of self-incrimination to give testimony before congressional committees, introduced by Mr. SMITH of North Carolina, was received, read twice by its title, and referred to the Committee on the Judiciary.

Mr. SMITH of North Carolina. Mr. President, from time to time those of us who serve on the Internal Security Subcommittee of the Committee on the Judiciary have had before us, in the subcommittee, Government employees who refused to answer a question or questions designed to establish whether they were connected with Communist or Communist-front organizations.

The bill I have introduced is to prohibit the payment of compensation to officers or employees of the Federal Government who refuse, on grounds of self-incrimination, to give testimony before congressional committees as to whether they have been or are connected with Communist or Communist-front organizations. The bill relates to the taking of testimony, not only before the Internal Security Subcommittee of the Judiciary Committee, but before all congressional committees. The bill requires that Government employees make known their identification when inquiry is made by a congressional committee.

Mr. President, to me it is unthinkable that a man or woman should be on the Government payroll, serving the Government, and yet at the same time should refuse to identify himself or herself as to whether he or she is a Communist. This bill is designed to correct that situation, if it is possible to correct it.

AMENDMENT OF AGRICULTURAL ACT OF 1949 RELATING TO 90 PERCENT OF PARITY ON PRICES OF BASIC AGRICULTURAL COMMODITIES FOR 1953 CROP

Mr. WILLIAMS. Mr. President, I introduce for appropriate reference a bill to amend section 101 (d) (6) of the Agricultural Act of 1949 so as to limit to the 1953 crop the requirement that the prices of basic agricultural commodities be supported at 90 percent of parity. I ask unanimous consent that the bill, together with an explanatory statement by me relating to the bill, be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and explanatory statement will be printed in the RECORD.

The bill (S. 2061) to amend section 101 (d) (6) of the Agricultural Act of 1949 so as to limit to the 1953 crop the requirement that the prices of basic agricultural commodities be supported at 90 percent of parity, introduced by Mr. WILLIAMS, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 101 (d) (6) of the Agricultural Act of 1949 (7 U. S. C. 1441 (d) (6)) is amended by striking out "1953 and 1954 crops" and inserting in lieu thereof "1953 crop."

The statement by Mr. WILLIAMS is as follows:

STATEMENT BY SENATOR WILLIAMS

For the past several months we have heard a lot of talk about cutting the budget and reducing taxes.

There is only one way that the Federal budget can be cut, and that is to repeal some of the laws calling for these expenditures.

Our farm program, as administered under the past administration, has cost the American taxpayer billions.

Many of us have been rather harsh in our criticism of the wasteful food-destruction program of the Truman-Brannan regime. We still remember the piles of potatoes that were dumped or burned at a cost to the taxpayers of nearly $500 million.

Over $189 million has been spent to remove eggs from the normal channel of trade, thereby raising their cost to the American housewife.

Now it is butter. The Government is buying butter today at approximately 70 cents per pound and either storing it in the already overcrowded warehouses or else selling it for as little as 15 cents per pound. Millions of pounds of this butter are being accumulated with the result the American housewife is being forced to use oleo as a substitute.

The Government is accumulating these surplus agriculture products at a rate of over $100 million per month with no prospect of disposing of them except to give them away or destroy them—or wait for another war.

Some of these purchases are mandatory under a law passed by the former administration. However, some of them are being accumulated solely at the discretion of the present administration.

The present butter purchasing program was the decision of the present administration.

To finance the procurement of these agriculture commodities the Commodity Credit Corporation, as of March 31, 1953, had committed $3,495,974,125.99 of its borrowing authority. One year ago (March 31, 1952) they were using $2,209,150,825.08 which means that they are increasing at the rate of over $25 million per week.

Many of these perishable commodities are going out of grade and ultimately they can only be disposed of at a tremendous loss.

We have on hand over 200 million bushels of corn that has been in the warehouses over 5 years. I venture to say that very little of this will grade as No. 2 corn today.

I believe we need a farm program, but it must be one based on good common sense and not political expediency.

The Republican Party in its platform for the past 6 years has advocated the repeal of the high support or 90 percent formula and proposed in its place the lower or flexible formula.

This lower formula would allow these huge surpluses to move into normal channels of trade and thereby save millions both to the American consumers and the taxpayers. This lower formula, which has been on our book for over 4 years, was sponsored by two very able representatives, the Senator from Vermont, Mr. AIKEN, the chairman of the Senate Agriculture Committee; and the Senator from New Mexico who was also a former Secretary of Agriculture, Mr. ANDERSON.

However, Congress, while passing this more sensible formula, has each time deferred its effective date with the result that as yet it has never been tried out.

This deferment has not only cost the American taxpayers needless millions, but it has also actually hurt the American farmers rather than helping them.

The excessively high support prices have resulted in the accumulation of high surpluses of all types of commodities with the result that now farm prices are depressed as they were in 1940 and again in 1950. The only thing that bailed the program out by removing the surpluses at that time was war. The American farmers are tired of an agriculture program based upon the principle that we must have a war every 10 years to remove our surpluses.

The farmers need a sound, long-range program, one that will not cost the taxpayers billions, but one that will result in the American consumer getting the food from the farmers at a reasonable price rather than having it destroyed.

To accomplish this purpose I have introduced for appropriate reference a bill, the purpose of which is to advance the effective date of the expiration of the affixed 90 percent guaranteed support level from December 31, 1954 to December 31, 1953. The enactment of this provision would be to place the flexible support formula into effect beginning next year.

I urge the Congress, in the support of a sound economy, to take speedy action on this measure. Failure to take this action will place upon the present administration the responsibility for the tremendous losses which inevitably will accompany a continuation of the accumulation of these perishable products.

Unless we do repeal this mandatory 90 percent support program, the Government will be forced to request acreage controls and marketing allotments. I do not think that the farmers in America want any bureaucrat in Washington to have the authority to tell them how many acres they can plant or how many pigs they can produce. That type of regimentation is just as repulsive under one administration as under another.

AMENDMENT OF INTERSTATE COMMERCE ACT RELATING TO EXPEDITION OF TERMINATION OF RAILROAD REORGANIZATION PROCEEDINGS—AMENDMENTS

Mr. SCHOEPPEL submitted amendments intended to be proposed by him to the bill (S. 978) to amend the Interstate Commerce Act in order to expedite and facilitate the termination of railroad reorganization proceedings under section 77 of the Bankruptcy Act and to require the Interstate Commerce Commission to consider, in stock modification plans, the assents of controlled or controlling stockholders, and for other purposes, which were ordered to lie on the table and to be printed.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles, and referred to the Committee on Interstate and Foreign Commerce:

H. R. 1026. An act to amend the Public Health Service Act, with respect to the provisions of certain medical and dental treatment and hospitalization for certain officers and employees of the former Lighthouse Service and for dependents and widows of officer and employees of such Service; and

H. R. 5069. An act to prohibit the introduction of movement in interstate commerce of articles of wearing apparel and fabrics which are so highly flammable as to be dangerous when work by individuals, and for other purposes.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. WILEY:

Messages received by him from League of Women Voters Chapters throughout the Nation endorsing his Memorial Day address.

By Mr. JOHNSTON of South Carolina:

Statement prepared by him on United States customs inspectors.

By Mr. GREEN:

Armenian day address delivered by him at Narragansett Hotel, Providence, R. I., Sunday, May 31, 1953.

By Mr. CASE:

Address delivered by Carl R. Gray, Jr., Administrator of Veterans' Affairs.

By Mr. KEFAUVER:

Address delivered by Elmo Roper at an Atlantic Union dinner held in Washington, D. C., on May 14, 1953.

By Mr. TOBEY:

Editorial entitled "Troubles of the FCC," and an article entitled "McCarthy Calls One-Man Hearing After FCC Refuses To Give Hearst TV Channel Assigned to Education," published in the St. Louis Post-Dispatch of May 22, 1953.

By Mr. THYE:

Editorial entitled "The Government Moves Away from Socialism" published in the current issue of the Saturday Evening Post.

By Mr. GOLDWATER (for Mr. Bush):

Editorial entitled "Why a Balanced Budget?" published in the New York Times of June 4, 1953.

By Mr. WILLIAMS:

Letter from William E. Frank, Director of Internal Revenue, with reference to competitive examination for position of Director of Internal Revenue.

ROBERT RAMSPECK

Mr. GEORGE. Mr. President, on May 20, 1953, the distinguished Senator from Delaware [Mr. WILLIAMS] made some remarks on the floor of the Senate reflecting upon the character of Robert Ramspeck, of Georgia. Mr. Ramspeck has spent many years in the public service, and those who know him have never questioned his character or his motives. Mr. Ramspeck desires to have me offer for the RECORD a letter in which he states his position with respect to the matter concerning which the Senator from Delaware [Mr. WILLIAMS] has criticized him.

I ask unanimous consent that the letter be printed in the body of the RECORD, at this point, as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

KENSINGTON, MD., *June 1, 1953.*

Hon. WALTER F. GEORGE,
United States Senate,
Washington, D. C.

DEAR SENATOR GEORGE: In the CONGRESSIONAL RECORD of May 20, 1953, page 5208, there appears a speech made by Senator WILLIAMS, of Delaware, which contains a charge that I used my position as a Civil Service Commissioner to circumvent section 1310 of Public Law 253 of the 82d Congress.

The law referred to was sponsored by Representative WHITTEN, of Mississippi. It was intended to prevent too rapid promotions in positions under the Classification Act. Its purpose was to save money. While I was Chairman of the Civil Service Commission I made every effort to carry out the intent of the act. Not a single decision made by me was taken with any political intent.

Senator WILLIAMS said: "On October 17, 1952, the Civil Service Commission, under the chairmanship of Mr. Robert Ramspeck, recognizing the days of the New Deal administration were numbered, issued Departmental Circular No. 671, Supplement No. 11, in which was outlined a program whereby all Government agencies were told how they could circumvent the law—section 1310, enacted November 1, 1951—and thus give unearned promotions to their friends."

This statement is not in accordance with the facts. If the Commission had desired to "give unearned promotions to its friends," it could have approved the promotions involved at the pay rate of the higher grades. It did not take such action, thus saving money and carrying out the intention of Representative WHITTEN.

Representative WHITTEN has authorized me to say that the action taken, which Senator WILLIAMS says was illegal, was carrying out his intent—and he thinks it was legal. He has written the Comptroller General to that effect.

Under the law, as amended, which was in effect on October 17, 1952, the Commission had discretion to approve promotions of more than one grade "in order to avoid undue hardship or inequity in individual cases of meritorious nature."

Therefore, if the Commission had been politically inclined, as Senator WILLIAMS charges, it could have approved the salary of the higher grade. It did not do that. What it did was require the agencies to hold the salary promotions to one grade—and permit them to assign employees to the duties of the next higher grade—thus saving money for the taxpayers.

While the Comptroller General has now ruled this practice contrary to the Classification Act, Senator WILLIAMS perhaps does not know that a staff representative of the Commission consulted Mr. Fisher, of the General Accounting Office, before the action was taken, and Mr. Fisher advised our representative that his Office would not object to the practice.

Senator WILLIAMS did not point out the fact that the action he now criticizes was approved by all three Civil Service Commissioners—including the Republican member.

I do not personally agree with the decision of the General Accounting Office in this matter. The Commission has authority to permit employees to be detailed to higher grade work for limited periods, and that is what was done here. Representative WHITTEN concurs in this opinion, and says it did carry out the intent of section 1310.

I would not take up your time with this matter except for the fact that Senator WILLIAMS apparently has embarked upon a crusade to destroy my reputation for honesty and integrity. I have spent many years in the public service, and in every position held I rendered faithful and honest service. I do not propose to let anyone besmirch my reputation.

Since Senator WILLIAMS has put these charges in the RECORD, I want the other side of the question there also. Therefore, I will appreciate it if you will place this letter in the RECORD.

I would welcome an investigation by the Senate, through the Finance Committee or the Post Office and Civil Service Committee,

of every action taken by the Civil Service Commission in connection with the reorganization of the Bureau of Internal Revenue. We may have made mistakes of judgment, but we did an honest job.

A private citizen, which I now am, is at a great disadvantage when a Senator uses the Senate as a forum to attack that citizen. My only recourse is to ask the assistance of yourself as one of my Representatives in the Senate.

With kindest regards, I am,

Sincerely,

BOB,
Robert Ramspeck.

SMUGGLING OF NARCOTICS

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent to have inserted in the body of the RECORD a memorandum received by me from John J. Murphy, president of the United States Customs Inspectors' Association, Port of New York.

I am requesting that the memorandum be printed in the body of the RECORD so that every Member of Congress and all recipients of the RECORD will have easy opportunity to read this message.

In my estimation, this statement on Smuggling of Narcotics adequately points up one of the most serious problems facing America today; and yet, Mr. President, the current appropriations for the customs service have been reduced so drastically that many of the inspectors in the New York area will have to be dismissed.

Mr. President, this is not only false economy, it is actually aiding and abetting communism in this country. It must be stopped. The appropriation must be restored.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

MEMORANDUM OF UNITED STATES CUSTOMS INSPECTORS' ASSOCIATION, PORT OF NEW YORK

SMUGGLING OF NARCOTICS

The size of the narcotic traffic in this country is almost beyond comprehension. Many law-enforcement agencies state that it is international in origin and that it is controlled in the United States by huge crime syndicates which have turned to the importation and sale of narcotics as a lucrative underworld activity.

This menace, now receiving so much belated attention, has long been known to the customs service, which has the primary responsibility for the prevention of smuggling. Although the responsibility for the prevention of the entry of narcotics is imposed by law on the Bureau of Customs of the Treasury Department, the funds and personnel necessary to do the job have been steadily decreasing, while activities have been as steadily increasing.

One point in the study of the narcotics problem upon which there is complete agreement is that they are imported into the United States from a number of European and Asiatic countries. The shocking accounts of teen-age addiction have aroused the public from its lethargy in some quarters. However, the public generally is not aware of the value of a dollar appropriated at the customs-enforcement level. Customs officers seize the narcotics before they enter the country and while the shipment is in its pure unadulterated form. Try to visualize a large shipment of narcotics as a pillow filled with tiny feathers. When seized by customs men, the entire load is taken at one swoop. Once the bag of feathers is loosed on the country and enters into the commerce of the underworld, it takes literally thousands of Federal, State, and local enforcement agents to ferret out the little individual feathers which have blown away and are now scattered in countless clandestine directions. It is safe to estimate that the difference in costs of detection is a thousand to one in dollars alone. Consider that a single ounce of morphine represents about 1,750 medical doses, and heroin is 6 or 8 times as strong.

One inspector assigned to the examination of passengers' baggage on the steamship *United States*, arriving at the port of New York, discovered and seized 7½ pounds of opium and a small amount of hashish in the false bottom of a suitcase.

One inspector, carrying out a routine 100-percent baggage inspection at New York International (Idlewild) Airport, became suspicious of a seemingly harmless student and found over 5 pounds of heroin in a false compartment of his suitcase. A searching squad, checking the steamship *Constitution* upon its arrival at New York from France, discovered in an unoccupied stateroom over a pound of heroin concealed in a space behind a panel of an end-lamp cabinet and another cache of over a pound of the same drug concealed between the bottom bureau drawer and the deck. Three months later an additional 2-pound haul was made on the same vessel under almost identical circumstances. In the port of Philadelphia 105 pounds of opium were found on the British tanker *Silverdale*. On the Mexican border 44 pounds of opium was seized, along with marihuana running into the hundreds of pounds. The list from all parts of the country is lengthy and frightening.

Statistics on the number of seizures of narcotics are staggering.

Drug	1952	1951	Change, increase (+) or decrease (−)
	Ounces	*Ounces*	*Percent*
Raw opium	3,655	376	+872.07
Smoking opium	866	181	+378.48
Medicinal opium	1	1	(1)
Morphine	3	3	(1)
Heroin	200	116	+72.41
Codeine	11	5	+120.00
Cocaine	14	35	−60.00
Demerol	2	2	(1)
Miscellaneous drugs	149	1,093	−86.73
Marihuana	27,030	32,062	−15.69
Total	31,931	33,874	
Net change			−5.74

[1] No change.

As will be noted, there is a 5.74 percent decrease in the total number of seizures made in 1952 as against 1951. This is brought about by the 86.37 percent decrease in the number of seizures of miscellaneous drugs. Of particular interest and significance is the extraordinary increase in the important drugs, opium and heroin.

The impressive number of seizures is a tribute to the diligence and steadfastness of the Customs officers who are waging an increasingly unequal fight against the narcotic smuggler. The total Customs staff throughout the United States has been reduced since 1947 by 931 employees to cover all activities. This despite a greatly increased workload. Customs problems are mainly those of lack of manpower. We need more help. In spite of the heroic work of this little band of men we are losing ground to the smuggler.

An article in the New York Times, dated February 18, 1953, stated that "it is estimated that officials succeed in seizing only between 2 and 5 percent of drugs smuggled across the (Mexican) border." In the United Nations on April 15, 1953, Mr. Harry J. Anslinger, Commissioner of Narcotics, disclosed that the Communist regime in China is controlling the narcotics trade. He stated, "There can be little doubt that the ultimate object of the Communist government's monopoly is directed mainly at the United States. It serves the triple purpose of obtaining United States dollars, extending narcotics addiction, as a means of sabotaging and financing the war in Korea." To stress the boldness of the traffic, he cited one shipment of 200 tons of opium that had been offered for sale and delivery in New York. The report of the United Nations Commission on Narcotic Drugs is replete with such examples. The number one target is New York City where the teeming millions offer a ready and profitable market for the dope peddler.

The Customs force at the port of New York has been steadily dwindling, and incredible as it may seem, there are actually fewer inspectors covering the waterfront today on a 40-hour week than there were on a 48-hour week 30 years ago.

The immense port of New York, extending over 700 miles of shoreline with 1,900 piers and other waterfront installations, is being guarded by fewer Customs men each year.

Mr. Raymond M. Hilliard, executive director of the Welfare and Health Council of the city of New York, urged in 1952 that Congress provide funds to expand the Customs Service in New York noting that most of the heroin reaches the city on ships. He emphasized the availability of heroin which was the most important factor in stimulating addiction among teen-agers and was tending to nullify the council's work. The New York City Police Department's narcotics squad estimates there are 6,000 users in the city schools.

The youthful addict forms the hard center of criminal activity which will give increased power to the underworld. Estimates have been made that drug addicts in New York City alone are stealing at a rate of $200 million worth of goods per year in order to buy dope. Chicago police estimate that addicts steal personal property at the rate of $62 million a year and that each new addict has to steal $20,000 worth of goods a year to feed his habit. There is grim irony in the fact that the drugs for which the addict must pay from $10 to $30 per day, if purchased at manufacturers' cost would be only 10 or 15 cents.

In most large cities, crimes of violence including rolling, mugging, purse-snatching, and allied offenses have greatly increased over the past several years. Police attribute most of this upsurge to activity of young addicts. When in the grip of the terrifying demands of his craving, the addict becomes desperate. Out of this come the crimes which terrorize whole cities and add untold wealth and power to the underworld.

Mr. Irving W. Halpern, chief probation officer of the Court of General Sessions, in his 1952 report to the court stated: "In 1948 only 1.5 percent of defendants investigated were convicted of felonies involving narcotics. Last year this percentage rose to 17.1 percent. Simultaneously, the number of women offenders increased by 50 percent over 1951, with almost 35 percent classed as narcotics offenders. The great majority of felons are under the age of 25, and almost half of them came from broken homes. In most cases physical and mental conditions were found normal, but in 685 cases, or 24.98 percent of those examined, narcotics addiction was found. Almost 44 percent of the narcotics offenders had previous narcotic offense records."

The above examples do not begin to scratch the surface as far as material costs and losses

are concerned. The tiny feathers as they scatter over the length and breadth of the country become increasingly hard to find as they pass from hand to hand, and the cost of detection spirals out of sight.

Surely, by every reasoning possible, we must make an all-out effort to seize the bag of feathers on the ship or on the pier. One customs inspector making a seizure of narcotics saves many, many thousands of enforcement dollars spent at other levels. The cost in goods, crime, and human misery is beyond calculation.

The Customs Service spends for salaries 95 cents out of every dollar appropriated. There is no fat, and the muscle we need to fight off the smuggler is growing weaker. An increase in the customs appropriation is an investment that will pay big dividends as it has since the Customs Service was established 164 years ago.

JOHN J. MURPHY,
President.

WHEAT FOR PAKISTAN

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a letter which I received from the Division of Foreign Missions of the National Council of the Churches of Christ in the United States of America, signed by the executive secretary, Mr. Luther A. Gotwald. In the letter is incorporated a resolution urging the furnishing of emergency supplies of surplus wheat to the people of Pakistan.

I would note, Mr. President, that some time ago in the early part of May, I presented to the Senate a bill authorizing the shipment of surplus wheat to Pakistan, to alleviate the suffering in that country.

Last evening on the Republican television program in which the President and Members of his Cabinet participated, I noted that one of the legislative programs which was being forwarded to Congress was the request for wheat for Pakistan, to be covered in an administration proposal.

I suggest, Mr. President, that such a proposal is already before the appropriate committees of Congress, and that it is deserving of support. We need no new proposal unless the Republican leadership places partisanship above accomplishment and merit.

This is a very urgent matter, and the more prompt the action the more good will result. I would remind the Senate that last year, by the time we had passed the wheat for India bill, we had lost much of the good will which it was possible to receive from that worthwhile project.

Finally, Mr. President, I also wish to make note of the fact that in the broadcast last evening two other bills were mentioned. One was a bill providing for an amendment to the Food and Drug Act, to tighten up the law and to provide for factory inspections. The second was an extension of the legislation for school construction in areas where there is an emergency, due to Federal Government activities.

Both these bills are before Congress. Again I say the administration would do well to offer its support, and not to insist upon having a special Republican bill introduced. I presented these proposed measures as long as 3 months ago. They have been held in a state of suspended animation by the Republican leadership all this time. I ask for action.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DIVISION OF FOREIGN MISSIONS,
NATIONAL COUNCIL OF THE CHURCHES OF CHRIST IN THE UNITED STATES OF AMERICA,
New York, N. Y., June 1, 1953.

The Honorable HUBERT H. HUMPHREY,
Foreign Relations Committee,
Washington, D. C.

MY DEAR SENATOR HUMPHREY: The executive board of the Division of Foreign Missions of the National Council of the Churches of Christ in the United States of America, representing approximately 48 Protestant foreign mission boards and agencies, with an annual overseas expenditure of almost $40 million, in session in New York City on May 27, 1953, took the following action:

"Whereas it is known that many thousands of people in Pakistan are now suffering from hunger and the effects of malnutrition; and

"Whereas it is understood that on April 3, 1953, the Government of Pakistan requested aid from the Government of the United States for the purpose of securing from this country emergency supplies of surplus wheat: Be it

"*Resolved*, That the executive board of the Division of Foreign Missions of the National Council of the Churches of Christ in the United States of America, in session May 27, 1953, record its full support of the request made by the Government of Pakistan and urge officers of the National Council of the Churches of Christ in the United States of America to present to the appropriate bodies in the United States Government an urgent appeal for favorable action upon this request upon terms mutually agreeable to the two Governments."

The Division of Foreign Missions is deeply appreciative of your interest and concern in meeting Pakistan's dire need of food.

This letter has also been sent to President Dwight D. Eisenhower and Secretary of State, the Honorable John Foster Dulles.

Please accept our sincere good wishes in the carrying out of the important responsibilities committed to you.

Respectfully yours,
LUTHER A. GOTWALD,
Executive Secretary.

THE VOICE OF AMERICA

Mr. HUMPHREY. Mr. President, I ask unanimous consent that I may read into the RECORD a letter I have received from the State Department, in response to an inquiry directed by me to that Department.

The PRESIDING OFFICER. Without objection, the Senator from Minnesota may proceed.

Mr. HUMPHREY. Mr. President, under date of April 20, 1953, I addressed to the Secretary of State the following letter:

APRIL 20, 1953.

Hon. JOHN FOSTER DULLES,
Secretary of State, State Department,
Washington, D. C.

DEAR MR. SECRETARY: I just had brought to my attention an article appearing in the winter, 1952–53 issue of the Public Opinion Quarterly by Mrs. Harold Mendelsohn and Werner J. Cahnman entitled "Communist Broadcast to Italy."

That article states that the Communist radio output to Italy as of June 30, 1952, amounted to more than 78 hours of transmission per week as compared to 23 weekly hours for the Voice of America and the British Broadcasting Corp. combined. It also indicates that Communist radio propaganda relies on a number of propaganda approaches addressed to different specific elements of the population.

I would appreciate it very much if you would check this article and its accuracy for me, and if you would also inform me what the present ratio of weekly broadcasts aimed at Italy is according to your latest studies. I am interested in finding out whether the Communists broadcasts continue to be so much more numerous than our own, even taking the British broadcasts into account. These facts are quite disturbing to me.

I look forward to hearing from you.

Sincerely,

HUBERT H. HUMPHREY.

On May 15, 1953, I received from the Assistant Secretary of State, Mr. Thruston B. Morton, a letter which I believe to be very revealing, and it should certainly alert Congress regarding the kind of predicament in which we find ourselves with our information services and our Voice of America. The letter reads as follows:

DEPARTMENT OF STATE,
Washington, May 15, 1953.

The Honorable HUBERT H. HUMPHREY,
United States Senate.

MY DEAR SENATOR HUMPHREY: Reference is made to your letter of April 20, 1953, previously acknowledged by telephone, requesting information about an article entitled "Communist Broadcast to Italy" which appeared in the winter issue of the Public Opinion Quarterly.

The figures in this article were accurate as of June 30, 1952. At that time, Communists broadcasts to Italy totaled 78 hours 10 minutes weekly against the combined total of 23 hours for the BBC and the Voice of America. The BBC broadcast 13 hours 15 minutes, and the Voice of America 9 hours 45 minutes.

By December 31, 1952, the ratio had changed markedly; the Communists were broadcasting 93 hours 15 minutes, and the BBC–Voice of America total was 18 hours 20 minutes. The Voice of America had been reduced to 5 hours 5 minutes.

May 1, 1953, the Communists increased their total to 100 hours 15 minutes, while the Voice of America and the BBC remained the same.

One important reason for this comparatively modest amount of Voice of America programing to Italy is our current inability, because of financial limitations, to beam a signal strong enough to be heard regularly and throughout the country. A number of packaged programs prepared by our staff in New York or in Paris are used on a regular basis by the government-controlled radio in Italy.

It seems likely that the increase of Communist broadcasts to Italy was motivated by the desire to influence the Italian elections in June. There is much propaganda for the Communist Party in these programs.

The Communist broadcasts include a quasi-clandestine "Cominform Service" consisting of Italian-language broadcasts prepared by the Italian Communist Party under the direction of the Cominform. While the transmitters which carry these broadcasts are technically identifiable, the source of the program is not announced, thus heightening the illusion that the listener is hearing the Italian Home Service programs. Much material, including speeches by top Italian Communist leaders, is recorded in Italy. These programs have titles such as "Oggi in Italia" (Today in Italy), "Oggi nel

Mondo" (The World Today), "Questa Sera in Italia" (This Evening in Italy).

Since April of this year transmitters in Czechoslovakia, Hungary, Poland, and East Germany have carried a total of seven transmissions of "Oggi in Italia" daily.

The Department of State appreciates your interest in this matter and hopes that the above has answered your questions fully.

Sincerely yours,

THRUSTON B. MORTON,
Assistant Secretary
(For the Acting Secretary of State).

Mr. President, I believe this situation is most deplorable, and I think our attention should be focused upon how limited and ineffective our Voice of America program has turned out to be. The Communist radio is beaming 100 hours and 15 minutes of propaganda every week into Italy, whereas the combined radio time of the British Broadcasting Corp. and of the United States of America, in connection with programs for Italy, is 5 hours and 5 minutes.

The reports from Italy indicate that we may see there a rise of the Communist vote, as well as a rise of the vote of the extreme right. Of course, the extreme right and the extreme left have a strange way of joining in common purpose and attempting to tear democracy to pieces.

I mention the communication I have received from the State Department only because at the very time when one of the most crucial elections in the world is about to occur, our country seems to find itself relatively immobilized in the field of the dissemination of truthful information, particularly in reference to broadcasting by the Voice of America. Yet we stand before the world as the richest country and the most ingenious country in the world and apparently a country that knows a great deal about radio and the dissemination of information.

I believe it would be well for the appropriate committees of Congress to look into this matter in detail, not only as regards those who are connected with the Voice of America, but also as regards the failure of the Voice of America to have the money and the facilities which it must have if it is to beam a proper program into a country of approximately 50 million persons, which today is suffering under the whiplash of Communist propaganda and Communist infiltration. Surely we can do better than we are doing. Let us give the Voice of America a chance to do its job.

UNEXPENDED BALANCES OF FEDERAL APPROPRIATIONS—STATEMENT BY SENATOR BYRD ON BEHALF OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement by me on behalf of the Joint Committee on Reduction of Nonessential Federal Expenditures, relating to unexpended balances of Federal appropriations.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BYRD

Unexpended balances of $11.9 billion in mutual-security programs as of March 31, 1953, and unobligated balances of $4.2 billion as of the same date are reported over the signature of Harold E. Stassen, Mutual Security Director, in a communication published today by the Joint Committee on Reduction of Nonessential Federal Expenditures.

In the first 3 quarters, ending March 31, of the current fiscal year $4 billion was actually spent out of funds available for Mutual Security programs and $2.4 billion were obligated.

Mutual security figures, on which budget document estimates were based in January, indicated that as of the end of the fiscal year on the last day of this month unexpended balances in funds for the programs to be carried over into the new fiscal year, beginning July 1, would total $10.3 billion and that practically all of the funds would be obligated by June 30.

It would appear from Mr. Stassen's March 31 figures that the unexpended-balance estimates will be close, but on the basis of these new figures obligations in the last 3 months of the fiscal year must nearly double those of the first 9 months if the estimates submitted for the budget were accurate.

The Stassen communication shows that since the Greek-Turk and the interim-aid programs a total of $32 billion has been appropriated for Mutual Security programs; that $28 billion had been obligated through March 31; and that $20 billion had been expended. (A summary of the mutual security figures is attached.)

This communication on mutual security programs is published, in part, by the committee as a supplement to its fifth monthly report of the status of Federal appropriations, expenditures, and unexpended balances. The main part of the report is based on actual Treasury accounts as of February 28, whereas the mutual security section is based on Mutual Security Agency figures as of March 31.

As of March 1, the total of all unexpended balances in all appropriation and authorization accounts for all agencies of the Federal Government were shown on the Treasury books to total $130 billion.

Of this total remaining spending authority $55.4 billion was in appropriations and other authorizations made during the calendar year 1952, and more than $74.6 billion was in appropriations and other authorizations made in some previous year.

Within the military services the Air Force entered March with unexpended balances totaling $34.1 billion; the Army, exclusive of civil functions, with balances of $23.2 billion; the Navy with balances totaling $21.3 billion; and the Office of the Secretary of Defense with balances totaling $0.4 billion.

Summary of foreign assistance appropriations, obligations, and expenditures during fiscal year 1953 [1] through Mar. 31, and cumulative since the Greek-Turk program; and unobligated and unexpended balances in available funds as of Mar. 31, 1953

[In millions]

Title and program	Funds available		Obligations		Expenditures		Unobligated (as of Mar. 31, 1953)	Unexpended (as of Mar. 31, 1953)
	(Fiscal year 1953, appropriations)	Cumulative through Mar. 31, 1953	(Fiscal year 1953, through Mar. 31, 1953)	Cumulative through Mar. 31, 1953	(Fiscal year 1953, through Mar. 31, 1953)	Cumulative through Mar. 31, 1953		
TITLE I—EUROPE								
Military	($3,000)	$12,567	($836)	$9,999	($2,235)	$4,824	$2,568	$7,743
Economic and technical	(1,282)	14,502	(772)	13,988	(998)	13,242	513	1,260
Assistance to Spain	----------	163	(10)	62	(8)	31	100	131
Total, title I	(4,373)	27,231	(1,608)	24,050	(3,241)	18,097	3,182	9,134
TITLE II—NEAR EAST AND AFRICA								
Military	(499)	1,444	(161)	1,072	(229)	538	372	906
Economical and technical	(181)	341	(99)	256	(82)	188	85	153
Total, title II	(680)	1,785	(260)	1,328	(311)	727	457	1,059
TITLE III—ASIA AND PACIFIC								
Military	(541)	1,803	(249)	1,427	(267)	673	376	1,130
Economic and technical	(271)	1,030	(188)	900	(152)	634	130	396
Total, title III	(811)	2,834	(437)	2,327	(419)	1,308	506	1,526
TITLE IV—AMERICAN REPUBLICS								
Military	(52)	90	(11)	39	(6)	6	81	83
Economic and technical	(20)	46	(12)	36	(16)	29	10	17
Total, title IV	(72)	136	(24)	75	(22)	35	61	101
TITLE V—INTERREGIONAL ACTIVITIES								
Economic and technical	(28)	28	(27)	27	(10)	10	1	
Total, all titles:								
Military	(4,182)	15,905	(1,248)	12,537	(2,738)	6,042	3,367	9,863
Economic and technical	(1,782)	15,947	(1,008)	15,207	(1,259)	14,104	740	1,843
Assistance to Spain	----------	163	(10)	62	(8)	31	100	131
Total, all titles	(5,964)	32,014	(2,356)	27,806	(4,004)	20,177	4,207	11,837
Administrative expenses	(39)	189	(29)	175	(32)	166	14	23
Grand total	(6,003)	32,203	(2,384)	27,981	(4,036)	20,343	4,221	11,860

[1] NOTE.—1953 figures enclosed by parentheses are included in the corresponding cumulative totals.

ADDITIONAL REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—CIVILIAN EMPLOYMENT IN EXECUTIVE BRANCH

Mr. BYRD. Mr. President, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I submit an additional report on civilian employment in the executive branch of the Federal Government for the month of April 1953, and, in accordance with the practice of several years' standing, I request that it be printed in the body of the RECORD as a part of my remarks, together with a statement by me.

There being no objection, the report and statement were ordered to be printed in the RECORD, as follows:

FEDERAL PERSONNEL IN EXECUTIVE BRANCH, MARCH–APRIL 1953, AND PAY, FEBRUARY–MARCH 1953

PERSONNEL AND PAY SUMMARY

(See table I)

According to monthly personnel reports for April 1953 submitted to the Joint Committee on Reduction of Nonessential Federal Expenditures:

Department or agency	Civilian personnel in executive branch			Payroll (in thousands) in executive branch		
	In April numbered—	In March numbered—	Increase (+) or decrease (−)	In March was—	In February was—	Increase (+) or decrease (−)
Total	2,502,790	2,526,819	−24,029	$907,785	$838,739	+$61,055
1. Agencies exclusive of Department of Defense	1,221,674	1,223,285	−1,611	477,605	459,022	+18,592
2. Department of Defense	1,281,116	1,303,534	−22,418	430,180	377,717	+42,463
Within the Department of Defense:						
Office of the Secretary of Defense	2,214	2,267	−53	1,113	1,022	+91
Department of the Army	314,917	323,836	−8,919	152,210	138,456	+13,754
Department of the Air Force	305,177	310,449	−5,272	99,309	90,127	+9,182
Department of the Navy	458,808	466,982	−8,174	167,548	148,112	+19,436

Table I breaks down the above figures on employment and pay by agency.

Tables II, III, and IV break down the above employment figures to show the number inside continental United States, outside continental United States, and the number in the so-called industrial categories. This further breakdown in tables II, III, and IV does not include pay figures because payroll reports submitted to the committee by some agencies are inadequate for this purpose.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during April 1953, and comparison with March 1953, and pay for March 1953, and comparison with February 1953*

Department or agency	Pay (in thousands of dollars)				Personnel			
	February	March	Increase	Decrease	March	April	Increase	Decrease
Executive departments (except Department of Defense):								
Agriculture	20,632	22,295	1,663		71,266	73,065	1,799	
Commerce [1] [2]	18,764	20,270	1,506		50,117	49,364		753
Health, Education, and Welfare [3] [4]	12,259	13,151	892		37,726	37,608		118
Interior	[5] 18,798	20,306	1,508		86,204	86,689	485	
Justice	11,483	12,352	869		30,231	30,317	86	
Labor	2,312	2,534	222		6,020	5,945		75
Post Office [6]	231,470	231,470			320,803	320,803		
State	10,493	11,170	677		32,329	32,145		184
Treasury	29,904	32,871	2,967		88,147	87,169		978
Executive Office of the President:								
White House Office	134	140	6		244	248	4	
Bureau of the Budget	250	277	27		470	465		5
Council of Economic Advisers	19	32	13		7			6
Executive Mansion and Grounds	22	25	3		91	89		2
National Security Council [7]	12	12			22	21		1
National Security Resources Board	50	38		12	38	24		14
Office of Defense Mobilization [8]	221	278	57		516	460		56
Office of the Director for Mutual Security	60	68	8		174	120		54
President's Advisory Committee on Government Organization	1	2	1		7	8	1	
Emergency agencies:								
Defense Materials Procurement Agency	79	87	8		133	101		32
Defense Production Administration [8]	17			17				
Defense Transport Administration	67	69	2		120	112		8
Economic Stabilization Agency	3,631	3,558		73	5,046	2,960		2,086
Federal Civil Defense Administration	387	423	36		769	780	11	
Mutual Security Agency	1,885	2,017	132		4,888	4,799		89
National Security Training Commission	3	3			1	1		
Renegotiation Board	347	398	51		726	749	23	
Small Defense Plants Administration	222	245	23		448	450	2	
Subversive Activities Control Board	14	15	1		26	25		1
Postwar agencies:								
War Claims Commission	69	74	5		219	212		7
Independent agencies:								
American Battle Monuments Commission	81	90	9		468	469	1	
Atomic Energy Commission	2,813	3,090	277		6,843	6,823		20
Civil Aeronautics Board	251	274	23		552	554	2	
Civil Service Commission	1,711	1,920	209		5,082	5,037		45
Export-Import Bank of Washington	69	75	6		138	140	2	
Federal Coal Mine Safety Board of Review	3	3			8	8		
Federal Communications Commission	470	524	54		1,064	1,065	1	
Federal Deposit Insurance Corporation	401	449	48		1,039	1,041	2	
Federal Mediation and Conciliation Service	216	243	27		395	381		14
Federal Power Commission	292	312	20		647	637		10
Federal Trade Commission	303	332	29		645	643		2
General Accounting Office	2,270	2,497	227		6,247	6,233		14
General Services Administration	8,443	9,010	567		29,166	29,080		86
Government Printing Office	2,583	2,830	247		7,638	7,580		58
Housing and Home Finance Agency	4,655	5,122	467		12,270	12,192		78

[1] April figure includes 1,663 employees of the National Production Authority, a decrease of 799 from the March figure of 2,462.

[2] April figure is exclusive of 6,756 seamen on the rolls of the Maritime Administration and their pay.

[3] Includes personnel and pay of Howard University and Columbia Institution for the Deaf.

[4] April figure includes 2,593 commissioned officers of the Public Health Service, an increase of 3 from the March figure of 2,590.

[5] Revised on basis of later information.

[6] March and April report figures not available. See letter from Postmaster General, p. 11. January report figures used for comparison.

[7] Exclusive of personnel and pay of the Central Intelligence Agency.

[8] Under Executive Order 10433, dated Feb. 4, 1953, the Defense Production Administration was transferred to the Office of Defense Mobilization.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during April 1953, and comparison with March 1953, and pay for March 1953, and comparison with February 1953*—Continued

Department or agency	Pay (in thousands of dollars)				Personnel			
	February	March	Increase	Decrease	March	April	Increase	Decrease
Independent agencies—Continued								
Indian Claims Commission	7	7			11	11		
Interstate Commerce Commission	837	919	82		1,969	1,946		23
National Advisory Committee for Aeronautics	2,661	1,726		935	7,201	7,150		51
National Capital Housing Authority	104	116	12		359	355		4
National Capital Planning Commission	2	2			6	4		2
National Gallery of Art	88	92	4		306	312	6	
National Labor Relations Board	577	634	57		1,361	1,373	12	
National Mediation Board	66	71	5		107	104		
National Science Foundation	57	59	2		169	170	1	
Panama Canal	3,624	[1] 3,543		81	19,402	19,072		330
Railroad Retirement Board	710	783	73		2,227	2,246	19	
Reconstruction Finance Corporation	993	1,076	83		2,207	2,176		31
Securities and Exchange Commission	370	407	37		779	783	4	
Selective Service System	1,646	1,786	140		7,931	7,870		61
Smithsonian Institution	167	183	16		521	541	20	
Soldiers' Home	132	142	10		748	749	1	
Tariff Commission	99	102	9		193	196	3	
Tax Court of the United States	63	68	5		132	132		
Tennessee Valley Authority	7,915	[1] 9,405	1,490		21,311	21,943	632	
Veterans' Administration	50,735	55,533	4,798		177,335	177,889	554	
Total, excluding Department of Defense	459,013	477,605	19,710	1,118	1,223,285	1,221,674	3,671	5,282
Net change, excluding Department of Defense			18,592				1,611	
Department of Defense:								
Office of the Secretary of Defense [2]	1,022	1,113	91		2,267	2,214		53
Department of the Army:								
Inside continental United States	125,870	138,077	12,207		471,687	463,224		8,563
Outside continental United States	12,586	14,133	1,547		52,049	51,693		356
Department of the Air Force:								
Inside continental United States	82,356	90,854	8,498		273,745	269,002		4,743
Outside continental United States	7,771	8,455	684		36,704	36,175		529
Department of the Navy:								
Inside continental United States	139,164	157,756	18,592		433,394	426,367		7,027
Outside continental United States	8,948	9,792	844		33,588	32,441		1,147
Total, Department of Defense	377,717	420,180	42,463		1,303,534	1,281,116		22,418
Net change, Department of Defense			42,463				22,418	
Grand total, including Department of Defense	836,730	897,785	62,173	1,118	2,526,819	2,502,790	3,671	127,700
Net change, including Department of Defense			61,055				24,029	

[1] Includes retroactive pay increases.
[2] Includes 260 employees assigned to Defense Supply Management Agency and 44 employees assigned to the North Atlantic Treaty Organization.

TABLE II.—*Federal personnel inside continental United States employed by executive agencies during April 1953, and comparison with March 1953*

Department or agency	March	April	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	69,745	71,560	1,815	
Commerce [1 3]	46,943	46,147		796
Health, Education, and Welfare [3 4]	37,147	37,036		111
Interior	49,619	49,942	323	
Justice	29,691	29,783	92	
Labor	5,895	5,811		84
Post Office [4]	518,520	518,520		
State	10,888	10,772		116
Treasury	87,118	86,144		974
Executive Office of the President:				
White House Office	244	248	4	
Bureau of the Budget	470	465		5
Council of Economic Advisers	7			7
Executive Mansion and Grounds	91	89		2
National Security Council [4]	22	21		1
National Security Resources Board	38	24		14
Office of Defense Mobilization	216	160		56
Office of the Director for Mutual Security	174	120		54
President's Advisory Committee on Government Organization	7	8	1	
Emergency agencies:				
Defense Materials Procurement Agency	129	97		32
Defense Transport Administration	120	112		8
Economic Stabilization Agency	4,989	2,953		2,036
Federal Civil Defense Administration	769	780	11	
Mutual Security Agency	1,073	1,064		9
National Security Training Commission	1	1		
Renegotiation Board	726	749	23	
Small Defense Plants Administration	448	450	2	
Subversive Activities Control Board	26	25		1
Postwar agencies:				
War Claims Commission	181	179		2
Independent agencies:				
American Battle Monuments Commission	16	16		
Atomic Energy Commission	6,832	6,812		20
Civil Aeronautics Board	543	543	2	
Civil Service Commission	5,075	5,027		48
Export Import Bank of Washington	138	140	2	
Federal Coal Mine Safety Board of Review	8	8		
Federal Communications Commission	1,068	1,069	1	
Federal Deposit Insurance Corporation	1,038	1,040	2	
Federal Mediation and Conciliation Service	395	381		14
Federal Power Commission	647	637		10
Federal Trade Commission	645	643		2
General Accounting Office	6,218	6,201		17
General Services Administration	29,059	28,973		86
Government Printing Office	7,638	7,580		58
Housing and Home Finance Agency	12,116	12,040		76
Indian Claims Commission	11	11		
Interstate Commerce Commission	1,969	1,946		23
National Advisory Committee for Aeronautics	7,201	7,150		51
National Capital Housing Authority	359	355		4
National Capital Planning Commission	6	4		2
National Gallery of Art	306	312	6	
National Labor Relations Board	1,333	1,347	14	
National Mediation Board	107	104		3
National Science Foundation	169	170	1	
Panama Canal	529	529		
Railroad Retirement Board	2,227	2,246	19	
Reconstruction Finance Corporation	2,200	2,169		31
Securities and Exchange Commission	779	783	4	
Selective Service System	7,713	7,654		59
Smithsonian Institution	519	539	20	
Soldiers' Home	748	749	1	
Tariff Commission	193	196	3	
Tax Court of the United States	132	132		
Tennessee Valley Authority	21,311	21,943	632	
Veterans' Administration	176,091	176,658	567	
Total, excluding Department of Defense	1,160,926	1,159,659	3,545	4,812
Net decrease, excluding Department of Defense			1,267	

[1] April figure includes 1,083 employees of the National Production Authority, a decrease of 709 from the March figure of 2,482.
[2] April figure is exclusive of 6,755 seamen on the rolls of the Maritime Administration.
[3] Includes personnel of Howard University and Columbia Institution for the Deaf.
[4] April figure includes 2,270 commissioned officers of the Public Health Service, an increase of 9 from the March figure of 2,261.
[5] March and April report figures not available. See letter from Postmaster General, p. 11. January report figures used for comparison.
[6] Exclusive of personnel of the Central Intelligence Agency.

TABLE II.—*Federal personnel inside continental United States employed by executive agencies during April 1953, and comparison with March 1953*—Continued

Department or agency	March	April	Increase	Decrease
Department of Defense:				
Office of the Secretary of Defense	2,215	2,162		53
Department of the Army	471,787	463,224		8,563
Department of the Air Force	273,745	269,002		4,743
Department of the Navy	433,394	426,367		7,027
Total, Department of Defense	1,181,141	1,160,755		20,386
Department of Defense—Continued				
Net decrease, Department of Defense				20,386
Grand total, including Department of Defense	2,342,067	2,320,414	3,545	25,198
Net decrease, including Department of Defense				21,653

TABLE III.—*Federal personnel outside continental United States employed by the executive agencies during April 1953, and comparison with March 1953*

Department or agency	March	April	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	1,821	1,805		16
Commerce	3,174	3,217	43	
Health, Education, and Welfare	579	572		7
Interior	6,585	6,747	162	
Justice	540	534		6
Labor	125	134	9	
Post Office [1]	2,283	2,283		
State	21,441	21,378		63
Treasury	1,029	1,025		4
Emergency agencies:				
Defense Materials Procurement Agency	4	4		
Economic Stabilization Agency	57	27		30
Mutual Security Agency	3,815	3,735		80
Postwar agencies:				
War Claims Commission	38	33		5
Independent agencies:				
American Battle Monuments Commission	452	453	1	
Atomic Energy Commission	11	11		
Civil Aeronautics Board	9	9		
Civil Service Commission	7	10	3	
Federal Communications Commission	26	26		
Federal Deposit Insurance Corporation	1	1		
General Accounting Office	29	32	3	
General Services Administration	107	107		
Independent agencies—Continued				
Housing and Home Finance Agency	154	152		2
National Labor Relations Board	28	26		2
Panama Canal	18,873	18,543		330
Reconstruction Finance Corporation	7	7		
Selective Service System	218	216		2
Smithsonian Institution	2	2		
Veterans' Administration	1,244	1,231		13
Total, excluding Department of Defense	62,359	62,015	221	565
Net decrease, excluding Department of Defense			344	
Department of Defense:				
Office of the Secretary of Defense	82	82		
Department of the Army	52,049	51,693		356
Department of the Air Force	36,704	36,175		529
Department of the Navy	33,588	32,441		1,147
Total, Department of Defense	122,393	120,361		2,032
Net decrease, Department of Defense			2,032	
Grand total, including Department of Defense	184,752	182,376	221	2,597
Net decrease, including Department of Defense			2,376	

[1] March and April report figures not available. See letter from Postmaster General, p. 11. January report figures used for comparison.

TABLE IV.—*Industrial employees of the Federal Government inside and outside continental United States employed by executive agencies during April 1953, and comparison with March 1953*

Department or agency	March	April	Increase	Decrease
Executive departments (except Department of Defense):				
Commerce	435	399		36
Interior	2,515	2,785	270	
State	168	152		16
Treasury	9,101	9,009		92
Independent agencies:				
Atomic Energy Commission	97	99	2	
General Services Administration	168	151		17
Panama Canal	1,485	1,436		49
Tennessee Valley Authority	12,805	13,280	475	
Total, excluding Department of Defense	26,774	27,311	747	210
Net increase, excluding Department of Defense			537	
Department of Defense:				
Department of the Army:				
Inside continental United States	241,659	236,316		5,343
Outside continental United States	32,274	32,036		238
Department of the Air Force:				
Inside continental United States	159,384	155,825		3,559
Outside continental United States	21,194	20,822		372
Department of the Navy:				
Inside continental United States	288,472	282,803		5,669
Outside continental United States	25,197	24,040		1,157
Total, Department of Defense	768,180	751,842		16,338
Net decrease, Department of Defense			16,338	
Grand total, including Department of Defense	794,954	779,153	747	16,548
Net decrease, including Department of Defense			15,801	

TABLE V.—*Federal employees assigned to Mutual Defense Assistance Program*

Department or agency	Payroll (in thousands)			Civilian personnel		
	In February was—	In March was—	Increase (+) or decrease (−)	In March numbered—	In April numbered—	Increase (+) or decrease (−)
Total	$9,711	$11,539	+$1,828	34,077	30,155	−3,922
State Department	115	123	+8	88	87	−1
Office of the Director for Mutual Security	12	11	−1	21	22	+1
Mutual Security Agency	9	9		17	18	+1
Office of the Secretary of Defense	76	91	+15	170	167	−3
Department of the Army	6,681	7,713	+1,032	24,881	21,824	−3,057
Department of the Air Force	1,406	1,611	+205	4,857	4,096	−761
Department of the Navy	1,412	1,981	+569	4,043	3,941	−102

LETTER FROM THE POSTMASTER GENERAL, RELATIVE TO EMPLOYMENT IN THE POST OFFICE DEPARTMENT

POST OFFICE DEPARTMENT,
OFFICE OF THE POSTMASTER GENERAL,
May 27, 1953.

JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES,
Senate Office Building,
Washington, D. C.

GENTLEMEN: Reference is made to my letter of April 3, 1953, concerning the personnel report covering departmental and field employees which the Post Office Department has been submitting to your committee each month.

Inasmuch as factual data have not been compiled for the month of April it is requested that you use for the April report the same number of employees as were listed on the January report.

Let me again assure you that concerted effort is being made to develop accurate data for these reports and that your committee will be furnished the information as soon as it has been tabulated.

Sincerely yours,

CHARLES B. HOOK, Jr.,
Deputy Postmaster General.

STATEMENT BY SENATOR BYRD

Reports to the Joint Committee on Reduction of Nonessential Federal Expenditures compiled today show that civilian employment by executive agencies of the Federal Government during April was reduced by 24,029, bringing the total to 2,502,790.

As in March, this reduction again was the largest monthly cut since the Korean war began. It brought the total reduction for 10 months of the fiscal year, which began last July 1, to 96,568. This reduction, by months, follows:

Month	Total employment	Increase	Decrease
June 1952	2,599,358		
July	2,601,803	2,445	
August	2,592,769		9,034
September	2,574,203		18,566
October	2,569,054		5,149
November	2,565,607		3,447
December	2,560,479		5,128
January 1953	2,554,824		5,655
February	2,546,954		7,870
March	2,526,819		20,135
April	2,502,790		24,029

Again in April, as in each month since January, the total reported employment is subject to revision upon receipt of actual figures by the Post Office Department which has not submitted a personnel report since that time pending development of more accurate reporting. During reorganization of its personnel reporting procedures, the Post Office Department is reporting January employment figures.

INCREASES

The April reduction figure is net, after taking into account substantial increases during the month reported by the Departments of Agriculture and Interior, the Tennessee Valley Authority, and the Veterans' Administration, along with lesser increases reported by the Department of Justice, the White House, the President's Advisory Committee on Government Organization, the Federal Civil Defense Administration, Renegotiation Board, Small Defense Plants Administration, American Battle Monuments Commission, Civil Aeronautics Board, Export-Import Bank, Federal Communications Commission, Federal Deposit Insurance Corporation, National Gallery of Art, National Labor Relations Board, National Science Foundation, Railroad Retirement Board, Securities and Exchange Commission, Smithsonian Institution, Soldiers Home, and Tariff Commission.

DECREASES

Increases in these agencies totaling 3,671 were offset by decreases totaling 5,282 in civilian agencies and 22,418 in civilian employment by the Department of Defense. All of the component agencies within the Department of Defense showed substantial reductions both inside and outside continental United States, and in both white-collar and industrial employment.

Substantial decreases among the civilian agencies were reported by the Departments of Commerce, Health, Education and Welfare, State and Treasury, the Economic Stabilization Agency, and Panama Canal, along with lesser decreases by 29 other agencies.

April employment by civilian agencies totaled 1,221,674, and civilian employment by the Military Establishment during the month totaled 1,281,116.

April employment inside continental United States totaled 2,320,414, a reduction of 21,653 under March, and outside continental United States Federal civilian employment totaled 182,376, a reduction of 2,376 under March.

CONTINUATION OF AUTHORITY FOR REGULATION OF EXPORTS

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 1739) to provide for continuation of authority for regulation of exports, and for other purposes, which was, to strike out all after the enacting clause and insert:

That section 12 of the Export Control Act of 1949 (63 Stat. 7), as amended by Public Law 33, 82d Congress (65 Stat. 43), is hereby amended by striking out "1953" and inserting in lieu thereof "1956."

Mr. CAPEHART. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

AMENDMENT OF FLOOD CONTROL ACT OF 1941, RELATING TO APPORTIONMENT OF CERTAIN MONEYS

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 117) to amend section 7 of the Flood Control Act of 1941 relating to the apportionment of moneys received on account of the leasing of lands acquired by the United States for flood-control purposes, which was, to strike out all after the enacting clause and insert:

That section 7 of the act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes," approved August 18, 1941, as amended (33 U. S. C. 701c–3), is amended by striking out "situated:" and inserting in lieu thereof "situated, or for defraying any of the expenses of county government in such county or counties, including public obligations of levee and drainage districts for flood control and drainage improvements:."

Mr. MARTIN. Mr. President, I move that the Senate concur in the House amendment.

Mr. JOHNSON of Texas. Mr. President, will the distinguished chairman of the Committee on Public Works explain the nature of the House amendment?

Mr. MARTIN. The House amendment simply makes clear that the bill would apply to public obligations of levee and drainage districts for flood control and drainage improvements.

Mr. JOHNSON of Texas. Is the House amendment agreeable to all members of the Senator's committee?

Mr. MARTIN. It is agreeable to all members of the committee.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Pennsylvania, that the Senate concur in the amendment of the House.

The motion was agreed to.

WEARING OF UNIFORM OF ARMED FORCES BY CERTAIN PERSONS

Mr. SALTONSTALL. Mr. President, last week the Senate agreed to the House amendments to the bill (S. 1550) to authorize the President to prescribe the occasions upon which the uniform of any of the armed forces may be worn by persons honorably discharged therefrom.

On June 2 the Senate agreed to Senate Concurrent Resolution 31, providing that the action of the Speaker of the House of Representatives in signing Senate bill 1550 be rescinded, and that the House be requested to return to the Senate its message announcing its agreement to the House amendment.

The House of Representatives has now agreed to Senate Concurrent Resolution 31, and has returned the papers.

The House amendments were faulty, in that they referred to the President, rather than to the Secretary of Defense.

Therefore, Mr. President, I ask unanimous consent that the Senate reconsider the vote by which it agreed to the House amendments on May 28, last.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Massachusetts? The Chair hears none, and it is so ordered.

Mr. SALTONSTALL. Mr. President, I now ask unanimous consent to withdraw the motion to agree to the House amendments.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. SALTONSTALL. I now move that the Senate disagree to the amendments of the House of Representatives, request a conference with the House on the disagreeing votes of the two Houses thereon and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. SALTONSTALL, Mr. BRIDGES, and Mr. RUSSELL conferees on the part of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading

clerk, announced that the House insisted upon its amendments to the bill (S. 35) to provide for the repair and rehabilitation of public airports damaged by the armed services during the present national emergency, to extend beyond June 30, 1953, the availability of previous appropriations for payment of claims under section 17 of the Federal Airport Act, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. WOLVERTON, Mr. HINSHAW, Mr. O'HARA of Minnesota, Mr. PRIEST, and Mr. HARRIS had been appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 30) authorizing the printing of United States wall maps for the use of the Senate and the House of Representatives.

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE APPROPRIATIONS, 1954

The Senate resumed the consideration of the bill (H. R. 4974) making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes.

Mr. SCHOEPPEL. Mr. President——

The PRESIDENT pro tempore. The question now recurs on the amendments offered by the Senator from Kansas [Mr. SCHOEPPEL].

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Griswold	Morse
Barrett	Hayden	Mundt
Beall	Hendrickson	Neely
Bennett	Hennings	Pastore
Bricker	Hickenlooper	Payne
Bridges	Hill	Potter
Butler, Md.	Hoey	Purtell
Byrd	Holland	Robertson
Capehart	Humphrey	Russell
Carlson	Jackson	Saltonstall
Case	Jenner	Schoeppel
Chavez	Johnson, Colo.	Smathers
Clements	Johnson, Tex.	Smith, Maine
Cooper	Johnston, S. C.	Smith, N. J.
Cordon	Kefauver	Smith, N. C.
Daniel	Kennedy	Sparkman
Douglas	Kilgore	Stennis
Duff	Knowland	Symington
Dworshak	Kuchel	Taft
Eastland	Langer	Thye
Ellender	Lehman	Tobey
Ferguson	Malone	Watkins
Flanders	Mansfield	Welker
Fulbright	Martin	Wiley
George	Maybank	Williams
Goldwater	McClellan	Young
Gore	Millikin	
Green	Monroney	

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BUSH] is absent by leave of the Senate.

The Senator from Illinois [Mr. DIRKSEN] is absent by leave of the Senate on official committee business.

The Senator from New York [Mr. IVES] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

The Senator from Nebraska [Mr. BUTLER] and the Senator from Wisconsin [Mr. MCCARTHY] are necessarily absent.

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Iowa [Mr. GILLETTE], the Senator from Wyoming [Mr. HUNT], the Senator from Oklahoma [Mr. KERR], the Senator from Louisiana [Mr. LONG], and the Senator from Nevada [Mr. MCCARRAN] are absent by leave of the Senate.

The Senator from Delaware [Mr. FREAR] is absent by leave of the Senate because of a death in his family.

The Senator from Washington [Mr. MAGNUSON] is absent by leave of the Senate on official committee business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

The PRESIDING OFFICER. The pending question is on the two amendments offered by the Senator from Kansas, which are being considered en bloc, the first amendment being on page 50, line 12; the second on page 50, lines 19 and 20.

Mr. SCHOEPPEL. Mr. President, I do not know how many Senators presently on the floor were here last night when I presented my two amendments. Briefly, the two amendments seek to restore the amount originally requested by the Bureau of the Budget for the National Bureau of Standards when the matter was presented to it by the Department of Commerce. The two amendments seek to increase the appropriations to the extent of $1,613,000.

Yesterday questions were asked of the Senator from Kansas relative to the use of the funds for certain purposes. First, I desire to make it perfectly clear that the amendments do not propose to increase the amounts allowed by the Bureau of the Budget for this item, which I think relates to an important function and an important adjunct of the Bureau of Standards.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. SCHOEPPEL. I yield to the distinguished Senator from Iowa.

Mr. HICKENLOOPER. Mr. President, yesterday evening, I, myself, raised certain questions with the Senator from Kansas, along the line of inquiry as to whether the granting of the increase in the appropriations as proposed in his amendments would be in the nature of furthering certain expanding activities of the Bureau of Standards in its contractual field. The Senator assured me that in his opinion it would not be, that the proposed increase in appropriations was, he believed, for the normal, ordinary functions of the Bureau of Standards, and that without the increase, those operating functions would be curtailed.

I have checked with the Senator from Kansas and with other sources, and I am now thoroughly convinced that the increase in the appropriation which he proposes is very important to the normal, current operations of the Bureau of Standards, and that it does not apply to the subject matter which I raised in my questions on yesterday.

I wish to say to the Senator from Kansas that I am convinced that his amendments are worthy amendments, and that they are very important for the continuation of some important work of the Bureau of Standards in its normal operating functions. I assure the Senator further that, as a result of my discussions with him later, and as a result of inquiries, I am convinced that he is justified in requesting the adoption of the amendments.

Mr. President, I desire to make that correction, in case anyone thought my remarks of yesterday might continue to be construed as an objection in some way to the amendments of the Senator from Kansas.

Mr. SCHOEPPEL. Mr. President, I desire to say to the distinguished senior Senator from Iowa that I appreciate very much his remarks with reference to his inquiries of yesterday.

Mr. CAPEHART. Mr. President, will the Senator from Kansas yield?

Mr. SCHOEPPEL. I am glad to yield to the distinguished Senator from Indiana.

Mr. CAPEHART. I wish to join with the able Senator from Kansas in recommending that the appropriation for the Bureau of Standards be increased. I know quite a little about the operations of the Bureau. I know what it means to employment in America, and what it means to business; and business, of course, is the segment of our economy which furnishes the jobs, and which gives employment.

In my opinion, we would be making a very serious mistake if we were to hinder laboratory research and development in our Nation, because it is through research and the development of new ideas that we are able to maintain and to increase employment. It seems to me that the recommended increase of appropriations for the Bureau of Standards is good insurance of continued employment. We make a mistake when we do anything which would in any way reduce or limit research and the development of new ideas, the testing of new ideas, and the testing of products.

I hope the appropriation for the Bureau of Standards will not be reduced to such a point that the Bureau cannot continue to function properly, because, if one reviews the history of this Nation, he will learn that it is as a result of research and development and engineering that we have been able to develop new products, such as the automobile, the tractor, the radio, television, the washing machine, and all of the many other things the people have, the production of which results in employment to millions and millions of our people. In other words, we have full employment today, in my personal opinion, by reason of the fact that there has been research, development, and engineering. To limit or to impair the means of research, development, and engineering would, I believe, tend to destroy employment in America, and would eventually result in a great deal of unemployment. I urge the Senate to support the amendments of the able Senator from Kansas.

Mr. SCHOEPPEL. Mr. President, I appreciate the contribution of the Senator from Indiana, and his understand-

ing of the seriousness of the situation, and of the disastrous results which would result through a failure to maintain the Bureau of Standards in its work of making possible high standards of efficiency from the scientific standpoint.

Mr. TOBEY. Mr. President, will the Senator from Kansas yield?

Mr. SCHOEPPEL. I yield to the distinguished Senator from New Hampshire.

Mr. TOBEY. I wish to associate myself with the efforts of the Senator from Kansas [Mr. SCHOEPPEL], this morning. I desire to read a telegram which I have received from Mr. R. E. Sanders, Jr., president of Sanders Associates, Inc., a powerful research agency in the State of New Hampshire. The telegram reads:

> Strongly urge you reconsider restoring Bureau of Standards budget to 4 million for next fiscal year. Despite the need for budget economy the basis work of Bureau of Standards with which I am familiar is invaluable to both commercial and defense work alike. Furthermore the specialists employed by Bureau of Standards are underpaid by commercial values and their absorption by commercial concerns will not be to the best interest of the Government.

Mr. President, our Bureau of Standards is a great research agency. The most beneficial research is that which is conducive to extending the borders of knowledge, and it is that type of research the Bureau of Standards is doing. Let us not hamper it, but let us make it possible for the Bureau to go ahead. I am glad to endorse the effort of the distinguished Senator from Kansas this morning.

Mr. SCHOEPPEL. I thank the Senator from New Hampshire.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield?

Mr. SCHOEPPEL. I yield to the distinguished senior Senator from New Jersey.

Mr. SMITH of New Jersey. As I understand, the Senator from Kansas has stated that the increase in appropriation which he is advocating was originally approved by the Bureau of the Budget.

Mr. SCHOEPPEL. The Senator from New Jersey is correct.

Mr. SMITH of New Jersey. That is very important, because, I may say, for the information of my colleagues, that in view of my interest in the research work of the National Science Foundation, I have had conferences with the Bureau of the Budget regarding the coordination of all the research work that is being done in the various departments of the Government to the end that our scientific work may be concentrated as far as possible in the National Science Foundation. Therefore, it was arranged with the Bureau of the Budget that in certain areas the previous appropriations for scientific research would be reduced and would be concentrated in the National Bureau of Standards.

I understand from the Director of the Bureau of the Budget that the program which the Senator from Kansas is advocating has been considered definitely and approved as part of the major, overall research program. Therefore, the question of economy is not involved, but rather the question of efficiency in the matter of allocations for research in the different bureaus.

Therefore, as a result of my study last night, after the distinguished Senator from Kansas had raised his point, I am entirely satisfied that the Senator's proposal is in line with the policy on which we have been working for some months, and regarding which the Director of the Bureau of the Budget, Mr. Dodge, wrote me a letter, giving full approval. So I am glad to join with the Senator from Kansas in support of his amendments. I believe they will restore the figures which the Bureau of the Budget worked out very carefully, so that the Bureau of Standards would not be handicapped by any uncalled for and unjustified reductions in the research allocation.

Mr. SCHOEPPEL. I thank the distinguished Senator from New Jersey. He has put his finger upon a most important subject, that of scientific research. The questions the distinguished Senator has asked me have indicated his understanding to be exactly that of the Senator from Kansas.

I may say to the distinguished Senator that only last night and again this morning, I received a telephone call from Dr. Kelly in Albuquerque, N. Mex. I know that there are those present today, particularly the senior Senator from New Jersey, who are very well acquainted with the notable work of Dr. Kelly. I am glad to say for the record that Dr. Kelly, in response to questions I asked him, stated that the proposed cut in the budget which was made by the House, and which is indicated by the bill as it is now before the Senate, would be a most serious blow to the normal activities of the Bureau of Standards. Dr. Kelly said, "I cannot say too strongly that the cut should not be allowed."

I know that certain questions were raised on the Senate floor yesterday, and earnestly so, relative to the military phase of the Bureau's activities. I am sorry I did not have all the data on that point last night, but I do have a breakdown.

There was some suggestion that possibly the Bureau of Standards was going outside of its regular routine work and arrogating unto itself additional functions. I find that is not the case. I find that the Ordnance Bureau has come to the Bureau of Standards requesting it to do specific things with reference to scientific military exploration work and detailed implementation of highly technical classified work. I find the same thing has been done with reference to certain contracts. For instance, one phase of the work of the Bureau of Standards ties in very closely to atomic energy and the work connected with that great scientific defense organizational activity. I find, also, that the amount which the Department of Defense, directly or indirectly, has allocated to be handled through the National Bureau of Standards in connection with its very important work in connection with fuses was $11,575,000. I shall not go further into this item, because certain phases of it are of a highly classified nature.

The sum of approximately $11,360,000 was allocated in connection with a supplementary program to assist industry which had defense contracts approved by the highest echelon of our Military Establishment.

The sum of $15,793,000 was allocated for guided-missile work which the Bureau has been doing.

One specific thing which I wish to make crystal clear is that the work which the Bureau of Standards is doing and for which it is receiving certain allocated sums of money from different departments of the Defense Establishment is mandatory work; it is not discretionary work on the part of the Bureau of Standards. It fits very importantly into the defense of our country.

Mr. President, I could go on and enumerate some of the other important vital matters which tie into defense.

Mr. STENNIS. Mr. President, will the Senator from Kansas yield?

Mr. SCHOEPPEL. I yield.

Mr. STENNIS. I understand the Senator's amendments would merely restore the figures to the amount of the Budget recommendation.

Mr. SCHOEPPEL. The Senator from Mississippi is correct.

Mr. STENNIS. I further understand that if these figures are not restored to the budget recommendation, a 25-percent reduction in the basic technical research program would result.

Mr. SCHOEPPEL. That is exactly the information upon which I am relying, which has been relayed to me by high officials of the Bureau of Standards.

Mr. STENNIS. That is the way the Senator from Mississippi understands the situation. I do not have much personal knowledge of this particular item, but I am acquainted generally with agricultural research. I know that there has been such a demand for top men in industry and defense research, especially within the past 10 or 12 years, that it has been difficult to secure the high type of research men, the better level of research men, required to go into these various Government programs.

I think it is highly important that we not reduce the modest programs which are already in progress. I think the Senate should vote for the amendments, to restore the budget figure. If there is any change in policy, that is another question to be considered on another occasion.

I thank the Senator from Kansas for permitting me to make this statement.

Mr. SCHOEPPEL. Mr. President, I very much appreciate the position taken by the distinguished Senator from Mississippi.

I should like to point out one other thing which I think is most important. There may be in the minds of some the thoughts that the work of the Bureau of Standards is not available to all categories of business, but I desire to make clear that a segment of business known as small business constantly calls upon the Bureau for assistance. Several Members of the Senate are serving on the Small Business Committee of the Senate. We have been relatively free from too much difficulty in channeling defense contracts—slowly, to be sure—into many of the small-business concerns of the country. The contracts which have been allocated to small business have been performed according to

detailed specifications. I have been informed that the Bureau of Standards has worked out, under the guidance of the Defense Department and with the close precision work which must attach to some of the defense contracts, detailed information and background material that can be utilized by small businesses all over the country in the performance of defense contracts.

Mr. SMITH of North Carolina. Mr. President, will the Senator from Kansas yield?

Mr. SCHOEPPEL. I yield.

Mr. SMITH of North Carolina. Can the Senator tell us, offhand, whether the increase asked for makes the amount larger or smaller than that which was used last year by the Bureau of Standards?

Mr. SCHOEPPEL. I believe it is a smaller amount than was requested last year. I think I am absolutely correct in that statement.

Last year, if my information is correct, the amount was $7,779,000. In 1953 it is $7,943,000. If my amendments are adopted the amount for 1954 will be $7,613,000. I think I am relatively correct.

Mr. President, I wish to point out one other thing before I close. When the difficulty in which we now find ourselves began to accelerate—and I am speaking of the attitude of the communistic nations, and particularly with reference to Russia—following World War II we found that the Russian authorities, who were in responsible positions, reached out into Germany and into other European areas, as quickly as they could, and laid their hands upon scientific men to build up their scientific staffs for the production of scientific materials to meet the challenge of the rest of the world. If we stifle research, if we stifle an activity upon which so much of our defense is predicated, I think it will be a shortsighted policy. I say that most earnestly. I get rather tired at times of hearing that this or that is tied to the national defense, and that we should do thus and so. But here is something on which I do not want my country to be short. We are in a gadget age.

Believe me, Mr. President, unless we keep abreast of scientific defense we shall be outdistanced. I am offering no criticism of those who want to reduce expenses, but let us look to some other place than in the scientific field. Guided missiles, guided planes, proximity fuses—all those things to which we are so closely tied for our defense and protection—are closely related to the work of the Bureau of Standards.

When Dr. Kelly spoke to me about the importance of the work of the Bureau of Standards I felt constrained, despite the fact that I have stood on this floor many times and voted against increases in the interest of economy, to think that this is one place and one time when I should vote for an increase, and that is the reason why I favor the pending amendments.

Finally, before closing, I wish to say that many Senators know that recently the Secretary of Commerce has taken action which has resulted in the appointment to the National Academy of Sciences of the head of this country's largest scientific engineering laboratory, as chairman of a committee to make a complete study of the functions of the National Bureau of Standards in relation to present national needs. I believe that is a fine contribution.

Dr. Marvin Kelly, whose name I mentioned a while ago, and with whom I spoke again this morning, the president of the Bell Telephone Laboratories, who is chairman of the committee, has strongly urged that the Bureau's capabilities for its basic functions should not be decreased at this time. Since preparing this statement, he has talked to me and urged me to do everything I could to ensure an adequate appropriation. He said, "Senator, I am sure you know my position. My position is a realistic one. I believe we should not cripple this department."

Under Dr. Kelly's leadership, I am certain that by the utilization of these funds we shall get a determination as to the goals toward which the work of the Bureau of Standards and the other technical help shall be directed in the future.

In the light of these circumstances, I naturally feel that the amendments should prevail. I know the increase has not been recommended by the Committee on Appropriations. I regret very much that I did not have the information I now possess at the time the matter was before the committee. If I had had it, and if I had had an opportunity, as I now have, to go to men in whom I have confidence on the scientific side, I assure the distinguished Senator from New Hampshire, the chairman of the Committee on Appropriations, in whom I have the greatest confidence, that I would have been before the committee to present the matter in my own way, which would not have been a scientific approach. There are Senators who could have presented the subject much better than I could have, but I would have asked for a restoration of the funds the Bureau of the Budget allotted to the Bureau of Standards.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. SCHOEPPEL. I yield.

Mr. HUMPHREY. I wish to express my appreciation to the Senator from Kansas for the information he has brought to us. Great things have been accomplished by the Bureau of Standards, particularly in relation to the defense program, and also with respect to independent enterprise. I think it fair to say that some of the Government research that is done at the Bureau of Standards finds its way into many more economic enterprises than that which is done by some of the larger private institutions. There is a large place for both types of research. Under no circumstances would I wish to see the Government usurp the field. On the contrary, I like to look upon the research and scientific inquiries of the Bureau of Standards as supplementary and complementary to the work which is being done in the private areas of our economy. I think it is well that we protect the integrity and scientific standards of the Bureau of Standards, and I am of the opinion that the proposal of the Senator from Kansas will do just that. As I understand, the amount of money which is proposed by the Senator's amendment is very modest, it is not beyond the amount requested by the Bureau of the Budget, and it is not as large as the amount appropriated in previous years.

On that basis, I think the amount can surely be justified, in view of the very definite need for increased scientific analysis and scientific study. We are confronted these days with real competition from all over the world. The Senator from Kansas has properly made note of the contest and competition between the areas of scientific inquiry in the free world as compared to that of the Soviet Union and its satellite countries. Regardless of the questions of communism or freedom, it is still good business to keep the Bureau of Standards on a high level of performance.

I wish to join with the Senator from Kansas in the offering of the amendments, and to express personally my gratitude for his leadership in the matter.

Mr. SCHOEPPEL. Mr. President, I thank the Senator from Minnesota.

Mr. BRIDGES. Mr. President, I have listened to the able and distinguished Senator from Kansas [Mr. SCHOEPPEL] discuss this matter. I have great affection for and confidence in him. I know that basically he is for economy, in spite of the effort on his part for an increase in funds in this instance.

This subject was considered by the committee. Both the subcommittee and the full committee heard testimony on it. The Senate Committee on Appropriations arrived at the same decision as did the House of Representatives, namely, that $3 million for this item was sufficient.

The Senator from Kansas, in so ably stating his case for an increase, has said that the Bureau of Standards has made a great contribution to national defense. I agree that it has, but it has also been paid for its work. The Bureau is paid for whatever it does. Whenever the Bureau performs services for another commission or department it is paid for that work by a transfer of funds. Therefore, despite the fact that, as far as I know, an assembly of talented and experienced personnel is available to do the work required, a transfer of funds is made, because that certainly has been testified to in the hearings.

I think the Senator from Kansas could have made a pretty good case for this item before the committee. I will not argue with him along that line. He has presented a case for his amendments. I believe that the agency should have presented a more forceful and better case for the committee. Based upon the evidence which we had, I think we were justified in taking the position we took.

Since the hearings, like the Senator from Kansas, the Senator from New Hampshire has talked with the various persons about this appropriation. Having in mind the idea that there might be some way of reaching a compromise figure to take to conference, the Senator from New Hampshire talked with various members of the committee yester-

day to see what latitude of discretion the Senator from New Hampshire might exercise. I spoke with several Senators yesterday, both in and out of the Chamber. With two or three exceptions, they were opposed to any increase in the figures for these items. So in the light of the action of the subcommittee and the full committee, followed by an informal poll of members of the committee, the Senator from New Hampshire can do nothing else than oppose the request of the distinguished and able Senator from Kansas, which I admit he very eloquently supported. It is the feeling of the committee that the funds allowed in the bill will be adequate, and that whenever the Bureau of Standards does any work for other agencies or for the farmers, it will be adequately paid.

I ask the Senator from Kansas if he expects to ask for a record vote on his amendments. What is his pleasure?

Mr. SCHOEPPEL. I should like to have the Senate pass upon this question, but I am not particularly concerned about a record vote. I know that several Senators are absent from the Chamber today for various reasons. However, I feel that this is such an important matter that we ought to have a better attendance of Senators before a vote is taken.

I should like to suggest the absence of a quorum.

Mr. BRIDGES. Mr. President, as to the first amendment, I will say to the Senator from Kansas that, in view of his expression of interest, and in view of the fact that many Senators are unavailable at the moment, and also because I do not wish to delay action on the bill, I should be willing to take to conference a figure of $3,500,000 instead of $3,000,000, if the Senator from Kansas will agree to that. I may say frankly that I am speaking on my own authority, without the concurrence or approval of other members of the committee; I wish to make that very clear. I am willing to split the difference and take to conference the sum of $3,500,000 instead of $3,000,000. That would place the subject in conference, where the facts could be determined, and any later information or evidence that might become available could be offered before the conference committee.

Mr. SCHOEPPEL. Mr. President, I should like to see the subject go to conference on that basis, especially in view of what the Senator has just said, to the effect that in the light of other circumstances additional evidence may be presented to the conference committee.

Let me ask the distinguished chairman of the committee what he would be willing to do as to the second item of $2,613,000. I think that is a very important matter.

Mr. BRIDGES. With respect to that item, if we could reach an agreement, I would be willing to take to conference a similar split. The Senator from Kansas is asking for $2,613,000. I am willing to take to conference a figure of $2,306,500, which represents a similar split with respect to this item.

Mr. SCHOEPPEL. I had hoped that the distinguished Senator might be a little more generous with respect to the second item. I had hoped he might be willing to take to conference the figure of $2,400,000. This item represents a very important program in the electronic field.

Mr. BRIDGES. I know that the Senator from Kansas is a distinguished midwestern trader. I think it is a very fine thing to be a good trader. However, I am a New Englander, and have some roots in the soil so far as trading is concerned. I think if I go halfway with the Senator that is about as good a trade as anyone could make.

Mr. SCHOEPPEL. I am willing to have the distinguished Senator take the items to conference on the basis suggested. However, I am sure that when he goes into the subject earnestly he will be inclined to be a little more generous than he has indicated.

The PRESIDING OFFICER. Does the Senator from Kansas wish to modify his amendments accordingly?

Mr. SCHOEPPEL. I am glad to modify the amendments accordingly.

The PRESIDING OFFICER. The amendments, as modified, will be stated.

The CHIEF CLERK. On page 50, line 12, it is proposed to strike out $3,000,000" and insert in lieu thereof "$3,500,000."

On page 50, lines 19 and 20, it is proposed to strike out "$2,000,000" and insert in lieu thereof "$2,306,500."

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from Kansas, as modified.

The amendments, as modified, were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. DOUGLAS. Mr. President, last night the Senate, after a trying day, found itself confronted with a motion to reconsider the vote by which we had previously saved $4 million from the funds recommended for the State Department palace-purchase program. The move suceeded, and thereby the taxpayers lost $4 million. At the conclusion of my remarks I shall move to reconsider the vote by which this increase was inserted. I wish to make a statement at this point to indicate the reasons for my action.

FOREIGN CREDITS CAN BE USED FOR MANY PURPOSES

This money was voted, as we all know, because the majority of the Senate thought that the purchase of buildings was the only way we could use our available foreign credits. This notion—and I say this deliberately—is absolutely and unequivocally incorrect, and I shall prove it without question.

Let us trace very briefly the development of this amendment. When the subject was being considered by the Appropriations Committee, the committee was led to believe that these foreign credits would be lost if they were not spent for buildings or for education.

In a letter dated May 1, 1953, from the Under Secretary of State, Donold B. Lourie, to the Senator from New Hampshire [Mr. BRIDGES], chairman of the Committee on Appropriations, he stated:

> It is debatable as to whether we should retain millions in paper credits or convert a reasonable amount to physical property which collaterally reduces our national outlay for rented space. In my judgment, we should not permit unused credits to deteriorate or be defaulted (as in the recent case of Czechoslovakia) where land or building titles might more readily assure ultimate settlement and reduce our recurring annual expense.

I do not question the good faith of Mr. Lourie, but I submit that the evidence will show that he was taken in by the gentlemen of the State Department, who naturally want elaborate quarters. However, this being the information before the committee, they approved $4 million for this program. I wish to make it clear that I do not blame the committee. I do not blame the chairman of the subcommittee, or the committee as a whole.

On the floor of the Senate, in the debate on this amendment, I pointed out, as did the Senator from Arkansas [Mr. FULBRIGHT] and other Senators, that these funds could be used for a variety of purposes to alleviate the taxpayers' burden. We stated that they could be used not only for the so-called Fulbright educational exchange program, but also for strategic materials; for pay of foreign nationals working for the Departments of State and Defense abroad, and for various supplies needed by our Government abroad.

The taxpayers must foot the bill for these purposes; and, to the extent that foreign credits can be used, the taxpayers will gain. To the extent that they are used for sumptuous offices and quarters the State Department will gain at the expense of the taxpayers. It was on this basis that the Senate, by a roll-call vote on Monday voted to eliminate the item.

On Tuesday a motion to reconsider this action was entered. Yesterday the motion was voted upon. It was asserted by certain of our colleagues—and I wish to say that I am sure they, too, were acting in good faith—that the Senate had been misled by me and by other Senators, and that it was really a move for economy to spend the $4 million, because if we did not spend it we would lose it. A list of agreements with respect to these credits was produced on the floor, and as a result of cross-examination certain details were elicited, but the full information with respect to the credits was not available until this morning, when the details appeared in the CONGRESSIONAL RECORD on pages 5979 and 5980.

AGREEMENTS SHOW THAT CREDITS NEED NOT BE SPENT FOR BUILDING

The agreements with Great Britain and France were cited in the debate yesterday, allegedly to show that the credits could be used only for the acquisition of real estate and for education. The only trouble with the list, as it is printed in the RECORD, when used to support the $4 million item, is that it bears out my contention rather than that of the State Department. That is true because the credits can be used for any purpose—any purpose, I repeat—in the eight countries in which the State Department palaces are sought to be constructed, with one single exception, namely, France. I refer to the list which is

printed in the RECORD beginning at page 5979. I read from page 5981:

Asuncion—

Which is in Paraguay—

Office building and principal officers' residence, $315,000.

Tangiers—

The same type of construction—

$500,000.

Mexico: Office building and staff housing, $550,000.

Helsinki—

That is in Finland—

Office building, $600,000.

The Hague: Office building, $525,000.

New Delhi: Office building and staff housing, $1 million.

Bangkok: Officer housing, $60,000.

Djakarta: Office building, $350,000.

The total is $4 million.

I ask Members of this body to read what the actual agreements are with the respective countries concerned. The list of agreements was placed in the RECORD by the distinguished senior Senator from Louisiana [Mr. ELLENDER], and can be found at pages 5979 and 5980. I invite the attention of the Members of the Senate on the floor and their staffs to look at the RECORD at that point, and to check my remarks as I go along.

I refer to pages 5979 and 5980 in the RECORD of yesterday.

The first country in which buildings are to be erected is Paraguay. There is no agreement listed for Paraguay. Therefore there are no restrictions. Two hundred thousand dollars of the $315,000 is to come from dollar reserves, according to the footnote on page 5981. No credits whatever are listed in the table of outstanding balances under credit agreements available for payments in foreign countries, as shown in the table on page 5981 of yesterday's CONGRESSIONAL RECORD.

Let us next take France.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. ELLENDER. As was stated 2 days ago, credits in Italy can be used to purchase marble and other materials, which can be transported and used in Paraguay.

Mr. DOUGLAS. Yes. Italy, however, is not included in the list of countries in which buildings are to be erected.

Mr. ELLENDER. I understand, but as I have indicated, credits in other countries can be used with which to purchase materials for use in such countries as Paraguay.

Mr. DOUGLAS. There is an item for France—Tangier—$500,000. I wish to say that there are restrictions in force so far as France is concerned, but that is the only country where there are such restrictions in effect. Moreover, credits even here can be used for acquisition of property for airstrips and other purposes. They need not be spent for the State Department exclusively.

Let us take Mexico, which is listed in the first column on page 5979 of the RECORD. I ask Senators to read the last sentence:

Funds acquired under this agreement are available for any United States expenses in Mexico.

The next office building to be erected is in Helsinki, Finland. I ask Senators to refer to the Finland item. I read from page 5979:

The Finland agreement has no annual limitation and funds received thereunder are available for any United States expenses.

Mr. SMITH of North Carolina. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. SMITH of North Carolina. I refer to the item which the Senator from Illinois has read with respect to Mexico. The language which I should like to read is the sentence before the one read by the Senator from Illinois:

A new settlement arrangement will be worked out at that time.

Mr. DOUGLAS. I wish to point out that under the existing agreement the funds can be spent for any purpose.

Mr. SMITH of North Carolina. The point is they cannot be spent until an arrangement is worked out with Mexico.

Mr. ELLENDER. That is correct.

Mr. SMITH of North Carolina. If Mexico is not willing to work out an agreement, what then?

Mr. DOUGLAS. The State Department naturally wants to work out an arrangement to restrict the use of funds to acquire the buildings. But an agreement could be reached to spend the credits on something beneficial to the taxpayers.

Mr. SMITH of North Carolina. That is not the point at all. The point is: If and when a new settlement is worked out these funds may be used for any United States expenses. However, if Mexico is unwilling to work out a new arrangement or a new agreement, those funds cannot be used for any United States expenses. I think I am correct in my interpretation of the language.

Mr. DOUGLAS. Does the Senator from North Carolina contend that under the existing agreement these funds are restricted in use, and can be used only for acquiring real estate or erecting buildings?

Mr. SMITH of North Carolina. I do not know. I asked the question yesterday, because it seemed to me we were not getting the facts. I am asking for the facts. However, the language certainly does not, in my opinion, bear out the statement of the Senator from Illinois that the funds can be used for any expenses. The Senator from Louisiana knows more about it than I.

Mr. DOUGLAS. Is the Senator from North Carolina asking me a question?

Mr. SMITH of North Carolina. I did ask the question.

Mr. DOUGLAS. I point out that the source of the funds obviously was a lend-lease agreement with Mexico, as is stated. There had to be an agreement under which the lend-lease arrangement could be made. The description of that agreement is that funds acquired under the agreement are available for any United States expenses in Mexico.

Mr. SMITH of North Carolina. Does not the Senator from Illinois understand that when he speaks of "funds acquired under this agreement," he is referring to an agreement which is proposed to be entered into?

Mr. DOUGLAS. How can it refer to something in the future, which has not been entered into, as being binding? The presumption is that the statement refers to an existing agreement, not a future agreement.

Mr. SMITH of North Carolina. Does the Senator believe it represents a presently existing agreement?

Mr. DOUGLAS. May I continue on this point? I read from page 5979 of the RECORD:

The Finland agreement has no annual limitation and funds received thereunder are available for any United States expenses.

Let us take the Netherlands, because it is proposed to erect a building in The Hague costing $525,000. The statement on the Netherlands reads:

This agreement is available for any United States expenses and has no annual limitation on the amount that may be drawn.

Mr. SMITH of North Carolina. May I inquire as to which paragraph the Senator is referring. In other words, what is meant by "this agreement"?

Mr. DOUGLAS. The surplus property agreement.

Mr. SMITH of North Carolina. Does the Senator from Illinois have before him a copy of that agreement, so we may look at it?

Mr. DOUGLAS. I must go on the basis of the evidence introduced by the distinguished Senator from Louisiana [Mr. ELLENDER] in support of the contention that these funds could be used only for building. I am using the evidence he presented. Of course, it is not his evidence. He had no intent to deceive in this matter. Undoubtedly it was material which was given to him by Government agencies. I am merely taking the material and showing that according to the evidence which was advanced in support of these expenditures, the conclusion is exactly opposite to what was stated yesterday.

Mr. ELLENDER. Will the Senator from Illinois permit me to repeat what I said yesterday, namely, that before any of these funds can be expended for buildings in the host country or to buy material to be used in some other country, an agreement must be entered into between our country and the country in which we have the credit balance—for instance, in this case, between Finland and the United States.

Mr. DOUGLAS. But the point made yesterday was that agreements existed restricting the use of these credits. If we are talking about future agreements, that leaves the whole question open. The summary statement for this material reads as follows, as it appears near the top of page 5979 of the CONGRESSIONAL RECORD, in the first column on that page: "Statement of Limitations and Restrictions Against Use of Foreign Currencies Made Available Under Credit Agreements, as of December 31, 1952."

In other words, it is a statement of conditions existing as of December 31, 1952, and it does not refer to any potential agreements in the future. The statement covers the agreements which were in force. We have seen that in the case of Mexico, Finland, and the Netherlands, thus far there have been no restrictions upon the use of the funds.

Now let us refer in this connection to India. If we examine the second column on page 5980 of the CONGRESSIONAL RECORD of June 3, 1953, we find that paragraphs A, B, and C do not give any statement of restrictions. If there were restrictions and limitations, presumably they would be included. However, we do not find in these three paragraphs any statement of restrictions or limitations.

Now let us consider Bangkok which is located in Thailand, as referred in the third column on page 5980 of the RECORD, I ask my colleagues to notice the first sentence of that paragraph, which reads as follows:

A. Funds acquired under this agreement are available for any United States expenses.

If we consider the situation regarding Djakarta, Indonesia, as shown near the top of the third column on page 5980, we find the following:

Funds acquired under this agreement are available for any United States expenses and without annual limitation.

Mr. ELLENDER. Will the Senator from Illinois read the next sentence?

Mr. DOUGLAS. It reads as follows:

The agreement provides that $7 million may be used for an educational program and $1.3 million for buildings both subject to change by negotiations.

Mr. ELLENDER. All of that demonstrates what I have stated.

Mr. DOUGLAS. Mr. President, I am not accusing the Senator from Louisiana of having any desire to mislead the Senate. I simply say that unintentionally he was misled by the material which was furnished to him; and I point out that this material states that $7 million "may" be spent for educational purposes and $1.3 million "may" be spent for buildings; but there is no statement that the money "must" be spent for those purposes. In fact, I point out that the money can be spent for virtually any purpose. This analysis shows that, in practice, there are no restrictions upon the use of any of these credits, in cases where buildings are desired to be constructed, except in the case of France. For instance, the credits could be spent for the Air Force; they do not have to be spent for the State Department.

I wish to say in all charity that yesterday the Senate acted under a misapprehension as to the real facts. I wish to make clear that I do not blame any Senator for that.

But I presume the gentleman in the State Department who prepared this data, gave to someone a false impression regarding what the data actually indicated, if analyzed. Upon analysis, it is seen that the funds really were available for other purposes in every country, and that in France the funds could certainly be used for the Air Force or for other branches of our Armed Forces.

I believe we should return to the right track; and now that we have the true facts, I believe we should save this $4 million for our taxpayers.

Therefore, Mr. President, I now enter a motion that the vote by which this item was approved yesterday be reconsidered.

The PRESIDING OFFICER (Mr. SCHOEPPEL in the chair). The motion will be entered.

Mr. ELLENDER. Mr. President, I rise to a point of order.

The PRESIDING OFFICER. The Senator from Louisiana will state it.

Mr. ELLENDER. I believe the Senate considered this matter yesterday.

Mr. BRIDGES. Mr. President, in line with the point of order raised by the Senator from Louisiana, I should like to propound a parliamentary inquiry, in order to state the matter in a somewhat more formal way.

The PRESIDING OFFICER. The Senator from New Hampshire will state the parliamentary inquiry.

Mr. BRIDGES. Is it in order for a Senator to move for reconsideration of a reconsidered motion?

The PRESIDING OFFICER. The first vote was on the question of agreeing to the committee amendment, and the committee amendment was rejected by a vote of 34 to 38.

Yesterday, that vote was reconsidered, and the amendment was agreed to. Therefore, the Senate did not affirm its first decision. A motion to reconsider, such as the one now submitted by the Senator from Illinois, would therefore be in order.

Mr. DOUGLAS. I thank the Chair.

Mr. MORSE. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I am glad to yield to the Senator from Oregon for a question.

Mr. MORSE. I am not sure that I can put what I have in mind in the form of a question, so I shall wait until I can obtain the floor.

Mr. ELLENDER. Mr. President, I move to lay on the table the motion of the Senator from Illinois to reconsider.

Mr. DOUGLAS. Mr. President, will not the Senator from Louisiana modify his motion? The effect of his motion, as he well knows, is to shut off debate.

The PRESIDING OFFICER. The Senator from Louisiana has moved to lay on the table the motion of the Senator from Illinois to reconsider.

Mr. DOUGLAS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	George	Millikin
Barrett	Gore	Morse
Bridges	Hennings	Mundt
Byrd	Hickenlooper	Pastore
Case	Hill	Russell
Cooper	Hoey	Schoeppel
Cordon	Holland	Smathers
Douglas	Jackson	Sparkman
Dworshak	Johnson, Tex.	Taft
Eastland	Knowland	Thye
Ellender	Lehman	Tobey
Ferguson	Maybank	Watkins
Flanders	McClellan	Williams

The PRESIDING OFFICER. A quorum is not present.

Mr. KNOWLAND. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay Mr. BEALL, Mr. BENNETT, Mr. BRICKER, Mr. BUTLER of Maryland, Mr. CAPEHART, Mr. CARLSON, Mr. CHAVEZ, Mr. CLEMENTS, Mr. DANIEL, Mr. DUFF, Mr. FULBRIGHT, Mr. GOLDWATER, Mr. GREEN, Mr. HAYDEN, Mr. HENDRICKSON, Mr. HUMPHREY, Mr. JENNER, Mr. JOHNSON of Colorado, Mr. JOHNSTON of South Carolina, Mr. KEFAUVER, Mr. KENNEDY, Mr. KILGORE, Mr. KUCHEL, Mr. LANGER, Mr. MALONE, Mr. MARTIN, Mr. MONRONEY, Mr. NEELY, Mr. PAYNE, Mr. POTTER, Mr. PURTELL, Mr. ROBERTSON, Mr. SALTONSTALL, Mrs. SMITH of Maine, Mr. SMITH of New Jersey, Mr. SMITH of North Carolina, Mr. STENNIS, Mr. SYMINGTON, Mr. WELKER, Mr. WILEY, and Mr. YOUNG entered the Chamber and answered to their names.

The PRESIDING OFFICER. A quorum is present.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Illinois will state it.

Mr. DOUGLAS. Is my understanding correct that with the motion to table of the distinguished Senator from Louisiana [Mr. ELLENDER] debate on this issue is shut off?

The PRESIDING OFFICER. The Senator from Illinois is correct.

Mr. DOUGLAS. Mr. President, I ask unanimous consent to withdraw my request for reconsideration.

The PRESIDING OFFICER. Objection is heard. The question is on agreeing to the motion to table.

Mr. DOUGLAS. Mr. President, I ask unanimous consent——

Mr. ELLENDER. Mr. President——

The PRESIDING OFFICER. The Senator from Illinois has the floor.

Mr. DOUGLAS. I ask unanimous consent that, before debate is shut off, I may be permitted to speak for about 5 minutes, in order to explain the reasons why I have asked for a reconsideration of the vote.

The PRESIDING OFFICER. The Senator from Illinois asks unanimous consent that he may be permitted to speak for 5 minutes. Is there objection?

Mr. ELLENDER. Mr. President, I temporarily withdraw my motion to lay on the table.

Mr. MORSE. Mr. President——

The PRESIDING OFFICER. The Senator from Illinois has the floor. Does the Senator from Illinois yield to the Senator from Oregon?

Mr. DOUGLAS. With the understanding that I do not lose my right to the floor, and with the understanding that the time used by the Senator from Oregon is not subtracted from the time which is assigned to me——

The PRESIDING OFFICER. No time is allocated to the distinguished Senator from Illinois.

Mr. DOUGLAS. Mr. President, I wish to thank the Senator from Louisiana [Mr. ELLENDER] for his courtesy in withdrawing the motion to table, which, if it had been persisted in, would have shut off debate on the issue before the Senate.

I think I should explain why I have asked for reconsideration of the vote by which an expenditure of $4 million for buildings for the Department of State

was approved yesterday. In order to do so, I should like to state the history of this matter and make clear what has happened.

I preface my statement by saying that there has been complete good faith in this matter on the part of the distinguished Senator from New Hampshire [Mr. BRIDGES], chairman of the Committee on Appropriations, by the distinguished Senator from Louisiana [Mr. ELLENDER], and by the distinguished Senator from South Dakota [Mr. MUNDT]. However, I think the Senate acted yesterday under a misapprehension as to what the facts are, and I now ask the attention of the Senate, in order that I may discuss the issue.

I invite the attention of Senators to pages 5979 and 5980 of the RECORD of yesterday, which is on their desks. Last night, after a trying day, the Senate found itself confronted with a move to reconsider the vote by which it had previously saved $4 million from funds recommended for the State Department's palace-purchase program. The move succeeded, and thereby the taxpayers lost $4 million.

This money was voted because a majority of the Senate felt that the purchase of buildings was the only way in which we could use our foreign credits. The notion that this is the only way in which we can spend our credits is not true, and I think I can prove it without any question.

When the matter was first under consideration by the Committee on Appropriations, the committee was led to believe that foreign credits would be lost if they were not spent for buildings. In a speech several minutes ago, I referred to a letter from Under Secretary of State Donold B. Lourie to the Senator from New Hampshire [Mr. BRIDGES], chairman of the committee. I am sure Mr. Lourie's letter also was written in good faith, but was based on incorrect information. It was on the basis of the incorrect information that the committee, acting in perfect good faith, approved $4 million for the program.

In the debate on Monday, the Senator from Arkansas [Mr. FULBRIGHT] and other Senators, including myself, pointed out that these funds could be used for a variety of purposes in order to reduce the burden upon taxpayers. We said then that foreign-dollar credits could be used for strategic materials, for the pay of foreign nationals working for the Departments of State and Defense abroad, and for various supplies needed by our Government abroad.

On Monday a motion to reconsider this action was entered, and it was asserted by certain Senators—and again I wish to say that their statements were made in good faith—that the Senate had been misled by other Senators and by myself; that it was really a move for economy to spend the $4 million, because if it were not spent, it would be lost.

A list of agreements with respect to these credits was produced. However, it was not available to the majority of the Members of the Senate. Agreements with Great Britain and France were cited to show that the credits could be used only for the acquisition of real estate and education.

The only trouble with this list, which has now been printed on pages 5979 and 5980 of the RECORD of yesterday, which I hope Senators will examine, is that it bears out my contention rather than that of the State Department. This is true, because in all the countries where it is proposed to erect buildings, with the single exception of France, the credits can be used for any purpose whatsoever.

I wish to read a list of the proposed expenditures, which was placed in the RECORD yesterday by the distinguished Senator from Louisiana [Mr. ELLENDER]. According to the RECORD of yesterday, at page 5981, the first building was to be erected at Asuncion, Paraguay, and was to cost $315,000.

The next building was to be built at Tangier, which is a French possession, at a cost of $500,000.

A building was to be erected in Mexico City at a cost of $650,000.

A building was to be constructed at Helsinski, Finland, for $600,000.

Another building was to be constructed at The Hague, the Netherlands, at a cost of $525,000.

An office building was to be constructed in New Delhi, India, at a cost of $1 million.

At Bangkok, Thailand, a building was to be constructed for $60,000.

At Djakarta, Indonesia, a building was to be constructed at a cost of $350,000.

The total cost of construction would have been $4 million.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield for a question.

Mr. MORSE. In order to clear up a matter in my own mind, I wonder if the Senator would answer two or three questions.

First, do I correctly understand the Senator's position to be that when the Senate voted yesterday, and a majority of the Senate voted to restore the $4 million item, we did so on the basis of a false assumption that the money could not be used for any other purpose than for building construction?

Mr. DOUGLAS. I should say that our action was based on a mistaken assumption. I wish to be very careful about this. I am certain that no Senator gave information with any intent to deceive; it was simply mistaken information.

Mr. MORSE. I also wish to make that very clear. In my judgment, the Senator from Louisiana [Mr. ELLENDER], the Senator from South Dakota [Mr. MUNDT], and the Senator from New Hampshire [Mr. BRIDGES], made their statements on the basis of their good-faith belief, as I am satisfied the Senator from Illinois now is making his statement on the basis of his good-faith belief. However, since the Senator from Illinois objects to my phrase "false assumption," let me rephrase my question.

Is it the Senator's position that he believes the Senate acted on mistaken information, namely, that the Senate acted under the mistaken belief that the $4 million could be used only for buildings?

Mr. DOUGLAS. Senators who were present at the time will remember that that was the point which was made—that the use of dollar credits was restricted to buildings.

Mr. MORSE. Second, am I correct in my understanding that it is the argument of the Senator from Illinois that the Department of State failed to make clear to the Senate that in all these countries, save and except France, the money could be used for so-called general purposes, and that even in France the money could be used for the purpose of construction of air strips and other Air Force needs? Is that the position of the Senator from Illinois?

Mr. DOUGLAS. That is correct. Let me put it this way. The letter of Under Secretary Lourie to the Committee on Appropriations undoubtedly contains misleading information. I presume that what operated on the Senate between Monday, when it rejected the expenditure, and yesterday, when it approved it, undoubtedly came from the State Department. But I did not hear any conversations between officials of the State Department and other Senators.

Mr. MORSE. Third, is it the argument of the Senator from Illinois that in the references in the CONGRESSIONAL RECORD to which he alluded, setting forth the so-called arrangements with these countries, there is no such restriction as a restriction limiting the funds to buildings, but there is a general restriction, already referred to, in respect to France.

Mr. DOUGLAS. That is correct; and I invite the attention of the Senator from Oregon to the title of the memorandum which the able Senator from Louisiana [Mr. ELLENDER] inserted in the RECORD. It is headed:

Statement of Limitations and Restrictions Against Use of Foreign Currencies Made Available Under Credit Agreements, as of December 31, 1952.

Therefore, presumably, it refers to the situation existing as of the time the expenditures were authorized.

Mr. MORSE. Does the Senator from Illinois agree, as represented by the Senator from Louisiana—and it seems to me his position is correct—that there is the requirement in regard to these funds, as there is with respect to other funds, that an agreement must be entered into as to how they shall be spent?

Mr. DOUGLAS. In the basic controlling agreement there are no such restrictions.

Mr. MORSE. That is correct.

Mr. DOUGLAS. Individual agreements can be made with respect to specific expenditures. If our State Department is willing to enter into such agreements, undoubtedly they will be made.

Mr. MORSE. However, as I understand, it is the position of the Senator from Illinois that the fact that in the expenditure of funds there must be an understanding or agreement entered into is no argument for our taking the position that, therefore, we should not require the State Department to enter into certain agreements for expenditures of funds which we think would be more in the interest of the American people than the building of what the Senator refers to as more luxurious quarters for

employees of the State Department abroad.

Mr. DOUGLAS. The Senator from Oregon is completely correct. I have always thought of the State Department as the instrument of national policy, but not as the creator of national policy. Certainly it is the function of Congress to govern the expenditure of money.

Mr. MORSE. Mr. President, will the Senator further yield?

Mr. DOUGLAS. I yield.

Mr. MORSE. Does not the argument get down to this point, so far as the economy feature is concerned: The Senator from Illinois seeks to point out to the Senate that when we come to spend these funds we ought to propose what he considers to be a more economical expenditure of the funds than an expenditure for these particular purposes, because the needs of those countries are such that we could strengthen our relationship with those countries by spending the money for other purposes—purposes of greater benefit to us and to them than the building of luxurious quarters for State Department employees abroad. Is not that the position of the Senator from Illinois?

Mr. DOUGLAS. That is exactly correct. The Senator from Illinois argued, both Monday and yesterday, first, that the money could be expended for better purposes—for strategic materials, for example. That is particularly true in Indonesia and India, where copper, tin, and manganese could be purchased. It could also be used for the payment of foreign nationals who work for our Defense Department and for the State Department in those countries, thereby reducing the burden on the American taxpayer. There are possible uses in connection with air bases, which could be covered as well. So the money could be used to better purpose.

Furthermore, I tried to make the point that it is actually a national disservice to build extravagant quarters for State Department personnel in countries where the standard of living is low. It excites envy, jealousy, and hostility, and plays into the hands of our enemies. It breeds hatred instead of friendship. In my judgment, the State Department is following a very selfish policy in this connection.

Mr. MORSE. Mr. President, will the Senator yield for one further question?

Mr. DOUGLAS. I gladly yield.

Mr. MORSE. Does the Senator agree with me that if we do not earmark this money, as it was earmarked by the action which has already been taken by the Senate, for expenditure in the erection of buildings which he and I agree may not be necessary, we might conceivably work out an agreement with those countries whereby the money could be spent, for example, to pay for manpower in taking care of and manning some of our bases abroad, which would make it unnecessary to keep so many American boys abroad?

Mr. DOUGLAS. Exactly so.

Mr. MORSE. In other words, the Senator from Illinois is taking the position that with all the possibilities we have open to us for the expenditure of such funds by agreement, this proposal is one of the most uneconomic, one of the most unnecessary, one of the most wasteful, and one that will serve our national interest the least. Is not that the position of the Senator from Illinois?

Mr. DOUGLAS. The Senator from Oregon is correct.

Mr. MORSE. To that extent there is involved the issue of economy. To reverse ourselves would, in effect, amount to at least a better expenditure of the funds, which is, in and of itself, a form of economy.

Mr. DOUGLAS. That is correct.

I now invite Senators to examine pages 5979 and 5980 of the CONGRESSIONAL RECORD, and check with me on the eight countries where it is proposed to erect buildings. I invite the attention of the Senate to the fact that there is no mention, on pages 5979 and 5980, of the country of Paraguay, where the Asuncion building is to be erected. Since the memorandum is headed "Limitations and Restrictions Against Use of Foreign Currencies," I presume, since Paraguay is not included, that there are no such restrictions in Paraguay.

Skipping over France for a moment, I wish to take the case of Mexico, which is listed as the fifth country in column 1. I call the attention of the Senate to the last sentence:

> Funds acquired under this agreement are available for any United States expenses in Mexico.

Under Finland, which is the next to the last item in column 2, the statement is:

> Funds received thereunder are available for any United States expenses.

In the case of the Netherlands, paragraph A reads:

> This agreement is available for any United States expenses and has no annual limitation on the amount that may be drawn.

In the case of India, which is covered in the second column on page 5980, there is no restriction stated in paragraphs A, B, and C.

In the case of Indonesia, the first sentence reads:

> Funds acquired under this agreement are available for any United States expenses and without annual limitation.

Mr. MORSE. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I am glad to yield.

Mr. MORSE. What the Senator is bringing out in this discussion disturbs me very much, because of this question: Does the Senator think this all adds up to what appears to be the fact, namely, that the State Department did not make a full disclosure to the Congress of the true facts in regard to the possibilities for the expenditure of these funds?

Mr. DOUGLAS. I am afraid that is so. I wish to say that I am one who has not attacked the State Department in the past. I think a great many of the criticisms of the State Department have been ungenerous and unjust, and I do not wish to reflect upon the patriotism or loyalty of any member of the State Department. However, I do think that in this case—and I am afraid also in certain other cases which I have detected—the State Department did not tell the Congress all the truth. It failed to make full disclosure, and therefore, by inference, it deceived the Congress. Those are harsh things to say, but I think they are true.

That makes it very difficult for us to trust the State Department on those matters with respect to which the Department enters a specific denial. We have been deluded so many times that we begin to wonder when we are getting the truth. I urge the State Department to come clean in these matters. I speak as one who has been a defender of the State Department. We cannot be expected to trust the State Department if the State Department will not trust us with the facts.

I wish to go back to the case of France, because that is one country where we are putting up buildings. I call attention to Tangier, French Morocco, where there is a restriction. There is a restriction with respect to France. I wish to call attention to the last sentence of paragraph A, which reads:

> One surplus property credit agreement in the total amount of $300 million provides that $15 million thereof may be used for the acquisition of property and that $10 million thereof may be paid in French currency that may be used for buildings or an educational program.

I should like to point out that buildings need not necessarily be State Department buildings. They could be buildings for our defense forces, and to that degree they would reduce the outlay which we must make in credits to foreign countries.

It is because of these facts that I entered my motion to reconsider the vote, and I believe the Chair has upheld it.

Mr. MORSE. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I am very glad to yield.

Mr. MORSE. Does not the Senator agree with me that it should be made clear in the RECORD that the only purpose for making the motion to reconsider, after we had had one reconsideration—so the matter will not go on ad infinitum—is because the Senator in good faith feels new facts are now available to the Senate which were not available yesterday, and therefore the Senate may now take a final vote on the question on the basis of all the facts?

Mr. DOUGLAS. That is correct. The Senator from Illinois feels that he has now discharged his duty and that he has laid the information before the Senate. He now yields the floor and submits the matter to the Senate.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield.

Mr. LEHMAN. Is it not a fact that 2 or 3 days ago, the Senate decided to throw out this appropriation for $4 million for the acquisition and construction of new buildings, which it considered unnecessary under present circumstances?

Mr. DOUGLAS. Does the Senator from New York say we threw out the appropriation?

Mr. LEHMAN. Yes, but yesterday the Senate voted to reconsider its action of the previous day. The Senate took that action under the mistaken notion that this $4 million appropriation to be paid

out of counterpart funds was quite different from the usual appropriation, and that it involved no cash or use of funds of the United States Government, whereas, as a matter of fact, it was merely a camouflaged appropriation. It permitted the use of the $4 million in credits, or counterpart funds which, were the equivalent of a cash expenditure, since those credits or counterpart funds can be used for other purposes by our Government.

Mr. DOUGLAS. I think the action of yesterday was based on misinformation.

Mr. LEHMAN. Mr. President, will the Senator yield for another question?

Mr. DOUGLAS. Yes.

Mr. LEHMAN. Certainly when the Senate voted to reconsider the action which it had previously taken, it did so under the mistaken belief that these credits, if not used, would become entirely valueless to the United States Government.

Mr. DOUGLAS. We were told, I am sure in good faith, that these were frozen credits, which, if not used for buildings, could not be used at all.

Mr. LEHMAN. I should like to refresh the recollection of the distinguished Senator from Illinois by quoting one of many similar remarks which were made on the floor of the Senate yesterday. The remark I am about to quote was made by the distinguished Senator from Iowa [Mr. HICKENLOOPER]. It reads:

> I earnestly urge Members of the Senate to consider that the amendment does not involve the expenditure of money out of the Treasury of the United States. It is derived from credits which we already have in foreign nations and which will eventually go down the drain if we do not use them.

That is unwittingly, of course, an incorrect statement. Those funds would not go down the drain.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. DOUGLAS. I shall be glad to yield later. First I should like to say that, just as the Senator from New York has recognized, so has the Senator from Illinois recognized that this statement of the Senator from Iowa was made in perfectly good faith. I have tried again and again, in the course of the discussion, to make clear that I do not question the good faith of any Member of the Senate. On the contrary, I affirm it. I merely say that incorrect information was furnished to Senators, which, in the pressure of work, made them think that the circumstances were other than what they actually are.

Mr. LEHMAN. Mr. President, will the Senator yield further?

Mr. DOUGLAS. I believe I should first yield to the Senator from Iowa, to reply.

Mr. HICKENLOOPER. I should like to reply to the uninformed statement of the Senator from New York.

Mr. DOUGLAS. The Senator from New York did not impugn the good faith of the Senator from Iowa, nor did I.

Mr. LEHMAN. The Senator from New York characterized the Senator's statement as having been made unwittingly, and he quoted from the CONGRESSIONAL RECORD at page 5978. I shall be glad to repeat the statement for the benefit of the Senator from Iowa.

Mr. HICKENLOOPER. I heard the statement read. Will the Senator from Illinois yield?

Mr. DOUGLAS. I yield very gladly.

Mr. HICKENLOOPER. I made that statement yesterday, and I did not make it unwittingly. I made it on the basis of what I believed to be ample evidence which has accumulated over a number of years from experience with our foreign operations. These funds are in blocked currency. They can be destroyed, and, in my judgment, they will be destroyed. They will be destroyed by one device or another, perhaps by the manipulation of these foreign currencies, if we do not use them. They can be destroyed by the device of currency inflation or currency deflation, or they will remain there until the pressures on us get so great that we will abandon the currencies to those countries.

I said that we had better get some use out of the money while we could, because, in my judgment, if we do not use them that money will go down the drain eventually, either by donation from us or by currency manipulation by the countries involved.

Mr. DOUGLAS. It is not the contention of the Senator from Illinois that these sums should be unused. It is my intention that they be used for better purposes. That is all.

Mr. LEHMAN. Mr. President, will the Senator yield further?

Mr. DOUGLAS. I yield gladly.

Mr. LEHMAN. I again wish to say that the Senator from New York certainly was very careful not to impute any wrong motive or conscious inaccuracy to the Senator from Iowa.

The PRESIDING OFFICER. The Senate will be in order.

Mr. LEHMAN. I merely quoted from the CONGRESSIONAL RECORD. I should like to draw the attention of the Senate to the fact that there is no indication that these credits will be allowed to pass down the drain. Some of them are being repaid. Many are being used for useful purposes in the countries of their origin. Right now, I should like to say to the Senator from Illinois and my other colleagues on the floor that such is the situation with respect to Mexico. I read from page 5979 of the RECORD:

> 5. MEXICO
>
> (Source: Lend-lease)
>
> A. The balance due under this settlement arrangement, $3,250,000, is payable $1 million in January 1953 (payment has been made) and $750,000 each January 1954, 1955, and 1956. The Government of Mexico will still owe a balance of $6,750,000 after the above payments are made. A new settlement arrangement will be worked out at that time. Funds acquired under this agreement are available for any United States expenses in Mexico.

These repayments would seem to me clearly to indicate that we would be using the equivalent of cash if we were to erect the proposed buildings, which are not necessary at all, in view of the effort which is being made to economize and save our resources for defense and for health and research and welfare and education, all of which are so greatly necessary for the security and welfare of the people of the United States.

Mr. DOUGLAS. I may say, in reply to my colleague, we have been carrying on an extensive program, as the Senate knows, for the eradication of the hoof and mouth disease in Mexico, so that contaminated cattle in Mexico will not spread the disease in the United States. The fund could be used for that purpose, and I think to much better advantage than for the construction of a $650,000 palace for the State Department people in Mexico City.

SEVERAL SENATORS. Vote! Vote!

Mr. KENNEDY. Mr. President, will the Senator from Illinois yield for a question?

Mr. DOUGLAS. I yield.

Mr. KENNEDY. Yesterday the senior Senator from South Dakota [Mr. MUNDT] stated that the amount of money involved is one-half of one percent of the total credits owed to us. That statement is to be found on page 5978 of the CONGRESSIONAL RECORD.

However, as the Senator from Louisiana [Mr. ELLENDER] pointed out, as shown on page 5979 of the CONGRESSIONAL RECORD, some of these credits would not become available to us until the year 2000.

Therefore, in the case of the total amount now owed to us—which is slightly more than $42 million—that means that the amount under discussion today is not one-half of one percent of what is owed to us, but is 10 percent of the credits we have today; is not that correct?

Mr. DOUGLAS. The Senator from Massachusetts is correct.

Mr. ELLENDER. Mr. President, I renew my motion to lay on the table the motion of the Senator from Illinois to reconsider the vote by which the committee amendment on page 5, after line 11, was agreed to.

Mr. DOUGLAS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	Morse
Barrett	Hayden	Mundt
Beall	Hendrickson	Neely
Bennett	Hennings	Pastore
Bricker	Hickenlooper	Payne
Bridges	Hill	Potter
Butler, Md.	Hoey	Purtell
Byrd	Holland	Robertson
Capehart	Humphrey	Russell
Carlson	Jackson	Saltonstall
Case	Jenner	Schoeppel
Chavez	Johnson, Colo.	Smathers
Clements	Johnson, Tex.	Smith, Maine
Cooper	Johnston, S. C.	Smith, N. J.
Cordon	Kefauver	Smith, N. C.
Daniel	Kennedy	Sparkman
Douglas	Kilgore	Stennis
Duff	Knowland	Symington
Dworshak	Kuchel	Taft
Eastland	Langer	Thye
Ellender	Lehman	Tobey
Ferguson	Malone	Watkins
Flanders	Martin	Welker
Fulbright	Maybank	Wiley
George	McClellan	Williams
Goldwater	Millikin	Young
Gore	Monroney	

Mr. SALTONSTALL. I announce that the Senator from Nebraska [Mr. GRISWOLD] is absent on official business at the Pentagon.

The PRESIDING OFFICER (Mr. COOPER in the chair). A quorum is present. The question is on agreeing to the motion of the senior Senator from Louisiana to lay on the table the motion of the senior Senator from Illinois to reconsider the vote by which the committee amendment beginning on page 5, line 12, and extending through line 4 on page 6, was agreed to.

Mr. DOUGLAS. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BUSH] is absent by leave of the Senate.

The Senator from Illinois [Mr. DIRKSEN] is absent by leave of the Senate on official committee business.

The Senator from New York [Mr. IVES] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

The Senator from Nebraska [Mr. BUTLER] and the Senator from Wisconsin [Mr. MCCARTHY] are necessarily absent.

The Senator from Nebraska [Mr. GRISWOLD] is absent on official business at the Pentagon.

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Iowa [Mr. GILLETTE], the Senator from Wyoming [Mr. HUNT], the Senator from Oklahoma [Mr. KERR], the Senator from Louisiana [Mr. LONG], and the Senator from Nevada [Mr. MCCARRAN] are absent by leave of the Senate.

The Senator from Delaware [Mr. FREAR] is absent by leave of the Senate because of a death in his family.

The Senator from Washington [Mr. MAGNUSON] is absent by leave of the Senate on official committee business.

The Senator from Montana [Mr. MANSFIELD] is absent on official business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

I announce further that, if present and voting, the Senator from Oklahoma [Mr. KERR], the Senator from Louisiana [Mr. LONG], and the Senator from Montana [Mr. MANSFIELD], would vote "nay."

The result was announced—yeas 64, nays 16, as follows:

YEAS—64

Aiken	Gore	Mundt
Barrett	Green	Payne
Beall	Hayden	Purtell
Bennett	Hendrickson	Robertson
Bricker	Hennings	Russell
Bridges	Hickenlooper	Saltonstall
Butler, Md.	Hill	Schoeppel
Byrd	Hoey	Smathers
Capehart	Holland	Smith, Maine
Carlson	Johnson, Colo.	Smith, N. J.
Case	Johnson, Tex.	Smith, N. C.
Chavez	Johnston, S. C.	Stennis
Cooper	Kefauver	Symington
Cordon	Kilgore	Taft
Daniel	Knowland	Thye
Duff	Kuchel	Tobey
Dworshak	Langer	Watkins
Eastland	Malone	Welker
Ellender	Martin	Wiley
Ferguson	Maybank	Young
Flanders	McClellan	
George	Millikin	

NAYS—16

Clements	Jenner	Pastore
Douglas	Kennedy	Potter
Fulbright	Lehman	Sparkman
Goldwater	Monroney	Williams
Humphrey	Morse	
Jackson	Neely	

NOT VOTING—16

Anderson	Griswold	Mansfield
Bush	Hunt	McCarran
Butler, Nebr.	Ives	McCarthy
Dirksen	Kerr	Murray
Frear	Long	
Gillette	Magnuson	

So Mr. ELLENDER's motion to lay Mr. DOUGLAS' motion on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. FERGUSON. Mr. President, I call up my amendment designated as "6–3–53–B" and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Michigan.

The CHIEF CLERK. It is proposed, on page 48, to strike out lines 3 to 7, inclusive.

Mr. FERGUSON. Mr. President, this amendment seeks to strike from the bill, on page 48, lines 3 to 7, inclusive, which lines read as follows:

Rama Road, Nicaragua: For necessary expenses for the survey and construction of the Rama Road, Nicaragua, in accordance with the provisions of section 5 of the Federal-Aid Highway Act of 1952 (66 Stat. 160), $1,000,000, to remain available until expended.

A number of years ago, Mr. President, when I was a member of the War Investigating Committee known as the Truman committee, I was sent by that committee to make an investigation of the Pan-American Highway. I discovered that there was a Rama Road being constructed, running east and west, which was no part at all of the Inter-American Highway.

After looking into the facts, I discovered that the President of the United States had, without authority of Congress, allotted $4 million for the construction of a highway known as the Rama Road, which was to be some 165 miles long. The money was taken from the emergency fund of the President. That is the only money which the United States has given for that purpose, and it was spent in 1942.

Some money on the road has been spent by Nicaragua. I feel that when we are going into the red on our budget, and it is impossible for the United States to balance its budget and still provide for its national defense, the time has come when we should, if possible, save a million dollars on this item. There are many, many places in America where there is more urgent need for funds for highway purposes. The Inter-American Highway is being constructed, and Congress is appropriating money for that purpose. There is an opportunity to save a million dollars on this item.

On page 48 of the bill is an item of $1 million for the Inter-American Highway. I have no objection to that, but I feel at this time that even though the money was authorized in 1952, there is a need for economy in America, and this is one item on which we can save a million dollars.

The question has previously been debated on the floor of the Senate, and I hope we may eliminate this appropriation from the bill so that the question can be in conference, and we can discuss it with the House in order to be in a position to save a million dollars.

Mr. COOPER. Mr. President, will the Senator from Michigan yield for a question?

Mr. FERGUSON. I shall be glad to yield.

Mr. COOPER. I was not a Member of the Senate in 1952, when the authorization was made, and I should like to ask the Senator from Michigan if it is not true that the United States, through its representative, the President, or whoever it might be, made an agreement with Nicaragua through which we received a quid pro quo, and in return agreed to construct the highway, or, at least, to supply funds for that purpose

Mr. FERGUSON. There was no consideration whatever. A treaty had been entered into between the United States and Nicaragua allowing the United States to construct a canal across Nicaragua, but there was no agreement whatever to build the canal. In 1942, the President of the United States gave Nicaragua $4 million, at a time when Nicaragua needed some economic support. That was one means of providing economic support. There was no agreement to give Nicaragua any further money. The money was a gift from the United States. I know of no commitment, other than the statement of the State Department that Nicaragua would like to build this highway.

Mr. COOPER. I should like to make it clear that I have not talked to anyone in the State Department about the matter. I do have some independent knowledge of it, and I want the subject clarified. I should like to ask the Senator if, at the time the treaty was entered into, this country made any representations to Nicaragua that a highway would be constructed?

Mr. FERGUSON. None whatever. The highway was not even considered. The treaty involved the construction of a canal, and that treaty is still in existence.

Mr. COOPER. Then, I ask the Senator, if it is not the fact that at the time the later arrangement was made by the President of the United States, and, in further consideration of our right to build the canal, if need should ever develop, that it was agreed to appropriate or to make available funds to Nicaragua for the highway?

Mr. FERGUSON. No; because the treaty remained in effect.

Mr. COOPER. What was the basis, then, of the original appropriation for the highway?

Mr. FERGUSON. We never appropriated for it. The President of the United States had an emergency fund, and out of that emergency fund he took $4 million, unknown to the Congress of the United States or to the people of the United States, and gave it to the Government of Nicaragua to help to survey and

build the highway. That $4 million was used on the construction of the highway.

Mr. COOPER. What was the basis of the act in 1952?

Mr. FERGUSON. It was an authorization act.

Mr. COOPER. What was the basis of making the authorization? Was it not to carry out the moral obligation, entered into in our interest, in time of war?

Mr. FERGUSON. Congress decided that it would provide more money to complete the highway, but the House first authorized it, and I believe that is how the matter came to the Senate.

Mr. COOPER. Was not the proposal connected with the availability of a route which might be needed for the construction of a canal helpful to the defense of the United States? And for a coast-to-coast road between the oceans also helpful to our defense?

Mr. FERGUSON. At present I know of no question of defense involved. I feel that if ever there was an item in a bill where we could save a million dollars in cash, it is the item in the bill now pending for the construction of this highway.

Mr. COOPER. I realize that a million dollars could be saved. But the question goes to our moral obligations to a sister American country.

Mr. FERGUSON. The fact that Congress has authorized an appropriation is no reason why, when we are trying to avoid an unbalanced budget and a deficit, and are unable to reduce our own taxes, we should include in the bill an item of a million dollars of the taxpayers' money to build this highway. I want the Senator to understand that the proposed road is not a part of the inter-American highway.

Mr. COOPER. Certainly I agree that a million dollars could be saved. That is not the question. It is a question of our representations and agreements. A question of good faith on the part of the United States toward a sister nation, one of the Latin American countries. We must keep faith with our promises and toward our friends.

Mr. FERGUSON. I have in mind keeping our legitimate legal agreements, but we have no legal agreement with respect to this road. The President had a right, by means of the emergency fund, and without the consent of Congress, to allocate $4 million. That is not disputed. He could have given it to anyone, for any reason whatsoever. But at this critical time, in the economic conditions with which we are faced, I know of no reason why we should appropriate in this bill a million dollars for this road.

When the Bureau of the Budget has halted all construction programs in America so that they can be resurveyed in order to determine whether or not the budget can be balanced and taxes reduced, I see no reason why we should include a million dollars for a highway in Nicaragua. No work has been done on that highway since the appropriation in 1942, and again in 1943, when the money was expended.

Mr. COOPER. Does the Senator believe that his analogy is correct? I do not think it is. The freezing of some public works is one thing. But that has nothing to do with the matter of our agreements and good faith toward Nicaragua. That is most important to our relations with our Latin American friends. I will vote for the appropriation.

Mr. FERGUSON. In my opinion, we ought to consider our moral obligation to American taxpayers. Every day we are considering what people call moral obligations to other nations, but I believe the time has come when the taxpayers of the United States, with the heavy burdens that are upon them, must be considered. The United States Congress owes a moral obligation to the taxpayers of our country.

When projects in the United States are being deferred, why cannot a project in Nicaragua be deferred? Under another agreement, pertaining to the Inter-American Highway, we are giving Nicaragua, in this bill, another million dollars. I do not believe there is any economic condition which indicates that we owe the obligation to Nicaragua to build this Rama Road at the present time. Therefore, I ask the Senate to vote to strike this item from the bill.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. HOLLAND. I am sorry I am not able to agree in any aspect of this issue with the distinguished Senator from Michigan. In the first place, I believe there is a moral obligation involved. In the second place, I think that Congress had an actual understanding, made in wartime, and only last year agreed to again in Congress by the action which was taken last year.

Let me state the facts in brief. During the Second World War, Nicaragua declared war against our enemies. I believe her declaration was made almost on the identical day when the United States declared war. Nicaragua offered the United States naval bases, both on the Caribbean and the Pacific coasts. We established wartime naval bases in Nicaragua.

There is no road across Central America, except in the Canal Zone, so at that time it was thought to be desirable, and it still is desirable, to have a highway from the Caribbean to the Pacific.

Aside from that, an argument arose at that time because Nicaragua interpreted our earlier treaty differently from the interpretation which the United States placed upon it. We regarded the treaty as simply giving the United States an option to be taken up at some future time, if we decided to build a second interoceanic canal through Nicaragua. Nicaragua, to the contrary, felt that we were under obligation to build such a canal, and at that time there was a real argument between the President of Nicaragua and our own President.

The President of the United States, under war conditions—and it makes no difference whether he was a Democrat, a Republican, or a member of any other party, he was a wartime President of the United States—entered into an agreement with the President of Nicaragua, under which Nicaragua would drop its claim that the United States was obligated to build a canal, but, instead, would allow us, in exchange for the building of a road, which is relatively inexpensive as compared to a canal, to put the canal treaty on the basis which we had insisted it ought to occupy, namely, as an option to build a canal at some time in the future, at our discretion.

The President of the United States entered into that agreement, and he applied, as the first construction funds, some of the war emergency funds which were given to him by Congress for spending, because in time of war such a course of action is regarded as reasonable in order to hold up the hands of our Commander in Chief and the Chief Executive of the Nation.

Mr. President, this road is not the most important in the world, but it runs from the Inter-American Highway near Managua, on or near the Pacific Coast, to El Bluff, which is at the head of navigation on a navigable river on the Caribbean. It is more than half constructed.

My recollection is that this subject was debated in the Senate at great length last year, and the Senate, by a decided majority, finally added its approval to the approval which had already been given in the House to the completion of the highway, by authorizing $4 million, $2 million of which was to be spent this year and $2 million next year.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. HOLLAND. In just a moment, after I have completed this part of my statement.

I am not speaking from second-hand information as to what the documents prescribed, because I served on the committee which saw the documents only last year. Those documents were mentioned and quoted upon the floor of the Senate last year.

In addition, I had the responsibility, which was also a privilege, to represent the Congress at the Pan-American Highway Congress in Mexico City last fall. I wish to say to the Senate that not just from one of those countries, but from numerous countries, there came expressions of gratification that Congress had recognized an obligation entered into during wartime between our Chief Executive and the President of Nicaragua, and had proposed to see this project through.

I now yield to the Senator from Michigan.

Mr. FERGUSON. Mr. President, I merely wish to invite the attention of the Senator to the vote on the Ferguson-Bridges amendment, which sought to eliminate section 6 of the authorization bill, which authorized $8,000,000 for completion of the Rama Road in Nicaragua. The language was stricken out in the Senate and restored in conference. Then the conference report was agreed to. As we all know, a conference report must be voted up or down. The Senate cannot strike out any particular item. It must accept or reject a conference report as a whole.

Mr. HOLLAND. The Senator is correct, of course. However, the fact of the matter is, as I have stated, that the Senate joined the House in the passage of that measure; and, to the degree that the authorization of the money needed to build this highway would serve as a recognition of the obligation made in wartime, we did just that last year.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from New Mexico.

Mr. CHAVEZ. If the Senator from Florida will be kind enough to indulge me for just a moment, I should like to make one or two observations.

Mr. HOLLAND. I gladly yield.

Mr. CHAVEZ. Aside from the saving of the terrific expense which would have to be incurred in order to construct a canal, the authorization by Congress of a comparatively small amount is the law. That is recognized. Whether the President was a Democratic President or a Republican President, the authorization by Congress is the law.

Let me say to my good friend from Michigan that, of course, I wish to save money. I think a great deal more money could be saved by eliminating some of the foolishness in the Voice of America broadcasts to South America. Many millions of dollars could be saved in that field. The appropriation involved in this case really represents a saving, in addition to the fact that it is an investment in good will so far as Latin America is concerned.

If we fail to carry out our solemn obligation we shall be saying, in effect, "We who have the power of might say that we will not fulfill our solemn obligation." We can do so. But are we trying to teach the world that that is our intention? Is that what we are trying to impress upon the so-called free countries? Are we to say, in the case of a small country which cannot defend itself, that we do not propose to carry out an obligation after we have entered into it?

Let us consider the subject from the economic standpoint. What kind of automobiles do Senators suppose would roll on the Rama Road? They would be automobiles built in the State of my good friend from Michigan—in Lansing, Detroit, and other places.

I know that money has been wasted throughout the world, as well as in Latin America. Not only would this appropriation not be wasted, but it would be in keeping with the dignity of a powerful nation. That is the point I wish to make. Of course we can fail to make an appropriation for this purpose. We do not have to provide one penny. But should we take such a course? That is the question.

I thank the Senator from Florida for yielding.

Mr. HOLLAND. I appreciate the contribution of the distinguished Senator from New Mexico. He has placed the argument on the proper basis. There is an obligation on the Congress to support our solemn action taken last year, after this question had been argued ever since World War II. The present Bureau of the Budget has not been too generous this year in approving projects. It did not approve this project for the full $2 million authorization. It recommended an appropriation of $1 million, to show that we intend to carry out the obligation, an obligation into which we entered last year.

Mr. CHAVEZ. Mr. President, will the Senator further yield?

Mr. HOLLAND. I yield.

Mr. CHAVEZ. Is it not true that the original budget recommendation was for $2 million?

Mr. HOLLAND. I am unable to say. All I know is that the present Budget Bureau recommended and the House approved an appropriation of $1 million, and that the authorization was for $2 million.

Mr. CHAVEZ. Is it not also true that the present administration recommended $1 million?

Mr. HOLLAND. That is correct.

Mr. CHAVEZ. The House, following not the Truman recommendation of $2 million, or the authorization of $2 million, accepted the recommendation of the present administration, made through the Budget Bureau.

Mr. President, will the Senator from Florida yield for a further observation?

Mr. HOLLAND. I yield further.

Mr. CHAVEZ. I should like to ask the Senator from Louisiana [Mr. ELLENDER] if it is not true that the present President of the United States, at the time when he was Assistant Chief of Staff, back in 1942 or 1943——

Mr. ELLENDER. In 1942.

Mr. CHAVEZ. Is it not a fact that in 1942 he recommended this particular project?

Mr. ELLENDER. Yes; and I intend in a few moments to document that statement for the benefit of the Senate.

Mr. STENNIS. Mr. President, will the Senator yield for a very brief question?

Mr. HOLLAND. I yield.

Mr. STENNIS. The Senator from Florida will remember that this subject was rather thoroughly discussed and debated after the hearings were held in the Public Works Committee.

If the Senator will permit a statement, I was not originally in favor of this project, in view of the facts as I understood them. After going into all the proof, however, I became fully convinced that the United States has a moral obligation with reference to the agreement and understanding entered into. I think we are fortunate in being able to meet that obligation with such a relatively small expenditure. For these reasons I think we are bound to support this appropriation.

Mr. HOLLAND. I thank the distinguished Senator from Mississippi.

Mr. AIKEN. Mr. President, will the Senator yield for an observation?

Mr. HOLLAND. I yield.

Mr. AIKEN. The Senator from Vermont would like to associate himself with what the Senator from Florida has said. We all know that during the past 10 years or so our country has made many unwise commitments. However, it is even more unwise to fail to meet a commitment, particularly to one of our Latin-American neighbors, than it is to make a bad commitment in the first place. I presume this is one of our good commitments. I feel that it is quite essential, having once entered into an understanding that we would go through with this project, for the Congress to make provision for continuing it.

Mr. HOLLAND. I thank the distinguished Senator. I agree entirely with his comment.

Mr. President, this relatively small neighbor of ours is recognized as one of the best neighbors we have in this entire area, because of her continued loyalty to this country. The obligation involved is relatively small from the financial standpoint. Only last year we authorized this project. Countless millions are being spent on intangibles, which vanish and dissolve quickly, without leaving a good, tangible asset. The pending proposal involves completing the construction of what is really a transcontinental highway for 165 miles across the Central American area, from the Caribbean to the Pacific. It will be the only such highway in existence, except at the Panama Canal. It has real importance from many points of view.

Furthermore, we are looked upon daily with concern by our small neighbors, some of whom are wondering whether or not we intend to fulfill our obligations, and whether we intend to do for those who are close to us things which are at least in some small degree comparable to what we are doing for people much farther away, and in such an intangible and extravagant manner in some cases.

I think this is an obligation which we should continue to recognize, and which we should live up to.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

OUR STRATEGIC TRADE AREA

Mr. MALONE. Does the distinguished Senator from Florida agree with the junior Senator from Nevada that if we are to have a trade future it will be with South America and Asia, and not with Europe?

Mr. HOLLAND. I certainly agree with the distinguished Senator that one of our greatest opportunities for trade in the future, and for peaceful living and development in the future, will be through our associations with South America and Central America.

Mr. MALONE. Mr. President, will the Senator further yield?

Mr. HOLLAND. I yield.

Mr. MALONE. It may be that this Nation will at some future time reassess its danger and its need for strategic and critical minerals and materials, including fuels, which we must have in time of war. It may be possible that at some future time such strategic and critical minerals and materials can be obtained only where land transportation is available.

Mr. HOLLAND. That might become the case.

SELF-SUFFICIENT

Mr. MALONE. If the distinguished Senator from Florida will allow me to make a statement, I should like to say that in the opinion of many distinguished engineers in this country the United States can be made self-sufficient in the production of strategic and critical minerals, materials, and fuels which are needed to support the economy of this country in order to fight a war in the event it should have to be done.

TRADE BETWEEN MANUFACTURING AREAS

Trying to promote trade between old Europe, a processing and manufacturing group of countries, and a manufacturing and processing country such as the

United States, has always reminded the junior Senator from Nevada of two barbers in the same block trying to make a living shaving each other. On the other hand, the countries of South America, have products to sell which we need.

VITAL RAW MATERIALS IN SOUTH AMERICA

Mr. HOLLAND. Mr. President, I hope the Senator from Nevada will permit me to compliment him on his colorful illustration of the situation.

Mr. MALONE. The countries of South America produce what we can use, and we produce what they will be able to buy during the next 50 years before they reach the point of mass production in manufacturing.

EUROPE AND UNITED STATES BOTH MANUFACTURING AREAS

In the case of Europe, we must proportionately reduce our production here in an amount equal to what we buy from them, and everything they buy from us which they also manufacture requires that they reduce their volume of production proportionately.

BILLIONS TO INCREASE EUROPE'S PRODUCTION

Still we will send perhaps six or seven billion dollars over there this year with which they can build plants to produce in competition with us and sell their products to Russia and the other Iron Curtain countries.

I believe the distinguished Senator from New Mexico and the junior Senator from Nevada took a trip through Nicaragua in 1950.

Mr. CHAVEZ. Yes; with the Senator from Missouri.

SPEND SOME MONEY IN CENTRAL AND SOUTH AMERICA

Mr. MALONE. We spent some time in Nicaragua. It is time that we spent some money in some places where it will be of benefit to us. If we are to spend some money abroad, let us spend some of it in Central and South America.

Mr. CHAVEZ. In my opinion, this is the kind of obligation that we should meet, because it will save more millions of dollars than all the point 4 programs and the Voice of America put together.

EUROPE AND IRON CURTAIN LINKED BY TREATIES

Mr. MALONE. The point 4 and Voice of America programs in Europe will merely further arm our potential enemies.

Mr. President, what is being disclosed before the McCarthy investigating committee is evidence with which all of us on the floor of the Senate were familiar 4 years ago.

The junior Senator from Nevada debated with the distinguished Senator from Michigan, Mr. Vandenberg, on the floor of the Senate and showed him that the treaty which England had with Russia, dated May 26, 1942, provided in article VI that the high contracting parties agree to render one another all possible economic assistance after the war and revealed to the Senate that the North Atlantic Treaty which we were then about to ratify contained a similar provision. That treaty between Great Britain and Russia is still in good standing, as anyone can see for himself, if he will read it. France has a similar treaty with Russia on mutual security, signed December 10, 1944. These treaties are similar to the treaty that Communist China has with Russia. England, of course, recognizes Communist China. Yet, in spite of these alliances, we will send $6 billion overseas, I suppose, this time in cash, and perhaps even more in offshore purchases. That fact could be brought out by investigation.

Mr. President, we are being taken advantage of with respect to contracts and as to the repairs for which we are letting contracts abroad. Investigation would show that to be the fact, if the Committee on Armed Services saw fit to investigate it.

WE SUPPORT THE COUNTRIES OF EUROPE

Nevertheless, we are supporting every one of those nations, each one of them with either a king or a queen. They will not trade among themselves. For example, it is impossible to sell Italian oranges in Belgium, or Belgian steel in Italy. They all look to us to furnish them the markets.

A bill is now before the House of Representatives and is being studied in committee which proposes to extend for another year the so-called Reciprocal Trade Agreements Act; in other words, to extend free trade. Eventually it will come to the Senate.

If the Senator from Florida will yield for a statement——

Mr. HOLLAND. I yield.

TWO WAYS TO DESTROY THIS NATION

Mr. MALONE. There are two ways to destroy this Nation. One of them is by political means. It can be done with communism or any other ism. There is no doubt that the final objective of socialism and communism is complete government ownership. The only difference is the method. A Communist shoots a person, and a Socialist spends him into government ownership. We have been doing that for 20 years. Communism is merely impatient socialism.

We have identified communism, but we have not identified the economic approach to destroy this Nation. This economic approach is the sending of billions of dollars to Europe to build their production capacity far beyond their ability to consume and then succumb to their free-trade plan to give them the American markets and destroy the workingmen of America. The free-trade conspiracy is designed to do exactly that.

Therefore, I say that if we are to spend money, let us spend a little of it where it will still accomplish some good.

Mr. HOLLAND. Mr. President, I did not intend to speak at such length. Before closing, I may say to the distinguished Senator from Nevada that if I had not already been of the conviction that the proposal to build the Rama Road was a good program, my visit in Mexico City and the Pan-American Road Congress last fall certainly would have led me to that conclusion.

To me it was an inspiring sight to see 500 delegates from 20 friendly Republics, including our own, speaking 4 different languages, yet being able to speak and understand the same language on the subject of road development and road construction.

In deference to the Senator from Nevada, who happens to be a member of the great engineering profession, I will say that as I saw these engineers, gathered together from various countries, putting through enterprises which are of great importance to all countries, including our own, it seemed to me that there was more common understanding, more mutuality, and a greater ability to understand and speak the same language—than in any other group of men I had ever observed in my life.

I think it would be a great mistake not to go through with this Government's obligation.

Mr. ELLENDER. Mr. President, the distinguished Senator from Florida has covered most of the ground that I had intended to cover. However, I should like briefly to document the various steps that were taken by our Government and the Government of Nicaragua which finally led to the proposal by our Government to build the Rama Road.

There is no doubt that the reason why the Nicaraguan Government agreed to grant to us in perpetuity the right to build another canal across the isthmus was because of the expected trade that would flow and which would benefit Nicaragua, which extends from the Pacific to the Atlantic.

Having acquired the right to build the canal in 1916, the project seems to have been pushed into the background, the Panama Canal having been completed in the meantime and put into successful operation. Except for a survey and report by an Inter-Ocean Canal Board, authorized by Congress in 1929 and completed in 1931, nothing more was done until 1938, when apparently the President of Nicaragua made inquiries as to whether or not the Government of the United States intended to build the new canal. On a visit to Washington in 1939, conversations were had between President Roosevelt and President Somoza of Nicaragua, and there was discussed at that meeting the feasibility of building a barge canal, instead of the deep-water channel originally proposed. Following those conversations there was an exchange of notes between the two Governments. I should like to read at this point the proposal that was submitted to our President by the President of Nicaragua, under date of May 22, 1939:

Adequate transportation facilities are a prime requisite to the development of the production and trade of a nation. It is the opinion of the Government of Nicaragua that it is of paramount importance to link together the productive regions of the east coast of Nicaragua with the more densely populated productive regions of the interior and the Pacific coast, and to provide a more direct channel of communication for commerce between Nicaragua and the United States. This objective could effectively be attained by the canalization of the San Juan River for vessels of moderate draft and, if possible, by a complementary waterway from Lake Nicaragua to the Pacific. I desire to inquire whether the assistance of the Government of the United States might be extended to assist my Government in the realization of this project. Specifically it would be necessary in any event as a first step to have precise surveys and estimates, and I am hopeful that it will be feasible for the Government of the United States to send

engineers of the United States Engineer Corps for this purpose.

President Roosevelt answered President Somoza's inquiry on the same day, May 22, 1939, as follows:

Regarding your suggestion for the canalization of the San Juan River for vessels of moderate draft, I have been pleased to instruct the United States Army Engineer Corps to make the necessary studies and surveys of a canalization and highway project to link the eastern and western regions of Nicaragua. I am impressed with the thought that such a project would very greatly facilitate and expedite communications between your country and mine, and by opening new areas to the production of complementary noncompetitive products, would provide new bases for an increase in commerce between those areas and the United States. Moreover, it is obvious that should occasion arise, the existence of such a waterway would have a very important bearing upon the defense of the hemisphere.

As soon as the necessary financial arrangements can be made in this country, a board of four officers of the Corps of Engineers, accompanied by an official of the United States Engineer Department and an officer of the Army Medical Corps will be sent to Nicaragua. It is expected that the board would leave for Nicaragua next July and would be able to carry out the studies of the project within a few months. Upon the basis of their reports we can take such further action as seems in the common interest of our two countries.

Mr. President, following the exchange of those notes, the President of the United States sent to Nicaragua several engineers from the Corps of Engineers; and a survey was made to determine whether it was feasible to build the barge canal under discussion.

In 1942 a report was submitted by the Corps of Engineers, in which the conclusion was reached that the building of the barge canal was not feasible.

Our Secretary of State communicated this information to the Nicaraguan Government, under date of April 8, 1942, and in the same document recommended that instead of the barge canal, a road be built; our Government to construct the road between San Benito and Rama, at our cost, and also furnish the survey for a highway from Rama to El Bluff.

I shall quote from the document which was sent by our Government to the Government of Nicaragua, in which we indicated the impracticality of building the barge canal, and offered instead to build a road from San Benito to Rama:

APRIL 8, 1942.

His Excellency Dr. MARIANO ARGUELLO,
Minister for Foreign Affairs of Nicaragua.

EXCELLENCY: With reference to conversations which Your Excellency has held with officials of this Government and to conversations held by His Excellency President Somoza during his visit to Washington in 1939, I have the honor to inform you that careful and sympathetic consideration has been given by the appropriate officials of this Government to the matter of developing communications between the eastern and western sections of Nicaragua. In this connection I refer particularly to the Nicaraguan Legation's memoranda of November 30, 1938, and August 10, 1940, and to the exchanges of views with regard to the possible canalization of the San Juan River.

I regret to inform Your Excellency that these studies have clearly shown that the construction of the proposed barge canal is economically impracticable and that, therefore, I consider the project to be one to which the two Governments will wish to give no further consideration. However, my Government is fully aware of the importance of linking the east coast regions of Nicaragua with the regions of the interior and the Pacific coast. The matter is one which has been frequently discussed by representatives of our two Governments. It has now been agreed that the most promising method of achieving the objective would be the construction of a road from San Benito on the Inter-American Highway north of Managua to Rama on the Escondido River, from which point river communication to El Bluff and Bluefields on the Atlantic is available.

It is the opinion of my Government that the existence of the road mentioned would have, under present circumstances, a very important bearing upon the defense of the hemisphere.

Therefore, taking into account the spirit of the communications which were exchanged on May 22, 1939, between President Somoza, of Nicaragua, and President Roosevelt, of the United States, my Government is willing, at its own expense, to carry out the following:

(a) The construction of a highway between San Benito and Rama.

(b) The survey and recommendation of the route of a highway from Rama to El Bluff; the construction and financing of such a road being a matter for the decision of the Nicaraguan Government in the light of the survey, and no obligation in regard thereto being contemplated by this Government.

The construction of the road from San Benito to Rama and the survey from Rama to El Bluff will, in the opinion of my Government, constitute a complete execution by my Government of any obligation which it may have incurred particularly under numbered paragraph "I" of the aforesaid exchange of letters of May 22, 1939.

From the technical and administrative point of view, it would seem desirable that the construction of the proposed highway from San Benito to Rama and the survey from Rama to El Bluff be carried out in the manner contemplated in the subsidiary agreement to be reached between the pertinent Nicaraguan authorities and the United States Public Roads Administration for the completion of the Inter-American Highway.

Accept, Excellency, the assurances of my most distinguished consideration.

SUMNER WELLES,
Acting Secretary of State of the United States of America.

Mr. President, that was the proposal which was made by our Government and was transmitted by our then Acting Secretary of State, Mr. Sumner Welles. That proposal, made by our Government to the Government of Nicaragua, was accepted by the Nicauraguan Government, and pursuant to it, the President allocated $4 million out of a special fund to survey and construct the highway. This allocation of funds was made available in August 1942.

Mr. President, I now ask unanimous consent to have printed at this point in the RECORD the document of acceptance by the Government of Nicaragua.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

LEGATION OF NICARAGUA,
Washington, D. C., April 18, 1942.
No. 693.

His Excellency BENJAMIN SUMNER WELLES,
Acting Secretary of State,
Washington, D. C.

EXCELLENCY: I have the high honor to acknowledge the receipt of your courteous note of the 8th instant, in which Your Excellency is pleased to advise—

(a) That in connection with the conversations held by President Somoza during his visit to Washington in 1939 and recently by myself with officials of the Government of the United States, the latter have carefully studied the question relative to the development of communications between the eastern and western parts of Nicaragua; and in that connection, Your Excellency refers particularly to the memoranda of the Legation of Nicaragua in Washington of November 30, 1938, and August 10, 1940, and to the exchange of opinions betwen the two Governments concerning the possible canalization of the San Juan River;

(b) that Your Excellency regrets to inform me that the studies made with regard to the said canalization show that the work is economically impracticable and that, for that reason, Your Excellency considers that the Governments of the United States and of Nicaragua will not desire to give new consideration to this project;

(c) that, nothwithstanding, Your Excellency's Government is fully convinced of the importance of connecting the regions of the east coast of Nicaragua with those of the interior and with the Pacific coast, and that now it has been considered that the best means of accomplishing this objective would be the construction of a highway from San Benito, in the section of the Inter-American Highway to the north of Managua, to Rama, on the Escondido River, from which river communication to Bluefields and to El Bluff on the Atlantic is possible;

(d) that, in the judgment of Your Excellency's Government, the said highway would have great importance for the defense of this hemisphere in the present circumstances; and

(e) that, as a consequence, taking into consideration the spirit of the communications exchanged on May 22, 1939, between President Roosevelt of the United States and President Somoza of Nicaragua, Your Excellency's Government is prepared to carry out at its own expense the construction of the highway between the said points, San Benito and Rama, as well as the study and recommendations for a highway from Rama to El Bluff, with the construction and financing of the latter highway a matter to be determined by the Government of Nicaragua without any obligation in this respect on the part of the Government of the United States of America.

Your Excellency adds, in the courteous note to which I have the honor to refer, that the construction of the San Benito-Rama highway and the study of the route from Rama to El Bluff will constitute, in the judgment of your Government, the complete performance of any obligation which it may have incurred, particularly in accordance with paragraph I of the said letters of May 22, 1939; and that from a technical and administrative point of view it would be desirable that the construction of the proposed highway and the study in question be performed in the way contemplated in the supplementary agreement to be concluded between the Government of Nicaragua and the United States Bureau of Public Roads with regard to the Inter-American Highway.

In reply I am much pleased to advise Your Excellency that my Government accepts the valued offer made to it in the communication to which I am replying and expresses its appreciation to the Government of the United States which, upon this occasion, reveals once more its good will and high spirit of cooperation in solving the highly important problem of joining the Atlantic and Pacific regions of Nicaragua.

At the same time, I am pleased to advise Your Excellency that my Government, consistently with its international policy, and

deeming, like Your Excellency's Government, that this route toward the Atlantic side of Nicaragua will have great strategic importance, is immediately offering it for the use of the defense of the United States of America in the conflict in which our countries now find themselves engaged.

I avail myself [etc.].

MARIANO ARGUELLO,
Minister of Foreign Affairs of Nicaragua.

Mr. ELLENDER. Mr. President, the building of the road was commenced in 1942 by the Government of Nicaragua. By October of 1946 it became evident that the estimates which previously had been made of the amount necessary for the building of the road were inadequate and the Government of Nicaragua made attempts to obtain more funds from our Government. However, those attempts failed, and when the United States funds were exhausted the Government of Nicaragua spent considerable funds of its own.

At the time when the road was being built and at the time when our President made the offer to Nicaragua we were engaged in World War II, and the question was whether it would be beneficial to us from a standpoint of national defense to build the road. The Department of Defense was brought into the picture, and took the position that the road was necessary for our defense.

At this time I should like to read a letter which was sent to the Acting Secretary of State. The date of the letter is April 2, 1942, which was before President Roosevelt allocated the $4 million; but it was at about the same time that we agreed to build the Rama Road. It was submitted by the War Department to the Secretary of State, and bears the signature of our present Chief Executive, General Eisenhower, in his capacity at that time as Assistant Chief of Staff.

I now read the letter:

WAR DEPARTMENT,
WAR DEPARTMENT GENERAL STAFF,
OPERATIONS DIVISION,
Washington, April 2, 1942.

The honorable the ACTING SECRETARY OF STATE.

DEAR MR. SECRETARY: During a recent conversation which I had with Ambassador Boal and Mr. Bonsal, of your Department, I was requested by the latter to forward to you the War Department's opinion as to the desirability, from a military point of view, of building the Rama Road in Nicaragua.

The subject of munitions of war under lend-lease for Nicaragua and certain other military questions were also discussed.

With respect to the building of the Rama Road, it is the opinion of the Operations Section that the execution of this project will tend to increase the stability of the country, and so minimize the possibility of trouble which disaffected elements. The road would have a decided tactical value, should it become necessary for United States troops to intervene, either because of attempted uprising by the enemy nationals along the western coast, or because of an attempted hostile raid.

Sincerely yours,

DWIGHT D. EISENHOWER,
Major General,
Assistant Chief of Staff.

Mr. President, the appropriation that we are now being asked to make was recommended in the so-called Truman budget, and it was recommended in the Eisenhower budget. The House has already passed upon the issue, and it has recommended an appropriation of $1 million. Aside from the documents to which I have just referred, this Congress is on record as having authorized completion of the project. As pointed out by my distinguished friend, the Senator from Florida, a bill was enacted, Public Law 413, 82d Congress, chapter 462, 2d session. In that bill, in section 5, there is included this language:

SEC. 5. Recognizing the mutual benefits that will accrue to the Republic of Nicaragua and to the United States from the completion of the road from San Benito to Rama in said Republic of Nicaragua, the construction of which road was begun and partially completed pursuant to an agreement between said Republic and the United States, there is hereby authorized to be appropriated $2 million for the fiscal year ending June 30, 1953, and a like sum for the fiscal year ending June 30, 1954, for the construction of such road, to be available until expended. No expenditure shall be made hereunder for the construction of said road until a request therefor shall have been received by the Secretary of State from the Government of the Republic of Nicaragua nor until an agreement shall have been entered into by said Republic with the Secretary of State which shall provide, in part, that said Republic—

There are then quoted certain provisions which shall be included in the agreement before the money is made available. Mr. President, I ask that the remainder of section 5, as well as all of section 6 of said act, be incorporated in my remarks at this point.

There being no objection, the remainder of section 5 and all of section 6 were ordered to be printed in the RECORD, as follows:

(1) will provide, without participation of funds herein authorized, all necessary right-of-way for the construction of said highway, which right-of-way shall be of a minimum width where practicable of 100 meters in rural areas and 50 meters in municipalities and shall forever be held inviolate as a part of the highway for public use;

(2) will not impose any highway toll, or permit any such toll to be charged for the use of said highway by vehicles or persons;

(3) will not levy or assess, directly or indirectly, any fee, tax, or other charge for the use of said road by vehicles or persons from the United States that does not apply equally to vehicles or persons of such Republic;

(4) will continue to grant reciprocal recognition of vehicle registration and drivers' licenses in accordance with the provisions of the Convention for the Regulation of Inter-American Automotive Traffic, which was opened for signature at the Pan American Union in Washington on December 15, 1943, and to which such Republic and the United States are parties; or any other treaty or international convention establishing similar reciprocal recognition; and

(5) will maintain said road after its completion in proper condition adequately to serve the needs of present and future traffic.

(b) The funds appropriated pursuant to this authorization shall be available for expenditure in accordance with the terms of this act for the survey and construction of the said road from San Benito to Rama and for the survey but not for the construction of a road from Rama to El Bluff in the Republic of Nicaragua without being matched by said Republic, and all expenditures made under the provisions of this act for materials, equipment, and supplies, shall, whenever practicable, be made for products of the United States or of the Republic of Nicaragua.

SEC. 6. For the purposes of carrying out the provisions of section 1 of the act entitled "An act to provide for cooperation with Central American Republics in the construction of the Inter-American Highway" approved December 26, 1941 (55 Stat. 860), as amended by section 11 of the Federal-Aid Highway Act of 1950, approved September 7, 1950 (64 Stat. 785), there is hereby authorized to be appropriated, in addition to the sums heretofore authorized, the sum of $8 million for the fiscal year ending June 30, 1953, and a like sum for the fiscal year ending June 30, 1954, to be available until expended, to enable the United States to cooperate with the Governments of the American Republics situated in Central America—that is, with the Governments of the Republics of Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama—in the survey and construction of the Inter-American highway within the borders of the aforesaid Republics, respectively. Not to exceed one-third of the appropriation authorized for each fiscal year may be expended without requiring the country or countries in which such sums may be expended to match any part thereof, if the Secretary of State shall find that the cost of constructing said highway in such country or countries will be beyond their reasonable capacity to bear.

Mr. ELLENDER. Mr. President, there is no doubt that we are under both legal and moral obligation either to furnish the money to the Nicaraguan Government for completing the Rama Road or to complete it ourselves. I hope that the Congress will again vote in favor of upholding the good faith of our great country by the appropriation of $1,000,000 for the Rama Road as provided in the pending bill. From an economic standpoint alone it will pay big dividends, and there is no way by which we can measure the returns in friendship and good will that will accrue to our Nation if we carry out our bargain with our southern neighbor.

Mr. CHAVEZ. Mr. President, will the Senator yield for a question?

Mr. ELLENDER. I am ready to yield the floor.

Mr. CHAVEZ. Before yielding the floor, will the Senator yield for a question?

Mr. ELLENDER. I shall be glad to yield to the Senator.

Mr. CHAVEZ. Does not the Senator from Louisiana agree with me that, apart from the legal and moral obligation we have, in my opinion, to follow through on this matter, the very fact that we are a powerful Nation should impel us at least to keep our obligations with the smaller country?

Mr. ELLENDER. There is no question about that. It was my privilege to visit all of the countries of South America, during November and December of last year. I was really and truly impressed by the vast developments which had taken place in those countries, made possible by American capital. It is my sincere belief that we should work very closely with the countries to the south of us. I can visualize a time not too far distant when we shall be in need of natural resources, in order that we may continue the great industrial development that is now taking

place in our own country. If we are to replenish materials that will be needed in order to enable us to carry on that development in the future, we shall have to look to the countries to the south of us for them. And, Mr. President, let me say that not only does this apply to mineral resources, but as our population increases it will also apply to food and fiber.

The Senator well knows that our population is increasing today at the rate of over 6,000 per day. Our land resources in the United States are very limited. It is estimated that by 1975 our population will have increased to approximately 190,000,000. In order to provide the American people, 25 years hence, with the same standard of living which our people of today are enjoying, we not only will have to produce more food on the acreage we now have under cultivation, but we shall probably have to import some of our food requirements. I know of no better place for us to look than to the countries to the south of us for supplies of food to meet such shortages as may face us 25 or 30 years hence. It occurs to me that what we ought to do is to try now, if possible, to enmesh our economy with the economies of the countries of South America.

Mr. CHAVEZ. Is not this also true, that we have developed our country through industrialization and through the construction of good roads? I have always been under the impression, and I have been convinced, that good roads have been more toward the economic development of the country and for the obtaining and maintaining of the standards about which we now talk, than anything else that we may have done heretofore. In the visit to Latin America by the Senator from Louisiana, what automobiles, other than American-made automobiles, did he see rolling along the streets and roads?

Mr. ELLENDER. Very few.

Mr. CHAVEZ. Is it not true that, in Nicaragua, Argentina, or Brazil, and in every part of South America, if there is a road, one may observe American cars rolling along on the streets and highways?

Mr. ELLENDER. That is correct. There is no doubt about it. And you will also find that American products of almost every kind are in great demand. The quantities of American products sold in these countries is limited only by the level of purchasing power of the peoples of those countries.

Mr. CHAVEZ. And will there not be American trucks rolling along with oil, generally from an American refinery?

Mr. ELLENDER. I may say to the Senator from New Mexico that the thing which contented me was the fact that investments of American capital were in plentiful evidence in those areas.

Mr. CHAVEZ. That is correct.

Mr. ELLENDER. Mr. President, I want to see our friendly relations with the people of the countries to the south of us maintained; and I am deeply apprehensive that if we were to fail to appropriate the small sum about which we are talking, it would go far toward disturbing that relationship.

Mr. CHAVEZ. It would disturb the peace of mind of our friendly neighbors in those countries, would it not?

Mr. ELLENDER. There is no doubt about it. We have made a solemn promise to the Government and people of Nicaragua, and we should live up to it.

Mr. CHAVEZ. Mr. President, will the Senator yield for another question?

Mr. ELLENDER. I yield.

Mr. CHAVEZ. Millions of dollars have been spent by the Voice of America upon radio programs, including speeches, instrumental and vocal music, plays, and so forth. Does not the Senator from Louisiana agree with me that the place at which to economize is in connection with a program of that kind, devoting our efforts to the development of industry both in our country and in the countries to the south of us.

Mr. ELLENDER. I agree with the Senator.

CIVIL-SERVICE RETIREMENT LAW

Mr. WILLIAMS. Mr. President, my attention has been called to a major loophole in our civil-service retirement law whereby citizens of foreign countries are being given full benefits under our retirement system as a result of their employment by the United States Government under some program in their respective countries.

It was never the intention of the Congress when enacting the civil-service retirement law that its benefits be extended to anyone who was not an American citizen, and unless this situation is corrected it will mean that in the years to come United States Government checks will be flowing all over the world.

To determine how far this movement has expanded toward bringing aliens under our retirement system I requested the Civil Service Commission to make a sample check of the new annuitants for the month of December 1952. As a result they have identified 30 employees who were being added to the annuity rolls for that month as not being citizens of the United States.

The Commission points out that in view of the fact that United States citizenship is not now a requirement for membership in the Civil Service Retirement System, the employees are therefore not so classified and there is a possibility that the list of 30 furnished would not comprise all the aliens retiring for that month.

Before inserting this report in the RECORD I call attention to the first listed case and point out that this employee, who is not an American citizen, gained advantage not only of the loophole in our retirement law allowing aliens to acquire the retirement benefits but also of the loophole to which I have called the attention of the Congress on repeated occasions and one which I have attempted to have corrected through legislation; namely, those instances whereby an employee who has not contributed anything to the fund can qualify for the benefits at a slightly reduced rate.

In this instance, through what is described by the Commission as an administrative error the employing department failed to make retirement deductions from his salary through his period of employment.

After his final separation when it was discovered that he had not made any contributions to the retirement fund he was given the option of first, making a deposit retroactively covering his service, or second, receiving an annuity of 90 percent of what he would have received had he made the normal contributions to the fund.

This individual elected not to pay the back assessments and is therefore drawing a lifetime pension of $29 per month with the compliments of the American taxpayers.

While some of these monthly pensions may seem small to us in this country, nevertheless we must remember that the cost of living in other countries of the world is often much less than here and that these pensions which are being paid in American dollars represent a substantial monthly income.

Likewise, it should be noted that this 1-month sample check lists many employees who are residents of the Philippines and the most of whom have a record of many years of service.

It is understandable how since the Philippines were once a dependency of the United States that these employees would have been given the same classification as employees in this country. However, the Philippines at their request were given their independence, and with independence goes responsibility. The American Government certainly should have stopped qualifying these employees as of that date.

I point out that some of those qualified received full employment after the Philippines gained their independence.

I was unable to obtain an estimate as to the total number or percentage of annuitants who are now on the rolls and who are not citizens of this country; however, for the month of December 1952, according to the Civil Service Commission records, there were 30 such additions.

I have been advised that new legislation will be necessary in order to correct the loophole, and I have already discussed the problem with the chairman of the Senate Civil Service Committee, who has promised to promptly call this to the attention of his committee.

Unquestionably it is necessary that the United States Government at times employ citizens of other countries in the same manner in which perhaps Americans are employed by other countries; however, it is not necessary that we extend to that group the same liberal retirement benefits as provided for our citizenry.

It certainly would be the height of folly for the United States Government, at a time when we can barely meet expenses, to adopt a worldwide pension system at the expense of the already overburdened American taxpayers.

This is another loose practice of the former administration which should be immediately corrected.

At this point I ask unanimous consent to have incorporated in the RECORD a list

by case numbers of the 30 cases identified as aliens who went on the retirement rolls during the month of December 1952.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Annuitants who are not citizens of the United States

Claim No. CSA	Residence	Title of last position	Period of service			Total contributions	Monthly pension	Date of birth
			Years	Months	Days			
317172	Canal Zone	Laborer	9	1	11	0	$29	Apr. 17, 1887
317294	Turkey	Clerk	31	10	16	$2,217.38	135	Oct. 7, 1890
317891	Canal Zone	Rigger	26	5	10	199.53	65	Feb. 19, 1895
318060	Germany	Foreign Service clerk	8	6	26	744.07	34	Dec. 19, 1885
318656	do	Research assistant	24	10	23	800.65	93	Dec. 18, 1881
319719	Cuba	Cement worker	9	0	28	317.11	26	Aug. 13, 1907
320174	British West Indies	Carpenter	16	3	29	706.00	33	Apr. 6, 1890
321500	Canal Zone	Quarterman laborer	11	0	14	238.06	31	Nov. 16, 1886
321508	do	Janitor	15	7	8	296.37	41	Feb. 5, 1882
219944	Philippines	Molder	18	4	10	28.00	35	Apr. 13, 1890
227407	do	Sheet metal worker	[1] 15	[1] 8	[1] 17	102.53	22	Aug. 28, 1897
240022	do	Patternmaker	30	2	26	224.47	54	Nov. 17, 1890
260689	do	Flatwork iron operator	20	6	27	107.00	21	Mar. 28, 1896
265163	do	Carpenter	13	11	7	93.08	39	Feb. 25, 1888
297514	do	Guard	10	5	19	72.82	32	Dec. 8, 1899
302632	do	Painter	7	9	9	60.64	17	Feb. 5, 1880
303249	do	Plumber	14	0	25	108.00	56	Feb. 15, 1880
308270	do	Crater and packer	28	3	16	310.09	51	Aug. 16, 1896
308291	do	do	27	5	28	356.71	51	Feb. 22, 1896
310296	do	Firefighter	[1] 31	[1] 9	[1] 18	198.91	69	June 24, 1882
310901	do	Senior auto mechanic	6	0	23	107.33	19	Nov. 7, 1917
313531	do	Fire chief	6	1	4	188.25	19	Jan. 10, 1899
314565	do	Quarterman electrician	6	0	4	82.58	17	Nov. 22, 1890
314719	do	Diesel-equipment mechanic	24	11	21	323.23	21	Dec. 3, 1905
314721	do	Electrician	8	0	18	191.82	17	Nov. 24, 1911
315249	do	Warehouseman	23	11	26	106.98	46	Aug. 7, 1897
315260	do	Armory keeper	6	4	0	136.17	16	June 21, 1926
316553	do	Claims examiner	6	8	13	195.11	19	Nov. 25, 1922
317731	do	Training officer	30	6	3	988.66	118	Feb. 27, 1886
317795	do	Guard	[1] 32	[1] 5	[1] 7	259.33	47	Dec. 30, 1896

[1] Includes military service.

Mr. MUNDT. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. MUNDT. Mr. President, it seems to me the Senator from Delaware has opened up and disclosed a very startling loophole in our civil-service retirement legislation, if I understand the purport of the Senator's remarks. Does the Senator mean that the aliens who are employed in many parts of the world are receiving the full benefit of all the retirement legislation which is on the statute books, insofar as it applies to Federal employees? Do they receive the benefit of all the retirement privileges available to civil-service employees?

Mr. WILLIAMS. That is correct. Mr. Young, in a letter dated May 18, 1953, stated that American citizenship is not a requirement for membership in the civil-service retirement system.

Mr. MUNDT. Would that apply as well to the widow of a deceased civil-service employee?

Mr. WILLIAMS. Under the ruling these aliens are entitled to all the benefits now accorded to American citizens. Therefore, they are entitled to the survivorship benefits.

Mr. MUNDT. How about the offspring, the alien children of these alien parents? Would they also be entitled to these benefits?

Mr. WILLIAMS. That is my understanding. I asked the same question of the Commission and was answered in the affirmative.

Mr. MUNDT. May I inquire, then, whether the marriage laws of this country or the marriage laws of the foreign nation would apply in such a case?

Mr. WILLIAMS. I think I know what the Senator is driving at. I had the same question in mind, and I asked that particular question of an official of the Civil Service Commission and was advised that they would recognize the marriage laws of the country in which the persons were employed. That meant even to the extent that if they were employed in a country in which the laws recognized polygamy.

Mr. MUNDT. Would that apply to the man's children?

Mr. WILLIAMS. I asked that same question of a representative of the Civil Service Commission, and he said, "We only hope and pray that we never have to answer that question."

Mr. MUNDT. May I ask whether, since a Mohammedan may take 4 wives, and, consequently, a Mohammedan family frequently numbers from 35 to 60 or 70 children, in the opinion of the Senator from Delaware, under this strange loophole, we may find the American taxpayer forced to take care of 40 to 60 surviving children of some Mohammedan civil-service employee who was qualified under our program?

Mr. WILLIAMS. There may be some who think that is a rather ridiculous question, but I framed that same question to the Civil Service Commission, and the answer to it was in the affirmative. They feel, since it has been ruled that United States citizenship is not a requirement for benefits under the retirement system, they would have to recognize the legitimate offspring as they are recognized in their respective countries.

That is all the more reason, Mr. President, why we should correct this defect before we go too far afield.

Mr. MUNDT. There are hundreds of Mohammedans working in various missions overseas who are qualifying under this strange interpretation of retirement rights and who properly, under the religious teachings of Mohammed and under the guidance of the Koran, can have 4 wives and frequently have 50 or 60 children in the course of a lifetime. Unless the loophole is plugged, the poor American taxpayer who is being called upon to build hydroelectric plants in the Po Valley in Italy, to build rubber plants for Russia, and to engage in the point 4 program in many countries of the world, may well find himself called upon to pay pensions to literally tens of thousands of aliens scattered in every country under the canopy of heaven.

Mr. WILLIAMS. The Senator is correct, because there is no limit. If we are going to embrace foreign employees under the system, there certainly is no limit, in view of our widespread commitments throughout the world. As time goes on we shall continue to add to them at a rapid rate. In view of that fact I have taken this occasion to invite the attention of the Senate promptly to the situation and to the extent to which it can go.

Mr. MUNDT. The Republican orators in the last campaign, it seems to me, the present speaker included, should be subjected to rather severe criticism because of the fact that we so understated the difficulties the New Deal had presented to the American taxpayer. We talked about the possibilities of the welfare state, the great step toward socialism, and the fact that we had accumulated in America the greatest national debt that any organized government in the world had ever seen. But, what pikers we actually were. The New Dealers were not establishing a welfare state but a welfare world and asking the nations of the world simply to send the bill to Uncle Sam for providing them with pensions, retirement privileges, tutelage for their children, and taking care of all their needs because some bright-eyed young men in the New Deal had dreamed up this trick legislation.

Mr. WILLIAMS. There is no doubt about it. The longer we allow the law to remain on the books the more complicated the situation will become, because those people are going to feel that they have a commitment from the United States Government. The only thing to do is to stop it immediately.

Mr. CARLSON and Mr. DOUGLAS addressed the Chair.

Mr. WILLIAMS. I yield to the Senator from Kansas first, and then I shall yield to the Senator from Illinois.

Mr. CARLSON. Mr. President, I want to commend the Senator from Delaware for inviting our attention to what I consider to be a very dangerous loophole in the civil-service retirement legislation.

In checking the record, I find that this goes back to the act of January 24, 1942, when Congress amended the Retirement Act to cover most people generally.

I may state that the Treasury Department has stopped the issuance of checks to persons who live behind the Iron Curtain. As a matter of fact, some persons living behind the Iron Curtain are eligible for these payments and have received these checks, and that practice has been stopped.

The 82d Congress passed Public Law 855, which authorized the appointment of a Committee on Retirement Policy for Federal Personnel. President Truman appointed Mr. H. Eliot Kaplan, of New York, to be chairman of that committee. He, with other members of Federal

agencies who were appointed on the board, was asked to serve under President Eisenhower.

Last week the Senate voted to extend the time in which this committee may make its report to June 30, 1954. I am hopeful that they can make their report by December 31, 1953. This is action that should be taken to preserve and protect retirement rights that have been built up under civil service. Certainly as a nation we cannot be expected to furnish retirement for foreigners who are not United States citizens, and whose only claim to such rights is that they were hired by this Government to do work in foreign countries.

As chairman of the Committee on Post Office and Civil Service, I may say that the committee expects to take up this matter and discuss it at our meeting next Tuesday and, if necessary, to take immediate action. If the committee deems that action is necessary then action will be taken.

Again I say to the Senator from Delaware [Mr. WILLIAMS] that we are indebted to him for calling this matter to our attention.

Mr. WILLIAMS. I thank the Senator from Kansas. I may say that in discussing the matter with the Civil Service Commission, corrective legislation was recommended. I thank the chairman of the committee for promising immediate attention to this problem.

While it is true that a committee is making an overall study of our retirement system I think the matter is so important that it cannot await the results of the study in 1954. I believe prompt action should be taken to amend the present law.

Mr. CARLSON. Our committee will look into the matter promptly, and if legislation is deemed to be necessary, it will be but a very short time before a bill will be introduced in the Senate to correct the situation if the situation is as the distinguished Senator from Delaware has called to the attention of the Senate.

Mr. WILLIAMS. I thank the Senator from Kansas.

Mr. DOUGLAS. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. DOUGLAS. Now that the Senator from South Dakota [Mr. MUNDT] has injected a partisan note into the discussion by charging the Democrats with establishing a welfare state for the world, would not the Senator from Delaware admit, with his characteristic honesty, that his party has very frequently fostered, by tariffs and subsidies, a welfare state for the wealthy?

Mr. WILLIAMS. I do not wish to get into your private argument, but unquestionably the truth is that the law having this loophole was passed under a Democratic Congress. To the extent that the Republican Party was in Congress at the time, we accept our share of the responsibility.

In discussing the matter with the Civil Service Commission 2 or 3 top officials have told me that they are, and have been for many months, very much concerned about the dangerous implications behind this procedure, but as yet they have failed to explain why they did not call it to the attention of Congress, so that Congress could have corrected it. I am confident that had the matter been called to the attention of Congress, either when the Republicans or the Democrats were in control, it would have been corrected immediately. To the extent that there was negligence on the part of the last administration in not calling the matter to our attention, the Democrats will have to accept responsibility.

Should we fail to correct this loophole now that it has been called to our attention, then the responsibility will be ours.

Mr. CARLSON. I think the law should be amended. A former Chairman of the Civil Service Commission, Robert Ramspeck, has suggested that our present retirement system, which is comprised of about 13 different staff systems, should be studied with a view to corrective action. I believe it is the obligation of the Senate to look into the matter, to see if we cannot legislate to correct some of the injustices and inequities, and protect the retirement of the civil-service workers of the Nation.

Mr. WILLIAMS. The Senator from Kansas is correct. I think so too. I have had my differences with the former Chairman of the Civil Service Commission, but in that particular I say he has been rather insistent that Congress should make an overall study of the retirement system because, as many Senators know, many inequities exist.

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE APPROPRIATIONS, 1954

The Senate resumed the consideration of the bill (H. R. 4974) making appropriations for the Departments of State, Justice, and Commerce for the fiscal year ending June 30, 1954, and for other purposes.

Mr. MUNDT. Mr. President, I ask unanimous consent that the vote on the Ferguson amendment be deferred, because the author of the amendment, who is chairman of the Subcommittee on Armed Services of the Committee on Appropriations, is detained in the holding of hearings.

I have consulted with the Senator from Illinois [Mr. DOUGLAS], who desires to offer several amendments, to ascertain if we might defer action on the Ferguson amendment and allow the Senator from Illinois to offer his amendments.

Mr. BRIDGES. Mr. President, reserving the right to object, we have been on this appropriation bill for four long days, including yesterday from noon until well after 8 o'clock in the evening. It seems to me that we could speed up the consideration of the bill and have it passed today. I see no reason why we should not.

With respect to the motion of the Senator from South Dakota, if we can rapidly take up the Douglas amendments and vote on them, certainly I shall not raise any objection, because I know that the Senator is carrying out the wishes of his colleague.

Mr. DOUGLAS. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield.

Mr. DOUGLAS. Does the Senator from New Hampshire imply that the Senator from Illinois is holding up the proceedings?

Mr. BRIDGES. No.

Mr. DOUGLAS. If the Senator from New Hampshire has that understanding, I shall be glad to facilitate matters by taking up the amendments——

Mr. BRIDGES. The Senator from Illinois does not need to get on his high horse.

Mr. DOUGLAS. I am not doing so.

Mr. BRIDGES. My statement was made in the interest of the Senator from Illinois.

The PRESIDING OFFICER. The Senators will please address the Chair.

Mr. BRIDGES. The Senator from New Hampshire was not addressing himself to the Senator from Illinois. If the Senator from Illinois feels at all guilty about the delay——

Mr. DOUGLAS. I do not feel guilty.

Mr. BRIDGES. I certainly was not addressing myself to the Senator from Illinois. I was simply making general remarks to the Senate as a whole, and they still stand. I do not see any reason why we should not speed up action and finish with the bill this afternoon.

Mr. DOUGLAS. In order to speed up action, I suggest that the Senator take up the amendment of the Senator from Michigan.

Mr. MUNDT. Mr. President, that will not facilitate matters at all.

Mr. DOUGLAS. Mr. President, in the face of the desire of the majority leadership to speed up the proceedings, it is the duty of the Senate to take up the pending matter, which is the amendment of the Senator from Michigan.

Mr. MUNDT. I seriously suggest that that would not speed up the procedure; it would only necessitate a quorum call, which would break up a committee meeting.

Mr. DOUGLAS. According to the rules of the Senate, committee meetings may not be held during the sessions of the Senate.

Mr. MUNDT. If the Senator from Illinois would not object to a unanimous-consent request to proceed to the consideration of his amendments, I feel certain that we could proceed with greater dispatch and everybody would be happy.

Mr. DOUGLAS. I may say also to my good friends, the Senator from New Hampshire and the Senator from South Dakota, collectively, that if they would stop trying to legislate on appropriation bills, that, too, would speed up the process very markedly.

Mr. MUNDT. I was under the impression that that was what the Senator from Illinois was about to do in the amendments he proposes to offer.

Mr. DOUGLAS. If I am indulging in that practice, it is simply in reprisal for the legislation on appropriation bills that has been indulged in by the majority leadership.

Mr. MUNDT. Would the Senator from Illinois be willing to proceed with that practice at this time?

Mr. DOUGLAS. I think the Senate should consider the Ferguson amendment. I do not believe the unanimous-consent request has been granted.

Mr. MUNDT. It has not.

Mr. DOUGLAS. I was about to give unanimous consent when the Senator from New Hampshire [Mr. BRIDGES], with his somewhat sly remarks, rose. Now I think I am inclined to refuse consent.

The PRESIDING OFFICER. The question is on the request of the Senator from South Dakota that consideration of the amendment of the Senator from Michigan [Mr. FERGUSON] be deferred temporarily until the Senator from Michigan can return. Is there objection?

Mr. DOUGLAS. I object.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. PURTELL in the chair). The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Green	Monroney
Barrett	Griswold	Morse
Beall	Hayden	Mundt
Bennett	Hendrickson	Neely
Bricker	Hennings	Pastore
Bridges	Hickenlooper	Payne
Butler, Md.	Hill	Potter
Byrd	Hoey	Purtell
Capehart	Holland	Robertson
Carlson	Humphrey	Russell
Case	Jackson	Saltonstall
Chavez	Jenner	Schoeppel
Clements	Johnson, Colo.	Smathers
Cooper	Johnson, Tex.	Smith, Maine
Cordon	Johnston, S. C.	Smith, N. J.
Daniel	Kefauver	Smith, N. C.
Douglas	Kennedy	Sparkman
Duff	Kilgore	Stennis
Dworshak	Knowland	Symington
Eastland	Kuchel	Taft
Ellender	Langer	Thye
Ferguson	Lehman	Tobey
Flanders	Malone	Watkins
Fulbright	Martin	Welker
George	Maybank	Wiley
Goldwater	McClellan	Williams
Gore	Millikin	Young

The PRESIDING OFFICER (Mr. PURTELL in the chair). A quorum is present.

The question is on agreeing to the motion of the Senator from Michigan [Mr. FERGUSON] to strike out lines 3 to 7, inclusive, on page 48.

Mr. COOPER. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. CASE. Mr. President, the Senator from South Dakota regrets he was not present during the debate on the pending amendment. However, with the permission of the Senate, the Committee on the District of Columbia has been in session during the session of the Senate.

When I return to the floor I find that a motion was made to strike out a million dollars appropriated by the House for the construction of the Rama Road. The Senator from South Dakota was not aware that the issue was coming up this afternoon or he would have brought with him data available to the Committee on Public Works. As chairman of a subcommittee of the Committee on Public Works, the Senator from South Dakota feels it would be a very grave mistake, from the standpoint of our relations with Latin American countries, to strike out the million-dollar appropriation.

It is true that the project for building the so-called Rama Road cannot be said to have been written down in an express agreement, and it is true, probably, that the original arrangement for it was the result of a conversation between the late President Roosevelt and a representative of Nicaragua as a sort of peace offering for the abandonment of what Nicaragua thought was an agreement on our part to build the Nicaraguan canal. But the fact is that the road has been started. It is a fact that it serves as an auxiliary to the inter-American highway, and will, when completed, mean an outlet from the inter-American highway to the gulf, and that it could serve, in an emergency, as an alternative to the water passage through the Panama Canal.

A considerable amount of money has already been spent on the road. To deny an appropriation of even $1 million, which is far less than was expected to be allowed, would be regarded as a breach of faith, and would have repercussions not merely in Nicaragua, but through several other Latin American countries, Mexico and Guatemala among them, and on down to the Panama Canal. I think it would be a serious mistake to abandon the project at this time. Cutting the million-dollar appropriation out of the bill would be regarded as an abandonment of the project. The original plan certainly contemplated the expenditure of more than a million dollars. The reduction to a million dollars is regarded as a serious enough breach of what had been expected.

Mr. LANGER. Mr. President, will the Senator from South Dakota yield?

Mr. CASE. I yield to the Senator from North Dakota.

Mr. LANGER. About 10 days ago the Ambassador from the United States to Nicaragua was at the Capitol. One of the reasons for his coming was to bring to the attention of some of us the very important matter about which the distinguished Senator from South Dakota is now speaking. Ambassador Thomas Whelan, who is perhaps the outstanding American Ambassador to South American countries, impressed upon a large number of those of us that the people of Nicaragua are counting on the continuation of the building of this road. He stated that it would result in ill feeling if we did not appropriate the $1 million to complete the project. As a matter of fact, he said he thought the amount was too small. I wonder whether the distinguished Senator from South Dakota had opportunity to speak to Ambassador Whelan when he was at the Capitol.

Mr. CASE. I am sorry I did not have the opportunity to talk with Mr. Whelan at that time. I conferred with him about a year ago. I am sure that what the Senator from South Dakota has stated is entirely correct, that the Ambassador feels very strongly about it. I received a notice the other day of a forthcoming meeting of some people who are interested in the Inter-American Highway. I think it would be a very serious discourtesy, in face of the forthcoming meeting, if, without notice, we were to toss this appropriation out the window.

The Senator from South Dakota regrets that he does not have on the floor of the Senate the figures bearing on the road, but his recollection is that the information was placed in the RECORD last year, and that the total cost of the road is something like $8 million—about half of which has been provided. We should not abandon it as this time.

Mr. FERGUSON. Mr. President, I wish to say a few words with relation to this subject. I know how difficult it is to balance the budget and to cut taxes. I realize we ought to keep our promises, but I find no promise, outside of the statute authorizing the expenditure, that was ever made that we would provide $8 million more to complete the Rama Road.

I feel that the people of the United States have received from Senators on this side of the aisle promises to balance the budget and to reduce taxes. The item now under consideration presents one avenue by which we can keep our promise to the people of the United States, who pay the taxes. They are the ones who have to provide not only for the security of the United States, but also for the security of South America and of Central America. Senators speak of the importance of keeping our promises. I feel that the time has come when we should keep the promises which have been made to the American taxpayers.

Mr. President, the Ambassador from the United States to Nicaragua came before the committee and lobbied in behalf of the appropriation of $1 million. I think the time has come when our Ambassadors should represent the United States and American taxpayers, instead of representing other countries.

Let us keep our promise to the American taxpayers.

Mr. LANGER. Mr. President, the facts are not at all as the distinguished Senator from Michigan has stated. The Ambassador did not come before the committee to lobby at all. He is one of the most loyal Americans in the entire country. He is one of the legislative heads of the American Legion and one of the most distinguished leaders of the American Legion, and he has been such for many years. The distinguished Ambassador told us how the people of Nicaragua feel about this road.

The distinguished Senator from Michigan has voted, and will continue to vote, he says, for appropriations of billions and billions and billions of dollars for Asia and Europe. I say it is time that we spend some money on our own continent, and it is time that we make friends in Mexico and in the South American countries. Certainly money can be spent with much more benefit in this case than in China or in some other countries in which the distinguished Senator from Michigan has voted that large amounts of the funds of the United States taxpayers be spent.

Mr. FERGUSON. Mr. President, this bill contains an appropriation of $1 million for the Inter-American Highway, which we have agreed to build.

Mr. LANGER. But the Senator from Michigan knows that that is not sufficient, and he knows that the people of Nicaragua have been relying for a long, long time upon the building of the Rama Road.

Mr. President, I believe our promise to Nicaragua should be kept, and that the representations made by this Govern-

ment, through its duly authorized agents, should be scrupulously, honestly, and expeditiously carried out. By voting for this appropriation we will back up our distinguished Ambassador and help him in his unparalleled efforts to establish goodwill with Nicaragua. He already has done an outstanding job, as witness the continued support of the United States by Nicaragua in the United Nations.

Mr. CASE. Mr. President, will the Senator from North Dakota yield to me?

Mr. LANGER. I yield.

Mr. CASE. I should like to call attention to page 29 of the committee report. Senators will note that the budget estimate for this item is $2 million. The committee has recommended an appropriation of only $1 million, which is a 50-percent reduction in the amount of the budget recommendation.

With all due respect to what the Senator from Michigan has said about balancing the budget, let me say that the Bureau of the Budget has requested the appropriation of $2 million for this item, and the committee has recommended that that amount be cut in half.

Mr. FERGUSON. Mr. President, will the Senator from North Dakota yield, to permit me to make a statement in reply to the statement made by the Senator from South Dakota?

Mr. LANGER. I yield.

Mr. FERGUSON. The revised estimate of the Bureau of the Budget is for $1 million.

Mr. CASE. The committee report shows that the amount of the budget estimate is the same as the amount voted by the House of Representatives and is $1 million below the 1954 budget estimate.

Mr. FERGUSON. That is the Truman budget estimate.

Mr. CASE. Very well. Then the revised budget estimate is $1 million; is that correct?

Mr. FERGUSON. That is correct.

Mr. CASE. And the Senator from Michigan proposes that we do not provide a single cent, although the revised budget estimate calls for $1 million and the Truman budget estimate called for $2 million.

Mr. CHAVEZ. Mr. President, I wish my good friend, the Senator from Michigan, would not insist on this amendment. The United States, a very large country, has made an agreement with a smaller country. We are sermonizing to the entire world about justice and equality for free peoples everywhere. What will Nicaragua think of us if we go back on the promise we have made? It seems to me that the present proposal is tantamount to saying that because we are large and strong, we should decide not to keep a moral obligation we have to a smaller country.

So far as balancing the budget is concerned, let me say to the Senator from Michigan that as far back as 1942 this project was approved by the head of the present administration, President Eisenhower, who at that time was Assistant Chief of Staff, with the rank of major general. As was stated earlier today by the Senator from Louisiana, in 1942 Major General Eisenhower stated that this project was desirable for the national defense of the United States. The letter to that effect, written in 1942 by Major General Eisenhower, was inserted in today's RECORD by the Senator from Louisiana.

Let me say to the Senator from Michigan that instead of spending millions of dollars for songs to be sung over Voice of America programs and instead of spending millions of dollars for plays to be produced on Voice of America programs, we would accomplish more by spending the $1 million recommended for this road. The expenditure of that $1 million would accomplish more for our country than the expenditure of $10 million or $20 million on programs for the Voice of America.

Furthermore, let me point out that the cars that will roll on that road will come from Cleveland or Detroit, and the trucks that will roll on that road will come from the United States, and will create jobs for the people of the United States.

Mr. LANGER. They will help create jobs for the people of Michigan, who work in their truck and automobile plants—so we are killing 2 birds with 1 stone, and helping Ambassador Whelan besides.

Mr. CHAVEZ. That is correct.

Mr. President, I am ready to have the vote taken on this amendment. In the interest of the dignity of our country, I believe we are compelled to vote against the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Michigan on page 48, to strike out lines 3 to 7.

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

LEGISLATIVE PROGRAM

Mr. KNOWLAND. Mr. President, I desire to make an announcement for the information of the Senate.

Assuming that the Senate completes action this evening on the State, Justice, and Commerce appropriation bill, it will be the purpose of the acting majority leader to move that the Senate take a recess from this evening until Monday, after making as the unfinished business House bill 1730, Calendar No. 317, an act to provide for furnishing transportation in Government-owned automotive vehicles for employees of the Veterans' Administration at field stations in the absence of adequate public or private transportation. That measure would then succeed the State, Justice, and Commerce appropriation bill as the unfinished business.

On Monday of next week we propose to have the calendar called, from the beginning of the calendar, instead of beginning at the point where the last calendar call ended.

In addition, if Senate Resolution 106, Calendar No. 159, increasing the limit of expenditures under Senate Resolution 333, 82d Congress, for the Committee on Rules and Administration, and if Senate bill 690, Calendar No. 321, amending the Federal Property and Administrative Services Act of 1949, as amended, to authorize the Administrator of General Services to enter into lease purchase agreements to provide for the lease to the United States of real property and structures for terms of more than 8 years, but not in excess of 25 years, and for acquisition of title to such property and structures by the United States at or before the expiration of the lease terms, and for other purposes, are not adopted or passed, respectively, during the call of the calendar, we would propose to have them taken up later in the week.

We hope by that time to have the Agricultural Appropriation bill before the Senate. There is also a possibility that some other measures, including some coming to the Senate from the House of Representatives, will be before the Senate next week.

The Appropriations Committee has been meeting in connection with its consideration of the armed services appropriation bill, and during the last several days it has been necessary for the members of the committee to go back and forth between the committee room and the Senate Chamber; the Foreign Relations Committee wishes to have time to mark up the Mutual Security bill; and the Judiciary Committee and a number of other committees have very heavy schedules, and if the agricultural appropriation bill is not read for Senate consideration by Tuesday, I would probably move, although we wish to maintain some flexibility, to have the Senate take a recess from Monday evening to Wednesday; and if the Agricultural appropriations bill is ready for consideration on Wednesday, we could proceed to consider it then.

I wish the Senate to be advised of the program as far in advance as possible; and the minority leader has asked me to announce the program, inasmuch as he has received a number of inquiries regarding the program for the remainder of this week and for next week.

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE APPROPRIATIONS, 1954

The Senate resumed the consideration of the bill (H. R. 4974) making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. DOUGLAS. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment of the Senator from Illinois will be stated.

The LEGISLATIVE CLERK. On page 39, in line 18, it is proposed to strike out "sixteen hundred" and insert in lieu thereof "fourteen hundred and forty."

Mr. DOUGLAS. Mr. President, this amendment would reduce the operating differential subsidy by 10 percent.

The bill as it now stands authorizes 1,600 trips. The average subsidy per trip is approximately $31,000. So the appropriation thus proposed by the committee would mean a total expenditure of approximately $50 million.

As I pointed out on Monday, this type of subsidy has been increasing very rapidly. The subsidy amounted to less

than $200,000 in 1947, but during the current year it has increased to 250 times that amount.

If we examine the report of the committee hearings, on page 580 we find that the total voyages in 1952 upon which subsidies were paid amounted to 1,327. The total number of voyages in 1953 or projected for 1953 is 1,504. So that the committee, by permitting the limitation or maximum of 1,600 trips, is making it possible for a subsidy of around $50 million to be paid.

I had originally intended to take the ax to this appropriation, and to propose a cut in the number of voyages to 500, which would have saved approximately $34 million. But I can see that the Senate is in no mood for economy, and that we rather exhausted our moral energy when we dealt with and eliminated the subsidy for ship construction; so my proposal, now, is for a much more modest limitation. It is a proposal for a limitation on the total number of trips to 1,440, of which 100 are to be given to new lines and small operators, so that the right of the small operator to enter would be preserved; but the total liability is restricted to $45 million instead of $50 million.

This represents a very handy saving of $5 million, which I think we should make, in a period in which it is said that the country is in such bad financial condition that we have to reduce the air security of the country. Rather than reduce the number of airplanes, I submit it would be better slightly to reduce the number of subsidized ship voyages. My proposal of 1,440 trips, as a matter of fact, is higher compared to the actual voyages in 1952, and lower than the number of voyages which have been authorized in fiscal 1953. It is about midway between the two.

The PRESIDING OFFICER (Mr. GRISWOLD in the chair). The question is on agreeing to the amendment of the Senator from Illinois.

Mr. SALTONSTALL. Mr. President, under section 601 of the Merchant Marine Act of 1936, the Maritime Administration has entered into contracts for operating subsidies with 15 steamship lines. The contracts are based on determinations by the Administration that operation of the vessels of these lines in foreign commerce is required to meet foreign-flag competition and to promote the foreign commerce of the United States.

The contracts between the Maritime Administration and the shipping companies make it mandatory for the companies to furnish vessels for a specified number of sailings over specified foreign-trade routes. Six of the 15 companies whose sailings are now provided for in operating-subsidy contracts have applied for additional routes. Two companies not now under contracts have applied for routes.

The maximum number of voyages provided for by contracts or applied for is 1,907. Of this total, the Administration has estimated 1,807 as the number of voyages required in order to assure that this country will be furnished with enough regularly scheduled sailings to move a substantial part of the passengers and goods requiring ocean transportation between the United States and foreign countries.

The bill as reported would reduce this figure to 1,600. A further cut would not only imperil the ability of our shipping lines to carry out the purposes of the Merchant Marine Act of 1936, but would involve serious breaches of contract.

With respect to the purpose of the act, the importance of regularly scheduled sailings between the United States ports and foreign ports has been of vast importance in promoting our commerce with foreign countries concerned. To insure the most effective implementation of the act, the Maritime Administration should have a degree of discretion in determining how many voyages between given points are justified by the business available.

If the business is available, an increase in the number of authorized voyages can bring into the black an operation otherwise in the red. This in turn can bring into play the recapture provisions by which the Government is enabled to get back its subsidy payments. For this reason, the Administration's contracts provide for maximum and minimum numbers of voyages on the routes which the contracting companies are required to serve. The maximum number of voyages provided for by contracts in effect prior to July 1, 1952, is 1,637. The committee in reducing this number to 1,500 has gone as far as it seems safely possible to go in restricting the discretion of the Administration. I refer to 1,500, although the bill provides for 1,600, because there are 100 voyages included which are left for contracts entered into after Juy 1, 1952; so that today a leeway is provided by law for new companies not now under contract. That was first done 2 years ago in order to make it possible for new companies to come in under the terms of the operating-subsidy acts. For contracts in effect before July 1, 1952, the committee has authorized only 1,500 voyages, whereas 1,637 are now provided for by contract.

To reduce the total to 1340, which would be the purpose of the amendment of the Senator from Illinois, would be poor economy, in that it would defeat the effort of many lines to bring their year-round operations to a level at which the Government's right to recapture 50 percent of the profits above 10 percent could be invoked. It would, moreover, breach the Maritime Administration's contracts with the companies.

This is the opinion of the acting general counsel of the Maritime Administration, Mr. Elmer E. Metz, as shown by his letter, dated June 4, which I ask unanimous consent to have printed in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES DEPARTMENT
OF COMMERCE,
MARITIME ADMINISTRATION,
June 4, 1953.

Hon. STYLES BRIDGES,
United States Senate.

DEAR SENATOR BRIDGES: In response to your inquiry as to the effect of arbitrarily imposing limitations on the number of voyages for which subsidy can be paid, you are advised as follows:

In return for the operating subsidy the operator must agree to make at least a minimum number of sailings with the best available vessels on the ocean trade route which the Department of Commerce, in carrying out the duty imposed by section 211 of the Merchant Marine Act of 1936, has determined to be essential for the promotion, development, expansion and maintenance of the foreign commerce of the United States. By section 211 this determination must take into account specifically, among other things, the necessary number of sailings and types of vessels. The subsidy contract binds the operator to make at least the minimum number of sailings determined to be essential, and, if required to properly service the route, up to the maximum. The operator would be in default if it performed less than the service required. An arbitrary reduction by the Government in the number of sailings eligible for subsidy would be unilateral violation of the Government's contract with the operator, which under section 611 may entitle the operator to transfer its vessels to foreign flag.

Very truly yours,

ELMER E. METZ,
Acting General Counsel.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. SALTONSTALL. If my colleague will permit, I have 1 or 2 more thoughts I should like to present before I yield.

Mr. DOUGLAS. I shall be glad to wait.

Mr. SALTONSTALL. The opinion of Mr. Metz calls into question even the effect of previous bills, which have imposed ceilings on the number of voyages which could be authorized by the Maritime Administration. But more than that, it makes clear beyond doubt that the proposed amendment would force upon the Administration breaches of contract now in effect. The proposed amendment would reduce the authorized number of voyages by lines, under contract prior to July 1, 1952, to 1,340. This is even below the minimum number of voyages provided for by contracts with these lines.

As a matter of economics, the effect of the proposed restrictions will in time inevitably be to eliminate American ships from foreign trade routes. In concrete terms, it would eliminate 30 freighters. It would throw 1,500 seamen out of work. And as a result of forcing operating companies to distribute overhead over fewer voyages, it would force some of them out of business.

For the reason I have stated, I hope the amendment will not be adopted.

Mr. DOUGLAS. Mr. President, will my good friend, the Senator from Massachusetts, be willing to yield now?

Mr. SALTONSTALL. I yield to the Senator from Illinois.

Mr. DOUGLAS. I may ask my much beloved friend whether the United States Government has ever been able to recapture the profits from ship-operating lines; and, if so, in what cases have profits been recaptured from the shipping lines?

Mr. SALTONSTALL. One example is that of $5,300,000 recaptured from, I believe, American Export Lines.

Mr. DOUGLAS. And is it not true that the sum total of subsidies thus far obligated has been approximately $200 million?

Mr. SALTONSTALL. The amount is very substantial. I cannot verify the figure. I know that $20 million is provided for in the bill this year. The Secretary of Commerce stated that we should pay $65 million this year, and approximately the same next year and the year after.

Mr. DOUGLAS. I invite attention to page 579 of the hearings, on which it is stated that the total of subsidy accrued payable through the fiscal year 1953–54 amount to $374,283,000.

Mr. SALTONSTALL. I would not question that figure.

Mr. DOUGLAS. Is it not true, therefore, that in view of past subsidies, if we recapture $5 million it amounts to approximately 1½ percent of the subsidies paid out? Is not that something of a carrot which is dangled before the donkey but which the donkey is never able to reach and eat?

Mr. SALTONSTALL. I would say to my friend that that is the same argument he and I engaged in yesterday.

Mr. DOUGLAS. I hope we shall have as happy a conclusion to it as we had yesterday.

Mr. SALTONSTALL. That statement of my colleague gives me opportunity to say that while I was not successful yesterday, my efforts were not exerted on behalf of a floating pork barrel. I did not know yesterday where the new construction business would go, but what I wanted to do was to safeguard the future of the merchant marine. That is why I am on my feet at this time.

Mr. DOUGLAS. We are all very fond of the Senator from Massachusetts.

The Senator from Massachusetts says the contracts which have been made are binding. Since when can administrative bodies assume the appropriating function?

Mr. SALTONSTALL. That is required by the Merchant Marine Act. We cannot ask a private company to make its plans for a route and carry them out unless it first has a contract with the Government.

Mr. DOUGLAS. May I point out that whatever may be the business exigencies, the practical result has been that the Maritime Commission makes contracts without regard to the decisions of Congress, and then Congress is called upon to make good the contracts of the Maritime Commission. This is a complete perversion of the separation of powers under which the elected representatives of the people make appropriations, and then, after they are made, executive authorities carry them out. Here we have the argument—and I am surprised that it comes from the Senator from Massachusetts—that we, as a representative body, are bound by administrative decisions of persons who have never been elected by the voters of the United States.

Mr. SALTONSTALL. Congress looked forward to that type of contract when it passed the act of 1936. When Congress amended that act a few years ago, I believe it looked forward to improving the act. It adhered to the policy of helping our merchant marine and keeping certain routes open so we would have American shipping carrying American goods in American bottoms and bringing back commerce from abroad over the years.

Besides, under the committee bill Congress has placed a limitation of 1,600 voyages on the discretion of the Maritime Commission. That is a limitation, as I see it, on the authority of the act. It is presumably a good limitation, in view of the deficits which are existing. But I do not think we should pin the limitation down below what the contracts now call for.

Mr. DOUGLAS. We have somewhat strayed away from the constitutional point which I raised. Does the Senator from Massachusetts believe it is a wise policy to say that administrative officials can make contracts which are then binding for future years so that Congress is required to appropriate for them? If that be the case, is there not a complete usurpation of the appropriating and legislative functions of the Congress?

Mr. SALTONSTALL. That course is followed in connection with Federal aid to roads, in connection with Federal aid to hospitals, and in connection with a number of other things, including Federal aid to airports.

Mr. POTTER. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. If the Senator from Illinois has no further questions, I yield to the Senator from Michigan.

Mr. POTTER. I asked the distinguished Senator from Massachusetts to yield because I should like to speak on the question raised by the distinguished Senator from Illinois.

In the appropriation bill before the Senate, at page 39, it is provided as follows:

> That nothing contained in this act, or in any prior appropriations act, shall be construed to affect the authority provided in section 603 (a) of the Merchant Marine Act, 1936, as amended, (1) to grant operating-differential subsidies on a long-term basis, and (2) to obligate the United States to—

The appropriation bill itself certainly will not violate the legislative provisions of the 1936 act.

If the Senator from Massachusetts will yield further, I think it may be well to note that I contacted the Military Sea Transportation Service this morning to inquire what would be the result with reference to our national defense if the amendment proposed by the distinguished Senator from Illinois were to become effective. I shall not take the time of the Senate to read the entire memorandum which I received, but I should like to read one paragraph:

> A restriction in the number of subsidized sailings might eventually result in a reduction in the number of United States-flag merchant marine vessels in operation because of high operating costs which would prevent certain lines from continuing operation in competition with foreign-flag shipping. Such a reduction would have an adverse effect from the standpoint of national defense and would, in my opinion, be against the national interest.

That is signed by Vice Adm. F. C. Denebrink, commander, Military Sea Transportation Service.

Mr. SALTONSTALL. I thank the Senator from Michigan for his helpful comments.

Mr. DOUGLAS. Mr. President, will the Senator from Massachusetts yield so that I may ask a question of the Senator from Michigan?

Mr. SALTONSTALL. I yield for that purpose.

Mr. DOUGLAS. The letter which the Senator from Michigan just read referred, did it not, to the original amendment which I offered, namely, providing for a reduction to 500 trips?

Mr. POTTER. I made a telephone call this morning based upon the 10-percent reduction which the Senator from Illinois had in mind.

Mr. DOUGLAS. The Senator is aware of the fact, is he not, that in 1952 the total number of voyages subsidized was 1,327, and that in 1953 the total number was 1,507, so that the figure of 1,440 is between those two figures, and, therefore, if the American flag continued on the seas in 1952 with 1,327 voyages, it seems logical that it will continue with a 10-percent accretion?

Mr. POTTER. The reason for the increase at this time is that our defense needs have been increased over past years.

Mr. DOUGLAS. I thought the new administration was reducing the number of personnel in the Armed Forces.

Mr. SALTONSTALL. I will say to my colleague from Illinois that approximately 40 percent of the capacity of the subsidized lines is used in the consignment of cargo for our Armed Forces in the Far East and other areas.

Mr. President, I hope the Senator from Illinois will not press his amendment at this time. The House committee, with which the Senate committee agreed, cut the voyages down to a level which, I believe, is economical and proper in view of the conditions in the Far East and the conditions of shipping throughout the world as a whole.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois, to strike out "1,600" and insert "1,440."

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. DOUGLAS. Mr. President, I call up my amendment "6–1–53–F," and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 46, line 10, it is proposed to strike out the period and insert in lieu thereof a colon and the following: *"Provided*, That no part of the funds herein appropriated shall be available for disbursement to any State which submits programs to the Bureau of Public Roads for Federal-aid highways in excess of 80 percent of the amounts apportioned to that State by the Bureau of Public Roads for the fiscal year beginning July 1, 1954."

Mr. DOUGLAS. Mr. President, I ask unanimous consent that I may modify my amendment by substituting the figure "95" for the figure "80."

The PRESIDING OFFICER. The Senator from Illinois has the right to modify his amendment.

Mr. DOUGLAS. Mr. President, my original amendment would have made reductions of $115 million in the Federal-aid highway program; namely, a reduction of 20 percent for the fiscal year 1954–55, not for the current year.

The amendment in its present form would make a reduction of 5 percent, or $27,500,000. I wish to make it clear that this amendment does not affect appropriations in the current bill.

We have heard much comment on the backlog of spending authorizations left by the previous administration. Here is where we can reduce that backlog by $27,500,000.

This amendment, by means of a limitation, prevents States from spending more than 95 percent of the amounts which Congress authorized for Federal-aid highways for the year 1954–55.

The amendment is not subject to a point of order, since a similar amendment, which I submitted on April 21, 1952, was declared by the Vice President to be in order. I refer to the CONGRESSIONAL RECORD, volume 98, part 3, page 4163.

One of the most difficult problems I have faced in the past with respect to appropriations for Federal-aid highways has been the argument that the authorizing legislation effectively commits Congress to whatever level of appropriations is required to carry out the authorizations, just as the very able Senator from Massachusetts has argued that Congress is bound to carry out authorizations which the Maritime Administration makes to private ship operators.

I have never accepted this premise, and I do not now accept it, but I must certainly admit that Congress seems to operate on that basis, and I have never been able to get to make any headway in proposing reductions in actual appropriations for the ensuing fiscal year.

In the past, when reductions have been made in this appropriation, the Bureau of Public Roads, instead of restricting State applications for money, has merely come to Congress with requests for supplemental appropriations to make good the authorizations which they have previously issued. In reality, this has not been a breach of good faith on the part of the Bureau of Public Roads. They have even been encouraged by Congress to follow that course, although I believe they have taken sharp advantage of the letter of the law. So I am not attempting to cut appropriations for the fiscal year 1953–54 with respect to the highway program.

However, my amendment will save $27,500,000. In effect, it will do so by telling the States not to submit programs in excess of 95 percent of the apportionment paid by the Bureau of Public Roads for the fiscal year 1954–55. In other words, we will control the requests by States in 1954–55 by the amounts which they will ask for 1953–54, and we will cut them by 5 percent.

I cannot emphasize too strongly that there will not be, in any possible sense, any breach of good faith by agreeing to this amendment. The Bureau of Public Roads has not yet even made its apportionment for the fiscal year 1954–55, and will not do so until November of this year. Following the apportionment, the second step is for the States to submit programs. At this stage, if my amendment is agreed to, the States will submit programs totalling only 95 percent of their allocations. The amendment provides an effective way by which we can save $27,500,000.

It will be remembered that in the authorization bill the House had approved a $600 million authorization annually, but on motion of the Senator from Illinois this amount was reduced in the Senate to $550 million, and a mid-figure of $575 million was reached in conference. So my proposal is that we return to the figure which the Senate authorized for 1954–55.

The PRESIDING OFFICER. Would the Senator from Illinois inform the Chair if the change in his amendment was to insert the figure "95"?

Mr. DOUGLAS. the figure "80" was changed to the figure "95."

Mr. BRIDGES. Mr. President, with respect to the amendment offered by the Senator from Illinois, I reaffirm that there is no provision in the appropriation bill for 1954–55 allotments to States. The amount provided, $475 million, covers the fiscal year 1952–53.

Further, the amendment proposed amends the Federal Aid Highway Act of 1952, because the 95-percent limitation applies to the fiscal year 1955.

I understand what the Senator from Illinois is attempting to do, and I have no doubt that he is very sincere in his attempt in this manner to reach out and get control of the situation. However, the Senate committee considered this problem, and felt that it had gone as far as it could. We felt that we would be reaching out beyond the confines of appropriate action if we reached into a field in an act where no appropriation item is concerned.

Mr. DOUGLAS. Unless the Committee on Appropriations reaches out beyond the ensuing fiscal year in connection with highway appropriations, it never will be able to reduce the figure once it has been authorized. Is not that correct?

Mr. BRIDGES. I believe this is something that should be handled by the Committee on Public Works. It should be provided for by way of a basic act, rather than in an appropriation bill. I see perfectly well what the Senator from Illinois is attempting to do, and there may be reasonable justification for it, but I believe he is reaching out too far by suggesting action in this manner.

Mr. DOUGLAS. Do I understand that the Senator from New Hampshire now takes the position that Congress never should appropriate sums less than those which have been authorized? In the past, I have heard the Senator from New Hampshire, on the floor of the Senate, assert that Congress was not bound to appropriate all sums which had been previously authorized.

Mr. BRIDGES. I believe the Senator from Illinois correctly recalls my remarks. I believe very definitely that that is true, and I still take that view. But I believe this particular matter should be approached in a little different manner from that the Senator from Illinois has proposed. Personally, I am not too much concerned about it. It involves only a method of procedure. I think the committee acted in the regular manner.

I have examined into what the Senator is attempting to do. I understand his objective, and I think he is sincere in what he is attempting to accomplish. However, personally, representing the committee, I simply cannot agree to accept the Senator's amendment in this instance. Therefore, I hope the amendment proposed by the Senator from Illinois will be rejected.

Mr. DOUGLAS. Mr. President, upon the suggestion of the senior Senator from Michigan [Mr. FERGUSON], I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, after a discussion with the distinguished Senator from Illinois [Mr. DOUGLAS], who suggested the absence of a quorum, and with his approval, I now ask unanimous consent that the order for the quorum call be rescinded and that further proceedings under the call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS].

Mr. DOUGLAS. Mr. President, while officially there is no quorum present, more Members of the Senate are in the Chamber now than were present when I originally explained the amendment. In view of that fact I think perhaps it would not be inappropriate for me to take a few minutes to explain again what the amendment is intended to accomplish. I hope those of my colleagues who were present when I made my original statement will bear with me, because of the changed circumstances.

I have always felt that the Congress was not legally bound to appropriate sums for an ensuing fiscal year merely because they had been authorized. I have always thought that the appropriating function was not necessarily bound by authorizations, because conditions might change between the time an appropriation was authorized and the time the appropriation was made. In this case, of course, conditions have changed. There is now a greater awareness of the need for economy, and there is pressure for national defense.

When I have advanced this position in the past I have always been defeated; but, like Margaret Fuller, I have learned to accept the inevitable. I no longer intend to break my head against that stone wall.

What I am trying to do by the pending amendment is to control expenditures for 1954–55, by providing that the sums appropriated in 1953–54 shall not be distributed to the States unless the States reduced by 5 percent the amounts which have been authorized and for which they will otherwise make requests for 1954–55.

In other words, we are using the appropriation for the ensuing year as a lever by which to scale down the requests and the appropriations for 1954–55. It

is the only effective way in which we can break through the knot into which we have tied ourselves on the highway grants.

Mr. HAYDEN. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I would appreciate it if I could finish my argument. Then I shall be very happy to yield.

Mr. President, all of us remember Jonathan Swift's Gulliver's Travels. On the first of these travels Gulliver found himself in Lilliput, the country of the dwarfs. He went to sleep, and when he woke up he found that he was bound by a series of small strings, which had been tied around his fingers and toes and legs and arms, and the rest of his body, and that these strings in their entirety prevented him from moving.

In a similar way Congress has allowed strings to tie down its appropriating function. We are held down and prevented from making economies. We have given to administrative agencies the power which belongs to the legislative body. If we acquiesce in this matter it means the end of representative government and control over appropriations. Only by some action such as I am proposing, can we control, if not during the ensuing year, then during the year after the ensuing year.

I should like to point out that the reduction of 5 percent, which I have proposed for fiscal 1954–55, is equal approximately to the $25 million lower figure which the Senate approved in 1952. At that time the House authorized $600 million for each of 2 successive years. The Senate Public Works Committee also recommended $600 million. On motion of the Senator from Illinois the amount was reduced by the Senate to $550 million. When the bill went to conference a midway figure was arrived at of $575 million. We will pay out for the ensuing year on that basis.

I merely ask that for the next year, 1954–55, we be not forced to pay out in that way, but, in view of the national situation, we save $27½ million, or approximately the amount which the Senate tried to save last year.

Mr. HAYDEN. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. Yes; I am glad to yield to the Senator from Arizona.

Mr. HAYDEN. I understood the Senator from Illinois to state that what he is proposing is the only opportunity we have to take care of the situation in 1953–54. If so, I would remind the Senator that there will be another authorization bill before the Senate just like the bill that was before it last year, which the Senator will have a right to offer to amend. If the Senate agrees with him, the situation will be changed. The change should not be made on an appropriation bill.

Last year the Senator from Illinois offered a similar amendment to an appropriation bill and the Vice President stated:

> The Chair is of the opinion that, notwithstanding the 2-year apportionment, and notwithstanding that the law provided for it, Congress, if it should see fit to do so, might deny appropriations entirely. It would be a breach of good faith on the part of the Congress to do so, but it does not present itself to the Chair as a parliamentary question.

Therefore his amendment was ruled in order.

Mr. DOUGLAS. Is the Senator from Arizona contending that my motion is subject to a point of order?

Mr. HAYDEN. No; I am not contending that it is subject to a point of order, because the Chair ruled on that point.

Mr. DOUGLAS. The Chair ruled in favor of the Senator from Illinois.

Mr. HAYDEN. But the Chair was careful to state that it would be a breach of good faith. When the time comes for the Senate to make a pledge, if the Senator from Illinois can persuade the Senate not to make the pledge, there will be no breach of good faith.

Mr. DOUGLAS. May I ask the great Senator from Arizona, who is the craftiest man in the Senate—and that is not uttered in any derogatory sense, perhaps I should say the most subtle man in the Senate—whether he is saying that obiter dictum of a presiding officer has the force of legislative law? That seems to be what he is contending.

Mr. HAYDEN. Not at all.

Mr. DOUGLAS. It is an extraordinary thing to say that the Presiding Officer or the Vice President can make legislative policy. It would be a delegation of legislative power which I have never heard advanced before, and I am surprised to have it come from the lips of the Nestor of the Senate, to whom we all look for enlightenment.

Mr. HAYDEN. All I am saying is that a man of much more experience than I was presiding in the chair, namely, Alben Barkley. It was his judgment, as Vice President and as a former Senator, that it would be a breach of good faith; and I am glad to quote his authority.

Mr. DOUGLAS. Is the Senator from Arizona contending that we have a Senate of only the Vice President, and that the Vice President determines what is legislation?

Mr. HAYDEN. No; the Senate will make the determination, just as it did last year. However, I wish to point out to the Senator from Illinois that in the judgment of the Vice President it would be a breach of good faith, which we as Senators should not engage in.

Mr. HOLLAND. Mr. President, I protest vigorously against the amendment offered by the distinguished Senator from Illinois [Mr. DOUGLAS], not only because it strikes at the heart of a program which I think is very vital to our Nation and to all of our States, but particularly because of the way in which the distinguished Senator from Illinois proposes to strike at the highway program.

If Senators will look at the provision which is sought to be amended, which is the provision relating to Federal-aid highways, appearing at the bottom of page 45 and the top of page 46 of the printed bill, they will find that the appropriation carried by the bill for distribution among the several States consists of $475 million, which is composed of two principal items, $387,500,000 against the authorization for fiscal 1952, and $84,500,000 against the authorization for fiscal 1953.

The distinguished Senator from Illinois does not propose to cut off either of those items, or anything from those two items. Instead, by his amendment, he seeks to coerce the several States through his amendment, which reads as follows: *"Provided*, That no part of the funds herein appropriated shall be available for disbursement to any State which submits programs to the Bureau of Public Roads for Federal-aid highways in excess of 95 percent of the amounts apportioned to that State by the Bureau of Public Roads for the fiscal year beginning July 1, 1954."

That is a mandate to the States that they dare not ask for their full appropriation for this year, without at the same time coming forward with a request for the succeeding year, fiscal 1955, reduced by 5 percent from the amount heretofore authorized by Congress by the passage of the last Federal-aid bill in 1952.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. DOUGLAS. Does the Senator from Florida believe that we should spend in excess of $550 million for fiscal 1954–55?

Mr. HOLLAND. I believe we should stand on the amount which has been authorized.

Mr. DOUGLAS. That was $575 million, was it not?

Mr. HOLLAND. It was $575 million; that is the amount which was authorized after action by both Houses and after action by the conference committee, representing both Houses, and after the previous careful action by the Public Works Committees of both Houses, which have not been consulted at all about the proposed cut which the Senator from Illinois now tries to provide in this bill, by way of an amendment to an appropriation bill, although the effect of his amendment would be to reduce the authorization made by an authorization bill which was carefully worked out by the two committees and by the two Houses, and by the conference committee. Since the enactment of that bill, the States have been making their plans in accordance with that solemn authorization.

Notwithstanding the fact that that work has been going on for a year, and that plans have been well laid and that machinery has been set up to use the authorization, the Senator from Illinois now proposes to reduce the authorization, not by introducing at the beginning of the session a bill in the nature of an amendment, which could have been cleared through the two committees and could have been before the Senate by this time, and not by taking the matter before the Appropriations Committees when they were passing upon this matter, but by coming to the floor of the Senate with an amendment which does not in any respect affect the sums covered by the appropriation bill, as it relates to this particular field, but an amendment which proposes, instead, to reduce in the future the amount of the authorization; and the Senator from Illinois has proceeded in that way by

means of an argument which is peculiarly characteristic of him.

If more Senators had been on the floor a few minutes ago when the Senator from Illinois was making his opening statement, they would have found that he justified his amendment by reminding his colleagues that last year the Senate first authorized $550 million, but the House of Representatives insisted upon an authorization of $600 million, and then the authorization bill went to conference, and the conferees returned with a proposed authorization of $575 million. The Senator from Illinois said, in effect, that the Members of the Senate knew all the time that $550 million was the proper amount of the authorization, and thus it is that today he argues that the Senate should adopt his amendment, and should permit the Senate at long last to have its own way.

Mr. President, the distinguished Senator from Illinois is an able and resourceful advocate. One of his finest qualities is his memory. I have always thought that his memory is more characteristic of the animal which is the emblem of the party of the Senators who sit on the other side of the aisle than of any other animal of which I can think.

Mr. DOUGLAS. Now that reference is being made to the zoo, I should like to ask some questions.

Mr. HOLLAND. Mr. President, remembering what the Senator from Illinois stood for about a year ago on the floor of the Senate, I point out that the Senator from Illinois insists that he was right all the time, and that the Senate had no business to depart from the argument he made at that time. Notwithstanding the fact that a year ago this matter was decided, and thereafter the States were informed about the decision and their plans have been made, and they have proceeded on the basis of those plans, and that the good faith of the Nation is involved, the Senator now insists that we must go back to the precise amount for which the distinguished Senator from Illinois argued unsuccessfully more than a year ago, and that we must, by means of an amendment to this appropriation bill, carry out our original intention.

I congratulate the Senator from Illinois upon his memory and his perseverance; but I do not believe we can have an orderly road program or any other orderly program which depends upon carefully developed authorizations, if, following the making of the authorizations—which in this case were based upon real study by the appropriate legislative committees and the practice of normal parliamentary procedure, as a result of which the two Houses ultimately agreed, following the action taken in the conference committee, we insist upon our original judgment, and do so more than a year after we have agreed to a settlement of the matter in a more or less compromise form, as between the preference of the Senate and the preference of the House of Representatives.

Mr. DOUGLAS. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. DOUGLAS. First, let me deal with the zoological question, before we proceed to the substantive matters.

I willingly admit that my manners probably are modeled upon the habits of the totemesque animal——

Mr. HOLLAND. Mr. President, I have referred to the memory of the Senator from Illinois, not to his manners.

Mr. DOUGLAS. As I was saying, Mr. President, I willingly admit that my manners probably are modeled upon the habits of the totemic animal of the Democratic Party; I am willing to admit that probably in most affairs of life I am a jackass. [Laughter.]

Mr. HOLLAND. Mr. President, I made no such implication.

Mr. DOUGLAS. I realize that the Senator from Florida did not make such a statement. I am simply trying, in good humor, to indicate that I took no offense when I was accused of having the memory of an elephant. I say that although I may have the memory of an elephant, I do not cherish grudges in the way that is said to characterize an elephant. At the end of each day, I wipe the slate clean; and I begin the next day with a clean slate.

Mr. HOLLAND. Mr. President, I wish to endorse the statement the Senator from Illinois has just made. I have never known a Senator or a citizen who more cheerfully abides by what is done one day, and goes about the business of the next day, with the single exception that back in the recesses of his memory, the Senator from Illinois still retains a recollection of something that happens, and years later, when opportunity arises, he reasserts his original position, and asks the Senate to sustain his thinking of last year or the year before that, or perhaps even farther back than that.

Mr. DOUGLAS. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. DOUGLAS. I am sure I do not have the good memory the Senator from Florida has credited me with having, but I think I am correct in saying that one of the strongest advocates last year for an authorization of only $550 million was the distinguished senior Senator from Florida [Mr. HOLLAND], and at that time I felt joined to him in loving union. So I thought that this afternoon he would most certainly help us maintain the position which he so ably defended last year. I am now pained to the quick to find that his memory is not very good or his sense of consistency is not very strong, in that he goes back on the position he then took.

I would not have mentioned this matter or would not have had it brought forth from the recesses of my mind, had not the Senator from Florida touched upon that point. I had intended to ignore that situation, or not to mention it.

Mr. HOLLAND. I should like to point out that although I did join the Senator from Illinois in support of the amendment by which the authorization bill, as first passed by the Senate, provided an authorization of $550 million, I also served on the conference committee, and in representing the Senate on the conference committee, I did my very best to effect the will of the Senate.

However, Mr. President, unlike some other Senators, I never expect to make my will prevail over the wills of the other 95 Members of the Senate or over the wills of the 435 Members of the House of Representatives. So, when I finally returned from the conference committee with the best I could secure from the conferees, and after I explained in humility to my Senate colleagues that that was the best we had been able to obtain, under the leadership of my distinguished friend, the Senator from New Mexico, and with other able Senators, and when I explained that in the conference the conferees on the part of the House of Representatives were very persuasive and insistent, and that finally we had to split the difference between the two Houses; and after the Senate voted in favor of the compromise amount of authorization, and after that amount of authorization was enacted into law, I thought the Senate was obligated and bound to stand for that amount of authorization, and I thought the States had a right to act on the basis of that authorization action, as taken by the two Houses of Congress and approved by the President.

Let me say that last winter I attended the meeting, at Kansas City, of the representatives of the road departments of the various States; and there I heard the discussion of the plans on the basis of which those agencies were proceeding. I did not find that the members and engineers of the State road departments were pleased with the action which had been taken by Congress, for they had wanted a vastly larger authorization made; but they were proceeding with their programs and were coordinating them so as to bring about the best possible result.

I found there distinguished representatives of the executive branch of the Government, the representatives of the Bureau of Public Roads, working with the State agencies who handle this program.

I reflect not in the slightest upon my distinguished friend from Illinois, but I would not feel that I was practicing complete good faith with those whom I found out there, and with whom I discussed this program in some detail, if I came back now and, by way of a rider on an appropriation bill, agreed to rescind the solemn obligation taken here last year, and which was sent to the States as something upon which they could rely.

Mr. DOUGLAS and Mr. CHAVEZ addressed the Chair.

The VICE PRESIDENT. Does the Senator from Florida yield; and if so, to whom?

Mr. HOLLAND. I yield first to the Senator from New Mexico, after which I shall be pleased to yield to the distinguished Senator from Illinois.

Mr. CHAVEZ. I presume the Senator from Florida has reference to the fact that he attended a meeting of officials of the American State Highway Association in Kansas City.

Mr. HOLLAND. The Senator is correct.

Mr. CHAVEZ. They were officials from the respective States who have had something to do with the programing, the letting of contracts, and the building, not only with respect to their own local roads, but also with respect to the Federal aid system.

Mr. HOLLAND. The Senator is correct. The officials and the personnel of the Bureau of Public Roads are honorary members, or some kind of members, of the highway association, and they attend the planning sessions, which continue for several days.

Mr. CHAVEZ. That is correct; and the planning must dovetail with what Congress does in the matter of Federal aid.

Mr. HOLLAND. The Senator is, of course, correct.

Mr. CHAVEZ. Each of the State legislatures meets practically once every 2 years, so they must possess information as to what the Congress intends to do in the matter of Federal aid for highways, before they can even do their programing.

Mr. HOLLAND. Of course, the Senator is correct. I now yield to the Senator from Illinois.

Mr. DOUGLAS. Does not the Senator from Florida know that no State has submitted plans for 1954–55?

Mr. HOLLAND. The Senator from Florida knows that the regular time for the submission of plans for that year will soon be upon us. It comes early in the fall.

Mr. DOUGLAS. But they have not yet submitted any plans for 1954–55.

Mr. HOLLAND. The Senator is not entirely correct about that, because, to the contrary, the State road departments have just concluded arguing with their State legislatures, as has been the case in the State of Florida, where the legislature which will adjourn tomorrow, has just gotten through hearing the road department submit its program for the next 2 years and has passed the agreed-upon appropriations. The appropriation which we make here is not even a major part of the road program of the Nation, as the Senator well knows. Each State has gone through its part of the planning, appropriating and authorizing, and the give-and-take which characterizes a legislative session. Many of them are through already; and in the case of my own State, it will be through at noon tomorrow. So that I think the Senator from Illinois is not correct in his statement that there has been no planning, no action, and no preparation for what will be done in fiscal 1955.

Mr. DOUGLAS. The program has not been submitted to the Bureau of Public Roads.

Mr. HOLLAND. To the contrary, that program is very far advanced, as every Senator who has served in his State legislature, or who has served as the governor of his State, or who has served as a member of the cabinet of his State, knows full well. So that the distinguished Senator may not with complete accuracy make the claim that this program has not been acted upon, because it was acted upon in the making of the budget of the various States last fall and winter, budgets which they were preparing for submission to the legislatures this spring; and it has gone a long, long way toward completion so far as the States' parts of the program are concerned.

Mr. President, I shall not further take the time of the Senate. It seems to me so completely clear that there is here a matter in which it is sought, through a side-door method and without reference to the appropriating or legislative committees, and without any chance at all for anyone to be heard, to reshape and in part to destroy, certainly largely to diminish, programs which are of great importance, and which are cooperative programs between the Nation and the respective States, that it would ill become the Senate of the United States to adopt such an amendment; and I hope we shall not adopt it.

Mr. DOUGLAS. Mr. President, will the Senator yield for a final question?

Mr. HOLLAND. I yield.

Mr. DOUGLAS. In view of the fact that the present administration has complained about the outstanding volume of prior obligations which it has to meet, does not the Senator from Florida think it would be a very cooperative action on our part if we were to help our friends on the other side of the aisle in their efforts to balance the budget for 1954–55? I hope very much that my friends on the other side of the aisle will rise in large numbers to assist their President in balancing the budget for fiscal 1955.

Mr. HOLLAND. Mr. President, in answering that question, I should like to say that, in the first place, I have not noted any lack of vocal qualities on the part of our friends on the other side of the aisle. I have found them well able to state their own position; and they frequently do so. I have heard none of them state any position in support of this ill-conceived amendment.

Furthermore, I have never found any lack of articulative qualities on the part of the head of the present national administration; and I did not note in his message, and I have not heard in his various radio broadcasts or in his various news interviews, any suggestion whatever that he thought the national road program which would be shaped in the first full fiscal year of his administration should be recast and diminished. To the contrary, there has been an utter absence of any such comment from any of the sources which I have indicated, and I would think that the able Senator from whom this amendment comes should not be regarded as being intimately representative of the wishes of the present administration—unless, indeed, the Senator from Illinois advises us that he has had such suggestion, or has had some such request from the President of the United States, of which, certainly I have no information, and of which the Senate, I believe, has received no information from any other source.

Mr. MAYBANK. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield to the Senator from South Carolina.

Mr. MAYBANK. I wish to ask the distinguished Senator from Florida, a former Governor of his State, whether the pending proposal does not come at an inopportune time, in view of the fact that the legislatures have adjourned, or recessed, in most of the States, and have made their arrangements with the Federal Government. Therefore, what is to happen to what the legislatures have done to cooperate with this program, since they have in most instances adjourned sine die?

Mr. HOLLAND. The Senator is, of course, completely correct. I yield the floor.

Mr. CHAVEZ. Mr. President, when it comes to the question of roads, we are not confronted with a political question. Roads are quite as necessary in Republican California and in Republican New Jersey as they are in Democratic Florida or in Democratic New Mexico. The subject of roads is not a political one. Roads are necessary. Roads have made the country great. I have made that statement before, and I make it again.

Of course, we have our Declaration of Independence, and we have the Constitution of the United States of America. Those were paper documents. But, Mr. President, if there is a question as to what actually united the States, let us consult history a bit.

The War Between the States, a sorry episode, but which nevertheless happened, and which is part of our history, divided the Nation. For a time the States were not united. We had our good friends on the one hand, who represented the Confederacy; and we had the so-called Yankees up North. One was cussing the other. The one from the South was isolated, he could go nowhere; the one from the North could go nowhere. Both of them were cussing the people from Colorado and New Mexico—people from the wild and woolly West—until Mr. Ford got his big idea, which resulted in his development of the jalopy, making it necessary that there be roads and streets upon which the jalopies could roll; as a further result of which, the idea was conceived of trying to drill for oil, of trying to refine gasoline, and of trying to build the rubber and the metal industries.

When that was done, Mr. President, the man or the girl who could not easily go from Mississippi to Maine was able to roll on those roads and find out that his or her neighbors and fellow citizens in Maine held exactly the same ideas, and had the same trials, tribulations, and hopes, as were found in the State of Mississippi and everywhere else in this free country. I have seen persons from Maine in California finding out that the California people were like the rest of the people of the Nation. What actually united the United States, in addition to the Constitution, was the highways of America.

I hope we shall not do anything this afternoon that will in anyway interfere with the process of uniting the United States.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Illinois. [Putting the question.]

Mr. DOUGLAS. Mr. President, I ask for a division.

On a division, the amendment was rejected.

The VICE PRESIDENT. The bill is open to further amendment.

Mr. DOUGLAS. Mr. President, I have another amendment, identified as "6–1–53–E," which I send to the desk and ask to have stated.

The VICE PRESIDENT. The clerk will state the amendment offered by the Senator from Illinois.

The CHIEF CLERK. On page 5, line 11, it is proposed to strike out "$500,000" and insert in lieu thereof "$400,000: *Provided*, That no part of these funds may be used for the purchase of alcoholic beverages to be served at public functions in countries where the Mohammedan religion is practiced by a majority of the population of such country."

Mr. DOUGLAS. Mr. President, this amendment is an important item.

Complaints have been received, which I believe were well-founded, that members of the American diplomatic service use their representation funds to give parties in Mohammedan countries where alcohol is served. As we all know, the Koran says that the drinking of alcohol is a deadly sin, and one loses caste very rapidly in Mohammedan countries if he serves and drinks liquor.

I am not proposing that these diplomatic representatives shall be teetotalers in their private lives. They may drink as they wish in their private entertainments. I am merely saying that if they entertain publicly in countries which are violently opposed to the serving of liquor, they shall not use public funds to furnish liquor when the result is contrary to the interests of the Government.

I want to make it clear that I do not pose as a teetotaler, myself. I am not a teetotaler, and, therefore, I do not wish to sail under false colors, so far as this amendment is concerned. I merely assert that I do not think our representatives abroad should use public funds for the purchase and distribution of liquor in Mohammedan countries when it distinctly lowers the prestige of the United States of America. I know such an order should be put into effect by the State Department, and if the State Department were on to its job, it would do so, but, unfortunately, the appetites of members of the Foreign Service seem to be stronger than their realization of the proper course to pursue in Mohammedan countries, and it seems to me it has now become the function of Congress to lay down some standards of behavior.

I offer the amendment very reluctantly, and I hope it will be adopted.

Mr. BRIDGES. Mr. President, the entertainment fund of which the Senator from Illinois speaks is used for many purposes, including furnishing representatives of the United States in foreign countries the facility to entertain and to do certain things in accordance with diplomatic customs or exchanges between nations. For instance, it is used to purchase flowers, wreaths, and other tokens for presentation in accordance with local customs. It is used to purchase and place a wreath on the monument of a great hero, or something of that sort. It is used in connection with the observance of the Fourth of July in England, and for other purposes.

The amendment offered by the Senator from Illinois provides: "That no part of these funds may be used for the purchase of alcoholic beverages to be served at public functions in countries where the Mohammedan religion is practiced by a majority of the population of such country."

I wonder if the Senator would accept the following modification of his amendment: "*Provided further*, That the above limitation shall not apply to any public function at which there are one or more individuals of the Mohammedan faith present who imbibe alcoholic beverages."

That is so that there would be no discrimination, so that there would be freedom of action. [Laughter.]

Mr. DOUGLAS. Mr. President, if the Senator from New Hampshire is serious about it, I will accept his amendment, if he will push it. I hope he goes through with his end of the bargain.

Mr. BRIDGES. I will not say that I will push it.

Mr. DOUGLAS. Then it is an Indian gift the Senator offers.

Mr. BRIDGES. I am opposed to the amendment of the Senator from Illinois, either as it is or as modified, and I hope it will be rejected.

I realize that I could make a point of order against the amendment, but let us settle it by a vote.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Illinois.

The amendment was rejected.

The VICE PRESIDENT. If there be no further amendment, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 4974) was read the third time, and passed.

Mr. BRIDGES. Mr. President, I move that the Senate insist upon its amendments, request a conference thereon with the House of Representatives, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the Chair appointed Mr. BRIDGES, Mr. SALTONSTALL, Mr. FERGUSON, Mr. SMITH of New Jersey, Mr. MCCARRAN, Mr. ELLENDER, and Mr. HILL conferees on the part of the Senate.

AUTHORIZATION FOR THE VICE PRESIDENT TO SIGN ENROLLED JOINT RESOLUTION DURING RECESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the Vice President be authorized to sign Senate Joint Resolution 80, requesting and authorizing the President of the United States to officially proclaim the week of June 7–14, 1953, as "Aid to Korea Week", during the coming recess.

The VICE PRESIDENT. Without objection, it is so ordered.

FURNISHING OF TRANSPORTATION IN GOVERNMENT-OWNED VEHICLES FOR VETERANS' ADMINISTRATION EMPLOYEES AT FIELD STATIONS

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of House bill 1730, which is No. 317 on the calendar.

The VICE PRESIDENT. The bill will be reported by title.

The LEGISLATIVE CLERK. A bill (H. R. 1730) to provide for furnishing transportation in Government-owned automotive vehicles for employees of the Veterans' Administration at field stations in the absence of adequate public or private transportation.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from California.

The motion was agreed to; and the Senate proceeded to consider the bill.

ORDER FOR ADJOURNMENT TO MONDAY

Mr. KNOWLAND. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it adjourn until 12 o'clock noon on Monday.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. HENDRICKSON. Mr. President, am I correct in my understanding that when the Senate recesses tonight, it will recess until Monday?

Mr. KNOWLAND. The Senate will adjourn until Monday, and on Monday the calendar will be called.

Mr. HENDRICKSON. I thank the Senator.

INSECT AND RODENT INFESTATION OF WHEAT

Mr. SCHOEPPEL. Mr. President, last year the Food and Drug Administration announced that it was about to embark upon a program of enforcement of the Food, Drug, and Cosmetic Act with the purpose of assuring that only wheat free from contamination by rodent excreta or insect infestation would reach the mills for grinding into flour. This program followed several years of intensive enforcement of the act against flour mills and their product, flour. It was said that the mills had been brought into thoroughly sanitary condition, but that some contamination still appeared in the flour which could not be avoided because it was in the wheat which the mills grind, and, that therefore, it was necessary to direct an enforcement program to the wheat itself. The aim was laudable and within the purpose of the act. The only difficulty was that so many and such difficult problems arose in dealing with the wheat that formidable obstacles were in the way of effective enforcement.

The program announced was in two distinct phases. The first phase involved measures to require elevator operators who store grain to bring their plants into thoroughly sanitary condition. The second phase provided for the seizure of grain in boxcars where rodent contamination or insect infestation was found by inspectors of the administration.

Regarding the first phase, there has never at any time been any controversy. The grain trade, and all others concerned, have accepted this part of the plan without question, and I am informed that the Administration has diligently proceeded to bring the elevators into compliance and to keep them in sanitary condition.

The second phase is in two parts. The first relates to contamination of wheat by rodents, the other to infestation by insects. I have at all times disclaimed any intention to make any representations concerning the contamination of grain by rodents. So far as I am con-

cerned, this part of the program can proceed at once. However, in saying this I do not overlook the fact that in some parts of the country conditions are such that a good case probably can be made for a postponement of the enforcement program relating to rodent contamination. I am only saying that I, personally, do not desire to offer anything in even temporary opposition to that plan.

However, the matter of insect infestation is an entirely different question, and on that point I am convinced the Administration is ill prepared to proceed, for reasons which I shall give.

This is a matter of large importance. Wheat is one of the vital foodstuffs of our people, and it is of the greatest consequence to the people of my State, which is the largest wheat-producing State in the Union.

The matter was first brought to congressional attention by the distinguished Senator from Vermont [Mr. AIKEN], chairman of the Committee on Agriculture and Forestry, who directed hearings before the committee on this subject on March 10 and 11, 1953, as a result of information he had received from the Department of Agriculture that the proposed enforcement program of Food and Drug Administration jeopardized the handling of wheat which the Government then owned and which it expected to acquire upon the default of price-support loans on April 30, in all, some 500 million bushels of wheat, enough to feed the people of this country for a year.

The problem of weevil infestation, which, as I have said, is the only phase of this matter in which I have taken any interest at all, is one not easy of solution. Every farm boy knows that grain bins attract weevils, and studies of entomologists show that weevils are prevalent on farms everywhere in this country. While weevils have always been pests, it must be realized that Government price-support programs have encouraged the production of grain in excess of the country's needs, and, therefore, operate to build up large stocks of grain on farms, thus intensifying the weevil problem. Also, it is worthwhile to notice that fossilized weevils far antedate any known evidence of man himself. The weevil is not to be taken lightly.

The particular weevil problem presented is not one of destroying live weevils crawling on the surface of the grain, but one which requires the determination of internal infestation. The weevil bores a hole in the wheat kernel for the purpose of laying an egg, which in due time develops into a larva, which feeds on the wheat, finally emerging as an adult weevil. The infested wheat shows no outward sign whatever of the existence of the weevil, and no practical test has been devised to discover its presence. The hearings before the Committee on Agriculture and Forestry demonstrated that the Food and Drug Administration has not been able to devise any reliable, practical test, and it is upon this point that the discussion of the matter has largely proceeded.

The announced purpose of the Food and Drug Administration is to divert all insect-infested wheat to animal feed, a process which would result in a reduction of the price to the farmer of approximately 60 cents per bushel, and this is suggested as a means of forcing the farmer to install sanitary bins and keep them fumigated. This may be a commendable objective, given time within which the farmer can meet it, but on the basis of present-day conditions it appears distinctly unfair to the farmer and would mean a substantial economic loss to the people of my State. The practice of storing wheat is a very old one, and farmers have not heretofore been obliged to consider any enforcement of the Food and Drug Administration in this drastic manner. In my opinion, before they are called upon to meet such a plan, they should be given an opportunity to spend the necessary money to acquire proper bins and to plan the necessary substantial investment in fumigants. Moreover, it seems to me that the Department of Agriculture should be charged with the duty of educating farmers in that direction, a process which obviously would require a number of years. At this time the department is not ready with any program of the kind and has no funds with which to promote one.

In my State there are more than 1,700 country elevators which receive grain from farmers. Under the proposed plan of the Food and Drug Administration they would be expected to examine all wheat purchased for evidence of internal insect infestation. As I have said, no plan has yet been devised which will reveal this contamination. A tentative plan offered by Food and Drug Administration required the examination of a sample of 100 grams of wheat containing some 4,000 berries. The Administration said that if as many as three berries showed evidence of exit by weevils, the whole lot should be sold as livestock feed. This test requires upward of 30 minutes, is variable and uncertain, and is not regarded as practical, as the evidence before the Committee on Agriculture and Forestry showed. One of the purposes of the requested postponement was to allow time within which to develop some means of determining the presence of insect infestation with reasonable certainty and with reasonable speed.

Upon inquiry the Food and Drug Administration said that the amount of wheat in the country which might be affected by internal insect infestation would not exceed 5 percent. The information presented to us was that far more than this amount would be involved. Whatever the amount might be, the effect would be to compel a large economic loss and to subject buyers and sellers to a high degree of uncertainty in their business operations.

I read from pages 30 and 31 of the hearings before the Committee on Agriculture and Forestry:

Senator SCHOEPPEL. Mr. McArthur, on that very point, I am just sure that you are right, and I have this fear: That unless we get a classification or a modification of the general concept as it is prevailing over the country now in the grain trades, from the producers' angle, that in this next crop they are going to be rushing that wheat right on in, they are not going to take the chances, and I am afraid of gluts in the market and you people are the ones who are going to get additional burdens placed on you if we go through with this program.

That is the thing that I see as a serious impact on this. Again I say it goes primarily, of course, to phase 2, which would be the insect damage, and there would be a hesitancy on the part of farmers holding it any longer than possible, certainly on the country elevator operator who has got storage capacity—he is going to be a little skittish about it. That is the very thing that I am very seriously concerned about.

Mr. MCARTHUR. Senator, I think you are absolutely right. We don't want to delay this program, but I think that in the long run we can reach the objective quicker. As I have stated, in the work that we have done through our inspections, both at the country and the terminal level, reinspection, handling of deliveries—we are growing in experience on that and we will be able to do a better job. You see we are dealing with nearly all the elevators that handle grain, whereas Food and Drug only spot checks.

We have done a great deal toward better farm storage, and we have some work in progress now in the matter of aeration of grain in bins, and so forth, which I think will help greatly in the future, and I think going on as we are we will certainly keep emphasis on the objectives of this program and get better storage at the farm level and help get the warehouses in better shape for handling it.

For those reasons we feel that the seizure feature of this insect infestation thing ought to be postponed until we can progress further along this line.

The Food, Drug, and Cosmetic Act is so severe in its application that whatever the amount of insect-infested wheat might be, it could not legally be shipped out of the borders of my State, because the law forbids the interstate transportation of wheat which might be deemed filthy, and in the opinion of the Food and Drug Administration insect-infested wheat is filthy. Moreover, the law is such that the mere holding of such wheat is made an offense, so if the program of the Food and Drug Administration had been put in effect, everyone who shipped in interstate commerce or merely held insect-infested wheat would be in violation of the law. Any law as strict as this, making bootleggers of honest businessmen who happen to come in possession of this wheat, will not have the support of public sentiment.

In my opinion, the whole plan of the Food and Drug Administration with reference to wheat, proceeds upon a fundamentally sound basis. The purpose of the act is to assure the consumer wholesome foods, which are not in anywise deleterious to health. Actually, under present practice, the flour mills exercise a high degree of selectivity in buying the wheat they will grind. They have expert buyers of wheat, they have laboratory and X-ray equipment to examine the wheat, and they are far better situated to cull out and use proper wheat than anyone else along the chain of distribution from the farmer on. They have also the mechanical means to remove most of the relatively small amount of contamination in any wheat they buy.

Insect infestation of the kind I have described shows in flour as minute fragments, so small in size that they have passed through 30 siftings of silk in the milling process and can be found only with the aid of a microscope, and then only after washing the flour away from the fragments. It was conceded by the Deputy Administrator of the Food and Drug Administration at the hearing before the Committee on Agriculture and Forestry that any amount of such fragments in the flour would not be in any degree harmful to the health of the consumer. It is estimated that 10 such fragments which may be present after 30 siftings of silk would be of the magnitude of 1 to 7½ million parts of flour. Therefore, it is obvious that whatever small amount of contamination may possibly exist in flour is infinitesimally small, is not in any sense harmful to health and cannot be perceived by any human sense.

During the hearings, I asked Mr. Larrick, Deputy Commissioner, Food and Drug Administration, whether the presence of insect infestation was detrimental to the health of the consumer. Mr. Larrick's reply was:

I do not think so. I think it is an esthetic problem.

This is what Mr. William McArthur, Deputy Director of Grain Branch, PMA, Department of Agriculture, had to say:

Mr. Chairman, again personally speaking, I have been around this world about 66 years. I have never suffered any injurious effects from eating bread and I don't know of anybody else who has.

I surmise this program is based largely on esthetic reasons. I think $25 million is a lot of money for CCC to lose carrying out such a program. I wonder if we do not kind of lose our perspective.

I might illustrate it this way: Two or three years ago, my wife and I went down to Hot Springs, Ark., for a week's vacation, enjoyed the baths and so forth until we went to a good-looking restaurant one night for dinner. My wife saw one of those beautiful lemon chiffon pies, or whatever it is, and had a piece of it. In less than 2 hours she was the sickest person you ever saw. I rushed down to the drugstore and told the druggist about what the trouble was. "Did she have some lemon chiffon pie?" I said, "Yes." He said, "That's not unusual. If one fly hits a pie, it really creates dynamite." He goes back and gets a bottle of medicine. He said, "We keep this in stock for this purpose. Take it home." It was effective.

Apparently one fly on a chiffon pie can create more distress than all the insects on a million bushels of wheat. That is my personal reaction to this program.

It is argued with much force by the grain trade that the purpose of the act can be better achieved by applying its enforcement at the mill level rather than by attempting to go back to the farmer and the small country elevator. This is particularly so in view of the very limited number of inspectors available to the Food and Drug Administration for all the purposes of the act. The most economical and most efficient method of enforcement would be to apply it at the mill level.

With these facts before us, members of the Committee on Agriculture and Forestry heard representations of the Department of Agriculture with reference to their problem in the handling of hundreds of millions of bushels of wheat which would be subject to examination and seizure by the Food and Drug Administration, and also representatives of the grain trade who had virtually the same problem, and concluded that consideration should be given to a more practical enforcement of the act than that adopted by Food and Drug Administration. Out of numerous conferences between these groups and Food and Drug Administration there was developed an understanding that enforcement of the act with reference to insect infestation of wheat should be set aside for the present, pending a more thorough study by all concerned of the problems involved, with a view to ascertaining a practicable test for infestation, and also a more workable plan of enforcement. To implement this understanding it was arranged that a committee of 15 be created, of which 2 members would represent the Department of Agriculture, 2 members the Food and Drug Administration, 2 would be nutrition experts, 4 would be entomologists from recognized agricultural colleges, and 5 would be representatives of the grain trade. Thus the thought was that by the cooperation of all concerned a practical and workable enforcement program could be developed.

This action does not mean that the purpose of the act will not be fulfilled. In the meantime, the Food and Drug Administration will proceed with the enforcement of phase one, directed to improving the sanitation of grain elevators and the enforcement of the act with reference to flour mills and with reference to the flour they produce, so that nothing will have been lost in the interests of the consumer.

In closing, I wish to say that Mrs. Hobby, Secretary of the new Department of Health, Education, and Welfare, is to be commended upon the practical, common-sense approach she has taken with respect to this difficult and complicated problem. The country is fortunate in having a Secretary with the vision and sound judgment she has displayed in working out this problem.

FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT—AMENDMENT

Mr. HUMPHREY. Mr. President, I send to the desk an amendment to Senate bill 690, a bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to authorize the Administrator of General Services to enter into lease-purchase agreements to provide for the lease to the United States of real property and structures for terms of more than 8 years but not in excess of 25 years, and for acquisition of title to such properties and structures by the United States at or before the expiration of the lease terms, and for other purposes, and ask to have it printed and lie on the table until such time as I call it up.

The VICE PRESIDENT. Without objection, the amendment will be received and printed, and will lie on the table.

AIRMAIL SUBSIDY SEPARATION—REORGANIZATION PLAN NO. 10

Mr. HUMPHREY. Mr. President, recently the Senator from Massachusetts [Mr. KENNEDY] made a statement concerning the airmail subsidy separation, Reorganization Plan No. 10. I ask unanimous consent that a statement prepared by the Senator from Massachusetts be printed in the body of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR KENNEDY ON AIR MAIL SUBSIDY SEPARATION, REORGANIZATION PLAN NO. 10

Reorganization Plan No. 10 does not accomplish an effective separation of the hidden airline subsidies from mail pay as called for by the Hoover Commission and other groups interested in governmental reform.

1. Cost standard: The Post Office and the taxpayers are not sufficiently protected from having to pay to the airlines more than the cost of mail services actually rendered. As President Eisenhower himself has noted, we need "an amendment of the Civil Aeronautics Act to provide specifically that compensatory rates for mail transportation should be based upon the cost of rendering mail service, plus a fair return." Such an amendment is not, and indeed cannot, be accomplished by an executive reorganization plan, and requires legislation by the Congress.

2. Congressional control of subsidies: Instead of transferring control of subsidies from CAB to the Congress, Reorganization Plan No. 10 simply transfers the payment of these subsidies from Post Office to CAB. In President Eisenhower's own words, the reorganization plan will not "change the aggregate amount of revenue" to be paid to the airlines. By leaving the CAB with some authority to continue to obligate money for subsidies for airlines without action directly by Congress, Reorganization Plan No. 10 fails to give the taxpayers, through their elected representatives in the Congress, an opportunity to exercise influence in the amount to be given to the airlines. By contrast, the Senate Appropriations Committee in its reports by Mr. CORDON (S. Rept. 1389, 80th Cong.) and by Mr. MAYBANK (S. Rept. 310, 81st Cong.) recommended that the CAB should be unable to obligate money for subsidizing airlines except after express appropriation by Congress, and therefore, under legislation now pending, the taxpayers would have a chance to reduce some of the $80 million per year now being spent in subsidizing privately owned airlines.

True airmail subsidy separation requires legislation to amend the Civil Aeronautics Act of 1938, and this reform is not and cannot be done by Reorganization Plan No. 10.

There are now pending before Congress bills which would make an effective separation: S. 1360, introduced by myself and Senators AIKEN, CLEMENTS, COOPER, CORDON, DOUGLAS, FERGUSON, GILLETTE, HENNINGS, HUMPHREY, IVES, JACKSON, JOHNSTON of South Carolina, KEFAUVER, KILGORE, LANGER, LEHMAN, MANSFIELD, MAYBANK, MUNDT, MURRAY, SCHOEPPEL, SMITH of New Jersey, and SPARKMAN; and also companion bills H. R. 131 by Representative HESELTON, Republican, Massachusetts, and H. R. 4222 by Representative ROONEY, Democrat, New York.

Mr. HUMPHREY. Mr. President, I make note of the fact that I am a cosponsor of the bill known as Senate bill 1360, introduced by the Senator from Massachusetts, along with many other cosponsors. The purpose of our bill is to separate, by legislative action, the air-

line subsidies from the Post Office Department and make them very obvious and visible, through direct payments, so that the public and the Congress may know exactly the amount of the subsidy. I believe the statement of the Senator from Massachusetts points up the weaknesses in the reorganization plan. It makes note of the fact that Reorganization Plan No. 10 is an attempt by the President, under his reorganization authority, to meet this very difficult problem.

WHAT RESPONSIBLE CITIZENSHIP MEANS—ADDRESS BY CAROL ANN BJORNSTAB

Mr. HUMPHREY. Mr. President, I ask unanimous consent that a speech entitled "What Responsible Citizenship Means to Me" by Carol Ann Bjornstab, Relview, Minn., be printed in the body of the CONGRESSIONAL RECORD. Miss Bjornstab's speech won first prize in a 4-H speaking contest.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

WHAT RESPONSIBLE CITIZENSHIP MEANS TO ME

(By Carol Ann Bjornstad)

Responsible citizenship is a phrase which can embrace many meanings. It can mean a heavy burden of fear and distrust which demands from the individual every ounce of strength and every waking moment of thought for a state in which he has no part. This is its meaning to a Russian, or a Czechoslovakian, or a Hungarian citizen of today, and it is based upon only one, powerful element—fear!

But responsible American citizenship is characterized by many things. It finds its primary strength in the fact that it is conceived in the liberty of a free people, and is expressed in the lives and acts of its people. For responsible citizenship means more than merely living up to the stipulated duties of the law. It must be a part of each of us; a force which leads us to form within ourselves the standards of morals and conduct which correspond with the law and are in harmony with the median of public opinion. These standards are the ones which will not let us exceed the speed limit on a lonely road, or claim too many tax deductions, or claim a non-existent illness to avoid jury duty. They are the mores which lead a nation as a whole to respect the ancient laws of behavior preserved through religion—religion still unsullied by the purge of the Iron Curtain.

High among these standards should be a firm conviction against intolerance. Do you recall the time in the Christmas play when a colored boy played the part of one of the Three Kings? Those titters which filled the hall belied the Christmas spirit, as most people forgot that one of the Wise Men was indeed colored. What did you do then? And remember the rumor that spread like wildfire through town? You know the one I mean. The story that the new doctor was sponsoring wild parties and fed the teenagers narcotics. You really intended to investigate, I recall, but you were caught up in the action so quickly that by the time the stories were disproved a man's reputation was ruined and he had left to rebuild his life somewhere else. He was Jewish. In Russia just recently six Jewish doctors were accused of killing top Russian leaders in the course of practice. Other Jews have been persecuted unmercifully. A shocking parallel, isn't it? In a country such as ours, whose very foundation has been built on a mixture of people of many races, creeds, colors, and nationalities, we cannot afford this type of injustice. In our responsibilities to our Nation we are dutybound to uphold the rights of all the people, for without any one minority group we would find ourselves weakened to such a point as to seriously endanger those remaining. Responsible citizenship—citizenship responsible to all the people.

The first, and all too often only, thought at the mention of a citizen's duty is of the importance of voting. But I seem to recall a certain election day on which it rained, and you sat peering from your window, pitying all those who had to brave the storm in order to vote. How silly, you thought, for it was only a town election, after all. When the bond issue was passed, however, contrary to the good of the town, many felt, you were the first to complain, weren't you? And didn't you feel a little foolish when, on looking over the ballot at the presidential election, you realized that you didn't even know who was running for Congress from your district, much less who to vote for. Perhaps you'll remember next time to read the newspapers and listen to those campaign speeches which replaced your favorite mystery program. How much easier it must be for the Russian peasant to vote. He has only to go to the polls; no decisions for him.

Voting is the most influential means we have of participating in our Government. We must exercise this responsibility. But voting without knowing what the issues are or which candidate most closely matches our own ideals in government is the surest way possible of someday being able to have the same convenience in voting as that of the Russian peasant.

Even intelligent voting, however, loses some of its effectiveness if it is not followed up with another vital duty. This is the exercising of the rights and powers we as individuals hold and prize: The petition circulated to improve the town sidewalk, the letter of protest or approval sent to your Congressman, the voice raised in disagreement at a meeting, the assertion of an opinion even though it may be in the minority—all these things so peculiar to the way of life we enjoy and must preserve.

This, then, is what responsible citizenship means to me: The facility of a free people to change the course of history through exercising the rights and duties of a citizenship which was born on the battlefields of protest against tyranny. It is life itself under our democracy, to be lived with kindness, charity, and understanding. It is pride. It is, ultimately, drawing together the threads of our ideals and actions toward the realization of one goal: "That this government of the people, by the people, and for the people, shall not perish from the earth."

RECOMMENDATIONS OF AMERICAN FARM BUREAU FEDERATION WITH RESPECT TO FOREIGN AID LEGISLATION

Mr. HUMPHREY. Mr. President, recently representatives of the American Farm Bureau Federation testified before the Senate Committee on Foreign Relations during our discussion and hearings on mutual aid and the mutual-security program.

I was very much impressed by the testimony of the American Farm Bureau Federation representatives. Fortunately I was able to obtain from them a summary of the recommendations of the American Farm Bureau Federation relative to foreign-aid legislation. I point out that these recommendations are worthy of the fullest consideration of the Congress. I invite the attention of Senators in particular to recommendation No. 5, which reads as follows:

Utilization of excessive United States stockpiles of farm products to further objectives of mutual security program. We recommend consideration be given to developing a sound program to utilize up to a billion dollars of CCC stockpiles of farm commodities to reinforce United States mutual security program, by authorizing sale of these commodities through private trade in cooperating countries at maximum prices the commodities will bring in the market. The proceeds of such sales in local currencies could be used to reinforce the mutual security program by providing capital for production and trade among all cooperating Nations. We emphasize that participation in this program would be entirely voluntary and by mutual agreement between participating countries and United States and would be administered through the regular process of this program. The Federation has consistently opposed the rigid high price supports without regard to demand, which lead to the accumulation of dangerously high agricultural stocks and we have also consistently opposed the use of foreign aid programs to unload farm surpluses created by unwise domestic policies. These surpluses which might have been avoided by a flexible price support program are a reality. They create a major problem which must be dealt with. We believe a sound program can be developed to utilize these stockpiles in a way that will reinforce the mutual security program.

Mr. President, I disagree with the American Farm Bureau Federation's comments on rigid high price supports. I support the high price support philosophy. However, I do feel that its efforts toward the utilization of our stockpiles of surplus commodities are very commendable. I have asked the Mutual Security Administrator, Mr. Stassen, to present to our committee some helpful suggestions as to how this might best be done. I am sure that if we devote our attention to the problem and apply our minds we can make a revision in the mutual security authorization which will provide ways and means for utilization of United States stockpiles of farm commodities.

I ask unanimous consent that the summary of the recommendations of the American Farm Bureau Federation be printed in the body of the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF RECOMMENDATIONS OF AMERICAN FARM BUREAU FEDERATION ON FOREIGN AID LEGISLATION

LONG-RANGE RECOMMENDATION

1. Bipartisan Commission on Foreign Economic Policies, to be established by congressional joint resolution, to study and prepare overall recommendations concerning United States foreign economic policies, foreign-aid programs, foreign-trade policies, and other related programs, and to recommend policies and legislation to harmonize overall United States domestic and foreign economic policies with our national security objectives. We are gratified that the President has recommended such a commission and the Senate has passed Senate Joint Resolution 78 authorizing it. We hope the House will also give it early approval.

INTERIM RECOMMENDATIONS

Pending the completion of the work of this commission and the implementation of its recommendations, we believe many things

can be done to improve the effectiveness of the mutual security program and to cope with our foreign-trade problems.

The following interim recommendations have been proposed by the AFBF:

2. Military aid: Greater emphasis should be placed on offshore procurement and extending dollar aid to other countries to build up their own capacity to defend themselves instead of the United States furnishing most of its military aid in the form of equipment produced in the United States. This change will not only strengthen their ability to defend themselves, but the dollars supplied for this purpose will help relieve the shortage of dollars until more basic steps can be taken to close the dollar gap.

3. Mutually profitable trade, not aid: Mutual security program should be directed primarily to helping develop a free world economy; it should emphasize the expansion of mutually profitable trade instead of continued dependence on aid; and primary reliance should be placed on encouraging private capital and expanding trade to do this job.

4. Revision of policy on counterpart funds: Instead of present system, the United States should accept payment for goods made available through mutual security program in the most convertible currencies and use these currencies for—

(1) Loans to credit institutions in participating countries to increase production facilities and encourage international trade.

(2) Payment of United States obligations for cooperative defense establishments, maintenance of United States troops abroad, stockpiling of strategic materials, and other United States Government expenditures abroad. This would give much more flexibility than the present method of generating and utilizing counterpart funds and make it possible to focus aid on projects that will make maximum contribution to objectives of program.

5. Utilization of excessive United States stockpiles of farm products to further objectives of Mutual Security Program: We recommend consideration be given to developing a sound program to utilize up to a billion dollars of CCC stockpiles of farm commodities to reinforce United States Mutual Security Program by authorizing sale of these commodities through private trade in cooperating countries at maximum prices the commodities will bring in the market. The proceeds of such sales in local currencies could be used to reinforce the Mutual Security Program by providing capital for production and trade among all cooperating nations. We emphasize that participation in this program would be entirely voluntary and by mutual agreement between participating countries and United States and would be administered through the regular process of this program. The federation has consistently opposed the rigid high price supports without regard to demand, which lead to the accumulation of dangerously high agricultural stocks and we have also consistently opposed the use of foreign aid programs to unload farm surpluses created by unwise domestic policies. These surpluses which might have been avoided by a flexible price support program are a reality. They create a major problem which must be dealt with. We believe a sound program can be developed to utilize these stockpiles in a way that will reinforce the Mutual Security Program.

6. Extension of the Trade Agreements Act for another year, without amendments, pending recommendations of proposed bipartisan commission.

7. Enactment of legislation to simplify customs regulations and procedures.

8. Modification of "Buy American" legislation to enable friendly nations to increase their dollar earnings.

9. Immediate action to be taken to negotiate reductions reciprocally of United States duties in excess of 25 percent ad valorem and to encourage further reductions in trade barriers among all cooperating nations.

10. Assistance through credit by the Export-Import Bank to promote the expansion of international private trade where private credit is not available at reasonable rates.

11. Ratification of the revised International Wheat Agreement.

12. Technical-assistance program can make important contributions to attaining the objectives of the mutual security program.

(a) It should be designed to offer underdeveloped and friendly nations technical training and demonstrational services. It should aid and facilitate economic development and should not be used as a vehicle for getting economic aid.

(b) Technical-assistance program should be administered by one agency with its own identity and funds. Placing it under general supervision of Director of Mutual Security will permit coordination of all technical-assistance programs, but this program should be kept separate from military aid programs.

(c) Policy should be continued and expanded of utilizing other qualified agencies such as the United States Department of Agriculture and its foreign agricultural service, the land-grant colleges, etc., in planning and carrying out the technical-assistance program in agriculture.

AGRICULTURAL RESEARCH

Mr. HUMPHREY. Mr. President, last week President Eisenhower took what must have been an interesting and enlightening tour of the great agricultural research center operated by the Department of Agriculture out at Beltsville, Md.

The New York Times, of Wednesday, May 27, carried a particularly interesting account of that visit, written by William M. Blair and headed "President Eisenhower Becomes a Farm Boy for a Day." I ask unanimous consent that the article be inserted in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PRESIDENT EISENHOWER BECOMES A FARM BOY FOR A DAY

(By William M. Blair)

BELTSVILLE, MD., May 26.—President Eisenhower went out to the American people's farm today, saw and ate some of the products of agricultural research, and recalled a campaign promise.

After partaking of a heaping plate of roast beef, ham, potato salad, peas, mushrooms, and carrot sticks, topped off with strawberry pie, he observed:

"I read in the papers of making a lot of promises that I did not make. But I did make one which shows I'm not as stupid as I sometimes appear. That was that we needed more research."

He went on to tell a small group of the country's top agricultural scientists and guests gathered at the Department of Agriculture's research center here that more work was needed in this field because it was better than direct help. Furthermore, he said, it brought developments that gave all the people a better standard of living and a better life.

"Keep up the good work," he urged the scientists. And, in a statement directed at Congress, he concluded: "Anybody who wants to limit the very modest appropriation for research better come out and see Beltsville before they vote."

HE GETS SOME INFORMATION

It was a rapid visit that the President made to the sprawling 12,000-acre agricultural research center 12 miles north of Washington, bordered on the west by United States Highway No. 1 and on the east by the Patuxent River. He was the first President to inspect the center, site of some of the major developments in all lines of farm products.

The President picked up a lot of information on insect and plant disease control, Holstein cow breeding and heat-resistant cattle and a new meat-type hog. He also picked up a smear of aluminum paint when he leaned against a freshly painted cow stanchion. He calmly wiped it off with a handkerchief.

Standing before an electronic device that sorted eggs by color, the President's eyes popped.

"It's amazing," he said to Ezra Taft Benson, Secretary of Agriculture, who accompanied him on the tour.

"I doubt if you could do better, Mr. President," Dr. T. C. Byerly of the Bureau of Animal Industry remarked.

"I'll bet he could do as well," Secretary Benson declared.

FISHING APPARENTLY BAD

His fishing luck last Saturday at Camp David, the Maryland retreat that President Roosevelt called Shangri-La, must have been bad. General Eisenhower, no mean hand with a fly rod, asked Dr. Avery S. Hoyt, Chief of the Bureau of Entomology and Plant Quarantine, what was being done to control locusts. Cicadas, commonly called 17-year locusts, abound this year in the Washington area. Told that the locusts were not worth bothering with, the President smiled wryly and commented:

"It's getting bad when the trout are so full of locusts they won't bite."

Dr. Hoyt presented him with a small piece of shale from the Miocene period bearing the fossil remains of a grasshopper caught laying eggs. The shale, from Colorado, was about 20 million years old, Dr. Hoyt estimated.

Looking over the cattle, crossbreeds of Red Sindhi and Jersey to resist heat in tropical climates, the President asked, "When are you going to get one that resists hoof and mouth disease?" That reminded him, he said, that when "the doctors compliment me on my health I always ask, 'When are you going to cure the common cold?'"

Five Holsteins, which gave 22 tons of milk between January 1 and April 30, brought the rueful remark, "I had a heifer I paid $3,500 for, and she died when she gave birth to a calf." That was a heifer for his farm near Gettysburg, Pa., which he owned with George E. Allen, often called the White House jester in the Truman administration. Mr. Allen now rents the farm from President Eisenhower, with their partnership dissolved.

Secretary Benson recalled he once had milked by machine 33 cows on his Utah farm. The President grimaced as he said that down on the farm "I hated milking cows most of all."

DRESSES MADE OF LARD

At the buffet-style luncheon in the center's Log Cabin, the cafeteria for employees, the President watched young women employees model dresses, coats, and raincoats made with inedible animal fats and corn, and flowered afternoon frocks made from cotton fertilizer sacks.

He fingered the fabrics and found out that 30 to 35 percent of the weight of the raincoats which sell for $1.98 was lard.

He evoked laughter when he asked Frank Teuton, editor of the Bureau of Agriculture and Industrial Chemistry, if "we could make a raincoat out of butter." Butter is one of the administration's surplus headaches under the Federal farm price support system.

An offer of seconds on the food brought his hands up and an expression of mock horror as he said, "No, no, no." He also passed up the candy but slipped a piece of hot-weather chocolate fudge into his coat pocket.

On the way out, he paused to look at powdered eggs, recalling he was once cursing the

eggs of World War II when an Army quartermaster officer gave him some of the new products. "Tasted good," he said.

As Mr. Teuton recalled his joining the Agriculture Department when the President's brother, Milton, now president of the Pennsylvania State College, was in the Department, the President's eyes lit up.

"Milt comes down and holds my hand every once in a while," he remarked.

"I must tell you a story," he continued.

"A Congressman was telling me he was sorry Milton wasn't in the Government. I said, 'You don't need to sell Milton to me. If it wasn't for his name, he would have a high governmental position.' Well, the Congressman felt so strongly about it that later he wrote me a letter in which he said I had given such an inconsequential reason for keeping Milton out of the Government.

"Then he added at the end that 'Milton was a well-known authority in his field when you were nothing but a major in the Army.'"

Like any dutiful husband, the President picked up samples of various specialty foods, developed for the military forces and as new outlets for farm products, to take home to the White House for Mrs. Eisenhower.

Before he went home, however, the President stopped off for a round of golf at the Burning Tree Club.

Mr. HUMPHREY. Mr. President, I invite the attention of the Senate to a few of President Eisenhower's remarks quoted in the article. Mr. Blair quotes the President as saying:

I read in the papers of making a lot of promises that I did not make. But I did make one which shows I'm not as stupid as I sometimes appear. That was that we needed more research.

I quote further from the article:

He went on to tell a small group of the country's top agricultural scientists and guests gathered at the Department of Agriculture's research center here that more work was needed in this field because it was better than direct help.

"Keep up the good work," he urged the scientists. And, in a statement directed at Congress, he concluded: "Anybody who wants to limit the very modest appropriation for research better come out and see Beltsville before they vote."

I respectfully suggest to President Eisenhower that he might be better informed about what his own lieutenants are doing contrary to his publicly expressed views, both in the campaign and since.

I find it difficult to reconcile the President's observations with the cold, hard facts that his administration's revised budget estimates provided for a reduction of $2,347,900 in funds for agricultural research below the level proposed by the original Democratic budget—a slash that has since been cut even further by the Republican-controlled House committee to a total reduction of $3,636,563 in this important work of which the President says we need more, rather than less.

I find extremely interesting his inquiry to officials of the Bureau of Animal Industry about cattle research—"When are you going to get one that resists hoof and mouth disease?"—in view of his administration's recommendation that funds for animal research be slashed 4 percent, and funds for animal-disease control and eradication be slashed 6 percent below the Truman budget. I cannot help observing that the Republican-controlled House appropriation committee cut funds for animal research still further, to 10 percent below the original estimates. I am glad the House increased the amounts for animal-disease control and eradication above what the Eisenhower administration requested, until they are now only 5 percent below the Democratic budget, but still below the actual amounts allocated for this important work in 1953.

I am sure many farmers who have been trying to get rid of brucellosis will sympathize with the President's comment, "I had a heifer I paid $3,500 for and she died when she gave birth to a calf." I do not think they will be so sympathetic, however, over Secretary of Agriculture Benson's recommendation for reduction in indemnity payments for brucellosis control.

I was interested in the concern the President is evidently feeling about butter, in view of his remarks in the article. I cannot help wondering if he has been fully apprised of the fact that this budget includes a sharp slash from original estimates for research on dairy products, work which would have included finding out about the chemical composition of milk, improving evaporated milk, developing usefulness of milk solids, and other steps which would keep butter from glutting the market by enabling farmers to sell it more cheaply without loss to themselves.

Mr. President, perhaps I should go on right down the line in the Department of Agriculture's new budget estimates for research. But instead I shall quote just very briefly from the statement of Secretary of Agriculture Ezra Taft Benson before the Subcommittee on Agricultural Appropriations in the House, on March 26, when he said:

Recognizing the very important part research has played in the development of agriculture, and the contribution it can make in solving many of the immediate and long-range problems facing agriculture today, an attempt has been made to avoid any substantial reductions in this essential work.

That is quite an example of lip service to research in the same breath with an announcement of reductions ahead.

In view of the many public addresses and utterances of the Secretary of Agriculture about the importance of research, and the need for greater dependence upon research, I must say he has a rather unusual way of exemplifying his beliefs, if this is any example.

I hope the President will not have the joy taken out of his recent Beltsville visit, when he learns his administration is proposing to hold down much-needed research work, rather than expand it, as most of us, apparently including the President, desire.

I can understand the need of the President to have lieutenants prepare his agricultural campaign speeches, and I can understand his need now to have lieutenants carry out his agricultural policies. My only suggestion is that there might be less conflict and more uniformity of objectives if the same lieutenants were used for both.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed without amendment the following bill and joint resolution of the Senate:

S. 1307. An act to amend the act of December 23, 1944, authorizing certain transactions by disbursing officers of the United States, and for other purposes; and

S. J. Res. 80. Joint resolution requesting and authorizing the President of the United States to officially proclaim the week of June 7–14, 1953, as Aid to Korea Week.

ADJOURNMENT TO MONDAY

Mr. SCHOEPPEL. Mr. President, under the previous order of the Senate, I move that the Senate adjourn to Monday, June 8.

The motion was agreed to; and (at 6 o'clock and 23 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until Monday, June 8, 1953, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 4 (legislative day of May 28), 1953:

DEPARTMENT OF STATE

Samuel C. Waugh, of Nebraska, to be an Assistant Secretary of State.

INTERNATIONAL MONETARY FUND

Frank A. Southard, Jr., of New York, to be United States Executive Director of the International Monetary Fund.

DIPLOMATIC AND FOREIGN SERVICE

Llewellyn E. Thompson, Jr., of Colorado, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Austria, and to be also United States High Commissioner for Austria.

James S. Moose, Jr., of Arkansas, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Syria.

Harold Shantz, of New York, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Rumania.

SMALL DEFENSE PLANTS ADMINISTRATION

William D. Mitchell, of Colorado, to be Administrator, Small Defense Plants Administration.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 4, 1953

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Most merciful and gracious God, we thank Thee for the privilege and power of prayer in these strange and disturbing days when we are encountering gigantic tasks which baffle our understanding.

We humbly confess that we cannot find the right answer to our many perplexing problems without the interpreting light and guidance of Thy divine spirit.

We rejoice that Thou art willing and able to gird us with strength to overcome all our fears and frustrations and to make our hearts the sanctuaries of Thy peace.

Give us wisdom and courage as we strive to emancipate our divided and distracted civilization from everything

that darkens its faith and obscures its hope.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

NARCOTICS

Mr. HOSMER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOSMER. Mr. Speaker, I take this opportunity to call to the attention of my colleagues again House Joint Resolution 240, introduced by me, which would close the Mexican border to unescorted minors. I do this because the epidemic of narcotics addiction among teen-agers, particularly in southern California, but in all of the States along the Mexican border, is serious. It needs the attention not only of the States who are doing all they possibly can, but also of the Federal Government in cooperating to close the border and cut off this source of illegal narcotics to our teen-agers. In making this statement and in introducing the legislation I wish to emphasize that in no way does it affect or cast aspersions on the Government of Mexico. It is a joint problem between the United States and Mexico, and we seek a joint cooperative solution of it.

SPECIAL ORDERS GRANTED

Mr. McDONOUGH asked and was given permission to address the House for 45 minutes on Monday next, following any special orders heretofore entered.

Mrs. ROGERS of Massachusetts asked and was given permission to address the House today for 15 minutes, following any special orders heretofore entered.

OREGON WILDCROSS BLACKBERRY JAM

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ANGELL. Mr. Speaker, my district, located in the heart of the Willamette Valley in Oregon, is noted for its wonderful climate and productive soil, which combine to make it a garden spot for the production of fruits, berries, and vegetables.

Two of my constituents, Mr. Harvey Clubb and Mr. A. W. O'Connell, are engaged in the operation of a berry farm and the production of a delicious berry known as the wildcross blackberry, which they and associated farmers are marketing through O'Connell's Berry Farm, Pleasant Valley, Gresham, Oreg., as wildcross blackberry jam. This delightful food product is made from a berry developed by Mr. O'Connell, which is a cross between the delicious wild Oregon blackberry and the domestic boysenberry.

Mr. Clubb and Mr. O'Connell have sent to me a consignment of this delicious product and have asked me to deliver samples of this jam to my colleagues in Congress, which I am doing today. I have caused to be placed on the tables in the House Restaurant a sufficient quantity of this very delectable jam for every Member to have the opportunity to sample it.

Over 100 years ago my forebears migrated to this garden spot of America, the Willamette Valley, and down through the years they and their descendants have participated in the growth and development of this great area. I am indeed happy to be able to have all of you sample one of the many delightful products which we produce in the Pacific Northwest.

I am including as a part of these remarks a short description of the development of the wildcross blackberry jam, given in the story entitled "The Story of the Bees, the Bears, the Berries," which is as follows:

THE STORY OF THE BEES, THE BEARS, THE BERRIES

Kushnowaga, chief of the Mid Columbia Indians, sat on his mat in front of his teepee on the hillside, pondering speculatively on the hillside * * * pondering speculatively, on the movement of covered wagons that crossed the rocks of Wy-um far below. The year was 1855. Kushnowaga was 22 years old, precociously young for a medicine man of such great wisdom.

He thoughtfully inhaled the delicate fumes of Kini-kinick from the long amber-colored pipe. First, he gave the strange white visitors (a slight understatement) the Quinote salmon to give them strong bones. That was the greatest gift that Wantatonka (the Great Spirit) gave to man.

Wantatonka also gave love to the red man so that people could live in friendly fashion with each other but first he gave the symbolic fruit of love to the black-furred people which Yakimahs call De Yun, the white man's bear. Behind all this is a spirit of universal good will.

The fruit he gave the bears, the Yakimahs called Olallie De Yun, the blackberry of the bears, and the ancient Romans called it Rubus Ursinus, which means the same thing in Latin as any high-school student knows.

So the Great Spirit gave the berry to the bears who shared it with the Indians who shared it with Mr. O'Connell's granduncle, Mr. Clarence O'Connell, in 1872. Clarence shared it with his nephew Dennis O'Connell (Gresham Grower, of the 1890's) who shared it with Pleasant Valley's own Mr. A. W. O'Connell (no place else wants him).

Then the bees, and the birds as well, got into the act and an Italian bee flitted from a wild blackberry blossom, stung an outraged Mexican on the cheek. He lit on a boysenberry blossom on Mr. O'Connell's hillbilly patch on O'Connell Creek in Pleasant Valley. He sipped contendly. He buzzed lazily. He fell asleep.

The pollen went to work, starting a chain reaction of atomic force.

A berry fruit formed. The seeds ripened and fell. Then the rains came, imbedding the seeds in the rich, warm earth, nurtured in the bosom of Mother Earth. The sun gave it life, and that is how O'Connell's wildcross blackberry was born in 1944 in Pleasant Valley.

The fruit of this glorious vine is reputedly delectable (good) on waffles or hotcakes and crisply fried ham with succulent mouthfuls of O'Connell's jam.

KUSHNOWAGA III.

SPECIAL ORDER GRANTED

Mr. DEANE asked and was given permission to address the House for 25 minutes today, following the legislative business of the day and any special orders heretofore entered.

CORRECTION OF RECORD

Mr. FOUNTAIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. FOUNTAIN. Mr. Speaker, having received unanimous consent of the House to extend and revise my remarks at this point, I want to correct what I am sure was an unintentional misstatement yesterday by my distinguished committee chairman of the House Committee on Government Operations, the gentleman from Michigan [Mr. HOFFMAN]. In my remarks yesterday in support of my motion to discharge House Resolution 236, I clearly stated that I had requested my chairman to call our committee together for the purpose of acting on House Resolution 236, either favorably or unfavorably, and that he had refused to comply with my request. I reiterate my remarks on page 5999 of the CONGRESSIONAL RECORD of yesterday, Wednesday, June 3.

Following my argument yesterday on the motion, the gentleman from Michigan [Mr. HOFFMAN], handling the debate across the aisle on the Republican side, in opposing the motion, said that since I was a member of the committee, if I wanted action, all I had to do was to make a motion that the committee report out my resolution or take action; that if I had done so, my motion would have been entertained and of course acted upon.

Surely, the gentleman from Michigan knows that I could not make a motion without a committee meeting and until yesterday, June 3, the date of my motion to discharge, the committee had not met since it concluded its hearings on House Resolution 236 on Monday, May 25. When the hearings were completed on May 25, Mr. RIEHLMAN, the acting chairman of the committee, and myself were the only members of the committee present. Obviously, without a quorum a motion for action on the resolution would have been useless. Not wanting to make a motion to discharge the committee unless it became absolutely necessary I waited patiently until Wednesday, May 27, for some notice from my chairman of a meeting of the committee to act on this resolution. During the House session that day my colleague the gentleman from North Carolina [Mr. COOLEY] inquired on the floor of the House as to the status of House Resolution 236 before the Committee on Government Operations. He advised the Members of the House present, including my distinguished chairman, that if action was to be taken at all on the resolution affecting Reorganization Plan No. 2, it had to be taken not later than Wednesday, June 3. While the gentleman from North Carolina [Mr. COOLEY]

did not direct his inquiry directly to the gentleman from Michigan [Mr. HOFFMAN], I feel sure that the gentleman from Michigan [Mr. HOFFMAN] heard same. Since he made no comment on the floor, I decided to confer with him personally. Consequently, just before adjournment that same day, Wednesday, May 27, 1 week before I made the motion to discharge, I crossed the aisle and asked the gentleman from Michigan [Mr. HOFFMAN] to call the committee together to report the resolution out. I explained to him that if our committee did not report the bill out, my only recourse naturally would be a motion to discharge the committee, in which event the Members of the House would have only 1 hour to debate that motion, whereas if the resolution were reported out, even though unfavorably, my motion would then be for consideration of the resolution on the floor, which would permit debate for an agreed upon period of time up to 10 hours. He refused to comply with my request.

On the following morning, Thursday, May 28, at about 10 a. m., I received a personal telephone call from my chairman, the gentleman from Michigan [Mr. HOFFMAN]. He said he understood that I wanted the committee to meet to act upon House Resolution 236. I told him I did. He said, "Come over to my office and I will discuss it with you." I went to his office. We had a general discussion about the matter during which time I again asked him to call a committee meeting for action on the resolution. He said he was not going to call the committee together since the 10-day period had expired. I told him that, in my opinion, the fact that 10 days had expired made no difference since the hearings were begun before the 10 days had expired and since a motion to discharge the committee had not been made and that the committee could still report the resolution to the floor. He stated that he would not be here on Wednesday, June 3, and that if I would make my motion to discharge at that day's session, May 28, he would support my motion, but that he could not call the committee to act on the resolution.

Shortly after the session convened this same morning, May 28, I crossed the aisle again and advised the gentleman from Michigan [Mr. HOFFMAN], that I did not think it would be fair to make a motion to discharge that day since so many Members on both sides of the aisle had left with the impression that it would not be made until the following Wednesday, June 3, the date suggested by the gentleman from North Carolina [Mr. COOLEY]. He said, "Well, do what you want to. I might even make the motion myself today."

I am sure my distinguished chairman completely overlooked these conversations which I had with him in which I specifically requested that he call the committee together to take action on the resolution. I was in no position to be demanding, but I did humbly request such action.

Now the next meeting of the committee, following the closing of its hearings on House Resolution 236 on Monday, May 25, was yesterday, June 3, the day I made my motion for discharge of the committee. That meeting was called for the purpose of considering H. R. 5228, introduced by the gentleman from North Carolina [Mr. BONNER]. The entire morning was taken up in hearing testimony from the gentleman from North Carolina [Mr. BONNER] and representatives from the General Accounting Office on H. R. 5228. Action on that resolution was completed just 2 or 3 minutes before the House session of yesterday convened. Obviously a motion at this particular meeting would have been useless and even if my chairman had changed his mind about acting on House Resolution 236, a report on the resolution could not have been filed early enough. Hence, my only alternative to enable the Members of the House to even consider the resolution indirectly was to move to discharge the committee from further consideration of it.

Mr. Speaker, I have given the facts. I have high regard for my distinguished chairman. I am sure, as I have already stated, that he must have overlooked the requests I made. I know he does not want to take advantage of a new Member by leaving an erroneous impression. I felt compelled to make this statement.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

PERSONAL INQUIRY

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, I do not know what the gentleman was talking about, because I was paying attention to something else, but if there is anything in the RECORD that I said which does not suit him or is inaccurate, I will be happy indeed to have him correct it, because I have the greatest admiration for him. I do not want to misquote him or make an inaccurate statement. I do not know what the gentleman was talking about.

SPECIAL ORDER GRANTED

Mr. DAVIS of Georgia asked and was given permission to address the House for 20 minutes today, following the legislative business of the day and any special orders heretofore entered.

COSTS TO AMERICAN TAXPAYERS OF BUY-AMERICAN POLICY

Mr. SMITH of Mississippi. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. SMITH of Mississippi. Mr. Speaker, the competition between domestic and foreign firms on rebids to supply the Chief Joseph Dam with generators reveals in no uncertain terms the cost to the American taxpayer over the last 20 years of the Buy American Act.

In its original bid December 3, 1952, Westinghouse Corp., the lowest domestic bidder, submitted a figure of $4,966,363 as opposed to English Electric's low bid of $4,406,493. The Defense Department called for rebids because of "variances in specifications." On the second round, after getting a good look at the competition, Westinghouse slashed its original price by $666,541, and is the apparent low bidder with $4,299,822. This very substantial cut of 14 percent is a fair measure of the subsidy that we, as taxpayers, have been granting domestic manufacturers under the Buy American Act.

There was comparatively little change in the rebids to supply transformers for Chief Joseph, with English Electric still the low bidder. If however, the Defense Department decides under the provisions of the Buy American Act to accept the bid of Maloney Electric Co., the lowest American bidder, it will have to pay more than 25 percent in excess of the low bid.

There is no question of quality having been reduced to permit a reduction in price on the rebids for generators. Because of the Defense Department's rejection of all original bids, the bidders obviously were more careful this time to meet specifications rigidly.

While the Buy American Act has been protecting the excessive profits of domestic manufacturers by imposing a superduty on top of the regular duty, it has deprived the consumer, that is the taxpayer, of the traditional benefits of competition that have made our economy strong. At a time when we seek economy in Government and the control of inflation, the Buy American Act is a luxury we cannot afford.

BROOKLYN SUNDAY SCHOOL UNION

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. KEOGH] be given permission to extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. KEOGH. Mr. Speaker, today marks the 124th anniversary of the founding of the Brooklyn Sunday School Union and is the occasion for a display of faith by the members of all Protestant sects in Brooklyn which should be an inspiration to people all over the world. The day is marked by the closing of the public schools in Brooklyn and the event is most unique and without a counterpart anywhere in the world. Men, women, and children will proudly march in a parade marked by beautiful floats and banners with messages of good will. Thousands of children dressed in their Sunday best on a holiday of holiness and serious-minded men and women all in the line of march in a public display of their allegiance to God. The parade is reviewed by men and women prominent in local and national affairs. It is an

inspiring sight and a powerful force for good. Surely America and democracy will continue to flourish as long as such events occur.

VETERANS' ADMINISTRATION APPROPRIATION

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I rise to ask a question of the Speaker. I do not know whether it is a parliamentary inquiry, but I would like to ask if the gentleman from California [Mr. PHILLIPS] is going to make a 1-hour statement this afternoon particularly in regard to the so-called proposed cuts in veterans' hospitals. It is vital to all Members to know what is going to happen to the Veterans' Administration appropriation regarding hospitals, and everything else as a matter of fact. The cuts are very drastic.

Can the Speaker tell me if the gentleman is going to speak an hour on that subject this afternoon? I make that as a parliamentary inquiry.

The SPEAKER. The gentlewoman will state the parliamentary inquiry.

Mrs. ROGERS of Massachusetts. Can the Speaker tell me if the gentleman from California [Mr. PHILLIPS] will make a 1-hour speech this afternoon regarding increases for veterans' hospitals? According to the press this morning it is stated that the gentleman from California [Mr. PHILLIPS] would talk for an hour.

The SPEAKER. The Chair has no knowledge of what the gentleman from California is going to speak about. He has 1 hour to address the House. The Chair knows nothing about the newspaper comments.

Mrs. ROGERS of Massachusetts. But the Speaker perhaps would assume it.

The SPEAKER. The time of the gentlewoman has expired.

REPAIR AND REHABILITATION OF PUBLIC AIRPORTS DAMAGED BY THE ARMED SERVICES

Mr. WOLVERTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 35) to provide for the repair and rehabilitation of public airports damaged by the armed services during the present national emergency, to extend beyond June 30, 1953, the availability of previous appropriations for payment of claims under section 17 of the Federal Airport Act, and for other purposes, with amendments by the House, insist on the House amendments and agree to the conference requested by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. WOLVERTON, Mr. HINSHAW, Mr. O'HARA of Minnesota, Mr. PRIEST, and Mr. HARRIS.

OFFICIAL UNITED STATES MAPS

Mr. LeCOMPTE. Mr. Speaker, by direction of the Committee on House Administration, I call up the resolution (S. Con. Res. 39) authorizing the printing of United States wall maps for the use of the Senate and the House of Representatives, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed 30,015 copies of the official United States wall map, published by the Bureau of Land Management, Department of the Interior, size 5 feet by 7 feet, of which 99 copies, mounted and backed, and 7,425 copies, not mounted or backed, shall be for the use of the Senate; and 441 copies, mounted and backed, and 22,050 not mounted or backed, shall be for the use of the House of Representatives.

The resolution was agreed to, and a motion to reconsider was laid on the table.

JOSEPH W. LITTLE

Mr. LeCOMPTE. Mr. Speaker, by direction of the Committee on House Administration, I call up the resolution (H. Res. 253) for the relief of Mrs. Fay Little Boykin, daughter of Joseph W. Little, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there shall be paid out of the contingent fund of the House of Representatives to Mrs. Fay Little Boykin, daughter of Joseph H. Little, late an employee of the House of Representatives, an amount equal to 6 months' salary at the rate he was receiving at the time of his death and an additional amount not to exceed $350 toward defraying the funeral expenses of the said Joseph H. Little.

With the following committee amendments:

Page 1, line 3, strike out "Joseph H. Little" and insert "Joseph W. Little."

Page 1, line 8, strike out "Joseph H. Little" and insert "Joseph W. Little."

The committee amendments were agreed to.

The resolution was agreed to, and a motion to reconsider was laid on the table.

ESTABLISHING A COMMISSION ON INTERGOVERNMENTAL RELATIONS

Mr. REECE of Tennessee. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 266.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4406) to establish a Commission on Governmental Functions and Fiscal Resources. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Government Operations, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Tennessee is recognized for 1 hour.

Mr. REECE of Tennessee. Mr. Speaker, I yield 30 minutes to the gentleman from Virginia [Mr. SMITH], and yield myself such time as I may use.

The SPEAKER. The gentleman from Tennessee is recognized.

Mr. REECE of Tennessee. Mr. Speaker, H. R. 4406 is based upon the request of the President in a state of the Union message—and more specifically requested in a special message to Congress on March 30, 1953—for legislation to provide for the creation of a commission to study and report on resolutions, solutions to many problems involving Federal relations with State anl local governments, and the overlapping of jurisdictions and programs particularly in the fields of taxation and grants-in-aid.

Mr. Speaker, I have no requests for time on this side. I ask the gentleman from Virginia [Mr. SMITH] if he has any requests for time.

Mr. SMITH of Virginia. I have no requests for time. If the gentleman wishes to move the previous question I have no objection.

Mr. REECE of Tennessee. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. SIMPSON of Illinois. Mr. Speaker, I ask unanimous consent that the Committee on the District of Columbia may have until midnight tonight to file a report.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

CALL OF THE HOUSE

Mr. HOFFMAN of Michigan. Mr. Speaker, I make the point of order that a quorum is not present.

Mr. HALLECK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 50]

Allen, Calif.	Hart	Rains
Bailey	Heller	Regan
Barden	Herlong	Richards
Bolton,	Holifield	Scott
Oliver P.	Jarman	Shafer
Brooks, La.	Jones, Mo.	Shelley
Burleson	Judd	Short
Bush	Kee	Shuford
Campbell	Kersten, Wis.	Sikes
Carlyle	Kilday	Small
Cederberg	Lovre	Sullivan
Chatham	Lucas	Teague
Chelf	Lyle	Thompson, La.
Chudoff	McCarthy	Tollefson
Clardy	McMillan	Tuck
Coudert	Martin, Iowa	Vinson
Dawson, Ill.	Mason	Vorys
Dempsey	Miller, N. Y.	Vursell
Dingell	Morrison	Wainwright
Durham	Mumma	Wampler
Fogarty	Nelson	Westland
Frelinghuysen	Passman	Wilson, Ind.
Gamble	Pelly	Yates
Gubser	Phillips	Zablocki
Gwinn	Poage	
Haley	Poulson	

The SPEAKER. Three hundred and fifty-four Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 80. Joint resolution requesting and authorizing the President of the United States to officially proclaim the week of June 7-14, 1953, as Aid to Korea Week.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 117. An act to amend section 7 of the Flood Control Act of 1941 relating to the apportionment of moneys received on account of the leasing of lands acquired by the United States for flood-control purposes; and

S. 1739. An act to provide for continuation of authority for regulation of exports, and for other purposes.

The message also announced that the Senate had ordered that the Senator from Rhode Island, Mr. PASTORE, be appointed a member of the Joint Committee on Atomic Energy, vice the Senator from Texas, Mr. JOHNSON, resigned.

The message also announced that the Senate rescinded its action agreeing to House amendments to the bill (S. 1550) entitled "An act to authorize the President to prescribe the occasions upon which the uniform of any of the Armed Forces may be worn by persons honorably discharged therefrom."

The message also announced that the Senate disagrees to the amendments of the House to the foregoing bill and requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. SALTONSTALL, Mr. BRIDGES, and Mr. RUSSELL to be the conferees on the part of the Senate.

ESTABLISHING A COMMISSION ON INTERGOVERNMENTAL RELATIONS

Mrs. HARDEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4406) to establish a Commission on Governmental Functions and Fiscal Resources.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 4406, with Mr. REECE of Tennessee in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentlewoman from Indiana will be recognized for 30 minutes, and the gentleman from Massachusetts [Mr. MCCORMACK] for 30 minutes.

Mrs. HARDEN. Mr. Chairman, I yield myself such time as I may need.

The CHAIRMAN. The gentlewoman from Indiana is recognized.

Mrs. HARDEN. Mr. Chairman, I am very pleased to make a brief statement on the merits of H. R. 4406, which has as its purpose the establishment of a Commission on Intergovernmental Relations. I wish to congratulate our distinguished majority leader, my colleague from Indiana [Mr. HALLECK] for his fine bill. I also wish to compliment the distinguished chairman of our full committee [Mr. HOFFMAN of Michigan], who has introduced similar bills during the past several sessions. Many other Members who have introduced like proposals should also be complimented. These include former Member of Congress Mr. Boggs of Delaware, Mr. Coudert, Mr. Secrest, Mr. Dawson, Mr. Ostertag, Mr. Rains, Mr. Mills, Mr. Donohue, and Mr. Harvey.

No informed American will dispute the fact that we must be strong if we are to survive the long and trying struggle in which we are embroiled. We know that the strength of a democracy lies in the united strength of strong components, starting with the individual and including the city, the county, the State, and the Federal Government.

The development of strength stems from the exercise of initiative, freedom of action, and responsibility. It is best developed through self-reliance rather than dependence on others.

There has been a widespread misconception that actions to augment the general welfare necessarily stem from centralized Federal programs. The Federal Government now demands some 70 percent of all tax revenues. Only a few decades ago the States and local governments utilized the 70 percent and only 30 percent of total tax revenues was necessary for the Federal Government.

The widespread Federal programs, using the bulk of the tax money, have made the State and local governments dependent upon the Federal establishment.

For several years there has been a general nonpartisan move to realine Federal-State relationships. Congress recognized the need in the Legislative Reorganization Act of 1946 when it provided for intergovernmental subcommittees in the Government Operations Committees. The Hoover Commission made specific recommendations on the subject. Numerous other bills have been introduced during the last few years with the same general objective in mind.

The President's splendid message of March 30, 1953, highlighted the need for action.

I wish to make a special point of the fact that there is a great waste when the Federal Government levies taxes on enterprises in the various States, counties, and municipalities, brings the tax money to Washington, so to speak, and then doles part of it back to the same States from whence it came. Undoubtedly more effective use could be made of the money if it were kept at the local level and spent for needs as seen by local officials. Necessary equipment and supplies could be purchased from the local industries, which, of course, must support the Federal Government in Washington.

During the hearings which were held by the Intergovernmental Relations Subcommittee, of which I have the honor to be chairman, we heard representatives from the American Municipal Association, the United States Chamber of Commerce, the Virginia State Chamber of Commerce, the National Association of County Officials, and the National Association of Manufacturers, and a representative of the mayor of San Francisco; also our colleagues, Mr. Halleck, Mr. Harvey, and Mr. Keating; our former colleague, Mr. O. K. Armstrong, and Senator Ferguson and Senator Hendrickson.

It is my opinion there is a genuine need for this Commission. This is a cooperative effort between the Federal Government and the State, county, and municipal governments. All interested segments will be represented on a Commission of 25 members. Each member will represent a genuinely interested constituency concerned with accomplishments. Some witnesses pointed out that it will be much easier to sell the final product if there has been genuine participation in the development of the recommedations by all parties concerned. The way to obtain real cooperation is to have real participation. This is the essence of representative government.

Mr. CONDON. Mr. Chairman, I yield myself such time as I may need.

Mr. Chairman, it is with considerable reluctance and some trepidation that I come before you to oppose a measure which has been introduced by the distinguished majority leader of the House of Representatives, and, of course, which has been so ably presented to you by the distinguished chairman of my subcommittee. However, I think something must be said about the steps that we are starting to take with the passage of this type of legislation.

It seems to me that there is considerable danger in the entire approach to the legislative process of legislating by and through various commissions. At the hearing before our subcommittee, where the measure was originally considered, nearly every one of the members of that committee on both sides, majority as well as minority members, had some doubt as to the wisdom of this course. From the evidence presented and the statements that were made it occurred to me there were only two possible good reasons for the establishment of this Commission on Intergovernmental Relations.

The only reasons that struck me as having any particular merit were, first, that the Congress would be reluctant to appropriate sufficient funds to an appropriate committee or committees of Congress to make the type of study that is contemplated by this bill; and, secondly, it was felt a commission headed by distinguished persons throughout the United States might have more prestige in its findings and recommendations; that there might be more public support behind the findings and recommendations of such commission than there would be behind the findings and recommendations of any legislative committee of the House of Representatives or of the other body.

As to the first reason, that is, that we are more willing to appropriate money to

commissions which we cannot control, that, in my opinion, is really not a good reason at all. If a thoroughgoing study of this type is needed and is necessary, it seems to me we have appropriate committees already established in this Congress or if we do not feel that any one committee has complete jurisdiction over the entire subject matter we can establish a special committee to make this investigation and give it the funds that may be necessary to make the type of study that is apparently in the mind of the author.

As to the second reason, that is, the prestige that might be brought to recommendations by having very distinguished Americans serve on that Commission, it seems to me that is a two-edged sword. Some of the recommendations might be such that many of us in good conscience could not approve, but because of the prestige of the committee, because of the publicity that the Commission will receive in the press throughout the country, because of the public backing that it may get, we will find ourselves being subjected to pressures that may not be conducive to a proper consideration of the type of legislation that might come out of that Commission.

In addition, there are certain basic difficulties about the whole commission approach. I know many of the States, my own State of California, the State of New York, and other States, have adopted the philosophy of setting up special commissions to study legislative matters. Inevitably, because of the existence of the commission, there is the tendency not to consider legislation that should be considered and passed by the appropriate legislative committees. There is the tendency also to say, "Let us put it off until we get the report of the commission." There is the tendency also not to tackle the immediate problems that should be the concern of the Congress of the United States. I have a feeling that by the mere establishment of this Commission we are not going to be taking action on things that we should be considering at this and the next session of the Congress. Moreover, I think the Commission's findings, as I have already indicated, carry a disproportionate amount of weight.

Furthermore, where are we to stop? There are many other complicated problems that come before this House of Representatives. We have the problem of foreign trade. Are we to take that away from the appropriate committee of Congress, establish a commission, and go into the ramifications of that field? What other fields of study should we go into besides this one set up by the Intergovernmental Relations Committee we are contemplating establishing?

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. CONDON. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. Does the gentleman agree with me that if this trend continues Congress will not have anything to do except to O. K. the legislation sent down from the Commission and the Executive?

Mr. CONDON. Certainly, I think it is a step in that direction, because we are turning problems over to these private citizens. We know how the commissions operate. They operate through a staff of paid professionals, and the Commissioners are not going to be able to devote much time to the work of the Commission. They are going to hire a professional staff who will do the spadework, get the records, assemble documents, draft reports, and draft proposed legislation. These experts could all be working for the appropriate committees of the Congress who feel this type of study should be made. Inevitably, these commissions tend to perpetuate themselves. The staff is not in civil service, and it naturally will want their jobs to last longer than the contemplated 9 months. This Commission is to report back in March 1954, but I think most of us will be naive if we do not expect to hear from them in 1954 asking for further appropriations and further legislation to continue this study for a longer period of time, because obviously the time is very short.

So, in short and in summary, I do not want to belabor this, because there are other colleagues who desire to speak. But, I think this step is full of danger and full of misgivings, and I intend to vote against the resolution.

Mr. WIER. Mr. Chairman, will the gentleman yield?

Mr. CONDON. I yield to the gentleman from Minnesota.

Mr. WIER. I gather from the gentleman's presentation that this is a full-time commission and that it will be a salaried commission.

Mr. CONDON. No. It is my understanding from the bill itself, that the Commission will not draw anything but their subsistence and per diem when they are actually in session. There will be a staff, I assume, which is being hired; outside of civil service, incidentally.

Mr. WIER. Has the gentleman any idea what this Commission is going to cost per year?

Mr. CONDON. If anyone has made an estimate, it has not been brought to my attention. I have reviewed the transcript, and I do not know what they anticipate spending. The Hoover Commission, I understand, appropriated $2 million.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. CONDON. I yield to the gentleman from Iowa.

Mr. GROSS. Is this Commission limited solely to States and their political subdivisions or may it go into grants-in-aid to foreign countries, and so forth?

Mr. CONDON. As I understand, the prime purpose is the relationship between the Federal, local, and State governments. I do not think there is anything in the bill relating to foreign programs.

Mr. GROSS. Is there anything to prohibit them going into grants-in-aid to foreign countries?

Mr. CONDON. I think that question could better be addressed to the author of the bill. I do not believe there is such a prohibition, but certain powers are specifically set forth which do not include foreign programs and by implication the Commission could not consider foreign programs.

Mr. OSTERTAG. Mr. Chairman, if the gentleman will yield, is it not true, in relation to the per diem allowance, that any Federal official, or any State or local official who is compensated by the Government will receive no per diem allowance?

Mr. CONDON. I understand there is a specific limitation that anyone on the Federal or State or local payrolls is not entitled to any per diem allowance.

Mrs. HARDEN. Mr. Chairman, I yield 10 minutes to our distinguished majority leader [Mr. HALLECK].

Mr. HALLECK. Mr. Chairman, my colleagues might be interested in knowing that this is rather a red-letter day for me. I have been in Congress, in the House of Representatives, going on 20 years, and this is the first time that a bill of public concern bearing my name as the author has ever been before the House. I have helped prepare a lot of bills and I have helped put a lot through, but I never was privileged to be the author. I am happy to be the author of this one.

It was introduced in the other body by the senior Senator from Ohio, Mr. TAFT. As a matter of fact, the measure has already passed the other body in substantially this form, I think, by almost a unanimous vote, if not a unanimous vote. As I say, I am happy to be the author of this bill because in my opinion it deals with one of the greatest problems before this Republic. It deals with the matter of the relationship between States and local governments on one side, and the Federal Government on the other. As I contemplate the problems that are involved, I sometimes think that between the Democrats on that side of the aisle and the Republicans on this side, on occasion it seems as if we have almost fought ourselves into one another's overcoats. It sometimes seems to me that my good friends on the right have been great proponents of greater centralization of power in Washington instead of on the side of the old States rights position that they used to hold, while many on our side who were very much in favor of more power in Washington, perhaps in an earlier day, are now probably more solicitous about the rights of the States and their responsibilities. My interest in this, as I say, has been a long, continuing one which resulted first from my observation here, when I came to the Congress in 1935, when there was a headlong rush of authority and power and of taxing and spending here in Washington, much of which I have no doubt was a matter of necessity because there were great vacuums, and into those vacuums somebody had to move. The Federal Government did move into those vacuums. As long ago as 1947, I joined in a discussion of this very problem in California, I say to my good friend, the gentleman from California, which was held before the California State Bar Association. At that time the people of California were tremendously interested in this problem. The discussion evoked a great deal of interest not only among the lawyers but among the people generally of the State of California and other places. I might say to my friend,

the gentleman from Iowa, who raised a question here—I do not see him on the floor at the moment—as recently as a couple of months ago I was in Des Moines, Iowa. I was invited to speak before the State Legislature of Iowa, and I used as my subject this very topic, which is now under consideration. I just want to say there was a tremendous interest there in the very concern which is now being evidenced here.

Many activities, of course, need to be Federal. They must be Federal. But many things can continue to be done better at the local and State level, and that is what we are trying to get at. Why, if you read the labor and Federal security bill, which was before us the other day, you saw there paragraph after paragraph of so-called grants-in-aid. On our side of the aisle, we have had an interest in this matter. We put it in the 1950 declaration of principles and policies that the Republicans got out. We said this:

> We favor the establishment of a nonpartisan Commission to study and recommend a sensible redistribution of governmental functions and sources of revenue between the Federal, State, and local entities, to secure the sovereignty of the several States with as much decentralization as is compatible with the national welfare.

And we all subscribe to that. Then it was followed in our 1952 platform in almost those words.

Before some of you say, "Now wait a minute here, Mr. Congressman, you are getting this on a partisan basis," let me say to you that on three separate occasions, the Democratic candidate for President, Mr. Adlai Stevenson, made very, very strong statements about this very proposition. This is what he said on October 11 in Nashville, Tenn.:

> But I can concede that big Government can be defended only as a necessity brought about by the complexity of our age and compounded by the external threat from our Communist enemies. * * *
>
> I would not deny, indeed I have often asserted that there is an eternal threat to our liberties inherent in big Government. * * * The great task before the next President of the United States will be to maintain a balance—to see to it that neither internal nor external security is paid for in the coin of personal liberty. * * * My own service as Governor of Illinois has taught me the virtues of States rights as a bulwark against big Government.
>
> As I have often had occasion to remind some of my more impatient compatriots, State and local government is and must always be the basic structure upon which the Federal Government is built.

Mr. CONDON. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. CONDON. The gentleman is not suggesting that Governor Stevenson suggested the creation of a commission to consider the pros and cons of this issue, is he? The issue exists and that is what we are considering here.

Mr. HALLECK. May I say to the gentleman there was no suggestion as that in what I said. What I am getting at is that this matter should be looked into. How we get at it is something about which we might differ. I hope now to explain why I think this is the best way to get at it.

We had a meeting at the White House with the President in pursuance of the declarations he made to implement this proposition. There present were four representatives of the Governors' Conference—Governor Shivers, of Texas, Governor Byrnes, of South Carolina, Governor Driscoll, of New Jersey, and Governor Kohler, of Wisconsin. We had representatives of Congress there. We had representatives of the executive branch of the government. All morning we discussed the mater of working out this great problem. There was evidenced the highest degree of cooperation. There was evidenced on the part of the governors and on the part of the representatives there representing the Council of State Governments a desire to work with the Federal Government in solving the problem.

That is the first time to my mind that the representatives of State governments and of the Federal Government have sat down to consider this great overriding proposition.

You may say, "Why should we have a commission such as this instead of letting a committee of the Congress do it—either a regular committee or a special committee?"

First of all, let me say, in addition to the things that the gentleman from California [Mr. CONDON] spoke of, this must be a matter of cooperation between the States and the local governments and the Federal Government. If it is deemed advisable, as a result of that cooperative action, that the Federal Government get out of a certain sphere of action, then the States and local governments must be ready to move into that sphere. And what better way could be found to assure that very desirable result than that the governors and the representatives of the subdivisions and the municipalities be in attendance as this progresses? Why, to me it is just incontrovertible.

In the course of the discussion at the White House, it was even suggested that the State Governments, coming into this on an equal basis, would find some way, through their council of State governments, to help finance the whole project.

Some reference was made to the fact that this might interfere with congressional action that might be had before the Commission reports. The bill itself specifically provides—and that was put in at the direct request of the governors themselves—that any interim reports of the Commission might be submitted ahead of the final report. And, of course, it is elementary that if the Congress of the United States, through any of its committees, wants to initiate action, it may do so. Perhaps it might have to do with what you are going to do about the gasoline tax; are you going to turn it all over to the States and get the Federal Government out of it, as the State governors seem to wish. There is no reason why any matter such as that could not be acted upon, if the Congress of the United States decided to act upon it. So, to my mind, there is nothing in that argument.

I might point this out to you as just one reason why I think this is so highly important. The governors who were there represented, after some very careful study, had become convinced that many of the governmental services carried on at the Federal level, if given back to the States and local communities, could be carried on at a 25-percent saving, with just as efficient service rendered to the recipients. That, to me, means something. It ought to mean a lot to the overburdened taxpayers of this country. I, for one, want to get that job done as efficiently and as quickly as possible.

Some question was raised about the division of the appointing power on this Commission. There are to be 5 from the House, 5 from the Senate, and 15 appointed by the President. I realize that at first flush that would seem to be giving too many of the appointments to the executive branch. But let me point this out to you. Four or five governors should be on this Commission. The executive branch of the Government ought to be represented; and, in addition, I hope, while there was no ironclad arrangement about it, that a representative of the municipalities or of the State subdivisions may likewise participate in the work of this Commission. So it seems to me that the division of appointments is completely equitable.

Time is running out. I introduced this bill 2 months ago. There is a March 1, 1954, deadline to report. And that is as it should be, in order to give us a chance to go to work on some of these things.

I sincerely hope that we may proceed expeditiously to the passage of this resolution.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CONDON. I yield such time as he may desire to the gentleman from North Carolina [Mr. BONNER].

Mr. BONNER. Mr. Chairman, it so happens that in the last 3 or 4 years in former Congresses I was chairman of the subcommittee that is now so ably and graciously chairmaned by the lady from Indiana [Mrs. HARDEN]. She served faithfully and efficiently and diligently on the subcommittee, and on the full committee, which was then the Committee on Expenditures, and which is now the Committee on Government Operations.

We held hearings on this proposal and there appeared before the committee a delegation of governors. We held a special session of the subcommittee to hear the governors. It was a nonpartisan delegation. It was a group selected by the governors of the United States who were then meeting here in Washington.

For the information of my Democratic friends, Governor Stevenson of Illinois appeared before the subcommittee with the delegation and sponsored this proposal.

I felt very sympathetic toward it, and I think it will be most advantageous for the Congress to establish this commission. I asked the governors what they would be willing to give up, as the chief executives of their States, to balance what they were asking the Federal Government to give up. We were specific on certain questions with respect to aids and grants from the Federal Treasury to the States in the light of the fact that the Federal Government was operating

in the red and the States were in very splendid condition financially at the time. They did not seem to want to give up many of the fine programs that the Federal Government is now so generously providing for the States, so under those conditions hearings were not continued, and I may be thoroughly frank in saying that there was nothing done about the Boggs resolution. But I do think—and I commend to my Democratic friends—the bills which have been offered here by the gentleman from Ohio [Mr. BROWN], and the gentleman from Indiana, [Mr. HALLECK].

I think it is a fine thing for a commission to be set up to go into this subject. It is a burning issue. We hear in the States that the Federal Government is usurping the States in certain fields of taxation, and that certain fields should be reserved to the States. If the States want the Federal Government to do that, let us have this commission to find out what the States are willing to give up.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. BONNER. I yield.

Mr. MORANO. Can the gentleman think of any more orderly way of doing this job than the establishment of such a commission?

Mr. BONNER. No, I cannot.

At first blush I thought it should be the responsibility of the Congress, but it is more or less along the line of the reorganization bill that we passed, or the bill that we passed setting up the Hoover Commission. Congress here for years and years and years tried to reorganize the Government as specific bills were brought to the floor of the House, but always there were so many friends of the agency affected that you just simply could not get any place with it. Then Congress set up the Hoover Commission, and the Hoover Commission sent down its recommendations, and so forth, and so on; and I believe the overwhelming majority of the Hoover Commission recommendations have been good for the Government and good for the Congress, and the majority of the Hoover Commission were adopted by a Democratic Congress. It is supposed to be a nonpartisan commission; it is supposed to be a commission to think of the first interests of the Federal Government and the States, and not of any political interests. I hope, Mr. Chairman, that when this bill passes, and I believe it will, that the commission will be set up along that line. I have great confidence in the gentleman from Indiana [Mr. HALLECK], and I have great confidence in the gentleman from Ohio [Mr. BROWN], and I believe these gentlemen will see to it—and I know the Speaker of this House, than whom there is no finer or fairer gentleman anywhere, will see to it that the commission is set up nonpartisan and for no political purpose, and that the work of this commission will be fair and just both to the Federal Government and to the States; and I hope that the Democratic membership of this House will go along on this proposal and pass the bill as it is presented to us. It must be remembered that many functions of the Federal Government come into being due to petition and personal intercession from governors and other State representatives and was not originated by Congress itself.

Mrs. HARDEN. Mr. Chairman, I thank the distinguished gentleman from North Carolina for his kind remarks, and wish to commend him for the splendid service he rendered as a former member of the Subcommittee on Intergovernmental Relations.

Mr. CONDON. Mr. Chairman, I yield to the gentleman from Arkansas [Mr. HAYS] such time as he may desire.

Mr. HAYS of Arkansas. Mr. Chairman, since I did have some comments to make at the time the President sent his message to the House recommending the commission, I would like to make a brief statement agreeing in general with the remarks just made by the gentleman from North Carolina and by the majority leader, the gentleman from Indiana [Mr. HALLECK]. At first I had some reservations about the composition of the commission.

I believe that as a matter of policy the Congress should confine membership for studies of this kind to Members of the House and Senate. We get a much neater legislative record when we confine the membership of such study commissions to our own Members. I feel rather strongly about that. At the same time, I agree that the President has done a fine thing in urging a comprehensive study. Whatever our views as to the general problem that the gentleman from Indiana has so well defined, that is whether one is critical of the developments of the last few years or feels that in the main Federal-State relations have been well directed; nevertheless, all might agree that the time has come for a complete study and that we should take a fresh look at the situation to determine just how Federal policies can be improved.

Mr. Chairman, I wish to add that I am impressed by the argument that the gentleman from Indiana [Mr. HALLECK] has made that in this special kind of study there may be some justification for inviting those outside the Congress to participate, but I hope to see the practice abandoned. Congress can profit by the study and while I have this objection to going outside congressional membership I shall support the bill.

Mrs. HARDEN. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from New York [Mr. OSTERTAG].

Mr. OSTERTAG. Mr. Chairman, what we are seeking to do in H. R. 4406 is to establish orderly machinery for the restoration of our Federal system of government—that is, for reestablishment of a strong union of strong States.

For the past 20 years the States have been merely the tail to the National Government's kite. Their functions have been progressively invaded; their tax resources have been progressively preempted; their sovereignty has been progressively chipped away. The trend has been reflected, in turn, in the relation of the States to their localities, until the citizens today exercises a steadily diminishing degree of control over the Government he supports.

The founders of this Republic were well aware that this might happen. They warned against it, and they wrote two safeguards against it in amendments to the Bill of Rights. The first of these was amendment IX, which specifies that ours is a government of enumerated powers—all others are retained by the people; the second is the 10th and last amendment in the Bill of Rights, which says:

> The powers not delegated to the United States by the Constitution, or prohibited to it by the States, are preserved to the States respectively, or to the people.

Jefferson took occasion, in 1823, to underscore the necessity for a proper balance of functions and responsibilities between the States and Federal Government.

> I believe—
>
> He said—
>
> the States can best govern over home concerns and the general Government over foreign ones. I wish, therefore, to see maintained that wholesome distribution of powers established by the Constitution for the limitation of both, and never to see all offices transferred to Washington.

And the Supreme Court, called upon in 1911 to adjudicate the problem, specifically emphasized the responsibility of the States for many of the programs which the Federal Government now controls.

> Among the power of the State not surrendered—which power therefore remains with the State—
>
> Said the Court—
>
> is the power to so regulate the relative rights and duties of all within its jurisdiction as to guard the public morals, the public safety, and the public health, as well as to promote the public convenience and the common good.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. OSTERTAG. I yield to the gentleman from North Carolina.

Mr. BONNER. Mr. Chairman, with all due respect now to the criticism that has come to the Federal Government from beyond the area of Washington, there should be some consideration given to it. All these agencies and all these grants and all this aid that flow from the Federal Government were brought about by pressure that came from the States and their delegations coming to Washington and asking the Federal Government to do this, that, and the other, and pressure in Congress to take up functions in the States that should have been the State's own responsibility in the beginning. By so doing the Congress had then to raise taxes to take care of these things that the Federal Government had so graciously given to the States by both the House of Representatives and the Senate, and Republicans and Democrats alike have been building up these aides and grants that now flow to the States. So I hope when the commission is created that the governors will take into consideration that fact.

Mr. OSTERTAG. In response to the gentleman from North Carolina, may I say there have been weaknesses on all sides so far as this question is concerned. The States, too, are guilty of coming to the Federal Government for further handouts.

Mr. BONNER. There were many things that the States asked the Federal

Government to do which the States were in a better position to do than the Federal Government.

Mr. OSTERTAG. Mr. Chairman, we have indeed wandered far from that doctine, which was designed to insure our Federal system and our individual liberties. In fact, in the 1930's, the trend in the opposite direction took on the proportions of a stampede, and there was even, at one time, extensive talk of abolishing the States entirely, and replacing them with regional entities. Here surely was a pattern for dictatorship.

Fortunately, the States stood fast against this assault. They found their voice in the Council of State Governments, an organization of, for, and by the States, and through it they have been assisted in putting their own houses in order, and in assaying their strength, their rights, and their responsibilities.

Repeatedly the council has warned against the deadly virus of overcentralization. Its studies have shown the steady encroachment of the Federal Government on the powers, the functions, and the resources of the States. In cooperation with the Hoover Commission, it has made a monumental analysis of Federal-State relations, with particular reference to fiscal relations, which clearly sets forth the steady shift of financial and administrative responsibility for government, away from the grassroots, to a remote and often uncontrollable Central Government here in Washington.

As one who was instrumental in the organization of the Council of State Governments, who served with it as a State legislator over the better part of two decades, and who is still a member of its board of directors, I have traveled from ocean to ocean in this country arousing State legislators and administrators to this problem. Today they are aroused; they are interested; they are ready to cooperate in an orderly restoration of the balance of powers in our Government.

When I came to Congress 3 years ago, one of the first measures I introduced was a bill to create a Commission on Intergovernmental Relations, similar to the one we are considering today. Like other bills of that nature, however, it gathered dust in committee. The former administration was not interested in such measures.

Fortunately, we have an administration today which understands the problem and has taken the lead in reaching for a solution. Long before he became President—indeed, long before he became a candidate for the Presidency—General Eisenhower pointed to the danger of an overcentralized government, and asserted that those who called for greater and greater centralization of authority and increasing dependence on the Federal Treasury "are really more dangerous to our form of government than any external force." One of his first acts, after his inauguration, was to set in motion a program looking toward decentralization of government.

Fortunately, also, we have a Congress today which shares those views. The legislation which is before us is designed to lay the groundwork for a restoration of our historic pattern of functions and responsibilities. In approving it, we are acting to protect liberty itself. I hope this bill will be speedily enacted into law, and that the Commission which it envisages will be speedily named.

Mr. CONDON. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. WIER].

Mr. WIER. Mr. Chairman, I approach this legislation with a bit of caution. I cast no reflections upon the author of the bill or the subcommittee that brought the bill to the House floor. I think most of the Members of the House here have, like myself, served at one time or another as members of their State assemblies or their State legislatures. Before I came to Congress I had served 6 years, 6 great years, in the Minnesota House of Representatives. I owe to my district and my State a loyalty in preserving many of the things that have been brought into the limelight here in connection with this legislation.

I am equally cognizant of the dual capacity of taxation, as to who should have a prior right in several fields of tax matters. I am aware of the controversy existing over the right of the State or the Federal Government to the gasoline tax. Likewise I am aware of the difficulty in connection with the State and Federal income tax. So there are a number of questions involved. If the Congress itself wanted to clarify the picture of taxation and privileges, to certain areas of taxation, with the exception of those times when the Government is engaged in war or engaged in a threatened situation as we are in today. I think the field ought to be defined at least to some degree, and not take for granted, in time of emergency, that the Federal Government, in spite of any commission or any understanding that they have on taxation, with the States cannot move in when that means the perpetuation of our way of life. I am not willing to sit here and sacrifice my representation of the Third Congressional District of Minnesota to many more commissions. I think the people sent me here knowing that I had some knowledge, at least, of what the State of Minnesota and my district want to get in my service here in Congress. I think I can fulfill that position here in this Congress with complete loyalty to my State and local governments.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. WIER. I yield to the gentleman from Connecticut.

Mr. MORANO. The gentleman knows that this bill does not legislate; that it only provides for establishing a commission to make recommendations, and that he is going to have an opportunity to vote on any legislation that it recommends ought to be adopted.

Mr. WIER. I am glad the gentleman brought that up, because I was just coming to the commission.

Aside from the real-property tax, the income tax, the gasoline tax, and a hundred other taxes that are in conflict between the Federal Government and local and State organizations, we likewise have a great campaign on in this Nation for the sales tax. Now my State happens to be one of those that has not yet found it necessary to institute a sales tax, and a number of other States have not, but there is a movement on foot and has been for some time not only to invade this field of the sales tax of the States, but also by the local government. If I have any suspicion in my mind—and I must be brutally frank—if I have any suspicion in mind about this measure, as the result of the present discussion and the authority of the commission, it is based on the fact that there will be, as I heard the author of this bill say, 5 from the House, 5 from the Senate, and 15 appointed by the President. The composition of those 15 appointed by the President are going to be mighty important to me and the many people I speak for from my district.

Mr. MORANO. Mr. Chairman, will the gentleman yield for a correction?

Mr. WIER. I yield.

Mr. MORANO. There will be 5 from the House and 5 from the Senate. There will be 3 from the majority side of each body and 2 from the minority side of each body, not 6.

Mr. WIER. I have no quarrel with the congressional appointments, but I do have a rather grave doubt about the 15 appointed by the President. Now, I do not want to see sitting on this question of a reviewing and recommending body 15 more bankers indicating and making recommendations upon what is good or bad taxation as between the States and the Federal Government.

Mr. MORANO. But the gentleman will have the right to vote against any recommendation they make and so will I, and so will every Member of the House.

Mr. WIER. But I will have a better right to vote against it here today.

Mrs. HARDEN. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, I enthusiastically support this measure. The Hoover Commission, when it was in existence, found the most difficult problem confronting it was what to do about Federal-State relations. The Commission had requests from State and local officials to take up such matters and investigate them thoroughly, but the Commission had no power to do so. When the establishment of this new commission was recommended by the President, I very happily agreed immediately to amend and change the legislation which I had introduced for the reestablishment of a new so-called Hoover Commission so as to eliminate the power written into that legislation for the study of intergovernmental relations. I feel this whole problem of Federal, State, and local relationships is so important that a special commission should be named to consider it. Of course, I realize, and hope every Member of the House realizes, in order to get the cooperation that is necessary you must have representatives of the States, municipalities, and other divisions of Government, as well as a representative from the Federal Government on such a commission, which in turn will report back to both the States and the Federal Government for appropriate legislative action by the Congress and the

State legislatures later on. Therefore, Mr. Chairman, I support this bill.

Mr. CONDON. Mr. Chairman, I yield 4 minutes to the gentleman from California [Mr. DOYLE].

Mr. DOYLE. Mr. Chairman, it never hurts or handicaps us to obtain all possible information and material that is available. I just wish to urge one point which I feel is not clear about this bill. It does not specify that the Commission shall set forth the facts upon which its findings are made. It may be presumed, I suppose that a survey or a study by the proposed Commission will be so complete as to the facts gathered thereby, that when the report comes back to the Congress, we Members of Congress will then have before us a fairly substantial statement of all the material facts upon which different recommendations of the Commission are based. If such is not done it will be a serious and fatal omission. In no place in the bill do I find such a provision; there is no express provision that the report shall set forth the facts upon which any recommendations of the commission is based. I am sure you find no such specification. Yet the facts in each case will determine the wisdom of each recommendation. Because I will later have the responsibility of considering and acting upon this Commission's recommendations, I wish the RECORD to very clearly show that this Commission shall report such material facts. I wish to urge as this study proceeds that enough money be given to the Commission and also enough time be taken, in the study so that this Commission will be expected to be meticulous in obtaining the basic facts in every area wherein they undertake to make any conclusion or report to the President or to us. That is the point I wish to presently urge. Surely no one can find disagreement with me. Without reporting the facts also to us, we cannot act intelligently. I assume some amendments may be made to the bill. I will not offer one to include the words making necessary a return of the facts. It should not be necessary. The sense and soundness of my position can have no opposition I am sure.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. DOYLE. I yield to the distinguished gentleman from Indiana, the majority leader.

Mr. HALLECK. I am glad that the gentleman raised that point. I am happy to join with him in having the RECORD show that it is just that sort of comprehensive report which we expect from the Commission. We want not alone bare recommendations on this or that, but we want the facts behind it and the reasoning for the recommendation, and possibly some brief of the testimony or evidence or whatever it may be in support of the recommendation.

Mr. DOYLE. I appreciate the gentleman making that remark because that is the sole purpose of my rising at this time and taking these few minutes. I wish to urge again, that never should Congress be afraid of spending sufficient money and taking time to get the basic facts upon which our governmental structure functions, with a view to economy and efficiency. Only by knowing the facts can we act wisely when the report comes back to us.

Mr. HALLECK. I thank the gentleman for his approbation. I think the point he has raised is well taken, and I believe what he has said adds to a better understanding of what we are trying to do.

Mrs. HARDEN. Mr. Chairman, I yield the remainder of my time to the distinguished chairman of the Committee on Government Operations, the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Chairman, in March 1951, and again in January 1953, a bill somewhat similar to this was introduced by me. Approximately at the same time a similar bill was introduced by the gentleman from Illinois [Mr. DAWSON] and, as I understand, his bill, as well as the one which was introduced by me, was introduced by request.

The bill which I introduced met with the recommendation—in fact it was prepared by the attorney for the Hoover Commission. I yielded to the request to introduce it because it has always been my policy, if there was a proposition or proposal which seemed to be worthwhile, to bring it up for discussion, both in committee and in the House.

I cannot go along with this bill and vote for or support it, not because it does not comply with some of the recommendations of the Hoover Commission or with the provisions of the bill which it was my privilege to introduce, but because none of these bills, in my judgment, deserve support. The very first 15 words of the Constitution tell us that the legislative power is vested in the Congress of the United States.

Just a moment ago it was argued that ultimately the Congress would have an opportunity to decide upon the recommendations of any commission which was appointed. That is true. But some of us who were here through what the press and some others were pleased to term "the yes men" or "rubberstamp Congress," do not want any more of it. We refused then to be just figureheads. Why become such now?

This bill, and H. R. 992 which was also reported out today, are new proposals that Congress abdicate still more of the functions that the Constitution imposes on it.

This bill delegates the investigative powers of Congress regarding Federal-State relations. H. R. 992 would give away the investigative powers of Congress relating to the organization of the executive branch of the Government.

Investigation is an essential part of the legislative process. Congress cannot intelligently legislate without investigating. For Congress to abdicate its investigative functions constitutes an abdication of an essential part of the legislative process.

We have already given away a large part of the duties which the Constitution places upon us. The executive department now can abolish many functions of the Government. It can send down plans to reorganize all or any part of the Government. All Congress retains is an ineffective veto power.

This bill, H. R. 992, and the Reorganization Act of 1949 have a cumulative effect.

H. R. 992 will establish a commission to take over that part of the legislative powers of Congress that relates to investigation preparatory to the consideration of bills regarding the organization of the executive branch.

It is clear, of course, that the President and his advisers already conduct investigations and studies preparatory to reorganization plans. The majority report on H. R. 992 states that there need be no conflict between the authority to be granted to the Commission established by that bill, and that which the President already has in connection with Reorganization Act of 1949.

The report says:

> It would be entirely proper for the President to continue to improve executive branch organization and operation under the authority of Reorganization Act of 1949 as extended in Public Law 3. The Commission should be able to complement the work of the President and in addition to make recommendations in those fields of reorganization in which the powers of the President have been specifically limited in the Reorganization Act of 1949, as amended.

No effort is made to deny that the powers of the Commission to be set up by H. R. 992 duplicate those already delegated to the President under the Reorganization Act of 1949. The argument is made that certain limitations which the Congress saw fit to apply to the President's powers will not apply to the new Commissions.

In any event, it seems to be conceded that Congress will have successfully delegated its power to investigate Federal-State relations and its power to investigate and legislate regarding the organization and functions of the executive branch of the Government when these two bills become law.

In enacting this legislation, Congress will have adopted the major premise of those who contend that the investigative powers of Congress should be transferred to the executive branch of the Government. Congress will be conceding that investigations of the Government can better be conducted by the Executive Department itself.

That premise is false. The real reason that certain groups contend for a curtailment of the investigative powers of Congress is not that those investigations have been unproductive, but rather that they have been too productive.

These groups feel that Congress is outmoded; that all governmental powers should be vested in the Executive.

Congress, by enacting these two bills to delegate to the executive branch the power to investigate its own relations with the States and its own operations, will be taking a major step in that direction.

The Constitution places all power to legislate in the Congress. We have no right to abdicate any part of that function, either investigation preparatory to legislating or the enactment of legislation.

Investigation of Federal-State relations is a large part of the legislative duties of Congress. Most of the stand-

ing committees of Congress from time to time investigate these matters as a part of the legislative process.

The Legislative Reorganization Act of 1946 and the Rules of the House specifically charge the Government Operations Committee with the overall function of investigating Federal-State relations.

This bill, however, proposes to transfer those functions from the committee and from the Congress to a Commission, in effect to the executive department of the Government.

One reason for the proposed transfer is, in effect, that the Commission will have enough prestige to attract big names to the staff, while the Congress would not. The acceptance of that kind of reason for legislation does not add to the prestige of Congress.

Another argument for the proposed transfer is contained in this quotation from the majority report on H. R. 992:

> Several members of the subcommittee questioned witnesses as to the necessity of establishing a Commission to do the job, indicating that congressional committees have the authority, are responsible, and, with appropriate staff assistance, should be able to do the job more effectively. However, it was the general consensus of witnesses that as a practical matter a Commission should be established since it was not likely that Congress would provide adequate funds for such an investigation by a committee of Congress although it would do so for a Commission.

In effect this means that Congress in conducting its investigations will have consideration for economy. This is all the more reason for Congress to do the job. An investigative body which does not have consideration for economy in its own operations is not likely to detect a lack of economy in other agencies.

But, we are told, the congressional committees can continue to investigate the same subject matter as the new Commission.

Just where would the economy be in continuing to appropriate sums for congressional investigations of Federal-State relations when we have already appropriated for this Commission to do the same thing? Why do we need to duplicate staffs?

The answer is, of course, that in the future we will be met with the arguments that further appropriations for these investigations by congressional committees are not warranted.

Sooner or later, that will be the result.

Further, Congress is delegating its powers so fast that the time has come for us to ask whether we are justified in appropriating for our own salaries. Presumably we are paid for doing our job. Here we already delegated so much of our job that perhaps our salaries could be saved by abolishing our jobs.

In my judgment—and it is only my judgment of course—support for this bill is an admission that the House is either indolent, lazy, if you want to use the common word—yes, I mean it—or incompetent, because after complaining over the years about the executive departments taking over our functions, we now go ahead and authorize the appointment of a commission consisting of 25 members, 15 to be appointed by the President, 5 from the House, and 5 from the Senate, to do what? To take over the functions of the committees of the House and to recommend to us, without hearings—and when you have a bill come in here, you are supposed to have hearings—without the production of the hearings held by the Commission before the House. Without production of the facts on which the Commission based its opinion, we will be called upon to accept those recommendations. If a regular standing committee of the House should ask us to act on a report without the hearings, just how indignant would we be?

We have a legislative Reorganization Act, and under it we have 19 standing committees of the House. Then we always have in every session special committees to investigate this, that, and the other.

What are the duties of those 19 committees? We have legislative committees, and legislative proposals which come before the House are divided up and sent to those committees, according to the jurisdiction of each. Those committees are presumed to hold hearings. The hearings are printed and put before the Members. As a rule we refuse to act without them.

Yet this Commission will ask us to act without knowing the facts on which it bases its recommendations. Time and time again the membership of this House has complained most bitterly because the Executive would not give a committee the information which was desirable and which was necessary to enable it to act.

Finally, the Supreme Court itself, in *McGrain* v. *Dougherty* (273 U. S. 135–174), not only stated it was the prerogative of the House to ask for information, but that it was the duty of the House to hold investigations, swear witnesses, ascertain the facts, and then put its recommendations before the House, together with the hearings on which the recommendations were based.

Now, what are we doing today? We are transferring like authority to investigate—hold hearings—surely they say we still have the right—but we all know that when we appoint this Commission and when we give to this Commission, as this bill does, authority to hold hearings, to subpena witnesses, believe it or not, require the executive department to give to this Commission all the information which they may ask, something that was denied for a long, long time to the committee which the gentleman from Texas [Mr. DIES] headed, the Committee on Un-American Activities, something which today only two committees of this House have, the Committee on Ways and Means and the Committee on Government Operations, to go into tax returns—we are creating a Commission and giving it authority equal to that of our regular committees—telling it to think for us. A sorry spectacle.

Do you see what we are doing? What is the matter with us, anyway? Do we not have the courage, do we not have the ability, are we too lazy to perform our duties? What is going to be left to the Congress in the years to come? The privilege of drawing and spending our checks. Is that all?

Now, I ask, how can a man go before his constituents and say, Well, we have transferred all the power, or power equal to that given to the 19 standing committees of the House and given to the special committees of the House, and then ask to have this Commission—and the President appoints 15, while the House and Senate together have 10—ask them to reelect us when we are attempting to dodge a part of our duties?

Now, yesterday my colleague the gentleman from North Carolina [Mr. FOUNTAIN], whom I admire so greatly, came in here. He is new to this body. He has within him a desire to serve his people. He wants to perform his duty, and he tried yesterday; but, as a matter of fact, he discovered that he could not get a vote. The reason was because of the legislation which we have passed, the reorganization bill, which gives the President authority to send up a plan and which the House is required to take as it comes up unless one House vetoes it. The gentleman was grieved—rightly complained because he could not act as a Congressman should.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. Yes, briefly.

Mr. HOLIFIELD. Is it not true that the resolution of disapproval could have been brought up in the regular way?

Mr. HOFFMAN of Michigan. Oh, yes.

Mr. HOLIFIELD. And we have been given the opportunity to vote on it?

Mr. HOFFMAN of Michigan. Seldom do I agree with my distinguished colleague from California or his associate from California [Mr. CONDON], but I am happy now to say that the gentleman from California [Mr. HOLIFIELD] has always stood up here in the well and fought for the jurisdiction of his committee and for the jurisdiction of the House.

I am under no illusions; I realize this bill is going through; it has the leadership on our side, practically no opposition on the other side; it is going through, but I want to warn you now—and I am not talking to you so much as I am to some who may follow us later—someday perhaps my great-great-great-grandson will come along after me and say that the old man was right, Congress gave away its authority.

We are giving away here the authority of the Congress to investigate and bring in reports; you are transferring that power to the other end of the avenue, and when their recommendations come up you will have to swallow those recommendations.

Then again we will have rubberstamp Congressmen. I want no part of a rubberstamp. One may often be wrong but no thinking individual criticizes a mistaken man just because he is in error. But what about the poor stick who refuses to think or insists that someone else do his thinking?

Mr. GROSS. Mr. Chairman, I find it impossible to support this legislation for a number of reasons.

I am convinced it is a wholly unnecessary delegation of power on the part of the House of Representatives. The House should be engaged in recapturing delegated powers rather than extending them.

It gives power of subpena and administration of oaths to some 15 persons

whose identity at this time is completely unknown; persons who will be appointed to serve, perhaps temporarily, on the proposed Commission.

Any one of these persons may be constituted a subcommittee of one to require that anyone in this country must testify under oath and produce books, records, papers, and documents for scrutiny. This is a far too broad and vast delegation of power to a Commission for the alleged purposes provided in this bill.

There is almost no restraint placed upon the amount of money this Commission could expend. This is not in keeping with efforts to economize, balance the budget and reduce taxes.

For these and other reasons which have previously been stated, I cannot support this legislation although I do not oppose a study of intergovernmental relations. This can be accomplished without a capricious grant of power and unnecessary burden of expense upon already overburdened taxpayers.

The CHAIRMAN. All time for debate has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That—

DECLARATION OF PURPOSE

SECTION 1. Because existing confusion and wasteful duplication of functions and administration pose a threat to the objectives of programs of the Federal Government shared in by the States, including their political subdivisions, because the activity of the Federal Government has been extended into many fields which, under our constitutional system, are the primary interest and obligation of the several States and the subdivisions thereof, and because of the resulting complexity of intergovernmental relations, it is necessary to study the proper role of the Federal Government in relation to the States and their political subdivisions, with respect to such fields, to the end that these relations may be clearly defined and the functions concerned may be allocated to their proper jurisdiction. It is further necessary that intergovernmental fiscal relations be so adjusted that each level of Government discharges the functions which belong within its jurisdiction in a sound and effective manner.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendments:

Page 1, line 5, after the word "because" insert the word "any."

Page 2, line 2, strike out the word "are" and insert the words "may be."

Page 2, line 4, strike out the word "of" and insert the word "to."

The committee amendments were agreed to.

Mr. MEADER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I favor this legislation. I concur in the views expressed by members of the Subcommittee on Intergovernmental Relations, so ably chairmanned by the gentlewoman from Indiana [Mrs. HARDEN], that the committees of Congress should themselves have the power to find the facts necessary as a proper foundation for wise legislation.

I concur with the remarks of the gentleman from Michigan that the Congress ought not to give away its legislative authority. It is my belief that the facts should be found by the legislative agency which has the responsibility for making the decision, because only upon that basis can wise legislation result.

Let me state where I part with the gentleman from California and the gentleman from Michigan in their opposition to this legislation.

As a practical matter, the Congress has not financed, and so far as I can see will not, for the moment, finance its committees so that they may acquire the sizable and able staffs which are necessary to make a penetrating study of important and complicated subjects such as this. We are confronted not with a theory but with a situation. We have been generous to commissions, giving the Hoover Commission something on the order of $2 million. By comparison, the subcommittee of which the gentlewoman from Indiana is chairman has an annual appropriation of about $65,000.

I believe the Congress ought to expand and strengthen its committees' staffs so they can go into these subjects more adequately; then it will not be necessary to have commissions of this character.

There is an additional reason, in my judgment, for establishing this Commission, perhaps more than some others. We are dealing here not alone with the field of Federal jurisdiction and activities but also with those of State and local governments. It is only proper that in any study in that field there should be representation from cities, from school districts, from States, from counties and other units of government, the activities and functions of which will be affected by any study made by this Commission.

Let me say that I also agree with those who deplore the gravitation of political power away from the people and local governments closely under their scrutiny to the Central Government in Washington. Let me go one step further. I deplore the gravitation of that power away from the Congress into the hands of the executive branch of the Government. That trend is in the direction of totalitarianism.

Because of the importance in this modern age of preserving the principle of self-government by keeping government close to the people, it is most important that this study be made.

We must find effective ways of opposing the trend toward taking everything to Washington. We must restrain the Federal Government's tendency to preempt all of the tax sources possible. We must effectively and intelligently counteract the tendency of the National Government to engage in one activity after another which affects the lives and livelihoods of our people, which could be handled more economically by locally elected officials.

Situations have developed in my own district where the Federal Government's activities were adversely affecting local government activities. In the city of Adrian, Mich., there is an aluminum extrusion plant which cost about $2½ million. The title to this plant until recently was held by the RFC. It has now been transferred to the Air Force. The General Accounting Office has ruled that title being in the United States Government, local taxes to the city of Adrian and to the county of Lenawee, and to the school district can no longer be paid. This year for the first time, without warning, that community has suffered a loss of approximately $90,000 in its revenues. I know there are hundreds, if not thousands, of communities similarly affected.

This is only one type of effect of Federal activity on State and local units of government.

The solution to these problems is not easy. I hope the Commission we are creating will make a real and substantial contribution toward such solution.

Mr. D'EWART. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I believe I should address the Committee very briefly concerning this proposed legislation because I happen to be chairman of a committee to which have already been referred some 15 or 20 bills introduced by Members of the House concerning payment in lieu of taxes. Some of you have come and asked me for hearings on those bills. Representatives of State governments are coming to me asking for hearings, representatives of county governments and representatives of municipalities alike, asking that we hold hearings on the several bills that have been referred to the Subcommittee on Public Lands concerning payment in lieu of taxes.

In past years we have held some hearings on these bills. All you have to do is to turn over the first page and note the multiplicity of questions that immediately arise which are pretty nearly overwhelming. The gentleman from Michigan has just stated that we should handle these things in the ordinary course of our committee affairs, but a problem such as this is so far reaching that it is not easy for us to solve it. All the forests of the country pay 25 percent of their revenues to the county governments for use of schools and roads. Public lands pay certain revenues to the county governments. In the ordinary State about one-third of the revenue of the State comes from the Federal Government in one form or another—social security, aids of one kind or another, and so forth. Now, if we provide for payment in lieu of taxes, what part of those revenues should be stopped and what part should be continued?

The other day a representative of the Municipal League was in my office and asked that we hold hearings on a bill involving payment in lieu of taxes. In order to explore his mind and his knowledge of this subject, I raised the question that ordinarily we should not pay in lieu of taxes because of a post office, a post office serving the local community and being there only for the local community. He said, "Perhaps I agree with you and perhaps I do not, but if we do not collect taxes because of that post office, then suppose we provide that post office with water and sewage, are we entitled to payment because of that service?"

There you have a difficult question to answer if you are going to consider making payments in lieu of taxes. I cite that as one instance of many difficulties that are presented to you when you consider where you will stop in payments in lieu

of taxes and where you will go forward with the present payments. That is only one aspect involved in the bill that is now before us today, the matter of payment in lieu of taxes. Therefore I believe we need a commission that has the time, the money, and the personnel to explore this subject in its entirety, not just one feature that may be referred to the committee of which I happen to be chairman, but the whole subject of payment for services in lieu of taxes that the present governments render and where there is duplication and how it should be worked out.

Mr. Chairman, I therefore hope that this measure will be passed, and I ask you Members who had bills referred to my committee, some 15 or 20 of you, concerning payment in lieu of taxes, to be patient until we have a policy established in regard to this matter, because it is almost impossible for our committee to go forward without a basic policy. I believe the legislation and the services that this Commission can render will be of great help in this matter of Federal-State relations.

The CHAIRMAN. If there are no further amendments, the Clerk will read.

The Clerk read as follows:

COMMISSION ON GOVERNMENTAL FUNCTIONS AND FISCAL RESOURCES

SEC. 2. (a) For the purpose of carrying out this act there is hereby established a commission to be known as the Commission on Governmental Functions and Fiscal Resources, hereinafter referred to as the "Commission."

(b) The Commission shall be composed of 25 members, as follows:

(1) Fifteen members appointed by the President of the United States, from among whom the President shall designate the Chairman and the Vice Chairman of the Commission.

(2) Five members appointed by the President of the Senate, three from the majority party, and two from the minority party; and

(3) Five members appointed by the Speaker of the House of Representatives, three from the majority party, and two from the minority party.

(c) Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

(d) Thirteen members of the Commission shall constitute a quorum, but a lesser number may conduct hearings.

(e) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of sections 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

DUTIES OF THE COMMISSION

SEC. 3. (a) The Commission shall study and investigate all of the present activities in which Federal aid is extended to State and local governments. The Commission shall determine and report whether there is justification for Federal aid in the various fields in which Federal aid is extended; whether there are other fields in which Federal aid should be extended; whether Federal control with respect to these activities should be limited, and, if so, to what extent; whether Federal aid should be limited to cases of need; and all other matters incident to such Federal aid, including the ability of the Federal Government and the States to finance activities of this nature.

(b) The Commission, not later than March 1, 1954, shall submit to the President for transmittal to the Congress its final report, including recommendations for legislative action; and the Commission may also from time to time make to the President such earlier reports as the President may request or as the Commission deems appropriate.

HEARINGS; OBTAINING INFORMATION

SEC. 4. (a) The Commission or, on the authorization of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this act, hold such hearings and sit and act at such times and places, and take such testimony as the Commission or such subcommittee or member may deem advisable.

(b) The Commission is authorized to secure from any department, agency, or independent instrumentality of the executive branch of the Government any information it deems necessary to carry out its functions under this act; and each such department, agency, and instrumentality is authorized and directed to furnish such information to the Commission, upon request made by the Chairman or by the Vice Chairman when acting as Chairman.

APPROPRIATIONS, EXPENSES, AND PERSONNEL

SEC. 5. (a) There are hereby authorized to be appropriated such amounts as may be necessary to carry out the provisions of this act.

(b) Each member of the Commission shall receive $50 per diem when engaged in the performance of duties vested in the Commission, except that no compensation shall be paid by the United States, by reason of service as a member, to any member who is receiving other compensation from the Federal Government, or to any member who is receiving compensation from any State or local government.

(c) Each member of the Commission shall be reimbursed for travel, subsistence, and other necessary expenses incurred by him in the performance of duties vested in the Commission.

(d) The Commisison may appoint and fix the compensation of such employees as it deems advisable in accordance with the provisions of the civil-service laws and the classification laws.

(e) The Commission may procure, without regard to the civil-service laws and the classification laws, temporary and intermittent services to the same extent as is authorized for the departments by section 15 of the act of August 2, 1946 (60 Stat. 810), but at rates not to exceed $50 per diem for individuals.

(f) Without regard to the civil-service and classification laws, the Commission may appoint and fix the compensation of a Director, who shall perform such duties as the Commission shall prescribe.

TERMINATION OF THE COMMISSION

SEC. 6. Six months after the transmittal to the Congress of the final report provided for in section 3 of this act, the Commission shall cease to exist.

Mr. HOFFMAN of Michigan (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the bill be considered as read and open to amendment at any point thereof.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendment: Page 2, line 13, strike out all after the word "on" down to and including line 14, and insert "Intergovernmental Relations."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 2, line 17, strike out "Governmental Functions and Fiscal Resources" and insert "Intergovernmental Relations."

The committee amendment was agreed to.

Mr. HOFFMAN of Michigan. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the committee amendments in the bill.

The Clerk read as follows:

Committee amendment: Page 3, line 22, insert: "SEC. 4. (a) The Commission shall carry out the purposes of section 1 hereof."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 3, line 24, strike out "SEC. 3. (a)" and insert "(b)."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 4, line 1, after the comma, insert "the interrelationships of the financing of this aid, and the sources of the financing of governmental programs."

Mr. CONDON. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. CONDON: On page 3, line 24, after "(b)" strike out the remainder of the line and line 25, and on page 4 strike out lines 1 to 12, inclusive, and insert "Intergovernmental relationships between the Federal and State Governments."

Mr. HOFFMAN of Michigan. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN of Michigan. Does that amendment come before the one I offered on page 2?

Mr. CONDON. The purpose of my amendment is to clarify the language which I think is too broad by stating the function of this Commission is merely to study all relationships between the Federal and State Governments rather than of attempting to enumerate certain studies to be made which by implication would prevent the Commission from studying other matters that they might well go into.

The CHAIRMAN. In response to the gentleman from Michigan, the Chair will state that his amendment will be in order after the pending amendment is disposed of.

Mr. HOFFMAN of Michigan. The amendment I have is on page 2, and the other is on pages 3 and 4; that is all right?

Mr. MEADER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. MEADER. Mr. Chairman, would it be in order for me to offer a substitute amendment for the amendment which the gentleman from California has just offered?

The CHAIRMAN. The gentleman from Michigan may offer an amendment to the substitute amendment.

Mr. MEADER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MEADER as an amendment to the substitute offered by Mr. CONDON: On page 3, line 24, strike out all of section 3b down to and including line 12, page 4, and insert in lieu thereof the following:

"(B) The Commission shall study and investigate all relationships between the Federal Government and between the State and local governments where there is competition, uncertainty, duplication, conflict or mutual participation in functions or activities with the purpose of establishing appropriate demarcation and relations between Federal jurisdiction, functions, and activities and State and local jurisdictions, functions and activities including but not limited to taxation, proprietary activities, grants-in-aid, contractual relations, regulatory, welfare and other public services and functions. The Commission shall make full reports and recommendations in the premises."

Mr. McCORMACK. Mr. Chairman, I make the point of order that the amendment offered by the gentleman from Michigan [Mr. MEADER] is a substitute amendment and is not an amendment to the substitute amendment offered by the gentleman from California. Under the parliamentary rules, there cannot be two substitute amendments pending at the same time. I am only raising this point of order in the interest of orderly parliamentary procedure, otherwise we will get into a chaotic position. What the gentleman from Michigan is offering is in fact a substitute for the substitute already offered by the gentleman from California.

Mr. HALLECK. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will be glad to hear the gentleman.

Mr. HALLECK. May I point out to the gentleman from Massachusetts my understanding is that a committee amendment was pending to which a substitute amendment was offered by the gentleman from California. If that is the situation, then this is an amendment to the substitute amendment, and it seems to me it must be in order because if it were not, then if the substitute amendment were adopted, it would preclude consideration of the amendment offered by the gentleman from Michigan.

Mr. McCORMACK. As I understand the parliamentary rules, and if I am mistaken, I will be glad to be corrected, there can be only one amendment to the committee amendment and a substitute amendment, and one amendment to the substitute pending at the same time. There cannot be a second substitute amendment pending. The amendment offered by the gentleman from Michigan is in lieu of the substitute amendment offered by the gentleman from California, and therefore it is a substitute amendment.

The CHAIRMAN. The Chair is impressed that the Condon substitute is in reality an amendment to the committee amendment, and the Meader amendment is a substitute for the committee amendment, and if that is the situation as the Chair so understands it, it would be in order.

Mr. McCORMACK. If the Chair desires to interpret it that way, it is perfectly all right with me because then the parliamentary procedure is protected. I am only desirous of protecting parliamentary procedure. All I know is that the gentleman from California offered a substitute for the committee amendment.

The CHAIRMAN. In reality the Chair feels that the substitute amendment offered by the gentleman from California is an amendment to the committee amendment.

Mr. McCORMACK. Mr. Chairman, I am not in disagreement with that. My only purpose is to see to it that orderly parliamentary procedure is protected, and I am not making a point of order against the amendment itself. I am trying to protect the parliamentary situation because if we get into an amendment in the third degree, we would be getting into a chaotic position. I hope the gentleman from California will have the RECORD corrected so that it will appear that instead of offering a substitute, he will be recorded as saying that he offered an amendment to the committee amendment.

Mr. CONDON. Mr. Chairman, if that is the proper parliamentary procedure, may I state that the amendment I offered is an amendment to the committee amendment.

The CHAIRMAN. The gentleman is obviously correct.

Mr. McCORMACK. Mr. Chairman, I withdraw my point of order.

The CHAIRMAN. The gentleman from Michigan [Mr. MEADER] is recognized.

Mr. MEADER. Mr. Chairman, I would like to say for the information of the committee that during the hearings of the Subcommittee on Intergovernmental Relations, the language of section 3 (b) describing the mandate and the duties of the Commission was given considerable thought.

If you will notice, the committee reinserted language which had been deleted in the Senate. At that time I had not worked out a substitute statement of the mandate of this Commission. I subsequently contacted Mr. McCormick, the executive director of the Citizens Committee on the Hoover Report, and asked him if he was familiar with the language describing the mandate of this Intergovernmental Relations Commission. He said that he was, and he did not think it expressed all that the Commission ought to be responsible for investigating. I subsequently conferred with Mr. Leonard Calhoun, the counsel for the Citizens Committee on the Hoover Report. We spent 2 or 3 hours working out very carefully the language I have offered to describe the mandate of the Commission.

Section 3 (b) of the original bill seems to deal mainly with Federal grants-in-aid. There are many other activities and relationships and functions in which there is duplication, conflict, or participation between the Federal Government and State and local governments.

Once we create this Commission, there ought not to be any doubt that it has the right to go into the whole field of Federal-State relationships, make a thorough study, and come up with some concrete recommendations.

It is solely for the purpose of strengthening the Commission that I offer this language as an amendment.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. HALLECK. I rise in opposition to the amendment, Mr. Chairman.

Mr. Chairman, if I understand it correctly, the gentleman from California [Mr. CONDON] thinks the language contained in the bill is too broad. And if I understand the gentleman from Michigan [Mr. MEADER] he thinks the language is not broad enough.

Probably we are confronted with one of those circumstances where any one of us, if he were delegated to write this language on his own responsibility, would write it a little differently.

Let me say this to you first of all: That the committee itself by its amendment on page 3 has directed the Commission to carry out the purpose of section 1.

I think if the gentleman from Michigan [Mr. MEADER] would read section 1 he would find very much of the broadening that he seeks by his amendment.

Secondly, in respect to the amendment offered originally by the gentleman from California [Mr. CONDON], often have I heard it said that we are not specific enough in the authorizations which we enact; that we just write, so to speak, a blank check of authority. His amendment would simply direct the Commission to do the things that its title would indicate that it is expected to do, because the language is just the language of the title.

To my mind, that is not a sufficient delegation.

Let me say further, it was not contemplated in the beginning that every possible matter of conflict or of controversy, or jurisdiction as between States and the Federal Government, should be put upon this Commission. Certainly, they should not be required to inquire into the application of the interstate-commerce clause of the Constitution, which has caused so much discussion and concern in some quarters. That is not contemplated. There are many things that are not contemplated.

The fact of the business is that the language as contained in this bill, except for the language in an amendment adopted by our committee—I understand put in in the other body—was very carefully discussed, considered, and talked about by the group at the White House, which included not only people from the Congress but from the executive branch of the Government, representatives of the Council of State Governments, and representatives of governors conference.

It does seem to me that while, as I say, any one of us if we were charged with putting in our own words would do this a little differently and might get down to crossing t's and dotting t's, so to speak, this language just did not happen; it is the result of a great deal of careful study, the result of a lot of cooperative effort which started this whole operation; so it does seem to me that we should stick with the language adopted by the com-

mittee where, I understand, considerable thought and study was given to it, and go along with the measure as it was reported to the House.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. CONDON] to the committee amendment.

Mr. CONDON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CONDON. Should not the vote come first on the Meader amendment?

The CHAIRMAN. No; as the Chair understands the parliamentary situation the Meader amendment is offered as a substitute for the committee amendment. The vote comes first on the Condon amendment.

The question is on the amendment offered by the gentleman from California, Mr. CONDON.

The amendment was rejected.

The CHAIRMAN. The question recurs on the substitute amendment offered by the gentleman from Michigan, Mr. MEADER.

The substitute amendment was rejected.

The CHAIRMAN. The question recurs on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendment: Page 4, line 13, renumber subsection (b) as subsection "(c)."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 4, line 24, after the word "places", strike out the balance of line 24 and all of line 25, and insert the following: "administer such oaths, and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents, as the Commission or such subcommittee or member may deem advisable. Subpenas may be issued under the signature of the Chairman of the Commission, of such subcommittee, or any duly designated member, and may be served by any person designated by such Chairman or member. The provisions of sections 102 to 104, inclusive, of the Revised Statutes (U. S. C., title 2, secs. 192–194), shall apply in the case of any failure of any witness to comply with any subpena or to testify when summoned under authority of this section."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 6, line 13, after the word "advisable", strike out the balance of line 13, all of line 14 to and including the word "laws" in line 15, and insert in lieu thereof "without regard to the provisions of the civil-service laws and the Classification Act of 1949, as amended."

The committee amendment was agreed to.

Mr. DODD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DODD: On page 2, line 25, after the word "Commission", insert "*Provided*, That 9 members shall be from the majority party and 6 members shall be from the minority party."

Mr. DODD. Mr. Chairman, I ask unanimous consent to change the figures in my amendment "9" and "6" to "8" and "7."

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN of Michigan. Ever since the reading of the bill commenced I have had an amendment at the desk to page 2, line 20. I would like to know how we get to line 25 before we get to line 20.

The CHAIRMAN. The bill was considered as read and open to amendment. The gentleman's amendment, of course, will be next in order and the Chair will be glad to recognize the gentleman when this amendment is disposed of.

Mr. HOFFMAN of Michigan. Mr. Chairman, does not the Chair recognize members of the committee?

The CHAIRMAN. The Chair did not understand that the gentleman was seeking recognition.

Mr. HOLIFIELD. The gentleman is a member of the committee.

Mr. HOFFMAN of Michigan. And the subcommittee.

The CHAIRMAN. The Clerk will report the amendment as revised.

The Clerk read as follows:

Amendment offered by Mr. DODD: Page 2, line 25, after "Commission", insert "provided that 8 members shall be from the majority party and 7 members shall be from the minority party."

Mr. DODD. Mr. Chairman, I offer this amendment for several reasons.

First of all, the language of this amendment is in keeping with the spirit of this legislation.

I notice that the Members to be appointed to this Commission from the Congress are to be selected from both political parties. The bill specifically provides that the Speaker of the House shall select 3 Republicans and 2 Democrats. And it further specifically provides that the President of the Senate shall select 3 Republicans and 2 Democrats.

In my opinion this is good.

But this bill needs something more. As the language of the bill now stands, the President is authorized to name 15 members of this Commission, but no direction is given him as is given the Speaker of the House and the President of the Senate that the 15 members whom the President appoints shall represent both major political parties of this country. My amendment will make it mandatory for the President to divide his 15 appointees between Democrats and Republicans.

This is not a partisan matter, and I completely agree with the distinguished majority leader [Mr. HALLECK] in his observations to that effect. If this great task is to be successfully conducted by this Commission, the help of Republicans and Democrats is required. If we accept this amendment we will be demonstrating conclusively that this is indeed a bipartisan matter. Strictly speaking, there is no Republican way to do this job and there is no Democratic way to do this job.

Besides these important considerations, this amendment which I offer will help the President of the United States. And let me point out that I have no doubt that he will select the best men he can get and I have full confidence in him to make such selections. And thus I say that my amendment is not offered because I have any doubt about his good intentions. Rather, I want to help him. The addition of this amendment will take pressure off the President of the United States, for he may very well be pressured by members of his own party, now in power after having been out of power for many years, to make political appointments to this Commission. Now I say this in no mean, cruel, or overcritical sense, but if this amendment is adopted, when political pressure is applied, the President can say, "I am sorry. Under the law I have to appoint so many Democrats as well as so many Republicans."

To make this Commission completely bipartisan is in keeping with our practice generally in the Federal Government. Most of our Commissions are bipartisan and are such by law. Why should not this one be bipartisan as well, and if it is going to have the color of bipartisanship, it should not be partly bipartisan, but rather, it should be completely and wholly bipartisan. This means that the Executive appointees should stand on the same level with the legislative appointees.

Now this is why I have offered this amendment. It is not intended to hinder or to delay the passage of this bill or to impede the legislation, for I think this is a good bill and I am for it and I intend to vote for it, but I want to get it wider acceptance on the floor of the House today and I want to get this program better acceptance for this Commission when it gets to work.

Let us get both Republicans and Democrats to put their shoulders to this wheel.

Mr. Chairman, I ask for favorable consideration of my amendment.

Mr. HOFFMAN of Michigan. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN of Michigan to the amendment offered by Mr. DODD: After the first word "party" insert "that 5 of these 9 shall be from the Midwest."

Mr. HOFFMAN of Michigan. Mr. Chairman, I agree with the gentleman from Connecticut so far as the purpose of his amendment is concerned. If we are going to have a commission it should be divorced from politics. I will ask the gentleman if that is the purpose of his amendment?

Mr. DODD. Yes.

Mr. HOFFMAN of Michigan. I will go along with that. In order that the 8 may accurately represent the majority party, 4 of them of the Republican 8 should come from the Midwest because

there is such a wide difference of opinion between the factions, if I may so indicate, in the Republican Party, and I say that with regret. There is more of a difference of opinion between some Republicans than there is between some Republicans and some Democrats. So it seems to me that if we are going to get into politics in the appointment of the members of the Commission, let us have the great Midwest represented.

I appeal to the author of the bill. He comes from the Midwest, the distinguished majority leader [Mr. HALLECK]. I appeal to the author of the next bill, the gentleman from Ohio [Mr. BROWN] also to leave that provision inserted in his bill. I think our section of the country, where the Republican thinking is so different from that on the eastern seaboard, should safeguard our interests because there is no telling what a Commission the members of which come from the East might do, and if you will read this bill there is much danger in it. We do not know what a hand-picked Commission might recommend. Suppose they come along and recommended that the Midwest shall feed those people who come in, say to New York from Puerto Rico, where would you be? You of the Midwest working to support people who insist upon living in a city. As followers of the administration, we would have to take it lock, stock, and barrel, hook, line, and sinker because the President recommended it, you know, the line it will be his Commission that tells us what to do, and they, having made a great study and spent a lot of money getting the facts, we would have to swallow it—swallow it because the President's Commission recommended it—an easy way to shirk our duty.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from California.

Mr. HOLIFIELD. Is it the intent of the gentleman's amendment to say that 5 Taft Republicans and 4 Eisenhower Democrats are to be appointed? Is that the intent of the gentleman's amendment?

Mr. HOFFMAN of Michigan. No, No; you do not have the amendment right. There are 8 Republicans.

Mr. HOLIFIELD. Yes, 9 Republicans. Five of them shall be Taft Republicans and four Eisenhower Republicans?

Mr. HOFFMAN of Michigan. Well, now, I do not know at the moment what the present differences between the Taft and Eisenhower Republicans may be. Only an expert politician can tell.

Mr. HOLIFIELD. I was merely seeking clarification.

Mr. HOFFMAN of Michigan. I am talking for my constituents.

Mr. CONDON. The amendment before us is 8 for the majority party and 7 for the minority party, and not 6.

Mr. HOFFMAN of Michigan. Well, whatever it is. I would like to have the Midwest represented on this commission, because they pay a lot of the taxes and they do not have very much to say about how that money is spent.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. HALLECK. Mr. Chairman, I rise in opposition to both amendments.

Mr. Chairman, I appreciate the sincerity of the gentleman from Connecticut and likewise the gentleman from Michigan in the amendments they have offered. The gentleman from Connecticut and some of his colleagues who are interested with him, I assume, discussed with me the matter of the 15 and what ought to be done about it. Now, may I say again to some of my friends on this side of the aisle who perhaps were not here when I spoke before, that back in 1950 we worked hard on what we called the statement of Republican principles and objectives. It subsequently was adopted and endorsed by the Republican National Committee. It was the beginning of the provision in the national platform in 1952 that had to do with this study.

Let me read it to you now, and I want my friends on the right to pay particular attention to this, because it is something that has to do with the matter of this amendment; this is the Republican declaration:

> We urge the establishment of a nonpartisan Commission to study and recommend a sensible redistribution of governmental functions and sources of revenue between the Federal, State, and local entities, to secure the sovereignty of the several States with as much decentralization as is compatible with the national welfare.

Now, for those of us on our side of the aisle who subscribed to that, and those of us who were here in the last Congress did subscribe to it, I think we crossed the bridge as far as the creation of this Commission is concerned.

Now, as to the 8 to 7, originally it started out about a 9 to 6 division. Let me point out to my friends on the right that as far as we are concerned, and I know that this is what the President believes in, because he has said so to us, we do not want a partisan Commission; we want a nonpartisan Commission. I cannot think of anything that could be calculated to more quickly destroy the effectiveness of this Commission which again, may I say, if it does a good job, may be one of the greatest contributions to many of the difficulties confronting this Republic that we could possibly have——

Mr. FORAND. Mr. Chairman, if the gentleman will yield, I think this is the proper point where my question should come to the gentleman, especially in view of his statement that this was to be a nonpartisan proposition. I agree with him it should be nonpartisan. Do we have his word for it that in making it nonpartisan the President is to select people of known political views who will devote themselves to this task on a nonpolitical basis, or is it going to be packed with just one group of men of like thinking?

Mr. HALLECK. I am glad the gentleman asked that, because that is what I was coming to. In respect to the Members from the House and the Senate, this follows the practice of time immemorial. I have no doubt, if we had left out the 3–2 division, that Speaker MARTIN, as far as we are concerned, would have made it 3 to 2 and would have taken the recommendation of the distinguished minority leader from Texas about who should serve on the Democratic side.

Now as to the 15, there is where we get into a different situation. As I undertook to point out originally, this bill started with a conference at the White House attended by certain representatives of the governors' conference. They have become increasingly vigorous in their demands that something along this line be done, and I might say to the gentleman that the great Committee on Ways and Means has undertaken certian studies along this very line. However, I think he would agree with me that the field to be covered is broader than that of taxation, hence this arrangement. Now, it is understood, because I was there when it was discussed, that the Governors themselves will recommend such of their number as they think should be on this Commission, and as there were two Democrats and two Republicans at the White House, then certainly I would assume that from that segment of the representation we would have a clear division. Now, then, the gentleman asks about the public members.

Mr. FORAND. May I ask the gentleman a question?

Mr. HALLECK. Yes.

Mr. FORAND. The gentleman said there were two Democratic governors at the White House.

Mr. HALLECK. That is right.

Mr. FORAND. Those two Democrats that the gentleman named before do not represent the viewpoint of the majority of the Democratic Party, and that is just the point that I was trying to bring out before.

Mr. HALLECK. All right. Let me say this to the gentleman: It just so happens, as I understand, may I say to the gentleman, that those representatives were chosen by the governors' conference. As I remember it, they were not chosen for this particular assignment but they, as I understand, have been dealing with this whole problem.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent that the gentleman's time may be extended for 5 minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. McCORMACK. Who were the alleged Democratic governors who were there?

Mr. FORAND. The gentleman named the two earlier this afternoon, and I can repeat them if he does not care to.

Mr. HALLECK. I will be glad to name them. I have no allergy for them, and I think a lot of good Americans have no allergy for them. They were Governor Shivers, of Texas, and Governor Byrnes, of South Carolina.

Mr. FORAND. They both bolted the Democratic Party and voted for Eisenhower. They were Governor Shivers and Governor Byrnes.

Mr. HALLECK. That is right.

Mr. FORAND. They certainly have no allergy for Eisenhower.

Mr. HALLECK. No, apparently not—apparently not—and I am not complaining about that, the gentleman can well understand. I am sorry—I am deeply sorry this issue has arisen because again may I point out, and I am quite certain my information about it at that time was correct, and my recollection now is correct, that these gentleman had been working on some sort of a committee representing the governors' conference, and that they were just the people to be there. May I say to the gentlemen, since he brought it up, that I quoted your candidate for President, Mr. Stevenson, who has spoken time and again for the very things that are here advocated; and was it not before your committee that he appeared in support of this very sort of proposition?

Mr. FORAND. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. Yes.

Mr. FORAND. Yes, that is true, but this is a new commission that is going to be set up. I would like to have Adlai Stevenson and men of his type on the commission, but if you leave it to the governors to select a group of governors to represent them there, and if the President is just going to take their recommendations, you may well have a group of so-called Democrats who believe in the Republican philosophy, and I say that is not giving us a fair break.

Mr. HALLECK. I do not know who the governors are going to recommend. It might well be in view of what the gentleman has said that they might hesitate to recommend the ones who were there at the White House conference. I do not know. If the gentleman will permit me to be just a little facetious because this is getting to be just a little too serious——

Mr. FORAND. This is serious business.

Mr. HALLECK. Of course it is. Some operations in the political field, believe me, are occasionally a little confusing. I am not altogether sure about them. Let us get away from that and get back to the matter about who the 15 are going to be. As I said earlier, there was some criticism earlier that the 15 to 10 between the President's appointments and the Congressional appointments, seems to be out of line. But I think that is easily explainable on the basis that among the Presidential appointments there must be representatives of the Governors' Council of State Governments, and we hope of municipal governments or subdivisions, to get all of the various attitudes in operation. In addition, I think it is necessary that some distinguished, outstanding American citizens of no particular political operation one way or the other be called to serve. Not that politics would bar anybody, because to my mind if a man is to be a good American he ought to be in some measure in politics—at least he ought to vote—but you are going to need a considerable number of people in that category if the Commission is to do the job that should be done.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. McCORMACK. Mr. Chairman, let us assume that my friend was in the minority and had 213 members of his party elected to the Congress. First let me say that I am for this bill. I voted for it in committee.

Mr. HALLECK. I appreciate that. I understand that.

Mr. McCORMACK. I am not going to try to disturb the 15 for the President because I realize there is an exceptional situation which justifies it here. Suppose we were offering a resolution which is bipartisan—it will be 6 Democrats and 6 Republicans. If my friend was in the minority and this came before the House, would not my friend offer an amendment to try to assure a division of 8 and 7 with a representation in the House of 221 and 213 as between the political parties?

Mr. HALLECK. I may say honestly to the gentleman I do not think so.

The next resolution that is to come along is in effect a continuation of the Hoover Commission.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

(By unanimous consent, Mr. HALLECK was granted 1 additional minute.)

Mr. HALLECK. When the Hoover Commission was created, the gentleman will recall that we had a Republican Congress and a Democratic President. To my mind, as far as I can recall, when there has been any distribution fixed, that was the only time when it was even on both sides. I think that was the reason for it, because it was a situation that does not exist today.

Just let me point this out again: I do not think it is desirable. I do not think it is necessary that as the President seeks some high-grade, patriotic American, who is willing to work night and day on this job, that he put him on the green carpet and say, "Now, just which side of the political fence are you on?" or "Which side of the Democratic fence are you on?" Then certainly we would be getting into a lot of trouble.

As I say, I think the language here included is sufficient, and I hope the amendments are defeated.

The CHAIRMAN. The time of the gentleman from Indiana has again expired.

(By unanimous consent (at the request of Mr. RAYBURN) the gentleman from Indiana was granted 1 additional minute.)

Mr. RAYBURN. Does not the gentleman think that both parties should be represented on this committee of 15?

Mr. HALLECK. I am sure they should be and they will be.

Mr. RAYBURN. Will the gentleman undertake to try to see, with the influence that he has, that that is done?

Mr. HALLECK. I certainly shall.

The CHAIRMAN. The time of the gentleman from Indiana has again expired.

Mr. HOFFMAN of Michigan. Mr. Chairman, I ask unanimous consent to withdraw the amendment to the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOLIFIELD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think the chairman of our committee, the gentleman from Michigan [Mr. HOFFMAN], did right in withdrawing that, because it was clearly out of order in that it referred to the No. 9 in the amendment, and the No. 9 has been changed to 8. Therefore, from a mathematical standpoint, if not from a parliamentary standpoint, it was out of order.

I was somewhat interested—I will put it that way—in the reading of one of the objectives of the Republican Party, by the gentleman from Indiana [Mr. HALLECK], which was to set up nonpartisan commissions to do this type of work.

Let us not be fooled by the objective that happened to be in the Republican campaign platform, because we know they had many objectives which they are not carrying out, which they are twisting, which they are using in a quite different manner from their campaign platform pledges.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. Will the gentleman allow me to just continue for a moment?

Mr. HOFFMAN of Michigan. Will you be specific about the things we have not done?

Mr. HOLIFIELD. I will be specific in regard to the legislation that is now before us.

This is not a nonpartisan commission. That is proven by the fact that on page 3, paragraphs 2 and 3, a very definitive distinction is made that 3 shall be from the majority party and 2 from the minority party. So that proves that it is not a nonpartisan commission, or it would have been changed and would have been 2 from the majority and 2 from the minority.

It does not follow the nonpartisan pattern of the Hoover Commission. So let us not be under any illusion about that. It is not a nonpartisan commission. If it is not a nonpartisan commission, I think the amendment offered by the gentleman from Connecticut, which seeks to establish a fair ratio between the 15 members, as well as the 5 members appointed by the President of the Senate and the 5 appointed by the Speaker of the House, is clearly in order. It is consistent with the balance of the bill. It seeks to maintain proportionately the difference between the Democratic and Republican membership in the House of Representatives. That would be what I would call a fair division in regard to representation on a partisan commission. Still it is not nonpartisan.

I think we have a right, as a minority party, to seek proportionate representation among the 15, as well as among the other 10 members. That proportionate representation happens to be, as close as we can figure it, 8 to 7. So I think the gentleman's amendment is in line with the rest of the bill. It is in line with the objectives of the bill, which is to set up a partisan commission, controlled by the Republican Party, and I have no quarrel with that if that is the way they want to work. They have the power and therefore they are entitled to the majority. But let us be very clear.

This is a partisan commission and therefore let us make it as fairly partisan as possible.

I therefore support the gentleman's amendment that the Members be divided as nearly as possible 8 and 7, among the 2 parties. Thereby we will give the President protection against hungry job seekers in his own party that will want these 15 memberships. It will also give to the people of the country a little more proportionate representation between the two parties. I am sure it will carry out the objective of this bill, which is to set up a partisan commission to do certain things.

Mr. BROWNSON. Mr. Chairman, will the gentleman yield for a question?

Mr. HOLIFIELD. I shall be pleased to.

Mr. BROWNSON. If this is made a partisan commission with the division indicated, how will you get a city manager who is appointed on a strictly nonpolitical basis to serve on this Commission when he has to declare his politics?

Mr. HOLIFIELD. That is a problem, of course, that the gentleman will have to solve as a member of the majority. I have no concern about that.

Mr. BROWNSON. There is no problem with the bill as it is presently written.

Mr. HOLIFIELD. If the gentleman will not tell whether he is registered as a Democrat or a Republican he has no right to be appointed to the Commission.

Mr. BROWNSON. But there are many city managers who do not do that.

Mr. HOLIFIELD. According to the wording of the bill on page 3, a man has to be a member of either the majority or minority party; they have to make that known. I see no reason why these 15 members should not make known their party affiliation.

Mr. RAYBURN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I think this matter is going to be a bipartisan matter or it will be a partisan matter. I think if I were in control I would be willing to divide this membership of 15 somewhat along the lines of 5 from the Senate and 5 from the House appointed by the President of the Senate and the Speaker of the House of Representatives; and if that kind of arrangement is made I do not see why it would not be reasonable to say—and everybody would feel better, I know I would if it were a bipartisan thing, if we could divide this committee, say 9 and 6. Of course, if it were a committee of the House of Representatives I could not agree to that because of the closeness of the majority and the minority in the House; but I do think that way, and I am sure that the gentleman from Connecticut will be very willing to ask consent to modify his amendment to provide a ratio of 9 to 6; and I was just wondering if those in charge would not be willing for the sake of good feeling on this—we are all for this thing and we all want it to succeed, every Member of the House, we Democrats as much as those on the majority side—I was just wondering if those in charge would not be willing to accept a modification of the amendment to that effect? That is all I have to say.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. RAYBURN. I yield to the gentleman from Indiana.

Mr. HALLECK. Of course, the gentleman knows my high regard for him, and when he presents to me a proposition like he has, it is a difficult matter for me to reject it. As I said originally, we have gone over this matter carefully. I know as well as I know anything in the world, that the President in the appointment of these 15 people is going to see to it that the Democratic Party is represented. As to just what adverse effect there might be, possibly it is a little hard to spell out, because you have to determine the politics of some great public-spirited man who might be willing to go on this Commission and as a condition precedent to his going onto the Commission you have to catalog him. I do not know whether such a situation as that might arise. I do not know whether it will complicate matters. As I said, the gentleman from Texas knows of my high regard for him. He and I have cooperated here in minority and majority affairs many, many times, and we are going to continue to cooperate. I am going to continue to cooperate. But at the moment I am not prepared to say just what the solution ought to be.

May I say to the gentleman that if the amendment were revised to read 9 to 6 it might be satisfactory. This matter has to go to conference. If it should develop there that it would interfere with the creation of the Commission and the functioning of that Commission, I take it the matter can and will be adjusted. I am the author of the bill, and the bill is reported by the Committee on Government Operations.

As the gentleman knows, this whole matter had its inception in a broad understanding around the country that has been finding expression time after time by both Democrats and Republicans that here is something that must be done. We are trying to do it.

Mr. RAYBURN. If the Senate leaves the bill as it is and the Senate passes it, there is nothing to go to conference on.

Mr. HALLECK. That is true.

Mr. RAYBURN. The gentleman talks about consultation. I certainly was never consulted about this bill or any of its provisions up to now, either by anyone in the majority or in the minority. I had no idea that something like this was coming along. I am just talking about what would make everybody feel a little better. I think these things ought to be bipartisan, not partisan. It is either bipartisan or partisan.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. RAYBURN. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. I agree with what the gentleman has said. But I would think you ought to take care of the Midwest Republicans, too.

Mr. RAYBURN. That is exactly the idea I have in mind.

Mr. HOFFMAN of Michigan. Fine.

Mr. RAYBURN. I want to take care of all elements of the Republican Party, all 3 or 4 of them.

Mr. Chairman, I ask unanimous consent that the amendment offered by the gentleman from Connecticut [Mr. DODD] and I do this with his approval, be modified so that where "8" appears in the amendment it be changed to "9" and that where "7" appears it be changed to "6."

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment as modified.

The Clerk read as follows:

Amendment offered by Mr. DODD: Page 2, line 25, after "Commission", insert "*Provided*, That 9 members shall be from the majority party and 6 members shall be from the minority party."

Mr. HALLECK. Mr. Chairman, I accept the amendment. If it is found this is going to have a serious effect, or there is objection, the matter can be adjusted either in the other body or in conference. I want this matter to proceed and I hope we can get on with it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut [Mr. DODD].

The amendment was agreed to.

Mr. HOFFMAN of Michigan. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN of Michigan: Page 2, line 20, strike out the word "twenty-five" and insert "fifteen"; and in line 22 strike out the word "fifteen" and insert "five" and on page 3, line 10, strike out "thirteen" and insert "ten."

Mr. HALLECK. Mr. Chairman, will the gentleman yield for a parliamentary inquiry?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Indiana.

Mr. HALLECK. Mr. Chairman, the vote that was just had was on an amendment. Was there an amendment to the amendment pending?

The CHAIRMAN. The Chair understood that the amendment to the amendment was withdrawn.

Mr. HOFFMAN of Michigan. Mr. Chairman, this amendment was on the Clerk's desk and discussion of it should have preceded the other amendment because this is an amendment to reduce the number of the Commission. I am trying to change the membership of the Commission from 25 to 15. The other two sections further on provide that the President of the Senate shall appoint 5 and the Speaker of the House shall appoint 5.

My question is, Why, if this is to be a sort of a cooperative body, should the Executive Office appoint 15, 5 more than the Senate and House, as members of that Commission? Cooperation should be a two-way street. Should not the House and Senate have the same equality in expressing their views in making investigations? I can only repeat here what was said before earlier in the day, that the House should be a little more

jealous of its authority, of its prerogatives. It is bad enough to appoint a commission which will assume our duties, the duties of all the committees, but it is far worse to let the House and the Senate have but 10 and the President 15 members of the Commission.

Now, this argument we just had here about whether they would be Democrats or Republicans—that does not appeal to me very much, because I have noticed since January 3 that there does not seem to be, in the making of appointments, too much difference of opinion as to those who were appointed. I have had some difficulty in recognizing a Republican as an appointee, or recognizing an appointee as a Republican. I remember when a Democratic Member here, who was a member of our committee, the Committee on Government Operations, who was defeated in one of the States out here, was appointed to an office downtown. Apparently they thought he was a Republican, but he was not. He had been voting with the Democrats, the New Deal boys and the Fair Deal boys for 2 or 3 years here on the Hill, and yet the appointing forces down there in the White House never realized he was not a Republican. Now it is all right to disregard politics on a commission, perhaps, but what is the use of arguing about whether he is a Republican or a Democrat when sometimes the folks that appoint him cannot tell the difference?

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from California.

Mr. HOLIFIELD. I agree with the gentleman there is confusion in some parts of the Capital. However, the gentleman that my chairman refers to, as I understand, secured that position on his own merit, on a civil service basis, his qualifications as an administrator and as an educated man, and it was in a nonpartisan type of work in one of the agencies of the Government, which is strictly known to be nonpartisan, and passed the civil service examination and all that sort of thing——

Mr. HOFFMAN of Michigan. I cannot yield any more on that. I do not question the gentleman's ability. I never did question the gentleman's ability. He was a man of outstanding ability, outstanding service, but what you are trying to do, you are trying to fix it so that they must pin a label on a fellow naming him a Republican or a Democrat before he is appointed and until we get a better judge of political complexion—will you get the point?

Mr. HOLIFIELD. That is done in the bill here on page 3, in two categories, and, of course, I am just trying to make the other category consistent with two that are labeled 3 to 2, Republican and Democrat. I am trying to straighten out the legislation.

Mr. HOFFMAN of Michigan. Now, let me talk a little bit. My point is, as long as they have so much difficulty in determining whether the prospective appointee is a Republican or a Democrat, what is the use of going to the bother about trying to pin a label on him?

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. Yes; I yield to my distinguished friend, the former chairman of the Committee on Immigration, who wrote such a wonderful bill here, in conjunction of course with our friend, the gentleman from Pennsylvania [Mr. GRAHAM]. You did a fine job, and I hope it is not amended. It was the result of a long and thorough study of the issues involved. The gentleman's committee held extended impartial hearings, had them printed, reached sound conclusions and came up with a bill which both Houses accepted. It was a fine technical job, a just bill and I hope the gentlemen who wrote it receive credit for their work.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

The question is on the amendment offered by the gentleman from Michigan [Mr. HOFFMAN].

The amendment was rejected.

Mr. RAYBURN. Mr. Chairman, what amendment did we vote upon just then?

The CHAIRMAN. That was the amendment offered by the gentleman from Michigan, the chairman of the committee.

Mr. RAYBURN. I thought I heard most of the Republicans vote "no."

Mr. HOFFMAN of Michigan. Mr. Chairman, I offer another amendment.

Mr. HALLECK. Mr. Chairman, may I inquire of the gentleman from Michigan how many amendments he has?

Mr. HOFFMAN of Michigan. I have five more. As long as I am taking your figure, I do not see why you will not let me talk.

Mr. HALLECK. I guess that is a good deal.

Mr. HOFFMAN of Michigan. I think so.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN of Michigan: Page 4, line 21, strike out the words "or member thereof."

Mr. HOFFMAN of Michigan. Mr. Chairman, now if I may have the attention of the gentleman from Texas, our former Speaker, the gentleman made the comment after I had finished my argument on the last amendment that he noticed most of the Republicans voted against it. Well, after 20 years under your rule from the Speaker's desk, do you not think that even they have learned that it is a good thing to keep Republicans in Executive offices, if they can? The party of the gentleman has been doing just that for lo these many years.

Mr. Chairman, now back to this amendment. If you get the bill, on page 4 you will find these words:

The Commission or, on the authorization of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this act, hold such hearings and sit and act at such times and places, administer such oaths, and require, by subpena or otherwise, the attendance and testimony of such witnesses—

And so forth. My amendment proposes to strike out the words "or member thereof."

Now think of writing into a bill which gives the commission authority to subpena witnesses, administer oaths, and if witnesses refuse to answer or answer falsely, power to institute prosecutions for perjury or contempt, the authority to permit any member of a 25-member committee to go off by himself and hold hearings. Is not that something? That shows you how the House sometimes will get ready to accept legislation which is extremely dangerous. Here you are giving this commission, or other provisions of the bill propose to give this commission, an unlimited sum of money. I will try to correct that by another amendment. There is no limitation on the funds we voted to them. There is no limitation on the authority. If you will look on page 5, you will see that certain statutes punishing criminal acts are applicable here, and those who are called by this commission or any one member of the commission are subject to those statutes. In fairness I ask you—time and time again this House has objected to investigations by one man, and sometimes by committees. Here you are authorizing a commission to send one member out any place in the continental United States and snoop into your books, and if you refuse to meet his demands, or if you make a false statement, you may be prosecuted for perjury. That is not all of it. You all recall the Christoffel case. The Committee on Labor and Education reported that case. The man was convicted and the case was reversed because it did not affirmatively appear that a quorum was present. How can 1 man be a quorum of a 25-man commission, especially when in another section of the bill, which I will point out later, it expressly states that 13 is a quorum? Have you ever seen a bill that was as full of holes as this one and as inconsistent as this bill is? I know the gentleman from Indiana never drew this bill; he is too good a lawyer to draw a bill like this.

Mr. HOLIFIELD. Mr. Chairman, what words will the gentleman strike out?

Mr. HOFFMAN of Michigan. I would strike out the words "or member thereof."

Mr. Chairman, I do not believe there is a Member of the House, when you stop to think about it, who wants 1 man of a 25-man commission to go around clothed with all the legislative power of the Congress of the United States to subpena and interrogate witnesses.

Mr. Chairman, I ask for support of the amendment.

I hope the committee will accept the amendment.

Mr. HOLIFIELD. Mr. Chairman, I rise in support of the gentleman's amendment, and I do so in all sincerity. Two or three years ago, by the authority of the chairman of the Committee on Government Operations, I accompanied counsel of our staff and the director of our staff to California to take some depositions. I did take those depositions, and I was subsequently criticized, and I believe there was some basis in criticizing that basis of procedure.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. HOFFMAN of Michigan. I did not have that in mind when I was talking.

Mr. HOLIFIELD. No; but I want to say this. That the gentleman who is

now chairman of the committee criticized me for taking those depositions. At the time I took them, I was acting in good faith under the authority of the chairman of the committee, and I certainly intended no wrong doing. But I have come to the conclusion since that time that it is unwise for any Member of the House to sit as a subcommittee or to put himself in the position of exercising alone the authority of the Congress, particularly in regard to the issuance of subpenas without the sanction of a quorum of his subcommittee or of a quorum of the full committee as the rules of the House may prescribe.

So, in all sincerity, I support the gentleman's amendment, because I believe it is fundamentally sound.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. HALLECK. Mr. Chairman, I rise in opposition to the amendment.

I think, in the first place, it ought to be pointed out, where reference has been made to the subpena power and administering of the oath, that is contained in a committee amendment. I was consulted about that before it went in, by the action of the committee. I pointed out that, in my opinion, I could not conceive of any circumstance where by subpena you could get any information that would help this committee that you could not get without a subpena.

This is not the investigatory sort of an operation that is contemplated by some committees. This is a matter of obtaining information from people who are going to testify voluntarily. So I cannot conceive of any circumstance under which a subpena would be required.

This Commission has only a short time in which to report, to get its work done. It is going to take some time to get it organized. I can well understand how in getting information in one city or another, the Commission could well designate a member of the Commission to go out and conduct hearings and to make the record and have the record written up, and bring it back for the consideration of the Commission itself.

I cannot see how any violence is going to be done here. Of course, if you worry about one person taking a hearing, that is something else. Why, all through the administrative branch of the Government there are quasi-judicial or quasi-legislative commissions in which they designate hearing examiners who go out and take testimony. Of course, if you go into a court of law, generally you are before just one judge.

I hold with the gentleman from Michigan [Mr. HOFFMAN], that in the ordinary investigative work of a committee of Congress, where it is contemplated that subpenas would be utilized, it might well be that you would not want to have just one person as the representative of the body. But I do not conceive this to be that sort of an operation.

I do not want to have anything written in here that will interfere with the expeditious, orderly, and efficient working of the Commission. I hope the amendment will be defeated.

The CHAIRMAN. The question is on the amendment.

The amendment was rejected.

Mr. HOFFMAN of Michigan. Mr. Chairman, I offer an amendment which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN of Michigan: On page 4, line 24, strike out the word "administer"; and on page 5, strike out lines 1 to 13, inclusive.

Mr. HOFFMAN of Michigan. Mr. Chairman, seldom have I seen an argument equal to that just given by my own leadership in an effort to impose its will upon the House. I hate to say that, but it is the absurdity of the argument of the gentleman from Indiana [Mr. HALLECK]—the utter absurdity of it that forces me to speak. I dislike to be personal, I will not be personal, but I do not propose to be characterized as one who does not know what he is doing. The gist of the gentleman's argument was that "any member thereof" meaning a member of the Commission was not given the power of subpena.

Let me read this to you:

The Commission or, on the authorization of the Commission, any subcommittee or member thereof—

Now the gentleman said that "or member thereof" had nothing to do with a subpena—

or any member thereof, may, for the purpose of carrying out the provisions of this act, hold such hearings and sit and act at such times and places, administer such oaths, and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence—

And so on—

as the Commission or such subcommittee or member may deem advisable.

What is the use of standing here and arguing to a group of supposedly intelligent people that that little group of words on page 4—"subcommittee or member thereof"—does not apply to the powers granted on page 5, when it expressly says—and I will read it again: "the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents as the Commission or such subcommittee or member"—I repeat, or any member—"may deem advisable."

Let us not be under any false impression as to what is going on here. That bill, if adopted, if enacted into law, authorizes any member of that Commission to go by subpena into your office or home or my home and search for these papers, and require you to appear at a place designated, and bring those papers with you and submit yourselves to interrogation.

I say that that is a grant of power which I have heard the gentleman from Indiana [Mr. HALLECK] and many other Members of this House bitterly condemn here from the well of the House. As I said before, the Ways and Means Committee, the Committee on Government Operations of the Senate and the House, the latter were only recently granted authority by the Executive to look at income-tax returns with the understanding that its power would be most sparingly used and never unless there were some apparent open justification for it; yet, here the House is granting authority to a Commission of 25 members, 15 appointed by the President, to go into all sorts of places, including your home, your office, your safe-deposit box, your pocket, even, and ask you to produce papers, come before one member and bare your soul, or stand in fear of contempt proceedings. I say it is an outrage. The amendment should be adopted.

Mr. HALLECK. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it is quite evident that the gentleman from Michigan has a lesser regard for me than I do for him.

Mr. HOFFMAN of Michigan. No; that is not so.

Mr. HALLECK. I think it is quite true. If he had paid a little more attention to the amendment I do not think he would have offered it because it seeks to strike out an amendment the committee just wrote into the bill, so it is clearly out of order; and if I had been paying a little more attention at the time it was offered I would have made a point of order against it. The amendment was put in the bill as a committee amendment providing the subpena power. I did not object strenuously to its going in because I could not conceive of any circumstance in the case of a commission of this kind where you could get anything of any value by a subpena that you could not get by asking for it, and all this talk of going into peoples' homes and grabbing papers is groundless.

The committee has acted on the amendment; they have written it in the bill, and I say that action ought to stand.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The amendment was rejected.

Mr. HOFFMAN of Michigan. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN of Michigan: Page 5, lines 14 through 21, strike our subsection (b).

Mr. HOFFMAN of Michigan. Mr. Chairman, I am sorry the gentleman from Indiana [Mr. HALLECK] thinks I have not the proper regard for him; I assure him I have. I respect his ability his integrity. But even mutual respect does not require either of us to cease thinking or forming conclusions. There is not a thing personal in my remarks. He is a lawyer and so am I; and as a lawyer I am accustomed—and I assume he is—to fighting battles in the courtroom and then going out to dinner with my opponent afterwards; and I hope that is true of our congressional battles also. If each of us cannot follow and voice his own sincere convictions then we better devise a system of giving all promises to a leader or spokesman.

I call your attention to the language on page 5 that this amendment deals with, subsection (b)—and I am very sorry my colleague gets disturbed just because I criticize a little bit—not him personally but the way a bill of which he says he is the author is drafted. A lawyer ought to be disbarred if he cannot take a little criticism. I have had a lot of it in my time and it was not all pleas-

ant—but, then, I did not believe it all, either.

Listen to this language:

(b) The Commission is authorized to secure from any department, agency, or independent instrumentality of the executive branch of the Government any information it deems necessary to carry out its functions under this act; and each such department, agency, and instrumentality is authorized and directed to furnish such information to the Commission, upon request made by the Chairman or by the Vice Chairman when acting as Chairman.

That is a grant of authority which is denied every one of the standing and special committees of the House except two. I do not care particularly to argue it. It is another grant of arbitrary power to this Commission to secure information from any executive department. That power is not given to some standing committees of Senate and House.

We have a statute that protects tax returns. If this becomes a law, having been passed subsequent to that statute what would you think? Would this Commission have the right to go in and get your tax returns? Read it for yourself and make answer. This amendment should be adopted; the section should be rewritten.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The amendment was rejected.

Mr. HOFFMAN of Michigan. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN of Michigan: Page 5, line 24, after the word "amounts", insert: "not exceeding $100,000."

Mr. HOFFMAN of Michigan. Mr. Chairman, this is supposed to be an economy Congress. My distinguished colleague from Indiana, our majority leader for whom I have the highest respect, read from the party platform a little while ago. I do not recall that he read anything that is there about economy or about balancing the budget. I do not know that it is there because frankly I have never read it. Someone said that platforms were a collection of promises devised to get votes. The longer I live, the more truth I see in that statement.

I noticed in the CONGRESSIONAL RECORD, in the debate from the other side of the Capitol that there was inserted the words "applause" and "laughter." As I understand it, the Speaker of the House has ruled that those expressions in the RECORD are not in order and you cannot, therefore, get them printed. I am sorry I cannot on this occasion get that applause in the RECORD. It might indicate that I had some support.

Mr. Chairman, under this section it is stated:

There are hereby authorized to be appropriated such amounts as may be necessary to carry out the provisions of this act.

Did you ever see anything like that before? The amendment I have offered would make it read:

There are hereby authorized to be appropriated such amounts not exceeding $100,000 as may be necessary to carry out the provisions of this act.

Should there not be some limitation? I do not remember what the Hoover Commission had but there should be something in there along that line. When we gave President Roosevelt that blank check for I think it was a billion dollars or whatever it was, we at least put a limitation on it though it was close to the sky.

The majority leader has said that this is the first bill with his name on it that he ever got through. I would like to get through an amendment some time and this seems close to the proper time and I think in fairness the gentleman from Indiana, our majority leader, if he does not want to accept $100,000 will let me amend it to provide for, oh, $500,000 and then accept that amendment. I would like to offer that amendment if the gentleman will accept it. If not, I will have to ask you to vote on the one I have offered.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. HOFFMAN].

The question was taken; and on a division (demanded by Mr. HOFFMAN of Michigan) there were—ayes 31, noes 70.

So the amendment was rejected.

Mr. HOFFMAN of Michigan. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN of Michigan: On page 7, line 1, after the word "Director", insert the words "not exceeding $15,000."

Mr. HOFFMAN of Michigan. Mr. Chairman, these amendments have been offered not with any expectation that they would be adopted but just to have a record on the matter so that hereafter in some debate that may arise I will be able to follow the party line and quote the party position.

This amendment applies to a section beginning line 23, page 6, reading:

Without regard to the civil-service and classification laws, the Commission may appoint and fix the compensation of a Director who shall perform such duties as the Commission shall prescribe.

My amendment would place after the word "Director" the words "not to exceed $15,000." It would fix his compensation at not to exceed that amount. The top which a committee may pay its chief of staff, its chief investigator, is $11,646. A Congressman gets $15,000 and pays his own expenses. There is no limit on what the Commission may pay its Director—and he draws his expenses. I am not so much concerned about the $15,000. I would like to have some sort of limitation on what the Director shall be paid. This being an economy administration, one devoted to balancing the budget, it seems a little out of line to permit a commission to appoint a director and to fix his compensation without any limitation. If there is a member of this committee who ever voted for legislation which permitted a commission or any other group or agency or department of Government to fix the compensation of the head of it without any limitation as to amount, I would like to be advised when it was and what it was all about.

Now I challenge the membership of this House to point out now or subsequently in the RECORD to point out where such procedure was followed. How will it sound and how will it appear to our constituents if we vote here to let a Commission—to let a Commission, not the Committee on Appropriations, not the House, not a committee of the House, but a Commission entirely outside, not only appoint but fix, leaving to us, of course, to comply with it as well, the salary of the man it appoints and over whom we have no control. Did you ever hear of anything like that? This bill and the action of the House on it shows how far the House of Representatives will go in abdicating its authority so that it may go along with an administration. Now I am for the President and his administration but that does not mean and it does not follow that I surrender all of my principles or all of my common sense or that I do not reserve the right to disagree when to me an act appears to be wrong. This amendment should be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. HOFFMAN].

The question was taken; and on a division (demanded by Mr. HOFFMAN of Michigan) there were—ayes 56, noes 40.

So the amendment was agreed to.

The CHAIRMAN. Are there any further amendments? If not, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. REECE of Tennessee, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4406) to establish a Commission on Governmental Functions and Fiscal Resources, pursuant to House Resolution 266, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

The title was amended so as to read: "A bill to establish a Commission on Intergovernmental Relations."

A motion to reconsider was laid on the table.

Mr. HALLECK. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1514) to establish a Commission on Intergovernmental Relations.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc.—

DECLARATION OF PURPOSE

SECTION 1. Because existing confusion and wasteful duplication of functions and administration pose a threat to the objectives of programs of the Federal Government shared in by the States including their political subdivisions, because the activity of the Federal Government has been extended into many fields which, under our constitutional system, are the primary interest and obligation of the several States and the subdivisions thereof, and because of the resulting complexity of intergovernmental relations, it is necessary to study the proper role of the Federal Government in relation to the States and their political subdivisions, with respect to such fields, to the end that these relations may be clearly defined and the functions concerned may be allocated to their proper jurisdiction. It is further necessary that intergovernmental fiscal relations be so adjusted that each level of Government discharges the functions which belong within its jurisdiction in a sound and effective manner.

COMMISSION ON INTERGOVERNMENTAL RELATIONS

SEC. 2. (a) For the purpose of carrying out this act there is hereby established a Commission to be known as the Commission on Intergovernmental Relations, hereinafter referred to as the "Commission."

(b) The Commission shall be composed of 25 members, as follows:

(1) Fifteen members appointed by the President of the United States, from among whom the President shall designate the Chairman and the Vice Chairman of the Commission;

(2) Five members appointed by the President of the Senate, 3 from the majority party, and 2 from the minority party; and

(3) Five members appointed by the Speaker of the House of Representatives, 3 from the majority party, and 2 from the minority party.

(c) Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

(d) Thirteen members of the Commission shall constitute a quorum, but a lesser number may conduct hearings.

(e) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of section 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

DUTIES OF THE COMMISSION

SEC. 3. (a) The Commission shall carry out the purposes of section 1 hereof.

(b) The Commission shall study and investigate all of the present activities in which Federal aid is extended to State and local governments, the interrelationships of the financing of this aid, and the sources of the financing of governmental programs. The Commission shall determine and report whether there is justification for Federal aid in the various fields in which Federal aid is extended; whether there are other fields in which Federal aid should be extended; whether Federal control with respect to these activities should be limited, and, if so, to what extent; whether Federal aid should be limited to cases of need; and all other matters incident to such Federal aid, including the ability of the Federal Government and the States to finance activities of this nature.

(c) The Commission, not later than March 1, 1954, shall submit to the President for transmittal to the Congress its final report, including recommendations for legislative action; and the Commission may also from time to time make to the President such earlier reports as the President may request or as the Commission deems appropriate.

HEARINGS; OBTAINING INFORMATION

SEC. 4. The Commission or, on the authorization of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this act, hold such hearings and sit and act at such times and places, and take such testimony, as the Commission or such subcommittee or member may deem advisable.

(b) The Commission is authorized to secure from any department, agency, or independent instrumentality of the executive branch of the Government any information it deems necessary to carry out its functions under this act; and each such department, agency, and instrumentality is authorized and directed to furnish such information to the Commission, upon request made by the Chairman or by the Vice Chairman when acting as Chairman.

APPROPRIATIONS, EXPENSES, AND PERSONNEL

SEC. 5. (a) There are hereby authorized to be appropriated such amounts as may be necessary to carry out the provisions of this act.

(b) Each member of the Commission shall receive $50 per diem when engaged in the performance of duties vested in the Commission, except that no compensation shall be paid by the United States, by reason of service as a member, to any member who is receiving other compensation from the Federal Government, or to any member who is receiving compensation from any State or local government.

(c) Each member of the Commission shall be reimbursed for travel, subsistence, and other necessary expenses incurred by him in the performance of duties vested in the Commission.

(d) The Commission may appoint and fix the compensation of such employees as it deems advisable in accordance with the provisions of the civil-service laws and the classification laws.

(e) The Commission may procure, without regard to the civil-service laws and the classification laws, temporary and intermittent services to the same extent as is authorized for the departments by section 15 of the act of August 2, 1946 (60 Stat. 810), but at rates not to exceed $50 per diem for individuals.

(f) Without regard to the civil-service and classification laws, the Commission may appoint and fix the compensation of a Director who shall perform such duties as the Commission shall prescribe.

TERMINATION OF THE COMMISSION

SEC. 6. Six months after the transmittal to the Congress of the final report provided for in section 3 of this act, the Commission shall cease to exist.

Mr. HALLECK. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HALLECK: Strike out all after the enacting clause and insert the provisions of the bill H. R. 4406, as amended.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

By unanimous consent, the proceedings whereby the bill H. R. 4406 was passed were vacated, and the bill was laid on the table.

MONDAY HOLIDAYS

Mr. HAND. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. HAND. Mr. Speaker, may I call to the attention of the House the resolution which I introduced on January 6 of this year, which was thereupon referred to the Committee on the Judiciary. It is House Concurrent Resolution 14, which reads as follows:

House Concurrent Resolution 14

Resolved by the House of Representatives (the Senate concurring), That it is hereby declared to be the sense of the Congress that the several States should take action, wherever it is appropriate, to bring about the observance of holidays on the Monday nearest to the day on which each such holiday actually occurs, in order that the people may derive the greatest possible benefit from their observance. The President is authorized to communicate this declaration to the governors of the several States and to request them to take appropriate action to bring about such observance.

This resolution does not apply to religious holidays.

In the last Congress I introduced a bill with a similar purpose, which provided for direct congressional action, but I began to have doubts as to the constitutional rights of Congress to legislate on the subject and, therefore, concluded that the present bill declaring the sense of Congress might be helpful.

It has always seemed to me to be unreasonable that both business and labor should be the victims of holidays falling haphazardly and on inconvenient days. A holiday in the middle of the week is of little use to the workingman, and, of course, it is notorious that it is very disruptive of business and production. I see no reason why we should not control holidays for our convenience.

You will note that my bill excludes religious observances.

The Philadelphia Bulletin has recently published an editorial on this subject which is worth noting, and is herewith included:

SUMMER'S LONG WEEKEND

It happens every few years that two of summer's important holidays, Memorial Day and the Fourth of July, fall on Saturdays or Sundays, as they do this year. In tougher times than these this usually meant that a lot of people lost a holiday from their daily labors.

But by increasing custom the collision of a holiday with Saturday or Sunday is compensated by an extra day off, either the preceding Friday or the following Monday. This year, in some big offices and factories, half shifts are working today, and the other half will be on the job on Monday, while many organizations close down completely on one day or the other.

This means a long holiday, of which there will be four this year, including the Labor Day and Christmas weekends. This occasional coincidence of the calendar gives support and encouragement to the idea that all the important anniversaries of the year, with

possible exception of Thanksgiving, might be profitably celebrated on Mondays.

Today and until Monday evening the highways are likely to be crowded with people going places or hurrying home, some of them taking chances on ruining the weekend with a traffic accident. But a far greater number will happily stay at home, which is by no means the worst place to spend a long weekend at summer's beginning.

I have discussed this bill with the committee, and it is my understanding that the gentleman from Ohio [Mr. McCULLOCH], who is the chairman of the subcommittee, plans an eventual hearing. I hope the bill will receive the support of the committee and membership of the House.

H. R. 3770

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, I take this occasion to ask a question of the majority leader. What has become of the bill (H. R. 3770) to amend the act of December 23, 1944, authorizing certain transactions by disbursing officers of the United States, and for other purposes. My understanding of it was that the bill was to be disposed of today because the authority was needed by the Armed Services and others before the expiration of this month. As I understand it, there is no controversy about it.

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, I have asked for this minute so that I may answer the inquiry of the gentleman from Michigan. I did not know there was such a bill until a rule was reported on it, I believe, yesterday. The report was filed under the unanimous-consent agreement. The program according to the whip notice was that the bill we have just concluded was to be followed by the bill introduced by the gentleman from Ohio [Mr. BROWN], the bill from the Banking and Currency Committee having to do with the creation of a Small Business Administration. I said to the gentleman from Michigan [Mr. HOFFMAN] that I hoped we could dispose of these other three matters and take up that matter to which he has referred this afternoon because I recognize the situation. I hope we can do that. I do not know how expeditiously we can move. Subject to developments about which I am not sure yet, it was thought we might adjourn over until Monday, after concluding our business, but whether or not other things will intervene to prevent that, I do not know. Unless, after consultation with our colleagues, it is decided that that ought to be placed ahead of the next order of business, we ought to dispose of the matters covered in the whip notice, and according to the program as announced last week.

Mr. HOFFMAN of Michigan. I have no personal interest in the matter at all, but I know that these matters were placed on the whip notice before the committee ever reported them out. On this particular bill there is no controversy at all.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. McCORMACK. The bill was reported out unanimously. Its purpose is to extend an expiring law which enables those in the service of our country abroad to get checks cashed by agencies of the Government, including those who might be working for American contractors.

Mr. HALLECK. If that is the situation, and if there is no objection on that side, and I see no objection indicated by the members of the committee on this side, may I suggest that the gentleman from Michigan ask unanimous consent for immediate consideration of the bill.

Mr. HOFFMAN of Michigan. Mr. Speaker, I shall ask unanimous consent for the immediate consideration of this bill, H. R. 3770, with this one amendment which is in the Senate bill. They added a new section, section 4, which reads:

> The provisions of this act shall terminate on June 30, 1954.

There was no termination date in the other bill. If that amendment is put in, it will go through in time for the armed services to proceed.

The SPEAKER. Is there objection?

Mr. RAYBURN. Mr. Speaker, reserving the right to object, I suggest there is a Senate bill on the Speaker's desk, S. 1307, that is slightly different from the House bill, but rather than offer an amendment to the House bill, why not ask unanimous consent to take up the Senate bill and pass it, and then it will all be over.

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1307) to amend the act of December 23, 1944, authorizing certain transactions by disbursing officers of the United States, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to authorize certain transactions by disbursing officers of the United States, and for other purposes," approved December 23, 1944 (ch. 716, 58 Stat. 921; U. S. C., 1946 edition, title 50 App., secs. 1705–1707), is hereby amended to read as follows:

"SECTION 1. Subject to regulations promulgated pursuant to this act, disbursing officers of the United States are authorized, for official purposes, or for the accommodation of members of the Armed Forces and civilian personnel of the United States Government, veterans of the Armed Forces of the United States hospitalized or domiciled in institutions operated by the Veterans' Administration and other institutions operated by agencies of the United States Government, contractors engaged in United States Government projects and the personnel of such contractors, and personnel of authorized nongovernmental agencies operating with agencies of the United States, to cash and negotiate checks, drafts, bills of exchange, and other instruments payable in United States and foreign currencies, and to conduct exchange transactions involving United States and foreign currency and coin, checks, drafts, bills of exchange, and other instruments; and when satisfactory banking facilities are not available, disbursing officers of the United States in foreign countries are also authorized, for the accommodation of any person who is a United States citizen, to cash checks drawn on the Treasurer of the United States: *Provided*, That such checks are presented by the person to whose order they are drawn. Any official funds which are held by disbursing officers of the United States and which are available for expenditure may, with the approval of the head of the agency having jurisdiction over such funds, be utilized for these purposes.

"SEC. 2. Any gains in the accounts of disbursing officers of the United States resulting from operations permitted by this act shall be paid into the Treasury as miscellaneous receipts. There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such amounts as may be necessary to adjust any deficiencies in the accounts of disbursing officers of the United States which may result from such operations. For the purposes of this section, the heads of agencies having jurisdiction over disbursing officers of the United States are authorized, on a fiscal year basis, to apply gains to offset deficiencies in the accounts of such disbursing officers.

"SEC. 3. The Secretary of the Treasury and, with the concurrence of the Secretary of the Treasury, the heads of other agencies having jurisdiction over disbursing officers of the United States are hereby authorized respectively to issue such rules and regulations, governing the disbursing officers under their respective jurisdictions, as may be deemed necessary or proper to carry out the purposes of this act: *Provided*, That the Secretary of the Treasury may delegate to the head of any agency, subject to such terms and conditions as he may prescribe, authority to issue such rules and regulations governing disbursing officers who are officers or employees of such agency and exercise the function of disbursement pursuant to a delegation by the Secretary of the Treasury.

"SEC. 4. The provisions of this act shall terminate on June 30, 1954."

The bill was ordered to be read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

H. R. 3770 was laid on the table.

House Resolution 269 was laid on the table.

ESTABLISHMENT OF COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH OF THE GOVERNMENT

Mr. REECE of Tennessee. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution, House Resolution 267, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the

Union for the consideration of the bill (H. R. 992) for the establishment of the Commission on Organization of the Executive Branch of the Government. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Government Operations, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. REECE of Tennessee. Mr. Speaker, I yield 30 minutes to the gentleman from Mississippi [Mr. COLMER]. I reserve 30 minutes for myself.

I have no requests for time on this side.

Mr. COLMER. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, I take this time to discuss another matter of reorganization that I had not intended to discuss today but I think this is a very opportune time to discuss it.

We have had a large number of resolutions setting up investigating committees, setting up commissions, setting up this and that, in order to streamline the various departments of Government, to cut out waste and duplication, to balance the budget, and to save the taxpayers' money. I think these are all fine, and generally I am in accord with them. I am in accord with the bill that was just passed, and I approve of the one that is now coming up for consideration.

But if I may have the attention of the Members, and particularly the attention of the leadership of the House and members of the Appropriations Committee, I would like to call to your attention another matter of reorganization that I am very much interested in.

If I could get you to understand what I am trying to say, and the problem involved, I think you would go along with this.

Last year the able Senator from Arkansas [Mr. MCCLELLAN] and I jointly sponsored a bill that would provide the Appropriations Committee of the House and Senate with the necessary tools to do away with duplication in the legislative body, and to save untold billions of dollars of the taxpayers' money. The bill would set up a joint committee on the budget within the Appropriations Committees of the two Houses. That bill passed the Senate by an enormous majority. In the dying hours of the session the bill was lost in the House by 16 votes. In fact, we lost consideration of the bill by 16 votes. There was a reason for that, of course. It was apparent that there was jealousy of the prerogatives of one body as against the other and of one individual as against another. This was most unfortunate.

I make the bold statement that up until this year your Appropriations Committee, and therefore your Congress, have been at the mercy of the other branches of the Government. Take any one branch of it, the military, for instance: They come before the Appropriations Committee and present an array of experts; and those experts know what they are talking about. And while the members of the Appropriations Committee, I grant you, are better versed about these matters than the average Member of Congress, yet they are almost completely at the mercy of these experts. They cannot cope with these experts in the military department or any other department they are considering. What they need is an independent staff of their own experts to advise the committee.

As a result of the fight that we made last year, at the last minute, the gentleman from Missouri who was opposed to this setup, the chairman of the committee [Mr. CANNON], came in and offered an amendment to an appropriation bill to give $250,000 to the House Committee on Appropriations and a like sum to the Senate Committee on Appropriations to do this work, as a subterfuge for the bill of which I have been speaking.

Our bill would have set up a joint committee which would do away with the duplication that is now resulting from the $250,000 the Senate got and the $250,000 the House got; in other words, the House has its few experts going in one direction and the Senate has its experts going in another direction; there is no coordination, and at best there is duplication of effort. But it does not go far enough.

This bill would set up a joint committee on the budget of the Appropriations Committee in the House and in the Senate; it would have given them an unlimited number of experts so that they could cope with the situation, so they could do away with all of this waste and extravagance in Government. But we lost because it was argued that maybe the other body would take advantage of this body.

In the House version of the bill which I have reintroduced, H. R. 1710, provision is made for a disparity of membership to give the House more representation than the Senate on that committee and to make the chairmanship permanent in the House. I have reason to believe that the Senate would go along with it if the House would pass its version. The other day the Senate unanimously passed its bill again.

Mr. RABAUT. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I am very happy to yield to my friend from Michigan, who is a very able and conscientious member of the Committee on Appropriations.

Mr. RABAUT. I just want to say that this bill the gentleman speaks about was brought before Congress by Members other than those on the Committee on Appropriations; that is objection No. 1. So they are proceeding in a field with which they are not familiar, advising the Committee on Appropriations on matters properly within the Committee's jurisdiction.

The other thing is that the men who know the most about appropriations, the present able chairman of the committee, the gentleman from New York [Mr. TABER] and the distinguished ranking minority Member, the gentleman from Missouri [Mr. CANNON], both are vigorously opposed to the idea of the bill.

The Members of the House of Representatives, as my colleague well knows, are elected every 2 years by the people. Appropriations have always been originated in the House. The House is responsible for bringing the matter up and it jealously has regarded the prerogative as its own to bring appropriations before the Congress of the United States. Under the bill presented the last time, there was a division of responsibility between the House and Senate. We thought it was a step on the part of the other body to get the camel's nose under the tent. To sugar-coat the pill, a provision is now added to place the chairmanship of the proposed committee in the House. Well, the entire matter belongs in the House and there is where it should remain.

As to the gentleman's statement that we do not have the experts, we do have experts available to us. We have them available to us from every department of the Government, we may call them in from one department of the Government to study the activities of another. We have the services of lawyers, accountants, and technicians in every field. We have had that help from time to time and we have had the best experts that we could get.

Last year, it is true, the amount of money that the gentleman referred to was finally agreed to at the end, but it was done simply to quiet the matter. I do not know what has been done about it this year because I have not been on the floor much due to sickness. With my long experience on the Appropriations Committee, which started almost 20 years ago, the appropriations and the study of appropriations and the initiation of appropriations should be in this body. For that reason the House should jealously guard its prerogative in that respect. That is the opinion of one who has been on the committee a long time. I speak today because I notice that neither the gentleman from New York [Mr. TABER] nor the gentleman from Missouri [Mr. CANNON] are present. As the gentleman knows, I was chairman of the central subcommittee on appropriations the one time it existed, and I notice now there is support for it in the other body. It had its origin here, the central committee on appropriations at which time the greatest single cut in appropriations was made, namely in the sum of $580 million. I thank the gentleman for yielding to me.

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. COLMER. Mr. Speaker, I am compelled to yield myself 4 additional minutes in order to reply to my very good friend. I appreciate very much that he did ask me to yield to him so that we could get his views. There is no man for whom I have a warmer feeling than I do for my friend from Michigan and I am very glad that he told you very candidly and frankly just what I got through telling you a moment ago that it is a matter of jealousy between one body and the other. But the taxpayers are

not interested in matters of prerogatives. They are interested in saving money.

Appropriations should originate in this body because the Members of the House are elected every 2 years. With that, of course, I am in accord. The Constitution provides that, and very wisely so. But there is nothing in this proposed legislation that would in any wise interfere with such legislation originating in the House. It would still originate in the House. But you would have a joint staff that would study it and report to the two bodies, the Appropriations Committees of the two bodies. You would get the same information, you would get it without duplication, and the committees would be better informed, they could legislate more intelligently, and then they could come back and tell the House and Senate how to legislate more intelligently. Of course, my friend would not contend for a moment, as wise and as diligent as he is, and he is a diligent member of the committee and of the House, that any man without an adequate investigating staff can intelligently pass upon all of these appropriations.

Next, so far as the chairmanship is concerned, under my bill we would have 9 as against 7 members, 9 members from the Appropriations Committee of the House and 7 members from the other body. It has been argued to me privately and otherwise that if we had such a joint study made, the other body would move in and take over. Well, I just want to say to my friend and those who are jealous of the prerogatives of the House, and certainly I am one of them, that if you have a 9-to-7 majority on a committee and the chairmanship of the committee in the House, I cannot go along with the proposition of an inferiority-complex nature that the House could not hold its own, particularly with the appropriations originating over here.

Mr. Speaker, let me say in conclusion that this is something I am very much interested in. I wish some member of the Appropriations Committee would take it up. I waited a long time for someone on the House Appropriations Committee to take it up, but no one on the committee has seen fit to sponsor it. I wish they would sponsor it. I do not have any pride in the matter. I am merely interested in results. I might add, however, that the Rules Committee, of which I am a humble member, has jurisdiction in the subject matter.

I talked to 1 or 2 members of the Committee on Appropriations and asked them to sponsor it, but again the taxpayers are not interested in that. They are interested in getting $250,000 worth of results out of that staff rather than getting $250,000 worth out of $500,000 of their money in that staff. Of course, if time permitted we could go a little further into that, too. There ought to be something done about it, and I merely want to take this opportunity to call the attention of the House to the matter because, again, the bill has passed the other body unanimously.

Mr. Speaker, it might be well for the Congress to get its own house in order while trying to get everything else in order.

Mr. BROWN of Ohio. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent that the bill (H. R. 992) for the establishment of a Commission on Organization of the Executive Branch of the Government, be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc.—

DECLARATION OF POLICY

SECTION 1. It is hereby declared to be the policy of Congress to promote economy, efficiency, and improved service in the transaction of the public business in the departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the executive branch of the Government by—

(1) limiting expenditures to the lowest amount consistent with the efficient performance of essential services, activities, and functions;

(2) eliminating duplication and overlapping of services, activities, and functions;

(3) consolidating services, activities, and functions of a similar nature;

(4) abolishing services, activities, and functions not necessary to the efficient conduct of government;

(5) defining and limiting executive functions, services, and activities;

(6) eliminating services, functions, and activities more properly within the jurisdiction of State and local governments;

(7) eliminating nonessential services, functions, and activities which are competitive with private enterprise;

(8) postponing expenditures during periods of heavy defense commitments where deferral will not impair essential functioning of government;

(9) defining responsibilities of officials; and

(10) relocating agencies now responsible directly to the President in departments or other agencies.

ESTABLISHMENT OF THE COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH

SEC. 2. For the purpose of carrying out the policy set forth in section 1 of this act, there is hereby established a commission to be known as the Commission on Organization of the Executive Branch of the Government (in this act referred to as the "Commission").

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) Number and appointment: The Commission shall be composed of 12 members as follows:

(1) Four appointed by the President of the United States, two from the executive branch of the Government and two from private life;

(2) Four appointed by the President pro tempore of the Senate, two from the Senate and two from private life; and

(3) Four appointed by the Speaker of the House of Representatives, two from the House of Representatives and two from private life.

(b) Qualifications of members: Of each class of four members appointed under paragraphs (1), (2), and (3) of subsection (a), respectively, one member, if available, shall have served on the Commission established pursuant to the act entitled "An act for the establishment of the Commission on Organization of the Executive Branch of the Government," approved July 7, 1947.

(c) Vacancies: Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

ORGANIZATION OF THE COMMISSION

SEC. 4. The Commission shall elect a chairman and a vice chairman from among its members.

QUORUM

SEC. 5. Seven members of the Commission shall constitute a quorum.

COMPENSATION OF MEMBERS OF THE COMMISSION

SEC. 6. (a) Members of Congress: Members of Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(b) Members from the executive branch: The members of the Commission who are in the executive branch of the Government shall serve without compensation in addition to that received for their services in the executive branch, but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(c) Members from private life: The members from private life shall each receive $75 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

STAFF OF THE COMMISSION

SEC. 7. The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable, in accordance with the provisions of the civil-service laws and the classification act of 1923, as amended.

EXPENSES OF THE COMMISSION

SEC. 8. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be necessary to carry out the provisions of this act.

EXPIRATION OF THE COMMISSION

SEC. 9. Ninety days after the submission to the Congress of the report provided for in section 10 (b), the Commission shall cease to exist.

DUTIES OF THE COMMISSION

SEC. 10. (a) Investigation: The Commission shall study and investigate the present organization and methods of operation of all departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the executive branch of the Government to determine what changes therein are necessary in their opinion to accomplish the purposes set forth in section 1 of this act.

(b) Report: The Commission shall make a report of its findings and recommendations to the Congress not later than February 1, 1954.

SEC. 11. (a) Hearings and sessions: The Commission, or any member thereof, may, for the purpose of carrying out the provisions of this act, hold such hearings and sit and act at such times and places, and take such testimony, as the Commission or such member may deem advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before such member.

(b) Obtaining official data: The Commission is authorized to secure directly from any executive department, bureau, agency,

board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics for the purpose of this act; and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman.

With the following committee amendments:

On page 1, line 10, paragraph (1) strike out "limiting" and insert in lieu thereof "recommending methods and procedures for reducing."

On page 2, strike out all of paragraphs (5), (6), and (8), and renumber paragraphs (7), (9), and (10) as (5), (6), and (7), respectively.

On page 2, line 24, number the existing paragraph as "(a)."

On page 3, insert under section 2, the following paragraph (b):

"(b) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of sections 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99)."

On page 3, line 10, strike "pro tempore."

On page 3, line 16 to 22, strike subsection 3 (b).

On page 3, line 23, renumber as subsection (b).

On page 4, line 23, change "$75" to "$50."

On page 5, line 4, number the paragraph "(a)."

On page 5, line 6, after the word "advisable", strike ", in accordance with" and insert the words "without regard to."

On page 5, line 7, change "1923" to "1949."

On page 5, section 7, add as paragraph "(b)", the following:

"The Commission may procure, without regard to the civil-service laws and the classification laws, temporary and intermittent services to the same extent as is authorized for the departments by section 15 of the act of August 2, 1946 (60 Stat. 810), but at rates not to exceed $50 per diem for individuals."

On page 5, lines 13 to 16, inclusive, strike out heading "Expiration of the Commission" and entire section 9.

On page 5, line 18, change "section 10" to "section 9."

On page 5, line 22, delete "of the executive branch", change "government" to "Government", and insert after "Government", "except the Judiciary and the Congress of the United States."

On page 5, line 25, strike all of paragraph "(b)" and include a new paragraph "(b)" as follows:

"(b) Report: The Commission shall submit interim reports at such time or times, as the Commission deems necessary, shall submit a comprehensive report of its activities and results of its studies to the Congress on or before December 31, 1954, and shall submit its final report not later than May 31, 1955, at which date the Commission shall cease to exist. The final report of the Commission may propose such constitutional amendments, legislative enactments and administrative actions as in its judgment are necessary to carry out its recommendations."

On page 6, substitute the following section 10 (a) for section 11 (a):

"HEARINGS AND SESSIONS

"SEC. 10. (a) The Commission or, on the authorization of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this act, hold such hearings and sit and act at such times and places, administer such oaths, and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents, as the Commission or such subcommittee or member may deem advisable. Subpenas may be issued under the signature of the Chairman of the Commission, of such subcommittee, or any duly designated member, and may be served by any person designated by such Chairman or member. The provisions of sections 102 to 104, inclusive, of the Revised Statutes (U. S. C., title 2, secs. 192–194), shall apply in the case of any failure of any witness to comply with any subpena or to testify when summoned under authority of this section."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mrs. HARDEN. Mr. Speaker, in 1947 the Congress created what has become known as the Hoover Commission, to study and investigate ways of reorganizing the executive branch of the Government to make it more effective and efficient. A national debt of $265 billion annually augmented by an unbalanced budget is pushing us perilously close to the brink of the statutory limit of $275 billion.

There is a proverb that "Economy is a great source of revenue." This we do believe. This we need to practice, first through organization and then through administration.

Everyone is acquainted with the progress made by the Hoover Commission, and gratifying though that progress has been, there is much remaining to be done. For this reason there is a general movement and need to continue the basic long-term studies on reorganization that we started under the Hoover Commission.

The bill to create the Commission on Reorganization of the Executive Branch of the Government is a necessary companion to the bill to establish a Commission on Intergovernmental Relations. The best possible way to aid the States, counties, and cities is to reduce Federal expenditures. When this is done some tax revenues will be left at the local levels. In order to do this every possible means must be taken to reduce the cost of the Federal Government. We have learned that it is not easy to reduce Federal expenditures. The only safe way to do it is through better management; that is, reorganizing, merging, eliminating, consolidating, standardizing unnecessary and wasteful operations, practices, and procedures in the vast Federal establishment. The numerous hearings and investigations which have been conducted convince us that the field for greater economy and efficiency is unlimited. It must, however, be attacked in a scientific and skillful way. Great as the accomplishments were of the Hoover Commission, the job has only been partly done. Now is the time to continue that work while the background material is still available and the need is so great. I sincerely hope that this body will adopt Mr. BROWN's proposal, H. R. 992.

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 106) for the establishment of a Commission on Governmental Operations.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc.—

DECLARATION OF POLICY

SECTION 1. It is hereby declared to be the policy of Congress to promote economy, efficiency, and improved service in the transaction of the public business in the departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the executive branch of the Government by—

(1) recommending methods and procedures for reducing expenditures to the lowest amount consistent with the efficient performance of essential services, activities, and functions;

(2) eliminating duplication and overlapping of services, activities, and functions;

(3) consolidating services, activities, and functions of a similar nature;

(4) abolishing services, activities, and functions not necessary to the efficient conduct of government;

(5) eliminating nonessential services, functions, and activities which are competitive with private enterprise;

(6) defining responsibilities of officials; and

(7) relocating agencies now responsible directly to the President in departments or other agencies.

ESTABLISHMENT OF THE COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH

SEC. 2. (a) For the purpose of carrying out the policy set forth in section 1 of this act, there is hereby established a commission to be known as the Commission on Governmental Operations (in this act referred to as the "Commission").

(b) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of sections 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) Number and appointment: The Commission shall be composed of 12 members as follows:

(1) Four appointed by the President of the United States, two from the executive branch of the Government and two from private life;

(2) Four appointed by the President of the Senate, two from the Senate and two from private life; and

(3) Four appointed by the Speaker of the House of Representatives, two from the House of Representatives and two from private life.

(b) Political affiliation: Of each class of two members appointed in subsection (a), not more than one member shall be from each of the two major political parties.

(c) Vacancies: Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

ORGANIZATION OF THE COMMISSION

SEC. 4. The Commission shall elect a Chairman and a Vice Chairman from among its members.

QUORUM

SEC. 5. Seven members of the Commission shall constitute a quorum.

COMPENSATION OF MEMBERS OF THE COMMISSION

SEC. 6. (a) Members of Congress: Members of Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(b) Members from the executive branch: The members of the Commission who are in the executive branch of the Government shall serve without compensation in addition to that received for their services in the executive branch, but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(c) Members from private life: The members from private life shall each receive $50 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

STAFF OF THE COMMISSION

SEC. 7. (a) The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable, in accordance with the provisions of the civil-service laws and the Classification Act of 1949, as amended.

(b) The Commission may procure, without regard to the civil-service laws and the classification laws, temporary and intermittent services to the same extent as is authorized for the departments by section 15 of the act of August 2, 1946 (60 Stat. 810), but at rates not to exceed $50 per diem for individuals.

EXPENSES OF THE COMMISSION

SEC. 8. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be necessary to carry out the provisions of this act.

DUTIES OF THE COMMISSION

SEC. 9. (a) Investigation: The Commission shall study and investigate the present organization and methods of operation of all departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the executive branch of the Government to determine what changes therein are necessary in their opinion to accomplish the purposes set forth in section 1 of this act.

(b) Report: The Commission shall submit interim reports at such time, or times, as the Commission deems necessary, shall submit a comprehensive report of its activities and the results of its studies to the Congress on or before December 31, 1954, and shall submit its final report not later than May 31, 1955, at which date the Commission shall cease to exist. The final report of the Commission may propose such constitutional amendments, legislative enactments and administrative actions as in its judgment are necessary to carry out its recommendations.

POWERS OF THE COMMISSION

SEC. 10. (a) Hearings and sessions: The Commission, or any member thereof, may, for the purpose of carrying out the provisions of this act, hold such hearings and sit and act at such times and places, and take such testimony, as the Commission or such member may deem advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before such member.

(b) Obtaining official data: The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality, information, suggestions, estimates, and statistics for the purpose of this act; and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman.

Mr. BROWN of Ohio. Mr. Speaker, I offer an amendment.

The Clerk read the bill as follows:

Amendment offered by Mr. BROWN of Ohio: Strike out all after the enacting clause and insert the provisions of the bill H. R. 992, as amended.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

By unanimous consent, the proceedings whereby the bill H. R. 992 was passed were vacated, and the bill was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

CREATION OF SMALL BUSINESS ADMINISTRATION

Mr. BROWN of Ohio. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 265) providing for the consideration of H. R. 5141, a bill to create the Small Business Administration and to preserve small business institutions and free, competitive enterprise, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5141) to create the Small Business Administration and to preserve small business institutions and free, competitive enterprise, and all points of order against such bill are hereby waived. After general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute amendment recommended by the Committee on Banking and Currency now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. BROWN of Ohio. Mr. Speaker, I yield 30 minutes to the gentleman from Virginia [Mr. SMITH] and I now yield myself such time as I may consume.

Mr. Speaker, this resolution, House Resolution 265, makes in order the bill, H. R. 5141, which was reported by the Committee on Banking and Currency. It provides for 2 hours of general debate and waives points of order. This bill is for the purpose of creating a Small Business Administration and to preserve small-business institutions and free, competitive enterprise.

Mr. Speaker, I have no request for time.

Mr. SMITH of Virginia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, both the majority and minority members of the Committee on Banking and Currency concurred in asking for this rule. However, the bill itself, and I have no objection to the rule——

Mr. BROWN of Ohio. Mr. Speaker, I move the previous question.

Mr. SMITH of Virginia. Just a moment, I wish the gentleman would not take me off my feet so quickly.

Mr. BROWN of Ohio. I understood the gentleman had concluded. I apologize to the gentleman from Virginia.

Mr. SMITH of Virginia. I accept the apology. I know the gentleman is in a hurry and that was the subject I was coming to right now. We sometimes do things around here in a hurry when, perhaps, we ought to give them a little more careful consideration.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. BROWN of Ohio. There have been times here when we have given so much consideration to certain legislation that we have not acted wisely and well, and perhaps at times if we had acted on our first impulses, we might have enacted better legislation.

Mr. SMITH of Virginia. I have never found that to be a good rule, but perhaps the gentleman from Ohio has.

Mr. BROWN of Ohio. The gentleman from Virginia, being a banker, I know is very conservative.

Mr. SMITH of Virginia. Mr. Speaker, what I want to say about this bill is that I do think it is a matter of considerable importance, and needs some quite careful consideration. I am in favor of the principle of the bill. I think it is not wise to handle it as rapidly, and I might say as carelessly, as we are about to handle it this afternoon. For instance, let us take the bill itself. I call your attention to this provision. I do not

know whether the gentleman from Ohio has explained to you what this bill is for. This is a bill to create a little RFC for small business. It says "small business." It provides in the bill what a small business is. I am just wondering whether the Congress wants to pass it with this definition contained in the bill without at least some discussion that might point the way to the administrator who is going to administer the act as to just what is meant by small business. Look at the vagueness of this language in section 3. "For the purposes of this act, a small business concern shall be deemed to be one which is independently owned and operated and which is not dominant in its field of operation.

I just wonder what that language means. Who can they loan money to? Who are to be denied the use of these facilities? That is just one thing.

Another example is the provision in the bill which says that nobody can borrow any money from this Agency unless they have been turned down by a bank. I wonder what that means. Does that mean that we are opening the door for a whole parade of unsound loans?

I said in the Rules Committee yesterday that this sounded to me a good deal like a Fair Deal bill. It looks like we are going to spread this money around to anybody who cannot borrow it anywhere else. That is a very eleemosynary sort of institution you are creating. I just wonder whether you intend to go as far as the implications of this bill would seem to indicate. Certainly, if a loan cannot be made at a commercial bank and all the bankers in an area say, "No. It is no good. Therefore, we won't loan it to you," I wonder whether it is good sound business for the Government to make this kind of loan.

I do not care to go into any further discussion of it at this time. I yield back the remainder of my time.

Mr. GREEN. Mr. Speaker, I make the point of order that a quorum is not present.

Mr. BROWN of Ohio. Will the gentleman withdraw his point of order until after the adoption of the rule?

Mr. PATMAN. Mr. Speaker, the gentleman has just advised me that members of his delegation have left, thinking that this matter would not come up today. Of course, it was on the whip notice, but the proceedings have been delayed so long that they thought it would not come up, and they were supposed to be notified. The only way he knows to notify them—and I am in the same position—is to have a point of no quorum. Tomorrow is Friday and we will have all day for the discussion of this matter. I do not think it is a good time to bring it up, and I hope the leadership will not bring it up at 4:15 in the afternoon. There will be a great many amendments. The bill is entitled to more consideration. I think it is belittling to the bill to bring it up at this hour.

Mr. BROWN of Ohio. The question is on the point of order, but having made the motion previous to that, I was asking the gentleman whether he had any objection to adopting the rule first.

Mr. PATMAN. Would the gentleman be willing to put the bill over after the rule is adopted?

Mr. BROWN of Ohio. I am asking the gentleman who made the point of order first, if there is any objection to the adoption of the rule.

Mr. GREEN. No. I do not have any objection to the adoption of the rule, although I would like to have it held over until next week.

The SPEAKER. The Chair has permitted this colloquy to go on because he was hopeful that things could be straightened out.

Mr. HALLECK. Mr. Speaker, will the gentleman from Ohio yield me 1 minute?

Mr. BROWN of Ohio. I yield to the gentleman from Indiana.

Mr. HALLECK. The gentleman speaks of letting the bill go over until Monday. If this is not disposed of this afternoon we will have to meet tomorrow and dispose of it. I do not want any misunderstanding about that. Of course, if the gentleman insists on the point of order at this hour, I would not think it would be advisable to call the roll and try to go on with it. I suppose we could expect there would be other points of order. I had hoped we could dispose of these matters, and I agree with the gentleman from Virginia [Mr. SMITH] that there is no inclination on my part to rush anything. I thought I showed a rather patient disposition in permitting matters to go on this afternoon. But if the rule is adopted, if it is insisted on that side that a point of no quorum is going to be made——

Mr. GREEN. I will withdraw my point of order.

Mr. PATMAN. I will have to insist on it.

The SPEAKER. The gentleman from Pennsylvania withdraws the point of order for the time being.

Mr. HALLECK. Will the gentleman yield me 1 additional minute?

Mr. BROWN of Ohio. I yield the gentleman an additional minute.

Mr. HALLECK. I heard what the gentleman from Texas had said about how people had left and they did not know this was going to come up, but it has been on the whip notice on both sides. I did not tell anyone who asked me that we were not going to try to reach it. On the contrary, I told them that we would try to reach it.

Mr. PATMAN. I told them the same thing, but at the same time the gentleman knows how Members will see the proceedings drag on and on and on and they begin to think it will not come up. Here is a bill that takes the place of the RFC, Small Business Plants Administration. It is the only agency that small concerns of America will have, and it occurs to me that the gentleman would not want to belittle the importance of the proposal by bringing it up at this late hour in the day.

Mr. BROWN of Ohio. Mr. Speaker, I would like to move the previous question so that we can adopt the rule.

Mr. PATMAN. I do not want to go into committee before making a point of order. If the gentleman will agree to put it over, I do not care when he puts it over to.

Mr. HALLECK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HALLECK. I take it the gentleman could make a point of order after we adopted the rule, which would require 218 Members to be present, any time before we go into the Committee of the Whole.

Mr. PATMAN. I thought the gentleman would agree to put it over after the rule is adopted.

I hope the gentleman will agree to putting it over.

Mr. BROWN of Ohio. Mr. Speaker, I move the previous question on the resolution.

Mr. PATMAN. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. PATMAN. I want to make the point of order that a quorum is not present, but if the gentleman from Ohio will agree to putting consideration of the bill over after the rule is adopted, I have no objection at all to the adoption of the rule, but I want the agreement first.

Mr. HALLECK. Mr. Speaker, will the gentleman from Ohio yield me a minute?

Mr. BROWN of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from Indiana.

Mr. HALLECK. If the gentleman from Texas will listen to me, I said that if the point of order were insisted upon on that side I would feel it would be useless to call the roll and try to go on with this bill tonight. That is just a straight statement of fact, and I make it so that the gentleman may understand exactly how I feel about it.

Mr. PATMAN. If the gentleman who has charge of the rule will agree to that, if the rule is adopted he will not insist on bringing the bill up tonight I will not press my point of order.

The SPEAKER. The Chair will state that the gentleman from Ohio has no control over the legislation after the rule is adopted.

Mr. HALLECK. The gentleman may make his point of order after the rule is adopted.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. PATMAN. Now, Mr. Speaker, I hope the gentleman will agree to put the bill over.

Mr. HALLECK. There are several special orders on the calendar. I do not want to foreclose them. If the gentleman insists on his point of order, and I understand he does, it is obvious there is not a quorum here, so consideration of this measure will be put off until tomorrow.

AUTHORIZING PROCLAMATION OF AID-TO-KOREA WEEK

Mr. BRAY. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Joint Resolution 80, requesting and authorizing the President

of the United States to officially proclaim the week of June 7–14, 1953, as Aid-to-Korea Week.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the resolution, as follows:

Senate Joint Resolution 80

Joint resolution requesting and authorizing the President of the United States to officially proclaim the week of June 7–14, 1953 as "Aid to Korea Week"

Whereas the people of the United States feel a strong bond of friendship toward the people of the Republic of Korea in our common fight in defense of freedom; and

Whereas Korean women, children, aged, and maimed have been subject to the ravages of war for almost 3 years; and

Whereas the facilities of the Government of the Republic of Korea and the magnanimous aid of private relief agencies have not to date been nearly adequate for the monumental task of rehabilitation of the millions of injured, destitute, and homeless Koreans; and

Whereas the American military forces in Korea have been so moved by the suffering of the civilians there that they have contributed millions of dollars of their own money to help these stricken people; and

Whereas recent reports estimate there are 9 million dislocated persons, 100,000 orphans, 300,000 war widows, and 15,000 amputees in desperate need in that land which has borne such sacrifice to retain its freedom and independence and to resist Communist aggression; and

Whereas the practice of assistance through private relief agencies is in the best American tradition: Now, therefore, be it

Resolved, etc., That the President of the United States is requested and authorized to officially proclaim the week of June 7–14, 1953, as "Aid to Korea Week"; And be it further

Resolved, That the President shall by this proclamation call upon the American people, by their observance of this week, to demonstrate their friendship and affection for the distressed people of the Republic of Korea.

The resolution was ordered to be read a third time, and was read the third time, and passed.

COMPENSATION FOR OUR KOREAN WAR PRISONERS

Mr. MULTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MULTER. Mr. Speaker, I am today introducing a bill which is intended to correct an oversight with reference to those members of our armed services who have unfortunately fallen into the hands of the enemy since the Korean onslaught.

We have always made special provision for Americans who have been interned or captured by the enemy. The existing statutes, however, do not cover a situation such as the police action or undeclared war in Korea. My bill corrects that oversight and provides that any member of our Armed Forces who has been captured in Korea by a hostile force, when thereafter honorably discharged, shall be discharged at the next higher grade and shall be compensated in addition to his regular compensation at the rate of $2 a day, for every day that he remained in the hands of the hostile force.

I urge the early enactment of this bill.

IMPORTATION OF RESIDUAL FUEL OIL

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

(Mr. VAN ZANDT addressed the House. His remarks appear in the Appendix.)

PARLIAMENTARY INQUIRY

Mr. PATMAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. PATMAN. Tomorrow is Friday and all Members would like to be here to answer a rollcall, and I feel reasonably certain there will be one on the bill made in order by the rule just adopted. I wonder if the majority leader—and it is all right with the leaders on this side—would agree that any rollcall be put over until Monday. Would the gentleman agree to that?

Mr. HALLECK. No; the answer is "No."

Mr. PATMAN. We would be willing if the gentleman would.

VETERANS' HOSPITAL PROGRAM

Mr. DEANE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. DEANE. Mr. Speaker, I will not take very much time other than I will at this point in the RECORD place a statement giving the viewpoint of the Bureau of the Budget and the Veterans' Administration on the veterans' hospital program. I will base that upon a New York Times news story of May 23. The information, I trust, will be of value to the Members of the House.

Mr. Speaker and Members of the House, I am reading from the New York Times of Sunday, May 24 a news story with this heading: "VA Fears Closing of Six Hospitals—Officials Say 279 Million Trim in Funds May Force Them To Yield 4,809 Beds."

The article goes on to say:

WASHINGTON, May 23.—Veterans' Administration medical experts estimated today that they would have to close 6 or 7 veterans' hospitals as a result of cuts in their budget for the 1954 fiscal year, starting July 1. They were not ready to talk for the record, but their private calculations showed that 4,809 beds would have to be closed. These are in addition to 2,288 beds already held inactive for a lack of funds.

The article goes on to say that the VA medical officials are supposed to support the Budget Bureau when the appropriation hearings start. These same officials however "are concerned, though, about how to do that and still say what they feel they must—that the cut will mean reduced medical care."

The news story continues referring to the Veterans' Administration.

They figure it this way:

The proposed medical and hospital allowance, totaling $657,600,000 is $13,779,467 less then they had for the same purpose in the current fiscal year; yet 10 new hospitals will be completed during the year, adding 6,187 beds to the load they must handle.

The agency wanted money to hire about 6,000 extra persons to staff the beds in the hospitals to be opened next year. They received an allowance for only 1,383. To get the rest, the officials feel, they will have to "rob" older, less efficient and less desirable hospitals and that could mean closing some of the older ones.

Among those on the list to be considered for this purpose, it was learned are VA general medical and surgical hospitals in Fayetteville, Ark.; Fort Logan, Colo.; Lake City, Fla.; Fort Thomas, Ky.; Fayetteville, N. C.; Amarillo, Tex.; White River Junction, Vt.; Kecoughtan, Va.; Iron Mountain, Mich.; Vancouver, Wash.; Dublin, Ga.; Poplar Bluff, Mo.; Miles City, Mont.; Beckley, W. Va.; and Minot, N. Dak.

Records showed 24,837 veterans on waiting lists for admission to VA hospitals as of April 30. The agency's medical men say this list will be further lengthened by any closing of additional beds.

Another factor is that only about 3 in 10 of those on the waiting list have ailments classed as due to military service. Representative PHILLIPS has charged that care of such patients has been abused by veterans able to pay their own way.

NEW YORK TIMES AUTHORITATIVE NEWS SOURCE

Mr Speaker and Members of the House, I look upon the New York Times as an authoritative news source and if this news account of the plans to reduce VA hospitals is correct the situation is most disturbing. In view of the many letters that I have received from key veteran leaders in North Carolina, I have tried to make an exhaustive study of this veterans' hospital program in the light of the New York Times story.

POSITION OF THE BUREAU OF THE BUDGET ON THE VETERANS' HOSPITAL PROGRAM

Today, I advised with the Veterans' Administration budget examiner of the Bureau of the Budget, and in passing I wish to commend the straightforward facts that were given me. I pointed out that the information received would be used in these remarks. I was advised that as of the end of December 1952 the Veterans' Administration had advised the Bureau of the Budget that there were 2,288 vacant beds due to the lack of funds. The budget officer called to my attention a fact which I knew to be true; that the Congress in its wisdom last year cut the VA program by $31 million because these funds were not needed in view of the hospital-construction program which I will outline later in these remarks. It is the position of the Bureau of the Budget that the Veterans' Administration did not project its thinking far enough in advance in view of this heavy cut by the reduction of personnel and other administrative costs to absorb this $31 million budget reduction.

It is the feeling of the Budget Bureau that had the necessary reductions in force taken place, these vacant beds would not exist. It was the opinion of the Budget Bureau also that even if funds were made available there was serious doubt that the required personnel would be available to man these hospitals.

POSITION TAKEN BY THE VETERANS' ADMINISTRATION

I then advised today with the assistant budget officer of the Veterans' Administration to determine their position on the story in the New York Times. Here, again, I was advised that they did not know where this story originated and they would not assume any responsibility for same. I requested that I be advised of the status of vacancies in the hospitals mentioned in the New York Times story. That information follows with Oteen, N. C., included. I give here, Mr. Speaker and Members of the House, the location of these general medical and surgical hospitals, the bed capacity, and the vacant beds as of April 30, 1953, the latest available date on vacancies:

Veterans' hospitals now in operation involved because of lack of funds and/or personnel

Location	Bed capacity	Vacant beds, Apr. 30, 1953
GENERAL MEDICAL AND SURGICAL		
Fayetteville, Ark.	254	35
Lake City, Fla.	378	70
Dublin, Ga.	500	40
Fort Thomas, Ky.	395	20
Iron Mountain, Mich.	250	32
Poplar Bluff, Mo.	201	43
Miles City, Mont.	100	56
Fayetteville, N. C.	416	49
Oteen, N. C.	1,500	137
Minot, N. Dak.	162	20
Amarillo, Tex.	156	33
White River Junction, Vt.	188	17
Kecoughtan, Va.:		
Hospital	604	90
Domiciliary	1,621	
Vancouver, Wash.	575	79
Beckley, W. Va.	200	71
Total	7,500	792

VA AND BUDGET BUREAU DIFFER ON ESSENTIAL SERVICES

Mr. Speaker, I called to the attention of the VA officials the $31 million cut in funds for last year. It was agreed that there were 2,288 vacant beds as of December 1952. I was advised that the medical people in the VA hold a different opinion on the number, type, and kind of technical and administrative services needed by the patients, and one would assume that if the patients receive the services needed, the necessary funds must be made available, and in this case they simply did not have the funds to carry on the services, and vacant beds resulted.

VETERANS' BUDGET NEEDS

Continuing, Mr. Speaker and Members of the House, it is the position of the Veterans' official that if the sum of $555 million requested by the VA is granted, they will be able to fill the vacant beds. When I questioned them on the availability of the necessary professional, technical, and administrative people to do this job, the VA felt assured that they could secure such personnel, which as indicated above, the Bureau of the Budget questions.

THE HOUSE IS ENTITLED TO KNOW THE FACTS

Not only is the House entitled to know the facts, but the veteran groups throughout the country should be informed. My mail is heavy from veterans' groups who are concerned, as I am, with the number of vacant beds. I ask these questions: Are these beds needed? Are sufficient funds being appropriated? If funds are appropriated, can the necessary professional, technical, and other required personnel be obtained in the respective areas?

I want the veterans in North Carolina to know that I have diligently sought answers to these questions and will continue to do so. The House will soon have an opportunity, I trust, to know the thinking of the Appropriations Subcommittee dealing with VA appropriations.

We must meet this subject in complete honesty. From what I have pointed out, Mr. Speaker and Members of the House, there is a difference of opinion between two important branches of the Government, the Bureau of the Budget and the Veterans' Administration. Who is right? We must maintain an open mind, but we are certainly entitled to have all the facts, and that is why, Mr. Speaker, I have taken the floor to bring this important matter to the subject of the House.

THE FUTURE NEEDS OF THE VETERANS' ADMINISTRATION IF WE ARE TO MEET THE DEMANDS OF NEW HOSPITALS

Mr. Speaker and Members of the House, I feel that we must project our thinking on this hospital program on the basis of the new hospitals that are now under construction and are practically ready to be occupied.

I am especially interested in the new 973-bed neuropsychiatric hospital at Salisbury, N. C. As of March 31, 1953, this hospital was 93 percent completed, and from all information that I can find it is now ready for occupancy. I want to know from the Appropriations Committee will funds for this hospital be made available in the new appropriation bill. From all that I can determine, there are not now such funds available and the scheduled opening for October 1953 of the Salisbury Hospital has been carried over into 1954, and no definite date for such opening has been set.

It seems to me, Mr. Speaker and Members of the House, that it is time that we really came to grips with our VA hospital program in a way that will clear up the fog and we will know the full and complete story. What I am saying about this Salisbury, N. C., hospital is likewise true, in my opinion, of the following new hospitals under construction:

Hospitals under construction but the openings of which have been postponed due to proposed budget cut

Location	Bed capacity	Percent completed Mar. 31, 1953	Expected date of completion	Latest estimated opening date	Construction costs
GENERAL MEDICAL AND SURGICAL					
Ann Arbor, Mich.	496	98	July 1953	October 1953	$8,505,606
St. Louis, Mo.	496	84	December 1953	March 1954	7,968,000
Chicago, Ill.:					
Cancer research hospital	516	91	August 1953	November 1953	13,604,000
General hospital	496	99	May 1953	August 1953	8,448,300
Oklahoma City, Okla.	496	93	June 1953	September 1953	7,909,600
Pittsburgh, Pa.	742	81	December 1953	March 1954	14,001,500
Cincinnati, Ohio	496	77	do	do	8,162,800
New York, N. Y.	1,252	68	February 1954	May 1954	20,665,700
NEUROPSYCHIATRIC					
Salisbury, N. C.	973	93	July 1953	October 1953	16,417,800
Pittsburgh, Pa.	956	95	June 1953	September 1953	17,602,500
Brockton, Mass.	958	89	do	do	20,030,850
Los Angeles, Calif.[1]	1,000	19	May 1954	August 1954	20,014,000
Total	8,877				162,420,650

[1] Not scheduled to open until after fiscal 1954.

The question I want to know is this: Does the appropriations contemplated include not only sufficient funds to carry on the present load in the old VA hospitals above mentioned and any others not described, but also will we be able to open and run the hospital in Salisbury and the ones indicated below?

SENATOR TAFT SPEAKS FOR THE PEOPLE OF THE UNITED STATES

The SPEAKER pro tempore (Mr. CANFIELD). Under previous order of the House, the gentleman from Wisconsin [Mr. SMITH] is recognized for 30 minutes.

Mr. SMITH of Wisconsin. Mr. Speaker, there has been a great deal said about "going it alone" referring, of course, to the remarks by the Senator from Ohio, Mr. ROBERT A. TAFT.

What I have to say at this time is not meant to be carping criticism but only to affirm some facts regarding foreign policy that must be obvious to all who are interested. It cannot be said, I believe, that there has been a great change in foreign policy since the Republican Party has come into power. It may well be that a new direction will become obvious as time goes on. It was my impression that the election of President Eisenhower was a result of widespread dissatisfaction with foreign policy under the previous administration.

As I see it, Mr. Speaker, the senior Senator from Ohio, Mr. TAFT, has again spoken out in the interests of these United States. In his latest foreign-policy speech last week in Cincinnati, he has expressed the deep concern of his countrymen about our involvement in foreign affairs. His is the lone voice that

dares to challenge a policy of draft and equivocation in the State Department. Make no mistake, Mr. Speaker, the gentleman from Ohio has the overwhelming support of the people of this country behind him because he expresses their thoughts.

Recently Secretary Dulles and Mr. Stassen have returned from a personal trip to the Near East and southeast Asia. Upon their return they have informed the American people of the results of their trip. I think it is encouraging to note that they feel confident that these important areas of the world which are in crisis can be made to feel that the United States is on a friendly basis with them. This is good news and may be evidence of a change in foreign policy as applied to that part of the world.

Those who have criticized Senator TAFT are playing the old ostrich game with their heads buried in the proverbial sands; they refuse to face the facts of foreign policy; they are chained to a visionary concept that has failed to bring peace in Korea or to provide an effective organization for collective security in the United Nations.

It has been charged, Mr. Speaker, that the gentleman from Ohio seeks to divide us from our allies and that he is blind to the consequences of his act. Such a charge cannot be supported by the facts.

On the record, Mr. Speaker, where is the division between the allies and who is it that advocates a go-it-alone policy? Is anybody fooling the American people as to who is fighting the war in Korea? The people are far out in front of those who are making foreign policy. Our erstwhile allies have been content on the one hand to have the United States finance them militarily and economically and at the same time fight a war thousands of miles from home.

It is our allies, Mr. Speaker, who appear willing to accept peace at any price, contrary to the best interests of the United Nations, the United States, and the Republic of Korea.

Mr. Speaker, who is trying to divide our allies? The record is abundantly clear that they are prepared to appease the Communists by voting Red China a seat in the Security Council of the U. N. The American people are shocked at this suggestion. It is an insult to the sacred memories of the men who have been killed in action, to their loved ones left behind, and to the thousands of others who have been injured for life.

Is there any doubt, Mr. Speaker, that the United Nations as an avowed agency to prevent aggression, has failed since 1950 to prevent war? It has missed the boat completely. The record is clear.

Is there any doubt of the fact that the defense of Europe is the primary responsibility of the people who live there? Yet 160 million people in the United States are expected to fight and die to defend 225 million Europeans. Unfortunately our propaganda has been such as to lead our friends to believe that our security is involved in the defense of Europe and Asia. It is an untenable position as history will eventually show.

Was not the Senator right when he said, and I quote:

> It seems clear that Mr. Churchill and the French administration would be willing to assign that zone of influence—
>
> The Iron Curtain countries—
>
> gladly and abandon the Poles, the Czechs, the Hungarians, and Rumanians to the tender mercies of Soviet Russia in return for some cutting of armaments, free trade, and promises to behave in the future.

Of course, we know, Mr. Speaker, that a shifting of policies to meet expedient situations is a standard Churchill practice. The world has not forgotten King Peter and that great Yugoslavian patriot Mihailovich who was double-crossed by the British. Nor has it forgotten the double-cross of the patriotic Poles who fought by our side in World War II upon a promise that with victory would come a free and independent Poland. But at Yalta it was expedient to sell the Poles down the river.

The criticism of the Ohio Senator is unfortunate in view of his statement. It must be read thoroughly to understand it fully. The charge that his remarks were an attack upon the President is baseless. And further the Senator was speaking as a friend of the United Nations yet with full recognition of its patent and inherent weaknesses.

As to the President, his friend, what did he say? He urged tolerance of those who are conducting our foreign affairs. He said they know more now than did their predecessors and that they are inspired by the best of good will toward all nations at a time when they are faced with problems never before presented to the United States in all its history.

Let those who have unfairly criticized the gentleman from Ohio face the facts realistically as he has done, honestly, forthrightly, in the primary interest of the United States. Do those who have been unfair approve of a truce that will surrender the Republic of Korea to the Communist wolves? Do they approve of the Churchill effort to give Red China a seat in the Security Council? It is fair, I believe, to assume that they do approve.

It was Mr. David Lawrence, who in the current issue of U. S. News & World Report, sums up this situation better than I can. He said:

> It would be a grave mistake if any Europeans or Americans, because of hasty or superficial reading of what Mr. TAFT said, should misrepresent his position as isolationism. He states that he believes in the U. N. as a means of persuasion and for other useful purposes. He has voted for the support of NATO. But he doesn't believe in sitting by and letting America get buffeted about by allies who now propose to abandon the objectives for which the troops in Korea have been making their sacrifices.
>
> Though there will rightly be differences with Senator TAFT on certain points, especially as to the military defense of Europe, his main thesis—that we should face the realism of our times—is wholesome and will be helpful in forging a strong alliance. For our allies must inevitably perceive that their failure to support wholeheartedly the American effort and purpose in the Far East can be as fatal to the principle of collective security in Europe as it has been in Asia.

Mr. Speaker, let every American who has the interest of this great country at heart stand up and thank the gentleman from Ohio, Mr. TAFT, for the fearless contribution he has made to an issue that is paramount in the hearts and minds of all the people in this country.

THE VETERANS' ADMINISTRATION BUDGET FOR FISCAL YEAR 1954

The SPEAKER pro tempore (Mr. CANFIELD). Under previous order of the House, the gentleman from California [Mr. PHILLIPS] is recognized for 1 hour.

Mr. PHILLIPS. Mr. Speaker, I want to say, as a preliminary statement to the Members that there was delivered to every office this afternoon as quickly as it was mimeographed, a draft of the statement I am about to make. There will be minor changes and a few additional figures, which were not available last night.

The revised budget figures for the budget request for fiscal year 1954, for the Veterans' Administration were received by the Committee on Appropriations, and handed to the Subcommittee on Independent Offices late on the afternoon of May 21. I call your particular attention, Mr. Speaker, to that date, and I ask you to compare it with the dates on the telegrams and the letters which many Members received on this subject, many of them speaking of cuts which had been made, and some giving specific figures. Actually, we had not yet received the revised budget requests.

The subcommittee held hearings on this budget item on May 25, 26, 27, and 28, and then recessed so the staff could work over the resulting figures. We met to markup the bill on June 1 and 2, just 2 days ago, Mr. Speaker. With the exception of a possible final polishing, we are ready to take the bill to the full committee. The gentleman from New York [Mr. TABER] has this set for the 12th, and the leadership has, I understand, scheduled the bill for the floor on the 16th and 17th.

A PERSONAL STATEMENT

It is the custom, Mr. Speaker, not to release figures, which are expected to appear in appropriation bills, until after the bills have been acted upon by the full committee, and reported to the House. That is a good custom. Seven members of a subcommittee, in this instance, will report to a full committee of 50 members and it is obvious that, as with any appropriation bill, a discussion in the full committee could result in changes, either in figures, or in language, or in the accompanying report. A premature announcement could therefore cause confusion.

However, I have asked the chairman, and the policy committee, as you know, Mr. Speaker, on my own responsibility, to permit me to come to the floor today and speak of the intentions of the subcommittee, and its recommendations, regarding some of the items in the VA appropriation. I think it is time some of the misunderstanding is cleared up. This is particularly true, Mr. Speaker, in view of the fact that there will be an unexpected delay of a week in reporting the bill, beyond the dates I mentioned before this to some of the Members.

VETERANS OR POLITICS?

I make this as a personal statement, Mr. Speaker, but I think I speak for the overwhelming majority of the Members of this Congress when I say that it would be most unfortunate if the problems of taking care of the deserving veterans of our wars, or of the money appropriated for that purpose, were to be made political issues. The eventual damage to the cause of deserving veterans would swamp any temporary political advantage.

VETERANS SUPPORT CONGRESS

Neither the attitude of the subcommittee nor its procedures in handling this budget item for the VA has been changed. Neither the opinions nor the intentions of the chairman and the other members of the subcommittee have been changed. We have had confidence that the same people who have sent the letters and the telegrams will be the ones who will support the committee and the Congress when they discover the facts. I have come to the conclusion, however, that a combination of Pennsylvania Dutch and Cornish blood is an asset to a member of a subcommittee of the Committee on Appropriations.

On the 16th of this month we expect to bring to the floor the second independent offices appropriation bill. It will contain the appropriations for the Atomic Energy Commission; for the Selective Service System; for the Tennessee Valley Authority; and for the Veterans' Administration. My hope is that with the material I will give, informally and briefly in this statement, as compared to the often inaccurate figures with which the Congress has been flooded for weeks, the Members, Mr. Speaker, will be able to pass this information on to the veterans in their home communities. My own mail is an indication that 80 percent of the veterans will support the Congress. In fact, I think the only criticism from the great body of veterans, who are themselves the taxpayers who will be called upon to pay the bill for the Federal budget for the fiscal year 1954, is that the Congress probably did not cut deeply enough.

VA BUDGET TOTALS

The Veterans' Administration, Mr. Speaker, is the largest of the independent agencies. It is doubtful if any Member of this Congress could give me, offhand, a complete and accurate list of the services and benefits it offers to the veterans of our several wars. I could not myself. There are 40 benefits listed, from different enactments by the Congress, in one list.

For these benefits, services, and functions, the VA asked the Congress, for fiscal year 1954, for $4,574,214,664, and this figure was reduced, in the revised budget figure, to $4,295,046,664. Compared with the so-called Truman budget, this is a reduction of $279,168,000, or only about 6 percent which, when you deal with billions, is not a very large reduction in a request for additional funds. Compared with the estimated expenditures for the current year, however, the revised budget is an increase of $137,842,704.

I am unable to give you the exactly comparable figures in the coming budget, Mr. Speaker, because they require computation. The total in our recommendations will probably be about the same as the figure in the revised budget; perhaps a little larger, but not very much larger, if you will support us. The biggest figures, of course, are for compensation benefits, for insurance, and similar items. These are simply matters of calculation. The original estimates were made up by the VA, probably about the time we left for home a year ago, and no crystal ball is accurate enough to determine a year in advance how many Korean veterans there will be, nor what they will require, nor how many older veterans there will be still getting compensation, educational benefits, and other aids. So, as we do every year, Mr. Speaker, my subcommittee went over the figures, bringing them up to date as nearly as possible. We raised the estimates on insurance, for example. We reduced the calculations on compensation. I do not think that these are controversial items.

It is in the field of hospitalization that there has been some misunderstanding, and I now direct my comments to that section of the budget.

VETERANS' ADMINISTRATION ACCOUNTING

As I said in April, some of this misunderstanding has to do with the accounting system of the Veterans' Administration. It is a good system. It was set up by the Veterans' Administration under the supervision of the Comptroller General, and with suggestions from members and staff members from the Committee on Appropriations in the 80th Congress. It could be left alone but, in order to clear up the present confusion, my subcommittee will recommend breaking the accounts into several appropriation items instead of the present single item in that part of the budget.

The present system sets up the total item as "Veterans' Administration: Administration, medical, hospital, and domiciliary services" under the accounting code numbers 1000 to 9000 inclusive. As I said in part on April 1: Item 1000 is for the general administration of the VA, and there is a separate item, 8100, to cover the direct administration of the hospitals and related services. The subcommittee recommends increasing the 1000 item by about $400,000 to improve internal auditing. I mention this, Mr. Speaker, only in passing, as it seems to be known very quickly in every corner of the United States, when we reduce a request, but I seldom hear it mentioned that we quite often increase requests.

Item 2000 is for the field contact service. This was controversial last year. I do not think it was completely understood. This does not include the contact men actually in the hospitals, who are accounted for in the direct hospitalization costs.

Item 3000 is for the administration of the compensation and pensions division. Congress will be asked to appropriate $2,246,291,000, for compensation and pensions in another part of the bill, and $34,738,000 for the administrative activities, under code number 3000, to which I am now referring.

Item 4000 is the one for the administration of the insurance section, and again I point out, Mr. Speaker, that the subcommittee will recommend a million dollars more than the budget figure. We are convinced the high percentage of errors can be reduced by certain procedural improvements for which this money would be needed. We will recommend about $30 million for administration costs, to operate a fund whose liabilities now total $40 billion, and for which we will this year appropriate $93 million, for military and naval insurance, the national service life insurance, and servicemen's indemnities.

I interpolate, Mr. Speaker, that although I understand my subcommittee has been jokingly referred to as the "Antiappropriations Subcommittee," we are not really as bad as that. We do have a policy of trying to understand the purposes for which money is requested, and on your behalf, we do increase or decrease items in the yearly budget, where we think it desirable. We do prefer to make cuts, knowing why, and where, rather than to make percentage cuts. We also think our record is the best proof of the fact that we recognize the urgent necessity of getting the budget back in balance.

In this regard, Mr. Speaker, I have said, again and again and again, that it is the disabled veteran who will suffer the most from the effects of a continued deficit policy. Not only do approximately half of the taxpaying families find themselves in the veteran category, but further deficits can mean only paying the veterans, among others, with inflated dollars. I said in April that the World War I veteran buys about one-third with his dollar today that the dollar would buy when he was discharged. The World War II veteran buys about one-half with his dollar that it would buy when he enlisted. I ask again, Do we want all veterans to buy still less, in the future, with the dollars the Congress appropriates for them? My subcommittee is trying to do its small part in protecting the veteran's dollar.

I continue the accounting analysis.

Item 5000 is for the administrative costs of the vocational rehabilitation program, but does not include education and training in the hospitalization program. Item 6000 is the loan-guaranty program, and item 7000 refers to readjustment allowances.

HOSPITALIZATION ITEM

Now, at long last, as I recall the Duke of Windsor once said, Mr. Speaker, I come to the item you have been waiting patiently to hear about. The cost of hospitalization of disabled or sick veterans is under code No. 8000. This breaks down into 8100, which is the administrative costs of all such hospitalization and care; 8200, which covers research work in the hospital program; 8300, education and training in the hospitals, and you must differentiate this from code 5000, already spoken of, which is reha-

bilitation work outside the hospital program. Then comes 8400, which breaks down still further into 8410, the cost of operating NP hospitals; 8420, the cost of operating TB hospitals; 8430, the cost of operating G. M. and S. hospitals; and 8440, the cost of contracting for additional beds in Federal, State, or private hospitals. The remaining items under code 8000—hospitalization in general—are 8500, the cost of appropriation items for domiciliary care; 8600, the appropriation for outpatient care, both medical and dental; and 8700, the cost of supplies for all hospital programs.

I want to make clear, Mr. Speaker, that it is this entire field of VA activities, from the salary of the Administrator himself, and the other 41,522 employees of the VA who have no direct relation to hospitalization, down to putting a new pane of glass in a broken window of a regional office, which added up to a total of $921 million in the original Truman budget request. It includes code numbers 1000 to 9000 inclusive, plus other items. There are numerous expenditures in this total, concerning which the veterans' organizations have indicated possible economies. These run into millions of dollars, because we work in large figures. What may be only a dollar or so, in some individual case, becomes millions of dollars by the time it reaches the subcommittee room, because we have the item multiplied by the number of veterans benefiting.

The figure which should have been used, in the telegrams we all received, is $549,079,300. This is the amount, in the $921 million total, which covered the costs of operating VA hospital beds. That does not include money for contract beds in other hospitals, and for both domiciliary care and outpatient care.

HOSPITALIZATION RECOMMENDATIONS

The subcommittee will recommend a reversal of the usual procedure this year. In previous years the Committee on Appropriations has set a money figure, based on the estimated number of beds, multiplied by the estimated costs of operating those beds. I do not want to engage in an argument over whether or not the appropriations have been adequate. I will say that this method has not connected the two figures closely enough, the number of beds to be operated, with the money appropriated.

This year the committee secured from the VA its own figure, as usual, of the maximum number of beds which it could open, equip, staff and operate in fiscal 1954, allowing the VA officials themselves to make the justifiable allowances for actual dates of opening new hospitals; and for other items which enter into such a figure, including the difficulty of getting the doctors, dentists, nurses, psychiatrists, technicians, and all other categories required for a balanced hospital staff.

This figure is set by the VA as 114,315. On the experience of the VA that average occupancy of these beds will be about 90 percent, the VA again set this figure as approximately 102,000 daily patient load.

The committee then asked for the money figure which would permit the VA to operate that many beds, on its own standards, and to its own satisfaction, in fiscal 1954. After some calculation, the VA officials came up with a figure of $555 million.

This is the figure which the subcommittee proposes to recommend to the full committee and, if accepted by it, to the Congress. There is, however, a string attached, of which all Members of Congress will approve. Since these are the VA's own figures, and since in previous years, argument over this item in the budget centered around whether or not the money was used for the purposes for which it was appropriated, the subcommittee will recommend that the money be tied directly to the number of beds. If these beds are not opened in the next fiscal year, then the money will be reduced proportionately.

We will further identify this hospitalization cost by taking the figure I have indicated out of the larger figure and making it a separate item in the budget itself.

ASSURANCE TO VETERANS AND OTHERS

On the basis of this recommendation, Mr. Speaker, every Member of Congress may write to anyone interested, that the Committee on Appropriations will recommend, for the hospitalization of deserving veterans, every dollar requested for this purpose by the Veterans' Administration. They may go further, on reading our hearings, and say that it is the opinion of VA officials that the figure of 114,315 beds is the absolute maximum number of beds they feel they can activate and staff in fiscal year 1954. This will be more beds and more patients taken care of than in 1953, or in any previous year, by the VA.

"CLOSED BEDS"

I can think of few things more useless than verbal post mortems, Mr. Speaker, but since a great many of the telegrams and letters have demanded the return of money supposedly cut from last year's appropriation, or the reopening of beds closed for failure to supply the money needed to keep them open, I think I must make some brief statement to clear up this misconception.

Congress approved a reduction in the requested funds for 1953 for about $39 million. The Senate suggested a cut of $31 million. The conference committee took the smaller figure and wrote into the conference report, and both Houses approved, the following statement:

> Conferees have approved the full amount of the budget estimate for research, including work in connection with prosthetic appliances, and have further agreed that there should be no reduction in the number of doctors, dentists, nurses and technicians.

We had appropriated $502 million in fiscal 1952 for the operation of the three categories of VA hospitals; and we were appropriating $515 million for the same item in fiscal 1953. The reduction suggested in other areas was less than 5 percent of the total request for these items for the entire program, and I ask you, Mr. Speaker, if you will say that a 5-percent reduction could not have been made in the VA without closing beds?

WHY BEDS WERE CLOSED

Nevertheless, beds were closed, or else they were not opened as Congress had been told they would be opened. Why? I cite a few reasons:

First. In certain of the hospitals on the published list, it was not possible to get the necessary staff. This applies particularly to psychiatrists. A ward of 18 beds in the Manchester, N. H., hospital was never opened, because it was impossible to get a psychiatrist for so small a number of patients. Money was not the reason. Only within the last few weeks has the VA, so it thinks, been able to work out a relationship with Boston University, so that this ward can be serviced through that medical school and hospital.

Fargo, N. Dak., lost a surgeon. Even after closing the beds at Fargo, listed on the published list, there were still fewer patients than available beds. I could go down the list and prove to you that the lack of funds, in many cases, was not the reason for what have been called closed beds.

Second. Location of the hospitals. A few of our VA hospitals are not located where the patient load justifies opening more beds. This is particularly true when there is shortage of doctors and other staff members.

That is the fault of the Congress, not the fault of the VA.

Congress must remember, Mr. Speaker, that only a few days ago we were forced to pass a bill, which many of us did not like, to draft doctors and dentists, in order to supply the necessary medical and dental attention to the men actually in the military today. Shall we draft doctors to serve nonservice connected veterans, whose reasons for hospitalization have nothing to do with their war services?

Third. The VA, for reasons known only to its Administrator and its medical director, chose to increase salaries to a total of $7,500,000 when this amount alone would have kept open all the beds on the published list. A reduction of only 2,000 employees, not touching the hospitals, would have provided that amount of money, even if no other reductions or economies had been made.

Fourth. The VA admits that it will come out at the end of the year with a surplus of $8½ million in the 1,000 to 9,000 programs, at least $6½ million of which will be in the hospitalization program alone. In addition, the VA transferred $4 million to the out-patient dental program, which already had, in February, a balance of over $5 million. The VA apparently decided that fixing a few teeth was more important than keeping open the beds on the published list.

I should add that our committee's own accountants, working in the VA, tell us that the above estimate of surplus is conservative. A year ago the surplus was over $15 million.

Fifth. Finally, and I hope conclusively, Mr. Speaker, I want to remind you of the supplementary appropriation of $10 million, which the House voted the VA

on February 19 in a bill signed by the President March 28. This was intended to give the VA additional money for the fourth quarter. Of this money $5 million was specifically requested for the hospitalization program. I think it might interest you if I gave the justification figures on which the appropriation was made:

For neuropsychiatric hospitals	$1,092,000
For tuberculosis hospitals	557,000
For general medical and surgical hospitals	5,586,700
For additional travel	132,000
For consultants	981,000
For initial supplies	2,000,000
Less: Reimbursements	−2,310,751
Less: Available funds	−3,038,849
Net total	5,000,000

This money could have opened most of the beds listed as closed. Not $1 of the $5 million, Mr. Speaker, was used for the purposes for which it was given the VA. One million dollars was used to start building the staffs of hospitals to be opened in fiscal 1954, and the remaining $4 million, as I have just said, was transferred to the out-patient dental program.

NO HOSPITALS TO BE CLOSED

Many Members of the Congress received letters or wires asking if hospitals were to be closed. Evidently information was sent out from some source indicating that the budget requests for 1954 would make it necessary to close some hospitals. It must have been implied that these hospitals were in every State, from the telegrams and letters. In at least two instances, specific hospitals were named. One was at White River Junction, Vt., which is a few miles from the home town of the gentleman from New Hampshire [Mr. COTTON], and the other was in the State of the gentleman from North Carolina [Mr. JONAS]. By a peculiar coincidence, both of these gentlemen are members of the Subcommittee on Independent Offices. This coincidence is undoubtedly related to the one which found notices of reduction in force in the VA—actually necessitated by not spending appropriated funds on the basis justified before our subcommittee—being sent out in the month of October 1952, to take effect on November 4. That date, Mr. Speaker, you may recall was election day. Our hearings, when published next week, will show conclusively, and on the word of VA officials, that there was not the slightest basis in fact for the rumors. Neither the Truman budget recommendations, nor those of the revised budget, would have necessitated the closing of hospitals, and this was not contemplated by the VA.

VISIBILITY

The committee will recommend that the code 1,000 to 7,000 items, inclusive, be put in one figure in the bill. We will also recommend that the three items 8100, hospital administration; 8200, research, in hospitals; 8300, education and training, in hospitals; be set up as an item; the three combined.

We will then recommend that the appropriation for the costs of operating neuropsychiatric, tuberculous, and general medical and surgical hospitals—for which I said we would recommend $555 million—be separated and set up as an item in the bill.

We will recommend that the three following items be separated and each one set up as an individual item in the bill: We will recommend that contract beds in other than VA hospitals—8440—be set up as a separate item, taking about $20 million; that domiciliary care—8500—to be set up as an item for about $24 million, and that out-patient care—8600—dental and medical, which will run over $90 million, will be set up as a separate item.

This leaves me only an item, covering supplies, to wrestle with, as the separation of the other items from the customary single budget figure make it necessary to change the accounting procedure which has to do with the VA inventory. I do not think you are particularly interested in this problem, Mr. Speaker, so if you will wait for the bill to come out on the 16th, you will find out how we had to figure it out. It is an accounting problem, and there is no controversy involved.

BUILDING NEW HOSPITALS

For a number of years, under both parties, the Bureau of the Budget, speaking for the President, has recommended against building new hospitals until a thorough reexamination can be made of the entire VA hospital program. All veterans' organizations have felt that some such reexamination is indicated.

The Committee on Appropriations has agreed with this so far as G. M. and S. hospitals are concerned. The Nation has been building Army, Navy, and private hospitals. There are at least 200 vacant beds in the Navy hospital at San Diego, for example. Shall we spend the money to build a new 200-bed G. M. and S. hospital in San Diego, or shall we contract for the use of unoccupied beds in the Navy hospital?

Cleveland wants a new G. M. and S. hospital to replace the existing VA hospital at Parma, the Crile Hospital. We are right now closing a Public Health Service hospital in Cleveland which has about 200 beds. The proposed hospital in Wade Park is shown as a replacement.

Mrs. FRANCES P. BOLTON. Mr. Speaker, will the gentleman yield for a correction?

Mr. PHILLIPS. I yield to my good friend, the gentlewoman from Ohio.

Mrs. FRANCES P. BOLTON. There is no present hospital in Wade Park; it has not been built. We have been waiting for 4 or 5 years to get it built.

Mr. PHILLIPS. I am very glad to have that correction. The proposed hospital is shown as a replacement.

As a matter of fact, we have closed, or are closing four Public Health Service hospitals. There are VA hospitals with many vacant beds. There are thousands of vacant beds in Army and Navy hospitals.

The subcommittee does not attempt to decide this issue. We only say that, so far as general medical and surgical hospitals are concerned, that we urge a review of the entire VA program, and the use of our existing facilities to the greatest possible degree, before we build more such hospitals. The adaption of wards; building additions; changes in the use of hospitals for a different category of patients, all these things are important, now that we have reached the edge of the possibility of staffing VA hospitals.

The subcommittee does not feel the same about the NP hospital program. This is a field so broad, and a discussion so technical, I do not want to open it now. It is a fact, however, that the veteran population has moved westward, and that the number of NP beds is not adequate for the present load. To take the program to its present limit, and then abandon it, would subject the Congress to well-deserved criticism. NP veterans are presently in State institutions, in crowded and hazardous conditions. They are sometimes in jails for want of hospital accommodations, or they are at home, when proper care and treatment might return them to mental health.

Last year, as the gentlewoman from Ohio will recall, this subcommittee recommended, against the suggestions of the Bureau of the Budget, that money be appropriated for building "with the approval of the President," 2 NP hospitals, 1 in Cleveland and 1 in Los Angeles. These were the spots of greatest need a year ago. The Los Angeles NP hospital will be finished in August 1954, and the Cleveland NP hospital has the money and should be in construction during the next fiscal year. At the moment, it has a temporary deferment because of the general administrative request that all new construction starts be held up until an opportunity could be given to review them.

In the new budget, the subcommittee will continue its NP building program, and will recommend money for the 2 remaining NP hospitals, one at San Francisco and one at Topeka. The latter is adjacent to the Menninger Clinic, and this is the source of many of the psychiatrists we need for the NP program. The same wording will be in the new bill, "with the approval of the President."

SHALL WE CONTRACT OR BUILD?

It should be of interest, Mr. Speaker, to state the costs of taking care of patients in VA hospitals, and in beds under contract in other hospitals. For the current fiscal year the cost of caring for a veteran in a VA hospital is $8.87 for an NP patient; $16.72 for a TB patient, and $20.37 for a G. M. and S. patient. The contract cost of a bed in an Army, Navy, or Public Health hospital is $14.25 right now. After July 1, the contract cost will rise to $14.75 a day.

It is obviously economical to contract for the vacant beds, which now run into the thousands in other Federal hospitals, rather than build more VA hospitals at an approximate cost of $20,000 a bed—the cost of a 1,000-bed hospital is about $23 million—and then operate the beds in it at a cost of $20.37 a day, when the patient can be cared for in a Navy hospital—which otherwise would have vacant beds—for $14.75 a day.

My subcommittee has done nothing about this, but does suggest that a closer relationship between VA hospital beds

and contracted beds would solve some difficult situations, as well as save the taxpayers very large sums of money. We offer San Diego, Philadelphia, and Queens County, N. Y., as examples of the problem and refer it to the VA, under a new Administrator, for immediate consideration.

MONEY FOR HOSPITAL ADDITIONS

In addition to the money for the construction of the two final neuropsychiatric hospitals, the subcommittee will initiate what we hope may be a policy in the better use of existing hospitals. We have included $5 million for the remodeling or additions to the hospital at Houston, Tex., to make additional beds available for neurophychiatric patients. The neuropsychiatric load has been increasing in the western and southwestern area, seriously. Instead of recommending an additional hospital for this Texas area, the committee will make a recommendation for the enlargement of the present facilities. After this appropriation, further construction should wait for the reexamination of the hospital program, to which I referred above.

THE QUID PRO QUO

It should be obvious to all of us, Mr. Speaker, that this Congress, struggling to balance a budget, and to protect the buying power of the dollar, cannot add to the figures for the hospitalization of deserving veterans, and provide for the construction of the hospitals we consider necessary, without effecting savings to balance these additions.

We have discussed the possibilities with many others interested in this subject. The conclusions are written into several sections of the forthcoming bill, and I am as confident that we will be supported in these efforts to save money, as I am that we will be supported in our efforts to provide the best possible care and hospitalization for the veterans.

One of these has to do with the elimination of what was intended to be the payment of the first year's interest for veterans under the loan-guaranty program. Since I have yet to find anyone who thinks the veterans actually benefit materially by this generous gesture on the part of the Congress, and since some national veteran leaders are firmly of the opinion the money should be used for hospitalization, I expect no serious controversy on this suggestion.

Another saving has to do with a very small item. This is the small monthly payment given the schools to report that veteran students are still in the classes. This is now $1.50 per month per student. On the basis of this report, the veteran receives his subsistence check. There is about as much justification for this as for paying me to send in my income-tax report. The subcommittee does not recommend the elimination, although we might well do so, but only a reduction from $1.50 to $1. This, however, will save almost $2 million.

A third item will not save much cash, but will clarify a situation which could increase to a point where aroused public opinion could threaten another economy act. This is only an authorization to the VA to look behind the affidavit made by a non-service-connected veteran that he cannot afford hospitalization. I will read the section, so it may be clear:

Provided further, That notwithstanding the provisions of section 6 of Public Law No. 2, 73d Congress, as amended (38 U. S. C. 706), the Administrator of Veterans' Affairs is authorized to investigate any non-service-connected veteran's statement of inability to defray the cost of hospitalization or treatment where reason exists to doubt the accuracy of such statement; and the Administrator shall make every effort to collect from any veteran treated for a non-service-connected disability according to the ability of the veteran to pay for such treatment: *Provided further*, That inability to pay shall not prevent any veteran from receiving hospitalization or treatment, if such veteran is unable to pay and there is a bed available.

From statements made by many Members of Congress, I do not believe this will be controversial. It certainly will not be controversial in veterans' organizations.

The subcommittee will recommend a broad statement of policy regarding the use or reactivation of all beds which can be staffed, which should clear up this misunderstanding in the minds of many veterans who have been writing to us on that subject.

The subcommittee will recommend to the Congress certain limitations in the growing out-patient dental service, which all veterans' organizations have indicated as a field for economy. This language is not yet ready. It will follow the suggestions of various bills introduced in the Congress for this purpose. It will also be supported in veteran circles.

VETERANS' ORGANIZATIONS WILL APPROVE

I am very sure, Mr. Speaker, for reasons known to you, that Congress will find the veterans' organizations of this Nation supporting these suggested changes and savings, just as I am sure they will approve the increases in the hospitalization items.

CONCLUSIONS

In a way, Mr. Speaker, I am saying today what I could be expected to say on June 16, when the second independent offices appropriation bill is scheduled to be taken up on this floor. I shall not need to repeat myself then. I shall give then the accurate figures. I shall also make some additional suggestions concerning possible economies in the VA. Until then, I hope that the information I have given today will be of interest and help to you and to the Members of the Congress.

Mr. JONAS of North Carolina. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS. I yield first to the gentleman from North Carolina, a member of the committee.

Mr. JONAS of North Carolina. I should like to compliment the gentleman from California [Mr. PHILLIPS] on the statement he has just made. He has covered the subject thoroughly, and I am quite sure he has given the Members of the House information they did not have before.

If the gentleman will yield further, I would like to state that I have had the privilege of serving under him as chairman of the Independent Offices Subcommittee since the first of the year. I do not believe there is a man in the House who has a more genuine interest in the disabled veterans of our country than the distinguished gentleman from California, the chairman of our subcommittee. I have seen him demonstrate that interest time and time again when witnesses were before our committee and in our conferences. I think he has been subjected to a lot of unjustified criticism because of his desire to bring about needed economies in the administration of the Veterans' Administration. I am equally interested with him in doing everything that we should do to provide adequate medical care for our disabled veterans, but I am glad to join him in his unrelenting fight against waste and extravagance in the Administration of veterans' affairs, just as we fight against waste and extravagance in other agencies and departments of the Government that come before our subcommittees.

May I say this last word, Mr. Speaker, and the distinguished gentleman from California I suspect will not approve of my saying it publicly, but I would like to say it for the record.

The gentleman from California is not only a veteran himself and has worn the American Legion button for more than 25 years, but he is a disabled American veteran. I deplore the fact that he has been subjected to the sort of abuse and criticism that has been directed toward him in recent weeks throughout the country. He is a great American who deserves the thanks and appreciation of the veterans of this country instead of their animosity.

Mr. PHILLIPS. I thank the gentleman, as I thank him also for the courageous support he has given the committee. He is just a grand person to work with.

I now yield to a gentleman who is very much interested and who I know wants to ask about Topeka, Kans.

Mr. MILLER of Kansas. The gentleman is very correct. I may say to the gentleman that I have very recently come from Topeka and they have been very much concerned—I do not know whether there was any justification for it or not, but at least they have been thinking there was, and I am not so sure from the statement the gentleman has made except in general terms that Topeka—it is the Winter General Hospital the gentleman has in mind?

Mr. PHILLIPS. That is correct. The recommendation will be for something over $19 million, which is the amount requested for the rebuilding of Winter General Hospital which is a training school, as we might say, for psychiatrists. It is presently housed in temporary buildings that date back to World War II.

Mr. MILLER of Kansas. The fund is for building, then?

Mr. PHILLIPS. All of the amount I have indicated is for rebuilding Winter Hospital.

Mr. MILLER of Kansas. I want to thank the gentleman from California and compliment him for the able manner in which he has set this out. I

know, because I have talked with him on this subject before. It has been very difficult.

Mr. DORN of New York. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS. I yield.

Mr. DORN of New York. As the gentleman knows, I am particularly interested in the Fort Hamilton Hospital, and appeared before the gentleman's committee.

Mr. PHILLIPS. I know the gentleman did. He made an effective presentation.

Mr. DORN of New York. When I appeared before the gentleman's committee I asked particularly if there was any possibility of insuring that the 120 beds now vacant in the Fort Hamilton General Hospital would be reopened by a sufficient appropriation, and whether or not it would be possible to have it pinpointed in the budget.

Mr. PHILLIPS. I think, yes, it will be reopened. I do not like to stand here on the floor and make a statement in regard to some specific hospital or a specific number of beds to be opened, because the Congress cannot direct that specific beds be opened; it depends upon the ability to staff the hospital, and other factors. If I recall Fort Hamilton is a G. M. and S. hospital.

Mr. DORN of New York. That is true.

Mr. PHILLIPS. There is no reason why the VA should have difficulty in getting a sufficient staff in Brooklyn.

I think it is safe for me to take a chance and say to the gentleman from New York that money is provided in the bill, that I know of no reason, at this moment, why it should not be activated to its fullest capacity. This amount is the figure for activating every possible bed, in the opinion of the VA, that can secure the necessary balanced staff, and assuming the patients are there.

Mr. DORN of New York. Will it be possible for the VA Administrator to refuse these funds to the Fort Hamilton Hospital if the Fort Hamilton Hospital can show that there are, say, 500 patients who cannot be admitted unless these 120 beds are activated and also show that there are sufficient medical personnel available? Would it be possible under those circumstances for the VA, as the gentleman mentioned they had done in the past, to not allocate these funds?

Mr. PHILLIPS. Technically, it would; but in the past the situation has been different. In the past the amount of money appropriated was not tied in with the number of beds. I can show you that the amount of money recommended for next year leaves the VA a margin of many million dollars more than any previous estimate of the costs of such hospitalization.

Perhaps the gentleman could arrange for a meeting with the new Administrator or the Acting Administrator in the near future.

We have done everything possible to open those beds for you.

Mr. DORN of New York. Then I can definitely inform the people of Brooklyn to that effect?

Mr. PHILLIPS. If I were in the gentleman's situation I would.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS. I yield to the distinguished Chairman of the Committee on Veterans' Affairs.

Mrs. ROGERS of Massachusetts. The gentleman has made an exhaustive study of the problem and he knows how necessary some of these things are.

Mr. PHILLIPS. I hope the distinguished gentlewoman recognized some of her suggestions and recommendations in our report.

Mrs. ROGERS of Massachusetts. It is very kind of the gentleman to say that I was in any way influential, because the gentleman knows of my great interest; we are both enormously interested in the veterans and their proper care. The gentleman also knows that it is very difficult sometimes to secure figures from the Veterans' Administration, or rather statements of how they will spend the money they will get.

Mr. PHILLIPS. I would say that was an understatement.

Mrs. ROGERS of Massachusetts. Perhaps it is. I am delighted that the gentleman is recommending separating several items; hospital administration, research in hospitals, education and training in hospitals, and others items. Will the item for prosthetic appliances be set up as a separate item in the research work?

Mr. PHILLIPS. That is breaking it down pretty fine, but there is no question of our interest, as the gentlewoman knows very well. In the bill last year, I recall, we added money specifically for that purpose because a committee came in and testified to certain new opportunities, and so we gave additional money. That is an outstanding feature of the research work done by the Veterans' Administration.

Mrs. ROGERS of Massachusetts. I know the gentleman's great interest in that. I think the gentleman may remember that people connected with other research activities in the Veterans' Administration have tried every time to have a lump sum provided for research and they have tried to take it away from the prosthetic appliances research to do other research work.

Mr. PHILLIPS. Yes. I think we can fix that up. Actually, we are not recommending the full amount requested in the Truman budget for research. There is no lack of sympathy on our part for research. The VA has been asking more and more every year, while at the same time, to do the same work, we put $17 million in the budget of another department and $3 million in the AEC budget, for similar research. Our advice is that the research be coordinated and some of the money given to the other agencies be transferred to the Veterans' Administration because it has the patients and the opportunity to do it. I think we are pretty much in agreement on that.

Mrs. ROGERS of Massachusetts. In other research than for prosthetic appliances they literally stole from them. There is no authorization by law for the other research work.

Mr. PHILLIPS. I see how that can be corrected. I will speak to the subcommittee.

Mrs. ROGERS of Massachusetts. I am delighted. I would like to express my approval of the committee's action. You are recommending that the hospitalization items be separated and set up in the bill.

Mr. PHILLIPS. If they had been separated last year, we would not have received so many telegrams.

Mrs. ROGERS of Massachusetts. Can the gentleman tell me whether the hospital in Brockton will be opened as a result of the appropriation of this money? I understand it is nearly ready for opening.

Mr. PHILLIPS. I made an unfortunate error. I though I picked up the list of hospitals, but I did not pick up the last page, which might give that information. I would say if there are beds that are ready to open, if the beds can be staffed, if they were to be opened in 1954, and if there are patients, I can assure the gentlewoman from Massachusetts that the hospital will be opened.

Mrs. ROGERS of Massachusetts. They can get the staff, I know. You are appropriating more money to pay for added doctors?

Mr. PHILLIPS. For what?

Mrs. ROGERS of Massachusetts. For additional doctors and nurses.

Mr. PHILLIPS. Yes. We appropriated $981,000 for that in the supplemental bill and the VA did not spend it. There is additional money for specialists recommended in the coming bill.

Mrs. ROGERS of Massachusetts. I think some doctors have been leaving the VA because they have been discouraged as to their future. I understand that the backlog on dental work is extremely heavy.

Mr. PHILLIPS. They have a $19 million backlog and we have earmarked $23 million for next year.

Mrs. ROGERS of Massachusetts. It seems as if that ought to be sufficient if they will go ahead and use it for that.

Mr. PHILLIPS. We are going to earmark it.

Mrs. ROGERS of Massachusetts. You will insist upon that? Will the gentleman give us some information as to other amounts for other activities in the Veterans' Administration, such as special services?

Mr. PHILLIPS. There is $13,500,000, which is $3,500,000 more than some people think they ought to have for that function.

Mrs. ROGERS of Massachusetts. What do they claim? I agree that a few special services could be eliminated.

Mr. PHILLIPS. That is a debatable subject. A lot of people who came before us, including veterans' organizations, recommended cutting that figure down. We thought we would talk that over with the Veterans' Administrator when he came in to see what he thought about it.

Mrs. ROGERS of Massachusetts. I understand at the meetings you have been holding they agreed to certain cuts.

Mr. PHILLIPS. Sometimes reluctantly.

Mrs. ROGERS of Massachusetts. But they agreed. At a meeting recently held, some of the veterans' organizations brought that up.

Mr. PHILLIPS. That is the amount requested for special services.

Mrs. ROGERS of Massachusetts. I would like to see also that the veterans be given their interest on their loans.

Mr. PHILLIPS. Look! I look back over 27 years of working with disabled veterans, and I remember the time when we did not have to put up $13,500,000 for special services to patients in hospitals. The local auxiliaries, the lodges, the luncheon clubs, and others put in the necessary money and time. We had the chaplains, and we had a grand program, and in my opinion there was a relationship between the community and the men in the hospitals which does not always exist when you take the money out of the Federal taxpayers' pocket and set up a $13,500,000 special service program. But, as I told you, we did not cut it, and I am not arguing with the gentlewoman.

Mrs. ROGERS of Massachusetts. So they will have enough.

Mr. PHILLIPS. Yes, all they asked for.

Mrs. ROGERS of Massachusetts. I am extremely grateful.

Mr. FERNANDEZ. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from New Mexico.

Mr. FERNANDEZ. I rise to compliment the gentleman along with the other members of the committee for the splendid and informative speech which he has just concluded.

Mr. SCRIVNER. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Kansas, an able member of the Committee on Appropriations.

Mr. SCRIVNER. I would like to take this opportunity to commend the gentleman from California upon the comprehensive statement which he has furnished, which answers almost any inquiry that has arisen.

Mr. PHILLIPS. The gentleman makes me think that perhaps, if there are Members of the House who would like an easy way to answer their recent correspondence, I could have this reprinted.

Mr. SCRIVNER. I think that would be a very good thing to do. I wish to congratulate and commend the gentleman on the fact that he and his committee are now going to earmark these funds so that everybody will know the purpose for which they are appropriated and the purpose for which they are supposed to be used.

Mr. OSTERTAG. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from New York.

Mr. OSTERTAG. I, too, want to compliment the gentleman from California for the fine job he has done. There has been considerable misunderstanding. There has been considerable concern throughout the country, particularly among veterans' organizations, as to what was happening with our veterans' program. The gentleman referred to the recommendations of his committee which, as I understand, will by an amendment provide for means whereby the Veterans' Administration can go behind the application for hospitalization on the part of the non-service-connected veteran.

Mr. PHILLIPS. If there is reason to suspect that he has adequate income. Many of these men are known in their little communities as people of means.

Mr. OSTERTAG. I am not questioning the intent of the committee, but I would like to ask the gentleman from California just how the Veterans' Administration is going to have some yardstick to go by when they go behind an application; how they are going to determine the means of a veteran. In other words, if a fellow has got a good job, I would say that he was able to pay. On the other hand, he may own a house, but be unemployed and therefore could not pay.

Mr. PHILLIPS. Actually, the VA is supposed to do something about it now, but does not do it. It is supposed to check and see what the financial condition is. We do not want to harass the veterans, but we do not want $12,000-a-year non-service-connected veterans to go in and get free hospitalization.

Mr. OSTERTAG. Would it be necessary for the Veterans' Administration to set up some regulations governing the administration of this program?

Mr. PHILLIPS. It will have to, and I think we can work it out.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS. I yield to the distinguished gentleman from Indiana, the majority leader.

Mr. HALLECK. I want to commend the gentleman for the time and effort to give this very useful and valuable explanation. It bears out what I have been writing to a lot of Legion, VFW, and other veterans around the country that if they would just wait until this matter was completed I was quite sure they would have no reason to complain.

Mr. PHILLIPS. I thank the gentleman.

VETERANS' ADMINISTRATION HOSPITALS

The SPEAKER pro tempore. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 15 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I would like to ask the gentleman from California a question. At the present time a great many of the amputees at Walter Reed Hospital would like to stay there a longer time, but they are being put out into the Veterans' Administration hospitals, not that they do not think the VA hospitals are good, but they think the special treatment and the special type of arm they are receiving at Walter Reed are beneficial. If you had more contract beds at Walter Reed Hospital, you could take care of those cases.

Mr. PHILLIPS. I think it goes beyond that, if I may say so to the gentlewoman. These men are out of the service, are they not?

Mrs. ROGERS of Massachusetts. No; the men are forced to take a discharge, and then they go into the veterans' hospitals. Many of them cannot have their operations at Walter Reed Hospital. For instance, they would like to have them there, because they see what is done there before their very eyes. The operation is performed right there, and the appliances fitted to their arms and legs.

Mr. PHILLIPS. I suggest it goes a little deeper than the jurisdiction of my committee. If the gentlewoman would arrange a conference between representatives of her committee, and of the Committee on Armed Services, and of my subcommittee, something might be worked out. I think the problem applies not only to prosthetic appliances but to dental care and other conditions. The armed services have a policy, or a custom, of moving a soldier as soon as possible over into the care of the Veterans' Administration.

Mrs. ROGERS of Massachusetts. I will say to the gentleman that I am very sure that the Veterans' Administration wanted that also. They wanted to have that done in many instances.

Mr. PHILLIPS. They have complained about it to us.

Mrs. ROGERS of Massachusetts. But at one time I am very sure they did want it because that would give their doctors more of an opportunity to learn. I would like to say to the gentleman that I think one reason we need the money for the training staff for 1954 is because it is very important to arrange those staffs early. We have the best staffs in the world in the Veterans' Administration hospitals—even better than in the Army and Navy hospitals. We are very much interested in keeping that care up.

Mr. PHILLIPS. I think I will accept that statement, although I think it is difficult to compare them. We give a somewhat different kind of treatment than the Veterans' Administration hospitals. The military hospitals are primarily set up to take care of a man in the service. I think the quality of medical treatment, and the quality of doctors and surgeons and staff, and I think the hospitals and the facilities are about equal, do you not think?

Mrs. ROGERS of Massachusetts. I think some of the Army and Navy hospitals may be better, but I do think on the whole the veterans' hospitals all over the country are superior to the others. I should hate to have legislation passed denying the admission of non-service-connected cases to the hospitals. Of course, we cannot make a hard and fast rule. I think a great deal of this difficulty would never have arisen if the Veterans' Administration had been careful. I think hospitalizing a man to have a tooth pulled was never justified. A man could have a tooth filled at a clinic.

Mr. PHILLIPS. I think the gentlewoman has put her finger on an important factor, proper administration.

Mrs. ROGERS of Massachusetts. Very few persons can afford to be ill today and pay for three nurses a day.

HOUR OF MEETING TOMORROW

Mr. HALLECK. Mr. Speaker, I ask unanimous consent when the House adjourns today, it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

NATIONAL CAPITAL HOUSING AUTHORITY POLICY ON SEGREGATION

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Georgia [Mr. DAVIS] is recognized for 20 minutes.

Mr. DAVIS of Georgia. Mr. Speaker, the people in this country who have the intelligence and judgment to recognize that there does exist a race problem, have also realized that it should be dealt with in such manner as to result in as little friction, hostility, and ill feeling as possible between the races.

The efforts of responsible people of both races to handle this problem sensibly, satisfactorily, and successfully, have been impeded and handicapped by two groups of people—one, conscienceless politicians who are willing to stoop to low levels of stirring race prejudice for political and vote-getting purposes, and another group, a crackpot element, who, whether wittingly or unwittingly, are playing into the hands of the Communist strategists, whose announced purpose has been and is to pit race against race and creed against creed, on the theory of divide and conquer.

Throughout the generations, experience has demonstrated that white people prefer to associate with white people, and Negroes with Negroes. Each race is happier carrying on their own activities among themselves, having their own schools, churches, amusements, and recreations, and living in their own neighborhood.

But the busybodies and meddlers are not content with peaceful relations on that basis.

Throughout the generations the wisdom of segregation practices has been recognized. In many of the States segregation has been and is required by law. In other States it has been a matter of choice. Experience has demonstrated that in the States where segregation can be practiced or not practiced according to the desires of the people, segregation is almost as widely practiced as it is in the States where it is required by law. The busybodies, however, are not satisfied to let people follow their own wishes, but have been for years carrying on a campaign to enact legislation to outlaw segregation.

That question is a legislative question, and Congress has consistently refused to enact legislation outlawing segregation. The last vote on the question was one taken in the House of Representatives on June 2, day before yesterday. The House overwhelmingly, by a vote of 78 to 15, voted down an amendment to the District of Columbia appropriation bill which would have prevented any of the money appropriated in the bill being used by any agency of the District of Columbia government which practiced segregation. A point of order was made against the amendment. The point of order was overruled, and the vote of 78 to 15 against the amendment was a direct vote on the merits of the amendment, and reflected the sentiment which now exists in Congress and which has existed in Congress throughout the years on this question.

Congress has on many occasions had the opportunity to express its will regarding segregation in public housing projects. Many efforts have been made to amend the public-housing laws to prohibit the practice of segregation insofar as tenants are concerned. Always these amendments have been decisively defeated. I do not believe that public-housing laws would have been enacted in the first place if any such nonsegregation provision had been contained therein. It was contemplated by the Congress, by the people in the areas where public-housing projects have been erected, and by the tenants of such projects, that there would be white public-housing projects for white people, and colored public-housing projects for colored people, and that each would be erected in areas populated by the groups who would occupy these public-housing projects.

Congress has not indicated directly or indirectly its will to change the situation in the slightest degree, and this in spite of the fact that the busybodies, meddlers, and crackpots, have been constantly stirring this matter up over the radio, in the papers, and otherwise, during the last year or two.

Yet, in the face of the last expression of Congress on June 2, which was a decisive vote, we find the National Capital Housing Authority on June 3 issuing a policy pronouncement that they will eliminate racial segregation in all present and future public housing projects in the District of Columbia.

So we have here a group of bureaucrats who have never been elected by the people promulgating their crackpot theories in direct contravention of the often expressed policy of Congress, in defiance of the wishes and will of the people who live in the areas to be affected, and in utter disregard of the property rights of those people and of the financial losses which will accrue to them when and if their radical theories are placed into effect.

I have for quite a while suspected that this constant agitation of the segregation question has been carried on by a small group of loud and vocal left-wing radicals in the hope that it would have an influence on the Supreme Court in rendering decisions in the various segregation cases which are now pending before that Court. The noisemakers who are promoting the alleged demands for nonsegregation do not represent any substantial number of white people. There are a few organizations composed of left-wing, radical white people, such as Americans for Democratic Action, American Council on Human Rights, AVC, and so forth, who have joined with such Negro left-wing organizations as the NAACP in the effort to create an impression that both white people and colored want to end segregation.

No such desire exists. On the contrary, the citizens associations in Washington, who are representative of the great majority of the self-supporting, taxpaying, property-owning people of Washington, are overwhelmingly in favor of continuing the pattern of segregation, and have so expressed themselves many times. They have seen the results which have followed time after time when property owners sell out at substantial loss and move out of a block when the pattern of segregation has been disrupted and colored people move in. They have seen the exodus from the District of Columbia into nearby Virginia and Maryland not only on the part of people who have sold out and moved away from a particular block where colored have gained a foothold. This exodus has spread to the areas where no colored have as yet moved in. Property owners in those areas which are still exclusively white are selling while they can still obtain a reasonable price for a residence, and are moving out of the District of Columbia before they are caught in the squeeze and forced to sell at a loss after their area begins to change from white to colored.

These same factors are going to seriously affect the business establishments in Washington, to say nothing of the fact that the city will change from the Washington to which people of the United States have been accustomed, into a practical duplication of Harlem.

I am making these remarks today to call attention to the fact that these changes are not the result of a policy promulgated by duly elected representatives of the people; that they are not the result of the expressed will of the people of the District of Columbia; that they are not in the interests of the property owners of the District of Columbia; but that such policies are in direct conflict with all these factors, and are the actions of Government bureaucrats, encouraged by a small group of local left-wing radicals, and that this action is being taken as a part of an effort to gain block votes without regard to the rights or wishes of people who are being severely penalized by these acts.

I am convinced that these tactics are not going to result in an acceptance of the abolition of segregation. As swimming pools in Washington have been opened to interracial use, white people have simply quit using them. The net result has been that in such instances another swimming pool has been taken away from the white people and given to the Negroes. The same is true with reference to white playgrounds which have been declared interracial playgrounds. The situation has reached the point where it calls for vigorous, affirmative action on the part of the white people of Washington.

Mr. WILLIAMS of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Mississippi.

Mr. WILLIAMS of Mississippi. The speech the gentleman has just made will probably make him the target of every left-wing and Communist organization in the country. I look for his name to be smeared all over certain newspapers in the city of Washington denouncing him as a bigot, as a hate peddler, and all the other smear names they can coin. But the gentleman has spoken the whole truth and nothing but the truth. He knows that what he has said cannot be denied; he knows that it is just plain

unadulterated American common sense. I commend the gentleman for his courage in speaking so frankly on a subject that most people attempt to skirt and shy away from.

The gentleman lives in a city in which there are about 50 percent white and 50 percent colored, as I understand.

Mr. DAVIS of Georgia. It is about two-thirds to one-third.

Mr. WILLIAMS of Mississippi. I live in an area where the ratio is 50–50; as a matter of fact, there are more colored people in my district than white. But where I come from and where the gentleman comes from we practice segregation both by law and by choice among both races.

Mr. DAVIS of Georgia. That is correct.

Mr. WILLIAMS of Mississippi. In my hometown in Mississippi, a small town, it is true, but a town wherein 50 percent of the population is colored, we have not had an interracial crime in the last 50 years, certainly not since long before I was born. In the city of Washington, where the agitators are busy attempting to convince the Negroes that they are being persecuted through segregation, you cannot pick up a daily paper without reading several news items telling of interracial crimes being committed in the District of Columbia. The continuous concerted campaign being waged by these political racketeers who are always trying to upset the established social pattern of the District is having a telling and disastrous effect. It is generating hatred between the two races, and is causing much of the crime for which Washington has become noted, or, perhaps, notorious.

Mr. DAVIS of Georgia. Washington has become notorious for that very thing. I may say to the gentleman at this point, that I was greatly disappointed when the President made his announcement recently that he intended to do everything within his power to see that segregation was abolished in every respect in the city of Washington. It was quite a disappointment to me to see such toadying and pandering to a particular group of block voters, particularly when there was no real reason for it.

Mr. WILLIAMS of Mississippi. The gentleman is entirely correct. But in fairness to the President, it must be remembered that he has lived, in a sense, a sheltered life, having made a career of military service. He did not live as most of us have lived in civilian life where daily we had to meet these problems face to face. When the President was Chief of Staff and appeared before a committee of the other body in 1948, he testified against legislation which would integrate Negro and white units in the Armed Forces. He said the Negroes would suffer and morale would drop. He was right. At that time I am confident the President was speaking his conscience. I wonder if he can be equally sincere now, with this crowd of professional politicians whispering in his ear every minute of the day? Or has he, too, succumbed to political expediency?

The gentleman has pointed up another thing that I think is most important, and that is that the Congress has consistently refused to act on any of these so-called civil-rights measures. The hypocrisy becomes clearly evident when the membership of this House is given an opportunity to vote without being recorded, and turns them down by a vote of better than 5 to 1.

Mr. DAVIS of Georgia. And it has had many such opportunities throughout the years and has invariably refused to vote into our laws any provision abolishing segregation.

Mr. WILLIAMS of Mississippi. The gentleman has pointed out that the power to enact laws is invested exclusively in Congress and Congress alone. Any attempt on the part of the President or any of the executive agencies of the Government, the Department of Defense, or the Supreme Court, that seeks to put into effect antisegregation laws or to void existing State and local segregation laws is acting outside of it own authority and is usurping the constitutional prerogatives of Congress. I think that the Congress should take steps to recapture its proper legislative powers. I hope that the Supreme Court will recognize the constitutional division of powers when it decides the cases now before it.

Mr. DAVIS of Georgia. I thoroughly agree with the gentleman in that respect. I made a speech on the floor of this House approximately 2 years ago calling attention to the fact that the judicial branch of our Government had been guilty of usurpation of legislative functions. They invaded the legislative field when they said that the white primary was not legal; that restrictive covenants in deeds were not legal; and that it was unlawful for a state university to say that colored students should not be admitted. All of those things had been recognized law in this country for years and years and years, yet the Supreme Court as it was constituted at that time assumed unto itself the authority to overturn all that has been the established and accepted law in this country throughout the years, and issued this fiat which says that from now on that is no longer the law. It was a usurpation of legislative functions and one which this Congress and the country should not tolerate.

Mr. WILLIAMS of Mississippi. The gentleman mentioned specifically the action taken by the District Housing Authority. I believe it was taken on yesterday, was it not?

Mr. DAVIS of Georgia. Yes.

Mr. WILLIAMS of Mississippi. I refer to the action by which it abolished segregation in the low-rent housing units in the District of Columbia. As everyone in the District knows, that action was in open defiance of the will of Congress as expressed less than 24 hours before that.

Mr. DAVIS of Georgia. In direct conflict with it.

The SPEAKER pro tempore. The time of the gentleman from Georgia has expired.

(By unanimous consent, Mr. DAVIS of Georgia was allowed to proceed for 3 additional minutes.)

Mr. WILLIAMS of Mississippi. The gentleman is a member of the District of Columbia Committee in the House, and a good one. I would suggest that he ask the Committee on the District of Columbia to call before it this housing authority and inquire of them where there is any great demand to abolish segregation in public housing. Where is the demand coming from? Certainly it is not coming from the white tenants.

Mr. DAVIS of Georgia. It most assuredly is not, because they have protested it frequently and often and vigorously.

Mr. WILLIAMS of Mississippi. Does the gentleman know of any petition that has been circulated among the colored tenants of public-housing units here in the District of Columbia?

Mr. DAVIS of Georgia. I do not.

Mr. WILLIAMS of Mississippi. Does he know of anybody who has expressed any desire to end segregation here, who is not connected or associated with, or influenced by some radical left-wing outfit or some Communist organization?

Mr. DAVIS of Georgia. I do not. I thank the gentleman very much for his remarks and for his contribution.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the appendix of the RECORD, or to revise and extend remarks, was granted to:

Mr. FARRINGTON and to include a speech.

Mr. MERROW and to include an editorial.

Mr. HOSMER in five instances and to include extraneous matter.

Mrs. ROGERS of Massachusetts and to include an article by Admiral Boone.

Mr. LAIRD.

Mr. ANGELL and to include extraneous matter.

Mr. PERKINS and to include extraneous matter.

Mr. HAYS of Ohio and to include a newspaper editorial.

Mrs. BUCHANAN and to include an editorial.

Mr. WIER and to include a statement by a constituent appearing in the Minneapolis Sunday Tribune.

Mr. BOGGS and to include extraneous material.

Mr. DORN of South Carolina and to include an editorial.

Mr. METCALF in two instances and to include extraneous material.

Mr. LANE in three instances and to include extraneous material.

Mrs. ST. GEORGE (at the request of Mr. SADLAK).

Mr. WOLVERTON (at the request of Mr. DEROUNIAN) and to include extraneous matter.

Mr. JOHNSON in two instances.

Mr. SHEEHAN and to include extraneous matter.

Mr. JONAS of North Carolina and to include extraneous matter.

Mr. KERSTEN of Wisconsin in two instances and to include extraneous matter.

Mr. HALE and to include extraneous matter.

Mr. BOLLING and to include extraneous matter.

Mr. MILLER of Kansas and to include two editorials.

Mr. BARRETT (at the request of Mr. WALTER).

Mr. MILLER of California and to include extraneous matter.

Mr. CURTIS of Nebraska and to include a speech.

Mr. JACKSON and to include an article.

Mr. YORTY (at the request of Mr. MCCORMACK) and to include extraneous matter.

Mr. RABAUT.

Mr. KEAN.

Mr. FERNANDEZ and to include a telegram.

Mr. SIEMINSKI and to include extraneous matter.

Mr. O'NEILL and to include a letter.

BILLS PRESENTED TO THE PRESIDENT

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 1334. An act for the relief of Helmuth Wolf Gruhl; and

H. R. 2366. An act for the relief of Fred B. Niswonger.

ADJOURNMENT

Mr. JONAS of North Carolina. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 2 minutes p. m.), under its previous order, the House adjourned until tomorrow, Friday, June 5, 1953, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

749. A letter from the Comptroller General of the United States, transmitting the report on the audit of certain corporations supervised by the Farm Credit Administration and of the agricultural marketing revolving fund (administered by Farm Credit Administration) for the fiscal year ended June 30, 1952, pursuant to the Government Corporation Control Act (31 U. S. C. 841) (H. Doc. No. 165); to the Committee on Government Operations and ordered to be printed.

750. A letter from the Secretary of the Interior, transmitting one copy each of certain bills and resolutions passed by the Municipal Council of St. Thomas and St. John, and by the Municipal Council of St. Croix, pursuant to section 16 of the Organic Act of the Virgin Islands of the United States approved June 22, 1936; to the Committee on Interior and Insular Affairs.

751. A letter from the Assistant Secretary of the Interior, transmitting a copy of a resolution from the Governor of Hawaii which was adopted by the Legislature of Hawaii, requesting the Senate Committee on Interior and Insular Affairs to allow full Senate consideration of Senate 49, a bill granting statehood to Hawaii; to the Committee on Interior and Insular Affairs.

752. A letter from the Secretary of Commerce, transmitting the quarterly report of the Maritime Administration on the activities and transactions of the Administration, pursuant to section 13 of the Merchant Ship Sales Act of 1946, for the period January 1, 1953, through March 31, 1953; to the Committee on Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LECOMPTE: Committee on House Administration. Senate Concurrent Resolution 30. Concurrent resolution authorizing the printing of United States wall maps for the use of the Senate and the House of Representatives; without amendment (Rept. No. 512). Ordered to be printed.

Mr. LECOMPTE: Committee on House Administration. House Resolution 253. Resolution for the relief of Mrs. Fay Little Boykin, daughter of Joseph H. Little; with amendment (Rept. No. 513). Ordered to be printed.

Mr. TALLE: Committee on the District of Columbia. H. R. 5312. A bill to provide for the more effective prevention, detection, and punishment of crime in the District of Columbia; without amendment (Rept. No. 514). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FINO:

H. R. 5556. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide that employees with at least 30 years of service may retire with full annuities at 55 years of age; to the Committee on Post Office and Civil Service.

By Mr. HAGEN of Minnesota:

H. R. 5557. A bill to provide for the transfer of certain lands to the State of Minnesota; to the Committee on Interior and Insular Affairs.

By Mr. JONES of North Carolina:

H. R. 5558. A bill to amend the Tariff Act of 1930 so as to impose a duty upon the importation of ground nepheline syenite; to the Committee on Ways and Means.

By Mr. MULTER:

H. R. 5559. A bill to promote certain prisoners of war in Korea upon their discharge from the Armed Forces, and to pay them extra compensation for periods of captivity; to the Committee on Armed Services.

By Mr. O'HARA of Minnesota (by request):

H. R. 5560. A bill to modify the Code of Laws for the District of Columbia to provide for a uniform succession of real and personal property in case of intestacy, to abolish dower and curtesy, and to grant unto a surviving spouse a statutory share in the other's real estate owned at time of death, and for other purposes; to the Committee on the District of Columbia.

By Mr. REED of New York:

H. R. 5561. A bill to amend the Internal Revenue Code and the Narcotic Drugs Import and Export Act, so as to provide that certain drugs which are or may be chemically synthesized shall be included within the classification of narcotic drugs; to the Committee on Ways and Means.

By Mr. RHODES of Arizona (by request):

H. R. 5562. A bill to amend the Vocational Rehabilitation Act so as to authorize separate State plans for vocational rehabilitation of the blind; and for other purposes; to the Committee on Education and Labor.

H. R. 5563. A bill to amend the Vocational Rehabilitation Act by providing for Federal grants to States for vocational rehabilitation centers and sheltered workshops; to the Committee on Education and Labor.

By Mrs. ST. GEORGE:

H. R. 5564. A bill to require that the positions of postmaster in post offices of certain classes be occupied by persons who pass competitive civil-service examinations for the position of postmaster; to the Committee on Post Office and Civil Service.

By Mr. SAYLOR:

H. R. 5565. A bill to confer on the States civil and criminal jurisdiction over Indians; to the Committee on Interior and Insular Affairs.

By Mr. WITHROW:

H. R. 5566. A bill to require that the positions of postmaster in post offices of certain classes be occupied by persons who pass competitive civil-service examinations for the position of postmaster; to the Committee on Post Office and Civil Service.

By Mr. BATTLE:

H. R. 5567. A bill to amend the Social Security Act to permit individuals entitled to old-age or survivors insurance benefits to earn $125 a month without deductions being made from their benefits; to the Committee on Ways and Means.

H. R. 5568. A bill to amend title II of the Social Security Act to provide that the work clause shall not apply to work performed by individuals who have attained the age of 70; to the Committee on Ways and Means.

By Mr. CASE:

H. R. 5569. A bill relating to the allowance of the deficiency dividend credit in the case of certain personal holding companies; to the Committee on Ways and Means.

By Mr. POWELL:

H. R. 5570. A bill to amend section 3442 of the Internal Revenue Code to provide tax-free status for certain articles sold for subsequent use in manufacture; to the Committee on Ways and Means.

By Mr. JONAS of Illinois:

H. R. 5571. A bill to amend the Railroad Retirement Act of 1937; to the Committee on Interstate and Foreign Commerce.

By Mr. BOGGS:

H. J. Res. 271. Joint resolution for the preservation for posterity of the archives establishing the fundamental history of America made by the heroic men and women who emigrated from foreign lands to establish the plantations and colonies of America; to the Committee on House Administration.

By Mr. SIMPSON of Illinois:

H. Res. 270. Resolution providing funds for necessary expenses of the Committee on the District of Columbia; to the Committee on House Administration.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By Mrs. ROGERS of Massachusetts: Memorial of the House of Representatives of the General Court of Massachusetts in opposition to a reduction of the appropriation for the national school lunch program; to the Committee on Appropriations.

Also, memorial of the House of Representatives of the General Court of Massachusetts congratulating members of the Armed Forces; to the Committee on Armed Services.

Also, memorial of the House of Representatives of the General Court of Massachusetts to urge that any steps aimed at curtailment of employment or curtailment of work at the Boston Naval Shipyard be reconsidered in view of the value of this facility to our State and National defense and our State and National economic security; to the Committee on Armed Services.

Also, memorial of the Massachusetts Senate to reconsider any proposed curtailment of employment or work at the Boston Naval Shipyard; to the Committee on Armed Services.

By the SPEAKER: Memorial of the Legislature of the State of California memorializing the President and the Congress of the United States to exempt jury fees from Federal income taxation and to exempt jurors from requirement of reporting such fees; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mrs. FRANCES P. BOLTON:

H. R. 5572. A bill for the relief of Lt. Comdr. Cook Cleland; to the Committee on the Judiciary.

By Mr. BOSCH:

H. R. 5573. A bill for the relief of Eugene H. Caplan; to the Committee on the Judiciary.

By Mr. CASE:

H. R. 5574. A bill for the relief of Mrs. Seyre Odichou; to the Committee on the Judiciary.

By Mr. COUDERT:

H. R. 5575. A bill to confer jurisdiction on the Court of Claims of the United States to hear, determine, and render judgment upon the claims of Trent Trust Co., Ltd., Honolulu, T. H.; to the Committee on the Judiciary.

By Mr. D'EWART:

H. R. 5576. A bill providing for the relocation of the boundaries of Glacier National Park to permit highway improvements, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mrs. KELLY of New York:

H. R. 5577. A bill for the relief of Khushad Ullah; to the Committee on the Judiciary.

By Mr. McGREGOR:

H. R. 5578. A bill for the relief of Hatsuko Kuniyoshi Dillon; to the Committee on the Judiciary.

By Mr. O'NEILL:

H. R. 5579. A bill for the relief of Leonardo Perrigno; to the Committee on the Judiciary.

By Mr. POWELL:

H. R. 5580. A bill for the relief of Jose R. Lourenco; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

303. By Mr. HAYS of Ohio: Petition of Mrs. W. T. Tubaugh and 69 other citizens of Harrison County, Ohio, asking passage of H. R. 1227, to penalize alcoholic-beverage advertising; to the Committee on Interstate and Foreign Commerce.

309. By Mr. SMITH of Wisconsin: Petition of members of the Immanuel Baptist Church of Kenosha, Wis., to give favorable consideration to the special emergency legislation for refugees as proposed by President Eisenhower; to the Committee on the Judiciary.

310. By the SPEAKER: Petition of Mrs. E. K. Collings and others, Miami, Fla., requesting passage of H. R. 2446 and H. R. 2447, social-security legislation known as the Townsend plan; to the Committee on Ways and Means.

311. Also, petition of Romanian Club, Hotel Empire, New York, N. Y., relative to commending Mr. Valeriu Georgescu for his shining example of courage and character in exposing the attempt of a so-called Rumanian diplomat to blackmail him into betraying his adoptive country; to the Committee on Foreign Affairs.

HOUSE OF REPRESENTATIVES

FRIDAY, JUNE 5, 1953

The House met at 11 o'clock a. m.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, to whom we must look for light and leading, may all the hours of this day be filled with new hopes and expectations, new desires and determinations to build a better world.

Grant that in the structure of a nobler civilization we may be intent upon applying moral and spiritual principles to all our economic, social, and political affairs and may the selfish rivalry among the nations be supplanted by the spirit of fellowship.

May we have a faith that is strong and great enough to sustain us as we meet the challenge of this stupendous undertaking of attempting to establish a more brotherly world order.

We pray that we may never become discouraged and yield to despair, but inspire us with the assurance that the triumph of righteousness is inevitable for Thou art our divine ally working within us and with us to achieve blessedness for ourselves and all mankind.

In Christ's name we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Ast, one of its clerks, announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4974. An act making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes.

The message also announced that the Senate insists upon its amendment to the foregoing bill; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BRIDGES, Mr. SALTONSTALL, Mr. FERGUSON, Mr. SMITH of New Jersey, Mr. McCARRAN, Mr. ELLENDER, and Mr. HILL to be the conferees on the part of the Senate.

BURY SMALL BUSINESS WITHOUT A FUNERAL

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, on yesterday it is my belief an effort was made to bury small business without a funeral. It is a very important bill, and I had to take the responsibility of threatening to make a point of order to have the proceedings put over. I regret very much if any Member of the House was inconvenienced, but at the same time the issue is too important to consider that. Today, if the leadership wants to insist on proceeding with this bill, I hope we will have a majority of the Members here because it is a matter of great and far-reaching importance. The Committee on Banking and Currency voted out the Defense Production Act on yesterday stripped of almost everything, and it should not require 15 minutes of debate. I know it was expected to take a couple of days on that bill next week, and since it will not take any time, it occurs to me that this bill could be put over until Monday, but if the leadership wants to insist upon it being considered today, I think it should be considered in the right way in view of the importance of the bill. It is a most important bill. It is a bill to abolish the RFC really, and it is a bill to ratify and confirm what the administration is doing in destroying opportunities of the small-business concerns of the country.

The SPEAKER. The time of the gentleman from Texas has expired.

SMALL BUSINESS LEGISLATION

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. WOLCOTT. Mr. Speaker, I think it is rather unfortunate that the gentleman from Texas did create a situation yesterday so that we could not dispose of the bill yesterday afternoon. It could easily have been disposed of in a couple of hours, and we would have completed our business here by 6 o'clock. It is not anticipated that today the bill will take any longer than that notwithstanding the fact that there are 2 hours of general debate provided for. Very little time has been asked for on this side, and with the exception of time which the gentleman from Texas will use on the other side, I have been told there is little request for time there. The gentleman from Texas, notwithstanding anything that might have been said, does not save small business by the action which he took yesterday. We will take all afternoon today if we have to, to discuss this bill. I quite agree with the gentleman that there should be a goodly number here. It is an important bill. It is important to small business. It is a bill to do much more for small business than has ever been done for small business before. I hope we can proceed in an orderly manner.

The SPEAKER. The time of the gentleman from Michigan has expired.

CONGRESSIONAL BASEBALL GAME

Mr. MATTHEWS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. MATTHEWS. Mr. Speaker, I have tried unsuccessfully to make the Democratic baseball team, even though I have gone out and offered my services

to the manager of that team who comes from the great State of Florida. I do believe, however, I am well qualified to be an umpire. I have not had the backing of either party but I want to say that I cannot see well enough to play and I think that qualifies me most admirably to be an umpire. I know the umpires have been selected. I do not know whether my great desire to be an umpire is because of television or because of my love for the game, but if an umpire does not show up I will be glad to be a substitute.

Mr. Speaker, I promise to wipe my glasses before every Republican play, and give impartial justice from the Democratic point of view.

The SPEAKER. The time of the gentleman from Florida has expired.

SPECIAL ORDER GRANTED

Mr. DAVIS of Tennessee asked and was given permission to address the House on Monday next for 30 minutes, following the disposition of the legislative business of the day and any other special orders heretofore entered.

CALL OF THE HOUSE

Mr. PATMAN. Mr. Speaker, I make a point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. HALLECK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 51]

Abbitt	Harden	Passman
Bailey	Hays, Ohio	Patterson
Barden	Heller	Pelly
Barrett	Hess	Poulson
Bosch	Holifield	Price
Boykin	Holtzman	Ray
Brooks, La.	Howell	Reed, Ill.
Buckley	Jarman	Regan
Bush	Javits	Richards
Campbell	Jones, Mo.	Rogers, Mass.
Celler	Kearns	Roosevelt
Chatham	Kee	Saylor
Chelf	Kelly, N. Y.	Scherer
Chudoff	Keogh	Secrest
Cole, N. Y.	Kilday	Shelley
Coudert	King, Pa.	Short
Dawson, Ill.	Klein	Shuford
Delaney	Latham	Small
Dingell	Lovre	Smith, Kans.
Dollinger	Lucas	Stauffer
Dorn, S. C.	Lyle	Sullivan
Durham	McIntire	Tollefson
Edmondson	Martin, Iowa	Tuck
Fallon	Meader	Vinson
Fine	Miller, N. Y.	Wampler
Fino	Morano	Westland
Frelinghuysen	Morgan	Williams, Miss.
Gavin	Morrison	Wilson, Ind.
Grant	Moulder	Yates
Green	Nelson	Zablocki
Gubser	Oakman	

The SPEAKER. On this rollcall 329 Members have answered to their names. A quorum is present.

By unanimous consent further proceedings under the call were dispensed with.

PRESCRIBING OCCASIONS UPON WHICH THE UNIFORM OF THE ARMED FORCES MAY BE WORN

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill S. 1550, an act to authorize the President to prescribe the occasions upon which the uniform of any of the Armed Forces may be worn by persons honorably discharged therefrom, together with House amendments thereto, insist upon the amendments of the House, and agree to conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. ARENDS]? [After a pause.] The Chair hears none and appoints the following conferees: Mr. SHORT, Mr. JOHNSON, and Mr. KILDAY.

SUBCOMMITTEE OF THE ARMED SERVICES COMMITTEE

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent on behalf of the gentleman from Michigan [Mr. SHAFER] that Subcommittee No. 1 of the Armed Services Committee may sit during the general debate this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

SPECIAL ORDER GRANTED

Mr. MILLER of California asked and was given permission to address the House for 20 minutes on Wednesday, June 10, 1953, following the legislative business of the day and any other special orders heretofore entered.

SMALL BUSINESS ACT OF 1953

Mr. WOLCOTT. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5141) to create the Small Business Administration and to preserve small business institutions and free, competitive enterprise.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 5141, the Small Business Act of 1953, with Mr. GROSS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, 2 hours are allowed for general debate; 1 hour will be under the control of the gentleman from Michigan [Mr. WOLCOTT] and 1 hour under the control of the gentleman from Kentucky [Mr. SPENCE].

The gentleman from Michigan is recognized.

Mr. WOLCOTT. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, under the Defense Production Act there was set up the Small Defense Plants Administration, which is tied in pretty much with the RFC. The Small Defense Plants Administration gets its loan money, which is limited to $100 million, through the RFC.

That program made a very good start in accomplishing the purposes which are set up in this bill. I might say that this bill is designed as a substitute for those provisions in the Defense Production Act creating the Small Defense Plants Administration.

In the bill we recognize the part which small business takes in our production effort. We start out in the declaration of policy by stating that the essence of the American economic system of private enterprise is free competition; and we go on to assert throughout the bill the necessity for small business to be encouraged to take its rightful place among the approximately 4 million producing concerns in this country in the production effort. This bill seeks to protect the competitive system by giving assurance that small business can at all times compete for a fair and equitable share of the production effort.

It provides that loans may be made by a Small Business Administration.

It provides that contracts may be taken by this Small Business Administration and subcontracted to small businesses.

The Small Business Administration under this bill is set up as an independent agency of the Government on a permanent basis; it is not dependent for its existence or the length of its existence upon any war or emergency; it is set up as a permanent independent agency of the Government and gets its money directly from the Treasury. The limitation contained in existing law in respect to small-business loans is $100 million. This bill provides that the Small Business Administration may make loans up to $150 million and they are given $100 million to service contracts and subcontracts—a total of $250 million.

The bill as it was originally introduced provided for $150 million. The Small Business Committee of the House met, went over the bill, and decided to ask for $500 million—$400 million for loans and $100 million for contracts. The Committee on Banking and Currency, in its judgment, having in mind the history of these loans, the amount of the loans, and the desirability to keep this a small-business enterprise, provided that not more than $100,000 could be lent to any single borrower, so that there could not be authorized the whole of this loan fund or any large part of it to any one or a few concerns.

I think we should bear in mind that there is a possibility of the Reconstruction Finance Corporation being allowed to die at its termination date, which is June 30, 1954. In anticipation of that probability, we set up this Small Business Administration independently of the Reconstruction Finance Corporation or any other agency of the Government which has a statutory termination date. There is established in this bill a Small Business Advisory Board, made up of the Secretary of the Treasury, as Chairman, the Secretary of Commerce, and the Administrator of the Small Business Administration. They are authorized to develop an overall policy for the guidance of the Small Business Administration and to coordinate this program with the other financing programs of the Government.

This bill was reported out of the Committee on Banking and Currency by

unanimous vote. Minority views were presented by the gentleman from Texas [Mr. PATMAN] and the gentleman from New York [Mr. MULTER] from which it appears that there is no objection in the committee to the principle involved for the establishment of this Small Business Administration. The only dispute, as I see it, is in respect to the amounts.

Mr. Chairman, that in substance gives us the overall picture of what we are trying to do. I may say that safeguards are put in the bill in respect to loans by the provision on page 27, reading as follows:

No financial assistance shall be extended pursuant to (a) above unless the financial assistance applied for is not otherwise available on reasonable terms and all loans made shall be of such sound value or so secured as reasonably to assure repayment.

Now those are similar to the safeguards to protect private lenders which are set up in the Reconstruction Finance Corporation Act, but in addition to those safeguards and to make doubly sure that there cannot be the abuses of them which have occurred on certain loans made by the Reconstruction Finance Corporation, we provide that loans shall not be made to enterprises under this act unless and until they have informed the Small Business Administration concerning the names and addresses of the loaning institutions to whom they have made application and which have turned them down in respect to their loans. That is a double safeguard to private enterprises in the loaning field.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Michigan.

Mr. DONDERO. Did the gentleman mention at what rate of interest these loans would be made?

Mr. WOLCOTT. No. That is left to the Policy Committee. The Policy Committee set up under the act on page 22 is authorized to establish general policies for the exercise of the powers enumerated in 7 (a) which have to do with the loans, and that, of course, would include the interest rates.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from North Carolina.

Mr. COOLEY. Will all the loans be made through the Washington office, or do you contemplate regional offices?

Mr. WOLCOTT. They can set up regional offices. They can do anything under the bill that they can do now and, as a matter of fact, I think there is no question but what regional offices will be established. I think I can assure the gentleman that regional offices will be established and maintained.

Mr. SPENCE. Mr. Chairman, I yield 30 minutes to the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Chairman, heretofore bills affecting small-business concerns have been on a bipartisan basis. For 10 years I was chairman of the Committee on Small Business, and the gentleman from Indiana was the ranking minority member. During that time we had perfect harmony. I believe every report was a unanimous report; I do not recall a one that was not unanimous. I do not recall a bill that was introduced that I did not solicit the help of the minority side, and we joined together as coauthors and cosponsors, and the minority side was given full and complete credit just as much as the majority side. There was no effort to say, "This is a Democratic bill." The Small Business Plant Administration passed 2 years ago. We had over 250 joint authors and joint sponsors, so as to make it absolutely nonpartisan; in other words, it was a bipartisan approach. I am awfully sorry that this has taken on a political aspect and has become political.

Now, when this bill was introduced, I knew nothing about it. It was introduced by the distinguished gentleman from Colorado [Mr. HILL], whom I have a very high regard for. He had said nothing to me about it; he probably did not know exactly what the policy had been in the past, I do not know; I am not blaming him. I am just stating the facts. We had a meeting of the Small Business Committee and we amended the bill so that it would do something that was worthwhile, and he introduced another bill to carry that forward; but when that bill reached the Committee on Banking and Currency, it was immediately changed so as to scuttle what I consider the good work that the Small Business Committee had done on it.

Now this bill comes here from the Committee on Banking and Currency with unanimous endorsement for consideration. I filed minority views, along with the gentleman from New York [Mr. MULTER]. We objected to certain things in this bill, and I am saying now that if those changes are not made I believe the bill will be absolutely detrimental to the cause that we are hoping to help. It will be detrimental to the cause unless the bill is amended as we propose. If I had time to study the bill, I believe I would have been against it in its entirety, because I found out something about it that I did not know then, but, being just a humble, feeble Member of the lower body, without any administrative assistant and with no help except what I do myself, writing my own speeches, my own statements, and doing practically all my research, I have had a few things to do in the recent past and I have not had time to give attention to this like I should, probably. The Government bond market was taking a nosedive, and we had apparently a planned deflation in the cards for our country. Remembering back during the other depression and the awful things that happened to our country, I felt as if that was deserving of first consideration; and in giving that first consideration I probably did not give this the attention that I should have. But had I known then what I know now, I doubt I would have been for the bill at all. But I would be breaking faith, I think, if I did not support it if it is amended, so as to give them enough money to be effective and take off the limitations on the loans.

The gentleman from Indiana yesterday placed the burden on me for having a session today. I think it is necessary that I explain that because I do not want to cause any Member of this House any inconvenience or trouble or discomfort. That is not my idea at all, but I was forced into the position of either giving the small business concerns of this country an indecent burial, and a very quick burial, or making a point of order so as to force the bill over to today. The latter, of course, is what happened. I take the full responsibility. It was inescapable, and I believe you will understand before this discussion is over that you would have done the same thing and that you will feel obligated to me for having done it although I was put on the spot as causing this session today.

Now, let us see what happened. I hope the gentleman from Indiana listens to this. Let us see who is on the spot about this thing. Yesterday was Thursday. We had a program sent out. What was on that program for Wednesday and Thursday? We had three bills for Wednesday which were disposed of. What was the first thing scheduled for Thursday? The first thing scheduled for Thursday was H. R. 5141 to create a Small Business Administration. That is this bill which was the first thing on the program for yesterday. Did the majority leader bring it up? No; he did not bring it up. What did he bring up? He brought up a bill that he was personally interested in, and of which he is the author; and he took 2 or 3 hours of that time, and not only that but he took up the following bills:

S. 1307, authorizing United States disbursing officers to cash and negotiate checks, drafts and so forth under certain conditions.

Senate Joint Resolution 80, requesting President to officially proclaim June 7–14, 1953, as Aid-to-Korea Week.

Senate Concurrent Resolution 3, authorizing the printing of United States wall maps for the use of the Senate and House.

House Resolution 253, providing for the payment of certain death and burial benefits to the beneficiary of a recently deceased employee of the House.

Those bills, the bill of which he was the author and the other bills, were important bills. But they do not rank in importance with this bill which we are presently considering, but it was taken up first as we had a right to expect, which would have permitted fair consideration without being under pressure. They are all important, and I am not saying that they should not have been passed. But they were all taken up ahead of our bill. Finally the hour of 4:15 p. m. arrived, and we were asked to take up this important bill, which, in effect, buries the RFC and absolutely destroys the RFC 1 year in advance. We were asked to ratify and confirm that destruction by this bill. We were asked to take up the bill at 4:15 p. m. and with 2 hours of general debate, and there were at least 3 or 4 special orders here for Members who felt their speeches were important—and they were important—and if we had taken it up then, we would have been pressed not only to get through quickly but we would have been pressed by those who had special orders. We would have been cramped for time and we would not get adequate consideration. Why was that the situation? Because we were not taking the

bill up in the order that the majority leader said it would be taken up. Then, after taking up all this other time, he wants to rush on here in the heel of the evening and force us into a position where we will not get adequate and fair consideration. Therefore, I say I am not to blame for it. The majority leader is to blame.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. DIES. I do not think any Member of the House would criticize the gentleman from Texas if he had made a point of no quorum yesterday. I think he did the House of Representatives a service. We have plenty of time to deliberate, and we spend many days doing nothing.

Mr. PATMAN. I thank the gentleman for his observation.

Mr. Chairman, I will now get to this bill. We have an RFC Act. It does not expire until June 30, 1954. I was here when it was established in 1932, for the banks, railroads, and insurance companies. It bailed them out. Some of the bankers, when the Government bailed them out, said that it should have stopped right there and that is as far as it should have gone, and ever since that time when all these concerns were bailed out in 1932, they have been opposing the small business concerns. Later on the law was amended so as to take in small business, and to take in States, counties, cities, political subdivisions and buy their public improvement bonds and things like that. In other words, to spread out and help the general welfare of all the people and not just the banks, railroads, and insurance companies. But the banks, railroads, and insurance companies have been fighting all that ever since. This law does not expire until June 30, 1954. If you pass this bill, as it is, you are scuttling the RFC because you are endorsing what the Department of Commerce and what the administration leaders have done and what they have said. They have said they are going to scuttle the RFC. They are asking you to endorse it now by passing this bill. If you do pass this bill, then you will be endorsing what they have done. You do not want to do that. I will tell you why. The RFC has $515 million available now—that is under the RFC Act and it has under section 714 (d) of the Defense Production Act $90 million available.

Under the Civil Defense Act it has $245 million available. It has $830 million down there; so why appropriate any more money really to do what RFC is doing and what it is authorized to do? It has the finest organization in the world to turn out work. Why do this in the first place? But I, even, would go through with it, notwithstanding that, if you would give this administration comparable power with the RFC. This bill does not do it. It hamstrings them. It limits them. It puts them in a straitjacket to where small business concerns would not have a chance under this act. And you are asked to endorse what these administration leaders are proposing to do to RFC by voting for this bill.

I would like to mention a couple of things about the bill. No. 1: We must have an amendment to increase the amount from $250 million to $500 million. That is what the Small Business Committee unanimously recommended. It ought to be increased. That is the No. 1 amendment.

No. 2: The Banking and Currency Committee says that no loans shall be accepted in excess of $100,000. One hundred thousand dollars sounds big, yes. But it is nothing when it comes to small business concerns in America. It is little bitty business; that is all it would be—little bitty business. They would have to start with $50,000, because almost invariably they would have to supplement their funds to save the sums that they had already loaned. So they would start off with $50,000, because they would know they could not get to exceed $100,000. So, right there, they are cut down to nothing.

But it is a guaranty to certain big industries that they need not expect any competition from the RFC any more.

You have heard the statement that what is good for General Motors is good for the country. You are being asked to make this good for General Motors. General Motors will not have any more automobile competition. General Motors makes various parts and different accessories and is engaged in various fields of endeavor. They will not have any more competition, because the loans that these other people can get, people who would be their competitors, are not large enough to make it possible for them to be a competitor of General Motors or of any of its subsidiaries.

So the first thing is to guarantee the big concerns that they will have no more fear of competition. And that includes aluminum, too. Do you think there would have been a Reynolds Aluminum Co. if it had not been for the RFC? Do you think there would have been any Kaiser Steel Co. that rendered such great service during World War II if it had not been for the RFC? Do you think that these concerns that have been built up over the years in competition with automobiles and steel and aluminum and cement, and other large industries—do you think they would have had a chance without the RFC? Of course they would not.

The first thing in this bill is to guarantee that big industry in this country need no longer fear any competition, because this bill guarantees that they will keep the amounts of the loans down to where competition will be impossible, not only for the major concern but for any subsidiary thereof.

Do you want to endorse that? Of course you do not.

Here is the RFC Act. It does not expire for another year. I think the administration is violating the plain letter of the law. Under the plain letter of the law, it is obligated to make loans to small concerns and others who need them for production, where they cannot get credit otherwise. They are not doing it. They are closing up.

I am inserting herewith section 4 down to subsection (d) of the Reconstruction Finance Act. This law will not expire until June 30, 1954. It is as follows:

SEC. 4. (a) To aid in financing agriculture, commerce, and industry, to help in maintaining the economic stability of the country and to assist in promoting maximum employment and production, the Corporation, within the limitations hereinafter provided, is authorized—

(1) To purchase the obligations of and to make loans to any business enterprise organized or operating under the laws of any State or the United States: *Provided*, That the purchase of obligations (including equipment trust certificates) of, or the making of loans to, railroads or air carriers engaged in interstate commerce or receivers or trustees thereof, shall be with the approval of the Interstate Commerce Commission or the Civil Aeronautics Board, respectively: *Provided further*, That in the case of railroads or air carriers not in receivership or trusteeship, the Commission or the Board, as the case may be, in connection with its approval of such purchases or loans, shall also certify that such railroad or air carrier, on the basis of present and prospective earnings, may be expected to meet its fixed charges without a reduction thereof through judicial reorganization except that such certificates shall not be required in the case of loans or purchases made for the acquisition of equipment or for maintenance.

(2) To make loans to any financial institution organized under the laws of any State or of the United States.

(3) In order to aid in financing projects authorized under Federal, State, or municipal law, to purchase the securities and obligations of, or make loans to, (A) municipalities and political subdivisions of States, (B) public agencies and instrumentalities of one or more States, municipalities, and political subdivisions of States, and (C) public corporations, boards, and commissions: *Provided*, That no such purchase or loan shall be made for payment of ordinary governmental or nonproject operating expenses as distinguished from purchases and loans to aid in financing specific public projects.

(4) To make such loans, in an aggregate amount not to exceed $25 million outstanding at any one time, as it may determine to be necessary or appropriate because of floods or other catastrophes.

(b) No financial assistance shall be extended pursuant to paragraphs (1), (2), and (3) of subsection (a) of this section, unless the financial assistance applied for is not otherwise available on reasonable terms. All securities and obligations purchased and all loans made under paragraphs (1), (2), and (3) of subsection (a) of this section shall be of such sound value or so secured as reasonably to assure retirement or repayment and such loans may be made either directly or in cooperation with banks or other lending institutions through agreements to participate or by the purchase of participations, or otherwise.

(c) The total amount of investments, loans, purchases, and commitments made pursuant to this section 4 shall not exceed $2 billion outstanding at any one time.

They are also under obligation—and I hope the majority leader [Mr. HALLECK] and the other distinguished gentleman from Michigan [Mr. WOLCOTT] will listen to this. Under the plain letter of the law, Mr. Chairman, they are obligated to process and buy improvement bonds; waterworks, sewers, streets, or other improvement bonds, of States, counties, cities, and political subdivisions, where they do not have a market, and where they are worth 100 cents on the dollar.

The RFC has stopped that. They have discharged their engineers, their technicians, and their other people who have to do with that work, putting them out of business, because they are not going to do it; and that is 1 year before Congress says that this law expires—1 year ahead.

Are you going to endorse that? You are asked to endorse it. Let us see what that means.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. SPENCE. I yield the gentleman 5 additional minutes, Mr. Chairman.

Mr. PATMAN. You take any small town and they vote improvement bonds. They have not got any market, they cannot go to New York and sell those bonds. I saw an advertisement in the New York Times a few weeks ago of Florence, Ala., selling public improvement bonds, 5-percent tax-exempt, if you please—the purchasers of those bonds pay no tax of any kind whatsoever, and they have gone to 5 percent. Why? Because there is no market. RFC has folded up, folded up. Hundreds and thousands of small towns all over this Nation will vote improvement bonds, and working in cooperation with the RFC to make sure that the bonds in the future will be good, they will be paid back, and they will make a market for the bonds, the RFC would take the bonds, they have done that—you should remember these figures, Mr. Chairman, remember these figures—they have done that to an amount of $1,500,000,000.

You see these water tanks in little towns all over America. RFC made that possible. You see all these facilities for health and sanitation and comfort and convenience all over America made possible only because of loans of the RFC. Now, RFC has made those loans good, loans to the amount of a billion and a half dollars, and they have fed them out to the market not only at no loss but at an actual profit, and they have only $25 million left of them out of a billion and a half and they will be sold for a profit. Is not that a wonderful record? Does not that help America? And yet the RFC has deliberately without authority of law absolutely put an end to it 1 year in advance of the time that the Congress of the United States said it should expire, and you are being asked to set up something here now that will be not a reason for it but an excuse for it. That is what you are being asked to do, and it is being surrounded with words and phrases and clauses that will make it absolutely almost impossible for a small concern to even get a $25,000 or $50,000 loan. They are going out of business; that is what they are doing, and they want you to endorse it.

When Mr. Sheaffer appeared before our committee—he is Assistant Secretary of Commerce and belongs to that group that President Eisenhower said were the 15 percent patriots—and I commend President Eisenhower for saying that because he has demonstrated a lot of courage, and I am with him on a lot of things, and I commend him for his courage, and I am going to vote for him when he is right, and I believe he is going to be right every time unless he is honestly misled. He is a human being, he has got to take advice and guidance of other people and he will probably take some bad advice. If he does I am not going to be with him, but every time I think it is in the interest of the country I am going to be for him. It is better for us to support President Eisenhower and keep this country strong and prosperous and the Democrats remain out of power than to have a bad depression set in and return to power on the ruins of the country; the Democrats do not want to come back that way.

President Eisenhower said these 25-percent—15-percent patriots is what he said they were—but the 25-percent club—he belongs to that organization that has been trying to sneak through an amendment to the Constitution through the States, a heretofore unused power of the Constitution; it has never been used in the 150 years of our history, but they are trying to sneak through an amendment to the Constitution that would make it impossible to tax incomes, estates, and inheritances more than 25 percent. President Eisenhower said they were perfectly willing for you to furnish your son on the battlefield, 100 percent, provided it does not cost them over 25 percent. Now, this man Sheaffer is one of the sponsors of that; he is one of the sponsors of it. He is in the Department of Commerce. He came before our committee and he testified and he warned us and said that this bill is all right, but they want it in the Department of Commerce. If they put it in the Department of Commerce it will be just like sending a rabbit for a head of lettuce: You would not have any luck at all, because you would be putting it into the hands of its enemies.

They have in the Department of Commerce what they call the Business Advisory Council composed of the Great One Hundred that is referred to as the Blue Ribbon Advisory Council, a council of big-business men. I am not against big business, but I just do not want them to take advantage of the little man; I want the little fellow to have an equal opportunity with them. But they have these 100 big fellows, the heads of these big concerns. They meet every so often. As long as I was chairman of the Small Business Committee under the Democratic Party I never heard of them. They have their meetings, they get up their resolutions, always on the side of big business, that is all there is to it. That is the blue ribbon advisory board. They want the little man to have to appear before them. He would be just about as unhappy before that group and just about as unwelcome as an illegitimate youth would be at a family reunion. That would be about the status of the little man before that group. That is what this man Sheaffer wants the little businessmen to do.

Mr. TALLE. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Iowa.

Mr. TALLE. I assume the gentleman from Texas will revise his remarks and in connection therewith I suggest that he examine what Mr. Sheaffer did say, so that the views attributed to him may be the exact verbiage in full used by Mr. Sheaffer.

Mr. PATMAN. The gentleman does not deny that he said eventually this should be in the Department of Commerce?

Mr. TALLE. I heard and I have read his testimony. He is definitely in favor of this bill.

Mr. PATMAN. I will put the exact language in. I am quoting herewith Mr. Sheaffer's testimony as it appears on page 25 of our hearings. You will notice that he expects the Small Business Administration to be transferred to the Department of Commerce eventually if not soon:

> There will come a time when the demands on our country will be such that the intensity of our direction toward Government procurement for security will abate.
>
> At that time, in the interest of good Government organization and economy, there should be an integration of this program into a regular continuing agency of the Government. A need for a program will continue.
>
> The Department of Commerce, with its responsibility for fostering and promoting commerce and industry, would appear to me to be the appropriate agency to take up this job at that time and to devote its many resources to this task.
>
> Aside from broadening the applicable policy to enable assistance to be rendered small business in undertakings other than those rather directly connected with defense procurement, the bill is very similar to section 714 of the Defense Production Act. I believe that one problem should be pointed out.
>
> It is public knowledge that the dissolution of the Reconstruction Finance Corporation is contemplated by the Congress and the executive branch. When this liquidation takes place, authority, for making loans to small business will have to be vested in another agency.

I do not want to misquote the gentleman, although I think he is the head of a movement, and has been before he came down here, that would destroy this country and have a big tax-exempt group in our Nation. I think he is wrong about that.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The gentleman has stated that the two amendments he is going to offer would increase the $250 million to $500 million, is that correct?

Mr. PATMAN. Yes.

Mr. McCORMACK. I notice in the bill introduced by the gentleman from Colorado [Mr. HILL], the original bill, the matter before us being a substitute amendment to the original bill, there was provided a revolving fund of $500 million.

Mr. PATMAN. It did. The Small Business Committee increased it to $500 million and asked the gentleman from Colorado [Mr. HILL] to introduce it, which he did. This committee cut it down to $250 million and slapped on that limitation of $100,000.

Mr. McCORMACK. Was there a limitation in the other bill?

Mr. PATMAN. No limitation.

Mr. McCORMACK. So what the gentleman from Texas is fighting for, so far as these two amendments are concerned, is the very provision of the bill introduced by the gentleman from Colorado [Mr. HILL]. We are justified in assuming there must have been some administration sponsorship there because it is one of the recommendations of President Eisenhower.

Mr. PATMAN. Now, this man Reese who appeared before us represented the American Bankers Association. That is

another group that can come before any committee in the poorest grace and ask that the other fellow be restricted. After the RFC bailed out the banks they said everybody could probably be let alone if they would take care of them. They were protected, they were taken care of, they were bailed out.

They came to our committee appearing against this bill and I interrogated them. I hope you will look at the hearings commencing on page 68. They quoted two small-business organizations as being like they were. Let me quote from the hearings, page 28:

Mr. REESE. That was the intent of their being organized, to represent small business.

Mr. PATMAN. Well, I happen to know they do not.

It says here that I said, "They are both fractions." But that is not correct. I said:

They are both frauds and when they come before this committee, I will be able to show it. I doubt if they will. I have known about them over the years. I am sorry you tied your case to two concerns like that, that I just know they are not bona fide.

I am inserting herewith a copy of the testimony of Everett D. Reese, vice president of the American Bankers Association on whose behalf he made a statement before our committee:

Mr. PATMAN. Mr. Reese, I notice that you mention about a couple of small-business organizations, so-called, here.

Are you sure about them representing the small man?

Mr. REESE. That was the intent of their being organized, to represent small business.

Mr. PATMAN. Well, I happen to know they do not. They are both fractions, and when they come before this committee, I will be able to show it. I doubt if they will. I have known about them over the years. I am sorry you tied your case to two concerns like that, that I just know they are not bona fide.

I never heard of them advocating anything for small concerns. I mean directly, where there is conflict of interest. I have never heard of them upholding something that was intended to support small business solely.

I have watched them over the years. They are supported by the billionaire corporations.

That is where they get their support.

You do not consider that type of organization very helpful in supporting your case?

Mr. REESE. Not if that is the fact.

Mr. PATMAN. And I assure you that is, with no "ifs," "ands," or "buts," if either one of them come before this committee, I will bring it out.

So I hope you will not consider that too seriously.

Now, the point you make here that there should be no subsidies and no special legislation for any group. That is what I gather you don't believe in, special legislation for any group; is that right?

Mr. REESE. In the field of lending money, that is right.

Mr. PATMAN. That is your view, too, Mr. Kelly? You do not want any special legislation, special benefits, to any grooup?

You both believe in the free enterprise, competitive system.

Mr. REESE. That is correct.

Mr. PATMAN. Now, in the case of the banks themselves, you represent the American Bankers Association.

This Congress passed some special legislation one time just for banks.

That legislation was, I guess, not just one time, but a lot of times.

I will just name this one instance. When that is made unlawful for banks to pay interest on demand deposits.

At that time, they were paying nearly a half a billion dollars a year interest on the demand deposits, and the arugment was given, it was then said, that our country was in a serious state and there was competition between the banks that was calculated to weaken some banks and this legislation was calculated to remedy that.

You remember that.

Mr. REESE. Very well.

Mr. PATMAN. You do remember that; do you not?

Mr. REESE. I do, very well.

Mr. PATMAN. Now, the Congress passed that in 1933; and since that time, it has remained on the statute book. That is, special legislation for a special group, just the banks, and that is of great benefit to the banks.

If that were not effective today, you would be paying out a billion or a billion and a half dollars interest on demand deposits, as compared to what you had to pay out before that time.

You are not in favor of repealing that legislation, are you?

Mr. REESE. A greater part of the interest that was paid was paid within the banking system itself, and it was paid by the larger banks that had deposits from the larger banks that had smaller banks throughout the country, so that many banks were harmed by that system.

Mr. PATMAN. You are getting close to it. I do not agree to the larger percentage.

I agree some of it was. I think it was a smaller percentage.

Mr. REESE. Of course that legislation was passed in the public interest, so as to prevent what was supposedly a bad practice within the banking industry.

Mr. PATMAN. I know, but there is a case where the banks do not want to be trusted to compete with one another, when they were faced with that situation.

Mr. REESE. I happen to be a country-seat banker, myself.

Mr. PATMAN. That is usually the kind that the Bankers Association sends down here. They would not think of sending anyone else.

Mr. REESE. That is the kind they send because that is the kind they have most of. Out of 15,000 members, 13,700 of them are really country banks.

Mr. PATMAN. That is right, and for that reason, you say they are for the small man, but it proves my point.

* * * * *

Mr. PATMAN. Mr. Reese, I failed to mention one thing that hurts small business, I think, worse than any other one thing, and that is price discrimination.

Do you run into that in dealing with your problems? In other words, your little corner grocer, when he has got to pay more for the merchandise than the fellow across the street, hasn't got much of a chance, has he?

Mr. REESE. That is true.

Mr. PATMAN. Have you run into or dealt with any of those problems?

Mr. REESE. In the field of retail groceries, you have one of the most difficult fields in which the small man could operate, but by and large, when we find a man who is diligent, reasonably intelligent, and competent, and works hard, he makes a success of small business and credit follows competence in the field of small business as well as in the field of large business.

Mr. PATMAN. But I think equality of opportunity in buying is even more essential than credit, because the credit is no good to him if he is going to be put out of business through some competitor getting a lower price and undercelling him. The credit would not be any good to him in that case, would it?

We have had a lot of bills down here, and some of them have been enacted into laws, protecting the small-town merchant against price discrimination.

Have you ever interested yourself in those bills?

Mr. REESE. No, I don't think that I have, directly.

Mr. PATMAN. I will tell you about a bill. We have a bill and it is a law now, passed in 1936, and they have been trying to change it in every session of Congress, providing that the little man can get the same price as the big man across the street, except where they can show a difference in the cost of manufacture, sale and delivery, to the big man. They can give him a better price to that extent only.

They are trying to change that law and I have not heard of you fellows saying a word about it. We need a friend of the little man down here all the time, and we have not heard the bankers coming in here and saying a word for them.

Mr. REESE. It is a little difficult for us to be world savers and missionaries in every field.

Mr. PATMAN. This is in the field of domestic economy, though.

Mr. REESE. Say in the field of finance.

Mr. PATMAN. If you save them in your county, you save them all over the country, because you take the grocery business, which is the toughest competition, I guess, there is, and I tell you if the local people can get the proper opportunity in buying, they can whip these national chains to death, and I can give you illustrations of that, one after the other.

But whenever the big fellow begins to get secret rebates and secret discounts and special prices, the man, the little man, hasn't got a chance, and have you fellows ever taken any interest in that, to help the little man?

Mr. REESE. We try in every way, when credit will help them become a better buyer.

The CHAIRMAN. Will you yield?

Mr. PATMAN. Yes.

The CHAIRMAN. I have forgotten the details of the law you mention. How is it enforced? How does it operate?

Mr. PATMAN. It is enforced several ways: One is the Federal Trade Commission can issue a cease-and-desist order.

No. 2: The Department of Justice can see that a criminal indictment can be brought against them.

No. 3 is that treble damages can be sued for by the person who is oppressed.

Those are three ways in which it can be applied.

The CHAIRMAN. You say it enforces the same prices. How does it enforce prices in that respect?

Mr. PATMAN. It is not price control at all. In other words, the law is against cheating and chiseling and racketeering. It is the Robinson-Patman Act, effective June 19, 1936. That is what it is. If a seller comes down to your hometown from a manufacturing plant and he gives your hometown merchant a certain price for a certain quantity, delivered there, and he goes across the street and he gives the man a discount, a secret rebate, a lower price for the same quantity under the same circumstances, he is violating the law, just like any other law, and it can be enforced either by criminal indictment of a grand jury, or a presentment of the United States district authority, or a cease-and-desist order of the Federal Trade Commission, or a person across the street who is discriminated against can sue for treble damages, against that manufacturer.

It is a good law.

* * * * *

Mr. PATMAN. That isn't what I want. Some business individuals and some business groups fight viciously against legislation to benefit the laboring man or the farmer when we move to put it into effect. The

man who is advocating that course would be the first to be put out of business if the legislation were to be passed.

It would just stop all the purchasing power in his community that enables him to sell his merchandise. I can't understand the viewpoint of some businessmen on that. I think it is just due to the fact that they fail to see far enough down the road and beyond their own objective.

I am not questioning the motives, the intentions, the patriotism, or the civic-mindedness of these people. I just believe they are failing to look far enough down the road.

I think that price discrimination hurts the small-business man more than everything else. What good is credit to him under those circumstances if all he gets is credit. You are doing that man no service if you let a man be jockeyed into a position where his business is taken away from him by unfair dealing on the part of some chiseling, cheating competitor.

I think you will pardon my suggestion, since you gentlemen evidently have a good organization within your organization which I did not know of. I am so ignorant of some of these things but Mr. Reese tells me about it, and I know would suggest you give more attention to price discrimination—and I say to you, whatever you do in that line, you are going to run against the cold shoulder from the big man.

I know he will make it hard for you. I don't know whether you fellows can take it. However, we Members of Congress have to take it. I wish the bankers would take it sometime.

Mr. KELLY. We think we are pretty much under pressure all the time, as well as Congress.

Mr. PATMAN. I know you are sincere in meaning the Department of Commerce. I am sure it is headed by a good sincere person. I don't question his motives, his ability, patriotism, or anything else, but it goes right back to a man being in charge at the top who has got both big business and little business under him, and I would like to reiterate what I have always said: I have never known a case wherein both big ones and little ones were involved, in the case of a conflict of interest, where the little man wins out. The big man always wins.

I have not known of any cases where there has been any other result. I am anxious for someone to cite me a case or two, but I haven't known of any yet, and for that reason I am not willing to have the little man go into the Department of Commerce in competition with this blue-ribbon advisory council composed of 100 of the representatives of the biggest business in the country.

Again, I am not questioning their motives. They are working in the interests of their own organizations. But they have there a closed shop, a kind of blue-ribbon deal, blue-ribbon advisory council, and they are advising the Department of Commerce and they come from the biggest business in the country, and what chance would the little man have in a department such as that.

He would be very much like an illegitimate youth at a family reunion. He would not have much chance.

Mr. KELLY. In my statement, I suggested that they want to get a man in the Department with such stature to look after the interest of small business.

Mr. PATMAN. And he will do it, and do a good job, but when there is something to be done, they have to go to the top, and that is where they always have to go, and that is where the decision will be made.

Make no mistake about it. The fellow who represents small business will do a good job. He will holler his head off, and represent the little man in the process, but it is the fellow at the top who is the one who is going to decide it. He is the one that is going to win.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. SPENCE. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. PATMAN. Mr. Chairman, I did add, too, which is not in here, either, that they are not only not bona fide, they are fronts for big business, and if they had come before our committee we would have shown it, but they did not come before our committee and they never will, because they know I know it. But they will always circulate these resolutions as coming from small-business concerns. But they are supported by the biggest businesses in America and they know I know that and they are not going to come before our committee.

Furthermore, I brought out that the American Bankers Association was against giving any special benefits to any group. But what special benefit have they gotten? One that is worth a billion and a half dollars to them annually. During the darkest days of the depression they got Congress to pass a law that banks could not pay interest on demand deposits. Before that the Government used to receive a large sum annually as interest on its deposits in banks. But they stopped that. A lot of individuals and corporations all over America received interest on their demand deposits. That was stopped and it saved them a billion and a half dollars a year compared to what they used to pay. They are not in favor of repealing that, no. They do not want the competitive system there. That would be open competition between the banks and the people would get a little money for their demand deposits, but they are opposed to that. They want it closed; they want a closed book on that. They are not willing to change. So, they are in the least position to object, and I could tell you 10 other instances, 15 other instances, 20 other instances, but time will not permit. But I assure you that they can come before our committee and ask that other groups be restricted with the poorest grace of any association in America.

Mr. McCORMACK. I noticed in the Hill proposal of the $500 million revolving fund it provides not to exceed an aggregate of $100 million shall be outstanding at any one time for the purposes enumerated in section 5 (a); the other $400 million is for contracts made by this agency with the Government, which they sublet; is that correct?

Mr. PATMAN. That is correct.

Mr. McCORMACK. Under this proposal the $100 million remains but the $400 million part of the revolving fund for general lending purposes is reduced to $150 million.

Mr. PATMAN. That is right; wholly ineffective.

I am inserting herewith the testimony of Dr. E. C. Welsh before our committee, commencing on page 36 of the hearings. It is as follows:

STATEMENT OF DR. E. C. WELSH

Dr. WELSH. I am Edward C. Welsh, and until yesterday was assistant to the Administrator of the RFC. I think a little more detail of my background is available to the chairman and the committee.

My residence is 438 Bellevue Drive, Falls Church, Va.

Mr. PATMAN. May I state, Mr. Chairman, that Dr. Welsh has had a lot of experience in Government and outside of Government. He has a good educational background, has had a great deal of Government experience, such as on the National Resources Committee, the Temporary National Economic Committee, Office of Price Administration, Department of the Army, National Security Resources Board, and Reconstruction Finance Corporation.

He has been charged with the duty of doing something about the scarcity of tin, and, although it does not relate to this particular problem, it is quite interesting to know what he was successful in accomplishing in that regard.

I will not go into that, Mr. Chairman, but I ask consent to insert in the record a statement concerning Dr. Welsh.

The CHAIRMAN. Without objection, that may be done.

(The information is as follows:)

"EDWARD C. WELSH

"Age: 43; born in Long Valley, N. J., 1909.

"Education: A. B. (Lafayette College), M. A. (Tufts College), Ph. D. (Ohio State University); magna cum laude, Phi Beta Kappa (national scholastic honorary), Beta Gamma Sigma (national business administration honorary), Pi Delta Epsilon (national journalistic honorary); major field, economics.

"University faculties: 12 years on university faculties, in economics departments, taught pricing policies and theory, money and banking, international trade and finance, etc.

"Government experience: National Resources Committee (1937), temporary National Economic Committee (1940), Office of Price Administration (1942–47), Department of the Army (1947–50), National Security Resources Board (1950–51), Reconstruction Finance Corporation (1951–).

"Positions and activities:

"(a) Published and unpublished studies on tariffs, price rigidities, steel prices, sulfur prices, petroleum prices, copper prices, antitrust and monopolies in Japan, private enterprise in Japan, Government aid to business expansion, etc.

"(b) Economist for National Resources Committee and temporary National Economic Committee.

"(c) Regional price executive (OPA) for Ohio, Michigan, West Virginia, Kentucky, and Indiana.

"(d) Director for price operations for all regions in United States of America (OPA).

"(e) Deputy Administrator (OPA) and Assistant Commissioner (OTC).

"(f) Chief of Antitrust and Cartels Division in GHQ in Japan (Department of Army).

"(g) Member of Foreign Investment Board in Japan.

"(h) Responsible for financial reorganization of over 4,000 bankrupt companies in Japan; for establishing efficient operating companies in dividing Japan's largest monopolies; for dissolution and disposal of millions of dollars' worth of assets of Japanese companies; for sale of over 150 million shares of stock in several hundred companies in Japan; for bank loans, etc., of over 1,000 Japanese companies.

"(i) Honored by Army (Supreme Commander of Allied Powers) for major contributions to development of private enterprise in Japan.

"(j) Assistant to Chairman of NSRB and economic adviser; temporarily Acting Chairman.

"(k) Assistant to Administrator of RFC and policy adviser; temporarily Acting Administrator.

"(l) Supervised staffs, either directly or through subordinates; up to 10,000 people."

The CHAIRMAN. You may proceed, Dr. Welsh.

Dr. WELSH. I have not prepared a written statement. I have jotted down a few points which I hoped might be of some interest to the committee, and then I would like to be useful to you in answering any questions you might have.

I am suddenly in a rather objective position, and I want to add to that, to explain one thing, that I think it is quite reasonable for a new administrator to be in position to, and to take advantage of the position, of using only policy advisers. I wanted that to be clear, with respect to the sudden change.

By way of introduction, I want to state that I favor a Government lending agency generally, because I think it is essential to private competitive enterprise, and not because I think the Government should engage in any unnecessary activities, whether it be lending or otherwise.

I also want to state, in preliminary fashion, that I do not favor any grants. These loans made by the Government should be made with a reasonable assurance that they will be repaid, and also that they shouldn't be made just on the basis of size.

I mean that, that just because a company is a small company it doesn't necessarily, therefore, automatically merit the use of Government funds. There should be maintained a public interest policy for determining the conditions under which Government loans should be made, and even though they are small companies, they should have to meet those standards of public interest.

I believe also that a Government lending agency should be flexible so that it can adjust to changing economic conditions. In saying that I also feel called upon to state that the existence of a Government agency, lending agency, should ordinarily not be threatened. It ought to be known to continue to exist, as uncertainty is a serious matter in any kind of a credit organization.

So it should be flexible, and the policies should be changed from time to time as the economy calls for it, rather than threatening it from the standpoint of whether or not it will be allowed to continue.

Now, not as a matter of philosophy but just as a matter of statement of facts I would like to list a few reasons as to why we need Government loans, no matter what the name of the agency is.

Credit is not always available from private sources on reasonable terms. That is just a matter of fact.

First of all, there are legal limitations. The amount of lending which any individual bank can make to any individual company varies. As the value of the dollar changes, those legal limitations run contrary to the needs of small business.

So that it isn't always a fact that a bank doesn't want to make a loan to a small company, but it is often the fact that they are not in the position to make the loan because of legal limitations. I would cite that or back it up with the fact that 30 percent of all the loans which the RFC has made do have some bank participation in the loans—30 percent of the number made, which indicates that the banks were interested in participating, or making loans to those particular companies, but they for some reason were not in position to make the whole amount of money needed available at the time, and it is almost a serious matter, in fact sometimes more serious a matter, of giving a company too little money, after having judged the need carefully, as not giving them the need at all, because you are simply expanding their debt without giving them the amount of funds needed to perform a useful purpose.

Another reason for the need for Government lending is the fact that many private banks do not find themselves in the position, or care, to make loans with a term as long as is needed for some small businesses. The term is too long for them to handle. They like to keep more flexible, or more fluid, and, as a consequence, some relatively long-term loans—I am just talking about 5-year loans or 10-year loans—are not available at all, from some portions of the private banking structure.

Another reason is that many banks don't care to make loans to small businesses, or small communities, because there is no established or satisfactory past earnings record. There may be reason for that or there may be very poor credit reasons for that, but the mere fact that a philosophy or a position of established credit, established earnings background, often prevents an individual from obtaining a needed loan.

That is particularly true, incidentally, in small communities. The public-agency type of loan which the RFC has been making, where investment banks and others in private financial sources are just not available. They want to wait until they have found that project has become seasoned, and find out that it will earn, and then private financing is usually available. But you have to take the first step to make the loan, and get the project underway, and most of the projects of that nature, as far as the RFC is concerned, are water facilities, sanitary facilities, sewage disposal, and that sort of thing, for small communities that can't finance otherwise.

As an illustration or factual bit of statistical background for that, I believe that the RFC has made about a billion and a half dollars' worth of loans to public agencies, aside from their private business loans, and those have been liquidated down to something like 23 or 25 million dollars, to show you that the loans are made, they are held for a while, they are seasoned, and then they are sold to insurance companies, investment banks, sometimes back to the communities, and so forth.

Another brief point, if I am not taking too much of your time, as a reason for failure of private funds to be available to small companies, is the fact that many people have a brick-and-mortar philosophy with regard to lending. They like to have established collateral, a building or something, against which a loan can be made.

I think that potential earnings are certainly a much sounder basis on which lending ought to be done, anyway, but the brick and mortar, amount of collateral, often may not be sufficient for a small company to obtain the necessary funds, particularly in an expanding economy, or in a period of rising prices.

It occurs to me also that I have heard various public statements and other indications that there were some people who wanted to abolish the RFC.

As I say, in the position I am presently in, I feel I can make somewhat of an objective comment on that.

It seems to me that the pro and cons on that are the type of thing that should very well be settled within a committee of this sort, where you are hearing the sound points, the problems, and the issues regarding small business, rather than on many of the grounds which are so frequently published.

The question of economy, and things of that sort, don't quite fit, in my judgment, any reasons for abolishing or not abolishing the RFC. I am not talking about the question of the name of it. I am talking about the question of a similar type of Government lending organization.

The RFC has made money, after paying all expenses. It is not necessary to tell you gentlemen of the committee that it doesn't get an appropriation from the Congress to operate. I was interested in preparing a little summary statement, as Mr. McDonald just left the Corporation, to indicate that it paid under his 13 months approximately about $73 million into the United States Treasury. That, of course, is over and above the expenses of operating, rent, salaries, etc.

It also has a staff of competent and experienced personnel, which I would hope consideration would be given to, no matter what organization or name would be established, toward retaining that type of real experienced credit people—not only experienced in the sense of the knowledge of credit but also experienced in the sense of having continuously been in contact with the problems of small business in respective parts of the country.

It isn't as if the RFC just had contact with small-business people when a loan was authorized. For instance, during fiscal 1952 I happen to recall that RFC had some 40,000 inquiries for financial advice and assistance, very few of which actually developed into actual loans, knowledge of how to set up their simple bookkeeping systems, and things of that sort, so that they would be in a sounder credit position even without increasing the amount of their debt.

Another argument in regard to the RFC, or a similar type of organization, is the disaster-loan program, which I think hasn't been given quite as much attention in any of the bills that I have looked at here. During fiscal 1952 I know that 80 percent of all the loans which the RFC authorized were to disaster victims throughout some 23 States.

During this past year, for earthquakes, floods, and that sort of thing, disaster victims were assisted by loans from the RFC, many of the loans being very small, but nevertheless they were available and available promptly immediately after the disaster hit.

I also wish to suggest that one of the problems that merits some consideration in regard to the continuation of a lending organization is the question of administering, supervising the loans that have already been authorized, to make certain that public money is carefully looked after, even if it has already been loaned. And the RFC has approximately 8,000 small business loans out at the present time, many of which call for a fair amount of continued supervision, supervision not of the management type, in the sense of making business decisions, but supervision as to the proper use of the funds and continued supervision to see that there is proper repayment, adjustment from time time of conditions of loans to meet changing conditions of the companies, particularly in regard to conversion, to say, defense activities, or different types of activity on the part of the companies.

So that I think some attention should be given to the careful administration, and probably, most practically anyway, by the individuals who now know those companies and the credit conditions under which the loans were authorized.

There will be some inefficiency and delay if you have such a switch in the people there. I am not talking about top side, but the credit people that actually dealt with the company.

One other little group of notes, and then, gentlemen, I hope I may be useful in answering questions.

In examining some of the legislation, and particularly the legislation that is under your consideration, I have some general comments to make.

First of all, I feel that personally there is a great deal of merit in keeping the lending function of the Government separate from the function of procurement contracts or other needed assistance and guidance to small business. I will be glad to expand on that, if you like, but I think there is just some merit in keeping a lending organization,

as such, pretty well specialized in lending and not also in seeing who gets what business.

I then refer to an agency set up to assist small business, such as you have in the SDPA at the present time. Its functions in the lending field are relatively slight. During the past 14 months, about 8 percent of the loans the RFC has made have been under section 714 of the Defense Production Act, and 83 percent were just regular loans to small business under the RFC Act, and 8 percent were under section 202 of the Defense Production Act, just a very tiny number of civil defense.

But a special agency for small business, such as you have at the present time in SDPA, aiding in other respects than lending, does have this authority, and I note some reference to it in the legislation before you, to the issuance of a certificate of competency for contracts, to make certain that a small-business man is considered, and as a matter of fact, given, if he is otherwise qualified, certain defense contracts.

That, as at the present time, is a weakness in the legislation, where one agency goes on record as saying, "This firm is competent to get such and such a contract," and says it is financially competent as well, and then turns to another agency of the Government and says, "Will you please make a loan to it?"

We have worked it out pretty well between the RFC and the SDPA so that those loans were granted, but there was delay and uncertainty on the part of the agency after it had certified as to the competency of the corporation or company.

I think that certainly the agency which has the authority to issue a certificate of competency should have the authority, for that specific case, to direct a lending agency to make that particular loan. It apparently was the intent of the Congress in giving authority for issuing certificates of competency to have the people in that agency to be of such sufficient competence and ability to judge when they should or should not issue the certificate, and then when the funds should be made available, provided the funds are not available from private sources, and that, of course, applies to any Government lending. I have also the suggestion that the authority to guarantee private bank loans, on a case-by-case basis might well be included in the authority to an agency to grant direct loans.

At the present time the RFC has a guaranty authority, in the sense of bank participations and deferred participation pretty much the same as a guaranty. You have, however, throughout the Government other agencies involved in guaranteeing private bank loans.

It seems to me the Congress would be in a much better position to see whether the financial assistance to small business was being carried out as it intended and to see whether or not the Government as a whole were first checking to see whether private funds were available by direct loans, without a guarranty, then with a guaranty, and only as a last resort, direct Government funds loan, if the same agency were responsible for doing all of those, because in each case you could call upon the same individual to show that those steps were taken, rather than different agencies.

I think that would eliminate duplication, and it would keep trained creditmen on credit work, lessen delays, and otherwise have the advantages which I have pointed out.

I also suggest, although I know it doesn't quite fit with some ideas that have been presented recently, that there is dubious merit in having in the legislation a specific limitation on the size of a loan to be granted to any individual company.

I suggest that because of problems of inequity that come up, where an individual with exactly the same problem, exactly the same merits, exactly the same opportunity to obtain Government contracts, for instance, needs $90,000 to do it, and he can be authorized, and another one who needs $110,000 couldn't be authorized.

It seems to me one has to have a certain amount of confidence in the competence of the members of the Government that are administering the lending operation, to make certain that loan is not made on the basis of size, but made on the basis of the policy, limitations on policy, as to whether or not any loan should be granted. That seems to me of much more significance than whether it should be this size or that size—particularly since there are changes in the value of money, the size gets out of kilter.

I don't think we are in position to set an arbitrary formula, either as to how much should be loaned any particular company, or as to the overall size of loans for a corporation or company.

We did propose here recently, and have put into effect, in the RFC limitations for loans under a million dollars, which was that a special form be devised for any applicant who wants to obtain more money than the limitation, whatever it would be. He would just file a small one-page form indicating the purpose for which the loan was asked, and that would be passed on by a policy group, before he even had to go through all the trouble and expense of filing a more elaborate form, and it could be passed on, not on the size of the matter, but on the purpose of it.

I simply leave that as a short suggestion to you.

I also have, I think, indirectly, suggested that any legislation should make provision, it seems to me, for the disaster loan program, or for a disaster loan program of some sort, and also for loans to public agencies, small communities that can't obtain funds otherwise.

For an individual who didn't have a statement to make, I hope I haven't unduly taken your time, but those are the comments that I wish to make, Mr. Chairman.

The CHAIRMAN. We are very glad to have them, Dr. Welsh.

Are there any questions of Dr. Welsh?

Mr. PATMAN. I don't want to take up too much time, Mr. Chairman, but I do want to ask 1 or 2 questions.

If you will notice, in this bill, Dr. Welsh, the policy group that is proposed in Mr. HILL's bill will be composed of the Administrator of the Small Business Administration, the Secretary of Commerce, and the Secretary of the Treasury. Do you think that would make a good policy group?

Dr. WELSH. It depends on who is in each one of those positions, but assuming the quality of the people there, I think the spots from which they are taken makes them an excellent choice, yes, Treasury, Commerce, and, of course, the Administrator, as a policy group, as I understand it, but not a group to act on each individual loan case, but somewhat the same as the present loan policy board.

Mr. PATMAN. That is the way I understand it. Just broad, general policy and not to pass on any individual loans or individual actions on any loans?

Dr. WELSH. Yes.

Mr. PATMAN. But to set the rules of the games, the general rules of the game?

Dr. WELSH. Yes.

Mr. PATMAN. It occurred to me that would be a good way for it to be handled. Then neither one, except the Administrator, would have any direct control over the administration.

Dr. WELSH. I suggest, Congressman, that there might be some merit to the provision—it might not be legislative, but when rules are established by such a group, there might be some provision that before they are put into effect they could be presented to a committee of this sort, not to pass on, but to discuss, if necessary, before they are in circulation, and advertised and so forth, throughout the country, to the banks and to the agencies.

Mr. PATMAN. Yes, that is a good idea, to be filed with special congressional committees in the Congress that have to do with the legislation. I think that is an excellent idea for consideration. I am glad you brought it up.

Now about these cities: I happen to know of some little towns in Texas which have a population of 1,000, 2,000, 3,000, up to 5,000, let us say, which have now floated bonds recently for public improvements that really relate to the health of the citizens of those towns, and they can't sell those bonds. There is no market for it. The RFC doesn't take them now, does it? Does the RFC take them now?

Dr. WELSH. Yes.

Mr. PATMAN. They are still taking them?

Dr. WELSH. Yes; they are still taking them. Of course, the quantity is less than during other periods, and rightly so.

Mr. PATMAN. I understood that they were discouraged. Does the RFC tell them to shop around first, and see if they can't sell them?

Dr. WELSH. In every case.

Mr. PATMAN. In every case?

Dr. WELSH. Yes, sir.

Mr. PATMAN. That is what they are doing then. And the best deal that one of those towns could get was to let some contractor have those bonds at 85 cents on the dollar. Now, I think they are either 3- or 3½-percent bonds. And to let this contractor have those bonds at 85 cents on the dollar and he would do a certain amount of that work needed by the city.

That just indicates to me that if some market is not available for those cities which, as you say, have no record of past payments of obligations and earnings, that they will have no market for their securities, and they will be at the mercy of what you might call these glorified loan sharks, loan sharks on a much higher category than the ordinary loan shark, big loan sharks, which can be just as vicious and just as destructive, and they would be subject to whatever the loan sharks in that respect would want to charge.

Dr. WELSH. I think I would add there that the RFC has purchased some over 6,000 of these issues from time to time. Up to, as I said, about a billion and a half dollars total, probably best known for a few of the big projects, such as a few of the tunnels in New York City, the Pennsylvania Turnpike, Philadelphia's gas system, the Los Angeles water system, and the Bay Bridge out in Oakland, and so forth. Those were all financed by the RFC. But the majority of these loans, we call them public agency loans, are under a hundred thousand dollars.

Mr. PATMAN. Under a hundred thousand dollars?

Dr. WELSH. Yes; under a hundred thousand dollars, and a very large number of them are for water systems or sewage systems, for these small communities—many of them just strictly on health grounds have been absolutely necessary, but the funds are just not available. Incidentally, they pay off very well, too. The Corporation has made money continuously on those loans.

Mr. PATMAN. You mean the RFC has made money?

Dr. WELSH. Yes.

Mr. PATMAN. It is really interesting to me that you will take all these loans, from all these cities, and for all these other purposes, and they can't be sold otherwise, because the investors will just not put their money into the projects, under circumstances, but you take them, and season them up and you later feed them out to the market, and now out of $1½ billion worth, the RFC has sold them all except about $25 million worth.

Dr. WELSH. Yes. There are some new ones just authorized over the period of the last few years, but of the $1½ billion I referred to, it is down to somewhere around $25 million.

Mr. PATMAN. Now, Dr. Welsh, it is contemplated in this bill before us—it says nothing about the RFC, but we know what is in the cards for the RFC. Some very important people in the administration feel sincerely that the RFC should die in June of 1954, should go out of existence, but this bill is written on the theory that, during that time, both agencies will operate for small business, will be available to small-business concerns.

Do you think that is a good thing or not?

Dr. WELSH. Well, I would generalize by saying that if you can have 1 agency do something, don't ever have 2.

Mr. PATMAN. I agree with you, but don't you think it will really be an opportunity for this younger agency, if by chance the RFC should die next year, to kind of get their teeth into it during that period of time, and get the experience they will need to carry on the work, if the RFC does die?

Dr. WELSH. I would certainly say that it is well to be prepared for voiding a gap or a hiatus in the financial needs of small business.

Mr. PATMAN. That is right. As it is now, if we were to just say to the RFC "You can't do anything from now on," when this new agency takes over, there will be a hiatus, at which time the small-business concerns would not get the needed service, because a new agency would have to have time to start from scratch and build up.

Dr. WELSH. There is also the job of supervising the existing loans. We want to make certain that is provided for in some respect, because otherwise there would be a lot of loss of public moneys.

Mr. PATMAN. Dr. Welsh, I appreciate your coming up here. I know you have made a statement from an objective standpoint, you have no ax to grind, you are not partisan, and that you just want to do what is best for the interests of the country, and I personally appreciate very much your coming up and giving us the benefit of your testimony and experience, which I know we must value highly because of your fine public service over the years gone by.

Dr. WELSH. Thank you, sir.

The CHAIRMAN. Dr. TALLE.

Mr. TALLE. Mr. Welsh, if I may turn for a moment back to earlier work that you did, how would you evaluate the results of the long study of TNEC?

Dr. WELSH. There were so many parts to that study, sir, that I couldn't comment too usefully to you, but I do believe that it was one of the most useful compilations of information concerning the various aspects of industry in the United States, that has ever been done.

The CHAIRMAN. I might say for the benefit of the committee that the TNEC was set up, the TNEC's full name is Temporary National Economic Commission. It was an economic study, and a very voluminous study.

Mr. TALLE. The whole set, Mr. Welsh, is on my shelf, but what I am interested in knowing is this: Is it a record of what happened over a period of time, or is it serving as a guide for the prevention of monopolistic practices today?

Dr. WELSH. Well, I am of the opinion that it was in part, so voluminous, that not enough people have studied or read it, to have it as much of a guide for the present and future as it undoubtedly could be.

Also it has to be read with some care, because there are always personal opinions, and so forth, worked into the various monographs.

But it could be a guide, and certainly should be used as a basis to keep people alert to the necessity for private competitive enterprise in the United States. Sometimes that is overlooked. And on many subjects it is excellent both as accurate source material and as a possible guide for future activity.

Mr. TALLE. I am talking or thinking of the large business combinations that started in the early 1870's, and the various forms of large business organization, and the Sherman Act of 1890, the Clayton Act in 1914, and the Federal Trade Commission, established in the same year, 1914, and then this tremendous study, which is certainly voluminous, and still I hear practically every day that monopoly is a pretty rough customer.

Dr. WELSH. I think it is; I think it is also a thing that is more often spoken about as a safe statement to make than it is spoken about with any knowledge of the particular issue. An awful lot of people just talk monopoly generally, but as long as a group such as a committee of this type holds hearings, and as long as you do show yourself completely interested in small business, I think that will have more value than anything that has been written or compiled in the big volumes.

Mr. TALLE. I am glad to have your comment on that.

Now, if I may turn to the RFC, is it true that regional offices may handle loans without reference to the Washington office, in the event they do not exceed $50,000?

Dr. WELSH. That is only partially correct, sir. No loan can be authorized by any field office of the RFC, without first having cleared that specific loan as to policy, in the Washington office. They can then go ahead and authorize the loan if they have gotten policy clearance.

Policy clearance is rather simple in procedure. The application is made to the office, the field office. The field office takes certain basic information as to the purpose of the loan, sends it in, and within, generally, 24 hours, they get their answer back. It will or will not fit the loan policy of the Corporation as set up. They have to get that clearance before they can go ahead and authorize. Then they can authorize up to $50,000.

Mr. TALLE. Will a regional office send a representative to the locale where the prospective borrower is, and look, say, his plant over?

Dr. WELSH. Before a loan is granted, almost invariably.

Mr. TALLE. That is what I understand.

Dr. WELSH. That is the general practice, and if it is necessary to appraise the building, and so forth, and if it is necessary to look into the management, or check any of the statements that have been filed, it is done. It is done in cooperation, however, with the businessman himself. Not in the sense of an unknown surveillance or spying on him. It is done specifically as a good credit function.

Mr. TALLE. And do I understand that if a loan is turned down by a regional office, an appeal may be made to Washington?

Dr. WELSH. No loan can be turned down by the field office. If the field office decides—and it has a loan examiner who must give his recommendation, it has an assistant agency manager, an agency manager, and for the little larger loans, also a group of local businessmen who make their recommendations on each of the loans—if all of those are unfavorable, that loan application still has to come to the Washington office and go through the whole procedure here, of the examiner here.

The Review Board and the Administrator also.

We feel that that is a reasonable procedure, in the sense that everybody, credit men, policy people, should have a chance to shoot at it before it can be said this man cannot have the money.

Mr. TALLE. To what extent would you say that undue pressure has been made, over the years, on the management of RFC to grant loans which the management of RFC has not thought well of?

Dr. WELSH. I have been over the RFC only 2 years, of course. During that 2-year period I have seen very little pressure, and I have seen none that had any, as I could term it, effect upon the decision made. I can only read about the past, prior to the 2-year period about which I speak.

I am sure that any type of an organization that has to do with lending subject to pressure from individuals, but I have seen very little of it, as far as the effect is concerned. The setup is such that it makes it very difficult for pressure to have much effect. The record is clear as to what every individual thinks about this loan and why, through the whole procedure. And it gets up to the point where the pressure ordinarily would be put on the person who can give the yes or no answer at the top or near the top, and by that time the record is pretty complete as to all the facts on the case, and it isn't so likely to be subjected to pressure, any more than I will say, after the hearings in congressional investigations, many people who might have in the past been inclined to bring pressure are, shall we say, a bit more shy.

Mr. TALLE. Now, in the event that a constituent writes to his Member in Congress, and reports that he has applied for a loan, and asks the Member to call up the RFC and inquire as to whether the application has been received, would that be considered pressure?

Dr. WELSH. I would say—and now I am talking a little bit out of my bailiwick—I would say that a Congressman is somewhat delinquent in his responsibilities if he doesn't represent his constituents, sir, and I would say that to make an inquiry as to the status of a loan, or anything else about it, is a little different from saying "We want this loan made, you ought to do this, you ought to do that."

I think there are definitely clear-cut ways in which Congressmen can represent their constituents in dealing with the RFC or any other lending agency without putting undue pressure on it.

Mr. TALLE. I certainly agree with you, but I have seen some fantastic statements in print, charging Members of Congress with using undue pressure.

Dr. WELSH. You are correct.

Mr. TALLE. I am not familiar with any first-hand evidence of what any other Member of Congress has done. I only know my own record.

Secondly, are you aware of any undue pressure having been exercised within the executive establishment itself?

Dr. WELSH. Not since I have been there, sir.

Mr. TALLE. Was there any other influence that you were aware of, used on the RFC?

Dr. WELSH. I have not been aware of any influence that has had any effect on the decisions as to regarding loans.

Mr. TALLE. What is the overall record of the RFC as to profit and loss?

Dr. WELSH. I can't sum it up for you, although I can furnish it to the committee. The RFC has made a profit on its lending functions each year since it has been in operation. It has only one really large loan that went bad, and that has been amortized, and still a profit has been shown.

The RFC started out with a $500 million capitalization from the Treasury. Through the operations of the lending functions, $400 million of that stock has been retired. In addition to that, during that period, about $400 million of dividends have been paid on the stock to the Treasury.

In addition to that, the Corporation has paid all of its salaries and expenses, and paid interest amounting to about another $400 million interest to the Treasury on the money that it has gotten from it, so that

you have a net over and above expenses, through the RFC's operation, of well over a billion dollars.

Precise figures can be furnished. Those are reasonable enough to be useful.

Mr. TALLE. You need not supply them unless they are called for, but I am glad to know that they will be available.

Another question: Have you found that the RFC has been reluctant to withdraw, once it has become a preferred creditor, we will say, in a bank, where the RFC would rank ahead of all other creditors?

Dr. WELSH. I would say that the RFC has been reluctant, where it thought that it risked its investment by withdrawing. If you mean by taking a second position on collateral——

Mr. TALLE. No; I meant, to be paid off and step out altogether.

Dr. WELSH. Oh, well, not since there has been an Administrator in charge of the RFC, sir. Since there has been an Administrator, there has been a distinct effort to act exactly in the opposite from that tendency. In other words, we have been making every effort to get out of any one of the loans that the RFC has made. Just this business of retiring these public agency loans in itself gives some evidence that it has been quite rapid during the last couple of years, and whenever a bank is willing to come in and take over, the RFC, it seems to me, has a legislative responsibility. Funds are now available and it must get out, unless it is at a distinct disadvantage, due to unreasonable rates or something of that sort.

Mr. TALLE. Is there any RFC money in any banks of the United States at the present time?

Dr. WELSH. Yes, sir. I can't tell you exactly how many. I do have those figures, but I don't have them at hand. There are still banks that have not been able to retire the preferred stock, which the RFC took in refinancing them, back in the thirties. They are being decreased all the time. Each one of those banks is continuously contacted to see whether or not it is in a position to pay off part of it, and plans even for the next year, or the next few years, for their retirement, have been gone over with us, with respect to all the banks that we stock in. But national banking legislation prevents them from retiring them any faster than it is safe for the banks to do so, so we have that check on us.

Mr. TALLE. Are those banks numerous?

Dr. WELSH. Eleven, the record shows.

Mr. TALLE. It looks a little anomalous, on occasion, to tax businesses at so high a rate that they can't lay aside money to lift themselves up, and then on the other hand, the Government sets up lending agencies in order that they may be lifted up.

It would appear that reduced taxation would be a considerable help to business.

Dr. WELSH. I am quite confident that reduced taxation would be of considerable help not only to companies, but individuals, sir.

Mr. TALLE. It would to me, certainly.

Dr. WELSH. However, there is a situation where a company needs funds in order to produce and to operate, and whether you reduced taxes or whether you didn't, they would probably still need funds. There are those cases. I hope they are not numerous. I know there are some of them. We run into them all the time. Reduced taxation would obviously help as any other reduction in cost would help.

Mr. TALLE. Thank you.

The CHAIRMAN. Are there further questions?

Mr. WIDNALL. Mr. Chairman.

The CHAIRMAN. Mr. WIDNALL.

Mr. WIDNALL. In figuring out your profit-and-loss statement for RFC, is a full charge made for use of premises?

Dr. WELSH. Rent, yes sir; so much per square foot, we are paying, through GSA, on the building.

That has not been true throughout the whole history of RFC, sir.

But it is true at the present time.

Mr. WIDNALL. It is true at the present time?

Dr. WELSH. Yes, sir.

Mr. WIDNALL. Is it true that sometimes in making RFC loans, there has been insistence on recognition of a labor union within a plant?

Dr. WELSH. Not to my knowledge, sir. It certainly is not a part of our standards or policy in any respect, either written or oral.

Mr. WIDNALL. I have heard the allegation made that where RFC has gone in to save a bank or to help in the operation of a bank, there has been insistence on recognition of an employee union?

Dr. WELSH. That could be true, sir; I do not know. The RFC has not been for some time making any loans to banks. The reference that I made was to whether we had gotten out of all the loans made previously, but there are no loans being made to banks at the present time.

Mr. WIDNALL. I heard the complaint made by some bankers that in some instances where there has been an RFC loan, the RFC has authorized changes in the employee set-up with respect to salaries and benefits, which have made it difficult for other banks to compete, and they have done it through recognition of labor unions.

They have also at the same time maintained their own position in the bank, because the bank was unable to pay off on the RFC stock, on account of the increased costs.

Dr. WELSH. I am sorry not to be more helpful to you than I can be on that particular question because, as I say, we have not been making any loans to banks for some time and none since I have been there, and the setup as far as the existing loans to banks—that is mostly on the preferred stock—is that they have to come in and get approval from the RFC for salary increases in the bank.

Those are initiated by the management of the bank and they submit them to the RFC for approval. The only purpose of that is to make certain that they are not making unusual payments that would delay further their repayment of their preferred stock to the RFC, so that the entire attention that the RFC has been giving has been to discouraging increases to the extent possible because it does affect adversely, often, the position of the RFC.

Mr. WIDNALL. Well, the charge has been made that actually the impetus for changing salaries and upping benefits has come from someone in the RFC who wanted to maintain their position in that bank and not have the RFC loan paid up.

Dr. WELSH. I am sorry I cannot comment on that.

I know that has not been the policy and I have certainly had no part in thinking of that sort, sir.

Mr. MERRILL. Mr. Chairman.

The CHAIRMAN. Mr. MERRILL.

Mr. MERRILL. As I understand it, these municipal loans that you have been making cannot possibly be made through any authorization in this bill we are considering now.

Dr. WELSH. That is right.

Mr. MERRILL. When you talk of these loans to small business on their future earnings, are you talking primarily about loans to carry out defense contracts, or are you thinking about a permanent program that will continue beyond any defense effort?

Dr. WELSH. I was thinking of both, sir.

Mr. MERRILL. I hardly know enough about this problem to ask the question, so be sympathetic with me.

It seems to me there is a line where a loan must stop, and risk capital must take over.

It seems to me that probably, in this direct-loan program based upon future earnings, perhaps the loan program is getting very close to it, and if not properly managed could very easily reach over into the field where legitimately, or where properly, risk capital should provide the money.

Can you comment on that and try to explain how this program, this lending program for small business, would operate in that marginal field and what safeguards we have to keep the lending from encroaching too much into the risk capital field?

Dr. WELSH. First, I would say that without good administration, any Government lending agency can get over into areas where private-risk capital should operate.

So that your first confidence has to be in the people who are going to operate it, no matter what rules you set down and what the legislation says.

The more persuaded the administration of the lending agency is that private funds must be exhausted before any Government funds are used, why, the more you are going to reach the objective, which I gathered from your question you probably had in mind.

That is one of the reasons I suggested that business of guaranties, and so forth, and the same agency, to you could check right along to see whether private funds were available.

The safeguards are not the type of safeguards you could put into a formula, I believe. We are employing them now to an extent to which we feel is practical by—whenever we find that there seems to be not only a need for but a practical possibility of obtaining equity capital, we put in our loan authorizations the requirement that there be an injection of so much money before we even authorize the loan. They have to put that money in ahead of the Government money, or the loan is canceled out. Whether the right percentages are used or the right amount is used in each individual case, of course, that is a matter of judgment.

But I think that it is a sound provision that in each case there should be a requirement for some injection of equity, to the extent that it can be shown it is available, reasonably available.

Mr. MERRILL. As I understand it, then, when this type of legislation is enacted, it is your opinion that the Congress has thrown the program over to the administrators, and if you do not have the right kind of administrator you could get into it and you have just got to have the right kind of man operating the program.

Dr. WELSH. I certainly agree with you, until you can catch up with it, mistakes are always possible.

Mr. MERRILL. It would be useless to try to safeguard by legislative means.

Dr. WELSH. I do not believe you could write into any legislation sound judgment and integrity on the part of the people administering it.

Mr. MERRILL. You say that the lending powers of this program should be separate from the advisory powers, the general helpful duties, say, that an agency of this type should perform.

Would it be your idea that ultimately perhaps the helpful powers, the advisory powers, and all that, should be, say, in the Department of Commerce, with the lending power over here, in a continuing RFC? Is that your idea?

Dr. WELSH. The lending power in a continuing RFC—and the name is only to identify it—to me makes the best sense.

Whether the advisory powers would be in the Department of Commerce or a separate advisory agency to give it the type of prestige it might well merit. I can see much advantage in that. Once it is buried—and I do not mean intentionally, but just one of a number of offices, in a department—then it is also considered to be that small, even though it might be very influential.

If it gets separate attention, separate building, and separate letterheads, it does have additional prestige. And I believe also you can get men of a little greater standing to come into something as a separate agency than down as a part of a department.

As far as the separate lending agency is concerned, I see a great deal of merit in separating, to the extent possible, Government lending to private business from management of private business.

Once you get into the matter of trying to handle contracts, and advise them in this and that, and help them in various dealings with the Government, you are getting into their management, and I think it is well to keep a financial role of the Government, in small business, as independent and separate and subject to continuous inspection of the Congress, and you cannot do that once you get it into that phase of it. That is only my personal comment, sir.

Mr. MERRILL. Aren't you apt to make more unsound loans if the man who have become all excited about the program also gets to pass on how much money you feed into it?

Dr. WELSH. I would have added that, sir, but I did not want to reflect on any suggestions that have been made. I certainly agree with that.

Mr. MERRILL. It is the sound business of banking, is it not, that the man who is finally going to let the money out should be over here on one side, unemotionally to look over the whole program after it has been worked out, without having, you might say, any excitement about the program, so that when he makes his authorization for the loan it is on the basis of a completely independent and fresh judgment? Is that not good sound financial policy?

Dr. WELSH. It is not only sound but I would like to have said it that well, sir.

Mr. MERRILL. Thank you.

Now, let me ask this question—and let me say this, too, having had some experience with the business of the RFC: While I do not deny the newspapers, I feel that agency must have had a split personality, because those fellows, it seems to me, that I dealt with, were experts in their field, the ones working in the business end of RFC; but, apart from that, do you think that the success of the program, insofar as not losing my money, was in any way due to the fact, that we were in a boom, in an ever-rising price market so that it was always possible to sell tomorrow for more than you paid today?

Do you think that that ever-increasing price structure that we had accounted in any large measure for the great success of the RFC program, so far as losses are concerned?

Dr. WELSH. I certainly think it contributed. There is no time when it is easier to pay off debt than in a rising market and a market of expanding business. That certainly increased the possibility of the private companies, and communities that had borrowed from the RFC, to pay off and has increased and improved the market for the securities that we have held.

On the other hand, as I say, the RFC did make money each year during the thirties too, and while they were in a rising market, there, I would not want to say that in any sense it was just due to great ability, but it was due to a combination of circumstances, one of which was ability.

There has been a remarkable amount of creditability in the RFC. I did not know anything about the people when I went there, but I found an amazing number of competent, able credit people in that agency.

Mr. MERRILL. Do you feel that the present credit policies used by the RFC are sufficient to safeguard the program in the event of a drop in the price structure in the future?

Dr. WELSH. I think so. I think that they are safer than almost any other lending operations, private lending operations in the United States.

Mr. MERRILL. Now, this question may be out of your field. If you don't want to answer it, don't bother. From your contacts with small business, through this program, what is your opinion as to the excess-profits tax? Do you believe that it would be wise, from the standpoint of small business, to relieve them from the burden of excess profits at this time? If you don't want to answer that, it is all right.

Dr. WELSH. No; I will make just a couple of general comments.

In the question of reducing taxes, I always like to look first of all at what we are using the funds for. If there is any way in which you can cut down in the need for the funds; and, if you can, the proper thing to is do is to cut taxes.

As far as removing an excess-profits tax from small business, and not removing it from large business——

Mr. MERRILL. I don't mean that.

Dr. WELSH. I would certainly be opposed to that, because I don't think you should enable small business to thrive through special privilege.

Mr. MERRILL. Perhaps I should say this: Is small business more involved in the excess-profits tax than large business?

Dr. WELSH. I don't think I am competent to answer that, sir.

Mr. MERRILL. Assuming that you were going to treat them all alike, do you consider the excess-profits tax, we will say, an especially vicious tax, which should go before other taxes, in the way of tax reduction, or not? If you can't answer it; it is all right.

Dr. WELSH. Well, do you want me to compare the excess-profits tax with all other types of taxes?

Mr. MERRILL. General corporate tax.

Dr. WELSH. As to general corporate tax, obviously, it should go first.

Mr. MERRILL. Even if you increase the general corporate tax to take care of that?

Dr. WELSH. I would want to know the conditions under which the others were to be increased.

Mr. MERRILL. Thank you. I am sorry I got a little afield.

Mr. SPENCE. Dr. Welsh, I judge from your statement you think it would be a mistake to abolish the RFC.

Dr. WELSH. I think it would be; yes, sir. I told you I didn't think that the name itself was the significant thing, but an independent lending agency, subject both to the Congress and to the Executive, in my judgment, is a sound arrangement.

Mr. SPENCE. Don't you think the wide experience they have had would be beneficial?

Dr. WELSH. I don't think you can buy it anywhere.

The CHAIRMAN. Thank you, Dr. Welsh.

Dr. WELSH. Thank you, Mr. Chairman and gentlemen.

The CHAIRMAN. We are very glad to have your views. I feel you have made a very valuable contribution to the subject matter under discussion.

Dr. WELSH. Thank you.

In my endeavor to emphasize the insidious attack currently being waged against small business, I want to ask your special attention to the testimony given before the Banking and Currency Committee by Dr. Edward C. Welsh.

I suggest that you give Dr. Welsh's testimony particular weight because of its nonemotional and objective character. His wide experience and energetic support for private competitive enterprise—particularly small business—has earned him the respect of thoughtful men in both of our great political parties.

For those who may not have an opportunity to read Dr. Welsh's testimony right away, I will take just a few minutes to outline several of the points he emphasized:

First. To give equality of opportunity but not special privilege to small business, it is sound for there to be a Government lending agency;

Second. Such agency should make loans and not grants—to enable small business and small communities to perform essential functions in a competitive economy;

Third. Funds for these useful purposes are not available to the extent needed, from private sources. This is due in part to legal limitations on private bank lending and in part to private banking policies;

Fourth. The RFC is an efficient organization, with highly competent personnel. Its existence should not be threatened. On the other hand, the Congress should see to it that its lending policy is flexible and adjustable to changing economic conditions;

Fifth. The RFC, regardless of its name or initials, should be strictly a lending agency, handling loans to small businesses, small communities, and disaster victims. It should handle also Government-guaranteed loans. Under those circumstances, the Congress could look to one Government agency to see that private capital is given first opportunity and then that Government funds were being loaned properly;

Sixth. Government lending should not interfere with private-business management; hence, the Government lending agency should be separate and distinct from any Government function of letting Government contracts, obtaining procurement opportunities, and so forth;

Seventh. The RFC is an earner. During a recent 13-month period the RFC paid to the United States Territory $173 million, after having met all of its expenses without any appropriation from Congress;

Eighth. Small business is threatened in the United States and it is the responsibility of the United States Government to protect and assist anything so basic to the preservation and progress of our capitalistic system;

Ninth. Congress should not legislate as to the size of loans or otherwise attempt to judge in advance just how much is needed and by whom for essential purposes. Rather, Congress should keep alert at all times to see that the Government lending agency is doing effectively and efficiently what those in Congress who favor fairness to small business want done.

Tenth. The Congress should be alert at all times to see that a Government lending agency is being administered properly and in accord with congressional intent. Do not kill the organization in the process and do not be fooled with the false arguments of economy or of the absence of need for the agency. The RFC should be continued, should not be merged with the SDPA, and should be given congressional assurance that small business is to be given a fair break as regards both working capital and capital for needed facilities.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. WOLCOTT. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Chairman, I do not think that my good friend, the gentleman from Texas [Mr. PATMAN], is really angry with me. He may be, but he should not be, because he and I have been good friends too long to have any falling out about a matter like this. But since he went to such great lengths to talk about me and what I had done as the majority leader, possibly I might comment without too much rancor that I never saw a man press so hard to try to get himself off the spot as he was pressing here.

If you will read the minority views with respect to the bipartisanship feature, you will find out, first of all, that the Small Business Committee did consider this matter, and they say in the minority views—the gentleman from Texas and the gentleman from New York—that they agree in principle with this act. If you read on through the minority views you will find that they challenge only two things, and those have been indicated by the talk here today as things that would be subject to amendment or offered for amendment. One was the reduction from $500 million to $250 million in the revolving fund and the other was the limitation of $100,000 as the amount of loan.

Now, I say, sometimes one can protest too much. The gentleman from Texas undertakes to take me to task on a personal basis for putting on yesterday a proposal that bore my name as the author. Well, that measure had been introduced 2 months before, and I think the present whip on the minority side, who has long served as majority leader on his side, would agree with me that when you put out a whip notice and you lump together for Tuesday, Wednesday, Thursday, and Friday, or whatever it is, a lot of bills, no one assumes from that or no one understands from that that you are going to call them up in the order in which they are listed. So, I must say that I resent in some slight measure an effort to question my integrity in the matter of leadership or in the matter of putting on these measures yesterday.

One of them took a little longer than I thought it would, and that was not my fault. However, let me just point out, since the gentlemen from Texas so belabored the point, that the explanation of this bill could have been given in a comparatively short time. He says now since he studied it a little more, maybe he does not like some parts of it, but he is going to go along with it, and I take it he felt that way about it yesterday evening. There could have been an explanation of the bill, there could have been a presentation of the arguments for 10 or 15 minutes on each side on the two amendments—those are the only things at issue here—and the matter could have been disposed of by 6 o'clock yesterday evening, and there would not have been any indecent burial of any small-business bill, not by any manner of means. The House could have worked its will. Probably there would have been more Members here paying attention to what was going on yesterday afternoon than there will be here today, so I say it could have been disposed of, and I am not going to take the responsibility.

Again, as far as bipartisanship is concerned, let me say this:

The gentleman from Texas will remember that I served as chairman of the first Small Business Committee that this House of Representatives ever knew. It was a Republican committee. I was named by the minority leader, now Speaker, the gentleman from Massachusetts [Mr. MARTIN]. We had an all-Republican committee. We held hearings in behalf of small business when the impact of World War II and the defense operations began to be felt. It was only after we got that under way that the gentleman from Texas introduced the resolution to make the committee an official committee of the House of Representatives. When he did that we were happy on our side to fold up the operations of our Republican committee and join with him in carrying on all the functions of the official Small Business Committee. I was happy and proud to serve as the Republican ranking Member with him until I became majority leader in the 80th Congress, when of necessity I dropped off the committee. Then for 4 years I served again as ranking Republican Member. We did operate generally speaking on a bipartisan basis except when once in a while the gentleman from Texas would get off on some of his pet theories that had nothing to do particularly with small business, and we had to sort of get him back on the track. But generally we agreed.

There is no difference here. You say in your minority views that you agree with us in principle. You say you only challenge two things which are of any consequence. I will tell you what I think is the matter with the gentleman from Texas. He sees here a real effort to do something in the Congress which will be of continuing real benefit to small business. I am afraid the gentleman just cannot stand the fact that it happens to be a Republican bill, reported by a Republican committee, which is going to be adopted by a Republican Congress.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. PATMAN. What does the gentleman say about the RFC discontinuing loans to the small communities throughout the land? This bill does not provide anything at all for that—nothing.

Mr. HALLECK. Since you brought that up, may I say to the gentleman from Texas that you said the RFC has made a lot of things possible, and believe me in recent years, it did make a lot of things possible. It made a lot of things possible that came to be a stench in the nostrils of right-thinking people all over this country. I am glad the administration has decided, after consultation with the Republican leadership of the Congress, that we will let the RFC expire.

Mr. PATMAN. Mr. Chairman, will the gentleman yield further?

Mr. HALLECK. I yield.

Mr. PATMAN. But you are not talking about the small community loans. You see there is no stench there. There was not even any charge of any kind of wrongdoing. They made $1,500,000,000 worth of loans and all except $25 million of that have been sold in the market.

Mr. HALLECK. Maybe there wasn't, but the principal complaint made by you, as I gather, was that the bonds of Florence, Ala., if I recall correctly, were going to be tax free and they are drawing 5 percent interest.

I know the gentleman has always been for one-half of 1 percent money or something like that, and in that time the people who have been saving their money, and who have exercised a little thrift, have seen a big part of their savings go out the window.

Now, to get back to the RFC. As I say, I think most people have decided, by and large, that it served its usefulness. There is also a recognition on the part of the Eisenhower administration, on the part of the Department of Commerce, and now on the part of the Republicans in Congress, that some such thing as we are attempting to do here is highly desirable from the standpoint of the protection and assistance to small business. I am just a little amazed at the tangents of the argument which the gentleman from Texas presented. It has made me believe that he is trying to prove there was so much to talk about here that we could not dispose of it yesterday. Why, most of what he talked about had nothing to do with this bill. He should have been up here commending the Committee on Banking and Currency for bringing out a bill that makes this agency an independent agency of the Government, answerable only to the President of the United States. The gentleman from Texas will remember that I went with him to the Committee on Banking and Currency 2 years ago, and there argued with him as the ranking Republican member of the Small Business Committee of which he was then the chairman that we did not want this small-business agency fastened in with one of the great departments of Government, because we wanted it to be operated in the interest of small business. That is what this bill provides.

I know there are some here who think we should not even have this kind of bill, and that all of these matters could be taken care of through private channels. I wish I could be absolutely sure that that would follow, but I do not think we are up to that point yet. What I say is that here is a good bill. Instead of anyone questioning it, they ought to be here promoting it. If the RFC is to expire, and, as I say, I hope it does, then let us have this agency made into a permanent agency of the Government, subject only to the action of the Congress of the United States to terminate its operations, because nothing, after all, is really permanent, and so long as that applies, and I should say at least by its terms it has no specific limitation date, we should pass this bill. I think it will be a great boon to the really small business of this country. Two hundred and fifty million dollars in a revolving fund is plenty of money. If the time comes that they need more money or it is deemed desirable to give it to them, the Congress is free to act.

As far as the $100,000 limit is concerned, if you are really undertaking to deal with small business—and that is what I think we are trying to do here—let us forget about some of these great big loans away up in the millions and millions of dollars, that did not turn out so very well. Let us keep it down to the point where it will be of real help to the small business of this country. If we do that, I think the people will applaud us, and they will applaud our accomplishments and our action here to really do something for small business.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Chairman, I regret exceedingly, and I think most of the membership does, that some partisan politics is beginning to creep into the consideration of this bill.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. I think we should keep the record straight. The Senate bill calls for a $100 million revolving fund. The first bill introduced by the gentleman from Colorado [Mr. HILL] called for $50 million. Then he introduced a bill afterward for $500 million. It is very difficult to define small business. Therefore the $100,000 limitation in the bill will be helpful for this purpose. If a man in my section of the country wants to borrow $100,000, we consider him to be in rather big business. I am in favor of extending the RFC. It should not die. But, if this is a little-business bill, let us pass it on its merits.

Mr. MULTER. I thank the gentleman for that contribution, and I trust that when it comes to the revision of the remarks, both the gentleman from Texas [Mr. PATMAN] and the gentleman from Indiana [Mr. HALLECK] will delete all of the personal references to one another. I am sure they will agree, upon wiser reflection, they do not belong in this debate. They do not contribute anything to it.

I think I can say, for both sides of the aisles, that we believe that everything the distinguished majority leader, the gentleman from Indiana [Mr. HALLECK] did with reference to this bill yesterday and today was done with the utmost good faith, and he certainly has given us ample time to consider this bill and to consider it on its merits. He is always fair and gentlemanly. During all the time that he was a member of the Small Business Committee, he showed that this committee did try to operate on a nonpartisan—not a bipartisan—but on a nonpartisan basis. The gentleman from Texas [Mr. PATMAN], while chairman of the committee and while ranking minority member, showed the same spirit during all of his activities in the conduct of that committee, as he does in considering all matters that come before us. Let us eliminate any bitterness or rancor that has unfortunately been injected into this debate.

Let us bear in mind that in the introductory section of this bill we use this phrase:

> The essence of the American economic system of private enterprise is free competition.

We do not talk about the Republican economic system. We do not talk about the Democratic economic system. It is the American economic system we are dealing with, and we say:

> Only through full and free competition can free markets, free entry into business and opportunities for the expression and growth of personal initiative and individual judgment be assured.

That goes for both Democrats and Republicans alike. So let us address ourselves to the merits of the few things that are in controversy.

Both sides agree that this is a good bill and that the American economy needs it and that small business needs the help we are trying to set up for it by this bill. The only difference is in the amounts that are to be authorized to accomplish this laudable purpose. The Small Business Committee unanimously instructed the distinguished gentleman from Colorado [Mr. HILL] to introduce a bill calling for $500 million of lending authority, with $400 million of general lending authority and $100 million as it is limited in the bill now before you. There was no limitation on the amount of the loan. One hundred thousand dollars is big money to many a small business, but at the same time there are many small businesses that cannot operate with $100,000 and will not be able to operate with a $100,000 loan. Just as we have left in the bill a very flexible definition of small business, we must leave with the agency we create the right to determine what the amount should be.

You all know that in some instances a small-business plant may have to pay as much as $100,000 just to build a single machine. That is true in the electronics industry. That is true in the plastics industry. That is true in almost every other industry that is trying to fit into the defense effort.

So I say that, as expressed heretofore in the Small Business Committee, and as developed by its hearings throughout the country, unless you are going to have an authorization of $500 million, this Small Business Administration will not be able to operate properly. Unless you delete that limitation of a maximum loan of $100,000 to any one small-business enterprise, the agency cannot be effective and operate as it should operate if it is to be an effective agency.

It is all right to say, as some of you will: Let us try it on this basis, then come back later and increase it; but we know from past experience with RFC loans to small business—and nobody can criticize the RFC loans that were made to small business—a $100,000 limitation will scuttle this program.

Mr. DONOVAN. Mr. Chairman, will the gentleman yield?

Mr. MULTER. Yes.

Mr. DONOVAN. Under the Small Defense Plants Administration that was set up by the last Congress, how much was in the revolving fund available for loans?

Mr. MULTER. The Small Defense Plants Administration was not authorized to make any loans, and there was no authorization for any sum of money. The Small Defense Plants Administration was authorized by the Congress, and as it exists today is authorized merely to recommend to RFC the making of loans. The RFC then approves or disapproves as it sees fit.

Mr. DONOVAN. Up to what limit?

Mr. MULTER. There was no limitation; and, as a matter of fact, one of the things I want to point out is this very significant fact: Under the Small Defense Plants Administration as it existed during World War II there was no limitation on the amount of loans. Had the limitation of $100,000 per loan existed at that time the record shows that 75 percent of the loans to small business would have been refused and could never have been made.

Mr. DONOVAN. One further question, if the gentleman will permit.

Mr. MULTER. Certainly.

Mr. DONOVAN. Can the gentleman tell the Committee how many millions of dollars were recommended by the Small Defense Plants Administration?

Mr. MULTER. In dollars, I cannot give it to the gentleman. Three hundred and fifty-six loans were made, and of those 356, 36 percent, or 127, were in excess of $100,000. That means that the small-business economy that needs the help cannot get it if you have this $100,000 limitation in this bill; and I do hope that when the amendment is offered by the distinguished gentleman from Texas [Mr. PATMAN] to eliminate that limitation you will go along and do it, and do it on the nonpartisan basis that all of the legislation connected with small business has been handled heretofore; let us not get into any partisan squabbles or quibbles about it.

Let me state that it is correct that Mr. Sheaffer did say as the gentleman from Texas said, that ultimately he wanted to see this agency in the Department of Commerce, but that as of now it was his opinion that it must be an independent agency if it is to operate to the best advantage.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield.

Mr. SEELY-BROWN. If the gentleman desires it, I can provide him with the detailed information regarding the amount of loans that have been recommended—in response to the question just asked.

Mr. MULTER. I would be very happy to have it and thank the gentleman for it. The information which is handed to me by our distinguished colleague from Connecticut [Mr. SEELY-BROWN] is most apropos and is as follows:

> Résumé of period January 1952 to March 27, 1953: 1,845 applications for $452.5 million filed; 1,378 for $378.9 million withdrawn or found ineligible; 430 for $55.7 million favorably recommended to RFC; 38 for $4.3 million declined by RFC; 36 for $6.1 million pending action by RFC; 356 for $44.8 million approved by RFC under its 3 leading authorities.
>
> Average size of loan approximately $126,000.

Mr. TALLE. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I am happy to.

Mr. TALLE. I am very glad the gentleman from New York stated as he did a moment ago that Mr. Sheaffer was heartily in favor of the bill. That was certainly my impression.

Mr. MULTER. Yes, he was heartily in favor of the bill; and he did say that as of this time he wants to see this an independent agency. Then he went on and added that at some future time when they got through with the reorganization of the Department of Commerce he thought that at that time this agency should be made a part of the Department of Commerce. But let us argue that at the time it comes up, when the Department of Commerce reorganization is complete; let us not try to meet that issue at this time.

Mr. TALLE. I agree with the gentleman that Mr. Sheaffer stated he was heartily in favor of this bill.

Mr. MULTER. I trust you will go along with the opinion of the Small Business Committee of the House in recommending that this authorization be $500 million; and bear in mind we are not spending one dollar of that sum. All of this $500 million is for loans, every dollar of it will come back with interest. Our experience with loans to the small-business interests of the country is that with very few exceptions every loan has been paid back, and the interest that has been earned on the loans that have been made have more than paid a profit to the United States Treasury over and above all losses. The overall picture shows a profit and not a loss in dealing with the small business of the country.

We can safely go ahead with this program of a $500 million authorization and without any limitation on the amount of any single loan.

Mr. GAMBLE. Mr. Chairman, I yield 15 minutes to the gentleman from Colorado [Mr. HILL].

Mr. HILL. Mr. Chairman, before I begin my prepared statement I should like to hand to the gentleman from New York [Mr. MULTER] this page. On it he will find the exact sum that the SDPA and the RFC together loaned to small business firms as reported in their sixth quarterly report of April 15, 1953. That sum is $44,798,327. I am glad to put this information in the RECORD.

In making this statement I should say that those loans are made by the RFC on the recommendation of the SDPA. I want to frankly confess in the beginning of my few remarks that they have done a good job in connection with these loans. In other words, these loans have been worthwhile not only to small business firms but the loans have really helped the war effort and the general economy of the Nation.

The bill we are considering today, H. R. 5141, is not the result of sudden or impulsive action by either the Banking and Currency Committee or your Select Committee on Small Business, but rather a continuous growth through many years of a realization of the importance of the small business enterpriser to our national economy.

Before discussing the measure or the importance of free competition and small business operation, I wish to compliment highly the splendid cooperation and support I have had, unanimously, from your Select Committee on Small Business, of which I am the chairman. Our committee considered this legislation from all angles, discussed every statement and the sections of the bill, sentence by sentence. We felt it was important that this legislation be simple, straightforward, and yet give enough attention to details to be certain the purpose and the thinking behind this measure could not possibly be misunderstood.

The Banking and Currency Committee is to be complimented on their careful analysis of every phrase in the bill, and the changes they made were all suggested because of the conscientious effort and the intense desire to present a measure to this House that could and should be unanimously supported by every Member of this body. I personally appreciate the fine work that has been done by not only the committee members themselves, but also the assistance of the staff who labored unceasingly to polish up this measure and to finish it in a form that I feel, personally, has been improved since the introduction of the original bill, H. R. 4090.

In the discussion of this measure I am sure we should not permit any section of it to receive too much attention or emphasis. The entire bill performs, we think, a real purpose and carries with it an intent of performance that should not be overshadowed by controversial issues on certain sections.

I am sure Members of this body will understand what I refer to.

This legislation, H. R. 5141, we are certain, lays the foundation and provides the base from which our national economic welfare can continue to develop, and free men, as in times gone by, will be able to begin to organize and to plan new industries, develop new processes, and, in short, keep American economic life free, open, and competitive from every angle.

Mr. Chairman, H. R. 4090, the original bill that I introduced, has been replaced by H. R. 5141, and H. R. 5141 was stricken in its entirety and the Committee on Banking and Currency substituted as a bill H. R. 5141, as amended. This is the bill we are considering this afternoon.

Past congressional recognition of the problems of small business has been limited to measures seeking for small business during times of war or national emergency a fair and equal participation in war and mobilization programs.

The time has come, it seems to me, that small-business enterprises should be viewed not as a war-born stepchild but in their true perspective as the economic backbone of our entire national economy. A vigorous, healthy small business is the best barometer of, and safeguard for, a continued prosperity and security of our Nation. This bill is permanent legislation, and is meant to accomplish through a Small Business Administration three basic essentials:

First. To make small-business enterprisers sound and self-sufficient by making available to them technical, financial, and managerial aids and assistance.

Second. To insure during times of emergency or of war an equal opportunity to participate in various types of Government functions necessary to carry out an intelligent and planned war effort, eliminating past inequities and maladjustments that have been apparent in the production for war.

Third. To concentrate the administering of small-business programs into one independent agency of the Government.

The present small-business programs overlap, work at cross purposes, and many are inefficient, ineffective, and expensive. This legislation authorizes the President to eliminate this senseless duplication and waste of effort and money by placing all small-business functions of all the agencies in the Government under one head where they rightly belong—the Small Business Administration.

In this way small enterprises would be strengthened and developed, free competitive enterprise remain healthy, and the economic well-being of all our people, as well as the security of our country maintained.

Mr. Chairman, the Select Committee on Small Business, composed of WILLIAM S. HILL, R. WALTER RIEHLMAN, HORACE SEELY-BROWN, JR., WILLIAM M. MCCULLOCH, TIMOTHY P. SHEEHAN, and CRAIG HOSMER, on the majority side; and WRIGHT PATMAN, JOE L. EVINS, ABRAHAM J. MULTER, SIDNEY R. YATES, and TOM STEED, on the minority side, has carefully considered this legislation and with very little suggested changes have unanimously supported the passage of this measure.

There are some sections of this legislation that all the members are not in agreement as to the exact wording or the particular phrasing of the sections. In the section concerning loans, the amounts have been questioned. But I might add all the doubts in the minds of the members are not concerning the basic ideas expressed in the bill. They are only in regard as to how to carry out the intended purpose of the legislation.

The Small Business Committee realizes that what we need is intelligent and forthright action at the present time on such legislation as is proposed in H. R. 5141. SDPA legislation, under which small-business enterprisers have been working for the past 2 years, is a section in the Defense Production Act of 1950, section 714. And now it seems that action should be taken to establish a permanent agency independent and owing no allegiance to any other organizations than legitimate small-business firms. With such an agency continuously serving the interest of small firms, I am convinced that small business will be strengthened and developed and that free competition will remain and the economic well-being of our country be advanced.

The SDPA is a war measure and expires or ends on June 30, 1953. Any assistance small business has received by way of section 714 of the Defense Production Act of 1950 has been based definitely on a war-organized program or, in other words, the defense program.

H. R. 5141 goes farther than a war effort or defense preparation. This bill provides for small-business assistance in peace, as well as defense, good times as well as bad. In fact, this legislation provides a permanent Small Business Administration.

This is certainly not another agency. In fact, it is just the opposite. Here we are replacing a wartime agency, the SDPA disappears and SBA supplants its activities. We may expect and in fact we provide in this legislation that small-business activities in every department of the Government, the Army, the Navy, the Air Corps, all Federal agencies and departments, would discontinue their small-business-activities programs, and so forth, and it would pass into this autonomous integrated small-business agency. This we are certain would curtail Federal expenses, prevent overlapping, and would result in building up a more valuable program for small business than could possibly be done when the small-business programs are scattered through all agencies of the Government and uncoordinated, unorganized, and acting without a unified, centrally controlled direction.

Specialists on small-business programs of Apr. 10, 1953, in the Armed Forces

	Full time	Part time	Total	Salaries
Army	57	263	320	$1,191,548
Navy	62	149	211	503,260
Air Force	52	8	60	326,902
Total	171	420	591	2,021,708

From good authority we learn that the small-business programs and efforts that are being made by the various departments are costing annually more than $25 million. Certainly this Small Business Administration can do a good job, and save the taxpayers money by assembling and properly handling in one group (staffed by competent help), a service it has always needed. I quote from Small Business, Its Role and Its Problems:

Our modern technological age, the fruits of large-scale research, the pressures of vigorous competition, high taxes, and increasing Government regulation, raise new problems for all business, including the small business.

The importance of small business in our national economy cannot be overemphasized.

An industrial civilization such as that of the United States embraces several millions of distinct and separate businesses producing millions of different products and providing many thousands of different services. From 1857 to 1951, population increased from 29 million to 153 million, while the number of commercial enterprises increased from 204,061 to 2,608,000. In 1857 there were seven enterprises for every thousand persons. In 1951 there were 17 per thousand. As shown in the following chart, the number has increased more rapidly than the population for almost a century.

Although the vital statistics of business concerns are far from adequate, available data show the vast majority of concerns to be small. In 1899 some 49 percent of the manufacturing firms with hired employees had less than 5 workers. Only 20 percent of the firms had more than 20 workers. During the next half century industrialization completely changed most aspects of American life, yet in 1947, 29 percent of the manufacturing firms had less than 5 employees, and less than 18 percent of the firms had 50 or more workers.

Industry division and size class	All types	
	Number	Percent
	Thousands	
All industries	3,839.7	100.0
0 to 3 employees	2,856.3	74.4
4 to 7 employees	490.8	12.8
8 to 19 employees	301.1	7.8
20 or more employees	191.6	5.0

Almost three-fourths of all firms had less than 4 employees, and only 5 percent had 20 or more. Individually owned firms were the most common type of organization, totaling nearly 70 percent of all firms, while 18 percent were partnerships and about 11 percent were corporations. Among the smallest firms, individual ownership was more common, representing 78 percent of the firms. Among the larger firms corporations were more common, being 56 percent of all firms with 20 or more employees.

The small business is the economic seedbed from which rises the majority of new ideas, new methods, and inventions. The United States Patent Office records reveal that of all the patents issued between 1921 and 1938, 43 percent went to individuals and 34.5 percent to 17,500 small- and medium-sized enterprises. Individuals, small and medium concerns accounted for about 77 percent of all patents issued within this period. Clearly, from an economic viewpoint, the small business and the enterprise of the individual are of the highest importance to our well-being.

In determining the place of small business in our economy, it is important to recognize that the small business does make a great contribution, partly because there are so many of these small units. Many of them barely hang on, others disappear; but out of the great number striving to get ahead, there is a sizable fraction which constantly brings forth new products and new methods and thereby grows and prospers.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from California who has always shown a great interest in small-business affairs and given our committee generous support.

Mr. JOHNSON. This bill appears to me to be a very fine one, particularly for two major cities in my district out in California, in which are located a group of small industries, not large ones, and where most of the contractors and small shipping and other types of plants do subcontracting. Some time back I was a member of a subcommittee of the Military Affairs Committee that wrote the termination of war contracts law, and I gained a very definite impression through investigations I made at that time as to what small businessmen can do. It was my privilege to talk to a man from Minneapolis who started out to make some condensers for the Air Force. He had only about 12 employees working for him when he started. At the time I talked to him, in 1945, he was sitting in an office trying to figure out how he could pay a $12 million income tax. His ingenuity had developed something which no other concern—big or small—had developed and the demand for it was tremendous. His business was expanded to meet the demand, which accounted for the tremendous income-tax bill which he was going to pay out of his contract profits. That demonstrates that in the small-business group there are very fine, very ingenious men.

I go along with the gentleman from Georgia [Mr. BROWN]. I think we ought to pass the bill as the committee drafted it with the possible exception of the $100,000 limitation. I compliment the gentleman on this bill and also the committee for reporting it at this time.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I want to commend the gentleman from California. I am very much concerned, however, about the limitation of $100,000.

My good friend from Georgia [Mr. BROWN] says that means a lot down his way, which may be, but up in New England 500 employees in some activity is a small business, and all through the North, and I am very much concerned about the $100,000 limitation. Personally I would prefer the $500 million revolving fund, but that is not going to disturb me very much because the majority leader well said that we can come back and increase it. But this restriction will operate adversely throughout the entire northern section of our country, and that is the thing that concerns me. I hope before the consideration of the bill is over, that that will be leveled off because that is the only question involved in the bill now before the House that I am really concerned about.

Mr. HILL. I thank the gentleman.

Mr. DONOVAN. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from New York.

Mr. DONOVAN. I agree fully with the distinguished gentleman from Massachusetts because the experience figures show that under the Small Defense Plant Administration the average loan—and many of them were larger—was $126,000.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield further?

Mr. HILL. I yield.

Mr. BROWN of Georgia. We thought we did a good job in the Committee on Banking and Currency. We set up to make this agency a permanent agency. In the first bill we were confronted with the figure of $150 million and I think everybody agreed we did a good job when we reached the amount of $250 million. Now, do not misunderstand me; I am for continuing the RFC and I expect to do everything I can to continue it, but this is a little business bill, and we must confine it to that. We are setting a precedent here. We are making it an independent agency, and I think that the Committee on Banking and Currency did a good job, and I think we ought to have the support of the House.

Mr. HILL. I thank the gentleman.

Mr. McCORMACK. I agree with my friend from Georgia. I think they have done a grand job, but the $100,000 limitation I hope will be considered. You see, if we have a limitation there of $100,000 or if it is increased to $200,000, that presents one problem, but without a limitation, by regulation, they can provide a limitation and create flexibility.

Of course, that is assuming they are not going to lend tremendous sums, but by regulation they can do it.

Mr. HILL. Yes. I would say this, I do not think we should let the limit of loans become overemphasized. Let us pass the bill and then we can change the amount if necessary.

Mr. JOHNSON. I agree with the gentleman, but the only thing I was talking about was that the dollar is so inflated that $100,000 does not buy much in the business world today.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield.

Mr. PATMAN. The gentleman is supporting the $500 million, is he not?

Mr. HILL. Frankly, and I want to be honest in my own heart, I think we should not have less than $500 million. But so far as the $100,000 loan limit is concerned, I am not sure but that the gentleman from Georgia [Mr. BROWN] is correct. Let me tell the gentleman from Texas [Mr. PATMAN] that it is pleasant to work with him. You have been fair on this measure, and I hope we are not going to let the $100,000 limit on this loan, or the $500 million have any effect on the way any of you vote.

I would like to say this: Let us keep the basic ideas in this bill and pass this measure, for this reason: I checked the other day, and you will be interested to know how many days we have been in session since I have been a Member of this House. We have averaged about 300 days a year. If there is anything that needs to be changed in this bill, let us just remember this: That in 2 weeks' time you can do it.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from Texas.

Mr. PATMAN. I feel the same way about the gentleman as he feels toward me. I have no personal feeling against the majority leader, but I did not like the statements that were made putting me on the spot. But, of course, these differences will be ironed out. But does not the gentleman think that the $100,000 limitation should be taken out?

Mr. HILL. Let us be honest again. I would hesitate to serve on a board that told me that when a loan request reached $100,000, as a board member, if it was $1,000 more I could not accept it when I knew that a $135,000 loan was safer than a $100,000 loan on another plant.

Mr. PATMAN. Our committee unanimously supported the $100,000-loan provision being taken out.

Mr. HILL. That is right. But I do not want to influence anyone else. I did not think we should even get into debate, as I told the gentleman, on this loan section; because, after all, this loan section is put in this bill because of the fact that the statement has been made that the RFC is going to be eliminated. If it had been continued, we would not have it here.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. SEELY-BROWN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SEELY-BROWN. Mr. Chairman, I would like to speak at this time in behalf of H. R. 5141, a bill which calls for the establishment of a new agency known as the Small Business Administration.

Coming as I do from a district which depends largely on small business for its economic livelihood, I am aware of the multitude of problems which confront the average person engaged in small business today. I am also aware that in these times of high taxes, materials shortages, and prohibitive costs that some form of governmental assistance must be made available to the small-business man if he is to survive in our present and future economic system.

In the past small business has been given assistance by the Congress in time of national emergency, and then in many instances the relief was granted too late to save many of the small operators who were caught in those periods of economic upheaval. The proposed administration, being a permanent agency of the Federal Government, would prevent a recurrence of this type of difficulty, and would assure small business of recognition at all times as the economic backbone of our American economy.

In establishing a Small Business Administration, we are endeavoring, not to create just another Government agency, but to constitute a workable comprehensive organization within our Government which will deal specifically with the problems with which the average small-business man in our economy cannot cope without assistance of some sort.

Statistics show that more than 95 percent of the more than 4 million business establishments in our country can be classified as small. The American economy has long been based upon the premise that it is possible for a business to begin small and grow big. However in recent years it has become more and more difficult for a small concern to stay in existence because of high taxes, materials shortages, and high costs of operation. Had it not been for agencies such as the Small Defense Plants Administration, the Smaller War Plants Corporation and the Reconstruction Finance Corporation, many hundreds of these smaller concerns would have been forced out of the economic picture.

The Small Business Administration will not only continue the work done by the Small Defense Plants Administration, but will enlarge the scope of this work to include assistance in time of normal peacetime operation as well as in time of war emergency as is called for in the present agency. The new administration will be authorized to make loans heretofore granted by the RFC, and the small business functions of all other Government agencies will be consolidated into the Administration, thus eliminating needless and expensive duplication of effort on the part of many agencies and departments.

Statistical surveys conducted by various types of agencies have been almost unanimous in the opinion that inexperience and inadequate managerial policies were the direct cause of more than 60 percent of failures in small businesses. The bill now under consideration empowers the SBA to assist the small business man with regard to these problems, whether his need be technical know-how or good-management principles in such fields as cost accounting, methods of financing, production techniques, or fundamentals of purchasing. All of the aforementioned are forms of assistance the average small operator could not afford if he had to hire consultants in these various functions.

Another of the activities which the Administration would be authorized to undertake would be the making of an inventory of productive facilities of small business concerns which can be used for war or defense production. The information contained in this inventory could be used to spread the base of prime contracting, increase the volume of subcontracting and be of invaluable aid to small business through the utilization of idle production facilities. The Administration would also be given authority to consult with Government procurement officers in order to utilize the productive capacity operated by small business.

I feel that it is time to give small business the type of consideration shown in the proposed measure. The experience of the SDPA and RFC has shown many times over the need for such an agency of the Federal Government. We cannot afford to let our small businesses down during periods of time when our economy is not geared to defense production and then expect the same small businesses to be at our beck and call in time of national emergency.

The proposed Small Business Administration takes small business out of the role of a warborn stepchild and gives it the permanent type of assistance, within one central agency, which it deserves.

Mr. SPENCE. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, it is my opinion that this bill can be enacted into law that will serve a very useful purpose, or it can become an idle and futile gesture and a nullity. Its usefulness will be due to the spirit with which it is administered. If it is administered sympathetically, if it is administered with a real desire to help small business, you have a sufficient instrumentality here to accomplish that purpose. If it is not administered in that spirit, you do not need the $250 million. That would never be used unless there was a real desire and a real purpose to help the people who need help.

I am going to vote to increase the authorization. Authorization does not mean the expenditure of money. It simply means to strengthen this organization and to assure those who are interested that if necessity demands it, funds can be obtained.

We all want to promote small business. Everybody who has the interest of the Nation and the welfare of its people at heart knows the importance of small business. We know the importance of free competitive enterprise. You cannot define small business. Small business is comparative. It cannot be

defined with reference to dollar volume of business invested capital or number of employees.

In the district I represent there is a steel plant and rolling mill which employs approximately 3,500 men. That is small business. Why is it small business? Because it is in competition with United States Steel, with Republic Steel, with the American Rolling Mills, and with Jones & Laughlin. Those immense corporations make that look very small, but that with many others like it furnish competition in a field in which there would be no competition unless these smaller plants were there.

In the district I represent there is an electrical-equipment company which employs about 500 men. It is small business. Why is it small business? Because it is in competition with General Electric, with Westinghouse, with Western Electric and other great corporations. If they had none of these small businesses in this field there would be an absolute monopoly. There is where the greatest danger occurs, and I hope we will always keep these small plants in business.

The big fellows could crush the little ones if they desired. You remember the great steel corporations put into effect the basing-point provision whereby none of the small plants could sell at the point of manufacture unless they added the freight rate from Pittsburgh or Birmingham in order that these big corporations could not be undersold at any place in the United States.

A loan of $100,000 would in many instances be totally inadequate to give the required help to the plants I have mentioned. I think when you consider the amount of the individual loan authorized you must consider also that these are the people who furnish competition now in the great essential fields of electrical energy and steel and many other fields, the things upon which the Government of the United States and the people must depend for their defense and for their welfare. If you do not give these people accommodation when they need it, competition in those industries may fade. Most of these small plants are amply able to pay back the loans; many of them operate in towns where the banks by reason of limitations on their lending authority are unable to furnish them sufficient funds. And if there is an agency here to which they can come with assurance that when they prove they are capable of repaying they can get this accommodation it certainly would be a good thing for them and for free enterprise.

I hope that the limitation as to the amount of the authorization will be increased and the limitation as to loans will be removed in order that loans may be made to the people who most need them to the extent they require.

Mr. WOLCOTT. Mr. Chairman, we have no further requests for time.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Chairman, I call the attention of my colleagues to the statement on page 5 of the committee's report concerning business failures in the United States. I am quoting from the report:

> The average of the current liabilities of the 8,058 concerns that failed in 1951 was $32,200 per unit. With respect to size, 20 business failures took place in 1951 involving current liabilities in the $1 million and over category and accounted for dollar liabilities of more than 7 times the dollar liabilities of the 1,832 failures which involved less than $5,000 of current liabilities. These figures with respect to trouble in American business in 1951 emphasize that most businesses are comparatively small in size. Actually, the 1951 failure rate was a favorable one as it represented only 31 failures per 10,000 concerns and compares with an annual average failure rate of 76 per 10,000 concerns over the period 1900 through 1951.

This excerpt from the report of the Banking and Currency Committee, of which I have the honor to be a member, speaks volumes for the stability of small business in the United States. It also calls attention to the significant fact that in the year 1951 business failures were 31 per 10,000 concerns, whereas the average failure rate for a half a century was 76 failures per 10,000 concerns.

In view of the fact that the majority of the members of the committee are stanch Republicans, and the great and beloved chairman is deservedly ranked as one of the outstanding leaders of his party, I deeply appreciate the gracious recognition of the achievement of the Democratic administration under President Truman given by this excerpt from the committee's report. It is true President Truman's name is not mentioned, but for purposes of identification that is scarcely necessary since everyone knows that he was the President in 1951, when business failures were running less than half the average percentage of failures for the last 50 years.

I am happy that my Republican colleagues on the great Banking and Currency Committee, recognizing the soundness of Democratic policies, are joining up with us in doing something for small business. I hope that they will come all the way and adopt the views so ably presented by the gentleman from Texas [Mr. PATMAN] and the gentleman from New York [Mr. MULTER], on pages 20 and 21 of the report.

Mr. MULTER. Mr. Chairman, I ask unanimous consent that all Members may have permission to extend their remarks at this point in the RECORD and to revise and extend the remarks they have made on the bill in the Committee of the Whole.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. EVINS. Mr. Chairman, there is substantial need for this legislation. There exists much merit in the provisions of H. R. 5141, a bill authorizing the establishment of a Small Business Administration. Such an agency, properly run, can be of vital importance to the business economy of our country.

Congress has long recognized the valuable role played by small business in our economy, but legislative protection for small business has been given only at times of national emergency when the facilities of the smaller producer were needed to tighten the sinews of our mobilization effort. All too frequently this type of assistance given to small business has been given too late to save such business from ruin caused by restrictions imposed during periods of emergency.

Thousands of our small producers were forced to shut down their plants during World War II, at a period of time when every productive facility of our Nation was needed. It was not until then that the Smaller War Plants Corporation was established in order to give small business a chance to survive and at the same time to play a vital role in our overall productive effort. A similar story can be told with reference to the small business of the Nation during the current Korean conflict and the present Small Defense Plants Administration. It was more than a year following the outbreak of hostilities before small business received any legislative assistance through the creation of the Small Defense Plants Administration.

Small business has always been recognized as the mainspring of our American economy. The chance to begin small and grow large has always been a part of our heritage as American citizens. Therefore, I feel that it is time that we take legislative action to give this important segment of our economy appropriate recognition.

As a member of the Select Committee on Small Business, I can assure the Membership of the House that the proposed Small Business Administration is the result of intensive study and many investigations made by that committee. These studies and investigations have clearly shown that small business is in great need of this type of remedial relief.

High taxes, materials shortages, high costs of operation and lack of adequate long-term financing have made it all but impossible for independent, small-business men to continue to exist in many instances. The chance to expand operations and thus grow into larger business is becoming increasingly difficult.

The proposed Small Business Administration would give small-business men a permanent, independent voice within the Federal Government, and would assure small business of the Nation proper recognition, not only in times of national emergency but under normal peacetime conditions as well.

The proposed agency will not only continue the work started by the Smaller War Plants Corporation and the Small Defense Plants Administration, but would continue the field of service and include small-business loans previously granted by the Reconstruction Finance Corporation. Futhermore, the SBA will be authorized to assume the small-business functions of all other governmental departments and agencies, thus eliminating much needless and expensive duplication of effort and overlapping of authority.

Statistics show that one of the prime reasons for small-business failures in the past few years has been the lack of proper management policies. Committee studies show that more than 60 percent of small-business failures have re-

sulted from improper management policies. The SBA will be empowered to assist the small-business men with this and other similar problems, whether their need be good management principles in various fields of business administration or technical assistance. The cost of this type of aid would be prohibitive in most instances to an independent small business if it were not accessible through the Government.

My experience on the Small Business Committee in studying the operation of the Smaller War Plants Corporation, the Small Defense Plants Administration, and the Reconstruction Finance Corporation has convinced me that there is an immediate and continuing need for this type of service to American small business.

The aforementioned agencies have all been of great value to small business in the past. The current need for such an agency of Government and service is continuing.

There is hardly a Member within this Chamber who does not have some personal knowledge of the hardships currently faced by small business. Small business is strictly a nonpartisan issue, because a weak small-business structure threatens the economic structure of the entire country, while a healthy small-business climate is one of the surest safeguards for continuing security and prosperity.

It is my sincere opinion that the agency proposed in H. R. 5141 is a step in the right direction. Improvements can be made. The bill does give small business a recognition it rightfully deserves as one of the most valued segments in our domestic economy.

I therefore urge the adoption of this bill.

Mr. PHILBIN. Mr. Chairman, ever since I became a Member of the House I have been particularly interested in the problems of small business. It is, therefore, with special privilege and pleasure, as well as a sense of duty, that I rise in support of the pending measure. I have always regarded small business to be the very heart of our great American economic machine. It is, in truth, the symbol of free opportunity and the American vehicle for freedom of enterprise, initiative and individual economic action in our Nation.

It has been through small business that most of our American success stories have been written. Innumerable Americans, starting from humble beginnings, by virtue of their vision, ability, courage, and hard work, have recorded great achievements in small business, and growing in stature and usefulness have later guided the larger business affairs of the Nation.

With the growth of massive corporate units in American industry, we seem some time to have lost sight of the real importance and value of small business. We must be exceedingly careful never to permit great corporate organizations, as highly useful and valuable as they are to the Nation, to oppress or injure our small-business interests. That the American people agree with this thesis is amply demonstrated by the many laws, which Congress has enacted to prevent and regulate oppressive monopolies and unfair trade practices and other excesses that militate against small business.

I have been of the conviction for some time past that small business was not getting its share of Government procurement contracts. Congress has made several sincere, but rather feeble efforts, to correct this situation, but I think no one will deny that small business is still not getting as much defense business as it should get in the interest of equitably and effectively promoting the prosperity of our business system as a whole. The measures we have taken to insure this end have been often aborted and, while useful as far as they go, have not brought full intended benefits to small business.

This measure, of course, has only an indirect bearing on that fact but, nevertheless, it should and would be very helpful in enabling small business to develop and flourish. On the whole, our banking institutions provide excellent service to American business and the public and I would be the last to handicap them in their business, but there are, unquestionably, areas, both geographic and economic, where small business is definitely handicapped by lack of adequate, speedy financing. This is, possibly, particularly true at this time regarding Government procurement. I believe some instances have been brought to my attention where small business has not been able to secure necessary loans to finance Government contracts. This is a situation, which should not obtain in America, and I think that the current bill will be beneficial in remedying any inadequacies regarding financing, which now exists. It is by no means designed to replace, but merely to supplement, the services of private banking institutions and to make possible loans that cannot normally be made for some reason or other by existing banking facilities. Let me emphasize the fact that I would be unwilling to harm or injure by this or other legislation banks which are honestly and efficiently performing their public functions.

Since the RFC has stated that it will no longer grant loans to small business, there is all the greater need for some Government institution that will make such loans in cases where they cannot be procured through private sources. In the past 20 months, 1,168 RFC loans were made by RFC to small business. This abundantly proves the need for such a service.

The functions of the agency, if set up as proposed, can also possibly be extended at this time so as to insure not only continuing effective interest in the affairs of small business, but also provide advice and assistance regarding Government procurement matters. In this way the Congress can have some assurance that small business will get better consideration in the allocation of Government contracts and thus receive a fairer share of all Government procurement, which is certainly the intent of this membership, as I interpret it.

In voicing my support of the measure, I should like to commend the small business groups throughout my own district and State, as well as the Nation, which have put their interest and untiring efforts into pressing this legislation to consideration by the House, and I am also very mindful and appreciative of the splendid work, which the committee has rendered in formulating the pending measure and presenting it to the House. These men have made a real contribution to the national interest and security.

I am happy to urge favorable action on this deserving measure, which I believe will redound, not only to the benefit of small business, but to the strength of our entire American economy. I hope the measure may be overwhelmingly enacted.

Mr. DOYLE. Mr. Chairman, the entitlement of this bill is to "create the Small Business Administration and to preserve small-business institutions and free, competitive enterprise." If the pronouncement and declaration contained, beginning at page 19, section 2, is followed in sincerity and truth and put into effect, then the logical result may well be that thousands of small American businesses which are independently owned and are operating and which are not dominant in their field of operation will not only be strengthened in their economic situation but will be preserved as important factors in the American economic system of private enterprise and free competition.

I am indeed pleased to read in section 2 as follows:

> Only through full and free competition can free markets, free entry into business, and opportunities for the expression and growth of personal initiative and individual judgment be assured. The preservation and expansion of such competition is basic, not only to the economic well-being but to the security of this Nation. Such security and well-being cannot be realized unless the actual and potential of small business is encouraged and developed. It is the declared policy of the Congress that the Government should aid, counsel, assist, and protect, insofar as is possible, the interests of small-business concerns in order to preserve free competitive enterprise, to insure that a fair proportion of the total purchases and contracts for supplies and services for the Government be placed with small-business enterprises, and to maintain and strengthen the overall economy of the Nation.

With this fundamental declaration of purpose which I have just read before us may I further add, that I believe one of the surest ways to make this declaration most effective, would be to strike out the $100,000 limit on any loan, now set forth in subdivision (ii) on page 28 of this bill and leave the ceiling amount of any given loan to be determined in each and every application by the Small Business Advisory Board which is set up in subdivision (d) on page 22 of the bill, and which consists of the Secretary of the Treasury as Chairman, together with the Secretary of Commerce and in addition thereto the Administrator, whose salary is set at $17,500 a year. Certainly, with the Secretary of the Treasury and the Secretary of Commerce constituting the majority of the Small Business Advisory Board specified in this bill, no applicant will be able to obtain any more money from the Administration than is fully proven to be legally just and necessary in accordance with the limitations of the bill itself. But, by eliminating this $100,000 limitation, my experience gained by my many years of law practice in Los Angeles County in my native State of California justifies me, I believe, in saying

that if the $100,000 limitation is left in the bill, then many small businesses which might well be strengthened or preserved and kept in the free-enterprise field, will go under and be eliminated from such free competitive area of activity. Furthermore, in presenting this argument to you on this one point, I specifically call your attention to the terms of the bill itself; to wit, section 7, page 27, where there is an express prohibition as follows:

(i) No financial assistance shall be extended pursuant to (a) above unless the financial assistance applied for is not otherwise available on reasonable terms and all loans made shall be of such sound value or so secured as reasonably to assure repayment; no participation may be purchased unless it is shown that a deferred participation is not available; and no loan may be made unless it is shown that a participation is not available.

Therefore, it is again crystal clear that no loan, whether it is under $100,000 or in excess of $100,000 can properly be made under this bill unless it is first clearly shown, that the fundamental basis of the application is that said loan or financial assistance is not otherwise available on reasonable terms.

Gentlemen, this means that no loan either under $100,000 or over that amount can be approved if said loan is bankable or otherwise a commercial loan. In other words, my colleagues, by the express provisions of the bill itself, an applicant must make a clear showing that the financial assistance asked for is not otherwise available in the loan market. This being the case, I am sure that the large number of you Members of this legislative body who have had wide, varied and successful experience in business can even now visualize, that literally hundreds of worthy applicants under this bill, could reasonably be entitled to something more than $100,000 and thus, not only be safely strengthened in their economic business structure, but also thus be made and preserved, as necessary valuable units in our free competitive enterprise system.

In my law and business experience, and I might say I am still a vice president of an independent national bank on leave during the time I am a Member of Congress, I have personally known of several worthy, sound, small, independent businesses in Los Angeles County, coming well within the definition of a small business concern as defined in section 3 of this act, which small businesses needed sums of from five to thirty-five thousand dollars more than $100,000 to hold them over a temporary economic problem. I am, of course pleased that subdivision 2 of section 7 on page 28 of this bill provides for a period as long as 10 years. This is good. It is reasonable.

In ending these brief observations, may I vigorously urge that the printed objectives contained in this bill be put into effect as promptly as may be. Also, that the declared objectives be given as liberal consideration as is consistent with the legal intent and purposes of the bill and as brought forth in this debate so far today.

Finally, I have in mind, that while the bill itself, in subdivision B on page 21, limits the loaning powers of the Administration so as not to exceed a total of $250 million at any one time, yet, I urge that if this total amount this day is not increased by way of amendment to this bill to some reasonably larger sum, then this Small Business Administration shall promptly and fully advise Congress if there emanates from the applications and experiences of small American business, a worthy and justifiable need of a greater amount of total capital money available to the needs of small business. Mr. Speaker, in my judgment one absolutely necessary unit or factor to preserve and to continue to reasonably protect in their lawful operations are the thousands of small American businesses which are independently owned and operated and which are not dominant in their respective fields of operation.

This fundamental premise and policy, together with the additional criteria specifically set forth on page 20 of the bill itself, wherein the Administration may also consider the number of employees and the volume of business transacted by the small-business concern or unit which is applying for the loan, should make it clear that the intent of Congress, is that the Administration shall be vigilant and vigorous at all times in its consideration of each and every small-business concern which applies for a loan; so that in truth and fact, the economic structure of our Nation shall be made strong and even more sound, by reason of the operations of this Small Business Administration. I urge that worthy small business shall not only be preserved, but shall have opportunity to reasonably expand and keep and maintain themselves justly, soundly, and competitively in a condition of well-being. The preservation of these small-business concerns, Mr. Chairman, in our competitive free-enterprise system is fundamental in order that American business concerns of unlimited or greater capital structure shall also be kept sound and within the free competitive enterprise system. So long as there is honest-to-God lawful competition by our American business concerns, so long will our American free enterprise competitive system endure; and only so long a time. So long as fair and just anti-trust statutes are kept on the books and justly, honestly, fearlessly enforced, just so long will both big business and small business prosper. And, Mr. Speaker, only so long will our American economic competitive system be for the benefit of the great mass of the American people. Let us be vigilant in doing the things here, which will always contribute to helping toward the increase in the standards of living of all the people of our blessed Nation.

Mr. PATMAN. Mr. Chairman, I wish the chairman would yield me 3 minutes. There was something I overlooked a while ago.

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from Texas.

Mr. PATMAN. Mr. Chairman, I just want to call the Committee's attention to the fact that while we are fighting communism, as we should—we all hate it and it is trying to approach us from the left—let us not overlook an equally devastating enemy that is approaching us from the right. I was reading this morning something about the earmarks of fascism and put them down:

No. 1. Education and thinking is controlled to make the masses think and do what the dictators want. Of course, there is nothing in that connection now except some efforts to censor school books and by propaganda color the news to the people.

No. 2. Big business and big industrialists are favored and strengthened under fascism.

No. 3. Under fascism farmers' co-ops and farm organizations are destroyed.

No. 4. Labor unions and other similar organizations of workers are destroyed.

No. 5. Credit unions are put out of business.

No. 6. All groups that are antagonistic to big business and monopoly are destroyed.

I just hope the Members keep in mind those earmarks of fascism. I hope we shall continue to fight communism, but we must not overlook the fact that there is an equally devastating enemy in the form of fascism that would approach us from the right. And we do not want that to happen.

Mr. SPENCE. Mr. Chairman, we have no further requests for time.

The CHAIRMAN. Under the rule, the committee amendment which is in the form of a substitute will be read as an original bill.

The Clerk will read.

The Clerk read as follows:

That this act may be cited as the "Small Business Act of 1953."

SEC. 2. The essence of the American economic system of private enterprise is free competition. Only through full and free competition can free markets, free entry into business, and opportunities for the expression and growth of personal initiative and individual judgment be assured. The preservation and expansion of such competition is basic not only to the economic well-being but to the security of this Nation. Such security and well-being cannot be realized unless the actual and potential of small business is encouraged and developed. It is the declared policy of the Congress that the Government should aid, counsel, assist, and protect insofar as is possible the interests of small-business concerns in order to preserve free competitive enterprise, to insure that a fair proportion of the total purchases and contracts for supplies and services for the Government be placed with small-business enterprises, and to maintain and strengthen the overall economy of the Nation.

SEC. 3. For purposes of this act, a small-business concern shall be deemed to be one which is independently owned and operated and which is not dominant in its field of operation. In addition to the foregoing criteria the Administration, in making a detailed definition, may use these criteria, among others: Number of employees, and dollar volume of business.

SEC. 4. (a) In order to carry out this policy there is hereby created an agency under the name "Small Business Administration" (hereinafter referred to as the Administration), which Administration shall be under the general direction and supervision of the President and shall not be affiliated with or be within any other agency or department of the Federal Government. The principal office of the Administration shall be located in the District of Columbia, but the Administration may establish such branch offices in other places in the United States as may

be determined by the Administrator of the Administration.

(b) The Administration is authorized to obtain money from the Treasury of the United States for use in the performance of the powers and duties granted to or imposed upon it by law, not to exceed a total of $250 million outstanding at any one time. For this purpose appropriations not to exceed $250 million are hereby authorized to be made to a revolving fund in the Treasury. Advances shall be made to the Administration from the revolving fund when requested by the Administration. This revolving fund shall be used for the purposes enumerated subsequently in sections 7 (a), (b), and (c). Not to exceed an aggregate of $150 million shall be outstanding at any one time for the purposes enumerated in section 7 (a). Not to exceed an aggregate of $100 million shall be outstanding at any one time for the purposes enumerated in section 7 (b) and (c).

(c) The management of the Administration shall be vested in an Administrator who shall be appointed from civilian life by the President, by and with the consent of the Senate, and who shall be a person of outstanding qualifications known to be familiar and sympathetic with small-business needs and problems. The Administrator shall receive compensation at the rate of $17,500 per annum. The Administrator shall not engage in any other business, vocation, or employment than that of serving as Administrator. The Administrator is authorized to appoint three deputy administrators to assist in the execution of the functions vested in the Administration. Deputy administrators shall be paid at the rate of $15,000 per annum.

(d) There is hereby created the Small Business Advisory Board of the Small Business Administration, which shall consist of the following members, all ex officio. The Secretary of the Treasury, as Chairman, the Secretary of Commerce, and the Administrator. Either of the said Secretaries may designate an officer of his Department, who has been appointed by the President by and with the advice and consent of the Senate, to act in his stead as a member of the Small Business Advisory Board with respect to any matter or matters. The Small Business Advisory Board shall establish general policies which shall govern the Administration in carrying out the powers, duties, and authority conferred upon it by the act. Such general policies shall, among other things, provide the standards (1) for the granting and denial of financial assistance by the Administration, and (2) for exercise of the powers enumerated in section 7 (b) and (c). It shall also be the duty of the Small Business Advisory Board to periodically review the operations of the Administration and coordinate its functions with other activities and policies of the Government.

SEC. 5. (a) The Administration shall have power to adopt, alter, and use a seal, which shall be judicially noticed. The Administrator is authorized, subject to the civil service and classification laws, to select, employ, appoint, and fix the compensation of such officers, employees, attorneys, and agents as shall be necessary to carry out the provisions of this act; to define their authority and duties, require bonds of them, and fix the penalties thereof. The Administration, with the consent of any board, commission, independent establishment, or executive department of the Government, may avail itself of the use of information, services, facilities, including any field service thereof, officers, and employees thereof, in carrying out the provisions of this act.

(b) In the performance of, and with respect to, the functions, powers, and duties vested in him by this act, the Administrator, notwithstanding the provisions of any other law, may—

(1) sue and be sued in any court of record of a State having general jurisdiction, or in any United States district court, and jurisdiction is conferred upon such district court to determine such controversies without regard to the amount in controversy: *Provided*, That no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Administrator or his property;

(2) under regulations prescribed by him, assign or sell at public or private sale, or otherwise dispose of for cash or credit, in his discretion and upon such terms and conditions and for such consideration as the Administrator shall determine to be reasonable, any evidence of debt, contract, claim, personal property, or security assigned to or held by him in connection with the payment of loans heretofore or hereafter granted under this act, and to collect or compromise all obligations assigned to or held by him and all legal or equitable rights accruing to him in connection with the payment of such loans until such time as such obligation may be referred to the Attorney General for suit or collection;

(3) deal with, complete, renovate, improve, modernize, insure, or rent, or sell for cash or credit upon such terms and conditions and for such consideration as the Administrator shall determine to be reasonable, any real property conveyed to or otherwise acquired by him in connection with the payment of loans granted under this act;

(4) pursue to final collection, by way of compromise or otherwise, all claims against third parties assigned to the Administrator in connection with loans made by him. This shall include authority to obtain deficiency judgments or otherwise in the case of mortgages assigned to the Administrator. Section 3709 of the Revised Statutes, as amended (41 U. S. C. 5), shall not be construed to apply to any contract of hazard insurance or to any purchase or contract for services or supplies on account of property obtained by the Administrator as a result of loans made under this act if the premium therefor or the amount thereof does not exceed $1,000. The power to convey and to execute in the name of the Administrator deeds of conveyance, deeds of release, assignments and satisfactions of mortgages, and any other written instrument relating to real property or any interest therein heretofore or hereafter acquired by the Administrator pursuant to the provisions of this act may be exercised by the Administrator or by any officer or agent appointed by him without the execution of any express delegation of power or power of attorney. Nothing in this section shall be construed to prevent the Administrator from delegating such power by order or by power of attorney, in his discretion, to any officer or agent he may appoint;

(5) acquire, in any lawful manner, any property (real, personal, or mixed, tangible or intangible), whenever deemed necessary or appropriate to the conduct of the activities authorized in section 7 (a) of this act; and

(6) in addition to any powers, functions, privileges, and immunities otherwise vested in him, take any and all actions determined by him to be necessary or desirable in making, servicing, compromising modifying, liquidating, or otherwise dealing with or realizing on loans or advances made under the provisions of this act.

(c) To such extent as he finds necessary to carry out the provisions of this act, the Administrator is hereby authorized to procure the temporary (not in excess of 1 year) service of experts or consultants or organizations thereof, including stenographic reporting services, by contract or appointment, and in such cases such service shall be without regard to the civil service and classification laws, and, except in the case of stenographic reporting services by organizations, without regard to section 3709, Revised Statutes, as amended (41 U. S. C. 5).

SEC. 6. All moneys of the Administration not otherwise employed may be deposited with the Treasurer of the United States subject to check by authority of the Administration. The Federal Reserve banks are authorized and directed to act as depositaries, custodians, and fiscal agents for the Administration in the general performance of its powers conferred by this act. Any banks insured by the Federal Deposit Insurance Corporation when designated by the Secretary of the Treasury, shall act as custodians, and financial agents for the Administration.

SEC. 7. The Administration is empowered—

(a) To make loans or advances to enable small business concerns to finance plant construction, conversion, or expansion, including the acquisition of land; or to finance the acquisition of equipment, facilities, machinery, supplies, or materials; or to supply such concerns with working capital to be used in the manufacture of articles, equipment, supplies, or materials for war, defense, or essential civilian production or as may be necessary to ensure a well-balanced national economy; and such loans or advances may be made or effected either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis: *Provided, however*, That the foregoing powers shall be subject to the following restrictions and limitations:

(i) No financial assistance shall be extended pursuant to (a) above unless the financial assistance applied for is not otherwise available on reasonable terms and all loans made shall be of such sound value or so secured as reasonably to assure repayment; no participation may be purchased unless it is shown that a deferred participation is not available; and no loan may be made unless it is shown that a participation is not available;

(ii) No loan or advance shall be granted under this act if the total amount outstanding and committed by participation to the borrower from the revolving fund established by this act would exceed $100,000, and no loan, including renewals or extensions thereof, may be made for a period or periods exceeding 10 years; except that any loan made for the purpose of constructing industrial facilities may have a maturity of 10 years plus such additional period as is estimated may be required to complete such construction;

(iii) In agreements to participate in loans on a deferred basis, such participations by the Administration shall not be in excess of 90 percent of the balance of the loan outstanding at the time of disbursement.

(b) To enter into contracts with the United States Government and any department, agency, or officer thereof having procurement powers obligating the Administration to furnish articles, equipment, supplies, or materials to the Government.

(c) To arrange for the performance of such contracts by negotiating or otherwise letting subcontracts to small-business concerns or others for the manufacture, supply, or assembly of such articles, equipment, supplies, or materials, or parts thereof, or servicing or processing in connection therewith, or such management services as may be necessary to enable the Administration to perform such contracts; and

(d) To provide technical and managerial aids to small-business concerns, by advising and counseling on matters in connection with Government procurement and on policies, principles, and practices of good management including but not limited to cost accounting, methods of financing, business insurance, accident control, wage incentives, and methods engineering, by cooperating and advising with voluntary business, professional, educational and other nonprofit organizations, associations, and institutions and with other Federal and State agencies, by maintaining a clearinghouse for information concerning the managing, financing,

and operation of small-business enterprises, by disseminating such information, and by such other activities as are deemed appropriate by the Administration.

SEC. 8. The Reconstruction Finance Corporation shall transmit requests for loans from small business received by it after the date of enactment of this act to the Administration for its consideration and possible action.

SEC. 9. In any case in which the Administration certifies to any officer of the Government having procurement powers that the Administration is competent to perform any specific Government procurement contract to be let by any such officer, such officer shall be authorized to let such procurement contract to the Administration upon such terms and conditions as may be agreed upon between the Administration and the procurement officer.

SEC. 10. (a) Whoever makes any statement knowing it to be false, or whoever willfully overvalues any security, for the purpose of obtaining for himself or for any applicant any loan, or extension thereof by renewal, deferment of action, or otherwise, or the acceptance, release, or substitution of security therefor, or for the purpose of influencing in any way the action of the Administration, or for the purpose of obtaining money, property, or anything of value, under this act, shall be punished by a fine of not more than $5,000 or by imprisonment for not more than 2 years, or both.

(b) Whoever, being connected in any capacity with the Administration (A) embezzles, abstracts, purloins, or willfully misapplies any moneys, funds, securities, or other things of value, whether belonging to it or pledged or otherwise entrusted to it, or (B) with intent to defraud the Administration or any other body politics or corporate, or any individual, or to deceive any officer, auditor, or examiner of the Administration makes any false entry in any book, report, or statement of or to the Administration, or, without being duly authorized, draws any order or issues, puts forth, or assigns any note, debenture, bond, or other obligation, or draft, bill of exchange, mortgage, judgment, or decree thereof, or (C) with intent to defraud participates, shares, receives directly or indirectly any money, profit, property, or benefit through any transaction, loan, commission, contract, or any other act of the Administration, or (D) gives any unauthorized information concerning any future action or plan of the Administration which might affect the value of securities, or, having such knowledge, invests or speculates, directly or indirectly, in the securities or property of any company or corporation receiving loans or other assistance from the Administration shall be punished by a fine of not more than $10,000 or by imprisonment for not more than 5 years, or both.

SEC. 11. It shall be the duty of the Administration and it is hereby empowered, whenever it determines such action is necessary—

(a) to make a complete inventory of all productive facilities of small-business concerns which can be used for war or defense production, or to arrange for such inventory to be made by any other governmental agency which has the facilities. In making any such inventory, the appropriate agencies in the several States may be requested to furnish an inventory of the productive facilities of small-business concerns in each respective State if such an inventory is available or in prospect; and

(b) to coordinate and to ascertain the means by which the productive capacity of small-business concerns can be most effectively utilized for war or defense production.

SEC. 12. When directed by the President, it shall be the duty of the Administration to consult and cooperate with governmental departments and agencies in the issuance of all orders or in the formulation of policy or policies in any way affecting small-business concerns. When directed by the President all such governmental departments or agencies are required, before issuing such orders or announcing such policy or policies, to consult and cooperate with the Administration in order that the interests of small-business enterprises may be recognized, protected, and preserved.

SEC. 13. The Administration shall have power, and it is hereby directed, whenever it determines such action is necessary—

(a) to consult and cooperate with officers of the Government having procurement powers, in order to utilize the potential productive capacity of plants operated by small-business concerns;

(b) to obtain information as to methods and practices which Government prime contractors utilize in letting subcontracts and to take action to encourage the letting of subcontracts by prime contractors to small-business concerns at prices and on conditions and terms which are fair and equitable;

(c) to determine within any industry the concerns, firms, persons, corporations, partnerships, cooperatives, or other business enterprises, which are to be designated "small-business concerns" for the purpose of effectuating the provisions of this act;

(d) to certify to Government procurement officers with respect to the competency, as to capacity and credit, of any small-business concern or group of such concerns to perform a specific Government procurement contract;

(e) to obtain from any Federal department, establishment, or agency engaged in procurement or in the financing of procurement or production such reports concerning the letting of contracts and subcontracts and making of loans to business concerns as it may deem pertinent in carrying out its functions under this act;

(f) to obtain from suppliers of materials information pertaining to the method of filling orders and the bases for allocating their supply, whenever it appears that any small business is unable to obtain materials from its normal sources for war or defense production;

(g) to make studies and recommendations to the appropriate Federal agencies to insure a fair and equitable share of materials, supplies, and equipment to small-business concerns to effectuate war or defense programs;

(h) to consult and cooperate with all Government agencies for the purpose of insuring that small-business concerns shall receive fair and reasonable treatment from said agencies; and

(i) to establish such advisory boards and committees wholly representative of small business as may be found necessary to achieve the purposes of this act.

SEC. 14. In any case in which a small-business concern or group of such concerns has been certified by or under the authority of the Administration to be a competent Government contractor with respect to capacity and credit as to a specific Government procurement officer, the officers of the Government having procurement powers are directed to accept such certification as conclusive, and are authorized to let such Government procurement contract to such concern or group of concerns without requiring it to meet any other requirement with respect to capacity and credit.

SEC. 15. To effectuate the purposes of this act, small-business concerns within the meaning of this act shall receive any award or contract or any part thereof as to which it is determined by the Administration and the contracting procurement agencies (A) to be in the interest of mobilizing the Nation's full productive capacity, or (B) to be in the interest of war or national defense programs.

SEC. 16. The Administration shall make a report every 6 months of operations under this act to the President, the President of the Senate, and the Speaker of the House of Representatives. Such report shall include the names of the business concerns to whom contracts are let and for whom financing is arranged by the Administration, together with the amounts involved, and such report shall include such other information and such comments and recommendations as the Administration may deem appropriate.

SEC. 17. The Administration is hereby empowered to make studies of the effect of price, credit, and other controls imposed under war or defense programs and whenever it finds that these controls discriminate against or impose undue hardship upon small business, to make recommendations to the appropriate Federal agency for the adjustment of controls to the needs of small business.

SEC. 18. (a) The President is authorized to consult with representatives of small-business concerns with a view to encouraging the making by such persons with the approval by the President of voluntary agreements and programs to further the objectives of this act.

(b) No act or omission to act pursuant to this act which occurs while this act is in effect, if requested by the President pursuant to a voluntary agreement or program approved under subsection (a) and found by the President to be in the public interest as contributing to the national defense shall be construed to be within the prohibition of the antitrust laws or the Federal Trade Commission Act of the United States. A copy of each such request intended to be within the coverage of this section, and any modification or withdrawal thereof, shall be furnished to the Attorney General and the Chairman of the Federal Trade Commission when made, and it shall be published in the Federal Register unless publication thereof would, in the opinion of the President, endanger the national security.

(c) The authority granted in subsection (b) shall be delegated only (1) to an official who shall for the purpose of such delegation be required to be appointed by the President by and with the advice and consent of the Senate, and (2) upon the condition that such official consult with the Attorney General and with the Chairman of the Federal Trade Commission not less than 10 days before making any request or finding thereunder, and (3) upon the condition that such official obtain the approval of the Attorney General to any request thereunder before making the request.

(d) Upon withdrawal of any request or finding made hereunder the provisions of this section shall not apply to any subsequent act or omission to act by reason of such finding or request.

SEC. 19. (a) The President may transfer to the Administration any functions, powers, and duties of any department or agency which relate primarily to small-business problems. In connection with any such transfer, the President may provide for appropriate transfers of records, property, necessary personnel, and unexpended balances of appropriations and other funds available to the department or agency from which the transfer is made.

(b) The President may also provide for such transfers of records, property, and personnel from the Small Defense Plants Administration during the period of its liquidation, as he considers appropriate to assist the Small Business Administration in carrying out its functions under this act. The Defense Production Act of 1950, as amended, is further amended by the repeal of section 714 of that act.

SEC. 20. No loan shall be made or equipment, facilities, or services furnished by the Administration under this act to any business enterprise unless the owners, partners, or officers of such business enterprise (1)

certify to the Administration the names of any attorneys, agents, or other persons engaged by or on behalf of such business enterprise for the purpose of expediting applications made to the Administration for assistance of any sort, and the fees paid or to be paid to any such persons; (2) execute an agreement binding any such business enterprise for a period of 2 years after any assistance is rendered by the Administration to such business enterprise, to refrain from employing, tendering any office or employment to, or retaining for professional services, any person who, on the date such assistance or any part thereof was rendered, or within 1 year prior thereto, shall have served as an officer, attorney, agent, or employee of the Administration occupying a position or engaging in activities which the Administration shall have determined involve discretion with respect to the granting of assistance under this act; and (3) shall furnish the names of lending institutions to which such business enterprise has applied for loans together with dates, amounts, terms, and proof of refusal.

SEC. 21. To the fullest extent the Administration deems practicable, it shall make a fair charge for the use of Government-owned property and make and let contracts on a basis that will result in a recovery of the direct costs incurred by the Administration.

SEC. 22. There are hereby authorized to be appropriated such sums as may be necessary and appropriate for the carrying out of the provisions and purposes of this act.

SEC. 23. If any provision of this act, or the application thereof to any person or circumstances, is held invalid, the remainder of this act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

Mr. WOLCOTT (interrupting the reading). Mr. Chairman, I ask unanimous consent, inasmuch as this is but one amendment, that it be considered as read, be printed in the RECORD, and be open to amendment at any point.

Mr. PATMAN. Mr. Chairman, reserving the right to object, I hope the gentleman will not insist on that at this moment. After the reading clerk has finished a few pages I will have no objection.

Mr. WOLCOTT. Is it the gentleman's purpose to gain time to write an amendment?

Mr. PATMAN. I want to offer my amendment at a particular point.

Mr. WOLCOTT. The gentleman can offer his amendment now; he is a member of the committee and will be recognized by the Chair.

Mr. PATMAN. Where is the Clerk reading?

The CHAIRMAN. The Clerk has read the first section.

Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. PATMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PATMAN:

On page 21, line 7, strike out "$250,000,000" and insert in lieu thereof "$500,000,000."

On page 21, line 9, strike out "$250,000,000" and insert in lieu thereof "$500,000,000."

On page 21, line 15, strike out "$150,000,000" and insert in lieu thereof "$400,000,000."

Mr. PATMAN. Mr. Chairman, this amendment would increase the revolving fund from $250 million to $500 million and would increase the amount available for loans from $150 million to $400 million, which is in accordance with the unanimous recommendation of the Committee on Small Business of the House of Representatives after giving this matter careful consideration. I believe the members of the Committee on Small Business, not counting myself, of course, know a little more about this problem than do Members who are not on that committee, because they have studied it more. I therefore feel that the recommendation of the Small Business Committee should receive favorable consideration.

The Committee on Banking and Currency has reduced the amount and my amendment would restore it to $500 million from the $250 million as provided in the bill, and make the other changes accordingly that should be made.

Mr. WILLIS. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Louisiana.

Mr. WILLIS. Does the gentleman's amendment increase the amount of a single loan over $100,000?

Mr. PATMAN. No. That will be the next amendment.

Mr. Chairman, I hope my amendment will be adopted.

Mr. WOLCOTT. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Texas [Mr. PATMAN].

Mr. Chairman, this bill largely replaces the provision in the Defense Production Act which provides for the establishment and administration of the Small Defense Plants Administration that has operated for about 2 years with a total authorization of $150 million; $100 million of it being available for loans and $50 million of it for contracts. So we have had some experience in this field.

Having in mind that this bill increases the $150 million another $100 million to $250 million, I think our attention should be directed to certain figures. Up through March 31, 1953, during pretty close to 2 years of operation of the Small Defense Plants Administration, only 74 loans have been made, averaging $78,000, totaling only $5,762,000 in outstanding balances. Less than $6 million of the $100 million fund have been used in 2 years.

There is a reason for that. Title III of the Defense Production Act provides $2.1 billion for loans and contracts to small business, big business, all kinds of business, and that $2.1 billion under Title III of the Defense Production Act is being continued under a bill which we will have before the House, as I understand it, next week. It has already been reported out of the Commitee on Banking and Currency. Under that authority 173 loans have been made, totaling $101,593,000 in outstanding amount. The average of the outstanding business loans of the RFC, in addition to those, of which there are about 5,000, has been only $75,000, and this includes all types of business loans.

I think we should have in mind that although the Small Business Committee of the House recommended $500 million it made that recommendation in anticipation of the Reconstruction Finance Corporation going out of business; but the Reconstruction Finance Corporation is not going out of business until June 30, 1954.

The Reconstruction Finance Corporation with its own $1 billion of loan facilities will be continued until June 30, 1954. As to that part of the program which is confined to SDPA recommended loans there have been, as I say, only 74 loans made totaling $5,762,000 in outstanding amount, an average of $78,000 a loan.

Now, let us have this in mind, that this Small Business Administration created by this act, does not use RFC capital. It goes directly to the Treasury for its money. Now you say there is no harm in increasing the authorization to $500 million, but the Treasury at all times has got to keep available out of moneys not otherwise appropriated $500 million instead of $250 million if this amendment is approved. It makes it necessary to, in effect, raise $250 million more than is required under the program. As a matter of fact, the Committee on Banking and Currency in increasing the amount from $150 million to $250 million thought it was, in view of the circumstances, being very liberal. In the first bill introduced, which we understand was introduced after the initial program had been laid out by the Small Business Committee of the House, they only asked for the sum of $150 million. We gave them another $100 million in addition. They have only used $5,762,000 in 2 years of their original $150 million.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. As long as the RFC is in operation, there certainly is not any need for this amendment, is there?

Mr. WOLCOTT. It is doubtful whether there will be any need for it even after that if you restrict this to a small-business loan program and do not increase the $100,000 that we have provided as a limitation on any single borrower. Otherwise it would be possible to use up 90 percent of the fund in 1 or 2 loans. That is the problem involved here. These people who want to increase this amount and increase the per capita loan limit want to re-create an RFC for big business, and big business does not need it at the present time. This bill deals with small business, and we make available more money for small business than is made available at the present time. I cannot see why anybody can object to increasing the authorization to $100 million.

Mr. PATMAN. Mr. Chairman, since I have spoken, and since no one else has asked for recognition, I ask to be recognized.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. PATMAN. Mr. Chairman, the gentleman mentioned the first committee bill providing for $50 million. I am afraid he left the inference, although I am sure he did not intend to, that the

Small Business Committee was sponsoring that bill for $50 million. Of course, that is not correct. The only bill that the Small Business Committee has endorsed and recommended is for $500 million without any $100,000 limitation.

The gentleman from Michigan mentioned about the small number of loans made by SDPA. There is good reason for that. In the first place, when we were sponsoring that bill, we felt we would have a separate agency, and we would have plenty of money for them to operate, but in the conference between the House and the Senate it came out where the Small Defense Plants Administration, in getting money for small concerns, would have to go to the RFC. That handicapped the Small Defense Plants Administration very much; in fact, an applicant was placed at a disadvantage if he went to SDPA instead of the RFC in the first instance. He could go to the RFC and get consideration, but if he went to SDPA and then they finally worked it over a few days or a few weeks or a few months, whatever time was required to process the application, and then SDPA recommended it to the RFC, the RFC did not feel too good over it, because they felt like another agency was intruding on them, and they did not look with favor on it, and really it hurt the small concerns who went to the SDPA instead of RFC in the first instance. So I am surprised that as many went to the SDPA as did go. Besides the average loan was much more than $100,000. Remember this, that the RFC is not going to continue to make these loans. You know that is well known right now. They have stopped. They are going to let this organization here make the loans. This organization will be greatly handicapped with the funds being limited to $250 million. The funds should be extended to $500 million. These loans will be needed by small concerns for production. I am not going to argue that, but we know production is very much needed, and it is helpful in fighting inflation always, and the more production we have, the better. This will be very necessary to have the amount increased to $500 million to properly and adequately help all of the small concerns in the country, and especially in view of the fact that the RFC is being folded up as of now. I hope the amendment is adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. PATMAN].

The question was taken; and on a division (demanded by Mr. PATMAN) there were—ayes 32, noes 70.

So the amendment was rejected.

Mr. PATMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PATMAN: On page 28, strike out lines 5 through 15.

Mr. PATMAN. Mr. Chairman, this amendment will eliminate the $100,000 limitation on the size of the loans. Why is that limitation in the bill? We already have a limit in the definition of small business. Necessarily only a comparatively few businesses can apply for loans. With that definition of small business in the bill, why have a limit on the amount of the loan itself? That limit can cause a lot of trouble and even cause the Government, through this organization, to lose money. For example, suppose they make a loan of $100,000, and that is not a large in any kind of production business, as a matter of fact, it is a small loan in the production business. Then it is found that this concern in order to successfully continue its operations and continue to be a going concern will have to have more money. Under that limitation, they are frozen. There is a limit and they cannot let the concern have any more money. It is almost a custom to let concerns have more money in that way when they need it. They just have to do it. Therefore, one of two things will happen. Either they will have to start off with a policy of not permitting a loan of more than say $25,000 for $50,000 with the knowledge that they will probably have to put up more money later on, and, therefore, they will be making sure that they do not exceed the $100,000; or they will get in a squeeze and probably lose the entire $100,000. We have a good definition here of small business. That restricts them just to small business concerns. Why have a limit as to the amount of the loan? I certainly hope the members of the committee will vote to strike out that limitation.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. SEELY-BROWN. Is it not true that the actual policy is going to be determined by the policy board, and they can just make a flexible limit which, in fact, would be more effective?

Mr. PATMAN. Why, certainly, and even right now the SDPA has a limitation of $300,000, which has been set by the policy board. But, of course, that is much better in the event of an emergency, and the Board can change it. But, if you put it in a bill and make it a law, they cannot do that. They do not need a rigid requirement which is set by law.

Mr. WILLIS. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. WILLIS. Mr. Chairman, I want to associate myself with the remarks of my colleague the gentleman from Texas. I think the gentleman is absolutely right. This limitation is disturbing many of the people that I have heard from.

Mr. PATMAN. Mr. Chairman, I sincerely hope that the members of the Committee will vote to strike out the limitation.

Mr. LANHAM. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. LANHAM. Mr. Chairman, I, too, want to associate myself with the gentleman from Texas. I hope this limitation will be stricken out of the bill. I am in favor of the amendment.

Mr. WILLIS. Mr. Chairman, I ask unanimous consent to revise and extend my remarks at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. WILLIS. Mr. Chairman, I am naturally in favor of H. R. 5141 which would create an administrative agency empowered to grant loans to small business. Small business is an important segment of the national economy. Upon it depends the successful operation of our free-enterprise system for small business, but its very numbers protect us against growing monopolies and concentration of economic power. Small businesses also furnish countless persons the opportunity to work for themselves and to exercise the full extent of their initiative, capabilities, and ingenuity.

But if we are to really help small businesses, it is important that we do more than pay lip service to the little-business man. In legislating, we must provide the type of assistance, on a realistic basis, which competitive enterprises need under present conditions in the economy. The mere passage of a bill indicating Congress' fine opinion of small business without more will be of little practical benefit to the small-business man.

The reasons I am making these remarks is that there are several matters in the proposed bill as reported by the committee which are highly disturbing to me. Unless these provisions are altered by the House, I am afraid this bill will be of greater encouragement to the foes of small business than to their adherents.

In the first place, I point out to you that the capitalization of the Small Business Administration created by the act has been reduced from the $500 million provided in the original measure by the gentleman from Colorado [Mr. HILL] to $250 million. In other words, the measure restricts the sum total of all loans outstanding by the new agency for all purposes at any one time to not more than $250 million. If it is once recognized that smaller entities need this type of assistance, then I see no reason why Congress should so limit the total volume of loans in such an unrealistic manner. An indication of the extent to which this reduction would curtail Government assistance to small business may be obtained from the lending program of the RFC. As of June 30, 1952, the RFC had outstanding loans, securities, and other receivables, excluding mortgages and related items and loans to foreign governments, of more than $535,750,658, or more than twice as much as the limit now prescribed for the new Small Business Administration. On June 30, 1951, the total dollar volume of loans outstanding of the RFC was $683,976,178, indicating the extent to which a Government lending agency, to be effective, must possess available funds for lending purposes. I fear that to unnecessarily restrict the capitalization of this new agency to $250 million will cripple it severely and detract substantially from the contributions it could make to the prosperity of our smaller competitive enterprises.

The second glaring defect in the bill as reported is the totally unrealistic limitation of the maximum amount of any single loan to $100,000. This provision renders this bill practically ineffective so far as financing real competitive industry is concerned. For the corner drugstore, the ice-cream stand, and the

gas station, $100,000 is fine. But the real shortage in the capital market exists in areas where capital costs may run into millions of dollars to create a small competing enterprise. In the field of newsprint, for example, even a small mill costs several million dollars to erect and bring into production. The bill, in section 3, adopts a realistic definition of small business by recognizing that it is not necessarily measured in terms of dollars and cents, or number of employees but rather whether it is independently owned and operated and whether it is dominant in its field. But this provision limiting loans to not more than $100,000—which was not in the original bill introduced by the gentleman from Colorado—practically emasculates the entire act. I am sure such a provision is encouraging to those who would like to see the Government abandon its attempt to aid small business by providing capital not otherwise obtainable from private sources.

Turning to another point, section 4 of the bill recognizes the importance of the independence of the new agency and provides that the Administration shall not be affiliated with or be within any other agency or department of the Federal Government. But no sooner is this done than the committee has established a Small Business Advisory Board not contained in the original bill which for all intents and purposes would make the Administration subservient to the Secretary of the Treasury and the Secretary of Commerce, or their designate. This Board establishes general policies for granting loans and reviews the actions of the Administration. The Board is comprised of the Secretary of the Treasury, the Secretary of Commerce, or their designate, and the Administrator. But what happens when the views of the former conflict with the Administrator? How can the Administrator preserve the independence of the agency when he must at all times answer to the other two members of this Board? The reasons which compelled the creation of this new Administration totally independent from other agencies and persons require that this new type of bondage be removed from the bill.

I hope the suggestions I have made here will not be taken as any criticism of the committee, as they have done a splendid job in bringing this bill before the House. But if we, as Members of Congress, are to really assist small business and to aid these smaller entities in their fight for survival, we must adopt measures which view the economy from a realistic standpoint. Good intentions and fine phrases are not enough. If we are to create an administration to help small business, we must truly equip it to do the job, remove the handcuffs and irons which fetter it, and assure its independence.

Mr. LANHAM. Mr. Chairman, I ask unanimous consent to revise and extend my remarks at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LANHAM. Mr. Chairman, I agree with the gentleman from Texas [Mr. PATMAN] that the limitation of $100,000 on any one loan should be stricken from this bill.

In the first place, let me say that I think it is a disaster that the Reconstruction Finance Corporation is to be ended after its long record of genuine service not only to small business but to the railroads, the banks and other segments of truly big business. In my State, at least, it has been of tremendous help especially to small business enterprises and has been administered without any hint of wrongdoing or political bias. Even the banks of my district as a whole approve of the RFC and in many instances have cooperated by participating in loans made by the RFC.

But since the Republican administration has committed itself to the destruction of the RFC, I am heartily in favor of this bill which will give at least a measure of support and assistance to struggling small-business concerns who are unable to get the financing they need from private financial institutions.

It seems to me that the limitation of $250 million should have been raised to $500 million as proposed by the gentleman from Texas [Mr. PATMAN] and that this limitation of $100,000 for each loan should be eliminated.

Big business is, of course, necessary and desirable in America. But if we are to keep alive the spirit of enterprise and if we are to prevent the tendency of big business toward monopoly, then we must have small business in America and we should encourage it by every legitimate means at our command. After all, it is small business that is the backbone of our American way of life. It must be fostered and preserved if business opportunities for people of small means are to be kept open and available to all.

Even if this amendment is not adopted, I shall support the legislation because, after all, it is this or nothing.

Mr. WOLCOTT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I invite attention to page 6 of the committee report.

These figures, which have been authenticated, indicate that 90 percent of the loans made by the RFC from its inception, down to and through March 31, 1953—have been in amounts of less than $100,000.

Also, I want to call attention to the table on page 4 of the report which shows that a little over 90 percent, almost 100 percent—nine-tenths of 1 percent less than 100 percent—of the approximately 4 million business concerns in the United States, have 100 or less employees; 95 percent of them have less than 20 employees, and 87 percent of them have less than 8 employees.

One hundred thousand dollars, as the gentleman from Georgia [Mr. BROWN] has said here today, borders on big business. If you loan a concern, which is employing less than 100 people, $100,000, it looks like big business to most of us.

Let us have in mind that we want to keep this a small-business bill. We do not want to open it as wide as the RFC has been open. We do not want to make it possible to create any of these stenches that have been referred to here. This makes it impossible to do that.

Keep these things in mind. Ninety-nine percent of the 4 million concerns employ less than 100 people; 95 percent employ less than 20 people; 87 percent employ less than 8 people. And 90 percent of the number of loans which the RFC has made from its inception has been loans of less than $100,000.

If you are going to keep this a small-business administration, you cannot justify authority to loan more than that amount to any single borrower.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. I want to congratulate the gentleman on the excellent statement he has just made.

It is very hard to define little business, and unless you insert some amount you cannot define it. This is a little-business bill. If we are just going to turn it loose and open the door so that they can all get in, the little fellow whom we are trying to help will not get any help at all.

Again I want to say to the gentleman that I appreciate the splendid remarks he has made.

Mr. WOLCOTT. I thank the gentleman.

Mr. HALLECK. Mr. Chairman, will the gentleman yield to me?

Mr. WOLCOTT. I yield to the gentleman from Indiana.

Mr. HALLECK. I thank the gentleman.

I do not know whether the gentleman has pointed it out or not, but the pending amendment would also strike out the limitation of 10 years for repayment; that is, if the amendment were to prevail, that is what would happen, because the amendment strikes out all of the language of line 5 down to and including line 15, where there is also language providing for the limitation.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield to me?

Mr. WOLCOTT. I yield to the gentleman from California.

Mr. JOHNSON. A while ago, when I discussed this bill when the gentleman from Colorado [Mr. HILL] yielded to me, I intimated that I might want a larger limitation on the amount of the loan than $100,000. But after talking to some members of the committee, I concluded that it is well to keep it right where it is, in order really to serve the small-business man. If you open the door you do not know where it is going to lead. After a while you will be bailing out big business, instead of serving the small-business concerns only, which is the basic purpose of the bill.

I hope the amendment is rejected.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. MULTER. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, when you quote percentages and statistics, you can twist them to mean almost anything you want them to mean. I do not say that invidiously. In order to talk about 90 percent of the loans made by RFC being less than $100,000, you must take the figures of the loans that have been made by RFC from the time of its inception down to date; that is not fair. Let me show you what I mean.

Let us say that you have an application approved for $27,000, and you have another application for a loan approved for $175,000. The total is $252,000, but the average is $126,000. I take those figures because, in the short period from January 1952 to March 27, 1953, the Small Defense Plants Administration approved 356 loans. Those 356 loans averaged out to $126,000 each. That means that some were for $25,000; others were for much more than $100,000. They were all to small-business firms. If you are going to impose this $100,000 limitation in the bill or let it stand by disapproving this amendment, you are in effect tying the hands of the agency we are setting up. Remember, 430 loans were recommended by the Small Defense Plants Administration for a total of $55 million. They averaged $128,000 each. Again, some were for $25,000, some were for $50,000, and some were for $500,000—but only to small business.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield.

Mr. WOLCOTT. I was not averaging when I referred to the fact that 90 percent of the loans made since the inception of this agency had been for $100,000 or under; I was speaking of the number of loans, not the average amount of the loans. Ninety percent of the loans that were made have been for sums of less than $100,000, not the average of the loans.

Mr. MULTER. But the gentleman was speaking of the experience that has been had from the time of the inception of RFC to date.

Mr. WOLCOTT. Yes.

Mr. MULTER. Let us confine ourselves to what we have been doing since January 1952 under the Small Defense Plants Administration and what it has done and recommended since. In that short period of just a little over a year these loans have averaged more than $128,000 per loan; as a matter of fact, there are 36 applications now pending in that Administration for an aggregate of more than $6 million, averaging $170,000 per loan, and each of them had to show it was a small business before the application was processed. Today there is no limitation on the working capital for a specific defense contract; the limitation is $300,000 on those loans that do not involve specific defense contracts. That is the way SDPA is now operating. Unless you want to cripple this new agency before it gets started, you must eliminate this $100,000 limitation from this bill.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield.

Mr. McDONOUGH. The more than $100,000 loans referred to by the gentleman were loans by the Small Defense Plants Administration for defense purposes. This bill is to extend past the defense period into a period of peace.

Mr. MULTER. That is true.

Mr. McDONOUGH. Furthermore, if you amend it to permit larger than $100,000 loans, you are soon going to get into the field of big business and into a field of competition with private financial institutions who could finance these loans.

Mr. MULTER. No; the gentleman is wrong on both his premises, if I may say so. The provision is written right into this bill that only small business can apply, and even small business cannot apply and get a loan unless it first shows that no other banking facility will make the loan. Those are the conditions precedent. They must be small business, and they must show there is no other place they can get the money; they must show that they have tried and were turned down.

Mr. McDONOUGH. However, the Small Defense Plants Corporation was set up for defense purposes.

Mr. MULTER. That is quite right; I concede that; there is no question about that.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield.

Mr. HALLECK. First of all, I want to explain to the gentleman that I served on the Small Business Committee with him, and it was always a pleasure to serve with him. I respect his judgment and his conscientious application to the problems we have had before us.

Mr. MULTER. I thank the gentleman from Indiana.

Mr. HALLECK. But this measure is to be permanent and is quite an undertaking. Does not the gentleman agree with me that this limitation could be fairly satisfactory? If it does not prove to be satisfactory, it could, of course, be changed; but since it is a small-business bill, and since we want to keep it that way and want this thing to succeed in that line, I am quite sure the gentleman would agree with me that the best thing would be to proceed with the bill as it was reported and see how it works out.

Mr. MULTER. As I said to the gentleman a moment ago off the record, let me say on the record that in the gentleman's own area he has plastic industries; there is a small plastic industry in his district. They could not even get one single injection molding machine for less than $100,000, so the gentleman must see the need for removing the limitation, for one specialized machine certainly does not make it big business. The same thing applies also in the electronics industry.

Mr. HALLECK. I say to the gentleman that first of all I would assume that most businesses would have some assets of their own; they ought to have.

May I say also that I am hopeful that in years to come we will find the banks again making loans to small business as it used to before we got the idea that the Government had to get into business—and I think that they will return. Let us not put this thing on a basis that cannot be justified.

Mr. MULTER. I think if we allow the policy of the agency to be determined by the board set up in this bill, rather than by the Congress, we will accomplish our purpose.

Mr. HOFFMAN of Michigan. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the title of this bill reads as follows:

To create the Small Business Administration and to preserve small business institutions and free, competitive enterprise.

May I ask the gentleman from Michigan, has this bill received the approval of any of the executive commissions created to advise the Congress?

Mr. WOLCOTT. I do not know what the gentleman means by "executive commissions."

Mr. HOFFMAN of Michigan. Well, for example, the Nelson Rockefeller Commission?

Mr. WOLCOTT. I do not think I have talked to Mr. Rockefeller since last year.

Mr. HOFFMAN of Michigan. I did not think the gentleman would talk to Rockefeller personally for a commission opinion, but maybe one of his subordinates has advised the gentleman?

Mr. WOLCOTT. I may say to the gentleman that this bill has cleared the Treasury; it has cleared the White House; it has cleared the Bureau of the Budget. Those who did the work behind the clearing of the bill in those departments, I do not know.

Mr. HOFFMAN of Michigan. This establishes a new agency or administration?

Mr. WOLCOTT. An independent agency.

Mr. HOFFMAN of Michigan. Is it also true, as I heard during the debate on the floor today, that it ultimately will get rid of two other agencies?

Mr. WOLCOTT. No. It will get rid of one.

Mr. HOFFMAN of Michigan. A bigger one than this one will be?

Mr. WOLCOTT. The contention has been made that this takes the place of the RFC. It does not take the place of RFC excepting as the RFC now is engaged in making the capital available for the Small Defense Plants Administration.

Mr. HOFFMAN of Michigan. Then, is it true that in effect we are getting rid of the RFC by degrees, shrinking it down to the size it should be?

Mr. WOLCOTT. Perhaps I can answer that by stating that because the RFC will probably be allowed to expire on June 30, 1954, we are continuing independently of RFC these essential benefits to small business.

Mr. HOFFMAN of Michigan. I assume the gentleman and his committee—am I correct—are in favor of either abolishing the RFC or letting it die?

Mr. WOLCOTT. We have not had the matter before us yet.

Mr. HOFFMAN of Michigan. I wanted to vote for this because it might help get rid of the RFC and at the same time helping the small-business man. I cannot get enough help on that.

Mr. WOLCOTT. I may say to the gentleman that there will not be the necessity of continuing RFC as the money-raising agency for the Small Defense Plants Administration.

Mr. HOFFMAN of Michigan. One of the real purposes of this bill is to help the small-business men as distinguished from the large-business men?

Mr. WOLCOTT. Yes. If we do not adopt the amendment which the gentleman from Texas has offered, we have reasonable assurance it will be devoted to aiding small business.

Mr. HOFFMAN of Michigan. I assume that all of the provisions that the

committee and the gentleman thought might aid in attaining the purpose desired have been written into this bill. With that in mind, I call attention to the fact that on page 22 the compensation of the Administrator is fixed at $17,500 per annum. In view of the fact that yesterday a bill before the House authorized a commission of 25 members to hire a director, the bill, until it was amended, did not limit his compensation, what would the gentleman say about the advisability of not limiting this compensation in view of the fact that you must have a very good man to head it? That bill did not limit the amount the commission might spend. This bill seems to limit salaries.

Mr. WOLCOTT. I guess the reason why we put that in was because the Administrator now gets that amount and we did not want to change his salary.

Mr. HOFFMAN of Michigan. The gentleman is for the principle that the House should limit salaries in some way?

Mr. WOLCOTT. Excepting as that might apply to Members of Congress.

Mr. HOFFMAN of Michigan. I thank the gentleman.

Mr. CARNAHAN. Mr. Chairman, I rise in support of the pending amendment.

I associate myself with the gentleman from Texas [Mr. PATMAN] and sincerely trust that the limiting language in section 7 (a) (ii) be stricken from the bill. It has been pointed out forcefully several times during the debate that the bill contains a good clear definition of what constitutes a small business. This limiting language does not contribute anything further to this definition but will place the Administrator of the act in a straitjacket in dealing with small business which needs the help the bill should extend.

The Administrator and his advisers should be permitted to consider the merits of each applicant solely on the needs and capabilities of each individual case.

The language of the bill in section 2 states:

> The essence of the American economic system of private enterprise is free competition. Only through full and free competition can free markets, free entry into business, and opportunities for the expression and growth of personal initiative and individual judgment be assured. The preservation and expansion of such competition is basic not only to the economic well-being but to the security of this Nation. Such security and well-being cannot be realized unless the actual and potential of small business is encouraged and developed. It is the declared policy of the Congress that the Government should aid, counsel, assist, and protect insofar as is possible the interests of small-business concerns in order to preserve free competitive enterprise, to insure that a fair proportion of the total purchases and contracts for supplies and services for the Government be placed with small-business enterprises, and to maintain and strengthen the overall economy of the Nation.

This is certainly a commendable declared policy of the Congress. But after making such a fine statement of policy why begin to limit and restrict the actual implementation of this basic policy. If such a policy is "basic not only to the economic well-being but to the security of the Nation," why put an awkward limit on such well-being and security. If it is the declared policy of the Government to "preserve free competitive enterprise" why begin to hedge by placing a crippling limitation on free competition.

Many sections of the Nation could, by help and encouragement, be making a sizable contribution to the production of scarce materials where they are now labor surplus areas. My own section of Missouri could be producing high grade steel, through small business, if encouraged by reasonable financial assistance. This is possible through new but proved small production units in both iron smelting, and steel making.

I urge the support of this very sensible amendment which will mean so much to small business and thus to the economic strength of the Nation. This amendment should be adopted.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. CARNAHAN. I yield to the gentleman from Texas.

Mr. PATMAN. I think I might try to answer 2 or 3 of the things that were brought up by the distinguished gentleman from Michigan [Mr. WOLCOTT].

No. 1: Percentages are not always too good to use. I recall one instance where from one decennial census to another the Census Bureau reported that crime among the Chinese in one little town had increased 300 percent during the 10 years.

An analysis of that percentage disclosed that only one Chinaman lived there and he violated three traffic laws. That made it 300 percent. Percentages are not always too accurate in passing on matters of this kind. It is true that it will strike out the 10-year limitation, that is right, for the same reason that the $100,000 should be stricken out. Like it is on page 22 of the bill, there is a small business advisory board set up, and that advisory board will determine the policies that this Small Business Administration must follow. Commencing with line 16 it says:

> The Small Business Advisory Board shall establish general policies which shall govern the Administration in carrying out the powers, duties, and authority conferred upon it by the act.

In other words, if we pass this bill without the limit, then they can place a limit on there if they want to. They have already placed a limit of $300,000 with SDPA, but it is not a rigid, irrevocable, unchangeable limit. If they get into trouble and see where they might lose $100,000, if they had a $100,000 limit that they agreed upon, they can change it themselves, but they have to come to Congress and get an amendment to the law. Of course, that takes too long; they could not do that, and they should have the authority to fix the limit like they feel it should be fixed, but not at any rigid sum of $100,000. It should be much more than that, but whatever limit they fix they can change if absolutely necessary. The Board can do that. The same way on capital loans. Some capital loans run longer than 10; some 12, some 15 years. Suppose a local concern has local sponsorship and they put up 75 percent of the money, they can amortize the borrowed 25 percent over a period of 12 or 15 years with the loan made by this Small Defense Plants Administration, but they cannot pay it back within 10 years. So, the Board can fix a 10- or 12-year limit, but in certain deserving cases they could change it. So, it gives the Board the power to act quickly and can act quickly in a case like that and not have any rigid requirement or limitation in it. The gentleman from Georgia suggested, or at least, expressed apprehension that it would be one way of defining small business. I want to respectfully suggest to the gentleman that it is not a good way to do it. Why, there are lots of small concerns that would go into the millions of dollars. There is a good definition of "small business" in this bill, and the different agencies of our Government, from the Smaller War Plants Corporation, the RFC, Small Defense Plants Administration, none of them have ever had the least trouble—or any procurement agency of our Government—agreeing on a definite, positive, understandable definition of "small business." That is not the problem at all; they never had any trouble with it, and I sincerely hope that the members of this committee will consider this limitation which will hamstring the Board. It will possibly cause a loss to the Government.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. PATMAN].

The question was taken; and on a division (demanded by Mr. PATMAN) there were—ayes 46, noes 86.

So the amendment was rejected.

Mr. MULTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. MULTER: On page 28, line 15, after "construction", insert "*Provided, however*, That the foregoing $100,000 limitation shall not apply to loans and advances for expansion of plants, equipment, facilities, machinery, supplies or materials for war or defense purposes, or to any loans and advances for any contract in connection therewith."

Mr. MULTER. Mr. Chairman, I am offering this amendment at the suggestion of the chairman of the Small Business Committee, our distinguished friend, the gentleman from Colorado [Mr. HILL]. This will eliminate the limitation only with reference to defense-procurement contracts and expansion of defense plants for small business only. It will permit the Small Business Administration, which this bill sets up to operate as the Small Defense Plant Administration has been doing now in making recommendations for loans, except in this case the agency will make the loan as under existing law it will be permitted to make it without limitation on the amount where it involves defense contracts or the expansion of small-business defense plants. I urge the adoption of the amendment.

Mr. WOLCOTT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we closed the front door and now we are trying to open the back door to accomplish the same purpose. This amendment surely should be defeated for a more important reason

than that given for the defeat of the last amendment. This would operate, or allow them to operate, without any limitation whatsoever so long as a plant was being expanded. Perhaps it might be a plant built up on the small capital of say $5,000, but so long as that plant was being expanded, it could be expanded into a $100 million concern, limited only to the amount of money available under the loan provisions of this bill. It would make it possible for the entire $150 million to be put into 1 loan, if it was characterized as an expansion loan. That is what I thought we were trying to avoid when we defeated the last amendment. So, I say, it seems to me this is another way of getting the same provisions into the law that we have just defeated, and this amendment should be overwhelmingly defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. MULTER].

The amendment was rejected.

Mrs. PFOST. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. PFOST: On page 20, line 14, after the word "operation", strike the period, insert a comma, and add the words "including producers of critical and strategic minerals and metals."

Mrs. PFOST. Mr. Chairman, it has come to my attention that previous organizations of the type which is being authorized by this pending bill have paid little or no attention to the mining industry as small business. Mining in my State of Idaho is a most important industry. I think none of the Members will disagree with me that our strategic and critical mining industry is of extraordinary importance to the economic life of our country and to our war potential. There have been certain steps taken during the emergency period to aid the mining industry, but, aside from the exploration program of the Defense Minerals Exploration Administration, very little has been done for small mine operators. The Reconstruction Finance Corporation has made a few large loans to substantial companies under section 302 of the Defense Production Act, on certification from the Defense Minerals Procurement Agency, but, as a practical matter, the RFC has not operated in the mining field since the revision of the Reconstruction Finance Corporation Act under the last Republican Congress, when section 14, which permitted loans for the development of mining properties, was dropped from the act.

It was hoped back in the early forties that the Smaller War Plants Corporation would do a good deal for the small-mining industry, but as it turned out, this act, in common with that setting up the Small Defense Plants Administration at a later date, and the organization which would be set up under the pending bill, were drafted principally to take care of the various small manufacturing concerns throughout the country, and no specific mention is made of mining.

It is true that the definition in section 3 of the bill presumably is all inclusive. The experience in the past has been, however, that without specific mention of mining, it is very difficult to get these corporations and administrations to aid small-mining enterprises.

For example, although mining was not specifically mentioned in the act setting forth the powers of the Smaller War Plants Corporation, debates in the Senate and House at the time the bill was passed, clearly defined the intention of Congress in this respect.

Senator MILLIKIN, of Colorado, asked Senator MURRAY, of Montana, the author of the bill:

I should like to ask the distinguished Senator from Montana whether the small-business concerns and plants to which he is referring include concerns and plants which deal with mining.

To which Senator MURRAY answered an unequivocal "Yes" and then went on to amplify the answer. Senator MURRAY stated that he spoke not only for himself as chairman of the committee, but also for the members of the committee.

The Senate Small Business Committee pointed this out in a detailed brief addressed to Smaller War Plants Corporation Chairman Lou E. Holland on January 16, 1943, after it appeared as though the Corporation was going to do nothing to aid the mining industry.

Later on the same brief was called to the attention of the then Col. Robert W. Johnson, the next Chairman of the Corporation.

The committee drafted a suggested mining-loan policy for the Corporation in an attempt to show that there was a field for its endeavors which would serve the industry well but would not encroach on ground being satisfactorily covered by the Reconstruction Finance Corporation.

This was all to no avail. As far as can be learned only four strategic or critical mineral mine loans were ever granted during the life of the Corporation and those with extreme reluctance and after a great lapse of time between the submission of the application and its approval. A number of coal and rock-quarry loans were made.

The attitude of the Corporation in 1943 may well be summed up by the remark reported to have been made by one of its responsible officials that "if there were any good mines left the big interests would have them."

The loan powers of Small War Plants Corporation were almost a total loss, as far as the mining industry is concerned, and the need for raw materials for the war effort made no impression whatever on the Chairman or on the members of the Board.

No mention at all was made of mining when the Small Defense Plants Administration was set up, and, although theoretically it was possible for a mining enterprise to file an application for aid, as a practical fact I believe no such applications were passed by that Administration or, if any, not more than 1 or 2.

As you know, the Capehart bill, which is now under consideration by the Banking and Currency Committee of this House, contains a section which continues the life of the Small Defense Plants Administration, which would be superseded by the Small Business Administration, contemplated by the bill now under consideration. It was observed that this bill also had no language pointing up the mining industry. Senator GOLDWATER, of Arizona, introduced a committee amendment to the Capehart bill, substantially the same as this which I am now proposing. That amendment is contained in the temporary economic controls bill, which will shortly be before the House.

I understand that Senator THYE, chairman of the Small Business Committee of the Senate, has agreed to include similar language in his companion bill to this bill now under consideration.

Under the circumstances, and in view of the remarks I have just made explaining the background of the situation, I think it is only proper, if the Members will so agree with me, that the amendment I have proposed be included in the pending bill. I have spoken to the distinguished chairman of the committee, and he agrees that language defining producers of strategic minerals and metals would not be detrimental to this bill. I see no reason why anyone on either side of the House should oppose it. I am also sure the hundreds of small-mine operators all over the United States will be very happy if we amend this bill as I have proposed.

Mr. WOLCOTT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am particularly concerned, because there might have been something that I said that gave the gentlewoman encouragement to feel that her amendment would be acceptable. But in studying the matter, I find there were some obstacles that arose, the first being that if we included this special reference to any particular segment of the production effort, which would otherwise qualify as small business, we are fearful that by the inclusion of it we would be taking the chance, under several opinions of the courts, we would thereby be eliminating many things which we do not intend to eliminate and which we intend to include.

I think the purpose of the gentlewoman from Idaho [Mrs. PFOST] was to emphasize the fact that the bill does apply to critical metals and materials.

It is my understanding, and I am sure the understanding of the committee, that the bill as written does not eliminate the producers of critical metals and materials. And, by the same token, it includes concerns engaged in the mining and production of critical metals and materials which will be able to qualify otherwise.

I think there is danger that by the inclusion of the language, through a process of seeming elimination, we might create the impression that the language was intended to be restrictive in its application to other businesses and might imply an inference that they should be eliminated.

Mrs. PFOST. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentlewoman from Idaho.

Mrs. PFOST. Is it the gentleman's opinion that the section is sufficiently clear to include producers of strategic metals?

Mr. WOLCOTT. I would say to the gentlewoman from Idaho, speaking for

myself, that I am sure that they are included; and speaking generally for the committee, I am sure the committee intended that the language be broad enough to include the producers of critical metals and materials. My own opinion is that it does include the producers of metals and materials who otherwise qualify for the assistance provided for in the act.

Mrs. PFOST. I thank the gentleman.

Mr. RHODES of Arizona. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Arizona.

Mr. RHODES of Arizona. Is it the opinion of the gentleman that this particular bill, as it is now written, includes the production of all minerals, in the event that the particular industry can otherwise qualify under the bill?

Mr. WOLCOTT. I think this bill covers all fields of production, mining, the processing of agricultural commodities, the manufacture of anything we can conceive so long as it is done by small business as that term is defined by the act. Such a business can get aid, whether it be in the field of mining, food processing, the manufacture of automobiles or anything else if it can qualify.

Mr. RHODES of Arizona. Mr. Chairman, will the gentleman yield further?

Mr. WOLCOTT. I yield.

Mr. RHODES of Arizona. Then if this particular amendment were adopted stating that critical materials and metals would be included, the descriptive word "critical" might be held to be restrictive and make the act's application to the mining industry narrower than it now is?

Mr. WOLCOTT. That is what I would be fearful of, that concerns mining minerals which were not considered to be critical minerals might find themselves out of the picture because we have included "critical materials" and not included that particular mineral. So I think I can give the gentlewoman assurance that it is our intention—and this statement should be sufficient in determining the intent of this House—that the language of the act includes the production and mining of critical materials and metals as well as all other fields of our production effort.

Mrs. PFOST. Then it is my understanding that this bill was introduced by unanimous direction of the Small Business Committee after hearings had been held in which small-mine operators testified relative to their problems, and the committee had these problems in mind when the bill was drafted. With that assurance, I will withdraw my amendment.

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Idaho?

There was no objection.

Mr. LANE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LANE: On page 20, line 6, after the word "concerns", add "especially in the so-called distressed areas so certified by the Department of Labor."

Mr. LANE. Mr. Chairman, I, too, of course, am in favor of this piece of legislation, but I am anxious to take care, if possible, of one segment of our population that I think needs some attention at the moment—and I am aware at this time, Mr. Chairman, that the Members are anxious to vote on this measure, for they have listened to debate for some time and are pretty well informed.

Mr. Chairman, my amendment is very simple; it seeks to add on page 20 of the bill in line 6 in the policy clause these simple words. I will start reading in line 3:

It is the declared policy of the Congress that the Government should aid, counsel, assist, and protect insofar as is possible the interests of small-business concerns—

My amendment merely seeks to add after the word "concerns" the following: "especially in the so-called distressed areas so certified by the Department of Labor."

You may ask what constitutes a distressed area. A distressed area is one of those areas in group 4 of the labor market area which is known as an area of substantial labor surplus, areas in which the current labor force substantially exceeds labor requirements.

At the moment, Mr. Chairman, we have a number of those areas, 3 in Puerto Rico and 13 in the United States: Lawrence, Mass.; Providence, R. I.; Atlantic City, N. J.; Lowell, Mass.; Asheville, N. C.; Durham, N. C.; Winston-Salem, N. C.; Altoona, Pa.; Johnstown, Pa.; Scranton, Pa.; Wilkes-Barre, Hazleton, Pa.; Terre Haute, Ind.; and Tacoma, Wash.

In all these areas, Mr. Chairman, unemployment exceeds 6 percent of the labor force. In some of those areas unemployment is as high as 20 percent of the labor force. It is a sad state of affairs that at the present time in the midst of plenty with so many of our various cities and towns enjoying industrial prosperity we should have these soft spots throughout the country that are in need of some help and some assistance.

I know that it has been the policy in the past to try and do something to relieve and alleviate those situations, but little or nothing has been done up to the moment, and I was hopeful that under the provisions of this amendment some attention could be paid by this Small Business Administration in carrying out the provisions of this act to see that some help and assistance was given to these cities and towns, and do whatever this agency could in that regard.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield?

Mr. LANE. I yield to the gentleman from Connecticut.

Mr. SEELY-BROWN. I certainly think the gentleman should be congratulated for his continuing effort here in the Congress and elsewhere to be helpful to the people of the so-called critical areas. Whether his amendment is adopted or not, I am sure the Administrator will do all he can to provide every kind of help the gentleman is talking about.

Mr. LANE. I thank the gentleman.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. LANE. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. I wish the gentleman would understand that this bill becomes permanent law in time of peace as well as in time of war. He does not want the taxpayers' money taken from everybody in the United States to help one section of the country as against another section of the country in time of peace. You might have surplus labor in one section of the country this fall, then the next spring you will not have that surplus. These laws are made for more than one section of the country. The gentleman's proposition is not applicable tc a bill of this kind.

Mr. LANE. I may say to the gentleman from Georgia that every day here when we pass appropriation bills we help certain sections of the country. I dare say that we from the industrial sections of the country day in and day out in connection with appropriation bills help the peanut growers in Georgia, the corn industry, the wheat industry, or the dairy industry. So we cannot say when we vote on these appropriations that we want to vote because it is helpful to us or to somebody else.

Mr. BROWN of Georgia. We protect your industries by a high tariff, too.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. BONIN. Mr. Chairman, I wish to express my interest in and support of H. R. 5141, the purpose of which is to create a Small Business Administration to preserve small business institutions and a free, competitive enterprise.

In the past, Congress—and especially the House of Representatives—has recognized the importance of small business concerns throughout the country. This recognition of small business has been expressed in legislation during the times of crisis. I sincerely hope that the bill being discussed this morning will remove small business out of the crisis category for war periods and place it on a permanent basis during war and peace.

Small business should never be considered as a war baby. The backbone of the United States has been the small businesses that have helped to make this Nation great. With this thought in mind, we should retain some form of help in times of peace or war—depression or prosperity.

Weak or deteriorated small business threatens the entire economic well-being of the Nation; however, a vigorous, healthy program for small businesses is the principal safeguard for continued prosperity and security of our Nation.

I represent a congressional district of the Commonwealth of Pennsylvania which is classified as a "distressed area." At the present time, there is in the neighborhood of 28,000 unemployed but, normally, hard-working people, begging for work. I am convinced that H. R. 5141 would be of material assistance to help my small industries in the district to employ additional people, if this bill passes. Its enactment would be a "shot in the arm" for the businesses there—which would, in turn, be passed on to the employees and future employees of these industries. It will revitalize the faith and hope of the people who

have seen their families vacate Luzerne County for other parts of Pennsylvania, New Jersey, and New York and other States where they may secure work—working with the hope of returning to their homes and families in the near future. They hope and pray that the industries for which they formerly worked will once again call them back. My people do not want handouts—they want work and need work.

H. R. 5141 would create a permanent Small Business Administration, as distinguished from the burdensome and discredited Reconstruction Finance Corporation. This bill provides for an organization to make small-business concerns sound and self-sufficient. It also insures small-business enterprises to mobilize our economy for war and will retain it for the benefit of our economy during times of peace.

This bill will help to concentrate the responsibilities for the administration of a sound business program. It will preserve and develop small business in one independent agency of our Government, which will directly respond to the demands of small businesses and their needs. H. R. 5141 will also eliminate the overlapping functions performed by numerous other divisions in our various departments of the Government. This bill will eliminate duplication and wasted effort and will result in savings to the taxpayers.

To return to the problem which is faced by the people of my district, Congressmen FENTON and CARRIGG join with me in extending congratulations to the gentleman from Massachusetts [Mr. LANE] for offering his timely amendment to this bill. He has brought to the attention of this House the problems with which we are confronted in the Scranton-Wilkes-Barre-Hazleton-Pottsville area. I hope his amendment will meet with the approval of the Members. We are undergoing economic depression in our districts and we are convinced that the Federal Government should help to locate diversified industries in these areas. The Department of Labor carried Luzerne, Lackawanna, and Schuylkill Counties on its critical lists for the month of May. I cannot urge too strongly that this measure be passed, not only for my district, and others like it, but for the good of all small businesses everywhere. Let us remove this black mark from the anthracite-producing regions of Pennsylvania and other parts of this great country.

Mr. DONOHUE. Mr. Chairman, I consider it a conscientious duty to speak here this afternoon in support of the small business people of my own district and the Nation. The only voice they have in the enactment of Federal legislation is yours and mine and we would be neglecting our obligation if we failed to truly represent this solid segment of our national and area economy.

I am heartily in favor of the principle of this legislation to establish a permanent, independent Small Business Administration. The bill as it stands now contains some very dubiously helpful provisions but it is all we have to act upon at the moment. I am hopeful that remedial clauses to enlarge the assistance so many of our small business concerns vitally need will be added by both chambers of the Congress in the near future.

It has always been an unquestioned American tradition that this Government shall aid, counsel, assist and protect the interests of small business in order to preserve our democratic system of free competitive enterprise. In modern times, Government assistance has become more vitally important to insure that a fair proportion of the total purchases and contracts for military supplies and services shall be placed with small business enterprises and to maintain and strengthen the overall national economy.

Unquestionably real savings could be encouraged from a greater utilization of our smaller manufacturers in our defense effort. We all realize the vast expenditures that have been authorized for the competing military branches to obtain the necessary war products. A great many of these products and articles could certainly be purchased more cheaply from the smaller producers who are not yet being permitted full participation in the mobilization program.

With the scheduled end on June 30 of the Small Defense Plants Administration it is imperative to the survival of small business to have a Government agency to direct and assist them in obtaining appropriate Government contracts and also advise them on applying for necessary financial loans.

Our small business firms have a substantial employment figure. By granting reasonable help to keep these firms going we are taking safety steps in the prevention of threatening unemployment which is unquestionably uneconomic in these dangerous days when every person and every resource of the Nation should be brought into this fighting struggle against Communist aggression.

Mr. Chairman, throughout the history of this country those engaged in small business have repeatedly demonstrated they are an essential patriotic artery of our productive body and in our survival as a free democratic people.

I earnestly urge you, my colleagues, to vote without further delay to extend this minimum aid to enable small business to maintain its rightful place in our traditional American life and history.

Mr. WOLCOTT. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Massachusetts [Mr. LANE] and may say to him that we are all very sympathetic with reference to the conditions in the New England area. Perhaps they have been helped out somewhat because of the policy of the procurement agencies of steering contracts for defense work into otherwise distressed areas. The situation cannot be completely corrected under this language, however. The cause lies deeper than that. It lies in the fallacious policies which have been developed in this country during the last 20 years in respect to foreign policy and foreign trade. Through a change of those policies and with the cooperation of the New England States themselves, we hope to put that area on a fair competitive basis with the rest of the country.

In the meantime we have to create some aid for concerns in these distressed areas but not to the prejudice of small business generally. So I am fearful if the gentleman's amendment is adopted stressing that it shall be done especially in these areas that overemphasizes the need of small business in distressed areas to the possible prejudice of small business in other areas which might need as much help as small business in the distressed areas. That is the point. We want to equalize this help without prejudice to any small concern, with special favors to none, with equal justice to all, as Mr. Jefferson said.

I hope the pending amendment will be defeated.

Mr. SPRINGER. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SPRINGER. Mr. Chairman, I am happy to be recorded in favor of this bill which I feel will do so much for small business in this country. Small business is the bulwark of free competitive enterprise. As long as the ownership and operation of business is diversified there is little danger that Government can ever make much of an inroad in substituting Government operation for private business.

As defined in this act a small-business concern is one which is independently owned and operated and which is not dominant in its field.

This act would continue many of the functions of the Small Defense Plants Administration, which is good. This bill will authorize the Small Business Administration to make loans to small-business concerns. However, no loan can be granted in any amount exceeding $100,000. It is interesting to note that under the old Reconstruction Finance Corporation about 63,300 loans were made through March 31, 1953. Ninety percent of these loans were made in amounts of $100,000 or less. In the fiscal year 1952 the Reconstruction Finance Corporation authorized 435 business loans in amounts of less than $100,000. The average loan was only $30,543.

In the same period 112 business loans in amounts of over $100,000 totaled $109,561,000 in gross amount. This is almost 6 times the amount which was authorized in the $100,000-and-under category. Stated differently, it took the same amount of loan funds to provide for only 12 concerns that it would have taken to meet the needs of 2,485 small-business concerns at the average loan amount of $30,543 per loan. This situation emphasizes the need in this act of placing a realistic limit on loans to any one borrower if the Administration is to assist small business.

It should be emphasized that the loan assistance provided for in the act is intended to supplement rather than be competitive with financial assistance extended to small business by private financing institutions. To further encourage private financing institutions in meeting the loan needs, authority is given under this act to participate with

private financing institutions in loans made to small business.

In a recent survey which was made by the House Committee on Small Business it was found that of the approximately 4 million business concerns, 87.4 percent had under 8 employees and 95.2 percent of the total number of concerns employed less than 20 people. This survey reveals that on the basis of employment small business is truly small in size. The purpose of the Small Business Act of 1953 is to assist small business.

This bill will require the Reconstruction Finance Corporation to transmit all applications from small business concerns for financial assistance which are received after the enactment of this legislation to the Small Business Administration. This will also provide for the winding up of the Reconstruction Finance Corporation a year earlier than had formerly been planned.

Mr. Chairman, in my opinion the enactment of this law is a wise provision to keep alive small business and industry in this country. It will properly implement the diversification of business so that we can have competition in private enterprise which has made America great. The history of competition in this country has resulted in lower prices for products per unit than any place else in the world. In these times when business has a tendency to become highly centralized, the Small Business Act of 1953 is real protection for the preservation of small business in this country. It is a bill that I am happy to be counted in favor of.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. LANE].

The amendment was rejected.

Mr. PATMAN. Mr. Chairman, I move to strike out the last word.

Before this bill was presented for a rule I noticed that instead of reporting the bill and the amendment the committee adopted, the two amendments I have discussed here today as amendments to the bill, it was reported as a whole amendment to the complete bill. I am not criticizing the distinguished chairman of the committee for doing that.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Michigan.

Mr. WOLCOTT. The chairman of the committee did not do that. The whole committee voted to do it. I called attention to the fact it should be done and the whole committee voted unanimously to rewrite this bill as a clean bill, which is done 99 times out of 100. That is why it is in this form. It would be a hodgepodge otherwise.

Mr. PATMAN. I am not accusing the chairman of doing something he should not have done, I want to make that plain, but I thought we would have a separate vote on those two amendments because they were amendments to H. R. 5141. The way it is presented we cannot get a separate vote on those two amendments because it is presented in a way that will preclude that possibility. I am not criticizing the gentleman for it; I am just stating the facts as they exist. Now, the only way I know how to get a vote on those two amendments is to make a motion to recommit, which I expect to do, and I hope that the Members of the House will support the motion to recommit with instructions to report the bill back forthwith with amendments to raise the amount from $250 million to $500 million and strike out the limitation of $100,000; those two points.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Indiana.

Mr. HALLECK. Of course, since this is all one amendment—and it has happened many, many times since I have been here—the only motion to recommit that would be in order would be a straight motion to recommit.

Mr. PATMAN. Of course, I do not think the gentleman should insist on that. That just denies us the privilege of getting the House to vote on the amendments in the first place after the committee adopts amendments to reduce the amount to $250 million and the $100,000 limitation amendment, I mean, after the committee adopts the amendments on H. R. 5141, the bill now before us, and then if we make that motion to recommit and it is held out of order that is just using parliamentary procedure to keep a person from getting the House to pass directly on the motion, and I do not believe the gentleman would insist on that. I know the gentleman is a very fair man and I have very high regard for him; in fact, the highest regard, notwithstanding our differences we often have.

Mr. HALLECK. The gentleman offered his amendment in the committee and he was overwhelmingly defeated. He has had his day in court, and I propose to make the point of order because it is in line with the rules of the House and has been the rule ever since I have been here, and it has been applied many, many times.

Mr. PATMAN. Of course, that is going rather far, I will say to the majority leader, to try to deny us a vote in the House of Representatives. As a matter of right, it occurs to me that we should have had it on two amendments to this bill we are considering, but the way the bill was written and the rule granted, we cannot do it, and therefore the only recourse the minority has is a motion to recommit, and that is the motion I expect to make. Believing in the fairness of the gentleman from Indiana, and the distinguished gentleman from Michigan, I am sure they would not try to deny us an actual vote in the House of Representatives on that motion. That is the only way we can get a record vote in the House of Representatives.

Mr. WOLCOTT. Mr. Chairman, I move to strike out the last word merely to put before the Committee of the Whole the actual record of what happened in the Committee on Banking and Currency. After we had completed our work on the bill, the gentleman from New York [Mr. GAMBLE] moved that the bill be reported out, to strike out all after the enacting clause, and the chairman take such action as is necessary, and that vote was unanimous. Then the gentleman from Texas [Mr. PATMAN] suggested that the language agreed upon by the chairman and the gentleman from Kentucky [Mr. SPENCE] with respect to the Board and the antitrust matters be O. K.'ed. It goes on to say that the gentleman from New York [Mr. MULTER] and the gentleman from Texas [Mr. PATMAN] will submit additional views. We adjourned at 4:35 p. m., and, according to the official record here, the gentleman was in the committee when this action was taken.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Texas.

Mr. PATMAN. I raised the point about striking out the provision of the defense-production plant and the question of the oil companies organizing a world cartel. I brought the question up, and it was considered, and after it was considered, although they got the cartel agreement ready to spring and it would not go in, I asked consideration, and I did not want to press it further. But we were not overwhelmingly defeated on those two amendments, I will say to the gentleman.

Mr. WOLCOTT. I did not say anything about your being overwhelmingly defeated. I said you were there when it was agreed that we report a clean bill, and the clean bill would be in the form of a committee amendment after striking out all after the enacting clause. The record shows that the motion was to strike out all after the enacting clause and introduce the one amendment as a clean bill. The gentleman was there at the time that was done. We took no action at all which the gentleman at the time did not agree with.

Mr. PATMAN. Maybe I should plead guilty to a lack of understanding or that I did not have the knowledge to understand it, but I am sure that I was expecting at the time, as all other members on the outside were discussing it, that we would have an opportunity to vote on those two amendments, and since we do not have an opportuity to vote on the two amendments in the House of Representatives——

Mr. WOLCOTT. I decline to yield further, Mr. Chairman.

Mr. BONIN. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Pennsylvania.

Mr. BONIN. Mr. Chairman, I ask unanimous consent to extend my remarks at the conclusion of the remarks made by the gentleman from Massachusetts [Mr. LANE].

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WOLCOTT. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GROSS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill

(H. R. 5141) to create the Small Business Administration and to preserve small business institutions and free, competitive enterprise, pursuant to House Resolution 265, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. WOLCOTT. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state the parliamentary inquiry.

Mr. WOLCOTT. Mr. Speaker, the bill being in the form in which it now appears, there being one amendment in the form of a substitute to the language of the bill as originally introduced, may a motion to recommit be made to report the bill back with instructions in respect to any part of the bill?

Mr. PATMAN. Mr. Speaker, would the speaker permit me to offer my motion before arguing the point of order on it? I have a motion to recommit.

The SPEAKER. Permit the Chair to state to the gentleman from Michigan that the Chair would prefer to have that question presented officially before ruling upon it.

Mr. WOLCOTT. Mr. Speaker, I was merely attempting to bolster up my case, and to get the Speaker to testify in my behalf before I made the point of order.

Mr. PATMAN. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. PATMAN. I am opposed to the bill in its present form, Mr. Speaker.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. PATMAN, of Texas, moves to recommit the bill to the Committee on Banking and Currency with instructions to report the bill back with the following amendments:

On page 21, line 7, strike out "$250,000,000" and insert in lieu thereof "$500,000,000."

On page 21, line 9, strike out "$250,000,000" and insert in lieu thereof "$500,000,000."

On page 21, line 15, strike out "$115,000,000" and insert in lieu thereof "$400,000,000."

On page 26, strike out lines 5 through 15.

Mr. WOLCOTT. Mr. Speaker, I make a point of order against the motion to recommit, on the ground that under the rules of the House where the last action taken by the House is the adoption of an amendment, a motion to recommit is not in order to instruct the committee to report back different language than that included in the amendment which has just been adopted by the House and thus change the action which was taken by the House.

The SPEAKER. Does the gentleman from Texas desire to be heard on the point of order?

Mr. PATMAN. Yes, Mr. Speaker, I desire to be heard on the point of order.

Mr. Speaker, the resolution, House Resolution 265, which is the rule which was adopted providing "for the consideration of this bill provides that after general debate which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute amendment recommended by the Committee on Banking and Currency now in the bill, and that such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit."

Mr. Speaker, I respectfully invite the attention of the Chair to the fact that the rule provides that we shall consider this amendment as an original bill. That is provided for in the rule on page 2, line 5, that it shall be considered under the 5-minute rule as an original bill. And after it is considered as an original bill, the rule specifically provides that after the previous question shall be considered as ordered on the bill and amendments to final passage, without intervening motion, except one motion to recommit. I have filed that one motion to recommit. That is the rule that is followed, and I believe, Mr. Speaker, that it is in order. If it is not in order, I just feel like we have not had an opportunity to fairly present the most important things in this bill to the House of Representatives.

Mr. HALLECK. Mr. Speaker, may I be heard on the point of order?

The SPEAKER. The Chair will be glad to hear the gentleman from Indiana.

Mr. HALLECK. It is not a matter of the Speaker condoning anything. It is a matter of the Speaker applying the rules that have been written and have existed for years here. That is all the Speaker can do on this occasion. The rule is well established, and I am a little surprised that the gentleman from Texas [Mr. PATMAN] presses it, because in the colloquy a short time ago I thought he himself said he recognized that under the rules of the House a motion to recommit, that he has here offered, would not be in order.

Mr. PATMAN. No. The gentleman misunderstood me.

Mr. HALLECK. I decline to yield. If I am putting the wrong interpretation on it, then the membership can understand it. In any event, that is the way I understood it. He complained about the fact that a point of order would be raised. The fact of the matter is that it was to be considered as an original bill for the purpose of amendment and under the 5-minute rule, but we are past that stage. The only provision is for one motion to recommit, which is the language that is always included in rules in respect to a motion to recommit. Of course, the rule might have provided otherwise, but it did not. Whether or not the gentleman protested the rule, or the form of the rule, I do not know, but certainly, Mr. Speaker, under the clear rules of the House and under this resolution the point of order is well taken.

The SPEAKER. The Chair is ready to rule. The Chair has painful recollection, through his long service in the minority, as to the application of this particular rule. The Chair knows that all the precedents are opposed to the motion to recommit as it is now presented to the House. The House having adopted a substitute amendment for the entire bill, that precludes any motion to recommit proposing to modify such amendment.

The Chair sustains the point of order.

The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM FOR NEXT WEEK

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, I have asked for this time in order to announce the program for next week, as nearly as I can. I have discussed the matter to some extent with the minority leader, the gentleman from Texas [Mr. RAYBURN].

Monday is District day. I understand there is at least one bill, H. R. 5312, the so-called crime bill, which the committee expects to call up on that date.

I might also add, for the benefit of the Members on our side of the aisle, that we hope to have a Republican conference here in the Chamber at 2:30, if the House concludes its work before that time, or at such time thereafter as the business of the House of Representatives is concluded, and immediately upon adjournment.

Then, for the balance of the week, may I say specifically with respect to this list of bills that by placing them in this order I do not undertake to say that that will be the order in which they will be called up:

S. 1081, which is an extension of the Defense Production Act, which has been reported by the Committee on Banking and Currency.

H. R. 5304, having to do with annuities for survivors of men in the armed services. That is a bill from the Armed Services Committee.

H. R. 3203, referred to as the trip leasing bill, which is in the process of being reported, I understand, by the Committee on Interstate and Foreign Commerce.

The first and last of those three measures will of necessity have to be granted rules, but I am hopeful that those rules

can be granted Monday or Tuesday of next week so that we can proceed with the consideration of those measures.

Also, there is in the Committee on Ways and Means a bill providing for the extension of the Reciprocal Trade Agreements Act, and for certain other matters. If that should be reported and a rule granted, we would like to bring that up next week.

I might also say that if other rules are granted or committee action is taken, or action contemplated next week on any other measure, I will immediately undertake to let all the Members know so that they may make their plans accordingly.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. McCORMACK. I notice the Senate yesterday passed the State, Justice, and Commerce appropriation bill, and that an important amendment was added on which there was a rollcall vote in the Senate, in effect an expression of opinion on the part of the Congress on the admission of Communist China into the United Nations. It was a unanimous vote.

Might I suggest to the leadership that an opportunity be given to the Members of the House to vote on that matter separately, whether the bill goes to conference and is brought back with that amendment in disagreement, or on a motion to instruct conferees; there are two ways in which it could be done. I am for it and I think practically every Member here is for it.

Mr. HALLECK. I might say to the gentleman that I, too, am for it. I have not discused the matter of handling the conference on that appropriation bill with the members of the Appropriations Committee but I shall be glad to have the gentleman's suggestions.

Mr. McCORMACK. If the gentleman will yield further, as I say, there are two ways in which it could be done: On a motion to instruct conferees before the measure goes to conference, but I think perhaps the better way would be to have them bring the amendment back in disagreement so the House could have an opportunity of passing on it.

Mr. HALLECK. Yes. We who are familiar with rules of procedure know that it can be arranged, and I think it would be a very desirable thing for the House to be on record on such an amendment.

CALENDAR WEDNESDAY

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that business in order on Calendar Wednesday may be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

ADJOURNMENT OVER

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

STRENGTHENING THE NORTHWEST'S TOMORROW

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include an address.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ANGELL. Mr. Speaker, at a recent session of the Lewiston, Idaho, Chamber of Commerce, meeting jointly with the Rotary Club, Kiwanis Club, and Lion's Club, Mr. Hillman Lueddemann, an outstanding citizen of Portland, Oreg., in my congressional district, and an authority on the resources of the Northwest, made an effective address entitled "Strengthening the Northwest's Tomorrow." I am including the address as part of these remarks inasmuch as it contains much factual information on the development of this large and important area of our Nation. The address follows:

STRENGTHENING THE NORTHWEST'S TOMORROW

(Address of Hillman Lueddemann before Lewiston, Idaho, Chamber of Commerce, Lewiston, Idaho, Wednesday, May 20, 1953)

It was just this type of gathering that I had the honor of addressing on February 25, 1948, as the incoming president of the Portland Chamber of Commerce. My talk at that time carried the thesis of Lewiston as the farthest inland seaport on the coast, and Lewiston as the eventual great terminus of rail and water traffic. A few days after that meeting, Herb West and I appeared before the Senate Appropriations Committee in Washington in support of additional funds for McNary Dam. Tonight, in the same place 5 years later we meet again. The same Herb West is in there fighting just the same, and after this meeting will be on his way to Washington to fight for the allocation of funds for the Dalles Dam and new starts on the Snake River. I mention these incidents with satisfaction because it demonstrates that the leadership of the Inland Empire Waterways Association is strong, constant, and effective in the development of all facets of water resources development in the Northwest, and has gained an enviable national and regional reputation. I am most happy to be the newest member of the board of directors and pledge my wholehearted support and cooperation. The association should be complimented on the fact that it has always presented a certain economic approach to the solution of our resources program and has never engaged itself in partisan politics. The greatest tribute that can be paid the efforts of any organization is the fact that no Congressman or Senator in the States of Washington, Oregon, or Idaho has ever voted against appropriation for carrying out this program of the Inland Empire Waterways Association for the development of the Columbia River system.

My business training, of necessity, has taught me to think in terms of area development. For example, to provide cargoes for a large fleet of ships, it is necessary to receive cargoes from all ports in the Northwest. Likewise, in purchasing timber, building sawmills, and operating logging camps, of necessity State boundaries have had to be forgotten, and again area operation has come into play. My thoughts and actions for the past 30 years have been directed toward the development of the Pacific Northwest as one economic unit.

The Columbia Basin river system is our strongest economic tie. It forms an ideal, natural harbor extending from Astoria, Oreg., to Lewiston, Idaho, a distance of 425 miles. This drainage system embraces approximately 259,000 square miles in 4 States and Canada, 95 percent of which is above Celilo Falls. There are 8,200 miles of the main stem of the Columbia, Snake, and important tributaries. The volume of water is 3 times that of the Missouri, 5 times that of the Sacramento, and 8 times that of the Colorado. The area which the Columbia and its tributaries drains is 20 times larger than the Puget Sound drainage and 5 times larger than the San Francisco Bay drainage.

Great seaports are created by great drainages, often termed "hinterlands." The greatest seaports in the world are those that have reached out into their hinterlands with waterways, railways, and highways. Out of the 30 largest cities in the world, 20 are seaports, each served by productive hinterlands. I like to regard the large seaport cities as the hub of a large wheel, dependent upon the strength of the spokes which are made up of clusters of smaller ports of the hinterland. I regard the Columbia River (embodying the ports of Portland, Vancouver, Longview, Rainier, Umatilla, etc.) as one big harbor, the same as Puget Sound (which embodies the ports of Seattle, Tacoma, Everett, Bellingham, Anacortes, etc.) and San Francisco Bay (embodying the ports of San Francisco, Oakland, Richmond, Sacramento, etc.). It follows, then, that we should regard the Columbia Basin from Astoria to Lewiston as one harbor, and even though deepwater ships berth in the lower Columbia, the law of gravity prevails in making it natural and feasible to barge, rail, and truck the products of the hinterland of the upper Columbia to ship's side. I emphasize, the various ports in all harbors contribute to the general pool of tonnage which constitutes the volume that permits hundreds of ships to carry cargoes. I have witnessed foreign shipowners, unacquainted with Columbia River operations assess shippers as much as $4,500 to move a vessel from Portland to Vancouver, Wash., because of the 2 ports being in different States. The actual cost was only about $200. Therefore, my friends, let us never lose sight of the fact that the general economy of the Pacific Northwest can best be served by developing the Columbia Basin, as 1 unit, 1 harbor, and in the time allotted me today, I shall touch briefly upon phases of area development to strengthen our Northwest's tomorrow.

The increase in population of the Pacific Northwest is so gradual and constant that we who live here are apt to not realize the full impact that same is having upon our general economy. This great movement started 12 years ago, and never in the history of the world have so many souls moved from one point to another in peacetime as they have in our present westward migration. Population increase since 1940 estimated by the experts will be 1½ million more in the Pacific Northwest by 1960. This means, in terms that we can all understand, 1 more Seattle, 1 more Tacoma, 1 more Spokane, and for good measure, 15 more Lewistons.

The discovery of oil in southern California marked the beginning of an industrial revolution that transformed the Southwest into one of the most populous areas in the country. While it is true that oil is power, by reason of its costliness to produce, its potential cannot equal that of low-cost hydroelectric power which the Columbia Basin is capable of producing. This low-cost hydroelectric power promises to work the same kind of a revolution here in the Pacific Northwest. I would say we are better off, then, than the State of California in having water instead of oil as our basic natural resource. All economists have agreed that water is the limiting factor to the growth of any community. Therefore, with an unlimited supply of water from melting snow in the summer and gentle rains for the balance of the year, the potential of the Northwest is greater than any other section of the United States. In the 10 short years of its

existence in the economic structure of the Pacific Northwest, the light-metals and electrochemical industries, for instance, have added materially to our growth and prosperity. From not only the manufacturing end but from the fabricating end has the aluminum industry, in particular, been a boon to our growth.

Almost half the aluminum produced in the Pacific Northwest is fabricated here. It is made into irrigation pipe, cooking utensils, boats, and many other items which find daily use. More than 300 businesses are fabricating these items from aluminum produced right here in the Columbia Basin. The new jobs created, the new people brought into our communities, and the taxable wealth created is but one indication of the advantages to be derived through the use of the water that otherwise would be wasted. We must build a healthier business climate and we must engender a thorough understanding if we are to encourage the industrial use and expansion of our great resources.

When we view the potential hydroelectric generating capacity of the Columbia Basin as the equivalent of 60 Bonnevilles, our efforts to date constitute only a 10-percent accomplishment. However, dams that are actually under construction at the present time, namely, Hungry Horse, Albeni Falls, Chief Joseph, McNary, the Dalles, Palisades, Lookout Point, Dexter, Detroit, and Big Cliff, when completed within the next 8 years' time, will constitute the equivalent of 8 more Bonnevilles. Then we might say that in 8 years' time, counting the private and public dams that are now in operation and those that are being built, we will have the equivalent of 13 Bonnevilles, which will have accomplished our potential by 20 percent. Our progress, therefore, is impressive, but I am more impressed with the tremendous job which is ahead of us.

We have experienced power shortages, brownouts without any drive on the part of anyone to induce industry to locate in the Pacific Northwest. The task before us is not to attempt to assess blame for past power shortages, but rather to attempt to avert them in the future. The major causes of our power shortage has been the lack of what is termed unity in the Pacific Northwest. It is estimated that we will need some 27 million acres for upstream storage to support the full water resource development of the Columbia River system. Yet we do not have one dam proposed by the Federal Government, by private utilities, by public utilities, or by municipalities that is not in controversy. There has been an increase in residential consumption in the past years from an average of 1,900 kilowatts per residential consumption in 1942 to an excess of 5,200 kilowatts in 1952. All of our private utilities, public utilities, and municipalities are earning more net income than 10 years ago, and the price of residential power over the whole has decreased some 30 percent. Again, I point out that we are a single, economic unit when it is possible to afford power users located in the most remote corners of the Columbia Basin the same rate as those users in the very shadow of Bonneville Dam.

So much for what the great workhorse can do for us powerwise. Let's see what he can do for us navigationwise.

Navigationwise, there is a tremendous story to be told when we realize that the Dalles-Celilo Canal was completed in 1915 and that some 61,000 tons of cargo moved through the canal in the next 23 years to the opening of the Bonneville Dam in January 1938. The first year the Bonneville Dam was opened, nearly as much freight in 12 months was carried on the Columbia River as was transported in the previous 23 years. This past year—1952—close to 2 million tons of cargo was transported on the river. This included petroleum, wheat, cement, ammunition, and lumber. Seventy-five percent of the tonnage of the inland empire is produced and consumed east of McNary Dam. With the opening of McNary locks, another major step for extension of inland navigation to Lewiston has been made. I share with you your desire for completed waterways system from this great city to the mouth of the Columbia River. Tremendous progress has been made. Of course, we who are living in the present are not the least desirous of being satisfied or tolerant of the progress made. I am sure that under our continued cooperation between the lower Columbia River area and your participation in the upper Columbia River region, through the Inland Empire Waterways Association, we will soon break the bottleneck of navigation on the Columbia-Snake Rivers.

There are some 18 port districts now formed on the Columbia River from the mouth to the confluence of the Columbia and Snake. This is more port districts than on any other river in the United States, lending strength to our efforts to develop the basin as one, single harbor. This is a strength that cannot be overemphasized and gives to these port districts an official body with which to carry on negotiations and to be represented at all public hearings regarding rate matters. It is my understanding that the great State of Idaho adopted a port district law many years ago, and I would commend full consideration and early formation of a port district at Lewiston so that you will have official representation at all rate hearings that so definitely affect your present and future economy. I also commend for the consideration of our friends in the State of Washington residing in Whitman and Asotin Counties to take advantage of port district laws of your great State for the reasons I have pointed out.

Conservation and wise use of water should and must challenge every citizen of the Columbia Basin region. In the northeast part of our country and in the southwest, water is the limiting factor of population and industrial expansion. It is estimated that in the northwest two-thirds of our rain and snow is lost in floods and other runoff. Today only approximately 13 percent of our water resources are utilized for the benefit of our people and for our economic development. We must unite in our efforts to further flood control and reclamation projects to protect our rich agricultural lands from erosion and to bring our parched deserts into bloom.

Conservation and wise use of water is also important when we consider how vital water is to industry. It is interesting to note that it takes 100,000 gallons of water to manufacture a new car, 18½ gallons of water for each gallon of motor oil, and for each gallon of water used domestically, industry uses 10 gallons. The use of water has multiplied 8 times in the past 50 years and it is estimated that it will double again in the next 25 years. Engineers report that in many sections of our country the purified water delivered to the tap costs 10 cents per ton. Distillation of sea water is seriously considered in the northeast and southwest regions of our Nation. Estimated cost of this type of distilled water would be 50 times that of Bull Run water.

Thus in developing the Columbia Basin in the terms of a single harbor, it is necessary that we harness the streams so as to gain this potential of hydroelectric power to attract new industries to the Pacific Northwest. It is estimated that over 40 percent of the undeveloped hydroelectric power potential of this Nation is in the Pacific Northwest. We must harness our streams so that we may have water for irrigation of our agricultural areas; we must harness our streams so that they may be controlled in flood times. The rich, fertile lands of the Columbia Basin area must not be allowed to wash into our streams. In harnessing the waters of the Columbia Basin, we again have the advantage over the drainages in other sections of the country. Compare, for instance, the harnessing of the Mississippi River, with its broad, smooth river bed, with the harnessing of the Columbia which roars through rocky gorges in narrow locations.

In capturing the tons of water that flow to the sea unused, thus turning waste into economic value, we come to the subject of harnessing the waste of another great natural resource—a resource which ranks first in our three States of Oregon, Washington, and Idaho. By this you will know that I refer to our forests. As is the case of water, our forests are a renewable resource, and with proper management and conservation, can be made to serve us always. How fortunate we are here in the Pacific Northwest to be building our economy upon the two greatest natural resources in the world—water and forests. We do not have to rely upon speculation which is required in the fields of oil, natural gas, and coal. One hundred years ago, when the Northwest became a part of the Union as a Territory, we were a great wilderness, but our forests have been mighty good to us in advancing us to our present economic stage. Many people worry about the depletion of our forests over the past 100 years, pointing out that half of our timber stands have been cut out. But with intense programs of sustained yield practices being carried out in our timber-growing areas, new trees are growing. Whether these new trees are going into pulp, paper, or lumber, the fact remains our forests will continue producing and will create payrolls.

In the period ahead, we will not only see a higher degree of manufacturing lumber but a greater utilization of waste material. Every one of us has commented at one time or another about the leftovers in the sawmills and forests "going up in smoke." That situation is being corrected faster than most of us realize. For instance, we find that the slabs from the sawmills, to a marked degree, are now being put into chips and the chips made into pulp for paper. We find at least one plant making cork and various compounds for roofing paper out of bark. A small plant is now being contemplated to make wax out of bark. A plant in Springfield, Oreg., has been making alcohol out of sawdust. Three plants in the Pacific Northwest manufacture large quantities of cellulose which is shipped to the East and made into rayon and from rayon into cellophane. The lumber industry is very conscious of maximum utilization, and the future will see brand new industries arising to take the place of the smokestack in the sawmills.

The question of developing water and timber resources is not a new one to the public. As an example, may I quote a few excerpts from a letter, whose author I will identify upon the conclusion of the quotation:

"Each river system, from its headwaters in the forest to its mouth on the coast, is a single unit and should be treated as such.

"Running water is a most valuable natural asset of the people, and there is urgent need for conserving it for navigation, for power, for irrigation, and for domestic and municipal supply.

"The improvement of our inland waterways can be and should be made to pay for itself as far as practicable from the incidental proceeds from water power and other uses. Navigation should of course be free. But the greatest return will come from the increased commerce, growth, and prosperity of our people. For this we have already waited too long. Adequate funds should be provided, by bond issue if necessary, and the work should be delayed no longer. The development of our waterways and the conservation of our forests are the two most pressing physical needs of the country. They are interdependent, and they should be met vigorously, together, and at once.

"There is urgent need for prompt and decisive action.

"THEODORE ROOSEVELT.

"THE WHITE HOUSE, *February 26, 1908.*"

We have come a long way in this great Northwest of ours in the first 100 years of progress. We have advanced from a wilderness where a few people dared to go to a promised land that now lures millions. We are the custodians of that promised land and as such, have a serious responsibility in its future. Jobs must be created in large numbers so that the great migration may have homes and a livelihood. God has given the Northwest the necessary tools with which to create these jobs. He has given the Northwest the two greatest natural resources on earth—water and forests. Both are renewable and inexhaustible. We must harness our rivers to make them turn the wheels of industry, carry our cargoes, irrigate our lands, and control our floods. We must harness the waste of our forests, turning smoke into sugar, molasses, yeast, alcohol, rayon, cellophane, cork, turpentine, wax, pulp, paper, and dozens of other items. We can make our forests pay double. We can make our rivers pay double.

In summarizing, to strengthen the Northwest's tomorrow, we must have unity of purpose. First, we must regard the Columbia Basin as a single economic unit, with its development geared to the needs of today and the demands of tomorrow, where industry and agriculture go hand in hand to create a balanced economic picture.

Secondly, we must regard the Columbia Basin as a natural highway of commerce—as a single transportation unit, where water, rail, truck, and plane join to provide an unparalleled web of communication to the markets of the world. From the west to the east, and vice versa, there passes through the Columbia Basin a natural route for transportation of goods and materials. We must stand ready to supplement present commerce with that of our own making, and to keep the door open for even greater floods of commerce as the Pacific Northwest grows.

Thirdly, we must regard the Columbia Basin as an integrated agricultural unit, for here, with the wealth of water that can be made available, is this country's greatest potential food-growing region to supply the foodstuffs for our increasing population as well as the markets of the rest of the Nation.

We know that the completed multiple purpose project will be equivalent in generating capacity to 60 Bonnevilles. Everyone in the Northwest, including Congressmen and Senators, are for the project as recommended by the United States engineers in Docket 308. The controversy seems to come forth upon the matter of which dam or dams come first. This is only natural in a large area such as the Northwest because we, as Americans, can still give expression to our ideas. That's fine, and let's keep on exchanging ideas, but if we are overruled, let's keep on fighting as a Northwest team. The final goal is a rapid completion of the overall project.

While we are blessed with these vast water resources, let us also hope that we are blessed with the practical good sense to manage them in the best interests of all of the States and all of the people of the Pacific Northwest. Let's all work together to get the job done rapidly to meet the demands of today so that our tomorrow may be strengthened.

Hats off to the past. Coats off to the future.

GENERAL LEAVE TO EXTEND

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill H. R. 5141 just passed by the House.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

COMMITTEE ON BANKING AND CURRENCY

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may have until midnight tomorrow night to file a report on the bill (S. 1081) to provide authority for temporary economic controls, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Appendix of the RECORD, or to revise and extend remarks was granted to:

Mr. McVEY and to include an editorial.

Mr. STRINGFELLOW and to include a speech by Mr. Casey Jones.

Mr. KERSTEN of Wisconsin notwithstanding the estimated cost will be $189.

Mr. O'BRIEN of Michigan and to include a resolution from the Michigan Senate.

Mr. MULTER in two instances and to include extraneous matter.

Mr. McCORMACK and to include an editorial.

Miss THOMPSON of Michigan and to include an article Knots Again.

Mr. VAN PELT and to include an editorial.

Mr. WILSON of California in two instances.

Mr. BUSBEY and to include an article by Hamilton Long on the B–36 as a tanker.

Mr. UTT and to include extraneous matter in two instances.

Mr. HELLER (at the request of Mr. MULTER) in two instances.

Mr. KEOGH (at the request of Mr. RODINO) in two instances.

Mr. McCORMACK and to include a resolution adopted by the Massachusetts Senate and a resolution adopted by the Massachusetts House of Representatives both relating to the same subject, and to be considered as one insertion.

Mr. DOWDY and to include an editorial.

Mr. GWINN and to include extraneous matter.

Mr. JUDD and to include extraneous matter.

Mr. BRAY and to include an editorial.

Mr. BYRD.

Mr. McMILLAN and to include an excerpt from a radio broadcast.

Mr. SMITH of Mississippi in three instances, in each to include extraneous matter.

Mr. VAN ZANDT (at the request of Mr. HALLECK).

Mrs. ST. GEORGE (at the request of Mr. HALLECK).

SENATE ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to enrolled bills and a joint resolution of the Senate of the following titles:

S. 117. An act to amend section 7 of the Flood Control Act of 1941 relating to the apportionment of moneys received on account of the leasing of lands acquired by the United States for flood-control purposes;

S. 1307. An act to amend the act of December 23, 1944, authorizing certain transactions by disbursing officers of the United States, and for other purposes;

S. 1739. An act to provide for continuation of authority for regulation of exports, and for other purposes; and

S. J. Res. 80. Joint resolution requesting and authorizing the President of the United States to officially proclaim the week of June 7–14, 1953, as Aid-to-Korea Week.

LEAVE OF ABSENCE

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent that leave of absence may be granted to Mr. BENDER, Mr. SMITH of Kansas, and myself, for next week, on account of official business.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

By unanimous consent, leave of absence was granted to:

Mr. CLARDY, for June 8, 9, and 10, on account of Un-American Activities Committee hearings at Lansing, Mich.

Mr. SCHERER (at the request of Mr. McVEY) for today, on account of official business.

ADJOURNMENT

Mr. HALLECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 46 minutes p. m.) the House, pursuant to its previous order, adjourned until Monday, June 8, 1953, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

753. Under clause 2 of rule XXIV, a letter from the Acting General Counsel, Office of the Secretary of Defense, transmitting a draft of legislation entitled "A bill to authorize the loan of two submarines to the Government of Italy," was taken from the Speaker's table and referred to the Committee on Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. REED of New York: Committee on Ways and Means. H. R. 5407. A bill to amend section 2879 (b) of the Internal Revenue Code; without amendment (Rept. No. 515). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BENTLEY:

H. R. 5581. A bill to amend section 1701 of the Internal Revenue Code to exempt from tax admissions to educational films, where all the proceeds of such admissions inure to the benefit of certain educational and other organizations operating on a nonprofit basis; to the Committee on Ways and Means.

By Mr. GAMBLE:

H. R. 5582. A bill to amend section 213 (d) of the National Housing Act, so as to adjust the statutory limitation on the interest rate applicable to cooperative housing mortgages insured by the Federal Housing Administration; to the Committee on Banking and Currency.

By Mr. MULTER:

H. R. 5583. A bill to assist in relieving the current immigration and refugee problem by providing for the issuance of 240,000 special immigrant visas during the 2 fiscal years commencing July 1, 1953, and July 1, 1954; to the Committee on the Judiciary.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Michigan, memorializing the President and the Congress of the United States requesting the Federal Government to give consideration to the Hearst plan for better roads; to the Committee on Ways and Means.

Also, memorial of the Legislature of the Virgin Islands, memorializing the President and the Congress of the United States to make known the wishes of the people of the Virgin Islands with respect to an Organic Act for the Virgin Islands; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AYRES:

H. R. 5584. A bill for the relief of Amiello Balzano; to the Committee on the Judiciary.

By Mr. BENDER:

H. R. 5585. A bill for the relief of Vladimir Landow and Mrs. Irina Landow; to the Committee on the Judiciary.

By Mr. BOW:

H. R. 5586. A bill for the relief of Constantine Nitsas; to the Committee on the Judiciary.

By Mr. COUDERT:

H. R. 5587. A bill for the relief of Electric Ferries, Inc., of New York, as agent and trustee of the stockholders of Southern Transportation Co., of New York; to the Committee on the Judiciary.

By Mr. HAGEN of Minnesota:

H. R. 5588. A bill for the relief of Eugen Tanzer; to the Committee on the Judiciary.

By Mr. HART:

H. R. 5589. A bill for the relief of Ignazio Boffoli; to the Committee on the Judiciary.

By Mr. HELLER (by request):

H. R. 5590. A bill for the relief of Antonio Mattino; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 5591. A bill for the relief of Charles C. and Sophia Ho-Ying Chang; to the Committee on the Judiciary.

H. R. 5592. A bill for the relief of Lorenzo Cesare Caprioglio; to the Committee on the Judiciary.

By Mr. O'BRIEN of New York:

H. R. 5593. A bill for the relief of John Hatzigeorgiou; to the Committee on the Judiciary.

By Mr. SIEMINSKI:

H. R. 5594. A bill for the relief of Piotr Krzentowski; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

312. By Mr. CANFIELD: Resolutions of the Central of Polish Organizations of Passaic on May 17, 1953, on Polish freedom; to the Committee on Foreign Affairs.

313. By the SPEAKER: Petition of the National Pension Federation, Washington, D. C., relative to Cambridge Unit Massachusetts Society of Old Age Pensions wishing to go on record as fully supporting the bill H. R. 1041; to the Committee on Ways and Means.

SENATE

MONDAY, JUNE 8, 1953

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal God, in this still moment at the week's beginning make us vividly aware of Thy divine invasion through all the areas of our yearning lives. Give us the grace of hospitality to the highest. As citizens of a world that carries on its bent shoulders a burden of suffering greater than humanity has ever before borne, make us inwardly adequate to be Thy ministers of reconciliation; and yet save us from the supreme folly of crying, "Peace, peace," when there is no peace. May the poisoning evils which blight the earth not devastate our inner lives, subduing us to its low standards, confusing us by its chaos, or crushing our faith under its tragedy. At this high altar in the temple of public service maintain, in those who here serve the people, the fidelity of those to whom much has been given and from whom much will be required: In the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, June 4, 1953, was dispensed with.

ENROLLED JOINT RESOLUTION SIGNED DURING ADJOURNMENT

Under authority of the order of the Senate of June 4, 1953, the President pro tempore signed on June 5, 1953, the enrolled joint resolution (S. J. Res. 80) requesting and authorizing the President of the United States to officially proclaim the week of June 7–14, 1953, as Aid to Korea Week, which had previously been signed by the Speaker of the House of Representatives.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on June 5, 1953, he presented to the President of the United States the enrolled joint resolution (S. J. Res. 80) requesting and authorizing the President of the United States to officially proclaim the week of June 7–14, 1953, as Aid to Korea Week.

MESSAGES FROM THE PRESIDENT— APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts and joint resolution:

On June 4, 1953:

S. 1448. An act to amend the act of June 25, 1942, relating to the making of photographs and sketches of properties of the Military Establishment, to continue in effect the provisions thereof until 6 months after the present national emergency.

On June 5, 1953:

S. 1324. An act to authorize the Commissioners of the District of Columbia to fix certain licensing and registration fees.

On June 6, 1953:

S. 261. An act granting the consent and approval of Congress to the Connecticut River flood-control compact;

S. 380. An act to authorize the sale or lease by the State of Kansas of certain lands situated near Garden City, Kans.;

S. 1292. An act providing for the reconveyance to the town of Morristown of certain land included within the Morristown National Historical Park, in the State of New Jersey;

S. 1334. An act for the relief of the Rev. A. E. Smith;

S. 1545. An act to authorize the Secretary of the Army to convey certain Government-owned burial lots and other property in the Washington Parish Burial Ground, Washington, D. C., and to exchange other burial lots;

S. 1670. An act to extend the time for filing a report by the Committee on Retirement Policy for Federal Personnel established by the act of July 16, 1952; and

S. J. Res. 80. Joint resolution requesting and authorizing the President of the United States to officially proclaim the week of June 7–14, 1953, as Aid to Korea Week.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 106. An act for the establishment of a Commission on Governmental Operations; and

S. 1514. An act to establish a Commission on Intergovernmental Relations.

The message also announced that the House had insisted upon its amendments to the bill (S. 1550) to authorize the President to prescribe the occasions upon which the uniform of any of the Armed Forces may be worn by persons honorably discharged therefrom, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SHORT, Mr. JOHNSON, and Mr. KILDAY had been appointed managers on the part of the House at the conference.

The message further announced that the House had passed a bill (H. R. 5141) to create the Small Business Administration and to preserve small-business institutions and free, competitive enterprise, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the

following enrolled bills, and they were signed by the Vice President:

S. 117. An act to amend section 7 of the Flood Control Act of 1941 relating to the apportionment of moneys received on account of the leasing of lands acquired by the United States for flood-control purposes;

S. 1307. An act to amend the act of December 23, 1944, authorizing certain transactions by disbursing officers of the United States, and for other purposes; and

S. 1739. An act to provide for continuation of authority for regulation of exports, and for other purposes.

LEAVE OF ABSENCE

On request of Mr. JOHNSON of Texas, and by unanimous consent, Mr. HUNT was excused from attendance on the sessions of the Senate this week.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. KNOWLAND, and by unanimous consent, the Subcommittee on Investigations of the Committee on Government Operations was authorized to meet this afternoon during the session of the Senate.

ORDER OF BUSINESS

Mr. KNOWLAND. Mr. President, for the information of the Senate, I desire to say that following the morning hour there will be a call of the calendar for the consideration of measures to which there is no objection, under the usual 5-minute rule.

Following the call of the calendar, it will be the intention of the acting majority leader to move that the Senate proceed to consider Calendar No. 159, Senate Resolution 106, if that resolution is not disposed of on the call of the calendar; and following that, to take up Calendar No. 321, Senate bill 690.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. JOHNSON of Texas. I understand that some members of the Committee on Rules and Administration have been considering offering an amendment to Senate Resolution 106, as reported, reducing the amount from $100,000 to $75,000.

Mr. KNOWLAND. That was my understanding. So far as the acting majority leader is concerned, that would be agreeable, and I understand it would be agreeable also to the members of the committee, both majority and minority.

Mr. JOHNSON of Texas. Certainly it would be agreeable to me. If we can proceed on that basis, I think very little time will be required in the consideration of the resolution.

THE ARMISTICE IN KOREA

Mr. KNOWLAND. Mr. President, I ask unanimous consent that I may make a statement not to exceed 5 minutes.

The VICE PRESIDENT. Is there objection to the request of the Senator from California? The Chair hears none, and the Senator from California may proceed.

Mr. KNOWLAND. Mr. President, the President of the United States has written a letter to the President of the Republic of Korea concerning the armistice negotiations which are now in the final stages. I ask unanimous consent to have printed at this point in the RECORD the text of President Eisenhower's letter to President Syngman Rhee.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, June 6, 1953.

DEAR MR. PRESIDENT: I received on June 2 the cabled text of your communication dated May 30. I have given it the careful and sympathetic consideration it deserves.

The Republic of Korea has engaged all of its resources, human and material, in a struggle which will go down in history as one of the epic struggles of all time. You have dedicated your all without reservation to the principle that human liberty and national liberty must survive against Communist aggression which tramples upon human dignity and which replaces national sovereignty with a humiliating satellite status. The principles for which your nation has fought and for which so many of your youth have died are principles which defend free men and free nations everywhere.

The United States has stood with you, and with you we have fought for those principles, as part of the United Nations command. The blood of your youth and our youth has been poured out on the altar of common sacrifice. Thereby we have demonstrated not only our dedication to the cause of human freedom and political liberty, but also our dedication to an equally important principle which is that there cannot be independence without interdependence, and there cannot be human liberty except as men recognize that they are bound together by ties of common destiny.

The moment has now come when we must decide whether to carry on by warfare a struggle for the unification of Korea or whether to pursue this goal by political and other methods.

The enemy has proposed an armistice which involves a clear abandonment of the fruits of aggression. The armistice would leave the Republic of Korea in undisputed possession of substantially the territory which the Republic administered prior to the aggression, indeed this territory will be somewhat enlarged.

The proposed armistice, true to the principle of political asylum, assures that the thousands of North Koreans and Communist Chinese prisoners in our hands, who have seen liberty and who wish to share it, will have the opportunity to do so and will not be forcibly sent back into Communist areas. The principle of political asylum is one which we could not honorably surrender even though we thereby put an earlier end to our own human and material losses. We have suffered together many thousands of casualties in support of this principle.

It is my profound conviction that under these circumstances acceptance of the armistice is required of the United Nations and the Republic of Korea. We would not be justified in prolonging the war with all the misery that it involves in the hope of achieving, by force, the unification of Korea.

The unification of Korea is an end to which the United States is committed, not once but many times, through its World War II declarations and through its acceptance of the principles enunciated in reference to Korea by the United Nations. Korea is unhappily not the only country which remains divided after World War II. We remain determined to play our part in achieving the political union of all countries so divided. But we do not intend to employ war as an instrument to accomplish the worldwide political settlements to which we are dedicated and which we believe to be just. It was indeed a crime that those who attacked from the north invoked violence to unite Korea under their rule. Not only as your official friend but as a personal friend I urge that your country not embark upon a similar course.

There are three major points I would like to make to you:

1. The United States will not renounce its efforts by all peaceful means to effect the unification of Korea. Also as a member of the United Nations we shall seek to assure that the United Nations continues steadfast in its determination in this respect. In the political conference which will follow an armistice that will be our central objective. The United States intends to consult with your Government both before and during such a conference and expects the full participation of your Government in that conference.

2. You speak of a mutual defense pact. I am prepared promptly after the conclusion and acceptance of an armistice to negotiate with you a mutual defense treaty along the lines of the treaties heretofore made between the United States and the Republic of the Philippines, and the United States and Australia and New Zealand. You may recall that both of these treaties speak of "the development of a more comprehensive system of regional security in the Pacific area." A security pact between the United States and the Republic of Korea would be a further step in that direction. It would cover the territory now or hereafter brought peacefully under the administration of the ROK. Of course you realize that under our constitutional system, any such treaty would be made only with the advice and consent of the Senate. However, the action which the United States has heretofore taken, and the great investment of blood and treasure which has already been made for the independence of Korea are certainly clear indications of American temper and intentions not to tolerate a repetition of unprovoked aggression.

3. The United States Government, subject to requisite congressional appropriations, will be prepared to continue economic aid to the Republic of Korea which will permit in peace a restoration of its devastated land. Homes must be rebuilt. Industries must be reestablished. Agriculture must be made vigorously productive.

The preamble of the Constitution of the United States states the goals of our people, which I believe are equally the goals of the brave people of Korea, namely "to form a more perfect union, establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessings of liberty." Manifestly, not all of these conditions now prevail in Korea. Moreover, in existing circumstances they cannot be achieved either by prolongation of the present conflict or by reckless adventure with a new one. Only by peaceful means can these things be achieved.

With the conclusion of an armistice the United States is prepared to join with the Republic of Korea to seek for Korea these ends. We believe that in Korea there should be a more perfect union and, at I say, we shall seek to achieve that union by all peaceful methods. We believe that there should be domestic tranquility and that can come from the end of fighting. There should be provision for the defense of Korea. That will come from the mutual security treaty which we are prepared to make. The general welfare should be advanced and that will come from your own peacetime efforts and from economic assistance to your war-torn land. Finally, a peaceful settlement will afford the best opportunity to bring to your people the blessings of liberty.

I assure you, Mr. President, that so far as the United States is concerned, it is our

desire to go forward in fellowship with the Republic of Korea. Even the thought of a separation at this critical hour would be a tragedy. We must remain united.

Sincerely,

DWIGHT D. EISENHOWER.

Mr. KNOWLAND. Mr. President, among the people of the United States there has been a great admiration for the people of the Republic of Korea in their struggle to maintain free institutions against Communist tyranny.

President Syngman Rhee, the executive and legislative branches of the Government of Korea, and the Korean people, have built up a great reservoir of good will and admiration.

I hope and pray that the Government of the Republic of Korea will do nothing now that would undermine and tend to destroy overnight that which now exists.

President Eisenhower has gone a long way to provide assurances that would permit the free people of Korea to maintain their freedom, help rebuild their war-torn economy, and bind up the grievous wounds of 3 years of war.

A heavy responsibility rests upon officials of the Republic of Korea and of the Government of the United States. We must face the facts as they are and not as we would have liked them to be and as they might have been if other decisions had been made long before this administration came to power.

It is my considered judgment, as a long-time friend of the Republic of Korea and as one who has a personal admiration for President Syngman Rhee in the leadership he has furnished his people, that any action that would endanger the truce about to be consummated would be detrimental to the people of the Republic of Korea and would endanger the security of the United Nations forces in Korea, including the security of the forces this country has in that nation. This cannot and must not be allowed to happen.

STATUS OF PROPOSED LABOR LEGISLATION

Mr. SMITH of New Jersey. Mr. President, as chairman of the Committee on Labor and Public Welfare, I ask unanimous consent to make a brief statement regarding the progress of proposed labor legislation.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator from New Jersey may proceed.

Mr. SMITH of New Jersey. On Saturday, June 6, there was published in the press a statement by Mr. George Meany, president of the American Federation of Labor, in which he took President Eisenhower and the Republican Party to task for not having passed any labor legislation this year. He said a report was current, which he attributed to me, that there would be no labor legislation this year. In the light of Mr. Meany's remarks, which evidence a misunderstanding of the situation, it seemed to me appropriate that a brief statement should be made regarding what are the administration's plans and purposes.

The statement by Mr. Meany, president of the A. F. of L., attacking President Eisenhower and myself, a chairman of the Senate Committee on Labor and Public Welfare, because there have as yet been no amendments to the Taft-Hartley Act, illustrates the difficulties with which we are confronted in trying to deal objectively and fairly with controversial issues.

I am amazed at Mr. Meany's unfortunate statement. He is thoroughly aware of the difficulties in this situation and of the problems that have confronted Mr. Durkin. I have been working closely with Mr. Durkin all through the past months. At the present moment the Senate committee and the House committee are considering a number of proposals for amendments submitted at our hearings by both labor and management. Publicity has been given to many of these proposals, and both the CIO and A. F. of L. have submitted their comments. The Departments of Labor and Commerce have been making a careful study of the issues involved.

Management-labor relations are in a continuing state of adjustment. No legislation can cover the subject once and for all. It is because of this process of trial and error that we are endeavoring to explore the various issues by personal contacts and discussions.

There has been no agreement such as Mr. Meany suggested in his release, between the President and any of the Republican leaders to put off revision of the law until next year. The senior Senator from Ohio [Mr. TAFT] and I have repeatedly said that we were doing all in our power to present a revised bill this year. We are continuing those efforts. There will be no letup in our plans to develop sound and just amendments and to carry out the campaign promises of the President.

I might add that, obviously, with time quickly passing, and considering the desire of Congress to adjourn, or perhaps to recess, in July, it may not be possible to pass legislative proposals which may be on the calendar.

The objective of the committee in conjunction with the White House is to report a bill this year to get it on the calendar and if possible to have it passed. We do not expect to cover the entire waterfront in any bill this year. There are questions under consideration which are very controversial, some of which may have to be postponed. However, we believe that this subject can be handled by successive treatments of the situation, and by continuing the conversations initiated this year between labor and management in an effort to deal with the controversial questions. I think I can safely predict that we shall have a bill for the calendar this year, and will be prepared to continue our studies and have another bill next year, so that this subject may be adequately treated by the present administration.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I yield.

Mr. LEHMAN. Is it not a fact, however, that in spite of the efforts of many members of the Committee on Labor and Public Welfare, of which I am a member, under the chairmanship of the distinguished Senator from New Jersey, no indications have been given to the committee, either by the President of the United States or by the Secretary of Labor, Mr. Durkin, as to their opinion, advice, and suggestions with regard to new legislation or amendments to existing legislation?

Mr. SMITH of New Jersey. That is quite true. I have talked with the President and with the Secretary of Labor. They expect to have some suggestions this very week. I have called a meeting of the committee for Thursday, to report the progress. Some of us have submitted a staff committee print prepared by the committee staff as a result of the hearing. That study has been made available to all members of the committee. I hope to discuss that subject with members of the committee this week at the meeting which I have called for Thursday.

In answer to the Senator's question, nothing has yet been presented; but the implication that the President and the Secretary have done nothing is totally unfair. Mr. Meany should not have said that, because he knows the difficulties involved and has commented on some of the suggestions which have been made. I felt that it was necessary to state that the implication that nothing has been done is totally unjust. A great deal has been done, and more is being done all the time in connection with many of the controversial questions.

Mr. LEHMAN. It is a fact, however, is it not, that the Secretary of Labor has not appeared before the committee to testify?

Mr. SMITH of New Jersey. The Secretary of Labor has not appeared before the committee to testify. However, a great deal has been done in developing a program of suggestions in line with the President's campaign promises.

Mr. LEHMAN. Mr. President, will the Senator yield for another question?

Mr. SMITH of New Jersey. I yield.

Mr. LEHMAN. Is it the opinion of the distinguished Senator that the Secretary of Labor will appear before the committee and testify?

Mr. SMITH of New Jersey. I have said to the Secretary of Labor that any time he desires to appear before the committee and testify we shall be glad to hear him.

Mr. LEHMAN. But the Senator has had no assurance that the Secretary is to appear before the committee to testify?

Mr. SMITH of New Jersey. I have had no assurances, but I think I can say to the Senator that he will probably appear before the committee next week. We shall have a preliminary discussion this week, and I think probably the Secretary will appear next week with some suggestions which I understand he has developed in cooperation with the White House.

ORDER FOR CALL OF THE CALENDAR

Mr. KNOWLAND. Mr. President, it is my purpose, as acting majority leader, to suggest the absence of a quorum at the conclusion of the morning hour and then a call of the calendar. I ask unani-

mous consent that when the morning hour has been concluded, following the quorum call, the Senate proceed with the call of the calendar from the beginning, for the consideration of measures on the calendar to which there is no objection.

The VICE PRESIDENT. Without objection, it is so ordered.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate and referred as indicated:

By the VICE PRESIDENT:

A resolution of the Senate of the State of Michigan; to the Committee on Public Works:

"Senate Resolution 44

"Resolution requesting the Federal Government to give consideration to the Hearst plan for better roads

"Whereas the construction of an adequate system of highways is America's most urgent domestic problem; and

"Whereas the Federal Government annually collects approximately $2 billion from highway users through the Federal gasoline tax and various excise taxes on vehicles, and only returns about one-fourth of this amount to the State highway departments for use in highway construction, and the remaining three-fourths is devoted to nonhighway purposes; and

"Whereas the Hearst newspapers throughout the country, including the Detroit Times, have proposed a plan for better roads, whereby the Federal Government would return all or any necessary part of these highway tax receipts to the States for immediate improvement of the national interstate highway system, comprising those streets and roads considered vital to our economy and our defense; and

"Whereas the general purposes of this plan would pump an additional $1,500,000,000 a year into the strategic road network of the Nation, the interstate system, and by removing that system temporarily as a responsibility of State financing, would release State funds for other important highway works; and

"Whereas the general purposes of this plan proposed in the Hearst newspapers deserves the serious and immediate attention of the Federal Government and of all who have an interest in the highway problem: Now, therefore, be it

"*Resolved by the senate*, That the members of the Michigan State Senate respectfully request the Federal Government to give every possible consideration to the general purposes of the Hearst plan for better roads, advanced by William Randolph Hearst, Jr., in his newspapers; and be it further

"*Resolved*, That copies of this resolution be forwarded to the President of the United States, to the President of the Senate, and the Speaker of the House of Representatives of Congress, and to the Michigan Members in the Senate and House of Representatives of Congress.

"Adopted by the senate, May 22, 1953.

"FRED I. CHASE,
"*Secretary of the Senate.*"

A resolution of the Legislature of the State of Nebraska; to the Committee on the Judiciary:

"Legislative Resolution 27

"Resolution in opposition to Legislative Resolution 32, 61st session of Nebraska State Legislature

"Whereas by Legislative Resolution 32 of the 61st session of the Nebraska State Legislature, 1949, application was made to the Congress of the United States to call a convention for the purpose of proposing an amendment to the Constitution of the United States relating to taxes on income, inheritance, and gifts; and

"Whereas the amendment proposed in such resolution establishes a policy with regard to taxation that is contrary to the established public policy of Nebraska, and will impose the burden of taxation upon those least able to bear it: Now, therefore, be it

"*Resolved by the members of the Nebraska Legislature in 65th session assembled:*

"1. That it expresses its opposition to the application and intent of Legislative Resolution 32 referred to in the preamble hereof, and the same is hereby repudiated, retracted, and withdrawn.

"2. That copies of this resolution, suitably engrossed, be transmitted by the clerk of the legislature to the Senate of the United States, and to the House of Representatives of the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Agriculture and Forestry:

"Senate Joint Resolution 39

"Joint resolution relative to memorializing the Congress of the United States in relation to the livestock industry

"Whereas the livestock industry of the United States is one of the Nation's most important industries and the prosperity of the Nation depends in substantial part upon the prosperity of the livestock industry; and

"Whereas the livestock industry is confronted with a declining price level for its products without any corresponding lessening of its costs of production which results in an extremely unsettled state of affairs amounting to a national emergency; and

"Whereas one of the principal factors in the creation of this emergency is that the United States Government is supporting the prices of corn and feed grains at 90 percent of parity and, under the law, the corn and feed grains bought to support the prices thereof cannot be sold on the market at less than 105 percent of parity; and

"Whereas the operation of the parity-price provisions as to corn and feed grains has caused the accumulation of an enormous surplus thereof in the hands of the United States Government which cannot be sold because the price is too high for the livestock industry to pay; and

"Whereas it appears to be inevitable that the price support program for corn and feed grains must terminate at some time because it is inconceivable that the United States Government will continue indefinitely to accumulate huge hoards of corn and feed grains for which it has no use and for which it has no market; and

"Whereas the orderly liquidation of the United States Government's surplus on a flexible price basis to be determined by the Secretary of Agriculture would tend to stabilize the livestock industry of the Nation and would avert what well may develop into an economic catastrophe to the entire Nation: Now, therefore, be it

"*Resolved by the Senate and the Assembly of the State of California (jointly)*, That the Legislature of the State of California hereby memorializes the Congress of the United States to take such steps as may be necessary to place the support of corn and feed grain prices upon a flexible basis and to authorize the liquidation of the surplus of corn and feed grains now in the hands of the United States Government at prices which the livestock industry and other potential purchasers are able to pay; and be it further

"*Resolved*, That the secretary of the senate is directed to transmit copies of this resolution to the President and the Vice President of the United States, the Speaker of the House of Representatives, and to each Senator and Member of the House of Representatives from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Armed Services:

"Senate Joint Resolution 41

"Joint resolution relative to memorializing the Congress of the United States in relation to the purchase of beef for the Armed Forces

"Whereas the appropriations for the Armed Forces of the United States in recent years have contained a buy-American provision which has resulted in the purchase of large quantities of beef in the United States for members of the Armed Forces in this country and abroad; and

"Whereas it is reported that this provision is being opposed by persons who advocate the purchase of supplies for the Armed Forces in foreign countries in order to better the economic condition of those countries; and

"Whereas the livestock industry of the United States is facing a period of readjustment during which every effort must be made to keep the economy of the industry in a stable condition; and

"Whereas the closing of this outlet for livestock products might precipitate a collapse of the livestock industry of this country which might in turn precipitate a national calamity; and

"Whereas whatever virtue there may be in economic aid to foreign countries it would be improvident to extend such aid in a manner that would be likely to bring about an economic disaster to this country: Now, therefore, be it

"*Resolved by the Senate and the Assembly of the State of California (jointly)*, That the Legislature of the State of California hereby memorializes the Congress of the United States to continue the buy-American policy with respect to the purchase of supplies for the Armed Forces in this country and abroad; and be it further

"*Resolved*, That the secretary of the senate is directed to transmit copies of this resolution to the President and the Vice President of the United States, the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

Two joint resolutions of the Legislature of the State of California; to the Committee on Finance:

"Assembly Joint Resolution 26

"Joint resolution relative to memorializing the Congress of the United States to exempt jury fees from Federal income taxation and to exempt jurors from requirement of reporting such fees

"Whereas under the Public Salary Tax Act, enacted in 1939, jurors are considered to be State or municipal employees, and, therefore, jury fees obtained by them are subject to Federal income taxation; and

"Whereas the sixteenth amendment to the Constitution of the United States, granting to Congress the power to levy and collect income taxes, was not intended to interfere in any way with the constitutional guarantees of trial by jury set forth in the sixth and seventh amendments to the Constitution of the United States, and the constitutions of most of the States; and

"Whereas there is a vast and significant difference between the status of a regular State or municipal employee, who is engaged in voluntary occupational pursuits, and that of a juror, whose service is mandatory so that the constitutional guarantee of trial by jury shall remain inviolate; and

"Whereas since the great majority of trial jurors are called away from their regular occupations at a personal financial sacrifice in order to serve in the courts under constitutional mandate, their fees are actually

a mere incident to their patriotic service, and should not be considered taxable income: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the Congress of the United States to exempt jury fees from Federal income taxation; and be it further

"Resolved, That the Legislature of the State of California respectfully memorializes the Congress of the United States to exempt jurors from the requirement of reporting jury fees for income tax purposes; and be it further

"Resolved, That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the President of the Senate, the Speaker of the House of Representatives of the Congress of the United States, and to each Senator and Representative from California in the Congress of the United States."

"Senate Joint Resolution 42

"Joint resolution relative to memorializing the Congress of the United States in relation to tariff rates

"Whereas during the past 20 years the tariff rates have been materially reduced, particularly in relation to agricultural and livestock products; and

"Whereas the agricultural and livestock industry of the United States is entering upon a period of readjustment during which the industry must be maintained on a stable basis if the economy of the entire Nation is not to be seriously impaired; and

"Whereas any further dislocation of the agricultural and livestock industry through a lowering of the tariff rates on agricultural and livestock products would tend only toward the complication of problems which can be solved only with the greatest of difficulties; and

"Whereas reasonable increases in the tariff duties on agricultural and livestock products would aid in the stabilization of the industry: Now, therefore, be it

"Resolved by the Senate and the Assembly of the State of California (jointly), That the legislature hereby memorializes the President and the Congress of the United States to take such steps as may be necessary, under the Reciprocal Trade Agreement Act or otherwise, to refrain from any lowering of the current customs duties on agricultural and livestock products, but, on the contrary, to increase such duties wherever possible to such extent as may be necessary to provide adequate protection to the agricultural and livestock industry of the United States; and be it further

"Resolved, That the secretary of the senate is directed to transmit copies of this resolution to the President and the Vice President of the United States, the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Joint Committee on Atomic Energy:

"Senate Joint Resolution 30

"Joint resolution relative to the need for congressional action to restore the taxing power of the States

"Whereas the United States Supreme Court has interpreted the concluding sentence of section 9 (b) of the Atomic Energy Act of 1946 as exempting from State and local taxation the activities of private contractors performing services for the Atomic Energy Commission; and

"Whereas by this interpretation of the Federal statute these contractors have been allowed tax exemption not permitted to any other contractors with the Government; and

"Whereas this results in serious interference with State and local powers of taxation, contrary to the established policy of the Congress; and

"Whereas Hon. THOMAS H. KUCHEL, of California, for himself and Hon. WILLIAM F. KNOWLAND, of California, has introduced in the Senate of the United States a bill (S. 671, 83d Cong., 1st sess.) to amend section 9 (b) of the Atomic Energy Act of 1946 by striking out the last sentence thereof; and

"Whereas the language thus to be deleted from the law has been construed by the Supreme Court as providing tax immunity for independent private contractors; and

"Whereas no statutory exemption is required to afford the Atomic Energy Commission the same immunity from State and local taxation as is accorded other agencies of the United States under the Constitution: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the Congress of the United States to enact as speedily as possible S. 671, introduced by Senators KUCHEL and KNOWLAND, of California, thus putting an end to a serious interference with State and local taxing powers that strikes directly at the rights of the States to support the essentials of Government by nondiscriminatory taxation; and be it further

"Resolved, That the Secreary of the Senate is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A concurrent resolution of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"House Concurrent Resolution 74

"Concurrent resolution relating to statehood for Hawaii

"Whereas for the past 50 years the people of the Territory of Hawaii have urgently, consistently and in good faith entreated the Congress of the United States to extend to the Territory of Hawaii the privilege of joining the Union as the State of Hawaii; and

"Whereas no other Territory, which was later granted statehood, has been subjected to so much investigation as has the Territory of Hawaii; and

"Whereas the people of the Territory of Hawaii have time and again established their case for statehood, and the House of Representatives on three separate occasions has approved statehood for Hawaii by a large majority; and

"Whereas the Committee on Interior and Insular Affairs of the United States Senate recommended favorable action in the last Congress; and

"Whereas by a majority of one vote the members of the present Senate Committee on Interior and Insular Affairs, have recently voted to link statehood for Alaska to the Hawaii measure and to hold further hearings on both; and

"Whereas the question of statehood for Hawaii is not a political issue, for locally, as evinced through national polls, press editorials and endorsements by the governors of the various States, State legislatures, and numerous industrial, business, civic, and social organizations; and

"Whereas the question of statehood for Hawaii is not a political issue, for locally, both Republicans and Democrats are united in their desire and plea for statehood, and, nationally, both major parties are on record for immediate statehood through their respective platforms: Now, therefore, be it

"Resolved by the House of Representatives of the 27th Legislature of the Territory of Hawaii (the Senate concurring), That we do, on behalf of the people of the Territory of Hawaii, earnestly and sincerely request the members of the Senate Committee on Interior and Insular Affairs to reconsider their action taken recently, and in consonance with the principles of democracy and in order to further implement the American spirit of justice and fair play, to allow S. 49 to be considered by the full membership of the Senate so that that traditional forum for the Nation may deliberate and pass upon the merits of Hawaii's bid for statehood; and be it further

"Resolved, That duly certified copies of this concurrent resolution be sent to the President of the United States, the President of the Senate of the United States, the chairman and each member of the Senate Committee on Interior and Insular Affairs, and the Delegate to Congress from Hawaii."

A resolution adopted by the Board of Aldermen of the City of Chelsea, Mass., endorsing the plan of Senator KENNEDY for a social and economic legislative program for New England; to the Committee on Finance.

A resolution adopted by the Legislative Assembly of the Virgin Islands, relating to the revision of the Organic Act of the Virgin Islands (with an accompanying paper); to the Committee on Interior and Insular Affairs.

A telegram in the nature of a petition from Americans of Rumanian descent and anti-Communist Rumanians, exiled from their homeland, at a meeting in the Empire Hotel, New York, N. Y., signed by Valentin Takmatsky, secretary, and Dr. I. Glickman, president, embodying a resolution adopted by that group, relating to the action of Valeriu C. Georgescu in exposing Communist coercion on him and his family; to the Committee on Foreign Relations.

RETENTION OF IMMIGRATION LAW—RESOLUTION OF NATIONAL SOCIETY, DAUGHTERS OF AMERICAN COLONISTS

Mr. McCARRAN. Mr. President, on April 15, 1953, in Washington, D. C., the National Society, Daughters of the American Colonists, adopted a resolution urging that the new Immigration and Nationality Act be retained on the statute books without amendment.

I ask unanimous consent that the resolution, which is short, may be printed in the RECORD at this point as a part of my remarks, and appropriately referred.

There being no objection, the resolution was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

URGING RETENTION OF IMMIGRATION LAW

Whereas H. R. 2076 seeks to evade the present quota system by allowing 328,000 additional displaced persons to enter the United States; and

Whereas many of said immigrants are merely seeking asylum, with no desire to become loyal citizens of the United States; and

Whereas H. R. 220 and 435 call for the repeal of the McCarran-Walter Act: Be it

Resolved, That the 32d general assembly of the National Society, Daughters of the American Colonists, endorse the immigration and naturalization bill, Public Law 414, and urge the Congress to retain this bill in its entirety as passed by Congress in 1952 without amendments or modifications that might weaken its rigid enforcement.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CORDON, from the Committee on Interior and Insular Affairs:

S. J. Res. 6. Joint resolution to provide for a continuance of civil government for the Trust Territory of the Pacific Islands; without amendment (Rept. No. 371).

By Mr. McCARTHY, from the Committee on Appropriations:

H. R. 5174. A bill making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1954, and for other purposes; without amendment (Rept. No. 373).

By Mr. LANGER, from the Committee on the Judiciary; without amendment:

S. 1766. A bill to establish the Office of Commissioner of Refugees (Rept. No. 374);

H. R. 1434. A bill to amend the act of February 24, 1925, incorporating the American War Mothers (Rept. No. 375); and

H. R. 2113. A bill to amend the act incorporating the American Legion so as to redefine (a) the powers of said corporation, (b) the right to the use of the name "The American Legion" and "American Legion" (Rept. No. 376).

By Mr. LANGER, from the Committee on the Judiciary; with an amendment:

S. 1748. A bill to incorporate the National Fund for Medical Education (Rept. No. 377);

S. 1759. A bill to provide for the naturalization of persons serving in the Armed Forces of the United States after June 24, 1950 (Rept. No. 378); and

H. J. Res. 236. Joint resolution granting the status of permanent residence to certain aliens (Rept. No. 381).

By Mr. LANGER, from the Committee on the Judiciary; with amendments:

S. 1273. A bill to amend the act entitled "An act to incorporate the American University," approved February 24, 1893, so as to vest supervision of the American University in the board of education of the Methodist Church, and for other purposes (Rept. No. 379); and

S. J. Res. 3. Joint resolution proposing an amendment to the Constitution of the United States relative to the taking of private property (Rept. No. 380).

THEODORE ROOSEVELT WEEK—REPORT OF A COMMITTEE

Mr. LANGER. Mr. President, from the Committee on the Judiciary, I report favorably, without amendment, the joint resolution (S. J. Res. 76) designating the week beginning June 14, 1953, as "Theodore Roosevelt Week," and I submit a report (No. 370) thereon. I ask unanimous consent for the immediate consideration of the joint resolution.

Mr. President, on next Tuesday, as I recall, President Eisenhower will go to Oyster Bay, N. Y., to dedicate the former home of President Theodore Roosevelt, Sagamore Hill. It is for that reason that I ask for immediate consideration of the joint resolution.

The VICE PRESIDENT. Is there objection to the request of the Senator from North Dakota?

There being no objection, the joint resolution (S. J. Res. 76) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the week beginning June 14, 1953, is hereby designated as "Theodore Roosevelt Week" in honor of our former President. The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week by paying tribute to the achievements and memory of the late Theodore Roosevelt.

EXTENSION OF AUTHORITY TO INVESTIGATE EFFECTIVENESS OF FOREIGN INFORMATION PROGRAMS—REPORT OF A COMMITTEE

Mr. WILEY. Mr. President, from the Committee on Foreign Relations, I report an original resolution extending the authority for the investigation with respect to the effectiveness of foreign information programs, and I submit a report (No. 372) thereon.

The VICE PRESIDENT. The report will be received, and, under the rule, the resolution will be referred to the Committee on Rules and Administration.

The resolution (S. Res. 117) was referred to the Committee on Rules and Administration, as follows:

Resolved, That section 2 of Senate Resolution 74, 82d Congress, agreed to June 30, 1952 (authorizing an investigation with respect to the effectiveness of foreign information programs), as amended by Senate Resolution 44, 83d Congress, agreed to February 20, 1953, is amended further by striking out the date "June 30, 1953," and inserting in lieu thereof "January 31, 1954."

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 8, 1953, he presented to the President of the United States the following enrolled bills:

S. 117. An act to amend section 7 of the Flood Control Act of 1941 relating to the apportionment of moneys received on account of the leasing of lands acquired by the United States for flood-control purposes;

S. 1307. An act to amend the act of December 23, 1944, authorizing certain transactions by disbursing officers of the United States, and for other purposes; and

S. 1739. An act to provide for continuation of authority for regulation of exports, and for other purposes.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SMITH of New Jersey:

S. 2062. A bill for the relief of Basil Campean; to the Committee on the Judiciary.

S. 2063. A bill to provide for the sale of 10 dry-cargo Liberty ships to the merchant marine of the Free Territory of Trieste; to the Committee on Interstate and Foreign Commerce.

By Mr. HENDRICKSON:

S. 2064. A bill for the relief of Aniceto Sparagna; to the Committee on the Judiciary.

By Mr. WATKINS:

S. 2065. A bill for the relief of Mr. and Mrs. Hendrik Van der Tuin; to the Committee on the Judiciary.

By Mr. YOUNG:

S. 2066. A bill for the relief of Mr. and Mrs. Robert Mayba; to the Committee on the Judiciary.

By Mr. LANGER:

S. 2067. A bill for the relief of Anthony Benito Estella, Natividad Estella, Antonio Juan Estella, and Virginia Araceli Estella; to the Committee on the Judiciary.

By Mr. RUSSELL:

S. 2068. A bill for the relief of Francesco Marinelli; to the Committee on the Judiciary.

By Mr. CORDON:

S. 2069. A bill to amend the Federal Reserve Act so as to authorize national banking associations to make loans on forest tracts; to the Committee on Banking and Currency.

(See the remarks of Mr. CORDON when he introduced the above bill, which appear under a separate heading.)

By Mr. CLEMENTS:

S. 2070. A bill for the relief of the estate of Givens Christian; to the Committee on the Judiciary.

LOANS BY NATIONAL BANKING ASSOCIATIONS ON FOREST TRACTS

Mr. CORDON. Mr. President, I introduce for appropriate reference a bill to amend the Federal Reserve Act so as to authorize national banking associations to make loans on forest tracts. I ask unanimous consent that a letter addressed to L. A. Jennings, Deputy Comptroller of the Currency, Washington, D. C., from E. C. Sammons, president of the United States National Bank, of Portland, Oreg., be printed in the RECORD, in connection with the bill and statement I am making.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 2069) to amend the Federal Reserve Act so as to authorize national banking associations to make loans on forest tracts, introduced by Mr. CORDON, was received, read twice by its title, and referred to the Committee on Banking and Currency.

The letter presented by Mr. CORDON is as follows:

THE UNITED STATES NATIONAL BANK OF PORTLAND, OREG.,
June 4, 1953.

Mr. L. A. JENNINGS,
Deputy Comptroller of the Currency, Washington, D. C.

DEAR MR. JENNINGS: As you know from previous correspondence and also from personal call on you by my assistant, Mr. Marshall N. Dana, the bankers of this region are hopeful that section 24 of the Federal Reserve Act can be revised to permit loans within reason to be made against timber as bank collateral.

Senator GUY CORDON, of Oregon, has furnished us with a proposed amendment to section 24 which we feel would be very satisfactory from the standpoint of the lending banks, and at the same time, not inconsistent with proper lending practice. I quote the proposed amendment which has been done by attorneys in the legislative counsel's office of the United States Senate:

"To amend the Federal Reserve Act so as to authorize national banking associations to make loans on forest tracts.

"That section 24 of the Federal Reserve Act, as amended, is amended by inserting after the first paragraph thereof the following new paragraph: 'Any national banking association may make real estate loans secured by first liens upon forest tracts which are properly managed in all respects. Such loans shall be in the form of an obligation or obligations secured by mortgage, trust deed, or other such instrument; and any national banking association may purchase any obligation so secured when the entire amount of

such obligation is sold to the association. The amount of any such loan shall not exceed 40 percent of the appraised value of the economically marketable timber offered as security and the loan shall be made upon such terms and conditions as to assure that at no time shall the loan balance exceed 40 percent of the original appraised value of the economically marketable timber than remaining. No such loan shall be made for a longer term than 2 years; except that any such loan may be made for a term not longer than 10 years if the loan is secured by an amortized mortgage, deed of trust, or other such instrument under the terms of which the installment payments are sufficient to amortize the principal of the loan within a period of not more than 10 years and at a rate of at least 10 percent per annum. All such loans secured by first liens upon forest tracts shall be included in the permissible aggregate of all real-estate loans prescribed in the preceding paragraph, but no national banking association shall make forest tract loans in an aggregate sum in excess of 50 percent of its capital stock and surplus.' "

We have examined the proposed agreement and find it satisfactory and Mr. Stuart Moir, counsel for Western Forestry and Conservation Association, it is understood, is willing to support the measure as drafted. I believe your file will disclose the opinions of officers of the First National Bank of Portland; the Bank of California, Portland; the First National Bank of Eugene, Oreg.; and bankers in other States, as well as the superintendent of banks for the State of Oregon.

Forest products comprise the very bone and sinew of our basic economy. Our experience shows that logs as well as dimension lumber, plywood, shingles, and other products of trees are merchandise, and are recognized collateral with a liquidating value. Standing timber is the source of all of these items, and the present standing timber loan is not considered as acceptable bank collateral. In other words, we can finance the log but not the tree.

I believe that the proposed amendment which Senator CORDON intends to introduce would make it possible to make these loans and help to stabilize the forest products industry which is the most important single segment of this State's economy. Heretofore we have had to depend upon the value of the sawmill and equipment as a basis for loans, rather than for timber, but as a practical matter of fact, the timber, properly selected and suitably located, is the more valued asset of the two.

Since 1938 the State of Oregon has been the principal supplier of soft wood to the Nation. It has the last great stand of timber in the country. It employes about 90,000 out of a total of 160,000 industrial employees. The overall limitation of timber loans, not exceeding 50 percent of capital stock and surplus of the bank, might well be included as one of the safeguarding elements. This law, if passed, would give us elbow room in which to operate more intelligently and with greater safety than we have in the past. Prudent bankers would not be any more careless with timber loans than they have been with authorized real estate loans under the present section 24 of the Federal Reserve bank. Under this agreement with a straight loan for not more than 2 years, and for not more than 40 percent of appraised value, would seem to be safe, and also an amortized loan not to exceed 10 years at the rate of 10 percent per year paydown also should be quite safe.

I pass these thoughts on to you for your consideration, with assurances that I shall be very glad to furnish whatever additional information you may wish, or to counsel with you or your representative at your convenience.

Sincerely,

E. C. SAMMONS,
President.

HOUSE BILL REFERRED

The bill (H. R. 5141) to create the Small Business Administration and to preserve small-business institutions and free, competitive enterprise, was read twice by its title, and referred to the Committee on Banking and Currency.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. JOHNSON of Colorado:

Address entitled "Bermuda Must Be Different," delivered by him over radio station KOA, Denver, on June 7, 1953.

By Mr. POTTER:

Revised version of address entitled "DAV Services Available to Our Disabled Veterans," delivered by him in the House of Representatives on May 5, 1952.

By Mr. WILEY:

Foreign policy address delivered by him before conference of nongovernmental organizations, at Washington, D. C., on June 4, 1953.

By Mr. GILLETTE:

Address delivered by Gen. Matthew Ridgway before American Council on NATO, on May 21, 1953.

By Mr. MUNDT:

Statement by Senate Permanent Subcommittee on Investigations listing names of foreign-flag ships engaged in trade with Red China.

Article entitled "Turkey's 500 Years at Constantinople," written by Clarence K. Streit, published in the magazine Freedom and Union for May 1953.

By Mr. GOLDWATER:

Address entitled "The Transition to Free Markets," delivered by William McC. Martin, Jr., Chairman, Board of Governors of Federal Reserve System, before Economic Club of Detroit, Mich., on April 13, 1953, and reprinted from Federal Reserve Bulletin for April 1953.

Editorial entitled "Was George Washington Right?" published in the Brewery Gulch Gazette, of Bisbee, Ariz., on June 4, 1953.

By Mr. KUCHEL:

Artitcle entitled "Demagogs Will Keep Tideland Myth Alive," written by Lorania K. Francis, and published in a recent issue of the Los Angeles Times.

AMERICAN FOREIGN POLICY—COMMENCEMENT ADDRESS BY SENATOR MANSFIELD

Mr. MANSFIELD. Mr. President, on Saturday, June 6, I had the honor of making the commencement address at St. Mary's College, Notre Dame, Ind. St. Mary's College is one of the oldest and best women's colleges in the United States. I am very fortunate to have the privilege of being married to one of its graduates. The college is under the leadership of one of the Nation's outstanding scholars, Sister Madeleva, who has done much to build up this institution and to attract to it students from all parts of the world. St. Mary's College is to be highly complimented not only for its scholarly president, but also for its outstanding faculty and fine curriculum.

I ask unanimous consent to have my address printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

AMERICAN FOREIGN POLICY

(By Hon. MIKE MANSFIELD, United States Senator, Montana)

When the first bachelor's degrees were conferred by St. Mary's College over 50 years ago, foreign policy might have seemed an inappropriate subject for a commencement address to a women's college. Events in the world outside the United States were then of little interest to most Americans, including the men. The voteless women graduates, in those days, were restricted to a few carefully selected occupations and were frowned into silence if they dared to voice opinions when the conversation turned to local politics, let alone to international politics. When Mrs. Mansfield graduated from St. Mary's, at least local politics and even national politics had become respectable. You young ladies honored today are graduating into an even wider circle of acceptable subjects for discussion and, what is more, into a complex world which needs your skills and will need your leadership in the near future.

Many of you in this class of 1953 will find yourselves within a comparatively short time in Paris, London, Baghdad, Tokyo, Rio de Janeiro, or equally cosmopolitan centers. You will be working for the Government, for private industry, or for your husbands. The choice, as you can see, is much more varied than it used to be.

Even those of you who never leave the United States cannot live responsible lives as mature American citizens if you close your minds to events in the Soviet Union, China, Great Britain, and the rest of the world. For it is largely on your informed opinions, together with those of countless other Americans, that the foreign policy of this democracy ought ultimately to be formed.

Because of the presence of students from other countries on the campus here at St. Mary's, you have already had some influence on our foreign policy and world affairs. When each foreign student now in residence here returns to a distant home, she will carry with her a picture of the United States which has been painted primarily by the students and faculty of this college. That picture will be displayed to her family and friends and will contribute to the overall image of the United States. Cores of friendship between the United States and other nations are being established in this manner on campuses in this country and abroad and they have a long-range influence on the course of relations between nations.

This campus contact is, in reality, a kind of foreign relations in miniature. The problem before us is to try to introduce some of the decency that is found here on this campus into the larger relations between nations. And because this problem is of vital importance in your lives as it is in mine, I want to talk to you about it this evening.

Let me begin by pointing out that foreign policy is not a formula out of the laboratory of an alchemist. It is not a potion which is guaranteed to cure the ills of the Nation and the world's ills in a single dose. There is nothing supernatural about foreign policy and none of us need to stand in awe of it. Foreign policy is made by human beings for human situations. It is simply the course of action which we take to safeguard the Nation and guide its progress in a very imperfect and dangerous world.

Underlying the general policies which we have followed in foreign policy during the postwar years have been certain inescapable realities. The first of these realities is that we live in a shrinking world. Distance measured by time is fast disappearing; the world

is moving into one neighborhood. The technological advance that has practically obliterated time-distance has also yielded another reality which cannot be ignored by foreign policy, and that is the atomic bomb. This new weapon has placed the potential destructiveness of war beyond the grasp of our wildest imagination. And yet, even in this, there is good. The very existence of so devastating a weapon has challenged our determination to direct all our energy toward the keeping of the peace. During World War II, your faculty will remember, there was much planning of a fine new postwar world. Now there is no leisure for such planning. We must bend our thoughts and efforts to preventing world war III.

A third reality with which our foreign policy has had to deal has been the need for material aid in many areas of the world since the end of the war. There may be differences of opinion—not at this college, I hope—as to whether the United States, as a Nation, should assist in satisfying this need. There are few, however, who would deny that the need exists or that it is contributing to a worldwide discontent and fertilizing the growth of totalitarianism.

Finally, the most pressing reality that has confronted our foreign policy is that there is once again loocse in the world a totalitarian nation of great power bent upon world domination. The recent death of Premier Stalin and subsequent conciliatory gestures by his successors do not give us any reliable reason to believe that this reality has changed. An enigmatic scowl has replaced an enigmatic smile within the Kremlin, but the aims of communism remain unchanged.

I am sure that all of you are familiar with these aims and the methods by which they are pursued. Communism would seek by totalitarian methods to impose upon the world a system alien to the freedom on which this country was founded. It would place the state on a pedestal to be served by individuals who compose it. It would replace religious freedom with a deified materialism.

These realities, then—a shrinking world, the atomic bomb, widespread human need, and militant communism—have been the principal conditions with which our foreign policy in the postwar years has had to contend. In this troubled sea, we have sought a course which would avoid a third world war for which technological progress has fashioned the atomic bomb and the long-range aircraft to deliver it. We have sought to aid the poor and the hungry of the world with our vast, yet limited, resources. We have sought to preserve freedom which together with other values of the spirit, has been threatened by the rise of totalitarian communism.

What kind of a foreign policy would weave these aims into a pattern fitted to the realities of our time? This question has occupied those who have been concerned with foreign affairs almost since the close of World War II. First we found it necessary to abandon isolationism. Isolationism had been useful to our Nation for the first century and a half of our history because it had allowed us to concentrate our full energies on spanning the continent and developing our resources.

That isolationism, however, was only possible because the nations of Europe were absorbed in their own affairs and because the oceans in those days actually could serve to some degree as protective moats. At that time, moreover, economic self-sufficiency was more of a possibility than it is now.

Since World War II, however, conditions in the world have worked against any renewal of prewar isolationism. Technological advances would now enable a potential enemy to eradicate with a few atomic bombs not only Hiroshima or Moscow or London, but Washington, D. C., New York City, or South Bend, Ind. Postwar poverty was so extensive in the world that we faced the unenviable prospect of becoming a lush island in the midst of a surging sea of angry, hungry human beings.

For Christians, Pope Pius XII stated the situation in his Christmas message of 1948 in these words: "A convinced Christian cannot confine himself within an easy and egotistical isolationism when he witnesses the needs and the misery of his brothers; when pleas for help come to him from those in economic distress."

Finally, the rise of communism precluded a return to isolationism in the days after World War II. Communist infiltrators showed no respect for national boundaries. By external aggression or internal subversion the Communists were set upon conquering the world. If the United States had withdrawn from its international responsibilities, the rest of the nations would soon have been overrun by the Communists. How long could the United States have existed in freedom in a hostile totalitarian world? If it is difficult today to maintain our liberty against external threat and internal pressures, how much harder would it be without allies, pressed by enemies, and denied the trade and raw materials which form a substantial part of our economy?

The only answer for the United States at the end of World War II was to abandon isolationism and to continue to assume war-born responsibilities beyond our borders for which our economic, military, and political strength qualified us. We took that step. It remained to be proved, however, that we had the vision and steadfastness of wise leadership that free men everywhere sought in us.

We have, in our fashion tried to live up to these expectations; we are trying now, and we must continue to try. We will not always do the right thing. We will exasperate our friends abroad on occasion, just as they sometimes try our patience. As long as we hold peace and freedom to be our primary aims, however, as long as we use means which are compatible with our religious beliefs, we will not in the end fail those who have put their faith in us; and I trust that they will not fail us.

If a single phrase can describe the policy which we have pursued since the end of World War II, that phrase is "enlightened self-interest." We have helped ourselves by helping others, or, to put it another way, in helping others, we have strengthened ourselves. Immediately after the war we devoted ourselves to making peace settlements which would provide the framework for the resumption of normal international relations among all nations. We set about building a United Nations which would have primary responsibility for settling disputes and maintaining international order.

Our hope for peace was based on the expectation of cooperation for peace among the nations of the world. We believed other nations wanted peace just as much as we did.

By the end of 1946, however, Soviet aims had become quite clear to most of us. While this country had disarmed hastily, the Communists had continued to keep an enormous mass of soldiers in a state of readiness, and had embarked upon a program of limitless expansion. They not only undermined the independence of countries along their frontier, but international communism penetrated deeply into Western Europe via the roads of economic misery, social discontent and political instability. Greece and Turkey were brought under relentless Communist pressure.

It does not take an expert in foreign affairs to see what a collapse in Western Europe and the Middle East at that time would have meant to the security of this Nation and to the world. Oil, coal, steel—these are the sinews of modern power. The Middle East floats on the world's greatest sea of petroleum. Western Europe produces enough coal and steel to weight the scales in favor of either the United States or the Soviet Union, whichever side Western Europe chooses or is forced to accept.

But beyond the naked fact of the balance of power, the nations which were about to collapse in late 1947 were the birthplace and cradle of western civilization. The institutions under which we live, the hopes we cherish, the origins of most of our citizens, were rooted in Greece and Western Europe. By 1950 the basic aims of the Marshall plan had been larged achieved. The Communists in Western Europe had made every effort to sabotage the project, and they had failed. Following a trip to Western Europe last year, I reported that political stability was being maintained in that area. I also noted that industrial production in France had set a postwar record during 1952 and that the economies of Italy and Western Germany were stronger than they had been in many years. Everywhere there were signs of increasing financial stability.

In Europe these days, you can sense a healthy and encouraging impatience with continued dependence on assistance from the United States. It is eloquently expressed in their slogan: Trade, not aid. We must solve together with the Europeans this question of imbalance of trade if for no other reason than that continued one-way assistance tends to separate rather than bring together the giver and the receiver. Despite outward expressions of gratitude from them and professions of magnanimity from us, there is bound to be an underlying note of resentment on our part for having to give away our resources seemingly without end, and on theirs for having no alternative to continued dependence on us except to turn eastward to trade and tyranny. That there should be some resentment on both sides need not dismay or alarm us. It is a human reaction to a human situation, one which I am sure all of us have experienced in our lives. Rather than lose patience, we must seek to establish greater reciprocity between the Europeans and ourselves. The Soviet Union has sought and undoubtedly will continue to seek to drive a wedge between us and Western Europe.

Although the way ahead for Europe both politically and economically still is beset with many pitfalls, the gloom of defeatism that once hung over the region has lifted. Europeans dare to believe again in a future of freedom. This restored confidence is due in no small measure to the far-reaching security system which we, in concert with the Europeans, undertook to build in order to protect the area from sudden invasion. The United Nations Charter provides the basis for this system. Under its provisions we had, in September 1947, already joined with the Latin-American countries in establishing a system of mutual defense for the Western Hemisphere. Later, this country worked out a similar plan of mutual defense with the Western European nations. On April 4, 1949, 12 nations signed the North Atlantic Treaty. In 1952 Greece and Turkey acceded to the treaty and the groundwork was laid for Germany to contribute indirectly to the total defense of the West, first by integrating its forces with those of France, Holland, Italy, Belgium, and Luxembourg in a European Defense Community and then by placing the combined forces of these nations under the overall command of the North Atlantic Treaty Organization. The future of the plan is still in doubt largely because of French fears of a remilitarized Germany. They are understandable fears but they should not be permitted to block the unity of the western nations.

Postwar developments in Western Europe demonstrate that freedom has the elements to survive if we believe in it and give it a chance to survive. They demonstrate that Communist aggression whether by threat, internal subversion, or external pressure can be stopped if we follow, as we have for the

past 7 years, a policy of no appeasement, cooperation with free nations, and devotion to peace. We have negotiated with the Russians—as in the case of Berlin, but we have not appeased. Here at home we have refused to retreat into a new isolationism, and, at the same time, we have held in check those who think that a bomb dropped on Moscow would not only begin a war but end it.

Turning closer home, we see that the Communists have made substantial inroads, especially in Guatemala, while the attention of the United States was diverted to the more pressing problems of Europe and Asia. The relative neglect of Latin America during the postwar years has understandably caused resentment among our southern neighbors. It should be now ended to prevent any further spread of the Communist infection.

In the Far East, our foreign policy has had to meet the challenge of a transition as overwhelming as any the world has ever seen. Half the population of the earth, more than a billion human beings, have been stirred into a restless agitation. For centuries these people have led lives of ceaseless toil, to be rewarded only by ignorance, poverty, and disease. In recent years, under a surface serenity of resignation, great pressures have built up for social and political change. With World War II the surface calm gave way once and for all, and from Korea to Pakistan, from Mongolia to the Philippines, tidal waves of unrest rolled over this immense area.

The transition thus engendered has been a violent one. Millions have lost their lives and millions more have been uprooted as a direct or indirect result of civil war and religious strife. In its present phase, this transition holds the seeds of both good and evil. Properly channeled, it could create friends and allies in our struggle for a free world. Unguided, it could fall prey to the enticements of communism.

Faced with this danger, we have pursued our policy of enlightened self-interest. We have encouraged the political independence of the Asian nations when feasible; we have given technical and economic assistance and encouraged cultural exchange to increase the stability of these new independent nations; and we have concluded military agreements to protect the freedom of this area. By these methods we have sought to stimulate the potentials for good in the Asian transition, and to safeguard against the potentials for evil.

Finally, any discussion of United States foreign policy must turn to Korea. In that country, on June 25, 1950, Communist imperialism, for the first time since the end of World War II, resorted to the tactic of armed invasion. The issue immediately became larger than Korea. It became, in the final analysis, the issue of peace or general war.

The response of the free world was immediate. Americans gave their spontaneous and wholehearted support to the principle of meeting armed aggression with armed resistance. The objectives which we had in going into Korea, 1950, and which we still have, are to preserve the South Korean Republic; to stop and to punish the aggression against the Republic; to make clear to all would-be imperialists, as we failed to make clear to the imperialists in the thirties, that the force of tyranny will be stopped by the force of freedom. By standing against a local aggression we hope to prevent a general war later; by fighting in Korea now we hope to save this land of ours from attack in the future. We have tried to achieve these objectives without drifting into a full-scale third world war and without getting our Armed Forces snarled in an endless involvement on the vast Chinese mainland.

In concluding my remarks to you tonight, I should like to refer again to His Holiness, to the statement he made on Christmas, 1948. He said, "A people threatened with an unjust aggression, or already its victim, may not remain passively indifferent, if it would think and act as befits a Christian. All the more does the solidarity of the family of nations forbid others to behave as mere spectators in an attitude of apathetic neutrality. Their defense is even an obligation for the nations as a whole, who have a duty not to abandon a nation that is attacked."

That is precisely the philosophy which we have been trying to carry out in Korea.

It is not always easy, however, to convert beliefs of this kind into action. From time to time all of us are tempted to try to get peace the easy way. We want to carry our world responsibilities but we would like to lighten the burden. This immaturity is not merely an affliction of the young; all of us have it in some degree and sometimes it affects the elders even more. When this is so, it is fortunate that we have younger people to remind us of our obligations. Just recently returned from Korea are some of the young men who have probed the measure of the devotion which freedom entails. They have been hurt, some very badly, in the process, and they have left behind in Korean soil many thousands of their friends. These sacrifices have a penetrating meaning for us. They are a timely reminder that there is no easy way to peace and stability for human society. But they also tell us that if we will it, and if we work at it as individuals and as a nation, we can move the world closer to the day when all mankind shall know a deep spiritual unity under the fatherhood of God.

EFFECT OF IMMIGRATION AND NATURALIZATION ACT ON SEAMEN

Mr. McCARRAN. Mr. President, continued misrepresentation about the effect of the Immigration and Nationality Act on seamen has created a great deal of misunderstanding. In this connection, I want to call the attention of the Senate to a news story in the May 1, 1953, issue of the Seafarers Log. This is the official organ of the Seafarers International Union. The news story to which I refer deals with the treatment of alien seamen under the Immigration and Nationality Act. In reading this news story—and I hope all Senators will read it—the fact should be borne in mind that this is an item printed in a seamen's union journal for the information of seamen. It is not something written for a calculated propaganda effect. This is a plain, unexcited, factual treatment of the situation, and it portrays clearly the fact that alien seamen are getting a fair deal under the new Immigration and Nationality Act.

Mr. President, I ask unanimous consent that this news story, to which I have referred, may be printed at this point in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ALIEN PROBLEMS SQUARED AWAY

Alien seamen who feared that they would lose all opportunities to ship under Government regulations, are now sailing with regularity as a result of SIU action defending their shipping rights. Those aliens who have legal problems are finding that SIU Welfare Services is often in a position to give them valuable advice and assistance.

It had always been a little difficult for aliens to ship on American vessels even before the McCarran Act, because of legal limits on the number of aliens that could be carried on offshore voyages. Aliens were ruled out altogether on coastwise and intercoastal runs so that jobs for aliens were strictly limited.

AFRAID TO PAY OFF

As a result, when the McCarran Act went into effect last December 24, it caused a panic among the nonresident alien seamen, and to a degree, among the shipowners. The aliens were afraid to get off their ships even when Immigration permitted it, because they thought they would not be able to get another ship. The shipping companies tried to knock off their alien seamen because they feared they would be subject to heavy fines and penalties under the law for the actions of alien crew members on their ships.

The SIU, however, took a firm stand that as long as a seafarer was dispatched through the union hiring hall, he was entitled to equal treatment with all other seamen, as far as the law allows. Since the union went to work on the problem, the aliens have been able to ship regularly, and all SIU companies have been accepting the alien seamen. In marked contrast, alien seamen have been knocked off NMU ships and are finding it impossible to ship out.

VOLUNTARY DEPARTURES

The union has been advising alien seamen to pay off when Immigration permits them, and good shipping has made it possible for them to get out within the 29-day limit. Under the law, there is no provision for extensions of shore leave beyond 29 days. Where an alien hasn't been able to ship in that time, because of the limited number of jobs open to him, welfare services has given assurances to Immigration that the man would leave the country voluntarily within a short time.

This voluntary departure is no stigma on a man's record. When he comes back to the United States, he can get his regular shore leave, provided, of course, his papers are in order. Without this assurance from the union, Immigration would have no alternative but to pick a man up and commit him to Ellis Island for overstaying his leave.

On the other side of the problem, Welfare Services has been assisting aliens all along on getting entry visas for legal residence in the United States. Those aliens who are married to American citizens have a good chance of getting visas. Welfare Services has been giving the wives the necessary information on how to apply for their husbands. It can also check the itinerary of the alien's ship so as to arrange for a visa application in a port that the ship touches.

Other aliens can apply under the 5-year seatime clauses, or under the regular immigration quotas of their native lands. In any case, Welfare Services is prepared to provide the necessary advice and assistance.

In any situation, alien seamen should follow a few simple rules. They should always make sure that their passports are up to date and that all papers are in order. And they should never, in any circumstances, pay off without the approval of the Immigration inspector. By following this procedure, alien seamen can avoid difficulties and keep on shipping in most instances.

TITLE TO SUBMERGED LANDS

Mr. HOLLAND. Mr. President, in the New York Times of May 14, 1953, there appeared a very interesting communication to the editor of the New York Times from Mr. J. Spencer Smith, chairman, navigation committee, Department of Conservation and Economic Development, State of New Jersey.

I understand Mr. Smith is one of the highly distinguished citizens of New Jersey, and his expression in his communication with reference to the so-called tideland problem is one of great

interest. I believe it to be of sufficient interest to be incorporated in the body of the RECORD, rather than in the Appendix. Therefore, I ask unanimous consent that the communication may be incorporated at this point in the RECORD, as a part of my remarks.

There being no objection, the communication was ordered to be printed in the RECORD, as follows:

OWNERSHIP OF TIDELANDS—STATE TITLE TO LANDS APPROVED, NEW JERSEY'S EXPERIENCE CITED

To the EDITOR OF THE NEW YORK TIMES:

Referring to your editorial of May 7 entitled "The Oil Given Away," Senators HENDRICKSON and SMITH have been requested by the Economic and Planning Development Council of the State of New Jersey to vote for the so-called "tidelands bill." The council by law is charged with the preservation and development of our tidelands and coastal shoreline. Our tidelands have been the source of millions of dollars over the years, having been turned into the State school fund. The grants and leases of these lands are providing thousands of dollars every year to the State school fund.

These lands, under our State constitution, are dedicated to the support of our public schools. If the State itself wishes to use any of these lands, it must pay into the school fund the current price of said lands, the same as any private citizen. The State inherited its tidelands from the British Crown when it ceased to be a colony. Its right to the ownership of these lands was never questioned until the Truman administration set up its claim to the tidelands. Before this, whenever the United States Government wished to occupy a portion of our tidelands, it paid for them.

INTEREST OF PEOPLE

Should the ownership of these lands by the State of New Jersey be declared invalid, then the State has accepted money it had no right to receive and those who bought them have worthless titles. As one who has taken an oath to uphold our constitution and administer faithfully responsibility of the office to which I was appointed, I would resign, as I could not comply with the oath I took. Senators HENDRICKSON and SMITH had the best interests of their constituents at heart when they voted for the tidelands bill and I might add, I think the best interest of the people of the United States.

My reason for making this statement is that for over 30 years I have been chairman of the board, commissions, or committees, such as the one I am now serving upon, which have had the responsibility of studying, developing, and administering our tidelands and coastal waters. For these services the only compensation my associates and myself have received was and still is the satisfaction we derive from the knowledge we were doing the work that would redound to the people of our State.

Taking my duties seriously, I visited our coastal States, seeking knowledge of how they operate. I studied the offshore oil potentialities because we had been approached by the oil companies for the right to drill off our shore. My conclusion, after a thorough investigation of the subject, is that after paying for dry wells the kind of structures that would be required to withstand the power of ocean waves would leave very little profit, if any.

PUBLIC PROTECTED

I am confident the American public will wake up to the fact that, instead of Uncle Sam having given away a valuable asset, they have been protected from the Treasury paying out good money to satisfy dreams by those lacking both knowledge and experience on the subject.

You will notice that I have not raised the question of good faith on the part of the Federal Government to a State which joined the Union with the understanding that it retain all its rights except those expressly granted to the Union. This subject, with all its ramifications, requires several chapters in itself. Suffice it to say if the public could be made to realize how they have been deprived of their rights as citizens of the sovereign States they would appreciate how much they owe those courageous men of the Congress who voted for the tidelands bill in the face of false statements attributed to the proponents.

J. SPENCER SMITH,
Chairman, Navigation Committee, Department of Conservation and Economic Development, State of New Jersey.

NEWARK, N. J., *May 11, 1953.*

REORGANIZATION PLAN FOR THE DEPARTMENT OF DEFENSE—RELEASE BY THE AMERICAN LEGION

Mr. FERGUSON. Mr. President, on June 5 the American Legion issued a release which I should like to have printed in the RECORD as a part of my remarks. I am sure the American Legion is interested in the defense of America. For that reason I believe the release it has issued should be brought to the attention of all Members of the Congress and to the attention of the people of the country. Therefore, Mr. President, I ask that the release be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

The President's budget request and reorganization plan for the Department of Defense today (June 5) received the support of the American Legion's national security commission.

Thomas E. Paradine, of New York, commission chairman, termed the administration program "a sound composition of the Nation's defense and fiscal needs."

Asserting that his statement was based upon a thorough analysis of the proposed reorganization with "particular attention to security requirements," Paradine declared:

"It is the sense of the national security commission of the American Legion that the administration's program for reorganization and economical operation of the Defense Department is entitled to the full support of the American people.

"We feel that the Congress and interested nongovernmental organizations, such as the American Legion, will carefully observe the workings of the new plan while reserving the privilege to investigate objectively and appraise the operation as the facts fall into place.

"The principle of military efficiency must of necessity at some time in our history be firmly welded with the principles of basic and sound fiscal policy. We believe that President Eisenhower and Secretary Wilson are fully and uniquely qualified by virtue of personal experience to undertake such an effort.

"The end result, if this program is allowed a fair trial, inevitably must be greater efficiency and a sounder Military Establishment, supported by a sound economy."

The VICE PRESIDENT. The morning business is closed.

CALL OF THE ROLL

Mr. KNOWLAND. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hayden	McClellan
Beall	Hendrickson	Millikin
Bennett	Hennings	Monroney
Bricker	Hickenlooper	Morse
Bridges	Hill	Mundt
Byrd	Holland	Neely
Capehart	Humphrey	Payne
Carlson	Jackson	Potter
Case	Johnson, Colo.	Robertson
Chavez	Johnson, Tex.	Russell
Clements	Johnston, S. C.	Schoeppel
Cordon	Kefauver	Smathers
Daniel	Kerr	Smith, Maine
Douglas	Kilgore	Smith, N. J.
Duff	Knowland	Sparkman
Dworshak	Kuchel	Stennis
Eastland	Langer	Symington
Ellender	Lehman	Thye
Ferguson	Long	Tobey
Frear	Malone	Watkins
George	Mansfield	Welker
Gillette	Martin	Wiley
Goldwater	Maybank	Young
Gore	McCarran	
Green	McCarthy	

Mr. KNOWLAND. I announce that the Senator from Connecticut [Mr. BUSH] is absent by leave of the Senate.

The Senator from Illinois [Mr. DIRKSEN] is absent by leave of the Senate on official committee business.

The Senator from New York [Mr. IVES] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

The Senator from Wyoming [Mr. BARRETT], the Senator from Kentucky [Mr. COOPER], the Senator from Nebraska [Mr. BUTLER], the Senator from Vermont [Mr. FLANDERS], the Senator from Connecticut [Mr. PURTELL], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Ohio [Mr. TAFT], and the Senator from Delaware [Mr. WILLIAMS] are necessarily absent.

The Senator from Maryland [Mr. BUTLER], the Senator from Nebraska [Mr. GRISWOLD], and the Senator from Indiana [Mr. JENNER] are absent on official business.

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. ANDERSON] and the Senator from Wyoming [Mr. HUNT] are absent by leave of the Senate.

The Senator from Arkansas [Mr. FULBRIGHT], the Senators from North Carolina [Mr. HOEY and Mr. SMITH], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Rhode Island [Mr. PASTORE] are absent on official business.

The Senator from Washington [Mr. MAGNUSON] is absent by leave of the Senate on official committee business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

The VICE PRESIDENT. A quorum is present.

Under the order heretofore entered, the Senate will proceed to the call of the calendar. The Secretary will state the first measure on the calendar.

THE CALENDAR—BILL PASSED OVER

The bill (S. 242) to provide for the establishment of a Veterans' Administration domiciliary facility at Fort

Logan, Colo., was announced as first in order.

Mr. HENDRICKSON. Mr. President, by request, I ask that the bill go over.

The VICE PRESIDENT. The bill will be passed over.

JUDICIAL REVIEW OF DECISIONS OF GOVERNMENT CONTRACTING OFFICERS IN OTHER THAN FRAUD CASES

The bill (S. 24) to permit judicial review of decisions of Government contracting officers involving questions of fact arising under Government contracts in cases other than those in which fraud is alleged, was announced as next in order.

Mr. HENDRICKSON. Mr. President, by request I ask that the bill be passed over.

Mr. McCARRAN. Mr. President, will the Senator from New Jersey withhold his objection for the moment?

Mr. HENDRICKSON. I gladly withhold my objection for the senior Senator from Nevada.

Mr. McCARRAN. Mr. President, I should say that this bill has been pending on the calendar for a long while. It involves a very simple question of principle.

For years the so-called finality clause in Government contracts was construed to permit judicial review in cases of fraud or gross mistake. In the Wunderlich case in November of 1951 the Supreme Court held that this clause in a contract foreclosed judicial review of disputes with regard to questions of fact, unless the aggrieved party alleged and proved fraud with respect to the decision, on the part of the department head or contracting officer. And the Court defined fraud, as it used the word, to mean "conscious wrongdoing, an intention to cheat or be dishonest."

Thus, relief with respect to even gross mistake, so gross as to import bad faith, was denied; and the only available relief remaining was confined to cases in which it could be charged and proved that a Government official had an intention to cheat or to be dishonest. Obviously, this interpretation can operate greatly to the disadvantage of contractors, in cases where there has been a gross mistake against the interest of the contractor. It is equally true that, to the same extent, this interpretation can operate to the disadvantage of the Government in cases where there has been a gross mistake detrimental to the Government interest. The Comptroller General of the United States pointed out this danger to the Government in his testimony before the Judiciary Committee.

I was very much surprised to be told that the Air Force was opposing this bill because of the provision which it contains allowing the Comptroller General the same right to get judicial review of a decision against the interest of the Government, that a contractor would have to get judicial review of a decision against the interests of the contractor. I was still more surprised when I heard it said that the Air Force was contending this bill would give the Comptroller General the authority to make final determinations with respect to matters of law. Of course, the bill does no such thing. In this connection, I invite the attention of the Senate to the second and third paragraphs on page 3 of the committee report, which read as follows:

> The committee wishes to point out with respect to the language contained in the bill, "in the General Accounting Office or a court, having jurisdiction," that it is not intended to narrow or restrict or change in any way the present jurisdiction of the General Accounting Office, either in the course of a settlement or upon audit; that the language in question is not intended either to change the jurisdiction of the General Accounting Office or to grant any new jurisdiction, but simply to recognize the jurisdiction which the General Accounting Office already has.
>
> It should also be pointed out that in speaking of a court "having jurisdiction" the committee intends to negative both the possibility of a construction which would give basis for a contention that this bill itself was granting a court jurisdiction to review Government contracts; and also any construction that would give a basis for a collateral attack on such contracts in a court not having direct jurisdiction of the contract itself.

Mr. President, I do not know whether there will be objection to the consideration of this bill on the calendar; but in the event there is such objection, I should like to ask the able acting majority leader if he will permit the bill to come up on motion at the conclusion of the calendar call today or at some other appropriate time in the near future. I call this matter to the attention of the acting majority leader.

Mr. President, the last time this bill was before the Senate, I placed in the RECORD a "statement of position of the Associated General Contractors" which had been furnished to me by a representative of that organization. I have had some correspondence with regard to this matter with Mr. H. E. Foreman, managing director of the Associated General Contractors. In order that the RECORD may be complete, I ask unanimous consent that this correspondence, which I now send forward, may be printed in the RECORD at this point, as a part of my remarks.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

THE ASSOCIATED GENERAL CONTRACTORS OF AMERICA, INC.,
Washington, D. C., May 15, 1953.

Hon. PAT MCCARRAN,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MCCARRAN: This is in reply to your letter dated May 7, 1953, acknowledging the receipt of resolutions adopted by the 34th annual convention of the Associated General Contractors of America at Miami, Fla., March 23–26, 1953.

You call attention to the resolution regarding right of judicial review and point out that the statement of position of the Associated General Contractors submitted to you on May 6 appears to be at variance with this resolution.

The resolution, as adopted at the Miami convention, is still the objective of the association. This objective includes the safeguarding of any suits now pending that were caught in the backlog of the Wunderlich decision. However, after S. 24, as amended, had been called on the calendar three times and had been objected to three times, we believed that in the interest of cooperating with you an effort should be made to ascertain and reconcile, if possible, the objections to the legislation.

We wish to reaffirm that we are satisfied with the form of S. 24, as amended, inasmuch as this legislation does safeguard the suits now pending. In submitting to you our statement of May 6 and the revised draft, we were influenced solely by the desire to secure at the earliest possible moment legislation positively establishing the right of judicial review.

It is a matter for regret that this seeming variance has occurred and so we hasten to offer the foregoing explanation.

We wish to thank you for your continuing interest in this legislation, which is so important to our industry.

Sincerely yours,

H. E. FOREMAN,
Managing Director.

MAY 7, 1953.

Mr. H. E. FOREMAN,
Managing Director, the Associated General Contractors of America, Inc., Washington, D. C.

MY DEAR MR. FOREMAN: Thanks for your letter of May 1 enclosing resolutions on the subjects of (1) construction industry relationships, and (2) right of judicial review, which were adopted by the 34th annual convention of AGC at Miami, March 23–26.

With regard to the resolution concerning S. 848, I am glad to have this expression of the views of your organization, and you may be sure I shall bear them in mind if and when the bill is reported for consideration by the full Judiciary Committee from the Standing Subcommittee on Antitrust and Monopoly Legislation, where it now rests.

The resolution with regard to Right of Judicial Review is extremely interesting in view of the "Statement of Position of the Associated General Contractors" which was furnished me only yesterday by Mr. Knowles of AGC, and which I inserted in the CONGRESSIONAL RECORD during the debate yesterday on S. 24. Mr. Knowles has stated the AGC is willing to accept the amendment which he brought to me, and which I also placed in the RECORD yesterday. But this amendment seems quite at variance with the final clause of Resolution No. 7 of the AGC on "Right of Judicial Review," since it does not safeguard any suits now pending and not only does not nullify provisions in existing contracts with respect to finality of decision by a contracting officer, but on the contrary, in terms expressly affirms such contract provisions except in stated situations.

Frankly, I am a little puzzled by this whole situation. I am not sure that I know who is fooling whom, except that I am reasonably sure I am not being fooled.

Thanks again for your letter, and kindest regards.

Sincerely,

PAT MCCARRAN.

THE ASSOCIATED GENERAL CONTRACTORS OF AMERICA, INC.,
Washington, D. C., May 1, 1953.

Hon. PAT MCCARRAN,
United States Senator,
Senate Judiciary Committee,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MCCARRAN: This national association of 6,200 general construction contractors respectfully submits to you resolutions adopted at the association's recent annual convention as follows:

Construction industry relationships.

Right of judicial review.

These resolutions cover subjects of national importance and we hope the objec-

tives will receive your favorable consideration.

Sincerely yours,

H. E. FOREMAN,
Managing Director.

RESOLUTION NO. 6. CONSTRUCTION INDUSTRY RELATIONSHIPS

The Associated General Contractors of America, at its 34th annual convention in Miami, Fla., March 23–26, 1953, expresses its opposition to S. 848, and similar proposals for a revised Federal contract procedure, for the reasons that such legislation would cause unnecessary Government regulation of business relationships in the construction industry, and would tend to increase the cost of public works construction.

The association continues to offer its cooperation to solve within the industry such problems of the relationships of general contractors with other segments of the industry as may arise.

Mr. McCARRAN. Mr. President, again I draw to the attention of the acting majority leader the question of whether at a convenient time in the near future we can have this bill brought before the Senate for consideration.

Mr. KNOWLAND. Mr. President, if the Senator from Nevada will yield, let me say to him that it is my view that in the very near future, within the next few days, and certainly this week, I would anticipate, we will be able to have the bill brought before the Senate on motion, if it is not passed during the call of the calendar.

Mr. McCARRAN. I am very grateful to the Senator from California.

Mr. HENDRICKSON subsequently said: Mr. President, I wish to take this opportunity to commend the distinguished Senator from Nevada for the able statement he has made on Senate bill 24, Calendar No. 21. It was my privilege and distinct pleasure to preside over some of the hearings relating to the bill.

I desire to say that enactment of the bill is really needed. The bill is constructive, and I regret that it has not been passed before now.

I am wholeheartedly in favor of enactment of the bill. The objection I entered to its consideration during the call of the calendar today was entered only because of the request of a very distinguished colleague.

I join the distinguished Senator from Nevada in the hope that the majority leader will make this measure the order of business at a very early date.

The VICE PRESIDENT. Objection being heard, the bill will be passed over.

ERICH ANTON HELFERT AND FELIX KORTSCHOK — BILLS PASSED OVER

The bill (S. 56) for the relief of Erich Anton Helfert was announced as next in order.

Mr. GORE. Mr. President, let the bill go over.

Mr. McCARRAN. Mr. President, will the Senator from Tennessee withhold his objection until I can make a statement on the bill?

Mr. GORE. Yes, Mr. President.

Mr. McCARRAN. Mr. President, this bill and the next bill (S. 59)—Calendars 48 and 49—are private immigration bills which have been held up because the proposed beneficiaries came to the United States as exchange students, and certain Senators feel that the purpose of the exchange student program will be frustrated if such students are permitted to remain as permanent residents.

I have suggested an amendment of these bills, so as to provide for repayment to the United States of any sums received by the beneficiaries under the student exchange program. I believe this is an equitable amendment, and should serve to satisfy Senators who feel that by the enactment of a bill such as one of these, the exchange student program, or the so-called Fulbright program, would be circumvented.

I do not know whether my announced intention to offer this amendment will make it possible to have these bills considered on the calendar; but, if not, it would be my purpose to move to proceed to consideration of the bills in regular order. It might be that these bills will be defeated by the Senate, but I believe they should be considered and disposed of. The Senate itself should speak with regard to this matter; the bills should not be stymied merely by objection on the call of the calendar.

I therefore ask the able acting majority leader, if he is on the floor, if he will be willing to agree to permit these bills to be called up on motion at an appropriate time in the near future.

Mr. JOHNSON of Texas. Mr. President, in the temporary absence of the acting majority leader, let me say to the Senator from Nevada that I shall be glad to confer with the acting majority leader regarding the matter mentioned by the Senator from Nevada.

Mr. McCARRAN. I thank the Senator.

Mr. President, I ask that the identical amendments I have suggested to Senate bill 56 and Senate bill 59 be printed and lie on the table.

The VICE PRESIDENT. The amendments will be received, printed, and will lie on the table.

Mr. GORE. Mr. President, I renew my objection.

The VICE PRESIDENT. Objection being heard, the bill will be passed over.

The bill (S. 59) for the relief of Felix Kortschok was announced as next in order.

Mr. SMATHERS. Let the bill go over.

Mr. McCARRAN. Mr. President, if the objection may be withheld for a moment, let me say that this bill is on all fours with the preceding bill. Another exchange student is involved in this instance. I intend to offer an amendment similar to the amendment which I stated with respect to the previous bill. The amendment is designed to require repayment by this boy of all moneys advanced in his behalf in connection with the student-exchange program.

The VICE PRESIDENT. Objection being heard, the bill will be passed over.

BILLS AND RESOLUTION PASSED OVER

The bill (S. 152) for the relief of Fred P. Hines was announced as next in order.

Mr. GORE. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 101) for the relief of Phed Vosniacos was announced as next in order.

Mr. GORE. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 102) for the relief of Francesco Cracchiolo was announced as next in order.

Mr. SMATHERS. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 153) for the relief of Wilhelm Engelbert was announced as next in order.

Mr. GORE. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The resolution (S. Res. 57) to amend rule XIII of the standing rules relative to motions to reconsider was announced as next in order.

Mr. HENDRICKSON. Mr. President, by request, I ask that the resolution be passed over.

The VICE PRESIDENT. The resolution will be passed over.

The bill (S. 389) for the relief of Dr. Alexandre Demetrio Moruzi was announced as next in order.

Mr. GORE. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

CHE KIL BOK

The bill (S. 486) for the relief of Che Kil Bok was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Che Kil Bok, shall be held and considered to be the natural-born alien child of Lt. Col. and Mrs. Ray A. Donaldson, citizens of the United States.

TERMINATION OF RAILROAD REORGANIZATION PROCEEDINGS — BILL PASSED OVER

The bill (S. 978) to amend the Interstate Commerce Act in order to expedite and facilitate the termination of railroad reorganization proceedings under section 77 of the Bankruptcy Act and to require the Interstate Commerce Commission to consider, in stock modification plans, the assents of controlled or controlling stockholders, and for other purposes, was announced as next in order.

Mr. HENDRICKSON. Mr. President, by request, I ask that the bill go over.

Mr. JOHNSON of Texas. Mr. President, will the Senator from New Jersey withhold the objection? I have a clarifying amendment which I should like to offer to the bill.

Mr. HENDRICKSON. I am glad to withhold the objection.

Mr. JOHNSON of Texas. Mr. President, I wish to offer a clarifying amendment to the bill (S. 978), which has been on the table since May 18, 1953. I submitted this amendment to the chairman of the Interstate and Foreign Commerce Committee, the junior Senator from New Hampshire [Mr. TOBEY], who advised

me by letter that the committee has no objection to it; but since the committee had already reported the bill, he suggested that the amendment be offered on the floor.

The amendment is to section 4: on line 7 of page 5, delete the words "this section of."

The purpose of this amendment is merely to insure that the relief granted will not be limited to proceedings under any specific section of the Interstate Commerce Act, but will apply to all of its provisions.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. I renew my request that the bill go over.

Mr. JOHNSON of Texas. Mr. President, will the Senator from New Jersey withhold his request, so that the Senate may first act on my amendment?

Mr. HENDRICKSON. I have no objection to that.

The Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, I now offer my amendment, which has just been stated.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Texas (Mr. JOHNSON).

The amendment was agreed to.

The VICE PRESIDENT. On objection the bill will be passed over.

GRANT OF IMMUNITY TO CERTAIN WITNESSES—BILL PASSED OVER

The bill (S. 16) to amend the immunity provisions relating to testimony given by witnesses before either House of Congress or their committees, was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. I ask that the bill go over.

Mr. McCARRAN. Mr. President, will the Senator from New Jersey withhold the request so that I may make a brief statement?

Mr. HENDRICKSON. I withhold the request.

Mr. McCARRAN. Mr. President, this bill has been much discussed, and I believe most Senators are familiar with it. Its purpose is to close a loophole in the existing statute with respect to testimony of witnesses before congressional committees which renders that statute ineffective for the purpose of requiring the testimony of a witness who may claim his privilege under the fifth amendment, and thus to effectuate the purpose of that statute, by putting the Congress and its committees in a position to require the testimony of such a witness by giving him, in exchange for his testimony, an immunity from prosecution equal to the scope of his privilege under the fifth amendment.

I wish to say at this time merely that this bill is particularly important in the investigation of communism. About the only way we are ever going to get to the bottom of the Communist conspiracy in this country is by securing the testimony of some of those who were themselves a part of that conspiracy. The most important thing is to expose the conspiracy. Punishment of individual conspirators is secondary. The internal security of the country is far more concerned with halting the conspiracy for the future than it is in punishing some individual or individuals for past misdeeds. Under these circumstances, it is easy to see how important it becomes to secure legislation which will permit committees of the Congress to demand that witnesses who have knowledge of details of this conspiracy tell their story in full, even at the price of granting to those witnesses themselves immunity from prosecution for possible misdeeds.

One more point deserves mention in this regard. I am convinced that many witnesses who claim their privilege under the fifth amendment when questioned with respect to communism are improperly asserting that privilege, and do not, in fact, have any actual fear of possible prosecution for crime at the time they make the claim of privilege. Of course, it is extremely difficult for the committee to show this, since the rule of law is, very properly, that the witness himself must be the judge of whether he has such a fear. But if no actual criminal offense has been committed, on which the statute of limitations has not run and for the commission of which the witness might not be convicted, then it is, of course, impossible that the testimony of the witness could form even a link in a chain leading toward such conviction; and in any such case, the privilege under the fifth amendment may not properly be claimed.

At the present time, many witnesses are getting away with fraudulent claims of privilege, and are thus actually committing contempt of Congress, enactment of S. 16 would help put an end to such practices, because a witness who knew that he might be required under the terms of this bill to testify fully, notwithstanding his claim of immunity, would be careful about exerting such a claim improperly. The bill does not protect a witness against the penalties for perjury or contempt committed in connection with his testimony.

To sum up what I have just said, I am convinced that if this bill passes there will be far fewer refusals to answer questions about communism, under claims of the privilege against self-incrimination.

The able acting majority leader will recall that, when this measure was last before the Senate and there was a motion to displace it, it was stated that the bill would be called up again after the return of the senior Senator from Nevada. I should like to ask the able acting majority leader at this time when he plans to permit the bill to come before the Senate for a vote, which I am confident can be secured with very little additional debate.

Mr. KNOWLAND. Mr. President, I may say to the Senator from Nevada that that will be considered along with several other requests which have been made; but I am not in a position at this time to give the Senator assurance, as I did about his bill which was referred to earlier today, which I expect to have taken up within the next day or two.

Mr. McCARRAN. I wish to say to the Senator that in my judgment this bill should have a priority of some form for consideration by the Senate. It lost its place before the Senate because of the lack of a quorum previously, and I was then compelled to be absent for some days afterward.

Mr. KNOWLAND. I may say to the Senator that I will take up this matter with the policy committee tomorrow.

Mr. HENDRICKSON. Mr. President, again I should like to have the RECORD show quite clearly that the Senator from New Jersey is not opposing on his own behalf the bill now being discussed. As a matter of fact, as a member of the Judiciary Committee, I supported the bill in committee, and I shall support it on the floor. But I am constrained today to object on behalf of a colleague.

Mr. McCARRAN. Mr. President, if I may have the attention of the acting majority leader, I am advised that the RECORD shows that the majority leader, the Senator from Ohio [Mr. TAFT], said, as I understand, that he would give this measure a position of priority. I may be misquoting him, but I do not wish to do so.

Mr. KNOWLAND. The majority leader will be present at the policy committee meeting tomorrow, and I shall take this matter up with him at that time.

The VICE PRESIDENT. The bill will go over.

INCREASE IN LIMIT OF EXPENDITURES FOR COMMITTEE ON RULES AND ADMINISTRATION

The resolution (S. Res. 106) increasing the limit of expenditures under Senate Resolution 333, 82d Congress, for the Committee on Rules and Administration, was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. JOHNSON of Texas. Mr. President, I desire to offer an amendment on page 1, line 8, to strike out "$100,000" and insert "$75,000."

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. LANGER. Mr. President, may we have an explanation of the measure?

Mr. JOHNSON of Texas. Mr. President, this is a resolution reported by the Committee on Rules and Administration, increasing the fund of one of its subcommittees, the Subcommittee on Privileges and Elections, by $100,000. That is the subcommittee which is dealing with the senatorial contest in New Mexico. I have had numerous conferences with the Senators interested, including the members of the subcommittee, namely, the chairman, the Senator from Wyoming [Mr. BARRETT], the Senator from Michigan [Mr. POTTER], the Senator from Arizona [Mr. HAYDEN], and the Senator from Missouri [Mr. HENNINGS], as well as with the Senator from New Mexico [Mr. CHAVEZ].

it has been agreed that, for the time being, the sum of $75,000 will be sufficient. I think that figure is agreeable to all concerned.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from North Dakota.

Mr. LANGER. I understood that $58,000 was still available to the committee.

Mr. JOHNSON of Texas. I do not have the details.

Mr. HENNINGS. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Missouri.

Mr. HENNINGS. I may say the amount provided by the resolution is not necessarily to be devoted entirely to the investigation in the State of New Mexico. It is for the general purposes of the Subcommittee on Privileges and Elections. When the matter came up about 6 or 8 weeks ago, Senators may recall that there was some reference to a balance of $58,000. I have in my hand a breakdown which indicates that on January 16, at the time of the first meeting of the new Committee on Rules and Administration, there was on hand the sum of $101,403.77.

On February 1, there was on hand the sum of $100,757.49.

On March 1, there was on hand $91,475.16.

On April 1, there was on hand the sum of $76,194.78.

On May 1, there was on hand the sum of $58,833.34.

On June 1, there was on hand the sum of $43,683.12.

On June 5, there was on hand the sum of $40,465.59.

The estimated expenses for June, I will say to the able Senator from North Dakota, are $40,034.23.

This estimate is inclusive of $2,500 a month attorney fees for both sides from March 1 to July 1, or a total of $10,000. The New Mexico investigation began approximately on February 15, 1953.

I ask unanimous consent to have placed in the RECORD, as a part of my remarks, a list of the personnel in the office of the Subcommittee on Privlieges and Elections in Albuquerque, N. Mex., together with their annual salaries, their monthly salaries, and the various totals of incidental subsidiary expenses.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Personnel in office of Subcommittee on Privileges and Elections office in Albuquerque, N. Mex.

Name and designation	Gross annual salary	Monthly salary
Benson, John W., investigator	$7,819.96	$651.66
Berry, Lewis E., Jr., associate counsel	10,815.02	901.23
Bishop, John E., investigator	7,819.96	651.66
Brown, Irene, clerical assistant	3,805.08	317.09
Florance, Douglas E., special counsel	5,238.97	436.58
Hill, Burton S., associate counsel	10,068.45	839.03
Jick, Alexander J., investigator	5,430.16	452.51
Kemp, L. Stanley, investigator	7,819.96	651.66
Majeski, Emma M., clerical assistant	4,091.85	340.98
Pabbis, Richard E., investigator	8,005.36	667.11
Richardson, Mary S., clerical assistant	$3,518.30	$293.19
Scott, Marilyn E., clerical assistant	3,613.89	301.15
Troiano, Thelma M., clerical assistant	4,091.85	340.98
Ware, Wellford H., chief counsel	11,646.00	970.50
Warner, Farley W., associate counsel	9,570.74	797.56
Webner, Ruth M., clerical assistant	4,091.85	340.98
Woolston, Timothy P., investigator	4,283.04	356.92
Florance, James J., investigator	3,613.89	301.15
Garcia, Raymond B., guard	3,613.89	301.15
Brewer, Patricia, clerical assistant	3,613.89	301.15
Majeski, Robert J., investigator	4,091.85	340.98
Gutierres, Albert, guard	3,613.89	301.15
Lord, Samuel, Jr., guard	3,613.89	301.15
Total	133,891.75	11,157.64

Approximate expenditures of the Subcommittee on Privileges and Elections of the Committee on Rules and Administration for the month of May 1953

Salaries	$10,433.23
Expenses for personnel in field	4,500.00
Travel expenses	750.00
Rental cars	350.00
Office supplies	260.00
Telephone	187.00
Rental of office equipment	200.00
Estimate of miscellaneous items	1,000.00
Total	17,680.23
Estimate of expenditures for month of April 1953	17,000.00
Balance of funds available June 1, 1953, after deducting $1,000 for unpaid bills	39,465.59

The expenditures for the month of May 1953 shows a slight increase over April 1953, occasioned by the additional expense in preparing the Albuquerque, N. Mex., office for the recount.

The expenditures for June 1953 will be increased by approximately $22,354. This amount covers salaries for 4 additional staff members, 1 additional guard, 1 chief tally clerk, 1 court representative, 1 public representative, 1 State representative, 1 additional associate counsel for the staff—total $5,154 monthly, 16 people for Senator CHAVES and General Hurley—total $7,200 monthly; and attorney fees for the months of March, April, May, and June of $1,250 each (Hurley and CHAVEZ) including all expenses—total $10,000.

Expenses, month of May 1953	$17,680.23
Additional staff members	5,154.00
16 Hurley-Chavez people	7,200.00
Attorney fees	10,000.00
Total	40,034.23

Mr. LANGER. Mr. President, I have no objection to the amendment, but I object to the resolution.

The VICE PRESIDENT. The resolution will be passed over.

Mr. KNOWLAND. Mr. President, it is the intention of the majority leader to call up this resolution after the conclusion of the consideration of the calendar.

Mr. LANGER subsequently said: Mr. President, referring to calendar No. 159, I withdraw my objection to the consideration of the resolution.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution (S. Res. 106) increasing the limit of expenditures under Senate Resolution 333, 82d Congress, for the Committee on Rules and Administration.

The VICE PRESIDENT. The clerk will state the amendment offered by the Senator from Texas [Mr. JOHNSON].

The CHIEF CLERK. On page 1, line 8, it is proposed to strike out "$100,000" and insert "$75,000."

The amendment was agreed to.

The resolution, as amended, was agreed to, as follows:

Resolved, That the limit of expenditures authorized under Senate Resolution 333, 82d Congress, second session, agreed to June 12, 1952 (authorizing the expenditure of funds and the employment of assistants by the Committee on Rules and Administration, or any authorized subcommittee thereof, in carrying out the duties imposed upon it by subsection (o) (1) (D) of rule XXV of the Standing Rules of the Senate), is hereby increased by $75,000.

BILL PASSED OVER

The bill (S. 1063) to authorize and request the President to promote certain naval officers, and for other purposes, was announced as next in order.

Mr. GORE. Over.

The VICE PRESIDENT. The bill will be passed over.

PROPOSED EQUAL RIGHTS CONSTITUTIONAL AMENDMENT—JOINT RESOLUTION PASSED OVER

The joint resolution (S. J. Res. 49) proposing an amendment to the Constitution of the United States relative to equal rights for men and women, was announced as next in order.

Mr. HENDRICKSON. Mr. President, I personally favor this joint resolution, but I do not feel that it is properly calendar business. I think it should be made the order of business of the Senate at a later date, and I ask that the joint resolution go over.

The VICE PRESIDENT. The joint resolution will be passed over.

Mr. LANGER. Mr. President, may we have some indication from the acting majority leader as to when this joint resolution will be considered by the Senate?

Mr. KNOWLAND. It is one of the pieces of legislation on the calendar which the acting majority leader will take up with the Republican policy committee at its next meeting.

Mr. HAYDEN subsequently said: Mr. President, my attention was distracted when Senate Joint Resolution 49, Calendar 218, was called. I ask unanimous consent to have printed as a part of my remarks a statement prepared by Mr. Paul Freund, professor of law at Harvard University, on the legal implications of the proposed equal-rights amendment.

As Professor Freund has clearly stated, this proposed amendment will "transform every provision of law concerning women into a constitutional issue to be ultimately resolved by the Supreme Court of the United States.

The proposed amendment is apparently intended to establish absolute legal

equality between men and women and would permit the courts no flexibility in construction but rather would require all questions to be decided on a basis of rigid equality.

There is a wide variety of laws and rules of common law which would be affected if this proposed amendment should ever become effective. There is much legislation pertaining to women in their relationship in the community as wage earners, as members of the family, as citizens, and as individuals, all of which would become invalid if the equal-rights amendment becomes part of the Constitution of the United States.

I hope that every Senator will take the few minutes required to read Professor Freund's full statement.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

LEGAL IMPLICATIONS OF THE PROPOSED EQUAL-RIGHTS AMENDMENT

The proposed amendment to the Constitution reads as follows:

"Equality of rights under the law shall not be denied or abridged by the United States or by any State on account of sex. Congress and the several States shall have power, within their respective jurisdictions, to enforce this article by appropriate legislation.

"This amendment shall take effect 3 years after the date of ratification."

If anything about this proposed amendment is clear, it is that it would transform every provision of law concerning women into a constitutional issue to be ultimately resolved by the Supreme Court of the United States. Every statutory and common law provision dealing with the manifold relation of women in society would be forced to run the gauntlet of attack on constitutional grounds. The range of such potential litigation is too great to be readily foreseen, but it would certainly embrace such diverse legal provisions as those relating to a widow's allowance, the obligation of family support and grounds for divorce, the age of majority and the right of annulment of marriages, and the maximum hours of labor for women in protected industries.

Not only is the range of the amendment of indefinite extent, but, even more important, the fate of all this varied legislation would be left highly uncertain in the face of judicial review. Presumably, the amendment would set up a constitutional yardstick of absolute equality between men and women in all legal relationships. A more flexible view, permitting reasonable differentiation, can hardly be regarded as the object of the proposal, since the fourteenth amendment has long provided that no State shall deny to any person the equal protection of the laws, and that amendment permits reasonable classifications while prohibiting arbitrary legal discrimination. If it were intended to give the courts the authority to pass upon the propriety of distinctions, benefits, and duties as between men and women, no new guidance is given to the courts, and this entire subject, one of unusual complexity, would be left to the unpredictable judgments of courts in the form of Constitution decisions.

Such decisions could not be changed by act of the legislature. Such a responsibility upon the courts would be doubtless as unwelcome to them as it would be inappropriate. As has been stated, however, the proposal evidently contemplates no flexibility in construction but rather a rule of rigid equality. This branch of the dilemma is as repelling as the other. It appears to be accepted by what is currently the most authoritative statement on this amendment, the report of the House Judiciary Committee, House Report No. 907, 79th Congress, first session, on House Joint Resolution 49, dated July 12, 1945. The majority of the committee appears to recognize that under the amendment the many laws protecting the safety and welfare of women in industry would necessarily fall. The committee states: "To say the least of the matter, many of the large organizations of women represented in hearings before the committee have expressed a sincere desire to waive the so-called preferential benefits now accorded to women by various laws so as to permit them to follow economic activities from which they are now excluded."

It would not be feasible to attempt to enumerate the wide variety of laws and rules of the common law which would fall under the impact of the amendment. Some conception of their scope may, however, be given by recalling the variety of relationships in which women stand in the community. These relationships may be summarized as (a) wage earner; (b) member of a family; (c) citizen; (d) individual. The law has recognized and attempted to deal with these relationships in a concrete way. Doubtless there are difficulties and anachronisms in the law which should be remedied. But the method adopted by the amendment is to ignore the basis for all that has been at the foundation of these measures, and to substitute an abstract rule of thumb. The practical effect of such a course can be suggested by referring briefly to each of the four categories mentioned above.

(A) AS WAGE EARNERS

One of the most familiar forms of legislation is that which confers special protection on women in industry through the prohibition of employment in hazardous occupations and through regulation of nightwork and maximum hours of labor. Presumably the long struggle to place these protective measures on the statute books would be set at nought by the adoption of the amendment. Specifically, such statutes would apparently have to be held invalid as denying to women the equal right to work or as denying to men the equal right of protection under the law, for, it is to be noted, the amendment requires equality of rights under the law, permitting either men or women to claim exact equality. How the problem would be met can only be left to conjecture. If a State legislature failed to revise the laws giving special protection to women in certain industries, it is left uncertain whether the entire pattern of industrial legislation would be torn apart by judicial decision or whether a court would undertake to legislate by raising the same protection for men. Surely the work of generations ought not to be left to this blind hazard.

(B) AS MEMBERS OF THE FAMILY

Legislation in the latter part of the 19th and early part of the 20th century, commonly known as married women's acts, fairly universally, in this country removed the disabilities which the common law had placed upon married women with respect to the right to sue and be sued, the right to own separate property, and the right to engage in commercial transactions. It is true that in some States certain remnants of these disabilities have persisted. In a few States, for example, a married woman may not become a surety for her husband's debts, on the theory that she might otherwise be imposed upon; if the reason which has led some States to retain this disability is not a sufficient one, the disability should, of course, be removed by further legislation.

Similarly, in a few States a married woman's earnings, while belonging to her if they result from work outside the home, are held to enure to the husband if they are produced by working inside the home. Whether this is a fair adjustment in view of the husband's primary duty to support the family may be a fairly debatable question, which again can be resolved by further legislation if further reform is thought desirable. The proposed amendment would leave no room for legislative experiment along these lines, but would impose a requirement of absolute equality in the property rights of husband and wife.

More seriously, it would presumably abolish the common rule whereby a husband has the primary duty of support toward his family, and whereby in many jurisdictions failure to render such support is a ground for separation or divorce. Precisely how the law of support is to be transformed as a result of the amendment is by no means clear. The concept of a primary duty does not lend itself to a rule of equality.

The very least that can be said is that the complex and delicate field of marital relationships and divorce, into which Congress has sedulously declined to enter in the past, would now be gravely affected by the tangential force of a constitutional amendment, which would not even rest on a study of the manifold problems involved.

It is worthy of note that the community property systems of eight Western States, which have evolved differently from the common-law systems and which, in general, have recognized for a longer period the coordinate status of husband and wife, nevertheless contain inequalities which would doubtless be rendered invalid under the amendment. Thus the husband is generally regarded as a kind of managing partner with special powers not possessed by the wife in respect of community property. Legislation would doubtless be required to produce conformity with the dictates of the amendment, and the ramifications of such legislation, particularly with respect to the special-tax status of persons owning community property, cannot be predicted with certainty.

(C) AS CITIZENS

While the suffrage amendment and other legislation have generally guaranteed to women an equality of civil and political rights, there remain some gaps which it is undoubtedly one purpose of the amendment to close. One of these is the distinction drawn in some States between the obligation of men and that of women for jury service. But whether the amendment would in fact require a change in this field is itself uncertain, since it is fairly arguable that jury service is not a right but a duty and hence not within the scope of the amendment. Indeed, the amendment opens up a whole field of potential controversy turning on distinction between rights and duties.

(D) AS INDIVIDUALS

A common legislative difference in the treatment of men and women concerns the age of majority, which is generally lower for the latter. This difference has long been accepted as reflecting physical realities. Presumably the distinction would no longer be valid. But if a legislature failed to change the law, the outcome would present something of a legal puzzle. If the age of majority for men is 18 and women 16, it can hardly be foretold whether equality would require a lowering of the former or a raising of the latter. If the standard be that of the greater right, it could be asserted that the lower age for women provides a greater right to marry but at the same time a more restricted right to annul on the ground of minority. How a court would solve the conundrum is, like most problems created by the proposed amendment, a matter purely of speculation.

The basic fallacy in the proposed amendment is that it attempts to deal with complicated and highly concrete problems arising out of a diversity of human relationships in terms of a single and simple abstraction. This abstraction is undoubtedly a worthy ideal for mobilizing legislative forces in order to remedy particular deficiencies in the law. But as a constitutional standard, it is hopelessly inept. That the proposed equal-rights amendment would open up an era of regret-

table consequences for the legal status of women in this country is highly probable. That it would open up a period of extreme confusion in constitutional law is a certainty.

Mr. HAYDEN. Mr. President, Professor Freund's statement has been carefully considered and is endorsed by the following deans and professors of leading law schools, eminent attorneys, jurists, and constitutional lawyers:

Roscoe Pound, School of Law, University of California; former dean, Harvard Law School.

Clarence Manion, former dean of the College of Law, University of Notre Dame, Indiana.

Albert J. Harno, dean of the College of Law, University of Illinois.

Charles Warren, constitutional lawyer and author of The Supreme Court in United States History, Washington, D. C.

Walter Frank, lawyer, New York City.

Leon Green, professor of law, University of Texas; former dean, School of Law, Northwestern University.

Dorothy Kenyon, lawyer and former judge of municipal court, New York City.

Prof. M. R. Kirkwood, Palo Alto, Calif.

Monte M. Lemann, lawyer and former president, Louisiana State Bar Association, New Orleans.

E. Blythe Stason, dean of the Law School, University of Michigan.

Harry Shulman, Sterling professor of law, Yale University Law School.

William H. Holly, United States district judge, Chicago.

Everett Fraser, emeritus dean of Law School, University of Minnesota; professor of law, Hastings College of Law, University of California.

Walter Gellhorn, professor of law, Columbia University Law School.

Glenn A. McCleary, dean of the Law School, University of Missouri.

Douglas B. Maggs, professor of law, Duke University Law School, and former Solicitor, United States Department of Labor.

In addition, it is worthwhile to note the following views which have been expressed by qualified men in the field of law:

Judge William H. Holly, United States district court, Chicago:

If the proposed equal-rights amendment to our Federal Constitution should be given the interpretation of which it seems capable, it would destroy the work of the years that have been given to secure the passage of the laws for the protection of women in industry. I fear that back of those who are openly advocating the amendment are the interests which desire to be rid of those laws.

E. Blythe Stason, dean of the University of Michigan Law School:

Physiological facts create the absolute necessity of numerous instances of differentiation in the law between the sexes affording protection for women not required for men. The proposed amendment would certainly throw the bulk of such legislation now on the statute books into a state of confusion and uncertainty, if it did not in fact result in complete elimination of such legislation from the statute books.

The late Joseph P. Chamberlain, former professor of law, Columbia University Law School:

The passage of the amendment will create uncertainty and confusion in the wide fields of the law of property, of personal status, of marriage. It may destroy all labor legislation protecting women. Existing evils can and should be met by legislation, aimed to cure them, such as the equal-pay bill now before Congress. This proposal is a leap in the dark and has no place in the Constitution.

The late Silas H. Strawn, former president of the American Bar Association:

The amendment would inevitably invalidate many of the State laws protecting the American home and which protect women in industry.

BILL PASSED OVER

The bill (H. R. 662) for the relief of Mr. and Mrs. Joseph W. Furstenberg was announced as next in order.

Mr. SMATHERS. Over.

The VICE PRESIDENT. The bill will be passed over.

Mr. HENDRICKSON. Mr. President, I ask unanimous consent that this measure be included in the next calendar call.

Mr. SMATHERS. I have no objection.

The VICE PRESIDENT. Without objection, it is so ordered.

ALEXANDER A. SENIBALDI

The bill (H. R. 739) for the relief of Alexander A. Senibaldi was considered, ordered to a third reading, read the third time, and passed.

PREVENTION OF CITIZENS OF QUESTIONABLE LOYALTY FROM ACCEPTING EMPLOYMENT UNDER THE UNITED NATIONS

The Senate proceeded to consider the bill (S. 3) to prevent citizens of the United States of questionable loyalty to the United States Government from accepting any office of employment in or under the United Nations, and for other purposes, which had been reported from the Committee on the Judiciary with amendments, on page 2, line 13, after the word "organization", to insert "or any service rendered to or operated under the discipline of any organization"; in line 23, after the word "known", to insert "and shall forward such information to the United Nations or special agency thereof wherein the applicant is seeking employment"; on page 3, line 20, after the word "reasonable", to strike out "probability" and insert "possibility"; in line 21, after the word "such", to strike out "probability" and insert "possibility"; and in line 24, after the word "such", to strike out "probability" and insert "possibility", so as to make the bill read:

Be it enacted, etc., That (a) no citizen of the United States hereafter shall accept any office or employment in or under the United Nations or any organ or agency thereof unless he has applied in writing to the Attorney General of the United States for, and has received from such officer, the security clearance required by this section.

(b) Under such regulations as the Attorney General shall prescribe, each application for security clearance filed pursuant to subsection (a) shall bear the fingerprints of the applicant, and shall contain a true and complete statement, executed by the applicant under oath, of the following information concerning such applicant:

(1) Each arrest, indictment, or conviction of the applicant for the violation or alleged violation of any law of the United States or of any State or Territory of the United States other than a violation or alleged violation of any law or ordinance for the regulation of motor vehicle traffic punishable as a misdemeanor.

(2) Each membership held by the applicant at any time in any organization or any service rendered to or operated under the discipline of any organization (A) teaching or advocating the overthrow of the Government of the United States by force and violence, (B) registered as a Communist-action or Communist-front organization pursuant to section 7 of the Subversive Activities Control Act of 1950, or (C) required by final order of the Subversive Activities Control Board to register pursuant to such section.

(3) Each name, other than the name subscribed upon such application, by which such applicant has been known and shall forward such information to the United Nations or special agency thereof wherein the applicant is seeking employment.

(4) Each occasion on which the applicant has applied to the Government of the United States for a passport and has been denied such passport.

(5) The circumstances under which the applicant has been discharged or has resigned from any office or employment in or under the Government of the United States or any agency or instrumentality thereof.

(6) Such other information as the Attorney General shall determine to be necessary for the purpose of ascertaining whether the occupancy by the applicant of any office or employment in or under the United Nations or any organ or agency thereof would involve reasonable probability of danger to the security of the United States.

(c) Upon the filing of any application pursuant to this section, the Attorney General shall conduct as expeditiously as may be practicable such investigation as he shall deem necessary to ascertain whether in his opinion the occupancy by the applicant of any office or employment in or under the United Nations or any organ or agency thereof would involve reasonable possibility of danger to the security of the United States. If no such possibility is determined to exist, the Attorney General shall furnish to the applicant a written statement of security clearance. If such possibility is determined to exist, the Attorney General shall furnish to the applicant a written denial of his application together with a statement of his reason for such denial.

SEC. 2. Each citizen of the United States who on the date of enactment of this act occupies any office or is engaged in any employment in or under the United Nations or any organ or agency thereof shall, within 60 days after such date, file with the Attorney General of the United States a registration statement in such form as the Attorney General shall prescribe. Each registration statement shall bear the fingerprints of the person filing such statement, and shall contain a true and complete statement, executed by such person under oath, of the following information concerning such person:

(a) The nature of the office or employment held by such person in or under the United Nations or any organ or agency thereof.

(b) The period during which such office or employment has been held by such person.

(c) Each element of information specified in paragraphs (1) to (6), inclusive, of subsection 1 (b) with respect to applicants for security clearance under section 1 of this act.

SEC. 3. (a) Whoever, being a citizen of the United States, shall accept any office or employment in or under the United Nations or any organ or agency thereof in violation of subsection 1 (a) of this act shall be fined not more than $10,000 or imprisoned for not more than 5 years, or both.

(b) Whoever, being a citizen of the United States and an officer or employee of the United Nations or any organ or agency thereof, shall willfully fail to comply with the requirements of section 2 of this act, or who shall aid, abet, or counsel any other such person to refrain from compliance with such requirements, shall be fined not more than $10,000, or imprisoned for not more than 5 years, or both.

(c) Whoever shall willfully make any false statement in any application or registration statement filed under this act, or willfully omit to state in any such application or registration statement any fact required by law or regulation to be stated therein or necessary to make the statements made or information given therein not misleading, shall be fined not more than $10,000, or imprisoned for not more than 5 years, or both.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. McCARRAN. Mr. President, I ask unanimous consent that there may be inserted in the RECORD following the passage of Senate bill 3 a statement which I have prepared in connection with the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. McCARRAN. This bill is designed to implement the recommendations of the Senate Internal Security Subcommittee, and to guarantee by statute that American citizens who are not loyal to this country shall not be able to secure employment with the United Nations and other international organizations.

The bill is directly in line with the avowed purposes of the present administration, and its provisions would dovetail very well indeed with the Executive orders of the President in this regard.

The bill does not impose any restrictions upon the United Nations itself, nor does it attempt to coerce the officials of that international organization. The bill recognizes that the Congress cannot require the administrative officials of the United Nations to dismiss American nationals merely because this Government might disapprove of the employment of such persons.

This bill operates directly upon American nationals, and has no operating effect directly upon the United Nations. With respect to an American national now employed by the United Nations, this bill merely requires the submission of certain information basic to a proper determination of the question as to whether such employee represents a security risk to the United States. With respect to persons not now employed by the United Nations, this bill would explicitly prohibit acceptance of such employment without first receiving security clearance.

Under this bill, the test would be whether the Attorney General finds evidence that there is a reasonable possibility of danger to the security of the United States through the employment of the applicant by the international organization. If the Attorney General finds such danger to the security of the United States, he would issue a written denial of the application for security clearance, together with a statement of his reason for such denial, and would forward that information to the United Nations or a special agency thereof, so that body would have notice of the doubtful loyalty to the United States of the prospective employee. Such a denial would not, of course, bar the United Nations from hiring the applicant; but it would make it unlawful for the applicant himself thereafter to accept a United Nations job. On the other hand, if the Attorney General should find that the applicant's employment by the United Nations would not involve reasonable possibility of danger to the security of the United States, he would give a security clearance.

As I have declared before, it is perfectly clear that there is no way, except by congressional action, to prohibit United States nationals who are subversives from accepting employment with the United Nations. There is no way, except by congressional action, to require present employees of the United Nations, who are United States nationals, to file registration statements designed to disclose possible subversion in that group, and to make such statements available to the Government of the United States. If Congress deems it desirable to do these things, Congress will have to do them by legislation. These are the things the bill S. 3, is designed to do. The issue is perfectly clear cut.

BILLS PASSED OVER

The bill (S. 1349) to amend title 28, United States Code, was announced as next in order.

Mr. GORE. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1663) to increase the salaries of Members of Congress, judges of the United States courts, and United States attorneys, and for other purposes, was announced as next in order.

Mr. HENDRICKSON. Mr. President, this bill is certainly not proposed legislation to be disposed of on the unanimous-consent calendar, and I therefore ask that it be passed over.

The VICE PRESIDENT. The bill will be passed over.

IMPORTATION OF AGRICULTURAL LABOR—BILL PASSED OVER

The bill (H. R. 3480) to amend section 509 of title V of the Agricultural Act of 1949, to extend for 3 years the period during which agricultural workers may be made available for employment under such title, was announced as next in order.

Mr. HENDRICKSON. Over.

Mr. AIKEN. Mr. President, I did not know that the Senator from New Jersey was going to object to action on the bill at this time. I simply wish to say that, so far, the United States Department of Labor seems to be unable to reach any agreement with the Mexican Government regarding the importation of Mexican field labor into the United States. Under the circumstance, it would appear to be a futile gesture to enact legislation providing for that which it seems impossible to accomplish at this time.

The VICE PRESIDENT. The bill will be passed over.

DISTRIBUTION OF TRUST FUNDS HELD BY SHOSHONE AND ARAPAHO TRIBES OF THE WIND RIVER RESERVATION

The bill (H. R. 444) to amend the act of May 19, 1947, so as to increase the percentage of certain trust funds held by the Shoshone and Arapaho Tribes of the Wind River Reservation which is to be distributed per capita to individual members of such tribes was considered, ordered to a third reading, read the third time, and passed.

Mr. LANGER subsequently said: Mr. President, my attention was momentarily distracted when the Senate passed Order No. 265 (H. R. 444). I ask unanimous consent that the action of the Senate in passing the bill be reconsidered and the bill be passed over temporarily.

The PRESIDING OFFICER (Mr. CAPEHART in the chair). Without objection, it is so ordered.

RESOLUTION PASSED OVER

The resolution (S. Res. 20) amending the cloture rule with respect to the number required for adoption of a cloture motion was announced as next in order.

Mr. GORE. Over.

The VICE PRESIDENT. The resolution will be passed over.

FARMER-DEBTOR RELIEF UNDER BANKRUPTCY ACT

The bill (S. 25) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto, was announced as next in order.

Mr. HENDRICKSON. Mr. President, in this case also I favor the proposed legislation, but I do not feel that the bill is one which should be considered during a call of the calendar.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. HENDRICKSON. I yield to the Senator from Nevada.

Mr. McCARRAN. Mr. President, I have no desire to interefere with the able presentation which I know will be made by the Senator from Mississippi [Mr. EASTLAND], who is in charge of this bill. I rise merely to say that it is a good bill, carefully worked out over a period of years; and that, in my opinion, now is the time to pass such legislation as this. It is not a satisfactory method of approach to grant relief to the farmer only when he is in desperate straits, and under the prod of the direst necessity, when hasty and ill-considered action is most likely. It is far better to provide in advance for the contingencies which we all realize may come to pass, much as we hope against such an eventuality, by passing a bill of this nature in an atmosphere of calm deliberation. This bill would be good for the farmers and it would be good for the country, and I hope the Senate will consider it favorably when it is brought up.

Mr. HENDRICKSON. Mr. President, I have just been reminded that this is practically the same bill that was passed last year after thorough explanation and debate on the floor, and that it contains virtually the same language. Is my understanding correct?

Mr. McCARRAN. That is correct.

Mr. HENDRICKSON. Mr. President, I withhold any objection I may have had.

The VICE PRESIDENT. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The VICE PRESIDENT. The clerk will state the amendments.

The LEGISLATIVE CLERK. On page 15, line 2, after the word "control", it is

proposed to strike out "such as a national emergency, as the result of which farmers in general cannot operate with normal profits, or local emergencies, such as drought, freeze, flood and hail,"; in line 8, after the word "expenditures", to insert "and"; in the same line, after the word "operations", to strike out the comma and "and lack of farming ability" and insert a period, and in line 9, after the amendment last above stated, to insert "Causes beyond the debtor's control shall include, but not be limited to, national emergencies, or declines in the agricultural market, or acreage reductions under the law, as a result of any of which the farmer-debtor cannot operate at a profit, or local emergencies, or drought, freeze, fire, flood, hail, or insect damage, any of which would make farming operations at a profit impracticable.", so as to make the bill read:

Be it enacted, etc., That section 75 of the act entitled, "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, as amended, is hereby amended and incorporated as chapter XVI of such act, to read as follows:

"CHAPTER XVI—FARMER-DEBTOR RELIEF

"ARTICLE I—CONSTRUCTION

"SEC. 901. The provisions of this chapter shall apply exclusively to proceedings under this chapter.

"SEC. 902. The provisions of chapters I to VII, inclusive, of this act shall, insofar as they are not inconsistent or in conflict with the provisions of this chapter, apply in proceedings under this chapter. For the purposes of such application, provisions relating to 'bankrupts' shall be deemed to relate also to 'debtors,' and 'bankruptcy proceedings' or 'proceedings in bankruptcy' shall be deemed to include proceedings under this chapter. For the purposes of such application, the date of the filing of the petition in bankruptcy shall be taken to be the date of the filing of an original petition under section 922 of this act, and the date of adjudication shall be taken to be the date of approval of a petition filed under section 921 or 922 of this act, except where an adjudication had previously been entered.

"ARTICLE II—DEFINITIONS

"SEC. 906. For the purposes of this chapter, unless inconsistent with the context—

"(1) 'claims' shall include all claims of whatever character against the debtor or his property, whether or not such claims are provable as debts under section 63 of this act, and whether secured or unsecured, liquidated or unliquidated, fixed or contingent;

"(2) 'unsecured creditor' shall mean the holder of any unsecured claim;

"(3) 'secured creditor' shall include the holder of any secured claim, and any purchaser at a judicial or offical sale to whom the deed was not delivered at the time the petition was filed to the extent of the money paid or credit received by such purchaser;

"(4) 'debtor' shall mean a farmer who files a petition under this chapter;

"(5) 'debts' shall include all claims;

"(6) 'executory contracts' shall include unexpired leases of real property;

"(7) 'farmer' shall mean an individual, or a partnership, or a corporation where actual farmers own at least 75 percent of its capital stock, and which farmer is primarily bona fide engaged in producing products of the soil, or in dairy farming, or in the production of poultry or livestock, or in the production of poultry or livestock products in their unmanufactured state, and the principal part of whose gross income is derived from any one or more of such operations, whether so engaged personally or as a tenant or by tenants, and shall include the executor, administrator, or personal representative of the estate of any such deceased person so engaged at the time of his death in one or more of the foregoing operations: *Provided, however*, That the provisions of this chapter shall not be available to a farmer whose sole interest in property, as hereinafter defined, is that of tenant;

"(8) 'individual' shall include common, joint, community, and entirety owners, provided that as to encumbered property all of such owners join in the petition so that the court will acquire jurisdiction over all interests in any affected encumbered property;

"(9) 'petition' shall mean a petition filed in a court of bankruptcy or with its clerk, by a debtor praying for the benefits of this chapter;

"(10) 'period of redemption' shall include any State moratorium, whether established by legislative enactment or executive proclamation, or where the period of redemption has been extended by judicial decree or as provided elsewhere in this chapter;

"(11) 'property' of a debtor shall include all his property, real or personal, wherever located, of every kind and nature, including but not limited to his interests in contracts for purchase, contracts for deed, conditional sales contracts, rights or equities of redemption, rights under trust deeds given as security, rights within a period of redemption which has not expired, rights under trust deeds which have not become absolute, rights existing in case of sale which has not been confirmed or where a deed pursuant to sale has not been delivered; and

"(12) 'integral part or parcel' of a debtor's property shall not include only a portion of any contract lienholder's security.

"ARTICLE III—JURISDICTION, POWERS, AND DUTIES OF THE COURT

"SEC. 911. Where not inconsistent with the provisions of this chapter, the court in which the petition is filed shall, for the purposes of this chapter, have exclusive jurisdiction of the debtor and his property, wherever located.

"SEC. 912. Prior to the approval of a petition, the jurisdiction, powers, and duties of the court and of its officers, where not inconsistent with the provisions of this chapter, shall be the same as in a bankruptcy proceeding before adjudication.

"SEC. 913. Upon the approval of a petition, the jurisdiction, powers, and duties of the court and of its officers where not inconsistent with the provisions of this chapter shall be the same as in a bankruptcy proceeding upon adjudication.

"SEC. 914. Upon the approval of a petition under this chapter, the court may, in addition to the jurisdiction, powers, and duties hereinabove and elsewhere in this chapter conferred and imposed upon it, permit the rejection of executory contracts of the debtor, upon notice to the parties to such contracts and to such other parties in interest as the court may designate.

"SEC. 915. Whenever notice is to be given under this chapter, if not otherwise specified hereunder, the court shall designate the time within which, the persons to whom, the form and manner in which the notice shall be given, and the contents of the notice. Any notice to be given under this chapter may be combined, whenever feasible, with any other notice or notices to be given under this chapter.

"SEC. 916. The judge may transfer a proceeding under this chapter to a court of bankruptcy in any other district, regardless of the residence of the debtor, if the interests of the parties will be best served by such transfer.

"SEC. 917. Where a petition is filed by the executor, administrator, or personal representative of the estate of a deceased debtor, the consent of the court in which such estate is pending shall not be required.

"SEC. 918. Where not inconsistent with the provisions of this chapter, the jurisdiction of appellate courts shall be the same as in a bankruptcy proceeding.

"ARTICLE IV—PETITION, APPROVAL, AND STAY

"SEC. 921. A debtor may file a petition under this chapter in a pending bankruptcy proceeding either before or after his adjudication.

"SEC. 922. If no bankruptcy proceeding is pending, a debtor may file an original petition under this chapter with the court in whose territorial jurisdiction he has resided or the principal part of his farming operations have occurred for the preceding 6 months or for a longer portion of the preceding 6 months than in any other jurisdiction. The filing of such petition shall be accompanied by payment to the clerk of a filing fee of $45, to be distributed by him as in the case of a bankruptcy proceeding.

"SEC. 923. A petition filed under this chapter shall state—

"(1) that the debtor is insolvent or unable to pay his debts as they mature and that he desires to avail himself of the benefits of this chapter; and

"(2) the nature and status of all pending proceedings affecting the property of the debtor known to him and the courts in which they are pending.

"SEC. 924. The petition shall be filed in triplicate and at the time it is filed, or within 10 days thereafter, the debtor shall file in triplicate—

"(1) a statement of the executory contracts of the debtor;

"(2) the schedules and statement of affairs, if not previously filed, including a statement of rights of redemption which have not expired and rights under trust deeds which have not become absolute, and of deeds which have not been confirmed or delivered, and the property affected thereby;

"(3) where a petition is filed by the legal representative of the estate of a deceased debtor, copies of his appointment by the probate court, of which the original shall be certified;

"(4) his claim of exemption;

"(5) if he does not desire to retain possession of all of his property, a statement of the unexempt property, or such integral part or parcel thereof, and of the encumbered exempt property, possession of which he desires to retain for the purposes of the proceeding under this chapter; and

"(6) the offer, including the terms of payment, of a fair and reasonable rental to be made by him for each separately encumbered portion of his property, and for his unencumberd unexempt property, of which he desires to retain possession. All rental shall be payable from the date of the filing of the debtor's petition.

"SEC. 925. In determining the rental to be offered, the debtor shall give due consideration to the market value of the debtor's property, the customary rental value of property of the same general character located in the community in which the debtor's property is located, the actual net income and earning capacity of the debtor's property, its depreciation or deterioration by reason of use or age, and such other factors which may be essential in arriving at a fair and reasonable rental value, and shall give due consideration, in fixing the periodic payments quarterly, semiannually, or annually, in advance or at the end of such period, to the availability of farm income.

"SEC. 926. Upon the filing of the petition by a debtor and upon compliance by the debtor with section 924 of this act the judge shall enter an order approving the petition if satisfied that the requirements of this chapter have been complied with or, if not so satisfied, dismissing it for want of jurisdiction.

"SEC. 927. A petition shall not be dismissed under section 926 of this act because of the distressed financial condition of the debtor,

or because there is no reasonable expectation of his financial rehabilitation, or because he may have no equity in his property above the encumbrances and other liens against it, or because of any other ground of like nature.

"SEC. 928. In addition to the applicable relief of section 11 of this act and the relief elsewhere provided under this chapter, the filing of a petition by a debtor shall, for the purposes of a proceeding under this chapter, operate as a stay of a prior pending bankruptcy, mortgage foreclosure, or equity receivership proceeding and of any act or other proceeding to enforce a lien against any of the debtor's property, including the sale of any of the debtor's property under the terms of any mortgage, pledge, or deed of trust, and of the commencement or continuation of any act, suit, or proceeding against the debtor or his property until dismissal of the petition under section 926 of this act, or, if not so dismissed, then until further order of the court or until final decree dismissing or closing the proceeding under this chapter: *Provided, however,* That any exempt property of a debtor, whether or not encumbered, which he does not desire to retain in his possession, shall be wholly excluded from the jurisdiction of the bankruptcy court without any order of the court other than the order setting aside the exemptions.

"SEC. 929. As to any property of the debtor, where, at the time of the filing of the debtor's petition, any legal or equitable action is pending, or steps toward selling under a power of sale in a mortgage or deed of trust have been taken but the sale has not become absolute, or a sale had not been confirmed, or a sale has been confirmed as provided in section 930 of this act, or the deed has not been delivered, or an executory contract has not been terminated, or the period of redemption has not expired, the plaintiff may dismiss such pending action without prejudice, or such pending action, such right to exercise the power of sale, such confirmation of sale, all proceedings and acts following confirmation of such sale as provided in section 930 of this act, the delivery of such deed, or the termination of such contract, shall be stayed or the period of redemption shall be extended for the period necessary for the purpose of carrying out the provisions of this chapter, and until the termination of such stay the rights of any affected creditors and purchasers shall remain in the status which existed immediately prior to the filing of the petition, except as otherwise provided in this chapter. Any action taken in any of the matters mentioned in section 928 or in this section of this act after the filing of the petition and without prior approval of the court shall be of no legal force or effect, and the affected parties shall be restored to the status and to all legal and equitable rights they had immediately before the petition was filed.

"SEC. 930. Where any of his property, possession of which the debtor desires to retain, has been sold under a sale that requires confirmation, but which has not been confirmed, the court shall make an order authorizing the interested parties to proceed with the confirmation of the sale by the proper court for the sole purpose of determining whether such sale should be confirmed and thereby fixing the rights of the purchaser and secured creditor for the purposes of this section. If the proper court refuses to confirm the sale, all further proceedings pertaining to said sale shall be stayed as provided in sections 928 and 929 of this act. Where any sale has been made prior to the time of filing the petition, but such sale had not been confirmed until after the filing of the petition or the deed had not been delivered, the purchaser at such sale, to the extent of the amount paid on the purchase price, shall be considered a secured creditor, and payments to be made by the debtor under an extension proposal in payment of claims against the property so sold shall be paid in redemption from such sale. Any redemption under this chapter shall be subject to any prior liens. The amount necessary to redeem shall be the amount bid at such sale, whether or not the purchaser has paid the full amount of his bid. If the purchaser has not paid the full amount of his bid, such purchaser shall be the claimant as to the amount paid by him, and the affected secured creditor shall be the claimant as to the difference between the amount so paid and the amount bid. The secured creditor who has caused such sale to be made shall be deemed an unsecured creditor as to any excess of the debt over the amount of the bid and such excess shall be deemed to be allowed as an unsecured claim.

"SEC. 931. Any sale that would have foreclosed junior lienholders had the debtor's petition not been filed shall nevertheless foreclose such junior lienholders, and no such junior liens shall reattach after the debtor reacquires title.

"ARTICLE V—PROCEEDINGS SUBSEQUENT TO APPROVAL OF PETITION

"SEC. 932. Upon approval of a petition, the judge may refer the proceeding to a referee appointed, qualified, and acting under chapter V of this act.

"SEC. 933. Upon the approval of the petition, the court shall promptly call a meeting of creditors upon at least 10 days' notice by mail to the debtor and all creditors.

"SEC. 934. The notice of such meeting shall specify the purposes of the meeting, which shall include a determination of the cause of the debtor's distress, the setting apart of the debtor's exemptions, and the approval or fixing of the rental to be paid by the debtor upon the property to be retained by him.

"SEC. 935. The notice of such meeting shall also be accompanied by—

"(1) a summary of the scheduled liabilities;

"(2) a list of the names of the 10 largest general unsecured creditors and the 10 largest secured creditors, their addresses, and the scheduled amount owing to each of them, and, in the case of the secured creditors, the nature of the security held by each of them;

"(3) a list of the names of the unsecured creditors, entitled to priority, their addresses, and the nature and amount of the priority owing to each of them, as scheduled;

"(4) a brief summary of the debtor's claim of exemptions; and

"(5) a brief summary of the property, possession of which is requested to be retained by the debtor, and the rental and terms of payment thereof offered by the debtor for each separately encumbered parcel of his property, and his unencumbered unexempt property.

"SEC. 936. At such meeting of creditors and at all adjournments thereof, and at all hearings under this chapter, the judge or referee shall preside.

"SEC. 937. At such meeting of creditors, or at any adjournment thereof, the court shall examine the debtor or cause him to be examined, and hear witnesses on any matters relevant to the proceedings.

"SEC. 938. At such meeting of creditors, or at any adjournment thereof, the court shall determine whether the debtor's distress is due to causes beyond his control, or is due to causes within his control, such as bad personal habits, failure to attend to business, diverting farm income to nonagricultural expenditures, and extravagant operations. Causes beyond the debtor's control shall include, but not be limited to, national emergencies, or declines in the agricultural market, or acreage reductions under the law, as a result of any of which the farmer-debtor cannot operate at a profit, or local emergencies, or drought, freeze, fire, flood, hail, or insect damage, any of which would make farming operations at a profit impracticable. If the cause is determined by the court to be beyond the debtor's control, the court shall enter an order granting the debtor a moratorium for the duration of the emergency, without expressly limiting the moratorium to the term of years. If the cause is determined by the court to be within the debtor's control, the court shall proceed as provided in section 1016 of this act.

"SEC. 939. At such meeting of creditors, or at any adjournment thereof, if a moratorium is ordered, the court shall enter an order approving the rental offered by the debtor for each separately encumbered portion of his property and for the unencumbered unexempt portion, if any, unless a written objection to any portion of the rental offered for encumbered property has been filed by a secured creditor as to any separately encumbered portion, or unless a written objection to the rental offered for unencumbered property has been filed by an unsecured creditor, in which event the court shall hear and determine such objections and shall enter an order approving or disapproving the portion of the offered rental as to which objections have been filed. In case of disapproval, the court shall determine the fair and reasonable rental value of the specific portion of the debtor's property and the terms of payment based upon the factors provided in section 925 of this act. Such rental shall be paid into court and shall be used as follows: The first 10 percent thereof shall be deposited by the court with the clerk and transmitted by him as provided by section 72 of this act to be deposited equally in the referee's salary fund and referee's expense fund. The remainder shall be used, first, for the payment of any compensation or reimbursement for such costs and expenses, if any, as may be allowed by the court under the provisions of sections 1023 and 1038 of this act; second, for the payment of taxes, insurance and repairs on the property for which the rental was paid; third, shall be paid to and applied on the claims of the secured creditors who have claims against the property for which the rental was paid, as their interests may appear; and, fourth, any excess rental from encumbered property and all rental from unencumbered property shall be paid to the unsecured creditors as their interests may appear. A person aggrieved by the rental order may, within 10 days after the entry of the order, file a petition to review the same in the manner provided in this act.

"SEC. 940. At such meeting of creditors, or at any adjournment thereof, if jurisdiction is retained under this chapter, the court shall set apart the exemptions of the debtor: *Provided, however,* That the court shall supervise and control the encumbered exempt property to be retained by the debtor for the purposes of the proceedings under this chapter.

"SEC. 941. At such meeting of creditors, or at any adjournment thereof, in the event the debtor has not elected to retain possession of all of his unexempt property, the court may appoint a trustee to administer such property not retained by the debtor. No individual shall be eligible to appointment as a trustee unless he is (a) a resident of the county where the principal part of the debtor's property is located; (b) familiar with agricultural conditions therein; (c) not engaged in the farm-mortgage business, the business of financing farmers or transactions in agricultural commodities, or of furnishing agricultural supplies; and (d) not a relative of, or associated in business with, any creditor.

"SEC. 942. When a moratorium has been ordered, the creditors shall have the right not more often than at 2-year intervals from the date of the order granting the moratorium to a hearing on the question as to whether the emergency has ceased. Such

hearing shall be had upon petition of any creditor after 10 days' notice by mail to the debtor and all creditors. The order granting the moratorium shall remain in full force and effect if the court makes an order determining that the emergency still exists. If a determination is made by the court that would result in a moratorium of more than 4 years from the date of the order granting the moratorium, any creditor may appeal from such order if made by a judge, or, if made by a referee, may within 10 days after the entry of such order, file a petition for review as to the existence of the emergency. The determination by a judge on review shall be subject to appeal. If a judge, after a review, or an appellate court, on appeal, determines that the emergency still exists, such determination shall continue the moratorium in full force and effect: *Provided, however*, That thereafter at 1-year intervals from the date of any determination by a judge after a review or by an appellate court on appeal, until it is finally determined that the emergency has ceased, any creditor may present the same question to the court on petition and notice as in this section provided, and shall have the right to a review or an appeal from any order thereafter made by a referee or judge determining that the emergency still exists. Upon a final determination that the emergency has ceased, the moratorium shall terminate.

"SEC. 943. After the entry of any order by a referee, any person aggrieved may file a petition to review the same in the manner provided in section 39c of this act.

"SEC. 944. During the moratorium the debtor shall have authority to manage and operate the property of which he has elected to retain possession, subject, however, at all times to the supervision and control of the court and to such terms and conditions as the court may from time to time prescribe pursuant to the provisions of this chapter. The court may require the debtor to file reports of the farming operations at such intervals as it may designate and in such form and containing such information as it may prescribe.

"SEC. 945. Upon its own motion or upon application of any creditor, the court may, after hearing upon at least 10 days' notice by mail to the debtor and all creditors, require the debtor to make payments into court in addition to the fixed rental as provided in section 939 of this act and, in fixing the amount and periods of such payments, the court shall give due consideration to the interests of creditors and to the debtor's ability to pay, with a view to his financial rehabilitation.

"SEC. 946. The court may at any time during the proceedings, either upon its own motion or upon application of the debtor or any creditor, at a hearing upon at least 10 days' notice by mail to the debtor and all creditors, order the debtor to sell any unexempt perishable products of the farm if it appears necessary to protect the estate from loss, and any unexempt personal or real property not reasonably necessary to the farming operations of the debtor, except heirlooms and personal gifts in the discretion of the court, despite any order of the court retaining the debtor in possession thereof: *Provided, however*, That in the case of perishable property, the court may, upon cause shown, shorten the period of notice or order the sale without notice. Any such sale shall be for cash and the debtor shall immediately turn such cash over to the court to be held as an asset of the estate, subject, however, to such liens as may have existed against the property so sold.

"ARTICLE VI—TITLE, RIGHTS, DUTIES, AND POWERS OF DEBTOR

"SEC. 956. Except as provided in this chapter, and for the purposes of this chapter, a debtor shall, with respect to the property retained by him under section 924 of this act, and during the period of its retention by him, have all the title and exercise all the powers of a trustee appointed under section 44 of this act, subject, however, at all times, to the supervision and control of the court and to such terms and conditions as the court may from time to time prescribe for the protection of the property or the conservation of the security. A debtor may manage and operate such property in the manner and subject to the conditions as provided in this chapter.

"SEC. 957. Where not inconsistent with the provisions of this chapter, the rights, privileges, and duties of the debtor shall be the same, before the approval of the petition, as in a bankruptcy proceeding before adjudication and, upon the approval of the petition, as in a bankruptcy proceeding upon adjudication.

"SEC. 958. Except as provided in this chapter, a debtor shall not be adjudged a bankrupt under this chapter without his consent in writing filed with the court.

"ARTICLE VII—TITLE, POWERS, AND DUTIES OF TRUSTEE

"SEC. 966. A trustee, upon his appointment and qualification, shall administer all of the unexempt property of the debtor, or unexempt property belonging to his estate, other than the property possession of which the debtor elects to retain under section 924 of this act.

"SEC. 967. A trustee, upon his appointment and qualification, shall, as to all property administered by him as provided in section 966 of this act, be vested with the title of a trustee appointed under section 44 of this act.

"SEC. 968. Where not inconsistent with the provisions of this chapter, a trustee, upon his appointment and qualification, with respect to the property administered under section 966 of this act, shall be vested with the rights, be subject to the duties, and exercise the powers of a trustee appointed under section 44 of this act.

"ARTICLE VIII—CREDITORS AND CLAIMS

"SEC. 978. Proofs of claim of secured and unsecured creditors may be filed in the court of bankruptcy where the proceedings are pending, or with the referee if the case has been referred, at any time within 6 months after the date of the first meeting of creditors. The proof shall be sufficient in form if made under oath, setting forth the nature and amount of the indebtedness, and, when based upon a written instrument, if the instrument or a certified or photostat copy is included or attached showing what securities are held, if secured. Section 57d of this act shall apply to claims so proved.

"SEC. 979. Where not inconsistent with the provisions of this chapter, the rights, duties, and liabilities of creditors and of all other persons with respect to the property of the debtor shall be the same, before the approval of the petition, as in a bankruptcy proceeding before adjudication and, upon the approval of the petition, as in a bankruptcy proceeding upon adjudication.

"SEC. 980. In case an executory contract shall be rejected pursuant to the permission of the court given in a proceeding under this chapter, or shall have been rejected in a prior pending proceeding, any person injured by such rejection shall, for the purpose of this chapter, be deemed a creditor. The claim of a landlord for damages for injury resulting from the rejection of an unexpired lease of real estate or for damages or indemnity under a covenant contained in such lease shall be governed by the provisions of clause (9) of subdivision a of section 63 of this act.

"SEC. 981. If the time for filing claims in a pending bankruptcy proceeding has expired prior to the filing of a petition under this chapter, unsecured claims provable under section 63 of this act, and not filed within the time prescribed by subdivision n of section 57 of this act, shall not be allowed in the bankruptcy proceeding when reinstated as provided in this chapter.

"SEC. 982. Upon the entry of an order under the provisions of this chapter directing that bankruptcy be proceeded with, only such claims as are provable under section 63 of this act shall be allowed and claims not already filed, including claims of the United States or of any State or subdivision thereof, may be filed within 6 months after the first date set for the first meeting of creditors, held pursuant to section 55 of this act, or, if such date has previously been set, then within 6 months after the mailing of notice to creditors of the entry of the order directing that bankruptcy be proceeded with.

"ARTICLE IX—EXTENSION

"SEC. 986. Within 60 days after a final determination under section 942 of this act that the emergency has ceased, the debtor may file with the court a notice of election wherein he may elect an extension.

"SEC. 987. If the debtor elects an extension, he shall file with his notice of election an extension proposal, together with a copy thereof for each affected creditor, which proposal shall provide for full payment of his secured claims amortized over a term of years, which term of years shall be based upon the earning power of the property that is security for the debt as determined by the court, but not exceeding the greater of 10 years or the original term of years, payable in equal quarterly, semiannual, or annual installments, plus interest at the contract rate, or 5 percent per annum, whichever is the lesser, and such extension proposal shall provide for payment of unsecured debts, for which claims have been filed and allowed or are allowed under section 930 of this act, to the extent and on the terms which the debtor believes he will have the ability to pay from his future income. The extension proposal shall identify the related lien or liens, shall describe the property which the debtor wishes to redeem, which description may be incorporated by reference to the recording data of the related lien instrument, and shall set forth the amount to be paid in redemption of the property, the interest rate and terms of payment, as well as the persons to whom payment is to be made.

"SEC. 988. Upon the filing of such extension proposal, the court shall give a 10-day notice by mail to the debtor and all affected creditors of a hearing on such extension proposal and shall include a copy thereof with each notice. If no written objections to such extension proposal are filed at or before the hearing, the court shall confirm the proposal. If written objections are filed, the court shall consider the written objections or hear the objecting party and shall enter an order in accordance with the proof, approving the proposal as submitted, or modifying it as to the objecting party and approving it as modified. The extension proposal, when approved by the court, shall have the full force and effect of a binding contract for redemption between the affected parties. After the approval of an extension proposal, the debtor shall make all required payments directly to the persons entitled thereto. The debtor shall be discharged as to all unsecured debts or parts of debts not provided for in the approved extension proposal. Upon the recordation of a certified copy of such order in the proper office in the county or parish in which the land is located, it shall constitute constructive notice of the debtor's right to redeem the affected property, and any unconfirmed sale may be confirmed and any deed to which a purchaser is entitled may be delivered and recorded. Any such deeds executed after the approval of the extension proposal shall expressly state that the conveyance is subject to the right of the debtor, naming him, to redeem the property. Any

deed executed but not delivered before the time the petition was filed shall vest title in the grantee subject to the debtor's right of redemption regardless of the failure of the deed to so provide.

"ARTICLE X—DISMISSAL, TRANSFER, AND ADJUDICATION

"SEC. 1015. The court shall, during the moratorium, upon the written application of a debtor, without a hearing and based solely upon such application, transfer the proceeding to a proceeding under chapters I to VII, inclusive, of this act.

"SEC. 1016. If (a) under the provisions of section 938 of this act, the court finds that the debtor's distress is due to causes within his control, or if (b) the debtor defaults in the payment of rental or defaults under any other order made in accordance with the provisions of this chapter, the court shall promptly give him written notice to cure the default within 60 days after the date of such notice, and if such default is not cured within said 60 days, or if (c) within 60 days after a final determination under section 942 of this act that the emergency has ceased the debtor had not filed an extension proposal, the court shall—

"(1) where the petition was filed under section 921 of this act, enter an order dismissing the proceeding under this chapter and directing that bankruptcy be proceeded with pursuant to the provisions of this act; or

"(2) where the petition was filed under section 922 of this act, enter an order, upon hearing after notice to the debtor, the creditors, and such other persons in interest as the court may direct, either adjudging the debtor a bankrupt and directing that bankruptcy be proceeded with pursuant to the provisions of this act, which adjudication shall be mandatory if a trustee has been appointed and has not completed the administration of the property, title to which had vested in him, or, if adjudication is not mandatory, dismissing the proceeding under this chapter, whichever in the opinion of the court may be in the interest of creditors: *Provided, however,* That where a petition was filed under this chapter during a redemption period, or prior to confirmation of a sale, or prior to delivery of a deed, the affected property shall be dismissed from the proceedings although jurisdiction is otherwise retained, and the purchasers of such property shall be reinstated to the rights they had when the petition was filed, and the debtor shall have the right to redeem during the time thereafter that had not expired under any redemption right when the petition was filed.

"SEC. 1017. Upon the entry of an order directing that bankruptcy be proceeded with—

"(1) in the case of a petition filed under section 921 of this act, the bankruptcy proceeding shall be deemed reinstated and thereafter shall be conducted, so far as possible, as if such petition under this chapter had not been filed;

"(2) in the case of a petition filed under section 922 of this act, the proceeding shall be conducted, so far as possible, in the same manner and with like effect as if a voluntary petition in bankruptcy had been filed and a decree of adjudication had been entered on the day when the petition under this chapter had been filed; and

"(3) (a) the trustee theretofore appointed and qualified, if any, shall be vested with the title to all the property of the debtor remaining under the jurisdiction of the court, title to which had not previously been vested in him, as of the date of the entry of the order directing that bankruptcy be proceeded with; and

"(b) the trustee, if not theretofore appointed and qualified, shall, upon his appointment and qualification, be vested with the title to all the property of the debtor remaining under the jurisdiction of the court as of the date of the entry of the order directing that bankruptcy be proceeded with; and

"(c) the unsecured debts incurred by the debtor after filing under this chapter and before the date of the entry of the final order directing that bankruptcy be proceeded with shall, unless and except as otherwise provided by the court, share on a parity with the prior unsecured debts of the same classes, provable in the ensuing bankruptcy proceeding, and for such purpose the prior unsecured debts shall be deemed to be reduced by any payment made thereon; and

"(d) the provisions of chapters I to VII, inclusive, of this act shall, insofar as they are not inconsistent or in conflict with the provisions of this section, apply to the rights, duties, and liabilities of the creditors holding debts incurred by the debtor after the filing of the petition and before the date of the final order directing that bankruptcy be proceeded with, and of all persons with respect to the property of the debtor, and, for the purposes of such application, the date of the entry of the order directing that bankruptcy be proceeded with shall control.

"SEC. 1018. Concurrently with the approval of an extension proposal the court shall enter a final decree discharging the debtor as to all debts dischargeable under this chapter, discharging the trustee, if one has been appointed and qualified, and closing the estate: *Provided, however,* That if a trustee has been appointed and qualified as provided in this chapter, and his administration of the property, title to which had vested in him, has not been completed, including payment of his fees and expenses, the final decree herein required shall be entered after such property has been fully administered by the trustee and his fees and expenses have been paid.

"ARTICLE XI—COMPENSATION AND ALLOWANCES; PRIORITIES AND DISTRIBUTION AMONG CREDITORS

"SEC. 1022. A trustee appointed under this chapter shall receive out of that portion of the estate administered by him—

"(1) as full compensation for his services after they are rendered, such reasonable sums as the court may allow, not to exceed 3 percent upon the moneys disbursed or turned over by him to any persons, including the lienholders;

"(2) such reimbursement for the actual and necessary costs and expenses incurred by him in a proceeding under this chapter, as the court may allow.

"SEC. 1023. Where a petition is filed under section 921 of this act, the court may allow, if not already allowed, reasonable compensation for services rendered and reimbursement for proper costs and expenses incurred in such superseded bankruptcy proceeding, as authorized and prescribed in this act.

"SEC. 1024. Upon the dismissal of a proceeding under this chapter after a moratorium has been ordered and prior to the payment of any rental or by reason of the failure to pay a rental installment, the court may, as a condition to such dismissal, require payment by the secured creditor or secured creditors, as their interests may appear, of an amount equal to 10 percent of the installment of rental then in default, which payment shall be deposited with the clerk and transmitted by him as provided in section 72 of this act to be deposited equally in the referee's salary fund and referee's expense fund.

"SEC. 1025. The filing fee of $45, the fee to be paid out of rental, and such fees as may be paid under section 1024 of this act, shall be the only payments required of the debtor or the creditors toward the referee's fees, costs, and expenses under this chapter, except that the court may require as a condition precedent that the debtor or any creditor who may petition for any hearing other than the hearings expressly provided for in this chapter shall pay into court the sum of $10, plus 20 cents for each copy of the notice of hearing mailed to the debtor and the creditors if the court prepares such copy, or 10 cents for each copy if prepared by the petitioner, the petitioner to have the option as to preparation of the notices, and such payments shall be deposited with the clerk and transmitted by him as provided in section 72 of this act to be deposited in the referee's expense fund.

"SEC. 1026. The debtor and each creditor shall pay all of his own costs and expenses, including attorney fees, none of which shall be allowed or paid out of rental money or the estate.

"SEC. 1027. The net funds of the estate administered by a trustee after payment of the trustee's fees and expenses, if any, as provided in section 1022 of this act, and any funds paid into court under the provisions of sections 945 and 946 of this act shall be distributed, from time to time, as may be ordered by the court, among the secured and unsecured creditors, as their interests may appear. Where partial distributions occur, proper adjustment shall be made in the final distribution, or sooner when practicable.

"SEC. 1028. Upon the entry of an order in a proceeding under this chapter directing that bankruptcy be proceeded with, the actual and necessary fees, costs, and expenses thereafter incurred and allowed in the ensuing bankruptcy proceeding shall be determined in the manner provided in chapters I to VII, inclusive, of this act and shall be given priority over any unpaid fees, costs, and expenses incurred prior to the entry of such order.

"ARTICLE XII—PRIOR PROCEEDINGS

"SEC. 1036. A petition may be filed under this chapter notwithstanding the pendency of a prior mortgage foreclosure, equity or other proceeding in a court of the United States or of any State in which a receiver or trustee of all or any part of the property of a debtor has been appointed or for whose appointment an application theretofore has been made.

"SEC. 1037. As to any such property, possession of which the debtor elects to retain, the debtor, upon approval of his petition, shall become vested with the rights, if any, of such prior receiver or trustee in such property retained by the debtor, and with the right to immediate possession thereof, and shall also have the right to immediate possession of such property in the possession of a trustee under a deed of trust, a mortgagee under a mortgage, or a pledgee under a pledge of personal property, the possession of which is essential to the debtor's operations, possession of which he elects to retain, subject, however, at all times to the supervision and control of the court and to such terms and conditions as the court may from time to time prescribe, and subject to existing liens regardless of the lienholder's surrender of possession: *Provided,* That the trustee, appointed and qualified under this chapter, shall become vested with all such rights as to any such property which is unexempt and of which the debtor has not elected to retain possession as provided in section 924 of this act.

"SEC. 1038. The court shall make such provision as may be equitable for the protection of the obligations theretofore incurred by a receiver or trustee in such prior proceeding and for the payment of the reasonable costs and expenses incurred therein as may be allowed by the court.

"ARTICLE XIII—GENERAL PROVISIONS

"SEC. 1041. All statutes of limitations affecting claims provable under this chapter and the running of all periods of time prescribed by this act in respect to the commission of acts of bankruptcy, the recovery of preferences and the avoidance of liens and transfers shall be suspended while a proceeding under this chapter is pending and until it is finally dismissed.

"SEC. 1042. Unless otherwise directed by the court, all notices required by this chapter may be given by mail to the parties entitled thereto to their addresses ascertained in the manner prescribed for other notices in section 58 of this act.

"SEC. 1043. A previous discharge of a debtor or confirmation of an arrangement under other provisions of this act shall not be ground for denying him the benefits of this chapter.

"SEC. 1044. No income or profit, taxable under any law of the United States or of any State now in force or which may hereafter be enacted shall, in respect to the adjustment of the indebtedness of a debtor in a proceeding under this chapter, be deemed to have accrued to or to have been realized by a debtor by reason of a modification in or cancellation in whole or in part of any such indebtedness in a proceeding under this chapter: *Provided, however,* That if it shall be made to appear that the proceeding had for one of its principal purposes the evasion of any income tax, the exemption provided by this section shall be disallowed.

"SEC. 1045. Until the Supreme Court of the United States has promulgated general orders and official forms governing this chapter, general order 50, and the official forms heretofore made shall, insofar as not inconsistent or in conflict with the provisions of this chapter, be applicable to procedure under this chapter.

"ARTICLE XIV—EFFECT OF CHAPTER

"SEC. 1051. A petition may be filed under this chapter in a proceeding in bankruptcy which is pending on the effective date of this amendatory act, and a petition may be filed under this chapter notwithstanding the pendency on such date of a proceeding in which a receiver or trustee of all or any part of the property of a debtor has been appointed or for whose appointment application has been made in a court of the United States or of any State.

"SEC. 1052. As of the day preceding the date on which the provisions of this amendatory act become effective, an allocation shall be made by the judge or judges of the several courts of bankruptcy of all filing and other fees, commissions, and allowances, and of all expense funds, due the then existing conciliation commissioners for services rendered and expenses incurred in the cases pending before them, whether as referee or conciliation commissioner under this act. The balances of such filing and other fees, commissions, and allowances, and the expense surpluses shall be covered into the Treasury of the United States by the conciliation commissioners and the clerks, to be deposited to the credit of the respective salary and expense funds as provided in paragraph (4) of subdivision c of section 40 of this act. All cases then pending before conciliation commissioners shall be rereferred, and no additional filing fees shall be required, but additional salary and expense charges may be assessed in such cases in such amounts as the judge or judges of the several courts of bankruptcy may deem equitable, taking into consideration the provisions of this chapter.

"SEC. 1053. The provisions of section 75, as amended, of the act entitled 'An act to establish a uniform system of bankruptcy throughout the United States,' approved July 1, 1898, shall continue in full force and effect with respect to proceedings pending under that section upon the effective date of this amendatory act: *Provided, however,* That the provisions of this amendatory act shall govern in such proceedings so far as practicable."

SEC. 2. Clause (2) of section 35 of such act, as amended, is amended to read as follows:

"(2) not holding any office of profit or emolument under the laws of the United States or of any State or subdivision thereof other than special master under this act: *Provided, however,* That part-time referees may be commissioners of deeds, United States commissioners, justices of the peace, masters in chancery, notaries public, or retired officers and retired enlisted personnel of the Regular and Reserve components of the Army, Navy, Marine Corps, and Coast Guard, members of the National Guard of the United States, and of the National Guard of a State, Territory, or the District of Columbia, except the National Guard disbursing officers who are on a full-time salary basis;".

SEC. 3. (a) Paragraph (4) of subdivision c of section 40 of such act, as amended, is amended to read as follows:

"(4) A referees' salary fund and a referees' expense fund shall be established in the Treasury of the United States, and the amounts of the various fees and allowances collected by the clerks for the services of referees and for their expenses, including the fees, allowances, and charges for their services and expenses as special masters under this act, shall be covered into the Treasury of the United States for the account of such salary fund and expense fund. The salaries of the referees in active service shall be paid out of annual appropriations from such salary fund, and the expenses of referees, including the salaries of their clerical assistants, shall be paid out of annual appropriations from such expense fund, by the United States. Any deficiencies of such salary fund or expense fund shall be paid out of any funds in the Treasury of the United States not otherwise appropriated, and appropriations to pay such deficiencies are hereby authorized: *Provided, however,* That there shall be covered into miscellaneous receipts of the Treasury of the United States in any subsequent year so much of the surplus, if any, arising in the salary fund or expense fund, respectively, as may be necessary to reimburse the Treasury of the United States for payments made on account of such respective funds in any prior year."

(b) Paragraph (2) of subdivision d of section 40 as amended, is amended to read as follows:

"(2) Any referee who has retired or been retired under the provisions of paragraph (1) of this subdivision d may, if called upon by a judge of a court of bankruptcy, perform, without compensation, such duties of a referee or special master under this act, within the jurisdiction of such court, as such referee may be able and willing to undertake: *Provided, however,* That when so acting, compensation for his services shall be allowed and paid or deposited and his expenses shall be allowed and paid, as in the case of an active referee."

SEC. 4. Clause (2) of section 51 of such act, as amended, is amended to read as follows:

"(2) collect the fees of the clerk and trustee and the fees for the referees' salary fund and referees' expense fund provided in paragraph (1) of subdivision c of section 40 of this act in each case instituted before filing the petition, except where installment payments may be authorized pursuant to section 40 of this act, and collect the various other fees, allowances, and charges for the services of referees and for their expenses, including their services and expenses as special masters under this act."

SEC. 5. Section 72 of such act, as amended, is amended to read as follows:

"SEC. 72. Limitation of compensation of officers of court: No receiver, marshal, or trustee shall in any form or guise receive, nor shall the court allow him, any other or further compensation for his services as required by this act, than that expressly authorized and prescribed in this act.

"No referee shall receive any compensation for his services under this act other than his salary; and allowances made to a referee for compensation or expense while acting as a referee or special master under any chapter or section of this act, shall be paid to the clerk, and by him transmitted to the Treasury of the United States for deposit in the referees' salary fund and referees' expense fund, respectively."

SEC. 6. (a) If any provision of this amendatory act or the application thereof to any person or circumstances is held invalid, such individuality shall not affect other provisions or applications of this amendatory act which can be given effect without the invalid provision or application, and to this end the provisions of this amendatory act are declared to be severable.

(b) Article and section headings shall not be taken to govern or limit the scope of the articles or sections to which they relate.

(c) Nothing herein contained shall have the effect to release or extinguish any penalty forfeiture, or liability incurred under any act or acts of which this act is amendatory.

The amendments were agreed to.

Mr. GORE. I ask that the bill go over. I have had no opportunity to study the amendments. This is a far-reaching bill, and I ask that it go over in order that I may have an opportunity to give some consideration to the effect of the amendment.

The VICE PRESIDENT. The bill will go over.

Mr. GORE subsequently said: Mr. President, some time ago, when Senate bill 25, Calendar No. 270, was called I interposed objection to the consideration and passage of the bill. I did so because I had not had an opportunity to consider the amendments which were read and adopted to the bill.

Since then, and during the colloquy which has occurred on the floor, I have had an opportunity to examine the amendments and to discuss the bill with the member of the Judiciary Committee who reported it. Therefore I wish to withdraw my objection, and I desire to ask that the bill be placed at the foot of the calendar, to be called later today.

The PRESIDING OFFICER. Without objection, the bill will be placed at the foot of the calendar.

BILL PASSED OVER

The bill (H. R. 5134) to amend the Submerged Lands Act was announced as next in order.

Mr. LONG. Over.

The VICE PRESIDENT. The bill will be passed over.

REGULATION OF LIFE INSURANCE IN THE DISTRICT OF COLUMIA—BILL PASSED TO NEXT CALL OF THE CALENDAR

The bill (S. 879) to amend section 12 of chapter V of the act of June 19, 1934, as amended, entitled "An act to regulate the business of life insurance in the District of Columbia," was announced as next in order.

Mr. LANGER. Over.

Mr. CASE. Mr. President, will the Senator withhold his objection, so that I may ask for an explanation of the bill?

Mr. LANGER. Certainly.

Mr. BEALL. Mr. President, the bill proposes to modernize the insurance laws of the District of Columbia affecting accident and health insurance, so as to bring them into line with the practice followed in 27 States which now have such laws in effect. The bill would give to policyholders here the benefits which

policyholders are entitled to in the 27 States.

Mr. CASE. Mr. President, would it be possible to have the bill go to the foot of the calendar, or to be placed on the calendar for consideration the next time the calendar is called?

Mr. LANGER. I have no objection to its being considered at the next call of the calendar.

Mr. CASE. I ask unanimous consent that the bill may be considered at the next call of the calendar.

The VICE PRESIDENT. Without objection, it is so ordered.

HARRY BLOCK

The bill (H. R. 870) for the relief of Harry Block was announced as next in order.

The VICE PRESIDENT. The Chair wishes to call the attention of the Senator from Tennessee [Mr. GORE] to the fact that the Senate is now considering Calendar No. 286, H. R. 870.

Mr. GORE. Yes.

The VICE PRESIDENT. The Senator from Tennessee objected to this bill on a previous call of the calendar. Does the Senator now object?

Mr. GORE. I have no objection.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

WILLIAM KIPF AND DAROLD D. SELK

The bill (H. R. 2023) for the relief of William Kipf and Darold D. Selk was announced as next in order.

Mr. LANGER. Mr. President, I have received a letter from the distinguished Senator from Nevada [Mr. MCCARRAN] with reference to this bill. I ask unanimous consent that the bill may be recommitted to the Committee on the Judiciary.

The VICE PRESIDENT. Without objection, it is so ordered.

JUDICIAL PROCEEDINGS FOR THE CONDEMNATION OF LANDS

The bill (S. 1857) to amend certain statutes providing expeditious judicial proceedings for the condemnation of lands for public purposes was announced as next in order.

Mr. HENDRICKSON. Mr. President, by request, I ask that the bill go over. I wish the RECORD to show that there are no agency reports available in connection with the bill at this time.

Mr. MCCARRAN. Mr. President, will the Senator from New Jersey withhold his objection, so that I may make a statement?

Mr. HENDRICKSON. I am certainly glad to do that for the Senator from Nevada.

Mr. MCCARRAN. By authority of the Committee on the Judiciary, I offer certain amendments to the bill, and request that they be inserted in the bill and adopted.

The PRESIDING OFFICER (Mr. CAPEHART in the chair). The amendments will be received.

Mr. MCCARRAN. Mr. President, the purpose of this bill is good. That purpose is to insure that no condemnation of lands by the Federal Government for any dam or reservoir shall operate to destroy or diminish or prevent the beneficial use of water for consumptive purposes on any land not involved in the actual condemnation and taking by the Government.

This is a principle already established by act of Congress with respect to navigation and the use of waters for navigation by the Federal Government; and it is important that the same principle of the protection of water rights should be applied to any taking, under the Federal power of eminent domain, for a dam or reservoir for flood control or allied purposes.

Unfortunately, certain language of the bill as introduced was possible of interpretion in such a way as to make it possible to block virtually any declaration of taking of land for a dam or reservoir. Amendments have been prepared, to be offered on the floor, which would eliminate this questionable language and make it perfectly clear that the beneficial consumptive use of water which this bill would protect relates to lands other than those being taken by the Federal Government. Thus, the protection afforded by the bill is limited in scope to those who are entitled to protection. As so limited by the floor amendments, the bill should be enacted.

Water is life in the arid States of the West. The right to beneficial consumptive use of water is often far more important than the ownership of land without such right of use.

This bill does not purport to say that the Federal Government cannot condemn a water right. It leaves the law on that point exactly as it is. But this bill, if enacted, would make certain that no declaration of taking under the Federal power of eminent domain should conflict with a beneficial consumptive use of water on or in connection with any land not covered by the taking itself.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with amendments.

Mr. MCCARRAN. Mr. President, I ask that the amendments which I have sent to the desk be stated.

The PRESIDING OFFICER. The amendments will be stated.

The CHIEF CLERK. On page 2, line 13, commencing with the comma, it is proposed to strike out "on the land described in such declaration of taking."

The amendment was agreed to.

The CHIEF CLERK. On page 3, line 14, in the committee amendment, it is proposed to strike out "such determination by the court shall be final and conclusive and shall not be subject to review by any other court," and insert in lieu thereof "Any such determination may be reviewed only by a court of appeals upon an appeal taken thereto under section 1291 of title 28 of the United States Code, and the decision of such court upon any such appeal shall be final and conclusive."

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

The CHIEF CLERK. On page 4, lines 16 to 18, in the committee amendment, it is proposed to strike out "use would render such land useless for domestic, municipal, stock-water, irrigation, mining, or industrial uses, established or potential" and insert in lieu thereof, "Use would conflict with a beneficial consumptive use of water, established or potential, present or future, as such uses are described in section 1 (b) of such act of December 22, 1944 (58 Stat. 887)."

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The clerk will state the remaining committee amendments which have not been disposed of.

The remaining amendments of the Committee on the Judiciary were, on page 2, at the beginning of line 4, to strike out "specific declaration made by the Secretary of the Department of the Army, approved by the Secretary of Defense," and insert "certification"; in line 15, after the numerals "1944", to insert "Such certification shall be made by the Secretary of the Army with the approval of the Secretary of Defense, and by the Secretary of the Interior with respect to each matter concerning which such officer has any powers, duties, or responsibilities under the terms of section 1 of such act of December 22, 1944."

On page 3, line 14, after the word "issued", to insert "Such determination by the court shall be final and conclusive and shall not be subject to review by any other court.", and on page 4, after line 5, to insert:

SEC. 2. (a) In any case in which any declaration of taking has been filed under section 1 of the act of February 26, 1931 (46 Stat. 1421; 40 U. S. C. 258a), after February 28, 1953, and prior to the date of enactment of this act, with respect to any land taken for the purpose of the construction or operation of any dam or reservoir, the former owner from whom such land was so taken may, within 60 days after the date of enactment of this act, file, in the court in which such declaration of taking was filed, an application for the vacation of such declaration on the ground that such use would render such land useless for domestic, municipal, stock-water, irrigation, mining, or industrial uses, established or potential.

(b) Upon the filing of any such application, the court shall issue an order requiring the petitioner in the proceedings whereby such land was so taken to show cause why title to such land should not be returned to the applicant. If, after hearing on such application, the court determines that any ground for vacation exists under subsection (a), it shall issue an order vacating the declaration of taking and requiring title to such property to be restored to the applicant upon such terms and conditions as the court shall determine to be just and equitable. Such determination by the court shall be final and conclusive and shall not be subject to review by any other court.

The amendments were agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

Mr. HENDRICKSON. Mr. President, I ask that the bill be passed over. I had announced that, on behalf of a colleague, I was objecting, before the amendments sent to the desk by the Senator from Nevada were submitted.

The PRESIDING OFFICER. The bill will be passed over.

Mr. McCARRAN. Mr. President, I ask unanimous consent that the bill, as amended, be printed in full in the RECORD.

There being no objection, the bill, as amended, was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) section 1 of the act approved February 26, 1931 (46 Stat. 1421; 40 U. S. C. 258a), is amended by inserting immediately after the first paragraph thereof the following new paragraphs:

"Whenever any such declaration of taking is filed with respect to lands which are to be taken for the purpose of the construction or operation of any dam or reservoir, it shall be served upon each owner of land described therein and upon the chief executive officer of the State and of the county or other political subdivision in which such land is situated, and the statement of authority required by clause (1) of the first paragraph of this section shall contain a certification to the effect that (a) all requirements prescribed by paragraphs (a) and (b) of section 1 of the act entitled 'An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes,' approved December 22, 1944 (58 Stat. 887), have been complied with, and (b) such taking will not conflict with any beneficial consumptive use of water, established or potential, present or future, as such beneficial use is described in said section 1 (b) of the act of December 22, 1944. Such certification shall be made by the Secretary of the Army with the approval of the Secretary of Defense, and by the Secretary of the Interior with respect to each matter concerning which such officer has any powers, duties, or responsibilities under the terms of section 1 of such act of December 22, 1944.

"Within 30 days after service of such declaration of taking, the owner of any land described therein and the public authorities of the State and county or other local political subdivision thereof in which such land is situated may file in the court in which the proceedings have been initiated an application for the vacation of the declaration for such taking on the ground that (a) the requirements of paragraph (a) or (b) of section 1 of such act of December 22, 1944, have not been fulfilled, or (b) if taken for the purposes described in the statement of authority filed by the petitioner, such use would conflict with a beneficial consumptive use of water, established or potential, present or future, as such uses are described in section 1 (b) of such act of December 22, 1944. Upon the filing of any such application, the court shall issue an order requiring the petitioner to show cause why the declaration of taking should not be vacated for any such reason. If, after hearing on such application, the court shall determine that any such ground for vacation exists, an order for the vacation of the declaration of taking shall be issued. Any such determination may be reviewed only by a court of appeals upon an appeal taken thereto under section 1291 of title 28 of the United States Code, and the decision of such court upon any such appeal shall be final and conclusive."

(b) The fourth paragraph of such section, as amended by this act, is amended by striking out the words "Upon the filing of said declaration of taking" and inserting in lieu thereof the words "Upon the expiration of the period for the filing of any application for the vacation of any declaration of taking, or upon a determination by the court that no ground therefor exists,".

(c) The sixth paragraph of such section, as amended by this act, is amended by striking out the words "Upon the filing of a declaration of taking," and inserting in lieu thereof the words "If no application for the vaction of any declaration of taking is filed within the period prescribed by this section, or upon a determination by the court that no ground therefor exists,".

SEC. 2. (a) In any case in which any declaration of taking has been filed under section 1 of the act of February 26, 1931 (46 Stat. 1421; 40 U. S. C. 258a), after February 28, 1953, and prior to the date of enactment of this act, with respect to any land taken for the purpose of the construction or operation of any dam or reservoir, the former owner from whom such land was so taken may, within 60 days after the date of enactment of this act, file, in the court in which such declaration of taking was filed, an application for the vacation of such declaration on the ground that such use would conflict with a beneficial consumptive use of water, established or potential, present or future, as such uses are described in section 1 (b) of such act of December 22, 1944 (58 Stat. 887).

(b) Upon the filing of any such application, the court shall issue an order requiring the petitioner in the proceedings whereby such land was so taken to show cause why title to such land should not be returned to the applicant. If, after hearing on such application, the court determines that any ground for vacation exists under subsection (a), it shall issue an order vacating the declaration of taking and requiring title to such property to be restored to the applicant upon such terms and conditions as the court shall determine to be just and equitable. Such determination by the court shall be final and conclusive and shall not be subject to review by any other court.

Mr. HENDRICKSON. Mr. President, I have no objection to having the bill considered on the next call of the calendar, by unanimous consent.

The PRESIDING OFFICER. Is there objection?

Mr. McCARRAN. I so request, Mr. President.

The PRESIDING OFFICER. Without objection, it so ordered.

The clerk will state the next bill on the calendar.

EXTENSION OF LEVEE ON AMERICAN RIVER NEAR SACRAMENTO, CALIF.

The bill (S. 1286) to authorize the extension of the levee on the American River near Sacramento, Calif., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the project to extend the levee along the American River recommended by the Chief of Engineers in the report printed as House Document No. 367, 81st Congress, is hereby adopted and authorized to be prosecuted under the direction of the Secretary of the Army and supervision of the Chief of Engineers in accordance with the plans and recommendations contained in such House document.

SEC. 2. There is hereby authorized to be appropriated such sum, not exceeding $1,300,000, as may be needed to carry out the provisions of this act.

SALE OF CERTAIN LANDS TO THE STATE OF OKLAHOMA

The bill (S. 1637) to authorize the sale of certain lands to the State of Oklahoma was announced as next in order.

The PRESIDING OFFICER. The Chair invites attention to the fact that there is a companion House bill on the calendar, Calendar 322.

Mr. JOHNSON of Texas. Mr. President, I was about to move that the House bill be substituted for the Senate bill, after the Senate bill had been passed. I ask unanimous consent that House bill 4540, Calendar 322, be substituted for the Senate bill and be presently considered.

There being no objection, the bill (H. R. 4540) to authorize the sale of certain lands to the State of Oklahoma was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 1637 is indefinitely postponed.

SALE OF CERTAIN LANDS TO THE STATE OF OKLAHOMA

The bill (S. 1638) to authorize the sale of certain lands to the State of Oklahoma was announced as next in order.

Mr. GORE. Mr. President, there is a companion bill on the calendar, House bill 4505, Calendar 323. I ask unanimous consent for the present consideration of the House bill.

There being no objection, the bill (H. R. 4505) to authorize the sale of certain lands to the State of Oklahoma was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 1638 is indefinitely postponed.

ADDITIONAL APPROPRIATIONS FOR THE LOWER SAN JOAQUIN RIVER PROJECT—BILL PASSED TO FOOT OF CALENDAR

The bill (S. 621) to authorize additional appropriations for the lower San Joaquin River project was announced as next in order.

Mr. GOLDWATER. Mr. President, reserving the right to object, I should like to ask what amount of money is involved.

Mr. KUCHEL. Mr. President, the amount of the authorization in the bill is $8 million.

Mr. GOLDWATER. I should like to ask the Senator from California for what purpose the money is to be used.

Mr. KUCHEL. The hearings before the subcommittee of the Public Works Committee demonstrated that the authorization would be utilized; first, to fulfill the contractual obligation of the Federal Government on the Cherry Valley Reservoir now under construction by the city and county of San Francisco, from which water will be made available to the city for domestic purposes; second, for completion of the construction of the levees, revetments, and channel improvements on the lower San Joaquin River; and third, for preliminary planning for reservoir storage on the Stanislaus River to determine its economic

feasibility. For these purposes, the authorization for $8 million was approved by the committee.

Mr. GOLDWATER. I should like to ask the distinguished junior Senator from California if he feels that this will be the last of such requests for construction.

Mr. KUCHEL. I cannot say that this will be the culmination of requests for that great area of the State which I have the honor in part to represent. It may very well be that the Corps of Engineers will ultimately request consideration by the Congress of an authorization for additional water resource projects in that area of California; and I would want the Senate committee to be in a position to give consideration to such additional requests should the occasion arise.

Mr. GOLDWATER. I should like to ask the Senator from California one additional question. I wonder if he has available figures showing the total amount appropriated and spent on the lower San Joaquin project up to the present time?

Mr. KUCHEL. I wish to make it abundantly clear to my able friend from Arizona that the authorization contained in the pending bill is not in any way connected with the great Central Valley project. It has to do entirely with the question of flood control and water conservation, whereas the so-called Central Valley project is a multiple-purpose project under the authority of the Department of the Interior. This bill deals entirely with projects under the jurisdiction of the Corps of Engineers. On these projects the committee report shows that $7,691,300 has been appropriated to date.

Mr. WATKINS. Mr. President, reserving the right to object, I should like to ask the Senator from California a question. I note from what he said that the bill includes some work on a dam to impound waters which will later be available to one of the cities in California. Is that correct?

Mr. KUCHEL. Yes; that is entirely correct.

Mr. WATKINS. Is there any provision in the bill that if such water is to be so used, the city which is to receive the benefit will repay the costs?

Mr. KUCHEL. I desire to say in answer to the question of my able friend from Utah that the hearings brought out rather clearly that provision is made for participation in the costs of the project, not alone by the city and county of San Francisco, but also by the irrigation districts in the San Joaquin Basin. The Public Works Committee was quite impressed, during the hearings with the expenditures that local interests have made for the construction of water-resource projects in the basin and the cooperative agreements that have been concluded between those agencies and the Federal agencies. Thus, San Francisco and the Turlock and Modesto irrigation districts have expended about $200 million on water-supply projects in the Tuolumne River Basin.

As far as the construction of levees along the San Joaquin and Stanislaus Rivers is concerned, I am sure the Senator is acquainted with the rule under which, once the levees are completed, jurisdiction over them is thereafter transferred to the local district or State, as the case may be, and the responsibility of maintaining the levees, monetarily and otherwise, is continued, not as a responsibility of the Federal Government, but rather as a responsibility of the State or the district concerned. That has been the general rule with respect to levees and flood control, and I can say to the distinguished Senator from Utah that that rule is applied in the pending bill.

Mr. WATKINS. I doubt whether that answer meets my inquiry. If we are going to spend $8 million—and I take it there are other authorizations in this project——

Mr. KUCHEL. Yes.

Mr. WATKINS. I should like to know whether the bill provides that there must be a payment by the city because of the impounding of the water and providing the city with its water supply. Otherwise, it would be contrary to the principle applicable to reclamation projects, which requires beneficiaries to pay the entire cost of such projects.

Mr. KUCHEL. I believe I can supply the answer to my friend, the Senator from Utah, in this way. A part of the authorization for expenditures on the Cherry Valley Reservoir and Tuolumne River Basin which would be made under the provisions of the pending bill, has been determined by the Government of the United States to represent flood control. The remaining part of the expenditure, for the building and completion of the reservoir contemplated by the bill, is the responsibility of the city and county of San Francisco. Therefore, I think it represents, I can say to the Senator from Utah, an authorization for the appropriation of only that amount of money which in the opinion of the Corps of Army Engineers represents the flood control aspect of the reservoir which is being constructed. This authorization for an appropriation of $8 million is for the prosecution of the plan of improvement approved by the Flood Control Act of December 22, 1944.

Mr. WATKINS. Has the Department of the Interior approved the bill?

Mr. KUCHEL. It has not, for the reason that the Department of the Interior is not concerned with this project.

Mr. WATKINS. It seems to me that any project having to do with the reclaiming of water in the 17 Western States, of which California is one, would be a matter in which the Department of the Interior would be interested. Furthermore, I believe the Committee on Interior and Insular Affairs would also be interested in it. I may say it is well known to the Senate that reclamation projects in the West repay their cost—or the principal, at least—on an amortized basis.

The PRESIDING OFFICER (Mr. CAPEHART in the chair). The Chair must call the attention of Senators to the fact that, under the rule, only 5 minutes of debate is allowed on the pending bill.

Mr. WATKINS. How much time have I used, Mr. President?

Mr. KUCHEL. Mr. President, I ask unanimous consent that the bill be temporarily passed over and placed at the foot of the calendar.

The PRESIDING OFFICER. Without objection, the bill will be placed at the foot of the calendar.

The clerk will state the next measure on the calendar.

BRIDGE ACROSS MISSISSIPPI RIVER NEAR CLINTON, IOWA, AND FULTON, ILL.

The bill (H. R. 2761) to revive and reenact the act of December 21, 1944, authorizing the City of Clinton Bridge Commission to construct, maintain, and operate a bridge and approaches thereto across the Mississippi River at or near the cities of Clinton, Iowa, and Fulton, Ill., as amended, was considered, ordered to a third reading, read the third time, and passed.

AUTHORIZATION OF FUNDS FOR COLUMBIA RIVER BASIN PROJECTS

The bill (H. R. 4025) authorizing the appropriation of funds to provide for the prosecution of projects in the Columbia River Basin for flood control, and for other purposes, was announced as next in order.

Mr. SMATHERS. Mr. President, I should like to request an explanation of the bill. It involves an authorization of $75,000,000.

Mr. CORDON. Mr. President, the Senator who is in charge of the bill is not on the floor, but I should like to make a general statement with reference to it.

Mr. HENDRICKSON. Before the Senator from Oregon proceeds, may I ask one question?

Mr. CORDON. Certainly.

Mr. HENDRICKSON. Is this a self-liquidating project?

Mr. CORDON. It is a self-liquidating project with respect to the power aspect. It is a multipurpose project, involving flood control, navigation, and power.

The authorization goes to the whole Columbia Basin system, under the control of the Corps of Army Engineers. In 1950 an authorization was made of funds, to be spent on the project, in the amount of $75 million. At that time it was stated in the report that that amount of money would be authorized for the next ensuing 3 years. The 3 years have expired without an additional authorization of a monetary nature being made. The projects have been authorized, and they are under construction. The monetary authorization has not quite expired as of this time, but there will be a deficiency if the presently executed and continuing contracts are carried forward and appropriations are not made for them in the current year.

We had hoped, of course, that the monetary authorization would be made, as it usually is, in an omnibus bill. But there has been no omnibus bill. As a result, without the enactment of this bill, the monetary authorization will be exceeded this year. The purpose of adding $75 million is to permit of the continuation of the present construction contracts, notably with respect to the dam at The Dalles and the series of projects in the Willamette Valley. That

is the purpose of the monetary authorization provided in the bill.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. SMATHERS. Did the authorization receive the unanimous support of the members of the Committee on Public Works?

Mr. CORDON. My understanding is that it did.

Mr. SMATHERS. Was it recommended by the various governmental agencies, such as the Bureau of the Budget?

Mr. CORDON. The recommendation of the Defense Establishment included this particular item. Their recommendation went further. They suggested that the monetary authorization be sufficient to complete the project. However, it was felt that that should not be done, and that we should ask for an interim authorization until the matter could receive the attention of the Committee on Public Works in an omnibus bill.

Mr. SMATHERS. As I understand, this is a part of the Columbia Valley Works projects, and is necessary to complete the work which has already been started?

Mr. CORDON. That is correct.

Mr. HENDRICKSON. I should like to ask one question.

Mr. CORDON. I yield.

Mr. HENDRICKSON. Does the bill have the approval of the very distinguished Senator from Oregon?

Mr. CORDON. Yes; if the Senator from Oregon can be placed in that category.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill, H. R. 4025, was considered, ordered to a third reading, read the third time, and passed.

COMMITTEE TO STUDY AND EVALUATE PUBLIC AND PRIVATE EXPERIMENTS IN WEATHER MODIFICATION

The Senate proceeded to consider the bill (S. 285) to create a committee to study and evaluate public and private experiments in weather modification, which had been reported from the Committee on Interstate and Foreign Commerce with amendments, on page 4, line 22, after the word "reimbursed" to insert "in accordance with the Travel Expense Act of 1949, as amended"; on page 5, line 9, after the word "personnel", to insert "for positions requiring scientific or special qualifications"; on page 8, after line 6, to strike out:

SEC. 10. (a) The Secretary of Defense, the Secretary of Agriculture, the Secretary of Commerce, and the Secretary of the Interior may conduct, or contract for, such research and experiments, and may take such further action, as may be necessary to perfect at the earliest possible date methods of controlling weather for beneficial purposes. During the time of its existence, the committee shall assist them in coordinating their functions under this section so as to avoid any duplication of effort.

(b) With the approval of the Committee, any contract of a Government agency for research or experiments, or both, may provide that the Government will indemnify the contractor against either or both of the following, to the extent that they arise out of the direct performance of said contract, are not compensated by insurance or otherwise, and do not result from a willful violation on the part of the contractor of any regulation or order established by the Committee: (1) liability on account of claims (including reasonable expenses of litigation or settlement of such claims) by third persons, including employees of the contractor, for death, bodily injury, or loss of or damage to property, arising as a result of a risk defined in the contract to be unusually hazardous: *Provided*, That any contract so providing shall also contain appropriate provisions for notice to the Government of suits or actions filed or claims made against the contractor, with respect to any alleged liability for such death, bodily injury, or loss of or damage to property, and for control of or assistance in the defense of any such suit, action, or claims, by the Government, at its election; and (2) loss of or damage to property of the contractor arising as a result of a risk defined in the contract to be unusually hazardous: *And provided further*, That no payment shall be made by the Government under authority of this section unless the amount thereof shall first have been certified to be just and reasonable by the Secretary concerned or by an official of the department designated for such purpose by the Secretary. Any such payment may be made, with the approval of the Secretary concerned, out of any funds obligated for the performance of such contract or out of funds available for research and development work and not otherwise obligated; or out of any funds appropriated by the Congress for the making of such payments.

(c) Any excess Government property or equipment which the Secretary of Defense, the Secretary of Agriculture, the Secretary of Commerce, or the Secretary of the Interior find suitable for use and necessary in accomplishing the purposes of this section shall be transferred to such Secretary without compensation therefor.

On page 10, line 5, to change the section number from "11" to "10", and in line 15, to change the section number from "12" to "11", so as to make the bill read:

Be it enacted, etc.—

STATEMENT OF PURPOSE AND POLICY

Research and experimentation in the field of weather modification and control have attained the stage at which the application of scientific advances in this field appears to be practical.

The effect of the use of measures for the control of weather phenomena upon the social, economic, and political structures of today, and upon national security, cannot now be determined. It is a field in which unknown factors are involved. It is reasonable to anticipate, however, that modification and control of weather, if effective on a large scale, would cause profound changes in our present way of life and would result in vast and far-reaching benefits to agriculture, industry, commerce, and the general welfare and common defense.

While the ultimate extent to which weather modification and control may be utilized is speculative, the application of such measures without proper safeguards, sufficient data, and accurate information may result in inadequate or excessive precipitation; may cause catastrophic droughts, storms, floods, and other phenomena with consequent loss of life and property, injury to navigable streams and other channels of interstate and foreign commerce, injury to water supplies for municipal, irrigation, and industrial purposes, and injury to sources of hydroelectric powers; may otherwise impede the production and transportation of goods and services for domestic consumption and export and for the national defense; and may otherwise adversely affect the general welfare and common defense.

Thorough experimentation and full-scale operations in weather modification and control will of necessity affect areas extending across State and possibly across national boundaries. The Congress, therefore, recognizes that experimentation and application of such measures are matters of national and international concern.

Accordingly, it is hereby declared to be the policy of the Congress, in order to effect the maximum benefit which may result from experiments and operations designed to modify and control weather, to correlate and evaluate the information derived from such activity and to cooperate with the several States and the duly authorized officials thereof with respect to such activity, all to the end of encouraging the intelligent experimentation and the beneficial development of weather modification and control, preventing its harmful and indiscriminate exercise, and fostering sound economic conditions in the public interest.

CREATION OF ADVISORY COMMITTEE ON WEATHER CONTROL

SEC. 2. There is hereby established a national committee to be known as the Advisory Committee on Weather Control (hereinafter called the "Committee").

SEC. 3. The Committee shall make a complete study and evaluation of public and private experiments in weather control for the purpose of determining the extent to which the United States should experiment with, engage in, or regulate activities designed to control weather conditions.

SEC. 4. The Committee shall be composed of the Secretary of Defense or his designee, the Secretary of Agriculture or his designee, the Secretary of Commerce or his designee, the Secretary of the Interior or his designee, and five members appointed by the President, by and with the advice and consent of the Senate, from among persons in private life of outstanding ability in the fields of science, agriculture, and business. A vacancy in the Committee shall not affect its powers but shall be filled in the same manner that the original appointment was made.

SEC. 5. The Committee shall elect a Chairman and a Vice Chairman from among its members, the Chairman to be elected from among those appointed from private life.

SEC. 6. The Committee shall meet semiannually on the first Monday in April and the first Monday in October, and, on due notice, at such other times as the Committee may determine. Five members of the Committee shall constitute a quorum.

SEC. 7. The members of the Committee who are in the executive branch of the Government shall receive no additional compensation for their services on the Committee. The members from private life shall each receive $50 per diem while engaged in the performance of duties vested in the Committee. All members of the Committee shall be reimbursed in accordance with the Travel Expense Act of 1949, as amended, for travel, subsistence, and other necessary expenses incurred by them in the performance of duties vested in the Committee.

SEC. 8. The committee shall have power to appoint and fix the compensation of such officers and employees as may be necessary to carry out the functions of the committee, including one executive secretary at a salary not exceeding $11,000 per annum. Officers and employees other than the executive secretary shall be appointed in accordance with the Classification Act of 1949, as amended, except that to the extent the committee deems such action necessary to the discharge of its responsibilities, personnel for positions requiring scientific or special qualifications may be employed and their compensation

fixed without regard to such laws. The committee shall make adequate provision for administrative review of any determination to dismiss any employee.

SEC. 9. (a) The committee, or any member thereof, may, for the purpose of carrying out the provisions of this act, hold such hearings and sit and act at such times and places, and take such testimony as the committee shall deem advisable. Any member of the committee may administer oaths or affirmations to witnesses appearing before the committee or before such member.

(b) The committee is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics for the purpose of this act; and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the committee, upon request made by the chairman or vice chairman.

(c) The committee may, with the consent of the agency concerned, accept and utilize, on a reimbursable basis, the personnel of any other agency of the Federal Government.

(d) (1) The committee shall be entitled by regulation, subpena, or otherwise, to obtain such information from, require such reports and the keeping of such records by, and make such inspection of the books, records, and other writings, premises or property of, any person as may be necessary or appropriate to carry out the provisions of this act, but this authority shall not be exercised if adequate and authoritative data are available from any Federal agency. In case of contumacy by, or refusal to obey a subpena served upon, any person referred to in this subsection, the district court of the United States for any district in which such person is found or resides or transacts business, upon application by the committee, shall have jurisdiction to issue an order requiring such person to appear and give testimony or to appear and produce documents, or both; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(2) The production of a person's books, records, or other documentary evidence shall not be required at any place other than the place where such person usually keeps them, if, prior to the return date specified in the regulations, subpena, or other document issued with respect thereto, such person furnishes the Committee with a true copy of such books, records, or other documentary evidence (certified by such person under oath to be a true and correct copy) or enters into a stipulation with the Committee as to the information contained in such books, records, or other documentary evidence. Witnesses shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.

(3) Any person who willfully performs any act prohibited or willfully fails to perform any act required by the above provisions of this subsection, or any rule, regulation, or order thereunder, shall upon conviction be fined not more than $500 for each offense.

(4) Information obtained under this act which the Committee deems confidential for purposes of national security or other reasons or with reference to which a request for confidential treatment is made by the person or agency furnishing such information, shall not be published or disclosed unless the Committee determines that the withholding thereof is contrary to the purposes of this act, and any member or employee of the Committee willfully violating this provision shall, upon conviction, be fined not more than $5,000.

(e) The Committee shall be entitled to the free use of the United States mails in the same manner as the other executive agencies of the Government.

SEC. 10. (a) The Committee shall report its findings and recommendations to the Congress from time to time. Particularly it shall report, at the earliest possible moment, on the advisability of the Federal Government regulating, by means of licenses or otherwise, those who attempt to engage in activities designed to modify or control the weather. The Committee shall make a final report to the Congress not later than June 30, 1956.

(b) Thirty days after the submission to the Congress of such final report, the Committee shall cease to exist.

SEC. 11. There are authorized to be appropriated, from any funds in the Treasury not otherwise appropriated, such sums as the Congress may from time to time deem necessary to carry out the provisions of this act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. CASE. Mr. President, I ask unanimous consent to have a statement printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR CASE ON S. 285 (CALENDAR NO. 309), PASSED JUNE 8, 1953

In my opinion this is one of the most important pieces of legislation taken up by this Congress—important to the farmer, to the hydroelectric power producer, and all other direct users of rainfall, and to the general public. There are few things of such public concern as the weather.

Not long ago the Senate considered appropriations for the Weather Bureau, which agency predicts the weather. This bill ventures into a new field, that of controlling the weather.

In recent years scientists have carried out some outstanding experiments in weather control and rainmaking. The results have been controversial but highly suggestive, so much so that one eminent scientist states flatly that "It will be easier to make the weather than to forecast it."

Practically all persons familiar with the field agree (1) that weather can be controlled to a certain degree, as yet undetermined, by artificial nucleation, and (2) that if feasible weather control on a large scale will produce tremendous benefits to humanity. The potentialities have many times been compared to atomic power.

Like atomic power, weather control may have potentialities for destruction as well as benefit. Dr. Irving Langmuir of the General Electric Research Laboratory says, "The existence of widespread effects of seeding proves that it should be possible at low cost to modify and, within limits, to control the general synoptic weather patterns over whole continents." He adds a warning: "If seeding schedules are not well planned, floods or droughts may be produced. The harmful effects in both cases come from too long a continuation of rainy or dry weather."

Meanwhile, many experiments costing many thousands of dollars are being sponsored at this time by farmers and private companies. In practically all cases these persons hiring the services of rainmaking contractors lack the data and the scientific knowledge that would enable them to determine whether they obtain their money's worth or are simply paying for rain that would fall naturally.

This bill is a step toward informing the public and protecting it from possible fraudulent or unscientific experiments and from possible harmful effects of weather-control activities. It sets up an Advisory Committee with authority to find out what is going on, to evaluate experiments and make public pronouncements on them, and make recommendations to the Congress as to what regulatory legislation should be enacted.

It was after much consideration that a temporary and independent Advisory Committee was settled on as the best device for studying and evaluating weather-control activities. It was felt that weather control being an all-embracing matter, the interests of business, science, and agriculture should be represented as well as the interests of the Government. It was felt that any certain department of the Government might have an interest in developing a particular aspect of weather control to the neglect of other aspects. It was felt, further, that the recommendations on future research and legislation of an independent group might carry more weight before the Congress than those of governmental employees who might be accused, perhaps unfairly, of trying to perpetuate their jobs or enlarge their departments or agencies.

The bill provides for a temporary Advisory Committee on Weather Control comprised of 9 members, including 5 appointed by the President by and with the advice and consent of the Senate from among persons in private life of outstanding ability in the fields of science, agriculture, and business, and the Secretaries of Defense, Interior, Agriculture, and Commerce, or their designees. The members from private life shall each receive $50 per diem when engaged in the performance of their duties, and shall be reimbursed for travel, subsistence, and other necessary expenses. The Advisory Committee shall have the power to appoint and fix the compensation of such officers and employees as may be necessary to carry out its functions.

The Advisory Committee shall report its findings and recommendations to Congress from time to time, making its final report no later than June 30, 1956. Thirty days after submission of this final report, it shall cease to exist.

The Advisory Committee shall have authority to secure information and statistics from Federal agencies; to hold hearings and take testimony; to require the keeping of and, when necessary, the production of records on the part of persons undertaking weather-control experiments. It shall report to the Congress at the earliest possible moment on the advisability of the Government regulating by means of licenses or otherwise the activities of persons attempting to modify the weather.

The bill authorizes appropriations to the amount necessary to carry out the purposes of the act.

MILITARY TRAFFIC IN TIME OF WAR OR THREATENED WAR

The Senate proceeded to consider the bill (S. 1981) to continue in effect certain provisions of section 6 of the act of February 4, 1887, as amended, relating to military traffic in time of war or threatened war, for the duration of the national emergency proclaimed December 16, 1950, and 6 months thereafter.

Mr. HENDRICKSON. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, in line 4, after the comma following the matter in parentheses, it is proposed to insert "or until such earlier date as the Congress by concurrent resolution declares that it is no longer necessary to exercise the powers continued in force and effect by this act."

Mr. HENDRICKSON. Mr. President, this bill would continue certain powers which expire June 30, 1953. It provides authority to the President until 6 months after the termination of the national emergency proclaimed December 16, 1950, relating to priorities for military traffic in time of war or threatened war.

The amendment would provide for earlier termination of the authority thus conferred by concurrent resolution of the Congress.

A similar amendment will be offered to House bill 2347, which is number 311 on the Senate Calendar. That bill provides a similar extension of priority powers with respect to the transportation of troops and military materials.

Both these amendments have been presented to the Chairman of the Senate Committee on Interstate and Foreign Commerce [Mr. TOBEY]. He has not only accepted them, but he approves them.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Jersey [Mr. HENDRICKSON].

The amendment was agreed to.

The bill (S. 1981) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the provisions of the eighth paragraph (designated "Military traffic in time of war") of section 6 of the act of February 4, 1887 (ch. 104, 24 Stat. 380), as that section was amended by section 2 of the act of June 29, 1906 (ch. 3591, 34 Stat. 586), as amended, and as extended by section 1 (a) (24), Emergency Powers Continuation Act (Public Law 450, 82d Cong.) shall remain in full force and effect until 6 months after the termination of the national emergency proclaimed by the President on December 16, 1950 (Proclamation 2914, 3 C. F. R. 71), or until such earlier date as the Congress by concurrent resolution declares that it is no longer necessary to exercise the powers continued in force and effect by this act, notwithstanding any limitation by reference to war or theatened war of the time during which the powers and authorizations therein granted may be exercised.

The title was amended so as to read: "A bill to continue in effect certain provisions of section 6 of the act of February 4, 1887, as amended, relating to military traffic in time of war or threatened war, for the duration of the national emergency proclaimed December 16, 1950, and 6 months thereafter, or until such earlier date as may be established by concurrent resolution of Congress."

CONTINUATION OF CERTAIN POWERS RELATING TO PREFERENCES OR PRIORITIES IN TRANSPORTATION OF TRAFFIC

The Senate proceeded to consider the bill (H. R. 2347) to permit continued exercise, until 6 months after termination of the national emergency proclaimed December 16, 1950, of certain powers relating to preferences or priorities in the transportation of traffic, under sections 1 (15) and 420 of the Interstate Commerce Act.

Mr. HENDRICKSON. Mr. President, to this bill I offer an amendment similar to the one I offered to the preceding bill. I send the amendment to the desk, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, in line 2, after the comma following the matter in parentheses, it is proposed to insert "or until such earlier date as the Congress by concurrent resolution declares that it is no longer necessary to exercise the powers continued in force and effect by this act."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Jersey [Mr. HENDRICKSON].

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to permit continued exercise, until 6 months after termination of the national emergency proclaimed December 16, 1950, or until such earlier date as may be established by concurrent resolution of Congress, of certain powers, relating to preferences or priorities in the transportation of traffic, under sections 1 (15) and 420 of the Interstate Commerce Act."

EXPANSION OF FOREIGN INVESTMENTS

The Senate proceeded to consider the resolution (S. Res. 25) to investigate means of expanding foreign investments which had been reported from the Committee on Banking and Currency with an amendment, and subsequently had been reported from the Committee on Rules and Administration with amendments to the amendment of the Committee on Banking and Currency, and also with an additional amendment.

The first amendment of the Committee on Rules and Administration was, on page 1, line 1, after the word "*Resolved*", to strike out "That the Committee on Banking and Currency or any duly authorized subcommittee thereof, is authorized and directed to make a thorough study of means and methods for increasing and expanding our international trade, through the operations of the Export-Import Bank, the International Bank for Reconstruction and Development, and such other agencies and devices as would facilitate increasing American investment abroad and expanding international trade. The committee shall report to the Senate at the earliest practicable date the results of its study, together with such recommendations as it may deem advisable" and insert, "That the Committee on Banking and Currency, or any duly authorized subcommittee thereof, is authorized and directed to make a thorough study of the operations of the Export-Import Bank and the International Bank for Reconstruction and Development and their relationship to expansion of international trade."

The amendment was agreed to.

The amendment of the Committee on Banking and Currency was, on page 2, after line 9, to insert:

SEC. 2. For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized during the sessions, recesses, and adjourned periods of the 83d Congress, and the 84th Congress until February 15, 1955, (1) to make such expenditures as it deems advisable; (2) to employ upon a temporary basis such technical, clerical, and other assistants as it deems advisable; and (3) with the consent of the head of the department or agency concerned, to utilize the services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. Expenses of the committee under this resolution, which shall not exceed $150,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

The amendments of the Committee on Rules and Administration to the foregoing amendment of the Committee on Banking and Currency were on page 2, line 12, in the amendment of the Committee on Banking and Currency after the word "authorized", to strike out "during the sessions, recesses, and adjourned periods of the 83d Congress, and the 84th Congress"; in line 14, after the word "until" to strike out "February 15, 1955", and insert "January 31, 1954, inclusive"; in line 15, after the word "advisable", to insert "within the limits of funds made available by this resolution"; in line 20, after the word "the", to insert "reimbursable"; and on page 3, line 2, after the word "exceed", to strike out "$150,000" and insert "$67,000."

The amendments of the Committee on Rules and Administration to the amendment of the Committee on Banking and Currency were agreed to.

The amendment, as amended, was agreed to.

Mr. LANGER. Mr. President, may we have an explanation of the resolution? Otherwise, I ask that the resolution go to the foot of the calendar.

The PRESIDING OFFICER. In the absence of an explanation, the resolution will be placed at the foot of the calendar.

Is it the desire of the Senator from North Dakota that the resolution be considered later today?

Mr. LANGER. Yes; I wish to have the resolution considered immediately at the conclusion of the regular call of the calendar.

Mr. LANGER subsequently said: Mr. President, I ask that the Senate return to Calendar No. 313, Senate Resolution 25, the resolution to investigate means of expanding foreign investments. I have now had an opportunity to look at the amendments. I note that the amount has been reduced, and I withdraw the objection.

The PRESIDING OFFICER. Is there objection to the consideration of the resolution?

There being no objection, the Senate resumed the consideration of the resolution.

The PRESIDING OFFICER. The amendments having been agreed to, the question is on agreeing to the resolution, as amended.

The resolution was agreed to, as follows:

Resolved, That the Committee on Banking and Currency, or any duly authorized subcommittee thereof, is authorized and directed to make a thorough study of the operations of the Export-Import Bank and

the International Bank for Reconstruction and Development and their relationship to expansion of international trade.

SEC. 2. For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized until January 31, 1954, inclusive, (1) to make such expenditures as it deems advisable within the limits of funds made available by this resolution; (2) to employ upon a temporary basis such technical, clerical, and other assistants as it deems advisable; and (3) with the consent of the head of the department or agency concerned, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. Expenses of the committee under this resolution, which shall not exceed $67,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

Mr. GORE. Mr. President, I venture to suggest to the members of the Legislative Review Committee that, when objection is made to the consideration of a bill on the call of the calendar, if it is placed at the foot of the calendar to await consideration, it will result in a more orderly procedure than to go back and forth to it on the calendar. Hereafter, I shall object to such reconsideration.

The PRESIDING OFFICER. The bill in question went to the foot of the calendar, and it is now being considered. Is there objection?

Mr. GORE. I have no objection. I am making the suggestion that hereafter we consider bills in order, and that, when they are placed at the foot of the calendar, we consider them in that position.

MARINE CORPS WAR MEMORIAL

The joint resolution (H. J. Res. 157) to amend the act of July 1, 1947 (61 Stat. 242), as amended, was considered, ordered to a third reading, read the third time, and passed.

FURNISHING OF TRANSPORTATION IN GOVERNMENT-OWNED VEHICLES FOR VETERANS' ADMINISTRATION EMPLOYEES AT FIELD STATIONS

The bill (H. R. 1730) to provide for furnishing transportation in Government-owned automotive vehicles for employees of the Veterans' Administration at field stations in the absence of adequate public or private transportation was considered, ordered to a third reading, read the third time, and passed.

CONVEYANCE OF CERTAIN LANDS TO THE CITY OF CINCINNATI, OHIO

The Senate proceeded to consider the bill (H. R. 4730) to provide for the conveyance by the United States to the city of Cincinnati, Ohio, of certain lands formerly owned by the city, which had been reported from the Committee on Finance with amendments, on page 1, line 8, after the word "March", to strike out "14" and insert "5"; on page 2, line 5, after the word "used", to strike out "primarily", and in line 8, after the words "for the", to strike out "purposes" and insert "purpose."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. MORSE subsequently said: Mr. President, I desire to take a minute or two to discuss Calendar 318, House bill 4730, in connection with the so-called Morse formula, which requires in all cases that there be paid 50 percent of the appraised fair market value of property. Questions have been asked me by several of my colleagues, particularly the question of whether I am again insisting in this session of the Congress, as I have insisted in the sessions of Congress since 1946, upon the application of the Morse formula. The answer is, I most certainly am. But I insist on its application only where applicable. I am satisfied that to House bill 4730 the formula is not applicable, for the reasons set forth in the committee report, namely, that the property, in the first place, was given by the city of Cincinnati for the nominal sum of $1.

This particular parcel of property, which consists of about one-tenth of an acre of land, is for the purpose of providing an entrance into the playground contiguous to the veterans' hospital grounds on which the hospital has been built, and for which the land, in the first instance, was donated. Therefore, there is a joint interest, in any event, between the city of Cincinnati and the Federal Government. But, even if that joint interest did not exist, in view of the fact that the property came from the city of Cincinnati and is for a Federal public use, and since the property consisting of a small parcel of land is now needed merely for the purpose of a playground, my formula certainly would not apply under those practically de minimus circumstances.

Likewise, Mr. President, while I am on my feet, I desire to compliment the calendar committee for the protection it has given during my absence from time to time on calendar days when I have been called off the floor or have been in the Senate Restaurant for lunch, and for the care the members of that committee have exercised in seeing to it that any bill which involved the Morse formula was either called to my attention or was placed at the foot of the calendar until I could be present to protect the formula.

I may say, Mr. President, good naturedly, that sometimes it takes time to get a principle established in the Senate of the United States, but, in spite of the embarrassing moments I have suffered from time to time when some of my colleagues did not appreciate the application of the formula which, over the years, has saved a good many million dollars to the taxpayers, I think it is now perfectly clear that the formula is pretty well established, and I am happy about it. So I thank the calendar committee for its cooperation.

ETHEL HUDSON MORRISON

The bill (S. 754) for the relief of Ethel Hudson Morrison was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, reserving the right to object, may we have an explanation of the bill? As I read the record of the committee report and the bill, the bill provides for relief for a contingent beneficiary, although at that time the statute did not allow relief for contingent beneficiaries.

Mr. MILLIKIN. Mr. President, the statement of the distinguished Senator from New Jersey is correct.

In this case the serviceman took out insurance. He consulted his commanding officer and was told that he could designate a contingent beneficiary—which was incorrect at that time. Later on, if the serviceman had lived, he would have had that privilege.

The facts of the case are that this soldier was really raised by the contingent beneficiary. The boy's father died when the boy was very young. The contingent beneficiary looked after the home, while the mother ran a general store belonging to the father. So, in real substance and effect, the contingent beneficiary took the place of the mother. The boy wrote his mother and said he wanted to name this lady as a contingent beneficiary. The mother received a certain number of payments of insurance, but then she died.

The bill would give the contingent beneficiary the remainder of the payments, as if the naming of a contingent beneficiary had been legal at the time when the designation was made.

Mr. HENDRICKSON. I understand that the present law allows contingent beneficiaries to be named.

Mr. MILLIKIN. That is correct.

The committee gave considerable care to the bill because the committee was afraid of the creation of an undesirable precedent. We were informed the bill would not have that effect. We gave especial weight to the unusual circumstances, namely, that the boy thought he had effectively named this lady the contingent beneficiary, and we also gave especial consideration to the fact that from the time when the boy was several years old until he went to college the contingent beneficiary really looked after him as a mother would do.

Mr. HENDRICKSON. I understand that the bill was reported unanimously by the full committee.

Mr. MILLIKIN. Yes; it was.

Mr. HENDRICKSON. I thank the Senator from Colorado.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 754) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of the National Service Life Insurance Act of 1940, as amended, the Administrator of Veterans' Affairs is authorized and directed to assume that Ethel Hudson Morrison, aunt of the late Peter B. Bost, stood in loco parentis to the said Peter B. Bost (file XC-3276509), who died in military service on July 29, 1943, and the said Ethel Hudson Morrison was designated sole contingent beneficiary of the national service life insurance policy of the said Peter B. Bost.

REQUESTS OF COMMON CARRIERS FOR INCREASED TRANSPORTATION RATES—BILL PASSED OVER

The bill (S. 1461) to amend the Interstate Commerce Act, as amended, concerning requests of common carriers for increased transportation rates was announced as next in order.

Mr. CASE. Mr. President, this bill should not pass, in my judgment. Certainly it should not pass on the call of the consent calendar.

The report of the Secretary of Agriculture, the report of the Administrator of General Services, and the report of the Bureau of the Budget raise very serious question as to the wisdom of the bill.

One of the reports points out that at least 11 increases in freight rates or transportation rates have been granted in a period of 6 years, or an average of one every 6 months.

This bill proposes that a directive be given to the Interstate Commerce Commission to grant increases on the petition of carriers, without even a public hearing. I think the bill ought not to pass, and I ask that it go over.

Mr. HENDRICKSON. As I understand, the hearings have not yet been published, anyway. Have they been published?

Mr. SMATHERS. I may say that I am a member of the committee, as is the distinguished senior Senator from Indiana [Mr. CAPEHART], now occupying the chair. I think everyone would agree that the proposal is very controversial. The report has not yet been printed. In addition to the agencies named by the Senator from South Dakota, the Interstate Commerce Commission is also objecting to the bill. Certainly it is not a bill which should be passed during the consideration of the consent calendar.

Mr. HENDRICKSON. Mr. President, will the Senator from Florida yield?

Mr. SMATHERS. I yield to the Senator from New Jersey.

Mr. HENDRICKSON. Are the hearings very extensive?

Mr. SMATHERS. The hearings are very extensive, and they are not yet printed.

The PRESIDING OFFICER. The bill will go over.

BILL PASSED OVER

The bill (S. 690) to amend the Federal Property and Administrative Services Act of 1949, as amended, to authorize the Administrator of General Services to enter into lease purchase agreements to provide for the lease to the United States of real property and structures for terms of more than 5 years, but not in excess of 25 years and for acquisition of title to such property and structures by the United States at or before the expiration of the lease terms, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, by request, I ask that the bill go over.

The PRESIDING OFFICER. The bill will go over.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The concurrent resolution (S. Con. Res. 33) favoring the suspension of deportation of certain aliens was considered and agreed to.

(For text of above concurrent resolution, see CONGRESSIONAL RECORD of June 4, 1953, pp. 6035 to 6040.)

BLANCA IBARRA AND DOLORES IBARRA

The bill (S. 57) for the relief of Blanca Ibarra and Dolores Ibarra was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Blanca Ibarra and Dolores Ibarra shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

GEORGE PANTELAS

The bill (S. 154) for the relief of George Pantelas was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding order and warrant of deportation, warrant of arrest, and bond, which may have been issued in the case of George Pantelas. From and after the date of enactment of this act, the said George Pantelas shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and order have issued.

GIUSEPPE ORSI

The bill (S. 312) for the relief of Giuseppe Orsi was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Giuseppe Orsi, shall be held and considered to be the natural-born alien child of Celestino Orsi, a citizen of the United States.

VERA LAZAROS AND CRISTO LAZAROS

The bill (S. 316) for the relief of Vera Lazaros and Cristo Lazaros was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor children, Vera Lazaros and Cristo Lazaros, shall be held and considered to be the natural-born alien children of Mr. and Mrs. Louis Lazaros, citizens of the United States.

CONNIE JOYCE MAY (AYAKO GOTO)

The bill (S. 454) for the relief of Connie Joyce May (Ayako Goto) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Connie Joyce May (Ayako Goto), shall be held and considered to be the natural-born alien child of M. Sgt. and Mrs. George W. May, citizens of the United States.

MICHAEL RAYMOND JUENGER (JOJI HATANO) AND VIVIAN NAKAJIMA NOBUKO

The bill (S. 625) for the relief of Michael Raymond Juenger (Joji Hatano) and Vivian Nakajima Nobuko was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor children, Michael Raymond Juenger (Joji Hatano) and Vivian Nakajima Nobuko, shall be held and considered to be the natural-born alien children of Capt. and Mrs. Gregory M. Juenger, citizens of the United States.

HOLLY LAYNE ROBERTS (MARIKO UCHIYAMA)

The bill (S. 1431) for the relief of Holly Layne Roberts (Mariko Uchiyama) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Holly Layne Roberts (Mariko Uchiyama), shall be held and considered to be the natural-born alien child of Sgt. and Mrs. John C. Roberts, citizens of the United States.

JOSEPH DAVID ELLER (JOSEPH USHIMURA)

The bill (S. 1607) for the relief of Joseph David Eller (Joseph Ushimura) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Joseph David Eller (Joseph Ushimura), shall be held and considered to be the natural-born alien child of Sergeant and Mrs. Floyd D. Eller, citizens of the United States.

INCORPORATION OF NATIONAL SAFETY COUNCIL

The bill (S. 1105) to incorporate the National Safety Council was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, reserving the right to object, and I certainly will not object, I should like to ask the distinguished Senator from Utah whether this bill conforms to the usual standards for incorporating organizations of this type.

Mr. WATKINS. I am sure it does. The Judiciary Committee checked it very carefully, and it was amended to make it comply strictly with the usual standards demanded by the committee.

Mr. HENDRICKSON. That was my recollection, but I thought the RECORD should show it.

Mr. WATKINS. Mr. President, the National Safety Council is not merely another federally chartered organization. It is one of the really great organizations of the country, an organization that is doing an immense amount of good. I cannot let this occasion pass without paying tribute to the National Safety Council and its thousands of volunteer workers, who have worked so unselfishly to alleviate suffering, to endeavor to prevent accidents, and generally to assist in the case of disastrous occurrences.

The Judiciary Committee has adopted a rather strict policy with respect to Federal charters, but this is one for which I know all members of the committee voted. They did so in the belief that incorporation would aid this great organization in its work.

In order to have the facts included as a part of the permanent RECORD, I desire to have printed as a part of my remarks three paragraphs from the committee report which state the nature of the work being done by the National Safety Council.

There being no objection, the three paragraphs were ordered to be printed in the RECORD, as follows:

According to studies by the American Medical Association, fatal accidents outrank every other cause of death as a destroyer of the working years of life of Americans—the years which represent the productive and military strength of this country. In 1951, accidents caused a death every 6 minutes and an injury every 3 seconds. The financial cost to the Nation from this accident toll is terrific. In 1952, it is estimated to have reached $8½ billion, and caused the loss of over one-quarter billion man-days of work in 1951.

According to expert advice, nearly all of these accidents were preventable. The National Safety Council's primary purpose is directed at furthering, encouraging, and promoting methods and procedures leading to increased safety and accident prevention. Its operations cover almost every phase of American life. It touches industry, labor, agriculture, education, the home, and the highway, in all parts of the country.

The National Safety Council is the only national organization exclusively devoted to accident prevention in all fields of safety. It is truly national in purpose, organization, and scope. It has an affiliated chain of local, State, and regional safety organizations which, with its industrial, school, and other members, brings it into contact with almost every community in the United States. It cooperates with government at all levels. Its farm safety program revolves about statewide farm safety councils. Its board of directors, trustees, and national officers and committeemen and committeewomen are a veritable who's who of American industry, labor, agriculture, and civil life. The council is now in its 40th year of service to the country in gathering and distributing information about causes of accidents and ways to prevent them. The National Safety Council is the hub of the safety movement.

Mr. HENDRICKSON. Mr. President, I take this opportunity to join the distinguished Senator from Utah in the tribute which he paid to the National Safety Council. I recall the work that organization was doing when I was in the New Jersey State Senate. Its work has continued with ever increasing vigor. The National Safety Council is to be commended.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, S. 1105, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and insert:

That Melvin H. Baker, Lawrence D. Bell, James B. Black, S. Bruce Black, Morgan B. Brainard, John W. Carpenter, Ray Carr, William G. Chandler, Kenneth B. Colman, Frederick C. Crawford, Walter J. Cummings, Richard R. Deupree, Benjamin F. Fairless, Wallace Falvey, Francis J. Gavin, George A. Jacoby, George E. Leighty, Horace P. Liversidge, Henry E. North, Thomas I. Parkinson, A. V. Rohweder, William A. Simpson, Lee E. Skeel, W. A. Stewart, John Stilwell, J. E. Trainer, and Juan T. Trippe are hereby created and declared to be a body corporate by the name of National Safety Council (hereinafter called the corporation) and by such name shall be known and have perpetual succession and the powers and limitations contained in this act.

COMPLETION OF ORGANIZATION

SEC. 2. The persons named in the first section of this act are authorized to complete the organization of the corporation by the selection of officers and employees, the adoption of a constitution and bylaws, and the doing of such other acts as may be necessary for such purpose.

OBJECTS AND PURPOSES OF CORPORATION

SEC. 3. The objects and purposes of the corporation shall be—

(1) to further, encourage, and promote methods and procedures leading to increased safety, protection, and health among employees and employers and among children, in industries, on farms, in schools and colleges, in homes, on streets and highways, in recreation, and in other public and private places;

(2) to collect, correlate, publish, distribute, and disseminate educational and informative data, reports, and all other data relative to safety methods and procedures;

(3) to arouse and maintain the interest of the people of the United States in safety and in accident prevention, and to encourage the adoption and institution of safety methods by all persons, corporations, and other organizations;

(4) to organize, establish, and conduct programs, lectures, conferences, and other activities for the education of all persons, corporations, and other organizations in safety methods and procedures;

(5) to organize, and to aid in the organization of, local safety chapters throughout the Nation, and to provide organizational guidance and materials to promote the national safety;

(6) to cooperate with, enlist, and develop the cooperation of and between all persons, corporations, and other organizations and agencies, both public and private, engaged or interested in, or in any manner connected with, any or all of the foregoing purposes; and

(7) to do any and all lawful acts which may be necessary, useful, suitable, desirable, and proper for the furtherance, accomplishment, and attainment of any or all of the foregoing purposes.

CORPORATE POWERS

SEC. 4. The corporation shall have power—

(1) to sue and be sued, complain, and defend in any court of competent jurisdiction;

(2) to adopt, alter, and use a corporate seal;

(3) to choose such officers, directors, trustees, managers, agents, and employees as the business of the corporation may require;

(4) to adopt, amend, and alter a constitution and bylaws, not inconsistent with the laws of the United States or any State in which the corporation is to operate, for the management of its property and the regulation of its affairs;

(5) to contract and be contracted with;

(6) to charge and collect membership dues, subscription fees, and receive contributions or grants of money or property to be devoted to the carrying out of its purposes;

(7) to take and hold by lease, gift, purchase, grant, devise, or bequest any property, real or personal, necessary for attaining the objects and carrying into effect the purposes of the corporation, subject to applicable provisions of law in any State (a) governing the amount or kind of real and personal property which may be held by, or (b) otherwise limiting or controlling the ownership of real or personal property by a corporation operating in such State;

(8) to transfer, encumber, and convey real or personal property;

(9) to borrow money for the purposes of the corporation, issue bonds therefor, and secure the same by mortgage, subject to all applicable provisions of Federal or State law;

(10) to use the corporate funds to give prizes, awards, or other evidences of merit or recognition to persons, organizations, associations, or corporations, public or private, for outstanding contributions toward the achievement of the purposes of the corporation;

(11) to publish magazines and other publications and materials, whether periodic or occasional, consistent with its corporate purposes;

(12) to organize, establish, and conduct conferences on safety and accident prevention;

(13) to adopt, alter, use, and display such emblems, seals, and badges as it may adopt;

(14) to establish and maintain offices for the conduct of its business, and to charter local, State, and regional safety organizations, and to establish, regulate, and discontinue departmental subdivisions and local, State, and regional chapters in appropriate places throughout the United States, its Territories and possessions; and

(15) to do any and all acts and things necessary and proper to carry out the objects and purposes of the corporation and, for such purpose, the corporation shall also have, in addition to the foregoing in this section and subsection, the rights, powers, duties, and liabilities of the existing corporation referred to in section 18 as far as they are not modified or superseded by this act.

HEADQUARTERS AND PRINCIPAL OFFICES; SCOPE OF ACTIVITIES; DISTRICT OF COLUMBIA AGENT

SEC. 5. (a) The national headquarters and principal offices of the corporation shall be located in Chicago, Ill., or in such other place as may later be determined by the board of directors, but the activities of the corporation shall not be confined to that place and may be conducted throughout the various States, Territories, and possessions of the United States, and elsewhere, as may be necessary for the accomplishment of its corporate purposes and powers.

(b) The corporation shall maintain at all times in the District of Columbia a designated agent authorized to accept service or process for the corporation, and notice to or

service upon such agent, or mailed to the business address of such agent, shall be deemed notice to or service upon the corporation.

MEMBERSHIP; VOTING RIGHTS

SEC. 6. (a) Eligibility for membership in the corporation and the rights and privileges of members shall, except as provided in this act, be determined as the constitution and bylaws of the corporation may provide.

(b) In the conduct of the business of the corporation, each member, other than honorary and sustaining members, shall have one vote. The corporation may, by its constitution and bylaws, provide for additional voting rights in accordance with dues paid.

BOARD OF DIRECTORS; COMPOSITION; RESPONSIBILITIES

SEC. 7. Upon enactment of this act, the board of directors of the corporation shall be the following persons, to wit—

Chairman of the board of directors: E. P. du Pont, Wilmington, Del.; vice chairman of the board of directors: Franklin M. Kreml, Evanston, Ill.; members: A. F. Allen, Dallas, Tex.; J. I. Banash, West Los Angeles, Calif.; William B. Barton, Washington, D. C.; C. W. Bergquist, Indianapolis, Ind.; R. A. L. Bogan, Chicago, Ill.; Norman E. Borgerson, Lansing, Mich.; Harry H. Brainerd, Pittsburgh, Pa.; Fred W. Braun, Wausau, Wis.; Theo Brown, Moline, Ill.; E. J. Buhner, Louisville, Ky.; Alfred W. Cantwell, Washington, D. C.; Ray Carr, Portland, Oreg.; Jesse Clark, Chicago, Ill.; Reginald M. Cleveland, New York, N. Y.; William L. Connolly, Washington, D. C.; Dr. B. L. Corbett, Milwaukee, Wis.; Charles R. Cox, New York, N. Y.; Ernest G. Cox, Washington, D. C.; R. S. Damon, Kansas City, Mo.; Ned H. Dearborn, Chicago, Ill.; J. Dewey Dorsett, New York, N. Y.; E. P. du Pont, Wilmington, Del.; Martin P. Durkin, Washington, D. C.; Wallace Falvey, Boston, Mass.; Kirk Fox, Des Moines, Iowa; C. H. Gallaway, Southbridge, Mass.; George F. Getz, Jr., Chicago, Ill.; Gordon C. Graham, Detroit, Mich.; Howard Gramlich, Chicago, Ill.; W. Earl Hall, Mason City, Iowa; R. A. Harschnek, Chicago, Ill.; O. R. Hartwig, Portland, Oreg.; Dr. Herold C. Hunt, Chicago, Ill.; Harold P. Jackson, Newark, N. J.; George A. Jacoby, Detroit, Mich.; Mrs. George W. Jaqua, Winchester, Ind.; Joseph M. Kaplan, Los Angeles, Calif.; E. W. Kempton, Pittsburgh, Pa.; Mrs. Fred W. Knight, Cartersville, Ga.; Franklin M. Kreml, Evanston, Ill.; Walter G. Legge, New York, N. Y.; Boyd Lewis, New York, N. Y.; Thomas H. MacDonald, College Station, Tex.; Miss Marion E. Martin, Augusta, Maine; I. W. Millard, Danville, Ill.; Harry M. Moses, Washington, D. C.; D. E. Mumford, New York, N. Y.; Hallie L. Myers, Indianapolis, Ind.; Guy L. Noble, Chicago, Ill.; Henry E. North, San Francisco, Calif.; Clifton W. Phalen, Detroit Mich.; Harry L. Powell, Milwaukee, Wis.; Harry Read, Washington, D. C.; A. V. Rohweder, Duluth, Minn.; Robert T. Ross, Dearborn, Mich.; Dr. K. Frances Scott, Northampton, Mass.; Hon. Lee E. Skeel, Cleveland, Ohio; Robert R. Snodgrass, Atlanta, Ga.; Leslie J. Sorenson, Chicago, Ill.; Dr. H. J. Stack, New York, N. Y.; J. C. Stennett, Chicago, Ill.; W. A. Stewart, Southbridge, Mass.; Miss Judith Waller, Chicago, Ill.; Mrs. George Welles, Jr., Duluth, Minn.; Dr. George M. Wheatley, New York, N. Y.; E. C. Woodward, Milwaukee, Wis.; Dr. William P. Yant, Pittsburgh, Pa.

(b) Thereafter, the board of directors of the corporation shall consist of such number (not less than 15), shall be selected in such manner (including the filling of vacancies), and shall serve for such term as may be prescribed in the constitution and bylaws of the corporation.

(c) The board of directors shall be the governing board of the corporation and shall, during the intervals between corporation meetings, be responsible for the general policies and program of the corporation. The board shall be responsible for all finance except as provided for in section 9.

NATIONAL OFFICERS; ELECTION OF OFFICERS

SEC. 8. (a) The national officers of the corporation shall be a chairman of the board of directors, a president, three or more vice presidents (as may be prescribed in the constitution and bylaws of the corporation), a secretary, a treasurer, and an executive vice president. The duties of the officers shall be as prescribed in the constitution and bylaws of the corporation.

(b) Officers, except the executive vice president, shall be elected annually at the annual meeting of the corporation. The executive vice president shall be elected by the board of directors in such manner as may be prescribed by the constitution and bylaws of the corporation.

(c) Ex officio membership of officers on the board of directors, or on the trustees, shall be as the constitution and bylaws of the corporation may prescribe.

TRUSTEES

SEC. 9. There shall be trustees, whose number (not less than 15), method of selection, and term of office shall be as the constitution and bylaws of the corporation may prescribe. The trustees shall have full power and control over such contributed funds as may be raised by them.

USE OF INCOME; LOANS TO OFFICERS, DIRECTORS, OR EMPLOYEES

SEC. 10. (a) No part of the income or assets of the corporation shall inure to any member, officer, or director, or be distributable to any such person otherwise than upon dissolution or final liquidation of the corporation, as provided in section 16 of this act. Nothing in this subsection, however, shall be construed to prevent the payment of compensation to officers of the corporation in amounts approved by the executive committee of the corporation.

(b) The corporation shall not make loans to its officers, directors, or employees. Any director who votes for or assents to the making of a loan to an officer, director, or employee of the corporation, and any officer who participates in the making of such loan, shall be jointly and severally liable to the corporation for the amount of such loan until the repayment thereof. This subsection shall not preclude the making or awarding of prizes, awards, or grants in recognition of satisfactory progress in safety and accident prevention when such recipients meet the standards established for selecting recipients of such awards, prizes, or grants.

NONPOLITICAL NATURE OF CORPORATION

SEC. 11. The corporation, and its officers and directors as such, shall not contribute to or otherwise support or assist any political party or candidate for office.

LIABILITY FOR ACTS OF OFFICERS AND AGENTS

SEC. 12. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

PROHIBITION AGAINST ISSUANCE OF STOCK OR PAYMENT OF DIVIDENDS

SEC. 13. The corporation shall have no power to issue any shares of stock nor to declare nor pay any dividends.

BOOKS AND RECORDS; INSPECTION

SEC. 14. The corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its members, board of directors, and committees having any of the authority of the board of directors; and it shall also keep at its principal office a record of the names and addresses of its members entitled to vote. All books and records of the corporation may be inspected by any member entitled to vote, or his agent or attorney, for any proper purpose, at any reasonable time.

AUDIT OF FINANCIAL TRANSACTIONS

SEC. 15. (a) The financial transactions shall be audited annually, at the end of the fiscal year established by the corporation, by an independent certified public accountant in accordance with the principles and procedures applicable to commercial corporate transactions. The audit shall be conducted at the place or places where the accounts of the corporation are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the corporation and necessary to facilitate the audit shall be made available to the person or persons conducting the audit; and full facilities for verifying transactions with the balances or securities held by depositors, fiscal agents, and custodians shall be afforded to such person or persons.

(b) A report of such audit shall be made by the corporation to the Congress not later than 6 months following the close of such fiscal year for which the audit is made. The report shall set forth the scope of the audit and shall include verification by the person or persons conducting the audit of statements of (1) assets and liabilities, (2) capital and surplus or deficit, (3) surplus of deficit analysis, (4) income and expense, and (5) sources and application of funds. Such report shall not be printed as a public document.

USE OF ASSETS ON DISSOLUTION OR LIQUIDATION

SEC. 16. Upon final dissolution or liquidation of the corporation, and after discharge or satisfaction of all outstanding obligations and liabilities, the remaining assets of the corporation may be distributed in accordance with the determination of the board of directors of the corporation.

EXCLUSIVE RIGHT TO NAME, EMBLEM, SEALS, AND BADGES

SEC. 17. The corporation, and its subordinate divisions and regional, State, and local chapters, shall have the sole and exclusive right to use the name, National Safety Council. The corporation shall have the exclusive and sole right to use, or to allow or refuse the use of, such emblems, seals, and badges as it may legally adopt, and such emblems, seals, and badges as have heretofore been used by the Illinois corporation referred to in section 18 in carrying out its program, it being distinctly understood, however, that nothing in this act shall interfere or conflict with established or vested rights.

TRANSFER OF ASSETS

SEC. 18. The corporation may acquire the assets of the National Safety Council, Inc., a corporation organized under the laws of the State of Illinois, upon discharging or satisfactorily providing for the payment and discharge of all of the liability of such corporation.

RESERVATION OF RIGHT TO AMEND OR REPEAL CHARTER

SEC. 19. The right to alter, amend, or repeal this act is hereby expressly reserved.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ALEJANDRO DE LA CRUZ HERNANDEZ

The Senate proceeded to consider the bill (S. 196) for the relief of Alejandro de la Cruz Hernandez, which had been reported from the Committee on the Judiciary with an amendment, in line 8, after the word "fee" to strike out "and head tax", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws,

Alejandro de la Cruz Hernandez shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JULIA ANN SMITH

The Senate proceeded to consider the bill (S. 470) for the relief of Julia Ann Smith which had been reported from the Committee on the Judiciary with an amendment in line 6, after the word "natural-born" to insert "alien", so as to make the bill read:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Julia Ann Smith, shall be considered to be the natural-born alien child of Staff Sgt. and Mrs. A. C. Smith, citizens of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

REV. JOHN T. MacMULLEN

The Senate proceeded to consider the bill (S. 505) for the relief of John T. MacMullen, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and insert:

That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Rev. John T. MacMullen may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SAMUEL V. GOEKJIAN

The Senate proceeded to consider the bill (S. 591) for the relief of Samuel V. Goekjian, which had been reported from the Committee on the Judiciary with an amendment, in line 7, after the word "fee", to strike out "and head tax", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Samuel V. Goekjian shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

HELENE OLGA IWASENKO

The Senate proceeded to consider the bill (S. 669) for the relief of Helene Olga Iwasenko which had been reported from the Committee on the Judiciary with an amendment, in line 7, after the word "fee", to strike out "Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Helene Olga Iwasenko shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DR. JACOB GRIFFEL

The Senate proceeded to consider the bill (S. 781) for the relief of Dr. Jacob Griffel, which had been reported from the Committee on the Judiciary with an amendment, in line 7, after the word "fee", to strike out "and head tax", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Dr. Jacob Griffel shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EUGENIO S. ROILES

The Senate proceeded to consider the bill (S. 801) for the relief of Eugenio S. Roiles which had been reported from the Committee on the Judiciary with an amendment, in line 7, after the word "fee", to strike out "and head tax", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Eugenio S. Roiles shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

ROSETTE SORGE SAVORGNAN

The Senate proceeded to consider the bill (S. 257) for the relief of Rosette Sorge Savorgnan, which had been reported from the Committee on the Judiciary with an amendment, on page 1, at the beginning of line 9, to strike out "301 of the Nationality Act of 1940, as amended" and insert "310 of the Immigration and Nationality Act", and on page 2, line 1, after the word "section", to strike out "335" and insert "337", so as to make the bill read:

Be it enacted, etc., That Rosette Sorge Savorgnan, who lost United States citizenship under the provisions of section 2 of the Citizenship Act of 1907, and sections 104, 401, and 403 of the Nationality Act of 1940, as amended, may be naturalized by taking prior to 1 year after the effective date of this act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act, or before any diplomatic or consular officer of the United States abroad, the appropriate oath prescribed by section 337 of the said act. From and after naturalization under this act the said Rosette Sorge Savorgnan shall have the same citizenship status which existed immediately prior to its loss.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DR. ALEXANDER FIALA

The bill (H. R. 663) for the relief of Dr. Alexander Fiala was considered, ordered to a third reading, read the third time, and passed.

FRANCESCA SERVELLO

The bill (H. R. 888) for the relief of Francesca Servello was considered, ordered to a third reading, read the third time, and passed.

MARIA BUFFERNI AND EMMA BOTTA

The bill (H. R. 1103) for the relief of Maria Bufferni and Emma Botta was considered, ordered to a third reading, read the third time, and passed.

MOTHER ANNA DIGIORGI

The bill (H. R. 1187) for the relief of Mother Anna DiGiorgi was considered, ordered to a third reading, read the third time, and passed.

RONALD J. PALMER AND RONDA KAY PALMER

The bill (H. R. 1200) for the relief of Ronald J. Palmer and Ronda Kay Palmer was considered, ordered to a third reading, read the third time, and passed.

CORP. PREDRAG MITROVICH

The bill (H. R. 1517) for the relief of Corp. Predrag Mitrovich was considered, ordered to a third reading, read the third time, and passed.

WILLIAM ROBERT DeGRAFFT

The bill (H. R. 1752) for the relief of William Robert DeGrafft was considered, ordered to a third reading, read the third time, and passed.

MARJORIE GOON (GOON MEI CHU)

The bill (H. R. 1887) for the relief of Marjorie Goon (Goon Mei Chu) was considered, ordered to a third reading, read the third time, and passed.

GARY MATTHEW STEVENS (KAZUO OMIYA)

The bill (H. R. 1888) for the relief of Gary Matthew Stevens (Kazuo Omiya) was considered, ordered to a third reading, read the third time, and passed.

CECILE LORRAINE VINCENT AND MICHAEL CALVIN VINCENT

The bill (H. R. 1952) for the relief of Cecile Lorraine Vincent and Michael Calvin Vincent was considered, ordered to a third reading, read the third time, and passed.

NORMA JEAN WHITTEN

The bill (H. R. 2176) for the relief of Norman Jean Whitten was considered, ordered to a third reading, read the third time, and passed.

PATRICIA ANN DUTCHESS

The bill (H. R. 3244) for the relief of Patricia Ann Dutchess was considered, ordered to a third reading, read the third time, and passed.

ERNA MEYER GRAFTON

The bill (H. R. 3358) for the relief of Erna Meyer Grafton was considered, ordered to a third reading, read the third time, and passed.

GEORGE PROKOFIEFF DE SEVERSKY AND ISABELLE PROKOFIEFF DE SEVERSKY

The bill (H. R. 3678) for the relief of George Prokofieff de Seversky and Isabelle Prokofieff de Seversky was considered, ordered to a third reading, read the third time, and passed.

ANTHONY LYNN NEIS

The bill (H. R. 3724) for the relief of Anthony Lynn Neis was considered, ordered to a third reading, read the third time, and passed.

STAVRULA PERUTSEA

The bill (H. R. 3758) for the relief of Stavrula Perutsea was considered, ordered to a third reading, read the third time, and passed.

HILDEGARD SCHOENAUER

The Senate proceeded to consider the bill (H. R. 1482) for the relief of Hildegard Schoenauer, which had been reported from the Committee on the Judiciary with amendments on page 2, line 5, after the word "sections", to strike out "241" and insert "242", and at the beginning of line 6, to strike out "242" and insert "243."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

AMENDMENT OF LAW OF THE DISTRICT OF COLUMBIA RELATING TO FORCIBLE ENTRY AND DETAINER

The bill (H. R. 4486) to amend the law of the District of Columbia relating to forcible entry and detainer was announced as next in order.

Mr. KNOWLAND. Mr. President, may we have an explanation of the bill?

Mr. CASE. Mr. President, the purpose of this proposed legislation is to modernize, simplify, and broaden the present law so as to provide a simple, expeditious, and fair remedy for the recovery of possession of real property which is detained without right, or after the right to possession has ceased.

The municipal court, on complaint under oath verified by the person aggrieved by such detention or by his agent or attorney having knowledge of the facts, may issue a summons to the party complained of to appear and show cause why judgment should not be given against him for the restitution of possession. Enactment of this proposed legislation will not in any manner affect or change the criminal provisions of the District of Columbia Code relating to forcible entry and detainer nor the provisions of the code relating to ejectment or summary proceedings to recover possession.

I might add, Mr. President, that in the discussion of the bill in committee it was pointed out that a person who rented a piece of property might die, leaving in occupancy of the property a relative who was not a party to the original lease agreement, and that in some instances it was necessary to have this authority in order to recover possession of the property.

The bill was unanimously reported from the full committee, and it was requested by the Bar Association of the District of Columbia.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the bill (H. R. 4486) to amend the law of the District of Columbia relating to forcible entry and detainer was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF LAW OF THE DISTRICT OF COLUMBIA RELATING TO PUBLICATION OF PARTNERSHIPS

The bill (H. R. 4485) to amend the law of the District of Columbia relating to publication of partnerships was considered, ordered to a third reading, read the third time, and passed.

INCREASE IN THE MAXIMUM SUM ALLOWED BY COURT FOR FUNERAL EXPENSES—BILL PASSED OVER

The bill (H. R. 4484) to amend section 365 of the act entitled "An act to establish a code of laws for the District of Columbia," approved March 3, 1901, as amended, to increase the maximum sum allowable by the court out of assets of a decedent's estate for funeral expenses, was announced as next in order.

Mr. GORE. Over.

Mr. CASE. Mr. President, will the Senator from Tennessee withhold his objection so that I may make a brief explanation of the bill?

Mr. GORE. I withdraw my objection temporarily.

Mr. CASE. Mr. President, the purpose of this bill is to amend the law so as to retain the maximum priority allowance for funeral expenses at $600, but increase the maximum statutory allowance from $600 to $1,000, in the discretion of the court, for cause shown. The additional allowance of $400 would not be a preferred claim, but the total amount paid up to $1,000 would become a proper deduction for estate and inheritance tax purposes. Moreover, the new maximum would be more in line with present-day funeral costs and would simplify accounting in many cases.

This legislation was requested by the District of Columbia Bar Association, and was reported unanimously by the full District of Columbia Committee.

Does the Senator still wish to have the bill go over?

Mr. GORE. I do.

The PRESIDING OFFICER. The bill will be passed over.

PREVENTION, DETECTION, AND PUNISHMENT OF CRIME IN THE DISTRICT OF COLUMBIA—BILL PASSED OVER

The bill (S. 1946) to provide for the more effective prevention, detection, and punishment of crime in the District of Columbia was announced as next in order.

Mr. HENDRICKSON. Mr. President, this is a very good piece of proposed legislation. It has been well drawn. But it contains some provisions which are very objectionable to the junior Senator from New Jersey. Among them are provisions for mandatory minimum penalties. The committee report on the bill did not reach the hands of the majority calendar committee until this morning, and I think it should be passed over for further study.

The PRESIDING OFFICER. The bill will be passed over.

Mr. CASE. Mr. President, I appreciate the fact that the bill contains many provisions. If the report did not reach the calendar committee until today, certainly the calendar committee has not had ample time to consider the features of the bill. I should like to ask that the

bill be placed on the calendar in such fashion that it can be considered at the next call of the calendar.

Mr. HENDRICKSON. Mr. President, I ask unanimous consent that that be done.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASE. Mr. President, I should also like to invite the attention of the Senate to the fact that the provision for mandatory minimum sentence has been modified. We have modified the bill considerably from its original form.

Mr. HENDRICKSON. I am mindful of the fact that there has been a modification. I have always been loath to have the legislative branch of the Government interfere with the judgment of a judge who sits in the trial of a case.

Mr. CASE. I have considerable sympathy with the Senator from New Jersey on that point. But the bill represents an earnest attempt to reach the desired result. I am hopeful that we can reach some agreement so that we can get the benefits of investigations written into proposed legislation.

Mr. HENDRICKSON subsequently said: Mr. President, I take the opportunity today to commend the Committee on the District of Columbia for the work they have done on S. 1946. The committee has written a very fine piece of legislation, with the exception I mentioned. I believe that within the period that will elapse between the present call of the calendar and the next call an agreement can be reached with respect to the provision on mandatory minimum penalties.

Mr. CASE. I thank the Senator from New Jersey.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, under the rules of the Senate the call of the calendar is terminated.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the Senate may continue with the call of the calendar of measures to which there is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the next bill.

INCORPORATION OF THE COLUMBUS UNIVERSITY OF WASHINGTON, D. C.

The bill (H. R. 3796) relating to the incorporation of the Columbus University of Washington, D. C., was considered, ordered to a third reading, read the third time, and passed.

APPOINTMENT OF DIRECTOR OF CIVIL DEFENSE OF THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (H. R. 3425) to amend the act entitled "An act to authorize the Commissioners of the District of Columbia to appoint a member of the Metropolitan Police Department or a member of the Fire Department of the District of Columbia as Director of the District Office of Civil Defense and for other purposes," approved May 21, 1951, which had been reported from the Committee on the District of Columbia with an amendment on page 2, line 10, after the word "Plan", to strike out "Numbered" and insert "Number."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

SUSPENSION OF IMPOSITION OR EXECUTION OF SENTENCE IN MUNICIPAL AND JUVENILE COURTS OF THE DISTRICT OF COLUMBIA

The bill (H. R. 1832) to provide for the suspension of the imposition or execution of sentence in certain cases in the municipal court for the District of Columbia and in the juvenile court of the District of Columbia was announced as next in order.

Mr. HENDRICKSON. Mr. President, may we have an explanation of the bill?

Mr. CASE. Mr. President, the purpose of this bill is to authorize the municipal court for the District of Columbia and the juvenile court of the District of Columbia to suspend the imposition or execution of sentence without placing the defendant on probation. The need for this authorization is set forth as follows:

A very large number of violations in the nature of petty offenses—drunkenness, disorderly conduct, minor traffic violations—now must be disposed of by the municipal court either by fine or imprisonment, or by suspension of sentence and referral to the probation officer, although the nature of the petty offense, even though the defendant be guilty, is such as to render either of these courses of action excessive or unnecessary. In view of the statement the Senator from New Jersey [Mr. HENDRICKSON] has made with regard to reserving a certain amount of discretion to the court, I trust this particular point will appeal to him.

Many of the cases—nonsupport, paternity actions, contributing to the delinquency of a minor, compulsory education law violations, child-labor law violations—coming before the juvenile court and involving adult defendants might best be disposed of by suspending the imposition or execution of sentence, without placing the defendant on probation. At the present time, in most cases, if the court suspends sentence, it must place the defendant on probation.

Many cases in both the municipal court and the juvenile court involve indigent defendants who are unable to pay even a slight fine, and who therefore under existing law must either be committed to jail or be placed under the supervision of the probation officer, although frequently in such cases probation is unnecessary from the standpoint of the individual and undesirable from the standpoint of the court and the District of Columbia, in that it requires the probation officer of the court to supervise cases not requiring supervision.

Enactment of the proposed bill would furnish both the municipal court and the juvenile court with a means of coping adequately with what might be termed "run-of-the-mine" petty offenses not meriting either a sentence or the placing of the defendant on probation.

The bill has the approval of the Board of Commissioners, the judges of the municipal court, and the District of Columbia Bar Association, and was reported by unanimous vote of the full committee.

Mr. HENDRICKSON. Mr. President, again I wish to commend the members of the Committee on the District of Columbia for developing a fine, sound legislative program in this field.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

EMPLOYMENT OF CONVICTED PERSONS BY THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (S. 1004) to amend section 86, Revised Statutes of the United States, relating to the District of Columbia, as amended, which had been reported from the Committee on the District of Columbia with amendments, in line 9, after the word "an", to strike out "employee" and insert "official or officials"; and in line 10, after the word "District", to strike out "designated by them" and insert "acting pursuant to rules and regulations issued by the Commissioners", so as to make the bill read:

Be it enacted, etc., That section 86, Revised Statutes of the United States relating to the District of Columbia, as amended (sec. 1-316, D. C. Code, 1951 edition), is amended (a) by striking therefrom the words "person convicted of bribery, perjury, or other infamous crime, nor any", and (b) by adding at the end thereof the following: "Except upon the written approval of the Commissioners, or of an official or officials of the District acting pursuant to rules and regulations issued by the Commissioners, no person who has been convicted of a felony in the District of Columbia or of an offense in any other jurisdiction which, if committed in the District, would be a felony, shall be employed in or by the government of the District of Columbia or any agency thereof."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RECORDING OF CERTAIN INSTRUMENTS IN THE DISTRICT OF COLUMBIA

The bill (H. R. 4550) to amend the Code of Laws of the District of Columbia in respect to the recording in the Office of the Recorder of Deeds, of bills of sale, mortgages, deeds of trust, and conditional sale of personal property, was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF CODE OF LAW FOR THE DISTRICT OF COLUMBIA RELATING TO CONTINUING DECEDENT'S BUSINESS

The bill (H. R. 4487) to amend the act entitled "An act to establish a code of

law for the District of Columbia," approved March 3, 1901, as further amended by an act of April 19, 1920 (title 20, ch. 1, sec. 116, D. C. Code, 1951), relating to continuing decendent's business was considered, ordered to a third reading, read the third time, and passed.

TREATMENT OF USERS OF NARCOTICS IN THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (S. 755) to provide for the treatment of users of narcotics in the District of Columbia, which had been reported from the Committee on the District of Columbia with an amendment, to strike out all after the enacting clause and insert:

That the purpose of this act is to protect the health and safety of the people of the District of Columbia from the menace of drug addiction and to afford an opportunity to the drug user for rehabilitation. The Congress intends that Federal criminal laws shall be enforced against drug users as well as other persons, and this act shall not be used to substitute treatment for punishment in cases of crime committed by drug users.

DEFINITIONS

SEC. 2. For the purposes of this act—

(1) The term "drug user" means any person who habitually uses any habit-forming narcotic drugs so as to endanger the public morals, health, safety, or welfare, or who is so far addicted to the use of such habit-forming narcotic drugs as to have lost the power of self-control with reference to his addiction.

(2) The term "patient" means a person with respect to whom there has been filed with the clerk of the United States District Court for the District of Columbia a statement as provided for in section 3.

FILING A STATEMENT

SEC. 3. (a) Whenever it appears to the United States attorney for the District of Columbia that any person within the District of Columbia, other than a person referred to in subsection (b), is a drug user, he may file with the clerk of the United States District Court for the District of Columbia a statement in writing setting forth the facts tending to show that such a person is a drug user.

(b) The United States attorney shall not file a statement under this section with respect to any person who is charged with a criminal offense, whether by indictment, by information, or who is under sentence for a criminal offense, whether he is serving the sentence, or is on probation or parole, or has been released on bond pending appeal.

COURT ORDER FOR EXAMINATION

SEC. 4. Upon the filing of such a statement, the court shall order the patient to appear before it for an examination by physicians pursuant to section 6 (a) of this act and for a hearing if required under section 7 of this act. The copy of the statement and order of the court shall be served personally upon the patient by the United States marshal.

RIGHT TO COUNSEL

SEC. 5. A patient shall have the right to the assistance of counsel at every stage of the judicial proceeding under this act. Before the court appoints physicians pursuant section 6 of this act it shall advise the patient of his right to counsel and shall assign counsel to represent him if the patient is unable to obtain counsel.

EXAMINATIONS BY PHYSICIANS

SEC. 6. (a) When such a statement has been filed the court shall appoint 2 qualified physicians, 1 of whom shall be a psychiatrist, to examine the patient. For the purpose of the examination the court may order the patient committed for such reasonable period as the court may determine to a suitable hospital or other facility to be designated by the court. Each physician shall, within such periods as the court may direct, file a written report of the examination, which shall include a statement of his conclusions as to whether the patient is a drug user.

(b) The counsel for the patient may inspect the reports of the examination. No such report and no evidence resulting from the personal examination of the patient or evidence offered by the patient shall be admissible against him in any judicial proceeding except a proceeding under this act.

WHEN HEARING IS REQUIRED

SEC 7. If, in a report filed pursuant to section 6 of this act, either of the examining physicians states that the patient is a drug user, or that he is unable to reach any conclusion by reason of the refusal of the patient to submit to thorough examination, the court shall conduct a hearing in the manner provided in section 8 of this act. If, on the basis of the reports filed, the court is not required to conduct such a hearing, it shall enter an order dismissing the proceeding under this act. If a hearing is deemed necessary, then such notice of hearing shall be served personally upon the patient to afford the said patient the opportunity to prepare for the hearing.

HEARING

SEC. 8. Upon the evidence introduced at a hearing held for that purpose the court shall determine whether the patient is a drug user. The hearing shall be conducted without a jury unless, before the hearing and within 15 days after the date on which the second report is filed pursuant to section 6 of this act, a jury is demanded by the patient or by the United States attorney. The patient may, after appointment or employment of counsel, waive a hearing and be committed directly to a hospital designated by the Commissioners of the District of Columbia, or their designated agent. The rules of evidence applicable in judicial proceedings in the court are applicable to hearings pursuant to this section, including the right of the patient to present evidence in his own behalf and to subpena and cross-examine witnesses.

CONFINEMENT OF PATIENT

SEC. 9. If the court finds the patient to be a drug user, it may commit him to a hospital designated by the patient or the Commissioners of the District of Columbia, or their designated agent, and approved by the court, to be confined there for rehabilitation until released in accordance with section 10 of this act. The head of the hospital shall submit written reports, within such periods as the court may direct, but no longer than 6 months after the commitment and for successive intervals of time thereafter, and state reasons why the patient has not been released.

RELEASE OF PATIENT

SEC. 10. (a) When the head of the hospital to which the patient is committed finds that the patient appears to be no longer in need of rehabilitation, or has received maximum benefits, they shall give notice to the judge of the committing court, and the said patient shall be delivered to the said court, for such further action as the court may deem necessary and proper under the provisions of this act.

(b) The court, upon petition of the patient after confinement for 1 year, shall inquire into the refusal or failure of the head of the hospital to release him. If the court finds that the patient is no longer in need of care, treatment, guidance, or rehabilitation, or has received maximum benefits, it shall order the patient released, in accordance with the provisions of section 11 of this act.

PERIODIC EXAMINATION OF RELEASED PATIENTS

SEC. 11. For the 2 years after his release, the patient shall report to the Commissioners of the District of Columbia, or their designated agent, at such times and places as those officers, or officer, require, but not more frequently than once each month, for a physical examination to determine whether the patient has again become a drug user. If the Commissioners of the District of Columbia, or their designated agent, determine that the person examined is a drug user, they shall so notify the United States attorney for the District of Columbia who may then file a statement under section 3 of this act with respect to the person examined.

PATIENT NOT DEEMED A CRIMINAL

SEC. 12. The patient in any proceeding under this act shall not be deemed a criminal and the commitment of any such patient shall not be deemed a conviction.

SEC. 13. This act shall become effective 6 months after the date of its approval.

Mr. HENDRICKSON. Mr. President, because this is an excellent bill, I think we should have an explanation of it for the RECORD.

Mr. BEALL. Mr. President, the purpose of this proposed legislation, which affects solely the District of Columbia, is to provide for the compulsory treatment of drug users in a manner similar to the treatment provided for alcoholics. It is unfortunate that while the courts have authority to commit to jail persons convicted under the antinarcotic laws, they do not have the authority to order them confined in hospitals where they may be treated and rehabilitated. The thought is that if we can do away with potential customers for narcotics, it will be one way of cooperating with the authorities toward abolishing narcotics from the District of Columbia. The bill has already passed the House.

Mr. HENDRICKSON. Mr. President, will the Senator yield?

Mr. BEALL. I yield.

Mr. HENDRICKSON. Having had the privilege of serving on the Committee of the District of Columbia, I wish to ask the Senator whether hospital facilities are now available in the District?

Mr. BEALL. I am glad the Senator has asked that question. Sufficient hospital facilities are not available in the District of Columbia, but there are 2 very good Government institutions, 1 at Louisville, and another in Texas. I do not recall the name of the city in Texas.

There is another bill which has been approved, and which will be submitted to the Senate later, providing that, in case beds are not available in the District of Columbia, the prisoners may be committed to the Government hospitals either in Louisville or in Texas.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. BEALL. Mr. President, I now desire to have H. R. 3307 which has passed the House substituted for the Senate

bill. It is the same as the bill the Senate has just passed.

Mr. CASE. Mr. President, I believe there is a minor amendment in the bill as passed by the Senate.

Mr. BEALL. I believe the House bill conforms to the Senate bill.

Mr. CASE. Mr. President, I have just been reminded that in the House bill, which is sought to be substituted, the language of the Senate bill is used. Therefore, I believe that meets the point I had in mind.

Mr. BEALL. Mr. President, I now ask unanimous consent that the Committee on the District of Columbia be discharged from the further consideration of H. R. 3307, and that the Senate proceed to its consideration.

The PRESIDING OFFICER. Is there objection? The Chair hears none; the Committee is discharged from its further consideration, and the Chair lays the bill before the Senate.

The Senate proceeded to consider the bill.

Mr. BEALL. Mr. President, I move that all after the enacting clause of the bill be stricken out, and that there be inserted the language of Senate bill 755, as amended.

The motion was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 3307) was read the third time and passed.

The PRESIDING OFFICER. Without objection, the vote by which Senate bill 755 was passed is reconsidered, and the bill is indefinitely postponed.

CHARTER OF WASHINGTON GAS LIGHT CO.

The bill (S. 2032) to modernize the charter of the Washington Gas Light Co., and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 3 of an act entitled "An act to incorporate the Washington Gas Light Co.," approved July 8, 1848 (9 Stat. 722), as amended, is hereby amended to read as follows:

"SEC. 3. That the stock, property, and affairs of the said corporation shall be managed and conducted by or under the direction of seven directors, being stockholders, or such other number, not more than 15 nor less than 7, within which limitation the membership may be in any case increased or diminished, as the stockholders may from time to time determine; that the said directors shall hold their offices for 1 year, or until their successors shall be elected and shall qualify; and shall be elected at a meeting of the stockholders to be held each year at such time and place in the city of Washington as may be fixed from time to time by the stockholders of the corporation; and that notice of such annual meeting shall be given as provided in the bylaws of said corporation and shall be published in at least two of the public newspapers printed in the city of Washington, at least 14 days previous to the time of holding such annual meeting; and every such election shall be by ballot and by such of the stockholders entitled to vote who shall attend the annual meeting for that purpose either in person or by proxy; and each stockholder shall be entitled to one vote for each share of the stock held of record on the books of the corporation on the record date fixed as provided in the bylaws; and the persons having the greatest number of votes shall be the directors; and if it shall happen that two or more persons have an equal number of votes, the directors in office at the time of such election shall, by a plurality of votes, given by ballot, determine which of the persons so having an equal number of votes shall be director or directors, so as to complete the whole number to be chosen; and the directors so chosen shall, as soon as may be thereafter, proceed by ballot to elect one of their number president; and whenever any vacancy shall happen, the same shall be filled up by the remaining directors, by a plurality of votes, until the next annual meeting."

SEC. 2. There be added to said act to incorporate the Washington Gas Light Co., as aforesaid, a new section to read as follows:

"SEC. . The shares of the corporation shall be represented by certificates signed by the president or a vice president and the secretary or an assistant secretary, and sealed with the seal of the corporation. Such seal may be a facsimile. Where such a certificate is countersigned by a transfer agent other than the corporation itself or an employee of the corporation, or by a transfer clerk and registered by a registrar, the signatures of the president or vice president and the secretary or assistant secretary upon such certificate may be facsimiles. In case any officer who has signed or whose facsimile signature has been placed upon such certificate shall have ceased to be such officer before such certificate is issued, it may be issued by the corporation with the same effect as if such officer had not ceased to hold such office at the date of its issue."

SEC. 3. That section 1 of an act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1908, and for other purposes," approved March 2, 1907 (34 Stat. 1119, 1133, ch. 2510) (D. C. Code, sec. 43-1206), be amended by deleting from the caption "Electrical Department" the proviso appearing in the paragraph designated "Lighting" and reading as follows: "*Provided*, That any association or corporation engaged in the manufacture and sale of gas for illuminating and fuel purposes in the District of Columbia, through its president or other duly authorized officer, shall make a sworn statement to Congress annually, on or before the first day of February in each year. Said report shall contain a detailed statement of the condition of the business of said association or corporation for the year ending December 31 next preceding, and such statement shall set forth the actual cost and also present value of the property of such association or corporation used in the conduct of its business, the amount of paid up capital stock, the amount and character of the indebtedness of such association or corporation, the amount and cost of materials used in making gas, the amount of gas manufactured, the amount of gas sold, the average price per thousand cubic feet received for gas sold, the revenue from the sale of all byproducts, the revenues from all other sources, the extensions and improvements made in the plant and works, the actual cost of the same, the amount expended for labor, the amount set aside for depreciation, the amount set apart for insurance and renewals, the amount paid out of earnings for betterments, the amount paid for betterments from other sources, the amount set aside and paid in interest and dividends, the surplus after paying the operating expenses and fixed charges, the statement of the operating expenses to be itemized and classified as is done by other public-utility corporations, in the District of Columbia, the names of the stockholders and the amount of the stock held in such association or corporation by each of them on December 31 next preceding the date of such report."

SEC. 4. That section 6 of an act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1917, and for other purposes," approved September 1, 1916 (39 Stat. 676, 716, ch. 433) (D. C. Code, sec. 43-1207), is hereby repealed.

SEC. 5. All charters, statutes, acts and parts of acts, laws, ordinances, and regulations inconsistent with or repugnant to the provisions of this act, but only so far as inconsistent herewith or repugnant hereto, are hereby repealed.

SEC. 6. The right to alter, amend, or repeal this act is hereby expressly reserved to the Congress.

SOLICITATION OF ACCIDENT AND HEALTH INSURANCE IN THE DISTRICT OF COLUMBIA

The bill (S. 1839) to amend section 32 of the Fire and Casualty Act so as to provide that an agent or solicitor may secure a license to solicit accident and health insurance in the District of Columbia under that act without taking the prescribed examination if he is licensed under the Life Insurance Act was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 32 of the Fire and Casualty Act, as amended (D. C. Code, sec. 35-1336), is amended by inserting immediately after "prior to the effective date of this act." the following new sentence: "The examination requirement shall be waived in the case of any applicant for a license under this section who holds a license under section 26 of the Life Insurance Act (D. C. Code, sec. 35-425), if the company desiring the appointment of such applicant certifies in writing to the Superintendent that such applicant will solicit only accident and health insurance on its behalf."

BILLS PASSED OVER

The bill (S. 1691) to authorize Potomac Electric Power Co. to construct, maintain, and operate in the District of Columbia, and to cross Kenilworth Avenue NE., in said District, with certain railroad tracks and related facilities, and for other purposes, was announced as next in order.

Mr. HENDRICKSON. Mr. President, by request, I ask that the bill go over.

The PRESIDING OFFICER. The bill will go over.

The bill (H. R. 3087) to authorize the Board of Commissioners of the District of Columbia to permit certain improvements to two business properties situated in the District of Columbia was announced as next in order.

Mr. GORE. Over.

The PRESIDING OFFICER. The bill will go over.

That completes the regular call of the calendar.

The clerk will now state the bills placed at the foot of the calendar.

FARMER-DEBTOR RELIEF UNDER BANKRUPTCY ACT

The Senate resumed consideration of the bill (S. 25) to amend an act entitled "An act to establish a uniform system

of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto.

The PRESIDING OFFICER. The committee amendments have heretofore been agreed to.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ADDITIONAL APPROPRIATIONS FOR THE LOWER SAN JOAQUIN RIVER PROJECT

The Senate proceeded to consider the bill (S. 621) to authorize additional appropriations for the Lower San Joaquin River project which had been reported from the Committee on Public Works with an amendment in line 4, after the word "of", to strike out "$10,000,000" and insert "$8,000,000", so as to make the bill read:

Be it enacted, etc., That, in addition to previous authorizations, there is hereby authorized to be appropriated the sum of $8,000,000 for the prosecution of the plan of improvement approved in the act of December 22, 1944, for the Lower San Joaquin River and tributaries, including the Tuolumne and Stanislaus Rivers, with such modifications thereof as in the discretion of the Chief of Engineers may be advisable.

Mr. KUCHEL. Mr. President, I am happy to inform the Senate that the distinguished Senator from Utah [Mr. WATKINS] has perused the bill and finds no objection to it. I ask that the bill be passed.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The PRESIDING OFFICER. That completes the call of the calendar.

JUDICIAL REVIEW OF CERTAIN DECISIONS OF GOVERNMENT CONTRACTING OFFICERS

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 21, Senate bill 24.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 24) to permit judicial review of decisions of Government contracting officers involving questions of fact arising under Government contracts in cases other than those in which fraud is alleged.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and insert:

That no provision of any contract entered into by the United States, relating to the finality or conclusiveness, in a dispute involving a question arising under such contract, of any decision of an administrative official, representative, or board, shall be pleaded as limiting judicial review of any such decision to cases in which fraud by such official, representative, or board is alleged; and any such provision shall be void with respect to any such decision which the General Accounting Office or a court, having jurisdiction, finds fraudulent, grossly erroneous, so mistaken as necessarily to imply bad faith, or not supported by reliable, probative, and substantial evidence.

SEC. 2. No Government contract shall contain a provision making final on a question of law the decision of an administrative official, representative, or board.

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BRICKER in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded and that further proceedings under the call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. BRICKER in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. MILLIKIN, from the Committee on Finance:

Nelson Aldrich Rockefeller, of New York, to be Under Secretary of Health, Education, and Welfare;

James P. Winne, of Hawaii, to be collector of customs for customs collection district No. 32, with headquarters at Honolulu, Hawaii;

John A. Stanek, of Illinois, to be collector of customs for customs collection district No. 39, with headquarters at Chicago, Ill.; and

John J. Devaney, of New York, to be collector of customs for customs collection district No. 8, with headquarters at Rochester, N. Y.

Mr. KNOWLAND. Mr. President, for the benefit of the distinguished minority leader I will say that it is desired that only the nominations under new reports be considered at this time.

The PRESIDING OFFICER. If there be no further reports of committees, the nominations on the Executive Calendar under the heading "New Reports" will be stated.

DEPARTMENT OF JUSTICE

The legislative clerk read the nomination of Dallas S. Townsend to be an Assistant Attorney General.

Mr. HENDRICKSON. Mr. President, I rise with great pride in my own State and its people as we proceed to the consideration of the nomination of Dallas Townsend, of the town of Montclair, N. J., to be Assistant Attorney General of the United States, for Alien Property.

My pride stems in this instance from the fact that New Jersey continues to produce for the general welfare of our Nation, men of great character and integrity to assume important roles in the Federal Government as we undertake to set our course under a new administration.

Not only do the men who have come from New Jersey for service here in the Nation's Capital have character and integrity—they also have great capacity and broad experience in their chosen field of endeavor.

It is unnecessary to recount their names for those names are fresh in the memories of the 83d Congress, but, Mr. President, I hasten to say that the name of Dallas Townsend adds luster to the list.

Though a Jerseyman, he has long practiced law in the great State of New York with distinction and honor.

In his own community—one of the finest municipalities in the State of New Jersey—he has many times earned the gratitude of his fellow citizens.

It was there—in Montclair, N. J.—where he gave his first account of himself as a public servant when he served as one of the city fathers, as town commissioner, and director of public safety from 1936 until 1942.

Dallas Townsend abruptly ended this service, Mr. President, to answer a higher call.

He joined the Army as a colonel, and served with distinction as a civil affairs officer both in this country and overseas.

In 1945 and 1946 he was deputy commissioner of the American military mission in Hungary.

For his efforts on behalf of his country, Dallas Townsend was awarded the Legion of Merit.

He also served, Mr. President, as an officer in the field artillery during World War I.

Colonel Townsend is a product of Columbia University, having received his undergraduate, law, and master's degrees at that institution.

He was honored there in 1950 by the alumni of his alma mater with the award of the Columbia Lion for outstanding and distinguished service.

That award was presented to him by Dwight D. Eisenhower, then president of Columbia.

Mr. President, I could go and on paying tribute to Colonel Townsend for the splendid record he has established as a citizen and as a soldier. But, as brevity is the soul of wit, so it is to my mind the keynote of eloquence, and since I would like my eulogy of this splendid New Jerseyman to speak with a degree of eloquence, I shall immediately conclude by saying that there never was a

nomination of the Chief Executive transmitted to the Senate of the United States for our advice and consent where the nominee possessed greater or more appropriate talents for the post to be filled than does Col. Dallas Townsend.

Outstanding in his profession, he is now called to a post which requires tremendous legal ability and experience.

Mr. President, I state with complete certainty that his record of performance will make us all happy and proud that we were privileged to vote for his confirmation.

Mr. SMITH of New Jersey. Mr. President, I was happy to hear the very fine tribute paid to Mr. Townsend by my colleague. I rise to identify myself with his fine presentation.

I know Mr. Townsend personally, and I have great pride in the fact that I had a part in initiating the nomination which finally brought about his appointment. We were looking for someone to fill this very important office, and Mr. Brownell, the Attorney General, asked me if I knew the gentleman in question. It afforded me great pride to tell him that I did, and I gave Mr. Brownell an outline of his background and excellent qualifications. My colleague and I felt that we could not do better for our State and for the Nation than to urge the appointment of Mr. Townsend to this important position. He is one of our most distinguished lawyers and citizens, and the United States Government is to be congratulated upon having a man of his character take this important position.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES ATTORNEYS

The Chief Clerk proceeded to read sundry nominations of United States attorneys.

The PRESIDING OFFICER. Without objection, the nominations of United States attorneys are confirmed en bloc.

CLINTON G. RICHARDS

Mr. CASE. Mr. President, I do not wish the occasion to pass without my saying a few words with respect to the nomination of Mr. Clinton G. Richards, of Deadwood, S. Dak. His nomination as a United States attorney has now been confirmed, and he will serve as United States attorney for the district of South Dakota.

I have known Mr. Richards for 40 years, which runs back to the time when both of us were in grade school. He is a man of excellent character, outstanding legal qualifications, and of proven ability in the prosecutor's office.

He did not ask for this position, and he was not an applicant for it in that sense. But the position sought him. I am glad he has seen fit to respond to this call to duty. It means that he will give up his private law practice at a considerable sacrifice. But he is doing it in a spirit of real public service.

I predict for him a career of public service which will reflect great credit on him, on his country, and on this administration.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the President be immediately notified of all nominations this day confirmed.

The PRESIDING OFFICER. Without objection, the President will be notified.

LEGISLATIVE SESSION

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the Senate resume consideration of legislative business.

The PRESIDING OFFICER (Mr. BRICKER in the chair). Without objection, the Senate will resume consideration of legislative business.

IMPORTATION OF MEXICAN AGRICULTURAL WORKERS

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point, correspondence which I have had with the Department of Labor and certain agricultural and other groups in California relative to negotiations going on between our Government and the Republic of Mexico with respect to agricultural labor.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

UNITED STATES DEPARTMENT OF LABOR,
Washington, May 20, 1953.

The Honorable WILLIAM F. KNOWLAND,
United States Senate,
Washington, D. C.

DEAR SENATOR KNOWLAND: Representatives of certain California farm labor associations have by mail and telegram sent word to a number of individuals and organizations in many States to the effect that the United States Department of Labor has used "extreme pressure" on the Mexican Government to interpret Article 21 of the Migrant Labor Agreement of 1951, as amended, to permit Mexican workers to be represented by American unions. Some of the communications indicate that the Mexican Government was opposed to having its workers represented by American unions but yielded to pressure from representatives of the Department of Labor. These statements are completely inaccurate.

I am writing you in order that the record may be made perfectly clear in respect to article 21 and its interpretation. Article 21 reads as follows:

"REPRESENTATIVES OF MEXICAN WORKERS

"The Mexican workers shall enjoy the right to elect their own representatives who shall be recognized by the employer as spokesman for the Mexican workers for the purpose of maintaining the work contract between the Mexican workers, and the employer, provided that this article shall not affect the right of the Mexican worker individually to contact his employer, the Mexican Consul, or the repreesntative of the Secretary of Labor with respect to his employment under this work contract."

Last fall a number of California employer associations, as well as officers of labor unions, requested an official interpretation of article 21. All interested parties were advised that any official interpretation of the agreement must, under the terms of the agreement, be a joint interpretation by the two governments. In March of this year conversations were begun with Mexico on questions of interpretation of various articles in the agreement and work contract, including article 21.

I would like to call your attention to the fact that the wording of article 21 quoted above has been in the International Agreement since August 12, 1951, and until this recent campaign was inspired, we have heard of no major dispute arising out of the article. It seems entirely clear that under the wording of article 21 the right of the Mexican workers to elect their own representatives is not limited to members of their own group. In fact, it has been our understanding since this wording has appeared in the agreement that the Mexican workers had considerable freedom in selecting their representatives. Any other construction would under certain circumstances bar the Mexican workers from designating spokesmen who understood the English language, for example, the language of article 21, therefore, necessarily limited to United States representatives who were recently attempting to negotiate interpretations with Mexican officials in that all negotiations with respect to interpretations had to be carried on within the generally understood meaning of the articles actually appearing in the International Agreement.

In these conversations with Mexico, the Mexican Government indicated that it was its opinion this article should be interpreted to mean that any individual Mexican worker could be represented by any labor union. The United States representatives pointed out that the intent of the agreement was that the workers should elect representatives, meaning that the workers collectively would by a majority vote elect their representatives. Individual workers could, however, under the express language of article 21, either personally or through their consuls present their own grievances to employers.

It was also pointed out to Mexico that to permit union representation of individual workers where the union was not the elected representative would create an impossible administrative problem from the standpoint of all concerned, if we were faced with dealing with several unions on the same issues.

The position of the representatives of the Department of Labor in these conversations was not to convince Mexico that there should be representation permitted by labor unions but that such representation should be limited to representation only when the labor union had been elected as the representative by a majority of the Mexican workers. Mexico has always taken the position that workers may join and be represented by unions.

The Department of Labor also took the position that only bona fide labor unions would be eligible as representatives, if elected, in order to assure that employers would not be required to deal with fringe or subversive groups.

I believe the text of the joint interpretation, as ultimately subscribed to, clearly delimits the area and scope of representation under article 21. This joint interpretation reads as follows:

"JOINT INTERPRETATIONS, MIGRATORY LABOR AGREEMENT OF 1951, AS AMENDED

"ARTICLE 21—REPRESENTATION OF MEXICAN WORKERS

"This article is designated to assure that Mexican workers are permitted to elect, by a majority vote, a representative or representatives to present to their employers grievances arising out of the failure of the employer to comply with the Migrant Labor Agreement of 1951, as amended, or the work contract. Representatives so elected are not authorized to bargain for terms and conditions of employment different than those contained in the work contract.

"The elected representatives may be an individual or individuals from the workers' own numbers, or from any bona fide labor organization, and the employer must recognize such representatives as spokesmen for the workers. This interpretation does not in any way deprive the Mexican worker

of the right to be represented in any case by a Mexican consul. An individual may himself or through the elected representative present his claim to the employer and the employer is, under article 21, required to deal with either the worker individually or the elected representative on complaints arising out of the work contract. If, however, an individual worker desires to have his complaint presented by a personal representative other than one elected by the majority of the workers pursuant to article 21, the employer is required to recognize such a representative only to the extent that such recognition is required by Federal or State law."

I would like to point out that under this interpretation representation of workers would be confined to the definitions, duties, and responsibilities as set forth in the migratory labor agreement of 1951, as amended, and the standard work contract and does not authorize bargaining for different terms and conditions.

While both governments were in agreement as to this interpretation of article 21, it is not an official interpretation for the reason that Mexico, while agreeing on this and other points as a matter of interpretation, refused to exchange notes which would make the interpretations official because of disagreement of an official interpretation of article 27.

In connection with the interpretation of article 27 the Mexican Government took a firm position that all contracts involving transfer of workers from one employer to another had to be signed by the Mexican consul. The United States delegates steadfastly refused to acquiesce in this kind of interpretation in order to protect the interest of American employers. Aside from the fact that this article could not reasonably be so interpreted it would mean that employers who obtained workers by virtue of a transfer could have their contracts invalidated if the Mexican consul refused to affix his signature to the contract even though prior oral consent had been given.

It is indeed regrettable that the farm groups should be misled by false information disseminated by certain representatives of farm associations, designed for the purpose of bringing pressure for transferring the Farm Placement Service from this Department to the Department of Agriculture. It is extremely unfortunate that these statements were released at this time since it is my opinion that such information immediately becomes available to the Mexican Government and comes at a time when we are attempting to work out several violations of the agreement by Mexico which are to the detriment of the growers.

For your information, the Mexican Government, in complete violation of the agreement, closed the migration center at Monterrey, even though that was one of the centers designated in the agreement. This costs the growers more money since they have to go further into the interior of Mexico to recruit and transport. I am enclosing a copy of a letter from this Department to the Department of State protesting this action.

While our interpreting team was in Mexico, which team included a representative from the Department of State, we were informed by the Mexican Government that unless we increased the wage rates by 10 percent over and above last year's rates, we would have no Mexican nationals on and after May 1, 1953. When we refused to comply with this, they did not carry through the threat but did, on May 12, notify us through the Department of State that unless certain conditions were guaranteed the Mexican nationals and certain wage increases given them, they would no longer furnish Mexican nationals for farm labor. A copy of this note is also enclosed for your information.

There have been numerous other violations of the agreement which we have been attempting to work out with the Mexican Government, which are too many to mention, and we believe you are generally familiar with them through the complaints from the growers in your district which you have from time to time referred to us for adjudication.

We believe that the tactics used in this latest situation, which are immediately known to the Mexican Government, are a very great handicap to us in seeing that they comply with the international agreement.

Yours very truly,

LLOYD A. MASHBURN,
Under Secretary of Labor.

DEPARTMENT OF STATE,
May 12, 1953.

From: Mexico City.
To: Secretary of State.
No: 1715, May 12.
Priority for Belton.

Following is English translation Foreign Office note 135296, dated May 8, 1953, received today:

"The Ministry for Foreign Relations presents its compliments to the Embassy of the United States of America and has the honor of stating the following:

"1. Articles 9 and 15 of the international agreement of August 11, 1951, as amended on May 19, 1952, regarding the contracting of Mexican agricultural laborers destined for the United States, recognize as basic principles for the employment of said laborers in the United States, on the one hand, that the Mexican workers shall not be employed in that country when their employment affects unfavorably the salaries or living conditions of the domestic agricultural laborers; and, on the other hand, that the Secretary of Labor shall not issue any certification for employment of Mexican laborers on the basis of requests in which a wage rate is specified which is influenced by the presence of illegal laborers, or which is insufficient to cover the laborer's necessities of life.

"2. In view of the fact that the rising cost of living signifies a considerable reduction in the income of the Mexican laborers contracted in accordance with the agreement, the Government of Mexico considers it pertinent that, for the contracting of Mexican laborers which starts this month of May, a general revision be made of the wage rates established in previous years, to such a degree that the laborer receives a salary which corresponds to that received by the American workers.

"3. Furthermore, the discrepancy which exists between the original wage rates as determined by the Southeastern States of the United States, compared to those applied to the laborers for the same tasks in the Western and Middle Western States, has frequently caused a strong resistance on the part of the braceros to lend their services in those entities first mentioned, the workers preferring to be contracted for the West.

"4. In view of the foregoing, and based on the statistical data and salary graphs of the wages received in the year 1952 by the Mexican contract laborers compared to the averages of the prevailing wages in those regions where American laborers are employed, for the same agricultural tasks, the Government of Mexico has arrived at the following conclusions:

"First. Every request from employers who wish to engage Mexican workers must be refused when they offer salaries lower than the minimum initial rates of $2.75 for the first hand picking of 100 pounds of cotton, the minimum wage rates being proportionately adjusted for picking under different conditions, as well as for other types of agricultural labors; and

"Second. That, as a general rule, it is proper to establish for all agricultural regions which employ Mexican laborers an increase of the hourly wage, fixing an initial minimum of not less than $0.65 for the States of the Southeast, of $0.75 for the Middle West, and of $0.80 for the Western States.

"MEXICO, D. F., *May 8, 1953.*"

In commenting upon this note this morning, Calderon stated he hoped Department of Labor would act immediately. He would not say when Mexican representatives would be ordered enforce provisions note.

WHITE.

APRIL 23, 1953.

The honorable the SECRETARY OF STATE,
Washington, D. C.

DEAR MR. SECRETARY: The Mexican Government has recently taken certain unilaterial actions in connection with the operation of the Mexican migratory labor program which are clearly in violation of the Migrant Labor Agreement of 1951, as amended. In order to assure that we are not faced with a situation which may jeopardize our ability to obtain an adequate supply of agricultural workers, a large number of which will be needed within a short period, I believe that a protest should be promptly lodged with the Mexican Government to indicate the seriousness with which we view its actions. The first of these problems deals with the action of the Mexican Government in closing the migratory station at Monterrey.

As you know, during the conference between the United States and Mexico which resulted in the negotiation of the Migrant Labor Agreement of 1951, protracted discussions were held with respect to where the migratory stations in Mexico were to be located. The experience of the United States in operating under a previous agreement, which provided that Mexico had the right to determine freely where the recruitment stations were to be operated, clearly demonstrated the imperativeness of specifying in the agreement the exact locale of the various recruitment stations.

The present locations, agreed upon after considerable debate, represent a compromise between the diverse positions initially taken by both Governments. The United States initially insisted that all recruitment be at stations relatively near the United States-Mexican border, while Mexico's initial position was that all recruitment should be at stations located deep in the interior of Mexico. The five stations ultimately agreed upon and specified in article 4 of the current Migrant Labor Agreement are Monterrey, Nuevo Leon; Chihuahua, Chihuahua; Irapuato, Guanajuato; Guadalajara, Jalisco; and Durango, Durango.

Under the provisions of article 4 there is a clear and specific obligation assumed by the Government of Mexico to establish and maintain a migratory station at Monterrey, Nuevo Leon. Nothwithstanding this obligation undertaken by Mexico as a matter of international agreement, the Government of Mexico, in derogation of this contractual obligation and in clear violation of article 4 of the Migrant Labor Agreement of 1951, as amended, by unilateral action in August 1952 closed the migratory station at Monterrey and has to the present date refused to honor its commitment to maintain a migratory station at this point.

We are fully cognizant of the reasons given by the Mexican Government for its refusal to comply with its obligation under article 4. Aside from the questionable validity of some of the reasons advanced by Mexico for its action, I believe it is pertinent to point out that these same arguments were advanced by Mexico during the 1951 negotiations prior to the time that Mexico consented to establish the migratory station at Monterrey. The principal arguments presented by Mexico for closing this migratory station are that (1) those who are not selected for recruitment at this point, because of its proximity to the border, proceed to enter the United States illegally, and (2) the influx of thousands of agricultural workers

into Monterrey creates a very serious community problem.

In these connections it might be pointed out that the closing of the migratory station at Monterrey in 1952 in no sense diminished the number of illegal entrants into the United States. In fact, there is a strong basis for the conclusion that it may have aggravated the situation. Official figures of the United States Immigration and Naturalization Service show that for the fiscal year 1952, 703,778 illegal entrants were returned to Mexico and for the first 9 months of the fiscal year 1953 the figure is approximately 600,000, reflecting a substantial proportionate increase for the fiscal year 1953 with approximately 41 percent apprehended in the lower Rio Grande Valley of Texas.

If the closing of the migratory station at Monterrey was actuated by the desire of the Mexican Government to eliminate the community problem created by the influx of agricultural workers into the city, this action has not achieved its objective. According to information received from our representatives at Monterrey, from 10,000 to 15,000 agricultural workers have congregated at Monterrey and are remaining there in the hope that the migratory station will be opened. Many of these workers have been there for months without funds, without adequate food and shelter, and are at present presenting a very serious problem to the authorities. The reestablishment of a migratory station at Monterrey would obviously result in the removal of many of these workers from this area.

It is thus apparent that the closing of the station at Monterey has not alleviated either of the situations which Mexico gives as its reasons for not honoring its obligations under article 4 of the Migrant Labor Agreement of 1951, as amended.

I am, accordingly, requesting that the Secretary of State through the American Embassy at Mexico City lodge a firm protest with the Mexican Government for its refusal to carry out its obligation under the Migrant Labor Agreement of 1951, as amended, to maintain a migratory station at Monterrey.

The second very serious matter which has been brought to my attention is a declaration of the Mexican Government, in open meeting during the recent conversations held in Mexico City between representatives of this Government and Mexico, that effective May 1, 1953, Mexico will demand, as a condition precedent to the contracting of Mexican workers for employment in the United States, a general 10 percent increase in beginning wages. While the Mexican Government has not confirmed this by note, the United States representatives were advised that this demand was being presented at the request of the Secretary of the Mexican Ministry for Foreign Relations.

The determination of prevailing agricultural wages in this country for the purposes of the Migrant Labor Agreement of 1951, as amended, is, by the express language of article 15 of that agreement, the responsibility of the Secretary of Labor of the United States. Previous efforts of the Mexican officials to refuse to permit the contracting of Mexican workers, except at wage rates set by them, have been vigorously protested by this Government and in June 1952 necessitated taking the issue to the then Secretary of the Mexican Ministry for Foreign Relations, Senor Manuel Tello. As a result of these conversations, a clear understanding was reached with Mexico that the determination of prevailing and beginning wages is, under the Migrant Labor Agreement, the responsibility of the Secretary of Labor of the United States and not of the Mexican Government, and that Mexico would not undertake to fix either prevailing or beginning wages in this country.

The recent demand of the Mexican Government for a 10 percent increase in wages for Mexican nationals contracted for agricultural employment in this country is a repudiation by Mexico of the agreement reached in June 1952 with Senor Tello and is without any authority under the Migrant Labor Agreement of 1951, as amended.

I would appreciate it, therefore, if you would also file a vigorous protest with the Mexican Government advising it that this Government views its demand for a 10 percent general increase in beginning wages for Mexican nationals contracted for agricultural employment in the United States as a serious violation of the Migrant Labor Agreement of 1951, as amended.

There is also a third matter which I believe should be taken care of at this time. I would appreciate your replying to note No. 132647 dated September 24, 1952, from the Ministry for Foreign Relations of the Republic of Mexico which sets forth its interpretation of article 27 of the Migratory Labor Agreement.

In view of the arrangements pending at that time for the discussion of joint interpretations, no reply was dispatched to the note of the Mexican Ministry. Between the dates of March 23, 1953, and April 9, 1953, discussions were held in Mexico City between representatives of this Department and the Mexican Government relative to the preparation of joint interpretations, including the interpretation of article 27. A proposed joint interpretation of article 27 was submitted to the Mexican Government at that time. No final agreement, however, was reached on this article in these discussions and the matter was left unresolved. I request, therefore, that you submit the following text as our proposal for a joint interpretation of article 27:

"Prior to any transfer of workers from one employer to another under the provisions of article 27, the appropriate Mexican Consul will be given 10 days' notice of the proposed transfer, the name of the employer, and the area to which the workers are to be transferred. To the extent possible, all information and documentation required to be furnished by the new employer as a condition of contracting Mexican nationals will be submitted to the Mexican Consul before the date set for recontracting and transfer.

"The Mexican Consul will, as promptly as possible, indicate to the representative of the Secretary of Labor, whether or not he has any objections to the transfer. If he has objections, he will indicate the respects in which he objects in order that appropriate steps may be taken to remove the objections, if possible.

"The Mexican Government will in all cases arrange for a representative of its government to be present at the place of recontracting and transfer when the recontracting is carried out. No contracts will be executed for the transfer of workers and no workers will be transferred to new employers without the consent and supervision of the appropriate Mexican Consul or the authorized representative of the Mexican Government.

"Nothing contained in this interpretation shall be construed to modify the requirements to adhere to the procedures provided in articles 7 and 8 of the Migrant Labor Agreement of 1951, as amended."

We are firmly of the opinion that this proposal would afford the Mexican Government every reasonable opportunity to protect the interests of its nationals and to exercise its prerogative to recall any Mexican workers whom it did not want recontracted.

Yours very truly,

_____,
Secretary of Labor.

NATIONAL AGRICULTURAL WORKERS UNION,
El Centro, Calif., May 4, 1953.

Mr. ANTHONY FIGUEROA,
United States Bureau of Employment Security, El Centro, Calif.

DEAR MR. FIGUEROA: In our telephone conversation of this morning I advised you that a number of Mexican contract nationals have joined this union; that they are regular dues-paying members in good standing; and that we consider that by the act of joining the union these workers have elected to designate the union as their representative.

My interpretation of article 21 of the International Executive Agreement is that the Mexican nationals have the right to join the union; that we have a right to represent them vis-a-vis the employer for direct discussion and settlement of grievances; and that the employer is bound to recognize the union as the representative of the nationals.

The position which I understood you to take is that we may not represent the Nationals directly before the employer, but only through the Department of Labor and the Mexican consul.

I expressed to you my complete disagreement with your view and we agreed that I would immediately submit in writing the substance of our fundamental divergence. It is my understanding that you will consult the policymaking officials of your agency and request a clarification of the matter.

We would be very interested to receive the views of the Department of Labor in this connection at the earliest possible date.

Sincerely yours,

ERNESTO GALARZA.

CALIFORNIA FARM LABOR ASSOCIATION,
Los Angeles, Calif., May 11, 1953.

To All Members:

We have just received reliable information that Mexico, because of extreme pressure from the United States Department of Labor, has reluctantly agreed that article 21 of the International Agreement will be interpreted to mean that Mexican national agricultural workers can be represented by anyone, including American unions.

We have been given to understand that Mexico opposed having their workers represented by American unions and suggested that the representatives be either from their own group or from a Mexican union. However, because of the pressure (and we are wondering what new concession has been made) Mexico agreed to the interpretation as desired by the Department of Labor. Instructions have not, as yet, gone out to the field, but union activity is already underway to secure workers' petitions naming a union organizer as their representative.

We request that you wire your Congressman, as well as your Senators, urging them to take immediate action to restore the wording of article 21 so as to restrict representation to a member of their own group. Ask them to check with Congressman JOHN PHILLIPS (California) regarding concerted action on this important matter.

This latest action on the part of the union-minded Department of Labor is just another reason why the Farm Placement Service must be transferred to the Department of Agriculture without delay.

This matter is urgent—get your wires off today.

ELLIS S. COMAN,
Secretary-Treasurer.

MAJOR DISTRIBUTING CO.,
Salinas, Calif., May 12, 1953.

Senator WILLIAM KNOWLAND,
Senate Office Building,
Washington, D. C.

DEAR SENATOR KNOWLAND: We have just received reliable information that Mexico, because of extreme pressure from the United States Department of Labor, has reluctantly agreed that article 21 of the International Agreement will be interpreted to mean that Mexican national agricultural workers can be represented by anyone, including American unions.

We have been given to understand that Mexico opposed having their workers represented by American unions and suggested

that the representatives be either from their own group or from a Mexican union. However, because of the pressure (and we are wondering what new concession has been made) Mexico agreed to the interpretation as desired by the Department of Labor. Instructions have not, as yet, gone out to the field, but union activity is already under way to secure workers' petitions naming a union organizer as their representative.

We urge you to take immediate action to restore the wording of article 21 so as to restrict representation to a member of their own group. I believe that Congressman JOHN PHILLIPS is spearheading concerted action on this important matter.

Yours very truly,

S. V. CHRISTIERSON.

LOS ANGELES CALIF., May 15, 1953.

Senator WILLIAM F. KNOWLAND,
Senate Office Building,
Washington, D. C.:

Re article 21 of labor agreement, understand Mashburn states no amendment agreed on. Such statement is smokescreen as present negotiations in Mexico are not to amend agreement but to agree on interpretation of existing articles. Labor Department officials intend to force unionization on now unorganized farm workers. On February 11 this year Durkin stated, "In administering the farm labor program the Department of Labor will not inject itself into labor-management relations." Apparent someone has forgotten who someone said. Application of desired interpretation permitting American unions represent Mexican contract workers will result in end of Mexican supplemental supply program. This is serious situation and official doubletalk should be carefully analyzed.

Regards,

WILLIAM H. TOLBERT,
Chairman, National Farm Labor Users Committee, Santa Paula, Calif.

JUDICIAL REVIEW OF CERTAIN DECISIONS OF GOVERNMENT CONTRACTING OFFICERS

The Senate resumed the consideration of the bill (S. 24) to permit judicial review of decisions of Government contracting officers involving questions of fact arising under Government contracts in cases other than those in which fraud is alleged.

Mr. McCARRAN. Mr. President, the Supreme Court on November 26, 1951, handed down a decision which has had a great impact upon the contractors of the United States. It was a decision which shocked many lawyers and others who dislike the concept of completely closing all avenues of judicial review with respect to any class of administrative decisions.

I refer to the decision in the case of United States against Wunderlich, and others.

What this decision held, in essence, was that in any case of dispute over a matter of fact in connection with a Government contract, the decision of the contracting officer or the department head must stand, in the absence of fraudulent conduct; and the Court says that in order to claim fraud a plaintiff must allege and prove "conscious wrongdoing, an intent to cheat or be dishonest," on the part of the Government contracting officer.

As Mr. Justice Douglas pointed out in his dissent, this decision necessarily has "wide application and a devastating effect." It amounts to giving the contracting officer absolute authority to determine facts relating to execution of the contract. It would operate in almost every case to prohibit any review of a dispute by the courts, for it would be a practical impossibility to allege and prove fraud upon the part of the Government, in the term stated by the Supreme Court.

Mr. President, I particularly invite the attention of the Senate to the following:

Mr. Justice Minton, who wrote this opinion, stated in the course of it that "if the standard of fraud that we adhere to is too limited, that is a matter for Congress."

It is, indeed, a matter for Congress, Mr. President; and Congress should deal with it by passing this bill.

The PRESIDING OFFICER (Mr. MARTIN in the chair). The question is on agreeing to the amendment in the nature of a substitute.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to permit review of decisions of Government contracting officers involving questions of fact arising under Government contracts in cases other than those in which fraud is alleged, and for other purposes."

PREVENTION, DETECTION, AND PUNISHMENT OF CRIME IN THE DISTRICT OF COLUMBIA

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of Senate bill 1946, Calendar 363.

I wish to state for the information of the Senate that if my motion is agreed to, Senate bill 1946 will be the unfinished business. It is not proposed that the bill be disposed of today.

If the Senate agrees, we propose that the Senate take a recess from today until Wednesday, so as to permit various of the committees to handle the heavy workloads they have. I refer particularly to the Appropriations Committee and the Foreign Relations Committee.

Let me say that Senate bill 1946 was passed over during the call of the calendar today because at that time the report on the bill was not ready.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1946) to provide for the more effective prevention, detection, and punishment of crime in the District of Columbia.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California.

The motion was agreed; and the Senate proceeded to consider the bill (S. 1946) to provide for the more effective prevention, detection, and punishment of crime in the District of Columbia, which had been reported from the Committee on the District of Columbia with amendments.

AUTHORIZATION TO SUBMIT REPORTS AND NOTICES OF MOTIONS TO SUSPEND THE RULE DURING RECESS OF THE SENATE

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the Appropriations Committee be authorized to submit reports and to file notices of motions to suspend the rule during the recess of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS TO WEDNESDAY

Mr. KNOWLAND. Mr. President, I move that the Senate stand in recess until 12 o'clock noon on Wednesday next.

The motion was agreed to; and (at 2 o'clock and 33 minutes p. m.) the Senate took a recess until Wednesday, June 10, 1953, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 8, 1953:

PUBLIC HOUSING ADMINISTRATION

Charles E. Slusser, of Ohio, to be Public Housing Commissioner.

FEDERAL CIVIL DEFENSE ADMINISTRATION

Mrs. Katherine G. Howard, of Massachusetts, to be Deputy Federal Civil Defense Administrator.

PATENT OFFICE

Byron H. Carpenter, of Maryland, as examiner in chief of the Patent Office.

Nogi A. Asp, of Washington, as examiner in chief of the Patent Office.

UNITED STATES DISTRICT JUDGE

Joseph P. Willson, of Pennsylvania, to be United States district judge for the western district of Pennsylvania, vice Owen M. Burns, deceased.

UNITED STATES ATTORNEYS

Laughlin E. Waters, of California, to be United States attorney for the southern district of California, vice Ernest A. Tolin, elevated.

William Cozart Calhoun, of Georgia, to be United States attorney for the southern district of Georgia.

Edwin R. Denney, of Kentucky, to be United States attorney for the eastern district of Kentucky, vice Claude P. Stephens, term expired.

William P. Tompkins, of New Jersey, to be United States attorney for the district of New Jersey, vice Grover C. Richman, resigning.

J. Julius Levy, of Pennsylvania, to be United States attorney for the middle district of Pennsylvania, vice Arthur A. Maguire, resigned.

John W. McIlvaine, of Pennsylvania, to be United States attorney for the western district of Pennsylvania, vice Edward C. Boyle, resigning.

John Strickler, of Virginia, to be United States attorney for the western district of Virginia, vice Howard C. Gilmer, Jr., term expired.

IN THE AIR FORCE

Burden Brentnall, graduate, United States Military Academy, class of 1953, for appointment in the Regular Air Force, in the grade of second lieutenant, under the provisions of section 506, Public Law 381, 80th Congress (Officer Personnel Act of 1947). Date of rank to be determined by the Secretary of the Air Force.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 8, 1953:

DEPARTMENT OF JUSTICE

Dallas S. Townsend, of New Jersey, to be an Assistant Attorney General.

UNITED STATES ATTORNEYS

Hartwell Davis to be United States attorney for the middle district of Alabama.

Leonard G. Hagner to be United States attorney for the district of Delaware.

Frank O. Evans to be United States attorney for the middle district of Georgia.

James W. Dorsey to be United States attorney for the northern district of Georgia.

Wendell A. Miles to be United States attorney for the western district of Michigan.

Leonard Page Moore to be United States attorney for the eastern district of New York.

James Major Baley, Jr., to be United States attorney for the western district of North Carolina.

Frank D. McSherry to be United States attorney for the eastern district of Oklahoma.

Clinton G. Richards to be United States attorney for the district of South Dakota.

Lester Shields Parsons, Jr., to be United States attorney for the eastern district of Virginia.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 8, 1953

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, who art the supreme and final source of all wisdom and strength, grant that we may never presume that we can enter upon the tasks of any new day with confidence and courage unless we first look up unto Thee, with faith, for guidance.

We humbly confess that we have failed to learn the lessons which history and experience teach us so clearly that man's disorder and confusion are the inescapable sequel and consequences of his stubborn refusal to recognize Thy divine purposes and to follow Thy leading.

Inspire us to be more docile and may we regard the duties and responsibilities of our high vocation as glorious opportunities to work with Thee and with one another in the great adventure of contributing to the peace and blessedness of men and nations everywhere.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of Friday, June 5, 1953, was read and approved.

COMMITTEE ON RULES

Mr. ALLEN of Illinois. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file reports and resolutions.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

THE CONTINUING DROP IN FARM PRICES

Mr. THORNBERRY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THORNBERRY. Mr. Speaker, as early as January 26 of this year, I called attention of the Members of this House to deep concern existing among farmers over the continuing drop in farm prices, particularly those of cattle and cotton, the two major agricultural products of the section which I am privileged to represent.

During that discussion, I stated that the continuing drop in farm prices "is the most important domestic problem today." And certainly it is a major problem before this Congress, the administration, and the Nation.

I have just received from the Lee County Farm Bureau and Lee County Cattlemen's Association of Lee County, Tex., a letter which emphasizes the effect which the drastic fall in cattles prices is having on not only the cattle raisers of our section, but on the entire economy of that area. Let me read their letter, signed by Mr. John A. Reat, president, Lee County Farm Bureau, Lexington, Tex., and Mr. Quintus Lehman, president, Lee County Cattlemen's Association, Ledbetter, Tex.:

LEE COUNTY FARM BUREAU AND
LEE COUNTY CATTLEMEN'S ASSOCIATION,
June 4, 1953.

Hon. HOMER THORNBERRY,
House of Representatives,
Washington, D. C.

DEAR SIR: We, the Lee County Farm Bureau and the Lee County Cattlemen's Association, as the result of a mass meeting of greatly concerned cattle growers, bring to your attention the urgency of the situation with regard to the drastic fall in cattle prices, and request that you use your influence toward bringing about an effort to relieve the pressure on this group, either through Government intervention or otherwise.

Prices of all goods farmers and ranchers buy are high, at a long-time peak, but prices of this highly important commodity, beef on the hoof, have gone down and are still dropping. Many of our local cattle raisers are standing a huge loss, while some have failed to meet their notes as they come due. We believe this discrepancy in income between the industrial or commercial and the agricultural, if continued, will result in disastrous consequences not only to our economy but to the economy of the Nation. Bankers have in many instances, and will continue to be, obligated to take over cattle on which money is loaned and the land they graze on.

Cattle numbers have increased over the years, but so has the population. Present prospects are that cattle population will decline on account of forced selling in the face of increasing human population if no alleviation is brought about.

The recommendation of a cattlemen's group last fall that the Government keep hands off either way was by no means the expression of the majority of the people who raise cattle.

We believe it is imperative that we either support cattle along with price-supported commodities or take the support price from all agricultural products. No money can possibly be made feeding cattle at this time, and soon United States will be faced with a dearth of quality fat meat for consumption.

The cattle industry is as vital to America and its economy as any other, and the cattle raisers deserve as much help as cotton or peanut growers when they need it. They have not asked for it before because it was not needed. At present, however, the price of cattle is only a fraction of what it should be, considered from the standpoint of parity.

We humbly urge you to devote a lengthy period to deep thought and discussion with your colleagues on this subject, in order that a solution, or at least a partial solution, of this problem might be arrived at.

Yours very truly,

QUINTUS LEHMAN,
President, Lee County Cattlemen's Association, Ledbetter, Tex.

JOHN A. REAT,
President, Lee County Farm Bureau, Lexington, Tex.

Today I am transmitting this letter to the chairman of the House Committee on Agriculture with the earnest request that the committee give careful attention and consideration to the suggestions contained therein. No thoughtful person can read the letter without being concerned over the urgency of the problem which these two gentlemen so effectively describe.

In this connection, I also recommend for your study and consideration the following editorial from the June 4, 1953, issue of the Taylor Times, Taylor, Tex. Just as the cattle raisers of Lee County point out, the editorial emphasizes what is happening to the farmer as his income for his products decreases and the commodities which he has to buy continue to be high. Here is the editorial:

THE FARMERS ARE CONCERNED

A lot of farmers, regardless of whether they were Democrats, Republicans, or Eisenhower-Democrats, are genuinely concerned over the present trend in Washington to junk legislation which has kept the farmer on a competitive basis when it comes to making a living with industry and manufacturing.

The legislation of course is the general parity price system whereby a farmer is not forced to buy in a protected market and sell in an open market, and it has meant the difference between the general good health of agriculture in the past 20 years and the bad health that prevailed before then.

To support the statement that there is genuine concern over the possibility of Washington abandoning this program, there's the statement last week of Senator RUSSELL, of Georgia. Senator RUSSELL, as you may recall, was liked by Gov. Allan Shivers as a possible candidate for the Presidency, with Shivers changing to Eisenhower when Stevenson was nominated.

Last week Senator RUSSELL said, in opposing a bill to give Secretary Benson (who has stated his opposition to parity prices except in emergencies to head off disasters) sweeping powers not previously given to the Agricultural Department head: "All I can see clearly indicates that it is the intention of those who now direct the Department of Agriculture to rely upon the 1949 law with its drastic reduction in supports, which will continue the decline in the farm income of this Nation."

As things stand now, the present parity price law has 1 more year to go. That is, for this year only, a Williamson County farmer knows what the minimum price will be for cotton and corn and maize. Right now, farmers are at work on a cotton crop they know will not bring less than around 29 cents a pound, and on that basis they have some idea of what they can spend producing it. But without that knowledge, growing cotton in these days of high labor and machinery and gasoline costs would be a pretty wild gamble, and a sudden drop in the price toward the ginning stage would bust a lot of people, with the bust being reflected in town likewise, especially Taylor.

It is well to remember that President Eisenhower himself is clearly committed to parity prices. In fact, while the Democratic platform favored 90 percent of parity, Candidate Eisenhower came out for 100 percent of parity. We personally believe President Eisenhower meant what he said, and we believe he will stick with it, but the cause for concern comes from the fact that his own appointee as Secretary of Agriculture, Ezra Benson, is on the other side of the fence and as far as the farmers know hasn't been sent for and told to get back on Eisenhower's side.

Unfortunately, by the time President Eisenhower gets through reading the New York Times and a few other papers, he doesn't have time to read the Taylor Times, but we hope word trickles up to him about this matter. Of course we admit it's pretty hard for anything to trickle up, most trickling is down, but if defying the law of gravity helps, the Times is willing.

Mr. Speaker, this is not a local or sectional problem. It is a national one. Now it is the agricultural sections of our country who are being hurt by this economic reverse. But unless this trend is reversed, our entire country will be harmed. As economists and financial experts are quick to point out, when the purchasing power of a large group of our population is reduced, the purchasing power of other groups is likewise affected and our whole economy is jeopardized.

DISTRICT OF COLUMBIA BUSINESS

The SPEAKER. This is District of Columbia day. The Chair recognizes the gentleman from Iowa [Mr. TALLE].

DISTRICT OF COLUMBIA LAW ENFORCEMENT ACT OF 1953

Mr. TALLE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5312) to provide for the more effective prevention, detection, and punishment of crime in the District of Columbia; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited not to exceed 1 hour, the time to be equally divided and controlled by the gentleman from Georgia [Mr. DAVIS] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Iowa.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 5312, with Mr. GRAHAM in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. TALLE. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, the need for this legislation is clear to anyone who reads the headlines in the newspapers of the Nation's Capital, and it becomes emphatically clear when the various news items are read that appear daily on the pages of our Washington press.

I think it appropriate inasmuch there are many Members serving in the House now who were not here in the 81st and the 82d Congresses, that the history of this legislation should be reviewed.

This bill, H. R. 5312, deals with problems which have received extensive consideration by committees of both Houses of Congress.

In the first session of the 81st Congress a special Subcommittee To Investigate Crime and Law Enforcement in the District of Columbia was established by House Resolution 340. This subcommittee held many public hearings and made an exhaustive study of crime and law enforcement in the Nation's Capital and made its recommendations in a report filed on January 2, 1951—House Report No. 3244, 81st Congress.

In accordance with the recommendations of that subcommittee, a bill, H. R. 9944, was introduced on the last day of the 81st Congress. In the first session of the 82d Congress a bill, H. R. 1042, was introduced which was identical with H. R. 9944 of the 81st Congress.

After the Subcommittee on Crime Investigation in the District of Columbia held public hearings on H. R. 1042, a new bill, H. R. 3586, was introduced. The full House Committee on the District of Columbia held hearings on this legislation. At the conclusion of the hearings it was felt that certain amendments should be made to the bill and, therefore a clean bill, H. R. 4141, was introduced and was reported by the full Committee on May 31, 1951—House Report No. 538, 82d Congress. H. R. 4141 was debated on the floor of the House and passed, with certain amendments on June 5, 1951.

The House bill was then referred to the Senate District Committee and hearings were held on August 30, 1951. Because of the fact that the Senate Committee on the District of Columbia was engaged in an investigation with respect to crime and related problems, including law enforcement, in the District of Columbia, the committee felt that no action should be taken on H. R. 4141 until this investigation had been completed. Pursuant to Senate Resolution 136, 82d Congress, as amended by Senate Resolution 267, 82d Congress, which directed the Senate Committee on the District of Columbia to conduct an investigation of crime and law enforcement in the District, numerous hearings were held extending over a period of 6 months. As a result of these hearings the committee filed its report on June 30, 1952—Senate Report No. 1989, 82d Congress—in which specific recommendations were made, and as a result of which Senate bills S. 3440 through S. 3447 were introduced. Because the end of the 82d Congress was approaching, no action was taken on these bills. At the beginning of the 83d Congress these seven bills were reintroduced as S. 180 through S. 187.

In the House of Representatives, a new bill, H. R. 420, was introduced which was substantially identical with H. R. 4141, 82d Congress, the bill which passed the House. Section 402, relating to bottle clubs in the District of Columbia, was taken from the bill and with some minor changes introduced as separate legislation, which passed the House on March 25, 1953.

Because of the urgency of the problems dealt with in the Senate bills and the House bills, it was decided that hearings on these bills should be held jointly by subcommittees of the House and Senate District Committees. At these hearings the views of the following witnesses, among others, were presented:

The President of the Board of Commissioners of the District of Columbia.

The United States attorney for the District.

Chief judge, United States District Court for the District of Columbia.

Chief judge, United States Court of Appeals for the District of Columbia.

Judges of the municipal court for the District of Columbia.

Representatives of the bar associations in the District of Columbia.

As a result of these hearings, members of the respective subcommittees found themselves in substantial agreement as to which of the provisions of the Senate and House bills should be retained and included in an omnibus crime bill. Pursuant to the directions of the subcommittees, a conference was held for the purpose of getting agreement on minor technical matters. This conference was attended by representatives of the staffs of the District Committees of the Senate and House of Representatives, representatives of the Office of the Legislative Counsel of the Senate and House of Representatives, and judicial and executive officers of the government of the District of Columbia. As a result of this conference, the bill H. R. 5312, now before this body, and its companion bill, S. 1946, were introduced.

Mr. Chairman, it is evident, I believe, from the statements I have made, that everyone who desired to be heard on this bill has had ample opportunity to do so. For instance, in addition to the hearings already mentioned by me, the subcommittees of the two chambers of the Congress, working jointly, set apart an entire evening for hearings and invited the general public specially to appear and to testify. The subcommittees met on May 8 at 7:30 in the evening and continued through 10:30 that night, and heard a dozen witnesses. It is fair, therefore, to say that everyone who has had any desire to be heard on this bill has had ample opportunity to do so.

Now if I may return to the beginning of my comments, the need for this type of legislation is clear. It is necessary that we sharpen the old tools of law and order and add some new ones, so that all of those who serve on the bench and all of those who have anything to do with the enforcement of law in the District of Columbia may be properly equipped to cope with the sad state of affairs in the Nation's Capital. I say "sad state of affairs," and it is sad, for not long ago I read a report in which the astounding fact was revealed that the rate of crime in the District of Columbia, the Nation's Capital, the city that bears the name of our first President, is two and one-half times that of the national average. That certainly points up the need, and I harbor in my breast a very keen desire to make the city of Washington, in the District of Columbia, the model city of our country. Here we should have the

best of law and order; and it is the hope of the committee I have the opportunity to serve that what we provide in this bill may meet with your approval, Mr. Chairman, and that, when enacted into law, this bill may bring about a great improvement in Washington, D. C.

Before taking my seat, I feel impelled, and I am very happy to do so, to pay a tribute to the gentleman from Georgia [Mr. DAVIS], who was chairman of this subcommittee at the inception of this legislation, and who carried it forward as chairman until the beginning of this Congress.

I want to pay my respects also to the gentleman from Virginia, Judge SMITH, who has worked long with Judge DAVIS and the other members of the committee, with great diligence and earnestness. I pay my respects to the entire membership of the District of Columbia Committee; but I think it only fair to say that Judge DAVIS and Judge SMITH have brought to this task their abundance of wisdom, experience, talent, and industry, and I shall look to them to explain such details of the bill as members of the Committee of the Whole may desire to have explained.

I reserve the balance of my time, Mr. Chairman.

Mr. DOLLIVER. I ask unanimous consent, Mr. Chairman, that following this debate, I may insert some of my own remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

CORN STORAGE

Mr. DOLLIVER. Mr. Chairman, the most serious problem before the farmers of Iowa for the 1953 crop year is the storage of grain. At the present time there is Commodity Credit Corporation storage capacity in the State of Iowa for 168,490,000 bushels of corn. Of this capacity, 110,337,000 are occupied at the present time—June 2, 1953—leaving unoccupied space of 58,153,000 bushels. This is about 33 percent of the total storage space.

However, in the Sixth Iowa District, the percentage of vacancy is much less. Only about 14 or 15 percent. Thus the problem of corn storage for 1953 is particularly acute in the 15 counties comprising the Sixth Iowa District.

This situation results from the very large production of corn in that area. The latest available figures of corn production for these counties—1951—are as follows:

County:	Bushels 1951
Emmett	3,891,014
Palo Alto	5,277,440
Pocahontas	5,157,716
Hancock	5,570,467
Humboldt	4,685,676
Kossuth	9,698,095
Winnebago	3,938,344
Wright	5,982,157
Calhoun	5,852,599
Carroll	5,642,032
Crawford	5,891,376
Greene	6,225,153
Boone	6,313,650
Hamilton	6,752,705
Webster	7,354,492
Total	88,232,916

Let me point out also that this corn production in the district I have the honor to represent is larger than the corn production of any of the corn producing States, except seven. The production of corn in each one of the counties in the Sixth Iowa District exceeds the average production of corn in the other counties of our State. The State of Iowa leads in production of corn in the United States, producing 471,780,000 bushels in 1951.

These statistics show graphically the great necessity and urgency of providing storage facilities in the Sixth Iowa District. According to reports, the corn crop prospects for 1953 are excellent, and my own personal observation confirms such reports. It is very evident that unless immediate and effective steps are taken, we farmers are to be confronted with a serious problem of storage facilities for our corn crop this year.

I urge upon the Commodity Credit Corporation the importance and definite necessity of moving the corn now sealed in the cribs and bins on the farms as soon after July 1 as possible, when the corn becomes the property of the Government. In order to do this to make space for the 1953 crop, new, additional storage space must be provided. Otherwise an acute shortage situation is sure to arise following the coming harvest.

In this connection it is well to point out that there is a loan program under which a farmer can provide himself with additional facilities upon the farm, if it is feasible for him to do so, and he wishes to reseal his corn already in storage. On April 24, the Production and Marketing Administration authorized the resealing of corn presently on the farm for a storage payment of 13 cents a bushel. Storage on the farm will make unnecessary rehandling the corn, which may ultimately be used on the farm anyway. The storage payment received by such a farmer will go a considerable way in repaying a loan which he can obtain for the building of new bins. Farmers desiring to reseal their corn should make their application to the PMA county committee not later than the final date for delivery.

In connection with financing new bins for farm storage, if a farmer cannot procure this accommodation through a local bank or other commercial channel, a "special facilities" loan can be had from the CCC through a local lending agency or directly from the local PMA county committee. These loans which may be as much as 80 percent of the cost of the new cribs can be paid off over a 4-year period and carry 4 percent interest. Loans are available until June 30, 1954.

These two programs, resealing of corn, and the financing facilities of building new storage bins, should be very helpful. However, it is important that every possible means be used by the Commodity Credit Corporation at this time to provide adequate commercial storage so that there will be no unnecessary delay after July 1, 1953, in caring for the corn now stored upon the farms.

I am making this statement to focus the attention of the Department of Agriculture, and the people of my district to this problem. It is one that we can meet and solve by our joint efforts.

The CHAIRMAN. The gentleman from Georgia is recognized.

Mr. DAVIS of Georgia. I yield myself such time as I may consume, Mr. Chairman.

Mr. Chairman, I wish to express my appreciation to the chairman of the Crime Subcommittee of the House District Committee, the gentleman from Iowa [Mr. TALLE] for the very comprehensive explanation which he has given of the bill now before us and for the excellent statement he has made regarding the background of this legislation.

I also wish to express to him, as chairman of that subcommittee, my sincere appreciation of the diligent manner in which he had conducted the progress of the bill through the House during the present Congress.

We had meetings of the subcommittee and we have had joint meetings with the Senate subcommittee; and then, subsequent to this, after this bill had been agreed upon and unanimously reported out favorably by the Senate subcommittee, our chairman, the gentleman from Iowa [Mr. TALLE], promptly called meetings so that the bill could be reported out from our District Committee to the floor of the House this morning, on District day.

As he has stated to you, the need for improvement in the criminal laws of the District of Columbia has become very pronounced. As far back as the year 1951, crime here in the District of Columbia had become so marked that it was the subject of many articles in the newspapers, of much concern and discussion among the various civic groups here in Washington, and many editorials were written in the newspapers about it.

I recall that in October 1951 it came to the attention of our committee through the Federal Bureau of Investigation semiannual uniform crime reports that the District of Columbia led the Nation in the period of time which was covered by the semiannual crime report in aggravated assaults. A marked increase in most major crimes here in the District of Columbia during the first half of 1951 was revealed by the FBI semiannual crime reports. That was followed up from time to time by reports of the heinous crimes which were committed here in Washington, crimes of outrageous violence against law abiding, innocent citizens. Our subcommittee gave many months of study to these crimes being committed here and many months of study to ways and means to combat the activity of these criminals. That bill which is now before us was in greater part the result of the study of that subcommittee and of the ways and means devised by it to combat this wave of serious crimes which had occurred here in Washington for such a long period of time.

The prevalence of crime and its increase has continued on down to the present time. I have here a report of the Washington Criminal Justice Association, its 17th annual report on crime in the Nation's Capital, for the year 1952. It carries a table of crime by offense categories, by age groups, and has these crimes divided otherwise and broken down so that a clear picture of the situation can be had by merely read-

ing this report by the Washington Criminal Justice Association. They issue these reports annually and have done so since the organization first came into being.

The report for 1952 shows that in aggravated assaults committed here in the District of Columbia the number increased from 4,309 in 1951 to 4,608 in 1952, an increase of 6.9 percent, approximately 7 percent. Housebreaking increased from 3,863 in 1951 to 5,211 in 1952, an increase of 34.9 percent, practically 35 percent. Robbery increased in the same length of time from 1,014 reported cases in 1951 to 1,395 in 1952, an increase of 36.6 percent for 1952 over 1951.

Just to refer to some of the more violent and outrageous criminal acts which have been committed here in Washington in recent months, we have had reports, for instance, about a bandit who beat up and robbed 10 people during 1 month over in the Anacostia section. His victims received the most brutal and outrageous treatment. Some of them were hospitalized for severe facial and head injuries which they received in these so-called yoke robberies. Some of his victims were brutally beaten, some were kicked brutally after he had yoked them and taken their wallets and possessions from them. It was one of the most outrageous series of crimes that has been committed here in the District of Columbia. It was so outrageous and so violent that the citizens of Anacostia held many meetings to protest against it, and the police officials of the city were alerted and searched for him day and night. They finally did catch him, but before he was caught he had engaged in some of the most brutal, violent, outrageous acts of violence it is possible for a law-abiding person to imagine.

Mr. DONDERO. Mr. Chairman, will the gentleman yield for a question?

Mr. DAVIS of Georgia. I am glad to yield.

Mr. DONDERO. Not long ago one Washington paper printed an article on that same type of crime and pointed out that more than 200 crimes of that nature had occurred here within the District of Columbia, or in Washington this past year. Something should be done about it.

Mr. DAVIS of Georgia. I thank the gentleman for his remarks, and I am certainly glad to know of his interest in this very important legislation.

It would, of course, be impossible to give any extensive résumé in the short time which I have of the many, many serious crimes of this nature which have been committed. I do want to quote from the annual report of the Metropolitan Police Department of Washington for the fiscal year 1954. In this report the Police Department of Washington says:

> There was an increase of serious offenses, part 1 offenses, reported during the fiscal year ending June 30, 1951.

Part 1 offenses are what are known as serious crimes of violence.

> The part 1 offenses increased from 20,190 in the fiscal year 1951 to 22,951 in the fiscal year 1952, an increase of 11.9 percent.

And these are set out in detail in the table printed on page 32 of the police report.

The Department goes on to say:

> There was an increase in less serious offenses, part 2 offenses, reported during the fiscal year ending June 30, 1952. These offenses increased from 11,443 in the fiscal year 1951 to 11,967 in the fiscal year 1952, an increase of 4.6 percent.

And that table is set out on page 33.

There grew up here in Washington and the District of Columbia a procedure under which the attorneys for some of these defendants who committed crimes of violence would go into court and make the plea that the defendants were not guilty on the ground they were insane at the time the crime was committed. That graduated into a defense offered by their counsel that they were mentally unfit to stand trial at the time the trial was set. Thus, many, many defendants who had committed the most outrageous crimes of violence would offer that plea and their trial would be delayed. They would delay the trial from time to time and finally the case would be marked off the books.

Through all this neglect, and I might say indifference to the safety of the people here in Washington and the District of Columbia, this great increase of crime has grown up.

Mr. Chairman, this bill has been very carefully worked out to eliminate many of the methods by which these criminals have been able to commit these crimes and then go free. One of the important items in this bill is that which is in the first section providing that on certain crimes of violence, when a person has been convicted of such crime, there shall be imposed a minimum sentence. It has been my experience that criminals will seek out the venue where they will receive the least punishment or where they will be less apt to receive any punishment at all as the scene of the commission of their crimes. Washington has acquired the reputation of being a place where a criminal may come and commit crimes of violence and stand a very good chance of not having to pay a penalty for the offense he has committed. So only for these particular crimes of violence, that are the most outrageous in the category of crimes, assault with intent to rape, rape, robbery except picking pockets, housebreaking at night and assault on a police officer with a dangerous weapon, this bill provides that persons convicted of having committed those crimes shall receive at least a minimum sentence which they must serve.

We have not provided minimum sentences of great length. We have provided that for assault with intent to commit rape the minimum sentence shall be not less than 1 year upon one convicted of that heinous, brutal and outrageous crime. For robbery other than picking pockets, the same minimum offense, for rape a minimum sentence of not less than 3 years, for assault on a police officer with a dangerous weapon a mimimum sentence of 1 year.

Mr. REAMS. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Ohio.

Mr. REAMS. Is that the same as in the bill 2 years ago; in other words, it leaves no discretion to the judge after a jury has found a man guilty?

Mr. DAVIS of Georgia. Yes, that is the same provision. It is the same bill, I will say to the gentleman from Ohio, which was passed by the House in the last Congress in that respect.

Mr. REAMS. The gentleman may remember that I opposed that bill 2 years ago because it just seems to me there should be some discretion; particularly with reference to a first offender for a judge to use some discretion in that case. Even with a first offender, there is no provision that the judge can use his discretion at all in this bill as it is presented here?

Mr. DAVIS of Georgia. No, there is no such provision in this bill, I will say to the gentleman. I would say, however, to the gentleman from Ohio, that I do not apprehend that there will be any miscarriage of justice by reason of the fact that this sentence is made mandatory. In the first place, these mandatory sentences apply only to these brutal, heinous, barbaric, outrageous crimes. Knowing the gentleman, as I do, I know there is no tolerance in his heart for a person who is guilty of willfully committing one of these crimes.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Michigan.

Mr. DONDERO. Is there any provision in the bill that the sentence shall not be less than 1 year?

Mr. DAVIS of Georgia. Yes, there is.

Mr. DONDERO. Take the case of an assault upon a police officer with a dangerous weapon, it seems to me that the bill is very lenient.

Mr. DAVIS of Georgia. I agree with the gentleman. I think so, too.

Mr. DONDERO. I think it should be more.

Mr. DAVIS of Georgia. The judge has discretion to make it more, but it shall not be less than a 1-year period.

Further, with reference to that, I would say this: It is known to all of us that certain discretion rests with the judge of a court to grant a new trial if he feels that there has been a miscarriage of justice. I served as judge of the superior court of my district for 13 years and I know the problems that are involved there, and I know also the problems that are involved in protecting the lives and the persons and the property of law-abiding, taxpaying citizens from these ruthless, barbaric, outrageous, brutal crimes. It is to protect them from these crimes which they have not been protected against in the past that we felt it was necessary to impose these minimum mandatory sentences on these few crimes of violence which are set out in this bill.

Mr. WOLVERTON. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from New Jersey.

Mr. WOLVERTON. May I inquire as to the right or power or authority or

jurisdiction of the court to suspend sentences? Assuming that a sentence of 1 year is given, does the act give any discretion to the court in permitting him to suspend that sentence pending good behavior?

Mr. DAVIS of Georgia. No; it does not.

Mr. WOLVERTON. The wording of the act leaves it entirely without his discretion.

Mr. DAVIS of Georgia. This act does not specifically prohibit the judge from suspending sentence, but I will say to the gentleman that it is my understanding that he would not have such discretion under existing law, and under the terms of this bill, although this bill itself does not specifically prohibit suspension of sentence. Now it does deal with probation, and it does specifically prohibit probation.

Subsection 201 (c) amends section 2 of the act of June 25, 1910, which is the District of Columbia Code, section 24–102, which establishes a system of probation for the District.

Now, section 2 already bars probation to persons convicted of treason, homicide, rape, arson, or kidnaping or one who has twice been convicted of a felony, and it allows it in all other cases as the judge sees fit. This amendment would bar probation to persons convicted of robbery, housebreaking at night, assault to commit rape, or assault with a dangerous weapon on a police officer.

Mr. WOLVERTON. I do not want my question to indicate to the gentleman that I am not in accord with what I understand to be the objective that is sought, I am merely inquiring from the standpoint of whether we can surely obtain the result that is expected under this act if the judge is not precluded from sentencing and then suspending the sentence. I have frequently, as I assume the gentleman has, been aware of sentencing by courts, in which they will sentence to a particular period and then withhold the execution of the sentence or suspend the sentence, and I was wondering whether the act was specific enough so as to preclude the possibility of any such action by the court.

Mr. DAVIS of Georgia. This act itself, I will say to the gentleman, does not specifically prohibit it, but my own understanding is that in order for a sentence to be suspended there must be statutory authority for it. We have discussed this with prosecuting attorneys and I believe with the judges of the courts when they were before the subcommittee. It was my opinion and the opinion of others who discussed the question and considered it that the courts would not have authority, if this bill passes, to suspend one of these minimum mandatory sentences.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from New York.

Mr. CELLER. As I read the bill, I think the last statement the gentleman has made is correct, that if we pass this bill there would be removed from the judges the right to suspend sentences. It would be a mandatory minimum penalty to be set by the judge against the criminal defendant. Did the gentleman or the committee discuss this matter, or did they hear from the judges of the municipal court?

Mr. DAVIS of Georgia. Yes, we did. We had the judges of the municipal court before us, as well as the judges of the district court, and we had representatives of every branch of the law enforcement agencies here in the District.

Mr. CELLER. I have just been informed that about 35 percent of the cases would require mandatory minimum sentences. As a member of the Committee on the Judiciary, I look askance on that provision. Also, as one who has practiced in New York for a great many years, I will say that in New York we have no such mandatory provision, and discretionary power is lodged with the judges, so they can consider, when sentencing, the general environment whence the criminal springs, marital conditions, education, and so forth. However, I think you have the judges face the situation with their arms tied behind their backs, particularly when you remove that discretionary power.

I think the gentleman will realize also that modern criminology seeks to have the judges given more discretionary power and not less discretionary power when it comes to sentencing malefactors of the law, criminals. I think this provision harks back to the old days and goes athwart the path of modern criminology. I hope the matter will be reconsidered by the distinguished gentleman and his colleagues on the committee and that they will not move the clock backward in this regard.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georiga. I yield to the gentleman from Michigan.

Mr. DONDERO. What was the attitude of the prosecuting attorneys and the judges in relation to this proposed legislation?

Mr. DAVIS of Georgia. Their attitude was that they were not in favor of these minimum mandatory sentences.

I am glad, of course, to have the remarks of the gentleman from New York, [Mr. CELLER]. In reply to what he has said I will say this, that under the modern trend which he mentions these great increases in crime have grown up here in the District of Columbia. Regardless of what the modern concept may be and what the modern trend may be, and regardless of whether we are harking back to the old days, what I am in favor of is law enforcement here in the District of Columbia and putting a stop to these outrageous, brutal, barbaric, heinous crimes which have placed Washington at the top of the list in the Nation, according to these reports I have cited here, in crimes of violence.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. In my own State of Kentucky, my recollection is that we have only 2 or 3 instances where they try to establish by statute minimum punishments for crimes. This has brought about a very unusual situation in the administration of justice, because the courts themselves have resorted to every known legal device to try to get around doing what the statute says they should do upon a particular state of facts.

Without knowing too much about it, my own impression is that, generally speaking, where you establish minimum punishment for offenses it does not work, it does not bring about the results expected at the time the law was passed. I am presuming when you undertake by this bill to go against the practice that is generally followed in the various States of the Union that you have found by experience here that the judges are not properly exercising their discretion and such a measure is necessary to bring about what we all want in the District of Columbia—that is, proper law enforcement.

Mr. DAVIS of Georgia. Yes.

Mr. ROBSION of Kentucky. I also recognize that there must be a serious indictment in the background of this type of legislation against the type of judicial determination you are having in the courts. So I think, in addition to this procedure, serious attention should be given to the judges themselves and the kind of discretion they are using in their administration of justice.

Mr. DAVIS of Georgia. I thank the gentleman for his contribution.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. Yes, I yield to the gentleman from New York.

Mr. CELLER. I do appreciate the gentleman's courtesy, but I think we are debating something that is very vital. If the gentleman's contentions were sound, that we must have severer criminal penalties, then you come to the inevitable conclusion that the judges, mandatorily, must invoke maximum penalties. But the experience of communities has always shown that the severity of penalties does not necessarily reduce the number of crimes or the violence of crimes, or the foulness of crimes committed. As was stated very, very plausibly by the gentleman from Kentucky [Mr. ROBSION]—I had occasion to go into this some months ago—when you disarm judges that way, as you would disarm them by insisting upon minimum penalties, they use every conceivable subterfuge to avoid imposition of the minimum penalty. So that you have your labor for your pains, and the judges resent being hamstrung in that way. They do not want to be placed in leading strings, and I do not blame them, because they are better able to judge the criminal and the crime in its fullest setting rather than we Members of Congress passing bills so restrictive as this bill really is.

Mr. DAVIS of Georgia. Of course, I appreciate having the gentleman explain his view about it. However, that is a debatable question, as to whether the judges are in better position to know what action ought to be taken or whether their actions in exercising the discretion which they have, have redounded to the benefit of the law-abiding citizens of the District of Columbia.

I am not here to indict the judges. I know many of them personally, and I have a high regard for those whom I do know. But in line with that I want to

point out here just one instance which will throw some light on what the gentleman from New York [Mr. CELLER] has said about judges being better able to determine about these things.

Recently we had a report in the papers, in the latter part of April, of a case where one lawbreaker was guilty of committing 102 housebreakings. They were known to the police. They were known to the courts and to the prosecuting officers, and yet, out of those 102 housebreaking cases which were brought to the attention of the court, he was indicted only on 1 of them. When his case was brought up in court he was not given any time whatsoever to serve on account of them.

The CHAIRMAN. The time of the gentleman has expired.

Mr. McCORMACK. Mr. Chairman, would the gentleman from Iowa yield to the gentleman from Georgia so that I might ask a question?

Mr. TALLE. I will be glad to yield to the gentleman.

Mr. McCORMACK. I would like to ask the gentleman from Georgia what the position of the United States attorney is on the question of mandatory minimum sentences.

Mr. DAVIS of Georgia. He has said he is opposed to it.

Mr. COLMER. Mr. Chairman, would the gentleman from Iowa yield that I might ask a question?

Mr. TALLE. I yield to the gentleman.

Mr. COLMER. I wanted to ask the gentleman if he could give us some idea about the comparative status of this proposed legislation and like statutes in the various States; I mean generally.

Mr. DAVIS of Georgia. There are many States in the Union which have mandatory sentences. We have some of them in the District of Columbia. We have mandatory sentences now in the case of certain crimes in the District of Columbia. It is no departure from recognized criminal procedure to have mandatory minimum sentences either in the States of the Union or here in Washington.

Mr. COLMER. That is the point I would like to bring out.

Mr. DAVIS of Georgia. We have them already.

Mr. COLMER. You are not setting a precedent.

Mr. DAVIS of Georgia. No, indeed; this does not establish any precedent.

By reason of the many questions asked me on this one particular feature of the bill I have not gone into the various other features of it. We have here, of course, provisions in this bill which deal with sex offenses and which strengthen that law and will strengthen the hand of law enforcement officers and courts in dealing with such offenses. The law on the crime of abortion has been revised and strengthened.

The Dangerous Weapons Act has been amended and strengthened. One provision makes it illegal to possess a switchblade knife. That will outlaw one of the most vicious murder weapons known to the police here.

The bill strengthens the gambling laws. One very effective provision is that which authorizes the forfeiture of personal property used in conducting a lottery, and under it an automobile used to haul numbers slips could be seized and forfeited by court proceedings.

The bill revises and strengthens the existing law with reference to arrests without a warrant and admissibility of evidence obtained at the time of such arrest.

It makes it a crime for one to be a habitue of a dive.

The bill revises and strengthens the law prohibiting the possession of burglar tools and other implements of crime. It amends the law and increases the penalty for unlawful assembly and profane and indecent language. It provides for punishment for disorderly conduct.

It strengthens the law relating to peace warrants and threats to do bodily harm, and the laws governing receiving stolen goods.

The bill provides punishment for the crime of fornication.

Various revisions of the laws relating to police records are made. One important feature of the bill is the creation of a council on law enforcement in the district. Another is the section to control the so-called bottle clubs, which are notorious breeding places of crime. The bill also gives the jury commissioners some discretion in selecting names for the jury boxes.

Mr. RIVERS. Mr. Chairman, will the gentleman from Iowa yield?

Mr. TALLE. Mr. Chairman, I cannot resist yielding to the gentleman, but I would be delighted if he would be brief.

Mr. RIVERS. I just want to inquire in view of the fact that the gentleman from New York was lamenting the fact that some of the discretionary power of judges would be limited by this legislation, whether inquiry was made of these judges who having known the horrible records of many of these offenders—in one case I understand 102 charges against one man—what excuse they gave for the light sentences in those cases.

Mr. DAVIS of Georgia. No excuse was proffered.

Mr. RIVERS. All right. What answers did some of these judges who opposed this give for the apparent indifference to the safety of the people of the District of Columbia when these instances were brought to their so-called dignified attention?

Mr. TALLE. They have not given any explanation of it.

Mr. RIVERS. The District of Columbia is becoming the laughing stock of the United States with so much crime that the people cannot go out of their houses without going in an armored car or medium tank. It is a disgusting situation.

Mr. TALLE. Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska [Mr. MILLER].

Mr. MILLER of Nebraska. Mr. Chairman, on the bill presently before the Committee, I do want to compliment the gentleman from Georgia [Mr. DAVIS], the gentleman from Iowa [Mr. TALLE], and the others who worked so diligently on the so-called Davis-Klein committee in the 81st Congress. This legislation is the result of the committee's work, and to do something about the crime situation in the District of Columbia. It is unfortunate that the Capital City of the Nation has become more or less a haven for criminals who can slip into the District, commit a crime, and have it treated lightly. Very brutal, outrageous crimes have been committed here. It is unfortunate indeed. I saw a report just recently that said that 75 percent of the crime in the District was committed in about 25 percent of its area.

I do not know about the minimum-sentence provision in this bill; I am not a lawyer, but I certainly recognize that some places the courts have been entirely too lenient to these repeaters who are brought before the courts. I can understand in the case where the minimum sentence is life imprisonment for armed robbery, as I am told it is in Tennessee, there would be reason on the part of the court to try to avoid a minimum sentence of that severity.

Mr. DAVIS of Georgia. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mr. DAVIS of Georgia. This bill does not carry any such sentence.

Mr. MILLER of Nebraska. I understand. I think it was a gentleman over on this side who told me of that instance. I can understand in such a case why the court would try to circumvent such a law.

If you look over this bill carefully, you will find that the committee has provided some very definite and reasonable minimum sentences for some of these brutal crimes that take place here in the Nation's Capital. Instead of having the most crime of any city in the country, we ought to have the least. Hundreds of thousands of visitors come to this city.

One element that enters into the picture of the crime situation is the size of the police force. We should have a sufficient police force, well trained, intelligent, in order to cope with crime. The other thing, of course, is to have courts that will mete out justice to criminals who are constantly brought before the court. You can go down to the jail any morning and find it filled with various and sundry criminals; many are repeaters. In court they often get just a slap on the wrist. It seems to me that we ought to have some kind of mandatory minimum sentences that will act as a deterrent to some of the criminals who seem to commit crimes time after time, instead of having housebreaking and other crimes go inadequately punished. So I recommend to the Members, Mr. Chairman, that they give serious consideration to the large amount of crime in the District, to the reason why it exists, and to authorize the minimum sentences in the bill. We must do something to deter those repeaters and those who are haled before the courts for the more heinous and outrageous crimes.

Mr. TALLE. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. KEARNS], a member of the committee.

Mr. KEARNS. Mr. Chairman, I want to commend the distinguished gentleman on the other side of the aisle [Mr. DAVIS] for his very fine effort in behalf of good law here in the District of Columbia. I also desire to commend the gentleman from Iowa [Mr. TALLE], present chairman of the subcommittee, for

his willingness to collaborate with Mr. DAVIS as he has.

I only wish all of the Members of the House could realize what problems the law enforcement officers of the District of Columbia have and what they have to cope with and the few tools they have to work with. We are very fortunate in the District of Columbia in having a Chief of Police like Mr. Murray, one who is conscientious, one who wants to rid the District of all crime, yet he is so limited as to what he can do that it is very difficult for him to show very much in the way of accomplishment.

Here we have a bill before the committee by which we are trying to improve crime conditions in the District of Columbia. The Metropolitan Police force today is faced with a shortage of 300 members because they cannot find men to work at the salaries we pay. On this very day over in the Senate District Committee they are debating a bill which would cut the bill we passed here in the House all the way from a 14-percent increase, which is the factual figure, to a figure given by the Budget Bureau of less than 7 percent. So the gentleman from Georgia [Mr. DAVIS] and the gentleman from Iowa [Mr. TALLE] in your effort to try to get this bill through the House, I sincerely hope you will be successful and give the Chief of Police and all his fine staff the tools to work with in trying to eliminate crime in the District of Columbia.

I hope to goodness, too, the Senate and the conferees will agree to pay policemen a decent wage so that Washington may be improved so far as crime is concerned.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. KEARNS. I yield to the gentleman from New York.

Mr. CELLER. Do I understand that the Attorney General and the Department of Justice are opposed to the imposition of a minimum penalty?

Mr. KEARNS. The chairman of the subcommittee just stated the Attorney General did not testify.

Mr. CELLER. May I ask the chairman, Did you secure the views of the Department of Justice on that matter?

Mr. TALLE. I may say to the gentleman that we heard the United States attorney but not the Attorney General.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. TALLE. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Chairman, I ask unanimous consent to speak out of order and also to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GAVIN. Mr. Chairman, on March 6 of this year, Secretary of the Navy Anderson appeared before the Armed Services Committee relative to Naval Petroleum Reserve No. 4 at Point Barrow, Alaska. At that time all pertinent information relative to oil exploration was discussed, after which Secretary Anderson promptly agreed with the committee that this oil exploration project, Naval Petroleum Reserve No. 4, Point Barrow, Alaska, should be and would be terminated immediately and the entire operation phased out as quickly as administratively feasible.

At that time there remained an unexpended balance, as of August 31, 1952, of $13,480,026, of which an inventory of Government-furnished materials, as of that date, amounted to $6 million. It was my opinion that if the project was terminated, with what material could be salvaged, reclaiming the unexpended portion of the appropriation, and the appropriation of $10 million which was requested for 1954–55, that a saving could be effected of an estimated fifteen or twenty million dollars.

This project was undertaken in 1945 and approximately $45 million has been expended on it. It has been a great haven for scientific men—geologists, petroleum experts, and others—and it is questionable whether the little oil or gas found would economically justify this tremendous amount of money expended in this region. It was unsound from its inception.

Upon recent inquiry I am pleased to know that Secretary of the Navy Anderson has terminated this oil exploration project and is phasing out the project just as quickly as administratively possible. So, like the Army's Canol project, which cost the American taxpayers in the neighborhood of $138 million, the Navy's Point Barrow oil experiment comes to an end with a cost of $45 million or more. The Department of Defense had best stay out of the oil exploration business and stay with the building of our national defense.

I am herewith inserting a copy of Secretary Anderson's letter for the information of those interested in this matter:

DEPARTMENT OF THE NAVY,
OFFICE OF THE SECRETARY,
Washington, June 3, 1953.

Hon. L. H. GAVIN,
House of Representatives,
Washington, D. C.

MY DEAR MR. GAVIN: This is in further reference to your letter of May 25, 1953, concerning the closeout of exploratory oilfield operations in Naval Petroleum Reserve No. 4. The Director, Naval Petroleum Reserves, in accordance with my instructions, has furnished me the answer to your inquiry.

The present schedule calls for the placing of the satellite camps at Umiat and the main camp at Point Barrow in a caretaker status on June 30 and October 1, 1953, respectively. Personnel have been gradually released since the order to suspend operations was issued and the closeout is progressing in an orderly manner. Certain heavy oilfield equipment is being properly stored in Alaska and practically all the remaining equipment, materials and supplies are being transferred to the Army, Air Force, and other governmental agencies. Certain facilities are in the process of being transferred to the Air Force and Department of the Interior by permit. Some freighting service, which could be accomplished without delaying a normal closeout, is being accomplished for the Air Force on a reimbursable basis.

The information obtained during the exploration will be recorded and will consist of much data of general scientific value or of specific value for oil exploration in the Arctic areas of the North American Continent.

I trust that the information supplied above will satisfy your requirements. If additional information is desired, please do not hesitate to call on me and I will look into the matter further.

Sincerely yours,

R. B. ANDERSON.

Mr. TALLE. Mr. Chairman, I yield 3 minutes to the gentleman from Maryland [Mr. HYDE].

Mr. HYDE. Mr. Chairman, it is with a great deal of misgivings, I will confess, but nevertheless finally with conviction that I go along with the proposal in this bill for the minimum mandatory sentence. We know, as a matter of experience, that criminals gravitate toward those jurisdictions where the bench is known to be lenient with enforcement. Whether or not laws on the statute books which are more strict will keep criminals out, is a matter of question, but we do know that they gravitate toward jurisdictions where the bench is lenient with sentences imposed.

The gentleman from New York mentioned the fact that New York did not have a minimum mandatory sentence law, but I call the attention of the committee to the fact that New York has a provision providing for a mandatory life sentence for the fourth commission of a felony which we do not have here in the District of Columbia, which seems to me quite as strict as what we are proposing here.

Then, lastly, the thing that has convinced me of this has been some personal experience with local law enforcement. I happened to have practiced law before the local courts here for 15 years in conjunction with my practice in Maryland, and I do know, although I was not engaged in the criminal practice as such, that the lawyers handling criminal cases here in this jurisdiction have made it a practice of seeking to get their cases before certain judges who are known to be more or less softhearted or lenient in connection with certain crimes that come to their attention.

Mr. Chairman, it seems to me that we should at least try this minimum mandatory sentence. It seems to be a minimum of caution that we might use in view of the terrible increase of crime in the District of Columbia.

Mr. TALLE. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. There being no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "District of Columbia Law Enforcement Act of 1953."

TITLE I—TABLE OF CONTENTS AND DEFINITIONS

SEC. 101. This act is divided into titles and sections according to the following table of contents:

TABLE OF CONTENTS

Title I—Table of contents and definitions
Sec. 101. Table of contents.
Sec. 102. Definitions.
Title II—Criminal offenses
Sec. 201. Minimum sentences for certain crimes.
Sec. 202. Sex offenses.
Sec. 203. Abortion.
Sec. 204. Amendments to the Dangerous Weapons Act.
Sec. 205. Assault on police officer.

Sec. 206. Gambling.
Sec. 207. Arrests without a warrant.
Sec. 208. Presence in illegal establishments.
Sec. 209. Possessing implements of crime.
Sec. 210. Unlawful assembly—profane and indecent language.
Sec. 211. Disorderly conduct.
Sec. 212. Threats to do bodily harm.
Sec. 213. Receiving stolen goods.
Sec. 214. Fornication.
Sec. 215. Amendments to certain penal provisions relating to the taking of property.

Title III—Metropolitan Police Department

Sec. 301. Records—General provisions.
Sec. 302. Central criminal records.
Sec. 303. Reports by independent police.
Sec. 304. Notice of release of prisoners.
Sec. 305. Bonding of Metropolitan Police.
Sec. 306. Fees for storing property.
Sec. 307. Mobile laboratory.

Title IV—General provisions

Sec. 401. The Council on Law Enforcement in the District.
Sec. 402. Powers of investigators assigned to United States attorney.
Sec. 403. United States commissioner.
Sec. 404. Licenses for bottle clubs.
Sec. 405. Psychiatrist and psychologist.
Sec. 406. Records to be kept by bondsmen.
Sec. 407. Extradition.
Sec. 408. Qualifications of jurors.
Sec. 409. Refusal to give testimony.
Sec. 410. Contempt of the municipal court.
Sec. 411. Effect of Reorganization Plan No. 5.

DEFINITIONS

SEC. 102. For the purposes of this act—

(1) The term "Commissioners" means the Board of Commissioners of the District of Columbia;

(2) The term "district court" means the United States District Court for the District of Columbia;

(3) The term "United States attorney" means the United States attorney for the District of Columbia.

(4) The term "municipal court" means The Municipal Court for the District of Columbia; and

(5) The term "District" means the District of Columbia.

TITLE II—CRIMINAL OFFENSES

MINIMUM SENTENCES FOR CERTAIN CRIMES

SEC. 201. (a) Section 3 of the act entitled "An act to establish a Board of Indeterminate Sentence and Parole for the District of Columbia and to determine its functions, and for other purposes," approved July 15, 1932, as amended (D. C. Code, sec. 24–203), is amended by inserting "(a)" after "SEC. 3."; by inserting ", except as provided in subsections (b) and (c)" after "hereafter" in the first sentence; and by adding at the end of the section the following new subsections:

"(b) The minimum sentence imposed under this section on a person convicted of an assault with intent to commit rape in violation of section 803 of the act entitled 'An act to establish a code of law for the District of Columbia', approved March 3, 1901, as amended (D. C. Code, sec. 22–501), or of robbery (other than robbery by stealthy seizure, commonly known as picking pockets) in violation of section 810 of such act (D. C. Code, sec. 22–2901), or of housebreaking at night in violation of section 823 of such act (D. C. Code, sec. 22–1801), shall not be less than 1 year, and if the violation occurs after the person has been convicted in the District of Columbia or elsewhere of a crime of violence as defined in section 1 of the act of July 8, 1932, as amended, providing for the control of dangerous weapons in the District of Columbia (D. C. Code, sec. 22–3201), the minimum sentence shall not be less than 2 years. The minimum sentence imposed under this section on a person convicted of rape in violation of section 806 of the act entitled 'An act to establish a code of law for the District of Columbia,' approved March 3, 1901, as amended (D. C. Code, sec. 22–2801), shall not be less than 3 years, and if the violation occurs after the person has been convicted in the District of Columbia or elsewhere of a crime of violence, as so defined, the minimum sentence shall not be less than 7 years. The maximum sentence in each case to which this subsection applies shall not be less than three times the minimum sentence imposed, and shall not be more than the maximum fixed by law.

"(c) For a person convicted of—

"(1) a violation of section 432 (b) of the Revised Statutes, relating to the District of Columbia, as amended (D. C. Code, sec. 22–505, relating to assault with a dangerous weapon on a police officer);

"(2) a violation of section 3 of the act of July 8, 1932, as amended, providing for the control of dangerous weapons in the District (D. C. Code, sec. 22–3203, relating to illegal possession of a pistol), occurring after the person has been convicted of violating that section; or

"(3) a violation of section 209 of the District of Columbia Law Enforcement Act of 1953 (relating to possession of implements of crime) occurring after the person has been convicted in the District of Columbia of a violation of that section or of a felony, either in the District of Columbia or in another jurisdiction, the minimum sentence imposed under this section shall not be less than 1 year, and the maximum sentence shall not be less than three times the minimum sentence imposed nor more than the maximum fixed by law."

(b) Section 4 of the act entitled "An act to reorganize the system of parole of prisoners convicted in the District of Columbia", approved July 17, 1947 (D. C. Code, sec. 24–201c, relating to reduction of minimum sentences), is amended by adding at the end thereof the following new sentence: "If a prisoner is serving a sentence for a crime for which a minimum sentence is prescribed by section 3 (b) of the act entitled 'An act to establish a Board of Indeterminate Sentence and Parole for the District of Columbia and to determine its functions, and for other purposes, approved July 15, 1932, as amended, his minimum sentence shall not be reduced under this section below the minimum sentence so prescribed."

(c) The first sentence of section 2 of the act entitled "An act for the establishment of a probation system for the District of Columbia," approved June 25, 1910 (D. C. Code, sec. 24–102), is amended by adding "or any other crime for which a minimum sentence is prescribed by section 3 (b) of the act entitled 'An act to establish a Board of Indeterminate Sentence and Parole for the District of Columbia and to determine its functions, and for other purposes,' approved July 15, 1932, as amended," after "kidnapping,".

(d) The first sentence of section 5025 of title 18 of the United States Code (relating to the applicability of the Federal Youth Corrections Act to District prisoners) is amended by adding immediately before the period at the end thereof the following: ", except those offenses for which minimum sentences are prescribed by section 3 (b) of the act entitled 'An act to establish a Board of Indeterminate Sentence and Parole for the District of Columbia and to determine its functions, and for other purposes,' approved July 15, 1932, as amended."

(e) The amendments made by this section shall not apply with respect to any sentence imposed for a crime committed before the date of the enactment of this act.

SEX OFFENSES

SEC. 202. (a) (1) Section 9 of the act entitled "An act for the preservation of the public peace and the protection of property within the District of Columbia," approved July 29, 1892, as amended (D. C. Code, sec. 22–1112), is amended to read as follows:

"SEC. 9. (a) It shall not be lawful for any person or persons to make any obscene or indecent exposure of his or her person, or to make any lewd, obscene, or indecent sexual proposal, or to commit any other lewd, obscene, or indecent act in the District of Columbia, under penalty of not more than $300 fine, or imprisonment of not more than 90 days, or both, for each and every such offense.

"(b) Any person or persons who shall commit an offense described in subsection (a), knowing he or she or they are in the presence of a child under the age of 16 years, shall be punished by imprisonment of not more than 1 year, or fined in an amount not to exceed $1,000, or both, for each and every such offense."

(2) Section 18 of such act (D. C. Code, sec. 22–109) is amended by adding at the end thereof the following new sentence: "The second sentence of this section shall not apply with respect to any violation of section 9 (b)."

(b) The first section of the act entitled "An act for the suppression of prostitution in the District of Columbia," approved August 15, 1935, as amended (D. C. Code, sec. 22–270), is amended to read as follows:

"That it shall not be lawful for any person to invite, entice, persuade, or to address for the purpose of inviting, enticing, or persuading, any person or persons 16 years of age or over in the District of Columbia, for the purpose of prostitution, or any other immoral or lewd purpose, under a penalty of not more $250 or imprisonment for not more than 90 days, or both."

ABORTION

SEC. 203. Section 809 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended (D. C. Code, sec. 22–201), is amended to read as follows:

"SEC. 809. Whoever, by means of any instrument, medicine, drug, or other means whatever, procures or produces, or attempts to procure or produce an abortion or miscarriage on any woman, unless the same were done as necessary for the preservation of the mother's life or health and under the direction of a competent licensed practitioner of medicine, shall be imprisoned in the penitentiary not less than 1 year or not more than 10 years; or if the death of the mother results therefrom, the person procuring or producing, or attempting to procure or produce the abortion or miscarriage shall be guilty of second-degree murder."

AMENDMENTS TO THE DANGEROUS WEAPONS ACT

SEC. 204. (a) For the purposes of this section, the term "Dangerous Weapons Act" means the act of July 8, 1932, as amended, providing for the control of dangerous weapons in the District.

(b) Section 3 of the Dangerous Weapons Act (D. C. Code, sec. 22–3203) is amended to read as follows:

"CERTAIN PERSONS FORBIDDEN TO POSSESS PISTOLS

"SEC. 3. No person shall own or keep a pistol, or have a pistol in his possession or under his control, within the District of Columbia, if—

"(1) he is a drug addict;

"(2) he has been convicted in the District of Columbia or elsewhere of a felony;

"(3) he has been convicted of violating the first section of the act entitled 'An act for the suppression of prostitution in the District of Columbia,' approved August 15, 1935, as amended (D. C. Code, sec. 22–2701), the first section of the act entitled 'An act to confer concurrent jurisdiction on the police court of the District of Columbia in certain cases,' approved July 16, 1912 (keeping bawdyhouse, D. C. Code, sec. 22–2722), or the act entitled 'An act to define and punish vagrancy in the District of Columbia, and for

other purposes,' approved December 17, 1941 (D. C. Code, title 22, ch. 33); or

"(4) he is not licensed under section 10 of this act to sell weapons, and he has been convicted of violating this act.

No person shall keep a pistol for, or intentionally make a pistol available to, such a person, knowing that he has been so convicted or that he is a drug addict. Whoever violates this section shall be punished as provided in section 15 of this act, unless the violation occurs after he has been convicted of a violation of this section, in which case he shall be imprisoned for not more than 10 years."

(c) Section 4 of the Dangerous Weapons Act (D. C. Code, sec. 22-3204) is amended by striking out everything after "being so concealed" and inserting in lieu thereof a period and the following new sentence: "Whoever violates this section shall be punished as provided in section 15 of this act, unless the violation occurs after he has been convicted in the District of Columbia of a violation of this section or of a felony, either in the District of Columbia or in another jurisdiction, in which case he shall be sentenced to imprisonment for not more than 10 years."

(d) Section 7 of the Dangerous Weapons Act (D. C. Code, sec. 22-3207) is amended to read as follows:

"SELLING TO MINORS AND OTHERS

"SEC. 7. No person shall within the District of Columbia sell any pistol to a person who he has reasonable cause to believe is not of sound mind, or is forbidden by section 3 of this act to possess a pistol, or, except when the relation of parent and child or guardian and ward exists, is under the age of 21 years."

(e) The second sentence of section 8 of the Dangerous Weapons Act (D. C. Code, sec. 22-3208) is amended by striking out "a statement that he has never been convicted in the District of Columbia or elsewhere of a crime of violence" and inserting in lieu thereof "a statement that he is not forbidden by section 3 of this act to possess a pistol."

(f) The first sentence of paragraph 3 of section 10 of the Dangerous Weapons Act (D. C. Code, sec. 22-3210) is amended to read as follows: "No pistol shall be sold (a) if the seller has reasonable cause to believe that the purchaser is not of sound mind or is forbidden by section 3 of this act to possess a pistol or is under the age of 21 years, and (b) unless the purchaser is personally known to the seller or shall present clear evidence of his identity."

(g) The first sentence of paragraph 5 of section 10 of the Dangerous Weapons Act (D. C. Code, sec. 22-3210) is amended by striking out "a statement signed by the purchaser that he has never been convicted in the District of Columbia or elsewhere of a crime of violence" and inserting in lieu thereof "a statement by the purchaser that he is not forbidden by section 3 of this act to possess a pistol."

(h) Section 14 of the Dangerous Weapons Act (D. C. Code, sec. 22-3214) is amended by inserting "(a)" after "SEC. 14."; by inserting "switch-blade knife," after "sandbag,"; and by adding at the end thereof the following new subsections:

"(b) No person shall within the District of Columbia possess, with intent to use unlawfully against another, an imitation pistol, or a dagger, dirk, razor, stiletto, or knife with a blade longer than 3 inches, or other dangerous weapon.

"(c) Whoever violates this section shall be punished as provided in section 15 of this act, unless the violation occurs after he has been convicted in the District of Columbia of a violation of this section or of a felony, either in the District of Columbia or in another jurisdiction, in which case he shall be imprisoned for not more than 10 years."

ASSAULT ON POLICE OFFICER

SEC. 205. Section 432 of the Revised Statutes, relating to the District of Columbia, as amended (D. C. Code, sec. 22-505), is amended to read as follows:

"SEC. 432. (a) Whoever without justifiable excusable cause, assaults, resists, opposes, impedes, intimidates, or interferes with any officer or member of any police force operating in the District of Columbia while engaged in or on account of the performance of his official duties, shall be fined not more than $5,000 or imprisoned not more than 5 years or both.

"(b) Whoever in the commission of any such acts uses a deadly or dangerous weapon shall be imprisoned not more han 10 years."

GAMBLING

SEC. 206. (a) Section 863 (a) of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended (D. C. Code, sec. 22-1502), is amended to read as follows:

"SEC. 863a. If any person shall, within the District of Columbia, knowingly have in his possession or under his control, any record, notation, receipt, ticket, certificate, bill, slip, token, paper, or writing, current or not current, used or to be used in violating the provisions of sections 863, 865, or 869 of this act, he shall, upon conviction of each such offense, be fined not more than $1,000 or be imprisoned for not more than 1 year, or both. For the purpose of this section, possession of any record, notation, receipt, ticket, certificate, bill, slip, token, paper, or writing shall be presumed to be knowing possession thereof."

(b) Section 866 of such act (D. C. Code, sec. 22-1505) is amended to read as follows:

"SEC. 866. (a) Any house, building, vessel, shed, booth, shelter, vehicle, enclosure, room, lot, or other premises in the District of Columbia, used or to be used in violating the provisions of section 863 or 865 of this act, shall be deemed 'gambling premises' for the purpose of this section.

"(b) It shall be unlawful for any person in the District of Columbia knowingly, as owner, lessee, agent, employee, operator, occupant, or otherwise, to maintain or aid or permit the maintaining of any gambling premises.

"(c) All moneys, vehicles, furnishings, fixtures, equipment, stock (including, without limitation, furnishings and fixtures adaptable to nongambling uses, and equipment and stock for printing, recording, computing, transporting, safekeeping, or communication), or other things of value used or to be used—

"(1) in carrying on or conducting any lottery, or the game or device commonly known as a policy lottery or policy, contrary to the provisions of section 863 of this act;

"(2) in setting up or keeping any gaming table, bank, or device contrary to the provisions of section 865 of this act; or

"(3) in maintaining any gambling premises,

shall be subject to seizure by any member of the metropolitan police force or the United States Park Police, or the United States marshal, or any deputy marshal, for the District of Columbia, and shall, unless good cause is shown to the contrary by the owner, be forfeited to the District of Columbia. Forfeitures under this subsection shall be enforced by proceedings in the United States District Court for the District of Columbia as provided in chapter 163 of title 28 of the United States Code. Forfeit moneys and other proceeds realized from the enforcement of this section shall be deposited in the Treasury of the United States to the credit of the District of Columbia.

"(d) Whoever violates this section shall be imprisoned not more than 1 year or fined not more than $1,000, or both, unless the violation occurs after he has been convicted of a violation of this section, in which case he may be imprisoned for not more than 5 years, or fined not more than $2,000, or both."

(c) Section 869 of such act, as amended (D. C. Code, sec. 22-1508), is amended to read as follows:

"SEC. 869. It shall be unlawful for any person, or association of persons, within the District of Columbia to purchase, possess, own, or acquire any chance, right, or interest, tangible or intangible, in any policy lottery or any lottery, or to make or place a bet or wager, accept a bet or wager, gamble or make books or pools on the result of any athletic contest. For the purpose of this section, the term 'athletic contest' means any of the following, wherever held or to be held: a football, baseball, softball, basketball, hockey, or polo game, or a tennis, golf, or wrestling match, or a tennis or golf tournament, or a prize fight or boxing match, or a trotting or running race of horses, or a running race of dogs, or any other athletic or sporting event or contest. Any person or association of persons violating this section shall be fined not more than $1,000 or imprisoned not more than 1 year, or both."

(d) Subchapter 5, chapter 19, of such act, as amended (D. C. Code, title 22, ch. 15), is amended by adding thereto a new section as follows:

"SEC. 869f. (a) Whenever, in the judgment of the United States attorney for the District of Columbia, the testimony of any witness, or the production of books, papers, or other records or documents, by any witness, in any case or proceeding involving a violation of this subchapter before any grand jury or a court in the District of Columbia, is necessary in the public interest, such witness shall not be excused from testifying or from producing books, papers, and other records and documents on the grounds that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him, or subject him to penalty or forfeiture; but such witness shall not be prosecuted or subject to any penalty or forfeiture for or on account of any transaction, matter or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, documentary or otherwise; except that such witness so testifying shall not be exempt from prosecution and punishment for perjury or contempt committed in so testifying.

"(b) The judgment of the United States attorney for the District of Columbia that any testimony, or the production of any books, papers, or other records or documents, is necessary in the public interest shall be confirmed in a written communication over the signature of the United States attorney for the District of Columbia, addressed to the grand jury or the court in the District of Columbia concerned, and shall be made a part of the record of the case or proceeding in which such testimony or evidence is given."

ARRESTS WITHOUT A WARRANT

SEC. 207. (a) Arrests without a warrant, and searches of the person and seizures pursuant thereto, may be made for violation of any section listed in subsection (b), by police officers, as in the case of a felony, upon probable cause that the person arrested is violating the section involved at the time of the arrest.

(b) Subsection (a) shall apply with respect to section 209 of this act (possession of implements of crime), sections 3, 4, and 14 of the act of July 8, 1932, as amended, providing for the control of dangerous weapons in the District (D. C. Code, secs. 22-3203, 22-3204, and 22-3214), and section 863 (a) of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amend-

ed (possession of lottery tickets; D. C. Code, sec. 22–1502).

(c) Arrests without a warrant, and searches of the person and seizures pursuant thereto, may be made for violation of section 827 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended (petit larceny; D. C. Code, sec. 22–2202), by police officers, as in the case of a felony, upon probable cause that the person arrested has in his possession at the time of the arrest, property taken in violation of that section.

(d) No evidence discovered in the course of any arrest, search, or seizure authorized by this section shall be admissible in any criminal proceeding against the person arrested unless at the time of such arrest he was violating one of the sections referred to in subsection (b) or had in his possession property taken in violation of the section referred to in subsection (c).

PRESENCE IN ILLEGAL ESTABLISHMENTS

SEC. 208. (a) Whoever is found in the District in a gambling establishment or an establishment where intoxicating liquor is sold without a license or any narcotic drug is sold, administered, or dispensed without a license shall, if he knew that it was such an establishment and if he is unable to give a good account of his presence in the establishment, be imprisoned for not more than 1 year or fined not more than $500, or both.

(b) Whoever is employed in a gambling establishment in the District or an establishment in the District where intoxicating liquor is sold without a license or where any narcotic drug is sold, administered, or dispensed without a license, knowing that it is such an establishment, shall be imprisoned for not more than 1 year or fined not more than $500, or both.

POSSESSING IMPLEMENTS OF CRIME

SEC. 209. (a) No person shall have in his possession in the District any instrument, tool, or other implement for picking locks or pockets, or that is usually employed or reasonably may be employed in the commission of any crime, if he is unable satisfactorily to account for the possession of the implement. Whoever violates this section shall be imprisoned for not more than 1 year and may be fined not more than $1,000, unless the violation occurs after he has been convicted in the District of a violation of this section or of a felony, either in the District or in another jurisdiction, in which case he shall be imprisoned for not less than 1 nor more than 10 years.

(b) Paragraph (3) of this first section of the act entitled "An act to define and punish vagrancy in the District of Columbia, and for other purposes," approved December 17, 1941 (D. C. Code, sec. 22–3302), is repealed.

UNLAWFUL ASSEMBLY—PROFANE AND INDECENT LANGUAGE

SEC. 210. Section 6 of the act entitled "An act for the preservation of the public peace and the protection of property within the District of Columbia," approved July 29, 1892, as amended (D. C. Code, sec. 22–1107, relating to unlawful assembly, profane and indecent language), is amended by striking out "$25" and inserting in lieu thereof "$250 or imprisonment for not more than 90 days, or both."

DISORDERLY CONDUCT

SEC. 211. (a) Whoever, with intent to provoke a breach of the peace, or under circumstances such that a breach of the peace may be occasioned thereby—

(1) Acts in such a manner as to annoy, disturb, interfere with, obstruct, or be offensive to others;

(2) Congregates with others on a public street and refuses to move on when ordered by the police;

(3) Shouts or makes a noise either outside or inside a building during the nighttime to the annoyance or disturbance of any considerable number of persons;

(4) Interferes with any person in any place by jostling against such person or unnecessarily crowding him or by placing a hand in the proximity of such person's pocketbook, or handbag; or

(5) Causes a disturbance in any streetcar, railroad car, omnibus, or other public conveyance, by running through it, climbing through windows or upon the seats, or otherwise annoying passengers or employees, shall be fined not more than $250 or imprisoned not more than 90 days, or both.

(b) Section 18 of the act entitled "An act for the preservation of the public peace and the protection of property within the District of Columbia," approved July 29, 1892 (D. C. Code, sec. 22–109), is amended by inserting "section 211 of the District of Columbia Law Enforcement Act of 1953 or" after "violations of" and after "convicted of any violation of."

THREATS TO DO BODILY HARM

SEC. 212. Section 2 of the act entitled "An act to confer concurrent jurisdiction on the police court of the District of Columbia in certain cases," approved July 16, 1912 (D. C. Code, secs. 11–605 and 22–507), is amended to read as follows:

"SEC. 2. That the Municipal Court for the District of Columbia shall also have concurrent jurisdiction with the United States District Court for the District of Columbia of threats to do bodily harm, and any person convicted of such offense shall be sentenced to imprisonment not exceeding 6 months or a fine not exceeding $500, or both, and, in addition thereto or in lieu thereof, may be required to give bond to keep the peace for a period not exceeding 1 year."

RECEIVING STOLEN GOODS

SEC. 213. Section 829 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended (D. C. Code, sec. 22–2205), is amended to read as follows:

"SEC. 829. Receiving stolen goods: Any person who shall, with intent to defraud, receive or buy anything of value which shall have been stolen or obtained by robbery, knowing or having cause to believe the same to be stolen or so obtained by robbery, if the thing or things received or bought shall be of the value of $100 or upward, shall be imprisoned for not less than 1 year nor more than 10 years; or if the value of the thing or things so received or bought be less than $100, shall be fined not more than $500, or imprisoned not more than 1 year, or both."

FORNICATION

SEC. 214. If any unmarried man or woman commits fornication in the District, each shall be fined not more than $300 or imprisoned not more than 6 months, or both.

AMENDMENTS TO CERTAIN PENAL PROVISIONS RELATING TO THE TAKING OF PROPERTY

SEC. 215. (a) Section 826 of the act entitled "An act to establish a code of law for the District of Columbia", approved March 3, 1901, as amended (D. C. Code, sec. 22–2201), is amended by striking out "$50" and inserting in lieu thereof "$100."

(b) Section 826c of such act, as amended (D. C. Code, sec. 22–2204a), is amended by striking out "$50" and inserting in lieu thereof "$100."

(c) Section 827 of such act, as amended (D. C. Code, sec. 22–2202), is amended by striking out "$50" and inserting in lieu thereof "$100."

(d) Section 828 of such act, as amended (D. C. Code, sec. 22–2208), is amended by striking out "thirty-five dollars" and inserting in lieu thereof "$100."

(e) Section 842 of such act, as amended (D. C. Code, sec. 22–1301), is amended by striking out "$50" and inserting in lieu thereof $"100."

(f) Section 851a of such act, as amended (D. C. Code, sec. 22–1207), is amended by striking out "$50" and inserting in lieu thereof "$100."

(g) Section 851b of such act, as amended (D. C. Code, sec. 22–2203), is amended by striking out "$50" and inserting in lieu thereof "$100."

TITLE III—METROPOLITAN POLICE DEPARTMENT

RECORDS—GENERAL PROVISIONS

SEC. 301. (a) Section 386 of the Revised Statutes, relating to the District of Columbia, as amended (D. C. Code, sec. 4–134), is amended to read as follows:

"SEC. 386. The Board of Commissioners shall cause the Metropolitan Police force to keep the following records:

"(1) General complaint files, in which shall be entered every complaint preferred upon personal knowledge of the circumstances thereof, with the name and residence of the complainant;

"(2) Records of lost, missing, or stolen property;

"(3) A personal record of each member of the Metropolitan Police force, which shall contain his name and residence; the date and place of his birth; his marital status; the date he became a citizen, if foreign born; his age; his former occupation; and the dates of his appointment and separation from office, together with the cause of the latter; and

"(4) Such other records as the Board of Commissioners considers necessary for the efficient operation of the Metropolitan Police force."

(b) Section 389 of the Revised Statutes, relating to the District of Columbia, as amended (D. C. Code, sec. 4–135), is amended to read as follows:

"SEC. 389. The records required to be kept by paragraphs (1), (2), and (3) of section 386 shall be open to public inspection when not in actual use."

(c) Section 390 of the Revised Statutes, relating to the District of Columbia, as amended (D. C. Code, sec. 4–137), is amended to read as follows:

"SEC. 390. All records of the Metropolitan Police force shall be preserved, except that the Board of Commissioners, upon recommendation of the major and superintendent of police, may cause records which it considers to be obsolete or of no further value to be destroyed."

CENTRAL CRIMINAL RECORDS

SEC. 302. (a) In addition to the records kept under section 386 of the Revised Statutes, relating to the District of Columbia (D. C. Code, sec. 4–134), the Metropolitan Police force shall keep a record of each case in which an individual in the custody of any police force or of the United States marshal is charged with having comitted a criminal offense in the District (except those traffic violations and other petty offenses to which the Commissioners determine this section should not apply). The record shall show—

(1) the circumstances under which the individual came into the custody of the police or the United States marshal;

(2) the charge originally placed against him, and any subsequent changes in the charge (if he is charged with murder, manslaughter, or causing the death of another by the operation of a vehicle at an immoderate speed or in a careless, reckless, or negligent manner, the charge shall be recorded as "homicide");

(3) if he is released (except on bail) without having his guilt or innocence of the charge determined by a court, the circumstances under which he is released;

(4) if his guilt or innocence is so determined, the judgment of the court;

(5) if he is convicted, the sentence imposed; and

(6) if, after being confined in a correctional institution, he is released therefrom, the circumstances of his release.

(b) The Attorney General, the Corporation Counsel, the United States Commissioner for the District, the clerk of the district court, the clerk of the municipal court, and the Director of the Department of Corrections shall furnish the Chief of Police with such information as the Commissioners consider necessary to enable the Metropolitan Police force to carry out this section.

REPORTS BY INDEPENDENT POLICE

SEC. 303. Reports shall be made to the Chief of Police, in accordance with regulations prescribed by the Commissioners, of each offense reported to, and each arrest made by, any other police force operating in the District.

NOTICE OF RELEASE OF PRISONERS

SEC. 304. (a) Whenever the Board of Parole of the District of Columbia has authorized the release of a prisoner under section 4 of the act entitled "An act to establish a Board of Indeterminate Sentence and Parole for the District of Columbia and to determine its functions, and for other purposes," approved July 15, 1932, as amended (D. C. Code, sec. 24–204), or the United States Board of Parole has authorized the release of a prisoner under section 6 of that act, as amended (D. C. Code, sec. 24–206), it shall notify the Chief of Police of that fact as far in advance of the prisoner's release as possible.

(b) Except in cases covered by subsection (a) of this section, notice that a prisoner under sentence of 6 months or more is to be released from an institution under the management and regulation of the Director of the Department of Corrections shall be given to the Chief of Police as far in advance of the prisoner's release as possible.

BONDING OF METROPOLITAN POLICE

SEC. 305. (a) The Commissioners shall obtain a bond to secure the District against loss resulting from any act of dishonesty by any officer or member of the Metropolitan Police force. Bonds obtained under this section shall be in such amounts, and may secure the District against loss resulting from such other acts by officers and members of the Metropolitan Police force, as the Commissioners shall consider appropriate. The Commissioners may obtain such bonds by negotiation, without regard to section 3709 of the Revised Statutes, as amended (41 U. S. C., sec. 5), and shall pay the cost of such bonds out of funds appropriated for the expenses of the Metropolitan Police Department for fiscal years beginning after June 30, 1953.

(b) Section 2 of the act entitled "An act relating to the Metropolitan Police of the District of Columbia," approved February 28, 1901 (D. C. Code, sec. 4–109), is repealed.

(c) This section shall take effect July 1, 1953.

FEES FOR STORING PROPERTY

SEC. 306. (a) Section 413 of the Revised Statutes, relating to the District of Columbia (D. C. Code, sec. 4–156), is amended by adding at the end thereof the following new sentence: "Before delivering any property coming into his custody as a result of the death of the owner or the execution by the United States marshal of a judgment to recover possession of real property, or any property which is lost, abandoned, or alleged to have been feloniously obtained or to be the proceeds of crime, the property clerk shall collect from the person claiming the property a fee, to be fixed under regulations prescribed by the Board of Commissioners, to reimburse the District of Columbia for the cost of services rendered by the Metropolitan Police force in taking custody of, protecting, and storing the property."

(b) Any vehicle impounded by any officer or member of the Metropolitan Police force may be kept impounded until the person claiming the vehicle pays a fee, to be fixed under regulations prescribed by the Commissioners, to reimburse the District for the cost of storing the vehicle, for each day in excess of 7 days during which it is impounded.

(c) Fees collected by reason of this section shall be paid into the Treasury of the United States to the credit of the District of Columbia.

MOBILE LABORATORY

SEC. 307. The Metropolitan Police force shall maintain and operate a motor vehicle equipped with cameras, photographic developing equipment, an electrical generator, floodlights, and such other equipment as may be necessary to permit the use of the vehicle as a mobile laboratory to handle evidence at the scenes of crimes and otherwise to aid in the prevention and detection of crime.

TITLE IV—GENERAL PROVISIONS

THE COUNCIL ON LAW ENFORCEMENT IN THE DISTRICT

SEC. 401. (a) The Council on Law Enforcement in the District of Columbia (referred to in this section as the "Council") is hereby created.

(b) The Council shall be composed of the following members:

(1) The President of the Board of Commissioners;

(2) The Chief of Police;

(3) The Chief of the United States Park Police;

(4) The United States attorney;

(5) The corporation counsel;

(6) A United States Commissioner for the District;

(7) The Director of the Department of Corrections;

(8) The parole executive of the Board of Parole of the District;

(9) The United States marshal for the District;

(10) One person appointed by the chief judge of the district court.

(11) One person appointed by the chief judge of the municipal court;

(12) The judge of the juvenile court of the District of Columbia;

(13) One person appointed by the Bar Association of the District of Columbia;

(14) One person appointed by the Washington Bar Association; and

(15) One person appointed by the Washington Criminal Justice Association.

(c) The council shall make a continuing study and appraisal of crime and law enforcement in the District, and shall make a report to the Senate and the House of Representatives at the beginning of each regular session of Congress.

(d) The council shall select a chairman from among its members. The council shall meet at regular intervals at least four times annually, at times to be fixed by the chairman. A special meeting may be held at any time upon the call of the chairman. The first meeting of the council shall be called by the president of the Board of Commissioners, who shall preside until a chairman is selected.

POWERS OF INVESTIGATORS ASSIGNED TO UNITED STATES ATTORNEY

SEC. 402. Any special investigator appointed by the Attorney General and assigned to the United States attorney for the District shall have authority to execute all lawful writs, process, and orders issued under authority of the United States, and command all necessary assistance to execute his duties, and shall have the same powers to make arrests as are possessed by members of the Metropolitan Police Force of the District.

UNITED STATES COMMISSIONER

SEC. 403. Each United States Commissioner for the District may employ secretarial and clerical assistants in such number and incur such other expenses as the district court considers necessary.

LICENSES FOR BOTTLE CLUBS

SEC. 404. (a) Section 7 of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25–107), is amended by striking out the period following the word "morals" at the end of the first paragraph thereof and inserting in lieu thereof the following: ", and the Commissioners are further authorized to prescribe such rules and regulations not inconsistent with this act as they may deem necessary to properly and adequately control the consumption of alcoholic beverages on premises licensed under paragraph (1) of section 11 of this act, with specific authority to prescribe the hours during which alcoholic beverages may be consumed on such premises."

(b) Section 9 (a) of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25–109 (a)), is amended by adding at the end thereof the following new paragraph:

"It shall be unlawful for any person operating any premises where food, nonalcoholic beverages, or entertainment are sold or provided for compensation, and where facilities are especially provided and service is rendered for the consumption of alcoholic beverages, who does not possess a license under this act, to permit the consumption of such alcoholic beverages on such premises."

(c) Section 10 of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25–110), is amended to read as follows:

"SEC. 10. The Board is authorized to issue licenses to individuals, partnerships, or corporations, but not to unincorporated associations, on application duly made therefor, for the manufacture, sale, offer for sale, consumption on premises of clubs where food, nonalcoholic beverages, or entertainment are sold or provided for compensation, or solicitation of orders for sale of alcoholic beverages within the District of Columbia. The Board shall keep a full record of all applications for licenses, and of all recommendations for and remonstrances against the granting of licenses and of the action taken thereon."

(d) Section 11 of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25–111), is amended by striking out the word "eleven" in the first sentence thereof and inserting in lieu thereof the word "twelve", and by adding immediately before the last paragraph thereof the following new subsection:

"(l) Consumption license for a club: Such a license shall be issued only for a club. The word 'club' within the meaning of this paragraph is a corporation for the promotion of some common object (not including corporations organized or conducted for any commercial or business purpose, or for money profit), owning, hiring, or leasing a building or space in a building of such extent and character as in the judgment of the Board may be suitable and adequate for the reasonable and comfortable use and accommodations of its members and their guests; and the affairs and management of such corporation are conducted by a board of directors, executive committee, or similar body chosen by the members at least once each calendar year, and no officer, agent, or employee of the club is paid, directly or indirectly, or receives in the form of salary or other compensation, any profit from the conduct and operation of the club beyond the amount of such salary as may be fixed and voted by the members or by its directors or other governing body. No license shall be issued to a club which has not been established for at least 3 months immediately prior to the

making of the application for such license. Such a license shall authorize the holder thereof to permit consumption of alcoholic beverages on such parts of the licensed premises as may be approved by the Board. The annual fee for such a license shall be $100."

(e) The first sentence of section 14 (b) of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25-115 (b)), is amended to read as follows: "Before granting a license under section 11 (1) of this act or a retailer's license, except a retailer's license class E or class F, the Board shall give notice by advertisement published once a week and for at least 2 weeks in some newspaper of general circulation published in the District of Columbia."

(f) The first sentence of section 14 (c) of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25-115 (c)), is amended by striking out the words "or class D" and inserting in lieu thereof the following: ", class D or a license issued under section 11 (1) of this act."

(g) Section 20 of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25-121), is amended by adding at the end thereof the following new paragraph:

"No person being the holder of a license issued under section 11 (1) of this act shall permit on the licensed premises the consumption of alcoholic beverages, with the exception of beer and light wines, by any person under the age of 21 years, or permit the consumption of beer and light wines by any person under the age of 18 years; or the consumption of any beverage by any intoxicated person, or any person of notoriously intemperate habits, or any person who appears to be intoxicated; and ignorance of the age of any such minor shall not be a defense to any action instituted under this section. No licensee shall be liable to any person for damages claimed to arise from refusal to permit the consumption of any beverage on any premise licensed under section 11 (1) of this act."

(h) Section 28 of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25-126), is amended to read as follows:

"Sec. 28. (a) No person shall in the District of Columbia drink any alcoholic beverage in any street, alley, park, or parking; or in any vehicle in or upon the same; or in or upon any premises where food, nonalcoholic beverages, or entertainment are sold or provided for compensation not licensed under this act; or in any place to which the public is invited for which a license has not been issued hereunder permitting the sale and consumption of such alcoholic beverage upon such premises except premises licensed under section 11 (1) of this act; or in any place to which the public is invited (for which a license under this act has been issued) at a time when the sale of such alcoholic beverages on the premises is prohibited by this act or by the regulations promulgated thereunder, or in any place for which a license under section 11 (1) of this act has been issued at a time when the consumption of such alcoholic beverages on the premises is prohibited by regulations promulgated under this act. No such person shall be drunk or intoxicated in any street, alley, park, or parking; or in any vehicle in or upon the same or in any place to which the public is invited or at any public gathering and no person anywhere shall be drunk or intoxicated and disturb the peace of any person.

"(b) Any person violating the provisions of this section shall be punished by a fine of not more than $100 or by imprisonment for not more than 90 days, or both."

(i) Section 29 (a) of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25-129 (a)), is amended to read as follows:

"Sec. 29. (a) A search warrant may be issued by any judge of the municipal court for the District of Columbia or by a United States Commissioner for the District of Columbia when any alcoholic beverages are manufactured for sale, kept for sale, sold, or consumed in violation of the provisions of this act, and any such alcoholic beverages and any other property designed for use in connection with such unlawful manufacture for sale, keeping for sale, selling, or consumption may be seized thereunder, and shall be subject to such disposition as the court may make thereof, and such alcoholic beverages may be taken on the warrant from any house or other place in which it is concealed."

(j) The District of Columbia Alcoholic Beverage Control Act, as amended, is further amended by adding at the end thereof the following new section:

"Sec. 41. (a) Any building, ground, premises, or place where any intoxicating beverage is manufactured, sold, kept for sale, or permitted to be consumed in violation of this act is hereby declared to be a nuisance, and may be enjoined and abated as hereinafter provided.

"(b) An action to enjoin any nuisance defined in subsection (a) of this section may be brought in the name of the District of Columbia by the corporation counsel of the District of Columbia, or any of his assistants, in the civil branch of the municipal court for the District of Columbia against any person conducting or maintaining such nuisance or knowingly permitting such nuisance to be conducted or maintained. The rules of the municipal court for the District of Columbia relating to the granting of an injunction or restraining order shall be applicable with respect to actions brought under this subsection, except that the District as complaining party shall not be required to furnish bond or security. It shall not be necessary for the court to find the building, ground, premises, or place was being unlawfully used as aforesaid at the time of the hearing, but on finding that the material allegations of the complaint are true, the court shall enter an order restraining the defendant from manufacturing, selling, keeping for sale, or permitting to be consumed any alcoholic beverage in violation of this act. When an injunction, either temporary or permanent, has been granted it shall be binding on the defendant throughout the District of Columbia. Upon final judgment of the court ordering such nuisance to be abated, the court may order that the defendant, or any one claiming under him, shall not occupy or use, for a period of 1 year thereafter, the building, ground, premises, or place upon which the nuisance existed, but the court may, in its discretion, permit the defendant to occupy or use the said building, ground, premises, or place, if the defendant shall give bond with sufficient security to be approved by the court, in the penal and liquidated sum of not less than $500 nor more than $1,000, payable to the District of Columbia, and conditioned that intoxicating beverages will not thereafter be manufactured, sold, kept for sale, or permitted to be consumed in or upon the building, ground, premises, or place in violation of this act.

"(c) In the case of the violation of any injunction, temporary or permanent, rendered pursuant to the provisions of this section, proceedings for punishment for contempt may be commenced by the corporation counsel or any of his assistants, by filing with the court in the same case in which the injunction was issued a petition under oath setting out the alleged offense constituting the violation and serving a copy of said petition upon the defendant requiring him to appear and answer the same within 10 days from the service thereof. The trial shall be promptly held and may be upon affidavits or either party may demand the production and oral examination of the witnesses. Any person found guilty of contempt under the provisions of this section shall be punished by a fine of not more than $1,000 or by imprisonment for not more than 12 months, or by both such fine and imprisonment."

(k) Subsections (b) and (h) of this section shall take effect 60 days after the date of the enactment of this act.

PSYCHIATRIST AND PSYCHOLOGIST

Sec. 405. The Commissioners shall appoint a qualified psychiatrist and a qualified psychologist whose services shall be available to the following officers to assist them in carrying out their duties: (1) The probation officers of the district court and the municipal court, (2) such officers of the juvenile court of the District of Columbia as the judge thereof shall designate, (3) such officers of the Department of Corrections as the Director thereof shall designate, and (4) the Board of Parole of the District.

RECORDS TO BE KEPT BY BONDSMEN

Sec. 406. Section 8 of the act entitled "An act to regulate the business of executing bonds for compensation in criminal cases and to improve the administration of justice in the District of Columbia," approved March 3, 1933 (D. C. Code, sec. 23-608), is amended by inserting "(a)" after "Sec. 8." and by adding at the end of the section the following new subsection:

"(b) Each such court shall prescribe such rules and regulations as may be necessary to insure that whenever a bondsman becomes surety for compensation upon a bond in a criminal case before the court, the bondsman, or his agent, clerk, or representative, shall make a record, which shall be accurate to the best of the maker's knowledge and belief and shall thereafter be open for inspection by the court or its designated representative, and by the designated representative of other law-enforcement agencies of the District of Columbia, of the following matters:

"(1) The full name and address of the person for whom the bond is executed (referred to in this subsection as the 'defendant') and the full name and address of his employer, if any;

"(2) The offense with which the defendant is charged;

"(3) The name of the court or officer authorizing the defendant's admission to bail;

"(4) The amount of the bond;

"(5) The name of the person who called the bondsman, if other than the defendant;

"(6) The amount of the bondsman's charge for executing the bond;

"(7) The full name and address of the person to whom the bondsman presented his bill for such charge;

"(8) The full name and address of the person paying such charge; and

"(9) The manner of payment of such charge.

Whoever violates any rule or regulation prescribed under this subsection shall be fined not more than $500 or imprisoned not more than 6 months or both and if he is a bondsman, or the agent, clerk, or representative of a bondsman, shall be disqualified from thereafter engaging in any manner in the bonding business for such a period of time as the trial judge shall order."

EXTRADITION

Sec. 407. (a) Section 930 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended (D. C. Code, sec. 23-401), is amended by inserting "(a)" after "Sec. 930. Extradition.—" and adding at the end thereof the following new subsections:

"(b) The chief judge of the United States District Court for the District of Columbia may also surrender, on demand of the executive authority of any State, any person in the District of Columbia charged in such State in the manner provided in subsection (a) of

this section with committing an act in the District of Columbia, or in another State, intentionally resulting in a crime in the State whose executive authority is making the demand, even though the accused was not in that State at the time of the commission of the crime, and has not fled therefrom.

"(c) No person apprehended in accordance with the provisions of subsections (a) and (b) of this section shall be delivered over to the agent whom the executive authority demanding him shall have appointed to receive him unless he shall first be taken before the chief judge of the United States District Court for the District of Columbia who shall inform him of the demand made for his surrender, and of the crime with which he is charged, and that he has the right to demand and procure legal counsel; and if such person or his counsel shall state that he or they desire to test the legality of his arrest, the judge shall fix a reasonable time to be allowed him within which to apply for a writ of habeas corpus. When such writ is applied for, notice thereof, and of the time and place of hearing thereon, shall be given to the United States attorney for the District of Columbia, and to the said agent of the demanding State: *Provided, however*, That nothing contained in this subsection shall prevent such person from waiving his right to appear before the chief judge of the United States District Court for the District of Columbia and voluntarily returning in custody of a proper official to the jurisdiction of the State, Territory, or other possession of the United States which is demanding him."

(b) The act entitled "An act to provide for the detention of fugitives apprehended in the District of Columbia," approved April 21, 1928 (D. C. Code, secs. 23-401—410), is amended by inserting at the end thereof the following new section:

"SEC. 8. (a) The agent of the demanding State to whom the prisoner may have been delivered in accordance with the provisions of section 930 of the act entitled 'An act to establish a code of law for the District of Columbia,' approved March 3, 1901, as amended, may, when necessary, confine the prisoner in the Washington Asylum and Jail; and the superintendent of the Washington Asylum and Jail must receive and safely keep the prisoner for such reasonable time as will enable the officer or person having charge of him to proceed on his route, such officer or person being chargeable with the expense of keeping.

"(b) The officer or agent of a demanding State to whom a prisoner may have been delivered following extradition proceedings in another State, or to whom a prisoner may have been delivered after waiving extradition in such other State, and who is passing through the District of Columbia with such a prisoner for the purpose of immediately returning such prisoner to the demanding State, may, when necessary, confine the prisoner in the Washington Asylum and Jail; and the superintendent of the Washington Asylum and Jail must receive and safely keep the prisoner for such reasonable time as will enable the officer or agent to proceed on his route such officer or agent, however, being chargeable with the expense of keeping: *Provided, however*, That such officer or agent shall produce and show to the superintendent satisfactory written evidence of the fact that he is actually transporting such prisoner to the demanding State after a requisition by the executive authority of such demanding State. Such prisoner shall not be entitled to demand a new requisition while in the District of Columbia."

QUALIFICATIONS OF JURORS

SEC. 408. (a) Section 199 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended (D. C. Code, sec. 11-1402), is amended to read as follows:

"SEC. 199. The said jurors shall be selected, as nearly as may be, from the different parts of the District, and shall be selected, as nearly as may be, from its intelligent and upright residents."

(b) Section 215 of such act, as amended (D. C. Code, sec. 11-1417), is amended by striking out "and under sixty-five."

REFUSAL TO GIVE TESTIMONY

SEC. 409. (a) Any officer or employee of the District who refuses to testify upon matters relating to his office or employment in any proceeding wherein he is a defendant or is called as a witness, upon the ground that his answer may tend to incriminate him or compel him to be a witness against himself, or who refuses so to testify on such ground when called by a grand jury or a congressional committee, shall forfeit his office or employment and any emolument, perquisite, or benefit (by way of pension or otherwise) arising therefrom, and be disqualified from holding any public office or employment under the District.

(b) Any officer or employee of the District who refuses to testify upon matters relating to his former office or employment in any proceeding wherein he is a defendant or is called as a witness, upon the ground that his answer may tend to incriminate him or compel him to be a witness against himself, or who refuses so to testify on such ground when called by a grand jury or a congressional committee shall forfeit any emolument, perquisite, or benefit (by way of pension or otherwise) arising from such former office or employment, and be disqualified from holding any public office or employment under the District.

(c) If the retirement pay, pension, or annuity of any officer or employee or former officer or employee of the District is forfeited under this section, there shall be paid to such individual a sum equal to (1) the total amount paid by him as contributions toward such retirement pay, pension, or annuity, plus any accrued interest attributable to such contributions, less (2) the total amount of such retirement pay, pension, or annuity received by him prior to such forfeiture.

CONTEMPT OF THE MUNICIPAL COURT

SEC. 410. (a) Section 5 (c) of the Act of April 1, 1942, as amended (D. C. Code, sec. 11-756 (c)), is amended by inserting before "to punish" the following: "in any case or proceeding, whether civil or criminal,".

(b) The first sentence of section 48 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended (D. C. Code, sec. 11-606), is amended by striking out "; to punish contempts by fine not exceeding $20 and imprisonment for not more than 48 hours, or either, and" and inserting in lieu thereof a comma.

EFFECT OF REORGANIZATION PLAN NUMBERED 5

SEC. 411. Where any provision of this act, or any amendment made by this act, refers to an office or agency abolished by Reorganization Plan No. 5 of 1952, such reference shall be deemed to be to the office, agency, or officer exercising the functions of the office or agency so abolished.

Mr. TALLE (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the further reading of the bill be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Page 15, strike out the period at the end of line 11 and all that follows down through the word "Code" in line 15, and insert in lieu thereof the following: "by order of any court having jurisdiction, unless good cause is shown to the contrary by the owner, for disposition by public auction or as otherwise provided by law. Bona fide liens against property so forfeited shall, on good cause shown by the lienor, be transferred from the property to the proceeds of the sale of the property."

Page 26, line 3, strike out the word "destroyed." and insert in lieu thereof "destroyed".

Page 48, line 18, insert the word "than" after "for not more."

The committee amendments were agreed to.

The CHAIRMAN. Are there any further amendments?

Mr. TALLE. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GRAHAM, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 5312) to provide for the more effective prevention, detection, and punishment of crime in the District of Columbia, had directed him to report the bill back to the House with sundry amendments, with a recommendation that the amendments be agreed to and that the bill as amended do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. TALLE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

THIRD SUPPLEMENTAL APPROPRIATION BILL, 1953

Mr. TABER submitted a conference report and statement on the bill (H. R. 4664) making supplemental appropriations for the fiscal year ending June 30, 1953, and for other purposes.

VETERANS' LEGISLATION

Mr. LONG. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include letters and telegrams.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. LONG. Mr. Speaker, as a member of the Committee on Veterans' Affairs, I hear quite often a discussion of service- and non-service-connected veterans. I have a speech here which I have delivered before that I am placing in the RECORD this morning and I trust you will find time to read it.

May I say just one word. If it is incumbent upon a man to go to the defense of his country in time of need and make the supreme sacrifice or return home maimed for life, it is just as incumbent upon the Government to take care of him when he returns home sick, distressed and with no place to go.

Mr. Speaker, during the past few weeks, I, like other Members of the House, have received many letters, telegrams and messages from various veterans' organizations and individual citizens from my State, protesting the proposed economy cut in the Veterans' Administration's budget. I am speaking specifically of the appropriations to maintain the hospitals and to care for our brave sons who have offered their lives in the defense of our great country.

It is not my purpose, at this time, to discuss this matter at length. I wish rather to make a brief statement here on the floor of the House, not only as a Member of the House, but also as a member of the Veterans' Affairs Committee and the subcommittee on hospitals.

Mr. Speaker, some of the Members seem to have taken upon their shoulders the responsibility of leading the fight to cut the veterans' hospital appropriations down to a point at which many of our hospitals under construction and others now in operation would be forced to curtail their services for veterans. In many instances, construction would be stopped and hospitals would be closed. It would seem to me that some of our Republican friends are trying to make a record of the so-called economy drive in order to appease their party. I am afraid, however, that they have not studied this matter and have not been properly informed as to the tragedy that might take place among the war veterans of this Nation. Mr. Speaker, I am in favor of economy, and I will go along with anyone in this House to cut out extravagance and waste of the taxpayers' money in any department where evidence proves that it is needed, but, Mr. Speaker, I will never cast my vote to reduce the appropriation 1 cent to deprive our veterans of needed hospitalization.

I am wondering just what some of our Republican colleagues will say to the thousands of disabled veterans of this Nation when they return home this summer. If their economy drive succeeds, they will see construction stopped on hospitals which have already been authorized, and, in many cases, they will see a curtailment of medical services now being rendered to many needy disabled veterans of this Nation.

Mr. Speaker, much has been said recently, both here in Congress and throughout the Nation, about the term "service connected" disability cases. I want to pause here and make my position crystal clear in connection with this matter of service-connected and non-service-connected cases. When a great nation like the United States takes its sons away from their homes and loved ones for service in the Armed Forces, subjecting them to the drilling and training which is required in our Armed Forces, and sometimes sending them to serve in battle, that nation owes something to those men. If he is fortunate enough to come out alive, the veteran is returned to his home with the task of having to start over again to meet the problems of life. In many cases, due either to physical incapacitation or to other circumstances, he is not able to return to his profession or job. I think, Mr. Speaker, that the least thing that a grateful government can do is to see that this veteran is guaranteed free hospitalization when he is in need of it, regardless if he be classed as a non-service-connected case.

As a member of the Veterans' Affairs Committee, although I have only served a few months, I have listened to evidence submitted in connection with the so-called service-connected disability cases. I cannot understand how we can determine, in the majority of cases under the present rules and regulations, whether a man's disability was caused while he was in the service or after he was discharged. There are many veterans today suffering from the tragedies of war, and yet they are unable to prove that their disabilities were caused while in the service. In some cases the veteran's records were lost, and in many cases his disabilities were never recorded. Therefore, Mr. Speaker, it is my plan, in the near future, to ask the Veterans' Affairs Committee to change the rules with regard to the service-connected disability question so that these deserving men and women who left their homes and offered their lives to help defend our great Nation may be accorded fair play in connection with the obligation this Nation has to them. Mr. Speaker, when a veteran of any war finds himself unable to work because of illness, without funds, hungry, with no home, and no place to go, I say that this veteran has a right to expect the Government that he offered his life to defend to take care of him in his hour of distress. In other words, Mr. Speaker, if it is incumbent upon a man to offer his life to defend this country—and I say it is—then it is just as incumbent upon that Government to come to his aid in time of need. Therefore, Mr. Speaker, I shall recommend that when any veteran who has received an honorable discharge from any branch of the armed services, he shall be eligible for admittance to any veterans' hospital, regardless of when or where the disabilities occurred, or the time served in any branch of the armed service.

Mr. Speaker, I am inserting in the RECORD today, a few of the many telegrams and letters which I have received from my district and State, from veterans' organizations and individual citizens, appealing to Congress not to use this false economy ax on the veterans' appropriation. There is one particular letter I want and urge the Members to read. It is a letter from a life-long friend of mine from Oklahoma. His name is Ernest G. Albright, and he has spent the last 25 years, to my knowledge, crusading in behalf of the welfare of the veterans of all wars. I remember how in 1932 he led the Oklahoma bonus army to Washington to fight for the payment of the adjusted service certificates to the veterans, of whom many were, at that time, facing starvation. He has continuously fought to help individual veterans with their claims and with their problems.

In closing, Mr. Speaker, I urge all of the Members of Congress to give serious thought and consideration to this matter before they vote for any economy move which would prevent America from keeping faith with its gallant men and women who have sacrificed so much in the defense of our great Nation.

SHAWNEE, OKLA., *April 15, 1953.*

Hon. GEORGE S. LONG,
Member of Congress,
Washington, D. C.

DEAR DOC: Congratulations upon your election to Congress. The good citizens of Louisiana are to be congratulated upon electing one of the best friends the ex-servicemen ever had to serve them in Washington.

For some time I have intended writing you in connection with the veterans' hospitals of our country. As you know, Doc, I have been in and out, as a patient, of the veterans' hospitals for the past 10 years, having gone through some 5 major operations. During my hospitalization period it has been my privilege to personally observe the operation and care given ex-servicemen of this Nation. First, I want to express my everlasting gratitude and deep appreciation for the splendid care that has been given me by the Veterans' Administration.

I notice that Representative PHILLIPS, of California, no doubt an able Member of Congress, has been criticizing the Veterans' Administration for giving free hospitalization to the so-called non-service-connected veterans.

As you know, for the past 20 years I have given much of my time in the interest of helping needy veterans with their claims for pension and securing hospitalization. And it is to this point that I want to briefly as possible explain to you some of the tragedies that I have found in connection with the so-called service-connected regulations set up by Congress and administered by the Veterans' Administration.

When a veteran applies for hospitalization and for disability allowances under the present rules and regulations set up by Congress, if he feels that his disabilities are service-connected, it is necessary for him to furnish definite proof, either by his record while in the service or from affidavits from those who served with him. I have found many, many cases of deserving and disabled veterans who have gone through many battles while in the service, but yet for some reason his disabilities had not become known until many years after his discharge from the Army. And when this veteran attempted to prove his service-connected disabilities, in many cases his records were lost or no record made of his illness while in service,

or his officers and men who served with him could not be located and in many instances had died.

My contention is that most disabilities of men who served in the Armed Forces can be traced to his service.

I am going to give you one illustration of what I mean about the injustice and the tragedies of the so-called service-connected question. For convenience we will call these veterans John and Bill.

John and Bill came from separate States of the Union. Both of these men landed at Brest, France, in the early part of 1917. Bill secured a pass from his company to visit Brest one evening, and during his visit he became intoxicated and got into a fight, received a wound in his breast from a knife and was taken to the hospital. He was declared unable to return to his company and was shipped back to the United States as a casualty. Later on in life he was declared a total-disabled veteran, service-connected, from wounds received while in service.

Now let us talk about John, who was in the medical corps, served for 10 months in France, and during his service he was in the Argonne drive.

One night he picked a wounded comrade up on the battlefield and carried him on his shoulders back to the first-aid station. During the trip back he stumbled and hurt his foot. However, John didn't report his accident and he went on through the service and was discharged, and some 6 years after he was discharged he developed what is known as Buerger's disease. He was admitted to the veterans' hospital, and he went through five operations, which resulted in the removal of both legs. He put in a claim for his disabilities but was turned down because there was no record of his disabilities while in service, so he was declared a nonservice-connected case. However, he was given $30 a month pension for nonservice connected. This has now been raised to $63.

Doctor, I have given these two examples as two men that I have seen and met personally and learned their stories from them.

In closing, I want to assure you that the veterans of this Nation are for you in your fight in behalf of the disabled veterans, and I honestly believe that something should be done by this Congress to adjust the rules and regulations of the Veterans' Administration to eliminate the unfairness of the so-called service-connected cases.

Wishing you the best of success, I remain,

Most sincerely your friend,

ERNEST G. ALBRIGHT.

SHAWNEE, OKLA.

NONSERVICE-CONNECTED

BILOXI, MISS.

EDITOR, THE TIMES-PICAYUNE:

In Washington today, both in Congress and from various so-called economy pressure groups there seems to be a move underway, growing steadily stronger, to make some veterans again, as in 1933 under the infamous economy act, the victims. Those of us who are not legally service-connected must, if you please, be thrown back on the care of our individual States. No hospital treatment, no domiciliary care, no pensions—just leave us in our old age, in our disability, to make out as best we can.

Most of us now are 59 or 60 years old. I spent 19 months in overseas service, participated in four major engagements, had the flu. Often half-starved, sleeping in mud, snow, and all kinds of weather. Arrived home, wanting to get out quickly. It took us a month to get discharged. We were worn out. The doctors wanted us to wait—perhaps go to the hospital.

Can any doctor today say whether or not nine-tenths of us are or are not service-connected? If the doctors then had had available the diagnostic equipment, and the specialized knowledge that they have today, perhaps we would not be having to fight so hard for the ordinary decencies that are being given us by our Government. Hundreds of thousands of us were unaware of our rights as veterans. We broke down too late to make a valid claim of service connected.

Adequate hospital and domiciliary care, a pension, if we are totally and permanently knocked out, is all we can ever hope to have.

Economy, yes. But not at the expense of the despair of those who willingly fought for us all.

MARTIN L. MONDY.

FOREST HILL, LA., *May 18, 1953.*

Dr. GEORGE LONG.

DEAR CONGRESSMAN: I am writing you in behalf of the veterans' hospital. As the appropriation has been cut and we have more vets than ever before as they are coming back from Korea everyday and we need more hospitals. I am a Gold Star Mother. Please don't let the one down that came back. Please do something about the situation. Thanking you.

MRS. GEORGIA E. HEBERT.

VETERANS OF FOREIGN WARS AUXILIARY,
DEPARTMENT OF LOUISIANA,
Alexandria, La., May 12, 1953.

Hon. GEORGE LONG,
Congressman of the Eighth District of Louisiana, Washington D. C.

DEAR SIR: It is with great anxiety I am writing you. I would like to urge you in the strongest words that I know, to vote against the veterans' bill, being sponsored by Representative JOHN PHILLIPS, of California, to cut medical care and hospitalization for veterans.

I am a volunteer worker. In fact I am department hospital cochairman VFW, for a local VA hospital. I put in 150 hours last year visiting and entertaining the sick, and I am happy to do so.

I think to deny one fellow treatment and medical care, would be a disgrace. We are counting on you. Don't let us down.

We think any man that goes through 13 weeks' training in any training center is entitled to treatment and hospitalization and a pension when he is not able to work. I think you feel the same way. I will close and thank you for your cooperation.

MRS. LULA POPE,
Cochairman, Local VA Hospital, Department Louisiana, VFW, Alexandria, La.

AUXILIARY, STERLING
VETERANS OF FOREIGN WARS
AUXILIARY, STERLING-SIMONS
AUXILIARY TO POST 3652,
Alexandria, La., May 12, 1953.

Hon. GEORGE S. LONG,
Congressman, Eighth District,
State of Louisiana,
Washington, D. C.

DEAR MR. LONG: The members of Sterling-Simons Post, Auxiliary No. 3652, respectfully request your assistance in defeating Hon. JOHN PHILLIPS, of California, House bill which will if passed be a great injustice to the veterans of this country.

Any curtailment in the Veterans' Administration for the care of its sick and wounded veterans is, in our opinion, an attempt to sidestep our country's obligation to them.

Resolution passed in open meeting.

Cordially,

MRS. LULU POPE,
President, Alexandria, La.
GLADIE ANDREWS,
Secretary, Pineville, La.

TULLOS, LA., *May 2, 1953.*

Hon. GEORGE LONG,
Congressman, House of Representatives,
Washington, D. C.

SIR: I am asking you, as my Congressman, to support a budget for the Veterans' Administration of not less than $921 million to continue services now provided for our veterans.

Sincerely,

MRS. LEO KIEFER,
A Member, Tullos Unit 198, American Legion Auxiliary.

AMERICAN LEGION AUXILIARY,
LOUISIANA DEPARTMENT,
Colfax, La., May 8, 1593.

Hon. GEORGE S. LONG,
Congressman, Eighth District of Louisiana, House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN LONG: Reference appropriations for the Veterans' Administration, the American Legion Auxiliary feels that the present wave of economy which is manifesting itself in Congress today should not wash away veterans' benefits provided by existing law.

In voting appropriations for the Veterans' Administration we urge that you obtain information as to the purpose and adequacy of the amount being provided and that you test these funds against the needs of our district.

We also suggest that the proposals for more effective and economical operation of this agency, which the American Legion has from time to time proposed, be adopted to insure efficient operation of the Veterans' Administration.

Thank you.

Respectfully yours,

MARION HENDERSON,
Mrs. Robert B. Henderson,
Department Legislative Chairman.

COLFAX, LA., *May 8, 1953.*

Hon. GEORGE S. LONG,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN LONG: Reference appropriations for the Veterans' Administration, I urge that not less than $921,100,000 be appropriated for the administration, medical, hospital, and domiciliary service for the year 1954.

Please do your utmost to prevent present hospital care of the Veterans' Administration from being curtailed in our district.

Many thanks again for your kindness to me while I was attending the civil-defense school in Olney, Md.

Sincerely yours,

C. ASWELL RHODES.

JOE GRAHAM POST 119,
Gulfport, Miss.

To You Who Might Be Listening to the Opposition to Veterans' Benefits and in Particular the Hospital Program.

I have been hospital chairman of my post for 15 years and State chairman 4 times. My job now is a nightmare; every request with "no beds."

The most recent one, a colored War I man with tuberculosis. I spent better than $30 for telephone calls to Veterans' Administration hospitals near and far; answer "no beds." Registrar at Biloxi wrote and wired our local Veterans' Administration contact and county service officer, did more than they are supposed to do to help this poor man, and the man constantly getting worse. Finally we get him in a charitable hospital in Mobile but by the time we get all arrangement made, he is dead.

Another case: A War II white man, hemorrhaging from tuberculosis. It takes 4 days and $50 work of telephoning to get him in a hospital 450 miles away. The man had to ride all the way in an ambulance and his life was barely saved.

Mental cases are flatly refused a bed and service-connected cases have to go on a waiting list. Are veterans to be treated as slaves who have grown too old to work and let them die to save money?

All this talk about a man being able to pay; do you honor or dishonor these men because they have money, or for what they did for their country? The percentage able to pay is very small and they do not go to the Veterans' Administration to save money, but for the better treatment than other hospitals have to offer. Is not a wealthy man entitled to honors and privileges at the hand of our Government if he has offered his life for its defense? For your information in my 15 years as hospital chairman, I have never seen a veteran in a Veterans' Administration hospital that had a $5,000 a year income. I see men die who have been unable to work for a long time, living under miserable conditions; finally dying. Hospitalization would save a great number.

You should go with me and see some of these cases. A hero of our country, crying because his wife and children are hungry. At this late date he very seldom gets the morale back to live, even with hospitalization.

If you should be one to vote against benefits, consider seriously before you vote to send more boys to Korea to useless slaughter. This is written to you, believing no legislator would vote against these benefits if he had the true story. This is the best I can do. God help the veteran if you let him down.

Sincerely yours,

E. E. WEDDING,
Commander.

ORLEANS POST 3566,
VETERANS OF FOREIGN WARS,
New Orleans, La., May 18, 1953.

Hon. GEORGE SHANNON LONG,
Representative, State of Louisiana,
Washington, D. C.

DEAR SIR: The members of Orleans Post 3566, Veterans of Foreign Wars, urgently request your assistance in doing whatever you can to oppose any reduction in Veterans' Administration appropriations for fiscal year 1954, and any changes to deny veterans hospitalization with non-service-connected disabilities.

Any reduction in funds will force the closing of additional thousands of hospital beds, and seriously aggravate a situation which even now finds great hosts of veterans suffering from tuberculosis, mental and chronic diseases, yet unable to secure treatment because of lack of beds.

This post wishes to go on record as calling upon our Members of Congress to appropriate sufficient funds for Veterans' Administration, to reopen all hospital beds closed in fiscal 1953, and to keep all available hospital beds in operation throughout 1954.

We feel sure that if Veterans' Administration funds are not fully appropriated, our State hospitals will have to furnish medical care for those veterans unable to get into VA hospitals.

In closing, let's say it is a good morale builder for our men who are still fighting to know that all VA hospital facilities will be available to them at all times in the event of injury or illness.

Thanking you for your kind consideration and prompt attention to this urgent need, we remain

Yours in comradeship,

J. WILSON HYMEL, Jr.,
Commander, Orleans Post 3566, VFW.
ROBERT E. STRINGER,
Adjutant.

ALEXANDRIA, LA., *May 14, 1953.*

Hon. GEORGE S. LONG,
Congressman, House Office Building,
Washington, D. C.:

George M. Simmons Post No. 3, American Legion, and 1,406 members have unanimously endorsed adequate appropriations to maintain 131,000 hospital beds nationally in Veterans' Administration facilities, and continued services to eligible veterans.

R. L. TOWNSEND,
Post Commander.

ALEXANDRIA, LA., *May 12, 1953.*

Hon. GEORGE S. LONG,
House of Representatives,
Washington, D. C.:

We, as citizens of this great Republic and men who have fought on foreign battlefields to preserve our American way of life, are appealing to you as our public servant to fight to the bitter end to keep open and maintain all of our veterans' hospitals for the ex-serviceman who gave some of the better part of his life to make democracy live.

Lester W. Beck, Past Post Commander, Paul-Howell Post, No. 3690, VFW.; Cecil E. Arrington, Post Commander; Sidney France; H. T. Landry; Phillip A. Smith; Charles C. Woodward; Wesley L. Arrington, William A. McCarty, Sr.; Charles Eddy; John Champion; Landry J. Mayeux; Jules B. Landry; Walter T. Morgan; S. W. Whatley; Elmer Carter; J. B. Atkinson; E. Jordan; Charles N. Nesom; Paul B. Bordelon; J. T. Girlinghouse; B. G. Glasscock, Jr.; C. J. Cantrell; Albert G. Walker; P. W. Nugent; C. A. Richey; C. E. McKay; Elmer D. Burke; Thomas B. Ervin; A. L. Wilson, Jr.; Travis W. Fugler; A. M. Dear, Jr.; Joe Dibrell; J. F. Baldy; H. N. Kinney; L. A. Reynolds; J. A. Baker; S. H. Perry; Nettie Ladner; Addie F. Hollingsworth; Pearl J. Timmons; May B. Dukes; Grace M. Havens; Ozelma I. Woods; Tressie M. Lambert; Blyth D. Teague; O. L. Smith; Dollie G. Campbell; Cloteal C. Rusk; Ulice Ponthieux; J. W. Sandifer; Fred T. Malone; Tillman McCann; Gilbert Sweat; A J. Landry; O. L. Andre; Walter Stagg; Harold E. Ellison; David Glover; Clarence Crooks; Frazier O'Neal; Irve Hendrix; O. T. Davis.

MARKSVILLE, LA., *May 25, 1953.*

GEORGE S. LONG,
Member of Congress,
House Office Building,
Washington, D. C.:

We request that you vote for funds to Veterans' Administration to include budget of not less than $921,100,000 for Administration medical hospital and domiciliary service. We request that you study Phillip's committee report.

MITCHELL A. NORMAND, COMMANDER,
AND 200 MEMBERS OF PREVOT-JOHNSON POST, NO. 130, THE AMERICAN LEGION.

PLEASANT HILL, LA., *May 25, 1953.*

Hon. GEORGE S. LONG,
House Office Building,
Washington, D. C.:

Requesting you take particular interest in Veterans' Administration budget-bill vote for not less than $921,100,000. Secure a copy of Phillip's committee report for study.

COMMANDER AND ALL MEMBERS OF
OLLIFF FAIR POST, 300, AMERICAN
LEGION, DEPARTMENT OF LOUISIANA.

MANSURA, LA., *May 25, 1953.*

GEORGE S. LONG,
Congressman:

Hubert Chatelain Post, No. 320, American Legion, demands that you vote for a Veterans' Administration budget which will include not less than $921,100,000 for Administration medical hospital and domiciliary service; also secure a copy of the Phillips committee report for study.

AMERICAN LEGION POST, No. 320,
MANSURA, LA.

TULLOS, LA., *May 27, 1953.*

Hon. GEORGE S. LONG, *Congressman,*
Care House Office Building,
Washington, D. C.

We are expecting you to vote for Veterans' Administration budget to include at least $921,100,000 for Administration medical hospital and domiciliary service. Also urge you to secure a copy of the Phillips committee for study.

NORRIS SCHRADER AMERICAN LEGION
POST, No. 198,
LEO BAKER, *Commander.*

SHREVEPORT, LA., *June 3, 1953.*

Hon. GEORGE LONG,
House of Representatives.

Representing a majority of the veterans organizations of your congressional district and speaking for the Disabled American and Veterans of Foreign Wars of these districts we strenuously object to the pseudo economy measures directed toward the veterans hospitalization program, in particular in the veterans benefits program in general. We urge that our national legislative representatives be given full faith and confidence in their presentation of data seeking to expunge the allegations of some members of the subcommittee which we feel are isolated incidences of abuse of non-service-connected hospitalization privileges rather than the ordinary case. In view of the recent resignations of the Administrator of Veterans' Affairs we feel that any legislation in final form without a complete understanding of present conditions and without the opportunity to present to a new Administrator of Veterans' Affairs the true facts, would be premature.

ANDREW T. SMITH,
Commander, Shreveport-Bossier Post, No. 30, Disabled American Veterans.
WILLIAM H. KLINE,
Junior Vice Commander, Department of Louisiana, Disabled American Veterans.
E. O. BONNETT,
Commander, Fair Park Memorial Post, No. 8421, Veterans of Foreign Wars.
WILLIAM J. HUGHENS,
Senior Vice Commander, 12th District, Veterans of Foreign Wars.

NEW ORLEANS, LA.

Hon. GEORGE S. LONG,
House Office Building:

Fifty thousand legionnaires of Louisiana want you to support a budget for Veterans' Administration which will include not less than $921,100,000 for administration, medical, hospital, and domiciliary service. This is very important to us.

MATT MONAGHAN,
Department Adjutant.

CERTAIN LEASES FOR THE USE OF EQUIPMENT BY MOTOR CARRIERS

Mr. WOLVERTON. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may have until midnight tonight to file a report on the bill (H. R. 3203) to amend the Interstate Commerce Act in order to prohibit the Interstate Commerce Commission from regulating the duration of certain leases for the use of equipment by motor carriers, and the amount of compensation to be paid for such use, and that minority views may also be included.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

FLOOD CONTROL, MONTANA

Mr. D'EWART. Mr. Speaker, I ask unanimous consent to address the House

for 1 minute and to include a proclamation by the Governor of the State of Montana.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. D'EWART. Mr. Speaker, unusually heavy rains covering a large section of Montana have resulted in serious floods along the Sun, Marias, Milk, and Missouri Rivers and many of the minor tributaries and creeks in the north central Montana counties.

At the request of Gov. J. Hugo Aronson, President Eisenhower has proclaimed a disaster area in the counties most seriously affected. I append as a part of my remarks the Governor's proclamation stating that an emergency exists. The disaster designation makes available to the counties concerned the full support of all Government agencies, including loans from RFC and the Farmers' Home Administration, to help repair the damage done.

It is particularly timely that the Senate Appropriations Committee should be considering now the bill for flood control. The flood-control program includes a project for Havre, on the Milk River. Havre is perhaps the most seriously damaged city in the present flood. I am told that the damage in the Havre area already has passed the million-dollar mark, and water is running 3 feet deep in the main business sections. I sincerely hope that this dramatic demonstration of the need for flood control at Havre will prompt the Senate Appropriations Committee to include in the civil functions bill sufficient money to bring the Havre project to completion at the earliest possible date.

Other towns seriously affected to date have been Belt, Great Falls, Sun River, Fort Benton, and Lewistown. The airmen of the Great Falls Air Force have been extremely helpful, and are to be commended for their work.

At this time I am advised it does not appear that the irrigation projects along Milk River will suffer as they did in the floods of last year. The Bureau of Reclamation is receiving hourly reports, and advises that the rivers have just about reached their peaks today.

BY THE GOVERNOR OF THE STATE OF MONTANA:
A PROCLAMATION

Whereas unprecedented flood conditions now exist in Glacier, Toole, Liberty, Hill, Chouteau, Teton, Missoula, Powell, Lewis and Clark, Cascade, Judith Basin, Fergus, Meagher, and Pondera Counties, straddling the Continental Divide, with a concentration in the vicinity of Great Falls in the Missouri River drainage; and

Whereas rainfall at Great Falls in the last 10 days has been in excess of 10 inches, as compared with 9.02 inches for all of 1952; and this has been further aggravated by the fact that tributary mountain streams flowing into the Missouri above Canyon Ferry have been swollen to as much as 10 times the ordinary capacity, in addition to the extraordinary rise in the Sun River drainage, which flows into the Missouri just west of Great Falls; and

Whereas competent observers are of the opinion improvement at Great Falls and vicinity will be tantalizingly slow, thus resulting in serious damage and discomfort to thousands of people, and the actual conditions of suffering and damage to private and public property, particularly State highways, county roads, and city streets, are becoming hourly worse; and

Whereas these conditions have resulted in and are causing severe damage to private and public property, as well as threatening the public health and safety, and the several counties mentioned have sustained serious damage to their road systems and have sustained loss of drainage structures, roadbeds and road surfaces on the primary systems, and in addition thereto the secondary system. Damage within these areas has been disastrous to the public highways of Montana, resulting in the necessity for immediate repair or reconstruction of highways and bridges on the primary and secondary Federal-aid highway systems, and such conditions constitute an emergency as contemplated by the terms of section 9 of the Federal-Aid Highway Act of 1950 (64 Stat. 785), and section 7 of the Federal-Aid Highway Act of 1952 (66 Stat. 158); and

Whereas the cities, counties and the general public in the stricken areas have been and are doing everything possible to alleviate the situation and have found it necessary to enlist the aid and leadership of the American Red Cross, the official disaster relief agency;

Now, therefore, I, J. Hugo Aronson, Governor of the State of Montana, by virtue of the power vested in me by the laws of the State of Montana, do hereby proclaim an emergency to exist in Glacier, Toole, Liberty, Hill, Chouteau, Teton, Missoula, Powell, Lewis and Clark, Cascade, Judith Basin, Fergus, Meagher, and Pondera Counties, for the above-stated reasons; and I do request all aid and assistance available under the Public Laws of the Congress of the United States, and appeal to the President of the United States, the Secretary of Commerce of the United States, the Administrator of the Federal Civil Defense, and all other agencies to concur in the declaration of this emergency and ask full support and cooperation to aid in this emergency and to coordinate their efforts, to the end that property loss and human suffering be kept to a minimum.

In witness whereof, I have hereunto set my hand and caused the great seal of the State to be hereto affixed. Done at Helena, the capital, this 4th day of June, in the year of our Lord, 1953.

By the Governor:

J. HUGO ARONSON.

Attest:
[SEAL]

SAM W. MITCHELL,
Secretary of State.

SPECIAL ORDER GRANTED

Mr. O'HARA of Illinois (at the request of Mr. BOLLING) was granted permission to address the House for 1 hour today, following the legislative business and any other special orders heretofore entered, and to revise and extend his remarks.

Mr. DAVIS of Tennessee asked and was granted permission to extend his remarks in the RECORD immediately following the remarks of the gentleman from Michigan [Mr. MEADER].

AIR FORCE CUTS

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. MEADER] is recognized for 30 minutes.

Mr. MEADER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MEADER. Mr. Speaker, it is unfortunate that some of the Democratic Members of Congress have seen fit to attempt to make political capital out of proposed reductions in military expenditures.

It is perfectly apparent that we can never balance the budget and give long overdue tax relief until we cut down expenditures. It is also inevitable as a practical matter that any vested interests in huge spending programs set up a howl the minute their particular activity is affected. Everyone is for economy in everybody else's activities.

I recall the work of the subcommittee of the Government Operations Committee headed by the gentleman from North Carolina [Mr. BONNER] in the 82d Congress. In putting an end to the Air Force's wasteful and unnecessary projected program of establishing a duplicating pipeline for common-use items, the Bonner subcommittee made a significant contribution to efficiency and economy in government which has received all too little notice.

I recall also the vituperation heaped on my head when, as a member of the Bonner subcommittee, I offered an amendment to cut by $100 million an item in the Air Force budget for major procurement other than aircraft. In arguing against that amendment gentlemen on the other side of the aisle accused me of everything except outright intentional sabotage of our defenses. Lo and behold, the Senate cut the same item another $100 million, and the same gentlemen who had attacked me came before the House urging the adoption of the conference report and said nothing about the additional reduction made in the other body.

I mention this because we will soon be faced with a momentous decision, namely, whether to back Secretary of Defense Wilson and President Eisenhower in voting a lesser sum for the Air Force than the Air Force wants to spend.

Unfortunately, neither the average Member of the Congress nor the general public will have access to the detailed information which would be necessary to make an intelligent decision on just how many billions the Air Force should have. Certainly the Secretary of Defense, with his facilities for getting the detailed facts, President Eisenhower, with his long familiarity with military strategy and military supply, and the Appropriations Committee of the House which has looked into this matter in detail with the help of staff investigators and accountants are far more likely to have arrived at an impartial and sound conclusion than officers of the Air Force who have been feeding information to some Congressmen. These officers are not impartial judges. They have an ax to grind, and in my experience are fully capable of spending any amount which they can get from the Congress.

I was very favorably impressed by a sensible editorial in the Jackson Citizen-Patriot entitled "What About

Waste?" I incorporate at this point in my remarks:

WHAT ABOUT WASTE?

It's strange the way the critics of the proposed reductions in Defense Department funds never acknowledge the possibility that greater efficiency and better timing in the spending of appropriated funds might actually increase the value of the defense dollar.

The subject of military waste has been a warm one ever since Senator Harry S. Truman and his Senate committee were poking their noses into spending methods away back in World War II.

That committee did a good job of exposing waste and it has been succeeded by others which also have pointed out instances in which the defense dollars have been tossed around in a rather loose fashion.

Remember a few months ago when such a committee made a report on granite gutters on an airbase access road in Maine? Then there was the report of the Bonner subcommittee which took a trip around the world and reported on wasteful duplication of supply lines maintained by the services.

Private individuals, newspapers, magazines, all have had their turn at investigating military expenditures and have turned up some shocking examples of waste and bad programing of expenditures.

Within the week the Senate Preparedness Subcommittee, reporting on its investigation into ammunition shortages in Korea, told of "unconscionable inefficiency, waste, and unbelievable red tape" in the procurement system under the Ordnance Department. The committee reported millions of dollars of appropriated funds not spent or scheduled for spending while the Ordnance Department struggled with its outmoded and tortuous procurement procedures, and ammunition was being rationed in Korea.

By flatly opposing the cuts and crying for the scalp of Defense Secretary Wilson the politicians (of both the Capitol Hill and Pentagon varieties) seem to be asking that waste and inefficiency be condoned.

Secretary Wilson didn't get to be president of General Motors by spending $10 where $5 would do the job, or by closing his eyes to waste and inefficiency.

We don't mean to say that Secretary Wilson can pick up all the reduction in the defense budget by eliminating waste, but under his direction the Nation should get a fair return for its defense dollar. The need for greater efficiency in the Department has been established.

And with one of the best military men of our time backing Mr. Wilson, we can't become too concerned about charges that this country's defenses are being wrecked by the economy move.

REVISION OF TAX LAWS

Mr. DAVIS of Tennessee. Mr. Speaker, I am presenting today a substitute for my bill H. R. 1988, and I should like at this time to explain the purpose of the bill, how it will operate to correct a long-standing inequity in our tax laws, how it proposes to remedy for the first time a tax injustice that is especially onerous to the stockholders of corporations, and how it offers relief to the Nation's farmers from a tax burden to which they were unhappily subject under the Revenue Act of 1951.

The new bill is entitled "A bill to provide tax equity through the taxation of cooperative corporations and to provide tax credits for the recipients of dividends from genuine cooperatives." It is in fact the first bill I have seen that undertakes by a feasible method to eliminate the present iniquitous double taxation of corporate dividends.

In its main purpose, the new bill follows the formula of taxation proposed in H. R. 1988, which I first introduced in 1949. However, I have omitted an original section which proposed to impose the corporate tax on business income of various mutual financial institutions, and I have done this, Mr. Speaker, for two reasons: First, because the Revenue Act of 1951 attempted to make at least partial Federal taxpayers of savings and loan associations and mutual savings banks and we should, perhaps, give them a little longer to demonstrate their willingness to more fairly support the Federal Government. Second, because the payment of income tax by a corporation, with a tax credit to the recipient of its dividends, would hardly apply in the case of credit unions, production credit associations, and other organizations which certainly should be taxed in full, but under a different kind of bill, which I shall quite likely introduce at a later date.

The new bill therefore deals solely with cooperatives—marketing, purchasing and city consumers' cooperatives—and with their members, stockholders and patrons.

It is a proposal, Mr. Speaker, that would accomplish a number of very highly desirable results. In the first place, it would do away with the utterly unfair competitive situation that now exists between fully taxpaying companies and companies of identically the same kind that enjoy the Federal Government's subsidy of tax exemption, either in whole or in part. In the second place, it would eliminate the disastrous effects of the provision of the 1951 Revenue Act under which cooperatives are required to report patronage dividends paid to farmer members, so the Internal Revenue Bureau may hound the farmers and make them pay individual income tax on dividends which they have not received in cash money and may never receive. Third, my new proposal would put cooperative corporations and their members and stockholders on a single-tax basis, instead of the double tax that other corporations and their stockholders are now required to pay. And fourth, this bill would bring into the Treasury of the United States at least $400 million of new revenue.

Let me, Mr. Speaker, give you some further explanation of these various points:

The income-tax exemption of cooperatives dates back to 1916—3 years after the adoption of the income tax as an amendment to the Constitution. But the exemption of that time was quite different from the present exemption, as you can see if you will read the 1916 provision. It applied only to farmers' marketing co-ops—little groups of neighboring farmers who joined together to assemble their produce in one common place, to grade it, to pack it properly, and to market it at a price that far exceeded the price that had previously been paid for ungraded, unpacked, miscellaneous items. Generously—for the farmer was poor in income in those days——Congress said, "You will not be required to pay the new Federal income tax." Frankly, it was a small concession, for the tax was inconsequential and the volume of cooperative business was very small.

But subsidies and exemptions have a way of growing. As the years went by, the tax exemption privilege was granted to purchasing co-ops as well as to marketing co-ops; to the corporations that were set up to avoid individual liability of cooperative members; to co-ops that did business with nonmembers as well as with members; and to co-ops that branched out into all manner of business that had little or nothing to do with the farming business.

The Treasury ruled that farmer recipients of patronage dividends should pay individual income tax, but no one ever tried to enforce the ruling. City consumer co-ops grew up, too, some selling groceries, some, in college communities, selling books, clothing, papers, pencils, and the like. There was never any provision even by the Treasury for collecting income tax from these or from their members. There still is none—but it is in my bill.

Even by the late 1920's, when the cooperative business was beginning to take on sizable proportions, there was no objection on the part of taxpaying enterprises. The tax was only 12 percent and the differential was of minor importance.

But when World War II came along and the Federal income tax rate on corporations went up to 38 percent, then to 42 percent, and with the excess profits tax to 75 or 80 percent or even more, the advantage of cooperatives over their taxpaying competitors became tremendous.

Normally, Mr. Speaker, new businesses expand out of their profits and out of the investments of people with money. But when taxes are taking the bulk of earnings, expansion comes to an end, for investment comes to an end. Testimony presented last year to the Senate Small Business Committee proved that in case after case. Go into the Ways and Means Committee room right now and listen to the present hearings on extension of the excess profits tax and you will hear again the plaint of small companies that they cannot grow—indeed, they can hardly survive—in the face of today's excessive taxes.

But the cooperatives and the other tax-exempt businesses have grown and grown and grown because they have been able to plow back into growth and expansion all of the earnings that their competitors have been paying to the United States Treasury. They have bought competitors' businesses at excessive prices, because any business is worth more to a tax-exempt, which can keep all its earnings, than to a taxpayer, which can keep only a fraction of what it earns. They have purchased oil wells and petroleum refineries. They have established great banking and insurance companies. They not only market wheat and corn and livestock and cotton, they manufacture and sell fertilizer and lipstick and toothbrushes and soft drinks

and leg paint and vitamin pills. They have hospitals and summer camps. They will bury you when you are dead and give you a rebate on the cost of the funeral in stock or scrip.

Two years ago, when the 1951 Revenue Act was being written, the Congress had ample opportunity to correct this unfair situation. But, Mr. Speaker, it pusillanimously did just the wrong thing, for, instead of putting the tax where it belongs, on the earnings of the cooperative corporations, Congress wrote into the law a binding requirement that co-ops report the patronage dividends paid to members, so the Internal Revenue Bureau can check up on our farmers' individual income-tax returns and force them to pay income tax whether they have received their dividends in cash, in stock, in scrip, in merchandise, by book allocation, or by any other so-called constructive method. All this means that in probably 9 cases out of 10 the farmer will have to dig down into his pants' pocket for money earned by the sweat of his brow to pay the tax on patronage dividends that he may never get in cash so long as he lives.

That, Mr. Speaker, is an evil conception of taxation. It should be corrected so that the farmer may be freed from this unwarranted burden and the cooperative corporation be made to pay the tax and give a credit to the farmer or city member. Then, instead of an addition to his tax, he might well have a subtraction.

That is just what my new bill proposes to do. That primarily, is the reason why it should be given the earliest consideration by the House Ways and Means Committee and not permitted to lie dormant. The farmer is being hurt. He should be given immediate relief—but the tax should be paid nevertheless. The cooperative corporation should pay it—no one else.

I think what I have said makes it plain, Mr. Speaker, that this new bill which I am introducing today proposes the first logical step toward the elimination of double taxation of corporate dividends. It clears the path for later action by the Congress which would establish for all corporations this same system of operation: Let every corporation of every kind pay the Federal income tax and give to its stockholders a credit against their own individual income taxes. I earnestly recommend that this be done at the earliest possible moment.

The revenue to come from enactment of legislation such as I propose would be a very considerable sum. My own figuring shows close to $400 million, which is half the amount the Treasury is asking us to provide by continuation of the iniquitous excess-profits tax. It is half the amount recently estimated by the staff of the Joint Committee on Internal Revenue Taxation as the product of H. R. 1559, introduced by my Republican colleague from the 15th District of the State of Illinois, which would tax not only cooperative corporations but also building and loan associations, mutual savings banks, and other tax-exempt businesses.

My bill is a bill for justice to competitive businesses, for relief of farmers, and for new revenue to the Treasury. I urge its immediate consideration and its adoption.

HON. NORRIS POULSON

The SPEAKER. Under special order of the House heretofore entered, the gentleman from California [Mr. McDONOUGH] is recognized for 45 minutes.

Mr. McDONOUGH. Mr. Speaker, I have reserved this time for the purpose of extending a word of farewell to one of the members of the California delegation who has been favored by the people of the city of Los Angeles by being elected mayor of that city.

NORRIS POULSON who has been in the House of Representatives for four terms has done a fine job for the people of Los Angeles County, the city of Los Angeles, and the State of California in the Congress. We fully realize that he has a tremendous task ahead of him as mayor of the third largest city in the United States, and I am sure that all Members of the House who can participate in the time allotted will be glad to extend a word of encouragement to him.

The city of Los Angeles is one of the great expanding metropolitan areas in the United States. It covers an area of some 450 square miles and has a population of over 2 million people. It has under development at the present time one of the most extensive freeway and express highway development of any city in the United States extending into the next 10 years and costing an estimated $1 billion. It has a terrific problem in mass transportation from the far reaches of the San Fernando Valley to the downtown area.

It has one of the greatest harbors in the United States, with the greatest tonnage over the war years of any harbor in the United States. Because of the vast agricultural, industrial, and oil development in southern California, it has great possibilities; and we fully realize that NORRIS POULSON is going to have a big job ahead of him and will require the cooperation, the good will and the well wishes of those of us in the Congress who have known him and worked with him for years. There will be many occasions in the future when he may need our support and help to carry on for the welfare of the people of that great city.

Mr. ENGLE. Mr. Speaker, will the gentleman yield?

Mr. McDONOUGH. I yield.

Mr. ENGLE. Mr. Speaker, I want to associate myself with the remarks made by our distinguished colleague from Los Angeles. It has been my pleasure for a number of years to have served with our colleague, the mayor-elect of Los Angeles, on the Committee on Interior and Insular Affairs, and I suspect, Mr. Speaker, that in large part the reputation which Congressman POULSON made in his continued and vigorous and effective effort on behalf of the city of Los Angeles in its requirements for water were very largely responsible for the reputation which elected him mayor of the city of Los Angeles.

He and I have worked together over a long period of time, and I can very truthfully say that I have never in all of my legislative experience had the privilege of working with anyone with better cooperation and more pleasure than with our colleague, NORRIS POULSON. I am sorry to see him leave the House, but I am glad to see him promoted to the mayoralty of the third metropolitan area of this country. It is an honor and great distinction, and it is one in which all of his friends share. Those who served with him on the committee take a great deal of pride in his accomplishment. We are going to miss him; and as a member of that committee, the ranking minority member, and one who over a period of years has probably been his closest legislative associate in the water problems of California, I am going to miss him more than anyone else in the California delegation. It is with great regret I see him leave the Congress of the United States, but he leaves it with the commendation, with the affection, and the respect, and with the good wishes of everyone who knew him here.

Mr. D'EWART. Mr. Speaker, will the gentleman yield?

Mr. McDONOUGH. I yield.

Mr. D'EWART. I am glad to join with my colleagues in wishing our distinguished associate, the gentleman from California [Mr. POULSON], our best wishes in the new task he is undertaking as mayor of that great city, Los Angeles.

I served with him all the time I have been in Congress on the Committee on Interior and Insular Affairs; we were associated on each of the subcommittees of that great committee. I knew him best, however, as a member of the Irrigation and Reclamation Subcommittee. The splendid service he gave that committee, to his State, and to the Nation is recognized by every Member. We know him especially for his integrity, steadfastness and courage in dealing with legislation before our committee. His knowledge of irrigation and water matters made him very helpful to us in our deliberations. We are going to miss him seriously on that committee, but our loss is the gain of Los Angeles and California. We give him every good wish in his new undertaking.

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield?

Mr. McDONOUGH. I yield.

Mr. PHILLIPS. I congratulate our colleague the gentleman from California [Mr. POULSON] and wish him every possible success in the term which he is about to begin as mayor of the great city of Los Angeles. He undertakes a difficult job at a time when the administration of a city of that size and influence is of nationwide importance.

I say frankly, Mr. Speaker, that I shall miss NORRIS POULSON in the Congress. We served together in the State legislature. We served jointly on a committee which had much to do with ironing out serious problems of a decade ago in California. We came to Congress together in January 1943. It will not be the same here without him. He goes back home to fill an office he did not seek; the office sought him.

He goes with the good wishes of all of us.

Mr. McDONOUGH. I thank the gentleman.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. McDONOUGH. I yield to the gentleman from Indiana.

Mr. HALLECK. Mr. Speaker, I do not know why our colleague wanted that job out there and I cannot understand why he was persuaded to take it. We are going to miss him around here. If that is what he wanted, he has our best wishes all along the way.

Mr. MILLER of California. Mr. Speaker, will the gentleman yield?

Mr. McDONOUGH. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Speaker, in 1939 I very distinctly remember NORRIS POULSON coming to the assembly of the California State Legislature. I was one of those who welcomed him there and our paths have run pretty much parallel since that time.

His kindly good humor has made him one of the most popular men in this body. It was reflected in the recent elections. I do not know that all of this is due to Norris himself, however, because he has a wonderful family, a charming wife and three fine daughters. I remember them as youngsters around the legislature in Sacramento. In recent years, here in Washington, I was always somewhat confused by them. I could not tell them apart and always took Mrs. Poulson for one of the girls. Those same characteristics that endeared him to us early in his political career, and have endeared him to us here later, will make him popular with the people of Los Angeles.

NORRIS, I wish you, Mrs. Poulson, and your good family well in this new and great undertaking.

Mr. McDONOUGH. I thank the gentleman.

Mr. O'KONSKI. Mr. Speaker, will the gentleman yield?

Mr. McDONOUGH. I yield to the gentleman from Wisconsin.

Mr. O'KONSKI. Mr. Speaker, I would like to associate myself with the very kind remarks that have been made regarding our colleague, NORRIS POULSON. We came to the Congress of the United States together and except for one term I believe we have served together since. There is not a Member of this Congress I have learned to admire and respect more than NORRIS POULSON. I am sorry to see him leave the Congress of the United States because we need men like him, with his sound judgment and his sound thinking, in this great body during these crucial days.

Mr. HOLIFIELD. Mr. Speaker, will the gentleman yield?

Mr. McDONOUGH. I yield to the gentleman from California.

Mr. HOLIFIELD. Mr. Speaker, I, too, want to add my word of commendation to our colleague, NORRIS POULSON, along the line particularly that the gentleman from California [Mr. ENGLE] spoke.

I think the people of southern California will always owe a great debt of gratitude to Mr. POULSON for the fine work he did in regard to safeguarding our water supply during his membership on the Committee on Interior and Insular Affairs.

I met NORRIS POULSON 25 years ago. He and I served on the regional board of directors for the International Lions Club of southern California. I got to know him then and we became friends. Neither he nor I knew at that time that our paths would cross again, particularly here in the House of Representatives.

We came back here at the same time, some 11 years ago. I have enjoyed his friendship during my years of service with him. He is now called to a position of tremendous responsibility. The great city of Los Angeles, one of the greatest metropolitan areas in the world, has problems that are complex and difficult. I know his years in the State legislature and his years in the national legislature and his business training as a public accountant will be valuable experience which he can bring to that high office. As a friend of NORRIS POULSON, I regret to see him leave the Congress of the United States.

I express to him my sincere best wishes that he will live up to the expectations of his many, many friends, and will bring to the city of Los Angeles during his regime as mayor an administration that we can be proud of, Democrats and Republicans alike, in that great metropolitan city.

Mr. McDONOUGH. I thank the gentleman.

Mr. HIESTAND. Mr. Speaker, will the gentleman yield?

Mr. McDONOUGH. I yield to the gentleman from California.

Mr. HIESTAND. Mr. Speaker, I am happy to join with others in congratulating NORRIS POULSON on the success of his recent campaign. I am very happy to congratulate him because that was a campaign extraordinary and anyone who can win such a campaign must have had merit so to do.

I am also happy to congratulate the city of Los Angeles for being able to get a man of Congressman POULSON's caliber to serve it. I think it is a compliment to this body as it is to the city of Los Angeles that this should have happened.

I am only a freshman here, but I represent a part of the city of Los Angeles, a part of that great San Fernando Valley out there. I can tell you that the people in my area fought long and hard to get NORRIS POULSON elected. They were all convinced that he was the man they had to have to do this job. I can agree with that, because I have seen him in action here. He is a man with the strength of his convictions. He is willing to stand up and be counted. His integrity is absolute. His respect is from all of us. I am very happy to congratulate NORRIS POULSON.

Mr. McDONOUGH. Mr. Speaker, I yield to the gentleman from Texas [Mr. REGAN].

Mr. REGAN. Mr. Speaker, I would not want this opportunity to go by without saying something in behalf of the service that I enjoyed with NORRIS POULSON. I have served on the committee with him since I have been here, for the past 5½ years. I want you to know that he was one of the first Republicans I met when I came to this House. I was raised a Democrat and came from a Democratic part of the country, but he took me in right away as a friend, and I learned to love him, and for all of you Members on that side I have had an increasing affection. I think that was evidenced by the vote last year. NORRIS POULSON is not only a good Republican, he is a good American in my opinion, a very pleasant fellow to work with, and I know he is going to render good service to the people of Los Angeles. I congratulate NORRIS POULSON and wish him every success.

Mr. McDONOUGH. Mr. Speaker, I yield to the gentleman from California [Mr. HOLT].

Mr. HOLT. Mr. Speaker, I rise to associate myself with the gentleman from California in sending NORRIS POULSON on his way to take over a very distinguished position which, incidentally, he did not seek, but which sought him. I am proud to say that I have known NORRIS POULSON for many, many years.

Mr. Speaker, it is with sincere conviction and personal knowledge that I wish Godspeed to NORRIS POULSON on his new mission as mayor of the city of Los Angeles. For many years NORRIS POULSON has represented our community in the State legislature and the House of Representatives. He has served his community, California and the United States most ably and well. His battle for water, which is a lifeblood of southern California, has earned him the deserving title as champion of southern California water rights.

He did not seek the position as mayor of Los Angeles but instead a group of public-spirited and civic-minded citizens induced him to run for this office. Once again, he responded to the call of duty and answered the summons of the citizens of Los Angeles. I shall not go into detail on the importance of his new assignment, because I am sure that all of my colleagues are aware of the growth of the city of Los Angeles and the importance that our community plays in its role as part of this great Nation. Our agriculture, oil, defense, and aircraft factories, as well as the entertainment capital of the world will all be under his leadership as mayor.

The district which I represent in Congress is one of the brand-new congressional districts of California, and has a series of acute problems due to its rapid growth. I know that our new mayor, NORRIS POULSON, is going to devote his full time and energy in assisting in particular the residents of the San Fernando Valley.

NORRIS POULSON has been instrumental in encouraging and assisting young men in both major political parties to take an active part in local, State, and Federal Government activities. My first contact with NORRIS POULSON was when a group of veterans of World Wars I and II came to him to learn the operation of our Federal Government and the problems that face a representative in Washington. He took time out from his many duties to spend a great deal of time with us in answering our questions on government, and advising us how we could become a part of government in our community.

He has always had faith in the future of our country and of the part that my generation shall play in guiding its destiny. His very sweet wife and family have been close to him in serving his

community and deserve the thanks of all for their participation. It is not with regret but with a hearty Godspeed on your new assignment that we bid farewell to our colleague, NORRIS POULSON.

Mr. McDONOUGH. Mr. Speaker, I yield to the gentleman from Wyoming [Mr. HARRISON].

Mr. HARRISON of Wyoming. Mr. Speaker, I might say it has been a pleasure and a privilege for me to have served on the House Interior and Insular Affairs Committee with NORRIS POULSON. During my service there I have learned to admire and respect him for his outstanding ability, his willingness to fight for those things which he believed in, and his equal willingness to fight against those things which he thought were not right. He was well versed in the work of our committee. We depended upon him as individual Members for information and assistance over the past 2½ years that I have been a Member here, and we are going to miss him very seriously. I am sure, however, that he will make an equally fine record there as mayor of the city of Los Angeles, and I know that the people of that city hold him in high regard in having elected Norrie as their mayor.

Mr. McDONOUGH. Mr. Speaker, I yield to the gentleman from Colorado [Mr. ASPINALL].

Mr. ASPINALL. Mr. Speaker, I wish to thank the gentleman from California for securing this time so that we could wish our colleague, NORRIE POULSON, well on his new duties. I wish to congratulate him and Mrs. Poulson. I think that Mrs. Poulson is perhaps one of the most effective politicians and helpmates with whom any Member of this House could possibly be blest. They have met with outstanding success out in California. I wish them both well. You Members on that side refer to Norrie, as we affectionately call him, as a Republican. After all, he has continually won the nomination of both parties, and that speaks pretty well of NORRIE POULSON, and now he has been able to win over a Republican in the mayoralty campaign. If anyone in this body should have had a difficult time working with Norrie, it should have been the gentleman from Colorado's 4th District in the upper basin of the Colorado River. I can say this, even though our interests seemed to conflict at many places on many occasions throughout the years that I have served here in trying to protect my district, I have always found NORRIE POULSON to be sympathetic and understanding toward the area which I represent. He has always been fair and considerate, and has offered a great deal to the settlement of a very difficult problem. I look forward with pleasure to the Congressman taking over the position as the mayor of one of the great cities of our land, and I hope that we shall be able to continue the development and integrating of the interests of the upper basin and the lower basin of the Colorado River, at least during Norrie's incumbency as mayor of Los Angeles, with the same spirit of cooperation and friendship that we have had here in Congress during the last several years.

NORRIE, you have been a fine colleague with whom to travel. You have been a fine colleague with whom to play, especially at canasta. I know. You have been my partner in many a difficult session. You have been a fine colleague with whom to work. I wish you and Mrs. Poulson and the family the best of everything in your new responsibilities and duties.

Mr. McDOUOUGH. I thank the gentleman from Colorado.

Mr. SAYLOR. Mr. Speaker, will the gentleman yield?

Mr. McDONOUGH. I yield to the gentleman from Pennsylvania.

Mr. SAYLOR. I appreciate this opportunity to join with Members of the California delegation and the other Members of the House in paying tribute to one of our Members, NORRIS POULSON, who has seen fit to seek other pastures.

Ever since I came to Congress in the 81st Congress, it has been my privilege to sit beside Norrie and to observe him in action on the various bills that have been before our committee. What the other members of that committee have said of NORRIE POULSON'S ability is very true. He has shown a keen insight into all the problems that have been presented to our committee and has earned the reputation and title of "Champion of California's water problems."

One of the things we must not forget is that NORRIE POULSON'S interests were far wider than just our committee. It was always interesting to notice how he would work. Norrie was one that I would describe as a Congressman's Congressman, because many of the Members of the House who did not come from California but who have gotten to know NORRIE POULSON realize his knowledge of the House and of its workings. When they had problems, many times you could see them sitting over here discussing just how those problems should be attacked. Norrie was always willing to listen to any Member of Congress regardless of which side he came from, and to participate in his problems and give him the best advice he knew how to give.

While we wish him Godspeed in his new venture as Mayor of Los Angeles, I might say that the loss this House will suffer, and I know it will be a distinct loss to many individual Members of the House, will be the gain of the city of Los Angeles. I look forward for our good friend NORRIE POULSON to be mayor of Los Angeles for not just this one term; I expect him to continue to be able to do for the city of Los Angeles what he has been able to do for his own congressional district, and be reelected time and again, because the people of Los Angeles will get to know him and to love him as the members of his district have done. I am sure they will have in NORRIS POULSON the finest mayor Los Angeles has ever had and in his wife their most gracious lady.

Mr. McDONOUGH. I thank the gentleman from Pennsylvania.

Mr. SCUDDER. Mr. Speaker, will the gentleman yield?

Mr. McDONOUGH. I yield to the gentleman from California.

Mr. SCUDDER. It is my pleasure and privilege to congratulate NORRIS POULSON and to wish him well in the high office he has attained in the city of Los Angeles.

Many years ago I met NORRIS POULSON as a member of the California State Legislature, in which we served together. When I came to Congress it was like an old homecoming week, because I met so many former members of the State legislature serving here in the Congress of the United States.

NORRIS POULSON was always a good friend and a good adviser. A man who has a keen knowledge of finance and administration, and one on whom you can depend at all times. As a respected colleague he was friendly and helpful in some of the rough spots we occasionally find along our paths in carrying out our duties as Members of Congress.

I know he will make a success of the job he is undertaking. While I was employed with the State government I found out some of the complexities that exist in the southern part of the State of California. I know the problems of the city of Los Angeles are many and that they must be solved. NORRIS POULSON has lived there the greater part of his life, and will measure up to the responsibilities of meeting and solving the same, which will make Los Angeles the great city of the United States. I have enjoyed my association with Norris. I have appreciated his cooperation. I know the people of Los Angeles are going to be better off for having elected him as their mayor.

Norris, I regret to see you leave the Congress. I wish for you and your family a most enjoyable and pleasurable future, and to you a successful tenure of office.

Mr. McDONOUGH. I thank the gentleman from California.

Mr. ALLEN of California. Mr. Speaker, will the gentleman yield?

Mr. McDONOUGH. I yield.

Mr. ALLEN of California. Mr. Speaker, I wish also to extend my best wishes to NORRIS POULSON on this new undertaking in which he is about to engage. I am really going to miss NORRIS POULSON and I am sorry to see him leave the House of Representatives. Over the years I have known him I have come to the conclusion that he is one of the most accurate judges of public opinion that is to be found among our number. I will very much miss the good advice and sound counsel he has given. I congratulate him upon the the esteem in which the people of his own city hold him, as shown by his election. I congratulate the people of the city of Los Angeles on bringing closer to them a very fine, splendid public servant.

Mr. McDONOUGH. I thank the gentleman from California.

Mr. HILLINGS. Mr. Speaker, will the gentleman yield?

Mr. McDONOUGH. I yield to my colleague from California.

Mr. HILLINGS. Mr. Speaker, it is a pleasure to join my colleagues in paying tribute to the new mayor of La Ciudad de Los Angeles and to express the wish that has been repeated here a number of times that he will have a successful

tenure of office as the new mayor of that great city.

I am going to miss our distinguished colleague, NORRIS POULSON, as the other Members of this body will, particularly so in view of the fact that one of my first experiences in practical politics occurred as a volunteer worker in his 1948 campaign for reelection to the House of Representatives.

In Congressman NORRIS POULSON, our colleague from California, we have always had a champion of those in the Republican Party who believing in encouraging more participation in the party councils by the Young Republicans. And the Young Republicans of California are particularly grateful to him for that.

I recall that when I came to Congress, in the 82d Congress, in 1951, I could always go to NORRIS POULSON during the difficult periods and problems which are faced by a new Member of this body, and always get some good ideas and sound advice to help me. I am always going to be grateful to him for that.

In the reapportionment of 1952, part of my district the city of South Pasadena, was taken from and placed in the congressional district now represented by Mr. POULSON. I know from my former constituents that they have been served well and faithfully by the new mayor of the city of Los Angeles. In a sense, those of us who live outside of the city of Los Angeles and represent other districts in California, are probably going to feel the loss of our colleague [Mr. POULSON] more keenly than those in the city of Los Angeles, because they will have a chance to continue to see him and associate with him much more so than those of us in other areas.

For a long time we depended upon him to be the champion of California's water rights and looked to him for guidance and leadership in that important problem. But the loss will be more than offset by the fine administration that I know he is going to give to one of the biggest and fastest growing cities in our country, the city of Los Angeles.

I am sure that the new administration of Mayor POULSON of Los Angeles will serve as a model and a guide to good city administration, not only in California, but in other major cities throughout the country.

It is a pleasure to extend my best wishes and Godspeed to the new mayor and tell him that we are going to miss him, but that he will always have friends in this body when he has problems to bring before us.

Mr. McDONOUGH. I thank my colleague for his kind remarks.

Mr. ANGELL. Mr. Speaker, will the gentleman yield?

Mr. McDONOUGH. I yield to the gentleman from Oregon. As a matter of fact, Mr. POULSON is a native of the State of Oregon, and we are glad at this time to hear from Mr. ANGELL.

Mr. ANGELL. May I say to the gentleman from California, you are stealing my thunder. One reason why our good friend, NORRIS POULSON, has made such a success and has now been selected to head this great city of Los Angeles is the fact that he comes from the State of Oregon. We gave him a good start out there in the great far West. He is a product of the West. He has here in the Congress performed a great service.

During all of my service here, I have had the opportunity to work with him, to know what he is doing, and the forthright, sincere, and effective way he works. I am sure that as mayor of this great city, he is going to do an outstanding job as he has done in the Congress.

Our committee has had an opportunity on several occasions to visit Los Angeles. Only recently, within the last year, the subcommittee on roads made rather extensive examinations there and I marvel at the ingenuity and the forthrightness and the great accomplishments the city of Los Angeles is making in the construction of freeways you have mentioned, as means of approach to the city, of getting in and out of the city; the way that program is being handled, and getting that problem solved is certainly one of the outstanding examples of constructive public works in the United States.

I am sure that our good friend, NORRIS POULSON, when he takes over the reins of that great city, will make even greater strides than he has made in the past. So I say, hats off to you, NORRIS POULSON. Those of us here in Congress, I am sure, while we are here will be happy, indeed, to do whatever we can to help out in the momentous problems that will come before you.

Mr. McDONOUGH. I thank the gentleman from Oregon.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. McDONOUGH. I yield to the gentleman from Nebraska, the chairman of the committee of which Mr. POULSON was a member, Dr. MILLER.

Mr. MILLER of Nebraska. Mr. Speaker, I want to join with my colleagues in Congress and on the committee in wishing NORRIS POULSON well. It was 11 years ago when I came to Congress. Shortly after that I met NORRIS POULSON. We have been members of the same committee during most of his time in Congress.

Since the first of the year I have had the privilege of being chairman of the Interior and Insular Affairs Committee. NORRIS POULSON, with his fine, keen, analytical mind, which we would expect him as a public accountant to have, was able to analyze not only the economic situations in many of the bills that came before us, but the political situations as well. Norris, with his friendly smile, was always able to leaven any tight situations that developed. I know that because in the early days, the formative days of the committee, we had our difficulties, and NORRIS POULSON was able to sort of smooth over the rough edges by pouring oil on troubled waters.

His smile has carried him through tight spots. He is a good companion to be around with, too, as you who have traveled with him know. He has caught me in rather unusual poses—sleeping while fishing in a boat—but he did not use it against me politically last November. Down in Virginia one fall he earned the reputation of Two-GUN POULSON because he got not only his wild turkey, but his duck and his pheasant, I think, almost with one shot.

He will undoubtedly go further than being mayor of Los Angeles. He has an uncanny way of analyzing political situations. It will be dull without POULSON and the way he had things to say about either the bureaucrats or how they were going to get more water for Los Angeles. He was looking after his people in good shape, and we all admire him for it. What is going to be the committee's loss will undoubtedly be the gain of southern California, and he will keep on working and doing a good job for them.

I want you to know, Norris, that we hope you get back to Washington often. You will be welcome. I will watch with interest your tour as mayor of Los Angeles. I want to extend congratulations and best wishes to you and Erna, the good wife. I know that you will enjoy your work as mayor. We will miss you on the committee and in the Halls of Congress. On your new job and service to the people, I wish you Godspeed.

Mr. McDONOUGH. Mr. Speaker, I yield to the gentleman from California [Mr. YOUNGER].

Mr. YOUNGER. Mr. Speaker, it was not my pleasure to know Mr. POULSON before the 83d Congress, but there is one characteristic I have noticed that endeared him to me, and that is that regardless of the stress and strain of the situation he always has a smile. An infectious smile was characteristic of him and I think the sunshine of his smile can be termed characteristic of the sunshine and the hospitality of the great city over which he has been called to preside as mayor. I want to offer my congratulations to Mr. POULSON.

Mr. McDONOUGH. Mr. Speaker, I yield to the gentleman from California [Mr. GUBSER].

Mr. GUBSER. I, too, wish to associate myself with those who are today paying tribute to NORRIS POULSON. One of my fondest memories will be his smile and helping hand to me as a freshman Member in the bewildering opening days of the 83d Congress. I had not had the pleasure of knowing him before, but my association with him here in the 83d Congress, brief though it is, has been very pleasant.

As a resident of northern California I wish to congratulate the people of the City of the Angels for the wisdom of their choice. I wish also to make the prediction that under the administration of His Honor Mayor POULSON, the City of the Angels will more closely approach the fine administration of northern California.

To you Norrie, congratulations and best wishes.

Mr. McDONOUGH. Mr. Speaker, I yield to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Speaker, I cannot let this opportunity pass to join with my colleagues, in paying high tribute to our esteemed colleague the Honorable NORRIS POULSON.

I discovered very soon after NORRIS POULSON came to Congress that here was a man who had the courage of his convictions. NORRIE POULSON never hesitates to do the thing he thinks right and best for the country. I have on many

occasions heard him express his philosophy of government here on the floor of this House of Representatives of the United States of America; and, like every Member of this House, I know he will make a great mayor of the great city of Los Angeles, Calif.

I look forward with great pleasure to the time when I can again visit the fine city for now it will be to me a greater pleasure when I can call on our friend NORRIE POULSON, as mayor, for I know I will be welcome. As time goes on NORRIE POULSON will be held in even higher esteem by the people of Los Angeles as they become better acquainted with him because of his keen sense of fairness, his ability, and his great desire to be right. He is a man and a gentleman in the truest sense of the word, and a great American. I congratulate the people of Los Angeles for making the Honorable NORRIS POULSON their mayor, while at the same time we are sorry to see him leave Congress. His work here was well done. I wish him Godspeed in his new role as mayor of the city filled with the people he loves.

Mr. McDONOUGH. I thank the gentleman from Iowa.

Mr. Speaker, I yield to the gentleman from Texas [Mr. LUCAS].

Mr. LUCAS. Mr. Speaker, I want to add my word of praise for NORRIS POULSON, although there is but little I can add to the splendid tributes that have been given to him here. I do, however, want to express my regret at his leaving us and to hope that his district will send us a man to take his place who will prove as competent as he and upon whom we can place as great a responsibility as NORRIS POULSON, carried here in the House. He goes with the good wishes of all of us.

I want to commend the people of the city of Los Angeles for having chosen him as their mayor and to express the hope that he will be as successful as mayor of that great city as he has been as a Member of this House of Representatives. I feel sure that during his administration as mayor of the city of Los Angeles that great city will become even greater and that NORRIS POULSON will add to the stature which he has established here in the House of Representatives.

It is regrettable to me personally that NORRIS POULSON is leaving us. He has been my good neighbor in the House Office Building for some time. I add my wish of Godspeed to NORRIS POULSON in his new undertaking.

Mr. KEARNS. Mr. Speaker, will the gentleman yield?

Mr. McDONOUGH. I yield to the gentleman from Pennsylvania.

Mr. KEARNS. Mr. Speaker, may I say that in 1947 when I was in California as chairman of a committee, I met many of NORRIS POULSON'S friends and supporters and I learned at that time that they had a very high regard for him. They were anxious to know how he was getting along here and what we thought of him. I think the record he has established here in the House of Representatives will speak for itself.

One reason why he is going to be Mayor of Los Angeles is because he has had the courage of his convictions here in the House of Representatives. We all wish him success. We know he is going to be successful and we are proud of him as a colleague.

Mr. BELCHER. Mr. Speaker, will the gentleman yield?

Mr. McDONOUGH. I yield to the gentleman from Oklahoma.

Mr. BELCHER. Mr. Speaker, I doubt that there is a State in all this Union that has more people living in Los Angeles that does the State of Oklahoma. I want to congratulate the city of Los Angeles and my former Oklahoma Sooners for having the good judgment to select NORRIS POULSON as their mayor. It gives me cause for more respect and more admiration for that great city out there because they have selected the type of man they have selected in NORRIS POULSON.

It has been said that NORRIS POULSON always wears a smile, and he does have the ability to disagree with people agreeably; nevertheless he has also the ability to disagree with people firmly. I believe that the firmness and solidarity that he is going to bring to that great city out there, and probably to a certain extent the rest of the State of California, will be an asset.

Norris, on behalf of all of your former Sooners, I want to congratulate you and the city of Los Angeles upon your selection as mayor and wish you Godspeed.

Mr. JACKSON. Mr. Speaker, will the gentleman yield?

Mr. McDONOUGH. I yield to the gentleman from California.

Mr. JACKSON. May I join the other Members of the House in extending my congratulations to our colleague, NORRIS POULSON, as he prepares to leave this body to take up the very heavy and onerous duties as mayor of the third greatest city in the land. It has been a very great privilege and a pleasure for me to work with the distinguished gentleman from California [Mr. POULSON] since I first came to the House of Representatives.

His counsel, his willingness to be of service, his genuine friendship have, I know, endeared him to all who have known him. I am rather inclined to the belief that within a few months it may well be possible he will yearn for the relative bedlam of the House floor on some of its more hectic days. I am sure that the best wishes of all of us go with him as he embarks upon this new and great phase of his career.

Mr. McDONOUGH. Mr. Speaker, I yield to the gentleman from Texas [Mr. ROGERS].

Mr. ROGERS of Texas. Mr. Speaker, I want to say ditto to the many nice things that have been said about my good friend, NORRIE POULSON. He was one of the first Members that I met when I came to the Congress, and he has been sort of a ray of sunshine to me ever since. He is a man of outstanding qualities, who is always willing to fight for what he believes to be right. I had the pleasure of serving on his subcommittee of the Committee on Interior and Insular Affairs, and I want to say that if he conducts the affairs of Los Angeles as he conducted that subcommittee, the people out in that section of the world can look for great things to happen. It was further my privilege to visit in Los Angeles during the time that this race was on; as a matter of fact, I believe it was shortly after the primary, if that is what they call it out there. Norrie was there and I was with him. As a matter of fact, I had my picture taken with him. I did not know at that time that it would be with the mayor of Los Angeles, but I suspicioned as much. I will say that the people of Los Angeles have great faith in him. You could tell it. Wherever he went the people were glad to see him and, of course, he was glad to see them. I am glad to see the west coast moving forward and I want to wish Norrie the great success that I know is in store for him, and to congratulate the city of Los Angeles.

Mr. McDONOUGH. Mr. Speaker, I yield to the gentleman from Iowa [Mr. HOEVEN].

Mr. HOEVEN. Mr. Speaker, it is very pleasing to hear the fine words of commendation and appreciation spoken in behalf of our colleague, NORRIS POULSON. It is much better to hear such kind words spoken on occasions like this when the recipient of our good wishes can hear them.

NORRIS POULSON and I came to Congress together 11 years ago, and our friendship has ripened throughout the years. I have found him to be a man of the highest integrity, completely honest, a man who stands on his convictions, one who believes in the free enterprise system. In short, he is a great American. I shall miss him very much and I wish him a lot of luck in his new undertaking as the next mayor of Los Angeles.

Norris, as you go to serve the people of Los Angeles, you will carry with you the best wishes of all your colleagues in the House of Representatives.

Mr. McDONOUGH. Mr. Speaker, I yield to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Speaker, NORRIS POULSON has been in the business of winning elections for a long time. Prior to his sixth election to the House of Representatives, he was elected a number of times to the State legislature and, lately, of course, he has been elected mayor of the city of Los Angeles, and I presume he will be re-elected as mayor 2 or 3 times if things go along as they have been. He has been of untold service to the State of California, to the county of Los Angeles and the district he represents, having served on a very important committee for our State and for its general welfare. His activities on behalf of California in connection with the waters of the Colorado River, and irrigation, and reclamation, and other things has endeared him to the hearts of the people of California. May God bless him in his new undertaking as mayor of the greatest city west of New York.

Mr. McDONOUGH. Mr. Speaker, I yield to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Speaker, as a fellow member of the Interior Committee, I shall miss NORRIS POULSON very much, as I am sure he will be missed by all on the floor of the House. I should like to say this to him that there are several thousand Iowans in Los Angeles. I hope

he will take good care of those Iowans for they are merely on loan to him. We expect to get them back to Iowa some day. I congratulate him upon his election and wish him every success.

Mr. McDONOUGH. Mr. Speaker, I yield to our distinguished Speaker [Mr. MARTIN].

Mr. MARTIN of Massachusetts. Mr. Speaker, those of us who have been associated with NORRIS POULSON are happy over his election to the office of mayor of Los Angeles. It is a fine tribute the people have paid to him in his election as chief executive of one of the great cities of our Nation. We are sure from the fine service he has rendered in the Congress that he will more than measure up to the demands of his new responsibility.

NORRIS POULSON has served California and the Nation in Congress with fidelity and great ability. He has won the high esteem of his associates both Democrats and Republicans through his able, conscientious, and outstanding work.

We are all sorry to have him go. We will miss his cordial smile and his friendliness. But we do know the loss of Congress will be the gain of Los Angeles. In a period when the duties of a big city executive require outstanding ability we know Los Angeles has gained a splendid public servant.

Mr. McDONOUGH. I thank the gentleman from Massachusetts.

Mr. Speaker, I ask unanimous consent that all those who have not had the opportunity to participate in these remarks may have the privilege of extending their remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. COON. Mr. Speaker, I want to say that NORRIS POULSON grew up in my home county of Baker County, Oreg., and graduated from the high school in my home town. His many friends there have admired him since he was a boy and have watched and applauded the outstanding statesmanship he has shown in his public service. We in Oregon early recognized him as a fine young man, and through the years we have affectionately claimed him as our Congressman from California.

On June 2 I had included in the RECORD a splendid editorial of the Baker County Democrat-Herald of May 28, 1953, which shows the high regard with which the people of our area hold NORRIS POULSON. The Democrat-Herald is one of the leading daily newspapers in the State of Oregon, and this editorial reflects the thinking of the good people in our area in paying tribute to Congressman NORRIS POULSON.

NORRIS POULSON'S record in the Congress shows that he is sound in his thinking and that he has made a contribution through his work in the Congress of which he can be justly proud. We Members of the House shall miss him when he leaves to take up his duties as Mayor of the great city of Los Angeles. But there too we know he will strongly uphold the ideal of better government, and I congratulate the citizens of Los Angeles on having recognized his fine qualities of leadership and of having elected him as their Mayor. I know that he will serve them well.

I wish him success and happiness in his new duties, and I know his many friends of Baker County, Oreg., who remember him with admiration and affection, would like to have me add here their best wishes also as he enters into this new office and his new life.

Mr. BARTLETT. Mr. Speaker, I feel it is a privilege to associate myself with those who are saying farewell to our friend NORRIS POULSON. His departure from the House of Representatives will be a loss to us, and to the people of the district he has so ably represented; the gain will be for all the people of Los Angeles when on an early date he becomes mayor of that great American city.

I have many pleasant memories of an association with NORRIS POULSON through years of service on the Interior and Insular Affairs Committee during which on so many occasions he has given really significant help in so many worthwhile Alaska causes. I know too that even before I came here he had a primary responsibility in bringing about the search by the Navy Department for oil in the Arctic, a search which I sincerely believe will be continued and be successful in the days ahead. These explorations perhaps laid the groundwork for private enterprise to look for oil in other parts of Alaska as they are now doing.

It is almost axiomatic that a man's personality, his ability to get along with others, his general caliber, are best judged in the close contact inevitable during a trip. By that standard, NORRIS POULSON from my viewpoint, ranks very high indeed. We were members together of an Indian Affairs subcommittee which visited Alaska in the autumn of 1951. His industry, his quick grasp of issues, his agreeable disposition, his eagerness and ability to master new problems, were readily apparent to all.

For NORRIS POULSON, I wish the very best in the important new work which lies ahead.

Mr. MAILLIARD. Mr. Speaker, I would like to join our colleagues in wishing every success to NORRIS POULSON in his new assignment as mayor of Los Angeles. It has not been my good fortune to know Norrie until very recently but the association has been as pleasant as it has been brief. As a Representative in this House from the other principal California city, I may say that, if half the qualities ascribed to him here today are true, and I sincerely believe them to be, my own city of San Francisco had better look to its laurels after July 1.

Mr. CHENOWETH. Mr. Speaker, it gives me great pleasure to join my colleagues in expressing our regrets over the resignation of NORRIS POULSON as a Member of this House. We are happy of course to see him assume his new duties as Mayor of Los Angeles. It has been a great pleasure to serve in this body with Mr. POULSON over the years. He has always been a hard worker and has been diligent in looking after the interests of his people. He makes friends easily, and I was not surprised when the voters of Los Angeles elected him to direct the affairs of that great city last month. I personally wish him a happy and successful term in office, and I know he will make an outstanding record, just as he did here.

Mr. WHARTON. Mr. Speaker, I think the first impressions of a freshman Congressman may well divide the senior Members of the House into two groups.

First there are those of serious mien who dart here and there with their arms full of books and papers. They bear a somber, almost melancholy look, and the world is obviously about their shoulders.

Fortunately there is a second classification who resemble the gentlemen of the old school. They are pleasant, courteous, and approachable on such trivial matters as may concern the rank newcomer. Neither sectionalism nor politics enter into the picture. These men, someone has termed them "nature's noblemen," help make the way a little brighter—the path a little smoother. Such a man is our colleague NORRIS POULSON who has now been called upon to assume the duties of the office of mayor of the great city of Los Angeles.

In the 82d Congress, I soon came to know Norris and to appreciate his friendly advice and his ready wit. In due course, I learned of his charming wife and family and to appreciate the teamwork that exists among this typical American family group.

Suffice it to say that my association with our colleague, Mayor POULSON, has been a pleasant milestone on life's highway, and it is my prediction that we have not yet witnessed the climax of his distinguished public career.

Mr. McDONOUGH. Mr. Speaker, I yield the balance of my time to the honored guest of the occasion, the mayor-elect of Los Angeles, NORRIS POULSON.

Mr. POULSON. Mr. Speaker, I thank you one and all from the bottom of my heart for your most generous remarks. Let me assure you that these statements will not cause me to overestimate myself. To each and every one of you I extend a personal invitation to visit me in the city of Los Angeles.

MONUMENT TO JOHN MORTON, JOHN HANSON, AND JOHN ERICSSON

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. O'HARA] is recognized for 60 minutes.

Mr. O'HARA of Illinois. Mr. Speaker, today I have introduced a bill for the establishment of a Swedish-American Commission to prepare a plan for the erection of a monument to John Morton, John Hanson, and John Ericsson. I am addressing my remarks to the reasons that moved me to present this measure to the thoughtful consideration of the Congress.

John Morton in a sense is the forgotten signer of the Declaration of Independence since his picture is not included among the other signers of the Declaration in either of the great paintings portraying that historical event. This was occasioned by the fact that he

was the first of the signers of the Declaration of Independence to die. When the artists started their paintings no likeness of John Morton could be found.

John Hanson was the first man to be honored with the title of President of the United States. His exact title was "President of the United States in Congress Assembled." He was of the royal blood of Sweden, a forebear in the line of John Hanson's having married a cousin of Gustavus Adolphus.

John Ericsson was the great engineer whose crowning achievement was the *Monitor*, victor in the battle with the *Merrimac* which is one of the great and thrilling chapters in our history. The genius of John Ericsson revolutionized naval warfare, was a large contributing factor to the preservation of the Union.

Here are three Johns, of Swedish birth or blood, whose brilliant careers of imperishable memory highlight the centuries of service and of sacrifice that men and women from Sweden and of Swedish descent have given to the building of these United States.

The suggestion of a national monument to the three Johns came to me from the Honorable Carl Hjalmar Lundquist, distinguished Chicago attorney and scholar. Mr. Lundquist was born at Bofors, Sweden, came to the United States with his parents when 3 years old, and later returned to Sweden to attend the secondary school at Arboga and to receive his bachelor degree at Scholae Carolinae at Orebro. He has been an editor on the staffs of Swedish-language newspapers in Chicago and Rockford, Ill.; president of the United Swedish Singers of Chicago; coorganizer of the Swedish Cultural Society, and active during a long period of rich years in the many good and inspiring works of the Swedish-American community. He is a great American.

All nationalities, all races, have united in merging together the best traditions, the finest qualities of national and racial character, into what we know as Americana. It serves a useful purpose to keep reminding each succeeding generation of our countrymen of the share in our glorious history, not only of the country and the race of our own ancestry, but as well of those of all other Americans. No nationalistic segment of our population has more justification for pride in its contribution to our country's past than that of Swedish blood.

I earnestly urge the joint effort of all the Members of this body in support of this bill embodying the thought of an immigrant boy from Sweden, returning to his native land to be graduated from a great Swedish college, and then coming again to our shores to give a lifetime of service advancing those ideals which are the common possession of the people of Sweden and the people of the United States.

The bill which I have introduced merely provides for the creation of a commission to submit a plan for the monument. I appreciate that at the present time, when the expenditures for defense are so heavy and economy is so necessary, the House would not feel justified in authorizing expenditures not of an essential nature. But let us begin now the planning of this monument, the actual construction of which can await the day soon to come, we hope, when the strain of defense production is relaxed to permit the more happy expenditure of our means.

The bill provides for representatives of Swedish-American organizations from all the States of the Union.

Mr. Speaker, I am extending my remarks to include the articles by Mr. Lundquist on the three Johns—John Morton, John Hanson, and John Ericsson—which I am sure my colleagues will find of keen historic interest and which represent the long and careful research of a scholar:

JOHN MORTON, A SIGNER OF THE DECLARATION OF INDEPENDENCE

(By Carl Hjalmar Lundquist)

Pennsylvania is called the Keystone State because she was the last one of the English Colonies to decide for the Declaration of Independence in the memorable year of 1776, and John Morton, a great grandson of Morten Mortenson, who emigrated from Sweden on the good ship *Orn*, February 2, 1654, was chairman of its delegation at the time of the signing of that immortal document on July 4, 1776.

John Morton, the grandson of a Swedish emigrant, was born in 1724, in a house that is still standing. He was a precocious boy and in spite of receiving but 3 months' training in the schools of his country, he developed into a forceful speaker and acquired a wide information. In this connection it is interesting to note that he could speak and read the Swedish language.

He married Ann Justice, a descendant of the early Swedes of the colony of New Sweden in Delaware, in 1754 and had several children with her, two of whom played conspicuous parts in the stirring times of the Revolution.

Morton gradually acquired a position of wealth and prominence in this community and through his integrity and ability rose from one office of trust to another. In 1757 he became Justice of the Peace. In 1766 he was appointed sheriff of Chester County, and for many years was a member of the Pennsylvania Assembly, a speaker of the body on several occasions and served on many important committees. He was a delegate to the famous Stamp Act Congress in New York in 1765, and as a consequence of his political views was removed from office the same year. His friend, Benjamin Franklin, wrote to John Ross in reference to this dismissal; "The hasty setting aside of such unexceptionable magistrates merely for their political opinions [is unfortunate]. Be pleased to present my hearty respects to our friends Potts, Pawlin, and Morton. They do not, I dare say, sleep a jot the worse for their dismissal."

The State, however, could not well neglect to avail itself of his services and the following year he was returned to public office. In 1776 we find his name, as speaker of the assembly, attached to numerous commissions and appointments to the Continental Army.

When a Pennsylvania delegation was appointed to consider secession, Morton was elected one of its members and made its chairman. To be chairman of a body in which such men as Benjamin Franklin and James Wilson served meant much and indicates the confidence Morton enjoyed among his great contemporaries.

MORTON'S SUPREME SERVICE

It was as chairman of this delegation that Morton performed the supreme service to his country. Six States voted in favor of secession and six against, while Pennsylvania was divided. A majority of the Pennsylvania delegates were against secession, but when the vote was taken on July 2, 1776, 2 of the adverse members were absent, reducing the Pennsylvania representation to 5.

James Wilson and Benjamin Franklin were in favor of breaking away from England, but the other two delegates were against it. John Morton, who rose from a sickbed against the advice of his friends, and journeyed by horseback to Philadelphia, cast his vote with Wilson and Franklin, thus placing Pennsylvania on the side of secession and carrying the measure by a majority of one.

John Morton then was the man who took upon his broad shoulders the task of the final decision, which resulted in a free United States of America.

On July 4, 1776, the Declaration of Independence was signed by all the delegates.

John Morton was censured by a great number of his friends for his boldness in casting as he did and he admitted to his friend, Andreas Kyn (another American of Swedish descent), who at that time was a captain on General Washington's staff, that the attitude of his friends had a great deal to do with his declining health. In fact, he died the very next year, in April 1777, only 52 years old.

He was the first one of the signers of the Declaration of Independence to pass away, and therefore his picture is not to be found among the other signers of the Declaration on either of the great canvases portraying this historical event, Pines' Congress Voting Independence and Trumbull's Signing the Declaration of Independence, but a marble tablet in Independence Hall, Philadelphia, tells the story of his life and the part he played in the development of our country in those momentous days when men were men.

HIS DEATHBED STATEMENT

On the tombstone erected over his remains in the old Episcopal churchyard in Chester, Pa., you will find the following inscription:

"Dedicated to the memory of John Morton, a member of the American Congress from the State of Pennsylvania, assembled in New York in 1765, and the next Congress, assembled in Philadelphia in 1774, and various other public stations. Born, A. D. 1724; died, A. D. 1777."

This monument was erected by a portion of his relatives, October 9, 1845.

In 1775, while Speaker of the Assembly of Pennsylvania, John Morton was reelected a Member of Congress, and in the ever-memorable session of July 1776 he attended that august body for the last time, enshrining his name in the grateful remembrance of the American people by signing the Declaration of Independence.

John Morton, being censured by some of his friends for his boldness in giving the casting vote for the Declaration of Independence, his prophetic spirit dictated from his deathbed the following message to them:

"Tell them they will live to see the hour when they will acknowledge it to have been the most glorious service that ever I rendered to my country."

JOHN HANSON AND THE BIRTH OF OUR NATION

(By Carl Hjalmar Lundquist)

The Revolutionary War was not originally intended as a war for independence, but for the preservation of contended constitutional rights. The Colonies directed their complaints principally against four points: (1) Imposing taxes without the consent of the people's representatives; (2) keeping up standing armies in time of peace to overawe the people; (3) denying the right to trial by a jury of the vicinage in some cases, and providing for a transportation of persons accused of crimes in America for trial in Great Britain; (4) exposing the premises of the colonists to searches, and their per-

son's papers, and property to seizures on general warrants.

If Americans were entitled to the constitutional rights of Englishmen, as they contended, their rights were invaded, but the imperial government denied that the colonists could claim rights as against the exercise of its powers. The issue was, therefore, at hand, and the War of the Revolution was actually begun, waged on the one side by the government of Great Britain to reduce the colonists to submission, and directed on the other side by a Continental Congress.

The Continental Congress assumed the sovereign power of conducting war, and sovereignty passed from the British crown and Parliament. Congress also assumed the power to conclude peace, to form alliances and to contract debts on the credit side of the Union.

It is true, however, that this government by our constitutional Congress was a revolutionary government and not a government formally conferred by the States. It was an advising body and not really a governing body. As such, it could not long answer the purposes of the Union, and a remedy must be found which would be sanctioned by the States.

The Articles of Confederation and Perpetual Union were prepared by Congress and submitted to the States in 1777 and were subsequently ratified by representatives of the States empowered by their respective legislatures so to do.

REASONS FOR DELAY

They were not to go into operation until every State had consented to the plan, and this was not done until March 1, 1781. There were several reasons for this long delay, the chief cause being a dispute over the Eastern lands. Maryland would not ratify the articles before a satisfactory agreement had been reached in regard to this important question, involving the future development of the United States as a Nation.

Some States claimed that their boundaries extended as far west as the Mississippi River. The smaller States, like Maryland and New Jersey, however, had no such claims. These States, led by John Hanson, Delegate from Maryland since 1779, argued that the unsettled lands in the territory west of the Colonies should of right be owned and controlled only by the United States, and that these lands should be sold to settlers by the United States, the money to be used to pay debts incurred during the Revolutionary War.

The Articles of Confederation made no provision for this, and Maryland stood firm, under the leadership of Hanson, refusing to ratify them until all the States that claimed western lands promised to turn over these claims to the United States.

We owe Maryland and Hanson a great deal of gratitude for this foresightedness, because the control of this western territory by Congress has been an all-important influence in promoting union and nationality. In order to induce the claiming States to give up their lands, Congress finally passed a famous resolution (in October 1780) promising that these lands should be disposed of for the common benefit of the United States and be settled and formed into States and become members of the Union with the same rights as the other States. Here was the beginning of our national policy in the making of new States.

THE UNITED STATES IN CONGRESS ASSEMBLED

After the ratification of the Articles of Confederation and Perpetual Union in 1781, our Government became known as the United States in Congress Assembled.

We had previously been known as the United Colonies, America, and the Union, but now our country became the United States.

OUR FIRST PRESIDENT

The first illustrious American to take office as President of the United States in Congress Assembled, the official title of the President of our country today, was John Hanson, of Maryland, through whose efforts the western lands were preserved for the Union. He was elected to that office by Congress, and assumed office November 5, 1781. Hanson held office until November 5, 1782, and died in 1783, at the age of 68, after a long and glorious life devoted to his country.

Hanson and his successors in office were, however, executive officers of Congress alone, with certain powers as executive officers of the Nation, delegated to them by the States. We were not yet in the true sense of the word a Nation.

The Articles of Confederation were too defective to last long. They provided for no President to execute the laws. There was no Supreme Court to judge the law. Congress was not given power to make any laws. In fact, the States remained supreme.

"Each State retains its sovereignty, freedom, and independence, and every power not delegated to Congress." Ours was a federation of States and not a Nation with States.

Congress could make war and peace, enter into treaties with foreign powers, coin money and borrow money, but here its powers ended. Congress could not tax the people, could not pay its debts, could not prevent the States from issuing paper money, and could not enforce treaties.

It was at this trying period in the history of our Nation that Washington at one occasion said: "We act like one Nation today and 13 tomorrow." We had within our borders a league of nations, the making of a Nation, but we were not yet a real Nation.

HANSON FAMILY TREE

Gustav Vasa was the first king of the united present-day Sweden and reigned in the early years of the 16th century. His grandson was Gustaf II Adolph who was king of Sweden when that country stood at the height of its glory among nations and who planned and authorized the colony of New Sweden on the Delaware. His royal charter for this colony was issued on June 6, 1626.

One of the most remarkable families to spring from New Sweden is the Hanson family of Maryland. Prof. George H. Ryden, professor of history and political science at the University of Delaware, has preserved the history of that family for posterity, and from his history we gather these data:

A certain John Hanson married Margaret Vasa, a cousin of Gustavus Adolphus. This John Hanson and his wife died young, leaving a son who from his youth enjoyed the friendship of Gustavus Adolphus, and who, as colonel in the Swedish Army, fell at Lutzen on November 6, 1632. This Colonel Hanson's four sons, Andrew, Randal, William, and John then came under the protection of the Royal House of Sweden, and in 1642, when Printz was sent to Delaware as governor, Queen Christina permitted them to go along under his direct care.

The boys stayed with Printz at Tinicum until he left for Sweden in 1653 when the Hansons emigrated to the old Kent district on Chesapeake Bay in Maryland. They and their descendants for many generations occupied high places, vying with their neighbors in wealth and social position. Andrew's 6 children were born at Tinicum, one of them became Col. Hans Hanson, of Kimbolton, Md., who served as judge of the county of Kent from 1685 to 1697, and was a Delegate to the Colonial Legislature from 1694 to 1699. He married Martha Keito Ward in 1679, and by her had 9 children.

The seventh child, George, married three times, and a granddaughter of his married William Granger, who was a member of the Maryland convention which ratified the Federal Constitution in 1788.

The youngest of the four Hanson boys who came over with Printz, John Hanson, became Col. John Hanson, who died in Charles County in 1713. He left seven children, the oldest Robert, and the youngest Samuel.

MEMBER COLONIAL LEGISLATURE

Robert represented Charles County in the Colonial Legislature in many sessions. In his will, dated 1746, he mentions 7 children, one of which, Dorothy, married Richard Harrison, and became the mother of Robert Harrison, who served as military secretary, with the rank of colonel, to General Washington, and was appointed by Washington, when President, as a member of the first Supreme Court of the United States.

Samuel Hanson, the youngest son of Col. John Hanson, was the father of 8 children, 4 sons and 4 daughters. He represented Charles County in the legislature in 1716 and 1728. His oldest child was Judge Walter Hanson, of Harwood. Judge Hanson had three children, Hoskins, Anne, and Elizabeth. Anne married twice times. By her first husband, a Scotchman, named Hugh Mitchell she had a son, John Mitchell, who served as a captain in the Revolutionary War.

The third child of Judge Walter Hanson, Elizabeth, married her cousin, Daniel Jenifer. Their son Dr. Daniel Jenifer, became the father of Col. Daniel Jenifer, who was a Member of Congress from 1831 to 1833 and appointed Minister to Austria by President William Henry Harrison.

Elizabeth was also the mother of Daniel of St. Thomas Jenifer, a framer and signer of the Federal Constitution, and of Elizabeth, who married David Stone, and bore two sons, Thomas Stone, a signer of the Declaration of Independence with John Morton. Her other son, John Hoskins Stone, was Governor of Maryland from 1794 to 1797.

SAMUEL'S FAMOUS SON

The most famous of Samuel's children was John Hanson of Mulberry Grove, born in 1715, who after the ratification of the Articles of Confederation and Perpetual Union, our country's first constitution, became President of the United States in Congress Assembled.

John Hanson was elected a member of the Maryland legislature in 1757 and served in that capacity almost continually until 1781. In 1773 he moved from Charles County to Frederick County.

When the Revolutionary War broke out the troops from Maryland were the first from the southern Colonies to join Washington's army at Cambridge, Mass., in July 1775. They had been fully equipped largely through Hanson's efforts and at great personal expense to him.

After Cornwallis' capitulation at Yorktown, it became the pleasant duty for Hanson, as the Chief Executive of the country, to present General Washington to Congress and to extend to the conquering hero the thanks of a grateful country.

At the end of his term as President, Hanson retired to his home in Frederick, Md., and died on November 22, 1783, while on a visit to his nephew Thomas Hanson, at Oxon Hill, Md. In 1903, 120 years after his death, the State of Maryland unveiled his statue in the Hall of the Immortals in the Capitol at Washington, D. C.

JOHN ERICSSON, INVENTOR OF THE MONITOR

(An address delivered before the Swedish Engineers' Society of Chicago by Carl Hjalmar Lundquist)

During the last few days I have read the Life of John Ericsson written in two volumes by William Conant Church, editor of the Army and Navy Journal, in order to give you in the brief time allotted me the high points of that great man's life.

We live in memories of the past. We cherish and take pride in the accomplishments of the great men and women, who are the incarnation of the spirit of the Swedish people, such as Gustaf Vasa, Gustavus Adolphus, Charles XII, Linne, Berzelius, John Hanson, John Morton, Jenny Lind, Christina Nilsson, and many others too numerous to mention, stars that we have as a race lent to the galaxy of history.

And the name of John Ericsson stands out among these great and the great of other lands as the greatest inventor of them all.

On different occasions heretofore I have spoken about this national and international giant in the sphere of engineering and invention, and it is a pleasure to do so again tonight.

John Ericsson's ancestors were miners in Nordmarks Bergslag, Varmland, Sweden, and he was born in Langbanshyttan, near Filipstad on July 31, 1803.

His grandfather was a mining proprietor and accumulated property. His father, Olof Ericsson, lost the family wealth, and one of John's earliest recollections was that of the sheriff selling the family furniture to satisfy the demands of creditors.

The legend, song, and romance connected with the glorious mountains, lakes, and rivers of scenic Varmland, the birthplace of Geijer, the historian and poet, of Esaias Tegner, the author of Frithiofs Saga, of that poetic genius Gustaf Froding, and of Selma Lagerlof, never left the mind of John Ericsson.

In his Life of John Ericsson, Church writes that—

"After Ericsson left Sweden his affections seem never to have rooted themselves elsewhere, and he turned toward the home of his youth with almost ardent devotion. I am so entirely Swedish, wrote Ericsson in the midst of his triumphs of later years, that I cannot bear the thought that I am believed to have forgotten, or set aside in preference for some other, our beautiful mother tongue, the language of glory and heroes."

John Ericsson had one sister, Caroline, born in 1802.

REBELS AGAINST ROUTINE

Early in life John was the wonder child of the neighborhood, exhibiting the qualities of industry and rebellion against routine that characterized him in later life.

In 1718 Emanuel Swedenborg was ordered by King Charles XII to undertake the building of Gota Canal, but the death of the King on December 11, 1718, put an end to that project for a time.

The project had been first proposed by Bishop Brask in 1526, during the reign of Gustaf Wasa.

Several sluices of the canal were completed by Swedenborg, Polhem, and Viman, but no more was done on it for half a century, when it was again taken in hand by Count Von Platen.

In 1811 Olof Ericsson removed from Langbanshyttan in Varmland to Forsvik in Vastergotland. His eldest son Nils was then 9 years old and John 8.

The father secured work as a foreman in charge of a gang of men engaged in blasting rock on the line of Gota Canal, and shortly thereafter the two sons were appointed cadets in the mechanical corps of the Swedish Navy through the friendship of Count Von Platen.

At the age of 13, in 1816 John was made assistant leveler at the canal station Riddarhagen. In 1817 he was the only leveler at Rottkiims station, and in 1818 he was promoted to leveler at Norsholm.

He then fulfilled the duties of an officer required to make the plans and calculations needed for the work of the canal before he reached the age of 15.

Ericsson had graduated from no technological institute, but he had studied privately under competent men, and by his training he developed an originality unique in the history of prominent engineers.

At the age of 17, in 1820, he entered the Swedish Navy.

He was assigned with the rank of ensign to a regiment at Froson, near Ostersund in Jamtland.

Ericsson entered into the sports of his fellows and was soon the champion in wrestling, leaping, lifting, and the like. He had the bodily strength of two ordinary men. He once lifted a cannon weighing 600 pounds, at the age of 18.

He became an expert artillery draftsman, and he never lost the interest in military and naval subjects then acquired, and this was in part the secret of his later successes.

In 1826 Ericsson invented the Flame engine. He was then a lieutenant of the Jamtland Field Chasseurs.

HIS EARLY ROMANCE

During his army life in Jamtland he fell in love with a young lady, who bore him a son, named Hjalmar. Ericsson was a poor lieutenant and could not marry. This undoubtedly had much to do with his decision to turn from military life and to leave Sweden. His sweetheart later married another Swede of distinguished reputation and lived to old age as his wife.

The son, Hjalmar Ellsworth, became a highly respected man, holding a prominent position in the Government employ.

In May 1826, Ericsson obtained a leave of absence from the Swedish Army and went to England with his Flame engine. This engine did not realize his expectations so he attempted to combine steam with gases arising from the combustion of coal, and patented an engine constructed on this plan. This patent he assigned to a fellow countryman, Count Adolph E. von Rosen, who later invested 10,000 pounds in another invention of Ericsson's.

After 18 months in England, Ericsson resigned as an officer in the Swedish Army. He had joined John Braithwaite in the firm of Braithwaite and Ericsson, and their main business was that of constructing refrigerators and coolers for London breweries.

Ericsson became the inventor of surface condensation applied to steam navigation. He also claimed priority in the use of compressed air for transmitting power, and invented a number of other appliances for boilers and marine engines.

In 1828 he perfected a steam fire engine which he later improved. It came into general use in the larger cities of Europe for extinguishing fires.

ERA OF THE LOCOMOTIVE

The year 1829 opened the era of locomotive engineering. George and Robert Stephenson were bringing to a successful issue the scheme of a railroad between Liverpool and Manchester. Two miles of the road had been completed at a little place called Rainhill.

Five engines entered for trial, but the only two that disputed for supremacy were Stephenson's Rocket and Ericsson's Novelty.

Ericsson's Novelty shot by the Rocket like a projectile, but Ericsson having had only 7 weeks to construct his engine, whereas the Stephensons had been in that business for years, the workmanship of the Ericsson engine was not equal to the Stephenson and Ericsson withdrew from the contest and Stephenson won the prize of £500. The critics of the day, however, proclaimed the superiority of the principle of the Novelty.

I have not the time to discuss the sensation caused throughout the civilized world by these inventions.

On November 1, 1839, Ericsson left England for America on the steamer *Great Western*, the pioneer of the first line of steamers plying the Atlantic Ocean, which had made its maiden tour the year before.

Just after his arrival here Ericsson received the great gold medal from the Mechanic's Institute of New York for the best plan of a steam fire engine.

The main purpose of Ericsson's visit to the United States was to introduce his propellor to American waters. In this he was successful, and in a short while 24 merchant vessels were equipped therewith.

The Ericsson line of steamers was incorporated by the State of Maryland in 1844, and is still in operation as the New York & Baltimore Transportation Co., with steamers plying daily between Baltimore and New York.

ERICSSON'S PROPELLER

In 1849 the steamer *Princeton*, built by Ericsson for the United States Government, was fitted for the sea. She was equipped with the steam machinery of Ericsson's propeller, all within the hull of the vessel and below the water line. She showed no chimney and "made no noise, smoke, or agitation of water."

She had by far the most formidable guns afloat, and one of these guns, the most powerful, was Ericsson's own, and called the Peacemaker. The *Princeton* served through the Mexican War and did more duty than any other vessel. Her success was the final triumph of screw propulsion.

The *Princeton* was in reality Ericsson's first monitor, giving warning on both sides of the Atlantic of the changes that were to ensue in the construction of warships.

Ericsson's next invention was the hot-air engine, and in 1830 he patented an apparatus for making salt from brine. He also claimed to be the father of the independent power fan-blower system for steam vessels. He invented a superheating condensing steam engine. It consisted of two 16-inch cylinders and had a stroke of 18 inches. A hydrostatic weighing machine was another of Ericsson's inventions during his residence in England. For this he received a prize from the Society of Arts.

During the time Ericsson spent in England he patented 30 inventions, and I might say here that a list prepared by him in 1863 included 100 inventions. At the age of 33 Ericsson married 19-year-old Amelia Byam on October 15, 1836.

About this marriage Ericsson wrote later: "I have not been in a church since March 1826 except once in London, when on a certain morning I committed the indiscretion of not only going inside the holy room, but also appearing before the altar and there giving a promise difficult to keep."

During the years to follow the married couple did not spend much time with each other. Ericsson was accustomed to say that he was not fitted for domestic life.

In 1835 Ericsson designed the rotary propeller to be actuated by steam power. In 1836 he constructed a small propeller boat and in 1837 he designed an engine for imparting motion directly to the screw propeller shaft. This last was the first direct-acting screw propeller engine ever built.

BECOMES AMERICAN CITIZEN

Ericsson become a naturalized citizen of the United States on October 28, 1848.

It is interesting to note that after all his experience he had a balance of $132.32 in his checking account at the end of 1849.

In 1859 he wrote to one of his Swedish friends:

"Allow me to remind you that I am an engineer and designer rather than an inventor. Is the capacity for construction gained during the experience of a lifetime an invention?"

Since his work in 1842-43 upon the *Princeton*, Ericsson had been engaged more or less with Government matters which I have not the time to discuss.

I shall now dwell upon the greatest event in Captain Ericsson's life, and that is his crowning achievement, the building of the

Monitor, and in so doing I shall quote from President Coolidge's speech at the dedication of the John Ericsson memorial in Washington on May 29, 1926, in the presence of Crown Prince Gustaf Adolph of Sweden.

CLASSIC STORY OF IMMIGRANT

Said President Coolidge:

"The life of this great man is the classic story of the immigrant, the early struggle with adversity, the home in a new country, the final success. Born in the Province of Varmland in 1803, at the age of 17 he entered the army. But the urge for a wider opportunity for his talents possessed him, and at 23 he went to England. He entered an engineering firm and always preferred to be considered an engineer rather than an inventor. The development of power interested him and within a year his fertile mind had begun improvements of far-reaching extent upon boilers and engines. With that boundless energy which was to characterize him through life he soon designed the fire engine and developed the screw propeller for marine use. It was this new invention which brought him to America in 1839. His hopes to interest the Federal Government in this method of navigation were not immediately realized, but he began constructing propeller boats on the Great Lakes and started a fleet on the canal between Baltimore and Philadelphia, which caused the railroad to cut its fare in two, and where the boat service still keeps the name of the Ericsson Line. He was soon building a small steamboat, called the *Princeton*, which was the first man-of-war equipped with a screw propeller and with machinery below the waterline out of reach of shot.

"In 1876 he described this vessel as 'the foundation of the present steam marine of the whole world. She revolutionized naval vessels.'

"President Tyler and his Cabinet made a trial trip down the Potomac on this boat, which, although marred by a fatal accident caused by the bursting of a gun, demonstrated the desirability and success of this type of warship.

"It was therefore no novice but a seasoned and practical shipbuilder who responded when the Secretary of the Navy, alarmed at reports of a Confederate ironclad, advertised for armored ships. This great mechanical genius wrote to President Lincoln offering to 'construct a vessel for the destruction of the hostile fleet in Norfolk and for scouring southern rivers and inlets of all craft protected by southern batteries.'

"He further declared:

"'Attachment to the Union alone impels me to offer my services at this frightful crisis—my life if need be—in the great cause which Providence has caused you to defend. • • • It is not for me, sir, to remind you of the immense moral effect that will result. • • • Nor need I allude to the effect in Europe, if you demonstrate that you can effectively drive hostile fleets away from our shores.'

"This offer was accepted, and as a result a strange new craft, sometimes described as a cheesebox on a raft, steamed into Hampton Roads, late after dark on the day of March 8, 1862.

"It arrived none too soon, for that morning the Confederate ironclad *Virginia*, reconstructed from the *Merrimac*, began a work of destruction among the 16 Federal vessels, carrying 296 guns, located at that point. The *Cumberland*, with 24 guns, was battered to pieces, losing 117 of its 300 men. The *Congress*, with 15 guns, was grounded and set afire, and the *Roanoke* and *Minnesota* were badly damaged and run ashore.

"The result was consternation among the Federal authorities. A Cabinet member is said to have exclaimed that a shell from this new engine of destruction might be expected to fly into the White House at any time. In the South expectations were entertained of a complete destruction of the Northern ships, the raising of the blockade, the capture of Washington and other cities, recognition of the Confederacy by Europe, and ultimate victory.

"When the ironclad *Merrimac* went out on the morning of March 9 to complete its work of destruction it was at once surprised and challenged by this new and extraordinary naval innovation. Speaking before the Naval Institute in 1876, Admiral Luce said that the *Monitor* 'exhibited in a singular manner the old Norse element in the American Navy.' He pointed out that it was Ericsson 'who built her, Dahlgren who armed her, and Worden who fought her.' And well might he add: 'How the ancient Skalds would have struck their wild harps in hearing such names in heroic verse. How they would have written them in immortal runes.'

"After the battle lasting 4 hours, in which the *Monitor* suffered no material damage except from one shell which hit the observation opening in the pilot house, temporarily blinding Lieutenant Worden, the commanding officer, the *Merrimac*, later reported to have been badly crippled, withdrew, never to venture out again to meet her conqueror.

"That engagement revealed that in the future all wooden navies would be of little avail. The London Times stated that the day before this momentous battle England had 149 first-class warships; the day after she had but 2; and they were ironplated amidships. Naval warfare had been revolutionized. The great genius of Ericsson had brought about a new era in naval construction. Naval authorities now recognize the armored vessel which he sent into action as 'the germ of the modern battleship' and behold in 'the modern dreadnought the glorified *Monitor*'."

LATHE A HISTORIC RELIC

The lathe which Ericsson designed and built for the purpose of turning the turrets of the ironclad battleship *Monitor* was purchased by the Prescott Corp. of Duluth from the Brooklyn Navy Yard and was part of the equipment of the Marinette Iron Works plant at West Duluth, Minn.; later it was sold to the Carroll Foundry & Machining Co., Houghton, Mich., where it was in February 1928. The size of this lathe is 25'62" x 10' x 15'. I have a blue print and photo of the lathe in my possession, and wish to say that certainly this lathe should be preserved for posterity.

Ericsson lived a long and useful life after the battle between the *Monitor* and the *Merrimac*. He died on March 8, 1889, leaving an estate of $147,000.

The Swedish Government in April of the same year cabled our Secretary of State that Sweden would regard with extreme favor Ericsson's body sent home by a man-of-war, and finally on August 23, 1890, the remains of Captain Ericsson were placed on board the *Baltimore*, a fine cruiser under the command of Captain Schley, U. S. N., flying at the fore the dispatch flag to proclaim that she was on the "king's" business and must not be halted or interfered with on her voyage.

"What man has been more highly honored in American history. What other man has better deserved such honors?" exclaims Mr. Church in his Life of John Ericsson.

COMMITTEE ON AGRICULTURE

Mr. HOEVEN. Mr. Speaker, I ask unanimou: consent that the Committee on Agriculture may have until midnight tonight to file a report on the bill H. R. 5451.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Appendix of the RECORD, or to revise and extend remarks, was granted to:

Mr. KEARNEY and to include a letter.

Mr. SMITH of Wisconsin in four instances and to include extraneous matter.

Mr. JONAS of North Carolina and to include an editorial.

Mr. AYRES in two instances and to include an editorial.

Mr. KERSTEN of Wisconsin in two instances and to include extraneous matter

Mr. LECOMPTE and to include a very important address given before the Iowa State Bar Association on Friday evening by the Secretary of Defense.

Mr. FARRINGTON in two instances and to include speeches by Gov. Samuel Wilder King, of Hawaii.

Mr. O'BRIEN of Michigan and to include an article.

Mr. FRIEDEL.

Mr. MAGNUSON.

Mr. MCCORMACK and to include extraneous matter.

Mr. PATMAN and to include copy of a letter sent to the President.

Mr. COLE of New York (at the request of Mr. SIMPSON of Illinois).

Mr. GAVIN to revise and extend his remarks made in Committee of the Whole today and to include a letter from the Secretary of the Navy.

Mr. BUSH (at the request of Mr. GAVIN) and to include an editorial.

Mr. D'EWART and to include extraneous matter.

Mr. BOW (at the request of Mr. MCGREGOR) in eight instances and to include extraneous matter.

Mr. HARRISON of Wyoming and to include extraneous matter.

Mr. HILLELSON.

Mrs. BUCHANAN (at the request of Mr. SMITH of Virginia) and to include extraneous matter.

Mr. THORNBERRY to revise and extend his remarks and to include an editorial and a letter.

Mr. PERKINS (at the request of Mr. BOLLING) and to include extraneous matter.

Mr. WOLVERTON in three instances and to include extraneous matter.

Mr. VAN ZANDT and to include extraneous matter.

Mr. REED of New York in five instances and to include extraneous matter.

Mr. HOLIFIELD and to include extraneous material.

Mr. WIER and to include a letter and extraneous material.

Mr. YORTY (at the request of Mr. MILLER of California) in three instances and to include extraneous matter.

Mr. ELLIOTT in two instances and to include extraneous matter.

Mr. ROBERTS and to include an address.

Mr. KNOX and to include an editorial.

Mr. JACKSON in two instances and to include an editorial and a letter.

Mr. MARTIN of Iowa and to include a speech.

Mr. REED of Illinois. Mr. Speaker, on January 3 of this year permission was given to me to extend my remarks

at a certain point in the RECORD. Inadvertently I did not do so. I renew that request at this time.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

ADJOURNMENT

Mr. GROSS. Mr. Speaker I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 16 minutes p. m.) the House adjourned until tomorrow, Tuesday, June 9, 1953, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

754. Under clause 2 of rule XXIV, a communication from the President of the United States, transmitting a proposed supplemental appropriation to pay claims for damages, audited claims, and judgments rendered against the United States, as provided by various laws, in the amount of $2,732,953.53, together with such amounts as may be necessary to pay indefinite interest and costs and to cover increases in rates of exchange as may be necessary to pay claims in foreign currency (H. Doc. 166); was taken from the Speaker's table, referred to the Committee on Appropriations, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of June 5, 1953, the following bill was reported June 6, 1953:

Mr. WOLCOTT: Committee on Banking and Currency. S. 1081. An act to provide authority for temporary economic controls, and for other purposes; with amendment (Rept. No. 516). Referred to the Committee of the Whole House on the State of the Union.

[Submitted June 8, 1953]

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. TABER: Committee of conference. H. R. 4664. A bill making supplemental appropriations for the fiscal year ending June 30, 1953, and for other purposes (Rept. No. 517). Ordered to be printed.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 271. Resolution for consideration of S. 1081, an act to provide authority for temporary economic controls, and for other purposes; without amendment (Rept. No. 518). Referred to the House Calendar.

Mr. WOLVERTON: Committee on Interstate and Foreign Commerce. H. R. 3203. A bill to amend the Interstate Commerce Act in order to prohibit the Interstate Commerce Commission from regulating the duration of certain leases for the use of equipment by motor carriers, and the amount of compensation to be paid for such use; with amendment (Rept. No. 519). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOPE: Committee on Agriculture. H. R. 5451. A bill to amend the wheat-marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, and for other purposes; with amendment (Rept. No. 520). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BENNETT of Florida:

H. R. 5595. A bill to provide for the issuance of special postage stamps expressing the desire of the American people for peace; to the Committee on Post Office and Civil Service.

By Mr. BENTLEY:

H. R. 5596. A bill to suspend for 1 year certain duties upon the importation of aluminum and aluminum alloys; to the Commit on Ways and Means.

By Mr. CAMPBELL:

H. R. 5597. A bill relating to the tax treatment to be afforded under section 117 (j) (3) of the Internal Revenue Code in certain cases involving the sale, exchange, or conversion of land with unharvested crops thereon; to the Committee on Ways and Means.

By Mr. DAVIS of Tennessee:

H. R. 5598. A bill to provide tax equity through the taxation of cooperative corporations and to provide tax credits for recipients of dividends from genuine cooperatives; to the Committee on Ways and Means.

By Mr. DEMPSEY:

H. R. 5599. A bill to amend the act of September 27, 1950, relating to construction of the Vermejo reclamation project; to the Committee on Interior and Insular Affairs.

By Mr. DEROUNIAN:

H. R. 5600. A bill to provide that the reorganization of wholly intrastate railroads shall not be subject to section 77 of the Bankruptcy Act but shall come within the provisions of chapter 10 and of section 178 of such act; to the Committee on the Judiciary.

H. R. 5601. A bill to amend section 13 of the Interstate Commerce Act so as to preserve the jurisdiction of State regulatory commissions over local passenger fares; to the Committee on Interstate and Foreign Commerce.

By Mr. EBERHARTER:

H. R. 5602. A bill to amend section 303 of the Tariff Act of 1930; to the Committee on Ways and Means.

By Mr. ELLSWORTH:

H. R. 5603. A bill to amend the Federal Reserve Act so as to authorize national banking associations to make loans on forest tracts; to the Committee on Banking and Currency.

By Mr. FOGARTY:

H. R. 5604. A bill to provide a method whereby certain parents of members of the uniformed services may be classified as dependents where the member held no full-time employment because of attendance at school prior to his entry on active service; to the Committee on Armed Services.

By Mr. HILLELSON:

H. R. 5605. A bill to amend the Federal Property and Administrative Services Act of 1949 to provide that transfers of real property from certain Government corporations to other Government agencies shall not operate to remove such real property from local tax rolls; to the Committee on Government Operations.

By Mr. JENKINS:

H. R. 5606. A bill to amend the Internal Revenue Code to provide that the excise tax on lubricating oils shall not apply to cutting oils; to the Committee on Ways and Means.

By Mr. O'HARA of Illinois:

H. R. 5607. A bill to establish a commission to prepare a plan for the erection of a monument to John Morton, John Hanson, and John Ericsson; to the Committee on House Administration.

By Mr. SAYLOR:

H. R. 5608. A bill to revise the Organic Act of the Virgin Islands of the United States; to the Committee on Interior and Insular Affairs.

By Mr. WILLIAMS of Mississippi:

H. R. 5609. A bill to amend the Vocational Rehabilitation Act by providing for Federal grants to States for vocational rehabilitation centers and sheltered workshops; to the Committee on Education and Labor.

H. R. 5610. A bill to amend the Vocational Rehabilitation Act so as to authorize separate State plans for vocational rehabilitation of the blind, and for other purposes; to the Committee on Education and Labor.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FALLON:

H. R. 5611. A bill for the relief of Osman Demir; to the Committee on the Judiciary.

By Mr. GUBSER:

H. R. 5612. A bill for the relief of George Car; to the Committee on the Judiciary.

By Mr. IKARD:

H. R. 5613. A bill for the relief of Mrs. Dorothy Harlan Steinhoff; to the Committee on the Judiciary.

By Mr. KERSTEN of Wisconsin:

H. R. 5614. A bill for the relief of Antonio Tralonga; to the Committee on the Judiciary.

By Mr. POULSON:

H. R. 5615. A bill extending the benefits of the Emergency Officers' Retirement Act to Bayard Brooks; to the Committee on the Judiciary.

By Mr. REED of Illinois:

H. R. 5616. A bill for the relief of Leon H. Callaway and others; to the Committee on the Judiciary.

By Mr. REED of New York:

H. R. 5617. A bill for the relief of Shirley W. Rothra; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

314. By Mr. GRAHAM: Petition of the Lawrence County (Pa.) Pomona Grange favoring the adoption of the Benson plan over the Brannan plan and congratulating Secretary of Agriculture Benson on his program; to the Committee on Agriculture.

315. By Mr. SMITH of Wisconsin: Resolution adopted by bakers of Michigan, Illinois, Indiana, and Wisconsin at their annual Lake Michigan State Bakers Conference in Milwaukee, May 19, 1953, urging enactment of Senate Joint Resolution 1 with the particular purpose of subordinating treaties to the Bill of Rights; to the Committee on the Judiciary.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 9, 1953

The House met at 12 o'clock noon.

Rev. George E. Parkinson, D. D., pastor, First Presbyterian Church, Canton, Ohio, offered the following prayer:

Almighty and ever-blessed God, in whom we live and move and have our being, we pray Thy blessing upon this session of the House of Representatives. Help us, our Heavenly Father, to always do justly, to love mercy, and to walk humbly with our God. Bless this great Nation of ours. May the Republic ever be strong as we remind ourselves that

blessed is the nation whose God is our Lord.

Help each of us, our Heavenly Father, in all of our doings each day to be big enough to live in our world with others, honest enough to live with ourselves, courageous enough to obey Thy holy precepts.

We ask it in Thy name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H. R. 663. An act for the relief of Dr. Alexander Fiala;

H. R. 739. An act for the relief of Alexander A. Senibaldi;

H. R. 870. An act for the relief of Harry Block;

H. R. 900. An act for the relief of Francesca Servello;

H. R. 1103. An act for the relief of Maria Buffoni and Emma Botta;

H. R. 1187. An act for the relief of Mother Anna DiGiorgi;

H. R. 1200. An act for the relief of Ronald J. Palmer and Ronda Kay Palmer;

H. R. 1517. An act for the relief of Cpl. Predrag Mitrovich;

H. R. 1730. An act to provide for furnishing transportation in Government-owned automotive vehicles for employees of the Veterans' Administration at field stations in the absence of adequate public or private transportation;

H. R. 1752. An act for the relief of William Robert DeGrafft;

H. R. 1832. An act to provide for the suspension of the imposition or execution of sentence in certain cases in the municipal court for the District of Columbia and in the juvenile court of the District of Columbia;

H. R. 1867. An act for the relief of Marjorie Goon (Goon Mei Chee);

H. R. 1888. An act for the relief of [illegible] Matthew Stevens (Kazuo Omiya);

H. R. 1952. An act for the relief of Cecile Lorraine Vincent and Michael Calvin Vincent;

H. R. 2176. An act for the relief of Norma Jean Whitten;

H. R. 2761. An act to revive and reenact the act of December 21, 1944, authorizing the City of Clinton Bridge Commission to construct, maintain, and operate a bridge and approaches thereto across the Mississippi River, at or near the cities of Clinton, Iowa, and Fulton, Ill., as amended;

H. R. 3244. An act for the relief of Patricia Ann Dutchess;

H. R. 3358. An act for the relief of Erna Meyer Grafton;

H. R. 3676. An act for the relief of George Prokofieff de Seversky and Isabelle Prokofieff de Seversky;

H. R. 3724. An act for the relief of Anthony Lynn Nels;

H. R. 3758. An act for the relief of Stavrula Perutsea;

H. R. 3796. An act relating to the incorporation of the Columbus University of Washington, D. C.;

H. R. 4025. An act authorizing the appropriation of funds to provide for the prosecution of projects in the Columbia River Basin for flood control and other purposes;

H. R. 4425. An act to amend the law of the District of Columbia relating to publication of partnerships;

H. R. 4426. An act to amend the law of the District of Columbia relating to forcible entry and detainer;

H. R. 4487. An act to amend the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as further amended by an act of April 19, 1920 (title 20, ch. 1, sec. 116, D. C. Code, 1951), relating to continuing decedent's business;

H. R. 4505. An act to authorize the sale of certain lands to the State of Oklahoma;

H. R. 4540. An act to authorize the sale of certain lands to the State of Oklahoma;

H. R. 4550. An act to amend the Code of Laws of the District of Columbia in respect to the recording, in the Office of the Recorder of Deeds, of bills of sale, mortgages, deeds of trust, and conditional sales of personal property; and

H. J. Res. 157. Joint resolution to amend the act of July 1, 1947 (61 Stat. 242), as amended.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 1482. An act for the relief of Hildegard Schoenauer;

H. R. 2347. An act to permit continued exercise, until 6 months after termination of the national emergency proclaimed December 16, 1950, of certain powers, relating to preferences or priorities in the transportation of traffic, under sections 1 (15) and 420 of the Interstate Commerce Act;

H. R. 3307. An act to provide for the treatment of users of narcotics in the District of Columbia;

H. R. 3425. An act to amend the act entitled "An act to authorize the Commissioners of the District of Columbia to appoint a member of the Metropolitan Police Department or a member of the Fire Department of the District of Columbia as Director of the District Office of Civil Defense, and for other purposes," approved May 21, 1951; and

H. R. 4730. An act to provide for the conveyance by the United States to the city of Cincinnati, Ohio, of certain lands formerly owned by that city.

The message also announced that the Senate had passed bills, a joint resolution, and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 3. An act to prevent citizens of the United States of questionable loyalty to the United States Government from accepting any office or employment in or under the United Nations, and for other purposes;

S. 24. An act to permit review of decisions of Government contracting officers involving questions of fact arising under Government contracts in cases other than those in which fraud is alleged, and for other purposes;

S. 25. An act to amend the act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto;

S. 57. An act for the relief of Blanca Ibarra and Dolores Ibarra;

S. 154. An act for the relief of George Pantelas;

S. 196. An act for the relief of Alejandro de la Cruz Hernandez;

S. 257. An act for the relief of Rosetta Sorge Savorgnan;

S. 285. An act to create a committee to study and evaluate public and private experiments in weather modification;

S. 312. An act for the relief of Giuseppe Orsi;

S. 316. An act for the relief of Vera Lazaros and Cristo Lazaros;

S. 454. An act for the relief of Connie Joyce May (Ayako Goto);

S. 470. An act for the relief of Julia Ann Smith;

S. 486. An act for the relief of Che Kil Bok;

S. 505. An act for the relief of Rev. John T. MacMullen;

S. 591. An act for the relief of Samuel V. Goekjian;

S. 621. An act to authorize additional appropriations for the lower San Joaquin River project;

S. 625. An act for the relief of Michael Raymond Juenger (Joji Hatano) and Vivian Nakajima Nobuko;

S. 669. An act for the relief of Helene Olga Iwasenko;

S. 754. An act for the relief of Ethel Hundson Morrison;

S. 781. An act for the relief of Dr. Jacob Griffel;

S. 801. An act for the relief of Eugenio S. Rolles;

S. 1004. An act to amend section 88, Revised Statutes of the United States relating to the District of Columbia, as amended;

S. 1105. An act to incorporate the National Safety Council;

S. 1286. An act to authorize the extension of the levee on the American River near Sacramento, Calif.;

S. 1431. An act for the relief of Holly Layne Roberts (Mariko Uchiyama);

S. 1607. An act for the relief of Joseph David Eller (Joseph Ushimura);

S. 1839. An act to amend section 32 of the Fire and Casualty Act, so as to provide that an agent or solicitor may secure a license to solicit accident and health insurance in the District of Columbia under that act without taking the prescribed examination, if he is licensed under the Life Insurance Act;

S. 1981. An act to continue in effect certain provisions of section 6 of the act of February 4, 1887, as amended, relating to military traffic in time of war or threatened war, for the duration of the national emergency proclaimed December 16, 1950, and 6 months thereafter, or until such earlier date as may be established by concurrent resolution of Congress;

S. 2032. An act to modernize the charter of the Washington Gas Light Co., and for other purposes;

S. J. Res. 76. Joint resolution designating the week beginning June 14, 1953, as Theodore Roosevelt Week; and

S. Con. Res. 33. Concurrent resolution favoring the suspension of deportation of certain aliens.

SPECIAL ORDER GRANTED

Mr. PRICE asked and was granted permission to address the House on tomorrow for 45 minutes, following the legislative business of the day and any other special orders heretofore entered.

COMMITTEE ON RIVERS AND HARBORS

Mr. ANGELL. Mr. Speaker, I ask unanimous consent that the subcommittee of the Committee on Rivers and Harbors may sit today during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

KOREAN TRUCE

Mr. HALE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. HALE. Mr. Speaker, we seem to be on the verge of a Korean truce. As nearly as I can determine, it will be a truce of surrender. We were pledged to a free and united Korea. We shall have neither. President Syngman Rhee would appear to be amply justified in his position. We have betrayed first the Chinese Nationalists, then the South Koreans. I see no reason why we should be trusted by anyone in Asia. If we are undeserving of confidence in Asia, why should we be deserving of confidence in any other continent? Less than 15 years ago, Neville Chamberlain boasted that Munich had given us "peace in our time." I suppose that the truce in Korea will give us "peace in our time." I strongly suspect that it will be exactly the same kind of peace we bought from Hitler.

THEODORE ROOSEVELT WEEK

Mr. DEROUNIAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution (S. J. Res. 76), Theodore Roosevelt Week.

The Clerk read the resolution, as follows:

Resolved, etc., That the week beginning June 14, 1953, is hereby designated as "Theodore Roosevelt Week" in honor of our former President. The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week by paying tribute to the achievements and memory of the late Theodore Roosevelt.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. DEROUNIAN. Mr. Speaker, I am most happy to see the resolution honoring Theodore Roosevelt, which I introduced in the House as House Joint Resolution 255, pass the Congress of the United States.

It is particularly warming and gratifying to observe the complete unanimity of both Houses in making speedy action on this resolution possible, so that it might go quickly to the White House for signature.

I am, therefore, very grateful to my colleagues for giving favorable consideration to my resolution.

It is most fitting that we should honor so great a man as Theodore Roosevelt, whose achievements and accomplishment live forever in the pages of American history. I am especially proud that Theodore Roosevelt should have chosen Oyster Bay, in the great County of Nassau, N. Y., as his home. Too, I am proud and honored to have such a community as part of my district, which I am so privileged to represent.

When Theodore Roosevelt died, millions, seeking in their grief to sum up his character and career, spoke of him not as the great statesman, as they might well have done, or the great political leader, that he was, or the great awakener of the conscience of the country, the great inspirer of the Nation's youth. They spoke of him as "the Great American."

They did it because they recognized in Theodore Roosevelt a fire of devotion to America which had set them on fire too. They called him the great American also because they recognized that he understood the American idea better than any other public man of his time. "Americanism," he said, again and again, "is a question of spirit, conviction and purpose, not of creed or birthplace." He would not tolerate any kind of divided allegiance in this country, nor would he tolerate any second-class citizenship, insisting that "every good American," whatever his origin or creed, must be regarded "as on a full and exact equality with every other good American." How he would be burning up the fellow-travelers if he were alive today.

Hermann Hagedorn, the noted author and outstanding authority on Theodore Roosevelt, beautifully sums up his life as follows:

He was found faithful over a few things and he was made ruler over many; he cut his own trail clean and straight and millions followed him toward the light. He was frail; he made himself a tower of strength. He was timid; he made himself a lion of courage. He was a dreamer; he became one of the great doers of all time. Men put their trust in him; women found a champion in him; kings stood in awe of him, but children made him their playmate. He broke a nation's slumber with his cry, and it rose up. He touched the eyes of blind men with a flame that gave them vision. Souls became swords through him; swords became servants of God. He was loyal to his country and he exacted loyalty; he loved many lands, but he loved his own land best. He was terrible in battle, but tender to the weak; joyous and tireless, being free from self-pity; clean with a cleanness that cleansed the air like a gale. His courtesy knew no wealth, no class; his friendship, no creed or color or race. His courage stood every onslaught of savage beast and ruthless man, of loneliness, of victory, of defeat. His mind was eager, his heart was true, his body and spirit, defiant of obstacles, ready to meet what might come. He fought injustice and tyranny; bore sorrow gallantly; loved all nature, bleak spaces and hardy companions, hazardous adventure and the zest of battle. Wherever he went he carried his own pack; and in the uttermost parts of the earth he kept his conscience for his guide.

We all look forward to Sunday, June 14, when Nassau County will again welcome the President of the United States, who will journey to Oyster Bay, N. Y., and dedicate Sagamore Hill as a national shrine, thus memorializing for all time the great Theodore Roosevelt.

THIRD SUPPLEMENTAL APPROPRIATION BILL 1953

Mr. TABER. Mr. Speaker, I call up the conference report on the bill (H. R. 4664) making supplemental appropriations for the year ending June 30, 1953, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 517)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4664) "making supplemental appropriations for the fiscal year ending June 30, 1953, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 4, 5, 8, 9, 11, 14, 16, 18, 21, 22 and 23, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$4,500"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$60,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$7,500,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 6, 7, 10, 12, 13, 15, 19, and 20.

JOHN TABER,
CLIFF CLEVENGER,
FRED E. BUSBEY,
CLARENCE CANNON,
JAMIE L. WHITTEN,
Managers on the Part of the House.

STYLES BRIDGES,
HOMER FERGUSON,
GUY CORDON,
CARL HAYDEN,
RICHARD B. RUSSELL,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4664) making supplemental appropriations for the fiscal year ending June 30, 1953, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

CHAPTER I

District of Columbia

Amendment No. 1: Reported in disagreement.

Amendment No. 2: Appropriates $4,500 for veterans services, instead of $3,000 as proposed by the House and $5,000 as proposed by the Senate.

Amendment No. 3: Appropriates $60,000 for the Office of Civil Defense, instead of $78,285 as proposed by the Senate. The amount recommended is to be used exclusively for the purchase and installation of the air raid warning system.

CHAPTER II

Legislative branch

Amendments Nos. 4 and 5: Insert titles as proposed by the Senate.

Amendments Nos. 6 and 7: Reported in disagreement.

Amendment No. 8: Appropriates $55,000 for miscellaneous items of the Senate as proposed by the Senate.

Amendment No. 9: Appropriates $175 for postage stamps as proposed by the Senate.

Amendment No. 10: Reported in disagreement.

Amendment No. 11: Inserts title as proposed by the Senate.

Amendments Nos. 12 and 13: Reported in disagreement.

The Judiciary

Amendment No. 14: Appropriates $350,000 for fees of jurors as proposed by the Senate.

CHAPTER III

Department of Health, Education and Welfare

Amendment No. 15: Reported in disagreement.

CHAPTER IV

Department of Agriculture

Amendment No. 16: Changes chapter number, as proposed by the Senate.

Amendment No. 17: Authorizes $7,500,000 to be used for rural telephone loans, instead of $15,000,000 as proposed by the Senate.

CHAPTER V

Independent Offices

Amendment No. 18: Inserts chapter number, as proposed by the Senate.

Amendments Nos. 19 and 20: Reported in disagreement.

CHAPTER VI

General provisions

Amendments Nos. 21, 22 and 23: Change chapter and section numbers, as proposed by the Senate.

JOHN TABER,
CLIFF CLEVENGER,
FRED E. BUSBEY,
CLARENCE CANNON,
JAMES L. WHITTEN,
Managers on the Part of the House.

Mr. TABER. Mr. Speaker, the bill as it passed the House carried $5,000,000; as it passed the Senate it was for $5,441,875; and the conference agreement is $5,441,875 plus an item of $7,500,000 for rural telephone line authorization.

There are a number of amendments in technical disagreement and on all of those which we will recommend recession I shall ask be considered en bloc.

I now yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. Mr. Speaker, I regret that our conferees did not concur with the Senate and retain the $15 million in rural telephone loans. Last January I urged the Department of Agriculture to request $25 million additional loan authorizations as there were many instances of need for loan funds with none available for allocation. Today we are forced to settle for scarcely one-third of that amount. In my opinion this action is being penny-wise and pound foolish. The Congress expressed itself almost unanimously that farms in America, together with thousands of small communities, were entitled to better telephone service. Why should we now, by being too tight with loan funds, delay the completion of the rural telephone program.

Last year for the fiscal year 1953, the REA requested a total of $50 million in loan authorizations for the rural telephone program. The committee and Congress approved $35 million with the understanding that additional funds would be provided if the demand for such loans made it necessary.

According to information furnished the committee, REA has been unable to approve any new telephone loan applications for the past several months due to lack of funds. A statement received a few days ago from the budget officer of REA indicates that there are about $106 million in telephone loan applications on hand, of which in excess of $45 million are under active consideration.

The supplemental request of $15 million included in the Senate bill would have covered the most urgent of these cases which must be approved prior to June 30 to enable borrowers to exercise options to acquire properties under prior agreement or to enable borrowers to meet deadlines imposed upon them by State regulatory bodies. According to my information, there are some 40 such cases pending.

In my opinion, the full $15 million should be included in this conference report instead of the $7,500,000 finally agreed to by the House conferees. The Senate has included an additional $17,500,000 for this purpose in the regular 1954 appropriation bill just reported to the Senate. I hope we can retain these additional amounts when the regular bill is considered in conference. Let us remember that these are loan funds, repayable in full with interest. We can afford to be liberal with such loan funds since the repayment record of the mother organization, REA, has been so splendid that little doubt can be had as to the future of the rural telephone program. This is an investment in making farm life more attractive. Telephones today are not a luxury; on farms, especially, they are necessities.

Mr. TABER. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

Mr. TABER. Mr. Speaker, I ask unanimous consent to consider en bloc the following Senate amendments which are in technical disagreement, and on which the House managers intend to offer a motion to recede and concur: Nos. 1, 6, 7, 10, 12, 13, 15, and 20.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER. The Clerk will report the indicated amendments in disagreement.

The Clerk read as follows:

And the limitation of $27,000 for payment of terminal leave only, in the appropriation of $125,000 for necessary expenses for "Office of Administrator of Rent Control," contained in the Supplemental Appropriation Act, 1953, is reduced to $5,850.

Folding documents: The appropriation for folding documents contained in the Legislative Branch Appropriation Act, 1953, is hereby amended to read "For folding speeches and pamphlets at a gross rate not exceeding $2 per thousand or for the employment of personnel at a gross rate not exceeding $1.53 per hour per person."

Motor vehicles: For an additional amount for maintaining, exchanging, and equipping motor vehicles for carrying the mails and for official use of the offices of the Secretary and Sergeant at Arms, $9,331.26, to be derived by transfer from the appropriation for "Folding Documents," fiscal year 1953.

HOUSE OF REPRESENTATIVES

For payment to Mabel H. Withers, widow of Garrett L. Withers, late a Representative from the State of Kentucky, $12,500.

Rotunda frieze, Capitol Building: For cleaning and restoring the sections of the Rotunda frieze decorated in fresco by Constantino Brumidi and Filippo Costaggini, $15,000, to be expended by the Architect of the Capitol under the direction of the Joint Committee on the Library for personal and other services and all other necessary incidental items, without regard to section 3709 of the Revised Statutes, as amended, and to remain available until June 30, 1954.

Senate Office Building: For an additional amount for "Senate Office Building," $9,200, to remain available until June 30, 1954.

CHAPTER III

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

OFFICE OF EDUCATION

Salaries and expenses

For an additional amount for "Salaries and expenses," $32,000, to be derived by transfer from the appropriation "Promotion and further development of vocational education," fiscal year 1953.

VETERANS' ADMINISTRATION

Servicemen's indemnities

For an additional amount for "Servicemen's indemnities," $650,000, to be derived by transfer from the appropriation "Compensation and pensions," and to remain available until expended.

Mr. TABER. Mr. Speaker, I move that the House recede and concur in the Senate amendments.

The Clerk read as follows:

Mr. TABER moves that the House recede from its disagreement to the Senate amendments Nos. 1, 6, 7, 10, 12, 13, 15, and 20, and to concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 19: Page 7, line 17, insert:

"ECONOMIC STABILIZATION AGENCY

"Salaries and expenses

"The amount made available under this head in the Supplemental Appropriation Act, 1953, for the Office of Rent Stabilization is hereby increased from '$11,000,000' to '$11,385,000': *Provided*, That none of the funds appropriated in this act shall be used for the payment of annual leave unless the Administrator shall personally certify the payments of such annual leave."

Mr. TABER. Mr. Speaker, I move that the House recede and concur in the amendment with an amendment.

The Clerk read as follows:

Mr. TABER moves that the House recede from its disagreement to the amendment of the Senate numbered 19, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"ECONOMIC STABILIZATION AGENCY

"Salaries and expenses

"The amount made available under this head in the Supplemental Appropriation Act, 1953, for the Office of Rent Stabilization is hereby increased from '$11,000,000" to '$11,385,000': *Provided*, That said increase of $385,000 shall be available only for terminal leave and shall not be used for such payment unless the Administrator shall personally certify the payment of such leave."

The motion was agreed to, and a motion to reconsider the votes by which action was taken on the several motions was laid on the table.

PUBLIC LANDS

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent that the Subcommittee on Public Lands and Irrigation may meet this afternoon during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

COMMITTEE ON RULES

Mr. ALLEN of Illinois. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file any reports or resolutions.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

TEMPORARY ECONOMIC CONTROLS

Mr. ALLEN of Illinois. Mr. Speaker, I call up House Resolution 271 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution, it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 1081) to provide authority for temporary economic controls, and for other purposes, and all points of order against such bill are hereby waived. After general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute amendment recommended by the Committee on Banking and Currency now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 30 minutes to the gentleman from Mississippi [Mr. COLMER] and yield myself such time as I may desire.

Mr. SPENCE. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Kentucky.

Mr. SPENCE. Mr. Speaker, I understood that although the rule waives points of order and that the bill was reported as one amendment, it would not be in order to move to recommit with instructions, but I understood that the Committee on Rules was going to liberalize that. I understood the chairman to say that he had no objection to it. Was that done?

Mr. ALLEN of Illinois. I would say to the gentleman that he is absolutely correct. When the gentleman from Texas [Mr. PATMAN] appeared before the Committee on Rules, I did say that, but I did not realize the importance of a motion to recommit with instructions. I found out later that that would violate the rules of the House, and I do not believe that this is the proper time to do that. I would also say this, that I saw the gentleman from Texas [Mr. PATMAN] soon after that and explained it to him, and the gentleman told me that he was very pleased that I came to him about it. I said, of course, you have the right on the floor to exercise whatever rights you may have, and that we would always protect those rights; that the Republicans always looked after the interests of the Democratic Party, and I also believe that we are protecting those rights now. I think your rights will be protected, and as long as there is not any shortness or anything against you, probably the only thing that is short about it is that you are short of votes, you lack votes. But, you will be given the opportunity later, I will say to the gentleman, and your rights will be protected.

Mr. SPENCE. The gentleman is reasonably apprehensive that we do not have the votes, and I might suggest when the Committee on Rules offers a rule waiving all points of order, that usually waives the right to proceed in accordance with the fundamental provisions of the rules of the House.

Mr. ALLEN of Illinois. I repeat what I said in the beginning, I thought it would be violating the rules of the House, and I do not believe this is the proper time to start any precedent.

Mr. COLMER. Mr. Speaker, I yield 10 minutes to the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include statements and excerpts.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

AN ATTACK ON REPRESENTATIVE GOVERNMENT

Mr. PATMAN. Mr. Speaker, first I appreciate the fact that when the gentleman changed his mind about the rule he got in touch with me, and he tried to get in touch with the former chairman of the committee, the gentleman from Kentucky [Mr. SPENCE], but was unable to do so, to tell him that he just could not go through with what he said about presenting the amendment allowing a motion to recommit with or without instructions. But I do not agree with the gentleman that he could not provide for a motion to recommit without violating the rules of the House. I have always considered that the Committee on Rules was organized for that purpose, to set up special rules notwithstanding the rules of the House, and that being true the Committee on Rules is the place you go to get a special rule. That is the place we went to get a special rule. This involves representative government. This is an attack upon representative government. It not only involves depriving an individual Member of his rights and privileges or the minority of its rights and privileges; this is an attack on representative government genuinely conducted by the people. It is far reaching, and I will tell you how it works.

Last week we had a bill, the Small Business Administration bill, and after we agreed to the bill, the chairman said, "Well, we want a clean bill."

That is all right. There is a difference as to what constitutes a clean bill. Now, the chairman considers a clean bill is to put it all in one and put on an amendment to the bill that was introduced, and that is a clean bill. I do not consider it that way, of course. I am not saying I am right and he is wrong or that he is wrong and I am right; I am just saying I have always considered a clean bill one that was gotten up as the committee endorsed it and then reintroduced by the original author or by the chairman of the committee as a clean bill.

Last week in the Small Business Administration bill the amendment was tied onto it, which made it devastating to those of us who wanted to make a good, workable law out of the Small Business Administration bill. We in the Small Business Committee made it $500 million capital. The Banking and Currency Committee changed it to $250 million. We had an unlimited amount as to any one application, leaving it to the definition of what small business is as to those coming within the category, regardless of what would qualify. The committee restricted it to $100,000.

Normally when bills come on the floor of the House the committee presents the bills and we vote on them. Of course, they would be adopted in the Committee of the Whole as usual. But when the Committee of the Whole makes a report to the whole House, then we can get a separate vote and have a recorded vote, which any Member of this Congress is entitled to have, a separate recorded vote. But the way the bill was fixed up that was impossible. We did not make any objection and I did not complain about that, because the rule said that we would have a right to make a motion to recommit. I made the motion to recommit, but then I found out I was tripped up the second time, that although the rule said, yes, one motion to recommit would be allowed, and I was making it, as I represented the minority, the Speaker had to hold it out of order because just a straight motion to recommit without instructions was allowed. So it deprived us of the right to express ourselves as individual Members of Congress and as a minority in the vital questions in that bill. So we were gagged. We were gagged twice.

Having had that experience, we had another bill reported out. Of course, the committee's doing that once may be accidental or exceptional, and maybe it was best in that case for some reason. I do not know about that and I am not arguing about it. I am not condemning anybody about it. But it actually happened. It gagged us twice.

Let us forget about that, but there is another bill that came out of the same committee and it happened the

same way. Instead of offering a clean bill, what I have always considered a clean bill, here is another whole bill with our amendment over at the back. That will deprive Members again of any vote on any amendment that was adopted in the committee. It absolutely gags us again.

Then we went before the Rules Committee, and we asked the Rules Committee to give us a rule that would permit us to offer a regular motion to recommit, such as the minority has always been guaranteed in any representative form of government on earth. We thought we were going to get it, but we did not get it. It is the same kind of rule we had the other day. It says you can, but you cannot. It is one of these rules that says you can, but you cannot.

Here is what happens. On that bill the other day the cost did not amount to too much, because the importance of the bill overshadowed the cost, but on this bill, H. R. 5141, it cost $244.09 to print it when the bill was introduced. All right. The bill we agreed upon, just the last part of that, it would have cost $244.09 to have printed it by itself, but instead of doing that they put them both together and it cost $457.23. Why was that? The first 20 pages are put in there, but lines are run through them. They are canceled. They serve no purpose in the world except to deprive the minority and the individual Members of the House under the parliamentary procedure that was agreed upon of an opportunity to express their views on the record as they should be allowed under the rules of this House.

On this other bill, which is the one we have up today, we cut out practically everything but 5 pages. Why not introduce a bill with 5 pages? The committee says this is a clean bill. No, first they printed the whole big bill and ran lines through it and canceled it out, and then put in the 5 pages. If you had offered the clean bill it would have cost $96, but by reprinting the whole thing and then canceling it out and then printing the new bill it cost $352.12. So there is about $500 you have spent for no purpose on earth, except, if it was not done for that purpose—and I am not charging it was done for that purpose, but I am charging that the result is that the minority Members and every Member of this House is deprived of rights guaranteed to him under the rules and traditions of this House.

The other day the distinguished gentleman from Indiana [Mr. HALLECK] argued in favor of this thing. He said it was all right; it has always been that way. But 2 years ago, when the shoe was on the other foot, the distinguished gentleman from Indiana, in talking about exactly the same thing, when he felt his side was outraged because they could not make a motion to recommit, he said it was a tragic situation. And he says that apparently no such thing was intended, "the minority has been, by this resolution which we adopted, and which, incidentally, happened to bring about quick action and shut off what I considered to be an inviolate rule of the minority to offer a motion to recommit, with instructions." The gentleman had a right to object to it. Now, if he has that same objection, he ought to join with us in protesting to the Rules Committee, on the next rule that comes up, and say the minority is entitled to have their views on the record.

DICTATORSHIPS FIRST DESTROY THE MINORITY PARTY

May I remind you—I am not charging that we are going into a dictatorship or a totalitarian government. We are not doing that, I hope. But I would say without any fear of contradiction that the first step that every dictatorship makes in any country on earth in forming a dictatorship is to destroy the minority, and to destroy minority groups. That is the first step that is taken by a dictatorship. Here we are in free America, the great United States of America, in the House of Representatives, operating under a rule that guarantees individual Members the right to put themselves on record, and the Congress on record—here now we are deprived of that opportunity. They are deprived of that right.

I repeat, Mr. Speaker, it is an attack upon representative government. To do it one time is not so bad, but to do it twice looks like a habit or policy. I think the Democrats might just as well wake up and see what they are facing; see that they are facing gag rule, rules fixed in a way that you cannot get expression from the House of Representatives or put your own vote on record.

BILL FOR SMALL BUSINESS GAGGED MEMBERS ON AMENDMENTS

Mr. Speaker, at the risk of repeating I must emphasize that the Small Business Administration bill was on the program to come up last Thursday, June 4, 1953, in the House of Representatives and I want to make plain what happened. It was a very important bill since it was intended to take the place of RFC and the present Small Defense Plants Administration. It was, therefore, necessary, in my opinion, that the new agency should have plenty of power. The bill, H. R. 5141, providing for the Small Business Administration, introduced by the gentleman from Colorado [Mr. HILL], chairman of the Committee on Small Business of the House of Representatives, provided for $500 million capital stock and no limitation on the amount of any one loan except, of course, the definition of small business would exclude consideration of any application for any person or concern not within the small-business category.

CAPITAL REDUCED AND LOANS LIMITED

Before the Banking and Currency Committee an amendment was adopted reducing the $500 million to $250 million. There was also an amendment adopted providing that no loan should exceed $100,000. Normally, in our legislative parliamentary procedure, this bill would have been reported to the House of Representatives with these two amendments as committee amendments and when the bill was reported to the Speaker of the House and the House of Representatives after the conclusion of the consideration before the Committee of the Whole House on the State of the Union any Member could have asked for a separate vote on these two amendments or could have asked that they be voted on together. However, the bill was presented in a way that made votes on these two amendments impossible.

DISILLUSIONED MEMBERS DEPEND ON FUTILE RECOMITTAL MOTION

Although this procedure deprives minority members of rights, it still was not fatal as under the Rules of the House the minority can always make a motion to recommit with instructions and may include any instructions even to provide that these two amendments be defeated by providing for a restoration of the $500 million capital stock and the elimination of the $100,000 loan limitation to any one company. By presenting the bill in a certain way and getting a certain kind of rule on the bill this right of the minority to make a motion to recommit with instructions was taken away. So it, in effect, gags the Members of the House and particularly the minority members. In other words, it is gag procedure. Tactics like this involve more than just one bill or one Member of the House. It involved an attack on representative, democratic government. Each Member of the House is entitled to have the rules obeyed both in letter and spirit so that he may properly represent the people in the congressional district that he has the honor to represent.

COST OF PRINTING BILLS

The cost of printing is not an item that is ever large in comparison to the importance of a bill before Congress. The importance of the legislation always overshadows any cost of printing and incidental expenses caused to get the bill considered in the Congress. It will probably be of interest to point out that if H. R. 5141 as amended by the Banking and Currency Committee and submitted to the House had been submitted in what I always considered to be a clean bill—in other words, a new bill submitted either by the author, Mr. HILL, or by the chairman of the committee, Mr. WOLCOTT—it would have 20 pages and would have cost $244.09 to print and distribute. The bill was presented in a different way which, of course, cause the Members to be precluded from voting separately on the two amendments I have discussed and also precludes the minority Members the right of a motion to recommit with instructions. The way H. R. 5141 was actually submitted to the House it contained the first 19 pages of the original bill with lines drawn through every word and every line to cancel it and then after the 19th page, the new bill was inserted up to and including page 39. The cost of the bill as presented was $457.23. It occurs to me that as small as the cost is in matters of this kind the increased cost is not justified for two reasons. One, and a paramount reason, it is presented in a way to deprive Members of the House—and the minority Members in particular—of a substantial parliamentary right that is recognized in every parliamentary government genuinely conducted by the people as a democracy should be conducted, and second, the cost when it is applied to all bills before the Congress would be considerable and if it is not justifiable for all bills, it would not be justified for one bill. Even a small amount should be saved by

an administration that campaigned on a platform against waste, for a reduction of expenses, a reduction of taxes and a balanced budget.

PROCEDURE ADOPTED INJURIOUS TO SMALL BUSINESS

The distinguished majority leader [Mr. HALLECK] stated on Thursday, June 4, that he wanted us to take up the bill at that time—which was 4:15 in the afternoon—believing that it would only take 30 minutes or a short length of time to dispose of it. I objected to the bill being taken up and was finally forced to make a point of no quorum in order to prevent it being taken up that day when there was not enough time to properly consider it. It was my belief that it would take several hours to properly and adequately consider the bill and not be under pressure of any kind. I was severely criticized for taking this attitude and an effort was made to force the burden on me for causing a session of Congress the next day, June 5. This burden was gladly assumed in view of the importance of the legislation. June 5, when the bill was taken up and considered it required not just 30 minutes or a short length of time, but it required 4 full hours, and every minute of time was used in the consideration of the bill and none of the time used to discuss matters not germane. This fact alone should exonerate me from any blame that was attempted to be placed upon me for forcing orderly consideration of the bill. When the bill was finally concluded in the Committee of the Whole House on the State of the Union and was reported back to the House of Representatives as required under the rule it was impossible to get a record vote on either one of the two amendments that I have mentioned because of the parliamentary procedure that was used, and, of course, a record vote is never taken in the Committee of the Whole House on the State of the Union. The result was Members were denied the privilege of expressing their views on either one of these two important amendments.

Then I made a motion to recommit the bill, H. R. 5141, with instructions to report the same back forthwith with an amendment that would increase the capital stock of the Small Business Administration to $500 million and to eliminate the $100,000 limitation on loans. Preceding the conclusion of the consideration of the bill in the Committee of the Whole House, the following colloquy took place concerning the proposed motion to recommit that would be presented when the bill was presented to the House of Representatives after the Committee of the Whole House approval. The discussion is inserted herewith and it is as follows:

Mr. PATMAN. Mr. Chairman, I move to strike out the last word.

Before this bill was presented for a rule I noticed that instead of reporting the bill and the amendment the committee adopted, the two amendments I have discussed here today as amendments to the bill, it was reported as a whole amendment to the complete bill. I am not criticizing the distinguished chairman of the committee for doing that.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Michigan.

Mr. WOLCOTT. The chairman of the committee did not do that. The whole committee voted to do it. I called attention to the fact it should be done and the whole committee voted unanimously to rewrite this bill as a clean bill, which is done 99 times out of 100. That is why it is in this form. It would be a hodgepodge otherwise.

Mr. PATMAN. I am not accusing the chairman of doing something he should not have done, I want to make that plain, but I thought we would have a separate vote on those two amendments because they were amendments to H. R. 5141. The way it is presented we cannot get a separate vote on those two amendments because it is presented in a way that will preclude that possibility. I am not criticizing the gentleman for it; I am just stating the facts as they exist. Now, the only way I know how to get a vote on those two amendments is to make a motion to recommit, which I expect to do, and I hope that the Members of the House will support the motion to recommit with instructions to report the bill back forthwith with amendments to raise the amount from $250 million to $500 million and strike out the limitation of $100,000; those two points.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Indiana.

Mr. HALLECK. Of course, since this is all one amendment—and it has happened many, many times since I have been here—the only motion to recommit that would be in order would be a straight motion to recommit.

Mr. PATMAN. Of course, I do not think the gentleman should insist on that. That just denies us the privilege of getting the House to vote on the amendments in the first place after the committee adopts amendments to reduce the amount of $250 million and the $100,000 limitation amendment, I mean, after the committee adopts the amendments on H. R. 5141, the bill now before us, and then if we make that motion to recommit and it is held out of order that is just using parliamentary procedure to keep a person from getting the House to pass directly on the motion and I do not believe the gentleman would insist on that. I know the gentleman is a very fair man and I have very high regard for him; in fact, the highest regard, notwithstanding our differences we often have.

Mr. HALLECK. The gentleman offered his amendment in the committee and he is overwhelmingly defeated. He has had his day in court, and I propose to make the point of order because it is in line with the rules of the House and has been the rule ever since I have been here, and it has been applied many, many times.

Mr. PATMAN. Of course, that is going rather far, I will say to the majority leader, to try to deny us a vote in the House of Representatives. As a matter of right, it occurs to me that we should have had it on two amendments to this bill we are considering, but the way the bill was written and the rule granted, we cannot do it, and therefore the only recourse the minority has is a motion to recommit, and that is the motion I expect to make. Believing in the fairness of the gentleman from Indiana, and the distinguished gentleman from Michigan, I am sure they would not try to deny us an actual vote in the House of Representatives on that motion. That is the only way we can get a record vote in the House of Representatives.

Mr. WOLCOTT. Mr. Chairman, I move to strike out the last word merely to put before the Committee of the Whole the actual record of what happened in the Committee on Banking and Currency. After we had completed our work on the bill, the gentleman from New York [Mr. GAMBLE] moved that the bill be reported out, to strike out all after the enacting clause, and the chairman take such action as is necessary, and that vote was unanimous. Then the gentleman from Texas [Mr. PATMAN] suggested that the language agreed upon by the chairman and the gentleman from Kentucky [Mr. SPENCE] with respect to the Board and the antitrust matters be O. K.'d. It goes on to say that the gentleman from New York [Mr. MULTER] and the gentleman from Texas [Mr. PATMAN] will submit additional views. We adjourned at 4:35 p. m., and, according to the official record here, the gentleman was in the committee where this action was taken.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Texas.

Mr. PATMAN. I raised the point about striking out the provision of the defense-production plant and the question of the oil companies organizing a world cartel. I brought the question up, and it was considered, and after it was considered, although they got the cartel agreement ready to spring and it would not go in, I asked consideration, and I did not want to press it further. But we were not overwhelmingly defeated on those two amendments, I will say to the gentleman.

Mr. WOLCOTT. I did not say anything about your being overwhelmingly defeated. I said you were there when it was agreed that we report a clean bill, and the clean bill would be in the form of a committee amendment after striking out all after the enacting clause. The record shows that the motion was to strike out all after the enacting clause and introduce the one amendment as a clean bill. The gentleman was there at the time that was done. We took no action at all which the gentleman at the time did not agree with.

Mr. PATMAN. Maybe I should plead guilty to a lack of understanding or that I did not have the knowledge to understand it, but I am sure that I was expecting at the time, as all other members on the outside were discussing it, that we would have an opportunity to vote on those two amendments, and since we do not have an opportunity to vote on the two amendments in the House of Representatives——

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GROSS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 5141) to create the Small Business Administration and to preserve small business institutions and free, competitive enterprise, pursuant to House Resolution 265, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. WOLCOTT. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state the parliamentary inquiry.

Mr. WOLCOTT. Mr. Speaker, the bill being in the form in which it now appears, there being one amendment in the form of a substitute to the language of the bill as originally introduced, may a motion to recommit be made to report the bill back with instructions in respect to any part of the bill?

Mr. PATMAN. Mr. Speaker, would the speaker permit me to offer my motion before arguing the point of order on it? I have a motion to recommit.

The SPEAKER. Permit the Chair to state to the gentleman from Michigan that the Chair would prefer to have that question presented officially before ruling upon it.

Mr. WOLCOTT. Mr. Speaker, I was merely attempting to bolster up my case, and to get the Speaker to testify in my behalf before I made the point of order.

Mr. PATMAN. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. PATMAN. I am opposed to the bill in its present form, Mr. Speaker.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion to recommit.

The Clerk read as follows:

"Mr. PATMAN, of Texas, moves to recommit the bill to the Committee on Banking and Currency with instructions to report the bill back with the following amendments:

"On page 21, line 7, strike out '$250,000,000' and insert in lieu thereof '$500,000,000.'

"On page 21, line 9, strike out '$250,000,000' and insert in lieu thereof '$500,000,000.'

"On page 21, line 15, strike out '$115,000,000' and insert in lieu thereof '$400,000,000.'

"On page 28, strike out lines 5 through 15."

Mr. WOLCOTT. Mr. Speaker, I make a point of order against the motion to recommit, on the ground that under the rules of the House where the last action taken by the House is the adoption of an amendment, a motion to recommit is not in order to instruct the committee to report back different language than that included in the amendment which has just been adopted by the House and thus change the action which was taken by the House.

The SPEAKER. Does the gentleman from Texas desire to be heard on the point of order?

Mr. PATMAN. Yes, Mr. Speaker, I desire to be heard on the point of order.

Mr. Speaker, the resolution, House Resolution 265, which is the rule which was adopted providing "for the consideration of this bill provides that after general debate which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute amendment recommended by the Committee on Banking and Currency now in the bill, and that such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any member may demand a separate vote in the House or any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit."

Mr. Speaker, I respectfully invite the attention of the Chair to the fact that the rule provides that we shall consider this amendment as an original bill. That is provided for in the rule on page 2, line 5, that it shall be considered under the 5-minute rule as an original bill. And after it is considered as an original bill, the rule specifically provides that after the previous question shall be considered as ordered on the bill and amendments to final passage, without intervening motion, except one motion to recommit. I have filed that one motion to recommit. That is the rule that is followed, and I believe, Mr. Speaker, that it is in order. If it is not in order, I just feel like we have not had an opportunity to fairly present the most important things in this bill to the House of Representatives.

Mr. HALLECK. Mr. Speaker, may I be heard on the point of order?

The SPEAKER. The Chair will be glad to hear the gentleman from Indiana.

Mr. HALLECK. It is not a matter of the Speaker condoning anything. It is a matter of the Speaker applying the rules that have been written and have existed for years here. That is all the Speaker can do on this occasion. The rule is well established, and I am a little surprised that the gentleman from Texas [Mr. PATMAN] presses it, because in the colloquy a short time ago I thought he himself said he recognized that under the rules of the House a motion to recommit, that he has here offered, would not be in order.

Mr. PATMAN. No. The gentleman misunderstood me.

Mr. HALLECK. I decline to yield. If I am putting the wrong interpretation on it, then the membership can understand it. In any event, that is the way I understood it. He complained about the fact that a point of order would be raised. The fact of the matter is that it was to be considered as an original bill for the purpose of amendment and under the 5-minute rule, but we are past that stage. The only provision is for one motion to recommit, which is the language that is always included in rules in respect to a motion to recommit. Of course, the rule might have provided otherwise, but it did not. Whether or not the gentleman protested the rule, or the form of the rule, I do not know, but certainly, Mr. Speaker, under the clear rules of the House and under this resolution the point of order is well taken.

The SPEAKER. The Chair is ready to rule. The Chair has painful recollection, through his long service in the minority, as to the application of this particular rule. The Chair knows that all the precedents are opposed to the motion to recommit as it is now presented to the House. The House having adopted a substitute amendment for the entire bill, that precludes any motion to recommit proposing to modify such amendment.

The Chair sustains the point of order.

The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

It will be noticed that the gentleman from Indiana [Mr. HALLECK] says in his statement:

The rule might have provided otherwise, but it did not, whether or not the gentleman protested the rule or the form of the rule, I do not know—

And so forth. He was referring to the rule considering the Small Business Administration bill H. R. 5141 which was considered last week.

Yesterday, I did go before the Rules Committee and asked that this gag rule be changed but it was not changed.

ATTITUDE OF MAJORITY LEADER 2 YEARS AGO

The majority leader, the distinguished gentleman from Indiana, vigorously upheld the parliamentary procedure that was being used that not only denied a Member the right to vote on either one of the two amendments but also denied a Member the right to vote on the traditional motion to recommit which would have included a record vote on the two amendments. It is interesting to go back just 2 short years and refresh our memory as to what happened under an almost identical situation when the distinguished majority leader was on the other side of the fence. I am inserting herewith proceedings from the CONGRESSIONAL RECORD of April 13, 1951, which discloses what happened at that time:

[From the CONGRESSIONAL RECORD, vol. 97, pt. 3, p. 3913]

Mr. SHORT. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. SHORT. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

"Mr. SHORT moves to recommit the bill to the Committee on Armed Services with instructions to report the same back forthwith with the following amendment: Page 29, line 4, strike out the period and insert in lieu thereof a semicolon and the following: 'and persons inducted into the Armed Forces under the provisions of this title shall not be assigned for duty in Europe in implementation of article 3 of the North Atlantic Treaty unless the Congress by concurrent resolution shall have expressed its approval of the assignment for such duty of persons so inducted.' "

Mr. PRICE. Mr. Speaker, I make a point of order against the motion to recommit on the ground that it seeks to modify an amendment which has been adopted by the House, and therefore the motion is in violation of the rules of the House.

* * * * *

Mr. HALLECK. After discussing the matter with our able Parliamentarian, whose judgment I respect, I am afraid that I must recognize that the point of order is probably well taken. However, I must again say that it is certainly—shall I say tragic?—that, although apparently no such thing was intended, the minority has been by this resolution which we adopted, and which we incidentally helped to bring to quick action, shut off from what I have considered to be an inviolate right of the minority to offer a motion to recommit with instructions when a measure in the nature of an original bill was being considered.

Please do not overlook the fact that the gentleman from Indiana [Mr. HALLECK] stated that it was tragic that the minority should be shut off from what he considered to be an inviolate right of the minority to offer a motion to recommit with instructions.

LOOKS LIKE A DEFINITE POLICY BEING ADOPTED

Over the years occasionally a bill is presented like H. R. 5141 was presented in a way to deprive a Member of his substantial rights, but such instances have been the exceptions rather than the rule because the rights of the minority are defended and protected, so we shall not condemn the leadership of the House, or the majority members of the Banking and Currency Committee in particular, because of this one instance, but if it is done twice then it looks like a habit or policy, and we must give serious consideration to whether or not we want such a policy adopted. It is well known that the first visible sign of a totalitarian government is the party in power destroying the right of the minority party or destroying the rights of all minorities. That represents the beginning of a dictatorship although by itself probably should not be considered so serious as to connect it up with a totalitarian or dictatorship government but it certainly is an earmark and convincing evidence of a direction the Government is attempting to go and that is against a rule by the people and for a rule by a few.

ANOTHER BILL PRESENTED SAME WAY THAT WILL GAG MEMBERS

A few days ago, another bill came from the Committee on Banking and Currency; it was the Defense Production bill, to provide authority for temporary economic controls and for other purposes. It was S. 1081. After our Committee on Banking and Currency considered this bill and after striking out everything about reimposing emergency controls and only leaving very limited powers such as allocations and extension of section 104, it was agreed that a clean bill would be presented to the House in view of the substantial changes. There is a difference of opinion among Members as to what is a clean bill. I have always looked upon a clean bill as a new bill introduced by the chairman of the committee or by the original author, but other Members—and evidently the distinguished chairman of the Banking and Currency Committee is one of them—considers that a clean bill could be one in the form of an amendment to the original bill, so in this particular case, when S. 1081 was amended and the first 21 pages stricken out and a bill of only 5 pages agreed upon, the committee pursued the same policy that it did in the Small Business Administration bill. Instead of presenting a new bill, it was carried on as an amendment to the original bill. The result was costwise, that if a new clean bill had been introduced of only 5 pages, it would have cost the taxpayers only $96.90, but printing it all over again with the first 21 pages, printed with a line run through every word and every line—and then adding on the bill we agreed to, caused the bill to be composed of 26 pages at a cost to the taxpayers of $352.12. Now, in these two bills the taxpayers are out nearly $500 on an expenditure that for all practical purposes is absolutely useless unless it can be argued that it is worth $500 to deprive the minority of a opportunity to get record votes on certain amendments.

On yesterday—June 8—the Committee on Rules considered the question of granting a rule and the kind of a rule on S. 1081, as presented. The Honorable BRENT SPENCE, ranking minority member of the Banking and Currency Committee and former chairman of the committee under Democratic administrations, and I presented arguments in favor of a rule that would unquestionably give the minority the right to get a motion to recommit with instructions considered in the House of Representatives and a record vote taken. When we left the committee we thought such a rule would be granted, but later on, I was advised by the chairman, the Honorable LEO ALLEN of Illinois, that after considering the matter further it was decided that the Rules Committee could not grant the rule carrying that particular rule and privilege. So in that condition the matter is now presented to the House of Representatives. In other words, we are considering a rule which says that a motion to recommit will be in order, but we know from past experience that the Speaker, in carrying out precedents of other Speakers on the same subject, will hold that a motion to recommit with instructions is not in order.

I am inserting herewith an answer to a question, No. 105, on the Committee of the Whole, from the booklet on Our American Government—What Is It?—How Does It Function? It is as follows:

Question. What is the Committee of the Whole?

Answer. Motions or propositions involving taxes or appropriations, authorizing payments out of appropriations or releasing liability to the United States or referring claims to the Court of Claims, are considered first in the House sitting as a Committee of the Whole. (There are technically two such committees, in effect standing committees—one, the Committee of the Whole House, to consider business on the Private Calendar, and the other, the Committee of the Whole House on the State of the Union, to consider business on the Union Calendar.) Upon resolving into Committee of the Whole, the Speaker gives way to a Chairman, and the mace is moved to a lower pedestal. Speeches are limited to 5 minutes. The "previous question" cannot be put in the Committee; and the Committee does not adjourn, but rises and reports to the House, whether their business is unfinished or finished. A quorum is 100 Members.

The SPEAKER. The time of the gentleman from Texas has again expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. WOLCOTT].

Mr. WOLCOTT. Mr. Speaker, I think we are all interested in the political philosophy of the gentleman from Texas [Mr. PATMAN]. However, I am told on reasonably good authority that this has been the rule of the House for many, many years. I know from my own personal experience that it has been the rule of this House for more than 22 years. I have been informed that the Rules Committee did not make in order a motion to recommit, with instructions, for the reason that it would have established a precedent which would have had to have been followed on all of these bills; and, by the same token, would have indirectly amended the general rules of the House; and that it would be better to take a straight vote on a resolution amending the rules of the House in this respect.

If the gentleman is correct in stating that this is a gag rule—I might say that the minority in this House for the last 20 years has been gagged, because to my knowledge the Rules Committee has never reported a rule making in order a motion to recommit, with instructions, during the last 20 years. If it is opposed to representative government, then those who have had control of this House for the last 20 years have denied the people their constitutional prerogatives of representative government.

The difference between the Small Business Administration bill which we passed last Friday and the one which we have before us today is that the Small Business Administration bill which we considered Friday was introduced as a House bill. It has been quite customary to take the action which we did on that bill. There are precedents galore for it, as the gentleman knows. This bill that we have before us today is a Senate bill. That Senate bill was referred to the Committee on Banking and Currency, and had to be considered as a Senate bill. If the gentleman from Texas [Mr. PATMAN] is concerned about the cost, which I think he said involved a difference of about $240, then he must take into consideration that if the House bill had been introduced and passed we would have had to take from the Speaker's table the Senate bill, stricken out all after the enacting clause, and substituted the House bill for the Senate bill, so we would have had exactly the same expense involved as is involved in the printing of this bill. It seems to me that is a rather specious argument on which to predicate a change in the general rules of the House.

The motion to recommit of last Friday I understand was predicated upon action taken in the Committee of the Whole on two amendments: One to remove the limitation of $100,000 to any one borrower—and that was defeated in the Committee of the Whole by a vote of 46 to 86 almost two to one; and the other part of the motion to recommit would have been to remove the limitation of $250 million raising it to $500 million. That was defeated by almost two and a half to one: There were 32 ayes and 70 noes; so it seems to me that if the minority has been denied any constitutional rights it surely was a very small minority which was insisting upon its rights to the possible prejudice of the majority of this House.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I cannot yield at the moment; I am sorry; I have only 5 minutes and I think I should devote at least two of those minutes to review as rapidly as I can what is in this bill. I shall not attempt to cover the details of it except to say this is a continuance for 1 year of certain provisions of the Defense Production Act.

The SPEAKER. The gentleman's 5 minutes has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield three additional minutes to the gentleman from Michigan.

Mr. WOLCOTT. This is a continuance of that act wherein it provides for the allocation of materials and priorities in respect to national defense contracts.

The bill also terminates the authority to requisition and condemn property in the national-defense effort.

Title III of the Defense Production Act is continued for a year. This title provides for authority for the expansion of production, and the authority in the act which authorizes $2,100,000,000 for title III purposes is continued. I might say in explanation that there is a table on page 7 of the report which gives information in respect to the amount of that sum which has been used and the amount which is available for use. It also involves the continuance of authority to effectuate sections 302 and 303 of the act.

The committee in its wisdom deleted those provisions in the Senate bill which have to do with standby controls and the 90-day freeze, so that we continue in substance titles I, III, and VII excepting section 714, which deals with the Small Defense Plants Administration. It is our purpose to substitute the action taken last Friday when we passed the Small Defense Plants Administration bill and offer that as a committee amendment to this bill so that the whole matter will be in conference and in order

that there may be no hiatus between the period in which one act expires and the other takes effect. I think that in substance is all that the bill is about. This is an open rule; any Member can offer an amendment which is germane at any stage of the reading of the bill. We requested an open rule for the very reason that we wanted to protect the Members of the minority in what we consider all of their rights under the rules of the House.

Mr. COLMER. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, we have had quite a bit of discussion here this morning about the form of this rule. It so happens that in this particular instance at least it is my responsibility to attempt to protect the minority in their rights in the consideration of this rule. However, with all due deference to my long-time personal friend, for whom I have a very high regard, the gentleman from Texas, [Mr. PATMAN], to whom I yielded such time as he desired to state his position, there is nothing new about the form of this rule. As has been well stated here by others this is a procedure that has been followed for a very long, long time in this matter of the form of the rule with particular reference to the motion to recommit. If we are dissatisfied with this procedure, then the remedy lies not in castigation of the Committee on Rules but in a reformation of the rules of the House. In other words, the House rules would have to be amended unless we have an innovation here in the reporting of these rules. Therefore, I do not think we need to get too excited about the form of this rule. As the able chairman of the Committee on Banking and Currency [Mr. WOLCOTT] has stated, this bill has a number of purposes.

But, Mr. Speaker, in the next 2 or 3 minutes I want to address myself to the continuation of section 104 of the Defense Production Act that is provided for in this bill. I am intently interested in seeing that section continued as a part of the law. This bill would continue the section for another year. The enactment of that section has been of great assistance to many segments of our economy, particularly to those sections engaged in agriculture. In particular it has been very beneficial to a segment of the economy that I have the honor to represent, the tung oil industry. It has prevented the dumping of tung oil most recently by our South American neighbor, the Argentine, upon this country and ruining that little industry which I must confess, unfortunately, does not have much popular appeal because it is limited to that particular section of our common country bordering along the Gulf Coast from Florida to Texas, inclusive.

This little industry cannot survive in competition with either the cheap labor of the Argentine or the coolie labor of the Orient. At some time later in the debate I propose in the consideration of the merits of the bill to say something else about that. I may say in passing that on yesterday the President of the United States issued a proclamation based upon the findings of the Tariff Commission in which an attempt was made to take care of several of the agricultural commodities, including flaxseed and linseed oil which was already protected but which was given an additional protection under that proclamation. However, this little industry to which I have referred was left without any assistance or protection whatever.

I hope that in view of that proclamation that those who are interested in other commodities, who have pled for the continuation of section 104 in this act, do not now find it to their particular advantage and to the disadvantage of others to take a different tack in the consideration of this legislation.

Mr. Speaker, several days ago I appeared before the Committee on Banking and Currency in support of the continuation of section 104. I think it proper here for the sake of the record and the benefit of the membership to repeat that statement. The statement follows:

Mr. COLMER. Thank you, Mr. Chairman, and members of the committee.

Mr. Chairman, I appear here this morning briefly in behalf of the continuation of section 104 of the Defense Production Act. I understand that that whole question of controls is being considered, and I am very much interested in seeing that particular provision of the law extended and retained.

My interest, I must confess, primarily stems from my very intense interest in a little industry that possibly but a few of you are familiar with, and I refer, Mr. Chairman, to the tung-oil industry, which is a comparatively small industry in this country and which unfortunately does not have too much appeal because it is a small industry and affects a very small portion of our people.

Possibly I should, for the benefit of the committee and the record, tell you in a few words just what the tung-oil industry is and something of its importance to not only our economy, but to our national defense.

Tung oil is an oil produced from the tung tree, which originated in the Orient, largely produced in China, and up until World War I we were dependent on the Orient for the tung oil used in this country. It is without question the best drying oil known. It gets its name "tung" from the heart-shaped leaf of its foliage. It is used as a drying oil. It is used extensively in electrical equipment particularly, where a high degree of dryness and protection is required, and is used rather extensively by our Navy.

That is the reason that it is grown in this country today. In World War I, we were caught short of tung oil and the Government and other interests encouraged the production of tung in this country. To indicate just how new it is, comparatively, I might mention, Mr. Chairman, that although a comparatively young man, I happen to have been one of the incorporators and directors of the first tung oil corporation in my State, which is now the largest producer of tung oil in the country. I might add parenthetically that I am not now a director, nor do I own any tung oil acreage nor am I otherwise interested other than as a representative of the industry in the Congress.

Tung oil is produced in this country in a belt of about a hundred miles wide along the coastal plains of the Gulf of Mexico only, beginning in the State of Florida, and extending across into Alabama, Mississippi, Louisiana, and Texas. It apparently will grow nowhere else in this country.

Today we are producting, or hope to produce this year, the all-time peak of 35 million pounds. There were approximately 185,000 acres planted in tung in 1950. It is slightly above that now. There is a capital investment of about $40 million. About 15,000 people are employed in the industry.

This country consumes—did last year—47,863,000 pounds of tung oil. This country imported, last year, 29,800,000 pounds of tung oil. In other words, the importation is almost two-thirds of the consumption.

In that connection, the question might be asked: How we imported 29,800,000 pounds of tung oil last year when the product originated in China and China has been our chief competitor? The answer is that although we suspect—although we can't prove it—that some of this oil has come around through devious channels from China, into this country, we do know that a large portion came from the Argentine, which has recently gone into the production of tung oil and is now, with the world situation as it is, our chief competitor.

Just after World War II we succeeded in getting a support price for tung oil. Today that support price is the lowest of any of the support prices on any of the commodities: 62.2 percent of parity, or approximately 26.5 cents a pound.

The cost of production of tung oil is $72.80 a ton—these are last year's figures—and the industry figures they have to have at least $73 a ton in order to break even.

It is apparent that——

Mr. BROWN. What is tung oil selling for now?

Mr. COLMER. Today tung oil is selling at about 27 cents a pound, which is about a half cent more than the support price; and if you are interested, Mr. Brown, during the history of the support price, the CCC has purchased about a million and a half pounds of oil, which they had purchased at approximately 24 cents and sold at approximately 37 cents a pound.

Now, it is obvious that if this little industry in this country is to survive it has to have some protection, and I think, forgetting the economy of the thing and from a defense standpoint alone, it must be permitted to survive.

Mr. Chairman, this infant American industry is faced with this dilemma: It cannot compete with either the coolie labor in China or with the cheap labor of the Argentine. On the other hand, the United States is faced with the necessity of having tung oil in its domestic economy and essentially as a strategic defense material.

At the moment we are not too much concerned with Chinese imports. But, if a solution to the communistic war should be found, the cheap Chinese oil, if permitted to flood this country, would inundate the domestic industry. But, even if the unfortunate Chinese war situation continues, we are faced with the ever-increasing production of the Argentine. Therefore, there must be some legislative machinery for stopping—or, at least, controlling—these threats to this essential industry.

What we are doing now is to support the Argentine industry. If the domestic industry is not protected, if it is not given some governmental encouragement, then we may again face a situation where we have some international complications and have no supply of tung oil for our defense effort.

From the economy standpoint, of course, it means a great deal to the people in that section of the country. This oil is produced on what is generally known as cutover land. It is more or less marginal land, running along the coastal line. It is not suited for the growing of cotton or corn, wheat or any other of the staple products. And it has meant a great deal to the people of that section.

I might also add that this little industry has no protection so far as tariff is concerned. It is on the free list. And, therefore, we must have some other kind of protection for it.

I understand that this committee is considering the overall picture of a continuation of this section 104, or the substitution for that of the continuation of section 22 of the Agricultural Adjustment Act.

We don't think that section 22 will give us the protection that we need, because of its slow-moving character.

Mr. BROWN. Do you now have protection under section 104 of the act?

Mr. COLMER. Yes, sir. I thank my friend for asking that question. We got it about 60 days ago, because this Argentine oil was flooding the country, and the Commodity Credit Corporation was faced with the possibility of having to take over a large part of this year's crop, which it is estimated will be about 35 million pounds.

Now, Mr. Chairman, with the permission of the committee, I should like to offer this chart, which shows the effect of these imports on the price of the domestic product. You will note that whenever the imports came in—and they always come in around the time that they start to market their crop in this country—the price goes down. Therefore, we are at the mercy of the foreign producers.

Mr. Chairman and gentlemen of the committee, I am very much interested in this matter. I think the country is interested in it. All we want to do is to survive. We are trying to help the rest of the world. We have contributed many billions of dollars for that purpose. We are going to contribute more billions of dollars. Here is a little industry that is going to be put out of business because it absolutely cannot compete, under normal conditions, with the cheap labor in the Orient and South America, unless it is given some protection.

I hope that the committee will give this matter its careful and sympathetic consideration. Mr. Chairman, members of the committee, I appreciate the privilege of appearing here this morning. If any of you have any questions, I will be glad to attempt to answer them.

The CHAIRMAN. We are very pleased to have your testimony, Mr. COLMER. Mr. PATMAN.

Mr. PATMAN. Do you know of any commodity that has fluctuated in price as much as tung oil?

Mr. COLMER. No, sir; I don't believe that I do, Mr. PATMAN.

Mr. PATMAN. According to the chart here, it was way down in 1945 and in 1953. From the chart it fluctuates because of the imports.

Mr. COLMER. They both fluctuate. And if you will notice, Mr. PATMAN, from the chart, one goes down when the other goes up.

Mr. PATMAN. That is right.

Mr. COLMER. Thank you, Mr. Chairman.

Mr. BROWN. May I compliment the Congressman on his splendid statement. He always make a good statement.

Mr. PATMAN. I appreciate your statement, too, Mr. COLMER. I am receptive to the gentleman's views. I expect to support his views.

Mr. COLMER. The gentlemen have always been very gracious, both of them. I thank you.

Mr. MUMMA. Mr. Chairman.

The CHAIRMAN. Mr. MUMMA.

Mr. MUMMA. Congressman COLMER, I realize that tung oil is a very, very important base for a lot of technical paints in the electrical industry. I am not familiar with the process. I would just like to ask you a question: Are these trees planted, the same as our forestry program? Is it all harvested somewhat like turpentine?

Mr. COLMER. I think the correct answer would be they are more like orchards. They grow wild in China and are also cultivated in China, but in this country they are all planted as orchards, just as apples, peaches, and so forth.

Mr. MUMMA. How far apart?

Mr. COLMER. Around 30 feet apart.

Mr. MUMMA. How long does it take a tree to come into production?

Mr. COLMER. They will produce a few nuts after about 5 years. Incidentally, I should have brought some of them up to the committee. The nuts resemble very much the black walnut. They fall to the ground, they are picked up, dried out, and then milled—crushed, to extract the oil.

Mr. MUMMA. Labor isn't a very big proposition once the industry is established, is it?

Mr. COLMER. I would say about like in the case of any other orchard crop. They have to be cultivated, they have to be fertilized.

Mr. MUMMA. You were talking about planting them on slash lands. It occurred to me you couldn't cultivate them very much with a lot of stumps in there.

Mr. COLMER. Oh, no; they are planted in cleared ground. The ground is cleared of stumps. You would think you were in an apple orchard, at a distance, if you were to see them, and particularly when they are in bloom, they are most beautiful. The cherry blossoms would have to fade into insignificance in comparison.

Mr. MUMMA. My point is you don't need a lot of technical help.

Mr. COLMER. Well, that is more or less true. You have to have tractors and skilled operators, as well as some skilled personnel and scientific knowledge.

Mr. MUMMA. That is all. Thank you.

Mr. TALLE. Mr. Chairman.

The CHAIRMAN. Mr. TALLE.

Mr. TALLE. I enjoyed your statement, Mr. COLMER.

Mr. COLMER. Thank you, Mr. TALLE.

Mr. TALLE. It frequently happens in the case of trees and shrubs that are brought in from the Orient, that with them come certain pests that are troublesome. Have you run into that in this industry?

Mr. COLMER. Yes, sir. The chief enemy is a form of dry rot. The pests themselves, or insects, have not been too bad. In fact, from my limited knowledge of it, I don't know of any pests.

I might add, the foliage is poisonous to cattle and therefore cattle can graze in the orchards without injury to the trees.

Mr. TALLE. Is the life of the tree long or short?

Mr. COLMER. Well, of course, it is comparatively new in this country, and my knowledge of it is limited to that, but I would say comparatively long. I would say 25 to 50 years.

Mr. TALLE. I think you said the investment was something around $40 million, in the industry?

Mr. COLMER. Yes, sir.

Mr. TALLE. Is that restricted to your State, or is it all the way along the Gulf of Florida?

Mr. COLMER. We have had a little repetition of history down there. These so-called Yankees have come down there, just like they did with our virgin pine forests, and have taken over. I would say that most of the investment in that section is from the so-called Yankee capital.

Mr. PATMAN. May I interrupt to say that it was said, not long ago, with reference to what you have said just now, by a Dallas cotton man, he didn't know how it would come out but definitely the cotton gins were moving west out to the irrigated section, and the cattle were moving east where there is more water, and the Negroes are moving north and the Yankees are moving south.

Mr. COLMER. I think there is some truth to that, and I know we welcome the Yankees. May I add, Dr. TALLE, that the immediate retiring president of the American Tung Oil Association, is a resident of Boston.

Mr. TALLE. I understand, then, that it is a key industry in wartime?

Mr. COLMER. Yes, sir.

Mr. TALLE. Thank you, Mr. COLMER.

Mr. GEORGE. I think this committee is delighted to have you here, sir, and I think also the Yankees like to have a fellow like you on the Rules Committee. If there is anything we can do to help you, we want to do it.

Mr. COLMER. That is most gracious, and I deeply appreciate it.

The CHAIRMAN. We assume in helping this tung oil industry situation we are helping the whole United States.

Mr. COLMER. Thank you, Mr. Chairman.

Mr. HIESTAND. Mr. Chairman, I know we all very much appreciate this statement, and we have learned a good deal from it, and we are heartily in favor of helping an industry of this type.

It is not quite clear in my mind, Mr. COLMER, just how section 22 of the Agricultural Act fails to provide or could fail to provide, in your opinion, the type of protection you feel is necessary under 104.

Mr. COLMER. Because I think it is too slow. This, as I have emphasized, is a small industry. By the time all the mechanics of section 22 have been gone through, and the time-consuming effort is put forth, I believe this industry could be destroyed.

We had an awfully hard time getting section 104, which is mandatory, applied to this industry. If you go through section 22, as I understand the operation of that section, the Secretary of Agriculture would have to make a determination that these importations were extremely harmful.

Then the Tariff Commission would have to make a study. And then it would be up to the President as to whether he saw fit to do anything about it or not.

I would say that that process would possibly take 2 crop years to put into effect, and I am afraid my little industry would be gone by that time.

Mr. HIESTAND. You are aware, of course, that the Secretary of Agriculture has announced his intent and is putting in a definite plan to speed this thing up so that it can operate? I am not attempting to defend what happened in the past, but at least it is his intent to make it effective.

Mr. COLMER. And I am sure, sir, that his intent is an honest one. But I have been around here a good while now, and my observation is that it takes a mighty long time for a matter to clear through three different governmental agencies, and a lot of hearings and time-consuming effort. I thank the gentleman for asking me the question, though. I am afraid I didn't make that very clear before.

Mr. HIESTAND. Thank you.

Mr. COLMER. Thank you, sir.

Mr. STRINGFELLOW. Mr. Chairman.

The CHAIRMAN. Mr. STRINGFELLOW.

Mr. STRINGFELLOW. Mr. Congressman, I certainly appreciate your testimony and I am sympathetic with your views.

I would like to ask you, Can this industry, producing tung oil, produce enough to meet domestic demand in this country?

Mr. COLMER. Yes, sir. It is not producing it now, but it can produce it. Remember that it is a small industry, a new industry, perhaps, rather than a small industry, and that it takes time to grow.

Frankly, one of the things that I think we have to watch, and which must be considered in the whole picture, is that we don't get an overproduction of tung oil. I don't think there is any question but what, with the proper protection, that the industry can produce sufficient oil for the domestic consumption, but always bear in mind that you have this Chinese industry, which is centuries old, you have the Argentine production, which is now producing almost as much as we are, and then, in addition to that, other countries have started some planting, notably England. When England was caught short, during World War II, they moved into Africa and started the planting of tung trees there.

I don't think, sir, that that is a question that need concern us. I do think, for the overall interests of the industry itself, and for the consumer, that we have to have some leeway in there, so that we could have some importation, if we needed it, and then on the other hand, to see that the industry does not overextend itself. We do not object

to reasonable imports. What we do oppose is flooding and destruction.

Mr. STRINGFELLOW. Does the protection that you receive under section 104, afford you a complete embargo on foreign importation?

Mr. COLMER. Frankly, we asked for a complete embargo. We didn't get it. We got a quota. I think it was 2 million pounds. That is for each quarter.

Mr. STRINGFELLOW. Thank you.

Mr. COLMER. Thank you, sir.

The CHAIRMAN. Are there further questions of Congressman COLMER? If not, we are very happy to have had your testimony, sir.

Mr. COLMER. Thank you, Mr. Chairman, and gentlemen of the committee. You have been most kind.

Mr. ALLEN of Illinois. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. WOLCOTT. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 1081) to provide authority for temporary economic controls, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill S. 1081, with Mr. BROWN of Ohio in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. WOLCOTT. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, as was said in the debate on the rule, this is a bill to extend certain provisions of the Defense Production Act. I think an explanation should be made of the report because under rule II, wherein changes in existing law are set forth, the changes from existing law are the changes which occur in the Senate bill. So in order to get a complete picture of what the House bill does, one should refer to the changes in existing law on page 15 of the report and also the statement containing the provisions of the Senate bill on page 1 of the report and the provisions of the committee amendment as explained on page 2 of the report.

Perhaps all one needs to do is to read the summary of the Senate bill on page 1 and then the provisions of the committee amendment on page 2.

In substance, the committee amendment which we are considering continues for 1 year, the allocation of materials and priorities in respect to contracts. The Senate bill provided an extension for 2 years. The reason why we provided an extension for 1 year is because for a good many years the Congress has insisted upon taking a look at these extraordinary powers and controls each year so that we could make such changes as to fit these controls into the economy from year to year in order that there would be a minimum shock to our economy through the use of the controls.

In title I we deleted a provision of the Senate bill which would have repealed section 104, and we restored section 104 as it appears at present in the act. Ordinarily that would expire on June 30, 1953, as would the other provisions which I have mentioned. The action of the committee is in effect to continue section 104 for 1 year along with other controls mentioned in the bill.

Section 104 has to do with the importation of fats and oils.

Title II of the bill has to do with the authority to requisition and condemn property in the defense effort. That is deleted from the bill on the recommendation of the administration. It has only been used once since it has been in operation, and that only to clear a title. That will expire on June 30 unless action is taken by amendment on the floor to continue it. It seems unnecessary.

Title III, which has to do with the expansion of production, is virtually the same as in existing law and is virtually the same as is contained in the Senate bill, except that it is continued for 1 year instead of 2 years.

As I said in my earlier remarks, there is a table on page 7 of the report, which I call to your attention, which shows that the total allocation out of the total amount of $2,100,000,000 has been about $1,802,000,000. There is a balance outstanding of $343,242,000 of the $490,376,000 which has been borrowed; $147,134,000 has been repaid, leaving a balance of $343,242,000. There is still available under the provisions for expansion in production about $1,458,758,000, which is considered sufficient to complete the programs.

The provision in respect to contracts for the acquisition of goods is extended from 1962 to 1963, an increase of 1 year, in keeping with the extension for 1 year.

It will be noted that all authority to control prices and wages and salaries, which was contained in title IV of the bill, is not continued under the committee amendment. The President has heretofore terminated controls on issuance of prices, wages, and salaries.

Mr. LUCAS. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Texas.

Mr. LUCAS. May I ask the gentleman if what he has said is true, and I assume it is, about the deletion of titles IV and V regarding price and wage controls, whether he believes it is still necessary for us to retain in the bill the statement in parentheses on page 21 of the bill in section 101 (a), where it reads:

> The President is hereby authorized (1) to require that performance under contracts or orders—
>
> This is the section to which I refer—
> (other than contracts of employment) which he deems necessary or appropriate to promote the national defense.

Can the gentleman explain to the House and to the committee why he has retained this phrase "(other than contracts of employment)"?

Mr. WOLCOTT. I am glad the gentleman brought that up, because it might seem an inconsistency which I think can be explained in this way. That language was contained in the original act, and that is the same language that is contained in the bill we are extending. Under the provision, "The President is authorized to require that performance under contracts or orders," the gentleman asks about the matter in parentheses which states "(other than contracts of employment) which he deems necessary or appropriate to promote the national defense shall take priority."

I believe the reason why that was put in originally was in deference to title V of the bill which provided for the settlement of labor disputes. But beyond that was some reasoning which perhaps was logical, that it is rather difficult, if not impossible, to compel a person to work. I suppose, theoretically, when a contract for labor has been entered into, suits would lie for nonperformance of that contract, but under the American system we have never seen fit to adopt any form of forced labor, so it would be rather difficult, if not impossible, and highly undesirable, to try to force a person to work against his wishes. So we found that perhaps it was in keeping with our system not to put language in here from which anyone could infer that we were providing for forced labor, because it was not in keeping with the American system.

Mr. LUCAS. I should like the gentleman to assure the House that the President's hands are not necessarily tied by the insertion of this amendment, where the President has the power to force a contractor to comply, but yet he does not have the power, under this provision, to require contracts of employment to be carried out.

Mr. WOLCOTT. I think the gentleman is correct, because, of course, we can force a corporation or an individual to execute a contract other than contracts of employment; contracts for delivery of goods, contracts for the manufacture of goods can be enforced in several different ways. The most common practice is a suit to compel performance of the contract. Then there are damages stipulated and otherwise, for failure to perform a contract.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Pennsylvania.

Mr. FULTON. Can the gentleman explain how this Senate bill, S. 1081, will have any effect on the general issue of standby controls?

Mr. WOLCOTT. I was getting to that.

Title VI of the existing law, which originally had to do with consumer and real-estate construction credit controls, has been deleted. What is left of that will expire on June 30, 1953. In the Senate bill there is a provision for the effectuation of certain standby powers, with a provision that the President, in time of war, may exercise certain powers; certain controls over wages and salaries and prices. Also, he may in time of war, under the provisions of the Senate bill, reinstate his Executive order, which I believe is 8843, which is commonly referred to as regulation W; and could, under the Senate bill, reinstate what we refer to as regulation X, which has to do with real-estate construction credit controls.

The committee voted to delete the provision in the Senate bill, which provided that the President, in time of war, by

proclamation could invoke price, wage, salary, consumer-credit controls and real-estate credit controls; and in time of grave emergency, the Congress could, by concurrent resolution, order their imposition.

There is a basic reason why that was done. So far as I know, there is no good reason why this Congress should have the authority to invoke these controls by concurrent resolution. The thing turns, however, upon whether the Congress feels that it can expeditiously act to give the President the authority to freeze controls in time of grave emergency or in time of war.

I have said, and I want to repeat, that there are at least a hundred Members of this Congress who, in 10 minutes' time, could dictate a better freeze order, giving the President more effective powers in keeping with the limitations in the old OPA law and the present OPS laws than is contained in the Senate bill. I believe the Senate language would constitute a psychological deterrent to the production of goods, both military and civilian, at a time when we might need full production.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. WOLCOTT. I yield myself 5 additional minutes, Mr. Chairman.

In time of war, after an attack, this Congress would be in session within 24 hours. You can get a quorum here made up of Members from every part of the United States within 24 hours. At the time of an attack we know that every air service, every rail service, all other means of transportation, would be put at the disposal of the President to get Members of Congress back here. And so I think there is no question but that a quorum of this Congress, if we were not in session, could be gotten together inside of 24 hours.

The first order of business, of course, would be a resolution declaring that a state of war existed. The second resolution would be, if found necessary, one giving authority to the President to freeze the economy. Both of these resolutions could be on the President's desk by 4 o'clock of the afternoon following the attack. Certainly it can be done. And so we find in our report that the Congress could act expeditiously and swiftly enough to give the President the authority to sufficiently control our economy to prevent all the harmful economic effects that might result from such an emergency.

There is no sensible justification for standby controls or standby freeze orders, because first, in time of war, we know that we are going to give the President that authority. I say it can conceivably be given to him on the same day we declare war. Secondly, I cannot envision any other emergency which would come on so rapidly that the Congress would not foresee it. The administration in such times would have to use more extensively the controls which are given to it to allocate materials, so that fact alone would warn us that there were serious impacts upon our civilian economy by the expansion of our war production. In that period of time we would have ample opportunity not only to enact a freeze order but also to enact another comprehensive control law.

If we provide that the President be given these standby controls, then industry, agriculture, and business will never know when these controls are going to be utilized; they will not be able to plan weeks and months and probably years ahead as might be necessary if we are going to get the benefit of our full productive capacity. If the Congress under the Senate language is given the authority to invoke these controls by the passage of the concurrent resolution we might, of course, anticipate that we would have to have hearings on the enactment of a concurrent resolution before its enactment, and every small group of people who felt aggrieved because of any change in our economy would start pressure on Members of Congress; Members of Congress would, in keeping with their representative functions, pressure the committees of Congress to report out a concurrent resolution. What would happen to our production effort? Business, industry, and agriculture would immediately retard production until they found out what the Congress was going to do about it. Both of these, the power to the President and the power to the Congress would hang like a sword of Damocles over the head of our production effort as a deterrent.

Now, when and if there is any decided cutback in defense production, we have got to encourage an expansion of production to take up that slack. Those are the things with which we should concern ourselves now, the expansion of production to meet the civilian demands at the time when there is any serious cutback in the defense effort. So I urge now in this general debate that we consider this as a fundamental obstacle to the full production which we might need so badly in the years to come. I do not like to feel, and I believe the members of this committee do not like to feel, that we are going to accept controls as a matter of Government policy in peacetime. I like to think, and I believe you agree with me, that in time of emergency we will not split hairs on how much authority the President temporarily has to prevent the uncertainties and disequilibriums which might enter the economic picture.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. FULTON. I want to say that I agree with the gentleman that standby controls do constitute a threat to the production, and I am pleased to hear that the controls are being taken off when they are not necessary.

Mr. WOLCOTT. I think that in substance generally is what the bill is about. I might repeat that we provide for the extension of title VII which has to do with general provisions excepting 714 which created, as you will recall, the Small Defense Plants Administration. We do that in anticipation of offering the bill which we passed last Friday, H. R. 5141, known as the Small Business Act, as a committee amendment to this bill, so that the whole matter will be in conference and there will be no period between the expiration of any law which we have passed for the benefit of small business. That is an added security.

During the debate under the 5-minute rule other questions will arise which I think the committe in its report has already answered. The committee struck out of the bill the Senate provision in respect to the 90-day freeze by unanimous vote. It deleted from the bill the provision in respect to consumer credit controls and construction credit controls by a vote of 27 to 1, there being 28 of the committee present. On the motion to give the President authority instead of action by the Congress I think that vote was 15 to 13. After that vote was taken we voted unanimously to take out all standby and freeze authority. That will be a matter before us for consideration here.

Mr. LANE. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Massachusetts.

Mr. LANE. Under the provisions of this bill the control of prices, wages and rent will automatically die as of June 30 except on rent control, if the States want to go into it?

Mr. WOLCOTT. The gentleman is correct in that price and wage control authority expired on April 30, 1953, and rent control outside a few critical areas will expire July 31st if the States have not provided for an extension beyond the date under State laws.

Mr. SPENCE. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this bill is more significant by what it fails to contain than what it contains. It is a defense measure. It deals with war and the apprehension of war.

The distinguished gentleman from Michigan talks about controls not being in accordance with the free American system. Neither are allocations nor priorities. They are just as contrary to the free American system as is the regulation of rents, wages, and prices. We have to enact a law which so far as possible will meet the conditions that may arise.

The amendment which I intend to offer to this bill makes the bill conform to the bill as originally reported by the Banking and Currency Committee of the Senate. It would give the President, on declaration of war or on the finding and declaration by himself that a great national emergency exists, authority to control wages, prices, and rents.

If an emergency should arise, it seems to me, it cannot be controverted that it will be essential to act speedily and with secrecy because as soon as the emergency arises the public will be apprehensive and will anticipate it. Then if there was any effort made to impose these controls there would be an upsurge in rents, wages, and prices. It is therefore essential to have expeditious action in this matter. If you do not you are going to have confusion that will be hard to overcome. There will be an upsurge in prices, in rents, and wages, and they cannot be rolled back; it would be absolutely impossible to roll them back. The only way you can control them is to freeze them at the level they are when the

freeze goes on, and the President would have that power. Do you not trust the President? It gives him the power for only 90 days.

They talk about it being a delegation of legislative power. There is no delegation of legislative power. We could recapture what we have given to the President in a day if the Congress chooses to act. They give him this power to freeze for 90 days, but in 2 days or 3 days, if the Congress wants to act, they could take it away from the President and could act themselves. That was the bill as it was introduced in the Senate.

The Byrd amendment provided on the declaration of war or by a concurrent resolution declaring and finding that there was a grave national emergency, that these powers could be exercised by the President. Is anybody so credulous as to believe that when that power is conferred by the two branches of Congress there is going to be no debate; that it is going to be done expeditiously? Why, 3 or 4 Members of the other body who are opposed to immediate action or who may not be entirely in accord with the procedure, could hold this matter up for a month. You say that they would not do it? Maybe not, but I say also that the President would not misuse this power. No President would use the power that is given to him tyrannically. No President would desire to use it for any purpose except for the public good. It is essential to place it somewhere, and the only place it can be put where it will be expeditiously used for the benefit of all the people is in the President of the United States. That is the most essential thing, it seems to me, that could be in this bill. Allocations and priorities can be used for the benefit of our Government, for the benefit of industry, for the benefit of a world defense emergency, but when the great emergency comes, one that may mean weal or woe for the people of America, there must be expeditious action. You say the Congress will act speedily, but it seems to me the most vulnerable spot in America for our unconscionable enemies to attack would be the city of Washington. If a bomb fell on the Capitol of the United States when the Congress was in session, there would not be a quorum left and no action could be taken. Now you cannot destroy the President. There are nine persons who are in line of succession for the Presidency, and I understand the President himself is protected in case of a raid of that kind. So, all of these things must be considered, and to say that in an emergency of this kind we ought not to trust the President seems to me a criticism of our form of government and of the confidence we must repose in the man whom all the people, whether they voted for him or not, have agreed should be the President of the United States, because acquiescence in the will of the majority is as fundamental to us as the Constitution or the Declaration of Independence. It seems strange, since we have had the election, that the Members on this side of the House have wanted to give the President the powers he should have, and the opposition has been largely from his own party. I just do not understand that. I think this is a very grave question.

If we have no apprehension that anything is going to happen to us, let us not pass any more of these laws. It seems a pity that the rulers of a foreign country can hang the sword of Damocles over the American people that causes us apprehension and makes many unhappy.

The only way we can show them that we are prepared is to give our Commander in Chief the powers he ought to have in this particular matter. You talk about the powers of the President. You are afraid to give him this. The President is the Commander in Chief of the armies and the navies of the United States. He could take the commanding general out of the field and say, "I command." He could take the commander of the fleet off the bridge of his battleship and say, "I desire to command the fleet." He has that power, not by act of the legislature but by the fundamental law of the land.

Then, when we want to entrust him with this power for 90 days we say no, we should not do that, we should retain our legislative responsibility. When we delegate it we have delegated nothing. When we give him something that we can take back immediately it is not much of a gift. If the Congress felt it could act more quickly and better than he could, it could still act, but it will not do it. The President is in a position to have more reliable information before anybody else as to when there is a grave national emergency. He has sources of information that others do not have. He has sources of information that the Congress does not have. When he declares there is a grave national emergency and puts on this freeze you may know that there is a grave national emergency, that war is inevitable and not far off. He will know that before you and I will know it.

When this amendment I shall offer is submitted to the Committee of the Whole, and it will be offered after the reading of the bill, for it is a new section, I hope you will vote for it. I hope you will vote for it because it is an expression of confidence in the President of the United States. I hope you will vote for it because it is a measure of real defense, because the control of wages and of prices and of rents is a thing very essential to our national security and our economic stability.

Henry L. Stimson was Secretary of War in Taft's Cabinet. He was Secretary of State in Hoover's Cabinet. He was Secretary of War again in Franklin Roosevelt's Cabinet, and he was Secretary of War in Truman's Cabinet. He ran once as a Republican candidate for Governor of New York. He was appointed by Taft as Governor General of the Philippines. He was a Republican. He came before our committee during the last war pleading that we put on stronger controls, because he had statistics that if the cost of materials rose 2 or 3 percent the cost to the Government would be in the billions of dollars. He was not for controls. He was a conservative but he pleaded for controls with the impassioned fervor of a public officer anxious to do his full duty. We are not for controls. Because I stand here and plead for this does not mean that I am for controls. I think controls should be lifted. But when the emergency comes, it will cost the Government of the United States billions and billions that it otherwise would not cost, unless a freeze is put on immediately. I want you gentlemen to think of that when this amendment comes before you for consideration. It is the only way we can get a freeze, to place it in the hands of the Chief Executive. It is the only way you can get an expeditious, a speedy, and a secret freeze. I hope you gentlemen will vote for the amendment when it comes before you.

The CHAIRMAN. The time of the gentleman has expired.

WHAT IS RULES COMMITTEE FOR?

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Chairman, when we discussed the rule providing for the consideration of this bill, it was suggested that we should change the rules of the House in order to reach our objective. I do not agree that we should do that at all or that we should have to do it. It has always been my understanding that a Rules Committee is set up for the sole and only purpose of granting special rules for the consideration of bills. If it does not have the power and the authority to grant special rules, and may only act under the general rules of the House, there is no justification for the existence of the Rules Committee.

But I know, and you gentlemen know, that that is exactly why the Rules Committee is set up, to make an exception to the rules of the House; to make special rules. And what fairer rule could we ask than to give to the minority a rule to carry out what has been the traditional policy of this parliamentary government for over 160 years, that the minority shall have the right to make a motion, with instructions, to recommit a bill and have a record vote on that vote? If we are denied that right and told that we must seek our recourse in the Committee of the Whole, then we are told that we are not entitled to a record vote, that we should have rules that will not permit record votes to be taken. Of course, that is not right at all.

I see the distinguished gentleman from Virginia [Mr. SMITH]. He is a very able and powerful member of that fine Committee on Rules. I desire to invite the gentleman's attention to the fact that in two instances in the last week the minority has been imposed upon. The minority was not deliberately trapped, but the minority has been gagged, and gagged to the extent that the rights of a Representative in a representative government have been denied to him. I hope that the gentleman from Virginia [Mr. SMITH] will keep that in mind and give it consideration; that he will never permit a rule like this to come out again, without his objection and the objection of the other Democrats.

Before the Rules Committee yesterday it was generally agreed, I thought, that during the time the Democrats were in

power a rule like this was not presented except in a few exceptional cases, cases I happen to know, where the Members on both sides of the aisle wanted the situation to exist that way; otherwise, it was not presented in that manner at all. That discussion went on in the Rules Committee yesterday. I am not saying anything I should not be saying. If it had been executive, I would not be saying this. But that was an open meeting. We were given to understand that we were exactly right, that we should have an opportunity to make a motion to recommit, that the Rules Committee was sorry that the situation happened as it did last week, and that they would correct it in that one particular rule. But when the rule was written, it did not have that protection for the minority members.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Virginia.

Mr. SMITH of Virginia. First I want to say that the gentleman complimented me by saying that I was a powerful member of the Rules Committee. The Democrats are not very powerful any more in the Rules Committee, as the gentleman from Texas [Mr. PATMAN] knows.

Mr. PATMAN. I know that we as Democrats are pretty low on the totem pole, but the gentleman from Virginia [Mr. SMITH] is pretty high on the Rules Committee totem pole.

Mr. SMITH of Virginia. What I want to say to the gentleman is this. In substance I thoroughly agree with the principle which he has now enunciated. I think, no matter which party is in power, the minority party should have every possible right to have its position made known as a matter of record.

It was my understanding, in the discussion yesterday—apparently I misunderstood the situation—but I understood that what the gentleman was going to have was a rule that would permit him to make a motion to recommit, with or without instructions. Apparently I was under a misapprehension about it, but that was my understanding.

What I rose to say was this, if the gentleman will permit, that in the future—and I see a really powerful member of the Rules Committee now sitting in the chair—that in the future, no matter which party is in power, it seems to me it is the fair thing that the minority should have every opportunity to get its views expressed and to have a recorded vote on the floor of the House; and that can only be done by a motion to recommit, with or without instructions.

Mr. PATMAN. I thank the gentleman. It is my understanding that after the Rules Committee had the meeting yesterday—of course I do not know what went on in the executive session, but someone said it was a violation of the standing rules of the House to grant that kind of rule. Now, I have recollection since I have been here in Congress that rules have been granted for motions to recommit with or without instructions; and I reiterate that that is what a Rules Committee is for, to grant special rules to take care of special cases under special conditions, and I am glad that the gentleman from Virginia is going to take it upon himself to insist that hereafter no such gag rule as we are having on this bill today and as we had on the small-business bill the other day will come on the floor of the House without an objection from the Democrats.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Kentucky.

Mr. SPENCE. Do not all rules that waive points of order violate the rules of the House?

Mr. PATMAN. Why, certainly. That is what the Rules Committee is for. I would like to know—and I will yield to any Rules Committee member who is here within the sound of my voice to answer: Is there any other justification for the Rules Committee except that?

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I said I would yield to a member from the Rules Committee.

Mr. HALLECK. To a member of the Rules Committee?

Mr. PATMAN. Yes.

Mr. HALLECK. I am not.

Mr. PATMAN. I said I would yield to any member of the Rules Committee who has any different understanding than that, and I would like for him to get up here and ask me to yield.

I will be glad to yield to the gentleman from Kentucky.

Mr. SPENCE. Is it not fundamental in the rules of the House that the Committee on Appropriations appropriates but does not legislate, and in waiving all points of order is not the Appropriations Committee put into the business of legislating?

Mr. PATMAN. They certainly are, and they should not be; it should be stopped. But the Rules Committee recognizes it and makes it valid by granting a special rule that permits it.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Indiana.

Mr. HALLECK. Just so it will not appear that the gentleman's challenge has gone unheeded, I looked around and it just so happens at the moment that except for the occupant of the chair, who is in no position to make a response to the gentleman's question, there is no Republican member of the Rules Committee present.

Mr. PATMAN. The majority leader is on our side in this because he is on record on April 13, 1951, as saying this was a tragic rule, that it was not right.

Mr. HALLECK. Mr. Chairman, will the gentleman yield to me at that point?

Mr. PATMAN. I yield.

Mr. HALLECK. And did the gentleman or the people on his side make any effort at all to change the rules?

Mr. PATMAN. Well, we did not have rules like that.

Mr. HALLECK. As a matter of fact, if the gentleman will yield to me, I have been on the receiving end of this type of rule for almost 20 years except 2 in the 80th Congress when we were in the majority; and, certainly, if it was all right all the time you Democrats were in power, then it seems to me to be somewhat of a crybaby to complain about it when the Republicans happen to be in power.

Mr. PATMAN. As I say, the majority leader is on our side, but the fact is that that just did not happen during that time at all; there were only a few special cases where the minority did not object, and the gentleman cannot point to an instance where the members of the minority objected to such a rule in a situation like that, not one time. It was always done with their knowledge and consent; and the gentleman's own record shows he is on our side. I am glad he is, too. There it is. This rule is against the interest of fair consideration in the House. I do not want the gentleman to keep on talking now because I want him to stand hitched on this exactly as he was on April 13, 1951, when the gentleman from Missouri made a motion to recommit.

Mr. COLMER. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. COLMER. Since the gentleman saw fit to challenge me a moment ago——

Mr. PATMAN. No, I did not challenge the gentleman; I just challenged the Rules Committee en bloc.

Mr. COLMER. I know but my friend referred to those within the sound of his voice.

Mr. PATMAN. That is right; I did.

Mr. COLMER. I appeared to be the only member of the Rules Committee present at that time. I have no desire to get into any extended argument with my friend. I made my statement in the consideration of the rule. I also discussed the matter with the gentleman prior to that time, and I gave him 10 minutes to express himself where I took only 5 on something I was interested in.

Mr. PATMAN. But what I said was on the gentleman's side, I was not talking against the gentleman. What I was saying the gentleman is in favor of.

Mr. COLMER. But to come back to this proposition, and I do not want my friend to be putting words in my mouth. I may not have too strong convictions on this, but those I have I want to express for myself, and my friend knows I have the kindliest of feeling toward him. But let me say to my friend first about what the duty of the Rules Committee is. I have been a member of that committee now for several years and I have sometimes wondered myself, but I have been told repeatedly that it is the arm of the leadership and that it serves as the traffic cop to get legislation to the floor of the House. I found sometimes when my own party was in power that when we wanted to do some things up there—that is, that I wanted to do and that some of the rest of us wanted to do—we were told we were just an arm of the administration. In this particular case, having consulted the Parliamentarian and influential Members of the minority, and feeling it my duty in this particular case to try to protect the minority, I made the statement and I stand by it that there is nothing unusual about the form of this rule. It is a practice that

has been followed and if it is not what it should be—and frankly, I do not think it is, I think the minority ought to have that right—then you ought to change the rules of the House. What the gentleman proposes here is an innovation. I will go along with the gentleman on changing the rules. Certainly, as one member of the Rules Committee I do not want to be arbitrary or take the position that the minority party shall not have its rights. I do make the statement again that this is a procedure that has been followed in the past, and if the gentleman will start a movement to change the rules I will go along with him.

Mr. PATMAN. Mr. Chairman, I was glad to yield to my distinguished friend. I was not attacking him. I knew he was on our side. And I was not attacking any one member of the Rules Committee personally at all. I am stating it is traditional in this House, and should be in any representative government, that a minority shall be protected. The first step toward a dictatorship is to crush a minority, to gag a minority, and we do not want to go in that direction. So this is gagging the minority.

I do not have time to discuss what I really wanted to discuss when I asked for this time, so I will wait until the bill is being read under the 5-minute rule and try to get time then. There is one point I would now like to discuss, however.

The gentleman from Michigan mentioned two votes on amendments that I was interested in so far as the Small Business Administration bill was concerned and referred to their not receiving a big vote in the Committee of the Whole. The reason we are entitled to a record vote is because when you are in the Committee of the Whole you cannot get a record vote. The majority party has its active and efficient whip out to get the Members here to support the majority views and they almost invariably have more Members on the floor than does the minority. That is no reflection on the amendment. Because it fails in the Committee of the Whole on a standing vote or a voice vote is no reflection on the amendment. That is the object of getting a record vote in the House of Representatives. You put the Members on record and see how the party stands on particular issues. I insist that even the minority as it is now constituted is entitled to that right.

Mr. TALLE. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. McVEY].

Mr. McVEY. Mr. Chairman, the Banking and Currency Committee of the House has modified in an important manner S. 1081 as this bill passed the Senate. Important among these modifications is the elimination of the standby controls or authority to promulgate a 90-day freeze of prices, wages, and rentals as a result of a declaration of war or whenever the Congress shall determine that a grave national emergency exists.

It is the majority opinion of the House Banking and Currency Committee that the Congress can act with sufficient promptness in the event of war to deal with any emergency that may arise. Legislation now making provision for standby controls or authority to freeze the economy is unwise and might be found to be unworkable to meet conditions which may arise at some unforeseeable time in the future. If a 90-day freeze authority is needed, it would take the Congress no longer to pass such legislation than to make a declaration of war or declare that a grave emergency exists.

Those who argue for standby controls relate experiences which obtained after our entrance into the struggle in Korea. It is true that it took several weeks to provide control legislation after the events of June 1950, and that the President did not exercise his authority given him by the Congress until more than 6 months after that war had begun. However, this delay cannot be blamed upon the Congress. The President was calling that incident a police action, and police actions prior to that time had not greatly disturbed our economy.

The President was saying that he thought controls were unnecessary. His thinking in that respect is borne out by the fact that he did not use the authority vested in him until about 3 months after the Congress had passed such legislation. This delay on his part proved to be a colossal blunder, because it was during that 3 months' period that prices rose rather precipitately. Most of the rise in prices which took place after Korea occurred during those weeks in which he delayed using the authority which the Congress had given him.

It is evident, therefore, that any comparison between the delay in control legislation that took place after Korea and what might happen should Congress suddenly declare war is most fallacious.

In the hearings conducted by the House committee the preponderance of evidence was against the adoption of control legislation at this time. Mr. Arthur S. Flemming, Director of Defense Mobilization, who presumably speaks for the administration, did not ask for standby controls when he appeared before our committee. He stated it to be the objective of the administration to rid the American economy of direct controls.

The President in his state of the Union message said:

> The great economic strength of our democracy has developed in an atmosphere of freedom. The character of our people resists artificial and arbitrary controls of any kind. Direct controls, except those on credit, deal not with the real causes of inflation but only with its symptoms. In times of national emergency, this kind of control has a role to play. Our whole system, however, is based upon the assumption that, normally, we should combat wide fluctuations in our price structure by relying largely on the effective use of sound fiscal and monetary policy, and upon the natural workings of economic law.

Mr. Flemming did state, however, that the authority to require preference in the performance of contracts and to allocate materials and facilities for the national defense should be extended to June 30, 1955. This authority is needed and the House Banking and Currency Committee has provided for authority to allocate materials and facilities for national defense purposes. Mr. Flemming further stated that—

> Because our increased industrial capacity is not now devoted to all-out war production, we have been able to catch up with the extraordinary defense demand in many important areas, and as a result the supply of most basic materials is now substantially in balance with demand.

This report is encouraging and indicates that the production for national defense will proceed with a minimum of disturbance to the civilian economy unless some greater emergency arises.

Continuing with Mr. Flemming's testimony, he had the following to say regarding a 90-day freeze:

> We recommend that the question of whether or not the President should be given authority to impose a 90-day freeze on prices, wages, and rents be decided on the basis of whether or not the Congress, in its judgment, could act quickly enough to grant such authority in the event of an emergency.
>
> 1. In testimony before the Banking and Currency Committee of the Senate, I said:
>
> "Consistent with the President's desires to free the economy of controls, we hope that the Congress will decide that, in the event of an emergency situation, it could move rapidly enough in providing authority for a freeze to deal with the problem in an adequate manner."

There are effective ways to control inflation without direct controls of the nature we have practiced since the outbreak of World War II. Direct controls have not prevented inflation as we well understand today. Under our system of direct controls, we have seen the purchasing power of our dollar decline almost one-half; misery has been brought to those who had expected to spend their declining years in comfort with their retirement allowances or money saved during their productive years; we have seen the value of life insurance policies, savings deposits, E, F, and G bonds decline to the extent of $1,901,000,000 since the year 1940, or 60 times the amount of loss through the closing of the banks in the early thirties.

This calamity which the American people have endured was due to the lack of courage to promote sound fiscal policies. Inflation can be prevented if the will to control exists. Inflation is due to an excess of money and spending in relation to the supply of available goods. This excess of spending power is due to deficit financing on the part of the Government or to an undue expansion of the currency. Such policies place potential spending in the power of the public without an offsetting increase in the quantity of goods to be purchased.

Excess spending power is created in time of emergency because much effort is consumed in the production of implements of war which the people do not purchase. This excess in spending should be drained off by collecting from the people sufficient taxes to place war costs on a pay-as-you-go basis. This program might seem painful at the time, but in the end the cause of the people would be served by the prevention of inflation and the depreciation of the purchasing power of the dollar with all the unfortunate results which inevitably occur to savings, pensions, and the future happiness of mankind.

The failure of governments to put the cost of war on a pay-as-you-go basis has brought downfall and wreckage to many nations and empires as history so clearly reveals. A policy which drains off excessive spending in time of war and restrains expansion of money and credit stops inflation at its source, and while it may be painful at the time, it prevents the piling up of huge debts which constitutes a drain on the purchasing power of a people for generations to come—in good times and in bad—because interest on debts must be paid and the integrity of a nation demands that in time debts themselves shall be liquidated. Another concomitant of this policy is that wars will become less popular.

The money policy of a government is a potent force in generating inflationary spirals. The record plainly shows that our Government's fiscal policies have promoted inflation. Extremely easy money has been a major factor in this build-up. Federal Reserve discount rates were never below 3 percent prior to 1930 and were at times much higher than that. During the 20 years following 1933, discount rates were pushed down to 1½ and then to 1 percent. While World War II was in progress preferential rates were as low as one-half percent in short-term Government securities. The currency was deliberately inflated as an anti-depression device, and with this policy there is no quarrel as long as the depression lasted. But there came a time, under the impetus of full war production, when the policy was continued for other purposes. It was continued for the purpose of financing Government deficits and refinancing the public debt. It then became the mainspring for the expansion of currency and bank deposits which provided the fertile soil from which inflationary spirals spring. Had we made a serious attempt to pay for the cost of war as those charges arose, we would have a sound currency today and the dollars which we have would have the same purchasing power they had in days gone by.

Inflation is like a narcotic drug; it is exhilarating and pleasing at first, but when followed to excess means ruin and despair. Our Government is now trying to reverse this trend toward cheap money, and we must have the courage to support it. It is recognizable in the increase in interest rates, determination to balance the budget, and relaxation of direct controls. This policy represents an indirect control over inflation, but it is much more effective than direct controls such as we have experienced in recent years. Direct controls regiment a people, but they do not strike at the source of inflation. Indirect controls do this, but they require fortitude and a high-caliber leadership on the part of the Nation.

Direct price and wage controls have really done a disservice to the Nation. They have not held down the cost of living, as we well know. They have caused great anxiety and inconvenience to both labor and management. Indirect controls could have done the job much more effectively if our leadership had possessed the courage and the fortitude to carry them into effect. They would have struck at inflation at the source instead of attempting to administer a palliative.

Senate 1081 provides for standby controls. I believe this provision is unnecessary, and it is my hope that should another great emergency befall this Nation we shall by that time have worked out methods to control inflation which will do the job effectively without the necessity of regimenting our entire economy.

It is my feeling, therefore, that the elimination of standby controls as provided in the plan of the House Banking and Currency Committee should be supported overwhelmingly by the House of Representatives.

Standby controls could render a disservice to the Nation by diverting attention from more essential indirect controls. The threat of controls might conceivably generate waves of scare buying which are a contributing factor to a rise in prices. Standby controls would inhibit long-term planning and create much uncertainty on the part of business management. As one witness before our committee so aptly stated, "They would hang like a sword of Damocles over the head of every farmer, every businessman, every landlord, and every worker, jockeying each one into a position where he must not be caught in a freeze with his prices, rents, and wages at a low vulnerable point."

For these and other reasons that might be enumerated, standby controls should be eliminated from any defense production legislation to be enacted at this time.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. McVEY. I yield to the gentleman from Kentucky.

Mr. SPENCE. I never meant to say that the President asked for standby controls. I do not know what the President asked for.

Mr. McVEY. I know that is true.

Mr. SPENCE. He may have told the other side what he wanted.

Mr. McVEY. I was speaking about the misunderstanding in the minds of some Members on our side of the House, as a result of statements you have made on the floor.

Mr. SPENCE. They were under a misapprehension.

Mr. McVEY. That is true, I should like to clear up that misapprehension.

Mr. TALLE. Mr. Chairman, will the gentleman yield?

Mr. McVEY. I yield to the gentleman from Iowa.

Mr. TALLE. The gentleman is making a good speech. I should like to clear up one point. The gentleman mentioned roughly 3 months as the period during which the President failed to enforce the law, the Production Control Act of 1950. The period was longer than that. It was from the 9th of September, 1950, to the 26th of January, 1951.

Mr. McVEY. That is true, more than 3 months elapsed after the legislation was passed before the President saw fit to use controls.

Mr. SPENCE. Mr. Chairman, I yield 1 minutes to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Chairman, it seems as though one of the new requisites for qualification for membership in the House of Representatives is the ability to close your eyes to past experience and ignore all that our history teaches us. Within our own very short memory we have had three experiences when wars and emergencies came upon us and the Congress was asked to act, and was required by the situation as it confronted us to act expeditiously. In each of those three instances despite the stress of the times, despite the demands of the economy of the country, the Congress sat back and fiddled and talked and did not act.

Now, you can stand here today and say that when the time comes the fourth time within our lifetime—none of us want it to happen; we are preparing against what may happen and trying to get ready for it—you can nevertheless stand here and also vote here that you do not need to prepare for the emergency when it comes upon us the fourth time.

You can argue, as has been argued here today, that when that emergency strikes the fourth time we will act within a matter of hours. You can refuse to contemplate the possibility that there may be no Congress available to act when the next emergency occurs. You can close your eyes to the fact that if an atomic bomb is dropped by an enemy on the District of Columbia there will be no place within which to convene the Congress. You can close your eyes to the contemplation of the fact that even with all the transit facilities put at our disposal by the President in the event of an atomic attack by an enemy, you may not be able to get a quorum of the Congress together to act if that emergency strikes.

We on the Democratic side trust the President of the United States, even though he is of the Republican Party. We are willing to give to him the powers the Republicans have always refused to give to any President heretofore, because we know that three times since 1914 the Congress has failed to act promptly in order to save the economy.

It is all right for you to say that although you enacted a law in September of 1950 it was not until January of 1951 that the President acted, but history will tell you, and if you forget it look at your CONGRESSIONAL RECORDS and your debates, and see what you did. When we needed a control law and needed it promptly the Congress would not enact it except that you said to the President, "Before you try imposing controls, ask the economy of the country and the business and industry of the country to do these things voluntarily, and if you find when you ask them to do it on a voluntary basis that they will not respond, then, Mr. President, you can act."

So it took you from the time of the Korean onslaught in the early summer of 1950 until the fall of the year to enact the legislation, and then you tied the President's hands and he could not

give you effective controls until 1951. The result was that prices went up, you had inflation at its worst, and we could do nothing to stop that inflationary spiral and keep prices down.

Now we are given the argument that if you put any legislation on our statute books at this time, you are going to frighten the economy of the country and push prices up. Look again, if your memories are so short, at the CONGRESSIONAL RECORDS of the debates of only last year. I remember how the cry went up from the well of this House, and it is recorded in black and white in the CONGRESSIONAL RECORD, that "prices have come down under the ceilings, they are well under the ceilings, and we do not need the control legislation any more."

You had the control legislation then and it was not keeping prices up, it was not pushing them up. How can you stand here today and argue that if you put this freeze authority on the statute books of the Nation that is going to push your prices up and cause the industry to be afraid?

The fact of the matter is that when we were talking about putting on control legislation immediately after Korea everybody tried to jump the gun and rushed in and pushed his prices up. By the time we got the control legislation on our books prices had gone sky high and we could not roll the prices back.

For several months now we have been talking about giving the President not the right to control the economy now, but the authority in the event of a war or in the event of an emergency, to freeze rents, prices, and wages for 90 days.

If we can act within a matter of hours to give him authority in the event of an emergency we can act within a matter of hours to take it away from him if he should impose it when he should not do so.

During all these months we have been talking about giving the President this standby authority prices have not gone up, prices have been coming down. As a matter of fact, the Government, this very administration, now is thinking of reversing its own action which it thought was necessary to stop inflation. It did the wrong thing, as we warned on the floor of this House. Now it is considering reversing that plan so that prices shall not go down too far. They want now to stop deflation, and yet you are saying that maybe you will scare the industry of this country into raising prices if you give the President the right, in the future, in the event of an emergency, to freeze everything for 90 days, and at the same time reserve to yourselves, the Congress, an opportunity then to decide what you should enact by way of detailed legislation.

There has been no more vigorous opponent of control legislation in the history of control legislation in this country than the United States Chamber of Commerce. The United States Chamber of Commerce on May 28 wrote to the chairman of the House Banking and Currency Committee, and sent copies to each of the Members. The writer starts his letter as follows:

> The Chamber of Commerce of the United States recommends that your committee approve legislation to provide for a 90-day freeze on wages, prices, and rents in case of war.

The only difference today between those of us who are advocating this standby 90-day freeze, and the Chamber of Commerce, is that we say war is war and is just as bad whether it be a hot war or a cold war; that an economic war is just as bad for this country as a war with weapons. And those of you who know your history of the Communist movement, and know their aims, know that the Communists say, "We can destroy any free country by destroying its economy just as easily and just as readily as we can destroy it by arms."

Those of you who want to close your eyes to the realities will vote against giving the President the right to freeze wages, prices, and rents in the event of of an emergency, subject always to our right to change whatever he may do and change it just as promptly as you argue you can give him the authority.

Mr. GEORGE. Mr. Chairman, will the gentleman yield?

Mr. MULTER. Now I am glad to yield to my distinguished colleague from Kansas.

Mr. GEORGE. I hope the gentleman realizes that he has done a very good job of indicting his own party. The three times that we have been led into a war and into a bad inflationary spiral have been under a Democratic President, with control of both the House and the Senate in your party.

Mr. MULTER. If it will make the gentleman any happier, I will plead guilty for the party and say, let us learn by experience. But I do not agree with the gentleman at all.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SPENCE. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. MULTER. I do not agree with the gentleman at all that it is an indictment of the Democratic Party, because all legislation is a matter of compromise. We had to get the gentlemen on the minority side to go along with us, as well as the gentlemen on the majority. We did not have enough Members on our side at all times to put over this legislation. Some wartime legislation did go through without a dissenting voice but most control legislation was enacted only after bitter controversy and by small majorities. So the indictment cannot be leveled solely against the Democratic Party. But whether you do so or not, I say, let us learn from that experience. Let us not be children. Let us say that what was done is in the limbo of the past but the future is going to be different.

Mr. GEORGE. Of course, we are under new management, and I have confidence that this body as now constituted can act promptly and will.

Mr. MULTER. I hope that the future will bear the gentleman out as being right. I know you are going to be proved wrong. I know that we cannot rely on prompt action being taken in the event of an emergency. You will argue on this floor for weeks before you enact any control legislation.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman says that we should give these standby controls to the President, and if he does not use them wisely we can go ahead and take them away from him. Did the gentleman ever give a youngster an all-day sucker and give him one lick, and then try to take it away from him?

Mr. MULTER. Please, let us not compare President Eisenhower to a youngster with a stick of candy that you want to take away from him. We will have to take no stick of candy away from your President, from our President.

Mr. McVEY. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Illinois.

Mr. McVEY. Did the gentleman mean to give the impression that the United States Chamber of Commerce wants standby price control legislation as set out in the bill?

Mr. MULTER. They want precisely what I read to you. They say, we should give the President now the right to freeze prices, wages, and rents in case of war. That is precisely what they say in writing. I quoted them verbatim.

Mr. TALLE. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Iowa.

Mr. TALLE. Mr. Chairman, referring to the letter from which the gentleman from New York [Mr. MULTER] read the first paragraph, that is, the letter dated May 28, 1953, I should like to supply the fourth paragraph from that same letter:

> We oppose any form of standby controls or the enactment of authority for such controls on a standby basis. Certainly no standby organizations for wage, price, and rent controls should be maintained.

Mr. MULTER. Let us not confuse the issue. There is no one, so far as I know, no one arguing on the floor of this House for any standby controls to be written in any extended or detailed form, or for any standby control organization. All we are saying here, all we are suggesting, is that you give to the President the right to freeze right across the board, in the event of an emergency, prices, wages, and rents. Then we, the Congress, in that 90-day period, will work out the detailed control legislation and determine what kind, if any, of controls and control organization there must be. That is all we are asking for, and that is precisely in accordance with what they say in the first two paragraphs. The only difference between us is they say in case of war, and I say economic war is war.

Mr. TALLE. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield.

Mr. TALLE. I may say that certainly a 90-day freeze is in the nature of a standby control, and I understand the Chamber of Commerce of the United States has been trying ever since May 28

of this year to explain away the inconsistency in its letter.

Mr. MULTER. No; I think the English is not capable of any misconstruction. Standby control means you have controls and you are standing by. The freeze authority is not standby control. Authority to freeze is given him in the future to freeze everything; yes, it is a type of control, but it is going to say to the economy of the country "You stop right where you are; we are in an emergency. We do not know how far we are going to let you raise your prices if at all. You have done all right up to now. As of now you do not increase any prices; we are going to hold the economic system as it is now because this is an emergency." In the 90 days that will ensue after the declaring of the emergency this House will say how far it is going to let them go. We know from experience that once prices are raised they cannot be rolled back.

Mr. McVEY. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield.

Mr. McVEY. How long would it take the Congress to pass the 90-day freeze order in the event of war?

Mr. MULTER. We were told by Mr. Fleming that he should have that power within 10 days, but I say from past experience in crises we have had that you will not get a standby freeze or any control law in the event of an emergency in less than 2 months.

Mr. TALLE. Mr. Chairman, I yield 6 minutes to the gentleman from New Jersey [Mr. WIDNALL].

Mr. WIDNALL. Mr. Chairman, I think we are about to make the same mistake that we made in the past, underestimating our enemies' potentialities. During World War II I remember the counsel given us that Russia could not last more than 6 weeks, that Japan could be disregarded because they could not see, although the folly of that was certainly evidenced by the way they handled their planes. We have seen how wrong we were. I think that today we are underestimating the power of a potential enemy who might attack the United States as it has never been attacked before and in a most destructive manner.

It is extremely disappointing to me that the committee saw fit to take out standby controls from this proposed bill. I feel deeply that the economic defense of the United States is being prejudiced by the failure of Congress to act at this time.

Just recently I was a member of one of the congressional groups that witnessed the atomic explosions in Nevada. That experience has etched itself indelibly on my mind with the appalling possibilities of what might happen to this country with a full atomic conflict. Suddenly and perhaps launched from hundreds of miles away guided missiles might be delivered to key spots throughout the length and breadth of the United States. Such an attack could bring confusion beyond description, population and material losses of terrific proportions, and could devastatingly destroy the seat of our National Government.

To rely on the ability of Congress to act expeditiously and legislate quickly is to tamper with the national security. The Capehart bill as originally presented in the Senate sought only to give temporary authority to the President to freeze the economy of our Nation for a 90-day period. This could be changed by concurrent resolution of both Houses within a very short period of time if Congress saw fit.

We had an awful example of what takes place in the advent of sudden war with the Korean episode, the invasion of South Korea occurred on June 25, 1950. In discussing changes in prices that occurred following the invasion you have to remember three things: First, the attack occurred on the other side of the globe, it did not occur to the United States; second, only small forces were involved; and, third, conventional types of weapons were used. Nevertheless, with such a small-scale operation the impact on prices within the United States was immediate and direct. Prices began to respond immediately with basic raw materials leading the way for the rest of the economy. Here are some figures showing what happened: Hogs went up 10 percent in the first 2 days; coffee, 7 percent the first week; tin, 10 percent in the first 2 weeks; and rubber, 28 percent. Within 3 weeks wool had gone up 8 percent, cotton 11 percent, coffee 15 percent, cottonseed oil 18 percent, print cloth 18 percent, lard 20 percent, hogs 22 percent, tin 26 percent, tallow 35 percent, and rubber 37 percent.

In the 11 weeks until September 8, 1950 when the Defense Production Act became law steel scrap rose 10 percent in price, cotton rose 20 percent, print cloth 38 percent, lead 39 percent, wool 51 percent, rubber 95 percent, and tallow 146 percent.

Full-scale attack on our own homeland could mean inflation overnight to an extent unknown in our history.

In the event of atomic war, the question preeminent in the minds of all Americans will be survival. Profits, wages, hours, rents, credit, and the like will, I am sure, be of secondary consideration. After all, our prime stake in America is our family, their health and well-being.

Failure to have the ability to act promptly can well result in a vicious inflationary spiral, creation of quick shortages and serious economic dislocations overnight.

If the argument is used that Congress can act expeditiously it would have the power to act just as expeditiously under a temporary Executive freeze authority. And if 90 days seems too long a freeze that can be reduced to 30 days.

I do not want to be one who failed to see the extreme danger to which we can be subjected and I shall support floor action to restore Executive authority for a temporary freeze. My past record will show that I normally abhor controls and have voted consistently to eliminate them. I have confidence in the President of the United States, and am certain the authority would not be invoked unless absolutely in the interest of the national welfare.

God forbid that we shall ever face the calamity of atomic destruction. We must face the realities of the world in which we live and be prepared to the hilt to face the destructive economic forces set in motion by such an attack. I want to urge upon the Members of this House the very serious consideration of a standby control program.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. WIDNALL. I yield to the gentleman from New York.

Mr. JAVITS. I want to commend the gentleman for his statement and tell him that I will vote as he says and as he recommends. I assure the gentleman that his thinking is modern and that is what the modern day requires.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. WIDNALL. I yield to the gentleman from New Jersey.

Mr. CANFIELD. I think my friend and colleague from New Jersey is being very realistic. I commend him for the statement he has just made and I associate myself with him in his appeal for standby controls. I, too, saw the same things he saw on the Nevada desert only a few days ago and I cannot help but feel that in these days of undeclared wars featured by an atomic weapon race the amendment discussed would be a powerful and necessary weapon in the hands of our President should all-out war be thrust upon us. We know Bernard Baruch told us the truth in yesteryear. He is telling us that now.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. WIDNALL. I yield to the gentleman from California.

Mr. HOLIFIELD. May I say that the gentleman has made a very fine and thoughtful statement. His reference to the possibility of disaster in case of an atomic attack I assure him is not overdrawn and I wish to ally myself with the gentleman's sentiments and shall vote accordingly.

Mr. TALLE. Mr. Chairman, I yield 10 minutes to the gentleman from Indiana [Mr. MERRILL].

Mr. MERRILL. Mr. Chairman, the first point I would like to make to the members of this committee is that there has been a lot of talk about the need for standby authority to freeze prices and wages because of the possibility that this Congress might be immobilized or might be destroyed by atomic action. I think it is one of the elementary principles of our constitutional government that in the event this Congress is unable to act because it has been destroyed or immobilized due to an attack against the United States, if for any reason this Congress cannot act under such circumstances, then there is no question in the mind of any constitutional lawyer, I am sure, but that the President of the United States has the complete power to declare martial law and to control every segment of our life to the same extent as if we were in the Army. Therefore we know that the very fact this Congress would be unable to act because of enemy action would in itself place in the hands of the President of the United States far

more power than he could possibly get through this particular act for standby legislation. The argument that the Congress could not possibly act because of being immobilized or destroyed by enemy action is one without merit for the reasons I have stated.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. MERRILL. I yield to the gentleman from New York.

Mr. MULTER. There is nothing in martial law that permits the President or anyone else to freeze prices or to control the economy. Under martial law he takes complete control of the persons that he may need, he has the power to requisition property that the Government might need to carry on its defense or the war effort; but there is nothing in martial law that would permit anybody without legislative authority to control the economy either pricewise or otherwise.

Mr. MERRILL. I think the gentleman from New York must not have been in the service where they told the barbers how much they could charge for cutting a GI's hair. There is no question but what under the military power that the President of the United States has he could control prices and wages in the United States if it were necessary because Congress was destroyed.

But that is not the major reason why we do not need these standby controls. There have been many arguments that Congress cannot act fast enough, but let us keep in mind most of these arguments have been directed toward the Korean situation. The thing we must remember about the Korean situation is that during the early stages when some people wanted economic controls imposed, it was the President of the United States who was saying he did not need them. In the Korean situation we did not have a situation in which the President of the United States came to the Congress asking the Congress to take action to give him the power to control prices and wages. Therefore, the slowness of getting price and wage controls in that economic situation have absolutely no application at the present time. Let me say this, there is absolutely no reason for having the power in the President to exercise economic controls unless he wants them. Only if the President feels that they are necessary is there any excuse at all for giving him the power, and I say to you that if the President of the United States were to come before this Congress in a time of emergency and say to this Congress, "We must have economic controls either in the form of a freeze or in the form of wage and price controls," this Congress in time of war would give it to him and would give it to him without hesitation. You say it cannot be done. I call the attention of many Members who were here—I was not here—to the famous 100 days after Roosevelt took over. After President Roosevelt took over in 1933 we had a classic example of how a Congress can act expeditiously in an emergency, in response to the call of the President. Anybody who lived during the famous 100 days, I think, is ignoring history completely, as has been said here, when he says that it is impossible for the Congress to act expeditiously. You have history itself in the famous 100 days to show you that when the President wants emergency powers, and when the Congress is in the mood to give them to him, you give them to him.

I think it has been said by the Members who served in this Congress that they passed legislation down here at that time even before they had time to print the bill, and they can do it again. I say look back to those 100 days for history, if you want to be guided by history. But the all important thing about this important legislation that impresses me is this: We are wanting, by this method of standby freeze order, to give to the President right now the power to control a situation that may develop in 2 or 3 years. Now that is what we are trying to do. We are trying to place in the hands of the President of the United States right now the power, the tool that he will be able to use 2 or 3 years from now in a wartime emergency that we do not even now fully contemplate.

Let me show you what has happened. I think we must assume that the other body in passing the bill that we are now considering did its best. We must assume that the other body passed the best legislation that it knew how when it passed the bill that they sent over here to the House for consideration. Now let me tell you what the President has said about the standby freeze bill which was passed in the other body. When Dr. Flemming was before the Committee on Banking and Currency he said:

> The way that the present standby freeze bill is written—

This bill that was sent to us and that we are going to act upon—

> If the President had to use it, it would be of more harm than good when the President invoked it—

He said.

> For this reason: The standby freeze order which the other body passed and sent over here provides for a straight across the board freeze for 90 days with the exception of agricultural commodities.

The President's own people, through Dr. Flemming speaking said:

> What this bill would do, if we were to invoke the freeze order such as that enacted by the other body, the invocation of that freeze order would actually tie up the economy for 90 days, because you must have in any freeze order the power to make adjustments so that production can go forward.

In fact we have been told by the President that the other body was unable to write a standby freeze order that was workable. They said, "Before that standby freeze order is put into effect, it will have to be amended."

In other words even if we take the standby freeze order of the other body and adopt it, we would not be giving the President of the United States anything at all; he would have in his hands a tool that he could not use until they came in and by the orderly process of legislation had actually amended the bill to do the job that they want done.

Now that was Dr. Flemming speaking. If the other body after full deliberation has demonstrated—and they have demonstrated—that they could not write a freeze order that is workable, that could be used in the case of an emergency—I think that they by that action have demonstrated the foolishness of trying to write at this time a standby freeze order that may be used in 2 or 3 years. If the other body could not write a standby freeze order that would be workable without amendment—and it is not good if you cannot use it immediately—then what makes us think that we can do it over here? I think the action of the other body, their failure to write a standby freeze order that could be used immediately, is all the argument we need for this thought. We know we can act in time because the famous 100 days showed that we can act in time. Let us wait, therefore, and act when the emergency arises, and put on the kind of freeze order the particular emergency at that time demands. I repeat, history has shown we can act in time if the President wants controls in time of emergency.

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Chairman, I asked this time from the distinguished gentleman from Kentucky, the ranking minority member of the committee, in order to keep the record straight.

When this legislation was up for enactment in 1951 I appeared before the Committee on Banking and Currency and asked for the inclusion of an amendment. The committee paid no attention to my request. I succeeded in writing the amendment into the bill on the floor of the House in Committee of the Whole, but it was lost in conference between the two Houses.

Again, I appeared before the Committee on Banking and Currency and had favorable comments on the argument I put up. Everybody said they had no objection to it, but I find it was not included in the present proposed legislation.

This amendment, Mr. Chairman, would simply protect American producers when we have a freeze order on critical materials. Hundreds of manufacturers in this country, thousands of them, were handicapped during the control period we have just gone through with by a freeze order on critical materials they needed in the manufacture of articles. This amendment would simply set up a base period of 3 years prior to the Korean trouble of 1950 in which we would set up the average import of foreign products and say to the foreign importer, "If there are any more freeze orders placed on critical materials, you cannot exceed the amount of imports you had for the 3-year base period." In other words, it is to prevent foreign importers from taking the American market away from the American producers in case the American producers cannot buy critical materials.

Let me recall that during this Korean trouble some of the industries in my State had to buy critical materials

abroad in order to keep their plants operating and to keep from losing their markets to the foreign competitors.

The committee may have reasons they have not explained to me as to why this amendment was not included. Let me say to you that I think it was necessary. If you are going to vest in the President authority to put on 90-day emergency controls, that amendment should be a part of the control legislation. There is no sound, solid argument against it. It is a matter of good business. The American producer is entitled to this protection because he is helpless, and his handicap has been imposed by the Congress itself.

Mr. SPENCE. Mr. Chairman, I yield the balance of the time on this side to the gentleman from Missouri [Mr. BOLLING].

Mr. BOLLING. Mr. Chairman, first I would like to commend the gentleman from New Jersey [Mr. WIDNALL], the gentleman from New York [Mr. JAVITS], and the gentleman from New Jersey [Mr. CANFIELD], for the position they have taken in this very important matter of standby controls.

A good deal has been said in the discussion of this measure in the country and in the Committee on Banking and Currency and even here on the floor of the House that would lead one to believe that the existence of standby authority in the hands of the President would have the effect of a sword of Damocles hanging over the head of business, industry, and agriculture in the United States. We will remember that the sword of Damocles was a very sharp sword suspended over the head of a certain Damocles of Syracuse by a single hair. Do we fail today to grasp the nature of the threat that is over the head, not only of business, industry, and agriculture, but of every single American? It is not a sword; it is not the threat contained in legislation of this type or of any other type. The threat that confronts this country, the economy of the country, the very life of the country, is that of atomic bombs, and the aggressive intentions of a certain power. It is time to go beyond words and recognize that history does demonstrate one thing about the Soviet Union under the Communists. Ever since the beginning of the Bolshevik regime it has been the intent of the Soviet Union to achieve world domination. Basic Communist strategy has never for a single moment, much less for a matter of months or years, changed. For more than 30 years the intention of the Soviet Union has been to achieve finally complete domination over the whole world. During those more than 30 years the tactics of the men in the Kremlin have often changed, changed easily, changed quickly, changed totally, but at no time has there been any indication that the basic strategy of the men in the Kremlin has changed. Today it may be, if we succeed—and God knows all of us desire success—in achieving a truce in Korea, that there may begin again in this country a series of events which we have experienced many times in the past. Sometimes we forget that during the War of 1812 only 5,000 troops marched through the United States and burned the Nation's Capitol at Washington. It is not new for the American people to disarm themselves, to discard their military strength too quickly. It is not only modern times which find us dropping our guard before the facts of the world situation justify our even lowering that guard. This Defense Production Act which we consider today, is an integral part of the defense of the United States of America, just as important to the strength of America as is the level of our defense appropriations, the level of our appropriations for civil defense, the level of our appropriations for the Atomic Energy Commission.

Here in this bill it is proposed to extend only those provisions of the legislation which deal with allocations, priorities, and certain encouragements to production. Because we have fallen victim to the fallacy that a piece of legislation is the most important threat to the economy of this country, we have totally overlooked the fact that the kind of emergency we may face in the future could be entirely different from any emergency we have faced in the past.

We have had in the past experience of total war, as in World War II; we have had in the past the experience of the invasion of a friendly and helpless nation by a satellite of the Soviet Union. Who in this body feels himself competent to predict what the next emergency may be? Who in this body is prepared to take upon himself the individual responsibility for predicting the actions of the unpredictable—the men in the Kremlin? Who in this body is going to go before the American people after another emergency, if one should come, and with a good conscience say that we in the Congress have taken all the steps that history, our experience, and our wisdom would encourage us to take, if we do not permit in this bill authority for the President, the President of the United States, acting for all the people of the United States, to freeze the economy in the event of a major, or even minor disaster, a disaster which would need only to have a psychological effect on the economy of the country? We do not have to have an actual scarcity of goods. We saw, in the period shortly after the invasion of Korea, inflation that could only be described as psychological or anticipatory. We saw there a largely psychological inflation that ran away with the economy, dislocated the economy in a matter of a few days.

The only wise approach to this problem is to be forehanded, to adopt the kind of provision reported out by the Senate committee which gives to the President standby authority, 90-day authority to impose an across-the-board freeze on the economy until the Congress in a judicious and deliberate manner has had an opportunity to implement in detail the controls that we need. There is no way of telling, and there is no man in this country who can foretell, the type of emergency we will confront. Business, industry, agriculture, the whole American people are living under a threat. But it is not the threat of a Damoclean sword; it is the threat, the greatest in all the history of mankind of destruction so great that it could mean the end of civilization not alone in the United States of America but in the world as a whole. There will be offered later in the consideration of this bill a provision similar to that contained in the Capehart bill, as it came from the Senate committee, and I urge the Members of this body to give the most serious consideration to the type of responsibility that an individual Member assumes when he votes against standby controls which can be used by the President of the United States only in an emergency to meet a situation which must be met quickly.

Mr. Chairman, I yield back the balance of my time.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Chairman, it will not take all of 2 minutes to cover what is left of this bill. As it stands it is almost as bare as Old Mother Hubbard's cupboard. If I thought it would avail I would move to amend the title from an act to provide authority for temporary economic controls to an act to continue the presidential captivity. The only interpretation that I can arrive at is that some of the Republicans just do not trust their own President. The only person or thing they want under control is the President of the United States. I think that is carrying an interparty feud to the length of an invitation tragedy.

Although he is not of my party, President Eisenhower is my President, the President of my country, and I shall continue in the future, as I have in the past, to defend him against these carefully conceived and thinly disguised devices to keep him the captive of an invisible government. He was elected by the majority of the American people to be President in his own right. With the exception of the tidelands oil grab, when he went along I imagine closing his eyes and holding both hands to his nose, the only substantial support to his proper presidential dignity has come from the Democratic side of the aisle.

One day he suggests what he would like done, the next day the Republicans in the Congress do exactly the opposite, and the third day the President tells a press conference that he is sorry.

It is a parade of humiliations to which no President should be submitted.

I am proud of the Democratic leadership under our beloved former Speaker [Mr. RAYBURN] and our beloved former majority leader [Mr. MCCORMACK] that it has sought to uphold the dignity of a Republican President with the same steadfastness as would be the case were he of Democratic affiliation.

I appreciate the fact that our Republican colleagues are hopelessly divided. I appreciate, too, their inexperience in handling the complex responsibilities of government. But what we are witnessing is not mere blundering. If there had been any doubt, the positive evi-

dence in confirmation of the purpose is furnished in the bill we are debating today.

The purpose is to keep the President in captivity. I venture the purpose has been deepened in the uneasy hours of many sleepless nights with the haunting memory that it was Franklin D. Roosevelt who discovered Dwight Eisenhower, promoted him above many others in seniority, and started him on the road to glory and the White House. I imagine that it has not been conducive to sound slumber to remember that President Harry Truman said something about General Eisenhower being as fine a man as ever stepped in shoe leather.

So some of our Republican friends doubtless feel they are justified in taking no chances. They surround the President with bankers and big industrialists, just as they did Presidents Harding, Coolidge, and Hoover. But that is not enough. The President might get out of control of the advisers set up to hold monopoly to his ear. So the strategy now so familiar to our observation here on the floor of the House is to curb at every chance the Presidential power.

I have said that this purpose to hold the President in captivity is manifest in the matter of our present debate. Let me state it in simple language. We are preparing for what we do not expect, but which is within the range of possibility. I am referring to an atomic war. Certainly if we did not regard such a tragic, unhappy event as a possibility there could be no justification for the tremendous sums of money we are pouring into the defense effort.

If war should come, we have no assurance that the enemy would respect the beauty of Washington and the comfort of our deliberations in this Chamber to the extent of routing its atomic bombs elsewhere.

Lacking that assurance, the Senate bill sought to provide for the emergency if war should come and an atomic bomb should be dropped on the Capitol. The Senate bill sensibly gave the President the power in such emergency immediately to act in imposing necessary controls. The other body adopted the Byrd amendment, denying the President the power to act. The Byrd amendment would leave everything in status quo until the Congress had been convened and had acted.

When the bill, as amended, reached the House Banking and Currency Committee, a motion was made to strike the amendment and restore the power to the President. The vote, as stated in the minority opinion of the committee report and by the distinguished chairman in today's debate, was 13 yeas and 15 nays. Even to meet the conditions of chaos certain to result from an atomic bomb explosion in Washington the majority were not willing to repose their faith in the President of the United States elected last November on the Republican Party ticket.

I am sorry that we have been denied the opportunity of a record roll call. I think the country was entitled to know the vote of every Member of this body on the only question here involved, whether we would trust the President of the United States to act wisely and for our common security in an unexpected but not impossible emergency beyond our imagination to conceive in all its devastating and disrupting horrors. In an atomic age our thinking processes should not continue riding in a horse and buggy.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. DOLLINGER].

Mr. DOLLINGER. Mr. Chairman, it is inconceivable to me that this Republican-controlled Congress refuses to provide for standby controls as the President requested; that the Republicans do not have the confidence in their leader to give him the authority to freeze prices, wages, and rents for a limited period of 90 days in the event of a future, grave emergency. It is appalling that, as a result of this lack of confidence, the American people are once again made vulnerable to disastrous inflation, soaring living costs, the wrecking of our Nation's economy—with no weapons to fight the evils and no protective measures to offset them.

I, for one, firmly believing that we court disaster when we close our eyes to the true world picture and the ever-present threat of inflation, and having confidence in the President and his recommendations as to standby controls, introduced H. R. 3414 on February 24, 1953. It is apparent that the Democratic Members of Congress are more in accord with the President on this vital question, which seriously affects every American, than are those of his own political faith. And, I repeat, that the passage of the measure before us, which provides no machinery whatever for imposition of controls in an emergency, is a betrayal of the American people and a grave dereliction of duty by Members of Congress.

We cannot afford to remain oblivious to what happened in the past, when failure to take legislative action promptly to provide necessary control authority had such disastrous inflationary consequences. Our mistakes of the past should have taught us that controls must be imposed at the inception of an emergency while normal economic relationships exist and before a wild scramble for goods causes violent upsurges and distortions in the entire price structure, if inflation is to be controlled. Those opposed to controls claim that Congress could take prompt action in an emergency to provide necessary control authority. In the light of past events, this still has to be proved. Two world wars and Korea have, in fact, proved the contrary, and as a result our people suffered terrible hardships, living costs skyrocketed, rents soared, consumers were asked to pay outrageous prices for necessities, our Nation's economy was undermined and seriously threatened.

Failure to take prompt action immediately after Korea increased the cost of living by over $14 billion and pyramided defense costs by a tremendous sum. We found that delay in freezing the economy caused innumerable inequities for many businessmen and windfalls for those who selfishly profiteered. The record shows that in World War II, although a control bill was introduced on August 1, 1941, final passage did not occur until January 30, 1942, almost 2 months after Pearl Harbor. Meanwhile, the cost of living had increased over 6 percent. After the Korean invasion, a control bill was introduced on July 19, 1950. Again almost 2 months elapsed before the bill became law on September 8. While Congress deliberated, wholesale prices advanced almost 8 percent and consumer prices were increasing at the rate of almost 1 percent per month.

We see from this that inflation ruled and had its way for too long a period before Congress could complete action providing necessary control authority.

Mr. Arthur S. Flemming, who occupies the dual role of Director of the Office of Defense Mobilization and Economic Stabilization Administrator, testified before our committee, that if there is to be a fast step-up in the defense mobilization program, it would be necessary for the administration to consider the desirability of imposing controls. He also advised the committee that he could visualize a situation short of war which would have a sufficient impact on the economy to raise immediately the issue of whether or not there should be controls. Prompt action is required—when a grave emergency occurs immediate action is necessary to place controls over the entire economy while it is in relative balance.

It is entirely unrealistic to assume that Congress would or could take action on a resolution to freeze the economy within the time that is necessary, which according to Mr. Flemming should not exceed 10 days.

In my opinion, we have no right to gamble now, or trust to luck. We should enact legislation to protect ourselves. Positive action to prevent inflation and to protect our people must be taken. We must have a law giving standby authority to the President with power to freeze the economy for a short time, should a grave emergency occur, during which time Congress could consider the problem and take necessary action.

We are in a state of emergency now—it could become a grave emergency at any time. A crisis could upset our present economic equilibrium and cause such a wave of scare buying and hoarding as would touch off a new inflationary spiral. The inflation would have to be checked immediately or there would be tragic consequences for the people of the country—particularly all those who have fixed incomes and those in the low income groups, as well as for our Nation's economy. In the light of the present world situation, the occurrence of such an emergency is no distant threat but a real possibility. It would be well for us to face this fact and to act accordingly.

Mr. Bernard Baruch, when he testified before the Senate Banking and Currency Committee, recommended in the most emphatic manner the adoption of a standby measure now, so that we could

be prepared for a future emergency. He said, in part:

To wait is to die. To wait is to make certain our mobilization will be needlessly slowed which means lengthening the struggle for victory and dooming some to lose their lives needlessly.

One of two general courses of action is possible. The wise course is to act promptly before the economy is out of hand, to preserve as far as possible the equilibrium that existed prior to the emergency.

This is the sound course of action. The other course is to wait and fiddle until the economy is out of control. Only then do you act. Your whole mobilization then becomes a wild chase of a dog after his own tail. You then have to chase the disruptions caused by the Government's failure to act in time in a frantic effort to recover the equilibrium which should never have been lost.

The choice, in short, is between acting before serious harm is done and waiting until you are deep in trouble before acting.

To wait and fiddle is wrong morally as well as economically. In brief, the policy of wait and fiddle has the effect of inviting every group to exploit the national peril for its own selfish advantage.

If the Congress fails to enact an adequate standby mobilization law, whether you realize it or not, you will be putting a premium on selfishness. It is virtually impossible to invoke an overall ceiling properly unless the power to act is on the statute books and at least the skeleton of the administering agency is in place before the emergency. Without this, the delay that will ensue makes it virtually certain that action will not come until the inflationary race is already under way and your whole mobilization under heavy handicap.

Our men are dying on the battlefront in order to preserve our freedom. The very least we can do is to meet our responsibilities intelligently here at home, for if we fail in our duties here, we fail those who are making greater sacrifices than we are called upon to make. When we jeopardize our economy, we undermine our Nation's existence.

The need for controls in an emergency is acknowledged. If Congress fails to make provision for them now, it will commit a grievous error. Let us capitalize on what we have learned in the past; let us profit by our errors; let us not repeat our mistakes, above all. Provide the machinery now for halting any inflationary spiral that could start at any moment; precaution can do no harm, but lack of foresight at this point could mean our undoing.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from Ohio [Mr. McGREGOR].

Mr. McGREGOR. Mr. Chairman, I have listened very attentively for several hours to the debate on S. 1081 which gives consideration to the extension of the Defense Production Act and I am indeed glad to see that our House committee has taken some definite action and did not follow the legislation as it passed the Senate.

I am of the firm conviction that there is not such a thing as standby controls that is not a serious threat to the economy of our country. Labor, farmers, industrialists, white-collared workers, and all of us would be working under a strain fearful that tomorrow would bring governmental controls.

In this era of fast transportation if Congress is not in session, a quorum of the Congress could be present in Washington in 24 hours should an emergency arise and within a few hours legislation could be passed and presented to the President for his signature.

During this interim the President does have the authority to execute directives and regulations in defense of our country until Congress is in session. The people of this Nation have made us a great United States because of freedom of thought and freedom of activities and I join with many who have said the "less Federal controls the better off we will be." It is time we return to those basic principles of our great Republic and give our farmers, industrialists, and laboring men, and all other segments of our society, an opportunity to work and earn a living for themselves and their families without Federal interference.

I recognize that there possibly is a need for this legislation as it is now presented to us before we do have a few critical materials that are essential to our defense program and our President should have the power, if it is necessary, to allocate these critical materials from civilian needs to military needs.

I congratulate the committee for bringing this legislation before us for our consideration.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. GWINN].

Mr. GWINN. Mr. Chairman, I rise to oppose standby controls of prices and wages and rents or any controls, for that matter.

A free economy is the only source of ample food and shelter in peace or war.

We have at least 4,000 years of failure of price control and not one illustration of success.

I want very briefly to give you a little sketch of 4,000 years of uninterrupted failure of price controls as applied in the experience of nations from the beginning of civilization. We have heard from time to time that our experience with price controls dates from Leon Henderson, or from 1942.

That American passion for economic freedom has deep roots in our history becomes clear when one reads the words of the president of Princeton, John Witherspoon, in a letter to George Washington:

Fixing the prices of commodities has been attempted by law in several States among us, and it has increased the evil it was meant to remedy, as the same practice has done since the beginning of the world.

Is that really true? What does the historical experience of mankind teach about this fundamental issue, which touches the life of every man, woman, and child?

CONTROLS TRIED 4,000 YEARS AGO

The temptation for people in power to tamper with prices and production seems to be a very ancient human game. Thus, in the Laws of Hammurabi, King of Babylon—2285–2242 B. C.—we find wage controls for boatmen, reapers, threshers, shepherds, laborers, artisans, bricklayers, tillers, stone cutters, milkmen, and carpenters. Regulated also were builders' fees and warehousing as well as rental of cows in milk, calves, oxen, wagons, and freight and passenger boats. On the basis of historical evidence, we know that ancient history, throughout the changing centuries, is characterized by a never-ending succession of popular upheavals against tyrannical rules and regulations imposed upon the people from the politicians in return for votes.

ROMAN CONTROLS FAILED MISERABLY

Emperor Diocletian decided to maintain his popularity with promises to fix prices and reduce the cost of living. So in A. D. 301, he issued an imperial edict fixing the prices of commodities for the whole Roman Empire. His grandiose scheme was ushered in with a fanfare of benevolent propaganda. In fact, in the preface to the edict, the Roman Emperor shows an insight into the laws of psychological propaganda technique which is as startling as it is up-to-date. He assures his people that the coming economical control system is built on the highest motives of making the whole nation participate "in the blessings of that peace for which we have laboriously striven." He continues that in order to make this price-fixing system work, it is necessary for the rulers like "watchful parents of the whole human race" to help the people with remedies from above, and that such measures have become necessary, since humanity cannot achieve such good results by its own free action.

The edict goes on to explain how the people have become greedy; how exorbitant profits were being made; how monopoly was running wild, and the people, therefore, needed protection from foes within as well as foes without. The only cure was a complete overall control of food, clothing, wages, and so forth. Reading the list of commodities which the Emperor asked his Chester Bowles of that day, Maximianus, to take control of, reads astonishingly like our own modern OPA lists: Farm products, dyes, needles, feathers, filling for upholstery, seeds, wine, oil, meat, poultry, fats, sea food, building timber, wooden posts, finished wagons, agricultural implements, and so on ad infinitum.

In order to enforce his imperial law, Diocletian built up a huge bureaucracy to administer his universal price-control system. A contemporary observer has characterized the situation in the following words:

The number of ministers, of magistrates, of officers, and of servants who filled different departments of the state, multiplied beyond the example of former times.

The price-control police forces of Diocletian had as their legal weapon, severe penalties against any breach of the law. Death was the punishment for those who dared sell above maximum prices. Death also for the buyer who aided and abetted him. Death, too, for those who bought and sold illegal stocks. However, human nature being what it is, these penalties did not affect the general picture, and no bureaucratic machinery or legal apparatus could prevent a complete breakdown of the law of supply and de-

mand with all the economic and social evils resulting from it.

Economic historians of the Roman Empire find that a situation developed which was as tragic as it was prophetic. Because the scarcity of production was heightened by the interference from price-control laws, prices on consumers' goods in the actual market rose to catastrophic heights. The control system which was put into operation to combat inflation in this manner actually created inflationary trends which broke the backbone of the economic life of a great empire. Everywhere the results soon became visible: Building and construction stopped entirely. The arts and sciences fell into decay to such an extent that modern historians can recognize immediately the crudity and puerility of the craftsmanship of this period. Artistic creativeness and inventive skill did no longer thrive in this new atmosphere of economic tyranny.

History goes on to point out that while the economic waste was incredible the trades sank to ever lower levels. Poverty was created among the broad masses, while the merchants and small entrepreneurs were impoverished into bankruptcy. Landowners and manufacturers, who were the hardest hit, lost interest in a system of economic slave control that took away the private inventiveness and enterprise of the human genius.

In the realm of agriculture the situation became so bad that the Emperor found it necessary to order the farmers and the farm laborers controlled by serfdom under state supervision. That this measure could only lead to a worsening of the agricultural situation is perfectly explainable by the well-known historical law, that soil tilled by slave labor never yields abundant fruits such as land cultivated by free farmers.

To meet this general extremity of national economics the Emperor, therefore, naturally turned to the device which is as common as it is artificial, namely, of exorbitant taxation. Taxes and surtaxes multiplied in a hopeless effort to fill an ever-empty treasury.

Thus ends the only total price-control system which the history of the Roman Empire records. Diocletian alone, of all the Roman emperors, was foolish enough to attempt it. If he had listened to the history of his empire he might have observed how earlier attempts of partial price fixing under emperors like Tiberius, Commodus, and Alexander Severus, all had broken down. However, like many panic-stricken tyrants in the history of mankind, Diocletian apparently fancied that, if the price-control system only could be made totalitarian and foolproof, it would work where partial attempts have broken down. He lived to see the tragic mistake of his economic tyranny over a whole nation's life, since his experiment ended with such a complete failure that the edict had to be repealed as useless and unenforceable. Soon after the poverty-stricken and indignant people forced his abdication, on May 1 A. D. 305.

The more serious lesson of this Roman price-control experiment is grasped, however, only if one realizes that its long-range effect on the Roman Empire was directly connected with the economic destruction of the greatest empire of ancient history. As the historian, Jules Toutain, has pointed out, the economic breakdown of the Roman Empire made it fall an easy prey to the attack of the barbarians who, a few generations later, poured in over the borders of the empire south of the Danube and west of the Rhine. What had once been a proud and great nation had deteriorated into a mass of people which had lost both the productive initiative and the national self-esteem which make a people strong and healthy. One of the fundamental laws of national defense is that only a nation in which freedom has been preserved under law is able and willing to take up arms in defense of human rights and human dignity.

Upon the grave of the Roman Empire the well-known historian, Samuel Dill, of Oxford, has written the following epitaph, which we may do well to remember:

> The system of bureaucratic despotism, elaborated finally by Diocletian and Constantine, produced a tragedy in the truest sense, such as history has seldom exhibited: In which, by an inexorable fate the claims of fancied omnipotence ended in humiliating paralysis of administration; in which determined effort to remedy social evils only aggravated them until they became unendurable; in which the best intentions of the central power were, generation after generation, mocked and defeated alike by irresistible laws of human nature and by hopeless perfidy and corruption in the servants of government.

FRENCH CONTROLS FAILED

A complete survey of ancient, medieval, and modern price-control systems proves that they created scarcity instead of production and ill will instead of cooperation. One of the most illustrious and meaningful examples of this historical law we find as we turn to the history of the French Revolution.

When the leftists of that day—the Jacobins—decided to destroy French culture and French enterprise, they made use of the old tyrannical medium of a violent price control. Being experts in revolutionary technique, they chose to place iron control upon 39 necessities of life under the agency called committee of public safety.

The picture of what happened to the French revolutionary price-control system runs true to pattern.

As one historian, Andrew Dickson White, wrote in 1876:

> The first result of the maxim was that every means was taken to evade the fixed price imposed, and the farmers brought in as little produce as they possibly could. This increased the scarcity, and the people of the large cities were put on an allowance. Tickets were issued authorizing the bearer to obtain at the official prices a certain amount of bread or sugar or soap or wood or coal to cover immediate necessities.

All price fixers do not meet so violent an end as that of Robespierre but the wrath of the hungry and disillusioned people always descends upon them.

A sigh of relief and a new spirit of self-governed activities swept through France. The farmers plowed and planted, and during the month of July 1795 they could once again harvest their crops as freemen after the disastrous and negative years of revolutionary price control. Liberty had conquered once more.

EARLY AMERICAN OPA'S

Coming now to the United States, we find the resistance to Government tampering with the laws of supply and demand greatest of all. A limited price control was attempted during the American Revolutionary War, but the alert and freedom-loving citizens, taught by experience, soon totally rejected this Government interference with the economic life of the States.

Led by Connecticut and Massachusetts, the New England States went in for regulating prices early in the Revolutionary War. This emergency measure was motivated quite as much by the fact that the continental currency lost its monetary value as by the self-evident fact that British blockade created a severe shortage of consumers' goods. The inevitable result was that the 1774 price level soon broke down, and as early as the spring of 1777 Connecticut, Rhode Island, and New Hampshire were forced to raise the level for maximum prices. In Rhode Island, however, the town of Providence objected strenuously. It directed its representatives in the legislature to fight such measures, as they created scarcity and produced animosity.

In Connecticut, Governor Trumbull warned in a public statement:

> If we affix a low price to provisions and articles of importation we shall find that the farmer will cease to till the ground for more than is necessary for his own subsistence, and the merchant will not risk his fortune on a small and precarious prospect of gain.

The good Governor was really advocating what later generations prefer to call controlled inflation, even though he must be excused for not knowing the modern devices of economic deception called farm subsidies and cost-plus contracts.

Soon the States, including New York, Pennsylvania, and New Jersey, began to labor under keen misgivings, however, that the price control as such was a deceptive technique. This discovery led to an interstate convention being called in New Haven in January 1778. The war was still raging and the longed-for victory for independence still did seem far away. In a stampede of economic panic, the delegates voted, therefore, to adopt a price advance of 75 percent above the 1774 price level.

What was meant to be a radical cure threatened to become a disaster, since a runaway inflation soon began to encompass the national economic life. The Continental Congress very quickly realized that it had to reverse its policy in order to avert sure economic doom. In its meeting of April 8, 1778, it declared, therefore, to the sorely tried war-torn Nation:

> It hath been found by experience that limitation on the prices of commodities is not only ineffective for the purpose proposed, but likewise productive of very evil consequences to the great detriment of the public

service and grievous oppression of individuals.

As soon as the fortunes of war turned, the States rid themselves of the fruitless and scarcity-producing price-control system, which they had grasped in a moment of panic. It is to the undying glory of the men and women of the Revolutionary period that a whole year before Cornwallis surrendered at Yorktown, all the States had already repealed their price-control laws.

Such was the depth of their belief in freedom as a producer of goods and services. Price control in America was over—not again to be revived for 160 years.

They fought not merely for independence. They fought for freedom and learned right in the middle of war itself that freedom produces more food and clothing and shelter than controls can produce. They emancipated freedom from Europe and European controls.

During the postwar period, under the Articles of Confederation, our colonial ancestors lived in an era of high prices. The unsecured revolutionary currency was issued in such quantities that "not worth a continental" became a popular phrase. The monetary situation interfered seriously with trade and tended to foment discord, distrust, and disunity.

It was in this atmosphere that the Constitutional Convention met in 1787. It is worthy of note that no delegate to this Convention seriously proposed that our Government should have the power to fix prices. Their generation had learned that Government price fixing would not work and so this power was not listed among those delegated powers which the people gave their Federal Government.

To propose to exercise such power now is sheer usurpation. It was the adoption of our Constitution with its limitation on control that brought the new era of food and shelter. We need to remind ourselves that this era started right here in America. Our example spread around the world until the world rejected freedom for many forms of collectivism. With that has come again the ghastly prospects of starvation and famine. That has been the rule of life throughout history except where for brief periods of time freedom of the people has been maintained.

Freedom, which is synonymous with ample food and shelter, is the first great achievement of modern times. Under the Constitution, Americans were free to own their lands, work out their own plans, and enjoy the fruits of their labor without regulations by authority or oppressive taxation. With this freedom has come agricultural science and invention of machinery, increased supplies of food, intellectual advance, improved means of communication, steam, electricity, and all the wonders that only the imaginative and creative minds and spirits of free men and women may comprehend for the future blessings of mankind.

Mr. Chairman, this debate has clarified one fundamental thing; namely, the fact that we are today witnessing the old, old fight between two contradictory political systems of government. On the one hand we have the advocates of government control over national life and national production. They willingly abandon freedom. To adopt price controls in peacetime would be clear proof that the European idea of government control and government domination and compulsion has moved permanently into the political philosophy and political life of this great Republic.

Those who do not believe that freedom will solve our economic problems should stop fooling themselves. They continue to talk about freedom, but they do not really believe in it. They give lip service to liberty, but the moment the test comes they call for continued and increased power for public officials.

Freedom is more honest than government and so much more productive.

If we cannot read history so well or act so courageously as our forefathers in dealing with price controls, we can imitate them. Let us take a leap of faith in freedom if we would have food, clothing, shelter, and the good life.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. HIESTAND].

Mr. HIESTAND. Mr. Chairman, ladies and gentlemen of both sides of the aisle, I think we all have to understand clearly what the issue here is. It is the issue of whether or not you believe in controls or you do not. It is the issue whether or not you believe in standby controls, which are threats, or not. We voted down standby controls. They are a threat. Now comes this amendment under the guise of a 90-day freeze. Ladies and gentlemen, that is a wolf in sheep's clothing. It sounds plausible but all of those people who are in favor of controls of prices, wages, rents, and all sorts of controls are in favor of this 90-day freeze and generally speaking those who are opposed to such controls, all of which are unsound, uneconomic, impractical, and futile, seem to favor them.

Now there are a few things which should be clearly understood:

First. The President has not asked for this authority. Please make no mistake about it, the President has not asked for it and does not want it.

Second. He does not want price and wage controls. He does not believe in them. He cut them out as fast as he could. He believes in free enterprise without them.

Third. I think we must realize that any presently granted authority to freeze wages and prices is equivalent to standby authority, which, in turn, is equivalent to threat. Threats beget countermeasures and price increases. If the threat is hanging over the head of the economy and its managers, small businesses and large businesses, what is the natural reaction. Protection, of course. That means higher prices. Of course higher prices now or at any time months ahead of when the threat might strike. Do you think that it makes sense that a merchant or a manufacturer would cut his price when he might get frozen at a price below his cost? Certainly not. It just does not work that way.

Fourth. I think we should realize, and I know Members of this Congress on both sides of the aisle are firmly convinced that a free economy is a basically strong economy and a controlled economy is basically weaker. The time of emergency is the very time of all times to be strong economically.

Fifth. Reference has been made in the oratory this afternoon about what history teaches us. Ladies and gentlemen, I affirm that history teaches us about controls more than anything else that they have failed. They have not controlled inflation; they have created shortages and undue pressures. Controls are an instrument of a totalitarian state. They are a Communist device. They have no place in our free economy.

Now, sixth, this bill does provide just enough in a way of priority, defense priorities if you will, for extremely critical items such as cobalt, nickel, and so forth, needed for defense uses. Nobody objects to this because it is important that the defense effort get the scarce goods before the civilian demand is satisfied. That, the President feels, is wise and that, we are happy to give him. There is no issue there.

The only issue as I see it is whether you want to hang the threat of controls over the head of the economy, depressing production, increasing prices, preventing lowered prices and carrying with them all the evils of a controlled economy. The President does not want it and I am sure neither you nor I want it. The amendment should be defeated by all means. Thank you.

Mr. SPENCE. Mr. Chairman, I have no further requests for time.

Mr. WOLCOTT. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. There being no further requests for time, under the rule the Clerk will read the committee substitute for amendment:

The Clerk read as follows:

That this act may be cited as the "Defense Production and Temporary Controls Act of 1953."

Mr. WOLCOTT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WOLCOTT: Page 21, strike out lines 3 and 4 and insert in lieu thereof:

"Title I, section 1. This title may be cited as the 'Defense Production Act amendments of 1953'."

The amendment was agreed to.

The Clerk read as follows:

SEC. 2. Section 2 of the Defense Production Act of 1950, as amended, is amended to read as follows:

"Declaration of policy

"SEC. 2. In view of the present international situation and in order to provide for the national defense and national security our mobilization effort continues to require some diversion of certain materials and facilities from civilian use to military and related purposes. It also requires expansion

of productive facilities beyond the levels needed to meet the civilian demand."

Mr. DEANE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to direct the attention of the Committee to page 24 of the hearings, at which time Dr. Flemming was testifying. In his testimony it was brought out that under the Defense Production Act the Reconstruction Finance Corporation has made extensive loans under section 302 of the act.

In speaking about the RFC, I questioned Dr. Flemming as follows:

So far as you know, has there been satisfactory service rendered by the RFC in the administration and making of these loans?

Dr. Flemming replied:

We have no criticism to make of the way in which they have handled this assignment for us.

At my request, Mr. Chairman, Dr. Flemming furnished to our committee the loan authorizations and cancellations under section 302 of the Defense Production Act as follows:

Reconstruction Finance Corporation—Loan authorizations and cancellations, sec. 302 DPA, Mar. 31, 1953

FACILITY LOANS INCLUDING MINING LOANS

[Cents omitted]

Name and address of borrower	Amount authorized	Amount canceled
A. B. A. Tool & Die Co., Inc., Manchester, Conn	$190,000	
Adamas Carbide Corp., Harrison, N. J	4[1]2,000	
Advance Control Corp., Buffalo, N. Y	50,000	
The Ahrendt Instrument Co., College Park, Md	200,000	
Airborne Instruments Laboratory, Inc., Mineola, N. Y	908,000	
Eugene K. Gray and John H. Stephens, trading as Aircraft Products Co., Clifton Heights, Pa	175,000	$2,376
Aircraft Tapered Sheets, Inc., Los Angeles, Calif	300,000	300,000
R. W. Johnson, doing business as Ajay Screw Machine Products, Anderson, Ind	164,000	
Algonac Manufacturing Co., Algonac, Mich	100,000	
American Business, Inc., Chicago, Ill	2,025,000	
American Helicopter Co., Inc., Manhattan Beach, Calif	125,000	
The Andrews-Alderfer Processing Co., Inc., Akron, Ohio	250,000	
Antonioli, Peter, Butte, Mont	42,000	42,000
Appalachian Mining & Smelting Co., Embreeville, Tenn	400,000	
Arctic Block Construction Co., Fairbanks, Alaska	60,000	60,000
Arcturus Manufacturing Corp., Venice, Calif	240,000	
Aviation Fuel Terminals, Inc., Goldsboro, N. C	1,067,500	
J. W. & Louis M. Calary, trading as Bainbridge Bus Co., Port Deposit, Md	68,400	5,207
The Cyril Bath Co., Cleveland, Ohio	950,000	
Bolock Instrument Corp., College Point, N. Y	620,000	
R. P. Bennett Co., Inc., Frederick, Md	132,000	
Berea Rubber Co., Cleveland, Ohio	575,000	
The Bethel Corp., Bethel, Maine	75,000	
Bjorksten Research Laboratories, Inc., Madison, Wis	120,000	
Blue Ridge Transportation Co., Inc., Knoxville, Tenn	74,330	
Bonner Machine Works, Inc., El Segundo, Calif	75,425	75,425
Wm. C. Dugan, doing business as Border Truck Lines, El Paso, Tex	22,080	763
Boston Electro Steel Casting, Inc., Boston, Mass	200,295	
The Bridgeport Safety Emery Wheel Co., Inc., Bridgeport, Conn	135,500	135,500
The Brust Beryllium Co., Cleveland, Ohio	800,000	
Brush Tool Manufacturing Co., Chicago, Ill	910,000	
C. L. Bryant Corp., Cleveland, Ohio	475,000	
Bushler, Ltd., Chicago, Ill	279,000	
Buffalo Coal Mining Co., Inc., Anchorage, Alaska	425,775	
C. B. S. Steel and Forge, Los Angeles, Calif	216,619	
C. G. S. Laboratories, Inc., Stamford, Conn	35,128	35,128
California Electronics Services Co., Inc., Woodland Hills, Calif	30,000	
Canoga Corp., Van Nuys, Calif	12,755	
Capital Foundry Co., Phoenix, Ariz	1,452,000	1,452,000
The J. C. Carter Co., Pasadena, Calif	415,000	215,000
Cascade Finishing Co., Inc, Oriskany Falls, N. Y	43,000	43,000
Cell-Form Co., Paramount, Calif	123,750	3,500
Cromer, Walter M., doing business as Certified Metal Processing Laboratories, Los Angeles, Calif	45,000	
Champion Canvas Supplies, Inc., St. Louis, Mo	52,000	4,751
Chatham Electronics Corp., Newark, N. J	988,460	2,500
Chief Consolidated Mining Co., Salt Lake City, Utah	120,000	
John P. Glass, trading as Clifton Precision Products Co., Clifton Heights, Pa	400,000	400,000
Cobb & Weldon, Boulder, Colo	20,500	6,500
Coleman Engineering Co., Inglewood, Calif	60,000	
Joseph C. Collins, doing business as Collins Engineering Co., Culver City, Calif	375,000	375,000
Werner Lange, doing business as Colonial Optical Co., Los Angeles, Calif	10,000	
Columbia River Lime Co., Vancouver, Wash	92,000	
Contra Costa Oil Depot, Martinez, Calif	2,655,338	
Cooper Precision Products, Los Angeles, Calif	290,000	
Cripple Creek Coal Co., Fairbanks, Alaska	413,500	
Cruver Manufacturing Co., Chicago, Ill	650,000	
Davis Mining Enterprises, Linden, Wis	220,000	
Dayton Precision Manufacturing Co., Dayton, Ohio	65,700	65,700
Do	196,000	
Doeleam Corp., Newton, Mass	997,000	997,000
Drayer-Hanson, Inc., Los Angeles, Calif	555,000	
Druge Bros. Manufacturing Co., Oakland, Calif	198,000	
E. & J. Heat Treating & Sandblasting Co., Los Angeles, Calif	90,000	
Do	75,000	
East Coast Aeronautics, Inc., Mount Vernon, N. Y	1,300,000	
Eastern States Petroleum Co., Inc., Houston, Tex	2,100,000	
Electronic Associates, Inc., Long Branch, N. J	150,000	
Electronic Computer Corp., Brooklyn, N. Y	10,000	10,000
Entwistle, James L., Co., Pawtucket, R. I	620,000	
Entwistle, James L., Co., Providence, R. I	77,775	
The Fenn Manufacturing Co., Hartford, Conn	1,250,000	
Ferson Optical Co., Inc., Biloxi, Miss	83,405	83,405
Fontaine Truck Equipment Co., Inc., Birmingham, Ala	180,000	
Foster Freight Lines, Inc., Indianapolis, Ind	501,890	
The Frohman Manufacturing Co., Inc., Miami, Fla	175,000	
Garlynn Engineering Co., San Francisco, Calif	104,475	
Garner Instrument Co., San Antonio, Tex	150,000	
General Development Corp., Elkton, Md	$135,000	
General Tool & Gage Co., Inc., Plymouth, Wis	34,000	
Gibbonsville Mining & Exploration Co., Spokane, Wash	62,000	
Glove Industries, Inc., Dayton, Ohio	300,000	
Green River Steel Corp., Owensboro, Ky	5,000,000	
Halocarbon Products Corp., North Bergen, N. J	39,900	
Hammel-Dahl Co., Providence, R. I	700,000	
Hardman Tool & Engineering Co., Los Angeles, Calif	57,600	
Hastings Instrument Co., Inc., Hampton, Va	275,650	$276,650
Hazleton Steel & Tubing Corp., Hazleton, Pa	7,800,000	7,800,000
Heckett Engineering, Inc., Butler, Pa	8,000,000	8,000,000
Hewitt Oil Terminal, North Charleston, S. C	432,000	82,000
Hogan Laboratories, Inc., New York, N. Y	250,000	
Homestead Mining Co., Platteville, Wis	240,000	
Hydraulic Research & Manufacturing Co., Burbank, Calif	485,000	
Idaho Beryllium & Mica Corp., Caldwell, Idaho	125,000	
Imperial Mining Co., Inc., Poplar Bluff, Mo	60,000	
Industrial Heat Treating & Metallurgical Co., Inc., Indianapolis, Ind	246,000	246,000
G. Philip Stout, trading as Industrial Research Laboratories, Baltimore, Md	75,000	
Bill Jack Scientific Instrument Co., Solana Beach, Calif	2,000,000	2,000,000
Johns Hopkins University, Baltimore, Md	1,400,000	
Jonco Aircraft Corp., Shawnee, Okla	[1] 750,000 [2] 675,000	
KSM Products, Inc., Merchantville, N. J	83,000	83,000
Lawrence J. Keddy, doing business as Keddy Machine Co., Middleton, Mass	300,000	26,223
The Kellex Corp., New York, N. Y	388,000	388,000
Kenmore Metals Corp., Jersey City, N. J	420,000	185,000
Kirkwood Machine & Manufacturing Co., Kirkwood, Mo	128,000	
Kolinski Concrete Co., Milwaukee, Wis	1,438,500	34,263
Laboratory for Electronics, Inc., Boston, Mass	1,500,000	1,500,000
Lambert Tool Specialties Co., St. Louis, Mo	200,000	
Lambrecht, Louis A., doing business as Lambrecht Trucking Co., Sterling, Ill	29,300	1,195
Lear, Inc., Grand Rapids, Mich	863,000	863,000
Ledoux & Co., New York, N. Y	290,000	
Lone Star Steel Co., Dallas, Tex	37,000,000	
Lovequist, Martin, doing business as Lovequist Engineering Co., Los Angeles, Calif	140,000	140,000
Lucerne Coke Co., Indiana, Pa	2,200,000	475,000
Luders Marine Construction Co., Stamford, Conn	125,000	125,000
Lunn Laminates, Inc., Glen Cove, Long Island, N. Y	[1] 160,000 [2] 112,000	
Marine Aircraft Corp., Fort Worth, Tex	200,000	
Marman Products Co., Inc., Inglewood, Calif	1,250,000	
Marquardt Aircraft Co., Van Nuys, Calif	765,000	
Mar Vista Engineering Co., Los Angeles, Calif	417,400	1,392
The W. L. Maxson Corp., New York, N. Y	1,569,635	
McGlynn Hays Industries, Inc., Belleville, N. J	1,183,800	
McLean Development Laboratories, Inc., Dallas, Tex	160,000	160,000
Menasco Manufacturing Co., Burbank, Calif	350,000	
Merit Sportswear Co., Boston, Mass	15,000	
Merritt Packing & Crating Service, Denver, Colo	28,700	28,700
Miami-Key West Barge Line, Inc., Miami, Fla	20,000	20,000
Mid-South Refrigerated Warehouse Co., Memphis, Tenn	1,250,000	
Mifflin Mining Co., Inc., Mifflin, Wis	80,000	30,000
Raichel, Theodore T., doing business as Modern Design Engineers, Los Angeles, Calif	40,000	
N. R. K. Manufacturing & Engineering Co., Chicago, Ill	450,000	92,000
National Iron Reclaiming Co., Ltd., Birmingham, Ala	141,500	
Newman, Levern B. and Austerman, Armin V., doing business as New Diggings Mining Co., Platteville, Wis	54,000	
Nicholas Universal Steamship Co., Detroit, Mich	4,944,973	4,944,973
Noon, William A., Drummond, Mont	60,000	
Northern Consolidated Airlines, Inc., Anchorage, Alaska	705,550	
Norris, Al, doing business as Al Norris Trucking Contractor, Post, Tex	16,250	
Owen Manufacturing, Inc., Litchfield, Ill	53,470	7,162
Pacific Electric Contractors, Inc., Anchorage, Alaska	293,000	
Pacific Marine Terminal Co., San Francisco, Calif	1,435,000	1,435,000
James F. Black, doing business as Parkville Trucking Co., Baltimore, Md	63,500	
J. C. Peacock Machine Co., Los Angeles, Calif	264,000	
Ben Pearson, Inc., Pine Bluff, Ark	420,000	
Piasecki Helicopter Corp., Morton, Pa	4,800,000	
Piquette Mining Co., Platteville, Wis	144,000	
Powers Manufacturing Co., Longview, Tex	920,000	
Premier Mill Corp., Geneva, N. Y	338,000	91,000
N. Ransohoff, Inc., Cincinnati, Ohio	500,000	135,000
Rehnberg-Jacobson Manufacturing Co., Inc., Rockford, Ill	250,000	250,000
Rezolin, Inc., Los Angeles, Calif	95,000	
Riveo, Inc., Downey, Calif	115,000	6,485
Riverside Foundry, Inc., Bettendorf, Iowa	615,000	15,000
Robb Manufacturing Co., Inc., Pittsburgh, Pa	86,970	
Roller Bearing Co. of America, Trenton, N. J	1,350,000	630,000
Ross, John, Custer, S. Dak	44,545	

[1] Gross.

[2] RFC.

Reconstruction Finance Corporation—Loan authorizations and cancellations, sec. 302 DPA, Mar. 31, 1953—Continued

FACILITY LOANS INCLUDING MINING LOANS—Continued

[Cents omitted]

Name and address of borrower	Amount authorized	Amount canceled
San Manuel Copper Corp., Superior, Ariz.	$94,000,000	
Sargent Engineering Corp., Huntington Park, Calif.	1,000,000	
Schweizer Aircraft Corp., Elmira, N. Y.	50,000	$50,000
Schwien Engineering Co., Los Angeles, Calif.	398,500	
Secon Metals Corp., New York, N. Y.	395,000	348,319
Shelton Mining Co., Inc., Joplin, Mo.	85,000	
Sierra Engineering Co., Inc., Sierra Madre, Calif.	120,000	120,000
Slagle Beryllium Co., Haverton, Pa.	66,029	
Sosner Tap & Tool Corp., New York, N. Y.	150,000	150,000
South Gate Aluminum & Magnesium Co., South Gate, Calif.	110,000	110,000
Southern States Oil Co., Jacksonville, Fla.	255,000	
Southland Oil Corp., Savannah, Ga.	677,000	
Do.	30,000	
Do.	300,000	
Specialities, Inc., Syosset, N. Y.	2,549,730	225,000
Spencer Wire Corp, Hillside, N. J.	1,700,000	
Standard Cable Corp., Chickasha, Okla.	200,000	
Do.	200,000	
Do.	1,809,595	8,407
Standard Steel Corp., Los Angeles, Calif.	27,025	27,025
Standard-Thomson Corp., Dayton, Ohio	2,000,000	100,000
Stanford Research Institute, Stanford, Calif.	300,000	300,000
Steuart, L. P. & Bro., Inc., Washington, D. C.	810,000	
Stover Lock Nut & Machinery Corp., Easton, Pa.	342,000	
T. S. C. Motor Freight Lines, Inc., Houston, Tex.	200,000	200,000
Teleflex, Inc., Philadelphia Pa.	300,000	
Tennessee Central Railway Co., Nashville, Tenn.	$2,240,800	
Thiokol Corp., Trenton, N. J.	900,000	
Thompson Trailer Corp., Alexandria, Va.	555,000	$19,479
Truck Body & Equipment, Inc., St. Louis, Mo.	25,000	160,000
Trumbull Bearings, Inc., Hartford, Conn.	459,000	8,866
Tubular Micrometer Co., St. James, Minn.	112,000	
Tungstar Corp. and Hanging Valley Tungsten Mines, Hollywood, Calif.	75,000	75,000
Tungsten Mining & Milling Co., Spokane, Wash.	50,000	
Tyson Bearing Corp., Massillon, Ohio	1,275,000	
United States Wire & Cable Corp., Newark, N. J.	275,000	25,000
Varian Associates, San Carlos, Calif.	1,520,000	
Vitro Chemical Co., Salt Lake City, Utah	850,000	
Massari Bros. Machine Co., trading as Wadell Equipment Company, Garwood, N. J.	300,000	300,000
Waltham Horological Corp., Waltham, Mass.	285,000	
Warner Machine Products, Inc., Muncie, Ind.	225,000	
Webs, Inc., Queens Village, N. Y.	110,000	110,000
The S. K. Wellman Co., Cleveland, Ohio	3,800,000	
Westoil Richmond Terminals Co., Richmond, Calif.	449,526	
White Pine Copper Co., White Pine, Mich.	57,185,000	
Whittaker, Wm. R., Ltd., Los Angeles, Calif.	1,428,000	1,428,000
Wien Alaska Airlines, Inc., Fairbanks, Alaska	355,000	
Worth Manufacturing Co., Los Angeles, Calif.	150,000	150,000
Total, 202	311,102,039	38,204,894

WORKING CAPITAL LOANS

Accurate Machine Products Corp., Johnson City, Tenn.	$30,000	
Ace Welding Service, Inc., Saugus, Mass.	175,000	$175,000
Acetogen Fabricators, Inc., Philadelphia, Pa.	75,000	
Acme Machine Works, Inc., Hingham, Mass.	50,000	
American Generator & Armature Co., Chicago, Ill.	225,000	225,000
American Machinery Corp., Orlando, Fla.	780,000	
Do.	500,000	
American Woodworking Co., West Haven, Conn.	66,000	66,000
Do.	112,000	
Ametronic, Inc., Washington, D. C.	16,500	
Do.	22,000	
Atlantic X-Ray Co., Inc., Boston, Mass.	70,000	
Bassett, Rex, Inc., Fort Lauderdale, Fla.	205,000	
Benson-Lehner Corp., Los Angeles, Calif.	187,000	
Bishop Manufacturing Co., Carlisle, Iowa	400,000	
Bowlby, R. S. and West, R. E., doing business as R. S. Bowlby Manufacturing Co., Honey Grove, Tex.	25,000	8,947
Burton-Rodgers, Inc., Cincinnati, Ohio	100,000	
Carlstrom Pressed Metal Co., Westboro, Mass.	155,000	
Cascade Food Products, Salem, Oreg.	50,000	
Edward L. Beaudry, Jr., trading as Chase Resistor Co., Morristown, N. J.	20,000	
Chattanooga Welding & Machine Co., Inc., Chattanooga, Tenn.	400,000	
Cogmatic Co., Milwaukee, Wis.	40,000	
Communications Co., Inc., Coral Gables, Fla.	90,000	90,000
Consolidated Industries, Inc., Lafayette, Ind.	732,600	
Control Electronics Co., Inc., Huntington Station, Long Island, N. Y.	23,000	
Cosmo Engineering Laboratories, Inc., Hackettstown, N. J.	135,000	
Couse Manufacturing, Inc., Newark, N. J.	1,275,000	
Curran, Frank J. Co., Downers Grove, Ill.	250,000	
Do.	125,000	
Dankin Manufacturing Co., Chicago, Ill.	100,000	
The Davies Laboratories, Inc., Riverdale, Md.	20,000	
Dockendorff & Co., Inc., Bridgeport, Conn.	75,000	
Dun-Mar Engineering Corp., Pittsburgh, Pa.	75,000	
Eastern Woodworks, Inc., Baltimore, Md.	75,000	
Electric Service Engineering Co., Joliet, Ill.	650,000	
Entwistle, James L. Co., Providence, R. I.	200,000	
Estes Express Lines, Richmond, Va.	50,000	
Fenn Manufacturing Co., Hartford, Conn.	1,100,000	
Fitzgerald Engineering Co., nc., Coral Gables, Fla.	18,000	
Fuse Indicator Corp., Rockville, Md.	24,273	1,805
Garco Corp., Seattle, Wash.	30,500	
Gemco Engineering & Manufacturing Co., Inc., Glendale, Ohio	125,000	9,440
Gottscho, Adolph, Inc., Hillside, N. J.	35,000	
Greyhound A. C. Arc Welder Corp., Brooklyn, N. Y.	80,000	80,000
Hansen Manufacturing Co., Lynn, Mass.	30,000	
Do.	100,000	
Harvey-Whipple, Inc., Springfield, Mass.	500,000	
Hayward Woolen Co., East Douglas, Mass.	700,000	
Hazleton Engineering Co., St. Louis, Mo.	347,850	
Heckethorn Manufacturing & Supply Co., Littleton, Colo.	800,000	
Hett Associates, Inc., Englewood, N. J.	10,000	
Horle Arms Co., The, Deep River, Conn.	47,640	
Do.	58,000	
Hudreg Co., Inc., Deming, N. Mex.	200,000	72,022
Hunt, Wm. J., trading as Wm. J. Hunt Mfg. Co., Baltimore, Md.	80,000	
Independent Flow, Inc., Needesha, Kans.	200,000	
Instruments Associates of California, Santa Monica, Calif.	150,000	
Johnson-Crowder Manufacturing Co., Inc., Birmingham, Ala.	66,000	
Do.	79,000	
Jonco Aircraft Co., Shawnee, Okla.	[1] 1,200,000	
	[2] 1,100,000	
King Laboratory, Inc., Salt Lake City, Utah	50,000	
Leavitt Machine Co., The, Orange, Mass.	100,000	
Lectro Speed Co., Portland, Oreg.	$50,000	
Lenard Co., Inc., The, Cambridge, Mass.	67,000	$14,108
Lester Associates, Inc., Hastings-on-Hudson, N. Y.	25,000	
Lorain Automatic Screw Machine Co., Inc., The, Lorain, Ohio	100,000	
Lucadian Cartographers, Philadelphia, Pa.	12,200	
Machine Craft, Inc., Marietta, Pa.	60,000	
The Glenn L. Martin Co., Baltimore, Md.	12,000,000	12,000,000
McGrath & Co., Inc., Stillwater, Minn.	[1] 1,150,000	
	[2] 135,000	
McLean Iron Works, Inc., Palatka, Fla.	50,000	
Microtone Co., Inc., The, St. Paul, Minn.	580,000	
Model Engineering & Manufacturing, Inc., Huntington, Ind.	170,000	
Modern Metal Crafts Co., Inc., Philadelphia, Pa.	120,000	120,000
G. O. Noville & Associates, Inc., Los Angeles, Calif.	25,000	
Oubelt Lumber & Tie Corp., Richmond, Va.	40,000	40,000
Otterbein, John A., doing business as J. A. Otterbein, Middletown, Conn.	150,000	150,000
Pamco Corp., Lubbock, Tex.	800,000	
Pax Metal Corp., Los Angeles, Calif.	60,000	
Peoria Consolidated Manufacturers, Peoria, Ill.	814,169	
Photoswitch, Inc., Cambridge, Mass.	1,500,000	
Polan Industries (a copartnership), Huntington, W. Va.	250,000	250,000
Nielsen, Gilbert, doing business as Precision Instrument & Model Co., Washington, D. C.	4,000	
Yarnell, Carl P., doing business as Reed-Sharp Co., Knoxville, Tenn.	75,000	
Reinforced Plastics Corp., Vineyard Haven, Mass.	[1] 30,000	30,000
	[2] 22,500	22,500
Reinholdt & Lewis, Inc., Salem, Oreg.	100,000	
Remier Co., Ltd., San Francisco, Calif.	1,000,000	
J. W. Rex Co., Dansdale, Pa.	458,350	
D. M. Rose & Co., Knoxville, Tenn.	165,000	
Scott-Browne Corp., Newton, Ohio	50,000	
Shearer, W. E., and Wood, W. E., doing business as Shearer Electric Manufacturing Co., Little Rock, Ark.	85,000	
Sherman & Reilly, Inc., Chattanooga, Tenn.	300,000	
Sherwood Tool, Inc., Kensington, Conn.	25,000	
Sketchbook Film Productions, North Hollywood, Calif.	35,000	
Snocraft, Inc., Norway, Maine	65,000	
Southern Products Co., Inc., Birmingham, Ala.	20,000	8,022
Do.	73,650	19,026
Specialties, Inc., Syosset, N. Y.	1,120,000	
Speedeon Manufacturing Co., Boston, Mass.	47,500	
Speer, Richard A., doing business as Speer Cartridge Works, Lewiston, Idaho	50,000	
Standard Manufacturing Co., Inc., Mount Airy, N. C.	70,000	
Superior Instrument Co., Rochelle Park, N. J.	15,000	
Twiss, J. C. & W. A., doing business as T & T Associates, Little Rock, Ark.	5,000	
Technical Products Co., of Austin, Austin, Tex.	150,000	
Tempel Manufacturing Co., Chicago, Ill.	268,000	268,000
Tennessee Aircraft, Inc., Nashville, Tenn.	[1] 1,150,000	
	[2] 90,000	
	[1] 1,250,000	
Do.	[2] 150,000	
Tycoon Tackle, Inc., Miami, Fla.	180,000	120,000
Tycoon Tackle, Inc., Miami Springs, Fla.	650,000	
Tyson Bearing Corp., Massillon, Ohio	200,000	
U. S. Metal Products Co., Inc., Brooklyn, N. Y.	80,000	80,000
Emory Loyd Dell, Jr., doing business as Waycross Machine Shop, Waycross, Ga.	100,000	
F. A. Whitney Carriage Co., Leominster, Mass.	641,250	641,250
Wire Corp. (formerly Spencer Wire Co.) Worcester, Mass.	225,000	
Wire Inc., Morton Grove, Ill.	150,000	
Yucca Mining & Milling Co., Inc., Yucca, Ariz.	80,000	
Z-Bar-Inc., Griffin, Ga.	20,000	
Total, 117	37,611,482	14,416,226

[1] Gross. [2] RFC.

Reconstruction Finance Corporation—Loan authorizations and cancellations, sec. 302 DPA, Mar. 31, 1953—Continued

AGRICULTURE LOANS

[Cents omitted]

Name and address of borrower	Amount authorized	Amount canceled	Name and address of borrower	Amount authorized	Amount canceled
Grain Products, Inc., Dodge City, Kans.	$225,000		The Winter Garden Freezer Co., Inc., Bells, Tenn.	$310,000	
Do.	60,000		Total, 4	2,695,000	
Shea Chemical Corp., West Chelsford, Mass.	2,100,000		Total, 323	351,468,521	$52,621,123

Sec. 302 loans established to May 22, 1953

No.	Country	Borrower	Amount	No.	Country	Borrower	Amount
DP-1	Haiti	Cotes de Fer Corp.	[1] $202,260	DP-5	Northern Rhodesia	Balulba Mines, Ltd.	[2] $21,000,000
DP-2	Mexico	Zinc Nacional, S. A.	337,500	DP-6	do	Rhodesia Congo Border Power Corp., Ltd.	22,400,000
DP-3	Uganda	Kilembe Mines, Ltd.	7,500,000	DP-7	Canada	Campbell Chibougamau Mines, Ltd.	5,500,000
DP-4	Brazil	Industria e Comercio de Minerios, S. A.	15,000,000				

[1] Of which $141,605 canceled Dec. 31, 1952.
[2] Wholly canceled Apr. 24, 1953.

Mr. Chairman, one other matter that I desire to call to the attention of the committee. It concerns section 104 of the Defense Production Act.

Some of us on the minority side did not go along with the committee action in striking out the provision of the Senate bill which would allow section 104 to terminate as of June 30, 1953. Let me direct your attention to the testimony by Mr. Gordon, the Administrator of the Production and Marketing Administration, pointing out the retaliatory measures that had taken place since that legislation became a part of the Defense Production Act. Mr. Gordon's testimony and that of his assistant, Mr. Short, appears on page 96 where they point out that the Netherlands, in view of section 104, had put into effect retaliatory measures involving the purchase of wheat and to the extent of the implication of this section 104 they had imposed drastic restrictions upon the importation of wheat products. I call the committee's attention especially to page 97 where Mr. Gordon gave to the committee the retaliatory action that had been taken by a number of countries in view of section 104.

Then on page 99, our former colleague, Hon. Thruston B. Morton, Assistant Secretary of State, in speaking of section 104, said:

> The Department of State opposes extension of section 104 either in the context of providing standby emergency controls or in any other legislation. This legislation has been so harmful to our international trade relations that its continuation in any context would be most unwise.

At this point, Mr. Chairman, I understand that the President on yesterday issued a declaration, involving the particular products under section 104. I would like to ask the chairman of the Committee on Banking and Currency [Mr. WOLCOTT] whether or not he proposes to offer an amendment that will return the House to the position taken by the Senate on section 104?

Mr. WOLCOTT. I do not intend to offer any amendment. I understand an amendment will be offered which seeks to accomplish that purpose.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. DEANE. I yield to the gentleman from New York.

Mr. MULTER. I have such an amendment at the desk which I intend to offer at the appropriate time.

Mr. DEANE. I thank the gentleman. I feel that in all such legislation, while we want to protect our own industry and our own products, we must at the same time try to proceed on the basis of what is in the best interests not only of our country but also of our international relations and our own farm exports. I would like to take this opportunity to commend, as I am sure all of us do, the Assistant Secretary of State, Thruston B. Morton, who is the congressional liaison with the House of Representatives, for the excellent service he is rendering.

Finally, Mr. Chairman, I want to quote from a telegram which I received today from Mr. R. Flake Shaw, executive vice president of the North Carolina Farm Bureau Federation, as follows:

> Tariff Commission demonstrates capacity to deal with questionable imports. See no need to continue section 104 of Defense Production Act.

The Clerk read as follows:

SEC. 3. Section 101 of the Defense Production Act of 1950, as amended, is amended to read as follows:

"SEC. 101. (a) The President is hereby authorized (1) to require that performance under contracts or orders (other than contracts of employment) which he deems necessary or appropriate to promote the national defense shall take priority over performance under any other contract or order, and, for the purpose of assuring such priority, to require acceptance and performance of such contracts or orders in preference to other contracts or orders by any person he finds to be capable of their performance, and (2) to allocate materials and facilities in such manner, upon such conditions, and to such extent as he shall deem necessary or appropriate to promote the national defense.

"(b) The powers granted in this section shall not be used to control the general distribution of any material in the civilian market unless the President finds (1) that such material is a scarce and critical material essential to the national defense, and (2) that the requirements of the national defense for such material cannot otherwise be met without creating a significant dislocation of the normal distribution of such material in the civilian market to such a degree as to create appreciable hardship."

SEC. 4. Subsection (a) of section 301 of the Defense Production Act of 1950, as amended, is amended by striking out ", or in connection with or in contemplation of the termination," and by inserting before the period at the end thereof a comma and the following: "or for the purpose of financing any contractor, subcontractor, or other person in connection with or in contemplation of the termination, in the interest of the United States, of any contract made for the national defense; but no small-business concern (as defined in section 3 of the Small Business Act of 1953) shall be held ineligible for the issuance of such a guaranty by reason of alternative sources of supply."

SEC. 5. Subsection (b) of section 303 of the Defense Production Act of 1950, as amended, is amended by striking out "1962" and inserting in lieu thereof "1963."

SEC. 6. Section 303 of the Defense Production Act of 1950, as amended, is amended by adding at the end thereof a new subsection as follows:

"(f) Notwithstanding any other provision of law to the contrary, metals, minerals, and materials acquired pursuant to the provisions of this section which, in the judgment of the President, are excess to the needs of programs under this act, shall be transferred to the national stockpile established pursuant to the act of June 7, 1939, as amended (50 U. S. C. 98–98h), when the President deems such action to be in the public interest.

"Transfers made pursuant to this subsection shall be made without charge against or reimbursement from funds available under such act of June 7, 1939, as amended, except that costs incident to such transfer other than acquisition costs shall be paid or reimbursed from such funds, and the acquisition costs of such metals, minerals, and materials transferred shall be deemed to be net losses incurred by the tranferring agency and the notes payable issued to the Secretary of the Treasury representing the amounts thereof shall be canceled. Upon the cancellation of any such notes the aggregate amount of borrowing which may be outstanding at any one time under section 304 (b) of this act, as amended, shall be reduced in an amount equal to the amount of any notes so canceled."

SEC. 7. Subsection (c) of section 701 of the Defense Production Act of 1950, as amended, is amended to read as follows:

"(c) Whenever the President invokes the powers given him in this act to allocate any material in the civilian market, he shall do so in such a manner as to make available,

so far as practicable, for business and various segments thereof in the normal channel of distribution of such material, a fair share of the available civilian supply based, so far as practicable, on the share received by such business under normal conditions during a representative period following June 30, 1953, and having due regard to periodic changes in the current competitive position of established business: *Provided*, That the limitations and restrictions imposed on the production of specific items shall not exclude new concerns and newly acquired operations from a fair and reasonable share of total authorized production, and shall give due consideration to the needs of new concerns and newly acquired operations: *Provided further*, That if the President continues or reimposes allocation controls after June 30, 1953, in the civilian market of any materials subject to such controls on July 1, 1953, he shall do so in the manner above provided but on the basis of the share received by such business during a representative period preceding June 24, 1950, adjusted to reflect, since such date, attained competitive position, the requirements of new concerns and newly acquired operations."

Mr. MULTER. Mr. Chairman, I offer an amendment.

The amendment is as follows:

Amendment offered by Mr. MULTER: Page 25, line —, insert before the period the following: "and to study the nature and extent that economic controls may be needed during an emergency, no matter how caused, and to recommend to the appropriate legislative committees proposed legislation to be enacted in the event of such emergency."

Mr. WOLCOTT. Mr. Chairman, I reserve a point of order against the amendment.

Mr. MULTER. Mr. Chairman, under the Defense Production Act we set up a joint committee of members of both the House and Senate Committees on Banking and Currency. That committee is continued by the Defense Production Act as sought to be extended by this bill.

My amendment simply enlarges the functions so that they can study and make appropriate recommendations as to legislation that may be needed in the future if an emergency should come upon us requiring control legislation. In other words, I say let this committee study the problem now and be ready for the event when and if it happens.

Mr. Chairman, I urge the adoption of the amendment.

The CHAIRMAN. Does the gentleman from Michigan desire to be heard on the point of order?

Mr. WOLCOTT. I withdraw the point of order, Mr. Chairman.

Mr. Chairman, this is an amendment to section 12 of the bill which creates a joint committee on defense production. That is referred to as the watchdog committee. Now that was set up primarily, if not wholly, to watch the administration of this law, to determine if the intent of Congress was being followed. In 1947 we set up an informal group composed of Members of the House and the Senate committees to do that, and we met informally occasionally, and especially on one feature of rent control in which we felt that the administration had gone beyond the purview of the law. We got them to change their regulations. It was never intended that this be set up and staffed to the point where it was going to cost any money. As a matter of fact, it has been suggested at times that we would provide for the use of the staffs of the Senate and the House committee to operate as a staff on joint committee. But much to my surprise when we went into the matter this year we found that they had a staff with a large payroll. They had economists and they had clerks; they had a staff of six people which is probably not justified.

Now, the point is that if we enlarge the scope of the committee's jurisdiction so that it will constantly study the desirability of putting controls back on prices, wages, consumer credit, and everything else, they cannot stop at a small staff; they must enlarge that staff, they must have well-informed economists, they must go into the field of research, they must do all of these things that the Bureau of Labor Statistics, the Bureau of Agricultural Economics, that the President's Council of Economic Advisers, that the Joint Committee on the Economic Report take up and study constantly. Now the only justification that there might be for this is to enlarge the staff of this joint congressional Committee on Defense Production and make a few jobs for somebody. It is wholly unneeded. There are at least five agencies of the Government today that are making studies along the line suggested and to set up another one would not only be a duplication of effort, but would be a triplication of that effort in these fields.

Mr. Chairman, the amendment should be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The amendment was rejected.

Mr. WOLCOTT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WOLCOTT: On page 24, line 18, after "1953" strike out the remainder of line 18, all of line 19, and through *"Provided"* on line 20, and insert *"Provided, however*, That the President shall from time to time give effect to the then current competitive position of established business as measured over a reasonable period of time, except as the same may result from Government control under this or any other acts; *Provided further."*

Mr. WOLCOTT. Mr. Chairman, this language was put in the bill originally to protect the competitive enterprise system. We have been discussing it for some time, and amendments have been made, but the language I have suggested in this amendment has been approved by the segments of industry which are involved. The amendment merely means that when and if there are allocations of materials in civilian markets, they will be on the basis which will preserve the then competitive position which industry has, so that no industry in the allocation of materials for civilian goods will be given an advantage over any other.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The amendment was agreed to.

Mr. OAKMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OAKMAN: On page 25, after line 8, insert the following new section:

"SEC. 8. Subsection 702 (d) of the Defense Production Act of 1950, as amended, is amended to read as follows:

"(d) The term 'national defense' means the operations and activities of the Armed Forces, or the Atomic Energy Commission, or operations and activities of any other Government department or agency which the Department of Defense certifies as directly and substantially concerned with the national defense, or operations or activities in connection with the Mutual Defense Assistance Act of 1949, as amended."

Mr. OAKMAN. Mr. Chairman, my amendment is an important one if it is our intention to remove, to the fullest extent possible, unnecessary, costly, and useless controls. Section 3 of the committee bill authorizes the President to invoke sweeping materials controls to the extent deemed necessary and appropriate to promote the national defense. In dealing with controls on civilian goods section 3 likewise uses the term "national defense." National defense is currently defined in section 702 (d) of the Defense Production Act to mean "the operations and activities of the Armed Forces, the Atomic Energy Commission, or any other Government department or agency directly or indirectly and substantially concerned with the national defense, or operations or activities in connection with foreign economic or military assistance programs."

Mr. Chairman, it is the purpose of my amendment to provide that only those operations or activities which are directly concerned with the national defense qualify for priority or allocation assistance. I believe it to be necessary in order to prevent the grave mistakes of 1951 when many industries—and Government agencies—were able to convince the President that they were defense supporting and, accordingly, entitled to a prior claim on materials before there was any distribution of the balance to other civilian manufacturers. As a direct result of the increasing demands of a certain few civilian industries for such priority treatment, it became necessary to burden the entire economy with the controlled materials plan. The country, therefore, had governmental regulation of all production at a time when it was absolutely unnecessary.

If this bill is passed in its present form, innumerable Government agencies and many industries could apply intense pressure and advance reasons showing why they are indirectly connected with the defense effort and, therefore, authorized to preempt a part of the national supply of materials at the expense of the civilian economy, although, in fact, such connection might be very remote and vague indeed. The Defense Production Act is, by its very nature, emergency controls legislation and should not be used as a vehicle for Government controls on civilian production beyond the point considered to be vital to assure an adequate supply of materials for military production.

There can be no valid objection to according to a railroad or public utility

preferential treatment in the allocation of materials as to specific projects which are part and parcel of military or atomic energy programs such as a railroad facility or power plant directly related to a specific military or atomic-energy project. However, there are no valid reasons why power, railroad transportation, oil drilling projects, and so forth, which are intended solely to add net to the Nation's capacity should receive any consideration in the allocation of materials not accorded all other claimants in the economy.

I am advised that the regulations already issued by the Administrator in contemplation of the renewal of the priority and allocation provisions of the Defense Production Act contemplate a sharp restriction on the right of these claimants to preferential consideration in the matter of priorities and allocations. I believe the statute should coincide with this policy of the administration.

You will note on page 14 of the committee print of the bill—at lines 11 through 16—the Senate, recognizing this dangerous deficit, redefined "national defense" so as to restrict the use of priority and allocation controls.

It is my understanding that this Senate amendment was rejected because of a fear that it is too restrictive, and that certain valid direct programs of the armed services, Atomic Energy Commission, and other departments might not qualify. To allay these fears, you will note that my amendment is based on the definition as it currently appears in the act, but with the elimination of indirect operations and activities. I have also provided that any direct programs of departments other than the Armed Forces or the Atomic Energy Commission could qualify to the extent they are certified by the Department of Defense. Certainly it makes sense to require that one central agency determine those operations and activities which are directly and substantially concerned with the defense program.

It is my hope, Mr. Chairman, that this amendment will be accepted in order, as I have said, to avoid to the greatest extent possible needless, unnecessary, and costly controls.

Mr. BOLLING. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the committee in its consideration of this bill gave considerable time and effort to the subject matter that is affected by this amendment.

There came from the Banking and Currency Committee of the other body language which was somewhat broader than that which is in the existing act, but by amendment on the floor of the other body more restrictive language than that in the act was put in. During the consideration of the matter before the House Committee on Banking and Currency a more liberal version was offered, but was defeated, and there was substituted the compromise position of the present act.

It is impossible in a matter as technical as this to be quite clear on such short notice of the effect of this proposed amendment. It seems to me that since the conference of the two bodies would be in the best position to work out the differences between the very restrictive language contained in the Senate bill as passed, and the language of the present law, it would be best for the House to defeat this amendment. If this is done the conferees will be in a position to arrive at language which will not in any way affect adversely the defense program. Therefore, I urge that this amendment be voted down so that the conferees may adjust this problem with all the facts before them.

The CHAIRMAN. The question is on the amendment.

The question was taken, and (the Chair being in doubt) the Committee divided and there were—ayes 46, noes 45.

So the amendment was agreed to.

Mr. WOLCOTT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WOLCOTT: Page 25, after line 8, insert a new section reading as follows:

"Subsection (e) of section 705 of the Defense Production Act of 1950 as amended is hereby amended by adding at the end thereof the following paragraph:

"'All information obtained by the Office of Price Stabilization under this section 705 as amended and not made public prior to April 30, 1953, shall be deemed confidential and shall not be published or disclosed either to the public or to another Federal agency except the Department of Justice, unless the President determines that the withholding thereof is contrary to the interest of national defense, and any person willfully violating this provision shall upon conviction be fined not more than $10,000 or imprisoned for not more than 1 year, or both'."

Mr. WOLCOTT. Mr. Chairman, the provision to which this amendment applies provides for the obtaining of information, and if the informant requests that the information be confidential, then it shall be treated as confidential. This merely broadens that because of a situation which might develop at the expiration of the law wherein there might be an interpretation placed upon this in such manner as to relieve this information of its confidential character; so this amendment merely provides that the matter which has been submitted under this provision to the Department shall be considered confidential and shall not be released unless the President feels that it is necessary to national defense. It does not, however, interfere with the release of the information to the Department of Justice.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The amendment was agreed to.

The Clerk read as follows:

Sec. 8. Subsection (a) of section 717 of the Defense Production Act of 1950, as amended, is amended to read as follows:

"(a) Titles I, III, and VII (except sec. 714) of this act, and all authority conferred thereunder, shall terminate at the close of June 30, 1954. Title II, title VI, and section 714 of this act, and all authority conferred thereunder, shall terminate at the close of June 30, 1953. Titles IV and V of this act, and all authority conferred thereunder, shall terminate at the close of April 30, 1953."

Mr. MULTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MULTER: Page 25, line 12, after "Title I", insert "except section 104."

DELETE SECTION 104

Mr. MULTER. Mr. Chairman, I believe there will be little or no opposition to this amendment because of recent developments in connection with the subject matter. Frankly, I am not too much concerned with what reason you may assign for deleting section 104 from the Defense Production Act; I am concerned with the result. You will probably recall that when section 104 was written into the act various departments in the executive branch, particularly the State Department, voiced serious objection to including section 104 in the bill and they indicated it would strain our relations with friendly nations and with our allies. Just as they predicted, it has had that very unfortunate result. Those of you who insisted on writing section 104 into the act originally now know that you can eliminate that section without the dire consequences you were afraid would ensue if you left it out of the act.

Section 104 has proved to be a mistake, a bad mistake. It has strained our relations with our friends and our allies; it has disheartened them in their efforts to make their own way and to do without extraordinary aid from this country; it has given the Kremlin a propaganda theme, which is a weapon just as powerful as a division of soldiers or a battalion of tanks; and it has contributed to the reduction in American sales of agricultural products abroad. In short, section 104 has hurt the interests of the American people as a whole and has even hurt some of the people it was supposed to benefit, namely, the American farmer.

Some of this injury is irrevocable; but some of it can be reduced if now we are firm in our decision not to continue section 104 on the statute books.

In urging against extension of section 104, I do not suggest that the United States should be powerless to restrict imports of agricultural products when there is a good and sufficient reason for doing so. As a matter of fact, without section 104 we will still have section 22 of the Agricultural Adjustment Act in effect. And that act provides a basis on which to strike the right balance between imports and domestic production, not only on dairy products and the other products named in section 104, but on all agricultural products on which we have agricultural programs.

There is a world of difference between the approach contained in section 104 of the Defense Production Act and the approach contained in section 22 of the Agriculture Act. Section 104 requires the United States to restrict imports whenever imports interfere with the existing level of production, or whenever they interfere with some higher level of production which the Secretary of Agriculture is free to set, or whenever they interfere with the orderly storage or marketing of the products involved, or

whenever they add to the cost of a price-support program. In practice, section 104 is a mandate to the Secretary of Agriculture to restrict the imports of practically every product subject to it; the requirements of the section are so broad that this is the only course the Secretary can safely follow if he wants to avoid criticism.

Section 104 differs from section 22 in a basic respect. Under section 104, the Secretary of Agriculture is prosecutor, jury, and judge in deciding whether imports of agricultural products should be restricted in our American interests. Now, I have the greatest respect for the ability and integrity of the Department of Agriculture. But I also know that the Secretary of Agriculture is constantly being subjected to intolerable pressures from one segment of agriculture or another to take measures to give that sector added protection. Sometimes those pressures are justified and sometimes they are not. In any case, it is asking too much of the Secretary of Agriculture to remain completely objective in the process of sorting out the justified from the unjustified pressures, particularly when he is administering a provision of law as broad as section 104. Section 22, on the other hand, sets up a process under which the need for import restrictions is determined by a fact-finding agency established by the Congress, namely the Tariff Commission, and by the President. This strikes me as a far more sensible and effective method of government, particularly when what is at stake is interests which go well beyond those of any one segment of agriculture.

There is another difference between section 104 and section 22. Section 104 permits the Secretary of Agriculture to impose any level of restriction he sees fit, without regard for the interests of the American consumer, the American exporter, the American taxpayer and others who are injured by import restrictions. Section 22, on the other hand, puts some limitations on the power of the Executive to restrict imports. Such imports may be limited either by the imposition of a 50 percent fee or by quantitative restrictions which cut imports to half their level in a previous representative period, but they cannot be completely embargoed.

One final distinction between section 104 an l section 22 is worth noting. Section 104 establishes extreme criteria for restrictions of imports and violates agreements which the United States has solemnly made with other countries. As a result, we have had retaliation by other countries, such as the retaliation which the Netherlands imposed when it cut back its imports of wheat flour from the United States by 15,000 tons, and we will have to expect other such actions if we extend section 104. Section 22, on the other hand, operates on a principle that other countries can understand. It is not unreasonable to use import controls to avoid a situation in which the United States would be supporting the world price as a result of a domestic support program attracting imports to this country. Other countries do not expect us to assume that burden. If we tie our restrictions to avoidance of this situation, the risk of retaliation and resulting injury to American exports will be very much reduced. Given the overwhelming balance of advantage to American agriculture of maintaining export markets for $4 billion worth of goods a year, anything we can do to retain foreign markets on a basis of fair competition is certainly in our interest to do.

I would like to call attention to the countries which have protested the import controls on dairy products under section 104, and to the agricultural commodities on which these countries have granted concessions to the United States in trade agreements. Section 104 jeopardizes continuation of these and other concessions we have received; it cuts back the purchasing power of the countries which gave those concessions; it hurts the American farmer and, by undermining farm prosperity, it weakens the whole structure of our domestic economy.

The following countries have protested import controls imposed on the daily products under section 104. The selected agriculture commodities on which they have granted concessions to the United States in trade agreements are stated after the name of each country:

Argentina: Tobacco, fresh and dried fruits, naval stores.

Australia: Cotton, tobacco, naval stores.

Canada: Cotton, wheat flour, tobacco, rice, naval stores, soybeans.

Denmark: Cotton, tobacco, fresh and dried fruits.

Finland: Cotton, tobacco, hog lard, soybeans.

France: Cotton, tobacco, rice, oil cake, soybeans.

Italy: Cotton, wheat, tobacco, hog lard, soybean oil.

Netherlands: Cotton, wheat and wheat flour, tobacco, rice, cottonseed oil.

New Zealand: Tobacco, dried fruits, naval stores.

Norway: Cotton, wheat flour, tobacco.

Sweden: Cotton, rice, naval stores.

Switzerland: Cotton, wheat, rice, hog lard, fresh fruits.

I think Secretary of Agriculture Benson has indicated that section 22 of the Agricultural Act can be used for the purposes that section 104 was enacted to cover.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. I would like to ask my esteemed and distinguished colleague from Brooklyn if he can amplify that statement of his and tell me just exactly how section 104 has hurt the American farmer?

Mr. MULTER. It has hurt the American farmer in that it has destroyed his markets abroad. There are exactly 12 different countries that have entered into trade agreements with us which run counter to section 104. When section 104 was written into the act we caused injury to the American farmer who was exporting his products to those countries.

Mr. SMITH of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Mississippi.

Mr. SMITH of Mississippi. In relation to the question propounded by the gentleman from Ohio, I would like to point out that a great many American farmers, a great majority of the American farmers, the producers of cotton, wheat, tobacco and rice, who make up if you want to count noses the great majority of the American farmers, all agree that section 104 has worked to their disadvantage. It has actually cost them export markets that are vital to a living price for their products and a continuation of this section would work further jeopardy to the development of export markets for their products. I think those of us who want to follow the excellent effort that the new Secretary of Agriculture, Mr. Benson, is putting forth in an attempt to solve some of our farm surplus problems, by developing export markets will be accepting fine leadership if we go along with his idea of using section 22 instead of trying to take this fallacious protection that is offered in section 104 for the American farmer.

Mr. MULTER. The gentleman agrees that section 104 should be deleted from this act?

Mr. SMITH of Mississippi. Yes.

Mr. DEANE. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from North Carolina.

Mr. DEANE. I hold in my hand a telegram from Mr. R. Flake Shaw, executive vice president, North Carolina Farm Bureau Federation, as of today, in which he states:

> Tariff Commission demonstrates capacity to deal with questionable imports. See no need to continue section 104 of Defense Production Act.

Mr. MULTER. I thank the gentleman.

Mr. HAYS of Ohio. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, as I see it, the amendment offered by the gentleman from Brooklyn will probably be adopted, in view of the President's action on yesterday or today, or, at least, as reported in the papers of today. I would like to point out to the gentleman from Mississippi and the distinguished gentleman from Brooklyn that as far as hurting the American farmer is concerned he is not going to be hurt or helped too much by anything we do in connection with the Defense Production Act. You know there are a lot of slogans going around, not the least of which is "trade—not aid."

Sometimes I think they ought to turn that slogan around and say "aid—not trade."

I want to tell you what you are doing with this farm situation on dairy products and other products when you allow unlimited amounts to come in from foreign countries, and it is very simple. I doubt, however, that very many people realize what happens. In the first place, you have a law passed by the Congress which says that the Secretary of Agriculture shall—it does not say "may"—it says he shall support certain basic commodities at 90 percent of parity. Now, certain other farmers depend on those basic commodities, and, if they are supported at 90 percent of parity, they must have a similar support price for their products or go out of business. So

every time you let a million pounds of butter come in from abroad you are telling Mr. Benson to buy a million pounds of domestic butter at 67½ cents and put it in storage, where it is going to spoil. That is how simple the thing comes out. When the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN], who is an authority on farm problems, was testifying before our committee, I believe he admitted that that is about the sum and substance of it. Now, I do not care whether you call it trade or whether you call it aid. It all amounts to the same thing; the American taxpayer is paying the bill. You either tell them that we will tax you so much to keep your friends out of bankruptcy, keep them solvent—we are going to give it to them—or we will let them sell their products over here and we will buy the same amount of American products and put them in storage and let them spoil.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield.

Mr. GROSS. Is it not rather strange for a representative of the deep South to speak in favor of free trade, in view of the cotton, tobacco, and other products they produce?

Mr. HAYS of Ohio. No; it is not strange. I think the gentleman from Mississippi is doing a good job for his constituents. He comes from a cotton-producing district and he wants to sell his cotton; and if it hurts the dairy farmer in Minnesota, that is too bad; but he is looking out for his cotton market.

Mr. GROSS. But we are not importing very much cotton and tobacco in this country, are we?

Mr. HAYS of Ohio. No; we are not, because they have laws to prevent its importation; in fact they have laws that you cannot even sell the seed abroad so that you can grow cotton to compete with them.

Mr. GOLDEN. Mr. Chairman, if the gentleman will yield I wish to identify myself with the argument that the gentleman has just made, and in further comment, if we do not have the protection of section 104, we are going to support the price of commodities all over the world wherever they have a surplus, which commodities will come in here and be dumped on our market and the taxpayers will have to pay the bill.

Mr. HAYS of Ohio. The gentleman is absolutely right and I thank him for his comment. It means that this act that we pass will set a mandatory parity price for products all over the world, exactly what the gentleman says.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield.

Mr. BROWN of Georgia. I voted to retain section 104, and I am still for it. There is need for it.

Mr. HAYS of Ohio. This is not going to be very palatable to some people, but significantly in the statement of the President, the proclamation setting certain quotas, tung oil was left out altogether. Now, tung oil in significant quantities only comes from one place besides the deep South and that is Communist China.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

(Mr. HAYS of Ohio asked and was given permission to proceed for 2 additional minutes.)

Mr. HAYS of Ohio. Mr. Chairman, I want to make a prediction right here and now. I want to say, to clarify it, that I was no great admirer of the previous Secretary of State and I am not so sure I am a very fervent follower of the present one, but I want to predict that the omission of tung oil was significant, and if the State Department thinks this Congress will take it without gagging, they will be in here within a year wanting us to admit Communist China into the United Nations. Now see whether I am a good prophet or not, but that is what is going to happen, and the only way they can be kept out is for us to have the courage to say "No."

Let me say this: I believe in the United Nations and I believe in world cooperation and I believe in world organization to try to procure peace, but I do not believe in cooperation at any price, and I do not think you can do business with the Communists in the United Nations, out of it, or any place else. Mr. Dulles apparently is going to have to learn it the hard way. That is human nature, because nobody ever profits by the experience of anybody else. But I kind of think the Congress will have it in its power to teach him the hard way if that is the way he wants it.

Mr. JAVITS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we have had this argument about section 104 up before. I think that those of us who represent the big cities have a duty here as deep and profound as those who represent the farm districts. It is a duty I have tried to sustain, but I believe on the whole, however, it has not been sustained here. That is the duty to speak the interest of the consumer on the House floor.

The consumer is one of America's forgotten men, yet it is an extremely serious problem to the big-city people.

The difficulty with section 104 in brief is this: It is true that the price of dairy products is under price support. As a matter of fact, the Advisory Committee on dairy interests has already recommended that we go to a flexible farm price policy. These are dairy farmers speaking, because dairy farmers themselves see the danger of the regimentation of their own field of activity if they keep these high fixed farm-price supports, with 165 million pounds of butter under price support in storage today and likely to spoil unless we give it away, and with the price of butter way out of line in competition with margarine, and more and more piling up every day, because no one has the courage to stay, "Stop, let the American people use this butter at reasonable prices, which they will pay."

The difficulty with the argument in favor of section 104 is that this way the consumer is being made to pay both ways. First, foreign competition is cut out, hence it has no impact upon price and makes for higher prices of butter and cheese and other items, and second, he is paying in taxes for a high fixed farm-price support program.

If section 104 is stricken, and as I understand, it was the view of the administration it should be stricken, at least our attention would be fixed singly upon what the farm parity price program is doing in connection with butter, and so forth, which is in a fair way to become a repetition of the great potato scandal. So I am all for striking this section. Let us see what is being done with respect to dairy products as far as the American market is concerned, and not saddle the consumer, who is also a taxpayer, with both costs of high prices and taxes to maintain high-price supports. Therefore, I think this amendment is entirely right.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. The gentleman has mentioned the action taken by a dairy group with the advice of the Secretary. Maybe the gentleman has advance information on what that dairy group will recommend. He states they recommended the flexible-price system for supports.

Mr. JAVITS. As I understand, an advisory group of dairy interests working with the Secretary of Agriculture has recommended—he does not have to take the recommendation; the gentleman can oppose it—a return to the flexible-price support system.

Mr. AUGUST H. ANDRESEN. I do not think they have recommended anything yet, otherwise I would know about it.

Mr. JAVITS. I just read the release this morning. If the gentleman will permit me, I will put it in the RECORD so that it is part of my remarks. It is offered at this point pursuant to permission obtained in the House:

UNITED STATES DEPARTMENT OF AGRICULTURE, OFFICE OF THE SECRETARY,
Washington, May 13, 1953.

DAIRY GROUP RECOMMENDS RETURN TO FLEXIBLE PRICE SUPPORTS

Recommending a return as soon as possible to the principle of flexible price-support provisions as contained in the Agricultural Act of 1949, a special dairy producer-industry task group, meeting in Washington Monday and Tuesday, submitted to Secretary of Agriculture Ezra Taft Benson a broad plan for attacking current dairy problems, including strong representations to the dairy industry to support June dairy month with expanded sales and promotion programs.

The 20-man group developed their program from suggestions made by 6 subcommittees of the general dairy industry advisory conference that met in Washington early in April. The group in analyzing suggestions of the larger conference advised the Secretary that a return to flexible price supports for all agricultural commodities at the end of the current marketing year is highly desirable. They requested that the Secretary consult with other advisory committees, especially those on the basic commodities, to obtain their support for flexible price supports.

In pointing to self-help in the immediate period, the group urged the industry to make every effort to support the merchandising and sales programs of the American Dairy Association and the National Dairy Council. They asked for a full sales-promotion program during June, the dairy month. The group believed that much could be done to expand the use of dairy products during the flush production season if all

elements of industry would support the move.

The group also asked that governmental agencies, such as the Bureau of Human Nutrition and Home Economics, Extension Service, the Production and Marketing Administration, and State educational agencies combine their forces with industry in this effort.

In looking for additional outlets for present stocks of dairy products, the group recommended that the USDA examine methods of using these stocks to increase consumption of dairy products in the many undernourished areas of the world. At the same time, they requested study of various plans for moving surplus stocks into American consumer channels. The committee asked to be reconvened about August 1 when the seasonal peak of dairy production would be past and the size of the stocks from this year's production would be known. They believed this would be the appropriate time to consider these additional measures.

Asking for the appointment of a technical committee, the group requested a review of the Federal milk marketing order and agreement program. Attacking the problem of dairy imitations, the group requested the Secretary of Agriculture to urge appropriate State and Federal agencies to effectively enforce the regulation of imitation dairy products to prevent misrepresentation and adulteration which in some sections of the country is reducing the sale of dairy products.

The Secretary commended the dairy industry for the vigorous and realistic manner by which it is attacking its problems. The encouraging progress made thus far is in line with the challenge presented to the industry by Secretary Benson in an address before the annual meeting of the American Dairy Association in Chicago, March 23, 1953.

Mr. AUGUST H. ANDRESEN. I would be glad to have the gentleman do that.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. HAYS of Ohio. May I say to the gentleman that I share his concern for the consumer. I think he has a real point there. But may I point out further, just to clarify this argument a little bit about the problem of milk, that the average price the farmer in Ohio today is getting for milk is 7½ to 8½ cents a quart. The consumer is paying from 20 cents on up. I think where the consumer is getting hit squarely between the eyes is after the milk leaves the farm and before it gets to his doorstep.

Mr. JAVITS. All I contend for in respect to this argument is, let us fix our eye on the main point. That is the farm-price-support program but our view is distorted by the fact that foreign competition on price as far as the consumer is concerned is barred by this section. Therefore, this section ought to be stricken.

Mr. COLMER. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Mississippi.

Mr. COLMER. The gentleman expressed concern for the taxpayer and the consumer. May I ask the gentleman how he reconciles that concern with his desire to see section 104 repealed? Is it not much better from the point of view of the taxpayer and the consumer that these floods of importations of products be stopped, rather than for the taxpayers to have to pay under the support price when the Commodity Credit Corporation takes over, as the gentleman pointed out in the case of butter?

Mr. JAVITS. No; I think in the interest of a constructive economy it is wise to fix our eye on the main point and see exactly what this price-support program in butter is doing, instead of getting an additional support through the indirect tax which is placed on the consumer by the fact that foreign imports do not compete with domestic dairy products. I think, therefore, it is very much in the consumers' interest to strike this section.

Mr. COLMER. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, unfortunately, the House of Representatives, composing Members representing various segments and groups of people, is often inclined to look at pending legislation through glasses that are colored by their own selfish interests. I wish that were not true. But I suspect that as long as human nature continues to be what it is that will be true.

We have a situation here, it seems to me, on this pending amendment, that is a very simple one. That is whether under this price-support program the Government is going to be called upon to subsidize, to store, and, in many instances, to waste surplus products; or whether it is going to control the dumping of competing products from other countries. It seems to me that it is just that simple.

I regretted a moment ago that my distinguished colleague and personal friend from my State, who represents another section of the State and therefore possibly another industry, saw fit to make some rather bold statements about the effect upon cotton and wheat, and so on—particularly cotton—as a result of section 104. I think that statement possibly could have been considered a little more fully before it was made, and certainly is open to debate.

My friend from New York [Mr. MULTER], who offered this amendment and the other gentleman from New York [Mr. JAVITS], who supports the amendment, are not in position, considering their background, to be telling the farmers of this country what is for their good and what is not for their good. Of course, again the human element enters into it.

I represent a section that produces a commodity that is grown in a very restricted area, that has been threatened and is threatened with destruction because certain importers from the districts represented by the two gentlemen from New York are importing Chinese tung oil and Argentine tung oil into this country and flooding the market and destroying the little industry down in my district. So it all depends upon whose ox is gored, as to what happens.

I understand that there is some movement on foot, or at least some lack of enthusiasm on the part of some who were strongest for section 104 in this bill until they thought perhaps they had been taken care of by another matter. They have lost some of their enthusiasm.

I want to say that I appreciate the remarks that were made by the distinguished gentleman from Ohio [Mr. HAYS] with reference to the tung commodity that I was speaking of a moment ago. They were very true. This little industry was not taken care of by the Tariff Commission and, as he well pointed out and as I pointed out to the last three Secretaries of Agriculture, and to the Congress on previous occasions, some day you are going to be dependent again upon the Communists for tung oil. It is protected now under this amendment. I hope the Committee of the Whole will see fit to go along with the legislative committee recommending this bill.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I move to strike out the last four words.

Mr. Chairman, the amendment offered by the gentleman from New York [Mr. MULTER], as I understand it, does not accomplish what he is trying to do. It is only a partial amendment. When his amendment has been voted on, I shall offer another amendment to strike out section 104, and I do so because of a proclamation issued by the President establishing import controls under section 22 that are satisfactory and just as good as we could get under section 104. That is permanent law and regulation, whereas section 104 has just been put in this bill by the committee for another year.

I feel that I owe an explanation to the House as to why I am advocating the repeal of section 104. I was the author of section 104 in 1951 when the then Secretary of Agriculture and the then President threatened to remove all import controls on dairy products. They refused to use section 22 or any other provision of law to restrict imports of dairy products and fats and oils at a time when our Government was supporting the price of domestically produced products at 90 percent of parity. I offered that amendment in 1951 and the Congress approved it. That expired on June 30 of last year. I reoffered it; it was approved with certain modifications and was enacted again.

Section 104 expires on June 30 of this year. It is necessary to have some form of effective import controls properly administered in order to protect our domestic producers, to protect the price-support program so that the support program intended to provide a floor under domestic production will not become a floor for world production.

I helped write section 22 in the Committee on Agriculture. That was written for a purpose: To protect domestic producers from unnecessary and unlimited imports of all types of farm products.

The Eisenhower administration has recommended that section 22 be used in lieu of section 104. During the month of April the President wrote a letter to the Tariff Commission requesting that the Tariff Commission begin an immediate study with respect to the commodities listed in section 104 which take in dairy commodities, fats, and oils, and certain other commodities, stating that it would be necessary for the Tariff Commission to hold hearings and make

a prompt recommendation in the event that section 104 expired on June 30 of this year.

The Tariff Commission held hearings and made certain recommendations to the President a few days ago. Late yesterday afternoon the President issued his proclamation placing import controls in section 104 on dairy products and peanuts, on linseed oil and flaxseed.

I have carefully examined the import quotas established by the President in his proclamation, which I am showing below. I have discussed these quotas with representatives of all branches of the dairy industry, who have all approved of the President's action. The import quotas announced by the President is a distinct victory for dairy producers and the whole industry. Without question, the militant fight by the dairy industry for the continuance of section 104 had a great deal to do with the favorable decision of the Tariff Commission and the President. While the dairy industry will seek to secure amendments to section 22, under which the President acted, to authorize greater power to further limit or embargo dairy imports, it is now felt that the President's proclamation should stand as permanent legislation instead of relying on section 104 which the committee has reported for a 1-year extension. I have therefore offered my amendment to strike section 104 from the bill.

I appeared before the Banking and Currency Committee, urging the adoption of section 104 some days ago. A large majority of the committee membership included this section in the bill before us. That was before the issuance of the President's proclamation of yesterday. I have now had an opportunity to carefully examine the import quotas announced by the President, and I am convinced that it would be a mistake to insist on the enactment of section 104. If section 104 is stricken from the bill, the President's proclamation will go into operation on June 30, 1953, when section 104 expires.

PRESIDENTIAL PROCLAMATION IMPOSING QUOTAS OR FEES ON IMPORTS OF CERTAIN DAIRY AND OTHER PRODUCTS

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA: A PROCLAMATION

Whereas pursuant to section 22 of the Agricultural Adjustment Act, as added by section 31 of the act of August 24, 1935 (49 Stat. 773), reenacted by section 1 of the act of June 3, 1937 (50 Stat. 246), and as amended by section 3 of the act of July 3, 1948 (62 Stat. 1248), section 3 of the act of June 28, 1950 (64 Stat. 261), and section 8 (b) of the act of June 16, 1951, Public Law 50, 82d Congress (7 U. S. C. 624), the Secretary of Agriculture advised me that he has reason to believe that upon the expiration of section 104 of the Defense Production Act of 1950, as amended, the products included in the lists appended to and made a part of this proclamation are practically certain to be imported into the United States under such conditions and in such quantities so as to render or tend to render ineffective, or materially interfere with, programs undertaken by the Department of Agriculture with respect to certain of such articles or with respect to products from which certain of such articles are processed, or to reduce substantially the amount of one or more of such articles processed in the United States from agricultural commodities with respect to which a program of the Department of Agriculture is being undertaken;

Whereas having agreed with the Secretary of Agriculture's reason for such belief, I caused the United States Tariff Commission to make an investigation under the said section 22 with respect to the said articles;

Whereas the said Tariff Commission has made such an investigation and has reported to me its findings and recommendations made in connection therewith;

Whereas, on the basis of the said investigation and report of the Tariff Commission, I find that in the event section 104 of the Defense Production Act of 1950, as amended, expires under its present terms, the articles included in the lists appended to and made a part of this proclamation are practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, programs or operations undertaken by the Department of Agriculture or agencies operating under its direction, pursuant to sections 101, 201, 301, and 401 of the Agricultural Act of 1949, as amended, and part VI of title III of the Agricultural Adjustment Act of 1938, as amended, with respect to certain of such articles or with respect to products from which certain of such articles are processed, or to reduce substantially the amount of certain of such articles processed in the United States from agricultural commodities with respect to which the said programs or operations of the United States Department of Agriculture are being undertaken; and

Whereas I find and declare that in the event section 104 of the Defense Production Act of 1950, as amended, expires under its present terms, the imposition of the fees and quantitative limitations hereinafter proclaimed is shown by such investigation of the Tariff Commission to be necessary in order that the entry, or withdrawal from warehouse, for consumption of such articles will not render or tend to render ineffective, or materially interfere with, the said programs or operations, or reduce substantially the amount of products processed in the United States from agricultural commodities with respect to which certain of the said programs or operations are being undertaken:

Now, therefore, I, Dwight D. Eisenhower, President of the United States of America, acting under and by virtue of the authority vested in me by the said section 22 of the Agricultural Adjustment Act, as amended, do hereby proclaim that on and after July 1, 1953, articles included in the lists appended to and hereby made a part of this proclamation shall be subject to quantitative limitations and fees, as follows:

1. Articles included in lists I and II (except peanuts) shall be permitted to be entered only by or for the account of a person or firm to whom a license has been issued by or under the authority of the Secretary of Agriculture, and only in accordance with the terms of such license. Such licenses shall be issued under regulations of the Secretary of Agricuture which he determines will, to the fullest extent practicable, result in (1) the equitable distribution of the respective quotas for such articles among importers or users, and (2) the allocation of shares of the respective quotas for such articles among supplying countries, based upon the proportion supplied by such countries during previous representative periods, taking due account of any special factors which may have affected or may be affecting the trade in the articles concerned. No licenses shall be issued which will permit any such articles to be entered during any 12-month period beginning July 1 in excess of the respective quantities specified for such articles in lists I and II and, in the case of articles included in list II, during the first 4 months and the first 8 months of any such 12-month period in excess of one-third and two-thirds, respectively, of such specified quantities.

2. No peanuts included in list II shall be entered during any 12-month period beginning July 1 in excess of the quantity specified for such peanuts in the said list II.

3. Articles included in list III shall, when entered, be subject to the fees respectively specified therefor in the said list III.

I hereby determine that the periods specified in the said report of the Tariff Commission for the purpose of the first proviso to section 22 (b) of the Agricultural Adjustment Act, as amended, are representative periods for such purpose.

The provisions of this proclamation shall not apply to articles imported by or for the account of any department or agency of the Government of the United States.

As used in this proclamation, the word "entered" means "entered, or withdrawn from warehouse, for consumption."

This proclamation shall be without force and effect if section 104 of the Defense Production Act of 1950, as amended, is extended beyond June 30, 1953.

In witness whereof, I have hereunto set my hand and caused the seal of the United States of America to be affixed.

Done at the city of Washington this 8th day of June in the year of our Lord 1953, and of the United States of America the 177th.

By the President:

———— ————.

———— ————.

Secretary of State.

LIST I

ARTICLE AND QUANTITY

	Pounds
Butter	707,000
Dried whole milk	7,000
Dried buttermilk	496,000
Dried cream	500
Dried skimmed milk	1,807,000
Malted milk, and compounds or mixtures of or substitutes for milk or cream (aggregate quantity)	6,000

LIST II

ARTICLE AND QUANTITY

	Pounds
Cheddar cheese, and cheese and substitutes for cheese containing, or processed from, Cheddar cheese (aggregate quantity)	2,780,100
Edam and Gouda cheese (aggregate quantity)	4,600,200
Blue-mold (except Stilton) cheese, and cheese and substitutes for cheese containing, or processed from, blue-mold cheese (aggregate quantity)	4,167,000
Italian-type cheeses, made from cow's milk, in original loaves (Romano made from cow's milk, Reggiano, Parmesano, Provoloni, Provolette, and Sbrinz) (aggregate quantity)	9,200,100
Peanuts, whether shelled, not shelled, blanched, salted, prepared, or preserved (including roasted peanuts, but not including peanut butter) (aggregate quantity): *Provided*, That peanuts in the shell shall be charged against this quota on the basis of 75 pounds for each 100 pounds of peanuts in the shell	1,709,000

LIST III

ARTICLE AND FEE

Peanut oil: 25 percent ad valorem on peanut oil entered, or withdrawn from warehouse, for consumption during any 12-month period beginning July 1 in excess of 80 million pounds.

Flaxseed (except flaxseed approved for planting pursuant to the Federal Seed Act): 50 percent ad valorem.

Linseed oil, and combinations and mixtures in chief value of such oil: 50 percent ad valorem.

The gentleman from Mississippi [Mr. COLMER] mentioned tung oil, and stated that it was excluded from the President's finding. I want to say to the gentleman from Mississippi that I think he does me an injustice when he says that I was not interested in including tung oil. He indicated that those of us who were so-called deserting section 104 were not thinking about this little industry down in Mississippi, the tung oil industry. I will say to him, and I am sure he will admit, that the tung oil industry never had a better friend than the gentleman from Minnesota who is now addressing you. He did all he could to secure import quotas for tung oil and bring tung oil under the price-support program and give it protection.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

(Mr. AUGUST H. ANDRESEN asked and was given permission to proceed for 3 additional minutes.)

Mr. AUGUST H. ANDRESEN. Tung oil was not included in the President's proclamation but it still is under the support program with a minimum support price of 26½ cents a pound whereas the market price today in New York is 28 cents a pound. The Government has under loan four and a quarter million pounds of tung oil. We need more than a hundred million pounds of tung oil in the United States, and we do not produce more than 40 million pounds.

I am for protecting every industry, whether it be connected with agriculture or manufacturing in these United States from cheap foreign competition. I stand on that. And today when I recommend the repeal of section 104, which I will do in an amendment that I will propose, I do so because of the way the President of the United States and the Tariff Commission has handled this matter of placing dairy and other products under permanent import controls.

It shows that the President of the United States understands something about the problems of the dairy industry. The President has signed a proclamation that is satisfactory and acceptable to the dairy groups of this country. I have conferred with them. They agree with me that we should accept the proclamation by the President which limits import controls on dairy products, on peanuts, on flaxseed, and linseed oil. I also agree that that is the best thing to do.

Mr. MERRILL. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Indiana.

Mr. MERRILL. As I understand it, sir, this power to regulate imports in order to protect the farm industry could have been exercised at any time in the past since enactment of section 22 of the Agricultural Adjustment Act?

Mr. AUGUST H. ANDRESEN. Yes. That was passed originally in 1935 and only six times—this is the seventh time—has that section 22 been used. Knowing something about section 22 as I helped to draft it, I feel it can be made effective, but it needs amendment which I hope we will consider in connection with permanent farm legislation or in connection with any other bill to which it can be attached.

Mr. MERRILL. Will the gentleman say this is certainly a demonstration of what effective administration under the Eisenhower leadership can do in protecting the farm situation?

Mr. AUGUST H. ANDRESEN. Yes. I certainly congratulate the President for his insight into the problems of the greatest industry in agriculture, the dairy industry, and I admire him for what he has done. He has approved a program that is going to help the dairy industry just as much as if section 104 is continued.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

(By unanimous consent, Mr. AUGUST H. ANDRESEN was allowed to proceed for 5 additional minutes.)

Mr. TALLE. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Iowa.

Mr. TALLE. As the gentleman knows, I worked pretty diligently for section 104. I take this time in order that I might clarify a few things.

In the first place, I am certain that the gentleman from Minnesota, as the author of section 22 of the Agricultural Adjustment Act, has been very much disappointed in the lack of enforcement of that section of the law.

Mr. AUGUST H. ANDRESEN. That is correct. I tried to get Secretary Brannan to put section 22 in operation in 1951. He refused to do so, and he was concurred in by the then President, Mr. Truman, who refused also to take any action whatever except to permit the unlimited importation of dairy products, fats, oils, peanuts, and the other commodities covered in section 104. Let me say at this point that the gentleman from Iowa [Mr. TALLE] has rendered outstanding service for the dairy industry of this country for his brilliant work in his committee and on the floor. He is a true advocate of realistic legislation.

Mr. TALLE. On that point there are some significant statements on pages 105 and 107 of the hearings on the bill before us and I think if the Members will look at those two pages they will get the gist of the matter relating to lack of enforcement.

I come now to my second point. It was necessary then to enact into law section 104 in order to get done what the gentleman from Minnesota hoped to get done originally under section 22, is that right?

Mr. AUGUST H. ANDRESEN. Well, not fully, but the amounts permitted to be imported under section 22 or as contained in the President's proclamation are down to insignificant amounts where it will not make any material difference one way or the other. In certain instances, the import quotas on cheese are lower than they were under section 104. I am still insisting that we need amendments to section 22 which I have proposed to the Ways and Means Committee and which I will also propose to the Committee on Agriculture when we begin writing permanent farm legislation. That is the control that is necessary in certain cases, namely, to put on a complete embargo on certain imports.

Mr. TALLE. That leads me to point No. 3 in my brief examination. It appears that section 104 would have been an even better section as to results, if it had been properly enforced but it required the enactment of that section in order to arouse the executive department to make use of section 22. Of course, I am very happy to sing hosannas to the new administration for expressing a willingness to enforce section 22. Now, my question is this: If the House defeats 104 and expects to get from section 22 what we formerly got from 104, will not the criticism that was directed against 104 be shot straight at section 22, and the fight will go on with just a change in numbers from 104 to 22?

Mr. AUGUST H. ANDRESEN. In my opinion the gentleman is correct. I feel that the President did a good job in issuing this proclamation on limiting imports under section 22.

In fact, he went more than the limit under the law, and Secretary Benson and the Tariff Commission are to be commended and congratulated for taking this step to protect the greatest industry in agriculture, the dairy producers, which is the most important one in agriculture.

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Wisconsin.

Mr. LAIRD. I rise in support of the remarks made by the gentleman from Minnesota, a distinguished leader in the dairy industry, and support his statement that further amendments are needed to section 22.

Mr. Chairman, I ask unanimous consent to extend my remarks following those of the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from North Carolina.

Mr. COOLEY. I understand the gentleman now is in favor of taking section 104 out of the law.

Mr. AUGUST H. ANDRESEN. The gentleman is correct.

Mr. COOLEY. The gentleman was the author of that section when it was written into the law, was he not?

Mr. AUGUST H. ANDRESEN. I was the author.

Mr. COOLEY. And the gentleman thinks that the power in section 22 is now sufficient.

Mr. AUGUST H. ANDRESEN. No, sir; I do not, but the way it has been interpreted under the proclamation issued by the President yesterday, it serves a satisfactory purpose until such time as we can get an amendment to section

22 which will permit a complete embargo on any commodity covered in section 22.

The CHAIRMAN. The time of the gentleman from Minnesota has again expired.

(Mr. AUGUST H. ANDRESEN (at the request of Mr. COOLEY) was given permission to proceed for 5 additional minutes.)

Mr. COOLEY. It is a fact that section 22 has not been criticized in the past?

Mr. AUGUST H. ANDRESEN. It has not been used.

Mr. COOLEY. All right, I was going to say it has not been used.

Mr. AUGUST H. ANDRESEN. That is right.

Mr. COOLEY. But section 104 has caused international disturbances economically, is that not true, and it has been criticized?

Mr. AUGUST H. ANDRESEN. Well, it has been criticized by people who wanted to make money by sending their competitive products into the United States because of the higher support price in this country.

Mr. COOLEY. I want to congratulate my friend on his statesmanship in that he is willing to come here now and ask us to take out section 104, and I want to assure him that it will be my pleasure to vote with him.

Mr. AUGUST H. ANDRESEN. The gentleman never favored 104. The gentleman always had a closed shop on everything he was interested in.

Mr. COOLEY. I do not want the gentleman to make me change my mind again.

Mr. AUGUST H. ANDRESEN. I do not know, we are not together very often, but the gentleman has had a closed shop on his tobacco. First it was tobacco acreage allotment, then they passed a law here preventing any tobacco seed from being shipped out of the United States so that the people all over the world could not grow American tobacco to ship back into the United States again, so I have often commended him for the splendid job he did for his tobacco farmers. It is an outstanding example of what statesmanship can do in a case of necessity.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. I want to see if I understand the situation here. As I recall, a year or two ago the gentleman offered the amendment which became section 104.

Mr. AUGUST H. ANDRESEN. That is right.

Mr. ABERNETHY. And the gentleman offered the amendment primarily because of the dairy industry in the gentleman's State.

Mr. AUGUST H. ANDRESEN. No, I beg the gentleman's pardon. I offered it just as much for the dairy industry in Mississippi as I did for the dairy industry and the dairy farmers in other parts of the country.

Mr. ABERNETHY. I stand corrected on that. At the same time when the gentleman offered the amendment, he made an appeal to Representatives who represented other types of industry such as the vegetable-oil and the cottonseed-oil people and the tung-oil people and other types of oil, and we went along with the gentleman, is that not correct?

Mr. AUGUST H. ANDRESEN. Well, that is partly true.

Mr. ABERNETHY. Let me go a little further.

Mr. AUGUST H. ANDRESEN. Let me answer the gentleman. The cottonseed-oil people and the cotton groups are all on the other side of the fence. They are trying to knock out section 104. I know what I am talking about. I will say for the gentleman that he is a gentleman and a scholar.

Mr. ABERNETHY. The gentleman is also chairman of the Dairy Subcommittee of the Committee on Agriculture.

Mr. AUGUST H. ANDRESEN. That is right.

Mr. ABERNETHY. And this question came up in the subcommittee 2 or 3 weeks ago.

Mr. AUGUST H. ANDRESEN. That is right.

Mr. ABERNETHY. Did we not have an understanding then in which I participated and in which I agreed with the gentleman from Minnesota that we would all go along in an effort to keep section 104 in this bill?

Mr. AUGUST H. ANDRESEN. That is partly true, but after that I went before the Committee on Ways and Means, I went before the Committee on Banking and Currency and I told them that this subcommittee investigating the dairy situation had recommended the continuation of section 104 for another year.

Mr. ABERNETHY. Does the gentleman not feel like he is abandoning the rest of us?

Mr. AUGUST H. ANDRESEN. Let me answer that. The situation has changed because of the fact that the President on yesterday——

Mr. ABERNETHY. Took care of the gentleman.

Mr. AUGUST H. ANDRESEN. Issued a statement taking care of the dairy industry, of the peanut industry as well.

Mr. ABERNETHY. That is right.

Mr. AUGUST H. ANDRESEN. And of the linseed oil industry. The President has also taken care of the great dairy industry and the peanut producers in the great State of Mississippi and in the gentleman's district.

Mr. ABERNETHY. And leave the rest of us on a limb.

Mr. AUGUST H. ANDRESEN. No; he did not leave you on a limb.

Mr. ABERNETHY. I did not mean a reflection on the President, I assure the gentleman of that, but the facts are that the things the gentleman is interested in have been taken care of and the things we are interested in have not been taken care of. In order to take care of the gentleman last year, as well as ourselves, we supported the gentleman's amendment. The gentleman not more than 2 weeks ago agreed with all of us in the committee room of the Committee on Agriculture to stand pat on trying to keep section 104 in this bill. I think that is the true situation.

Mr. AUGUST H. ANDRESEN. That is true as far as it goes.

Mr. ABERNETHY. I hope the gentleman will alter his position then.

Mr. AUGUST H. ANDRESEN. If the gentleman will take some time himself, I will be glad to discuss this further.

Mr. ABERNETHY. I have been trying to explain the situation.

Mr. AUGUST H. ANDRESEN. I took this time because I felt the Committee here should have an explanation of what has transpired during the last 36 hours. The President has issued his proclamation. He has taken care of the commodities listed in section 104 except tung oil. He has met the requirements of section 104. I feel that in view of the fact that the administration, including the gentlemen who are still down here in the departments representing the Democrats, have said we should use section 22, and in view of the action taken by the President, which is eminently satisfactory and desirable, we should now abandon section 104. I have therefore taken this time to explain my position.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Kansas.

Mr. HOPE. Is there not this advantage in operating under section 22, that that is a part of the permanent law? It has been on the books for a great many years. It deals with all commodities upon which there are procedures under which marketing agreements and orders are in effect. It is likely to remain a permanent piece of legislation, whereas section 104 was a temporary piece of legislation which had to be renewed and reenacted every year, from year to year. Does not the gentleman think this is a much more substantial basis upon which to operate?

Mr. AUGUST H. ANDRESEN. The gentleman was on the committee at the time we drafted section 22. We were unanimous for that section. We drafted it to give protection to American producers. I feel that section 22 still needs further amendments to make it more effective, but the proclamation issued by the President late yesterday covers the situation as far as section 104 and section 22 are concerned. I want section 22 amended to give the President authority to declare an embargo, when it is found necessary.

Mr. WOLCOTT. Mr. Chairman, I wonder if we cannot agree on a limitation of time on this amendment? We have narrowed the area of disagreement down to a point where I think we are substantially together on one side or the other. I ask unanimous consent, Mr. Chairman, that all debate on this amendment and all amendments thereto close in 10 minutes.

Mr. RAYBURN. Reserving the right to object, Mr. Chairman, I was wondering if a suggestion like this might appeal to the chairman of the committee, that we lay this bill aside for another 36 hours, and maybe the other folks can get a proclamation issued taking care of their interests.

Mr. COLMER. Reserving the right to object, Mr. Chairman, I hope the chairman will not rush us on this. This seems to be the real controversy in the bill.

Mr. WOLCOTT. No, there is another controversy coming up; one more.

Mr. COLMER. Do I correctly understand that the gentleman proposes to limit the time to 10 minutes on this amendment, and also on the amendment the gentleman from Minnesota has said he will offer?

Mr. WOLCOTT. I will change it to make it 10 minutes on this amendment.

Mr. COLMER. I withdraw my reservation of objection, Mr. Chairman.

Mr. MULTER. Reserving the right to object, Mr. Chairman, maybe I can facilitate matters. There seems to be considerable pride of authorship here. Suppose I withdraw my amendment, and let us go to work on the Andresen amendment. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

Mr. WOLCOTT. Mr. Chairman, I will withdraw my request also.

Mr. COLMER. And I will withdraw mine, Mr. Chairman.

The CHAIRMAN. Without objection, the unanimous-consent requests are withdrawn.

There was no objection.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. AUGUST H. ANDRESEN: On page 25, strike out line 12 and all that follows, down to the period in line 16, and insert in lieu thereof the following:

"(a) Title I (except section 104), title III, and title VII (except section 714) of this act, and all authority conferred thereunder, shall terminate at the close of June 30, 1954.

"Section 104, title II, title VI, and section 714 of this act, and all authority conferred thereunder, shall terminate at the close of June 30, 1953."

Mr. AUGUST H. ANDRESEN. Mr. Chairman, this amendment seeks to do what the amendment offered by the gentleman from New York [Mr. MULTER] sought to do, repeal section 104.

There is not much I can add to what I have already said about repealing section 104. Section 104 is not necessary, considering the proclamation of the President, based upon section 22, which limited the imports of dairy products, on peanuts, peanut oil, flaxseed, and linseed oil. I feel, and the producers who have their representatives here in Washington feel that the action taken by the President under section 22 is as satisfactory as could have been secured under section 104. The action taken by the President, under the recommendation of the Tariff Commission, is of a permanent character in the nature of regulation and law, while section 104 is a matter that has come up every year where we have had a great deal of controversy over it. Even the importers said they preferred to have section 22 in lieu of section 104.

A great deal of our problem in the past has been over the maladministration of section 104 and some of the other laws passed to protect the producers of this country. Had there been proper administration of section 22 back in 1951, there would not have been any section 104. Secretary Brannan refused to put section 22 into operation. The President refused to put section 22 into operation. Then necessity forced us to come up with section 104, which has twice been approved by Congress.

The manner in which the Tariff Commission has handled this investigation under section 22 of the commodities listed in section 104, is something for which they should be commended. It is the speediest action I have ever seen, and I have been here for over 25 years. Probably that was due to the fact that the President wrote a letter to the chairman, asking them to conduct an immediate investigation. That was done, and the Commission reported on June 1 to the President, and yesterday the President issued his proclamation fixing the maximum amounts of dairy imports, and these other commodities, that could come into this country. To me, what the President did is highly satisfactory and very commendable. It demonstrates that he knows something about the problems of the dairy farmer, and I am sure the dairy farmers of this country will applaud him for the action he has taken in this vital matter.

Mr. GEORGE. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Kansas.

Mr. GEORGE. If we vote down the gentleman's amendment and restore section 104, we will still have section 22 on the statute books. Would not the dairy industry be doubly protected that way?

Mr. AUGUST H. ANDRESEN. No; because this proclamation of the President, using section 22, only becomes effective if section 104 is repealed or expires on June 30, 1953.

Mr. GEORGE. What is included in 104 that is not included in the President's proclamation?

Mr. AUGUST H. ANDRESEN. Well, tung oil is one of them. The other might be other fats and oils that are not troublesome at the present time. They have been troublesome, but at the time this was drafted, all fats and oils were included.

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Wisconsin.

Mr. LAIRD. I would like to ask the gentleman from Minnesota how much Cheddar cheese would be allowed to come into this country if section 104 were continued for another year, and how much is allowed under the President's proclamation?

Mr. AUGUST H. ANDRESEN. In Cheddar cheese, which is the principal cheese produced in the United States, in all parts of the country, the quota under section 104 was approximately 5,500,000 pounds. Under the President's proclamation it was cut to approximately 2,780,000 pounds, or about in half.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

(On request of Mr. BROWN of Georgia and by unanimous consent, Mr. AUGUST H. ANDRESEN was allowed to proceed for 2 additional minutes.)

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. BROWN of Georgia. I would like to pay the gentleman a compliment, as last week he was about the best witness I ever heard for the continuance of section 104.

Mr. AUGUST H. ANDRESEN. I thank the gentleman.

Mr. BROWN of Georgia. In reply to the question I asked him in the committee he said that section 22 did not give the relief that section 104 of the present law gives. Is not that true?

Mr. AUGUST H. ANDRESEN. Ninety percent of the effectiveness of a law is the manner in which it is interpreted and administered. The interpretation which the President has placed on it makes it nearly equal to and better in certain respects than section 104.

Mr. BROWN of Georgia. That was not the gentleman's view last week, was it?

Mr. AUGUST H. ANDRESEN. Last week we did not know what the President was going to do.

Mr. BROWN of Georgia. I know, but the gentleman made the statement that section 22 did not meet the need as well as section 104.

Mr. AUGUST H. ANDRESEN. That depends on the commodity listed there. On some commodities it is better, on others it is not as good. It depends on the way the law is administered.

Mr. BROWN of Georgia. And the gentleman stated again that the cotton people were very much against section 104. I supported your section 104 from the beginning because I thought the dairy people ought to have the same kind of protection as the producers of other commodities in the country.

Mr. AUGUST H. ANDRESEN. And I have always appreciated the gentleman's position.

Mr. BROWN of Georgia. Now why did the gentleman state that the cotton people were against section 104? I think I know as much about the cotton industry as any Member present; why did you make that statement?

Mr. AUGUST H. ANDRESEN. The Cotton Council is taking a definite stand against section 104. But that is their business. I can tell you this, the oleo industry happens to be on our side in this fight.

Mr. BROWN of Georgia. Why not let 104 stand? If it will do no harm, in view of the President's proclamation, let us have both.

Mr. AUGUST H. ANDRESEN. I thank the gentleman for supporting me on my proposal on 104, and I want to thank the committee for what they did. I am just now explaining why I think it should be repealed. The situation has changed since I appeared before the gentleman's committee strongly urging section 104. The President has imposed import quotas which are satisfactory. Had I been informed of what the President intended to do in establishing import controls, which became available to me only yesterday, I would not have appeared before his committee urging reenactment of section 104. I trust that the gentleman will clearly understand my position, which I can assure him is in good faith and with no intent to mislead any of my colleagues.

Mr. LAIRD. Mr. Chairman, I commend President Eisenhower for his proclamation of yesterday. The dairy farm-

er and the entire dairy industry is grateful for the President's prompt action under section 22 of the Agriculture Adjustment Act in imposing import quotas for the coming year. I have always been in favor of section 104 of the Defense Production Act, however, the United States Senate refused to include section 104 in the Defense Production Act (S. 1081) last month. The President's prompt action was indeed most necessary.

I am well aware of the need for this Nation to have a sound foreign-trade policy. The people of my district are keenly aware of the tremendous importance, however, of the dairy industry to the State of Wisconsin, and to our entire Nation. Section 104 of the Defense Production Act was adopted for the purpose of protecting the dairy industry against the importation of dairy products in amounts that would injure the domestic market would cost American taxpayers untold millions, and would destroy the agriculture support program. Section 104 was necessary to insure that this agriculture support program did not become a support program for the world dairy production. Section 22 of the Agricultural Adjustment Act and the escape clause of the Reciprocal Trade Agreements Act provide for protection to agriculture when such protection is needed in the opinion of the executive branch of the Federal Government. Section 104 was necessary because of the failure of the past administration to perform its duty. Under section 22 as presently worded it is necessary for the horse to be out of the barn before the barn doors can be closed, and I am hopeful that the 83d Congress will amend this section. It is my opinion that the importance of the dairy industry and the present support legislation require protective legislation. An amendment is needed to section 22 so that it is automatic in operation and that temporary action can be taken pending Tariff Commission hearings.

It is true that section 104 as interpreted by former Secretary of Agriculture, Mr. Brannan, was not as effective as it could have been. In testimony before the Agriculture Subcommittee of the House Appropriations Committee, it was brought out that the Production Marketing Administration made recommendations that section 104 be applied to the importation of dried whole milk, dried buttermilk, and dried cream, to the former Secretary of Agriculture. Mr. Brannan refused to carry out the provisions of section 104 in direct violation of the intent of this Congress. Section 104 was not administered by the former Secretary of Agriculture in accordance with the intention of the United States Congress. The 15-percent tolerance amendment which was passed by the United States Senate as an amendment to the House version of section 104, was given an overall interpretation by the former Secretary of Agriculture. It was not until December that Mr. Brannan belatedly got around to restrict the imports of dried whole milk, dried cream, and dried buttermilk. Our former President, even at that time, bitterly objected to the action of the Secretary of Agriculture, but under section 104, the Secretary of Agriculture had no other choice than to reluctantly follow the requirements of the law. During the period the former Secretary of Agriculture refused to carry out the provisions of the law, the imports of dried whole milk increased from 23,500 pounds in 1950 to 38 million pounds in 1952. During the same period, the imports of dried buttermilk were increased from 500,000 pounds to 12,500,000 pounds. Because of these imports, we found ourselves in a position where our price-support program was being used to support foreign markets and the basic concept of the program in assuring an adequate return to the American dairy farmer was being made a sham.

Mr. Preston Richards, Assistant Administrator for Commodity Operations, Production Marketing Administration, stated before the Agriculture Appropriations Subcommitte on Tuesday, April 14, 1953, in answer to my question:

Mr. LAIRD. Did that have any effect in breaking the butter market?

Mr. RICHARDS. There was more butter coming in at the time the market was breaking, which I guess was used for the same purpose, for butter, and to the extent that it added to the butterfat supply, I think it affected the market.

Mr. LAIRD. If you recall butter was remaining above the parity figure and at the time that the butter market was lowering, the greatest imports came in of this dried whole milk powder, dried buttermilk, and dried cream. I want to know why the Department of Agriculture was so reluctant about imposing these controls? Did the PMA people recommend that they not go along and impose these controls that Congress had provided?

Mr. RICHARDS. Action along that line was recommended to the Secretary at that time, and he did not choose to act.

Mr. LAIRD. The Secretary of Agriculture did not choose to act?

Mr. RICHARDS. Yes.

The quotas for the first quarter of calendar year 1953 were set by the former Secretary of Agriculture. Secretary Benson was responsible for setting the quotas for the second quarter of calendar year 1953, and he immediately announced that under the provisions of section 104 an embargo would be placed upon dried whole milk, dried buttermilk, and dried cream.

The new administration's position regarding import controls was outlined very well by Secretary of Agriculture, the Honorable Ezra Taft Benson, in testimony given before the special subcommittee to investigate the dairy industry in the United States. On April 14, 1953, Secretary Benson under questioning by our colleague the gentleman from Minnesota, Hon. AUGUST H. ANDRESEN, had this to state:

Mr. ANDRESEN. As I understand your statement, you believe that permanent legislation is necessary to have import controls of dairy products at the present time and also for the future.

Secretary BENSON. Yes, Mr. Chairman. So long as we have price-support programs which tend to keep our prices at a higher level than the world market it seems to me we need protection against imports and that would certainly apply to dairy products which are under support programs now.

Mr. ANDRESEN. I might say to you, Mr. Secretary, that I helped draft section 22 before this committee.

Secretary BENSON. I knew of your interest in it.

Mr. ANDRESEN. And legally I thought at that time it would serve a purpose of giving permanent legislation to initiate import-control regulations in the event it was necessary. I might give you a little history on section 104, as I was the author of it. In May of 1951 I was advised by the Department of Agriculture that they would no longer continue import controls or embargoes on butter or other dairy products. Butter had been embargoed under provisions of the Second War Powers Act, and immediate action was necessary, and therefore we resorted to the provisions of section 104 so long as the executive branch of the Government refused to carry out the provisions of section 22, and also of section 8 of the Reciprocal Trade Agreements Act.

The only thing we could do to prevent a flood of cheaply produced imports of butter and other dairy products was to take the action that we did. At that time I felt that section 104 should be permanent legislation, at least for a period of 3 years. A conference committee at that time thought that probably matters could be straighened out in 1 year, and the law expired on June 30, 1953, on the section. No change had taken place in the situation and the Government was still supporting the price of the butter and other dairy products and therefore it was deemed advisable, over the protest of importers and the executive branch of the Government, to reenact section 104 as a part of the Defense Production Act.

Had the executive branch of the Government carried out the provisions and authority under section 22 there would not have been any need for section 104. I also want permanent legislation, because to go through a fight like this every year is difficult and tiresome, and I know that it causes economic upheavals, just like daylight-saving time. Your statement and recommendation to this committee will be very helpful.

Our test is how the law will be administered. I cannot go along with the statement of Mr. Linder of the State Department, nor of Mr. Short who does not recommend any amendments to section 22. We have to be realistic about this matter of the dairy industry and other branches of agriculture.

The situation which as developed in the dairy industry is particularly distressing—not only to the industry, but it should be to the consumers of the country—because at the present time according to the information submitted by your department we now have the lowest per capita production of milk, the lowest per capita consumption of milk and the highest price that has ever been paid by the consumers in this country.

Milk is still a vital product. To secure abundant milk production and production of other dairy products in this country we must certainly give some encouragement to the producers in the United States if they are to stay in business. I have seen too often when imports have destroyed the production in the country, and wool is a typical case.

The wool industry has gone down from around 56 million head of sheep 10 or 12 years ago to around 25 million head at this time and when our country becomes dependent upon foreign countries for what we need because of shortages in the United States, we generally pay the price, and we pay it through the nose.

If section 22 is amended in accordance with your recommendation, to make it effective, you propose that some emergency authority be given to the President, acting on the recommendation of the Secretary of Agriculture, that immediate action can be

taken before the Tariff Commission makes its investigation?

Secretary BENSON. Of course if we could be assured of very prompt action through administration, there would not be the urgent need for some type of emergency legislation. The experience in the past rather persuades one that that action may not be very prompt. However, I have been very pleased personally with the response which the President has made in directing the Tariff Commission to make the study and the response from the Tariff Commission. I have complete confidence in Dr. Brossard, the new Chairman of the Tariff Commission—he understands the agricultural problem, he is sympathetic—but it seems to me there might arise and will arise, emergencies in which there will not be time possibly for the Tariff Commission to make its findings and report back to the President.

In such cases it would seem there should be emergency authority granted to the Chief Executive which he might, if he wished, delegate to a member of his Cabinet in order to meet such emergency conditions.

I did not intend to be unduly critical of the Tariff Commission in the past. I imagine probably the inaction has been due, in part, to the failure of the Chief Executive to act, as well as delay on the part of the Tariff Commission, which has taken considerable time in its findings in some cases. I do not know just where you would place the blame, probably both places, but I am sure it has not been as effective as the Congress intended it to be.

Mr. ANDRESEN. I have had a lot of experience over 25 years with the Tariff Commission and I find irrespective of the political party in power, the Tariff Commission builds up the same kind of a bureaucracy that we have through the entire Government, where it is one delay after another, and that seems to be typical of bureaucracy.

I hope it can be corrected, because in a case like this we need immediate action to take care of a situation that has developed, and if section 104 is not renewed, nor section 22 amended promptly, and we secure improper administration of it, then our country will be flooded with cheap imports from all over the world—butter and dairy products, fats and oils included—that will come to the United States as long as we maintain a support program.

I think they will come in here anyway, even though we did not have a support program, because of the desire of people generally over the world to sell their products in the American market, which is the best market in the world.

Would you see any objection to following the pattern of section 104 and giving the Secretary of Agriculture the authority to exercise immediate action pending a decision by the Tariff Commission?

Secretary BENSON. I think it would be well to have that authority vested somewhere in the Government, either in the Chief Executive or through him to the Secretary of Agriculture. The Secretary of Agriculture has a lot of authority now as you know, Mr. Chairman. I am not seeking for any more power or authority.

Secretary Benson discussed section 22 on April 14, 1953:

Secretary BENSON. Although section 22 was originally enacted in 1935, it was very little used. It calls for investigations by the Tariff Commission after recommendation by the Secretary of Agriculture. Only 5 such investigations have been instituted in the past 17 years. Experience has shown that these investigations are often long drawn out, and this procedure has proved to be wholly ineffective to meet the problem.

This is indicated by our experience with wool. Wool-price support is mandatory at such relation to parity between 60 and 90 percent as determined necessary to encourage an annual production of approximately 360 million pounds of shorn wool. Current production is considerably below this goal, and wool is currently being supported at 90 percent of parity. Upon the recommendation of the Secretary of Agriculture that imports of wool were interfering with the wool-price-support program, the President directed an investigation under section 22 which was instituted by the Tariff Commission and hearings were held commencing September 29, 1952. Up to this date no report has been made by the Tariff Commission. Imports of foreign wool have been received in large quantities, and the marketing of domestically produced wool has been materially retarded. Commodity Credit Corporation presently holds under loan about 100 million pounds of 1951- and 1952-crop wool, representing almost half of the 1952 production. In the 12 months ending December 31, 1952, imports of wool have been 300 million pounds (actual weight basis, dutiable wool). We are simply immobilizing our domestically produced wool, and it is being replaced by imports.

We feel strongly that Congress intended section 22 to be used and used effectively whenever necessary to protect price-support and other programs. The statutory history clearly so indicates. I am sure that some effective means of controlling imports of agricultural commodities and products is absolutely essential to the success of many of this Department's programs. If commodities which are susceptible to import competition are supported in price, or if marketing is limited by marketing orders, marketing quotas, or the like, the quantity of the domestic products withdrawn from the market, in the absence of such controls, will simply be replaced by imports of like competitive products from abroad. Such imports impair or destroy the effectiveness of the Department's programs and prevent American growers from deriving the benefits the programs are designed to afford them. With increasing competition appearing from abroad and with increasing surpluses developing in this country, the future success of many of our programs is largely dependent upon the existence of adequate machinery for import controls and its prompt and effective utilization in all proper cases.

Section 22 can and should be strengthened to meet this need. The President's authority under section 22 covers all agricultural commodities, and products thereof, for which the Department of Agriculture has a program. Moreover, it is embodied in permanent legislation. The problem is not a temporary one; it will be with us as long as we have any programs that keep our domestic prices above the world level.

As I have already shown, section 22 has not been administered in the past in such a manner as to meet the problem. But it can be made an effective instrument by improved administrative procedure and by supplementing it with authority, in an emergency, to impose the quotas or import fees within the limits specified by the section, on an interim basis pending decision by the Tariff Commission and action thereon by the President. So strengthened, section 22 would assure the protection of the Department's price-support and other programs against interference or nullification by the distortions in international trade which such programs are likely to create.

On April 8, the following letter was sent by the President to Chairman Brossard of the United States Tariff Commission:

THE WHITE HOUSE,
Washington, April 8, 1953.

DEAR CHAIRMAN BROSSARD: The Secretary of Agriculture has advised me that he has reason to believe that, on the assumption that section 104 of the Defense Production Act expires on June 30, 1953, articles now restricted under that section are practically certain to be imported under such conditions and in such quantities as to render ineffective or materially interfere with price-support or other programs undertaken by the Department of Agriculture.

In accordance with the provisions of section 22 of the AAA, as amended, I am directing the Tariff Commission to make an immediate investigation of this matter and to give precedence thereto, with a view to recommending to me such action as would be appropriate under section 22, having in mind the desirability of completing its findings and recommendations by June 1, 1953.

Sincerely,

DWIGHT D. EISENHOWER.

Secretary BENSON. In response to the foregoing letter, the Tariff Commission has announced the institution of appropriate investigations under section 22 concerning dairy products and other commodities. Public hearings will be held on May 4 and 7.

The result of this request of the President was that hearings were held by the Tariff Commission. The President incorporated the recommendations of the Tariff Commission in his proclamation dated yesterday, June 8, 1953. As pointed out by our colleague from the great dairy State of Minnesota [Mr. AUGUST H. ANDRESEN] the proclamation of the President answers the need of section 104 of the Defense Production Act.

The President's proclamation provides for a maximum import quota on Cheddar cheese from July 1, 1953, to June 30, 1954, of 2,780,100 pounds. Under section 104 if reenacted the estimated quota would be 5,500,000 pounds. If section 104 is in effect on July 1, 1953 the President's proclamation does not take effect.

Our colleague from Minnesota, Hon. AUGUST H. ANDRESEN, has indeed carried on a valiant crusade for the American dairy industry. We in Wisconsin are indeed most indebted to him for his fine work in the interest of the American dairy farmer. Our Wisconsin dairy farmer is put at a disadvantage on a price basis with foreign imports. The Wisconsin dairy farmer has been recently required to make considerable investment, under the milk production improvement program, in expensive milk houses and expensive equipment. He produces his milk at a much higher labor cost. Further requirements of brucellosis and tuberculosis control programs protect the consumer and farmer, but do add to his cost of production. Since World War II, this country has helped to rebuild the dairy industry abroad to a point where production so exceeds demand that it was possible in 1952 for them to export large quantities of dried whole milk, dried buttermilk, dried cream and cheese to the United States. In dried whole milk alone this country imported the equivalent of approximately 304 million pounds of whole fluid milk at a time that the Commodity Credit Corporation was buying our own production under the existing price support laws. Certainly, we should not continue to use the agriculture support program to take care of these foreign surpluses of milk, cheese, or butter which are not produced, under the same sanitary standards as required here in the United States.

It is necessary for the United States Department of Agriculture, our universities and dairy industry to step up their research program on new uses for milk production. With this in mind, we have included an increase in the Bureau of

Dairy Industry's research budget for fiscal year 1954 in the Agriculture appropriation bill which recently passed the House of Representatives. We expect this research program to be stepped up in fiscal year 1954. It is also necessary for the ADA to step up its farmer-supported advertising program in order to attract and increase consumer demand. All these things are being done.

Mr. HAYS of Ohio. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am really sorry that the House has not been in order during the last 15 or 20 minutes, because in the well of this House took place the most amazing exhibition of mental gymnastics, cerebral flipflops, and cranial circumlocution I have ever seen in my life. The gentleman—and I have a very high regard for him and have cooperated with him on numerous occasions—the gentleman from Minnesota spent a good part of 2 days before my committee less than 2 weeks ago vigorously advocating the very thing he now seeks to repeal. The gentleman not only vigorously supported his contention but he said there were 7 reasons, and he enumerated them in the hearings, as to why section 104 should be continued, and 1 of them is certainly very pertinent to his attitude here. He said, and I quote:

Section 22 will not provide effective import control legislation.

Then he went on to say:

The Secretary of Agriculture states that section 22 is in need of affective amendment that will give him the authority to adequately limit import of dairy products.

Then he goes on in this particular volume of the hearings to use 38 pages to make his case, which is more than he used here this afternoon to try to unmake his case.

As far as I am personally concerned I think I made my position perfectly clear when I spoke before; but let me say this, and I want to speak especially to my friend from Indiana: You can pat yourself on the back and compliment yourself about the Secretary of Agriculture—and I have a great respect for him and I think he is trying to do a good job—do not jump too quick, because it is pretty hard to know what will be the situation a short time from now. Let me say to you that farm prices have been going steadily down for the past 6 months and more, through parts of two administrations, and the farmers are going to look to the fellow in power; and all the speeches you make here about what a great job he is doing will not do any good if prices continue to go down. I am not talking about politics now, I am talking about the fact that a substantial drop in farm prices is always the prelude to ills throughout the whole economic structure.

One of the Assistant Secretaries of Agriculture, a fellow I like and have a great deal of warm feeling for, Mr. John C. Davis, of Cleveland, formerly of the Cleveland Plain Dealer, wrote for 20 years up there on how to solve the farm problem. He was writing an article every day and it was easy. I told him in my office the other day that I felt sure that he would find it more difficult to solve farm problems than to write about them.

Section 104 has been doing a fairly decent job for what it was intended. All I can say is if you jerk the rug out from under now, you do not know what is going to happen under section 22, you do not know whether the Tariff Commission will change its mind next week, you do not know whether this is bait to get 104 repealed. If you want to take those risks I am pointing out to you, be prepared to stand by them a year from now because again I say all the speeches we make today are not going to do us much good if prices go down. If having a memory like an elephant makes you a Republican, maybe I am sitting on the wrong side of the House, but I remember what was said 2 weeks ago, and it sounds entirely different from the same gentleman today. I do not know how some of these things will read a year from now, but I know if farm prices continue to go down they are going to make embarrassing reading for somebody.

Mr. WOLCOTT. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 10 minutes.

Mr. COLMER. Mr. Chairman, reserving the right to object, I repeat what I said a moment ago. The situation is no different than what it is now. One amendment was withdrawn and now the same request is made for 10 minutes. Some of us are very much interested in this matter. I would like to have 5 minutes to speak on this amendment and I hope the gentleman will not press his request at this time.

Mr. WOLCOTT. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 15 minutes.

Mr. COLMER. Mr. Chairman, reserving the right to object, and I am not going to object, I just hope we may have a little time.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. ABERNETHY].

(By unanimous consent, Mr. ABERNETHY yielded 1½ minutes of his time to Mr. COLMER.)

Mr. ABERNETHY. Mr. Chairman, I presume that most of you heard the colloquy between me and my distinguished friend from Minnesota [Mr. AUGUST H. ANDRESEN], the author of this amendment, a few minutes ago. I just want the House to know that 2 or 3 weeks ago we had a distinct understanding and agreement in the dairy subcommittee headed by the gentleman from Minnesota to the effect that we, the members of his subcommittee, including the gentleman and myself, that we would come to the floor unanimously in support of retaining section 104 in this bill.

I supported section 104 when it was first offered by the gentleman from Minnesota. I am not too certain I was right, but I feel that I was. There is a difference of opinion, even in my own delegation.

Apparently the gentleman now has the protection which he wants for the dairy industry in the President's recent order. But what about other segments of agriculture? What about the tung-oil growers represented by my able friend the gentleman from Mississippi [Mr. COLMER]? Are they to be left out in the cold?

I regret that my friend from Minnesota has offered this amendment in face of our previous agreement. I hope it is defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN.]

Mr. WHITTEN. Mr. Chairman, what I would like to do here today is amend the presidential proclamation. Unfortunately that is beyond our reach here on the floor of the House. I regret to see that some of my friends on the Republican side of the aisle, who have cooperated and had our cooperation in trying to meet these problems, now that their own situation is eased, take a diffent attitude and say now they have no further interest since the President, by Executive proclamation, has given effect to section 104 by use of authority under section 22. They would let tung oil and other products hang as high as Haman, so to speak, since they have their own problem taken care of by the Presidential proclamation.

Section 104 is drastic. The administration should be for it or against it. It is either good or bad but here once again the administration seems to be for it if it helps those representing the cheese and butter areas but against meeting the issue on its merits and treating areas with similar problems the same.

I want to say here that in dealing with the problem of agriculture we need to show a spirit of fairness. Our friends of the Republican administration have several times already appeared inconsistent to say the least. They came in opposed to firm price supports for even basic commodities, but shortly after coming in they go all out for firm 90 percent of parity support for butter, with no limit. Strangely enough most butter producers are in Republican areas. This program, like the potato program of a few years ago, threatens the whole farm program if continued without limit.

Some weeks ago the administration, opposed to firm price supports even for basic commodities, endorsed and tried to pass through the House of Representatives a bill providing for retroactive 90-percent price support for the Maryland tobacco farmers, after the farmers of the area had voted overwhelmingly against limiting individual acreage as required by the law. Strangely enough that area is represented by a Republican who said passage of the bill meant $5 million to the farmers of the area.

Here, again, it would appear they were playing favorites. Section 104 has general application. It has caused problems, it is true, but do not keep it in effect for the butter industry by Executive order but repeal it so far as the industries of the South are concerned. We are not so fortunate, if I may say so, as

the gentleman from Minnesota, who prevailed on the President for a proclamation to take care of his particular industry. But, we are Members of this Congress; we represent different sections of these United States. Let us keep section 104, because it applies generally, until we can have time to try further to prevail upon the President, who I feel wishes to deal fairly, to treat the tung industry equally as well as others are treated.

Do not leave tung oil in an unprotected position and the dairy and the butter industry protected, because just as sure as you do, my friends, you are rendering a disservice to American agriculture.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. BYRNES].

Mr. BYRNES of Wisconsin. Mr. Chairman, I must confess a considerable confusion over the situation in which we now find ourselves. I think all of us appreciate that section 22, as it is presently written, is not effective enough to give us the type of protection that we need in order to have a proper price-support program. That is not to say that section 22 does not serve a purpose. I think it does but it must be understood that it limits the authority of the President to act in what I believe is a completely effective manner in dealing with imports which threaten the price-support program. Under section 22, as now written, he has no authority to take immediate action. He must wait upon a recommendation of the Tariff Commission. This should be corrected. We must also understand that section 22 limits the President's authority to impose quotas to a minimum quota of 50 percent of the imports during a representative period. This means that section 22 prohibits the President from imposing embargoes.

It is most pleasing to me to see that the President is going to use section 22. In his recent proclamation I believe he has gone as far as this law will permit in restricting the importation of certain dairy products that are now being purchased under our agricultural price-support program. However, as long as section 22 does not provide for immediate emergency action and does not authorize embargoes it is not completely effective. Section 104, on the other hand, can be completely effective in protecting the support program for fats and oils. When I speak of an effective program to protect price controls, I mean a program which will make it unnecessary for the Government of the United States to buy 1 ounce or 1 pound or 1 cent's worth of foreign commodities while it is engaged in buying under the price-support program so as to protect the price of domestic producers. If the Government is buying cheese to maintain a support price for cheese, we should not import 1 ounce of cheap foreign-produced cheese. The same goes for potatoes, or butter, or any other commodity. Section 104 permits the President to embargo cheese and butter; section 22 does not. Let me point out that under the President's proclamation we are going to import 707,000 pounds of butter. Assuming that the butter situation does not iron itself out in the next 12 months and the Government is continuing in a price-support program, this means the Government will be forced to buy an additional 707,000 pounds of butter. You may say this is not very much, but if my arithmetic is not too far off, that means that the Federal Government is going to have to pay out at least $473,690 in order to purchase this additional butter. This is taxpayers' money that should be saved. I point out that this same situation will exist as far as other commodities are concerned. In my judgment this cannot be condoned. As long as we must buy butter under the support program there should be an embargo on the importation of foreign butter. With the elimination of section 104 the President will have no authority to impose embargoes.

Mr. Chairman, I have great difficulty in determining where we will be at with reference to our support programs if section 104 is not continued in the law. It seems to me that until section 22 is amended so as to authorize the use of embargoes and to provide for speedier action by the President, we should keep section 104 on the statute books.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. SMITH].

Mr. SMITH of Mississippi. Mr. Chairman, I am sandwiched in here between my colleagues from the good State of Mississippi who have differing views about this issue, but I think that a view should be expressed in support of the action taken by the President of the United States and the action taken by the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN], who has recognized, as has the President and the Secretary of Agriculture, that section 104 has been a bulky impediment upon the entire economy and foreign policy of the United States, that is has served overall to create such a barrier to the development of trade that it has become too burdensome a task to carry on in the new administration if it is to meet the program that it has announced. I am glad that section 104 is being stricken out of the language of the bill.

It is unfortunate that the President in his proclamation yesterday failed to provide some additional safeguards for the tung oil, if it is so needed, but he has the authority under section 22 to provide such protection. If he fails to do it, shame upon the President for not doing it. He has full authority under section 22 to do it, acting through the Secretary of Agriculture.

The suggestion was just mentioned by the gentleman from Wisconsin that under section 22 we are going to have to buy butter. What does he think we are doing now under section 104? We are buying butter by the boatload.

Section 104 today is working against the best interests of any agricultural producer who wants to provide a market for his products on the national and the international level. If the history of section 104 is carefully interpreted, it can be shown very clearly that any advantage section 104 has brought to the butter industry has been nothing in comparison to the damage it has done to cotton and other export agricultural production industries.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. COLMER].

Mr. COLMER. Mr. Chairman, I had no idea when this started that we were going to have a rollcall of the Mississippi delegation. I respect the views of my colleagues. I have no fault to find with anyone who honestly differs with me on any matter. I think we can always find a reason for that. As far as my friend the distinguished gentleman from the great delta section of Mississippi [Mr. SMITH] is concerned, I think one of my colleagues over here pointed out a moment ago that we are not importing any cotton into this country. Therefore that takes care of that situation.

As far as the merits of this proposition are concerned, if I may appeal to you in a sense of fair play, in the few minutes I have, I want to ask you to go along with your committee that reported out this bill with section 104 in it. It is true that my distinguished friend from Minnesota [Mr. AUGUST H. ANDRESEN] has been a great help to me in my industry, and I admit everything he said he contributed. I again express my appreciation to him for it. Nevertheless it is true that he has taken a little change of attitude on this matter. Again, maybe there is a reason for that; in fact, he very frankly states there was. But I am afraid my friend has been sold a bill of goods by somebody back in the dairying land. You know how we get these wires when they come in when these matters are up. Some man downtown here decides they should send some wires from out in the field to the Members of Congress, and here they come in.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. COLMER. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. The gentleman knows nobody sells me a bill of goods unless I believe in it.

Mr. COLMER. I believe that.

Mr. AUGUST H. ANDRESEN. I think, as far as any man in Congress, I have tried at least to assist the gentleman in taking care of his commodities, and I intend to continue doing so.

Mr. COLMER. Again I appreciate what the gentleman has done, but I am giving the gentleman's attitude now, and I do think he has changed.

This is what he said 2 weeks ago:

Mr. AUGUST H. ANDRESEN. I have had a lot of experience over 25 years with the Tariff Commission and I find, irrespective of the political party in power, the Tariff Commission builds up the same kind of a bureaucracy that we have through the entire Government, where it is one delay after another, and that seems to be typical of bureaucracy.

I hope it can be corrected, because in a case like this we need immediate action to take care of a situation that has developed, and if section 104 is not renewed, nor section 22 amended promptly, and we secure improper administration of it, then our country will be flooded with cheap imports from all over the world—butter and dairy products, fats and oils included.

That was the gentleman's attitude 2 weeks ago. Today something has happened and he has a different position. The umbrella which was absent yesterday is over him today.

Let us keep this umbrella over the rest of us who were not covered by the proclamation yesterday.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

The Chair recognizes the gentleman from Indiana [Mr. MERRILL].

Mr. MERRILL. Mr. Chairman, I realize the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] needs no defense from a freshman, and yet I want to say that the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] has not changed his position one bit from the time he testified before our committee and now. The facts have changed.

The reason that the gentleman from Minnesota and the reason that I voted for section 104 is this: Under section 22, before the President could act to stop imports in order to protect the markets against imports that interfered with the price-control program, before he could act under section 22, there had to be first a finding by the Tariff Commission which then would give the President the authority to act. Until there had been a finding by the Tariff Commission, the President could not act under section 22. Until that finding was made and the President acted, there was only one protection for the dairy industry and that was section 104.

Therefore, I and many others voted to continue section 104, simply because the facts had not yet developed that warranted our removing it. But between the time that we acted and included section 104 in this bill and now, the very facts that we needed to make section 22 effective have come into being. And now section 22 gives to dairy all the protection it needs; it protects the price-support program.

It has been charged that the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] has ignored the tung oil people, and that he is taking care of his own hide and no other. That is not true. But the gentleman from Minnesota could do a better job of explaining why that is not true than I. So I ask unanimous consent to yield the remainder of my time to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN], in order for him to make that explanation.

The CHAIRMAN. Without objection, the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] is recognized for three-quarters of a minute.

There was no objection.

Mr. AUGUST H. ANDRESEN. I thank the gentleman for yielding me the balance of his time.

I have said so much on this subject. I should like to say to the gentleman from Mississippi with reference to tung oil that tung oil is not in surplus production in the United States. Consequently, I assume that the Tariff Commission did not include it. The market price is above the support price. We will use at least 60 million pounds more of tung oil than we produce in this country. I am just as anxious to protect tung oil as I am dairy products. I am not sectional on this. My entire record in Congress shows that I have always tried to protect all agriculture in this country.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

All time has expired.

The question is on the amendment offered by the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

The question was taken; and on a division (demanded by Mr. AUGUST H. ANDRESEN) there were—ayes 86, noes 83.

Mr. COLMER. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. AUGUST H. ANDRESEN and Mr. WOLCOTT.

The Committee again divided, and the tellers reported that there were—ayes 123, noes 95.

So the amendment was agreed to.

The Clerk read as follows:

SEC. 9. Subsection (c) of section 717 of the Defense Production Act of 1950, as amended, is amended by adding before the period at the end thereof a comma and the following: "or the taking of any action (including the making of new guarantees) deemed by a guaranteeing agency to be necessary to accomplish the orderly liquidation, adjustment or settlement of any loans guaranteed under this act, including actions deemed necessary to avoid undue hardship to borrowers in reconverting to normal civilian production; and all of the authority granted to the President, guaranteeing agencies, and fiscal agents, under section 301 of this act shall be applicable to actions taken pursuant to the authority contained in this subsection."

Mr. WOLCOTT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WOLCOTT: On page 26 after line 6, insert:

"TITLE II

"SEC. 201. This title may be cited as the 'Small Business Act of 1953.'

"SEC. 202. The essence of the American economic system of private enterprise is free competition. Only through full and free competition can free markets, free entry into business, and opportunities for the expression and growth of personal initiative and individual judgment be assured. The preservation and expansion of such competition is basic not only to the economic well-being but to the security of this Nation. Such security and well-being cannot be realized unless the actual and potential of small business is encouraged and developed. It is the declared policy of the Congress that the Government should aid, counsel, assist, and protect insofar as is possible the interests of small-business concerns in order to preserve free competitive enterprise, to ensure that a fair proportion of the total purchases and contracts for supplies and services for the Government be placed with small-business enterprises, and to maintain and strengthen the overall economy of the Nation.

"SEC. 203. For purposes of this title, a small-business concern shall be deemed to be one which is independently owned and operated and which is not dominant in its field of operation. In addition to the foregoing criteria the Administration, in making a detailed definition, may use these criteria, among others: Number of employees, and dollar volume of business.

"SEC. 204. (a) In order to carry out this policy there is hereby created an agency under the name of 'Small Business Administration' (hereinafter referred to as the Administration), which Administration shall be under the general direction and supervision of the President and shall not be affiliated with or be within any other agency or department of the Federal Government. The principal office of the Administration shall be located in the District of Columbia, but the Administration may establish such branch offices in other places in the United States as may be determined by the Administrator of the Administration.

"(b) The Administration is authorized to obtain money from the Treasury of the United States for use in the performance of the powers and duties granted to or imposed upon it by law, not to exceed a total of $250 million outstanding at any one time. For this purpose appropriations not to exceed $250 million are hereby authorized to be made to a revolving fund in the Treasury. Advances shall be made to the Administration from the revolving fund when requested by the Administration. This revolving fund shall be used for the purposes enumerated subsequently in sections 207 (a), (b), and (c). Not to exceed an aggregate of $150 million shall be outstanding at any one time for the purposes enumerated in section 207 (a). Not to exceed an aggregate of $100 million shall be outstanding at any one time for the purposes enumerated in sections 207 (b) and (c).

"(c) The management of the Administration shall be vested in an Administrator who shall be appointed from civilian life by the President, by and with the consent of the Senate, and who shall be a person of outstanding qualifications known to be familiar and sympathetic with small-business needs and problems. The Administrator shall receive compensation at the rate of $17,500 per annum. The Administrator shall not engage in any other business, vocation, or employment than that of serving as Administrator. The Administrator is authorized to appoint three deputy administrators to assist in the execution of the functions vested in the Administration. Deputy administrators shall be paid at the rate of $15,000 per annum.

"(d) There is hereby created the Small Business Advisory Board of the Small Business Administration, which shall consist of the following members, all ex officio: The Secretary of the Treasury, as Chairman, the Secretary of Commerce, and the Administrator. Either of the said Secretaries may designate an officer of his Department, who has been appointed by the President by and with the advice and consent of the Senate, to act in his stead as a member of the Small Business Advisory Board with respect to any matter or matters. The Small Business Advisory Board shall establish general policies which shall govern the Administration in carrying out the powers, duties, and authority conferred upon it by this title. Such general policies shall, among other things, provide the standards (1) for the granting and denial of financial assistance by the Administration, and (2) for exercise of the powers enumerated in sections 207 (b) and (c). It shall also be the duty of the Small Business Advisory Board to periodically review the operations of the Administration and coordinate its functions with other activities and policies of the Government.

"SEC. 205. (a) The Administration shall have power to adopt, alter, and use a seal, which shall be judicially noticed. The Administrator is authorized, subject to the civil-service and classification laws, to select, employ, appoint, and fix the compensation of such officers, employees, attorneys, and agents as shall be necessary to carry out the provisions of this title; to define their authority and duties, require bonds of them, and fix the penalties thereof. The Administration, with the consent of any board, commission, independent establishment, or executive department of the Government, may avail itself of the use of information, services, facilities, including any field service thereof, officers, and employees thereof, in carrying out the provisions of this title.

"(b) In the performance of, and with respect to, the functions, powers, and duties vested in him by this title, the Administrator, notwithstanding the provisions of any other law, may—

"(1) sue and be sued in any court of record of a State having general jurisdiction,

or in any United States district court, and jurisdiction is conferred upon such district court to determine such controversies without regard to the amount in controversy: *Provided*, That no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Administrator or his property;

"(2) under regulations prescribed by him, assign or sell at public or private sale, or otherwise dispose of for cash or credit, in his discretion and upon such terms and conditions and for such consideration as the Administrator shall determine to be reasonable, any evidence of debt, contract, claim, personal property, or security assigned to or held by him in connection with the payment of loans heretofore or hereafter granted under this title, and to collect or compromise all obligations assigned to or held by him and all legal or equitable rights accruing to him in connection with the payment of such loans until such time as such obligation may be referred to the Attorney General for suit or collection;

"(3) deal with, complete, renovate, improve, modernize, insure, or rent, or sell for cash or credit upon such terms and conditions and for such consideration as the Administrator shall determine to be reasonable, any real property conveyed to or otherwise acquired by him in connection with the payment of loans granted under this title;

"(4) pursue to final collection, by way of compromise or otherwise, all claims against third parties assigned to the Administrator in connection with loans made by him. This shall include authority to obtain deficiency judgments or otherwise in the case of mortgages assigned to the Administrator. Section 3709 of the Revised Statutes, as amended (41 U. S. C. 5), shall not be construed to apply to any contract of hazard insurance or to any purchase or contract for services or supplies on account of property obtained by the Administrator as a result of loans made under this title if the premium therefor or the amount thereof does not exceed $1,000. The power to convey and to execute in the name of the Administrator deeds of conveyance, deeds of release, assignments and satisfactions of mortgages, and any other written instrument relating to real property or any interest therein heretofore or hereafter acquired by the Administrator pursuant to the provisions of this title may be exercised by the Administrator or by any officer or agent appointed by him without the execution of any express delegation of power or power of attorney. Nothing in this section shall be construed to prevent the Administrator from delegating such power by order or by power of attorney, in his discretion, to any officer or agent he may appoint;

"(5) acquire, in any lawful manner, any property (real, personal, or mixed, tangible or intangible), whenever deemed necessary or appropriate to the conduct of the activities authorized in section 207 (a) of this title; and

"(6) in addition to any powers, functions, privileges, and immunities otherwise vested in him, take any and all actions determined by him to be necessary or desirable in making, servicing, compromising, modifying, liquidating, or otherwise dealing with or realizing on loans or advances made under the provisions of this title.

"(c) To such extent as he finds necessary to carry out the provisions of this title, the Administrator is hereby authorized to procure the temporary (not in excess of 1 year) service of experts or consultants or organizations thereof, including stenographic reporting services, by contract or appointment, and in such cases such service shall be without regard to the civil-service and classification laws, and, except in the case of stenographic reporting services by organizations, without regard to section 3709, Revised Statutes, as amended (41 U. S. C. 5).

"SEC. 206. All moneys of the Administration not otherwise employed may be deposited with the Treasurer of the United States subject to check by authority of the Administration. The Federal Reserve banks are authorized and directed to act as depositaries, custodians, and fiscal agents for the Administration in the general performance of its powers conferred by this title. Any banks insured by the Federal Deposit Insurance Corporation when designated by the Secretary of the Treasury, shall act as custodians, and financial agents for the Administration.

"SEC. 207. The Administration is empowered—

"(a) to make loans or advances to enable small business concerns to finance plant construction, conversion, or expansion, including the acquisition of land; or to finance the acquisition of equipment, facilities, machinery, supplies, or materials; or to supply such concerns with working capital to be used in the manufacture of articles, equipment, supplies, or materials for war, defense, or essential civilian production or as may be necessary to insure a well-balanced national economy; and such loans or advances may be made or effected either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis: *Provided, however*, That the foregoing powers shall be subject to the following restrictions and limitations:

"(i) No financial assistance shall be extended pursuant to (a) above unless the financial assistance applied for is not otherwise available on reasonable terms and all loans made shall be of such sound value or so secured as reasonably to assure repayment; no participation may be purchased unless it is shown that a deferred participation is not available; and no loan may be made unless it is shown that a participation is not available;

"(ii) No loan or advance shall be granted under this title if the total amount outstanding and committed by participation to the borrower from the revolving fund established by this title would exceed $100,000, and no loan, including renewals or extensions thereof, may be made for a period or periods exceeding 10 years; except that any loan made for the purpose of constructing industrial facilities may have a maturity of 10 years plus such additional period as is estimated may be required to complete such construction;

"(iii) In agreements to participate in loans on a deferred basis, such participations by the Administration shall not be in excess of 90 percent of the balance of the loan outstanding at the time of disbursement.

"(b) to enter into contracts with the United States Government and any department, agency, or officer thereof having procurement powers obligating the Administration to furnish articles, equipment, supplies, or materials to the Government;

"(c) to arrange for the performance of such contracts by negotiating or otherwise letting subcontracts to small-business concerns or others for the manufacture, supply, or assembly of such articles, equipment, supplies, or materials, or parts thereof, or servicing or processing in connection therewith, or such management services as may be necessary to enable the Administration to perform such contracts; and

"(d) to provide technical and managerial aids to small-business concerns, by advising and counseling on matters in connection with Government procurement and on policies, principles, and practices of good management including but not limited to cost accounting, methods of financing, business insurance, accident control, wage incentives and methods engineering, by cooperating and advising with voluntary business, professional, educational, and other nonprofit organizations, associations, and institutions and with other Federal and State agencies, by maintaining a clearinghouse for information concerning the managing, financing and operations of small-business enterprises, by disseminating such information, and by such other activities as are deemed appropriate by the Administration.

"SEC. 208. The Reconstruction Finance Corporation shall transmit requests for loans from small businesses received by it after the date of enactment of this title to the Administration for its consideration and possible action.

"SEC. 209. In any case in which the Administration certifies to any officer of the Government having procurement powers that the Administration is competent to perform any specific Government procurement contact to be let by any such officer, such officer shall be authorized to let such procurement contract to the Administration upon such terms and conditions as may be agreed upon between the Administration and the procurement officer.

"SEC. 210. (a) Whoever makes any statement knowing it to be false, or whoever willfully overvalues any security, for the purpose of obtaining for himself or for any applicant any loan, or extension thereof by renewal, deferment of action, or otherwise, or the acceptance, release, or substitution of security therefor, or for the purpose of influencing in any way the action of the Administration, or for the purpose of obtaining money, property, or anything of value, under this title, shall be punished by a fine of not more than $5,000 or by imprisonment for not more than 2 years, or both.

"(b) Whoever, being connected in any capacity with the Administration (A) embezzles, abstracts, purloins, or willfully misapplies any moneys, funds, securities, or other things of value, whether belonging to it or pledged or otherwise entrusted to it, or (B) with intent to defraud the Administration or any other body politic or corporate, or any individual, or to deceive any officer, auditor, or examiner of the Administration makes any false entry in any book, report, or statement of or to the Administration, or, without being duly authorized, draws any order or issues, puts forth, or assigns any note, debenture, bond, or other obligation, or draft, bill of exchange, mortgage, judgment, or decree thereof, or (C) with intent to defraud participants, shares, receives directly or indirectly any money, profit, property, or benefit through any transaction, loan, commission, contract, or any other act of the Administration, or (D) gives any unauthorized information concerning any future action or plan of the Administration which might affect the value of securities, or, having such knowledge, invests or speculates, directly or indirectly, in the securities of property of any company or corporation receiving loans or other assistance from the Administration shall be punished by a fine of not more than $10,000 or by imprisonment for not more than 5 years, or both.

"SEC. 211. It shall be the duty of the Administration and it is hereby empowered, whenever it determines such action is necessary—

"(a) to make a complete inventory of all productive facilities of small-business concerns which can be used for war or defense production, or to arrange for such inventory to be made by any other governmental agency which has the facilities. In making any such inventory, the appropriate agencies in the several States may be requested to furnish an inventory of the productive facilities of small-business concerns in each respective State if such an inventory is available or in prospect; and

"(b) to coordinate and to ascertain the means by which the productive capacity of small-business concerns can be most effectively utilized for war or defense production.

"SEC. 212. When directed by the President, it shall be the duty of the Administration to consult and cooperate with governmental departments and agencies in the issuance of all orders or in the formulation of policy or policies in any way affecting small-business concerns. When directed by the President all such governmental departments or agencies are required, before issuing such orders or announcing such policy or policies, to consult and cooperate with the Administration in order that the interests of small-business enterprises may be recognized, protected, and preserved.

"SEC. 213. The Administration shall have power, and it is hereby directed, whenever it determines such action is necessary—

"(a) to consult and cooperate with officers of the Government having procurement powers, in order to utilize the potential productive capacity of plants operated by small-business concerns;

"(b) to obtain information as to methods and practices which Government prime contractors utilize in letting subcontracts and to take action to encourage the letting of subcontracts by prime contractors to small-business concerns at prices and on conditions and terms which are fair and equitable;

"(c) to determine within any industry the concerns, firms, persons, corporations, partnerships, cooperatives, or other business enterprises, which are to be designated 'small-business concerns' for the purpose of effectuating the provisions of this title;

"(d) to certify to Government procurement officers with respect to the competency, as to capacity and credit, of any small-business concern or group of such concerns to perform a specific Government procurement contract;

"(e) to obtain from any Federal department, establishment, or agency engaged in procurement or in the financing of procurement or production such reports concerning the letting of contracts and subcontracts and making of loans to business concerns as it may deem pertinent in carrying out its functions under this title;

"(f) to obtain from suppliers of materials information pertaining to the method of filling orders and the bases for allocating their supply, whenever it appears that any small business is unable to obtain materials from its normal sources for war or defense production;

"(g) to make studies and recommendations to the appropriate Federal agencies to insure a fair and equitable share of materials, supplies, and equipment to small-business concerns to effectuate war or defense programs;

"(h) to consult and cooperate with all Government agencies for the purpose of insuring that small-business concerns shall receive fair and reasonable treatment from said agencies; and

"(i) to establish such advisory boards and committees wholly representative of small business as may be found necessary to achieve the purposes of this title.

"SEC. 214. In any case in which a small-business concern or group of such concerns has been certified by or under the authority of the Administration to be a competent Government contractor with respect to capacity and credit as to a specific Government procurement contract, the officers of the Government having procurement powers are directed to accept such certification as conclusive, and are authorized to let such Government procurement contract to such concern or group of concerns without requiring it to meet any other requirement with respect to capacity and credit.

"SEC. 215. To effectuate the purposes of this title, small-business concerns within the meaning of this title shall receive any award or contract or any part thereof as to which it is determined by the Administration and the contracting procurement agency (A) to be in the interest of mobilizing the Nation's full productive capacity, or (B) to be in the interest of war or national defense programs.

"SEC. 216. The Administration shall make a report every 6 months of operations under this title to the President, the President of the Senate, and the Speaker of the House of Representatives. Such report shall include the names of the business concerns to whom contracts are let and for whom financing is arranged by the Administration, together with the amounts involved, and such report shall include such other information and such comments and recommendations as the Administration may deem appropriate.

"SEC. 217. The Administration is hereby empowered to make studies of the effect of price, credit, and other controls imposed under war or defense programs and wherever it finds that these controls discriminate against or impose undue hardship upon small business, to make recommendations to the appropriate Federal agency for the adjustment of controls to the needs of small business.

"SEC. 218. (a) The President is authorized to consult with representatives of small-business concerns with a view to encouraging the making by such persons with the approval by the President of voluntary agreements and programs to further the objectives of this title.

"(b) No act or omission to act pursuant to this title which occurs while this title is in effect, if requested by the President pursuant to a voluntary agreement or program approved under subsection (a) and found by the President to be in the public interest as contributing to the national defense shall be construed to be within the prohibition of the antitrust laws or the Federal Trade Commission Act of the United States. A copy of each such request intended to be within the coverage of this section, and any modification or withdrawal thereof, shall be furnished to the Attorney General and the Chairman of the Federal Trade Commission when made, and it shall be published in the Federal Register unless publication thereof would, in the opinion of the President, endanger the national security.

"(c) The authority granted in subsection (b) shall be delegated only (1) to an official who shall for the purpose of such delegation be required to be appointed by the President by and with the advice and consent of the Senate, and (2) upon the condition that such official consult with the Attorney General and with Chairman of the Federal Trade Commission not less than 10 days before making any request or finding thereunder, and (3) upon the condition that such official obtain the approval of the Attorney General to any request thereunder before making the request.

"(d) Upon withdrawal of any request or finding made hereunder the provisions of this section shall not apply to any subsequent act or omission to act by reason of such finding or request.

"SEC. 219. (a) The President may transfer to the Administration any functions, powers, and duties of any department or agency which relate primarily to small-business problems. In connection with any such transfer, the President may provide for appropriate transfers of records, property, necessary personnel, and unexpended balances of appropriations and other funds available to the department or agency from which the transfer is made.

"(b) The President may also provide for such transfers of records, property, and personnel from the Small Defense Plants Administration, during the period of its liquidation, as he considers appropriate to assist the Small Business Administration in carrying out its functions under this title. The Defense Production Act of 1950, as amended, is further amended by the repeal of section 714 of that act.

"SEC. 220. No loan shall be made or equipment, facilities, or services furnished by the Administration under this title to any business enterprise unless the owners, partners, or officers of such business enterprise (1) certify to the Administration the names of any attorneys, agents, or other persons engaged by or on behalf of such business enterprise for the purpose of expediting applications made to the Administration for assistance of any sort, and the fees paid or to be paid to any such persons; (2) execute an agreement binding any such business enterprise for a period of 2 years after any assistance is rendered by the Administration to such business enterprise, to refrain from employing, tendering any office or employment to, or retaining for professional services, any person who, on the date such assistance or any part thereof was rendered, or within 1 year prior thereto, shall have served as an officer, attorney, agent, or employee of the Administration occupying a position or engaging in activities which the Administration shall have determined involve discretion with respect to the granting of assistance under this title; and (3) shall furnish the names of lending institutions to which such business enterprise has applied for loans together with dates, amounts, terms, and proof of refusal.

"SEC. 221. To the fullest extent the Administration deems practicable, it shall make a fair charge for the use of Government-owned property and make and let contracts on a basis that will result in a recovery of the direct costs incurred by the Aministration.

"SEC. 222. There are hereby authorized to be appropriated such sums as may be necessary and appropriate for the carrying out of the provisions and purposes of this title.

"SEC. 223. If any provision of this title, or the application thereof to any person or circumstances, is held invalid, the remainder of this act, and the application of such provision to other persons or circumstances, shall not be affected thereby."

Mr. WOLCOTT (interrupting reading of the amendment). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD. I may say in support of the unanimous consent request that this is identical with the language which we adopted when we passed the bill H. R. 5141, the Small Business Administration bill, and I am doing this at the suggestion of the Committee on Banking and Currency.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

LIMITATION SHOULD BE OVER $100,000

Mr. PATMAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the administration in power is expecting to sell valuable rubber plants and other properties belonging to agencies of the Government. If there isn't some agency like Small Business Administration, which is to take the place of RFC, that is in a position to extend adequate loans, such sales will in many instances result in a great loss to the taxpayers and will probably increase monopolistic powers in certain industries.

There is hardly a county out of the 3,070 counties in the United States that

does not have limestone or a similar raw material that can be used for the making of cement. Yet, it is very expensive to build a cement plant. The number of cement plants is very few compared to the great need of the country for them. If local people get together, get up a feasible plan for the establishment of a great production plant like a cement plant, and although they are able to put up a few million dollars themselves, but they lack a million or more dollars to do the job, there should be a place somewhere in the United States where they could get consideration for that type credit. I know what some people will say, and that is that they should go to the banks and insurance companies. I had some experience in that kind of wheel-spinning.

The local bank will necessarily ask the aid of the big city bank, or the local insurance agent will confer with the home office in the distant city, and the matter will finally be passed upon in either case by the board of directors of a big bank or big insurance company. On that board—and I do not care which board you pick out—you will find the cement industry well and adequately represented. The people who want such a loan will not have a chance. The same thing applies to steel plants, automobile plants, aluminum plants, tin plants, or in any of the others in the larger industries.

If a person should invent something new that can be used to produce something the people need, he should have a chance to get consideration of an application for a loan somewhere in the United States where it will be considered fairly and impartially without reference to conflicting or greedy interests even though the application should involve millions of dollars instead of $100,000. In defense work thousands of concerns over the United States can produce just as much and just as good materials as any of the "Generals"—General Motors, General Electric, General Foods, General Rubber, or any of the rest of the generals—but they have to have more than $100,000 to get their products going, so the limitation of $100,000 assures the big fellows of protection against competition either on their level or on the level of a subsidiary, but it does deprive the Government of additional production by independent business concerns and will cause the Government to spend more money that will have to be raised in taxes.

I am afraid the bill will be worth more to big business than it will be helpful to small business. We know it will protect big business and we know, too, that it will depend upon its administration for help to small business and it will be restricted by straitjacket, limiting amendments.

Mr. RAINS. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Alabama.

Mr. RAINS. Is it not a fact that if this same restriction had been in the Small Defense Plants Administration bill, 75 percent of the loans would have been refused?

Mr. PATMAN. That is exactly right. This bill I am afraid is going to grant more protection to the big people than it will afford help to the small ones. It will guarantee the big fellows and all their subsidiaries against any competition because others cannot get financed.

I assume when this goes to conference that question will be in conference and I hope the conferees can agree on taking that limitation off and leaving the definition of small business to prevail, that no application will be considered that does not come within the category of small business.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Kentucky.

Mr. SPENCE. That question has been fought out, and I agree with the gentleman. I think there should be a higher limitation. It is not only the industries the gentleman has mentioned, but there is the steel industry, for instance.

Mr. PATMAN. Yes, there is the steel industry.

Mr. SPENCE. There are very many small companies that offer competition in that competitive field and they have to be stimulated in order to be kept alive. The big fellows can crush them and I do not think $100,000 would be a sufficient loan to do the work. There is also the electrical industry, which includes the Westinghouse Co. and other large electric companies. There are many little concerns, little compared with those big fellows but they are pretty big concerns, that need accommodation greater than can be furnished in this bill.

Mr. PATMAN. I thank the gentleman. I am not asking for any vote because I think it is a violation of the agreement we had that the bill that passed the House would be offered as an amendment to the Defense Production Act, and the chairman of our committee has done that. I am not offering any amendment and I shall not make any fight, but I certainly hope the conferees will insist upon that limitation being taken off.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. WOLCOTT].

The amendment was agreed to.

Mr. SPENCE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SPENCE: Page 26, after line 6, insert the following new section:

"SEC. 10. The Defense Production Act of 1950, as amended, is amended by adding at the end thereof the following new title:

"'TITLE VIII—TEMPORARY EMERGENCY PRICE, WAGE, AND RENT CEILINGS

"'SEC. 801. (a) The President is authorized and directed, whenever he shall find and declare that a grave national emergency exists and that the exercise of such authority is necessary in the interest of national security and economic stability, to establish simultaneously by Executive order ceilings on (1) the price, rental, commission, margin, rate, fee, charge, or allowance paid or received on the sale or delivery, or the purchase or receipt, by or to any person, of materials and services, (2) wages, salaries, and other compensation paid or received with respect to employment, and (3) rents paid or received for the use or occupancy of housing accommodations, at the levels prevailing as of the close of business on the business day next preceding the day on which the action is taken, or those prevailing on the nearest date during the preceding 30 days on which, in the judgment of the President, they are generally representative, or if none prevailed during such 30-day period, then those prevailing on the nearest date on which, in the judgment of the President, they are generally representative. All ceilings established under this title shall terminate 90 days after the issuance of such order, or at such earlier time as Congress may by law or concurrent resolution provide, and the authority conferred by this title to establish ceilings shall not thereafter be exercised.

"'(b) The President may provide exemptions from, suspensions of, or adjustments to ceilings in the case of any materials or services or transactions therein, or types of employment, or housing accommodations of any class or in any area, if he finds that (1) such exemption, suspension, or adjustment is necessary for national defense, or (2) the imposition or maintenance of such ceilings would be impracticable or unnecessary in order to effectuate the purposes of this title.

"'SEC. 802. The President may make such rules, regulations, and orders as he deems necessary and appropriate to carry out the provisions of this title. Whenever in the judgment of the President such action is necessary or proper in order to effectuate the purposes of this title, he may, by regulation or order, regulate or prohibit speculative or manipulative practices or renting or leasing practices (including practices relating to the recovery of possession) in connection with any housing accommodations, which in his judgment are equivalent to or are likely to result in rent increases inconsistent with the purposes of this title.

"'SEC. 803. (a) Regardless of any obligation heretofore or hereafter entered into, it shall be unlawful—

"'(1) for any person to sell or deliver, or in the regular course of business or trade to buy or receive, any material or service, or to demand, accept, receive, or retain any rent for the use or occupancy of any housing accommodation, or otherwise to do or omit to do any act, in violation of this title or any regulation, order, or requirement issued thereunder, or to offer, solicit, attempt, or agree to do any of the foregoing; or

"'(2) for any employer to pay, or any employee to receive, any wage, salary, or other compensation in contravention of any regulation or order promulgated by the President under this title.

The President shall prescribe the extent to which any payment (including any wage, salary, or compensation payment), either in money or property, made in contravention of any such regulation, order, or requirement shall be disregarded by the executive departments and other governmental agencies in determining the costs or expenses of any person for the purposes of any other law or regulation, including bases in determining gain for tax purposes.

"'(b) Any person who willfully violates any provision of this section shall, upon conviction thereof, be subject to a fine of not more than $10,000 or to imprisonment for not more than 1 year, or both.

"'SEC. 804. Nothing in this title shall be construed to require any person to sell any material or service, or to offer any housing accommodations for rent, or to perform personal services.

"'SEC. 805. As used in this title—

"'(a) The term "rent" means the consideration, including any bonus, benefit, or gratuity, demanded or received for or in connection with the use or occupancy of housing accommodations, or the transfer of a lease of housing accommodations.

"'(b) The term "housing accommodations" means any building, structure, or part thereof, or land appurtenant thereto, or any other real or personal property rented or offered for rent for living or dwelling pur-

poses (including houses, apartments, rooming or boarding house accommodations, and other properties used for living or dwelling purposes) together with all privileges, services, furnishings, furniture, and facilities connected with the use or occupancy of such property.

"SEC. 906. This title and all authority conferred thereunder shall terminate at the close of June 30, 1954, unless sooner terminated under section 717 (b)'."

Mr. SPENCE. Mr. Chairman, this amendment makes the present bill conform to the bill as reported by the Senate Committee on Banking and Currency. That bill was amended by the Byrd amendment, which provided that on a declaration of war, or upon the finding that a grave emergency existed, by concurrent resolution the President was authorized to impose controls on wages, prices, and rents.

As this is a defense measure, it seems to me the greatest provision for defense and for our national security and for economic stability is this amendment. If controls are necessary to be imposed, I think it is obvious that they must be imposed with great rapidity and comparative secrecy, because if the word goes around that the controls are about to be imposed because of the emergency there will be an upward surge in prices that will dislocate our economy and weaken the efforts for our defense.

The only way this can be done, if it has to be done, is through the action of one man, the man who is charged with the duty of being the Chief Executive of the United States. It is obvious that you can get no expeditious decision on the matter from 531 persons, who constitute the membership of the Congress. When the word goes out for a concurrent resolution, the world will know it, and in that instant our economy will be dislocated, and prices will rise. If prices rise, you cannot roll them back. The only way to meet this condition is by a freeze. This amendment gives the President the power to freeze prices, wages, and rents for not exceeding 90 days.

I have heard something said about the delegation of our powers to the President. There is no delegation of powers because all the power we give him we can recapture in a day. If the Congress wants to act it has the power to act immediately. This is an emergency measure. It is given to the one man in the United States who by reason of his position can meet that emergency.

Suppose our enemies attack us. A rise in prices of 2 or 3 percent would mean untold billions added to the cost of Government of the war. It would mean maybe the difference between victory and defeat. It certainly is not a great power to vest in the President, who now has the greatest power of any elected ruler in the world, because he is the Commander in Chief of our Army and our Navy. He knows the conditions that exist long before we know them. If there is a grave national emergency he will know it. My idea of a grave national emergency would be an impending and inevitable war, which he was making provision to fight in order to protect the liberties of our people.

Without this provision in the bill, as far as this bill being a defense measure is concerned, it is innocuous. It has nothing in it but allocations and priorities and a few inconsequential provisions as compared with this. This amendment is the very essence of the bill for defense. I ask that you consider carefully the result that might accrue if you do not give the President this power.

Mr. WOLCOTT. In the interest of expediting the bill, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 20 minutes, the last 5 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Chairman, if this amendment becomes law everything, prices, wages, and so forth, will be frozen for 90 days, only, by the President. I object to a freeze of only 90 days because before the expiration of the 90 days Congress will have to adopt a new control law.

I prefer that Congress act quickly after the emergency arises and freeze all prices, and so forth, for the duration of the entire emergency. This will eliminate the temporary 90-day period which would be used by special interests, as in the past, to pressure and persuade Congress to make exceptions and exemptions, as in the past, that favor certain groups and render ineffective all control laws.

I prefer a quick freeze by Congress for the entire emergency rather than a 90-day freeze which will have to be extended by Congress which will result in giving all special-interest groups that length of time to pressure Congress and make it difficult to enact a fair law.

The CHAIRMAN. The time of the gentleman from Texas has expired.

The Chair recognizes the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Chairman, I indicated in general debate that I favored the idea of this standby power in the President, which is the subject of this amendment. And I favor it, because it is essentially only modern thinking.

I think with the suddenness with which events may happen nowadays, not to establish this standby power is a failure to recognize that the defense of our country and the defense of our institutions require as a unit, both economic and military.

We recognize the need immediately for an Army and Navy, right on the job, ready to go into action any minute, and to retaliate. I think we have to do the same thing with respect to the economic phase of mobilization. This amendment offers us an elementary measure of protection. It permits us to plan for and have a ready organization on the shelf to act instantly when we need it. It is an essential element of a mobilization plan in the atomic age.

I might say that hedged in as it is with the protections which the other body has written into this particular section which requires a declaration of war or a declaration of a national emergency by the Congress, the Congress can be perfectly clear that there can be no abuse of power by the Executive. Therefore, I believe that this is only a recognition of modern events, a recognition of the danger to our own security and to our own country of the need for quick economic action in an emergency and that this provision is vitally necessary.

I hope very much that the House will adopt it and effect a standby of this elementary power to protect our country upon this economic front, which is just as vital as the military front to the President, who in that case will be the commander in chief and will need this power and need it very urgently.

The CHAIRMAN. The time of the gentleman from New York has expired.

The Chair recognizes the gentleman from Pennsylvania [Mr. BARRETT].

Mr. BARRETT. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Kentucky [Mr. SPENCE]. His amendment would give the President authority to freeze prices, wages, and rents for a period not exceeding 90 days, during which time Congress would have an opportunity to consider the entire matter. I voted for this provision when Senate bill 1081 was being considered by the Banking and Currency Committee, and I am hopeful that it will be accepted by the House. I believe it is an absolute necessity that we place standby economic controls on the statute books, so that the President may invoke them in the case of a grave national emergency. Experience has demonstrated that Congress will not act with sufficient speed.

It is entirely unrealistic to assume that Congress would take action on a resolution to freeze the economy within the time that is necessary which, according to Mr. Arthur S. Flemming, Director of the Office of Defense Mobilization, testifying on behalf of the administration, stated should not exceed 10 days. For one thing, groups representing varying viewpoints would probably request an opportunity to express their views on the resolution. For another, Members of Congress, especially those who oppose controls under any circumstances, would in all likelihood insist upon extended debate.

Equally important, once the emergency occurred, the very fact that proposed control authority was being considered by the Congress would itself act as an additional stimulus to price increases. That is because businessmen would raise their prices to the highest possible levels so as to be in a more advantageous price position if direct controls should be imposed.

Apart from this, the record shows conclusively that Congress will not act with the speed required. In World War II, for example, even though a control bill was introduced on August 1, 1941, final passage did not occur until January 30, 1942, almost 2 months after Pearl Harbor. Meanwhile, the cost of living had increased over 6 percent.

After the Korean invasion, a control bill was introduced on July 19, 1950. Again almost 2 months elapsed before

the bill became law on September 8. While Congress was deliberating, wholesale prices advanced almost 8 percent and consumer prices were increasing at the rate of almost 1 percent a month.

The overriding considerations of public policy thus require vesting of authority in the President to take action for a limited period of time during which the economy can be protected while Congress deliberates the ultimate course of action.

Mr. Chairman, the people of this country simply cannot stand another wave of inflation. We have had a taste, a very foul taste, of inflation after the Communists loosened war upon the world in Korea. I saw what it did to the people of my district. I saw the poor made poorer by profiteering in bread and milk and meat and clothing and rents. I saw school teachers impoverished by a shrinking dollar which robbed them of their will to stay on at their difficult and demanding jobs where they are so urgently needed to inculcate the meaning of democracy in our children. I saw housewives turn bitter and disillusioned by the ever-decreasing nourishment they could afford to provide their families as prices go up in cruel disregard for the people's welfare.

Why, Mr. Chairman? Why did we have this spectacle of a war far away suddenly skyrocketing the cost of things produced a few miles from home? The economists tell us it was fear buying which sent prices up; people stocking up and hoarding in anticipation of shortages they expect from the existence of war. There may be some truth in that on the overall level; there was hoarding and stocking up and advance buying and panic buying.

But who did all this buying? Not the working people in my district, nor the working people elsewhere in the country. The average-income people do not have the money to start panic-buying sprees. It is all they can do to maintain their payday-to-payday cost of living—feeding their families nourishingly, clothing them decently, educating their children. And they are able to do all this only by working mighty hard.

There was hoarding all right, though—by business buying up and stocking up on everything in sight and then waiting for rising prices to give them big inventory profits. We can prevent this from taking place again by voting for the amendment of the gentleman from Kentucky.

Mr. Chairman, I do not believe there is anyone in this country who knows more about this subject that Mr. Bernard Baruch. His statement before the Senate Banking and Currency Committee was a solemn warning to all those who adopt an ostrich-like attitude on the dangers of inflation:

> If the Congress fails to enact an adequate standby mobilization law, whether you realise it or not, you will be putting a premium on selfishness. It is virtually impossible to invoke an overall ceiling properly, unless the power to act is on the statute books and at least the skeleton of the administering agency is in place before the emergency. Without this, the delay that will ensue makes it virtually certain that action will not come until the inflationary race is already underway and your whole mobilization under heavy handicap.

I urge you to vote for the Spence amendment.

Mr. Chairman, I ask unanimous consent to yield the balance of my time to the gentleman from New York [Mr. MULTER].

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. BOLLING.]

Mr. BOLLING. Mr. Chairman, I urge the adoption of this amendment. It is predictable that unless this amendment is adopted, should another emergency strike this country, there will be substantial delay between the event of the emergency and the passage of an economic stabilization act by Congress. What will happen will be that those who conscientiously oppose all controls at all times will fight a delaying action. Those who are for controls, but with certain exceptions will fight a delaying action. A successful attempt will be made to prolong the hearings and prolong the proceedings. On the basis of past experience it can be predicted that the only way in which we can hope to get quick action to freeze the economy in the event of an emergency is by placing in the hands of the President this type of limited standby power.

I urge the Members of the House to give very serious consideration to their responsibility to the future.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. SIEMINSKI].

Mr. SIEMINSKI. Mr. Chairman, if we gave the President the sole and exclusive judgment of dropping the atomic bomb—and no one objected to that—certainly we can give him the job of promptly saving the economy in the event of an emergency.

As the law now reads, the President can order the atomic bomb to be used in a police action, independent of Congress. It could have been so used in Korea.

This amendment, as I understand it, sets up an automatic line of procedure in the event of an emergency. The guns go off, Congress declares an emergency, the President puts in standby freezes, and Congress, during the 90 days, decides what it wants to retain or reject. The amendment protects earnings. It should pass.

(Mr. SIEMINSKI asked to yield the remaining minute of his time to the gentleman from New York [Mr. MULTER].)

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. HIESTAND].

Mr. HIESTAND. Mr. Chairman, I think we all ought to realize just what this issue is. There is an issue of whether or not you want controls or do not want controls; whether you believe in standbys or whether you do not. The 90-day freeze cloaks it in temporary and emergency clothing. I think we should realize just one or two things about it: No. 1, the President has not asked for this authority; No. 2, he does not want price and wage controls. He has believed in cutting them out; he has cut them out wherever possible one after another. He believes in free enterprise without controls. No. 3, I think that we all have to agree, all of us, that any presently granted right to freeze is equivalent to a standby control. We have discussed this matter of standby controls and have voted it down. It is equivalent to a threat, and threats beget countermeasures, countermeasures of price increases long in advance.

I have been in the thick of this thing on both sides for years. I think we are all ready to agree that a free economy is basically a strong economy; a controlled economy is basically weaker.

Mr. ADDONIZIO. Mr. Chairman, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. ADDONIZIO. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Kentucky [Mr. SPENCE] to give the President authority to freeze prices, wages, and rents for a period of 90 days should a grave national emergency occur. I am under no illusions that I have either the eloquence or wit to convince the majority of this body that standby economic controls are a necessity. My reason for rising at this time is rather to let my constituents know in no uncertain terms where I stand on this issue.

Inflation is a terrible thing, Mr. Chairman. It is particularly terrible for the poor people—those who cannot declare themselves an extra stock dividend every time the prices of food or clothing go up, and who have to get along on what they earn by the sweat of their brow. They are the people I am worried about. They are the ones I am going to keep on fighting for in this Congress—to see that they are treated fairly and not forced to pay ever more exorbitant prices for the necessities of life or be deprived of such necessities because they cannot afford them.

Mr. Chairman, I wonder if some of those, who tell us we do not need standby controls, know how much it costs an American family to live these days? I am talking about the family which is just able to get along—not with yachts and country-club style of living, but just to keep milk on the table for the kids and keep a roof over their heads and dress the children decently enough for them to go to school, and so on.

In Newark just to keep a family of four decently alive in adequate surroundings, it costs about $4,000 a year. That is about $80 a week. Now, just think how many families we have who are not making that kind of money. These people simply cannot stand another round of inflation. It will destroy them.

In light of these facts, it is utterly inconceivable that this administration should have no opinion about this matter. The ambigious and equivocal position taken by this Administration on

standby controls is fantastic. Let me quote from the testimony presented to the Committee on Banking and Currency by Mr. Arthur S. Fleming, who holds the dual position of Director of the Office of Defense Mobilization and Economic Stabilization Administrator. On behalf of the Administration, Mr. Flemming expressed the hope that Congress "will decide that in event of an emergency situation, it could move rapidly enough in providing authority for a freeze to deal with the problem in an adequate manner." By "rapidly enough", he stated, he meant 10 days. He further testified that if Congress should arrive at a contrary conclusion he was authorized to state that a bill containing a provision granting authority to the President to impose a freeze on prices and wages would be acceptable. But as to whether or not Congress would in fact move rapidly enough in an emergency he would express no opinion whatsoever even after extended interrogation. That, he declared, was a matter for Congress to decide, which, if nothing else, is at least a statement of the obvious. The point is, though, that we in the Congress, in order to make the best decision possible, should have the expert views of the persons who would have executive responsibility for administering proposed legislation.

Mr. Chairman, if disaster should strike, if we should be engulfed by another wave of inflation, this administration will not be able to escape responsibility for it. It cannot wash its hands of that responsibility.

I believe that the most astute and forthright observation on the administration's stand—or rather lack of it—has been set forth by not a Democrat but rather a man high in the counsels of the Republican Party, a man whom I do not believe anyone can accuse of being a proponent of statism, socialism, or regimentation, the chairman of the Senate Banking and Currency Committee, the Honorable HOMER E. CAPEHART. He stated:

> Mr. President, I do not mind stating that I am disappointed in the Republican Party, because we are not accepting the responsibility that is ours. The responsibility of conducting the Government is our responsibility now, because we have a Republican President, and we control both Houses of Congress.
>
> We are saying to the American people, "If a grave national emergency strikes next month or next October, we do not have the good, common horse sense and judgment now to decide what should be done in the event of that emergency."

Mr. Chairman, there is no one who knows more about these problems than Mr. Bernard M. Baruch. Our committee, unfortunately, did not have an opportunity to obtain the testimony of Mr. Baruch so as to acquire firsthand the benefit of his wisdom and abundant experience in problems of economic mobilization and preparedness. He did, however, testify before the Senate Banking and Currency Committee and stated:

> To wait is to die. To wait is to make certain our mobilization will be needlessly slowed, which means lengthening the struggle for victory and dooming some to lose their lives needlessly.
>
> One or two general courses of action is possible. The wise course is to act promptly before the economy is out of hand, to preserve as far as possible the equilibrium that existed prior to the emergency.
>
> This is the sound course of action. The other course is to wait and fiddle until the economy is out of control. Only then do you act. Your whole mobilization then becomes a wild chase of a dog after his own tail. You then have to chase the disruptions caused by the Government's failure to act in time in a frantic effort to recover the equilibrium which should never have been lost.
>
> The choice, in short, is between acting before serious harm is done and waiting until you are deep in trouble before acting. One course locks the stable door promptly. The other deliberately keeps the stable door open until the horse is stolen.

I am in wholehearted accord with Mr. Baruch and hope the amendment is adopted.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Chairman, may I direct the attention of the committee to the fact that this amendment now before us offered by the distinguished gentleman from Kentucky [Mr. SPENCE], is precisely the bill which was reported by the Senate Banking and Currency Committee by a vote of 12 to 3. It is to all intents and purposes exactly the same in principle as the bill which I had the privilege of offering, H. R. 3184, and which was cosponsored by some thirty-odd Members of this House from both sides of the aisle.

Let us not get the issue confused. There is no control legislation, no control organization set up by this amendment; it purely and simply gives to our President the right in the event of an emergency to freeze rents, prices, and wages across the board for a period of 90 days; and that 90-day period can be shortened to any period less than that which this Congress may subsequently decide. That can be done by concurrent resolution.

In the event of an emergency—none of us want it to happen—but with the stress of international affairs as we know them today we must prepare for an emergency just as we prepare for the defense of our shores against foreign invasion. The only way we can protect the economy of the country is to give to the man whom we can trust, the President of the United States, the power to invoke at once in the face of an emergency this authority to freeze wages, prices, and rents, right across the board, and then let us get together and take our time in this Congress and put upon the books such legislation, if any, that we may decide we need. The only way you can do it is by adopting this amendment which is offered by the distinguished gentleman from Kentucky [Mr. SPENCE]. The amendment would make it possible to invoke such direct controls in the simplest and most direct form. The President need not consult with Congress or with any advisory body as a condition precedent to the issuance of a general freeze order. He need only find and declare that a threat to the economic stability or security of the United States is threatened or exists. This places the responsibility for the initiation of such controls with our Chief Executive, the same person to whom the Constitution entrusts the conduct of foreign affairs, to wit: the President of the United States.

The Congress does not abandon its responsibility to legislate for the common defense and the general welfare. Within the 90-day period in which the general freeze shall be effective, Congress may do 1 of 4 things: First, it may continue the general freeze and establish a date for its termination; second, it may terminate such freeze forthwith; third, it may, after due consideration, enact further legislation; or, fourth, it may decide that such controls should be abandoned after the termination of the general freeze and therefore decline to enact any further legislation.

The adoption of this amendment would assure that Congress would consider any subsequent stabilization legislation calmly and deliberately. The 90-day freeze would provide a setting in which sellers could not complain of discrimination, since their ceilings under the freeze would mirror the market sometime during the 1-month base period which the President may employ in the freeze. It is for this reason that the present bill contains no special provision for any group in the economy which would operate to upset price, rent, or wage relationships established by the freeze order. More significantly, Congress would be able to consider further legislation without the pressures which arise when costs and prices are rapidly increasing. It avoids the necessity of considering the difficult problems of rollbacks.

Under the amendment the tragic upswing in prices occurring during the 6 months following the outbreak of the Korean conflict could not recur providing the President employs the powers which this bill grants. Within a few hours of the Presidential declaration of a threat to our economic stability or security, a complete freeze of the economy could be placed into effect.

Instead of waiting for congressional action subsequent to an emergency, we thus lay the groundwork for the protection of our economic system well in advance of war-born emergencies which may threaten it. Once the forces of runaway inflation are in motion, it is much too late to then seek from Congress the necessary Executive power to stem those forces.

The Communist attack came on June 25. It took Congress until September 8 to enact a price-wage bill. This law was cumbersome and needlessly complicated. It required the President to try voluntary controls before he could resort to genuine price control. As a result it was February 1951 before the upward spiral of prices had been brought to a temporary halt. By that time, wholesale prices had gone up 16 percent and the consumer's price index had risen 8 percent. Thus, in the short space of 8 months, the consumers of this country suffered a loss of sixteen billions—all because there was no standby authority to impose a price-wage freeze.

The delay had an even more serious result; not only did prices soar during the post-Korea panic buying wave—they advanced unevenly, so that when the

general price freeze was imposed, some prices had doubled while others had only risen slightly. This got us into the complicated problem of price rollbacks, and led us, eventually, to the Capehart amendment.

A third harmful result of the price rise, of course, was the immense increase in our defense budget occasioned by price rises of defense items. The Defense Department was required to pay from 50 to 150 percent more for many of the standard items it bought. One item went up 610 percent. Our defense appropriations were in fact dissipated by excessive costs and prices because of the failure to freeze them in June or July of 1950.

These facts should not have been forgotten so soon. The international situation is still so precarious that we cannot afford to leave the President without authority to protect the consumers and taxpayers of this country against another crisis that would send prices soaring.

It is most apropos that I direct the attention of the Congress to the findings of the American Assembly, held at Columbia University on December 5 to 7, 1952. The purpose of the assembly was a reappraisal of inflation. Part of the records of the assembly is an interesting letter from President Dwight D. Eisenhower to Hon. Lewis W. Douglas, Chairman of the National Policy Board, which was read in his absence by Dean Philip Young, dean of the Graduate School of Business of Columbia University, and executive director of the American Assembly. I quote in part from that letter from President Eisenhower:

> You will recall my saying at the time of its establishment that the American Assembly was perhaps the most important step I had taken during my presidency of Columbia University. My experiences at SHAPE, and more recently in the United States, have convinced me that the work of the American Assembly is needed more than ever.
>
> The American Assembly must continue to furnish our citizens and our Government with objective facts, findings, and practical courses of action in dealing with vital United States problems. I am sure that, with the support and enthusiasm of public-spirited individuals and organizations, its growth will continue.
>
> You will recall the discussions that you, Dean Young, and I have had on Morningside Heights and at SHAPE. With the other members of the National Policy Board, we have always felt that the assembly was based on two principles:
>
> (1) That free citizens can make up their own minds on public questions if they have access to sound, unbiased facts, and
>
> (2) That the practice of democracy demands individual sacrifice, particularly in reconciling divergent views in order to accomplish a common purpose.

I am sure neither President Eisenhower nor this Congress should for one moment consider ignoring the most important finding of that assembly.

I qoute to you from the summary report of those findings the following:

> DIRECT CONTROLS
>
> On the question of direct controls, it was agreed that price and wage ceilings should be removed but that standby authority to impose controls should be provided.

I urge the adoption of the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. TALLE].

Mr. TALLE. Mr. Chairman, this amendment should be voted down. It cannot possibly serve any good purpose and it could do great harm because of the uncertainty and the threat to enterprise which would ensue if enacted into law. The President has not asked for this power, and in the event the direful disaster should occur which the proponents have mentioned, this 90-day freeze proposal or any other standby controls that might be provided would be of absolutely no account, for then martial law would prevail over any laws that might be enacted now.

Let me bring to you some information from a country that used controls a long time and to its sorrow learned that nationalization of industry is not the answer to the goal of a good life for an individual or a nation.

I quote from the International Financial News Survey of May 15, 1953, published by the International Monetary Fund. Under the head "U. K. Price Controls" I read the following:

> On April 30, the board of trade removed the last remaining statutory price control in the United Kingdom and began to dismantle the machinery of the central price-regulation committee. Thus, price control, which has been in effect in the United Kingdom for the past 13 years, has come to an end. With steel now generally in adequate supply, the Government's allocation scheme has also been abolished.

We do not propose in this bill to go so far as to remove all allocations of strategic materials, but the United Kingdom has removed even this form of control.

The Economist, London, England, May 9, 1953, announced that—

> Free trading in copper will start on the London Metal Exchange on August 5. Government trading will end on that date, and private import and sale will be permitted. The other three nonferrous metals, tin, lead, and zinc, which in prewar years had also been traded on the London Metal Exchange, have already been returned to private hands.

England has turned again to private enterprise, after learning a bitter lesson. She learned that if she walked down the road to nationalization, it meant austerity and a low standard of living for her people. In recent months she has been going forward because the spirit of private enterprise has been released. This is no time for the United States to abandon the enterprise system which has brought to our people the highest standard of living the world has ever known.

Mr. Chairman, let us show our faith in the system which has worked so well. Let us not shackle our enterprise system with unnecessary controls. Let us not cast the shadows of fear, uncertainty, and intimidation over the economy in the form of standby controls, freeze orders, or any other obstructing devices.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman, I can only repeat what I said before. I sincerely hope, not only as a Member of Congress but as a citizen, that this amendment is passed because it is in the interest of our national security and the economic stability of the Nation.

If a war comes upon us, the cost may be enormous, much more than it would be if we could control prices, wages, and rents. I earnestly ask that the Members consider this carefully and prayerfully because I think it is a very important matter that may well make for either the weal or woe of this great Nation in the future.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. WOLCOTT].

Mr. WOLCOTT. Mr. Chairman, I want to quote very briefly some excerpts from our report. In the first place, no one has proposed that price and wage controls should be continued at the present time.

The President in his state of the Union message stated:

> The great economic strength of our democracy has developed in an atmosphere of freedom.

That almost answers the charge as to whether he wants this amendment. But on further, we find that the President has never asked for these controls and does not want standby controls. This turns only upon whether the Congress itself thinks it can act expeditiously enough to give him the power to act in time of war or a grave emergency.

It has been stated here that on frequent occasions we have acted within minutes on controversial matters and have gotten the power to the President to act expeditiously in several instances.

Quoting again from the President:

> In all of our current discussions on these and related facts, the weight of evidence is clearly against the use of controls in their present forms. They have proved largely unsatisfactory or unworkable. They have not prevented inflation; they have not kept down the cost of living.

Let us take a look at this amendment which they favor to give the President this 60-day freeze power. This same language was repudiated by the other body.

Bear in mind that the President does not advocate it, he does not want it; but if we give it to him, what do we give him? We give him the authority, something which we have never given any President before, in OPS or OPA, to close every commodity market in the United States. There is hardly a morsel of food or a yard of fiber that does not move into the American markets through the commodity markets. He can disband every State public utility commission, and the Interstate Commerce Commission, under this freeze order, something that we have never given the President before. He can regulate and determine fees for services without restraint, which means that he can set fees for doctors, lawyers, and dentists, something that we have never done before.

Now if all of these dire things transpire, even if the entire Congress was wiped out—and it is inconceivable that there would not be someone acting as

President under those circumstances, under the constitutional authority which the President has, he could declare martial law in the United States and go ever so much further than you give him the right to go in this amendment.

Now we have had experience enough with controls in business, industry, and agriculture; Congress and all of the agencies of Government have had recent experiences. We have had experiences throughout the last 12 years on controls. Business, industry, and agriculture know that if they put up their prices unreasonably high over a period of days, over a period of weeks, that an order can always roll those prices back to the date of the emergency. I cannot conceive of any emergency coming on so rapidly that its effects could not be corrected by a roll back. We have always given the President, when we gave him the authority to control prices, wages, salaries, and most everything else, the authority to roll back under certain standards to certain dates. Of course, we would expect it to be done, but there would be limitations, there would be standards, so that some President who might not be as benign as our present President, or those who have preceded him, could not exercise autocratic powers in an emergency. We are not dealing with personalities; we are dealing with policies here.

Mr. Chairman, I hope that the amendment will be overwhelmingly defeated.

Mrs. KELLY of New York. Mr. Chairman, section 104 of title I of the Defense Production Act of 1952 contains authority for the exercise of import controls on certain fats and oils, peanuts, butter, cheese, and other dairy products, and rice and rice products. This section which was added to the act by the Defense Production Act Amendments of 1951 has provoked much controversy.

I opposed this amendment at that time and I now sponsor deletion of it from the Defense Production Act of 1953. During the time I have been a member of this honorable body, no other amendment has resulted in more ill feeling toward the United States than this cheese amendment. At a time when the United States was making every effort to unite the free nations of the world against a common enemy, Members of this House saw fit to pass an amendment which was detrimental to our allies.

As a member of the House Foreign Affairs Committee, and particularly as a member of the subcommittee which studied East-West trade and which sponsored the Battle Act, I can truthfully say that this amendment endangers our national security. The Battle Act forbids aid to any nation which exports war potential material to Iron Curtain countries. Great cooperation by the free nations was given the United States to carry out this means of embargoing our enemy supply when this cheese amendment was enacted. The cheese exporting nations were then forced to seek markets in other areas. One nation, Denmark, was forced to exchange to Poland, ships which carried supplies to Red China.

Despite the fact that the authority to control the imports protected under section 104 has now been transferred by proclamation of President Eisenhower to section 22 of the Agricultural Adjustment Act of 1933, I hope that the committee to study the revision of section 22 will be fair in their recommendations so that the foreign policy of the United States will not suffer but will serve to aid our allies to fill the dollar gap and by this method, will help them to help themselves and will permit the United States, in the coming years, to decrease foreign aid.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky [Mr. SPENCE].

The question was taken; and on a division (demanded by Mr. SPENCE) there were—ayes 65, noes 113.

So the amendment was rejected.

The CHAIRMAN. The question is on the committee amendment as amended.

The committee amendment as amended was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BROWN of Ohio, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (S. 1081) to provide authority for temporary economic controls, and for other purposes, pursuant to House Resolution 271, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO CORRECTION OF SECTION NUMBERS

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the Clerk have permission to make such clerical changes with respect to correction of section numbers, and so forth, as may be necessary.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

GENERAL LEAVE TO EXTEND REMARKS

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

SPECIAL ORDER GRANTED

Mr. ARENDS asked and was given permission to address the House for 25 minutes on Thursday next, at the conclusion of the legislative program and following any special orders heretofore entered.

TENNESSEE VALLEY AUTHORITY

Mr. RAINS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. RAINS. Mr. Speaker, I am distressed to see currently a campaign to strangle, curtail and tear down one of our country's greatest resources for defense and for the development of a better life of all the people of our Nation. It apparently is no longer a secret that this Republican-controlled Congress is determined to do damage and injury to the Tennessee Valley Authority, notwithstanding the solemn campaign promises made by President Eisenhower to the contrary.

In order that the record may be clear as to the efficiency of the job being done by the TVA under the direction of its able Board of Directors, I call attention to the following four tests of efficiency and good management.

FIRST. SPEED OF CONSTRUCTION AS A TEST OF EFFICIENCY

TVA does its construction work, for the most part, by force account—that is, with its own engineering, design, and construction forces, and with its own equipment. This has made not only for economy of construction but for speedy construction when the need was greatest. Just prior to World War II, for example, in order to provide electricity for the buildup of national-defense facilities in the valley, TVA commenced the construction of Cherokee Dam on the Holston River on August 1, 1940. On December 5, 1941—2 days before Pearl Harbor—the dam was closed, in time to fill the reservoir during the winter rainy season. On April 16, 1942, the first generator at the project went into operation.

On February 2, 1942, TVA commenced the construction of Douglas Dam, on the French Broad River, using the same engineering and construction force and equipment as for Cherokee. On February 19, 1943—12 months and 17 days later—Douglas Dam was closed, again in time to fill during the rainy season. First power was produced on March 21, 1943, 13 months and 19 days after construction was started. The construction of these two projects set world records for speed.

Fontana Dam on the Little Tennessee River was started by TVA on January 1, 1942. Besides construction of the dam, the project involved building a construction camp and village in a remote mountain area to house 5,000 people. On

November 11, 1944, the dam was closed, less than 3 years after start of construction. On January 20, 1945, the first generating unit was placed on the line. This accomplishment may be judged by the fact that the Aluminum Co. of America, which had previously contemplated building a dam on this site, estimated that 5 to 6 years would be required to complete it.

These were all big projects, Fontana Dam, 480 feet high, is the highest dam east of the Rocky Mountains, fourth highest in the country. It required the placing of over 2,800,000 cubic yards of concrete. Cherokee Dam required 686,000 cubic yards of concrete and over 3,000,000 cubic yards of earth and rock fill. Douglas required placement of nearly 550,000 cubic yards of concrete and over 620,000 cubic yards of earth and rock.

SECOND. GOOD LABOR RELATIONS ARE A TEST OF EFFICIENCY

Since the very early days of operations, TVA has dealt with employee organizations and its relationships with the unions in the Tennessee Valley Trades and Labor Council are covered by a general agreement. Wage rates are negotiated annually on the basis of the prevailing wages in the TVA area.

The Boilermakers Journal of January 1952 summed up as follows:

> We know that the working conditions enjoyed by TVA employees in its utility system are certainly equal to or better than the conditions in privately owned systems. The TVA is an outstanding example of what good labor relations can accomplish when the administrative management resists political invasion and conducts its relations with the employees on exactly the same basis as other enlightened employers.
>
> We believe that the example of good labor relations on TVA has tended to improve the relationships between organized labor and private contractors and manufacturers in the Tennessee Valley.

The Congressional Joint Committee on Labor Relations, in its report on TVA—Senate Report No. 372, 81st Congress, 1st session—made a number of points with respect to TVA-labor relations:

TVA has been in existence over 16 years and during that period its relations with labor have been relatively free of strife and discord.

TVA and the Tennessee Valley Trades and Labor Council "have done a commendable job in the logical steps taken to avoid these"—jurisdictional—"disputes and as to how they should be handled. The experience of TVA in the handling of these difficult disputes over the past 16 years shows that with realistic and patient handling jurisdictional disputes can be resolved with a minimum of delay and difficulty to all concerned."

"The wage conference represents the peak of collective bargaining between TVA and the Tennessee Valley Trades and Labor Council." It "is a good example of real collective bargaining between labor on the one hand and management, in the form of TVA, on the other."

THIRD. ECONOMY OF CONSTRUCTION IS A TEST OF EFFICIENCY

Because no two dams or steam plants are exactly the same, it is difficult and might be misleading to make comparisons between TVA projects and those constructed by other agencies, public or private.

But some measure of the economy of TVA construction is provided in cases where TVA has contracted for a job similar to those which it has on other occasions done for itself by force account and where force account costs actually incurred by TVA can be compared with the rejected bids of private companies.

Examples are given in the hearings on the independent offices appropriation bill, 1950, starting on page 853. For example, TVA contracted for the construction of the power tunnel for the Ocoee No. 3 dam and powerhouse project, while at the same time it constructed the tunnel for the Apalachia Dam by force account. The two projects were constructed in the same rock formation, with the same labor rates, and under the same general conditions. The actual cost of the Apalachia tunnel, constructed by force account, was about $7,500,000. If it had been built under the Ocoee tunnel contract prices, it would have cost nearly $9,400,000.

The same story is found in the construction of diversion tunnels at Fontana Dam, where the work was done by force account. Comparisons were made with prices at Watauga and South Holston projects, done by contract. The Watauga tunnels were built through the same kind of quartzite rock that existed at Fontana, and the tunnels were lined with concrete as at South Holston. Had the contract prices at these 2 projects prevailed at Fontana, the cost would have been $2,176,000; the actual cost by force account was $1,600,000.

In the fall of 1942 TVA asked for bids for channel dredging below Fort Loudoun Dam, but the bids were rejected and the work done by force account. The cost under the lowest bid would have been $1,500,000. The actual cost by force account was $1,370,000. Dredging below Watts Bar Dam would have cost over $830,000 under the lowest bid; the actual cost was $595,000.

In 1945 TVA asked for bids for the removal of the superstructure of an old railway bridge in Kentucky Reservoir area. The single bid received for the work was $65,000, with a credit of $9,200 for salvaged steel. This would have made a net cost of $55,800. The bid was rejected; TVA did the work itself and did so at an actual cost of $19,200. The salvaged steel was sold for $13,600, making the net cost of the job less than $5,600, compared with the net cost under the bid of $55,800.

These actual differences between contract and force-account work do not reflect the full advantage to TVA which, by doing the work itself, saves money on inspections, on accounting, and on preparation of detailed specifications which are required even when work is done by contract.

Similar savings have been achieved in construction of steam-electric generating stations very recently. For example, the turbogenerators for generating units 1 to 4 at Johnsonville steam plant were erected under a lump-sum contract with General Electric Co. at a cost of $894,000. The first 4 units at Widows Creek steam plant, similar in size to those at Johnsonville, were erected by TVA with its own crews for $600,000, a saving of about $294,000. Westinghouse erected units Nos. 5 and 6 at Johnsonville for $359,000 under contract; TVA erected similar units 5 and 6 at Widows Creek for $300,000.

A bid of $2,316,000 for erection of the boilers and equipment for the Johnsonville units 1 to 4 was rejected by TVA, which performed the job itself at a cost of $2 million.

A proposal of $226,000 has been received for erection of condensers at the Kingston steam plan. In comparison, TVA's actual costs for erection of condensers of approximately similar size at Johnsonville and at Widows Creek amounted respectively to $129,000 and $176,000.

FOURTH. A GOOD SAFETY RECORD IS A TEST OF GOOD MANAGEMENT

Early in its operations, TVA began developing a safety program which over the years has steadily lowered the frequency and severity of accidents among its employees. Its accident rates, both as to frequency and severity, are generally substantially lower than the rates reported by the National Safety Council for similar kinds of construction and operations.

In 1952, for example, the accident frequency rate for the TVA departments of power was 8.3 accidents for each million man-hours worked. The severity rate—number of days lost per 1,000 man-hours worked—was 1.02. In comparison, the National Safety Council reported rates for large electric utilities of 10.8 and 1.84 respectively in 1951.

TVA's chemical engineering department had a frequency rate of 5.5 and a severity rate of 0.48. The National Safety Council reports that in 1951 large fertilizer manufacturing plants had rates respectively of 14.3 and 2.96.

In concrete-dam construction, the frequency rates at Boone and Fort Patrick Henry Dams of TVA were 2.8 and 9.6 in 1951 and the severity rates were 2.71 and 0.52. For concrete bridge and dam construction, the National Safety Council reported rates of 28.8 and 7.26 respectively.

The National Safety Council gave its highest award of honor to the Shawnee steam plant branch of TVA's Construction Division for having worked 3 million man-hours without a chargeable injury in 1952.

Yes, Mr. Speaker, TVA is under violent attack, but even its opponents, in all fairness, must admit to a record of efficiency and operation unequaled in the annals of any Government agency.

PROGRAM FOR THE REMAINDER OF THE WEEK

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, I take this time because a number of Members have spoken to me asking whether there would be a record vote next Monday. The answer is "Yes." I know there will

be at least one record vote and maybe more on measures of consequence and importance.

Mr. McCORMACK. If the gentleman will yield, will he state the program for tomorrow?

Mr. HALLECK. Tomorrow we will have under consideration the bill from the Committee on Armed Services that has to do with survivors' benefits.

On Monday we will take up a bill that has been reported from the Committee on Agriculture that has to do with wheat allotments. I understand they have a rule, but it is possible that might come up on Monday under a suspension of the rules, pending certain negotiations with the minority side.

We expect to get a rule tomorrow on the extension of the Reciprocal Trade Agreements Act, with provision for the creation of a study commission and the addition of a member to the Tariff Commission. We expect to bring that up on Monday and dispose of it, because we are working against something of a deadline, and we want to get it over to the other body.

Mr. McCORMACK. What about the trip-leasing bill? Has that gone off?

Mr. HALLECK. That has gone off, because a great many Members who had made all their plans to go out to this celebration in North and South Dakota tomorrow are interested in that measure. It will come on at such later time as we can find time to put it on the program.

Mr. McCORMACK. There is nothing else for the balance of the week the gentlemen can see now except the bill the gentleman has mentioned for tomorrow?

Mr. HALLECK. That is right.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Appendix of the RECORD, or to revise and extend remarks, was granted to:

Mr. WAINWRIGHT and to include a feature article.

Mr. KERSTEN of Wisconsin and to include extraneous matter, notwithstanding the additional cost will be $357.

Mr. SEELY-BROWN and to include a speech.

Mr. DAVIS of Georgia and to include extraneous matter.

Mr. HÉBERT and to include an editorial from the New Orleans States.

Mr. O'BRIEN of Michigan and to include a resolution from the Michigan State Bar Association.

Mr. HAGEN of California in four instances and to include extraneous matter.

Mr. SECREST and to include an address by O. R. Strackbein.

Mr. JONAS of North Carolina and to include an editorial from the Charlotte News.

Mr. ANGELL and to include extraneous matter.

Mr. LANE and to include extraneous matter.

Mr. RIVERS and to include an article on oleomargarine.

Mr. DEROUNIAN to extend his remarks following the adoption of the Roosevelt Week resolution.

Mr. PATTERSON (at the request of Mr. ARENDS) and to include extraneous matter.

Mr. AUGUST H. ANDRESEN to revise and extend his remarks in Committee of the Whole and include certain statements and other pertinent material.

Mr. BONIN and to include extraneous matter.

Mr. HYDE and to include a speech made in Chevy Chase.

Mr. VAN ZANDT in two instances.

Mr. LAIRD to revise and extend his remarks in Committee of the Whole and to include extraneous matter.

Mr. GROSS and to include a newspaper article.

Mr. WILSON of California and to include an editorial.

Mr. COLE of New York and to include an editorial.

Mr. HORAN and to include a column and a letter.

Mr. OSTERTAG and to include an editorial.

Mr. BOSCH and to include an article.

Mr. FRELINGHUYSEN and to include an editorial.

Mr. MCGREGOR and to include a resolution passed by the Ohio Senate.

Mr. CHATHAM and to include a newspaper article.

Mr. RODINO and to include an editorial.

Mr. JUDD and to include extraneous material.

Mr. JAVITS the remarks he made in Committee of the Whole, and to include certain extraneous material.

Mr. JAVITS and to include extraneous matter.

Mr. O'KONSKI and to include a newspaper article.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. TRIMBLE (at the request of Mr. HAYS of Arkansas), from June 9 to 23, on account of necessary absence from the city.

SENATE BILLS AND CONCURRENT RESOLUTION REFERRED

Bills and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 3. An act to prevent citizens of the United States of questionable loyalty to the United States Government from accepting any office or employment in or under the United Nations, and for other purposes; to the Committee on the Judiciary.

S. 24. An act to permit review of decisions of Government contracting officers involving questions of fact arising under Government contracts in cases other than those in which fraud is alleged, and for other purposes; to the Committee on the Judiciary.

S. 25. An act to amend the act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; to the Committee on the Judiciary.

S. 57. An act for the relief of Bianca Ibarra and Dolores Ibarra; to the Committee on the Judiciary.

S. 154. An act for the relief of George Pantelas; to the Committee on the Judiciary.

S. 196. An act for the relief of Alejandro de la Cruz Hernandez; to the Committee on the Judiciary.

S. 257. An act for the relief of Rosette Sorge Savorgnan; to the Committee on the Judiciary.

S. 285. An act to create a committee to study and evaluate public and private experiments in weather modification; to the Committee on Interstate and Foreign Commerce.

S. 312. An act for the relief of Giuseppe Orsi; to the Committee on the Judiciary.

S. 316. An act for the relief of Vera Lazaros and Cristo Lazaros; to the Committee on the Judiciary.

S. 454. An act for the relief of Connie Joyce May (Ayako Goto); to the Committee on the Judiciary.

S. 470. An act for the relief of Julia Ann Smith; to the Committee on the Judiciary.

S. 486. An act for the relief of Che Kil Bok; to the Committee on the Judiciary.

S. 505. An act for the relief of Rev. John T. MacMullen; to the Committee on the Judiciary.

S. 591. An act for the relief of Samuel V. Goekjian; to the Committee on the Judiciary.

S. 621. An act to authorize additional appropriations for the Lower San Joaquin River project; to the Committee on Public Works.

S. 625. An act for the relief of Michael Raymond Juenger (Joji Hatano) and Vivian Nakajima Nobuko; to the Committee on the Judiciary.

S. 660. An act for the relief of Helene Olga Iwasenko; to the Committee on the Judiciary.

S. 754. An act for the relief of Ethel Hundson Morrison; to the Committee on the Judiciary.

S. 781. An act for the relief of Dr. Jacob Griffel; to the Committee on the Judiciary.

S. 801. An act for the relief of Eugenio S. Roiles; to the Committee on the Judiciary.

S. 1004. An act to amend section 86, Revised Statutes of the United States relating to the District of Columbia, as amended; to the Committee on the District of Columbia.

S. 1105. An act to incorporate the National Safety Council; to the Committee on the Judiciary.

S. 1286. An act to authorize the extension of the levee on the American River near Sacramento, Calif.; to the Committee on Public Works.

S. 1431. An act for the relief of Holly Layne Roberts (Mariko Uchiyama); to the Committee on the Judiciary.

S. 1607. An act for the relief of Joseph David Eller (Joseph Ushimura); to the Committee on the Judiciary.

S. 1839. An act to amend section 32 of the Fire and Casualty Act, so as to provide that an agent or solicitor may secure a license to solicit accident and health insurance in the District of Columbia under that act without taking the prescribed examination, if he is licensed under the Life Insurance Act; to the Committee on the District of Columbia.

S. 1981. An act to continue in effect certain provisions of section 6 of the act of February 4, 1887, as amended, relating to military traffic in time of war or threatened war, for the duration of the national emergency proclaimed December 16, 1950, and 6 months thereafter, or until such earlier date as may be established by concurrent resolution of Congress; to the Committee on Interstate and Foreign Commerce.

S. 2032. An act to modernize the charter of the Washington Gas Light Co., and for other purposes; to the Committee on the District of Columbia.

S. Con. Res. 33. Concurrent resolution favoring the suspension of deportation of certain aliens; to the Committee on the Judiciary.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. LECOMPTE, from the Committee on House Administration, reported that

that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 663. An act for the relief of Dr. Alexander Fiala;

H. R. 739. An act for the relief of Alexander A. Senibaldi;

H. R. 870. An act for the relief of Harry Block;

H. R. 888. An act for the relief of Francesca Servello;

H. R. 1103. An act for the relief of Maria Buffoni and Emma Botta;

H. R. 1187. An act for the relief of Mother Anna DiGiorgi;

H. R. 1200. An act for the relief of Ronald J. Palmer and Ronda Kay Palmer;

H. R. 1517. An act for the relief of Cpl. Predrag Mitrovich;

H. R. 1730. An act to provide for furnishing transportation in Government-owned automotive vehicles for employees of the Veterans' Administration at field stations in the absence of adequate public or private transportation;

H. R. 1752. An act for the relief of William Robert DeGrafft;

H. R. 1832. An act to provide for the suspension of the imposition or execution of sentence in certain cases in the municipal court for the District of Columbia and in the juvenile court of the District of Columbia;

H. R. 1887. An act for the relief of Marjorie Goon (Goon Mei Chee);

H. R. 1888. An act for the relief of Gary Matthew Stevens (Kazuo Omiya);

H. R. 1952. An act for the relief of Cecile Lorraine Vincent and Michael Galvin Vincent;

H. R. 2176. An act for the relief of Norma Jean Whitten;

H. R. 2761. An act to revive and reenact the act of December 21, 1944, authorizing the City of Clinton Bridge Commission to construct, maintain, and operate a bridge and approaches thereto across the Mississippi River, at or near the cities of Clinton, Iowa, and Fulton, Ill., as amended;

H. R. 3244. An act for the relief of Patricia Ann Dutchess;

H. R. 3358. An act for the relief of Erna Meyer Grafton;

H. R. 3678. An act for the relief of George Prokofieff de Severaky and Isabelle Prokofieff de Severaky;

H. R. 3724. An act for the relief of Anthony Lynn Neis;

H. R. 3758. An act for the relief of Stavrula Perutsea;

H. R. 3796. An act relating to the incorporation of the Columbus University of Washington, D. C.;

H. R. 4025. An act authorizing the appropriation of funds to provide for the prosecution of projects in the Columbia River Basin for flood control and other purposes;

H. R. 4485. An act to amend the law of the District of Columbia relating to publication of partnerships;

H. R. 4486. An act to amend the law of the District of Columbia relating to forcible entry and detainer;

H. R. 4487. An act to amend the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as further amended by an act of April 19, 1920 (title 20, ch. 1, sec. 116, D. C. Code, 1951), relating to continuing decedent's business;

H. R. 4505. An act to authorize the sale of certain lands to the State of Oklahoma;

H. R. 4540. An act to authorize the sale of certain lands to the State of Oklahoma;

H. R. 4550. An act to amend the Code of Laws of the District of Columbia in respect to the recording, in the Office of the Recorder of Deeds, of bills of sale, mortgages, deeds of trust, and conditional sales of personal property; and

H. J. Res. 157. Joint resolution to amend the act of July 1, 1947 (61 Stat. 242), as amended.

ADJOURNMENT

Mr. ARENDS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 31 minutes p. m.) the House adjourned until tomorrow, Wednesday, June 10, 1953, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

755. A letter from the Administrator, Housing and Home Finance Agency, transmitting reports of expenditures made in excess of apportionments approved by the Bureau of the Budget for the fiscal year 1953 by the Federal Housing Administration, pursuant to section 3679 of the Revised Statutes; to the Committee on Appropriations.

756. A letter from the Acting Secretary of the Treasury, transmitting information concerning violations of subsection (h) of section 3679 of the Revised Statutes, pursuant to subsection (l) of section 3679 of the Revised Statutes, as amended (31 U. S. C., Sup. V 665); to the Committee on Appropriations.

757. A letter from the Comptroller General of the United States, transmitting a report by the Division of Audits of the General Accounting Office on the audit of the Office of the Treasurer of the United States, Treasury Department for the period June 21, 1949, through June 30, 1951; to the Committee on Government Operations.

758. A letter from the Assistant Secretary of the Interior, transmitting a report including a summary of contracts made by the Bureau of Indian Affairs for the fiscal year 1952, pursuant to section 4 of the act of June 4, 1936 (49 Stat. 1458, 1459); to the Committee on Interior and Insular Affairs.

759. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated June 16, 1952, submitting a report, together with accompanying papers and an illustration on a review of reports on Smiths Creek, N. C., requested by a resolution by the Committee on Rivers and Harbors, House of Representatives, adopted on April 1, 1946 (H. Doc. No. 170); to the Committee on Public Works and ordered to be printed with one illustration.

760. A letter from the Acting General Counsel, Office of the Secretary of Defense, transmitting a draft of legislation entitled "a bill to provide for the use of the American National Red Cross in aid of the Armed Forces, and for other purposes"; to the Committee on Armed Services.

761. A letter from the Acting General Counsel, Office of the Secretary of Defense, transmitting a draft of legislation entitled "a bill to provide for the orderly transaction of the public business in the event of the death, incapacity or separation from office of a disbursing officer of the military departments"; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SIMPSON of Pennsylvania: Committee on Ways and Means. H. R. 5495. A bill to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes; without amendment (Rept. No. 521). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 4983. A bill to define the surface rights vested in the locator of a mining claim hereafter made under the mining laws of the United States, prior to issuance of patent therefor, and for other purposes; with amendment (Rept. No. 522). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 2824. A bill to encourage the discovery, development, and production of tungsten ores and concentrates in the United States, its Territories and possessions, and for other purposes; with amendment (Rept. No. 523). Referred to the Committee of the Whole House on the State of the Union.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 272. Resolution for consideration of H. R. 3203, a bill to amend the Interstate Commerce Act in order to prohibit the Interstate Commerce Commission from regulating the duration of certain leases for the use of equipment by motor carriers, and the amount of compensation to be paid for such use; without amendment (Rept. No. 524). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 273. Resolution for consideration of H. R. 5451, a bill to amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, and for other purposes; without amendment (Rept. No. 525). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 274. Resolution for consideration of House Joint Resolution 234, joint resolution authorizing an appropriation to defray the expenses of the annual meeting of the Interparliamentary Union for the year 1953, to be held in Washington, D. C.; without amendment (Rept. No. 526). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of California:

H. R. 5618. A bill to amend sections 1104 and 1105 of the Merchant Marine Act, 1936, as amended; to the Committee on Merchant Marine and Fisheries.

By Mr. BROYHILL:

H. R. 5619. A bill to increase the salaries of employees of the Board of Education of the District of Columbia, and to provide for a study of the pay scales and classifications of such employees; to the Committee on the District of Columbia.

By Mr. HILL:

H. R. 5620. A bill to authorize and direct the Secretary of the Interior to correct an incomplete and faulty survey in township 8 north, range 53 west of the sixth principal meridian in Colorado, and to issue patents describing any new areas included in lots 1, 2, 3, and 4 in sections 1 through 6, township 8 north, range 53 west of the sixth principal meridian in Colorado; to the Committee on Interior and Insular Affairs.

By Mrs. PFOST:

H. R. 5621. A bill to change the date for the beginning of annual assessment work on mining claims held by location in the United

States, including the Territory of Alaska, from the 1st day of July to the 1st day of October and to extend the time during which annual assessment work on such claims may be made for the year beginning July 1, 1952, to the 1st day of November 1953; to the Committee on Interior and Insular Affairs.

By Mr. POWELL:

H. R. 5622. A bill to provide for the issuance of a special postage stamp in commemoration of the 200th anniversary of Columbia University; to the Committee on Post Office and Civil Service.

By Mr. RADWAN:

H. R. 5623. A bill to amend the Water Pollution Control Act, so as to confer authority upon the Surgeon General to assist in the elimination, control, and abatement of pollution in certain international waters; to the Committee on Public Works.

H. R. 5624. A bill to repeal those provisions of the Railroad Retirement Act of 1937 which reduce the amount of a railroad annuity or pension where the individual or his spouse is (or on proper application would be) entitled to certain insurance benefits under the Social Security Act; to the Committee on Interstate and Foreign Commerce.

H. R. 5625. A bill to amend the Railroad Retirement Act of 1937, as amended, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mrs. ROGERS of Massachusetts (by request):

H. R. 5626. A bill to amend the existing law to provide for the automatic renewal of expiring 5-year level premium-term policies of United States Government and national service life insurance; to the Committee on Veterans' Affairs.

By Mr. SHORT:

H. R. 5627. A bill to amend Public Law 472, 81st Congress, approved April 11, 1950, entitled "An act to promote the national defense and to contribute to more effective aeronautical research by authorizing professional personnel of the National Advisory Committee for Aeronautics to attend accredited graduate schools for research and study"; to the Committee on Armed Services.

By Mr. SIMPSON of Pennsylvania:

H. R. 5628. A bill to provide for public accountability by tax-exempt organizations, and other purposes; to the Committee on Ways and Means.

By Mr. HAYS of Arkansas:

H. R. 5629. A bill to provide for public accountability by tax-exempt organizations, and other purposes; to the Committee on Ways and Means.

By Mr. WHEELER:

H. R. 5630. A bill to provide an additional method for computing certain benefits payable under the Federal Employees' Compensation Act to persons who continue their employment after sustaining injury, and for other purposes; to the Committee on Education and Labor.

By Mr. BAKER:

H. R. 5631. A bill to amend the Railroad Retirement Act of 1937 to provide full annuities regardless of age for employees who have completed 30 years of service and whose railroad employment has been terminated by reason of the abandonment of a railroad; to the Committee on Interstate and Foreign Commerce.

By Mr. CHATHAM:

H. R. 5632. A bill to provide for the conveyance of the Camp Butner Military Reservation, N. C., to the State of North Carolina; to the Committee on Armed Services.

By Mr. HERLONG:

H. R. 5633. A bill to provide that admissions to certain postseason football games shall be exempt from the admissions tax; to the Committee on Ways and Means.

By Mr. LANE:

H. R. 5634. A bill to extend section 124A of the Internal Revenue Code (relating to amortization deductions for emergency facilities) to cover certain facilities in distressed areas; to the Committee on Ways and Means.

By Mr. MACK of Illinois:

H. R. 5635. A bill to provide for Federal cooperation with senior high schools, colleges, and universities in the training of aircraft pilots; to the Committee on Interstate and Foreign Commerce.

By Mr. RADWAN:

H. R. 5636. A bill to amend veterans' regulations to establish for persons who served in the Armed Forces during World War II a further presumption of service-connection for tuberculosis other than pulmonary; to the Committee on Veterans' Affairs.

By Mr. SHORT:

H. R. 5637. A bill to provide for the use of the American National Red Cross in aid of the Armed Forces, and for other purposes; to the Committee on Armed Services.

By Mr. STRINGFELLOW:

H. R. 5638. A bill to amend the Tariff Act of 1930, to encourage the domestic production of wool as a critical and strategic defense material; to the Committee on Ways and Means.

By Mr. HARRISON of Wyoming:

H. Con. Res. 108. Concurrent resolution expressing the sense of Congress that certain tribes of Indians should be freed from Federal supervision; to the Committee on Interior and Insular Affairs.

By Mr. MACK of Illinois:

H. Con. Res. 109. Concurrent resolution expressing the sense of Congress on a policy of exempting from combat duty any member of the Armed Forces whose brother or sister has died as a result of enemy action while serving in the Armed Forces; to the Committee on Armed Services.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to passage of H. R. 2720 providing for the rapid amortization of facilities constructed by private industry for the control of air pollution; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States in relation to tariff rates; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Nebraska, memorializing the President and the Congress of the United States requesting the enactment of a law giving the mineral rights back to the States; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the State of Nebraska, memorializing the President and the Congress of the United States expressing opposition to legislative resolution No. 32 of the 61st session of the Nebraska State Legislature, pertaining to establishing a policy with regard to taxation; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADAIR:

H. R. 5639. A bill for the relief of Edeltraud Kambert; to the Committee on the Judiciary.

By Mr. CHUDOFF:

H. R. 5640. A bill for the relief of Daniel Simon; to the Committee on the Judiciary.

By Mr. FORAND:

H. R. 5641. A bill to authorize the appointment of Louis D. Gingras as a permanent captain in the Regular Army; to the Committee on Armed Services.

By Mr. GATHINGS:

H. R. 5642. A bill for the relief of Cpl. Natale Bunici; to the Committee on the Judiciary.

By Mr. GOODWIN:

H. R. 5643. A bill for the relief of Richard W. Henderson and Irene C. Henderson; to the Committee on the Judiciary.

By Mr. HERLONG:

H. R. 5644. A bill for the relief of Evangelos Christos Mirtsopoulos; to the Committee on the Judiciary.

By Mr. HILLINGS (by request):

H. R. 5645. A bill for the relief of Eleanor Deloris Woodward and Paul Woodward; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 5646. A bill for the relief of Francesco Prano; to the Committee on the Judiciary.

H. R. 5647. A bill for the relief of Lee Houn and Lily Ho Lee Houn; to the Committee on the Judiciary.

By Mr. LANHAM:

H. R. 5648. A bill for the relief of Woodrow W. Leake; to the Committee on the Judiciary.

By Mr. LYLE:

H. R. 5649. A bill for the relief of Albert Bernard Prashner; to the Committee on the Judiciary.

By Mr. MORANO:

H. R. 5650. A bill for the relief of Peter F. de Ullmann; to the Committee on the Judiciary.

By Mr. OSMERS:

H. R. 5651. A bill for the relief of James M. Wilson; to the Committee on the Judiciary.

By Mr. PATTERSON:

H. R. 5652. A bill for the relief of Mrs. Florence P. Hildreth; to the Committee on the Judiciary.

By Mr. POWELL:

H. R. 5653. A bill for the relief of Patrick Joseph Blewett; to the Committee on the Judiciary.

H. R. 5654. A bill for the relief of Eulah Hannah Basden; to the Committee on the Judiciary.

By Mr. HELLER:

H. J. Res. 272. Joint resolution to authorize the President to issue posthumously to the late Seymour Richard Belinky, a flight officer in the United States Army, a commission as second lieutenant, United States Army, and for other purposes; to the Committee on Armed Services.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

316. By the SPEAKER: Petition of W. N. Skinner and 20 others, Waco, Tex., relative to redress of grievances for a prayer for United States withdrawal from the United Nations; to the Committee on Foreign Affairs.

317. Also, petition of American Ex-Prisoners of War, Inc., Oklahoma City, Okla., requesting enactment of the bill H. R. 4873, to amend section 39 of the Trading With the Enemy Act of October 6, 1917, as amended; to the Committee on Interstate and Foreign Commerce.

318. Also, petition of J. K. Carr and others, Daytona Beach, Fla., requesting passage of H. R. 2446 and H. R. 2447, social-security legislation known as the Townsend plan; to the Committee on Ways and Means.

319. Also, petition of Sarrah Hall and others, Daytona Beach, Fla., requesting passage of H. R. 2446 and H. R. 2447, social-security legislation known as the Townsend plan; to the Committee on Ways and Means.

SENATE

WEDNESDAY, JUNE 10, 1953

(Legislative day of Monday, June 8, 1953)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O Lord our God, who hast opened the gates of the morning and bidden us once more to enter into the joys and the opportunities of a new day, we would pause at its threshold in reverence and humility of heart, knowing that from Thee no secrets are hid. Thou knowest the motives that impel us and the expectations that we cherish.

We thank Thee for health and vigor, quietness and music, beauty and sunshine, and the bounty of nature. We thank Thee for the vision of the Founding Fathers, for the wise ordering of national leaders, for the fidelity of common people in obscure places, and for the heroism of those who are defending all that we hold dear upon the battlefield. Make us worthy of our great heritage. Give us a solemn sense of national destiny. Inspire the citizens of our land, we beseech Thee, to make her great in spirit as she is mighty in power. We ask it in the Redeemer's name. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., June 9, 1953.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. WALLACE F. BENNETT, a Senator from the State of Utah, to perform the duties of the Chair during my absence.

STYLES BRIDGES,
President pro tempore.

Mr. BENNETT thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Monday, June 8, 1953, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed, without amendment, the joint resolution (S. J. Res. 76) designating the week beginning June 14, 1953, as Theodore Roosevelt Week.

The message also announced that the House had passed the bill (S. 1081) to provide authority for temporary economic controls, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4664) making supplemental appropriations for the fiscal year ending June 30, 1953, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 1, 6, 7, 10, 12, 13, 15, and 20 to the bill, and concurred therein, and that the House receded from its disagreement to the amendment of the Senate numbered 19 to the bill, and concurred therein, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a bill (H. R. 5312) to provide for the more effective prevention, detection, and punishment of crime in the District of Columbia, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Acting President pro tempore:

H. R. 663. An act for the relief of Dr. Alexander Fiala;

H. R. 739. An act for the relief of Alexander A. Senibaldi;

H. R. 870. An act for the relief of Harry Block;

H. R. 888. An act for the relief of Francesca Servello;

H. R. 1103. An act for the relief of Maria Buffoni and Emma Botta;

H. R. 1187. An act for the relief of Mother Anna DiGiorgi;

H. R. 1200. An act for the relief of Ronald J. Palmer and Ronda Kay Palmer;

H. R. 1517. An act for the relief of Cpl. Predrag Mitrovich;

H. R. 1730. An act to provide for furnishing transportation in Government-owned automotive vehicles for employees of the Veterans' Administration at field stations in the absence of adequate public or private transportation;

H. R. 1752. An act for the relief of William Robert DeGrafft;

H. R. 1832. An act to provide for the suspension of the imposition or execution of sentence in certain cases in the municipal court for the District of Columbia and in the juvenile court of the District of Columbia;

H. R. 1867. An act for the relief of Marjorie Goon (Goon Mei Chee);

H. R. 1886. An act for the relief of Gary Matthews Stevens (Kazuo Omiya);

H. R. 1953. An act for the relief of Cecile Lorraine Vincent and Michael Galvin Vincent;

H. R. 2176. An act for the relief of Norma Jean Whitten;

H. R. 2761. An act to revive and reenact the act of December 21, 1944, authorizing the City of Clinton Bridge Commission to construct, maintain, and operate a bridge and approaches thereto across the Mississippi River, at or near the cities of Clinton, Iowa, and Fulton, Ill., as amended;

H. R. 3244. An act for the relief of Patricia Ann Dutchess;

H. R. 3358. An act for the relief of Erna Meyer Grafton;

H. R. 3678. An act for the relief of George Prokofieff de Seversky and Isabelle Prokofieff de Seversky;

H. R. 3724. An act for the relief of Anthony Lynn Nels;

H. R. 3758. An act for the relief of Stavrula Perutsea;

H. R. 3796. An act relating to the incorporation of the Columbus University of Washington, D. C.;

H. R. 4025. An act authorizing the appropriation of funds to provide for the prosecution of projects in the Columbia River Basin for flood control and other purposes;

H. R. 4485. An act to amend the law of the District of Columbia relating to publication of partnerships;

H. R. 4486. An act to amend the law of the District of Columbia relating to forcible entry and detainer;

H. R. 4487. An act to amend the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as further amended by an act of April 19, 1920 (title 20, ch. 1, sec. 116, D. C. Code, 1951), relating to continuing decedent's business;

H. R. 4505. An act to authorize the sale of certain lands to the State of Oklahoma;

H. R. 4540. An act to authorize the sale of certain lands to the State of Oklahoma;

H. R. 4550. An act to amend the Code of Laws of the District of Columbia in respect to the recording, in the Office of the Recorder of Deeds, of bills of sale, mortgages, deeds of trust, and conditional sales of personal property; and

H. J. Res. 157. Joint resolution to amend the act of July 1, 1947 (61 Stat. 242), as amended.

REPORT OF A COMMITTEE SUBMITTED DURING RECESS

Under authority of the order of the Senate of the 8th instant,

Mr. YOUNG, from the Committee on Appropriations, to which was referred the bill (H. R. 5227) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1954, and for other purposes, reported it on June 8, 1953, and submitted a report (No. 382) thereon.

NOTICE OF MOTION TO SUSPEND THE RULE SUBMITTED DURING RECESS—AMENDMENT

Under authority of the order of the Senate of the 8th instant,

Mr. YOUNG, on June 9, 1953, submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 5227) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1954, and for other purposes, the following amendment, namely: On page 38, line 17, after the word "program" insert the following: ": *Provided*, That the additional amounts for the rural electrification program may be distributed in any State or Territory, in addition to the sums which such State may otherwise receive, except that not more than 20 percent of such additional amounts may be distributed to any one State."

Under authority of the order of the Senate of the 8th instant,

Mr. YOUNG, on June 9, 1953, also submitted an amendment intended to be proposed by him to House bill 5227, making appropriations for the Department of Agriculture, for the fiscal year ending June 30, 1954, and for other purposes, and it was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

LEAVES OF ABSENCE

On request of Mr. HOLLAND, and by unanimous consent, Mr. CHAVEZ, Mr. STENNIS, and Mr. HOLLAND were excused from attendance on the sessions of the Senate for the remainder of this week.

On his own request, and by unanimous consent, Mr. YOUNG was excused from attendance on the sessions of the Senate for the remainder of the week.

On his own request, and by unanimous consent, Mr. TOBEY was excused from attendance on the sessions of the Senate from June 11 until June 22, 1953.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. KNOWLAND, and by unanimous consent, the Committee on Foreign Relations was authorized to meet during the session of the Senate today.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that immediately following the quorum call Senators may be permitted to introduce bills and joint resolutions, make insertions in the RECORD, and transact other customary routine business, speeches not to exceed 2 minutes, in accordance with the practice.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CALL OF THE ROLL

Mr. KNOWLAND. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	McClellan
Anderson	Griswold	Millikin
Barrett	Hayden	Monroney
Beall	Hendrickson	Morse
Bennett	Hennings	Mundt
Bricker	Hickenlooper	Neely
Bridges	Hill	Pastore
Bush	Holland	Payne
Butler, Md.	Humphrey	Potter
Butler, Nebr.	Jackson	Purtell
Byrd	Jenner	Robertson
Capehart	Johnson, Colo.	Russell
Carlson	Johnson, Tex.	Saltonstall
Case	Johnston, S. C.	Schoeppel
Chavez	Kefauver	Smathers
Clements	Kerr	Smith, Maine
Cordon	Kilgore	Smith, N. J.
Daniel	Knowland	Smith, N. C.
Douglas	Kuchel	Sparkman
Dworshak	Langer	Stennis
Eastland	Lehman	Taft
Ellender	Long	Thye
Flanders	Malone	Tobey
Frear	Mansfield	Watkins
Fulbright	Martin	Welker
George	Maybank	Wiley
Gillette	McCarran	Williams
Goldwater	McCarthy	Young

Mr. SALTONSTALL. I announce that the Senator from Illinois [Mr. DIRKSEN] is absent by leave of the Senate on official committee business.

The Senator from New York [Mr. IVES] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

The Senator from Pennsylvania [Mr. DUFF] is necessarily absent.

The Senator from Michigan [Mr. FERGUSON] is absent on official business.

The Senator from Kentucky [Mr. COOPER] is absent because of illness.

Mr. CLEMENTS. I announce that the Senator frm Tennessee [Mr. GORE], the Senator from North Carolina [Mr. HOEY], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Missouri [Mr. SYMINGTON] are absent on official business.

The Senator from Wyoming [Mr. HUNT] is absent by leave of the Senate.

The Senator from Washington [Mr. MAGNUSON] is absent by leave of the Senate on official committee business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

The ACTING PRESIDENT pro tempore. A quorum is present.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

RELIEF OF CERTAIN OFFICERS AND EMPLOYEES OF THE FOREIGN SERVICE FOR LOSS OF PERSONAL PROPERTY

A letter from the Secretary of State, transmitting a draft of proposed legislation for the relief of certain officers and employees of the Foreign Service of the United States who, while in the course of their respective duties, suffered losses of personal property by reason of war and conditions resulting from war (with accompanying papers); to the Committee on the Judiciary.

REPORTS ON OVERDRAFTS OF ADMINISTRATIVE ALLOTMENTS OF APPROPRIATIONS

A letter from the Secretary of the Treasury, transmitting, pursuant to law, a report of violations of subsection (1) of section 3679 of the Revised Statutes, relating to overdrafts of administrative allotments within an appropriation, in the Bureau of Internal Revenue (with an accompanying report); to the Committee on Appropriations.

A letter from the Administrator, Housing and Home Finance Agency, transmitting, pursuant to law, reports on violations of subsection (1) of section 3679 of the Revised Statutes, relating to overdrafts of administrative allotments within an appropriation, for the fiscal year 1953 (with accompanying papers); to the Committee on Appropriations.

REPORT ON NEGOTIATION OF CONTRACTS BY DEPARTMENT OF INTERIOR

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a report on contracts negotiated by that Department, for the fiscal year 1952 (with an accompanying report); to the Committee on Interior and Insular Affairs.

REPORT ON FRYINGPAN-ARKANSAS PROJECT, COLORADO

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, a report on the Fryingpan-Arkansas project, Colorado (with accompanying papers); to the Committee on Interior and Insular Affairs.

AUDIT REPORT ON OFFICE OF TREASURER OF THE UNITED STATES

A letter from the Comptroller General, transmitting, pursuant to law, an audit report on the Office of the Treasurer of the United States, for the period June 21, 1949, through June 30, 1951 (with an accompanying report); to the Committee on Government Operations.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The ACTING PRESIDENT pro tempore appointed Mr. CARLSON and Mr. JOHNSTON of South Carolina members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A resolution of the Legislature of the State of Nebraska; to the Committee on Interior and Insular Affairs:

"Legislative Resolution 38

"Resolution re enactment of a law by the Congress of the United States giving mineral rights back to the States

"Whereas the Congress of the United States has enacted the tidelands bill giving offshore oil rights back to the States; and

"Whereas the United States Government retains certain rights under the Mineral Leasing Act: Now, therefore, be it

"Resolved by the Members of the Nebraska Legislature in 65th session assembled:

"1. That the Congress of the United States enact a law giving the mineral rights back to the States.

"2. That copies of this resolution, suitably engrossed, be transmitted by the clerk of the legislature to the Vice President of the United States as presiding officer of the Senate of the United States, to the Speaker of the House of Representatives of the United States, and to each Member from Nebraska in the Congress of the United States."

A letter in the nature of a petition from the Friends Meeting of Washington, D. C., signed by C. Edward Behre, clerk, relating to the conduct of congressional investigations; to the Committee on the Judiciary.

A resolution adopted by the sixth national convention of the American Ex-Prisoners of War, at Oklahoma City, favoring the enactment of the bill (H. R. 4873) to amend section 39 of the Trading With the Enemy Act of October 6, 1917, as amended; to the Committee on the Judiciary.

By Mr. KERR:

A concurrent resolution of the Legislature of the State of Oklahoma; to the Committee on Interstate and Foreign Commerce:

"House Concurrent Resolution 542

"Concurrent resolution memorializing the United States Congress to pass legislation which will prevent the classification of a gas production company as a utility company because of the fact that said gas production company delivers gas to freeholders in the area of gas wells at a rate equal to the amount received by one-eighth interest royalty owners.

"Whereas Texas County is located in a semiarid region of Oklahoma; and

"Whereas Texas County and adjacent area is now in the second year of severe drought and the farmers face the prospect of total crop failure; and

"Whereas to mitigate the effects of drought the farmers of this area have increasingly turned to deep-well irrigation where water production is proven; and

"Whereas the depth of these wells and the unusual water lift involved makes the use of natural gas mandatory because the cost of other available fuels is prohibitive; and

"Whereas the largest gas-production company within this area has served notice on farmers that it cannot continue to deliver gas for the irrigation motors because such action might possibly place said production company in the classification of a utility company and thus restrict their operation: Now, therefore, be it

"Resolved by the House of Representatives of the State of Oklahoma and the honorable Senate concurring therein:

"That it is the will of the Oklahoma Legislature that gas-production companies in the Guymon-Hugoton field be empowered to deliver natural gas to the farmers in the area of said field without being classified as a utility company.

"That the price paid be the same as the rate that the gas-production companies pay the royalty owners in that area.

"That such reciprocity agreements which create no profit to the gas-production companies shall not be used as evidence to classify a gas-production company as a utility by Government regulations when said company would not otherwise be classified as a utility company.

"That each member of the Oklahoma congressional delegation in Washington be forwarded a duly authenticated copy of this resolution."

By Mr. BUSH:

A concurrent resolution of the Legislature of the State of Connecticut; to the Committee on Finance:

"House Joint Resolution 15

"Joint resolution memorializing Congress to eliminate excise taxes

"Resolved by this assembly:

"Whereas under existing law the Federal Government exacts from purchasers of purses, handbags, pocketbooks, wallets, and billfolds a retailers' excise tax equivalent to 20 percent of the price thereof; and

"Whereas said articles of moderate price are a necessity even in these days of diminished value of the dollar: Now, therefore, be it

"Resolved by the House of Representatives of the State of Connecticut (the Senate concurring), That we hereby petition and memorialize the 83d Congress of the United States to eliminate the excise tax of 20 percent on purses, handbags, pocketbooks, wallets, and billfolds of a price not exceeding $10.

"Resolved, That copies of this resolution be prepared and forwarded to every Member of Congress for the State of Connecticut to be by them presented to the proper committees in Congress having jurisdiction over said matter."

A joint resolution of the Legislature of the State of Connecticut; to the Committee on the Judiciary:

"Senate Joint Resolution 18

"Joint resolution memorializing Congress concerning the McCarran Act seeking its revision

"Resolved by this assembly:

"Whereas the immigration and naturalization policy of the United States should be a vital instrument of effective foreign policy as well as of domestic welfare; and

"Whereas it is important that we practice what we preach in our efforts to win the peoples of the world to the ideals of democracy in the cold war against totalitarian communism; and

"Whereas responsible leadership in both major American political parties, and of the major religious groups in the United States, have called for the elimination of undesirable provisions in United States Public Law 414: Now, therefore, be it

"Resolved by this assembly, That the 83d Congress of the United States be urged to give prompt attention to the need for revising the Immigration and Naturalization Act of 1952 in order to bring American immigration policy into harmony with American democratic concepts, with scientific knowledge, with the constructive aims of American foreign policy, and with the absorptive capacity of our expanding economy.

"Copies of this resolution shall be sent to the President, the State Department, the majority and minority leaders of the 83d Congress, the Senate and House Judiciary Committees, and the Connecticut members of the United States Senate and House of Representatives."

TREATYMAKING POWER—RESOLUTIONS AND EDITORIAL

Mr. BRICKER. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, two resolutions and an editorial. The first resolution was adopted by the Ohio Federation of Women's Clubs, the Texas Federation of Women's Clubs, and the Washington Federation of Women's Clubs. The second resolution was adopted by the Wisconsin Bakers Association, Inc., at its meeting in Milwaukee, May 17–19, 1953. The editorial is from the Binghamton (N. Y.) Press of Friday June 5, 1953. The resolutions and editorial relate to the treatymaking power.

There being no objection, the resolutions and editorial were ordered to lie on the table and to be printed in the RECORD, as follows:

RESOLUTION PRESENTED BY OHIO FEDERATION OF WOMEN'S CLUBS, TEXAS FEDERATION OF WOMEN'S CLUBS, WASHINGTON FEDERATION OF WOMEN'S CLUBS

Whereas it is evident that there is a widespread concern among the people of the United States that treaties could be made which would abrogate provisions of the Constitution of the United States and the rights guaranteed by that Constitution: Therefore

Resolved, That the General Federation of Women's Clubs in convention assembled, May 1953, recommends that a constitutional amendment be presented to the States for ratification stipulating that any provision of a treaty which conflicts with any provision of the Constitution of the United States shall not be of any force or effect; and further

Resolved, That the General Federation of Women's Clubs recommends that no treaty be ratified by the Senate of the United States unless a quorum is present and a rollcall vote is taken.

Approved by:

MRS. ZAIO WOODFORD SCHROEDER,
Chairman, International Affairs Department.

RESOLUTION OF WISCONSIN BAKERS ASSOCIATION, INC., MILWAUKEE, WIS.

To His Honor, the President of the United States, and to the Senate and the House of Representatives:

Whereas the bakers of Michigan, Illinois, Indiana, and Wisconsin, in convention assembled at their annual Lake Michigan States Bakers Conference in the city of Milwauke, May 17, 18, and 19, 1953, have discussed and have become seriously concerned about the fact that ratified treaties supersede the basic law of these United States; and that, furthermore, and especially, such treaties override the Bill of Rights and other provisions of the Constitution of these United States, which is considered to be a most dangerous invasion of the fundamental principles upon which this country was founded; and furthermore

Whereas these same loyal citizens feel that it is our Constitution which is the bulwark of protection for the American way of life and the preservation of our liberties and our system based on progress through the exercise of individual initiative: Now, therefore, be it

Resolved, That the President of the United States be requested and urged to use his high office in every way to cause the legal status of treaties to become subordinated to the Bill of Rights; and, furthermore, be it

Resolved, That the Senate of these United States, as a body, and each Member thereof, as an individual, give prompt attention to and cause to become the law of the land the provisions of Senate Bill No. 1, with the particular purpose in mind of subordinating treaties to the Bill of Rights, as opposed to the present status which subordinates the Bill of Rights to ratified treaties; and furthermore, be it

Resolved, That all Members of the House of Representatives be urged to use their influence and votes to aid in the accomplishment of the same purpose; and, furthermore, be it

Resolved, That copies of these resolutions be sent to the President and to each Senator and Member of the House of Representatives.

Moved, seconded, and voted unanimously on this 19th day of May 1953, in the city of Milwaukee.

T. E. MCCULLY,
President, Wisconsin Bakers Association.
E. V. SEIBERT,
President, Illinois Bakers Association.
EDW. SIKKEMA,
President, Michigan Bakers Association.
RICHARD O. WORLAND,
President, Indiana Bakers Association.

Certified to by:

FRED H. LAUFENBURG,
General Secretary, Lake Michigan States Bakers Conference.

[From the Binghamton (N. Y.) Press of June 5, 1953]

TREATYMAKING POWER PERILS FREEDOM

Either in this session or in the next, Congress will have to come to grips with the need for a constitutional amendment that would prevent an abuse of the treatymaking power. The Senate Judiciary Committee yesterday voted 8 to 4 for the Bricker resolution proposing an amendment.

The American Bar Association, representing the best legal minds of the Nation, favors a constitutional amendment. A number of State legislatures, including those of California, Colorado, Georgia, Idaho, Oregon, Montana, Texas, and Wyoming have adopted resolutions favoring an amendment. Nineteen State bar associations support an amendment, as also does the National Association of Attorneys General.

The internationalist-minded Eisenhower administration goes along with the globaloneyists and one-worlders in opposing an amendment that would limit the power of treaties. Secretary of State Dulles, as a representative of the Eisenhower administration, now opposes an amendment that he supported a year ago. Here is what he said then:

"The treatymaking power is an extraordinary power liable to abuse * * * treaty laws can override the Constitution. Treaties, for example, can take powers away from the Congress and give them to the President; they can take powers from the State and give them to the Federal Government or to some international body, and they can cut across the rights given the people by the constitutional Bill of Rights."

Argument of those who oppose an amendment is that the Eisenhower administration would not abuse the treatymaking power. We are not so sure this is true. In any case, the Eisenhower administration will not always be in power.

Another argument is that United States courts would not uphold a treaty that conflicted with the United States Constitution. In at least one instance, courts have done so.

It is pointed out, and correctly, that the arguments made against a constitutional amendment defining and limiting the treaty are identical in substance with the arguments made at the beginning of this Nation against adoption of the Bill of Rights.

The Eisenhower administration is perversely in error in the position it takes against an amendment. And all of Secretary Dulles' arguments made today against an amendment will not counter his more honest arguments of a year ago in favor of an amendment.

If the matter of an amendment can be brought to congressional action, there isn't any doubt of the result. Senator BRICKER has the support of at least 64 Senators in his proposed amendment. The proposal would go whooping through the House.

The American people have every right to this amendment removing all doubt their freedoms shall be protected against treaty power and the devious covenants of the devious United Nations.

FEDERAL RELIGIOUS CENSUS—RESOLUTION OF LUTHERAN MINNESOTA CONFERENCE, AUGUSTANA CHURCH, MINNEAPOLIS, MINN.

Mr. HUMPHREY. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a letter embodying a resolution which I have received from the Lutheran Minnesota Conference, adopted at its annual convention held in St. Paul on April 13–17, 1953, relating to a Federal religious census in 1956.

There being no objection, the letter was referred to the Committee on Post Office and Civil Service, and ordered to be printed in the RECORD, as follows:

THE LUTHERAN MINNESOTA CONFERENCE OF THE AUGUSTANA CHURCH,
Minneapolis, Minn., June 3, 1953.

Senator HUBERT HUMPHREY,
United States Senate,
Washington, D. C.

MY DEAR MR. HUMPHREY: The Lutheran Minnesota Conference which consists of 308 congregations, comprising a total of more than 140,000 members in the States of Minnesota, Wisconsin, and South Dakota, at its annual convention held in St. Paul, Minn., April 13–17, 1953, adopted the following resolution:

"*Resolved*, That we urge Congress to enact legislation authorizing a Federal religious census in 1956, and that we urge all congregation to cooperate in this census."

We sincerely hope that you will give your support to the bill authorizing the religious census.

Sincerely yours,
EMEROY JOHNSON,
Secretary.

VETERANS' READJUSTMENT ASSISTANCE ACT OF 1952—RESOLUTION OF LORENTZ POST, NO. 11, DEPARTMENT OF MINNESOTA, AMERICAN LEGION

Mr. HUMPHREY. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Lorentz Post, No. 11, Department of Minnesota, American Legion, at a regular meeting held in Mankato, Minn., on May 28, 1953, relating to the Veterans' Readjustment Assistance Act of 1952.

There being no objection, the resolution was referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

RESOLUTION OF LORENTZ POST, NO. 11, DEPARTMENT OF MINNESOTA, AMERICAN LEGION

Whereas the Congress of the United States has enacted a law designated as "Veterans' Readjustment Assistance Act of 1952," and

Whereas subsection (d) of section 232 of said act provides for institutional on-farm training for men and women, eligible for the educational benefits provided for by said act, and

Whereas said subsection (d) of section 232 fails to provide the cost of books, tuition, and other school supplies necessary for completing said training course, and

Whereas said subsection (d) of said act provides that a Veterans education and training allowance shall be reduced at the end of each 4-month period, thereof; and

Whereas there are now many veterans who have honorably served their country in Korea and who are now eligible for the benefits provided under said subsection (d); and

Whereas said benefits are substantially less and more restricted than similar benefits provided prior to the enactment of said act: Therefore be it

Resolved by Lorentz Post, No. 11, Department of Minnesota, the American Legion, at a regular meeting held in Mankato, Minn., on May 28, 1953, That—

1. Said subsection (d) of section 232 of said act be amended so as to provide for the cost of all books, tuition, and other necessary equipment and supplies for completing said on-farm training course.

2. Said subsection (d) be further amended to eliminate from its provisions the reductions in allowances now provided in said act.

3. True copies of this resolution be forwarded by the adjutant of this post to the Honorable HUBERT HUMPHREY and the Honorable EDWARD THYE, United States Senators from Minnesota, and to the Honorable JOSEPH P. O'HARA, Congressman from the Second District of Minnesota, together with a letter urging said Senators and Congressmen to secure the passage of necessary amendments in accordance with the terms of this resolution.

4. The official delegates from this post to the second district American Legion convention be instructed to use their last efforts to secure the passage of this resolution by said district convention.

Adopted this 28th day of May, 1953.

ELDO L. FITZLOFF,
Post Commander.
Attest:
FRANK J. MANNY,
Post Adjutant.

FEDERAL TAXATION OF INCOME FROM MUNICIPAL BONDS—RESOLUTION OF CITY COUNCIL OF MINNEAPOLIS, MINN.

Mr. HUMPHREY. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the City Council of the City of Minneapolis, Minn., on May 29, 1951, relating to Federal taxation on income from municipal bonds.

There being no objection, the resolution was referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

RESOLUTION OPPOSING THE FEDERAL TAXATION ON INCOME FROM MUNICIPAL BONDS

Whereas we are advised that there is under consideration by United States Treasury Department officials a proposal that future issues of municipal bonds be made subject to Federal income taxes; and

Whereas we are of the opinion that such a measure would increase the rate of interest required to be paid on municipal bond issues up to 1 percent; and

Whereas such increase would result in additional local taxes to meet increased local interest payments; and

Whereas the burden of property taxes in Minneapolis is already among the highest of any large city; and

Whereas the city of Minneapolis is already faced with dangerously critical problems of raising sufficient local taxes to meet rising costs and new requirements in the present emergency: Now, therefore, be it

Resolved by the City Council of the City of Minneapolis, That we oppose the proposal to tax municipal bonds; and be it further

Resolved, That a copy of this resolution be sent to the President of the United States and to each Member of the House and Senate delegation in the United States Congress from Minnesota.

Passed May 29, 1953.

STANLEY ANDERSON,
President of the Council.

Approved June 2, 1953.

ERICK G. HOYER,
Mayor.

Attest:

ARLENE R. FINKLE,
City Clerk.

NONSCHEDULED IRREGULAR CARRIER ACTIVITIES—RESOLUTION, MANKATO CHAPTER NO. 10, DEPARTMENT OF MINNESOTA, DISABLED AMERICAN VETERANS

Mr. HUMPHREY. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by Mankato (Minn.) Chapter No. 10, Disabled American Veterans, relating to nonscheduled irregular carrier activities.

There being no objection, the resolution was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

RESOLUTION OF MANKATO CHAPTER NO. 10, INC., DEPARTMENT OF MINNESOTA, DISABLED VETERANS, MANKATO, MINN.

Whereas many veterans left the employment or training they were engaged in prior to entering military service to enter military service, and the Government trained many of these men for different types of work in service including aviation; and

Whereas many of these men returned from service to find their jobs had been abolished or absorbed by industries, and the Government encouraged these returning soldiers to enter into small businesses; and

Whereas many of these men invested their savings and incurred obligations to enter in nonscheduled irregular carrier transportation, and these men served a real purpose both in transporting merchandise and passengers at lower rates than had been previously in effect, thereby performing a real service for their fellow men; and

Whereas these irregular carriers transported military personnel and soldiers on leave at a much lower rate than regular airlines, thereby saving these soldiers expenses going to and from their homes and enabling them to remain at their homes for

a longer period of time while on leave, and the men engaged in irregular carrier transportation are all former military personnel around which a nucleus could be formed to carry on airlifts and carry on military service immediately if called in; and

Whereas there are now apparently being steps taken to limit these nonscheduled irregular carrier activities and thereby prohibit these men that have invested their time and savings to continue in the irregular carrier business and force them into insolvency: Now, therefore, be it

Resolved, That Mankato Chapter No. 10, Disabled American Veterans, in regular meeting assembled, this 26th day of May 1953, do go on record recommending to the President of the United States of America and the Members of our National Congress and to the chairman of the Select Small Business Committee, that they do everything possible to enable these irregular carrier transport groups to continue in operation and to urge the Civil Aeronautics Board to amend their rules to enable these carriers to continue their operations and not to force them out of operation or into insolvency by limiting their activities which will no doubt occur if the present rules now in effect are continued.

A. P. ACKERMANN,
Chapter Commander.
CHAS. T. BLAKE,
Chapter Adjutant.

THE CATTLE INDUSTRY—MEMORIAL

Mr. THYE. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a memorial to the Congress and the Secretary of Agriculture, adopted by the executive committee of the American National Cattlemen's Association at Denver, Colo., April 28–29, 1953, relating to the cattle industry.

There being no objection, the memorial was referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

A MEMORIAL TO THE CONGRESS AND THE SECRETARY OF AGRICULTURE, ADOPTED BY THE EXECUTIVE COMMITTEE OF THE AMERICAN NATIONAL CATTLEMEN'S ASSOCIATION, AT A SPECIAL MEETING HELD IN DENVER, COLO, APRIL 28–29, 1953

The cattle industry is endeavoring, through the following proposals, to find a practical solution to the acute problems of the industry.

1. ENDORSEMENT OF SECRETARY BENSON

We have been greatly impressed with the sturdy stand taken by Secretary of Agriculture Ezra T. Benson in his effort to put the agricultural economy of this country on a sound basis. We commend him for it and pledge our support to his efforts in this direction.

2. SUPPORT PRICES

In order to reestablish a sound agricultural economy, as a long-range program for the consideration of the Congress and the Secretary of Agriculture, we recommend the discontinuance of support prices on all agricultural commodities.

In the interim, to meet the present emergency pending accomplishment of that program, we urge immediate action by the Congress to amend the law and place support on corn and other feed grains on a flexible basis, to be determined by the Secretary of Agriculture.

3. AGRICULTURAL CREDITS

We recognize the possible need this summer and fall of additional credit facilities to finance livestock producers and feeders in the present emergency.

Therefore, we urge the Federal Reserve Board and the Farm Credit Administration to prepare in advance to meet, through existing credit facilities, any such emergency as may arise.

4. TARIFF

Whereas, in 1934 Congress authorized 50 percent reductions in the tariff rates existing under the Tariff Act of 1930 and again in 1945 authorized a further reduction of 50 percent from rates then in effect; and

Whereas, the free traders are again demanding either that all tariffs be eliminated or that further sharp reductions be made in the low tariff rates remaining as a result of the two 50 percent reductions referred to above.

Therefore, we reiterate our opposition to any further wholesale cuts and insist that action be taken through the escape clause of the Reciprocal Trade Act or otherwise to provide more adequate tariff protection for American industry, labor, and agriculture.

5. BUY AMERICAN

The appropriation for the Armed Services has for several years carried a buy-American provision, which has resulted in large purchases of beef for the Armed Forces; and

Whereas, the free traders are now attacking this provision.

Therefore, we urge the continuation of this program in order to continue this outlet for beef.

6. CATTLE MARKETING PROGRAM

Whereas, cattle numbers are still increasing and it does not appear that the peak will be reached for 2 more years.

Therefore, in order to do everything possible to control production and hold it in line with demand at equitable prices to all, we urge heavy marketing of cows this fall, thus reducing breeding herds, and holding some steers, calves, and yearlings to delay marketing and avoid glutting the market.

7. MEAT PROMOTION PROGRAM

We urge that the assessment on cattle and calves for the National Live Stock and Meat Board should immediately be increased from 1 cent to 2 cents per head on cattle, and from ½ cent to ½ cent per head on calves, and that every effort be made to get all commission men and auction rings to make such a collection and all packers to match the assessment.

We urge the State associations to endeavor to make collections from their members on all direct sales of cattle.

8. FEED POISONING

Whereas, there have been very severe losses of cattle in the Southwest due to feed poisoning in connection with the use of certain cottonseed pellets or cake; and

Whereas, some whole herds of cattle have been liquidated in this fashion at great sacrifice to the owners thereof.

Therefore, we recommend that the Department of Agriculture and the Food and Drug Administration initiate a study of the causes for this serious loss for the purpose of preventing any recurrence of same in the future.

9. RESTAURANT AND HOTEL MEAT PRICES

Whereas, restaurants and hotels are featuring beef in much greater degree and are serving liberal portions, which is greatly appreciated, but there is universal complaint that eating places generally have not brought prices down in line with current wholesale meat and live animal prices.

Therefore, we urge prompt and equitable adjustment of meat prices on the menus.

10. INVOLUNTARY CONVERSION

Whereas, a disease, hyperkeratosis, has wiped out whole herds in some areas, requiring complete repurchase; and

Whereas, it is unreasonable to require payment in income taxes on the damages or other proceeds received for such destroyed herds, if they are invested in replacements; and

Whereas, although section 112 (f) of the code was designed to grant the relief of involuntary conversion to this type of situation, the Bureau has ruled it inapplicable on technical grounds: Therefore be it

Resolved, That the code be amended to cover involuntary conversion of livestock due to disease.

In addition to the above resolutions, the committee discussed and was in entire agreement on the desirability of such further beef purchases with section 32 funds (tariff revenue money), as can be arranged.

The meeting which adopted the above proposals was attended by delegates of 22 Western and Southern States where beef cattle are produced on grass with many representatives of cattle feeders also present from a number of important fat-cattle-producing areas.

BANK HOLDING COMPANY LEGISLATION—RESOLUTION OF EXECUTIVE COUNCIL OF KANSAS BANKERS ASSOCIATION, WICHITA, KANS.

Mr. SCHOEPPEL. Mr. President, I ask unanimous consent that a resolution adopted by the executive council of the Kansas Bankers Association in Wichita, Kans., on May 15, 1953, be appropriately referred, and printed in the RECORD.

The resolution is in support of the position of the American Bankers Association's executive council, as adopted by that body on April 21, 1953, relative to certain factors involved with pending bank holding company legislation (S. 1118).

There being no objection, the resolution was referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Whereas public statement in the press emanating from White Sulphur Springs, West Virginia, dated April 23, 1953, reports action of the executive council of the American Bankers Association on April 21, as follows:

"The historical position of the American Bankers Association favoring the preservation of the dual banking system and supporting the autonomy of the laws of the separate States with respect to banking was unanimously reaffirmed by the executive council of the association at the second and closing session of its annual spring meeting here, yesterday.

"The council adopted a set of principles to guide the association's committee on Federal legislation in dealing with holding company legislation.

"The principles provide that no bank holding company could acquire ownership of a bank outside the State in which the holding company maintains its principal office and place of business unless the laws of such outside State permits such acquisition.

"They also stipulate that a bank holding company shall not expand within the State in which it has its principal place of business if such expansion is prohibited by the laws of the State.

"Other principles stated are that no restrictions shall be placed upon the acquisition of additional stock by a bank holding company already owning a majority of the stock of such bank and that bank holding company legislation should contain such provisions as would prevent the removal of the principal office or place of business of a holding company to another State for the purpose of circumventing the principles stated above.

"The principles deal further with the scope and manner by which the regulatory authority would administer such an act; divorcement of nonbank assets, having in mind factors such as the time element, tax relief, and exemption of wholly-owned cor-

porations devoting their entire efforts to the servicing of such holding companies such as auditing, appraising, or investment counsel.

"The legislative committee was directed by the council to support legislation within the scope of these principles. There were no dissenting votes"; and

Whereas it is the long-standing position of the Kansas Bankers Association that branch banking and bank holding company ownership and operation of banks in Kansas be prohibited in Kansas: Now, therefore, be it

Resolved by the executive council of the Kansas Bankers Association, in regular session at Wichita, Kans., on May 15, 1953, That the April 21, 1953, action of the executive council of the American Bankers Association, as above referred to, be hereby approved.

REDUCTION OF APPROPRIATIONS—RESOLUTION OF WICHITA (KANS.) MANUFACTURERS' CLUB

Mr. SCHOEPPEL. Mr. President, the Wichita Manufacturers' Club on June 2 adopted a resolution containing a message to the Congress of the United States relative to the matter of appropriations.

I ask unanimous consent that the resolution be appropriately referred and printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Appropriations, and ordered to be printed in the RECORD, as follows:

Whereas the United States of America, deriving its strength from individual liberty possible only under a Government of freemen and a free economy, and

Whereas our free economy must remain strong and be further strengthened if we are to meet successfully the continuous challenge of aggressors who desire the destruction of our system of government; and

Whereas there has developed in our country a highly centralized National Government not consistent with the American concept of liberty and freedom; and

Whereas there exists the opportunity to realistically reexamine and reevaluate the present activities and programs of Federal Government agencies in a light of the future economic well-being of our country; and

Whereas in these critical times it is necessary for all citizens of this country to put the good of the country as a whole ahead of sectional, State, and city interests to reduce Federal expenditures and eliminate wasteful operations and unnecessary spending: Therefore be it

Resolved, That the Congress of the United States is hereby requested to fully meet its responsibility to all citizens by objectively screening every appropriation with the goal of eliminating wasteful operations and unnecessary spending, and is further requested to vigorously pursue the objective of reducing the size and activities of the Federal Government; be it further

Resolved, That the governor and legislature of this State, the mayor and board of city commissioners are requested not to exert pressure on Members of Congress for appropriation of funds to be expended for any group, or community, or State other than emergency funds for the public welfare, and then only when State or local funds are clearly inadequate.

Mr. CARLSON. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD a resolution adopted by the executive committee of the Wichita Manufacturers Club on June 2, 1953, regarding a reduction in Federal expenditures.

The resolution is unusual in that the Wichita Manufacturers Club requests that governmental units not exert pressure on Members of Congress for appropriations or funds except in emergency situations.

At this time, when Members of the Congress are trying to reduce Federal expenditures and balance the budget, in order that we may have a stable dollar and tax reductions in the future, I think this is most timely.

There being no objection, the resolution was referred to the Committee on Appropriations, and ordered to be printed in the RECORD.

(See resolution printed in full when presented today by Mr. SCHOEPPEL.)

MESSAGE TO CHRISTIAN CHURCHES BY GENERAL CONFERENCE OF MENNONITE CHURCH, MOUND RIDGE, KANS.

Mr. CARLSON. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, a conference message to Christian churches, adopted at the General Conference of the Mennonite Church at Mound Ridge, Kans., at a recent meeting.

This is an outstanding statement of the devotion of the membership of the Mennonite Church to the Governments of the United States and Canada.

They pledge to these Governments their lives of economic usefulness, moral integrity, and cultural creativity.

During my service as Governor of Kansas, I had an opportunity to work closely with the leadership of the Mennonite Church in relief programs for war-stricken countries of Europe. I know of no group of citizens that has contributed more unselfishly and more generously than they.

There being no objection, the message was referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

THE CONFERENCE MESSAGE TO CHRISTIAN CHURCHES

I

As General Conference Mennonites we feel deeply penitent for our own weakness in the light of our glorious heritage in the Lordship of Christ as re-discovered in Switzerland, Holland, Germany, and Russia many years ago. Our people know the meaning of persecution, displacement, and martyrdom, yet we have faltered at the very moment when our Governments in the United States and Canada have best understood our desire to serve the Nation without violation of conscience.

II

Yet, we are here assembled to rejoice in the faith, hope, and love which we possess through the grace of God in Jesus Christ.

We rejoice in the basic clarity regarding the ultimate issue of authority—that there is one who is our Lord and Saviour; that we can give Him, and Him alone, our absolute allegiance and supreme loyalty. And that to give this to anyone else or anything else is a modern form of idolatry.

We rejoice in the grace of God which makes us new creatures in Christ, and, that through the power of the indwelling Holy Spirit we may live the life of holy obedience and discipleship.

We rejoice both in the mercy of Christ and the disturbing example of Christ, challenging all of the anti-Christian patterns of living in us and in our institutions. We are confident that our Lord will never give us peace in our denial of Him.

We rejoice that love is at the very core of the Gospel and would recall the church universal to a deeper knowledge of this truth.

We rejoice that this love was God's reason for sending His Son. And that this love is supremely revealed in the broken body and shed blood on the Cross where sin was decisively met in vicarious suffering. Flowing from this Cross and the life which led up to it is the basis for our relation to our neighbor and our enemy. It is also the clue for our escape from self-centeredness, and is the basic method for dealing with evildoers and with our inner-circle relationships.

We rejoice that we are still held by the vision of the church as a suffering brotherhood, a fellowship in which the fullness of Christ's reign must be practiced, in which the redeemed meet every human need and from which they go forth to serve, save, and heal.

We rejoice that increasingly Christian service is winning young people to the tasks of the missionary and the Good Samaritan. We pray that God will continue to use us throughout the world as healers, helpers, and reconcilors in the name of Christ.

III

To our Governments in Washington and Ottawa we express thanks for the recognition of freedom for minorities. We pledge intercession on their behalf, lives of economic usefulness, moral integrity and cultural creativity.

To our Governments we would herald the fact of the Kingdom of God, both here and coming, whose absolutes of Christian discipleship and love we must follow at all costs. We point with alarm to totalitarian governments which ruthlessly suppress groups who keep alive these evangelical truths. We also point with alarm to the corroding effects of universal military training on the cultures of Europe from which we have come and which looms as a threat here. We confess our guilt in the development of totalitarian trends which can only grow in the soil of spiritual emptiness.

To the churches of Christendom we affirm that the continuing fact of a witness against war in almost all communions is the living Lord of the church pleading for a break with war in the Body of Christ. The church cannot have one hand on the Bible and one on the sword. Today it must take its hand off the sword, abandon the theories of the just war and of the lesser evil and, through the grace of God, summon its members to a ministry of forgiveness, suffering love and trusting faith. The hellish fires of the atomic and hydrogen bombs force the issue between Christ and anti-Christ.

IV

To both church and state we declare that paralyzing pessimism should not be the order of the day since God has decisively spoken in the Lord Jesus Christ. A wonderful love is now available in Christ and among the people of Christ. This is a unique, all-powerful fact by which history must be measured. To ignore this fact is to court judgment and death.

As we meet in the countryside of the Kansas wheat belt it seems clear that the simple Christian call is to open the Bible and study it together; to see Jesus towering over the wrecks of time, to unite the church in the ministry of reconciliation and to proclaim the good news of forgiving and serving love.

To people in ignorance, disease, starvation, war, empty secularism and crass materialism, we must go to proclaim, explain and live the Gospel.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. TOBEY, from the Committee on Interstate and Foreign Commerce:

H. R. 2456. A bill to amend the act of October 11, 1951, authorizing the President to proclaim regulations for preventing collisions at sea, and for other purposes; without amendment (Rept. No. 385).

By Mr. JOHNSON of Colorado, from the Committee on Interstate and Foreign Commerce:

S. 1396. A bill to authorize the adoption of certain rules with respect to the broadcasting or telecasting of professional baseball exhibitions in interstate commerce, and for other purposes; with amendments (Rept. No. 387).

By Mr. BENNETT, from the Committee on Banking and Currency:

S. 1993. A bill to amend the National Housing Act, as amended, and the Servicemen's Readjustment Act of 1944, as amended, with respect to maximum interest rates, and for other purposes; with amendments (Rept. No. 386).

By Mr. JENNER, from the Committee on Rules and Administration:

S. J. Res. 37. Joint resolution to authorize the erection of a memorial to Sara Louisa Rittenhouse in Montrose Park, D. C.; with an amendment (Rept. No. 388);

S. J. Res. 82. Joint resolution to provide for the reappointment of Robert V. Fleming as citizen regent of the Board of Regents of the Smithsonian Institution; without amendment (Rept. No. 389);

S. J. Res. 83. Joint resolution to provide for the appointment of Owen Josephus Roberts as a member of the Board of Regents of the Smithsonian Institution; without amendment (Rept. No. 390);

S. Res. 115. Resolution increasing the limit of expenditures for the Select Committee on Small Business; with an amendment (Rept. No. 391); and

S. Res. 117. Resolution extending the authority for the investigation with respect to the effectiveness of foreign information programs; with an amendment (Rept. No. 392).

By Mr. HENDRICKSON, from the Committee on Armed Services:

S. 1492. A bill to require the establishment of adequate provisions relating to the appointment or retention of certain female Reserve personnel with minor or dependent children; without amendment (Rept. No. 393).

DISTRICT OF COLUMBIA POLICE AND FIREMEN'S SALARY ACT OF 1953

Mr. BEALL. Mr. President, from the Committee on the District of Columbia, I report favorably, with amendments, the bill (H. R. 3795) to adjust the salaries of officers and members of the Metropolitan Police force, the United States Park Police, the White House Police, and the Fire Department of the District of Columbia, and for other purposes, and I submit a report (No. 384) thereon.

I ask unanimous consent for the immediate consideration of the bill.

The bill has already passed the House, and the Committee on the District of Columbia has made some amendments to the bill which I should like to have read. It will be noted that the committee has reduced the total cost by approximately $600,000, compared with the amount called for by the bill as passed by the House.

Mr. JOHNSON of Texas. Mr. President, I could not hear the request of the Senator from Maryland.

Mr. BEALL. I ask unanimous consent for the immediate consideration of H. R. 3795, better known as the Adjusted Salary Act for the Metropolitan District Police, the Park Police and the District of Columbia Fire Department. The bill has already been passed by the House. The Senate Committee on the District of Columbia has made to the bill some amendments which reduce the amount voted by the House.

The ACTING PRESIDENT pro tempore. It there objection to the present consideration of the bill?

Mr. JOHNSON of Texas. The Democratic members of the committee are in favor of the proposed legislation, although one member who has an interest in the bill is unable to be present today. In view of the fact that the distinguished Senator from South Dakota [Mr. CASE] will be absent from the Chamber later in the afternoon I feel justified in not objecting to the unanimous-consent request being granted. Therefore, I shall not object.

In the future, however, I should like to be given a little more notice when bills of this kind are asked to be considered by the Senate, so we may have an opportunity to canvass Members on this side of the aisle.

Mr. HUMPHREY. Mr. President, reserving the right to object, it is my intention to make a statement on the bill in the very near future. I know if the bill is given immediate consideration and passed, I shall not be able to obtain the floor, because I must attend a meeting of the Committee on Foreign Relations at 2 o'clock. Therefore I shall have to object at least for the moment.

Mr. CASE. Mr. President, will the Senator withhold his objection?

Mr. HUMPHREY. I do.

Mr. CASE. So far as the Senator from South Dakota is concerned, there is no objection to the Senator making his statement. The only time to be consumed in the consideration of the bill, as I understand, will be that required for the Chair to make the appropriate statements, namely: "Without objection, the amendments are agreed to; and, without objection, the bill is passed." That is all that will be required to be done in order to pass the bill, as I understand. The subject has been gone into thoroughly by the subcommittee of the Committee on the District of Columbia and also by the full committee. The amounts contained in the bill now represent a compromise, and are satisfactory to all concerned, with the exception of one member of the committee, who, I believe, said he would not object to it on the floor.

Mr. HUMPHREY. I may say that I am in favor of the bill as reported. I ask unanimous consent that, following action on the bill, the junior Senator from Minnesota may be permitted to have the floor.

Mr. SALTONSTALL. I shall not object to the Senator having the right to the floor, but I assume time may still be used for introducing bills and transacting other routine business.

Mr. HUMPHREY. I meant that I be given the right to the floor after the morning hour is concluded.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Minnesota [Mr. HUMPHREY] that he be given the right to the floor at the end of the morning hour?

The Chair hears none, and it is so ordered.

Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 3795) to adjust the salaries of officers and members of the Metropolitan Police force, the United States Park Police, the White House Police, and the Fire Department of the District of Columbia, and for other purposes, which had been reported from the Committee on the District of Columbia, with amendments.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the committee amendments be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the committee amendments will be considered en bloc.

Mr. KNOWLAND. Mr. President, in view of the way this measure has been handled and the need to consider it under this procedure, I believe we should have an explanation from the Senator from South Dakota relative to the difference between the bill as reported by the Senate committee and the bill as passed by the House of Representatives.

Mr. CASE. Mr. President, I shall be glad to give an explanation.

The bill as passed by the House of Representatives provided for a total increase in the amount of 16 percent in the pay of the police and firemen. Sixteen percent is the total; the actual increase varied somewhat in respect to individual positions.

The Bureau of the Budget had not made a report on the bill. The subcommittee of the Senate Committee on the District of Columbia was in favor of the bill as it was passed by the House of Representatives. The Committee on the District of Columbia, as a whole, however, felt that there should be a report on the bill by the Bureau of the Budget.

The report from the Bureau of the Budget was made with a recommendation for an increase of 8 percent.

The bill as reported represents a compromise increase of 12 percent. The several amendments the clerk has been reading apply the 12-percent increase, approximately, to each position.

With the 12-percent increase, the bill as reported to the Senate represents a saving of $650,000 under the amount voted by the House of Representatives.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the committee amendments, en bloc.

The committee amendments were agreed to en bloc as follows: On page 2, after line 2, to strike out:

Grade	Salary
Chief of police	$12,000
Deputy chiefs	8,600
Inspectors	7,900
Captains	6,800
Lieutenants	6,300
Sergeants	5,800
Corporals	5,300
Private, class 4 (3 or more years' service)	4,800
Private, class 3 (2 or more but less than 3 years' service)	4,500
Private, class 2 (1 or more but less than 2 years' service)	4,250
Private, class 1 (less than 1 year's service)	4,000

And insert:

Grade	Salary
Chief of police	$12,500
Deputy chiefs	8,459
Inspectors	7,753
Captains	6,590
Lieutenants	6,000
Sergeants	5,521
Corporals	5,090
Private, class 4 (3 or more years' service)	4,641
Private, class 3 (2 or more but less than 3 years' service)	4,378
Private, class 2 (1 or more but less than 2 years' service)	4,115
Private, class 1 (less than 1 year's service)	3,900

In line 4, after the words "salary of", to strike out "$4,000" and insert "$3,900"; in line 8, after "(1)" to strike out "1,300" and insert "$1,200"; in line 10, after "(2)" to strike out "$500" and insert "$465"; in line 14, after "(4)" to strike out "$300" and insert "$270"; in line 16, after "(5)", to strike out "$300" and insert "$390"; on page 3, line 3, after the word "exceed", to strike out "$400" and insert "$390"; in line 14, after the word "of", to strike out "five" and insert "three"; on page 5, after line 8, to strike out:

Grade	Salary
Fire chief	$12,000
Deputy fire chiefs	8,600
Superintendent of machinery	8,600
Fire marshal	8,600
Battalion fire chiefs	7,900
Assistant superintendent of machinery	7,900
Deputy fire marshal	7,900
Captains	6,800
Pilots	6,550
Marine engineers	6,550
Lieutenants	6,300
Sergeants	5,800
Assistant pilots	5,300
Assistant marine engineers	5,300
Inspectors	5,000
Private, class 4 (3 or more years' service)	4,800
Private, class 3 (2 or more but less than 3 years' service)	4,500
Private, class 2 (1 or more but less than 2 years' service)	4,250
Private, class 1 (less than 1 year's service)	4,000

And insert:

Grade	Salary
Fire chief	$12,500
Deputy fire chiefs	8,459
Superintendent of machinery	8,459
Fire marshal	8,459
Battalion fire chiefs	7,753
Assistant superintendent of machinery	7,753
Deputy fire marshal	7,753
Captains	6,590
Pilots	6,328
Marine engineers	6,328
Lieutenants	6,009
Sergeants	5,521
Assistant pilots	5,038
Assistant marine engineers	5,038
Inspectors	4,813
Private, class 4 (3 or more years' service)	4,641
Private, class 3 (2 or more but less than 3 years' service)	4,378
Private, class 2 (1 or more but less than 2 years' service)	4,115
Private, class 1 (less than 1 year's service)	3,900

In line 10, after the words "salary of", to strike out "$4,000" and insert "$3,900"; on page 6, line 1, after the word "exceed", to strike out "$400" and insert "$390"; in line 11, after the words "excess of", to strike out "five" and insert "three"; on page 9, line 12, after the word "Department" to insert "or Battalion Chief Engineer of the Fire Department;" at the beginning of line 15, to strike out "or"; in the same line, after the word "Chief", to insert "or Battalion Fire Chief,", and on page 12, line 11, after the word "on" to strike out "such day as the Commissioners of the District of Columbia shall determine which is not later than the second Sunday following the expiration of 15 days after the enactment of this act" and insert "July 1, 1953."

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 3795) was read the third time and passed.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. PURTELL:

S. 2071. A bill for the relief of Michael Solomonides; to the Committee on the Judiciary.

By Mr. PURTELL (by request):

S. 2072. A bill to require the United States Coast Guard to make annual inspections and certifications of vessels carrying passengers for hire; to the Committee on Interstate and Foreign Commerce.

By Mr. BUSH (by request):

S. 2073. A bill for the relief of Esther Wagner; to the Committee on the Judiciary.

By Mr. WELKER:

S. 2074. A bill for the relief of certain Basque sheepherders; to the Committee on the Judiciary.

(See the remarks of Mr. WELKER when he introduced the above bill, which appear under a separate heading.)

By Mr. CASE:

S. 2075. A bill authorizing the issuance of a patent-in-fee to Ruth Long Crow Running Horse; to the Committee on Interior and Insular Affairs.

By Mr. SALTONSTALL (by request):

S. 2076. A bill to amend Public Law 472, 81st Congress, approved April 11, 1950, entitled "An act to promote the national defense and to contribute to more effective aeronautical research by authorizing professional personnel of the National Advisory Committee for Aeronautics to attend accredited graduate schools for research and study";

S. 2077. A bill to authorize the loan of two submarines to the Government of Italy;

S. 2078. A bill to provide for the orderly transaction of the public business in the event of the death, incapacity, or separation from office of a disbursing officer of the military departments;

S. 2079. A bill to provide for the use of the American National Red Cross in aid of the Armed Forces, and for other purposes; and

S. 2080. A bill relating to the promotion of certain officers and former officers of the Army of the United States, or of the Air Force of the United States, or of any component thereof, retired for physical disability; to the Committee on Armed Services.

(See the remarks of Mr. SALTONSTALL when he introduced the first four of the above bills, which appear under a separate heading.)

By Mr. HENNINGS (for himself, Mr. HAYDEN, and Mr. HENDRICKSON):

S. 2081. A bill to revise the Federal election laws, to prevent corrupt practices in Federal elections, and for other purposes; to the Committee on Rules and Administration.

(See the remarks of Mr. HENNINGS when he introduced the above bill, which appear under a separate heading.)

By Mr. BYRD:

S. 2082. A bill conferring jurisdiction upon the United States Court of Claims to hear, examine, adjudicate, and render judgment on the claim of the legal representative of the estate of Robert Lee Wright, deceased; to the Committee on the Judiciary.

By Mr. LANGER:

S. 2083. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Lawrence F. Kramer; to the Committee on the Judiciary.

By Mr. GREEN:

S. 2084. A bill for the relief of Teresina Santucci Greggi and her children, Leandro Greggi and Emma Greggi; and

S. 2085. A bill to amend section 6 of the Trading With the Enemy Act; to the Committee on the Judiciary.

By Mr. BUTLER of Maryland:

S. 2086. A bill for the relief of Shakeh M. Vartenissian; to the Committee on the Judiciary.

By Mr. JACKSON:

S. 2087. A bill for the relief of John Percich Scrivanich;

S. 2088. A bill for the relief of Luca Morin;

S. 2089. A bill for the relief of Casimiro Dominich Scrivanich;

S. 2090. A bill for the relief of Nicolo Antonio Scrivanich;

S. 2091. A bill for the relief of Anthony Agustino Scrivanich;

S. 2092. A bill for the relief of Nicola Antonio Morin; and

S. 2093. A bill for the relief of Martin Anthony Picinich (Martino Piccinich); to the Committee on the Judiciary.

By Mr. BUTLER of Nebraska:

S. 2094. A bill to facilitate the development and construction of water conservation facilities by States and municipalities and for other purposes; to the Committee on Public Works.

By Mr. TOBEY:

S. 2095. A bill to authorize the extension of patents covering inventions whose practice was prevented or curtailed during certain emergency periods by service of the patent owner in the Armed Forces or by production controls; to the Committee on the Judiciary.

By Mr. BARRETT:

S. 2096. A bill to require Federal officers, employees, agencies, and instrumentalities to act in accordance with and submit to the laws of certain States relative to the control, appropriation, use, and distribution of water; to the Committee on Interior and Insular Affairs.

By Mr. CORDON:

S. 2097. A bill to increase the amount authorized to be appropriated for the construction of the Eklutna project; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. CORDON when he introduced the above bill, which appear under a separate heading.)

By Mr. BUTLER of Nebraska (for himself and Mr. GRISWOLD):

S. 2098. A bill to provide for the issuance of a special stamp in commemoration of the organization of the Nebraska Territory; to the Committee on Post Office and Civil Service.

By Mr. AIKEN (for himself, Mr. SCHOEPPEL, and Mr. YOUNG):

S. 2099. A bill to amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. HUMPHREY:

S. 2100. A bill to exempt amateur and semiprofessional baseball games not played for profit from the admissions tax; to the Committee on Finance.

S. 2101. A bill for the relief of Lucy Personius; to the Committee on the Judiciary.

By Mr. HUMPHREY (for himself, Mr. MURRAY, and Mr. KERR):

S. 2102. A bill to increase allowances for carryover and acreage allotments for corn and wheat, to establish a special contingency reserve, and for other purposes; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. HUMPHREY when he introduced the above bill, which appear under a separate heading.)

By Mr. CAPEHART:

S. 2103. A bill to amend the National Housing Act and other laws relating to housing; to the Committee on Banking and Currency.

(See the remarks of Mr. CAPEHART when he introduced the above bill, which appear under a separate heading.)

By Mr. CAPEHART (for himself and Mr. DOUGLAS):

S. 2104. A bill to authorize the payment of compensation to Clarence A. Beutel, formerly Deputy Administrator of the Reconstruction Finance Corporation, for the period from September 10, 1952, through June 1, 1953; to the Committee on Banking and Currency.

By Mr. KUCHEL:

S. 2105. A bill for the relief of Donald Hector Taylor; to the Committee on the Judiciary.

By Mr. KUCHEL (for himself, Mr. KNOWLAND, Mr. GOLDWATER, and Mr. HAYDEN):

S. 2106. A bill to amend the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture and Forestry.

By Mr. JOHNSON of Colorado:

S. 2107. A bill for the relief of Giovanni Luki Budinich (John Budinich);

S. 2108. A bill for the relief of Lieselotte Sommer; and

S. 2109. A bill for the relief of Claire Heiszler; to the Committee on the Judiciary.

By Mr. BUTLER of Maryland:

S. 2110. A bill to amend the Federal Credit Union Act so as to authorize Federal Credit Unions to administer small estates; to the Committee on Banking and Currency.

S. 2111. A bill to permit the flying of the flag of the United States for 24 hours of each day in Flag House Square, Baltimore, Md.; to the Committee on the Judiciary.

By Mr. AIKEN (for himself, Mr. KNOWLAND, Mr. SMITH of New Jersey, and Mr. TAFT):

S. 2112. A bill to provide for the transfer of price-support wheat to Pakistan; to the Committee on Agriculture and Forestry.

(See remarks of Mr. AIKEN when he introduced the above bill, which appear under a separate heading.)

By Mr. LANGER:

S. J. Res. 84. Joint resolution proposing an amendment to the Constitution of the United States, providing for nomination of candidates for President and Vice President, and for election of such candidates, by popular vote; to the Committee on the Judiciary.

By Mr. SMATHERS:

S. J. Res. 85. Joint resolution proposing an amendment to the Constitution relating to the nomination and election of candidates for President and Vice President, and to succession to the Office of President in the event of the death or inability of the President; to the Committee on the Judiciary.

By Mr. MORSE:

S. J. Res. 86. Joint resolution to provide for a suitable and adequate system of timber access roads to and in the forests of the United States; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

RELIEF OF CERTAIN BASQUE SHEEPHERDERS

Mr. WELKER. Mr. President, I ask unanimous consent to address the Senate for not more than a minute and a half on a bill which I propose to introduce.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator may proceed.

Mr. WELKER. Mr. President, the sheep industry of the State of Idaho, as most Senators well know, is facing a very serious situation because of the fact that it is unable to obtain competent herdsmen to tend the vast flocks of sheep which we have in our State.

In the State of Idaho there are approximately 50 Basque herdsmen, who have come to our country by one way or another, and who have been working in the sheep industry for many years.

The bill which I propose to introduce will clarify their status and make them permanent residents, so that our sheep industry may know that it will have permanent employees in the years ahead.

It is impossible to get anyone else to work with sheep, because of the long periods of time that the men must remain away from civilization.

There is no question with respect to the loyalty or honesty or ability of the men affected by the bill. They have been approved by the Immigration and Naturalization Bureau, and the bill clarifies their status and protects the sheep industry of my State.

I therefore send the bill to the desk and ask for its appropriate reference.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2074) for the relief of certain Basque sheepherders, introduced by Mr. WELKER, was received, read twice by its title, and referred to the Committee on the Judiciary.

EKLUTNA PROJECT

Mr. CORDON. Mr. President, I introduce for appropriate reference a bill to increase the amount authorized to be appropriated for the construction of the Eklutna project.

The bill must have consideration without delay, in order to validate a proposed appropriation.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2097) to increase the amount authorized to be appropriated for the construction of the Eklutna project, was referred to the Committee on Interior and Insular Affairs.

Subsequently,

Mr. CORDON, from the Committee on Interior and Insular Affairs, to which was referred the bill (S. 2097) to increase the amount authorized for the construction of the Eklutna project, reported it without amendment and submitted a report (No. 383) thereon.

ARMED SERVICES LEGISLATION

Mr. SALTONSTALL. Mr. President, I introduce for appropriate reference a series of four bills relating to the Armed Forces. Three of the bills are recommended by the Department of Defense and one by the National Advisory Committee for Aeronautics, and they are accompanied by letters of transmittal explaining the purpose of the bill in each case.

I ask that the accompanying letters in each case be printed in the RECORD immediately following the listing of bills introduced.

The ACTING PRESIDENT pro tempore. The bills will be received and appropriately referred; and, without objection, the letters will be printed in the RECORD as requested by the Senator from Massachusetts.

The bills introduced by Mr. SALTONSTALL (by request) were received, read twice by their titles, and referred to the Committee on Armed Services, as follows:

S. 2076. A bill to amend Public Law 472, 81st Congress, approved April 11, 1950, entitled "An act to promote the national defense and to contribute to more effective aeronautical research by authorizing professional personnel of the National Advisory Committee for Aeronautics to attend accredited graduate schools for research and study.

The letter to accompany Senate bill 2076 is as follows:

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS,
Washington, D. C., June 2, 1953.

The Honorable RICHARD M. NIXON,
President of the Senate,
United States Senate,
Washington, D. C.

SIR: The National Advisory Committee for Aeronautics respectfully submits for your consideration a draft of proposed bill "To amend Public Law 472, 81st Congress, approved April 11, 1950, entitled 'An act to promote the national defense and to contribute to more effective aeronautical research by authorizing professional personnel of the National Advisory Committee for Aeronautics to attend accredited graduate schools for research and study'."

This bill provides for a change of limitation from $50,000 to $100,000, so that section 6 of the act will read:

"SEC. 6. The total of the sums expended pursuant to this act, including all sums expended for the payment of salaries or compensation to employees on leave, shall not exceed $100,000 in any fiscal year."

The NACA has had 3 years of experience operating under Public Law 472 since its approval on April 11, 1950. Under the present limitation of $50,000 we have been able to grant leave for university graduate study and research in science and engineering to 224 professional employees, representing a total of 8 to 10 man-years of leave per year. Most of the grants were for periods of a few weeks each, some for longer periods, but in all cases the employees had to be on leave without pay (or annual leave, if they had it) for 50 percent to 80 percent of the period. We have found this specialized graduate study to be of notable value in advancing our research work and in economically developing the knowledges and skills of our scientists. On the basis of this experience, we find that it would be in the interest of the NACA and the national defense effort to raise the limitation.

Public Law 472 provides that the employee shall pay his own tuition and other academic expenses. The interest of the Government is protected by the provision requiring that the employee return to the NACA for a period of 6 months if the leave of absence does not exceed 12 weeks, or for a period of 1 year if the period of leave exceeds 12 weeks, or reimburse the Government for the leave granted if the commitment is not fulfilled. Leaves of absence are granted under this authority only in those cases where the special course of study to be undertaken by the employee would qualify him for more effective work with the NACA.

Summary: This proposed legislation is noncontroversial, is in the public interest, and will provide for granting of additional leaves of absence without expense to the Government for tuition, subsistence, or other academic expenses, and will not require any increase in the NACA appropriations.

The NACA has been authorized by the Bureau of the Budget to submit this proposed legislation to the Congress. It is respectfully requested that it be introduced in the 83d Congress.

Sincerely yours,

J. F. VICTORY,
Executive Secretary.

S. 2077. A bill to authorize the loan of two submarines to the Government of Italy.

The letter to accompany Senate bill 2077 is as follows:

OFFICE OF THE SECRETARY OF DEFENSE,
Washington, D. C., June 4, 1953.

Hon. LEVERETT SALTONSTALL,
Chairman, Armed Services Committee, United States Senate.

DEAR MR. CHAIRMAN: There is forwarded herewith a draft of legislation "to authorize the loan of two submarines to the Government of Italy."

This proposal is a part of the Department of Defense legislative program for 1953 and the Bureau of the Budget has advised that there is no objection to the transmittal of the proposal to the Congress for its consideration. The Department of Defense recommends that it be enacted by the Congress.

PURPOSE OF THE LEGISLATION

The purpose of this legislation is to authorize the President to lend to the Government of Italy for a period not to exceed 5 years, two submarines for use by that Government in providing training for Italian naval forces in antisubmarine warfare. The bill would require that, prior to the delivery of the submarines, an agreement be concluded with the Government of Italy providing for the return of the submarines in accordance with the provisions of the bill and in substantially the same condition as when loaned.

The Italian Government presently has no modern submarines in her fleet. The experience of the United States Navy indicates that effective training of air and surface antisubmarine warfare forces requires the use of modern submarine units as targets. The Italian Navy has been assigned antisubmarine missions in the plans of the NATO forces, and in order to assist in the training required for the successful execution of those missions, it is considered highly desirable to lend two submarines for that purpose.

COST AND BUDGET DATA

The estimated cost of activating these two submarines from the Reserve Fleet, converting them to modern "snorkel" type, and providing spare parts and torpedoes, is $8 million. This is estimated cost, however, is not in addition to budgeted funds, but will be allocated for this purpose from appropriated Mutual Security Act funds by reprograming items as necessary.

DEPARTMENT OF DEFENSE ACTION AGENCY

The Department of the Navy has been designated as the representative of the Department of Defense for this legislation.

Sincerely yours,

JOHN G. ADAMS,
Acting General Counsel.

S. 2078. A bill to provide for the orderly transaction of the public business in the event of the death, incapacity or separation from office of a disbursing officer of the military departments.

The letter to accompany Senate bill 2078 is as follows:

OFFICE OF THE SECRETARY OF DEFENSE,
Washington, D. C., June 9, 1953.

Hon. LEVERETT SALTONSTALL,
Chairman, Committee on Armed Services, United States Senate.

DEAR MR. CHAIRMAN: There is forwarded herewith a draft of legislation, "To provide for the orderly transaction of the public business in the event of the death, incapacity, or separation from office of a disbursing officer of the military departments."

This proposed legislation is part of the Department of Defense legislative program for 1953 and the Bureau of the Budget has indicated that it has no objection to the submission of this legislation to the Congress for its consideration. The Department of Defense recommends that it be enacted.

PURPOSE OF THE LEGISLATION

This proposal provides that in the event of the death, incapacity, or separation from office of a disbursing officer of the military departments the deputy disbursing officer may continue disbursing in the name of the former disbursing officer for a period not to extend beyond the last day of the second month following the death or removal from office of such disbursing officer.

The Finance Center, United States Army, processes approximately 1,200,000 checks monthly in payments of allotments for the support of dependents both voluntary and those required under the Dependents Assistance Act of 1950. The Army Finance Office, Washington, D. C., is currently paying approximately 65,000 retired pay accounts each month. It is necessary that preparation of these checks start 2 to 3 weeks prior to the end of the month, in order that they may be mailed to the payee shortly after the first of the month. Those checks mailed in bulk to foreign areas are dispatched not later than the 25th of the month preceding the date payable. If the disbursing officer should suddenly die or become incapacitated during the closing days of the month, all checks which had been written, signed, inserted in envelopes, and processed to the point of mailing, would have to be voided and new checks would have to be prepared. This would be a monumental task and would delay payments not only for the current month (2 to 3 weeks) but also for the second and possibly the third month, even working on an overtime schedule. In addition, the question arises as to what action would be required to be taken on checks which had already been mailed in bulk to foreign areas, if the described emergency should occur after the 25th of the month which is the deadline for mailing such checks.

The Finance Center of the Navy and Air Force are also confronted with a similar problem. At the present time the Department of the Air Force is processing approximately 600,000 allotment payments and 14,000 retired pay accounts each month, while the Department of the Navy is processing approximately 500,000 allotment payments and 50,000 retired pay accounts each month.

Recipients of allotment and allowance checks and retired pay checks are usually dependent upon them, and any delay in issuing payment would work an extreme hardship in a great many cases. Furthermore, it may be anticipated that the military departments would be subject to severe criticism in such an event.

Similar legislation has already been enacted for the benefit of the Chief Disbursing Officer of the Treasury (5 U. S. C. 249b) and the Clerk of the House of Representatives (2 U. S. C. 75a).

COST DATA

This legislation will result in savings to the Government by eliminating overtime work which would be required to reprocess in excess of 2,000,000 checks. Also, a savings in the cost of blank checks would result by utilizing those which have already been partially or completely prepared.

DEPARTMENT OF DEFENSE ACTION AGENCY

The Department of the Army has been designated as the representative of the Department of Defense for this legislation.

Sincerely yours,

JOHN G. ADAMS,
General Counsel, Acting.

S. 2079. A bill to provide for the use of the American National Red Cross in aid of the Armed Forces, and for other purposes.

The letter to accompany Senate bill 2079 is as follows:

OFFICE OF THE SECRETARY OF DEFENSE,
Washington, D. C., June 9, 1953.

Hon. LEVERETT SALTONSTALL,
Chairman, Committee on Armed Services, United States Senate.

DEAR MR. CHAIRMAN: There is forwarded herewith a draft of legislation, "To provide for the use of the American National Red Cross in aid of the Armed Forces, and for other purposes," and a sectional analysis thereof.

This proposal is a part of the Department of Defense legislative program for 1953 and the Bureau of the Budget has no objection to the presentation of this proposal to the Congress. The Department of Defense recommends that it be enacted.

PURPOSE OF THE LEGISLATION

The current law (36 U. S. C. 10, 11) provides that the President may accept the aid of the Red Cross for the Armed Forces during time of war or when war is imminent. This proposal would extend that authority to include times of peace. It would also delimit more precisely the statutory authority for the Government's providing the Red Cross with housing, meals, office space, warehousing, wharfage, and communication facilities.

In the normal course of events it may be expected that a large number of persons will continue to be called upon to serve in the Armed Forces. Consequently, the need for the many morale and welfare services furnished members of the Armed Forces by the Red Cross will continue. It is desirable that the present law be changed to permit the Red Cross to furnish aid to the Armed Forces in either peace or war. Since the end of World War II the authority for the use of the Red Cross in aid of the Armed Forces has been based upon temporary emergency legislation.

However, under the terms of Public Law 12, 83d Congress, such authority will expire July 1, 1953.

The present statute provides that when the assistance of the Red Cross has been accepted in time of war or threatened hostilities, its personnel on duty with the Armed Forces shall be subsisted at Government expense, as well as transported to and from their posts of duty, as civilian employees of the Armed Forces. The Comptroller General of the United States (B-86718, June 17, 1949) ruled that the term "subsisted" applied to the furnishing of both food and quarters. Other civilian personnel are required to pay for food and quarters while with the Armed Forces and it is believed that Red Cross members should be no exception from that requirement. The proposed bill places Red Cross personnel on the same basis in this respect as other civilians by omitting the current requirement that they be furnished subsistence.

The present law further authorizes Government transportation of Red Cross supplies intended for the use of the Armed Forces. This legislation would continue that authority and in addition provide for furnishing office space, warehousing, wharfage, and means of communication without charge to the Red Cross, when such facilities are available.

This proposal would also make minor technical revisions in three other statutes affecting the Red Cross. Those revisions are discussed in detail in the sectional analysis transmitted herewith.

COST AND BUDGET DATA

The additional expenditures resulting from this legislation would be insignificant at the currently approved military strengths and would be absorbed by applicable available appropriations.

DEPARTMENT OF DEFENSE ACTION AGENCY

The Department of the Army has been designated as the representative of the Department of Defense for this legislation.

Sincerely yours,

JOHN G. ADAMS,
General Counsel, Acting.

INCREASED ALLOWANCES FOR CARRYOVER AND ACREAGE ALLOTMENTS OF CORN AND WHEAT

Mr. HUMPHREY. Mr. President, on behalf of myself, the Senator from Montana [Mr. MURRAY], and the Senator from Oklahoma [Mr. KERR], I introduce for appropriate reference a bill to increase allowances for carryover and acreage allotments of corn and wheat, and to establish a special contingency reserve, and for other purposes. I ask unanimous consent that the bill, together with a statement by me, be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and statement will be printed in the RECORD.

The bill (S. 2102) to increase allowances for carryover and acreage allotments for corn and wheat, to establish a special contingency reserve, and for other purposes, introduced by Mr. HUMPHREY (for himself and other Senators), was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) the second sentence of section 301 (b) (10) (A) of the Agricultural Adjustment Act of 1938 (relating to allowances for carryover) is amended (1) by striking out "10 percent in the case of corn" and inserting in lieu thereof "30 percent in the case of corn"; and (2) by striking out "15 percent in the case of wheat", and inserting in lieu thereof "45 percent in the case of wheat."

(b) The first sentence of section 328 of the Agricultural Adjustment Act of 1938 is amended to read as follows: "The acreage allotment of corn for any calendar year shall be that acreage in the commercial corn-producing area which on the basis of the average yield for corn in such area during the 10 calendar years immediately preceding such calendar year, adjusted for abnormal weather conditions and trends in yield, will produce an amount of corn in such area which the Secretary determines will, together with corn produced in the United States outside the commercial corn-producing area or imported, make available a supply for the marketing year beginning in such calendar year, equal to 105 percent of the normal supply."

(c) (1) The first sentence of section 333 of the Agricultural Adjustment Act of 1938 is amended to read as follows: "The national acreage allotment for any crop of wheat shall be that acreage which the Secretary determines will, on the basis of the national average yield for wheat, produce an amount thereof adequate, together with the estimated carryover at the beginning of the marketing year for such crop and imports, to make available a supply for such marketing year equal to 105 percent of the normal supply."

(2) Such section is further amended by adding at the end thereof a new sentence as follows: "Notwithstanding the provisions of section 335 (b), as modified by Public Law 74, 77th Congress, the national marketing quota for wheat shall be not less than 105 percent of the normal supply."

SEC. 2. The second sentence of paragraph (2) of Public Law 74, 77th Congress, as amended, is hereby amended to read as follows: "The rate of the penalty shall be 50 percent of the parity price per bushel of the commodity as of August 1 in the case of corn, and as of May 1 in the case of wheat, of the calendar year in which such crop is produced."

SEC. 3. Title II of the Agricultural Adjustment Act of 1938 is amended by adding at the end thereof a new section as follows:

"SEC. 205. (a) Whenever the Secretary determines that—

"(1) the quantity of wheat on hand in the United States as of July 1 of any year, not including any wheat produced in the United States during the calendar year then current and not including any wheat held by the Federal Crop Insurance Corporation under the Federal Crop Insurance Act, exceeds a quantity equal to 25 percent of (A) a normal year's domestic consumption of wheat plus (B) the estimated exports of wheat for the marketing year within which such determination is made; or

"(2) the quantity of corn on hand in the United States as of July 1 of any year, not including any corn produced in the United States during the calendar year then current exceeds a quantity equal to 20 percent of (A) a normal year's domestic consumption of corn plus (B) the estimated exports of corn for the marketing year during which such determination is made;

he shall cause the Commodity Credit Corporation to acquire such quantity of wheat or corn, as the case may be, as may be necessary to enable it to set aside in a special contingency reserve a quantity of such wheat or corn equal to (or which, when added to any amounts remaining in such special contingency reserve from any prior year, will be equal to) the quantity thereof determined by the Secretary to be in excess of such 25 percent in the case of wheat or 20 percent in the case of corn.

"(b) No commodity placed in a special contingency reserve under this section shall be removed therefrom (except for purposes of rotation to prevent deterioration) unless—

"(1) the Secretary determines that the total supply of such commodity less the amount of such commodity in the special contingency reserve is less than 75 percent of the normal supply in the case of wheat or 80 percent of the normal supply in the case of corn; or

"(2) the President determines that the amount of such commodity necessary to support the United States foreign policy is not otherwise available.

"(c) Special contingency reserves established under this section shall be considered to be a part of any international food and famine reserves that may hereafter be established through international negotiations to which the United States is a party."

The statement by Mr. HUMPHREY is as follows:

STATEMENT BY SENATOR HUMPHREY ON AGRICULTURAL FOOD RESERVE BILL

Several weeks ago I called the attention of this body to the situation whereby the Secretary of Agriculture might be compelled to invoke wheat acreage allotments by July 1, and curtail American production at a time when hunger still exists in much of the world. I suggested at that time that it would be far wiser to take a new look at what we regard as normal reserves, in light of present world conditions. I urged raising our level of safe reserves, as an alternative to invoking production curbs at this time.

Since then, the distinguished Senator from South Dakota has introduced, for himself and several other Senators, a joint resolution aimed at carrying out the purposes I proposed.

I am pleased that this important issue can be approached, as I had hoped, with bipartisan support for increasing the level of normal reserves, thereby adding to the Nation's safety margin of food supplies while avoiding curtailed farm production. Several of my fellow farm-State Senators on this side of the aisle share my vital interest in this matter.

Together, we have developed an alternative plan which I believe contains several improvements to which I invite the careful consideration of Senator MUNDT and his colleagues on the other side of the aisle. I have introduced, for appropriate reference, a bill I have sent to the desk in behalf of myself, the Senator from Montana [Mr. MURRAY] and the Senator from Oklahoma [Mr. KERR], for the purpose of increasing allowances for carryover in normal supply, national marketing quotas and acreage allotments for corn and wheat, and establishing a set-aside of certain excess quantities of such commodities in a special contingency reserve.

I believe this question of the proper level of wheat and corn reserves can well be one of the most important agricultural issues to come before this session of the Congress.

Recognition of the need for more adequate reserves is not something new that has just been pushed forward now that the administration is up against a hard decision involving use of production controls.

A strong case for raising our sights on our acceptance of what should constitute safe wheat and corn reserves is contained in a study entitled "Reserve Levels for Storable Farm Products," published by the Senate Committee on Agriculture and Forestry under the chairmanship of the distinguished Senator from Louisiana a year ago, when I was a member, as Senate Document No. 130.

Let me quote one paragraph from that study:

"In summary, it appears that working stocks could be maintained and the effects of one very low and one moderately low yield in sequence offset with carryover stocks of about 450 to 500 million bushels

of wheat, 4.5 to 5 million bales of cotton, and 900 to 1,000 million bushels of corn * * * Carryovers of this size would provide adequate protection against all but the worst weather contingencies in our recorded history, assuming acreages were held at about their current level."

Only a few weeks ago, the National Planning Association made similar recommendations public, saying that in the interest of national security "it is time to revise upward" the so-called normal reserves of wheat, corn, and cotton.

With only three members dissenting, its 21-member agriculture committee recommended the same reserve levels I previously enumerated from the Senate Agriculture Committee's report as "safer to have in storage as a reserve, in the current cold-war period."

I wish to point out that the bill we have now introduced is aimed at these recommended reserve levels.

I think it is important to the Nation's security—and important to agriculture—that the American people be given a better understanding of what our storage program for these storable commodities really means to them.

It is far more than just a price support operation. It is our necessary protection against sharp yield fluctuations or even crop failures.

Newspapers away from the farm areas have too frequently fallen into the habit of referring to all wheat and corn in storage as "surplus," in the sense of being unwanted.

They are inclined to ignore the necessity of having reserves of these commodities on hand at all times.

They do not refer to our stockpiles of other strategic materials as unwanted surplus, or a burden on the Government. They know it is for the Nation's security we gather and store such materials.

The same thing is true with our corn, wheat, and cotton.

That point is emphasized very strongly in a previous report of the National Planning Association's agricultural committee, entitled "Food and Feed Reserves," written by Murray R. Benedict, professor of agricultural economics at the University of California and published in November 1951.

Let me quote very briefly from that report:

"Military potential does not consist wholly of armaments and fighting forces. Now, more than ever before, it depends on the strength and productivity of the whole economy. The assurance of adequate food supplies is one of the important elements in military operations.

"Food, likewise, is a prime requirement for satisfactory peacetime existence, and for the political and humanitarian measures we may want to take to stave off war, or prevent the demoralization and loss of potential allies.

"An important element of an overall food policy is assuring that sufficient quantities of food supplies are available when and where they are needed. This calls for a new approach to the problem of storage stocks of food and feed grains—one which will add strength to the national economy and be acceptable to farmers."

It is in light of such recommendations that I urge the Senate Agricultural Committee to approach this storage question as an important basic question of public policy involving our security, not just as some stopgap idea to avoid acreage allotments for 1 year.

It has been in that light that my revised bill has been prepared and introduced, for consideration as a substitute to the proposal by the Senator from South Dakota which proposes changes for only 1 year.

Let me give at this point a brief outline of the provisions of the bill we are introducing:

1. Increase the allowance for carryover used in computing the normal supply for wheat from 15 percent of domestic consumption and exports to 45 percent.

2. Increase the allowance for carryover used in computing the normal supply for corn from 10 percent of domestic consumption and exports to 30 percent.

3. Increase the acreage allotment for corn from an acreage designed to produce a normal supply to an acreage designed to produce 105 percent of a normal supply (computed with the increased carryover allowance.)

4. Increase the acreage allotment for wheat from an acreage designed to produce a quantity equal to a normal year's domestic consumption and exports, plus 30 percent thereof, to an acreage designed to produce 105 percent of a normal supply (computed with the increased carryover allowance.)

5. Increase the national marketing quota for wheat from a normal year's domestic consumption and exports, plus 30 percent thereof, to 105 percent of a normal supply (computed with the increased carryover allowance.)

6. Establish a special contingency reserve in which the Commodity Credit Corporation shall set aside any quantity of wheat or corn on hand as of July 1 of any year in excess of 25 percent of a normal year's domestic consumption plus estimated exports in the case of wheat and 20 percent of a normal year's domestic consumption plus estimated exports in the case of corn, with requirement that commodities shall not be removed from the contingency reserve (except for purposes of rotation to prevent deterioration) unless the Secretary of Agriculture determines that the total supply of such commodity is less than 75 percent of normal in the case of wheat or 80 percent of normal in the case of corn, or the President determines that the amount of such commodity necessary to support the United States foreign policy is not otherwise available.

7. Authorize the use of such special contingency reserves as a part of any international food and famine reserves that may hereafter be established through international negotiations to which the United States is a party.

You will note that while the bill increases the allowance for carryover used in computing normal supply beyond the amount set forth in the Mundt bill, it decreases the percentage of excess permitted above the new normal supply figure as the base for acreage allotments.

While the two formulas approach very close to the same figure when translated to total bushels, as far as acreage allotments are concerned, I believe it is sounder to formally recognize as normal the full amount we believe required as safe reserves than to legalize a wider spread of excess above a somewhat lower normal.

I wish to call attention to the provision for a special contingency reserve.

In commenting upon the National Planning Association's recommendation for increased levels of normal reserves, Harvard Economist Dr. John D. Black is quoted in the press as objecting that the NPA plans make no provisions for holding the big reserve stocks off the market to keep them from depressing prices.

I believe the set-aside provision I have included meets the need Professor Black had in mind, offering a way to withhold some of our reserves for emergencies without the accumulated stocks causing adverse pressure on existing markets.

You will note that provision is also made for using the contingency reserve to back up our foreign policy, whenever the President determines sufficient supplies are not otherwise available.

I am convinced that our food abundance is going to occupy an increasingly important role in the current struggle between the free world and Communist imperialism. Russia has shown every willingness to use its food supplies as a weapon or bargaining tool, to gain trade with other countries outside the Iron Curtain. We must be alert to that threat. We must see that countries do not go hungry, or are forced to deal with Russia, while we have abundance to spare.

Nearly 2 months ago I called the attention of administration officials to the critical situation in Pakistan, and urged that we offer to share our wheat supplies with that country to avert the threat of famine. A month ago I introduced a bill to authorize emergency food loans, for that same purpose. Now, just this week, administration spokesmen are moving toward getting that done—toward sending 37 million bushels of wheat to Pakistan.

That is just one example of why we need to think about the entire international situation, in determining normal reserves of our wheat and supplies. It is more than just a problem of American agriculture. It is a question of national security policy.

With the interest and support already evidenced on both sides of the aisle on this issue of increasing our designation of normal food reserves, I hope action can be expedited by the Senate committees before we go too far along the road to establishing acreage allotments and marketing quotas, telling the American farmer to turn off his ability and plow under his know-how—and giving Russia a fine propaganda weapon to use among hungry peoples in many corners of the world.

AMENDMENT OF NATIONAL HOUSING ACT AND OTHER LAWS RELATING TO HOUSING

Mr. CAPEHART. Mr. President, I introduce for appropriate reference a bill to amend the National Housing Act and other laws relating to housing. I ask unanimous consent that a statement by me, together with a section-by-section analysis of the bill, and the bill be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statement by the Senator from Indiana, the section-by-section analysis, and the bill will be printed in the RECORD.

The bill (S. 2103) to amend the National Housing Act and other laws relating to housing, introduced by Mr. CAPEHART, was received, read twice by its title, and referred to the Committee on Banking and Currency.

The statement by Senator CAPEHART is as follows:

STATEMENT BY SENATOR CAPEHART

Because of the expiration on June 30 of this year, only 2 weeks from now, of a number of sections and titles of the Housing Act, and because of the exhaustion of the FHA insurance authorization, the provisions of the bill I have introduced have been limited to what is believed will not be controversial.

Accordingly, the bill provides for a 1-year extension, with some amendments, of the sections of the act which expire on June 30, 1953, an increase in insurance authorization, and some amendments of a technical nature which will promote economy and strengthen the administration of the housing program.

The bill increases by $1.5 billion the amount available for the insurance of the regular FHA sale and rental housing program. I would like to point out that this is a very conservative request since almost $2.1 billion in insurance authorization has been allocated by the President during the past year.

Provision is made for the repayment to the Treasury of certain funds contributed by the Treasury directly and indirectly through the RFC to the FHA. It is estimated that the repayment will total in the neighborhood of $55 to $60 million.

The defense-housing and community-facilities program expire on June 30, 1953. This bill will continue title IX, the liberal FHA insured-rental and sale-housing program, until June 30, 1954, to allow the housing that has been programed prior to June 30 of this year to be completed. However, no provision is made for any new or additional programs subsequent to the June 30, 1953, expiration date. Only those mortgages on which a commitment has been issued prior to June 30, 1953, or where an existing mortgage is refinanced can the mortgage be insured under title IX after June 30, 1953.

Authority to provide temporary housing in AEC areas is extended for 1 year. The remaining authority for public-housing construction in critical-defense areas is allowed to expire on June 30, 1953.

Except for applications pending prior to June 1 of this year for community facilities aid, such as loans and grants for water and sewer lines, the community-facility program under title III is allowed to expire on June 30, 1953.

The Wherry-Maybank military-housing program, which expires on June 30, and which has been so helpful to the military in assisting them meet their housing needs, is extended for another year.

The prior commitment authority of FNMA for programed-defense housing, disaster housing, and the military-housing program is continued until July 1, 1954.

An important provision which, in my judgment, should be very helpful in assisting the builders and mortgagees, especially in the areas outside the large financial centers, to be assured of financing their projects is the so-called FNMA "one for one" sale and purchase agreement. Very briefly, this would authorize FNMA to make a 1-year prior commitment to purchase mortgages up to the amount a particular mortgagee purchases from FNMA. A mortgagee, for example, by buying a $100,000 of FNMA mortgages which he would, in turn, probably sell at a discount to an investor would be given a commitment to deliver for 1 year thereafter not to exceed a $100,000 in new mortgages (it would probably be 90 percent or some fixed percentage of the mortgage purchases). The requirement that a mortgagee could only sell 50 percent of his VA originations and 25 percent of his FHA's would not apply to the provision as it now does. It is intended that this will help FNMA to revolve its fund while also providing as assured market for mortgagee. The authority to issue purchase contracts under this section would expire on July 1, 1954, and the amount of such contracts would be limited to $200 million.

The corporate existence of the HOLC, which did such an extraordinary job for the homeowners and mortgagee industry of America, would be terminated.

Finally the bill would strengthen the mutual mortgage insurance fund. While the amendment relating to this section of the Housing act is highly technical I am satisfied after careful study that it is a change in the act that has long been needed, and no time should be wasted in making the fund as safe as possible. In fact, it is my hope that after further study of the various FHA insurance funds that next year we may be able to propose further amendments with respect to them.

Hearings will begin on June 15, and will continue through June 18.

I assure all who testify that I, as chairman of the committee, and I know I also speak for every member of the committee, will welcome any constructive proposals, criticisms, and amendments to the bill.

The section-by-section analysis presented by Mr. CAPEHART is as follows:

BRIEF SECTION-BY-SECTION EXPLANATION

SECTION 1. SHORT TITLE

Housing amendments of 1953.

SECTION 2. AMENDMENT RELATING TO MUTUAL MORTGAGE INSURANCE FUND

This section would amend section 205 of the National Housing Act to provide for the following changes in the mutual mortgage insurance fund:

1. The Federal Housing Commissioner would be authorized to establish a rate for the transfer to the general reinsurance account of not less than 10 percent nor more than 35 percent of the premiums collected hereafter by an individual group account. The law now provides for 10 percent to be so transferred.

2. The Commissioner would be required to transfer future premiums earmarked for the general reinsurance account semiannually after their receipt. Section 205 now provides for the transfer to take place at the maturity of the group account. The proposed earlier periodic transfers of premiums would serve to increase the resources of the general reinsurance account not only by making these premiums available sooner but also by crediting the reinsurance account, rather than group accounts, with the income from their investment. With respect to past premiums the amendment would provide for a transfer as of July 1, 1953, of 10 percent of the premiums theretofore credited to the group accounts.

3. The Commissioner would be required to transfer to the general reinsurance account all premium charges which are collected on account of the prepayment of mortgages, instead of 10 percent of such charges as is now provided. At present the balance of these prepayment charges is retained in the individual group account and has become available for distribution to terminating mortgagors as part of their participating shares. This produces inequities between mortgagors terminating at different times in the history of an individual group account since prepayment charges paid by mortgagors terminating earlier are in part distributed to mortgagors terminating later. This is also in part responsible for participating shares distributed to terminating mortgagors being often in excess of the total insurance premiums paid by them.

4. Finally the Commissioner would be required by the proposed new section to limit the shares distributed to terminating mortgagors so that they would never exceed the sum of the premiums paid by them. Any amounts in excess of this proposed statutory limit would be transferred to the general reinsurance account at the maturity of the individual group account.

SECTION 3. INCREASED MORTGAGE INSURANCE AUTHORIZATION

This section would increase by $1,500 million the amount available to the President for FHA insurance authorizations other than property improvement loan insurance.

SECTION 4. REPAYMENT OF TREASURY INVESTMENTS IN FHA

This section would provide for the eventual repayment, with interest, of certain funds contributed to the FHA by the Treasury directly or indirectly through the RFC.

SECTION 5. FHA MAYBANK-WHERRY ACT HOUSING

This paragraph would extend title VIII of the National Housing Act, the military housing insurance title, to June 30, 1954.

SECTION 6. FNMA 1-FOR-1 SALE AND PURCHASE PROVISION

This section makes three changes in section 301 (a) (1) (E) of the National Housing Act. The first two amendments are purely technical and are designed to make it clear that the computation of the 50 percent purchase restriction would be based upon the principal amount of the mortgage paid by the FNMA, which would exclude any minor adjustments in the purchase price resulting from accrued interest and service charges. The third amendment would provide express statutory authorization to the FNMA to enter into contracts, in connection with the sale of its mortgages, to purchase mortgages in amounts not exceeding the amounts being sold. Mortgage lenders will thus be encouraged to purchase mortgages from FNMA if they know that they will later be able to sell it eligible mortgages. The legislation makes 2 basic changes in the 1-for-1 plan previously adopted by the FNMA without express statutory provisions. Under the nonstatutory plan the FNMA undertaking to purchase mortgages in the future was not a binding legal contract, and also, the purchases were necessarily subject to the 50-percent statutory limitation. Under the proposed statutory 1-for-1 plan, the purchase agreement could be made legally binding, and the 50-percent limitation could be waived by the FNMA. The authority of the FNMA to issue purchase contracts under this section would expire July 1, 1954, and the amount of such contracts would be limited to a total of $200 million. The purchase contracts would not be transferable without the approval of the FNMA.

SECTION 7. FNMA ADVANCE COMMITMENTS

This section would extend the FNMA's advance commitment authority for 1 year (to July 1, 1954) in the case of programed defense housing, disaster housing, and Maybank-Wherry Act military housing.

SECTIONS 8–13. DEFENSE HOUSING AND COMMUNITY FACILITIES

Sections 8 and 10 are technical amendments relating to section 9 of this bill.

Section 9 would amend section 104 of the Defense Housing and Community Facilities and Services Act of 1951 to make the following changes:

1. It would permit community facilities aids under title III of the act to expire on June 30, 1953, except as to assistance in accordance with pending applications made prior to June 1, 1953.

2. It would permit prefabricated housing aids under title V of that act to expire June 30, 1953.

3. It would permit authority for public housing construction under title III of that act to expire on June 30, 1953, except for a 1-year extension limited to temporary housing required in connection with AEC installations.

4. It would permit the authority to program additional defense housing for title IX mortgage insurance to expire on June 30, 1953. Mortgages could be insured under title IX after that date with respect to housing previously programed. However, after June 30, 1954, no mortgage could be insured under title IX, except pursuant to a commitment prior to June 30, 1954, or to refinance an existing mortgage insured thereunder.

Section 11 would repeal title IV of the Defense Housing and Community Facilities and Services Act of 1951 which deals with the provision of sites for housing and community facilities needed to serve new defense installations in isolated areas.

Section 12 is a technical amendment to the Defense Production Act of 1950 to preserve obligations of builders of programed defense housing. All existing authority under that title will terminate June 30, 1953. Under that authority (secs. 602 and 605 of the Defense Production Act) builders of programed defense housing agreed and become obligated, because of special assistance made available to them, including the waiver of credit controls, to hold defense housing for rental or sale at specified rentals or amounts to immigrant defense workers and military personnel for stated periods (varying with the circumstances) of from 2 to 4 years. While the enforcement of these obligations

is authorized by section 609 of the Defense Production Act, there is no provision in the act which would preserve this enforcement authority beyond the termination date. The proposed amendment would preserve these obligations already incurred by builders of defense housing.

SECTION 13. DISSOLUTION OF THE HOME OWNERS' LOAN CORPORATION

This section would provide for the termination of the corporate existence of the HOLC. This section would establish time limits for filing claims or suits against the Corporation and would also make provision for transferring assets and for the power to execute legal documents and to release liens and claims of the Corporation.

The bill (S. 2103) introduced by Mr. CAPEHART, is as follows:

Be it enacted, etc., That this act may be cited as the "Housing Amendments of 1953."

SEC. 2. Section 205 (c) of the National Housing Act, as amended, is hereby amended to read as follows:

"(c) The Commissioner shall, except as to group accounts terminated as of a date prior to July 1, 1953, transfer from each of the several group accounts to the general reinsurance account, beginning as of July 1, 1953, and as of the beginning of each semiannual period thereafter, an amount which, in the case of the initial transfer, shall equal 10 percent of the total premium charges theretofore credited to such group accounts, and, in the case of subsequent transfers, shall equal the amount of any adjusted premium charges collected by the Commissioner in connection with the payment in full of insured mortgages prior to maturity on or after July 1, 1953, and an amount which shall in no event be less than 10 percent nor more than 35 percent of all other premium charges credited to such group accounts during the preceding semiannual period. The Commissioner shall terminate the insurance as to any group of mortgages (1) when he shall determine that the amounts to be distributed, as hereinafter set forth, to each mortgagee under an outstanding mortgage assigned to such group are sufficient to pay off the unpaid principal of each such mortgage, or (2) when all the outstanding mortgages in any group have been paid. In addition to the amounts transferred as herein provided, the Commissioner shall, upon such termination, charge to the group account the estimated losses arising from transactions relating to that group, and shall distribute to the mortgagees for the benefit and account of the mortgagors of the mortgages assigned to such group the balance remaining in such group account, less any amount by which such balance exceeds the aggregate scheduled annual premiums of such mortgagors to the year of termination of the insurance: *Provided*, That any undistributed balance in the group account at termination shall be transferred to the general reinsurance account. Any such distribution to mortgagees shall be made equitably and in accordance with sound actuarial and accounting practice: *Provided*, That in no event shall any distribution to a mortgagor or for the account of a mortgagor under any provision of this section exceed his aggregate scheduled annual premiums to the year of termination of the insurance."

SEC. 3. Section 217 of the National Housing Act, as amended, is hereby amended by striking out of the second proviso "$1,900,000,000" and inserting "$3,400,000,000."

SEC. 4. Title V of the National Housing Act, as amended, is hereby amended by adding at the end thereof the following new section:

"SEC. 516. The following funds shall be deemed an indebtedness to the United States of the particular insurance fund involved, and the Commissioner is authorized and directed to pay the amount of such indebtedness to the Secretary of the Treasury, with simple interest thereon from the date the funds were advanced to the date of final payment at a rate determined by the Secretary of the Treasury, taking into consideration the average rate on outstanding marketable obligations of the United States from the date the funds were advanced until the date of final payment—

"(1) funds made available to the Commissioner pursuant to the provisions of sections 4 and 202, exclusive of amounts heretofore refunded, (a) for carrying out title II with respect to mortgages insured under section 203 where such funds were credited to the general reinsurance account in the Mutual Mortgage Insurance Fund pursuant to section 205 (b), and (b) for the payment of salaries and expenses with respect to mortgage insurance under sections 207 and 210 where such funds were credited to the Housing Insurance Fund; and

"(2) funds made available to the Commissioner pursuant to sections 602 and 802.

"Payments to the Secretary of the Treasury under this section shall be made in such amounts and at such times as the Commissioner determines, after consultation with the Secretary of the Treasury, that funds are available for that purpose, taking into consideration the continued solvency of the funds involved. All payments made pursuant to this section shall be covered into the Treasury as miscellaneous receipts."

SEC. 5. Section 203 (a) of the National Housing Act, as amended, is hereby amended by striking "1953" and inserting "1954."

SEC. 6. Subparagraph (E) of section 301 (a) (1) of the National Housing Act, as amended, is hereby amended—

(1) by striking "unpaid principal balance thereof" and inserting "principal amount to be paid therefor";

(2) by striking "aggregate amount" and inserting "aggregate principal amount"; and

(3) by striking everything after the colon and inserting: "*Provided*, That the foregoing clause (2) shall not apply to (nor shall any terms therein include) any defense or disaster mortgages as defined in subparagraph (G): *Provided further*, That, in lieu of or in conjunction with the other requirements with respect to mortgages covered by the aforesaid clause (2), and also with respect to any defense or disaster mortgages as defined in subparagraph (G), the Association may (in the discretion of its Board of Directors, and notwithstanding the provisions of subparagraph (G) issue a purchase contract (which shall not be assignable or transferable except with the consent of the Association) in an amount not exceeding the amount of the sale of mortgages purchased from the Association, entitling the holder thereof to sell to the Association mortgages in the amount of the contract, upon such terms and conditions as the Association may prescribe: *And provided further*, That the authority of the Association to issue purchase contracts hereunder shall expire July 1, 1954, and the aggregate amount of such purchase contracts issued shall not exceed $200 million; and."

SEC. 7. The first sentence of subparagraph (G) of section 301 (a) (1) of the National Housing Act, as amended, is hereby amended by striking "1953" and inserting "1954."

SEC. 8. Section 101 (a) of the Defense Housing and Community Facilities and Services Act of 1951, as amended, is hereby amended by striking ", III, or IV" and inserting "or III."

SEC. 9. Section 104 of the Defense Housing and Community Facilities and Services Act of 1951, as amended, is hereby amended to read as follows:

"SEC. 104. After June 30, 1953, (a) no construction of community facilities by the United States may be begun under title III of this Act and no agreement may be made to extend assistance for the provision of additional community facilities or services under that title (except as to assistance for which application was made prior to June 1, 1953), (b) no construction of housing may be begun under title III of this Act except temporary housing which is otherwise authorized thereunder and required in connection with the operations and activities of the Atomic Energy Commission, (c) the Housing and Home Finance Administrator shall not authorize an additional number of dwelling units to be insured pursuant to title IX of the National Housing Act, and (d) no loan may be made or obligation purchased by the Housing and Home Finance Administrator under section 102a of the Housing Act of 1948, as amended (except pursuant to a commitment issued on or before June 30, 1953, or to refinance an existing loan or existing obligation held under such section by the Administrator on said date). After June 30, 1954, (a) no construction of housing may be begun under title III of this Act, and (b) no mortgage may be issued under title IX of the National Housing Act, except (i) pursuant to a commitment to insure issued on or before such date, or (ii) a mortgage given to refinance an existing mortgage insured under that title and which does not exceed the original principal amount and unexpired term of such existing mortgage."

SEC. 10. Section 305 (c) of the Defense Housing and Community Facilities and Service Act of 1951, as amended, is hereby amended by striking "June 30, 1953" and inserting "June 30, 1954".

SEC. 11. Title IV of the Defense Housing and Community Facilities and Services Act of 1951, as amended, is hereby repealed.

SEC. 12. Section 717 (c) of the Defense Production Act of 1950, as amended, is hereby amended by inserting the following new paragraph at the end thereof:

"Notwithstanding any other provision of this act, the termination of title VI or any section thereof shall not be construed as affecting any obligation, condition, liability, or restriction arising out of any agreement heretofore entered into pursuant to, or under the authority of, section 602 or section 605 of this act, or any issuance thereunder, by any person or corporation and the Federal Government or any agency thereof relating to the provision of housing for defense workers or military personnel in an area designated as a critical defense housing area pursuant to law."

SEC. 13. (a) The Home Owners' Loan Corporation created pursuant to section 4 of the House Owners' Loan Act of 1933, as amended (referred to in this section as the "Corporation"), shall cease to exist and shall for all purposes be considered dissolved and abolished, except as otherwise provided in this section, 180 days after the date the Home Loan Bank Board publishes in the Federal Register a notice to that effect, which shall also contain information as to the time for, and manner of, filing claims against the Corporation. The period of time prescribed for the filing of such claims shall be the 90 days immediately following the date of publication of the notice, and all creditors and claimants who have not presented their claims or demands within that period shall be forever barred from presenting or prosecuting the same, and any creditor or claimant who has not instituted suit with 60 days from the date his claim or demand is rejected by the Corporation shall be forever barred.

(b) With respect to any action, suit, or other legal proceeding commenced against the Corporation prior to the date of its dissolution, the Corporation shall continue a body corporate for the purpose of defending such suit and for no other purpose, and service of subpena or other process in such proceeding may be made upon the Corporation by serving the same on the Secretary to the Home Loan Bank Board.

(c) Effective as of the date of the dissolution of the Corporation, (1) the title to any and all real property remaining in the Corporation on such date is transferred to the United States of America, (2) authority is given to the Home Loan Bank Board to sell and convey such property in the name of the

United States of America for such cash consideration as such Board shall deem reasonable, and (3) all powers of the Corporation with respect to the execution of any instruments or documents affecting title to real estate or with respect to authorizing satisfactions of judgments are transferred to such Board. Any such instruments or documents executed by the Secretary or an Assistant Secretary to such Board on behalf of the Board shall be as effective as if the same had been executed by the Corporation prior to its dissolution. Subject to the approval of the Director of the Bureau of the Budget, such Board may transfer to any other department or agency of the United States, with the consent of such department or agency, all the powers and functions vested in such Board by this subsection (c). All liens held by the corporation upon real or personal property on account of judgments rendered in its favor, except judgments for mortgage debts which have been assigned by the Corporation, and all claims now held by the Corporation arising out of its mortgage or real estate operations, whether for rent or otherwise, are hereby released and discharged in full.

(d) The authority to appropriate for any functions relating to the Corporation may continue to be exercised after its dissolution for the purpose of making appropriations to any department or agency carrying out the provisions of this section.

AMENDMENT OF FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT—AMENDMENT

Mr. HUMPHREY submitted an amendment intended to be proposed by him to the bill (S. 690) to amend the Federal Property and Administrative Services Act of 1949, as amended, to authorize the Administrator of General Services to enter into lease-purchase agreements to provide for the lease to the United States of real property and structures for terms of more than 8 years but not in excess of 25 years and for the acquisition of title to such properties and structures by the United States at or before the expiration of the lease terms, and for other purposes, which was ordered to lie on the table and to be printed.

APPROPRIATIONS FOR TREASURY AND POST OFFICE DEPARTMENTS—AMENDMENT

Mr. DOUGLAS submitted an amendment intended to be proposed by him to the bill (H. R. 5174) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1954, and for other purposes, which was ordered to lie on the table and to be printed.

PRESENTATION OF CERTAIN INDIAN CLAIMS TO INDIAN CLAIMS COMMISSION

Mr. MORSE submitted an amendment intended to be proposed by him to the bill (S. 89) to authorize the presentation of claims of the Coos (or Kowes) Bay, Lower Umpqua (or Kalawatset), and Siuslaw Tribes of Indians to the Indians Claims Commission, which was referred to the Committee on Interior and Insular Affairs, and ordered to be printed.

NOTICE OF CHANGE OF DATE OF HEARING ON S. 1106 AND S. 1444, RELATING TO RENDITION OF MUSICAL COMPOSITIONS ON COIN-OPERATED MACHINES

Mr. WILEY. Mr. President, on behalf of the standing Subcommittee on Patents, Trademarks, and Copyrights of the Committee on the Judiciary, on June 2, 1953, I gave notice that a public hearing would be conducted on Wednesday, June 24, 1953, at 10 a. m., in the committee room, room 424 Senate Office Building, on S. 1106 and S. 1444, relating to the rendition of musical compositions on coin-operated machines. I wish to bring to the attention of all interested parties that the hearing for the above mentioned date has been rescheduled for Tuesday, June 30, 1953, at 10 a. m., in room 424, Senate Office Building. Persons desiring to be heard should notify the committee so that a schedule can be prepared for those who wish to appear and testify. The subcommittee as originally announced consists of myself, chairman, the Senator from Indiana [Mr. JENNER], and the Senator from Mississippi [Mr. EASTLAND].

NOTICE OF PUBLIC HEARINGS ON LEGISLATION TO PROVIDE FOR SALE OF GOVERNMENT-OWNED RUBBER-PRODUCING FACILITIES

Mr. CAPEHART. Mr. President, on behalf of the Committee on Banking and Currency, I desire to give notice that public hearings will be held on S. 2047, to provide for the sale of Government-owned synthetic rubber-producing facilities, beginning at 10 a. m. on June 24, 1953, and continuing through June 25 and 26, in room 301, Senate Office Building.

All persons who desire to appear and testify at the public hearings are requested to notify the chief clerk, Committee on Banking and Currency, room 301, Senate Office Building, telephone National 8-3120, extension 992, as soon as possible.

NOTICE OF PUBLIC HEARINGS ON BANK HOLDING LEGISLATION

Mr. CAPEHART. Mr. President, on behalf of the Committee on Banking and Currency, I desire to give notice that public hearings will be held on S. 76 and S. 1118, to provide for the control and regulation of bank holding companies, beginning at 10 a. m. on June 10, 1953, and continuing through June 11 and 12, in room 301, Senate Office Building.

All persons who desire to appear and testify at the public hearings are requested to notify the chief clerk, Committee on Banking and Currency, room 301, Senate Office Building, telephone National 8-3120, extension 992, as soon as possible.

NOTICE OF PUBLIC HEARINGS ON HOUSING LEGISLATION

Mr. CAPEHART. Mr. President, on behalf of the Committee on Banking and Currency, I desire to give notice that public hearings will be held on S. 2103, to extend certain titles and amend present housing laws, beginning at 10 a. m. on June 15, 1953, and continuing through June 16, 17, and 18, in room 301, Senate Office Building.

All persons who desire to appear and testify at the public hearings are requested to notify Ira Dixon, the chief clerk, Committee on Banking and Currency, room 301, Senate Office Building, telephone National 8-3120, extension 992, as soon as possible.

NOTICE OF HEARING ON NOMINATION OF RALPH H. DEMMLER TO BE A MEMBER OF THE SECURITIES AND EXCHANGE COMMISSION

Mr. CAPEHART. Mr. President, on behalf of the Committee on Banking and Currency, I desire to give notice that a public hearing has been scheduled for Thursday, June 11, 1953, at 2 p. m., in room 301, Senate Office Building, upon the nomination of Ralph H. Demmler, of Pennsylvania, to be a member of the Securities and Exchange Commission. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent.

NOTICE OF HEARING ON NOMINATION OF CHARLES E. SLUSSER TO BE PUBLIC HOUSING COMMISSIONER

Mr. CAPEHART. Mr. President, on behalf of the Committee on Banking and Currency, I desire to give notice that a public hearing has been scheduled for Monday, June 15, 1953, at 2 p. m., in room 301, Senate Office Building, upon the nomination of Charles E. Slusser, of Ohio, to be Commissioner of Public Housing Administration. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. HUMPHREY:

Statement prepared by him on Swedish Flag Day, June 6, 1953.

By Mr. MANSFIELD:

Transcript of television and radio program, Youth Wants To Know, participated in by himself on May 17, 1953.

Two editorials, the first entitled "History Stresses Lesson of Danger in Poor Highways"; second, an editorial entitled "How To Get Construction Started Now," written by William Randolph Hearst, Jr., and recently published in the Hearst newspapers.

By Mr. BYRD:

Address delivered by Lewis A. Strauss, special assistant to the President, at Culpepper, Va., on Confederate Memorial Day, 1953.

By Mr. ROBERTSON:

Address entitled "Grass Fed Cattle," delivered by State Senator Harry C. Stuart, of Virginia, at the annual 4-H Club show and calf sale at Richlands, Va.

By Mr. CASE:

Address entitled "The Price of Gold," delivered by Philip Cortney at Congress of

International Chamber of Commerce, in Vienna, on May 20, 1953.

By Mr. CAPEHART:

Address delivered by R. A. McDonald, chairman, Crown-Zellerbach Corp., and former Chairman, National Production Authority.

Press release dated May 30, 1953, presenting final returns in latest public-opinion poll of Facts Forum.

By Mr. BUSH:

Article entitled "The Credit of the U. S. A.," published in the June 1953 issue of the Monthly Letter on Economic Conditions and Government Finance, issued by the National City Bank of New York.

Article entitled "Business Bulletin: A Special Background Report on Trends in Industry and Finance," published in the Wall Street Journal of June 4, 1953, dealing with the cost of life insurance.

Article entitled "President Firm on Solid Dollar," written by Mr. Edson D. Smith, in his column, the Investor, published in the Boston Herald of June 3, 1953.

By Mr. HENNINGS:

Article entitled "Atomic Reminders of Our Choice," written by Thomas L. Stokes, and published in the Washington Star of June 8, 1953.

By Mr. JOHNSTON of South Carolina:

Article entitled "South Carolina Leads Nation in Industrial Growth," published in the Anderson (S. C.) Daily Mail of March 26, 1953.

By Mr. GOLDWATER:

Article entitled "From Tomahawk to Printer's Ink," published in the May 1953 issue of the San Carlos News Letter, issued by the San Carlos Apache Tribal Council.

By Mr. MAYBANK:

Editorial entitled "Compromise With Communism," published in the Dillon (S. C.) Herald of May 28, 1953, on the subject of statehood for Hawaii.

By Mr. WATKINS:

Editorial entitled "Send These, the Tempest-Tossed," published in the Deseret News, of Salt Lake City, for June 4, 1953; also an editorial entitled "Sanctuary for 240,000," published in the Salt Lake City Tribune of June 6, 1953, dealing with the proposed admission of 240,000 special-quota immigrants to the United States during the next 2 years.

By Mr. MORSE:

Resolution by the Oregon Federation of Butchers of the Amalgamated Meat Cutters and Butcher Workmen of North America regarding the position of Senator Morse in the last election, together with letter of transmittal.

Various editorials regarding proposed grazing-land legislation.

Editorial entitled "Something New Added," from the St. Louis Post-Dispatch of June 4, 1953, regarding the recent telecast of President Eisenhower and members of his Cabinet.

RACIAL DISCRIMINATION IN THE DISTRICT OF COLUMBIA

Mr. CASE. Mr. President, on Monday last, the Supreme Court of the United States rendered a historic decision—the decision that an act of the Legislative Assembly of the District of Columbia passed 80 years ago remains on the statute books and is valid and enforceable.

There were two aspects of the decision which are of special significance to this 83d Congress.

One was that the Court sustained a legislative act which forbid restaurants to refuse service to persons on grounds of racial discrimination.

The other point of very great importance was that the Court held that the powers of Congress to grant self-government to the District of Columbia under article I, paragraph 8, clause 17, of the Constitution is "as great as its authority to do so in the case of Territories."

The decision is epochal in its bearing upon the question as to whether or not the Congress can hand to a locally elected legislative assembly, the ordinary powers exercised by a municipal corporation or a territorial legislative assembly.

The unanimous opinion of the Court as delivered by Mr. Justice Douglas seems to be a complete affirmation of the arguments which the junior Senator from South Dakota advanced on the floor of the Senate in the second session of the 82d Congress when the Senate passed the so-called home-rule bill.

Indeed, my recommendations in support of that bill could hardly be better summed up than in the statement of Justice Douglas, "It would seem then that on the analogy of the delegation of powers of self-government and home rule both to municipalities and to territories there is no constitutional barrier to the delegation by Congress to the District of Columbia of full legislative power, subject of course to constitutional limitations to which all lawmaking is subservient and subject also to the power of Congress at any time to revise, alter, or revoke the authority granted."

Because of its great importance both for its pronouncement against racial discrimination and because of its clear-cut holdings on the question of government for the District of Columbia, with the consent of the Senate, I wish to place the decision in the RECORD at this point.

There being no objection, the decision was ordered to be printed in the RECORD, as follows:

SUPREME COURT OF THE UNITED STATES—No. 617, OCTOBER TERM, 1952—DISTRICT OF COLUMBIA, PETITIONER, *v.* JOHN R. THOMPSON CO., INC., ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA CIRCUIT—JUNE 8, 1953

Mr. Justice Douglas delivered the opinion of the Court.

This is a criminal proceeding prosecuted by information against respondent for refusal to serve certain members of the Negro race at one of its restaurants in the District of Columbia solely on account of the race and color of those persons. The information is in four counts, the first charging a violation of the act of the Legislative Assembly of the District of Columbia,[1] June 20, 1872, and the others charging violations of the act of the Legislative Assembly of the District of Columbia,[2] June 26, 1873 (L. Dist. Col. 1871–73, pp. 65, 116). Each act makes it a crime to discriminate against a person on account of race or color or to refuse service to him on that ground.

The municipal court quashed the information on the ground that the 1872 and 1873 acts had been repealed by implication on the enactment by Congress of the Organic Act of June 11, 1878, 20 Stat. 102. On appeal the Municipal Court of Appeals held that the 1872 and 1873 acts were valid when enacted, that the former act insofar as it applies to restaurants, had been repealed, but that the latter act was still in effect. It therefore affirmed the Municipal Court insofar as it dismissed the count based on the 1872 act and reversed the Municipal Court on the other counts (81 A. 2d 249). On cross appeal, the Court of Appeals held that the 1872 and 1873 acts were unenforceable and that the entire information should be dismissed (— F. 2d —). The case is here on certiorari.

I

The history of congressional legislation dealing with the District of Columbia begins with the Act of July 16, 1790 (1 Stat. 130), by which the District was established as the permanent seat of the Government of the United States. We need not review for the purposes of this case the variety of congressional enactments pertaining to the management of the affairs of the District between that date and 1871. It is with the Organic Act of February 21, 1871 (16 Stat. 419) that we are particularly concerned.

That act created a government by the name of the District of Columbia, constituted it "a body corporate for municipal purposes" with all of the powers of a municipal corporation "not inconsistent with the Constitution and laws of the United States and the provisions of this act," and gave it jurisdiction over all the territory within the limits of the District (sec. 1). The act vested "legislative power and authority" in a Legislative Assembly consisting of a Council and a House of Delegates, members of the Council to be appointed by the President with the advice and consent of the Senate and members of the House of Delegates to be elected by male citizens residing in the District (secs. 5, 7). The act provided, with

[1] Section 3 of this act provides as follows: "That any restaurant keeper or proprietor, any hotelkeeper or proprietor, proprietors or keepers of ice-cream saloons or places where soda water is kept for sale, or keepers of barber shops and bathing houses, refusing to sell or wait upon any respectable well-behaved person, without regard to race, color, or previous condition of servitude, or any restaurant, hotel, ice-cream saloon or soda fountain, barber shop or bathing-house keepers, or proprietors, who refuse under any pretext to serve any well-behaved, respectable person, in the same room, and at the same prices as other well-behaved and respectable persons are served, shall be deemed guilty of a misdemeanor, and upon conviction in a court having jurisdiction, shall be fined $100, and shall forfeit his or her license as keeper or owner of a restaurant, hotel, ice-cream saloon, or soda fountain, as the case may be, and it shall not be lawful for the Register or any officer of the District of Columbia to issue a license to any person or persons, or to their agent or agents, who shall have forfeited their license under the provisions of this act, until a period of 1 year shall have elapsed after such forfeiture."

[2] Sections 1 and 2 of the 1873 act provide for the posting of a schedule of prices by restaurants and other eating or drinking establishments and for the filing of those schedules with the Register of the District. Section 3 provides in part: "That the proprietor or proprietors, keeper or keepers, of any licensed restaurant, eating-house, bar-room, sample-room, ice-cream saloon, or soda-fountain room shall sell at and for the usual or common prices charged by him, her, or them, as contained in said printed cards or papers, any article or thing kept for sale by him, her, or them to any well-behaved and respectable person or persons who may desire the same, or any part or parts thereof, and serve the same to such person or persons in the same room or rooms in which any other well-behaved person or persons may be served or allowed to eat or drink in said place or establishment." Section 4 of the act provides for a fine of $100 and the forfeiture of the license and a prohibition against its reissuance for a period of 1 year after the forfeiture.

exceptions not material here,[3] that "the legislative power of the District shall extend to all rightful subjects of legislation within said District, consistent with the Constitution of the United States and the provisions of this act" (sec. 18). All acts of the Legislative Assembly were made subject at all times "to repeal or modification" by Congress (sec. 18). And it was provided that nothing in the act should be construed to deprive Congress of "the power of legislation" over the District "in as ample manner as if this law had not been enacted" (sec. 18). Executive power was vested in a governor appointed by the President by and with the advice of the Senate (sec. 2). And it was provided that the District should have in the House of Representatives an elected delegate having the same rights and privileges as those of delegates from Federal territories (sec. 34).

This government (which was short-lived)[4] was characterized by the Court as a "territorial government." (*Eckloff* v. *District of Columbia* (135 U. S. 240, 241).) The analogy is an apt one. The grant to the legislative assembly by section 18 of legislative power which extends to all rightful subject of legislation is substantially identical with the grant of legislative power to territorial governments which reads: "The legislative power of every Territory shall extend to all rightful subjects of legislation not inconsistent with the Constitution and laws of the United States." (R. S. sec. 1851.)

The power of Congress over the District and its power over the Territories are phrased in very similar language in the Constitution. Article I, section 8, clause 17 of the Constitution provides that the Congress shall have power * * * to exercise exclusive legislation in all cases whatsoever, over such District (not exceeding 10 miles square) as may, by cession of particular States, and the acceptance of Congress, become the seat of the Government of the United States. Article IV, section 3, clause 2, of the Constitution grants Congress authority over Territories in the following words:

"The Congress shall have power to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States."

The power of Congress to delegate legislative power to a Territory is well settled. (*Simms* v. *Simms* (175 U. S. 162, 168); *Binns* v. *United States* (194 U. S. 486, 491); *Christianson* v. *King County* (239 U. S. 356, 365).) The power which Congress constitutionally may delegate to a Territory (subject, of course, to "the right of Congress to revise, alter, and revoke," *Hornbuckle* v. *Toombs* (18 Wall. 648, 655)), covers all matters "which, within the limits of a State, are regulated by the laws of the State only."[5] (*Simms* v. *Simms, supra* (p. 168).)

The power of Congress to grant self-government to the District of Columbia under article I, section 8, clause 17 of the Constitution would seem to be as great as its authority to do so in the case of Territories. But a majority of the judges of the Court of Appeals held that Congress had the constitutional authority to delegate "municipal" but not "general" legislative powers and that the acts of 1872 and 1873, being in the nature of civil-rights legislation, fell in the latter group and were for Congress alone to enact. In reaching that conclusion the Court of Appeals relied upon two decisions of the Court, *Stoutenburgh* v. *Hennick* (129 U. S. 141) and *Metropolitan R. Co.* v. *District of Columbia* (132 U. S. 1). The first of these cases involved an act of the Legislative Assembly of the District imposing a license tax on businesses within the District. The Court held, following *Robbins* v. *Shelby County* (120 U. S. 489), that it could not be constitutionally applied to a representative of a Maryland company soliciting orders in the District of Columbia. The result would have been the same, as the Robbins case indicates, had a State rather than the District enacted such a law. So, while it is true that the Court spoke of the authority of Congress to delegate to the District the power to prescribe "local regulation" but not "general legislation," those words in the setting of the case suggest no more than the difference between local matters, on the one hand, and national matters, such as interstate commerce, on the other.

The second of these cases, *Metropolitan R. Co.* v. *District of Columbia* (132 U. S. 1), presented the question of the capacity of the District of Columbia to sue. The Court held that it might do so, noting that while the District was "a separate political community," its sovereign power was lodged in the Congress. "The subordinate legislative powers of a municipal character which have been or may be lodged in the city or corporations, or in the District corporation, do not make those bodies sovereign. Crimes committed in the District are not crimes against the District, but against the United States. Therefore, whilst the District may, in a sense, be called a State, it is such in a very qualified sense." (P. 9.) But there is no suggestion in that case that Congress lacks the authority under the Constitution to delegate the powers of home rule to the District.

The power of Congress over the District of Columbia relates not only to "national power" but to "all the powers of legislation which may be exercised by a State in dealing with its affairs." (*Atlantic Cleaners & Dyers* v. *United States* (286 U. S. 427, 435).) And see *Stoutenburgh* v. *Hennick, supra*, page 147. There is no reason why a State, if it so chooses, may not fashion its basic law so as to grant home rule or self-government to its municipal corporations. The Court in *Barnes* v. *District of Columbia* (91 U. S. 540, 544), in construing the Organic Act of February 21, 1871, the one with which we are presently concerned, stated:

"A municipal corporation, in the exercise of all of its duties, including those most strictly local or internal, is but a department of the State. The legislature may give it all the powers such a being is capable of receiving, making it a miniature State within its locality."

This is the theory which underlies the constitutional provisions of some States allowing cities to have home rule.[6] So it is that decision after decision has held that the delegated power of municipalities is as broad as the police power of the State, except as that power may be restricted by terms of the grant or by the State constitution. See McQuillin, the Law of Municipal Corporations (3d ed. 1949), section 16.02 et seq. And certainly so far as the Federal Constitution is concerned there is no doubt that legislation which prohibits discrimination on the basis of race in the use of facilities serving a public function is within the police power of the States. See *Railway Mail Association* v. *Corsi* (326 U. S. 88, 93–94), *Bob-Lo Excursion Co.* v. *Michigan* (333 U. S. 28, 34). It would seem then that on the analogy of the delegation of powers of self-government and home rule both to municipalities and to territories there is no constitutional barrier to the delegation by Congress to the District of Columbia of full legislative power, subject of course to constitutional limitations to which all law making is subservient and subject also to the power of Congress at any time to revise, alter, or revoke the authority granted.

There is, however, a suggestion that the power of Congress "to exercise exclusive legislation" granted by article I, section 8, clause 17, of the Constitution is nondelegable because it is "exclusive." But it is clear from the history of the provision that the word "exclusive" was employed to eliminate any possibility that the legislative power of Congress over the District was to be concurrent with that of the ceding States. See the Federalist, No. 43; Elliott's Debates, pages 432–433; 2 Story, Commentaries (4th ed. 1873), section 1218. Madison summed up the need for an "exclusive" power in the Congress as follows:

"Let me remark, if not already remarked, that there must be a cession, by particular States, of the District to Congress, and that the States may settle the terms of the cession. The States may make what stipulation they please in it, and, if they apprehend any danger, they may refuse it altogether. How could the General Government be guarded from the undue influence of particular States, or from insults, without such exclusive power?"

(See Elliott's, op. cit., supra, p. 433.)

We conclude that the Congress had the authority under article I, section 8, clause 17, of the Constitution to delegate its lawmaking authority to the legislative assembly of the municipal corporation which was created by the Organic Act of 1871 and that the rightful subjects of legislation within the meaning of section 18 of that act was as broad as the police power of a State so as to include a law prohibiting discriminations against Negroes by the owners and managers of restaurants in the District of Columbia.

II

The acts of 1872 and 1873 survived, we think, all subsequent changes in the government of the District of Columbia and remain today a part of the governing body of laws applicable to the District. The legislative assembly was abolished by the act of

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[3] The limitations imposed on the States by art. I, sec. 10, of the Constitution were made applicable to the District (sec. 18). The Legislative Assembly was denied the power to pass designated "special laws" including the granting of divorces, the remission of fines, penalties, or forfeitures, changing the law of descent, creating any bank of circulation, or authorizing the issuance of notes for circulation as money or currency (sec. 17).

[4] The Temporary Organic Act of June 20, 1874 (18 Stat. 116), substituted a temporary government of three Commissioners appointed by the President. This form of government was placed on a permanent basis by the Organic Act of June 11, 1878 (20 Stat. 102).

[5] This Court has sustained the validity of territorial statutes dealing with a variety of subjects: *Clinton* v. *Englebrecht* (13 Wall. 434) (regulation of the methods of obtaining jury panels); *Snow* v. *United States* (85 U. S. 317) (provision for an attorney general, elected to the territorial legislature, to represent the Territory and to prosecute crimes against its laws); *Hornbuckle* v. *Toombs* (85 U. S. 648) (regulation of civil procedure in the courts); *Maynard* v. *Hill* (125 U. S. 190) (statute granting divorce); *Cope* v. *Cope* (137 U. S. 682) (regulation of intestate succession of property); *Atchison, T. & S. F. R. Co.* v. *Sowers* (213 U. S. 55) (limitation on the right to sue for personal injuries); *Christianson* v. *King County* (239 U. S. 356) (provision for escheat).

[6] See Arizona Constitution, art. XIII, sec. 2; California Constitution, art. XI, sec. 11; Colorado Constitution, art. XX, sec. 6; Michigan Constitution, art. VIII, sec. 21; Minnesota Constitution, art. IV, sec. 36; Missouri Constitution, art. VI, sec. 19; Nebraska Constitution, art. XI, secs. 2–4; New York Constitution, art. IX, sec. 12; Ohio Constitution, art. XVIII, sec. 3; Oklahoma Constitution, art. XVIII, sec. 3 (a); Oregon Constitution, art XI, sec. 2; Texas Constitution, art. XI, sec. 5; Washington Constitution, art. XI, sec. 10; West Virginia Constitution, art. VI, sec. 39 (a); Wisconsin Constitution, art. XI, sec. 3. And see Fordham and Asher, Home Rule Powers in Theory and Practice, 9 Ohio State L. J. 18; McGoldrick, the Law and Practice of Home Rule (1933).

June 20, 1874 (18 Stat. 116). That act provided that the District should be governed by a Commission (sec. 2). The Revised Statutes, approved June 20, 1874, kept in full force the prior laws and ordinances "not inconsistent with this chapter, and except as modified or repealed by Congress or the legislative assembly of the District" (sec. 91). Those acts were followed by the present Organic Act of the District of Columbia approved June 11, 1878 (20 Stat. 102), which provides that "all laws now in force relating to the District of Columbia not inconsistent with the provisions of this act shall remain in full force and effect" (sec. 1). We find nothing in the 1874 act nor in the 1878 act inconsistent with the acts here in question. And we find no other intervening act which would effect a repeal of them. Nor is there any suggestion in the briefs or oral argument that the acts of 1872 and 1873, presently litigated, did not survive the acts of 1874 and 1878. It indeed appears the acts of 1874 and 1878 precluded the repeal of these antidiscrimination laws except by an act of Congress. As *Metropolitan R. Co.* v. *District of Columbia, supra*, page 7, says the legislative powers of the District ceased with the Organic Act and thereafter municipal government was confined to mere administration.

The Commissioners by the joint resolution of February 26, 1892, 27 Stat. 394, were vested with local legislative power as respects "reasonable and usual police regulations."[1] But there is no suggestion that their power to make local ordinances was ever exercised to supplant these antidiscrimination laws of the Legislative Assembly with new and different ordinances. Rather the argument is that the 1872 and 1873 acts were repealed by the Code of 1901, 31 Stat. 1189. Section 1636 of that Code provides in part:

"All acts and parts of acts of the general assembly of the State of Maryland general and permanent in their nature, all like acts and parts of acts of the legislative assembly of the District of Columbia, and all like acts and parts of acts of Congress applying solely to the District of Columbia in force in said District on the day of the passage of this act are hereby repealed, except: * * *

"Third. Acts and parts of acts relating to the organization of the District government, or to its obligations, or the powers or duties of the Commissioners of the District of Columbia, or their subordinates or employees, or to police regulations, and generally all acts and parts of acts relating to municipal affairs only, including those regulating the charges of public-service corporations."

The court of appeals held that these antidiscrimination laws were general and permanent legislation within the meaning of section 1636 and repealed by it, not being saved by the exceptions. The Department of Justice presents an elaborate argument, based on the legislative history of the 1901 code, to the effect that the antidiscrimination laws here involved were not general and permanent laws within the meaning of section 1636. But the lines of analysis presented are quite shadowy; and we find it difficult not to agree that the 1872 and 1873 acts were general and permanent as contrasted to statutes which are private, special, or temporary. That is the sense in which we believe the words "general and permanent" were used in the code. We conclude, however, that they were saved from repeal by the third exception clause quoted above.

It is our view these antidiscrimination laws governing restaurants in the District are police regulations and acts relating to municipal affairs within the meaning of the third exception in section 1636. The court of appeals in *United States* v. *Cella* (37 App. D. C. 433, 435), in construing an act providing that prosecutions for violations of penal statutes in the nature of police or municipal regulations should be in the name of the District, said:

"A municipal ordinance or police regulation is peculiarly applicable to the inhabitants of a particular place; in other words, it is local in character."

The laws which require equal service to all who eat in restaurants in the District are as local in character as laws regulating public health, schools, streets, and parks. In *Johnson* v. *District of Columbia* (30 App. D. C. 520), the court of appeals held that an act of the legislative assembly prohibiting cruelty to animals was a police regulation saved from repeal by the third exception to section 1636. The court said it was legislation "in the interest of peace and order" and conducive "to the morals and general welfare of the community" (p. 522). Regulation of public eating and drinking establishments in the District has been delegated by Congress to the municipal government from the very beginning.[2] In terms of the history of the District of Columbia there is indeed no subject of legislation more firmly identified with local affairs than the regulation of restaurants.

There remains for consideration only whether the acts of 1872 and 1873 were abandoned or repealed as a result of non-use and administrative practice. There was one view in the court of appeals that these laws are presently unenforceable for that reason. We do not agree. The failure of the executive branch to enforce a law does not result in its modification or repeal. See *Louisville & N. R. Co.* v. *United States* (282 U. S. 740, 759), *United States* v. *Morton Salt Co.* (338 U. S. 632, 647, 648). The repeal of laws is as much a legislative function as their enactment.[3]

Congress has had the power to repeal the 1872 and 1873 acts from the dates of their passage by the legislative assembly. But as we have seen, it has not done so.

Congress also has had the authority to delegate to a municipal government for the District the power to pass laws which would alter or repeal the acts of the legislative assembly. As we have seen, the Organic Act of the District of Columbia approved June 11, 1878, withdrew legislative powers from the municipal government. In 1892 the Commissioners were given legislative power as respects "reasonable and usual police regulations."[10] That legislative authority could have been employed to repeal the acts of 1872 and 1873. See *Stevens* v. *Stoutenburgh* (8 App. D. C. 513). For as we have noted, regulations of restaurants is a matter plainly within the scope of police regulations. But the Commissioners passed no ordinances dealing with the rights of Negroes in the restaurants of the District. It is argued that their power to do so was withdrawn by Congress in the Code of 1901. It is pointed out that the Code of 1901 kept in force the acts, ordinances, and regulations not repealed,[11] and from that the conclusion is drawn that only Congress could thereafter amend or repeal these enactments of the legislative assembly.

We find it unnecessary to resolve that question. For even if we assume that after the Code of 1901 the Commissioners had the authority to replace these antidiscrimination laws with other ones, we find no indication that they ever did so. Certainly no ordinance was enacted which purported to repeal or modify those laws or which, by providing a different measure of a restaurant owner's duty, established a standard in conflict with that provided by the legislative assembly.

But it is said that the licensing authority of the Commissioners over restaurants has been employed for 75 years without regard to the equal service requirements of the 1872 and 1873 acts, that no licenses have been forfeited for violations of those acts, and that the licensing authority of the Commissioners has been employed in effect to repeal or set aside the provisions of those acts. But those regulations are health, safety, and sanitary measures.[12] They do not purport to be a

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[1] Section 2 of that act authorized the Commissioners "to make and enforce all such reasonable and usual police regulations * * * as they may deem necessary for the protection of lives, limbs, health, comfort, and quiet of all persons and the protection of all property within the District of Columbia." The earlier act of January 26, 1887, 24 Stat. 368, had given the Commissioners authority to make and enforce "usual and reasonable police regulations" over specified matters.

[2] See act of May 3, 1802, 2 Stat. 195 (empowering the city of Washington to provide for the licensing and regulation of retailers of liquors); the act of February 24, 1804, 2 Stat. 254 (authorizing the council of the city of Washington to license and regulate, exclusively, hackney coaches, ordinary keepers, retailers and ferries); the act of May 15, 1820, 3 Stat. 583 (authorizing the council of the city of Washington to provide for licensing, taxing, and regulating auctions, retailers, ordinaries).

[3] See *Snowden* v. *Snowden* (1 Bland, 550, 556), *Pearson* v. *International Distillery* (72 Iowa 348, 357). We are not concerned here with the type of problem presented by *Federal Trade Commission* v. *Bunte Bros.* (312 U. S. 349, 352), where want of assertion of power was deemed significant in determining whether the power had actually been conferred. In the present case the fact that there have been no attempts over the years to enforce the 1872 and 1873 acts is irrelevant to the problem of statutory construction, since there is no doubt that those acts made unlawful the refusal to serve a person in a restaurant in the District of Columbia because he was a Negro.

[10] See note 7, *supra*.

[11] Sec. 1636 provided: "All acts and parts of acts included in the foregoing exceptions, or any of them, shall remain in force except insofar as the same are inconsistent with or are replaced by the provisions of this code." Moreover, section 1640 provided: "Nothing in the repealing clause of this code contained shall be held to affect the operation or enforcement in the District of Columbia * * * of any municipal ordinance or regulation, except insofar as the same may be inconsistent with, or is replaced by, some provision of this code."

[12] Congress has granted to the Commissioners authority to license certain businesses, including restaurants. (D. C. Code (1951) secs. 47–2301, 37–2327.) The Commissioners are authorized to promulgate regulations governing the issuance and revocation of such licenses. (Id., sec. 47–2345). The Commissioners in the Police Regulations of the District of Columbia (1944) have provided various regulations of restaurants, e. g., a requirement that a certificate be obtained from the health officer that the "premises are in proper sanitary condition," art. XVII, sec. 196 regulation pertaining to garbage disposal, art XXI, secs. 2, 3; a requirement that draperies and decorations in restaurants be fireproof, art XVII, sec. 2. The Commissioners on April 1, 1942, promulgated "Regulations Governing the Establishment and Maintenance of Restaurants, Delicatessens, and Catering Establishments in the District of Columbia." These regulations, as amended February 23, 1951, impose various sanitation requirements relating to the structures, fixtures, utensils, and personnel employed in restaurants. They provide for revocation of licenses for failure to comply with the regulations and impose a fine of $300 for violations. Congress has also provided numerous health measures to regulate the sale of food. See D. C. Code (1951) sec. 33–101 et seq.; sec. 22–3416 et seq. Restaurants which sell alcoholic beverages are regulated under D. C. Code (1951) sec. 25–101 et seq.

complete codification of ordinances regulating restaurants. They contain neither a requirement that Negroes be segregated nor that Negroes be treated without discrimination. The case therefore appears to us no different than one where the executive department neglects or refuses to enforce a requirement long prescribed by the legislature.

It would be a more troublesome case if the 1872 and 1873 acts were licensing laws which through the years had been modified and changed under the legislative authority of the Commissioners. But these acts do not provide any machinery for the granting and revocation of licenses. They are regulatory laws prescribing in terms of civil rights the duties of restaurant owners to members of the public. Upon conviction for violating their provisions, penalties are imposed. There is a fine and in addition a forfeiture of license without right of renewal for a year. But these acts, unlike the sanitary requirements laid upon restaurants,[13] do not prescribe conditions for the issuance of a license. Like the regulation of wages and hours of work, the employment of minors, and the requirement that restaurants have flameproof draperies,[14] these laws merely regulate a licensed business. Therefore, the exercise of the licensing authority of the Commissioners could not modify, alter, or repeal these laws.[15] Nor can we discover any other legislative force which has removed them from the existing body of law.

Cases of hardship are put where criminal laws so long in disuse as no longer known to exist are enforced against innocent parties. But that condition does not bear on the continuing validity of the law; it is only an ameliorating factor in enforcement.

We have said that the acts of 1872 and 1873 survived the intervening changes in the government of the District of Columbia and are presently enforceable. We would speak more accurately if we said that the 1873 act survived. For there is a subsidiary question, which we do not reach and which will be open on remand of the cause to the Court of Appeals, whether the 1872 act under which the first count of the information is laid was repealed by the 1873 act. On that we express no opinion.

Reversed.

Mr. Justice Jackson took no part in the consideration or decision of this case.

[13] See note 12, supra.

[14] See note 12, supra.

[15] The 1872 and 1873 acts make mandatory the forfeiture of the license to operate a restaurant once a violation has been established. See notes 1 and 2, supra. More recent laws, enacted by Congress, state the terms on which licenses of various establishments including restaurants may be granted and revoked. See D. C. Code (1951), secs. 47-2301, 47-2302, 47-2327, 47-2345. Sec. 47-2345 grants the Commissioners authority to revoke a license "when, in their judgment, such is deemed desirable in the interest of public decency or the protection of lives, limbs, health, comfort, and quiet of the citizens of the District of Columbia, or for any other reason they may deem sufficient." Special provisions are also included for the licensing of persons selling alcoholic beverages and for the revocation of those licenses. (D. C. Code (1951) secs. 25-111, 25-115, 25-118.) Whether the provisions for forfeiture of licenses contained in the 1872 and 1873 acts have been modified or superseded by the licensing provisions of those laws is a separate and distinct question on which we intimate no opinion. Even if it were held that the basis for revocation of a restaurant owner's license and the procedure by which that revocation is effected are governed by the later laws, it is clear that the new licensing laws leave unaffected the mandate against discrimination on racial grounds and the provision for a fine of $100 contained in the 1872 and 1873 acts.

RED WIRETAPPERS

Mr. BUTLER of Maryland. Mr. President, on April 9, I introduced Senate bill 1606 proposing an amendment to the Internal Security Act of 1950. The adoption of this amendment, in my considered opinion, would enable the great free labor movement in America to purge itself of the incubus of communism. It would enable labor unions to carry on their legitimate activities without the dissensions and subversions which Communists always seek to instill among their members.

Within the next few days, it is my expectation to speak before the Senate on the important subject of communism in trade unions and the methods which have been and are utilized by the Communists in accomplishing this objective.

Meanwhile, an editorial appearing in the June 9, 1953, issue of the Chicago Daily Tribune, under the subject of "Red Wiretappers," accentuates the seriousness of this problem and the importance of appropriate corrective measures. I therefore ask unanimous consent that it be printed in the body of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

RED WIRETAPPERS

Wiretapping is generally held by American courts to be unlawful, an invasion of the constitutional rights of persons using public communications systems. Even the proposal that the FBI be allowed to listen in on conversations of suspected traitors has met strong opposition.

The Kremlin, however, has its own force of wiretappers in the United States, men who actually operate the communications systems of telegraph and cable companies and the radio networks of transoceanic airlines. They are members of the American Communications Association, a union which was kicked out of the CIO 3 years ago because it had followed the Communist Party line so consistently. Its president, Joseph Selly, and a number of his associates have been named as Communists before congressional committees, and have refused to testify on such matters, pleading possible self-incrimination.

Yet the National Labor Relations Board has certified the ACA as a qualified bargaining agent under the Taft-Hartley Act. Its officers filed affidavits with the Board denying that they were Communists, and the Board has been prevented by a Federal court from making the officers reaffirm these statements.

The power of the union, thru its members, to get access to confidential messages of the Defense Department has been stressed at several congressional hearings. Senator JENNER, chairman of the Internal Security Subcommittee, has directed President Eisenhower's attention to the labor union's actions in the matter.

There is a powerful drive under way to write the anti-Communist oath out of Taft-Hartley procedure. The case of the ACA will no doubt be cited as proof that it is ineffectual. All that is proved, however, is that the Labor Board, as constituted at present, is an ineffective agency for enforcing compliance with the act.

The Board has received any number of non-Communist affidavits which the records of those making them must have proved to be perjured, but only recently did it take action on any of these suspected perjurers, and that against an officer of a local union. A number of the Board members, and virtually its whole subordinate personnel, are survivors of the Truman regime, which did its best in every field to discredit the Taft-Hartley Act.

The Board says that the non-Communist oath provisions of the act need strengthening. What is needed far more, however, is a Labor Board, and a staff, in sympathy with the purposes of that law, and honestly working to apply it.

SUPPORT OF SMALL LIBERAL ARTS COLLEGES

Mr. MARTIN. Mr. President, many of us feel that the small liberal arts colleges should have our full support. They teach our ideals of individual freedom. They are a bulwark against subversive influences.

A very interesting editorial appeared in the Pittsburgh Sun-Telegraph of last Monday. The editorial is entitled "Buhl Gift to W. and J." It carries out the idea which I have suggested. I ask unanimous consent to have the editorial printed in the RECORD at this point as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BUHL GIFT TO W. AND J.

This is an age, we are told, of practicality, of specilization, of so-called filling station education.

Our colleges and universities must turn out more engineers, more scientists, more highly trained technicians capable of coping with atomic-age problems.

For that reason, those of us who have entertained a tiny doubt that the technician can solve all the world's ills have reason to enthuse over the Buhl Foundation's $275,000 gift to Washington and Jefferson College's million-dollar fund-raising campaign.

With it, we must applaud the theme of W. and J.'s commencement program—The Liberal Arts College: Foundation of Today's Democracy, Keystone of Tomorrow's Freedom.

LIBERAL ARTS ALSO NEEDED

For the liberal arts school—large or small—offers the Nation's prime means of developing truly well-rounded men and women—"educated" in every sense of the word.

We need engineers, we need scientists, we need technicians. But we vitally need, too, college graduates with an understanding of philosophy and economics, of human relations, or history, of the arts. We need men and women who can put their thoughts into words—written or spoken.

Unless we recognize these needs, we will run the risk of becoming a nation of automatons. And the liberal arts colleges—like W. and J.—must continue to remind us—by the example of their graduates—of their importance in our national destiny.

DEFINITIONS OF A COMMUNIST

Mr. FLANDERS. Mr. President, in the magazine The Progressive of June 1953 I found a very interesting collection of answers by Arab and Asian students in the University of Cairo with respect to what communism is. I believe it to be a very valuable collection of answers, since it shows, in the answers which are favorable to communism, the line of the Communist propaganda in those very critical areas of the world. I, therefore, ask unanimous consent that the answers be printed in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ARAB AND ASIAN STUDENTS TELL WHAT A COMMUNIST IS

"A Communist is one who believes in the Communist ideology, which aims at world government and prosperity, but is disfigured by the existing government in Russia." (Fuard A. Barahim, British Crown Colony of Aden.)

"A Communist is one who shares everything with his brother—bread and money." (Essa Frei, Palestine.)

"A Communist is the citizen of the future: the future which exists only in the imagination of the members of the Communist Party and daydreamers in other parts of the world." (Amer Shammoue, Jordan.)

"A Communist is a pitiless inhuman person who thinks all the orders he receives are the best, even if he has to massacre his family." (Gerald Suslian, Armenian.)

"A Communist is a person who believes that all people are equal and who believes in distributing the wealth of the country equally among its citizens." (Abdul Samie Sirag El Din, Pakistan.)

"I have been much impressed by the individual Communists I have met. Their sincere determination to give their fellow men a life worthy of human beings is admirable. They think of giving all humanity a full, peaceful, and interesting life." (Miss Mona Hetata, Egypt.)

"A Communist is one who was led by Karl Marx and others into changing organizations by force and revolution. A Communist is also one who gives everyone only what he needs." (Farouk Foued Wassif, Iraq.)

"A Communist is a nationalistic and patriotic despot. He believes in the equality of men if this equality will strengthen his country. He thinks freedom should be sacrificed for the improvement of the common cause." (Miss Samira Youakim, Lebanon.)

"A Communist is 1 of 3 things:

"1. A broken, bitter person, who has had a raw deal of life and seen misery.

"2. An overidealistic humanitarian who has seen the unhappiness of mankind and wants to help humanity and his fellow men.

"3. Finally, a Communist may be a jealous failure, who hopes to better himself by getting richer under such a fraternizing regime." (Miss Jocelyn Arar, Spanish Turk.)

"A Communist is one who believes that economic and materialistic matters are the only basic factors in society, that religious and spiritual motivation mean little or nothing." (Ahmed Tell, Jordan.)

"Three years ago I had the idea that Communists were bad men. Now I am confused because last year I met some Communists and found them good in everything except their political ideas." (Miss Myrophora Zeriari, Greece.)

"A Communist is a follower of Marx and a supporter of Stalinism, who respects materialism above all, believes in revolution, and calls for peace." (Mohed Al Mahdi Eltayb, Sudan.)

"From observation right in my own country I would say that Communists use force to achieve their ends and arrest natives and rob them whenever they like." (Wan Hassan, Malaya.)

"Communists believe that all human beings should be equal. Their slogan is, 'What is mine is yours.'" (Miss Nadia Nagaty, Egypt.)

"A Communist is a radical socialist who thinks that our political and economic problems will be solved if we unite all the world's nations into one government." (Mohammed Sidjanten, Saudi Arabia.)

"A Communist is a wildcat as well as a snake. Always he asks for more than he needs. Jealousy and hatred grow in his heart. He becomes wild, and like a wildcat cannot be tamed." (Shawki Sawaya, Syria.)

"A Communist is but a mechanical man, invented by the Communist leaders, so that he can't do anything, not even think without their permission, and under their direction and orders." (Ahmed Farid Khalifeh, Arab, Palestine.)

"I do not know what communism is, but I do not like it for it did not solve my problem in Palestine." (Talal Nabulsi, Palestine.)

"A Communist is one who uses high ideals as a pretext to mask political ambition for governing the world." (Miss Olympia Karageorges, Greece.)

IMPORTANCE OF THE FEDERAL PETROLEUM BOARD

Mr. JOHNSON of Texas. Mr. President, the work of the Federal Petroleum Board is of the utmost importance not merely to the oil-producing State of Texas but to the entire country. The value of sound conservation in connection with our petroleum resources has long been recognized. Crippling the Federal Petroleum Board would do great harm to our conservation program.

The daily News Herald of Kilgore, Tex., located in the center of a great oil-producing area, published on June 4 an editorial giving the facts about the work of the Federal Petroleum Board and about the effects the proposed reduction in the appropriation for the Board would have on its work. This editorial is so filled with pertinent information on this subject that I commend it without reservation to the attention of all Senators.

I ask unanimous consent for the editorial from the Kilgore News Herald of June 4, 1953, to be printed in the body of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD as follows:

HOT OIL ACT FUND CUT WOULD BE WORST FORM OF FALSE ECONOMY

The Kilgore News Herald is vigorously opposed to further cuts in funds for the Federal Petroleum Board, as now proposed in Congress.

It is true that this newspaper has been demanding economy in Government for lo these many years. It is also true that during these same years, we have consistently supported the Federal Petroleum Board as a vitally important agency.

If the Board had mushroomed in size and cost, our position would be different.

If it were no longer needed, our position would be different.

But the facts today are clean for those who wish to see and for those who fear the return of widespread hot-oil operations.

What are the facts?

1. Hot oil can still be run, is still being run, and would certainly flow in much greater quantities without the watchful eye and restraining hand of Uncle Sam. Operating with a skeleton staff, the Board secured the evidence on which 8 prosecutions were successfully closed in 1953. Fines collected in 1953 totaled $66,950. The mere existence of such a body is a powerful deterrent to hot-oil runners. But without adequate personnel, the Board's work is necessarily handicapped.

2. The Federal Petroleum Board is one governmental agency which has not mushroomed in size and cost. In 1942 there were some 80 employees on its rolls. Today there are 27 in the entire organization outside Washington. The 1953 congressional appropriation was $187,000. The budget request for 1954, beginning next July 1, was $175,000. But the House of Representatives has voted to reduce that amount to $150,000. If the Senate does not restore the cut and the House does not reconsider, 6 of the present 27 employees will be cut off July 1.

3. Five of the six employees to be discharged are examiners—trained investigators—and one is a stenographer. Obviously, experienced examiners are vital to a successful operation.

4. If the House appropriation is not increased, the entire reduced force will total 21, with only 9 examiners—3 in the Kilgore headquarters office, and 2 each in the offices at Midland, Houston, and Lafayette, La. The 2 board members, J. R. Lewis and Nelson Puett, would be included in the other 12 remaining employees required for administrative, clerical, and accounting duties in the 4 offices. Does that sound like a burgeoning, wasteful, extravagant setup? Or does it appear to be what it is—a bare skeleton crew?

5. John B. Hussey, commissioner of the Department of Conservation of the State of Louisiana, should be an expert witness. Recently he complimented the Board, said its personnel in Louisiana is already shorthanded, and that any further reduction would seriously impair the enforcement of the conservation laws and regulations.

6. The Board is charged with the responsibility of enforcing the Connally Act. Its duty is to prevent the transportation in interstate commerce of oil produced in violation of State conservation laws. It is the only governmental unit charged with this responsibility, which clearly requires a Federal agency.

7. One further point should be made clear: The requested $175,000 is to cover all expenses, not just salaries. It is a difficult task to cover the vast distances between southwestern oil fields.

Summing up, the News Herald feels it would be the worst form of false economy for Congress to cripple this vital activity by further reductions in funds.

THE TORNADO AT WORCESTER, MASS.

Mr. SALTONSTALL. Mr. President, I ask unanimous consent that I may speak for 1 minute or less on the catastrophe which occurred yesterday in Massachusetts.

The ACTING PRESIDENT pro tempore. Without objection, the Senator from Massachusetts may proceed.

Mr. SALTONSTALL. Mr. President, I should like to call the attention of the Senate to the disastrous effects of the tornado which struck the third largest city in New England and the second largest city of Massachusetts—Worcester, Mass.—yesterday afternoon.

In a period of less than 2 minutes, 83 persons are known to have been killed, and there were in excess of 800 casualties. A fine Catholic college has been leveled to the ground; a new $5 million plant of the Norton Co., one of our largest industrial concerns, has been destroyed, and one of the best housing developments in the city of Worcester has been ruined. The total amount of damage is untold.

This morning I talked with the city manager of Worcester. The Governor of the Commonwealth has declared an emergency, and is presently to be in Worcester.

So far as I know, there is nothing the Federal Government can do or should do at this time, but I call this tragic situation to the attention of the Senate because, if and when any suggestions relative to assistance by the Federal Government are made, I trust they will

receive the sympathetic consideration of my colleagues.

In order to indicate the force of the tornado, let me say that the side of a house, the top of an automobile, and a chimney landed on my place, which is at least 5 or 6 miles from the course of the tornado.

This is the first time in the history of Massachusetts that such a catastrophe has occurred. I sincerely hope that no further casualties will be reported, although I am afraid some may be.

THE TORNADO IN MASSACHUSETTS—STATEMENT BY SENATOR KENNEDY

Mr. PASTORE. Mr. President, the junior Senator from Massachusetts [Mr. KENNEDY] is now on his way to the disaster area in Massachusetts which was so tragically hit last night by the latest in a series of tornadoes. He prepared a statement about the disaster in Massachusetts, which I ask consent to have printed at this point in the body of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR KENNEDY

My home State of Massachusetts yesterday suffered a great tragedy. In the area of Worcester and central Massachusetts, latest figures indicate that upward of 100 people were killed, some 700 injured, over 1,500 homes shattered and property damage will probably run into 7 or 8 figures.

I know that all members of the Senate will join me in expressing deep sympathy to the people of Massachusetts who have been affected by this tragedy.

I am sure they will also agree that a disaster of this type which creates such havoc to our vital centers of transportation and communication, our essential industries, and the welfare of our citizens is a national disaster. Under these circumstances, it is appropriate to utilize the resources of the Federal Government to relieve the suffering in that area.

In order to obtain relief funds for temporary shelter, food, clothing, medical care, and restoration of communication and transportation, I have today been in touch with the White House and the Civil Defense Administration; and I am hopeful that the President will soon declare central Massachusetts to be a disaster area in order that such relief may be available. For purposes of long-range rehabilitation, I have contacted the Reconstruction Finance Corporation which has declared central Massachusetts to be a disaster area for purposes of long-term loans for the rebuilding of commercial and residential property destroyed in this storm. I have also contacted the Federal Housing Administration in the Housing and Home Finance Agency which will make mortgage loans up to 100 percent of appraised value for homes destroyed in the area, once it is proclaimed to be a major disaster area by the President. I have also been in touch with the Farmers Home Administration in the Department of Agriculture, which will make loans to farmers who have suffered a substantial loss of property or crops or who face heavy operating expenses in clearing debris, and who cannot get credit from other sources. Inasmuch as Massachusetts is already a disaster area under this law by virtue of last year's drought, a designation which lasts through 1953, field representatives of the Department of Agriculture are already working on this situation.

In addition, I am hopeful that my trip to the area will determine whether additional legislation by the Congress is necessary in order to provide assistance in matters of Federal responsibility, or make better preparation for future disasters.

REVISION OF FEDERAL ELECTION LAWS

Mr. HENNINGS. Mr. President, on behalf of myself, the Senator from Arizona [Mr. HAYDEN], and the Senator from New Jersey [Mr. HENDRICKSON], I introduce for appropriate reference a bill to revise the Federal election laws, to prevent corrupt practices in Federal elections, and for other purposes.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2081) to revise the Federal election laws, to prevent corrupt practices in Federal elections, and for other purposes, introduced by Mr. HENNINGS (for himself, Mr. HAYDEN, and Mr. HENDRICKSON), was received, read twice by its title, and referred to the Committee on Rules and Administration.

Mr. HENNINGS. Mr. President, I ask unanimous consent that at this time I may speak for not to exceed 2 minutes on the bill.

The ACTING PRESIDENT pro tempore. Without objection, the Senator from Missouri may proceed.

Mr. HENNINGS. Mr. President, it was my privilege during the latter part of the last session to serve as chairman of the Subcommittee on Privileges and Elections of the Committee on Rules and Administration. The other two members of the subcommittee were the distinguished Senator from Arizona [Mr. HAYDEN] and the distinguished junior Senator from New Jersey [Mr. HENDRICKSON].

The purpose of our bill, Mr. President, is to carry out the recommendations made by our committee in our report to the Senate, submitted at the end of the last session. The report is entitled "Proposed Amendments to the Federal Corrupt Practices Act."

Based on studies made during the past 2 years, our subcommittee concluded that the laws governing elections to Federal office presently in effect are totally inadequate and need extensive revision. To be effective, any legislation must be realistic. These laws, enacted for the most part more than 25 years ago, are shockingly obsolete and are riddled with loopholes.

While the deficiencies are numerous, there are two weaknesses which leave the present Federal election machinery in a deplorable state. First, these laws do not cover primary elections. Second, they do not require most of the political committees working in behalf of a candidate to report campaign contributions and expenditures.

The failure of these laws to cover primaries makes the entire effort of the Federal Government in this field an empty gesture. In many States, where one party is dominant, winning the party nomination is tantamount to election. Furthermore, in most States primary elections are not merely formal party approvals, but are genuine contests. The same applies to party conventions. The election campaign usually begins when a candidate seeks the nomination, and ends with the general election. Under present laws, it is possible for a candidate or his committees to spend, in a primary, large sums of money which will accrue to his benefit in the general election, but which are not required by Federal law to be reported.

At present, the law applies only to political committees operating in more than one State, whereas the vast majority of political committees working on behalf of candidates for Federal office are confined to single State operations. As a result, in many instances, only a small fraction of the total expenditures on behalf of a candidate is actually reported. Thus, the effort of Congress to regulate Federal elections in the past appears as an absurdity. We concluded that the public is entitled to Federal election laws with real teeth and to complete information concerning political contributions and expenditures.

The subcommittee likewise concluded that limitations on political contributions and expenditures should be increased to amounts consonant with present-day prices and the large expenses involved in the use of new devices, such as radio and television. The law should also be tightened to prevent evasions of the new limitations.

Proposals designed to solve these problems are the main features of the bill my distinguished colleagues and I have introduced today.

The great strength of our democratic system lies in the informed and active participation of all citizens in choosing their elected officials. Each citizen has a right, therefore, to know not only how candidates for office stand on particular issues, but also how much they are spending to influence the electorate in their behalf, where their financial support comes from, and how such money is expended. The major purpose of Federal election laws is to provide the public with just such information on the financing of campaigns, but since primaries are not included in the scope of the present Federal laws, the fundamental purpose of the legislation is not achieved.

Mr. President, in order not to take more of the Senate's time at present, I ask unanimous consent to insert in the RECORD as a part of my remarks a statement which describes the bill in more detail.

The ACTING PRESIDENT pro tempore. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HENNINGS

As stated earlier, the bill would bring under Federal regulation primary elections (including preferential primaries) and political party conventions in which candidates for Federal elections are chosen. Without such a step, any attempt to regulate contributions and expenditures in Federal elections has little or no meaning. By including primary elections and political conventions within the scope of Federal regulation, we can really begin to move forward toward the goal of giving the American people complete information concerning the amounts spent in electing Federal officials and the sources from which such funds are derived.

Bringing primaries under Federal regulation, while a most essential step, is only one of several basic changes needed to modernize our antediluvian election machinery. Another essential step provided by our bill would make all committees, organizations, and associations that contribute or spend funds in an election subject to the reporting requirements of Federal law. At present, all intrastate political committees are exempt from Federal regulation. Since most political committees are intrastate and limit their work and activity to individual States, there is no actual information available or required at the Federal level concerning political campaign donations and expenses. Furthermore, in most States, financial reports, when required by State or local law, are filed at many different places in the State, usually in the municipality where the principal office of the committee is located. This situation is ridiculous.

An example of the shortcomings of the present law was shown by the subcommittee's investigation of the 1950 election which disclosed that in one State, probably typical of the situation prevailing in States with large populations, the reports filed by both candidates with the Secretary of the Senate amounted to a little more than $4,000, although our investigation disclosed that political committees working principally or exclusively for these two candidates spent an aggregate amount of about $1 million.

The bill we introduced would prevent this ambiguity in the future by requiring full reporting of all contributions and expenditures by either committees, individuals, or candidates. Also, in order to pinpoint responsibility for proper recordkeeping and reporting, the bill would prohibit any political committee from receiving or spending funds for campaign purposes until written authorization from the candidate has been filed with the Clerk of the House of Representatives. Political committees supporting more than one candidate would also be required to keep such records of expenditures as will substantially reflect the amounts expended in behalf of each candidate for Federal office. The subcommittee's investigations indicated that, without such a provision, the allocation of a political committee's funds among candidates becomes almost entirely a matter of speculation and any dollar limitation on the amount that may be spent in a Federal election is meaningless.

The bill would center responsibility for recordkeeping and reporting by political committees in the committee treasurer, who would be the only person permitted to make an expenditure for the committee. He would be required to keep a detailed and exact account of the following items: (1) All contributions made to and for such committee; (2) the name and address of every person making such contribution, and the date thereof; (3) all expenditures made by or on behalf of such committee; (4) the name and address of every person to whom any such expenditure is made, and the date thereof.

The treasurer would also be required to obtain and keep a receipted bill, showing particulars, for every expenditure by or on behalf of the political committee exceeding $10 in amount. The receipted bills and accounts would be maintained for 2 years from the date of the filing of the statement containing such items.

The bill further provides that the treasurer of a political committee shall file with the Clerk of the House of Representatives, on a form to be prescribed by him, between the 1st and 10th days of March, June, and September, in each year, and also between the 10th and 15th days, and on the 5th day, next preceding, and also within 30 days after, an election date, and also on the 1st day of January, a statement containing the following information complete as of the day next preceding the date for filing:

1. The name and address of each person who has made a contribution to or for such committee in one or more items of the aggregate amount or value, within the calendar year, of $100 or more, together with the amount and date of such contribution, and the names of the contributors shall be arranged, alphabetically within each category, according to the amount of contribution as follows: $100 to $499; $500 to $999; and $1,000 and over.

2. The total sum of the contributions made to or for such committee during the calendar year and not stated under paragraph 1.

3. The total sum of all contributions made to or for such committee during the calendar year.

4. The name and address of each person to whom an expenditure in one or more items of the aggregate amount or value, within the calendar year, of $10 or more has been made by such committee, and the amount, date, and purpose of such expenditure.

5. The total sum of all expenditures made by such committee during the calendar year and not stated under paragraph 4.

6. The total sum of expenditures made by such committee during the calendar year.

The bill further provides that each item of expenditure is to be described in sufficient detail to accurately identify it. In the case of political committees supporting candidates for Senator, the bill provides that a copy of the statement filed with the Clerk of the House of Representatives is also to be filed with the Secretary of the Senate.

Under the bill, every individual person who makes expenditures totaling $100 or more within a calendar year for the purpose of influencing the election of candidates for Federal office is to file with the Clerk of the House of Representatives an itemized detailed statement of the expenditures similar to the one which would be required by the treasurer of a political committee. Likewise, every candidate would be required under the bill to meet similar reporting requirements applicable to his own situation.

In order to facilitate public inspection of the records involved in the election of candidates to Federal office, the bill provides that a copy of every statement required to be filed with the Clerk of the House of Representatives is to be filed with the clerk of the United States district court in the district in which the principal office of the political committee is located or in which the candidate resides or in which contributions are received and expenditures made, as the case may be.

The bill would also impose on the Clerk of the House of Representatives the duty of maintaining for public inspection the reports and statements filed with him. He would likewise be required to provide for the preparation and periodic publication of compilations containing summaries indicating the total contributions and expenditures and the total for each category of expenditures listed in each statement filed with him. The Clerk of the House of Representatives would also provide for public inspection a list of persons contributing $1,000 or more, showing in each case the name and the address of the contributor and the amount contributed.

In order to bring the Federal election laws in line with present-day costs the bill would provide that the dollar limitation on candidates for the United States Congress would be increased in accordance with the following formula: (1) The sum of $50,000 if a candidate for Senator, of the sum of $12,500 if a candidate for Representative, Delegate, or Resident Commissioner; or (2) in the case of an election other than a caucus or nominating convention, an amount equal to the amount obtained by multiplying 10 cents by the total number of votes cast in either the last primary election or the last general election for all candidates for the office which the candidate seeks, but in no event exceeding $250,000 in the case of a candidate for Senator, or $25,000 in the case of a candidate for Representative, Delegate, or Resident Commissioner.

The proposed limitations would include the amounts that could be spent on behalf of a candidate by political committees. The present bill would bring about these changes.

Under the present Federal laws a senatorial candidate may spend up to $25,000 and a Representative may spend up to $5,000. Specifically exempted from these limitations, however, are expenditures for candidates' "necessary personal, traveling or subsistence expenses, or for stationery, postage, writing, or printing (other than for use on billboards or in newspapers), for distributing letters, circulars, or posters, or for telegraph or telephone services." Thus, for example, the printing and mailing of an expensive pamphlet costing many thousands of dollars do not count as an expenditure for purposes of the limitation. Under the proposed changes all expenses involved in a campaign would be charged against the proposed limitations.

At present no limitation under Federal law exists as to the amount that political committees may spend in electing Senators and Representatives except the limitation on national committees of $3 million for all candidates in any 1 calendar year. So, in effect, as it has been worked out, there is at present no effective limitation on expenditures in Federal congressional elections. Each political party just causes additional independent intrastate committees to be created.

The present limitations are totally unrealistic in the light of present-day costs, particularly in view of new campaign devices, such as radio and television. Also, population increases likewise make these limitations entirely too low. Furthermore, as indicated under the present regulations, the limitation applies only to the expenditures made by the candidate himself, and therefore there is in effect no real limitation on the amount that may be spent. Our bill would increase the limit to an amount which is commensurate with legitimate expenses involved in any election of a United States Representative or a Senator, and it also makes the dollar limitations written in the law effective.

Another basic change which would be brought about by our bill is in the limitation which would be placed on the amount that an individual could contribute either to a candidate or to a political committee. Under present law, an individual may contribute no more than $5,000 to any candidate or political committee, but he is not limited in the number of candidates or political committees to which he may contribute. In the new bill we increase the amount which an individual may contribute to any one candidate or committee to $10,000, but an individual would not be permitted to contribute more than a total of $10,000 to all candidates for Federal office and political committees working in behalf of Federal candidates.

The bill would likewise increase the limitation on contributions and expenditures made by committees operating in two or more States from $3 million to $10 million. The subcommittee concluded that the cost of present-day elections made it imperative to increase the amount which national committees could spend.

Our bill would also stiffen the criminal sanctions which could be imposed for willful or flagrant violations of the law. Penalties up to 5 years' imprisonment and $10,000 fine would be substituted for lesser penalties.

Mr. President, with the changes in our Federal election laws embodied in this bill, our Federal election machinery will receive overhauling long overdue and will, as changed, place realistic dollar limitations on political campaigns which can be effectively enforced. Furthermore, the public will be provided with full facts concerning financial contributions and expenditures. Honest candidates will welcome disclosure of the important

facts. The public, likewise, will be glad to have full and complete information as to the financial aspects of political campaigns for Federal office. This bill will give greater strength and meaning to our democratic institutions.

Mr. HENDRICKSON. Mr. President, the junior Senator from New Jersey desires to take this opportunity to commend the distinguished Senator from Missouri for the initiative and leadership he has furnished in the important field of the revision of the election law. I wish, with his consent, to be associated with the remarks he has made.

Mr. HENNINGS. I thank the distinguished Senator from New Jersey. I appreciate very much his observations. He is one who for the past 2 years has labored tirelessly and faithfully in the undertakings of the Subcommittee on Privileges and Elections of the Committee on Rules and Administration. We are very sorry that he is no longer associated with that committee.

Mr. HENDRICKSON. I may say, Mr. President, that I miss the association very much, although I am greatly relieved to be freed of the duties which the service entailed.

INTEREST RATES ON GOVERNMENT SECURITY OFFERINGS—INTEREST POLICY

Mr. HUMPHREY. Mr. President, on April 18 I wrote the Secretary of the Treasury for information about the basis of the administration's decision to increase interest rates on Government security offerings. I have a reply from Mr. Randolph Burgess, Deputy to the Secretary, which I ask to have included in the RECORD at this point as a part of my remarks.

The ACTING PRESIDENT pro tempore. Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

TREASURY DEPARTMENT,
Washington, April 28, 1953.

Hon. HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: With further reference to your letter of April 18, 1953, I am happy to provide information on the questions which have arisen in your mind with respect to the Treasury's recent offering of 30-year 3¼ percent Treasury bonds.

I should like to mention first of all some of the fundamental considerations which are behind the debt management and monetary policies which the Treasury Department, in cooperation with the Federal Reserve System, is attempting to pursue.

As you know, one of the primary objectives of the present administration is to return our American economy to a position in which the forces of the market place have the greatest possible scope for action consistent with the well-being of the people of this country. This objective has a particularly close relation to public debt management policies during a period such as the present. Industry is now operating very close to capacity and a large part of our resources—including our financial resources—must go for national defense and security purposes. Under these circumstances it is essential, as I am sure you will agree, that the Treasury's borrowing needs be met to the greatest extent possible out of genuine savings, rather than out of newly created bank credit. This is one of the most important protective measures which we can take to maintain the economic stability of the country and thereby safeguard the value of the dollar.

In order to succeed in these objectives, the Treasury must adjust the terms of its offerings to conditions as they exist in the investment markets. The Treasury, like other borrowers, cannot attract any significant amount of genuine savings seeking investment unless it offers an interest rate and other terms which are judged adequate by the owners of the available funds.

The Treasury apparently was successful in gaging the interest rate which would be required to increase investment in long-term Government securities at the present time when it offered the 3¼-percent bond. As a result, trading in the new bond since it was announced has been at prices very close to par. In other words, the market itself confirmed the fact that the Treasury offered what was necessary to attract long-term funds, in competition with other borrowers—and no more than was necessary.

I am gratified to be able to assure you that the specific questions which you raise relate to problems which are under continuous review in the Department; not only at the time of important financing operations, but at all other times also. Moreover, to supplement our own analyses, the Treasury and representatives of important investor groups meet on an informal round-table basis whenever the situation appears to call for it, in order to exchange views on matters of mutual interest and concern. In this way, the Treasury is well informed ahead of time as to the probable effects on financial institutions and on the economy generally of various alternative courses of action.

I might add that a number of conferences with leading investor groups—including representatives of the financial institutions you mention—were held in the period preceding the offering of the 3¼-percent bond; and the opinions and suggestions received by the Treasury in the course of these consultations were carefully weighed. It is through this process of continuing study within the Department and consultations at appropriate times with representatives of outside investor groups that the 3¼-percent rate on the Treasury's new 30-year bonds was arrived at. This, I believe, answers the first question raised in your letter.

The attached table summarizes the data you requested for commercial banks, mutual savings banks, and life insurance companies on (1) capital accounts, and (2) holdings of Government securities and their average term to maturity.

Your next group of questions relates to various aspects of the problem of possible book losses on security holdings of institutional groups as a result of the fact that various marketable securities of the Federal Government are now quoted below par. Any calculation of losses on holdings of Government securities as a result of declines in market prices would require detailed examination of the records of the individual institutions concerned. This is due to the fact that while we have reliable estimates, on a monthly basis, of the par value of the aggregate Government security holdings of the various investor groups, we have no information as to the exact date when the securities were bought or how much was paid for them.

Moreover, the reduction in the market prices of Government securities does not result in a real loss until the securities are sold. Those Federal Government agencies which are responsible for the supervision of financial institutions of this type agreed on August 11, 1938, that in the appraisal of bonds in bank examinations that neither appreciation nor depreciation of what they call group I securities will be taken into account in figuring net sound capital of the banks. Group I securities are marketable obligations in which the investment characteristics are not distinctly or predominantly speculative. These include the highest rated corporate and municipal bonds as well as all United States Government securities. Commercial banks, for example, carry United States Government securities on their books at cost, amortized cost, or par, with no adjustment for current market values. It is our understanding that the same general situation holds with respect to the evaluation of insurance-company portfolios.

The very fact that market prices of long-term securities have fallen—and that interest rates have risen—may work toward strengthening rather than weakening the financial institutions which you mention. A reduction in prices of existing long-term Government issues provides these institutions with opportunities to invest newly accumulated funds in these issues (through market purchases) at higher rates of return. As a result, their financial structure may be strengthened and at the same time increased dividends may be provided to millions of policyholders and savings depositors.

So far as their present holdings are concerned, most mutual-savings banks and insurance companies have little need to liquidate the long-term Government bonds that they already own. Their assets are increasing steadily each year and they can always receive par value for these securities by holding them to maturity. A decision to liquidate before maturity typically represents merely a preference to take some loss on Governments in order to realize greater gain in some other investment opportunity.

In answer to your final inquiry, I should like to emphasize again that every important policy decision made by the Treasury Department is arrived at on the basis of all of the related facts which we are able to assemble, including those having to do with the possible effect of the Treasury's action on other loan activities of the Government. These other agencies also do their borrowing in a market where the supply of and demand for funds set the price. A primary consideration of these agencies—and the Treasury, too—is to assure so far as possible the well-being of all of our people.

Sincerely yours,

W. RANDOLPH BURGESS,
Deputy to the Secretary.

U. S. Government security holdings and capital accounts of financial institutions, Dec. 31, 1952

[Billions of dollars]

	Capital accounts	Government securities	Average number of years to maturity [1]
Commercial banks	12.9	63.3	3.8
Mutual savings banks	2.5	9.4	13.8
Life insurance companies	6.0	10.2	14.3

[1] Marketable Federal securities only.

Office of the Secretary of the Treasury.

Mr. HUMPHREY. Mr. Burgess has made it quite clear that the 3¼-percent interest rate on $1 billion of 30-year bonds issued May 1 was set with the advice of large investors, writing:

The Treasury and representatives of important investor groups meet on an informal roundtable basis whenever the situation appears to call for it.

He further explains:

The Treasury must adjust the terms of its offerings to conditions as they exist in the investment markets. The Treasury like other borrowers cannot attract any signifi-

cant amount of genuine savings unless it offers an interest rate and other terms which are adjudged adequate by the owners of available funds.

In the Washington Post's report on May 19 of the Treasury's decision to pay a 2⅝-percent interest rate on more than $5 billion of 1-year Treasury bills—a rate of three-eighths of 1 percent above a similar issue in February and three-fourths of 1 percent above a year ago—this significant paragraph appears:

A Treasury spokesman said the rate for the new certificates was the lowest at which the new issue could be sold in the existing market. He said this determination was made after conferring with investment bankers.

Mr. Burgess' statement that the Government must adjust to the requirements set down by these large investors is true only if it is the policy of the Treasury of the United States, in effect, to manage the Federal debt by surrendering that management to the New York investment bankers.

On Thursday, May 14, the New York Journal of Commerce said in its leading editorial:

The Treasury is potentially so large a borrower that if it undertakes to compete freely in the market for funds with private borrowers, without any Federal Reserve assistance, a very sharp rise in interest rates is bound to result at a time when private demands for funds are large, too. Such a rise in interest rates, past experience has shown, is bound in time to precipitate a depression.

Mr. President, I make note of the fact that these are not my words. I am quoting from one of the most reputable, authentic and, I think, learned journals in the field of finance, the New York Journal of Commerce.

The Journal of Commerce editorial states, of course, what is a fact: there is no "must" about meeting conditions set down by the big New York bankers. The United States Government does not have to ask the National City Bank, Chase National Bank, Bankers Trust Co., or the big insurance companies what interest it must pay.

The effect of large Government offerings on interest level can be neutralized by Federal Reserve bank operations—and that is exactly the course which the Journal of Commerce advocated in its editorial. It said:

There is a middle course open to the Treasury that would avoid both these extremes of debt-management policy. * * *

Under the middle-of-the-road policy, Treasury borrowing would take place at the interest rates set by private demands for funds. Treasury borrowing in and of itself would not be permitted to raise interest rates further, since there is no practical limit to the increase in interest rates that would occur when the Treasury insists on selling long-term bonds for new money or refunding regardless of the available supply of funds. The Federal Reserve banks would provide only enough assistance to neutralize the effect of Treasury borrowing on interest rates.

I ask consent to have printed at this point in my remarks the entire Journal of Commerce editorial, which is a complete refutation of any claim that the United States "must" do as Wall Street financiers say.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TWO EXTREMES AND A MIDDLE COURSE

The Treasury, in the management of the public debt, has a choice of three policies with regard to interest rates.

At one extreme is the policy of keeping interest rates low, regardless of how large private demands for capital may be.

Under this policy, all other considerations are subordinated to making Treasury borrowing cheap and easy at all times.

This was the policy pursued during World War II and the years that followed until March 1951, when the Federal Reserve banks ceased pegging the Government bond market. This policy proved to be one of the main causes of inflation.

At the other extreme is the policy of having the Treasury compete with private borrowers in the open market for funds, without any aid whatever from the Federal Reserve banks, regardless of the consequences.

This was done in financing World War I, when successive issues of Liberty and Victory bonds bore higher and higher rates of interest.

When the deficit is large so that the available supply of funds cannot possibly satisfy the Treasury's requirements, this policy can lead to inordinate increases in interest rates. This is so particularly when private demands are sufficient to absorb the available supply of loanable funds, as is now the case, leaving far too little available for Treasury needs without Federal Reserve assistance.

Even without a deficit, this policy could lead to very sharp increases and erratic fluctuations in interest rates if the Treasury should offer large amounts of long-term bonds merely to refund maturing shorter term obligations.

The Treasury is potentially so large a borrower that if it undertakes to compete freely in the market for funds with private borrowers, without any Federal Reserve assistance, a very sharp rise in interest rates is bound to result at a time when private demands for funds are large, too.

Such a rise in interest rates, past experience has shown, is bound in time to precipitate a depression.

There is a middle course open to the Treasury that would avoid both these extremes of debt management policy.

This middle course requires that the level of interest rates shall be allowed to reflect fully private demands for funds. Since private demands for credit from business, mortgage borrowers and consumers have been so heavy during the current boom, interest rates were bound to rise for this reason alone as soon as the pegging policy was abandoned by the Reserve banks. Such a rise in interest rates did, in fact, take place before the Treasury turned to long-term financing last month.

But under this middle-of-the-road policy, Treasury borrowing would take place at the interest rates set by private demands for funds. Treasury borrowing in and of itself would not be permitted to raise interest rates further, since there is no practical limit to the increase in interest rates that could occur when the Treasury insists on selling long-term bonds for new money or refunding regardless of the available supply of funds. The Federal Reserve banks would provide only enough assistance to neutralize the effect of Treasury borrowing on interest rates.

Private demands for capital have been sustained at a high level so far this year.

The decline in business loans by the banks has been far less than seasonal. Consumer borrowings have expanded steadily. Both corporate and municipal bond flotations and mortgage borrowing have been quite heavy.

These factors would have caused some rise in interest rates, apart from Treasury financing. The rise would have been gradual and limited, however, by comparison with what did happen as a result of the Treasury's offering of a 3¼ percent long-term bond issue at a time when other demands were absorbing available funds.

If this policy of offering long-term issues at whatever rate is needed to attract buyers, without Reserve bank aid, were to be pursued further, there can be little question that it would lift interest rates to a level where business conditions would be profoundly affected.

But those who direct public debt management policy recognize the dangers implicit in doing so. Dr. W. Randolph Burgess, Deputy to the Secretary of the Treasury, told the mutual savings bankers in Washington this week that "the Treasury has no intention of pushing the market too hard."

The question is whether the Treasury should push the market at all at a time when private and municipal demands for funds have sufficed to cause a gradual rise in interest rates.

Until the pegging policy was abandoned in March 1951, credit control by the Federal Reserve System was entirely subordinated to cheap, easy public debt management.

Recently, the tendency has been to go to the opposite extreme and let Treasury financing alone determine interest rates, with all other considerations entirely subordinated to it.

Circumstances are forcing the adoption of a middle course.

Common sense dictates the adoption of such a middle course without further delay.

Mr. HUMPHREY. As a matter of policy, it is clearly the intention of this administration to permit the "investment market" to jack up Government interest rates. Mr. Burgess has made that quite clear both by his assertions in this reply to my inquiries, and in public declarations. In a speech to the National Association of Mutual Savings Banks in Washington, D. C., he stated, according to the press, that it is a "first principle" of the Treasury in this administration that the Federal Reserve Bank shall not support Treasury borrowing operations.

In his next paragraph, Mr. Burgess contends that the market confirmed the wisdom of Treasury setting the interest on the Government's long-term offering at a 3¼ percent interest rate was exactly right; that trading in the new bonds has remained around par.

Any such conclusion arises from the erroneous assumption that the market somehow inexorably sets the rate; that the new high interest rate on the Government offering did not, of itself, set the market; and that it makes no difference whether the United States puts 2 percent or 5 percent coupons on its bonds.

There is abundant evidence that the latter, and not the former assumption, is true.

When the new 3¼ percent bonds were announced, the offering was oversubscribed somewhere between 7 and 8½ times. Free riders applied for hundreds of millions of dollars worth, expecting to make a quick profit from the lush interest. But then the bankers and the market started adjusting to the new interest policy. Lower interest Federal securities declined. Victory 2½ percent

bonds dropped down near 92. Prices of corporate bonds and stocks went down. The big New York City banks raised their prime commercial interest rate to the Government level.

Mr. KERR. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. KERR. The Senator from Minnesota has just stated that the big New York banks raised their prime commercial interest rate to the Government level. I should like to ask the Senator if that is not a demonstration of the fact that the Treasury Department not only fixed the interest rates as high as the market indicated lenders wanted it to be, but, in fact, it issued the bonds at a rate far higher than even the prime interest rates of the big banks, and they subsequently increased their interest rates to match the figure the Treasury had fixed on this issue of bonds.

Mr. HUMPHREY. I may say to the Senator from Oklahoma that I not only made that statement, but quoted from an editorial in the New York Journal of Commerce, which I asked unanimous consent to have incorporated in the body of my remarks, and which stated exactly what the Senator from Oklahoma has suggested, namely, that the increased rate on the Government issue jacked up the interest rates all the way down the line. The fact that the issue was oversubscribed approximately seven times indicates that the amount of interest increase was disproportionate to the needs of the Government in obtaining funds.

Mr. President, I shall be very cautious and very careful in my remarks. I have reviewed the debate which has taken place on the floor of the Senate, and I have gone to source material not in what might be called the liberal areas of American economic and political life, but I shall quote, time after time in my remarks, from leading conservative financial journals. I think I can document the fact that today not only borrowers are complaining about the fiscal policy of the administration, but also investors are complaining about it, because to investors and to present borrowers the result could be very, very depressing.

By the time the new Governments were actually issued, they were selling fractions of a point under par—not because Mr. Burgess had guessed too low on what the market demanded as to interest, but because the markets had adjusted themselves to the new high-interest policy of the administration.

In other words, the new policy of the administration set the standard. As the Wall Street Journal pointed out, the Government is such a large borrower in the money market that whatever the Government does obviously sets the standard. In this instance, once the high-interest rate was established, instead of the bonds selling above par, they sold under par.

Mr. KERR. Mr. President, will the Senator from Minnesota yield for a further question?

Mr. HUMPHREY. I yield.

Mr. KERR. Do not the circumstances to which the Senator has referred indicate that the Treasury had not too great an amount of trouble in persuading the lenders to adjust themselves to the higher interest rates which were available to them or which might become available to them at their insistence?

Mr. HUMPHREY. The Senator from Oklahoma is, again, a master of understatement. There is no doubt that the adjustment was made with facility and ease and a reasonable amount of financial decorum.

I cannot believe that Mr. Burgess himself would seriously contend that "the market itself confirmed the fact that the Treasury offered what was necessary to attract long-term funds, in competition with other borrowers—and no more than was necessary."

In answer to my question whether the Treasury had considered the losses that might be suffered as a result of the decline in the market value of Government and other securities, Mr. Burgess said:

> The very fact that market prices of long-term securities have fallen and that interest rates have risen may work toward strengthening rather than weakening the financial institutions. * * * A reduction in the prices of existing long-term Government issues provides these institutions with opportunities to invest newly accumulated funds in these issues through market purchases, at higher rates of return. As a result their financial structure may be strengthened and at the same time increased dividends may be provided to millions of policyholders and savings depositors.

A very different view of the advantage of a situation which has depreciated securities values is taken by Business Week magazine.

I should like to note that Mr. Burgess, in an attempt to support the policy of the Treasury Department, has indicated that the new interest-rate program would be very good for investors, in that it might, as he says, result in higher dividends being paid. But Business Week, whose publisher is the former New York State superintendent of banking—and I should like to have my colleagues note the fact that the leading financial journals in America today are condemning the administration's fiscal policy—has this to say in its editorial of May 9, entitled "Time To Ease the Money Squeeze":

> The fall in the price of Government bonds has carried the Victory 2½'s down from above par to almost 92 last week. With over $3.8 billion of that issue outstanding, the aggregate market depreciation suffered by holders of that one issue alone now totals about $350 million.

What Business Week says is that on one issue of bonds, the so-called Victory 2½'s, bondholders have suffered a loss of $350 million. Then the editor of this magazine, who, as I have said, formerly was superintendent of banking of the State of New York, points out that because of these losses in the bond portfolios of lending institutions, such institutions have had to tighten up on their credit policies. They have not dared to lend as much as they would have lent under normal circumstances. In turn, that tightens the credit policy even more than the Treasury Department had intended, and causes a greater increase in interest rates.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MONRONEY. I wonder if the Senator from Minnesota saw the article published in the Wall Street Journal about 3 weeks ago, which described the difficulty under which large corporations, the so-called blue-chip corporations, including utilities, were operating. The article stated that they were finding it impossible to refinance maturing obligations through their normal sources of credit; namely, 4 or 5 major insurance companies. This splendid article related that the large insurance companies had to farm out their floatations of issues to 15 or 20 smaller insurance companies. To me, that was a very important statement, and was in line with what the distinguished Senator from Minnesota is now saying.

The conclusion of the article quoted an anonymous vice president of one of the major insurance companies, who said that formerly they had raised liquid capital to handle industrial financing by selling their Government bonds. He said that if they sold their Government bonds on today's market, their entire surplus would be wiped out. That was the statement of an anonymous vice president of a major insurance company. I have no reason to believe that the Wall Street Journal would fake such a story.

The point the Senator from Minnesota is now making and which I think is very important is that in order for banks, insurance companies, or other financial institutions to raise liquid capital today, they must take an 11 percent capital loss on Government securities, whereas, under the Democratic program of maintaining Government bonds at par the securities were quickly negotiable at par.

Mr. HUMPHREY. The Senator from Oklahoma is correct.

Mr. MONRONEY. Therefore, these companies, rather than take an 11 percent loss now hold the bonds until maturity, because if the bonds are held to maturity, no loss will be shown on the books of the corporations. On the other hand, if the bonds are cashed for their liquid return today, the 11 percent loss must be shown, exactly as revealed by the insurance executive to whom I have referred, thus wiping out the entire surplus.

This affects banks and other financial institutions of every nature which hold Government bonds. That is why money is tight. That is why there is a freeze all over the country. That is why the necessary credit to carry on the Government's program of expanding private industry is not available.

Mr. HUMPHREY. I thank the Senator from Oklahoma. I think Business Week tied up the matter very cleverly and in a very graphic way. I do not know whether the Senator from Oklahoma heard me quote the words of the editor of Business Week, who said, speaking of the depreciated bond market:

> As the price of governments has dropped the market prices of all other high grade bonds have likewise dropped. Every * * * moneyed institution has an unrealized depreciation in its bond portfolio that feels like a lump of lead in the stomach and results in the freezing of a portion of the

assets of these institutions. The cost of borrowing—whether in the new issue market or at the banks—is now higher than it has been since the panic year 1933.

That situation is beginning to creep all over the country. Many small banks in rural America which have invested some of their reserves in Government bonds, now, in order to protect their integrity and solvency and also to protect their investors, have had to tighten up on credit, because of the depreciation in the value of Government bonds which they thought were solid and as sound as money could possibly buy.

I point this out against the backdrop of what the Under Secretary of the Treasury said. He said that the new high interest rate policy would make the market just that much more firm. He said it would result in increased dividends, and that the bonds would sell at par or above. The fact is, as the New York Journal of Commerce, a conservative journal, has pointed out, that the Government has such wealth and financial respect that the interest rate which it pays sets the bank interest rates, and interest moves from there on up, and actually the bond market, instead of being more firm, becomes more unsteady and much more soft.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. EASTLAND. The Senator speaks about the depreciated value of the 2½ percent bonds. I believe those bonds today are worth about 90.

Mr. HUMPHREY. Yes, they have gone down since I prepared my statement, which I had intended to give last week.

Mr. EASTLAND. A bank which had $200,000 in those bonds has suffered a loss of 10 percent, has it not?

Mr. HUMPHREY. That is correct.

Mr. EASTLAND. What becomes of that 10 percent? The bank could not carry the bonds on its books at par, because that would be a false entry.

Mr. HUMPHREY. That is correct.

Mr. EASTLAND. It would be a fraud. What are they going to do with such bonds? Is it not true that State bank commissioners and comptrollers would make them charge off that loss?

Mr. HUMPHREY. That is correct; or else they would have to provide extra capital to cover it.

Mr. EASTLAND. Does not the Senator realize that such a policy is undermining the financial structure of the small banks of the country?

Mr. HUMPHREY. In my considered judgment, it is seriously threatening the financial stability of many small banks. I say this after personal conversation with and after receiving many letters from small bankers in rural areas, who say that today they are beginning to feel the pinch of this new fiscal policy along the very line suggested by the Senator from Mississippi.

Mr. EASTLAND. The State banking comptroller of Mississippi has informed me that before his department will permit a bank in the State of Mississippi to declare dividends, the bank must set up a reserve account to take care of losses in Government bonds.

Does the Senator from Minnesota know that the big New York banks unloaded practically 70 percent of their holdings of these bonds before the prices dropped?

Mr. HUMPHREY. I did not know that, but I am very happy to have the information. I should not say "happy"; I should say it is good to know the information in terms of the facts.

Mr. EASTLAND. I am informed, and I believe reliably, that they unloaded, while the prices were supported, approximately 70 percent of their holdings in these bonds, and that then their representatives went out through the country and at bankers' meetings urged small banks to buy these bonds, saying that they were a good investment. They unloaded their holdings, and now that they have the money with which they can buy new bonds at the high rate of interest and also have money to buy up present issues at depreciated values.

Mr. HUMPHREY. The Senator from Mississippi certainly has been very helpful in supplying this information. I think it recalls another period in American history, following World War I, when many persons invested in so-called Liberty bonds and then found themselves literally "rubbed out" because of the depreciation in the value of those bonds. The same thing happened then. Financial institutions got rid of their bonds at high prices, bought the new issues carrying higher rates of interest, and bought back the old bonds at highly depreciated values from people who could not stand the pressures of the market.

Mr. EASTLAND. I heard the statement made on the floor of the Senate by the distinguished senior Senator from Connecticut [Mr. BUSH], who announced what I had understood was the policy of the Federal Reserve Board, namely, that any bank could go to the Federal Reserve Board or to a Federal Reserve bank and borrrow at par on Government bonds. Does the Senator from Minnesota recall that statement?

Mr. HUMPHREY. I recall it. That statement was made when the Senator from Connecticut was debating with the Senator from Tennessee [Mr. GORE].

Mr. EASTLAND. That is correct. The statement by the Senator from Connecticut was correct, as I had understood the situation. I understood it had been the policy of the Federal Reserve Board since 1939. However, I may say to the Senator that I have in my possession a letter from a Federal Reserve bank to a bank in Mississippi, pertaining to an attempt by the Mississippi bank to borrow at par on $200,000 of Government bonds. The Federal Reserve bank declined to make the loan, saying that it was not the policy of the Federal Reserve Board to follow that practice; and that the bank, if he desired to borrow money, must go through normal banking channels to secure it. Can the Senator think of any neater way to place the small banks at the mercy of Wall Street?

Mr. HUMPHREY. Let me say to the Senator that every indication is that the small banks are going to be taken through the normal channels, which means that they are to be at the mercy of Wall Street. I will confirm what the Senator has said with reference to the inability of the small banks to borrow at par on Government bonds. What is happening in Mississippi is also happening in the State of Minnesota, and throughout the country.

Mr. EASTLAND. Mr. President, will the Senator yield for another question?

Mr. HUMPHREY. I yield.

Mr. EASTLAND. When I obtained possession of that letter I took it up with the Federal Reserve Board, and I was told that it was the policy that a bank, whether a member or not, could borrow at par on Government bonds from the Federal Reserve bank. However, the fact is that one bank attempted to do so, and the loan was declined.

Mr. HUMPHREY. And the bank was told to go through the normal channels.

Mr. EASTLAND. Through the normal channels. Does the Senator realize that in the normal channels the bank could have gone to its correspondent bank and borrowed probably 90 on those bonds, or perhaps a point or 2 under 90? Then the big bank, the correspondent bank, could take the same package of bonds to a Federal Reserve bank and borrow at par. What the Federal Reserve bank was doing was throwing business to the big banks. The correspondent bank would charge the small bank a higher rate of interest than it paid the Federal Reserve bank in connection with the same bonds; and the interest rate would be increased to the small farmer or the small-business man who needed help to finance his business. He would be embarrassed to the point where he could not carry on his business. Does the Senator realize that that is what is happening?

Mr. HUMPHREY. It is my purpose this afternoon to point out that that is what is happening. I shall point out later, contrary to public pronouncements, that the Federal Reserve Board is surreptitiously, under the table, beginning to support the bond market.

Many statements have been made to the effect that the Federal Reserve Board no longer buys to support the bond market. I submit that it does. I submit that it has not even made a public announcement of that fact, any more than our Government made a public anouncement the other day of the fact that we had resumed trade with Czechoslovakia. We had to hear it from Czechoslovakia. I shall produce the evidence.

Mr. BUSH. Mr. President——

Mr. EASTLAND. Mr. President, will the Senator further yield?

Mr. HUMPHREY. I yield.

Mr. EASTLAND. The Senator says the Federal Reserve Board is secretly supporting the bond market.

Mr. HUMPHREY. That is correct.

Mr. EASTLAND. Is it buying bonds at the market or is it buying bonds at par? My information is that it has not bought a bond at par, but that it is buying them at the market, at 90 instead of 100 percent on the dollar.

Mr. HUMPHREY. That is my understanding.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. HUMPHREY. I merely wished to point out that the so-called agreement which had been arrived at between the Treasury and the Federal Reserve some time ago, under the Truman administration, is now being worked over a little. It is being adulterated a little.

I now yield to the Senator from Connecticut.

Mr. BUSH. Mr. President, the Senator stated that it has been mentioned that the Federal Reserve Board was no longer supporting the Government bond market, or words to that effect.

Mr. HUMPHREY. That is correct.

Mr. BUSH. I was wondering when the Senator heard such a statement. I do not recall having heard any such statement.

Mr. HUMPHREY. I would not want to do an injustice to the Senator from Connecticut, but it has been my understanding that in several of the discussions on the floor of the Senate some reference has been made to the position of the senior Senator from Illinois [Mr. DOUGLAS] and his views on the financial policies of our Government in the prior administration. I recall quite distinctly that that was brought to our attention at the time the junior Senator from Tennessee [Mr. GORE] and the Senator from Connecticut [Mr. BUSH] were engaged in debate. I believe it was the Senator from Connecticut who reminded us that the failure of the Federal Reserve System to firm up the bond market was a decision which had been arrived at in the Truman administration, unless I am mistaken. I think the RECORD will bear me out. I would not want to do the Senator an injustice.

Mr. BUSH. I do not want to dispute the Senator, but I think the record is pretty clear that the agreement reached in 1951, with which the Senator from Illinois had so much to do, was an agreement of the Treasury to keep hands off with respect to the Federal Reserve Board and its operations.

Mr. HUMPHREY. That is correct.

Mr. BUSH. I agree with the Senator that that was the case.

The other question which I intended to ask the Senator was with respect to the Federal Reserve Board, but I shall withhold it for the present.

Mr. HUMPHREY. Up to this point the junior Senator from Minnesota has been quoting from respected, respectable, and conservative financial journals. Up to this point I have quoted from the Journal of Commerce of New York and Business Week magazine. There seems to be a great deal of concern over the fiscal policies of our Government.

Referring back to Mr. Burgess's letter to me, it indicates that the loss of value in old Governments and other high grade bonds was of little or no concern to the Treasury because—

> The reduction in the market prices of Government securities does not result in a real loss until the securities are sold. Those government agencies which are responsible for the supervision of financial institutions of this type agreed on August 11, 1938 that in the appraisal of bonds in bank examinations that neither appreciation nor depreciation of what they call group I securities "will be taken into account in figuring net sound capital of the banks. Group I securities are marketable obligations in which the investment characteristics are not distinctly or predominantly speculative.

Most of us have long understood that such an agreement was in effect, but there is also understanding that the agreement is not in any way a bar to taking cognizance of depreciation of values when they reach significant proportions; that the agreement is not intended to close the eyes of supervisory officials to such considerable declines as an 8-point drop in a group of securities in the bank portfolios.

I say to Mr. Burgess now, on the floor of the Senate, that while his letter sounds good and makes good economic theory, the fact of the matter is, as the Senator from Mississippi [Mr. EASTLAND] has pointed out, that State bank superintendents and supervisors are taking into consideration the depreciation in the bond market; they are limiting the credit opportunities of banking institutions; and they are raising the reserve requirements, Mr. Burgess to the contrary notwithstanding.

All this nice talk to the effect that the Government is not concerned about these matters because there was an agreement in 1938 has no relevancy whatsoever to what is actually happening in the financial field. The truth is that when bonds depreciate the banks tighten up on credit. Banks must set aside more reserves to protect the depreciation, which in turn reduces the amount of capital for credit purposes, which in turn raises interest rates. Mr. Burgess ought to be able to understand that. Possibly he has not had to make a loan. If he has to step into the market and make a loan, he will know exactly what we are talking about. If he will visit a small independent State bank, he will know what we are talking about.

The Senator from Mississippi [Mr. EASTLAND] has made a distinct contribution to this discussion by pointing out what has happened in his own State. I suggest that the Deputy Secretary of the Treasury consult with the Senator from Mississippi and the officials in that particular area.

Mr. Burgess' communication to me indicates that commercial banks hold $63,300,000,000 of Government securities. The capital accounts of commercial banks aggregate $12,900,000,000. For every point decline in Government securities in bank portfolios there is therefore an unrealized loss in the marketable value of bank securities equal to approximately 5 percent of their total capital account.

I should like to have the attention of my friend, the Senator from Oklahoma [Mr. KERR], and the Senator from Mississippi [Mr. EASTLAND], for a moment, because they are interested in these facts.

From an analysis of Mr. Burgess' letter I have determined that commercial banks hold $63,300,000,000 in Government securities. I learn also that the capital accounts of such commercial banks aggregate only $12,900,000,000. Therefore if we analyze the situation we find that for every point a Government issue in a bank's portfolio goes down, there is an unrealized loss in the marketable value of the bank's securities equal to approximately 5 percent of the total capital account.

Mr. KERR. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. KERR. Did I correctly understand the Senator to say that the commercial banks own, for their own account, some $63 billion of long-term Government bonds?

Mr. HUMPHREY. That is correct. They hold that much.

Mr. KERR. Did the Senator say that the total capital structure of those commercial banks is approximately $12 billion of $13 billion?

Mr. HUMPHREY. Twelve billion nine hundred million dollars.

Mr. KERR. If Government bonds have declined 10 percent in value on the market, as they have done, that means an unrealized loss of some $6½ billion, which is about 50 percent of the capital structure of the commercial banks, to which the Senator has referred.

Mr. HUMPHREY. That is correct. That is a condition no one wants to face. That is what is tightening up the credit market, because the large commercial banks know what is happening to them, and they are frightened. They know that when they suffer a 10-percent loss in security holdings, they are taking a very serious blow in terms of their whole capital structure.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. BUSH. I am sure the Senator from Minnesota does not want to leave an unfortunate impression, or an impression which is not absolutely correct. Would it not be fair to say that bank holdings of Government bonds are in short-term bonds, and that most banks do not own any long-term bonds? I know some of them do, but the amount of their holdings in long-term bonds is very small. On short-term deposits, they do not buy long-term bonds.

Mr. HUMPHREY. The Senator is correct.

Mr. BUSH. It would not be good banking practice.

Mr. HUMPHREY. That is correct.

Mr. BUSH. I am sure the Senator did not want to exaggerate the situation. If those facts are taken into account, I am sure the Senator will realize that the number of long-term bonds held by commercial banks is not very great.

Mr. HUMPHREY. I may say to the Senator from Connecticut that the short-term bonds——

Mr. BUSH. The Senator was speaking about a 10-percent reduction—and about bonds going from 100 to 90.

Mr. HUMPHREY. That is correct.

Mr. BUSH. I am sure that does not apply to short-term bonds.

Mr. HUMPHREY. It depends on what we mean by long term and short term. If we are thinking of 6 months or 11 months, it is not considered a long term. But if we are talking about the Victory 2½'s, they would be long-term bonds.

Mr. BUSH. For how long a term are those bonds?

Mr. HUMPHREY. I believe 10 years. Those are not short-term bonds.

Mr. BUSH. They would be long-term bonds. Any bond 5 years or under would be considered a short-term bond. Any bond 10 years or over would be called a long-term bond.

Mr. HUMPHREY. Whether it is called long term or short term, or whatever it is called, the so-called premium long-term bonds are selling under par. The middle-term bond is selling below par. The short-term bond is selling below par. The banks of the country, no matter what kind of bonds they own, are now faced with losses.

If the Senator from Connecticut says that the computation which I have used with reference to commercial banks and Government securities shows an exaggeration in terms of total losses, because of what I computed to the middle-term bonds and not long-term bonds, then perhaps the amount could be reduced.

However, I will also say that whatever the loss may be it is multiplied by about 5 when it relates itself to the capital structure of a bank, because the capital structure of the banks is approximately $13 billion, and the amount of bonds held is approximately $64 billion. Therefore a one point reduction would represent a reduction of 5 percent in the capital structure. Can the Senator from Connecticut analyze the subject in a way in which it will not be distressing and disturbing?

Mr. BUSH. I believe that what the Senator from Minnesota is discussing is of relatively small importance. I have said before and I remind the Senate again that these bonds are being paid at par. There is no question about that. The Federal Government always pays its obligations at par. It is the only obligor that can pay its obligations at par. Therefore, I think the alarming messages which are coming from the Senator from Minnesota are really without substance.

Mr. HUMPHREY. They are supposed to be paid at par if held until maturity. However, many of these bonds are not held to maturity.

Mr. BUSH. I should like to ask the Senator from Minnesota whether there is any objection to holding bonds until maturity.

Mr. HUMPHREY. Not if one can afford to do so; but many business firms and many individuals and many communities use them as negotiable instruments.

Mr. EASTLAND. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. EASTLAND. Does not the Senator from Minnesota believe it to be alarming when the banks of the country are forced to charge off billions of dollars that have been lost because of the depreciation of Government bonds?

Mr. HUMPHREY. Of course it is alarming.

Mr. EASTLAND. Of course it is.

Mr. HUMPHREY. Apparently the Senator from Connecticut feels it is not alarming. As one economist has stated it, everything is all right in the short run, and in the long run everyone will be dead.

Mr. EASTLAND. I know of one little bank, worth $100,000 in capital and surplus, which has lost $18,000. It will be forced either to charge that amount off or to set up a special account to take care of the loss. How can the Senator from Connecticut say that such a condition is not alarming, when it undermines the financial structure of the banks?

Mr. HUMPHREY. I may say to the Senator from Mississippi that it is not only alarming in the terms which the Senator from Mississippi has used, but bankers themselves are alarmed. I note the suggestion of the Senator from Connecticut as to holding bonds to maturity. Mr. President, if the farmer could hold his cattle long enough he might be able to get the price he should get for them. But once in a while he has to sell his cattle in order to keep going. Once in a while a businessman has to sell, or a bank has to sell, in order to carry on.

Mr. EASTLAND. With reference to the subject of cattle, the bank in the small community to which I referred must call its cattle loans, for prices have fallen as much as 11 cents a pound.

Mr. HUMPHREY. I know what has happened to the cattle market and also what has happened to the short-term loans of the American farmer and the small-business man. In my own State I found banks charging 7½ and 7¾ percent for short-term loans. I submit that when a man must pay that amount of interest in a declining market he is in trouble, and the whole economic picture is affected.

Mr. EASTLAND. Would the Senator from Minnesota agree that the only ones who have benefited from this new policy have been a few of the large banks in New York City, and that the standard of living of the American people has been drastically reduced because of it, whereas the already swollen profits of a few New York banks have been increased?

Mr. HUMPHREY. Mr. President, I thank the Senator from Mississippi for his contribution. I shall go into that subject a little more fully. I shall not do so on the basis of conjecture or prophecy, but on the basis of facts. However, I go back for a moment to where I was in my argument when the Senator from Connecticut apparently started to take me off the track with questions relating to long-term and short-term bonds.

The Treasury Department and the Federal Reserve Board had an agreement in August 1938, with respect to what they called group 1 securities. Group 1 securities are a particular category having reference to certain values as the Treasury and the Federal Reserve sees them. I will not give my ideas. I am not an expert on this subject. I submit that the Senator from Connecticut and those who join with him are hard pressed to find support for their contention. They are hard pressed to find support in the economic journals or anywhere else. They can only hope that things will work out.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MORSE. The Senator from Minnesota would be interested in knowing that one of the most prominent members of the New York Stock Exchange came into my office the day before yesterday and said to me: "I have been completely against you in the position you take toward the Eisenhower administration. However, in fairness to you I just had to come in to say to you that the Eisenhower program in connection with hard money and its policy with respect to Government bonds and interest rates are economic murder." He went on to say that if that course of action continues, in a few years we shall see a depression that will make the big depression of the 1920's look like prosperity.

In my opinion there is no answer to the argument the Senator from Minnesota is making when he points out that the increase in the interest rate, as made by the Eisenhower administration, is pushing up the interest rates the little people of America have to pay on the short-term loans they obtain from the banks. The lenders of America are profiteering at the expense of the little people, as a result of the unconscionable increase in the interest rate on Government bonds the Eisenhower administration has promulgated. I say it is a shameful thing.

Mr. HUMPHREY. I thank the Senator from Oregon.

Mr. President, I point out to my colleague that although we can argue as to whether the so-called group 1 securities, or the top securities, are always to be redeemed at par and that any momentary declines in market values are not to be considered, yet the fact is—as pointed out by Business Week—that if that is the view of the Congress and the Government, it might be well to tell the supervisory officials of the banks, because the supervisory officials of the State and National banks do not permit such drops in the market value of the securities held in the portfolios of the banks to go unreflected in the analysis of the banks' stability. When such a drop occurs, the supervisory officials require that the banks' reserves be increased in amounts sufficient to make up for the drop; and that, in turn, reduces the amount of the securities otherwise available to the banks; and that in turn causes a decrease in the number of loans the banks can make; and that, in turn, brings about a high-interest-rate policy. The process is just that simple.

I, for one, am unwilling to accept the contention that simply because an agreement was arrived at some 15 years ago on the part of the Federal Government, in respect to its total bookkeeping, that necessarily relates itself to the day-by-day financial and credit operations that protect the economy, because what happens on the tally sheet at the end of a period of time is not exactly what determines what is going on at this moment or tomorrow.

The State and Federal bank supervisory officials insist that the banks holding depreciated Government securities tighten up their credit and set aside reserves sufficient to protect the security behind those bonds, and thereby, I submit, bring about a hard money situation and a rise in the interest rates. The situation is just that simple.

Mr. KERR. Mr. President, will the Senator from Minnesota yield for a question?

The PRESIDING OFFICER (Mr. GRISWOLD in the chair). Does the Senator from Minnesota yield to the Senator from Oklahoma?

Mr. HUMPHREY. I yield.

Mr. KERR. Did the Senator from Minnesota hear the distinguished senior Senator from Connecticut [Mr. BUSH] state on the floor of the Senate the other day that one of the reasons why the drop in the market value of Government securities was of such little significance was that banks go to the Federal Reserve and borrow 100 cents on the dollar on those securities, although the market value of the securities might be a little below par?

Mr. HUMPHREY. I did not hear that statement, but I read it in the RECORD. I believe it occurred in the debate between the Senator from Connecticut [Mr. BUSH], the Senator from Oklahoma [Mr. KERR], and the Senator from Tennessee [Mr. GORE].

Mr. KERR. Mr. President, will the Senator from Minnesota yield for another question?

Mr. HUMPHREY. I yield.

Mr. KERR. In view of the statement the Senator from Mississippi [Mr. EASTLAND] made today, when he said that a bank in Mississippi had sought to borrow money from the Federal Reserve, on the basis of 100 cents on the dollar, on Government bonds, but had been advised that the loan would not be made, and that the Federal Reserve Board had no such policy, would the Senator from Minnesota say it is entirely possible that the distinguished Senator from Connecticut was mistaken in his opinion about that matter, as he stated it the other day?

Mr. HUMPHREY. I would wish to be more considerate of the Senator from Connecticut by saying that in the ultimate effect he might not be mistaken, because I think when those bonds get back to certain large banks, they can be redeemed at par.

However, the Senator from Mississippi was informed that the small bank that wished to use the bonds was told to use the normal channels.

Mr. EASTLAND. And that was at 90 percent?

Mr. HUMPHREY. Yes; at 90 percent.

The Senator from Connecticut has said that under the agreement of 1938, the losses that occur in the quotations on the bond market are not supposed to be taken into consideration. Neither appreciation nor depreciation of what are called group 1 securities are supposed to be taken into consideration, under the 1938 agreement. However, the agreement does not seem to apply when a supervisory official of the banking institution requires that institution to protect its integrity for its depositors and its community. That supervisor says to the bank, "Your portfolio had dropped 8 percent. You must set aside, and thus tie up, certain other securities, in order to protect against that drop."

That means that the bank must reduce its credit proportionately, and that in turn, when the total effect on thousands of small banks is taken into consideration, means a further rise in the interest rate.

Mr. KERR. Mr. President, will the Senator from Minnesota yield further to me?

Mr. HUMPHREY. I yield.

Mr. KERR. As I understand the Senator from Minnesota, he is addressing himself to the validity of the capital structure of the bank, as it relates to its examination by either the State or the national bank examiners. My understanding of the statement made by the distinguished Senator from Connecticut was that he was referring to the situation in a case of a bank which borrowed money on its assets.

My question was based on the statement I understood the Senator from Mississippi [Mr. EASTLAND] to make; namely, that a bank in Mississippi had been advised that the Federal Reserve did not have a policy of lending to a borrowing bank 100 cents on the dollar on Government bonds.

Mr. HUMPHREY. That is my understanding, except that what the Senator from Mississippi said was that when the bank asked for the loan, it was told, "You should go through the normal channels, at 90 percent."

But when the Senator from Mississippi consulted the Federal Reserve, he was told, "No, the policy is to make loans at par."

Mr. EASTLAND. That is correct.

Mr. HUMPHREY. In other words, there is a slip between the practice, the theory, and the deed. Of course, that is not unusual in these days. There is a lot of good theory, but a shortage of deeds.

Mr. KERR. In other words, there is a slip between the letter and the spirit of the operation; is that what the Senator from Minnesota is saying?

Mr. HUMPHREY. That is an even better way of stating it. In other words, there is a slip between the promise and the performance.

Mr. EASTLAND. Mr. President, will the Senator from Minnesota yield to me, for a question?

Mr. HUMPHREY. I yield.

Mr. EASTLAND. Let me ask who is managing the national debt.

Mr. HUMPHREY. It is supposedly managed by the Secretary of the Treasury, but I believe the man who actually manages it is a Dr. Randolph Burgess. I referred to him the other day. He is a former economist for the National City Bank of New York, I believe.

Mr. EASTLAND. Was not he a director of that bank?

Mr. HUMPHREY. Yes, he was also a director of that bank.

Mr. EASTLAND. Has he been confirmed by the Senate?

Mr. HUMPHREY. He has not been confirmed by the Senate, to my knowledge.

Mr. EASTLAND. Has he been cross-examined by any Member of the Senate, to see whether he has stock in that great banking institution?

Mr. HUMPHREY. I do not know. I raised some of those questions the other day, in the hope that someone might look into that situation.

I believe Dr. Burgess has a Presidential appointment, on the recommendation of the Secretary of the Treasury, but without confirmation by the Senate. He is in charge of debt management. Needless to say, debt management has a great deal to do with certain large financial institutions in our country.

Mr. EASTLAND. Mr. President, will the Senator from Minnesota yield for a further question?

Mr. HUMPHREY. I yield.

Mr. EASTLAND. I am sure the Sentor from Minnesota realizes—and, of course, I know nothing about the matter, and I would not leave any impression by innuendo—that as a result of this policy, the National City Bank of New York and other big New York banks may make a great deal of money. It is a fact that big banks like hard money. The harder the better.

Mr. DOUGLAS. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I shall yield to the Senator from Illinois in a moment.

Let me say that last week, in commenting on Dr. Burgess, I made quite clear that I consider him to be an extremely able and honorable man, and I believe his record has been one that surely stands him in good stead in the Government or in the economic or financial community. I believe we can have disagreements over policies, and there is some disagreement here.

I am confident that Dr. Burgess himself would do nothing but serve what he believed to be the public interest, and I want that to be quite clear.

Mr. EASTLAND. I agree entirely with the Senator from Minnesota. From what I know of Mr. Burgess, I think he is a very able and very honorable man, and I do not think he would do anything wrong. But these policies are hurting the country.

I may say, however, that Mr. Wilson is a very able and very honorable man. I believe that all the people who are running the Government today are very able and honorable. But for the man who is managing the national debt, does the Senator not think he should be confirmed by the Senate of the United States?

Mr. HUMPHREY. That I do. I think that would be a reasonable requirement.

Mr. EASTLAND. That is my whole point.

Mr. HUMPHREY. Mr. President, in order that we might find what his views were, Secretary Wilson, for example, was thoroughly interrogated by both Democrats and Republicans alike. He had, so to speak, to come with clean hands under the terms of the law. I believe it would have been to the advantage of Dr. Burgess himself, had he been confirmed. But I understand that his was a special appointment not requiring confirmation.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Illinois.

Mr. DOUGLAS. I may say that, though Dr. Burgess and I have differed at times in the past, I join with the Senator from Minnesota in saying that Dr.

Burgess is a man of great capacity and, in my judgment, a man of high honor. I wish to affirm what the Senator from Minnesota has said, that however one may disagree with the policy which he adopts, I do not believe this debate should be allowed to reflect upon the integrity of Dr. Burgess.

Mr. HUMPHREY. No.

Mr. DOUGLAS. And I am sure the Senator from Minnesota has been very careful not to do that.

Mr. HUMPHREY. I may say that was made perfectly clear a week ago, when Dr. Burgess' name was first brought up. I have never been one to question a man's integrity or to impugn his motives, even though I might disagree with some policy he may have advocated or adopted. We are arguing today for the benefit of the public, as well as to present our views to our colleagues, and I wish to say that I am deeply grateful to the Senator from Connecticut for his having been willing to join the fray and to participate in the argument. Any man who feels that he has all the answers on the subject of the management of the public debt should indeed be a valuable public servant.

I have brought this subject up because I believe that all the matters on which I have touched should be discussed not only by investment bankers and representatives of the Treasury but by Members of the Congress. I believe also that the whole matter of fiscal policy, which was so abruptly changed, should have been discussed in the committees of the Congress. I recall that in 1951, when the agreement was arrived at between the Treasury Department and the Federal Reserve System, Members of the Congress were consulted; in fact, it was a subject of real discussion, I believe, in the Joint Committee on the Economic Report, and in other committees of the Congress. But I submit that when the new interest rates were placed on Government issues, we did not even have the views of the Council of Economic Advisers. The Council of Economic Advisers, a council which was to represent, in a sense, the overall economic climate of the United States, was immobilized to some extent.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Oregon.

Mr. MORSE. I wonder whether the Senator from Minnesota would, for my clarification, answer 2 or 3 questions that I desire to propound. First, am I correct in my understanding that the argument has been made on the floor of the Senate that because, when due date or maturity date arrives, Government bonds will be paid at face value, therefore the fact that at the present time they are being purchased and negotiated at less than par will in the long run result in no great harm to the economy of the country?

Mr. HUMPHREY. That has been the argument. The argument, I may say to the Senator from Oregon, has been made on the basis that, when the date of payment arrives, the bonds will all be redeemed at full value.

Mr. MORSE. Does the Senator agree with me that that simply fails to take into any account whatever the poor little fellow, caught in the middle of this dull period, who has to use the bonds he has, perhaps for capital purposes, and who must now negotiate on the basis of the depreciated value of those bonds? Is that not true?

Mr. HUMPHREY. That is correct.

Mr. MORSE. Therefore, it would benefit only those who are sufficiently wealthy so that holding bonds would not mean anything to them one way or another. In any event they have enough money, and they can hold them; so they hold them, and they forget about them. Then they collect the full price, plus the increased interest rate for the entire period. Is that not true?

Mr. HUMPHREY. That is my understanding.

Mr. MORSE. Does the Senator agree with me that a clearer picture could not be painted of an economic proposal by the Eisenhower administration that benefits the rich, making them richer, and making the poor still poorer? Is not that another way of putting it?

Mr. HUMPHREY. I do not think we need generalize; I may say that we had such an experience as this in the 1920 era. Very much the same thing that is happening now occurred then, though I would hope the effect now will be in some lesser degree than it was then. The Liberty bonds, for example, were selling at far below par. I can recall that in my family. I remember my grandfather talking about it. Everybody was encouraged to buy Liberty bonds. Citizens generally bought the Liberty bonds, and by the time that the average man needed a little money for the purpose of sustaining himself through a bankrupt period, the price of Liberty bonds had fallen to far below par. They were bought up by the big concerns. A little later they were selling at 5 points above par. A repetition of that experience is exactly what the junior Senator from Minnesota does not want to see.

I desire to point out further that, despite what is said in the letter from the Treasury Department which I have brought to the attention of the Senate, the small bank which has a substantial portion of its assets tied up in Government securities, which it was encouraged to buy by the big banks that dumped them, must, when those securities decline a point, 2 points, 3 points, or 4 points, curtail its operations. It must do so. We have learned that the hard way in this country. Heretofore we have seen practically every bank in the country, particularly those in rural America, go broke. Now national bank examiners and State bank examiners are going around checking the portfolios of the small banks. The Federal Deposit Insurance Corporation checks on them, too. They are asking, "What are you doing to break the decline in the value of your portfolios?" They cannot have faith that 10 years from now, things are going to be better.

Mr. MORSE. Mr. President, will the Senator yield for another question?

Mr. HUMPHREY. I yield.

Mr. MORSE. I desire to preface this question with the observation that, in my judgment, we are permitting an economic fallacy to become generally accepted in these days under the economic policies of the Eisenhower administration, namely, that a tough credit program, in general, is the way to check inflation. I make the assertion here today that a tough credit program in blanket form is economically fallacious, when our objective ought to be to expand the economy by the manufacture and production of consumer goods needed by the people for the increase of their purchasing power and their standard of living. That is a much better check on inflation than is a restriction of our economy, which is the very thing that, in my judgment, is going to feed the fires of inflation.

In other words, what I am saying is that although some credit controls can be used as a check on inflation, yet credit controls that prevent the expansion of the economy with respect to needed goods, or credit controls that do injury to the farmer and prevent the improvement of his farm, are not anti-inflationary in nature at all. They have a tendency to bring on a depression which, of course, is inflation in reverse, and a great threat to the economy of the Nation.

My question is, Does the Senator from Minnesota agree with me that we ought to follow an interest program that will not discourage the expansion of the economy, but that will enable our lenders, our bankers, our financial houses, those who make money available, live up to their clear duty as lenders, and see to it that, at the local level, the loans are not made for so-called unnecessary production, but for production that will expand our economy and create greater wealth, which in turn will, of course, increase the tax dollars we need in order to meet the financial obligations of the Government? Does the Senator agree with that overall theory?

Mr HUMPHREY. I do not disagree with the overall theory; in fact, I agree. I would say, however, that when we get into the position of picking and choosing as to where credit is to be given, we find ourselves with a rather difficult task when we take over control. There is more than one way of checking inflation.

I would also gravely question the economic evaluation by the administration that the inflationary pressure outweighs the deflationary pressure. Marriner Eccles recently pointed out in an address that every sign was a deflationary sign, including the drop in the market. We have had in recent weeks some of the worst drops in the stock market experienced for years. There are many indications and signs of deflation.

I do not think the Senator from Oregon was present when I quoted from Business Week, in which it is stated in almost the same language in which the Senator from Oregon has stated it, that the policy which has been launched will lead to a depression.

Mr. MORSE. "Lead to an economic restriction," is what my new friend from the stock exchange told me day before yesterday. The whole financial program of the Eisenhower administration will lead to a restrictive economy, when our only hope is to expand our economy

and increase rather than to decrease the purchasing power of the American people.

Mr. HUMPHREY. I should like to add another observation: We are in one of the most volatile economies the world has ever known. All that needs to happen in this world is for the ruler of some nation to get up some morning with a cold, and the market goes into a tailspin. The news from Korea has its effect upon the stock market. I recall the debate in reference to the price-control measure. The market was then in a dither. The market is as sensitive and unpredictable as is a child's fever. It rushes up and down. It should tell us something. It should tell us that when we undertake to manage the fiscal policy of the country it must be done exceedingly carefully. What the bankers are saying, at least, those who have real troubles on their hands, is that the policy of this administration was so abruptly arrived at and with such a tremendous gap in terms of what the interest rate was yesterday as compared with what it is today, the market was quite unprepared and was thrown into complete confusion.

I should like to point out furthermore, Mr. President, that despite the interest rates on its bonds concerning which the Government is having some trouble, certain private utilities are desperately in need of financing, and the Government has had to withdraw certain bond issues.

Mr. MORSE. Mr. President, will the Senator yield at that point?

Mr. HUMPHREY. I have been acquiring material for some time, and at an appropriate opportunity I shall put into the RECORD facts showing that for the first time certain private utility firms have had real difficulty in selling any of their securities. Why? Because of the total unpredictability of the market. No one knows whether the rate will be higher tomorrow or the day after tomorrow. Therefore, why buy now, when we may get a bond carrying a little higher rate of interest, even another one-quarter percent? As one banker said to me, "I do not care what the policy of the Government may be if they will tell us what it is. But what we are worrying about is that they hope things will settle down or wish things may be all right, but, in the meantime, conditions continue to get more out of balance."

I now yield to the Senator from Oregon.

Mr. MORSE. Mr. President, will the Senator repeat to me what I thought I understood him to say 3 or 4 days ago on the floor of the Senate in regard to what the Federal Reserve Board is doing? Although its public statement was that it had not issued any orders to go into the market to buy Government bonds, it is in fact doing so, sub rosa, or without any public announcement of such a procedure. Is that true or not?

Mr. HUMPHREY. That is my understanding.

Mr. MORSE. Will the Senator state it again?

Mr. HUMPHREY. I said that while it is the official policy not to do so, the policy is one thing and the action is another. In fact, in recent years the Federal Reserve Board has been supporting the bond market.

Mr. BUSH. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. BUSH. Mr. President, I am sure the Senator from Minnesota does not want to give any wrong impression as to what he referred to as the policy of the Federal Reserve Board. He may have the advantage of me, and it is possible that he has information that the Federal Reserve Board have stated some policy about supporting the market or not supporting the market. I am not aware that they have made any statement.

Mr. HUMPHREY. They have made no statement, but I think they are supporting the bond market.

Mr. BUSH. I should like to say, Mr. President, that it is unusual when the Federal Reserve Board is not in the market for bonds from time to time. They must buy a certain number of bonds during the year in connection with the trust funds which they apply for. Therefore, it is not surprising if they are in the market today or were in the market yesterday or the day before yesterday, or that they may not be in the market at any particular time. They do buy bonds from time to time. They may buy bonds if they wish to do so.

Mr. HUMPHREY. I wanted to point out that they bought a rather large amount a few days ago, and it was very carefully timed with the drop of securities in the market.

Mr. BUSH. That is a rather general statement.

Mr. HUMPHREY. I do not know how much. I shall be glad to get the information for the Senator.

Mr. BUSH. I understood it was approximately $90 million. That sounds like a large amount to the Senator from Minnesota, and also to the Senator from Connecticut.

Mr. HUMPHREY. It is not a large amount in terms of the refinancing which has been done. I am not quite sure what the figure is. I believe it exceeds $40 million.

I am also aware of the fact, as a top bank official told me in the Middle West, that we are faced with two periods of a stringency era, one in June, with reference to corporate issues, and one in September, with reference to commodity credit. Here is the Government of the United States moving into the financial market. It has increased the interest rates, thereby, of course, drawing off a tremendous amount of capital. At the same time, the private investor is trying to get into the market to take care of his corporate developments and his commodity loads, and he is finding difficulty.

I hold in my hand the May 14 issue of the Wall Street Journal, on the front page of which there is printed the following: "Expansion Brake?—Rising Interest Rates Face Business Builders as Other Costs Steady—Some Companies Pigeonhole Financing Plans, Others Revise Them Downward—A Jolt for Utilities, Rails."

It is not only the junior Senator from Minnesota who is concerned about this situation.

Mr. BUSH. Does the Senator from Minnesota agree that we are in a business boom, and that business activity is probably at the highest level it has ever been in this country? Will the Senator agree to that?

Mr. HUMPHREY. I would say that the amount of goods coming off the assembly lines is now at the highest peak, and that therefore Government expenditures are at a relatively high peak at the present time. But I remind the Senator that the agricultural situation is about as bad as it has ever been in the past 10 or 15 years, and there are other soft areas in the economy.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. BUSH. Will the Senator from Minnesota agree that there has been a tremendous credit expansion in the past few years, and that credit expansion today is virtually at an all-time high?

Mr. HUMPHREY. I would have to agree with the Senator from Connecticut with respect to the expansion of American industry and American credit, but I see no need at present to try to put on the brakes with such tremendous force, so suddenly.

I told the Senator from Connecticut the other day that I am not one who believes interest rates ought to be inflexible. I am not one who does not believe we have to make some adjustments in our economy. We were making those adjustments. Even in 1951 and 1952 there was some adjustment in the interest rate. But I submit that the percentage increase on certain kinds of bond issues has been unprecedented, not simply with respect to the 30-year issue we have been discussing, but also with respect to some short-term issues. The interest on one issue rose from 1⅞ to 2⅝. The money market tends to expand quickly, because the belief is that all that is necessary is to sit back in a dark corner and eventually the Government will give the interest rate a boost. So long as the Government is willing to give, give, and give in this area, why should big banking institutions jump in too quickly? In connection with the $1 billion issue, they jumped in in a hurry. But once they found, as the Wall Street Journal pointed out, that the Government was willing to pay a prime money rate of 3¼ percent on the billion-dollar, 30-year maturity bonds, as what might be called the price support level for money, the interest rate began to go up on long-term securities. It had to, as the Journal pointed out, because of the preponderant interest of the Federal Government in the money market.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MORSE. If I understood the Senator from Minnesota and the Senator from Connecticut correctly, I feel that I must disagree with the observation both Senators have just made in regard to the all-time-high boom period in the United States through which we are now passing. I think there is a big hole in their argument. I believe the hole involves taking into account the fact that much of the so-called boom is being fed, not with the production of civilian goods,

but with the production of nonconsumer military goods.

Mr. HUMPHREY. I have just pointed out that we are in a period when military production is at the highest rate.

Mr. MORSE. When we return to sound credit procedures and fair interest rates, it will be necessary to keep the civilian segment of the economy before our eyes at all times. When we consider the civilian economy today as separate and distinct from the so-called production of war goods, the civilian economy is very spotty, indeed. Therefore, in my judgment, it cannot accurately be said that the civilian economy situation is the best it has been for a great many years. It cannot be said that employment situation at present is the best that has existed in many years. In my judgment, today there are whole segments of the American economy in which unemployment is increasing at an alarming rate. Certain segments of civilian production are very sick. This is no time for those sick areas of the economy to be faced with increasing rates of interest and tightening credit. What they need is the therapy of lower interest rates and easy credit on sound investments.

The Eisenhower program is leading to just the opposite result. If the rug should be pulled from under military expenditures, large segments of our economy would toboggan into a depression.

I do not believe the step taken is the way to make a turnover from a war economy to a peace economy, which we hope is immediately ahead. We hope we can begin to reduce our war expenditures, not losing sight of the fact that we have to remain strong, and to see more clearly than I think is being seen today the importance of our paying more attention to the civilian economy.

I am not going to accept any inference in this debate that the civilian economy in the United States today is in a very healthy state, that we are in the period of the highest production we have had for a long time, and that employment is the highest it has been for a long time, because the figures that have been presented to me do not bear out any such inference.

Mr. HUMPHREY. I concur in the view of the Senator from Oregon. I recall that in the recent campaign we were told many times that the country was enjoying a false prosperity. If it was false in November and October, when the amount of military goods coming off the production lines was less than it is in May and June, then it is just a little bit falser now.

I think the Senator from Oregon would be particularly interested in a comment which I quoted from the May 9 issue of Business Week. I did not know that the editorial staff of Business Week had this deep and profound sense of humor, but this is what they had to say:

> Events in the money market last week seemed to us to be saying pretty plainly that we may be overdoing this tight-money business. • • •
>
> All these events suggest that it is time for the Federal Reserve to ease up a little on its tight-money policy. We are glad to know the brakes work, but we don't want to go through the windshield.

What I have been talking about is a so-called middle course, a program of moderation.

I wish to commend the Senator from Oregon for pointing out that much of what we seek today is maximum gross output. What we are talking about is gross national output. Much of it is military. With respect to much of it, there will be difficulty in translating it into what we call durable goods for the civilian economy. Therefore, our fiscal policy has to be very carefully geared to what is necessary not only for the military, but also for the needs of our civilian population.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. GOLDWATER. In order to keep the record straight in this very interesting discussion, and in order to give to the American people a proper picture with respect to the colloquy that has just occurred with regard to the total amount of security purchases and their effect on our gross national production, I should like to remind Senators that only 14 percent of our gross national production of $325 billion is now going into security uses. I cannot share the gloom and pessimism of my colleagues, the Senator from Minnesota and the Senator from Oregon, that 14 percent of our gross national production can upset the entire economy of the country. I assure both of my esteemed colleagues that that feeling is not shared throughout the country. I submit this merely to keep the record straight.

When we talk about military expenditures, we are not speaking as we were in 1943, when our military expenditures totaled 43 percent of the gross national production. By the way, the dollar outlay was about the same in 1943 as it is in this year, but the productive capacity which has resulted from our free-enterprise system and American genius and ambition, and which will be augmented by a rapidly increasing population, a factor the prophets of disaster always overlook, has been built up to such a point that only 14 percent of the gross is now applied to military uses.

I should like to point out, too, in order to try to dispel some of the gloom that permeates the Senate this morning as a result of this interesting discussion, that the business people of the United States have had sufficient confidence in the future of the Nation to have been investing in new equipment and expansion facilities at a rate that will approach $28 billion, which is one and one-half billion dollars greater than it was last year.

Mr. HUMPHREY. I thank the Senator from Arizona for his optimism. It is very interesting to see this sudden change. Those of us on this side of the aisle, as well as others, who seem to be professing gloom and despair, have had long indoctrination from some Senators on the other side of the aisle, who have been saying, over a long period of time, that we were on a toboggan, that we were on the road to disaster.

I am not talking about disaster. I am merely concerned. I believe there is such resiliency in our economy that it can take a lot of punishment. I do not believe it is necessarily good to test it to see how much punishment it can take.

Furthermore, let me say to the Senator from Arizona that in 1943 we were in the midst of an all-out World War. I do not use 1943 as a comparison date. However, I do use these comparison dates: I point out that the bond market slipped rather desperately immediately after World War I. I point out that one of the most severe recessions America ever experienced occurred from 1920 to 1922, one from which America did not fully recover, one which came back to plague us in aggravated form in 1929 and 1930.

I also point out that some of the most conservative economic writers are very much concerned over the precipitate change in the fiscal policy of our Government. As Business Week puts it, it is all right to know that the brakes work, but we do not want to go through the windshield. The situation has caused great apprehension among financial writers. They point out that it may very well lead to a depression. I did not say that it would lead to a depression. I do not believe that America is going to have a major depression. I do not think we dare have a major depression, regardless of what party is in power. In fact, I think if we started to have a major depression, the GOP would outdeal the New Deal and the Fair Deal 10 times in a desperate effort to stop it. The Republican Party would not be apologizing for the public-works program. It would have a "new look."

Meantime, I think the record is quite clear that the fiscal policy of the Federal Government today has done no one any good except the lending institutions. It has not helped the small banker. It has not helped the farmer. It has not helped the homeowner. It has not brought prices down, if it is anti-inflationary. The cost of living has gone up.

What kind of policy is this? The only ones who seem to be helped are those who do not need help. It is a bankers' policy, which works to the benefit of the large financial institutions of the Nation, and not to the benefit of the general public.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. HUMPHREY. I wish to continue for a few moments, then I shall be glad to yield. I am in the midst of a point which I wish to complete.

I was talking about the decline brought about by the increase in Government interest rates.

The decline brought on by the increased Government interest rates extends, as Business Week has pointed out, to other group I securities. I am advised that total group I security holdings of commercial banks, which includes Governments totals $76 billion. Every point decline in total value therefore means a $760 million depreciation in marketable value of group I securities held by the commercial banks, or more than 5 percent of their total capital accounts.

If bank supervisors are unconcerned by the present situation—and I am told that at least some of them are concerned by it—then certainly it is time that this Congress assure itself that this "lump of lead in the stomach" is digestible. I say "lump of lead in the stomach," because that is the terminology which Business Week used to describe the sudden increase in interest rates.

I ask unanimous consent to have printed in the RECORD at this time as a part of my remarks the full text of the Business Week editorial of May 9, to which I have referred.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TIME TO EASE THE MONEY SQUEEZE

For more than 2 years the Federal Reserve System has been pursuing a restrictive credit policy designed to combat inflation.

It began in March 1951 by withdrawing from the Government bond market the rigid price-support pegs it had been maintaining since 1942. It followed this with a policy that checked the creation of additional bank reserves, thereby limiting the power of member banks to expand loans and investments. Finally, early this year it raised the rediscount rate, thus increasing the cost of borrowed reserves to the commercial banks and still further inhibiting bank lending.

This has resulted in a fall in the price of Government bonds that has carried the Victory 2½s down from above par to almost 92 last week. With over $3.8 billion of that issue outstanding, the aggregate market depreciation suffered by holders of that one issue alone now totals about $350 million.

As the price of governments has dropped, the market prices of all other high-grade bonds have likewise dropped. Every bank, insurance company, and other moneyed institution has an unrealized depreciation in its bond portfolio that feels like a lump of lead in the stomach and results in freezing a portion of the assets of these institutions. The cost of borrowing—whether in the new issue market or at the banks—is now higher than it has been since the panic year 1933. For some time now bankers, in their colloquial way, have been saying to themselves and their customers that money is "damned tight."

MISSION ACCOMPLISHED

In short, the Federal Reserve System has accomplished what it set out to do. It has put an end to the easy money policy, thus halting the inflationary trend that so long held sway; it has applied brakes to the great postwar defense boom; it has put the fear of God into the money markets of the country.

For all this, we applaud the money managers. We were among those who urged this course long before it was adopted. We predicted it would be effective. It has been. Now we think the time has come to take another look at the program.

The great limitation of credit management is that it is a good deal easier to halt an inflation than it is to check a deflation once started. There is sound reason for believing that the threat of dangerous inflation has been removed for the present. For example, farm prices have declined some 17 percent from their peak in March 1951; in the last year alone, the farm index has dropped 10 points, and now stands a full 7 points below parity. And prices of other commodities have slowly but steadily weakened. The result is reflected in the cost-of-living index, which for a considerable period has been stable.

Federal Reserve policy is not alone responsible for this. The whole trend of the Eisenhower administration has been to reverse the inflationary policies of its predecessors. Government spending for defense and foreign aid is being drastically cut; Government employees are being discharged; the activities of Government Bureaus are being curtailed. Spending programs, such as those for public housing and public works, are being cut down or cut out.

THE GOAL: STABILITY

This sound-money approach is badly needed and was past due. At the same time it must be recognized that all these factors coming together tend in the same direction. They are anti-inflationary, which is another way of saying that they are deflationary. The goal of credit management is, of course, neither inflation nor deflation; it is economic stability. That means the golden rule for central bankers is the antique motto, "Nothing in excess."

Events in the money market last week seemed to us to be saying pretty plainly that we may be overdoing this tight-money business. The Victory 2½s, as we have mentioned, went to 92, contrasted with a high of 106½ in 1946. The leading banks raised their rates for prime short-term commercial borrowers to 3¼ percent—highest in a generation. And the United States Treasury suffered the ignominy of seeing its first big refunding issue, the new Humphrey 3¼s, go to a discount before they had even been issued.

All these events suggest that it is time for the Federal Reserve to ease up a little on its tight-money policy. We are glad to know the brakes work, but we don't want to go through the windshield.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MORSE. I thank the Senator from Minnesota. I merely wished to say, with regard to the argument of my friend from Arizona [Mr. GOLDWATER], that it is very interesting what fallacious conclusions can be drawn from a set of figures.

We cannot overlook the fact—and I give the percentage by way of understatement—that 70 cents minimum of every Federal dollar of income is being spent in nonproductive use, in connection with security, so far as the civilian economy is concerned. As that money permeates the economy we have what all reputable economists, whose writings I have read, point to as a serious threat to economic stability if we do not work out a transition period from the expenditure of military dollars into the expenditure of civilian dollars. If we do not do it, we shall fall into a depression.

My friend from Arizona sings a song of optimism. I should like to have him go to the Pacific Northwest and sing his song there, because in that area unemployment is greater than at any time since 1937. In the Pacific Northwest economic recession is the order of the day. That region is confronted today with what seems to have the appearance of the start of an Eisenhower depression.

Let the Senator from Arizona talk to the men in the Pacific Northwest who are without jobs. Let him sing to them as he has done here, speaking figuratively. He will not make much of a dent or stir up much optimism. Today the economy of America is booming in spots, and greatly depressed in other spots. That does not mean national economic stability.

Mr. HUMPHREY. I thank the Senator.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I should like to continue. I must leave shortly to attend a meeting of the Foreign Relations Committee, and I should like to complete my remarks.

I offer for inclusion at this point in my remarks a column by Doris Fleeson, which appeared in the Washington Star and other newspapers, commenting on the Treasury high interest policy, and on its description by Business Week as ignominy for the Treasury, and by the New York Times as a "fiasco that had been handled ineptly."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ECONOMICS WALLOP THE GOP—EISENHOWER'S FIRST SEVERE SETBACK COMES IN FINANCE FIELD WHERE REPUBLICANS THOUGHT THEY KNEW THE ANSWERS

(By Doris Fleeson)

As the financial pages of the Nation have duly noted, the Eisenhower administration has suffered a severe setback in the field in which it was supposed to be strongest—economics. Such setbacks inevitably have a political effect.

The situation is reflected in various gloomy pronouncements by Republican spokesmen. Senator TAFT has warned that the Eisenhower deficit may be even greater this year than any of Mr. Truman's. Secretary of the Treasury Humphrey has talked of raising the national debt ceiling.

What has happened is that Mr. Humphrey's first major move in what was touted as his bold new hard money policy was a spectacular failure. The Treasury Secretary raised the interest rate one-half of 1 percent on his first offering of long term bonds, which was in the comparatively modest amount of $1 billion.

Although $6 billion worth of subscriptions were entered for it, these bonds are now selling below par; in fact, they went to a discount before they had even been issued. This situation was described by Business Week as "ignominy" for the Treasury, by the New York Times as a "fiasco that had been handled ineptly."

The problem now posed for Secretary Humphrey lives in two stubborn facts. Within 2 weeks the Treasury must face up to another momentous step in debt management. It must fix terms for refunding six billions of the national debt coming due between now and June 15. And this is only the first of four big refundings totaling 27 billions which the Treasury must handle between now and next December 1.

Meanwhile commercial interest rates of all kinds were raised, following the Treasury's lead. The effect on would-be homeowners was instantaneous. Public utilities are feeling the pinch and so are municipalities.

Congress hears about this kind of thing with rare speed, and it can be expected that it will have many questions to ask of the Secretary of the Treasury before he undertakes any new moves.

There are inklings that questions are also being raised within the administration itself.

One of the administrative assistants to the President is Gabriel Hauge, a former editor of Business Week, and it is understood that the President relies upon him for advice in economic matters. The directing head of Business Week, incidentally, is Eliot V. Bell, formerly Governor Dewey's superintendent of banking, who was scheduled in 1948 to be the Dewey Secretary of the Treasury.

Business Week in its latest issue is bluntly calling for a change in the Eisenhower "tight money" policy.

In a full page editorial entitled "Time To Ease the Money Squeeze," the magazine says: "We are glad to know the brakes work but we don't want to go through the windshield."

The economists and fiscal experts are giving detailed explanations of what happened to the new Treasury managers and their project. Politicians are more interested in the practical effect and the probable trend.

They suggest two things for the Secretary's consideration. One, that he did not examine the existing condition carefully enough before acting in accordance with theories he had already formed. Two, that in order to prove that the Eisenhower administration is wonderful, it is not imperative to do everything differently than it was done by the Democrats.

Secretary Humphrey has favorably impressed Washington with his vigor and intelligence; there is less inclination to gloom and panic because of the general belief in him. But there is no inclination to deny that he now has a real problem.

Mr. HUMPHREY. Mr. President, it has been apparent from the protests of manufacturers and such spokesmen for industry as Business Week and the Journal of Commerce that the interest rate increases are regarded at least as excessive and untimely in the productive, industrial segment of our economy.

The only beneficiaries to whom Mr. Burgess points in his letter are "policyholders and saving depositors," which means, of course, insurance companies and banks.

It is obvious from the letter that the Treasury has no answer as to how the depreciation of security values, or how the increased interest revenues, would be distributed within the commercial banking structure. He explains that any calculation of losses on holdings of Government securities as a result of declines in the market price would require a detailed examination of the records of the individual institutions. The Treasury does not seem to know what banks are heavily in governments, in governments and other group I securities, or if there is a group of banks which are in position to take greater than average advantage of the new higher interest rates.

An analysis of recent reports of 1952 bank profits indicate that they have been quite uneven.

According to the National City Bank letter, the profits of banks, which are a major beneficiary of the general rise in interest rates rose very sharply in 1952 in contrast to the experience of the country's leading industrial corporations. They are going to have to pay more interest for capital, and their profits in 1952 were 7 percent below 1951.

The 315 leading commercial banking corporations in the National City Bank's tabulation had an aggregate net income of $512 million in 1951. This was increased to $553 million in 1952, for a gain of after-tax profits of 8 percent.

A study by Kidder, Peabody & Co., Inc., entitled "The Case for Bank Stocks," which is restricted to the 28 large banks in the largest cities, including 14 of the largest New York City banks, discloses even larger profit increases in this group than in the 315 leading commercial banking corporations studied by the National City Bank.

According to the Kidder-Peabody study, the average net operating earnings in the very large city banks, such as those in New York City, rose 13 percent between 1951 and 1952. This is considerably more than the average gain of only 8 percent for the larger National City Bank group.

If we go further and examine the individual earnings experience of the select 28 large banks, all of them within the 50 largests banks in the Nation, we find even more striking differences.

For example, on the basis of net operating earnings per share the Bankers Trust Co. of New York City showed the largest 1951-to-1952 gain. It amounted to 34 percent. Chase National Bank had the second largest increase in net earnings, 31 percent. Some of the others which exceeded the 8 percent average increase in earnings of the 315 surveyed by National Bank include the following:

Security First National Bank, Los Angeles, 28 percent; Chemical Bank & Trust Co., New York, 20 percent; Hanover Bank, New York City, 16 percent; Guaranty Trust, New York City, 13 percent; National City Bank, New York City, 13 percent; Philadelphia National Bank, 11 percent; First National Bank of Chicago, 11 percent; Continental Illinois National, Chicago, 9 percent; National City Bank of Cleveland, 9 percent.

Mr. President, actually this record of profit for the Nation's leading commercial banks understates the true profit rate at the end of 1952, just prior to the Treasury's increasing of interest rates, for several reasons. During the first half of 1952 loan volume was restricted by regulation W which limited the volume of lending to individuals. The lull in business activity in the early part of 1952 was reflected in a decline in business loans outstanding. The effect of the increase in prime commercial loan rates—from 2¾ percent to 3 percent—was not reflected until term loans which had been made at the lower rate had matured and were rewritten at the higher rate. In addition, the bank earnings in the first half of 1952 from yields on Government securities were affected by the decline in yields on short-term issues.

The major portion of the large city bank portfolios is invested in short-term issues, which brought higher interest yields toward the end of the year, further improving the large banks profit position.

In my opinion, this Congress should be advised very fully on the nature of group I security holdings in various classifications of banks. Ours is the final policy responsibility. This far-reaching Treasury decision to start an interest-rate spiral was taken without consultation with the appropriate committees of the Congress, without advice from a Council of Economic Advisers or report and explanation by them to the Congress, and apparently without, as we have seen, even a careful analysis of its effect on various classes of financial institutions.

The known fact that large city banks have been getting a more than average share of increasing banking profits, and that they are the heavier investors in short-term Government securities, which mature and are replaced within a few months by higher-interest securities, is indicative that small country banks may have suffered a disproportinate share of the unrealized depreciation in market values, and will benefit least from the higher interest yields.

Mr. President, I am not alluding or referring, with crocodile tears in my eyes, to the small country banks. The fact of being a small bank is not so important. What is important is that there are so many of the smaller institutions and because they serve so many customers. The fact is they are the ones that have suffered the most in two ways.

First of all, they have lost the opportunity to buy the new Government issues at the high rates. There is plenty of evidence, Mr. President, to support that statement. Small bank after small bank had to protest vigorously on the 1 billion 30-year maturity bond issue. They did not even get a chance to bid, until they made their voices literally heard by making their demands through their association.

Secondly, the small independent banks—or banks which are not independent but are a part of a chain of banks in the small communities—are the ones whose portfolios have been the most severely injured and weakened by the drop in the bond prices.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield for a question.

Mr. GOLDWATER. Is the Senator from Minnesota aware of some rather startling information in today's issue of the Wall Street Journal, which might refute in part some of his alarming statements regarding the ability of utility companies properly to finance expansion?

Mr. HUMPHREY. I would be very delighted to hear the good news. I am always available for good news.

Mr. GOLDWATER. Two attributes which I always associate with my distinguished colleague from Minnesota are good news and happiness.

Mr. HUMPHREY. Yes; and a jovial spirit.

Mr. GOLDWATER. I know that he would not want to end his presentation in the spirit of gloom that has permeated it throughout.

I have noted, as I glanced through the Wall Street Journal, that a Baltimore utility issue of $25 million has been sold, that the American Gas Co. has raised more than $22 million of construction money by selling an 800,000-share block of its common stock, and that that issue was sold to the smaller investors.

Mr. HUMPHREY. I am sure that the Senator from Arizona wants to tell the Senate what the interest rate was.

Mr. GOLDWATER. It was 3⅞ on the $25 million issue of the Baltimore utility. There is no quotation on the second issue. I should also like to call the attention of the Senator to the fact that the Gulf Power Co. has sold bonds today in the amount of $7 million, and the Southern Natural Gas Co. has disposed of a $34,220,000 issue, at 4½ percent.

Mr. HUMPHREY. I thank the Senator for his contribution. It proves what I was trying to say, namely, that interest

rates are going up and up and up. When these companies can afford to float their bonds and jack up the interest rates, that fact is reflected in the cost to the consumer, because the interest rate is passed down to the consumer in the rate structure.

Mr. President, I submit we are seeing that situation take place time and time again in municipal bonds and in similar bonds. There is not a school district, drainage district, airport, municipality, village, or town in the country today which is not being faced with increased rates on its bond sales. There is not a private utility in the country, if it wishes to finance further expansion, that will not be faced with higher interest rates. That interest rate, of course, is passed back to the consumer.

Mr. BUSH. Will the Senator from Minnesota tell us how it should be done in order to accomplish the results he wants to accomplish?

Mr. HUMPHREY. I have read the editorial in the Wall Street Journal. I have pointed out what the experts are saying. I am not an expert. The Treasury Department has got itself into a mess from which it cannot extricate itself or does not have the courage to extricate itself. According to the New York Times, the Treasury Department has made a fiasco and handled the situation ineptly. If it had the courage of its convictions it would quit playing around with the market and would go to the Federal Reserve Board and ask the Board of a period of time to peg the bond market so as to get it into a stable condition, and quit offering interest rates which are throwing the market completely off balance.

Mr. BUSH. The Senator feels then, that the Treasury Department should go to the Federal Reserve Board and interfere in its province and ask it to peg the market?

Mr. HUMPHREY. It is my considered judgment that because of what the Treasury Department has done, which it has done either consciously or unconsciously—and in either case it is bad—it has now got itself into such a situation that all it can do is to go to the Federal Reserve Board and ask the Board to bail it out.

What a tragic situation for wizards of finance to be in. I thought this was going to be a business administration. The situation has never been so bad since the last time those wizards were in office. The interest rates have not been as high since the last time they were in office, in 1933. The last time the masters of finance controlled the country, they ran up the interest rate, ran down credit, and ran out the people. That is exactly what they are doing again.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. GOLDWATER. The Senator from Minnesota asks whether I am aware of the fact that the increase in the interest rates will be passed on to the consumer. In our economic system it is the logical process that such costs are passed on to the ultimate consumer.

Mr. HUMPHREY. Oh, Mr. President, I do not agree at all. One of the logical consequences of our economic system is that an increase in quality and an increase in production and an increase in efficiency reduce costs. For example, today we pay less for rubber tires than we did some years ago, even though the production costs are higher and taxes are higher. Why is that? It is because of productive efficiency. I do not agree with the moth-eaten theory that every time wages are raised or taxes go up, the increased cost is passed on to the customer. That is the old European, tired-out cartelist doctrine, which holds that everyone else should pay the bill. Modern American industry should be ingenious enough to absorb some of the increased costs, and many of the industries do so.

Mr. GOLDWATER. I am glad to hear——

Mr. HUMPHREY. Just a moment. I do not yield. I have the floor.

Mr. GOLDWATER. I am glad to hear the Senator from Minnesota say——

Mr. HUMPHREY. I do not yield at this time. We have heard many misguided interpretations of the system. However, one of the purposes of the competitive and free-enterprise system is to cut costs.

Even if production costs seem to go up, industry is supposed to increase its productive efficiency. Advertisers always say one should spend millions of dollars to advertise one's commodity, thereby increasing purchases and as a result reducing the cost of production and the price of the commodity.

The Senator from Arizona holds that in the case of utilities the increase in the interest rate must be passed along to the consumer. Why? Because they are a monopoly and because there are laws on the books under which they are allowed to make a certain amount of money by way of profit.

I do not hold to that theory. I believe in the old, wholesome principle of competition. There are people who want to see passed along to the consumer all costs including banking costs, manufacturing costs, and public utility costs, but they are the same people who do not want to see the farmer's costs passed along. They believe the farmer should get along with 60 percent of parity. Of course, with respect to a private utility they want it to get along with 100 percent of parity, plus a 6 percent profit. I do not hold to that kind of doctrine.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. GOLDWATER. I am very happy to hear the Senator explain his position. Because of his prior statement, when he assumed that the cost would naturally be passed on, I assumed that was his theory.

Mr. HUMPHREY. No; that is not my theory.

Mr. GOLDWATER. I believe it was the Senator from Minnesota who injected that idea into the discussion. He said these costs had to be passed on to the people.

Who does the Senator from Minnesota think ultimately pay the the cost of inflation? Inflation is the problem at which the administration's policy is directed, whereas the Senator from Minnesota seems to be advocating, in the arguments he is making today, that we have more inflation. Ultimately the people have to pay for inflation, do they not?

Mr. HUMPHREY. Mr. President, the Senator from Arizona has asked a very profound question, and I hope I can give a reasonably sensible answer.

No Member of the Senate will deny that inflation is a very serious menace to any economy. I said that time after time on the floor of the Senate when I fought for effective controls over the economy, and when I knew, as other Members of the Senate should have known and as other people in the United States should have known, that it is impossible to have an effective price control law if at the same time there exist in the law loopholes so large that a medium-size tank can be driven through them. In fact, Mr. President, the loopholes which existed in the price-control law were so large that, in effect, that price-control law had built-in inflation.

It is interesting that those who favored that price-control law are the same ones who today say inflation must be checked by means of a high-interest rate.

Mr. President, I submit that those who favored the creation of such large loopholes in the price-control law were not really concerned with the consumers. Similarly, there was no real concern with the consumers on the part of those who favored the many amendments which were made to the Defense Production Act. That act was amended and amended until it became almost ineffective.

If inflation is so bad as it is said to be, why do some Members of Congress favor repeal of the price-control and wage-control laws? If inflation is so bad as it is said to be, why do some Members of Congress favor a 30-percent increase in the long-term interest rates and in the short-term interest rates, and why were all control regulations scuttled?

We are told, "We are going to rely upon the free money market." However, every time reliance has been placed upon the free money market, the people of the United States have suffered. Every time we have relied upon the bankers for inflation controls, the bankers have taken all the money from the population, and the public has found its pocketbooks deflated.

Mr. President, as a Senator, I am not willing to permit Wall Street bankers or Chicago bankers or Minneapolis bankers or any other bankers to determine what will be the fiscal policy of the United States. It is our obligation not to let them do so.

I wish to say to my friend, the junior Senator from Arizona, that it is very interesting to me to observe the sudden concern which now develops over inflation. We should have been concerned with inflation when it first showed its

ugly head. We should have cracked down on the commodity exchanges, for example, and we should not have relied upon voluntarism. We should have had a real price-control law and a real wage-control law.

Instead, Congress voted loophole after loophole in the price-control and wage-control law; but that action was not taken with my support.

Mr. GOLDWATER. Mr. President, will the Senator from Minnesota yield further to me?

Mr. HUMPHREY. I yield.

Mr. GOLDWATER. I am very much interested to hear the Senator from Minnesota support the wage-control and price-control laws, although those attempts at control were most ineffective, and resulted in $328 billion of inflation; making necessary the steps which now are being taken to strengthen the economic and financial position of the Nation.

Does the Senator from Minnesota think it is now wrong for Senators on the Republican side of the aisle to be concerned with the $328 billion of inflation which was brought about during the previous administration? Does the Senator from Minnesota think that $328 billion of inflation is an insufficient amount of inflation?

Mr. HUMPHREY. I thank the Senator from Arizona for giving me such a choice.

First, let me say that the $328 billion does not represent inflation. It represents the accumulated total of goods and services produced in the United States, which amount to $328 billion, at present-day prices. To say that the $328 billion has within it an inflation bubble is to make a factual statement. Prices have been inflated; that is true. That has happened in the past.

On the other hand, if the Senator from Arizona is endeavoring to fix partisan responsibility—and I trust he will not press too far along that line, because the chickens will certainly come home to roost—no good will come from such an undertaking.

If there is all the inflation the Senator from Arizona claims there is, then why did Congress scuttle regulation W and regulation X, and why did Congress do away with price controls and wage controls? Why did not Congress provide by law for effective standby controls to be invoked by the President of the United States? If there is the fear of inflation that some persons think is so ever present, why did not Congress do something really effective along those lines?

But the Secretary of the Treasury and his new devotees—those who have suddenly become concerned about this matter—state they will control inflation in one way, namely, through the interest rate. Who has benefited by the increase in the interest rate?

Let us assume that regulation of the interest rate is an effective inflationary control and will stop the rise in prices. At the same time, it places an undue burden upon those who need credit, who are the ones who have to pay the high prices in the market place. A rise in the interest rate places an undue burden upon muncipalities and other governmental jurisdictions, as a result of the increased interest rates on municipal bonds; and an increase in the interest rate places a burden upon the Treasury of the United States, because every time the public debt is financed at a higher interest rate, an additional tax burden must be placed upon the people of the United States.

So we see that the present administration, which says it favors economy, will save a few million dollars or a few billion dollars in connection with the appropriation bills, but will place a correspondingly larger burden upon the people who have to pay the taxes. That is done by means of the high interest rates in connection with the credit structure the people of the United States must utilize. I submit that is not economy, but is simply passing the buck and is a cover-up in more ways than one.

Mr. President, I submit again, that there was no real reason for the precipitous rise in the interest rate. I want someone to produce evidence to show why the interest rate had to be increased as much as it was. No such evidence has yet been produced.

Mr. MAYBANK. Mr. President, will the Senator from Minnesota yield to me?

The VICE PRESIDENT. Does the Senator from Minnesota yield to the Senator from South Carolina?

Mr. HUMPHREY. I yield.

Mr. MAYBANK. Since the increase in the interest rate, has there been any drop in the cost of living?

Mr. HUMPHREY. I am glad the Senator from South Carolina, the former chairman of the Banking and Currency Committee, has asked that question. In reply, I shall state, first, that now we are told to use new medicine. Nowadays, all the remedies that are submitted are described as "progressive" or "forthright." We have adjectives galore. However, the increase in the interest rate has brought with it a 2 percent increase in the cost of living since January.

Mr. MAYBANK. Does the Senator from Minnesota believe, as I do, that the increased interest rate has had an adverse effect upon several States and upon large numbers of municipalities which have progressive public-works programs? As a result of the increase in the interest rate, those governmental agencies have had to cancel many of the progressive public works they had planned to undertake, although in order to carry out those public works they had issued bonds, under definite amortization plans, believing that the bonds could be sold on the basis of the old interest rate. The result of the cancellation of those public-works programs has been an increase in unemployment.

Mr. HUMPHREY. I believe that is correct. In school district after school district, although bond issues had been voted, at a certain interest rate, it was necessary to go through the entire procedure again; and in many cases schools which had been planned to accommodate 500 children could not be built. Instead, as a result of this "hard money" or "sound money" policy, the plans had to be revised, with the result that the new schools will accommmodate only 300 or 350 children.

Mr. MAYBANK. In other words, the municipalities or school districts could not go through with the bond issues, as planned, on the basis of a certain rate of amortization and a certain interest rate; is that correct?

Mr. HUMPHREY. Yes.

Mr. MAYBANK. That situation not only adversely affects the schools, but it also adversely affects the construction of highways, public buildings and universities, and various other programs of State governments and municipal governments, does it not?

Mr. HUMPHREY. That is true; and I thank the Senator from South Carolina for the statement he has made.

Mr. President, I have referred to the school issue because it is such a critical one throughout the Nation. I happen to know of several school districts that are faced with a very real problem, inasmuch as the people of those districts have voted bond issues of certain amounts.

Mr. MAYBANK. And for certain specific purposes.

Mr. HUMPHREY. Yes.

For instance, in the case of a $1 million bond issue, for the purpose of building a school to accommodate a certain number of children, it has been found now that we have a "great, sound money policy" or "great, hard-money policy," the new bond issue which had been considered adequate for the construction of a school sufficient in size to accommodate 500 children, will be adequate for the construction of a school sufficient in size to accommodate only 400 children. The trouble is that the GOP cannot control the production of the family.

Certainly, it is a matter of sufficient concern to us that Congress should not blindly permit this high-interest policy to be further pursued; it should not permit the spiral to move up another notch and then another and another, without advising itself of the facts.

I have not seen anywhere a careful appraisal of the cost of this high-interest policy to the users of credit—the consumers.

There is evidence that it was extremely ill-timed in some quarters.

Agriculture is one of them.

Prices received by farmers dropped 2 percent from March 15 to April 15, 1953. In the same period the new administration dealt a double-barreled blow at agriculture through its new high-interest rate policy.

The farmers have been hit—

First. By a boost in interest on Commodity Credit Corp. supported loans from 3½ to 4 percent. This applies to loans on such commodities as cotton, tobacco, rice, peanuts, and grains "put in loan" at the price-support level.

Second, I refer now to the farmers' problems. By a boost in the interest charge by the Export-Import Bank of

Washington on loans made to foreign nations to permit those nations to purchase United States agricultural commodities. A $40 million Japanese cotton credit announced April 14 was at 3½-percent interest compared to 2¾ percent on previous similar loans.

The untimeliness of these two actions should have been apparent to the administration even though it is operating without the advice of a Council of Economic Advisors.

With the 2-percent decline in prices received by farmers in the March 15 to April 15 period, farm prices are down totally 10.5 percent in a year, and they are down 17 percent from the 1951 peak. The parity ratio—that is, the relationship of prices received by farmers to prices paid by them—now stands at only 93. The increased interest charges imposed on the farmers—and the administration's increase in price-support loans is only the beginning of an upward spiral of all farm credit—will further worsen agriculture's economic position.

Agricultural exports are down. They dropped from $4 billion in 1951 to $3.4 billion in 1952. The new administration pledged an all-out effort to increase exports. But, instead, its first concrete move in this field is a stiffening of terms on credit to foreign nations to aid in their purchase of American farm commodities.

The 27 percent increase in rate on the Japanese cotton credit was made in face of these facts:

Cotton exports dropped from 5.3 million bales in 1951 to 4.2 million bales in 1952.

Cotton exports from August 1952 through February 1953 have dropped 51 percent under the same period a year before.

Export-Import Bank credit has played a major role in preventing even greater cotton export declines. The bank extended $173 million in cotton credits in the fiscal year ended June 30, 1952—a sum large enough, according to bank estimates, to finance export of approximately 750,000 bales of cotton.

The increased interest charges are of doubtful necessity to the sound operation of the bank. The bank made profits in calendar year 1952 of $50.7 million after deducting operating expenses and $21.6 million interest paid to the Treasury.

Farmers now face an additional threat of further interest rate burdens from their own Government, entirely aside from these actions already taken.

Apparently seeking to "climb aboard" the administration's tight money policy, a new Republican Member of the House of Representatives has introduced a bill to double the interest rate on loans made by the Rural Electrification Administration. If that bill, H. R. 5356, were ever enacted by a short-sighted Congress, it would raise the power costs to farmers of America, set back progress of electrifying agriculture, and virtually block the rural telephone program just getting under way.

Mr. President, I digress to say that many of the REA's buy electricity from private utilities, and that, when private-utility financing goes up as sharply as it has gone up recently, it is bound to be reflected in the rates to the consumers and to the distributive cooperatives.

The REA bill is just one more example of the spiraling effects of the administration's high interest-tight credit policies.

Since eight Senators on April 13 joined me in calling for further study of the timeliness and advisability of instituting the new high-interest policy, evidence of the untimeliness of the action has appeared day after day in the press. For example:

The Bureau of Labor Statistics reported for the week ended April 14:

> Spot market prices continued downward for the fourth consecutive week. Average primary prices declined and the drop of 0.6 percent in farm products resulted from lower prices for cattle, lambs, copra, green coffee, and many fresh fruits and vegetables.

The Washington Post reported in an editorial April 19:

> But some leading economists, including Marriner S. Eccles who was a vociferous advocate of higher rates in 1950–51, now maintain that the Treasury is running the risk of damaging the economy by advancing the top rate on Government bonds from 2¾ percent to 3¼ percent. The boost appears to be a steep one, and the offering last Monday was so judged by investors who rushed to buy.

Financial papers report subscriptions ran $6 to $7 billion for the $1 billion issue.

The New York Journal of Commerce reports—April 21, 1953—that Dr. Marcus Nadler, professor of banking and finance at New York University and consultant to large banks, in an address to New York State Society of Certified Public Accountants, said:

> There was no need for the recent adoption of a deflationary debt-management policy by the Treasury since inflationary forces have to a large extent run their course.

New York Times of April 24, 1953, reports that James Nance, president of Packard Motors, says the "automobile industry is going to be getting to the end of the road." He estimated current output 27 percent above sales—a gap that must be bridged by a sharp increase in sales or a sharp downward adjustment in output and employment.

Secretary of the Treasury Humphrey told members of the Associated Press in New York City on April 20 that there will be no "depression" but qualified with the statement:

> There will be readjustments, of course. There are always readjustments taking place in any active economy, sometimes to the advantage or detriment of one group and sometimes to another.

One week after Secretary Humphrey predicted readjustment, they were well under way. New York City banks raised interest charges on loans to borrowers with the best credit ratings from 3 percent to 3¼ percent, the highest point in 19 years, an action which was quickly followed in Chicago, Philadelphia and other major cities and will, of course, spread to banks in all the towns and villages in the Nation.

Within 2 days the increase had spread to consumer lenders. On May 1 the Wall Street Journal gave its leading news column to a story by Lindley H. Clark, Jr., announcing that the top three consumer financing corporations in America, C. I. T. Financial Corp., General Motors Acceptance Corp., and Commodity Credit Corp., had already moved to "hike" their basic rates. One of them was increasing from 5½ percent to 6 percent—actually an increase from 11 percent to 12 percent on a 24-month loan since the interest is charged on the full sum for the full period of the loan rather than on the balance due after each installment is paid.

The day before this increase in consumer rates was announced, the Wall Street Journal reported that net profit of C. I. T. Financial Corp. in the first quarter of the year had increased 12 percent over the like 1952 period. The president, Arthur O. Dietz, had told the annual meeting of the corporation that outstanding consumer credit was not excessive. He warned that some persons "would apparently seek to curtail installment buying, without realizing the extent to which this would jeopardize the present level of employment and production of those durable goods which are customarily sold on the installment plan." Commenting the following day on his company's interest increase to consumers, Mr. Dietz explained that it was necessary "in order to keep pace with rising costs, including the cost of borrowing money."

Other consequences of the interest rate increases can be seen in the business and financial column of the Wall Street Journal. On April 28 it reported:

> Production cutbacks hit the appliance industry and some basic metals. Two big manufacturers applied the brakes to refrigerator and freezer output. Nash-Kelvinator Corp. slashed assemblies of Kelvinator and Leonard refrigerators and laid off 400 workers at its Grand Rapids plant. In Cincinnati, the Crosley Division of Avco Manufacturing Corp., announced it has made some reductions in refrigerator and freezer output because of slow market conditions.
>
> United States Smelting, meantime, is reducing its workweek from 6 day to 5 days at Utah lead and zinc mines and at the Midvale, Utah, reduction plant. Prices for these metals, the company said, are now unprofitable for most United States producers. American Zinc closed one mine in Tennessee and declared additional shutdowns will be considered if the decline in lead and zinc prices continues.

On April 30 the same column reported:

> Armco Steel Corp. expects its operations to average less than 90 percent of capacity in the final 6 months this year. This was disclosed by H. H. Tullis, financial vice president, in a speech at Cleveland. Armco is

presently operating at 101 percent, he said, and this rate will continue until June 30 and possibly into the third quarter.

But "we have our fingers crossed for the second half," Mr. Tullis declared. "It appears now we will operate slightly under 90 percent of capacity during that period because of what looks like weaknesses in the white market." He was referring to recent soft spots in refrigerator manufacturing, dryers and smaller appliances.

There are repercussions also in the financial world. Detroit Edison Co.'s $40 million issue of 35 year general and refunding bonds offered April 30 were sold at the highest interest yields of any public utility bond since December 1935, according to the New York Times.

I would say for the benefit of my good friend from Arizona [Mr. GOLDWATER], who is not at this time on the floor, that a utility company can, of course, sell its bonds. It depends upon how much interest it is willing to pay. As the New York Times points out, the Detroit-Edison Co., which is not exactly a small company, but is one of the largest utility companies in the Nation, had to sell at the highest interest rate since 1935.

The Chicago, Great Western Railroad was forced to decline the single bid it received on a $6 million bond offering.

On April 27 Sears, Roebuck & Co. postponed the sale of 1 million additional shares of capital stock because of the decline in its stock prices which followed the Treasury interest rate boost.

For the life of me, Mr. President, I cannot see what good comes out of this kind of a policy. The only thing that happens is that the interest rate goes up and the stocks go down. That is supposed to be good business, but I know of no better way to cause everyone to go broke.

Mr. KERR. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. KERR. I heard the Senator from Minnesota say in the course of his remarks that increasing interest rates had compelled many municipalities and local governmental units either to defer the sale of bonds or to increase the interest rates on them in order to be able to sell them.

Mr. HUMPHREY. That is correct.

Mr. KERR. Is it not a fact that whenever municipal or governmental units, or utility companies to which the Senator has referred, or others have been compelled to withdraw offerings whereby they had expected to receive additional capital, in the long run, it means a decrease in employment?

Mr. HUMPHREY. That is the ultimate outcome. I do not think there can be any doubt about that. The president of General Motors told about the serious concern of the automobile industry. Walter Reuther, the head of the automobile workers, brought it to the attention of some of us who attended a dinner at which he spoke. I submit, Mr. President, that if we start tightening up on credit and raising interest rates, we do not help the economic situation at all; we aggravate its difficulties.

Mr. KERR. Does the Senator mean that the spiral of deflation set in motion by higher interest rates and started by the Treasury, and which now has spread like an epidemic, even backing up the flow of manufactured products from the great plants of the General Motors Co., will ultimately curtail every activity and productive operation in our economy?

Mr. HUMPHREY. I must make that admission. I am afraid it will get back even to General Motors.

Mr. KERR. Would it not be possible to nudge lightly the Secretary of the Treasury and possibly bring about a little diminution in the process of increasing interest rates?

Mr. HUMPHREY. I would say that somewhere along the line there might be a slight conversation about some of the pitfalls inherent in this misguided policy, and I would hope that those who are in daily contact with those in authority might mention that it would be desirable to put our economy again on a steady keel and give it a chance to grow and develop. Here is an administration which says it is committed to the American system of free enterprise, private enterprise, and it does not want governmental regulation; it wants initiative in the development of the country. As Business Week said, "We know the brakes work, but we do not want to go through the windshield." The administration has used an instrument that is resulting in slamming on the brakes. It apparently does not want the industrial and economic development we were led to believe it desired.

I am not saying that the interest-rate policy is bad for everyone. It has been quite good for some of the largest financial institutions, and they are going to tell their depositors they will get higher returns on their deposits. But I should like the record to show that whenever the banks of the Nation have enjoyed higher interest rates, the returns have been paid out in great part upon the stocks and the bonds in the bank, and not upon the deposits.

Mr. KERR. Mr. President, will the Senator from Minnesota yield further?

Mr. HUMPHREY. I yield.

Mr. KERR. Is it not a fact that history shows that as interest rates have been increased, prices and employment generally have been decreased?

Mr. HUMPHREY. That is history. I submit that it would not be undesirable for the Congress and the administration to take a little look into history. Whenever an abrupt change such as this one has been made—and it has been done before—the Nation has suffered grievously. Apparently there was a desire to have a change, and we are really getting one.

Mr. KERR. Does not our economic history show that it is a great deal easier to start a deflation than it is to check one?

Mr. HUMPHREY. There certainly is no doubt about that. In a volatile economy such as ours once let a deflation get under way, to try to halt it is like trying to stop a big snowball from rolling down the side of a mountain.

Mr. KERR. It is like trying to get some place by pushing on the reins instead of pulling on them.

Mr. HUMPHREY. The Senator from Oklahoma is an eminent authority, and I accept his statement.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks an article from the Wall Street Journal of May 14 which deals with the interest rate increase as a brake on business, and reports numerous specific instances of the policy's effect on industry and commerce.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

(By Patrick Carberry and Lester Tanzer)

NEW YORK.—Businesses that are thinking of expanding are meeting a new kind of cost inflation: The rising price of capital.

As a result, they're facing a choice of (1) footing the bigger bill, (2) cutting down on their plans for adding to plant and equipment, or (3) stretching out their financing schemes over a long period of time in the hope that interest rates may go down.

Except for 1949, construction costs have gone up every year since the war. Beginning last August, however, they've kept an even keel. The Department of Commerce index of such costs, which advanced from 117.5 at the end of 1951 to 122.14 in August 1952, was at 122.6 in February.

But now that the prices of materials and labor are leveling off the other part of expansion outlay—the return that borrowers must pay investors on their capital—is soaring. Different companies are meeting the trend in different ways.

SOME EXAMPLES

Today underwriters are offering to the public $18 million of Alabama Power Co. bonds at a return to the investor of 4 percent. Over the next 30 years this deal is going to cost Alabama Power $2.7 million more than if it had floated a similar issue back in early March, when investors would likely have bought it for a return of 3½ percent. But the company would rather pay the price than curtail construction.

Detroit Edison Co. is in the same plight. This utility decided to accept the higher price of money. It sold a $40 million batch of bonds a fortnight back at a 3⅞ percent interest rate. If it had been lucky enough to come to market just 2 months sooner, it could have vended the securities at 3½ percent, a saving of $150,000 a year, or $5,250,000 over the 35-year life of the issue.

Other outfits want none of this costly capital. Chicago, Great Western Railway recently turned down a proffer for $6 million of bonds that named a 5¾ percent interest rate. Rather than pay that kind of price for long-term money, the railroad chose to cut improvements to the bone.

Union Tank Car Co. met the problem halfway. It planned earlier this year to sell $45 million of bonds at 3½ percent—$5 million to finance construction of freight cars it rents to railroad shippers, and $40 million to pay off bank loans that went for similar purposes. When inflation hit the money market, it found it would have to pay 4½ percent. Union Tank then cut the issue to $20 million, retiring only $15 million of the bank debt.

That means that on the $20 million, it has to shell out $3 million more between now and the time the bonds are paid off than it

first counted on. If it had borrowed the entire $45 million, the extra charge would have totaled $6,750,000.

BEHIND THE TREND

One big factor behind this situation: A firm decision by the Eisenhower administration to substitute a free money market for the artificially easy conditions imposed by the New and Fair Deals.

But bond money was growing more expensive even before the Republicans took over. Early in 1951 the Federal Reserve System stopped mothering the market for Government bonds, and let prices of the long-term issues, which set the pattern for corporate bonds, find their own level.

That level proved to be a declining one for bond prices and a rising one for interest rates. The reason was that the Nation's expanding business was in constant need of additional funds, while the Government itself has been forced to resume deficit financing as a result of the Korean war and the huge defense program. This strong demand had its usual effect. The price of the money sought by borrowers went up.

Such was the situation when Eisenhower's Treasury Secretary, George Humphrey, in mid-April brought to market a new issue of 3¼-percent bonds maturing 30 years hence. This was the first Treasury bond sold since 1945 with a life of more than 6 years, and it carried the highest interest coupon since 1933.

Investment bankers and corporate leaders alike agreed that Dr. Humphrey was right in writing a prescription for sound money that included a shift from the former practice of short-term borrowing. They saw the practical value to the Treasury of putting off to later years some of the maturities it has to meet.

But many thought the medicine came at the wrong time—when there just wasn't enough long-term money around to meet both Government and corporate demands.

EFFECT WAS SWIFT

The effect on corporate bonds was swift. A 3½ percent issue of J. I. Case Co., farm equipment makers, for instance, sold for 100, or a return to the investor of 3½ percent, when it was first offered in February. It's sagged now to 93½, where it's yielding almost 4 percent. This company would now have to pay at least 4 percent on any new issue it contemplated floating.

Such was the fate of New Orleans Public Service, Inc. Just before the new Government bonds came out, the utility slated a $6 million bond sale to investment bankers, with a 3¾ percent ceiling on the interest rate. But by the time the April bidding date rolled around, the market had slumped. Result: The company called off that sale and had to satisfy itself Monday with a 4⅛ percent interest coupon for the issue. That's $675,000 more than New Orleans originally figured on paying.

Southern Bell Telephone & Telegraph Co., on the other hand, rejected all bids for its new $30 million of bonds. At the 3⅞ percent interest rate named, Southern Bell would have had to mete out $7.2 million more than at a 2⅞ percent rate—the figure involved in its last trip to the market in 1947. And it would have marked the costliest borrowing by a Bell System unit since the mid-1930s.

But this company's decision not to raise capital probably won't hurt its expansion plans. That's because Southern Bell has a rich father, American Telephone & Telegraph Co., willing to stake it to construction loans.

The catch: A. T. & T. can act as banker for its subsidiaries only for so long. The mammoth concern would either have to go back to the wells of capital itself, and pay the added cost, or tell its children to fend for themselves. Or it could cut back expansion.

SOME SHY AWAY

The experiences of Detroit Edison, New Orleans Public Service, Southern Bell, and other firms in the securities markets are making many prospective borrowers shy away.

Southern California Edison Co., which expected to sell $25 million in bonds and $15 million of preferred stock this spring, chose to call these sales off and raise only $30 million later this year. The reason, according to President W. C. Mullendore: "Because of a changing business outlook, some maintenance and new building work will be deferred to later years."

And on Monday Consolidated Natural Gas Co.'s directors voted to reduce a $40 million bond sale set for May 26 to $25 million. J. French Robinson, president, says the company's construction program remains unchanged. It'll resort to short-term bank loans, a stop-gap measure, later this year for the needed funds.

Another utility, first reckoning on a $50 million debt issue to pay for more facilities, now mulls over selling only $25 million this spring and $25 million next fall, when it hopes borrowing might become cheaper.

STOCK MARKET IMPACT

The deflationary attitude of Eisenhower's money-managers has put a crimp in the stock market, too. Consider the case of Sears, Roebuck & Co.

The huge mail-order house announced April 6 it wanted to retail a $50 million batch—1 million shares—of common stock. But Sears common promptly dropped four points from its early 1953 peak.

So on April 27 the big sell-by-catalogue concern dropped the idea. But if it turns to alternate ways of getting expansion money—bonds or preferred stock—Sears will also find itself paddling upstream.

Many another security issue has been conceived, only to die aborning—or at least be pushed back into the indefinite future. Investment bankers agree more than a few companies recently have let their financing schemes die in the planning stage.

Securities and Exchange Commission statistics bear the bankers out. Last year, the country's corporations sold $9.7 billion of securities, an average of $810 million a month. But the first 2 months of 1953 saw only $1,140 million of new stocks and bonds, or $570 million a month.

EVEN LESS ATTRACTIVE

It's likely that corporation executives, uncertain which way the market would turn under the Republican regime, held off new securities in January and February. And now that the stock and bond markets are even less attractive, indications are new financing in 1953 will fall far behind last year's.

Still, a host of hardy companies are flocking to tell the SEC of money-raising aims. Phillips Petroleum Co., for instance, announced only last week it hopes to get $162 million from a near-record convertible bond issue. Since the news, Phillips common has fallen on the New York Stock Exchange from 61⅛ a share to 57⅞.

Other plans put into the SEC mill last week ranged from Northern Natural Gas Co.'s $40 million of bonds and Arkansas Fuel Oil Corp.'s $23 million of debt securities, down to E. L. Lewis Co., Inc.'s (a Spartanburg, S. C., retail chain) 47,132-share block of common that's calculated to bring in less than $50,000.

Mr. HUMPHREY. Mr. President, there is another aspect of this matter—increased cost to the Government of carrying our national debt. The Public Affairs Institute has supplied me with a preliminary table of increased costs to borrowers from interest rate increases, January 2 through May 19, 1953.

This table indicates that the increased annual cost to the Government of issues between January 2 and May 19 alone will be $132 million.

In other words, the taxpayers will have to pay $132 million a year on the financing which was done up to May 19. That is how much we are going to increase the interest rate. Here is a Congress which tried to reduce soil conservation funds, an effort which has been checked a little bit. It has tried to reduce flood-control funds, Air Force funds, public-health funds, school construction funds, agricultural research funds, in fact, it has tried to cut everything in the budget, except interest rates. That should be conclusive evidence as to what is under way. There is hardly any item in the budget I know of, appropriations for which have not been, or will not be reduced, including veterans' medical and dental care. Do not let the veteran have good medical care, because the Government will have to pay more interest. This action was taken voluntarily by the Government. No one twisted the Government's arm; no one took the Secretary of the Treasury into the woodshed and said he must make the interest rate 3¼ percent. The Treasury Department called investors in and said, "Let us talk about what the next issue is going to cost." If the Government had asked that the bonds be sold at a certain percentage, they would have been sold.

I should like to have the RECORD show that on issues from January 2 to May 19, there will be $132 million added to the taxpayers' bill for interest on the public debt.

That would be a back-breaking sum if some Member of Congress were to suggest that it be added to the budget. He would be denounced as obstructing economy. But this extra cost—and there is more to come—has been incurred without consultation with the Congress.

I recall that the Secretary of Agriculture, Mr. Benson, went before the Appropriations Committee of the Senate and chastised that committee because of what the House had done to increase a few items in his suggested budget. He scolded the committee. Yet the same administration, without having consulted any committee of the Congress, proposes between January and May to add $132 million to the budget. If any of us had done such a thing it would have been immediately written up in press as a plan to obstruct the economy movement.

Mr. KERR. Mr. President, will the Senator yield?

Mr. HUMPHREY. I will yield in a moment.

Mr. President, I request to have printed in the RECORD at this point in my remarks a table which covers some pros-

pective interest cost increases to farmers, home owners, consumers, and foreign borrowers.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 1.—*Increased costs to borrowers resulting from interest rate increases, Jan. 2, 1953, through May 19, 1953*

Type of borrower	Date	Increase in annual rate of interest (percent)	Amount of borrowing	Estimated annual cost of increased rate of interest
			Millions	
United States Government:				
Bills [1]	Dec. 31-May 14	1.94 to 2.32	$17, 200	$82, 565, 000
Certificates	Feb. 15, 1953	1⅞ to 2¼	8, 100	30, 000, 000
Do	May 19, 1953	1⅞ to 2⅝	[2] 5, 688	42, 000, 000
Notes [3]	May 15, 1953	1.44-1.78 to 2.16-2.47	([3] [4])	([3] [4])
Bonds [5]	Feb. 15, 1953	1⅞ to 2½	620	387, 500
Do	Apr. 15, 1953	2½ to 3¼	1, 100	[6] 7, 500, 000
Total increased Government cost to date				132, 452, 500
Farmers: Commodity Credit Corporation	Mar. 24, 1953	2¾ to 4	[7] 2, 500	[7] 12, 500, 000
Businessmen:				
Prime commercial rate (loans)	Apr. 27, 1953	3 to 3¼	(4)	(4)
Prime Commercial Rate (paper)	Mar. 16, 1953	2¾ to 2¾	(4)	(4)
Do	Apr. 17, 1953	2¾ to 2½	(4)	(4)
Do	Apr. 27, 1953	2½ to 2¾	(4)	(4)
Home buyers:				
VA guaranteed loans	May 4, 1953	4 to 4¼	[8] 2, 700	[8] 13, 500, 000
FHA insured loans	do	4¼ to 4¼	[8] 1, 900	[8] 4, 750, 000
Consumers: Auto installment purchases	May 1, 1953	4½ to 6	[9] 2, 000	[9] 10, 000, 000
Foreign borrowing:				
Export-Import Bank:				
Japan	Apr. 14, 1953	2¾ to 3¼	40	300, 000
Spain	do	2¾ to 3½	12	90, 000

[1] See table 2 for weekly changes and other details.
[2] Includes $725 million of 15-year 2 percent bonds being replaced by a 2¾ percent 1-year certificate.
[3] Series B Treasury saving notes offered in exchange for $5 billion of series A savings note now outstanding. Amount borrowed will depend upon the volume of outstanding notes offered in exchange for the new notes plus the volume of new money raised.
[4] Not available.
[5] Intermediate 5-year-10-month bonds issued in exchange for 1-year certificates. Last comparable bond bore an interest rate of 2⅛ percent.
[6] In contrast, the total cost of the higher rate on the 30-year bonds will be $225 million over the full maturity period
[7] If farmers borrow $2.5 billion on the 1953 supported crop.
[8] Based on the 1952 volume of VA and FHA-insured mortgages on single-family homes.
[9] Based on consumer credit extended for automobile purchases in 1952.

Mr. HUMPHREY. Mr. President, I now yield to the Senator from Oklahoma.

Mr. KERR. Has the Senator from Minnesota calculated the effect on the expenses of the Federal Government if and when the entire outstanding national debt has been refinanced on the basis of an increase of 1 percent in the interest rate, which seems to be where we are inevitably being pushed or are drifting?

Mr. HUMPHREY. I regret to say that I do not have that information. I wonder if the Senator from Oklahoma has made such a calculation.

Mr. KERR. I have. There will be an increase of approximately $2½ billion a year in the cost of interest on the public debt, and as we look forward over the long pull and contemplate how long the national debt will be at its present level, or somewhere near it, when we multiply 2½ billion by 10 and calculate the cost for 10 years, or multiply by 20 and calculate the cost for 20 years, it begins to stagger the imagination. Yet we must realize that that great increase will have been brought about deliberately by those charged with the responsibility of handling the debt in such a way as to make it cost the people the least, instead of the most.

Mr. HUMPHREY. I thank the Senator from Oklahoma for his observation and for the information he has given. A half percent increase upon the outstanding private indebtedness would increase the cost to the consumer or cost the borrower by $1,700,000,000 a year. Think of it; that would be the result of an increase of only a half of 1 percent.

Mr. KERR. Is it not a fact that when the Treasury increased the interest rate a minimum of three-fourths of 1 percent, which it has already done, the interest rate to the private borrower was increased by a greater amount?

Mr. HUMPHREY. That is correct. Of course, in the case of the private borrower, it multiplies. Recently the Atomic Energy Commission announced they had discovered a breeder action in fissionable materials. It was a great new discovery. There is a breeder action in interest rates that is far more accurate and far more enduring than in the case of fissionable materials. All the Government has to do is set the interest rate up one-fourth of 1 percent, and the rate then begins building itself up to three-eighths, four-eighths, five-eighths, six-eighths, seven-eighths, and finally there is a 1 percent increase in the private market.

Mr. KERR. Senators across the aisle have been saying that increases in the interest rate were calculated to prevent inflation.

Mr. HUMPHREY. Yes.

Mr. KERR. I wish to ask the Senator from Minnesota if he believes that what has been done has resulted in inflation in the value of the dollar and in difficulty for the average worker or farmer to secure a dollar; and that in reality the most disastrous inflation the economy can suffer is inflation of the value of the dollar, which has been set in motion and is now in serious progress?

Mr. HUMPHREY. In my opinion, the Senator from Oklahoma is correct. I wish to remind Senators that the public debt is now more than $260 billion, and that private debt in the United States runs to about $330 billion. Much of that was contracted for as low-cost money. If an attempt is made to pay that off with high-cost money, oh, what a long job it will be. It will be really very difficult.

Mr. KERR. Would the Senator say that the admonition in the old song, "Look down, look down, that lonesome road, before you travel on," might have been constructive reading for those who have fixed this policy, before they did so?

Mr. HUMPHREY. The Senator has struck a very harmonious and worthy chord. What he has said is exactly in accord with the statement of the home builders, who were recently in Washington.

I hold in my hand a clipping from the Washington Star of June 6, 1953, which refers to some of the problems confronting the construction industry. I read from the article, as follows:

As observers look at it at the moment, the mortgage-money market is the highly agitated tail to the kite of Government fiscal policy that is now in a high state of agitation itself.

That is a pretty good statement; is it not?

If you answer the question, "What's the Treasury Department going to do for the long pull on interest rates?" say these sources, "you'll have the answer to what the mortgage-money market may be expected to produce in the way of funds for home loans.

Up to now, no one seems to have that answer—including the Treasury Department itself—though there is the feeling that those people who are handling policy have a hard-money outlook, and that the country can expect more of the same.

This could mean a continually ascending scale of interest rates in the future, and mad pitching and tossing for some time to come on the part of the mortgage-money tail to the Government's fiscal kite.

Mr. President, recently the GI interest rate was increased a half of 1 percent. Members of the Senate met with the National Home Builders Association in Washington, and the officers of that association told me that instead of a one-half of 1 percent increase in interest rates being helpful, all it did was to stir up more trouble. They had hoped it would be helpful, because they hoped it would bring new money into the market. Instead, the mortgage-lenders and money-lenders decided that perhaps it would go up another half percent, so they did not want to lend.

Mr. President, I ask that the article from which I have just read, entitled "Some Lenders Worry That Others Are Not Making Enough Loans," written by Robert J. Lewis, and published in the Washington Star of June 6, 1953, be printed in its entirety at this point in the RECORD.

There being no objection the article was ordered to be printed in the RECORD, as follows:

SOME LENDERS WORRY THAT OTHERS ARE NOT MAKING ENOUGH LOANS

(By Robert Lewis)

The Eisenhower administration's policy of boosting interest rates seems to have failed,

so far, both as a means of helping to solve the Government's refinancing woes and of adequately increasing the supply of mortgage money for GI and FHA loans, in the opinion of many responsible sources here.

As a result, some responsible people in the mortgage industry are beginning to worry once again over the prospect that Congress may turn to direct Government loans in greater volume in order to satisfy the demand for mortgage funds.

As things look today, the Treasury Department's new fiscal policy seems to have opened a vista of higher and higher costs to the Government for debt management—and, as a corollary, it has seemed to encourage an increasingly ravenous appetite for higher and higher interest rates on home mortgages.

In spite of the assurance by mortgage lenders that all that was needed was a boost in interest rates to bring out an adequate supply of mortgage money and bring an end to evils inherent in discount practices, money hasn't appeared in much more adequate supply and many of the discount practices continue.

Builders are crestfallen, Government housing agencies are trying to hide their disappointment, and even mortgage bankers see danger signals in the fiasco.

In a special appeal to mortgage lenders, the head of the Mortgage Bankers Association of America this week said flatly that if private-enterprise lenders don't shoulder responsibility for providing money for home loans, direct Government action might result.

"As representatives of free enterprise and as custodians of the Nation's thrift funds, we cannot afford to lose sight of the fact that there is something more at stake at this crucial time than the question of yield alone, as important as that may be," said Brown L. Whatley, president of the organization.

"There is a job to do," he continued. "If private business cannot shoulder it, then the Government again will surely step in. None should appreciate more than we the fact that direct Government lending is totally incompatible with the traditions of the American system."

Locally, the availability of mortgage funds is described as little changed, though this week brought an exceptional case. The Kay Construction Co., one of the area's large-scale home construction firms, announced it had been able to arrange GI financing for some homes costing $15,200, on the basis of 30-year mortgages at a 4½-percent interest rate, with a down payment amounting to just a bit over 5 percent.

It's been a long time since such long-term mortgage financing has been available but, so far as is known, this is one of the few cases—if not the only case—of such financing being offered now in this area.

As observers look at it at the moment, the mortgage-money market is the highly agitated tail to the kite of Government fiscal policy that is now in a high state of agitation itself.

If you answer the question, "What's the Treasury Department going to do for the long pull on interest rates?" say these sources, "you'll have the answer to what the mortgage-money market may be expected to produce in the way of funds for home loans."

Up to now, no one seems to have that answer—including the Treasury Department, itself—though there is the feeling that those people who are handling policy have a hard-money outlook, and that the country can expect more of the same.

This could mean a continually ascending scale of interest rates in the future, and mad pitching and tossing for some time to come on the part of the mortgage-money tail to the Government's fiscal kite.

As of now, responsible mortgage bankers who see beyond the question of immediate interest-rate yield, look upon Government-insured FHA and guaranteed GI mortgage loans at 4½ percent as just about the best investment the market offers at present.

"Government insured and guaranteed mortgages at the increased rates of 4½ percent, taking all things into consideration, compare favorably with the best securities the market affords," Mr. Whatley said.

Mr. Whatley's message, however, is nowhere more emphatic than in his comments with regard to lenders' responsibilities in connection with the need for homes and as a buttress for the private-enterprise system.

Concluding, he supplied lenders with these thoughtful paragraphs:

"If we want to remain free of Government controls and interference, we must start now and learn fast to lean less on Government and depend more on ourselves.

"Private business and, particularly, that sector thereof which is entrusted with the savings of our people, has a responsibility which, in certain respects, is perhaps accentuated today more than ever before—a responsibility which behooves us not only to carefully weigh comparative safety and return, but also never for a moment to lose sight of the importance of the protection and preservation of the capitalistic system itself."

Plainly what he means is: "Lenders, get in there and pitch before Congress is forced to take over the ball game."

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MAYBANK. Will not the Senator from Minnesota agree that we who are interested in the interest rate on mortgages know that when the interest rates on Government bonds rose, and when the price of Government bonds dropped, no one was going to buy home mortgages if he could buy the principal mortgages of the Government, namely United States Government bonds, at 89, which was the price last week?

Mr. HUMPHREY. The Senator from South Carolina is absolutely correct. The Senator told us about that at the time it happened.

Mr. LEHMAN. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. LEHMAN. I think the Senator from Minnesota has given a very fair, clear, and graphic picture of the effect of this great increase in the interest rate from 2½ percent to 3¼ percent. For many segments of our population, including large- and small-business men, public utilities, veterans, home builders, public-housing borrowers, municipalities, and States, the situation is serious. It will cost all these various groups, governmental agencies, and ultimately the taxpayers, a great deal of money.

But quite aside from that, is it not a fact that after doing all this damage, the course of action pursued by the Treasury Department in increasing the rate of interest on Government bonds from 2½ percent to 3¼ percent has been a completely futile action? I know the reason for it. I know the reason that actuated the Secretary of the Treasury who is an able man of high character in following this course of action. There are somewhere between $13 billion and $15 billion of short-term bonds to be refinanced within the next several months. The Secretary of the Treasury wanted to convert those bonds into long-term bonds. I sympathized with that feeling. As a former businessman and banker, I realize that it is always advisable, and certainly much more comfortable, to have obligations run to long terms. However, it is a fact that in spite of the increase from 2½ percent to 3¼ percent, which did great damage to the users of credit in the country, less than $1 billion of long-term bonds at 3¼ percent were sold, leaving $13 billion, $14 billion, or $15 billion of bonds to be refinanced. I understand that the Treasury Department is now returning to the old policy of financing by short-term bonds. And in the meantime all the outstanding Government bonds have been forced down to a great discount—in many cases to as much as 10 percent while all present holders are compelled to pay much higher rates on their loans.

Mr. HUMPHREY. I thank the Senator from New York for his observation. First of all, I think we are very fortunate to have in the Senate a man who has had such great experience in finance. The Senator from New York himself is a former banker. He is correct in saying that the only long-term issue to date has been the original 3¼ $1 billion issue with 30-year maturity. But I point out that the fact that a $1 billion issue was put out pegged the interest price throughout the economy.

I think the Secretary of the Treasury had good intentions when he started. As the Senator from New York points out, converting billions of dollars worth of short-term certificates of indebtedness into long-term bonds or securities is a very desirable operation. Needless to say, a long-term issue must pay a higher rate of interest than a short-term issue.

What actually happened was that the operation did not act as an inflationary brake. The Senator from New York is correct. I pointed out a moment ago that the cost of living in May reached the highest level in the history of the Nation. The cost of living went up in January, February, March, April, and May. If the purpose of the fiscal rearrangements and the interest policy was to curb inflation, it has failed. As the New York Times pointed out, it was a fiasco ineptly handled.

The Journal of Commerce recently said:

> If this policy of offering long-term issues at whatever rate is needed to attract buyers, without Reserve bank aid, were to be pursued further, there can be little question that it would lift interest rates to a level where business conditions would be profoundly affected.

The Journal of Commerce says that "Business conditions would be profoundly affected." When a restrained, conservative, responsible publication such as that uses those words, it is an indication, in the parlance of those of us who discuss such matters, that business conditions would be very seriously affected. This is what is worrying many of the leading businessmen and some of the leading financiers of America.

I submit that the Senator from Minnesota has not quoted from the American Federation of Labor's Journal. He has not quoted from the CIO News and Economic Report. He has not quoted from

so-called liberal journals. The entire thesis of my argument is based upon lead editorials in leading conservative financial journals. They are asking for a much more moderate course than is now being pursued.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield for one more question.

Mr. LEHMAN. Is it not very clearly indicated that the administration has not been at all concerned with the danger of inflation? As the Senator from Minnesota so clearly pointed out, the bill which was reported from the Committee on Banking and Currency, of which the Senator from Illinois [Mr. DOUGLAS] and I are members, would have provided at least for some controls, and for a freeze on prices, wages, and rents in the event of a serious emergency, a declaration of war, or an attack by the enemy. It would have afforded at least a minimum amount of protection. We would have liked to have had a much more definite and specific protection against inflation. But when that very moderate bill came to the floor of the Senate, even though the chairman of the Committee on Banking and Currency, the Senator from Indiana [Mr. CAPEHART], fought with us for its passage, it was completely emasculated, so that it was almost useless. And when it reached the House the few remaining very small teeth that were left to make it effective were drawn. Today we are wholly without protection against inflation, which might come in the event of a serious emergency or an attack. We certainly never had the slightest support from the administration in passing a bill which would be effective in controlling prices, wages, and rents, even in the case of emergency.

And the surprising part is that all we wished to do was to place a certain discretion in the hands of the President of the United States.

Mr. HUMPHREY. I thank the Senator from New York. He has stated the absolute truth. There has been no pressure by the administration, and no effort made by the administration, to effectuate a constructive anti-inflation policy, except for cuts in the budget, and I submit that many of the cuts in the budget are offset by the rise in interest rates.

Mr. President, I feel very strongly that appropriate committees of the Congress should investigate and report on the effect, and prospective additional effect, of the new interest policy on our economy.

There is no council of economic advisers. I am very much pleased that the President has recommended, under a reorganization plan, reestablishment of the Council of Economic Advisers. I believe such action is long overdue. I am delighted that, at long last, we have been able to get our signals straight as between the executive branch and the legislative branch, and have finally come to an agreement that the Council of Economic Advisers should be reinstated. There have been newspaper reports that a reorganized council would be proposed to us. But we are now within a month of time when a midyear council report is due, and there is no assurance that one will be forthcoming.

The current situation is one in which the objective advice of professional economic advisers would be of great value—to the administration as well as this Congress.

Certainly it is not wise to turn fiscal policy over to the large investing institutions and others who seem to think that the Government must pay their price for the use of money. Neither do I think that fiscal policymaking should be turned over entirely to borrowers.

In my opinion, the Council of Economic Advisers should be immediately reconstituted. It should be manned with economists of the greatest competence and objectivity, able to appraise the timeliness of shifts in fiscal policy and to keep them appropriately moderate. There should be a midyear economic report and hearings on it, before any further fiscal policy steps are taken.

In the absence of the council, and of investigations and hearings by the Joint Committee on the Economic Report which arise from the council reports, it seems to me urgent that the Congress itself initiate a study of fiscal policy.

There is pending a joint resolution by the Senator from Montana [Mr. MURRAY] and Representative PATMAN directing the Federal Reserve Bank to support Government securities which might be the basis for such study if a legislative basis is necessary.

The New York Journal of Commerce has warned:

> If this policy of offering long-term issues at whatever rate is needed to attract buyers, without Reserve bank aid, were to be pursued further, there can be no question that it would lift interest rates to a level where business conditions would be profoundly affected.

As I read the letter from the Deputy to the Secretary of the Treasury, who appears to be in charge of debt management, it is his position that, to meet the requirements of the times, we must adjust the terms of Government offerings to the requirements of the market, without Reserve bank aid, as those requirements are reflected to the Treasury by the large investing institutions themselves.

Certainly in such a situation, Congress should proceed at once to advise itself very fully on the wisdom of the Treasury policy.

Even if the Council of Economic Advisors were reconstituted at once, it would lack time to make an adequate mid-year economic report covering this field. And joint committee hearings would normally come after such a report. I see no proper alternative but for Congress to start its own study without further delay.

Mr. President, I have discussed this subject with considerable vigor, and I hope with some enlightenment. The problem of fiscal policy is without a doubt the most critical and crucial problem facing our Government, because it runs through the entire fabric of our domestic economy, as well as the ability of our Nation to further its foreign policy and to undertake heavy commitments for defense and security.

I think any of us would do well to remember that there are many points of view on fiscal matters. My thought is not that the junior Senator from Minnesota is always right—either in this instance or any other—but that as a result of debate and the exchange of views we may have a reappraisal or at least an analysis and evaluation of policies which have been followed, or which may in the future be followed.

I realize that one treads upon rather hallowed ground, or at least upon ground which is not too well explored, when he talks of taxation or when he talks of fiscal-policy matters. I submit that the Congress has a great responsibility in this area. It is not half so important that we, as individuals, are always right in our statements, as that we bring forth issues for discussion. I believe if the 96 Members of the Senate, with the 435 Members in the House, through their duly constituted committees would lend themselves to objective analyses of the very difficult problems of debt management, of the whole credit structure of the Nation, as it relates to civilian needs, to foreign needs, and to military needs—if they would dedicate their energies to that kind of study and analysis—in the long pull much would be accomplished in the direction of promoting the economic stability, the economic security, and progress of the Nation.

I believe that more than security is involved. I do not believe security is the only objective. I believe we must have the kind of economic policy which projects itself into the future with a view to bringing about greater development and greater production in our entire economy.

It is with that thought, despite some exchanges which have taken place today, that I have made these remarks. I wish to thank the Senators who have joined me in the discussion. I respect very much the Senator from Connecticut [Mr. BUSH] and his analysis. I surely respect every colleague who has joined in the discussion. I wish we could have more such discussions. Then at the right time perhaps we can talk to the Secretary of the Treasury and to those he has within his agency to see if we cannot come to a meeting of minds.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 3307) to provide for the treatment of users of narcotics in the District of Columbia.

The message also announced that the House had rejected the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the concurrent resolution (H. Con. Res. 29) favoring the granting of the status of permanent residence to certain aliens.

The message further announced that the House had agreed to the amendments of the Senate to the concurrent resolution (H. Con. Res. 29) favoring the granting of the status of permanent residence to certain aliens.

ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled joint resolution (S. J. Res. 76) designating the week beginning June 14, 1953, as Theodore Roosevelt Week, and it was signed by the Acting President pro tempore.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, June 10, 1953, he presented to the President of the United States the enrolled joint resolution (S. J. Res. 76) designating the week beginning June 14, 1953, as Theodore Roosevelt Week.

TEMPORARY ECONOMIC CONTROLS

During the delivery of Mr. HUMPHREY'S speech,

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1081) to provide authority for temporary economic controls, and for other purposes, which was to strike out all after the enacting clause and insert:

TITLE I

SECTION 1. This title may be cited as the "Defense Production Act Amendments of 1953."

SEC. 2. Section 2 of the Defense Production Act of 1950, as amended, is amended to read as follows:

"DECLARATION OF POLICY

"SEC. 2. In view of the present international situation and in order to provide for the national defense and national security our mobilization effort continues to require some diversion of certain materials and facilities from civilian use to military and related purposes. It also requires expansion of productive facilities beyond the levels needed to meet the civilian demand."

SEC. 3. Section 101 of the Defense Production Act of 1950, as amended, is amended to read as follows:

"SEC. 101. (a) The President is hereby authorized (1) to require that performance under contracts or orders (other than contracts of employment) which he deems necessary or appropriate to promote the national defense shall take priority over performance under any other contract or order, and, for the purpose of assuring such priority, to require acceptance and performance of such contracts or orders in preference to other contracts or orders by any person he finds to be capable of their performance, and (2) to allocate materials and facilities in such manner, upon such conditions, and to such extent as he shall deem necessary or appropriate to promote the national defense.

"(b) The powers granted in this section shall not be used to control the general distribution of any material in the civilian market unless the President finds (1) that such material is a scarce and critial material essential to the national defense, and (2) that the requirements of the national defense for such material cannot otherwise be met without creating a significant dislocation of the normal distribution of such material in the civilian market to such a degree as to create appreciable hardship."

SEC. 4. Subsection (a) of section 301 of the Defense Production Act of 1950, as amended, is amended by striking out ", or in connection with or in contemplation of the termination," and by inserting before the period at the end thereof a comma and the following: "or for the purpose of financing any contractor, subcontractor, or other person in connection with or in contemplation of the termination, in the interest of the United States, of any contract made for the national defense; but no small-business concern (as defined in section 3 of the Small Business Act of 1953) shall be held ineligible for the issuance of such a guaranty by reason of alternative sources of supply."

SEC. 5. Subsection (b) of section 303 of the Defense Production Act of 1950, as amended, is amended by striking out "1952" and inserting in lieu thereof "1953."

SEC. 6. Section 303 of the Defense Production Act of 1950, as amended, is amended by adding at the end thereof a new subsection as follows:

"(f) Notwithstanding any other provision of law to the contrary, metals, minerals, and materials acquired pursuant to the provisions of this section which, in the judgment of the President, are excess to the needs of programs under this act, shall be transferred to the national stockpile established pursuant to the act of June 7, 1939, as amended (50 U. S. C. 98–98h), when the President deems such action to be in the public interest.

"Transfers made pursuant to this subsection shall be made without charge against or reimbursement from funds available under such act of June 7, 1939, as amended, except that costs incident to such transfer other than acquisition costs shall be paid or reimbursed from such funds, and the acquisition costs of such metals, minerals, and materials transferred shall be deemed to be net losses incurred by the transferring agency and the notes payable issued to the Secretary of the Treasury representing the amounts thereof shall be canceled. Upon the cancellation of any such notes the aggregate amount of borrowing which may be outstanding at any one time under section 304 (b) of this act, as amended, shall be reduced in an amount equal to the amount of any notes so canceled."

SEC. 7. Subsection (c) of section 701 of the Defense Production Act of 1950, as amended, is amended to read as follows:

"(c) Whenever the President invokes the powers given him in this act to allocate any material in the civilian market, he shall do so in such a manner as to make available, so far as practicable, for business and various segments thereof in the normal channel of distribution of such material, a fair share of the available civilian supply based, so far as practicable, on the share received by such business under normal conditions during a representative period following June 30, 1953: *Provided, however,* That the President shall from time to time give effect to the then current competitive position of established businesses as measured over a reasonable period of time, except as the same may result from Government controls under this or any other act: *Provided further,* That the limitations and restrictions imposed on the production of specific items shall not exclude new concerns and newly acquired operations from a fair and reasonable share of total authorized production, and shall give due consideration to the needs of new concerns and newly acquired operations: *Provided further,* That if the President continues or reimposes allocation controls after June 30, 1953, in the civilian market of any materials subject to such controls on July 1, 1953, he shall do so in the manner above provided but on the basis of the share received by such business during a representative period preceding June 24, 1950, adjusted to reflect, since such date, attained competitive position, the requirements of new concerns and newly acquired operations."

SEC. 8. Section 702 (d) of the Defense Production Act of 1950, as amended, is amended to read as follows:

"(d) The term 'national defense' means the operations and activities of the Armed Forces or the Atomic Energy Commission or operations and activities of any other Government department or agency which the Department of Defense certifies as directly and substantially concerned with the national defense, or operations or activities in connection with the Mutual Defense Assistance Act of 1949, as amended."

SEC. 9. Subsection (e) of section 705 of the Defense Production Act of 1950, as amended, is hereby amended by adding at the end thereof the following paragraph:

"All information obtained by the Office of Price Stabilization under this section 705, as amended, and not made public prior to April 30, 1953, shall be deemed confidential and shall not be published or disclosed, either to the public or to another Federal agency except the Department of Justice, unless the President determines that the withholding thereof is contrary to the interest of the national defense, and any person willfully violating this provision shall, upon conviction, be fined not more than $10,000 or imprisoned for not more than 1 year, or both."

SEC. 10. Subsection (a) of section 717 of the Defense Production Act of 1950, as amended, is amended to read as follows:

"(a) Title I (except section 104), title III, and title VII (except section 714) of this act, and all authority conferred thereunder, shall terminate at the close of June 30, 1954. Section 104, title II, title VI, and section 714 of this act, and all authority conferred thereunder, shall terminate at the close of June 30, 1953. Titles IV and V of this act, and all authority conferred thereunder, shall terminate at the close of April 30, 1953."

SEC. 11. Subsection (c) of section 717 of the Defense Production Act of 1950, as amended, is amended by adding before the period at the end thereof a comma and the following: "or the taking of any action (including the making of new guaranties) deemed by a guaranteeing agency to be necessary to accomplish the orderly liquidation, adjustment, or settlement of any loans guaranteed under this act, including actions deemed necessary to avoid undue hardship to borrowers in reconverting to normal civilian production; and all of the authority granted to the President, guaranteeing agencies, and fiscal agents, under section 301 of this act shall be applicable to actions taken pursuant to the authority contained in this subsection."

TITLE II

SEC. 201. This title may be cited as the "Small Business Act of 1953."

SEC. 202. The essence of the American economic system of private enterprise is free competition. Only through full and free competition can free markets, free entry into business, and opportunities for the expression and growth of personal initiative and individual judgment be assured. The preservation and expansion of such competition is basic not only to the economic well-being but to the security of this Nation. Such security and well-being cannot be realized unless the actual and potential of small business is encouraged and developed. It is the declared policy of the Congress that the Government should aid, counsel, assist, and protect insofar as is possible the interests of small-business concerns in order to preserve free competitive enterprise, to insure that a fair proportion of the total purchases and contracts for supplies and services for the Government be placed with small-business enterprises, and to maintain and strengthen the overall economy of the Nation.

SEC. 203. For purposes of this title, a small-business concern shall be deemed to be one which is independently owned and operated and which is not dominant in its field of operation. In addition to the foregoing criteria the Administration, in making a detailed definition, may use these criteria, among others: Number of employees, and dollar volume of business.

SEC. 204. (a) In order to carry out this policy there is hereby created an agency under the name "Small Business Administration" (hereinafter referred to as the Administration), which Administration shall be under the general direction and supervision of the President and shall not be affiliated with or be within any other agency or department of the Federal Government. The principal office of the Administration shall be located in the District of Columbia, but the Administration may establish such branch offices in other places in the United States as may be determined by the Administrator of the Administration.

(b) The Administration is authorized to obtain money from the Treasury of the United States for use in the performance of the powers and duties granted to or imposed upon it by law, not to exceed a total of $250 million outstanding at any one time. For this purpose appropriations not to exceed $250 million are hereby authorized to be made to a revolving fund in the Treasury. Advances shall be made to the Administration from the revolving fund when requested by the Administration. This revolving fund shall be used for the purposes enumerated subsequently in sections 207 (a), (b), and (c). Not to exceed an aggregate of $150 million shall be outstanding at any one time for the purposes enumerated in section 207 (a). Not to exceed an aggregate of $100 million shall be outstanding at any one time for the purposes enumerated in sections 207 (b) and (c).

(c) The management of the Administration shall be vested in an Administrator who shall be appointed from civilian life by the President, by and with the consent of the Senate, and who shall be a person of outstanding qualifications known to be familiar and sympathetic with small-business needs and problems. The Administrator shall receive compensation at the rate of $17,500 per annum. The Administrator shall not engage in any other business, vocation, or employment than that of serving as Administrator. The Administrator is authorized to appoint three deputy administrators to assist in the execution of the functions vested in the Administration. Deputy administrators shall be paid at the rate of $15,000 per annum.

(d) There is hereby created the Small Business Advisory Board of the Small Business Administration, which shall consist of the following members, all ex officio. The Secretary of the Treasury, as Chairman, the Secretary of Commerce, and the Administrator. Either of the said Secretaries may designate an officer of his Department, who has been appointed by the President by and with the advice and consent of the Senate, to act in his stead as a member of the Small Business Advisory Board with respect to any matter or matters. The Small Business Advisory Board shall establish general policies which shall govern the Administration in carrying out the powers, duties, and authority conferred upon it by this title. Such general policies shall, among other things, provide the standards (1) for the granting and denial of financial assistance by the Administration, and (2) for exercise of the powers enumerated in sections 207 (b) and (c). It shall also be the duty of the Small Business Advisory Board to periodically review the operations of the Administration and coordinate its functions with other activities and policies of the Government.

SEC. 205. (a) The Administration shall have power to adopt, alter, and use a seal, which shall be judicially noticed. The Administrator is authorized, subject to the civil service and classification laws, to select, employ, appoint, and fix the compensation of such officers, employees, attorneys, and agents as shall be necessary to carry out the provisions of this title; to define their authority and duties, require bonds of them, and fix the penalties thereof. The Administration, with the consent of any board, commission, independent establishment, or executive department of the Government, may avail itself of the use of information, services, facilities, including any field service thereof, officers, and employees thereof, in carrying out the provisions of this title.

(b) In the performance of, and with respect to, the functions, powers, and duties vested in him by this title, the Administrator, notwithstanding the provisions of any other law, may—

(1) sue and be sued in any court of record of a State having general jurisdiction, or in any United States district court, and jurisdiction is conferred upon such district court to determine such controversies without regard to the amount in controversy: *Provided*, That no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Administrator or his property;

(2) under regulations prescribed by him, assign or sell at public or private sale, or otherwise dispose of for cash or credit, in his discretion and upon such terms and conditions and for such consideration as the Administrator shall determine to be reasonable, any evidence of debt, contract, claim, personal property, or security assigned to or held by him in connection with the payment of loans heretofore or hereafter granted under this title, and to collect or compromise all obligations assigned to or held by him and all legal or equitable rights accruing to him in connection with the payment of such loans until such time as such obligation may be referred to the Attorney General for suit or collection;

(3) deal with, complete, renovate, improve, modernize, insure, or rent, or sell for cash or credit upon such terms and conditions and for such consideration as the Administrator shall determine to be reasonable, any real property conveyed to or otherwise acquired by him in connection with the payment of loans granted under this title;

(4) pursue to final collection, by way of compromise or otherwise, all claims against third parties assigned to the Administrator in connection with loans made by him. This shall include authority to obtain deficiency judgments or otherwise in the case of mortgages assigned to the Administrator. Section 3709 of the Revised Statutes, as amended (41 U. S. C. 5), shall not be construed to apply to any contract of hazard insurance or to any purchase or contract for services or supplies on account of property obtained by the Administrator as a result of loans made under this title if the premium therefor or the amount thereof does not exceed $1,000. The power to convey and to execute in the name of the Administrator deeds of conveyance, deeds of release, assignments, and satisfactions of mortgages, and any other written instrument relating to real property or any interest therein heretofore or hereafter acquired by the Administrator pursuant to the provisions of this title may be exercised by the Administrator or by any officer or agent appointed by him without the execution of any express delegation of power or power of attorney. Nothing in this section shall be construed to prevent the Administrator from delegating such power by order or by power of attorney, in his discretion, to any officer or agent he may appoint;

(5) acquire, in any lawful manner, any property (real, personal, or mixed, tangible or intangible), whenever deemed necessary or appropriate to the conduct of the activities authorized in section 207 (a) of this title; and

(6) in addition to any powers, functions, privileges, and immunities otherwise vested in him, take any and all actions determined by him to be necessary or desirable in making, servicing, compromising, modifying, liquidating, or otherwise dealing with or realizing on loans or advances made under the provisions of this title.

(c) To such extent as he finds necessary to carry out the provisions of this title, the Administrator is hereby authorized to procure the temporary (not in excess of 1 year) service of experts or consultants or organizations thereof, including stenographic reporting services, by contract or appointment, and in such cases such service shall be without regard to the civil service and classification laws, and, except in the case of stenographic reporting services by organizations, without regard to section 3709, Revised Statutes, as amended (41 U. S. C. 5).

SEC. 206. All moneys of the Administration not otherwise employed may be deposited with the Treasurer of the United States subject to check by authority of the Administration. The Federal Reserve banks are authorized and directed to act as depositaries, custodians, and fiscal agents for the Administration in the general performance of its powers conferred by this title. Any banks insured by the Federal Deposit Insurance Corporation when designated by the Secretary of the Treasury, shall act as custodians, and financial agents for the Administration.

SEC. 207. The Administration is empowered—

(a) to make loans or advances to enable small business concerns to finance plant construction, conversion, or expansion, including the acquisition of land; or to finance the acquisition of equipment, facilities, machinery, supplies, or materials; or to supply such concerns with working capital to be used in the manufacture of articles, equipment, supplies, or materials for war, defense, or essential civilian production or as may be necessary to ensure a well-balanced national economy; and such loans or advances may be made or effected either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis: *Provided, however*, That the foregoing powers shall be subject to the following restrictions and limitations:

(i) No financial assistance shall be extended pursuant to (a) above unless the financial assistance applied for is not otherwise available on reasonable terms and all loans made shall be of such sound value or so secured as reasonably to assure repayment; no participation may be purchased unless it is shown that a deferred participation is not available; and no loan may be made unless it is shown that a participation is not available;

(ii) No loan or advance shall be granted under this title if the total amount outstanding and committed by participation to the borrower from the revolving fund established by this title would exceed $100,000, and no loan, including renewals or extensions thereof, may be made for a period or periods exceeding 10 years; except that any loan made for the purpose of constructing industrial facilities may have a maturity of 10 years plus such additional period as is estimated may be required to complete such construction;

(iii) In agreements to participate in loans on a deferred basis, such participations by the Administration shall not be in excess of 90 percent of the balance of the loan outstanding at the time of disbursement.

(b) to enter into contracts with the United States Government and any department, agency, or officer thereof having procurement powers obligating the Administration to furnish articles, equipment, supplies, or materials to the Government;

(c) to arrange for the performance of such contracts by negotiating or otherwise letting subcontracts to small-business concerns or others for the manufacture, supply, or assembly of such articles, equipment, supplies, or materials, or parts thereof, or servicing or processing in connection therewith, or such management services as may be necessary to enable the Administration to perform such contracts; and

(d) to provide technical and managerial aids to small-business concerns, by advising and counseling on matters in connection with Government procurement and on policies, principles, and practices of good management including but not limited to cost accounting, methods of financing, business insurance, accident control, wage incentives and methods engineering, by cooperating and advising with voluntary business, professional, educational, and other nonprofit organizations, associations, and institutions and with other Federal and State agencies, by maintaining a clearinghouse for information concerning the managing, financing and operation of small-business enterprises, by disseminating such information, and by such other activities as are deemed appropriate by the Administration.

SEC. 208. The Reconstruction Finance Corporation shall transmit requests for loans from small businesses received by it after the date of enactment of this title to the Administration for its consideration and possible action.

SEC. 209. In any case in which the Administration certifies to any officer of the Government having procurement powers that the Administration is competent to perform any specific Government procurement contract to be let by any such officer, such officer shall be authorized to let such procurement contract to the Administration upon such terms and conditions as may be agreed upon between the Administration and the procurement officer.

SEC. 210. (a) Whoever makes any statement knowing it to be false, or whoever willfully overvalues any security, for the purpose of obtaining for himself or for any applicant any loan, or extension thereof by renewal, deferment of action, or otherwise, or the acceptance, release, or substitution of security therefor, or for the purpose of influencing in any way the action of the Administration, or for the purpose of obtaining money, property, or anything of value, under this title, shall be punished by a fine of not more than $5,000 or by imprisonment for not more than 2 years, or both.

(b) Whoever, being connected in any capacity with the Administration (A) embezzles, abstracts, purloins, or willfully misapplies any moneys, funds, securities, or other things of value, whether belonging to it or pledged or otherwise entrusted to it, or (B) with intent to defraud the Administration or any other body politic or corporate, or any individual, or to deceive any officer, auditor, or examiner of the Administration makes any false entry in any book, report, or statement of or to the Administration, or, without being duly authorized, draws any order or issues, puts forth, or assigns any note, debenture, bond, or other obligation, or draft, bill of exchange, mortgage, judgment, or decree thereof, or (C) with intent to defraud participates, shares, receives directly or indirectly any money, profit, property, or benefit through any transaction, loan, commission, contract, or any other act of the Administration, or (D) gives any unauthorized information concerning any future action or plan of the Administration which might affect the value of securities, or, having such knowledge, invests or speculates, directly or indirectly, in the securities or property of any company or corporation receiving loans or other assistance from the Administration shall be punished by a fine of not more than $10,000 or by imprisonment for not more than 5 years, or both.

SEC. 211. It shall be the duty of the Administration and it is hereby empowered, whenever it determines such action is necessary—

(a) to make a complete inventory of all productive facilities of small-business concerns which can be used for war or defense production, or to arrange for such inventory to be made by any other governmental agency which has the facilities. In making any such inventory, the appropriate agencies in the several States may be requested to furnish an inventory of the productive facilities of small-business concerns in each respective State if such an inventory is available or in prospect; and

(b) to coordinate and to ascertain the means by which the productive capacity of small-business concerns can be most effectively utilized for war or defense production.

SEC. 212. When directed by the President, it shall be the duty of the Administration to consult and cooperate with governmental departments and agencies in the issuance of all orders or in the formulation of policy or policies in any way affecting small-business concerns. When directed by the President all such governmental departments or agencies are required, before issuing such orders or announcing such policy or policies, to consult and cooperate with the Administration in order that the interests of small-business enterprises may be recognized, protected, and preserved.

SEC. 213. The Administration shall have power, and it is hereby directed, whenever it determines such action is necessary—

(a) to consult and cooperate with officers of the Government having procurement powers, in order to utilize the potential productive capacity of plants operated by small-business concerns;

(b) to obtain information as to methods and practices which Government prime contractors utilize in letting subcontracts and to take action to encourage the letting of subcontracts by prime contractors to small-business concerns at prices and on conditions and terms which are fair and equitable;

(c) to determine within any industry the concerns, firms, persons, corporations, partnerships, cooperatives, or other business enterprises, which are to be designated "small-business concerns" for the purpose of effectuating the provisions of this title;

(d) to certify to Government procurement officers with respect to the competency, as to capacity and credit, of any small-business concern or group of such concerns to perform a specific Government procurement contract;

(e) to obtain from any Federal department, establishment, or agency engaged in procurement or in the financing of procurement or production such reports concerning the letting of contracts and subcontracts and making of loans to business concerns as it may deem pertinent in carrying out its functions under this title;

(f) to obtain from suppliers of materials information pertaining to the method of filling orders and the bases for allocating their supply whenever it appears that any small business is unable to obtain materials from its normal sources for war or defense production;

(g) to make studies and recommendations to the appropriate Federal agencies to insure a fair and equitable share of materials, supplies, and equipment to small-business concerns to effectuate war or defense programs;

(h) to consult and cooperate with all Government agencies for the purpose of insuring that small-business concerns shall receive fair and reasonable treatment from said agencies; and

(i) to establish such advisory boards and committees wholly representative of small business as may be found necessary to achieve the purposes of this title.

SEC. 214. In any case in which a small-business concern or group of such concerns has been certified by or under the authority of the administration to be a competent Government contractor with respect to capacity and credit as to a specific Government procurement contract, the officers of the Government having procurement powers are directed to accept such certification as conclusive, and are authorized to let such Government procurement contract to such concern or group of concerns without requiring it to meet any other requirement with respect to capacity and credit.

SEC. 215. To effectuate the purposes of this title, small-business concerns within the meaning of this title shall receive any award or contract or any part thereof as to which it is determined by the Administration and the contracting procurement agency (A) to be in the interest of mobilizing the Nation's full productive capacity, or (B) to be in the interest of war or national defense programs.

SEC. 216. The Administration shall make a report every 6 months of operations under this title to the President, the President of the Senate, and the Speaker of the House of Representatives. Such report shall include the names of the business concerns to whom contracts are let and for whom financing is arranged by the Administration, together with the amounts involved, and such report shall include such other information and such comments and recommendations as the Administration may deem appropriate.

SEC. 217. The Administration is hereby empowered to make studies of the effect of price, credit, and other controls imposed under war or defense programs and wherever it finds that these controls discriminate against or impose undue hardship upon small business, to make recommendations to the appropriate Federal agency for the adjustment of controls to the needs of small business.

SEC. 218. (a) The President is authorized to consult with representatives of small-business concerns with a view to encouraging the making by such persons with the approval by the President of voluntary agreements and programs to further the objectives of this title.

(b) No act or omission to act pursuant to this title which occurs while this title is in effect, if requested by the President pursuant to a voluntary agreement or program approved under subsection (a) and found by the President to be in the public interest as contributing to the national defense shall be construed to be within the prohibition of the antitrust laws or the Federal Trade Commission Act of the United States. A copy of each such request intended to be within the coverage of this section, and any modification or withdrawal thereof, shall be furnished to the Attorney General and the Chairman of the Federal Trade Commission when made, and it shall be published in the Federal Register unless publication thereof would, in the opinion of the President, endanger the national security.

(c) The authority granted in subsection (b) shall be delegated only (1) to an official who shall for the purpose of such delegation be required to be appointed by the President by and with the advice and consent of the Senate, and (2) upon the condition that such official consult with the Attorney General and with the Chairman of the Federal Trade Commission not less than 10 days before making any request or finding thereunder, and (3) upon the condition that such official obtain the approval of the Attorney General to any request thereunder before making the request.

(d) Upon withdrawal of any request or finding made hereunder the provisions of this section shall not apply to any subsequent act or omission to act by reason of such finding or request.

SEC. 219. (a) The President may transfer to the Administration any functions, powers, and duties of any department or agency which relate primarily to small-business problems. In connection with any such transfer, the President may provide for appropriate transfers of records, property, necessary personnel, and unexpended balances of appropriations and other funds available to the department or agency from which the transfer is made.

(b) The President may also provide for such transfers of records, property, and personnel from the Small Defense Plants Administration, during the period of its liquidation, as he considers appropriate to assist the Small Business Administration in carrying out its functions under this title. The Defense Production Act of 1950, as amended, is further amended by the repeal of section 714 of that act.

SEC. 220. No loan shall be made or equipment, facilities, or services furnished by the Administration under this title to any business enterprise unless the owners, partners, or officers of such business enterprise (1) certify to the Administration the names of any attorneys, agents, or other persons engaged by or on behalf of such business enterprise for the purpose of expediting applications made to the Administration for assistance of any sort, and the fees paid or to be paid to any such persons; (2) execute an agreement binding any such business enterprise for a period of 2 years after any assistance is rendered by the Administration to such business enterprise, to refrain from employing, tendering any office or employment to, or retaining for professional services, any person who, on the date such assistance or any part thereof was rendered, or within 1 year prior thereto, shall have served as an officer, attorney, agent, or employee of the Administration occupying a position or engaging in activities which the Administration shall have determined involve discretion with respect to the granting of assistance under this title; and (3) shall furnish the names of lending institutions to which such business enterprise has applied for loans together with dates, amounts, terms, and proof of refusal.

SEC. 221. To the fullest extent the Administration deems practicable, it shall make a fair charge for the use of Government-owned property and make and let contracts on a basis that will result in a recovery of the direct costs incurred by the Administration.

SEC. 222. There are hereby authorized to be appropriated such sums as may be necessary and appropriate for the carrying out of the provisions and purposes of this title.

SEC. 223. If any provision of this title, or the application thereof to any person or circumstances, is held invalid, the remainder of this title, and the application of such provision to other persons or circumstances, shall not be affected thereby.

Mr. CAPEHART. Mr. President, I move that the Senate disagree to the amendment of the House, ask a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair apopint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. CAPEHART, Mr. BRICKER, Mr. BENNETT, Mr. BUSH, Mr. MAYBANK, Mr. FULBRIGHT, and Mr. ROBERTSON conferees on the part of the Senate.

Mr. HUMPHREY. Mr. President, I wish to say that the distinguished Senator from Indiana has done me a distinct service by asking me to yield at this time, because I understand that the bill to which he has reference, and on which the conferees who have been appointed will confer is the controls bill. I join with many of my colleagues in complimenting the Senator from Indiana upon his battle on the floor to get a reasonably effective control measure before the Senate. He made a courageous fight. But, Mr. President, some of those today who are so much in favor of the low-interest-rate policy are some of the very ones who voted to destroy certain of the features in the control bill which would have given the President of the United States the authority which he may need in order to effectively control inflation in the United States of America.

RED CHINA AND THE UNITED NATIONS

Mr. McCLELLAN. Mr. President, on June 3, when the Senate was considering the appropriation bill for the Department of State, an amendment was offered and adopted declaring it to be the sense of this body that the Government of Red China should not be admitted to membership in the United Nations.

In support of that amendment, which is identical with a resolution which I introduced and which this body adopted January 23, 1951, save and except for one word, I stated that if Red China should be admitted to the United Nations it would be an infamous day in the history of the world. I said that "if and when Red China walks into the United Nations, America should walk out."

I further stated, in support of the amendment, that it would have the effect of renewing the warning of the previous resolution which the Senate had adopted. Not only to our allies and our enemies, but to the leaders of our own Government that we would not tolerate that sort of appeasement.

I said in doing so we should "let not only our enemies but the entire world know that Congress and the American people do not intend to dignify and reward aggression, or to honor and exalt the aggressor."

Mr. President, I made further statements in that same vein of sentiment.

Today I was much pleased to observe in the Washington News an editorial entitled "An Infamous Proposal."

I shall not take the time to read all of the editorial, but I should like to read the first two paragraphs and the concluding paragraph of it. Then I shall ask that the entire editorial be printed in the RECORD at this point, as a part of my remarks. The first two paragraphs of the editorial read:

Sir Winston Churchill has succeeded in getting the other Prime Ministers of the British Commonwealth to endorse unanimously his idea that Red China eventually must be seated in the United Nations, according to reports from London.

This support is expected to strengthen Sir Winston's position when he meets President Eisenhower in Bermuda later this month.

After further comment, the concluding paragraph of the editorial states:

Surely no government could do it—

That is, admit Red China—

without breaking faith with the honored dead buried on the bleak Korean peninsula. These men were fighting to "maintain international peace and security." To reward the aggressors whom they tried to expel would make the U. N. flag an emblem of infamy under which no American could serve.

Mr. President, this editorial emphasizes the views that I have heretofore expressed in this body. I think it is important that the American people be kept informed of the effort and pressure which are obviously now being applied in the course of the negotiations now underway, and which will be further exerted following the successful conclusion of a truce in Korea, to have us accept Red China as a member of the U. N.

I believe, as I stated, and as this editorial supports my position, that it would be an infamous day in the history of the world to admit Red China to the United Nations.

In other words, it would be equivalent to permitting an aggressor nation to shoot its way into membership in the United Nations, an international organization that was set up to prevent aggression. That would be a world calamity—a tragedy of great magnitude that we must strive to prevent. I commend the Washington News for this forthright editorial and I hope many of our citizens may read and ponder it.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

AN INFAMOUS PROPOSAL

Sir Winston Churchill has succeeded in getting the other prime ministers of the British Commonwealth to endorse unanimously his idea that Red China eventually must be seated in the United Nations, according to reports from London.

This support is expected to strengthen Sir Winston's position when he meets President Eisenhower in Bermuda later this month.

The venerable Prime Minister must attach great importance to this proposal, since he is pushing it so ardently. But has he considered what a mockery it would make of the U. N.'s organic law?

Article I, chapter I of the U. N. Charter states that it is the primary purpose of the organization "to maintain international peace and security and to that end: to take effective collective measures for the prevention and removal of threats to the peace, and for the suppression of acts of aggression or other breaches of the peace."

The U. N. forces were acting in accordance with this provision of the Charter when they were attacked by Red China.

Had the Peiping regime been a member of the U. N. at that time it would have been subject to suspension and eventual expulsion for that act under article IV of the same chapter.

Austria, Ceylon, Finland, Ireland, Italy, Korea, Portugal, and Nepal all have been unsuccessful applicants for U. N. membership. All have expressed a willingness to accept the obligations expressed in the chapter cited. Not one of them stands accused of any breach of world peace. But they have been barred from membership by the Soviet veto.

Britain isn't making a major issue of any of these deserving cases. Such special consideration has been reserved for an outlaw government guilty of an unprovoked attack on the U. N.

Yet how could any self-respecting government vote, as the Charter requires on membership applications, that in its judgment Communist China is able and willing to carry out its obligations under the Charter?

Surely no government could do it without breaking faith with the honored dead buried on the bleak Korean Peninsula. These men were fighting to maintain international peace and security. To reward the aggressors whom they died to expel would make the U. N. flag an emblem of infamy under which no American could serve.

CONTINUANCE OF CIVIL GOVERNMENT FOR THE TRUST TERRITORY OF THE PACIFIC ISLANDS

Mr. HENDRICKSON. Mr. President, I ask unanimous consent that the unfinished business which, I understand, is Senate bill 1946, be temporarily laid aside, and that the Senate proceed to the consideration of the joint resolution (S. J. Res. 6) to provide for a continuance of civil government for the Trust Territory of the Pacific Islands.

The PRESIDING OFFICER (Mr. PURTELL in the chair). Is there objection?

There being no objection, the Senate proceeded to consider the joint resolution (S. J. Res. 6) to provide for a continuance of civil government for the Trust Territory of the Pacific Islands.

Mr. HENDRICKSON subsequently said: Mr. President, a few moments ago the Senator from New Jersey asked unanimous consent to lay aside the unfinished business and to consider Senate Joint Resolution 6. At the time I made the request, the distinguished Senator from Texas [Mr. JOHNSON] was in the Senate Chamber, and I thought he heard my request. He tells me that he did not hear it, and that, had he heard it, he would have suggested the absence of a quorum. I now ask, therefore, that the order of the Senate be vacated.

The PRESIDING OFFICER. Is there objection?

Mr. JOHNSON of Texas. Reserving the right to object, if I was in the Chamber at the time the request was made, I did not hear it. I had no knowledge whatever of the fact that the acting majority leader intended to make the unanimous-consent request that he made. Personally, I have no objection to the bill he asked to have considered. During the afternoon, I conferred with those of my colleagues who are familiar with the proposed legislation, and I hope we may be able to assure the acting majority leader of our cooperation in securing action on the bill tomorrow.

Mr. HENDRICKSON. Mr. President, I should like to have the RECORD show that, had the distinguished minority leader not been in the Chamber at the time, the request would not have been made.

The PRESIDING OFFICER. Without objection, the previous order of the Senate is vacated.

THE SOUTH'S DYNAMIC AMERICANISM

Mr. MAYBANK. Mr. President, for a few minutes I should like to speak about economic developments which have been taking place in the southeastern region of the United States, particularly the phenomenal growth of industry in the New South.

It is appropriate that the South's rise to a position of leadership in the economic, spiritual, and industrial life of our great country be reviewed, not at all for reasons of sectional pride—great though our pride may be—but because this record of achievement in the face of great handicaps can well serve as an example and inspiration to Americans everywhere.

Today my major emphasis will be on the growth and development of the textile industry. My purpose is to show this industry's influence in begetting new and diversified industrial growth in the South. In the near future I plan to address myself to the progress of other leading segments of our economic community.

At this moment many people seem to be wondering what is in store for the national economy if peace is restored and heavy Federal spending for military defense tapers off. There is no denying the fact that business and industry are apt to be very sensitive to extraordinary international events, such as would come with a peaceful settlement in Korea, for example. The reason for this is obvious: Much of America's present economy and industrial activity are related to programs of the military, and therefore rest on foundations which have been distorted by abnormal conditions of wars and emergencies.

To rebuild and buttress these foundations is the great challenge for our country. Only prophets of gloom believe the whole structure must topple before it can be restored on sound, solid foundations. It is only the thinking of defeatists that the United States cannot prosper without war, or cannot continue to grow and progress without the inflationary stimulus of huge Government spending for one domestic aid program after another.

Instead of viewing the prospect of eventual peace, or a balanced and more economical Federal budget, as a signal of economic danger, my opinion is that most red-blooded Americans would prefer to consider the future as a new era in which all the forces of a dynamic free business system can be brought into play for greater accomplishments—a still higher standard of living, more material goods and better things spiritual and cultural—in the years ahead.

The new South offers America a living example of the courage, the self-reliance, the dynamic driving force, fostered by independence and freedom, which for over a century and a half have stimulated our country's growth. Let us keep uppermost in mind the fact that America's progress has always been directly related to the continued expansion of her business and industry. From the day the Constitution of the United States came into being, this Nation has never stood still for long. America's basic economic power stems from its determination and its ability to grow, to expand from the base, to develop something new, to find better and more efficient ways of doing things, to provide more and better things for more people.

The South is undergoing an industrial revolution which is as momentous and significant for its people as was the original industrial revolution whereby mankind learned how to make machines do the work of human hands. This new industrial revolution in the South is a continuing force, an irresistible, dynamic upsurge of strength; it can never be static while there is demand for its products; and it keeps rolling ahead because its leadership seems convinced that apparently there are no visible limits to the variety or volume of products for human consumption. The capacity of man to enjoy the fruits of his labor recognizes no boundaries.

New processes, new techniques, new designs for plants, the ingenious use of raw materials and supplies of power and water—these are the demands of modern industry; and these demands are being met promptly and adequately in the South. Hence, the region where King Cotton once held unbroken dominion is now dotted with new, multi-million-dollar plants, so modern they look like something out of an architect's sketchbook of tomorrow. Manufacturing plants which operate 80 percent of the total capacity of America's textile industry; vast operations of the synthetic-fiber industry; plants specially designed for the production of woolen and worsted fabrics, and for the manufacture of entirely new fabric materials which blend and combine many various fibers, natural and man-made; chemical plants; lumber, pulp, and woodworking plants; modern paper mills; new metalworking and machine-manufacturing establishments; tremendous power developments; a growing ceramics industry; a spreading network of pipelines; improved port facilities—the endless list is made up of evidences too numerous to mention of the economic and social revolution which makes the South the fastest growing part of the Nation.

Mr. EASTLAND. Mr. President, will the Senator from South Carolina yield to me?

The PRESIDING OFFICER (Mr. PAYNE in the chair). Does the Senator from South Carolina yield to the Senator from Mississippi?

Mr. MAYBANK. I yield.

Mr. EASTLAND. The Senator from South Carolina is making a very able and very informative speech. What he says about the upsurge of industry in the South is quite true.

I should like to ask him if it is true that all southern industry asks for is "an even break," not preference.

Mr. MAYBANK. That is correct; southern industry asks only for "an even break." If the Government plans to purchase certain commodities, southern industry merely asks that its products be given "an even break" in that connection.

Mr. President, in the forefront of the South's expanding economy is the textile industry, which spearheaded the industrial revolution of the 18th century, and which also pioneered mass production in America as we know it. In a very real sense, the measure of the South's rapid industrial growth over recent years is the dramatic increase in the textile industry's far-flung operations.

We are, of course, familiar with the statistics—the record of productive capacity which tells of the expansion of southern textile spindles and the gradual concentration of the textile industry's productive capacity in the Southeastern States. But more meaningful are the figures which tell about jobs and opportunities and earnings for thousands of men and women. Here is the picture of growth in the country's four largest textile States, on the basis of their cotton-system spindles: I refer to South Caro-

lina, North Carolina, Georgia, and Alabama. In 1919, the earliest year for which Census Bureau totals are available, the textile industry in these four States operated 1,220 plants, provided 176,000 jobs, and paid out a total of $136,447,000 in wages. During 1951, 32 years later, these 4 States had 1,756 textile plants—an increase of 500; their textile employment added up to 508,000 jobs—a fivefold increase, and the total wages and salaries paid out in that year came to $1,308,000,000—10 times more than in 1919.

It almost defies comprehension to consider the effects of this sensational growth on individual buying power, the ability of the average worker to have more things for his home and family, the effects on the many service and supply businesses for which the textile mills, the textile workers, and the textile communities are primary customers; the effects in terms of Government revenues and new public facilities—schools, highways, hospitals, and all the rest.

Moreover, industry begets industry; there is nothing truer than that. For instance, the "Textile South" sees the giant and rapidly expanding synthetic or chemical-fiber plants being located in its midst. It is to their advantage to be situated near the mills which spin and weave these fibers, and also to be near the chemical industries of the Southeast. Textile progress is linked intimately with the progress of scores of other industries whose well-being is dependent in varying degrees on textiles. The textile industry has spurred the expansion of power-generating facilities and the piping of natural gas. Textiles have opened big markets for steel and iron, for machinery, and for the South's swift-growing container industry. These are but random examples of the manner in which the textile industry moves ahead in the forefront of the industrial expansion of the Southeast.

Mr. McCLELLAN. Mr. President, will the Senator from South Carolina yield to me for a question?

Mr. MAYBANK. I yield.

Mr. McCLELLAN. Is it not true that what the distinguished Senator from South Carolina is saying regarding the textile industry also applies in great measure to a great many other industries in the South?

Mr. MAYBANK. That is entirely correct.

Mr. McCLELLAN. I cannot see the justification for asking the Government to interfere in any way, by the use of its powers, with the freedom of industry to exercise its own choice in the location of its facilities.

Mr. MAYBANK. The Senator from Arkansas is entirely correct, and I appreciate his bringing that point to our attention, because I well know the marvelous industrial developments which have occurred in Arkansas, in connection with its paper and pulp mills, its various lumber product plants, and its various chemical plants.

Mr. McCLELLAN. That is true. Is it not also true that, for the past century, the South has been largely the source of raw materials needed for the support of its own manufacturing, as well as for industrial plants in other areas of the country?

Mr. MAYBANK. The Senator is correct. The Senator has just heard me say that the reason why fiber mills, other than cotton mills, are being moved to the South, is in order that they may be near the places where the fibers are grown, with resulting benefits through lower freight rates and other lower costs.

Mr. McCLELLAN. It relieves them from the handicap of penalty freight rates, which they have had to pay throughout the years.

Mr. MAYBANK. That is correct.

Mr. McCLELLAN. When it is being made perfectly clear to industries throughout the country that there are opportunities for industry in other areas, why should the Government, being a government of all the people and of all the areas, be concerned to the extent of undertaking to use its power in any manner to prevent freedom of choice and freedom of action when an industry itself concludes that it can best be served in a particular area?

Mr. MAYBANK. I thoroughly agree with the distinguished Senator from Arkansas that the Government should not do so. Many years ago the South was in almost the condition of a colony. Everything raised or produced within had to be shipped elsewhere. But with the lowering of freight rates, as a result of navigation on the Mississippi River, the Arkansas River, and elsewhere throughout the South and Southwest, we have come into our own, through our own efforts. No one helped us.

Mr. McCLELLAN. Because of that situation, the finger of scorn and ridicule has been pointed at us as being poor States, notwithstanding the fact that the natural resources of our areas are contributing vastly to the wealth of other sections of the Nation.

Mr. MAYBANK. The Senator from Arkansas is entirely correct. He will agree with me, no doubt, that at least very large deposits of bauxite, if not the largest in the country, exist in his own State.

Mr. McCLELLAN. According to estimates, 95 percent of the known deposits of bauxite in North America are within the State of Arkansas.

Mr. MAYBANK. And most of the aluminum that is produced in this country could be processed through the use of bauxite obtained from the State of Arkansas alone.

Mr. McCLELLAN. I may say that never, until World War II, was there a processing plant of any kind built in the State of Arkansas for the purpose of processing the natural ores of that State.

Mr. MAYBANK. Prior to that time, in many instances, bauxite was imported from other countries. Is that not correct?

Mr. McCLELLAN. That is correct. I may say that even now, when there are both alumina and aluminum plants, there is still no processing, there are still no fabricating plants, in the State of Arkansas, where they rightly should be in order to process the raw materials which are found there.

Mr. MAYBANK. That is accounted for by the fact that freight rates are prohibitive, as well as the fact that there has been a scarcity of labor.

Mr. McCLELLAN. That is certainly true. I wish to commend the able Senator upon the speech he is making.

Mr. MAYBANK. I thank the Senator.

Mr. EASTLAND. Mr. President, will the Senator from South Carolina yield for a question?

Mr. MAYBANK. I yield.

Mr. EASTLAND. Does the Senator from South Carolina have any data in regard to production in the southeastern textile industries?

Mr. MAYBANK. I do not have the data set forth in the statement I am making, but I appreciate the Senator's asking me that question. I will get the information, and will put in it the RECORD later. In my present remarks I am discussing the textile industry. Later I expect to make another speech with reference to general production in the South.

Mr. EASTLAND. Is it not true that there is more production per worker in the textile industries of the South than in any other section of the country?

Mr. MAYBANK. That is correct.

Mr. EASTLAND. Is it not also a fact that the production of textiles is therefore cheaper in the South than in any other area of the country?

Mr. MAYBANK. That is correct. The South has modern mills. The owners of the mills have invested capital and have reinvested income for the purpose of modernizing their mills. They have plowed back their profits for the purpose of installing better looms and better spindles.

Mr. EASTLAND. Is it not true that, in addition to the textile industry, the production per worker for the industries of the South in general is higher than in any other area of the Nation?

Mr. MAYBANK. I believe the Senator is correct. I am not certain of that, but I know it is true with respect to the textile industry.

When the textile industry is described as "pioneering" such developments, numerous areas of progress, of innovation, of ingenuity, can be cited. The yarn and fabric manufacturers have shown the textile world how to adapt plant design and machinery layout to the task of producing goods more efficiently. They create their own indoor weather conditions for the best advantage in processing fiber into thread and cloth. Beside the new, one-story, air-conditioned manufacturing plants are to be found textile research centers where all the talents and knowledge of science are being brought to bear on ways of improving their raw materials, streamlining the manufacturing processes and creating new finishing treatments which enhance or enrich the qualities of the end product.

Through technological advances and research, the textile industry is becoming diversified within itself, flexible, more able to respond promptly to changes taking place in the consumer markets. It does not bewail competition; far from it, because the competitive effort and research have spurred the mills to produce better and more appealing products for more people, making yesterday's wants obsolete and creating new uses and new markets which did not even exist just 10 years ago.

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This is the sort of spirit that pervades all industry in the South. Southern industry is doing research on a tremendous scale and is applying the scientific approach to its work and to its markets. It can do this because now the South for the first time in its long and glorious and at times painful history, has capital of its own. And the South knows how to use that capital.

Just as the textile industry of the South has become diversified—broadening its product range and widening its base of operations—so does all industry below the Mason-Dixon line become more diversified by the day. This is a continuing process. During 1952, according to the Southern Association of Science and Industry, the South continued its pattern of adding "an average of one new multi-million-dollar manufacturing plant for each working day, with the result there was a proportionate increase in the variety of southern manufacturing."

Small wonder, therefore, that the South has made a faster rate of progress in almost every form of business activity than has the Nation as a whole. It is obvious why per capita income in the Southeast is rising faster than elsewhere in the country, increasing 179 percent from 1929 to 1948. This rate exceeded all other regions of the United States and far exceeded the national increase of 107 percent.

All that has taken place, and is occurring right now, in the South, is of inestimable importance to the country as a whole. The Nation grows stronger because of the South's onward advance. As a result of these developments, the South becomes an ever greater and more vital part of the national market. The saying is that 50 million Frenchmen cannot be wrong. Neither can 2 million new industrial jobs created in the South in the years since World War II. This upsurge, this burgeoning of productive activity in the southeastern corner of America is an irresistible, undeniable fact; it is like an ever-rising tide which no one, even if he wanted to, can stem or turn back.

Up to this point, Mr. President, you have heard in generalized outline, the story of what has been happening. More important, perhaps, are the reasons why all of this has come about—why this vast resurgence of the South can give hope and inspiration for parallel events elsewhere in this land of ours.

Without any question, the most important factor in the new South's economic expansion is its favorable industrial climate. By this is meant not the natural atmosphere, of course, much as we do enjoy our bountiful sunshine, the rich variety in our terrain ranging from seashores to mountain heights, the mildness of winter, the abundance of lands, lakes, and streams. The kind of climate conducive to successful manufacture has been created by men who took the concept of free enterprise at face value, and accepted the many and serious obligations which that concept involves, men who have succeeded through hard work, the lash of intense competition, and a courage which would not be defeated. Neither management nor the great body of workers has submitted to regimentation in any form, or to forces of petty tyranny attempting to make inroads from the outside. Friendly civic attitudes make their vital contribution to the climate of which I speak. Every community which industry has entered is motivated by a passion to build and grow, even as industry has. Hence, industry and community are joined in common purpose; each gives fully to its realization. That kind of union is unconquerable.

Permit me to add that it has required what might be called "economic statesmanship" to fashion the kind of climate wherein industry can take deep roots, grow strong, prosper, and produce not only dividends in the form of tangible money profits for workers and investors, but also an ever richer flow of human dividends. Industry in the South has been more than the architect of technological progress; it has also been a social scientist in reform, opening new opportunities of leisure and cultural development to hundreds of thousands of men and women.

Were one to travel from one southern community to another, he would find evidence everywhere of industry's constant striving to create a wealth of greater human values, evidences of a widening and enlightened vision that extends far beyond the immediate limits of plants and offices. Some simple manifestations of this are to be seen in the fine new school buildings in the industrial areas, the community centers, the ultramodern hospitals, the recreational facilities—advantages to be used and enjoyed by all the people, good things that are as much the products of prospering industry as are cloth, furniture, or any other item of manufactured goods.

It seems accurate to say that throughout the whole country business and industry are on trial, so to speak. Perhaps it is best to say that it is a second trial, or a second chance, for in the popular mind business—whether justly so or not—was largely held responsible when America experienced the great depression of two decades ago. Now, after a time when business and industry were made the twin whipping boys and were blamed for all our ills, they are being given this new opportunity to prove themselves.

There are a good many indications that business and industry have learned one vital lesson, that they form a primary component of a society which demands and will continue to demand that management take proper care of its part of the economy. Business and industry can meet their present test, in my opinion, when they recognize that their responsibilities go beyond matters of individual gain and expediency. Not all manufacturers and business firms will reach that point at the same time; for some, it lies ahead. Others—and it is most encouraging to note that many of them are operating in the South—have already come to that point of greater-than-ever recognition of industry's responsibility to economic and social progress. It is that point where the decision to install new machinery or to build an employee health clinic is not made as an expedient for self-aggrandizement under the compulsion of competition alone, but as a duty of simple good citizenship.

The popular support given various programs of social reform undertaken by the Government during recent years furnished ample evidence of a generally felt need for industry's acceptance of these greater obligations. However, it was largely a case of putting the cart in front of the horse. The evolution in civic and social consciousness which we are witnessing on the part of industry, as so well exemplified in the South today, had to come about gradually. It could not be forced or legislated. It had to take place in the human heart and soul of business.

Indeed, it requires "economic statesmanship" of the kind being demonstrated in the South. No southern mill, whether it makes textiles or any other product, has a monopoly on research facilities; southern mills use the same raw materials as those anywhere else—and if they save a few dollars on shipping charges for fiber by being near its source, remember they have to pay more to send finished goods over longer distances to the markets; they use the same kind of machinery as is available to manufacturing plants in other regions. But by exercising economic statesmanship and good economic common sense—a sense of responsibility shared alike by management, workers and stockholders—they are finding better ways of producing more efficiently and are dividing the benefits of improved technology equitably.

Neither stockholders nor the great majority of production workers have opposed technological advances which make possible more and better products at lower cost, for they understand that to ignore or oppose those improvements is to oppose their own best interests. There is obviously wide recognition of the fact that the distribution of these benefits must be fair and equitable, in accordance with best managerial judgment as dictated by given economic and business conditions. Pursuit of this principle results in distribution of the benefits of increased productivity among employees in the form of reasonable wages and good working conditions, among stockholders in the form of reasonable earnings on their investments, and among consumers in the form of goods which the public wants at a price the public can pay.

Let me assure you, Mr. President, that this is not an idealistic or visionary view, but is practical "economic statesmanship" which one encounters throughout the industrial South every day. That term itself was employed just recently by a manufacturer in my own State of South Carolina. He defined an "economic statesman" as "one who guides his actions and conducts his business whereby not only his plant, employees, and community, but also his Nation, can prosper, regardless of the criticisms that he may have to take."

The practice of economic statesmanship encompasses more than an equitable sharing of productivity benefits among

consumers, investors, and workers. It involves the husbanding of resources, prudent policies of public spending at the local and State levels of government, and the reinvestment of industry earnings in plants and machinery, with a constant awareness of the truth that if managerial judgment should be faulty or should be forced to give way to outside pressures, the resulting maldistribution of productivity benefits would most certainly paralyze progress. For these reasons the Southern States have not plunged into lavish projects based on deficit financing. Taxation claims its share—and it is a major share just now—of the fruits of improved industrial productivity; and it is another manifestation of economic statesmanship that the populace of the South refrains from burdening southern industry unduly by financial demands which would increase the cost of doing business in the region.

Operating in an industrial climate such as the South offers, one of freedom, relatively lower costs, and general friendliness, businessmen find greater incentive to plow back a greater portion of their company earnings into bigger and better productive facilities. In this manner industries and the whole economy are continually undergoing a process of self-rejuvenation, keeping young and vigorous. For example, I count among my personal friends a South Carolina manufacturer who operates one of the most modern industrial establishments in America, providing good livelihoods for upward of 6,000 persons. Thirty years ago, when he took over the mill, its equipment was run down and it had less than 300 employees. He and his associates have built their prosperous business entirely from its own earnings, without one cent's worth of outside assistance. And besides creating thousands of fine jobs, they have built communities of good homes, beautiful churches, excellent schools, and a large hospital the equal of any institution of its kind anywhere in the United States.

We occasionally hear comments about mature economies, or certain countries whose industrial development has reached a stage of so-called maturity. Economists may have differences of opinion about the advantages or disadvantages of such regions, but it strikes me that these regions frequently have perplexing problems, which suggest that their maturity is in reality a condition of approaching old-age, or weariness, or of becoming worn out. Can it be that such regions are paying the penalty of failure or inability to translate their scientific progress into lower prices for the buyers of their products? Is it perhaps possible that in their zeal to promote expensive social-welfare schemes, they have stifled industrial initiative by running up the costs of doing business? Have they, either blindly in their altruism, or in surrendering to various kinds of pressures, lost the sense of economic balance? Have they saddled themselves with burdens too heavy for their industries to bear, in the face of the competitive situation both domestically and abroad?

If so, it is hardly for them to point a finger of scorn and to shout, "Unfair!" at those regions where business foresight has permitted technological progress to be passed on in good measure to the consumer in the form of lower and competitive prices for products. Nor can any good come of inviting one region to transfer the faults and ailments which caused its hardships to other regions that are proving more adaptable for certain industries.

Instead, it is my opinion that if any such region or section exists in America, it would be well advised to take courage from the example of dynamic Americanism which the new industrial South offers. Courage, yes, and inspiration and counsel.

Freedom and opportunity; youthfulness and vigor; fair measure given for fair value received. These are the watchwords of southern industry. This, after all, is what most Americans are striving for—a constantly higher scale of living, more and better products and the money with which to buy a fair share of them. If all industry, labor, and agriculture can move ahead together toward this greater goal, the well-being and security of the entire national community will ever be uplifted, and America need never fear for the future.

ORDER FOR RECESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that when the Senate completes its business this afternoon, it recess until noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

THIRD SUPPLEMENTAL APPROPRIATIONS, 1953—CONFERENCE REPORT

Mr. BRIDGES. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4664) making supplemental appropriations for the fiscal year ending June 30, 1953, and for other purposes. I ask unanimous consent for the immediate consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see CONGRESSIONAL RECORD of June 8, 1953, p. 6234.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the report was considered and agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 4664, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
June 9, 1953.

Resolved, That the House recede from its disagreement to the amendments of the Senate Numbered 1, 6, 7, 10, 12, 13, 15, and 20 to the bill (H. R. 4664) entitled "An act making supplemental appropriations for the fiscal year ending June 30, 1953, and for other purposes," and concur therein; that the House recede from its disagreement to the amendment of the Senate No. 19, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"ECONOMIC STABILIZATION AGENCY

"SALARIES AND EXPENSES

"The amount made available under this head in the Supplemental Appropriation Act 1953, for the Office of Rent Stabilization is hereby increased from '$11,000,000' to '$11,385,000': *Provided*, That said increase of $385,000 shall be available only for terminal leave and shall not be used for such payment unless the Administrator shall personally certify the payment of such leave."

Mr. BRIDGES. I move that the Senate concur in the amendment of the House to Senate amendment No. 19.

The motion was agreed to.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATIONS, 1954

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the unfinished business may be temporarily laid aside, and that calendar No. 377, H. R. 5174, the Treasury and Post Office Departments appropriations bill, may be taken up at this time.

Mr. DOUGLAS. Mr. President, reserving the right to object, may I ask the distinguished acting majority leader when the bill, report, and hearings were made available?

Mr. KNOWLAND. Mr. President, it is now proposed that the bill be taken up by unanimous consent because only 2 days have elapsed since the bill was reported by the Senate Committee on Appropriations. In the normal course of events, tomorrow would be the day when the bill would be called up. However, the Senate Committee on Appropriations has reported no amendment whatever to the bill as it passed the House. The committee has not raised or lowered the amount by a dollar. The committee has neither added nor subtracted any language, either in the form of legislation on an appropriation bill or otherwise. Under those circumstances, I wonder if the Senator from Illinois would not be willing to have the bill taken up at this time, since it was reported on Monday.

Mr. DOUGLAS. At what hour on Monday?

Mr. KNOWLAND. In the afternoon.

Mr. DOUGLAS. Only two calendar days have elapsed since then.

Mr. KNOWLAND. Frankly, I say to the Senator from Illinois that I fully realize that any Senator may raise objection to having the bill called up at this time. In the unusual situation that the bill as it came from the House has not been changed by the Senate committee, I was hopeful the Senate might consider the Treasury-Post Office appropriation bill, in the interest of expediting the business of the Senate, and in the hope that if we dispose of it and a number of other bills which are now before the Senate, we might then be able to recess from Thursday to Monday, in order to give the Committee on Foreign Relations an opportunity to work on the mutual aid bill, and afford a similar opportunity to some other committees, the members of which have been trying to be both on the floor and in hearings at the same time.

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Mr. DOUGLAS. It is not my intention to delay the procedure of the Senate, and in this instance I shall not object to the unanimous-consent request of the Senator from California. However, in general I think it is very important that Senators be given three full days in which to study appropriation bills, the hearings on them, and the reports, as prescribed by section 139 (a) of the standing rules of the Senate.

With the understanding that the contemplated procedure will not constitute a precedent, and that in the future three full calendar days will be afforded Senators for consideration of appropriation bills and for study of necessary documents, I shall not object in this instance. However, in the future I shall raise points of order.

Mr. KNOWLAND. I thank the Senator from Illinois.

Mr. MORSE. Mr. President, reserving the right to object, I understand, of course, that the acting majority leader cannot say how long it will take to dispose of the bill, but I wish to ask him for his best estimate, because I should like to know whether he thinks it will be possible for us to begin consideration of the bill relating to the District of Columbia before the afternoon is over,

Mr. KNOWLAND. As the distinguished Senator from Oregon can appreciate, I have no way of estimating. I understand some amendments may be offered to the appropriation bill, inasmuch as the bill as reported by the committee is in the form in which it came from the House; but I do not believe it will be necessary to pursue the course which was followed in the case of the State, Justice, and Commerce appropriation bill. However, whether the Treasury-Post Office bill can be disposed of in 1 hour or 2 hours I am simply in no position at this moment to say. I am certain the Senator from Oregon appreciates that.

Mr. MORSE. Does the Senator contemplate that when action is completed on the Treasury-Post Office appropriabill, which he now asks to have made the unfinished business of the Senate, we shall take up the District of Columbia crime bill?

Mr. KNOWLAND. I should say that if the unexpected happened, and the appropriation bill was quickly disposed of, as on rare occasions I have seen an appropriation bill finished, we would then take up and at least begin debate on the District of Columbia crime bill; otherwise, we shall take it up tomorrow, immediately following completion of action on the appropriation bill.

Mr. MORSE. I shall not object, but it is necessary for me to leave the city on a late plane tomorrow night. I find myself in disagreement with the mandatory section of the District of Columbia crime bill, and I have a body of data which I wish to present to the Senate in opposition to that provision of the bill. I may find it necessary during the course of the debate on the appropriation bill to make my record against the mandatory sentencing section of the District crime bill, because I necessarily must leave here tomorrow night so that I may speak to the Democrats of my State on Friday night.

Mr. KNOWLAND. Of course, the Senator will have the privilege, if he feels that time is running out on him, to obtain the floor in his own right.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 5174) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1954, and for other purposes.

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded, and that further proceedings under the call be dispensed with.

The PRESIDING OFFICER (Mr. FLANDERS in the chair). Without objection, it is so ordered.

FEDERAL AID IN TORNADO-STRICKEN AREAS IN MASSACHUSETTS

Mr. SALTONSTALL. Mr. President, since the Senate convened today I have talked with the Governor of Massachusetts, Governor Herter, who spoke from the city hall in Worcester. He informs me that he has sent a telegram to the President of the United States advising him that he has declared an emergency in the city of Worcester. The President's office advises me that the matter has been referred to the Civil Defense Department, under former Governor Peterson.

There is available approximately $20 million for the entire United States. It is estimated, according to the Governor of Massachusetts, that the damage from the tornado in Massachusetts, in towns outside Worcester, is approximately $30 million. In the city of Worcester the assessors estimate the damage to be somewhere between $30 million and $50 million.

At the request of the Governor of Massachusetts on behalf of myself and my colleague, the junior Senator from Massachusetts [Mr. KENNEDY], I ask unanimous consent to submit a resolution and request that it be referred to the Senate Committee on Appropriations in order that, after proper consideration, and as soon as possible, when the amount is determined and when a determination is made as to the appropriate aid from the Federal Government in one of the worst catastrophes we in Massachusetts have ever suffered, proper assistance may be rendered by the Federal Government.

The PRESIDING OFFICER. Without objection, the resolution will be received and appropriately referred.

The resolution (S. Res. 118) submitted by Mr. SALTONSTALL (for himself and Mr. KENNEDY) was referred to the Committee on Public Works, as follows:

Resolved, That the President is requested to make available, from any funds heretofore or hereafter appropriated to carry out the act entitled "An act to authorize Federal assistance to States and local governments in major disasters, and for other purposes," approved September 30, 1950, not less than $25 million for assistance to the State of Massachusetts, the city of Worcester, Mass., and neighboring cities and towns to alleviate hardship and suffering and to repair property damage caused by the tornado which struck the area in the vicinity of Worcester on June 9, 1953.

TRANSFER OF PRICE-SUPPORT WHEAT TO PAKISTAN—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 171)

The PRESIDING OFFICER (Mr. FLANDERS in the chair). The Chair lays before the Senate a message from the President of the United States relating to the shipment of wheat to Pakistan. Inasmuch as the message has been read in the House of Representatives today, it is not necessary to have it read in the Senate. Without objection, the message will be referred to the Committee on Agriculture and Forestry without reading.

(For text of message from the President, see House proceedings of today's RECORD.)

Mr. AIKEN. Mr. President, in relation to the message from the President of the United States which was just laid before the Senate, on behalf of myself, the Senator from California [Mr. KNOWLAND], the Senator from New Jersey [Mr. SMITH], and the Senator from Ohio [Mr. TAFT], I ask unanimous consent to introduce for appropriate reference a bill to provide for the transfer of price-support wheat to Pakistan.

The PRESIDING OFFICER. Without objection, the bill will be received and appropriately referred.

The bill (S. 2112) to provide for the transfer of price-support wheat to Pakistan, introduced by Mr. AIKEN (for himself and other Senators), was referred to the Committee on Agriculture and Forestry.

ADDRESS BY THE PRESIDENT AT MINNEAPOLIS, MINN.

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an address which was delivered this afternoon at Minneapolis, Minn., by the President of the United States.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY THE PRESIDENT DELIVERED AT THE ANNUAL CONVENTION OF THE NATIONAL JUNIOR CHAMBER OF COMMERCE

I thank you sincerely for the honor of your invitation to be with you today.

Yours is one of our Nation's most distinguished and enterprising organizations. You are young and responsible people, with impressive careers and achievements already recorded to your credit. My own life has been spent with America's young people. The grave decisions that I have been compelled to make have been vindicated by their skill, their sense of responsibility, and their sacrifice. My faith in them is my unbounded faith in America itself.

Because you are both young and responsible, you know what is your greatest respon-

sibility of all—tomorrow—the whole future of freedom.

In the minds of all of you—as in my own mind—is a long list of critical subjects confronting our people today. I wish I could discuss all of them with you—the problems of healthy foreign trade; the regulation of Government expenditures; the achieving of a more just tax structure; the development of sound agricultural programs; the great work to be done in the fields of education, health and welfare.

There is, however, one matter that overshadows all of these. It is the constant, controlling consideration in our national life today. It is—our Nation's security.

Quickly we can see how this one issue effectively rules all others. It alone comes close to fixing the level of Government budgets—when 2 of every 3 dollars spent by our Federal Government go to defense purposes. It thereby almost automatically sets the requirements for Federal taxes. It directly affects the welfare of our farms, so dependent upon wide opportunities for export. And it is intimately bound up with foreign trade—for our own imports of such critical products as nickel and cobalt and mica are essential to our national security.

It is no wonder that our national security is so vast a matter—for the struggle in which freedom today is engaged is quite literally a total and universal struggle. It engages every aspect of our lives. It is waged in every arena in which a challenged civilization must fight to live.

It is a military struggle—on the battlefields of Korea, of Indochina, or Malaya.

It is an economic struggle—in which the equivalent of a lost battle can be suffered in a ruined rice crop in Asia, or in the lagging of a critical production line in America.

It is a political struggle—speaking at the conference tables of the United Nations, in the daily diplomatic exchanges that flood the cable wires and telephone lines of the world.

It is a scientific struggle—in which atomic energy plants and colossal research projects can produce terrible wonders matching in fateful effect the inventions of the wheel or of gunpowder.

It is an intellectual struggle—for the press and the radio, every spoken and printed word, can either inspire or weaken men's faith in freedom.

It is a spiritual struggle—for one of communism's basic assumptions about the nature of men is that they are incapable of ruling themselves, incapable of attaining the spiritual standards and strength to solve national problems when these require voluntary personal sacrifice for the common good. This is the Communist justification for regimentation. All this we deny. And we must seek in our churches, our schools, our homes and our daily lives the clearness of mind and strongness of heart to guard the chance to live in freedom.

For this whole struggle, in the deepest sense, is waged neither for land nor for food nor for power—but for the soul of man himself.

These are real, tough facts—not mere poetic fancies. They are facts as true and as compelling as any airplane production schedules, or the firepower of our guns, or the armor of our tanks, or the speed of our jets.

I cannot presume today to speak of all aspects of so vast, so all-embracing, so total a struggle—nor of all the truths that must, I believe, guide us steadfastly.

I wish to speak simply of two of these truths.

The first is this: our military strength and our economic strength are truly one—and neither can sensibly be purchased at the price of destroying the other.

The second is this: this Nation and all nations defending freedom, everywhere in the world, are one in their common need and their common cause—and none can sanely seek security alone.

The first of these truths concerns our military posture of defense.

The second concerns our whole concept and conduct of world affairs.

Let us consider each of them briefly, for the mere assertion of a general truth proves nothing and convinces no one.

The central problem of our military defense is not merely to become strong—but to stay strong. The reason is obvious; we cannot count upon any enemy striking us at a given, ascertainable moment. We live, as I have said before, not in an instant of peril but in an age of peril—a time of tension and watchfulness.

The defense against this peril, then, must be carefully planned and steadfastly maintained. It cannot be a mere repetition of today's reflex to yesterday's crisis. It cannot be a thing of frenzies and alarms. It must be a thing of thought and order and efficiency.

Precisely such a defense is now being built for our country. I personally believe it does several things. It soberly promises more efficient military production. It realistically assesses our long-term economic capacity. It demands the elimination of luxury, waste, and duplication in all military activity. And it allocates funds as justly and wisely as possible among the three armed services.

Concretely: these defense plans allocate 60 cents out of every defense dollar to air power. With the enactment of pending legislation our Air Force will have available for its expenditure more than $40 billion. By mid-1954 its strength will total 114 wings. At the same time the air arm of the Navy will command a full half of all the funds available to the entire Naval Establishment. The Navy and Marine air arms will alone total almost 10,000 planes. All this—I believe—promises both powerful air defense and a no less powerful deterrent to any would-be aggressor.

Greater efficiency in production will give us less costly production schedules—and something even more vital: fewer planes "on order," more planes in the air. Today typical production schedules require 26 months for a B–47, 34 months for a B–52. We believe that such schedules can be reduced to something like 18 months. I repeat: That will mean fewer planes in theory, more planes in fact—more swiftly and less expensively.

How many planes—how many divisions—how great a Navy—should we have? Such questions are, these days, earnestly and fervently debated by advocates of different theories, as well as a fair number of self-appointed experts.

All this is healthy and proper enough—provided we do not lose sight of certain elemental facts.

First: We must remember always that reasonable defense posture is not won by juggling magic numbers—even with an air of great authority. There is no wonderfully sure number of planes or ships or divisions—or billions of dollars—that can automatically guarantee security. The most uncompromising advocates of such magic numbers have themselves changed their calculations almost from year to year. Such changes are reasonable, as technological advance requires. But the insistence that the latest change is final, definitive, and unchallengeable—that is not reasonable.

Second: We must remember that all our plans must realistically take account—not just this year but every year—of colossal and continuing technological change. We are living in a time of revolution in military science. Today 25 aircraft equipped with modern weapons can—in a single attack—visit upon an enemy as much explosive violence as was hurled at Germany by our entire air effort throughout 4 years of World War II.

And a third serious truth about our military defense is this: There is no such thing as maximum security short of total mobilization. This would mean regimentation of the worker, the farmer, the businessman—allocation of materials—control of wages and prices—drafting of every able-bodied citizen. It would mean, in short, all the grim paraphernalia of the garrison state.

This would do more damage than merely to strain the economic fabric of America.

It would—if long sustained—imperil the very liberties we are striving to defend.

And it would ignore that most elemental truth—the fact that this total struggle cannot be won by guns alone.

I do not believe—in a word—that we can wisely subscribe to what I would call the "all-out" military theory of defense—ignoring the other defenses we must build and hold.

There is another theory of defense—another oversimplified concept—which I believe equally misleading and dangerous. It is what we might call the "fortress" theory of defense.

Advocates of this theory ask: Why cannot the strongest Nation in the world—our country—stand by itself? What does the United Nations matter? And particularly in Asia, where so many of our sons have died in freedom's name, why cannot we make our own decisions, fight, and stand as only we ourselves may choose?

There are many answers. I shall give but a few.

A total struggle—let us never forget it—calls for a total defense. As there is no weapon too small—no arena too remote—to be ignored, so there is no free nation too humble to be forgotten. All of us have learned—first from the onslaught of Nazi aggression, then from Communist aggression—that all free nations must stand together, or they shall fall separately. Again and again we must remind ourselves that this is a matter not only of political principle but of economic necessity. It involves our need for markets for our agricultural and industrial products, our need to receive in turn from the rest of the world such essentials as manganese and cobalt, tin, and tungsten.

This essential, indispensable unity means compromise—always within a clearly defined, clearly understood framework of principle. We know the need of compromise, in harmony with basic principles, within our own Nation. It is the essence of the democratic process. We should not be surprised that it applies just as vitally among nations—in the wide community of the world's free peoples.

How, where, can there be retreat from this unity? Surrender Asia? That would mean leaving a vast portion of the population of the entire world to be mobilized by the forces of aggression. Surrender Europe? That would mean more than doubling the industrial power of those same forces.

Who is there who thinks that the strength of America is so great—its burdens so easy, its future so secure—that it could make so generous a gift to those challenging our very lives?

There is no such thing as partial unity. That is a contradiction in terms.

We cannot select those areas of the globe in which our policies or wishes may differ from our allies—build political fences around these areas—and say to our allies: "We shall do what we want here, and where you do what we want, there and only there shall we favor unity." That is not unity. It is dictation. And it is not the way freemen associate.

We all hear—in this connection—a good deal of unhappy murmuring about the United Nations. It is easy to understand the dismay of many. None of us is above irritation and frustration over the seemingly

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vain and tedious processes of political discourse in times of great crisis.

But none of us can rightly forget that neither the world—nor the United Nations—is or can be made in a single image of one nation's will or idea. The fact is that from its foundation the United Nations has seemed to be 2 distinct things to the 2 worlds divided by the Iron Curtain. To the Communist world it has seemed a convenient sounding board for their propaganda, a weapon to be exploited in spreading disunity and confusion. To the free world it has seemed that it should be a constructive forum for free discussion of the world's problems, an effective agency for helping to solve those problems peacefully.

The truth is that even if the United Nations were to conform to the concept held by the free nations, it would still be bound to show infinite variety of opinion, sharp clashes of debate, slow movement to decision. For all this is little more than a reflection of the state of the world itself. An image of perfect symmetry would be a distorted image—the false creation of some nation's or some bloc's power politics. And perhaps the greatest worth of the United Nations is precisely this: It holds up a mirror in which the world can see its true self. And what should we want to see in such a mirror but the whole truth—at such a time of total struggle?

There are—as you see—certain common denominators to all that I have said, certain constant thoughts I believe to be consistently relevant in facing our tomorrow.

We must see clearly that all the problems before us—from farm exports to balanced budgets, from taxes to the vital resources for our industry—all are dependent on our Nation's security. And in this real way freedom's great struggle touches all of us alike—farmer and businessman, worker and student, pastor and teacher.

We know this to be true because we know that there is but one struggle for freedom—in the market place and in the university, on the battlefield and beside the assembly line.

We know that strength means being strong in all these ways and places.

We know that unity means comradeship, patience, and compromise among all free nations.

And we know that only with strength and with unity is the future of freedom assured. And freedom, now and for the future, is our goal.

TRIBUTE TO SENATOR TAFT

Mr. JOHNSON of Texas. Mr. President, I know there is not a Senator on either side of the aisle who did not receive with deep personal regret the news that the Senator from Ohio [Mr. TAFT] will not act as majority leader for the remainder of this session. It is a loss to me personally and to those who sit on this side of the aisle with me.

No more honorable man than BOB TAFT ever served as a Senator or as Senate leader of any party. No man has ever been more fair or unvaryingly considerate in dealing with Members of a minority. I do not know of any man anywhere for whom I have greater personal respect.

As majority leader, BOB TAFT has been a man with whom you could reason—a man who would go out of his way to reason with you.

The closeness with which the majority leader and the minority leader have worked together during these past few months has at times called forth some surprised comment from the press and radio.

There has never been any reason for surprise to be expressed about the cooperation between the majority leader and the minority leader. I have never known a man to whom cooperation came more readily—a man with whom it was easier to cooperate.

Mr. President, I am well acquainted with the senior Senator from California [Mr. KNOWLAND] who will act as Republican leader for the remainder of the session. I know him not only as a fine gentleman personally but as an able and conscientious Senator. In my service with him on the Armed Services Committee, I have been impressed again and again with his patriotism and his great ability. It will be a pleasure and a privilege to work with the distinguished Senator from California.

Mr. President, the beloved Senator from Ohio has simply temporarily stepped aside as majority leader, due to force of circumstances. I know that he will be working hard—as he has always worked—for the good of our country.

Mr. KNOWLAND. On behalf of the Members of the majority I wish to express appreciation for the very fine remarks of the minority leader regarding the majority leader, BOB TAFT.

I think the RECORD should clearly show that BOB TAFT is only temporarily vacating his desk while he is obtaining some additional medical treatment. The Senator from Ohio, I am pleased to say, plans to attend the sessions of the Senate and meetings of committees, and will attend at the weekly White House conferences with the President of the United States.

I join with the distinguished minority leader in saying that even for the period during which he will be temporarily absent from his seat he will be missed by the Members on both sides of the aisle, who, I know, hold him in very highest regard and esteem.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATIONS, 1954

The Senate resumed the consideration of the bill (H. R. 5174) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1954, and for other purposes.

Mr. McCARTHY. Mr. President, as chairman of the subcommittee which considered the appropriations for the Treasury and Post Office Departments, I should first like to express my appreciation to the members of the subcommittee, both Democrats and Republicans, for their complete and wholehearted nonpartisan cooperation in the subcommittee in marking up the bill and in attempting to cut out all the fat that was possible to be cut out.

The bill as reported to the Senate is $127,983,000 below the Truman-requested budget.

In considering the appropriations for the Treasury Department the committee was very careful to allow sufficient funds for the law-enforcement activities of the Treasury Department.

In that connection, I should like specifically to call to the attention of the Collector of Internal Revenue a passage in our report, which reads:

> The committee is anxious to provide the Bureau of Internal Revenue with funds for the adequate investigation and audit of tax returns. If in the best judgment of the Secretary of the Treasury the amount contained in this bill is insufficient for this particular purpose the committee will consider a supplemental request.

Mr. President, I should like also at this time to compliment Secretary Humphrey, Internal Revenue Commissioner Andrews, and Postmaster General Summerfield for the excellent job they did in making the committee's task easier. They used a sharp knife on all budgets, and they cut out a great deal of fat. By doing so they made our task much lighter.

I may say that the House made certain reductions below what the present administration had requested. We discussed those reductions with the Secretary of the Treasury and with the Postmaster General. We received the impression that they had no serious objection to the reductions. Therefore the committee unanimously accepted the bill as passed by the House. I do not believe there is anything further to add to what I have stated, except to say I feel that we have cut from the appropriation bill about as much fat as could possibly be cut.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. MAYBANK. I concur in what the Senator from Wisconsin has stated with respect to the bill being in agreement with the House figures. With the Senator from Wisconsin, I was on the subcommittee which prepared the bill.

I wish to add a word of commendation of the Postmaster General, and in doing so I speak as the ranking minority member of the subcommittee. The report which the Postmaster General made was an excellent one. He stated that the only way the Post Office budget could be balanced would be by charging higher rates for some types of mail, particularly for newspapers and for advertisements which are being promiscuously sent and which most people do not have the time to read. I commend the Postmaster General for suggesting how it should be done, namely, by the appropriate legislative committee, instead of by indirection, as a rider on an appropriation bill. The Postmaster General did well in making that recommendation, thus avoiding the fight we have had for years with respect to what rates should be charged for that type of mail.

I hope Senators will realize that we can never balance the Post Office budget—and I think the Senator from Wisconsin will agree with me—unless we make up the difference by raising the charges for third- and fourth-class mail. The losses are very heavy, and much of the material sent through the mail in that way is never read by the people to whom it is addressed.

I ask the distinguished Senator from Wisconsin if he will have that part of the report made a part of the RECORD.

Mr. McCARTHY. I think that is an excellent idea.

Mr. MAYBANK. I should like to have it made a part of the RECORD, because it shows where all the money is lost.

I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the excerpt from the report was ordered to be printed in the RECORD, as follows:

POSTAL DEFICIT

The committee has been very much disturbed by the tremendous deficits incurred by the Post Office Department over the past several years. In the fiscal year 1952, on which details are available, a large portion of the deficit of $727,050,218 is reflected in the handling of second, third, and fourth class mail. The loss in second-class mail, for newspapers and periodicals, is shown as $240,386,260; for third-class mail, concerned with books and circulars, $191,913,098; and in fourth-class mail, consisting of parcel post and all mailable items in excess of 8 ounces except newspapers and periodicals, $153,735,441. This is a heavy burden on the taxpayer, which must be corrected, especially in view of the fact that in the fiscal year 1954 the postal service will operate at an estimated loss of $596,700,000. The committee strongly recommends that the Postmaster General give his immediate attention to a study of all the factors involved in the postal deficit, so that legislation may be proposed to eliminate this serious problem. Further, the committee feels confident and emphasizes that the appropriate committees of Congress will extend their full assistance and cooperation to rectify this situation.

Mr. McCARTHY. I should like to comment on the great help given to the committee by the Senator from South Carolina.

Mr. MAYBANK. I gave no help, Mr. President. I appreciate what the chairman of the subcommittee did, and I appreciate what the Postmaster General did.

Mr. McCARTHY. The Senator from South Carolina has a better grasp of the situation, so far as the Post Office Department's budget is concerned, than any other Senator with whom I have worked. He has been of tremendous help.

In connection with the postal deficit, the Post Office Department lost in excess of $240 million last year in the handling of second-class mail.

Mr. MAYBANK. Mr. President, will the Senator from Wisconsin repeat that figure, so it will be clear in the RECORD?

Mr. McCARTHY. The exact figure is $240,386,260.

Mr. MAYBANK. That is the loss on second-class mail?

Mr. McCARTHY. Yes. Second-class mail consists of newspapers, periodicals, and so forth. The loss on third-class mail, which consists largely of books and circulars, was $191,913,098.

Mr. MAYBANK. In other words, the loss on those two items was almost half a billion dollars?

Mr. McCARTHY. The loss was more than half a billion dollars all told, because the deficit for the handling of fourth-class mail amounted to $153,735,441. There was a total deficit of almost three-quarters of a billion dollars—in short, $727,050,218. This year the estimated loss will be somewhat lower, but it will still be more than half a billion dollars.

Mr. MAYBANK. I wish to commend the Postmaster General for reducing the loss. I desire to impress upon my colleagues on the Appropriations Committee and also on all Members of the Senate the absolute necessity, if we expect to balance the postal budget, of examining the situation in the case of third-class and fourth-class mail. There may be some reason for handling newspapers at a low rate, but I have particular reference to advertisements which often harass the American people, and yet are carried at a 1-cent rate, although it costs 4 cents to deliver each one of them.

Mr. LEHMAN. Mr. President, I should like to ask the chairman of the subcommittee to explain the item, on page 3 of the bill, for the Bureau of Customs. I note that a cut of $1,500,000 is proposed in the appropriation for that Bureau. Will the Senator from Wisconsin explain what is involved in that proposed cut?

Mr. McCARTHY. That item is dealt with on page 6 of the report, I believe.

The proposed cut in the appropriation is exactly what is indicated in the report, namely, a cut in the item for salaries and expenses. The head of the agency feels he can get along with the reduced amount of funds.

I think the Senator from New York is concerned with the situation which has developed in New York. In the port of New York, 110 employees of the Bureau of Customs lost their jobs.

Mr. LEHMAN. I should like to ask the Senator from Wisconsin how many persons are involved in this situation.

Mr. McCARTHY. Let me say that we have received considerable mail from New York in regard to this matter. One hundred and ten employees of the Customs Bureau, in the port of New York, lost their jobs. However, that situation did not result from any reduction of appropriations. The Customs Bureau on its own authority sent to New York inspectors who conducted a survey, and recommended new procedures for weighing and handling merchandise. Those new procedures were put into effect, and in connection with the resultant saving, approximately 60 persons were discharged and approximately 50 were transferred to other jobs. I assume that the Senator from New York has that situation in mind. However, that particular item has nothing to do with a reduction in the appropriation.

Mr. LEHMAN. Mr. President, will the Senator from Wisconsin yield for an observation?

Mr. McCARTHY. Certainly.

Mr. LEHMAN. Of course I am concerned with the situation in New York, and I am also concerned with the situation throughout the country, in the case of the Bureau of Customs. I understand that approximately 330 or 340 jobs are involved in the cut.

Let me say we have done a great deal of talking, and I have shown great concern, about questions of fraud, collusion, smuggling, narcotics traffic, illegal immigration, and income-tax evasion. We protest against the existence of these evils, and there is no doubt that unfortunately they do exist. It seems to me it is poor economy for us to reduce the appropriations recommended for the detection or prevention of these crimes. I think there is nothing worse than the smuggling that has gone on and continues to go on. I think there is nothing worse than the narcotics traffic which is seducing many of the young people of our country.

Mr. McCARTHY. Let me say that the appropriation for the Bureau of Narcotics has not been reduced at all. We recommend for that Bureau the same amount of appropriation that was proposed in the Truman budget.

Mr. LEHMAN. I fully realize that is true in connection with the Bureau charged with the responsibility of preventing traffic in narcotics. But the great evil is that narcotics enter this country. Their illegal importation has certainly been greatly reduced as a result of the vigilance of our customs officers. I think they have done more to prevent the illegal importation of narcotics than has any other agency or body.

I believe the cut in the appropriation for the Bureau of Customs—a bureau which undertakes to prevent and detect fraud, collusion, smuggling, and the importation of narcotics—very similarly will have an effect to that brought about by the failure to provide adequate protection against illegal immigration. A million wetbacks enter the United States illegally every year. Yet because of our parsimony and our false economy we do not provide sufficient appropriations to prevent that illegal immigration or to make possible the apprehension and deportation of those who enter the country illegally.

Mr. McCARTHY. That matter has nothing whatsoever to do with the Bureau of Customs. The Senator from New York refers to immigration, but this appropriation bill does not deal at all with immigration or with wetbacks.

Mr. LEHMAN. I realize that. However, I wish to observe that the same situation exists in respect to income-tax procedure. That other day I was one of a number of Members of Congress to be addressed by the Secretary of the Treasury. He said—and, of course, I realize that the Senator from Delaware [Mr. WILLIAMS] is very familiar with this matter—that for every dollar that is spent on income-tax personnel to detect evasions or frauds, $15 comes into the Treasury. When I was Governor of my State, I had a similar experience. The record was about the same and I therefore recommended increased appropriations for our tax unit.

In this bill it is proposed that we do exactly what we have been doing in connection with the prevention, detection, and return of illegal immigrants who enter the United States over the Mexican border—in other words, the wetbacks—and exactly the same thing that we are doing in connection with our income-tax units. We simply do not provide these agencies with sufficient funds.

It would be great economy and would greatly add to good government if we gave these units—the Bureau of Customs,

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the Bureau of Internal Revenue, and the Immigration and Naturalization Service—adequate funds. I do not think the present appropriation proposal for the Bureau of Customs is sufficient.

Mr. McCARTHY. Mr. President, I believe the Senator from New York has failed to study the bill, or else he would not make the statement he has just made.

So far as funds for enforcement in connection with the income-tax unit are concerned, we are recommending the same appropriation the President has asked for in his budget.

When the Senator from New York talks about wetbacks and immigration, although of course he may talk about those matters, they have nothing whatsoever to do with the pending bill. The Bureau of Customs has nothing to do with wetbacks or with immigration.

So far as the law-enforcement branches of the various departments are concerned, I think the committee was very generous, and recommended for them all the appropriations they requested.

So far as the Bureau of Customs is concerned, we recommend exactly the appropriations which were requested by Secretary Humphrey. He says he is making a study, and he thinks he can get along with the reduced budget. If not, he intends to request a supplemental appropriation.

The Senator from New York knows that we cannot operate year after year at a tremendous deficit. We may be able to do so for 20 years, but I believe the time has come to call a halt.

For the entire bill, we have recommended reductions of only $127,983,000 in the appropriations. It is possible that further reductions in appropriations could be made. We felt we went as far as we could.

I believe it would be ridiculous beyond words to insist upon giving a bureau head more funds than he has requested for his agency.

All the heads of the departments said to us, "We can get along with these amounts, and we can do a good job with them."

I think they can.

Mr. LEHMAN. Mr. President, will the Senator from Wisconsin yield for a brief observation?

Mr. McCARTHY. I yield.

Mr. LEHMAN. Let me say that I understand that the recommendation was for $42 million, and now it has been reduced to $40,500,000. I referred to wetbacks merely because I know the Senator from Wisconsin is greatly concerned with immigration problems.

Here is a case of illegal immigration, of a million people who are coming into this country every year by merely walking across the Rio Grande River. They do not even have to wet their feet, at the present moment. Yet nothing adequate is being done to prevent the great influx, which is a far greater menace to this country than the few undesirables who may come in under the immigration law.

Mr. McCARTHY. I thank the Senator.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. WILLIAMS. In line with what the Senator from New York was saying a moment ago, I think we are all in agreement that we want to give the departments adequate means with which to carry on the enforcement of the provisions of the law. Nevertheless, I desire to point out that it is impossible to buy morality by appropriating dollars. That was brought home forcibly to the Finance Committee lats year, when Mr. Chamberlain, representing the Treasury Department, testified before our committee in relation to the office in New York City, at which time I asked him whether the reduced appropriations of the 80th Congress were responsible for the breakdown in enforcement. He said that had nothing whatever to do with it. In fact, he went on further to say that, in that one office in New York there were at least from 20 to 25 percent more employees than were needed. He said that all that was needed was some good commonsense and putting to work the employees who were available.

I point out that in the Post Office Department there is much of the same situation. Senators will remember the condition we found in Boston, where the employees on the payroll in the Boston Post Office were not even reporting, but were sending others to register their cards, were collecting their salaries, and were doing absolutely no work. Conditions of that sort, multiplied throughout the country, permit not only the waste of appropriations, but also grave corruption and everything else that goes with it. I say we can cut the appropriations, and that we can not only cut them, but if we do not cut them, we are not going to have any tax reduction.

I point out that I think this particular appropriation bill could really be reduced further. It is a little less than one-sixth of 1 percent below what was appropriated last year. It is about $5.5 million below what we appropriated for the two Departments. Surely, if there is no more than one-sixth of 1 percent of water in the appropriations for the two Departments, some of us have been voting for them unjust amounts. I think we can roll them back even beyond what the committee has already done. I think we can do it and still maintain the enforcement divisions of the different Departments, if they will instill a little higher degree or morality at the top level, and let it percolate on down to the bottom.

Mr. McCARTHY. The appropriation requested in the pending bill is $5,425,000 less than last year's appropriation. So the Senator from Delaware is correct in his statement. However, it is $127,983,000 less than what Truman had requested in his budget. I wanted both those figures in the RECORD.

I may say to the Senator from Delaware in regard to the Boston situation, about which he and other Senators have asked me, that I have requested a complete report from the Post Office Department, and they have promised that the report will be forthcoming immediately, and I understand it is now available. It is a report that we could not get last year, incidentally. If the Senator from Delaware, or any other Senator, cares to have it, I shall be glad to furnish him with a copy.

Mr. LANGER and Mr. KILGORE addressed the Chair.

Mr. McCARTHY. Mr. President, I yield first to the Senator from North Dakota, after which I shall yield to the Senator from West Virginia.

Mr. LANGER. The Senator from North Dakota is concerned with the narcotics problem. Did I correctly understand from what the distinguished Senator from Wisconsin said, that the amount of the appropriation for the Narcotics Bureau has not been reduced?

Mr. McCARTHY. It has not been reduced.

Mr. LANGER. Do I correctly understand that they have the same number of employees they had before?

Mr. McCARTHY. As to the employees, I do not know. We did not reduce the funds. I believe additional employees have been put on the payroll. If the Senator will wait a second, I believe I can get the information for him. I think employees have been added. I may say that President Eisenhower did not reduce the amount which had been requested by President Truman for the narcotics program, and the committee did not reduce it. The number of employees will remain the same, 406.

Mr. LANGER. Mr. President, if the Senator will yield further, the Narcotics Act, of course, is enforced by the Bureau of Customs. I have before me the record from 1951 to 1952. The raw opium which was sumggled in, and which was detected, was 376 ounces in 1951, 3,655 ounces in 1952. Opium used for smoking increased from 181 ounces to 866 ounces; and so on. What the Senator from North Dakota is concerned with is the fact that only yesterday afternoon, the Committee on Rules and Administration adopted a resolution, approved by the Judiciary Committee, to provide $44,000 for the investigation of juvenile delinquency. We have received reports, particularly from the State of California, and also from other places in the United States, that the Federal Government has been entirely unable to cope with the importation of narcotics. Do I correctly understand from what the distinguished Senator from Wisconsin has said, that if the amount is found to be insufficient, the committee will be perfectly willing to recommend a supplemental appropriation?

Mr. McCARTHY. Yes; I am inclined to think so, although there was no indication that sum provided would be insufficient. I was referring to other items for the Customs Bureau, which were reduced. But I, personally, would feel that, if the amount allowed proved to be insufficient, we definitely should be willing to take care of it through a deficiency appropriation.

Mr. LANGER. That is, in case it is found that the work under the Narcotics Act is not properly performed.

Mr. McCARTHY. That would be my personal thought. I do not know how the other members of the committee would feel about it.

Mr. LANGER. If the distinguished Senator should find that to be the case, would he join the Senator from North Dakota in the introduction of a bill?

Mr. McCARTHY. I should be very glad to do so.

Mr. LANGER. That is, rather than to have an amendment submitted at this time.

Mr. McCARTHY. I think it would be better to introduce a bill.

Mr. LANGER. I thank the Senator.

Mr. McCARTHY. The Senator from North Dakota has the wholehearted assurance of the Senator from Wisconsin that, if the fund allowed proves insufficient, he will support any and all necessary deficiency appropriations.

Mr. KILGORE and Mr. DWORSHAK addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Wisconsin yield, and if so to whom?

Mr. McCARTHY. I think I promised to yield to the Senator from West Virginia.

Mr. KILGORE. Mr. President, I desire to concur with the chairman of the subcommittee in saying that, in this matter, both he and I followed the recommendations of the heads of departments. As Members of the subcommittee, however, I think we should call the attention of the Senate to certain of the cuts which have been made. Is it not a fact that the item covering salaries and expenses in the Secret Service has been reduced in the present measure by $225,000 below what was recommended; which also means approximately $450,000 under what it was 2 years ago? I may say that does not include the appropriations for the White House guards or for the guards at military installations.

Mr. McCARTHY. The Senator's figures are correct. The reduction is approximately $348,000.

Mr. KILGORE. That is, for the entire Secret Service; of which $225,000 would be for what we commonly call the Secret Service, which is, of course, in this case, the force dealing with counterfeiting and other frauds against the Government.

Mr. McCARTHY. I may break it down for the Senator.

The reduction in salaries and expenses is $225,000.

White House Police, $68,000.

Guard force, $55,000.

However, Mr. President, we have been assured, as I am informed, that they can get along on this reduced budget.

Mr. KILGORE. That was the assurance which impelled me to vote for the bill. I wanted to bring to the attention of Members of the Senate the fact that these reductions have taken place.

Mr. MAYBANK. Mr. President, will the Senator from Wisconsin yield?

Mr. McCARTHY. I yield.

Mr. MAYBANK. Am I correct in making the statement that the Secretary of the Treasury agreed to these reductions?

Mr. McCARTHY. That is correct.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. DWORSHAK. Several weeks ago the President made the request that there be a 10-percent cut in Federal civilian personnel. Is it true that there is not a single dollar of reduction for general administration in this bill as compared with the 1953 appropriation for the same purpose?

Mr. McCARTHY. I am afraid I do not understand the Senator's question.

Mr. DWORSHAK. The bill shows an appropriation of $22 million for general administration of the Post Office Department. During the current fiscal year the sum of $22 million was appropriated for the same purpose. Is that correct?

Mr. McCARTHY. It is the same amount as was appropriated last year.

Mr. DWORSHAK. Why has there not been some reduction? Is the Post Office Department to be set aside and segregated from the general objective of cutting civilian personnel? We are dealing with general administration expense in this particular instance. Is there any justification for saying that while the President is asking all departments to cut their requests for civilian personnel approximately 10 percent, the Post Office Department is not asked to make a single reduction?

Mr. McCARTHY. Technically, the Senator from Idaho is correct, but actually I think his assumption is in error. The workload of the Post Office Department increases each year because of population increases and for other reasons.

The Truman budget called for an increase of $2 million. He asked for an appropriation of $24 million. We have reduced that request to $22 million. Therefore, while on the surface there does not appear to be a reduction, I think there is a reduction which is equivalent to approximately $2 million.

Mr. DWORSHAK. Will there be some effort made in the Post Office Department to economize and to reduce the general administrative expenses?

Mr. McCARTHY. They assured us of that.

One of the things to which the Post Office Department is now giving study is the necessary legislation to make the Post Office Department to some extent more self-sustaining. Of course, legislation will be required to make the Post Office Department self-supporting, insofar as second- and third-class mail is concerned.

Mr. DWORSHAK. And fourth-class mail.

Mr. McCARTHY. As to fourth-class mail, I think the Postmaster General has some discretion of his own.

Mr. DWORSHAK. Is the anticipated deficit approximately $600 million?

Mr. McCARTHY. I think it is $596,700,000.

Mr. DWORSHAK. Then, about the only way we can expect to cut down the deficit is to increase the postal rates for second-, third-, and fourth-class mail, rather than to expect any material reduction in the operating expenses of the Post Office Department.

Mr. McCARTHY. The Senator is correct to a great extent. However, a part of the deficit is not a real deficit. A part of it represents subsidies paid to airlines. The Postmaster General indicated that he agreed with the members of the committee who suggested that they should separate the payment of subsidies from the Post Office Department and have them paid out of the general Treasury fund, so that we can tell exactly how much the Post Office Department is losing.

There is also a question of more complete mecharization in the Post Office Department. We found a rather fantastic situation existing insofar as some contracts were concerned. For instance, a contract will be let for carrying the mail from one point to another. I think the star routes are in the same situation. The Post Office Department has moved very rapidly to cut out what appears to be a completely unjustified overpayment in many cases.

But the Senator from Idaho is correct, that if we are to operate the Post Office Department in the black, we shall have to increase second-, third-, and fourth-class postage rates.

Mr. DWORSHAK. Can the Senator from Wisconsin give us the approximate amount of the subsidies carried by the Post Office Department?

Mr. McCARTHY. It is impossible to do that. I asked the previous administration for that information, and they did not have it. The Postmaster General is getting information together for us. I think he estimated the subsidy to airlines at approximately $79 million.

Mr. DWORSHAK. Does the chairman of the committee have any assurances from the Postmaster General that this problem will soon be studied and some conclusion reached, so that instead of talking every year about these recurrent deficits, some effort will be made to place the Department on a self-supporting basis?

Mr. McCARTHY. There is a very complete, detailed, and intelligent statement from the Post Office Department in which the Postmaster General covers the very point the Senator has in mind, and as to which I think the Senator from Idaho and the Postmaster General are in rather complete agreement.

Mr. WILLIAMS. Mr. President, will the Senator from Wisconsin yield?

Mr. McCARTHY. I yield.

Mr. WILLIAMS. I notice that according to the report, the number of postal employees is given as 520,903. In March 1951 the number was 497,323. In December 1951 the number was 511,609.

I am wondering why the Department needs more employees at this time than it needed in 1951.

Mr. McCARTHY. In connection with that question, I should like to quote from the Postmaster General's statement. I, frankly, cannot answer the question myself.

The Postmaster General says:

> Personnel administration is largely limited to routine recordkeeping which is not uniform or accurate, and receives completely inadequate direction or coordination from Washington.
>
> In this connection we have found that the system of reporting numbers of employees is so inadequate that we do not know how many employees we have on our rolls or at work on any given date.

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Action taken on disciplinary cases may vary widely for the same offense committed at different places or in different services.

He goes on to say that this is another of the items to which the Department is giving very serious study.

Mr. WILLIAMS. Mr. President, I am rather surprised to hear that the Postmaster General does not know how many employees he has. Is it not necessary to write checks for the salaries of postal employees?

Mr. McCARTHY. This is a situation which the present Postmaster General inherited. If one inherits a barn which has not been cleaned out for 20 years, it takes more than a couple of weeks to have a nice clean-smelling barn.

Mr. WILLIAMS. I agree with the Senator, and I hope that for that reason we will apply the scoop shovel, and the ax, in some cases. I am a little concerned about what the Senator from Idaho [Mr. DWORSHAK] pointed out; namely, that we are appropriating as much for the next 12 months as we appropriated for the last 12 months. I invite attention to the fact that while there are approximately 525,000 employees in the Post Office Department, in 1934 there were only 625,000 employees in a number of departments together. It seems strange that as many employees will be required to operate this one department as were required to run the whole Government 18 or 20 years ago. I think we have got to begin driving back, and the only way to do it is to cut appropriations, as we have been doing.

Mr. McCARTHY. I agree wholeheartedly with the Senator from Delaware. I think the Post Office Department has been involved in an exceedingly foul mess of incompetency and inefficiency, with waste in some cases so great that it appeared to be almost deliberate. However, I believe we must give the new Postmaster General time in which to clean up a condition which has developed over a long period of time.

I am informed that the number of employees at present is 525,000. The Senator should keep in mind that some of them are part-time employees, and others are full-time employees.

Mr. WILLIAMS. That is 5,000 more than there were in March.

Mr. McCARTHY. The Senator is correct.

Mr. WILLIAMS. I think that is why there should be a cleaning up program. We do not clean up by adding to. I think we should impress upon the new executives that if they are going to clean up, they have got to make a start by turning a little different direction from the way in which they are traveling at present.

Mr. McCARTHY. While the appropriation for general administration is the same as it was last year, the Senator should keep in mind the fact that salaries have been increased, and the program actually calls for the employment of fewer people.

Mr. WILLIAMS. I do not believe salaries have been increased since appropriations were made last year.

Mr. McCARTHY. The Senator may be correct.

In connection with the Senator's statement, this appropriation calls for $74,550,000 less for the Post Office Department than the Truman administration asked for.

Mr. WILLIAMS. I understand that. I believe the Senator from Wisconsin will agree that we have never recognized the requests of President Truman as being anywhere near those which are necessary to run the departments.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. LEHMAN. I realize that there is a separate appropriation for the Bureau of Narcotics. The establishment of that bureau was for the purpose of detecting and preventing the sale and distribution of narcotics in the United States. For many years I cooperated very closely with that Bureau, and I believe it has done excellent work.

We know that opium and many other deadly and dangerous narcotics come from abroad, and unless they are excluded from the United States through careful scrutiny by the Customs Department, it seems to me that, inevitably, the work, efficiency, and effectiveness of the Bureau which is charged with the detection and apprehension of narcotics will be tremendously multiplied.

One of the very important duties of the Customs Bureau has been to detect any attempt to import narcotics into the United States and to seize and destroy the narcotics, in that way keeping them out of the possession of persons in the United States who wished to sell them, notably to our young people, a situation which has caused great distress and great fear to all of us.

That is one of the reasons why I feel very strongly that the amount being appropriated for the Bureau of Customs, which is $1,500,000 less than the amount appropriated last year, is inadequate.

Mr. McCARTHY. I call the Senator's attention to the fact that the Narcotics Bureau is one of the few bureaus whose appropriations were not reduced below what former President Truman requested. This is one of the few instances in which both the Eisenhower administration and the committee gave a bureau exactly what former President Truman had asked for. The Bureau seemed to be satisfied with this amount. Both the Eisenhower administration and the Truman administration felt that the amount was sufficient. I see no reason why we should try to force additional money on the agency.

Mr. LEHMAN. Mr. President, will the Senator yield for another observation?

Mr. McCARTHY. Certainly.

Mr. LEHMAN. I believe the Senator from Wisconsin has completely misunderstood my comments. I am not trying to obtain more money for the Bureau of Narcotics, although I should like them to have an amount sufficient to do their job really efficiently. The Bureau of Narcotics has nothing whatsoever to do with the importation or smuggling of narcotics into this country. That comes under the jurisdiction of the Bureau of Customs.

Mr. McCARTHY. No; the Senator is completely incorrect. The Bureau of Customs has nothing to do with the bureau handling narcotics. Of course, the two bureaus cooperate, but the Bureau of Narcotics is a completely separate entity.

Mr. LEHMAN. I shall not argue that question with the Senator from Wisconsin. But I do say that unless the duties of the respective bureaus have changed within the past several years, I think the Senator from Wisconsin is incorrect.

During the 10 years I was Governor of New York, it was my duty to cooperate very closely with the Bureau of Narcotics. I always gave them every possible help, both in the Sate of New York and everywhere else that I could be of assistance. At that time the responsibility of preventing smuggling into the United States rested solely with the Bureau of Customs, as is the case with the smuggling and importation of every other article in the entire catalog. The Bureau of Narcotics was charged exclusively with the duty of detecting and apprehending the illegal purveyors of and dealers in narcotics and to bring about their punishment.

I have not at my disposal at the moment the facts to dispute the Senator from Wisconsin. However, I hope the Senator from Wisconsin will carefully survey the situation, because I cannot believe he is correct in his belief that the matter of customs in any way is left to the Bureau of Narcotics. It would be a completely illogical and unsound procedure, one quite different from that which I was acquainted with for a great many years.

Mr. McCARTHY. The Bureau of Customs has absolutely nothing with the enforcement of the narcotic law. In the inspection of baggage at ports of entry, the Bureau of Customs cooperates with the Bureau of Narcotics. I believe that is what the Senator from New York has in mind.

So when I said the Senator was in error, he was insofar as the enforcement of law is concerned. However, he is correct when he indicates that the Customs Bureau is of great aid in the enforcement of the narcotics law, although the Customs Bureau has no power or jurisdiction to enforce that law.

Mr. LEHMAN. The Senator from Wisconsin will, I am certain, agree with me that I never contended that the Bureau of Customs had any power of enforcement of the laws with regard to the sale and distribution of narcotics? Of course, I knew that it did not. That never has been so. However, I maintain, and I believe from the latest remarks by the Senator from Wisconsin, that he must agree with me, that the duty of preventing the entry of narcotics into the United States, which is a highly important function, rests exclusively with the Bureau of Customs, not with the Bureau of Narcotics. The effectiveness of the Bureau of Customs should not be reduced.

Mr. McCARTHY. I think we would gain nothing by an extended discussion of this question. The Narcotics Bureau has the sole task of enforcing the narcotics law, and running down and apprehending violators. There is no question that the Narcotics Bureau receives some cooperation from the Customs Bureau.

Mr. President, I yield the floor.

ESPIONAGE ACTIVITIES CARRIED ON IN THE UNITED STATES BY REPRESENTATIVES OF FOREIGN GOVERNMENTS

Mr. WATKINS. Mr. President, on May 27 it was revealed through the press that the Government of the United States had ordered the expulsion of a Rumanian diplomat who had engaged in espionage activities in the United States. The Department of State has declared the First Secretary of the Rumanian Legation, one Christache Zambeti, persona non grata. I assume that there will be no delay in his departure from the United States, though I am advised that the Rumanian Government is protesting the action of our Government in this regard.

In my capacity as chairman of the Senate Subcommittee on Immigration and Naturalization of the Committee on the Judiciary, and as a member of the Senate Internal Security Subcommittee I have been increasingly concerned over the strong indications of intelligence or subversive activities carried on in the United States by aliens in the Iron Curtain country consulates and embassies. It was because of this growing concern that I recently directed inquiries to a certain Government agency, the identity of which I am not at liberty to disclose, for the purpose of procuring and developing information which would show how many officials, attachés, and affiliates of Iron Curtain consulates and embassies in the United States have records of active work for the intelligence services of their respective countries or records of other subversive activity, and also the typical patterns of such intelligence activities or other Communist or subversive activities. Similar information was sought with reference to officials, attachés, and affiliates of international organizations in this country. In addition, I endeavored to obtain details relating to the extent Iron Curtain diplomats and semidiplomats are used for intelligence work in countries other than their homeland. From the available published lists of officials in consulates and embassies and international organizations it has been reported to me from the Government agency of which I inquired that there are currently in the United States 307 officials in diplomatic or semidiplomatic status, excluding wives and dependents, from Iron Curtain countries in the consulates and embassies or in the United Nations, including the Secretariat. Of this number 62 are reported as having been engaged in, or suspected of having been engaged in espionage, subservise or Communist activity prior to their arrival in the United States.

As typical of the pattern of activities carried on by intelligence officers and agents under the cover of official positions in Iron Curtain diplomatic installations, the case of Col. Nicolai Zabotin, who served as Soviet military attaché in Canada, was cited. The extensive espionage activities of that agent in connection with the activities of the atom spy ring are too well known to require repeating at this time. Other typical cases involved a Polish vice consul in France, a secretary to the military attaché of the Czechoslovakian Embassy in Belgrade, a clerk in the office of the naval attaché of the Soviet Embassy in Sweden, an agent posing as an auditor of the books in the Czechoslovakian Legation in the Netherlands, the second secretary of the Soviet Embassy in Great Britain, the military attaché of the Polish Embassy in Sweden, the first secretary of the Soviet Embassy in Burma, and a former Soviet Ambassador in Germany. To this list, Mr. President, may now be added the name of Christache Zambeti, first secretary of the Rumanian Legation in this country.

With reference to the pattern of intelligence activity carried out by officials using the cover of diplomatic installations in this country, I am advised that such officials may engage directly in espionage activities, they may recruit others to do the work under their supervision, or they may work through intermediaries in order to protect their diplomatic status. The officials engaging in this work are classified as hardened Communists who have been intensively trained in espionage as well as in diplomacy. One of their primary missions is to obtain military, political, scientific, and economic information. It was pointed out to me that a vital aspect of such an agent's mission is the establishment of channels of communication back to the Soviet orbit. Of particular interest to me in this regard as chairman of the Immigration and Naturalization Subcommittee of the Committee on the Judiciary, is the fact that these intelligence officers give a great deal of their attention to the nationality groups in the country where they are stationed. They attempt to penetrate these nationality groups and attempt to recruit them as intelligence agents by threats of blackmail or harm to relatives in their homeland. These intelligence officers also devote much of their attention to the Communist Party in their host country as a source of potential agents. It also appears that such agents serve as a conduit for the transfer of funds to the local Communist Party for the furtherance of the intelligence activities of the party.

I am informed, with reference to the general pattern of work of subversive agents operating under the cloak of diplomatic immunity, that one of the most important tasks of such agents is the furtherance of Communist influence in the foreign country. Their propaganda activities include attacks on the host country through speeches, whispering campaigns, publications of the diplomatic installation and publications of the Communist Party under supervision of the official using diplomatic cover. Such officials are charged with the encouragement of the Communist Parties abroad and the development of such parties into fifth columns. The diplomat or semidiplomat often serves as the liaison between the local party and the Soviet. Such agents under diplomatic cover are also interested in influencing public opinion through the organization of pressure groups. These pressure groups are used to exploit political, military, or judicial action of the country in which the agents operate, the adoption of which would be contrary to Soviet interests.

The extent to which the foregoing activities are carried on is pointed up by the information in my possession that every Iron Curtain embassy in the United States has its complement of trained intelligence personnel and that Iron Curtain consulates as well have intelligence arms attached to them.

Mr. President, at the outset I stated that I had made inquiries regarding this situation and the information which I have just submitted to the Members of the Senate is based upon an official reply to my inquiries which I now have in my possession. This reply answers the specific questions which I asked and it provides an excellent source of information in regard to espionage activities of officials, attachés, and persons associated with Iron Curtain consulates and embassies and international organizations located in the United States. I ask unanimous consent that a copy of my letter setting forth my inquiries and a copy of the essential content of the reply, without identification, be printed at this point in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

DEAR MR. ——: As chairman of the Subcommittee on Immigration and Naturalization, and as a member of the Internal Security Subcommittee, I have been increasingly concerned over the strong indications of subversive activity in the United States by aliens from the Iron Curtain countries who are in consulates and embassies and international organizations in the United States.

In view of the foregoing, I respectfully request you to transmit to me for inclusion in the public record of the Senate Immigration and Naturalization Subcommittee the following information:

1. From the public list of aliens in the Iron Curtain consulates and embassies in the United States, how many of the officials, attachés, and affiliates of such consulates and embassies have records of active work for the intelligence services of their respective countries?

2. Describe a typical pattern of such record of active work for an intelligence service.

3. How many of such officials, attachés, and affiliates of such Iron Curtain consulates and embassies have records of other subversive or Communist activity?

4. Describe a typical pattern of such record of other subversive or Communist activity.

5. From the public list of aliens from Iron Curtain countries in the United States, how many of the officials, attachés, and affiliates of international organizations have records of active work for the intelligence services of their respective countries?

6. How many of such officials, attachés, and affiliates of such international organizations have records of other subversive or Communist activity?

7. Describe a typical pattern of such record of other subversive or Communist activity.

8. Describe the extent to which persons in the Iron Curtain consulates and embassies are used for active intelligence work in countries other than their homeland.

9. Describe the extent to which persons from Iron Curtain countries in international organizations are used for active intelligence work in countries other than their homeland.

With kind regards, I am,

Sincerely,

ARTHUR V. WATKINS, *Chairman.*

HON. ARTHUR V. WATKINS,
Chairman, Senate Immigration and Naturalization Subcommittee,
Washington, D. C.

DEAR MR. CHAIRMAN: * * * The information desired by you was to be based on public

lists of aliens presently in the United States, attached in an official capacity to Iron-Curtain consulates, embassies, and international organizations.

A basic fact, which you probably know, is that the restrictive controls presently in effect in Soviet and satellite areas limit travel to those persons serving government interests in an official or quasi-official capacity. Such persons are almost without exception confirmed Communists with long records of service to the Communist Party. Accordingly, our response to your query concerning subversive or Communist activity has been confined to clandestine activity.

The Department of State furnished * * * the following public listings of aliens falling within this category.

1. Diplomatic List, Department of State, January 1953.

2. List of Employees of Diplomatic Missions (not printed in the Diplomatic List), March 1953.

3. Foreign Consular Offices in the United States, April 1, 1952.

4. Permanent Missions and Delegations to the United Nations, No. 35, March 1953.

5. Members of Delegations to the United Nations Entitled to Diplomatic Privileges and Immunities, March 1953.

6. Staff of the United Nations Secretariat, August 31, 1952.

A review of these lists produced the names of 307 individuals (excluding wives and dependents) from Iron-Curtain countries.

Of this number, 62 have been reported * * * as having been engaged in, or suspected of having been engaged in, espionage, subversive, or Communist activity prior to their arrival in the United States. This does not include information made available by other United States Government agencies.

The following table was compiled pursuant to your request:

Category	Total names	No relevant information	Information (total)	Intelligence activity	Communist or other subversive activity
Consulates and embassies	73	51	22	15	10
Employees of consulates and embassies	84	71	13	9	8
Missions to the U. N.	37	26	11	8	9
Employees of U. N. Secretariat	113	97	16	13	16
Total	307	245	62	45	49

N. B.—The discrepancy in the total listed for column 4 and the combined total of columns 5 and 6 is due to the act that certain individuals are listed in 2 categories.

The above tabulations pertain to questions 1, 3, 5, and 6 of your letter.

The following information is set forth in response to question 2 of your letter, requesting a description of a typical pattern of such a record of active work for an intelligence service:

The use of positions in diplomatic installations of Iron Curtain countries as cover for intelligence officers and agents is well confirmed. The first major post-war case which received widespread attention involved Col. Nikolai Zabotin, who served in Canada as Soviet military attaché. His extensive espionage activities were disclosed in September 1945 by Igor Guzenko, the Soviet Embassy code clerk who sought refuge with the Canadian authorities. As examples of more recent instances which have been disclosed in various areas of the world, the following cases are noted:

1. Joseph Szczerbinski, Polish Vice Consul in France, was arrested by the French police in November 1949 for offenses against the national security of France. The exact charges were not specified. He was expelled by the French Government on July 1, 1950.

2. On May 14, 1951, the Yugoslav Government announced the arrest of Jaroslav Nemec, secretary to the military attaché of the Czechoslovak Embassy in Belgrade on charges of espionage. The official statement alleged that Nemec had been caught in the act of receiving military espionage materials from Capt. Loudovit Kovac, a radar expert in the Yugoslav army. Nemec and Captain Kovac later confessed to committing espionage against Yugoslavia.

3. Nikolai P. Orlov, a clerk in the office of the naval attaché of the Soviet Embassy in Sweden, was identified as an intelligence official. In September 1951, Ernst Hilding Andersson, a noncommissioned officer in the Swedish navy, was arrested by the Swedish police and brought to trial shortly thereafter on charges of espionage. Anderson's subsequent confession and trial thoroughly implicated Orlov as his directing officer in the procurement of naval intelligence on behalf of the Soviet Union. Orlov was declared persona non grata by the Swedish Government and left the country in October 1951.

4. On October 29, 1951, the Netherlands Government announced the exposure of an espionage plot organized by the Czech Government in Holland and operating through a Czech secret agent known as Dr. Oldrich Neumann. Neumann had first aroused the suspicions of the Dutch Internal Security Service when he visited the Netherlands in the summer of 1950 on the pretext of auditing the books of the Czech Legation.

5. In June 1952 William R. Marshall, a radio operator in the British Foreign Office, was arrested on the charge that he had transmitted secret information to Pavel Stepanovich Kuznetsov, then second secretary of the Soviet Embassy in Great Britain. The contact between Kuznetsov and Marshall was direct, many meetings between them having been observed by British officials prior to the arrest of Marshall. Marshall was found guilty, and on July 12 1952, the British Government requested the recall of Kuznetsov.

6. Lt. Col. Adam Kornecki, military attaché in the Polish Embassy, Sweden, was declared persona non grata by the Swedish Foreign Office in July 1952. No reasons were officially announced, but, according to Swedish newspaper reports, Kornecki was expelled for attempting to photograph military airfields and installations, and was further suspected of heading an espionage network engaged in spying on Polish refugees in Sweden.

7. Lev Konstantinovich Pisarev, Tass correspondent in the Netherlands, was arrested in December 1952 by the Dutch police because of evidence that he had tried to spy on the defenses of the Netherlands, and had recruited a minor Dutch civil servant for this purpose. Pisarev was expelled by the Netherlands Government on 25 February 1953.

8. On 1 March 1953 Konstantin Anikin, first secretary of the Soviet Embassy in Rangoon, Burma, was shot and wounded by a Burmese army sentry when he approached a restricted military area in a private car and refused to stop when challenged.

9. On 15 April 1953 it was officially announced that Vladimir Georgievich Dekanosov had been appointed chief of the Ministry of Internal Affairs (MVD) in the Georgian Soviet Republic. The announcement further stated that Dekanosov had long been associated in police work with Lavrenti Pavlovich Beriya, overall head of Soviet intelligence and police affairs. Dekanosov is also known to have held positions within the Soviet Intelligence Service. Since 1940, when he served as Soviet Ambassador in Germany, he has also been prominent in Soviet diplomatic affairs.

The pattern of intelligence activity as carried out by individuals using official cover varies considerably. The official himself may engage directly in attempting to secure information; he may endeavor to recruit indigenous personnel, such as minor clerks or officers of the country in which he is stationed and act directly as their case officer, furnishing them with instructions and targets, and receiving reports from them; he may endeavor to handle them through an intermediary and thus attempt to protect his diplomatic status from exposure if discovered. The pattern may vary from area to area depending on the local security situation.

In describing a general pattern of such intelligence activity, which may apply in whole or in part to any particular intelligence agents or officials, the following factors are worthy of note:

1. These individuals are ordinarily persons whose loyalty and reliability have been rigorously investigated before they were stationed abroad. They frequently have long records of Communist Party activity. Many of them have received extensive secret training in intelligence schools within their homelands or the U. S. S. R., and further may have exceptional technical backgrounds or practical experience in specialized fields. These qualifications are additional to the training which they may have received as diplomats to carry out their overt activities.

2. One of the primary missions assigned such intelligence officers is the collection of information on the military, political, scientific and economic developments within the country where they are stationed. Efforts are made to secure desired information which is not overtly available. This may be done by personal observation and photography of strategic installations and areas, or by the covert recruitment of agents and informants who have access to secret data or to restricted areas. Attention is given to long-range operations and to the placing of agents who may be of use at some future date or who may be turned over to succeeding officials, when the recruiting official completes his tour of duty.

3. The establishment of channels of communication within the country itself or leading back to the Soviet orbit is also a vital aspect of the intelligence officer's mission. Attempts are made to set up lines of communications which would still be operative in the event of hostilities or could be activitated at such a time.

4. Great attention is given to emigree groups from the homeland who have been organized within the host country. Efforts are made to penetrate the groups and neutralise their efforts. Further attempts are made to recruit members of these emigree groups to act as intelligence agents, employing threats of blackmail or danger to their relatives remaining within the homeland.

5. A further responsibility of some intelligence officers using diplomatic cover is the surveillance and control of other members of the diplomatic installation in order to insure their political reliability. Other officials arriving from the homeland for conferences or meetings are similarly subject to such surveillance to assure that they do not become politically unreliable through contact with western influence.

6. The Communist Party of the country concerned is also given considerable attention by the intelligence official insofar as it furnishes a recruiting ground for potential agents and other espionage facilities. Direction and funds for the clandestine or intelligence activity of the party are often transmitted to it directly through the intelligence officer under diplomatic cover.

Questions 4 and 7 requested a description of a pattern of such a record of subversive or Communist activity as carried out by certain officials attached to Iron Curtain consulates and embassies, or to international organizations. Only a limited number of reports indicating that Iron Curtain officials use international organizations abroad as a base for intelligence activities has been received. The Communists, of course, make use of these organizations as instrumentalities of overt subversion and dissemination of their propaganda. As you know, the number of such permanent groups is very limited. We are, therefore, unable to describe any general pattern in this regard. The following pattern is based on reported activities of Iron Curtain individuals attached to diplomatic installations. The same pattern would appear to be applicable to officials in any category to the extent that their status provided opportunity and must be considered in connection with the overall picture of international communism. There are about 3,750,000 Communist Party members throughout the non-Communist world. These figures do not include the membership of front organizations or other groups influenced or controlled by the national Communist Parties. The discipline of the parties and their members makes them an effectual instrument for the furtherance of Soviet objectives.

1. One of the most important tasks of the subversive agent is the extension of Communist influence within a foreign country. Conditions in the Soviet orbit are described in glowing colors. Every effort is made to influence emigrees to return. Attacks are made against the host country and the whole Western World through speeches, whispering campaigns, publications of the diplomatic installation, and through publications and facilities of the indigenous Communist Party whose work in this field is often directed and supervised by an official using diplomatic cover.

2. Officials are charged with the encouragement of Communist Parties abroad, and the development of such parties into potential fifth-column movements. Liaison between these parties and the Communist Party of the homeland is often maintained through an official under diplomatic cover, and he acts occasionally as an agent for the transmittal of funds, information, and Communist Party literature.

3. Officials are also concerned with the manipulation of public opinion abroad, which is attempted through the organization of pressure groups within the country, as well as through propaganda. These pressure groups are often used to oppose or exploit political, military, or judicial actions in the country, whose adoption would be contrary to the interests of the Soviet-satellite axis, or to its long-range strategic objectives.

With regard to question 8, concerning the extent to which persons in Iron Curtain consulates and embassies are used for active intelligence work in countries other than their homeland, it appears that every Iron Curtain Embassy has its complement of trained intelligence personnel. The size of the complement may vary considerably, being, of course, largest in Embassies in the important capitals, and perhaps being represented by only one individual in the smaller countries of lesser importance to the Soviet-satellite regimes. Iron Curtain consulates, as well, have their intelligence arms. This again may vary considerably in size and quality. In an important strategic location, such as a port, or large manufacturing city, the intelligence complement may be large; also in areas where there is a substantial number of emigrees from the homeland. In small consulates, or one-man installations, in the absence of a trained intelligence specialist, the consuls or vice consuls themselves have generalized intelligence assignments, since they represent the eyes and ears of their homeland.

With regard to question 9, concerning the extent to which persons from Iron Curtain countries in international organizations are used for active intelligence work in countries other than their homeland, information currently available indicates that the extent of such use is considerably less than in diplomatic establishments. This statement is based on information concerning international organizations abroad only, and is not intended as a comment on the possible use of the United Nations headquarters as a base for espionage.

Apart from various arms and adjuncts of the United Nations abroad, there are few international organizations having Iron Curtain representation which meet frequently enough to provide a permanent base for sustained activity. Iron Curtain representatives to the conventions of international organizations may have limited intelligence briefs or talent spotting assignments. Such meetings seldom provide profitable targets for secret intelligence, and the representative's stay in the country where the meeting is held is usually of too short a duration for him to set up his facilities for obtaining intelligence, which is more readily procured by the intelligence official attached to the diplomatic installation within the country. While intelligence officials have been reported from time to time as attached to international organizations abroad, their work is more generalized, less clandestine, and less technically profitable than intelligence obtained by agents using diplomatic cover in the same area.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATIONS, 1954

The Senate resumed the consideration of the bill (H. R. 5174) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1954, and for other purposes.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. DOUGLAS. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Illinois will be stated.

The LEGISLATIVE CLERK. On page 11, line 13, it is proposed to strike out "$2,229,450,000" and insert in lieu thereof "2,196,000,000."

REDUCTION OF $33,450,000 IN POSTAL OPERATION EXPENSES

Mr. DOUGLAS. Mr. President, this is the one amendment which I shall submit today. If agreed to, it would result in economies of $33,450,000 below the figures reported by the committee.

I am disappointed in the bill which has been reported by the committee. It is the same bill which had been previously passed by the House. It has not been altered by the Senate committee.

Attention has been called by the chairman of the subcommittee [Mr. McCARTHY] to the fact that the bill calls for smaller appropriations than those requested in the budget of the outgoing administration.

He did not call attention to the fact that, so far as the Post Office Department is concerned, it calls for an increase over last year of $38,350,000. That, I submit, is the significant item. The significant item is the comparison of the appropriations and expenditures which we are going to make for the fiscal year 1953–54, as compared with appropriations and expenditures in the current fiscal year.

So the great economy drive seems to have collapsed.

Many promises were made about the Post Office Department. For instance, the Republican platform adopted last summer declares:

> We pledge a more efficient and frequent mail delivery service.

Since the mail delivery service of the country is on the basis of one delivery a day, and since one must deal with whole digits in connection with this subject, a more frequent mail service would be interpreted as two deliveries a day.

This pledge seems to have gone into the limbo of forgotten dreams.

The Postmaster General, in the hearings, when asked about the introduction of a two-delivery system, said:

> Well, that is not an immediate matter. First we must reduce the deficit.

I assure you, Mr. President, that if the deficit is to be considered first, we can postpone apparently to the indefinite future, the reestablishment of a two-delivery system because the postal deficit is well over a half billion dollars. It is another case of finding hard realities when in office, which are quite different from the glowing hopes one has when one is out of office and is trying to get a change.

POSTAL DEFICIT

Mr. President, the deficit for the coming year is estimated at $596 million. It is true that it is a smaller deficit than the one which we experienced in fiscal 1952 when it was $727 million. Since that time, of course, we have had a change in the rules for fourth-class matter, and we have had some increases in the parcel-post rates and third-class mail rates, and the abolition of the penny post card.

When we consider the fiscal year 1953, the deficit is estimated at $626 million. Even if these estimates are not precisely correct, the deficit for fiscal 1954, for which we are now appropriating, will be approximately the same as for fiscal 1953. At best, it is a reduction of only a few million dollars in the amount of the deficit.

As has been said, the deficit is primarily caused by the air-mail subsidies, which amount to $79 million, in round figures, and by the carrying of second-class mail at a loss, which in 1952 amounted to $242 million. The deficit on third-class mail amounted to $92 million. The deficit on fourth-class, or parcel-post, mail amounted to $154 million. That is where the money goes, Mr. President.

I submit, in view of all of these facts, we should make economies in the Post Office Department for the coming year.

LARGE SAVINGS POSSIBLE

Aside from the need for Congress to make much greater savings than we have been making, there are two main reasons that I am offering this amendment:

First. Postal operations should take reductions as well as other agencies.

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The Post Office is notorious for its inefficiencies, and we should force improvements. Yet the bill before us, instead, grants a $55.4 million increase.

Second. The higher amount is recommended on the basis of an anticipated increase of 3.87 percent in the volume of mail. This is a blank-check appropriation, since we have no proof that volume will rise to that extent. Size and weight limitations, coupled with impending rate increases on parcel post, should even lower the amount of fourth-class mail handled. The Post Office ought to show evidence of an increase in volume before we write them a check for it. If, in fact, there is an increase in volume, money can later be provided in a supplemental bill. Even then, the large spending hike could be denied, since the Post Office should be able to absorb this small increase in volume.

The effect of my amendment is much more lenient than what we ought to impose. It would actually permit a 1 percent increase in the postal operations appropriation above the amounts provided for the current year. Although we should make a much heavier reduction than this, I am offering the amendment as submitted in order to be as reasonable as possible and enhance its chance of passage. Even though the amendment leans over backward, however, it would still effect significant savings: $33.5 million.

We cannot afford to permit the Post Office to escape our economy efforts. We all know that the barnacles of inefficiency cover that hulking agency and that it is an especially fertile field for economy. Congressional reports, hearings, and the report of the Hoover Commission task force are replete with examples of outmoded practices, poor accounting, a sluggish will to improve, and other evidences of waste. The time has come for us to stop going along with them. Now that we have new agency heads, let us tell them right at the start that we will have no more of it before the same old bureaucratic lethargy sets in.

THE ANTICIPATED INCREASE IN VOLUME OF MAIL

An increase of $55.4 million has been recommended for postal operations. It is quickly asserted that this represents a saving since the increase is 2.6 percent, while the anticipated higher volume of mail to be handled is 3.87 percent. Yet even if we were assured that such a higher volume would occur, the saving would be only 1¼ percent—certainly not enough at a time when we are cutting other overhead and actual programs by 20 and even 30 percent.

An increase in appropriations could not be justified on the basis of an anticipated higher volume, even if economy were not a consideration. The best procedure in such instances is for the Post Office, after showing that the volume actually has increased, to come to Congress with the evidence and ask for a supplemental bill.

There are even factors which, when taken into account, may well show that the estimated increase is padded. Size and weight limitations on parcel post should continue to decrease volume in fourth-class mail. Impending rate increases in the same area would decrease volume even further as more parcels are diverted to railway express. As for the other classes of mail, future volume is largely guesswork.

But we should be trying to economize. If there is an increase in volume it should largely be absorbed. Can anyone imagine all businesses increasing expenditures by 67 percent of their percentage increase in volume? Of course not. I am sure most businessmen would be extremely willing to increase volume 3.87 percent with no increase at all in expenditures.

POST OFFICE PRODUCTIVITY INCREASE SHOULD BE EXPECTED

The average increase in productivity per worker in the United States is about 3 percent a year. It should not be too much to expect of that agency, with so much room for improvements, at least to equal the nationwide average. If volume actually does grow by as much as 3.87 percent, then my amendment would provide for an absorption of 2.87 percent, or an increase in efficiency per postal worker which is approximately equal to the national average.

Thus, my amendment would cause no hardship to the Post Office. But it would save the taxpayers $33.5 million.

In practice, what happened was approximately this. The Post Office Department estimated that the increase in the physical volume of postal business would be approximately 3.87 percent. On the postal operations figure it allowed for an increase of 2.61 percent. It evidently thought that it could get an increase of about 1¼ percent in added efficiency per man.

I may say that the increase of approximately $55 million, which is the real increase for postal operations over last year, provides for the addition of approximately 7,500 new jobs.

It seems to me that this does not put any pressure upon the Post Office Department to conduct its affairs with greater efficiency. What is being done is to allow the Post Office Department to increase its personnel by only slightly less than the increase in business, thereby not providing for much of an increase in efficiency per man.

WASTE AND INEFFICIENCY IN THE POST OFFICE

Mr. President, we know that very real economies and efficiencies per man can be effected. For instance, if we take the rural routes of the country, most of which were originally laid out in the horse-and-buggy days, and which have not been fully adapted to the automobile era, we find that the average length of run in the rural areas of the country is a little over 45 miles per day. I believe the exact figure is 45.87 miles per day. The average number of hours worked per day by rural carriers is approximately 6 hours. In a 6-day week, that means 36 hours of work per week.

There is no doubt that a great many rural routes could be consolidated. While I know that there are legal difficulties in the way of dropping men who are already on the rolls, nevertheless by a system of transfers and by failing to fill all vacancies created and by movements out of service and by death, very real economies could be made in the rural-route system, beyond question.

That is particularly possible because of the introduction of automobiles and the greater speed in delivering rural mail.

If we turn to the city mail system and consider the carrier situation, there is no reason why carriers could not use bicycles and tricycles to a much greater degree, so as to take the load off their backs and put it on wheels.

That would at once speed up the delivery of the mails, and, in addition, would mean longer lives for the letter carriers.

If we turn to the work of the clerks in the post offices, we find that in at least the big metropolitan post offices and at the points where the mail is broken and changed from one railroad to another, automatic sorting machines could greatly increase the effectiveness of clerks. It was an employee of the Chicago Post Office, John Sestak by name, who developed an automatic postal sorting machine, which enables a group of 12 to 15 clerks to do the work which formerly required many multiples of that number. The percentage of errors has also been greatly reduced. Several times on the floor of the Senate I have called attention to the fact that I did not believe the previous head of the Post Office Department had adequately recognized the work of Mr. Sestak, and had not extended the system of automatic sorting machines in the big offices as he should. There is still vast room there for improvement.

On the rural routes, on the city and town routes, and in the postal offices themselves great savings could be made if there were a will to save. But the will will not be there unless pressure is applied by Congress. Every time a move in that direction is made the objection is heard that it is inappropriate or that it cannot be done; and the lethargy and actual resistance of large organizations are marshaled against any proposal to increase efficiency.

AMENDMENT PERMITS SOME INCREASE

The amendment I am offering roughly provides for an increase of 1 percent in the amounts for postal operations over the amounts appropriated last year. It increases these amounts by $21.7 million, instead of increasing them by some $55.4 million, as provided by the bill as reported by the committee. It therefore is a figure which is roughly $33½ million less than the committee figure. It is based on the assumption that there is no reason why the Post Office Department should not show the same increase in productivity per man that the country as a whole witnesses in other lines. If we consider the situation over a long period of time, we find that the physical productivity per worker increases approximately 3 percent a year. If my amendment is passed and if the total volume of mail increases by about 4 percent, the number of workers will be increased by approximately 1 percent, and the physical productivity per worker will be increased by approximately 3 percent.

It is this historic fact that lies behind the General Motors formula which was adopted some years ago, and has since been in effect.

Mr. President, there is no reason why we should not expect, in the case of the Post Office, the same approximate increase in productivity that has occurred in other branches of our national economy.

The Post Office Department has already brought up to date its stock of automotive equipment. The committee report correctly points out that at this time in the postal service there is no automobile or truck that is older than a 1947 model, I believe, and that it is intended to retire or to "turn in" trucks and automobiles which have more than 50,000 miles behind them. So the rolling stock of the Post Office Department has now been brought up to date, and will be continued up to date; and the situation which the Hoover Commission criticized some 5 years ago has now been remedied.

There is no reason why the mechanization of the postal service, the consolidation of rural routes, the putting of more letter carriers on bicycles and tricycles, and the reduction of the weight load the letter carriers have to carry, cannot proceed.

So my proposal is, generally speaking, that we handle the estimated increase in the physical volume of mail, which is expected to amount to about 4 percent during the coming year, by providing for a 1-percent increase in operating costs, thus effecting a reduction of approximately 3 percent in unit costs.

I may say that would permit the hiring of slightly less than 4,000 new employees, as well as the automatic pay increases which will cost $8.8 million. Thus there could be some increase in personnel, but the increase of course would not be as great as that contemplated by the committee.

ECONOMY SHOULD BE REVIVED

Mr. President, I believe this to be a very important subject. I wish to say that today I am grievously disappointed in the appropriation bills which have been reported and acted upon. They have not effected any real savings. The bookkeeping juggling that has been resorted to has really demonstrated a failure to appropriate for the expenditures which will occur, and there has been no evidence of any real drive whatsoever for economy.

I hope very much we shall begin to effect real savings. My proposal will, if adopted, result in a saving of approximately $33 million.

Mr. President, I have now finished what I intended to say on this subject. I promised the Senator from Wisconsin [Mr. McCARTHY], just before he left the floor, that I would not finish my remarks until he returned.

Mr. MORSE. Mr. President, will the Senator from Illinois yield to me?

Mr. DOUGLAS. I am glad to yield.

Mr. MORSE. Suppose we do a little trading of time. If the Senator from Illinois has concluded his remarks, I should like to make a few remarks, which I am sure will be concluded in time to accommodate the Senator from Wisconsin.

Mr. DOUGLAS. I shall be very glad to yield, but first I would say that the comment made by the Senator from Oregon reminds me of a man who, during a pause in a funeral service, said, "Now I would like to make a few remarks about Los Angeles real estate."

Mr. MORSE. I shall not deal with the deceased; I can assure the Senator from Illinois of that.

Mr. DOUGLAS. Mr. President, I yield to the Senator from Oregon.

THE ASSOCIATED PRESS

Mr. MORSE. Mr. President, I have received some interesting mail since the time when, on several occasions on the floor of the Senate, I paid my disrespects to the Associated Press.

At this time I should like to read into the RECORD excerpts from a letter I received under the date of May 28:

MY DEAR SENATOR MORSE: I have read the enclosed clipping with the special interest of a man who served the Associated Press for 10 years.

Mr. President, let me say that the clipping was one in which I expressed my lack of confidence in the veracity and journalistic ethics of the Associated Press.

I read further from the letter:

When I worked for the Associated Press, reports had to be not only strictly objective, but the slightest coloring had to be avoided. That is no longer so. And the Associated Press sends out daily a column "interpreting" the news, which is, in effect, when read between the lines, subjective and frequently misleading. * * * The American public is being daily misinformed by that press as to the present situation and as to what it means.

Mr. President, I have received numerous letters from readers of Associated Press stories who have followed the very simple test I suggested a few days ago when I made my criticism about the editorializing done by the Associated Press and the slanting of Associated Press news stories and the taking of statements out of context and the use of snide, reputation-assassinating words and stories. I have suggested that if an Associated Press news story is compared with what I actually said in the Senate, more often than not the readers will find the existence of the low journalism of which I complained when I paid my disrespects to the Associated Press.

Mr. President, I now hold in my hand an editorial by the publisher and editor of the York (Pa.) Gazette, Mr. C. M. Gitt. I shall ask that the entire editorial be printed in the RECORD, but first I should like to read several sentences from the editorial.

In commenting on the statement I made on the floor of the Senate about the press, the editor wrote:

It is not often that people on the outside of the newspaper profession clearly realize the situation. Senator MORSE's charges that the Associated Press is owned by publishers who are "reactionary businessmen" are not idle charges to those who really understand the inside situation of the newsgathering game. The Associated Press is supposed to be a cooperative venture, with every newspaper holding a membership entitled to its say in the operation of the organization, but like everything else, the Associated Press is dominated by a few large publishers who more or less set its policies, not always directly, but often by the indirect means of having the press service's employees learn by experience what is wanted or desired. Many of the other members of the organization follow the lead of the few who more or less control it, and as a consequence the minority which is left has to go along with the practice that the majority rules.

All of which means that those persons whom the big boys in the association are interested in get the publicity and the coverage; and those persons, such as Senator MORSE, whom only a few of the members of the Associated Press are interested in, get practically none or very slim coverage. * * *

The reason is that the important persons in the Associated Press and the lambs who follow their lead are not happy about an independent who dares to continue to stand for his own principles without regard for political affiliation; and since the majority rules in the Associated Press, little consideration is given to the Senator from Oregon.

Mr. President, at this time I ask that the entire editorial be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FOOD FOR THOUGHT

Senator WAYNE MORSE, from Oregon, declared in a Senate speech the other day that the Associated Press is owned by and large by publishers who are "reactionary businessmen" who do not like an outspoken "representative of the independent party."

The Oregon Senator, who bolted the Republican Party during last year's Presidential election campaign, is now an independent and as a result has been getting about as cool treatment from the United States press as he has been getting from the members of both major political parties in the United States Senate. In the latter case the Senator was kept off the two important committees that he had been serving on as a Republican. The vote to keep the same man, now an independent, off of these committees reflected opposition from the members of both major political parties.

It is not often that people on the outside of the newspaper profession clearly realize the situation. Senator MORSE's charges that the Associated Press is owned by publishers who are "reactionary businessmen" are not idle charges to those who really understand the inside situation of the newsgathering game. The Associated Press is supposed to be a cooperative venture, with every newspaper holding a membership entitled to its say in the operation of the organization, but like everything else, the Associated Press is dominated by a few large publishers who more or less set its policies, not always directly, but often by the indirect means of having the press service's employees learn by experience what is wanted or desired. Many of the other members of the organization follow the lead of the few who more or less control it, and as a consequence the minority which is left has to go along with the practice that the majority rules.

All of which means that those persons whom the big boys in the association are interested in get the publicity and the coverage and those persons, such as Senator MORSE, whom only a few of the members of the Associated Press are interested in, get practically none or very slim coverage. The reason is that the important persons in the Associated Press and the lambs who follow their lead are not happy about an independent who dares to continue to stand for his own principles without regard for political affiliation, and since the majority rules in the Associated Press, little consideration is given to the Senator from Oregon.

Because in our national life the power of the press and radio and television is tremendous, and because as a consequence persons can be made or ruined by them, we feel that the people have a right to know what

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the situation is and on what basis our news services work. The point is that the news is not actually handled on the basis of its individual worth or objectivity, but rather it is handled on a basis of who is interested in it and who makes it. We, therefore, feel that Senator MORSE was dead right the other day when he said that the Associated Press is a slanted news reporting service. It is slanted in its news reporting because as we have tried to explain it, it reports the news in proportion to what it is believed the majority of the members want or desire, and if that means that no matter what Senator MORSE says it is unimportant to the majority of the members, then it is unimportant regardless of the fact that standing on its own it may be a lot more important than a whole lot of other things given more play and a lot more words.

It is very interesting, for instance, all the words that can be written and all of the things that can be reported about the coronation in England, and how few words can be used to report important speeches and actions by an outstanding Member of the United States Senate just because his politics don't suit the powers that be. Incidentally Senator MORSE is not the only person who is unhappy about the present situation as far as news coverage over the country is concerned. Although being an Independent he no doubt gets worse treatment by our nearly one-party press than the Democrats, the latter are so concerned about the situation that they are planning to publish a monthly magazine of their own, designed to give the public more information about the Democratic Party side of things.

C. M. GITT.

Mr. MORSE. Mr. President, coverage is not what concerns me. My concern is only that what is printed have at least some relationship to the truth and the facts. That is why I have said to the people of my State, and why I repeat today, that if they want to find out the facts about the position taken by their junior Senator on any issue in the Senate, they should not assume that they get it when they read a news story with the initials AP at the head, because more often than not they will find there a very distorted and propagandized story. The people of my State should know that in recent weeks I have had a very interesting exchange of correspondence with the Associated Press. If they read the correspondence, they will know that it was not being written between bosom friends.

Unfortunately, too many of the officials of the Associated Press are not aware of what past officials of the Associated Press have told the junior Senator from Oregon in regard to that alleged news gathering service.

Mr. President, I now turn to another matter.

The PRESIDING OFFICER. The Senator from Oregon has the floor.

RESOLUTION OF FRATERNAL ORDER OF EAGLES, PRINEVILLE, OREG.

Mr. MORSE. Mr. President, I ask unanimous consent to have inserted in the RECORD a resolution from the Fraternal Order of Eagles, of Prineville, Oreg.

The PRESIDING OFFICER. Is there objection?

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

FRATERNAL ORDER OF EAGLES, AERIE 2555,
Prineville, Oreg., May 6, 1953.

DEAR SENATOR: We, the officers and members of Aerie 2555, FOE, Prineville, Oreg., submit to you a resolution passed at our regular meeting May 5, and do request that you give it your attention and support on our behalf:

"Whereas our postage stamps do not bear the inscription "In God we trust," while our coinage does; and

"Whereas our postage stamps reach into millions of foreign homes and offices in which our coinage is never seen; and

"Whereas postage stamps on which the inscription "In God we trust" will be printed can be an effective means of describing the fundamentally spiritual nature of this country to all nations of the world; and

"Whereas in our current struggle against the irreligious philosophy of communism it is important that we pray to God for help; and

"Whereas many foreign nations do not consider Americans basically religious; and

"Whereas such postage stamps would serve to remind our own people of their debt to God; and

"Whereas Hon. MIKE MANSFIELD, United States Senator from Montana, who is a member of the Fraternal Order of Eagles, has introduced a bill into the Senate instructing the Post Office Department to place the inscription "In God we trust" on all of our postage stamps."

TIMBER ACCESS ROADS

Mr. MORSE. Mr. President, I wish to introduce a joint resolution in behalf of the small lumber mill and logging operators in my State. While it would accrue to the legitimate rights and interests of the large operators as well, it would certainly prevent a combination of large lumber operators to take advantage of the small operators. It is a measure in very much the same form as the one I introduced on January 10, 1949, which passed the Senate, but which became bogged down in the House; because, on the House side, by the time the measure reached that body, there was interesting opposition from the big boys in the lumber game.

I am reintroducing for the record my access-roads joint resolution. It is quite different in principle from the measure the large operators want. They want one that provides for the sale of revenue bonds and the setting up of a revolving fund, in the name of strengthening private enterprise in the field of lumbering. But the measure they desire is full of sleeper clauses. I say that, because, to build the roads which in effect would be private roads into public lands, it would be necessary to have a big stake in Government timber; and, of course, that is what the big boys want. It is the same old monopolistic trend that we see running through the entire program of the present administration. We see it rearing its head now in connection with proposals for access roads.

In my judgment, the only way to protect the small operator in the lumber game is for the people of the country who own the public timber to recognize that it is a governmental responsibility to build access roads into the public lands. They are to be paid for out of the stumpage; but, being built by the Government under the kind of measure passed in the Senate in 1949—which I am reintroducing today—the small operator is guaranteed a fair chance in bidding on the timber. He allows in his bid only for his pro rata share of the stumpage cost and of the cost of constructing the access roads into Government timber.

I am always very frank when I introduce proposed legislation, Mr. President. As of today, I am disheartened and sad about the prospects of the principle of protecting the little fellow prevailing; and yet it is important that we, once again, make it a matter of record. It is important that we place on the record the choice between the revolving-fund type of bill and a measure such as the one I introduced in 1949, which I reintroduce today, and which would see to it that the access roads are paid for out of the stumpage sold by the Federal Government to the lumber operators; but the measure does not make it necessary for the operator to include a huge tract of land in his bid, in order to pay for a road which amounts to a private road into public property.

A revolving-fund scheme is the scheme of the big operator. It is another attempt to get for the big boys what amounts to a quasi-monopolistic control over public timber.

I introduce an access-roads measure whereby the funds, in the first instance, would be appropriated out of the Federal Treasury for the building of access roads into public lands, but would be paid into the Treasury from the stumpage which would be obtained as the result of the sale of Government timber along the access roads, once they are built. The joint resolution would give everyone a fair break in bidding on Government timber. I may say it involves an issue about which, in the Pacific Northwest, in 1954, I think we shall hear a great deal.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 86) to provide for a suitable and adequate system of timber access roads to and in the forests of the United States, introduced by Mr. MORSE, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

LETTER FROM A SOLDIER IN KOREA

Mr. MORSE. Mr. President, I wish now to take a minute or two to read excerpts from a letter of May 29, from one of our boys in Korea, a letter which moved me very deeply. I think the excerpts which I shall read into the RECORD, when read by my colleagues in the Senate, will move my colleagues as well. This American boy, fighting for us in Korea in support of freedom, wrote to me, as follows:

DEAR SIR: Perhaps you will listen. I have followed your struggle for honest statesmanship for some time.

I have been sitting here in Korea with my platoon, on an outpost within a few hundred

yards of Chinese North Korean gunfire—we have been here for 5 days.

Just now I've received mail, which includes an out-of-date copy of the Stars and Stripes. (It arrives on time in Japan, but here, where the news is of so much importance and contact with the "outside" so limited, it always arrives late—they tell us shipping facilities are limited.)

The first thing to catch my eye is a message that some in Washington are urging the United States to avoid the United Nations, and form their own policy regarding the Korean action and the truce. The only reason the American and foreign officers and men, with whom I have spoken—I repeat, the only reason they would be here is because of the courageous plans the United Nations has offered in its unselfish appraisal of world affairs. The United Nations represents for us the only solid hope and the only sustaining force in the world today. We are sick of the vicious jostling of petty nations.

All along the road, moving toward the front lines from Pusan, there are signs placed by the Rhee Government stating: "Give us unification or give us death." We are not here to increase Syngman Rhee's holdings. We are here to accomplish the one initial objective of the U. N.: stop aggression wherever it occurs in the world.

As a volunteer member of the Armed Forces, I find myself becoming increasingly horrified at the attitude assumed by our representatives in the American Government.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MORSE. I shall yield presently. In order not to break into the reading of the soldier's letter, I should like to finish my quotation from his letter; after which I shall be glad to yield. The letter continues:

I cannot fail to recall that the headlines proclaiming the resumption of truce talks were quickly followed by the cries of business and their representatives with groans of remorse because of the possible loss of profits.

* * * * *

With deliberate and calm negotiation, I believe (and so do people around the world) that we have an opportunity to bring to a close this dreadful affair. True, we will be on guard in the middle of Korea but we would be on guard at the Yalu River border, with nothing more to show for it than an additional loss of life.

We now have an opportunity to build in Asia, on this tiny peninsula, the sort of democratic government that we keep promising Asia. We have an opportunity to show the Oriental that "white man arrogance" belongs to a past age; that the 300 years of occidental cheating and profiteering has come to an end; that the United Nations intends to build homes, not jails.

But how can we, on the front line, do the job when the rear is diseased with selfish ambition?

* * * * *

Please hear our voice—if no one pays any attention, what can we do?

Mr. President, Senators do not have to share all the implications of this soldier's point of view in order to agree with me that this letter is a moving expression of feeling on the part of the soldier. I am not in a position to say what the opinion of our Armed Forces is, but over the months I have received enough mail from boys fighting in the front lines in Korea to satisfy me that they are perfectly willing to stand and fight and die, if necessary, to prevent aggression. But there is not much enthusiasm, Mr. President, for any proposal that suggests we should go it alone in Asia and force upon Asiatic countries our terms for a settlement of the struggle in Asia. That is why I said last Sunday on a television broadcast, and say again today, that in these critical days through which the White House and those responsible for the negotiations in Korea are passing, we should recognize that the truce will not be satisfactory in all respects to all of us.

As I have said, we may not agree with this soldier from whose letter I have read, in all the particulars and implications of his letter, but I am inclined to think it is true that our boys in Korea are aware of the fact that they were sent there primarily to stop Communist aggression. We may not be satisfied with all the details of a truce which may be worked out to the end of stopping Communist aggression, but in my opinion the White House and those in charge of truce negotiations are entitled to the united support of all groups in America. All political groups, all economic groups, all groups of citizens, should support the White House and those in charge of truce negotiations so that there may be finally arranged an honorable truce that will end the ghastly cost of life and casualties of wounded men in Korea, in accordance with the objective in support of which the United States went into Korea.

We did not go into Korea to bring to an end communism in China. We did not go into Korea with the objective of entering into a war with Russia in Asia. We went into Korea for the purpose of demonstrating to Russia that she could not get by with her subterfuge aggressive policy, acting through satellites of challenging freedom in Asia. If such reports as we have read thus far are reasonably reliable, it would seem that those responsible for our negotiations of a truce have kept faith with that objective.

My information comes from the same sources available to other Members of the Senate, and it maybe that the settlement of the prisoner problem is not completely in accordance with what we would like it to be. However, although there will not be an unconditional surrender, and I think it is wise that there will not be, it seems to me the objective we had in mind in connection with the prisoner issue is being achieved. Men will not be forced against their wills to go back to a Communist environment. Time will be allowed for due consideration on their part, and they will be protected from what we feared, namely, that various forms of duress and coercion would be practiced upon them. Neutral mediators, shall we say, or guardians, will be in charge during the period while a prisoner is allowed to make his decision.

So I say to my friend in Korea who wrote me this letter that he is mistaken if he draws the generalization that all, or even a substantial part, of those representing him in the Government have yielded to the kind of philosophy about which he complains in his letter. They have not. Although we in the Congress are of different political faiths, I think my friend should be told, as I now tell him, that there is remarkable unity among us. Of course, there is some dissent, but there is remarkable unity among us that we will keep faith with the objective for which we went into Korea, and the one which he sets forth in his letter, namely, to demonstrate to the Communists that we would not tolerate an aggressive course of action against freedom in Asia.

I believe most Americans, irrespective of political points of view, are of one mind with regard to the desirability of an honorable truce in Korea, followed by a period of international negotiations for the disposition of political and territorial rights of conflicting groups in Korea.

Mr. President, there is one other matter I desire to discuss.

The PRESIDING OFFICER. The Senator from Oregon may proceed.

FUTURE PROGRAM OF INDEPENDENT PARTY

Mr. MORSE. Mr. President, there is one further item upon which I wish to comment today in this relatively brief committee report of the Independent Party. I had planned to discuss at some length the question of mandatory sentences involved in the District of Columbia crime bill, but I shall make that speech tomorrow.

I had also planned in this week's report to give another in the series of speeches on natural resources, which I am dedicating to the late Senator Norris. However, I shall deliver that speech in Portland, Oreg., on Friday night, instead of in the Senate on Friday. Next week I shall insert it in the CONGRESSIONAL RECORD.

There seems to be some misunderstanding among certain of my political enemies in Oregon that my relegation to two minor committees in the Senate would accomplish several purposes, one of which would be to end my weekly committee reports on behalf of the Independent Party. I thought I had made it very clear that that would not happen, but that I still felt that once a week some Senator ought to speak on the floor of the Senate to the independent voters of the country. I reannounce that intention tonight.

I intend, for the remainder of this session, and for all the next session, and so long as I remain in the Senate, to report to the independent voters of the country my views on political issues which I do not think receive either adequate treatment in the press or proper consideration in the Senate.

I shall do that until the full rights of the people of Oregon have been restored to them, including their right to equal representation in the Senate through their junior Senator. I thought I made that very clear when I announced that I would certainly serve on the Public Works Committee and the District of Columbia Committee, because the Senate had the power so to assign me, and I felt that I had the moral obligation so to serve, once assigned.

But if anyone got the idea that that settled the issue, he misunderstood the

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Senator from Oregon, because the Senator from Oregon will continue to discuss, as a member of the Committee of the Whole, issues which are so foreign to the Public Works Committee and the Committee on the District of Columbia that a discussion of them within either of those committees, or raising such problems within either committee, would be out of order, because such issues would not fall within the jurisdiction of either committee.

However, most of the subjects which I shall discuss in my weekly reports as a member of the Committee of the Whole will bear upon the work of the Committee on Armed Services and the Committee on Labor and Public Welfare, on which the more than 1½ million people of the State of Oregon are entitled to representation, which was denied to them by a Republican majority acting in concert and cooperation with the management of the Democratic side of the aisle.

UNANIMOUS CONSENT TO LIMIT DEBATE ON TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL

Mr. KNOWLAND. Mr. President, I should like to ask unanimous consent that when the Senate meets tomorrow there be 15 minutes allowed to each side on the pending amendment offered by the Senator from Illinois [Mr. DOUGLAS], to be controlled by the Senator from Illinois [Mr. DOUGLAS] and the Senator from Wisconsin [Mr. MCCARTHY], respectively.

It is the intention of the acting majority leader in a moment to ask that the Senate consider in executive session the new reports on the Executive Calendar, and then to resume legislative session for such remarks as Senators may desire to make this evening, but there will be no voting on the Treasury and Post Office Departments appropriation bill this evening. Consideration of it will be resumed with the pending Douglas amendment as the order of business tomorrow, following the morning hour, with 15 minutes debate on the Douglas amendment allotted to each side.

The ACTING PRESIDENT pro tempore. Without objection, the unanimous-consent request is agreed to.

EXECUTIVE SESSION

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

PROTOCOL PROLONGING INTERNATIONAL SUGAR AGREEMENT—REMOVAL OF INJUNCTION OF SECRECY

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate Executive L, 83d Congress, first session, a protocol dated in London August 31, 1952, prolonging the International Agreement regarding the regulation and marketing of sugar, signed at London on May 6, 1937. Without objection, the injunction of secrecy will be removed from the protocol, and the protocol, together with the President's message, will be referred to the Committee on Foreign Relations, and the message from the President will be printed in the RECORD. The Chair hears no objection.

The message from the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a certified copy of a protocol dated in London August 31, 1952, prolonging the international agreement regarding the regulation and marketing of sugar signed at London on May 6, 1937.

I also transmit, for the information of the Senate, the report made to me by the Secretary of State with respect to this matter.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 10, 1953.*

(Enclosures: (1) Report of the Secretary of State; (2) certified copy of protocol of August 31, 1952.)

UNIVERSAL COPYRIGHT CONVENTION—REMOVAL OF INJUNCTION OF SECRECY

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate Executive M, 83d Congress, 1st session, the Universal Copyright Convention, together with certified copies of 3 related protocols, signed at Geneva under date of September 6, 1952, by the respective plenipotentiaries of the United States of America and other States concerned. Without objection, the injunction of secrecy will be removed from the convention and protocols, and the convention and protocols, together with the President's message, will be referred to the Committee on Foreign Relations, and the message from the President will be printed in the RECORD. The Chair hears no objection.

The message from the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a certified copy of the Universal Copyright Convention, together with certified copies of three related protocols, signed at Geneva under date of September 6, 1952, by the respective plenipotentiaries of the United States of America and other States concerned.

I transmit also, for the information of the Senate, the report of the Secretary of State with respect to the Convention.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 10, 1953.*

(Enclosures: (1) Report of the Secretary of State; (2) certified copy of the Universal Copyright Convention, with certified copies of three related protocols, signed at Geneva under date of September 6, 1952.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. WILEY, from the Committee on Foreign Relations:

Mason Sears, of Massachusetts, to be the representative of the United States of America on the Trusteeship Council of the United Nations; and

John C. Hughes, of New York, to be the United States permanent representative on the North Atlantic Council, with the rank and status of Ambassador Extraordinary and Plenipotentiary.

By Mr. TOBEY, from the Committee on Interstate and Foreign Commerce:

Henry C. Perkins for promotion to the permanent rank of rear admiral in the Coast Guard; and

Leonard S. Hubbard, and sundry other persons, for permanent appointment in the Coast and Geodetic Survey.

By Mr. MILLIKIN, from the Committee on Finance:

Frank D. Yturria, of Texas, to be collector of customs for customs collection district No. 23, with headquarters at Laredo, Tex.

The ACTING PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar, under new reports.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

The legislative clerk read the nomination of Nelson Aldrich Rockefeller to be Under Secretary of Health, Education, and Welfare.

Mr. LEHMAN. Mr. President, I wish to express my great satisfaction at the opportunity which I have to vote to confirm the nomination of Nelson Aldrich Rockefeller to be Under Secretary of Health, Education, and Welfare.

I have known Mr. Rockefeller, as I knew his father, for a great many years. I consider him to be one of the most distinguished sons of the State of New York. Nelson Rockefeller has served the Government in many capacities over the past 10 years, and in every one of the assignments given to him he has distinguished himself and has shown unusual ability. I consider him to be a man of the highest character, of great ability, and of selfless devotion to the public well-being. I know that as Under Secretary of Health, Education, and Welfare he will serve the Government and the people of our country with great distinction and with great devotion.

I again want to say, Mr. President, how much pleasure and satisfaction I have in voting for the confirmation of Mr. Rockefeller's nomination.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

COLLECTORS OF CUSTOMS

The legislative clerk read the nomination of James P. Winne, of Hawaii, to be customs collector for district No. 32, with headquarters at Honolulu, T. H.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of John J. Devaney, of New York, to be collector of customs for district No. 8, with headquarters at Rochester, N. Y.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of John A. Stanek, of Illinois, to be collector of customs for district No. 39, with headquarters at Chicago, Ill.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. KNOWLAND. Mr. President, I ask that the President be notified of the confirmation of these nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. KNOWLAND. I ask unanimous consent that the Senate return to legislative session.

There being no objection the Senate resumed the consideration of legislative business.

LEGISLATIVE PROGRAM

Mr. KNOWLAND. Mr. President, I should like to announce for the benefit of Senators present that when we complete consideration of the pending appropriation bill, it is our intention to take up Senate Joint Resolulution 6 to provide for a continuance of civil government for the Trust Territory of the Pacific Islands, and also the unfinished business, which is Senate bill 1946, to provide for the more effective prevention, detection, and punishment of crime in the District of Columbia. If we finish consideration of those bills, it is our intention to take up Calendar No. 378, Senate bill 1273, to amend the act entitled "An act to incorporate the American University," approved February 24, 1893, so as to vest supervision of the American University in the Board of Education of the Methodist Church, and for other purposes. It will then be our purpose, with the agreement of the Senate, to recess until Monday so as to permit Senate committees to function.

"PAT" BURKHOLDER, OF SPARKS, NEV.

Mr. MALONE. Mr. President, a few days ago we had in the Senate a visitor from my own State of Nevada. In most ways he is typical of what we call the average American. He is steady and reliable, works hard, takes care of his family, pays his taxes, and fears the Lord.

NATIONALLY RECOGNIZED

He was in Washington because he has done something in addition, something which won him the distinction that was accorded him here and in the press of the Nation. President Eisenhower received him at the White House and paid tribute to his record.

NATIONAL HIGHWAY SAFETY

Mr. President, this man is S. R. "Pat" Burkholder, of Sparks, Nev., who drives a tractor-trailer truck for the Garrett Freightlines, of Pocatello, Idaho. Burkholder has driven a truck over mountain and desert roads for 27 years without a chargeable accident of any kind. He has driven more than 1,500,000 miles, the equivalent of 60 times around the world, and of 150 years of driving by the average motorist. That is an outstanding record. But he has done more than that. On many occasions, sometimes at the risk of his own life, he has helped hapless motorists involved in accidents.

THE DRIVER OF THE YEAR

This year Burkholder was chosen as the American Trucking Association's "driver of the year." When we consider that there are more than 9 million trucks in this country, the honor of being the driver of the year is no light one. It is gratifying to me, Mr. President, that this honor this year went to the State of Nevada and to Pat Burkholder. But more important, I think, is the fact that unspectacular work of promoting highway safety, although spectacularly symbolized by this award, is going on unremittingly in trucking offices and on the roads. The number of highway casualties is still shockingly high, but with improved highways and added emphasis on safe driving the accident rate will be reduced.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an article entitled "He Drives by the Rules, Stays Accident-Free for 27 Years," written by Ed Wallace, and published in the New York World-Telegram and Sun of Tuesday, May 26, 1953.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HE DRIVES BY THE RULES, STAYS ACCIDENT-FREE FOR 27 YEARS

(By Ed Wallace)

"Freedom of the open road." That's another fine-sounding phrase you can put in the mothball fleet of social customs.

Most of the roads and highways of America are neither open nor free. They are often bumper to bumper, and there's no room for the romantic old idea that you travel as free as a breeze.

"If you want to stay alive, you travel strictly by the rules," says Pat Burkholder, truckdriver of the year. S. R. (Pat) Burkholder, of Sparks, Nev., drives a 62,000-pound truck which rolls out of Reno and into the desert each midnight with 18 wheels on the road.

In 27 years he has driven 1,500,000 miles without an accident, by being able to outguess and outmaneuver the motorized idiots who infest the highways.

In competition with truckdrivers from all over the Nation, Mr. Burkholder was chosen truckdriver of the year by a committee headed by Robert B. Murray, Jr., Under Secretary of Commerce for Transportation.

Highlight of the award was meeting President Eisenhower in Washington last week and talking with him about the problems of driving.

The President told Mr. Burkholder that he had quit driving during the Normandy campaign on the advice of his security officer. The officer complained the general was frightening other officers who had to ride with him.

As a driver for the Garrett Lines, of Pocatello, Idaho, Mr. Burkholder was assigned to mountain driving before he was transferred to the desert.

"There is nothing more tiring than daylight desert running," he said. "You sit there for hours looking down the desert with nothing to distract you but sage bushes and sand. But at night the desert turns beautiful. There's nothing I'd rather do than drive through it.

"You're rolling on the flat surface of the earth and you've got to depend on your senses every moment. It's different, driving the timber runs. In the mountains you get impressions that tell you what's going on.

"You see a shadow on a curve that looks strange. A flash on telephone wires, a sparkle of light on railroad tracks, the way headlight beams sweep the full height of a tree.

"Experience teaches you what these things mean. You don't think about them, but they register their meaning on the mind."

Mr. Burkholder, 42 and rugged as the big 18-wheel storms he drives, has one recipe for keeping out of accidents. It is the Burkholder version of the Golden Rule.

"On the highway I treat somebody else like I want to be treated myself," he explained. "You keep passing that out, day after day, month after month, and finally it gets circulated around. Part of it begins to come back."

His selection as driver of the year was influenced by the several times in past years when he has risked his life to rescue drivers who had driven into a river, and another group who were pinned in burning cars.

When asked the inevitable, if New York seems like a very big town, the driver said, "Not especially. Got here last night. Couldn't sleep so I took a shower, shaved, and set out for a walk at 4 this morning. Hadn't walked 2 blocks until I ran into 3 fellows from Reno.

"That's not too big."

Mr. MALONE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an article entitled "Nevadan With 27 Safe-Driving Years Named Trucking Industry's Driver of Year," published in the magazine New Hampshire Motor Transport for May 1953.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEVADAN WITH 27 SAFE-DRIVING YEARS NAMED TRUCKING INDUSTRY'S DRIVER OF YEAR

A 43-year-old Nevadan who has driven commercial vehicles for 27 years without an accident and who has risked his life several times to save motorists injured in highway crashes has been named the trucking industry's driver of the year.

He is S. R. "Pat" Burkholder, of 938 H Street, Sparks, Nev., who drives a tractor-semitrailer unit for Garrett Freightlines, Inc., Pocatello, Idaho. He is married and has two children and a grandchild.

A member of Local 533 of the International Brotherhood of Teamsters, at Reno, Burkholder has driven more than 1½ million miles without an accident since he began driving a truck in 1925.

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Judges of the contest, sponsored annually by the American Trucking Associations, Inc., were Robert B. Murray, Jr., Under Secretary of Commerce for Transportation, and chairman of the selecting committee; W. Y. Blanning, Director of the Bureau of Motor Carriers, Interstate Commerce Commission; and Arthur C. Butler, director of the National Highway Users Conference.

They noted that Burkholder's long record of safe driving was the equivalent of 150 years of driving by the average passenger-car driver. He has averaged 55,000 miles of safe driving per year, compared with the passenger-car average of 10,000 miles.

Burkholder won the coveted honor over contestants from all parts of the country, who, like himself, had been nominated by the trucking associations in their own States after winning the State driver of the year award.

The judges, in selecting Burkholder, emphasized their choice had been dictated by Burkholder's extreme heroism in trying to rescue at the risk of his own life a New York family of six from a burning automobile last year on Route 40 near Reno, Nev. His acts were developed from company records.

The six members of the Roosa family, of Woodburne, N. Y., consisting of the husband and wife and two children, ages 11 and 9, and Mr. Roosa's parents, were driving to San Francisco to visit relatives when their car collided with another car.

Burkholder was driving his tractor-trailer west toward Reno and had been passed by the Roosa's car. He was the first to arrive at the scene of the accident.

Leaping from his cab he raced to the 2 cars and succeeded in extricating the 2 children and their father from the wreckage. The gasoline tank of one car exploded at this point and enveloped both cars in flames. Burned badly himself, Burkholder sought vainly to extricate the others but the flames overpowered him. The children and their father died as a result of their injuries, bringing the accident's death total to seven.

Four months before this accident Burkholder was the first at the scene of another accident involving a sailor who suffered a severe spinal injury. Burkholder summoned an ambulance and rendered first aid. The ambulance doctor credited Burkholder's knowledge of first aid and his handling of the injured man with possibly saving the sailor's life.

Because of Burkholder's modesty and reticence, newspaper stories of the accident failed to mention his name, and he refused to allow the sailor to recommend him for a United States Navy citizen citation.

A third incident occurred in October 1951, when he helped save 3 persons involved in an automobile crash on Highway 40 in which 3 others lost their lives. First on the scene again, Burkholder administered first aid to the survivors of the crash and stood by until doctors arrived.

In 1946 Burkholder joined other truck-drivers in a rescue party to save the lives of 2 persons trapped in an automobile submerged in the Truckee River. It was winter, and Burkholder contracted pneumonia from the exposure. In this incident, as in all others in which he has lent a helping hand, Burkholder left the scene without identifying himself.

Gov. Charles H. Russell, of Nevada, made the presentation address when Burkholder received the driver-of-the-year award from the Nevada Motor Transport Association. Public Service Commissioner Robert A. Allen, a speaker on the occasion, said in part, "Greater love hath no man than this, that he lay down his life for his friends and that, Pat, is what you risked doing."

Mr. and Mrs. Burkholder will be given a tour of Washington and New York as guests of the American Trucking Associations as one of a number of prizes that the industry gives to its driver of the year.

The judges also gave an honorable mention award to John A. Jacobs, 57, of Racine, Wis., driver for Service Transport Co., Racine, who has had no chargeable accidents in 28 years of driving. Mr. Jacobs is married and has two children. He has helped motorists involved in highway accidents on a number of occasions, the last in 1944.

Mr. MALONE. Mr. President, I know Pat Burkholder from my State, and I know his family. In my opinion, he is an ideal citizen. He has raised a typical family. He works from 14 to 18 hours a day. He knows his business. He has come up the hard way to be nationally recognized, and we in Nevada are proud of him.

RECESS

Mr. WILLIAMS. Mr. President, in accordance with the previous unanimous consent agreement, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 15 minutes p. m.) the Senate took a recess, the recess being under the order previously entered, until tomorrow, Thursday, June 11, 1953, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 10 (legislative day of June 8), 1953:

Federal Maritime Board

Louis S. Rothschild, of Missouri, to be a member of the Federal Maritime Board for the remainder of the term expiring June 30, 1956, vice Vice Adm. Edward L. Cochrane, resigned.

Bureau of Mines

Tom Lyon, of Utah, to be Director of the Bureau of Mines.

Bureau of the Mint

Rae V. Biester, of Pennsylvania, to be Superintendent of the Mint of the United States at Philadelphia, Pa.

United States District Judge

George H. Boldt, of Washington, to be United States district judge for the western district of Washington, vice Charles H. Leavy, retired.

In the Army

Lt. Gen. Maxwell Davenport Taylor, O14898, Army of the United States (major general, U. S. Army), for appointment as commanding general, Eighth Army, with the rank of general and as general in the Army of the United States, under the provisions of sections 504 and 515 of the Officer Personnel Act of 1947.

Maj. Gen. William Howard Arnold, O15558, United States Army, for appointment as commanding general, United States Forces in Austria, with the rank of lieutenant general and as lieutenant general in the Army of the United States, under the provisions of sections 504 and 515 of the Officer Personnel Act of 1947.

Maj. Gen. Bruce Cooper Clarke, O16068, Army of the United States (brigadier general, U. S. Army), for appointment as corps commander, with the rank of lieutenant general and as lieutenant general in the Army of the United States, under the provisions of sections 504 and 515 of the Officer Personnel Act of 1947.

The following-named officers for temporary appointment in the Army of the United States to the grades indicated under the provisions of subsection 515 (c) of the Officer Personnel Act of 1947:

To be major generals

Brig. Gen. Martin Eugene Griffin, O16537, Medical Corps, United States Army.

Brig. Gen. Joseph Howard Harper, O15023, Army of the United States (colonel, U. S. Army).

Brig. Gen. Armistead Davis Mead, O15767, Army of the United States (colonel, U. S. Army).

Brig. Gen. Robert Milchrist Cannon, O16163, Army of the United States (colonel, U. S. Army).

Brig. Gen. James Francis Collins, O16819, Army of the United States (colonel, U. S. Army).

To be brigadier generals

Col. John Francis Cassidy, O12718, United States Army.

Col. Charles Vinson Bromley, Jr., O15239, United States Army.

Col. James Melvin Epperly, O16288, Dental Corps, United States Army.

Col. Cleland Charles Sibley, O15671, United States Army.

Col. Edward Harold McDaniel, O16497, United States Army.

Col. Raymond Earle Bell, O16897, United States Army.

Col. William Jonathan Thompson, O17530, United States Army.

Col. George Elial Bush, O17634, United States Army.

Col. John Francis Regis Seitz, O17734, United States Army.

Col. David Haytor Buchanan, O17746, United States Army.

Col. Paul Russell Weyrauch, O18252, Army of the United States (lieutenant colonel, U. S. Army).

Col. Orlando Collette Troxel, Jr., O18487, Army of the United States (lieutenant colonel, U. S. Army).

Col. Hugh Pate Harris, O18518, Army of the United States (lieutenant colonel, U. S. Army).

National Guard Bureau

Col. Edgar Carl Erickson, O1713l7, a Reserve commissioned officer of the Army, member of the National Guard of the United States, to be Chief of the National Guard Bureau, with rank of major general, for a period of 4 years from date of acceptance, under the provisions of section 81, National Defense Act, as amended.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 10 (legislative day of June 8), 1953:

Department of Health, Education, and Welfare

Nelson Aldrich Rockefeller, of New York, to be Under Secretary of Health, Education, and Welfare.

Collectors of Customs

James P. Winne, of Hawaii, to be collector of customs for customs collection district No. 32, with headquarters at Honolulu, Hawaii.

John J. Devaney, of New York, to be collector of customs for customs collection district No. 8, with headquarters at Rochester, N. Y.

John A. Stanek, of Illinois, to be collector of customs for customs collection district No. 39, with headquarters at Chicago, Ill.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 10, 1953

The House met at 12 o'clock noon.

Rev. Wilmer N. Thornburg, pastor of Venice United Presbyterian Church, McDonald, Pa., offered the following prayer:

Our Father and our God, who in Thy love and wisdom hast brought our Nation unto this hour. Look down upon us in this hour as these men are meeting to

consider the affairs and problems before them today.

May these men, who have been chosen to the place of leadership in this great Nation of ours, be given a large portion of Thy wisdom. Our Father, we lift our hearts in humility asking for wisdom in every problem to do and say what will be best for our Nation.

Our prayer is that these men may prove themselves faithful to the trust which has been placed in them by the people of our Nation. May Thy spirit guide and direct them each one every hour of life, for we ask this in the name of Jesus Christ, our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On June 2, 1953:

H. R. 746. An act for the relief of Tibor Kalman Jalsoviczky;

H. R. 880. An act for the relief of Dr. Suzanne Van Amerongen;

H. R. 974. An act for the relief of Dr. Morad Malek-Asiani; and

H. R. 2364. An act to terminate restrictions against alienation on land owned by William Lynn Engles and Maureen Edna Engles.

On June 4, 1953:

H. R. 1242. An act to authorize the Secretary of the Interior, or his authorized representative, to convey certain school properties to local school districts or public agencies;

H. R. 1243. An act to amend the act of June 30, 1919 (41 Stat. 16); and

H. R. 1244. An act to amend section 13 of the act entitled "An act to provide for the allotment of lands of the Crow Tribe, for the distribution of tribal funds and other purposes."

On June 6, 1953:

H. R. 1561. An act authorizing the transfer of certain property of the Veterans' Administration (in Johnson City, Tenn.) to the State of Tennessee; and

H. R. 2327. An act to authorize the Post Office Department to designate enlisted personnel of the Army, Navy, Air Force, Marine Corps, and Coast Guard as postal clerks and assistant postal clerks, and for other purposes.

On June 9, 1953:

H. R. 2366. An act for the relief of Fred B. Niswonger.

CLOSING MEXICAN BORDER TO MINORS

Mr. HOSMER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOSMER. Mr. Speaker, for approximately the past 10 days I have inserted an article in each CONGRESSIONAL RECORD relative to House Joint Resolution 240, a resolution which has for its purpose the cutting down of the narcotics traffic available to youngsters in States along the Mexican border. I call my colleagues' attention to this series and those articles which will follow, because they lay the basis necessary to show the necessity for and the wisdom of this legislation.

CIVIL-SERVICE EXAMINATION FOR POSTMASTERS

Mrs. ST. GEORGE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mrs. ST. GEORGE. Mr. Speaker, I have recently introduced H. R. 5564, a bill to require that the position of postmaster in post offices of certain classes be occupied by persons who pass a competitive civil-service examination for the position of postmaster. This bill also states that any postmaster holding the position who has not passed a civil-service examination will have to vacate the office and that the office will be open to a civil-service examination.

Mr. Speaker, a strange thing has happened about this bill. Some people with vivid imaginations have thought that this was intended to get rid of postmasters who are now in office for political reasons. Nothing could be farther from the truth. In my opinion, any man who has been a postmaster for between 15 and 20 years in a first-, second-, or third-class office and is unable to pass a civil-service examination should certainly have his head examined and perhaps be placed in the nearest mental hospital. Obviously the men already in office and who have served for all these years are in a far better position to pass the examination brilliantly than someone simply coming in from the outside.

If we are to have civil service we have got to have it all the way through or else scrap the whole idea. At the present time there are over 6,000 postmasters in first-, second-, and third-class offices throughout this country who have never taken an examination of any kind for the position.

COTTON MARKETING QUOTAS AND ACREAGE ALLOTMENTS

Mr. HUNTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HUNTER. Mr. Speaker, I have introduced today a bill to amend the Agricultural Adjustment Act with respect to cotton marketing quotas and acreage allotments. Companion bills are being introduced by colleagues from California, Arizona, Nevada, New Mexico, Texas, and Florida.

Faced, as we are, with excessive supplies of cotton, it appears inevitable that a national marketing quota and acreage allotment will be proclaimed for the crop of cotton to be produced in 1954. Unless amended, the Agricultural Adjustment Act would require such national acreage allotment to be apportioned among the States on the basis of the acreage planted to cotton during the 5 years, 1947, 1948, 1950, 1951, and 1952. This would result in drastically reduced acreage allotments, as compared with 1952 and 1953 plantings, for those States where cotton production has increased in recent years. For example, assuming a national quota of 10 million bales and a national acreage allotment of 17,500,000 acres, Arizona would be cut 54 percent; California, 51 percent; New Mexico, 42 percent; Florida, 40 percent; and Texas, 39 percent.

Arizona would be the most adversely affected of all the States. Cotton is its most valuable crop and agriculture by far the major source of its wealth. To take away over half of the gross value of this crop would seriously cripple the State's entire economy, cause widespread unemployment, and bankrupt thousands of farmers and businessmen.

These reductions are considerably greater than those which would be required of the traditional cotton-producing States of the South where plantings have either remained relatively static or have actually declined in recent years. This is because provisions of existing law are plainly discriminatory in their application to States where cotton production has been on the increase in response to the demands of a free market. Furthermore, the law as it now stands serves to obstruct geographic shifts in cotton plantings based upon quality and variety of product and cost of production. In brief, the law is inequitable and uneconomic.

In order to alleviate the economic distress and discrimination which would result from imposition of acreage allotments for the 1954 cotton crop under existing law, I have introduced a bill to amend the Agricultural Adjustment Act so as to provide:

First. The national allotment for cotton for 1954 and subsequent years shall be apportioned to the States on the basis of the acreage planted to cotton during the 3 calendar years immediately preceding the calendar year for which the national marketing quota is proclaimed. That means that the 1954 allotment would be based on plantings during 1951, 1952, and 1953.

Second. No State acreage allotment for 1954 shall be reduced more than 25 percent below the acreage planted to cotton in the State in 1952.

SPECIAL ORDER GRANTED

Mr. MEADER asked and was given permission to address the House for 5 minutes on tomorrow, following the legislative program and any special orders heretofore entered.

MONROE COUNTY, MICH.

Mr. MEADER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

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Mr. MEADER. Mr. Speaker, I have today introduced a bill designed to grant to certain residents of Monroe County, Mich., the right to obtain patents to land which they and their predecessors in title have occupied since Monroe County was originally founded, but for which the Government has never issued patents.

Over 130 years ago the original French settlers of Monroe County staked out claims along the waterfront of the Raisin River. The claims were in most cases only a few rods wide but extended for long distances back from the river—sometimes as much as a mile and half.

In 1819 the Government surveyed the county into townships and sections and issued patents in accordance with this survey. The Congress granted to these original French settlers, who were then in possession of the land, the right to have a patent issued on their claims upon submitting proof of ownership of the land. However, very few submitted the required proofs. Most of the settlers continued to occupy their land as originally staked out.

It was not until 1928 that this difficulty was discovered, and the Congress then enacted a law providing for the issuance of patents to the owners of this land. Abstractors' and surveyors' maps showed that there were at least 13 small pieces of land in the county for which no patent had ever been issued, but to which the Government of the United States laid no claim.

There have been various extensions of this law to permit the owners of these lost lands to procure their patent by paying $1.25 an acre for the land. The current act, which is Public Law 856 of the 80th Congress, will expire on June 30 of this year. This legislation was sponsored by my predecessor, the Honorable Earl Michener, well known to my colleagues in the House of Representatives, who represented the Second District of Michigan with honor and distinction for three decades.

The purpose of the bill I have introduced today is simply to extend the period within which patents may be obtained by an additional 5 years.

I have discussed this legislation unofficially with Mr. James A. Lanigan, assistant chief counsel in the Bureau of Land Management. After examining the records of the Department and considering the matter, Mr. Lanigan advised me that he could see no objection to the extension. The Federal Government does not assert title to the land, and the error is a technical omission which in all equity should be cured.

It is only when abstracts of title are examined that these parcels of land, on which no Government patent has been issued, are discovered. The residents of this area of Monroe County are not migratory. Farms have been handed down in the same family for generation after generation. Consequently, all of the defects arising from the lack of patents have not yet come to light.

For 25 years Congress has given the right to acquire patents to certain residents of Monroe County whose title has been adversely affected by the lack of patents. It would now be discriminatory and inequitable to deny similar relief to those who, through no fault of their own, are unaware of this latent defect in the title to their property.

Mr. Speaker, it is my hope that this legislation will be promptly adopted by the Congress.

TREATMENT OF USERS OF NARCOTICS IN THE DISTRICT OF COLUMBIA

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3307) to provide for the treatment of users of narcotics in the District of Columbia, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That the purpose of this act is to protect the health and safety of the people of the District of Columbia from the menace of drug addiction and to afford an opportunity to the drug user for rehabilitation. The Congress intends that Federal criminal laws shall be enforced against drug users as well as other persons, and this act shall not be used to substitute treatment for punishment in cases of crime committed by drug users.

"DEFINITIONS

"SEC. 2. For the purposes of this act—

"(1) The term 'drug user' means any person who habitually uses any habit-forming narcotic drugs so as to endanger the public morals, health, safety, or welfare, or who is so far addicted to the use of such habit-forming narcotic drugs as to have lost the power of self-control with reference to his addiction.

"(2) The term 'patient' means a person with respect to whom there has been filed with the clerk of the United States District Court for the District of Columbia a statement as provided for in section 3.

"FILING A STATEMENT

"SEC. 3. (a) Whenever it appears to the United States attorney for the District of Columbia that any person within the District of Columbia, other than a person referred to in subsection (b), is a drug user, he may file with the clerk of the United States District Court for the District of Columbia a statement in writing setting forth the facts tending to show that such a person is a drug user.

"(b) The United States attorney shall not file a statement under this section with respect to any person who is charged with a criminal offense, whether by indictment, by information, or who is under sentence for a criminal offense, whether he is serving the sentence, or is on probation or parole, or has been released on bond pending appeal.

"COURT ORDER FOR EXAMINATION

"SEC. 4. Upon the filing of such a statement, the court shall order the patient to appear before it for an examination by physicians pursuant to section 6 (a) of this act and for a hearing if required under section 7 of this act. The copy of the statement and order of the court shall be served personally upon the patient by the United States marshal.

"RIGHT TO COUNSEL

"SEC. 5. A patient shall have the right to the assistance of counsel at every stage of the judicial proceeding under this act. Before the court appoints physicians pursuant to section 6 of this act it shall advise the patient of his right to counsel and shall assign counsel to represent him if the patient is unable to obtain counsel.

"EXAMINATIONS BY PHYSICIANS

"SEC. 6. (a) When such a statement has been filed the court shall appoint two qualified physicians, one of whom shall be a psychiatrist, to examine the patient. For the purpose of the examination the court may order the patient committed for such reasonable period as the court may determine to a suitable hospital or other facility to be designated by the court. Each physician shall, within such period as the court may direct, file a written report of the examination, which shall include a statement of his conclusion as to whether the patient is a drug user.

"(b) The counsel for the patient may inspect the reports of the examination. No such report and no evidence resulting from the personal examination of the patient or evidence offered by the patient shall be admissible against him in any judicial proceeding except a proceeding under this act.

"WHEN HEARING IS REQUIRED

"SEC. 7. If, in a report filed pursuant to section 6 of this act, either of the examining physicians states that the patient is a drug user, or that he is unable to reach any conclusion by reason of the refusal of the patient to submit to thorough examination, the court shall conduct a hearing in the manner provided in section 8 of this act. If, on the basis of the reports filed, the court is not required to conduct such a hearing, it shall enter an order dismissing the proceeding under this act. If a hearing is deemed necessary, then such notice of hearing shall be served personally upon the patient to afford the said patient the opportunity to prepare for the hearing.

"HEARING

"SEC. 8. Upon the evidence introduced at a hearing held for that purpose the court shall determine whether the patient is a drug user. The hearing shall be conducted without a jury unless, before the hearing and within 15 days after the date on which the second report is filed pursuant to section 6 of this act, a jury is demanded by the patient or by the United States Attorney. The patient may, after appointment or employment of counsel, waive a hearing and be committed directly to a hospital designated by the Commissioners of the District of Columbia, or their designated agent. The rules of evidence applicable in judicial proceedings in the court are applicable to hearings pursuant to this section, including the right of the patient to present evidence in his own behalf and to subpena and cross-examine witnesses.

"CONFINEMENT OF PATIENT

"SEC. 9. If the court finds the patient to be a drug user, it may commit him to a hospital designated by the patient or the Commissioners of the District of Columbia, or their designated agent, and approved by the court, to be confined there for rehabilitation until released in accordance with section 10 of this act. The head of the hospital shall submit written reports, within such periods as the court may direct, but no longer than 6 months after the commitment and for successive intervals of time thereafter, and state reasons why the patient has not been released.

"RELEASE OF PATIENT

"SEC. 10. (a) When the head of the hospital to which the patient is committed finds that the patient appears to be no longer in need of rehabilitation, or has received maximum benefits, they shall give notice to the judge of the committing court, and the said patient shall be delivered to the said court, for such further action as the court may deem necessary and proper under the provisions of this act.

"(b) The court, upon petition of the patient after confinement for 1 year, shall

inquire into the refusal or failure of the head of the hospital to release him. If the court finds that the patient is no longer in need of care, treatment, guidance, or rehabilitation, or has received maximum benefits, it shall order the patient released, in accordance with the provisions of section 11 of this act.

"PERIODIC EXAMINATION OF RELEASED PATIENTS

"SEC. 11 For the 2 years after his release, the patient shall report to the Commissioners of the District of Columbia, or their designated agent, at such times and places as those officers, or officer, require, but not more frequently than once each month, for a physical examination to determine whether the patient has again become a drug user. If the Commissioners of the District of Columbia, or their designated agent, determine that the person examined is a drug user, they shall so notify the United States attorney for the District of Columbia who may then file a statement under section 3 of this act with respect to the person examined.

"PATIENT NOT DEEMED A CRIMINAL

"SEC. 12. The patient in any proceeding under this act shall not be deemed a criminal and the commitment of any such patient shall not be deemed a conviction.

"SEC. 13. This act shall become effective 6 months after the date of its approval."

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

SPECIAL ORDER GRANTED

Mr. PERKINS asked and was given permission to address the House today for 10 minutes, following the legislative business of the day and any special orders heretofore entered.

THE LATE HAROLD H. BUCKLES

Mr. KLEIN. Mr. Speaker, it is my sad duty to announce to the House the passing of my former secretary, a dear friend, and an indefatigable worker not only on my behalf, but for many Members of this House, Harold H. Buckles or "Buck" as he was affectionately known to all of us. He died very suddenly in his sleep Saturday. I believe his great devotion to his duties here and the intensity of his attachment to his work, caused his physical breakdown and brought about the sudden death of this man just 51 years old. I think it is a sad commentary on how hard we work ourselves and how hard we work our employees, that so often it becomes necessary for Members to announce such sad events.

"Buck" was born on April 9, 1902, in Coffeyville, Kans. He was educated in Oklahoma and at the University of Colorado. He was formerly a newspaperman, having done straight reporting since his high school days. He worked on the Okmulgee Daily Times, of Okmulgee, Okla., and the Rawlins, Wyo., Republican. He was the managing editor for the CCC national weekly newspaper, Happy Days.

His only organizational affiliations were Sigma Delta Chi, a professional journalistic fraternity, and the American Political Science Association.

He was employed as an investigator on the staff of the WPA Subcommittee of the House Appropriations Committee, and also an investigator for the Senate Campaign Expenditures Committee under Chairman GILLETTE. He had been secretary to the late Congressman John H. Tolan, of California, then chief investigator of the Senate Campaign Expenditures Committee under Chairman GREEN, of Rhode Island. He then served as secretary to Congressman Adolph Sabath, and then he entered my employ in the same capacity. At times, he did free-lance writing for western and Pacific coast newspapers. At the time of his death, he was proprietor and editor of the Transcontinental News Service, of Washington. He has devoted over 15 years of service to Members of this House and to the country, and I know that you all join with me in extending to his family the deep and sincere sympathy of the Members of this House and not only of all the people who knew him, but the untold thousands of people, not alone in my district, but in Illinois and in California, constituents of the other two Members whom he served so diligently. The vast amount of work he did was not known to most of them, but its benefits, I am sure, are still in effect. I know that you will all join with me in extending our sincere condolences to his lovely widow, his three sons, one a sergeant in the Marine Corps, his dear mother, and his sisters.

Mr. Speaker, I hope the day will come when it is possible for us to lighten the load on the people in our offices, who work so diligently on our behalf and on behalf of our constituents.

Mr. BLATNIK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. BLATNIK. Mr. Speaker, it is with sorrow and regret that I learned that Mr. Harold Buckles, who for many years was a congressional committee staff member and assistant to Congressmen, has passed on. Mr. Buckles died at his home here in Washington last Saturday, and all who know him mourn his passing.

Mr. Buckles had a long and fine record of devoted public service. Born 51 years ago in Coffeyville, Kans., he was originally a newspaperman. After attending the University of Oklahoma, "Buck," as he was known to his friends, was a free-lance writer and reporter for the Denver Post, the Rocky Mountain News, and other western newspapers, and it was as a newspaperman that he first came to Washington as managing editor of Happy Days, the CCC weekly.

Eventually he became chief investigator of the Senate Committee on Campaign Expenditures, and afterward he served as assistant to three different Members of Congress. He was on the staff of the late Congressman Tolan, of California, and for a number of years served under that distinguished legislator and my friend, the late Congressman Sabath, of Illinois, whom we remember and whose memory we revere. His last assignment on Capitol Hill was as administrative assistant to my very good friend the gentleman from New York [Mr. KLEIN]. It was while he was employed in this last-mentioned position that sickness overtook him, a sickness that ended in his passing.

Mr. Speaker, Harold Buckles was my friend, and his untimely passing is a reminder of the debt we Members of Congress owe to the conscientious and hard-working staff members who do the spade work and day-to-day grinding away in our respective offices. This position is anonymous—yet it is they who carry the heavy burden of office work while we are attending legislative session. They are the unsung heroes and heroines of the hectic legislative grind here on Capitol Hill.

I join with his family in their bereavement in this sad moment. Harold Buckles was a sincere, honest family man—one who was always gentle, honest, and chivalrous, and eager to extend a helping hand. As an employee of the legislative branch, he was devoted to duty and one who always did his job and did it well. I am proud that I have known him. To his widow, children, and other relatives, I extend my profound sympathy.

PUBLIC ACCOUNTABILITY BY TAX-EXEMPT ORGANIZATIONS

Mr. HAYS of Arkansas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HAYS of Arkansas. Mr. Speaker, on yesterday the gentleman from Pennsylvania [Mr. SIMPSON] and I introduced identical bills, H. R. 5628 and H. R. 5629, to provide for public accountability by tax-exempt organizations. Under the bills' terms these organizations would file annual reports containing information which we believe the public is entitled to have. This measure is an outgrowth of the study that was made by the committee of which Mr. Cox, of Georgia, was the chairman. Upon his death I served for awhile as acting chairman.

The bill as introduced received the unanimous approval of all members of that committee. We had the benefit in the study of the advice of three members of the Committee on Ways and Means: The gentleman from Pennsylvania [Mr. SIMPSON], the gentleman from Rhode Island [Mr. FORAND], and the gentleman from Massachusetts [Mr. GOODWIN]. The gentleman from Tennessee [Mr. REECE] was also a member of the committee and supported the recommendations.

I make this statement, Mr. Speaker, because there are several thousand tax-exempt foundations and Members may receive inquiries regarding the bill. By referring to the contents of the bill itself and our report which is available as

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a public document I believe the Members will have all the information that will be required.

EXEMPTION FROM COMBAT DUTIES FOR SURVIVING SONS

Mr. MACK of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MACK of Illinois. Mr. Speaker, most Members of Congress have, at one time or another, received a request from the parents of a boy in service asking that he be deferred from combat duty because his brother was killed in World War II or in the present conflict. Upon contacting the military service concerned, the military refuses to give any special consideration in the assignment of the individual since he is not the sole surviving son.

There is no doubt that the greatest contribution an American family can make is to give the life of one of its members in defense of our country. No greater sacrifice can ever be made. We have recognized this fact in chartering of the Gold Star Mothers, hallowing and commemorating our military dead and constructing monuments to the memory of our military heroes.

The Defense Department presently has a policy known as the "sole surviving son policy." This policy provides that where the father, son or daughter has been killed in action, died of wounds, accidents, or diseases, is in a captured or missing-in-action status, or is permanently and totally physically or mentally disabled, or hospitalized on a continuing basis, the sole surviving son of the family shall, at the request of either of his parents or himself, not be assigned to duties normally involving combat.

One of the reasons for which this policy was promulgated was the inclusion in the 1948 Selective Service Act of a provision exempting from draft the sole surviving son of a family in which a brother or sister was killed in action, died in the line of duty, or died as a result of injuries received or disease incurred during service in the Armed Forces of our country. Two of the reasons for this exemption were the recognition of so great a sacrifice and recognition of the desire to continue the family name.

The proposal I introduced yesterday would express our desire that this exemption from combat policy be extended to other than sole surviving sons, but only where a brother or sister has lost a life as a result of enemy action.

I am not asking that such person be relieved from military service to our country. However, I do feel that the size of our military and the diversifications of duty permits some special consideration being afforded a member of the armed services whose brother or sister is killed as a result of enemy action regardless of whether such member is the last or 1 of 2 surviving children. It seems but little work to ascertain some duty that would not normally involve actual combat even within a combat unit.

My resolution is primarily intended for the benefit of the parents who have already lost one child and contributed so much, that those parents would not have to fear the loss of another child by reason of enemy action.

This resolution merely requests that the military commanders afford special consideration to individual members of the Armed Forces who have lost a brother or sister as a result of enemy action. Furthermore this would not preclude any person in the military serving in combat at his own request.

SUBCOMMITTEE ON IRRIGATION

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent that the Subcommittee on Irrigation may have permission to meet this afternoon while the House is in session during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

GRANTING STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

Mr. GRAHAM submitted the following conference report and statement on the concurrent resolution (H. Con. Res. 29) favoring the granting of the status of permanent residence to certain aliens:

CONFERENCE REPORT (H. REPT. No. 528)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. Con. Res. 29) favoring the granting of the status of permanent residence to certain aliens, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That the Congress favors the granting of the status of permanent residence in the case of each alien hereinafter named, in which case the Attorney General has determined that such alien is qualified under the provisions of section 4 of the Displaced Persons Act of 1948, as amended (62 Stat. 1011; 64 Stat. 219; 50 App. U. S. C. 1953):

"A-6963020, Amsel, Andor.
"A-7898535, Avilo, Rudolf.
"A-6592016, Balberiski, Miron or Bell.
"A-6756907, Baqai, Mohamad Amir or Mohamad Amir Boukai.
"A-6552673, Brotlelt, Zofia Kusewicka.
"A-9825254, Bussani, Andrew.
"A-7099697, Chang, Peter Yun-Pao.
"A-6431861, Chang, Jean M. Y. (nee Young).
"A-6623722, Chang, Shau Hoa.
"A-6623721, Chang, Tsaing Wa.
"A-6625811, Chang, Yuan Lo.
"A-6851532, Chao, Tsei-Yu or T. Y. Chao or Chao Tsei Yu.
"A-7073396, Chechik, Luba (nee Luba Russak).
"A-6848439, Chen, Min.
"A-6830501, Dischka, Szuzsanna.
"A-6917990, Domb, Moses.
"A-7828138, Domb, Cyla.
"A-7828139, Domb, Fryda.
"A-7131176, Esop, Verner.
"A-6740258, Fanaberia, Calel Morika.
"A-6713644, Fanaberia, Masia (nee Rubin).
"A-6886818, Feldblum, Meyer.
"A-6536694, Fleischman, David.
"A-6841247, Fleischman, Ilona Sara (nee Kistkovitz).
"A-6769948, Frankel, Nechemie.
"A-6758622, Frankel, Chana (nee Wachs).
"A-7056845, Furer, Menashe or Menasze or Menassche or Menash Furer.
"A-7210070, Gawronski, Antonina (nee Rittigstein).
"A-6769935, Gedeon, Elie Jabra.
"A-6860145, Gedrovics, Alberts.
"A-690711, Grunwald, Alexander.
"A-6448004, How, Julie Lien-Yng or Julie How.
"PR901282, How, Bang.
"PR901281, How, Rose May Ng or Rose Howe.
"A-6737212, Huang, Yao Sien or Eva Yai-Sien Huang.
"A-6576346, Jacobowitz, Bela (Jakobowitz).
"A-6848236, Jacobowitz, Eva.
"A-7197382, Jaszkowski, Tadeusz or Ted Jaszkowski or T. Jaszkowski.
"A-7427989, Karm, Meinhard.
"A-6772233, Khalidi, Suleiman Faud El.
"A-7491361, Kirilloff, Boris Ephim.
"A-6887572, Kopelowitz, Ester (nee Tessler).
"A-7178548, Laurik, Evald.
"A-8091096, Lee, Margaret Chia Lin (Margaret Therese Lee).
"A-6171207, Lee, Yiu Yung.
"A-6953010, Lieber, Sarolta (nee Berger).
"A-6851545, Loo, Ching Chee.
"A-7195305, Loo, Chia-Ying Chang (nee Chang).
"A-6819172, Masliyah, Noory Heskel or Noory Heskel Musaleh.
"A-6467056, Metsalo, Valentin.
"A-6415978, Molnar, Theresia.
"A-6923768, Muller, Vera.
"A-7095882, Munteanu, George Nicholas.
"A-9107940, Nakielski, Bernard or Makielski.
"A-8091555, Novak, Joakim Ante.
"A-6801965, Pan, John Joel-Siang or John Pan.
"A-6611055, Potocka, Maria.
"A-6668080, Rand, Vladimir.
"A-6776588, Rotbart, Motel.
"A-7094824, Saltoun, Ishaq Heshel.
"A-7841096, Saltoun, Raina.
"A-7841096, Saltoun, Salum.
"A-9825231, Scrivanich, Antonio Nicolo.
"A-7048886, Shulman, Joel, or Julian Shulman or Julian Szulman.
"A-6606633, Spierer, Villiam or William or Villmos.
"A-6508114, Stern, Herman.
"A-9825170, Swidzinski, Czeslaw.
"A-7144911, Swoyaik, Emery Anthony or Emerich Antonin Svojaik.
"A-7365957, Szekely, Suzanne.
"A-6862642, Tessler, Margit (nee Margit Sonnenschein).
"A-6258292, Tsai, Pe Chiu.
"A-7934047, Tulk, Johannes.
"A-7243463, Tye, Josephine Chou.
"A-6990780, Wagner, Wienczyslaw Jozef.
"A-6701080, Weiss, Rachel Ruth.
"A-6881779, Weiss, Eva.
"A-7134269, Wisniewski, Roxalia.
"A-7197533, Woo, Kok Liang.
"A-7197534, Woo, Lily Ji-Yuen.
"A-7197535, Woo, Andy Ying-Chung.
"A-7197536, Woo, Benny Fong-Chung.
"A-6291894, Zydorowicz, Zygmunt Stanislaw.
"A-6291893, Zydorowicz, Stanislawa (nee (Babel) (Bombel).
"A-6615482, Cimze, Brigita.
"A-6619075, Sils, Jekabs, Rudolfs.
"A-6615494, Cimze, Wilhelmina Albertine nee Upmanis).
"A-7161298, Ambaras, Berek.
"A-7181299, Ambaras, Buchla Leja (nee Spektor).
"A-7181301, Ambaras, Szmul or Samuel.
"A-7181300, Ambaras, Chaja.

"A-6933862, Antos, Viktor or Viktor Adler.
"A-7073948, Bajor, Laszlo.
"A-7073949, Bajor, Margaret (nee Bermann).
"A-7125348, Belohlavek, Ladislav.
"A-6015690, Boni, Donato or Bonich.
"A-7982580, Chen, Betty Shu-Hsien.
"A-7350806, Chen, Chi-Cheng.
"A-6842129, Deutsch, Emery.
"A-6542128, Deutsch, Edith.
"A-7395122, Dunn, Fung Wen-Feng.
"A-6899359, Eisendraft, Jente Perl.
"A-7975403, Greisman, Chaim.
"A-6933870, Greisman, Dyna (nee Dyna Stern).
"A-6511086, Gulewski, Chaim Ber.
"A-6843542, Halberstam, Serena.
"A-7143248, Hauser, Moses.
"A-6896010, Kac, David or David Katz.
"A-6794615, Kahan, David.
"A-6819107, Konig, Simon.
"A-7383019, Konig, Judit.
"A-6917988, Leffel, David.
"A-7841092, Leffel, Hania Sarah Leffel.
"A-7841094, Leffel, Henry.
"A-7066379, Leicht, Alfred.
"A-6757650, Liberman, Chaja Cross.
"A-7057929, Loblovics, Jirina.
"A-7445230, Loblovics, Peter Stepan.
"A-6669688, Loser, Ladislav.
"A-6139571, Lukacs, John Adalbert.
"A-7184075, Nagy, Gustav.
"A-6953276, Ostreicher, Sally or Sara Ostreicher.
"A-9825173, Piccini, Giovanni or John Piccini.
"A-9825233, Piccinich, Antonio.
"A-9825234, Picinich, Giovanni (John).
"A-7048776, Pribramska, Milena Jaroslava.
"A-6803937, Propper, Hinda.
"A-7243273, Rofe, Clemy (nee Hassoun).
"A-7243273, Roft, Roland.
"A-6542415, Ronikier, Adam.
"A-6275646, Rosenthal, Cecilia Lucy (nee Rochlin).
"A-6937373, Rottenberg, Laszlo.
"A-6851434, Shen, Mary.
"A-6441693, Shew, Lester Fook.
"A-6441694, Shew, Alice Lee.
"A-6450187, Shimanovsky, Alexander Eugene.
"A-6450157, Shimanovsky, Xenia Nikoseyna.
"A-6450158, Shimanovsky, Nickolai Alexander.
"A-6450159, Shimanovsky, Natalie Alexander.
"A-6905008, Strauss, Leo.
"A-7863422, Strauss, Elizabeth (nee Elizabeth Brody).
"A-7125300, Sulias, George.
"A-7125301, Sulias, Veronica Anna.
"A-6913912, Tabak, Guta.
"A-9825237, Tarabocchia, Antonio Giovanni.
"A-6805581, Teitelbaum, Dorothy.
"A-7116390, Winter, Berek Litman.
"A-7427544, Winter, Mordechai.
"A-7802010, Zaharoff, George Alexander.
"A-6659389, Zak, Irene Anna (nee Segal).
"A-6663293, Zak, Daniel.
"A-6663244, Zak, Michael.
"A-6779061, Abdul-Nabi, Sion Moshi.
"A-6907333, Abramczyk, Abram.
"A-7074032, Blumenstein, Jerta.
"A-6509235, Brecher, Samuel.
"A-6703334, Chang, Joyce Loretta.
"A-6848604, Chien, James Tai Tze.
"A-7975994, Chiu, Leung.
"A-9836671, Cymer, Alfred or Alfred Ziemer or Alfred K. Cymer or Cymer Alfred or A. Cymer.
"A-7934149, D'Antoni, Giuseppe Giovanni.
"A-6949996, Dresdner, Desider.
"A-6983006, Felkay, Miklos.
"A-6983007, Felkay, Magdalena.
"A-7445428, Felkay, Julia Agnes.
"A-6496385, Fischman, Moses.
"A-6472344, Fischman, Piri (nee Jeremias).
"A-9765956, Fook, Lum or Lam.
"A-6390060, Gerencser, Frank.
"A-6390070, Gerencser, Anne.
"A-7132030, Goldberger, Ernest.
"A-6929650, Gorodecki, Aba.
"A-6480449, Gorog, Prigyes or Frederic Gorog.
"A-7125154, Gorog, Margit.
"A-6887741, Gunsburg, Mendel.
"A-6666944, Haberfeld, Eugene.
"A-6922074, Halpert, Mendel.
"A-7491705, Ho, Hao Jo.
"A-7828496, Ho, Hsiang-Chiao Huang.
"A-7828498, Ho, Lily Li-Lien.
"A-7828495, Ho, Louise Li-Si.
"A-7828597, Ho, William Wei-Yu.
"A-7125390, Iritz, Magda.
"A-7354858, Iritz, Andras, Ferenc.
"A-6438637, Jurisevic, Milo Tripe.
"A-6438638, Jurisevic, Jelena Milo.
"A-6436640, Jurisevic, Radmila Milo.
"A-6438639, Jurisevic, Svetozar Milo.
"A-6987919, Karastoyanova, Marguita Bogdanova.
"A-7056457, Karcz, Jerzy Feliks.
"A-7097876, Karcz, Irena.
"A-7134826, Karlik, Oldrich (Olda) Evse Spitihnev.
"A-7095980, Kovacs, Ilona Marie (nee Tovolgyi).
"A-7095981, Kovacs, Judith Ilona.
"A-7095982, Kovacs, Katalin Piroska.
"A-6847906, Keng, Hilda Hsi Ling.
"A-9506160, Kingsepp, Alexander.
"A-7210424, Kotas, Jindrich.
"A-7197295, Kucera, Sonia or Sonia Kucerova.
"A-7802092, Kun, Jozsef Lajos or Joseph Kun.
"A-9290474, Lian, Choo Joon.
"A-6709345, Kwong, Tin Yu.
"A-6991771, Leidermann, Susan Veronica.
"A-6985787, Leidermann, Paul.
"A-6848564, Lin, Ru-Kan or Ru Kong Lin.
"A-8001257, Ljubcic, Maria Luca.
"A-7210293, Madis Voldemar.
"A-7210288, Madis Ilona.
"A-7863133, Madis, Ilona, Junior.
"A-7863134, Madis, Voldemar, Junior.
"A-7991037, Maram, Maria.
"A-7629040, Michalski, Stefan Antoni.
"A-6555835, Milikowski, Boruch or Milikowsky or Boruch Milikowskie or Milkowski or Bouch Milikowski or Borouch Milikowski.
"A-7483267, Moy, Don Tait.
"A-7095886, Miculescu, Mircea.
"A-6849839, Nieh, Tseng-Lu.
"A-6852886, Ostteicher, Ester or Esther (nee Peristein).
"A-7868150, Pi, Teh Ho.
"A-9825275, Piccini, Matteo.
"A-7201404, Ripka, George Prokop.
"A-7863155, Ripka, Hubert Jean Michel or Hubert Jan Michal Ripka.
"A-6704266, Romanowska, Alicja Theresa or Alice Romanowski.
"A-6983560, Setton, Renee Albert.
"A-6746537, Shina, Isaac Saleh.
"A-9825384, Tarabochia, John.
"A-6403501, Tkachenko, Arkady.
"A-7142101, Twardon, Gerard Edward.
"A-7828393, Veres, George Stephen.
"A-7828395, Veres, Catherine Renee.
"A-7828394, Veres, Paul Stephen.
"A-7095791, Vizer, Jozsef or Joseph.
"A-7095792, Vizer, Erzsebet or Elizabeth (nee Papa).
"A-7264780, Pal, Peter or Paul Vizer.
"A-7915647, Wang, King-Ching.
"A-7354350, Wang, Shen Kuang.
"A-7379754, Wang, Chao-Chih Shih.
"A-6622376, Wang, Shih Jien.
"A-7427597, Yang, Bernard Kenneth.
"A-7248107, Yu, Fu Ching.
"A-6699842, Choye, James Hung or Tsai Hung.
"A-6933906, Feder, Solomon.
"A-7052513, Feher, Janos.
"A-7052514, Feher, Klara (nee Vajda).
"A-7052515, Feher, Agnes Julianna.
"A-7053576, Friend, Jacob Lion.
"A-6159672, Hudec, Ladislas Edward.
"A-6159673, Hudec, Gisella Isabella.
"A-6903729, Irany, Jalal Zend.
"A-6704668, Jacob, Ellis Samuel.
"A-9778010, Kaplur, Serge Michael.
"A-9506849, Klak, Tadeusz Bolesław.
"A-7052354, Kremnitzer, Samuel.
"A-7898806, Kremnitzer, Sala.
"A-7298969, Ku, Ta Hai.
"A-7350229, Kurzenbaum, Konstantin Paul.
"A-1804133, Lillo, Rudolf Karl.
"A-6460280, Lis, Josef Lisek Vel.
"A-6071234, Liu, James Hsi-Hwa.
"A-9825110, Maslobojew, Ryszard.
"A-7356260, Metes, Mircea Virgil P.
"A-7309812, Nacinovich, Francesco Giovanni.
"A-9831492, Paszek, Emil.
"A-7249625, Quon, Yuk Lum or Egai Kim Quon.
"A-6704260, Rymarska, Stanislawa Janina or Stella Rymarski.
"A-7197296, Schwarzenberg, Francis (Frantisek).
"A-7197297, Schwarzenberg, Amalie (Amalia).
"A-7809033, Schwarzenberg, Ludmila.
"A-6982895, Sevcik, Jaromir.
"A-7809012, Siao, Ruby Wang.
"A-7809013, Siao, Lilly.
"A-5206882, Silla, Johannes.
"A-6992868, Sion, Caroline Eliahou (nee Caroline Eliahou Khazzam).
"A-6943745, Somogyi, John.
"A-6985795, Stransky, Frank.
"A-6985796, Stransky, Kamila.
"A-9716791, Strawinski, Adolf.
"A-9825125, Szymankiewicz, Kazimierz.
"A-6844603, Wang, Kung-Lee.
"A-6848123, Yen, Jen Hwa (Moore Yen).
"A-8766047, Abelnicks, Karlis Alexsandris.
"A-6763814, Ahmad, Abder Raouf Sayied.
"A-9621982, Baric, Slavko.
"A-9825347, Bresas, Metodio Vittorio.
"A-7201326, Chao, Margaret Ellen.
"A-6868652, Chasan, Samuel.
"A-6843905, Chasan, Lala.
"A-6843906, Chasan, Daniel.
"A-6665493, Djordjevich, Ilija Milan or Eli M. Georgvich.
"A-6363788, Dwek, Joseph.
"A-9825078, Geba, Waclaw Stanislaw.
"A-6857645, Gedeon, William Jabra.
"A-7176712, Geiger, Leslie alias Leslie Laselo Geiger.
"A-7197556, Geiger, Elizabeth nee Elizabeth Klein alias Elisabeth Kozmo.
"A-6870411, Gottlieb, Suszanna Gabriella.
"A-6829523, Hofer, Andras or Andre or Andrew or Andre, Fernand, Francois Hofer; Andras Nandor Ferenc Hofer.
"1100-23457, Huang, Yuan Chung or Wei Ta Huang or Walter Huang.
"A-6652842, Kenigsberg, Szaja Abram.
"A-7144083, Lederman, Abram.
"A-6923751, Lewita, Pinkas.
"A-7903765, Mikulich, Gildo (nee Erminegildo Miculich).
"A-6819103, Pick, Teresa Zeller.
"A-6555822, Rosenstein, Muzza.
"A-6987833, Sebestyen, George Stephen.
"A-7941803, Simicich, Giovanni.
"A-9825228, Tarabocchia, Antonio.
"A-6881776, Traube, Moses.
"A-6949360, Traube, Frida Pessa.
"A-6848504, Tsou, Kwan Shung or Tsou Kwan Chung.
"A-6983523, Visolanu, Florica Corneliu (nee Balteanu).
"A-8001252, Wei, Chue Sue.
"A-7118818, Winkler, Thomas.
"A-9634634, Adamson, Armant.
"A-7074001, Alimanestiano, Mihai.
"A-7052865, Alimanestiano, Ioana.
"A-7118760, Blau, Sidonia (nee Weiss).
"A-6953297, Brod, Ivan.
"A-6739686, Chao, Pei Chu.
"A-6973682, Chang, Linda Tung-Chen.
"A-7111908, Chiao, Gene Liang.
"A-7111909, Chiao, Wei Ying Lin.
"A-6522482, Chou, Kuo-Ping alias Ch'iao-Chen Chou (or Chow), alias Shou-Ying

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Chou (or Chow) alias Hsien-Chen Chou (or Chow).
"A-6921258, Deutsch, Joel.
"A-6595663, Druker, Haim Girsch.
"A-6595664, Druker, Rebecca Afraim.
"A-6595662, Druker, Leah alias Lillian Druker.
"A-6854411, Fabry, Gavriella.
"A-7135698, Fan, Kwan Chi alias Quincey Chi-Shun Fan.
"A-6897918, Faybik, Alojz Stefan alias Allen Stefan Faybik.
"A-6945554, Froemel, Robert Boris Ivanchenko.
"A-6968029, Goldstein, Margarita Martin.
"A-7395111, Hu, Helen or Yu Hsin Hu.
"A-6851699, Huang, William Yung-Nein alias William Edward Huang.
"A-7141717, Izsak, Julianna.
"A-7279652, Izsak, Robert John.
"A-6771471, Karkar, Ya'Qub (Jack) Nasif.
"A-7985654, Kask, Johannes alias Johannus Kask.
"A-7178540, Kask, Nelly (nee Jarg) alias N. Jarg or Neili Jarg or Nellie Jarg or Millie Jarg or Nellie Jarge or Nelly Jarg Kask.
"A-7863386, King, Peter Wei Kong.
"A-6930672, Kramer, Esther or Ester.
"A-6279271, Landau, Judith.
"A-6521591, Loutchan, Ludmila Maria.
"A-7125164, Lowinger, Ida (nee Ida Klein).
"A-6914609, Pusic, Paul.
"A-9825124, Puszka, Jan.
"A-7184152, Radnai, Pal Andras alias Paul Andrew Radnai.
"A-7197543, Radnai, Eva (nee Eva Balazs).
"A-7383442, Sakin, Anna (nee Boxer).
"A-7383443, Sakin, Shulamith.
"A-7383444, Sakin, Judith.
"A-7178370, Sihv, Eduard (or E.; or Edward Sihv; or Eduard Shiv).
"A-6183233, Tamm, Igor.
"A-9580292, Toomberg Valdemar.
"A-7057641, Treblinska, Rywka alias Rywka Treblinski or Regina Treblinski, or Hochsztein (nee Treblinska).
"A-7967275, Tung, Chen Huan.
"A-7398350, Vali, Eduard Julius.
"A-6922682, Winkler, Sandor.
"A-7046213, Winkler, Margit (nee Szerou).
"A-6790612, Wu, Chien Keng.
"A-9825045, Swiderski, Romuald.
"A-6916445, Ulm, Arvo Johannes.
"A-6779243, Schidlof-Vojnovic, Ivan, or Ivan Schidlof.
"A-7079927, Weiss, Bernat, or Bernard Weiss.
"A-6354566, Krajden, Moszko.
"A-6849467, Skarzynska, Aniela, or Irena Merenholc.
"A-5534198, Zombory, Ladislas.
"A-7941170, Chong, King Kee, or Kee Chong King or Casey King.
"A-7786119, Goraki, Boleslaw Pawel.
"A-6862321, Adamus, Stanislaw.
"A-7193792, Kulej, Hanna Teresa.
"A-7193793, Cholewicki, Victor Stefan.
"A-9677603, Aasma, August.
"A-7129220, Aurel, Moses.
"A-6903692, Bluth, Lenke Einhorn.
"A-6861310, Chao, Hieh Chang, or Frank Chao.
"A-6852888, Feldbrand, Manci.
"A-7868117, Frank, Frieda.
"A-6887552, Ickowicz, Majer.
"A-6983574, Indig, Abraham.
"A-7841098, Indig, Irene.
"A-7052337, Levendel, Irene.
"A-6891413, Lin, Shuh Yuen, alias Shuh Yuen Liu.
"A-6794943, Malhas, Ruhi Abdul-Hamid.
"A-6612875, Masri, Mahmud Said.
"A-6887709, Meiseli, Naftali.
"A-7190317, Molostvoff, Catherine Basil.
"A-7125385, Nowomiast, Mojzesz Hirsz, alias Marvin Henry Newton.
"A-7125386, Nowomiast, Mina (nee Kaplan), alias Mina Newton.
"A-7841864, Nowomiast, Mark, alias Mark Newton.
"A-8001241, Petelka, Zofia (nee Korpowska).
"A-7427649, Rzepkowicz, Michael.
"A-7390586, Sedlak, Mirko Svatopluk, or Mirko Sedlak.
"A-4768149, Shu, E. Hah.
"A-7048743, Stern, Martin.
"A-7124129, Tan, Pai Chu.
"A-9766004, Toomepuu, Juhan.
"A-9766003, Toomepuu, Juri.
"A-6163781, Tsai, Chen Yu.
"A-7144079, Wolf, Aron Nathan.
"A-6862641, Adam, Moses.
"A-6440636, Aizer, Salim Shaoul.
"A-5876212, Ambrus, Jan.
"A-8001260, Arro, Arnold.
"A-6952382, Beer, Adam, Eugin.
"A-7210292, Bekeffi, Laszlo, alias Leslie Bekeffi.
"A-7210291, Bekeffi, Magdalena.
"A-6967636, Chen, Paul Kuan Yao.
"A-7483958, Cheng, Ai Ming.
"A-7483959, Chen, Lilly Li.
"A-9765114, Cieslak, Alfons.
"A-6662080, Domb, Jerachmiel, alias Jerachmiel Donn.
"A-6805594, Faber, Laszlo, alias Laszlo Theorore Faber and George Leslie Faber.
"A-6567671, Friedman, Leopold.
"A-6903791, Gilbert, Suzanne, alias Suzanne Goldberger.
"A-6737204, Godkin, Michael Joseph, or Moses Joseph Godkin.
"A-7049993, Hazzan, Leon Isaac.
"A-7049994, Hazzan, Renee.
"A-6862650, Herman, Michel.
"A-6991850, Herman, Maria.
"A-6887727, Horowitz, Majer.
"A-7276014, Hwang, Lai-Yin Grace.
"A-6985811, Ionnitiu, Mircea.
"A-6903748, Kaftanski, Seymour, alias Szepsel Kaftanski.
"A-6390210, Kangro, Valdeko.
"A-7085991, Kassab, David Jacob.
"A-6627380, Kiang, Frederica Shu-Ya.
"A-9635272, Kiploks, Ludvigs, Paul or Ludvigs Kiploks.
"A-6922685, Klein, Moric.
"A-7828455, Klein, Julie.
"A-7828456, Klein, Tomas.
"A-6386367, Kogerman, Sulev Kristjan.
"56133/591, Kuljaca, Jovo Petro.
"A-6847740, Kwong, Man Hong.
"A-7087401, Lautman, Zoltan.
"A-6983796, Lee, Joseph Alexander.
"A-6694226, Li, Kuan.
"A-6625627, Li, Frances.
"A-6794979, Lieber, Leopold.
"A-6794944, Loh, Ellen (Ai Lien Loh, Ellen Lo).
"A-7757809, Loo, Ping Yok.
"A-6995548, Lowy, Gustav.
"A-6805570, Odinak, Alec (Elya Odinak).
"A-6373385, Petrova, Olga Gregorie.
"A-6904771, Pizyc, Stefa.
"A-6934637, Popoff, Sergei Vasilievich.
"A-6390227, Raid, Kaljo, alias Kaljo Raamann.
"A-7073587, Rizk, George Sliman, formerly George Sliman Rizk Abu Judom.
"A-7463362, Sabel, Bela.
"A-7463363, Sabel, Ilona (nee Adler).
"A-7903795, Sabel, Irene.
"A-6771472, Salah, Nadim John.
"A-6938007, Schwartz, Hillel Aron.
"A-7243320, Shalom, Yacoub Raphael, alias Jack Raphael Shalom.
"A-6867165, Sommerstein, Emil.
"A-6886844, Szeto, Shih-Chuan.
"A-7290210, Sztrachman, Aleksander.
"A-9734415, Tai, Ying Wah.
"A-6983820, Taub, Ladislas Vasile, alias Lawrence Taub.
"A-6628885, Vaughan, Nellie Ladd.
"A-7752326, Wang, Chi-Yuan.
"A-6849833, Wang, Virginia Fu-Chuang.
"A-6904341, Wechsler, Samuel.
"A-6886824, Weiss, Josef.
"A-6944256, Wenger, Irving (Israel Wegier).
"A-6944257, Wenger, Ida (Chaja Wegier).
"A-7130620, Berland, Felicja, alias Felicia Berland.
"A-7182346, Borowiec, Andrzej Stanislaw.
"A-9758751, Bracco, Giovanni.
"A-7139069, Bracco, Simon Guisto.
"A-6057048, Cugliani, John, or Ivan Kuljanic or Ivan Milan Kuljanic.
"A-7046293, David, Masouda M. S. S.
"A-7139010, Deblinger, Srul.
"A-6959748, Deblinger, Kate (nee Guttman).
"A-7934151, Fable, Joseph, or Joe Fable.
"A-7079925, Fulop, Jeno.
"A-7144001, Goldberger, Magdalena.
"A-6528723, Halpern, Aron.
"A-6159671, Joles, Joel Leib.
"A-6737779, Klein, Moritz.
"A-6891804, Kohn, Judith.
"A-6755536, Liang, Tsich.
"A-7779160, Loo, Shou Ming.
"A-6949995, Neufeld, Josef.
"0300-299946, Paema, Ernst.
"A-7244193, Picinich, Matteo.
"A-7123477, Rawicki, Jerzy Jacob alias Jerry Rawicki.
"A-7276711, Sang, Chang Chuan.
"A-6934990, Schnabel, Moses.
"A-7828578, Surian, Giovanni.
"A-6849828, Tai, Gertrude Loe or Hsiao Teo Loe.
"A-6620485, Tsang, John Lien-Kwei.
"A-9555577, Veider, Carl (Karl) Alfred.
"A-7118759, Weiss, Ervin, alias Erwin Weiss.
"A-7118778, Weiss, Frieda.
"A-6238175, Yang, Peter Quay, also known as Yang Quay and Yang Kwei.
"A-6210613, Litynski, Zygmunt Leopold or Zygmunt Litynski.
"A-7383205, Iliescu, Dumitru.
"A-6405961, Lin, Chi-Sun."

And the Senate agree to the same.

LOUIS E. GRAHAM,
RUTH THOMPSON,
FRANCIS E. WALTER,
Managers on the Part of the House.
ARTHUR V. WATKINS,
WILLIAM LANGER,
JAMES O. EASTLAND,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to House Concurrent Resolution 29, favoring the granting of the status of permanent residence to certain aliens, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The amendments of the Senate would have deleted from this resolution 27 names of displaced persons where the Senate believed that such persons, although their applications were forwarded to the Congress by the Attorney General with his favorable recommendation, were not possessed of sufficiently strong equities which would warrant the granting of the status of permanent residence.

The conferees have carefully gone over the records of such persons as submitted by the Attorney General and have agreed, upon reconsideration of the merits involved in each individual case, to reinstate eleven names while deciding to sustain action taken by the Senate in sixteen cases, and to expedite action on three cases.

The conferees are now fully satisfied that they can recommend for approval the list of names contained in the accompanying conference report.

In order to facilitate the task of the administrative agencies which, upon passage of this resolution, will have to create records of admission for permanent residence for every one of the aliens whose names appear on House Concurrent Resolution 29 in its final version, the conferees have decided to incorporate in the conference report the entire list of aliens whose records of entry would be affected by this measure.

LOUIS E. GRAHAM,
RUTH THOMPSON,
FRANCIS E. WALTER,
Managers on the Part of the House.

Mr. GRAHAM. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on House Concurrent Resolution 29.

Mr. WALTER. Reserving the right to object, Mr. Speaker, may I inquire when I may make a point of order against the conference report?

The SPEAKER. Following the reading of the conference report.

Mr. GROSS. Reserving the right to object, Mr. Speaker, is this the bill that was on the private calendar last week?

The SPEAKER. This is a concurrent resolution that passed the House some time ago. It is not the matter to which the gentleman refers.

Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the conference report.

Mr. WALTER. Mr. Speaker, I make the point of order against the conference report that the report contains names that were not in disagreement and deletes some of the names that were in agreement, so that there was nothing before the conference to change in these instances.

Mr. GRAHAM. I concede the point of order, Mr. Speaker.

The SPEAKER. The Chair notes that the Senate adopted 30 amendments to this House concurrent resolution, but a large part of the resolution, as the gentleman from Pennsylvania [Mr. WALTER] states, has not been amended. The conference report proposes action on all of the concurrent resolution following the resolving clause, thus including portions which are not in disagreement. The conferees obviously have exceeded their jurisdiction, and the point of order is sustained.

The Clerk will report the Senate amendments.

The Clerk read the Senate amendments, as follows:

Page 4, strike out line 1.
Page 4, line 20, strike out "Swoyski" and insert "Swoyslk."
Page 4, line 21, strike out "Svojski" and insert "Svojslk."
Page 4, strike out line 23.
Page 8, strike out line 2.
Page 11, strike out line 2.
Page 14, strike out lines 7 and 8.
Page 18, strike out line 10.
Page 18, strike out line 12.
Page 18, strike out line 14.
Page 18, strike out line 22.
Page 18, strike out line 23.
Page 19, strike out line 8.
Page 20, strike out line 4.
Page 20, strike out lines 12, 13, and 14.
Page 20, strike out lines 22 and 23.
Page 21, strike out line 17.
Page 22, strike out line 4.
Page 22, strike out line 5.
Page 22, line 6, strike out "Shalmon" and insert "Shalom."
Page 22, strike out line 10.
Page 22, strike out line 14.
Page 22, strike out lines 18 and 19.
Page 22, strike out line 20.
Page 23, strike out line 11.
Page 23, strike out line 12.
Page 23, strike out line 17.
Page 23, strike out line 18.
Page 23, strike out line 24.
Page 24, strike out line 1.

Mr. GRAHAM. Mr. Speaker, I move that the House concur in the Senate amendments.

The SPEAKER. The question is on the motion.

The motion was agreed to, and a motion to reconsider was laid on the table.

WHEAT FOR PAKISTAN—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 171)

The SPEAKER laid before the House the following message from the President of the United States, which was read by the Clerk and referred to the Committee on Agriculture and ordered printed:

To the Congress of the United States:

The people of Pakistan are faced with famine, and they have asked our help in meeting disaster.

We are fortunate to be in a position to offer help at this time, for we have an abundance of wheat. I strongly believe that we should do so. Accordingly I urge the Congress to make possible the shipment to Pakistan of up to 1 million long tons of United States wheat.

The specter of famine confronts the people of Pakistan at a crucial time in their growth as a young free nation. Unchecked, it could undermine the very democratic principles and institutions to which Pakistan is dedicated.

The crisis is largely a result of a calamity of nature. Pakistan was self-sufficient in food until severe drought, in 2 successive years, struck the wheat-producing area of west Pakistan.

The wheat consumption of the people of west Pakistan averages less than 12 ounces per day in a diet consisting very largely of this grain. Today Government wheat reserves have fallen to the vanishing point.

The immediate need of Pakistan is to obtain abroad up to 1.5 million long tons of wheat both for consumption and for a small working reserve during the next 11 months. Of this total, the Government of Pakistan expects to be able to obtain about 400,000 tons of wheat with its own and other aid resources. Canada and Australia have both made generous grants for wheat to Pakistan. There is no important source in the free world other than the United States able to furnish additional help.

Pakistan has, therefore, appealed to the United States for 1 million tons of wheat. Its approach has been one of dignity, as one sovereign democracy to another, stating a real and urgent need. Between the people of Pakistan and the people of the United States there exists a strong bond of friendship. I am sure that the people of the United States desire their Government to respond rapidly and effectively to Pakistan's request.

Pakistan has endeavored to keep its request for United States aid to a minimum. The Secretary of State and the Director for Mutual Security sent a special mission, headed by Dr. Harry Reed, dean of the College of Agriculture of Purdue University, to study at first hand the food situation in Pakistan. Mr. Dulles and Governor Stassen have also visited Pakistan within the last 2 weeks. With the help of their observations, careful consideration has been given the Reed mission's recommendations.

One critical fact is that the Government of Pakistan is suffering grave financial difficulties. It has already taken rigorous steps to remedy both the food outlook and its general economic disabilities, and these efforts give some hope for future self-sufficiency. But Pakistan's gold and foreign exchange holdings are barely enough to meet its legal requirements for currency backing and essential working capital. Moreover, Pakistan has little prospect of an exportable wheat surplus which would permit repayment of a loan in kind. Its export earnings and all its prospective financial resources are needed to meet the demand of economic development essential to prevent future food and financial crises. A dollar loan would make it impossible for Pakistan to obtain further necessary development loans from international lending institutions.

These considerations make certain conclusions evident. Pakistan needs a grant of up to 700,000 tons of United States wheat for relief purposes according to the best available estimates. The urgency of the need is underscored by the Reed mission's recommendation for delivery of 100,000 tons of United States aid wheat in Karachi by August 15 of this year.

This grant would serve a double purpose. It would meet Pakistan's immediate and pressing need for food and at the same time provide local currency for economic development programs. The rupee receipts from the sale of wheat would be placed in a counterpart fund under joint Pakistan-United States administration. This fund will be used for development purposes with emphasis placed on increased food production in Pakistan to lessen the danger of future shortages.

In addition to the 700,000 tons, Pakistan may also need up to 300,000 tons as a necessary working reserve of wheat. The exact amount needed for this purpose can only be determined later; and only then can we determine whether the remainder of our aid should be supplied as a grant or a loan.

Fortunately, we do have the capacity to help at the present time. Our large wheat reserves have created a grave storage problem, demanding unusual and sometimes costly storage measures.

I propose, therefore, that the Congress authorize me to make available to Pakistan up to 1 million tons of wheat out of stocks held by the Commodity Credit Corporation. This wheat already is owned by the Commodity Credit Corporation, having been obtained under the price-support program. To make it available to Pakistan will create no additional Government expenditure at this time other than the cost of transportation. In order that the operations of the Commodity Credit Corporation will not be impaired, I am recommending that the legislation include authority for the Commodity Credit Corporation to recover its costs, including interest, through an appropriation when the costs of the programs have been ascertained.

The United States Government proposes to designate, with the concurrence of the Government of Pakistan, a group to observe the receipt and distribution

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of wheat in Pakistan. The group's reports will be available to the Congress.

To provide sufficient United States aid in time, it is imperative that the grain begin to move from United States ports by the end of this month.

I strongly urge that the Congress make such prompt action possible.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 10, 1953.*

TORNADO DISASTER IN MASSACHUSETTS

The SPEAKER. The gentlewoman from Massachusetts [Mrs. ROGERS] is recognized.

Mrs. ROGERS of Massachusetts. Mr. Speaker, yesterday the horrible tornado reached Massachusetts. Great havoc was wrought in Worcester, and I understand in Wrentham, which is in the district of our distinguished Speaker, and other places, including Billerica in my own district. Terrific damage was done to private property and there was great loss of life. I would like to give a report of what the Veterans' Administration hospitals and doctors did for the people who were injured in the Worcester area. In the Framingham and Rutland Heights Veterans' Administration hospitals the disaster program in effect has called all employees back to the hospitals and they were on duty all night. Three additional doctors were sent to the Cushing Hospital.

Three hundred blood donors were assembled at the hospital. One hundred gave transfusions for use in the community, and the other 200 are standing by.

The hospital supplied three ambulances with drivers. Two neurological surgeons were sent to Rutland Heights Hospital. Neither of the Veterans' Administration hospitals was damaged. At Cushing, however, the grounds were littered with debris. At Rutland Heights the communications were put out of commission. Both hospitals are standing by and doing everything they can to help.

All our thanks to them. I believe that the administration will be asked to give help, as it certainly should, to the area damaged in Massachusetts, as well as to the area in Michigan and elsewhere. I shall most certainly support such a resolution.

I plan to leave here as soon as the House adjourns today, to go to Massachusetts to do everything I can to help in the distressed area.

The Boston morning newspapers said that 83 persons were killed, more than 800 injured, and 3,000 were left homeless. The destructive force and effect of the tornado were felt over an area of 40 square miles.

Some idea of the terrible blast can be gathered from the following account which is taken from this morning's Boston Post:

New England's most devastating storm since the great hurricane in 1938, struck in the wake of a series of tornadoes and floods which took at least 149 lives in the Midwest on Monday.

Two hours after the twister had spent itself Red Cross officials said that more than 400 were injured in Worcester, with at least 150 in Worcester hospitals.

In Holden at least 100 houses were destroyed—reduced to matchwood. All communications were broken by the twister. Watermains were out, gas and electric facilities were badly impaired.

Shrewsbury reported more than 100 homes and structures leveled there by the tornado.

Within the Worcester city limits, several houses in a housing project were smashed. One building of the huge Norton Co. machine tool plant was blown down.

Exact figures were lacking at midnight because of the breakdown of normal communications.

Throughout the night rescue workers, teams of Red Cross volunteers, and every available State policeman, national guardsman, and local police, were digging feverishly into the ruins everywhere, fearful that many persons were buried in the debris of their homes.

BLOWS ITSELF OUT

Only emergency vehicles were being permitted to enter the area at midnight.

All doctors, nurses, and civil defense personnel were mustered by State and local police in the area in the wake of the tornado. The Red Cross announced five disaster relief workers and nursing staffs on their way to the disaster area at midnight.

An early examination of the disaster area showed many houses reduced to kindling, and automobiles, caught in the path of the twister, crumpled as though run over by a giant press.

Many bodies will be found in the wreckage of the leveled houses in Holden and Shrewsbury, officials said at midnight.

Because of the widespread death and destruction, reports pouring into emergency field stations and communication centers set up by the State police were still fragmentary at midnight.

Injured persons, interviewed by newspapermen, described the tornado in its passing through the north section of Worcester as "roaring through like an express train."

Aerologists, who traced the path of the twister, termed it "very rare." They said that "It blew itself out before reaching the Boston area, and it is very unlikely there will be any more in this area in the near future."

The tornado first made its appearance at 5:35, just above Petersham, northwest of Worcester, and came in as a mass of wind, rain, hail, thunder, and lightning.

Seconds later it roared toward Worcester, striking Barre, Rutland, and Holden with intensity before venting all its fury in Worcester.

Towering clouds, building up all afternoon, preceded the twister. The top, according to Prof. Charles F. Brooks, Harvard University meteorologist, went to about 40,000 feet.

"I saw the cloud far to the west-southwest about an hour before it struck Worcester," he said last night. He watched it from Harvard's Blue Hills Observatory during the early afternoon.

"There was a heavy, boiling mass on the cloud's northwest end and a long heavy plume projecting toward the southeast," he declared.

He estimated that winds at the front edge of the storm cloud—at about the 27,000-foot level—were moving about 66 miles per hour, and those at the lower level—about 11,000 feet—at about 32 miles per hour, making a mean speed of 45.

After striking Worcester full force, the tornado turned its destructive course southeasterly to Shrewsbury, Southboro, Framingham, and then sharply to the south, flicking at the towns of Franklin, Wrentham, and Bellingham.

RADIUM IN JEOPARDY

Shingles, clapboards, and pieces of metal from the hundreds of structures leveled by the tornado, were found in areas last night as far away as Dedham, police reported.

They said that the debris "must have come from a distance, because it was flying so high."

The tornado missed by a few feet the Worcester Foundation for experimental biology, on Maple Avenue. In the structure is a cobalt reactor and $23 million worth of radium.

Officials said the death toll and property damage would have been frightful had the structure been destroyed and the radium exposed.

The Holden Hospital became headquarters at midnight for disaster units in the tornado-stricken area. A State police cruiser with a short-wave radio, parked outside the institution, was the only known means of communication.

Desperate calls for blood plasma, antitetanus, and other medications were relayed on the police radio to State police headquarters in Boston. From there the requests were passed to the Red Cross and Boston drug firms which rushed the supplies to Holden.

In Worcester, the Red Cross set up a mobile donor bank and volunteers quickly lined up to contribute blood to their stricken neighbors late last night.

NORTON PLANT HIT

First reports had only 3 dead in the greater Worcester area but it was corrected almost immediately and the next report said there were 26 known dead and hundreds injured. An early guess said 300 had been injured.

Worcester City Hospital had 22 bodies, mostly men. Several units of a housing project in the city were seriously damaged. The Norton Co. plant, the largest in the city, also was reported hit.

It was difficult to get a quick estimate of the extent of the disaster. Communications were cut off between Worcester, a city of 203,000 population, and the suburban communities of Holden and Shrewsbury, where early reports said 100 houses were wrecked in each of the towns.

Every doctor and available nurse went on emergency duty. Several of the hospitals were so crowded with critically injured that those with only minor hurts were being turned away.

Hahnemann Hospital and Memorial Hospital were jammed with more than 160 injured, and many others were being brought to Worcester City Hospital from overcrowded Holden Hospital.

Fallen and uprooted trees and downed wires, some of them live, impeded the speeding of injured to the hospitals. The Worcester Turnpike was closed to all but emergency traffic, with auxiliary police and the whole civilian defense disaster group on duty.

Worcester Acting Mayor Thomas C. Sweeney took to the radio to broadcast an appeal for blood donors of all types.

Governor Herter arrived in Worcester when the extent of the disaster became known. He conferred with Gen. Otis Whitney, his commissioner of public safety. Also on hand were Dr. Samuel B. Kirkwood, his new public-health commissioner, and the latter's deputy, Dr. Alton S. Pope.

Worcester Red Cross officials learned that Washington headquarters had assigned five national disaster workers to fly in to take charge of the work of housing and rehabilitating the homeless.

Great Brook Valley veterans' housing project, at the north end of the city, was hit hard. At least eight of the multiple apartment units of the comparatively new brick and concrete project were completely leveled.

Many others had serious damage and few escaped without windows blown in, cornices and roof sections ripped off.

Early in the evening the semiofficial death toll in Worcester passed the 30 mark and soon rose to 40 and then to 50. In addition to the 22 reported dead in Worcester City

Hospital there were 7 or 8 bodies reported in Memorial Hospital.

One eyewitness described the tornado as moving like a snake and trailing black clouds. Another told of a refrigerator and divan being blown right out a window. A third, a factory worker, took warning from quick darkening of the sky.

He saved himself by first dropping to the floor and then making his way to safety by way of the cellar after the roof of the plant fell in.

Others said they had only a brief time between the darkness dropping like a cloud and the arrival of the storm. No one could estimate the top speed of the wind, but it hurled whole houses around like they were cardboard boxes.

From Washington, the Red Cross said, $100,000 had been set aside as a preliminary disaster fund for the tornado-racked section.

The last tornado to cause considerable damage in New England centered in Wallingford, Conn., August 9, 1878. That storm killed 34 persons and caused property damage amounting to approximately $200,000.

Harvard Prof. Charles F. Brooks, director of the Blue Hills Observatory, said last night that New England gets about 1 tornado a year "and ones that cause considerable loss of life and property about once every 20 years."

UNIFORMED SERVICES CONTINGENCY OPTION ACT OF 1953

Mr. LATHAM. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 268 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5304) to permit members of the Armed Forces to elect certain contingency options, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. LATHAM. Mr. Speaker, this is an open rule making in order the consideration of H. R. 5304, to permit members of the Armed Forces to elect certain contingency options, and for other purposes, and providing for 1 hour of general debate. The bill was reported out of the Committee on the Armed Services unanimously after long years of study. It would give the members of the armed services the option to change their annuity benefits, make them more flexible so they could forgo some of the benefits themselves and pass them on to their families, wives, and children.

We are assured that this bill will not cost the taxpayer anything at all. It applies equally to officers and enlisted men, members of the Regular Army as well as to the Reserve forces.

We have no requests for time on this side and I see no need for extended debate on the rule. I therefore yield 30 minutes to the gentleman from Virginia [Mr. SMITH].

Mr. SMITH of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. McCORMACK. Mr. Speaker, we have just heard a very important message read which President Eisenhower sent to the Congress in relation to the conditions that exist in Pakistan. The President has recommended that speedy action be taken by Congress in order to bring relief as soon as possible so badly needed to suffering people—human beings who live in Pakistan. The President's message made what seems to me to be a clear and convincing case.

My purpose in rising is to urge upon my colleagues of both parties immediate action in connection with the legislation necessary to bring the relief to the people of Pakistan, relief that is so badly needed and which the President has so properly recommended. I hope that it will be done as a grant, that it will be an outright gift. This is a question of charity. This will be Godlike action; this will be dynamic democracy recognizing the suffering of our fellow human beings who live in other lands. Not only would it be justified on the ground of Godlike charity but also it would be particularly important at this time because with the world situation what it is it would bring to the people of that country and of that great area of the world the fact that the United States of America when distress exists in Pakistan or any other country responds as completely as it can and as quickly as it can.

I hope that the leadership will concentrate on this as a No. 1 "must" proposition. The President in his message said it is vitally important that the legislation be enacted before the end of this month and that shipments be started, as I recollect the message, before the end of the month. It is now June 10. It should not require extended committee hearings. It seems to me that the message of the President is sufficient evidence in support of the legislation to justify reporting it out immediately. Therefore, I hope the Committee on Foreign Affairs will consider it at once and if necessary get witnesses from the State Department and report the bill out so that we can act on the matter by the latter part of next week at the latest.

This is legislation based upon charity in response to human needs and demands; it is legislation to bring relief to human beings who are suffering in another country; and, in addition to that, it brings a message to those people and to the people of other countries of the fact that the United States of America is possessed of high ideals, that when suffering exists in other lands the United States of America responds as quickly as possible. As I heard the message of the President and picturing the conditions that exist in Pakistan, the thought entered my mind that we should act as promptly as possible and I hope such action will be taken.

Mr. SMITH of Virginia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think it is understood from the very clear explanation made by the gentleman from New York that the purpose of this bill is to permit retired members of the armed services to divide their retirement pay in such manner that their surviving wives or children may participate in that retirement by a reduction of the amount payable to the living retiree.

I had some question in the Rules Committee as to the cost of this program. I am informed that the Armed Services Committee has been assured that there will be no additional cost, that it will be worked out on such an actuarial basis there will be no additional cost to the United States Treasury.

The bill, I understand, has been carefully considered. I understand the Armed Services Committee unanimously supported the bill and there was no objection to it in the Rules Committee.

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. I think this is a very worthy bill. The remarks of the gentleman recalls to my mind that there has been an attempt for quite a few years on the part of the Federal judiciary to obtain the same benefits for themselves. In other words, we have Federal judges who cannot have survivorship payments for his wife or family. That is a very desirable object. I think the committee should consider that subject also very soon.

Mr. SMITH of Virginia. I think the purposes are very laudable and the only thing we have to do is to protect the Treasury in seeing that it does not cost any additional money. I have no doubt but that the Judiciary Committee will give that matter prompt consideration.

Mr. LATHAM. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. SHORT. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5304) to permit members of the Armed Forces to elect certain contingency options, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 5304, with Mr. LATHAM in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. SHORT. Mr. Chairman, because of his long study and intense interest and thorough knowledge of this rather highly complex but important piece of legislation, I have asked our able and distinguished colleague the gentleman from New York [Mr. COLE] to dispense with the time on the majority side. I now yield 30 minutes to the gentleman from New York [Mr. COLE].

Mr. COLE. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the bill now under consideration is the result of extensive study and effort during the past 7 years by the House Committee on Armed Services.

As far back as 1933 efforts were made to generate interest in some type of plan

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which would permit members of the uniformed services to share their retired pay with their survivors. Unfortunately no affirmative action was taken. Immediately after the close of World War II the need for this type of legislation became more fully realized and it was that realization which prompted me to introduce H. R. 6953 in the 80th Congress. All of us will recall that many of the career personnel of the uniformed services, who had devoted a lifetime of service to the Nation, had literally given so much to that service that they survived for only short periods after their retirement. Under existing law they were unable to participate in any plan which would permit them to leave any portion of their retired pay to their surviving widow or children. It is factually correct to say that many of these widows and orphans of highly respected and able career officers and enlisted persons were left in a destitute condition. Because of this realization I introduced H. R. 6953, a bill similar in some respects to the present bill, in the 80th Congress. H. R. 8035 was introduced in the 81st Congress. Two additional bills were introduced by the gentleman from Texas [Mr. KILDAY] in the 82d Congress and finally I introduced the present bill in this Congress.

I shall not belabor the Members with all of the difficulties which we encountered on these previous bills. Suffice it to say that no legislation was enacted, but it now appears that the present legislation has surmounted all of the past difficulties, and the bill now before you has the unanimous support of all of the uniformed services, the National Association of Life Underwriters, and the American Life Convention. During hearings on previous legislation the proposed plan met strenuous objection from the insurance industry, but I am pleased to report to the Members that the actuaries of these same agencies, which previously objected to legislation then pending on the subject, participated in the preparation of this legislation. They have all declared it to be actuarially sound.

This bill provides a plan whereby members of the Army, Navy, Marine Corps, Air Force, and the uniformed personnel of the Public Health Service and the Coast and Geodetic Survey may, upon entering a retired status, receive a reduced amount of their retired pay during their lifetime in order that they might leave an annuity of one-eighth, one-quarter, or not to exceed one-half of the reduced retired pay to their survivors. Since this plan is worked out on an actuarial basis, and since the retired officer or enlisted person is simply leaving a portion of his reduced retired pay to his survivors, the bill will result in no additional expense to the Government in appropriations for retired pay.

The bill provides several options which a person may elect:

Option No. 1 is in favor of his widow.

Option No. 2 is in favor of his children, to the exclusion of or in the absence of a widow.

Option No. 3 is known as a family option, in favor of the wife and children as a group.

Option No. 4 permits the retired person to have his full retired pay restored to him in the event all of his beneficiaries may predecease him.

Each of the foregoing options are to be predicated on sound actuarial tables by the Actuarial Board which is created under section 8 of the bill. In order to insure that the plan remains actuarially sound, the bill provides that the Board of Actuaries shall meet annually and at such times may revise the tables to insure that they do remain sound and that this program will be self-liquidating rather than an additional expense to the Government.

The bill further provides that the person exercising the option must do so before the completion of his 18th year of active service. In the event he has already passed the 18th year of his active service he may make his selection within 180 days after the effective date of this act. If he is already in a retired status he may make the election within 180 days after the effective date of the act. Obviously no member of the uniformed services can foresee the date on which he might become physically incapacitated. Therefore, the bill provides that such persons may exercise their option under this plan at the time of retirement.

This leaves only one additional group which is not covered under the provisions of the bill. But that omission was a complete inadvertence which I propose to correct by committee amendment. I refer to those persons who are prisoners of war or missing in action. The committee amendment, which should be adopted at the proper time, provides that such persons may make their election within 6 months after they have returned to the jurisdiction of the United States.

I want to further point out that this bill is applicable to all retired persons. Enlisted persons as well as officers are eligible to participate and members of the Reserve components are as eligible as members of the Regular services. So it is apparent that there is absolutely no discrimination in this bill between officers and enlisted persons or between Regulars and reservists. The one factor which governs all of them is that they must attain a retired status before the option can become effective and no deduction is made from their retired pay until they enter a retired status.

Recognizing that insurance plans and actuarial tables, and the technical language which must accompany them, are confusing, perhaps it would be well to cite an example of the manner in which this plan will operate:

Let us assume that a man 30 years of age is retired for physical disability as a result of combat wounds suffered in Korea. Let us further assume that his annual retired pay is $2,000, that his wife is 25 years of age and that he elects to leave his wife one-half of his reduced retired pay. During his lifetime there will be a 7.1 percent reduction in his retired pay which amounts to $141 per year. Deducting that from his annual retired pay of $2,000 leaves the sum of $1,859 which is the amount which he will continue to draw during his lifetime. When he dies, this $141 which he has paid each year during his life will provide an annuity of $930 to his widow for the remainder of her life.

I want to stress again that the actuaries have assured us that this plan is sound.

Since the bill was reported, some doubt has been raised as to whether or not the technical language in the bill fully covers all persons who should be permitted to participate in the plan. I refer specifically to reservists and those persons on the honorary retired list who have completed 20 years of satisfactory Federal service but can not draw retired pay because they have not yet attained the age of 60. These persons are in a twilight zone but I want to make it clear that it is the intent of the committee that such persons are fully eligible to participate as soon as they have attained age 60.

There are a number of other provisions such as those governing mental incompetency on the part of the retired person, and other similar technicalities, but the salient provisions of the bill have been covered.

For many years the Congress has legislated, almost entirely at the expense of the Government, in favor of those who have devoted some portion of their lifetime to the service of their country. But the widows and orphans of those who have devoted a lifetime to the uniformed services have been miserably neglected. For the first time we have an opportunity to correct this deplorable situation through this legislation which is sound in every respect. The bill comes before you with the unanimous approval of the House Committee on Armed Services and I urge you, with utmost sincerity, to give it your speedy approval.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. COLE of New York. I yield to the gentleman from Pennsylvania.

Mr. WALTER. Could a selection be made of children without the consent of the wife?

Mr. COLE of New York. The election or the decision rests entirely with the individual. It is his annuity; he has earned it; he may keep it all; he may share it with his wife to the exclusion of the child or children or share it with the children to the exclusion of the wife. He can divide it in any fashion he wants to except he cannot relinquish more than 50 percent of the reduced amount of his retired pay.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. COLE of New York. I yield to the gentleman from Pennsylvania.

Mr. FULTON. There has been some confusion as to the rights of members of the armed services who either later become Members of Congress or have left Congress to go into the armed services. Of course, Members of Congress have their own retirement system. Is the retirement system amended by this bill exclusive, or is it overlapping, or is it coordinated with any other retirement systems? Can one be a Member of Congress and retire and still have his rights under this system? Are they added on? Are they exclusive?

Mr. COLE of New York. As I understand, they are exclusive. However, I am not certain of that point.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. COLE of New York. I yield to the gentleman from Missouri.

Mr. SHORT. I think it is very clear that they are separate and distinct. I would like to say, however, that whatever committee of this Congress has jurisdiction and authority, I hope we will reach the point where we can get up enough courage to treat our wives as well as we are treating the wives of all other Government employees.

Mr. COLE of New York. It is my understanding, however, without regard to whether or not a person has served as a Member of Congress, if he is otherwise qualified as having been a member of the Regular uniformed services or of the Reserves, if he qualifies for retired pay, he may elect any of the options provided under this bill.

Mr. FULTON. Some of us are in the Reserve right now, while we are in Congress. What effect does that have, under the retirement system for Congressmen?

Mr. COLE of New York. For that you are paying.

Mr. SHORT. That is right.

Mr. COLE of New York. You would be eligible for retirement under the Congressional Retirement Act, depending on the years of service, your age, and so forth.

Mr. FULTON. What does this bill say about members of the Reserve as to their retirement?

Mr. COLE of New York. I have indicated that.

Mr. FULTON. Would they be under this system, too?

Mr. COLE of New York. I have indicated that this bill is available to retired members of the Reserve system as well as the Regular system. The fact that he may have been a Member of Congress is of no consequence.

Mr. SHORT. They are two separate things, so you would be entitled to them if you were paying contributions.

Mr. FULTON. If one had taken certain payments for disability, the question arises, if he is a Member of Congress, can he likewise take payment under this act?

Mr. COLE of New York. If he is qualified under this act he can benefit from it. If he is qualified under the Congressional Retirement Act he can benefit from that concurrently.

Mr. FULTON. Concurrently?

Mr. COLE of New York. Yes.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. COLE of New York. I yield.

Mr. MILLER of California. May I say to the chairman of the committee, in connection with his statement he hoped the Members of Congress would get up enough courage to treat their own wives and widows in the way we treat officers' wives here, that there are bills that have been in for some time, and I hope the chairman of the Committee on Post Office and Civil Service will take cognizance of the general interest in this matter.

Mr. SHORT. I might say, if the gentleman will yield briefly, that the gentleman from California [Mr. MILLER] I think, is the author of one of those bills. I think all of us are very eager that they take cognizance of it.

Mr. MILLER of California. I thank the gentleman.

Mr. COLE of New York. I reserve the balance of my time, Mr. Chairman.

Mr. KILDAY. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, those of us who have been concerned over a period of years with the welfare of our Military Establishment, our uniformed services, with their pay, and what not, have had particular concern about the condition in which so many widows and children of members of the military services find themselves after the death of the member.

We have been seeking some means by which we could provide something approaching adequacy in that regard.

As the gentleman from New York [Mr. COLE] stated, in the last Congress I was chairman of the subcommittee which, for a period of months, considered a bill for that purpose. The gentleman from New York [Mr. COLE] was the ranking minority member on that committee. That bill had an entirely different approach than has this bill.

In that bill there was a contribution required of those who were to participate. It was very strongly opposed by the Life Insurance Association, and by the Association of Life Underwriters, because they felt that it constituted putting the Government into the insurance business; the payment of a premium by an individual so as to increase the amount to be received after retirement.

This bill is purely and simply the division of the retired pay to which a man is entitled under existing law. It is entirely voluntary, whereas the other was compulsory. Under this bill, if he does not want to participate, he does not have to. If he does participate, he has to participate on one of four options given him under the law.

Because this bill affects not only the armed services, but the uniformed services, it would include, in addition to the Army, the Navy, Air Force, and Marines, the Coast Guard, the Coast and Geodetic Survey, and the Public Health Service.

You will find in the record a letter from the present Secretaries, the Secretary of Defense, the Secretary of Commerce, and the Secretary of the Treasury, endorsing this bill.

Instead of the insurance people, the Insurance Association and the Association of Life Underwriters, opposing this bill, they appeared on the first day of the hearings and endorsed the bill. They not only endorsed the principle and the policy, but they certified that it is actuarially sound; that under the provisions of the bill the division of retired pay which will take place will be no more than now collected by the man who has served in the Armed Forces, but instead of all of it going to the one, it goes to him during his lifetime, and at his death a much lesser amount goes to his wife and children, or the wife or children. That is entirely within the control of the member of the uniformed services.

I might say that we do have the power under the congressional retirement system, at the time of retirement, to accept a reduced annuity, with an annuity to our widows. This is similar, except in one respect. We in Congress can make the election at the time of retirement. But under this bill, we require the election to be made at a very much earlier date.

I understand that in industrial retirement systems they generally require anywhere from 2 to 5 years before retirement for the election to be made, to accept a reduced annuity, with an annuity for the family. It must be made anywhere from 2 to 5 years before retirement.

A military man never knows when he is going to retire. He may think today that he has 15, 18, 20 years ahead of him. On physical examination he may find that he is already in the process of retirement, because he fails on his periodic physical examination. So that this bill requires him to make an election within the first 18 years of his service. But he has the right to change it. But the change will be effective only in the event that he serves on active duty for a period of at least 5 years after the election.

The purpose, of course, of requiring an election before retirement is to avoid a situation in which the fund would get all of the bad risks and none of the good risks. Those who expect the spouse to die, if she is at that time suffering from some incurable disease, would not accept it; one who felt that the spouse was in rugged health would take it, and it would extend over a long period of time.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield.

Mr. FULTON. The question has come up here as to people who might be in two retirement systems at once, that is, the Reserve retirement system under this bill as well as the congressional retirement system to which the gentleman has just referred. I had asked my colleague the gentleman from New York [Mr. COLE] as to how those two systems operated with each other, and in the course of the colloquy I think the gentleman from Missouri had said that those of us in Congress could be in the two systems, that is the two retirement systems concurrently. Is that the case?

Mr. KILDAY. That is my understanding of the situation.

Mr. FULTON. Do the two systems operate separately and concurrently so that you can acquire retirement benefits in each at one and the same time?

Mr. KILDAY. That is my understanding. That is not affected by this bill, because this is only a division of the retirement benefits which the man would have so that anything that might be affected by that is under the general law and is not affected by this particular bill.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield.

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Mr. JOHNSON. The whole theory of this system for people in the military is that upon a certain length of service and other conditions they have earned their retirement, they have an earned sum of money. This bill only allows them to share that if they want to with their family.

Mr. KILDAY. I agree with the gentleman from California. I have argued that here so frequently that I feel I am becoming very monotonous in contending that, because a member of the Armed Forces does not pay in each month to a retirement fund, that it is a noncontributory retirement system; it is a contributory retirement system. Under the Hook Commission report, the commission made a very detailed study of what would be the proper contribution of a member of the military service, they took that into consideration in fixing his maximum pay and allowances, so I have always contended and I still contend that the military retirement system is a contributory system even though each month there is no bookkeeping entry as to what was deducted.

Mr. RIVERS. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield.

Mr. RIVERS. Will the gentleman explain what the cost of this plan, if any, will be to the Federal Government.

Mr. KILDAY. We are assured by the Life Insurance Association, which submitted it to their actuaries and we are assured by the president of the Underwriters Association that it will cost no more than the present retirement system; in other words, the deductions of the amount received by the service person during his lifetime are sufficient to pay for the reduced annuity for the widow and children thereafter.

Mr. Myers, actuary of the Social Security Board, testified before us, and you will find in the hearings that unequivocally he said this was self-sustaining, actuarily sound, and that under it you could not reasonably expect the Government to be called upon to pay any more under this system than under the present system of retirement. I do not know of any way that we could be more confident of it than that, but we have taken care of that eventuality. There is created here an Actuarial Commission composed of the actuary of the United States, the actuary of the social security system, and a member of the Actuarial Association to be chosen by that association. They are required to meet at least once a year to determine whether it is actuarily sound. If it is not found to be actuarily sound they have to change the table of deductions to see to it that it becomes and remains actuarily sound.

I believe the bill should be adopted, Mr. Chairman.

Mr. COLE of New York. Mr. Chairman, I have no requests for time.

Mr. KILDAY. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, I would like to make it crystal clear that this bill in no way affects any retirement system that is now in effect. It only allows the person who has earned retirement in the armed services the right to dispose of that retirement at his option within the plans as set down, so it has no effect on and in no way modifies the present retirement law. Presently, civil-service employees have the right to accept a reduced annuity and in so doing provide for their widows or their orphaned children. So what we are doing here with the armed services is merely paralleling what we have already done for civil employees. I think it is very clear from what has been stated that no additional costs are involved. That question was repeated time and again to the actuaries and they assured us that these costs will not be increased.

If you will look at the report you will see that a man who would receive $6,000 a year pays back $910 a year and during the period of his life in retirement he takes the difference between the $910 and the $6,000; that is, $5,090. During the period of his life he then gets the $5,090 a year. At his death his widow would get half of that $5,090, or $2,545 for the period of her lifetime.

Mr. ANGELL. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Oregon.

Mr. ANGELL. I am wondering why a similar provision is not enacted in the retirement system for Members of Congress. As the gentleman states, all the civilian employees have that provision now, but Members of Congress do not. Under our retirement system we have no way of designating our widow as a beneficiary if we should die in service.

Mr. MILLER of California. That is very true. That is the point that the chairman of the committee, the gentleman from Missouri, raised, and I tried to answer him. When this bill goes into effect the Members of Congress and members of the Judiciary will be the only two groups that have not that privilege. I think we should have the privilege. I have had a bill pending that would bring congressional retirement into consonance with civil-service retirement. It is pending before the Committee on the Post Office and Civil Service. I am certain if the gentleman will speak to the chairman of that committee maybe we can get hearings on it. If he does speak to the chairman of the committee, I would like to point out that the gentleman is liable to be told that they have not had a report on the bill; however, the Bureau of the Budget has said this is a matter for the Congress to decide for itself, that the executive department will make no recommendations on this subject. I am certain that if the Committee on the Post Office and Civil Service will send the bill to the floor that it will pass.

Mr. ANGELL. Not only have I spoken to the chairman of this commitee but I have spoken to previous chairmen; also a number of Members on the floor have done the same thing. But nothing has been done.

Mr. MILLER of California. I am not a member of the committee and I do not want to criticize the chairman, but suffice it to say that reports on the bill indicate that the executive department and the Bureau of the Budget say it is up to us to take care of ourselves, therefore, they will not make a recommendation.

Mr. RIVERS. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from South Carolina.

Mr. RIVERS. If the gentleman will introduce a discharge petition, I guarantee him that RIVERS will sign it.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Pennsylvania.

Mr. FULTON. When we have various retirement systems under the Federal Government, it is one Government that is handling the retirement systems; so that those of us who have been in Congress and are under the congressional retirement system and might have been under previous retirement systems, for example myself, under the armed services retirement system and there are others in here under the civil-service retirement system, why is there not some action taken on these retirement systems so that a Member may elect which retirement system he will go under finally and where he will get the total credit for the service he has paid in on these various retirement systems. I think it is confusing and it is unwieldy to have one Member here under three Federal retirement systems and having paid into each of them. For example, I would like to have an amendment put in that would permit members of the armed services on active duty to combine the period they have been on active duty serving the Government, and protecting it just as they do in Congress, with the time they have been under the congressional retirement system.

Mr. MILLER of California. The gentleman could introduce a bill providing for a single unified system.

The CHAIRMAN. If there are no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Uniformed Services Contingency Option Act of 1953."

SEC. 2. As used in this act—

(a) The term "uniformed services" means the Army of the United States, Navy, Air Force of the United States, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service, and all regular and reserve components thereof.

(b) The term "member" means a commissioned officer, commissioned warrant officer, warrant officer, nurse, flight officer, or a person in an enlisted grade, of any of the uniformed services and a person entitled to retainer pay in the Fleet Reserve or Fleet Marine Corps Reserve with credit for 16 or more years of naval service.

(c) The term "active member" means a member on the active list of a regular or reserve component of a uniformed service.

(d) The term "retired member" means a member or former member of a uniformed service, who is or has been awarded retired or retirement pay, as a result of service in one of the uniformed services.

(e) The term "widow" includes a widower and refers only to the spouse at the date of retirement of an active member or to the spouse at the effective date of this act in the case of a retired member at the effective date of this act.

(f) The term "child" means a legitimate child, a stepchild in fact dependent upon

the member for support, or a legally adopted child, who is under 18 years of age and unmarried, and refers only to an active member's child who was born and is living at the date of retirement of the active member or to a retired member's child who was born and is living at the effective date of this act in the case of a retired member at the effective date of the act.

(g) the term "retired pay" includes retirement pay, equivalent pay, and retainer pay.

(h) The term "department concerned" means (A) the Department of the Army with respect to the Army, (B) the Department of the Navy with respect to the Navy and Marine Corps, (C) the Department of the Air Force with respect to the Air Force, (D) the Treasury Department with respect to the Coast Guard, (E) the Department of Commerce with respect to the Coast and Geodetic Survey, and (F) the Department of Health, Education, and Welfare with respect to the Public Health Service.

SEC. 3. (a) An active member may elect, prior to the completion of 18 years of service which is creditable in the computation of active-duty pay in the uniformed service of which he is a member, to receive a reduced amount of any retired pay which may be awarded him as the result of service in his uniformed service in order to provide one or more of the annuities specified in section 4, payable after his death in a retired status to his widow, child, or children, if such widow, child, or children are living at the date of his retirement. Where the active member is awarded retired pay by his uniformed service for physical disability prior to the completion of the 18 years of service, the election may be made at the time of retirement. An active member who has heretofore completed the 18 years of service may make this election within 180 days after the effective date of this act. A person who is a former member on the effective date of the act and who has prior to that time completed 18 years of service may make the election at the time he is awarded retired pay by his armed force. The terms of the election may be modified or revoked by a member at any time prior to his retirement but any modification or revocation so made shall not be effective if he retires within 5 years after the date it is made. Any member who revokes an election shall not thereafter be permitted to withdraw or modify his revocation and after it becomes effective, he shall not be permitted to be covered in any way by this act.

(b) A retired member who has heretofore been awarded retired pay by a uniformed service may, within 180 days after the effective date of this act, elect to receive a reduced amount of that retired pay in order to provide one or more of the annuities specified in section 4, payable after his death to his widow, child, or children. An election so made shall thereafter be irrevocable.

(c) Whenever a member, former member, or retired member is determined to be mentally incompetent by medical officers of the service concerned or of the Veterans' Administration, or is adjudged mentally incompetent by a court of competent jurisdiction, and because of such mental incompetency is incapable of making any election provided in this section within the time limitations specified therein; the head of the department concerned may make the appropriate election provided for in this section on behalf of such member if so requested by the spouse or if there be no spouse by the child or children of such member. If such member is subsequently determined to be mentally competent by medical officers of the Veterans' Administration, or where appropriate is subsequently adjudged mentally competent by a court of competent jurisdiction, he may, within 120 days of such determination or judgment, modify, or terminate the election made on his behalf. Deductions theretofore made shall not be refunded.

SEC. 4. (a) Under the conditions set forth in section 3, an active or retired member may elect one or more of the following annuities, payable under this act, in such amount, expressed as a percentage of the reduced amount of his retired pay, as he may specify at the time of election, in amounts equal to one-half, one-quarter, or one-eighth of the reduced amount of his retired pay.

(1) An annuity payable to or on behalf of his widow, the annuity to terminate upon her death or remarriage, whichever first occurs.

(2) An annuity payable to or on behalf of his surviving child or children, the annuity to terminate when there ceases to be at least one such surviving child, unmarried and under 18 years of age. Each payment under such annuity shall be paid in equal shares to or on behalf of the surviving children who are unmarried and under 18 years of age at the time the payment is due.

(3) An annuity payable to or on behalf of his widow and surviving children, the annuity to terminate upon: the death or remarriage of the widow; or, if later, the first day of the month in which there are no surviving children of the member who are under 18 years of age and unmarried. Such annuity shall be paid to the widow until death or remarriage, and thereafter each payment under such annuity shall be paid in equal shares to or on behalf of the surviving children under 18 years of age and unmarried at the time the payment is due.

(4) An annuity payable under the same terms and conditions as specified in (1), (2), or (3), of this subsection, with the additional provision that no further deductions shall be made from the retired pay of the member commencing with the first day of the month following that in which there was no beneficiary who would have been eligible to receive, upon the death of the member, an annuity payable under the election made by him.

(b) Where an active or retired member desires to provide more than one annuity, he may elect (1) and (2) of subsection (a) of this section, with or without the provisions of (4) thereof, but in no case may the combined amounts of the annuities exceed 50 percent of the amount of his retired or retirement pay.

(c) The reduction to be made in the retired pay of an active or retired member who has made an election under section 3 shall be computed by the uniformed service concerned in each individual case, as of the date of retirement in the case of an active member and as of the date of election in the case of a retired member, by an actuarial equivalent method using as a basis appropriate actuarial tables selected by the Board of Actuaries designated in section 8 and an interest rate of 3 percent per annum. In the case of an active or retired member the computation shall be made at the time of retirement, or election, as appropriate, and the actuarial equivalent method and actuarial tables shall be those in effect at that time.

(d) Any member on the temporary disability retired list who has elected, pursuant to section 3 of this Act, to receive reduced retired pay in order to provide one or more of the annuities specified in section 4 of this Act, and who is subsequently removed from the list due to any reason other than permanent retirement shall have refunded to him a sum which represents the difference between the amount by which his retired pay has been reduced in accordance with his election under section 3 of this Act and the cost of an amount of term insurance which is equal to the protection provided his dependents during the period he was on the temporary disability retired list.

SEC. 5. A retired member of a uniformed service who has made the election specified in section 3 shall, during any period in which he is not receiving retired pay, deposit with the United States Treasury the amount which would have been withheld from his retired pay had he been receiving that pay.

SEC. 6. Determination and certification of eligibility for, and payment of, annuities payable under this act and any other payments or refunds authorized shall be made by the department concerned, except that payments for departments other than the military departments shall be made through the disbursing facilities of the Treasury Department. Determinations, certifications, refunds, and payments under this act shall not be subject to review by any administrative or accounting officer of the Government.

SEC. 7. (a) The head of the department concerned is empowered to use any means provided by law to recover amounts of annuities erroneously paid to any individual under this act. The head of the department concerned may authorize such recovery by adjustments in subsequent payments to which the individual is entitled.

(b) There need be no recovery as provided in subsection (a) of this section when, in the judgment of the head of the department concerned, the individual to whom the erroneous payment has been made is without fault and recovery would be contrary to the purpose of this act or would be against equity and good conscience.

(c) No certifying or disbursing officer shall be held liable for any amount erroneously certified or paid by him pursuant to this act, unless, in the judgment of the head of the department concerned, such erroneous certification or payment is the result of his gross negligence or his intent to defraud.

SEC. 8. This act shall be administered under regulations prescribed by the President, which regulations shall be uniform insofar as practicable for all of the uniformed services. The President shall report annually to the Congress upon the operation of this act. For the purpose of advising in the administration of this act, the President shall convene annually, or oftener if he deems necessary, a Board of Actuaries to be composed of the Government Actuary, the Chief Actuary of the Social Security Administration, and an actuary to be selected from the membership of the Society of Actuaries. The compensation of the actuary selected from the membership of the Society of Actuaries shall be fixed by the President. The tables to be used in computing deductions in retired or retirement pay to provide the annuities under this act shall be those recommended by the Board of Actuaries.

SEC. 9. No annuity payable under this act shall be assignable, either in law or equity, or be subject to execution, levy or attachment, garnishment, or other legal process.

SEC. 10. All annuities payable under this act shall accrue from the first day of the month in which the retired member dies and shall be due and payable not later than the 15th day of each month following that month and in equal monthly installments thereafter, except that no annuity shall accrue or be paid for the month in which entitlement to that annuity terminates.

SEC. 11. Annuities payable under this act shall be in addition to any pensions or other payments to which the beneficiaries may now or hereafter be entitled under other provisions of law, and shall not be considered income under any law administered by the Veterans' Administration.

SEC. 12. There are hereby authorized to be permanently appropriated such sums as may be necessary to carry out the provisions of this act.

SEC. 13. This act shall take effect on the first day of the month following the month in which it is enacted.

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With the following committee amendments:

Page 1, line 7, strike out "Air Force of the United States" and insert "United States Air Force."

Page 1 line 9, and page 2, line 1, strike out "and all regular and reserve components" and insert "including all components and members."

Page 2, line 5, strike out "grade" and insert "grade (including an aviation cadet)."

Page 2, line 15, strike out "or retirement pay" and insert "retirement, or retainer pay or equivalent pay."

Page 4, line 7, strike out "has prior to that time completed 18 years of service" and insert "is thereafter awarded retired pay by a uniform service."

Page 4, line 10, strike out "retired" and insert "that" and strike out "by his armed force."

Page 5, line 3, strike out "a" and insert "an active."

Page 5, line 9, strike out "therein;" and insert "therein."

Page 5, line 18, strike out "twenty" and insert "eighty."

Page 7, line 10, insert "vide more than one annuity, he may elect (1) and (2) of."

Page 7, strike out line 12.

Page 7, at the beginning of line 15 insert "reduced" and strike out "or retirement."

Page 8, line 4, after "Any" insert "active" and after "member" insert "or former member."

Page 9, line 2, strike out "Determinations, certifications, refunds, and payments" and insert "Determinations and certifications."

The committee amendments were agreed to.

Mr. WILLIAMS of Mississippi. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am, of course, sympathetic to this legislation but there are a few technical questions I would like to propound to some member of the committee. It is my understanding that this legislation provides that officers who have been retired on account of disability and who elect to receive compensation from the Veterans' Administration, are permitted to pay in the amount that would otherwise have been deducted from their retirement pay; is that correct?

Mr. KILDAY. I will say to the gentleman from Mississippi that that is correct. As you will note on page 2 "The term 'retired member' means a member or former member of the uniformed service, who is or has been awarded retired, retirement, or retainer pay or equivalent pay as a result of service in one of the uniformed services." In the case that the gentleman from Mississippi mentions he would never have had the right to elect to take his pay through the Veterans' Administration had he not been awarded retirement pay so that he would be able to do so. Then there is another provision under section 5 of the bill that he must deposit in the Treasury an amount equivalent to what should have been deducted from his retirement pay and would have been deducted from his retirement pay had he not elected to go to the Veterans' Administration. Then you will find in subsection (c) of section 3 there are other references to the Veterans' Administration and there are references as to the manner in which the account shall be kept in such cases. I think I can assure the gentleman that a member of the Armed Forces in the category he refers to is fully covered by this bill.

Mr. WILLIAMS of Mississippi. I thank the gentleman for his explanation.

Mr. KILDAY. There is one thing I should say. It appears quite definite to me that a person in that category would have to make his election to take the reduced annuity within 80 days of the effective date of this act.

Mr. WILLIAMS of Mississippi. One more question: As I understand it, a reduced annuity is not involved in the case of retired officers on veterans' compensation. It would be a matter of the officer's assuming to pay into the fund that amount which otherwise would be deducted from his retirement pay had he not elected to receive compensation instead. Is that correct?

Mr. KILDAY. That is correct. He would draw the full amount from the Veterans' Administration, then he would pay into the fund the amount which would have been deducted from his pay had he been still drawing his retired pay.

Mr. WILLIAMS of Mississippi. I thank the gentleman for his explanation. I have one more question, then I am through. Let us take the case of a veteran who is in that category of retired officers who have elected to draw compensation in lieu of retirement pay. He assumes to participate in this program, with the understanding that he will pay in monthly or yearly installments the amount of money which will qualify him to participate, and thus provide for his dependents. Let us assume, for instance, that a man is required to pay in $120 a year in order to qualify his wife to receive an annuity after he has retired. That would amount to payments of $10 a month. Let us say he works it out on a monthly basis, and he sends the check in to the Treasury every month. At this time of his death, when his wife would normally begin to draw from this fund, it is found, as is often the case in veterans' insurance cases, that he had failed to make a payment or so. Perhaps it was error or oversight, perhaps his check was lost in the mails. His account would be short by a small amount; one, maybe two monthly payments. What provisions cover such cases? Would this circumstance void his eligibility under this program?

Mr. KILDAY. I would say that in the final analysis the Comptroller General will have to decide in such a case, but offhand I would say that he would be in about the same shape as the fellow who has failed to pay an insurance premium. This fund is to be sustaining. If he has not paid into it, I think he would be in a pretty bad way. I would advise him to pay.

The CHAIRMAN. The Clerk will report the committee amendment to section 7.

The Clerk read as follows:

Committee amendment: On page 9, line 23, strike out "gross."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the committee amendments to section 8.

Mr. SHORT. Mr. Chairman, I offer an amendment.

The CHAIRMAN. Is this an amendment to section 8?

Mr. SHORT. It is to change the wording back from "Secretary of Defense" to "President," so it will read that "This act shall be administered under regulations prescribed by the President."

The CHAIRMAN. The Chair suggests that the proper way to do this would be to vote down the committee amendments to this section, rather than the procedure suggested by the gentleman from Missouri.

Mr. SHORT. Then, Mr. Chairman, I ask that the Committee vote down the committee amendments to section 8. That will accomplish the same result.

The Clerk read as follows:

Committee amendments:

Page 9, line 25, strike out "President" and insert "Secretary of Defense."

Page 10, line 2, strike out "President" and insert "Secretary of Defense."

Page 10, line 5, strike out "President" and insert "Secretary of Defense."

Page 10, line 12, strike out "President" and insert "Secretary of Defense."

The committee amendments were rejected.

Mr. SHORT. That takes care of it because, Mr. Chairman, for the sake of the record, the regulations will have to be promulgated by the President rather than the Secretary of Defense, because this deals with departments over which the Secretary of Defense has no jurisdiction. The President does have such jurisdiction.

The CHAIRMAN. Are there further amendments to section 8?

Are there any amendments to section 9? To section 10? To section 11? To section 12?

The Clerk will report the committee amendment to section 13.

The Clerk read as follows:

Committee amendment: On page 11, line 10, after the first "the" insert "third."

The committee amendment was agreed to.

Mr. COLE of New York. Mr. Chairman, there are further committee amendments, which I offer at this time.

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: On page 4, line 6, insert the following sentence after the period following the word "act": "An active member who, as a result of or in connection with military or naval operations, is in a status of missing, missing in action, interned in a neutral country, captured by a hostile force, or beleaguered or besieged, and because of that status is unable to make the election prior to the completion of the 18 years of service, or an active member who is in that status and has heretofore completed the 18 years of service, may make the election within 6 months of his return to the jurisdiction of his uniformed service."

The CHAIRMAN. The Clerk will report the next amendment.

The Clerk read as follows:

Page 2, line 25, after "unmarried," insert "or a child over 18 years of age and unmarried who is incapable of self-support because of being mentally defective or physically incapacitated if that condition existed prior to reaching age 18."

Mr. COLE of New York. Mr. Chairman, this is one of a series of five amendments to other parts of the bill. All of these amendments are related. The portion which the Clerk has just read indicates the purpose of this series of amendments, which is to make it possible for an individual in the uniformed service who may have a crippled child, a physically handicapped child, or a mentally deficient child, to take care of that child even though she may live beyond the age of 18 years.

As the bill is now written, an individual can share his annuity with the child only up to the time the child reaches the age of 18. This series of amendments would extend that age indefinitely as to any child who had a physical or mental handicap earlier than having reached the 18th birthday.

I ask unanimous consent, Mr. Chairman, that the further reading of the amendments be dispensed with and printed in the RECORD, and I ask that the amendments be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The amendments are as follows:

Page 6, line 12, substitute a comma for the period and insert "except that if there is a child, unmarried and over 18 years of age incapable of self-support because of being mentally defective or physically incapacitated and that condition existed prior to his reaching 18 years of age, the annuity to terminate upon his marriage or recovery from the disability, whichever first occurs."

Page 6, line 14, after "children" delete the remainder of the sentence and substitute "remaining eligible at the time the payment is due."

Page 6, line 21, substitute a comma for the period and insert "except that if there is a child, unmarried and over 18 years of age incapable of self-support because of being mentally defective or physically incapacitated and that condition existed prior to his reaching 18 years of age, the annuity to terminate upon his marriage or recovery from the disability, whichever first occurs."

Page 6, line 24, after "children" delete the remainder of the sentence and substitute therefor "remaining eligible at the time the payment is due."

The CHAIRMAN. The question is on the amendments.

The amendments were agreed to.

The CHAIRMAN. Are there any further amendments?

Mr. COLE of New York. Mr. Chairman, there are no further amendments.

The CHAIRMAN. Under the rule, the Committee will rise.

Accordingly the Committee rose; and Mr. LATHAM, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 5304) to permit members of the Armed Forces to elect certain contingency options, and for other purposes, pursuant to House Resolution 268, he reported the same back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

The title was amended so as to read: "A bill to permit members of the uniformed services to elect certain contingency options, and for other purposes."

A motion to reconsider was laid on the table.

SPECIAL ORDER GRANTED

Mr. O'HARA of Minnesota asked and was granted permission to address the House for 20 minutes today, following the legislative business of the day and any other special orders heretofore entered.

NACA LABORATORY AT HAMPTON, VA.

The SPEAKER. Under special order heretofore entered, the gentleman from California [Mr. MILLER] is recognized for 20 minutes.

Mr. MILLER of California. Mr. Speaker, the other day I was privileged to visit a scientific wonderland. It was a fascinating experience, and one my colleagues of the House might wish to have.

It was, at the same time, a sobering experience, because at the end of the day I had come to the realization that our security and the security of our children in the days ahead may be dependent, in large measure, upon the work of a relatively small group of dedicated men.

The place I visited was the Langley Aeronautical Laboratory of the National Advisory Committee for Aeronautics. It is located at Hampton, Va., across from Norfolk. Here some 3,000 scientists and supporting civil-service personnel are engaged in the intensive research required to solve the many, many grave problems remaining before our country's aviation industry can develop the improved airplane capable of supersonic flight and thus continue to maintain our qualitative leadership in the air.

The NACA has other large and similarly important research centers. One is at Moffett Field, not far from my California home. Another is in Ohio.

But it is about the work being done at the Langley Laboratory that I wish to talk briefly today. Each year one of the NACA's laboratories has an inspection, to which come hundreds of aviation leaders, educators, and others prominent in many walks of life.

They are given, within security limits, information about aeronautical research progress. This year, also, they were given a better insight into the seriousness of problems still unsolved. To say the least, they were deeply impressed by what they saw and heard.

Before I mention a few of these problems, I should like to refresh your memories about the NACA. Established by act of Congress in 1915, it is an independent agency. The Committee of the NACA consists of 17 top-ranking representatives from the Air Force, Navy Bureau of Aeronautics, Civil Aeronautics Authority, National Bureau of Standards, other Government agencies, executives of the aircraft industry and the airlines, and prominent scientists. These men serve, without pay, as a sort of board of directors, establishing policies and providing guidance and inspiration to the work of the 7,500 scientists and other career Government employees who make up the paid staff.

The work of the NACA is research—and its product is information, resulting from this scientific laboratory research in aeronautics. This information is distributed to the military services, the aircraft industries, and others who have the need to know. I am glad to report the NACA controls very carefully its distribution of this vital material.

Aeronautical scientists are used to talking in what sounds almost like a foreign language to persons in other walks of life. They use such words as extrapolate, and parameter, and adiabatic, and thermodynamic. I suppose that is essential for the quick transmission of ideas and precise information from one scientist to another.

Similarly baffling, at least at first, is the manner in which they talk so casually about speeds and altitudes and temperatures that would look fantastic even in a novel by Jules Verne.

For example, I was told of research effort on problems of flight at speeds of 15,000 miles an hour. Such statistics are almost as hard to visualize as the size of our national debt, but finally I translated it into something I could understand. At 15,000 miles an hour, it would be possible for me to fly to my home in Alameda, Calif., about 2,600 miles away, in 10 minutes, give or take a few seconds.

Now, the scientists tell me that such speeds aren't at all likely for humans who want to limit their travels to places on our earth. But, such speeds will be exceeded once we begin exploring beyond the globe.

If that were the only reason for needing to know, I doubt whether the NACA would be engaged in such research, as they are at the Langley Laboratory. But such information is needed for the design of tomorrow's guided missiles of super performance, and if ever we are to develop the satellite vehicles which, suspended in space, could exert a profound stabilizing influence for peace on our planet.

Most of the research at the Langley and other laboratories of the NACA is focused on problems much more immediate and urgent.

Consider for a moment the following basic fact which was emphasized at the Langley inspection:

Supersonic flight by operational military aircraft is not only a necessity; it is an attainable certainty. But as the day draws near when prototype models of tactical supersonic airplanes will take to the air, it is becoming increasingly important that the task of America's aircraft industry to create designs which will meet the operational and performance requirements of the military services is indeed gigantic.

In addition to the higher flight speeds implicit in future performance goals, our aircraft must afford the necessary range to enable accomplishment of their fighter or

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bomber missions. They must be maneuverable; their qualities of stability and control must be sufficiently manageable to permit satisfactory operation by their pilots. By their design and construction, they must be capable of avoiding, or withstanding, the perils of flutter, buffeting, and aerodynamic heating which become more serious and complex as speeds increase.

Now that is a statement which can be boiled down to just a few words, like these:

Providing we are willing to make the effort, and it will be a large one, we can and must speedily develop practical supersonic airplanes.

The NACA scientists do not add the thought which I feel is equally important—because it is not in their province—that halfway across the world there are other scientists who are also capable of solving these problems.

Our development of supersonic aircraft, in which we have led the world, is to further peace. Elsewhere, similar effort may be solely to hasten a power-mad program to dominate the entire world.

This is a truth which is vital. There is no more effective deterrent to widespread aggression than superior air power in being. The United States is spending billions to strengthen its air power. It is mandatory that the aircraft procured—the airplanes and the guided missiles—be superior in performance and military effectiveness.

To do otherwise would not provide the maximum national security for the large sums of public funds expended. The qualitative superiority of our air weapons is dependent upon the degree to which we exploit scientific and technological talent. Here the United States has no monopoly.

One scientific term which promises to become widely used is "Mach number." I must confess that it was a new one for me, and on the chance that it may be a new one, too, for some of my valued colleagues, let me tell you what Mach number is.

Mach number 1 is the speed of sound. The speed of sound varies with temperature, and consequently is different at sea level from what it is at high altitude where it is cold. So what effectively is a rubber yardstick—a speed ratio—had to be supplied. At sea level, when the temperature is about 60 degrees, the speed of sound is 760 miles an hour. At high altitude, say 40,000 feet, where the temperature is below zero, the speed of sound is about 660 miles per hour. The scientists, talking about the speed of sound under either condition, would refer to "Mach 1."

Mach number is named after Ernst Mach, a Viennese scientist, who began studying supersonic speed problems in connection with gunnery back in 1869. His son, Ludwig Mach, made the first photographs of shock waves in 1889.

When the scientists at the Langley Laboratory told me that missiles are now being flown at Mach numbers of 4 or higher, I knew they meant that missiles are going faster than four times 660 miles per hour, or 2,640 miles per hour.

Then I learned something else that was pretty serious and even frightening. They told me that if a missile kept up a Mach number 4 speed the surfaces of the missile would heat up to 900° Fahrenheit due to friction with the air. When you stop and realize that aluminum alloys, currently used in aircraft construction, lose almost all their strength at only 600°, you can see how serious such a problem is.

Then they went on to say that they are working on ways to solve this problem of heating—they call it aerodynamic heating—up to Mach numbers of 10, or 6,600 miles per hour, and that at such sustained speeds, the temperature rise would approach 7000°.

Yet this is the kind of problem ahead—that must and will be solved somehow, so America can stay out in front in the aeronautical race we dare not lose.

But not all of the fascinating displays and talks at the Langley Laboratory had to do with still unsolved problems demanding further attention.

One of the most dramatic of the demonstrations had to do with a new device which, very possibly, can change greatly the concept of aircraft operation.

Since 1946 or 1947 the NACA, working with the military services and private industry, has successfully developed what they call hydroskis. And that is exactly what the new device is, a water ski for airplanes, to be used instead of rubber-tired landing gear, or the relatively clumsy hull of a flying boat.

Airplanes equipped with hydroskis can land or take off from the water; they are equally at home in takeoffs and landings from wet sod, marshy ground, or snow-covered areas. The new high-speed Convair waterbased fighter is, I believe, the first airplane to be designed around the water-ski principle.

Still another peek at a future wonder of the air world was the "vertical riser" model which the NACA displayed. Here I might pause to note that the NACA does not design or build airplanes; those are the jobs of the industry. But the NACA does work on aeronautic principles, new problems and old.

One of the new principles is the idea of an aircraft which can rise, almost vertically, like a helicopter, and then fly horizontally much like a conventional airplane. By combining these virtues, it is hoped that the resulting product will be especially valuable for many kinds of military work and for commercial applications.

At the Langley laboratory they had a weird-looking model which was capable of such performance. The scientists were painstakingly careful in noting that this was "just a model" for the study of stability and control problems requiring solution for such an aircraft, but it was obvious, at least to me, that their interest in the subject underlined its importance.

Finally, I would like to talk a moment about still another important research task which the NACA discussed at the Langley Laboratory, although the work was done by the scientists at the NACA Lewis Flight Propulsion Laboratory in Cleveland.

For some time it has been known that in quite a number of landing and takeoff accidents affecting airplanes the occupants of the airplanes could have survived if there had been no resulting fire.

So the scientists went about studying the why's and how's of aircraft fires. In this they were aided by the Air Force, which made available a number of war-weary airplanes.

After finding out more about such fires than had been known before—and, incidentally, finding out that some conceptions were incorrect—the scientists put together an experimental rig which has successfully blocked off crash fires. This equipment is admittedly experimental; it is bulky; it is heavy. But it points the way to improved safety of aircraft performance in the days ahead.

The old saying about a stitch in time saving nine, can, with very little change, be aptly used here.

One part of research effort can save the time and money involved in nine parts of production effort which is not based on adequate knowledge.

Mr. DURHAM. Mr. Speaker, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from North Carolina.

Mr. DURHAM. I am very glad that the gentleman from California is calling to the attention of the House and to the country the real heart of the problem of the Air Force. This small agency in my opinion has made a contribution that history will probably record as being one of the most outstanding to national defense at this period of our history. The gentleman is calling to the attention of the House this small band of scientists who have labored conscientiously, and always with no publicity, in an endeavor to explore science, and they have done it in a quiet way which I think the Congress and the country do not fully appreciate. I doubt if there are more than 500 people in America who really know and appreciate what this small group of people have done. I want to congratulate the gentleman for bringing this to the attention of the House. He has given an excellent statement and an excellent explanation of what they have actually contributed to our own security here in America.

Mr. MILLER of California. I thank the gentleman from North Carolina whom I greatly admire because of the work he has done in this Congress in connection with the Atomic Energy Commission and other phases of scientific development within Government.

I would like to call the attention of my colleagues to the fact that the NACA invites Members of Congress to make these inspection trips. I am sure there is not a man who has made one of them that does not come away awed by what he sees. One thing that impresses you is the intensity of the young scientists on these projects; young men who devote their lives to this work. They are so interested in what they are doing that they seem to have forgotten the rest of the world. They are not seeking publicity; they are seeking to solve some of these secrets of nature that will make the airplane a safer instrument in times of peace and a more efficient one in time of war.

SPECIAL ORDERS GRANTED

Mr. PATMAN asked and was given permission to address the House for 20

minutes today, following any special orders heretofore entered.

Mr. MADDEN asked and was given permission to address the House for 10 minutes, following any special orders heretofore entered.

ARE WE READY TO GIVE THE ATOM TO PRIVATE ENTERPRISE?

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. PRICE] is recognized for 45 minutes.

Mr. PRICE. Mr. Speaker, has the time arrived for private enterprise to enter atomic power development on an independent basis? Featured articles in national magazines, such as Fortune, Business Week, U. S. News & World Report, and other periodicals, create in the minds of the reader an affirmative answer. In my judgment, these articles are too optimistic and I believe that they have confused the public mind. Whether this confusion was deliberately or innocently caused may be subject to debate, but I believe the important point is to clear up the confusion. As a member—for over 6 years—on the Joint Committee on Atomic Energy, I deem it my duty to speak on this important matter.

PRIVATE ENTERPRISE HAS BEEN GIVEN THE PRINCIPAL JOB

Let me begin by stating that I am heartily in favor of private enterprise participation in all phases of the atomic research and development program. I have vigorously supported the principle which has been followed by the Atomic Energy Commission, for example, contractual arrangements with college and private laboratories for research and development, contractual arrangements with industrial and business management concerns in the fields of plant construction and plant operation. This principle has been applied as a basic policy by the Atomic Energy Commission.

Representatives of private industry have again and again testified before the Joint Committee on Atomic Energy and expressed their complete satisfaction with the cooperative attitudes and actions of the Atomic Energy Commission on this point. Private contractors have been given full rein to exercise their skill, ingenuity, managerial ability, and initiative. The Congress through appropriations has furnished over $12 billion for plant facilities and operational expenses. While it is true that an attempt has been made to eliminate private profits particularly on the operational level—no one can say that the private profit motive has been eliminated—construction of plants and interior equipment running into several billion dollars have contained profits for private construction companies and manufacturers of machinery.

In the operation of atomic plants customary business profits have not always been allowed, but in this field, great companies such as General Electric, Westinghouse, Union Carbon & Carbide, and hundreds of other industrial companies have obtained tangible benefits in chemical, metallurgical, and mechanical fields. They have gained organizational and managerial experience in basic scientific research and development, where discoveries of gadgets and processes have been made which were of direct value to their own commercial enterprises. The release of over 500 patents by the Atomic Energy Commission is proof of my statement. There is also an important advantage in being first in any new industry and these companies know it.

DEVELOPMENT OF ATOMIC ENERGY HAS BEEN A COOPERATIVE EFFORT

I do not wish to detract from or minimize the great contribution which private enterprise has made in the atomic field. They are entitled to the praise and gratitude of every taxpayer in the United States, and the people of the free world. I seek only to set forth the facts and the facts would not be complete if I did not state further—if free enterprise has contributed, as they have, greatly to atomic development—it has been possible only because of the $12 billion in taxes which have been contributed by the United States taxpayer. It has been a cooperative contribution for the preservation of liberty and if there be dollar benefits in the future, let them accrue fairly and justly to all the cooperative contributors, the taxpayers who financed the atomic projects, the scientists without whom atomic energy would still be locked in mystery, the free enterprisers who built and operated the atomic plants and the whole complex of American free enterprise.

I think it also fair to mention, in the evaluation of contribution to atomic-energy development, that the commercial and industrial participants have a tremendous stake in the preservation of freedom. The Government owes in gratitude no more to them as a group than it owes to the taxpayers. Therefore, the distribution of future civilian benefits of atomic energy must be done on a widespread, fair, and equitable manner. All companies, large or small, should have equal access to the future benefits. Building large power-producing reactors requires large capital investment. If these reactors are financed by Federal funds, such financing must not be confined to large corporations only.

Now, let us consider the constantly growing clamor for changing our national atomic policy on the ownership and control of production and use of atomic energy.

PRESENT POLICY

What is the present policy?

First. The United States Government is sole owner of all fissionable material and production facilities. It also exercises complete control over all fissionable materials.

Second. The Government controls all uses of fissionable materials.

Third. The Government's primary objective is the production and use of atomic energy for national defense.

Fourth. The Government's secondary objective is the development of peacetime benefits as excess fissionable material over defense requirements become available.

ADVOCATING CHANGES IN POLICY

What changes are advocated in formulating future policy?

First. The Government would relinquish its sole ownership and control of fissionable material and production facilities to private enterprise. Relinquishment of sole Government ownership must of necessity weaken security controls.

Second. The Government will relinquish to private enterprise the peacetime benefits of atomic energy—civilian power, industrial uses, biological and medicinal, and so forth.

The primary use of all atomic energy for defense is not changed under proposals made to date.

Third. The Government would cease to be the sole producer of fissionable material. Private enterprise would become coproducers with the Government. Sale or lease of existing plants or subsidized construction of new facilities would appear to be indicated.

We see then that these proposals embody a complete change in our national policy. Let there be no mistake or confusion on this conclusion.

Let us consider some of the reasons for the present policy and also some of the dangers of changing these policies.

First. Government was given a monopoly on the ownership, production, and control of atomic energy by an almost unanimous action of the Congress of the United States in 1946—the Atomic Energy Act of 1946.

FACTORS BEHIND ATOMIC POLICY

This policy was adopted after 9 months of hearings and consideration on the subject. It was not adopted capriciously or without extensive debate and intensive consideration of all known factors. Among those primary factors were:

(a) The technological ability to split the atom gave to mankind a basic new source of energy, the effect of which could not be foreseen in our society, economy, or world relationship by Congress.

(b) The possession of this new source of energy and its use as a weapon of destruction held potentialities so powerful and so terrible that only Government could be trusted with its use and control.

(c) The development of the use of atomic energy for defense was a primary responsibility for self-preservation of our own and other free world governments.

(d) The development and storage of atomic weapons and the decision as to when they should be used was a necessary and sole responsibility of Government.

(e) The tremendously important factor of security, the guarding of the secrets of production of uranium 235 and plutonium, the mechanical gadgetry of atomic bombs and weapons, the storage and control of weapons, and so forth.

(f) The scarcity of fissionable raw material made sole Government ownership necessary both from the standpoint of defense needs, accountability of the overall supply, and danger of possible diversion.

(g) Provision was made for research and development for peacetime uses.

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The Atomic Energy Commission was authorized and directed to promote peacetime uses through contracts and financial grants to private industry and private laboratories.

(h) In the declaration of policy, section 1 of the Atomic Energy Act of 1946 the paramount objective was "assuring the common defense and security," and four additional but secondary objectives followed: First, "improving the public welfare"; second, "increasing the standard of living"; third, "strengthening free competition in private enterprise"; and fourth, "promoting world peace."

PROBLEMS WE FACE

In the propaganda for basic legislative changes in the act, no arguments are made as to changed conditions which would seriously impair the original justification of the principles outlined in (a), (b), (c), and (d). Let us consider paragraphs (e), (f), (g), and (h) separately.

Paragraph (e), security: Certainly the problem of security would have to be reexamined thoroughly before policy changes that would widen the base of participation by changing the custody and control of atomic energy in quantities sufficient to construct bombs or weapons. Would American corporations with foreign affiliates be eligible? Would the Government be responsible for the security procedures and atomic materials after ownership of same was transferred to private hands? Many questions are suggested on this problem, not the least of which is the spreading of police clearance of individuals to a great segment of private industry heretofore free from such restriction.

Paragraph (f): Have fissionable materials become so abundant that substantial quantities necessary for industrial power use can be diverted from the primary purpose—defense of the Nation? Has the full development of military uses in the tactical as well as strategic field been achieved?

Unless an affirmative answer can be given to the two preceding questions then the whole propaganda structure for immediate or near future civilian atomic power use is moot. I state without fear of contradiction that the answer is "No." Fissionable material continues to be extremely scarce and costly. The military use has not been scratched. Our supply of atomic weapons, while considerable in some forms, is dangerously inadequate both as to quantity and variety. The President and the Chiefs of Staff are duty bound to testify on this point before Congress can legislate wisely.

The President must advise the Joint Committee on Atomic Energy the effect which present diversion of raw material from mutual defense objectives to corporate owned civilian power projects, would have on our foreign relations.

The problem of wide industrial use and its attendant danger of diversion either as to fissionable material or "know-how" into enemy hands is a problem of immense complexity.

Paragraph (g): A careful analysis of the Atomic Energy Commission's program of encouraging research and development of atomic energy for peacetime purposes will persuade, in my opinion, the most doubtful that they have been vigorous advocates for such development. They have been checked, of course, by budgetary allowances for civilian use projects, availability of excess fissionable material and security requirements. Private enterprise, to date, has not come forward with investment capital for the very good reason that profits are not as yet, in sight.

DANGER OF BUDGET CUT

The atomic submarine is a near reality. Great progress in ship and plane atomic propulsion engines has been made. Cuts in defense funds announced a few days ago will slow down these two latter projects. These cuts were made in the face of Atomic Energy Commission opposition.

The uninformed may wonder why a cut in the defense appropriation would affect the Atomic Energy Commission's development of atomic power. Two factors are involved:

First. The development of atomic power for a ship or airplane engine cannot be divorced from the correlative problem of producing a civilian-use powerplant.

Second. The removal of the defense priority by curtailing the defense agencies' funds will stop their research and development in the joint effort to produce usable atomic power and will result in a several year stretchout of appropriations to the Atomic Energy Commission to promote the completion of an atomic powerplant for civilian use.

The preceding statement is very important and can be substantiated by the most responsible testimony. Statements that private industry will replace present progress and accelerate the rate of development with risk capital are baseless and should be subjected to the closest scrutiny.

PRIVATE INDUSTRY WARY OF CAPITAL RISK

The only tangible suggestion from private industry to date has been that of being willing to start spending a small amount of money on reactor development. Such activity on their part is contingent however, on continued heavy Federal investment in research and development. The pooling of present knowledge and the pooling of any progress made during the so-called interim period is requested. When this interim period has passed—possibly 3 to 5 years—the assumption is that private industry will proceed under its own financing. But, in the background of this interim period cooperation lies the real threat to the public interest, that is, the acquisition of patent advantages for special interests. These advantages cannot be granted on any basis of merit, nor can they be granted without doing violence to the objectives of Congress as set forth in the Atomic Energy Act of 1946, as amenedd. It is obvious that drastic changes in the basic act would be necessary before such patents could be granted. Drastic legislation would dynamite the present program.

DISRUPTION OF PRESENT PROGRAM DANGEROUS

Any disturbance in the present program would cause unpredictable delay and dissolution of the efficient team of technicians now engaged in the effort. No one can predict the time period which would intervene before basic legislative changes would be passed by Congress. Certainly such changes would be fraught with deep controversy. They involve basic ideological concepts of government versus private ownership in the power field, fears of security risks, difference of opinion as to timing and other important factors.

No adequate offer to take over research and development of atomic reactors for civilian power has been made by responsible free enterprise on a private capital risk basis.

The foregoing statement may come as a great surprise to the people who have been absorbing the propaganda articles inspired by interviews and speeches of industrialists, some of the Atomic Energy Commissioners—past and present—and others. Articles frequently are slanted by special article writers to convey a point of view not justified by the full context of the speech or interview. On the other hand, speeches and interview statements sometimes are slanted to promote a specific viewpoint.

The Atomic Energy Commission has invited free enterprise to enter the field of atomic power production and has requested bona fide offers. They, I am sure, have discussed with private enterprise the problem of legislative changes which private enterprise desire. They have no doubt conferred on the economic problems facing true and independent private enterprise participation, that is, the willingness to invest adequate private capital, the willingness to preclude or include Government subsidy in the form of special tax amortization of capital investment, advantageous contracts for production of plutonium, research and development grants, and possibly other types of open or hidden subsidies.

I believe I am stating the facts when I say that no bona fide offer to assume the rate of research and development of atomic power now being carried forward by the Government has been made by responsible free enterprise on a normal capital risk free enterprise basis. Behind all the propaganda and agitation lies the desire to take over the peoples' $12 billion investment for selfish, and I fear, monopolistic benefit. Behind all the tentative proposals on the part of those who would now take over peacetime potentialities of atomic energy lies a Federal subsidy gimmick of one kind or another.

We invite free enterprise to come forward with a bona fide, private capital risk proposal in the atomic power field. We invite them to make such a proposal based on clearly defined legislative changes in the Atomic Energy Act of 1946, as amended. The taxpayers and their representatives in Congress are entitled to a clarification of the issue. They are entitled to an explanation of the hidden-ball play, which apparently is being used behind the subterfuge of "now is the time for private enterprise to take over the atomic power development program."

FALLACIES AND DANGER

Practically all of the propaganda focalizes on the oft repeated statement "before private enterprise can really do

a job in atomic power development there must be basic legislative changes"—there are two fallacies in this statement and behind these fallacies lies a danger.

The first fallacy is the inference or assumption that private enterprise has been shackled, held back, slowed down, and prevented from doing a good job to date. This inferred premise is not true and its untruth is proven: (a) by the phenomenal progress made in this new field during the 7 years of the Commission's existence; (b) its untruth is attested by repeated testimony from contractual industrial and management firms who have participated in the program. As a matter of fact, progress has been accelerated by access to almost unlimited tax funds, far beyond the willingness or capacity for development based on private risk capital.

The second fallacy is that there must be basic legislative changes in the Atomic Energy Act of 1946, as amended, in order to guarantee a continuance of progress. I denounce this assumption on at least two counts: (a) There has been no slowup in research and development in the reactor—atomic power for civilian uses—program, and I cite the atomic-powered submarine reactor which is now a reality in prototype and will be in use very soon. I cite other publicly known projects such as the development of an aircraft carrier type of atomic marine propulsion engine and a nuclear aircraft engine. While these latter projects are not in as advanced stage as the atomic submarine project, no complaint as to progress has been made by responsible persons.

I maintain that the present possibilities of private enterprise participation under existing law have not been fully explored nor have those possibilities been exhausted by the Commission. I admit frankly that many difficulties have been presented to the Commission; difficulties which, in the main, they have solved. There is, in my opinion, no insurmountable obstacles toward continued private enterprise participation. There has been no boycott by private enterprise. The impressive list of great corporations which are now engaged in this program proves my point.

I stated that behind these two fallacies lies a danger, and I believe that I should explain this statement.

That danger is premature or ill-considered legislative changes in the present Atomic Energy Act which might under attractive and oversimplified objectives: (a) interrupt our present rapid rate of research, development, and production; (b) endanger security and United States primacy in the atomic field by widening the base of security risk; (c) handicap free competitive enterprise and promote private monopoly in future peacetime uses and benefits of atomic energy. In regard to (a), any basic legislative change must be preceded by extensive hearings as this is of major national and international importance.

EXTENSIVE HEARINGS MUST BE HELD BEFORE CHANGE IN LEGISLATION

Comprehensive hearings must be held to explore every phase of this important problem and the testimony of responsible representatives from all phases of affected business and finance must be heard. Scientists must be given the opportunity to publicly state their special knowledge regarding reactor development potentialities. The public interest can be served by legislation, only if it is based on a complete knowledge of the facts.

Important present contracts for raw materials depend basically upon the cooperation of foreign governments. These governments are interested primarily in strengthening free world military power. They are not interested in developing atomic power under restricted United States corporate control.

SECURITY A REAL PROBLEM

In regard to (b), widening the base of free enterprise participation on a competitive basis by relinquishing ownership and control of bomb-making quantities of U235 or plutonium or substantially enriched U238 would magnify the task of maintaining security to a dangerous degree. Until this one problem is solved, the whole subject is moot.

In regard to (c), I wish to deal with this subject in a more complete manner by referring to paragraph H and the four principles appurtenant thereto.

As I pointed out in the aforementioned paragraph H, the declaration of policy in section 1 of the Atomic Energy Act stated that the paramount objective was "assuring the common defense and security" and the four secondary, but correlative objectives were: First, "improving the public welfare"; second, "increasing the standard of living"; third, "strengthening free competition in private enterprise"; fourth, "promoting world peace."

It is evident that three of these four objectives, one, two, and four, are end objectives in the nature of national and international improvement in the well-being and safety of the individual; it is also evident that objective three is specific as to the method to be used to attain the other three end objectives and it is to objective three that I wish to address my remarks.

STRENGTHENING FREE COMPETITION EMPHASIZED IN POLICY STATEMENT OF ACT

The capitalistic system, as developed in the United States, modified and regulated by State and Federal laws in the interest of our society, has produced the greatest good for the largest number of people compared to any politico-economic system yet demonstrated in history.

The tendency of our system to develop business of tremendous size and power, the threat of semimonopoly, monopoly, or powerful combinations in restraint of competitive trade has been recognized by the Federal legislators.

Laws have been passed in the national interest to prevent concentration of economic power to the extent considered inimical to the public interest. Due chiefly, in my opinion, to the effect of this type of regulatory legislation and to a growth of social responsibility on the part of American business leaders, the old "public be damned" attitude has gradually been replaced by a "public be served" philosophy. This new sense of social responsibility was written into the basic purpose of the Atomic Energy Act of 1946, and its subsequent amendments did not change this principle.

Clearly set forth in the first section of the act's declaration of policy were these words, "strengthening free competition." In order to effectuate this policy as well as others, a system of permissive licensing was set up in section seven of the act.

The Congress did not see fit to give wide administrative judgment to the Atomic Energy Commission on this point, but was unusually definitive in setting the pattern for licensing participants in the program. This was not a thoughtless or casual exercise of legislative function. It was deliberate and based on the need for security of information, the defense of our Nation, and the protection of our economic system of free enterprise.

The Congress could not foresee "the effect of the use of atomic energy for civilian purposes upon the social, economic and political structures" in the future, but it did anticipate that, "tapping this new source of energy will cause profound changes in our present way of life." They therefore wrote into the act, and prescribed administrative directions to safeguard the capitalistic principle of "strengthening free competition." The Congress went beyond this declaration of policy and expressly prohibited licensing for industrial purposes, "where activities under any license might serve to maintain or foster the growth of monopoly, restraint of trade, unlawful competition or other trade position inimical to the entry of new, freely competitive enterprises in the field"—section 7, paragraph C.

I believe that these principles are basic to the perpetuation of our democracy. I believe the Congress was more than usually aware of the fact that they were dealing with a subject matter fraught with tremendous significance for the future. Selfishness, greed, partisanship and personal bitterness was laid aside in the presence of this new discovery of almost unlimited energy.

The sole objective of the people's representatives was to enact legislation in the interest of all the people.

NO IMPROVEMENT SEEN IN WORLD PEACE PROSPECTS

The compelling realities that existed in 1946 are still with us today. In fact, world conditions have deteriorated rather than improved.

Military needs have not, nor will they in the near future, be fulfilled.

Our conventional sources of civilian power—coal, oil, hydroelectric—are adequate for the foreseeable future.

No immediate emergency faces us that would justify substantial diversion of raw uranium material into civilian power use.

No real justification can be given for widening the security risk which is indivisible from relinquishment of Government ownership and control.

The public interest will not be served at this time by trading off the people's $12 billion investment to date, for a few million dollars of private risk capital.

I point out once more that no private risk capital has been offered to date which is not contingent on some form of

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Federal subsidy—and some form of special interest advantage for a chosen few.

Before such drastic changes can be made in the purposes of the 1946 Atomic Energy Act, legislative amendments must be enacted. I believe I have presented a strong argument that such changes are untimely, unwise, and dangerous to the national military and economic interest. I am in favor of hearings by the Joint Committee on Atomic Energy which will explore needed changes, but I shall continue to protest earnestly and vigorously against changes which are inimical to the public interest and I beseech the earnest consideration of this impending problem by my colleagues in the House of Representatives and the Senate of the United States.

Mr. HOLIFIELD. Mr. Speaker, will the gentleman yield?

Mr. PRICE. I shall be glad to yield to my distinguished colleagues from California, who is a very able member of the Joint Committee on Atomic Energy.

Mr. HOLIFIELD. The gentleman from Illinois is making a very important address and he is laying down some principles which I think it will be very beneficial for every Member of Congress to read. On the point which he mentioned, the reactor development and the C. B. R. or ship propulsion marine engine, and the nuclear aircraft engine, while we have made good progress along that line, is it not true that if appropriations are drastically cut in that field the research and development which has occurred in the past 2 or 3 years will come to a grinding stop? It may delay the actual consummation of the completed development for a period of years.

Mr. PRICE. I may say to the gentleman from California I am afraid that what he has said is true and it is exactly what will happen. I am hopeful, however, that the proper committees of the House now considering that particular appropriation will restore some of these funds so that this project will not have to be slowed down or stopped as it would be should the committee accept the revised budget recommendation. May I say to the gentleman also that I am disturbed over the possibility of a slowdown in the program to which he referred because, in my opinion, any momentum we lose in the atomic energy field can never be regained.

Mr. HOLIFIELD. I think the gentleman is right in his statement and I call to the attention of the House the fact that we have a very fine technological team which has been working on this particular project, the ship propulsion reactor type of atomic engine and they have gathered together from all over the Nation the most distinguished physicists and engineers that we can get in the project. If the project is now eliminated because of lack of funds that complete team will separate and it will be years before we can get the same type of people back together again on a project of that kind.

Mr. PRICE. I thank the gentleman for bringing that point to the attention of the House and I completely concur in his views.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Kentucky [Mr. PERKINS] is recognized for 10 minutes.

Mr. PERKINS. Mr. Speaker, just 2 weeks ago, when this House was considering appropriations for the programs of the Department of Health, Education, and Welfare, those of us who participated in the fight to restore the budget to a reasonable figure warned that this Congress cannot save money at the expense of human life. In many instances, we lost that fight, and the budgets were cut substantially.

Today I am inserting in the RECORD a clipping from the Beattyville Enterprise, of Beattyville, Ky., which, in my opinion, speaks much more eloquently of the result of those cuts in terms of human lives than anything which could be said on this floor. Briefly, this clipping announces that the Oneida Maternity Hospital at Oneida, Clay County, Ky., will be closed on June 30, as a direct result of the cuts made on the floor of the House. Of the $90,000 required to keep that hospital in operation, the Federal Government has been furnishing about one-half. A vote for a cut in the public-health appropriations was, therefore, a vote to close a much-needed maternity hospital in a mountain community in Kentucky.

Surely, all of us will agree with Dr. M. B. Gabbard, head of the Lee and Owsley County Health Department, that this closing will be little short of catastrophic. For we will be closing down a humanitarian institution which has saved the lives of many babies and mothers, and prevented untold hours of pain and suffering in an area which lacks another hospital within 54 miles.

Written on the side of the clipping, in the handwriting of the gentleman who sent me this newspaper, with a purple pencil, is a message for every Member of the American Congress. It reads, "These are our people."

I emphatically agree with that statement and I am proud of the fact that I voted to restore every cut that was proposed in those important appropriations.

The threat that faces the Oneida Hospital is, today, facing hundreds of such institutions throughout the country. It is a direct result of the meat-ax approach to programs of education, health, and welfare. And it does violence to all of the decent instincts of which we Americans are so proud.

Mr. HOLIFIELD. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the distinguished gentleman from California.

Mr. HOLIFIELD. I would say that the gentleman is expressing a concern that is in the minds of a great many of us. I have recently received several letters from California, from communities in my district that were planning to put in hospitals with the aid of Hill-Burton Act funds. I received a long letter from the Lutheran Association of Hospitals, or Hospital Association, I believe it is called, in which they indicate that the lack of funds provided for in the Hill-Burton Act would put them so low down on the priority list that they are going to have to either give up building some of their hospitals or make placements far into the future. It is my hope, as this matter has already passed through this body, that the other body will place it back in the legislation and that possibly the conferees of the two bodies will agree upon an increased amount to take care of the situation that I have mentioned in California and also this situation in Kentucky. I think the gentleman is bringing an important matter to the attention of the House.

Mr. PERKINS. I wish to thank the gentleman from California for his contribution; I, likewise, am hopeful that the Senate will do something about these cuts which are seriously handicapping the public health work throughout the Nation.

Remember, too, that, even before the cuts were made, Federal health grants amounted to 22 percent of all expenditures for State and local public-health programs, and that in 16 States, then ran to 40 percent or more.

Of course, the areas where the greatest need for health services exists were receiving more help, proportionately, from the Federal Government. And this is another reason why the cuts in the appropriations made on the floor of the House were made at the expense of the health and safety of millions of Americans.

May I give you another example of why I so vigorously opposed those cuts. In my own State of Kentucky, 11 important hospitals in 11 important communities are suffering directly from the action of this House 2 weeks ago. In all of these communities planning and construction for improvements have been approved, and usually contracts have been let or taxes have been levied, or bond issues have been floated in anticipation of the Federal funds which are dedicated to the good health of all of us.

I agree with Dr. Bruce Underwood, commissioner of health of the State of Kentucky, that it is a "serious matter to have health programs disrupted." It is a serious matter to discharge highly trained public-health workers. It is a serious matter to add cuts in Federal appropriations to the increased costs of operation. Already, according to Dr. Underwood, "Health services to the people have declined to the point that at the present time the infant death rate is increasing instead of decreasing. Communicable diseases which were being brought under control are either now on the increase or show indications of an increase" in my State.

I urge each one of you to read the full story of the prospective closing of the Oneida maternity hospital as it appears in the RECORD today. And I leave with your consciences the words of Dr. Underwood who has said:

> It costs money to prevent diseases, but it costs much more money not to prevent them, to say nothing of the cost in human life, misery and suffering. It is hard for us to believe that Congress would reduce appropriations for the health of our people

if the ultimate effects of such cuts were fully realized.

The importance of our health program far exceeds any partisan viewpoint. It is regrettable to think that such important programs are taking on a partisan color. The majority party must carry the responsibility for this action, but I am still hopeful that sufficient support may be obtained in the Senate to restore these cuts.

GREEN GIANT CO. GOLDEN ANNIVERSARY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Minnesota [Mr. O'HARA] is recognized for 20 minutes.

Mr. O'HARA of Minnesota. Mr. Speaker, the Green Giant Co., the world's largest packer of peas and corn, is celebrating its 50th anniversary this year. The headquarters of this company are in my congressional district, and its largest plant is in my home town of Glencoe, Minn.

We, in Minnesota, are proud of the record of growth, fair dealing, grower, community, and employee relationships of this nationally known company, which has risen from 1 small plant in Le Sueur, Minn., in 1903, to today's modern 27 plants in 8 States, and Canada. This company was originally the Minnesota Valley Canning Co., but the trademark of the jolly Green Giant became so well known by millions of Americans that the name was changed in 1950, and the canning firm became known as the Green Giant Co.

The basis for this healthy, sound growth may be traced to policies adopted by the company and pursued throughout its existence. In the introduction to its golden anniversary book, the company has this to say relative to its policies:

Through the years we have continued to realize that as our growers prosper so does Green Giant Co.

In the early days our farmers were looking for a more stabilized local market for their crops. Our canneries, we believe, have offered that market.

The very nature of canning crops permits their fitting into a crop-rotation program aimed at increased soil productivity.

Canning crops also permit the leveling out of normal labor and equipment requirements of the farmer, because of the choice of time for the planting of the crop and the earlier harvesting date of the crop.

We have long encouraged local conservation practices which will preserve our soil heritage and natural resources.

It is our practice to pursue continually a sound scientific agricultural research program aimed at increasing crop yields and to pass on to our growers the results of such research studies.

Our contract for the growing and harvesting of crops provides mutual benefits and protection to grower and canner alike.

The contract employs such scientific methods of grading the crops as will accurately measure crop quality so as to pay the same rate per acre regardless of the stage of maturity when harvested.

It yields the grower a return competitive with other farm cash crops, regardless of the variety grown or time harvested.

It requires a minimum of financing on the part of the grower.

In the early days, our plant communities were searching for an industry which would contribute to their growth and prosperity. Our canneries fitted the need.

By offering a local market for the farmers' crops, the farmer tends to trade in our plant communities, exchanging a part of his canning-crop income for local goods and services.

Our canneries offer job opportunities to local men and women. They bring in new citizens—all of whom spend a large part of their earnings in local stores.

Our canneries carry their share of the local tax burden that contributes to the development of better streets, and better water, light, and power facilities.

We are proud to be a part of these communities.

I should also like to bring to your attention some of the events which marked the progress of the Green Giant Co. in the industry which it pioneered, and the many personnel benefit features which have been incorporated by the company, which are set forth in their golden-anniversary book, as follows:

PROGRESS IN PRODUCTS

The Green Giant's basic aim has always been better products for less money.

He has pursued that aim by constantly improving popular and widely consumed vegetables and building into them uniformity of quality, flavor, tenderness, and nutritional value. As a result, the American housewife has learned that she can depend on Green Giant products—can after can—year after year.

This development of specialized and uniform product quality began 50 years ago. Here are some of the highlights.

In 1903 our first pack at Le Sueur consisted of 11,750 cases of cream-style corn.

In 1907 we put up our first pack of peas. These peas were 98-percent standard quality.

In 1911 the company began to specialize. It raised pea and corn quality above standard grade and began marketing fancy merchandise commanding premium prices.

In 1919 we developed what in those days was a new breed of corn. It was golden sweet, but not expensive. There was not enough as yet to can, but the seed stock was being built up.

In 1921 the first large sweet peas were being grown to produce the seed which was eventually used in growing peas for Green Giant brand.

Before 1924 most cream-style corn was white. Del Maiz brand combined the economies and flavor of white with the beauty of gold and changed the cream-style corn eating habits of the Nation.

There was a general belief up to 1924 that smallness in peas meant tenderness and good flavor.

After studying almost every variety of peas then being grown throughout the world, the Green Giant became convinced that the larger seeded sweet-dimpled varieties—mostly English garden strains—were vastly superior in flavor.

Green Giant-brand peas were first packed in 1925 and started the industry trend to large ungraded sweet peas.

In 1926, hybrid-corn seed was news.

Green Giant began to experiment with the breeding of sweet corn. Object: To produce higher yields and more uniform seed.

In 1929 a completely new way of packing corn was introduced to the public. Working with Dr. Fred Fitzgerald of the American Can Co. the Green Giant introduced to the public a new product, Niblets Brand whole kernel corn vacuum-packed in a new 12-oz tin, without brine. Today Niblets is the largest selling brand of corn in the industry.

In 1932 hybrids developed from the better 1926 crop of purelines were put in production. Heretofore open pollinated seed produced corn of which approximately 60 percent was of prime maturity at harvest; the remaining 40 percent was either too young or too old.

Hybrid seed yielded 90 percent prime at harvest, uniform in color and maturity. Hybridizing has worked miracles in seed-corn breeding.

At this time the Green Giant had more acres in experimental hybrid sweet corn seed breeding than the combined acres of the country's agricultural colleges.

Weather cannot be controlled, but its effect on product quality can. The company made the "Heat Unit Principle" a scientific reality in 1934.

This principle was based on the theory that a given crop under certain conditions would require a definite number of time temperature units to reach ideal maturity.

By accumulating such data over many years we have learned when and how much should be planted each day to provide an orderly harvest and this enabled us to pack each field at "the fleeting moment of perfect flavor."

This principle involving split second coordination of planting and harvesting has brought vast improvement to product quality.

In 1939 the refractometer method was introduced to improve corn quality control. The refractometer method measures the bend in a beam of light passed through a film of corn juice, thereby determining the moisture content. This method was considerably faster than the old Brown-Duvall method. It took seconds instead of hours.

In 1939 the Green Giant began using the tenderometer for measuring tenderness of peas. This scientific instrument shears the peas, and the degree of pressure required determines maturity.

This method gave us a more accurate "field grade" than the old sieve size method. Used in conjunction with gravity separation, it made possible accurate segregation of shades of quality. We now separate 10 distinct grades.

Along with the many techniques developed by the Green Giant in growing and harvesting, there arose the need for agricultural specialists. The Green Giant added highly skilled men to its production staff—experts on soil fertility, plant physiology, plant pathology, and insect control.

After years of research it was found that a more flavorful, more colorful whole kernel corn product could be produced by using continuous, high-speed, high-temperature cookers. In 1949 Green Giant started to replace conventional retorts with continuous cookers.

PROGRESS IN EMPLOYEE BENEFITS

The real secret of the Green Giant's progress is the loyalty and ability of the people who make up his family.

A keen awareness of this by the Green Giant is reflected in a progressive program of employee benefits and opportunities.

Each job that an employee of the company is hired to do has been studied to measure its difficulty, training, or experience required, and the responsibility involved.

Jobs are evaluated and those of similar types are grouped in classifications. In each classification there is a salary or wage range.

Wage and salary schedules are continually studied to keep them equitable, within the company, with the area, and in relation to cost of living changes.

The company's policy is to promote from within the organization whenever possible. Continuous training is conducted to help employees' progress and use all of their capabilities.

Merit increases are granted annually to those whose performance on the job has been outstanding for the preceding year.

If on April 1 or October 1 the Consumer Price Index is five or more points higher than its previous peak, an equivalent increase is made in wages.

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Worthwhile ideas about company methods or products can be converted into cash through the suggestion system.

Service anniversaries are recognized with appropriate awards after 15 and 25 years of service.

Two daily 15-minute rest periods, 2 weeks' annual vacation and 6 paid holidays are provided all regular employees.

Paid sick leaves are also granted regular employees.

In case of extended emergency, employees may receive a leave of absence which permits them to be absent without forfeiture of status in benefit programs.

The Green Giant Benefit Association is a voluntary, nonprofit, employee group formed to assist in the payment of medical, surgical, and hospital expenses of members and their families.

Regular employees receive group life insurance protection. The premiums are paid by the company. The amount of insurance carried on each employee varies between $750 and $2,000 depending on his job evaluation classification.

Regular employees, after 5 years, begin participating in the Company's Retirement Trust. This is a profit sharing arrangement. A portion of the profits of the company is put into a trust fund for the exclusive benefit of participating employees. Employees make no monetary contribution to the fund. Each participant begins to draw on his pro rata share of the fund in the year he retires.

When company profits permit and when authorized by the Board of Directors, profit-sharing cash bonuses are distributed to all regular employees. There has been a bonus paid every calendar year since 1942.

Employees may purchase Green Giant stock in the market and pay for it on a payroll deduction basis. They pay 3 percent interest on money borrowed.

Twice a year employees have an opportunity to sit down with their supervisors for a frank discussion of their job, their problems, company operations and policies.

It is, of course, impossible to present in this résumé the full picture of the progress of this company and its development under the competitive free-enterprise system of our country. However, in the light of past accomplishments it is assured a future of great possibilities. To the Green Giant family of employees and officials, congratulations upon this Golden Anniversary and success in the future.

Mr. O'HARA of Minnesota. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

SPECIAL ORDER GRANTED

Mr. PATMAN asked and was granted permission to address the House on tomorrow for 20 minutes, following the legislative business of the day and any other special orders heretofore entered, and to revise and extend his remarks and include certain extraneous matter.

FEDERAL RESERVE BOARD

The SPEAKER pro tempore. Under special order heretofore entered, the gentleman from Texas [Mr. PATMAN] is recognized for 30 minutes.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

INTERESTED CITIZEN WRITES GOOD LETTER

Mr. PATMAN. Mr. Speaker, I received a letter today about a question that many people would like to know more about. In fact, all of us should know more about it.

I will just read the letter. It is from a very important person in Mississippi.

BLUE MOUNTAIN, MISS., *June 4, 1953.*

Re Federal Reserve

DEAR SIR: I read your address on the subject named above. I am a retired Presbyterian minister who would like to understand. If time permits, advise me if I am right below:

(1) The Government donates all notes to the Federal Reserve Board of 7 men appointed for 14 years. That is all Federal Reserve notes.

(2) "Rate of rediscount" means that whereas the Atlanta Federal Reserve Bank might let some member bank have $10,000 on some good note or bond at say one-half percent interest or discount, they could, if they desired, practically force that member bank to return that money by adding yet more interest. This additional interest is called "rediscount."

(3) If that money is donated to the said Board and then traded for interest-bearing bonds, the effect is to donate $23 billion of Government bonds to these people.

Thanking you,

Respectfully,

J. L. MCKINSTRY.

P. S.—I have read CONGRESSIONAL RECORD with some zeal more than 20 years. Allow me to state that Congressmen fail to simplify matters by using plain speech and plenty of illustrations. That which becomes easy for you by daily use is as Greek to the hoi polloi. Why not follow all this matter for months?

"Months" is written in capital letters and underscored.

Another P. S.:

After years of effort I still do not understand any banker's report. Also no daily ever gets down to detail on what happens in a bankers' convention.

In the past it has been customary for people when asked about monetary subjects to say, "I don't know anything about money." Even Members of Congress gladly admit they know nothing about money or the monetary subject. Oftentimes it is passed off by saying, "All I know about money is that I do not have enough of it." Or, "We should have more of it," or some facetious remark like that.

That was all right when it did not mean so much, in not only our everyday lives but in our national debt; but now, with our national debt equal to one-half of all the debts in the United States, and when an increase of one-half of 1 percent interest will mean a billion and a quarter dollars a year increase, or an increase of 1 percent in interest rates will mean that the taxpayers will have to pay over $2½ billion a year extra, just to pay that increased interest on the national debt alone, it is time for Members of Congress to give this subject very serious consideration. In fact, I believe a greater responsibility is upon Members today on this subject than has ever been upon them in the past.

I am going to answer this gentleman's questions in the order in which he presents them.

The first is about the Federal Reserve Board. Yes, there is a board of 7 members, and each is appointed for 14 years. At this time there is a vacancy, so there are only 6 members of the Board. I do not know why the Executive has not filled that vacancy.

The Federal Reserve Act, section 10, subsection 4 concerning the filling af vacancies on the Board of Governors, provides in part:

> When a vacancy shall occur, other than by expiration of term * * * a successor shall be appointed by the President, by and with the advice and consent of the Senate, to fill such vacancy and when appointed he shall hold office for the unexpired term of his predecessor.

It will be noticed that the law specifically says that when a vacancy occurs other than by expiration of term "a successor shall be appointed by the President."

There has been a vacancy on the Board for many months not caused by an expiration of a term. The way I construe the law it is mandatory, and I cannot understand why the Executive does not feel that the vacancy should be filled. If I understand anything about the law and the requirements of the law it should be filled, but the vacancy is there now and there are 6 members of the Board instead of 7.

MOST POWERFUL BOARD IN U. S. A.

The Open Markets Committee is really the organization composed of 12 men who run the monetary affairs of our country. The Open Markets Committee has more power than all the Federal Reserve banks and all the officers and employees connected with it. The Open Markets Committee has more power over monetary matters and the issuance and distribution of money than the Congress of the United States as long as the laws remain like they are, more than the Supreme Court—of course, the Supreme Court has no power like that—and more than the executive branch of our Government. In other words, those 12 men have very important positions—12 of them. They determine whether we have good times or hard times. Now, who are those 12 men composing the Open Markets Committee? The members of the Federal Reserve Board are 7 of the 12; the other 5 are presidents of 5 of the Federal Reserve banks, of which there are 12 in the United States. Five of the presidents of those banks serve on this Open Markets Committee, making up the 12 members. How are these presidents selected—these five presidents? They are selected like all the presidents of the 12 Federal Reserve banks, by the bankers, but they must be approved by the Federal Reserve Board; that is, they are selected by the directors of the Federal Reserve banks, and each board is composed of a majority of bankers, and these presidents must be approved by the Federal Reserve Board. So you would think that the Federal Reserve Board, for all practical purposes, would control the Open Markets Committee, because they have 7 votes out of the 12, and they have a lot of power over these

5 members sitting across the table from them; in fact, these 7 governors of the Board have to approve the 5, every one of them, or they would not be presidents, and if not presidents, could not be on that Open Markets Committee.

In addition to that, these five presidents must depend upon the Board of Governors to fix salaries of their employees and other officers as well as their own salaries, and they have complete control of the important matters of the banks under the direction of each one of those and the other presidents of Federal Reserve banks. So the seven Board members for all practical purposes you would think would control the Open Markets Committee.

The Open Markets Committee, it is true, directs the printing and the distribution of money through its activities; that is, Federal Reserve notes that represent about 90 to 95 percent of all the money we have in circulation. These Federal Reserve notes are, of course, just printed money, they are just bills. Some people call them greenbacks. They are not greenbacks because greenbacks really represent fiat money. These do not represent fiat money; they are greenbacks, though, in looks; they are printed money. Now, this money is printed over here in the Bureau of Engraving and Printing in Washington, D. C. The Open Markets Committee, these 12 men, it is true, as this gentleman says, they get this money absolutely free except the actual cost of printing which is so insignificant it is hardly enough to even mention. But the cost of printing is the only cost they have, just like this gentleman suggests. The cost of printing is paid for out of funds made possible by trading printed money for Government securities. They can take a million dollars' worth of Federal Reserve notes and they get it absolutely free except for the little costs I have been telling you about, which is too little to mention or to consider, and trade the million dollars of printed money which, of course, does not bear interest, for a million dollars' worth of United States Government bonds which draw interest—we will say it is some of these 3¼-percent bonds that have just been issued, 30-year bonds—and if they take a million dollars and trade it off for a million dollars' worth of those bonds they will continue to collect that 3¼ percent interest every year as long as they hold those bonds. So, what the gentleman says is correct in that they get these notes and they trade them for bonds and then they keep the interest on the bonds. Now, what do they do with their own money? Well, last year these 12 Federal Reserve banks made about a half billion dollars that way. They use it in various and sundry ways, including propaganda, banquets, traveling expenses, and even subsidizing the cost of meals in their eating places for all their officers and employees. There is no detail accounting to the Congress on it that is satisfactory.

SHOULD COMPEL DISCLOSURE OF THEIR AUDITS

The Federal Reserve System is 40 years old. That is, on December 23, 1953, it will be 40 years old. Up until 2 years ago I honestly thought that the Federal Reserve System filed their audits and reports every year with the Banking and Currency Committees of the House and Senate, but I discovered at that time they not only did not file them that year but have never filed one. It is true that they have had audits made of these 12 Federal Reserve banks every year by auditors of their own selection, paid by them with the kind of money I have been telling you about. They collect interest on Government bonds and they pay these auditors. But no one sees these audits except the people who are interested. Members of Congress never see these audits. Not only that, but I discovered in an investigation I had something to do with 2 years ago—in fact I was chairman of a subcommittee composed of Members of the House and Members of the Senate—that there had never been an independent audit of the Federal Reserve Board.

FEDERAL RESERVE BOARD AUDIT SHOULD ALSO BE DISCLOSED

My discussion heretofore has been about the 12 banks and about the audits thereof. But, now, about the Federal Reserve Board. That is an organization here in Washington known as the Board of Governors of the Federal Reserve System that spends from $4 to $5 million a year and they get their money from these 12 banks. The 12 banks get their money through the interest I have been telling you about. They take part of that and contribute it to the Federal Reserve Board for the expenses of the Federal Reserve Board. But when I raised the point, the Federal Reserve Board had an audit made by a reputable, outstanding, nationally known auditing concern. For the first time in 40 years in making a report to Congress, which is always a very brief report, it did not tell us very much, they reported an audit. And, remember, it is an agency of Congress, the Federal Reserve System is a servant of Congress. They do not tell us much in this report, but they did mention the fact they had an audit made and that the auditor said everything was all right. Of course, that might mean something and it might not mean anything. However, they did not furnish us with a copy of the audit. We have not seen it up to this good day and we will not see it unless we get out a subpena compelling the members of the Board to bring the audit to us because they have been very careful not to disclose these audits. Although they are an agency of the Congress, although they are a servant of the Congress, they are not showing the Congress these audits.

I have answered the first question.

The second one about rediscount rates I will not go into because it involves really the discussion of another matter under the heading of the same subject. I will discuss that at some subsequent date. If that money is donated to the Board, then traded for interest-bearing bonds, the effect is to donate $23 billion of Government bonds to these people. There is a lot to that. I do not say that the bonds are absolutely donated to them, although I cannot say that the phrase "donated to them" is incorrect. They at least have the bonds. They have taken printed money and traded that printed money for the bonds. The bonds did not cost them anything. They have the bonds and now they are collecting interest on those bonds.

In order to have a comparable situation and so that we might understand a little better, suppose we wanted to help endow some prominent university or college in the country and we permitted that university to buy a million dollars worth of bonds. You will say, "Well, where would they get the money to buy the bonds?" Well, if they get the money like the Federal Reserve Board gets the money, they would get it from the Bureau of Engraving and Printing. We would have it sent to the university, that university would take a million dollars worth of printed money and buy a million dollars worth of interest-bearing bonds; then every year collect interest on the bonds of 3¼ percent, it would be $32,500 a year on a million dollars worth of bonds. That would be a good way of subsidizing any university or any good cause that we wanted to subsidize. Of course, we are not going to do it but that is the way it works with the Federal Reserve Banking System. The most valuable franchise a group could possibly have is the one that allows it to get unlimited printed money from the Government and trade that money for interest-bearing bonds of the Government, keep the bonds and collect the interest annually.

This gentleman has brought up some good points and I certainly hope Members of Congress will give consideration to the questions that he has raised.

EACH MEMBER SHOULD BE PROVIDED ASSISTANT ON MONETARY MATTERS

With this national debt as high as it is, and the amount of interest that we are paying every year, it is certainly our duty to give it more consideration now than in the past. It is too important to ignore. A Member of Congress does not have very much time to do this, to study economic questions, especially a question like a monetary question, unless he has some help. If each Member of the House and Senate were to be furnished an economic expert, call him administrative assistant, or anything else you want to call him, for the purpose of helping the Member on this subject alone and nothing else, it would pay big dividends in the long run.

BILLIONS A YEAR COULD BE SAVED

I venture to say that ways and means could be found and provided that would save the taxpayers of this country billions of dollars a year in paid unearned interest, unearned interest that they are paying at the rate of billions of dollars a year that could be saved. I wish there could be some way worked out where Members would have that inducement to work on this subject more, and to give it more attention.

WHERE DOES MONEY COME FROM?

The question arises, Where does money come from? Where does money come from is a very important question, and I think if the people begin to look into it and Members of Congress begin to look into it, we will not only save billions of dollars a year of unearned interest that we are now paying, but we will

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avoid these devastating depressions that we have had every few years. Money is based on debt. If all debts were paid there would not be any money, except a very small amount in coins, and so forth.

MONEY MASTERS

As to the policy of the money masters—some people call them money managers, but the Open Markets Committee and the Federal Reserve Board represent our money masters; that is what they are—we want to find out more about what these money masters are doing and what the effect of what they are doing is having on the people. A friend of mine from Texas advised me today:

Looks like they are making a crap game out of the Government market, and like shooting craps, it is all a matter of luck whether one throws the 7 at the right time. The luck in this game is to guess what the 12 men will do.

Can you imagine a nuttier monetary-control system?

Just look what enormous profits one would have made if he had bought on the 2d and sold on the 4th at 20/32 profit.

Couldn't a fellow get rich if he could get a tipoff of what the 12 men intended to do?

I am not saying that there are any leaks, but there could be. Some employee or secretary could tell a friend.

All other departments of the Government seem to leak once in a while.

Anyway, it is a "quacky" credit control and money market the new Secretary of the Treasury has elected to be guided by.

We know one thing that is outstanding, and that is that our money masters are not trying to reduce the national debt. You never hear of them trying to reduce it. Even back between the wars, between World War I and World War II, when our debt was considered large at that time—of course, small as compared to our debt today—yet there was no great effort to reduce it too much, and there was a lot of argument about it in the newspapers at the time that a big national debt is a good thing, and today, with a national debt as large as it is, and the interest as burdensome as it is, you do not hear of any of our great money masters trying to get the national debt reduced. They are not even advocating it. They want lots of debt paper; of course they do; it is in their interest to have a lot of debt paper, and they want to keep a lot of debt paper, especially good Government paper, and paper issued by the municipalities and political subdivisions.

HIGH INTEREST RATES

Mr. Speaker, one other point I want to mention is about interest rates. The policy of high interest rates is a very devastating one. It can be destructive to our entire economy. It is contended by a lot of economists who are very smart men that high interest rates will not cause a depression. Even if it will not cause a depression, high interest rates are not justified to the extent and in the manner that they are now being forced by, I will add again, our money masters. Our money masters are forcing high interest rates.

I invite your attention to an article that appeared in this morning's Washington Post on page 26 about the stock prices being off sharply and sales heavy, and also about the gas and electric markets, and in particular one $25 million bond issue.

Consolidated Gas Electric Light & Power Co. of Baltimore yesterday awarded its new $25 million issue of series Y first refunding mortgage bonds to an investment banking group headed by Halsey, Stuart & Co., Inc.

The winning bid, Charles P. Crane, president of the utility, announced, named a price of 101.649999 and a 3⅞ percent coupon for the 30-year bonds.

That represents an annual cost to the company of 3.78 percent for the new money, which compares with a cost of around 2½ percent for like financing some months ago when the money market was fairly easy as compared to the presently tight situation.

Notice that. Within a few months time this great utility, that has, of course, as good a credit rating as any concern in the world could possibly have, is forced to pay an interest rate that is equal to a 50-percent increase over what it paid a few months ago. That is the effect of our tight money market.

That money will go into an expansion program. There is lots of expansion going on. Without expansion of industry we would not have any place for the new workers to get jobs. We must increase our production, our gross national product, by 3 or 4 percent every year in order to take care of the increase of 750,000 to 1,000,000 new workers who come on the scene every year, who must have jobs for them to be taken care of. Therefore, the expansion of industry is very important. This year it has been estimated that industry would spend $27 billion for expansion and to establish new industries, which would give a lot of jobs, of course, and take care of the new workers.

The first 6 months 50 percent of that is going to be used or one-half of the $27 billion, no question about it. What will happen in the next 6 months? If all concerns have to pay a 50 percent increase for the money they get, it is possible that they will back off and say, "No, we will wait. That is too high." If they wait, they do not expand. Fewer people will get jobs. That can reach such a proportion that it will directly affect our employment situation and be harmful and detrimental to our country.

Some economists claim that this high money policy, if it does cause a depression, will take 2 years actually to reach that stage. I am not sure that it will be that long, possibly 6 months or a year, maybe longer than that, but it occurs to me that we will have some telling blows against our economy in a few months' time if they keep up at the fast pace they are now going of rapidly increasing interest rates and to such high levels.

When a utility pays more interest, like a 50-percent increase here, that is the wholesale rate. The ordinary Tom, Dick, and Harry in the country pay what might be called the retail rate, and it is several times, always, what the wholesale rate is. So his rate goes way up. As an electric utility pays more, that electric utility's expenses go up, just as much as if the workers in the plant had said, "We have got to have more wages," and they actually got an increase in wages. That would be the same cost to the utility.

If the money masters just say, "We have got to have more interest, you have got to pay 50 percent more for your money than you paid in the past," that means an increase in cost to that utility, just the same as any other increase in cost to that utility.

This utility, if it is operating in a city—and naturally it is—will have to go to the city council and get an increase in rates in order to take care of this increase in cost.

That, of course, causes an increase to every owner of property; to every tenant, to every owner of rental property, to everyone. It increases costs all down the line.

Those increases go not only to the electric bill, but to the gas bill, to the telephone bill, to transportation, to all these different conveniences that we have that we pay for.

The users of every one of them will have to pay an increased rate, because as there is an increased interest rate you have to have increased compensation. And that goes right down to the man who is paying the bill.

Let us take for instance, a landlord who owns an apartment house. His bills come in; they have all been increased because of high interest—all of them have to collect more from him; electricity, gas, water, telephone, everything else, so that he has to say to each tenant, "I have got to have more rent."

Of course, the tenant cannot dispute that, because he knows that the landlord is caught in a squeeze and the tenant must pay more rent.

Then the tenant, as a wage earner, goes to the concern for which he works and says, "I have got to have more wages because I am having to pay more rent."

Rent is about the highest single item in the cost of living. So this high interest has the most devastating and destructive effect on our entire economy of any one thing that could be put into effect, because it touches everybody and everything.

Whether or not it will be 6 months or 12 months or 2 years before its most devastating effects will be known, we do know that it is going to have a bad effect; and I certainly hope that the Board of Governors of the Federal Reserve System, who can control the Open Markets Committee, if they want to, will give immediate attention to this problem and do something about it, and stop this 50 percent and more increase in interest rates that is going on.

BOARD VACANCY SHOULD BE FILLED

I respectfully invite the attention of the executive branch of the Government to the fact that under the Federal Reserve law, as passed in 1913, and the amendments thereto, the vacancy on the Federal Reserve Board should be filled. There should be seven members on that Board.

ATOMIC EXPLOSIONS AND TORNADOES

The SPEAKER. Under previous order of the House, the gentleman from Indiana [Mr. MADDEN] is recognized for 10 minutes.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a letter.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. MADDEN. Mr. Speaker, I am deeply concerned about the terrible series of tornadoes which have brought widespread death and destruction in the past few months. The number of these death-dealing twisters this year is unprecedented in Weather Bureau records. There were 65 recorded tornadoes in April, which is almost 3 times normal for that month. There were more than 70 tornadoes recorded for May and even that figure is incomplete. Only 9 days of June have passed and 32 tornadoes have already been recorded—more than the customary figure for the entire month.

The public, as well as some scientists, wants to know if there is any connection between the A-bomb explosions and the tornadoes which have followed. Scientists admit that great quantities of radioactive materials are blown into the atmosphere by the explosions of atomic bombs in Nevada. Thousands of tons of this radioactive material drifts across the Nation. We know that this material pollutes the air we breathe and the water we drink. Does it also generate abnormal atmospheric conditions? Is the plague of tornadoes a byproduct of A-bomb explosions within our borders?

More than 300 lives have been lost and millions of dollars' worth of property destroyed in the last few months by this epidemic of tornadoes.

Today I have written the chairman of the House Armed Services Committee to initiate a thorough investigation to determine the relationship between atomic bomb explosions and cyclonic weather disturbances.

The following is a copy of the letter which I have sent to Congressman DEWEY SHORT, chairman of the House Armed Services Committee:

JUNE 10, 1953.

Hon. DEWEY SHORT,
Chairman, Committee on Armed Services,
House of Representatives,
Washington, D. C.

DEAR MR. CHAIRMAN: Millions of Americans are deeply concerned about the terrible series of tornadoes which have brought widespread death and destruction during the past few months. The number of death-dealing twisters this year is unprecedented in Weather Bureau records. The records of the Weather Bureau reveal that during the month of March 1943, 47 tornadoes of major and minor violence took place throughout the country. The records also reveal that the normal annual number of tornadoes for the month of March over the last 36-year period is recorded as 18. In April, 65 tornadoes took place and the normal for April over the 36-year period was 25. In May, 77 tornadoes took place and the normal over a 36-year period was 34.

In the first 9 days of June of this year, 32 tornadoes struck as compared with 28 for the whole month of June of the 36 year normal average and this figure does not include the devastation of the tornadoes yesterday (June 9) in Massachusetts, Michigan, and Ohio.

If the same average continues over the full month of June as occurred in the first 9 days, the country will have been visited by 96 tornadoes for the month of June.

The Weather Bureau also states that their record for storms of tornado violence since 1900 shows an average of 149 a year. If the tornado violence that has visited the Nation since January 1, 1953, up to and including June, continues, the number will approach 269.

Francis W. Reichelderfer, of the Weather Bureau, and rated as the country's No. 1 expert on atmospheric destruction, is quoted in the Washington Times-Herald of June 10 as saying: "Let me put it this way. We haven't been able to prove that the atomic tests don't affect the weather, but we also haven't been able to prove they do."

The number of deaths up to June 9 by tornadoes has been listed as 336, which does not include the 71 deaths in Massachusetts and the 140 in Michigan reported as of yesterday. Of course, additional hundreds have been injured along with the destruction of millions of dollars' worth of property.

Millions in America are very much aroused over the fact that the great number of atom bombs that have been exploded in the western part of the Nation might have contributed toward this abnormal epidemic of tornadoes and atmospheric disturbances.

It has been recorded that radioactive materials have been found in hailstones, which have fallen as far east as the State of Pennsylvania. Airplane pilots and navigators have complained that their flying operations have been thrown off balance on numerous occasions, which might have been caused by the repercussions and aftereffects of atomic explosions.

From an article in the U. S. News & World Report of May 29 the following paragraph is taken:

"The weather, nevertheless, remains largely a mystery. Some improvements have been made in weather-forecasting methods. There is a little more knowledge about upper-air currents. But weather predictions are still inexact and often wrong. Most authorities agree that the science of meteorology is in its infancy."

The public, as well as some scientists, wants to know if there is any connection between the atom bomb explosions and the tornadoes which followed. Scientists admit that great quantities of radioactive materials are blown into the atmosphere by the explosions which have occurred in Nevada. We know this material pollutes the air we breathe and the water we drink. Does it also generate abnormal atmospheric conditions? Is the tornado a byproduct of the atom bomb explosions within our borders? These are questions which millions would like to get some satisfactory answer.

I do not believe that the task to secure this knowledge from a scientific standpoint would be a very difficult one. I further do not think that it would be practical for the Congress to ask for a special committee to investigate this atmospheric problem, but the Armed Services Committee of the House could appoint a subcommittee and assimilate all the available evidence from weather bureau experts, scientists, meteorologists, and others on this important problem, which is perplexing the minds of millions regarding our atmospheric upheavals.

I urge that you, as chairman of the Armed Services Committee, take this problem up with your honorable body and make this necessary investigation and survey of whether or not repercussions from atomic bomb explosions are bringing about the Nation's abnormal tornado conditions.

Sincerely yours,

RAY J. MADDEN,
Member of Congress.

TRADE AGREEMENTS EXTENSION ACT

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 275, Rept. No. 539), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5495) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered as having been read for amendment. No amendments shall be in order to said bill except amendments offered by direction of the Committee on Ways and Means or an amendment proposing to strike out title II of the bill, and said amendments shall be in order, any rule of the House to the contrary notwithstanding. Amendments offered by direction of the Committee on Ways and Means may be offered to any section of the bill at the conclusion of the general debate, but such amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

MISSION OF STATE DEPARTMENT: TO HELP DEVELOP OUR ECONOMY?—WITH NEW IRONS IN THE FIRE?

The SPEAKER pro tempore. Under special order heretofore entered, the gentleman from New Jersey [Mr. SIEMINSKI] is recognized for 2 minutes.

Mr. SIEMINSKI. Mr. Speaker, I rise to ask the State Department to define its mission. Is it to help develop our economy, to keep America from being hurt or double banked? Could a more cooperative Congress help? How? Why do I ask?

Congress is under fire for slashing appropriations that eliminate 25 percent of our foreign service personnel. The June 10 issue of the New York Times in its editorial, "Crippling Our Diplomacy," calls the cut punitive, and "one of the major pieces of folly of the present Congress." It cites as reasons the cold war and the crucial struggle we face with the Communists. One wishes the Times had come closer to the knuckle, had cited specific benefits that would accrue to our people with a fuller appropriation, and not just the loss that would follow with a slash.

These are days when America needs new irons in the fire, days of definition, days when we need to wipe the gum from our eyes for better vision to reduce the division of man from man.

What is the function of the State Department? To spin our economy? To help us obtain abroad what we need to live as a nation in self-respect? To keep us from fighting, and to keep others from fighting; to get what all need to live? Historically, is it to keep those who have hurt us in the past, from hurting us in the future? Does this mean keeping Germany and England and Italy and

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France from each other's throat, and ours as well? And Japan and China from each other's throat, and ours as well? And, currently, does it mean keeping the hammer and sickle from being jammed down the throats of us all? And pulled out of the throats of those now under the take-and-torture tyranny of the Reds? That is a big job. It takes economics, new markets, new techniques, new irons in the fire. That is State's job, backed by a strong defense. It is a big job.

In our history, since 1776, at best, we have enjoyed a bit better than 23½ years of quiet, on the average, between cannon barrages: 1776, 1812, 1845, 1861, 1898, 1914, 1941, 1950. When will the next guns go off?

What Congress does in restoring the cuts in the Department of State, and how it votes on reciprocal trade, and on the Export-Import Bank can, I believe, broaden the span between those 23½-year cannon barrages.

PERMISSION TO ADDRESS THE HOUSE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

TWENTY-FIFTH ANNIVERSARY OF THE VETERANS' ADMINSTRATION HOSPITAL AT BEDFORD, MASS.

Mrs. ROGERS of Massachusetts. Mr. Speaker, on Sunday I attended the 25th anniversary of the Veterans' Administration hospital at Bedford, Mass., a psychiatric hospital located in my congressional district. I watched the exhibition showing how the hospital developed from the very beginning, the wards and the sunrooms in the beginning without decoration, the bleak interior, and then the next exhibit showing the wards and the sunrooms as they are today with cheerful hangings and light furniture.

I saw an exhibition of what is being done in the way of improving the food that is served to the patients. They are giving the patients now, even the disturbed patients, eating utensils instead of just a spoon as they did before.

I saw exhibits from the farm. They have a farm at Bedford Hospital and that is why I am anxious to have land around these hospitals where the mentally sick and disabled are treated, so they can get out of doors and work on the farms, observe the hens and their chickens, the pigs—and discover that even pigs like to have their heads scratched. And then the veterans have an opportunity to work in the fields, and they get pleasure from many, many things and enjoy them.

Then I saw the exhibit of things the patients make with their own hands, beautiful things. This manual work gives them an incentive to use their hands.

I saw the patients there with their families, and many of the families came up and said how fine their boys had been treated at the hospital. One mother had just lost a son, he had died the night before. He had been in the hospital 20 years. She had nothing but praise. Another mother, a Gold Star widow, had a son who had been in the hospital for 25 years and she had nothing but praise.

Then as to the diet, I would like to say to the House that I never saw better food anywhere, not even at home or anywhere else, than I ate at that hospital, and it is all done at very low cost. They have managed to do it and still give the best of food to the patients—light bread and plenty of milk.

And I would like to say a word of appreciation for Dr. Winthrop Adams, who was at one time a medical director of the Veterans' Administration here in Washington. He was the director, the medical head of the Veterans' Administration for all of the country, and then he asked to have a hospital, and he was assigned to that Bedford Hospital. He is my idea of a perfect Veterans' Administration doctor for the nervously sick or for patients with other disabilities. He is interested in all of his patients; he has no dread or fear of any of the patients, and he talks over with the families all of the problems of the patients and the problems of the hospital. He is kindly, able, and a remarkable doctor. I think he ought to have a citation from the Congress of the United States for the fine work that he has given and the effort he has put into it.

The hospital is terribly overcrowded. They immediately need more beds. It is one of the hospitals where they try to take in extra patients if there is an emergency. They try to see that the patients stay there long enough instead of putting them out before they are able to go. I wish everybody in the Congress could see the operation of that hospital; then they would realize the need for having the money restored in the independent offices appropriation bill for the Veterans' Administration. I hope that there will be enough money appropriated so that every veteran in need of treatment for nervous and mental illnesses can be taken care of all over the country.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Appendix of the RECORD, or to revise and extend remarks, was granted to:

Mr. HOSMER in four instances, in each to include extraneous matter.

Mr. SMITH of Wisconsin in three instances, in each to include extraneous matter.

Mr. HESELTON and to include extraneous matter.

Mr. FINO and to include a letter received from a constituent.

Mr. BONNER and to include extraneous matter.

Mr. RIVERS and to include an article on the retirement of Louis M. Shimel as assistant United States district attorney for the eastern district of South Carolina and an editorial on the same subject.

Mr. YORTY in seven instances and to include extraneous matter.

Mr. BOGGS and to include extraneous matter.

Mr. ABBITT and to include extraneous matter.

Mr. DODD and to include an editorial.

Mr. HOLTZMAN (at the request of Mr. DODD) in two instances and to include extraneous matter.

Mr. O'NEILL (at the request of Mr. BOLAND).

Mr. KEAN and to include an editorial from today's New York Times.

Mr. YOUNGER and to include an editorial from the San Mateo Times.

Mr. POWELL in six separate instances, in each to include extraneous matter.

Mr. BURDICK in two instances.

Mr. MCDONOUGH in two instances and to include extraneous matter.

Mr. PATMAN and to include a letter.

Mr. MADDEN and to include a speech by John C. Sciranka.

Mr. MARTIN of Iowa and to include extraneous matter.

Mr. PERKINS and to include a story from the Beattyville Enterprise and a letter from Dr. Bruce Underwood, in charge of the Department of Health in Kentucky.

Mr. HELLER (at the request of Mr. MCCORMACK) and to include extraneous material.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to a joint resolution of the Senate of the following title:

S. J. Res. 76. Joint resolution designating the week beginning June 14, 1953, as Theodore Roosevelt Week.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. FEIGHAN (at the request of Mr. BOLLING), indefinitely, on account of official business incident to the tornado disaster in his district.

ADJOURNMENT

Mr. CANFIELD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 7 minutes p. m.) the House adjourned until tomorrow, Thursday, June 11, 1953, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

762. A letter from the Secretary of the Army, transmitting a draft of legislation entitled "A bill to authorize the Panama Canal Company to transfer the Canal Zone Corrosion Laboratory to the Department of the Navy; to the Committee on Merchant Marine and Fisheries.

763. A letter from the Secretary of State, transmitting a draft of a bill entitled "A bill

for the relief of certain officers and employees of the Foreign Service of the United States who, while in the course of their respective duties, suffered losses of personal property by reason of war and conditions resulting from war"; to the Committee on the Judiciary.

764. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in cases where the authority contained in section 212 (d) (3) of the Immigration and Nationality Act was exercised in behalf of such aliens, pursuant to the provisions of section 212 (d) (6) of the Immigration and Nationality Act; to the committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SHORT: Committee on Armed Services. H. R. 5637. A bill to provide for the use of the American National Red Cross in aid of the Armed Forces, and for other purposes; with amendment (Rept. No. 527). Referred to the Committee of the Whole House on the State of the Union.

Mr. GRAHAM: Committee of conference. Conference report on House Concurrent Resolution 29. Concurrent resolution favoring the granting of the status of permanent residence to certain aliens (Rept. No. 528).

Mr. JOHNSON: Committee on Armed Services. H. R. 2331. A bill to repeal section 205 (b) of the Armed Forces Reserve Act of 1952; without amendment (Rept. No. 529). Referred to the Committee of the Whole House on the State of the Union.

Mr. JOHNSON: Committee on Armed Services. S. 1529. An act to amend the act of July 28, 1942 (ch. 528, 56 Stat. 722), relating to posthumous appointments and commissions, and for other purposes; without amendment (Rept. No. 530). Referred to the Committee of the Whole House on the State of the Union.

Mr. JOHNSON: Committee on Armed Services. S. 1544. An act to repeal the authority to purchase discharge from the Army, the Navy, the Air Force, and the Marine Corps; without amendment (Rept. No. 531). Referred to the Committee of the Whole House on the State of the Union.

Mrs. ROGERS of Massachusetts: Committee on Veterans' Affairs. H. R. 631. A bill to provide that compensation of veterans for service-connected disability, rated 20 percent or less disabling, shall be paid quarterly rather than monthly; with an amendment (Rept. No. 532). Referred to the Committee of the Whole House on the State of the Union.

Mrs. ROGERS of Massachusetts: Committee on Veterans' Affairs. H. R. 2984. A bill to prohibit reduction of any rating of total disability or permanent total disability, for compensation, pension, or insurance purposes which has been in effect for 20 or more years; with amendment (Rept. No. 533). Referred to the Committee of the Whole House on the State of the Union.

Mrs. ROGERS of Massachusetts: Committee on Veterans' Affairs. H. R. 5380. A bill to extend pension benefits under the laws reenacted by Public Law 269, 74th Congress, August 13, 1935, as now or hereafter amended, to certain persons who served with the United States military or naval forces engaged in hostilities in the Moro Province, including Mindanao, or in the islands of Samar and Leyte, after July 4, 1902, and prior to January 1, 1914, and to their unremarried widows, child, or children; without amendment (Rept. No. 534). Referred to the Committee of the Whole House on the State of the Union.

Mrs. ROGERS of Massachusetts: Committee on Veterans' Affairs. H. R. 5636. A bill to amend veterans regulations to establish for persons who served in the Armed Forces during World War II a further presumption of service connection for tuberculosis other than pulmonary; without amendment (Rept. No. 535). Referred to the Committee of the Whole House on the State of the Union.

Mr. JOHNSON: Committee on Armed Services. H. R. 2871. A bill to authorize the retirement of non-Regular officers of the Army and Air Force having more than 30 years active Federal service under the same conditions presently provided for such officers having less than 30 years service, and for other purposes; without amendment (Rept. No. 536). Referred to the Committee of the Whole House on the State of the Union.

Mr. JOHNSON: Committee on Armed Services. H. R. 4214. A bill to continue the effect of the statutory provisions relating to the deposit of savings for members of the Army and Air Force, and for other purposes; without amendment (Rept. No. 537). Referred to the Committee of the Whole House on the State of the Union.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 275. Resolution for consideration of H. R. 5495, a bill to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes; without amendment (Rept. No. 539). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SHORT: Committee on Armed Services. H. R. 5527. A bill to authorize the employment in a civilian position in the Office of the Secretary of Defense of Lt. Gen. Graves Blanchard Erskine, upon retirement from the United States Marine Corps, and for other purposes; without amendment (Rept. No. 538). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HUNTER:

H. R. 5655. A bill to amend the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

By Mr. CHUDOFF:

H. R. 5656. A bill to make Flag Day a legal public holiday; to the Committee on the Judiciary.

By Mr. DEMPSEY:

H. R. 5657. A bill to amend the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

By Mr. FERNANDEZ:

H. R. 5658. A bill to amend the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

By Mr. HOPE:

H. R. 5659. A bill to provide for the transfer of price-support wheat to Pakistan; to the Committee on Agriculture.

By Mr. JAVITS:

H. R. 5660. A bill to provide for the transfer of price-support wheat to Pakistan; to the Committee on Agriculture.

By Mr. JUDD:

H. R. 5661. A bill to provide for the transfer of price-support wheat to Pakistan; to the Committee on Agriculture.

By Mr. MEADER:

H. R. 5662. A bill to amend the act of June 30, 1948, so as to extend for 5 years the authority of the Secretary of the Interior to issue patents for certain public lands in Monroe County, Mich., held under color of title; to the Committee on Interior and Insular Affairs.

By Mr. PATTEN:

H. R. 5663. A bill to amend the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

By Mr. POULSON:

H. R. 5664. A bill to amend the mineral leasing laws with respect to their application in the case of pipelines passing through the public domain; to the Committee on Interior and Insular Affairs.

By Mr. REED of Illinois:

H. R. 5665. A bill to amend 18 United States Code 871 to provide penalties for threats against the President-elect, the Vice President, and the Vice President-elect; to the Committee on the Judiciary.

By Mr. SHEPPARD:

H. R. 5666. A bill to amend the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

By Mr. WOLCOTT:

H. R. 5667. A bill to amend the National Housing Act and other laws relating to housing; to the Committee on Banking and Currency.

By Mr. YOUNG:

H. R. 5668. A bill to amend the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

By Mr. HAGEN of California:

H. R. 5669. A bill to amend the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

By Mr. MARTIN of Iowa:

H. R. 5670. A bill providing tax incentive for the creation of additional farm storage facilities; to the Committee on Ways and Means.

By Mr. MILLER of Nebraska (by request):

H. R. 5671. A bill to provide public assistance to needy persons in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. RHODES of Arizona:

H. R. 5672. A bill to amend the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

By Mr. WOLVERTON (by request):

H. R. 5673. A bill to amend the Communications Act of 1934 to provide for monetary forfeitures in the case of violations of the Federal Communications Commission's rules and regulations relating to radio stations other than broadcast stations; to the Committee on Interstate and Foreign Commerce.

H. R. 5674. A bill to amend section 39 of the Trading With the Enemy Act of October 6, 1917, as amended; to the Committee on Interstate and Foreign Commerce.

H. R. 5675. A bill to amend section 32 of the Trading With the Enemy Act, as amended, with reference to the designation of organizations as successors in interest to deceased persons; to the Committee on Interstate and Foreign Commerce.

By Mr. PHILBIN:

H. J. Res. 273. Joint resolution making additional appropriations for disaster relief for the fiscal year 1953, and for other purposes; to the Committee on Appropriations.

By Mr. WICKERSHAM:

H. J. Res. 274. Joint resolution proposing an amendment to the Constitution of the United States to grant to citizens of the United States who have attained the age of 18 the right to vote; to the Committee on the Judiciary.

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By Mr. VORYS:

H. J. Res. 275. Joint resolution providing for the reappointment of Robert V. Fleming as citizen regent of the Board of Regents of the Smithsonian Institution; to the Committee on House Administration.

H. J. Res. 276. Joint resolution providing for the appointment of Owen Josephus Roberts as a member of the Board of Regents of the Smithsonian Institution; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GRANAHAN:

H. R. 5676. A bill for the relief of Luigi Cicchinelli; to the Committee on the Judiciary.

By Mrs. HARDEN:

H. R. 5677. A bill for the relief of Alice Power and Ruby Power; to the Committee on the Judiciary.

By Mr. HELLER (by request):

H. R. 5678. A bill for the relief of Chaim Iwaniski; to the Committee on the Judiciary.

H. R. 5679. A bill for the relief of Ciro Romano; to the Committee on the Judiciary.

By Mr. LATHAM:

H. R. 5680. A bill for the relief of Henry Jorgensen, Elizabeth Jorgensen, James Jorgensen, and Vivian Jorgensen; to the Committee on the Judiciary.

H. R. 5681. A bill for the relief of Julius, Ilona, and Henry Fiehner; to the Committee on the Judiciary.

By Mr. MILLER of California:

H. R. 5682. A bill for the relief of Mrs. Agnethe Gundhil Sundby; to the Committee on the Judiciary.

H. R. 5683. A bill for the relief of Willard L. Gleeson; to the Committee on the Judiciary.

By Mr. MOLLOHAN:

H. R. 5684. A bill for the relief of Walter Kuznicki; to the Committee on the Judiciary.

By Mr. O'NEILL:

H. R. 5685. A bill for the relief of Frank Cecco; to the Committee on the Judiciary.

By Mr. POWELL:

H. R. 5686. A bill for the relief of Henry Mason; to the Committee on the Judiciary.

By Mr. ROONEY:

H. R. 5687. A bill for the relief of Nisen Gans; to the Committee on the Judiciary.

By Mr. ROOSEVELT:

H. R. 5688. A bill for the relief of Maria Gounari; to the Committee on the Judiciary.

By Mr. WOLVERTON:

H. R. 5689. A bill for the relief of Dr. Ivan Kerno; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

320. By Mr. BEAMER: Resolution of the Public Service Commission of Indiana; to the Committee on Interstate and Foreign Commerce.

321. By Mr. HALE: Petition of the Commissioners of the Bath, Maine, Housing Authority, to reconsider the decision to close the Public Housing Administration field office in Boston, Mass., and find a new way to continue this office so vital to the projects of New England, and suggesting that the Boston field office be reduced in size, along with other field offices, rather than be eliminated entirely; to the Committee on Banking and Currency.

SENATE

THURSDAY, JUNE 11, 1953

(Legislative day of Monday, June 8, 1953)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Almighty and most merciful God, we bless Thy holy name for all that Thou hast bestowed upon us in the bounty of this opulent world which is our home. As Thou hast fashioned us for Thyself with restless hearts that find no rest save in Thee, go Thou with us all our pilgrim way and lead us, by our defeats as by our victories, into the knowledge of Thy peace. Give us light for our darkness and strength for every high purpose wherein we are weak, bringing us to face every task in quiet confidence, undisturbed, forever sure that Thou wilt guide our steps and hold our feet from falling. Let the knowledge of Thy redeeming purpose shine in our hearts and on our path as a lamp illuminating the way ahead. In these days that try men's souls we would have Thy will to be our will. Strengthen us by Thy spirit, and make each of us, in the place where we stand, a channel for the coming of Thy kingdom. We ask it in the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, June 10, 1953, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed a bill (H. R. 5304) to permit members of the uniformed services to elect certain contingency options, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 3307. An act to provide for the treatment of users of narcotics in the District of Columbia; and

H. R. 4664. An act making supplemental appropriations for the fiscal year ending June 30, 1953, and for other purposes.

LEAVE OF ABSENCE

On his own request, and by unanimous consent, Mr. MORSE was excused from attendance on the sessions of the Senate from the close of business today until Wednesday of next week.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. BENNETT, and by unanimous consent, the Committee on Banking and Currency was authorized to meet during the session of the Senate today beginning at 2 o'clock.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that immediately following the quorum call, and prior to the consideration of the Treasury-Post Office appropriation bill, which is the unfinished business, we may have a morning hour for the purpose of allowing Senators to introduce bills and joint resolutions, to make insertions in the RECORD, and to transact other routine business, their statements, under the practice, not to exceed 2 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

CALL OF THE ROLL

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Goldwater	McCarran
Anderson	Gore	McCarthy
Barrett	Green	McClellan
Beall	Griswold	Millikin
Bennett	Hayden	Monroney
Bricker	Hendrickson	Morse
Bridges	Hennings	Neely
Bush	Hickenlooper	Pastore
Butler, Md.	Hill	Payne
Butler, Nebr.	Hoey	Potter
Byrd	Humphrey	Purtell
Capehart	Jackson	Robertson
Carlson	Jenner	Russell
Clements	Johnson, Colo.	Schoeppel
Cordon	Johnson, Tex.	Smathers
Daniel	Johnston, S. C.	Smith, Maine
Douglas	Kefauver	Smith, N. J.
Duff	Kennedy	Smith, N. C.
Dworshak	Kerr	Sparkman
Eastland	Kilgore	Symington
Ellender	Knowland	Taft
Ferguson	Kuchel	Thye
Flanders	Langer	Tobey
Frear	Lehman	Watkins
Fulbright	Long	Welker
George	Malone	Wiley
Gillette	Mansfield	Williams

Mr. KNOWLAND. I announce that the Senator from South Dakota [Mr. CASE], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from South Dakota [Mr. MUNDT], and the Senator from Pennsylvania [Mr. MARTIN] are absence on official business.

The Senator from Illinois [Mr. DIRKSEN] is absent by leave of the Senate on official committee business.

The Senator from North Dakota [Mr. YOUNG] is absent by leave of the Senate on official business.

The Senator from New York [Mr. IVES] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

The Senator from Kentucky [Mr. COOPER] is absent because of illness.

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Florida [Mr. HOLLAND], the Senator from Wyoming [Mr. HUNT], and the Senator from Mississippi [Mr. STENNIS] are absent by leave of the Senate.

The Senator from Minnesota [Mr. HUMPHREY] is absent on official business.

The Senator from Washington [Mr. MAGNUSON] is absent by leave of the Senate on official committee business.

The Senator from South Carolina [Mr. MAYBANK] is necessarily absent, attending the funeral of the late Lewis Wood, formerly associated with the New York Times.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

The VICE PRESIDENT. A quorum is present.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

AMENDMENT OF INTERNATIONAL CLAIMS SETTLEMENT ACT OF 1949

A letter from the Secretary of State, transmitting a draft of proposed legislation to amend the International Claims Settlement Act of 1949 (with an accompanying paper); to the Committee on Foreign Relations.

NOTICE OF PROPOSED DISPOSITION OF OBSOLESCENT DRUGS IN NATIONAL STOCKPILE

A letter from the Administrator, General Services Administration, transmitting, pursuant to law, a copy of a notice to be published in the Federal Register of a proposed disposition of obsolescent drugs now held in the national stockpile (with an accompanying paper); to the Committee on Government Operations.

TEMPORARY ADMISSION INTO THE UNITED STATES OF CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered granting temporary admission into the United States of certain aliens (with accompanying papers); to the Committee on the Judiciary.

AUDIT REPORT ON INSTITUTE OF INTER-AMERICAN AFFAIRS

A letter from the Comptroller General, transmitting, pursuant to law, an audit report on the Institute of Inter-American Affairs, for the fiscal year ended June 30, 1952 (with an accompanying report); to the Committee on Government Operations.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, and referred as indicated:

By the VICE PRESIDENT:

A resolution of the House of Representatives of the State of California; to the Committee on the Judiciary:

"House Resolution 163

"Resolution relative to the commemoration of the Mare Island centennial

"Whereas the Pacific ocean constitutes a strategic area of vital interest to our national security and to the economic welfare of the American people; and

"Whereas the United States Navy, the seaborne arm of our national defense, has faithfully and ably protected and advanced that interest since the beginning of our Republic; and

"Whereas the United States Navy played a significant and important role in the acquisition of the Territory of California, more than a century ago, and has since been closely identified with the historical and economic life of the State of California; and

"Whereas the site of the first naval establishment to be built on the Pacific coast was surveyed and recommended by Commodore John D. Sloat, United States Navy, in 1852, and was located on Mare Island, Vallejo, in Solano County; and

"Whereas the small Navy Yard on Mare Island was established on September 16, 1854, by Adm. (then Commander) David Glasgow Farragut, United States Navy, one of the country's immortal military figures; and

"Whereas during the intervening years Mare Island has expanded to become one of the largest naval establishments in the Pacific, embracing the multiple support facilities required by our forces afloat; and

"Whereas Mare Island, in consonance with its motto 'Our Sole Mission Is To Serve the Fleet,' has achieved an outstanding record as a major supporting establishment for the United States Pacific Fleet and as the building yard of 378 naval vessels, including the battleship *California*, and the heavy cruiser *San Francisco*, and has otherwise contributed greatly to American naval successes in two world wars; and

"Whereas the Mare Island naval activities will complete their first century of service to the Nation on September 16, 1954: Now, therefore, be it

"*Resolved*, That the assembly, meeting in regular session in Sacramento does hereby proclaim its pride in the historical role of Mare Island and does authorize and request the Governor of the State of California to issue a proclamation designating the week of September 13 to 18, 1954, as Mare Island Centennial Week; and be it further

"*Resolved*, That the committee on rules appoint a committee consisting of three members of the assembly to act for and on behalf of the assembly in connection with the Mare Island centennial celebration; and be it further

"*Resolved*, That copies of this resolution be presented to the President of the United States, the Vice President of the United States, to the United States Senators and Representatives from the State of California, to the Secretary of Defense, and to the Secretary of the Navy."

Two joint resolutions of the Legislature of the State of California; to the Committee on Finance:

"Assembly Joint Resolution 32

"Joint resolution relative to encouraging self-help of persons on the aid to needy children assistance program

"Whereas there is in California a joint Federal, State, and county program of public assistance to parents and children under the Social Security Act known as the aid to needy children program, at a current cost of over $89 million per year; and

"Whereas in the administration of such program the entire earnings of such parents and such children are deducted from the public assistance payments to them, thereby discouraging such persons from seeking or entering upon any gainful occupation whatever and encouraging them to live in idleness; and

"Whereas this policy encourages juvenile delinquency and tends to destroy the moral fiber of the many fine people whose misfortune compels them to seek support from this program; and

"Whereas it is the public policy of the State of California to encourage all persons capable of self-help to seek gainful employment in order to better themselves, their families, and our society; and

"Whereas the standard of support to persons on the aid to needy children program is a bare minimum and should be supplemented with other funds wherever possible; and

"Whereas a program allowing persons on the aid to needy children program to retain part of their earnings without reduction in the public assistance would encourage these persons to help themselves, eliminate idleness, improve their standard of living, and would materially reduce the cost of the whole program to the county, State, and Federal Governments; and

"Whereas the Federal Security Administration has ruled that the Social Security Act does not permit a State plan of aid to needy children to allow any supplemental income whatever in addition to the public grant of assistance: Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California (jointly)*, That the Congress and President of the United States be and they are hereby urged and memorialized to enact at this session of Congress such laws as will encourage persons receiving aid to needy children assistance to seek gainful employment and permit them to retain part of their earnings so as to improve their standard of living above the minimum of the public assistance program, and thereby to become self-supporting; and be it further

"*Resolved*, That the chief clerk of the assembly be and he is hereby directed to transmit copies of this resolution to the President of the United States, to the President of the Senate, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the Federal Security Administrator."

"Assembly Joint Resolution 33

"Joint resolution relative to memorializing Congress to enact H. R. 2720 providing for the rapid amortization of facilities constructed by private industry for the control of air pollution

"Whereas there is pending before the Congress of the United States H. R. 2720, referred to the Committee on Ways and Means; and

"Whereas H. R. 2720 would provide for a 60-month rapid amortization for tax purposes of facilities constructed by private industry for the control of air pollution; and

"Whereas both the industries and local governmental agencies of California, which create part of the problem of air pollution and whose interests are adversely affected by air pollution, are in agreement regarding the necessity for construction of air pollution control facilities and equipment, but the scheduling of equipment installations depends upon ability to finance such construction; and

"Whereas it is becoming increasingly difficult for private industry to finance construction of these facilities since they are nonproductive, and it may be necessary either to restrict industrial production or to construct air pollution control facilities for industry by using governmental funds: Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California (jointly)*, That the Legislature of the State of California respectfully memorializes the Congress of the United States to enact H. R. 2720; and be it further

"*Resolved*, That the chief clerk of the assembly is hereby directed to transmit copies of this resolution to the President of the United States, the President of the Senate of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of Connecticut, relating to a revision of the Immigration and Naturalization Act of 1952; to the Committee on the Judiciary.

(See joint resolution printed in full when presented by Mr. BUSH on June 10, 1953, p. 6286, CONGRESSIONAL RECORD.)

Two resolutions adopted by the Grand Lodge of Ohio, Independent Order of Sons of Italy, at Youngstown, Ohio, relating to a revision of the Immigration and Naturalization Act of 1952, and alleviation of overpopulated areas in Europe; to the Committee on the Judiciary.

UNIVERSITY OF MICHIGAN LIBRARIES

DISCONTINUANCE OF CERTAIN RAILROAD SERVICES IN INTRASTATE COMMERCE—RESOLUTION OF BOROUGH OF BOGOTA, N. J.

Mr. HENDRICKSON. Mr. President, I present for appropriate reference a resolution adopted by the Borough of Bogota, N. J., on May 28, 1953, relating to the bill (S. 281) to amend section 1 (17) (a), section 13 (3), and section 13 (4) of the Interstate Commerce Act in order to extend to the Interstate Commerce Commission power to prescribe the discontinuance of certain railroad services in intrastate commerce when found to be unreasonably discriminatory against or to constitute an underburden on interstate commerce, which is now pending before the Senate Committee on Interstate and Foreign Commerce. I ask unanimous consent that the resolution be printed in the RECORD at this point in my remarks.

There being no objection, the resolution was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Whereas the independent regulatory agencies of the Federal Government, particularly the Interstate Commerce Commission and the Federal Power Commission have purposely and persistently sought to extend the regulatory powers over public utilities into those areas intended by Congress to be left to local control; and

Whereas under the ever-expanding construction and application of the Shreveport principle the Interstate Commerce Commission has virtually usurped the power of the States in the field of railroad ratemaking leaving to local authority only those matters having to do with the provision for service; and

Whereas the amendments to section 13 of the act as proposed in Senate bill 281 would invade and usurp the police powers of the State and completely strip local authority of all jurisdiction and control over all matters having to do with the provision for or curtailment of railroad depot and station facilities, sidetracks, passenger train and freight train services and thus deprive the States of this last vestige of regulation over railroads: Now, therefore, be it

Resolved, That the Congress be memorialized to restate the true and original legislative intent of section 13 of the Interstate Commerce Act so as to restore to local authority the regulation of those matters of primary local concern and that any and all such proposals as that contained in the provisions of Senate bill 281 to further invade local authority be summarily rejected and defeated; and be it further

Resolved, That the borough clerk of the Borough of Bogota be instructed to transmit a copy of this memorial to the appropriate officers of the Senate and the House of Representatives of the National Congress for inclusion in the CONGRESSIONAL RECORD.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BUSH, from the Committee on Banking and Currency:

S. 1665. A bill to amend the Federal Credit Union Act; with amendments (Rept. No. 394).

By Mr. TOBEY, from the Committee on Interstate and Foreign Commerce:

S. 2033. A bill relating to the labeling of packages containing foreign-produced trout sold in the United States, and requiring certain information to appear on the menus of public eating places serving such trout; without amendment (Rept. No. 395); and

H. R. 5069. A bill to prohibit the introduction or movement in interstate commerce of articles of wearing apparel and fabrics which are so highly flammable as to be dangerous when worn by individuals, and for other purposes; without amendment (Rept. No. 400).

By Mr. POTTER, from the Committee on Interstate and Foreign Commerce:

S. J. Res. 72. Joint resolution to authorize the Secretary of Commerce to sell certain vessels to citizens of the Republic of the Philippines; to provide for the rehabilitation of the interisland commerce of the Philippines, and for other purposes; with amendments (Rept. No. 401).

By Mr. AIKEN, from the Committee on Labor and Public Welfare:

S. 977. A bill to amend the National Science Foundation Act of 1950; with an amendment (Rept. No. 396); and

S. 1515. A bill granting the consent of Congress to certain western States and the Territories of Alaska and Hawaii to enter into a compact relating to higher education in the western States and establishing the Western Interstate Commission for Higher Education; without amendment (Rept. No. 397).

By Mr. PURTELL, from the Committee on Labor and Public Welfare:

S. 967. A bill to extend the duration of the Hospital Survey and Construction Act (title VI of the Public Health Service Act); with an amendment (Rept. No. 398).

By Mr. GRISWOLD, from the Committee on Labor and Public Welfare:

S. 631. A bill to permit veterans to suspend or delay their programs of education or training under the Veterans' Readjustment Assistance Act of 1952 in order to perform services as missionaries; with amendments (Rept. No. 399).

EXTENSION OF CERTAIN CHARTERS OF VESSELS TO CITIZENS OF THE PHILIPPINES—REPORT OF A COMMITTEE

Mr. POTTER. Mr. President, from the Committee on Interstate and Foreign Commerce, I report favorably an original joint resolution, to authorize the Secretary of Commerce to extend certain charters of vessels to citizens of the Republic of the Philippines, and for other purposes, and I submit a report (No. 402) thereon.

The VICE PRESIDENT. The report will be received, and the joint resolution will be placed on the Calendar.

The joint resolution (S. J. Res. 88) to authorize the Secretary of Commerce to extend certain charters of vessels to citizens of the Republic of the Philippines, and for other purposes, reported by Mr. POTTER, from the Committee on Interstate and Foreign Commerce, was read twice by its title, and placed on the Calendar.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HENDRICKSON:

S. 2113. A bill for the relief of Lt. Eugene L. Horan, United States Naval Reserve, retired; to the Committee on Armed Services.

S. 2114. A bill for the relief of Margaret S. Westcott;

S. 2115. A bill for the relief of Gertraut Hildegarde Marie Hubinger and Franz Hubinger; and

S. 2116. A bill for the relief of Rosa Guglielmo; to the Committee on the Judiciary.

By Mr. JOHNSTON of South Carolina:

S. 2117. A bill for the relief of Philip Jack Sager (Koichi Sasaki); to the Committee on the Judiciary.

By Mr. BEALL:

S. 2118. A bill to increase the salaries of employees of the Board of Education of the District of Columbia, and to provide for a study of the pay scales and classifications of such employees; to the Committee on the District of Columbia.

By Mr. BRIDGES:

S. 2119. A bill for the relief of Elena Spacapan; to the Committee on the Judiciary.

S. 2120. A bill to authorize the Maine-New Hampshire Interstate Bridge Authority to reconstruct and improve the toll bridge, and the approaches thereto, across the Piscataqua River at Portsmouth, N. H.; to the Committee on Public Works.

By Mr. SMITH of New Jersey:

S. 2121. A bill for the relief of Borys Naumenko; and

S. 2122. A bill for the relief of Tatiana Zibul; to the Committee on the Judiciary.

By Mr. TOBEY:

S. 2123. A bill to punish the use of interstate commerce in furtherance of conspiracies to commit organized crime offenses against any of the several States; to the Committee on the Judiciary.

By Mr. WELKER:

S. 2124. A bill relating to the repacking of Irish potatoes which have been introduced or delivered for introduction into interstate commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. McCARTHY:

S. 2125. A bill to require the Federal Communications Commission to make rules and regulations requiring radio and television broadcasting stations to make recordings of all broadcasts; to the Committee on Interstate and Foreign Commerce.

S. 2126. A bill for the relief of Anwar Mimbashian Haddad; to the Committee on the Judiciary.

By Mr. SCHOEPPEL:

S. 2127. A bill to authorize the Commodity Credit Corporation to transfer certain surplus agricultural commodities to the Director for Mutual Security for sale to countries participating in the mutual security program; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. SCHOEPPEL when he introduced the above bill, which appear under a separate heading.)

By Mr. FLANDERS (by request):

S. J. Res. 87. Joint resolution proposing an amendment to the Constitution of the United States recognizing the authority and law of Jesus Christ; to the Committee on the Judiciary.

(See the remarks of Mr. FLANDERS when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. POTTER:

S. J. Res. 88. Joint resolution to authorize the Secretary of Commerce to extend certain charters of vessels to citizens of the Republic of the Philippines, and for other purposes; placed on the Calendar.

(See the remarks of Mr. POTTER, when he reported the above joint resolution from the Committee on Interstate and Foreign Commerce, which appear under a separate heading.)

PROPOSED AMENDMENT OF CONSTITUTION RELATING TO RECOGNITION OF AUTHORITY AND LAW OF JESUS CHRIST

Mr. FLANDERS. Mr. President, by request, I introduce for appropriate

reference a joint resolution. It is the so-called Christian amendment to the Constitution. The request comes from constituents whom I hold in high regard and whom I wish to list for the RECORD. They are the Reverend J. Paul Wilson, of Groton, Vt.; Mr. Milligan McLam, and the Misses Winifred J. and Mary E. McLam, of East Ryegate, Vt.

The VICE PRESIDENT. The joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 87) proposing an amendment to the Constitution of the United States recognizing the authority and law of Jesus Christ, introduced by Mr. FLANDERS, was received, read twice by its title, and referred to the Committee on the Judiciary.

HOUSE BIILL REFERRED

The bill (H. R. 5304) to permit members of the uniformed services to elect certain contingency options, and for other purposes, was read twice by its title, and referred to the Committee on Armed Services.

HOUSE BILL PLACED ON CALENDAR

The bill (H. R. 5312) to provide for the more effective prevention, detection, and punishment of crime in the District of Columbia, was read twice by its title, and placed on the calendar.

PRINTING OF REVIEW OF REPORT ON CHANNEL FROM OYSTER, VA., TO THE ATLANTIC OCEAN (S. DOC. NO. 49)

Mr. MARTIN. Mr. President, from the Committee on Public Works, I submit a report requested by committee resolution on November 8, 1948, from the Secretary of the Army. It is a review of a report on the channel from Oyster, Va., to the Atlantic Ocean. I request that it be printed as a Senate document, with illustrations, and referred to the Committee on Public Works.

The VICE PRESIDENT. Is there objection to the request of the Senator from Pennsylvania? The Chair hears none, and it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. HENNINGS:

Commencement address delivered by Senator SYMINGTON at Radcliffe College on June 10, 1953.

By Mr. SMITH of New Jersey:

Address delivered by Senator HENDRICKSON on June 7, 1953, at 18th Annual American Legion, Department of New Jersey, State-Wide Memorial Services.

By Mr. BUTLER of Maryland:

Commencement address delivered by former Senator Herbert R. O'Conor, of Maryland, at Mount St. Mary's College, Emmitsburg, Md., on June 3, 1953.

By Mr. BEALL:

Address delivered by James M. Knudson, Defense Transport Administrator, before the National Defense Transportation Association, at Baltimore, Md., on May 27, 1953, concerning types of Government licensing of port activities.

By Mr. RUSSELL:

Address delivered by the Honorable William D. Hassett, formerly secretary to Franklin D. Roosevelt, together with an introduction by Charles F. Palmer, chairman, Franklin D. Roosevelt Warm Springs Memorial Commission, at the Little White House, Warm Springs, Ga., on April 12, 1953.

By Mr. FULBRIGHT:

Address delivered by Ambassador of India, Mr. G. L. Mehta, at the Annual International Week, University of Michigan, Ann Arbor, Mich., May 13, 1953.

Article entitled "Tribute to a Great Man," referring to former Senator Robert F. Wagner, of New York, written by Charles Moosh-lan in his column Waggin' Along, published in the May 1953, issue of the Journal of the International Association of Personnel in Employment Security.

By Mr. LANGER:

Text of a portion of radio broadcast by Frank Edwards over the Mutual Broadcasting System on June 10, 1953.

By Mr. McCARTHY:

Text of broadcast on the subject of the Voice of America and the International Information Administration, delivered by George E. Sokolsky over American Broadcasting Co. stations on May 17, 1953.

Article entitled "The McCarthy-Bohlen Case," written by the Rev. James M. Gillis, and published in his column Sursum Corda—What's Right with the World, for April 13, 1953.

Article entitled "Trade With Reds Sacrificed Human Lives, O'Conor Says," written by Paul E. Welsh, and published in the Baltimore Sun of April 4, 1953.

News release of April 26, 1953, entitled "Senator McCARTHY Answers Questions."

By Mr. BUSH:

Summary of remarks made by Robert H. Craft, vice president and treasurer, Guaranty Trust Co. of New York, before the Utah Banker's Association meeting at Sun Valley, Idaho, on May 11, 1953, on the subject of a free market for Government bonds.

By Mr. WILEY:

Letters received by him endorsing the admission to the United States of certain refugees.

By Mr. BRICKER:

Announcement of location near Zanesville, Ohio, of steam electric generating unit at the Philo powerplant of the Ohio Power Co. of the American Gas & Electric System.

Editorial entitled "Dulles Demolished," published in the Cleveland Plain Dealer of May 25, 1953.

By Mr. BRIDGES:

Article entitled "Hampton Teachers Hit Use by Reds of Shield," published in a recent issue of the Manchester Union Leader.

By Mr. DWORSHAK:

Editorial entitled "Three Years—for What?" dealing with the situation in Korea, published in the Washington Times-Herald of June 11, 1953.

By Mr. THYE:

Article entitled "Ike's Farm Task," written by Alfred D. Stedman, and published in the St. Paul Sunday Pioneer Press of June 7, 1953.

Article entitled "Ike's Leadership," written by Kenneth Crouse and published in the St. Paul Sunday Pioneer Press of June 7, 1953.

By Mr. LEHMAN:

Article entitled "A Tribute to the 25-Year Class and Ahepa's Future" written by Stephen S. Scopas, supreme vice president of Ahepa, and published in the Ahepan.

By Mr. MARTIN:

Address entitled "Our Guiding Principles in the Days Ahead," delivered by Senator SCHOEPPEL in Waynesburg, Pa., on June 6, 1953.

By Mr. KEFAUVER:

Statement by him on the life of the late George Reedy, Sr.

Letter written by Col. W. R. Watson, expressing the belief that the franchise should be extended to 18-year-old citizens, and published in the Knoxville News-Sentinel of June 9, 1953.

Letter published in the Chattanooga Times of May 30, 1953, written by Mrs. George Blackwell Smith, in memory of her son who died in France during World War I.

Letter received by him from W. M. Barr, of Memphis, Tenn., favoring ending the excess-profits tax.

WHEAT FOR PAKISTAN

Mr. THYE. Mr. President, I ask unanimous consent that I may have the privilege of addressing the Senate for not more than 2 minutes on the Pakistan wheat aid proposal.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator from Minnesota may proceed.

Mr. THYE. Mr. President, I was very much interested and impressed by the President's proposal that the United States extend to Pakistan aid in the form of wheat. As we all know, Pakistan is faced with a dire need of food because of the drought conditions which exist in that country.

We are confronted with a surplus of both feed grains and fibers, and we have had bountiful harvests for the past 10 years or more. Therefore it would be most appropriate for us to share our bountiful harvests with other peoples and nations who have not been so privileged as we have been.

On April 27, the Senator from Ohio [Mr. TAFT] introduced for me, because of my absence, a bill which proposed to furnish feed and food grains to Holland, following the devastating flood of last spring which had inundated that country and destroyed so much of its crop lands.

Mr. President, I believe that the administration has been tardy in giving the Senator from Ohio and me a report on that bill. I believe it should be considered in the same way that we consider giving aid to Pakistan.

I wish to be on record as whole-heartedly supporting the President in his proposal to share with foreign peoples the bountiful crops which we have been privileged to harvest in our land.

THE COMMISSION ON INTERGOVERNMENTAL RELATIONS

Mr. CARLSON. Mr. President, shortly Congress will complete action on Senate bill 1514, creating the Commission on Intergovernmental Relations. The bill has been passed by both Houses and is now in conference.

Yesterday the National Chamber of Commerce held a meeting at which the program of Federal-State relations and the work of the Commission on Intergovernmental Relations was discussed. I had the opportunity of addressing the meeting, and I ask unanimous consent that my remarks be printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I want to endorse the purpose of this conference called by the president of the National Chamber.

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I like in particular the chamber's approach to this complicated subject of Federal-State relations. As Mr. Bowditch has indicated, there is no cut and dried plan for the solution of the basic problem. To come up with the answers to this vexing and dangerous situation, much hard work and soul searching must be done, not only by the members of the Commission on Intergovernmental Relations and by the Congress, but by informed and thinking citizens throughout the entire country.

A review of the recent history of the problem of intergovernmental relations points up very clearly the length of time that this question has been before the Federal Government and the States. In 1943, the Secretary of the Treasury received a report of a Special Committee on Intergovernmental Fiscal Relations. In 1947, following World War II, the Treasury Department brought this report up to date in a study entitled "Federal-State Coordination."

Representatives of both Houses of Congress and the Governors of the States met together in Chicago in September 1947 to develop a coordinated Federal-State fiscal program. After careful deliberation, the members of the conference adopted recommendations urging the Federal Government to:

1. Reduce Federal excise taxes on local telephone calls, intrastate electric energy, gasoline, and admission taxes as soon as practicable.

2. Amend inheritance and estate taxes for more equitable division of this revenue.

3. Correct community property tax inequities.

And finally, the conference urged the States to avoid encroachment upon tax sources particularly well adapted to Federal use.

This joint conference of representatives of the United States Congress and the Governors' Conference met again in October 1948. At this meeting it was agreed that the State and local governments must cease relying upon the Federal Government to do those things which they themselves can do equally as well or better than the Federal Government. And in order for the States and localities to assume these responsibilities, the Federal Government should reduce those taxes which can best be administered by State and local governments.

The most recent official examination of this problem was made in a report entitled Federal-State Relations of the Commission of the Executive Branch of the Government and published in March 1949 as Senate Document No. 81. This report recommended more uniformity and cooperation between States and Federal Government in connection with income taxes; relinquishment by the National Government of the gasoline tax; material reduction of the national tax rates in the fields of liquor and tobacco; elimination of the national tax on admissions and amusement taxes; and some reduction in selective national excises.

Early in 1949, the Secretary of the Treasury worked with State and municipal organizations on tax problems of mutual concern. This group, including the Department of the Treasury, Council of Economic Advisers, Bureau of the Budget, Council of State Governments, American Municipal Association, United States Conference of Mayors, National Association of County Officials, Federation of Tax Administrators, Bureau of Internal Revenue, and the National Association of Tax Administrators, discussed four phases of the problem:

1. The need for agreement among Federal, State and municipal authorities as a basis for making payments to the cities in lieu of taxes on certain classes of federally-owned property;

2. The relationship of State and local finances to the program of national economic stabilization;

3. Possible means of making more effective the enforcement efforts of the Federal, State and local governments in the field of tax audits; and

4. The proposal that the Federal Government relinquish some excise taxes to localities hard pressed for new revenue sources.

The problems inherent in the efforts to reduce overlapping taxes and to strengthen local government were placed in a broader framework in 1949 with the introduction in Congress of legislation to establish a national commission on intergovernmental relations. In testimony before the Joint Committee on Expenditures in Executive Departments (now Committee on Government Operations), it was emphasized that political and economic developments over the past 20 years called for a reexamination of our Federal system and its operation. Similar legislation has been introduced in each session of the Congress since then. Today we feel the need is more urgent and more acute than ever. All of these bills introduced in the Congress have received the enthusiastic support of such groups as the American Municipal Association, Federation of Tax Administrators, the National Association of County Officials, the Governors' Conference, Council of State Governments, and many others.

Every year since 1946 the Governors' conference at its annual meeting has adopted a resolution urging the Congress to create such a commission.

This in brief reviews the recent history of significant efforts to make more efficient and effective our pattern of intergovernmental relations.

The allocation of adequate sources of revenue among the various levels of government is an essential condition for the maintenance of a strong Federal system of government. The experience of history indicates that when a unit of government loses power to raise a substantial portion of its own revenue to finance its activities—its power and influence decline and another area of government takes over; its power to act effectively on its own initiative grows dim.

All of these agencies and groups mentioned earlier have agreed generally upon two broad principles:

To every extent possible and feasible, the area of government which renders the service should levy the tax and collect the revenue to provide for it; and

Tax resources which can be administered adequately and efficiently by local governments or by State governments, to every extent possible and feasible, should be left to them, in order that each area of government shall be able to provide more effectively for its own needs.

Because of circumstances—local, State, and national—and because of international circumstances beyond our control, in practice we have departed from these principles to a very considerable extent, with the result that localities have looked to the States increasingly to provide funds for services largely local in character—and the States increasingly have looked to the National Government.

These developments have made it necessary for the States to use many areas of taxation that could be available to the localities, and the National Government to use and use extensively many more areas of taxation that could be administered effectively not only by the States but by localities in their efforts to meet increasing public demand growing out of our rapidly developing industrial society.

This chain reaction has accelerated rapidly: more demands upon local governments—more pressure upon the State governments to collect additional revenue and distribute it to the localities—and hence even more pressure upon the National Government for more and more grants-in-aid for an increasing number of public activities—demands which have been encouraged, in many instances, by legislation enacted by higher levels of Government.

The grant and growing services in the fields of education, highways, mental health, public assistance, and public health are placing great strains upon available revenue in all localities and in all States; and I can assure you these stresses and strains are being felt also in the Congress.

If this trend continues unabated, we believe it will have a measurable effect in the foreseeable future upon the structure and operation of our Government as we have known it.

Such home rule as our localities have obtained through legislative act and judicial decision would be offset by more and more dependence upon the States; and the States, because of increasing financial dependence upon the National Government, inevitably would tend to become administrative units in a national system, rather than constitutional entities within a Federal structure.

I would like to take a few moments to trace for you the trends we have seen in recent years toward an ever-growing concentration of control over more and more areas of activity in the National Government.

In the 1920's, as we all know, Federal participation in the grant field was relatively moderate and was confined to just a few functional activities. At that time, about 75 percent of all Federal-grant moneys was disbursed for the construction of highways. That was considered of national interest because of the need for the establishment of an interstate network of roads spanning the Nation. The Federal Government at that time was engaged in providing some assistance to the States for other activities, such as vocational education. But the total scope of the Federal-grant activity in the 1920's could be measured by its costs and could then be counted in millions of dollars—not in billions.

Today, some 25 or 30 years later, we find the Federal-grant picture radically different in size, scope, in activity, and in significance. In the last fiscal year of the Truman administration, disbursements from the Federal Treasury for grants-in-aid to the States totaled more than $2.3 billion. Contrast that with the relatively small amount of participation through the grant device back in the 1920's. We now find the Federal Government engaged in more than 40 separate and distinct types of grant programs. Instead of some 75 percent of Federal grant moneys going to the construction of roads as in the 1920's, we now find some 60 percent of all Federal-grant money centered in the broad areas of education, health, highways, and welfare.

I do not wish to be misinterpreted. It is not my feeling that all of these functional responsibilities can, under present-day circumstances, be turned back in their entirety to the States and communities. I feel quite strongly that this is not and cannot be considered as a problem susceptible to clear-cut, black-and-white answers. It is my belief that a complete separation of duties and functions between the National Government and the States is not possible and in some instances may not even be desirable in the light of present-day realities.

This, however, does not in any sense lessen the seriousness of the problem which confronts us. The development and growth of the power and influence and control of the Federal Government over these areas of activity have had their effect upon the delicate balance that must be maintained among the several levels of our Government structure if our basic concept of government is not to be abandoned.

I think we must never lose sight of the axiom that with grants goes control. In its simplest expression, the problem posed by the growth of these Federal grants over the years means just this, and I can think of no better way of saying it than the words of the Hoover Commission task force:

"Through grants-in-aid, the National Government influences, and to some extent con-

trols, 75 percent of the total activities of State governments. With grants goes control. With control goes power. With power goes centralization—and in too much centralization lies danger to our entire Federal system of government."

The task set for the Committee on Federal-State Relations of the Hoover Commission was to review and consider the present status of Federal-State relations.

As the question which I have just given to you from the committee report points out, the grant authority gives with it a potential purse-string control over State programs by the Federal agency administering the grants. The degree to which this control is legitimately exercised depends upon the statutory responsibility vested in the Federal agency. This statutory responsibility inevitably gives some degree of discretion to the administering agency. The Federal law has some provisions which the agency may interpret to give color to its exercise of various detailed controls. Thus, to a very large degree, the scope of the Federal grant activities depends on the underlying philosophy of the Federal agency as to the Federal and State responsibilities in administering the State programs.

In the last decade the position of the United States has changed very materially. We are today the principal leader of the free world. This position and leadership have placed heavy, yes very heavy, responsibilities on our shoulders. The rest of the free world looks to us as the international leader. This responsibility has brought a great change in our Federal budget requirements. This is illustrated by the fact that the Federal budget for fiscal year 1953 called for total expenditures of $85 billion. Of this amount $72 billion, or approximately 85 percent, was dedicated solely to meet the needs of our national and international security programs, interest on the national debt and commitments for veterans' services and benefits. The sums required to finance expenditures of this magnitude involve sacrificial drains on every man, woman and child in this country. They limit and limit severely the revenue sources available to pay for the vital services which must be performed by State and local governments.

Who can say for how many years into the future the lion's share of our Federal expenditures will not have to be dedicated to these purposes?

It appears to me that the job we have to do as a nation is to appraise in objective terms the many activities with which our Government now concerns itself. I think much needs to be said with respect to the consistent and increasing demands of our people upon their Government for services which in earlier years were always deemed to be the sole responsibility of the individual or family.

We must ask several basic questions. The first one goes to the heart of the problem. It is simply this: Which of the many functions now exercised by our Government, National, State, or local, should we consider to be proper to government at any level?

Assuming that we retain all the activities represented by the 40-grant programs, we still must classify them in terms of the level of government that ought to have primary responsibility for their performance.

Speaking in the very broadest of terms, I think that we can all agree that the administrative powers intended to be exercised by the National Government are the powers that cannot be used successfully by the States individually, or that might be used by one State to the detriment of citizens of other States or powers with regard to which uniformity is considered of prime importance.

This would mean to me that the powers essential for the preservation of the United States as a Nation are assigned to the Central Government, while the States retained the powers necessary for home rule in all other matters. This broad concept of separation of powers was expressed by Thomas Jefferson in this way, "To the united Nation belong our external and mutual relations; to each State severally, the care of our persons, our property, our reputation and religious freedom."

President Eisenhower, during the campaign last fall, mentioned upon several occasions the necessity for the establishment of a commission to re-evaluate the proper functions of government for various levels of government. Shortly after his inauguration, the President called into conference four Governors, representing the Governors' Conference, members of his executive department and legislative leaders. Out of that conference has come the Commission on Intergovernmental Relations which is about to be established by Congress.

I would like to read to you one paragraph from the report of the Senate Committee on Government Operations which was submitted with S. 1514, in order to emphasize the great importance of the work that this Commission has been assigned:

"Under the bill, the proposed Commission on Intergovernmental Relations would be authorized to (1) make a broad study of the proper role of the Federal Government in relation to the States and their political subdivisions in the entire field of intergovernmental relations with a view to defining these relations, allocating functions to their proper jurisdiction, and adjusting intergovernmental fiscal relations so that each level of government discharges the functions which belong within its jurisdiction; (2) study and investigate all of the present activities in which Federal aid is extended to State and local governments, the interrelationships of the financing of this aid, the sources of financing of governmental programs; and (3) determine and report whether there is justification for Federal aid in the various fields in which such aid is extended; whether there are other fields in which such aid should be extended; whether Federal control with respect to these activities should be limited, and, if so, to what extent; whether Federal aid should be limited to cases of need; and all other matters incident to such Federal aid, including the ability of the Federal Government and the States to finance activities of this nature."

From this, it is evident that the Commission's work will be divided into three major fields: First, it will be necessary for the Commission to determine the proper philosophy of our Government; secondly, they must decide which functions should be performed by which level of government under that philosophy; and lastly, they must recommend a fiscal and tax structure which will permit each level of government to perform the functions allocated to it under the Commission's recommendations.

THE TORNADO AT WORCESTER AND THE PRESIDENT'S EMERGENCY FUND

Mr. KENNEDY. Mr. President, yesterday I visited the area in Worcester County which had been devastated by the recent tornado. The damage was even worse than had been reported in the newspapers. Several thousand homes were destroyed, about 100 persons have been killed, and nearly 1,000 wounded, some of them very seriously. The damage is estimated to be between forty and sixty million dollars.

Mrs. Catherine Howard, Assistant Civil Defense Administrator, who was on the scene of the disaster, told me that the destruction in Worcester was worse than the destruction out at the atomic bomb explosion at Yucca Flats, Nev.

The Governor of Massachusetts has requested $10 million from the President's emergency fund, which has now reached the low point of $19 million and is subjected to drains from Michigan, which has been hit by tornadoes; Montana, by tornadoes; Idaho, by floods; Louisiana, by floods; Texas, by floods and tornadoes; Massachusetts, by a tornado, and perhaps Ohio, by tornado.

Therefore, I am hopeful that Congress will consider the necessity of raising the amount in the President's emergency fund.

There are also other governmental agencies which are perhaps in a position to be of assistance to the people of Worcester County, namely, RFC, which has declared central Massachusetts to be a disaster area, for the purpose of granting long-range loans and in building commercial property; the Federal Housing Administration; and the Housing and Home Finance Agency, which can make mortgage loans up to 100 percent of the appraised valuation; and also the Farmers' Home Administration, in the Department of Agriculture, which is in a position to make loans to farmers whose crops have been destroyed or whose farm buildings have been destroyed.

In addition, in that area among the homes which have been destroyed are two housing projects, one a State project and the other a Federal project. Both these projects were flattened completely. I am hopeful that the President's emergency fund can be used to make emergency repairs.

As I have said, the damage is tremendous, and many of the people of this area have lost all they possess.

I am hopeful that the resources of the Federal Government in the President's emergency fund and in other funds will be used for the benefit of the people of this area.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATIONS, 1954

The Senate resumed the consideration of the bill (H. R. 5174) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1954, and for other purposes.

Mr. KNOWLAND. Mr. President, is morning business concluded?

The VICE PRESIDENT. Apparently morning business is concluded.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from California will state it.

Mr. KNOWLAND. The unfinished business is the Treasury-Post Office appropriation bill, with particular reference to the amendment submitted by the Senator from Illinois [Mr. DOUGLAS]; is that correct?

The VICE PRESIDENT. Yes.

Mr. KNOWLAND. Mr. President, a further parliamentary inquiry.

The VICE PRESIDENT. The Senator from California will state it.

Mr. KNOWLAND. Are we not now operating under a unanimous-consent agreement which provides 15 minutes debate to each side, with the time to be

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controlled, respectively, by the Senator from Illinois [Mr. DOUGLAS] and the Senator from Wisconsin [Mr. MCCARTHY]?

The VICE PRESIDENT. Yes, on the question of agreeing to the amendment of the Senator from Illinois [Mr. DOUGLAS].

Mr. DOUGLAS. Mr. President, I yield 5 minutes to the senior Senator from Delaware [Mr. WILLIAMS].

The VICE PRESIDENT. The Senator from Delaware is recognized for 5 minutes.

Mr. WILLIAMS. Mr. President, I rise to support the amendment offered by the Senator from Illinois [Mr. DOUGLAS], to reduce by $33,450,000 the appropriation for postal operations.

Mr. President, if we do not accept this amendment or a similar amendment to make some such reduction in the appropriations, we will never balance this budget. The bill as reported by the committee calls for a reduction of a little less than one-sixth of 1 percent from the appropriations made for these purposes last year.

I also wish to point out that the Post Office Department has requested $38,450,000 more than it had under the administration last year and even this reduction will allow them more than they had during the past 12 months.

I do not think we can possibly justify giving any of the departments any more money than they had last year. Certainly they must learn to operate with a little less if we are to cut down the cost of the Government and if we are to have any chance at all to reduce taxes.

I believe this particular amendment is a step in the right direction; and I certainly support it, and urge the Senate to adopt it.

Likewise, I hope the Senate will promptly proceed to pass the necessary legislation to stop the excessive airmail subsidies and also give attention to the need of a change in postal rates. But we must first eliminate some of the waste in these departments.

The only way to force that is to cut the appropriations.

The VICE PRESIDENT. Does the Senator from Illinois desire to use additional time at this point?

Mr. DOUGLAS. I prefer to have the Senator from Wisconsin use some time now.

Mr. MCCARTHY. Mr. President, I yield 5 minutes to the Senator from Kansas [Mr. CARLSON].

The VICE PRESIDENT. The Senator from Kansas is recognized for 5 minutes.

Mr. CARLSON. Mr. President, I wish to call the attention of the Senate to what would happen if we were to approve the amendment of the Senator from Illinois.

For the Post Office Department the bill now before the Senate carries appropriations of $150 million less than the appropriations called for by the budget which was submitted by Mr. Donaldson, the previous Postmaster General, to the Bureau of the Budget.

In the past 10 years we have never reduced by more than $35 million the budget submitted by the Post Office Department to the Bureau of the Budget.

The pending bill calls for a reduction of $150 million, as compared to the appropriations recommended last year by the Truman budget. The distinguished Senator from Illinois wishes to reduce the appropriation for postal operations by an additional $33,450,000.

I say in all fairness that if we wish to cripple the new administration of the Post Office Department, let us adopt the amendment of the Senator from Illinois.

There are some interesting facts regarding the proposals which have been submitted. For instance, after the Postmaster General took over his office and after the Director of the Bureau of the Budget, Mr. Dodge, had recommended a reduction of $78 million in the appropriations for the Post Office Department, Mr. Dodge again called on the Postmaster General and urged him to make some further reductions. The Postmaster General did so, reducing the requested appropriations by approximately $70 million more.

It is true that some problems exist in the Post Office Department. It has a deficit of approximately $500 million or $600 million; I believe it is $596 million, to be exact. However, that problem cannot be solved or cared for by reducing this appropriation item by $33,450,000.

Certainly we should not cripple the Post Office Department in this fashion, especially when there is a new Postmaster General and a new team in the Department. Let us give them our support. Then we can call on them to account for the funds they have used, and can require that they give proper service to the people of the country.

The VICE PRESIDENT. Does the Senator from Wisconsin desire to yield additional time at this point?

Mr. DOUGLAS. I should like to speak at this time, Mr. President.

The VICE PRESIDENT. The Senator from Illinois may proceed.

Mr. DOUGLAS. Mr. President, the Senator from Kansas has called attention to the fact that the appropriations approved by the House of Representatives and by the Senate Committee on Appropriations are $150 million below the budget submitted by the Post Office Department. That is true. However, it should be pointed out that the so-called Truman budget had already cut the original proposals of the Post Office by $78 million, so that actual reductions below the Truman budget amount to only $72 million. Moreover, the Senator from Kansas omitted to point out the fact that the appropriations for postal operations called for in the bill as passed by the House of Representatives and as approved by the Senate Committee on Appropriations are approximately $55 million more than the appropriations made for this purpose last year.

The situation is that the administration, the House, and the majority of the Senate committee have allowed an increase of approximately 2.6 percent in the funds devoted to postal operations, as compared to the funds provided for this purpose last year. In the testimony of the Postmaster General it was clear that this will provide for 7,500 new, juicy jobs.

Mr. President, it is estimated that the increase in postal business during the coming year will be a little less than 4 percent. I do not know how accurate the estimate is. However, assuming it to be accurate, I point out that the action of the Senate Appropriations Committee and the action of the other House in approving a 2.6 percent increase in appropriations calls for an increase in efficiency of approximately only 1¼ percent per employee.

In opening the debate yesterday, I pointed out that the average increase in productivity per man in United States industry over the years has been at the rate of 3 percent a year. I emphasized the fact that that is the increase in productivity per worker. The increase in total productivity tends to amount to 4 percent; but with the increase which has occurred in the number of workers, the 4 percent figure is reduced to an average of approximately 3 percent. That is fundamentally what I am proposing at this time; namely, that we permit an increase of 1 percent in the total amounts provided for operations, or, in short, that we increase the appropriation from $2,174,000,000 provided for the current year to $2,194,000,000 for the year 1953–54, but that we require a 3 percent increase in efficiency per worker, so as to correspond with the general increase in efficiency in the country as a whole.

In the debate on yesterday I pointed out the specific ways in which these economies could be effected, namely, by a speedup in the consolidation of rural routes, which in general, considering that we are in an automobile age, are now too short. The average is only 45.8 miles, and of course a great many of the routes are very much shorter than 45 miles. If it were possible to make 45 miles the minimum, it would be possible to make a very appreciable reduction in the appropriation. I know there are legal difficulties in the way of consolidating rural delivery routes but it can be done at great profit.

Similarly, I point out that there is no reason why city and town letter carriers should move on foot with the heavy burden of the mails upon their backs, breaking down their health and, incidentally, slowing up their gait, when by the use of scooters, bicycles, and tricycles, an enormous weight could be taken off the backs of the letter carriers, more distance could be covered, and fewer employees would be needed.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. DOUGLAS. I shall be glad to yield on the committee's time.

Mr. CARLSON. I think I can get the time, if the Senator will pardon me.

Mr. DOUGLAS. I similarly point out that in the case of the large city post offices, where the mail has to be broken up for the substations, and also in the case of the cities which are distributing centers for mail going to other regions and localities, the adoption of the automatic sorting machine, which has demonstrated its worth in the Chicago office, but the use of which has not been extended to many other offices, would also effect great savings. In short, there is no reason why the Post Office Depart-

ment should not submit itself to the necessities to which American industry is forced to submit by the competitive processes.

I do not wish to make any snide remarks, but I suspect that the 7,500 new jobs which this appropriation will make available make a great appeal to certain men. My proposal of a $21 million increase over the amount provided for the current year would permit the automatic salary increases for postmasters and other postal employees to go into effect, and would also provide for 3,500 to 3,750 new positions, instead of the 7,500 new positions provided for in the committee's bill.

I submit that the reduction I propose is necessary, and it is particularly necessary in view of the tremendous postal deficit under which the Post Office Department is operating, and which the majority apparently does not wish to face. The deficit in the next fiscal year is estimated at $596 million, which is but a little less than the probable deficit for the current year, which is estimated at $626 million.

The primary reason for this deficit, of course, is found in the subsidies which are paid, between $75 million and $80 million of this goes to the airlines; $240 million based on 1952 figures, to the publishers of second-class matter—chiefly, I may say, weeklies and monthly magazines, and $200 million to direct-mail advertisers.

Over and above these subsidies is the gross inefficiency of the Post Office Department which contributes substantially to the size of the postal deficit. Unless we face the subsidy and inefficiency questions, we will continue to have enormous deficits piling up. I believe it time that we serve notice on the Post Office Department that it cannot expect the taxpayers to support its inefficiencies to an unlimited amount. It is about time we applied sound business principles to Government; and this is the first step in that direction. It is a step in the direction of sound economy.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from Louisiana.

Mr. LONG. Ordinarily I would be opposed to a delegation of power, where it is unnecessary. But, since we have delegated so much power to the Executive to reorganize the departments, it would seem to the junior Senator from Louisiana that perhaps we ought to delegate power to the President or to the Postmaster General to put into effect whatever rates would be necessary in order to enable the various classifications of mail to carry their own load or at least come near to carrying their own load.

Having served on the Committee on Post Office and Civil Service and having struggled with this question occasionally, in my opinion, such an approach as that seems to be about the only hope which the junior Senator from Louisiana can visualize, under which we might be able eventually to get the Post Office out of the enormous debit column to the extent of many hundreds of millions of dollars—perhaps a half billion dollars a year.

Mr. DOUGLAS. I think the suggestion of the junior Senator from Louisiana is a good one. I understand that is what is the situation now in the case of fourth-class mail. I certainly think it should be done in connection with second- and third-class mail if we do it in the case of parcel post. It is disgraceful to be providing subsidies to groups which need the subsidies least, subsidies which come out of the taxpayers of the country. My amendment is a proposal to provide sound efficiency and economy in the Post Office Department.

Mr. THYE. Mr. President, will the Senator from Wisconsin yield to me for 2 minutes?

Mr. McCARTHY. I shall be glad to yield.

Mr. THYE. Mr. President, I rise to oppose the Douglas amendment. As I review the committee report, I find that the Truman budget has been reduced by the bill we are now considering. The revised budget recommendation shows a reduction of $10 million. The House further reduced it by $1,250,000, making a total of $11,250,000, less than the original Truman budget. The Senate committee agreed to the reduction made by the House.

Mr. President, within the Post Office Department there are salary increases, based on years of service, which are mandatory under the civil service regulations. That requirement must be met, and a reduction of $33,450,000 would jeopardize the entire function of the Post Office Department.

I agree that a reduction in the overall cost of the Post Office Department is needed; but it must come about in an orderly manner. First, consideration will have to be given to increasing the rates on all classifications of mail, whether magazines, newspapers, or first-class mail as well as airmail. That is one step that needs to be taken. But I call the attention of Members of the Senate to the fact that the Post Office Department, under new management, has not had sufficient time even to become acquainted with the volume of detailed administrative functions within the Department; and, until such time as the Post Office Department has had an opportunity to reorganize itself in detail, it cannot sustain such a reduction as the one proposed by the Douglas amendment. For that reason, I oppose the Douglas amendment.

The VICE PRESIDENT. The time of the Senator from Minnesota has expired. Are there further requests for time?

Mr. McCARTHY. Mr. President, how much time do I have remaining?

The VICE PRESIDENT. The Senator from Wisconsin has 11 minutes.

Mr. McCARTHY. I yield first to the Senator from Kansas [Mr. CARLSON], and then I shall yield to the Senator from New Hampshire [Mr. BRIDGES].

Mr. CARLSON. Mr. President, will the Senator yield to me for 3 minutes?

Mr. McCARTHY. I yield 3 minutes to the Senator from Kansas.

The VICE PRESIDENT. The Senator from Kansas is recognized for 3 minutes.

Mr. CARLSON. Mr. President, the distinguished Senator from Illinois has made much of the fact that there is an increase in postal employment. The facts are that the number of employees in the Post Office Department in the fiscal year 1951 was 475,097; and the average paid employment estimated for the fiscal year 1954 is 516,003, representing an increase of 8.6 in paid employment. The total volume of mail handled in the same period increased by 14.5 percent. Three and four-tenths percent of the increase in personnel has been caused by the additional leave granted postal employees by Congress, under Public Law 233, 82d Congress. If the 3.4-percent figure is subtracted from the total increase of 8.6 percent, there is a net increase of only 5.2 percent in paid employment to handle 14.5 percent more mail by volume. I think it unfair to ask the Post Office Department to assume that big a load with a decreased appropriation.

I call the attention of the Senator from Illinois to the fact that the increase in productivity of 9.3 percent per employee over the 3-year period should answer effectively his contention that postal employees should increase productivity to meet the national average of 3 percent.

Mr. JOHNSTON of South Carolina and Mr. WILLIAMS addressed the Chair.

The VICE PRESIDENT. Does the Senator from Kansas yield, and if so, to whom?

Mr. CARLSON. I shall be glad to yield first to the Senator from South Carolina. Time permitting, I shall then be glad to yield to the Senator from Delaware.

Mr. JOHNSTON of South Carolina. Is it not true that the Senate Appropriations Committee has reported the same figure which the House committee reported?

Mr. CARLSON. The figures are the same.

Mr. JOHNSTON of South Carolina. The bill was reported to the Senate after the committee had heard all the testimony; is that correct?

Mr. CARLSON. That is correct.

Mr. JOHNSTON of South Carolina. Is it not the opinion of the Senator that if we adopt the proposed reduction, the result will be that a supplemental appropriation bill will come before us for additional appropriations to carry on the activities of the Post Office Department?

Mr. CARLSON. I think the Senator has made a correct statement. I hope there will not be a supplemental appropriation bill in connection with this item.

Mr. WILLIAMS. Mr. President, will the Senator from Kansas yield?

Mr. CARLSON. I yield.

Mr. WILLIAMS. Is it not true that even if we adopt the Douglas amendment, we shall still have provided for the Post Office Department $5 million more than it had for the past 12 months?

Mr. CARLSON. I shall be glad to answer the distinguished Senator from Delaware on that point. I noticed yesterday that he made the remark that a 1.37-percent increase would take care of the Post Office Department. Seventy-two percent of the Post Office Department's appropriation is spent on salaries and wages; 24 percent is spent on transportation. As the volume of mail rises, the expenditures for these two items must rise also. It takes personnel

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to handle the mail. They must be paid. It takes money to transport mail.

The estimated increase in the volume of mail for fiscal 1954 over fiscal 1953 is 3.87 percent. The Post Office Department is asking an increase in appropriations of only 1.37 percent to handle that increase in volume, and, in my opinion, it should be granted.

The VICE PRESIDENT. The time of the Senator from Kansas has expired.

Mr. McCARTHY. Mr. President, I yield 2 minutes to the Senator from New Hampshire [Mr. BRIDGES].

The VICE PRESIDENT. The Senator from New Hampshire is recognized for 2 minutes.

Mr. BRIDGES. Mr. President, the subcommittee of the Committee on Appropriations, headed by the distinguished Senator from the State of Wisconsin [Mr. McCARTHY], has done a good job on this bill. Speaking for a moment to the amendment offered by the distinguished Senator from Illinois [Mr. DOUGLAS], I wish to point out that the operations of the Post Office Department serve as an index of the Nation's development. The greater the population and the greater the volume of business, the greater the service which is expected of the Post Office Department. It is a fair index. In the case of mail deliveries, the people want good service.

The Government should be thinking about bringing to an end, or, at least, lessening the deficit of the Post Office Department. I think that Department can be operated more efficiently and effectively, which I am sure the Postmaster General, Mr. Summerfield, is trying to accomplish; but I do believe at this time that this appropriation, reported by the subcommittee headed by the distinguished and able Senator from Wisconsin, is a fair measure of the primary needs of a Department which is very close to the people. In my opinion, the reduction proposed by the Senator from Illinois, while I should like to support it, is not feasible now because of the essential needs of the postal service. It should await a revision of the postal laws and of the rates charged by the Post Office Department.

Mr. DOUGLAS. Mr. President, I yield to the Senator from Delaware [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. President, I dislike to disagree with the Senator from New Hampshire [Mr. BRIDGES], but I think if we are ever to have efficiency, the only thing to do is to take away from executive branches some of the money appropriated to them. I do not see how this Congress, which has started out on an economy program, can justify giving to any executive department more money than it has had in the past 12 months. Even though the amendment be adopted, there will still be in the appropriation bill more money for the operations of the Post Office Department in the next 12 months than it had during the past 12 months. There is no possible way we can justify greater expenditures by that Department. The Post Office Department has 525,000 employees. In 1934 there were approximately 600,000 employees in the entire United States Government. I think we should cut the appropriation, and I shall support the amendment offered by the Senator from Illinois.

Mr. McCARTHY. Mr. President, how much time do I have remaining?

The VICE PRESIDENT. The Senator has 5 minutes.

Mr. McCARTHY. Mr. President, there are a number of items in the Post Office Department appropriation bill which should not be there and which it will require legislation to remove.

As I mentioned a day or two ago, we discussed subsidies to airlines, and the item of $1,700,000 covering the cost of franked mail sent out by Members of Congress. I strongly feel that that should not be an expense of the Post Office Department, but an expense of the Congress.

In that connection, Mr. President, I should like to have the attention of the Senator from New York [Mr. LEHMAN] to what I consider rather serious abuses of the franking privilege. I realize that the rules are rather fluid, and it is difficult for the superintendent in the mailing room to decide what is entitled to the franking privilege and what is not. I have two items in my hand. Strangely enough, Mr. President, the abuses are apparently on the part of the wealthiest Members of the Senate, Members who can well afford to send out their own campaign material.

I have here an Armed Services Committee envelope bearing the name of Millard Tydings, and containing material which was sent out subsequent to March 30 of this year, an item entitled "The Financial Affairs of McCARTHY."

He is entitled to broadcast my financial affairs as much as he cares to, but not at the expense of the taxpayers. On the envelope there is a 2-cent stamp, together with a frank. I checked with the mailing room and ascertained that the cost would be 6 cents. So we find a man who has been out of the Senate for several years charging the taxpayers for each of these very illuminating articles he sends out. How many he has sent out I do not know.

I sent to the mailing room today and got a sample of all material going out under frank. I have an article in my hand entitled "Creeping McCarthyism—Its Threat to Church, School, and Press." The subhead is "McCarran Act Is the Result of Fear." This material was sent to the folding room by one of the wealthiest Members of the Senate, a man who should be able to mail his own material. I think there were 100,000 copies. If I am incorrect, I hope the Senator from New York will correct me. Fortunately, the Superintendent, Mr. Chambers, who was on his toes, caught it and said, "No; we will not do it." However, employees had folded the material and placed it in envelopes. This material was sent by the Senator from New York [Mr. LEHMAN], who spent some time on the floor yesterday discussing the postal deficit. I would think that if Senators were more careful in the use of the franking privilege, and would call upon their own campaign headquarters, we would not have such a deficit.

I should like to ask the Senator from New York whether the figure of 100,000 is correct.

Mr. LEHMAN. Mr. President, I do not know the exact number, but I can assure the Senator from Wisconsin that the number sent out, if any were sent, was less than one-tenth of 100,000.

Mr. McCARTHY. None were sent out. That is the information we have. The information we received was that the Senator's office sent down 100,000 franked envelopes, but they refused to send out the material.

I may say that I think this is a rather gross abuse of the franking privilege, as is the action by the former Senator from Maryland, who sends out material such as the matter I hold in my hand, at a cost of 4 cents apiece to the taxpayers.

I think that if the Senator from New York [Mr. LEHMAN] would watch his office a little more closely, and if other Senators would do the same, perhaps it would not be necessary to argue quite as loudly about postal deficits.

Mr. President, I think the Senator from New York should have time in which to reply to my statement. I ask unanimous consent that if I have any time remaining, the Senator from New York may be allowed to make his response.

Mr. LEHMAN. Mr. President, I shall ask for recognition in my own right. I do not wish to infringe upon the time of the Senator from Wisconsin.

Mr. THYE. Mr. President, the Senate is operating under a unanimous-consent agreement on limitation of time. Therefore, I shall have to object if there is to be a lengthy discussion.

The VICE PRESIDENT. The Senator from Minnesota is correct that there is a limitation.

Mr. McCARTHY. Mr. President, how much time have I remaining?

The VICE PRESIDENT. The time of the Senator from Wisconsin has expired.

Mr. McCARTHY. I should have liked to allot some of my time to the Senator from New York, if I had any time remaining.

Mr. LEHMAN. I hope the Senator from Wisconsin will not leave the floor. I should like him to be present when I reply in my own time.

The VICE PRESIDENT. The Senator from Illinois has 2 minutes remaining.

Mr. DOUGLAS. I shall be glad to yield 1 minute to the Senator from New York.

Mr. LEHMAN. I thank the Senator from Illinois very much. However, following the vote on the amendment, I shall ask recognition in my own right. I do not desire to infringe upon the time of any Senator.

Mr. DOUGLAS. Mr. President, the remarks of the Senator from Wisconsin have no bearing upon the issue as to whether an increase of some $55 million over the appropriation of last year shall be granted to the Post Office Department. The proposal I am advancing is that an increase of $21 million be granted to the Post Office Department, but also that pressure be put upon the Department to increase its efficiency per

man by approximately 3 percent. This seems to me to be a very modest provision. It authorizes 3,700 new positions, which can be used in rapidly growing sections and communities. This will require some cooperation on the part of the Post Office Department in reducing operating costs in the field of rural routes, in the field of town and city deliveries, and in the field of central management of post offices themselves.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Illinois.

Mr. DOUGLAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Goldwater	McClellan
Anderson	Gore	Millikin
Barrett	Green	Monroney
Beall	Hayden	Morse
Bennett	Hendrickson	Neely
Bricker	Hennings	Pastore
Bridges	Hickenlooper	Payne
Bush	Hill	Potter
Butler, Md.	Hoey	Purtell
Butler, Nebr.	Jackson	Russell
Byrd	Jenner	Schoeppel
Carlson	Johnson, Colo.	Smathers
Clements	Johnson, Tex.	Smith, Maine
Cordon	Johnston, S. C.	Smith, N. J.
Daniel	Kefauver	Smith, N. C.
Douglas	Kennedy	Sparkman
Duff	Kerr	Symington
Dworshak	Kilgore	Taft
Eastland	Knowland	Thye
Ellender	Kuchel	Tobey
Ferguson	Langer	Watkins
Flanders	Lehman	Welker
Frear	Malone	Wiley
Fulbright	Mansfield	Williams
George	McCarran	
Gillette	McCarthy	

The VICE PRESIDENT. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS].

Mr. DOUGLAS. Mr. President, on this question I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. KNOWLAND. I announce that the Senator from Indiana [Mr. CAPEHART], the Senator from South Dakota [Mr. CASE], the Senator from Pennsylvania [Mr. MARTIN], the Senator from South Dakota [Mr. MUNDT], and the Senator from Massachusetts [Mr. SALTONSTALL] are absent on official business.

If present and voting the Senator from Indiana [Mr. CAPEHART] would vote "nay," and the Senator from Pennsylvania [Mr. MARTIN] would vote "yea."

The Senator from Kentucky [Mr. COOPER] is absent because of illness.

The Senator from Illinois [Mr. DIRKSEN] and the Senator from North Dakota [Mr. YOUNG] are absent by leave of the Senate on official business.

The Senator from New York [Mr. IVES] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Florida [Mr. HOLLAND], the Senator from Wyoming [Mr. HUNT], and the Senator from Mississippi [Mr. STENNIS] are absent by leave of the Senate.

The Senator from Tennessee [Mr. GORE], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Louisiana [Mr. LONG], and the Senator from Virginia [Mr. ROBERTSON] are absent on official business.

The Senator from Washington [Mr. MAGNUSON] is absent by leave of the Senate on official committee business.

The Senator from South Carolina [Mr. MAYBANK] is necessarily absent, attending the funeral of the late Lewis Wood, formerly associated with the New York Times.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

The Senator from South Carolina [Mr. MAYBANK] is paired on this vote with the Senator from Washington [Mr. MAGNUSON]. If present and voting, the Senator from South Carolina would vote "yea," and the Senator from Washington would vote "nay."

I announce further that, if present and voting, the Senator from Louisiana [Mr. LONG] would vote "yea."

The result was announced—yeas 31, nays 44, as follows:

YEAS—31

Anderson	Hennings	Pastore
Byrd	Jackson	Russell
Clements	Jenner	Smathers
Daniel	Johnson, Tex.	Smith, Maine
Douglas	Kefauver	Smith, N. C.
Dworshak	Kennedy	Symington
Frear	Kerr	Tobey
Fulbright	Lehman	Welker
George	Mansfield	Williams
Gillette	McClellan	
Green	Neely	

NAYS—44

Aiken	Flanders	McCarthy
Barrett	Goldwater	Millikin
Beall	Hayden	Monroney
Bennett	Hendrickson	Morse
Bricker	Hickenlooper	Payne
Bridges	Hill	Potter
Bush	Hoey	Purtell
Butler, Md.	Johnson, Colo.	Schoeppel
Butler, Nebr.	Johnston, S. C.	Smith, N. J.
Carlson	Kilgore	Sparkman
Cordon	Knowland	Taft
Duff	Kuchel	Thye
Eastland	Langer	Watkins
Ellender	Malone	Wiley
Ferguson	McCarran	

NOT VOTING—21

Capehart	Holland	Maybank
Case	Humphrey	Mundt
Chavez	Hunt	Murray
Cooper	Ives	Robertson
Dirksen	Long	Saltonstall
Gore	Magnuson	Stennis
Griswold	Martin	Young

So Mr. DOUGLAS' amendment was rejected.

The VICE PRESIDENT. The bill is open to amendment.

Mr. LEHMAN. Mr. President, a little while ago the Senator from Wisconsin [Mr. MCCARTHY] made certain statements regarding me. Those statements are made in exactly the pattern that has been followed by the Senator from Wisconsin for a very long time. The intention is to intimidate, to frighten, to put on the defensive all those who are in disagreement with him. He does it by making statements unsupported by facts, in the hope that he can entangle his critics in irrelevant discussion with him and in endless denials of his charges and finally thus to silence these critics.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. LEHMAN. I want to say to him that I am not easily intimidated.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. LEHMAN. No; not until I am through with my statement.

Mr. McCARTHY. I did not think the Senator would.

Mr. LEHMAN. When I am through with my statement I shall be glad to have the Senator from Wisconsin speak as long as he wishes.

I want to say, Mr. President, that I am not easily intimidated. I have lived long enough and have served the people sufficiently long to make me very certain of my position, and with regard to the sincerity of my position. I have no apology to make for pointing out to the people of the country the great threat to their freedoms which has come through the efforts, and I am sorry to say the partially successful efforts, of certain persons in this country—including the Senator from Wisconsin—to silence those who would oppose the effort to impose complete conformity and complete orthodoxy on every thought and every action of the people of this country.

I have opposed the McCarran Immigration Act, which was one of those mentioned by the Senator from Wisconsin, because I believe its provisions are completely repugnant to the spirit of America.

I have pointed out on the floor of the Senate and in other places, the dangers to our freedoms that will come if we allow the will of a selected few to be imposed on all our citizens, and if we allow these few to intimidate the others into silence because the others do not want to take the chance of being attacked.

I shall not discuss the question of the franking privilege. I do not know how many letters or documents have been sent out under my frank. I may say to you, Mr. President, however, that whenever a reprint of my remarks has been made, it has been paid for by me personally.

Mr. McCARTHY. Oh, Mr. President, will the Senator yield?

Mr. LEHMAN. Wherever there has been the charge made——

Mr. McCARTHY. Mr. President, will the Senator yield for a question?

Mr. LEHMAN. No; not at this moment.

The VICE PRESIDENT. The Senator from New York declines to yield.

Mr. LEHMAN. Whenever there has been a charge made for placing documents or communications in envelopes, I have paid for it, as I have paid the salaries of many of the employees of my Senate office, and have paid for many other expenses in connection with my office, in order better to serve the people not only of my State but of the Nation as a whole.

I want to say to the Senator from Wisconsin that if he thinks he can intimidate me by charges of this kind, confused, irrelevant, and untrue, charges entirely unsupported by facts—if he

thinks he can intimidate me by accusing me of things that he and every other Senator has done, and has done legally, in the distribution to his constituents and to the people of the Nation of his remarks on matters which he thinks are of interest to the people of his State and of the Nation, then I can assure the Senator from Wisconsin that he has completely failed in his efforts.

I shall continue to speak on any subject in a manner which I think is right and just and in the interest of the people of the United States, and I shall continue to let my views be known by as wide a constituency as I possibly can. In my opinion, that is the duty of every Senator.

So, Mr. President, I shall now be very glad indeed to take up a matter which I believe is of real importance to the debate on the Post Office and Treasury appropriation bill, in order to seek to correct some of the other inaccurate statements which have been made by the Senator from Wisconsin.

Yesterday, as my colleague may recall, I debated at some length with the Senator from Wisconsin the importance of the customs service. I pointed out that the customs service has the duty of preventing fraud and smuggling, and that one of the most important matters connected with smuggling activities is the importation by illegal means of narcotics, the deadly drugs which are habit forming and which have seduced and destroyed many of our young people.

At that time the Senator from Wisconsin denied that the customs service has any duties in connection with that matter.

Mr. President, may I ask the Senator from Wisconsin to pay some little attention?

Mr. McCARTHY. Mr. President, unless the Senator from New York has the decency to yield for a question, after he makes a statement, I have no interest in listening to him. If he will follow the usual Senate procedure and will yield for a question, I shall be glad to pay attention.

Mr. LEHMAN. I have said to the Senator from Wisconsin that not only will I yield, but he has all afternoon and all the rest of today and all the rest of the week to answer.

Mr. McCARTHY. Mr. President, will the Senator from New York yield?

Mr. LEHMAN. I will not yield when the Senator from Wisconsin interrupts me.

The Senator from Wisconsin is chairman of the subcommittee of the Appropriations Committee that has had charge of the bill which now is before the Senate. I am debating that bill. It seems to me that the Senator from Wisconsin, who is chairman of that subcommittee, should at least take some interest in the bill and should make some effort to know what some Members of the Senate think about certain phases of the bill, and should be ready to reply. However, apparently the Senator from Wisconsin is unwilling to do that.

It seems, however, that many of my colleagues are more interested in the debate on the bill than is the distinguished chairman of the subcommittee of the Appropriations Committee which has reported the pending bill, which calls for appropriations in excess of $3 billion, I believe—not a small sum of money, even for a man who has been described by the Senator from Wisconsin as one of the wealthy Members of the Senate.

The Senator from Wisconsin denied the accuracy of the statements I made yesterday. He said the Customs Bureau has nothing to do with the enforcement of the laws prohibiting the smuggling of narcotics.

Mr. President, at this time let me read from the hearings held by the subcommittee of the House of Representatives Appropriations Committee the testimony given by Chester A. Emerick, Deputy Commissioner, Division of Investigations:

Mr. EMERICK. The Bureau of Customs is the agency of this Government that is charged with the enforcement of laws governing the importation and exportation of all types of commodities.

The Customs Agency Service is the investigative unit of the Bureau of Customs and is charged with investigating violations of the various laws enforced by customs, which laws include the Tariff Act of 1930, as amended, the Export Control Act, the Neutrality Act, the Gold Reserve Act of 1934, the Narcotic Drug Import and Export Act, the Marihuana Tax Act, and the Atomic Energy Act.

Later in the hearing he testified as follows:

The customs service is the first line of defense against the smuggling of narcotic drugs and other contraband into the United States.

Mr. President, today I received a letter from the national president of the National Customs Service Association. I shall read the letter, which I believe is highly interesting. It completely contradicts the inaccurate statements made yesterday by the Senator from Wisconsin, in connection with the measure now before the Senate.

The letter is as follows:

NATIONAL CUSTOMS
SERVICE ASSOCIATION,
June 10, 1953.

Hon. HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.

DEAR SENATOR: I was in the Senate gallery today and was very interested in statements made with reference to enforcement activities of customs with respect to narcotics smuggling.

Because customs has the responsibility for the prevention of smuggling, and not the Bureau of Narcotics, you may want to advise the Senate of a letter written by H. J. Anslinger, Commissioner of Narcotics, to Representative SAMUEL W. YORTY, of California, on March 18, 1953, on this matter of jurisdiction. Mr. Anslinger said:

"Referring to proposal 2, to increase the budget and personnel of the Federal Bureau of Narcotics 'to provide for increased vigilance at all American seaports,' may I respectfully point out that primarily the prevention of smuggling is imposed by law upon the Treasury's Bureau of Customs, although the Bureau of Narcotics cooperates with the Bureau of Customs in its performance of this function. * * * customs officers are working diligently every day to keep narcotics out of our country. This is succinctly shown by the following table of total seizures made at sea and border points during the past 2 fiscal years, as set forth in an official compilation:

Drug	1952	1951
	Ounces	*Ounces*
Raw opium	3,655	376
Smoking opium	866	181
Medicinal opium	1	1
Morphine	3	3
Heroin	200	116
Codeine	11	5
Cocaine	14	35
Demerol	2	2
Miscellaneous drugs	149	1,093
Marihuana	27,030	32,062
Total	31,931	33,874

Mr. Anslinger continued:

"Since many individual seizures embody quantities as small as 2 or 3 grains each, it will be seen that the number of individual offenses which go to make up these totals is quite large. When it is further borne in mind that of all the individuals, conveyances, and packages of merchandise examined, narcotics are found in only a very small proportion of cases, it makes us realize in some measure the enormous amount of work performed in achieving the above results. In October 1952, just under 100 pounds of opium was seized by customs from a vessel in Philadelphia, and in December about 60 ounces of morphine was seized in New York. Recently a seizure of 156 pounds of refined marihuana was effected at Laredo, Tex., and in this case customs expects to prosecute 6 defendants."

It will be noted that these seizures were made by customs officers and that Mr. Anslinger indicates that if "increased vigilance at all American seaports" is provided the funds should go for this purpose to the Bureau of Customs and not the Bureau of Narcotics.

There appears to be wide misunderstanding of the jurisdiction between the two bureaus. The Bureau of Customs is responsible for the prevention of smuggling, including the smuggling of contraband, such as narcotics. It is up to customs to try to prevent narcotics coming into the country. Insofar as transportation and use of narcotics in the country is concerned the Bureau of Narcotics has responsibility.

One point in the matter of the narcotics problem upon which there is complete agreement is that the drugs are imported into the United States from a number of European and Asiatic countries. With an adequate customs inspection force the narcotics could be seized before they enter the country and while the drug is in its pure, unadulterated form.

The Bureau of Customs told the House Appropriations Committee that "the stopping of the smuggling of narcotic drugs and marihuana into the United States would put an end to the narcotic traffic." The customs service is making every effort possible with its limited personnel to combat this menace. I know you will want to have these facts in view of your interest in the appropriation now pending for the Bureau of Customs.

Very sincerely yours,

ALFRED P. BEITER,
National President.

Mr. President, I point out that Mr. Anslinger, the Commissioner on Narcotics and head of the Bureau of Narcotics, himself testified to the importance of making these funds available to the Bureau of Customs.

Mr. President, the Bureau of Customs operates at every seaport in the United States where ships arrive. It operates at many points along the borders which separate our country from Canada and from Mexico.

I do not believe I need tell you, Mr. President, or my fellow Senators, or the American public, the great danger there is in the traffic in narcotics. The traffic in narcotics is responsible for more broken lives and for more criminals than any other one factor in our national life. During the 14 years of my incumbency in the offices of lieutenant governor and governor of my State of New York, I believe I had to pass on more than 25,000 cases involving appeals for clemency, commutation, or pardon. I learned the background of the criminals pretty thoroughly, and I can say that, of the great number of cases which came to me for consideration, and which I carefully studied, the records of a very great percentage of the criminals showed that their criminal actions were either inspired or were greatly furthered and intensified by the incessant use of drugs and narcotics. I do not think anybody is going to argue against the existence of the evils of the narcotics traffic as a great threat to our security and to our national life.

But the traffic in narcotics by people who are already in this country cannot be stopped as easily as it can be, through careful surveillance, careful examination, and exclusion of, at ports of entry, by ship or otherwise.

Most of the narcotics come from Europe or from Asiatic countries, and if we did anything that would make it harder to stop the supplying of narcotics in this country, we would be doing something that we just could not defend such action to our conscience or to the world. So I say I think there has been a great mistake upon the part of the Appropriations Committee in reducing the appropriation for the Bureau of Customs, which has rendered such great service to the American people along this line.

Mr. President, let me remind my fellow Senators that I have voted against many increases in appropriations, but I have voted for cuts in every item other than those affecting the national defense and activities relating to the health and welfare of our people. That will continue to be my policy. I am not going to vote to cut appropriations designed to bring about greater security for the country; as a matter of fact, I shall vote to increase them, when I think that larger appropriations will increase the national security. I am going to vote against cuts which would affect and reduce the services we can render in the fields of health and public welfare, and, by the same token, I submit that it is an unjustified, shortsighted policy to make cuts in appropriations for services that are protecting our people, as the Bureau of Customs is undoubtedly doing in its efforts to prevent the smuggling of narcotics.

In the item under consideration, a cut has been made of $1.5 million. That cut was made against the protests of those best qualified to know about the work that is being done to combat smuggling, notably the smuggling of narcotics. I do not believe the cut is justified, and I simply could not remain silent on the question.

I know that were I to submit an amendment to increase the appropriation, I would not get to first base; but I want the record to be clear. I want the people to know the facts. I want the facts to be well established, in the event an effort is made, which I believe is likely, to secure a larger appropriation in a supplemental deficiency bill.

So, Mr. President, I again express my very deep regret and my protest against the cut that is made, a cut which I think will seriously jeopardize the welfare of our young people; and if it jeopardizes the welfare of our young people, it jeopardizes the welfare and security of our entire Nation.

The PRESIDING OFFICER (Mr. HENDRICKSON in the chair). The bill is open to further amendment.

Mr. McCARTHY. Mr. President, as the Senator from New York knows, it is very unusual for a Senator to take the floor, and then not have the guts to yield for questions while he is going through a tirade. I am very much disappointed in our friend from New York in that respect.

The Senator from New York took the floor a moment ago to say that the Senator from Wisconsin made charges which were wholly unsupported by the facts. I should like to ask the Senator a question. I made the statement that he had sent a vast number of pamphlets to the folding room with franked envelopes. The pamphlets or articles were entitled "Creeping McCarthyism." I made the statement that the superintendent, Mr. Chambers, fortunately caught this and said, "Mr. LEHMAN, you cannot send this out at taxpayers' expense."

I made the statement that the Senator from New York [Mr. LEHMAN] was well able to afford to send out his own smear, and that it should not be done at the expense of the taxpayers. I should like to know whether that statement is not true.

The Senator made a charge which is unsupported. Would the Senator care to tell the Senate that what I said was untrue? Would he care to tell the Senate that he did not send his franked envelopes to the folding room with a request that the article to which I have referred be franked and sent through the mails? Would the Senator care to answer that?

Mr. LEHMAN. Oh, certainly, I will answer that.

Mr. McCARTHY. Good.

Mr. LEHMAN. The Senator from Wisconsin made the statement that the Senator from New York had sent to the folding room 100,000 franked envelopes.

Mr. McCARTHY. How many did the Senator send?

Mr. LEHMAN. I do not know.

Mr. McCARTHY. The Senator does not know.

Mr. LEHMAN. But I can assure the Senator it was not more than a small fraction of the number he has stated.

Mr. McCARTHY. Can the Senator ascertain the number? Could the Senator not ascertain the facts by calling his office?

Mr. LEHMAN. Wait. The Senator asked me a question. Let me answer it.

Mr. McCARTHY. Could the Senator from New York find out about it?

Mr. LEHMAN. Certainly I could find out about it.

Mr. McCARTHY. Would the Senator do that for us?

Mr. LEHMAN. I would be very glad indeed to do so.

Mr. McCARTHY. The Senator has several aides who are present on the floor.

Mr. LEHMAN. I would be very glad indeed to submit a statement to the Senate of the United States.

Mr. McCARTHY. The Senator has several aides who are present. Let one of them call the Senator's office, and then let the Senator tell me whether it was 50,000 or 100,000. The Senator said my statement was unsupported as to the number.

Mr. LEHMAN. I may say to the Senator from Wisconsin that the Senator from New York will be very glad indeed to submit to the appropriate committee of the Senate a complete statement of the number of franked envelopes he has used in the 4 years during which he has been a Member of the Senate, if the Senator from Wisconsin will do the same. Will the Senator from Wisconsin accept my offer?

Mr. McCARTHY. I will accept any offer the Senator wants to make if he will tell how much illegal use he has made of the franking privilege.

Mr. LEHMAN. I have made no illegal use of the franking privilege.

Mr. McCARTHY. The Senator from New York rose on the floor of the Senate and stated that my statement was irresponsible and was not borne out by the facts. I now ask the Senator to perform the very simple and easy task of having one of his aides call his office and find out how many franked envelopes he did send to the folding room and how many were sent out. He can do that if he wants to

Mr. LEHMAN. I can do a great many things.

Mr. McCARTHY. The information I have is that it was 100,000. If the figure is incorrect, then tell the Senate today. Does the Senator wish to tell the Senate?

Mr. LEHMAN. Yes, I will, if, in response to my offer to submit to the appropriate committee of the Senate a complete statement of the franked envelopes used by me in the 4 years and 2 months I have been a Senator of the United States, the Senator from Wisconsin will do likewise.

Mr. McCARTHY. The Senator will not tell us how many franked envelopes he sent to the folding room?

Mr. LEHMAN. Oh, yes; I will, if the Senator from Wisconsin will accept my offer.

Mr. McCARTHY. Mr. President, as I understand the Senator from New York, he will not tell us how many franked envelopes he sent to the folding room to be improperly used unless I go before a committee and state the number of times I have used my frank. I will say to the Senator from New York that I think that is an unusual condition. So far as I am concerned, anyone can have complete information as to the number

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of times I have used the franking privilege, where I have used it, when, and how. If the Senator from New York has any evidence or any information to the effect that I have ever attempted such an illegal use of the frank, I think he should tell the Senate about it today.

I ask the Senator this question——

Mr. LEHMAN. Wait a minute.

Mr. McCARTHY. Does the Senator think it was proper——

Mr. LEHMAN. Let me answer the Senator.

Mr. McCARTHY. Certainly.

Mr. LEHMAN. The Senator has referred, in his usual pattern, to the "illegal" use of the frank——

Mr. McCARTHY. Does the Senator think it was legally used?

Mr. LEHMAN. How is it illegal to use the franking privilege to send out a speech made by a Senator of the United States on a public question, interesting and of great importance to the people of his State and of the Nation?

Mr. McCARTHY. Did the Superintendent, Mr. Chambers, tell the Senator that this was an improper use of the frank, and that he would not allow the Senator to send out the material, and that the Senator would have to pay his own postage?

Mr. LEHMAN. No.

Mr. McCARTHY. The Senator has not been informed of that?

Mr. LEHMAN. I have not been informed of it, and I do not think it is true. I may say to the Senator from Wisconsin that the postmaster has never raised one question about the use of the frank. He did not raise any more question in regard to the use of the frank on public documents in my case than he would in the case of any other Senator, because it is perfectly legal. I am told he drew the attention of some of my assistants to the fact that the Department could not pay the cost of folding these speeches into the envelopes, and I am informed by my office force that they immediately said that was perfectly proper and that the cost would be defrayed by my office.

Mr. President, I am not going to continue this argument. I have made a proposal to the Senator from Wisconsin. For what I have said or done I have no apologies, for I am going to fight McCarthyism so long as I have strength, and I am going to fight aganst the kind of an immigration policy that is set forth in the Immigration Act, and I shall do so regardless of the Senator from Wisconsin.

Mr. McCARTHY. Mr. President, I did not yield for the purpose of permitting the Senator from New York to make a speech.

The VICE PRESIDENT. The Senator from Wisconsin declines to yield.

Mr. LEHMAN. Mr. President, the Senator did yield, and I want to finish my sentence.

Mr. McCARTHY. Mr. President, I decline to yield for a discussion of the immigration question.

Mr. LEHMAN. I repeat my offer to the Senator from Wisconsin to disclose the complete record of my use of the franking privilege if the Senator from Wisconsin will do the same. I cannot make any fairer proposal than that.

Mr. McCARTHY. Mr. President, I desire to proceed with the business at hand. I merely wish to invite the attention of the Senate again to the simple, uncontradicted fact that I showed to the Senate this morning 2 documents, one sent out under the franking privilege by the late unlamented Millard Tydings after March 30 of this year. We checked with the Post Office Department to find out what the cost would be if franks were not applied, the post office said it would cost the taxpayers 4 cents. As I stated, I do not care how many Lehmans, how many Tydings, how many Daily Workers, make attacks on McCarthy; in fact, I rather enjoy them. I know that if they were not doing it, I would not be damaging the Communist cause. When they start praising me, I shall be worried. All I am interested in is that they do it at their own expense. There is no reason why the Senator from New York [Mr. Lehman], one of the wealthiest men in the Senate, should impose on the taxpayers to send his smear around the country. I have called on the Senator to tell the Senate how many thousand franked envelopes he tried to impose on the taxpayers, but he has refused to tell me unless a committee is called and unless I go before that committee. I should think, Mr. President, that in common honesty and in common decency, he would call his office now and get the information and tell the Senate whether it was 50,000, 100,000, or how many he tried to send out, and how much of the cost he tried to impose on the taxpayers.

He talks about intimidation, Mr. President. The only intimidation I can see in it is the insistence that he pay his own bills, that he pay for his own smear, and not try to impose it on the taxpayers. I do not care a tinker's dam how much material he sends out about McCarthy. I do not care how many smear sheets he sends out, but I shall insist that he spend his own money to do it, and that the taxpayers shall not have to pay for it.

The Senator from New York says that it is irresponsible to bring to the attention of the Senate the fact that he is trying to get the taxpayers to foot his bill. Then I can assure him that that type of irresponsibility will continue.

Mr. LEHMAN. Mr. President——

Mr. McCARTHY. I do not yield at this time.

The VICE PRESIDENT. The Senator from Wisconsin declines to yield.

Mr. McCARTHY. The Senator from New York says he paid for the stuffing of the material into the envelopes. That statement is untrue. I repeat, it is untrue. I checked with the folding room and found that Government employees were stuffing his envelopes for him. However, Mr. Chambers caught it, or otherwise the result would have been different.

There is one other item to which I desire to refer. The Senator from New York questioned my statement with regard to the authority and power of the Bureau of Narcotics. Let me say, Mr. President, that the committee granted the Bureau of Narcotics an amount equal to the total Truman asked for. It is one of the few items on which the last administration and the present administration agreed. We did not cut the appropriation at all.

The Senator from New York urged yesterday that we allow the Immigration Bureau more money because so many wetbacks are coming into the country. I call attention to the fact that there is nothing in this bill having to do with immigration. The Senator missed his time by about 2 weeks. He should have discussed the wetback question when the bill making appropriations for the Immigration Service was under discussion.

But in order that there can be no question about what was said yesterday with respect to the power of the Bureau of Customs, I quote from page 6340 of the Record the following statement by the Senator from Wisconsin:

> Mr. McCarthy. The Bureau of Customs has absolutely nothing with the enforcement of the narcotics law. In the inspection of baggage at ports of entry, the Bureau of Customs cooperates with the Bureau of Narcotics. I believe that is what the Senator from New York has in mind.
>
> So when I said the Senator was in error, he was, insofar as the enforcement of law is concerned. However, he is correct when he indicates that the Customs Bureau is of great aid in the enforcement of the narcotics law, although the Customs Bureau has no power or jurisdiction to enforce that law.

Mr. LEHMAN. Mr. President, I wish to correct a statement the chairman of the Subcommittee of the Committee on Appropriations has made. He talked about appropriations for the Bureau of Narcotics. I was not referring to the appropriation for the Narcotics Bureau; I was speaking of the appropriation for the Customs Bureau, which is certainly clearly indicated, from all the testimony I can find, as being the bureau charged with the prevention of smuggling.

So far as the other matter which the Senator from Wisconsin saw fit to direct to me is concerned, I wish to say that either it is legal to use the franking privilege—not the cost of reprinting, not the cost of stuffing, but the franking privilege—in the distribution of remarks made by Senators and Representatives generally, or it is not.

It may very well be that there has been abuse of a privilege that is certainly completely legal. It is not a question of the number of franked envelopes which were sent to the folding room in connection with this speech. I pointed out some of the things that gave me concern in the present movement to instill fear into the people of the United States I have already stated that the number was less than 20,000. It was not 100,000, as the Senator from Wisconsin has said. But if the question is of importance at all, it is of wide importance. It is of importance not simply with respect to one distribution; it is of importance as to what has been done over the years.

So I repeat to the Senator from Wisconsin, if he will do me the courtesy to listen to me, which he does not do, that I shall be very glad to have an opportunity to submit to any committee of the Senate, not especially a standing

committee, but any appropriate committee of the Senate, a statement of the amount of franked mail I have sent out in the last 4 years, as compared with the amount of franked mail the Senator from Wisconsin has sent out. I do not fear the comparison. I challenge the Senator from Wisconsin to accept my offer.

Mr. BUSH. Mr. President, it is my intention to speak for about 20 minutes on the subject of interest rates, the Government bond market, the Federal Reserve System, and related matters. If any Senator wishes to ask unanimous consent that I yield the floor for the purpose of disposing of the appropriation bill, I shall be glad to agree to do so.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that without the Senator from Connecticut [Mr. BUSH] losing his right to the floor, we may proceed with the consideration of the Treasury-Post Office appropriation bill, so that it may be disposed of, and the Senate can then proceed to the consideration of the District of Columbia crime bill, the unfinished business. At that time the Senator from Connecticut could speak on any subject he desired to discuss. However, in order to expedite the business of the Senate, I should like to have the Treasury-Post Office appropriation bill passed. I understand no further amendments are to be offered; at least, I have been so informed.

The VICE PRESIDENT. Is there objection to the request of the Senator from California?

Mr. KERR. Mr. President, reserving the right to object, might I inquire, if it is possible to have the information supplied, how much time the Senator from Connecticut will wish to give to the passage of the appropriation before he begins his speech?

Mr. BUSH. Mr. President, it was not my intention to limit the time. The appropriation bill is at present the pending business, and I think it is very important to have action on it concluded. I had not intended to limit the time.

Mr. KNOWLAND. Mr. President, if the Senator from Oklahoma will permit me to respond, I may say that the only amendment which I understood would be offered was offered earlier, has been debated, and has been rejected. Unless something unforeseen occurs, I believe that the bill can be passed within 5 minutes.

Mr. KERR. Mr. President, reserving the right to object, I had hoped to obtain the floor to talk about interest rates, the Treasury, and the Federal Reserve System. If I obtain the floor certainly I shall have no objection to yielding any reasonable period of time for the disposition of the pending business prior to the speech of the Senator from Connecticut. However, I wonder if the Senator would not limit his request to 10 minutes.

Mr. BUSH. Mr. President, I suggest that the majority leader might care to limit his request to 30 minutes. At the end of that time, we can reconsider the matter, if the Senator from Oklahoma would have no objection to doing so.

Mr. KNOWLAND. I have no crystal ball before me, but I would be willing to take a calculated risk and say that it would take not to exceed 15 minutes to dispose of the Treasury-Post Office appropriation bill.

The VICE PRESIDENT. Without objection, the request of the Senator from Connecticut is granted. The bill is open to further amendment.

Mr. MORSE. Mr. President, I recognize that in the heat of debate on the floor of the Senate, Senators sometimes make statements which look quite different when they are in cold print. I know nothing about the facts of the altercation between the Senator from Wisconsin and the Senator from New York concerning reprints and the use of the franking privilege. But, in view of the nature of the debate to which I have just listened, I feel that I would not be honest with my own conscience if I did not rise at this time and express my high regard for the complete patriotism and loyalty to his country of the Senator from New York [Mr. LEHMAN].

When we consider the list of public officials living today, and recognize that the Senator from New York has served 10 years, I believe, as Governor of the Empire State, and as Governor has made one of the great records in the history of that State; when we take into account the unquestioned patriotism of the Senator from New York, expressed in the Senate by word and act during his 4 years as a Senator; I, for one, wish to spread on the RECORD of the Senate today my complete confidence in the loyalty to his country of the Senator from New York.

I desire to express my personal denial of the justification of any insinuation, innuendo, or criticism of the Senator from New York as being a "pinko," a fellow traveler, or a Communist. I think that when the RECORD of the debate today is read, if the remarks of the Senator from Wisconsin [Mr. MCCARTHY] remain unchanged in the RECORD, the sad implication will be there that the Senator from New York has had used against him on the floor of the Senate expressions which would indicate that the Senator from Wisconsin [Mr. MCCARTHY] believes the Senator from New York to be of Communist taint. I do not think that such accusations are in keeping with the standards of proper debate in the United States Senate.

As one who believes in fair play, I now wish to do honor to the Senator from New York as a great, loyal American, whose fine reputation for devotion to his country remains untarnished. I pay tribute to him as being not only a conscientious, patriotic, anti-Communist liberal, but, in my judgment, the greatest liberal in American public life today.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed the bill (S. 694) to prohibit the display of flags of international organizations or other nations in equal or superior prominence or honor to the flag of the United States except under specified circumstances, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House insisted upon its amendment to the bill (S. 1081) to provide authority for temporary economic controls, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. WOLCOTT, Mr. GAMBLE, Mr. TALLE, Mr. KILBURN, Mr. SPENCE, Mr. BROWN of Georgia, and Mr. PATMAN had been appointed managers on the part of the House at the conference.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATIONS, 1954

The Senate resumed the consideration of the bill (H. R. 5174) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1954, and for other purposes.

The VICE PRESIDENT. The bill is open to amendment. If there be no further amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H. R. 5174) was ordered to a third reading, read the third time, and passed.

PREVENTION, DETECTION, AND PUNISHMENT OF CRIME IN THE DISTRICT OF COLUMBIA

The VICE PRESIDENT. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 1946) to provide for the more effective prevention, detection, and punishment of crime in the District of Columbia.

INTEREST RATES AND DEBT MANAGEMENT

Mr. BUSH. Mr. President, yesterday in this Chamber there was considerable discussion of the question of interest rates and related questions. The discussion was led by the distinguished Senator from Minnesota [Mr. HUMPHREY]. In the course of that discussion reference was made to the presence of Dr. Randolph Burgess in the Department of the Treasury. There seemed to be some doubt in the minds of certain Senators concerning the background of Dr. Burgess. I wish to say for the RECORD that Dr. Burgess came to the Treasury from the National City Bank of New York, where he was vice chairman of the board and a member of the board of directors. He went to that institution in 1938.

Mr. KERR. Mr. President, will the Senator yield?

Mr. BUSH. I shall be glad to yield in just a moment.

Prior to that he had been for 18 years with the Federal Reserve bank itself. He had been vice president of the Federal Reserve Bank of New York, in charge of open-market operations, before he went to the National City Bank.

I wished to place those facts with regard to Dr. Burgess in the RECORD, and also to say that it would be difficult, I

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believe, for any administration to select a man better qualified by virtue of his experience and standing than Dr. Randolph Burgess.

I now yield for a question to the Senator from Oklahoma.

Mr. KERR. Mr. President, I understood the Senator to say that Dr. Burgess "went to that institution in 1938." I presume the Senator meant the National City Bank of New York.

Mr. BUSH. From the Federal Reserve bank.

Mr. KERR. From the Federal Reserve bank to the National City Bank in New York?

Mr. BUSH. That is correct.

Mr. KERR. And he came to the Treasury Department from the National City Bank of New York?

Mr. BUSH. That is true.

Mr. KERR. Will the Senator tell us how much stock Mr. Burgess owns in the National City Bank of New York?

Mr. BUSH. I do not know.

Mr. KERR. Mr. President, will the Senator yield for a further question?

Mr. BUSH. I yield for one more question. Later I shall be glad to yield at greater length to my good friend, but I should like to finish the substance of my remarks before yielding for general questions. I yield now for one question.

Mr. KERR. If the Senator wishes to yield for only one question, inasmuch as it is a preparatory question, I will wait until he is more genially disposed. If the Senator were to yield for only one question, and that question should call for another, the Senator from Oklahoma might be arbitrarily cut off.

Mr. BUSH. I could not be more genially disposed, especially toward my good friend the Senator from Oklahoma. If he wishes to develop further questions along this line with regard to Dr. Burgess, I am very glad to yield now for one or more questions related to that subject. I meant that before I yielded for general questioning I wished to make some of the points which I am prepared to discuss today. However, I shall be glad to pursue this question with the Senator if the Senator from Oklahoma wishes to pursue it further.

Mr. KERR. Was the name of Dr. Burgess submitted to any congressional committee, or to the Senate for confirmation, prior to his being appointed to and moving in to occupy his present position?

Mr. BUSH. I do not believe it was. If so, I do not know about it.

Mr. KERR. I should like to ask the Senator a further question. The Senator from Connecticut is aware of the fact that prior to nominations to certain positions being confirmed the Secretary of Defense and others were required under the law to dispose of stock which they held in corporations which had a vital interest in the decisions of those occupying such positions.

Mr. BUSH. That is true. The Senator is correct.

Mr. KERR. It is a fact, is it not, that the actions of Mr. Burgess, who is in charge of the debt management of this Government, have to do with questions and decisions of vital financial interest to the National City Bank?

Mr. BUSH. And all other banks. The Senator is correct.

Mr. KERR. Including the National City Bank.

Mr. BUSH. Unquestionably.

Mr. KERR. Does not the Senator feel that the Senate and the country should know whether Dr. Burgess has a stock interest in the National City Bank, in view of the answer which the Senator has just given to the other question?

Mr. BUSH. I will say to the Senator from Oklahoma that I know of no special requirement which would necessitate the disclosure by Mr. Burgess of any stock interest he might have in the National City Bank. However, I feel sure that if he were nominated for a position which required him to appear before a Senate committee or a congressional committee and disclose information in response to the questions which have been raised, he would be able to answer them to the complete satisfaction of the Senator from Oklahoma and all other Senators.

Mr. KERR. Mr. President, will the Senator yield for one further question?

Mr. BUSH. I yield for a further question in the same connection.

Mr. KERR. Is it not a fact that Dr. Burgess advised the administration that he would not accept this appointment if it would necessitate his disposing of his stock in the National City Bank?

Mr. BUSH. I cannot answer the question categorically; but from a little more than passing knowledge, I should say absolutely not. I do not believe that Dr. Burgess ever made such a statement. Furthermore, I will say to the Senator that I should like to see created in the Treasury Department a post which would require confirmation by the Senate. I think the responsibilities which the gentleman has are important enough to justify a post in the Treasury Department which would require confirmation by the Senate of his nomination.

Mr. KERR. I say to the Senator that I share his views in that connection.

I should like to have the Senator answer a final question on this point, and then I shall let other question wait.

Mr. BUSH. I yield for a question.

Mr. KERR. Does not the Senator from Connecticut think there is just as much reason, from an ethical standpoint, why one in the position occupied by Dr. Burgess should be free of stock ownership in financial institutions interested in his decisions, as there is in the case of the Secretary of Defense, who is required to be free of stock ownership in corporations whose transactions with the Government come under his jurisdiction and powers of decision?

Mr. BUSH. Before I answer that question, let me ask the Senator from Oklahoma a question. Is it the opinion of the Senator from Oklahoma that Dr. Burgess is a large stockholder, or, indeed, a stockholder to any extent, in the National City Bank, beyond possessing qualifying shares, let us say?

Mr. KERR. I will say to the Senator from Connecticut that the Senator from Oklahoma has received information which leads him to believe that Dr. Burgess is a stockholder in the National City Bank. In view of the fact that Dr. Burgess has not seen fit to clear up the question, although he must know that it has been raised by many, and in view of the fact that the direct information has not been given to the Senator from Oklahoma, although he has received certain information on the subject, I was asking my good friend from Connecticut certain questions, feeling that he might be able to answer them.

Mr. BUSH. The Senator from Oklahoma says the question has been raised. Strangely enough, despite my interest in the entire subject, I had never heard the question raised until today. It happened that I heard it discussed just before the present session began. However, this is the first time I have heard of anyone raising the question about the interest of Dr. Burgess in the National City Bank, or any stock interest he might have.

I know—or at least I am morally certain—that Dr. Burgess could make entirely satisfactory disclosures with respect to whatever interest he may have, and in connection with the question whether or not he might be able to sell his stock. I am sure he would be glad to sell any interest in the National City Bank if he were required to do so. I have not the slightest doubt that Dr. Burgess could completely satisfy all the members of the Committee on Banking and Currency, which would be required to recommend to the Senate confirmation of his nomination, and that they would recommend him by unanimous vote. I have no question that the Senator from Oklahoma also would be very glad to join in such a recommendation if the question were that of confirmation of his nomination by the Senate.

Mr. KERR. Mr. President, will the Senator from Connecticut yield?

Mr. BUSH. I will yield for one more question in that connection.

Mr. KERR. Does not the Senator from Connecticut know that if the post were subject to confirmation, the appointment would have to come before the Committee on Finance, instead of the Committee on Banking and Currency?

Mr. BUSH. I am sorry. Will the Senator restate his question?

Mr. KERR. I will say as a matter of information that in my judgment, if the appointment were subject to Senate confirmation, the post being in the Treasury Department, it would come before the Committee on Finance, instead of the Committee on Banking and Currency.

Mr. BUSH. The Senator may be correct. I will make the same statement with respect to the Committee on Finance.

Mr. KERR. Does the Senator know that Mr. Burgess was a member of the board, in fact, a vice chairman of the board of directors of the National City Bank?

Mr. BUSH. The National City Bank of New York?

Mr. KERR. Yes.

Mr. BUSH. I do not think so. I do not believe he was. I believe the Senator may be confusing it with the National City Bank of Cleveland. I do not make the assertion that the Senator is confused. He may be confused. Secretary Humphrey had been a member of the National City Bank of Cleveland. If he had been a member of the National City Bank of New York, we would have known about it.

Mr. KERR. I am speaking about Mr. Burgess.

Mr. BUSH. I thought the Senator referred to Secretary Humphrey.

Mr. KERR. No.

Mr. BUSH. Then I correct myself.

Mr. KERR. I was addressing my question to the Senator with respect to Mr. Burgess.

Mr. BUSH. He was a member of the board; that is correct.

Mr. KERR. Does the Senator think that Mr. Burgess owns any stock?

Mr. BUSH. I stated in my opening remarks, in answer to the Senator's question, that he may own qualifying shares. He undoubtedly does own qualifying shares. Whether he owns 1 share or 2 shares——

Mr. KERR. Or a thousand shares?

Mr. BUSH. Or a thousand shares, I do not know.

Mr. KERR. Then I should like to repeat the question, which I do not believe the Senator answered before. I ask the Senator if he does not think there would be just as much ethical obligation on the part of Mr. Burgess, in the position he occupies, to divest himself of stock in a company having such great interests, and because of his official connections, as there was upon the Secretary of Defense to divest himself of his shares in General Motors?

Mr. BUSH. I am not interested in answering abstract questions. I merely make the assertion to the Senator from Oklahoma and to the Senate that I have not the slightest doubt that Mr. Burgess would take such steps as he thought necessary, or as the Committee on Finance thought necessary, to qualify himself absolutely for unanimous approval by that body and for unanimous confirmation by the Senate for any post in the Treasury Department which required confirmation by the Senate. I will stand on that statement with the Senator.

Mr. KERR. Mr. President, I thank the Senator.

Mr. MILLIKIN. Mr. President, will the Senator from Connecticut yield?

Mr. BUSH. I yield gladly to the Senator from Colorado.

Mr. MILLIKIN. What is the question with reference to Dr. Burgess?

Mr. BUSH. For the information of the distinguished Senator from Colorado, the Senator from Oklahoma was raising some question about the propriety—and the Senator from Oklahoma will correct me if I do not state the situation correctly—of Dr. Randolph Burgess serving in the Treasury Department, in view of the fact that possibly he held some shares of stock in the National City Bank.

When the Senator from Colorado entered the Chamber I was attempting to explain to the Senator from Oklahoma the situation as I see it. I should be glad to yield to the Senator from Colorado for any comments he may wish to make.

Mr. MILLIKIN. First, Dr. Burgess' appointment is not required to be confirmed by the Senate.

Mr. BUSH. I pointed that fact out to the Senator from Oklahoma.

Mr. MILLIKIN. The second point is that he is not a man of great means, as we consider great means to be.

The third point is that, as I understand, Dr. Burgess was either retired or about to retire from the National City Bank when he received the appointment.

Finally, many of the questions that have been present in other cases of stockholding were not present in his case.

Mr. GRISWOLD. Mr. President, will the Senator yield?

Mr. BUSH. I yield gladly to the Senator from Nebraska.

Mr. GRISWOLD. I should like to have the Senator's judgment as to whether or not he feels Mr. Humphrey is the type of man who would delegate his authority to any adviser in his Department.

Mr. BUSH. I may say to the Senator from Nebraska, as I have stated before, this country could not be more fortunate than it is in having a man of the character of Mr. Humphrey in the post of Secretary of the Treasury. The country can be entirely certain that he would never delegate his authority to any person who was not entitled to the full faith and confidence of the Senate and of the people of the country.

Mr. GRISWOLD. Does not the Senator think, although Mr. Burgess is a technical adviser, the decisions are the decisions of Mr. Humphrey, who was properly confirmed by the Senate?

Mr. BUSH. Unquestionably the responsibility is that of the Secretary of the Treasury, as the Senator from Nebraska has so ably pointed out.

Mr. MILLIKIN. Mr. President, will the Senator yield for a question?

Mr. BUSH. Gladly.

Mr. MILLIKIN. I may say that when the original appointment came to the attention of the Committee on Finance, although it was not a matter which would normally come to that committee, or come to it at all, I was curious about the question of his stockholdings, and I made some inquiry into that subject, to see whether Dr. Burgess should go through the process of divestiture, as others had. From the information that came to me—and I am not saying that it was a thorough inquiry—I concluded there was no reason why he should make any divestiture.

Mr. BUSH. I thank the Senator from Colorado for that statement.

Mr. MILLIKIN. Mr. President, will the Senator yield further?

Mr. BUSH. I yield again gladly.

Mr. MILLIKIN. Yesterday the Senate confirmed the nomination of Mr. Rockefeller. The same question was raised as to Mr. Rockefeller's security holdings. A very careful study was made by Mr. Rockefeller and his attorneys of his stockholdings in relation to his new duties. No conflict was seen. The Committee on Finance has a letter from Mr. Rockefeller stating that if ever there should be any conflict he would at once divest himself of conflicting stocks.

Mr. BUSH. I thank the Senator from Colorado.

I should like to point out that the personnel of the Federal Reserve Board as presently constituted consists of the same Governors who have been in office for the past few years. Every one of them was placed in office by the Democratic administration. The present Chairman of the Federal Reserve Board, Mr. William Martin, of course, also served in the Treasury Department as an Under Secretary during the past administration before he was appointed Chairman of the Federal Reserve Board.

Therefore I believe our friends across the aisle should be very careful about what they say with respect to the Federal Reserve Board, because the Federal Reserve Board consists entirely of men of their selection.

Mr. President, it was stated yesterday, and at other times as well, that it is becoming difficult to sell bonds because of the fact that the interest rates are so high, and therefore corporations and others will not issue bonds. This morning I looked into that subject, and I find that in the months of May and June of this year there have been or will be marketed approximately three and a half billion dollars worth of bonds of corporations, States, and municipalities. So May and June will be the biggest 2 months in the history of finance in this country in that particular field.

Mr. MILLIKIN. Mr. President, will the Senator yield for a question?

Mr. BUSH. Gladly.

Mr. MILLIKIN. Is it not a fact that because there is such a large bond market, and because of the element of competition, it has become necessary to raise the bond interest rate?

Mr. BUSH. The Senator has literally taken the words out of my mouth, and I am grateful to him for doing so. I was about to say exactly that, namely, that interest rates are tight because there is such a big demand for money.

Mr. MILLIKIN. Is it not equally true that the prime interest rate has risen for the same reason? There has been a large demand for money in the market which has caused the interest rate to rise?

Mr. BUSH. The Senator is absolutely correct.

Mr. LONG. Mr. President, will the Senator yield?

Mr. BUSH. I yield.

Mr. LONG. The Senator speaks about the market for money. Is it not correct to say that actually, in the judgment of those who are familiar with the fiscal affairs of business, money and credit are almost synonymous terms so far as doing business is concerned? In other words, if one can get credit, it serves the same purpose as money.

Mr. BUSH. That is a rather general statement. I do not know that I would subscribe to it. I myself would rather have the money. How would the Senator from Louisiana feel about it?

Mr. LONG. Of course the facts are, as I understand, that we have only about $28 billion in currency and cash available in the country, but we are doing business with in excess of $160 billion worth of credit, which is approximately five times as much money as there is cash in circulation.

Mr. BUSH. I would say to the Senator from Louisiana that credit is very valuable to have; but it only gives one the chance to borrow money, which must be paid back; whereas if one has the money, he does not have to borrow it.

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Mr. LONG. Of course the Senator from Connecticut is familiar with the way in which credit has been pyramided upon the small amount of money which is in circulation in the Nation. The banks have loaned five times as much money as there is cash available. That is because of our complicated fiscal policy. I am sure the Senator is familiar with that fact.

Mr. BUSH. What is the Senator's question?

Mr. LONG. The Senator from Connecticut is familiar, is he not, with the fact that the amount of credit the banks make available is more than five times the amount of cash the Nation has in circulation?

Mr. MILLIKIN. Mr. President, will the Senator from Connecticut yield to me?

The PRESIDING OFFICER (Mr. THYE in the chair). Does the Senator from Connecticut yield to the Senator from Colorado?

Mr. BUSH. I yield to the Senator from Colorado, if there is no objection.

Mr. MILLIKIN. Has not the pyramiding of credit, which is one of the causes of inflation, resulted from the financing of the bond market by the Federal Reserve Board? Is not that one of the very things that has caused inflation in this country? When the Federal Reserve buys bonds, it makes credit available to the banks; and that very process, as the Senator has said, multiplies itself and causes inflation.

Mr. BUSH. Mr. President, the Senator from Colorado is certainly correct, especially for the period up to March 4, 1951, as I am sure the Senator from Louisiana will agree.

The Senator from Louisiana has asked me a question. I do not think I can substantiate his statement to the effect that the amount of credit is five times the amount of cash. I am not familiar with the figures regarding that matter, so I cannot say that I agree with the statement the Senator from Louisiana has made. I do not dispute the statement he has made. He may have the facts regarding that matter, and I do not happen to have them.

Mr. LONG. Mr. President, I do not claim any particular knowledge of the subject, but I have been reading a small handbook issued by the Federal Reserve Board; and from reading it I gained the impression that in commercial circles the amount of credit is approximately five times the amount of cash. Is that the opinion of the Senator from Connecticut?

Mr. BUSH. Obviously a businessman needs not only cash but credit; he needs a combination of cash and credit. I certainly agree to that.

Mr. LONG. The condition of a business depends not only upon the amount of cash available to it, but also upon the amount of credit available to it; does it not?

Mr. BUSH. Yes. Of course, as cash becomes scarce, the interest rate has a tendency to rise. Does not the Senator from Louisiana agree that is so?

Mr. LONG. Yes.

The Federal Reserve Board is in a position to determine the amount of reserves that most banks must maintain, is it not?

Mr. BUSH. Not necessarily. It can prescribe limitations, but the Federal Reserve Board does not necessarily determine the amount of reserves.

Mr. LONG. Does not the Federal Reserve Board have a right to require a certain amount of reserves on the part of banks, in order to regulate the amount of credit the banks may extend?

Mr. BUSH. That is true; the Federal Reserve Board has a right to require a given amount of reserves.

Mr. LONG. Are not the reserves at this time at just about the statutory limit the Federal Reserve Board can require the banks to observe?

Mr. BUSH. I think the reserves are approximately 2 percent below that amount; but what the Senator from Louisiana has said is substantially true.

Mr. LONG. If the Federal Reserve Board cared to reduce the amount of bank reserves required, would not credit be more freely available?

Mr. BUSH. That is correct; it would.

Mr. LONG. If the supply of credit were greater, would not that fact—based upon the usual theory of supply and demand—make credit available upon more reasonable terms or, certainly, at lower interest-rate terms?

Mr. BUSH. It would have that effect. However, I think the Senator from Louisiana should address his suggestions, if any are to be inferred from his remarks, to the Federal Reserve Board, because the matter to which he has referred is within the province of the Federal Reserve Board, not within the province of the Senate, as I hope the Senator from Louisiana will agree.

Mr. LONG. Of course, the amount of interest veterans pay and the amount of interest the Federal Government itself pays are of concern to the entire Federal Government, not only to the Federal Reserve Board; does not the Senator from Connecticut agree?

Mr. BUSH. That is entirely correct.

Mr. KERR. Mr. President, will the Senator from Connecticut yield to me?

Mr. BUSH. I yield.

Mr. KERR. Did I correctly understand the Senator from Connecticut to say that as credit becomes scarce, interest rates rise?

Mr. BUSH. Mr. President, I would say that has been largely the tendency; yes.

Mr. KERR. Would the Senator from Connecticut say the reverse is also true, namely, that as interest rates are raised, credit becomes scarcer?

Mr. BUSH. I would say that would be a harder case for the Senator from Oklahoma to prove. In an attempt to disprove it, I simply indicate that after the rise in interest rates, which has been going on since March 4, 1951, virtually without interruption, we are now in the middle of the biggest 2 months' period of financing by corporations, States, and municipalities that has ever occurred in the history of American finance, because in that period they are going to float $3,500,000,000 worth of bonds. So I do not think that supports the statement the Senator from Oklahoma just made to me.

Mr. KERR. Would the Senator from Connecticut acknowledge that as interest rates rise, credit becomes more difficult, if not scarcer?

Mr. BUSH. Again, Mr. President, that is a very broad statement. I do not care to subscribe to it in toto or to say that credit is more difficult for everyone.

Credit might be more difficult for those whose credit is not as good as is the credit of others. In other words, the increase in interest rates does not seem to have interfered very much with the States, the corporations, and the municipalities which are setting new records for obtaining funds.

Mr. KERR. Would the Senator from Connecticut say it is entirely possible that the present situation of expanded credit is one in which higher interest rates are being inflicted upon a greater credit demand, rather than one in which the greater credit demand justifies the higher interest rates?

Mr. GRISWOLD. Mr. President, will the Senator from Connecticut yield to me?

Mr. BUSH. Mr. President, the question asked by the Senator from Oklahoma is so involved that I shall yield to the Senator from Nebraska for a moment.

Mr. GRISWOLD. Does not the Senator from Connecticut feel that the Senator from Oklahoma has his economic facts a little wrong, and that he has cause and effect mixed up in his own thinking?

Certainly I should like to ask the Senator from Connecticut if in his business experience he has not discovered that a man's credit is very much restricted if he offers to pay 1 percent or 2 percent interest, whereas credit might readily be available to him if he were willing to pay 3 percent or 4 percent or 5 percent interest? In other words, does not the Senator from Connecticut think the Senator from Oklahoma is entirely wrong in his thinking, when he suggests that higher interest rates restrict credit? As a matter of fact, is not the opposite the case?

Mr. BUSH. Mr. President, I am inclined to agree with the Senator from Nebraska, rather than with the Senator from Oklahoma.

Mr. MILLIKIN. Mr. President, will the Senator from Connecticut yield to me at this time?

Mr. BUSH. I yield.

Mr. MILLIKIN. I suggest that the effective demand for credit does not vary absolutely in accordance with the factors the Senator from Louisiana has suggested.

Mr. BUSH. I agree.

Mr. MILLIKIN. Sometimes a very active market for credit will bring about a higher rate of interest, which is bearable and does not decrease demand.

Mr. BUSH. I agree.

Mr. MILLIKIN. That situation exists in any boom market. People will pay more interest in order to obtain money or credit so as to have a larger opportunity to make money. That process has a point of diminishing return; but until that point is reached, that situation prevails.

Mr. BUSH. Mr. President, the Senator from Colorado is quite correct. Again I cite the volume of credit as evidenced by the amount of financing going on by municipalities, States, and corporations.

Mr. MILLIKIN. Mr. President, will the Senator from Connecticut yield again to me?

Mr. BUSH. I yield.

Mr. MILLIKIN. A perfect example of that is the boom in the 1920's, when the rate of interest on call money kept rising and rising, and business transactions multiplied. Of course, that development reached a peak, and then burst. Decreasing credit with increasing interest does not follow a rigid rule. The extent of hopes for profit has much to do with it.

Mr. BUSH. The Senator from Colorado is absolutely correct, Mr. President.

I shall proceed to discuss for a few moments, without yielding, if I may—although, of course, I shall be glad to yield at the end of my remarks—Senate Concurrent Resolution 28, which was submitted on May 12 by the Senator from Montana [Mr. MURRAY] and other Senators.

First, I shall discuss the introductory clauses of the joint resolution. I read the first one:

Whereas millions of loyal and patriotic American citizens supported their Government during World War II by buying Government bonds and have continued to do so since the end of World War II—

At this point I call attention to the fact that if a man bought a $75 Government savings bond in 1943, he expected that, with the accumulated interest, the maturity value of the bond in 1953 would be $100. However, during that period he was subject to an income-tax rate of 22.2 percent minimum, which amounted to $5.55 on that bond. So the maturity value of the bond, minus the income tax during that period, would be $94.45.

In addition to that fact is the hidden tax of inflation, which must be taken into account. During the period mentioned, that amounted to 53.6 percent, or a total of $32.96. That brought the maturity value, the real value at maturity, less the income tax and the inflation tax on the $75 investment, down to $61.49, in 1943 dollars. Thus the investor will have lost, in value, $13.51 on his original investment, an average annual rate of loss of 1.8 percent. That is the result of the policies pursued during most of that period under the direction of a Democratic administration, which had an inflationary concept, and which, while suppressing interest rates, introduced inflationary forces which were almost uncontrolled.

The second "whereas" reads:

Whereas the Federal Reserve System has been pursuing a policy of refusing to do its part in supporting the credit of the United States of America by buying its proper share of Government bonds and other Government securities.

I pause there to say there is no definition of what its "proper share" is; therefore I think the whereas clause means nothing at all.

The third clause reads:

Whereas the credit of the United States of America has been impaired thereby.

I deny, Mr. President, that the credit of the United States has been particularly impaired by anything the Federal Reserve System has done this year. I deny that it has been impaired at all, but, on the contrary, I assert that the credit of the United States is improving under the present policy.

Proceeding to the fourth clause, it reads:

Whereas, as a consequence, Government securities have fallen below par and the capital position of those with investments in previously issued Government securities has been seriously impaired.

I wish to say that what happened was not at all a consequence of action by the Federal Reserve System, but, rather, the fall in Government securities which is mentioned is a consequence purely and simply of the inflationary policies of the Truman administration and of its insistence on suppressing interest rates and holding them down, so as to further the inflationary policies of the administration. That is what caused the fall in the price of bonds, or the rise in interest rates, whichever it was.

The next whereas reads:

Whereas this policy—

And again I have questioned the validity of calling anything a policy which has heretofore been mentioned, but it is spoken of as the policy of the Federal Reserve System. It reads:

Whereas this policy of the Federal Reserve System has made it easier for banks, insurance companies, corporations, and private investors to obtain higher interest rates, and thus higher profits, on money loaned to the Government.

I say again that that is not the policy of the Federal Reserve System which has recently been adopted, since the Eisenhower administration came into office, but it goes back to the policies of the Truman administration, absolutely. The next clause reads:

Whereas the increased interest rates on Government securities will result in vast additional expenditures by the Federal Government and a substantial and unnecessary increase in the national debt.

I say, Mr. President, that that is a false assertion. There are no grounds for the assertion that any policies of the Federal Reserve System will result in vast additional expenditures or in an unnecessary increase in the national debt. I say that that clause is without validity of any kind. Incidentally, the real savings which will come to the people and to the Government through the stopping of inflation is the very important consideration our friends seem to overlook entirely.

In that connection, I would remind the Senate that in 1951 the increased cost to the Defense Department alone, attributable to inflation, was $7 billion, and the increased costs to the people of the country, the consumers, in that year alone, was estimated by the Banking and Currency Committee of the Senate as being between $18 billion and $20 billion.

The next clause reads:

Whereas this policy of the Federal Reserve System has increased interest rates not only on funds borrowed by the Federal Government, but has also helped to bring about a dangerous rise in interest rates on funds borrowed by (1) farmers, (2) foreign purchasers of American agricultural products, (3) home builders, (4) veterans who are buying homes and all other home buyers, (5) businessmen (particularly small-business men), and (6) local governments for the construction of schools, roads, water supply, and sewage systems, and other essential public facilities.

I assert that there is no dangerous rise in interest rates. There is no way by which that assertion can be proved; and there is no foundation for the statement that there is a dangerous rise in interest rates on borrowed funds. It is in no way to be compared, as I have said before, with the dangerous inflationary policy which has been stopped since the Eisenhower administration came into power.

The next whereas reads:

Whereas this policy of the Federal Reserve System may tend, in combination with other factors, to bring on a decline in business activity throughout the economy and to accentuate the deflationary trend in American agriculture.

Mr. President, I doubt seriously that there is any validity to that clause. The troubles which may face agriculture at the present time, or in the near future, are not occasioned by high interest rates primarily, but by surpluses; and I am sure my good friend, the Senator from Oklahoma [Mr. KERR] and other Senators across the aisle must realize that that is the case.

The next whereas reads:

Whereas this policy of the Federal Reserve System is an ineffective and inappropriate substitute for soundly conceived measures to control the supply and use of credit and to maintain the value of the American dollar.

Mr. President, that statement has no validity at all. In the first place, this policy, referring to the present policy of the Federal Reserve System, is in no way ineffective or inappropriate. That is an absolutely erroneous statement.

The next whereas reads:

Whereas whatever flexibility is needed in the prices of Government bonds should take place above par under the alternative policy of the Federal Reserve System support of Government bonds at par.

Again I say, that would be an absolutely inflationary measure. It would tend to monetize the debt, than which nothing could be more inflationary, and it would have the effect of making the long-term bonds immediately convertible into cash. I can conceive of no more inflationary policy in connection with the fiscal affairs of the United States than merely returning to that particular policy, which the Truman administration tried to force upon the Federal Reserve Board, and, for some time, did force upon it.

The next whereas reads:

Whereas this policy of the Federal Reserve System undermines the ability of the United States of America to meet the financial problems that would inevitably result from a new international emergency.

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My answer to that assertion is that so far from undermining the ability of the United States to meet financial problems, it would strengthen it, because if we need anything in preparing for war and fighting a war, it is the stability of the American dollar and the absolute stoppage of inflationary forces so as not to place the cost of the war beyond the absolute necessities of the war itself.

Whereas this policy of the Federal Reserve System violates the purposes of the Congress in the creation of the Federal Reserve System.

Mr. President, I think that is the most outlandish of all the statements which have been made. The policies up until the accord of 1951 did, indeed, violate the purposes of the Congress in the creation of the Federal Reserve System. The purpose of creating the system was to establish an authority which was independent of the executive branch of the Government and virtually independent of the Congress, although it does report to the Congress of the United States and not to the executive. So this statement is absolutely without foundation or authority.

Whereas a policy of supporting United States Government securities at par will not only cost the taxpayers nothing, but will also result in a saving to the taxpayers and a profit to the Treasury.

I have answered that 2 or 3 times already, but I think, for the sake of the record, I had better say that the abandonment of this policy, if it may be called a policy, is something which would cost the taxpayers money, principally through inflation, and any reversion to the old policy which some Senators seem very anxious to have would indeed cost the taxpayers plenty and would result in a very heavy additional expense to them and in no profit whatever to the Treasury of the United States.

Then comes the resolving clause:

That the Federal Reserve Board and the Open Market Committee of the Federal Reserve System should support the price of United States Government securities at par, but not exceeding par, as was done before the so-called Treasury-Federal Reserve accord which was announced March 4, 1951.

Again I remind my friends in the Senate of the remarks made on this subject by the outstanding senior Senator from Illinois [Mr. DOUGLAS], who dealt with the subject very, very effectively as it related to the years leading up to March 1951. If Democrats really want to know what the effect of the resolution would be, they do not have to go any further away than right to the desk of the Senator from Illinois, who is on the record fully, in great detail, and in masterful fashion. Indeed, Mr. President, I am very happy to pay him the compliment and give him the credit of having done more to restore this country to sound fiscal procedures than has any other Member of the United States Senate.

Mr. President, I think that concludes my remarks on this subject. I shall be very glad to yield for questions, if there be any. If not, I shall be glad to yield the floor to my good friend the Senator from Oklahoma [Mr. KERR].

Mr. KERR. Mr. President, will the Senator from Connecticut yield?

Mr. BUSH. I yield for a question, or I will yield the floor.

Mr. KERR. Mr. President, I should like to have the floor.

The PRESIDING OFFICER (Mr. CAPEHART). The Senator from Oklahoma may proceed.

Mr. KERR. Mr. President, I will say to the Senator from Connecticut [Mr. BUSH] that I am intrigued by his facility in branding statements by other Senators as false. I am sure the Senator does not know that that is a violation of the rules of the Senate. I am sure that if once he learns this he will refrain from it. There are ways of disagreeing with others without calling them liars.

On Tuesday, June 2, the Senator from Connecticut stated on the Senate floor that I had made two statements which the Senator said were absolutely untrue, or absolutely untrue and false.

I was interested in that characterization of the statement which I had made, and I looked up in the dictionary the meaning of the word "untrue." I looked it up in Webster's Collegiate Dictionary, fifth edition, and found that the word "untrue" is defined as false. Then, Mr. President, I looked up the meaning of the word "false" in the same dictionary and I find that it is defined as follows:

Not true; incorrect; a false statement; uttering falsehood; dishonest; not faithful or loyal; untrue; treacherous; not genuine or real; hypocritical; sham; feigned.

Mr. BUSH. Mr. President, will the Senator from Oklahoma yield?

Mr. KERR. I yield.

Mr. BUSH. Does not the Senator realize that those various definitions are alternative definitions? In other words, a thing can be incorrect without being dishonest.

Mr. KERR. I reply to my distinguished colleague from Connecticut that he did not say the Senator from Oklahoma was incorrect; he said the statements made were absolutely false and untrue. The alternative was not there, I say to the distinguished Senator from Connecticut.

Mr. BUSH. The Senator will agree with me that I did not say his statements were dishonest. Will the Senator agree with me in that respect?

Mr. KERR. I say to the distinguished Senator that he did not use the word "dishonest," but I am reading from the dictionary the meaning of the words he did use.

Mr. BUSH. I will agree with the Senator that if a thing is untrue it may be dishonest, but it is not necessarily dishonest. I want to say, as I attempted to say that day, that I meant no personal discourtesy. I did not mean to imply any dishonesty or intent of dishonesty on the Senator's part. That thought was not in my mind. I want to make it doubly clear to the Senator that that was not my intention. I said the statement was not true; I used the word "false" in the sense of "incorrect"; and that is one of the definitions of the word "false," I believe. The Senator from Oklahoma should know by this time that I intended no discourtesy. If he thinks I owe him any apology, I am very happy to make it, because my conscience is entirely clear in connection with all I have said.

Mr. KERR. I ask for no apologies from the Senator from Connecticut. I say to him that I have his statement in the RECORD, and I am now going to read it to the Senate:

I assure the Senator from Oklahoma that I intend no discourtesy. This is a very important matter and the truth must be told.

The Senator from Connecticut then said:

I do not accuse the Senator of having deliberately told an untruth. I say that the Senator has been misled, misguided, and misinformed, and that he made a statement which is not correct. As a matter of fact, he made 2 or 3 such statements.

Mr. President, in Oklahoma the only thing worse than accusing a man of being a deliberate liar is accusing him of being an unconscious liar. [Laughter.]

Mr. BUSH. Mr. President, I should like to say to the Senator from Oklahoma that if I can help the Senator from Oklahoma get this off his chest, and if he feels that there is anything I can do, I shall do it most graciously, because I meant him, nor do I mean him, any discourtesy. I think it would be very interesting if the Senator would proceed with his remarks, because I am anxious to hear them.

Mr. KERR. I am intrigued by the remarks and attitude of the distinguished Senator from Connecticut. I must say to him that I stand on the basis of the record. I stand on the charge the Senator has made on the floor of the Senate, that I have made statements on the floor that were absolutely false and untrue, and he has not retracted his statement.

I say to the distinguished Senator from Connecticut that I do not care whether he retracts it or not, but I am going to prove that what I said was true. I shall prove it by the Secretary of the Treasury, by the statement of the Senator from Connecticut, by the statement of the distinguished senior Senator from Indiana [Mr. CAPEHART], who is now presiding over the Senate, and by the RECORD.

I am delighted that the great Senator from Indiana is in the chair. I pay tribute to him. I have never seen a man more ready or willing to stand up in a political discussion or debate and to slug it out toe to toe. I have yet to hear him accuse a colleague of having made a statement that was absolutely false or untrue. I pay tribute to him for having the courage to back up his own convictions, without saying that those who disagree with him have made statements that are absolutely false.

Mr. President, there is no apology for calling a man a liar. Either he is or he "ain't." [Laughter.]

I say to the Senator from Connecticut that I mean no discourtesy to him in the remarks I am about to make.

[Laughter.] I do not believe he made a false statement, deliberately or otherwise, but I do believe he used some very unfortunate words in his accusations against me. I believe he was mistaken, and I shall try to prove it.

Let us examine my statements which the Senator from Connecticut said were absolutely false and untrue. The Senator from Connecticut stated that I had referred to the Secretary of the Treasury and said:

He has surrendered the prerogative of his office to fix the interest rate on Government bonds and has abdicated that power to financial interests.

The distinguished Senator from Connecticut says he meant no discourtesy. Yet in addition to accusing me of being a liar, and being unconscious of it——

Mr. BUSH. Mr. President, I object to the language of the Senator from Oklahoma. I did not accuse the Senator of being a liar. I do not think it is polite of the Senator to keep insisting that I did say so.

Mr. KERR. Then I shall use the words of the Senator as he used them. Again I quote from Webster's Collegiate Dictionary the meaning of the word "false":

(1) Not true; incorrect, as, a false statement. (2) Uttering falsehood; dishonest. (3) Not faithful or loyal; untrue, treacherous. (4) Not genuine or real; hypocritical; sham; feigned.

That may leave some room for a man to withstand such an accusation and not be branded as a liar, but it is a technicality that is beyond my comprehension, especially feeling as I do about it at the moment. [Laughter.]

Mr. BUSH. Mr. President, will the Senator yield once more for an observation?

Mr. KERR. I do not yield for an observation; I yield for a question.

Mr. BUSH. Does not the Senator from Oklahoma agree with me that those are alternative definitions, and that he may select from them whichever happens to fit the case? [Laughter.]

Mr. KERR. I must say that that is a delightful alternative accorded me by the Senator from Connecticut. [Laughter]. In the absence of his having stated which alternative, and in the absence of any knowledge on my part that his statements are either in the alternative, exclusive, or other than various interpretations of the word itself, I have no choice other than to stand on what the dictionary says the words mean.

I still say to the Senator from Connecticut that I shall prove that what I said was true, and he can either retract his statement or not. But until the accusation is retracted, apologies constitute nothing but sham.

I say that in addition to having accused me as he did, he took part of a sentence of mine out of context to back up his accusation. The statement which I made was as follows:

The Secretary of the Treasury today—

June 1—

saw the 3¼-percent bonds, which he so proudly announced but a few weeks ago had been oversubscribed, selling at less than 99 cents on the dollar. He saw them selling at approximately 98¾ or less, by reason of the fact that he has surrendered the prerogative of his office to fix the interest rate on Government bonds and has abdicated that power to financial interests, that now have him in a squeeze from which they will not release him until they have forced him again to increase the interest rate on Government securities.

That was the statement I made. I shall now document and prove it. I shall prove it by the words of the Secretary himself. I shall prove it by the words of the distinguished senior Senator from Indiana [Mr. CAPEHART]. I shall prove it by the words of the distinguished senior Senator from Connecticut [Mr. BUSH]. Referring to a portion of my statement, the Senator from Connecticut made the following comment, which I read from page 5877 of the RECORD of Tuesday, June 2, 1953:

Mr. President, that is a very sweeping statement, and it is absolutely untrue.

I would have some feeling of hope of avoiding the brand of "liar" if the Senator had not said "absolutely." Talk about degrees of falsity and untruth and alternatives. As I understand the English language, the Senator closed every crevice and door. He did not say that I was partly incorrect or partly false or a little bit untrue. He said that my statement was "absolutely untrue," and the dictionary says that "absolutely" means "without limit." [Laughter.]

Reading further, the Senator from Connecticut said:

The Secretary of the Treasury has not surrendered any prerogative he ever had to fix the interest rate on Government bonds. He did fix the interest rate on the last issue of Government bonds. He fixes it on every issue, because he has to do so—

Now listen, Mr. President. This is the statement which proves what the Senator from Oklahoma says. The Senator from Connecticut said:

and he has to fix it in accordance with what the market on Government bonds is at the particular time.

First he says that the Secretary fixes the rate, and then he reduces the Secretary to the status of a mere clerk, or one without power or authority of any kind or character, because he says—and I quote his language from the CONGRESSIONAL RECORD:

He—

Meaning the Secretary of the Treasury—

has to fix it in accordance with what the market on Government bonds is at the particular time.

Mr. President, I shall prove my point by what the Secretary said. On June 3, only 2 days after the Senator from Oklahoma had made the statement referred to, the Secretary of the Treasury appeared before the House Ways and Means Committee and testified that he did not see how you could possibly sell any more bonds at 3¼ percent in the current market.

He said:

I don't think we can sell a 3¼-percent bond in any amount. In fact, I don't know if we can sell it at all; the bonds are selling below par.

Mr. President, the Secretary of the Treasury went further than that in his testimony. He advised the committee, and publicly proclaimed, that the Treasury will try to sell short- and long-term securities in the future, but that he does not know what rate of interest he will have to pay.

That is the Secretary of the Treasury of the United States, Mr. President. If he has not abdicated his authority or surrendered his power, then he pleads guilty to never having had any power, because he says he does not know what interest rate he will have to pay. Who is to tell him what interest rate he must pay if he has any power to fix it? The Senator from Oklahoma said that the Secretary of the Treasury has surrendered the prerogative of his office to fix the interest rate on Government bonds. If the situation is one with respect to which the Secretary himself says that he does not know what interest rate he will have to pay, and advertises it to the world, then he is telling the world that either he never had any power to do so, or it has ceased to exist. I say that he did have the power to do so. The only reason he could fail to use it if he had it would be that he has surrendered it. Certainly no one has taken it away from him. The statement by the Secretary is a positive admission that he is powerless to fix the rate on Government bonds, and that he does not even know what the rate will be.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. KERR. I yield for a question.

Mr. BUSH. Why does the Senator say that in each case the Secretary of the Treasury would fix the rate? He must fix the rate.

Mr. KERR. I am simply quoting what the Secretary said.

Mr. BUSH. Mr. President, I must disagree.

Mr. KERR. Does the Senator mean that he disagrees with the statement as to what the Secretary said?

Mr. BUSH. No; I disagree with the Senator's assertion that the Secretary has surrendered his prerogative to fix the rate. He must fix the rate on every issue that is made. I take it the rate of interest is what the Senator is talking about.

Mr. KERR. The Senator from Connecticut is correct. That is one statement which he has made that is absolutely correct. I am talking about the interest rate.

Mr. BUSH. I appreciate the compliment of the Senator.

Mr. KERR. That is an acknowledgment. I do not wish to disillusion my great friend. I did not mean it as a compliment.

Mr. BUSH. I simply say that the facts are that the present and previous Secretaries of the Treasury, when they have issued bonds, have fixed the rate of interest on them. No one else has done so. They have been influenced—and, of course, were influenced—by the market at the time. They had to be influenced

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by that factor; but the fixing of the rate was up to them.

Mr. KERR. Ah, but the Senator from Connecticut said on the floor of the Senate the other day that the Secretary of the Treasury has to fix it. That means that he is compelled to do so. That means that he is not free. That means that he is not doing it in accordance with his judgment, his volition, or his decision. The Senator from Connecticut said—and I read his words; if I am in error, I ask him to correct me:

He has to fix it in accordance with what the market on Government bonds is at the particular time.

Mr. BUSH. Certainly.

Mr. KERR. That does not give him any leeway or discretion. That makes him a captive of the market. Does the Senator from Connecticut deny that?

Mr. BUSH. Mr. President, I have simply said that it was a duty of the Secretary of the Treasury and of no one else to fix the rate of interest.

Mr. KERR. Will the Senator point out the word "duty" in the statement from which I have just quoted?

Mr. BUSH. No. I am saying now that it is the duty, and the inescapable duty, of the Secretary of the Treasury, if he wants to sell bonds, to fix the interest rate on them.

Mr. KERR. The Senator from Oklahoma has been saying that, and has been begging the Secretary of the Treasury to honor that duty.

Mr. BUSH. The Senator from Connecticut will have to agree that with respect to every issue which has been made, so far as he can remember, the Secretary of the Treasury has fixed the rate.

Mr. KERR. I say to the distinguished Senator from Connecticut that for 20 years Democratic Secretaries of the Treasury have fixed the interest rate, announced what it would be, and sold the bonds. I say to their credit that they were not victims or captives of the market, or enslaved by others. I wish to say that no Democratic Senator has ever stood on the floor of the Senate and said that the Secretary of the Treasury has to fix the interest rate in accordance to what the market on Government bonds is at the particular time. I wish to pay tribute to Democratic Secretaries of the Treasury. They occupied the position, rather than the position occupying them.

The present Secretary of the Treasury stated that he does not even know what the interest rate is to be. I should like to ask the Senator from Connecticut how much more of a squeeze a poor man could be in than that.

Mr. BUSH. The Senator has asked me a question, and I shall reply by asking him a question. He is a businessman of extensive experience, and a very successful one. If the Senator were to make an issue of bonds in the Kerr-McGee Oil Co., if he is still interested in that company—I do not know that he is——

Mr. KERR. He is; very materially so.

Mr. BUSH. If the Senator were about to make an issue of bonds of that corporation next August or September, or even next month, would the Senator be able to tell us today what interest rate he would fix on such bonds?

Mr. KERR. That is one of the questions involved in this debate.

Mr. BUSH. It undoubtedly is.

Mr. KERR. No businessman can tell what the interest rate is going to be when there is a Secretary of the Treasury who says that he will not fix the rates, that the Federal Reserve Board will not be permitted to have anything to do with the interest rates, and that no one but the moneylenders can fix the rates.

Mr. BUSH. Mr. President, would the Senator from Oklahoma tell us when the Secretary of the Treasury said that about the Federal Reserve Board?

Mr. KERR. Yes; I will quote what was stated about the Federal Reserve Board not having anything to do with it. The Senator from Connecticut, as I understood, said it on the floor of the Senate the other day.

Mr. BUSH. I shall wait until the Senator gives the quotation.

Mr. KERR. Mr. President, at this point I submit for the RECORD an account of the Secretary's testimony before the committee, as reported in the New York Journal of Commerce of Thursday, June 4, 1953. I ask unanimous consent that it may be printed in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HUMPHREY UNSURE OF INTEREST RATES—TELLS HOUSE GROUP HE CAN'T SEE 3¼ PERCENT COUPON AT CURRENT CONDITIONS

WASHINGTON, June 3.—Secretary of the Treasury George M. Humphrey told Congress today that the Government will try to sell both short- and long-term securities in the future, but that he doesn't know what rate of interest it will have to pay.

Testifying before the House Ways and Means Committee, the Cabinet officer said he doesn't see how you could possibly sell any more bonds at 3¼ percent in the current market. The Treasury issued slightly more than $1 billion of 3¼ percent, 30-year bonds at the end of April.

"I don't think we can sell a 3¼-percent bond in any amount," Mr. Humphrey said. "In fact, I don't know if we can sell it at all; the bonds are selling below par," he declared.

The interest rate the Treasury has to pay in the coming months will depend very largely on how large the Government deficit is and how much money it has to borrow from the public, the Secretary said.

WILL NEED $9 BILLION

Mr. Humphrey told the committee he estimates that the Government will need $9 billion to $12 billion during the remainder of this calendar year.

He explained in a statement later that this figure covers not only an $8,800,000,000 cash deficit that he had previously said would have to be covered by borrowing from the public but the attrition that may result from the net redemption of savings bonds or notes or the unconverted maturities of marketable obligations.

The Secretary stressed that a large part of the cash required by the Government can be raised by tax anticipation bills. These will bear March 1954 and June 1954 maturity dates, he said.

Mr. Humphrey pointed out that these will fall due during the first 6 months of 1954, a period when the Treasury anticipates a cash surplus of about $6 billion.

Mr. KERR. The Secretary's statement was not only an admission and a confirmation of the statement made by the Senator from Oklahoma, that the Secretary is caught with the financial interests in a squeeze that will force him to pay higher rates, unless he takes positive and dynamic action, but what he said was a complete abdication and surrender of the power of the administration to fix and manage Government interest rates. Yet the distinguished Senator from Connecticut declared that my statement was not only false and untrue, but absolutely so.

I said I would prove it by what the great Senator from Indiana [Mr. CAPEHART] had said. I want to qualify it. I will refer to what the Senator from Indiana said with reference to what the administration was doing to increase interest rates, which was another statement I made which the Senator from Connecticut said was absolutely false. I will come to that in a little while.

The second statement the Senator from Oklahoma made, which the Senator from Connecticut declared to be absolutely false and untrue, was:

Those in charge of our fiscal policy are doing everything in their power to destroy the confidence of the holders of Government bonds in the value of the bonds.

With reference to that statement the Senator from Connecticut stated:

I defy the Senator from Oklahoma to prove that statement, and I defy him to show one affirmative act on the part of those responsible for the fiscal policy of the Government that caused an increase in the interest rate on those bonds.

On the floor of the Senate we had a little debate the other day, engaged in by many Senators, including the Senator from Connecticut [Mr. BUSH], the senior Senator from Oklahoma, the junior Senator from Tennessee [Mr. GORE], and the senior Senator from Indiana [Mr. CAPEHART]. I wish to quote a few excerpts from the statements made by the distinguished Senator from Indiana, the chairman of the Committee on Banking and Currency [Mr. CAPEHART], when he spoke about what the administration has done to stop inflation. He said:

The administration has tried to decrease somewhat the supply of money. * * * We are continuing the policy begun by former President Truman and former Secretary of the Treasury Snyder; namely, of stopping the Federal Reserve Bank from going into the open market and buying all Federal bonds that are offered for sale. * * * Likewise, we are raising the interest rates on Government bonds.

That was the statement of the distinguished Senator from Indiana. It was a true statement. It was a very frank statement. I submit, Mr. President, it meets the challenge of the Senator from Connecticut when he said:

I defy the Senator from Oklahoma to show one affirmative act on the part of those responsible for the fiscal policy of the Gov-

ernment that caused an increase in the interest rate on those bonds.

Mr. President, there is a rather close relationship of responsibility between a positive act on the one hand, and an acquiescence on the other. I say that the Secretary of the Treasury when he permits others to increase the rate he must pay on Government bonds is in exactly the same position as he would be had he done it by his own official decree.

The Senator from Oklahoma is not only going to show one affirmative act; he is going to prove that there has been an epidemic of acts and, in fact, a policy by the Secretary of the Treasury dedicated and deliberately calculated to increase interest rates on new bonds. Such action must reduce the market value of the old bonds which were issued at a lower interest rate, and compel a proportionate loss of confidence in future markets on such bonds.

In that connection I refer to what the New York Journal of Commerce calls the Treasury's "long indulgence in an open-mouth policy of asserting that the Government bond market would be left completely free to fend for itself, while the Treasury would spare no pains to issue long-term bonds."

At this point, Mr. President, I should like to comment further on the significance of the Secretary's testimony to which I referred a moment ago, and the timing of that testimony.

The very testimony itself is an act which contributes to increasing the interest rate on new bonds and to loss of confidence in the market value of the old lower-rate bonds.

Following the decline in Government-bond prices early last week, or the week before last, there was some question as to whether, in the face of the market's behavior, the administration at long last would take action to stabilize the market and create confidence.

On June 2, the day after the statement was made by the Senator from Oklahoma, and the very day on which the Senator from Connecticut had made his accusation, the New York Times reported that 24 out of 37 Treasury issues of bonds and notes fell to their lowest level. It quoted dealers as saying:

> The decline is brought about by a lack of confidence among individual holders of securities as to the future course of interest rates.

The Senator from Connecticut said that what the Senator from Oklahoma had stated on the floor was absolutely false. That closes the door for any remote possibility of accuracy, or any element of it. Yet the New York Times, which is not a newspaper of inconsequential circulation, says the decline is brought about by lack of confidence among individual holders of securities. The article in the New York Times said also:

> The inability of the bond market to absorb light offerings without substantial price declines can be expected to continue until confidence is restored by the drying up of offerings or the appearance of bidders.

Mr. CAPEHART. Mr. President, will the Senator from Oklahoma yield?

The PRESIDING OFFICER (Mr. PAYNE in the chair). Does the Senator from Oklahoma yield to the Senator from Indiana?

Mr. KERR. I yield.

Mr. CAPEHART. Let me see whether the Senator from Oklahoma will agree that we have two alternatives in handling the national debt, which is approximately $267 billion or $268 billion: Either we can carry the debt in short-term bonds—bonds which come due in a comparatively short period of time—or we can endeavor to get a portion of the debt into long-term bonds, those which come due in 20, 30, or 40 years. Of course, the Senator from Oklahoma knows, as a businessman, that possibly we have to do a little of both.

Mr. KERR. I think we are going to have to do a great deal of both.

Mr. CAPEHART. Yes; and the longer the maturity the bonds have, the better off we shall be as a Nation.

The Senator from Oklahoma also knows, I am sure, that in order to issue a long-term security—whether in private industry or in Government; I refer to a bond with a maturity of 30 to 40 years—it is necessary to pay a much higher interest rate than the rate that is paid on a 90-day note or a 6-month note, or even a 2-year bond.

Certainly I cannot speak for the Secretary of the Treasury or for the administration. They have not authorized me to speak for them. However, I think they are endeavoring—and I believe that if they are successful, it will be in the best interest of the Nation—to get a large percentage of our national debt of $267 billion into long-term bonds; and I believe they are attempting to get those bonds, if possible, into the hands of the people, primarily, as an investment. Of course, in order to do so, it will be necessary to pay a higher rate of interest than the rate the Government has been paying during the past many years.

That is what I believe the Secretary of the Treasury and the administration are attempting to do. I believe that procedure is sound, and I hope they will be able to succeed in it. I think they are to be complimented for trying to do it.

I believe the able Senator from Oklahoma will agree with me that it is desirable to get the national debt, or as much of it as possible, into long-term bonds. I know the Senator from Oklahoma will agree that a higher interest rate must be paid on a long-term bond, one with a long period of maturity, as compared to the interest rate which is paid on a short-term bond, one having a shorter maturity period.

I am sure the Secretary of the Treasury and the administration are trying to have as much of the public debt as possible handled by long-term bonds. Perhaps they are not using the right methods. Perhaps they have not handled the matter properly; at least, the able Senator from Oklahoma seems to think they have not.

I have listened to the debate between the Senator from Oklahoma and the Senator from Connecticut, and I think both of them are right.

Mr. KERR. Mr. President, I say to my great friend, the Senator from Indiana, that that could not be. [Laughter.]

Mr. CAPEHART. I think both the Senator from Oklahoma and the Senator from Connecticut are right in this respect: The able Senator from Oklahoma, being a businessman, knows that the price he places on the oil he sells is the price the market will absorb or the price that someone will pay for the oil. Of course, the Senator from Oklahoma has a right to say, "I will sell the oil only at $3 a barrel." On the other hand, if no one will pay $3 a barrel for the oil, no doubt the Senator from Oklahoma will offer to sell the oil at a lower price.

So I think the interest rate the Secretary of the Treasury sets has to be based very largely upon what the market will absorb or upon the amount of bonds purchasers will buy at that interest rate. In my opinion there can be no question about that, and I think the able Senator from Oklahoma will agree that is true.

On the other hand, as the able Senator from Connecticut has said, the Secretary of the Treasury does actually set the interest rate; but before he does so—assuming that the Treasury is to issue $2 billion worth of bonds tomorrow—certainly he considers the market and the money supply and the number of persons who might buy the bonds; and the interest rate is based upon the condition of the market at that time.

The Secretary of the Treasury may say, "We certainly can sell $2 billion worth of bonds at this interest rate"; or he may say, "Perhaps we had better pay a somewhat higher rate" or "perhaps the rate can be a little lower." In any event, I am sure he gives a great deal of thought to that situation. I know the former Secretary of the Treasury did, because I have talked to him.

So although the Secretary of the Treasury actually sets the interest rate, he must take into consideration the condition of the market before he does so. The able Senator from Oklahoma agrees as to that, does he not?

Mr. KERR. Mr. President, I wish to answer as many of the questions the Senator from Indiana has asked as I can. His first question was about the price of oil and the sale of oil. His second question related to the borrowing of money by businessmen and the paying of what is charged by those who have money to lend. His third question related to the operations of the Treasury.

I believe there is a vast difference between the operation of a business in a free competitive market and the operation of the public debt, for the benefit of the people, and in discharging the responsibilities to the people. The big difference between the Senator from Connecticut and myself actually is that the Senator from Connecticut—as I understand him, and I ask him to correct me if I am in error—subscribes to the principle which I believe is advocated and followed by the Secretary of the Treasury and his Assistant, Mr. Burgess,

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in operating on the basis that the Government should pay whatever the moneylenders want to charge; that the Government must fend for itself on a competitive basis in what they call a free market, and must pay an interest rate which is imposed upon the Government by the moneylenders at the market place.

That is what the businessman has to do, and I would not change that situation with reference to the businessman, because he must operate in a competitive market.

However, I take the position that if the largest debtor in the world—the United States Government, which finds itself in that position because of what it has cost to win two World Wars and to seek to develop security for the Nation and its people—advertises to the world that in the handling of its debt, it will let others fix the interest rate it must pay, it is serving notice that it is, without any defense, inviting plunder by those who come to do business with it. I say the Government surrenders its authority and its position and abdicates its responsibility when, although it has available the greatest fiscal institution the mind of man has ever conceived, namely, the Federal Reserve System, it says, "Although I have a shield and buckler, I cast it aside; I am without a defense in the world; I am in the greatest need of any borrower on the earth; I invite any kind of treatment the moneylenders wish to give me, including plunder at any time; and I shall make no move to defend either the integrity of the bonds I have issued or the rate of interest I will pay on the bonds I am going to issue."

There is the basic difference.

Mr. CAPEHART. Mr. President, will the Senator from Oklahoma yield to me?

Mr. KERR. I ask the Senator from Indiana to permit me to answer the question he has asked.

He has asked whether I agree that the Treasury should consider what part of the debt should be carried in long-term bonds and what part should be carried in short-term bonds. Certainly it should; but I remind my good friend, the distinguished Senator from Indiana, that the Treasury is paying higher interest rates on all its bonds, either short-term or long-term.

At the height of the war, when the demand was greatest, the Treasury was borrowing money at 2½ percent, and its long-term bonds were selling at a premium. I remind the distinguished Senator from Indiana that 91-day bills were being issued at ⅜ of 1 percent interest, and the demand was greater than the supply.

After the rebellion of the Federal Reserve Board, to which the distinguished Senator from Connecticut has referred—it occurred in March 1951, I believe; at least, it was early in 1951, there was a change in the policy of the Federal Reserve Board. They said, "We will no longer support the Government bonds at par, but we will assist the Secretary of the Treasury in handling and financing the public debt."

I shall go into that in detail, in a little while. I believe my great friend from Indiana honestly believes that the policy of the present administration is the same as that of the previous administration, especially the last 2 years of that administration; but he could not be more mistaken. Up until the early part of 1951 the Federal Reserve banks supported the market for Government bonds at par. From early 1951 until the present administration, the Federal Reserve Bank assisted the Treasury in handling and financing the public debt.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. KERR. Let me finish answering the Senator's question.

Today the Treasury spurns the Federal Reserve Board; and I intend to prove that. I am going to document it. The Federal Reserve Board, on the basis of the announced policy of the Treasury, is not even permitted to help the Treasury in handling the public debt. So I say to my distinguished friend from Indiana that, whether the Treasury is interested in long-term issues or short-term issues, the policy of this administration has resulted in increasing the interest on both of them. The policy to which I referred, the policy pursued during the last 2 years of the Truman administration, brought about a situation in which 91-day bills were issued at about ¾ percent interest. They are today being issued at from 2½, 2⅝ to 2⅞ percent interest. Long-term bonds under the Truman administration were issued at 2½ percent, and they sold at a premium. Under the present administration they have been issued bearing 3¼ percent, and they are selling under par. So I am saying to my distinguished friend, in answer to his question, that whether the administration wishes to handle the debt as a long-term indebtedness or as a short-term indebtedness, it has surrendered the prerogative and the power it had in connection with fixing the interest rate, and it is paying a higher interest rate on both forms of indebtedness by reason of their policy.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. KERR. I yield for a question.

Mr. CAPEHART. I am certain that what the administration is trying to do is to stop inflation and a further increase in prices in the United States. I think that is what everybody in America wants.

Mr. KERR. Oh, I must interrupt the Senator there. I want to tell him that the cattlemen in Oklahoma have had their desire for a lowering of prices entirely satisfied.

Mr. CAPEHART. The Senator and I discussed that.

Mr. KERR. I think that is true across the length and breadth of the country. Whatever desire the cattle producers may have had to bring about a reduction in the price of beef has been more than satisfied.

Mr. CAPEHART. The Senator and I talked about that the other day.

Mr. EASTLAND. Mr. President, will the Senator from Oklahoma yield?

Mr. KERR. I yield to the Senator from Mississippi for a question?

Mr. EASTLAND. What about the wheat grower? Has he had his desire for a price decline satisfied?

Mr. KERR. I must say I am convinced that he has; but I would give him this comfort, that if he still has an unsatisfied desire for a reduction of price, he will only have to stay around a little while, and his desire will be abundantly gratified.

Mr. EASTLAND. That statement also applies to the cotton grower and to the entire agricultural industry of America, does it not?

Mr. KERR. Yes, across the length and breadth of the land, and it applies to the most important industry in this Nation.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. KERR. I yield to the Senator from Indiana.

Mr. CAPEHART. We had a debate the other day on the price of cattle. I do not know whether the price of cotton was included in the discussion, but I certainly told the Senator I thought cattle prices were too low, and that I thought they ought to go up. We are not talking about individual price categories. We are talking about the price level. I am thoroughly convinced that the American people would like to see the price level at least go no higher than it is and they would possibly prefer to have it a little lower. I know that as to many segments of our industry the price level ought to rise. It ought to be on a straight line.

I am sure that the present administration, under the policy it is following, is carrying out the wishes of the American people in trying to stop the inflation that has been going on now for years and years and years during which period prices have been gradually going up and up, while the purchasing power of the dollar has been going down. What we would like to do is to stabilize prices, which in some cases would mean bringing them up. We would like to hold the prices level; to maintain an economy wherein the dollar will buy at least as many pork chops, as many pairs of shoes, and as much clothing as it does today, rather than to follow the policy which has been pursued for many, many years, under which prices have been gradually pushed up.

Evidently the able Senator from Oklahoma thinks we are attacking the problem in the wrong way. We might well debate that. I admit that I am not enough of a banker or enough of a financial expert to know about it, and perhaps there is another way of doing it. But what I personally would like to see brought about is an end to the everlasting inflation, to see the price line leveled out, and the purchasing power of the dollar—meaning the things the dollar will buy—remain at least where it is at the moment, with possibly some reduction. That is what we are trying to bring about.

That is the opposite of the policy which the Senators on the other side of the aisle followed in regard to interest

rates, a policy which, with other things, gave us a gradual inflation. The point is, does the Senator want higher prices in America? Does he want them to go up and up? Or does he want to stabilize prices, and possibly get a little reduction in the price line, though not with respect to all categories, not with respect to all items, since the prices of certain commodities are too low at the moment. I am certain the administration is trying to stabilize prices. Perhaps it is not succeeding. But the Senator must remember, as I am sure he does, that when the President and the present Secretary of the Treasury took office about 4½ months ago they found a public debt of $267 billion, with $98 billion, I believe, coming due within the next 12 or 14 months. That is a large amount of money. It is not something a person would like to face when he awakens on some fine morning.

An effort is being made to handle the situation. I know the officials in the present administration are sincere, conscientious, and honest about it. They are running the Treasury and the Federal Reserve System, and I believe that if we are given just a little time, we will work this situation out, we will stabilize the economy of the Nation, and put a stop to the everlasting increase in prices. We will stabilize interest rates, and I think the general economy of the United States will be greatly improved.

I admit the question of fiscal policy is debatable. I certainly have no objections at all to the Senator's calling it to the attention of the Senate and of the American people. Two or three nights ago I said I thought we should always be on guard. I think it is well that there should always be someone ready to say to those in high position, particularly those having great responsibility, "Are you sure you are doing the right thing?" It is well, perhaps, to criticize what is being done; and that is exactly what the able Senator from Oklahoma is doing. I think it is helpful, because it will certainly cause Mr. Humphrey, the Secretary of the Treasury, who is a very successful man, a very frank and honest man, to stop, look, and listen. I am sure he will appreciate the comments the Senator from Oklahoma has made, and the remarks which have been made by other Senators. Mr. Humphrey does not want to make a mistake. He does not think he is making a mistake. He has a huge responsibility on his shoulders. He wants to prevent gradual inflation in the United States, an inflation which I am sure the able Senator from Oklahoma is as anxious to stop as is the Secretary of the Treasury. The Senator is making an effort to do it. I am certain that every word that has been spoken by the able Senator from Oklahoma today, and by other Senators on the other side of the aisle, will be read by the Secretary of the Treasury and the President of the United States. I am sure they are thinking about the problem. I am certain that what the Senator from Oklahoma has said here today will be helpful in causing the Secretary of the Treasury and the President to recheck their position and recheck what they are doing.

They are just as sincere and honest in trying to do the right thing as are the Democrats. I think we should give them a little time. If we say to them, "Stop, think, and listen; take another look; do you think the thing you are doing is the right thing?" I think that would be very helpful.

I congratulate the able Senator from Oklahoma for at least putting a question mark into their minds, because I know they are the kind of persons who will listen. We Republicans have the responsibility of running the Government at the moment, and we want to do that which is in the interest of all the people. One of the things we want to do is to halt the decrease in the purchasing value of the dollar.

Mr. KERR. Mr. President, I thank the Senator from Indiana, and I want to say in response to his statement that everyone is interested in price. Almost everyone I know is interested in keeping up the price of what he sells and in getting a reduction, if possible, in the price of what he buys. The average American is against any combine of which he is not a member.

The Senator referred to the fact that the Government has the responsibility of refinancing a large amount of obligations. I would say that this might be a propitious time to think about getting as low a rate of interest as is possible instead of advertising to the world that we are going to pay as high a rate of interest as we can.

Mr. CAPEHART. Mr. President, will the Senator from Oklahoma yield?

Mr. KERR. Wait a minute. I shall divide the time. I want to emphasize some of the points the Senator has made. I concur in what the Senator said with reference to the sincerity and honesty of the President and the Secretary of the Treasury. I do not doubt their sincerity or their honesty. They are acting in accordance with their campaign promises. They promised to restore the hard dollar. I do not think the average worker and producer realized the implications of that promise. But they are honest in it and they are sincere in it, and I want to congratulate them on the degree of success which they have achieved in restoring the hard dollar. I warn them, however, that a continuation of the policy will result in economic ruin in this country. It will even result in the decline of the Republican Party, which is a consummation devoutly to be wished, but one which I would not achieve at so great a cost.

Mr. President, I ask unanimous consent that the article from the New York Times from which I quoted be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SHARP NEW LOSSES OCCUR IN UNITED STATES BONDS—34 OF 37 OUTSTANDING ISSUES GO TO NEW LOW LEVELS WITH NO RECOVERY IN SIGHT

The market for United States Government securities fell sharply again yesterday in light trading. Of the Treasury's 37 issues of bonds and notes, 24 fell in price to record low levels. The new 30-year 3¼s reached 98⅜, a loss of 9/16 of a point, and the Victory 2½s of 1972 broke through 90.

Marketmen said there was nothing to indicate that the present downward phase of the market may be near an end. The decline is being brought about, it was explained, not by the great weight of offerings as in 1951, when the market was placed on a free basis, but rather by what appeared to be a lack of confidence among certain types of investors—particularly individual holders of securities—as to the future course of interest rates and fixed-income-security prices.

UPTURN NOT IN SIGHT

The inability of the market to absorb light offerings without substantial price declines was described by bondmen as reflecting a disorderliness that can be expected to continue until confidence is restored, either by the drying up of offerings or the appearance of bidders.

The trading session was largely a duplication of those of last Friday and Thursday. Dealers were called upon to bid on offerings of new 3¼s and long-term 2½s, and with virtually no investment demand from institutional investors visible, the bondmen had to lower bids successively to avoid becoming locked into involuntary inventories at unmarketable prices.

The 3¼s offered for sale represented for the most part offerings by speculative investors who were disappointed with the way the new issue had failed to hold its issue price of 100 and were unwilling to carry the issue at any lower price.

TAX SWITCHING IS SEEN

The selling of long-term 2½-percent issues and some of the longer-dated bonds eligible for commercial-bank ownership reflected not only liquidation to avoid possible further loss but moves to capitalize on the falling market by tax switching. In transactions inspired by tax considerations, market operators can establish losses for tax purposes and, with the proceeds, purchase another Treasury issue at a depressed price. In this way, a substantial part of the loss is passed on to the Treasury.

The markdowns yesterday were the sharpest since the trading session of April 27, when losses ranging up to 25/32 were registered. Yesterday, the declines in bonds maturing in 1962 and later ranged from one-half point to five-eighths of a point.

The price changes advanced the yield to maturity on the new 3¼ cent issue to 3.31 percent, while that on the longest-term 2½ percent bond maturing 11 years earlier was 3.18 percent. The 2½s due in 1970 closed at 90½ bid, a yield of 3.22 percent, and the 2½s of June 1962 closed at 92⅛, representing a yield of 3.23 percent.

CORPORATE ISSUES HEAVY

The secondary market for corporate bonds continued to be heavy, with declines predominating, but even in this characteristically thin secondary market buyers and sellers were more able to consummate transactions than in the Government list.

In trading on the New York Stock Exchange, 33 issues of corporate bonds reached new lows, among them the Great Northern Railway 3½s of 1890, at 80½; the New York Lackawanna & Western 4½s of 1973 at 80½; the Pacific Gas & Electric Co.'s 2¾s of 1981 at 82½; and the South Western Bell Telephone 2¾s of 1985 at 84¾.

The new issue of Phillips Petroleum convertible 3.7 percent debentures now being offered to stockholders were quoted at 100½ bid at the close, and the new Southern Natural Gas Co. convertible 4½s at 100¼ bid. The subscription price for each issue is 100.

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Mr. CAPEHART. Mr. President, will the Senator from Oklahoma yield?

Mr. KERR. I yield.

Mr. CAPEHART. If by an increase in interest rates on United States Government bonds we can likewise maintain the present price level or possibly reduce it, assuring a dollar that will buy more, the savings to the American people on the things they buy from day to day will amount to billions of dollars, and the savings on the things the United States Government buys, which amount to between $40 billion and $50 billion a year, will be billions of dollars, which will mean less taxes to the American people.

That is what we are trying to do. We are just as much against a decline in prices and against deflation as is the Senator from Oklahoma. The Senator made the statement that he thought the net result of the policy being followed at the moment might well result in ruin, but I assure the Senator that that is not going to happen with my vote or with my support. I cannot speak for the President or for the Secretary of the Treasury, but the minute I am convinced that it is a wrong policy, I will be found standing on the floor of the Senate and talking against it. But we must give a little time to enable the administration to check inflation. It has got to be checked. The able Senator from Oklahoma knows that if one attempts to stop a runaway horse or a runaway automobile, there is a little impact. There could not help but be a little impact when we try to stop inflation and maintain a proper price level.

Mr. KERR. I want to thank the Senator from Indiana for his assurance, and I am going to clip it from the RECORD and send it to the cattle producer to whom I am about to refer. I know when the cattle producer receives a copy of the Senator's remarks it will give him no end of comfort. This cattle producer says in his letter:

> A few days ago I attended the weekly livestock sale at Stillwater where about 1,200 cattle sell each week. The price range was from 4 cents a pound to an extreme top for fancy fats of young cattle 13 cents a pound. The average good stocker grade sold at 5 to 6 cents a pound.

I hope the distinguished Senator from Nebraska [Mr. GRISWOLD] is present. He said a few days ago that a Nebraska farmer had bought a thousand-dollar bond. He paid $750 for it, and sold it for enough money to get 10 cattle, but if he had held it to maturity, it would have bought only 3. I told him he would find that cattle were selling in Nebraska in some places at approximately 6 cents a pound. He said that might be true in Oklahoma, but it could not be true in Nebraska. I say to him that what he will find on the farms in Oklahoma he will find on the farms in Nebraska.

I read further, Mr. President, from this letter:

> Young cattle that were fat that would grade out good and suitable for steaks and ground beef sold as high as 7 to 8 cents a pound.

I am going to send this gentleman, who is so greatly distressed, a copy of the remarks of the Senator from Indiana wherein he assures us that if the day shall ever come when the price is reduced enough to hurt, the voice of the great Senator from Indiana will be heard on the Senate floor demanding a change and some relief. I say to my distinguished friend from Indiana, not that the time has now arrived, but that it arrived months ago, and that the situation daily becomes more acute.

Mr. President, prior to the little interruption I had referred to the evidence of the Secretary of the Treasury before the committee of the House, in which he said he knew he could not sell any bonds at 3¼ percent and that he did not know what interest rate was going to be paid.

Did he tell the committee that the administration was going to ask the Federal Reserve Board to buy enough bonds to offset the depressing effect of large Government issues? No. Yet the Senator from Indiana has said that the administration is faced with the refinancing of $100 billion of debt and has refinanced only 2 or 3 percent of that amount, and the Secretary of the Treasury publicly acknowledges that he does not know what interest rate will be charged for the rest of it.

Did he tell the committee that the Federal Reserve Board would be asked to level off an unusual market situation, reported in the New York Times, resulting from tax-switching of bonds? No.

The New York Times of June 2 reported as follows:

> The selling of long term 2½-percent issues and some of the longer dated bonds eligible for commercial bank ownership, reflected not only liquidation to avoid possible further loss, but moves to capitalize on the falling market by tax switching. In transactions inspired by tax considerations, market operators can establish losses for tax purposes and with the proceeds purchase another Treasury issue at a depressed price. In this way a substantial part of the loss is carried on to the Treasury.

Mr. President, when the Secretary of the Treasury cooperates in a policy that causes a continuing drop in the value of outstanding Government bonds he becomes a party to an action which results in the loss of millions of dollars of tax revenue, yes, of hundreds of millions of dollars, to the very Treasury he is charged with the responsibility of operating.

Mr. BUSH. Mr. President, will the Senator yield for a question?

Mr. KERR. I yield.

Mr. BUSH. I believe the Senator was present when I read the resolution which was submitted early in May by the Senator from Montana [Mr. MURRAY] and other Senators. At the conclusion of the resolution was a declaration that the Federal Reserve Board, or the Government, should peg or maintain the market at a minimum of par for all Government bonds. Is the Senator from Oklahoma in favor of that resolution or not?

Mr. KERR. Mr. President, I am not discussing that resolution. I heard parts of it read by the Senator from Connecticut. I have not sufficient knowledge to tell him that I am in favor of it or against it. I would not now advocate having the Federal Reserve Board go into the market and undertake to reestablish the value of long-term Government bonds at par. Regardless of how much more it might have approached wisdom to have kept the price pegged at par when it was at par, we are in an entirely different situation now. If I were in that position of responsibility, I would see to it that the Federal Reserve Board did not permit outstanding Government bonds to sink to a lower market level than they have now fallen to.

When it comes to the other proposition, of going into the market after prices have been driven down and losses have been taken as a result of the policy of the Treasury, and giving the bonds the support which would restore their value, such action probably would penalize those who had bought them at par and sold them at a loss, and reward those who had bought them at less than par and would thereby be permitted to sell them at par. Have I answered the question of the Senator from Connecticut?

Mr. BUSH. The Senator has answered that question. Now I ask another question. I take it that the Senator from Oklahoma does not definitely approve of the resolution which, if it were adopted and its recommendations followed, would require the Federal Reserve System to support the Government bond market at par.

Mr. KERR. I answered that question for the Senator as best I could, on the basis of what I believed to be appropriate action on the part of a responsible branch of the Government, entirely dissociated from the resolution to which the Senator refers.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. MORSE. I most respectfully say that I believe the Senator from Connecticut is making a gross misinterpretation of the spirit and intent of the resolution. What the resolution seeks to disclaim is the policy of the Government that has permitted United States bonds to go below par. As one of the sponsors of the resolution, it is my position that that movement should stop, and that the Government ought to establish a policy whereby further issues will not be allowed to go below par and cause the people to take the losses they are having to take as a result of the policies of the Treasury.

I think it would be a misuse of public funds to proceed now to give a handout to the people who, in effect, have taken advantage of the policy the Government has followed, resulting in such great losses to so many bond purchasers.

Mr. KERR. I thank the Senator from Oregon. I wish to say, with reference to his statement and the question asked by the Senator from Connecticut, that if the United States Government desires that the people buy the enormous quantities of bonds it will be necessary to sell, the people must have confidence in those securities. I say to Senators that the Government ought to establish a policy

which will make plain to the people that if today they pay 100 cents on the dollar for a bond, the Government tomorrow will not take an action that will result in depreciation of the value of that bond.

I cannot imagine a worse mistake for the fiscal agency of the Government to make than to say to the people of the United States, "We want you to buy $100 billion worth of bonds now, but we are warning you that the day after you do so, you are going to own something that will be an orphan in the economic storms that may roll over the land, and that neither your Government nor anyone else can say how much less they will be worth tomorrow than what we have induced you to pay for them today."

With further reference to the operations by holders of bonds in such a way as to reduce their tax liabilities, I remind the Senate that last week institutional investors were not only failing to bid for the Government bonds which were being offered, and thus helping to maintain the market, but they were selling some of their own holdings in order to reduce their tax liabilities and, in so doing, were further driving down the market price of the bonds.

As the brilliant junior Senator from Minnesota [Mr. HUMPHREY] has told the Senate, banks' profits rose last year an average of 8 percent. Some banks boosted their profits 10, 15, and 20 percent. Some of the banks will move into the excess-profits tax brackets. As we all know, the excess-profits tax will soon expire. So a situation has developed where it is advantageous to some institutional investors to sell Government securities now, establish a loss on the one hand that will keep them out of the higher tax brackets for the present, and on the other hand use the proceeds to pick up bargain buys at advanced interest yields which will create profits after taxes have been reduced.

Such a policy could only occur because the Secretary of the Treasury and his deputy in charge of debt management, the former chairman of the executive committee of the National City Bank, have repeatedly admitted and declared that they will not interfere with the free market in the determination of the interest rate.

The Secretary of the Treasury might have told the House committee that in view of this situation he was requesting the Federal Reserve Bank to enter the market, but he did not. Instead, he gave further reassurance to those who want still higher interest rates by making it clear that he will neither dry up new offerings nor attempt to get the Federal Reserve Bank to become a bidder.

This is not an isolated incident. It is only the latest example of the so-called open-mouth policy which was initiated before the administration took office and has been pursued right down to the present time in press statements and tipoffs, in speeches, and over nationwide radio and television hookups.

After the November election, and repeated top-level assurances that the new administration would stabilize the dollar, the big bankers of America started making it clear exactly what they wanted in the way of Government fiscal policy.

For example, the Wall Street Journal of January 19, in its account of the annual report of S. Sloan Colt, president of Bankers Trust Co., quoted him as stating that—

> The general improvement in rates should not obscure the fact that these rates are still too low, both in historical perspective and in terms of what is desirable for sound banking.

He wanted more, in spite of the fact, according to the Wall Street Journal, that—

> Mr. Colt reported that Bankers Trust was not subject to the excess-profits tax in 1952 but added that "we may become subject to it in 1953 if our earnings remain at present levels."

Mr. President, I do not blame these great banking institutions for trying to fix the interest rate on Government bonds. They operate in a position of free competitive private enterprise, and charge all the traffic will bear. I say that they are to be commended, in the operation of their businesses, for trying to make as much money as they can. I remember that at one time someone asked the great Rockefeller how much he wanted. "Oh," he said, with a smile on his face, "just a little bit more." The people whom I blame are those in positions of responsibility in the Government, who say, "We will not exercise any power available to us to protect the interests of the American taxpayer by keeping the interest rate on Government bonds at a reasonable level, but we will pay the rate fixed by the market, by the action of others."

Only a little later the National City Bank, Mr. Randolph Burgess' bank, in its monthly financial letter, called for issuance of long term bonds at once. An account which appeared in the New York Times on February 3, 1953, says:

> In setting forth "other difficulties" involved in waiting for a business slump to fund the public debt, the (National City Bank) review went on to say:
>
> "Any period of considerable decline in business will bring an exaggerated drop in Government revenues, since these revenues depend so heavily on the incomes which business activity generates. The paramount need for deficit financing might not permit prosecution simultaneously of a program of funding debt. Moreover, at such a time a funding program, vigorously pursued, would soak up funds available to take up mortgages and corporate and municipal bonds, and thus might interfere with the process of recovery.
>
> "An alternative is to consider such a time as the present suitable at least to get started on debt funding, notwithstanding the difficulty of swimming upstream and putting out securities in a market that is already abundantly supplied. It will require higher interest rates than the Treasury has been used to paying—and higher than may be necessary at some other later point of time. On the other hand, current rates are low rather than high by the standard of the longer stretch of history and a competitive rate is the only one that can induce the buyer to take a United States Government obligation in preference to other types of securities."

This National City Bank statement was actually only a restatement of its well-known views on the matter. The chairman of its executive committee, Mr. Warren Burgess had long been an outstanding advocate of what he called flexible interest rates. Some call him the intellectual leader of the hard-money advocates. That is doubtless because he was chairman of the committee on public debt policy established in 1946, which did an extremely competent job of arguing the viewpoint of the big banks, insurance companies, and financial interests.

As early as November 22, 1952, the Wall Street Journal carried a story quoting a close associate of the incoming Treasury Secretary as saying:

> On the national debt he will get together the best banking brains to tell him what is best. He's not going to make any decision by himself.

My statement about the distinguished Secretary might have gone just a little further than that, but in my judgment it amounts to substantially the same thing. When I made my statement I was branded by the distinguished Senator from Connecticut as having made a statement that was absolutely false.

Mr. Burgess, the chairman of the executive committee of National City Bank was thereafter appointed to head up debt management, and it was pretty clear to everyone what the general trend of Treasury debt-management policy would be. It was also clear that the Wall Street Journal was in the know, and that its staff men obviously had excellent sources within the new administration.

Even before inauguration—on January 19—further and more specific information went out to the financial world about Treasury policy. On that day the Wall Street Journal carried a headline half a page wide which read:

> New Administration Tips Hand on Debt Management; To Offer "Package" for 1⅞s Due February 15—Owners of $9 Billion Issue To Get Choice of 6-Year Bonds or 1-Year Certificates.

The story makes it clear that the author, Mr. George Cruikshank, had talked to a high source and that the Treasury was going to refund $8.9 billions of 1⅞ percent certificates maturing a month later by offering the holders their choice either of a 1-year certificate bearing a 2⅛ percent interest coupon, or a 6-year bond bearing 2½ percent interest coupons.

I request that the text of this Wall Street Journal announcement be printed at this point in my remarks, for it contained many other details of the fiscal policy which this high source was tipping to the trade, and it was again proved highly accurate by subsequent events.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GOP FISCAL POLICY—NEW ADMINISTRATION TIPS HAND ON DEBT MANAGEMENT TO OFFER PACKAGE FOR 1⅞ NOTES DUE FEBRUARY 15—OWNERS OF $9 BILLION ISSUE TO GET CHOICE OF 6-YEAR BONDS OF 1-YEAR CERTIFICATES

(By George Cruikshank)

WASHINGTON.—The new administration is beginning to wrap up its first major fiscal policy decision.

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It calls for a package offer to Government creditors holding almost $9 billion of Treasury certificates.

Exactly what's in the package won't be announced until next month. But what informed sources say is in it provides an important tipoff on how Treasury boss George Humphrey is going to manage the $267 billion public debt.

Although all the details haven't been worked out yet, here's what the sources say the fiscal policy calls for:

To refund $8.9 billion of 1⅞-percent certificates which come due February 15, the new administration plans to offer a 1-year certificate and a 6-year intermediate bond. Holders of the maturing certificates will have the choice of swapping their holdings for another certificate or accepting a bond. Of course, those who want cash will be taken care of, but fiscal experts hope the package offering will be attractive enough to encourage swapping and not cash-ins.

INTEREST RATES NOT SET YET

Just how attractive the offering will be depends on how generous the interest coupons are made. In hush-hush conferences between the new Treasury bigwigs and Federal Reserve authorities, these interest rates were mentioned most frequently: a 2⅛-percent coupon on the 1-year certificate and a 2½-percent coupon on the 6-year bond. These rates, of course, are the trimmings on the package which have not yet been determined; market conditions around February 1 will presumably determine interest rates on the refunding.

Why offer holders of the maturing certificates a choice of two types of securities? Informed sources say the answer to that question provides a major clue to the new administration's debt-management policies. Intead of "rolling over" the maturing 11½ month certificates by offering holders a similar security, incoming fiscal officials want to also include the alternative of a bond as a means of transferring some of the debt into longer-term areas.

W. Randolph Burgess, special consultant on debt management in the new Treasury organization, has long warned that the Government debt is too "top heavy" in securities which mature in 1 year or less. It's understood that he strongly favored trying to peddle long-term issues beginning with the February 15 refunding.

SNYDER BACKED SHORT-TERM NOTES

Treasury Secretary Snyder, who winds up more than 6 years as the Nation's top fiscal officer tomorrow, pretty much followed the policy of issuing and reissuing short-term securities on the grounds that such borrowings were cheaper than longer-maturing notes and bonds. This was true, but he was often criticized for taking too much of a good thing; repeated short-term borrowings mean trips to the money market every few months. Mr. Burgess often has criticized the outgoing administration for handling the public debt in such a manner as to have practically 80 percent coming due or eligible for redemption within 5 years.

Already on the record as wanting to lengthen out the debt, why isn't the new administration planning to refund the maturing certificates with, say, just a 6-year bond? The answer: It doesn't want to take a chance on its first major refinancing going sour.

If just a bond were offered to the holders of the maturing certificates, then the rate of attrition—a measure of how many certificates are turned in for cash—might be pretty high. "Maybe a bank with $50 million of the maturing 1⅞s wouldn't want a bond; under the package deal they can take certificates instead of cashing them in," comments one high fiscal official. He adds: "The Federal Reserve holds $3.7 billion of the maturing certificates and it'll go along with any Treasury terms, but what about the other $5.2 billion?"

TREASURY CONFIDENT OF REFUNDING

The new Treasury leaders reportedly are placing major stress on the coming refunding. Now that the Federal Reserve has cleared the market air by boosting the rediscount rate—the charge it makes on loans to member banks—to 2 percent, Treasury people are confident the refunding will be successful. "Now the market won't be uncertain about whether the Federal Reserve is going to fish or cut bait; it's bound to help our February 15 task," notes one official.

Mr. Burgess and other high Treasury officials and top Federal Reserve people will be meeting frequently in the next week or 10 days. They'll be tearing their proposed package apart, trimming it and wrapping it a dozen times before the final product is ready for the public.

"The market will call the trimmings (interest rates and maturities) and conceivably the market might necessitate dropping the package altogether," comments one high source. He adds: "I'll be pretty much surprised, though, if the certificate holders don't find some kind of a package waiting for them—and they'll be able to open it before February 15."

Mr. KERR. The story said:

The new Treasury officials reportedly are placing major stress on the coming refunding. Now that the Federal Reserve "has cleared the market air" by boosting the rediscount rate—the charge it makes on loans to member banks—to 2 percent, Treasury people are confident the refunding will be successful. * * *

Mr. Burgess and other high Treasury officials and top Federal Reserve people will be meeting frequently in the next week or 10 days. They'll be tearing their proposed package apart, trimming it and wrapping it a dozen times before the final product is ready for the public.

The market will call the trimmings (interest rates and maturities) and conceivably the market might necessitate dropping the package altogether, comments one high source.

As direct and positive proof of my charge that Treasury has surrendered its authority to set interest rates, and that it has acted to increase those rates, I want to repeat that last sentence. It is in direct quotation and attributed to "one high source":

The market will call the trimmings (interest rates and maturities) * * * comments one high source.

What more effective notice could be given that interests outside the Treasury would set interest rates? The Wall Street Journal labeled it a "tipoff" from a "high source" in Treasury that "the market will call the trimmings."

Just as this preinaugural story had said, the Treasury did offer the holders of these 1⅞-percent certificates a package deal. They got their choice of 1-year certificates drawing 2¼-percent interest, or 5-year, 10-month bonds drawing 2½-percent interest and Treasury officials termed the response to their offering a big success. Actually, subscriptions were slightly under the amount of maturing certificates. The Treasury paid out $137 million in cash to certificate holders. Approximately $3.1 billion of the 1-year notes and $6.9 million of the bonds were taken in exchange by the security holders. The Federal Reserve bank exchanged about $3 billion of old certificates which it held for the new ones at higher rate.

Someone in Treasury obviously felt it necessary to reassert that Federal Reserve bank was not going to be allowed to support Treasury issues, for on February 17, 1953, shortly after the refinancing, another "high source" story appeared in the Wall Street Journal. This time it laid Treasury policy out even more clearly. It was captioned "Independent Treasury—Latest United States Financing Indicates Reliance on Reserve System Is Over."

In the body of the story, which I ask to have printed in full at this point in my remarks, the writer, Mr. Lindley H. Clark, Jr., told the trade:

As a result of a Treasury-Reserve System accord in 1951, the system stopped supporting the prices of Government securities at fixed levels. But the Reserve Board indicated at that time it would continue to cooperate with the Treasury in the latter's debt-financing problems.

There, Mr. President, as I stated a little while ago, started the second phase of the three policies the Federal Reserve Board has had in the past 3 years. The Reserve Board indicated early in 1951 that thereafter it would continue to cooperate with the Treasury in the latter's debt financing problems.

Mr. Clark then reports:

Sources close to the Treasury, however, made it clear last week that the Treasury intends to get along without Reserve System help as far as possible.

These sources noted that terms of the recent certificates exchange offer were purposely made attractive enough so that the offering would go through on its own steam, that is, with no assistance from the Reserve System.

Here is the open-mouth policy again, and again a high source, a source close to the Treasury busily taking affirmative action to get the word around that the Treasury was not just surrendering, it was renouncing Federal Reserve cooperation in its financing problems.

Mr. President, I ask unanimous consent that the entire article be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INDEPENDENT TREASURY—LATEST UNITED STATES FINANCING INDICATES RELIANCE ON RESERVE SYSTEM IS OVER

(By Lindley H. Clark, Jr.)

NEW YORK.—The Treasury last week asserted its independence from the Federal Reserve System.

Only 2 years ago things were just the other way around. The Federal Reserve System was asserting its independence from the Treasury.

From early in World War II until March 1951, the Reserve System's freedom of action in the money market had been sharply limited by the Treasury's low-interest rate policies.

As a result of a Treasury-Reserve System accord in 1951, the system stopped supporting the prices of Government securities at fixed levels. But the Reserve Board indicated at that time it would continue to cooperate

with the Treasury in the latter's debt financing problems.

Sources close to the Treasury, however, made it clear last week that the Treasury intends to get along without Reserve System help as far as possible.

These sources noted that terms of the recent certificate exchange offer were purposely made attractive enough so that the offering would go through "on its own steam," that is, with no assistance from the Reserve System.

The Treasury last Monday announced that of the $8,867,962,000 of 1⅞ certificates maturing yesterday, the following exchanges were made.

Subscriptions for $8,112,000,000 to a new 2¼ percent 1-year certificate.

Subscriptions for $619 million to a 2½ percent 5-year, 10-month bond.

As a result of these subscriptions, the Treasury had to pay out only $137 million in cash to holders of maturing certificates—about 1.5 percent of the amount of the issue. This was the most complete acceptance for any similar offer of this size since 1944.

Chiefly because of the relatively small amount of cash demanded, Treasury officials termed the offering a big success.

This success was achieved with no help from the Reserve System. For only the second time in recent years, the System made no effort to stabilize the market through its purchases. The System had followed a similar hands-off policy in connection with one Treasury offering last December.

The lack of Reserve System aid was even more complete this time. The latest exchange offer was, in part, an effort by the Treasury to push part of its short-term debt into longer-term securities. The small proportion of the maturing certificates which was exchanged for the bonds was at least a minor disappointment to the Treasury.

And in this connection also the Treasury got no aid from the Reserve System. The System held about $3.7 billion of maturing certificates, all of which were exchanged for the new certificates.

The reason for this was that the System finds the certificates much more effective weapons of monetary policy. When the Federal Reserve wishes to restrain an expansion of bank credit, it can do so by selling Government securities in the open market.

When these securities are purchased by banks, the banks' reserves—and thus their ability to extend further credit—are reduced. Since the banks are more likely to purchase 1-year certificates than 5-year, 10-month bonds, the Reserve System chose to subscribe for the new certificates.

Treasury officials indicated they had not expected any substantial proportion of the holders of the maturing certificates to accept the bond. For one thing, most of the certificate holders, like the Reserve System, were not the types of institutions which want long-term securities.

In addition, the 2½ percent interest rate on the bond was not calculated to attract any large number of institutional investors. According to Treasury sources, the rate was set that low in order to discourage acquisition of the bonds by speculators who would later dump them on the market.

Mr. KERR. Mr. President, if anyone ever needed all the cooperation he could get it is the Secretary of the Treasury in handling the great debt of the United States. If I ever saw anyone that needed a strong arm to lean upon, it is the Secretary of the Treasury of the United States. Yet he openly has renounced the only effective support that was available to him. Mr. President, talk about this Nation going it alone in a world filled with aggressors. It is a comparable situation when the Treasury announces it will have no allies and no assistance, but that, in the great jungle of competitive finance, the biggest debtor of them all henceforth will go it alone.

Webster's dictionary definition of "abdicate"—the word which I used on June 1—includes: "to give up or relinquish; to renounce; to surrender, as a trust, duty, right, and so forth."

Here, Mr. President, is not only the renunciation, but the affirmative action to let it be known that Federal Reserve will not be used to resist interest rate increases.

I repeat from the Wall Street Journal article:

Sources close to the Treasury, however, made it clear last week that the Treasury intends to get along without Federal Reserve help.

Let all doubts be forgotten. The Federal Reserve previously cooperated on financing problems, but hereafter this will not be permitted, the trade was told.

Again I ask the Senator from Connecticut what more could they do to advertise their surrender of any power or control within their reach?

Well, the next step in the open-mouth policy was to get word around that there would be a billion dollar, 30-year offering at 3¼ percent.

On April 1, Mr. John A. Livingston, financial writer for the Washington Post and other newspapers, wrote a column in which he reported:

The rumor got around that W. Randolph Burgess, Humphrey's adviser on debt management, had been discussing with bankers a 30-year 3¼-percent bond, and a 15-year, 3-percent bond. Immediately, the anticipators—the poker players—went to work. The Treasury 2½s of 1967–72 (called the Victorys because they were issued after the surrender of Japan), had been selling around 94. At that price the interest rate worked out to about 2.9 percent to maturity.

So, the poker players reasoned, they'd have to go lower. A 3-percent Humphrey bond would put them down to 92⅝ for a comparable yield.

Mr. President, can men longer doubt that responsible officials were taking deliberate actions calculated to undermine confidence in outstanding bonds? John A. Livingston says they did, and tells you how they drove Victory bonds down even before the 3¼ Humphreys were issued.

Fortune magazine for May 1951, in its business roundup, reported as follows:

The dramatic development of the month for the money markets—possibly for business in general—was the Treasury's issuance of a 3¼-percent 30-year bond. During the preceding 4 months this worst-kept secret produced, just in anticipation, an upward readjustment of about .15 percent in yields on other Treasury bonds. Twenty-five one-hundredths percent on seasoned high-grade corporates, and .35 percent in the interest rates on new corporate issues.

Can the Senator from Connecticut deny that they were doing things to force interest rates up? Fortune magazine tells you that they did, and how they did it.

The facts developed yesterday on the Senate floor by the Senator from Minnesota [Mr. HUMPHREY] prove that Mr. Burgess had been talking in advance with bankers about this new 3¼-percent issue.

The Senator from Minnesota put into the RECORD a letter from W. Randolph Burgess, Deputy to the Secretary of the Treasury, in which the deputy in charge of debt management stated:

I am gratified to be able to assure you that the specific questions which you raised relate to problems which are under continuous review in the Department; not only at the time of important financing operations, but at all other times also. Moreover, to supplement our own analyses, the Treasury and representatives of important investor groups meet on an informal roundtable basis whenever the situation appears to call for it, in order to exchange views on matters of mutual interest and concern.

Mr. President, that statement by Mr. Burgess is significant. He did not say he met with the Finance Committees of either House of Congress or with the Banking and Currency Committees of either the House of Representatives or the Senate. He did not say he met with the Federal Reserve Board to discuss what the interest rate could be or might be or would have to be.

He said:

The Treasury and representatives of important investor groups meet on an informal roundtable basis whenever the situation appears to call for it, in order to exchange views on matters of mutual interest and concern.

Mr. President, it would occur to me that there is some divergence of interest. It would occur to me that the Treasury would be interested in seeing how little interest it would have to pay, whereas the investor groups would be interested in seeing how much interest they could collect. However, in his letter Mr. Burgess advised us that they discuss this matter on the basis of mutual interest.

I wish to say that any time a borrower discusses a loan with a lender on the basis of their mutual interest, he is discussing it on the basis of the lender's interest. That is the only way mutuality is developed in that situation.

Mr. Burgess then stated in his letter:

In this way, the Treasury is well informed ahead of time as to the probable effects on financial institutions and on the economy generally of various alternative courses of action.

Mr. President, it would not seem to me to be entirely out of order for the Secretary of the Treasury to be interested in the effect of this procedure upon the health of the Government's fiscal policy; but, if so, Mr. Burgess did not say so. He said it was discussed in order that the Treasury might be "informed ahead of time as to the probable effects on financial institutions and on the economy generally of various alternative courses of action."

I wish to tell him that the more interest the Treasury pays them, the better the effect upon them.

I read further from the letter by Mr. Burgess:

I might add that a number of conferences with leading investor groups—including representatives of the financial institutions you mention—were held in the period preceding the offering of the 3¼ percent bond;

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and the opinions and suggestions received by the Treasury in the course of these consultations were weighed carefully.

Mr. President, I believe Mr. Burgess was saying that the opinions and suggestions of the lenders were received and weighed carefully by the Treasury. If the suggestions of the Treasury were received and weighed carefully by the lenders, Mr. Burgess did not say so.

I read the letter into the RECORD again not only because it is pertinent to the question of how the interest rates were set and who set them, but also because I should like to pose a question to the Senator from Illinois [Mr. DOUGLAS], the Senator from Vermont [Mr. AIKEN], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Oregon [Mr. MORSE], and some of my other colleagues, who not long ago were concerned with ethics in government, in respect to the propriety of such conferences. I wish to congratulate them upon their inquiry in that regard, and I suggest to them that they examine this matter.

Mr. President, I make no charges against the Secretary of the Treasury or his assistant. I simply raise a question as to the propriety in the past, in the present, and in the future, of having the Treasury reveal the things it has in its mind, in advance of action, to a selected group of big investors.

It would be a tremendous advantage to a holder of Victory 2½-percent bonds to know in advance that the Government could be persuaded to issue 3¼-percent, 30-year bonds. He could unload on unsuspecting buyers before the final decision was publicly announced.

I think there ought to be some consideration of the ethics of letting insiders in what Livingston describes as a poker game—the bond market—have a secret preview of the Treasury's hand. Even if they did not see the final hand, it would still help them to know what kind of hand the Treasury was drawing—whether it was a pair of deuces or a full house. I do not know, but I am told that is quite an advantage in a poker game. Mr. President, I think there are millions of common people who own bonds or may own them who are just as important as any investor group, and who are as entitled to know as soon as anyone else does what the Treasury is doing, so that no big insiders can unload on the purchasers any bonds that are certain—by reason of what the Treasury is going to do—to be worth less.

Perhaps the damage done in this instance was partially reduced because the knowledge of what the Treasury intended to do was leaked rather thoroughly, and eventually nearly everyone had an opportunity to learn of it. The Treasury was pursuing this open-mouth policy of leaking to the Wall Street Journal, and aggressively letting it be known that it was renouncing Reserve bank cooperation and support; and it is true that the 3¼-percent issue was one of the worst kept secrets of our time.

Mr. President, on Monday, April 20th, Secretary of the Treasury Humphrey addressed a meeting of members of the Associated Press at their annual luncheon in New York City and told them that management of huge debt is an important fundamental. He then said:

This administration believes in the American way of life and in a free economy.

If the debt is so managed as to increase unduly the available money supply, foster the overextension of credit and depreciate the value of the dollar, it can contribute greatly toward pushing us right back into the inflationary spiral of recent times.

That was the Secretary's answer to criticism of his failure to make any effort to manage in such a way as to have some control over the interest rate. Following the issuance of the bonds, to which I have referred—the 3¼'s—Business Week magazine published an editorial sharply criticizing the new interest policy, which, as it has already been printed in the CONGRESSIONAL RECORD, I shall not again insert.

The New York Journal of Commerce carried an editorial which the Senator from Minnesota [Mr. HUMPHREY] has put in the RECORD, and I consequently will not offer it in full at this time; but I do wish to call attention to these words from that editorial:

The Treasury is potentially so large a borrower that if it undertakes to compete freely in the market for funds with private borrowers, without any Federal Reserve assistance, a very sharp rise in interest rates is bound to result at a time when private demands for funds are large, too.

There is a middle course open to the Treasury that would avoid both these extremes of debt-management policy.

This middle course requires that the level of interest rates shall be allowed to reflect fully private demands for funds. Since private demands for credit from business, mortgage borrowers and consumers have been so heavy during the current boom, interest rates were bound to rise for this reason alone.

But under the middle-of-the-road policy, Treasury borrowing would take place at the interest rate set by private demands for funds. Treasury borrowing in and of itself would not be permitted to raise interest rates further, since there is no practical limit to the increase in interest rates that would occur when the Treasury insists on selling long-term bonds for new money, or refunding regardless of the available supply of funds. The Federal Reserve Bank would provide only enough assistance to neutralize the effect of Treasury borrowing on interest rates.

I have read that much of the editorial again for two reasons: First, to reflect that great financial paper's understanding that the Secretary of the Treasury could have some power and some choice of fiscal policy, and second, as an example of the atmosphere of criticism which was rising, when, on May 12, the Deputy to the Secretary of the Treasury publicly and bluntly proclaimed the Treasury policy. At that time he addressed the National Association of Savings Banks meeting here in Washington, saying:

The first rule of Treasury policy today is that the Federal Reserve System shall be free to exercise its policy without interference. This means, of course, that the Treasury must sell its securities in the market, at the going rate of interest, and not at an artificial rate supported by the Federal Reserve System.

There it was, positive and direct—a reply to the critics of no policy to hold down interest cost.

The bankers need have no fear. The Treasury was not backing down, even in the face of criticism and the declining bond market. It was going to let the investors set the interest rate. It was going to keep the Federal Reserve out of support operations as a first rule of Treasury policy.

If any timid bond-market operator had any lingering doubts that Treasury would be affected by the criticism and pick up the reins again—or take control of the steering wheel, to make my comparison more modern—then Mr. Burgess laid those doubts to rest not only by affirming the Treasury's determination to let investors set the interest rates, but by emphasizing it as the very "first principle of Treasury policy."

I ask the Senator from Connecticut: What more could the Treasury do to surrender its own control and to encourage interest rate increases? Men no longer spoke as high sources or sources close to the Treasury. The highest Treasury officials were now out publicly stating that they had surrendered, renounced—yes, abdicated their control over rates—that they had made it a first principle not to permit Federal Reserve System support Government bonds.

There was more to be done.

The Treasury announced in May that it would issue 2⅝-percent, 1-year certificates in exchange for 5 billions of 1⅞-percent certificates maturing June 1. Reporting this as a new boost in interest rates for short term Treasury borrowing, the Washington Post reported:

A Treasury spokesman said the rate for the new certificates was the lowest at which the new issue could be sold in the existing market. He said this determination was made after conferring with investment bankers.

Ah, Mr. President, that certainly let everyone know who was invited in at rate setting time.

And then Mr. Humphrey took to the nationwide airways.

On May 24, 1953, he appeared on Martha Rountree's Meet the Press program. He was asked by Mr. Frank O'Brien of the Associated Press:

Mr. Secretary, interest rates have been rising recently. They have risen I believe to the highest levels in two decades. What has brought this about and what are the likely economic effects of it?

I now read Mr. Humphrey's reply from the transcript of that nationwide television broadcast:

The thing that has changed the interest rates was the ending of the manipulation of rates which has been going on for many years by the Treasury and the Federal Reserve Board. They had manipulated the rates, they had manipulated the money over a period of a good many years to depress interest rates and we have not had a free market in interest for a long time. Now, about a year and a half ago there was quite a difficulty between the Federal Reserve Board and the Treasury and finally the Federal Reserve Board won out and took its hands off and stopped the manipulation. When that manipulation stopped the free market began to operate and gradually from that time on there has been a change in the interest rates, which have increased.

They are still low, but they have increased over what they were under manipulated practice.

Listen, Mr. President, to these further words of the Secretary of the Treasury on May 24, 1953, after unprecedented interest rates had been imposed upon the Treasury by the moneylenders. Did he think they had gone far enough? Did he think the time had come to call a halt? No. Here is what he said:

> They are still low, but they have increased over what they were under manipulated practice.

Mr. President, the Secretary of the Treasury must have known that the agreement with Federal Reserve a year and a half ago was, as stated in the Wall Street Journal article which I put in the RECORD, not to stabilize prices at rigidly fixed levels—but nonetheless to cooperate with the Treasury in its financing problems; not to let the market break as it did June 1. The Treasury Secretary must also have known that the big rise in interest rates has come since his party gained power.

The Republicans have paid enough tributes to the Democrats' management of the debt, by their banker-minded complaints that interest charges were kept down for the benefit of the great body of borrowers of the Nation, that I do not have to argue whether it was skillful and dexterous management. They admit it. They proclaim and complain that it was done.

And in one of the most shocking phrases in that whole reply, Mr. Humphrey states the real complaint of this banker administration against that skillful management of the debt—the closing sentence where he says of interest rates: "They are still low."

The Senator from Connecticut has defied me, and I quote him, "to show one affirmative act on the part of those responsible for the financial policy of the Government that caused an increase in the interest rate on those bonds." He has defied me to show any act to lessen confidence in bond values.

Mr. President, I wonder if the Senator from Connecticut [Mr. BUSH] has heard enough about the positive and affirmative acts on the part of those responsible for our fiscal policy which have caused increases in interest rates on bonds.

Well, there is the spectacle of the Secretary of the Treasury, who has appointed a banker advocate of higher interest as his deputy in charge of debt management, a Secretary who has issued bonds at highest interest rates in 20 years, who has called in investment bankers and other big lenders in advance to discuss and fix higher rates, a Secretary who has renounced—yes, spurned—Federal Reserve Bank support. There is the spectacle of that Secretary proclaiming to millions over a nationwide hookup that the interest rates on Government securities "are still low."

What did he think this would do?

Did he think he was warning the millions of Americans that the Government was going to hold interest down and thereby stabilize bonds?

Did he think his banker friends were going to turn from the television and buy governments because interest rates would be stabilized at levels "still low."

Or was he doing what he could to let everyone in America know that while interest rates on Government securities have risen, the Secretary of the Treasury still thinks they ought to be raised more?

Mr. Humphrey was creating doubts and fears in everyone's mind as to how high interest rates were finally going to go. He was destroying confidence in present interest rates, because he was saying that rates are still too low, and that is tantamount to saying that if you held a Government bond at the old rates, it will have a still lower market value.

Mr. President, I have shown many actions by the Secretary which have impaired the confidence in holders of Government bonds, which prove he has surrendered his power to fix or hold interest rates, which have forced higher rates of interest to be paid and which have put the Secretary of the Treasury in a continuing squeeze by the moneylenders and financial interests. Actually, the crusade for higher interest by the Secretary and other high officials has been a long continuing series of overt, affirmative acts, of newspaper tipoffs, of high-source statements, and in wide-open statements combined with the issuance of securities at the highest interest rates in 20 years.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. KILGORE. I wonder what the Senator from Oklahoma would think if a corporation attorney, negotiating a contract with bankers, raised the question whether the interest rate to be paid by his client was going to be high enough. What would the distinguished Senator think about such an attorney?

Mr. KERR. The distinguished Senator from West Virginia has asked a very appropriate question. In reply, I must say that I would wonder whether that attorney was representing the borrower or the lender. If the attorney were sitting down with the lenders and saying, "We do not think we have been paying enough interest. What do you want to charge us?" I would think that the attorney ought to go on the payroll of the lenders, instead of remaining on the paydoll of the borrowers.

Mr. KILGORE. Is it not true that the outstanding so-called savings bonds carrying, I believe, 2½ percent interest, are largely in the hands of small investors?

Mr. KERR. Vast quantities of Government bonds of small denominations, but in the aggregate totaling tens of billions of dollars, are in the hands of small savers.

Mr. KILGORE. Is it not a fact that a higher rate of interest on other Government bonds would tend to depreciate the eventual sale value of the savings bonds?

Mr. KERR. It would depreciate the immediate market value of them, and the actual increase or threatened increase of interest rates on new bonds would depreciate the value of outstanding bonds that much more.

Mr. KILGORE. Does the Senator from Oklahoma remember the time about a year after World War I when war bonds dropped to as low as 65, and the Government had to issue a general order forbidding Army officers in the Southwest from buying bonds from soldiers, because the soldiers, in desperation, were selling, for as low as 65 cents on the dollar, bonds payment for which at par they had sweat out at $5 a month?

Mr. KERR. I do not remember the extent to which the bonds depreciated in market value, but I do remember the great depreciation that took place at the time to which the Senator from West Virginia has referred. What a tragedy it was, and what a warning it is that we have almost come to a counterpart of it in the present management of our fiscal policy.

Mr. KILGORE. Is it not a fact that the sale of Government bonds in the period from 1941 to the present has assisted in the stabilization of the bond market, so that people in all walks of life have been content to buy Government bonds, despite the fact that there was a drop in the price of bonds, later followed by a vast increase in price?

Mr. KERR. One of the cardinal principles of the last administration was to give the people confidence in the bonds which they bought from their Government, by maintaining support for them in the open market, which would enable the investor, if he needed to sell his bond, to receive almost as much as he paid for it, even though he had to realize on it before its maturity date.

Mr. KILGORE. I thank the Senator from Oklahoma.

Mr. KERR. I thank the Senator from West Virginia.

Mr. President, I wish to read from the New York Journal of Commerce a portion of a description of the long campaign by officials of the Treasury with reference to the increasing interest rates. The description is contained in an editorial published by this financial paper on June 3, 1953. The Journal of Commerce said:

> After the long indulgence in an "open mouth" policy of asserting that the Government bond market would be left completely free to fend for itself, while the Treasury would spare no pains to issue long-term bonds to improve the maturity of the public debt, purchase of the Treasury bills (by Reserve Board) have not sufficed to restore stability to the Government's security market.
>
> It may be necessary to lend some active support to long-term bonds, dogmas to the contrary notwithstanding, to avoid further needless and possibly quite damaging declines in the Government bond prices.
>
> These price declines are reaching a point where financial institutions with large portfolios are becoming concerned.

I do not know whether they are aware of it, but I wish to tell them that small financial identities, individual and corporate, with modest holdings of Government bonds, have been equally concerned.

I read further from the Journal of Commerce editorial:

> The fear is widespread in financial circles that the Treasury will offer long-term bonds again later on and that these bonds will be offered at whatever yield is necessary to sell

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them. And the Federal Reserve System has said it will do nothing about stabilizing the market in face of such a mounting supply of long-term bonds.

Mr. President, the Federal Reserve Board and Federal Reserve bank system were established to assist in the expansion of credit. I say that if the day were to come when they were to be used as a financial institution either to permit or provoke a restriction of credit rather than business expansion, I would join with others to tear down the Federal Reserve Board and wipe it out, since it would have ceased to be an instrumentality of service to all the people, but would have become a powerful agency in the hands of those who would use it for the common injury rather than the common welfare.

Further, the Journal of Commerce editorial said:

It is not good central banking to foster such a situation as is now developing in the Government security market.

It is much worse central banking, once such a situation begins to develop, to stand by and do nothing because action would be inconsistent with the favored banking dogma of the moment.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the entire editorial, entitled "Doctrinaire Central Banking," published in the New York Journal of Commerce for June 3, 1953.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DOCTRINAIRE CENTRAL BANKING

Central banking, as we now know it, has had a relatively brief history in the United States. The Federal Reserve System was established only 40 years ago.

The consequent absence of a long experience and a tradition has tended, at times, to make Federal Reserve policy doctrinaire in character.

This happened in 1920 and 1929, when discount rates were raised to virtually prohibitive levels to check booms. A severe squeeze in the money market and wholesale liquidation of credit resulted in each case, followed by acute business setbacks.

This happened again after the war, when Government securities were rigidly pegged at or above par because of a belief that any decline below that level would produce disastrous consequences for the economy.

The dogma that Government securities must be pegged above par, regardless of the effects upon the economy, has been completely discredited since March 1951.

But at the moment, the Federal Reserve authorities, perhaps as a natural reaction, are adopting the opposite dogma that the central bank should not be concerned at all with the market behavior of Government securities.

Pegging Government bonds above par can lead to undesirable credit inflation. But allowing the Government bond market to undergo wide and erratic fluctuations, in response to every shift in the demand for and supply of funds, every change in public-debt management policy, and every turn in speculative and investor sentiment, can produce quite undesirable results, too.

The public debt is too large in size and its role in our financial structure and our economy is too dominant to permit the central bank to abandon completely the objective of maintaining orderly conditions in the Government security markets.

The common argument for complete and unequivocal abandonment of the objective of maintaining orderly conditions in the Government security markets in that this must be done to check inflation.

If commodity prices were soaring, if credit were being expanded at a rapid pace to buy and hold commodities for the rise, the argument would be persuasive.

But this is not so.

The truth is that the inflation threat was licked 2 years ago, and not by credit control measures primarily. Inflation has been checked because of the remarkable productivity of American private enterprise, which has expanded the supply of goods and services to satisfy greatly expanded demands. Industry, and not central bankers or politicians, deserves chief credit for halting inflation.

The wholesale commodity price index has been sagging for the past 2 years. It has been sagging because of the huge volume of production of American industry and agriculture.

There is no fire of inflation raging now that has to be put out. There certainly is no need to use fire-fighting equipment that can do a lot of damage on its own account, when the fire has already been extinguished. Yet that is just what a persistent decline in Government bond prices can do at this juncture.

The Federal Reserve banks have been buying Treasury bills during the past 3 weeks, to avoid too severe a credit squeeze.

But the Government-bond market has been acutely weak despite these purchases.

After the long indulgence in an "open-mouth" policy of asserting that the Government-bond market would be left completely free to fend for itself, while the Treasury would spare no pains to issue long-term bonds to improve the maturity structure of the public debt, purchases of Treasury bills have not sufficed to restore stability to the Government security market.

It may be necessary to lend some active support to long-term Government bonds, dogmas to the contrary notwithstanding, to avoid further needless and possibly quite damaging declines in Government-bond prices. These price declines are reaching a point where financial institutions with large portfolios of Government obligations are becoming concerned. Also, individuals holding savings bonds are finding yields increasingly unattractive as marketable issues return more.

The current decline in Government bond prices is needless because savings are running at a near record rate, adequate to satisfy private demands for capital. And there are very good reasons to expect that next year the demand for capital will decline, while savings will hold up relatively well.

But the fear is widespread in financial circles that the Treasury will offer long-term bonds again later on and that these bonds will be offered at whatever yield is necessary to sell them. And the Federal Reserve System has said it will do nothing about stabilizing the market in the face of such a mounting supply of long-term bonds.

Should this fear continue and increase, the Government bond market could become seriously disorganized and depressed.

It is not good central banking to foster such a situation as is now developing in the Government security market.

It is much worse central banking, once such a situation begins to develop, to stand by and do nothing because action would be inconsistent with the favored central banking dogma of the moment.

Good central banking is flexible and realistic. It is not a slave of dogma, whatever that dogma may be.

Mr. KERR. Mr. President, that editorial appeared on June 3, the morning of the day Secretary Humphrey went before the House Ways and Means Committee and testified, as I have already said, that the Government will issue more short- and long-term securities; that he has no idea what the interest rate will be; that he does not see how he can sell any at 3¼ percent—a reaffirmation that he is going right ahead, and the interest cost depends on what the buyers require of him.

Mr. President, accompanying these significant affirmative actions on the oral front has been the steady advance upward of the interest rates on bills, the 91-day securities, on 1-year certificates, on tax-anticipation notes, and on bonds. Twenty-year records are established once a week at Treasury, with each new interest hike undermining the value of outstanding bonds.

I ask unanimous consent to have printed at this point in the RECORD a table entitled "Increased Cost to Borrowers Resulting From Interest Rate Increase, January 2, 1953, Through May 19, 1953," prepared by the Public Affairs Institute.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 1.—*Increased costs to borrowers resulting from interest rate increases, Jan. 2, 1953 through May 19, 1953*

Type of borrower	Date	Increase in annual rate of interest (percent)	Amount of borrowing	Estimated annual cost of increased rate of interest
			Millions	
United States Government:				
Bills [1]	Dec. 31–May 14	1.94 to 2.32	$17,200	$82,565,000
Certificates	Feb. 16, 1953	1⅞ to 2¼	8,100	30,000,000
Do	May 19, 1953	1⅞ to 2⅝	[2] 5,688	42,000,000
Notes [3]	May 15, 1953	1.44–1.78 to 2.16–2.47	([4])	([4])
Bonds [5]	Feb. 16, 1953	1⅞ to 2½	620	287,500
Do	Apr. 13, 1953	2½ to 3¼	1,100	[6] 7,500,000
Total increased Government cost to date				132,452,500
Farmers: Commodity Credit Corporation	Mar. 26, 1953	3½ to 4	[7] 2,800	[7] 12,500,000

[1] See table 2 for weekly changes and other details.

[2] Includes $725 million of 15-year 2-percent bonds being replaced by a 2⅝-percent 1-year certificate.

[3] Series B Treasury saving notes offered in exchange for $5 billion of series A savings notes now outstanding. Amount borrowed will depend upon the volume of outstanding notes offered in exchange for the new notes plus the volume of new money raised.

[4] Not available.

[5] Intermediate 5-year-10-month bonds issued in exchange for 1-year certificates. Last comparable bond bore an interest rate of 2¾ percent.

[6] In contrast, the total cost of the higher rate on the 30-year bonds will be $225 million over the full maturity period.

[7] If farmers borrow $2.5 billions on the 1953 supported crop.

TABLE 1.—*Increased costs to borrowers resulting from interest rate increases, Jan. 2, 1953, through May 19, 1953*—Continued

Type of borrower	Date	Increase in annual rate of interest (percent)	Amount of borrowing	Estimated annual cost of increased rate of interest
			Millions	
Businessmen:				
Prime commercial rate (loans)	Apr. 27, 1953	3 to 3¼	(1)	(1)
Prime commercial rate (paper)	Mar. 18, 1953	2¼ to 2¾	(1)	(1)
Do	Apr. 17, 1953	2⅝ to 2½	(1)	(1)
Do	Apr. 27, 1953	2½ to 2¾	(1)	(1)
Home buyers:				
VA guaranteed loans	May 4, 1953	4 to 4½	[2] $2,700	[3] $13,500,000
FHA insured loans	do	4½ to 4½	[2] 1,900	[3] 4,750,000
Consumers: Auto installment purchases	May 1, 1953	5½ to 6	[3] 2,000	[3] 10,000,000
Foreign borrowing:				
Export-Import Bank:				
Japan	Apr. 14, 1953	2¾ to 3¼	40	300,000
Spain	do	2¾ to 3½	12	90,000

[1] Not available.
[2] Based on the 1952 volume of VA and FHA-insured mortgages on single-family homes.
[3] Based on consumer credit extended for automobile purchases in 1952.

Mr. KERR. Following that, I ask to have inserted the Public Affairs Institute compilation of annual interest rates and increased costs of offerings of Treasury 91-day bills, January 2, 1953, through May 14, 1953.

There being no objection, it was ordered to be printed in the RECORD.

TABLE 2.—*Annual interest rates and increased costs on offerings of Treasury 91-day bills, Jan. 2, 1953, to May 14, 1953*

Issue date	Number of days to maturity	Total amount	Equivalent average [1] annual rate of interest	Additional cost of new offerings
		Billions	*Percent*	
91-day Treasury bills outstanding, Dec. 31, 1952	----------	$17.2	1.94	----------
1953—Jan. 2	90	1.2	2.23	$792,000
8	91	1.4	2.02	280,000
15	91	1.4	2.17	770,000
22	91	1.4	2.14	672,000
29	91	1.5	2.00	210,000
Feb. 5	91	1.3	2.07	403,000
13	90	1.5	2.03	240,000
19	91	1.3	2.01	234,000
26	91	1.3	2.11	533,000
Mar. 5	91	1.3	2.21	845,000
12	91	1.2	2.14	576,000
19	91	1.2	2.07	372,000
26	91	1.2	2.08	396,000
Apr. 2	91	1.2	2.07	372,000
9	91	1.4	2.11	582,000
16	91	1.4	2.26	1,106,000
23	91	1.5	2.36	1,560,000
30	91	1.5	2.29	1,275,000
May 7	91	1.5	2.40	1,695,000
14	91	1.5	2.31	1,380,000
Increased cost of borrowing, Jan. 2 to May 14	----------	----------	----------	14,203,000
Estimated additional cost remainder of year [2]	----------	----------	----------	38,272,000
Total increased cost of borrowing, 1953	----------	----------	----------	52,565,000

[1] Computed on the basis of average price paid.
[2] Average price assumed to be equal to price on the May 14 issue.

Source: Treasury Bulletin, Department of the Treasury.

Mr. KERR. These tables reflect statistically the penalty of the interest-increasing policy, and, as I have pointed out in 1 or 2 instances, there are significant relationships between the timing of some of these securities issues and the preceding, concurrent, or subsequent episodes in the open-mouth policy.

In further reply to the statement of the Senator from Connecticut that I am "misled, misguided, and misinformed," and consequently, that I ignorantly stated untruths, I cite the raising of interest rates on successive issues offered by the Treasury, as affirmative actions to raise rates in pursuance of the "first principle of Treasury policy"—noninterference by the Federal Reserve bank.

Lest someone reply that this noninterference or nonsupport of Government issues is a Federal Reserve Board policy, not Treasury policy, I invite the attention of Senators to two things:

First, to the specific nature of the 1951 understanding between Treasury and the Reserve Board, not to peg Government security prices at fixed levels, but for Reserve to continue to cooperate in financing problems.

Second, to the language which Mr. Randolph Burgess used in his speech to the National Mutual Savings Bank meeting here in Washington.

Mr. Burgess said:

The first rule of Treasury policy today is that the Federal Reserve System shall be free to exercise its policy without interference. This means, of course, that the Treasury must sell its securities in the market at the going rate of interest and not at an artificial rate supported by the Federal Reserve System.

Mr. Burgess did not say that the Federal Reserve bank established this policy. Mr. Burgess stated that it is "the first rule of Treasury policy." That was the accusation the Senator from Oklahoma made on this floor, which the Senator from Connecticut said was absolutely false and untrue.

The adoption of that Treasury policy was an affirmative act to raise interest rates; another was the Treasury decision to issue more long-terms; another was the Treasury decision to do this in spite of current, heavy private demand in the market for credit evidenced in some of the documents I have already put into the RECORD—all of this with the declared policy that it would pay whatever the going rate might be, and that it spurned any assistance from that great fiscal agency of Government so capable of giving it help, namely, the Federal Reserve bank.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. KERR. I yield to the Senator from Alabama.

Mr. SPARKMAN. The Senator has well and ably discussed the entire field of increased interest rates and unstabilized interest rates, as well as the confusion which abounds in the money market.

My thoughts have been dwelling on a subject to which we in the Committee on Banking and Currency have been giving some attention in recent days. I refer to the housing problem. The able Senator from Oklahoma will recall that following by just a few days the 3¼-percent-bond fiasco, as the New York Times termed it, the interest rate on housing to GI's went up by one-half of 1 percent, and on ordinary FHA housing loans the interest rate went up by one-quarter of 1 percent.

In the Sunday Star, of Washington, for last Sunday there was published an article entitled "Some Lenders Worry That Others Are Not Making Enough Loans." I wonder if the able Senator from Oklahoma saw that article. I ask him this question: With what degree of certainty can the home-mortgage market deal with mortgages on housing so badly needed by the young families of the country and by returning veterans, when it is not known what the interest rate in the market place is to be? Who is to make the money available with which to handle such mortgages?

Is it any wonder that we have a stagnant housing market, and that the increase in interest rates, which we have been told time after time was all that was necessary to bring money into the mortgage market to move these mortgages has not made such money available?

Mr. KERR. I thank the Senator for his observation. In response let me say that the urge or the pressure to increase interest rates on GI and FHA loans to the point where they would become attractive to the purchasers and move with that freedom which would make possible a resumption of building to the extent that the rising demands and needs of the Nation could be met, fell afoul of a series

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of events in which each week the Treasury offered higher interest rates in the competitive market, so that when the interest rates on the GI and the FHA loans were raised to make them attractive investments in the environment which had theretofore existed, it was discovered that a new environment had been created, and that the Treasury had brought about a situation in which higher interest rates all around were being paid and required, so that the increase in the interest rates on GI and FHA loans did not bring those mortgages into a competitive situation under current conditions, as they would have been had the Treasury not in the meantime continued to increase interest rates generally.

The result today is that no one knows what interest rates would make GI and FHA mortgage loans attractive, because no one knows today what the interest rate on Government bonds will be tomorrow. Certainly if those with money to lend think that tomorrow, next week, or next month they can get still higher interest rates by investing in the then available long-term Government bonds, naturally there is no incentive for them today to provide funds whereby GI and FHA loans could be financed.

Mr. SPARKMAN. Mr. President, will the Senator further yield?

Mr. KERR. I yield.

Mr. SPARKMAN. I wonder if the Senator will allow me to read briefly from the article to which I have referred, in the Sunday Star, written by Mr. Robert J. Lewis?

Mr. KERR. I shall be delighted to have the Senator do so.

Mr. SPARKMAN. Then I shall invite the comments of the Senator on the statements contained in the article. The article reads as follows:

SOME LENDERS WORRY THAT OTHERS ARE NOT MAKING ENOUGH LOANS

(By Robert J. Lewis)

The Eisenhower administration's policy of boosting interest rates seems to have failed, so far, both as a means of helping to solve the Government's refinancing woes of adequately increasing the supply of mortgage money for GI and FHA loans, in the opinion of many responsible sources here.

As a result, some responsible people in the mortgage industry are beginning to worry once again over the prospect that Congress may turn to direct Government loans in greater volume in order to satisfy the demand for mortgage funds.

As things look today, the Treasury Department's new fiscal policy seems to have opened a vista of higher and higher costs to the Government for debt management—and, as a corollary, it has seemed to encourage an increasingly ravenous appetite for higher and higher interest rates on home mortgages.

In spite of the assurance by mortgage lenders that all that was needed was a boost in interest rates to bring out an adequate supply of mortgage money and bring an end to evils inherent in discount practices, money hasn't appeared in much more adequate supply and many of the discount practices continue.

Builders are crestfallen, Government housing agencies are trying to hide their disappointment, and even mortgage bankers see danger signals in the fiasco.

In a special appeal to mortgage lenders, the head of the Mortgage Bankers Association of America this week said flatly that if private-enterprise lenders don't shoulder responsibility for providing money for home loans, "direct Government action might result."

"As representatives of free enterprise and as custodians of the Nation's thrift funds, we cannot afford to lose sight of the fact that there is something more at stake at this crucial time than the question of yield alone, as important as that may be," said Brown L. Whatley, president of the organization.

"There is a job to do," he continued. "If private business cannot shoulder it, then the Government again will surely step in. None should appreciate more than we the fact that direct Government lending is totally incompatible with the traditions of the American system."

As observers look at it at the moment, the mortgage-money market is the highly agitated tail to the kite of Government fiscal policy that is now in a high state of agitation, itself.

If you answer the question, "What's the Treasury Department going to do for the long pull on interest rates?" say these sources, "you'll have the answer to what the mortgage-money market may be expected to produce in the way of funds for home loans."

Up to now, no one seems to have that answer—including the Treasury Department, itself—though there is the feeling that those people who are handling policy have a hard-money outlook, and that the country can expect more of the same.

This could mean a continually ascending scale of interest rates in the future, and mad pitching and tossing for some time to come on the part of the mortgage-money tail to the Government's fiscal kite.

Mr. KERR. Mr. President, I appreciate the Senator's calling my attention to that article and to those words. I say to him, not only is the mortgage market a tail on the fiscal kite of the Treasury, but every segment of our economy individually is a tail on the kite. I say to him that the farmer, in his financial operations, is controlled and affected by that policy. I say to him that small businesses, municipalities, local units of government, counties, and States, and every element of our economy, insofar as fiscal policy is concerned, is a tail on the kite of the Treasury of the United States in reference to fiscal matters, availability of credit, and interest rates.

Mr. President, the Secretary of the Treasury acts as though he were the Secretary of the Treasury under William McKinley, when the Government of the United States was a minor factor in the money markets of this country, instead of being, as it is today, the predominant element.

If the Government owed 5 percent or 3 percent or 10 percent of the total amount of money, there might be some justification for the Government to say, "We will take our chances in the money markets of the Nation."

Mr. President, we are the big debtor. We are not the tail of the kite; we are the kite.

One day the Secretary of the Treasury must face the proposition that either he will be the victim and the captive of the moneylenders world without end, and beyond reclamation or repair, or else he must use the powers and the facilities available to him to make certain that he has something to say about the rate of interest he will pay on Government bonds.

Mr. President, one of the tables I submitted reflects increases in rates charged farmers by the Government for Commodity Credit Corporation price-support loans, and in rates charged by the Export-Import Bank for a loan to Japan to facilitate Japan's purchase of United States cotton.

In both of these instances, it is my information, the Treasury caused the increase. The Senator from Connecticut [Mr. BUSH] defied me to show one affirmative act by which the Treasury had contributed to or caused an increase in the interest rates. I hope he reads the RECORD, Mr. President, because my information is that the increase in the interest rates on support loans to farmers and the increase in the interest rates charged by the Export-Import Bank for a loan to Japan to facilitate Japan's purchase of the United States cotton were caused by direct intervention of Treasury officials, and that in the case of boosting the Export-Import Bank rate there was some very positive affirmative action on the part of high officials responsible for the Federal fiscal policy to bring about the increase.

The increased rate was no more needed by the Export-Import Bank than it was by commercial banks about to move into the excess-profits tax brackets. The Export-Import Bank was paying interest on its borrowing to Treasury, and turning in good earnings over and above expenses. Farm exports are seriously off, and there is a real need to encourage exportation of some of our products, not to roadblock those exports by tightening up terms. The administration has said a good deal about all it will do to increase exports of farm products.

But to those responsible for our fiscal policy, interest rate increasing was more important than anything else, and they saw to it that the Export-Import Bank—regardless of consequences to agriculture and to cotton raisers—gots its interest rates in line with the new high-rate policy. If the Senator from Connecticut wants details of the telephone calls and the specific moves that were made in regard to this rate boost, I suggest he have a visit with his former business neighbor, Mr. Burgess. I am informed by very reliable people about how it was done and if the distinguished Senator from Connecticut will inform himself he will have abundant proof of affirmative moves to boost interest rates. And, Mr. President, my office was advised by an employee at the Department of Agriculture that the increase in interest cost on support loans to farmers was caused by Treasury increasing its rates.

Mr. President, I call the Senate's attention to the similarity between the open-mouth policy of the high Treasury officials in regard to interest rates being too low, and the open-mouth policy of the Department of Agriculture about farm price supports being too high.

The technique has been very similar. Secretary Benson and his top assistants have kept up running comment to undermine confidence in the price-support programs; they have cut prices on Austrian winter peas, cottonseed meal, and some other products; they have called in the traders to advise them on agricultural policy—they have done almost the

same things as Treasury, except in reverse.

If the President is determined to keep these men in his Cabinet and if he really wants to be of the greatest service to the people of the United States, I think he might be wise to have Mr. Benson take charge of the Treasury Department for a while and to have Mr. Humphrey and Mr. Burgess take charge of the Department of Agriculture for a while.

Farm income is too low, and perhaps the Treasury team's jacking-up methods would be useful at the Department of Agriculture. Interest rates are going too high, and perhaps Mr. Benson's forcing-down methods would be useful at the Treasury Department and would be of benefit to the country.

Mr. President, I have listened with interest in recent days as certain Members of the Senate have referred to the economic loss caused by the tornadoes which have visited such terrible destruction in so many places in our country. Aside from the loss of life, I wish to say that the economic losses caused by those tornadoes have been infinitesimal compared to the economic damage caused to our country on the one hand by decreased farm prices and on the other hand by increased interest rates.

The distinguished Senator from Massachusetts said on the floor that the tornado in Massachusetts caused $30 million of damage. Other Senators have told us of economic damage in the tens of millions of dollars. The cattle producers alone in the United States have lost more than $30 million a day, each and every day since November 2, excluding Saturdays and Sundays; and they are yet doing it. The holders of long-term Government bonds have lost billions of dollars since November 2. I would say they have lost between $12 billion and $15 billion.

Senators seek to have an emergency declared when a tornado sweeps a community and does damage in the millions of dollars. I concur in their views and in their request, but I shall not sit idly by nor silent while those in highest positions in our Government cause destruction to our economy in terms of hundreds of millions of dollars—yes, tens of billions of dollars.

I say the time has come for the President to declare an emergency in respect to farm prices and in respect to the interest rates on Government bonds and in respect to the economic damage being caused by the wrong policies employed in those instances. Mr. President, I have reexamined the history of the interest rate spiral of the last few months, and I have reviewed the significant affirmative actions in the higher interest crusade. The Senator from Connecticut asked me to point out one positive, affirmative action. Everyone else knows there has been an epidemic of such actions, including the crusade on the part of the Treasury to raise interest rates.

I can only ask once more, What more than has been done could have been done to force up interest rates? Everyone I know who has been appointed to a key position has deplored the low interest rates of the past and has demanded higher ones for the future. When about to offer new bonds or Treasury bills they call in representatives of bond buyers and sellers to help fix the interest rates which have been increased each time. Such actions, and the advance "leaks" to newspapers of higher rates to come, the "high source statements," the open declarations renouncing Federal Reserve bank cooperation, the bald statements that interest is still too low—all these things they have done to boost interest rates. What more could they have done?

They have not only failed to do anything positive to halt the steady, costly deflationary rise in interest rates; I repeat that they have caused it or encouraged it by a whole series of events—affirmative actions ranging from persistent talk of the "open mouth" policy to accepting the interest demands made upon them by the big bankers, the insurance executives, and investment interests invited in to their conferences with "insiders."

Is it possible the Senator from Connecticut did not know of these events? Does he not know that they are both evidences of a policy and parts of a policy? I think he has to know them, for everybody else does.

President Eisenhower has claimed that his administration is responsible for this "sound money policy." Last week he made the claim to 50 million listeners on radio and TV.

W. Randolph Burgess has said the course pursued was a "first principle of Treasury policy."

The Republican Senators who attempted last Tuesday, June 2, to smooth over with a bit of political banter the unfortunate words used by the Senator from Connecticut [Mr. BUSH], said it was a policy. The Senator from Indiana [Mr. CAPEHART] said, for instance:

> Exactly what Mr. Humphrey, the Secretary of the Treasury, and the administration are trying to do is to establish a sound dollar, a dollar that will not depreciate further in purchasing power.

The Senator from Connecticut himself, after defying me to show a single affirmative action of Treasury officials to raise interest rates, proudly put into the RECORD a market column by London O. Hooper, of Forbes magazine—of all things, Mr. President—praising the strong credit team at the Treasury Department and the wisdom of raising interest rates.

I read a part of what Mr. Hooper wrote:

> It is necessary to get rates higher and credit tighter now so as to have elbowroom to reduce rates a bit and ease credit if business begins to slide.

Mr. President, I am far less confident that a depression can be cured by reducing interest rates than I am that one can be caused by continuing to increase them.

Mr. President, with all deference, I wish to refer to Mr. Herbert Hoover.

Mr. Herbert Hoover, who had a great deal of experience with a depression, wrote a book about it, subtitled "The Great Depression."

Mr. Hoover has this to say very early in the book, on page 23:

> Experience had amply demonstrated that decreased rates and open-market operations could stimulate speculation in good times; but we were soon to prove that they could not activate business in bad times. Thus these activities proved incapable of either checking booms or checking depressions.

Let us consider that warning from the greatest expert on depression in all history.

Yet the Senator from Connecticut has placed in the RECORD a statement that—

> It is necessary to get rates higher and credit tighter now so as to have elbowroom to reduce rates a bit and ease credit if business begins to slide.

Now, Mr. President, I want to get back once more to what the Senator from Connecticut said on June 2.

Early in his statement, the Senator from Connecticut made this declaration:

> The Secretary of the Treasury has not surrendered any prerogative he ever had to fix the interest rate on Government bonds. He did fix the interest rate on the last issue of Government bonds. He fixes it on every issue, because he has to do so, and he has to fix it in accordance with what the market in Government bonds is at the particular time.

Mr. President, I could understand the Senator from Connecticut when he accused me of absolute falsehood. I knew exactly what he meant—then. But this statement about the Secretary baffles me—as I read it I get conflicting thoughts:

"He does fix it, but he does not."

"He fixes it, but the market fixes it for him." So said the Senator, in effect. "He fixed the higher rates, but I defy you to show one act of his that caused an increase in the interest rate on those bonds." He defied me to show one act of the Secretary that had anything to do with increased interest rates. Then, in the very same breath, he said the Secretary fixed the rates. Mr. President, what more could one have to do with rates than to fix them? Yet in the same breath, and proving my statement that the Secretary had surrendered his prerogative, the Senator from Connecticut said that the Secretary of the Treasury "has to fix the interest rate in accordance with what the market in Government bonds is at the particular time." If that is not a classic in the compounding of confusion, and in the confusion of confounding, then I am unable to recognize it for what it is.

It was this very sort of talk which caused John A. Livingston, the Washington Post financial columnist, to go poetic in his column of May 21. In it Mr. Livingston paid his respects to Mr. Burgess and the Treasury's fiscal policies. I ask unanimous consent to insert in the RECORD at this point in my remarks the article to which I refer.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BUSINESS OUTLOOK

(By J. A. Livingston)

Gelett Burgess, who wrote, "I never saw a purple cow, I never hope to see one; but I can tell you, anyhow, I'd rather see than be one," died before W. Randolph Burgess became a deputy in the United States Treasury in charge of debt management. So Gelett could not have been tipped off to Randolph's problems in the Treasury. Yet apparently, he foresaw them. And Randolph gives him full credit.

UNIVERSITY OF MICHIGAN LIBRARIES

At the recent conference of the Association of Mutual Savings Banks in Washington, Randolph Burgess said that managing the Nation's 267-billion-dollar debt made him think of Gelett Burgess' drawing of a "goop moving from bed to dresser in a room without a floor." The drawing was accompanied by a verse:

"I wish that my room had a floor;
I don't so much care for a door,
But this walking around
Without touching the ground
Is getting to be quite a bore!"

Gelett Burgess went over big with the savings bankers. Naturally. They hold $67,200,000,000 of marketable United States bonds. And these haven't had a solid floor beneath them since the Treasury-Federal Reserve Board accord in March 1951. Present prices show it. Long-term 2½'s are selling at a discount of 8 cents and more on the dollar. So savings banks have some paper losses.

The floorlessness of United States bonds became clear for everyone when the Treasury put out its recent issue of $1 billion 3¼-percent bonds. The Reserve Board made no effort to support the price. The bonds slipped below par. Even the Treasury was taken aback. But Burgess reassured savings bankers: "One just has to have confidence that some day we will find a floor."

Burgess explained that the new issue had been carefully considered. "We had two alternatives. We could have followed the old course. We could have looked at the market and said: 'Interest rates are going up. The market is in bad shape. There is too much congestion. We ought to wait.' We could have gone to the banks and borrowed at short terms. That would have pushed us further toward inflation.

"Our other alternative was to see if we could borrow from investors outside the banks. We called in a committee of your association. We had a committee from the insurance companies, a committee from the American Bankers Association, a committee from the investment bankers. We talked with people that ran pension funds. After exploring the situation carefully, we decided that we could sell a billion dollars of long-term bonds—30-year bonds—at a 3¼ percent rate.

"Now, we didn't make that rate. We didn't just pull it out of the air. That was the going market rate. I assure you we couldn't have sold a billion dollars of bonds at 3 percent, even at a shorter maturity. The rate was fixed by supply and demand in the market and by the Federal Reserve money policies."

Too bad Gelett Burgess wasn't around to hear Randolph Burgess. He might have written:

"One's never quite sure of supply,
One's even less sure of demand;
But this you must never deny,
The market has Randolph in hand."

Such a verse would accept Randolph Burgess at his own modest evaluation. It would assume that his influence on the market is nil. Yet, when the Treasury put out its 3¼ percent bond the long-term 2½ percent were selling above 93½. A few weeks later they were down close to 91. Apparently, a great many persons said to themselves. "If Burgess puts a price of 3¼ percent on Government long-term credit, then we'll take the rate at its face value."

Result: That being the case, Gelett Burgess might have written:

"Hurrah for a market that's free—
At the whim of demand every minute!
Yet at new-issue time you'll agree
Randy's hand is covertly in it."

Or maybe this would be more in keeping:

"If you're puzzled by bond market surges,
If quotations you'd like to foretell,
Then your logical leader is Burgess,
He officially wears the cowbell."

Oh, yes, Randolph and Gelett are unrelated except in spirit.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. KERR. I yield to my friend from Alabama.

Mr. SPARKMAN. A few moments ago the distinguished Senator from Oklahoma was quoting from the book entitled "The Great Depression," written by Mr. Hoover. By the way, I may say that personally I have a great deal of feeling for the efforts that Mr. Hoover individually made to stave off that depression, even though he did not get the support either of his administration or of business generally throughout the country; and he tells that quite well in his book. But I wonder whether the distinguished Senator recalls another passage in the early part of Mr. Hoover's book, where he tells of the feeling that prevailed in the Treasury at that time, that in time of depression or panic the best way to pull out of it was to liquidate the farmer, to liquidate the small-business man, and to liquidate the laborers. In fact, he ended up by saying that the feeling in the Treasury was, that a panic every once in a while was a pretty good thing.

Mr. KERR. I remember.

Mr. SPARKMAN. Of course, I do not have the direct quotation, but I believe that, in essence, I have given what he said.

Mr. KERR. That is as I recall it.

Mr. SPARKMAN. Mr. President, if the Senator will yield to me for another question, I should like to return to something he said a few moments ago when he was talking about the conditions prevalent today among the farmers. I am certain the distinguished Senator from Oklahoma knows whereof he speaks, because he comes from a section of the country where one segment of agriculture has suffered very greatly because of the decline in cattle prices. I come from a section where there are a great many small farmers who must have credit in order to carry on their farming activities. I know that they have been suffering, as the Senator has so well stated. But, at this time, at this very minute, according to the release on the news ticker, President Eisenhower has spoken to the younger set of the Republican Party, at Mount Rushmore, S. Dak., and in that speech he listed 10 achievements of his administration to date. Has the distinguished Senator seen that on the wire service?

Mr. KERR. I have not.

Mr. SPARKMAN. I shall not ask for time to read those 10 achievements, but I challenge the Senator from Oklahoma, any other Member of this body, or anyone else, to find a single reference to the farmer, in the listing of those achievements of the administration. Would the Senator from Oklahoma care to comment on the fact that there is no mention of the farmer contained in the statement of achievements by the administration to date?

Mr. KERR. Mr. President, I would say that if I were one of those charged with responsibility in the present administration, instead of saying what I had done to the farmer, and claiming credit for it, I would be on my knees before the American farmer, begging his forgiveness. Mr. President, I have here a letter from a small-town banker in Oklahoma, who says:

That you may actually know the facts on the cattle market down this way, I am enclosing you a sales ticket for an animal sold at the Antler's auction and one at the Talihina auction. Further, I might add that some cattle sold as low as 3½ cents per pound at Talihina yesterday.

This was on June 6. He continues:

This thing is going to get desperate quickly.

Ah, Mr. President, instead of one in the present administration referring to anything that has been done for the American farmer, I know of nothing that would be more justified than a proclamation or declaration of an emergency, and the giving of assurance that appropriate action would be taken to the extent of existing authority—and if greater authority were needed, that an appeal would be made to the Congress—to help repair to some extent the economic destruction which has befallen the cattle producer, and which is but around the corner for more of the segments of our great agricultural economy.

Mr. President, I have great respect for the intelligence of the Members of the Senate. I do not have so much respect for the mythical aura of mystery that some people attempt to put around financial affairs. I think the Members of this body can pretty clearly understand when a high interest rate campaign is under way, and when it is not. And, Mr. President, I think the people can feel it too—and they will know more and more about it, and to their sorrow, as it continues.

I am sure there are residents of the red clay hills in Oklahoma who can understand that when the Secertary of the Treasury goes on a nationwide television program and tells millions of listeners that interest rates are still low, he is not trying to build confidence in the market value of the outstanding, lower interest Government securities.

I am not going to slander the Secretary of the Treasury by implying that he is an ignoramus who has been misled, misguided, and misinformed, and that he consequently innocently made that statement to the millions of people, thinking that he was bolstering confidence in the prices of outstanding Government securities.

I think he knew exactly what he was doing, just as I think a reader of the Washington Star knew exactly why the interest rate on his bank loan was recently jacked up.

Mr. President, I ask that the letter to the Washington Star be printed at this point in my remarks.

The PRESIDING OFFICER (Mr. SCHOEPPEL in the chair). Without objection, it is so ordered.

The letter to the Washington Star is as follows:

GOP HARD-MONEY POLICY

A recent experience has left this writer with a complete sense of bewilderment as to the road this administration is taking with reference to the average American family. I am not referring to the great international problems with which we are confronted, tidelands oil, private versus public power, decapitation of the slum clearance and public housing problem by the House, etc. I refer to the daily problem and struggle of meeting one's budget and providing for his children's education.

The largest bank in the city had been helping this writer over the past few years with the necessary loans to send his children through college. Payments against these loans were made regularly and on time. The interest rate was established at 6 percent. However (and this is the point I wish to stress) when the bank was approached to renew this loan, the writer was informed that the interest rate would be hiked to 8 percent. Apparently it made no difference to this bank that the United States Government had raised its rate by only one-half percent. Its excuse for upping the rate to 8 percent was "we have to make up for the errors of past administrations." All this in the face of the facts that this particular bank paid regular and increased dividends during past administrations and has never been in so healthy a financial condition.

Here then is the hard-money policy of the Eisenhower administration exhibited in its rawest state. The little fellow, struggling to provide his family with the minimum decencies which a democracy such as ours should provide, finds himself squeezed between the deflationary policies of big business government and these elements in our free-enterprise system who, because of their control of the monetary policy, can pretty well determine the manner in which the average American family should live.

Is this what we voted for last November? The American people are quickly being disillusioned about the great crusade. Already they see their big mistake in having voted for something they didn't want or expect. The answer will come soon and in a most explosive manner, come the elections in 1954.

READER.

Mr. KERR. Mr. President, in regard to my statement that those responsible for fiscal policy have worked to destroy confidence in the value of our bonds, and to increase the interest rates on new bonds, I again ask the Senator from Connecticut: What more could they have done to bring about these ends?

In regard to my statements that those responsible for fiscal policy have surrendered—abdicated—the power to set interest rates, I cite the evidence I have presented of renunciation of Reserve bank cooperation as a matter of "first principle of Treasury policy," the evidence of appointment of a flaming advocate of higher interest to head debt management, of avowed and publicized conferences with important investor groups before setting rates; and of avowed and publicized surrender to the market which these important investor groups very largely constitute.

Mr. President, back in January, when the big upsurge in interest rates started, either the Treasury was in full charge of the vehicle of interest rate on the public debt and deliberately chose the fork of the road which goes up the hill of higher interest toward the precipice of recession and depression, or the Treasury had its hands on the wheel, but let financial interests dictate the choice of roads, or, third, they have given both the wheel and the choice of course to the financial interests.

Mr. President, I ask that the Senate be supplied with a detailed statement of time and place of these interest-fixing consultations and the identity and business connections of all persons in attendance.

Let us fix it so that no one will be misled, misguided, or misinformed. I challenge the Secretary to put all the facts right on top of the table. I challenge him to tell the American people exactly who has been sitting in on these meetings, and what comes out of them.

In my remarks of 2 weeks ago I asked that the Secretary of the Treasury take dynamic, positive action to halt the increased rate rise. I now suggest that he announce that future consultations will include the Federal Reserve Bank Board; that the administration request immediate Federal Reserve bank cooperation in stabilizing and restoring confidence in the value of Government securities; and that our Government use every power and prerogative to hold down interest rates on, and stabilize and maintain the value of Government bonds.

ORDER FOR RECESS TO MONDAY

Mr. KNOWLAND. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until Monday next at 12 o'clock noon.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR SECRETARY TO RECEIVE MESSAGES FROM THE HOUSE OF REPRESENTATIVES

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the Secretary be authorized to receive messages from the House of Representatives during the recess of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR VICE PRESIDENT TO SIGN ENROLLED BILLS DURING RECESS OF THE SENATE

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the Vice President be authorized to sign enrolled bills during the recess of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR COMMITTEES TO SUBMIT REPORTS ON BILLS AND NOMINATIONS DURING THE RECESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the committees be authorized to submit reports on bills and nominations during the recess of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION TO FILE NOTICES OF MOTIONS TO SUSPEND THE RULE

Mr. KNOWLAND. Mr. President, if any appropriation bills are reported during the recess of the Senate, I ask unanimous consent that authority be granted to file with them notices of motions to suspend the rule.

The PRESIDING OFFICER. Without objection, it is so ordered.

TEMPORARY ECONOMIC CONTROLS—PRINTING OF BILL

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the bill (S. 1081) to provide authority for temporary economic controls, and for other purposes, be printed, showing the House amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California? The Chair hears none, and it is so ordered.

EXECUTIVE SESSION

Mr. KNOWLAND. Mr. President, I have previously consulted with the minority leader, and I understand from him that there is no objection to any of the nominations on the calendar. There are about 5 or 6.

I ask unanimous consent that the Senate proceed to the consideration of executive business, for the purpose of taking up the new reports.

There being no objection, the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. CAPEHART, from the Committee on Banking and Currency:

Ralph H. Demmler, of Pennsylvania, to be a member of the Securities and Exchange Commission for the term expiring June 5, 1957, vice J. Howard Rossbach, resigned.

The PRESIDING OFFICER (Mr. PAYNE in the chair). If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar under the heading "New Reports."

UNITED NATIONS

The Chief Clerk read the nomination of Mason Sears to be Representative of the United States of America on the Trusteeship Council of the United Nations.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk read the nomination of John C. Hughes to be United States permanent representative on the North Atlantic Council, with the rank and status of Ambassador Extraordinary and Plenipotentiary.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNIVERSITY OF MICHIGAN LIBRARIES

COLLECTOR OF CUSTOMS

The Chief Clerk read the nomination of Frank D. Yturria to be collector of customs for customs collection district No. 23.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

COAST AND GEODETIC SURVEY

The Chief Clerk proceeded to read sundry nominations in the Coast and Geodetic Survey.

Mr. KNOWLAND. I ask that the nominations in the Coast and Geodetic Survey be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the Coast and Geodetic Survey nominations are confirmed en bloc.

UNITED STATES COAST GUARD

The Chief Clerk read the nomination of Henry C. Perkins to be rear admiral.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. KNOWLAND. Mr. President, I ask that the President be immediately notified of all nominations this day confirmed.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. KNOWLAND. I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

Mr. KNOWLAND. Mr. President, there are on the calendar two bills which I understand are noncontroversial. One of them is a bill introduced by the distinguished Senator from Alabama [Mr. SPARKMAN], which I had on the schedule for today. The other is Senate Joint Resolution 6, which I should also like to have considered. I believe they can both be acted upon within a few minutes.

SUPERVISION OF AMERICAN UNIVERSITY IN THE BOARD OF EDUCATION OF THE METHODIST CHURCH

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of the bill (S. 1273) which is No. 378 on the calendar. I believe the Senator from Alabama will desire to make a brief explanation.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (S. 1273) to amend the act entitled "An act to incorporate the American University," approved February 24, 1893, so as to vest supervision of the American University in the Board of Education of the Methodist Church, and for other purposes, which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 4, after the word "Church", to insert "members of the board of trustees shall hold office until their successors are elected", so as to make the bill read:

Be it enacted, etc., That the act entitled "An act to incorporate the American University," approved February 24, 1893, as amended, is amended by redesignating section 2 thereof to be section 3, and by inserting after the first section thereof a new section as follows:

"SEC. 2. (a) After the date of enactment of this section—

"(1) no person shall be elected to the board of trustees of the corporation unless the election of such person has been approved by the Board of Education of the Methodist Church; members of the board of trustees shall hold office until their successors are elected;

"(2) all property, both real and personal, of the corporation shall be held in perpetuity for educational purposes under the auspices of the Methodist Church and subject to the terms and provisions of the Discipline of the Methodist Church; and

"(3) the board of trustees of the corporation shall not propose any amendment by the Congress to this act unless the proposal of such amendment has been previously approved by the board of education of the Methodist Church.

"(b) In the case of any violation by the corporation or the board of trustees of any of the provisions of subsection (a) of this section, all right, title, and interest of the corporation in and to all property, both real and personal, of the corporation shall vest in the board of education of the Methodist Church, a corporation organized under the laws of the State of Tennessee, or its successor."

Mr. SPARKMAN. Mr. President, I may say very briefly that this bill simply proposes certain amendments to the charter of incorporation of American University, in order to clarify the relationship between it and the general conference of the Methodist Church. The amendments are technical in nature.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to amend the act entitled 'An act to incorporate the American University,' approved February 24, 1893, so as to clarify the relations between the board of trustees of the American University and the board of education of the Methodist Church, and for other purposes."

CONTINUANCE OF CIVIL GOVERNMENT FOR THE TRUST TERRITORY OF THE PACIFIC ISLANDS

Mr. KNOWLAND. Mr. President, I now ask unanimous consent that the Senate proceed to the consideration of the joint resolution (S. J. Res. 6) to provide for a continuance of civil government for the Trust Territory of the Pacific Islands. It is Calendar 376.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the joint resolution (S. J. Res. 6) to provide for a continuance of civil government for the Trust Territory of the Pacific Islands.

Mr. KNOWLAND. Mr. President, this is another measure which I have taken up with the minority leader of the Senate. The Senator from Oregon [Mr. CORDON], who introduced the joint resolution, is attending a meeting of the Senate Committee on Interior and Insular Affairs at the present time. The resolution is made necessary by reason of the fact that there is some doubt as to the authority to make appropriations for the government of the trust territory.

In the appropriation bill last year, the House and Senate Appropriations Committees made clear that they felt there should be some authority. I understand that it was thought that the original decision which we made to take over the trusteeship of the United Nations might be ample authority; but, since there is more question about it, the Committee on Interior and Insular Affairs has reported the joint resolution.

The reason for the necessity of acting on it at this time is that the Interior appropriation bill is now under consideration, and the committee feels that it should have the authority, prior to going ahead, to make the appropriation for the government of the trust territory. I ask unanimous consent that a copy of the committee report be printed in the RECORD at this point.

The PRESIDING OFFICER. Is there objection?

There being no objection, the report (No. 371) was ordered to be printed in the RECORD, as follows:

The Committee on Interior and Insular Affairs, to whom was referred the joint resolution (S. J. Res. 6) to provide for a continuance of civil government for the Trust Territory of the Pacific Islands, having considered the same, report favorably and urge that the bill do pass without amendment.

By the joint resolution dated July 18, 1947 (61 Stat. 397), the Congress authorized the President to approve the trusteeship agreement between the United States and the Security Council of the United Nations for the Trust Territory of the Pacific Islands (formerly the Japanese mandated islands). Responsibility for civil administration of the trust territory was delegated to the Secretary of the Navy on an interim basis by Executive Order No. 9875 of July 18, 1947. In accordance with Executive Order 10265 dated June 29, 1951, responsibility for the civil administration of this area was transferred to the Secretary of the Interior, effective July 1, 1951. By Executive Order 10408 of November 10, 1952, the administration of the islands of Saipan and Tinian in the Northern Marianas was transferred for security reasons to the Department of the Navy, effective January 1, 1953. Further transfers of individual islands are of course possible at any time for security or other reasons.

The Interior Appropriations Act for 1953 (Public Law 470, 82d Cong., 66 Stat. 459) provided as follows: "*Provided further*, That after June 30, 1953, no funds appropriated by this or any other act and no funds which are available or which may become available from any source whatever shall be used for administration of the Trust Territory of the Pacific Islands, except as may be specifically authorized by law."

This proviso in last year's appropriation act expressed a definite determination by Congress that further appropriations for the administration of the trust territory would not be made available until basic authoriz-

ing legislation had been enacted by Congress. In line with that determination the House of Representatives has disallowed the entire budget request for the trust territory in the pending Interior appropriation bill for the fiscal year 1954.

It is the intention of this committee in due course to attempt to secure enactment of an organic act creating a basic governmental structure for the area. A tentative draft of such organic legislation has been prepared by the Department of the Interior and has been introduced in the House of Representatives, but the Department has made it clear that this tentative draft does not represent its final recommendations.

For that reason and because of the necessity of complying promptly with the language cited above in the 1953 Interior Appropriation Act, it seems necessary to pass interim continuing legislation authorizing the existing framework of government in the area and the continuation of the present programs and activities carried on by our representatives there.

This joint resolution simply provides that until Congress shall make provision for the government of the trust territory all executive, legislative, and judicial authority necessary for the civil administration of the trust territory shall continue to be vested in such person or persons and shall be exercised in such manner and through such agency or agencies as the President of the United States may direct or authorize.

Appropriations are authorized for a period of not over 3 years. The joint resolution specifically provides that no new activities requiring the expenditure of Federal funds shall be initiated without the prior approval of Congress.

The committee has received reports from the Department of the Interior and the Bureau of the Budget recommending prompt and favorable action on this joint resolution which are appended hereto. It will be noted that the Department of the Interior suggested an amendment relating to the use of funds of the Island Trading Co. The commitee does not recommend inclusion of this suggested amendment for the reason that it is anticipated the 1954 Interior Appropriation Act will make such provision as is necessary and desirable with respect to continuation of the Island Trading Co. and use of its funds.

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D. C., May 7, 1953.

Hon. HUGH BUTLER,
Chairman, Committee on Interior and Insular Affairs, United States Senate, Washington, D. C.

MY DEAR SENATOR BUTLER: This will reply further to your request for the views of this Department on Senate Joint Resolution 6, to provide for the continuation of civil government for the Trust Territory of the Pacific Islands.

I recommend that the joint resolution be enacted with an amendment, if organic legislation for the trust territory is not enacted.

The purpose of the joint resolution is to give statutory authority, on an interim basis, for the continuance of civil government in the trust territory. With the exception of certain appropriation acts, the Congress has taken no action with respect to the trust territory since July 18, 1947, when, by joint resolution, it authorized the President to approve the trusteeship agreement between the United States and the Security Council of the United Nations (61 Stat. 397). If organic legislation for the trust territory were enacted, there would be no need for Senate Joint Resolution 6, for its purpose would be accomplished. But until organic legislation is enacted, the joint resolution would serve both as interim authority for the continuance of civil government in the trust territory and as recognition of the United States responsibility to provide such government.

I recommend, however, that an additional section be inserted in Senate Joint Resolution 6 to direct that all assets of the Island Trading Company which remain after deposit in the Federal Treasury, as required by the Interior Department Appropriation Act, 1953, of the $1,801,934 which the company owes to the United States Government, may be used by the government of the trust territory for credit purposes in order to insure the continued flow of trade in the trust territory.

The Interior Department Appropriation Act, 1953 (Public Law 470, 82d Cong., 2d sess., 66 Stat. 445), provides that the Island Trading Company of Micronesia, an agency of the government of the trust territory, shall not have succession after December 31, 1953, that funds available to the company on that date (after payment of the $1,801,934 owed to the Federal Government) shall, unless otherwise specifically provided by law, be deposited in the Treasury as miscellaneous receipts, and that the references to the Island Trading Company shall be deemed to include any other officer, agency, or instrumentality performing the same or similar functions.

The Island Trading Company has performed and still performs certain essential economic functions in the territory. It purchases copra from producers even in the remotest islands of the territory and arranges for its export and sale. It is the principal importer of food and other trade goods which it sells to local commercial trading companies.

These exporting and importing functions must be assumed by commercial companies after the Island Trading Company is liquidated and plans for them to do so must be laid well in advance of its liquidation. It is the policy of this Department to encourage locally owned and operated trading companies to undertake the functions previously carried out by the Island Trading Company. However, these companies lack sufficient capital to purchase copra and to maintain trade goods inventories to supply retail stores for the 2 or 3 months between shipments from United States and other markets. Unless credit is provided, the flow of trade will seriously diminish with consequent suffering among the people in the trust territory and loss of tax revenue to the Government.

The use of the balance of Island Trading Company assets, after the amounts owed the Federal Government are paid, for loans to local trading companies is appropriate as well as necessary. These assets were developed since the end of World War II from profits of the Island Trading Company on its copra and trading operations. The islanders, particularly the copra producers, thus have a stake in the final liquidation of these assets. The assets could be used in their interest if made available to the trust territory government to provide credit to local commercial trading companies. No commercial sources of credit are available within the territory and it is unlikely that banks or other credit sources outside the territory would loan money to these local trading companies at reasonable interest rates.

I recommend, therefore, that Senate Joint Resolution 6 be amended by adding at the end thereof a new section, to be designated section 3, and to read as follows:

"SEC. 3. Any assets and liabilities of the Island Trading Co. of Micronesia outstanding on December 31, 1953, shall be transferred to and assumed by the government of the Trust Territory of the Pacific Islands for purposes of liquidation of the company, but such funds as remain after discharge of liabilities (including the payment by the company of $1,801,934 into the Treasury as miscellaneous receipts as required by the Interior Department Appropriation Act, 1953) may be used to provide financial aid to local trading companies on a loan basis on such terms as may be determined by the Secretary of the Interior to be necessary to insure continuation of local commerce."

This language parallels precisely the last proviso of the trust territory section of the budget of the United States, 1954 (p. 756), for the Interior Department Appropriation Act, 1954, except that the budget language restricts the period of financial aid to the fiscal year 1954. Because Senate Joint Resolution 6 would be effective "until Congress shall further provide for the government of the trust territory," a period which may extend beyond fiscal year 1954, I believe it woud be inappropriate in the proposed new section 3 to limit the period during which financial aid may be provided to June 30, 1954.

If amended in the manner set forth above, I recommend that Senate Joint Resolution 6 be enacted in the absence of organic legislation.

In connection with the recitals on page 1 of the bill, I call to your attention the fact that, pursuant to Executive Order No. 10408 of November 10, 1952, the administration of the islands of Saipan and Tinian was transferred to the Department of the Navy, effective January 1, 1953.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

ORME LEWIS,
Assistant Secretary of the Interior.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., May 1, 1953.

Hon. HUGH BUTLER,
Chairman, Committee on Interior and Insular Affairs, United States Senate, Washington, D. C.

MY DEAR MR. CHAIRMAN: This will acknowledge your request for the views of this office on Senate Joint Resolution 6, to provide for a continuance of civil government for the Trust Territory of the Pacific Islands.

The purpose of Senate Joint Resolution 6 is to provide statutory authority on an interim basis for a continuation of civil government of the Trust Territory of the Pacific Islands, now carried out under Executive order. It should be noted that responsibility for the administration of the islands of Saipan and Tinian was transferred from the Secretary of the Interior to the Secretary of the Navy by Executive Order 10408 of November 10, 1952. It is considered that this fact should be incorporated into the first part of the joint resolution.

The Department of the Interior by letter dated January 17, 1953, has submitted to the Congress draft organic legislation for the trust territory. However, in view of the restrictive language in the Interior Department Appropriation Act, 1953, legislative authority for continued functioning of civil government in the trust territory is required by June 30, 1953.

It is understood that the Department of the Interior will propose an amendment to Senate Joint Resolution 6 which would permit the government of the trust territory to use for trade loan purposes the assets of the Island Trading Company remaining after liquidation of the company and after the deposit of $1,801,934 in the Federal Treasury. This amendment would have the effect of extending authority to accomplish this same purpose for the fiscal year 1954 only, as proposed in the revised budget for 1954.

Accordingly, the Bureau of the Budget would favor the enactment of Senate Joint Resolution 6 as modified by the proposed Department of the Interior amendment, pending consideration by the Congress of organic legislation for the trust territory.

Sincerely yours,

JOSEPH M. DODGE, *Director.*

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The PRESIDING OFFICER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Whereas, pursuant to the authority of Public Law 204, Eightieth Congress, of July 18, 1947, the President approved the trusteeship agreement for the Trust Territory of the Pacific Islands between the United States and the United Nations, effective July 18, 1947; and

Whereas responsibility for civil administration of the Trust Territory was vested in the Secretary of the Navy by Executive Order No. 9875 of July 18, 1947; and

Whereas responsibility for such civil administration was transferred to the Secretary of the Interior, effective July 1, 1951, by Executive Order No. 10265 of June 29, 1951; and

Whereas organic legislation for the Trust Territory is now pending before the Congress: It is hereby

Resolved, etc., That until Congress shall further provide for the government of the Trust Territory of the Pacific Islands, all executive, legislative, and judicial authority necessary for the civil administration of the Trust Territory shall continue to be vested in such person or persons and shall be exercised in such manner and through such agency or agencies as the President of the United States may direct or authorize.

SEC. 2. There are hereby authorized to be appropriated for a period not to exceed 3 years such sums, not to exceed $10 million annually, as may be necessary to carry out the provisions of this joint resolution: *Provided, however,* That no new activity requiring expenditures of Federal funds shall be initiated without specific prior approval of the Congress.

INVESTIGATION OF EFFECTIVENESS OF FOREIGN INFORMATION PROGRAMS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate Resolution 117, extending the authority for the investigation with respect to the effectiveness of foreign information programs. I have taken up this matter with the minority leader. It is a resolution which continues the authority of the committee, and it carries no additional appropriation. It was reported unanimously from the Committee on Foreign Relations, and, under the rules of the Senate, it went to the Committee on Rules and Administration. The only amendment to the resolution is one changing the date from January 31, 1954, to February 1, 1954, which was to make it coincide with our fiscal set-up as requested by the fiscal officer of the Senate. I know of no opposition, and the resolution will merely continue over, into the period when Congress will be meeting again, the authority to investigate the Voice program.

The PRESIDING OFFICER. Is there objection to the consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution (S. Res. 117) extending the authority for the investigation with respect to the effectiveness of foreign information programs which had been reported from the Committee on Rules and Administration with an amendment in line 7, after the word "thereof" to strike out "January 31" and insert "February 1," so as to make the resolution read:

Resolved, That section 2 of Senate Resolution 74, 82d Congress, agreed to June 30, 1952 (authorizing an investigation with respect to the effectiveness of foreign information programs), as amended by Senate Resolution 44, 83d Congress, agreed to February 20, 1953, is amended further by striking out the date "June 30, 1953" and inserting in lieu thereof "February 1, 1954."

The amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution as amended.

The resolution, as amended, was agreed to.

LEGISLATIVE PROGRAM

Mr. KNOWLAND. Mr. President, for the information of the Senate, let me say that permission has already been granted that when we complete our work this evening the Senate will recess until next Monday. I understand there are some additional remarks to be made on the pending measure, Senate bill 1946, but I desire to inform the Senate that it will be the purpose of the acting majority leader to have considered on Monday, as previously announced, the Department of Agriculture appropriation bill, and, after the usual morning hour, to proceed on Monday to the debate on that bill.

PREVENTION, DETECTION, AND PUNISHMENT OF CRIME IN THE DISTRICT OF COLUMBIA

The Senate resumed the consideration of the bill (S. 1946) to provide for the more effective prevention, detection, and punishment of crime in the District of Columbia.

Mr. BARRETT. Mr. President, I am hoping that we can dispose of Senate bill 1946 this evening.

The bill has for its objective the strengthening of the criminal statutes in the District of Columbia. The need for this legislation has been self-evident for a good many years. Our Nation's Capital should be the model city of our country.

Here in this historic city stand the most beautiful structures and monuments of America. Thousands of our people journey across the country year after year to glory in the memories and traditions of our glorious past. Thousands more of our schoolchildren travel long distances to see for themselves the historic documents and the stately buildings of their Federal city. Rulers and statesmen of every nation on the face of the earth honor our Capital at some time in their careers. Washington can now properly be termed the Capital of the world. Here on the banks of the Potomac the people of our country have given generously of their substance to make their Capital the finest and most beautiful city of America. The citizens of our country take great pride in Washington and they want it to be the model city of our great land.

It is a sad commentary then, Mr. President, when we are confronted with reports that the crime rate in Washington is 2½ times the national average. The Capital City is on the top of the list for crimes of violence. Instead of having one of the worst records in this regard we should have the best record of any city of comparable size for law and order. How embarrassing it must be for visitors to Washington to read in our papers day after day stories of brutal and vicious crimes of violence.

Major crimes have increased at an alarming and rapid rate since 1950. I am told that during the month before last, 1 lawbreaker was apprehended with an astonishing record of 102 housebreakings.

The 17th annual report of the Washington Criminal Justice Association released in March of this year, carries this significant statement, and I quote from page 1 of this report, "In the categories of serious crime used as a barometer by the association there were 14,550 actual offenses during the calendar year of 1952. This represents an increase of 19.4 percent from the 12,182 similar offenses reported during 1951. The total number of offenses reported during 1952 is the greatest volume ever recorded and represents a new high in serious felonious offenses in the District of Columbia."

The report for 1952 also shows that in aggravated assaults committed here in the District of Columbia the number increased from 4,309 in 1951 to 4,608 in 1952, an increase of 6.9 percent, approximately 7 percent. Housebreaking increased from 3,863 in 1951 to 5,211 in 1952, an increase of 34.9 percent, practically 35 percent. Robbery increased in the same length of time from 1,014 reported cases in 1951 to 1,395 in 1952, an increase of 36.6 percent for 1952 over 1951.

In October 1951 the FBI semiannual report indicated that the District of Columbia led the Nation in aggravated assaults for the preceding 6 months.

For several years last past the District Committees of both branches of the Congress have endeavored to find a practical solution for this problem. Special committees were set up to study ways and means to overcome this situation. Joint hearings of the subcommittees were held during the current session. The views of the President of the Board of Commissioners of the District, the chief judge for the District, the chief judge for the Court of Appeals for the District, judges of the municipal court, the United States attorney for the District, and representatives of the bar associations of the District were not only solicited and received, but given careful consideration.

As a result of these hearings, the members of the respective subcommittees found themselves in substantial agreement as to which of the provisions of the Senate and House bills should be retained and included in the omnibus crime bill which is now under consideration. Pursuant to the directions of the subcommittees, conferences were held for the purpose of working out the technical minor policy problems. This conference was attended by representatives of the staffs of the District Committees

of the Senate and House of Representatives, representatives of the office of the legislative counsel of the Senate and House of Representatives, and judicial and executive officers of the government of the District of Columbia. As a result of this conference, the bill, H. R. 5312, and its companion bill, S. 1946, were introduced.

The only differences in the House passed bill, H. R. 5312, and Senate bill, S. 1946, are contained in section 201 prescribing minimum sentences in certain crimes. The Senate bill does not include minimum sentences for the crimes enumerated herein for a first offense.

It is a notorious fact, Mr. President, that criminals gravitate toward those jurisdictions that are more lenient in the administration of justice. The situation confronting us today calls for immediate action. Without attempting to attach the blame to any group, the conclusion is irresistible that we need strong medicine to correct a bad situation. We need a deterrent to stem the wave of ever-increasing crimes of violence.

The bill has been reported unanimously by the Committee on the District of Columbia.

The first provision of the bill requires minimum sentences on a mandatory basis for vicious and brutal offenses, such as assault with intent to commit rape, robbery other than picking pockets, and housebreaking at night. It seems to me that for those offenses mandatory minimum sentences are in order. I have had a check made of all States in the Union, and have learned that 42 of the 48 States have minimum sentences for such offenses.

The committee has amended the bill so that even for those offenses the minimum mandatory sentence is not applicable on the first offense, but only upon second conviction.

It seems to me that the bill, resulting from the work carried on by the committees during the past 3 or 4 years, merits approval by the Senate. I shall not take time to discuss the entire bill, but I may say that, in addition to putting teeth into the punishment provided for the most heinous, vicious crimes in the District, the bill strengthens the law as to sex offenses; it improves and makes stronger the Dangerous Weapons Act; the gambling laws are made more effective; the bill revises the law affecting the possession of burglary tools; it provides punishment for fornication and for habitues of a dive. The bill also improves and strengthens the law with reference to bottle clubs.

Mr. President, it seems to me that the issue is squarely before the Senate. This community is entitled to better law enforcement than it is getting. Conditions have reached such a point that something must be done, and pretty strong medicine is called for to do the job. I think this bill will accomplish that purpose.

I do not desire to reflect upon any group in the community for failure to see that laws have been properly enforced and criminals apprehended and sentenced as they should be. However, we know there has been a breakdown, and if steps are to be taken that will remedy the situation, they must be taken on a strong, affirmative basis. It seems to me that the Capital City of the United States is entitled to legislation of this character.

Mr. GORE. Mr. President, will the Senator from Wyoming yield?

Mr. BARRETT. I yield to the Senator from Tennessee.

Mr. GORE. I wish to express my appreciation to the distinguished junior Senator from Wyoming for the outstanding work he has done in the preparation of the bill. As he has said, the bill was reported unanimously by the Committee on the District of Columbia. I wish to associate myself with the sentiments and statements of the Senator from Wyoming, and also in the hope he has expressed that the bill when enacted will bring about better law enforcement in the District of Columbia. I shall join in voting for the passage of the bill.

Mr. BARRETT. I thank the junior Senator from Tennessee. He and the other members of the Committee on the District of Columbia, and also the members of the similar committee in the House, have given far more time and attention to work on the bill than I have, and I think they are to be congratulated on the character of the proposed legislation.

Mr. MORSE. Mr. President, before proceeding with my discussion of the bill, I wish, for the purpose of the record, to compliment the Senator from Oklahoma [Mr. KERR] for what I consider to be one of the most devastating rebuttal speeches I have heard in the United States Senate. I think that when the Senator from Oklahoma finished his rebuttal on the subject of the Eisenhower administration's unconscionable increase in interest rates, he did not leave the administration even a stool to sit on, let alone a leg to stand on.

I am pleased to express these compliments to the Senator from Oklahoma, because I am proud of the fact that on the very day the Eisenhower administration introduced the policy that makes the rich richer and the poor poorer I made the first speech in the Senate against the very unfortunate hard-money policy of the Eisenhower administration. I am very glad the Senator from Oklahoma has brought out, as he did today in devastating fashion, the data and the arguments which I believe completely demolished the case of the Eisenhower administration on this matter.

Mr. President, I understood from the acting majority leader that it was not contemplated that the District of Columbia crime bill should be passed tonight, but that it would go over, and that on Monday another item of business on the calendar would be called up, and this bill would then follow, for final vote, the consideration of the bill to be called up on Monday.

However, I noted that the able chairman of my subcommittee, the Senator from Wyoming [Mr. BARRETT], said something that at least caused me to believe it was contemplated the bill would be passed tonight.

Mr. BARRETT. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. BARRETT. The majority leader did not tell me anything about carrying over the bill until Monday, but I assume that if there was objection the bill could not be disposed of this evening.

Mr. MORSE. I am certain that I did not misunderstand the acting majority leader. I do not believe his statement to me was based upon an objection. Of course, there are amendments to the bill which will have to be considered. In any event, I propose to make my case against certain sections of the bill tonight, and to offer certain amendments, so that when the voting stage is reached my arguments against these provisions of the bill will be a matter of record.

I say to my able chairman that I wish to assign to him a task of courtesy. He may not be able to comply, but if he tries to do so, that is all I care for. I hope that if I am absent when the bill comes to a vote, the Senator from Wyoming will try to arrange with my colleagues on the committee a pair on the provisions of the bill with which I am in disagreement. I am in agreement with most of the bill, but I should like to have a pair on those provisions with which I am in disagreement.

Mr. President, I now proceed to my first argument, which might be labeled "shortsightedness of mandatory minimum sentences as required by the bill."

The proposal to establish mandatory minimum sentences in the District of Columbia is turning back the clock 200 years to the time when it was thought that crime could be controlled by torture, mutilation, banishment, and degradation. The thinking behind the bill is in line with that of the great Lord Ellenborough, who in 1810 predicted that the repeal of a law that would lead to abolishment of the death penalty for stealing 5 shillings from a dwelling house would mean that no man could "trust himself for an hour without the most alarming apprehensions that on his return every vestige of his property would be swept away by the hardened robber." History books record that as lawyer and judge Lord Ellenborough was no fool but they also show that in discussing how to stop crime through severe punishment he was talking nonsense—the same kind of nonsense which underlies this proposal.

Moreover, the data on which the bill is premised is meager and controversial in the extreme. It is alleged that sentences in the District of Columbia are light, but no proof has been cited to support this vague statement. In fact, there are no reliable data available by which sentences can be accurately compared. Such data as are available indicate that average sentences pronounced in the District of Columbia as compared with sentences for like offenses in other Federal courts are higher here than generally prevails throughout the country. Also, it is stated that crime in the District of Columbia has increased more rapidly than elsewhere. It is true

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that there has been an increase in the offenses known to the police in the District of Columbia, but so has there been elsewhere. Baltimore, for instance, has had a greater increase than the District of Columbia. Los Angeles, Seattle, and other cities have also shown a considerable increase in certain offense categories.

Mr. President, if I make no other point clear I hope I can make this one clear for the RECORD. When we start dealing with crime statistics we are not dealing with figures at all, in the real sense. We are dealing with individual differences in human beings.

After being relegated to the District of Columbia Committee I was confronted almost immediately with the problem of a crime bill. It was like drawing back the curtain for several years to a time when I was the director and editor of a nationwide research study of some of the very problems involved in this bill. I have no intention of taking the time of the Senate to read extensively from these volumes, but I have before me five volumes which I edited. Two of them I wrote in their entirety, and I supervised the writing of the other three. I conducted the research set forth in the pages of these volumes, dealing with the entire question of release procedure laws, prison administration, parole, probation, and pardon. These volumes contain scientific analyses of great quantities of crime statistics. The assistance of the outstanding criminologists and statistical experts in the country was available to the Department of Justice at the time.

We learned one thing from those years of work, and that was to go easy with a comparison of crime statistics; to go slow in drawing any generalizations from a comparison of judicial sentences; and constantly to keep in mind the fact that we are dealing with human variables. There is no rule-of-thumb. There is no straitjacket statistical procedure that can be adopted to make it possible to handle the problem of the administration of criminal justice by a set of automatic rules. God simply did not create men and women that way.

We have made great progress and are making great progress in this country in the entire field of the rehabilitation of criminals.

Mr. HENDRICKSON. Mr. President, will the Senator yield?

Mr. MORSE. I shall be glad to yield in a moment. As I say, we have made great progress and are making great progress in the entire field of rehabilitation of criminals, in an effort to make society recognize the fact that the overpopulated prisons are a reflection not on the inmates of the prisons, but on our society. The great task and obligation which is ours is to follow a rehabilitation course of procedure which will diminish and not increase the population of our prisons.

I would be the last Member of the Senate to say that punitive judgment has no therapeutic value whatsoever in reconditioning human beings to lawful conduct; but it does not have nearly so much value as some politicians seem to think, because when we go into the clinics and into the procedures for reconditioning wrecked human lives, we do not succeed to any great extent with punitive justice as such. If it is incarceration we want, if we want to put criminals away and keep them from commingling with society, then we should not talk about minimum sentences, but about maximum sentences, and confess our failure, confess that we lack the scientific technique in the entire field of human relationships, to make it possible to save from themselves wrecked human lives that have walked down the road of criminality.

With years of professional work in this field, I cannot let this bill go through the Senate with the minimum mandatory sentence provisions in it without making my argument against the procedure, because we shall not find in America among the experts a corporal's guard that will say that this is the way to approach the problem of the repeater criminal, let alone the first offender.

I now yield to the Senator from New Jersey.

Mr. HENDRICKSON. I thank the Senator.

The Senator from Oregon has already answered the question which the junior Senator from New Jersey was about to ask. I gather from the argument which the Senator is making that he is directing his remarks primarily to the evils of mandatory minimum sentences.

Mr. MORSE. That is my argument.

Mr. HENDRICKSON. I thank the Senator.

Mr. MORSE. The Senator will find me in agreement with most of the bill.

Mr. HENDRICKSON. I wish to say at the outset that the Senator from New Jersey is in complete agreement with most of the bill. I think it is a very excellent piece of work on the part of the committee. However, I do object of course to the mandatory minimum sentence provisions.

Mr. BARRETT. Mr. President, will the Senator yield to me?

Mr. MORSE. I yield.

Mr. BARRETT. The Senator from Oregon seems to dispute the value of statistics. I should like to ask him if the statistics kept in the District of Columbia by the Washington Criminal Justice Association with reference to housebreaking do not show that 3,489 cases were brought before the courts in 1950; 3,863 in 1951; and 5,211 in 1952, or an increase of 34 percent. Certainly those figures cannot be disputed. They show that the crime situation has been growing progressively worse in that regard at any rate in the District of Columbia.

Mr. MORSE. I do not dispute the numbers. I dispute what they mean. I dispute any generality as to what they mean.

Mr. BARRETT. The point I make is that the numbers themselves very clearly indicate that, with respect to housebreaking, there has been an increase in the number of cases, totaling 34 percent, in 1952 as compared with 1951.

Mr. MORSE. The figures may indicate a great many things. They may indicate better detection, or better reporting. They may indicate some differences in classification. When we undertake to go into the statistical files of any police department, or any association that works with a police department, and to analyze the base of each classification, we may be surprised at the great number of fallacies we are likely to find in the figures.

All I am willing to concede is that the Criminal Law Association of the District of Columbia has compiled a set of statistics, and it has drawn certain conclusions from those statistics, which are not mine, and they could not be mine until I went into the base of the statistics which the association used, and what they included under housebreaking, for example, and also what they may show as to the cause for the increase in the figures.

Mr. BARRETT. This much I believe the Senator from Oregon would be forced to admit, namely, that the association consists of a group of the highest class of citizens in the community.

Mr. MORSE. I do not deny it.

Mr. BARRETT. Of which Mr. Eugene Meyer is the honorary president.

Mr. MORSE. I do not deny it, but he is not a statistician.

Mr. BARRETT. These people have lived in the District, and they have made a study of the matter, I believe, since 1936, and they have come to the conclusion, as they state in the report, that the crime situation in the District of Columbia is very much worse than it is in comparable cities of the same size in this section of the country.

Mr. MORSE. I would say the crime situation is bad, but I certainly would not on the floor of the Senate accept their conclusions as to whether it is worse or better than elsewhere, because, as I told the Senator, when we undertake a comparison of figures, as various civic bodies prepare them, they do not hold up. That has been the experience of every crime survey over the past 20 years in our history. A great many eager beavers are working in various civic groups. They are what we call waterfront criminologists. They have a pet formula which they think should be used, and they come forward with a proposal to handle various classes of criminals, as they say, "as follows."

After the formula is adopted, and after it is carried through for a few years, it is found that there was no cause-to-effect relationship. What we must do, in the whole field of criminology and penology, I will say to the Senator from Wyoming, is to think in terms of cause to effect.

Mr. BARRETT. I believe there is a great deal to what the Senator from Oregon is saying. However, it seems to me that the record is clear and indisputable that in the States which have mandatory minimum sentences, even for first offenders, let alone for second offenders, as we are prescribing in the bill, the record of law enforcement is better than it is in the District of Columbia and the number of the various major crimes is less.

Mr. MORSE. Oh, that does not follow. That is where the Senator from Wyoming and I do not agree. It does not follow, because the techniques and evasions which develop when we adopt a

procedure based purely on a punitive-justice principle in the enforcement machinery throw the statistics out of kilter.

District attorneys, recognizing the harshness of the law, will drop cases, cases are nol-prossed, or a plea of guilty to a misdemeanor is accepted, or juries refuse to convict, or police departments overlook the cases. What the crime surveys show is that when there is adopted a punitive principle which comes to be recognized as unfair and unjust, the very principle which it was thought would prevent crime leads to inefficiency and corruption and bad tactics within the law-enforcement agencies, because policemen, district attorneys, judges, and juries wink at the facts.

Mr. BARRETT. Mr. President, will the Senator from Oregon yield further?

Mr. MORSE. I yield.

Mr. BARRETT. I live approximately 2,000 miles from the District of Columbia. I do not claim to have any inner knowledge of the affairs of the District of Columbia. However, I have read the local newspapers, and I have read editorials very recently in one of the local newspapers in which it was stated that the courts of this city can take some of the blame for the minimum mandatory sentence proposal because they have been entirely too lenient in passing judgment on the cases coming before them.

I submit that those newspapers are in a far better position to know precisely what is going on day after day in the criminal courts in the District of Columbia than I am, and possibly even the distinguished junior Senator from Oregon.

Mr. MORSE. Let me reply to my friend from Wyoming by saying first, I admit there is a bad crime situation in the District of Columbia. I believe he and I are agreed on that premise. I believe our disagreement is with the remedy.

In the second place, I disagree with the Senator from Wyoming if he believes newspapermen are qualified experts to advise the public on how to handle the crime problem. Frankly, I cannot think of a group of men more disqualified, by and large, to pass judgment on how to handle the crime problem than a group of newspapermen. I say that most respectfully to them. They do not have any qualifications at all in that line. What causes us to think that because a man is a newspaperman he possesses some exceptional ability? They are very average and mediocre people, by and large, especially the editors. If most of them took time out to read a book I believe they would develop some gastric difficulties, as well as mental difficulties.

I suggest to the Senator from Wyoming that he rid himself of the idea that the remedy for the crime problem in the District of Columbia is to turn it over to newspapermen and to follow their views.

Mr. BARRETT. If the Senator from Oregon will yield further what I said was that the newspapers in this community do not have only one man but several men attending the criminal courts, day after day, and therefore are in a better position to observe what is going on in the criminal courts than is the junior Senator from Oregon or the junior Senator from Wyoming, who spend most of their time on the Hill.

Mr. MORSE. I will say to the Senator from Wyoming: "It just 'taint so." The average newspaperman in a criminal courtroom is not qualified to pass upon the individual problem of a criminal before the court. He is there to write a story against a deadline. He cares little and knows even less than he cares about the problem of how to handle criminals.

Mr. HENDRICKSON. Mr. President, will the Senator yield?

Mr. BARRETT. If a newspaperman in a murder trial when perhaps the murder was committed without any justification whatever observes the defendant escape punishment certainly he would know there was a breakdown in the law. Certainly he can observe that much in that particular case.

Mr. MORSE. I refer the Senator to his assumptions. The Senator assumes that a newspaperman sitting in a criminal court is the one on whose valued judgment we should rely as to whether justice or injustice is being meted out by the court. He does not have the experience; he does not have the background; he does not have the information; he does not have the records the court had.

Newspaper reporters who attend most criminal-court cases do not pay attention half the time. I know how newspaper reporters act in a criminal courtroom. Most of them want to get off the police beat as fast as they can. I certainly shall not rely on what they say about what the Senate should do in connection with the passage of a measure which will have a repercussion throughout the Nation.

What we do here today with this bill will have a profound effect throughout the United States in connection with the entire problem of minimum prison sentences and prison terms. I want my colleagues to listen to what some of the experts say. I shall cite their statements before I conclude my remarks, because the penologists and criminologists and the judicial authorities and the criminal-law section of the American Bar Association, speaking through its chairman, and the other experts throughout the Nation have views opposed to those of the Senator from Wyoming.

Mr. BARRETT. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. BARRETT. I do not know that the experts are opposed to any position. I have made a rather thorough examination of the criminal statutes in every State of the Union. I find that in some States if a person has been convicted of committing a felony a second time, or in New York if he has been convicted a fourth time, or in my own State if he has been convicted a third time, he is subject to life imprisonment.

I do not see how the Senator from Oregon can contend that this bill is so far "off the beam" from the advice of the experts to whom he has referred, inasmuch as in the bill it is provided that in the case of a second conviction for any of these most heinous crimes, the minimum sentence shall be 2 years.

Mr. MORSE. My answer is that the Nation's Capital should lead, not fall in line. The Nation's Capital should set an example to the backward States in the field of criminology and penology. I take judicial notice, as do most of the experts in the field of criminology and penology, that the States of the Union by and large are backward in the entire matter of modernizing the handling of the criminal problem. I am not going to support the wrongs that already have been committed, when in the Senate we have an opportunity to put into practice what the experts tells us should be put into practice.

Mr. BARRETT. Mr. President, will the Senator from Oregon yield again to me?

Mr. MORSE. I yield.

Mr. BARRETT. The Senator's own State of Oregon has provision for a minimum sentence of 1 year and a maximum sentence of 20 years in the case of assault with intent to commit rape.

Mr. MORSE. And it is a great mistake.

Mr. BARRETT. And in the case of armed robbery, Oregon has provision for a minimum sentence of 10 years, not 2 years, and a maximum sentence of life imprisonment.

Mr. MORSE. It is a great mistake.

Mr. BARRETT. My own State has similar provisions. I am not going to admit that Wyoming is backward. I say now on the floor of the Senate that in the entire State of Wyoming we do a far better job of administering the criminal laws than is done in the District of Columbia, and in Wyoming we do not find committed the number of criminal offenses that are committed in the District of Columbia.

If the junior Senator from Oregon wishes to admit that his State is backward, he can do so; but he cannot include Wyoming.

Mr. MORSE. I say that inasmuch as Oregon has, on this point, a law similar to the law existing in the State of Wyoming, Oregon, is very backward. I pointed that out when I conducted the Oregon crime survey some years ago, and when I made a survey of the Oregon penitentiary.

If any better proof is desired of the fallacy of punitive justice, then I invite my colleagues to make a survey of the average State penitentiary in the United States; and they will find that it does not work.

Let me tell my colleagues what punitive justice, applied in a straitjacket fashion, amounts to. It amounts to putting our heads in the sand and ignoring the problem which confronts us in respect to a very unhealthy lot of our fellowmen. The problem cannot be handled properly by means of the medieval principles of punitive justice. If the principles of punitive justice were followed, criminal offenders would not ultimately be rehabilitated, because if the principles of punitive justice were to be resorted to, they should be applied completely; in other words, the offenders should either be killed or should be kept

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out of the way, with assurance that they would never be seen again.

Under the principles of this bill, the offenders would be confined for a certain period, and society would be guaranteed that in a few years he would be released as a wolf to prey on society, for the principle endorsed in this bill will result in making criminals worse, not better.

When judges are denied the right to resort to the mercy of probation and parole, when judges are denied the right to exercise discretion and to act on the basis of individual differences, as they are brought out to the attention of the judges by the experts in carefully prepared reports about the individuals, in my judgment society is denied a chance to rehabilitate the wrongdoer.

In this bill an attempt is made to proceed by rule of thumb, but that will not work. It amounts to trying to fit a number of persons to the same size bed by cutting off the feet of those who are too long and by stretching those who are too short.

The problems of American criminology cannot be handled on the basis of any such archaic, medieval principle as that. I would not care if all 48 States still retained it. The fact is that it cannot be justified on the basis of known, scientific experimentation today in the field of criminology and penology.

Mr. HENDRICKSON. Mr. President, will the Senator from Oregon yield, to permit me to ask a question of the Senator from Wyoming?

Mr. MORSE. I yield.

Mr. HENDRICKSON. I am glad the Senator from Wyoming has discussed the activities of newspapers and their part in this issue.

Is the Senator aware of the fact that the Washington Star has virtually been leading a crusade to the end that we might bring into being in the District of Columbia just such a measure as the one now before the Senate?

Mr. BARRETT. I understand so; yes.

Mr. HENDRICKSON. Is the Senator from Wyoming aware that in the Washington Star of June 10, in a very splendid editorial, the Star said that—

> Congress is justified, therefore, in hesitating over the mandatory-sentence provision of the Davis bill.

Mr. BARRETT. I understand the editorial; but if I correctly recall, it is the editorial in which the statement was made that if provision for a mandatory minimum sentence is written into the law, the judges will have to take their full share of the blame.

Mr. HENDRICKSON. I read further from the editorial:

> Such an inflexible mandate to the judges leaves no room for the consideration of humanitarian or other factors in the sentencing of a convict.

I pay particular attention to the editorial because I know how hard the Washington Star has labored to aid the congressional committees to bring forward this measure.

Mr. BARRETT. I am quite sure the Senator from New Jersey is correct. I think the Washington Star is mistaken with reference to the mandatory minimum-sentence provision. I think the record elsewhere in the country proves conclusively that strong medicine is required to act as a deterrent to major crimes.

I believe that the large number of major crimes which are committed in the District of Columbia serves as a magnet to bring many criminals into the District of Columbia from nearby communities, because they know they can "get away with it" in the District of Columbia, although they cannot do so elsewhere.

Mr. MORSE. Mr. President, I have a problem. I have to take a plane very soon, so that I can fly to keep a speaking engagement. Let me say that I am going to educate some Democrats tomorrow evening at a Jefferson-Jackson Day meeting. So my Democratic colleagues should cooperate with me, so as to make it possible for me to attend that meeting.

Mr. President, I shall read the manuscript I have prepared, so that I shall be free to catch the plane; and then if I have time, after reading the manuscript, I shall be glad to yield.

Something tells me that come next Wednesday, when I return, we shall still be talking about the District of Columbia crime bill, because it certainly cannot be passed tonight, in view of the amendments which will be submitted and in view of the necessity for having a quorum call before action is taken on the amendments, and also in view of the other business which will be taken up by the Senate on Monday. So I think I shall return in time to continue the very pleasant debate I have been having with my friend, the Senator from Wyoming [Mr. BARRETT], and with other Members of the Senate. So I am going ahead, subject to yielding once. I yield to the Senator from New Jersey.

Mr. HENDRICKSON. Mr. President, I hope the Senator from Oregon is correct about the disposition of this bill, because I feel much as he does about the mandatory minimum sentences. But I hope that the committee will accept the amendments of the junior Senator from New Jersey, so that the Senate may dispose of the bill tonight.

Mr. BARRETT. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. BARRETT. The amendments which have been submitted to me by the junior Senator from New Jersey purport to come from some of the members of the bench in the District.

Mr. HENDRICKSON. I may say they have been carefully studied by members of the bench in the District, and while the amendments are not all the judges would like to see in respect to the phase of the matter covered by them, they would willingly, I am credibly informed, compromise on these amendments.

Mr. BARRETT. I may say to the junior Senator from New Jersey that I shall be pleased to accept the amendments to the bill which he has presented to me. If the Senator from Oregon will permit us to dispose of those amendments at this time, perhaps we could finish with the bill.

Mr. MORSE. Suppose the Senator hears me through.

Mr. BARRETT. Very well.

Mr. MORSE. Mr. President, I was about to say, before the enjoyable colloquy I had with my colleagues, that before these figures and statistical data can be compared and any conclusions drawn there are many factors to be taken into consideration. For example, the changing character of the Washington population, much of which has become a transition area; the failure of the Congress to grant funds and raise the salaries of policemen to the point where adequate protective and preventive measures can be brought to bear on the problem. It is important to note in this connection that the strength of our local police force is diluted almost 30 percent. There are other measures that should be taken before such drastic legislation should be considered.

I think much greater recognition should be given to the question of assistance being given to the judge, when it comes to imposing sentence, by psychologists, psychiatrists, and social workers who could go into the homes of the individuals to try to find at least some of the fundamental causes that lead to behavior breakdown.

I would point out that the minimum mandatory sentence principle is self-defeating. The attempt to prescribe rigid legislative sanctions for crime has always been found to lead to miscarriages of justice and to perversion of the judicial process. The defendant under such laws has no incentive to plead guilty and always demands a jury trial. It is well known that juries are reluctant to convict if the result will operate a manifest injustice. And so prosecutors are inclined to bargain with the the offender for a plea to a different crime. In one of the volumes to which I have referred I discuss the question of the prosecutor as a bargainer.

Of course, the very practice itself breeds disrespect, rather than respect for the law; it breeds disrespect for law on the part of the culprit on trial. It breeds disrespect for the law on the part of citizens generally, when they know that there is no question about the fact that, if the defendant had committed any crime at all, he had committed crime X—let us say grand larceny—but they read in the newspaper that he was convicted, or that he pled guilty to the misdemeanor of loitering. Why? There are many reasons for this bargaining principle, and it is a bad and vicious principle; but it is the kind of practice that results when we go too far in the direction of punitive-justice procedure, and it tends, as I say, really to break down rather than strengthen the administration of criminal justice. For instance, in the proposed bill, housebreaking at night requires a mandatory minimum sentence. Usually these cases are also cognizable under the larceny statutes and prosecutors will accept a plea to a larceny indictment rather than run the risk of losing the case on a housebreaking charge.

I have not the time, and should not find it necessary to take the time, to go into very many illustrations of these points, Mr. President. But let us take one. I refer to housebreaking during the nighttime. One must think of case

X, in terms of accused A, who gets drunk and is found sleeping in a chair on an enclosed front porch of a house, not on his street, but two streets away. He broke and entered. He scared somebody pretty badly. There was but one person in the house at the time—a pregnant woman. There appear newspapermen, whose function, it is suggested, is to tell us how to solve the crime problem. Can you not see how their story would read, Mr. President? Of course, it is a terrible thing from the standpoint of the pregnant woman, and there is no excuse from the standpoint of the drunken man. Is one going to throw away all his realism? Is he to take the position, under circumstances such as that, even though the man is an habitual drunkard, that he must put him in prison? Speaking of what we ought to be doing, we in the Congress of the United States ought to be ashamed of ourselves that we have not appropriated sufficient funds to provide hospitalization for such cases. We ought to recognize that what is wrong with that man is that he is not so much a criminal as he is a sick man. We ought to be talking about the problem of alcoholism in America in cases such as that, and about getting such men not into prison but into hospitals. I could illustrate the problem by hypothetical after hypothetical as to what happens in a case like that.

In most cases the man is not going to prison, unless his skin happens to be black. He has a pretty good chance, if the color of his skin is black, of being thrown into prison, according to my hypothetical. But that is not the way to solve the problem. Oh, I know the criticism to which one subjects himself when he takes the point of view that I take in the field of penology and criminology. Soft? Not at all, but merely realistic. I am one who recognizes that human behavior is the result of cause and effect, and that our great ideal is to rehabilitate, not punish. Oh, we talk about rehabilitation in our crime conferences and in our Governors' Conferences; and legislators also talk about it. But, Mr. President, when emotions are aroused, fears are aroused, too. One becomes scared by tables of crime statistics, which ought to be very thoroughly analyzed, and not taken at face value. It is easy, then, to say we have got to put that kind of person in his place—meaning in prison. We forget about it until he appears somewhere else in the country a few years later, having committed a worse crime, and he is given another dose of the same medicine. We used to do that to insane persons, too. We still do too much of it in our mental hospitals. We make greater strides in the treatment of mental patients than we do in connection with behavior patients.

I want the judge, Mr. President, to exercise discretion as to the treatment an individual should receive within reasonable brackets of sentencing, based upon an individual case study of the person to be sentenced. There is where I want the power to rest. I simply say, most respectfully, that we in the Congress of the United States have neither the ability, the background, nor the scientific understanding of the problem to try to handle it by any such mandatory blanket legislation as is the provision in the bill to which I am objecting.

So I say, Mr. President, there are other ways to circumvent these arbitrary sanctions, which result only in bringing the law into disrepute.

It is important to remember in this connection that if this law is enacted something like 35 percent of all felony cases coming before the district court will require mandatory minimum sentences. Last year there were a total of 759 convictions in the District of Columbia. Of that number, 316 are included under the mandatory minimum sentence provisions of S. 1946. Now since the defendants in such cases have nothing to gain by pleading guilty, all of these offenders will demand jury trials with a consequent delay in legal process, large increases in court expenses, additional judges, jurors, which all add up to more money, and the cost to the Government for fees of witnesses will greatly increase. This has been shown by what has been occurring in United States courts as a result of the enactment of the so-called Boggs law requiring mandatory sentences for drug offenders. Formerly, about 85 percent of the persons charged with violation of the narcotics statutes pleaded guilty. Now the reverse is true with a consequent increase in court costs, delays, and accumulation and crowding of civil and criminal dockets.

The attempt to control crime through legislation of this type is a snare and a delusion since it diverts attention from getting at the roots of the situation and doing something about it; that is, getting more police, cleaning up the high-delinquency areas, greater efforts to speed prosecution.

That is done instead of providing judges with more scientifically trained personnel to assist them in case studies. That is what we should do, Mr. President, rather than to try to eliminate the problem from our conscious consideration by proposing mandatory sentences, rushing the accused person off to prison, thinking we have solved the problem, unaware, apparently, that we have only created in most instances a greater problem.

I say, Mr. President, this is a palliative, a burying of the head in the sand, which in the end creates more problems than it solves.

The chairman of the committee will tell us that there has been a modification of the bill since I raised this particular objection, although I think a part of the principle is still involved. It has the effect, in my judgment, of weakening the Youth Corrections Act.

Before the new Federal Youth Corrections Act can get into operation and be given a chance to prove its value, the Congress is now proposing to scrap it in effect as it applies to the District of Columbia. Under paragraph (d) on page 6 of the bill, the Youth Corrections Act is repealed as it will affect nearly 40 percent of the cases arising in the District of Columbia.

Mr. HENDRICKSON. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. HENDRICKSON. Is the Senator aware that the amendment which I intend to offer will correct that situation?

Mr. MORSE. I understand, but I want to make my case against the bill in its present form, and then I shall get to the amendment.

This act was passed only after long hearings and thoughtful attention by qualified experts and under sponsorship of the scholarly American Law Institute. It has not yet come into operation because the board has not been appointed. To repeal this forward-looking act would certainly be a step backward.

In fact, Mr. President, as one who played a small part in connection with the Youth Correction Act, it is the hope of those of us who are vitally concerned with problems in this field that this act will set a pattern which will have tremendous effect on the revision of State laws in the field of correction. I do not want to see done anything that will weaken it or seem to be a repudiation of the basic rehabilitation principle upon which the act is based.

If anything about the preventing of crime has been proved it is that young offenders particularly need help and supervision after their discharge from prison. That is one of the primary objectives of the Youth Corrections Act. Now under the proposal a young person 21 years of age and under who is found guilty of housebreaking, for instance, stealing a bottle of whisky from a liquor store, will even on first offense not be eligible for after-care treatment by the Youth Corrections Board. Study after study has shown that the most effective way of preventing crime is to stop it at the threshold, that is, with the young offender.

Mr. BARRETT. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. BARRETT. I think the Senator is mistaken. There would have to be a previous conviction, so it would not be after the first offense.

Mr. MORSE. The Senator is correct. On page 5, line 1, the language is "occurring after the person has been convicted of a violation of that section or of a felony, either in the District of Columbia or in another jurisdiction."

Mr. BARRETT. The mandatory minimum sentence is effective only for second offenses.

Mr. MORSE. I stand corrected to that extent; but I make the same argument in respect to a second offense.

More than 60 percent of the men in prisons and reformatories in the United States have previously been convicted of an offense.

I repeat that, Mr. President:

More than 60 percent of the men in prisons and reformatories in the United States have previously been convicted of an offense. They are first offenders and more.

Mr. President, to redirect the young offender is the crux of the problem of crime prevention and it would be a serious mistake, therefore, to set aside the

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procedures so constructively enacted into law by the last Congress under the distinguished leadership of the Senate Committee on the Judiciary. By all means, therefore, this section should be stricken from the bill.

Another section almost equally shortsighted is the one that repeals the applicability of the probation statute to 40 percent of the offenders in the District of Columbia. This provision is evidently included in the bill because probation is thought to be leniency. As a matter of fact it has been shown time and time again that probation is not leniency but the most effective method of rehabilitating certain offenders.

Mr. President, I will resist the temptation—my schedule would prevent it, anyway—to discuss probation at length, but I desire to emphasize the point I have just made, that we should get it out of our heads that probation is leniency. It is true that some procedures called probation in some courts in America are not probation at all. A real probation system has woven into it the rehabilitative powers of punitive justice, because under a real probation system, adequately financed and adequately staffed, the individual on probation is subject to very strict supervision, but also he is subjected to the other character-building methods of a good probation system that at least gives him a fighting chance to return to a lawful way of life.

The statistics for the District of Columbia probation system show that less than 7 percent of the persons placed on probation violate their trust. That is pretty good. Would that it were lower. Some systems in the country have a considerably lower percentage, but 7 percent is not bad. If Congress provides more adequate support, I think that statistic can be improved.

To restrict the application of the probation statute is not only a step backward in law enforcement but will greatly increase the cost of maintaining our penal and correctional institutions. The District of Columbia penal institutions are already seriously overcrowded and are now at an all-time high. To further overcrowd them with men and women who do not require institutional treatment would be gross extravagance. To put housebreaking and possession of switchblade knives—violation of section 209—in the same category with kidnaping and making such persons ineligible for probation would be a reductio ad absurdum and blind hysteria.

All of subsection (c) on page 6, beginning at line 9, should go out. As a matter of fact, subsections (c), (d), and (e) of section 201 should be stricken from the bill. There is no need for including subsection (e), which in effect says that the act will not apply to any crime committed prior to its enactment. This is unnecessary because any effort to apply the bill to a crime committed before its enactment would be ex post facto and, therefore, unconstitutional.

For the foregoing reasons all of the mandatory minimum sentencing provisions of the act should be stricken from the bill as being based on false premises, grossly extravagant, and unnecessary. But if we have reached the period when we cannot attack the problem of crime control with constructive measures, more and better trained policemen, crime prevention methods, and an aroused public opinion, then certainly the bill ought to be amended in the way suggested above, plus the fact that mandatory minimum sentences should not be made applicable under any circumstances to first offenders or to persons other than those charged with armed robbery and other crimes of violence against the person.

As the chairman has just pointed out, the bill now makes mandatory sentences applicable only to second offenders. I understand that amendments to this end will be offered by the Senator from New Jersey [Mr. HENDRICKSON], for consideration later in the debate. Before discussing the amendments, I wish to read from a letter I have received from Chief Judge Bolitha J. Laws, of the United States District Court for the District of Columbia. First, I shall ask that the entire letter be printed in the RECORD as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES DISTRICT COURT,
FOR THE DISTRICT OF COLUMBIA,
June 5, 1953.

Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: I was delighted to hear from Mr. Rufus King and to note in the press your opposition to those provisions of S. 1946 (H. R. 5312) which require imposition by our court of mandatory minimum sentences in certain types of criminal cases. At the suggestion of Mr. King, I am writing to you to summarize the basis of my opposition to the provisions.

First. The bill will seriously impair the operation of the Federal Youth Corrections Act (64 Stat. 1085), approved September 30, 1950, as it was made applicable to the District of Columbia by Congress (66 Stat. 45) on April 8, 1952, little more than 1 year ago. The Federal Youth Corrections Act was the result of 9 years of effort and study on the part of special committees of the Judicial Conference of the United States and extended hearings in both the House and Senate. The committee of the judicial conference, appointed by Chief Justice Harlan Fiske Stone, was composed of Judges John J. Parker, Learned Hand, Orie L. Phillips, John C. Collet, Carroll C. Hincks, Paul J. McCormick, and myself. The act was fostered by the Chief Justice of the United States, the Attorney General of the United States, the American Law Institute, the American Bar Association, the American Prison Society, the Federal Bureau of Prisons, Chief Justice Arthur T. Vanderbilt, and other prominent judges, lawyers, penologists, and laymen. After intensive study, certain administrative difficulties were overcome and it was made applicable to the District of Columbia.

The proposed bill would make the Federal Youth Corrections Act inapplicable to youthful District prisoners convicted of seven enumerated offenses and provides mandatory minimum sentences for these offenses. The enclosed statistics furnished me by Mr. James V. Bennett, Director of the Bureau of Prisons, show that 41.6 percent of the cases coming before this court for sentencing involve these seven offenses. The bill would thus seriously defeat provisions of the Youth Corrections Act by severely restricting its scope in the District of Columbia before it can get off to a good start and establish a very harmful precedent, defeating the basic purpose of the act to rehabilitate youthful offenders into useful and law-abiding citizens rather than hardened criminals.

Second. The bill would prohibit probation and reduction of minimum sentences for prisoners convicted of the seven enumerated offenses, to that extent limiting the discretion of the judges of the court without regard to the circumstances of the case, the situation of the individual offender, or the possibility of rehabilitation. It will tie the hands of conscientious judges, at times forcing them either to impose sentences they believe to be unfair or else seek means, through cooperation with the United States attorney, to evade the law, a practice in which a judge should not be compelled to indulge. The bill may also have the effect of reducing average sentences rather than increasing them, because individual judges may feel that their discretionary authority has been removed and they need not give longer sentences in such cases. The bill seems particularly inappropriate in light of the statistics furnished me by the probation officer of this court that during the typical fiscal year of 1952 probation was granted in all United States district courts in 39.6 cases, whereas the average in the District of Columbia is 22.9 cases, about 18 percent less than the national average. I am firmly of the opinion that the administration of justice cannot be improved by restricting the discretion of judges and other public officers.

Third. The bill would run counter to all modern and informed thought and study by requiring the imposition of minimum sentences in certain classes of criminal cases. The committee of the judicial conference of the United States made an intensive study of the general subject of punishment for crime, conferring with leading authorities throughout the United States who were concerned with crime correction. The investigation included visits to United States and State penal institutions, conferences with United States and State judges, United States attorneys, probation and parole officers, penologists, and others who have studied crime correction both in the United States and abroad. This investigation developed that where minimum sentences have been required, leaders in communities and members of legislative bodies have realized that the removal of discretion on the part of the judges has proven most unfortunate in individual cases. No precise yardstick should be required to be applied to every type of the many thousands of different personalities who appear before judges to be punished. The judge's discretion should be limited only by the maximum he can impose and the maximum should be sufficiently high to enable him to fix a severe sentence in aggravated cases.

As a practical matter, the fixing of minimum sentences and thereby limiting the discretion of the court obstructs law enforcement and the administration of justice. Defendants refuse to plead guilty, thereby causing many additional cases to be tried, further burdening an overcrowded calendar. Juries will often hesitate to convict. The sentencing judge will not be able to make allowance for time already spent in jail awaiting trial.

All penologists I know oppose mandatory minimum sentences as outmoded and improper procedure. These penologists are men who have closer contact with those convicted of crime than any other class of persons and cannot in any sense be said to be inclined to soft sentencing. The bill is opposed by a committee of judges of our court

(I haven't canvassed all of them, but I know a large number of them are opposed). It is also opposed by the United States attorney in and for the District of Columbia, the Corporation Counsel, the Commissioners of the District of Columbia, the District of Columbia Bar Association, the Washington Bar Association, and Arthur J. Freund, chairman of the section of criminal law of the American Bar Association. The National Probation and Parole Association, representing some of the most distinguished lawyers, judges, and laymen in the Nation, has also opposed the principle of mandatory minimum sentences in a recent resolution of April 4, 1953, copy of which I am enclosing.

I feel the passage of this bill would be nothing short of tragic, undoing many years of intensive study and effort to secure legislation adopting a proper approach to punishment for crime and rehabilitation of offenders, and imposing archaic, outmoded, and discredited principles of criminal punishment. To see the Federal Youth Corrections Act and the probation system impaired and mandatory minimum sentences imposed, because Congressmen find a few cases in which they think a sentence was too light, is to my mind, shocking in the extreme. My interest is not only humanitarian; it is because I know modern penology (not as advocated by cranks but by informed and intelligent persons) bans mandatory minimum sentences. I can assure you that the judges of this court are able, conscientious, and fully alert to the evil effects of crime in the District of Columbia and merit confidence that criminal offenders are not mollycoddled in this court.

I hope you will see your way clear to actively and openly oppose the provisions for mandatory sentences in this bill.

We approve the other provisions of the bill.

Very sincerely yours,

BOLITHA J. LAWS.

Mr. MORSE. Mr. President, I call especial attention to the following portions of the letter from Chief Judge Laws:

I am writing to you to summarize the basis of my opposition to the provisions.

First. The bill will seriously impair the operation of the Federal Youth Corrections Act approved September 30, 1950, as it was made applicable to the District of Columbia by Congress on April 8, 1952, a little more than 1 year ago. The Federal Youth Corrections Act was the result of 9 years of effort and study on the part of special committees of the Judicial Conference of the United States and extended hearings in both the House and Senate.

* * * * *

The proposed bill would make the Federal Youth Corrections Act inapplicable to youthful District prisoners convicted of seven enumerated offenses and provides mandatory minimum sentences for these offenses.

The chairman has already commented upon some modification of that provision.

I continue to read from the letter from Judge Laws, as follows:

Second. The bill would prohibit probation and reduction of minimum sentences for prisoners convicted of the seven enumerated offenses, to that extent limiting the discretion of the judges of the court without regard to the circumstances of the case, the situation of the individual offender, or the possibility of rehabilitation.

Mr. BARRETT. Mr. President, will the Senator yield at that point?

Mr. MORSE. I wish I could, but I should prefer to finish and then return to it.

Mr. BARRETT. Very well.

Mr. MORSE. I only wish to add to what Judge Laws said in the second paragraph of his letter in respect to taking away from judges the power of probation in certain types of offenses.

One of the great fallacies in this field is the false assumption that because a person commits a certain type of crime, the nature of the crime itself makes him a bad probation risk. There is very little evidence to support that contention. I suppose the strongest case can be made in connection with forgery, yet we are not certain of that. It may be that the problem is one of probation technique rather than of behavior patterns that have been developed in the individual, as manifested through a particular criminal act. But there is quite a bit of evidence in literature on crime that seems to indicate that it is pretty hard to ascertain why check forgers do what they do, and it is pretty hard in many cases to bring about corrective measures, although in most instances there is success.

However, I am not talking about the pattern of repeaters who are encountered in so-called crimes of passion. It is not popular to argue about probation for persons who commit crimes of passion, but the fact is that in a great many cases the offenders are among the best probation risks. Here again we find many individual differences. The crime involved may flow from organic or glandular difficulty; or it may arise from mental disturbance. I am talking about the kind of person who commits a crime out of momentary passion. He is not a bad probation risk.

People do not like to face the fact, but the fact is that murderers released from prisons have turned out to be pretty good risks. I do not wish it to be said that I stood on the floor of the Senate this afternoon and said that all murderers ought to be let out of American prisons. That is not my position at all. I am now talking about the relationship of the nature of the crime to the matter of probation risk or parole risk.

It is very easy to jump to the false conclusion that a crime of passion ought to result in the offender being put away for many, many years because it is simply not safe ever to let a fellow who commits a crime like that loose again. That is not what the scientific facts show, although it is true in some cases.

Let us consider the type of case which causes so much social excitement, assault with intent to commit rape. There are a good many cases in which there is a real assault with intent to commit rape. Yet, on talking with the prosecutors, it will be found that in a great many cases there are extenuating circumstances—again, such as liquor, again, such as cooperative inducement to a point. Then some young fellow lets his passions run away, and he is hauled up on a charge of assault with intent to commit rape, a heinous crime. Something must be done to protect society from him.

Are we going to do it by a straitjacket law? Do Senators believe that putting him away for a fixed term of years in a penitentiary with hardened criminals will cure the sexual problem of that kind of young man? It may be that in some instances that is the treatment he should receive. But let me tell the Senate how it ought to be done. It ought to be done by the exercise of the wise discretion of the judge.

That brings me to one of the points which I wish to emphasize. I have great respect for the judges in the District of Columbia. If it be true that we have a judicial problem in the District of Columbia, let us not take it out on the offenders by way of a backward step in the field of criminology. Let us do something about the judges.

Let me tell the Senate the approach which we ought to be making toward the handling of the criminal elements in this country. It is an approach through the exercise of the wise discretion of judges, without invading the field of the judiciary, as I respectfully say I think we are doing in this bill. Let us give the judges criminal sentencing laws with wide brackets, and then let them fit the punishment to the individual and the crime, within those brackets. That is the approach to make. It is brought out in the third argument, which I shall not read in detail, in Judge Laws' letter. In his third argument he says:

Third. The bill would run counter to all modern and informed thought and study by requiring the imposition of minimum sentences in certain classes of criminal cases. The Committee of the Judicial Conference of the United States made an intensive study of the general subject of punishment for crime, conferring with leading authorities throughout the United States who were concerned with crime correction. The investigation included visits to United States and State penal institutions, conferences with United States and State judges, United States attorneys, probation and parole officers, penologists, and others who have studied crime correction both in the United States and abroad. This investigation developed that where minimum sentences have been required, leaders in communities and members of legislative bodies have realized that the removal of discretion on the part of the judges has proven most unfortunate in individual cases. No precise yardstick should be required to be applied to every type of the many thousands of different personalities who appear before judges to be punished. The judge's discretion should be limited only by the maximum he can impose and the maximum should be sufficiently high to enable him to fix a severe sentence in aggravated cases.

In other words, I am making my plea for competence in the judiciary. I do not think that we, as legislators, ought to impose upon the judiciary this kind of straitjacket sentencing.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point, as a part of my remarks a table entitled "All Convictions in the United States District Court for the District of Columbia for District of Columbia Felony Offenses in Relation to Convictions for Felonies Included Under the

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Mandatory-Minimum-Sentence Provisions of H. R. 420, 83d Congress, 1st Session, Fiscal Year Ended June 30, 1952."

There being no objection, the table was ordered to be printed in the RECORD, as follows:

All convictions in the U. S. District Court for the District of Columbia for District of Columbia felony offenses[1] in relation to convictions for felonies included under the mandatory-minimum-sentence provisions of H. R. 420, 83d Cong., 1st sess., fiscal year ended June 30, 1952

	Numbers			Percentages		
	All dispositions	Imprisonment	Probation	All dispositions	Imprisonment	Probation
Total convictions for District of Columbia felony offenses[1]	759	629	130	100	82.9	17.1
Total convictions for felonies included under the mandatory-minimum-sentence provisions of H. R. 420, 83d Cong., 1st sess.:						
Number	316	279	37	100	88.3	11.7
Percent of total convictions	41.6	44.4	28.5			
Assault to commit rape	18	12	6	100	66.7	33.3
Robbery	127	120	7	100	94.5	5.5
Housebreaking	147	127	20	100	86.4	13.6
Rape	12	12		100	100.0	
Assault on police officer with dangerous weapon	12	8	4	100	66.7	33.3
Illegal possession of pistol after previous conviction for this offense						

[1] Exclusive of such gambling offenses as may be classified as felonies.

Source: U. S. Bureau of Prisons, Department of Justice (data furnished by the Administrative Office of the United States Courts).

Mr. MORSE. I also ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a resolution from the Advisory Council of Judges of the National Probation and Parole Association.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

While the Advisory Council of Judges of the National Probation and Parole Association fully believes in the need to protect society by long incarceration of repeated offenders and those who commit serious crimes and is opposed to mollycoddling of any offender, nevertheless it expresses opposition to legislation which requires judges to impose specified minimum terms of sentences upon defendants convicted of crime for the reason that no person, judge, prosecutor, or legislator, is in a position to determine in advance a just sentence without a careful study of the interests of both the public and the individual defendant who is concerned in any crime.

Experience has proven that where a rigid formula for sentencing is required by legislation without study of the individual concerned in the crime it has on occasions required judges to impose sentences which not only they but others concerned have been convinced were not in the interests either of the public or the defendant. In many instances, to avoid unjust sentences, pleas to lesser crimes have been accepted and juries have acquitted those guilty when it has been known mandatory sentences will be required. The judge should be given discretion in sentencing. To avoid abuses of discretion, the Advisory Council advocates more extensive study by judges of the sentencing process, including planned conferences among themselves, with probation and parole officers, prosecutors, and those at penal institutions who daily come into contact with those convicted of crime. The Council also favors full discussion of the problems of sentencing at judicial conferences of judges, meetings of bar associations, and other groups interested in crime correction.

Mr. MORSE. Mr. President, I also ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a letter in opposition to the mandatory sentencing section of the bill, from Arthur J. Freund, of St. Louis, Mo., chairman of the Section of Criminal Law of the American Bar Association, one of the distinguished lawyers of America, and one of the keenest students in the entire field of criminal law and procedure.

There being no objection, the latter was ordered to be printed in the RECORD, as follows:

AMERICAN BAR ASSOCIATION,
SECTION OF CRIMINAL LAW,
St. Louis, Mo., June 5, 1953.

Re S. 1946.
Hon. WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR WAYNE: I write you with regard to S. 1946, recently introduced in the Senate. This bill is intended to provide for the more effective prevention, detection, and punishment of crime in the District of Columbia, and unforuntately, in my view fixes mandatory minimum sentences in certain types of criminal cases. Ordinarily, we would not be greatly concerned with a measure which affects causes in the District only, but Federal legislation so often establishes a pattern for legislation elsewhere, that I am deeply troubled by the departure in this bill from what is universally acknowledged by the most competent authorities as proper and correct practices.

The American Bar Association and the American Law Institute have approved and commended the Youth Authority Act which places great discretion in the courts and sentencing authorities in the determination of the punishment. The Attorney General of the United States, Hon. Herbert Brownell, Jr., in his address before the American Law Institute on May 22, 1953, stressed the values of the Youth Authority Act, particularly with respect to its broad and intelligent provisions in dealing with youthful offenders.

S. 1946, in providing for minimum sentences is a step backward. The punishment must fit the offender and only the judge or sentencing authority can determine proper punishment. We have seen through the course of history that harsh and indiscriminate punishments do not curb crime. The legislative body cannot properly determine in advance the punishment to be adjudged in a particular instance.

I write you at this length because I believe as serious mistake is being made in S. 1946 in the particular mentioned. If I can serve you in any way, please do not hesitate to call upon me. I have written a like letter to Senator BYRD and also to Congressman HENRY O. TALLE with respect to the companion bill in the House, H. R. 5312.

With my kindest regards,
Respectfully,

ARTHUR J. FREUND.

Mr. MORSE. Mr. President, I send to the desk and ask for consideration in order, when the bill comes to a vote, the following amendments:

On page 6, after line 8, to strike out paragraph (c), beginning in line 9 and extending through line 17;

On page 6, after line 17, to strike out paragraph (d), through line 2 on page 7.

Mr. President, I think what is involved in this bill is so important from the standpoint of the administration of justice in the District of Columbia, as well as from the standpoint of the principles and precedents we would establish if the bill were passed tonight with only five Senators in the Chamber, that I now suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MORSE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded, and that further proceedings under the call be dispensed with, with the understanding that I may make a few remarks on the parliamentary situation and the agreement which I understand has been entered into.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? The Chair hears none, and it is so ordered.

Mr. MORSE. Mr. President, it is my understanding that no attempt will be made to pass the bill tonight. I want the bill to go over until Monday, because I want the Senate to have an opportunity to consider the problems involved.

I think it would be well if the subject were discussed over the weekend. It would be difficult to obtain the attendance of very many Senators at this late hour. So with the understanding which I have stated, and in order that the Senator from New Jersey [Mr. HENDRICKSON] may on Monday, or whenever the bill is brought up, have adequate time and a fair hearing on the amendments which he intends to offer, I think we ought to have a gentleman's understanding that the Senate will take a recess without passing the bill, but will allow the bill to go over.

Mr. HENDRICKSON. Mr. President, I agree to that; but before the Senate takes a recess, I wish to send to the desk amendments which the Senator from Wyoming [Mr. BARRETT] has agreed to accept.

The PRESIDING OFFICER. The amendments sent to the desk by the Senator from Oregon [Mr. MORSE] will be printed and lie on the table.

The amendments submitted by the Senator from New Jersey will be printed and lie on the table.

Mr. HENDRICKSON. Mr. President, I understand that the committee has agreed to accept the amendments submitted by the Senator from New Jersey.

Mr. BARRETT. Mr. President, I may say that so far as the committee is concerned, the procedure is that we shall ask that the committee amendments be first disposed of, and thereafter we shall accept the amendments submitted by the junior Senator from New Jersey.

The PRESIDING OFFICER. The bill will be open to amendment after the committee amendments shall have been disposed of.

Mr. HENDRICKSON. Mr. President, at this point in the RECORD I ask unanimous consent to have printed a very fine editorial entitled "Machine Justice," from the Washington Post of June 6, 1953; also the editorial from the Washington Evening Star to which I referred in the colloquy a short time ago. It is entitled "Mandatory Sentences," and was published in the Washington Evening Star of June 10, 1953. I commend both editorials to the Senate for study and serious consideration.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Star of June 10, 1953]

MANDATORY SENTENCES

Reflected in the House debate over mandatory minimum sentences for certain serious crimes was an outraged public opinion over leniency toward criminals. Many persons have been shocked at disclosures in the Star of past tendencies to punish multiple offenders only for a picked few of their crimes. And frequently sentences have been made to run concurrently instead of consecutively. Fortunately there are indications that the judges voluntarily are taking steps to insure more adequate sentences here. Indeed, it should not be necessary to compel judges by law to assess effective penalties. In a sense, the proposal in the House-approved omnibus crime bill to limit discretion of the courts in fixing some penalties is a reflection on the competency of the bench in general. Yet it is to the credit of a number of the judges that, as a rule, they have used their discretion wisely.

Congress is justified, therefore, in hesitating over the mandatory-sentence provision of the Davis bill. Such an inflexible mandate to the judges leaves no room for consideration of humanitarian or other factors in the sentencing of a convict. To exclude such considerations in certain cases could work hardships on prisoners or their dependents that might impair the quality of justice expected from our courts. But, regrettable as such a straitjacketing of justice might be, it would be no more regrettable than a rise in assaults, robberies, and other grave crimes because of an unwillingness of some judges to mete out proper punishment to habitual offenders. If Congress should finally decide to approve the mandatory-sentence plan, which the Star hopes will not be the case, it will be because a few members of the bench in the past have failed to meet their full responsibilities in protecting the public.

[From the Washington Post of June 6, 1953]

MACHINE JUSTICE

The Senate District Committee paid its respects to reason and sobriety on Thursday by cutting out of the omnibus District crime bill a section requiring mandatory minimum prison sentences for first offenders. The effect of this provision, which the House District Committee, led by Representative DAVIS, has unfortunately grafted onto the measure, is very seriously to restrict the discretion of judges in sentencing offenders, it makes the determination of penalties, a vital element in the administration of justice, as inflexible as the output of a vending machine.

Chief Judge Bolitha Laws of the United States district court has urged as vehemently as his office allows that the mandatory sentence feature of the crime bill be eliminated. United States Attorney Leo A. Rover, speaking from the point of view of a public prosecutor, inveighed against it with equal vigor. The aim of justice, he pointed out in a talk the other evening, is not vindictiveness but the rehabilitation of lawbreakers so that they can be restored to useful places in society. He is opposed also, very properly in our judgment, to another provision of the bill which would take away from judges the authority to parole prisoners after conviction for crimes with fixed minimum sentences or to place them on probation.

Within the Senate committee, Senator MORSE added his voice to the almost unbroken chorus of protest against the mandatory minimum sentence provision that has come from experienced penologists and from bench and bar. "I am unalterably opposed to taking away from the judge," he said, "the right to use his discretion. I will not support a bill that will bind the hands of judges."

There is no sentimentality or softness toward crime in this common-sense view. It is simply a realistic recognition that punishment ought to fit the criminal as well as the crime, that circumstances alter cases, that justice needs on occasion to be tempered with mercy and that society is best served by dealing with criminals as individual human beings who are most likely to be redeemed by flexibility in the imposition of sentences. Judges are equipped by training and experience to mete out punishment in accordance with the particular situation. We hope heartily that the more enlightened position of the Senate will prevail over the House's rigidity when the District crime bill goes to conference.

Mr. MORSE. Mr. President, has the Senate taken a recess?

The PRESIDING OFFICER. The Senate has not as yet recessed.

SALE OF SURPLUS AGRICULTURAL COMMODITIES TO COUNTRIES PARTICIPATING IN MUTUAL SECURITY PROGRAM

Mr. SCHOEPPEL. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill to authorize the Commodity Credit Corporation to transfer certain surplus agricultural commodities to the Director for Mutual Security for sale to countries participating in the mutual security program. I request that the bill be printed at this point in the RECORD.

The PRESIDING OFFICER (Mr. BARRETT in the chair). Without objection, the bill will be received and appropriately referred, and will be printed in the RECORD.

The bill (S. 2127) to authorize the Commodity Credit Corporation to transfer certain surplus agricultural commodities to the Director for Mutual Security for sale to countries participating in the mutual security program, introduced by Mr. SCHOEPPEL, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That it is hereby declared to be the policy of the Congress to use defined stocks of the Commodity Credit Corporation to expand free world economies by promoting trade and increasing production of cooperating nations. In furtherance of this policy, the Commodity Credit Corporation, notwithstanding any other provision of law, is authorized to make surplus stocks of any agricultural commodity available to the Director for Mutual Security (hereinafter referred to as the Director) for sale as hereinafter provided, and to deliver such commodities as may be sold at such times, in such quantities and at such places within the United States, including f. o. b. vessel American ports, as the Director may request. Surplus stocks of any commodity shall be that quantity of any agricultural commodity or product thereof acquired by the Commodity Credit Corporation under the price support programs which the Secretary of Agriculture determines is in excess of probable domestic and export sales plus a reserve for working stocks. The investment of the Commodity Credit Corporation in all commodities delivered hereunder plus all costs incurred in making delivery, as determined by the Secretary of Agriculture, shall not exceed $1 billion. For the purpose of making payment to Commodity Credit Corporation for commodities delivered by it hereunder, the Secretary of the Treasury is hereby authorized from time to time upon request of the Commodity Credit Corporation to cancel notes of the Commodity Credit Corporation held by him pursuant to the act of March 31, 1938, as amended (15 U. S. C. 713 a–4), in an amount as determined by the Secretary of Agriculture equal to the investment in such commodities plus all costs incurred by Commodity Credit Corporation in making delivery.

SEC. 2. The Director for Mutual Security is authorized to offer to sell such stocks made available by the Commodity Credit Corporation destined to countries cooperating with the mutual security program under conditions negotiated by him with the receiving countries and to accept in payment therefor local currency for the account of the United States. In negotiating agreements for the sale of such commodities, the Director shall:

(a) Offer such supplies only as net additions to consumption in purchasing countries and to take special precaution to safeguard against the substitution or displacement of regular marketings of the United States or friendly countries. In so doing he shall direct such supplies primarily to underdeveloped and new market areas and shall offer to sell such supplies at maximum market prices and in no case at prices lower than those offered for similar products by friendly countries.

(b) Use to the fullest practicable extent private trade channels to generate the maximum sales proceeds.

(c) Assure that the purchasing countries do not resell, transship, or use for other than domestic consumption, commodities purchased under this program without specific approval by the Director.

SEC. 3. Notwithstanding any other provisions of law, the Director shall expend the proceeds of such sales, with emphasis on expanding trade and increasing production for expanding trade, among cooperating nations for the following purposes, giving consideration to the priorities indicated below to the maximum extent practicable:

(a) For goods and services needed as aid in other cooperating countries;

(b) for increasing production of goods or services needed in other cooperating countries, including strategic materials, on a loan basis, with the authority to expend sums received in repayment for the purposes specified in this section;

(c) for increasing production for domestic needs through regular banking channels on a loan basis or on other terms of repayment,

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with the authority to expend funds received in repayment for the purposes specified in this section;

(d) for increasing production for domestic needs using such sales proceeds as grants-in-aid;

(e) for making contributions to cooperative military establishments;

(f) for purchasing critical materials for United States stockpiles at levels above those now planned;

(g) for satisfying other United States obligations payable in foreign currencies;

(h) for developing new markets on a mutually benefiting basis.

SEC. 4. In the use of sales proceeds, the Director shall, to the maximum extent practicable, encourage and facilitate the flow of private investment to and from within cooperating countries—

(a) by mobilizing private capital in connection with the making of loans; and

(b) by financing the development of transportation, power, and other public utilities so as to furnish the conditions required to attract private investment.

SEC. 5. In negotiating terms, the Director shall assure that repayments by the cooperating countries are not utilized in such manner as to displace foreign exchange earnings that would otherwise accrue to them.

SEC. 6. In making agreements with third countries receiving goods accruing from the proceeds of such sales, the Director shall be guided by the provisions of this act.

Mr. SCHOEPPEL. Mr. President, one of the challenges to America today is to assert the necessary leadership for directing its capabilities to the maintenance of freedom of the people. The United States must demonstrate to the world that a dynamic, expanding, competitive free enterprise system is a true way to the more abundant life that thoughtful people everywhere are seeking.

There is no change in the ambition of the Communists to dominate the world. They are placing more emphasis on economic and subersive methods than on military means for accomplishing their ultimate objective.

The United States, since the end of World War II has been very generous with her manpower, her money, and her natural resources in assisting friendly nations throughout the world to rehabilitate themselves in the hope that we could not only stop the Communists where they are but return to freedom those enslaved people that are now behind the Iron Curtain.

Our economic aid programs during the past 7 years have cost the American taxpayer some $35 billion.

As most of you gentlemen know, through the operations of the price support program here in the United States, we have accumulated large surpluses of agricultural commodities. According to the latest information, the Commodity Credit Corporation now has invested in farm commodities over $3 billion. With the abundant harvest in prospect for 1953, it is estimated that by the end of the harvest season this year, Commodity Credit may have over $5 billion invested in so-called surplus commodities.

With a great portion of the population of the free world needing food and clothing, it seems unrealistic to me that we should maintain these high stocks of food and fiber in the United States. I sincerely believe that these stocks can be changed from a liability to an asset through the utilization of these commodities in furthering our Mutual Security Program throughout the free world.

In making this statement I want to make it clear that the proposal I am about to make will not solve all of our domestic farm problems and our problems of increasing trade. However, I do believe that it is time now to give serious consideration to the question of how can we best use what we have to further the foreign economic objectives of the United States.

United States national security depends in part upon long-term defense arrangements with strong allies. These allies cannot live and prosper in a market limited to trade among themselves. We have heard that statement many times. They can be bound together in an enduring defense arrangement only if the great industrial nations including the United States and other cooperating nations of the free world are made mutually benefiting partners in an expanding free world economy.

One of the greatest needs for agriculture in the United States is to regain and expand the export outlets for agricultural commodities.

Many groups and individuals have been giving serious consideration to the problem of how we can use our surplus agricultural commodities for expanding trade and cementing our friendship with people throughout the world.

I offer for the consideration of this body a proposal to sell up to $1 billion worth of Commodity Credit stocks to reinforce the mutual security program. This proposal would authorize the Secretary of Agriculture to transfer Commodity Credit Corporation stocks available for expanding world markets to the Administrator of the mutual security program.

It would authorize the Administrator of the mutual security program within limitations to be set by the Congress to offer such stocks for sale through private traders to cooperating nations under conditions negotiated by him with receiving countries in exchange for local currencies. The Administrator would be authorized to accept such currencies for the United States and use them to reinforce the mutual security program and further its objectives by using these funds under mutual agreement, either, first, as loans to banking institutions in cooperating countries which in turn would use the funds to increase production and encourage international trade, or, second, to pay United States obligations such as contributions to cooperative defense establishments, for economic development, for aid to other cooperating countries and for strategic material to augment United States stockpiles above currently planned levels.

I believe that if these Commodity Credit stocks are used in the manner suggested they can be used as capital for the expansion of free world economies.

Some of the advantages of this proposal follow:

First. This is not a giveaway program. Its purpose is to sell United States agricultural supplies for a maximum of local currencies which may be used by the United States to aid in economic development and promoting trade among cooperating nations.

Second. This is not a dumping program. Its primary direction is toward new and underdeveloped areas. The prices are to be maximum. Acceptance by countries is voluntary. Marketings are safeguarded by assuring that quantities are net additions to consumption.

Third. It would convert likely liabilities resulting from CCC stocks to assets by using them for constructive purposes by investing them in economic development and expanding international trade.

Fourth. It would provide the United States with a powerful economic weapon to counter the Communist trade offensive which seeks to divide our allies by luring them into the Communist orbit.

Fifth. It would involve no additional appropriation or authorization of funds, in fiscal year 1954.

Sixth. It would temporize the drastic production cuts otherwise imminent.

Seventh. It should appeal to cooperating nations. It would increase their supplies of agricultural products which they need. It would provide for reinvesting the proceeds of sale in economic development and expanding trade among them.

It should be emphasized that the movement of agricultural commodities under this proposal would be a net addition to consumption in the cooperating countries and not a substitution or displacement of the normal movement. The Secretary of Agriculture and the Director of the Mutual Security Program would have to set some standards by which this could be judged.

This is not a dumping program. It is a program designed to sell to the cooperating nations for local currency these agricultural commodities at the full price which Commodity Credit has invested in these commodities.

There should be no element of coercion for cooperating nations to accept. This is a sincere offer to do business under clearly specified conditions for mutual benefit.

All funds accumulated to the United States as a result of this program regardless of the currency should be accounted for in terms of dollars.

I am sure that by this time one of the principal questions that occurs to the Members of this body is, how do we get our investment back? Under the draft legislation that I am submitting, the Secretary of the Treasury would be authorized from time to time, upon request of the Commodity Credit Corporation, to cancel notes of the Commodity Credit Corporation held pursuant to the act of March 31, 1938, as amended (15 U. S. C. 713a–4) in an amount as determined by the Secretary of Agriculture to be equal to the investment in such commodities, plus all costs incurred by the Commodity Credit Corporation in making delivery.

I would not for one moment try to indicate to this body that this program will not cost the United States money, but I ask the Senate to consider the alternatives. The fact is that the Commodity Credit Corporation already has

or will have money invested in these commodities. The question then arises, how can we best use these commodities to make the maximum contribution to our domestic economy and to the economies of the rest of the free world?

This program should not be thought of in terms of reducing the appropriation for the mutual-security program, as originally conceived. However, we do believe that by the proper use of the local currencies that would accumulate under this program, tremendous dollar savings can be realized, not only this year, but in many years to come.

Mr. President, at this time I may say that yesterday the Senator from Kansas appeared before the Foreign Relations Committee in furtherance of an amendment to the Mutual Security Act, but it was thought—and the Senator from Kansas thought—that the amendment should be presented as a separate bill. Hence I am introducing the bill, for consideration by the Senate, after the bill is referred to and considered by the appropriate committee.

I believe this proposal is sound, and would do more to demonstrate to the world that the United States is sincere in its efforts to help strengthen the economies of the other free nations, than anything that has been done since the end of World War II. Of course, many administrative details must be considered. However, I have confidence that the Secretary of Agriculture and the Director of the mutual security program can develop procedures, under the framework of this measure, that will carry out the full intent and purpose of Congress in enacting the bill.

Mr. President——

The PRESIDING OFFICER. The Senator from Kansas has the floor.

RECESS TO MONDAY

Mr. SCHOEPPEL. Mr. President, under the order previously entered, I now move that the Senate stand in recess until Monday next, at 12 o'clock noon.

The motion was agreed to; and (at 7 o'clock and 32 minutes p. m.) the Senate took a recess, the recess being under the order previously entered, until Monday, June 15, 1953, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 11 (legislative day of June 8), 1953:

UNITED NATIONS

Mason Sears, of Massachusetts, to be representative of the United States of America on the Trusteeship Council of the United Nations.

DIPLOMATIC AND FOREIGN SERVICE

John C. Hughes, of New York, to be United States permanent representative on the North Atlantic Council, with the rank and status of Ambassador Extraordinary and Plenipotentiary.

COLLECTOR OF CUSTOMS

Frank D. Yturria, of Texas, to be collector of customs for customs collection district No. 23, with headquarters at Laredo, Tex.

COAST AND GEODETIC SURVEY

PERMANENT APPOINTMENT TO THE GRADES INDICATED IN THE COAST AND GEODETIC SURVEY, SUBJECT TO QUALIFICATIONS PROVIDED BY LAW

To be captains

Leonard S. Hubbard
Philip C. Doran

To be lieutenant commanders

Robert C. Darling
Miller J. Tonkel

To be lieutenant

Hubert W. Keith, Jr.

To be lieutenant (jg.)

Alfred C. Holmes

UNITED STATES COAST GUARD

To be rear admiral

Henry C. Perkins

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 11, 1953

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou who art the Supreme Ruler of the Universe, whose laws and commandants are benign and beneficent, grant that we may see more clearly that in observing and obeying them we may find our truest joy and greatest peace.

May our minds and hearts be stirred and quickened with a new sense of Thy divine sovereignty, not as an arbitrary power, but as the wisdom and kindness of our Heavenly Father, whose thoughts concerning us are always those of love and mercy.

We pray, in all humility and sincerity, that we may be inspired by the ministry of Thy life-giving and life-directing Spirit as we seek to apprehend and apply those great moral and spiritual truths and principles which will strengthen the bonds of brotherhood and fellowship among the nations of the earth.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Ast, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3795. An act to adjust the salaries of officers and members of the Metropolitan Police force, the United States Park Police, the White House Police, and the Fire Department of the District of Columbia, and for other purposes.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 1081) entitled "An act to provide authority for temporary economic controls, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CAPEHART, Mr. BRICKER, Mr. BENNETT, Mr. BUSH, Mr. MAYBANK, Mr. FULBRIGHT, and Mr. ROBERTSON to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4664) entitled "An act making supplemental appropriations for the fiscal year ending June 30, 1953, and for other purposes."

The message also announced that the Senate agrees to the amendment of the House to Senate amendment No. 19 to the above-entitled bill.

COMMITTEE ON AGRICULTURE

Mr. BISHOP. Mr. Speaker, by direction of the Committee on House Administration I call up House Resolution 213 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the expenses of conducting the studies and investigations authorized by House Resolution 161, 83d Congress, incurred by the Committee on Agriculture, acting as a whole or by subcommittee, not to exceed $50,000, including expenditures for the employment of accountants, experts, investigators, attorneys, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House, on vouchers authorized by such committee, signed by the chairman of such committee, and approved by the Committee on House Administration.

SEC. 2. The official committee reporters may be used at all hearings held in the District of Columbia, if not otherwise officially engaged.

The resolution was agreed to, and a motion to reconsider was laid on the table.

COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. BISHOP. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 270 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That in carrying out its duties during the 83d Congress, the Committee on the District of Columbia is authorized to incur such expenses (not in excess of $2,000) as it deems advisable. Such expenses shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman thereof, and approved by the Committee on House Administration.

The resolution was agreed to, and a motion to reconsider was laid on the table.

COMPENSATION FOR SERVICES OF AN ASSISTANT FILE CLERK

Mr. BISHOP. Mr. Speaker, by direction of the Committee on House Administration I call up House Resolution 254 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That effective June 1, 1953, there shall be paid out of the contingent fund of the House, until otherwise provided by law, compensation at the basic rate of $3,000 per annum for the services of an assistant file clerk, who shall be designated by the minority leader subject to approval by the Speaker.

UNIVERSITY OF MICHIGAN LIBRARIES

The resolution was agreed to, and a motion to reconsider was laid on the table.

SELECT COMMITTEE ON SMALL BUSINESS

Mr. SCHENCK. Mr. Speaker, by direction of the Committee on House Administration I call up House Resolution 158 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there shall be printed 1,000 additional copies of the report of the Select Committee on Small Business entitled "Review of Small Business" (H. Rept. No. 2513, 82d Cong.), which shall be delivered to the Select Committee on Small Business.

With the following committee amendment:

Page 1, line 1, strike out "1,000" and insert "2,000."

The committee amendment was agreed to.

The resolution was agreed to, and a motion to reconsider was laid on the table.

SELECT COMMITTEE ON CURRENT PORNOGRAPHIC MATERIAL

Mr. SCHENCK. Mr. Speaker, by direction of the Committee on House Administration I call up House Resolution 183 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there be printed for the use of the Select Committee To Conduct a Study and Investigation of Current Pornographic Material 4,500 additional copies of House Report No. 2510 of the 82d Congress, being the report to the House of Representatives by the said select committee.

With the following Committee amendments:

Page 1, line 1, after "printed", strike out the remainder of line 1 and all of line 2 and line 3 down to and including "Material."

Line 5, after "Congress" strike out the remainder of the resolution and insert "relating to the investigation of pornographic material, for the House Document Room."

The committee amendment was agreed to.

The resolution was agreed to, and a motion to reconsider was laid on the table.

TEMPORARY ECONOMIC CONTROLS

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1081) to provide authority for temporary economic controls, and for other purposes, with an amendment of the House thereto, insist upon the House amendment, and agree to the conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Michigan? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. WOLCOTT, GAMBLE, TALLE, KILBURN, SPENCE, BROWN of Georgia, and PATMAN.

ADMINISTRATOR OF GENERAL SERVICES

Mr. AUCHINCLOSS. Mr. Speaker, I ask unanimous consent that the Committee on Public Works may have until midnight tonight to file a report on the bill (H. R. 5406) to amend the Public Buildings Act of 1949 to authorize the Administrator of General Services to acquire title to real property and to provide for the construction of certain public buildings for housing of Federal agencies or departments, including post offices, by executing purchase contracts, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

TORNADO DAMAGE IN MICHIGAN

Mr. CLARDY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CLARDY. Mr. Speaker, I have just returned from my district, where I inspected the devastation that took place as a result of the tornado that struck just north of Flint, Mich. I shall not attempt to describe the scene as I found it. It was so bad that I think it would take many, many minutes to go into it so you would get a complete picture.

Why I rise is this: The town of Flint was not struck. However, it is being flooded by telegraph messages and by telephone calls. There are many anxious people all over the Nation who are concerned for their loved ones.

I want them to know that if they have not been advised that some of their folks have been killed or injured they need have no worry, because all the injured have been identified and have been in communication with their relatives scattered throughout the country, and the relatives of all but a very small handful of those who were killed have also been notified.

I ask the Members of the House to please disseminate this information about the Nation, because the schedule at present is many, many hours behind in attempting to use the telephone either in or out of the city of Flint. I repeat, no one in the city of Flint was injured, because the storm did not strike that city. It struck in the open country where 300 or 400 houses were located in a small development between the communities. It is bad, but I will describe it sometime later in the RECORD.

LEGISLATIVE PROGRAM FOR NEXT WEEK

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. RAYBURN. Mr. Speaker, I would like to inquire of the gentleman from Indiana [Mr. HALLECK] with reference to the program for next week.

Mr. HALLECK. The program as we see it is as follows:

Monday will be the Consent Calendar. I understand there are not too many bills on that calendar that are eligible for consideration on Monday, but I think we should call it.

A rule has been granted on H. R. 5495 which has to do with the extension of the Reciprocal Trade Agreements Act. We expect to dispose of that. I am sure the gentleman knows it is a closed rule, except it does permit one amendment and committee amendments. There are 2 hours of general debate and we should be able to dispose of that and we expect to vote on it on Monday.

The Committee on Agriculture has reported H. R. 5451, having to do with wheat marketing quotas. They have obtained a rule, but my information is that there is no substantial opposition to the measure, so we contemplate calling it under suspension of the rules on Monday next after we dispose of the Reciprocal Trade Agreements Act.

As the gentleman from Texas knows, the Reciprocal Trade Agreements Act expires tomorrow. However, that is not a fatal matter, because the legislation will become effective, but it does indicate a situation under which we should attempt to dispose of the matter finally and get it over to the other body on Monday.

On Tuesday we will call the Private Calendar.

Then it is expected that general debate on the second part of the independent offices appropriation bill will continue through the day on Tuesday, and I would suppose the reading of the first section of the bill so that we would be ready to read the bill under the 5-minute rule on Wednesday. We will continue consideration of that part of the independent offices appropriation bill on Wednesday and for such time after that as it may be necessary to complete it.

Then I have grouped under the designation Wednesday, Thursday, Friday, and Saturday, the legislative appropriation bill, which we hope will be reported so that it may be considered next week.

Also H. R. 3203, having to do with trip leasing.

House Joint Resolution 234, having to do with expenses of the Interparliamentary Union.

Then, if committee action is taken and rules are granted we would also like to call up next week the MSA authorization bill and the extension of the excess profits tax.

ADJOURNMENT OVER

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 12 o'clock noon on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

SECOND INDEPENDENT OFFICES APPROPRIATION BILL

Mr. PHILLIPS, from the Committee on Appropriations, reported the bill (H. R. 5690, Rept. No. 550) making appropriations for additional independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes, which was read the first and second time and, with the accompanying report, referred to the Committee of the Whole House on the State of the Union and ordered printed.

Mr. YATES. Mr. Speaker, I reserve all points of order on the bill.

I ask unanimous consent, Mr. Speaker, that I may be allowed to file minority views in connection with that bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

RENEGOTIATION OF GOVERNMENT CONTRACTS

Mr. MEADER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MEADER. Mr. Speaker, I asked for this time for the purpose of inserting in the CONGRESSIONAL RECORD a list of contracts exempted from renegotiation.

My first activity in the House of Representatives was in connection with the Renegotiation Act of 1951. I sought to incorporate an amendment in the act to prohibit granting exemptions from renegotiation to any contractors. I did this on the philosophy that all war contractors should be treated alike. I wanted to prevent any favoritism, influence, or discrimination in the administration of the Renegotiation Act. That amendment was not adopted. However, the permissive exempting authority was restricted and limited.

Following that, the gentleman from Virginia, the Honorable PORTER HARDY, chairman of the Subcommittee on Government Operations of the Committee on Expenditures in the Executive Department, requested full facts on all exempted contracts. He inserted a list of contractors exempted from renegotiation in the CONGRESSIONAL RECORD of February 20, 1952.

The list which I insert in the RECORD today is a followup of that effort to maintain full publicity, with respect to exemptions granted by the Renegotiation Board. The Board and contractors should be aware that exemptions will be granted only in the full light of public knowledge.

I include at this point in my remarks correspondence on this subject:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., June 10, 1953.

Hon. R. WALTER RIEHLMAN,
New House Office Building,
Washington, D. C.

DEAR REPRESENTATIVE RIEHLMAN: Enclosed herewith is a letter from Frank L. Roberts, member of the Renegotiation Board, furnishing information on defense contracts exempted from renegotiation. This information was supplied in response to my letter to Mr. Roberts of April 13, 1953.

I am sure you recall the discussion concerning permissive exemptions contained in the 1951 Renegotiation Act and the follow-up by the Honorable PORTER HARDY, chairman of the Government Operations Subcommittee in the 82d Congress, designed to insure full publicity concerning the exercise of the discretionary authority of the Renegotiation Board to exempt certain contracts from renegotiation.

I am transmitting this letter to you since there may be some inquiries which your subcommittee may desire to make with respect to some of the exempted contracts. I am also inserting the information in the CONGRESSIONAL RECORD so that the Congress and the public generally can be informed on the manner in which discretionary exempting authority is being exercised.

Sincerely,

GEORGE MEADER.

THE RENEGOTIATION BOARD,
UNITED STATES OF AMERICA,
Washington, D. C., June 4, 1953.

Hon. GEORGE MEADER,
House of Representatives,
Washington, D. C.

MY DEAR MR. MEADER: Your letter of April 13, 1953, requests that you be informed of exemptions granted by the Renegotiation Board pursuant to the permissive exempting authority contained in the Renegotiation Act of 1951. Your letter refers to the exchange of correspondence between the Honorable PORTER HARDY, Jr., and Mr. John T. Koehler, Chairman of the Renegotiation Board, with reference to the exercise by the Board of the permissive exempting authority contined in the Renegotiation Act of 1951. Mr. Koehler's letter of February 20, 1952, contained a list of the exemptions granted by the Board up to that date.

In accordance with your request there is enclosed a list of exemptions granted by this Board under such permissive authority which supplements the list furnished with Mr. Koehler's letter of February 20, 1952.

It will be noted that those exemptions listed as group I were granted pursuant to section 106 (d) (1) of the Renegotiation Act which authorizes the Board to exempt "any contract or subcontract to be performed outside of the territorial limits of the continental United States or in Alaska." As a matter of policy the Board has restricted the exercise of authority under this section to cases where the contractor is a foreign corporation or foreign national, not doing business in any territory under the jurisdiction of the United States and where the contracting agency has indicated that such foreign contractor has refused to enter into the contract unless the exemption is granted.

The exemptions listed as group II were granted pursuant to section 106 (d) (3) of the Renegotiation Act, which authorizes the Board to exempt "any contract or subcontract or performance thereunder during a specified period or periods if, in the opinion of the Board, the provisions of the contract are otherwise adequate to prevent excessive profits." We were advised that these contracts are on a cost basis only with no fee or other profit, and the Board therefore, concluded that no excessive profits under these contracts could result to the prime contractor.

No dollar amount is indicated in the list for the exempted subcontracts under the prime contract of the Atlas Construction Co. in French Morocco. The amount could not be calculated because the exemption applies to a type or class, namely: All subcontracts related to this prime contract entered into and performed outside the territorial limits of the United States by foreign corporations or nationals.

No dollar amount could be given for the listed exemption of the contract of the Aktiebolaget Bofors (Bofors Co.) Karlsgoda, Sweden, because we were advised that the negotiations had not reached a point where a price could be named.

As pointed out in Mr. Koehler's letter to Mr. HARDY dated February 20, 1952, under the Renegotiation Act of 1951 the Board was given authority to exempt contracts, both individually and by general classes or types. In addition to the classes or types of contracts reported in Mr. Koehler's letter, the Board has exempted the following:

2. All exploration project contracts entered into by Defense Minerals Exploration Administration of the Department of the Interior pursuant to delegation from the Defense Materials Procurement Administration under the authority of section 303 of the Defense Production Act of 1950. This action was taken pursuant to the authority contained in section 106 (d) (3) of the Renegotiation Act of 1951 and appeared at page 1134 of the Federal Register for February 27, 1953.

2. All contracts entered into by Small Defense Plants Administration with departments named in or designated pursuant to section 103 of the Renegotiation Act of 1951. This exemption does not extend to subcontracts entered into by Small Defense Plants Administration. The exemption was granted pursuant to the authority contained in section 106 (d) (3) of the Renegotiation Act of 1951 and appeared at page 2820 of the Federal Register of May 15, 1953.

Sincerely yours,

FRANK L. ROBERTS,
Authorized Board Member.

GROUP I.—*Exemptions under section 106 (d) (1) of the Renegotiation Act*

Date of exemption	Contractor and product	Interested department	Price
Feb. 18, 1952	Oerlikon Machine Tool Works, electronic optic tracking systems	Air Force	$401,194
Mar. 4, 1952	A. G. Contraves, electronic computers for antiaircraft guns	Navy	184,000
Apr. 3, 1952	English Electric Co., aircraft spare parts and equipment	Air Force	901,480
Apr. 7, 1952	Deloro Smelting & Refining Co., processing cobalt	GSA	950,000
Do	Felton & Guilleaume Carlswerk, Styroflex coaxial cable	Navy	16,973
Do	Svenska Aeropian Aktiebolaget Co., 107 BT-9 computers	Air Force	2,000,000
May 9, 1952	Subcontracts of African Metals Corp., processing cobalt	GSA	800,000
June 10, 1952	Rolls Royce, Ltd., 2 RM 60 gas turbine engines	Navy	3,500,000
June 23, 1952	Rolls Royce, Ltd., 300 V 1650 engine ignition harnesses	Air Force	47,000
Do	Automatic Telephone & Electric Co., classified	Army	675,000
Do	Subcontracts of Acme Screw & Gear Co. with United Aircraft Corp., Sikorsky Aircraft Division, purchase of gears	Navy	12,196
Do	Oerlikon Machine Tool Works, aircraft revolver guns and parts	do	756,000
June 26, 1952	Hispano Suiza Corp., research and development contracts	Navy	917,125

UNIVERSITY OF MICHIGAN LIBRARIES

GROUP I.—*Exemptions under section 106 (d) (1) of the Renegotiation Act*—Continued

Date of exemption	Contractor and product	Interested department	Price
June 30, 1952	Caltex Oil Ltd. (Japan), oil sale and distribution facilities	Army	$508,740
July 10, 1952	Subcontracts between Continental Aviation & Engineering and Société Turbomeca, SA, Bordes, France, purchase of 5 gas turbine compressor units.	Air Force:	
		Target price	77,175
		Ceiling price	88,751
Aug. 4, 1952	Sikorsky Aircraft Division of United Aircraft Corp., subcontract with Acme Screw & Gear Co., aircraft gears	Air Force	175,548
Aug. 29, 1952	Subcontract of Reishauer Tool Works, Ltd., Zurich, Switzerland, with Coes Corp.	do	5,300,000
Sept. 18, 1952	Local subcontracts of Atlas Construction Co. (French Morocco)	Army	
Sept. 26, 1952	Subcontracts of Flight Refuelling Co.	Air Force.	
	4 purchase orders		16,522
	(1) Maintenance of spare parts		6,600
	(2) Services of technical representative, 4 months		
	(3) Modification of 2 KB–29 aircraft to drogue type tankers		19,084
	(4) Services of technical representative, 2 months		2,800
Do	Supplemental agreement, Flight Refuelling Co. (No. 1), probe and drogue system for in-flight refueling of aircraft	Air Force	30,800
Jan. 9, 1953	African Metals Corp. (Société Metalurgique de Hoboken), processing cobalt	GSA	1,151,000
Do	Deloro Smelting & Refining Co., processing cobalt in Canada	GSA	5,613,825
Mar. 11, 1952	Falconbridge Nickel Mines: 2 contracts, (1) electrolytic nickel; copper and cobalt; (2) nickel, with option for additional purchase.	DMPA	
Jan. 23, 1953			
Feb. 6, 1953	English Electric Co., subcontracts with Glenn L. Martin Co.	Air Force	21,828
Feb. 15, 1953	Subcontracts of Perkin Elmer Corp. with Jarner Glaswerk Schott and Gen Lanshut, lenses for K–36 cameras	do	322,650
Feb. 25, 1953	Subcontracts under prime contract with Crow, Steers, Shepherd, construction of airfield at Tripoli	Army	10,047,000
May 18, 1953	Aktiebolaget Bofors (Bofors Co.), Karlsgoda, Sweden, research and development—foreign ordnance	Navy	

GROUP II.—*Exemptions pursuant to sec. 106 (d) (3) of the Renegotiation Act*

Date of exemption	Contractor and product	Interested department	Price
Apr. 14, 1952	Illinois Central R. R. Co., 20 miles of track to service TVA at Shawnee, Okla.	TVA	$1,747,000
May 9, 1952	Illinois Central R. R. Co., construction of tracks at Paducah, Ky	AEC	1,315,000

GROUP III.—*Exemptions pursuant to sec. 106 (d) (4) of the Renegotiation Act*

Date of exemption	Contractor and product	Interested department	Price
Oct. 2, 1952	2 classified top secret contracts	Air Force	$4,147,650 3,178,756

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., April 13, 1953.

Mr. FRANK L. ROBERTS,
Renegotiation Board,
Washington, D. C.

DEAR MR. ROBERTS: I am sure you will recall that during the enactment of the Renegotiation Act I sought to limit power to grant permissive exemptions. You are undoubtedly familiar with the legislative history of this effort. I draw your attention to the Appendix of the CONGRESSIONAL RECORD, volume 98, part 9, pages A1725–A1727, which refers briefly to this legislative history and also contains a letter from Hon. PORTER HARDY, JR., to Hon. John T. Koehler, Chairman of the Renegotiation Board, dated January 5, 1952, and Mr. Koehler's reply to Congressman HARDY under date of February 20, 1952. This correspondence was pursuant to Representative HARDY'S announced intention of examining the manner in which the permissive exempting authority of the Renegotiation Board was exercised in actual practice.

For the purpose of bringing the record up to date, I would appreciate your informing me of the exemptions from renegotiation granted under the permissive exempting authority, showing the name of the contractor exempted, the agency of the Government with which the contract was made, the nature of the product, the dollar amount of exemption, and a brief statement of the reasons for granting such exemption.

I believe this information should be available to the Congress and to the public.

Sincerely,

GEORGE MEADER.

ADVERSE EFFECT OF IMPORTS

Mr. SECREST. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SECREST. Mr. Speaker, we are considering Monday an extension of the reciprocal trade agreements program. I do not know how much time is available, but I do want to take this opportunity to point out that last year 128 million barrels of residual fuel oil came into this country, and at the same time, and largely due to these imports, coal production in the State of Ohio decreased by 10 percent with a loss of almost 400,000 man-days of labor.

Two hundred million pieces of pottery came into this country last year, and the tragic thing about the whole reciprocal trade agreements program is that these imports which most adversely affect domestic industry are increasing every single day. I do not believe there is any ultimate answer except the quota system on imports. Over $61 million worth of jeweled watches came into this country last year. I am told that is a majority of all the watches of that type sold in the country. So I do hope that out of the debate and the discussion and the study of this program there can come legislation that will be fair and equitable to all American industry and not destroy certain industries almost completely for the benefit of the large makers of trucks and heavy equipment in this country.

It looks like we are back where we started on the question of limiting residual oil imports. The quota limitation bills to protect American industries and workers which were introduced by a number of us on both sides of the House were first bypassed in favor of a bill to include the restriction in an extension of the Trade Agreements Act.

Now we find that since the latter measure could not get out of the Ways and Means Committee, we have 2 new ones in its place—1 to grant the extension and the other almost a duplicate of our original bills imposing the quota restriction. I might say that there are many of us who find this change in strategy very satisfactory; as a matter of fact it offers us the only opportunity to cast our votes in behalf of the American people.

H. R. 5496, the bill to restrict imports of residual oil, will have the full support of everyone who objects to what cheap foreign goods are doing to domestic industries and labor. It can provide important relief for a large segment of our working people while showing the way to a more sensible overall trade policy. In other words, it is a start in the right direction. But you can be sure that there is going to be continued dissatisfaction until glass, pottery, and all other American industries are once again given a chance to go into full production instead of having to remain idle because competitive goods—produced by foreign labor working for coolie wages—are flooding American markets.

Now if the Ways and Means Committee will send out H. R. 5496, perhaps we can get favorable action on the floor so that our coal miners and their families will have a chance to enjoy moderate living standards once more. In 1952 Ohio produced 10 percent less coal than the previous year, and a good portion of this loss was caused by the 128 million barrels of foreign residual oil that moved into this country last year. The de-

crease represented a loss of 366,776 man-days of work in our State—a heavy blow to a working force of 17,000 men.

And what about the coal mines that are closing and the workers who are moving to other areas in search of employment? How can Government officials say that they are giving maximum attention to our defense needs when they know full well that there is going to be a shortage of fuel if war comes and our coal mines are not ready? Unless those same officials are exaggerating the degree of tension in international affairs—and I don't think that they are—they had better withdraw their opposition to our proposals for protecting American industries. Meanwhile I trust that Congress will vote in favor of our people and their security by passing legislation to protect all American industry.

ASSEMBLY LAWS OF THE DISTRICT OF COLUMBIA

Mr. WHEELER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. WHEELER. Mr. Speaker, since there seems to be some confusion within the judiciary as to whether inhabitants of the District of Columbia are living under the laws as codified in the statutes or those that were passed by the legislative assembly of the District of Columbia in the middle of the last century, I have introduced a very simple piece of legislation which should clarify this confusion. I call it to the attention of the House; it is short and simple. It reads as follows:

That section 3 of the act of the Legislative Assembly of the District of Columbia, June 30, 1872, and sections 1, 2, and 3 of the act of the Legislative Assembly of the District of Columbia, June 26, 1873, are hereby repealed.

The decision of the Supreme Court under date of June 8, 1953, which evidences the ultimate in confusion as to which of the provisions of the acts of 1872 and 1873 are still valid and which are not valid, is an obvious prelude to the decision that is expected later this year relative to segregation in the public schools of this country.

Mr. Speaker, it is odd to me that we have reached the place in this country where we seem to allow roughly 10 percent of the population to dictate to the other 90 percent. We have developed a deathly fear of certain words. The do-gooders would have us believe that to discriminate is bad when the truth of the matter is that discrimination is one of the basic traits of human nature. We discriminate as to the food we eat, the clothes we wear, the kind of car we drive, the friends we have. There is scarcely any human activity where discrimination is not practiced. In spite of this obvious fact, we are now told by the highest tribunal in the land that we cannot allow any discrimination in certain sharply defined fields.

It is my understanding that there are certain restaurants where men patrons are required to wear coats in order to gain admission, regardless of how hot and humid the weather may be. If the Court was right in saying that it is illegal to discriminate because of the color of a man's skin, is it not just as logical to hold that restaurants are discriminatory when they require men to wear coats within the establishment?

THE TORNADO DISASTER IN MASSACHUSETTS

Mr. DONOHUE. Mr. Speaker, I offer a resolution (H. Res. 276) and ask unanimous consent for its immediate consideration.

The Clerk read as follows:

Whereas central Massachusetts has been struck by a tornado which has claimed many killed and injured, has devastated great areas, and has left countless thousands homeless; and

Whereas from all reports the area has become one necessitating immediate emergency relief for the victims of the tornado, and for immediate aid in the rehabilitation and restoration of the stricken area: Therefore be it

Resolved, That it is the sense of the House of Representatives that the tornado which devastated certain parts of Massachusetts should be declared a major disaster within the meaning of the act entitled "An act to authorize Federal assistance to States and local governments in major disasters, and for other purposes," approved September 30, 1950 (64 Stat. 110), and at the earliest opportunity all possible Federal aid for which such act provides should be given to such area.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. WIGGLESWORTH. Mr. Speaker, I reserve the right to object solely for the purpose of associating myself with the spirit of the resolution offered by our good friend and colleague, the gentleman from Massachusetts [Mr. DONOHUE].

I know that we are all deeply distressed by the catastrophe which has come to the people of Massachusetts within the last 48 hours.

It is a disaster without exact parallel in the history of the State, insofar as I know, and the results have been appalling.

I know that our heartfelt sympathy goes out to all those who have lost those dear to them and to all others who are today suffering, as a result of the tragedy.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

Mr. DONOHUE. Mr. Speaker, in asking for immediate consideration of this resolution, I do so with the thought in mind that similar resolutions which are being presented by other Members of the Massachusetts delegation shall likewise receive immediate consideration. I know that they share with me the intense feeling and desire that our distressed people shall be afforded every assistance humanly possible.

As the distinguished Speaker from Massachusetts just said, last Tuesday evening the central part of Massachusetts, otherwise known as the heart of the Commonwealth, was visited by one of the most fiendish freaks of nature known to man, a vicious tornado. It swooped down on Worcester County and other sections with primeval fury.

Almost without warning the twister struck. Brick walls were caved in like towers of blocks, frame houses were reduced to splinters. Automobiles and people were hurled wildly through the air. Devastation and death stalked through areas that only a few minutes before had been quiet residential streets.

There are few things that inspire the awful dread of such natural cataclysms. At times like these, man seems reduced to an insignificant pigmy, the helpless plaything of the brute forces of insensate nature. His cries seem to go unheard amid the tumult, his prayers seemed mocked by the raging of the elements.

Yes, Mr. Speaker, this terror struck without charity and without pity and without self-restraint, and as a result today men, women, and children are going through the rubble of this area seeking their dead. Likewise those who have been found are being cared for, their dead are being buried at this very moment.

Mr. Speaker, I know that all Members of Congress are in deepest sympathy with our people in Massachusetts who are valiantly trying to recover today from the greatest tornado disaster that has ever struck this area.

The first news of the tragedy reached me by emergency telephone call from Worcester about 7 p. m. Tuesday night. I immediately made contacts with officials at the White House, the Civil Defense Administration, the Housing and Home Finance Agency, the Farmers Home Administration, and the National Red Cross headquarters here. I then made arrangements to fly to my home city of Worcester to inspect the damage, the great brunt of which is being bravely borne by the people within my own Fourth Congressional District.

In all my years as a Worcester city official, a naval officer in World War II, and as a Member of Congress, I have observed the terrible results of Nature's fury, but I have never seen such widespread destruction as now affects such large portions of the central Massachusetts and surrounding areas. Latest authoritative reports put the number of dead at 82, with 13 missing, over 800 injured, and 7,000 people homeless; the physical damage is estimated conservatively to be $75 million.

Yesterday morning I urged the RFC officials to declare it a disaster area, which they promptly did. I also called the White House requesting that the Chief Executive be notified and proclaim it a disaster area. The Civil Defense Administration notified me last evening that following certification by the Governor of Massachusetts, the President has proclaimed it an area entitled to full Federal assistance.

I am urging the President to stop over in Worcester this week while he is in the New England area and I understand he intends to do so.

I wish to express my thanks to acting administrator Harold Aitken, of the Civil Defense Administration; Mr. Bernard M.

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Shanley, special counsel to the President; Mr. Neal J. Hardy, of the Housing and Home Finance Agency; and Mr. John Wilson, General Manager of the Red Cross here in Washington, for their sympathetic cooperation in setting the agency wheels in motion for immediate assistance to be extended to our distraught people.

I hope that the House will unanimously approve this resolution to declare it the sense of Congress that a major disaster truly has occurred in the Worcester County area which warrants use of the full resources of the Nation in the relief of suffering and damage to its own people.

I am investigating thoroughly the Government aids that are provided in such sad circumstances. It may be that they are not adequate because of depletion or that there are red tape restrictions that will hamper legitimate relief efforts. If there are I feel certain that the Congress will be sympathetic and move promptly to permit the relief functions of the various agencies to act speedily and without undue hindrance. If it is found that additional money is needed for the disaster fund and the agencies to extend adequate financial assistance to our homeless families, I intend to introduce an emergency appropriation measure which I am sure will meet with the unanimous approval of the House.

I wish to thank the Speaker, the minority leader, Congressman McCormack, and all my colleagues who have so generously and sympathetically offered their assistance to me in my efforts to bring prompt Federal aid to my havoc-ridden district.

I am flying back to Worcester again this afternoon to bring reassurance to our people that the Congress fully realizes the catastrophe that has struck us, and the Federal Government is sending help in our hour of desperate need.

Mr. LANE. Mr. Speaker, Worcester, Mass., has been hit by an unprecedented "twister."

Latest death toll, 83.

Estimated property damage, $75 million.

Homeless, 8,000.

The effect of the shock waves that spread from this disaster can never be measured. The figures given above are but the bare outlines of tragedy. We can only imagine the rest, and try to do something for those who have lost so much.

Congressman Harold D. Donohue, who represents the district where Nature struck in one of her wild and most destructive moods, has the sincere sympathy of all the Members of Congress.

In credit to him I must say that he overlooked no possibility in his tireless and thorough efforts to secure emergency Federal aid for the stricken people whom he represents with such devotion.

Congress, the White House, and many Federal agencies immediately responded to his sincere and moving plea that all possible assistance be mobilized for the relief of the bereaved and the homeless.

As a result, it has been proclaimed a disaster area.

Worcester's agonized cry has not gone unheard.

Congressman Donohue offered, and asked immediate consideration, for House Resolution 276 to declare Worcester eligible within the meaning of the act entitled "An act to authorize Federal assistance to States and local governments in major disasters, and for other purposes."

It was passed unanimously.

Beyond that, we want Congressman Donohue and his people to know that we are anxious and ready to provide any further help that may be needed in this terrible emergency.

Give us the opportunity to share the heavy burden you carry.

Mr. BATES. Mr. Speaker, will the gentleman yield?

Mr. DONOHUE. I yield to the gentleman from Massachusetts.

Mr. BATES. Mr. Speaker, I take this opportunity to congratulate the gentleman from Massachusetts for bringing to the attention of the Congress the seriousness of the terrible ordeal which central Massachusetts has experienced in recent days.

It has not been my unpleasant opportunity to visit this area since the tornado struck such a devastating blow. However, the very vivid description of this disaster by my colleague testifies and adds to accounts of it that I have read.

As the gentleman knows, a tornado is foreign to our part of the country. It has been over 75 years, I understand, since a calamity of this type has been visited upon our people.

I am sure that not only his associates from Massachusetts and his colleagues in the Congress but the entire country should and will do everything at their command to alleviate the problems of the people in Worcester and other communities affected by this act of God.

Mr. DONOHUE. I thank the gentlemen.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. DONOHUE. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Mr. Speaker, the worst tornado in New England's history, which struck the Worcester area almost without warning has caused a loss of life probably of 100 men, women, and children, injured well over 1,000 persons and resulted in property loss probably exceeding $50 million.

This is the latest word we have received from the stricken cities and towns involved. It is very unusual for New England to be visited by such disasters as this whirlwind and the hurricane of 1938, but because of the density of population prevailing in the Commonwealth, when such catastrophes occur the damage to persons and property is consequently very heavy.

Worcester is a beautiful city and its suburbs which lie on the sides of hills that surround the city are charming and typical New England towns, so admired by tourists and visitors.

We usually associate tornadoes with open flat farming country, so it is most unusual that this freak storm coming over the high hills of the Berkshire Hills should dip down into this deep valley and strike with such terrific force. Most homes in the suburban towns are of wood, hence the loss of life was greatly aggravated by their collapse and flying timbers.

With typical independence and courage, that we associate with New England, the cities, towns, and the State government rallied quickly, pouring in doctors, medical supplies, assistance of every kind, while the neighbors shaken by their ordeal lined up to contribute their blood for the needy.

It is seldom indeed that New England and Massachusetts call upon the Federal Government for the aid we so willingly send to other stricken areas of the country, when disaster strikes.

I extend my deep sympathy to stricken Worcester, Shrewsbury, Holden, and the other towns and villages affected, and to the families and relatives of those who are keenly suffering the sudden loss of their loved ones or anxiously awaiting the outcome of their injuries.

The loss of life of women and children were particularly heavy because the storm's greatest intensity was felt in the suburban residential areas. The aid of the Federal Government will be particularly needed in restoring these cities and towns. Already they are at work removing the wreckage and salvaging their belongings. Let us help them.

Mr. BOLAND. Mr. Speaker, will the gentleman yield?

Mr. DONOHUE. I yield to the gentleman from Massachusetts.

Mr. BOLAND. Mr. Speaker, I join with all of my colleagues from Massachusetts in asking that the House immediately pass the resolution filed by the Member from Worcester, Mass., the Honorable Harold D. Donohue. I wish to congratulate Congressman Donohue for personally bringing to the attention of the House the results of the devastating tornado that struck his district and other parts of Massachusetts on last Tuesday. I can appreciate how heavy his heart must have been when he received the appalling report late Tuesday afternoon and when he immediately flew back to personally inspect the damage and seek Federal aid for the stricken area. I commend him for his speedy and effective action. The sympathy of this House is extended to the families of the dead, the injured and the homeless.

Mr. HESELTON. Mr. Speaker, will the gentleman yield?

Mr. DONOHUE. I yield to the gentleman from Massachusetts [Mr. Heselton].

Mr. HESELTON. Mr. Speaker, I, too, want to join in congratulating the gentleman for his initiative in submitting this much needed and helpful legislation.

The reports I have received with reference to the destructive tornado and the disastrous results largely in the gentleman's district, which adjoins my own, amply justify the action he has taken. I am certain that the people of Massachusetts will appreciate very much what the gentleman has done as well as the favorable action I am certain will be taken by the House this afternoon. I want to express my own sympathy, and I know the sympathy of the people of the first district, to their neighbors. I do not need to say that we of the First Dis-

trict want to do everything within our power to be of assistance.

Mr. MEADER. Mr. Speaker, will the gentleman yield to me to discuss a similar situation in Michigan?

Mr. DONOHUE. I would be very happy to yield to the gentleman from Michigan.

Mr. MEADER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MEADER. Mr. Speaker, I desire to support the resolution offered by the gentleman from Massachusetts [Mr. DONOHUE], a colleague on the Committee on the Judiciary and formerly a colleague on the Committee on Expenditures in the Executive Departments.

Michigan sympathizes with Massachusetts in the havoc and destruction suffered there in the recent tornado epidemic. As everyone knows, Michigan suffered severely from similar tornadoes a few days earlier. My own district, the second district of Michigan, was likewise hurt, although not quite so badly as the area surrounding Flint, Mich., where 113 people were killed. In Washtenaw County, there was one death at Pleasant Lake, Mich., and at Erie, Mich., near the Ohio border, there were four deaths.

It has been brought to my attention that a plan has been suggested which, if adopted by the Government, may save lives and avert property damage in the future. This plan involves a national radar storm-tracking network which, according to its author, would end forever the terrible power of surprise packed by tornadoes and other violent windstorms.

The author of this plan is Capt. Howard T. Orville, United States Navy, retired, former top weather man of the United States Navy, now a technical consultant for the Friez instrument division of the Bendix Aviation Corp.

I do not personally know Captain Orville, but his Navy biography shows that he was the man who analyzed weather conditions for the famous Doolittle raid on Tokyo, the north African landings, and other major military operations involving the Navy and other armed forces. He is past president of the American Meteorological Society and an acknowledged worldwide authority on weather conditions.

I may say, Mr. Speaker, that I have not thoroughly studied the proposal advanced by Captain Orville. There has not been time. However, I have made a preliminary check with officials of the United States Weather Bureau, who advise me that not only is Captain Orville a respected authority in the meteorological field but that in addition they were familiar with the proposal Captain Orville submitted in the speech which I shall include in the RECORD.

It was also suggested that this radar warning network should be a cooperative activity in which the United States Weather Bureau and municipalities would jointly participate. The advance warning of a tornado of this kind would permit people to take precautions which they of course cannot take in the present situation, where these tornadoes come upon them without any warning whatsoever.

I do not say that I am an expert in this field, and of course I am not, but I am suggesting that this plan be carefully explored as a possible means of forestalling similar disasters in the future and taking the proper precaution so that lives and property may be saved.

Mr. Speaker, an address by Captain Orville on this subject follows:

A RADAR WARNING NETWORK FOR TORNADOES

(By Capt. Howard T. Orville, U. S. Navy, retired, Friez instrument division, Bendix Aviation Corp.)

My subject this evening deals with tornadoes. It has occurred to me on numerous occasions that a more effective tornado-warning network is possible with the use of various types of latest radar equipment. The operation of this equipment was described at the Third Radar Weather Conference in September 1952. If severe tornado-producing fronts can be located and tracked continuously, it will be possible to issue short-range warnings giving the exact areas where the destructive storms will strike. With even a few hours, or even 1 hour, of reliable advance information, it seems to me that it would be possible to eliminate loss of life and to drastically reduce property damage. This, I believe, is possible with the additional weather data which would be available to our forecasters with the use of the latest electronics instrumentation which I will outline later. With these forecasts at hand, the local warning networks, the Red Cross and other disaster agencies can be ready to go into action immediately in areas where tornadoes are expected to strike.

Please let me emphasize that the present discussion is in no way offered in criticism of the existing facilities or present efforts which are being made to improve the forecasts of local destructive storms. On the contrary, I have only the highest praise for those shouldered with the present responsibility for forecasting tornadoes and other destructive storm conditions. In my opinion, the present forecasts are excellent with the information available to them now, but I believe that much more information can and should be placed at their disposal through the use of equipment which might well be made available to the Weather Bureau during the next few years.

For the benefit of those present who may not be meteorologists, let us review briefly what we mean by the term tornado. The tornado, also known as cyclone or twister in many sections of the Midwest, and Plains States, is a violent local vortex in the atmosphere. It is a funnel-shaped hollow-circular column of upper spiraling winds of terrific velocity, estimated by some meteorologists to have velocities as high as 200 to 500 miles per hour. Reliable measurements of wind velocities in tornadoes have never been obtained. This funnel may vary in size from 40 to 50 feet in diameter up to 1 mile or more, but usually averaging 500 to 600 feet across. The tornado usually moves from southwest to northeast, has an average path between 10 and 40 miles, but may reach 300 miles and may travel at speeds from 25 to 40 miles per hour, but has been reported on rare occasion to travel as high as 139 miles per hour. Clouds associated with a tornado are usually cumulonimbus, but very often preceded an hour or longer by mammatocumuli. The cumulonimbus is the heavy thunderstorm cloud from which a peculiar funnel shaped pendant often extends to the ground. Rain and usually hail occurs 10 to 30 minutes before the appearance of the tornado, often followed by a deluge of rain mixed at times with hail shortly afterward. The tornado has a characteristic sound which has been described as a roaring, rushing noise closely approximating that made by several trains speeding through a tunnel or over a trestle. Tornadoes have occurred at all times of the day but the period of high frequency is between 3 and 7 p. m.

Tornadoes may occur at any month of the year in the United States, but May is the month of greatest frequency. According to Weather Bureau statistics, for the period 1916–51, 1,218 tornadoes have been observed on 433 days during May. June has the next highest frequency of 1,006 tornadoes on 434 days.

Tornadoes have occurred in every State of the Union, but the most favorable area for tornado formation is the flat region lying east of the Rocky Mountains in the United States. The zone of maximum tornado frequency in the United States follows closely the seasonal trend of thunderstorms and hail occurring in the eastern Gulf States in January and February and then advancing northwestward to reach Iowa and Kansas in June. The zone of maximum frequency remains in Iowa and Kansas until September. I note that Missouri has had 279 tornadoes on 171 days during the period of the Weather Bureau study, 1916–51.

The destructiveness of an individual tornado depends on the length and width of its path as well as the density of population in the area it affects. One of the most destructive tornadoes on record occurred on March 18, 1925, in portions of Missouri, Indiana, Illinois, Kentucky, and Tennessee. Eight separate and distinct tornadoes were observed, the most destructive of which was the one that started near Annapolis, Mo. The total length of this main storm's path was 219 miles with an average width of 1 mile. Its forward movement ranged from 57 miles per hour in Missouri to 68 miles per hour in Indiana. The path of the storm had a picture of utter confusion and the damage was extremely heavy. There were 689 persons killed, 1,980 injured, and property damage of $16 million in this one tornado path alone. The other seven storms of this series increased the total loss of life to 740 and also contributed to the property damage list. Over a 36-year period, 1916–51, there has been a total of 7,995 deaths caused by tornadoes. Tornado damage in 1 year has reached $47 million and total loss of life has been as high as 794 lives.

Because of the destructiveness of these storms the Weather Bureau is constantly on the alert for new ideas and new methods of identifying weather situations which are favorable for the development of tornadoes. Dr. Edward M. Brooks, Morris Tepper, and Fawbush and Miller are among the leaders in this research. Recent studies of the upper atmosphere and the results of local warning networks show great promise of yielding information on specific conditions which favor tornado development, but it is still not possible to predict consistently the beginning or ending of individual tornadoes. Much valuable information has been obtained from local warning networks which have been set up in areas where tornadoes occur most frequently. Observers in these networks report the occurrence and progress of tornadoes to the nearby Weather Bureau offices so that people in the affected areas may be alerted. Dr. E. M. Brooks has suggested that additional study of tornadoes is needed to gain a better understanding of the outflow of air aloft, the formation by action of hail and the sense of rotation, as examples of explaining facts, checking proposed theories and verifying accepted ideas. In order to carry on this work many more surface and upper air observations are needed.

Because of the very local nature of the tornado, Brooks has suggested a micronetwork which could detect the development of a small secondary cyclone and one which would accurately locate squalls, thunderstorms, and hail showers with respect to the

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tornado. He suggests further that, after a tornado has occurred, surveys should be made of the area to determine the winds and atmospheric pressure drops. A standard questionnaire to be used for personal interviews as well, as substantiating photographs for further analysis of the storm would be very helpful.

It is evident that a more complete knowledge of the small-scale disturbances attending tornadoes is needed for the understanding of the nature and causes of this phenomena. Until more knowledge on this subject is obtained, tornado forecasting and tracking will continue to be uncertain. Until that time arrives, and to assist in present studies, it seems desirable to make maximum use of radar.

Many of you who were in the armed services during the war will recall that during 1942 and 1943 the meteorological services were faced with a very serious situation with regard to locating and tracking tropical hurricanes in the western Atlantic, Caribbean, and Gulf of Mexico. Under wartime conditions all of our merchant ships had been placed in convoys and the usual weather reports from coastal areas and islands were slowed down appreciably by security since all weather reports had to be coded. You will remember that the Weather Bureau, Air Force, and Navy, operating through the Joint Meteorological Committee, an agency of the Joint Chiefs of Staff, accepted a plan proposed by the Navy (since coastal areas were under the direct responsibility of the sea frontiers, including strict compliance with regulations on radio silence, it was expected that the Navy must offer some solution to the problems of obtaining weather reports for the Weather Bureau). This plan involved three courses of action. First, it was believed that patrol aircraft out on combat reconnaissance flights could furnish valuable weather reports, especially if a member of the crew were a qualified weather observer. Second, it was thought that the new, then supersecret, device known as radar could be used to give valuable information on frontal conditions and hurricanes, especially if placed in combat patrol aircraft. It was hoped that airborne radar equipment might first detect the storm and then as the hurricane approached the coast it could be located and tracked by large shore-based early warning radar equipment. The third method of locating and tracking hurricanes was with the use of microseisms, a method first proposed by Father Macelwane, director of the Institute of Technology of St. Louis University. All three methods of locating and tracking hurricanes worked out with varying degrees of success, but the combined results together with a closely knit joint hurricane weather central at Miami, Fla., resulted in remarkably accurate forecasts and warnings of these destructive storms. It is well known, by now, that this organization under the leadership of the Weather Bureau has practically eliminated the loss of life and has drastically reduced property damage as a result of the timely and accurate warnings now issued each year when hurricanes are present.

It is my opinion, in the absence of more complete knowledge of tornadoes, which we must admit at this time, that a network of radar stations should be established, first in the areas where tornadoes have highest frequency and possibly later over other areas of the United States.

I am aware of the present experimental Weather Bureau radar storm detection network which has recently been established in the Midwest and other areas. But we must remember that this is World War II equipment which has been overhauled and modified to give maximum performance within the capabilities of radar of 1943 vintage. It may have severe limitations. There have been many revolutionary improvements in radar during the past 10 years and present-day radar equipment can furnish vital information of severe storm conditions not possible with World War II equipment.

The radar warning network should include the following equipment of the latest type:

A. Radar storm detection equipment—CPS–9 or equivalent.

B. Radar cloud base and top recorders.

C. Mobile weather trucks equipped with suitable type radar.

D. Two or three aircraft with APS–42 radar or equivalent.

E. A weather central in continuous communication with each of the stations by radar or television relay, facsimile, teletype, radio, or telephone as necessary to provide instant relay of information throughout the network.

At least six of the present stations in the Weather Bureau experimental radar network should be provided with the latest radar storm detection equipment outlined above. When severe storm conditions are imminent the radar would be manned continuously.

Each of these stations should have radar cloud base and top recorders to obtain a continuous record of all cloud formations and cloud layers passing over each station. It is capable of recording all clouds up to 60,000 feet.

The mobile weather trucks should have, in addition to complete equipment for surface and upper air observations, suitable radar with a range of 50 to 100 miles. They would be stationed at the weather central or suitable location where they could be readily dispatched to tornado areas.

Reconnaissance aircraft would be used for aerial reconnaissance of severe fronts and thunderstorms that show evidence of producing tornadoes.

The cost of this additional equipment as a pilot project would probably amount to more than $1 million, but the annual economic benefits and the saving of lives would amount to many times this value.

In order to implement the above plan, it would be my view that a joint committee of representatives from the Armed Services, Weather Bureau, and industry be formed to make a study and technical evaluation of such a program. The chairman of committee should be the Weather Bureau representative.

The SPEAKER. The question is on the resolution.

The resolution was agreed to, and a motion to reconsider was laid on the table.

FLAG DISPLAY

Mr. REED of Illinois. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 694) to prohibit the display of flags of international organizations or other nations in equal or superior prominence or honor to the flag of the United States except under specified circumstances, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That (a) the analysis to chapter 1 of title 4, United States Code, is amended by inserting at the end thereof the following:

"4. Display of other flags equal, above, or in place of the flag of the United States.

(b) Such chapter is further amended by adding at the end thereof the following new section:

"§ 4. Display of other flags equal, above, or in place of the flag of the United States.

"(a) No person shall display the flag of the United Nations or any other national or international flag equal, above, or in a position of superior prominence or honor to, or in place of, the flag of the United States at any place within the United States or any Territory or possession thereof: *Provided*, That nothing in this section shall make unlawful the continuance of the practice heretofore followed of displaying the flag of the United Nations in a position of superior prominence or honor, and other national flags in positions of equal prominence or honor, with that of the flag of the United States at the headquarters of the United Nations or at any place at which any official meeting or proceeding of the United Nations is in progress.

"(b) Whoever knowingly violates the provisions of this section shall be fined not more than $250 or imprisoned not more than 6 months, or both."

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That section 3 (c) of the joint resolution entitled 'Joint resolution to codify and emphasize existing rules and customs pertaining to the display and use of the flag of the United States of America,' approved June 22, 1942, as amended, (36 U. S. C., sec. 175 (c)), is amended by adding at the end thereof the following new sentence:

"'No person shall display the flag of the United Nations or any other national or international flag equal, above, or in a position of superior prominence or honor to, or in place of, the flag of the United States at any place within the United States or any Territory or possession thereof: *Provided*, That nothing in this section shall make unlawful the continuance of the practice heretofore followed of displaying the flag of the United Nations in a position of superior prominence or honor, and other national flags in positions of equal prominence or honor, with that of the flag of the United States at the headquarters of the United Nations.'"

Mr. GROSS. Mr. Speaker, will there be no explanation of the bill?

The SPEAKER. The gentleman can move to strike out the last word.

Mr. GROSS. Well, I do that, Mr. Speaker, and I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, I take this time to ask the chairman of the Committee on the Judiciary a few questions. I assumed there would be some explanation of the provisions of this bill. As a matter of fact, I had an amendment prepared to offer to the bill.

As I understand it, this provides for the flag of the United States to take second place at United Nations headquarters. Is that correct?

Mr. REED of Illinois. The proviso to the amendment is:

That nothing in this section shall make unlawful the continuance of the practice heretofore followed of displaying the flag of the United Nations in a position of superior prominence or honor, and other national flags in positions of equal prominence or honor, with that of the flag of the United States at the headquarters of the United Nations.

That is the only place.

Mr. GROSS. In other words, it has been flown in a place of prominence and honor above that of the United States flag; is that correct?

Mr. REED of Illinois. No. It is the same.

Mr. GROSS. Well, it has been.

Mr. REED of Illinois. At the United Nations headquarters, but that is the only place.

Mr. GROSS. And why? Why should not all flags, may I ask the chairman of the Committee on the Judiciary, at the United Nations be flown at least on a basis of equality?

Mr. REED of Illinois. They are at the present time.

Mr. GROSS. This indicates that the United Nations emblem——

Mr. REED of Illinois. No. This says that the flag of the United States—let me read it again.

Mr. GROSS—

That nothing in this section shall make unlawful the continuance of the practice heretofore followed of displaying the flag of the United Nations in a position of superior prominence or honor—

So that the United Nations flag has been flown in a position superior to that of the United States, and will continue to be flown in a position superior to that of the flag of the United States.

Mr. REED of Illinois. No. I think the gentleman has not read it as carefully as he might. It reads:

The practice heretofore followed of displaying the flag of the United Nations in a position of superior prominence or honor, and other national flags in positions of equal prominence or honor, with that of the flag of the United States at the headquarters of the United Nations.

Mr. GROSS. I find no doubletalk in this language at all:

That nothing in this section shall make unlawful the continuance of the practice heretofore followed of displaying the flag of the United Nations in a position of superior prominence or honor.

I emphasized the word "superior" with reference to the United Nations flag.

Certainly the flag of the United States is flown in a position of equality with flags of all other countries, but inferior to the flag of the United Nations at United Nations headquarters.

Mr. REED of Illinois. What the gentleman does is to stop and treat the comma as a period after the word "honor." He does not go on and read the rest of the sentence. He must read the sentence altogether: "in a position of superior prominence or honor, and other national flags in positions of equal prominence or honor."

Mr. GROSS. Let me get this clear. The flag of the United States is flown on an equality with the United Nations flag at United Nations headquarters?

Mr. REED of Illinois. That is correct. And with the flags of all other nations that are members of the United Nations.

Mr. GROSS. And then you say: "or at any place at which any official meeting or proceeding of the United Nations is in progress."

Mr. REED of Illinois. No. That has been taken out of the bill.

Mr. GROSS. That has been taken out of the bill under the amendment which you have offered just now and which was adopted by the committee only this morning?

Mr. REED of Illinois. Yes.

Mr. GROSS. So I have the complete assurance of the gentleman that the flag of the United States is not flown in an inferior position at United Nations headquarters?

Mr. REED of Illinois. Yes.

Mr. GROSS. Either to the United Nations flag or the flag of any other nation?

Mr. REED of Illinois. That is correct.

Mr. GROSS. Does this provide for equal display at military establishments?

Mr. REED of Illinois. Let me read from the report by the Secretary of State:

As regards the display of the United Nations flag, the United Nations has declared that the United Nations flag, when displayed with member-nation flags should be displayed at the same height with such other flags, and all should be approximately the same size.

Thus the proposed bill would involve substantially the same problem for the display of the United Nations flag as for the flags of foreign countries.

(Mr. GROSS asked and was given permission to proceed for 3 additional minutes.)

Mr. GROSS. Did the gentleman use the word "should" or "shall"?

Mr. REED of Illinois. The bill does not say "should." It says "shall."

Mr. GROSS. What about the flying of the American flag at American-controlled military installations abroad? Does our flag ever take an inferior position at military installations abroad?

Mr. REED of Illinois. No; I am told that it does not.

Mr. GROSS. I am glad you struck out the provision "at any official meeting or proceeding of the United Nations" because I never want the day to come when any kind of meeting of the United Nations is held in the State of Iowa and the flag of the United States ever takes an inferior place to the spider web banner of the United Nations.

Mr. REED of Illinois. That was stricken out in the committee today, and this bill was recommended to the House by the unanimous vote of the committee.

Mr. GROSS. I want this record to show that I insist the flag of the United States be flown in superior position to that of any flag of a foreign government or that of the United Nations anywhere in the United States, its Territories or Possessions, or anywhere in connection with United States military facilities or personnel, including the combat area of Korea.

As far as I am concerned, United Nations headquarters is in the State of New York and therefore on the soil of the United States of America.

Mr. McDONOUGH. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I am quite interested in this bill, and I want to compliment the Judiciary Committee for reporting it out.

I believe I can say without much fear of contradiction that the first phraseology of the text of this bill was introduced by myself in the 81st Congress. Hearings were held at that time by a subcommittee of the Committee on the Judiciary, but no action was taken. Since that time I have heard from people all over the United States about the necessity of defining the position of the United States flag in relation to the United Nations flag.

This was brought to the attention of the public rather forcibly in a situation that developed in the civil center of the city of Los Angeles a few years ago, where the United Nations flag was run up on the flagpole in front of the city hall above the United States flag. This almost caused physical combat—well, it did cause physical combat and a considerable disturbance in the community.

Since that time agitation has been persistent to provide something in the flag code that would put the United States flag in a position at least equal to that of the United Nations flag at the headquarters of the United Nations, but certainly superior to that of any other national or international flag in any other place in the United States.

So I repeat the context of this bill, that no person shall display the flag of the United Nations or any other national or international flag equal, above, or in a position of superior prominence and honor to, or in place of, the flag of the United States at any place within the United States or any Territory or possession thereof; and providing that it shall not make unlawful the continuance of the practice heretofore followed of displaying the flag of the United Nations in a position of superior prominence or honor, and other national flags in positions of equal prominence or honor, with that of the flag of the United States at the headquarters of the United Nations.

I am convinced that the force and intention of my original bill is included in this bill.

The bill before us came over from the Senate as Senate bill 694. The number is retained, but everything after the enacting clause is stricken out, and the text of the bill which was before the Judiciary Committee, which I introduced, has been substantially reproduced and substituted for it.

The thousands of people who are interested in this, and certainly the flag of the United States is an emblem of patriotism in this country, will be inspired with this legislation, in my opinion; and it is time that we take action to inspire the patriotism of the people of the United States, to remove the thought from their mind that we are

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submitting fully and without contradiction to the United Nations. The sovereignty of these United States must be preserved if the dignity of the country is to be preserved, and that sovereignty is symbolized by the flag of the United States.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. McDONOUGH. I yield.

Mr. GROSS. I think the committee will agree and the gentleman from California will agree that the great majority of the people of this country are attached to the flag of the United States. What we want to do here is to preserve the honor and integrity of this flag of ours.

Mr. McDONOUGH. That is correct, and that is what I think this bill does. I am very happy to know that the committee has taken it up and that it is before the House for action.

We Americans should wake up to the fact that we must look out for the interests of our Nation and our people while we pour our resources to save the rest of the world and risk the loss of our own freedoms and our own system of free enterprise. We can in the spirit of brotherhood and cooperation, and with the honest desire to follow the Christian principle of helping our neighbors, do what we can to help them to raise their standards of living and strengthen their defenses against the common enemy.

But we cannot look out for the interests of all the rest of the world at the expense of our own Nation and our own people. We cannot risk economic collapse and the loss of our own freedom. We cannot adopt a policy of America last while no other nation in the world has evidenced any willingness to relinquish its own self-interests in behalf of the United States.

The proud Stars and Stripes which was adopted as our national flag on June 14, 1777, has become a symbol of liberty and freedom throughout the world. And our flag is the only flag in the world that is never dipped to any individual, not even to the President.

Americans have loved and respected our flag since it first unfurled in the breeze. It has moved westward across the Nation with our pioneers. It has accompanied our troops into battle on land and on sea. It is far more to a loyal American than bits of bunting stitched into a design, it is a hallowed emblem of the spirit of America.

I have long recognized the need for a revival of honest American patriotism in our land as the best answer to those enemies of democracy who would spread the insidious lies of communism. And I believe one of the best ways we can foster a resurge of American spirit throughout the United States is through greater display of Old Glory and assurance that no other flag shall usurp the place of honor which should be accorded in this Nation to our own flag.

I strongly urge that this bill be passed.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE ITALIAN ELECTIONS

Mr. JAVITS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Speaker, the Italian elections have ended with DeGasperi's government in power by a shade. Only 50,000 votes, out of about 25,000,000 it is estimated, separated it from a two-thirds majority in the Chamber of Deputies which would have assured, literally, stable government for 5 more years.

The lesson is clear. Italy's top officials and agencies have not overstressed the danger of communism and neofascism, both of which have gained at the expense of the center parties which have devoted themselves in the interest of Italy to cooperation with the United States and the free world. As we come up to consideration of the Mutual Security Program and other measures dealing with foreign policy, let us be clear first that it is United States aid and United States friendship which have helped mightily in keeping Italy from conditions which could, after the war, have brought about the heavy representation of communism in her government.

Second, that if Italy had gone in that direction the defection of Yugoslavia from subservience to Moscow would probably not have occurred; yet this is one of the greatest blows the Communist bloc has suffered since the war.

Third, that Italy overpopulated, without basic economic resources, having eight times the present population density of the United States and less than one-third the territory available for cultivation, depends vitally upon foreign trade, foreign-capital investment, and the widest possible emigration opportunities.

Let us not forget when we consider bills to aid the President's foreign policy activities this uncomfortably close call for freedom in Italy—at a time when the ruthless opponents of free institutions in that country were able to exploit to the full uncertainties as to our country's future policy in helping free Europe toward military, economic, and political integration.

SPECIAL ORDER GRANTED

Mr. PATMAN asked and was given permission to address the House for 20 minutes on Monday and Wednesday next, following the legislative program and any special orders heretofore entered, and also to revise and extend those remarks and to include certain extraneous matter.

CALENDAR WEDNESDAY BUSINESS DISPENSED WITH

Mr. ARENDS. Mr. Speaker, I ask unanimous consent that business in order on Calendar Wednesday next be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

THE AIR FORCE BUDGET

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. ARENDS] is recognized for 25 minutes.

Mr. ARENDS. Mr. Speaker, it has been my privilege to be a Member of this great body for 18 years. During this entire period I have served on what is now known as the Committee on Armed Services, which has primary jurisdiction over all legislative matters pertaining to our national defense.

I would hesitate to approximate the tens of hundreds of hours I have listened to expert testimony from the Nation's military great—the many hundreds of legislative measures that I and other committee members have studied, year in and year out, relating to large and small problems of our Nation's defense.

I menton this not in order to qualify myself as a military expert. I make no such pretense. I mention it simply to indicate my very special interest in national defense matters, as well as many years of concentrated labor on national defense problems. The record will show my determination, shared by the entire Armed Services Committee, that we have a sound, well-balanced national defense. We are determined that we shall have the kind of defense that will give our people the maximum possible security at the lowest possible cost.

During these past few weeks we have heard much about the proposed $5 billion cut in the Truman Air Force budget. I am frank to say that some of the statements I have seen in the CONGRESSIONAL RECORD and in the public press decrying this proposed reduction have "sailed into the wild blue yonder." They evidence either little or no understanding of the basis for the reduction or are an intentional distortion of the facts.

One of our colleagues has even gone so far "into the wild blue yonder" as to demand the resignation of Secretary of Defense Wilson. The demand is as ridiculous as the representations made in support of it.

Of course, those of us who have had the good fortune to serve for a number of years in the Congress have become adjusted to one of the great wonders of this Capitol City. Just as the birds, the bees, and the flowers emerge each spring from their winter's sleep, in Washington the Air Force budget also bursts forth, each spring, in full flower.

It is perennial, Mr. Speaker, rooted in more than military reality. It is also rooted in politics, in emotionalism, in service rivalry, and in the evangelism of the Air Force cult which says annually that any independent analysis of the Air Force budget will voodoo the Nation.

This Air Force drive for a larger budget is an annual event. It used to be accompanied by air shows, remarkable high speed or long-distance flights and suddenly discovered enemy threats to our Nation. It offers excitement and

controversy. It annually reminds us what would happen to our Nation if we should ever lose civilian control over our Armed Forces.

Each of the services—the Air Force, the Army, the Navy, and the Marine Corps—has its friends and vigorous supporters, in and out of Congress. That is understandable but it can lead to disastrous results of putting our defense out of balance.

Mr. Speaker, the time has long since arrived when we stop evaluating our actual defense needs in terms of what the budget may or may not provide for our service favorite. The Air Force is only a part, to be sure, an important part, of our overall defense needs and plans. The same applies to each of the respective services.

We should know from experience that each of the services invariably believes that it should be granted more funds than provided by the budget, or should have a larger part in the overall defense planning. In saying this I am not questioning the good faith of any Chief of Staff of any of the services. Each is sincere, able, and conscientious.

It is only human that men who have not commanded other services would gain tremendous respect for the particular weapon with which they have for many years been personally identified and for the military concepts of their services. It is only human that such men tend to magnify the importance of the particular weapon and service with which they have been associated. This is probably one of the basic reasons for the great differences that have characterized the professional opinions of our highest commanders from time to time as to our actual defense needs.

In planning an overall defense program for our country's security all military extremisms must be resolved. This is the great duty and responsibility of the President of the United States. The role of our President in this process is especially critical, for he is both the constitutional head of the executive branch and Commander in Chief of the Armed Forces. It is his grave duty to evaluate the innumerable factors, national and international, military and economic, that enter into a long-range defense program.

This President Eisenhower has done. And I do not believe there is any man in America better qualified to make such a decision than President Eisenhower.

I need hardly to remind you that he was, at one time, General Eisenhower, who commanded not only the largest American Army, Navy, Air Force, and Marine Corps units in our history, but also their international counterparts. By the very nature of his background and experience with interservice matters, he, as an individual, is better equipped than any member of the Joint Chiefs of Staff, individually or collectively, to decide just how much of what, on land, on the sea, and in the air, we need as a country for our own security.

It was this man, now our civilian President, who made the basic decision on this defense budget and determined that for the next fiscal year the appropriation proposed for the Air Force can safely be cut $5 billion. He has determined that we can get the defense we need for less outlay at this time. His recommended appropriations for the respective services are in accordance with his considered and expert judgment on our country's actual requirements.

The opponents of the proposed $5 billion cut in the Air Force appropriation, including the departing Air Force Chief of Staff, have given people who are uninformed on the facts the impression that the reduction cuts the heart and muscle of our national defense. They have tried to make it appear that this reduction cripples, if not actually destroys, the country's airpower. This was the line of argument made by a dedicated Air Force reservist from California in a recent speech inserted in the CONGRESSIONAL RECORD.

I frankly do not know whether the gentleman from California and others making this same type of partisan argument are confused in their own thinking or are simply trying to confuse the country, or maybe there is some other objective.

At any rate, let us make this point crystal clear, once and for all: the proposed $5 billion cut in the 1954 appropriation for the Air Force does not—I repeat, does not—mean a reduction in our country's airpower.

In the first place, Mr. Speaker, and this is most important—the United States Air Force is not, of itself, the sum total of the country's airpower. The United States Air Force is just one part or one phase of our airpower.

The term "Air Force" and the term "airpower" are not synonomous. A reduction in funds for the Air Force does not, ipso facto, mean a reduction in the Nation's overall defense airpower. In fact, it does not, ipso facto, even mean a reduction in the power of the Air Force itself because it depends upon what you reduce in the Air Force.

To evaluate properly what is proposed in the revised defense budget it is important that the people understand what actually constitutes airpower. It consists of much more than a large Air Force of so many groups, wings or squadrons, so many Air Force pilots and so many technicians.

This Nation's airpower consists of the sum of the airpower of the Air Force, the airpower of the Navy and the airpower of the Marine Corps. This military airpower consists of both strategic and tactical aviation. Bombers flown from carriers are just as much a part of the country's destructive capability from the air as land based aircraft.

Then there must be added the Nation's commercial airpower, consisting of its commercial and private aircraft and facilities. And supporting the whole is the industrial might of the Nation capable of producing the aircraft, and the national resources of manpower and material available for the production and operation of aircraft.

On previous occasions our Committee on Armed Services has called attention to the fact that the Air Force as a service is but one element of the total airpower of the United States. This is a basic fact easily overlooked and now being overlooked in this present controversy.

The Air Force enthusiasts opposing the budget reduction for the Air Force would, deliberately or unwittingly, have you believe that the $5 billion reduction for the Air Force indicates that the Nation's airpower is being neglected in our defense planning. Such is not the case. One simple fact disproves it, that is, that of this enormous defense budget, 60 cents out of every dollar to be available for expenditure next year will be for airpower and air defense.

No man has a greater appreciation of the importance of airpower in defense planning than has President Eisenhower. He has made airpower the major emphasis in the revised defense budget. Sixty cents out of every dollar to be available next year for defense purposes will be for airpower and air defense.

Nor is the Air Force as a particular service being injured by the revised budget. I call your special attention to the fact that more than 40 percent of all defense funds programed for 1954 will be for the Air Force as such. In terms of dollars, as of June 30, the Air Force will have available the tremendous sum of more than $40 billion.

As President Eisenhower so well pointed out in his address to the American people a couple of weeks ago, there is no magic in numbers. Nonetheless, by whatever numerical measure you use, whether it be dollars, percentages, wings, or what not, a careful analysis of the revised budget, with the $5 billion appropriation cut for the Air Force, brings you to the inescapable conclusion that the defense appropriation as proposed by President Eisenhower will give us the vital necessities of national security. Those who are so vigorously complaining, including the Air Force, are really complaining that the Eisenhower budget does not allow them to spend with abandon. They are really complaining that under the revised budget of President Eisenhower they are getting exactly what the country needs and not everything the Air Force might like to have.

There is one important aspect of our defense program that needs to be mentioned. It has an important bearing on this issue. I can, however, for reasons of security, refer to it only in general terms. Some of my colleagues can speak on this aspect far more authoritatively than can I.

I refer to the tremendous impact of atomic weapons on all our defense planning—upon numbers of aircraft, numbers of artillery pieces, the types and numbers of ships, guided missiles, and so on. We are experiencing epochal changes in military matters. But, insofar as I can determine, the changes are not reflected in the determinations of the weapons contended necessary by our military.

I suspect, Mr. Speaker, that we are in the era of the "battleship general" in the Air Force. I suspect that our future problem is going to be to induce our military planners to incorporate the lessons of atomic tests into weapon requirements, just as was the case in the old days between the "carrier admirals" and the "battleship admirals" in the Navy.

Just the other day we saw press accounts of the last atomic test for this year in Nevada. According to the press

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announcements the weapon exploded there approximately 50 kilotons. Now just what does that mean?

It means that when that one bomb exploded, it released explosive power equivalent to a mass bombing attack, with full bomb load, of 12,500 B–17 bombers, the heavy bomber of early World War II. It meant that that one aircraft, with one bomb, was equivalent to 12,500 heavy bombers of the last war in Europe. Moreover, that force was concentrated instead of spread out all over the countryside, thereby applying that great military principle: Concentration of force.

All of us read with awe during the last war of the great bombing attacks by 1,000 planes over Berlin, Stuttgart, and elsewhere. Today's fighter plane can carry a weapon with greater destructive power than at least 5,000 of these World War II heavy bombers.

I do not pretend to be enough of a military expert to figure this problem out. But it takes no expert, in the face of such staggering figures, to realize that epochal changes in military science are with us.

What does this new development do to the 143-wing concept that was adopted as a target by the Air Force some 2 years ago? And if the fire of one of our atomic artillery pieces can equal the destructive power of 100,000 to 200,000 of our most mighty cannons fired simultaneously, what is the impact on our artillery requirements?

Above all else, let us bear in mind that in these days of great international uncertainties it is impossible to make any fixed, rigid, unchangeable defense plan. Each month also brings new technological developments.

There may be sudden, and even wholly unexpected changes in the international situation. Just as nothing is constant and definite in the world today, either as to our potential enemies and our allies, or as to new weapon discoveries, there is nothing that can be fixed, definite and constant in our defense planning.

In other words, at all times we must be able to adjust our defense needs and requirements in accordance with what may develop internationally and may be developed technologically. To be sure, we must plan. We must plan on a basis of what we now know and on a basis of what we can reasonably anticipate. But it would be costly in dollars and costly in our defensive power if we freeze our thinking to any particular concept.

This, apparently, the retiring chief of the Air Force and other Air Force enthusiasts would have us do. We are taking issue with the narrow vision with which the 143-wing program is advocated. The 143-wing concept has not been rejected as a concept. In fact, under the new budget program we will have by June of 1955 approximately 143 wings of Air Force combat strength—120 in the regular Air Force and 22 plus in the Air National Guard and Reserve.

President Eisenhower has so revised the enormous defense budget so that it is based on the realities, as well as the potentialities, in the international situation. He has realistically taken into account what allied nations, to whom we have extended extensive financial aid, will be capable of doing within the period affected by your own defense budget. He has realistically taken into account the potentialities of improvements in designs and methods within the period affected by the defense budget. He has realistically taken into account what can actually be produced in the budget period.

In short, Mr. Speaker, the administration's defense budget is designed to compel more realism and more efficiency in national defense. It is a program to give us better performance for less money.

Very shortly we shall have a new Joint Chiefs of Staff. Within a few months these professional military men of recognized ability will take a new look, so to speak, at our whole defense strategy and plans. It may be that they will see no reason for recommending any fundamental change in our present defense plans. Yet they may substantially revise them in their reevaluation of our military program. I do not know. But I would be less than honest if I did not frankly say that it is very much in order to have a reexamination and reevaluation of our whole defense strategy and program by a Joint Chiefs of Staff who are not wedded to and inhibited by judgments reached in the past.

Now, let us look a little more closely at the revised budget recommended by President Eisenhower as it applies specifically to the Air Force as one of the three military departments. Let us examine it so that we may see how realistic it is, both from the standpoint of our vital and necessary defense needs, and from the standpoint of production to meet those needs.

President Eisenhower's revised budget for June of 1954 will produce 114 wings. Again I remind you that this does not include the 7 wings of modern, first-line aircraft for the Air National Guard and the Air Reserve proposed by the revised budget. Together it would mean 121 wings.

It is true that under the Truman budget 133 wings were scheduled for 1954, but the scheduling was only on paper as the lead times have proved to be wholly unrealistic. Under the Truman budget the best estimate is that 117 wings would probably have been attained. And again I must point out that the Truman budget made no provision for the modernization of the Air National Guard and Air Reserve.

In Secretary of Defense Wilson, we now have a production expert as head of our Defense Department. He believes that lead time for the production of aircraft should be based on realities, not simply figments of the imagination to be placed on paper. With his expert production knowledge, he has found that lead times have been much too long, and he has shown how the lead time can be reduced and thus reduce the need for so much forward financing.

This results in two things. First, having an effective airpower defense actually in being instead of on paper; and, second, a substantial budget savings.

Secretary of Defense Wilson does not believe in making available money from the pockets of the American taxpayers simply to make it available. He does not believe in taking money from the American people and placing it on the Air Force shelf to be used by them as they desire. This administration, under President Eisenhower, has accordingly adjusted the amounts recommended for appropriation in accordance with what actually can be done. We are not asked to appropriate money for things that cannot possibly be delivered.

The Eisenhower administration sees no magic in obtaining a sound national defense simply by appropriating dollars. That era has ended. We are now appropriating the people's money in accordance with what the country needs, and no more; and in accordance with what can be obtained, and no more, and in accordance with civilian and not military control.

In our examination of the Truman budget it was found that the production and delivery schedules were unrealistic. Where 133 wings were scheduled for 1954, only 117 wings could be brought into being at the very best, without any modernization of Air Reserve wings.

Moreover, in these 117 wings the Truman budget included 17 troop carrier wings. The new budget provides for only 12.

This obviously means that in the new budget a higher percentage is given to combat wings. In fact, the budget submitted by President Eisenhower increased by more than 75, as compared to the Truman budget, the number of combat aircraft scheduled for delivery between July 1, 1953, and December 31, 1955. This is almost enough aircraft to equip a modern fighter wing.

The adjustments that Secretary of Defense Wilson and President Eisenhower have brought about in the budget for the Air Force are in support-type aircraft, which includes trainers, transports, helicopters, and liaison aircraft. I might add that the budget adjustments have also resulted in the elimination of procurement of the so-called special mission aircraft used to haul the so-called VIP's, foreign and domestic, here, there, and everywhere in the world.

Mr. Speaker, surely this change of emphasis to combat types of aircraft over VIP transports is not the basis of the complaint of the gentleman from California [Mr. YORTY] and Air Force partisans. Surely they are not complaining because the Eisenhower budget places emphasis on combat aircraft and less emphasis on auxiliaries, so to speak.

What, then, can be the basis for their complaint? Could it be that they have become hypnotized by the magic of billions of dollars that they actually believe that the way to measure air power, and everything else, is in terms of billions of dollars appropriated? Have they ever seen a dollar fly and shoot down an enemy bomber?

Let me say to these distinguished gentlemen who appear so distressed that a way has been found to bring reason into Air Force planning and spending, and I want to emphasize this point: Not a combat plane for combat units that we want will be taken out of production in fiscal 1955 or fiscal 1956 due to the lack of money under the revised budget.

Mark you, that I say not a combat plane for a combat unit will be taken out of production. I am talking about defense needs. I am not talking about luxury items or other auxiliary items not so essential. I am talking about what we need and not what we can do without.

Those who are so vigorous in the opposition to the proposed $5 billion reduction of the Air Force appropriation probably do not realize that the number of combat planes—I repeat, combat planes—scheduled for delivery to the Air Force in the 30-month period ending December 1955 will be higher in the Eisenhower budget than in the Truman budget. Inasmuch as the Air Force is only one segment of our overall air power, I should also add that in 1954 and 1955 there will be no reduction in combat units—I repeat again, combat units—for the Navy and the Marine Corps.

Let me briefly summarize the facts with respect to the Defense Department budget for fiscal year 1954 that President Eisenhower has recommended.

The budget totals $36.04 billion—$5.26 billions less than the Truman budget requested. And that is what all this whooping and hollering and wailing is about—the military are not being given every cent they would like to have. This has always been so. I suppose we can never escape the spring war dance in Washington, with the service chief emerging from his five-sided tepee, in full headdress, dancing around the tom-tom and inciting the members of his tribe to take to the warpath for more public money.

The administration's revised budget plans $13.7 billion for the Army—$1.6 billion more than the last administration because they never budgeted the Korean war. It plans $9.6 billions for the Navy, a reduction of $1.8 billions from the Truman budget. It plans $11.7 billions for the Air Force, a reduction of $5.1 billions from the Truman budget for the Air Force.

It plans an Army personnel reduction of 74,000, a Navy and Marine Corps reduction of 70,000, and an Air Force reduction of only 5,000. And, again, I point out that this personnel reduction is not in the combat units.

Even with the reductions, under this new budget with the carryover of funds previously made available, the Navy will have $26.51 billion, the Army $30.73 billion, and the Air Force $40.17 billion. This makes a staggering total of $97.41 billion for the military. While dollars do not constitute the measure of defense effectiveness, this staggering total ought to be convincing even to the spenders that our defense program is by no means being crippled by the Eisenhower reduction. We are going to get a dollar's worth of defense for each dollar expended.

Now, let us very briefly summarize the facts with respect to the Air Force itself under the revised budget. I believe it worth recapitulating because I want to make certain that the people see through the misrepresentations made in service emotionalism and partisanship to get the basic facts.

First, under President Eisenhower's budget we are to obtain considerably more than 75 more combat aircraft in the next 2 years than under the so-called 143-wing program of General Vandenberg and President Truman.

Second, under President Eisenhower's budget we will receive the same air defense for the United States, in interceptor aircraft, antiaircraft, and guided missiles as previously planned.

Third, under President Eisenhower's budget we will receive two more combat wings in the Air Force next year than the Truman budget planned.

Fourth, the Eisenhower budget will give us modern aircraft for the Air National Guard and the Air Force Reserve—23 wings by 1955 not planned by the Truman budget. This, added to the 120 Regular Air Force wings will, in fact, provide the 143-wing total referred to as a minimum.

Fifth, under the Eisenhower budget the fantastic money carryover that has been mortgaging our future is being reduced, without impairing aircraft procurement.

Sixth, under the Eisenhower budget we are eliminating the extras, the luxury items, the unessential auxiliaries. We are, in short, placing the whole defense program on a realistic basis.

Mr. Speaker, in this critical period we are, indeed, fortunate to have in the White House today a man who has had a broad experience as a military commander over all Armed Forces. No one knows more than he the value of having an adequate national defense, and no one knows better than he as to the actual needs for such a defense.

He also knows that there is more to national defense than airplanes, guns, tanks, and ships. It also involves our ability to sustain them, to produce and reproduce them. A sound fiscal policy is, in the last analysis, our first line of defense.

We have in the White House a man who could have retired as a military hero, one of the greatest of all time, but now serves his country in a civilian capacity. He seeks only to serve.

He has examined with the greatest care the whole defense budget and has recommended some substantial savings for our people without injuring our defense requirements. He has pointed out how we can have a sound, well-balanced defense by eliminating the waste, the useless, and the duplication.

With all this confusing argument between service favorites and with this apparently conflicting testimony, the people naturally ask: Whom shall I believe? It seems to me that President Eisenhower would know best, because he wants to do what is best for the country as a whole and not simply for some one service.

Let me conclude, Mr. Speaker, simply by saying that it is my honest, studied conviction that the proposed reduction of $5 billion in the Air Force appropriation as proposed by President Eisenhower deserves the support of all of us. It in no way harms, injures, or cripples our airpower. It is a reduction designed to give our tax-burdened people a dollar's worth of defense for each dollar expended.

Mr. COLE of New York. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield.

Mr. COLE of New York. I want to commend the gentleman for his very fine, complete, factual exposition of this controversy which has the appearance of tearing the Congress apart as well as decapitating the Defense Department. Certainly anybody who is interested genuinely and sincerely in national defense should read that statement just presented by the gentleman with the greatest care, especially those who feel they would prefer to have an airplane in being on the ground for flight in combat if necessary, than to have a series of planes in somebody's mind in somebody's factory which might be produced. I especially commend the gentleman's statement to those persons who seem to seek political capital in this dollar deficiency in the aircraft program.

Mr. ARENDS. I thank the gentleman.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from Iowa.

Mr. CUNNINGHAM. I wish to congratulate the gentleman and thank him sincerely for his forthright, clear-cut explanation of the defense of America and our defense program. His speech is one that should be read by every American for, in my opinion, it is a complete answer to all criticisms.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from Minnesota.

Mr. JUDD. I also want to commend the gentleman on his statement. One point ought to be emphasized even more than it has been. During the last campaign a great many Americans in both political parties were genuinely disturbed by the fear that if General Eisenhower were elected President, the Pentagon might run away with the country. Some of us made the argument that the very concern of many civilians that the military not get out of bounds required the right kind of a man with military experience as our President because if any mere civilian of either party were in the White House and advised the cuts now recommended by the President of the United States, the military leaders and their supporters could make it almost impossible for us in Congress to go along with that President. We are not military experts. We cannot know what the proper number should be. Those opposing any reduction in military spending could say, "Look at this civilian in the White House, he does not understand defense measures, he does not know anything about security requirements, he is destroying the United States." It would be mighty hard, therefore, for us who are also civilians to go along with him and against the general.

I thank God that the man in the White House at the present time is one who cannot possibly be accused of not understanding our defense needs, who cannot possibly be represented as not

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being properly concerned about our military security, and whose military experience is so vast and record so outstanding that every one of us with good conscience can follow him.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from Mississippi.

Mr. COLMER. I am very much interested in the gentleman's very able statement and in much of the logic presented by him. I am one of those who has believed and who has advocated for a long time that Russia neither wants war nor peace. She wants confusion and chaos. She wants to bleed us white; therefore she will continue these tactics that have been going on, then when she bleeds us white by destroying our economy, take over in the ensuing chaotic condition that is the result of hunger. There are many of us, therefore, who want to go along. There is a question involved in my mind here as to whether there is any truth in the statement that the Army and Navy have their forces built up and that this would just cut the Air Force. I do not know whether there is any truth in that statement or not. But it is a matter that ought to be explored.

As I say, this proposition should be considered, not from a partisan standpoint but from the standpoint of the common interests of the country. When this matter comes to the floor for consideration, I hope—and I am speaking to one of the leaders on the majority side—that this will not be considered upon a partisan basis. I cannot think of anything that would be worse from the country's standpoint than to inject the political aspect into the matter. I hope that the leaders on the majority side will see to it that that is not done.

It is not a question of President Truman, whether President Truman was right or whether President Eisenhower is correct. The question is, What is for the best interests of the country at large?

Personally I think that the military can stand a cut because if my analysis of the situation is correct—and one I have been advancing now for some 6 years—that they do not want war, that they do not want peace, either; if we put all of our eggs into one basket and build up this enormous military machine that we cannot keep going, we will be playing right into the hands of the enemy.

Mr. ARENDS. Let me say to the gentleman, I have tried as hard as I could to be as realistic and practical in my study of the situation in order to give the House the benefit of factual information upon which to form sound conclusions. I agree with the gentleman that we must refrain from being partisan on a question of this character because a proper defense is basic to this great Nation of ours. I think the Members on both sides of the aisle will approach it that way, as they have in the past, when we have the Defense appropriation bill formally before us.

Mr. ROGERS of Florida. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from Florida.

Mr. ROGERS of Florida. I want to commend the gentleman for his speech and I want to commend him for anything he can do to bring about economy. However, since he has made a great study of this matter, I would like to know how the gentleman accounts for the great difference of opinion between General Twining and our good President on the matter of the Air Force.

Mr. ARENDS. I did not understand the gentleman.

Mr. ROGERS of Florida. I want to know how you account for the difference of opinion between General Twining and the President.

Mr. ARENDS. I tried to explain that. If you will read my statement, you will find I tried to set forth why that is. It is somewhat due to the affiliation that they have had with particular services and the things that they lived with all their lives. Here we have an overall picture which must be approached solely from one angle: What is best for the welfare of our country?

Mr. ROGERS of Florida. I am for reducing the amount as much as we can consistent with national defense.

Mr. ARENDS. I thank the gentleman.

Mr. COLE of New York. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from New York.

Mr. COLE of New York. I simply want to observe apropos of the statement made by the gentleman from Mississippi in which he implored the leaders of the majority to avoid political implications, that that same obligation rests on him and his party equally as it does upon those in the majority.

Mr. ARENDS. I thank the gentleman.

SPECIAL ORDER GRANTED

Mr. WILLIAMS of Mississippi asked and was given permission to address the House today for 25 minutes, following any special orders heretofore entered.

AUTHORIZING THE SPEAKER TO SIGN ENROLLED BILLS

Mr. ARENDS. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until Monday next the Clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills and joint resolutions passed by the two Houses and found truly enrolled.

The SPEAKER. Is there any objection to the request of the gentleman from Illinois?

There was no objection.

UNIVERSAL MILITARY TRAINING AND SERVICE ACT

Mr. ARENDS submitted a conference report and statement on the bill (H. R. 4495) to amend the Universal Military Training and Service Act, as amended, so as to provide for special registration, classification, and induction of certain medical, dental and allied specialist categories, and for other purposes.

OUR INTERNATIONAL DILEMMA

The SPEAKER. Under previous order of the House, the gentleman from Mississippi [Mr. WILLIAMS] is recognized for 25 minutes.

Mr. WILLIAMS of Mississippi. Mr. Speaker, throughout the free world, people are praying for the success of the current truce negotiations, which seems now to be nearer to realization than at any time before. There is a possibility that even before morning all may be quiet in the hills and valleys of Korea, and several hundred thousand mothers may be saying a prayer of thanksgiving that their sons shall soon be safely returned.

The tragedy of Korea is without precedent in recorded history. It must never be permitted to happen again.

Never before have men been compelled to bear arms against a predatory enemy without so much as a consoling hope of pressing to an ultimate military victory, and without even a promise of an eventual cessation to the attritional drain on our manpower and material resources. The manipulations of international politicians have forbidden a military victory. Our forces, unable to avail themselves of the advantage of surprise against the enemy, and forced to refrain from striking at his bases of supply, must content themselves with fighting a defensive battle in the face of overwhelming odds. Our men must await the enemy's every move. And when they fail in anticipating his strategy, we pay in blood and supplies for our wrong guesses. American air power, most effective as super long-range artillery, and built for the purpose of eliminating the enemy's sources of supply, are being wastefully and foolishly expended in antipersonnel forays in Red-held North Korea. Our atomic weapons, capable of inflicting mortal damage—both physical and psychological—on the enemy, are being used—not against the enemy—but in experimental research demonstrations on the wastelands of Nevada. Many of us wonder where the enemy would be today had these 11 tests been directed against him, with equal effectiveness, in Korea. We wonder if the same scientific data gained from these experiments could not have been assimilated with equal facility, and perhaps more practically, by testing them in actual military operations and under combat conditions.

Our military services, having to maintain a 7,000-mile supply line from here to the other side of the world, are confronted with an almost insurmountable, costly and cumbersome problem of logistics. The enemy, on the other hand, is able to maintain short and relatively easy arteries of supply which, coupled with his inexhaustible reserve of manpower, and his disregard for human life, would seem to render our military position hopeless in a prolonged war of attrition.

Of even more importance, we are faced with the realistic fact that the Korean war is not a popular war with the American people, and public apathy dominates the domestic scene. Of course, no war is ever a popular war, but rather I am using the term in the relative sense of its meaning. Though we have fought in Korea longer than it took us to destroy

an infinitely more powerful enemy in World War I, and have suffered more than a hundred and thirty thousand casualties—30,000 missing or killed in action, our interests at home seem to be geared more to the gratification of our personal economic desires than in stopping the senseless slaughter of American boys in a war that is without any real or apparent purpose. While our men in the field outnumber those of our nominal allies by nearly 20 to 1—excepting, of course, the valiant South Koreans—they are compelled to fight and die, not for the glory of the Stars and Stripes but under the meaningless spider-webbed banner of an impotent international association known as the United Nations—a symbol of ineffectiveness and promoter of disunity among the nations of the world.

Should the current peace talks succeed in bringing about an armistice in Korea, I have no doubt that our common enemy will kindle the flames of another Korea, perhaps in the Middle East—maybe in Germany, or the East Indies? Who knows where they will strike next? And, when they do, will there be another United Nations war in which we will supply the lion's share of dying and suffering while our so-called allies continue to sit by, enjoying the luxury of our international economic handouts?

Should these peace talks fail, what next? Should this happen, I am ready to say that in the interests of our national security and welfare, we should negotiate for a separate peace. Failing in that, we would have no alternative but to use the power of our arms and production to force a speedy conclusion, and attain an ultimate military victory in Korea. To follow any other course would be to continue meeting the enemy at his bidding, on his own terms, and at the places of his choosing; at best, an impossible situation.

I do not mean to imply that we should withdraw our membership in the United Nations any more than Russia has already withdrawn hers; nor do I mean to imply that we could, or should, attempt to "go it alone." What I am saying, is that, up to now, we have had to go it alone, and we have bought in blood and money the right to end it alone, if necessary. Why should we continue, for instance, to let our so-called allies deny us our goal of peace while they, at the same time, are engaged in the mercenary business of selling supplies to the enemy? The same materials, I might add, that the enemy uses against us in mortal and savage combat?

The tragedy of Korea is shocking evidence that we must revise our policies in dealing with our sister nations of the world if we are to survive, and if we are to assume and discharge the role of defenders of world freedom.

Realistic considerations not unrelated to the high purpose of maintaining peace, demand that we reevaluate the potentialities of the United Nations as a working instrument for promoting its own purposes, as expressed in its charter.

The United Nations was created with a high purpose and certainly a commendable objective. Though its failure to carry out its end objective is now quite evident, its facilities are still capable of making a contribution toward that end, if we recognize it for what it is and are ready to consider its obvious limitations. It represents man's most noble effort to establish an international code of morality, under which all member nations would be bound to live in peace with each other and with the world. Founded on the most idealistic precepts, it should have been a symbol of universal hope in the maelstrom of human conflict; a symbol of man's desire to free himself from the privations of war. It could furnish a common forum where opposing nations may someday be able to compromise their differences peacefully, through mutual understanding of each other's problems.

As it is constituted today, the United Nations is inherently weak, and without the essential component parts that are required in forming any successfully coordinated or workable governing body.

A wise and learned old statesman, soldier, and patriot, Gen. Douglas MacArthur, pointed out the fatal deficiencies in its organization when he said:

> It lacks legislative strength because its members, not being elected but merely appointed, are not answerable directly to the people. It lacks judicial strength because there is no accepted code of sufficient moral authority or purpose to mold and guide its decisions. It lacks executive strength because it controls no agencies of sufficient power to enforce its mandates.
>
> It threatens to fail—if the innate selfishness of its members does not yield to universal needs—

And so on. Can anyone who undertakes to make an impartial and abstract appraisal of the United Nations deny those incontrovertible facts, particularly in the light of today's events?

The spiritual, moral, and temporal strength of America is the criterion which will determine ultimately whether freedom, under God, is to disappear from the world scene; or that free men, inspired by their indomitable will to preserve their liberty, shall prevail.

In our world of the 20th century, the evil forces of communism seek to remove religion as the most formidable barrier to its advances. Because the very success of communism as a vehicle for governing depends on emphasizing that which is earthly and material, and suppressing that which is divine and spiritual, they strive continually to weaken and destroy public and private integrities. Through sowing the seeds of moral degeneration, through platitudinous appeals to the selfish and agnostic facet of human weaknesses, with promises of a collectivist utopia on earth, they would subvert the moral fiber of our people, cajoling them into a state of voluntary slavery. Any theory of government that fails to recognize the individual dignity of its citizens, or denies to individuals their just rewards for their personal initiative and energy; that would penalize the industrious to reward the slovenly—must, to be successful, eliminate from its pattern of operations any and all vestiges of Christian philosophies. Communists are winning both dupes and converts in our country today with their materialistic appeals—undermining and weakening our own national well-being and security. Any complacent tolerance of this destructive force of evil should be replaced by an implacable and uncompromising determination to resist its every threat to basic and traditional ideals. No person could adopt the philosophy of communism unless he had no belief in the existence of a Supreme Being, and no faith in the promise of life after death. So, while we fight the enemy physically on the battlefield and psychologically at home, we could well remember that his greatest and most formidable foe—the one to which he must inevitably surrender—is symbolized in the form of a cross, and is dedicated to furthering the cause of Him who died on Calvary.

In recent years, we have subsidized our doubtful friends abroad in largesse amounting to almost $50 billion, known as "foreign aid." Because we used foreign aid as a bribe with which we hoped to purchase the friendship of other peoples, it has been resented in some quarters of the world, even by those who were on the receiving end. For the practical purpose of strengthening our own national security, these billions of dollars have contributed little, if anything. We maintain an army in Europe, supposedly to serve as the nucleus of Europe's cooperate effort to defend themselves against the threat of Communist Russia, but we find little cooperation from the countries we seek to protect. We know that Russia is without a navy, and that once she decides to move on land, all Europe would be hers in a matter of months, because Western Europe is not prepared to stop her. With that in mind, doesn't it stand to reason, also, that our several divisions of American soldiers in Europe are being placed in a potential death trap should Russia decide to attack there tomorrow?

What then, you ask, is the answer to our dilemma? How can we resolve our difficulties and insure the preservation of our heritage?

We should recognize the obvious realism of our position. We are not alone in our desire to resist the advances of communism, but free people of the free world have an equal share in the stakes of self-preservation also. A person or nation conscientiously dedicated to the cause of freedom will be willing to make the necessary sacrifices to preserve that freedom. If the will to be free does not exist in the hearts of men, no amount of money or promises or aid can persuade them to make the sacrifices required to attain it.

The threat of Communist aggression is more imminent in Europe than it is here. If, in their hearts they desire to remain free and independent, they will exert every effort to build their own defenses, and permit us to do the same—unhampered by their demands for more and more foreign aid. If Europe continues on its present course of complacency, with its policies of ignoring the ravenous monster to their immediate east, our past, present, and future military and economic concessions to them shall have been of no avail.

Therefore, our future safety must inevitably depend upon what we, ourselves, are willing to do toward that end. We cannot depend on our international

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friends to pull our fat out of the fire; that has been proven in no uncertain terms by their unwillingness to share the responsibility for Korea, and their failure to assist with men and materials to any effective degree.

I am not a military expert, but commonsense dictates that we build our military defenses to the point of impregnability so that no nation dare attack us. Russia, without a navy of effective proportions, cannot attack us by sea, nor can she transport an invading army to our shores. To reach us, she must cross the Arctic by air, and therein rests the key to our defenses. To stop air attacks, we must have an air arm of equal or superior strength to hers, which admittedly we do not now have. Whether this would require 100 wings, 114 wings, or 143 wings as advocated by our air leaders, I cannot say. Whatever is needed, though, we must be willing and ready to provide. Build our air defenses to the necessary strength, maintain at least our present Navy—already the best in the world; keep our land armies equal to the test of combat readiness: this, with our productive capacity unmatched in the history of the world, can provide security for our people.

"Go it alone?" Of course not. But let us be prepared to go it alone, and we will not suffer for lack of allies; they will run over each other to join us.

Russia has no fear of Europe, nor has she reason to be afraid of the free countries and provinces of the Far East. Make no mistake about it, it is the real strength of America—her devotion to ideals, her courage and willingness to sacrifice all in the preservation of her freedom—that is what Russia fears. It is the waves of airplanes that would level her cities, the atomic bombs that would destroy her production, and the Navy that would cut off from the outside world, it is all that which Russia hopes will never become a reality. It is our possession of that kind of power, and that alone, that will stop the predatory advances of atheistic communism.

Until we are so prepared, there will be a succession of Koreas and no letup in American bloodshedding and suffering—you know that I speak the practical truth.

For years, our international policies have been formulated by intellectual theorists and "one world" idealists who have advanced the idea that we are obligated not only to protect and defend the entire world against evil; but to nurse, feed, clothe, and care for it as well, and at the expense of the American people. They would make the world our wards—pensioners deriving their substance through American generosity, with nothing asked or expected in return. An outraged public opinion will, some day—the sooner the better—compel those in authority who guide the international policies of our country, to descend from their dream world of intellectual idealism, and face the hard-boiled practical problems that face us.

With America strong spiritually, economically, militarily and morally, we can win the cold war, and insure peace for ourselves, our children and our childrens' children.

Mr. DAVIS of Georgia. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield.

Mr. DAVIS of Georgia. I would like to say to the gentleman that I have listened with a great deal of interest to his remarks, that they indicate that he has given considerable study to the questions he has presented, that he has engaged in a great deal of research, and that he has given a lot of thought to these very important questions. He has presented to us matters of great importance to our welfare and security. I commend him for bringing these things to our attention and want to express the appreciation which I feel for the remarks he has made.

Mr. WILLIAMS of Mississippi. I thank the gentleman.

Mr. WHEELER. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield.

Mr. WHEELER. Mr. Speaker, I compliment the gentleman on the very fine statement he has just made and would like to say that I concur most heartily in the conclusions he has so ably expressed.

I feel, Mr. Speaker, it is high time that this Congress of these United States began to concern itself more specifically with some of the problems the gentleman has so clearly delineated, else the future of this Republic of yours and mine is very dark.

Mr. O'KONSKI. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield to the gentleman from Wisconsin.

Mr. O'KONSKI. I compliment the gentleman for the very fine statement he has contributed in pointing out the deficiencies of the present military and diplomatic leadership. I think it should also be borne in mind that particularly in the diplomatic field they are circumventing and ignoring the will of Congress in the protection of the free world.

More than 3 years ago in a military-aid program that was passed by this Congress we attached a rider to an appropriation bill specifically earmarking $125 million for befriending the people of Spain who will be our stanchest allies in the event of war. Three years have elapsed and the diplomats at the head of our foreign policy have absolutely ignored the will of Congress; they are doing absolutely nothing to carry out the will and the intent of Congress; this has resulted in aid not being given to a nation we could really depend on, but billions being thrown away all over the world to nations who when the day we need them comes are found on the other side.

Mr. WILLIAMS of Mississippi. I have always believed that we cannot buy friendship, that other peoples are either friends or they are not our friends.

Mr. DORN of South Carolina. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield.

Mr. DORN of South Carolina. I commend the gentleman for bringing these matters to the attention of this House. I am one of those who believe it is the responsibility of Congress to help formulate our foreign policy and the international program this Nation should embark upon. I think it is the duty of this body to have a part in this and we should not be ignored.

I agree with the gentleman from Wisconsin.

As to this matter of going it alone, these internationalists, idealists, and theorists have been going it alone. There is but one great force that has been largely ignored by these phony leaders, which can hold Western Europe, and that is Germany and Spain, with Turkey, the Scandinavian countries, and Greece. We have been putting emphasis on the wrong type of ally. This thing of buying love with money and buying friendship with money is fallacious, it is ridiculous; it has not worked, and it will not work. I remember right here on this floor when I voted against the Marshall plan I warned this Congress in 1948 that the war would start in the Far East, and that this money would not prevent world war III. You remember the argument here at that time was that the appropriation of this money would buy friends and allies and would prevent the outbreak of another war. They were proved wrong subsequently in Korea, first, by the outbreak of war, then by the lack of friends when war once broke out.

All you need to do is go back to the Bible and read again the story of the prodigal son. He started out with plenty of money and as long as his money lasted he had some sort of friends; but when his money gave out they were not there. When our money gives out in this country you will not find our friends. I do not think they are sincerely contributing in any degree whatever to the mutual security of the world.

I want to emphasize again that so far as Europe is concerned we should bring Germany and Spain into the North Atlantic Treaty Organization and in the Far East there is one country that can stabilize the whole situation in the Far East. That is the Imperial Isle of Japan. There are more skilled laborers in Japan than any place in the world outside of the United States. When I was in Korea I saw some Chinese Communist prisoners just captured and one of the first things they asked was: Where are the Japanese? I was told there by competent military experts that 500 Japanese could lick 5,000 Red Communist Chinese any day in the week. We must use that great force in the Far East to stabilize the situation, of course keeping Chiang Kai-shek on Formosa and giving him all the aid possible—he is the only hope of the people in China. Chiang Kai-shek is a tried and true friend who fought a war for America.

We must stop this national policy of suicide by going it alone with phony allies and solicit the aid of Germany, Spain, and Japan who will fight.

Just look at the elections held in Italy in the last day or so. If the billions of dollars that we have sent over there were going to buy friendship you would think that there would be a huge decrease in the membership of the Communist Party. You know what is going to happen in those countries, France and Italy, yes, England, too, they are planning to remain neutral in any out-

break of war. I was told that in 1947 by a man who knew. He said their ultimate goal would be to remain neutral. Failing in that they would come out like they did when the Germans marched into Paris, and shout viva la Russinsky waving the hammer and sickle. But that is the kind of friendship we do not want. With such allies we are in a worse situation than being alone. We are indeed alone; without our money we should have used to build our own defense. Money cannot buy real friends. We will have to formulate the policy that the gentleman mentioned if we are to survive.

Mr. WILLIAMS of Mississippi. The gentleman is correct.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield to the gentleman from Iowa.

Mr. GROSS. I, too, want to compliment the gentleman from Mississippi. He has dealt with the United Nations a little more charitably than I would under the circumstances; but on the whole his speech has been a thoughtful, able presentation and I commend him for it.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the appendix of the RECORD, or to revise and extend remarks, was granted to:

Mr. AYRES (at the request of Mr. POFF) in two instances and to include extraneous matter.

Mr. MUMMA and to include a letter.

Mrs. FRANCES P. BOLTON in two instances and to include extraneous matter.

Mr. CANFIELD and to include an address by the Assistant Secretary of the Treasury, Hon. H. Chapman Rose.

Mr. SHAFER (at the request of Mr. ARENDS) in four instances, and to include extraneous matter.

Mr. WEICHEL (at the request of Mr. ARENDS).

Mr. BOW in two instances and to include extraneous matter.

Mr. SIKES and to include a Memorial Day address.

Mr. JONES of Alabama and to include a resolution.

Mr. DODD and to include two joint resolutions of the State of Connecticut.

Mr. ZABLOCKI in three separate instances, in each to include extraneous matter.

Mr. WICKERSHAM (at the request of Mr. ZABLOCKI) and to include a resolution.

Mr. TEAGUE and to include extraneous matter.

Mr. BOLAND in two separate instances, in each to include extraneous matter.

Mr. MOSS and to include extraneous matter.

Mr. BUCKLEY.

Mr. DORN of South Carolina and to include an article.

Mr. CAMPBELL and to include a letter.

Mr. GWINN and to include extraneous matter.

Mr. LANE (at the request of Mr. MCCORMACK) following remarks made by Mr. DONOHUE.

Mr. POWELL (at the request of Mr. MCCORMACK).

Mr. BROOKS of Louisiana in three separate instances and to include extraneous matter.

Mr. VAN ZANDT and to include extraneous matter.

Mr. OAKMAN (at the request of Mr. ARENDS).

Mr. JENKINS and to include a resolution adopted by the Legislature of the State of Ohio.

Mr. EDMONDSON and to include extraneous matter.

Mr. JUDD in three instances and to include extraneous matter.

Mr. PELLY and to include a newspaper article.

ENROLLED BILLS SIGNED

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 3307. An act to provide for the treatment of users of narcotics in the District of Columbia; and

H. R. 4664. An act making supplemental appropriations for the fiscal year ending June 30, 1953, and for other purposes.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 663. An act for the relief of Dr. Alexander Fiala;

H. R. 739. An act for the relief of Alexander A. Senibaldi;

H. R. 870. An act for the relief of Harry Block;

H. R. 888. An act for the relief of Francesca Servello;

H. R. 1103. An act for the relief of Maria Buffoni and Emma Botta;

H. R. 1187. An act for the relief of Mother Anna DiGiorgi;

H. R. 1200. An act for the relief of Ronald J. Palmer and Ronda Kay Palmer;

H. R. 1517. An act for the relief of Cpl. Predrag Mitrovich;

H. R. 1730. An act to provide for furnishing transportation in Government-owned automotive vehicles for employees of the Veterans' Administration at field stations in the absence of adequate public or private transportation;

H. R. 1752. An act for the relief of William Robert DeGrafft;

H. R. 1832. An act to provide for the suspension of the imposition or execution of sentence in certain cases in the municipal court for the District of Columbia and in the juvenile court of the District of Columbia;

H. R. 1887. An act for the relief of Marjorie Goon (Goon Mei Chee);

H. R. 1888. An act for the relief of Gary Matthew Stevens (Kazuo Omiya);

H. R. 1952. An act for the relief of Cecile Lorraine Vincent and Michael Calvin Vincent;

H. R. 2176. An act for the relief of Norma Jean Whitten;

H. R. 2761. An act to revive and reenact the act of December 21, 1944, authorizing the City of Clinton Bridge Commission to construct, maintain, and operate a bridge and approaches thereto across the Mississippi River, at or near the cities of Clinton, Iowa, and Fulton, Ill., as amended;

H. R. 3358. An act for the relief of Erna Meyer Grafton;

H. R. 3244. An act for the relief of Patricia Ann Dutchess;

H. R. 3678. An act for the relief of George Prokofieff de Seversky and Isabelle Prokofieff de Seversky;

H. R. 3724. An act for the relief of Anthony Lynn Neis;

H. R. 3758. An act for the relief of Stavrula Perutsea;

H. R. 3796. An act relating to the incorporation of the Columbus University of Washington, D. C.;

H. R. 4025. An act authorizing the appropriation of funds to provide for the prosecution of projects in the Columbia River Basin for flood control and other purposes;

H. R. 4485. An act to amend the law of the District of Columbia relating to the publication of partnerships;

H. R. 4486. An act to amend the law of the District of Columbia relating to forcible entry and detainer;

H. R. 4487. An act to amend the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as further amended by an act of April 19, 1920 (title 20, ch. 1, sec. 116, D. C. Code, 1951), relating to continuing decedent's business;

H. R. 4505. An act to authorize the sale of certain lands to the State of Oklahoma;

H. R. 4540. An act to authorize the sale of certain lands to the State of Oklahoma;

H. R. 4550. An act to amend the Code of Laws of the District of Columbia in respect to the recording, in the Office of the Recorder of Deeds, of bills of sale, mortgages, deeds of trust, and conditional sales of personal property; and

H. J. Res. 157. Joint resolution to amend the act of July 1, 1947 (61 Stat. 242), as amended.

ADJOURNMENT

Mr. CUNNINGHAM. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 57 minutes p. m.), under its previous order, the House adjourned until Monday, June 15, 1953, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

765. A letter from the Acting Secretary of the Interior, transmitting a copy of an order canceling certain charges existing as debts due the United States by individual Indians and tribes of Indians, pursuant to the act of July 1, 1932 (47 Stat. 564); to the Committee on Interior and Insular Affairs.

766. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Institute of Inter-American Affairs for the fiscal year ended June 30, 1952, pursuant to the Government Corporation Control Act (31 U. S. C. 841) (H. Doc. No. 172); to the Committee on Government Operations and ordered to be printed.

767. A letter from the Administrator, General Services Administration, transmitting a copy of a notice to be published in the Federal Register of a proposed disposition of obsolescent drugs now held in the national stockpile, pursuant to section 3 (e) of the Strategic and Critical Materials Stock Piling Act (60 Stat. 596, 50 U. S. C. 98b (e)); to the Committee on Armed Services.

768. A letter from the Secretary of State, transmitting a draft of a proposed bill entitled "A bill to amend the International

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Claims Settlement Act of 1949"; to the Committee on Foreign Affairs.

769. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal and lists or schedules covering records proposed for disposal by certain Government agencies; to the Committee on House Administration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BISHOP: Committee on House Administration. House Resolution 213. Resolution to provide funds for the expenses of the studies and investigations authorized by House Resolution 161; without amendment (Rept. No. 545). Referred to the House Calendar.

Mr. BISHOP: Committee on House Administration. House Resolution 270. Resolution to provide funds for necessary expenses of the Committee on the District of Columbia; without amendment (Rept. No. 546). Referred to the House Calendar.

Mr. BISHOP: Committee on House Administration. House Resolution 254. Resolution providing for compensation for the services of an assistant file clerk; without amendment (Rept. No. 547). Referred to the House Calendar.

Mr. SCHENCK: Committee on House Administration. House Resolution 158. Resolution authorizing the printing of additional copies of the report of the Select Committee on Small Business entitled "Review of Small Business" (H. Rept. No. 2513, 82d Cong.); with amendment (Rept. No. 548). Referred to the House Calendar.

Mr. SCHENCK: Committee on House Administration. House Resolution 183. Resolution authorizing the printing of additional copies of House Report No. 2510, 82d Congress, the report of the Select Committee on Current Pornographic Material; with amendment (Rept. No. 549). Referred to the House Calendar.

Mr. PHILLIPS: Committee on Appropriations. H. R. 5690. A bill making appropriations for additional independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes; without amendment (Rept. No. 550). Referred to the Committee of the Whole House on the State of the Union.

Mr. SHORT: Committee of Conference. H. R. 4495. A bill to amend the Universal Military Training and Service Act, as amended, so as to provide for special registration, classification, and induction of certain medical, dental, and allied specialist categories, and for other purposes. (Rept. No. 551). Ordered to be printed.

Mr. DONDERO: Committee on Public Works. H. R. 5406. A bill to amend the Public Buildings Act of 1949 to authorize the Administrator of General Services to acquire title to real property and to provide for the construction of certain public buildings for housing of Federal agencies or departments, including post offices, by executing purchase contracts, and for other purposes; with amendment (Rept. No. 532). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BURDICK: Committee on the Judiciary. S. 141. An act for the relief of Harry Ray Smith; without amendment (Rept. No. 540). Referred to the Committee of the Whole House.

Mr. FORRESTER: Committee on the Judiciary. House Resolution 255. Resolution for the purpose of sending H. R. 1114, together with all accompanying papers, to the United States Court of Claims; without amendment (Rept. No. 541). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. House Resolution 256. Resolution providing for sending to the United States Court of Claims the bill (H. R. 4661) for the relief of the Av-Equip Manufacturing Co.; without amendment (Rept. No. 542). Referred to the Committee of the Whole House.

Mr. JONAS of Illinois: Committee on the Judiciary. H. R. 5410. A bill for the relief of Mrs. Alberta S. Rozanski; without amendment (Rept. No. 543). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 5511. A bill for the relief of Clara Gabriel; without amendment (Rept. No. 544). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. PHILLIPS:

H. R. 5690. A bill making appropriations for additional independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes; to the Committee on Appropriations.

By Mr. BARDEN:

H. R. 5691. A bill to provide for an annual report by the Commissioner of Education regarding educational activities carried on by or under the supervision of, or with the aid of, the executive branch of the Government; to the Committee on Education and Labor.

By Mr. DEMPSEY:

H. R. 5692. A bill to extend the period for filing claims for compensation by prisoners of war to July 31, 1953; to the Committee on Interstate and Foreign Commerce.

By Mr. FERNÓS-ISERN:

H. R. 5693. A bill to amend the act of March 4, 1931, so as to include the Commonwealth of Puerto Rico in the compilation and publication of statistics relating to crime and delinquency; to the Committee on Post Office and Civil Service.

H. R. 5694. A bill to amend the act of August 7, 1916, as amended, so as to include the Commonwealth of Puerto Rico in the collection and publication of statistics relating to cottonseed and related products; to the Committee on Post Office and Civil Service.

H. R. 5695. A bill to amend section 16 of the act of June 18, 1929, so as to include Puerto Rico in the census of agriculture authorized thereby; to the Committee on Post Office and Civil Service.

H. R. 5696. A bill to amend the act of June 19, 1948, so as to include the Commonwealth of Puerto Rico in the censuses of manufacturers, mineral industries, and business authorized thereby; to the Committee on Post Office and Civil Service.

H. R. 5697. A bill to amend the act of September 7, 1950, so as to include the Commonwealth of Puerto Rico in the census of Governments authorized thereby; to the Post Office and Civil Service.

H. R. 5698. A bill to amend the act of April 2, 1924, as amended, so as to include the Commonwealth of Puerto Rico in the collection and publication of cotton statistics; to the Committee on Post Office and Civil Service.

H. R. 5699. A bill extending to the Commonwealth of Puerto Rico the power to enter into certain interstate compacts relating to the enforcement of the criminal laws and policies of the States; to the Committee on the Judiciary.

By Mr. FISHER:

H. R. 5700. A bill to amend the Tariff Act of 1930, to encourage the domestic production of wool as a critical and strategic defense material; to the Committee on Ways and Means.

By Mr. GWINN:

H. R. 5701. A bill to amend section 7 (c) of the Fair Labor Standards Act of 1938; to the Committee on Education and Labor.

By Mr. HIESTAND:

H. R. 5702. A bill to afford the taxpayer the right to determine the period of useful life of property in computing deductions for depreciation under the income-tax laws; to the Committee on Ways and Means.

By Mr. McCARTHY (by request):

H. R. 5703. A bill to limit the period for collection by the United States of compensation received by officers and employees in violation of the dual compensation laws; to the Committee on Post Office and Civil Service.

By Mrs. PFOST:

H. R. 5704. A bill to change the date for the beginning of annual assessment work on mining claims held by location in the United States, including the Territory of Alaska, from the 1st day of July to the 1st day of October and to extend the time during which annual assessment work on such claims may be made for the year beginning July 1, 1952, to the 1st day of October 1953; to the Committee on Interior and Insular Affairs.

By Mr. PROUTY:

H. R. 5705. A bill to amend the existing law to provide for the automatic renewal of expiring 5-year-level-premium-term policies of United States Government and national service life insurance; to the Committee on Veterans' Affairs.

By Mr. REES of Kansas:

H. R. 5706. A bill to facilitate civil-service appointment of persons who lost opportunity therefor because of service in the Armed Forces after June 30, 1950, and to provide certain benefits upon appointment; to the Committee on Post Office and Civil Service.

By Mr. ROONEY:

H. R. 5707. A bill granting increases in the annuities of certain former civilian officials and employees engaged in and about the construction of the Panama Canal, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. WHEELER:

H. R. 5708. A bill to repeal certain sections of acts of 1872 and 1873 of the Legislative Assembly of the District of Columbia; to the Committee on the District of Columbia.

By Mr. LYLE:

H. Res. 277. Resolution creating a select committee to study certain relationships of the United States with the United Nations; to the Committee on Rules.

By Mrs. ROGERS of Massachusetts:

H. Res. 278. Resolution directing the Atomic Energy Commission to furnish to the House of Representatives full and complete information about the effect on the weather of certain atomic bomb explosions; to the Joint Committee on Atomic Energy.

H. Res. 279. Resolution directing the Secretary of the Army to furnish to the House of Representatives full and complete information about the effect on the weather of certain atomic bomb explosions; to the Committee on Armed Services.

H. Res. 280. Resolution directing the Federal Civil Defense Administrator to furnish

to the House of Representatives full and complete information about the effect on the weather of certain atomic bomb explosions; to the Committee on Armed Services.

H. Res. 281. Resolution directing the Secretary of the Navy to furnish to the House of Representatives full and complete information about the effect on the weather of certain atomic bomb explosions; to the Committee on Armed Services.

H. Res. 282. Resolution directing the Secretary of the Air Force to furnish to the House of Representatives full and complete information about the effect on the weather of certain atomic bomb explosions; to the Committee on Armed Services.

H. Res. 283. Resolution directing the Secretary of Commerce to furnish to the House of Representatives full and complete information about the effect on the weather of certain atomic bomb explosions; to the Committee on Interstate and Foreign Commerce.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By Mr. RABAUT: Resolution of the Senate of the State of Michigan requesting the Federal Government to give consideration to the Hearst plan for better roads; to the Committee on Ways and Means.

By the SPEAKER: Memorial of the Legislature of the State of Connecticut, memorializing the President and the Congress of the United States concerning the McCarran Act and seeking its revision; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOLAND:

H. R. 5709. A bill for the relief of Astor Cole; to the Committee on the Judiciary.

By Mr. BURDICK:

H. Res. 284. Resolution providing for sending to the United States Court of Claims the bill (H. R. 5683) for the relief of Willard L. Gleeson; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

322. By the SPEAKER: Petition of Robert Hunt and others, Daytona Beach, Fla., requesting passage of H. R. 2446 and H. R. 2447, social-security legislation known as the Townsend plan; to the Committee on Ways and Means.

323. Also, petition of Mrs. Arthur Pond and others, St. Petersburg, Fla., requesting passage of H. R. 2446 and H. R. 2447, social-security legislation known as the Townsend plan; to the Committee on Ways and Means.

324. Also, petition of Independent Order Sons of Italy, Grand Lodge of Ohio, Youngstown, Ohio, relative to the McCarran-Walter Immigration and Naturalization Act, and requesting that it be abolished; to the Committee on the Judiciary.

325. Also, petition of Chinese Embassy, Washington, D. C., relative to transmitting a statement of the Legislative Yuan of the Republic of China relating to the Korean truce talks and requesting that the United Nations not grant the Chinese Communist aggressors the right to participate in the negotiations on the settlement of the Korean problem; to the Committee on Foreign Affairs.

SENATE

MONDAY, JUNE 15, 1953

(Legislative day of Monday, June 8, 1953)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Levinus K. Painter, minister of Collins Friends Meeting, Collins, N. Y., offered the following prayer:

Our Father, we acknowledge Thee as Lord and Creator. Enable us to see Thy unfolding purposes in our daily experiences.

Grant discernment that arises out of integrity of character.

The measured judgment born of mental maturity.

The prophetic insights arising out of spiritual awareness.

May the responsibility of office be borne with humility.

Renew within a sense of mission before God and our fellow men in fulfilling political responsibilities.

Counsel us in this privileged Nation as we seek to remove barriers between cultures, religions, and political philosophies. We would reaffirm the oneness of mankind before Thee.

"Take from our souls the strain and stress.
And let our ordered lives confess
The beauty of Thy peace."

Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, June 11, 1953, was dispensed with.

MESSAGES FROM THE PRESIDENT— APPROVAL OF JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 13, 1953, the President had approved and signed the joint resolution (S. J. Res. 76) designating the week beginning June 14, 1953, as "Theodore Roosevelt Week."

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed, without amendment, the following bills of the Senate:

S. 639. An act to provide for the abandonment of a certain part of the Federal project for the Broadkill River in Delaware; and

S. 1679. An act to repeal certain acts relating to cooperative agricultural extension work and to amend the Smith-Lever Act of May 8, 1914, to provide for cooperative agricultural extension work between the agricultural colleges in the several States, Territories, and possessions receiving the benefits of an act of Congress approved July 2, 1862, and of acts supplementary thereto, and the United States Department of Agriculture.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 4730) to provide for the conveyance by the United States to the city of Cincinnati, Ohio, of certain lands formerly owned by that city.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (H. R. 5174) making appropriations for the Treasury and Post Office Department for the fiscal year ending June 30, 1954, and for other purposes, and it was signed by the Vice President.

REPORTS OF COMMITTEES SUBMITTED DURING RECESS

Under authority of the order of the Senate of June 11, 1953,

Mr. WILEY, from the Committee on Foreign Relations, reported on June 13, 1953, an original bill (S. 2128) to further amend the Mutual Security Act of 1951, as amended, and for other purposes, and submitted a report (No. 403) thereon, which was placed on the calendar.

Under authority of the order of the Senate of June 11, 1953,

Mr. AIKEN, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 2112) to provide for the transfer of price-support wheat to Pakistan, reported it on June 13, 1953, with amendments, and submitted a report (No. 404) thereon.

LEAVES OF ABSENCE

On request of Mr. JOHNSON of Texas, and by unanimous consent, Mr. KERR and Mr. SYMINGTON were excused from attending the session of the Senate today; Mr. HILL was excused from attending the sessions of the Senate from today until Wednesday, June 17; and Mr. HUNT was excused from attending the sessions of the Senate this week.

On his own request, and by unanimous consent, Mr. FULBRIGHT was excused from attendance on the sessions of the Senate, beginning Wednesday, June 17, 1953, through Monday, July 20, 1953.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. KNOWLAND, and by unanimous consent, the Subcommittee on Reclamation of the Committee on Interior and Insular Affairs was authorized to sit during the session of the Senate today.

TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, it is my intention, as acting majority leader, to suggest the absence of a quorum. I ask unanimous consent that immediately following the quorum call there may be the customary morning hour, for the purpose of allowing Senators to introduce bills and joint resolutions, to make insertions in the RECORD, and transact other routine business, under the usual limitation of 2 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

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CALL OF THE ROLL

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Goldwater	McCarran
Anderson	Gore	McCarthy
Barrett	Green	McClellan
Beall	Griswold	Millikin
Bennett	Hayden	Monroney
Bricker	Hendrickson	Mundt
Bridges	Hennings	Neely
Bush	Hickenlooper	Pastore
Butler, Md.	Hoey	Payne
Butler, Nebr.	Holland	Potter
Byrd	Humphrey	Purtell
Capehart	Jackson	Robertson
Carlson	Jenner	Russell
Chavez	Johnson, Colo.	Saltonstall
Clements	Johnson, Tex.	Smathers
Cooper	Johnston, S. C.	Smith, Maine
Cordon	Kefauver	Smith, N. J.
Daniel	Kennedy	Smith, N. C.
Douglas	Kilgore	Sparkman
Duff	Knowland	Stennis
Dworshak	Kuchel	Thye
Eastland	Langer	Watkins
Ellender	Lehman	Welker
Ferguson	Long	Wiley
Frear	Malone	Williams
Fulbright	Mansfield	Young
George	Martin	
Gillette	Maybank	

Mr. SALTONSTALL. I announce that the Senator from South Dakota [Mr. CASE] and the Senator from Vermont [Mr. FLANDERS] are absent on official business.

The Senator from Illinois [Mr. DIRKSEN] is absent by leave of the Senate on official committee business.

The Senator from New York [Mr. IVES] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

The Senator from Oregon [Mr. MORSE] and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate.

The Senator from Ohio [Mr. TAFT] is necessarily absent.

Mr. CLEMENTS. I announce that the Senator from Alabama [Mr. HILL], the Senator from Wyoming [Mr. HUNT], the Senator from Oklahoma [Mr. KERR], and the Senator from Missouri [Mr. SYMINGTON] are absent by leave of the Senate.

The Senator from Washington [Mr. MAGNUSON] is absent by leave of the Senate on official committee business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

The VICE PRESIDENT. A quorum is present.

MUTUAL SECURITY ACT OF 1953—REFERENCE OF BILL TO ARMED SERVICES COMMITTEE

Mr. SALTONSTALL. Mr. President, with further reference to a discussion I had with the senior Senator from Wisconsin [Mr. WILEY], I ask unanimous consent that the bill (S. 2128) to further amend the Mutual Security Act of 1951, and for other purposes, reported from the Committee on Foreign Relations on Saturday, June 13, be referred to the Committee on Armed Services in order that an examination may be made of the arms features of the bill; that the first and second reading of the bill be deemed to have been had, so that my request may be in order.

I wish to assure the Senate that the Committee on Armed Services will give the bill prompt consideration, and that no undue delay will be occasioned by this action, which is in accord with the understanding with the Senator from Wisconsin [Mr. WILEY].

The VICE PRESIDENT. Is there objection to the request of the Senator from Massachusetts?

Mr. KNOWLAND. Mr. President, reserving the right to object—and I shall not object—I wish to say that I think this is not only in keeping with the prior understandings but also with the precedents of a year ago in connection with the mutual security legislation.

The VICE PRESIDENT. Is there objection to the request of the Senator from Massachusetts? The Chair hears none, and it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

PROPOSED TRANSFER OF EX-GERMAN SUBMARINE TO CITY OF CHICAGO, ILL.

A letter from the Secretary of the Navy, reporting, pursuant to law, that the city of Chicago, Ill., had requested the Navy Department to transfer the ex-German submarine *U–505*, to be established and maintained as a memorial, in that city; to the Committee on Armed Services.

REPORT OF COOPERATION WITH MEXICO IN CONTROL AND ERADICATION OF FOOT-AND-MOUTH DISEASE

A letter from the Acting Secretary of Agriculture, transmitting, pursuant to law, a report on cooperation of the United States with Mexico in the control and eradication of foot-and-mouth disease, for the month of April, 1953 (with an accompanying report); to the Committee on Agriculture and Forestry.

TRANSFER OF CERTAIN LAND TO STATE OF NORTH CAROLINA

A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation to authorize the Secretary of Agriculture to convey to the State of North Carolina a tract of approximately 134 acres, together with buildings and improvements thereon, which the Bureau of Plant Industry, Soils, and Agricultural Engineering has been using as a cotton field station (with an accompanying paper); to the Committee on Agriculture and Forestry.

REPORT ON CANCELLATION OF CERTAIN CHARGES AGAINST INDIVIDUAL INDIANS AND TRIBES OF INDIANS

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, a copy of his order cancelling certain charges existing as debts due the United States by individual Indians and tribes of Indians (with accompanying papers); to the Committee on Interior and Insular Affairs.

REPORT ON CREATION OF OBLIGATION IN EXCESS OF APPROPRIATIONS

A letter from the Secretary of Commerce reporting pursuant to law of the creation of an obligation in excess of appropriations, in the National Bureau of Standards; to the Committee on Appropriations.

SUSPENSION OF DEPORTATION OF ALIENS—WITHDRAWAL OF NAMES

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the names of sundry aliens from reports relating to aliens whose deportation had been suspended, heretofore transmitted to the Senate (with accompanying papers); to the Committee on the Judiciary.

EXPENSES OF CERTAIN UNITED STATES COMMISSIONERS

A letter from the Director, Administrative Office of the United States Courts, Washington, D. C., transmitting a draft of proposed legislation to provide that United States commissioners who are required to devote full time to the duties of the office may be allowed their necessary office expenses (with an accompanying paper); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated.

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of California; to the Committee on Armed Services:

"Senate Joint Resolution 45

"Joint resolution relative to memorializing the Secretary of Defense of the United States and other officials and agencies authorized to act in the matter in relation to the enlistment in and strength of the California National Guard and California Air National Guard and the national manpower pool

"Whereas the Assistant Secretary of Defense for Manpower and Personnel has submitted a recommendation to the Secretary of Defense that the several States be denied the right to enlist in the National Guard young men before attaining the age of 18 years and 6 months and thereby secure for them a classification of 1D and deferment from selective service; and

"Whereas said recommendation is based upon the assumption, not supported in fact, that veterans returning to civilian status and who possess a Reserve obligation to serve in a civilian component of the Armed Forces, will provide an adequate manpower pool for the National Guard; and

"Whereas the governor has declared by proclamation that the California National Guard and California Air National Guard cannot be maintained at the necessary strength unless the said deferment from selective service is extended to the said young men and that the returning veterans will not provide an adequate manpower pool for the National Guard; and

"Whereas the approval of said recommendations will remove the last source of manpower available for recruitment in the National Guard and will thereby permanently jeopardize and injure the National Guard which has been an accepted democratic institution for over 300 years: Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California (jointly)*, That the Legislature of the State of California respectfully memorializes the Secretary of Defense of the United States to disapprove the recommendation of the Assistant Secretary of Defense for Manpower and Personnel that the several States be denied the right to enlist in the National Guard young men before attaining the age of 18 years and 6 months and thereby secure for them a classification of 1D and deferment from selective service; and be it further

"*Resolved*, That the Legislature of the State of California further respectfully memorializes the Secretary of Defense and all other officials and agencies possessing authority to act in the premises to continue the present indispensable authority granted to the several States to by proclamation of the governor recruit young men before at-

taining the age of 18 years and 6 months for enlistment in the National Guard and to reserve for them a classification of 1D and appropriate deferment from selective service; and be it further

"*Resolved*, That the secretary of the senate is directed to transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, to the Secretary of Defense and the Assistant Secretary of Defense for Manpower and Personnel."

A joint resolution of the Legislature of the State of Wisconsin; to the Committee on Finance:

"Joint resolution memorializing the Congress of the United States to enact legislation providing for the withdrawal of the Federal Government from the field of gasoline taxes

"Whereas the Federal gasoline tax is levied upon the users of American highways; and

"Whereas the highway system of this country and the highway systems of the several States are rapidly deteriorating because the funds needed to develop and maintain a modern highway network are not available; and

"Whereas the Federal Government is now distributing to the States only about two-thirds of the revenue which it is deriving from the Federal gasoline tax and is diverting the remainder to its other purposes; and

"Whereas if the Federal Government would withdraw from the field of gasoline taxes and the several States would increase the taxes imposed by them on gasoline and motor vehicle fuels in an amount equal to the Federal tax on gasoline, a much larger amount of revenue would be available to the several States for the purpose of developing and maintaining a modern system of highways therein; and

"Whereas the 11th general assembly of the States which was held in Chicago, Ill., in the month of December 1952, at which practically all of the States of the United States were represented, went on record as favoring the withdrawal of the Federal Government from the gasoline tax field; and

"Whereas the National Conference of Governors and the Midwestern Regional Conference of the Council of State Governments, of which the State of Wisconsin is a member, have declared by appropriate resolutions that the Federal Government should withdraw from the gasoline tax field: Now, therefore, be it

"*Resolved by the assembly (the senate concurring)*, That the legislature respectfully urge and request the Congress of the United States to enact legislation which will provide for the withdrawal of the Federal Government from the field of gasoline taxes; and, be it further

"*Resolved*, That the chief clerk be directed to transmit a copy of this resolution to the President of the United States, the Vice President of the United States, the Speaker of the House of Representatives of the Congress of the United States, the Secretary of the United States Senate, the Chief Clerk of the House of Representatives and each member of the Wisconsin delegation in the United States House of Representatives and the United States Senate, and to the respective houses of the legislatures of the several States of the United States. Copies submitted to the Secretary of the United States Senate and Chief Clerk of the House of Representatives shall be sent by registered mail, return receipt enclosed, and the receipt shall be filed in the office of the secretary of state."

A resolution adopted by the Oklahoma Cattlemen's Association, relating to the purchase and distribution of certain beef by the Federal Government; to the Committee on Agriculture and Forestry.

A resolution adopted by the Baltimore (Md.) Association of Commerce, favoring an amendment to the Constitution relating to the treaty-making power; to the Committee on the Judiciary.

A resolution adopted by National Sojourners, Inc., at Los Angeles, Calif., protesting against the enactment of Senate bill 1917, to authorize the issuance of 240,000 special-quota immigrant visas to certain escapees, German expellees, and nationals of Italy, Greece, and the Netherlands; to the Committee on the Judiciary.

A resolution adopted by the International Union, United Automobile, Aircraft and Agricultural Implement Workers of America (CIO), at Atlantic City, N. J., relating to farm prices; to the Committee on Agriculture and Forestry.

A resolution adopted by the International Union, United Automobile, Aircraft and Agricultural Implement Workers of America (CIO), at Atlantic City, N. J., relating to housing and rent control; to the Committee on Banking and Currency.

Four resolutions adopted by the International Union, United Automobile, Aircraft and Agricultural Implement Workers of America (CIO), at Atlantic City, N. J., relating to taxes, social security, veterans, and pension security for workers; to the Committee on Finance.

Two resolutions adopted by the International Union, United Automobile, Aircraft and Agricultural Implement Workers of America (CIO), at Atlantic City, N. J., relating to international relations, and St. Lawrence seaway and power project; to the Committee on Foreign Relations.

A resolution adopted by the International Union, United Automobile, Aircraft and Agricultural Implement Workers of America (CIO), at Atlantic City, N. J., relating to plunder of the public domain; to the Committee on Interior and Insular Affairs.

Five resolutions adopted by the International Union, United Automobile, Aircraft and Agricultural Implement Workers of America (CIO), at Atlantic City, N. J., relating to civil rights and equal job opportunity, civil liberties, political action, the heroic people of Berlin, and women in industry; to the Committee on the Judiciary.

Twelve resolutions adopted by the International Union, United Automobile, Aircraft and Agricultural Implement Workers of America (CIO), at Atlantic City, N. J., relating to a study of new technological developments in the industries, full employment, workmen's compensation and industrial health and safety, free world labor fund, guaranteed annual wage, the UAW–CIO model antidiscrimination clause, labor unity, children and youth, health security through collective bargaining, the Taft-Hartley Act, education, and legislation, Federal, State, and local; to the Committee on Labor and Public Welfare.

By Mr. BUSH:

A joint resolution of the Legislature of the State of Connecticut; to the Committee on Finance:

"House Joint Resolution 14

"Joint resolution urging repeal of Federal tax on motor fuel

"*Resolved by this assembly:*

"Whereas there is definite need for prompt and extensive correction of the critical deficiencies of our streets and highways in the interest both of our economy and our national security; and

"Whereas highways of the country, including the streets and bridges, are, by tradition and by law, the property and responsibility of the States and the subdivisions thereof; and

"Whereas many of the States are in need of additional revenue for the construction and maintenance of their highways, but are experiencing extreme difficulty in their efforts to obtain additional revenues for highway purposes because of the magnitude of the existing overall tax burden now imposed upon the motor-using public; and

"Whereas the Federal Government imposed its automotive excise taxes as temporary emergency measures during the depression of the early 1930's, but has continued these taxes in effect ever since at increasing rates; and

"Whereas taxation of motor fuel traditionally has been relied upon by the States to produce a major part of the revenues necessary to construct and maintain their highways, and the Federal Government, by its continued intrusion in this field, has so increased the tax burden on the highway user as virtually to preclude further increases in such taxes by the States: Therefore be it

"*Resolved by this assembly*, That the Legislature of Connecticut urgently requests that the Federal Government retire immediately from the field of motor-fuel taxation; be it further

"*Resolved*, That the Governor of Connecticut is urged to request the Connecticut Senators and Representatives in the National Congress at the appropriate time to appear before the appropriate committees of Congress for the purpose of urging that the Federal tax on motor fuel be eliminated; be it further

"*Resolved*, That the clerks of the house and senate shall cause copies of this resolution to be sent to the Connecticut Senators and Representatives in Congress and to the legislatures of the other States."

RETENTION OF OFFICES OF WAGE AND HOUR DIVISION, DEPARTMENT OF LABOR, IN BOSTON AND SPRINGFIELD, MASS. — RESOLUTIONS OF GENERAL COURT OF MASSACHUSETTS

Mr. KENNEDY. Mr. President, on behalf of myself and my colleague, the senior Senator from Massachusetts [Mr. SALTONSTALL], I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, resolutions of the General Court of the Commonwealth of Massachusetts, memorializing Congress to retain the New England regional office of the Wage and Hour Division of the United States Department of Labor in the city of Boston, and the branch office of said Division in the city of Springfield, Mass.

There being no objection, the resolutions were referred to the Committee on Labor and Public Welfare, and, under the rule, ordered to be printed in the RECORD, as follows:

Resolutions memorializing Congress to retain the New England regional office of the Wage and Hour Division of the United States Department of Labor in the city of Boston, and the branch office of said Division in the city of Springfield

Whereas it has been proposed in the interests of economy that the appropriation for the New England office of the Wage and Hour Division of the United States Department of Labor be reduced 15 percent, and that the New England offices of said Division be reorganized; and

Whereas the proposed reorganization provides for the transfer of the work now being done by the New England regional office, located in the city of Boston, to the city of New York, and the abolition of a branch office of said Division, located in the city of Springfield; and

Whereas since 1951 the said regional office in said city of Boston has recovered, in cases where wages paid to employees were less than the minimum required under the

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Fair Labor Standards Act, wages amounting to $644,545.66 and involving 15,440 employees; and

Whereas the proposed reorganization will greatly reduce the effectiveness of enforcing the minimum wage provisions of the Federal law in the New England area, and will result in hardship to employees and to conscientious employers within the Commonwealth: Therefore be it

Resolved, That the Senate of Massachusetts respectfully urges the Congress of the United States to take such action as may be necessary to keep the New England regional office of the Wage and Hour Division of the United States Department of Labor in the city of Boston, and a branch office of said Division in the city of Springfield; and be it further

Resolved, That copies of these resolutions be transmitted forthwith by the secretary of the Commonwealth to the President of the United States, the Secretary of Labor, to the Presiding Officer of each branch of the Congress, and to the Members thereof from this Commonwealth.

FLUORIDATION OF COMMUNITY WATER SUPPLY—RESOLUTION OF HOUSE OF DELEGATES OF MASSACHUSETTS DENTAL SOCIETY, BOSTON, MASS.

Mr. KENNEDY. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the house of delegates of the Massachusetts Dental Society, on the subject of fluoridation of community water supply.

There being no objection, the resolution was referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

RESOLUTION ADOPTED BY THE HOUSE OF DELEGATES OF THE MASSACHUSETTS DENTAL SOCIETY IN ANNUAL SESSION, MAY 5, 1953, RE FLUORIDATION OF COMMUNITY WATER SUPPLIES

Whereas the fluoridation of community water supplies has been demonstrated to reduce the incidence of dental decay among children by approximately two-thirds; and

Whereas the complete safety of fluoridation has been repeatedly demonstrated in extensive scientific research; and

Whereas fluoridation has been recommended and endorsed by all major national health organizations of the United States, including the American Dental Association, the American Medical Association, the National Research Council, the Association of State and Territorial Health Officers, and many others; and

Whereas certain individuals and groups whose motives are most difficult to understand have been attempting to delay and forestall the fluoridation of community water supplies through the spread of rumors and erroneous and misleading information: Be it therefore

Resolved, That the Massachusetts Dental Society, in session here today, hereby reaffirms its endorsement and approval of fluoridation of community water supplies and urges that fluoridation be adopted in all communities in the Commonwealth of Massachusetts as rapidly as local conditions will permit; and be it further

Resolved, That the Massachusetts Dental Society hereby go on record commending the excellent efforts of the local, State, and Federal departments of health for their enlightened efforts to make the benefits of fluoridation available to all children in all communities of the Commonwealth of Massachusetts; and be it further

Resolved, That a copy of this resolution be forwarded to the Honorable Christian A. Herter, Governor of the Commonwealth of Massachusetts; to Dr. Samuel B. Kirkwood, Commissioner of the Department of Public Health, Commonwealth of Massachusetts; to each Senator and Representative from Massachusetts serving in the Congress of the United States; to the Honorable Dwight D. Eisenhower, President of the United States; to the Honorable Oveta Culp Hobby, Secretary of the Department of Health, Education, and Welfare of the United States, and Dr. Leonard A. Scheele, Surgeon General of the United States Public Health Service.

At Boston, Mass., this 5th day of May A. D. 1953.

IVOR P. MUZZEY, D. M. D.,
President, Massachusetts Dental Society.

HAROLD E. TINGLEY, D. M. D.,
Secretary, Massachusetts Dental Society.

McCARRAN-WALTER IMMIGRATION AND NATIONALITY ACT—RESOLUTION OF PROTESTANT EPISCOPAL DIOCESE OF MASSACHUSETTS, BOSTON, MASS.

Mr. KENNEDY. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD a resolution adopted by the Protestant Episcopal diocese of Massachusetts, Boston, Mass., dealing with the McCarran-Walter Immigration and Nationality Act.

There being no objection, the resolution was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

THE PROTESTANT EPISCOPAL
DIOCESE OF MASSACHUSETTS,
Boston, May 18, 1953.

The Honorable JOHN F. KENNEDY,
The United States Senate,
Washington, D. C.

DEAR SENATOR KENNEDY: At the 168th annual convention of the Protestant Episcopal diocese of Massachusetts, held in Boston on May 6, 1953, the following resolution was passed, and I am pleased to transmit a copy to you:

"*Be it resolved*, That this convention of the Protestant Episcopal Church in the diocese of Massachusetts strongly endorses President Eisenhower's proposal that the injustices contained in the McCarran-Walter Immigration and Nationality Act be remedied, thereby reaffirming the position of the National Council of Churches of Christ in the United States of America and the Massachusetts Council of Churches, which called specifically for (1) a much more flexible quota system, (2) complete removal of all discriminatory provisions, (3) a system of fair hearings and appeals respecting issuance of visas and deportation proceedings, and (4) passage of emergency legislation to enable additional displaced persons and refugees to enter the United States; be it further

"*Resolved*, That copies of this resolution be sent to the Senators and Representatives in Congress from Massachusetts."

Faithfully yours,

PHILIP H. STAFFORD,
Secretary.

SUPPORT FOR UNITED NATIONS—RESOLUTION OF PROTESTANT EPISCOPAL DIOCESE OF MASSACHUSETTS, BOSTON, MASS.

Mr. KENNEDY. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD a resolution adopted by the Protestant Episcopal diocese of Massachusetts urging support of the United Nations.

There being no objection, the resolution was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

THE PROTESTANT EPISCOPAL
DIOCESE OF MASSACHUSETTS,
Boston, May 12, 1953.

The Honorable JOHN F. KENNEDY,
The United States Senate,
Washington, D. C.

DEAR SENATOR KENNEDY: At the 168th annual convention of the Protestant Episcopal diocese of Massachusetts, held in Boston on May 6, 1953, the following resolution was passed unanimously, and I am pleased to transmit a copy to you:

"Whereas some of our fellow citizens are urging the United States to withdraw from the United Nations Organization: Be it

"*Resolved*, That this convention of the Protestant Episcopal Church in the diocese of Massachusetts reaffirms its firm belief in the importance of the Government of the United States continuing to give its support to the United Nations Organization and to do everything in its power to make it stronger and more effective; be it further

"*Resolved*, That copies of this resolution be sent to the Secretary of State and the Senators and congressional Representatives from Massachusetts."

Faithfully yours,

PHILIP H. STAFFORD,
Secretary.

APPROPRIATIONS FOR TENNESSEE VALLEY AUTHORITY—RESOLUTION OF MINNESOTA RAILROAD AND WAREHOUSE COMMISSION, ST. PAUL, MINN.

Mr. HUMPHREY. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Minnesota Railroad and Warehouse Commission, in St. Paul, Minn., on June 8, 1953, relating to appropriations for the Tennessee Valley Authority.

There being no objection, the resolution was referred to the Committee on Appropriations, and ordered to be printed in the RECORD, as follows:

Whereas the Minnesota Railroad and Warehouse Commission has been advised by the Railroad and Public Utilities Commission of the State of Tennessee, that the Federal Budget Director has recommended a reduction of some $63 million in the $190,822,000 appropriation requested by the TVA for its 1954 appropriation, our commission wishes to join with the Railroad and Public Utilities Commission of Tennessee in urging that this curtailment in appropriations should not be concurred in by the Congress of the United States; and

Whereas it is a matter of record that this type of electric power was not available for the public throughout the rural area in the State of Tennessee and adjoining communities prior to the time the TVA authority was established; and

Whereas private power neglected for generations to provide this needed electric power; and

Whereas projects of this type have been financially sound and self-liquidating, it is our conviction that the matter of curtailing this appropriation is not in accord with the best interests of the general public and is not being considered on its merits but that it is rather a matter of a contest between private power and public power.

Therefore we desire to go on record, in accordance with the request of the Railroad and Public Utilities Commission of the State of Tennessee, urging that the appropriation

for the TVA for the fiscal year 1954 should not be curtailed.

Adopted in St. Paul, Minn., this 8th day of June 1953.

MINNESOTA RAILROAD AND WAREHOUSE COMMISSION,
PAUL A. RASMUSSEN, *Chairman.*
CLIFFORD C. PETERSON.

Commissioner Ewald W. Lund dissenting.

REPEAL OF FEDERAL ADMISSION TAX—RESOLUTIONS OF NORTH CENTRAL ALLIED INDEPENDENT THEATER OWNERS, INC., MINNEAPOLIS, MINN.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that two resolutions adopted at a recent convention of the North Central Allied Independent Theater Owners, Inc., held in Minneapolis, Minn., relating to the repeal of the 20 percent Federal admission tax be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

Whereas all Senators and Representatives from North and South Dakota, both Senators from Minnesota, and 7 of its 9 Congressmen have pledged themselves to fight and vote for repeal of the obnoxious and discriminatory 20 percent Federal admission tax and,

Whereas all Senators and Representatives in the Congress of the United States in this territory have shown full understanding of and great sympathy with the plight of the independent theater owners: Now, therefore, be it

Resolved by the North Central Allied Independent Theater Owners, Inc., and their guests from the ranks of distribution, in convention assembled in the city of Minneapolis this 5th day of May 1953, That the proper officers are hereby authorized and instructed to extend to these cooperating and understanding Senators and Representatives, the sincere thanks of the motion picture industry in this territory and call upon them to continue their good work until the fight is won, and that our particular gratitude be extended to JOHN BLATNIK, Eighth Minnesota District, HAROLD HAGEN, Ninth Minnesota District, ROY WIER, Third Minnesota District, and to any other Members of Congres who may have done likewise, for their sacrifice of time and showing of interest in making personal appearances in our behalf before the House Ways and Means Committee.

Whereas Minnesota Senator, EDWARD J. THYE, is Chairman of the United States Senate Small Business Committee, and Minnesota Senator, HUBERT H. HUMPHREY, is a member of that committee; and

Whereas both of these outstanding lawmakers have long taken a personal interest in the problems of the independent motion picture theater owners: Now, therefore, be it

Resolved by the North Central Allied Independent Theaters Owners, Inc., in convention assembled in the city of Minneapolis this 5th day of May 1953, That the President and Executive Counsel are hereby authorized and instructed to address Senators THYE and HUMPHREY, urging them to take personal interest in the work of the committee in connection with the problems of independent motion picture exhibitors and to do all in their power, by way of recommendation of suitable legislation or otherwise, to relieve the exhibitors of the onerous, oppressive and unlawful practices featured in the testimony before the committee.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CARLSON, from the Committee on Post Office and Civil Service:

S. 1684. A bill to facilitate civil-service appointment of persons who lost opportunity therefor because of service in the Armed Forces after June 30, 1950, and to provide certain benefits upon appointment; with amendments (Rept. No. 405).

By Mr. BUTLER of Maryland, from the Committee on the Judiciary:

S. 1237. A bill to amend the act of January 12, 1951, as amended, to continue in effect the provisions of title II of the First War Powers Act, 1941; without amendment (Rept. No. 407);

H. R. 2313. A bill to continue the effectiveness of the act of March 27, 1942, as extended, relating to the inspection and audit of plants, books, and records of defense contractors, for the duration of the national emergency proclaimed December 16, 1950, and 6 months thereafter; without amendment (Rept. No. 408); and

H. R. 3853. A bill to amend title 18, United States Code, entitled "Crimes and Criminal Procedure," with respect to continuing the effectiveness of certain statutory provisions until 6 months after the termination of the national emergency proclaimed by the President on December 16, 1950; with amendments (Rept. No. 409).

By Mr. CORDON, from the Committee on Interior and Insular Affairs:

S. 1901. A bill to provide for the jurisdiction of the United States over the submerged lands of the outer Continental Shelf, and to authorize the Secretary of the Interior to lease such lands for certain purposes; with amendments (Rept. No. 411).

By Mr. LANGER, from the Committee on the Judiciary, without amendment:

S. 144. A bill for the relief of the Cavalier County Fair Association (Rept. No. 413);

S. 296. A bill conferring United States citizenship posthumously upon Henry Litmanowitz (Litman) (Rept. No. 414);

S. 385. A bill for the relief of Anna Solenniani (Rept. No. 415);

S. 508. A bill for the relief of Alfred Theodor Ex (Rept. No. 416);

S. 559. A bill for the relief of Edward Joseph Wentforth (Rept. No. 417);

S. 561. A bill for the relief of Charles Chardon Brooks (Rept. No. 418);

S. 648. A bill for the relief of Damiano Mario Carmine Palusci (Rept. No. 419);

S. 722. A bill for the relief of Mary Bethe Hines (Rept. No. 420);

S. 1016. A bill for the relief of Josephine Schaitel (Rept. No. 421);

S. 1363. A bill for the relief of Eddie L. Bennett, Jr. (Joji Chitose) (Rept. No. 422);

S. 1366. A bill for the relief of Dr. Jose Montero (Rept. No. 423);

S. 1380. A bill for the relief of Simonella Evonne Magliulo (Rept. No. 424);

S. 1432. A bill for the relief of Peter Penovic, Milos Grahovac, and Nikola Maljkovic (Rept. No. 425);

S. 1443. A bill for the Jose Deang (Rept. No. 426);

S. 1467. A bill for the relief of Patrick Devine (Rept. No. 427);

S. 1659. A bill for the relief of Antony Timothe Fairchild (Ishida Makoto) and Marie Dolores Fairchild (Shimizu Reiko) (Rept. No. 428);

S. 1701. A bill for the relief of Paul Stanley Blow (Paul Stanley Matsumura) (Rept. No. 429);

S. 1705. A bill for the relief of William Lance McKinley (Biro Takedo) (Rept. No. 430);

S. 1758. A bill for the relief of Cathalina Purukawa (Rept. No. 431);

S. 1791. A bill for the relief of Leong Walk Hong (Rept. No. 432);

H. R. 2201. A bill for the relief of Constantinous Tzortzis (Rept. No. 433); and

H. R. 5238. A bill for the relief of Franciszek Jarecki (Rept. No. 434).

By Mr. LANGER, from the Committee on the Judiciary, with an amendment:

S. 381. A bill for the relief of Donald Grant (Rept. No. 435);

S. 551. A bill for the relief of Mamertas Cvirka and Mrs. Petronele Cvirka (Rept. No. 436);

S. 730. A bill for the relief of Winfried Kohls (Rept. No. 437); and

S. 973. A bill for the relief of Dr. Jawad Hedayaty (Rept. No. 438).

By Mr. LANGER, from the Committee on the Judiciary, with amendments:

S. 247. A bill for the relief of Frans Gunnick (Rept. No. 439).

AMENDMENT OF CONSTITUTION RELATING TO TREATIES AND EXECUTIVE AGREEMENTS — REPORT OF A COMMITTEE—MINORITY VIEWS—INDIVIDUAL VIEWS (REPT. NO. 412)

Mr. BUTLER of Maryland. Mr. President, from the Committee on the Judiciary, I report favorably with amendments, the joint resolution (S. J. Res. 1) proposing an amendment to the Constitution of the United States relative to the making of treaties and executive agreements, including the minority views of the Senator from Tennessee [Mr. KEFAUVER], the Senator from West Virginia [Mr. KILGORE], the Senator from Wisconsin [Mr. WILEY], and the Senator from Missouri [Mr. HENNINGS], and the individual views of the Senator from North Dakota [Mr. LANGER].

The VICE PRESIDENT. The report will be received, and printed, including the minority views and individual views, and the joint resolution will be placed on the calendar.

IMPORTATION OF FEED WHEAT FROM CANADA—REPORT OF A COMMITTEE (S. REPT. NO. 410)

Mr. AIKEN. Mr. President, from the Committee on Agriculture and Forestry, I desire to submit a report on the investigation of the importation of feed wheat from Canada. The investigation was based on a report which was made to the Congress by the Comptroller General last December, and which indicated that there had been violations of certain provisions of the law, possibly criminal vilations. The Committee on Agriculture has conducted an investigation and has held two or three hearings. I therefore submit the report on those hearings, as conducted to this time.

The VICE PRESIDENT. The report will be received, and printed.

GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS—REPORT OF A COMMITTEE

Mr. LANGER. Mr. President, from the Committee on the Judiciary, I report an original concurrent resolution, favoring the granting of the status of permanent residence to certain aliens, and I submit a report (No. 440) thereon.

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The VICE PRESIDENT. The report will be received, and the concurrent resolution will be placed on the calendar.

The concurrent resolution (S. Con. Res. 34) was placed on the calendar, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months:

V-909397, Abreu, Domingos Viegas.
A-7223134, Achtman, Marcel or Moses.
A-6522644, Akliros, Lucas George or Lukas Acliros or Lucas Liros.
A-5026239, Albers, Gustav Heinrich or Gustav H. Albers or Gustav Henry Albers or Gus Albrecht.
A-4323384, Alexandris, Stamatios Anthony.
0300-239323, Ali, George Hatim.
A-7450968, Ali, Osmuth or Asmal Uliah or Osmuth Uliah or Armenthat Eliuh and Asmath Ali.
A-7125193, Alimanesteanu, Ileana (nee Eremie).
A-4527972, Ambrosini, Vittorio.
T-2334466, Anthony, Wellington.
A-5680159, Antonopoulos, John G.
A-1964296, Anthony, Mario Ivanov or Martin Ivanov Antonov.
A-9214730, Antonsson, Valdemar Torsten or Valdemar Antonsson or Torsten Valdemar Antonessen.
A-6827824, Arar, Alexandra (nee Alexandra Nikelsberg).
A-8106208, Araujo, Antonio Jose or Antonio Jose De Araujo.
A-2477177, Arcos, Jesus Martinez-De.
0300-381164, Attin, Carol Diane or Carole Diani Attin.
A-9670832, Badr, Sharof Yousey or Sharof Youssef Badr.
A-7375511, Balanikas, Vasilia or Vasilia Valias (nee Fargani).
A-5813501, Baratta, Ennino or Pedro Gomez or Joseppe Bacchieri.
A-6469188, Barilla, Muriel Mavis (nee Baker).
A-6781680, Belanger, Marie Alice (nee Lecours).
A-4352084, Bereincua, Teresa Calderon De or Teresa Calderon-Cazares.
A-6203198, Bianchi, Ralph or Raffaele Bianchi.
A-7841447, Bibliowicz, David or David Bibiqwicz Szmuklarewicz.
A-4203497, Binder, John or Janos Binder or John Bender or Johann Binder.
A-5559324, Bonnesen, Mary Ann Catherine.
A-6378885, Bosch, Louis or Luis Bosch-Delgado.
A-6794722, Botermana, Karel Frans.
A-6780693, Bott, Shu-Ying (nee Shu-Ying Chen).
A-9764733, Bottiglieri, Luigi.
A-8189523, Bouchard, Miriam Ernestine.
A-4670147, Boulion, Raymond Perez.
A-2354351, Bourassa, Lydia Rose or Lydia Rose Lombardino.
A-3943923, Bowen, Sidney Henderson.
A-6635306, Braun, Mauritiu.
A-5827078, Breen, Michael.
A-6347451, Brown, Frances Norah.
0300-413772, Burgess, Mortimer Myrle or Bently Burgess.
A-7983303, Buttaro, Giuseppe.
0300-332710, Byndloss, Theopilus.
A-7073998, Canive, Mariano Ramirez or Juan Bilbao Canive.
A-8082822, Capasso, Michele.
A-1162321, Carlo, Antonio Di.
A-5963754, Carty, John Daniel.
A-7178182, Casada, Maria Bindi.
A-6877396, Castaneda-Cantu, Juan Andres.
A-6877397, Castaneda-Cantu, Marie Anita.
A-6919712, Castaneda-Navarro, Adolfo.
A-3951929, Castillo, Antonio Sinohui or Antonio Castillo-Sinohui or Tony Castillo or Jose Antonio Sinohui Castillo.
A-3512570, Catania, Salvatore.
A-3090411, Chaar, Hadj Ahmed.
A-8196795, Chen, Ah San (nee Ah San Yuen).
A-9655399, Cheong, Ching or Cheng Chong.
A-5013464, Chin, Sam.
A-3776007, Chin, Sam Sing.
A-9142421, Chong, Gee Ling or Cheung Cam.
A-6857588, Chow, Chung Hsiang or Chester H. Chow.
A-9777188, Christoforatos, Evangelos Angelos.
A-4747187, Christopher, Arthur Leopold.
T-555031, Christopher, Evelyn Rhymer.
A-4034720, Chu, Yee Goon.
A-9687823, Chui, Chau.
A-4056865, Chung, Won or Woon Chung or Chung Choy or Chung Wing.
A-7248055, Cik, Abraham.
A-7248056, Cik, Feiga (nee Davidovic).
A-1262700, Cilia, Carmelo or Charles Cilia.
A-5942949, Cirocki, Leon Stanley.
A-1347956, Clarke, Arthur Alexander.
A-4732616, Cochran, Sylvia Schanier.
0300-389038, Cockburn, Stanley Aloysius.
V-937783, Colachio, Matteo or Mattia Colachio.
A-8117576, Conceicao, Manuel Jose.
0300-410269, Cordero, Rita (nee Diaz or Soler).
A-6150237, Cordoso, Renee Szwarc de Magalhaez.
0300-400836, Cortes, Julia (nee Julia Muratte Verano).
A-8010637, Cotrina, Jose Rosell or Jose Ignacio Rosell Cotrina.
A-8117569, Crabbe, Ifield.
A-9703060, Davies, John Pryce.
0205-23233, Dennis, Cecil.
V-69352, Desousa, Miguel Alberto Simoes.
V-1327659, Diaz, Julio Del Valle Y.
A-8106918, Diaz, Zenaida (nee Leon).
T-1510110, Dickson, Leon Rulliford or Leon Aston Dickson.
A-6257329, Dodge, Henry or Heinz Deutsch.
A-6886719, Dominguez-Dominguez, Cruz.
A-9765066, Drazlovakis, Konstantina.
A-7957545, Duer, Sanda Banescu or Maria Alexandra Banescu.
A-4614903, Dunn, Sing or Shing Dunn or Wu Fun or Hong Wah.
A-1537893, Dvozenja, Joseph or Govan or Dvozenjoc or Joseph Dvozenvoz or Joe T. Duozenja.
A-5507399, Eggebrecht, Wilhelm or William Eggebreckt.
A-5449063, Eliassen, Edward.
A-7988217, Escallon, Santiago Gamba.
A-2776852, Esken, Maria Rocsi.
A-8189432, Esposito, Luigi.
T-339503, Esteso, Arturo Torrecilla.
A-7608938, Esther, Eva Darling.
A-1424587, Estwick, Joshua Reynold.
A-2312801, Evelyn, Louis Buchanan.
A-8057935, Fernandez, Gregorio Sandalio Villegas or Gregorio Sandalio Villegas y Fernandez or Gregorio Villegas Fernandez or Villegas Fernandez Gregorio Sandalio or Sawalio or Sandalio Fernandez.
A-8120962, Fernandez, Elsa Villegos or Elsa Eugenia Vilella Garcia or Elsa Eugenia Petrona Vilella y Garcia or Elsa Eugenia Vilella.
A-7445966, Fernandez, Maria Patria or Maria Patria Roges-Daffos.
0300-354207, Fernandez-Legra, Jorge Armando.
A-3851113, Ferrieri, Joseph or Guiseppe Ferrieri or Ferriere.
A-6834048, Fiorio, Dante de or Dante Virgilio-Omero de Fiorio.
A-3433149, Focareta, Gennaro or Gennaro Fogaretta.
A-4173509, Fong, Fook or Fong Fook.
A-9124885, Foo, Hing Ning or Hing Ming Foo or Hung Yan Foo.
A-3997686, Fook, Wong Bong or Bong Wong or Wong Zee Tin.
A-4822783, Frank, Mollie or Mollie Wechner or Wieczner.
A-5484693, Freeman, John Frederick or Joseph F. Freedman or Joseph F. Freeman.
A-6381536, Friedmann, Israel A.
A-6556349, Friedmann, Greta Dina.
0300-400098, Frisone, Orazio.
A-8190849, Fruciano, Guiseppe or Joseph Fruciano.
A-6958007, Gadekar, Shreekrishna Mannohan.
A-4556423, Galbreth, Mary Lou (nee Korn) or Maria Ender.
A-7809264, Garces, Virgilia or Virginia Pancorbo Navares De or Virgilia or Virginia Garces (nee Pancorbo Navares).
A-6860822, Garcia, Jesus Pena.
1409-14046, Garcia-Martinez, Juan.
A-2663360, Garcia-Torres, Gil or Gil Torres-Garcia or Gilberto Garcia.
A-9554769, Gardeslen, Roel Elfrith.
A-3619357, Gaudio, Nicola Simeone.
A-8258415, Gerald, Gladys Marion Fitz.
A-8258414, Gerald, Constance Dale.
A-8258413, Gerald, Richard Alexander.
A-8258412, Gerald, David Ross.
A-7279434, Gervino, Pasquale.
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A-6197802, Kemeny, Alice or Alice Grand (nee Alice Wahrmann).

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A-6065883, Khani, Vadjiheh D.
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A-5985599, Kugler, Erna.
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A-7828200, Lee Ok Cha (nee Ok Cha Kim).
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V-248184, Lemos, Aspasia Pandelis (nee Lignos).
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A-7755824, Loh, Mei Hung.
A-6061412, Loh, May E. (nee Hu).
A-8015263, Loman, Jervis Frank or Frank Loman.
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A-6491564, Lowy, Sara (nee Rosenberg).
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A-6206875, Chu, Daisy Wong or Hung Gee.
A-5684424, MacDonald, George.
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A-5928231, Tong, To.
A-5862020, Toot, Mary Isabel (nee MacDonnell).
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A-3062893, Fidelman, Sally.
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1400-21956, Silva-Martinez Rogelio.
T-1890643, Fong, Donald Dennis alias Ronald Dennis McLeod.
T-1134211, Fong, Stanley.
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A-7276662, Foster, Phaedra Evangelidou (nee Phaedra Athanasios Evangelidou).
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A-9209170, Hermo, Angel Sanisidro.
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V-890214, Howe, Christine.
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A-7858096, Jones, Audley Ivan.
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A-5595261, King, Frederick Oliver.
A-4265837, King, Yip Shu or Yip Lin.
0300-255473, Kishel, Simba alies Simba Roztein.

V-196362, Kittrell, Diana Patricia formerly Denese Jennifer Brown.
A-6916366, Khaddaj, Amer or Khaddage.
A-6916365, Khaddaj, Adla or Khaddage or Sana (nee Jadaon).
A-9094027, Kong, Lam For alias Lam Kwong.
A-9096509, Koon, Chow or Chow Kuen or Koon Chow.
A-7978716, Kow, Goon or George Yickson Goon alias Joseph Akow.
A-9078777, Kow, Yip or Kow Yip.
A-3518298, Kralovsky, John.
A-7112344, Labaubas, Arnulfo Ovejas.
0100-24612, Lalonde, Theresa Raymonde.
A-5107183, Lam Kenneth Y. or Lam Kan Yue.
A-7704425, Larkins, Millicent Alvira (nee Gumbs).
A-3685901, Lattaris, George Vellsaris.
T-2585505, Layton, Henrique.
T-1495402, Lee, Kwong Chuen.
A-6176312, Lee, Moses Harvey.
1700-4972, Lee, Soon Bok Woo.
A-3969381, Levy, Hilda Louise Trenfield.
A-7044040, Lekakos, Alexander or Alex or Lekos.
0801-17265, Lelebuck, Constantina Vasilios (nee Staicopoulou) (Kavafaki).
A-5643522, Lenffer, William Hinrich or Wilhelm Hinrich Lenffer.
A-2964368, Leonard, Elizabeth (nee Elizabeth Flanagan).
T-555013, Lettsome, Nydia.
T-555014, Lettsome, Oleavine Electa.
A-9237018, Lew, Far Choen.
A-7758818, Li, Anna Kwanyat.
T-2659496, Liang, Tzu Wen alias Stephen T. W. Liang.
A-6256078, Linares-Nunez, Roberto Eugenio.
A-4278851, List, Hannah Gunilla Dee (nee Aaltonen).
A-9782638, Lizasbet, Porfrio.
A-1021978, Lobus, Frits Voldemar.
T-1496112, Loe, Madeline.
A-4847015, Loeck, Emma Maria.
V-462503, Lopez, Noris alias Noris Altagracia Rodrigues Lopez (nee Noris Altagracia Rodriquez Morales).
1308-3715, Lopez-Campos, Miguel.
1308-4004, Lopez, Gregoria Magallanes de.
A-4195980, Louis, Cheung alias Louis Cheung alias Louis Car Cheung.
A-7463608, Lozada, Luz de Santos.
A-5928469, Lu, Shou Shu or Ru Hsia-Shu.
A-9631046, Luca, Vincenzo De.
1300-91588, Lucero, Aurora Grey.
1300-104600, Lucero, Manuel Pedro.
A-9070457, Lum, Dong Long alias Dong Lum Long or Tang Ah Lum.
0400/42180, Mair, Hugh Sterling.
0300/396793, Malau, Lambok alias Manik Bin Amat.
0300-344363, Manning, Henriette (nee Noel).
A-9803186, Manousos, Costas.
A-9801141, Mantagas, Ioanis Dimitrios.
A-3833841, Maratos, Anthony or Antonios.
T-2333305, Mar-Castan, Alberto.
A-3945750, Mark, Sulban alias Tuck Ming Mark.
A-6911936, Marcosis, Dionisios Demetreou.
A-7469743, Maroyan, Toros.
A-2262331, Martinez, Maria Antonia.
A-7983315, Martinez, Raul Abreu Y.
1300-112578, Martinez-Rodriguez, Salvador.
A-8189360, Mastin, Ida M.
1700-2321, Mataalii, Siniva.
T-1810134, Mataranga, Mikolaos.
A-9836150, McGeecham, George.
A-4729946, McKay, James.
0900-57408, McKayle, William.
V-321644, Meizoso, Jose Martinez alias Jose Martinez.
0804-6007, Mende, Thomas Julius.
A-7130517, Mendez-Acebedo, Guadalupe.
A-7429295, Messer, Heinrich.
A-6928296, Mikity, Dejan.
V-1190078, Millhollin, Renee Yvonne.
A-6311804, Miranda, Guadalupe Pena.
A-6207865, Miranda, Huvaldo.
A-6207864, Miranda, Carlos.
0400/45356, Moldt, Sabine Falkner.
A-8189667, Morehouse, Olli Sisko Regina Santamoinen.
A-2997452, Mota, Francisco Martins Da.
A-3654022, Montgomery, Marie Eugenia Blanche.
0300-410997, Morelli, Alberto or Albert.
T-2643805, Moreno, Tomas Hernandez.
A-5317956, Moriarty, Michael.
T-1496046, Mosquito, Marcelina.
0300-417859, Moustakas, John or Ioannis Matthew Moustakas.
V-270661, Moyano, Eusbbio Emilio or Eusebio Emilio Moyano-Junco.
A-6911173, Murayama, Eiko (nee Eiko Hayashida).
T-1510136, Murray, Jacob alias Jacob DeCosta Murray or George Turner.
A-9620115, Muyen, Christian Lambertus.
A-5399776, Myrmirides, George.
A-8190457, Nacinovich, Mario.
V-455604, Naser, Edward Selim.
A-7244607, Naus, Carlotta Clariza formerly Carlotta Clariza Medina.
T-2609542, Nevarez, Maria De La Luz Martinez De.
T-1495402, Nevel-Meneses, Raymond Salatiel.
T-1537515, Newhouse, George Arthur.
0300-390425, Ngoi, Woun or Ngr or Yuen Wuy.
A-9770924, Niforatos, Gerasimos.
A-8010491, Nlles, Eleazar Augustus alias Henry Hewitt.
A-6295750, Nolan, George Washington alias George William Nolan.
V-623073, Obando, Heriderto Quinde.
V-256125, Ojeda, Armando Vera.
V-1451100, Onofrio, Giovanni Luigi formerly Fontecchio.
0300-242702, Opperman, Ida (nee Ida Marta Woizeschke.)
0300-318418, Ormsey, William Augustus.
A-3209246, Osman, Abdel Rahim Selim.
A-7491279, Pai, Youngai alias Mary Alice Pai.
A-7991279, Palma, Angelo.
A-6239931, Pamuk, Ozhan Mehmet.
A-9180462, Papaioanou, Nicolaos.
A-4178139, Pappavasiliou, Athanasious alias Athanasious G. or George Pappavasiliou (Papavasiliou).
A-7483854, Parmenter, Gladys.
56245/127, Pathsasy, Francis.
0300-246132, Pathsasy, Sophie.
0300-341471, Patterson, Oreste Garcia.
A-7457098, Pau, Maria Lydia (nee Reyes).
A-7744616, Pei, Yu Tsung.
A-9184519, Pellakis, Michael or Michel Pellakis.
A-9246569, Pennant, Clarence Augustus.
V-321647, Perez, Julia Gonsalez, nee Julia Gonzales y Losada).
0300-362306, Peters, Rita Scott (nee Rita Eustacia Matthew) alias Rita E. Matthew Peters.
A-2580755, Phillipopoulos, Evangelo alias Angelo Phillips.
A-4458743, Phipps, Theophilus or James Phipps or Jimmy Phipps.
0300-327523, Pierre, Brigitte Jean.
A-3609118, Pinder, Cecil Samuel.
A-7419804, Pipe, Edward Henry.
V-251297, Pipe, Therese Mary.
A-7248025, Pirjas, Efrosini formerly Skalkou (nee Pabos).
A-7248026, Skalkou, Maria.
A-7415936, Polo-Olguin, Jesus.
A-4667702, Poon, Tsan Sing.
A-8259697, Quinones, Jose Luis alias Jose Luis Quinones y Zayas.
0300-413569, Quinones, Nellie alias Juana Nezida Sotomayor y Dias.
A-6001713, Radmore, Henry Thomas or William John Clark or Harry Walsh.
V-251327, Ramchandani, Kewalram D.
T-791601, Ramos-Ybarra, Jose Manuel alias Manuel Garcia.
A-5626789, Reinhard, Martin John.
A-4153859, Rio, Agustin Iglesias Y Del.
T-2760804, Rivera, Juan.
T-2760805, Rivera, Maria Luisa.
V-1448889, Roberts, Emma Cecilia Duenas De.
A-8017129, Robles-Garcia, Anacleto alias Armanda Del Bosque.
A-8017131, Robles, Romelia Del Bosque.
0300-94594, Robinson, Merton Seon or Frank Robinson or Merton Boyce.
A-8010475, Rodriguez, Esther Nellina.
0300-344396, Rodriguez, Florangel Valentina Martinez y alias Flora Martinez.
T-1537516, Rodriguez, Jose Maria or Juan Sanches-Perez alias Juan Alvarado Ramirez.
0707-6890, Rodriguez, Julio Contreras.
1100-22011, Romer, Albert George.
A-5940933, Rothschild, Sallie.
A-7886396, Rouse, Teresa Gerbino.
V-481337, Rouse, Frank James alias Salvatore Aliotta.
A-5686350, Rubin, Sophie (nee Florence Sophie Berman).
A-8010468, Rue, Jose Luis Ramon alias Joseph Luis Rue.
A-6093508, Runge, Max William Frederick.
A-4395802, Ruppert, Istvan.
A-4564500, Ruppert, Louisa (nee Apolt).
0300-339359, Ruutikaimen, Heimo Juko Jorma.
T-2235195, Rymer, Raymond Alvin.
A-9799304, Saclo, Bernardino Canares.
A-4158120, Salazar, Jesus Pasos.
A-5397174, Pasos, Alena Arivizu de.
A-7295760, Salazar, Porfirio Escamilla.
A-7357764, Salgado, Lorraine Giron.
A-7483290, Saludares, Antonia Bilong.
A-7190537, Salvatore, Francesca Teresa (nee Mancinelli).
T-344198, Samms, Caswell Leopold or Samuel Samma or Samuel Taylor.
A-8190565, Sang, Chung Tin alias William Chung.
A-7755812, San, Shih Tsung or Johnny Sang.
A-7278543, Santos, Rosario Lopez Dos (De Santos).
A-5226238, Savy, Regina (nee Jenny Regina Levy).
V-192396, Scala, Emidio Di.
A-8217233, Scamardella, Ciro.
A-5083536, Schaffer, George.
A-5719174, Schardt, Anna Margarethe.
V-772757, Schlegel, Irene Lina Elsie (nee Irene Lina Elsie Zimmermann).
A-4846265, Schultz, Julius.
T-483296, Scott, Lilla Elizabeth (nee Smith).
A-2995373, Seamoto, Binichi.
0500-37680, Segato, Luigi Sante.
0501-18257, Segato, Emma.
A-9503326, Seliste, Bruno.
A-3526800, Shao, Bing-Kun.
A-6439812, Shalhoub, Elias Namour.
0300-272214, Shalom, Nessim or Scialom.
0300-261016, Shafom, Hannah (nee Cohen)
A-8117930, Shatara, Olga Badra (nee Olga Badra).
A-5867098, Sheahan, Mary Kate.
A-4067865, Shee, Fung or Fung Nguk Hing or Fong Shee.
T-1495401, Sheng, Sing Shu-Heng.
A-7921702, Shew, Ann Bernice Soloway.
A-7575113, Shirato, Masa Aoyama.
A-7254814, Shoreta, Ceber.
0300-301339, Shoretz, Golda (nee Sworita).
A-6927296, Shroff, Phirose D.
A-6980089, Shroff, Elizabeth Iledan.
A-5414876, Simotao, Sanmatu or Sanmatsu Shimotao.
0300-357171, Simpson, Oliver.
A-9658292, Sing, Lum alias Lam Sing or Lam Shing or Lum Som.
A-9654594, Sing, Wong or Wong Sin.
1300-124241, Skantzos, Michael.
A-6866948, Skoff, Raimund Kurt or Raimund M.x Kurt Urban Skoff.
A-7388547, Skyers, Clarence Fitzrennie.
0300-304660, Slawitschek, Stephan Alexander alias Stephan Alexander Mader.
A-7099285, Smet, Herta Anna De
A-8021146, Smet, George De.
A-7142300, Som, Tom Po.
1500/66400, Soto, Rita.

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A-5617011, Stathopoulos, Nick.
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T-403959, Suliven, Matio Gamilit Junior alias Jose Jimmy Soliven.
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A-4432414, Tai, Ho.
A-2548480, Tai, Sang.
T-353641, Taitt, Mavis Adassa (nee Bailey).
A-6953281, Tan, Chi-Ming or Tan Chi Ming.
A-6881670, Tan, Hsing Chow or Bera Tan (nee Hsing Chow).
T-1495494, Tao, Pung Fai.
T-1495493, Tao, Pauline Luying.
A-9765518, Tapino, Vito Antonio.
A-6381293, Tau-Chao, Fan or Tau-Chao Fan.
A-6094781, Topacio, Gerardo Jose.
A-6094760, Topacio, Antonio Francisco.
A-6094614, Topacio, Magno Wilson.
V-1328075, Teres, Elda Isabel Eskinach.
A-5993495, Termentzis, Angelo.
A-2128539, Todd, James Cyril alias James C. Carter.
T-1773912, Todman, Clarena.
A-8106793, Todman, David.
A-5043011, Toivonen, Sigrid Maria.
1302-7186, Tom, Hong Yen alias Tom Yen.
A-8001750, Tomazos, Alfredos Stelios Adamantios or Alfredos Stelios Tomazos.
A-9543424, Tong, Ah, or Wu Ah Tong or Ah Tong Wu.
A-3495703, Trigo, Antonio.
A-1410924, Tsampis, James George.
A-9653810, Tse, Ysi Sang alias Yei Sang Tse alias Jse Yee Sing alias Tse Yee Sing.
A-7978942, Tsekouras, Pantelis Georgiou or George Tsekouras.
A-6685482, Tsien, Shou I.
PR-941307, Tsien, Chia-Wei.
0100-23925, Tsolakides, Harilaos Aristides alias Harry Duval.
0300-409185, Tuck, Chin.
0900/53308, Tucker, Bruno formerly Bruno Piero Cani.
A-6848113, Tung, Hsi Hsin alias Sik Sun Tung alias David Tung.
A-6877755, Tung, Vera I-Di (nee Glen).
A-7375509, Tyburczy, Cecile Marie (nee Cecile Marie Salach).
0300-238529, Ungar, Chaim alias Hyman Ungar.
A-9742788, Vaage, Hans Jakob Hansen or Hans Vage.
T-2182433, Vaeyens, Rachel Mostrey.
T-799379, Valdes, Raul Ambrosio or Oscar Perez.
A-3885072, Valmas, Nicholas M.
A-2292532, Vandertoll, Jan Jarich alias John J. Vandertoll.
1306-3597, Vasquez-Gonzales, Trinidad alias Jesus Vasquez Gonzales.
0300-328941, Vega, Ana nee Ana Zoyla Mandado Dias alias Anna Zoyla Mandado.
A-6450931, Vega, Fernando Amilcar alias Fernando Amilcar Vega Montana.
A-7921646, Velardocchia, Andrea.
A-3595335, Velasquez-Garcia, Jesus.
A-6066538, Villar, Arturo Mordoche alias Arturo Villar.
A-2870426, Vincent, Willias Edward.
A-5847108, Vralais, Demetrios Spiros.
55628/634, Vulgaris, Nicholas alias James Chase.
A-655078, Wah, Wong Shu.
A-2727592, Washimi, Shokichi.
V-921576, Weinholzer, Helmut Walter.
A-2789269, Whittaker, Donald D.
T-2585506, Williams, Ivan Augustus.
A-4136730, Williamson, Frederick Sullivan.
A-6043345, Wilson, Clarence Benjamin alias Sam Clarence Benjamin Wilson.
T-2783721, Winke, Angos or Angos Perez Macias.
0300-322440, Wisdom, Stanford Alexander.
A-3478218, Woldmer, Heiko or Henry.
A-7768375, Wong, Jah Sang Cynthia (nee Jah-Sang Yu).
A-4377435, Wong, Tze Chwan.
A-7372107, Wood, Byron alias Ivan Wood.
A-7609404, Wu, T. C. Sheng.
1503/5391, Ye, Chu Yee Hing or Hing Ye Yee or Yu Hong Yi Yung or Yee Shee.
0300-405109, Young, Michael or Michael Yugolow or Michael Yougtiogiau.
A-4296843, Young, Sing.
A-3930372, Yuen, Kwai or Yen Kin.
A-5276252, Zacevich, Anicento.
A-9668977, Zairis, Leonidas.
0500-39521, Zee, Tang Koei.
T-2333306, Zuniga, Zeonon Piata.
T-2333304, Alaniz-Gonzalez, Samuel.
A-1412097, Alibudin, Wahap Bin or "Jimmy."
T-370705, Alvarez, Juan or Juan Emilio Alvarez Y Blanco.
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A-4635948, Ambo, Toraichi.
A-6690307, Andasola, Ismael.
A-2880668, Andersen, Gustav.
A-5629625, Andersen, Marija Lilly (nee Mechberg) or Marija Lilly Ahlmann.
0300-328500, Anderson, Cecil or Ezra Anderson.
A-6040972, Antoine, Cecile Carmeleau or Cylotte.
A-2161293, Arita, George Jiro or Jiro Arita.
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T-1497443, Ayres, Encarna Vazquez.
T-1974895, Bajo, Rodriquez, Adrian.
A-7066391, Bakalas, George Costas.
A-8259692, Balzano, Michele or Mike Balzano.
V-1522239, Barba, Pacita T. (nee Pacita Nartatez).
A-7930393, Beaumont, Jane (nee Jane Spellman) or Jennis or Jane Spellman.
A-4018994, Beban, Mate.
A-7903108, Betti, Cecilia Maria.
A-2587063, Bettin, Avellino or Lino Bettin.
A-5003976, Birdsey, George David.
A-5618321, Borovich, Eli or Ely or Elija or Elija Borovich or Borovic.
A-1951753, Bouriotos, James or Demetrios Bouriotos.
A-7457072, Boutros, Youssef George.
A-3465762, Bowery, Mary (nee Brayanovich) formerly Brayan.
1600-91972, Brown, Robert Clinton.
T-2672507, Caceres, Juan.
A-7983112, Camporeale, Carmine.
A-8227690, Capitani, Atildo.
A-2705015, Cappelleri, Vincenzo.
T-2643820, Carbajal, Ricarda Martinez.
A-8091585, Carino, Virginia Ferrer or Mrs. Alejandro Carino (nee Ferrer).
A-8091586, Ferrer, Judy or Judy Carino.
A-6046348, Casas, Encarnacion.
A-7070683, Casas, Elena Payan de.
A-7132798, Cengotitabengoa, Maria Esther Gregoria.
T-2809510, Chan, Ah or Ow Chung.
T-1495490, Chan, Warren Mun or Mun Wong Chan.
0707-8264, Chanakos, Athanasia Louis or Elie Tsenecou.
A-6083868, Cheng, Tao-Sheng.
T-2585513, Chip, Jung Chung.
A-6674086, Chong, Jim Yew or Jung Jim Yew or Chu Yew Chong.
A-6673275, Chong, Bik Lin or Bik Lin Chuey or Choy Bak Lin or Mrs. Jung Jim Yew.
A-5769632, Chow, Chuck King or King Tsao.
A-2755130, Chu, Mi Lu or Chu Mi Lu.
A-9623640, Coe, Oscar.
A-7962047, Cortes-Arroyo, Jesus.
A-3237198, Cowie, James.
A-1328930, Crane, Rose or Rose Nathanson or Rose Morris.
A-7395379, Crowe, Young Soon Kim.
A-7270807, Daras, Andreas.
1000-21322, Davis, Helen.
A-2956522, Davis, Walter.
A-7745633, Delaquis, Camille Lilia Marie.
A-4558854, Dennhardt, Helmuth Erich or Henry Eric Denhardt.
A-7415740, Diamantis, Andrea Avelina (nee Andrea Avelina Diaz-Vazquez).
A-4846179, Diaz, Pedro.
A-2504474, Dontas, Nicholas John.
A-6397303, Dorantes, Alejandro.
A-7709690T, Dorsett, William Errick.
A-1272187, Drago, Pietro or Peter Drago.
T-1510094, Dumouchel, George Joseph.
A-7710113, Duncombe, Herbert James or James Duncombe or Harcourt Major.
1500/48446, Duran-Sigala, Pelipe.
A-3682364, Eng, Ye Yang or Ye Yan Eng.
A-7186419, Evazkhani, Akbar.
0500-41197, Felton, Evelyn Rose Dow.
A-1752702, Fishman, Sydney or Osias or Oscar or Arthur Kronenfeld.
A-7022547, Fond, Anne Margaret La.
A-2489535, Foo, Lum.
0300-400096, Fotinakis, Costas.
A-1866902, Furuta, Paul Takeo.
A-1866030, Furuta, Hisayo.
T-1495489, Gallegari, Domenico Giovanni.
T-2324327, Garcia, Micaela Eumelia (nee Micaela Eumelia Sainz De La Torre).
T-2182447, Garcia-Mendez, Roberto.
A-7224059, Garcia-Pantoja, Octavio.
A-3071496, Gates, Guadalupe Nodiega de or Guadalupe Noriega.
A-8021247, Gaviria, Luisa or Maria Luisa Castilla.
A-9671139, Gibertts-Leyva, Ramon or Ramon Leyva-Giberts.
A-6362223, Gill, Harry William Cyril.
A-6362216, Gill, Kathleen Rose.
A-6362217, Gill, Sheila Margaret.
A-6362220, Gill, Humphrey Graham.
V-1172422, Gomes, Silvino Vieira or Silvino Vieira.
V-424996, Gomes, Mercedes Vieira or Mercedes Vieira-Gomes.
V-424997, Gomes, Silvina Josefina Vieira or Silvina Josefina Vieira-Gomes or Silvina Vieira Gomes.
T-2809519, Gomez, Henry Valdes or Enrique Gomez.
A-6419585, Gonzales, Aniano Cruz y.
A-6385420, Gonzalez-Monfort, Julian Jose Hiran.
A-7054557, Gonzalez, Maria or Maria Gonzalez-Monfort or Maria De Los Angelos Leon.
A-7415754, Gonzalez-Saldana, Eleuterio.
A-6494138, Gosalves-Romero, Rosario.
A-4921290, Gouacide, Michael Florent.
A-7415864, Graham, Patrick or Patrick Lewis Graham.
T-2182612, Gray, Mrs. Bridget or Mrs. Kocher (nee Moore).
A-6677320, Grindeland, Stella Muriel (nee Proudlock).
0800-95662, Groves, Reginald Alexander.
A-5617750, Guastella, Francesco.
0300-276120, Guerrelo-Velasco, Alberto.
A-5831290, Guerrero-Toscano, Anastacio.
A-4204501, Guerrieri, Shirley (nee Shirley Goldman) or Shirley Schafran.
A-7013311, Schafran, Alan.
A-9769696, Guilberg, David Pritjof Sune or Sune Dave Guilberg.
A-3602318, Hall, Victoria Ruiz de.
8817/464, Harris, Melvia (nee Nolan).
A-4557911, Hartwig, Martin John or John Hartwig.

A-7078951, Hernandez, Jesus Labrade.
T-2760182, High, Mary Violet (nee Chow).
A-6204775, Higuera, Cristobal or Cristobal Higuera Hernandez.
A-7118461, Hines, Edward Frederick or Edward F. Hins.
A-6009272, Ho, Dorothy or Ho Ying Leong.
A-7371862, Hoff, Frank or Steigler.
A-6033472, Hoo, Kou-Chung.
A-5316816, Hudulin, John or John Korunich.
A-4925149, Hutchinson, Doris Elizabeth or Doris Elizabeth Hutchinson Brice.
A-7835193, Hwang, Cirila Casquite.
A-6034451, Ibanez-Tovar, Antero.
0300-412356, Islam, Facrik.
0501-19600, Jennick, Frank Deckers.
A-1523318, Joseph, Ahmad or Joseph Ahmad and Ahmad Abdallah Josef.
A-7127111, Kalantzis, Julia George (nee Julia John Taiteloni).
T-2783729, Kalin, Molly or Molly Medline.
A-3914805, Kan, Hong Yong or Hung Yung Kan or Al Young or Charley Young.
T-2305139, Karjus, August.
V-581842, Kassavetis, Ifigenia George (nee Coroneos).
T-1510113, Keen, Owen Leopold.
A-1752505, Keenan, Vera Sarah or Vera S. Keenan.
A-9765954, Kew, Lee or Lee Fook.
A-6170294, Khan, Mustapha Mohamed.
0300-412754, Koen, Lee or Li Kuan or Lee Sop.
A-9765669, Kolodziejcuk, Hieronin Henry.
A-3457910, Komisaroff-Kremer, Vera.
A-2317970, Kontos, Steve or Stavros Kontominos.
A-2077722, Kouvaras, Christos.
A-5878526, Kun, Mak Ying.
A-5378372, Larrance, Patricia Shaen (nee Hammersley).
A-9799789, Lauscher, Kurt.
T-2334460, Ledee, Joseph Emanuel.
A-9134170, Lee, John or Lee Yen.
A-4788941T, Lefas, Isidoros Demetrios.
0300-33120, Lefler, William C.
A-8227712, Leitao, Jose Franco.
0800-73267, Leitz, Mary Margaret.
A-7427619, Lembesis, Ioannis or John Lembesis.
A-2572761, Leotsakos, Michael Dimitrios.
A-4598006, Liakiardopoulos, Vasilios or Bill Likas or William Likas.
A-9708962, Lip, Chin or Chan.
A-5964920, Lopez, Juan.
A-8190019, Los, Gerard.
A-7203760, Lotito, Ilarione.
T-2760820, Loudaros, Nikitas John.
1209-10390, Luera-Sandoval, Cleofas Manuel or Manuel Luera Sandoval.
A-7351141, Maahs, Heini or Henry or Heinrich or Herman Maahs.
T-2783724, Maciel-Garcia, Antonion or Antonio M. Garcia.
A-4548611, Macpherson, Eric George.
T-1955057, Malagutti, Luciana Grace.
A-7092588, Manchan, Luke or Luke Fred Manchansingh.
A-7070305, Mandy, Norma Kathleen (nee Moore).
A-2838016, Mangione, Pietro.
A-7384783, Marcus, Hans.
A-6461430, Margolin, Efraim.
A-6447292, Marshall, Kenneth Renton or Kenneth Marshall.
A-6340934T, Martinez, Agustina Mariano or Severina Baoingan Mariano.
A-6686130, Martinez, Josephine Nellie Puentes de (nee Josefina Manuela Puentes).
A-7263752, Martinez, Matilde (nee Bravo) or Garcia.
T-109265, Mastrocola, Mario Vincent.
T-1497417, Masuda, Isao.
A-2924517, Maxwell, James or Fred Mortimer.
A-6886897, Meisels, Joseph.
A-1549047, Melian, Francisco Ramos or Frank Ramos.
V-315224, Mendoza, Ignacia Martinez-Barriecanal de.
1209-9365, Miller, Florence Mary (nee Laurin).
A-4433579, Miller, Harry Sam.
T-1497435, Mitailiotis, Nickolaus or Nick Preston or Nick Mitchell.
A-6976876, Mohn, Per Haakon or Pete Mohn.
1100-24407, Montelongo-Garza, Anacleto.
T-1510108, Montesantos, Constantinos or Gus.
1607-19815, Montes-Garza, Juan.
A-8082932, Mosquera, Melva or Melba (nee Oblitas-Pino).
A-7391988, Munoz, Gavino.
A-7391986, Munoz, Alejandro.
A-7391987, Munoz, Florencia.
A-7391985, Munoz, Antonio.
0800-93194, Murillo, Federico Ramirez.
A-3831898, Murphy, John Joseph.
A-3733866, Nagee, Ali Said.
A-6589744, Nalecz, Mieczyslaw or Mitchell Nalecz.
A-6563770, Natividad, Jesus.
A-8057299, Navarro-Moreno, Luis.
T-1497430, Nishi, Eikichi or Akiyoshi Yamaguchi.
A-4363383, Nizzi, Maria or Maria Amidei.
T-2760814, Ohashi, Taro.
T-2760815, Ohashi, Fusae.
T-2760816, Ohashi, Victor M.
T-2760817, Ohashi, Clara M.
A-7117182, Olveira, Jose Munez or Jose Munez.
T-1479857, Oppedisano, Angelo.
A-7033646, Ortega-Lujano, Luis.
A-6922686, Ostreicher, Samuel or Fojtech or Vejtech Weinstein.
A-7424126, Ostreicher, Rozalia or Razalia Weinstein (nee Weiss).
0800-43320, Oztekin, Muammer Ahmet.
A-7112463, Paldomino-Escobar, Seferino or Alfonso Arriaga-Campos or Roverto Gonzalez.
PR-949584, Pan, Li-Chi.
A-7394778, Pan, Lucy S.
A-7782888, Pao-Ching, Sunn or Pao-Ching Sunn.
A-3432349, Papp, Nick.
A-4570715, Peltola, Jaakko Ilmari.
A-6851362, Peng, David Kwanghua.
A-9729035, Pepe, Jose or Joe Pepe.
A-7962166, Perez, Olga (nee Olga Meyer).
A-8017165, Perez-Perez, Luis.
A-5489890, Perla, Filomena Angelini.
A-7733715, Pian, Theodore Hsueh-Huang.
0704-4614, Pietro, Amelia Tammetta Santi Di.
0704-5159, Pietro, Fernanda Santi Di.
A-7079716, Pini, John Athos.
A-1612771, Pirovolos, Kostos or Constantinos.
T-2659472, Pokropowicz, Maria Exposito Pelayo.
A-7780164, Puccinelli, Samuel.
A-2104721, Quaranta, Francesco.
T-2182441, Ramirez, Gregoria Villarreal De.
T-2162506, Raimrez-Rodriguez, Martin.
A-5912975, Rebelo, Antonio Dos Santos or Antonio Rebelo.
A-7445940, Regino-Mendoza, Epifanio.
A-7962062, Reinisch, Simon.
T-555960, Rhymer, Rufus Alvin.
T-2334461, Rhymer, Leslie Lorenzo.
T-2334464, Richardson, Ruel Wilfred.
A-4727813, Riedl, Christian.
A-5594951, Robertson, Lorayne (Loraine) Neilson.
A-4095701, Robus, Charles John.
A-6066942, Rodriguez, Augustin Gomez.
T-1506025, Rodriguez-Rodriguez, Juan.
T-1719381, Rosales, Francisca Del Carmen Galvez Rodriguez.
V-1269005, Roth, Clara.
A-4669645, Ruschak, John.
T-93172, Salvemini, Vito.
T-2760199, Sang, Wong Chan Lai.
T-2760331, On, Ernest Wong Yuen.
A-4232931, Santos, Apolonio Eligio or Alberto Eligio Santos.
V-91619, Sassouni, Armen.
0800-82635, Sauro, Guerrino or Warren Sauro.
A-6769411, Sauve, Howard James or Dale James Sauve.
A-5518906, Seltzer, Abe.
A-7031739, Seltzer, Laura.
A-5518947, Seltzer, Ray.
A-7031806, Seltzer, Shirley Celia or Shirley Cilia Seltzer.
A-4548933, Shao, Chu Kao.
A-8310344, Shao, Huan Wen Lee or Huan Wen Lee or Hen-Wen Lee or Mary Lee.
A-3633709, Shee, Jeung (nee Jeung Klu).
A-7036141, Sherrod, Dorothy Allene.
T-2760838, Shong, Ng Lee or Ng Kim Yat.
A-1357121, Siemensma, Thiemotheus.
A-5456861, Simulevics, Fruze or Fruze Rupeks or Ulozas.
T-1495410, Singh, Partop.
A-8217151, Sitbon, Jeanne D'Arc.
A-3056555, Slobodnik, Vasil or William.
A-2630172, Smart, James Allen.
A-5895355, Smyk, Ann Violet.
1500/41442, Solis-Rios, Felipe.
V-1273204, Sonnekalb, Ingrid.
A-6593089, Sperber, Jose Rodriguez.
A-6944236, Staggs, Lucie Marie.
A-6944237, Staggs, May Estelle.
A-7915071, Stemmer, Emanuel or Emanuel Mendel Stemmer.
A-2748926, Stoia, Joseph.
A-4534548, Sullivan, John or John O'Sullivan.
A-6591058, Sutherland, Maida Alethea.
T-2783730, Talavera-Torres, Victor.
A-7962057, Tam, Piu Chiu or Tam Pui Chiu.
36777-2-3, Tam, Foong Sui or Chow Foong Siu.
36777-2-4, Tom, Eugene or Eugene Tan and Tam Chen Tsien or Chen Tsien Tam.
A-5621827, Tambakis, Panagiotis or Peter Tambakis or Peter Tamvakis.
A-8258585, Terry, Blas Celerino.
T-2334465, Thompson, Samuel Melvin.
A-8259705, Tjong, Rudy or Harry Chang or Eugene Haw.
A-2038816, Tobias, Leford.
T-2626333, Tolentino-Beltran, Jesus.
A-1677929, Torrealba, Juan or Juan Rafael Torrealba Carvacho.
A-1698952, Toscano, Antonio.
A-6064023, Tovar-Cantu, Florencio.
T-2626319, Tovar, Simona Gamboa De.
T-395202, Triana, Leydia Irene Diaz De.
T-714773, Quintana, Jose Pedro Triana y.
A-8091952, Uribe-Santiago, Jesus or Jesus Uribe.
T-2626375, Urrutia-Ayesa, Estilita or Estilita Canas.
A-5187309, Valenzuela, Rebecca Trejo de.
A-7469261, Valladares-Medrano, Alvaro.
1500/35906, Vasquez, Maria De Jesus Roman De.
A-1877637T, Vloten, Gertrude Van or Quesada (nee Junska).
A-9153566, Wah, Chong or Cheung Wah Chow.
A-4395584, Walsh, Charles Rudolph.
A-7438933, Walsh, Sighlit Georgia Helga or Sighlit Georgia Helga Wilke.
A-4647745, Ward, Michael or Eric Michael Ward or Michael Eric Ward.
A-5274295, Ward, Edith (nee Fritz) or Cavins.
V-614473, Watkins, Mary Carmen (nee Mary Carmen Dean) or Mary Dean Schwartz.
A-8258777, Webster, Frank Victor.
A-7292474, Williams, Aubrey George.
T-1892717, Wilson, Winston Minter or Clarence Wilson.
A-6878024, Wolf, George or Georg Wolf.
A-7079713, Wong, Henry Sam.
T-1333561, Woodcock, Karin.
A-6848665, Wu, Chung.
A-6379911, Wu, Helen Lu-Chen.
A-2370924, Wu, Kwang Tsing.
A-6982878, Yue, Nadine Jean (nee Nadine Jean Li).
A-6982878, Yue, Wen-Yao.
A-2567172, Yuen, Koon Shau or Koon Sham Yuen.
A-7145751, Zacarias, Perfecto.
A-7188092, Zacarias, Maria De Jesus Urena De.
1400-19555, Zaragosa-Parada, Francisco.
1400-19554, Zaragosa, Jesus Preciado de.
1400-19556, Zaragosa-Preciado, Guadalupe.
1400-19553, Zaragosa-Preciado, Juan.

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1400–19557, Zaragosa-Preciado, Carmen.
A–9670685, Dardamanis, Dimitrios.
A–6851619, Chang, Ching Chieh.
A–7118671, Chang, Hsien Wei.
A–6095030, Raymond, Leslie or Leslie Roteman.

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. CARLSON, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation two lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon pursuant to law.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WILEY:

S. 2126. A bill to further amend the Mutual Security Act of 1951, as amended, and for other purposes (Rept. No. 403).

(Under authority of the order of the Senate of June 11, 1953, Mr. WILEY, on June 13, 1953, from the Committee on Foreign Relations, reported the above bill, and it was subsequently read twice by its title, and referred to the Committee on Armed Services.)

By Mr. KENNEDY:

S. 2129. A bill for the relief of Romana Michelina Sereni; and

S. 2130. A bill for the relief of Simonella Evonne Magliulo (Christa Inga Magliulo); to the Committee on the Judiciary.

By Mr. KENNEDY (by request):

S. 2131. A bill for the relief of Francesco Carosi (Lorenzo Santini);

S. 2132. A bill for the relief of Lee You; and

S. 2133. A bill for the relief of Salvatore D'Amico; to the Committee on the Judiciary.

By Mr. SMITH of New Jersey:

S. 2134. A bill for the relief of Nicolo Hroncich; to the Committee on the Judiciary.

By Mr. CHAVEZ:

S. 2135. A bill for the relief of Fernando A. Rubio, Jr.; and

S. 2136. A bill for the relief of Sam H. Ray; to the Committee on the Judiciary.

By Mr. WELKER (for himself, Mr. YOUNG, Mr. LANGER, Mr. DWORSHAK, Mr. ANDERSON, Mr. JENNER, Mr. WATKINS, Mr. BUTLER of Maryland, Mr. WILLIAMS, and Mr. MARTIN):

S. 2137. A bill to prohibit the blending of wheat imported as unfit for human consumption with wheat suitable for human consumption; to the Committee on the Judiciary.

(See the remarks of Mr. WELKER when he introduced the above bill, which appear under a separate heading.)

By Mr. KEFAUVER (for himself, Mr. HENNINGS, Mr. MURRAY, Mr. DOUGLAS, Mr. GILLETTE, Mr. GREEN, Mr. MORSE, Mr. HILL, Mr. SPARKMAN, Mr. HUMPHREY, and Mr. LEHMAN):

S. 2138. A bill to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, to repeal certain provisions of the Trade Agreements Extension Act of 1951, and for other purposes; to the Committee on Finance.

(See the remarks of Mr. KEFAUVER when he introduced the above bill, which appear under a separate heading.)

By Mr. WILEY:

S. 2139. A bill to provide for the issuance of a special series of postage stamps in commemoration of the life and works of Dr. Lyman Copeland Draper; to the Committee on Post Office and Civil Service.

By Mr. MALONE:

S. 2140. A bill to reduce the individual income tax; to the Committee on Finance.

(See the remarks of Mr. MALONE when he introduced the above bill, which appear under a separate heading.)

By Mr. LANGER:

S. J. Res. 89. Joint resolution to prohibit the detonation of atomic bombs or nuclear devices or weapons within the United States; to the Joint Committee on Atomic Energy.

BLENDING OF IMPORTED WHEAT UNFIT FOR HUMAN CONSUMPTION WITH WHEAT SUITABLE FOR HUMAN CONSUMPTION

Mr. WELKER. Mr. President, recently the Subcommittee To Improve the Criminal Procedure, of the Committee on the Judiciary, held hearings with respect to the importation of Canadian wheat unfit for human consumption. I introduce for appropriate reference a bill which is sponsored by myself, the junior Senator from North Dakota [Mr. YOUNG], the senior Senator from North Dakota [Mr. LANGER], my colleague, the senior Senator from Idaho [Mr. DWORSHAK], the Senator from New Mexico [Mr. ANDERSON], the Senator from Indiana [Mr. JENNER], the Senator from Utah [Mr. WATKINS], the Senator from Maryland [Mr. BUTLER], the Senator from Delaware [Mr. WILLIAMS], and the Senator from Pennsylvania [Mr. MARTIN]. The bill would prohibit the blending of imported wheat unfit for human consumption with wheat suitable for human consumption.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 2137) to prohibit the blending of wheat imported as unfit for human consumption with wheat suitable for human consumption, introduced by Mr. WELKER (for himself and other Senators), was received, read twice by its title, and referred to the Committee on the Judiciary.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

Mr. KEFAUVER. Mr. President, I ask unanimous consent to proceed for about 5 minutes in a discussion of a bill which I am introducing today.

The PRESIDING OFFICER. Without objection, the Senator may proceed.

Mr. KEFAUVER. Mr. President, on behalf of the Senator from Missouri [Mr. HENNINGS], the Senator from Montana [Mr. MURRAY], the Senator from Illinois [Mr. DOUGLAS], the Senator from Iowa [Mr. GILLETTE], the Senator from Rhode Island [Mr. GREEN], the Senator from Oregon [Mr. MORSE], the senior Senator from Alabama [Mr. HILL], the junior Senator from Alabama [Mr. SPARKMAN], the Senator from Minnesota [Mr. HUMPHREY], the Senator from New York [Mr. LEHMAN], and myself, I am today introducing proposed legislation to extend the Reciprocal Trade Agreements Act.

When the House adopts the reciprocal trade bill and it comes over to the Senate, I shall propose the substitution of this legislation. I am introducing it now so that it can be printed and Senators can be considering it.

Mr. President, I consider this one of the most important pieces of legislation with which I have been associated during this entire session.

Unless this Nation does something to revive its foreign trade we shall suffer economic reverses at home and our allies and friends abroad will suffer even worse reverses.

We have been talking about trade, not aid, but unless we do something positive soon, we shall have neither.

Mr. President, I want to mention a situation with which I happen to be familiar because it involves two important agricultural products from my own State.

One of these is cotton. For the current marketing year, which ends on July 31, cotton exports will be 3½ million bales. This is a 2-million-bale decline from the marketing year which ended last July 31. It is 1 million bales below the 5-year postwar average.

Another important crop in my own State is tobacco. Exports of tobacco are down 25 percent. Mr. President, I mention these just as examples and because I happen to be very familiar with them because of their importance to my own State. However, what I have said about them is true, in differing degrees, of many agricultural and manufactured products.

Farm exports in 1952 fell 15 percent in annual value—from $4,040,000,000 in 1951 to $3,425,000,000. Wheat is down 6 percent. Dairy products are down nearly 50 percent.

Comparing last year with 1951, let me mention declines in exports in various manufactured products.

Synthetic fibers and manufactures are down 9 percent.

Coal and related products are down 16 percent.

Automobiles and related products are down 16 percent. I might mention parenthetically that this condition is not even good for General Motors, and therefore certainly cannot be good for the country.

Chemicals and related products are down 16 percent.

Office machines and parts are down 25 percent.

Cotton manufactures are down 20 percent.

Wood and paper are down 16 percent.

Foreign trade, of course, is a tremendously complicated problem—so many factors are involved. Last February the Public Advisory Board for Mutual Security, composed of business, labor, farm, and public leaders, reported to the President that debtor nations simply cannot repay the United States, as creditor, unless tariffs are lowered and simplified.

The fact is that the nations with which we usually trade simply do not have the dollars to buy our goods, and will not get them unless we buy from them in return, and simplify our tariff structure to the point where it will be possible for us to do so.

Cotton is again a good example. European spinners are buying cotton on a day-by-day basis, because they do not have the funds to stock it. That this condition is rather general is indicated by a study by the United Nations Economic Commission for Europe which re-

ports that "deterioration of Europe's position in the world economy has been far greater than was appreciated when postwar recovery plans were established" and that "this deterioration has been progressive."

I certainly do not wish to represent the bill that we are introducing today as a solution to this problem. It will not solve it. It will simply help. It is a step in the right direction.

The philosophy which I have followed in drafting this bill is to return the reciprocal-trade program, insofar as possible, to the spirit of Cordell Hull. The spirit of this program when Mr. Hull left it was one to encourage foreign trade. Through the years, with the adoption of one after another crippling amendment, it has lost that spirit.

There is nothing revolutionary about this proposal. I am placing in the RECORD a technical explanation of the bill and also an examination of the negotiating authority that would be left in the reciprocal-trade program under this proposal.

I hope that Senators will examine these provisions. They will see that there is in this proposal nothing that will add hardships to domestic manufacturers.

In closing, I will say that the proposed legislation is not inconsistent with President Eisenhower's proposals. He has asked for another study of foreign trade. Let the study proceed. I am for it. But while it is proceeding, let us do what we can to revive that trade. Let us not increase the problem while waiting for the results of the study.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD following my remarks a section-by-section analysis of the bill; and following that, to have printed in the RECORD a statement entitled "An Examination of Experience Under the Reciprocal Trade Agreements and Negotiating Authority That Will Be Possible Under My Proposal."

A return to the Reciprocal Trade Agreements Act would be possible under my proposal.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS OF SENATOR KEFAUVER'S TRADE-AGREEMENTS BILL

The first section gives the act a short title, viz: "Trade Agreements Extension Act of 1953."

Section 2: This section extends the authority of the President to enter into foreign-trade agreements for a further period of 3 years from June 12, 1953.

Section 3: This section repeals sections 3 and 4 of the Trade Agreements Extension Act of 1951, which embody the so-called peril-point provisions.

Section 4: This section supplements the repeal of the peril-point provisions by restoring language of the original Trade Agreements Act requiring the President, before concluding an agreement, to seek information and advice with respect thereto from the United States Tariff Commission, among others.

Section 5: This section provides that subsection (b) of section 516 of the Tariff Act of 1930 (which enables an American manufacturer to protest customs rates and classifications) shall not apply with respect to any article of a class or kind covered by a foreign-trade agreement. This provision was in the original Trade Agreements Act but was eliminated in the Trade Agreements Extension Act of 1951.

Section 6: This section authorizes the President to suspend the application of section 5 or section 11 of the Trade Agreements Extension Act of 1951 in the case of any country, when he finds that such action will contribute to the establishment of international goodwill or promote the cause of world peace. Section 5 of the Trade Agreements Extension Act of 1951 permits the President to withhold concessions in any trade agreement from imports from the Union of Soviet Socialist Republics and imports from any nation or area dominated or controlled by the foreign government or foreign organization controlling the world Communist movement. Section 11 of that act requires the President to take such measures as may be necessary to prevent the importation of a long list of furs, dressed or undressed, which are the product of the Union of Soviet Socialist Republics or Communist China.

AN EXAMINATION OF EXPERIENCE UNDER THE RECIPROCAL TRADE AGREEMENTS AND NEGOTIATING AUTHORITY THAT WILL BE POSSIBLE UNDER MY PROPOSAL

The original Trade Agreements Act was passed in 1934. It has since been renewed seven times.

The authority conferred on the President is subject to certain basic limitations: No duty can be decreased or increased by more than 50 percent; no article may be transferred between the dutiable and the free list; the serious injury concept is included in both the peril point and escape clause provisions; the act is not permanent legislation, and must be renewed, and thus reviewed periodically.

In the period from 1934 to 1947, when the GATT was negotiated, the United States entered into 29 bilateral agreements. In 1947, agreements were in effect with the following 27 countries: Argentina, Belgium, Brazil, Canada, Colombia, Costa Rica, Cuba, Ecuador, El Salvador, Finland, France, Guatemala, Haiti, Honduras, Iceland, Iran, Luxembourg, Mexico, the Netherlands, Paraguay, Peru, Sweden, Switzerland, Turkey, the United Kingdom, Uruguay, and Venezuela. Agreements with Czechoslovakia and Nicaragua were not in effect. The effective agreements involved, on a 1939 basis, reduction or binding of rates of duty on almost 70 percent of dutiable imports.

The 1945 renewal imposed the 50-percent limitation on rates in effect in 1945, rather than on the basis of 1934 rates. This permitted further rate reductions, the exact amount being in each case dependent on what had previously been done on a specific rate.

In 1947, the GATT was negotiated with 22 other countries. When the GATT was enlarged at the Annecy negotiations in 1949 and the Torquay negotiations in 1951, it came to include 34 contracting parties. Of these, 13 of the most important out of the 27 bilateral agreements in effect in 1947 were terminated or suspended when the GATT went into effect. Most of our trade agreements are thus incorporated into GATT.

The effects of our trade negotiations are partially shown by the reduction in ad valorem equivalent of United States duties on dutiable imports from 25.8 percent in 1934 to 13.3 percent in 1951. Averages are misleading, however, since high tariffs exclude imports, and since these averages are based on imports. There are, for example, 492 rates in our tariff which still exceed 50 percent ad valorem. These imports, perhaps mostly because of these high rates, account for only 2 percent of our total dutiable imports (1949 figure).

Given the 50-percent limitation and the negotiations which have already taken place, the following table indicates the negotiating scope still left to the United States without regard to the peril point or escape-clause provisions:

Tariff schedule	United States dutiable imports, 1949	Reduction in rates from Jan. 1, 1945, to Aug. 1, 1951	Remaining reduction authority
	Thousands	*Percent*	*Percent*
1. Chemicals, oils, and paints	$78,451	34	16
2. Earths, earthenware, and glassware	59,461	32	18
3. Metals and manufactures of	338,414	28	22
4. Wood and manufactures of	97,551	38	12
5. Sugar, molasses, and manufactures of	345,179	31	19
6. Tobacco and manufactures of	75,337	41	9
7. Agricultural products and provisions	484,893	22	28
8. Spirits, wines, and other beverages	89,560	55	6
9. Cotton manufactures	22,649	22	28
10. Flax, hemp, jute, and manufactures of	141,755	42	8
11. Wool and manufactures of	234,209	25	25
12. Silk manufactures	21,477	44	6
13. Manufactures of rayon or other textile synthetic	7,233	44	6
14. Papers and books	21,200	35	15
15. Sundries	223,359	21	29
Free list taxable	454,419	0.5	49.5

Although the remaining reduction authority as shown in the table, for some categories of goods, seems still to have some scope, experts have expressed the view that not a great deal of negotiating room remains. The principal area for a new agreement having a substantial effect on United States rates is apparently with Japan. The averages given in the table do not necessarily represent an accurate picture of bargaining scope: (1) Many individual rates have been lowered more than the average for the category in which that rate is included might show; and (2) in the nature of things, it is those individual rates which attach to articles of primary interest to the foreign exporter which will have been negotiated already to a point below the category average. Thus, the more important the item to the exporting country, the more likely (in the absence of a serious injury finding) it is to be already at a rate less than the average.

Mr. KEFAUVER. Mr. President, I introduce for appropriate reference the bill which I have been describing, and ask that it be printed at this point in the RECORD. It is very brief.

There being no objection the bill (S. 2138) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, to repeal certain provisions of the Trade Agreements Extension Act of 1951, and for other purposes, introduced by Mr. KEFAUVER, for himself and other Senators, was read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act may be cited as the "Trade Agreements Extension Act of 1953."

SEC. 2. The period during which the President is authorized to enter into foreign-trade

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agreements under section 350 of the Tariff Act of 1930, as amended and extended (19 U. S. C., sec. 1351), is hereby extended for a further period of 3 years from June 12, 1953.

SEC. 3. Sections 3 and 4 of the Trade Agreements Extension Act of 1951, approved June 16, 1951, are hereby repealed.

SEC. 4. Section 4 of the act entitled "An act to amend the Tariff Act of 1930," approved June 12, 1934, as amended (19 U. S. C., sec. 1354), is hereby amended by striking out the matter following the semicolon and inserting in lieu thereof the following: "and before concluding such agreement the President shall seek information and advice with respect thereto from the United States Tariff Commission, the Departments of State, Agriculture, Commerce, and Defense, and from such other sources as he may deem appropriate."

SEC. 5. The provisions of subsection (b) of section 516 of the Tariff Act of 1930, as amended (19 U. S. C., sec. 1516), shall not apply with respect to any article of a class or kind which is named or described in any obligation undertaken by the United States in a foreign-trade agreement entered into under section 350 of the Tariff Act of 1930 (19 U. S. C., sec. 1351).

SEC. 6. The President is authorized to suspend the application of section 5 or section 11 of the Trade Agreements Extension Act of 1951 in the case of any country, when he finds that such action will contribute to the establishment of international good will or promote the cause of world peace.

NOTICE OF HEARING ON NOMINATION OF JAMES L. GUILMARTIN TO BE UNITED STATES ATTORNEY, SOUTHERN DISTRICT OF FLORIDA

Mr. LANGER. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Thursday, June 18, 1953, at 10 a. m., in room 424, Senate Office Building, upon the nomination of James L. Guilmartin, of Florida, to be United States attorney for the southern district of Florida, vice Herbert S. Phillips, retired. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of myself, chairman, the Senator from New Jersey [Mr. HENDRICKSON], and the Senator from Tennessee [Mr. KEFAUVER].

NOTICE OF HEARING ON NOMINATION OF ARTHUR WILBUR CROCKER TO BE ASSISTANT COMMISSIONER OF PATENTS

Mr. LANGER. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, June 23, 1953, at 10 a. m., in room 424, Senate Office Building, upon the nomination of Arthur Wilbur Crocker, of Maryland, for the position of Assistant Commissioner of Patents. At the indicated time and place all such persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of myself, chairman, the Senator from New Jersey [Mr. HENDRICKSON], and the Senator from Tennessee [Mr. KEFAUVER].

NOTICE OF HEARING ON NOMINATION OF NOGI A. ASP TO BE EXAMINER IN CHIEF OF THE PATENT OFFICE

Mr. LANGER. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, June 23, 1953, at 10 a. m., in room 424, Senate Office Building, upon the nomination of Nogi A. Asp, of Washington, as Examiner in Chief of the Patent Office. At the indicated time and place all such persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of myself, chairman, the Senator from New Jersey [Mr. HENDRICKSON], and the Senator from Tennessee [Mr. KEFAUVER].

NOTICE OF HEARING ON NOMINATION OF WILLIAM COZART CALHOUN TO BE UNITED STATES ATTORNEY, SOUTHERN DISTRICT OF GEORGIA

Mr. LANGER. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, June 23, 1953, at 10 a. m., in room 424, Senate Office Building, upon the nomination of William Cozart Calhoun, of Georgia, to be United States attorney for the southern district of Georgia. At the indicated time and place all such persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of myself, chairman, the Senator from New Jersey [Mr. HENDRICKSON], and the Senator from Tennessee [Mr. KEFAUVER].

NOTICE OF HEARING ON NOMINATION OF EDWIN R. DENNEY TO BE UNITED STATES ATTORNEY, EASTERN DISTRICT OF KENTUCKY

Mr. LANGER. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, June 23, 1953, at 10 a. m., in room 424, Senate Office Building, upon the nomination of Edwin R. Denney, of Kentucky, to be United States attorney for the eastern district of Kentucky, vice Claude P. Stephens, term expired. At the indicated time and place all such persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of myself, chairman, the Senator from New Jersey [Mr. HENDRICKSON], and the Senator from Tennessee [Mr. KEFAUVER].

NOTICE OF HEARING ON NOMINATION OF WILLIAM F. TOMPKINS TO BE UNITED STATES ATTORNEY, DISTRICT OF NEW JERSEY

Mr. LANGER. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, June 23, 1953, at 10 a. m., in room 424, Senate Office Building, upon the nomination of William F. Tompkins, of New Jersey, to be United States attorney for the district of New Jersey, vice Grover C. Richman, resigning. At the indicated time and place all such persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of myself, chairman, the Senator from New Jersey [Mr. HENDRICKSON], and the Senator from Tennessee [Mr. KEFAUVER].

NOTICE OF HEARING ON NOMINATION OF J. JULIUS LEVY TO BE UNITED STATES ATTORNEY, MIDDLE DISTRICT OF PENNSYLVANIA

Mr. LANGER. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, June 23, 1953, at 10 a. m., in room 424, Senate Office Building, upon the nomination of J. Julius Levy, of Pennsylvania, to be United States attorney for the middle district of Pennsylvania, vice Arthur A. Maguire, resigned. At the indicated time and place all such persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of myself, chairman, the Senator from New Jersey [Mr. HENDRICKSON], and the Senator from Tennessee [Mr. KEFAUVER].

NOTICE OF HEARING ON NOMINATION OF JOHN W. McILVAINE TO BE UNITED STATES ATTORNEY, WESTERN DISTRICT OF PENNSYLVANIA

Mr. LANGER. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, June 23, 1953, at 10 a. m., in room 424, Senate Office Building, upon the nomination of John W. McIlvaine, of Pennsylvania, to be United States attorney for the western district of Pennsylvania, vice Edward C. Boyle, resigning. At the indicated time and place all such persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of myself, chairman, the Senator from New Jersey [Mr. HENDRICKSON], and the Senator from Tennessee [Mr. KEFAUVER].

NOTICE OF HEARING ON NOMINATION OF GEORGE H. BOLDT TO BE UNITED STATES DISTRICT JUDGE, WESTERN DISTRICT OF WASHINGTON

Mr. LANGER. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, June 23, 1953, at 10 a. m., in room 424, Senate Office Building, upon the nomination of George H. Boldt, of Washington, to be United States district judge for the western district of Washington, vice Charles H. Leavy, retired.

At the indicated time and place all such persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of myself, chairman, the Senator from New Jersey [Mr. HENDRICKSON], and the Senator from Tennessee [Mr. KEFAUVER].

NOTICE OF HEARING ON NOMINATION OF LAUGHLIN E. WATERS TO BE UNITED STATES ATTORNEY, SOUTHERN DISTRICT OF CALIFORNIA

Mr. LANGER. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, June 23, 1953, at 10 a. m., in room 424, Senate Office Building, upon the nomination of Laughlin E. Waters, of California, to be United States attorney for the southern district of California, vice Ernest A. Tolin, elevated. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of myself, chairman, the Senator from New Jersey [Mr. HENDRICKSON], and the Senator from Tennessee [Mr. KEFAUVER].

NOTICE OF HEARING ON NOMINATION OF JOSEPH P. WILLSON TO BE UNITED STATES DISTRICT JUDGE, WESTERN DISTRICT OF PENNSYLVANIA

Mr. LANGER. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, June 23, 1953, at 10 a. m., in room 424, Senate Office Building, upon the nomination of Joseph P. Willson, of Pennsylvania, to be United States district judge for the western district of Pennsylvania, vice Owen M. Burns, deceased. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of myself, chairman, the Senator from New Jersey [Mr. HENDRICKSON], and the Senator from Tennessee [Mr. KEFAUVER].

NOTICE OF HEARING ON NOMINATION OF BYRON H. CARPENTER, TO BE EXAMINER IN CHIEF OF THE PATENT OFFICE

Mr. LANGER. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, June 23, 1953, at 10 a. m., in room 424 Senate Office Building, upon the nomination of Byron H. Carpenter, of Maryland, as Examiner in Chief of the Patent Office. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of myself, chairman, the Senator from New Jersey [Mr. HENDRICKSON], and the Senator from Tennessee [Mr. KEFAUVER].

NOTICE OF HEARING ON NOMINATION OF JOHN STRICKLER TO BE UNITED STATES ATTORNEY, WESTERN DISTRICT OF VIRGINIA

Mr. LANGER. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, June 23, 1953, at 10 a. m., in room 424, Senate Office Building, upon the nomination of John Strickler, of Virginia, to be United States attorney for the western district of Virginia, vice Howard C. Gilmer, Jr., term expired. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of myself, chairman, the Senator from New Jersey [Mr. HENDRICKSON], and the Senator from Tennessee [Mr. KEFAUVER].

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. KNOWLAND:

Addresses delivered by him to the 1953 graduating class of the University of Southern California on June 13, 1953.

By Mr. MANSFIELD:

Address delivered by Senator GILLETTE before Pennsylvania Federation of Democratic Women at Erie, Pa., on June 9, 1953.

By Mr. MARTIN:

Address delivered by him before the National Convention of Building Owners and Managers at Pittsburgh, on Thursday, June 11, 1953.

Editorial entitled "Why Isn't Our Foreign Aid Paying Off?" published in the Philadelphia Inquirer of June 12, 1953.

By Mr. LEHMAN:

Address delivered by him at the International Convention, United Hatters, Cap, and Millinery Workers Union at New York on June 9, 1953.

Address delivered by him at the United Jewish Appeal National Action Conference, held at the Mayflower Hotel, Washington, D. C., on June 6, 1953.

By Mr. WILEY:

Excerpts from addresses delivered by Senator MUNDT and Hon. George N. Craig at the luncheon of the All-American Conference to Combat Communism, held in Washington, D. C., on May 23, 1953.

By Mr. FULBRIGHT:

Address delivered by Ambassador G. L. Mehta, of India, at the Mayflower Hotel, Washington, D. C., on Wednesday, May 20, 1953.

Editorial entitled "Mr. Eisenhower at Dartmouth," published in the New York Times of June 15, 1953.

By Mr. MUNDT:

Article entitled "Even the Neighbors Kill Weeds," written by Carl W. W. Sorenson and published in the Farm Journal for July 1953.

By Mr. BUTLER of Nebraska:

Editorial entitled "The Bricker Amendment: More Important Than Ever," published in the Morning World-Herald of Omaha, Nebr., on June 11, 1953.

By Mr. KENNEDY:

Resolution adopted by the Young Democrats of Medford, Mass., and five editorials published by New England newspapers dealing with the economic problems of New England.

By Mr. THYE:

Editorial entitled "Europe Farm Editors Miss Their Butter," published in the Washington Post of June 12, 1953.

Editorial entitled "Wisely Spoken," published in the St. Paul Pioneer Press of June 11, 1953, dealing with the President's speech before the National Junior Chamber of Commerce in Minneapolis.

Article entitled "Attacks on Eisenhower Failing To Hurt Him," written by Frank R. Kent, and published in the Washington Sunday Star of June 14, 1953.

By Mr. GORE:

Editorial entitled "MAYBANK Sets Them Straight," published in the Nashville Banner of June 13, 1953.

By Mr. KEFAUVER:

Letter from Hammond Fowler, chairman of the Tennessee Railroad and Public Utilities Commission, to various railway and public utility commissions, with reference to the Tennessee Valley Authority.

By Mr. HUMPHREY:

Essay entitled "What the American Marine Means to My Community," written by Miss Joan Tanzer, of St. Paul, Minn.

By Mr. PURTELL:

Statement prepared by him relative to the 100th anniversary of the founding of the Aetna Life Insurance Co.

By Mr. BUTLER of Maryland:

Editorial entitled "The Star-Spangled Banner—In Commemoration," published in the Sunday Sun, of Baltimore, on June 14, 1953.

FOLDING OF SPEECHES FOR SENATORS

Mr. LEHMAN. Mr. President, in connection with the exchange of remarks I had with the junior Senator from Wisconsin [Mr. MCCARTHY] on the floor on Thursday, June 11, I ask unanimous consent to insert in the body of the RECORD a statement of the facts in the case, substantially as I summarized them in a press release I issued on the same day.

I also ask unanimous consent to insert in the RECORD a letter I have addressed to the superintendent of the folding room of the Senate, a copy of which I have also sent to the chairman of the Rules Committee and the ranking member of the committee. I suggest that this letter be given consideration by the Members of the Senate since it raises questions of both procedure and policy in which all Members of the Senate must be interested as it involves factors affecting the proper and efficient discharge of the work of the Senate.

I also ask unanimous consent to insert in the RECORD a news article which appeared in the New York Times on Friday, June 12, reporting on the debate and the entire incident of the folding room.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JUNE 15, 1953.

STATEMENT BY SENATOR HERBERT H. LEHMAN IN REGARD TO SENATOR MCCARTHY'S FLOOR CRITICISM

Senator MCCARTHY on Thursday, June 11, clearly illustrated what creeping McCarthyism means. Because I have attacked McCarthyism—not Senator MCCARTHY as an individual but rather what he stands for—he undertook in a Senate speech on Thursday to attack me, personally. He charged me with trying to defraud the Government

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by mailing under my senatorial frank 100,000 copies of a speech which, he said, the Government had refused to accept or to mail.

The truth is of quite another color. The only true thread in Senator McCARTHY'S tissue of fabrications is that I had made a speech in New York, entitled "Creeping McCarthyism." I made that speech but did not insert it in the CONGRESSIONAL RECORD as, of course, I could have. I had it printed by a commercial firm, paying for the cost of the printing and thus sparing the Government Printing Office this burden. The copies were routinely delivered to the Senate folding room which advised my office—I myself never heard about it—that the folding room would not fold the speeches and insert them in envelopes because it was not a congressional reprint.

This surprised my staff since the folding room has been doing this kind of work for my office and all other senatorial offices for a long time. However, since the folding room took this position in this case, my office arranged to do the folding outside the Capitol, with the cost of this work to be personally paid by me. I was unaware of this development when Senator McCARTHY took the floor on Thursday to make his unsubstantiated charges.

At no time was any question raised concerning my right to send these speeches out under my frank. This is not, of course, within the jurisdiction of the folding room. Nor have I ever heard any question raised by the Post Office Department or by anybody else concerning my right, or any Senator's right, to send his speeches out, under frank, to his own constituents. I routinely send out my speeches to my constituents in exactly the same manner that most Senators send out weekly reports of their activities. This is part of my job of reporting to my 15,000,000 constituents.

One fact more: instead of 100,000 copies of that speech, there were only 18,000. I wish it had been 100,000, but my mailing list, unfortunately, is only 18,000.

Senator McCARTHY is up to his old tricks—smear, innuendo, and multiple untruths. Because I attacked McCarthyism, he attacks me. It is brash of him to try to question my personal honesty, but he is brash enough to try anything. I will compare my personal honesty with his, any time, any place.

Senator McCARTHY cannot intimidate me. I hope that I can help to keep Senator McCARTHY from intimidating the American people.

I find Senator McCARTHY'S attack especially audacious because only last year the Post Office Department was trying to collect from Senator McCARTHY a sum of money for mailing, under his franking privilege, a considerable number of commercial advertisements for a book he wrote. I am advised that he sends out a weekly newspaper column under his frank, and I do not know what other material. But I do not begrudge him that privilege, if it is granted him by the Post Office Department.

But that is not the real issue. The real issue is whether Senator McCARTHY can browbeat those who dare to criticize his methods, who do not agree with his shocking procedures. I will match not only my honesty but also my Americanism and my record of public service against Senator McCARTHY and let the people decide who is best serving the public interest.

I shall continue my fight for freedom of thought and of expression, regardless of Senator McCARTHY.

JUNE 15, 1953.

Mr. JOHN T. CHAMBERS,
Superintendent, Folding Room,
United States Senate,
Washington, D. C.

DEAR MR. CHAMBERS: In regard to the incident which occurred within recent days involving the availability of the folding room for the folding and insertion into envelopes of copies of a speech I had made and which I had directed be sent to individuals in New York on my mailing list, I have some observations and some questions.

As I understand it, my office was advised that the folding room would not fold these particular reprints because they were not in the form of a CONGRESSIONAL RECORD reprint. This ruling by the folding room was not brought to my personal attention. However, as a result of the debate which took place on the floor of the Senate on Thursday, June 11, I inquired into the facts.

As you know, my office sought at first to arrange to pay for the folding of these reprints in view of the ruling that you could not fold them, in the usual way, as part of the service available to all Members of the Senate. Subsequently, my office arranged to have these reprints folded outside the Capitol. I understand that you ruled that the folding room was permitted to handle only congressional reprints, official Government documents, and other matter directly concerned with the business of the Senate. I do not, of course, know in detail the rules under which the folding room is operated. I am reciting the substance of the ruling as I understood it from members of my staff and from reading the newspapers.

I would be much obliged if you would advise me exactly what the rules in question are. I would certainly want to abide by them. However, I raise the question of what is the criterion in judging what material is related to the business of the Senate. Is it your opinion that a speech delivered by a Member of the Senate, even though it be delivered outside the Senate, but which deals with issues which are before the Senate, is not part of the business of the Senate? If such is your ruling, in what class would you consider press releases issued by individual Senators and the mimeographed or printed reports which many Senators send periodically to their constituents, as well as other material reflecting a Senator's personal views which are not expressed on the floor or in committees of the Senate?

As I said, I want to abide entirely by the rules of the Senate in this as in other matters. If you will advise me what the rules are, I will be glad to conform, but I certainly feel that the application of these rules should be reasonable and uniform in their interpretation.

I would appreciate an early reply to this inquiry. I am sending copies of this letter to the chairman and the ranking member of the Rules Committee for their information.

Very sincerely yours,

HERBERT H. LEHMAN.

McCARTHY, LEHMAN IN SENATE BATTLE—NEW YORKER, ACCUSED OF ABUSE OF FRANKING, SAYS CHARGE IS INTIMIDATION ATTEMPT

(By Clayton Knowles)

WASHINGTON, June 11.—Senator HERBERT H. LEHMAN, Democrat, of New York, charged an attempt at intimidation today as Senator JOSEPH R. McCARTHY, Republican, of Wisconsin, attacked him on the Senate floor for "rather gross abuse" of the free mailing privileges accorded Members of Congress.

Mr. McCARTHY maintained that the New Yorker had been denied the franking privilege when he sought to send out 100,000 copies of a pamphlet entitled: "Creeping McCarthyism—Its Threat to Church, School, and Press."

As emphatically, if not as loudly, Mr. LEHMAN retorted that the charge was "entirely unsupported by facts" and that it was made "in exactly the pattern and with the same motive that has been followed by the Senator from Wisconsin for a long time."

"The pattern and the intention is to intimidate, to frighten, to call off all those who are in disagreement with him," declared Mr. LEHMAN, who has long criticized the methods employed by Mr. McCARTHY.

Mr. LEHMAN said he was not easily intimidated and drew further assurance from long public service which he said had made him "very certain of his position, at least with regard to the sincerity of his position."

"I have no apology to make," he said, "for pointing out to the people of the country the great threat to their freedoms which has come through the efforts, and I am sorry to say the partially successful efforts, of certain people in this country to silence those who oppose the group that wishes to impose complete conformity and complete orthodoxy on every thought and every action in this country."

Mr. LEHMAN dealt in only the most general terms with the precise charge made by his political foe because, as he said later, he did not then know of the details of the matter. He did not deny, however, that he planned to use his frank in mailing the pamphlet which, in its entirety, consisted of a speech he made at the New York State Democratic Committee dinner at New York on April 29.

He said he considered it the duty of every Senator to inform his constituency as widely as possible of threats to their interest.

While Mr. McCARTHY professed some uncertainty about whether 100,000 copies of the pamphlet were to be distributed under frank, he did say that the Senator's (Mr. LEHMAN'S) office sent down 100,000 franked envelopes, but they refused to send out the material.

Mr. LEHMAN replied that, if any mailings were made, he was sure it was not more than a small fraction of the number stated.

CHALLENGES EXCHANGED

During the bitter exchange between the two men, Senator McCARTHY repeatedly challenged his colleague to call his office and find out precisely how many copies were to have been mailed. Just as often, Mr. LEHMAN said he would make a complete disclosure of how he has used the frank during his 4 years in the Senate if Mr. McCARTHY, in turn, would do the same.

"I will accept any offer the Senator wants to make if he will tell me how much illegal use he has made of the franking privilege," said McCARTHY.

Mr. LEHMAN denied any illegality was involved and a subsequent check at the Senate folding room—Mr. McCARTHY kept calling it the mailing room—disclosed that the New Yorker was correct.

Joseph E. Baldasaro, foreman of the folding room, reported that the material Mr. LEHMAN sought to mail was not actually denied the frank. All that he refused to do was to fold the material and insert it in envelopes.

OFFICIAL DUTY EXPLAINED

Only official Government documents, such as farm bulletins, or reprints of matter that has appeared in the CONGRESSIONAL RECORD can be inserted by this Senate agency. For this reason, it was explained, Senators or their staffs must fold and insert correspondence even though that mail later goes out under the frank.

Mr. Baldasaro said he reported the situation at 9 a. m. this morning to his superior, John T. Chambers, folding room superintendent, who supported the preliminary ruling. Mr. Baldasaro then informed Senator LEHMAN'S office of the change.

The foreman said no franked envelopes came with the pamphlets which were in the thousands but not in the tens of thousands.

"How did Senator McCARTHY learn about the matter?" a reporter asked. Mr. Baldasaro, obviously uncomfortable, was silent.

Mr. Baldasaro and other folding-room employees, however, said they had no knowledge of the sampling of the kinds of mail Senators were sending out.

Earlier, Mr. McCARTHY, explaining his knowledge of the LEHMAN incident to re-

porters, said he had ordered a 1-day sampling to be used to obtain facts with which he could discuss the $1,700,000 added to the post-office deficit from use of the frank. He said he always had considered that deadhead mail carried under the frank should be charged up to Congress or the appropriate executive department or agency.

Sometime later, Mr. LEHMAN had a somewhat different explanation of how Mr. McCARTHY came by his knowledge. He said he had learned that a member of Mr. McCARTHY's personal staff had been stopped as he sought clandestinely to take a copy of the pamphlet from the folding room.

Did you mean steal, the Senator was asked, and he replied: "I'd say 'steal,' yes."

The Senator was able to say then that the proposed mailing came to 18,000 pamphlets, which he had printed privately "at a cost in excess of what it would have been to him if he had first inserted the speech in the CONGRESSIONAL RECORD and then had it reprinted by the Public Printer."

CONTROL OF NATURAL GAS PRICES

Mr. WILEY. Mr. President, the State of Wisconsin has been in the forefront of the battle to protect the consumers of our nation against arbitrary increases in natural gas rates. Such increases have done tremendous harm in feeding inflationary pressures. Wisconsin has battled through the courts for the right of the Federal Government to prevent gouging of consumers.

In this connection, there appeared in the May 28 Milwaukee Journal an editorial regarding the recent court of appeals decision affirming the right of the Federal Power Commission to control independent producers of natural gas.

On the same day there appeared in the Washington Evening Star a column on the same issue. It brought to the attention of its readers the very appropriate comments made by the Senator from New Hampshire [Mr. TOBEY] who has been in the forefront of those seeking to protect consumers. The Senator from New Hampshire has not hesitated to speak out on this, as on so many other issues, with his great moral courage, his frankness, and his devotion to the public interest.

I send to the desk the text of the editorial and article and ask unanimous consent that they be printed in the body of the RECORD, at this point.

I earnestly hope that the fight which Wisconsin has waged so devotedly will now result in final success for 160 million American consumers.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

[From the Milwaukee Journal of May 28, 1953]

NATURAL GAS REGULATION GAINS

Ordinary common sense certainly supports the United States Court of Appeals finding that the Phillips Petroleum Co. is operating as a natural gas company when it sells gas for Wisconsin to the Michigan-Wisconsin Pipeline Co.

The same common sense supports the court's decision that, as a natural gas company, the price Phillips charges to pipelines for gas is subject to regulation by the Federal Power Commission. The findings are, of course, subject to appeal to the United States Supreme Court.

The only thing that should surprise anyone about the court of appeals decision is that it should have been necessary to have it.

When Wisconsin's attorney general's office and public service commission asked the FPC 2 years ago to rule on the reasonableness of rates charged the Michigan-Wisconsin Pipeline Co. by Phillips, it seemed perfectly clear that the FPC had jurisdiction—and the duty to act. It was very clear to the oil companies which owned the natural gas fields—for they were busy getting Congress to take prices charged pipelines out of the jurisdiction of the FPC. It took a Presidential veto to block it.

But the FPC, weakened by congressional refusal to approve any members who might stand up to the oil companies, held long hearings to determine whether it had any power to regulate the gas rates.

The Wisconsin attorney general, Milwaukee's city attorney's office, and representatives of other Midwest cities to which natural gas was piped, argued that there could be no doubt of the FPC's power. They pointed out that it made no sense whatever to have States regulate consumer prices and the Federal Government regulate pipeline prices if the initial price of gas went unregulated. It would be like trying to drive a 3-horse team with only 2 harnesses.

The FPC's final finding that it had no jurisdiction over the initial price of Phillips' gas because Phillips was not a natural-gas company was astounding. It made natural-gas price regulation meaningless. It put the consumer at the mercy of the gas producer.

It is to the credit of the city and the State that they carried their fight into Federal court and won reversal of the FPC decision.

[From the Washington Star of May 28, 1953]

MORE ABOUT THE PRICE OF GAS—WHY CONSUMERS REMAIN UNPROTECTED AGAINST RISING RATES; FEDERAL POWER COMMISSION REFUSES TO FOLLOW LAW

(By Lowell Mellett)

In cities and towns all over the country consumers of natural gas have become accustomed to having the rates increased from time to time. Usually this happens after the local gas company has demonstrated to the satisfaction of the local regulating body that rising costs of one kind and another have made the increased rates necessary. Some of these claims are sometimes disputed by the local regulators, but there is one they cannot dispute. That is the wholesale cost, the price at which the gas enters the pipelines, the price the distributing company pays and passes on to the local gas companies. And this, more than anything else, determines what domestic and industrial users are compelled to pay.

Senator TOBEY, Republican, of New Hampshire, discussed these wholesale prices in a Senate speech this week.

"Prior to the war (World War II), natural gas was sold freely at 2 cents a thousand cubic feet," he said. "Today the average price runs from 6 to 10 cents a thousand cubic feet. And during the past year or so many contracts have been written at a rate of 15 cents, with a few in recent months at 20 cents. I cannot believe that costs of production have risen to such a degree as to justify these radically increased prices."

The Senator could not discuss the justification offered by the wholesalers for their prices, for the wholesalers offer no justification—not to the public, at least. They do not have to. In this respect they are not regulated by the States from which they take the gas nor by the Federal Government. Actually the Federal Power Commission has full authority to act, according to the courts. In a clear and positive opinion written by Judge Henry W. Edgerton, the United States court of appeals reaffirmed this last week, saying, "The Commission should fix the rates at which these sales are made."

Whether the Commission will continue to insist on its impotence remains to be seen. By refusing to exercise its authority, it is defying the law, as interpreted several times by the Supreme Court.

In 1924, in the days of "the nine old men," the Supreme Court held that the States cannot regulate these rates, saying they are "an inseparable part of a transaction in interstate commerce—not local, but essentially national in character." It said, however, "The contention that, in the public interest, the business is one requiring regulation, need not be challenged. But Congress thus far has not seen fit to regulate it and its silence, where it has sole power to speak, is equivalent to a declaration that that particular commerce shall be free from regulation."

Which left the consumer holding the sack for the time being. But in 1938, Congress did act, putting the Natural Gas Act on the books. The Public Power Commission followed the law, putting a curb on what it found to be excessive prices in a number of cases. The Supreme Court sustained the Commission and upheld the constitutionality of the act.

The gas producers went to Congress and in 1950 succeeded in obtaining the passage of what was known as the Kerr bill. This would have given them the freedom from control they had previously enjoyed. The legislative battle was bitter, but the gas producers won, 176 to 174 in the House, 44 to 38 in the Senate. President Truman vetoed the bill and no effort was made to pass it over his veto. Instead, the producers fell back on the Power Commission, in which there had been some changes in membership, and the Power Commission gave them what they desired—immunity from regulation.

What the Commission will do in the face of the court's rebuke isn't known. The guessing in Washington is that it will attempt to stall until another attempt to pass a Kerr bill has been made. The stalling would take the form of a Supreme Court appeal, although the Court's views already are known.

AMERICAN FOREIGN POLICY

Mr. WILEY. Mr. President, on Saturday morning, June 13, it was my pleasure and privilege to address the State Republican Convention in Madison, Wis. I spoke on the issue of supporting the foreign policy of the Eisenhower administration and giving to the President of the United States and the great team which serves under him our all-out support.

On that occasion, among other things, I said that the people of America elected Ike Eisenhower to the highest office in our land. As I recall, in all the States but two Ike Eisenhower ran ahead of other Republican nominees.

I believe that the message to us is clear: If the Republican Party wants to remain in power after the 1954 election, it must support the President and his program.

Already, a propaganda line is being used by the Democrats. It says: "If you want Eisenhower's program carried on, you should elect Democrats." In other words, the Democrats sense that the people do back Eisenhower's program and it remains to be seen whether we Republicans will sense their support of that program.

I earnestly hope that we shall give the President our all-out support.

He is a great captain. He has with him in the White House a great team, including the able assistant to the President, Sherman Adams, and his staff. They are working night and day under the most staggering of burdens. They

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are trying to find paths which will be the best for our country.

They deserve our support and our understanding.

We elected Ike Eisenhower. Let us now help him fulfill the mandate we gave him.

Mr. President, at the convention, I spoke at noon; and then the Governor of the State of Wisconsin spoke. At no time was anything said about my position on the proposed Bricker amendment to the Constitution. I had to catch a plane, in order to return to Washington, and then to leave for Atlantic City, where I had an engagement on Sunday.

After I had returned to Washington, on Sunday morning, I heard on the radio that a resolution condemning me had been introduced in the convention condemning my position against the Bricker amendment. Certainly it was not cricket to wait until after I had gone and then introduce the resolution without my having a chance to make clear my position. If those who engineered this deal wanted to condemn my position, they should have told me so and given me a chance to reply. Wisconsin citizens are noted for fairness. Was this stilleto attack fair? I shall have more to say about that matter to my constituents later.

I said nothing in my speech about the Bricker amendment. I was given 15 minutes to speak. No one told me what was in the air, except one chairman said "the same old gang is priming a candidate against you."

Mr. President, I now send to the desk the text of the speech I made; it will show what was said. I ask unanimous consent that my speech be printed in the body of the RECORD.

The VICE PRESIDENT. Is there objection?

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE CHALLENGES TO THE REPUBLICAN PARTY

It is a great privilege to address this outstanding convention.

It is an honor to appear before you again with so many of our fine Wisconsin Republican leaders. It is a pleasure, particularly to welcome the great chairman of the Republican National Committee, Len Hall.

Because of your very crowded program, I am going to confine my remarks principally to one subject—the foreign policy of the Eisenhower administration.

You all know how dynamic this subject is. You know how much news events overseas are—at this very moment—affecting that policy, particularly, events in Korea.

Here at home, there are, of course, a great many crucial issues of a domestic nature—the tax burden, balancing the budget, assuring preparedness, combating subversive forces, strengthening the Taft-Hartley law—on which I would have liked to submit views.

But, because time is so limited, let me mention just a few particular points on the foreign policy issue and on one item of domestic policy.

BASIC ESSENTIALS OF FOREIGN POLICY

Let me first, however, say that we Republicans—whatever our few differences—are agreed on most of the essentials of our foreign policy.

We know that such policy must basically fulfill one great need—the first law of nature, America's self-preservation.

We know that we must prevent the Soviet Union from succeeding in her strategy of divide and conquer. This means preventing her from taking over:

1. The vital materials of the world. Here on this continent we have but 9 of the 60 basic materials that we need for defense, in adequate supply.

2. To prevent the Soviet Union from taking over the vast manpower of Western Europe.

3. To prevent her from taking over the tremendous know-how, the technical skills, the factory production of Western Europe.

All this is needed for our own self-preservation.

As the President said in his Minneapolis speech Wednesday night, we are engaged in a military struggle, an economic struggle, a political struggle, a scientific struggle, an intellectual struggle, and a spiritual struggle for the soul of man.

In all this world, the United States is the greatest single remaining source opposing the drive of world communism.

The choice before us is—surviving or perishing beneath that Red drive.

The danger today is the greatest in our history.

We know that the United States cannot and must not be lulled into sleep by the present so-called Soviet "peace offensive."

Even if an enduring armistice should come in Korea, the restless drive of world communism is far from halted. It will go on so long as there are vacuums which it will want to fill.

As chairman of the Senate Foreign Relations Committee, reports come to me daily of new Communist threats.

Here at home, in our newspapers, day after day, you in this great audience, read the reports of these threats—exploding in all parts of the globe—military, economic, political, and basically, ideological threats.

BADGER REPUBLICANS HAVE BEEN ALERT

Down through the years, the Republican Party of Wisconsin and of the Nation can be proud of its record of pointing out the growing danger of communism in enguling Asia.

We can be proud of our record in alerting the American people to the dangerous beachheads which communism has established right here—in the Western Hemisphere—in Guatemala and British Guiana, for example.

The fact that our country still has enormous problems there, as well as in the Middle East, in Africa and elsewhere throughout the world—is merely proof of the critical situation which the previous administration had left us.

WISCONSIN FARM PROBLEM CRITICAL

Before turning to certain details of the foreign policy story, I should like to make a particular point regarding one major domestic problem.

I want to reemphasize a fact of which this audience is keenly aware, namely, the very serious problem which is faced by the great dairy industry of Wisconsin and the Nation.

I have taken up the dairy industry's critical problems, as I know other members of the Wisconsin delegation have—again and again—with the Department of Agriculture.

I will continue to do so, because the dairy crisis—the serious decline in the farmers' milk check, while his expenses have risen—this crisis is not simply a farm problem.

It goes to the heart of the entire prosperity of our Wisconsin economy—the prosperity of labor, of industry, of white collar people, in town, village, or city.

You and I know that the farm market is the greatest single market on the American scene.

If that market is impaired, its loss in purchasing power will quickly be felt throughout the entire remainder of our economy.

And in my foreign relations capacity I know how quickly the loss of American farmers' purchasing power is felt throughout the entire globe.

The Republican Party has rightly pointed out, of course, that the decline in farm prices is not new. It began long before the Eisenhower administration was voted into office.

Since coming into office, the administration has given its most serious consideration to the problem. It has had at work the best people—the best brains—it can mobilize in Government and from private industry—in order to meet this problem head on.

THE MESS WE INHERITED

And, in pointing out that the farm problem is a holdover from the previous administration, let this fact be noted:

The Republican administration, which has been in office less than 6 months, inherited a far bigger mess, a far worse problem, than even we had envisioned last year.

And so, in our natural desire—yours and mine—to see quick, concrete results of the Republican changeover, let us bear in mind the enormous difficulties we face. I refer to the difficulties of the Republican Party in both the legislative and executive branches of the Government—in trying to straighten out the situation—in trying to clear it up and clean it up—within the brief months in which we have been in power.

We've faced a staggering $267 billion national debt; a 2½-million-man payroll; $80 billion in unpaid, c. o. d. obligations; mountains of redtape which have had to be slashed.

We've faced the task of moving out of office all levels of un-Republican-minded policy personnel and rescreening other personnel.

The plain fact of the matter is that, since a new security officer was appointed, over 5 dozen individuals have been dismissed from the State Department alone as security risks.

Well now, what about the policies of the State Department? What about our international relations?

ADMINISTRATION HAS MADE MUCH PROGRESS IN FOREIGN POLICY

The answer is that the Eisenhower administration has made great progress in improving these relations.

It has taken the initiative.

It has dramatically interpreted to the world America's effort for peace.

President Eisenhower's great address challenging the Soviet Union to take concrete actions leading to peace, was a tremendous psychological stroke for the cause of freedom.

In it, as you will remember, the President indicated that, so far as we are concerned, we would infinitely prefer not to have to devote so much of our resources to armaments. We would prefer to turn our appropriations to more constructive purposes.

Meanwhile, behind the Iron Curtain, the Eisenhower administration has kept aflame the hope of liberty. It has told the enslaved peoples that we are not abandoning them; that we have not forgotten their plight.

In Asia, the administration wisely removed the 7th United States Fleet as a shield from the Chinese Communist mainland.

In the Middle East, it has taken important steps to encourage friendlier relations with the many peoples there who are stirring restlessly in nationalism.

The Eisenhower administration has, moreover, strengthened our European alliance. It has emphasized the importance of each of the European allies doing whatever it could for itself, without over-relying upon Uncle Sam.

We all realistically recognize that there is, of cource, no single cure-all solution to our foreign-policy needs. We cannot wave a magic wand and solve all the diverse problems facing us on all the continents.

THE ALTERNATIVE TO OUR LEADERSHIP

We can, however, continue to exercise strong leadership.

We can play our crucial role at this critical hour of history—avoiding both the danger of overcommitting our resources, on the one hand, and failing to assume our just obligations for leadership, on the other hand.

The alternative to American leadership is Soviet leadership.

If we do not furnish a clear light for guidance to the world, then it will look to the murky light which comes from Moscow.

If we do not commit our great moral strength toward keeping the world free, then we can be sure that the fanatic, atheistic strength of world communism will fill the vacuum.

This is the critical alternative we face all along the line.

WHAT WE WILL NOT DO

We are not, of course, going to try to make the world over though we are going to, where possible, make it better.

We are not going to assume that Uncle Sam's resources are inexhaustible, because, we know they are definitely limited.

But we are going to bear our part of the burdens, to maintain a world at peace.

And we are going to keep America strong, prosperous, and free.

We are going to fight un-American forces at home of any and every type—be they Communist or Socialist.

We are going to try to keep the dollar intact, rather than have it lose further its purchasing power.

We are going to keep our institutions strong—to maintain each of the three separate, equal, and coordinate branches of Government unimpaired.

This is the challenge to the Republican Party, and I know that we are going to be adequate to that challenge.

REPORT ON OVERSEAS INFORMATION PROGRAMS (S. REPT. NO. 406)

Mr. HICKENLOOPER. Mr. President, from the Committee on Foreign Relations, I submit a report on the investigation conducted by the Special Committee on Overseas Information Programs, and I ask unanimous consent that I may make a brief statement in connection with the report.

The VICE PRESIDENT. The report will be received and printed; and, without objection, the Senator from Iowa may proceed.

Mr. HICKENLOOPER. Mr. President, the report carries the unanimous approval of the Special Committee on Overseas Information Programs and also of the Foreign Relations Committee, the latter having authorized submission of the report.

The special committee was first created by Senate Resolution 74 of the 82d Congress, 2d session, and was continued by Senate Resolution 44 of the present Congress.

Under the resolution creating the special committee, the Foreign Relations Committee, or a subcommittee thereof, augmented by two Members of the Senate outside of the Foreign Relations Committee, was instructed to conduct an investigation into the operation of the United States overseas information programs and to make a report. The special committee has been operating for approximately 9 months; and in addition to the hearings last fall, it conducted an on-the-spot investigation in most of the areas of the world where our information service operates, with the exception of the American Republics. This investigation is contemplated for later this year.

Since January 3 of this year, extensive hearings have been held on various phases of this program; and eight different staff studies have been developed by the special committee, in addition to the final report.

The 8 staff studies are included with this semifinal report, and I shall ask unanimous consent that they be printed as a report, in 1 volume, rather than in 9 volumes.

Mr. President, the report refers to these various studies; but I want to call special attention to the value of staff studies No. 6 and No. 7, which contain an analysis of reports from a large number of American correspondents overseas and of reports received from the representatives of business and religious organizations, who are represented in most parts of the world.

The committee has attempted a broad examination of the information program, so far as its purposes and accomplishments are concerned. We have attempted to point out the weaknesses and the strength of this operation. I shall not burden the Senate at this time by repeating the details which are contained in the report itself.

The committee expects to complete its inspections of our foreign information activities by an on-the-spot examination of the program in the American Republics, as soon as the press of congressional business will permit.

Mr. President, I desire to take this opportunity to express my appreciation to the other members of the special committee, the Senator from Wisconsin [Mr. WILEY], the Senator from South Dakota [Mr. MUNDT], the Senator from California [Mr. KNOWLAND], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Iowa [Mr. GILLETTE], the Senator from Rhode Island [Mr. GREEN], and the Senator from Alabama [Mr. HILL], for their zeal and cooperation in this study, and especially to the Senator from Arkansas [Mr. FULBRIGHT], the former chairman of the special committee, who, as the author of the highly successful Fulbright scholarship program, has brought historic interest and great zeal to the investigations.

I also desire to express special appreciation to the Senator from South Dakota [Mr. MUNDT] and the Senator from New Jersey [Mr. SMITH], the authors of the Smith-Mundt educational program, which has been a great success. Because the committee is convinced of the essentiality of the United States information program, efficiently and artfully conducted, the committee has sought to explore methods of strengthening this program, and we hope that our studies will be of some benefit.

Mr. President, I now send the report to the desk, together with the eight staff studies, and ask that they be printed, in their final printing, as a one-volume report.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. WATKINS. Mr. President, will the Senator from Iowa yield to me?

Mr. HICKENLOOPER. I yield.

Mr. WATKINS. I wish to ask the Senator from Iowa whether, as a result of the study of the information program, the committee has been able to ascertain its effectiveness upon the people behind the Iron Curtain.

Mr. HICKENLOOPER. We have ascertained its effectiveness in a limited way, as the report will show. We believe that one of the weaknesses of the program is the lack of machinery to evaluate properly the effect of the program. We believe such machinery can, without too much difficulty, be set up, so that not only the effectiveness of the program can be better evaluated, but better programs, as a result of such examination, can be artfully devised.

Mr. WATKINS. Mr. President, will the Senator from Iowa yield further to me?

Mr. HICKENLOOPER. I yield.

Mr. WATKINS. Does the Senator from Iowa believe the program has had any effect in causing, among people behind the Iron Curtain, disaffection with their Communist governments?

Mr. HICKENLOOPER. In my own personal opinion it has had effect. It is also my personal opinion that it has not had the effect it should have had or should have in the future. But it has had substantial effect, and I believe that is the opinion of every member of our committee.

Mr. WATKINS. Does the Senator from Iowa believe the program has had substantial influence upon the flight from behind the Iron Curtain of citizens and residents of those countries?

Mr. HICKENLOOPER. There is a very substantial amount of evidence to the effect that persons have come from behind the Iron Curtain, seeking haven in the free world as the result, especially, of radio broadcasts.

Mr. WATKINS. Does the Senator from Iowa believe the program has been effective in that field?

Mr. HICKENLOOPER. It has been effective. Again I wish to say there are plenty of defects in the radio program. It has not been as effective as I believe our American talents are capable of making it. We believe it can be made far more effective, which is a worthy objective, provided it is more artfully operated.

Mr. WATKINS. Would the Senator from Iowa regard the rather large number of persons who are passing into West Berlin from East Berlin as one of the effects of the program?

Mr. HICKENLOOPER. I would consider the program as having a great influence on that movement, especially Radio RIAS, in Berlin, which is a part of this program, and is being operated by American establishments in Germany. Radio RIAS is not specifically operated by the information program directly, but in conjunction with our information program.

Mr. WATKINS. Did the committee go into the question of what is being done with the persons who flee from behind the Iron Curtain or who are expelled?

Mr. HICKENLOOPER. We touched on that matter collaterally. We touched on it by noting that not sufficient effort is being made to give information to many of such persons, and we think more effective devices should be developed to give them some indoctrination as to what

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tl.e free world really means and what its objectives actually are.

Mr. WATKINS. Did the committee investigate the question as to whether such persons are being screened as they come either into West Germany or into Berlin?

Mr. HICKENLOOPER. No. That was considered to be outside the functions of the committee. The field was already large, and the committee had no occasion, for purposes of investigation, to seek other fields which were really outside the reasonable limits of the functions of this committee.

Mr. WATKINS. I may observe that my reason in asking the Senator these questions is that a subcommittee of which I am chairman has the problem of taking care of many of the escapees and expellees, and it may be of help to us to have this information. The activities of the Senator's committee should be helpful all the way through.

Mr. HICKENLOOPER. Our committee did not specifically go into many of those details. We were considering the question primarily in its overall concept, endeavoring to find the major and fundamental weaknesses of the program, rather than to go into details within a particular area, in an effort to ascertain what was wrong in a given country. We believe that the administration can correct weaknesses of that kind.

Mr. WATKINS. I thank the Senator for the information he has given. I appreciate his courtesy.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield?

Mr. KNOWLAND. Mr. President, if the Senator from Iowa will yield to me for a moment, let me say that I am aware, of course, that he obtained unanimous consent to make a brief statement, and I am not raising any point about that. I should like, however, to ask the cooperation of Senators in expediting the business of the Senate. Under the unanimous-consent agreement, according to which we are now operating, there is general limitation of 2 minutes for discussion. We have the agricultural appropriation bill ready, and we desire to bring up that bill. If we are to get an adjournment by the 31st of July, we shall have to follow pretty closely the legislative program. I do not raise an objection, but I ask that, if possible, discussion be limited to the customary period of 2 minutes.

Mr. HICKENLOOPER. Mr. President, I may say it would distress me, indeed, if this little colloquy should delay adjournment, or postpone it beyond the 31st of July. I now yield to the Senator from New Jersey.

Mr. SMITH of New Jersey. Mr. President, as one of the coauthors of the Smith-Mundt bill, and as a member of the Foreign Relations Committee, I simply wanted to express my appreciation to the Senator from Iowa [Mr. HICKENLOOPER] and to his committee for the work he and his colleagues have done in connection with this matter. I feel that they have made an outstanding contribution to the ultimate effectiveness of what we had in mind when the bill was originally passed. I simply wanted to express my appreciation to the Senator from Iowa, to the Senator from Arkansas [Mr. FULBRIGHT], and to the other members of the committee for the great job that they have done.

Mr. FULBRIGHT. Mr. President, I wish to say a few words in connection with the report just submitted by the Senator from Iowa, and about the work of the committee. I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks an editorial entitled "Our Information Services," published in today's New York Times.

The VICE PRESIDENT. Without objection, it is so ordered.

(See exhibit 1.)

Mr. FULBRIGHT. Mr. President, I have been a member of the Special Committee on Overseas Information Programs since its inception and served as chairman of the committee for the first several months of its existence during the 82d Congress. However, for most of the period of the committee's active work the Senator from Iowa [Mr. HICKENLOOPER] has served as chairman while I have been one of the members.

Mr. President, I take genuine pleasure in paying tribute to the chairman, the Senator from Iowa, for the fine manner in which he has conducted the work of this committee. In the direction of the staff, in presiding over hearings, and in guiding the committee in its deliberations the chairman has been completely fair, forthright, and impartial. To my knowledge, there has never been a single complaint or criticism from any witness—and we have had many of them—or from any observer about the manner in which the hearings have been conducted. We have sat through many hours of hearings and executive sessions together—some of them dull and tedious, others stimulating and rewarding—but on all occasions the chairman has been patient, considerate, and completely objective. The conduct of the Senator from Iowa of this committee can well be studied as a model for others to follow.

I believe the constructive recommendations of this committee and the manner in which its work was conducted will do much to enhance the prestige and dignity of the Senate in the eyes of the people. This achievement is all the more impressive when one considers the nature of the subject matter of this inquiry. Information, propaganda, and cultural relations concern a field of activity which is extremely difficult to evaluate and to understand even by those who specialize in it and yet it is one of those subjects about which nearly everyone has preconceived opinions. So, again I say the Senator from Iowa deserves our gratitude for a superb performance as chairman.

The field of overseas information and education in which the committee has done its work is extremely important, one of the most important of all our international programs. It is one in which there have been great, and even violent, differences of opinion as to approach and method. There is a great opportunity and temptation for the advocacy of quick and easy solutions and pat formulas. As a nation, we are relatively inexperienced in these programs, and because of the nature of our Government and our people it is, perhaps, more difficult for us to carry on such programs than for any other people.

As a people we are inclined to be too frank and outspoken on many occasions and we are far too impatient in our approach to problems which, by their nature, require a long period of persuasion and education and a readjustment of established patterns of thought and conduct.

As I see it, the problem is how to influence foreign opinion and actions in a direction favorable to the attainment of our international objectives. It ought to be admitted that this is an infinitely complex matter. In political life in this country, we see great diversities in the character and methods used by political figures in influencing people. In part, of course, the methods used will vary in accordance with the types of persons to whom the appeal is addressed. Some groups will respond more readily to an appeal to their emotions, and other groups, with more experience and education, respond more easily to appeals to their reason.

In addition, the methods used to influence opinion will vary according to the type of person or nation making the appeal. Thus the Communists were able to use methods—just as Hitler and Goebbels could—which we could not successfully use, even if we so desired, because of the different character of our Government. The Communists, with some success, can make use of constant repetition by mass media, of overt and blatant propaganda, with little or no regard for the truth. This approach is a vital part of the monolithic structure of Communist organization. But it depends fully as much for its success upon the other elements of that structure—as, for example, secret police, concentration camps, suppression of opinion, force, threats, and all the other paraphernalia of the totalitarian state. Communist propaganda then becomes an essential element of the doctrine that its victim is not to think for himself, indeed, that it is not necessary or desirable that he do so.

Totalitarian propaganda is merely another manifestation of the denial of freedom—it is not designed to persuade, but to overpower. Entirely aside from our own unwillingness to engage in this type of propaganda, and the moral questions involved, it is very doubtful that we could do it successfully. It is so obviously inconsistent with what we stand for, that it would not be credible or persuasive to those who know us slightly, or to those with whom we are most concerned, who have similar traditions and cultures.

The approaches to this problem which seem to be most effective for our purposes are those which are less overt and blatant, less designed to overpower by volume and repetition—which are more subtle, more designed to appeal to reason and to contribute to knowledge, understanding and identity of interest; and which, therefore, take full cognizance of the individual characteristics of the country and the people concerned.

These approaches are not distinguishable simply by the media used, although I believe they have much meaning for the methods by which the media

are used. To give a simple example: A French-made movie favorable to our viewpoint is usually more effective upon a French audience than an American-made one. This example can be multiplied many times in all channels of communication or information.

I do not maintain that the report which our committee has issued contains the answers to all the problems involved. I do say that I believe it is worthy of careful consideration by the administration and the Congress; and I again wish to express my appreciation to the Senator from Iowa for his leadership, fairness, and his many hours of patient endeavor throughout the committee's work.

I also wish to acknowledge a fact which I think is evident in the report of the committee and which also reflects credit upon two other members of the Senate who happen to be Republicans. It will be noted by those who read the report that no recommendations for changes in the basic legislation of the program are recommended. It will be recalled that most of the basic legislation for the overseas information and education programs was sponsored by the distinguished Senator from New Jersey [Mr. SMITH] and the distinguished Senator from South Dakota [Mr. MUNDT] and that it is known as the Smith-Mundt Act. I think it is a tribute to the foresight and to the sound work of these Senators several years ago that, after such an exhaustive study by this committee, we believe that the basic legislation was not only soundly conceived but has withstood the test of time.

EXHIBIT 1

OUR INFORMATION SERVICES

A special committee of the Senate has now submitted its report on the information services of the United States after almost a year of careful study and first-hand investigation. This report is not a smear on anyone. It is a thoughtful job, and its findings will be, and ought to be, received thoughtfully.

One big criticism stands out. There has been a lack of coordination among departments that has led to duplication at home and confusion abroad. President Eisenhower has already taken some steps to meet this in his recommendations for reorganization. There is still much work to be done in this field. There has been, and presumably still is, a considerable amount of waste, partly in the matter of overstaffing and partly in the matter of bad choice and use of materials. An attack on this sort of thing is always difficult, since any arbitrary cut in funds leads immediately to the complaint that muscle instead of fat is being taken away. But unless a large number of sincerely devoted persons are willing and able to go after the fat and get rid of it no other recourse is available.

A large part of our information and intelligence services is the product of improvisation. This necessarily involves a considerable amount of trial and error, and the error has been unavoidable. Some of the errors have been extremely costly—and not merely in money. A more accurately used intelligence service would have avoided some of the tragedy in Korea. A better information liaison could probably have eased some of the present tension. Those are lessons that we have had to learn from experience—and experience can be a hard teacher. The important thing however, is that we learn.

The adverse aspect of the committee's report will undoubtedly be used as ammunition by those who wish to make large cuts in our appropriation for information and intelligence services. The committee itself, it should be noted, has not made such recommendations. It has done a workmanlike job of looking over a large and complex field of activity and it offers no blanket proposals. Because of this we should be careful of jumping to quick conclusions and of using one or another of the committee's findings out of context to push a cause or plead a special case. We will not solve the whole problem by making a simple reduction in appropriation or by a single step in reorganization of function.

If we lived in an ideal, or even a considerably better world there would be no need for such a thing as national propaganda. Our deeds ought to, and could, speak for themselves. We do not, however, live in such a world, and we face the constant assault of a conspiracy against all our cherished liberties. This makes it necessary for us to retaliate in self-defense. It makes it possible, also, for us to take the initiative and to go beyond defending ourselves against malicious distortion of act and motive into the honest preaching of the values to which we are dedicated. This is not only a responsibility but an opportunity.

It is noteworthy, in this connection, that the committee found the person-to-person approach, such as that involved in the exchange of teachers and scholars, one of the most effective media. This is not surprising, however, when the matter of information is viewed in the light of this exchange on the basis of moral values. It is possible for individuals to sustain this emphasis in a way that cannot, unfortunately, be often achieved in a broadcasting program or a news service. There is, as yet no substitute for face-to-face contact in establishing human understanding, although the committee wisely recommends the further exploitation of television possibilities.

In this connection there is the further opportunity, that does not appear to have been stressed by the committee, of closer integration of our own information and intelligence operations with those of friendly countries. The Senators will doubtless agree that there are many cases in which we have thus far made inadequate use of the services of good friends and stanch allies. We always have the tendency to think that what we do here may be better than what could be done by a non-American in another country. This feeling has sometimes betrayed us into substituting an American "slickness" for a simpler and perhaps profounder approach. On matters of that sort we need the constant counsel of our non-American friends.

We have every reason to welcome the Senate committee's study of our problem. We can profit by the findings and can do a better job because of them. We can probably save money and, much more important, we can use our resources more effectively.

Mr. HICKENLOOPER. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I yield.

Mr. HICKENLOOPER. Mr. President, I should be less than human if I were not grateful for the Senator's very kind words about me, but I feel that they are undeserved. The Senator from Arkansas was chairman of the committee in the last Congress, and set a most eminent pattern for procedure. I can only say that the committee could proceed as it did only because of the zeal and earnestness of its previous chairman and the other members of the committee and the pattern which had been established. I merely attempted as chairman to follow the rules and to carry on the work which had been, if I may quote, "so nobly begun." Nevertheless, Mr. President, I thank the Senator from Arkansas for his courtesy and thoughtfulness.

Mr. FULBRIGHT. Mr. President, I appreciate the kind words of the Senator from Iowa, but I want to emphasize that the nature of the subject matter of the inquiry was one of the most difficult and most elusive with which Congress has had to deal. I can assure the Senator from Iowa that I was not paying him an idle tribute. I think he did a magnificent job in handling the matter, as he did, because it could get out of hand very easily.

Mr. MUNDT. Mr. President, I wish to express my appreciation of the very gracious statements of the Senator from Arkansas concerning the work done by the Senator from New Jersey [Mr. SMITH] and myself in connection with the Smith-Mundt Act. I wish to associate myself, also, with his words of commendation of the chairman, the Senator from Iowa [Mr. HICKENLOOPER].

Likewise, Mr. President, I wish to associate myself with the comments of the Senator from Iowa concerning the preceding chairman of the committee, the Senator from Arkansas. I can say as a member of the committee who served on it, both in the Democratic Congress and in the Republican Congress, that when the time came, in the inevitable course of human events, that the chairmanship changed from the Senator from Arkansas [Mr. FULBRIGHT] to the Senator from Iowa [Mr. HICKENLOOPER], there was no change in the conduct of the work. We continued to approach the problem purely in a nonpartisan manner. It was not a bipartisan effort; it was a nonpartisan effort to get at the truth, in the hope that the fact the program had undergone some very merited criticism would not be a reason for circumscribing its future or sabotaging its success. I am hopeful that before we vote on the appropriation for this very important feature of our peace program, all the Members of the Congress will read the report, and, in conformity with the dictates of their own consciences, will vote a reasonable and adequate amount of money, so that this program, which is constantly being corrected and improved, may continue to try to bring about world peace in which we are all so devoutly interested.

Mr. FULBRIGHT. Mr. President, I thank the Senator from South Dakota for his remarks. I know he has made a great contribution to the whole program in the past several years, and I hope the Senate will follow his advice in regard to the appropriation.

Mr. WILEY. Mr. President, I happen to be a member of the Special Committee on Overseas Information Programs and am still a member of the subcommittee, and I wish to join in everything complimentary which has been said about the Senators who have been chairmen, the Senator from Iowa [Mr. HICKENLOOPER], who is now chairman, and the Senator from Arkansas [Mr. FULBRIGHT],

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who was formerly chairman. They have both done a grand job. Both went forward in their work studiously, without fanfare, seeking to find the facts and the truth.

I have been privileged to serve as a member of this committee from its inception, and I may say that it has conducted a most thorough and constructive investigation. Its methods have been at all times impartial and exemplary. It has heard criticisms and suggestions from hundreds of witnesses both inside and outside the Government, in this country and abroad. And it has weighed the accumulated evidence and documentation in a most responsible and judicial manner.

The report of the special committee, which the chairman has presented today, outlines in a clear and forthright manner the principal weaknesses which have hampered the overseas information program. The constructive recommendations of the report point the way to far-reaching and lasting improvements. It shows how we can take the static out of the Voice of America and speak to the world in the clear and vibrant tones of liberty and peace.

We must so speak out, for we are engaged in a worldwide contest for the minds and hearts of mankind. The message of freedom, must get through to peoples in all lands.

If the recommendations of this committee are followed by the executive branch, the story of America and what it stands for will flow out to all the world more intelligibly and more effectively than ever before.

But we must not make the mistake of believing that an official information program is the only channel through which other peoples hear of this country and form their opinions of our policies and our beliefs. No matter how effective the information program may become, a far greater impact is created abroad by what we do as individuals and as a nation. A speech on the floor of the Senate, a law passed by the Congress, a policy pronounced by the President, all of these can create lasting impressions abroad about America.

I remember, Mr. President, that the Polish youth who was in the gallery a week or so ago told some of us about the President's speech and how it affected him. At that time he was employed in the service of the Kremlin, but he fled from that service. He said the speech went through the minds of all who heard it and gave them faith and hope for the future.

These are times when a special responsibility rests on all of us. We must speak and act with a full awareness of the potential effect that our words and deeds will have on the foreign relations of our country.

Once again, I wish to express my admiration for the careful and thorough manner in which the senior Senator from Iowa has conducted this investigation. I hope that he will be able to report to the Senate a few months from now that the recommendations of his special committee are being applied and are having a constructive effect on our overseas information program.

INTERNATIONAL CLAIMS COMMISSION

Mr. DOUGLAS. Mr. President, I ask unanimous consent that I may be permitted to make a statement concerning the International Claims Commission for not to exceed 6 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from Illinois is recognized for 6 minutes.

Mr. DOUGLAS. Mr. President, a matter regarding one of the smaller commissions of the Government has come to my attention, which I think deserves to be called to the attention of the Senate.

The International Claims Commission was established in the Department of State in 1950 by Public Law 455. This Commission has jurisdiction to receive, examine, and render final decisions with respect to claims of American nationals arising out of the nationalization or other taking of property by foreign governments where an agreement for the settlement en bloc of such claims has been made. Two such settlements have been made, one with Yugoslavia, the other with Panama. This International Claims Commission is a quasi-judicial body. The act creating it specifies in section 3c, that members of the Commission may be removed "upon notice and after hearing, for neglect of duty or malfeasance in office, but for no other cause." Congress therefore intended it to be a quasi-judicial body, nonpolitical in nature, which would be independent of the President, and which was placed in the Department of State for purely housekeeping reasons. The United States District Court for the District of Columbia, and the United States Court of Appeals for the District of Columbia Circuit, have both held it to be such a quasi-judicial body. Yet this quasi-judicial body is apparently to be forced out of business, and the reasons therefor need to be examined.

In 1950 the International Claims Commission undertook an investigation of a former employee of the Department of State. The investigation disclosed that this employee in the Office of the Legal Adviser of the Department of State had been in charge of all work of the Department regarding claims of Americans arising out of the nationalization of their property by Yugoslavia. He was the person who testified for the Department in advocating the passage of the law creating the International Claims Commission. He was familiar with the work the Commission would have under its jurisdiction.

After the appointment of the members of the International Claims Commission this employee resigned from the Department of State and opened a law office in Washington. The Commission then charged him with unethical conduct in that he solicited claimants whose claims he had reviewed while in the Department of State, and in acting contrary to the canons of the American Bar Association. At the hearing before the Commission it was established that this employee represented claimants with claims totaling $14 million. If he had been successful in obtaining payment, his share might have risen to $1,400,000.

He was found guilty of unethical conduct by a majority of the Commission, and forever disbarred from practicing before it. He appealed to the Secretary of State, and the Secretary affirmed the Commission. He brought suit in the United States District Court, which affirmed the Commission, and only a few days ago the United States Court of Appeals for the District of Columbia likewise affirmed the Commission. Thus, we have the majority members of this quasi-judicial body insisting upon a high ethical standard in Government affairs.

Now, how is such action to be rewarded Is it because the Commission took these steps against a former employee of the State Department that no request for a budget for fiscal 1954 for the operations of the Commission has been made by the State Department? They said a request would be made at a later date. Failure to obtain an appropriation, which, incidentally, is no burden on the taxpayer, as the act provides for deductions from awards to defray expenses, will stop the important work of this Commission, and force it out of business on June 30 of this year. This is important, because such a stoppage will eliminate a court where Americans can seek compensation for property which has been taken from them. It is also important because it will be a failure on the part of our Government to fulfill its obligations under solemn agreements with foreign countries. Finally it is important because it will raise grave problems as to the rights of these foreign countries, under these solemn agreements, to get back the funds created by them, and thus will diminish the amounts available for the payment of American claims.

Or could the reason possibly be—and I advance this as a question, not as a statement—that the administration is seeking the death of this Commission for political patronage? Is it seeking to do indirectly what the statutes prevent it from doing directly? Is it seeking to oust from a quasi-judicial office persons who have set a high standard in public office solely so that they can be replaced by party appointees? Is it seeking to circumvent the decision of the Supreme Court of the United States in the Humphrey case, which held that a quasi-judicial officer cannot be replaced by the President? I hope this is not the case, since many of the claimants before the Commission are friendly to this administration, and are also represented by firms which are in an even closer relationship.

Some explanation of the action of the administration should be forthcoming as to why the International Claims Commission is being so treated. I hope that an allowance for administration based upon a percentage of the claims in question may soon be passed by Congress, and the work of the Commission continued.

CAPT. JOY BRIGHT HANCOCK, UNITED STATES NAVY

Mr. HENDRICKSON. Mr. President, I ask unanimous consent to be permitted to speak for not to exceed 3 minutes,

so that I may pay fitting tribute to a retired naval officer.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from New Jersey may proceed for 3 minutes.

Mr. HENDRICKSON. Mr. President, the United States Navy has recently retired one of its most distinguished members, and we in the Senate would be more than remiss if we were to let this event pass without adding our words of commendation.

The distinguished naval leader of whom I speak is a lady who, for a period of time embracing two world wars, has been making her presence felt wherever the women of the Navy gather.

As a civilian, as an enlisted woman, and as an officer, Capt. Joy Bright Hancock, of my own great State of New Jersey, has served the Nation and the Navy with honor and distinction.

Captain Hancock retired on June 1, 1953, as Director of the Women's Reserves of the United States Navy, a post which she held from July 26, 1946, to the date of her retirement.

Captain Hancock saw the Navy in all of its aspects over her long career of praiseworthy service, and it was fitting that she be at the helm in 1948 when the title was changed from the familiar one of WAVES—or Women Appointed for Voluntary Emergency Service—to the enduring title of the Women's Reserve of the United States Navy.

Mr. President, Captain Hancock received two signal honors on her retirement. First, she was awarded the Legion of Merit as a resourceful and inspiring leader. Secondly, she was made the incarnate symbol of the women of the Navy as the subject of an oil portrait presented to Vice Adm. James L. Holloway by Artist David Komuro.

It is my understanding, Mr. President, that the portrait of Captain Hancock, representing not only this distinguished New Jersey lady, but all the proud women of our Navy, now hangs in Admiral Holloway's office.

I first became acquainted with Captain Hancock when her distinguished father was president of the New Jersey Senate. I remember the occasion of the tragic death of her second husband, a Navy commander, who was lost in the crash of the U. S. S. *Shenandoah* on September 3, 1925. He was the second husband Captain Hancock was to lose in an air tragedy.

Captain Hancock is a very distinguished New Jersey woman, and I am very happy to have the opportunity to pay her this inadequate tribute.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a summary of Capt. Joy Bright Hancock's illustrious career in the service of her country.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

CAPT. JOY BRIGHT HANCOCK, UNITED STATES NAVY

Captain Hancock was born in Wildwood, N. J., on May 4, 1898. She attended high school in Wildwood; George Washington University and the Crawford Foreign Service School, both of Washington, D. C.; the Pierce School of Business Administration, Philadelphia, Pa.; and the Paris branch of New York School of Fine and Applied Arts, Paris, France. She had flying instruction at the Henry Berliner Aviation School, Washington, D. C.

As a yeoman (F), first class, United States Naval Reserve Force, in 1918, Captain Hancock was on duty at the New York Shipbuilding Corp. yards at Camden, N. J., and later as chief yeoman (F), she was attached to the United States Naval Air Station at Cape May, N. J. She was mustered out of the service in September 1919, and subsequently became a civilian employee at the Naval Air Station, Lakehurst, N. J.

From 1934 until the fall of 1942 she was in charge of the editorial and research section of the Navy Bureau of Aeronautics and special assistant to the Chief of that Bureau. On October 15, 1942, she was commissioned lieutenant, Women's Reserve, United States Naval Reserve, and was promoted to the rank of lieutenant commander November 26, 1943; to commander March 5, 1945; and to captain July 26, 1946. On October 15, 1948, she was sworn into the regular Navy, with the temporary rank of captain, and the permanent rank of lieutenant commander.

On October 24, 1942, Captain Hancock became Women's Reserve representative for the Bureau of Aeronautics and for the Deputy Chief of Naval Operations for Air. She was transferred to duty on February 25, 1946, as Assistant Director (plans) of the Women's Reserve, and on July 26, 1946, she assumed duty as Director of the Women's Reserve of the United States Navy, in the rank of captain.

For outstanding performance of duty from October 24, 1942, until October 23, 1945, she received a letter of commendation, with authorization to wear the Commendation Ribbon, from the Secretary of the Navy, as follows:

"For outstanding performance of duty as the Women's Reserve representative in the Bureau of Aeronautics and later special assistant for the Women's Reserve to the Deputy Chief of Naval Operations (Air), from October 24, 1942, to October 23, 1945. Discharging with zeal, leadership, and judgment her many responsibilities, Commander Hancock assumed an important role in the development, expansion, and administration of the comprehensive program designed to integrate women in the naval service and utilize their various skills. Maintaining close liaison with the office of the Director of the Women's Reserve, she aided in formulating policies governing the Women's Reserve and has worked with activities in the Bureau of Aeronautics and the Bureau of Naval Personnel on the details of women's training and assignment and in the development of their welfare and recreational facilities. Her recommendation concerning living standards and working conditions of naval shore establishments in this country and Hawaii were essential factors in the increased efficiency of Women's Reserve members in these activities. Commander Hancock's ability, zeal, and devotion to the fulfillment of her tasks were in keeping with the highest traditions of the United States naval service."

On October 15, 1948, Captain Hancock was one of the first eight women sworn into the Regular Navy of the United States, under the Women's Armed Service Integration Act of 1948. At that time she was assigned duty as an assistant to the Chief of Naval Personnel, in the temporary rank of captain, and is serving as an adviser to the Chief of Naval Personnel on Women's Affairs.

In addition to the Commendation Ribbon, Captain Hancock has the Victory Medal, for service during World War I, and is entitled to the American Area Campaign Medal and the World War II Victory Medal.

Captain Hancock has been married twice. Both her husbands were naval aviators, and both died in the crash of dirigibles in which they were serving. Her first husband, Lt. Charles G. Little, recipient of the Navy Cross, was killed when the ZR-2 crashed over the Humber River, England, in August 1921. Her second husband, Lt. Comdr. Lewis Hancock, Jr., lighter-than-air pilot and also holder of the Navy Cross for World War I service in a submarine, died in the crash of the U. S. S. *Shenandoah* on September 3, 1925.

The U. S. S. *Lewis Hancock* (DD 675), destroyer named in honor of the late Lieutenant Commander Hancock, was christened by Capt. (then Lt.) Joy Bright Hancock when the vessel was launched on August 1, 1943. The *Lewis Hancock* was commissioned September 29, 1943.

Captain Hancock has contributed many articles on aviation and related subjects to Our Navy, Flying and Popular Aviation, Aero Digest, Popular Mechanics, Sportsmen Pilot, and other publications.

THE HELLS CANYON PROJECT

Mr. KEFAUVER. Mr. President, at the request of the Senator from Oregon [Mr. MORSE], who is now returning from Portland, Oreg., I ask unanimous consent to have printed in the body of the RECORD a letter sent to President Eisenhower on June 12 by 101 representatives of farm groups, business organizations, organized labor, and power consumers in the Pacific Northwest. The letter protests the administration's scuttling of the Hells Canyon project and urges that representatives of the Corps of Engineers, the Bureau of Reclamation, and the Department of Agriculture oppose the partial plan submitted by the Idaho Power Co. before the Federal Power Commission. I further request that the names of the signatories and the organizations they represent also be printed.

There being no objection, the letter and list were ordered to be printed in the RECORD, as follows:

HON. DWIGHT D. EISENHOWER,
President of the United States,
The White House,
Washington, D. C.

DEAR MR. PRESIDENT: We, the representatives of organized labor, farmers, and power consumers in the Pacific Northwest, take the liberty of addressing you from an extraordinary regional meeting in Portland, Oreg.

We respectfully submit to you that abandonment of the Federal high dam at Hells Canyon on the Snake River in Idaho would be one of the most colossal blunders ever committed by any administration, for the following reasons:

1. The junking of the reimbursable multipurpose Hells Canyon project means the junking of the whole comprehensive development program for the Columbia River and its tributaries as outlined in the Corps of Engineers' "308" review report of 1948.

2. It means abandonment of a broad integrated plan and substitution therefor of a shortsighted piecemeal method, which would render unfeasible several downstream projects, would reduce the potential power capacity of the region from 33 million to 15 million kilowatts, would eliminate the possibility of harnessing these rivers for adequate flood control, irrigation, navigation, and other watershed conservation functions.

3. It would delay and possibly prevent maximum development of phosphate ore resources which constitute an estimated 60 percent of the Nation's known deposits of phosphates for fertilizer purposes. Development of these reserves depends primarily on availability of low-cost electricity from Hells Canyon. It is vitally important that

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these phosphate resources be fully exploited in view of our rapidly growing population and the need of fertilizers at reasonable cost to increase production of food supplies.

4. Failure to treat the Columbia River and its tributaries as a unit would forever prevent the Pacific Northwest region from achieving its full destiny as a balanced economy, a market for goods, a source of tax revenue, a self-supporting entity, or its maximum contribution to national defense.

5. Separation of future land reclamation from the financial aid of electric power development means a blackout for our maximum utilization of water on land, which is vital as a means of providing room for our fast-growing population.

6. There is no substitute project for Hells Canyon, nor is either Mountain Sheep or Nez Perce site lower on Snake River a substitute for Hells Canyon storage potential. No storage site can be sacrified in the comprehensive program. Mountain Sheep or Nez Perce Dam would merely supplement Hells Canyon and not substitute for it.

In addition, we protest strongly the idea of abdicating to an absentee controlled private power monopoly the priceless river sites belonging to the people of the United States on the pretext that Congress has not yet authorized the Hells Canyon project. Such a policy means, in effect, that private power may seize all remaining river sites merely by exerting enough political pressure to delay congressional action for their development, or by proposing spite dams at potential public power sites. This is exactly what the private power companies are doing.

We contend that the rights of the people are paramount to those of any private utility company. It is not necessary to abandon the Hells Canyon site in particular because the Idaho Power Co. has available to it numerous other sites which it can develop for power purposes.

We therefore urge you with all the earnestness at our command that you recommend intervention by the United States Corps of Engineers, the Bureau of Reclamation and the Department of Agriculture before the Federal Power Commission in opposition to the granting of the license requested by the Idaho Power Co. for development of the Oxbow dam site.

Albert C. Ullman, chairman, Idaho-Oregon Hells Canyon Association, Baker, Oreg.; Elmer McClure, president, Oregon State Grange, Portland, Oreg.; Ed Weston, president, Washington State Federation of Labor, Seattle, Wash.; Henry Carstensen, master, Washington State Grange; Elmer McIntire, executive secretary, Idaho State Federation of Labor, Boise, Idaho; Chester Dustin, director, Oregon Congress of Industrial Organizations, Portland, Oreg.; J. T. Marr, president, Oregon State Federation of Labor, Portland, Oreg.; Owen Hurd, president, Northwest Public Power Association, Prosser, Wash.; Vincent Cleaveland, chairman, Clark County Public Utility District, Vancouver, Wash.; Chauncey Price, president, Washington Public Utility District Association, Carsen, Wash.; J. G. Moeller, vice president, Oregon Farmers Union, Portland, Oreg.; George H. R. Taylor, secretary-treasurer, Idaho-Oregon Hells Canyon Association, Boise, Idaho; Kirby Billingsley, vice president, Columbia River Development League, Wenatchee, Wash.; Graham Dolan, special representative, International Union of Mine, Mill, and Smelter Workers; P. C. Spowart, Seattle City Light, Seattle, Wash.; R. R. Gatiss, Montana Statewide Electric Cooperative Association, Kalispell, Mont.; H. D. Rolph, Sr., vice president, National Farmers Union, Portland Oreg.; George Lackman, president, Montana Statewide Electric Cooperative Association, Billings, Mont.; C. Girard (Jebby) Davidson, lawyer, Portland, Oreg.

Ted F Berry, Washington Grange News, 3104 Western Avenue, Seattle, Wash.; Clarence M. Carter, Union County PUD, Route 2, LaGrande, Oreg.; Amelia May Bateman, Hells Canyon Dam Association, Clarkston, Wash.; Harold Withrow, Buena Vista Farmers Union, Independence, Oreg.; Lee Wooden, Oregon Rural Electric Co-op Association; John E. Bunn, Klickitat PUD, secretary; White Salmon, Wash.; Less Jaselin, Portland, Oreg.; Harry Tupling, wholesale merchandise, Portland, Oreg.; Charles L. Hensley, precinct committeeman, Portland, Oreg.; R. L. Woolley, Electric Co-op Association, Hermiston, Oreg.; Phil Dyer, northwest region, American Veterans Committee, Portland, Oreg.; Howard Morgan, chairman, Democratic Party of Oregon, Monmouth, Oreg.; Don S. Willner, national committeman, Young Democrats of Oregon, Corbett Building, Portland, Oreg.; John A. Rademaker, Oregon Farmers Union, 960 Shipping Street, Salem, Oreg.; William W. Widmer, Democratic precinct committeeman, 1125 Southeast 113th Avenue, Portland, Oreg.; Walter Wislow, Electric Union, 8014 North Swift Boulevard, Portland, Oreg.; Vuhrey Martin, Oregon State Building Trader, Portland, Oreg.; Glenn Torbelf, Warren Grange 536, Warren, Oreg.; Ralph Langdon, Chaman Grange, Scoppoose, Oreg.; Vilas L. Shepard, Clatskamie PUD (president), Clatskamie, Oreg.; W. R. Armstrong, chairman of SCS St. Maries, Idaho, Farmington, Wash.; George H. Bailey, chairman, Legislative Committee of Central Grange 276; Aiden L. Bailey, manager, Clatskamie PUD, Clatskamie, Oreg.; Albert Niva, representing Morse Men, Tigard, Oreg.; James A. E. Olson, member 5246610, 3890 East 21st, Eugene, Oreg.; Frank R. Brown, Springfield Utility Board, box 638, Springfield, Oreg.; Joseph F. Murphy, Young Democrats, 909 Corbett Building, Portland, Oreg., and Ontario, Oreg.

A. C. Heyman, Farmers Union, Albany, Oreg.; G. A. Peters, commissioner, Lewis County, PUD No. 1, Box 331, Chehalis, Wash.; W. A. Hudelson, Idaho-Oregon Hells Canyon Association, North Powder, Oreg.; Raymond J. Beach, tax-freedom advocate, 7532 Syracuse, Portland, Oreg.; Virginia Nalbin, Progressive Party of Oregon, Portland, Oreg.; Ray Stauffer, chairman, State Progressive Party, 2780 Central Building, Eugene, Oreg.; Ada Niva, Washco Women's Club, Box 503, Tigard, Oreg.; Anna Keirsey, Tigard Grange 748, Box 622, Tigard, Oreg.; Richard M. Schaefar, Jr., IDHCA, Grange power committee, Farmers Union, Lewiston, Wash.; H. D. Rolph, Sr., vice president, Farmers Union, 1525 Southeast 41st Avenue, Portland, Oreg.; Earl Moore, Hood River Electric Co-op director, Route No. 1, Hood River, Oreg.; Preston Royar, Benton PUD, Prosser, Wash.; K. W. Gregg, Idaho Development Association, Nampa, Idaho; Clinton E. Sinclair, Joseph Chamber of Commerce, Joseph, Oreg.; Raymond Kell, Oregon State Grange, 2633 Northeast Meson Street, Portland, Oreg.; Kenneth J. Smouse, second vice president, Oregon Wheat Growers League, Ione, Oreg.; Henry Baker, Morrow County Pomona Grange, Ione, Oreg.; Oscar Peterson, director, Columbia Basin Electric Cooperative, Ione, Oreg.; Norman Haaland, member, 226, AFL, 2321 Southeast 26th, Portland, Oreg.; Oscar O. Gistad, president, Calapooia Farmers Union, Holley, Oreg.; H. R. Bristol, Farmers Union, Route No. 1, Newberg, Oreg.; B. Sasse, Chehalem Grange 780, Route No. 1, Newberg, Oreg.; Mrs. B. Sasse, Chehalem Grange 780, Route No. 1, Newberg, Oreg.; Mrs. Sue A. Bristol, legislative committee, Chehalem Grange 780, Newberg, Oreg.

Tom Bidder, IVOE Local 87, 4225 Southeast Ninth Avenue, Portland, Oreg.; Arch M. Sams, Cape Horn Grange, No. 70, State master, Skamania, Wash.; Dorothy A. Sams, Cape Horn Grange, No. 70, Skamania, Wash.; H. E. Nissen, Charter Oak Grange, No. 582, Vancouver, Wash.; Rolf Jemtegaard, Cascade Pomona Grange, Washougal, Wash.; Mr. and Mrs. Robb W. Casebeer, Evening Star Grange, Portland, Oreg.; Arthur Parrish, Fernwood Grange, Newberg, Oreg.; Howard M. Crinklaw, Coos-Curry Electric Co-op, Coquille, Oreg.; Willard H Johnson, Hood River Electric Co-op, Hood River, Oreg.; R. J. Thomas, Portland, Oreg.; Beulah Hand, consumer, 2515 10th Avenue, Milwaukee, Oreg.; Heye H. Meyer, Clark P. U. D., Route 5, Vancouver, Wash.; Joseph A. Ast, Clark P. U. D., Box 165, Camas, Wash.; O. G. Hittle, Cowletz Co. P. U. D., 1329 22d, Longview, Wash.; Walter Wells, Hood River Electric, Box 320, Hood River, Oreg.; C. R. McCoy, Hood River Electric, Parkdale, Oreg.; Lloyd Tupling, Hells Canyon Association, 1308 Warm Springs Avenue, Boise, Idaho; Mrs. Hub Howe, Hells Canyon Association, 537 Thanin Road, Lewiston, Idaho; Herbert Howe, Nez Perce County Pomona Grange, 537 Thain Road, Lewiston, Idaho; Frank Carlisle, Fernwood Grange, No. 770, Springbrook, Oreg.; Lucille Kimble, Fern Hill Grange, No. 592, Goble, Oreg.; W. W. Kimble, Fern Hill Grange, No. 592, Goble, Oreg.; A. M. Larson, Carpenters Local 226, Portland, Oreg.; Byron C. Brinton, secretary, Hells Canyon Development Association, care Record-Courier, Baker, Oreg.; G. Lowell Fuller, Baker County Commercial Club, Baker, Oreg.; Lucille Flint, Farmers Union, Box 228, Salem, Oreg.; Gay Ginther, Better Pension Council of Oregon, Meldrum Avenue, Portland, Oreg.; Oscar Ingram, 510 Second Street, Lebanon, Oreg.; Lynn Tuttle, Asotin County Waterways Association, Box 168, Clarkson, Wash.; George Penkill, Asotin County Grange, No. 235, 571 NC 24th, Palter, Wash.; Ben Buiman, Oregon Grange.

DEPARTMENT OF AGRICULTURE APPROPRIATIONS, 1954

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of House bill 5227, and that it be made the unfinished business of the Senate. This is the bill making appropriations for the Department of Agriculture. I may say that the effect of this motion, if agreed to, will be to have the Department of Agriculture appropriation bill take the place of Senate bill 1946, which is at present the unfinished business.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5227) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1954, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

Mr. KNOWLAND. Mr. President, I desire to propound a unanimous-consent request. I may say that I have discussed it with the distinguished Senator from North Dakota, chairman of the subcommittee [Mr. YOUNG], and also the distinguished Senator from Georgia [Mr. RUSSELL], who is the ranking minority member of the committee, as well as with other Senators on both sides of the aisle. The proposed unanimous-consent agreement follows the precedent which we have followed for several years past relative to a limitation on debate. I will read the request and then send it to the desk. It reads:

Ordered, That during the consideration of H. R. 5227, the Department of Agriculture Appropriation Act, 1954, no Senator shall

speak longer than 15 minutes on any amendment, motion, or appeal; and that on the bill itself, the debate shall be limited to a total of 3 hours, to be equally divided, and to be controlled by the chairman of the subcommittee, the Senator from North Dakota [Mr. YOUNG] and by the minority leader, the Senator from Texas [Mr. JOHNSON].

The PRESIDING OFFICER (Mr. CARLSON in the chair). Is there objection to the unanimous-consent request of the Senator from California?

Mr. HOLLAND. Mr. President, does the proposed unanimous-consent agreement provide that all amendments shall be germane?

Mr. KNOWLAND. I believe the rule gives ample protection in that regard in connection with an appropriation bill. However, I shall be glad to include the provision if the Senator wishes. I believe the rule adequately covers the situation.

The PRESIDING OFFICER. The Chair will state that the rule expressly provides for germaneness of amendments.

Is there objection to the request?

Mr. STENNIS. Mr. President, the Senator from Mississippi did not understand the Chair's statement.

The PRESIDING OFFICER. The Chair stated that amendments to appropriation bills must be germane, under the rule.

Mr. STENNIS. I thank the Chair.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? The Chair hears none, and it is so ordered.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded, and that further proceedings under the call be dispensed with.

The PRESIDING OFFICER (Mr. BARRETT in the chair). Without objection, it is so ordered.

Mr. YOUNG. Mr. President, I wish to proceed for not more than 10 minutes to explain the agricultural appropriation which now is before the Senate.

The bill as passed by the House of Representatives and sent to the Senate is a very good one, and thus our task in connection with the bill is much easier.

The bill provides funds to sustain the far-flung operations of the Department of Agriculture. Through this appropriations bill we must provide sufficient funds for the protection and conservation of the forests of the Nation, the grass, the trees, the bushes—in short, for everything that grows. We also must provide funds to protect the great livestock industry. This bill also appropriates funds to provide protection for the prices of agricultural commodities. The support program has lent great assistance to stabilizing agricultural prices in the United States, and has had a direct and beneficial effect upon the economy of the entire Nation.

At present we have an investment of more than $127 billion in agriculture; it is one of the largest investments we have made.

Mr. President, it should be noted that approximately 30 percent or more of all agricultural appropriations are for items not directly associated with agriculture. Examples of such items are the school-lunch program, meat inspection service, and many others of a similar nature.

The bill provides overall appropriations of approximately $57 million for the United States Forest Service. However, the total estimated receipts from the forests of the United States will be approximately $76,900,000 in fiscal year 1954. In other words, approximately $20 million more than is appropriated will be returned to the United States Treasury as a result of all forestry operations throughout the United States.

Mr. President, the bill contains some interesting items with respect to research. Our committee received testimony to the effect that for all industry in the Nation approximately $2 billion is spent for research. Of that $2 billion, the United States Government provides approximately 47 percent. In connection with agricultural research alone, the total expenditures amount to $250 million. Of this amount industry is providing $140 million, and $110 million is divided approximately equally between the States and the Federal Government. This bill provides appropriations of approximately $60 million for agricultural research.

At this time let me say a word about what research has accomplished, not only for agriculture, but outside that field. For instance, the patent on penicillin is owned by the Department of Agriculture. Since it is a Government patent, it is free for use by all the people of the United States. When penicillin was first produced, it cost approximately $40 per 100,000 units. At the present time the cost, as a result of the research which has been conducted, has been lowered to approximately 3 cents per 100,000 units.

Let me say a further word about research. The Republican Party's platform has strongly urged that more funds be provided for research. That program has been urged for years by the Republican Party, and has also been urged by the Democratic Party. In a recent speech, President Eisenhower requested larger funds for agricultural research.

Mr. President, in response to telegrams from almost every farm organization in the Nation, most of which requested $17 million of additional appropriations for research, our committee voted to add approximately $1,500,000 of appropriations, to the amount voted by the House of Representatives, and another $1,500,000 of appropriations for closely associated items in respect to control of insects, other pests, and plant diseases.

I ask unanimous consent to have printed at this point in the RECORD, in connection with my remarks, various telegrams which have been received from farm organizations and others, regarding research funds.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

MINNEAPOLIS, MINN., *June 1, 1953.*

Senator MILTON YOUNG,
Senate Office Building:

Sincerely appreciate your continuing efforts behalf agricultural research. Few in Congress appreciate as you do importance and needs this investments. If present grain crops our area should suffer from preventable causes, your position with growers would be greatly strengthened if you continue to lead fight for reasonable research funds. Am seeking support this program many other States. Does writeup of appropriation bill finish this week?

DON FLETCHER.

FARGO, N. DAK., *May 29, 1953.*

Senator MILTON R. YOUNG,
Senate Office Building:

As research appropriations for agriculture are crystallized, the membership of the North Dakota Farm Bureau as well as all North Dakotans aware of the meaning of research are vitally interested. We are deeply concerned that production research on small grains is underwritten adequately and first reports on allocations do not seem enough to deal with our problems, not the least of which is rust. If there is any way in which farm bureau can help you underscore our needs please call upon us. The need is crucial.

Regards,

P. J. DONNELLY,
President, North Dakota Farm Bureau.

WASHINGTON, D. C., *June 4, 1953.*

Senator MILTON R. YOUNG,
Senate Appropriations Committee,
Senate Office Building,
Washington, D. C.:

The American Farm Bureau Federation makes the following recommendation with regard to the agricultural appropriations bill:

1. That agricultural conservation payment authorization for the 1954 crop program be reduced from $195 million, as passed by the House, to $140 million and that funds be made available on the basis of need for nonrecurring permanent soil conservation practices.

2. Recommend restoration of funds for research at least to the amounts recommended by the Department of Agriculture. Believe additional funds can be wisely used for research.

3. That appropriations for the Bureau Agricultural Economics be restored to that recommended by the Department of Agriculture.

4. Restore the administrative funds for the Federal extension service to that recommended by the Department of Agriculture in their budget estimate.

JOHN C. LYNN,
Legislative Director, American Farm Bureau Federation.

ATLANTA, GA., *June 1, 1953.*

Hon. MILTON R. YOUNG,
Senate Office Building:

Let me urge inclusion of $17 million increase for research for agriculture. All branches of agriculture are greatly in need of further research as early as possible.

TOM LINDER,
Commissioner of Agriculture.

WAYCROSS, GA., *June 1, 1953.*

Hon. MILTON R. YOUNG,
Senate Office Building:

Please support $17 million increase for agricultural research over last year. Also maintain nurseries.

Georgia District Supervisor
J. MARVIN STRICKLAND,
President.

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ST. PAUL, MINN., *May 29, 1953.*
Hon. MILTON R. YOUNG,
Senate Office Building,
Washington, D. C.:
Your support of increased appropriation for agricultural research is urged.
H. MACY,
Dean, of the Institute of Agriculture, University of Minnesota.

ATHENS, GA., *May 30, 1953.*
Senator MILTON R. YOUNG,
Chairman, Agricultural Subcommittee of Appropriations, Senate Office Building, Washington, D. C.:
Earnestly request your committeee to support $17 million increase for research. This amount urgently needed for basic and applied research. Backlog of research findings is being rapidly depleted. Future progress will be determined on new research findings.
C. C. MURRAY,
Dean and Director, College of Agriculture.

MEMPHIS, TENN., *June 1, 1953.*
MILTON R. YOUNG,
Chairman, Agricutural Subcommittee of Appropriations, Senate Office Building, Washington, D. C.:
Understand vote will be taken on appropriation for agriculture research at early date. Urge you to support $17 million increase over last year. Many problems including poultry and livestock diseases and pink bollworm control require research for which funds not now available.
LIPPERT S. ELLIS,
Director, Arkansas Agriculture Experiment Station, Fayetteville, Ark.

GAINESVILLE, FLA., *May 31, 1953.*
Senator MILTON R. YOUNG,
Chairman, Subcommittee, Agricultural Appropriations, United States Senate, Washington, D. C.:
Respectfully recommend full $17 million increase Federal appropriations for agricultural research of which $7½ million designated for grants to State experiments stations. Florida Legislature doing its part by this week increasing State research appropriations with ratio now over 11 to 1 of Federal grants. The additional Federal funds needed for more fundamental research.
WILLARD PIFIELD,
Director, Florida Experiment Station.

AUBURN, ALA., *May 30, 1953.*
Hon. MILTON R. YOUNG,
United States Senate,
Washington, D. C.:
Earnestly urge your support for $17 million increase for agricultural research.
E. V. SMITH,
Director, Alabama Agricultural Experiment Station.

ORONO, MAINE, *May 30, 1953.*
MILTON R. YOUNG,
Chairman, Senate Subcommittee on Agricultural Appropriations,
Washington, D. C.:
Urge support of $7½ million increase in appropriation for agricultural research. Solution of agricultural problems severely handicapped by lack of adequate Federal support of State experiment stations. Total Federal funds to Maine station increased only 62 percent since 1940. This is less than one-half the 131 percent increase in index of prices all commodities bought by farmers which corresponds to cost of conducting agricultural research. Total agricultural appropriation of $17 million needed to provide for increased research costs and some increased work on marketing and other current problems.
GEORGE F. DOW,
Associate Director, Maine Agricultural Experiment Station.

KNOXVILLE, TENN., *May 30, 1953.*
Hon. MILTON R. YOUNG,
United States Senate,
Washington, D. C.:
We respectfully ask your support of the request for an increase of $17 million over last year's appropriation for agricultural research. Agricultural research lagging far behind research in other fields and our agricultural leaders in Tennessee are asking additional funds for experimental work.
J. H. MCLEOD,
Dean and Director.

BATON ROUGE, LA., *May 30, 1953.*
Senator MILTON R. YOUNG,
Chairman, Agriculture Subcommittee of Appropriations,
United States Senate,
Washington, D. C.:
Louisiana will appreciate your committee's consideration of the item sponsored by the national farm organization for research.
W. G. TAGGART,
Director, Louisiana Agricultural Experiment Station.

STARKVILLE, MISS., *May 30, 1953.*
Senator MILTON R. YOUNG,
United States Senate,
Washington, D. C.:
Respectfully urge increase of $17 million for agricultural research, $7½ million for grants to States, and $9½ million to USBA Bureaus. Research most important but almost completely neglected by House.
CLAY LYLE,
Director, Mississippi Agricultural Experiment Station.

MANHATTAN, KANS., *June 1, 1953.*
Hon. MILTON YOUNG,
Chairman, Senate Committee on Agricultural Appropriations,
Washington, D. C.:
Urge approval of including additional item of $17 million for agricultural research. Appropriations for agricultural research have not kept pace with increased cost of research in recent years. Expanded program of agricultural research would be an excellent investment.
ARTHUR D. WEBER,
Dean of Agriculture and Director of Agricultural Experiment Station, Kansas State College.

COLUMBIA, MO., *June 1, 1953.*
Senator MILTON YOUNG,
Senate Office Building,
Washington, D. C.:
Recommend inclusion of $17 million additional for agricultural research in 1954 appropriations.
J. H. LONGWELL,
Dean, College of Agriculture, University of Missouri.

CLEMSON, S. C., *June 1, 1953.*
Senator MILTON R. YOUNG,
Chairman, Agriculture Subcommittee of Appropriations,
Washington, D. C.:
The agricultural experiment station personnel is requesting the inclusion of the full $17 million for research over last year. Of this amount, $7½ million for grants to State stations and $9½ million to USDA bureaus.
H. P. COOPER,
Dean and Director, South Carolina Agricultural Experiment Station.

FARGO, N. DAK., *June 1, 1953.*
Senator MILTON YOUNG,
Chairman, Senate Committee on Agriculture Appropriations,
Washington, D. C.:
Strongly urge your support $17 million for agricultural research.
H. L. WALSTER,
Director, North Dakota Agricultural Experiment Station.

Mr. YOUNG. Mr. President, I should like to review briefly the changes voted by the Senate Appropriations Committee in the agricultural appropriations passed by the House of Representatives.

The Senate Appropriations Committee has voted additional appropriations, as compared with the appropriations agreed to by the House of Representatives, of $3,981,940.

The total amount of the bill as reported to the Senate by the Senate Appropriations Committee is $716,729,768.

The appropriations carried by the agricultural appropriation bill for the fiscal year 1953 were $737,209,833.

The first budget request for agricultural appropriations for the fiscal year 1954 was $749,852,342. The agricultural appropriations voted by the Senate Appropriations Committee are $20,480,065 under the 1953 appropriations, and they are $33,122,574 less than the original budget estimates for the fiscal year 1954.

Aside from the item for agricultural research, to which I have just referred, the major changes provided by the bill as reported by the committee, and as compared to the bill as passed by the House of Representatives, are as follows:

There is one item of approximately $1,145,000 for additional funds for forest-pest control. This item was urgently requested by the Department of Agriculture as a result of a serious pest infestation in the forests of Idaho, Montana, and Oregon.

The Senate Appropriations Committee voted to increase by $3 million the appropriation passed by the House of Representatives for the cotton quota program. We believe this is necessary. Yet the total appropriation voted for this purpose by the Senate Appropriations Committee is $3 million less than the budget request made by the Department of Agriculture.

The bill as reported to the Senate contains an item of $97 million for the cost of the farm price-support operations during the past year. I believe it will be interesting to the Senate for me to observe that, according to the testimony of the Department of Agriculture, the total cost of all farm price-support operations, since their inception nearly 20 years ago, has been $1,073,115,955, and there was a net profit of $4,800,000 from the operations of the price-support program for basic farm commodities. That is according to the testimony submitted not more than 6 weeks ago before the Agricultural Appropriations Subcommittee of the Senate Appropriations Committee.

The other major change was a decrease of approximately $5 million in the House appropriation for the watershed program. This is an excellent program, but there was some question on the part of the committee as to the authorization of the projects. I hope that can be ironed out later. The other major differences are in the loan authorizations for REA and RTA.

The PRESIDING OFFICER. The Senator from North Dakota has consumed 10 minutes.

Mr. YOUNG. I yield myself 2 minutes more.

Mr. President, the other major changes from the House action relate to rural

telephone funds and REA funds. The Senate committee increased the House allowance for REA by $15 million, to provide a total of $205 million for the program in fiscal year 1954 for all REA purposes. That includes appropriations and carryover funds. That is as against $197,298,364 available during fiscal year 1953 for REA purposes.

With respect to REA, the committee bill provides $67,500,000 as against $42,500,000 last year. It may be argued that this is too much of an increase over the House figure of $50 million. I think, however, if one considers the large number of loan applications now pending before the REA Administrator for the rural telephone program, he will agree that this amount is not too high. Loan applications under the rural telephone program now exceed $100 million. Of course, not all the applications will be approved; but assuming that from 65 to 75 percent of them are found feasible and approved, the amount the committee has recommended will be found no more than adequate.

I believe I have given a general idea of the action taken by the Senate Appropriations Committee with respect to on the agricultural appropriations bill.

I ask unanimous consent to have printed in the RECORD as part of my remarks the first 6½ pages of the report of the Senate Committee on Appropriations on the agricultural appropriation bill.

There being no objection, the excerpt from the report (No. 382) was ordered to be printed in the RECORD, as follows:

Report of Committee on Appropriations (No. 382) to whom was referred the bill (H. R. 5227) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1954, and for other purposes, report the same to the Senate with various amendments and present herewith information relative to the changes made:

Amount of bill as passed House (direct appropriations)	$712,747,828
Amount of increase by Senate committee (net)	3,981,940
Amount of bill as reported to Senate	716,729,768
Amount of appropriations, 1953	737,209,833
Amount of estimates for 1954	749,852,342
The bill as reported to the Senate:	
Under the appropriations for 1953	20,480,065
Under the estimates for 1954	33,122,574

GENERAL STATEMENT

In reporting the bill to the Senate, the committee recommends total increases of $9,386,440 and total decreases of $5,404,500, for a net increase over the House bill of $3,981,940.

The largest item of increase recommended is $3 million for measuring cotton acreage in connection with allotments for 1954 crops. The second largest item of increase recommended is $2,454,000 for construction of access roads in north Idaho and Montana to permit salvage operations required by the infestation of the spruce bark beetle. The remainder of the increase recommended is for adjustments in the various research and control programs of the Department, of which research projects are increased by about $1,500,000.

The largest item of decrease recommended is $5 million for the new item of watershed protection inserted by the House.

RESEARCH

The need for continued research in agriculture is universally recognized. The platforms of both political parties have endorsed the providing of adequate funds for research in agriculture, and farm organizations as well as trade associations have repeatedly requested additional funds of as much as $17 million for such research.

The committee was advised that for all industry the total cost of research is estimated for 1 year at approximately $2 billion, of which the Federal Government is paying 47 percent. In the case of agriculture, total research expenditures are around $250 million, of which industry is putting up $140 million and $110 million is divided about evenly between the States and the Federal Government.

Since the beginning of time agriculture has provided the basic needs of all mankind. That truism applies to all of us in fuller measure today than ever because agriculture has also become the source upon which industry must depend for raw materials in producing the many things that add to the health, comfort, and convenience of everyday life.

Steel, oil, coal, rubber, and numerous other products are of course vital to our national well-being. But not one of them, nor all of them put together, are as basic to our individual lives or our national strength as food. Yet, the American public and perhaps too many of us in the Congress take for granted that sufficient food will always be available to us when, where, and how we like it.

That is a dangerous assumption. While it is true that American farmers have up to this time met, and sometimes exceeded, the demand for farm products, we must face the fact that the land we now have under cultivation must largely provide for our rapidly increasing population. With approximately 2 million more people to feed each year, and with little new land to move to, the most practical solution obviously is to further increase farm production per acre and per animal.

If the past can be used as a guide to the future, the farmers of this country can and will continue to meet our needs for products of the soil. Agriculture in the United States has made more progress in the last 75 years than in the previous 75 centuries elsewhere in the world. This period of remarkable advancement coincides with the history of research by the United States Department of Agriculture and the State agricultural experiment stations.

Over the past 25 years, agricultural research has increased crop yields by 45 percent; it has increased milk production per cow by 25 percent, and the increase in eggs per hen has increased even more. In 1900, 1 farm worker produced enough for himself and 7 others; he now produces enough for himself and 14 others. From the standpoint of comparative national strength, this progress takes on added significance when we consider that in Russia it takes 1 farm family to produce food for 2 families. In the United States, 8 out of 9 persons in the civilian labor force are working at jobs in industry and business.

While accomplishing its No. 1 job of providing enough food and fiber in peace and war, agriculture has become a tremendous market for the things produced by the nonagricultural industries. Great industrial establishments now make more tractors, trucks, combines, corn pickers, and many other types of farm equipment. The fertilizer business, the producers of pesticides, the electric appliance industry, the automobile and gasoline industries, all owe much, and some of their existence, to farm purchasing power.

In a recent year farmers owned about 4½ million tractors, 2,400,000 trucks, and 4,350,000 automobiles. Altogether, the equipment on farms nowadays is valued at more than $15 billion, and the investment has gone up sharply from year to year ever since mechanized equipment started to take the place of horses about 25 years ago.

Each year farmers use about 50 million tons of chemical materials. They use about 10 billion gallons of crude petroleum each year, more than is used annually by any other industry. Each year the tractors and other mechanized equipment on farms requires 320 million pounds of raw rubber or the amount required to put tires on 6 million automobiles. And under present conditions, farmers each year need about 20 billion kilowatt-hours of electrical power, the amount required to supply power to Philadelphia, Boston, Houston, Toledo, and Dayton.

Indeed, the interdependence of industry, labor, agriculture, our national strength, and the well-being of human beings in this country has become an established fact. All will benefit by striving to maintain this interdependence.

It has been roughly estimated that of the agricultural appropriations about half are primarily of benefit to farmers, and the other half is divided between benefits to the general public and benefits mutually between the farmer and the general public.

The cost of helping agriculture to reach its present high degree of efficiency has probably seemed high to many, but the investment has paid high returns. Cash receipts from farm marketings have more than tripled over the past two decades to about $28 billion. The net income of farm operators over that same period has gone from $4.3 billion to $13 billion. The value of farm assets has jumped from about $68.4 billion to $127 billion.

A more important yardstick for measuring progress, perhaps, is the fact that per capita consumption of such protective foods as meat, milk, eggs, fruit, and vegetables has increased appreciably. In 1950, for instance, consumers ate 19 percent more meat, poultry, and fish; 29 percent more eggs; 22 percent more dairy products other than butter; and 10 percent more fruit and vegetables than we ate just prior to World War II.

All this progress did not occur by accident. A combination of factors has helped to bring it about: A renewed effort on the part of farmers to apply research findings to their operations; reasonably favorable weather; and last, but not least, the assurance to farmers of returns that have had a fair relationship to the returns enjoyed by other segments of our economy.

There is little reason to doubt that farmers will continue to use good farming practices to the extent of their ability, now that they are convinced of their merits; the weather continues to be an unknown factor; since industry, labor, and consumers have such a high stake in a healthy and prosperous agriculture, the continuation of programs to help keep it that way, requires our most serious consideration.

Despite the progress that has been made in developing and bringing agricultural knowhow to farmers, the job ahead is even more challenging. With the increasing number of people to consume food and fiber products, with a declining number of people on farms to produce them, and with relatively little new land on which crops can be grown, there has never been a more urgent need for efficient production, processing, and merchandising of farm products.

Each year insects still do about $4 billion worth of damage to our farm crops. The annual loss to cotton insect alone is more than $760 million. Our researchers estimate that we still lose 1 farm animal out of every 10 because of diseases and parasites. Mastitis and brucellosis of cattle still cost $240 million a year and poultry diseases another $200 million.

More than half of our timber resources are lost through fire, insects, and disease, and

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waste in land clearing and other poor forestry management practices. It would be impossible to estimate, in terms of dollars, the loss of soil fertility that has taken place. It is a fact, however, that about 50 million acres of once productive cropland are too badly eroded for cultivation and another 100 million acres has been reduced because from half to all of the original topsoil has washed away.

As much as 30 percent of some of our fresh fruits and vegetables are lost through spoilage between the producer and the consumer. A few years ago a study in 13 Midwest States showed than one-third of the eggs marketed in those States dropped below grade A quality before they reached the first buyer. These are problems to which renewed attention must be given if we and those who come after us are to maintain the standard of living we now enjoy.

Few will challenge the merits of research and other services that have been and are being rendered for farmers by the United States Department of Agriculture. In many instances the end product of one research finding has more than paid the cost of Agriculture's annual appropriation. Take dextran, for example, which has been found to be a satisfactory substitute for blood plasma in treating shock casualties on the battlefield. While the value of this discovery cannot be evaluated in dollars and cents, it is a forward step in saving lives. The Department's Bureau of Agricultural and Industrial Chemistry has spent $750,000 on this research—only about one-fifth the cost of a B-36 bomber.

Several years ago the Department's Bureau of Agricultural and Industrial Chemistry perfected a new elastic-type cotton bandage that is particularly suitable for treating severe burns. It has proved under actual combat conditions to be superior to any bandage yet developed both from the standpoint of performance and cost. In fact, the Department of Defense saved about $5 million on its first order of 10 million bandages. This is about two-thirds of the entire annual appropriation for the Bureau.

The value of work done by the Department's researchers in the field of plant diseases defies computation. The hand of science in combating the effects of stem rust alone no doubt has meant the difference between success and complete failure in the production of cereal crops in this country. Through the use of rust-resistant varieties of oats in Iowa alone, farmers there have harvested the equivalent of an extra crop of oats each year for the past 12 years. The money value in that time amounts to well over $100 million. All in all, the value of disease-resistant cereals which have been developed by our plant breeders are now estimated to add about half a billion dollars a year to our cereal-crop income.

Research in the breeding, feeding, and management of animals is showing how to produce more meat per pound of feed. New meat-type hogs produce more choice cuts than the average hog, and recent tests indicate the possibility of increasing by 50 percent the daily gain in weight of cattle in the feed lot. Only a decade ago it took 12 pounds of feed and 12 weeks to produce a 3-pound broiler. Now 9 pounds of feed will produce such a bird in 10 weeks.

Research is helping to improve the grasslands of this country, and this fits in well with the overall need to produce more efficiently per acre, per animal, and per man-hour of labor. In North Carolina, for example, it has been proven that an acre capable of producing 50 bushels of corn can produce the equivalent in feed of 87 bushels of corn as improved pasture. The estimated return per man-hour of work was $23 from the improved pasture, compared with $3.69 from corn.

Soil and water conservation and good land-use practices in general are vital in peace and war. It is the best assurance that farmers will be able to maintain production in the years and generations ahead. But, as stated earlier, we must more than merely maintain production—we must make each acre and animal more productive than it is now to meet the definitely foreseeable increased demands of more and more consumers. Great progress has been made in this direction, but the Department's Soil Conservation Service estimates that only one-fourth of the total conservation job has been done. Therefore, some idea of the job ahead can be obtained by a brief résumé of what has already been accomplished.

At the present time approximately 2,500 soil-conservation districts and ranches—organized under State enabling acts and administered by locally elected supervisors—include about four-fifths of all the farmland in the country. In these districts, 2¼ million farmers or ranchers have completed conservation farm plans or are working toward completion of them with the help of SCS technicians. About 275 million acres are covered by complete plans and about 180 million acres have already received the combined conservation treatment called for by them.

Under the agricultural conservation program, which is administered largely by local county and community committees, 52 million acres of pasture and range have been improved by reseeding; 18 million acres are being protected through the construction of standard, broad-based terraces; permanent cover has been established on 2 million acres of land subject to erosion; 5 million acres have been leveled for irrigation; sod waterways have been established on 315,000 acres; trees have been planted on 900,000 acres; 824,000 small dams have been built on farms and ranches to retard soil losses and reduce flood damage. All this and only one-fourth of the job is done.

One-third of the land area of the United States is in forest land. If properly managed, these forests could produce all of the timber needed in the foreseeable future for an expanding economy. Unfortunately, however, the current annual drain on saw timber is in excess of the annual growth. Most public forest land is now managed for continuous production and many of the more progressive private owners of forest land are practicing excellent forestry. But much of the timber cutting on private lands is still not up to good forestry standards.

The Department's Forest Service administers the national forests which consists of about 180 million acres of public lands. These forests each year make a major contribution not only to the Nation's welfare but directly in cash to the Federal Treasury. Last year, in receipts from the sale of timber, grazing fees, and other special uses, they returned to the Treasury more than the total cost of managing and protecting the national forests.

Much of the Department's work in helping farmers and the handlers, processors, and merchandisers of farm products to do a better job of getting these products from the farm to the consumer is of a continuing nature. The cumulative investment in services rendered for research, soil conservation, marketing, plant and livestock inspection, market news, crop reporting, farm credit, and many others, adds up to a tremendous sum. But it is estimated that the cumulative returns exceed by manyfold the total cost. The investment is one that must be protected lest we lose the incalculable benefits that have been gained.

Mr. CARLSON. Mr. President, will the Senator yield for a question?

Mr. YOUNG. I yield to the Senator from Kansas.

Mr. CARLSON. I notice by the report that there have been reductions of $5,404,500, in appropriations provided by the House, and that one of the items stricken out is $5 million for watershed protection. I call attention to the language found on page 15 of the committee report, which reads:

> The decrease recommended by the committee is to deny this approach to a recognized problem. The committee is advised that the number of projects intended to be covered by the amount provided are a few of a large number of such projects on which preliminary examinations or surveys have been made but which have not been authorized under the Flood Control Act of 1944.

I should like to ask the distinguished chairman whether he does not believe that these projects would be authorized under Public Law 46 of the 74th Congress, and the Soil Conservation Act of 1935?

Mr. YOUNG. Not being a lawyer, I will not attempt to give the Senator a very expert legal opinion. At least some of the members of the subcommittee on agricultural appropriations believed that there was a close question as to the authorization for these projects. I think appropriations could be made for them on the basis of their being classified as experimental or test projects. I would like to say to the Senator from Kansas, who has a great interest in these projects—and I think they are worthy ones—that the committee did not delete this item because of any belief that the projects were not meritorious. It was rather a question of the legal requirements of their proper authorization. I think the Congress could appropriate for them under the authorization, I believe it was, of 1936.

Mr. CARLSON. Mr. President, will the Senator yield further?

Mr. YOUNG. I yield.

Mr. CARLSON. I appreciate very much the statement by the Senator from North Dakota, but I should like to point out that Public Law 46 of the 74th Congress gives the Soil Conservation Service authority to deal with all matters relating to conservation.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks a memorandum which I have prepared on this subject.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

> I point out that Public Law 46 of the 74th Congress gives the Soil Conservation Service authority to deal with all matters relating to conservation.
>
> Among the purposes of the act as set out are flood control, the prevention of the impairment of reservoirs, and the maintenance of navigability of rivers and harbors.
>
> In carrying out the provisions of the act, the Secretary is authorized, among other things, and I quote: "To carry out preventive measures, including, but not limited to, engineering operations, methods of cultivation, the growing of vegetation, and changes in the use of land."
>
> That is interpreted by the solicitor's office in the Department of Agriculture and also in the Bureau of the Budget, as giving full authority to whatever is necessary, including the building of suitable structures to deal with this type of a project.
>
> The 48 originally listed projects which passed the House are fully authorized under the provisions of Public Law 46 of the 74th

Congress. They have been approved by the Department of Agriculture and there is full authority for their construction.

I have discussed this matter with the Bureau of the Budget on previous occasions and that is the position they have taken; namely, that it is not necessary that they be authorized under the 1936 Flood Control Act.

Mr. YOUNG. Mr. President, I may say to the Senator from Kansas that some of the watershed programs have been authorized by the regular authorizing committees of the Congress. As the Senator says, some of them have not been so authorized. The $5 million would make possible the starting of about $29 million worth of projects. There was a question in the mind of some of the Senators as to whether we should support this large program without regular authorization by the authorizing committees of the Congress. I think this is a question which probably can be ironed out in conference. All members of the committee feel that these are worthy projects, and that the program itself is an excellent one.

Mr. CARLSON. I want to make for the RECORD an observation which I believe to be important. I was a Member of the House of Representatives at the time in 1936 omnibus Flood Control Act was passed. As a matter of fact, I was a member of the committee that wrote it.

The omnibus Flood Control Act of 1936 authorized the Secretary of Agriculture to develop watershed programs. It is under this act and amendments thereto that a few watershed projects have been authorized and for a number of years Congress has made appropriations to carry on these projects. However, these appropriations have been exceedingly meager. The projects have developed slowly and none have progressed far enough, as yet, to demonstrate what can be achieved in the way of flood control. In most cases it will be many years, at the present rate of appropriations, before the projects can be completed.

The watershed projects submitted in this bill before the Senate, having passed the House, are not submitted under the provisions of the 1936 Flood Control Act but rather under the authority which the Department of Agriculture has to deal with flood control matters in the original Soil Conservation Act of 1935, which is Public Law 46 of the 74th Congress.

I assure the distinguished Senator from North Dakota that it is my thought that the projects, which were approved by the House committee and which were passed by the House, would be authorized under the 1936 act, which I firmly believe carries adequate authority for projects of this kind.

Mr. YOUNG. Mr. President, I am very happy to have the comments of the Senator from Kansas.

Mr. CARLSON. I appreciate very much, if the distinguished Senator will yield further, his statement that the committee will be pleased to give consideration to this matter in conference. I sincerely hope they will. It is a program in which our country in interested. It is a program which ought to be established. We hear a great deal about expenditures for flood control. With reference to the projects which were approved by the House of Representatives, the local contributions would be 52 percent of the cost. In other words, the Federal Government can get assistance in carrying out some of these projects to control water runoff at its source, which, of course, has an effect on the floods in the valleys. I shall not stand upon the Senate floor to say I believe it will protect the valleys from floods; I do not believe it will; but it should be a part of the program, and I hope the distinguished chairman and the other members of the committee will give serious consideration to this matter when it is taken to conference.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks a memorandum on this subject.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

I take this opportunity to express my sincere hope that the Senate will approve the item which passed the House, providing $5 million for the development of watershed programs.

If we do not take definite action on the item as it passed the House, I would urge the conferees between the Senate and House to give serious consideration to the inclusion of this item and the final passage of the bill.

All over the country our people have awakened to the realization that soil conservation and the terraces, gully stops, contour farming, check dams and stock ponds, designed to hold the water where it falls, are an essential part of flood control.

Furthermore, they are beginning to realize that these water-hold structures and practices must be applied to the whole upstream watershed areas, of which there are thousands, if we are to take the action necessary to help prevent disastrous floods and flood damage.

The control of water runoff at its source is important as a part of a long-range soil conservation program. At the present time we have a few partially completed programs of watershed control, but at the rate of present work on these projects, it will be many years before they are completed.

The projects in the pending bill are projects that can be completed in from 1 to 5 years and they would give this Nation test or pilot projects that could be used to evaluate their effectiveness on the control of water runoff, soil conservation, and floods in the lower valleys. They are truly test or pilot projects.

I am sure that the Members of the Senate are aware of the tremendous interest in watershed programs which exists throughout the country. As a matter of fact, I am convinced that the country is far ahead of the Department of Agriculture and the Congress on this subject. They are demanding that we take action to get some projects completed at the earliest possible date.

The approval of this item of $5 million, with a total original cost to the Federal Government of less than $30 million, would require local contributions of over $30 million. Therefore, the Federal Government would, in reality, be securing $60 million worth of work for less than $30 milion. The local contributions would constitute approximately 52 percent and the Federal contribution 48 percent on the final completion of these projects.

It occurs to me that this would be to the distinct advantage of the Federal Government in securing projects that will, in my opinion, add protection and wealth to our Nation of many times more than the original cost.

Mr. YOUNG. The Senator has made a good case, and I am sure the committee will give the matter careful consideration.

Mr. GRISWOLD. Mr. President, will the Senator yield?

Mr. YOUNG. I yield to the Senator from Nebraska.

Mr. GRISWOLD. In connection with the matter which the Senator from Kansas has just discussed, I may say I am sure the Senator from North Dakota realizes that there is a real interest in the State of Nebraska in this same problem. I should like to ask whether the committee fully understood that a great deal of the expense would be borne by way of local participation in carrying out most of the program?

Mr. YOUNG. Yes, I think most of the Members of the committee are fully aware of the contribution to be made by the local people. As I said before, I think the committee is generally strongly in favor of the projects.

Mr. GRISWOLD. Has there been much opposition throughout the Nation to this general type of program?

Mr. YOUNG. No, on the contrary there has been very little. I personally believe that the program should have been carried on at the same time and at the same rate as are other big water development programs, including flood control projects. This program is in many respects less costly, and in many cases, it can do a better job of holding water where it falls on the upper reaches of streams than can the larger dams.

Mr. GRISWOLD. I thank the Senator from North Dakota for making clear some of the questions which were in my mind.

The PRESIDING OFFICER. The clerk will state the first committee amendent.

The first amendment of the Committee on Appropriations was, under the heading "Department of Agriculture—Title I—Regular Activities—Agricultural Marketing Act," on page 2, line 12, after the word "Department," to strike out "$5,500,000" and insert "$5,250,000."

Mr. THYE. Mr. President, I wish to offer an amendment to the committee amendment. I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Minnesota will be stated.

The CHIEF CLERK. On page 2, line 12, it is proposed to strike out "$5,250,000" and to insert in lieu thereof "$5,290,000."

Mr. THYE. Mr. President, the amendment which I have offered is to increase the amount for the agricultural marketing programs by $40,000, bringing the total from $5,250,000, recommended by the committee, to $5,290,000.

The specific purpose of this amendment is to provide funds to enable the Department of Agriculture to initiate a new market news and statistical service for the turkey industry.

This was originally included in the $250,000 in increased funds for marketing programs recommended in the Truman budget, eliminated in the Eisenhower budget, restored by the House, and again recommended to be taken out by the Senate committee.

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The Department of Agriculture over a period of years has improved its marketing service in many particulars, including the type of weekly production reports which is here proposed for turkey growers.

With production 13 percent above that of the previous year, turkey raisers last year faced a marked surplus which so depressed the market and threatened to destroy the turkey industry, that the Secretary of Agriculture authorized purchases largely for distribution to nonprofit school-lunch programs.

From October 1952 to March 1953 such purchases amounted to 48,400,000 pounds of frozen ready-to-cook 1952-crop turkeys.

This represented an investment of $26,100,000 by the Government.

The purchases were made with section 32 funds provided by Congress to encourage consumption of agricultural commodities by diverting surplus quantities from normal channels of trade.

The recent conference of turkey producers called by the Secretary of Agriculture to explore means to avoid a repetition of such surpluses as occurred last year recommended a weekly statistical service to indicate what turkey hatchings are, month by month or week by week, so that they could keep informed on what is happening. In this way the farmers growing turkeys would be better informed of what the production prospects are likely to be and could expand or contract their output accordingly.

Here is the case of an industry itself seeking, through an entirely reasonable request for a Government reporting service at a nominal cost, to help solve some of the surplus problems with which it is confronted and which are costly to the producer and the Government alike.

I believe, Mr. President, we could save a great deal of money if we make the funds available so that the Government may enter into such statistical reporting service, because, if the producer knew that there would be a sharp increase in the number of poults hatched and put on feed, he would be likely to cancel orders or reduce in the next month his turkey production. Then there would not be the sharp increase we have witnessed over past years.

Inasmuch as the House committee had this item in its recommendations, I believe the Senate Appropriations Committee made a mistake at the time it reported the bill. It is for that reason that I have offered my amendment. I have had numerous calls with reference to it. I know the importance of statistical reporting in connection with the livestock industry. I think we should have the same kind of reporting for the turkey industry, because it has become one of our major industries and sources of agricultural income.

I hope the chairman of the committee will agree to accept my amendment.

Mr. YOUNG. Mr. President, the Senator from Minnesota has made a very good case for his amendment. I have received many telegrams from all over the United States with reference to the proposed reduction in the appropriation, and I think it would be advisable to take the amendment to conference. I shall accept the amendment and take it to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. THYE] to the committee amendment.

The amendment was agreed to.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The next committee amendment will be stated.

The next amendment was, under the subhead "Bureau of Agricultural Economics," on page 3, line 22, after the word "trends," to strike out "$2,120,000" and insert "$2,372,000."

The amendment was agreed to.

The next amendment was, under the subhead "Agricultural Research Administration—Office of Administrator," on page 5, line 19, after the word "building," to insert "whichever is greater."

The amendment was agreed to.

The next amendment was, on page 5, line 19, after the word "greater" in the amendment heretofore stated, to insert a colon and the following additional proviso: "*Provided further*, That transfers not to exceed $11,000 may be made to this appropriation from the several appropriations of the Agricultural Research Administration for general-use capital improvements at the Agricultural Research Center."

The amendment was agreed to.

The next amendment was, under the subhead "Office of Experiment Stations—Payments to States, Hawaii, Alaska, and Puero Rico," on page 7, line 4, after the name "Alaska," to strike out "$62,500" and insert "$75,000," and in line 8, after the name "Puerto Rico," to strike out "$13,441,208" and insert "$13,453,708."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Animal Industry," on page 9, line 14, after "(7 U. S. C. 429)", to strike out "$3,916,500" and insert "$4,189,500."

The amendment was agreed to.

The next amendment was, on page 10, line 4, after the word "products", to strike out "$8,635,000" and insert "$8,480,500."

The amendment was agreed to.

The next amendment was, on page 10, line 22, after the numerals "1952", to strike out "is hereby repealed" and insert "is amended by adding 'voluntary' before the word 'reimbursements'."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Agricultural and Industrial Chemistry," on page 11, line 19, after the word "thereof", to strike out "$7,625,000" and insert "$7,750,000."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Plant Industry, Soils, and Agricultural Engineering," on page 12, line 12, after the word "airplanes", to strike out "$11,586,000" and insert "$12,230,000."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Entomology and Plant Quarantine," on page 14, line 4, after word "application", to strike out "$3,888,760" and insert "$4,076,900."

The amendment was agreed to.

The next amendment was, on page 15, line 6, after "(7 U. S. C. 150–150g)", to strike out "$5,187,000" and insert "$5,600,000."

The amendment was agreed to.

The next amendment was, on page 16, line 17, after "(7 U. S. C. 147a)", to strike out "$2,600,000" and insert "$2,750,000."

The amendment was agreed to.

The next amendment was, on page 16, line 24, after the word "citizens", to strike out "$500,000" and insert "$750,000."

The amendment was agreed to.

The next amendment was, under the subhead "Control of Forest Pests," on page 17, line 19, after "(16 U. S. C., Supp. V, 594–1–594–5)", to strike out "$2,300,000" and insert "$3,350,000", and, at the begining of line 20, to strike out "$1,900,000" and insert "$2,920,000."

The amendment was agreed to.

The next amendment was, on page 18, at the beginning of line 2, to strike out "$3,000,000" and insert "$3,095,000", and, at the beginning of line 10, to strike out "$950,000" and insert "$1,045,000."

The amendment was agreed to.

The next amendment was, under the subhead "Forest Service—Salaries and Expenses," on page 19, at the beginning of line 18, to strike out "building" and insert "building;".

The amendment was agreed to.

The next amendment was, on page 21, at the beginning of line 24, to strike out "$29,665,700" and insert "$29,715,700."

The amendment was agreed to.

The next amendment was, on page 22, line 20, after the word "economics", to strike out "$5,350,000" and insert "$5,402,300."

The amendment was agreed to.

The next amendment was, under the subhead "Forest Roads and Trails," on page 23, line 8, after the word "administration", to strike out "$13,546,000" and insert "$16,000,000."

The amendment was agreed to.

The next amendment was, under the subhead "Acquisition of Lands for National Forests—Weeks Act," on page 24, at the beginning of line 2, to strike out "toward" and insert "of."

The amendment was agreed to.

The next amendment was, on page 26, after line 19, to strike out:

WATERSHED PROTECTION

For expenses necessary to conduct surveys, investigations, and research and to carry out preventive measures, including, but not limited to engineering operations, methods of cultivation, the growing of vegetation, and changes in use of land, in accordance with the provisions of Public Law 46, 74th Congress; $5,000,000.

The amendment was agreed to.

The next amendment was, under the subhead "Soil Conservation Service—Salaries and Expenses," on page 27, line 22, after the word "employees", to strike out "$60,844,014" and insert "$60,944,014."

The amendment was agreed to.

The next amendment was, under the subhead "Water Conservation and Utilization Projects," on page 29, line 22, after the word "expended", to strike out "$425,500" and insert "$685,000."

The amendment was agreed to.

The next amendment was, under the subhead "Agricultural Conservation Program," on page 32, line 10, after the word "than", to strike out "$1,000" and insert "$1,500."

Mr. WILLIAMS. Mr. President, would an amendment on page 32 be in order at this time, or should I wait until the committee amendments are adopted?

The PRESIDING OFFICER. Is the Senator's amendment to the committee amendment which is now under consideration?

Mr. WILLIAMS. No. It is on page 32, line 2.

The PRESIDING OFFICER. The Chair is advised that the amendment would not be in order at this time.

The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment was, on page 33, line 6, after the word "counties", to strike out the colon and *"Provided further,* That not to exceed 1½ percent of the allocation for the agricultural conservation program for any State may be utilized in determining the most needed conservation practices on individual farms for which Federal assistance shall be given," and in line 23, after the word "pernicious", to strike out "polticial" and insert "political."

The amendment was agreed to.

The next amendment was, under the subhead "Production and Marketing Administration—Agricultural Adjustment Programs," on page 34, line 15, after the word "labor", to strike out "$35,500,000" and insert "$38,500,000."

The amendment was agreed to.

The next amendment was, under the subhead "Marketing Services," on page 37, at the beginning of line 9, to strike out "$11,486,000" and insert "$11,496,000."

The amendment was agreed to.

The next amendment was, under the subhead "Rural Electrification Administration—Loan Authorizations," on page 38, line 11, after the word "program," to strike out "$50,000,000" and insert "$67,500,000", and in line 12, after the word "exceed", to strike out "$30,000,000" and insert "$45,000,000."

The amendment was agreed to.

The next amendment was, under the subhead "Farmers' Home Administration—Loan Authorizations," on page 40, line 15, after the word "amended," to strike out "$7,000,000" and insert $6,500,000."

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

The bill is open to further amendment.

Mr. WILLIAMS. Mr. President, I send to the desk an amendment and ask that it be stated.

The CHIEF CLERK. On page 32, lines 2 and 3, it is proposed to strike out "$195,000,000" and insert in lieu thereof "$140,000,000."

On line 10, it is proposed to strike out "$1,500" and insert in lieu thereof $1,000."

Mr. WILLIAMS. Mr. President, the purpose of the amendment is to reduce the appropriation by $55,000,000 and, at the same time, to reduce the maximum amount of payment which can be made to any single farmer to $1,000.

This reduction is in line with the amount requested by the Secretary of Agriculture speaking for the administration, and I hope the chairman of the subcommittee will accept the amendment without further debate.

The PRESIDING OFFICER. The Chair advises the Senator from Delaware that the second amendment, on line 10, to reduce the item from $1,500 to $1,000 is not in order.

Mr. WILLIAMS. Then I offer the first part of the amendment, the purpose of which is to reduce the appropriation by $55,000,000. This reduction has been approved by the administration—it has been endorsed by Mr. Alan Kline, the president of the American Farm Bureau—it has been endorsed by Mr. J. T. Sands, legislative representative of the National Grange. Both these great farm organizations are in favor of the lower figure and rather than reject their recommendation I think the Senate should give them a vote of thanks. Surely they should be commended for their unselfish approach to the problem of cutting Government expenditures.

Mr. YOUNG. Mr. President, I not only refuse to accept the amendment but I am strongly opposed to it. The Department of Agriculture asked for $140 million for the agricultural-conservation program, and the payments would only be made on nonrecurring items. This would eliminate fertilizer, phosphate, and many other parts of the soil-conservation program.

The House raised the amount to $195 million and reinstated substantially the present program. That is covered also in the language of the report of the Senate Committee on Appropriations.

I personally believe that $500 million, or even more, probably could be wisely spent each year to conserve the soil of the United States, and it would be well worthwhile, because soil is perhaps the greatest of our assets. However, I believe that the compromise on $195 million reached by the House is a good one. I think the Nation can well afford to spend $195 million on soil conservation in the coming year.

I understand that amendments will be offered to raise the amount to $225 million, and anyone could make a good case for that figure. However, I personally believe that the bill as a whole is a good one, so far as agriculture is concerned, and that it is substantially a good bill for farmers. I believe that a reduction to $140 million on this program would do irreparable harm to the soil-conservation program in the United States.

Mr. AIKEN. Mr. President, I wish to say a word about the proposal to reduce the agricultural-conservation program to $140 million from the $195 million which the committee has proposed. As I understand, the Department of Agriculture has been working on a program to be put into effect in the event the appropriation is reduced to $140 million. Unfortunately, the type of program which is proposed on the $140 million basis would provide for continuing the program in a few States, primarily what are known as the range States, at a level comparable to that which prevailed when the appropriation was $250 million. The reduction would come largely in the older farming States, where there are small farms, and where soil improvement probably is needed as much as it is needed on a large part of the western land.

The same proposition was encountered 4 or 5 years ago, when a program was proposed which would have benefited primarily the States where it was possible to improve ranges. Of course, ranges ought to be improved, but it should not be done at the expense of all the other States.

If $140 million were appropriated, it would probably result in about 25 percent being used for administrative purposes. That is altogether too high an amount for that purpose. If it should be decided that the amount should be reduced to $140 million, probably it would be better to eliminate the program completely, and then to establish an entirely new program for the improvement of ranges.

I think the amount arrived at by the House and by the Senate committee is fair. It will provide for a continuing of the soil-conservation program in the Eastern States, and in the Mountain States of the West, as well. Personally, I hope it will be possible to improve the ranges and also the farms. There is some question whether liming and the application of other chemicals which have been depleted from the soil is a permanent improvement or not. There is also question whether irrigation ditches or terraces are permanent, unless they are cared for.

Mr. CARLSON. Mr. President, I wish to concur in the statement just made by the Senator from Vermont in regard to a continuation of this appropriation in the amount of at least $195 million. We who are familiar with the program realize that it is not only an important one, but that to reduce the figure to $140 million would be most serious.

I wonder if I am correct in assuming that the House committee evidently took the figure of $250 million, which has been the amount appropriated in the past, or which has been at least mentioned in the budget, subtracted $140 million from that, leaving $110 million, then compromised by adding 50 percent of that amount to $140 million arriving at the figure of $195 million. That is a practical solution, and I hope the Senate will adopt it.

Mr. AIKEN. I do not know how the House arrived at its figure, but it seems to me to be fair. The Department of Agriculture is taking a cut in its appropriations, just as we expect other segments of our economy to take cuts in an effort to balance the budget. If the budget is not balanced very quickly, it will not

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make much difference what is done about appropriations. We shall be in serious trouble.

Mr. COOPER. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield if I have the time. I do not know whose time I am using.

Mr. COOPER. I noticed that the Secretary of Agriculture has been consistent in support of the proposal to reduce this appropriation to $140 million, and has said that what are called nonrecurring soil practices would be eliminated. Does the bill now before the Senate eliminate what we have termed "nonrecurring practices," such as the application of lime, phosphate, and fertilizer?

Mr. AIKEN. I am not speaking for the chairman of the subcommittee, but I am certain that it was the purpose and intent of the Committee on Appropriations, in increasing the amount from $140 million to $195 million, to make it possible that these common practices of the Eastern States should be continued. As a matter of fact, if the soil is limed, or if superphosphate, manganese, or magnesium, or any of the trace elements, are applied to the soil, and they are not used up, the effect is probably as permanent as terraces, irrigation ditches, or other methods which are called permanent practices, if they are not cared for from year to year.

Mr. RUSSELL. Mr. President, the committee report sets forth very clearly the intention of the committee. I think it would be well to insert it in the RECORD at this stage. The item is discussed very briefly on page 12 of the committee report.

Mr. COOPER. It was my understanding that it was the intention of the Senate Committee on Appropriations to continue what are called recurring practices, but I wished to have the statement made as a matter of record.

Mr. RUSSELL. I read from page 12 of the report:

> The committee has heard with grave concern of the proposed changes to be made in the types of conservation practices for which ACP payments will be made. We believe that it would be a mistake to institute such drastic changes.
>
> The committee, in approving the authorization for soil-conservation practices, intends to adhere to the policy of having these practices instituted by the several State committees as has been the case in past years. The State committees are fully informed as to the practices necessary to carry on a well-balanced conservation program within the State and should be permitted to select these practices at the State level with a minimum of control from Washington.

This is the most cogent part of it, I may say to the Senator from Kentucky:

> We do not approve of the changes proposed by the Secretary of Agriculture and his assistants, and have authorized the crop year 1954 ACP payments through PMA committees with the intent that the program in effect in 1953 will be substantially followed in 1954.

Mr. COOPER. Mr. President, will the Senator further yield?

Mr. RUSSELL. I yield.

Mr. COOPER. In order that it may be quite clear in the RECORD, I should like to ask the Senator a question. I am sure that because of his experience the Senator from Georgia knows that in large degree the practices—at least in the Southern States and in the border States—consist of the application of lime, phosphates, and fertilizers, not only in the first year in which there is a seeding but in subsequent years. Is that correct?

Mr. RUSSELL. I do not know that the proportion would be as great in all cases as the Senator has indicated, but that is certainly a material part of the program in the States to which the Senator has referred.

Mr. COOPER. I notice that the Secretary said in the hearings that it was the intention in submitting the figure $140 million to consider the first application of lime or phosphate as a permanent-type practice, but that under that program the Department would not permit further applications. Is it the understanding of the Senator, as a member of the committee, that under the authorization of $195 million not only the first application of minerals and fertilizers but, as agreed upon between the county committees and the farmers, recurring applications can be made?

Mr. RUSSELL. It is my understanding of the authorization figure—and this is an authorization for 1954—that it is the intention of the committee, and, I may say, of the Senate, unless some action to the contrary is taken by the entire Senate, that the practices now in effect in any State will be substantially adhered to in 1954, including the practice of fertilizing referred to by the Senator from Kentucky. I am sure the chairman of the subcommittee will bear out that understanding.

Mr. COOPER. Is it the opinion of the Senator from Georgia that the practical effect of this reduction would be borne by farmers—a great many of whom are tenant farmers—who have used the recurring type of soil-improvement practices?

Mr. RUSSELL. I think there can be no question about that. That goes to the amount.

Mr. COOPER. Yes.

Mr. RUSSELL. I may say to the Senator that I propose, at the appropriate time, to offer an amendment which would allow a 10-percent reduction in this program and authorize a program for next year in the amount of $225 million, so that the reduction would not be so severe. At the appropriate time, I intend to offer my amendment.

Mr. COOPER. I have an amendment of my own to offer. At least, I shall support the Senator's amendment.

Mr. RUSSELL. I shall gladly support the Senator's amendment or I shall be happy to have the Senator join me in my amendment.

Mr. COOPER. I shall be very glad to do so.

Mr. RUSSELL. I thank the Senator. I shall add his name to the amendment, as well as the name of the Senator from Tennessee [Mr. GORE].

Mr. President, the attention of the chairman of the subcommittee was diverted when we were discussing the nature of the program contemplated for 1954. I had stated that, in my opinion, the Senate committee—and the Senate as well, if it approves this action—intends that substantially the same program shall be adhered to in 1954 as was followed in 1953. I think it would be well for the RECORD if the distinguished chairman of the subcommittee were to make a statement as to whether or not that is his understanding.

Mr. YOUNG. That is the understanding of the chairman of the subcommittee. The committee itself was almost unanimously in favor of carrying on substantially the same program as we have had in the past. The language of the report so states.

Mr. AIKEN. Mr. President, if I may make a final statement, my own State of Vermont was one of the first States to make full use of the ACP. It has worked there probably as well as in any other State in the Union. Agricultural experts estimate that because the agricultural conservation program in New England the price of milk to Boston consumers is about 3 cents a quart less than it otherwise would be today. The program has worked well enough so that the last two sessions of the Vermont Legislature, in both houses, including the legislature which adjourned a week ago, unanimously memorialized Congress to continue this program.

Mr. DOUGLAS. Mr. President, will the Senator from Vermont yield for a question?

Mr. AIKEN. I am glad to yield, if I have the time.

Mr. DOUGLAS. Does the Senator from Vermont believe that the parliamentary discussion which has just taken place, plus the statement of the committee, will be binding upon the Secretary of Agriculture? Does the Secretary of Agriculture, under the original act, have the power to lay out the program?

Mr. AIKEN. I think the discussion which has taken place on the floor will be morally binding upon the Secretary of Agriculture. I am sure the Secretary of Agriculture would not undertake to go contrary to the intent of the Congress. I do not know whether the present discussion would be legally binding or not, but I suspect that it would be. I am not an attorney. I think it would be morally binding on Ezra Benson, which is just as good as though it were legally binding.

Mr. DOUGLAS. Does the Senator from Vermont have any assurances that the Secretary of Agriculture will follow the unofficial will of Congress in this matter?

Mr. AIKEN. The Secretary of Agriculture has assured the Congress and the people of the United States time and time again that he will carry out the intent of the Congress, even though it may disagree with his own viewpoint. I have full confidence that that is true.

Mr. DOUGLAS. Mr. President, will the Senator yield for a further question?

Mr. AIKEN. I yield.

Mr. DOUGLAS. Will this condition prevail no matter what the total sum may be which is authorized—whether we authorize $195 million, $140 million, or $225 million? Will the method of distribution be the present method?

Mr. AIKEN. If this appropriation is made, it will indicate with certainty the intent of the Congress to continue, in the ACP, those practices which have been used so successfully in all States of the Union since the inception of the program.

Mr. DOUGLAS. And this will be true regardless of the sums authorized?

Mr. AIKEN. I am sure of that.

Mr. GRISWOLD. Mr. President, I should like to ask the chairman of the subcommittee a question.

In the committee report on the ACP program there is reference to the question of the authority of State committees to make certain decisions within the States, as to what type of program they wish to carry out. In the actual operation of the program, if an allotment is made to a State—perhaps a temporary allotment—and then the State committee decides to reduce the program, does that mean a saving to the Treasury of the United States? Would the money then be spent through the Department of Agriculture in other States of the Union, or would there be a saving to the Treasury? There is reference to the State having some control, and not being subject to too much Federal control. If the State reduces a program, does that mean a saving, or will other States spend the money?

Mr. YOUNG. I should like to have the Senator from Georgia [Mr. RUSSELL] answer that question in detail. He is completely familiar with the subject. My understanding is that practices are initiated by the States themselves and approved by the Secretary of Agriculture. The amount of money going to each State would depend largely on the type of practices approved in the State.

However, there is an allocation to the States, under the formula and there is a special provision that no State, under a change of program, shall lose more than 15 percent. I should like to have the Senator from Georgia explain the situation. He is much more familiar with the subject than I am.

The PRESIDING OFFICER. (Mr. HENDRICKSON in the chair). The Senator from North Dakota asks unanimous consent to yield to the Senator from Georgia in order that he may answer a question.

Mr. RUSSELL. Mr. President, I appreciate very much the confidence which the Senator from North Dakota has manifested. However, in connection with this specific question I am afraid it is not well placed. There is an allotment made among the several States, under the formula. That allotment is broken down within the State, by counties or local subdivisions of Government—parishes, or whatever the local subdivision may be called.

Mr. YOUNG. That is based upon the type of program approved.

Mr. RUSSELL. The Senator is correct. It depends upon the type of program. Then the money is distributed at the local level by the local committee, after it has inspected to see that there has been compliance with the practices permitted within the State. Heretofore the program has originated at the State level. The State committees would meet and decide what were the most essential conservation practices within the State, and the relative weight to be given to each of those practices, as well as the amount of money which would be available for each of them. The programs submitted to the Department of Agriculture in Washington, and the department has in most instances approved the State programs, although there have been in instances of the department having disallowed certain practices and has not permitted the payments to be made.

Under the old system, which was in effect when the appropriation was in the amount of $500 million, which was the amount of the appropriation for many years, there was a system of redistribution, but it is my opinion—I do not state it as a fact—that today no such system of redistribution is in effect, and that any sum which is not expended within a State either is carried over in the appropriations for next year by act of Congress, or reverts to the Treasury of the United States.

Mr. GRISWOLD. Mr. President, I thank the Senator from Georgia.

Mr. RUSSELL. That is my opinion.

Mr. AIKEN. I may say that the officials of the PMA, or the officials who have charge of the ACP program, have discussed the matter with me, and they insist that the suggestions sent out by the Department of Agriculture under memorandum No. 5 were not final, and that the States still are entitled to make other suggestions as to what should be in the program so as to provide the greatest benefit to each State. Therefore I contemplate that the States' desires will be observed in this respect.

I may say that last year, apparently, several million dollars were not spent. In the early days, as the Senator from Georgia [Mr. RUSSELL] has stated, if a State did not spend its money another State could use it. For many years Vermont used money which was not spent by New York and Maine, and we appreciated that practice very much. However, after a while Maine and New York used all of their allotments, and Vermont could use only what the State was entitled to use under its own allotment.

The PRESIDING OFFICER (Mr. HENDRICKSON in the chair). The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. President, I request the yeas and nays.

Mr. DOUGLAS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Goldwater	McCarran
Anderson	Gore	McCarthy
Barrett	Green	McClellan
Beall	Griswold	Millikin
Bennett	Hayden	Monroney
Bricker	Hendrickson	Mundt
Bridges	Hennings	Neely
Bush	Hickenlooper	Pastore
Butler, Md.	Hoey	Payne
Butler, Nebr.	Holland	Potter
Byrd	Humphrey	Purtell
Capehart	Jackson	Robertson
Carlson	Jenner	Russell
Chavez	Johnson, Colo.	Saltonstall
Clements	Johnson, Tex.	Smathers
Cooper	Johnston, S. C.	Smith, Maine
Cordon	Kefauver	Smith, N. J.
Daniel	Kennedy	Smith, N. C.
Douglas	Kilgore	Sparkman
Duff	Knowland	Stennis
Dworshak	Kuchel	Thye
Eastland	Langer	Watkins
Ellender	Lehman	Welker
Ferguson	Long	Wiley
Frear	Malone	Williams
Fulbright	Mansfield	Young
George	Martin	
Gillette	Maybank	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. President, I renew my request for the yeas and nays.

The yeas and nays were ordered.

Mr. RUSSELL. Mr. President, on behalf of the Senator from Kentucky [Mr. COOPER], the Senator from Tennessee [Mr. GORE], the Senator from North Carolina [Mr. SMITH], the Senator from Mississippi [Mr. STENNIS], the Senator from Louisiana [Mr. ELLENDER], the Senator from Texas [Mr. JOHNSON], the senior Senator from Minnesota [Mr. THYE], the junior Senator from Minnesota [Mr. HUMPHREY], the Senator from Oklahoma [Mr. KERR], and myself, I offer a substitute amendment for the amendment offered by the Senator from Delaware [Mr. WILLIAMS].

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 32, in lines 2 and 3, it is proposed to strike out "$195,000,000", and insert in lieu thereof $225,000,000."

Mr. WILLIAMS. Mr. President, is it the purpose of the Senator from Georgia to amend my amendment or to amend the committee amendment?

The PRESIDING OFFICER. The Senator from Georgia offers the amendment as one in the second degree. The vote will be taken first on the amendment offered by the Senator from Georgia, and then on the amendment offered by the Senator from Delaware.

Mr. RUSSELL. Mr. President, I offer the amendment as a substitute for the amendment proposed by the distinguished Senator from Delaware.

Mr. WILLIAMS. I understand.

Mr. RUSSELL. Mr. President, I have 15 minutes in which to discuss this amendment. Therefore, I shall not be able to yield for questions, although I regret that very much.

Mr. President, no man who has knowledge of the facts about the farms of the Nation today can deny the beneficial effects of the soil-conservation program.

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One has only to travel throughout the country to see the great strides which have been made in repairing the waste which has been caused by erosion brought about by water and wind and careless cultivation.

When we consider the productive capacity of the farms of America, we realize that in the case of almost every agricultural commodity we are now producing substantial quantities per acre greater than the production before this program was inaugurated and put into effect.

The issue here is whether the entire Nation has a stake in preserving the fertility of our soil.

This program was originally adopted as a half-billion-dollar program, and an appropriation in that amount was authorized. Year after year Congress appropriated half a billion dollars for this important work.

Then came the war. During the war we could not make large Federal Government appropriations for the conservation of the soil. We called upon farmers everywhere to plant crops which were soil-depleting in character; that was requested in order that we might have the food and fiber necessary for ourselves and our allies, so as to gain a victory over the totalitarian states. During the war this appropriation was reduced to $300 million.

At the end of the war the necessity for increased production momentarily ceased. But we did not restore the program. Instead, it has been whittled away and whittled away, year after year, until now, if this amendment is adopted, the appropriation will be only $225 million. If not adopted, there will only be available the inadequate sum of $195 million.

The authorization for the current year is $250 million. This amendment represents a reduction of 10 percent in the authorization for this important work, which is, I say, a part of the defense effort—to preserve the fertility of the soil, so that we can produce the food and the fiber necessary in case of an emergency.

Mr. President, let me say that if all other appropriation items were reduced in the amount the appropriation for this program has been reduced, the total budget for the Federal Government would not be more than $60 billion. The original authorization for this program was $500 million. Therefore, the authorization for the current year represents a 50-percent decrease in the original authorization. My amendment calls for a 10-percent decrease in the authorization for this year. If the appropriations for all items and programs were reduced 10 percent, we would have a balanced budget. Mr. President, the farmers of the Nation should not be called upon to accept a greater reduction than that.

The population of the United States is increasing at the rate of almost 7,000 new citizens every 24 hours—7,000 more mouths to feed, 7,000 more persons to clothe, each and every 24 hours. In the face of that situation, some propose that we strike down and almost fatally impair the important soil-conservation program.

Last year it was argued that conditions on the farms were so good that the farmers were able to pay for all these practices, that the people of the Nation had no interest in the soil-conservation program, and that there was no occasion for the appropriation from the Federal Treasury of funds for the program.

In reply, Mr. President, I point out that the costs of these practices have greatly increased; in fact, they have almost doubled. Thus we see that this program has been cut in two ways. First, cuts are made in the appropriation at a time when the cost of soil-conservation practices is increasing. Furthermore, at a time when farm income is declining from day to day, it is proposed still further to whittle away the very modest payments which are made to preserve the one great asset that is basic to our existence, and without which we cannot live.

Mr. President, we may get by with fewer airplanes or we may get by with fewer other things, although to do so would seem to some of us to tend to weaken the national defense. However, if we ever permit the soil of the Nation to erode and if we permit the topsoil to be blown away or to be washed into the streams, and eventually into the sea, we shall be losing something which cannot be replaced and as a result our great civilization will be brought to its eventual doom.

Mr. President, if I can read aright the signs of the times, the farmers' income is going to continue to decrease for some time to come. Thus, it is vital that the soil conservation program be maintained.

I deplore the fact that it is necessary to reduce the appropriation for the program by $25 million, as proposed by this amendment. But certainly we cannot afford to withdraw all the incentives to the farmers to continue the soil-conservation program.

Mr. President, I do not suppose any discussion of the political effects of the vote on this item has any proper place in the debate; but I assure my colleagues that the farmers of the Nation today are placed in such a position that they almost have to count their pennies—not their dollars, but their pennies. If the appropriation made by the Federal Government, as its share in this program which is so vital to our people, is cut down at the very time when the farmers' income is decreasing $1,500,000,000 a year, the farmers will say that the United States Senate is adding insult to injury, and the farmers will not feel very kindly toward those who vote against this program, which as of today has caused many of the streams to be clear flowing, whereas in the past they were filled with mud.

Mr. THYE rose.

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Minnesota?

Mr. RUSSELL. I yield to the Senator from Minnesota, who is a coauthor of the amendment.

Mr. THYE. Mr. President, I seek the floor in my own right; I shall not disturb the Senator from Georgia.

Mr. RUSSELL. Very well.

Mr. President, conservation of the land of the Nation is favored in the abstract by everyone. I was greatly impressed by the statement made by the President of the United States in his state of the Union message when he said:

> We must match the substantial achievements in the half century since President Theodore Roosevelt awakened the Nation to the problem of conservation.

Mr. President, I say to you there is no more vital program to the future security of the Nation than that of preserving the fertility of the soil and seeing to it that generations yet unborn have as their heritage a soil sufficiently fertile to be able to produce the essentials of life.

The farmer produces in its original state about half the annual production of the wealth of the Nation. The other day I read some figures given the wage income of the various groups and classes of our people. The list was led, as I recall, by the steel workers, the automobile workers, the electrical workers, and the coal miners. The workers in those categories have average earnings of $75 a week. But down at the bottom of the list was the American farmer, with an average across-the-board income to all farmers, including the farm workers, of $15 a week—for producing the essentials of life, the things that are basic to our existence from day to day. The income of the farmers and farm workers was at the very bottom of the list, and their income is still decreasing. Yet now it is proposed that a great decrease be made in the soil-conservation program.

Mr. President, in view of the great burden the farmer is assuming today, as a result of the squeeze to which he is subjected between declining income and increasing costs of the things he must buy, it is all the more important that this fund be provided as an incentive to him to carry on the soil-conservation practices that will permit us to leave a legacy to those who come after the last one of us has departed from these Halls, which will enable them to also enjoy the bountiful fare and clothing which this generation has known and which has made our country the envy of the world.

Mr. THYE. Mr. President, I rise to support the statement made by the distinguished and able Senator from Georgia [Mr. RUSSELL]. He has spoken wisely as to why there should be a continuance of the soil-conservation payments. One needs but to go into any community in the Nation to find young men assuming the responsibility of farm management. Whether in the North or in the South, the young men have assumed great financial obligations, as farm operators and farm managers.

A young man who has assumed such a responsibility needs the continuance of the soil-conservation program, in order that he may have an incentive to make applications of lime and fertilizer

to his acres, applications which are sorely needed in order to assure a good stand of grass. If the soil is not properly conserved, there is every chance that when grass seed is sown there will not be a sufficient growth of grass to survive the rigid winter months; and if it does not survive, there will not be legumes with which to build the soil or to furnish forage for livestock. For that reason, knowing that today there is a greater legume acreage over the countryside of the Nation than existed prior to the introduction of the conservation program, I am in full support of it.

I realize that there has been a decline in soil-conservation payments from the figure of $500 million to the present allowance of $250 million. We are now faced with the threat of a reduction to less than $200 million. It is for that reason that I am supporting the amendment.

Mr. President, if we are to leave to oncoming generations a heritage that will be of benefit and value to them, it is the fertility of the land. If the land is depleted and eroded, coming generations will find a lack of the fertility necessary to enable them to work it profitably.

We are familiar with what happened in the ancient world. We know what happened to the great fruit orchards and the great productive fields of Israel and of other sections of the ancient world, once the people ceased to take proper care of their fertile acreage and to protect the soil. Today there are sands which shift back and forth, where once were fertile fields of grain and of legumes, as well as orchards.

Mr. President, is this incentive payment needed annually in order to encourage the type of farm management there should be? I say it is, because every year there is an oncoming crop of young farmers.

Beyond that, Mr. President, there is commonsense in the argument that there must be an organization in the field in order to carry out the program and if the appropriation is reduced below $225 million, then too great a percentage of it will have to be spent in administrative costs, instead of being spent in rebuilding the soil. For that reason, we are facing an economic question, not only from the standpoint of the preservation of the fertility of the land, but also from the standpoint of wise appropriation procedure, for when there is a staff in the field which is administering a program, they should be given something to administer, rather than merely have them in the field spending money and doing nothing in return for the money spent.

So I plead with Senators to support the appropriation of $225 million. It will insure a greater return than any other appropriation I know of, not only today and tomorrow, but in the generations that are to follow.

Mr. AIKEN. Mr. President, I should like to be able to agree with my colleagues, the Senator from Georgia and the Senator from Minnesota, because they have not overemphasized the value of the soil conservation program during the past 12 or 15 years of its existence. Our land, particularly the land east of the Missouri River, is in definitely much better condition as the result of this program. If we were to view the situation from that standpoint alone, I would say unhesitatingly that we should provide not only $225 million, but should provide the full $250 million, as we did last year.

However, there are other things to be considered. One of the first is whether we intend to operate the Government of the United States as a solvent business. We now have a national debt approaching $270 billion, which is bound to increase so long as we continue to operate the Government from year to year on a deficit basis. The dollar which the farmer receives for his produce today is worth but 52 percent of what it was worth some 10 or 12 years ago. I think it would be dangerous if we were to let the present condition continue much longer and not bring Government expenditures and receipts into balance.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. AIKEN. I yield to the Senator from Georgia.

Mr. RUSSELL. Of course, because of the Senator's great familiarity with all agricultural matters, he knows that the appropriation bill for the Department of Agriculture is the only one of the departmental bills in which the amount of the appropriation for the next fiscal year is below the amount appropriated for 1940. An increase has been made several times in all the others. Is there not some limit to what we ought to take out of the farmer's hide? Should we not be at least a little fair in our distribution of the cuts?

Mr. WILLIAMS. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I should like first to reply to the Senator from Georgia. He has pointed out that we are cutting the agricultural appropriations lower, perhaps, than we ought to; but I point out that there is another agricultural bill, an expense bill, so to speak, or a charge account, which will be coming in before the end of the next fiscal year, and which will have to be reckoned with. That is a bill carrying several hundred million dollars for the support of farm prices. If the amount in that bill is added to that in the bill now under consideration, I should be very much surprised if we did not find that together they made one of the largest agricultural appropriation expenditures in the history of the United States—possibly the largest.

There are on hand at the present time tremendous crops of certain commodities. Last year the Government subsidized the wheat-export program at 62 or 63 cents a bushel. Taking into consideration the conditions in the wheat market, I shall be very much surprised if it will not be necessary to subsidize it more nearly at 70 or 80 cents a bushel this year. That, of course, represents an expense to the Government for the benefit of agricultural producers.

It is only right that we should maintain a prosperous agriculture, and, whether we reduce the appropriation for this particular item to $225 million or to $195 million, as recommended by the two committees of the Congress, or to $140 million, or whether we eliminate it entirely, we are still going to have to spend more in order to maintain a prosperous agricultural economy than we have spent for a long time.

If the Russell amendment is rejected we shall then revert to a vote on the Williams amendment, which would reduce the program to such an extent that it would benefit a comparatively small number of the States, and would entail a very large percentage of administrative costs.

So I think we had better follow the recommendation of the majority of the members of the House Committee on Agriculture and the Senate Committee on Agriculture, who deemed an appropriation of $195 million sufficient in order to carry on a worthwhile program in all the States of the Union. In my opinion, we should not approve either the $225 million, which represents a $30 million increase, or the amendment of the Senator from Delaware, which proposes a $55 million decrease in the amount which the committees of both Houses of Congress have approved and considered to be a fair figure to bring before the two Houses at this time. So I shall go along with the committee recommendation of $195 million. Under ordinary circumstances, I should like to see $225 million, or even $250 million appropriated, because I think it would be a good investment; but we have other things to consider, and, in view of that fact, it appears to me that $195 million is a fair figure.

Mr. COOPER. Mr. President, I join the distinguished Senator from Georgia [Mr. RUSSELL], the Senator from Minnesota [Mr. THYE], the Senator from Tennessee [Mr. GORE], and the Senator from Louisiana [Mr. ELLENDER], and other Senators in sponsoring the amendment which proposes to raise the authorization for the agricultural conservation program for the calendar year 1954 from the sum of $195 million to $225 million.

I have great respect for the Committees on Agriculture of both the House and the Senate. I have always respected the judgment of the distinguished Senator from Vermont [Mr. AIKEN] and the distinguished Senator from North Dakota [Mr. YOUNG], who, I think, know agricultural conditions throughout the entire Nation.

But, in this instance I think the Senate should take a second look at the authorization of $195 million which is proposed. I believe that the Senate should increase the authorization to $225 million as provided in the substitute amendment which has been offered by the Senator from Georgia for himself and in my name and for other Senators.

Mr. President, I first want to address myself to the argument made by the distinguished Senator from Vermont, that the increase should not be voted because of the necessity of reducing expenditures. It is an argument which carries force.

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When we begin to talk about increasing authorizations and appropriations we are subject to the criticism that we are not willing to economize in governmental expenditures.

But, if the increase to $225 million should be voted, it will still be a 10 percent reduction from the authorization of $250 million for 1953. I believe that reduction of 10 percent is enough. The hearings brought out an interesting fact. During the hearing in response to a question by the Senator from Georgia [Mr. RUSSELL], it was developed that since 1940 every department of our Government had increased its expenditures in percentages ranging from 185 percent for the Department of the Interior to 1,146 percent for the State Department, and that the only department since that time which has reduced its expenditures is the Department of Agriculture. Its expenditures for the past year represented a 30 percent reduction from its expenditures in 1940.

The chief argument I make for the amendment increasing the appropriation to $225 million is that we are dealing with the basic resources of the country. During World War II farmers were called upon to actually mine their soil in order to provide the food and fiber required during the war, and, after the war, to help our allies and needy peoples of the world. At the end of the war a reduced program for conservation practices was started with an expenditure of approximately $250 million a year. It has been steadily reduced.

The actual expenditures for the soil-conservation program for the calendar year 1951 were $272,930,000.

Expenditures for the calendar year 1952 amounted to $256,500,000.

For the calendar year 1953, the authorization was $250 million.

So the average for these years is more than $250 million a year.

The pending bill proposes to reduce that figure to $195 million for the calendar year 1954, a reduction of $55 million from the average appropriations for this purpose.

We must ask the reason for this proposed reduction. It is not necessary, I believe, to argue the merits of the conservation program. Even those who support the reduced authorization admit its merits.

I should like to read a statement from the report of the committee which I think points up the continuing need for this program. On page 2 of the report there appears the following statement:

> While it is true that American farmers have up to this time met, and sometimes exceeded, the demand for farm products, we must face the fact that the land we now have under cultivation must largely provide for our rapidly increasing population. With approximately 2 million more people to feed each year, and with little new land to move to, the most practical solution obviously is to further increase farm production per acre and per animal.

On page 4, the committee report states:

> It would be impossible to estimate, in terms of dollars, the loss of soil fertility that has taken place. It is a fact, however, that about 50 million acres of once productive cropland are too badly eroded for cultivation and another 100 million acres has been reduced because from half to all of the original topsoil has washed away.

Again, on page 5 of the report, the following statement is made:

> Under the agricultural conservation program, which is administered largely by local county and community committees, 52 million acres of pasture and range have been improved by reseeding; 18 million acres are being protected through the construction of standard, broad-based terraces; permanent cover has been established on 2 million acres of land subject to erosion; 5 million acres have been leveled for irrigation; sod waterways have been established on 315,000 acres; trees have been planted on 900,000 acres; 824,000 small dams have been built on farms and ranches to retard soil losses and reduce flood damage. All this and only one-fourth of the job is done.

So, Mr. President, the real issue for the Senate to decide is whether an authorization of $195 million can carry on an adequate conservation program. I do not believe so.

Mr. DOUGLAS. Mr. President, will the Senator from Kentucky yield?

Mr. COOPER. I yield.

Mr. DOUGLAS. Did I correctly understand the Senator from Kentucky to say, in his remarks, that whereas the expenditures of the Department of Commerce had increased 1,370 percent since 1940, expenditures for the Department of Agriculture had decreased by approximately 30 percent?

Mr. COOPER. That is shown by a table which is found on page 30 of the hearings on the bill which we are considering.

Mr. President, I ask unanimous consent to have that table incorporated in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Comparison of appropriations and employment of Department of Agriculture with other civilian departments (regular annual appropriations)

Department	Fiscal year 1940		Fiscal year 1953		Percentage increase (+) or decrease (−)	
	Appropriations	Employment	Appropriations	Employment	Appropriations	Employment
	Mil. dol.		*Mil. dol.*			
Agriculture	1,054.9	91,370	733.8	57,935	−30.4	−38.7
Commerce	54.2	20,699	797.2	66,172	+1,370.8	+144.1
Interior	191.2	46,547	545.5	60,677	+185.3	+30.3
Justice	52.6	14,730	184.4	32,194	+250.6	+118.7
Labor	34.6	3,484	222.5	7,815	+543.0	+124.3
Post Office	794.0	363,654	2,793.8	523,779	+251.8	+72.4
State	21.0	6,302	261.7	31,302	+1,146.1	+396.7
Treasury	215.9	80,266	655.5	89,460	+207.6	+80.9
Total above agencies (excluding Agriculture)	1,363.5	460,602	5,460.6	810,399	+300.5	+75.9

NOTE.—Employment figures of all departments other than Agriculture taken from Civil Service Commission reports for June 30, 1940, and June 30, 1952.

Mr. DOUGLAS. Mr. President, will the Senator from Kentucky yield for another question?

Mr. COOPER. I yield.

Mr. DOUGLAS. Is the Senator aware of the fact that the comparisons made in that table are not on a comparative basis? The 1940 figures for the Department of Commerce, for example, do not include the Civil Aeronautics Administration, the Civil Aeronautics Board, the United States Maritime Commission, maritime activities, and the Bureau of Public Roads, which were included in the 1952 figures, and if we place the expenditures of the Department of Commerce on a comparative basis with those given in the table for the Department of Agriculture, the increase would be only approximately 86 percent.

Mr. COOPER. I am glad to have the information.

Mr. DOUGLAS. That is correct.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD, at the conclusion of the remarks of the Senator from Kentucky [Mr. COOPER], a table showing a comparison of the Department of Commerce appropriations and expenditures for the fiscal year 1940 and 1952. This table indicates the fallacies of the table referred to by the Senator from Kentucky [Mr. COOPER].

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DOUGLAS. Mr. President, will the Senator from Kentucky yield further?

Mr. COOPER. I yield.

Mr. DOUGLAS. Is the Senator from Kentucky aware of the fact that there is a further loss to the Government through purchases of the Commodity Credit Corporation, and that this loss is not charged off?

Mr. COOPER. I am familiar with that.

Mr. DOUGLAS. Is it not true that in 1940 there were almost no losses through the Commodity Credit Corporation, but in the current year the losses through the Commodity Credit Corporation are large? So if we lump in the Commodity Credit Corporation with the Department of Agriculture in measuring payments to farmers we will find, I think, that the increase has been as great as that of the Department of Commerce.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. COOPER. In a moment.

The Senator from Vermont [Mr. AIKEN] so indicated in his argument a

few minutes ago. He said that in the total amount of appropriations for the Department of Agriculture, the money to be spent by the Commodity Credit Corporation in support operations should be considered.

The first budget submitted by the outgoing administration underestimated by several hundred million dollars the amount that probably will have to be spent—according to the hearings—in support operations, principally for wheat and cotton. As I see it, expenditures for support operations and for a soil-conservation program are entirely different propositions. We are dealing now with the conservation of soil, the use of soil, and the continuance of fertility of soil in the future.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. COOPER. I yield to the Senator from Illinois.

Mr. DOUGLAS. Is it not true that in 1951 the total expenditures under the so-called ACP program amounted to $245 million; that of the $245 million, only $88 million, or one-third was used for permanent soil-improvement practices; and that the remaining two-thirds were used for fertilizers including lime, which are not generally considered permanent?

Mr. COOPER. The question of what constitutes a permanent program is not a matter of law or fixed in character. The Department of Agriculture determines what a permanent practice is today. But what is considered to be permanent practice in one State might be entirely different from what is considered to be permanent practices in the State of Illinois or other States.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. COOPER. As soon as I have finished.

What is considered to be permanent soil practice in States such as Utah, New Mexico, and Arizona, where the chief interest is in the conservation of water, is entirely different from permanent soil practices in States such as my State of Kentucky and other border or Southern States, where water is not a great problem.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. COOPER. I yield to the Senator from Illinois.

Mr. DOUGLAS. On page 637 of the Senate hearings, the statement of the Secretary of Agriculture was that on the basis of permanent-type practices, as defined by him, only $88 million was distributed in 1951.

According to the 1951 statistical summary of the agricultural conservation program, compiled by the Production and Marketing Administration in November of 1952, the last column, indicates that the total amount distributed for the ACP program was $245,700,000, roughly three times the amount that the Secretary of Agriculture said was for permanent-type practice. That figure may be found at the bottom of the last column on page 95 of the statistical summary.

As we know, in practice most of the money that has been distributed has been for fertilizer and for limestone. I do not object to that in the case of poor soils or for poor farmers. But does the Senator from Kentucky believe that we should subsidize rich farmers, who have the money with which to buy fertilizer, and who can recoup their out-of-pocket expenses for fertilizers from the sale of larger crops? I am perfectly ready to have a part of this money go to poor farmers, in States having poor soils, but I am opposed to giving money to rich farmers.

The PRESIDING OFFICER. The Chair reminds the Senator from Kentucky [Mr. COOPER] that he has 3 minutes remaining.

Mr. COOPER. I ask unanimous consent that I may continue for 10 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. YOUNG. I would rather yield the Senator from Kentucky 5 minutes of my own time.

Mr. COOPER. I will finish, then. I answer the Senator from Illinois by saying he has changed his argument. There is no suggestion that the increase will go to rich farmers. I do not favor that.

Mr. MAYBANK. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from South Carolina?

Mr. COOPER. I yield to the Senator from South Carolina.

Mr. MAYBANK. The Commodity Credit Corporation has been brought into the debate. Is it not a fact that the Commodity Credit Corporation has shown a profit on major crops?

Mr. COOPER. There has been a profit on some crops, such as tobacco.

Mr. MAYBANK. The Commodity Credit Corporation has shown a profit on tobacco, corn, and wheat.

Mr. COOPER. I am not familiar with all the operations of the Commodity Credit Corporation.

Mr. MAYBANK. The distinguished Senator from Vermont [Mr. AIKEN] said that there would be a bill introduced with respect to the Commodity Credit Corporation. I merely wish to make certain that the RECORD shows that the Commodity Credit Corporation, thus far, has shown a profit on its sales of major crops. Of course, it was largely carried by the $100,000,000, provided for it, but it has shown a profit.

Mr. COOPER. Mr. President, I thank my friend. I have only a few minutes remaining, and I do not wish to be diverted by discussions of other questions.

The PRESIDING OFFICER. Does the Senator from Kentucky decline to yield further?

Mr. COOPER. I decline to yield further at this time.

I wish to confine my argument particularly to the point of the appropriation of funds for the agricultural conservation program. The amount ought to be increased from $195 million to $225 million. My first point is that it is needed to provide an adequate and satisfactory continuation of the program which has been under way since the war, a program averaging an annual expenditure of $250 million a year.

The administrative cost of the program as detailed in the 1954 budget presented by Mr. Truman's administration was about $38 million. The budget presented by the present administration calls for $27 million, a noteworthy saving. If $27 million is taken away from the $195 million, $168 million will remain for conservation practices payments to farmers. Compared to 1951, that is over $100 million less. Compared to 1952, it is about $80 million less, and compared to the year 1953, it is $70 million less.

As I understand the hearings, the Department proposes to reduce the amount of money and place emphasis upon what are called permanent practices. But what is the best practice for a particular State depends upon the soil, the water situation and other factors in that State. As I have said, what might be considered the best practice in Illinois, with its rich glacial soil, or in Utah or Arizona, which are interested chiefly in water, may not be the best permanent practice in the Southern States and border States, including my State, where conditions are different.

I can speak from my own experience. I can remember my own county in Kentucky, when I returned from school in 1926. It is a typical county of a border State. It has not the best land or the poorest land. Many of its fields and hillsides were bare and gullied. I have seen a change take place. It has been caused in great part through the use of lime and minerals, and the seeding of grass to prevent erosion of the soil, and to build up its fertility. This program has enriched the soil in border States, Southern States, and other States throughout the country. It has not been the only conservation program, but it has been a good one.

The Senate will make a grave mistake if it does not continue an adequate program by authorizing $225 million for 1954. The Department of Agriculture has stated, and I agree with the Department's purpose, that it intends to review and analyze its programs. The Department has said that in this year and next year it intends to undertake a thorough analysis and review of the farm program. Why cannot the Department review the agricultural conservation program in these 2 years? I think it unwise for Congress to alter or change the program radically by reductions in authorizations. This year and next year the Department may be able, by voluntary arrangements and through educational programs, to shift the emphasis to the permanent type practices. The Department of Agriculture in this year can give farmers throughout the country an opportunity to be heard on the matter and a better program can be developed.

It is not a question of economy alone. The $30 million which is involved will be more than repaid in soil fertility and the protection of soil throughout the entire Nation.

I urge my colleagues to support this amendment.

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EXHIBIT 1

(Submitted by Senator DOUGLAS as a qualification of table on p. 30 of Senate hearings)

Department of Commerce, comparison of appropriations and expenditures, fiscal years 1940 and 1952

[Figured in thousands of dollars]

	Appropriations			Expenditures		
	1940 [1]	1952 [2]	Increase (+) or decrease (−)	1940 [1]	1952 [2]	Increase (+) or decrease (−)
Office of the Secretary	1,235	1,975	+740	1,298	2,020	+722
Foreign and Domestic Commerce	2,156	10,784	+8,598	2,111	10,370	+8,259
Bureau of Census	28,947	14,810	−14,137	20,486	18,743	−1,743
National Bureau of Standards	2,436	13,803	+11,367	2,405	9,452	+7,047
Coast and Geodetic Survey	2,156	12,669	+9,513	4,000	12,430	+8,430
Patent Office	4,692	12,225	+7,533	4,589	12,086	+7,497
Commerce, miscellaneous	7	-------	−7	500	-------	−500
Bureau of Marine Inspection and Navigation (transferred out of Commerce)	(2,682)	-------	-------	(2,630)	-------	-------
Bureau of Air Commerce, [3] trust accounts	(4)	-------	-------	-------	-------	-------
Total, general and special accounts (as in 1940 but excluding Bureau of Marine Inspection and Navigation)	42,629	66,236	+23,607	34,889	65,101	+30,212
Office of the Secretary: Salaries and expenses, defense production activities	-------	41,837	+41,837	-------	38,004	+38,004
Civil Aeronautics Administration	28,224	162,855	+134,631	25,277	171,461	+146,184
Civil Aeronautics Board	-------	3,800	+3,800	-------	3,784	+3,784
U. S. Maritime Commission: Maritime activities	100,007	218,320	+118,313	98,042	229,687	+131,645
Bureau of Public Roads	333,581	429,725	96,144	160,015	449,819	+289,804
Weather Bureau	6,137	26,970	+20,833	5,852	25,523	+20,671
Inland Waterways Corporation	-------	(4)	-------	-------	1,000	+1,000
Total, Department of Commerce (as organized in 1953)	516,878	949,803	+439,235	333,075	983,239	+650,164
Percent	-------	-------	+86	-------	-------	+195

[1] From Combined Statement of Receipts, Expenditures, and Balances of the United States for fiscal year ending June 30, 1940, pp. 226-233, 168, 192, 152, 160.

[2] From Combined Statement of Receipts, Expenditures, and Balances of the United States for fiscal year ending June 30, 1952, pp. 212-220.

[3] Account stated under Civil Aeronautics Authority, independent offices.

[4] Undisbursed balance June 30, 1951 was $1,000,000.

Figures in parentheses are not included in totals.

Figures do not include trust funds.

Mr. WILLIAMS. Mr. President, I oppose the amendment offered by the Senator from Georgia [Mr. RUSSELL] increasing the appropriation and, at the same time, speak in behalf of my own amendment, which would reduce the appropriation for PMA payments to $140 million. I know of no better argument to use in opposition to the amendment of the Senator from Georgia than to quote from the statements of representatives of two of the largest farm organizations in the United States, who testified before the Senate Committee on Appropriations. First, I wish to quote from the testimony of Mr. J. T. Sanders, legislative counsel of the National Grange, whose testimony begins at page 1115 of the hearings. Referring to the Secretary of Agriculture, Mr. Sanders said:

ENDORSEMENT OF CONSERVATION-PAYMENTS REDUCTION

We especially wish to endorse his reduction in the agricultural conservation payments for the fiscal year 1953-54 to the extent of $110 million from current appropriation of $251.7 million. We believe that the Secretary and his staff have earnestly and honestly sought out those agricultural-conservation payments that are for measures and supplies for nonpermanent types of conservation work. We believe that these payments should never be used as an excuse and substitute for price supports. However, they should be used as a portion of a skillfully planned part of farmland conservation. The Secretary, we believe, has undertaken to weed out that portion of these payments that do not qualify under this standard.

That would bring the amount down to $140 million, the same as my amendment.

On page 561, Mr. Allan Kline, president of the American Farm Bureau Federation, made this statement:

Now, the $140 million represents a cut of $110 million, approximately. This seems to us to be generally in line with our proposal that these payments ought to be made on the basis of conservation needs. They ought to be made for real conservation. They should not be made, as in my own county, for the application of lime or phosphorus.

That is the testimony of representatives of two of the largest farm organizations, who spoke not only in opposition to the amendment offered by the Senator from Georgia [Mr. RUSSELL] but also in endorsement of the amendment offered by me.

Mr. President, I repeat, that is the testimony of the representatives of two of the largest farm organizations, not only speaking in opposition to the amendment offered by the Senator from Georgia, but also endorsing the amendment offered by myself which figure is supported by the present Secretary of Agriculture.

It was pointed out a few moments ago by one Senator speaking in favor of the increase that in ancient countries the soil was depleted. In studying ancient history, it might be well also to examine what happened to the governments of those countries and the currencies of those countries. In the same history book it will be found that every one of those countries became bankrupt under exactly the same kind of program as is being advocated here today. I refer to the wholesale giveaway programs. It is always much more popular to give away money than to stop the giveaway. If the amendment of the Senator from Georgia is adopted, it will mean that this year's appropriation for the Department of Agriculture will be 1½ percent more than Congress gave the same department last year. That certainly would not support a tax-reduction program.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. RUSSELL. The Senator should know that this is the authorization for next year, 1954. It has no relation to the budget of this year, as such. So the figures cannot be completely applicable.

Mr. WILLIAMS. I point out to the Senator that it is easy to project the figures to 1954. However, whatever we authorize this year, we shall pay next year. Therefore, both appropriations and authorizations should be taken into consideration when we pass an appropriation bill.

The Senator from Georgia was pointing out the fact that his figure represented a reduction from the Truman request for authorization, but since when did we recognize Mr. Truman's budget as sacred? If we were to reduce the maximum payment to any one farmer to $1,000, rather than letting the payments go to a small group, such action would spread the program to the farmers needing encouragement. If we are to reduce appropriations we must begin somewhere. Certainly no one could speak with greater authority for the farmers than the representatives of the two largest farm organizations in the United States. They say they are willing and have taken official action favoring these cuts. It seems the height of folly to give them more money than they are asking for.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. DOUGLAS. I should like to ask the Senator from Delaware a question. He mentioned the fact that the committee was claiming a decrease in appropriations as compared with 1953, and a decrease under the estimates prepared by the Truman administration. Is it not a fact that the committee is failing to appropriate for the fiscal year 1953-54 approximately $40 million, for the 1953-54 ACP program, which will come due during that year? On page 12 of the report the committee says:

If the amount provided is insufficient for that purpose—

Namely, meeting the estimate of $252 million—

the Department is expected to take the necessary action to secure additional funds which may be needed.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. DOUGLAS. In a moment.

That means, does it not, that there will be a supplementary bill coming in to make good the $250 million? Therefore the claim of economy which the committee makes in the latter part of its report, of $39,750,000, is a phony economy. When the bills for 1953-54 are finally footed, both in connection with this appropriation and the sugar appro-

priation, instead of economies of $20 million as compared with last year, we shall find an increase of $25 million, which will even exceed the Truman budget.

Mr. YOUNG. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Delaware yield to the Senator from North Dakota?

Mr. WILLIAMS. I shall be glad to yield in a moment.

Let me say in reply to the Senator from Illinois that there is no question that these authorizations will have to be met either next year or the year after.

I also point out that on page 51 there is another item, of $171,740,395, which is, in effect, an appropriation in this year's expenditures; however, it is not included in the total as compiled on the front page of the committee report. The item to which I refer represents note cancellations to pay for the cost of the International Wheat Agreement. This note cancellation authority has been one of the methods used by the Department to cover up the overall cost of the program.

The Commodity Credit Corporation keeps claiming in its financial statements that its losses are only relatively small over a period of 25 or 30 years; yet the Director of the Budget advises me that the reason it is able to report fairly small losses is that it has been counting as income appropriations by Congress plus its authority to cancel notes. It has not been charging them off as expenditures, as any sensible businessman would do.

Mr. DOUGLAS. Mr. President, will the Senator from Delaware yield to me?

Mr. WILLIAMS. I yield.

Mr. DOUGLAS. Will the Senator from Delaware agree with me that when the final bills for 1953 and 1954 are footed, the expenditures will exceed the expenditures for 1952–53 by enormous amounts?

Mr. WILLIAMS. If we adopt the pending amendment, as I previously stated, this appropriation will be 1½ percent more than the amount which was appropriated in the same bill in 1952.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. YOUNG. I heard the Senator from Illinois say that this cut of $40 million was a phony cut. If it is phony, then the Department of Agriculture is phony, because its estimate of the cost of last year's program was $211,982,000. It expects to hold expenditures within that amount. If expenditures should be slightly more than that, the committee proposes to authorize the Department to take the money out of the Commodity Credit Corporation fund.

Mr. WILLIAMS. Without entering into the exchange between the Senator from North Dakota and the Senator from Illinois, I point out to the Senator from North Dakota, that the bill as reported by the committee calls for $20,480,065 below last year's appropriation. The amendment which is now pending proposes to increase this appropriation by $30 million. If that amendment is adopted, it will mean that the bill will carry an appropriation of some $10 million more than last year's appropriation, or an increase of 1½ percent.

Mr. YOUNG. That is not an appropriation at all. It is not reflected in this bill. It is an authorization. However, it would cause additional obligations next year.

Mr. WILLIAMS. The Senator from North Dakota will admit that contract authorizations and appropriations both represent obligations of the United States Government.

Mr. YOUNG. That is true.

Mr. WILLIAMS. If we adopt this amendment calling for a figure of $225 million, and authorize the Department of Agriculture to make commitments to that extent, we shall be obligated to appropriate the money next year; is not that true?

Mr. YOUNG. That is true.

Mr. WILLIAMS. Therefore we must treat these authorizations which are firm commitments, as though they were appropriations, even though they do not enter into expenditures until 1954.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. COOPER. I think perhaps the Senator from Delaware is in error to a certain extent. As I understand, this bill proposes to authorize, in the calendar year 1954, the sum of $195 million for the entire conservation program. We must deduct from that amount administrative costs. If we take the average of the past several years, they run more than $30 million, leaving about $160 million for the conservation program for farmers. In 1951 and 1952, according to the hearings, payments to farmers were $276 million. In the next year they were $250 million; and this year they are almost $200 million.

Mr. WILLIAMS. Mr. President, if I understand the Senator from Kentucky correctly, I think he has made an excellent argument in opposition to the increase by pointing out that of the $225 million, $60 million to $65 million will go to pay administrative costs. We have surely reached a sad state of affairs when it costs a third of the appropriation for administrative expenses.

Mr. THYE. Mr. President, will the Senator yield that I may correct the RECORD?

Mr. WILLIAMS. I do not yield at this time. I shall be glad to yield in just a moment after yielding to the Senator from Kentucky.

Mr. THYE. The Senator from Delaware——

Mr. WILLIAMS. I decline to yield at this point.

Mr. THYE. The Senator from Delaware is mistaken.

Mr. WILLIAMS. I will yield to the Senator in a moment.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. COOPER. I know the Senator misunderstood what I said. I stated that the authorization was for $195 million, and that if administrative costs were of the same order as they have been for the past 3 years, they would average more than $30 million, which when taken from $195 million, would leave $165 million for the program. The Senator made a mistake when he said I had stated $65 million is available for administrative expenses. I should like to go further and say that the bill calls for only $27 million for administrative expenses.

Mr. WILLIAMS. I misunderstood the Senator from Kentucky. I still point out, nevertheless, that if the amendment is adopted we will have authorized 1½ percent more for the agricultural program than was authorized for fiscal 1953.

In the next 15 days or so Congress will be confronted with the question of whether or not we shall extend the excess profits tax for an additional 6 months, and we shall also be confronted with the question of whether we will give a general tax reduction to the American people.

It is the height of folly for any Member of Congress to talk about giving the American people a 10 percent tax reduction and at the same time vote for an appropriation which calls for a 1½-percent increase over last year in expenditures. The two actions do not go together, and the sooner that fact is recognized the better.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. AIKEN. I merely wanted to make sure that the figures are correctly stated in the RECORD. The appropriation for the past fiscal year was $250 million, of which $240½ million was spent. Approximately $9½ million was not spent, although allocated. The appropriation this year is for $211 million. The difference between $211 million and $240½ million is due to the fact that there were carryovers, as I understand, from the year before. The administrative costs in fiscal 1953 for the Federal, State, county, and community expenses are figured at approximately $26 million. I believe it is anticipated that those expenses will be lowered a little for the next fiscal year. If I recall correctly, it was thought that the $140 million appropriation would be administered for about $21 million, and that the $195 million appropriation would cost approximately $1 million more to administer.

Mr. WILLIAMS. The Senator from Vermont is correct with respect to this single item. My statement, that if we adopt the amendment the appropriation would be 1½ percent more than last year, was based on the overall appropriation, because the bill itself calls for $716,729,768. That is the amount reported by the committee.

The amendment offered by the Senator from Georgia [Mr. RUSSELL] proposes to increase the amount by $30 million. If we adopt the $30 million amendment increase, it would mean that we would be adding $30 million to offset the claimed $20 million decrease reported by the committee, which would mean that the appropriation would be $10 million more than the amount appropriated for fiscal year 1953.

Mr. AIKEN. Mr. President, I made a comparison between the proposed bill

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with the Russell amendment added to it and the amount appropriated last year. I do not know what the percentage would be.

Mr. WILLIAMS. I used the committee report as a basis for my figures.

Mr. AIKEN. I have before me a statement entitled "Reconciliation of 1953 program authorization with 1954 revised budget estimate." The statement has just been handed to me. It reads:

Authorization for 1953 program carried in 1953 appropriation act, $250 million.

Less operating savings and adjustments, reductions in aerial photography, reserve, et cetera, $9,400,760.

Revised total, 1953 program, $240,599,240.

Less operating expenses of 1953 program, $26,178,700.

Less "other program expenses" (checkwriting, printing, aerial photographs, etc.), $1,088,440.

I do not believe it is particularly interesting to read all of this statement. However, I ask that it be printed in the RECORD at this point, as a part of my remarks, so we will have before us the authentic figures involved.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Agricultural conservation program—reconciliation of 1953 program authorization with 1954 revised budget estimate

Authorization for 1953 program carried in 1953 appropriation act	$250,000,000
Less operating savings and adjustments, reductions in aerial photography, reserve, etc	−9,400,760
Revised total, 1953 program	240,599,240
Less operating expenses of 1953 program	−26,178,700
Less other program expenses (checkwriting, printing, aerial photographs, etc.)	−1,088,440
Total cash payments and grants of materials and services, 1953 program	213,332,100
1953 program payments paid from fiscal year 1953 appropriation as advances of conservation material and services	−44,521,378
Payments still due to farmers on 1953 program, to be paid from fiscal year 1954 appropriation	168,810,722
Add operating expenses of 1953 program	+26,178,700
Add other program expenses (checkwriting, printing, aerial photographs, etc.)	+1,088,440
Add cash payments and grants of materials and services on the 1954 program from the 1954 appropriation	+25,304,156
Total fiscal year 1954 obligations	221,382,018
Borrowings from CCC:	
Payment to CCC (represents total amount owed to CCC as of June 30, 1953)	15,599,982
To be borrowed from CCC for advances of conservation materials and services on the 1954 programs	25,000,000
Net borrowings from CCC	−9,400,018
Revised budget estimate for fiscal year 1954	211,982,000

Mr. LANGER. Mr. President, in a few days the Senate will have before it the mutual aid bill. In that bill there will be provided billions of dollars for economic aid to almost every country on the face of the globe.

The distinguished Senator from Georgia [Mr. RUSSELL] is seeking to do something for the farmers of the United States.

If Senators want economy they can get it by voting against some of the economic aid it is proposed to give to many countries some of which I doubt if some Senators have even heard of, even though they may have been valedictorians of their college classes.

I ask unanimous consent that at this point in my remarks there be published telegrams, letters, and postcards which I have received from farmers in the State of North Dakota. I believe that my distinguished colleague, the junior Senator from North Dakota [Mr. YOUNG], received duplicates of many of these telegrams and letters. I ask that these telegrams, letters, and postcards be printed in the RECORD at this point in my remarks. I have brought to the floor only a few of the messages, because I do not wish to encumber the RECORD.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

NEW ROCKFORD, N. DAK., *June 11, 1953.*
Senator WILLIAM LANGER,
Senate Office Building,
Washington, D. C.:

Urge you support farm appropriations recommended by Senate subcommittee, including two hundred and fifty millions for ACP.

LELAND SHROYER,
Chairman, Eddy County Farmers Union.

CARRINGTON, N. DAK., *June 11, 1953.*
Senator WILLIAM LANGER,
Senate Office Building,
Washington, D. C.:

Four hundred and seventy-three members of the Foster County Farmers Union urge your support to Senate Joint Resolution 79 and to the Hope bill, 5451.

FOSTER COUNTY FARMERS UNION,
PAUL MARRIAGE, *Secretary-Treasurer.*

STERLING, N. DAK., *June 9, 1953.*
Hon. Senator WILLIAM LANGER,
Senate Office Building,
Washington, D. C.:

We urge you to support farm appropriations at or above House appropriations, also support Mundt bill.

DRISCOLL PIONEER LOCAL FARMERS UNION,
Mrs. E. A. SCHAUER, *Secretary.*

CROSBY, N. DAK., *June 12, 1953.*
Senator WILLIAM LANGER:

We urge your vote for the Mundt bill and full support for adequate agricultural funds.

OLAI KVIGNE.
HARRY THOMPSON.
JOHN KARLBERG.
ORVILLE KNUTSON.

MINOT, N. DAK., *June 8, 1953.*
Senator WILLIAM LANGER:

Seventy-five members Eureka Local, No. 670, Farmers Union, strongly support (1) full restoration of agricultural appropriations, (2) Mundt bill.

NORMAN J. LIVINGSTON,
Chairman, Eureka Local, No. 670, Farmers Union.

MINOT, N. DAK., *June 11, 1953.*
Hon. WILLIAM LANGER,
Senate Office Building:

Respectfully urge you to use your vote and influence in support of the recommendation by the Senate Subcommittee on Agricultural Appropriations. Agriculture's slow climb toward equality with other groups in our economy must not be checked now.

VERNON F. CARLSON.
GLENBURN, N. DAK.

MINOT, N. DAK., *June 11, 1953.*
Hon. WILLIAM LANGER,
Senate Office Building:

Please support Senate subcommittee recommendation on appropriations for agriculture. Absolutely necessary to preserve the much needed present farm programs.

A. C. OLSON.

MINOT, N. DAK., *June 11, 1953.*
Hon. WILLIAM LANGER,
Senate Office Building:

I am an operator of a family-type farm. From past experience of 30 years' farming, I deem it a must that the appropriations recommended by the Senate subcommittee be approved.

WALTER WEMER.

MINOT, N. DAK., *June 11, 1953.*
Hon. WILLIAM LANGER,
Senate Office Building:

We feel that it is imperative that agriculture appropriations be supported as recommended by the Senate Subcommittee on Agriculture. We urge your support and vote to defeat any cut in these recommendations.

FREEDOM FARMERS UNION LOCAL,
DON BIVINS.
SAWYER, N. DAK.

CROSBY, N. DAK., *June 11, 1953.*
Hon. WILLIAM LANGER,
Senate Office Building:

Please don't cut agriculture appropriations below 1952 level. We want ACP.

MELVIN MORTENSON.
ALVIN SVANGSTU.
ALEX MURPHY.
G. T. HOVERSTIN.
NOONAN, N. DAK.

MINOT, N. DAK., *June 11, 1953.*
Hon. WILLIAM LANGER,
Senate Office Building:

Because Agriculture stands on the brink of disaster under present price structure of farm commodities, I urge your vote and support of the recommendations of the Senate Subcommittee on Agricultural Appropriations.

M. P. FREDA.

MINOT, N. DAK., *June 11, 1953.*
Hon. WILLIAM LANGER,
Senate Office Building:

In the critical situation that agriculture finds itself in today, I ask that you vote for and support the agriculture appropriations

as recommended by the Senate subcommittee.

FARRELL L. NELSON.

TOWNER, N. DAK.

MINOT, N. DAK., *June 11, 1953.*

Hon. WILLIAM LANGER,
Senate Office Building:

Am counting on you to lead the fight to support the agriculture appropriations as recommended by the Senate subcommittee.

INEZ N. HOLVORSON.

MINOT, N. DAK., *June 11, 1953.*

Hon. WILLIAM LANGER,
Senate Office Building:

I believe that it is necessary to keep appropriations for our vital farm programs at a high level. Please support the subcommittee's recommendation on agriculture appropriations.

FLOYD FREDA.

MINOT, N. DAK., *June 11, 1953.*

Hon. WILLIAM LANGER,
Senate Office Building:

It is impossible for us to understand why the family type farmer is being legislated out of the picture while all other segments of our economy are enjoying higher incomes than ever before. Please support the recommendations of the Senate subcommittee for agriculture appropriations to maintain our farm programs.

McKINLEY FARMERS UNION LOCAL,
IRVIN LARSON, *Secretary.*

REGENT, N. DAK., *June 11, 1953.*

Senator WILLIAM LANGER:

We ask that you support farm appropriations recommended by Senate subcommittee, including $250 million for ACP.

REGENT CO-OP EQUITY EXCHANGE,
WALTER BARTHOLOME.

MOTT, N. DAK., *June 11, 1953.*

Senator WILLIAM LANGER,
Senate Office Building:

Urge your support farm appropriations bills $250 million for ACP as recommended by Senate subcommittee.

HETTINGER COUNTY FARMERS UNION,
Mrs. ED IVERSON, *Secretary.*

CROSBY, N. DAK., *June 10, 1953.*

Senator WILLIAM LANGER,
Senate Office Building,
Washington, D. C.:

Believe that Agriculture Department appropriation should be at least equal to last year's. Do what you can.

IVAN ERICKSON,
Republican County Chairman,
Divide County.

WHEELOCK, N. DAK., *June 10, 1953.*

Hon. WILLIAM LANGER,
Senate Office Building,
Washington, D. C.:

Urge your continued active support of higher level agricultural appropriations.

CLAIR AMSBERRY,
President Williams County Farmers Union.

HAZEN, N. DAK., *June 10, 1953.*

Senator WILLIAM LANGER,
Senate Building, Washington, D. C.:

Support farm appropriation when reaches Senate also $250 million for ACP.

OLIVER COUNTY FARMERS UNION,
JOSEPH JOCHIM, *President.*

HAZEN, N. DAK., *June 10, 1953.*

Senator WM. LANGER,
Senate Building,
Washington, D. C.:

Support farm appropriation when reaches Senate. Also $250 million for ACP.

RED BUTTE LOCAL,
Mrs. DAN KIRCHMEIER,
Secretary,
Mr. OTTO ALBERS,
President.

VALLEY CITY, N. DAK., *June 10, 1953.*

Senator WILLIAM LANGER,
Senate Office Building,
Washington, D. C.:

It is the general wish of our 2,000 patrons and stockholders that you use every effort to support the subcommittee appropriation measure, including $250 million ACP for agriculture. We should all realize that the farmers are the backbone of our purchasing power and in turn benefits everyone.

FARMERS UNION OIL CO.,
LEONARD J. BRAULICK.

MINOT, N. DAK., *June 11, 1953.*

Hon. WILLIAM LANGER,
Senate Office Building:

Take this opportunity to urge you continued support for farm program appropriations. This program is an absolute must for our family type farmer. Without an adequate farm program these farmers face economic disaster.

GLEN PACE.

WOLSETH, N. DAK.

MINOT, N. DAK., *June 11, 1953.*

Hon. WILLIAM LANGER,
Senate Office Building:

We urgently request the agricultural appropriations approved by the Senate subcommittee be aggressively supported. Also the $250 million recommended for ACP be passed. With the dwindling economy it is more important than ever that the agriculture be maintained on a sound basis.

ARNOLD HAGUE,
President, Ward County Farmers Union.

NEW ENGLAND, N. DAK., *June 10, 1953.*

WILLIAM LANGER,
United States Senator:

Will you kindly support the appropriations which passed by the House for the farm program and also $250 million for ACP which is recommended by the Senate subcommittee.

ADOLPH REISENAUER.

ZAHL, N. DAK., *June 10, 1953.*

Senator WM. LANGER,
United States Senate:

Farmers in Northwest urge your support farm appropriations recommended by Senate subcommittee, including two hundred fifty million for ACP.

HENRY WILLIAMS.

SANISH, N. DAK., *June 12, 1953.*

Senator WILLIAM LANGER,
Senate Office Building:

I urge you to support agriculture appropriations as recommended by agriculture subcommittee.

G. F. GULBRICKSON.

TOLNA, N. DAK., *June 11, 1953.*

Senator WM. LANGER,
Senate Office Building,
Washington, D. C.:

Urge you support farm appropriation bill recommended by Senate subcommittee or at least as large as last year.

ROBERT JOHNSON.

TOLNA, N. DAK., *June 11, 1953.*

Senator WM. LANGER,
Senate Office Building,
Washington, D. C.:

Urge you support farm program appropriation bill at least as large as last year.

LEONARD JOHNSON.

CARRINGTON, N. DAK., *June 11, 1953.*

WILLIAM LANGER,
Senate Office Building,
Washington, D. C.:

Four hundred and seventy-three Foster County Farmers Union members urge your opposition to any cuts in appropriations for agriculture.

FOSTER COUNTY FARMERS UNION,
PAUL MARRIAGE, *Secretary-Treasurer.*

FLASHER, N. DAK., *June 12, 1953.*

Senator WILLIAM LANGER,
Senate Office Building:

Urging you to support farm appropriations recommended by Senate subcommittee. Also asking you to support the $250 millions for ACP.

FARMERS UNION OIL CO.

BISBEE, N. DAK., *June 12, 1953.*

Senator WILLIAM LANGER:

We urge support for full agricultural funds to carry on farm programs.

TOWNER COUNTY FARMERS UNION BOARD,
Mrs. CATHERINE KOESTER,
County Secretary.

APPAM, N. DAK., *June 12, 1953.*

Senator LANGER,
United States Senate:

Farmers of Northwest urge your support on farm appropriations recommended by Senate subcommittee including $250 million for ACP.

Board of Directors of Appam Farmers Elevator Co. and Patrons Reuben Esterby, President; Elmer Amundson, Secretary; V. C. Anderson, Nels Hendrickson, Henry Williams, Albert K. Esterby, Soren Sorenson, Alvin Knutson, K. V. Esterby, Herbert L. Hyland, Peter P. Flories, Elias Svenson, O. H. Syland, Edgar S. Hyland, Lester B. Quie, Earl Esterby, Albert Knutson, Clifford Ryen, Melvin Dragseth, Martin Johnson, Herman Sunquist, Bennie Benson.

COGSWELL, N. DAK., *June 13, 1953.*

Senator WILLIAM LANGER,
Washington, D. C:

We earnestly beg you to support farm appropriations equal to last year.

Mr. and Mrs. WILLIAM EVEN.

COGSWELL, N. DAK., *June 13, 1953.*

Senator WILLIAM LANGER,
Washington, D. C.:

We earnestly urge you to keep farm program appropriations at the Senate subcommittee recommendations.

Mr. and Mrs. LAWRENCE KUMMETH.

COGSWELL, N. DAK., *June 13, 1953.*

Senator WILLIAM LANGER,
Washington, D. C.:

The family type farmer must have farm program appropriations kept up to last year and I urge you to work for at least the recommendations of Senate subcommittee.

Mr. and Mrs. AMOS GRANDIN.

CROSBY, N. DAK., *June 12, 1953.*

Senator WILLIAM LANGER:

We want no cuts in agricultural appropriations and urge your backing.

BJARNE HOFSTAD.
THORSTEN KARLBERG.
SIGURD HOFSTAD.
ARNE BJARNSVEDT.

GWINNER, N. DAK., *June 12, 1953.*

Senator WILLIAM LANGER,
Washington, D. C.:

We urge to support farm appropriations equal to last year, which was absolute minimum.

WHITE STONE HILL FARMERS UNION.

MILNOR, N. DAK., *June 12, 1953.*

Senator LANGER,
Washington, D. C.:

We, the Shuman F U local of 25 farm families, do urge your continued support in maintaining agricultural appropriations at least equal to last year's figure. We feel it necessary if we expect to maintain the family type of farm. Loss of family farm means economy loss to Nation.

ARNOLD FEDJE,
Secretary of Schuman Local.

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GWINNER, MINN., *June 12, 1953.*
Senator WILLIAM LANGER,
Washington, D. C.:
We urge to support farm appropriations equal to last year which was absolute minimum.
SARGENT COUNTY FARMERS UNION.

COGSWELL, N. DAK., *June 12, 1953.*
Senator WILLIAM LANGER,
Washington, D. C.:
Seventy-five Sargent Harlem Local Farmers Union members, of Sargent County, urge you to work for the support of farm program appropriations recommended by Senate subcommittee. These are necessary to maintain the family type farmers; their loss will mean an economic loss to the Nation.
ED HANSON,
President.
LAWRENCE KUMMETH,
Secretary.

FLASHER, N. DAK., *June 8, 1953.*
Senator LANGER,
Washington, D. C.:
Depending on you to support appropriations recommended by Senate subcommittee, also need $250 million additional for ACP.
EDWIN B. TIMPE,
Vice Chairman, Farmers Union Local, No. 779.

BOWMAN, N. DAK., *June 9, 1953.*
Hon. Senator LANGER:
I urge your support for all farm appropriations recommended by the Senate subcommittee.
ALLEN SEDEVIE.

BOWMAN, N. DAK., *June 9, 1953.*
Hon. Senator LANGER:
I urge your support for all farm appropriations recommended by the Senate subcommittee.
OLE LEWISON.

BOWMAN, N. DAK., *June 9, 1953.*
Hon. Senator LANGER:
I urge your support for all farm appropriations recommended by the Senate subcommittee.
ISIDORE FISHER.

BOWMAN, N. DAK., *June 9, 1953.*
Hon. Senator LANGER:
I urge your support for all farm appropriations recommended by the Senate subcommittee.
JOHN SCHADE.

BOWMAN, N. DAK., *June 9, 1953.*
Hon. Senator LANGER,
Washington, D. C.:
I urge your support for all farm appropriations recommended by the Senate subcommittee.
JOE SONSALLA.
MARMARTH, N. DAK.

BOWMAN, N. DAK., *June 9, 1953.*
Hon. Senator LANGER,
Washington, D. C.:
I urge your support for all farm appropriations recommended by the Senate subcommittee.
PERCY KLEEMAN.

BOWMAN, N. DAK., *June 9, 1953.*
Hon. Senator LANGER,
Washington, D. C.:
I urge your support for all farm appropriations recommended by the Senate subcommittee.
MARTIN KLUKSDAL.
SCRANTON, N. DAK.

BOWMAN, N. DAK., *June 9, 1953.*
Hon. Senator LANGER,
Washington, D. C.:
I urge your support for all farm appropriations recommended by the Senate subcommittee.
JOE V. PALCEWSKI.
SCRANTON, N. DAK.

BOWMAN, N. DAK., *June 9, 1953.*
Hon. Senator LANGER,
Washington, D. C.:
I urge your support for all farm appropriations recommended by the Senate subcommittee.
VIRGIL WEST.

FLASHER, N. DAK., *June 8, 1953.*
Hon. Senator WILLIAM LANGER,
Washington, D. C.:
Depending on you to support farm appropriations recommended by Senate subcommittee including $250 million for ACP. Thank you.
HELGE ENGREN,
President, Morton County Farmers Union.

BOWMAN, N. DAK., *June 9, 1953.*
Hon. Senator LANGER:
I urge your support for all farm appropriations recommended by the Senate subcommittee.
NICK MOSBRUCKER.

BOWMAN, N. DAK., *June 9, 1953.*
Hon. Senator LANGER:
I urge your support for all farm appropriations recommended by the Senate subcommittee.
H. J. BURKE.

BOWMAN, N. DAK., *June 9, 1953.*
Hon. Senator LANGER:
I urge your support for all farm appropriations recommended by the Senate subcommittee.
H. P. OLSON,
Manager, Farmers Union Elevator.

BOWMAN, N. DAK., *June 9, 1953.*
Hon. Senator LANGER:
I urge your support for all farm appropriations recommended by the Senate subcommittee.
ANDREW JENSEN.

BOWMAN, N. DAK., *June 9, 1953.*
Hon. Senator LANGER:
I urge your support for all farm appropriations recommended by the Senate subcommittee.
DONALD BARTEL,
Chairman, Bowman County Republican Committee.

BOWMAN, N. DAK., *June 9, 1953.*
Hon. Senator LANGER:
I urge your support for all farm appropriations recommended by the Senate subcommittee.
E. H. ERICKSON.

BOWMAN, N. DAK., *June 9, 1953.*
Hon. Senator LANGER:
I urge your support for all farm appropriations recommended by the Senate subcommittee.
ERWIN HAGEMEISTER.
SCRANTON, N. DAK.

BOWMAN, N. DAK., *June 9, 1953.*
Hon. Senator LANGER:
I urge your support for all farm appropriations recommended by the Senate subcommittee.
JOHN MCCAFFERY,
Manager, Farmers Union Co-op Store.

BOWMAN, N. DAK., *June 9, 1953.*
Hon. Senator LANGER:
I urge your support for all farm appropriations recommended by the Senate subcommittee.
MORRIS NELSON.

DAZEY, N. DAK., *June 9, 1953.*
Hon. Senator WILLIAM LANGER,
Senate Office Building,
Washington, D. C.:
We urge you to support Senate subcommittees appropriations for agriculture including $250 million ACP.
DONALD ANDERSON,
Chairman, County Farmers Union.

CROSBY, N. DAK., *June 9, 1953.*
Hon. WILLIAM LANGER,
Washington, D. C.:
We request you support agriculture appropriations equal to last year.
S. MELVIN STOKKE.
EINAR NORDBY.
AXEL HAIBERG.
JAMES RAIT.
PERRY E. ROSENQUIST.

KULM, N. DAK., *June 9, 1953.*
Hon. Senator WILLIAM LANGER,
Washington, D. C.:
Urge you to support farm appropriations at least equal to subcommittee recommendations including $250 million for CPA.
LEE HARTMAN,
Chairman, German Northwest Farmers Union Local.

DAZEY, N. DAK., *June 9, 1953.*
Hon. Senator WILLIAM LANGER,
Senate Office Building,
Washington, D. C.:
We urge you to support Senate subcommittee appropriations for agriculture including $250 million ACP.
WARREN RASMUSSON,
Manager, Dazey Farmers Union Cooperative Association.

KULM, N. DAK., *June 9, 1953.*
Hon. Senator WILLIAM LANGER,
Washington, D. C.:
Urge you to support farm appropriations at least equal to subcommittee recommendations including $250 million for CPA.
GOTLIEB HARTMAN,
Chairman, Dickey County Farmers Union.

BOWMAN, N. DAK., *June 9, 1953.*
Hon. Senator LANGER,
Washington, D. C.:
I urge that you give all farm appropriations your support.
WILLARD GROSS.

BOWMAN, N. DAK., *June 9, 1953.*
Hon. Senator LANGER,
Washington, D. C.:
I urge that you give all farm appropriations your support.
GEO. ERMANTROUT.

BOWMAN, N. DAK., *June 9, 1953.*
Hon. Senator LANGER,
Washington, D. C.:
I urge that you give all farm appropriations your support.
CLARENCE PLOUGH.

OMEMEE, N. DAK., *June 10, 1953.*
Senator WILLIAM LANGER,
Senate Office Building:
We urge your wholehearted support of the agricultural appropriations increases where necessary, especially the 250 million for ACP.
Mr. and Mrs. DUNCAN FRASER.

OMEMEE, N. DAK., *June 10, 1953.*
Senator WILLIAM LANGER,
Senate Office Building:
We urge your support of the agriculture appropriations by the Senate subcommittee, including the 250 million for ACP.
DUNCAN FRASER,
President, Bottineau County Farmers Union.

OMEMEE, N. DAK., *June 10, 1953.*
Senator WILLIAM LANGER,
Senate Office Building:
Please support the increased farm appropriations recommended by Senate subcommittee and the 250 million for ACP.
Mr. and Mrs. ERIC SCHULTZ.

OMEMEE, N. DAK., *June 10, 1953.*
Senator WILLIAM LANGER,
Senate Office Building:
Urge your support of the increased farm appropriation bill as set by Senate subcommittee, and especially the 250 million for ACP.
Mr. and Mrs. JACK FRASER

CROSBY, N. DAK., *June 10, 1953.*
Senator WILLIAM LANGER,
Senate Office Building:
Urge you to support agriculture appropriations at least equal to 1952.
HELMER WALLEN.
VERDEAN F. PETERSON.
JOSEPH H. GALLAGHER.
OWEN C. LANSVERK.
ALFRED JOYCE.

VALLEY CITY, N. DAK., *June 10, 1953.*
Hon. WILLIAM LANGER:
Urge support of the subcommittee appropriation measure including the 250 million ACP for agriculture.
MARTIN BROCK,
Secretary, Barnes County Farmers Union.

GOLDEN LOCAL NO. 523,
FARMERS UNION, WALSH COUNTY,
Park River, N. Dak., June 2, 1953.
Hon. WILLIAM LANGER,
Washington, D. C.
DEAR SIR: We, the members of Golden Farmers Union, local No. 523, meeting in regular session June 1, 1953, do hereby request you to use your maximum influence in support of the Mundt bill, which would authorize the raising of the wheat reserve from 350 million to 600 million bushels.
Sincerely,
ERNEST DENCKER,
Secretary.

FORDVILLE, N. DAK., *June 12, 1953.*
Senator WILLIAM LANGER,
Senator Office Building,
Washington, D. C.
DEAR SENATOR LANGER: You have been doing a fine job of supporting farm legislation and we thank you for it.
We are urging your full support on the Mundt bill (S. J. Res. 79), of which you and Senator YOUNG are cosponsors. We feel it is the most fair method for our agricultural State and I will do my best to have the Farmers Union local here in Medford Township of which I am president give full support to this bill.
We also urge you to continue to fight for our REA and all farm programs. It's a tough fight and you are doing a good job—more power to you.
We would like to see Secretary Benson sent back to Utah to preach and an agricultural man in his place there. Best wishes for good health.
Yours sincerely,
Mr. and Mrs. ANDREW MORSTAD.
P. S.—Our Farmers Union local has 12 farm families behind your vote.
Mrs. MORSTAD, *President.*

GENESEO, N. DAK., *June 12, 1953.*
Hon. MILTON YOUNG,
Washington, D. C.
DEAR SIR: We certainly do not want any cuts in agriculture appropriations, and expect your support against any cuts.
Thanks for the good fight you are putting up for agriculture.
Thank you.
Yours truly,
OLAF W. OLSON,
Mrs. OLAF W. OLSON.

GENESEO, N. DAK., *June 12, 1953.*
Hon. WILLIAM LANGER,
Washington, D. C.
DEAR SIR: We certainly do not want any cuts in agriculture appropriations, and expect your support against any cuts.
Thank you.
Yours truly,
Mr. OLAF W. OSON,
Mrs. OLAF W. OLSON.

FORT RANSOM, N. DAK., *June 8, 1953.*
Hon. Senator WILLIAM LANGER,
Washington, D. C.
DEAR SENATOR LANGER: The Northland Farmers Union takes this opportunity to Thank you for the work you have done in behalf of the farmer. There is still a hard and bitter fight ahead if the farmers are going to get full adequate funds to carry on their work. We are 100 percent behind you in this fight. Keep on as you have and we know that you will win.
Yours truly,
Mrs. CONRAD OLSON,
Secretary, Northland Farmers Union.
(Representing 130 farm families.)

PETERSBURG, N. DAK., *June 10, 1953.*
Senator WILLIAM LANGER,
Senate Office Building,
Washington, D. C.
MY DEAR SENATOR: We strongly urge that appropriations for our farm program be maintained. This country needs conservation and development of landed resources. Family-type farming should be given preference in any farm program.
Your truly,
NORTH DAKOTA FARMERS UNION,
LOCAL NO. 168,
FRANCIS SEARS, *Legislative Secretary.*

SYKESTON, N. DAK.
MY DEAR SENATOR: We of the Sykeston Farmers union local have agreed to request you to help get more appropriations for the farm program's parity and price supports.
Yours truly,
Mrs. JOE STAHL,
Secretary.

WING, N. DAK., *June 9, 1953.*
Senator WILLIAM LANGER,
Senate Building,
Washington, D. C.
DEAR SENATOR: As a family-type farmer I cannot continue to operate under the present conditions without 100 percent of parity. We can't meet expenses without 100 percent. We also want and need soil conservation, PMA and RFA for our family-type farms.
Your truly,
OTTO E. ZOLLER.

AMBROSE, N. DAK., *June 9, 1953.*
Senator WILLIAM LANGER,
Washington, D. C.
DEAR SENATOR: On behalf of the Ambrose Farmer's Union local which is comprised of 35 members we strongly urge you to exert everything in your power to maintain full, adequate agricultural funds which are so desperately needed to carry on farm programs.
Yours truly,
ROBERT GRUNDSTAD,
Secretary, Ambrose Farmer's Union Local.

MINOT, N. DAK., *June 8, 1593.*
Hon. Senator LANGER.
DEAR SIR: Do everything possible to hold agricultural appropriations as they have been voted in in the House, or raise them.
In other words help us save the family farm.
Sincerely,
H. B. ALMY.

GENESEO, N. DAK., *June 12, 1953.*
Senator WILLIAM LANGER,
Washington, D. C.
DEAR MR. LANGER: I am writing to you to urge your support in the farm program all the way, we are trusting you.
LAWRENCE H. SEE.
SARGENT COUNTY, N. DAK.

GENESEO, N. DAK., *June 12, 1953.*
WILLIAM LANGER,
United States Senate.
SENATOR LANGER: Farm program appropriations equal to last year is a must. That means you must fight.
Sincerely,
Mr. and Mrs. ROLLOF LEE.

THORNE, N. DAK.
We believe agricultural appropriations should be increased to avoid disaster and full support be given the Mundt amendment.
WM. BUSHAM.

THORNE, N. DAK.
We believe agricultural appropriations should be increased and full support be given the Mundt bill.
SIMEON GRENIER.

THORNE, N. DAK.
SENATOR: We believe agricultural appropriations should be increased and full support be given the Mundt amendment.
MARGIT GRENIER.

THORNE, N. DAK.
SENATOR: We believe agricultural appropriations should be increased and full support be given the Mundt amendment.
THEODORE GRENIER.

BRIEN, N. DAK., *June 10, 1953.*
Hon. Senator LANGER,
Washington, D. C.
DEAR SENATOR: I urge you to support farm appropriations recommended by the Senate subcommittee including 250 million for A. C. P.
Very truly yours,
OSWALD SKIFTUN.

THORNE, N. DAK.
We believe agricultural appropriations should be increased and full support be given the Mundt bill.
Mr. and Mrs. LUCIEN COSAUSUT.

THORNE, N. DAK.
I fully support the Mundt amendment and believe that agricultural appropriations should be increased.
LUCIEN CASARAND.

THORNE, N. DAK.
DEAR SIR: I believe agricultural appropriation should be increased and full support be given the Mundt amendment.
PAUL D. MALO.

THORNE, N. DAK.
We believe agricultural appropriation should be increased and full support be given the Mundt amendment.
Mrs. PAUL MALO.

BELCOURT, N. DAK.
We believe agricultural appropriations should be increased and full support be given the Mundt amendment.
Mrs. PHILIP BENICE.

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BELCOURT, N. DAK., *June 5, 1953.*

DEAR SIR: I believe agricultural appropriations should be increased and full supports be given the Mundt amendment.

EDWARD BERUBE.

BELCOURT, N. DAK., *June 5, 1953.*

Hon. Senator LANGER:

DEAR SIR: I would like to see you support the Mundt amendment to the Agricultural Act, and also the agricultural appropriation.

PHILIP BERUBE.

BELCOURT, N. DAK.

I fully support the Mundt amendment and favor increased agricultural appropriations.

EMANUEL CHARLEBOIS.

BELCOURT, N. DAK.

I believe that agricultural appropriations should be increased and I fully support the Mundt amendment.

Respectfully,

Mrs. HAZEL CHARLEBOIS.

BELCOURT, N. DAK.

I believe agricultural appropriations should be increased and I fully support the Mundt amendment.

Respectfully,

GUSTAVE CHARLEBOIS.

THORNE, N. DAK.

We believe agricultural appropriations should be increased and full support be given the Mundt amendment.

Mr. and Mrs. ALFRED ENNO.

I believe agricultural appropriations should be increased and full support be given the Mundt amendment.

ANNA MONGEON.

I believe agricultural appropriations should be increased and full support be given the Mundt amendment.

PIERRE MONGEON.

JUNE 5, 1953.

Hon. Senator LANGER:

We believe that the agricultural appropriation should be given your full support as it passed the House. The Mundt amendment is also praiseworthy.

Yours truly,

Mr. and Mrs. EUGENE MONGEON.

BELCOURT, N. DAK.

I fully support the Mundt amendment and believe that agricultural appropriations should be increased.

ALLEN H. STEN.

THORNE, N. DAK.

I believe agricultural appropriations should be increased and full support be given the Mundt amendment.

Mrs. FLORENCE MARCIL.

THORNE, N. DAK.

We believe agricultural appropriations should be increased and full support given the Mundt amendment.

THERESIA BUSHAW.

BELCOURT, N. DAK., *June 5, 1953.*

Senator WILLIAM LANGER,
Washington, D. C.

DEAR SIR: We believe agriculture appropriations should be increased and full support be given the Mundt amendment.

Sincerely,

Mr. and Mrs. J. M. AUFEDT,

LANGDON, N. DAK., *June 5, 1953.*

SENATOR LANGER: I urgently request your support of appropriation for farm program at least equal to last year.

Yours truly,

JOHN GUSIN.

TIMMER, N. DAK., *June 11, 1953.*

Honorable Senator LANGER,
Washington, D. C.

DEAR SENATOR: I urge you to support farm appropriations recommended by the Senate subcommittee including $250 million for ACP.

Very truly yours,

NICK SCHMIDT.

SOLEN, N. DAK., *June 10, 1953.*

Hon. Senator LANGER.

DEAR SENATOR: I urge you to support farm appropriations recommended by the Senate subcommittee, including $250 million for ACP.

Yours truly,

G. F. HENDERSON.

BREIEN, N. DAK., *June 10, 1953.*

Hon. Senator LANGER,
Washington, D. C.

DEAR SENATOR: I urge you to support farm appropriations recommended by the Senate subcommittee, including $250 million for ACP.

Very truly yours,

Mr. and Mrs. EARL CHADWICK.

TIMMER, N. DAK.

DEAR SENATOR: I urge you to support appropriations recommended by the Senate subcommittee, including $250 million for ACP.

Yours truly,

J. D. BREWSTER.

SOLEN, N. DAK., *June 10, 1953.*

HON. SENATOR LANGER: I urge you to support farm appropriations recommended by the Senate subcommittee, including $250 million for ACP.

Very truly,

Mr. and Mrs. JERRY RHONE, Sr.

BREIEN, N. DAK., *June 10, 1953.*

Hon. WILLIAM LANGER,
Senate Office Building,
Washington, D. C.

DEAR SIR: I urge you to support farm appropriations recommended by the Senate subcommittee, including $250 million for ACP.

Very truly yours,

MAX POTTER.

BREIEN, N. DAK., *June 10, 1953.*

Hon. Senator LANGER,
Washington, D. C.

DEAR SENATOR: I urge you to support farm appropriation recommended by the Senate subcommittee, including $250 million for ACP.

Very truly yours,

LAWRENCE ISAACS.

BREIEN, N. DAK., *June 10, 1953.*

Hon. WILLIAM LANGER,
Senate Office Building,
Washington, D. C.

DEAR SIR: I urge you to support farm appropriation recommended by the Senate subcommittee, including $250 million for ACP.

Very truly yours,

A. L. HENDERSON.

TIMMER, N. DAK., *June 11, 1953.*

Hon. Senator LANGER,
Washington, D. C.

DEAR SENATOR: I urge you to support farm appropriation recommended by the Senate subcommittee, including $250 million for ACP.

Very truly yours,

TOM BUCKLEY.

BREIEN, N. DAK., *June 10, 1953.*

Hon. Senator LANGER,
Washington, D. C.

DEAR SENATOR: I urge you to support farm appropriation recommended by the Senate subcommittee, including $250 million for ACP.

Very truly yours,

JOHN J. HIEFRIH.

SALEM, N. DAK., *June 10, 1953.*

Hon. Sena'or LANGER,
Washington, D. C.

DEAR SENATOR: I urge you to support farm appropriation recommended by the Senate subcommittee, including $250 million for ACP.

Very truly,

Mr. and Mrs. ANTON GEISS.

SOLEN, N. DAK., *June 10, 1953.*

Hon. Senator LANGER,
Washington, D. C.

DEAR SENATOR: I urge you to support farm appropriations recommended by the Senate subcommittee including $250 million for ACP.

Very truly yours,

Mr. and Mrs. JOHN P. HATZENBUHLER.

SOLEN, N. DAK., *June 10, 1953.*

Hon. Senator YOUNG,
Washington, D. C.

DEAR SENATOR: I urge you to support farm appropriations recommended by the Senate subcommittee, including $250 million for ACP.

Yours truly,

JOE MATHERNS.

LANGDON, N. DAK., *June 5, 1953.*

DEAR SENATOR LANGER: I urgently request your support of appropriations for farm program at least equal to last year which was absolute minimum.

OLE L. E. OLSON.

LANGDON, N. DAK., *June 4, 1953.*

SENATOR WILLIAM LANGER: Please support appropriations for farm programs at least equal to last year.

Yours truly,

GEO. J. KAISKY.

LANGDON, N. DAK., *June 4, 1953.*

SENATOR LANGER: I urgently request your support of appropriations for farm program at least equal to last year which was absolute minimum.

L. M. PETERSON.

LANGDON, N. DAK., *June 4, 1953.*

Senator LANGER:

DEAR SIR: I urgently request your support of appropriation for farm program at least equal to last year which was absolute minimum.

Sincerely,

Mrs. WALTER MYERS.

LANGDON, N. DAK., *June 4, 1953.*

DEAR SIR: I urgently request your support of appropriations for farm program at least equal to last year which was absolute minimum.

Sincerely,

Mrs. HAROLD PENGILLY.

DRESDEN, N. DAK., *June 4, 1953.*

Senator LANGER,
Washington, D. C.

DEAR SIR: I urgently request your support of appropriation for farm program, at least equal to last year which was absolute minimum.

Sincerely,

Mrs. R. C. DOMRES.

THORNE, N. DAK.

I believe agricultural appropriations should be increased and full support be given the Mundt amendment.

ADRIEN MONGEON.

DRESDEN, N. DAK.

Senator WILLIAM LANGER:

I sincerely hope you will support the farm program at least equal to last year which was the absolute minimum.

FRANK GERTH.

LANGDON, N. DAK., *June 4, 1953.*

DEAR MR. LANGER: I sincerely hope you will support the farm program, at least equal to last year's, which was absolutely a minimum.

ED CHAPUT.

LANGDON, N. DAK.

DEAR SENATOR LANGER: We urge your support of appropriations for farm program.

Yours truly,

OTTO GERTH.

LANGDON, N. DAK., *June 4, 1953.*

DEAR SIR: We want full price support for our farm products through 1958.

Yours truly,

ED CHIRBONNES.

LANGDON, N. DAK., *June 5, 1953.*

DEAR SENATOR LANGER: I urgently request your support of farm prices for 100 percent full parity for farm programs. At least equal to last year which was absolute minimum.

Yours truly,

HOWARD NUILLE.

LANGDON, N. DAK., *June 5, 1953.*

DEAR SENATOR LANGER: I earnestly beg you to support appropriations for farm program at least equal to last year which was absolute minimum.

Yours truly,

WILFRED CHAPUT.

Mr. LANGER. Mr. President, I hope the amendment will be adopted.

Mr. ANDERSON. Mr. President, the Senator from Delaware [Mr. WILLIAMS] has expressed some sentiments with which I find myself in agreement, particularly when he states that if we are going to cut down expenses we must find spots where to do it, and not raise the appropriations in every bill.

Mr. President, the subject before the Senate has been erroneously referred to as a soil-conservation program. We have had previous discussions of this so-called soil-conservation program when we were trying to cut down ACP payments.

There is a vast difference between the Soil Conservation Service of the Department of Agriculture and the ACP payments. We are dealing here with ACP payments, and they are not connected in any way with the Soil Conservation Service of the Department of Agriculture.

Recently the Richmond Times-Dispatch carried an article entitled "Brain Washing Congress With Limestone Water?" In the course of the article reference is made to a letter sent out by Mr. Robert M. Koch, executive secretary of the National Agricultural Limestone Institute, Inc., with national headquarters in Washington, D. C. The letter is dated April 20, 1953, and carried the injunction: "Be sure and keep this letter confidential." It refers to the program which Secretary Benson had recommended to Congress calling for an appropriation of $140 million for soil conservation and the elimination of the limestone program. The letter reads:

Briefly, it—the Benson program—puts an end to our national ACP (conservation) limestone program. From now on we would have to sell our own product.

Think of it, Mr. President, the organization would have to sell its own product.

In my opinion the total purchased would not exceed 2 million tons, and probably would only be half this amount. You would have to market the other 26 or 27 million tons without any financial assistance.

We are in a last-ditch fight, and only Congress can save this program now. To offset the tremendously well-planned tactics of the Farm Bureau we need extensive grassroots support.

TABER is wielding a big club * * * his battle cry, "Not 1 more cent than Benson wants." I am trying to get directives written into the report of the committee to block the Benson policy of having no lime program. Be sure and keep this letter confidential.

Mr. President, I am glad to help Mr. Koch in not keeping his letter confidential. This has been going on for a long, long time. If we could eliminate the lime-program portions of the agricultural program I believe we could take care of our agricultural needs pretty well. I think it is bad to have it mixed up with the limestone program. I think it is bad to mix up the lime program with the soil-conservation program.

Speaking about grass roots, it was my pleasure last fall to address a meeting of the State Farm Bureau Federation in my State. I pointed out that I had tried to cut the agricultural conservation appropriation to $150 million. I felt it should be cut to $100 million, because I think there is a justification for a $100 million appropriation. I pointed out that I had been unsuccessful, and I stated why I had been unsuccessful. The Farm Bureau Federation adopted a resolution setting forth that they were strongly opposed to continuation of the agricultural conservation program payments, but would favor some type of program for long-term credits for farmers who wished to put into effect permanent conservation practices.

In continuing the development of grass-roots sentiment, those farmers took that resolution to the Seattle meeting of the American Farm Bureau Federation. I attended that meeting, in Seattle, last December; and I addressed that convention. Again I was pleased to see the farmers, without any help from any other source, come to the conclusion that they did not want the former agricultural conservation program payments continued; they wanted them sharply reduced.

Mr. President, the Farm Bureau Federation is not the only farm organization that holds that view; the Grange also shares it. The American Farm Bureau Federation represents 1,450,000 families; the Grange represents approximately 450,000 families. Eighty percent of all the farm families of the United States believe this program should be cut out, and they said so, through their organizations. Yet we constantly hear statements to the effect that we must make these appropriations in the interest of soil conservation.

Mr. President, I receive many letters on this subject. On May 14, I received a letter from a farmer in Carlinville, Ill. I should have referred the letter to my friend, the Senator from Illinois.

The letter reads as follows:

MAY 14, 1953.

Hon. CLINTON P. ANDERSON,
Senate Committee on Agriculture,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: Secretary Benson, whom I hold in high esteem, is constantly making the statement, "No real American wants to be subsidized." How such an honest man as he can justify this statement is more than I can figure out.

Why should the Federal Government spend millions of dollars to subsidize the butter producers, if these "real Americans do not want to be subsidized"?

Surely it is not fair either to the average citizen, to the producers of oleo, or even to the dairyman himself to take this tax money and give it to any one class.

Then take farm subsidies. In our county some $100,000 is given each year to our farmers in subsidies. Two men and four women are employed to pay this money out to the farmer, and all this when our farmers have never been so prosperous.

We own 2 farms, a total of 436 acres. In '51, one of these farms paid us as our share of the crops, a little over 40 percent on the cost of the land, and the past year over 30 percent. The larger farm, 319 acres, paid us almost 22 percent, and this net gain after taxes and all expenses. Yet, notwithstanding, Uncle Sam sends us each year a nice check to help us poor farmers out of the depression.

Why should all other groups of our citizens be taxed for the benefit of this one class?

Why the high cost of living? Largely due to the farm prices supported by Government subsidies.

Why should the people of New Mexico be taxed for the benefit of the farming States?

Is there nothing that can be done about this and done now?

Is the farm vote more important than justice?

Cordially yours,

WILLIAM M. HUDSON,
President Emeritus, Blackburn College.

P. S.—We have just received a check from the Treasurer of the United States for $130.19 helping us pay for lime and phosphate. How kind.

Mr. President, I believe the proposal made by the committee goes farther than we should go. I agree with the Senator from Vermont that probably we should not go that far.

I prefer the appropriation suggested by the Senator from Delaware, namely $140 million. Certainly if Congress wants to bring about any economy at all, it cannot afford to provide more than an appropriation of $195 million for agricultural conservation payments.

So I hope the amendment of the Senator from Georgia will be rejected.

EXECUTIVE SESSION

Mr. KNOWLAND. Mr. President, in order to facilitate the handling of the work at the desk, and since consideration of the new reports on the executive calendar will involve an interruption for not more than 2 minutes, I now move that the Senate proceed to the consideration of executive business. There are only two new reports on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. CARLSON in the chair) laid before the Senate message from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. LANGER, from the Committee on the Judiciary:

Jacob S. Temkin, of Rhode Island, to be the United States attorney for the district of Rhode Island; and

Clarence H. Spence, of Delaware, to be United States marshal for the district of Delaware, vice Paul B. Messick, resigned.

By Mr. BRICKER, from the Committee on Banking and Currency:

Charles E. Slusser, of Ohio, to be Public Housing Commissioner.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar under the heading "New Reports."

SECURITIES AND EXCHANGE COMMISSION

The Chief Clerk read the nomination of Ralph H. Demmler, of Pennsylvania, to be a member of the Securities and Exchange Commission.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk read the nomination of Amos J. Peaslee, of New Jersey, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Australia.

Mr. SMITH of New Jersey. Mr. President, it gives me great pleasure, and I am highly gratified, to support the nomination as Ambasasdor to Australia of my old friend, and a distinguished lawyer of New Jersey, Amos J. Peaslee. I have known him for many years. He is a most outstanding citizen of my State. It is a great honor to all who live in New Jersey to have him nominated as the United States Ambassador to Australia.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to this nomination?

The nomination was confirmed.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the President be immediately notified of these confirmations.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. KNOWLAND. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

DEPARTMENT OF AGRICULTURE APPROPRIATIONS, 1954

The Senate resumed the consideration of the bill (H. R. 5227) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1954, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Georgia [Mr. RUSSELL], on page 32, in lines 2 and 3, in the nature of a substitute for the amendment of the Senator from Delaware [Mr. WILLIAMS].

Mr. ELLENDER. Mr. President, I wish to say a few words in support of the pending amendment.

I believe in economy, and I believe in a balanced budget. But, Mr. President, I cannot in good conscience take the Senate floor and defend a budget cut which will ultimately work to the detriment of our people. It is for this reason that I support the pending amendment offered by the Senator from Georgia [Mr. RUSSELL], for himself and others, including myself.

False economy, Mr. President, is a danger we must always guard against. As I stated earlier, I believe in true economy, and I have taken the Senate floor on many occasions in an attempt to assist our President in carrying out his campaign pledge of a balanced budget. Be that as it may, I also know that one of the most pressing tasks our Nation faces today is to conserve and preserve our most precious natural resource, our agricultural lands. For without these lands, Mr. President, future generations of Americans will be forced to reduce today's standard of living, and learn to live as citizens of a "have-not" nation. The danger signal is fully apparent today, that unless we take steps to preserve our land, to conserve our God-given natural resources, then generations yet unborn will surely know hunger and agricultural proverty.

The $225 million this amendment seeks to make available to the Department of Agriculture will go a long way toward achieving this end, Mr. President. It is a necessary end, a vital end, and we must not lose sight of it. We must not sacrifice the long-range welfare of our Nation in a hasty and ill-advised attempt to balance our budget.

Today our Nation has 462 million acres of cropland, and with that much cropland we are supporting a population of over 158 million people. If we are to provide our future generations—the people who will live in our country by 1975—the same amount of food and fiber, and make available to them the same standard of living we of the United States enjoy today, we are going to require 530 million acres of cropland to meet that goal. How will we obtain that 530 million acres; how will we obtain 68 million more acres of land than we now have? Fifteen million acres of it will come from land that now is being used to grow feed crops for work animals; 30 million acres will come by way of reclaiming our deserts and other presently unsuitable lands. But, these two sources total only 45 million acres. If we deduct those 45 million acres from the required acreage of 530 million, it is easy to see that by 1975 our Nation will still be short some 23 million acres of cropland. We shall be lacking some 23 million acres necessary in order to produce the food and fiber required by our population in 1975—needed if our people 22 years hence are to be fed and clothed on the same standard that our present population is being fed and clothed.

Mr. President, we have done a great job of soil conservation by teaching our farmers how to use fertilizer properly and abundantly; how to do contour plowing; and how, in various other ways, to preserve our croplands. At the same time, our agriculture has been able to produce from the same number of acres, 40 percent more food and fiber than in pre-soil-conservation days.

For instance, let us consider the situation in the case of cotton: 12 years ago, 42 million acres of land were required to produce approximately 12 million or 13 million bales of cotton. Today our cotton growers are able to produce 14 or 15 million bales of cotton on 27 million acres of land. We have increased our production by nearly one-third, but, at the same time, reduced the acreage required by almost one-half. Land formerly devoted to cotton can now be used for other agricultural purposes. That change resulted primarily as a result of the soil-conservation program. I, for one, in face of the progress we have made, and the progress we must yet make, am not willing to abandon that plan and program at this time. We have but scratched the surface in that direction, Mr. President.

I hold in my hand a table showing, percentagewise, the number of farms throughout the United States that have followed and adopted wise soil-conservation practices. In my own State of Louisiana, only 32 percent of the farmers have taken advantage of the soil-conservation program. Put another way 68 percent of my State's farmers could be induced to join the movement and thereby further increase soil-conservation methods. We are losing productive acres at the rate of 500,000 per year and it is most essential that we find ways and means to stop this dissipation of our precious topsoil. We should find other ways and means of conserving our land and that cannot be accomplished by reducing the program. I say that soil conservation should be extended, not so much for the benefit of our present generation, as for generations as yet unborn. I wish to have America thrive, in 1975 at least, to the extent that she is thriving today. I want to assure to my children and grandchildren the same abundant food and clothing that I know today. I do not want our country to be in the position of Persia. Several years ago it was my privilege to visit that country. In the great Valley of Mesopotamia, between the Tigris and the Euphrates Rivers, the land formerly had sufficient fertility to produce enough food and fiber to supply the needs of 15 million people. At that time, Persia had

sufficient land resources to feed 105 million people—much more than her population at that time. Today, however, the situation has changed very greatly. Mesopotamia, lying between the Tigris and the Euphrates Rivers, can barely sustain a population of some 3 million people; and in all of Persia, including the great Tigris-Euphrates valley, barely 15 million people can find a living. That change has resulted because of no soil conservation many centuries ago. The precious topsoil has been permitted to find its way down the rivers, into the Red Sea, and thence into the ocean. The fertile fields of Persia now exist in great swamps, extending into the sea from the mouths of the Tigris and Euphrates Rivers. I do not want such a condition ever to face our country.

Mr. President, up to the present time we have treated, through the soil conservation program, a total of 175 million acres of land. A soil conservation plan is now being developed for 315 million acres. It strikes me very forcibly that it will be shortsightedness on our part to cut this program to a point where a vital sustaining soil conservation program will be discouraged. If we should do so, we violate the trust of future citizens. I hope the Senate will go on record in support of the proposed appropriation of $225 million, in accordance with the amendment offered by the Senator from Georgia in which I joined him, together with others. While it is an increase over the revised budget estimates, it nevertheless represents a cut of 10 percent in the 1953 appropriation. If we make a reduction of 10 percent in the appropriation made last year, I think the Nation's farmers will have done their share in helping balance the budget. We must remember that the Federal budget is a vital thing, and while it must be reduced, that reduction should be achieved with the skill of a surgeon. In cutting appropriations for necessary programs, we must not approach the problem as a butcher with cleaver in hand. I ask the Senate to adopt today a course of prudence. Let us not proceed hastily to deprive our children and our children's children of the abundance we Americans of 1953 have come to accept as never-ending. Let us realize that the future presents tremendous problems, and that a successful solution of these future problems requires today's wisdom.

Mr. FULBRIGHT. Mr. President, will the Senator yield for a question?

Mr. ELLENDER. I yield.

Mr. FULBRIGHT. I wonder whether the Senator, as a former distinguished chairman of the committee, could tell us regarding the distribution of the benefits, under the $140 million appropriation, as compared to the $225 million, in accordance with the proposal submitted by the Secretary of Agriculture.

Mr. ELLENDER. In some States it will cut the program over 50 percent below the 1953 program, as in my State. In Arkansas, my recollection is it will cut the program over 40 percent. In my opinion it would simply mean that, if there is projected into the future, such a plan as the one now being advocated by Mr. Benson, it will destroy the entire program.

In this connection, Mr. President, I ask unanimous consent to have printed at this point in my remarks a table indicating the use to which the $140 million requested by the Secretary of Agriculture for the Agricultural Conservation program for fiscal year 1954 would be put. I believe this table will provide the Senator from Arkansas [Mr. FULBRIGHT] and other Senators with a full picture of the reduced program.

There being no objection, the table was ordered to be printed, as follows:

Distribution of funds among States, 1953, and tentative estimate for 1954[1]

[Thousands of dollars]

State	1953 program[2]	Amount 1953 allocation resulting from needs for permanent type practices[3]	Tentative 1954 program estimate[4]
Alabama	5,946	1,333	3,025
Alaska	27	12	14
Arizona	1,445	941	1,669
Arkansas	4,574	1,020	2,327
California	4,086	2,453	4,795
Colorado	3,248	1,570	2,619
Connecticut	487	140	258
Delaware	327	33	106
Florida	2,219	757	1,454
Georgia	6,897	1,514	3,509
Hawaii	182	25	93
Idaho	1,645	683	1,300
Illinois	7,936	2,085	4,297
Indiana	5,086	1,424	2,951
Iowa	8,005	2,593	5,271
Kansas	6,381	1,721	3,254
Kentucky	5,851	1,147	2,976
Louisiana	4,035	885	2,053
Maine	917	210	466
Maryland	1,278	309	650
Massachusetts	527	131	268
Michigan	4,849	1,131	2,407
Minnesota	5,496	1,904	3,796
Mississippi	6,253	1,808	3,525
Missouri	8,737	2,112	4,444
Montana	3,455	1,588	3,008
Nebraska	5,909	1,707	3,393
Nevada	281	195	427
New Hampshire	477	106	243
New Jersey	711	115	362
New Mexico	1,775	1,028	1,843
New York	4,635	1,268	2,300
North Carolina	6,042	932	3,073
North Dakota	4,460	1,124	2,269
Ohio	5,280	1,876	3,776
Oklahoma	7,208	1,980	3,791
Oregon	2,103	990	1,821
Pennsylvania	4,923	1,576	2,772
Puerto Rico	820	254	488
Rhode Island	82	19	42
South Carolina	3,184	539	1,620
South Dakota	4,645	1,636	2,760
Tennessee	5,166	904	3,628
Texas	18,455	5,518	11,001
Utah	1,259	712	1,279
Vermont	1,021	153	519
Virgin Islands	12	5	9
Virginia	4,091	1,312	2,619
Washington	2,322	820	1,230
West Virginia	1,549	406	788
Wisconsin	5,167	1,194	2,628
Wyoming	1,949	1,089	1,970
Total	[5] 194,676	56,859	[5] 116,503

[1] Based on formula contained in 1953 appropriation act.

[2] Based on conservation needs for practices included in 1953 program.

[3] This column indicates the extent to which conservation needs for permanent-type practices as a part of total conservation needs entered into 1953 allocations.

[4] Based on conservation needs for practices included in tentative list of permanent-type practices being used as guide at State, county, and community levels formulating recommendations for the 1954 National ACP. Final list not to be determined until after these local recommendations are received at national level and final determination made as to the practice to be included in the 1954 program. This tentative distribution assumes the application of the full 15-percent adjustment toward conservation needs as permitted by the allocation formula.

[5] Does not include costs of administration, funds for small payment increase, naval stores conservation program payments, transfer of funds for printing, aerial photography, Treasury, etc.

Mr. FULBRIGHT. Is it true that, under the program as submitted by Mr. Benson, the State of Utah and other arid States would receive more money than they would receive under the $225 million, which the Senator is supporting?

Mr. ELLENDER. The Senator is correct.

Mr. FULBRIGHT. Is that not a rather odd result? I wonder whether the Senator will tell us how he arrives at such a conclusion.

Mr. ELLENDER. I am not sure, but I might suggest to my good friend from Arkansas that the reason probably lies in the fact that Utah, being a semiarid State, normally engages in a higher percentage of the so-called permanent-type conservation practices than the State of Arkansas, or, for that matter, my own State of Louisiana. By permanent-type practices, I refer to the building of small dams and the construction of ponds and the like, as opposed to the recurring practices of spreading lime, for example. It would seem to me that since the percentage of permanent practices is normally higher in Utah than in Louisiana, the elimination of recurring-type practices from the program would leave semiarid States, such as Utah, in a better position moneywise than some of the other States. What they are trying to do—at least, what Mr. Benson is trying to do—is to discourage the use of fertilizer and things of that kind, as my good friend from New Mexico [Mr. ANDERSON] has just suggested.

Mr. ANDERSON. I mentioned lime; not fertilizer.

Mr. ELLENDER. Lime is a fertilizer, as I understand.

Mr. FULBRIGHT. It is a soil food.

Mr. ELLENDER. It is a soil food; there is no doubt about that, just as nitrogen is a soil food. What is going to happen, in my opinion, as I have just indicated, is that if the appropriation is put on the basis of need, the program as a whole will soon fade out. That is what is going to happen. The farmers will soon lose interest.

Mr. FULBRIGHT. May I ask the Senator, Is it not very odd that a new program for the distribution of these funds should be developed so that the States in which certain Senators are so greatly interested would receive increases at the expense of all the other States of the Union?

Mr. ELLENDER. It is odd, but I do not believe it was done for the purpose of helping the State of Utah, in particular, simply because Secretary Benson is from that State. I hope not, anyway.

Mr. SMITH of North Carolina. Mr. President, I shall not be able to discuss some of the figures because I am not on the Committee on Agriculture, but I have listened with interest to what has been said here. But, above and beyond that, I had an opportunity last summer to observe at firsthand some of the things mentioned by the distinguished Senator from Louisiana [Mr. ELLENDER]. I visited the ancient, once great land of Greece, from which have come some of our very fine citizens. I saw the denuded hills which had once produced sustenance and at least a livelihood for the people of that great nation. Last summer I saw hills denuded and barren of vegetation in many spots, with only

a slight growth of vegetation in other spots.

I talked to two county agents from North Carolina who were sent by the United States Government to Greece to help improve the agricultural situation of that nation in order that she might again become self-sustaining, so far as possible, in the production of foodstuffs. I heard these men tell what they were doing, or what they were trying to do, to restore the soil of that ancient land, destroyed by erosion and through lack of attention.

I voted last year for the $250 million appropriation for the soil-conservation program, and, Mr. President, when I looked about me in Greece, I was glad that I voted with those in the Senate who had had the foresight to see that what had befallen that great nation might someday befall the United States.

I was impressed just now when the great Senator from Louisiana told about the situation in the Euphrates and Tigris River Valleys, which once produced food for 100 million persons. I believe his statement was that today about 15 million people are able to find sustenance from that land. I saw a little of the land in that area of the world and I know that erosion and the lack of protection of the soil had well-nigh destroyed a large part of the civilization there. I said, when I gazed upon those scenes last summer, that I was glad I had stood with those who did not believe that the soil-conservation program should be ripped and torn apart.

I have heard much said about the American Farm Bureau. Ordinarily I have great faith in its views about matters pertaining to agriculture. But I also know that members of the Farm Bureau and of the Grange came to see me last year to explain this matter to me and to urge that this program be not curtailed, as it was then planned. So I do not believe that we should take away from this program the funds with which to carry it on successfully.

I understand there have been abuses. Conditions which lead to abuses ought to be rooted out; and it should be possible to eliminate them. Certainly we should not take $30 million away from those who would build up our soil, when we think of the millions, yes, the hundreds of millions, indeed, the billions, we are scattering all over the earth. I do not know how much we are spending in Greece, for instance, or in Italy, or in other parts of the earth, for soil conservation, but it seems to me that if we are to spend hundreds of millions and even billions of dollars throughout the world, we ought to spend some of our money to protect our own soil and aid our own farmers who may be struggling with the problem of preserving their soil against destruction by erosion. I do not believe it would be wise to cut the appropriation in order to save $30 million.

I voted for practically all of the proposals to cut appropriations, and I expect to continue to do so; but when I see Senators stand here, as I shall see them do within the next week or two, arguing for enormous appropriations to be spent all over the world, I cannot help thinking it is very unwise to do that and yet at the same time reduce the appropriations for soil conservation right in our own midst and among our own people.

Last summer I met some Americans in Paris. There are so many Americans over there that one can hardly go a block without seeing some of them. What are they doing? They are spending our Government's money in all sorts of schemes and proposals, some of which perhaps are good, but many of which are, it seems to me, silly. Yet we talk about reducing a worthwhile appropriation by $30 million. In the minds of those who oppose the program, perhaps that might do some good, though some of those who perhaps know more about it believe it would do a great deal of harm to cut this appropriation while letting many other exorbitant proposals pass.

One other thing, Mr. President, and I shall be through. I understand from those who know the figures—and I believe the information was repeated a few moments ago by the distinguished Senator from Louisiana—that under this planned $140 million appropriation, Utah, New Mexico, and a few other States will receive far more than they get now. Where is it coming from? I was told by the distinguished Senator from Virginia [Mr. ROBERTSON] just now that 75 percent of his State's appropriation will be cut. He tells me that the amounts for my own State of North Carolina will be cut about 50 percent, and that those for other States will likewise be cut.

What is fair about that, Mr. President? I hope we shall carry on this work, and that we will root out every bit of infamous crookedness and abuse, but that we will not take away the $30 million, which may mean the difference between keeping or not keeping in good condition some of the soil of America, which in the years to come we will need in order to sustain the population, which is constantly growing.

Mr. YOUNG. Mr. President, I wish to speak in opposition to the amendment offered by the Senator from Georgia [Mr. RUSSELL], in which he is joined by other Senators from agricultural States, notably, the Senator from Minnesota [Mr. THYE], the Senator from Kentucky [Mr. COOPER], the Senator from Louisiana [Mr. ELLENDER], and other Senators. I believe the Government can spend the $225 million very wisely on soil conservation; but I also believe $195 million represents a very good compromise between the position taken by the Department of Agriculture in favor of $140 million and the position taken by the House of Representatives. The vote on the House side was very close in raising the funds from $140 million to $195 million. I think there was a difference of only 3 votes.

Mr. President, in order to get soil conservation there are other things which are even more important than are soil-conservation payments. I have reference to the income of various farmers. No farmer can do a decent job of conserving and maintaining his soil alone unless he has adequate farm income. Farm price supports are far more important than is even this program. There is a sizable amount in the bill, and there probably will be more next year, for price-support operations. We have raised funds for agricultural research, which is equally important if not more important. All in all, Mr. President, I think this is a very good bill, and I believe the farmers of the Nation will be quite happy with the appropriation of $195 million for the ACP program, even though they would perhaps like to have more.

I strongly oppose the amendment to reduce the fund to $140 million, and I also oppose raising it to $225 million.

Mr. BUTLER of Nebraska. Mr. President, I have been listening to the speakers as amendments have been proposed, and I desire to say that the statement which has just been made by the junior Senator from North Dakota [Mr. YOUNG] represents the way in which I look at the question.

Mr. RUSSELL. Mr. President, in view of the tremendous prestige of the distinguished Senator from New Mexico [Mr. ANDERSON] in agricultural matters, I desire to refer very briefly to a statement made by him.

It may be, Mr. President, that it is erroneous for the Government to assist farmers in obtaining fertilizers which will bind up the soil and prevent erosion from dust storms and from water by giving the soil a heavy cover of grass, but there is nothing new in that program. We have had it for many years. We all have a right to change our minds.

The distinguished Senator from New Mexico served ably as Secretary of Agriculture. At the time he did so more money was provided for soil conservation than the amount which is requested in this amendment. Substantially the same program was being carried out at that time. The Department purchased huge quantities of lime and phosphates, some of which were furnished by the manufacturers who wrote the letter from which the Senator from New Mexico read. I do not think the letter has much bearing on the question, one way or the other.

The former Secretary of Agriculture appeared before the committee and urged the committee not to reduce the appropriation. Shortly after that he became a Member of the Senate, and has since been a very valuable Member of this body.

In 1951 when the same program was in effect, an effort was then made to reduce the appropriation. That effort had the support of the Farm Bureau Federation. The hierarchy of the Farm Bureau Federation has fought this program for a number of years.

The Senator from New Mexico, having very recently come from the office of Secretary of Agriculture, addressed himself to the question, and I should like to read a few excerpts from his statement. He said:

> The committee is trying to make the amount $280 million, which I think is low enough. There is no place where money is more needed than in this conservation program. I think it would be absolutely unwise to reduce the appropriation recommended by the committee. I have not hesitated in the slightest to cast my vote against amendments that would reduce it, because I remember the experiences of 1947.

In 1947 the Congress of the United States, in an economy wave, decided to trim the conservation program, and it reduced the amount to $150 million, and served notice that that would be the last year there would be a conservation program. It was then my responsibility, as Secretary of Agriculture, to go before the committees of the Congress and plead with them not to reduce the appropriation and not to leave a death sentence hanging over the agriculture conservation program.

* * * * *

The Department of Agriculture made its fight, but we lost, and an economy-minded Congress destroyed a part of the soil-conservation program. I remember that some of the Members who helped to destroy it paid the penalty the next time they went back to their constituents and talked to them. I am wishing everyone well in his body, but the quickest way for Senators to hurt themselves and their communities is to destroy the agricultural conservation program.

Mr. President, I submit that every word of that statement is as true and as applicable today as it was in 1951. I, too, remember the experiences of 1947, when the House eliminated the agricultural-conservation program in its entirety, and, after many long and tedious days of conflict, we finally managed to restore $150 million. That was $10 million more than was sought by Mr. Benson.

Mr. President, we learn nothing from history, particularly political history, except that we learn nothing from history, particularly political history.

I desire to point out that the condition of the American farmers is more acute at this hour than it was in 1947. Farm income in 1947 was better than it is in 1953. Let those who will, delude themselves with the idea that the upper hierarchy of the Farm Bureau Federation is speaking for millions of farm families in urging a cut in this appropriation. Let them contend against a workable program such as is provided for in the amendment of which I am one of the authors, and they will find, possibly, as the Senator from New Mexico said in 1951, that the quickest way for Senators to hurt themselves is to destroy the agricultural-conservation program.

I urge the Senate now, when farm income is sliding down, not to add insult to injury by pinching pennies on this program which is so vital to the welfare of all the American people in maintaining agricultural production.

Mr. President, I regard this as one of the most significant farm issues before the country, and, therefore, I ask for the yeas and nays on this amendment.

The yeas and nays are ordered.

Mr. ANDERSON. Mr. President, I think I have some time remaining.

In the year 1947 we had just come out of the war. There were hundreds of thousands of acres of land which had been ripped up from pastures and put into row crops. We were trying to get the row crops back into pastureland again. We felt that the farmer was entitled to money for reconversion. How many years does it take to get it? Do the same factors apply year after year?

I hope the Senator from Georgia recognized, when he was reading from my statement, that in 1951 we thought we had reached the point where we would be operating in the black. We started into the red in 1951 and got into it more deeply in 1952 and 1953.

There is a difference between what men can do when they have money in their pockets and when they have deficits of many million dollars a year.

Mr. President, I am glad the Senator from Georgia pointed out that the Farm Bureau Federation was on one side of the picture and I was on the other side. I have supported them when I thought they were right and I have been against them when I thought they were wrong. I think that is what we should do, and not take dictation from them.

We recognize that the program cannot go on forever; it has to end sometime. Therefore, Mr. President, I say I do not believe in destroying the program, but I do believe in bringing it down to reasonable figures, and I believe $140 million is sufficient.

I believe eventually $100 million will be plenty. I do not think the program would be destroyed further. The money might be given to the lime peddlers in Washington, but the program would not be destroyed.

The PRESIDING OFFICER (Mr. CARLSON in the chair). The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. RUSSELL], for himself and other Senators, as a substitute for the amendment of the Senator from Delaware [Mr. WILLIAMS]. On this question, the yeas and nays have been ordered.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gillette	Maybank
Anderson	Goldwater	McCarran
Barrett	Gore	McCarthy
Beall	Green	McClellan
Bennett	Griswold	Millikin
Bricker	Hayden	Monroney
Bridges	Hendrickson	Mundt
Bush	Hennings	Neely
Butler, Md.	Hickenlooper	Pastore
Butler, Nebr.	Hoey	Payne
Byrd	Holland	Potter
Carlson	Humphrey	Purtell
Chavez	Jackson	Robertson
Clements	Jenner	Russell
Cooper	Johnson, Colo.	Saltonstall
Cordon	Johnson, Tex.	Smathers
Daniel	Johnston, S. C.	Smith, Maine
Douglas	Kefauver	Smith, N. J.
Duff	Kennedy	Smith, N. C.
Dworshak	Kilgore	Sparkman
Eastland	Knowland	Stennis
Ellender	Kuchel	Thye
Ferguson	Langer	Watkins
Frear	Long	Wiley
Fulbright	Malone	Williams
George	Mansfield	Young

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. RUSSELL] on behalf of himself and other Senators, as a substitute for the amendment of the Senator from Delaware [Mr. WILLIAMS], to the amendment of the committee. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ANDERSON (when his name was called). On this vote I have a pair with the senior Senator from Alabama [Mr. HILL], who is absent. If he were present and voting he would vote "yea." If I were permitted to vote I would vote "nay." I withhold my vote.

Mr. FREAR (when his name was called). On this vote I have a pair with my distinguished seat mate, the senior Senator from Oklahoma [Mr. KERR]. If he were present and voting he would vote "yea." If I were permitted to vote I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. PASTORE (after having voted in the negative). On this vote I have a live pair with the junior Senator from Missouri [Mr. SYMINGTON]. If he were present and voting he would vote "yea." If I were permitted to vote I would vote "nay." Accordingly, I withdraw my vote.

Mr. SALTONSTALL. I announce that the Senator from Indiana [Mr. CAPEHART], the Senator from South Dakota [Mr. CASE], the Senator from Vermont [Mr. FLANDERS], the Senator from Pennsylvania [Mr. MARTIN], and the Senator from Idaho [Mr. WELKER] are absent on official business.

If present and voting, the Senator from Vermont [Mr. FLANDERS], the Senator from Pennsylvania [Mr. MARTIN], and the Senator from Idaho [Mr. WELKER] would each vote "nay."

I also announce that the Senator from Illinois [Mr. DIRKSEN] is absent by leave of the Senate on official committee business and the Senator from Kansas [Mr. SCHOEPPEL] is necessarily absent.

On this vote the Senator from Illinois [Mr. DIRKSEN] was paired with the Senator from Washington [Mr. MAGNUSON] and the Senator from Kansas [Mr. SCHOEPPEL] was paired with the Senator from Montana [Mr. MURRAY].

If present and voting, the Senator from Illinois [Mr. DIRKSEN] would vote "nay," and the Senator from Washington [Mr. MAGNUSON] would vote "yea." The Senator from Kansas [Mr. SCHOEPPEL] would vote "nay," and the Senator from Montana [Mr. MURRAY] would vote "yea."

The Senator from New York [Mr. IVES] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

I further announce that the Senator from Oregon [Mr. MORSE] and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate.

If present and voting the Senator from Oregon [Mr. MORSE] would vote "yea."

The Senator from Ohio [Mr. TAFT] is necessarily absent.

Mr. CLEMENTS. I announce that the Senator from Alabama [Mr. HILL], the Senator from Wyoming [Mr. HUNT], the Senator from Oklahoma [Mr. KERR], and the Senator from Missouri [Mr. SYMINGTON] are absent by leave of the Senate.

The Senator from New York [Mr. LEHMAN] is absent on official business.

The Senator from Washington [Mr. MAGNUSON] is absent by leave of the Senate on official committee business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

The Senator from Washington [Mr. MAGNUSON] is paired on this vote with the Senator from Illinois [Mr. DIRKSEN]. If present and voting, the Senator from Washington would vote "yea," and the Senator from Illinois would vote "nay."

The Senator from Montana [Mr. MURRAY] is paired on this vote with the Senator from Kansas [Mr. SCHOEPPEL]. If present and voting, the Senator from Montana would vote "yea," and the Senator from Kansas would vote "nay."

The result was announced—yeas 38, nays 37, as follows:

YEAS—38

Carlson	Hennings	McCarran
Chavez	Hoey	McClellan
Clements	Humphrey	Monroney
Cooper	Jackson	Mundt
Daniel	Johnson, Colo.	Neely
Eastland	Johnson, Tex.	Russell
Ellender	Johnston, S. C.	Smathers
Fulbright	Kefauver	Smith, N. C.
George	Kilgore	Sparkman
Gillette	Langer	Stennis
Gore	Long	Thye
Green	Mansfield	Wiley
Hayden	Maybank	

NAYS—37

Aiken	Dworshak	Millikin
Barrett	Ferguson	Payne
Beall	Goldwater	Potter
Bennett	Griswold	Purtell
Bricker	Hendrickson	Robertson
Bridges	Hickenlooper	Saltonstall
Bush	Holland	Smith, Maine
Butler, Md.	Jenner	Smith, N. J.
Butler, Nebr.	Kennedy	Watkins
Byrd	Knowland	Williams
Cordon	Kuchel	Young
Douglas	Malone	
Duff	McCarthy	

NOT VOTING—21

Anderson	Hunt	Murray
Capehart	Ives	Pastore
Case	Kerr	Schoeppel
Dirksen	Lehman	Symington
Flanders	Magnuson	Taft
Frear	Martin	Tobey
Hill	Morse	Welker

So the amendment offered by Mr. RUSSELL, for himself and other Senators, to Mr. WILLIAMS' amendment, to the amendment of the committee, was agreed to.

Mr. HUMPHREY subsequently said: Mr. President, I ask unanimous consent to have placed in the RECORD immediately after the vote on the Russell amendment a statement which I have prepared.

There being no objection, the statement was ordered to be pripted in the RECORD, as follows:

STATEMENT BY SENATOR HUMPHREY IN SUPPORT OF ADEQUATE FUNDS FOR CONSERVATION WORK

Preservation of our soil is of vital importance to all of us—it is our insurance of future food and fiber supplies for our rapidly growing population.

If this Congress fails to provide adequate funds for technical assistance to our locally organized soil-conservation districts through the Soil Conservation Service, and reduces the incentive share-the-cost payments of the agricultural conservation program, it assumes a grave responsibility of risking our Nation's future food and fiber supply.

In my opinion, educational guidance, technical assistance, and financial incentive are all needed to speed up the job that needs to be done toward conservation farming in America. Each supplements the other, and each has an important role that cannot be ignored. Each must be adequately supported and provided for by the Congress.

AN ALARMING FACT

I should like to call attention to some significant information that came forth in the course of hearings in the House on the Soil Conservation Service appropriations for 1954.

In response to questions by Hon. FRED MARSHALL, Congressman from the Sixth District of my State, Dr. Robert M. Salter, Chief of the Soil Conservation Service, disclosed an alarming fact.

Dr. Salter told the subcommittee that despite the advances made thus far in the field of soil and water conservation, the productivity of our soil in this country is still going downhill faster than it is being built up.

Dr. Salter says we know how to reverse this trend. He believes it will take about 80 years to complete a once-over conservation job but it will be at least 10 or 12 years, at our present rate of progress, before we can even reach a balance point between soil deterioration and soil improvement.

Research leading to better crop varieties, fertilizers, farm equipment, and similar advances have helped offset that declining soil fertility thus far. But, at the same time that we are improving our yields and maintaining a high national level of farm production, we are still overdrawing on our basic soil bank account.

Only 23 years from now, according to authoritative estimates, this Nation will be 70 million acres short of the cropland needed to meet the food needs of our population unless something is done.

Can we afford to wait until we are short of land to do something to start an upward trend in soil productivity? Can we even afford to wait for 10 or 12 years to begin to break even?

The farmers and ranchers of this country bear the primary responsibility. They are not only the users of the land but the guardians as well. But they need help of certain types in order to do the kind of a job that will reverse the downward trend of soil fertility.

THE JOB FOR SCS

One of the things they need most is assistance with some of their technical problems in soil and water conservation. That's what our Soil Conservation Service is doing, just as rapidly as it can. But it's not fast enough yet, obviously, in spite of the fact that SCS has made organizational improvements and established better and faster methods of planning and applying conservation. It is now largely a manpower problem. There just aren't enough technical people available to help farmers as fast as they want the help.

In the face of this need—possibly our most urgent national need—some are proposing this year to cut back these technical services to farmers rather than to accelerate them. The budget reductions proposed for the Soil Conservation Service would mean that next year every 5 soil-conservation districts in the country would have to do with 1 man less. SCS originally estimated it would need $66,491,000 to keep up with the increasing demand for its services. The revised budget cut this back more than $6 million. The House restored slightly less than $1 million.

We are all determined to operate our national programs as economically as possible. But I question the economy of saving $6 million in 1954 when that means retarding our entire national program of soil and water conservation—a program that soon returns more than it costs, and upon which our national well-being rests so heavily.

LET'S SPEED UP, NOT CUT BACK

Should we not attempt to increase the operating rate of this program rather than reduce it or even maintain its present rate?

I hold that we should not only restore the $6 million which have been cut from the 1954 budget, but in addition should augment it to a reasonable degree. We should begin to accelerate this program if we are to lighten the ultimate cost to the Nation of soil loss and deterioration. I should like to see what the Soil Conservation Service could do to step up this rate of accomplishment if it received $70 million in 1954. I am convinced that we can save the Nation millions in the long run by speeding up this work now. Every year that we fail to step it up means just that much more loss, and that much more delay.

At Omaha, Nebr., last fall, General Eisenhower said:

"The Soil Conservation Service is a competent technical agency * * * the only trouble with this kind of conservation work is that it is moving too slowly."

You don't speed it up by cutting down on its funds for technical assistance. Minnesota has had new districts in the past year which the SCS could not service, because they lacked the funds. We are hoping to have more new districts in the year ahead. We want to be sure we can have SCS technicians available to work with our farmers.

KEEP THE ACP

Our farmers in Minnesota have been disturbed over proposals to cripple and render ineffective the agriculture-conservation program, the program of sharing costs of approved conservation practices. Experience has proven that we just won't get as much conservation accomplished without this program.

It's foolish for critics to say farmers shouldn't be assisted in carring out practices that a good farmer should carry out anyhow. We've known for a long time about the benefits of certain practices, and the dangers of others. Knowledge alone hasn't brought about general adoption of sound conservation farming. We've needed these incentives.

The question isn't what a farmer should do—it's what he would do. And all of us have a stake in what he would do, or wouldn't do, toward conserving our valuable topsoil.

I'm glad the House refused to go along with Secretary Benson's reckless proposal to cut ACP authorizations for 1954 to $140 million. Instead, the House has voted $195 million advance authorization. I feel it should be kept at $250 million level, which is itself a drastic reduction from the level at which this program started. I do not think it should be cut further.

I urge this committee to recognize these conservation programs as a necessary investment in the Nation's future. The farmer cannot bear the burden alone of insuring food for the rest of us. The farmer gets less than half of the food dollar—why shouldn't the rest of the economy share in the cost of keeping our farms productive?

Mr. RUSSELL. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. RUSSELL. As I understand, the Williams amendment has not yet been agreed to. The vote just had was on the adoption of the substitute, I believe.

The VICE PRESIDENT. The Senator is correct.

The question now recurs on the amendment offered by the Senator from Delaware [Mr. WILLIAMS], as amended. On this question the yeas and nays have been ordered, and the Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WILLIAMS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WILLIAMS. A vote in the affirmative would be a vote for an amount of $225 million, would it not?

The VICE PRESIDENT. That is correct—$225 million as against $195 million.

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Mr. WILLIAMS. The adoption of the amendment of the Senator from Georgia has changed the figure in my amendment from $140 million to $225 million.

The VICE PRESIDENT. The Senator is correct.

Mr. RUSSELL. Mr. President, I trust that the slight alteration in the Senator's amendment does not dispose him to vote against his own amendment.

Mr. WILLIAMS. I have not changed my opinion that when we vote on appropriations we are in effect voting on a tax cut.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. KNOWLAND. As I understand, the amendment of the Senator from Delaware has now been amended by the action taken by the Senate on the substitute offered by the Senator from Georgia [Mr. RUSSELL].

A negative vote on the substitute as amended would leave the figure as it came from the Appropriations Committee, would it not?

The VICE PRESIDENT. The Senator from California is correct.

The roll call will proceed.

The legislative clerk resumed the call of the roll.

Mr. YOUNG. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. YOUNG. A "yea" vote, as I understand, is a vote for the figure of $225 million.

The VICE PRESIDENT. A "yea" vote is a vote for $225 million.

Mr. AIKEN. And a "nay" vote is a vote for $195 million.

The VICE PRESIDENT. A "nay" vote is a vote for $195 million. The rollcall will proceed.

The legislative clerk resumed and concluded the call of the roll.

Mr. PASTORE. Mr. President, on this vote I have a pair with the junior Senator from Missouri [Mr. SYMINGTON]. If he were present and voting he would vote in the affirmative. If I were at liberty to vote I would vote in the negative. Accordingly I withhold my vote.

Mr. FREAR (after having voted in the negative). Mr. President, I believe I am recorded, am I not?

The VICE PRESIDENT. The Senator is recorded as having voted in the negative.

Mr. FREAR. It was my understanding that my pair with the distinguished Senator from Oklahoma [Mr. KERR] related to the amendment offered by the Senator from Georgia [Mr. RUSSELL] as a substitute for the amendment of the Senator from Delaware [Mr. WILLIAMS]. Therefore it now becomes incumbent upon me to announce a pair with the senior Senator from Oklahoma and to void my negative vote. If the senior Senator from Oklahoma were present and voting he would vote "yea." If I were at liberty to vote I would vote "nay." I therefore withdraw my vote.

Mr. SALTONSTALL. I announce that the Senator from Indiana [Mr. CAPEHART], the Senator from South Dakota [Mr. CASE], the Senator from Vermont [Mr. FLANDERS], the Senator from Pennsylvania [Mr. MARTIN], and the Senator from Idaho [Mr. WELKER] are absent on official business. If present and voting, the Senator from Vermont [Mr. FLANDERS], the Senator from Pennsylvania [Mr. MARTIN], and the Senator from Idaho [Mr. WELKER] would each vote "nay."

The Senator from Illinois [Mr. DIRKSEN], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Oregon [Mr. MORSE] are absent by leave of the Senate. If present and voting, the Senator from Oregon [Mr. MORSE] would vote "yea," and on this vote the Senator from Illinois [Mr. DIRKSEN] is paired with the Senator from Washington [Mr. MAGNUSON]. If present and voting, the Senator from Illinois [Mr. DIRKSEN] would vote "nay," and the Senator from Washington [Mr. MAGNUSON] would vote "yea."

The Senator from Kansas [Mr. SCHOEPPEL] and the Senator from Ohio [Mr. TAFT] are necessarily absent. On this vote the Senator from Kansas [Mr. SCHOEPPEL] is paired with the Senator from Montana [Mr. MURRAY]. If present and voting, the Senator from Kansas would vote "nay," and the Senator from Montana would vote "yea."

I also announce that the Senator from New York [Mr. IVES] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

Mr. CLEMENTS. I announce that the Senator from Alabama [Mr. HILL], the Senator from Wyoming [Mr. HUNT], the Senator form Oklahoma [Mr. KERR], and the Senator from Missouri [Mr. SYMINGTON] are absent by leave of the Senate.

The Senator from New York [Mr. LEHMAN] is absent on official business.

The Senator from Washington [Mr. MAGNUSON] is absent by leave of the Senate on official committee business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

The Senator from Washington [Mr. MAGNUSON] is paired on this vote with the Senator from Illinois [Mr. DIRKSEN]. If present and voting, the Senator from Washington would vote "yea," and the Senator from Illinois would vote "nay."

The Senator from Montana [Mr. MURRAY] is paired with the Senator from Kansas [Mr. SCHOEPPEL]. If present and voting, the Senator from Montana would vote "yea," and the Senator from Kansas would vote "nay."

I also announce that, if present and voting, the Senator from Alabama [Mr. HILL] would vote "yea."

The result was announced—yeas 38, nays 38, as follows:

YEAS—38

Carlson	Gillette	Johnson, Tex.
Chavez	Gore	Johnston, S. C.
Clements	Green	Kefauver
Cooper	Hayden	Kilgore
Daniel	Hennings	Langer
Eastland	Hoey	Long
Ellender	Humphrey	Mansfield
Fulbright	Jackson	Maybank
George	Johnson, Colo.	McCarran
McClellan	Russell	Stennis
Monroney	Smathers	Thye
Mundt	Smith, N. C.	Wiley
Neely	Sparkman	

NAYS—38

Aiken	Duff	McCarthy
Anderson	Dworshak	Millikin
Barrett	Ferguson	Payne
Beall	Goldwater	Potter
Bennett	Griswold	Purtell
Bricker	Hendrickson	Robertson
Bridges	Hickenlooper	Saltonstall
Bush	Holland	Smith, Maine
Butler, Md.	Jenner	Smith, N. J.
Butler, Nebr.	Kennedy	Watkins
Byrd	Knowland	Williams
Cordon	Kuchel	Young
Douglas	Malone	

NOT VOTING—20

Capehart	Ives	Pastore
Case	Kerr	Schoeppel
Dirksen	Lehman	Symington
Flanders	Magnuson	Taft
Frear	Martin	Tobey
Hill	Morse	Welker
Hunt	Murray	

So Mr. WILLIAMS' amendment, as amended, was rejected.

Mr. WILLIAMS. Mr. President, the committee amendment is still open to amendment, as I understand.

The VICE PRESIDENT. The original text of the bill is open to amendment.

Mr. WILLIAMS. Mr. President, I send an amendment to the desk and ask that it be stated.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. On page 32, line 2, it is proposed to strike out "$195,000,000" and to insert in lieu thereof "$145,000,000."

Mr. WILLIAMS. Mr. President, I shall not take the time of the Senate to debate the issue. It has been debated at length. The amendment is offered to give the Senators an opportunity to vote on the lower figure. Because of the parliamentary situation Senators voted either for $195 million or $225 million. Senators who wish to support the lower figure, which has been recommended by the administration and endorsed by both the National Grange and the Farm Bureau will now have an opportunity to vote on the amendment calling for the lower figure.

I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. WILLIAMS. Mr. President, I suggest the absence of a quorum.

Mr. MUNDT. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from South Dakota will state it.

Mr. MUNDT. I believe the yeas and nays were previously ordered on the Williams amendment.

The VICE PRESIDENT. That amendment has been voted on.

Mr. WILLIAMS. Mr. President, I renew my request for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Indiana [Mr. CAPEHART], the Senator from South Dakota [Mr. CASE], the Senator from Vermont [Mr. FLANDERS], the Senator from Pennsylvania [Mr. MARTIN], the Senator from Colorado [Mr. MILLIKIN], and the Senator from Idaho [Mr. WELKER], are absent on official business. If present and voting, the Senator from Vermont

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[Mr. FLANDERS] would vote "nay" and the Senator from Pennsylvania [Mr. MARTIN], and the Senator from Idaho [Mr. WELKER] would each vote "yea."

The Senator from Wyoming [Mr. BARRETT], the Senator from Arizona [Mr. GOLDWATER] the Senator from Kansas [Mr. SCHOEPPEL] and the Senator from Ohio [Mr. TAFT] are necessarily absent. If present and voting the Senator from Wyoming [Mr. BARRETT] and the Senator from Kansas [Mr. SCHOEPPEL] would each vote "nay," while the Senator from Arizona [Mr. GOLDWATER] would vote "yea."

The Senator from Illinois [Mr. DIRKSEN], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Oregon [Mr. MORSE] are absent by leave of the Senate. If present and voting, the Senator from Oregon [Mr. MORSE] would vote "nay."

The Senator from New York [Mr. IVES], is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. CHAVEZ], and the Senator from New York [Mr. LEHMAN], and the Senator from Nevada [Mr. MCCARRAN] are absent on official business.

The Senator from Alabama [Mr. HILL], the Senator from Wyoming [Mr. HUNT], the Senator from Oklahoma [Mr. KERR], and the Senator from Missouri [Mr. SYMINGTON] are absent by leave of the Senate.

The Senator from Washington [Mr. MAGNUSON] is absent by leave of the Senate on official committee business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

I announce further that if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Alabama [Mr. HILL], the Senator from Oklahoma [Mr. KERR], the Senator from Washington [Mr. MAGNUSON], the Senator from Nevada [Mr. MCCARRAN], the Senator from Montana [Mr. MURRAY], and the Senator from Missouri [Mr. SYMINGTON] would each vote "nay."

The result was announced—yeas 22, nays 51, as follows:

YEAS—22

Anderson	Douglas	Potter
Beall	Duff	Purtell
Bennett	Ferguson	Saltonstall
Bricker	Frear	Smith, Maine
Bridges	Kennedy	Watkins
Bush	Kuchel	Williams
Butler, Md.	Pastore	
Byrd	Payne	

NAYS—51

Aiken	Hendrickson	Mansfield
Butler, Nebr.	Hennings	Maybank
Carlson	Hickenlooper	McCarthy
Clements	Hoey	McClellan
Cooper	Holland	Monroney
Cordon	Humphrey	Mundt
Daniel	Jackson	Neely
Dworshak	Jenner	Robertson
Eastland	Johnson, Colo.	Russell
Ellender	Johnson, Tex.	Smathers
Fulbright	Johnston, S. C.	Smith, N. J.
George	Kefauver	Smith, N. C.
Gillette	Kilgore	Sparkman
Gore	Knowland	Stennis
Green	Langer	Thye
Griswold	Long	Wiley
Hayden	Malone	Young

NOT VOTING—23

Barrett	Hunt	Morse
Capehart	Ives	Murray
Case	Kerr	Schoeppel
Chavez	Lehman	Symington
Dirksen	Magnuson	Taft
Flanders	Martin	Tobey
Goldwater	McCarran	Welker
Hill	Millikin	

So the amendment of Mr. WILLIAMS was rejected.

Mr. MONRONEY. Mr. President, I offer the amendment which lies at the desk.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 25, in line 22, it is proposed to strike out "$7 million" and to insert "$12 million.".

On page 26, in line 13, it is proposed to strike out "$6,286,329" and to insert "$11,248,000."

Mr. MONRONEY. Mr. President, this amendment is offered in an effort to restore the original budget figures on upstream flood control.

There are 11 projects, most of which have been authorized since 1940 and 1944, to provide for agricultural flood-prevention work. These 11 projects are largely a part of main-stem flood prevention control, and are a phase of a new type of flood control and flood prevention. We might say this upstream flood control is the "farmers' method" of flood prevention.

All of us have heard that it would be fine if we could build dams on top of the hills, instead of building them in the rich river valleys. Fundamentally, that is exactly what upstream flood-control projects do. In the 11 projects that have been authorized during more than 10 years, the Soil Conservation Service not only is providing for comprehensive and complete soil conservation by means of farm terracing, contour plowing, and grassing the runoffs, but it also is providing control in the upstream reaches of the creeks and streams, so that one of the main land resources of the Nation, namely, the valley lands of the rivers, creeks, and streams, will be preserved.

Upstream plugs are built to control the runoffs in the upper reaches of the rivers and creeks and thus prevent the water from ever reaching the main stems of the rivers.

The 11 authorized projects have been provided for that purpose. As a result, not only is the Government able to avoid purchasing hundreds of thousands of acres of fertile bottom land, but Uncle Sam gets a free ride in the case of the water-retention reservoirs.

The Federal Government does not have to invest large sums of money in the purchase of land for the water retention reservoirs, because the farmers give the Government easement rights on them. The Government constructs small earthen dams, with a discharge culvert placed vertically, which empties the water from most of the dams within 24 hours.

Because only a small amount of water is left in the pool, for stock water purposes, the farmer naturally grasses most of the land that is covered in time of flood. So most of the funds used for upstream control are devoted to the construction of works, not to the purchase of land.

Careful studies of this program have been made. From the time when it began until 1944, the maximum time of construction was supposed to be from 15 to 20 years from start to finish. But under the reduced appropriations that have been made for this program and for other programs during the years, the range of time will not be from 15 to 20 years, but will stretch up to 65 or 70 years, at the present rate of appropriations.

Because $1 will have the value of $2, in the case of upstream control versus main-stem construction, and because the work can be done by small operators using bulldozers and other small equipment, this program offers the maximum amount of flood control for the minimum expenditure of dollars.

By proceeding with this comprehensive program of upstream-flood control, we are buying millions of acres of soil conservation of the most comprehensive and perfect type. The money used for this program will not go into the purchase of limestone or the purchase of fertilizer. It will go into work on the land; and this program gears into a comprehensive river flood control system, so that the water is held where it falls. Thus we take advantage of the sinking in of the water, rather than to try to rush the water through the land and off to the sea. Instead, the moisture is permitted to soak into the land on which it falls.

Mr. President, if we are able to develop this program and if we can complete a few of the projects, which will serve as guinea pigs, I believe they will show that we are now spending much more on rushing the water to the sea than we should be spending, and are receiving far less in the way of return on the expenditures, than in the case of trying to hold the water where it falls.

Mr. CARLSON. Mr. President, will the Senator yield for a question?

Mr. MONRONEY. I yield to my distinguished friend from Kansas.

Mr. CARLSON. I want to be sure I understand the amendment offered by the Senator from Oklahoma. As I understand his amendment, it deals with projects authorized under the Flood Control Act of 1936.

Mr. MONRONEY. That is correct.

Mr. CARLSON. It does not have reference to projects which were in the bill and were, I contend, authorized under Public Law 46.

Mr. MONRONEY. The Senator is correct, and I personally would vote to support the amendment in which the Senator from Kansas is interested, to provide $5 million for new pilot starts on a number of streams in 21 States.

I think we are spending far too little for the comprehensive flood-control program, soil conservation methods. But my amendment applies to the 11 authorized projects. We have the projects listed.

Mr. President, I ask unanimous consent to have printed in my remarks at this point two tables, the first of which

deals with watersheds, the second with flood-prevention appropriations, Department of Agriculture.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Watershed	Estimated total Federal cost as of June 30, 1952	Cumulative Federal obligations through fiscal year 1953	Percent of total Federal cost obligated through fiscal year 1953	Proposed years to complete	Years to complete at present rate of appropriations [1]
Buffalo Creek, N. Y	$5,278,837	$1,282,716	24	18	29
Colorado (Middle), Tex	5,466,700	1,113,407	20	20	34
Coosa, Ga	2,491,230	685,912	28	20	25
Little Sioux, Iowa	8,838,200	5,172,858	57	15	12
Little Tallahatchie, Miss	7,739,340	2,336,006	31	20	23
Los Angeles, Calif	19,490,795	5,887,709	32	10	23
Potomac, Pa.-W. Va.-Md.-Va	1,619,160	621,304	38	24	18
Santa Ynez, Calif	2,156,870	1,514,382	70	10	10
Trinity, Tex	64,943,540	7,150,458	11	15	65
Washita, Okla	22,823,200	6,158,696	27	15	26
Yazoo, Miss	34,382,330	3,241,348	9	20	74
Totals	175,230,382	35,951,805			

[1] Based on average of appropriations fiscal years 1947 through 1953.

Flood prevention appropriations, Department of Agriculture

Watershed	Fiscal year 1952	Fiscal year 1953	Original estimates, 1954	Revised estimates, House and Senate committee, 1954	Amount cut from original estimates, 1954	Percent cut
Buffalo Creek, N. Y	$158,372	$188,111	$565,000	$248,000	$317,000	66
Colorado (Middle), Tex	163,900	188,284	639,000	294,000	345,000	54
Coosa, Ga	32,177	135,413	167,000	167,000		
Little Sioux, Iowa	510,784	760,240	750,000	750,000		
Little Tallahatchie, Miss	385,678	518,300	734,000	596,500	137,500	19
Los Angeles, Calif	294,902	308,447	953,000	578,583	374,417	39
Potomac, Pa.-W. Va.-Md.-Va	34,840	39,338	56,000	56,000		
Santa Ynez, Calif	157,904	173,267	170,000	170,000		
Trinity, Tex	590,352	914,968	3,926,000	1,314,000	2,612,000	66
Washita, Okla	533,574	866,035	2,089,000	1,197,246	891,754	43
Yazoo, Miss	438,303	739,713	1,169,000	915,000	254,000	24
Total	3,300,786	4,922,116	11,248,000	[1] 6,286,329	4,961,671	

[1] Total of $7 million includes $500,000 for preliminary investigations and surveys, and $178,671 for general basin investigations.

Mr. MONRONEY. Mr. President, since we are interested in soil conservation, since this appropriation will help to give comprehensive soil conservation to every acre in the whole watershed of the 11 projects, and also since the projects have been approved since 1940, I believe that we could well spare $5 million in order that these projects may be completed faster, and we may realize the advantage of upstream flood control. In other words, cultivatable land is added by upstream flood control. The little creek valleys which are overflowed once, twice, and three times a year, are not now cultivatable; and those areas form much of our very best land. All of these little creekbeds are subject to cultivation, and subject to having controlled discharge of water, so that the streams will never overflow. Instead of wiping out hundreds of thousands of fertile acres of bottom land by main-stem-dam methods, hundreds of thousands of fertile acres of bottom land which could not otherwise be used are brought under cultivation.

Mr. President, I know of the Army engineers' program proposing only large dams for flood control, but I do not believe it possible to put every foot into the same size shoe. Neither do I think it possible to oversimplify the flood-control problem by building only massive main-stem dams. I think this upstream flood control is a program that is well prescribed to fit certain watersheds. The Government has spent millions of dollars on every type of agricultural research, and now it is asked to spend a few million dollars on flood-control research, in a practical way, which will give us a dollars-and-cents return in soil conservation for every dollar we spend; and there will be full benefits of flood control completely in addition to that.

This farmer's method of flood control, as we might call it, has been given only about 1 cent out of every dollar that is being spent. Yet, if one goes about and talks to the farmers, every one of them will say, "Can we not hold the water where it falls? Can we not save some of our bottom land? Why can we not make this soil-conservation, flood-prevention program work?"

I say to you, Mr. President, we could well increase the meager amount of $7 million, which is allowed in the pending bill, to the budget figure of $12 million, which was recommended after careful study by the Department of Agriculture, the Bureau of Soil Conservation, and the Budget.

Certainly we do not want to short-change the farm program on flood control—that is the farmers' method of flood control—while we are appropriating $404 million, as we did last year in the Army civil-functions bill, for the main-stem type of dams. These huge dams ultimately will silt up. There should be protection for these huge main-stem dams through the upstream works against siltation, and the holding back of the silt that erodes from the farmlands, holding it back on the hills, in the upstream area, through terracing, contour plowing, and check-dams.

It will far more than pay off, in the protection of our main-stem dams. So, Mr. President, I hope that the Senate will consider restoring the budget figure of $11,248,000 which was recommended for this vital program for the 11 projects that have been authorized since 1940 and 1944.

If this is not done, the program will be cut almost $5 million, as the cut in the budget estimate is $4,961,671. That is a terrific cut on this very important development of upstream flood control. I think the time has come when the Senate should go on record as to whether we believe in what we preach about flood control through soil conservation. The amendment restores only $5 million of the funds that have been cut out, and puts the appropriation back at the original budget figure.

Mr. President, I hope the amendment will be agreed to.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Oklahoma.

Mr. YOUNG. Mr. President, I shall speak very briefly in opposition to the amendment offered by the Senator from Oklahoma. These watershed programs are good programs, but the total cost of all programs that have been requested, and that have been planned, amounts to something over $300 billion. For the 11 particular watershed programs that have been authorized, there was recommended last year $7,750,000. What the Senator from Oklahoma is asking for is $12 million, or an increase of $4,250,000.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. YOUNG. I will yield in a moment. We have already eliminated $5 million for 49 other watershed projects that have great merit. It would be most unfair to all those projects if we were to increase these particular funds to $12 million under flood prevention and cut the other item out completely. I now yield to the Senator from Oklahoma.

Mr. MONRONEY. What did the distinguished Senator say the cost of the projects would be?

Mr. YOUNG. The estimated cost of all watershed programs envisioned by the Department of Agriculture is in excess of $300 billion.

Mr. MONRONEY. I believe the distinguished Senator is quoting Army engineers' figures. The cost of the 11 projects we are working on now is $175 million. That was the estimated cost as of June 30, 1952. We have spent only $35 million of the $175 million estimated for the projects. Obviously, if we are to do a complete job of going back into every creek, as suggested by the Army engineers, to complete this entire nationwide program, embodying this new idea in flood control, we will probably arrive at a $300 billion figure. But certainly the development proposed in my amendment affects only $175 million of construction.

Mr. YOUNG. That is correct.

Mr. CORDON. Mr. President, will the Senator from North Dakota yield?

Mr. YOUNG. I yield to the Senator from Oregon.

Mr. CORDON. The Senator from Oregon was present during the hearing on the agricultural bill—not this year—when the representative of the Department of Agriculture made the statement, in answer to a question, that the total cost of all the agricultural watershed or upstream tributary programs in the United States was estimated at $300 billion. That was the statement made by the Department of Agriculture, and those figures were based upon original estimates which were made a number of years prior to that time.

Mr. HENNINGS. Mr. President, will the Senator from North Dakota yield?

Mr. YOUNG. I yield.

Mr. HENNINGS. I had the pleasure and privilege of serving on the Missouri Basin Survey Commission with the distinguished chairman of the subcommittee, and during the course of our labors and studies lasting more than a year, we learned a great deal about the complexity and intricacy, and, as the Senator from Oregon has pointed out, a great deal about the expense of a program which may ultimately be achieved in order to reach something like a solution of our water-control problems, including conservation, flood control, and reclamation, as well as the subsidiary parts of the programs. I am wondering why only 11 projects are included in the amendment offered by the distinguished Senator from Oklahoma. I am asking, for enlightenment, whether the chairman of the subcommittee knows of others which some of us might consider equally important in the terms of watersheds, and to which we gave great consideration in the preparation of the report, with which the distinguished chairman of the subcommittee is so familiar. I wondered why the committee took this action.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. HENNINGS. I am asking for information.

Mr. MONRONEY. I had discussed the question of submitting one amendment to include all these projects, and a proposal of $5 million for the unauthorized projects which were placed in the bill by the House. I supported those also.

The distinguished Senator from Kansas stated he did not wish to press his amendment, but he expressed sympathy for this project, too, because it covers a wide area. We want more upstream flood control, not less, and the quicker we can proceed with these projects, which are being starved to death, the quicker we can then expand to the other areas, with which the distinguished Senator is so familiar, areas in the Missouri Valley and other places. But if we are to continue to starve all these programs, there is no use in our starting any new ones. It is in complete sympathy and in complete agreement with the sponsors of the House provision that I am submitting my amendment. Unfortunately, the two are under different authorizations, and in different sections of the bill.

Mr. YOUNG. I may say to the Senator that I believe all of these are good projects. I think, however, we ought to go easy on them, particularly at this time, when we are not making starts on many new programs.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. MONRONEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Goldwater	McCarran
Anderson	Gore	McCarthy
Barrett	Green	McClellan
Beall	Griswold	Monroney
Bennett	Hayden	Mundt
Bricker	Hendrickson	Neely
Bridges	Hennings	Pastore
Bush	Hickenlooper	Payne
Butler, Md.	Hoey	Potter
Butler, Nebr.	Holland	Purtell
Byrd	Humphrey	Robertson
Carlson	Jackson	Russell
Clements	Jenner	Saltonstall
Cooper	Johnson, Colo.	Smathers
Cordon	Johnson, Tex.	Smith, Maine
Daniel	Johnston, S. C.	Smith, N. J.
Douglas	Kefauver	Smith, N. C.
Duff	Kennedy	Sparkman
Dworshak	Kilgore	Stennis
Eastland	Knowland	Thye
Ellender	Kuchel	Watkins
Ferguson	Langer	Wiley
Frear	Long	Williams
Fulbright	Malone	Young
George	Mansfield	
Gillette	Maybank	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. MONRONEY].

Mr. AIKEN. I am strongly in favor of upriver flood control development programs. I think altogether too much emphasis has been placed on the construction of great dams across wide river valleys, dams which sometimes destroy more land than they protect as the Senator from Oklahoma has said.

However, I am skeptical of an amendment which adds $5 million to the bill. All of us hope there may be an honorable armistice or truce signed in Korea, followed eventually by peace, but we should realize that as soon as an armistice is signed, public opinion will be asserting itself very vigorously. If an armistice is signed, and there develops a hope of peace which may last for some time, we may expect a recession in business as a result of industrial conversion. The public will then put pressure on Congress and the administration, and successfully, for a renewal of a public works program. There will be a very insistent public demand for renewal of some programs which have been held in abeyance during the past few years, and very properly so, I believe.

One of the means we shall have with which to soften a recession while conversion is taking place from war production to civilian production will be the development of upriver valleys and the application of flood control methods. At that time we shall not be talking in terms of $5 million. When that point is reached, I believe some ciphers will be added to the figure.

Much as I should like to support the Senator from Oklahoma, I shall not vote for his amendment. As has been said, there is a question as to the authority for an appropriation for all these projects.

I observe that the Senator from Oklahoma is on his feet.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. MONRONEY. The projects affected by my amendment have been authorized by an act of Congress. There is no question about the authorization of the projects, which the House added, but which were eliminated from the bill by the Senate committee. The Senator from Kansas [Mr. CARLSON] was the sponsor of these projects, but some question was raised as to their authorization.

Mr. AIKEN. I did not understand that the Senator had deleted these projects from his amendment.

Mr. MONRONEY. At the request of the Senator from Kansas [Mr. CARLSON], my amendment, as offered, now affects 11 projects which have been authorized since 1940 and 1944, and on which work has been dragging along at a painfully slow pace. It will take 75 years to complete some of the projects.

The new pilot projects, which the Senator from Kansas proposed, and which were included by the House, were stricken from the bill by the Senate committee, which raised a question as to their authorization, but those projects are not affected in any way by my amendment.

Mr. AIKEN. The Senator from Oklahoma has improved the situation materially. However, it seems to me that we might do well to pass over the amendment at this time. There will be a conference with the House, and I assure the Senator from Oklahoma that I shall give full consideration to his proposal in the conference. But I believe that very shortly it will be necessary for Congress to consider the matter on a much broader scale than that proposed by the Senator from Oklahoma, which affects only 11 upstream river developments.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. MONRONEY. I appreciate what the distinguished chairman of the Committee on Agriculture and Forestry has said. He has been a great supporter of upstream flood control.

One of the purposes of trying to develop the 11 pilot or guinea-pig operations would be to gain experience, so that if the time comes for additional construction, we will not be wasting money on false starts or because of lack of technical information. Therefore, as I have said in proposing the amendment, the research value alone in moving these projects further along will pay off big dividends if we can speed up these 11 pilot projects at this time.

Mr. AIKEN. Even though I shall vote against the amendment of the Senator from Oklahoma, I shall, in conference give thoughtful consideration to his proposal. I believe I am required by law to be a member of the conference committee, and there I shall give even more

thoughtful consideration to a broader program, on which I feel we must be working in order to be able to take advantage of any recession which may develop as a result of the hoped-for truce.

Mr. THYE. Mr. President, I have received a letter from Mr Chester Wilson, Conservation Commissioner of Minnesota. In his letter Mr. Wilson states:

> I have just received a message from Washington stating that the Senate committee has deleted an item of $5 million in the Department of Agriculture appropriation bill (approved by the House Appropriations Committee) for carrying out 50 small watershed projects under the supervision of the United States Soil Conservation Service.

If I were to read the entire letter, Senators would learn that the Commissioner of Conservation in Minnesota is very much disturbed about this deletion. He says further in his letter:

> This news is very disturbing to this department, and I am sure that it will be received with much concern by the members of the State Soil Conservation Committee, soil conservation district supervisors, and by conservationists generally around the State.

May I ask if that is the item that is in question?

Mr. YOUNG. No. The item about which the Senator from Oklahoma is talking refers to 11 authorized projects under the flood prevention program. The reason the Senate committee on Appropriations struck out the $5 million under watershed protection was that there was a serious question as to proper authorization. It is a question which can best be ironed out in conference with the House.

Mr. THYE. In other words, it was stricken out for no other purpose than to have a question for discussion when the Senate and House conferees meet?

Mr. YOUNG. That is correct.

Mr. THYE. The matter is one which worries many honest, sincere conservationists. If the Senate committee did not have a mind to appropriate some of this amount, what will happen in conference? That is the question and the fear expressed by Mr. Wilson. The situation may be quite poorly understood, because if the Senate does nothing, it will appear that we are not conservation minded. To me, that is a disturbing factor, because it seems that we are considering the problem in the wrong ways. If the Senate strikes out this amount for the purpose of having a question to discuss, persons who are unfamiliar with the situation will read the appropriation bill, when we have finished with it on the Senate floor, and think that we did not have any intention of trying to improve the run-off or conservation program.

I would much rather have had the $5 million increase agreed to; then there would have been something to discuss in conference. The item would not have been stricken entirely from the bill. If it is stricken out entirely, the action will be misunderstood.

Mr. YOUNG. I think many who sent letters like the one just read would better understand the problem if they studied the law itself. The question is one of appropriate authorization. If a vote were to be taken on the Senate floor, the proposal would be lost entirely, and there would be no possibility of later bringing it up in conference. As matters now stand, there is a possibility of considering the question in conference. If we were to assume that the particular projects were properly authorized there would still be a question whether they were to be temporary or experimental in character.

There is more than $5 million involved. The total cost of these projects is $29 million, and not $5 million, which is the figure in the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from Oklahoma [Mr. MONRONEY], which are being considered en bloc.

Mr. MONRONEY. Mr. President, I renew my request for the yeas and nays.

The PRESIDING OFFICER. Is the demand for the yeas and nays sufficiently seconded?

Mr. CORDON. Mr. President, I shall not take 15 minutes to make my brief statement, but I wish to make a slight contribution to this discussion.

The first committee meeting I ever attended after I came to the Senate was a 1944 meeting of the Commerce Committee, which reported the 1944 Flood Control Act. I have been interested in this particular approach to flood prevention from that time until today.

I am one of those who believed then, and still believe, that certain of these projects should be carried forward to completion in order that we might have some experience upon which to determine whether this is the sound approach. However, one of the questions which bothers me is this: One of the original approvals was that of the Santa Ynez River Basin in California. That is just over the mountains from Santa Barbara. I made inquiry in the hearings this year as to what was being done with reference to the Santa Ynez River Basin, and I was told that very satisfactory progress was being made with it.

Since we approved that project, or that type of flood prevention, the Bureau of Reclamation has built a dam across the Santa Ynez River. They are still praying that they will get enough water to fill the reservoir behind it. Since that time ownership in that area—the upper Santa Ynez Basin—to the extent of more than 40,000 acres, has gone to one man. I have made inquiry in the area, and I cannot find where a dollar was ever spent in the area. From the answers to my questions this year there is grave doubt in my mind as to whether the Department of Agriculture is yet aware that a dam was built across the Santa Ynez River within 20 or 30 miles of the place where it flows into the Pacific Ocean.

If that is a sample of what has been done, I think we should be a little careful when we add any more money than the amount in the bill at this time, which is some $1½ million or so more than was appropriated last year. The appropriation of last year was $5,700,000. The bill this year carries an appropriation of $7 million. Assuming that there is no more knowledge than there appeared to be in the hands of the Department of Agriculture, I doubt if we could expect intelligent expenditure of any such additional funds.

In view of the fact that the overall anticipated estimated expenditure is the highest of any single type of project I have known in the internal history of the United States—it now runs somewhere between $400 billion and $500 billion—I think we should go a little carefully at this time and suggest to the Department of Agriculture that it should know precisely what it is doing, or at least keep track of the monstrous reclamation dams which are being built across some of the streams, and which, so far as the upper areas are concerned, make any type of upstream flood prevention utterly useless, and any type of flood prevention below wholly unnecessary.

Mr. MONRONEY. Mr. President, will the Senator yield for a question?

Mr. CORDON. I yield.

Mr. MONRONEY. The Senator does not discount the value of preventing siltation by upstream flood-control treatment for the benefit of dams which may be far downstream, does he?

Mr. CORDON. There is nothing like that involved in this project.

Mr. MONRONEY. I am not at all familiar with the project to which the Senator refers, but I am familiar with the Washita project, which is to control the entire river watershed, and at the same time prevent the siltation of the Denison Lake on Red River, which will probably add 20 or 30 years to the useful life of that project.

Mr. CORDON. I do not for a moment depreciate the values which are involved. I invite the attention of the Senate to one instance which came to my attention. It was sufficient to hang a red lantern on this proposal, so far as I am concerned, until we know that the Department knows more about just how and where it expects to spend the money. I should like to see some of the projects tested, so that we can gain valuable experience, but I do not like to see money spent on a proposal such as this. I would rather spend the money in the Senator's part of the country on a project which could be finished.

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from Oklahoma [Mr. MONRONEY], which are being considered en bloc. The yeas and nays have been asked for.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from Oklahoma [Mr. MONRONEY]. [Putting the question.] The "noes" seem to have it.

Mr. MONRONEY. Mr. President, I ask for a division.

On a division the amendments were rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. WATKINS. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Utah will be stated.

The CHIEF CLERK. On page 24, after line 8, it is proposed to insert the following:

SPECIAL ACTS

For the acquisition of land to facilitate the control of soil erosion and flood damage originating within the exterior boundaries of the Cache National Forest, Utah, in accordance with the provisions of the act of May 11, 1938 (Public Law 505), as amended, $10,000.

Mr. WATKINS. Mr. President, this amendment deals with such a small sum that I feel like apologizing for bringing it before the Senate. It relates to a program inaugurated back in 1938, when the Congress authorized the appropriation of a small sum from the receipts from the national forest, to be used for the purchase of private lands which were checkerboarded within the national forest. The national forest to which I am now referring is the Cache National Forest, in north-central Utah. This forest is upon ground upon which water is deposited through snows and rains, to supply the cities of Brigham City, Utah, Ogden, and other communities.

The communities themselves have been cooperating with the Government since 1938. They have been putting in money of their own and helping to buy these lands, improve them, and take care of them so that they will become a very fine part of the national forest. We have gone along year after year. The Government has been putting up $10,000 out of receipts from the national forest until this year, when the item was dropped.

The people of the local communities now have their part of the money ready. They are willing to go along, and they want to continue this very fine program. There are still other lands to be bought.

I should invite the attention of the Senate to the fact that under the law as it now exists, 25 percent of the income from the national forests goes to the communities in which the national forests are located. The $10,000 item here is from forest receipts, but 25 percent of that would belong to the counties. They are willing that that amount be appropriated, because it all goes into the Treasury. They are willing to have that amount appropriated as well, which, in effect, would mean an actual appropriation of $7,500 from the receipts of the national forest which would reach the Public Treasury and remain there for other purposes.

It seems to me we should encourage cooperation such as we are getting from these cities and communities. We have been talking in terms of a great many millions of dollars. This is a cooperative agreement that was started a number of years ago and has been carried on until this year. Communities and counties are cooperating with the Government in a very splendid fashion. I see no reason why the item should not be accepted by the committee.

Mr. YOUNG. Mr. President, it is only a small project, and I have discussed it with several members of the Committee on Appropriations. I think it will be agreeable to take the amendment to conference, to see what can be worked out.

The PRESIDING OFFICER (Mr. HENDRICKSON in the chair). The Senator from North Dakota [Mr. YOUNG] is willing to take the amendment to conference. Without objection, the amendment is agreed to.

Mr. WATKINS. Mr. President, I ask unanimous consent to insert in the RECORD immediately following the action of the Senate a statement which I have prepared justifying the amendment.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WATKINS

PURCHASE OF LANDS WITHIN THE CACHE NATIONAL FOREST, UTAH, TO PREVENT SOIL EROSION AND FLOOD DAMAGE

By an act approved May 11, 1938 (52 Stat. 347), and amended by the act of May 26, 1944 (58 Stat. 227), Congress has authorized the Secretary of Agriculture to purchase lands within the boundaries of the Cache National Forest in the State of Utah to assure that such lands will be managed, with nearby national forest lands, so as to minimize soil erosion and damage from floods. This act also authorizes appropriation by the Congress of the receipts from the Cache National Forest in Utah to pay for the lands acquired under the act. Proposed purchases must be approved by the National Forest Reservation Commission as established by section 4 of the Weeks law of March 1, 1911. This Commission is comprised of two Members of the Senate, Senators BRIDGES and STENNIS, two Members of the House of Representatives, Mr. COLMER, of Mississippi, and Mr. D'EWART, of Montana, the Secretary of War (or the Chief of Engineers as his alternate), and the Secretaries of Interior and Agriculture.

A primary purpose of this law is to facilitate protection and improvement of watersheds within the Cache National Forest on which many communities depend for domestic water and on which a substantial farm area depends for irrigation water. Purchase of critical watershed lands permits reduction or termination of grazing use, assures utilization of timber under good forestry practices, and permits the restoration of an adequate vegetative cover through reseeding, terracing, and similar measures, if such are necessary, in conjunction with like activities on other national-forest lands in the vicinity.

The west slopes of the Wasatch Mountains and the watersheds of the Ogden and Weber Rivers, all in northern Utah, descend steeply to the relatively level lands which adjoin the Great Salt Lake on its east side. Water from the streams that rise in this mountain area supports the cities and towns at the foot of the mountains and the irrigation agriculture which utilizes the fertile flat lands. Ogden, Willard, Brigham, and other towns depend on these short and swift streams for their water supplies. These streams are also the sole source of irrigation water for farms. In relation to need, water resources in this area are limited and careful conservation and use is essential.

A good part of these watersheds is within the Cache National Forest. Intermingled with the national forest lands are substantial acreages of privately-owned range and timberland of high watershed importance. The area of privately-owned lands, which are not subject to national forest administration, is proportionately greater in those parts of the national forest established in more recent years, as the Wellsville Mountain area which was added to the forest in 1937.

Some of these privately-owned lands have been abused through over-grazing, overcutting of timber, and destructive fires. As a consequence, on such lands, the vegetative cover often has been destroyed or seriously impaired, soil has been gullied or eroded away, and the water absorptive capacity of the topsoil has been reduced. Private owners often are under economic pressure to obtain maximum returns from their lands and find it difficult to decrease or terminate grazing or other use in the interest of watershed betterment. In many instances the use and value of these lands for watershed purposes, which is of overriding importance to the public, is of little direct concern to the owners. Also, private owners often are unable to install and maintain the restoration measures which are needed to stabilize the more seriously depleted land and to reduce downstream damages.

Deterioration of the steep, erodible mountain watersheds in this area has in the past resulted in serious flash floods affecting the valuable lowlands. The dangers of this situation were demonstrated in 1936 when a flood and resultant mud flow, directly attributable to watershed impairment, descended upon the town of Willard and nearby areas. It destroyed or damaged many homes, caused two deaths, destroyed the local power plant, damaged irrigation and municipal water systems, orchards, and crops, and otherwise caused a material loss of property. Costs of removing the mud and rock flows from the highways, irrigation systems and other facilities, and repairing the damage were, of course, large. Similar floods of varying degrees have affected other areas along the base of this mountain range.

The need for action to avoid repetition of such floods led to formation of two local nonprofit organizations, the Weber County Watershed Protective Corporation and the Wellsville Mountain Area Project Corporation, to aid in rehabilitation and protection of these critical waterahed areas. These organizations, financed by local contributions, have cooperated closely with the Forest Service in promoting protection and better use of watershed areas in the national forests. A considerable acreage of land has been acquired and donated for national forest purposes and other land has been purchased and conveyed to the United States at cost.

Since enactment of the act of May 11, 1938, above referred to, Congress has appropriated funds thereunder each year, beginning with fiscal year 1940, except for the years 1943 to 1946, inclusive. Since 1947 and through the current fiscal year (1953), Congress has each year appropriated $10,000 from the receipts of the Cache National Forest for purchase of lands in accordance with the act. This money has been used to acquire lands for which public ownership was deemed necessary to accomplish the purposes of the act and which the owners were willing to sell at a reasonable price. The parts of these appropriations not used to buy essential lands were returned to the Treasury for distribution in the same way as other national forest receipts.

The counties wherein the Cache National Forest is located would ordinarily have received 25 percent of the funds so appropriated, in accordance with legislation providing for contributions to local governments on account of national forests. Hence, in addition to the work of the local nonprofit organizations described above, the local governments are in effect contributing 25 percent of the cost of land purchased.

The appropriation bill for the Department of Agriculture for fiscal year 1954, as approved by the House of Representatives and as recommended by the Appropriations Committee of the Senate, does not include an appropriation under this act.

There have been purchased or approved for purchase under this act since 1940 about 19,000 acres of land. About 11,500 acres have

been acquired since 1947, when appropriations were again made available after the war. There remains as much or more privately owned land within these watersheds in similar condition. Critical areas are a relatively small portion of the watersheds, but they have been and can again be the cause of destructive floods and a continuing source of damaging sediments in irrigation reservoirs and canals.

In 1947 the people of Weber County, Utah, organized the Weber County Watershed Protective Corp. This corporation solicits and receives contributions from municipal and private sources with which to acquire lands in Weber County for inclusion in the Cache National Forest. In some instances the lands are directly included; in other instances land exchanges are negotiated; in other cases the corporation's funds are used to encourage and assist private owners in conservation and watershed protection work. Funds are subscribed by Weber County, by water companies, and by service clubs. Each year Weber County communities put on drives for public contributions.

It simply is not right for the Federal Government to walk out on its commitment to these people. The assignment of $10,000 of Cache National Forest funds should by all means be continued during the fiscal year 1954.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. HUMPHREY. Mr. President, a few minutes ago the Senate decided not to increase the funds for soil conservation; in other words, not to support the amendment offered by the distinguished Senator from Georgia [Mr. RUSSELL]. I think it is well for the Senate to keep in mind, as it votes on the agricultural appropriation bill, particularly with reference to the items dealing with vital services, the following dispatch which has been taken off the ticker in the cloakroom. It is from the United Press, and reads:

CHICAGO.—A wild selling wave hit major grain markets today and sent wheat prices tumbling today to some of the lowest levels in 3 years.

At Minneapolis, wheat for delivery in September and December fell the full 10-cent limit for a single day's trading, and cash wheat fell as much as 16½ cents a bushel.

At Chicago, July wheat dropped 9⅝ cents a bushel, and sold for $1.89 to $1.88½ cents a bushel.

Wheat for immediate delivery, known as cash wheat, sold more than 12 cents lower on the Chicago market.

At Kansas City, the selling wave sent July wheat tumbling 9 cents a bushel.

At Chicago, other grains followed the downward trend, July and September corn hitting new lows for the season.

Mr. HUMPHREY. Mr. President, I should also like to call attention to another bulletin, also from Chicago. It reads:

Wheat was 2⅛ to 2¾ cents lower than the previous finish, July $1.95⅛; corn was 1½ to 1¾ cents lower, July $1.51⅝; and oats were ½ to ¾ cent lower, July 71⅛ cents. Soybeans were down ¾ to 1¼ cents, July $2.85¼, and lard was unchanged to 3 cents a hundred pounds higher, July $9.25.

The PRESIDING OFFICER. The Chair respectfully calls the Senator's attention to the fact that he will have to offer an amendment before he is entitled to hold the floor.

Mr. AIKEN. Mr. President, I ask unanimous consent that the Senator from Minnesota [Mr. HUMPHREY] may be permitted to finish his statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. I thank the Senator from Vermont. I wish to call attention to one other dispatch, which reads:

CHICAGO (Associated Press).—Wheat futures dropped sharply today on heavy selling influenced by the fact that the new crop is being harvested in the Southwest and there is a lack of space to store it.

The dispatches indicate that the measures we are dealing with, particularly as they affect vital services to American agriculture, are of the utmost importance.

I am very happy to make note of the fact that the Senators who have lent so much of their time and energy to the work of the Committee on Agriculture and Forestry are familiar with these facts, and are directing their efforts toward taking care of the situation.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. RUSSELL. It seems to me that the farmers are about to receive a great deal of bad news in 1 day. As the Senator from Minnesota has stated, we have failed to increase the funds for the soil-conservation payments. I should like to point out that the amendment which I offered, in my own behalf and on behalf of several other Senators, including the Senator from Minnesota, would have provided for a reduction of $25 million in the amount available to the farmers this year. I shall await with interest the explanation to be made to the farmers by the Farm Bureau Federation leaders, who have told Congress that they would be able to pay for the soil conservation practices, at the same time the farmers get the news that the cash market for wheat has dropped 16 cents in 1 day. I wonder whether they will receive the news very enthusiastically.

Mr. HUMPHREY. I thank the Senator from Georgia.

Mr. RUSSELL. I wish to make the RECORD perfectly clear that the amendment I was referring to, the so-called Russell amendment, even if it had been adopted, as the Senator has pointed out, would have left the amount of money for the soil-conservation payments under the so-called ACP program below what was originally recommended. What we are able to do was merely to sustain the figure of $195 million, which is approximately $55 million below the amount recommended by the outgoing administration.

Mr. MAYBANK. Mr. President, was that the amount recommended by the present administration?

Mr. RUSSELL. The present administration made a much smaller recommendation. I believe the amount was about $140 million.

Mr. MAYBANK. I thank the Senator. I wanted to have that statement in the RECORD.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be offered, the question is on the third reading of the bill.

Mr. YOUNG. Mr. President, I call up my amendment, which is lying on the desk.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 38, line 17, after the word "program", it is proposed to insert the following: "*Provided*, That the additional amounts for the rural electrification program may be distributed in any State or Territory, in addition to the sums which such State may otherwise receive, except that not more than 20 percent of such additional amounts may be distributed to any one State."

Mr. KNOWLAND. Mr. President, I make the point of order that the amendment is legislation on an appropriation bill.

The PRESIDING OFFICER. The point of order is sustained.

Mr. YOUNG. Mr. President, I move that the rule be suspended. I have been authorized to make the motion by the Committee on Appropriations.

The PRESIDING OFFICER. The motion is in order. The question is on agreeing to the motion.

Mr. YOUNG. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from North Dakota will state it.

Mr. YOUNG. Mr. President, what happened to the point of order?

The PRESIDING OFFICER. The Chair is informed by the Parliamentarian that notice has been given. Therefore the motion to suspend the rule is in order.

The Chair would remind the Senator from North Dakota that he may speak 15 minutes on the motion if he desires to do so.

Mr. YOUNG. Mr. President, the amendment is offered in accordance with the request of the Department of Agriculture, contained in the justifications sent to the Subcommittee on Agricultural Appropriations.

In substance, I should like to say that, of the amount appropriated for REA under the present law, 50 percent is set aside, based on the needs of the individual States; and the other 50 percent is divided among the several States, provided that not more than 10 percent may be used in any one State.

The amendment would change the 10-percent provision to 20 percent. It is believed by REA that such a provision is needed. Of course, all the projects would, as heretofore, still have to be approved by the REA.

Mr. WILLIAMS. Mr. President, the Senator from Minnesota [Mr. HUMPHREY] pointed to the drastic break in the grain markets of today. The reason the markets are in such a demoralized condition is because of the $3 billion worth of commodities which have been accumulated under the Truman administration, for which there is no market or use.

So far as the vote on the Russell amendment is concerned, I point out that the Russell amendment, which was rejected by the Senate, proposed to furnish more fertilizer, so farmers could improve their soil and thereby grow more wheat, to be put in storage, and to force the market down even further.

Mr. RUSSELL. Mr. President, I cannot let that erroneous statement pass

without challenging it. If the Senator from Delaware knew anything about the conservation program, he would know that it is impossible to purchase 1 pound of fertilizer to increase the production of wheat.

Mr. WILLIAMS. The Senator may be technically correct. On the other hand, the amendment furnishes lime and other fertilizers for the purpose of building up farms in order that they may produce more crops. If farms produce more crops, it means that more wheat and other crops will be grown. That is the argument used for the additional appropriations. It was a long-range program of making greater the productive capacity of the farms. I think the Senator from Georgia will agree that the huge surpluses that have been accumulated during the last few years are today, in effect, acting as a drag on the market.

Mr. RUSSELL. Of course, but that has nothing to do with the Senator's statement that the funds are to go to buy fertilizer for the increased production of wheat. The Senator from Delaware cannot point to a single case of that sort.

Mr. WILLIAMS. The money is to go to improve the productivity of the farms, in order that more cotton, wheat, corn, or other crops may be grown and that statement cannot be denied. Otherwise, what is the lime and fertilizer for?

Mr. RUSSELL. But the Senator from Delaware made the categorical statement that the money went to purchase fertilizer, so that more wheat would be produced. I challenge that statement, because it is not correct.

Mr. WILLIAMS. No; I say the purpose of the amendment is to improve the productivity of the farms, so that more wheat, more corn, and more other crops, which are in great surplus supply today, will be produced.

Mr. RUSSELL. The farms are more productive than they have been; but the surpluses are due to the failure of the administration to apply the controls that are authorized by law to be applied, in the case of the crops to be marketed from each farm.

If the Senator from Delaware wishes to pursue a policy of depleting the soil, so that it cannot produce, that is another matter. But he should not hide such a purpose behind a statement that the funds are used for the purchase of fertilizer, so that more wheat will be produced, because that is not correct.

Mr. WILLIAMS. These funds are used to increase the productive capacity of the farms.

I agree with the Senator from Georgia that a large part of the trouble today is due to the failure of the past administration to put into effect the acreage controls which automatically follow a rigid 90-percent support program.

Mr. RUSSELL. I agree, and that is the only correct statement the Senator from Delaware made in connection with this matter.

The other point the Senator from Delaware urges is, in effect, a crop-reduction program to be based upon depleting the soil of the Nation. I am not in favor of a program which would deplete the soil of the Nation, with the result that adequate production would be impossible.

Mr. WILLIAMS. That is not true. I believe that the statement of the Senator from Georgia was answered very well by both the president of the American Farm Bureau Federation and by the legislative representative of the National Grange, when both of them pointed out very emphatically that they did not believe the funds requested by the committee amendment were needed to carry on a sound program to preserve the farms.

The continued accumulation of billions of dollars worth of agricultural commodities under the high support program can only lead to ultimate disaster. I have repeatedly warned that this would happen under the shortsighted policy of the past administration. The leaders of our great farm organizations likewise have recognized this danger and for that reason have opposed the 90-percent fixed support. After today's vote I shall incorporate in the RECORD a letter from the Director of the Budget showing the direct cost of this program.

Of course, the cost to the consumer and the long-range damage to our farmers is incalculable.

Mr. RUSSELL. The Senator from Delaware has correctly stated that the heads of the American Farm Bureau Federation urged, as they have for 3 or 4 or 5 years, that the appropriation be reduced. We have now heard from the leadership of the American Farm Bureau Federation, and the Senate has voted to follow the views of that leadership. This matter will now be appealed to the membership of the American Farm Bureau Federation, and we shall await their decision at the polls in 1954.

Mr. WILLIAMS. Of course, we had a decision in 1952, in which they repudiated the past administration.

Mr. RUSSELL. Yes, but they did not repudiate the past administration on this program. In 1947 we had a clear-cut issue on this program, when there was in power in Congress the party that is in power today. That party cut the heart out of this farm program. In my judgment, that had more to do with the results of the 1948 election than did any other single item.

Having heard from the leaders of the American Farm Bureau Federation and having followed their views, as I have said, Senators now can tell the membership of that federation that the views of its leadership have been followed on this issue; and then we shall see how such Senators fare in the elections in the agricultural States.

Of course, our friends from the highly industrialized areas had no difficulty regarding this matter, for the population of their States is industrial, and very little farming is done in those areas.

However, sometimes I think that from the standpoint of the overall welfare of the party, it is a little wise to give some consideration to the effect such a policy will have on the members of the party who happen to live in agricultural areas.

Mr. WILLIAMS. Many Members of Congress from the South and the Midwest often think the East is not an agricultural area. However, with all due respect to the Senator from Georgia, and to agriculture in Georgia, I point out that the county in which I live ranks fifth in the United States, and outranks any other county east of the Mississippi and south of the Mason-Dixon Line in production. They have reached this goal without any Government subsidy. In fact, the high-support program penalizes them.

Mr. THYE. Mr. President, if the Senator from Delaware will yield to me——

Mr. WILLIAMS. I yield.

Mr. THYE. Let me inquire in what respect Delaware ranks fifth.

Mr. WILLIAMS. In the output of farm commodities in dollar volume—a goal reached without Government supports.

Mr. THYE. I would agree with the Senator from Delaware, in respect to the production of broilers; but those who engage in that production must go to the great Grain Belt of the Midwest to get the grain they need. Price supports affect most definitely the grain-producing areas, and thus are of vital importance to those who produce broilers, because the decision on the whole question of price supports determines whether those who produce broilers will be able to obtain at bargain prices the feed they have to obtain from the breadbasket of the Nation.

Mr. RUSSELL. Mr. President, I commend the Senator from Minnesota for the statement he has made and for his attitude on farm problems. He views them on a nationwide basis.

I point out to him that, no doubt, as a result of the news which has just been received, the producers of broilers will be singing paeans of praise over the news that the wheat market in Minneapolis has broken 16⅔ cents a bushel. No doubt that is good news for those who produce broilers, but it is not good news for the farmers who produce wheat.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from North Dakota to suspend paragraph 4 of rule XVI.

The affirmative votes of two-thirds of the Members present are required, if the motion is to be agreed to.

Senators who are favoring the motion will please rise and be counted.

Mr. WILLIAMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Goldwater	McCarran
Anderson	Gore	McCarthy
Barrett	Green	McClellan
Beall	Griswold	Monroney
Bennett	Hayden	Mundt
Bricker	Hendrickson	Neely
Bridges	Hennings	Pastore
Bush	Hickenlooper	Payne
Butler, Md.	Hoey	Potter
Butler, Nebr.	Holland	Purtell
Byrd	Humphrey	Robertson
Carlson	Jackson	Russell
Clements	Jenner	Saltonstall
Cooper	Johnson, Colo.	Smathers
Cordon	Johnson, Tex.	Smith, Maine
Daniel	Johnston, S. C.	Smith, N. J.
Douglas	Kefauver	Smith, N. C.
Duff	Kennedy	Sparkman
Dworshak	Kilgore	Stennis
Eastland	Knowland	Thye
Ellender	Kuchel	Watkins
Ferguson	Langer	Wiley
Frear	Long	Williams
Fulbright	Malone	Young
George	Mansfield	
Gillette	Maybank	

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The PRESIDING OFFICER. A quorum is present. The question is on the motion of the Senator from North Dakota to suspend paragraph 4 of rule XVI.

Mr. KNOWLAND. Mr. President, I merely submit that it seems to me this is clearly legislation on an appropriation bill. It has been so ruled by the Chair.

The PRESIDING OFFICER. The Chair has so ruled.

Mr. KNOWLAND. Under the rules, the distinguished Senator who is acting as chairman of the subcommittee is, of course, privileged to move to suspend the rules. But it seems to me that when a basic change is being made in legislation it should be referred to the proper legislative committee; and unless the situation is of such overwhelming urgency that it cannot be taken care of except in some other way, it seems to me that that is the more orderly way to proceed. I have generally in the 8 years I have been in the Senate supported the rural electrification program. I think it is a good program. I think it entirely possible that if this proposal were referred to the proper legislative committee, and reported favorably, I would support it. But I question very much the advisability of trying to write it into the appropriation bill at this time. For that reason I shall not support the motion to include in the bill the language proposed by the Senator from North Dakota.

Mr. YOUNG. Mr. President, I should like to explain the amendment a bit further. This has no particular application to my own State. I doubt whether we need it at all. It is being asked for by many who are interested in REA and by the Department of Agriculture. Let me read a part of the justification presented to the Senate Appropriations Committee:

In some States, under the allotment formula, the maximum amount that can be loaned is likely to be less than the amount required to meet loan needs. In recent years contingent loan authorizations, subject to the same limitations as the basic authorization, were provided in the necessary amount to increase the limitations in States where urgently needed for increasing capacity of lines and facilities. Since the additional amounts were subject to the allotment formula, it has been necessary for the Congress to provide additional borrowing authorization in excess of the amounts required for actual lending. In order to avoid this situation in 1954, it is proposed that the contingency funds be made available directly as needed in the various States, except that not more than 20 percent of such additional amounts may be loaned, in any one State. On this basis, a contingent authorization of $60 million, in addition to the basic authorization of $95 million is required to meet loan needs for fiscal year 1954.

Mr. THYE. Mr. President, will the Senator yield?

Mr. YOUNG. I yield to the Senator from Minnesota.

Mr. THYE. I should like to ask the Senator from North Dakota a question. One reason for the change in the language is that some of the older associations have found their lines to be inadequate to carry the load now placed on them, and they would like to borrow additional money to reconstruct the lines in order that the lines may be adequate for that purpose. Is not that the reason?

Mr. YOUNG. That is correct; and there is more need in the older States than in my own State.

Mr. THYE. There are some associations in Minnesota whose members, at the time they constructed their units, thought they had ample capacity to meet all future load requirements. They now find the loads stepped up by from 15 to 100 percent, and, as to some of the lines, by more than 100 percent. The units are not so constructed that they can carry the load, and it will be necessary to reconstruct, as well, the transforming stations.

They are therefore faced with a serious situation as to whether they can borrow sufficient money to enable them to reconstruct their lines so that they can carry the present-day load.

I think it is a good amendment, though, like the Senator from California, I think it is legislation on an appropriation bill. But in this particular case, because I doubt whether we would have sufficient time to enact the necessary legislation, I believe we would be warranted in waiving the question, so as to permit the language to be written into the bill.

The PRESIDING OFFICER. The question is on the motion of the Senator from North Dakota to suspend paragraph 4 of rule XVI. On this question a two-thirds vote is necessary in order that the motion may be agreed to. The Chair requests a division.

The Senate divided.

The PRESIDING OFFICER. The motion having failed to receive two-thirds of the votes of Members of the Senate present and voting, the motion is not agreed to.

Mr. HUMPHREY subsequently said: Mr. President, I ask unanimous consent to have placed in the RECORD at the point where loan funds and administrative funds for REA were considered a statement which I have prepared in connection with that subject.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUMPHREY IN SUPPORT OF ADEQUATE LOAN FUNDS AND ADMINISTRATIVE FUNDS FOR REA

Few Government programs have proven of sounder value to the entire Nation than that of the Rural Electrification Administration.

The amazing progress in electrifying rural America over a comparatively short span of years has not only contributed greatly to better rural living, it has also helped revolutionize farm production and opened vast new markets for American industry.

I'm afraid there is some misunderstanding, however, as a result of the pride we take in the fact that electricity is now available to about 90 percent of our farms, compared to around 9 percent when REA was created.

Just because we have made such great progress doesn't by any means indicate the job is finished. Much remains to be done. We not only must complete the area coverage so electricity is available to all farmers, we must make sure our existing electric cooperatives can keep up with the increasing demands for power. That means we must have adequate financing for "heavying up" existing REA co-op lines wherever necessary, to make sure they can accommodate the heavier loads required by the increasing use of electricity in our farm production.

The REA program is an excellent example of the Government helping farm people to help themselves. Contrary to what some people think, the Government doesn't own or control these rural electric cooperatives, they belong to the farmers themselves. All the Government has done has been to make the necessary credit available, so the people could band together and provide themselves with electric service.

REA itself operates no rural electric or telephone facilities, and the program involves no grants or subsidies. REA serves principally as a banker. Its main functions are to lend money, and to give technical advice and counsel where needed in the construction and operation of the borrowers' facilities.

PAYING OWN WAY

REA borrowers repay the loans with interest, from their operating revenues. The record of REA borrowers justifies full confidence of the Congress in this program. They are repaying their loans, and interest, ahead of schedule.

I'm proud of Minnesota's record in this regard. All of Minnesota's REA co-ops are paying their own way. As of last year, they had paid about $22½ million in principal and interest on their REA loans, including nearly $3 million paid on principal ahead of schedule.

The entire program has been a good investment, on the Government's part.

If we cut off the source of credit for the co-ops, however, we are not only preventing improvements in service but also endangering the investment we already have in these electric systems.

REA now has a backlog of some $140 million in unfilled loan applications. There has been good evidence that our Nation's electric cooperatives will seek additional loans of some $200 million during the next 18 months, bringing a total estimated credit need up to $340 million.

The Administration's budget estimates only called for $95 million in loan funds. It should appear obvious that if such a drastic slash in available credit was made, many existing cooperatives will have to be deprived of necessary credit and further expansion and improvement of rural electrical service will be seriously crippled.

About one-third of the new loan requests are contemplated to "heavy up" existing lines, to enable them to carry the increased loans required to meet the demands of farmers for increasing amounts of electric power, reflecting the greater use of electrical equipment in performing farm production and farm household tasks. What's going to happen when the demand exceeds what existing facilities can provide, if credit is shut off for increasing the capacity of present lines?

SOUND INVESTMENT

The House of Representatives wisely recognized that Secretary Benson's recommendation was unsound. They have provided for loan authorization amounting to $135 million, the amount originally requested in the Truman budget.

In my opinion, it would be good business to go even further and make available an amount closer to the estimated needs for REA loans during the coming fiscal year, as indicated by the rural electric co-ops themselves. This isn't any giveaway—it is a sound business investment. Cutting loan funds isn't economy, for nothing is saved. Whatever amount the Congress provides will be repaid with interest. I urge this committee to make sure adequate loan funds are available so as to avoid any crippling of REA services, but in any event not to go below the amount the House has determined is the bare minimum.

In regard to administrative funds for REA, the House has provided only $7,775,000—the amount Secretary Benson estimated he could get by with. I appreciate the economy-objective of Members of the other House, and it is understandable that they should tell the Secretary of Agriculture to go ahead and try getting along with less as long as he thinks he can.

I must warn, however, that others have had more experience through the years with the REA program than the new Secretary of Agriculture. They are deeply concerned that such a reduction in administrative expenses would necessarily mean a curtailment of services to the rural electric cooperatives, and lack of adequate safeguards over the big investment we now have in REA loans. I must point out that more is involved than just administration of the new loan funds provided; continued servicing and supervision over all the existing loans is also involved in this budget item. I respect the judgment of the National Rural Electric Cooperative Association that REA needs $10 million to adequately administer the program without cutbacks in essential operations. I urge this committee to reexamine the administrative fund estimates and increase them to a safe level.

EXPAND TELEPHONE PROGRAM

I am also seriously concerned with the new rural telephone program upon which we are just making a start. The Administration has only asked for $50 million, and that is all the House has provided.

That should at least be doubled, if we are going to go ahead with extending rural telephone service in this country. Farmers need telephones, need them even more than people living closer together in the cities. They need such facilities for handling their business, and for protecting the lives of their loved ones. We aren't going to get telephone service extended over rural America by little dribs and dabs. We aren't going to get the job done unless we are willing to make adequate loan funds available so that rural people don't have to be turned down. REA has reported that 483 telephone loan applications totaling $95,626,661 were pending as of March 27, 1953. It appears obvious that REA needs at least $100 million in loan authorization for the telephone program, just to catch up with the requests now on hand. It will need more to do the full job in the year ahead.

I want to warn this committee what postponing rural telephone service will mean in some areas. It won't just mean a delay in getting telephones—it may mean some farmers won't ever get such service. If the rural telephone program of REA is "put on the shelf" until private telephone companies have skimmed the cream of the rural areas by starting service only to the most thickly populated districts—the most profitable ones to serve—it will become economically unfeasible in the future to work out sound projects for the sparsely settled remote districts.

Telephone loan funds are available to private companies just as they are to telephone cooperatives, as long as they offer a sound plan of extending rural service. Let's not delay this sound program any longer. Again, it is not a matter of economy for all loans are repayable with interest.

Lip service to the objectives of rural electrification and rural telephone programs will not mean very much if the programs are squeezed out of existence via appropriations. Both political parties have gone on record in support of REA's contribution to rural progress, and pledged continuing support. I urge this committee to see that adequate funds are made available to continue the great work that has already been accomplished.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. STENNIS. Mr. President, I desire to invite the attention of the Senate to an item or two in the bill, to which I shall not offer an amendment, but which I think deserve further consideration by the Appropriations Committee. I refer particularly to the item for agricultural research.

The PRESIDING OFFICER. The Chair would ask the Senator from Mississippi whether he proposes an amendment at this point.

Mr. STENNIS. No, Mr. President, it was not my purpose to offer an amendment at this time. I understood that the bill had been read the third time, and I was speaking to the bill itself.

The PRESIDING OFFICER. Does the Senator from Texas yield time to the Senator from Mississippi?

Mr. JOHNSON of Texas. I yield to the Senator from Mississippi such time as he may desire.

Mr. STENNIS. I thank the Senator from Texas. I beg the Chair's pardon. I did not know the time had to be yielded.

Mr. President, the current appropriation for agricultural research in the fiscal year 1953, is $56,482,000. The amount in the revised budget submitted after President Eisenhower came into office was $58,879,000. The House appropriated $57,604,000, and the amount carried in the bill as reported to the Senate is $59,004,000, an increase of $1,400,000 over the House appropriation. It is, however, less than the amount recommended in the budget which was submitted to the Congress during the first part of the year.

I do not have a detailed breakdown of the agricultural research program, but I think one is urgently needed and that we should have it at the earliest possible moment.

Mr. President, I have testimony here from Dr. Shaw, who is ill today and has been for some days. The testimony to which I refer was taken before the House committee. He sets forth the need for funds. He is the head of the Agricultural Research Organization, and he is of the opinion that the funds for the agricultural research program should be doubled, and that there should be an immediate fund of from $10 million to $15 million in addition to the appropriation proposed.

I have before me a breakdown according to the general subject matter, which appears on page 259 of the House hearings, from which I shall read a few items:

THE PLACES IN RESEARCH WHERE INCREASED ACTIVITY MAY BE NEEDED MORE THAN ELSEWHERE

It is difficult to single out particular areas of research that are more in need of strengthening than others. We make a concerted effort to maintain a balanced program within whatever funds are available to us. Actually most agricultural research will have to be strengthened if the Nation's needs for agricultural products and services are to be satisfied in the years ahead. In my opinion, the increases in the fiscal year 1954 budget for research provide for expanding the No. 1 priority items. In developing the budget within the funds allowed, I selected these items on the basis of their urgency. If additional areas of research could be expanded I would place emphasis on the following items:

1. Diseases and insects affecting both plants and animals. Wheat smut in the Northwest and vesicular exanthema disease of hogs are examples of the problems.

2. Plant, animal, and human nutrition. Basic physiological studies of nutrient uses and requirements are needed.

3. Soils and irrigation. Water will set the ceiling on crop yields. We need to develop methods of soil and watershed management to increase the efficiency of water use in both humid and arid regions.

4. Farm mechanization. Labor-saving devices for farm operations are of critical importance to farmers.

5. Food and feed preservation. We can bring greater stability to agriculture if we can develop methods of converting perishables into acceptable products that may be stored.

6. New and improved uses of agricultural products. Agricultural markets are getting away from us because we are not developing and improving our products as fast as competitive products are being developed and improved.

7. Marketing. Additional studies are needed to cope with current problems arising as the result of declining foreign markets, accumulating or impending surpluses, and falling prices for agricultural products.

8. Survey of soil and forest resources. An accurate knowledge of our resources is required for efficient management.

Mr. President, I wish to refer to the report of the Advisory Committee which operates under the Agricultural Research Act. In the report there are submitted programs which will require an additional $31 million. The committee was established under the Agricultural Research Act of 1946. I have a report on the figures recommended for research in 1954 by the State experiment stations and research bureaus, which total $7,512,000.

These facts, Mr. President, are indicative of the carefully surveyed needs which are now urgent and demanding and with reference to which a high authority, an expert research scientist has given his opinion and his conclusions.

It is a matter in which President Eisenhower is vitally interested. He mentioned the subject several times in his campaign speeches, and has emphasized and reemphasized it. As late as last week, at Beltsville, Md., where there is located one of the major experiment stations, he was qouted in the press as saying:

Let any man who is opposed to agricultural research appropriations come out to Beltsville.

I commend him for his statements. I do not bring the question up for any other reason than to point to the need and to the fact that we have not responded according to the need and according to the general recommendations of the President of the United States.

Mr. President, if there were available this afternoon a breakdown which I thought would be sufficient to place before the Senate, with definite explanations of how the money is to be spent, I would offer an amendment providing

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for at least $6 million or $8 million of additional funds to carry on the program. I believe such a proposal would have the approval of the subcommittee, and I am confident if the figures were broken down adequately, that it would receive the approval of the Senate.

I wish to serve notice, Mr. President, that as soon as such a breakdown is available, I intend to offer a program, along with any other Senator who will join me, the first time there is a reasonable opportunity after the committees have had an opportunity to go over the matter and make a recommendation to this body.

I especially invite the attention of the Senate to the fact that the funds are inadequate. The amount we are spending for agricultural research at this time has not been increased since 1940.

The program is really going backward, as a general proposition, because of its inability to move forward with the funds which have been appropriated. So, Mr. President, at the first opportunity the program will be presented, and I hope the very fine subcommittee of the Senate Committee on Appropriations, of which the Senator from North Dakota is so ably serving as chairman, will go into the subject further and will join in bringing the matter to the attention of the Senate, even through a supplemental appropriation bill, if that can be done. But let us get the research program going before it lags any further.

Mr. YOUNG. Mr. President, will the Senator from Mississippi yield?

Mr. STENNIS. I yield.

Mr. YOUNG. The members of the committee feel exactly as does the Senator from Mississippi. The committee has received more than 100 telegrams from farm organizations and others urging that we raise the agricultural research appropriation approximately $17 million more than has been appropriated.

Mr. STENNIS. I thank the Senator very much. I think a breakdown will be submitted shortly.

RURAL TELEPHONE SERVICE

Mr. JOHNSON of Texas. Mr. President, I yield to the junior Senator from Texas 5 minutes.

The PRESIDING OFFICER. The junior Senator from Texas is recognized for 5 minutes.

Mr. DANIEL. Mr. President, I ask unanimous consent that I may address a few questions to the distinguished Senator from North Dakota [Mr. YOUNG] concerning the Rural Electrification Administration appropriation.

The PRESIDING OFFICER. Without objection, the Senator may proceed.

Mr. DANIEL. Mr. President, with respect to the appropriation for the rural telephone program, of course, we know the act prescribes the terms under which the administrator can approve applications for telephone service. I note that in the House report it is stated that it is the consensus of the committee that REA should advance Federal funds for telephone service in rural areas when private enterprise cannot or will not provide adequate service.

That has given considerable concern to some of my constituents who have written me, feeling that the language in the House report might be interpreted to mean that the Administrator is being directed to withhold his approval of a telephone loan until he determines that there is no private enterprise willing or able to provide such service.

I am glad to say that the Senator's committee has not used such language in its report; but is it the intention of the Senate committee that the REA Administrator shall comply with any such interpretation as that which I have suggested?

Mr. YOUNG. I would say to the distinguished Senator from Texas that the language in the Senate committee's report was designed to counteract and clarify certain language contained in the House report. I think the majority of the members of the committee feel it may be necessary in certain instances for the REA Administrator to contact private concerns in the telephone business, as well as mutuals and independents. In cases where such concerns have filed plans for serving a particular area they should be given consideration by the Administrator. By that it is not meant that the program of bringing telephones to the farmers of the United States should be unduly delayed by unreasonably prolonged negotiations. Existing companies have had nearly 3 years after the necessary legislation was enacted in which to provide service. In fact, they had many years even before the Telephone Act was passed to provide such service.

It seems to me that the REA Administrator should proceed to make loans to cooperatives who seek to provide service if the existing companies do not wish to do so.

Mr. DANIEL. There is just such an instance in Texas. The Hill County Telephone Co., Inc., located at Fredericksburg, serving nine counties, and several of the small exchanges in cities such as Ingram and Comfort, Tex., have given options to sell their exchanges. They are willing to sell to cooperatives. They have had 3 years in which to apply for loans themselves. As I understand, it is the interpretation of the Senator's committee that they have no such preference rights as would require the Administrator to say that they would have to apply for a loan before permitting the application to go through and be approved.

Mr. YOUNG. I think that is correct. I wish to read from the report of the Senate Committee on Appropriations:

> The committee is advised that approximately 60 percent of the farms of the country remain without telephone service of any kind and that a large proportion of those presently served suffer from inadequate service. The committee urges REA to move as fast as consistent with good business methods with its loan and construction program in order to eliminate delays which have occurred in the past.

Mr. DANIEL. I call attention also to the last sentence in the last paragraph of that part of the committee's report which refers to rural telephones, which would seem to mean that the committee does not believe the Administrator should give such preference rights to local companies which have not exercised their right to apply for loans for rural telephone service. That sentence, on page 14, is as follows:

> It is recognized that in many instances the program cannot move forward except by the farmers in a community doing the job for themselves by forming their own organization and, where necessary, acquiring the existing exchange in their local trade centers as the nucleus for economic and efficient service.

From that statement in the report, it would appear to me that the Senator's committee clearly recognized that in some instances it would be necessary for farmers in sparsely settled areas to acquire certain local exchanges within the area, in order to have a feasible program. Is not that correct?

Mr. YOUNG. That is exactly correct. In most areas, I believe that REA cooperatives could operate to the best advantage by working with existing companies, particularly with respect to switchers and telephone exchanges. But if existing companies were permitted or encouraged to furnish only partial service to a limited number of farmers, then the remaining farmers in the area, in most cases, would not have an opportunity to receive good telephone service without overall cooperative coverage.

The PRESIDING OFFICER. The Chair respectfully reminds the Senator from Texas that his time has expired.

Mr. JOHNSON of Texas. Mr. President, does my colleague desire additional time?

Mr. DANIEL. May I have 2 minutes?

Mr. JOHNSON of Texas. I yield 2 minutes to the junior Senator from Texas.

The PRESIDING OFFICER. The junior Senator from Texas is recognized for 2 additional minutes.

Mr. DANIEL. Then, sofar as the view of the Senator's committee is concerned, is there any reason for further delay on applications when the Administrator has already determined that there is an area in which local exchanges have granted options, and are willing to sell, in order that a rural telephone cooperative may be set up? Is there any reason for further delay in order to ascertain whether private exchanges desire to apply for loans themselves?

Mr. YOUNG. I should not think there was any reason for further delay. If the existing companies wanted to furnish the service, certainly by now they would have filed their plans with the REA administrator. In the absence of such plans, I think the administrator should proceed to approve applications.

Mr. DANIEL. As I understand, there is a movement on foot to have the REA administrator require members of telephone cooperatives to pay as much as $100 each as equity payments on the purchase of stock in a cooperative, before he will approve a loan. Has that matter come before the Senator's committee? Only $50 payments have been required in the instance I mentioned a moment ago. I wondered if there was any discussion before the Senator's committee of the plan to increase payments.

Mr. YOUNG. There was no discussion of that kind, so far as I can recall.

Mr. DANIEL. I thank the Senator.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H. R. 5227) was passed.

Mr. YOUNG. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House thereon, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. YOUNG, Mr. FERGUSON, Mr. MCCARTHY, Mr. MUNDT, Mr. AIKEN, Mr. RUSSELL, Mr. HAYDEN, and Mr. MCCARRAN conferees on the part of the Senate.

OVERALL RESULTS OF COMMODITY CREDIT CORPORATION OPERATIONS SINCE 1933

Mr. WILLIAMS. Mr. President, on January 12, 1953, I requested from the Director of the Budget the file of information as to the overall results of the Commodity Credit Corporation operations since its inception in 1933. At this point I ask unanimous consent to have printed in the body of the RECORD a letter received from the Director of the Budget under date of March 3, 1953, outlining the total expenditures under that program, and the losses.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., March 3, 1953.

Hon. JOHN J. WILLIAMS,
United States Senate,
Washington, D. C.

MY DEAR SENATOR WILLIAMS: This is in further reply to your letter dated January 12, 1953, requesting information regarding losses of the Commodity Credit Corporation and the manner in which the Corporation receives its funds.

The Commodity Credit Corporation is capitalized for $100 million in capital stock owned by the United States and as of December 31, 1952, there was a deficit of $179,959,760.89. A brief statement of the losses and appropriations, note cancellations, and repayments to the Treasury follows:

Net operating loss exclusive of wartime consumer subsidy	$1,126,999,783.82
Wartime consumer subsidy	2,102,119,071.46
Total operating losses	3,231,118,845.78
Less:	
Net restoration of capital from U. S. Treasury	2,494,919,661.78
Recovery from Secretary of Treasury, Public Laws 389 and 393, 80th Congress	56,239,432.11
Reserve for postwar price support and of agriculture	500,000,000.00
Total recoveries	3,051,159,093.89
Net deficit Dec. 31, 1952	179,959,760.89

The net operating loss of $1,126,999,783, excluding the wartime consumer subsidy, reflects a net realized program loss of $737,319,500, a net amount of $158,813,865 in reserves for losses, and a net amount of $232,866,418 for administrative expenses, interest, etc.

The following item-by-item reply to your specific questions will show the manner in which the corporation has been reimbursed by the United States Treasury for such losses, as well as other funds which have been paid to the corporation pursuant to specific legislation:

1. The paid in capitalization of the corporation is $100 million held by the United States.

2. As of December 31, 1952, the corporation's books showed a deficit of $179,959,760.89.

3. Appropriations have been made to the corporation as follows:

(a) For restoration of capital impairment pursuant to the act of March 8, 1938:

Appraisal of—	Appropriation act	Amount
Mar. 31, 1938	June 25, 1938 (52 Stat. 1114, 1148).	$94,285,401.73
Mar. 31, 1939	Aug. 9, 1939 (53 Stat. 1301, 1325).	110,599,918.05
Mar. 31, 1941	July 3, 1941 (55 Stat. 451, 563).	1,637,445.51
Mar. 31, 1943-44	Apr. 12, 1945 (59 Stat. 77, 90).	256,764,881.04
June 30, 1951	July 5, 1952 (66 Stat. 335, 354).	109,391,154.00
Total appropriations for restoration of capital impairment.		581,678,803.33

(b) Pursuant to the act of February 18, 1946 (Public Law 301, 79th Cong.), $500 million was paid to the Corporation as a reserve for postwar price support of agriculture. Price-support losses during fiscal years 1947, 1948, and 1949 were charged against this reserve, thereby reducing the amounts required for restoration of capital impairment during those years.

4. Payments of surplus were made to the United States Treasury pursuant to the act of March 8, 1938, as follows:

Appraisal of—	Date of payment	Amount
Mar. 31, 1940	June 1940	$43,756,731.01
Mar. 31, 1942	June and September 1952.	27,815,513.68
June 30, 1947	April 1948	17,693,492.14
June 30, 1948	June 1949	48,943,010.36
Total payments of surplus to U. S. Treasury.		138,208,747.19

5. Notes of the Corporation have been canceled by the United States Treasury as follows:

(a) For restoration of capital impairment pursuant to the act of March 8, 1938:

Appraisal of—	Appropriation act	Amount
June 30, 1945	July 20, 1946 (60 Stat. 526, 593).	$921,456,561.00
June 30, 1946	May 26, 1947 (61 Stat. 106).	641,832,060.64
June 30, 1949	Sept. 6, 1950 (64 Stat. 595, 677).	66,698,457.00
June 30, 1950	Aug. 31, 1951 (65 Stat. 225, 245).	421,462,507.00
Total notes canceled by U. S. Treasury for restoration of capital impairment.		2,051,449,605.64

(b) Pursuant to Public Laws 389 and 393, 80th Cong., the Secretary of the Treasury was authorized to cancel notes of the Corporation in an amount not to exceed $57,500,000 for costs of commodities furnished by the Corporation for foreign relief and assistance. During fiscal years 1948 and 1949, a total of $56,239,432.11 of the Corporation's notes were cancelled by the United States Treasury, thereby reducing the amounts required for restoration of capital impairment during those years.

Summary of recoveries of losses through June 30, 1951

Appropriations:	
Capital impairment	$581,678,803.33
Reserve for postwar price support	500,000,000.00
Total appropriations	1,081,678,803.33
Deduct: Payments to Treasury	138,208,747.19
Summary of recoveries of losses through June 30, 1951—Continued	
Note cancellations:	
Capital impairment	$2,051,449,605.64
Foreign aid	56,239,432.11
Total note cancellations	2,107,689,037.75
Total recoveries of losses from U. S. Treasury through June 30, 1951	3,051,159,093.89

6. Section 32 funds are made available to the Department for the removal from the market of commodities in surplus supply. These funds do not accrue to the Corporation except to the extent that they are in payment for commodities purchased by section 32 from the Corporation. These purchases by section 32 are reflected as sales by the Corporation, and the funds go into the general funds of the Corporation together with funds derived from sales to all other private or governmental entities. The amount of sales to section 32 cannot be readily summarized as all sales to domestic purchasers are reported to Washington as a consolidated item. This information is obtainable from the field offices and can be secured if necessary, but this would involve a considerable expenditure of time and money.

7. Other funds which have accrued to the Corporation are as follows:

(a) Pursuant to the International Wheat Agreement Act of 1949, the United States has agreed to supply wheat or wheat products to participating nations at a specified price. The Corporation is utilized for this activity and is authorized to use its general borrowing authority to pay current obligations and to be repaid therefor from appropriations made specifically to cover the costs of the agreement. Following is a list of reimbursements to the Corporation and manner of reimbursement:

Program year	Appropriation act	Amount
1950	Public Law 135, 82d Cong., Aug. 31, 1951 (appropriation to the Secretary).	$78,808,000
1951	Public Law 451, 82d Cong., July 5, 1952 (note cancellation).	182,162,250
	Total reimbursements for International Wheat Agreement.	258,970,250

(b) Pursuant to Public Law 271, 80th Congress, approved July 30, 1947, and subsequent Department of Agriculture appropriation acts, funds of the Corporation have been transferred to the appropriation "Eradication of foot-and-mouth and other contagious diseases of animals and poultry." Following is a list of the reimbursements made to the Corporation and the manner of reimbursement:

Appropriation act:	*Amendment*
Public Law 785, 81st Cong., June 25, 1948 (appropriation to the Secretary)	$25,400,000
Public Law 843, 81st Cong., Oct. 10, 1949 (appropriation to the Secretary)	34,000,000
Public Law 135, 82d Cong., Aug. 31, 1951 (note cancellation)	32,700,000
Public Law 451, 82d Cong., July 5, 1952 (note cancellation)	11,240,532
Total reimbursements for transfers to eradication of foot-and-mouth disease	103,340,532

The reimbursements shown under this item are not included in the realized losses of the Corporation, as the intent of the respective legislation was that the Corporation would be reimbursed for any unrecovered costs under these activities.

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(c) Section 391 (c) of the Agricultural Adjustment Act of 1938, as amended, required the Corporation to lend to the Secretary of Agriculture during each fiscal year, such sums, not to exceed $50 million, to make advances for the purchase of conservation materials from January 1 to June 30 of each year. Repayment to the Corporation is usually made during the succeeding fiscal year from funds appropriated to the Secretary for the conservation program. These loans and repayments are handled on the books of the Corporation through its usual loan accounts.

In addition to the foregoing, the Corporation has authority to borrow up to $6,750,000,000 from the Treasury and/or from private lending agencies. At December 31, 1952, $2,800,778,475 of this borrowing authority was committed, leaving $3,949,221,525 yet available.

The figures contained in this reply to your letter have been furnished by the Department of Agriculture.

Sincerely yours,

JOS. M. DODGE,
Director.

Mr. WILLIAMS. Mr. President, immediately following that, I ask unanimous consent to have printed in the RECORD a second letter, dated March 16, 1953, from the Director of the Budget, in which he outlines the expenditures for these programs under section 32. I ask unanimous consent that both these letters appear in the RECORD immediately following the vote on the agricultural appropriation bill. These letters show an overall cost of more than $5 billion.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE
OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., March 16, 1953.

Hon. JOHN J. WILLIAMS,
United States Senate,
Washington, D. C.

MY DEAR SENATOR WILLIAMS: This has reference to your letter of March 5, 1953, regarding the funds available for section 32 programs and the expenditures of such funds. The answers to your questions are as follows:

1. How much money has been made available to the Department of Agriculture during the past 20 years (broken down by years) under section 32?

The surplus removal program, commonly known as section 32, was not authorized until August 24, 1935. For the fiscal years 1936 through 1953, however, a total of $2,573,671,819 has been made available by (1) the permanent appropriation of an amount equal to 30 percent of customs receipts, and (2) various supplemental appropriations. In years prior to 1948, various portions of the annual appropriations remained unobligated at the end of the fiscal year for which they were originally available, and several of these unobligated balances, amounting to $117,617,178, have been reappropriated.

An analysis of sources of funds, obligations, and disposition of balances for fiscal years 1936–54 is attached as schedule I.

2. How much of these funds has been spent by the Department of Agriculture either through the Commodity Credit Corporation or by direct purchases during this same interval?

For the fiscal years 1936 through 1952, a total of $2,057,618,939 was obligated, and total expenditures would be approximately the same amount. Of this total, $610,693,914 represents purchases of surplus commodities for direct distribution, $104,627,120 for diversion of surplus commodities to new uses, $260,131,250 for encouraging exports of surplus commodities, $285,972,494 for the financing of various stamp plans, $136,694,622 for the school-lunch and milk programs, $57,224,648 for administrative expenses, $41,239,560 for allotments and transfers to cooperating agencies, and $561,035,331 for transfers to other uses authorized by legislative action. In addition to the foregoing, obligations for the fiscal year 1953 through January 31, 1953, have amounted to $44,437,655, and expenditures for the same period were $46,265,965.

An analysis showing obligations by projects, allotments, and transfers, unobligated balances, and total funds available for fiscal years 1936–54 is attached as schedule II.

In regard to your question concerning assurance that section 32 funds are being spent in accordance with the law, before any section 32 programs are authorized, the proposal is thoroughly considered by the Department, the legality of the program is reviewed by the Office of the Solicitor, and a formal docket is prepared to authorize the program. Funds are then obligated under the standard obligation procedures, and the vouchers which authorize the actual expenditures of funds are, of course, audited by the General Accounting Office.

I regret that the information furnished in response to your previous letter did not meet your needs.

Sincerely yours,

JOS. M. DODGE, *Director.*

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Miller, one of his secretaries.

TRANSFER OF PRICE-SUPPORT WHEAT TO PAKISTAN

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of Senate bill 2112, calendar No. 407, which is the Pakistan wheat bill. It is not intended to proceed with the bill tonight, but to make it the unfinished business for consideration tomorrow.

The PRESIDING OFFICER. The question is on the motion of the Senator from California.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 2112) to provide for the transfer of price-support wheat to Pakistan, which had been reported from the Committee on Agriculture and Forestry with amendments.

ORDER FOR RECESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that when the Senate completes its business this afternoon, it recess until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

REDUCTION OF INDIVIDUAL INCOME TAXES

Mr. BUTLER of Maryland obtained the floor.

Mr. MALONE. Mr. President, will the Senator from Maryland yield?

Mr. BUTLER of Maryland. I yield to the Senator from Nevada.

Mr. MALONE. Two of the top campaign issues last year were a return to constitutional government and a reduction of taxes.

Today I am introducing a bill to provide for individual income-tax reduction for the calendar year 1953 by moving back 6 months the termination date of the individual income-tax increases imposed under the Revenue Act of 1951. The individual emergency-income tax would then expire on June 30, 1953, on the same date the excess-profits tax is scheduled to expire.

On April 2, 1953, I introduced a bill to repeal all war-emergency excise taxes on transportation, telephone and telegraph, and entertainment, and the excise tax on luggage, handbags, and miscellaneous articles.

The Revenue Act of 1951 provided an emergency increase in individual income-liability of about 11 percent of the then existing tax. Under present law, this increase will terminate on December 31, 1953. The bill which I am about to introduce moves the termination date back to June 30, 1953. One-half of the reduction under the present law for 1954 is made effective for the entire calendar year 1953.

The bill would reduce the withholding tax rate from from 20 percent to 18 percent as of July 1, 1953. Thus for those subject to withholding, the full reduction schedule for January 1, 1954, would become effective July 1, 1953.

Because of spiraling inflation and excessive taxation and free trade, the principle of free enterprise, upon which this country is built, is being destroyed. The high cost of living and excessive tax burdens are inflicting great hardships on many people. Individuals in the lower income groups carry the greatest share of the tax burden, and they are the ones who need immediate relief. It is only fair and just that individual citizens be given a tax reduction on June 30, 1953, to coincide with the scheduled termination of the excess profits tax on the same date. The excess profits tax will expire on June 30, 1953. I am opposed to the extension of this so-called emergency tax for the same reason that I am for the simultaneous repeal of the emergency excise and individual income taxes.

So long as we are planning to give more than $5 billion to foreign countries which have themselves reduced income taxes, I certainly believe that the American people should be given some consideration in this matter and should have relief from the excessive taxes which they now pay.

No one objects to paying high taxes when they are necessary for the welfare and defense of our country but when billions of the taxpayers' money are sent to foreign nations to build up their production potential in competition with the American taxpayers, then it is only fair the people of our country be given some tax relief.

The individual income tax at present rates is stifling initiative and preventing business expansion. Even in the lowest individual income-tax bracket, almost one-fourth of any additional earnings must be paid to the Government in the form of taxes and the increases continue until in the highest brackets, 92 cents of every dollar must be turned over to the Treasury. In the case of corporations, existing Federal income taxes may take as much as 82 percent of additional

dollars earned. This discouragement of individual and business incentive will lessen the normal increases in productivity and the willingness to take business risks. If continued, this policy of excessive taxes would result in lower income, lower revenues and eventually lower standards of living.

It is well known that individuals and business organizations are unable, under the present arrangement of taxes, to build up a reserve to tide them over anticipated poor business periods, or to aid in the proper expansion of business.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a bill which I introduced on April 2, 1953, to repeal certain emergency excise taxes.

There being no objection, the bill (S. 1566) to terminate the war rates of certain excise taxes, to repeal certain excise taxes, and for other purposes, introduced by Mr. MALONE on April 2, 1953, was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) effective with respect to the period after June 30, 1953, the following sections and subchapters of the Internal Revenue Code are hereby repealed:

(1) section 1650 (war tax rates of certain miscellaneous taxes);

(2) section 1651 (retailers' excise tax on luggage, etc.);

(3) section 3406 (a) (10) (manufacturers' excise tax on electric light bulbs and tubes);

(4) subchapter B of chapter 30 (taxes on telegraph, telephone, radio, and cable facilities); and

(5) subchapter C of chapter 30 (taxes on transportation of persons).

(b) The "rate reduction date" defined in section 1659 of the Internal Revenue Code shall be July 1, 1953.

SEC. 2. (a) Section 2400 of the Internal Revenue Code (tax on jewelry, etc.) is hereby amended by adding at the end thereof the following new sentence: "The tax imposed by this section shall not apply to articles sold at retail for less than $50."

(b) The amendment made by subsection (a) of this section shall apply only to articles sold on or after July 1, 1953.

SEC. 3. (a) Section 3406 (a) (4) of the Internal Revenue Code (manufacturers' excise tax on photographic apparatus) is hereby amended by striking out "20 percent" and inserting in lieu thereof "10 percent."

(b) The amendment made by subsection (a) of this section shall apply only to articles sold on or after July 1, 1953.

SEC. 4. Effective with respect to amounts paid after June 30, 1953, for the use of any safe-deposit box, chapter 12 of the Internal Revenue Code (tax on safe-deposit boxes) is hereby repealed.

Mr. MALONE. Mr. President, I introduce for appropriate reference a bill to reduce the individual income tax. I ask unanimous consent that the bill be printed in the RECORD, as part of my remarks.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2140) to reduce the individual income tax, introduced by Mr. MALONE, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act may be cited as the "Individual Income Tax Reduction Act of 1953."

SEC. 2. Reduction in individual surtax rates.

(a) Rates of surtax for individual not head of household.—

(1) Paragraph (1) of section 12 (b) of the Internal Revenue Code (relating to rates of surtax for individual not heads of households) is hereby amended to read as follows:

"(1) Calendar year 1953: In the case of a taxable year beginning on January 1, 1953, and ending on December 31, 1953, there shall be levied, collected, and paid for such taxable year upon the surtax net income of every individual (other than a head of a household to whom subsection (c) applies) the surtax shown in the following table:

"If the surtax net income is:	The surtax shall be:
Not over $2,000	16.1% of the surtax net income.
Over $2,000 but not over $4,000.	$362, plus 20.3% of excess over $2,000.
Over $4,000 but not over $6,000.	$768, plus 25% of excess over $4,000.
Over $6,000 but not over $8,000.	$1,268, plus 29% of excess over $6,000.
Over $8,000 but not over $10,000.	$1,848, plus 33% of excess over $8,000.
Over $10,000 but not over $12,000.	$2,508, plus 37% of excess over $10,000.
Over $12,000 but not over $14,000.	$3,248, plus 42% of excess over $12,000.
Over $14,000 but not over $16,000.	$4,088, plus 47% of excess over $14,000.
Over $16,000 but not over $18,000.	$5,028, plus 50% of excess over $16,000.
Over $18,000 but not over $20,000.	$6,028, plus 53% of excess over $18,000.
Over $20,000 but not over $22,000.	$7,088, plus 56% of excess over $20,000.
Over $22,000 but not over $26,000.	$8,208, plus 60% of excess over $22,000.
Over $26,000 but not over $32,000.	$10,608, plus 61% of excess over $26,000.
Over $32,000 but not over $38,000.	$14,268, plus 64% of excess over $32,000.
Over $38,000 but not over $44,000.	$18,108, plus 67% of excess over $38,000.
Over $44,000 but not over $50,000.	$22,128, plus 71% of excess over $44,000.
Over $50,000 but not over $60,000.	$26,388, plus 73% of excess over $50,000.
Over $60,000 but not over $70,000.	$33,688, plus 76% of excess over $60,000.
Over $70,000 but not over $80,000.	$41,288, plus 79% of excess over $70,000.
Over $80,000 but not over $90,000.	$49,188, plus 81.5% of excess over $80,000.
Over $90,000 but not over $100,000.	$57,338, plus 84.5% of excess over $90,000.
Over $100,000 but not over $150,000.	$65,788, plus 86.5% of excess over $100,000.
Over $150,000 but not over $200,000.	$109,038, plus 87.5% of excess over $150,000.
Over $200,000	$152,788, plus 88.5% of excess over $200,000."

(2) Paragraph (2) of such section 12 (b) is hereby amended (A) by striking out the heading and inserting in lieu thereof "Other taxable years beginning before July 1, 1953.—", and (B) by striking out "January 1, 1954" and inserting in lieu thereof "July 1, 1953 (other than the calendar year 1953 to which paragraph (1) applies)".

(3) Paragraph (3) of such section 12 (b) is hereby amended by striking out "DECEMBER 31, 1953" and "December 31, 1953" and inserting in lieu thereof, respectively, "JUNE 30, 1953" and "June 30, 1953".

(b) Rates of surtax for head of household.—

(1) Section 12 (c) of the Internal Revenue Code (relating to rates of surtax for heads of households) is hereby amended by renumbering paragraphs (1), (2), (3), (4), and (5) thereof as paragraphs (2), (3), (4), (5), and (6), respectively, and inserting before paragraph (2) (as so renumbered) the following:

"(1) Calendar year 1953: In the case of a taxable year beginning on January 1, 1953, and ending on December 31, 1953, there shall be levied, collected, and paid for such taxable year upon the surtax net income of every individual who is the head of a household the surtax shown in the following table:

"If the surtax net income is:	The surtax shall be:
Not over $2,000	16.1% of the surtax net income.
Over $2,000 but not over $4,000.	$362 plus 19.2% of excess over $2,000.
Over $4,000 but not over $6,000.	$746 plus 23% of excess over $4,000.
Over $6,000 but not over $8,000.	$1,206 plus 24% of excess over $6,000.
Over $8,000 but not over $10,000.	$1,686 plus 29% of excess over $8,000.
Over $10,000 but not over $12,000.	$2,266 plus 31% of excess over $10,000.
Over $12,000 but not over $14,000.	$2,886 plus 35% of excess over $12,000.
Over $14,000 but not over $16,000.	$3,586 plus 39% of excess over $14,000.
Over $16,000 but not over $18,000.	$4,366 plus 41% of excess over $16,000.
Over $18,000 but not over $20,000.	$5,186 plus 43% of excess over $18,000.
Over $20,000 but not over $22,000.	$6,046 plus 46% of excess over $20,000.
Over $22,000 but not over $24,000.	$6,966 plus 49% of excess over $22,000.
Over $24,000 but not over $28,000.	$7,946 plus 51% of excess over $24,000.
Over $28,000 but not over $32,000.	$9,986 plus 54% of excess over $28,000.
Over $32,000 but not over $38,000.	$12,146 plus 58% of excess over $32,000.
Over $38,000 but not over $44,000.	$15,626 plus 61% of excess over $38,000.
Over $44,000 but not over $50,000.	$19,286 plus 65% of excess over $44,000.
Over $50,000 but not over $60,000.	$23,186 plus 67% of excess over $50,000.
Over $60,000 but not over $70,000.	$29,886 plus 69% of excess over $60,000.
Over $70,000 but not over $80,000.	$36,786 plus 73% of excess over $70,000.
Over $80,000 but not over $90,000.	$44,086 plus 74% of excess over $80,000.
Over $90,000 but not over $100,000.	$51,486 plus 77.5% of excess over $90,000.
Over $100,000 but not over $150,000.	$59,236 plus 81% of excess over $100,000.
Over $150,000 but not over $200,000.	$99,736 plus 84.5% of excess over $150,000.
Over $200,000 but not over $300,000.	$141,986 plus 87.5% of excess over $200,000.
Over $300,000	$229,486 plus 88.5% of excess over $300,000."

(2) Paragraph (2) (as renumbered) of such section 12 (c) is hereby amended (A) by striking out the heading and inserting in lieu thereof "Other taxable years beginning before July 1, 1953.—", and (B) by striking out "January 1, 1954" and inserting in lieu thereof "July 1, 1953 (other than the calendar year 1953 to which paragraph (1) applies)."

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(3) Paragraph (3) (as renumbered) of such section 12 (c) is hereby amended by striking out "DECEMBER 31, 1953" and "December 31, 1953" and inserting in lieu thereof, respectively, "JUNE 30, 1953" and "June 30, 1953."

(c) Limitation on tax.—

(1) Paragraph (1) of section 12 (f) of the Internal Revenue Code (relating to limitation on tax of individuals) is hereby amended to read as follows:

"(1) Calendar year 1953: In the case of a taxable year beginning on January 1, 1953, and ending on December 31, 1953, the combined normal tax and surtax shall in no event exceed 87.5 percent of the net income for the taxable year."

(2) Paragraph (2) of such section 12 (f) is hereby amended (A) by striking out the heading and inserting in lieu thereof "Other taxable years beginning before July 1, 1953.—", and (B) by striking out "January 1, 1954" and inserting in lieu thereof "July 1, 1953 (other than the calendar year 1953 to which paragraph (1) applies)."

(3) Paragraph (3) of such section 12 (f) is hereby amended by striking out "DECEMBER 31, 1953" and "December 31, 1953" and inserting in lieu thereof, respectively, "JUNE 30, 1953" and "June 30, 1953."

(d) Proration for fiscal year taxpayers: Subsection (j) of section 106 of the Internal Revenue Code (relating to fiscal year taxpayers) is hereby amended—

(1) by striking out so much thereof as precedes paragraph (1) and inserting in lieu thereof the following:

"(j) Certain taxable years of individuals beginning before July 1, 1953: In the case of a taxable year of a taxpayer, other than a corporation, beginning before July 1, 1953, and ending after June 30, 1953 (other than one beginning on January 1, 1953, and ending on December 31, 1953), the tax imposed by sections 11 and 12, section 400, or section 421 (a) (2), shall be an amount equal to the sum of—";

(2) by striking out "January 1, 1953" and "January 1, 1954" in paragraph (1) and inserting in lieu thereof, respectively, "July 1, 1952" and "July 1, 1953"; and

(3) by striking out "January 1, 1954" and "December 31, 1953" in paragraph (2) and inserting in lieu thereof, respectively, "July 1, 1953" and "June 30, 1953."

(e) Effective date: Except as provided in section 5, the amendments made by this section shall apply only with respect to taxable years ending after June 30, 1953.

SEC. 3. Individuals with adjusted gross income of less than $5,000.

(a) Tax for calendar year 1953: Section 400 of the Internal Revenue Code (relating to optional tax on individuals with adjusted gross income of less than $5,000) is hereby amended by striking out table I and inserting in lieu thereof the following:

"TABLE I.—*Taxable year beginning Jan. 1, 1953, and ending Dec. 31, 1953*

If adjusted gross income is—		And the number of exemptions is—				If adjusted gross income is—		And the number of exemptions is—										
								1		2			3					
At least	But less than	1	2	3	4 or more	At least	But less than	And taxpayer is single or married filing separately	And taxpayer is head of household	And taxpayer is single or married filing separately	And taxpayer is head of household	And a joint return is filed	And taxpayer is single or married filing separately	And taxpayer is head of household	And a joint return is filed	4	5	6	7	8 or more
		The tax shall be—						The tax shall be—										
$0	$675	$0	$0	$0	$0	$2,325	$2,350	$317	$317	$191	$191	$191	$64	$64	$64	$0	$0	$0	$0	$0
675	700	4	0	0	0	2,350	2,375	322	322	195	195	195	69	69	69	0	0	0	0	0
700	725	9	0	0	0	2,375	2,400	327	327	200	200	200	74	74	74	0	0	0	0	0
725	750	13	0	0	0	2,400	2,425	332	332	205	205	205	78	78	78	0	0	0	0	0
750	775	18	0	0	0	2,425	2,450	336	336	210	210	210	83	83	83	0	0	0	0	0
775	800	23	0	0	0	2,450	2,475	341	341	214	214	214	88	88	88	0	0	0	0	0
800	825	28	0	0	0	2,475	2,500	345	345	219	219	219	93	93	93	0	0	0	0	0
825	850	32	0	0	0	2,500	2,525	350	350	224	224	224	97	97	97	0	0	0	0	0
850	875	37	0	0	0	2,525	2,550	355	355	228	228	228	102	102	102	0	0	0	0	0
875	900	42	0	0	0	2,550	2,575	360	360	233	233	233	107	107	107	0	0	0	0	0
900	925	47	0	0	0	2,575	2,600	365	365	238	238	238	112	112	112	0	0	0	0	0
925	950	51	0	0	0	2,600	2,625	370	370	243	243	243	116	116	116	0	0	0	0	0
950	975	56	0	0	0	2,625	2,650	374	374	248	248	248	121	121	121	0	0	0	0	0
975	1,000	61	0	0	0	2,650	2,675	379	379	252	252	252	126	126	126	0	0	0	0	0
1,000	1,025	66	0	0	0	2,675	2,700	384	384	257	257	257	131	131	131	4	0	0	0	0
1,025	1,050	70	0	0	0	2,700	2,725	389	389	262	262	262	135	135	135	9	0	0	0	0
1,050	1,075	75	0	0	0	2,725	2,750	393	393	267	267	267	140	140	140	13	0	0	0	0
1,075	1,100	80	0	0	0	2,750	2,775	398	398	271	271	271	145	145	145	18	0	0	0	0
1,100	1,125	85	0	0	0	2,775	2,800	403	403	276	276	276	150	150	150	23	0	0	0	0
1,125	1,150	89	0	0	0	2,800	2,825	407	407	281	281	281	154	154	154	28	0	0	0	0
1,150	1,175	94	0	0	0	2,825	2,850	412	412	286	286	286	159	159	159	32	0	0	0	0
1,175	1,200	99	0	0	0	2,850	2,875	417	417	290	290	290	164	164	164	37	0	0	0	0
1,200	1,225	104	0	0	0	2,875	2,900	422	422	295	295	295	169	169	169	42	0	0	0	0
1,225	1,250	108	0	0	0	2,900	2,925	427	427	300	300	300	173	173	173	47	0	0	0	0
1,250	1,275	113	0	0	0	2,925	2,950	432	432	305	305	305	178	178	178	51	0	0	0	0
1,275	1,300	118	0	0	0	2,950	2,975	437	437	309	309	309	182	182	182	56	0	0	0	0
1,300	1,325	123	0	0	0	2,975	3,000	443	442	314	314	314	188	188	188	61	0	0	0	0
1,325	1,350	127	1	0	0	3,000	3,050	451	449	321	321	321	195	195	195	68	0	0	0	0
1,350	1,375	132	6	0	0	3,050	3,100	461	459	331	331	331	204	204	204	78	0	0	0	0
1,375	1,400	137	10	0	0	3,100	3,150	472	469	340	340	340	214	214	214	87	0	0	0	0
1,400	1,425	142	15	0	0	3,150	3,200	482	479	350	350	350	223	223	223	97	0	0	0	0
1,425	1,450	146	20	0	0	3,200	3,250	492	489	359	359	359	233	233	233	106	0	0	0	0
1,450	1,475	151	25	0	0	3,250	3,300	503	499	369	369	369	242	242	242	116	0	0	0	0
1,475	1,500	156	29	0	0	3,300	3,350	513	509	378	378	378	252	252	252	125	0	0	0	0
1,500	1,525	161	34	0	0	3,350	3,400	524	519	388	388	388	261	261	261	135	8	0	0	0
1,525	1,550	165	39	0	0	3,400	3,450	534	529	397	397	397	271	271	271	144	17	0	0	0
1,550	1,575	170	44	0	0	3,450	3,500	545	539	407	407	407	280	280	280	154	27	0	0	0
1,575	1,600	175	48	0	0	3,500	3,550	555	549	416	416	416	290	290	290	163	36	0	0	0
1,600	1,625	180	53	0	0	3,550	3,600	566	559	426	426	426	299	299	299	172	46	0	0	0
1,625	1,650	184	58	0	0	3,600	3,650	576	569	437	436	435	309	309	309	182	55	0	0	0
1,650	1,675	189	63	0	0	3,650	3,700	587	579	447	446	445	318	318	318	191	65	0	0	0
1,675	1,700	194	67	0	0	3,700	3,750	597	589	458	456	454	328	328	328	201	74	0	0	0
1,700	1,725	199	72	0	0	3,750	3,800	608	599	468	466	464	337	337	337	210	84	0	0	0
1,725	1,750	203	77	0	0	3,800	3,850	618	609	479	476	473	347	347	347	220	93	0	0	0
1,750	1,775	208	81	0	0	3,850	3,900	629	619	489	486	483	357	357	357	229	103	0	0	0
1,775	1,800	213	86	0	0	3,900	3,950	639	629	499	496	492	366	366	366	239	112	0	0	0
1,800	1,825	218	91	0	0	3,950	4,000	650	639	510	506	502	375	375	375	248	122	0	0	0
1,825	1,850	223	96	0	0	4,000	4,050	660	649	520	516	511	385	385	385	258	131	5	0	0
1,850	1,875	227	100	0	0	4,050	4,100	671	659	531	526	521	394	394	394	267	141	14	0	0
1,875	1,900	232	105	0	0	4,100	4,150	681	669	541	536	530	404	404	404	277	150	24	0	0
1,900	1,925	237	110	0	0	4,150	4,200	692	679	552	546	540	413	413	413	286	160	33	0	0
1,925	1,950	241	115	0	0	4,200	4,250	702	689	562	556	549	423	423	423	296	169	43	0	0
1,950	1,975	246	119	0	0	4,250	4,300	713	699	573	566	559	433	433	432	305	179	52	0	0
1,975	2,000	251	124	0	0	4,300	4,350	723	709	583	576	568	444	443	442	315	188	62	0	0
2,000	2,025	256	129	2	0	4,350	4,400	734	719	594	586	578	454	453	451	324	198	71	0	0
2,025	2,050	260	134	7	0	4,400	4,450	744	729	604	596	587	465	463	463	334	207	81	0	0
2,050	2,075	265	138	12	0	4,450	4,500	755	739	615	606	597	475	473	470	343	217	90	0	0
2,075	2,100	270	143	17	0	4,500	4,550	765	749	625	616	606	485	482	479	353	226	100	0	0
2,100	2,125	275	148	21	0	4,550	4,600	776	759	636	626	616	495	492	489	362	236	109	0	0
2,125	2,150	279	153	26	0	4,600	4,650	786	769	646	636	625	506	502	498	372	245	119	0	0
2,150	2,175	284	157	31	0	4,650	4,700	797	779	657	646	635	517	512	508	381	255	128	2	0
2,175	2,200	289	162	35	0	4,700	4,750	807	789	667	656	644	527	522	517	391	264	138	11	0
2,200	2,225	294	167	40	0	4,750	4,800	818	799	678	666	654	538	532	526	400	274	147	21	0
2,225	2,250	298	171	45	0	4,800	4,850	828	809	688	676	663	548	542	536	410	283	157	30	0
2,250	2,275	303	176	50	0	4,850	4,900	838	819	699	686	673	559	552	546	419	293	166	40	0
2,275	2,300	308	181	55	0	4,900	4,950	849	829	709	696	682	569	562	555	429	302	176	49	0
2,300	2,325	313	186	59	0	4,950	5,000	859	839	720	706	692	579	572	565	438	312	185	59	0"

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(b) Technical amendments.—

(1) The heading of table II in such section 400 is hereby amended to read as follows:

"Table II

"Taxable Years Beginning After October 31, 1951, and Before July 1, 1953 (Other Than the Calendar Year 1953 to Which Table I Applies)"

(2) The heading of table III in such section 400 is hereby amended to read as follows:

"Table III

"Taxable Years Beginning After June 30, 1953"

(c) Effective date: Except as provided in section 5, the amendments made by this section shall apply only with respect to taxable years ending after June 30, 1953.

SEC. 4. Collection of income tax at source.

Section 1622 of the Internal Revenue Code (relating to income tax collected at source) is hereby amended—

(1) by striking out "January 1, 1954" wherever it occurs in subsection (a) and subsection (c) (1) (A) and inserting in lieu thereof "July 1, 1953"; and

(2) by striking out "December 31, 1953" wherever it occurs in subsection (c) (1) (B) and inserting in lieu thereof "June 30, 1953."

SEC. 5. Computation of tax in case of certain joint returns.

If a joint return of a husband and wife is filed under the provisions of section 51 (b) (3) of the Internal Revenue Code in a case where the husband and wife have different taxable years because of the death of either spouse, and the taxable year of the surviving spouse covered by such joint return began before July 1, 1953, and ended after June 30, 1953, the amendments made by this act shall apply in respect of such joint return as if the taxable years of both spouses covered by the joint return ended on the date of the closing of the surviving spouse's taxable year.

Mr. MALONE. Mr. President, I am opposed to the continuation of the war-emergency taxes. I am not only opposed to the extension of the war-emergency so-called excess-profits tax, but I also favor, as provided in the proposed legislation which I have just introduced, setting back the expiration date of the emergency individual income taxes to coincide with the expiration date of the excess-profits tax.

J. DON ALEXANDER—VETO MESSAGE (S. DOC. NO. 51)

The PRESIDING OFFICER (Mr. HENDRICKSON in the chair) laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying bill referred to the Committee on the Judiciary, and ordered to be printed:

To the United States Senate:

I return herewith, without my approval, the enrolled bill (S. 484) conferring jurisdiction upon the United States District Court for the District of Colorado to hear, determine, and render judgment upon the claim of J. Don Alexander against the United States.

The bill confers jurisdiction on the United States District Court for the District of Colorado to hear, determine, and render judgment on the claim of J. Don Alexander, of Colorado Springs, Colo., against the United States for recovery of income tax paid by him for the year 1929, which covered the capital net gain for the sale of 9,000 shares of stock in the Alexander Industries, Inc., which stock was later held by the United States circuit court of appeals to be the property of Alexander Industries, Inc., and not of J. Don Alexander (69 F. 2d 610 (1934)). Section 2 of the bill provides that such suit may be instituted within 1 year after date of enactment of the act; that proceedings for the determination of the claim and review thereof and payment of any judgment thereon, shall be as in other cases under title 26, United States Code, section 1346 (a) (1); that nothing contained in the act shall be construed as an inference of liability on the part of the United States.

The Congress, in changing this bill from its original form to that of a jurisdictional bill, apparently believed that its action would provide a greater degree of protection to the interests of the United States. A review of the facts and of the decision of the circuit court of appeals convinces me that this action of the Congress has had quite the opposite effect from what was intended.

The opinion of the court in the case of *Alexander* v. *Theleman* referred to in the bill discusses in some detail (1) the relationship of Mr. Alexander to the corporation, in which he owned a considerable portion of stock, and (2) the question of the ownership of the 9,000 shares, the sale of which Mr. Alexander had assumed, in paying his income tax in 1930, gave rise to a capital net gain to him. Although the opinion raises some doubt whether equitable considerations are presented so as to justify a refund of the principal amount of the tax payment of $16,720.41, the bill, in conferring jurisdiction upon the United States District Court for the District of Colorado, provides for the payment of any judgment recovered in accordance with the provisions of law applicable to tax cases of which the court has jurisdiction. Accordingly, the bill might permit Mr. Alexander to recover, not only the amount paid by him, but also interest at the rate of 6 percent per annum for the period from 1930 to date of payment. Thus, in effect, Mr. Alexander might recover over $23,000 in interest alone.

The requirement that the United States pay interest on a refund is entirely proper where the Government has retained a taxpayer's money, notwithstanding the fact that by means of a timely refund claim the officials of the Treasury were put on notice and had an opportunity to examine the merits of the claim. Such circumstances do not exist in this case. No reason appears why the Government should pay in interest a sum far in excess of the original amount claimed by Mr. Alexander.

If the Congress should decide again to review Mr. Alexander's original claim and should resolve the equities in this case in favor of the claimant, I would be willing to give the case further consideration.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 15, 1953.*

CRITICAL SITUATION OF LEAD AND ZINC MINERS

Mr. WATKINS. Mr. President, will the Senator from Maryland yield to me?

Mr. BUTLER of Maryland. I shall be very happy to yield to the Senator from Utah, but I must catch a train. I will not yield for a 15-minute speech. How much time will the Senator require?

Mr. WATKINS. I do not think I shall require more than 3 minutes.

Mr. BUTLER of Maryland. I am glad to yield.

Mr. WATKINS. Mr. President, most of the lead and zinc mines in the State of Utah and elsewhere in the United States are now virtually shut down. During the past year 22 of Utah's 30 lead and zinc mines have ceased operations. By March 30, 1953, approximately 1,600 people in my State had lost their jobs as a consequence of the curtailment of lead and zinc mining operations.

The falling off of lead and zinc mining operations in the State of Utah and elsewhere in the United States is largely due to ruinous competition in the American market by lead and zinc producers from foreign producing areas.

Legislation has been proposed which would impose a sliding scale stabilization tax on importations of lead and zinc. I strongly favor this move. Obviously some form of protective action is necessary in order to restore the lead and zinc mining industry to a competitive status with foreign imports. It might be of some help to use the escape clause in our present tariff legislation. Up to the present time the executive department of the United States has failed to use the escape clauses in the reciprocal trade treaties to protect the American industries which are endangered.

I recently received petitions from various mining communities in the State of Utah bearing the signatures of several thousand citizens in stricken lead and zinc mining areas. On May 25, some of these communities observed "Preserve Your Community Day" for the purpose of organizing themselves and bringing to greater public attention the critical situation with which they are faced. They have appealed to the Congress of the United States for help, and in my view the Congress must take some immediate action to help relieve this desperate situation.

I ask unanimous consent to have printed in the body of the RECORD immediately following my remarks the communications which I have received from the mayors of Eureka, Utah; Park City, Utah; Heber City, Utah; and Lark, Utah. I ask unanimous consent also that there be inserted in the body of the RECORD after my remarks a letter from the Tooele Mill and Smeltermen's Union, Local No. 55, of Tooele, Utah, together with a statement which appeared in various weekly newspapers throughout Utah during the week of June 1, 1953.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

LARK, UTAH, *June 11, 1953.*

Senator ARTHUR V. WATKINS,
Washington, D. C.:

The community of Lark, Utah, depends entirely upon the lead-zinc mining industry. Three hundred and seventy-two signatures from the community of Lark ask you to support H. R. 5496 to help preserve the lead-zinc

mining industry. Copy of petition with list of signatures will follow.

J. A. COFFEY,
Chairman, Lions Club Committee.

EUREKA CITY CORP.,
Eureka, Utah, June 1, 1953.

HON. ARTHUR V. WATKINS,
Senator From Utah,
Washington, D. C.

DEAR SENATOR WATKINS: Our Tintic mining district, one of the oldest and most productive districts of the West, has felt the full impact of the recent decrease in the price of lead and zinc. Mining activity has been reduced and we face the prospect of a complete shutdown of our major producers, which would mean a complete demoralization of our town which is entirely dependent on the continuing operation of the mines which support it.

As mayor of Eureka City, Utah, I proclaimed May 25, 1953, as "Preserve Our Community Day" and called upon all our citizens to join in petitioning you to give full support to the sliding scale stabilization lead-zinc import tax provisions of H. R. 4294.

This petition, signed by only a few of the many vitally affected, is transmitted to you with the plea that you do all in your power to help this American community to preserve its way of life and its essential role as a contributor of vital materials needed in time of national peril.

Respectfully submitted.

MAYNARD CRONIN.

PARK CITY MUNICIPAL CORP.,
Park City, Utah, May 27, 1953.

The Honorable ARTHUR V. WATKINS,
United States Senate,
Washington, D. C.

DEAR SIR: You will be interested to know that May 25, 1953, was proclaimed as Preserve Your Community Day in Park City, Summit County, Utah. On this day all citizens were urged to sign a petition which supported the principle of House Resolution 4294 with respect to protections of the domestic lead and zinc industry through a sliding scale stabilization tax.

This noteworthy project was endorsed by the Park City Council and practically all civic organizations and citizens. The B. P. O. E. Lodge 734, Park City Kiwanis Club, Park City Lions Club, V. F. W. Post 3391, American Legion Frank E. Petersen Post 14, and Local Union 4264 Steelworkers of America were all active in obtaining signatures.

The feelings of the citizenry of Park City can be attested to by the fact that practically every adult in our city was happy to place his or her signature to this petition.

Sincerely yours,

EARLE W. RESEIGH,
Mayor.

HEBER CITY MUNICIPAL GOVERNMENT,
Heber City, Utah, May 27, 1953.

The Honorable ARTHUR V. WATKINS,
United States Senate,
Washington, D. C.

DEAR SIR: You will be interested to know that May 25, 1953, was proclaimed as Preserve Your Community Day in Heber City, Wasatch County, Utah. On this day all citizens were urged to sign a petition which supported the principle of House Resolution 4294 with respect to protections of the domestic lead and zinc industry through a sliding scale stabilization tax.

This noteworthy project was endorsed by the Heber City Council and practically all civic organizations and citizens. The Wasatch County Chamber of Commerce, Heber City Lions Club, V. F. W. Local 8885, American Legion Lockhart Post 23, Heber Valley Riding Club, and Local Union 4264 Steelworkers of America were all active in obtaining signatures.

The feelings of the citizenry of Heber can be attested to by the fact that practically every adult in our city was happy to place his or her signature to this petition.

Sincerely yours,

R. N. JIACOLETTI, *Mayor.*

UTAH HARD HIT BY FOREIGN BLOWS AT LEAD-ZINC PRICES

Utah's lead-zinc industry has been crippled by foreign governments and producers of strategic metals dumping their low priced products on the American market.

According to Paul H. Hunt, who recently testified in Phoenix for the Utah Mining Association before the House Committee on Small Business, of 30 Utah lead-zinc operators in 1952, only 8 are still active, 6 on a curtailed basis. By March 30, 1953, approximately 1,600 men had lost their jobs.

Mr. Hunt quoted S. H. Williston, chairman of the Strategic Minerals Committee, American Mining Congress, who summarized the situation by saying, "When we want and urgently need metals from abroad, we do not get them and when we do not need them, they come into the American market to depress prices and close down domestic plants."

Foreign metal dumping in the past 10 months forced the price of lead down from 19½ to 12 cents a pound, and zinc from 19½ to 11 cents. Mr. Hunt pointed out that most American mines cannot operate successfully at these prices.

DOMESTIC SHORTAGE

In tracing recent fluctuation of the lead-zinc market, Mr. Hunt recalled that in 1951 Government ceiling prices on zinc rose from 17½ to 19½ cents, while foreign producers were getting 31¼ cents on the western European market. This made it impossible to obtain zinc for American requirements and when use of zinc was curtailed, men in manufacturing industries lost their jobs.

In 1952, Mr. Hunt said, European demand for zinc fell off and the United States became a dumping ground. Prices dropped to 11 cents while imports in July rose to 60,000 tons. The year's total was 565,162 tons, an increase of 150 percent over 1951.

"Despite a smaller spread between foreign and domestic lead prices, the lead picture closely paralleled zinc. When supply caught up with demand, foreign sources unloaded and imports jumped from 257,900 tons in 1951 to 615,481 in 1952," Mr. Hunt said.

"Hope for the future of the industry in Utah and the entire country lies in H. R. 4294," Mr. Hunt said. He pointed out that this bill, recently introduced in Congress, through provisions that provide for a sliding scale of import taxes on lead and zinc, can strengthen and stabilize the industry to a point that will permit reopening of currently shutdown mines.

RESOLUTION OF TOOELE MILL AND SMELTERMEN'S UNION, LOCAL NO. 55, TOOELE, UTAH

Whereas we, the membership of Local 55, International Union of Mine, Mill and Smelter Workers, representing 350 employees of the International Smelting & Refining Co. at Tooele, Utah, who have just returned to work May 1, 1953, from a 4-month shutdown of concentrator and smelter caused from custom ore shortages resulting from existing low lead and zinc metal prices, feel very insecure as to future employment under existing metal price conditions; and

Whereas such interruption of employment as recently experienced causes serious economic loss to each of us and to this community as a whole: Be it

Resolved by the membership of this local union, That we as a group ask that assistance be given the lead-zinc industry in the manner proposed in H. R. 5496, sponsored by Representative RICHARD SIMPSON, now being considered by the House Ways and Means Committee under the chairmanship of Representative DANIEL A. REED.

HY JORDAN, *President.*
J. ROSS ROWBERRY,
Secretary.

THE GREAT SOCIALIST REVOLUTION

Mr. BUTLER of Maryland. Mr. President, some weeks ago I delivered a speech in the Senate on the problem of policy-influencing personnel in Government, in which it was my purpose to emphasize the following premise:

While the majority of Federal employees are not only loyal and reliable but void of any desire or intent to bring about the great Socialist revolution * * * there does exist a significant minority of Federal employees who during the past two administrations have striven purposely and resolutely to effectuate such a transformation. Because of the strategic positions the members of this minority occupy and because of their skill and experience, gained by many years of practice, in subverting Federal authority to their own ends, it can be fairly said that as long as they constitute a force in the Government no legislation, no matter how wisely drafted to further Republican programs, can be expected to maintain its character or to attain its goals.

This minority is to be found, chiefly, in those departments and agencies of the Government whose actions and policies affect, directly or indirectly, the economic and social institutions of the Nation. The members of this group include, in particular, professional employees, such as lawyers, economists, information specialists, writers, personnel experts, public-relations people, and political- and social-science analys' . What percentage of professional or policy-influencing employees in the Government are members of the forces of that great Socialist revolution * * * it is impossible to say. But experience and observation suggest that the percentage is sufficiently large to warrant the immediate and thoughtful attention of the new Republican administration.

Some members of [these] Socialist forces * * * still hold top positions in the Government as presidential appointees, and since they may be expected to be replaced as a result of the change in administration, they are not a primary concern. Most of them, however, occupy positions below the top and out of the public eye, ranging from confidential assistants, division heads, and section chiefs to minor and obscure subordinates. These should be of utmost concern to the new Republican administration. It is upon them, unless replaced or neutralized, that the Republican appointees, who are necessarily less expert and experienced in Government, will have to depend to a great extent for information, advice, and assistance in the performance of the innumerable duties of their offices. Government today is a system of wheels within wheels, wherein the small and obscure wheels grind out in great part the vast bulk of the decisions and policies for which the major and known wheels are ultimately responsible. Hence, if the policies and decisions of the new Republican administration are not to be frustrated, it will be necessary to remove from the Government whom ever among the small and obscure wheels may duly and fairly be shown to be Socialists in ideology and purpose, and replace them with personnel who are free of any anticapitalist, procollectivist bias.

Mr. President, having thus attempted to accentuate the seriousness of the personnel problem which confronts the new Republican administration, I should now

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like to discuss the manner in which such Government employees, whom I choose to describe as crypto-Socialists or collectivists, are continuing to influence policy under the new administration, are continuing to spread New Deal propaganda, and are consolidating and further entrenching themselves to work toward a return of the New Deal to power.

As an illustration, the Department of Labor, employing more than 6,000 persons, warrants immediate attention. The top echelon of the Department, in addition to the Secretary and Under Secretary, consists of four Assistant Secretaries, a number of assistants to the Secretary, numerous bureau chiefs, assistant bureau chiefs, confidential advisers, special assistants, information specialists, and the like. I need not point out that under the previous administration special care was exercised to insure that these positions were occupied by only the most militant and ideologically correct New Deal collectivists. It would be extremely difficult to find anywhere a group more thoroughly loyal to the New Deal or more completely devoted to the supposition that business and businessmen are bad and must necessarily be controlled and regimented by the Government, that private enterprise is selfish and corrupt, and that public ownership is essentially good and should increasingly supplant privately owned industries and institutions.

It is most disheartening to find that in spite of the emphatic repudiation of these ideas in the election of last November there has been virtually no change in the situation at the Department of Labor. The same individuals remain in the same jobs and carry on the same campaigns against the American free-enterprise system. The New Deal bureau chiefs, the New Deal special assistants, the New Deal information specialists and the New Deal lawyers and economists have been unaffected by the change of administration.

Just to give an example of the continual antiemployer propaganda which emanates from the Department of Labor, I call your attention to a speech which was made at the Maryland Federation of Labor convention a few weeks ago by a regional director of the Labor Department's Wage and Hour Division. The full significance of this speech, I feel, has been completely overlooked.

Mr. LONG. Mr. President, will the Senator yield?

Mr. BUTLER of Maryland. I am very happy to yield to the Senator from Louisiana.

Mr. LONG. Mr. President, is the Senator from Maryland persuaded that none of those people can be converted to take the opposite point of view now?

Mr. BUTLER of Maryland. I am completely so persuaded.

This official, a holdover from the previous administration, deplored the widespread violations by business enterprises of the minimum-wage, overtime-pay, and child-labor features of the wage-and-hour law. He charged that more than 50 percent of businesses inspected by the Wage and Hour Division are found in violation of the law, and said, "If we find these conditions when business is good, what is to be expected when the business cycle turns downward." In other words, this Labor Department spokesman was implying that businessmen are greedy and unscrupulous in good times as well as bad.

The fact is that these statistics on violations are completely false and misleading and are intended to put business and employers in the worst possible light. When a Wage-Hour investigator goes into a business establishment he carriers a voluminous stack of regulations of the Wage and Hour Division, and if he finds merely a technical violation of any of these highly complicated regulations affecting only one of possibly a thousand employees of the establishment, the entire establishment is recorded as in violation of the wage-and-hour law. In this way the Department of Labor accumulates and publicizes statistics about employer violations which, to the layman or uninitiated, are seemingly impressive. However, this type of antiemployer propaganda has been developed and extensively disseminated by the Department of Labor for many years under the New Deal-Fair Deal administrations, and this deliberate practice proceeds without the slightest interruption, since the same crypto-socialist group remains in the key positions in the Department.

Another demonstration of the anomalous results of continuing these New Dealers in positions of influence in the Department of Labor comes to light in connection with Taft-Hartley Act amendments currently being considered by the Congress. Ever since the enactment of the Taft-Hartley Act in 1947, the New Deal group in the Department of Labor has been bitterly and violently opposed to this act. They have made it clear time and again that they want total repeal of the Taft-Hartley Act and restoration of the Wagner Act. In 1949 they drafted a bill to accomplish this and used every known pressure and stratagem to obtain passage through the Congress. After this effort failed, they devoted themselves to writing inflammatory anti-Taft-Hartley speeches and articles, and in this way the Department of Labor became the central lobbying agency for repeal of the Taft-Hartley Act. The man who is now the Acting Solicitor of the Department of Labor even had the effrontery to launch an attack on the Taft-Hartley law before an international body, the International Labor Organization, in Geneva, Switzerland, in 1951. It is indeed an amazing spectacle to see an official, who is sworn to support and enforce the laws of the United States, brazenly denouncing a duly enacted law of the land for all the world to see and hear.

In the election campaign of 1952, the platform of the Republican Party called for support of the Taft-Hartley Act, with some modest amendments which would not affect the basic principles of the act. We now find the same New Deal group that has been bitterly fighting for Taft-Hartley repeal is advising the new administration as to what amendments should be made to the act. The press reports indicate that the proposals which this group is advocating as an administration position would amount to virtual repeal of all features of the act except those that were carried over from the Wagner Act.

Another shocking example of the perpetuation of New Dealers in influential positions in the Department of Labor surrounds the reduction in force now taking place in the Department as a result of the reduced appropriation which has been passed by the House. In executing the reductions in force, the hard-core New Dealers, most of whom are in the upper bureaucratic levels, have remained untouched and the cuts have been made almost exclusively among the lower grade employees. As an illustration, let me direct your attention to the proposed reorganization of the Solicitor's Office in the Department of Labor—a reorganization which has evolved from a budget reduction of $414,000 or approximately 23.7 percent.

Heretofore, the Solicitor's Office, the legal arm of the Department of Labor, has functioned with a Washington staff of 111 attorneys comprising 27 supervisory personnel and 84 in the nonsupervisory categories. With the completion of the pending reorganization, the Washington office will have a total payroll of 66 attorneys. On the surface, this would seem to be an effective reorganization with a reduction in force totaling 45 people.

But, let us look a little deeper. The new staff of 66 persons will be composed of 23 in the supervisory group and 43 in the nonsupervisory group. Reflect upon that point for a moment—23 supervisors and 43 workers—1 chief for less than every 2 Indians. In other words, a reduction of approximately 15 percent in supervisors, and nearly 50 percent in working attorneys.

Officials of the Department of Labor would undoubtedly claim that a desirable and practical reorganization will thus be achieved in the interest of the objectives of the Republican platform and policies, that the sanctity of civil service status has been preserved, and that there is legal justification for the disparity in numbers of supervisory and nonsupervisory personnel. They would, I am certain, neglect to allude to the deliberate and adroit manipulation of the unlimited or indefinite categories of civil service personnel for the specific intention of retaining people who are fully sympathetic to the New Deal and the socialistic tendencies which have prevailed during the past two administrations, most successfully in the Department of Labor. Parenthetically, let me state that many of those attorneys being retained are active members of the Americans for Democratic Action and are, or have been active in the National Lawyers Guild, organizations which are noted for New Deal-Fair Deal socialistic philosophies.

However, evidence that a pattern to continue these cryptosocialists in significant policy-influencing capacities has been established, is indusputable. The present reorganization of the Solicitor's Office was drafted with the obvious pur-

pose of protecting the collectivist bureaucrats who are unalterably wedded to the following thesis, which I mentioned in my earlier speech:

In the field of labor, which next to foreign affairs is the most sensitive and fertile field for Socialist infiltration, collectivist attitudes * * * manifest themselves primarily in a prounion, antimanagement bias. This prounion bias for labor does not spring, it must be stressed, from any real concern for wage earners or for the great free American labor movement as such. Labor unions are regarded by the crypto-Socialist not as integral and wholesome factors in the national economy nor as legitimate voluntary organizations seeking the social and economic welfare of their members within the framework of the American system of private capitalism, but rather as instruments for attaining a Socialist state.

As long as these cryptosocialists are retained in such sensitive assignments, as in the Labor Department Solicitor's office, the legislative proposals of the new Republican administration and the Congress cannot meet with favorable and unbiased consideration. What hope is there for any effective cooperation or receptive liaison from the Department, as long as conditions such as these are prolonged.

The efforts of the New Dealers in the Labor Department to perpetuate New Deal control of policy influencing positions under the Republican administration extend not only to the Department of Labor but also to the other vital labor agency of the Government, the National Labor Relations Board. Ever since the NLRB was established in 1935, the staffs of the Board and its Office of General Counsel have been encumbered with persons of extreme left-wing attitudes. Naturally enough, the decisions of the NLRB have reflected a marked antiemployer bias. More than any other agency of Government, the NLRB has been criticized for the partisan character of its rulings and decisions. In view of these facts it has been the opinion of many experts in the field of labor-management relations that a remedy for the problems arising under the Taft-Hartley Act cannot be achieved without a drastic change in the personnel responsible for administering this law.

In line with this, a number of bills have been introduced in this session of the Congress to reorganize the NLRB and its staff with the objective of creating a genuinely public-minded and impartial agency. This proposed legislation would eliminate the present office of General Counsel and would substitute therefor an Administrator and a new staff. It is my understanding that this proposal has high priority on the list of the changes in the Taft-Hartley Act which the administration is now considering. The Department of Labor has, however, adamantly opposed any changes in the organization of the Board or its office of General Counsel unless provision is made for a transfer of the present staff without any loss of status to the reorganized agency. In other words the Department of Labor wants all of the New Deal cryptosocialists of the Labor Board kept right where they are so that they can continue to preserve the partisan direction of Board decisions. What more concrete proof is required that the primary objective of the New Dealers is to protect their own.

Certainly this is a "dead giveaway." The Department of Labor, in considering desirable changes in the Taft-Hartley law, has a legitimate interest in the substantive provisions of the law, but the question of retaining the present personnel of the Board goes beyond the substance of the law and gets into the area of the ideological attitudes of the individuals concerned. The motivation for the Department's insistence upon retention of the present staff can only be a desire to maintain New Deal control of the Board. This is scarcely in harmony with the desires of the new administration to bring into government people who will carry out the philosophy of the new administration and assist in reversing the socialistic trend of government for the past 20 years.

Again, I voice a vigorous word of caution to the new administration. It is becoming increasingly more difficult to accomplish any change in Government as long as these cryptosocialists are permitted to remain in sensitive policy-determining positions. The time for positive corrective action is now.

The PRESIDING OFFICER. What is the pleasure of the Senate?

RECESS

Mr. BUTLER of Maryland. In accordance with the order previously entered, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 29 minutes p. m.) the Senate took a recess, the recess being under the order previously entered, until tomorrow, Tuesday, June 16, 1953, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 15 (legislative day of June 8), 1953:

OFFICE OF DEFENSE MOBILIZATION

Arthur S. Flemming, of Ohio, to be Director of the Office of Defense Mobilization.

COAST AND GEODETIC SURVEY

Subject to qualifications provided by law, the following for permanent appointment to the grades indicated in the Coast and Geodetic Survey:

To be commissioned commander

Charles A. Schoene — Fair J. Bryant
William N. Martin — Charles W. Clark
Harold J. Seaborg

To be commissioned lieutenant commander

William E Randall

To be commissioned lieutenant

Dewey G. Rushford
Gordon D. Scott

To be commissioned lieutenant (junior grade)

Julian W. Flint — William D. Barbee
David F. Romero — Robert A. Parker
Arthur R. Benton, Jr. — Herbert R. Lippold
Eugene A. Taylor — Roger F. Lanier

To be commissioned ensign

George W. Thompson
Floyd J. Tucker, Jr.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 15 (legislative day of June 8), 1953:

SECURITIES AND EXCHANGE COMMISSION

Ralph H. Demmler, of Pennsylvania, to be a member of the Securities and Exchange Commission, for the term expiring June 5, 1957.

DIPLOMATIC AND FOREIGN SERVICE

Amos J. Peaslee, of New Jersey, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Australia.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 15, 1953

The House met at 12 o'clock noon.

The Reverend Joseph V. Sullivan, S. T. D., assistant superintendent of Catholic schools, diocese of Kansas City, Mo., offered the following prayer:

We pray Thee, O God of might, wisdom, and justice, through whom authority is rightly administered, laws are enacted, and judgment decreed, assist with Thy holy spirit of counsel and fortitude the President of the United States, that his administration may be conducted in righteousness, and be eminently useful to Thy people over whom he presides; by encouraging due respect for virtue and religion; by a faithful execution of the laws in justice and mercy; and by restraining vice and immorality. Let the light of Thy divine wisdom direct the deliberations of Congress, and shine forth in all the proceedings and laws framed for our rule and government, so that they may tend to the preservation of peace, the promotion of national happiness, the increase of industry, sobriety, and useful knowledge; and may perpetuate to us the blessing of equal liberty. Amen.

The Journal of the proceedings of Thursday, June 11, 1953, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed a bill and joint resolution of the following titles, in which the concurrence of the House is requested:

S. 1273. An act to amend the act entitled "An act to incorporate the American University," approved February 24, 1893, so as to clarify the relations between the board of trustees of the American University and the board of education of the Methodist Church, and for other purposes; and

S. J. Res. 6. Joint resolution to provide for a continuance of civil government for the Trust Territory of the Pacific Islands.

The message also announced that the Vice President has appointed Mr. CARLSON and Mr. JOHNSTON of South Carolina members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition

of executive papers referred to in the report of the Archivist of the United States numbered 53–10.

TREASURY AND POST OFFICE APPROPRIATION BILL

The SPEAKER laid before the House the following message from the Clerk of the House, which was read:

JUNE 11, 1953.

The honorable the SPEAKER,
House of Representatives.

SIR: Pursuant to authority granted on June 11, 1953, the Clerk today received from the Secretary of the Senate the following message:

That the Senate had passed without amendment H. R. 5174, entitled "An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1954, and for other purposes."

Very truly yours,
LYLE O. SNADER,
Clerk of the House of Representatives.

RESIGNATION OF NORRIS POULSON

The SPEAKER laid before the House the following resignation of a Member:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C.,
June 11, 1953.

Hon. JOSEPH MARTIN,
Speaker of the House of Representatives,
Washington, D. C.

DEAR MR. SPEAKER: I herewith inform you that I have this day transmitted to the Governor of California my resignation as a Repesentative in the Congress of the United States from the 24th Congressional District of California to take effect at midnight of this date.

Very truly yours,
NORRIS POULSON.

ROBERT T. ASHMORE

The SPEAKER laid before the House the following message from the Clerk of the House, which was read:

JUNE 15, 1953.

The honorable the SPEAKER,
House of Representatives.

SIR: A certificate of election in due form of law, showing the election of the Honorable ROBERT T. ASHMORE as Representative-elect to the 83d Congress from the Fourth Congressional District of the State of South Carolina, to fill the vacancy caused by the death of the Honorable Joseph R. Bryson, has been received and is on file in this office.

Respectfully yours,
LYLE O. SNADER,
Clerk of the House of Representatives.

Mr. ASHMORE appeared at the bar of the House and took the oath of office.

CITY OF CINCINNATI, OHIO

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4730) to provide for the conveyance by the United States to the city of Cincinnati, Ohio, of certain lands formerly owned by that city, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 8, strike out "14" and insert "5."
Page 2, line 5, strike out "primarily."
Page 2, line 8, strike out "purposes" and insert "purpose."

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

MINORITY VIEWS

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent that we be permitted to file minority views on the bill H. R. 5710.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

SPECIAL ORDER GRANTED

Mrs. ROGERS of Massachusetts asked and was given permission to address the House for 10 minutes today, at the conclusion of the legislative program and following any special orders heretofore entered.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

AMENDING NATIONAL SCIENCE FOUNDATION ACT OF 1950

The Clerk called the bill (H. R. 4689) to amend the National Science Foundation Act of 1950.

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

CONSOLIDATION OF EXISTING LAWS RELATING TO COOPERATIVE AGRICULTURAL EXTENSION WORK

The Clerk called the bill (H. R. 4677) to repeal certain acts relating to cooperative agricultural extension work and to amend the Smith-Lever Act of May 8, 1914, to provide for cooperative agricultural extension work between the agricultural colleges in the several States, Territories, and possessions receiving the benefits of an act of Congress approved July 2, 1862, and of acts supplementary thereto, and the United States Department of Agriculture.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. CUNNINGHAM. Mr. Speaker, on May 21, 1953, a bill, S. 1679, an identical bill passed the other body. Therefore, I ask unanimous consent, Mr. Speaker, for the present consideration of the bill (S. 1679) in lieu of the House bill, to repeal certain acts relating to cooperative agricultural extension work and to amend the Smith-Lever Act of May 8, 1914, to provide for cooperative agricultural extension work between the agricultural colleges in the several States, Territories, and possessions receiving the benefits of an act of Congress approved July 2, 1862, and of acts supplementary thereto, and the United States Department of Agriculture.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

Mr. BYRNES of Wisconsin. Mr. Speaker, reserving the right to object, this bill deals with the cooperative agricultural extension work. It is a very important bill. I wonder if the chairman of the Committee on Agriculture could give us a brief explanation of the purposes and objectives of the bill and the changes made.

Mr. HOPE. Mr. Speaker, this bill is in effect a consolidation and a rewriting of 10 laws now on the statute books relating to the extension service. All of them authorize some phase of the activities of the Extension Service. It was felt, in view of the fact that there are certain conflicts between the bills and certain overlappings and duplications, it would be better to draft one bill which would include all of the provisions and also take care of one or two features which have caused trouble from time to time with reference to the appropriations. That is the sole purpose of the legislation—to consolidate all of these laws into one law in order that the Congress and the Committee on Appropriations particularly might have a better idea of what we are appropriating for and the purposes for which the money is to be spent and also to take care of some of the overlapping and duplications in bookkeeping which occur under the present legislation.

Mr. BYRNES of Wisconsin. I notice in going over the bill that there is reference to freezing of the Federal allocations to the States at the amount the States received in the 1953 fiscal year. Does that mean that the hands of the Appropriations Committee are going to be tied so that they have to give at least the amount that they gave in the fiscal year 1953 for each one of these various programs?

Mr. HOPE. I will be glad to answer the gentleman's question. He obviously is referring to the provisions of section 3, and particularly section 3 (b), which provides that "out of the sums which are authorized to be appropriated each State shall be entitled to receive annually a sum of"—and I am quoting from the bill now—"equal to the sums received from the Federal cooperative extension funds for the fiscal year 1953."

That language, of course, is modified by section 3 (a) which merely authorizes the appropriation of such sums as Congress may from time to time determine to be necessary. Then section 3 (e) says that out of such sums each State shall be entitled to receive a sum of money equal to the amount received this year.

That obviously means that it will be divided in the same proportion as was

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provided this year. If the full amount is appropriated, then the allocation will be just the same. If less, it will be divided on the same basis. That provision was put in the bill for the reason that there has been some confusion in the past due to the fact that some allocations were made on the basis of rural population and some on farm population. So it was necessary for us to pass a bill in the last session of Congress to deal with that matter for the fiscal year 1953. That was dealt with in a satisfactory way; and all that this does is to say that in the future it shall be apportioned in the same way as in 1953 up to the full amount received by each State in 1953. Any sums appropriated above the 1953 amount will be divided according to the formula set out in subsection (c).

Mr. BYRNES of Wisconsin. In other words, this freeze relates to the formula to be used in granting aid to the various States, but does not relate to the amount of funds that Congress shall be obligated to appropriate?

Mr. HOPE. That is correct. That is a matter which would have to be settled by the Appropriations Committee. There is no obligation in the bill which would compel the Appropriations Committee to appropriate any fixed amount.

Mr. BYRNES of Wisconsin. There is no guaranty to the States by this provision that they will always get at least the amount of money that they received in the final year 1953; is that correct?

Mr. HOPE. No. The only guaranty is that the same formula will be used in making the apportionments up to the amount received in 1953.

Mr. BYRNES of Wisconsin. I thank the gentleman.

Mr. McCORMACK. Mr. Speaker, reserving the right to object, I am very much interested in the changed formula for the distribution of any funds appropriated. Will the gentleman state what the change is or will be? I notice it is 4 percent to each State and then 50 percent of the remainder is based on the farm population; and the other 50 percent on the rural population.

I was wondering just what effect that will have in relation to the allocation of heretofore appropriated funds.

Mr. HOPE. That language fixes the formula the same as the formula for 1953. Last year, under the formula which was then in effect, some States lost funds and some States gained, due to the figures under the census of 1950. We worked out a formula which provided that no State should lose any funds for this fiscal year due to the application of that formula. We continued that formula as the basis for distribution in the future.

This formula, I think has proven eminently satisfactory. And that is the reason for the language which I was just discussing with the gentleman from Wisconsin (Mr. BYRNES). So that each State will receive the same proportion percentagewise from now on of whatever funds are appropriated, as they received for the fiscal year 1953.

Mr. McCORMACK. But I am interested in what will be the effect of the changed formula from that which has existed heretofore. In other words, each State heretofore was guaranteed or assured $10,000 in the first instance.

Mr. HOPE. It does not affect that at all.

Mr. McCORMACK. This does not affect it?

Mr. HOPE. No.

Mr. McCORMACK. Not that I am thinking in terms of Massachusetts, because I like to think in terms of the Nation as a whole, but would the gentleman take the case of Massachusetts, which is an industrial State, and let us know what effect this particular bill will have upon the allocation of appropriated funds to Massachusetts under this bill, if it becomes law, and under the existing law?

Mr. HOPE. I will say to the gentleman that as far as Massachusetts is concerned, for the fiscal year 1953 the State of Massachusetts received $221,281.47. Under this bill the apportionment is frozen at those figures percentagewise as compared with the proportion which goes to other States; so that is the formula that we are freezing in the fund.

Mr. McCORMACK. That is frozen for 1 year; is that it?

Mr. HOPE. In other words, if the appropriations for future years are in the same amount as they were for this year that would be the amount Massachusetts would receive; if they are less for the future than for the current year, then Massachusetts would receive the same percentage that it received this year.

Mr. McCORMACK. I want to assure the gentleman publicly, as I have privately and to others behind his back, that I have deep respect for my friend and complete confidence in him. I am very proud of my association with him and I deeply respect him. Any bill that comes from his committee, particularly one with a unanimous report would make a strong prima facie case in my mind.

I am not opposing the bill, I am simply inquiring, because the thought probably will come to other Members as it did to me, and it will be in the minds of other people who read this bill—I am interested only to find out for the record what difference if any there would be between the allocation of appropriated funds under the law as it now exists and what it will be under the law if this bill is enacted. I am not talking about the freezing of the funds, I am talking only about the 4 percent as compared with the remaining 96 percent.

Mr. HOPE. I thought I answered the gentleman's question.

Mr. McCORMACK. I am sure the gentleman did, but it is rather difficult for me to understand agricultural matters, so would the gentleman explain it again?

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Illinois.

Mr. MASON. The fact is that this bill does not change the formula one iota; the formula was changed last year. This freezes that formula.

Mr. McCORMACK. And the 4 percent and the remaining 96 percent is not changed. The existing formula is not changed.

Mr. HOPE. No, the formula which was fixed last year is continued under this bill. We are continuing that formula, and if the appropriations are the same in future years as they were for fiscal 1953 then the gentleman's State of Massachusetts would receive $221,281.47. If they are less it will be reduced proportionately under the formula, and if they are more it will be increased on the basis of the formula in subsection (c).

Mr. McCORMACK. In other words, if I understand my friend correctly, no matter what amount is appropriated, under this formula of distribution they will receive percentagewise what they receive now, not in terms of dollars but in terms of percentages.

Mr. HOPE. The percentage for fiscal 1953.

Mr. McCORMACK. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Iowa to substitute the Senate bill for the House bill?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the act of May 8, 1914 (38 Stat. 372), is hereby amended to read as follows:

"SECTION 1. In order to aid in diffusing among the people of the United States useful and practical information on subjects relating to agriculture and home economics, and to encourage the application of the same, there may be continued or inaugurated in connection with the college or colleges in each State, Territory, or possession, now receiving, or which may hereafter receive, the benefits of the act of Congress approved July 2, 1862, entitled 'An act donating public lands to the several States and Territories which may provide colleges for the benefit of agriculture and the mechanic arts' (12th Statutes at Large, p. 503), and of the act of Congress approved August 30, 1890 (26th Statutes at Large, p. 417 and ch. 841), agricultural extension work which shall be carried on in cooperation with the United States Department of Agriculture: *Provided*, That in any State, Territory, or possession in which two or more such colleges have been or hereafter may be established, the appropriations hereinafter made to such State, Territory, or possession shall be administered by such college or colleges as the legislature of such State, Territory, or possession may direct.

"SEC. 2. Cooperative agricultural extension work shall consist of the giving of instruction and practical demonstrations in agriculture and home economics and subjects relating thereto to persons not attending or resident in said colleges in the several communities, and imparting information on said subjects through demonstrations, publications, and otherwise and for the necessary printing and distribution of information in connection with the foregoing; and this work shall be carried on in such manner as may be mutually agreed upon by the Secretary of Agriculture and the State agricultural college or colleges receiving the benefits of this act.

"SEC. 3. (a) There are hereby authorized to be appropriated for the purposes of this act such sums as Congress may from time to time determine to be necessary.

"(b) Out of such sums, each State, Alaska, Hawaii, Puerto Rico, and the Federal Extension Service shall be entitled to receive

annually a sum of money equal to the sums received from Federal cooperative extension funds for the fiscal year 1953, and such sums shall be subject to the same requirements as to furnishing of equivalent sums by the State, Alaska, Hawaii, and Puerto Rico as existed immediately prior to the passage of this act, except that amounts heretofore made available to the Secretary for allotment on the basis of special needs shall continue available for use on the same basis: *Provided*, That, in addition, Puerto Rico shall be authorized to receive the total initial amount set by the provisions of the act of October 26, 1949 (63 Stat. 926), and this amount shall be increased each succeeding fiscal year in accordance with such provisions until the total sum shall include the maximum amount set by the provisions of the act October 26, 1949, and Puerto Rico shall be entitled to receive such amount annually thereafter.

"(c) Any sums made available by the Congress for further development of cooperative extension work in addition to those referred to in subsection (b) hereof shall be distributed as follows:

"1. Four percent of the sum so appropriated for each fiscal year shall be allotted among the States, Alaska, Hawaii, and Puerto Rico by the Secretary of Agriculture on the basis of special needs as determined by the Secretary.

"2. Fifty percent of the remainder of the sum so appropriated for each fiscal year shall be paid to the several States, Alaska, Hawaii, and Puerto Rico in the proportion that the rural population of each bears to the total rural population of the several States, Alaska, Hawaii, and Puerto Rico, as determined by the census, and the remainder shall be paid to the several States, Alaska, Hawaii, and Puerto Rico in the proportion that the farm population of each bears to the total farm population of the several States, Alaska, Hawaii, and Puerto Rico, as determined by the census: *Provided*, That payments out of the additional appropriations for further development of extension work authorized herein may be made subject to the making available of such sums of public funds by the States, Alaska, Hawaii, and Puerto Rico from non-Federal funds for the maintenance of cooperative agricultural extension work provided for in this act, as may be provided by the Congress at the time such additional appropriations are made: *Provided further*, That any appropriation made hereunder shall be allotted in the first and succeeding years on the basis of the decennial census current at the time such appropriation is first made, and as to any increase, on the basis of decennial census current at the time such increase is first appropriated.

"(d) The Federal Extension Service shall receive such amounts as Congress shall determine for administration, technical, and other services and for coordinating the extension work of the Department and the several States, Territories, and possessions.

"SEC. 4. On or about the first day of July in each year after the passage of this act, the Secretary of Agriculture shall ascertain as to each State, Territory, or possession whether it is entitled to receive its share of the annual appropriation for cooperative agricultural extension work under this act and the amount which it is entitled to receive. Before the funds herein provided shall become available to any college for any fiscal year, plans for the work to be carried on under this act shall be submitted by the proper officials of each college and approved by the Secretary of Agriculture. Such sums shall be paid in equal semiannual payments on the first day of January and July of each year to the treasurer or other officer of the State, Territory, or possession duly authorized by the laws of the State, Territory, or possession to receive the same, and such officer shall be required to report to the Secretary of Agriculture on or about the first day of January of each year, a detailed statement of the amount so received during the previous fiscal year and its disbursement, on forms prescribed by the Secretary of Agriculture.

"SEC. 5. If any portion of the moneys received by the designated officer of any State, Territory, or possession, for the support and maintenance of cooperative agricultural extension work, as provided in this act, shall by any action or contingency be diminished or lost or be misapplied, it shall be replaced by said State, Territory, or possession, and until so replaced no subsequent appropriation shall be apportioned or paid to said State, Territory, or possession. No portion of said moneys shall be applied, directly or indirectly, to the purchase, erection, preservation, or repair of any building or buildings, or the purchase or rental of land, or in college-course teaching, lectures in college, or any other purpose not specified in this act. It shall be the duty of said colleges, annually, on or about the first day of January, to make to the Governor of the State, Territory, or possession in which it is located a full and detailed report of its operations in extension work as defined in this act, including a detailed statement of receipts and expenditures from all sources for this purpose, a copy of which report shall be sent to the Secretary of Agriculture.

"SEC. 6. If the Secretary of Agriculture finds that a State, Territory, or possession is not entitled to receive its share of the annual appropriation, the facts and reasons therefor shall be reported to the President, and the amount involved shall be kept separate in the Treasury until the expiration of the Congress next succeeding a session of the legislature of the State, Territory, or possession from which funds have been withheld in order that the State, Territory, or possession may, if it should so desire, appeal to Congress from the determination of the Secretary of Agriculture. If the next Congress shall not direct such sum to be paid, it shall be covered into the Treasury.

"SEC. 7. The Secretary of Agriculture shall make an annual report to Congress of the receipts, expenditures, and results of the cooperative agricultural extension work in all of the States, Territories, or possessions receiving the benefits of this act, and also whether the appropriation of any State, Territory, or possession has been withheld, and, if so, the reason therefor.

"SEC. 8. The Secretary of Agriculture is authorized to make such rules and regulations as may be necessary for carrying out the provisions of this act."

SEC. 2. The acts or parts thereof enumerated below are hereby repealed:

The Capper-Ketcham Act of May 22, 1928 (45 Stat. 711), as amended by the act of March 10, 1930 (46 Stat. 83).

Section 21 of the Bankhead-Jones Act of June 29, 1935 (49 Stat. 438), as amended by section 2 of the act of June 6, 1945 (59 Stat. 233).

Section 23 of the Bankhead-Jones Act as added by the act of June 6, 1945 (59 Stat. 231), and as amended by the act of October 26, 1949 (Public Law 406, 81st Cong.).

The act of August 28, 1937 (50 Stat. 881).

The act of April 24, 1939 (53 Stat. 589), as amended by section 707 of the act of September 21, 1944 (58 Stat. 742).

The act of October 27, 1949 (Public Law 417, 81st Cong.).

The act of May 16, 1928 (45 Stat. 571), insofar as it relates to extension work.

The act of February 23, 1929 (45 Stat. 1256), insofar as it relates to extension work.

The act of March 4, 1931 (46 Stat. 1520), insofar as it relates to extension work.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

H. R. 4677 was laid on the table.

TO AMEND THE COLOR OF TITLE ACT

The Clerk called the bill (H. R. 1308) to amend the Color of Title Act.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the part of section 1 of the act of December 22, 1928 (45 Stat. 1069; 43 U. S. C., 1946 ed., sec. 1068 et seq.), preceding the first proviso is amended to read as follows:

"That the Secretary of the Interior (a) shall, whenever it shall be shown to his satisfaction that a tract of public land has been held in good faith and in peaceful, adverse, possession by a claimant, his ancestors or grantors, under claim or color of title for more than 20 years, and that valuable improvements have been placed on such land or some part thereof has been reduced to cultivation, or (b) may, in his discretion, whenever it shall be shown to his satisfaction that a tract of public land has been held in good faith and in peaceful, adverse, possession by a claimant, his ancestors or grantors, under claim or color of title for the period commencing not later than January 1, 1901, to the date of application during which time they have paid taxes levied on the land by State and local governmental units, issue a patent for not to exceed 160 acres of such land upon the payment of not less than $1.25 per acre:".

SEC. 2. The following section is added to the act of December 22, 1928, supra:

"SEC. 3. If the claimant requests that the patent to be issued under this act not contain a mineral reservation and if he can establish to the satisfaction of the Secretary that the requirements of this act have been complied with by such claimant and his predecessors for the period commencing not later than January 1, 1901, to the date of application, no mineral reservation shall be made unless the lands are, at the time of issuance of the patent, within a mineral withdrawal or subject to an outstanding mineral lease."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONTRACTS WITH THE SIOUX INDIANS

The Clerk called the bill (H. R. 2231) to authorize the negotiation and ratification of separate settlement contracts with the Sioux Indians of the Lower Brule and the Crow Creek Reservations in South Dakota for Indian lands and rights acquired by the United States for the Fort Randall Dam and Reservoir, Missouri River development; and to authorize an appropriation for the removal from the taking area of the Fort Randall Dam and Reservoir, Missouri River development, and the reestablishment of the Indians of the Yankton Indian Reservation in South Dakota.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Chief of Engineers, Department of the Army, and the Secretary of the Interior, jointly represent-

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ing the United States of America are hereby authorized and directed to negotiate separate contracts containing the provisions outlined in this act with the Sioux Indians of the Lower Brule Reservation, S. Dak., and with the Sioux Indians of the Crow Creek Reservation, S. Dak., acting through representatives of each tribe appointed for such purpose by its tribal council.

SEC. 2. The contract with each tribe negotiated pursuant to section 1 of this act shall—

(a) convey to the United States title to all tribal, allotted, assigned, and inherited lands or interests therein belonging to the Indians of the tribe, and title to all undivided interests in such allotted or inherited lands owned by non-Indians or by Indian nonmembers of the tribe, required by the United States for the reservoir to be created by the construction of the dams across the Missouri River in South Dakota, to be known as Fort Randall Dam, including such lands along the margins as may be required by the Chief of Engineers, Department of the Army, for the protection, development, and use of said reservoir: *Provided*, That the contract may provide for retention by the owners of any mineral interests in such lands that are not needed by the United States for the protection of such dam and reservoir;

(b) provide for the payment of—

(1) just compensation for the lands and improvements and interests therein conveyed by the contract;

(2) costs of relocating the tribe and its members who reside upon the lands conveyed by the contract in a manner that will reestablish and protect their economic, social, religious, and community life;

(3) costs of relocating Indian cemeteries, tribal monuments, and shrines located upon the lands conveyed by the contract.

(c) Provide a schedule of dates for the orderly removal of the Indians and their personal property from the taking area of the Fort Randall Reservoir within the reservation; and

(d) Provide for the final and complete settlement of all claims by the tribe and its members against the United States arising because of the construction of the Fort Randall project.

SEC. 3. The just compensation payable for the individual property of any person conveyed pursuant to subsection (a) of section 2 of this act shall be judicially determined, if such person rejects the compensation specified in the contract with the tribe, in proceedings instituted for such purpose by the Department of the Army in the United States district court for the district in which the lands are situated.

SEC. 4. To assist the negotiators in arriving at the amount of just compensation payable for the property conveyed pursuant to subsection (a) of section 2 of this act, the Secretary of the Interior and the Chief of Engineers, Department of the Army, shall cause to be prepared an appraisal schedule on an individual tract basis of the tribal, allotted, and assigned lands, including heirship interests therein, located within the taking area in each reservation. The appraisal schedule shall show the fair market value of the lands, giving full and proper weight to the following elements of appraisal, among others: Improvements, severance damage, standing timber, mineral rights, and the uses to which the lands are reasonably adapted. The appraisal schedule shall be transmitted to the representatives of the tribe appointed to negotiate a contract, and shall be used as a basis for determining the amount of just compensation to be included in the contract.

SEC. 5. The specification in section 2 of this act of certain provisions to be included in each contract shall not preclude the inclusion of other provisions beneficial to the Indians who are parties of such contracts.

SEC. 6. Each contract negotiated pursuant to this act shall be submitted to the Congress for approval. The Chief of Engineers, Department of the Army, and the Secretary of the Interior are requested to submit such contract within 1 year from the date of approval of this act. In the event the negotiating parties are unable to agree on any provision in the proposed contracts such provision shall be included in an appendix to the contract, together with the views of each party, for consideration and determination by Congress. The contract shall not take effect unless, after determination of any disputed provision, it is ratified by act of Congress and is ratified within 6 months after such action by the Congress by a majority of the adult members of the tribe: *Provided*, That when so ratified the contract shall constitute a taking by the United States as of the date the contract was signed by the Chief of Engineers, Department of the Army, and the Secretary of the Interior, for purposes of determining the ownership of the Indian tribal, allotted, and assigned lands and interests therein.

SEC. 7. Nothing in this act shall be construed to restrict completion of the Fort Randall Dam to provide flood protection and other benefits on the Missouri River.

SEC. 8. The Secretary of Defense is hereby authorized and directed to transfer to the Secretary of the Interior from any appropriation available for the Fort Randall Dam and Reservoir project for the fiscal year ending June 30, 1953, the sum of $106,500, which shall be available until expended for the purpose of relocating the members of the Yankton Sioux Tribe, South Dakota, who reside or have resided, on tribal and allotted lands acquired by the United States for the Fort Randall Dam and Reservoir project, Missouri River Development, in a manner that will reestablish and protect their economic, social, religious, and community life. Title to any lands acquired within Indian country pursuant to this section shall be taken in the name of the United States in trust for the Yankton Sioux Tribe or members thereof. The said sum of $106,500 shall be assessed against the costs of the Fort Randall Dam and Reservoir, Missouri River Development.

With the following committee amendments:

Page 2, line 21, strike out "mineral interests" and insert: "oil and gas rights."

Page 5, line 4, after the word "act.", insert "If the negotiating parties are unable to agree on a proposed contract each party shall submit to the Congress separate detailed reports of the negotiations, together with their recommendations."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to authorize the negotiation and ratification of separate settlement contracts with the Sioux Indians of the Lower Brule and the Crow Creek Reservations in South Dakota for Indian lands and rights acquired by the United States for the Fort Randall Dam and Reservoir, Missouri River development, to authorize a transfer of funds from the Secretary of Defense to the Secretary of the Interior and to authorize an appropriation for the removal from the taking area of the Fort Randall Dam and Reservoir, Missouri River development, and the reestablishment of the Indians of the Yankton Indian Reservation in South Dakota."

A motion to reconsider was laid on the table.

NATIONAL TRUST FOR HISTORIC PRESERVATION IN THE UNITED STATES

The Clerk called the bill (H. R. 3581) to further the policy enunciated in the act of October 26, 1949 (63 Stat. 927), to facilitate public participation in the preservation of sites, buildings, and objects of national significance or interest by providing for a National Trust for Historic Preservation in the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in order to further the policy of historic preservation in the United States as enunciated in the act of October 26, 1949 (63 Stat. 927), the 3d, 4th, and 5th sentences of section 3 of that act are hereby amended to read as follows: "The number of general trustees shall be fixed by the Board of Trustees of the National Trust and shall be chosen by the members of the National Trust from its members at any regular meeting of said National Trust. The respective terms of office of the general trustees shall be as prescribed by said board of trustees but in no case shall exceed a period of 5 years from the date of election. A successor to a general trustee shall be chosen in the same manner and shall have a term expiring 5 years from the date of the expiration of the term for which his predecessor was chosen, except that a successor chosen to fill a vacancy occurring prior to the expiration of such term shall be chosen only for the remainder of that term."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TERRITORY OF ALASKA

The Clerk called the bill (H. R. 1802) to amend the act of Congress approved March 4, 1915 (38 Stat. 1214), as amended.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SAYLOR. Mr. Speaker, I object.

BROADKILL RIVER, DELAWARE

The Clerk called the bill (S. 639) to provide for the abandonment of a certain part of the Federal project for the Broadkill River in Delaware.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Chief of Engineers of the Department of the Army is authorized and directed to abandon the part of the Federal project for the Broadkill River in Delaware, adopted March 3, 1873, and modified March 2, 1907, which provides for an entrance channel from such river to Delaware Bay.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SURFACE RIGHTS VESTED IN THE LOCATOR OF A MINING CLAIM

The Clerk called the bill (H. R. 4983) to define the surface rights vested in the

locator of a mining claim hereafter made under the mining laws of the United States, prior to issuance of patent therefor, and for other purposes.

Mr. MOULDER. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. D'EWART. Mr. Speaker, reserving the right to object, I hope the gentleman will not insist upon his request to pass over this bill without prejudice because it is important legislation. The bill proposes to stop the entry of certain fraudulent mining claims. This matter was brought to the attention of the public all over the country through a featured article recently carried in Collier's magazine in which was described how these fraudulent mining claims were entered and how they went to patent. This bill is the answer to those fraudulent mining claims. It has the endorsement of the American Mining Congress and I firmly believe it will correct this evil to a very large extent and that it is very much in the public interest. The bill was unanimously reported by our committee, but its enactment will have to be postponed unless the gentleman withdraws his request.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

TUNGSTEN ORES AND CONCENTRATES IN THE UNITED STATES

The Clerk called the bill (H. R. 2824) to encourage the discovery, development, and production of tungsten ores, and concentrates in the United States, its Territories and possessions, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That this act may be cited as the "Domestic Tungsten Program Extension Act of 1953."

DECLARATION OF POLICY

SEC. 2. It is hereby recognized that the continued dependence on overseas sources of supply for strategic or critical minerals and metals during periods of threatening world conflict or of political instability within those nations controlling the sources of supply of such materials gravely endangers the present and future economy and security of the United States. It is therefore declared to be the policy of the Congress that each department and agency of the Federal Government charged with responsibilities concerning the discovery, development, production, and acquisition of strategic or critical minerals and metals shall undertake to decrease further and to eliminate where possible the dependency of the United States on overseas sources of supply of each such material.

SEC. 3. In accordance with the declaration of policy set forth in section 2 of this act, the termination date of the domestic tungsten program, as amended, which program was established by regulation issued pursuant to Public Law 774 (81st Cong., ch. 932, 2d sess.), shall be extended an additional 2 years to July 1, 1958: *Provided*, That this section is not intended and shall not be construed to limit or restrict the regulatory agencies from extending the termination date of the domestic tungsten program beyond July 1, 1958, or from increasing the quantity of tungsten that may be delivered and accepted under the program as permitted by existing statutory authority.

With the following committee amendment:

Page 2, after line 21, insert the following section:

"SEC. 4. In order that those persons who produce or who plan to produce under purchase programs established pursuant to Public Law 774 (81st Cong.) and Public Law 96 (82d Cong.) may be in position to plan their investment and production with due regard to requirements, the responsible agencies controlling such purchase programs are directed to publish at the end of each calendar quarter the amounts of each of the ores and concentrates referred to in section 3 purchased in that quarter and the total amounts of each which have been purchased under the program."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. That completes the call of bills on the Consent Calendar.

ADDITIONAL INDEPENDENT EXECUTIVE BUREAUS, BOARDS, COMMISSIONS, CORPORATIONS, AGENCIES, AND OFFICES APPROPRIATION BILL, 1954

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 285, Rept. No. 553), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5690) making appropriations for additional independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes, and all points of order against said bill or any provisions contained in said bill are hereby waived. After general debate, which shall be confined to the bill and continue not to exceed 4 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

COMMITTEE ON FOREIGN AFFAIRS

Mr. VORYS. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may have until midnight tonight to file a report on the bill H. R. 5710.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

TRADE AGREEMENTS EXTENSION ACT OF 1953

Mr. ALLEN of Illinois. Mr. Speaker, I call up House Resolution 275 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5495) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered as having been read for amendment. No amendments shall be in order to said bill except amendments offered by direction of the Committee on Ways and Means or an amendment proposing to strike out title II of the bill, and said amendments shall be in order, any rule of the House to the contrary notwithstanding. Amendments offered by direction of the Committee on Ways and Means may be offered to any section of the bill at the conclusion of the general debate, but such amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 30 minutes to the gentleman from Virginia [Mr. SMITH] and yield myself such time as I may desire.

Mr. Speaker, I urge the adoption of this resolution which provides for the consideration of the bill (H. R. 5495) to extend the authority of the President of the United States to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended. H. R. 5495 proposes to extend that authority until June 12, 1954.

Mr. Speaker, the Committee on Ways and Means has reported this measure practically unanimously, which clearly indicates, I believe, that there will not be much opposition to the rule or to the bill. Another purpose of this measure is to increase the membership of the Tariff Commission from 6 to 7 members.

This is not exactly an open rule, neither is it exactly a closed rule. It is what you might probably consider a limited rule. It gives the members of the Committee on Ways and Means the right to offer amendments and it also gives a clear-cut vote on the so-called Cooper amendment in regard to the increase of the Tariff Commission from 6 to 7 members. This was the main point in controversy, and I repeat that it gives the membership an absolute vote on that question.

I think, Mr. Speaker, I should inform the House that no motion to strike out the last word is in order; therefore debate on the so-called Cooper amend-

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ment to strike out title II will be limited to 10 minutes, 5 minutes for and 5 minutes against.

Mr. Speaker, I urge the adoption of this resolution.

Mr. SMITH of Virginia. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, I ask unanimous consent to proceed out of order and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MILLER of California. Mr. Speaker, I wish to direct the thoughtful attention of my colleagues of the House of Representatives to the lamentable plight in which the classified civil-service employees and faithful postal workers find themselves.

The Congress has reserved to itself the right of fixing the salaries of the people in these groups. In the case of certain skilled artisans and production workers, it has delegated this authority to wage boards who can act to adjust salaries on their own initiative, subject, of course, to certain limitations of law. People employed in those fields know to whom to go with their pleas for relief.

This is not the case with classified employees or postal workers. They must come to a Congress worried by the momentous affairs of the day who have a tendency to consider this responsibility secondary to more pressing problems.

It means little to us—just another chore, another bill to pass—but to our employees it means the difference between happiness, contentment, and a full life and living debt-ridden on the ragged edge of poverty.

Never in the years that I have been here have we ever granted our loyal, hard-working Government workers a salary increase in keeping with the ever-rising cost of living. We have temporized. We have turned to expediency in the name of economy.

We have lagged in their salary adjustments. We have pursued the unrealistic policy of letting the cost of living run away ahead of their salaries and then only partially closing the ever-widening gap.

An upward salary adjustment for classified employees and postal workers is now overdue. In justice to them we should act at once.

Our pennywise and pound foolish policy is undermining the morale of Government workers. We have sniped at the fringe privileges that they once enjoyed through the adoption of riders on appropriation bills. We have caused confusion in their minds by the introduction of other riders that would destroy the implied guaranties of tenure, one of the baits we hold out to get people to enter Government service, riders that would substantially abolish job rights, including veterans' preference.

The newspapers say that we are shooting for a July 31 adjournment. If this is the case it is all the more reason that we should act with dispatch on this problem so important to so many.

Put yourself in the position of a Government worker in the middle bracket trying to maintain a home and a family in the proud American tradition. Analyze the cost of living of this group. Compare it with their salaries. I had a survey made by postal workers some time ago. We found 75 percent of them had to supplement their incomes with either outside jobs or have their wives work. This, you will agree, is not a happy, wholesome condition.

These people feel frustrated. They know not to whom to turn except to us and we find ourselves too busy to give their just case the prompt attention it warrants.

They cannot strike as can employees of industry. Why the very officers of their organizations or unions cannot officially be recognized by the heads of several agencies of Government. We should, at least, accord them this privilege so that they would then have a spokesman to plead their cause.

Let us, in the interest of economy, recognize the plight of our faithful employees to a proper upward salary adjustment and let us act at once.

Mr. SMITH of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. SMITH].

Mr. SMITH of Mississippi. Mr. Speaker, I desire to speak in support of this rule, which I think is wisely reported by the Committee on Rules, to give the Members of Congress and Members of the House an opportunity to vote upon the provisions of H. R. 5495, which adds a seventh member to the United States Tariff Commission.

The reasons why this extra member of the Commission should not be added are numerous. I think there are several that might be pointed out to those Members who are especially interested in certain types of temporary or intermediate protection in regard to products manufactured in their districts.

It should be pointed out that under the bill as brought out none of the so-called protection that was attempted to be provided in the original Simpson bill is provided in this bill. The only new protection in the bill is the addition of a partisan member to the United States Tariff Commission, in violation of a precedent that was established in 1916 and has been in existence through some 20 years of Democratic administration and 12 years of Republican administration.

May I point out to my friends on the Republican side that if this provision is adopted into law it is going to work great hardship and embarrassment upon their Republican President and upon them as Members of Congress, because it is going to mean that more and more cases are going to have to be presented to the President where he will have to reverse the action of the Tariff Commission. This means you are going to have a bad situation all the way through in the sense that you are going to be called upon to ask the President to uphold the Tariff Commission, but the President is going to have to reverse the Tariff Commission in line with his announced policy of working for the establishment of a better system of world trade and the elimination of barriers that now exist. It is not going to be good politics from any standpoint.

COMMISSION PACKING

Mr. Speaker, the provision in H. R. 5495 to add a seventh member of the United States Tariff Commission is a bold and unconcealed attempt to pack the Commission, which, if successful, would destroy the very purpose for which it was established.

The Commission has been bipartisan for the 37 years since its inception, and now a small group of determined protectionists want to change the rules of the game and alter the Commission from a 6-man factfinding body to a 7-man, partisan, political body.

The Tariff Commission was created by Congress in 1916 in recognition of the need for a permanent, nonpartisan agency to assist the Congress and the President in making and executing tariff legislation by providing a disinterested investigation of the economic facts—regardless of tariff policy. It was needed to reduce the impossible burden of work and extraparliamentary pressures on congressional committees formerly charged with both policy and detailed rate-fixing. The first Chairman of the Commission, F. W. Taussig, properly set the tone of objectivity when he said, in 1917:

> Our essential task, then, is to act as the servants and assistants of Congress. We are to gather and prepare information, to sift the essential from the nonessential. We shall bend our utmost endeavors to be exhaustive in inquiry, and at the same time brief and discriminating in statement. As regards advice, we must be sparing, since advice must often rest on the basis of established fundamental principles; and fundamental principles must be settled not by the Commission, but by Congress and by the public.

This general statement of purpose is as valid today as then.

When the Commission was strengthened by the 1922 act, the Congress still insisted upon a membership of 6, not more than 3 of whom could be of one political party. When, in the 1930 act, the personnel was changed, bipartisanship was retained. By packing the Commission the protectionists hope to accomplish what they have not been able to accomplish in the Congress since 1934—the emasculation, if not the complete repeal, of the Reciprocal Trade Agreements Act; this in the face of general two-party support of that act.

POLITICAL DECISIONS

No administrative agency can possibly decide for the country what kind of tariff policy it should have; policy is set by the Congress. But in order to frame laws in the national interest, Congress must know the economic facts, as uncolored as possible by demands of special interests. Moreover, the application of policy to

specific cases is highly technical and demands expert investigation. Can anyone doubt for an instant that the presentation of economic facts would fluctuate with the changes in political majority of the seven-man Commission?

In the 37 years of its existence, no one has seriously questioned the necessity for a bipartisan Commission. It is claimed that the addition of a seventh Commissioner would insure against split decisions. Yet, as the minority report of the Ways and Means Committee points out, every single recommendation in escape clause proceedings to date has been either a unanimous or majority decision.

Nor can this measure be defended on the grounds that the present number of members is inadequate to handle escape clause proceedings in a period of 9 months. If the charge is just, the situation can be remedied easily enough by the addition of an even number of new Commissioners, 2 or 4 or 6, thereby retaining bipartisanship.

Indeed, the creation of partisanship would afford the strongest kind of incentive for domestic interests to file an endless number of applications for relief under the escape clause. There is no comfort in the fact that the President would still have the power to reject, in the national interest, the Commission's recommendations for relief—when it is realized how often the pressure would be applied at the White House by a partisan commission.

ANOTHER DAY

Those who would establish a precedent of partisanship for the Tariff Commission would not have to be reminded that, one awful day when political fortunes are reversed, the shoe will be on the other foot and the balance of power will shift to the antiprotectionist side. And the worst feature in making the Commission a political football would be the resultant insecurity for American industry. Industry can adapt itself to any system of tariff scheduling which is reasonably consistent, whether protectionist, free trade or in between; but industry enjoys no kind of security under tariff scheduling subject to the caprice of a partisan body that changes with each shift in political power. The Commission would lose the public's confidence. This, in fact, was the experience of the Tariff Board established during the Taft administration and later dropped by the incoming Democrats who viewed it as a tool of Republican protectionism.

The violation of the Tariff Commission's objectivity would have its repercussions abroad. It would be but one more sign to confirm the growing suspicion of our allies that, far from liberalizing our trade policy, as the President promised, we are deliberately crawling back into the shell of Smoot-Hawley nationalism.

On all counts, then, we must preserve the 37-year-old, bipartisan, fact-finding function of the Commission and leave the political decisions to the Congress.

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. SMITH of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Speaker, I rise to oppose the granting of this rule. I do so on the ground that the pending rule is both unnecessarily arbitrary and patently discriminating.

First. There is no national or international emergency to warrant setting aside the ordinary procedures of the House.

Second. There is no excuse for depriving the duly elected Members of the Congress their right to discuss, amend, and otherwise participate in the drafting of legislation.

Thomas Jefferson once said:

The ills of democracy are best cured by more democracy.

Here we see the wholesome advice of this great Virginia statesman tossed aside in order that the Congress, in the name of America, may launch a program reminiscent of New Deal days, designed to cure the ills of the world under the flimsy slogan of "More trade and less aid."

It is proposed to launch this noble experiment, Mr. Speaker, by imposing on the individual Members of the Congress a gag rule that both stifles free speech and effectively blocks any and all attempts to secure legislative redress of grievances.

If this procedure is a sample of democracy in action, which America hopes to teach the rest of the world, then only God himself can help the free people who are harassed by the fear of Communist aggression.

The proposal has all the earmarks of collusion between the House leadership of both major political parties. My party, the Democratic Party, appears to be more interested in playing partisan politics over the makeup of the Tariff Commission than it is in safeguarding one of the Nation's basic defense industries and the welfare of its employees. The information that actual want and starvation stalks relentlessly through hundreds of mining communities in the coal areas of the Nation—traditionally Democratic territory—seems less important to them than the need of supplying aid to distant lands.

It is too bad, Mr. Speaker, that we cannot declare these areas, laid waste by the operation of our trade policies, to be foreign territory. In that case they would not have to petition the Congress for relief. As Dean Acheson used to do and as Secretary Dulles now proposes to do—we would just carry it to them.

The Republican Party is making effective use of this rule to silence its own Members, a majority of whom are basically opposed to the idea of lowering our own standards of living and working conditions to the level of those already existing abroad today.

There is no relief provided in the renewal of this bill for a great segment of industry and the domestic producers of this Nation. When the Ways and Means Committee, in its wisdom, decided not to report out the Simpson bill, that we might have equal treatment to all parties, industrially and agriculturally, in this Nation, so far as trade agreements are concerned, then the opportunity to get relief for these affected areas was passed up.

What shall become of the new Simpson bill is a matter for the future. What we are dealing with now is the present situation.

I am basically opposed to the extension as proposed and if, when the vote comes on the previous question, an opportunity is afforded to register your protest to these arbitrary proceedings, I sincerely hope that Members on both sides of the aisle will stand up and be counted. With the welfare of America at stake, it is no time for political "buckpassing."

The SPEAKER. The time of the gentleman has expired.

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. O'HARA] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, there should be no partisan approach to the problem of bolstering our economy for the slackening of employment inevitable with the decline in defense production. There are many conditions today that characterized the last twenties. I have always thought that the devastating depression that began in late 1929 might have been leavened, if not avoided, if at the time we had enjoyed something comparable to our present reciprocal trade arrangement. Our surest way now to avoid the likelihood of another serious recession is to aid and encourage the expansion of our export trade. On this there should be no division on partisan lines.

It is unfortunate that politics is being injected into what should be a bipartisan effort to strengthen our country to meet any economic storms attending the change from production for defense to production for a world of peace. Indeed, the reciprocal trade agreements are the strongest part of our armor of defense.

In an editorial in its issue of May 8, 1953, the Chicago Daily News said:

It is utterly unrealistic to suppose that we can continue to sell goods unless our customers have some means of earning the money to pay for them.

The editorial in the Chicago Daily News continues:

It would be particularly unsound for a creditor exporting nation, to scrap reciprocal trade agreements for a return to an outmoded, inflexible protectionism.

Mr. Speaker, my purpose in referring to the editorial in the Chicago Daily News of May 8, 1953, is twofold. First, it is the sound presentment of a logical argument. Secondly, its source is Republican and conservative.

The editor and publisher of the Chicago Daily News is John S. Knight. His father was a distinguished Republican member of this body. In his own right, Mr. Knight has made his niche in Ameri-

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can journalism. Editor, publisher, and member of a powerful chain of great newspapers he is an active reporter for his own newspapers and weekly writes an editorial column for his newspapers that is unique in that it is not ghost written but is the personally prepared and transcribed analyses and reflections of the man who owns and controls the newspapers in which the column appears. I have great respect for Mr. Knight as a publisher who is also a working newspaperman.

Mr. Knight, independent when in his convictions the public interest is concerned, nevertheless is a born and bred Republican. His heart throbs in unison with the heart of the Republican Party. Moreover, he is a staunch supporter of President Eisenhower. Delegates to the Republican Convention in Chicago surely will remember how hearteningly they read the Chicago Daily News if their love and support were with Ike. If the delegates had loyalties elsewhere I presume with good judgment they passed up the Chicago Daily News.

Mr. Speaker, what I am trying to say, I am afraid a bit clumsily, is that Mr. Knight is a Republican born and bred and a friend of General Eisenhower in Chicago at conventiontime—when if ever the general needed friends.

Now, Mr. Speaker, may I say a word about Chicago? I have no quarrel with the distinguished gentleman from West Virginia [Mr. BAILEY], for whom I hold a real sentiment of affection. Even though he is a Democrat, he is fighting this bill, tooth and nail. I admire him for his position. He is fighting for the industries and the workers in his district. He is a friend of organized labor, tried and found true on every occasion, but when the welfare is in jeopardy of the management that makes possible the jobs, the gentleman is in there battling for the industry, management and labor with a common interest.

It happens that in the district represented by the gentleman from West Virginia are smaller industries, such as glassblowing, that would be, and are, adversely affected by the reciprocal-trade agreements. As the editorial of May 8, 1953, in the Chicago Daily News says:

> The conflict of interest is clear and irreconcilable. On the one side are those whose products find it hard to compete with imports. On the other is the greater good for the greater number by increasing the two-way flow of foreign trade through mutual deals lowering particular tariffs in each trading nation.

Mr. Speaker, in the territories serviced by the Chicago Daily News and its affiliated newspapers, and in the district which I have the honor to represent, are located either the large industries or the residences of the workers in such industries—industries that are the backbone of our country and the security of which now depends in a perilous and uncertain period upon the continuance of the reciprocal trade agreements.

Mr. Speaker, I wish now to talk to those on the Republican side of the aisle. All the Democratic members of the Ways and Means Committee have signed the minority report objecting to the title in the bill we are discussing converting the Tariff Commission from a bipartisan, or really nonpartisan body, into a body strictly political. If I should talk in my own way to you on the other side of the aisle in support of the position taken unanimously by the Democratic members of the committee you might suspect me of partisan motivation. I have in fact no such thought. I sincerely think that the welfare of our country is at stake. I am more concerned with the future of my sons and my grandchildren and of their contemporaries than in what may occur in favorable or unfavorable repercussions to me. So that there may be no misunderstanding I bring to you on the other side of the aisle, not my words but the words of the Chicago Daily News, owned and controlled by John S. Knight, Republican and a working newspaperman:

> This, in short, is protectionism of the old Hawley-Smoot variety. The Simpson bill proposes to implement it by packing the Tariff Commission, now a six-man bipartisan body, with another member.
>
> Already, President Eisenhower has designated as Chairman, Edgar E. Brossard, of Utah, protege of the late Senator Reed Smoot, an arch-protectionist. Also named to the Commission is former Republican Representative from Connecticut, John Talbot. He voted in 1945 to kill an extension of the Trade Agreement Act. Why President Eisenhower named two men apparently hostile to his professed policy is one of Washington's mysteries.
>
> Two more such appointments, and the high-tariff complexion of the Commission would be assured. Hence, unless the hope of expanding trade with our allies is to be abandoned, the Simpson bill must be defeated.

Mr. Speaker, before they vote, I at least have alerted my colleagues on the other side of the aisle to the thinking of responsible Republicans in the Chicago area, from which I come. I repeat I do not regard this as a proper field for political adventure. The important thing, especially at this time, is to encourage and expand our foreign trade. It is no time or place to play politics. The Tariff Commission should remain, as advocated by the Chicago Daily News and by the minority members of the Ways and Means Committee, strictly nonpolitical. I shall vote for the amendment to take politics out of what has at stake something greater than any party or any individual, the future of our country.

Mr. SMITH of Virginia. I yield 5 minutes to the gentleman from West Virginia [Mr. STAGGERS].

Mr. STAGGERS. Mr. Speaker, I now go on record as being opposed to this rule because it prohibits amendments to the bill. I think it is so important that this Congress should be able to express its will in regards to any legislation. One of the previous speakers said that we are changing the rules of the game. Did you ever see a game where the rules were not changed every so often? For instance, football, basketball, baseball.

The way of changing the rules in a democracy should be by the will of the majority.

I have just made a trip to my district and the people there feel the responsibility for this legislation lies with the Congress of the United States. When I appeared before the House Ways and Means Committee, I said then that there were rumors of a compromise. That not only was there a compromise made but it looks to me like it was a complete sellout of one segment of society.

The State Department has had a big hand in this matter. The State Department is more informed on matters in foreign countries than on the internal workings of this Nation.

The so-called million-dollar Cabinet also came up to testify on this legislation. Half of them, or the majority of them, testified for this bill.

Here is a statement that I heard, and I should like you gentlemen to remember it. Over this past weekend, while traveling through the coal fields of my district, I heard many miners say; "It looks like an old-fashioned Republican depression coming on."

Over 2,500 coal miners in my district are out of work. That throws a lot of railroad workers out of work, and workers in related industries. Do you not think that those people have to live some way?

They say, "No, we cannot change the rules of the game," in this matter of receiprocal trade. I believe that this Congress can and should change the rules, where they affect the lives of human beings.

They say, "Yes, we are trying to take care of Venezuela." Venezuela does not have as many people as the State of Pennsylvania. I will say that it probably helps a few people there, the people who already have the money.

But do you know what is being done? They are dumping residual oil on our east coast. I know the argument is going to be made that we need it, that we have got to save ours. Do you know how much of high-grade oil they are bringing into the United States? Four percent of their total output. We do not need this residual oil of which 48 percent is being brought into our country. We have lots of it.

I believe in reciprocal trade. I have voted for it every time it has been on the floor of this Congress since I have been a Member. And I want to express my view now that if this rule is allowed to stand and something is not done to help our people, then I will have to vote against it.

I know that some are going to say, "Special interests," but if helping the citizens, of my district and of these United States means special interests, then I am for special interests.

The first thing you know we are going to get to the point where we need these coal miners. Coal mining is a basic industry. If an emergency would arise then we would need the coal miners and their productions. Coal mining is one of the industries that has made America strong.

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Under a bill that I and 22 of my colleagues have introduced in the House of Representatives, 5 percent of our country's production would be allowed to be imported into the United States. Who has been profiting from this residual oil? About 4 or 5 of the big oil companies in the United States. We are not helping the common people down in Venezuela.

As I say, I believe in reciprocal trade, but I believe first that we must help an industry that we may need sometime in the future. We say we will set a precedent if we pass this bill. Well, if it is a precedent to help our own people then we had better set that precedent; and I say again to this Congress we had better beware of that depression which is looming on the horizon.

The coal industry is one of our basic industries, and there are millions of people who depend on the things that come out of the coal mines and related industries.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. MEADER].

Mr. MEADER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MEADER. Mr. Speaker, I thank the chairman of the Rules Committee for giving me this time to call the attention of the House to title III of H. R. 5495, which establishes a commission on foreign economic policy.

Mr. Speaker, this is a matter which has been of major interest to me since the beginning of my service in the Congress.

April 23, 1951, I introduced a bill to create a commission on foreign economic policy. Twice I appeared before the Foreign Affairs Committee of the House of Representatives urging the inclusion of that bill as an amendment to mutual security legislation. Twice on the floor of the House of Representatives I offered that bill as an amendment to the mutual security bills of 1951 and 1952. In all instances, the Democratic leadership rejected my proposal.

March 25, 1953, I reintroduced this measure in H. R. 4199, which is essentially the same in purpose and character as title III of the bill now before us.

March 26, 1953, at page 2339 of the CONGRESSIONAL RECORD, I included a brief history of my efforts in this respect.

I want to commend the leadership of the House and the President of the United States for taking action on this most important subject. It is necessary, I think, that we determine what our foreign economic policy shall be before specific steps in economic affairs are taken. This is a red-letter day for the people of the United States.

Mr. Speaker, within the past 2 months 145 Members of Congress have been eyewitnesses to the destructive force of atomic fission. I am sure I am not alone in gaining the lasting impression that the ingenuity of man has made advances in the scientific field at a far more rapid rate than the ingenuity of man in the governmental field has been able to manage scientific discoveries intelligently. We have surely found the means of destroying ourselves. This simple and incontrovertible fact has placed upon those of us who have chosen careers in Government a responsibility far more weighty and awesome than that confronting our predecessors in the preatomic age.

Mankind has always sought peace. The great majority of human beings has yearned for an end to wars and the havoc and suffering which accompany them. If it ever was necessary to give sober, intelligent thought to the causes of war and the means to gain a lasting and honorable peace, that time is now, when we know of the horrible potential of atomic warfare.

Mr. Speaker, I do not pose as an expert either on military strategy or human behavior. Yet I have some convictions concerning practical and, I believe, effective steps toward the elimination of some of the causes of wars. I believe it is my duty to offer these views for the consideration of my colleagues.

It may seem to some paradoxical to assert that the creation of a commission to develop a sound policy and program in our foreign economic affairs has a definite and demonstrable relationship to the cause of peace.

I start with the proposition that the causes of war are in part, economic. The development of economic power by a nation exerts pressures against rigidly established vested rights in the international status quo. These pressures, if not relieved in their early stages, build up and eventually explode in open military combat. I do not minimize the unmeasurable importance of human emotions and passions, which make a people fighting mad and willing to risk the suffering and desolation of warfare to gain some conceived national objective. I do not assert that the causes of war are wholly economic, but I do contend that economic considerations are significant factors contributing to the outbreak of hostilities.

It is my belief that we can minimize these economic causes of war through the creation of an international economic order of such flexibility as to permit the expression of natural human aspirations for self-betterment but which, at the same time, possesses the stability of a society governed by law and the recognition of rights of individuals and nations.

It is my belief that the economic system we have developed in this country which, on a basis of equal opportunity, permits an individual to seek his livelihood and his happiness in open competition with his fellow man, restrained only by his own capacity and by rules of fair conduct, possesses the features of flexibility and stability which it should be our aim to incorporate in the international economic order.

In first proposing the creation of a commission to study foreign economic problems on April 23, 1951, I said:

> If formulas can be found which will stimulate the investment of private capital in backward areas and eliminate many of the political obstacles and risks now restraining the export of capital, we will find that a major step has been taken toward the creation of that flexible but stable economic and political order among all nations which will permit the search for material and spiritual happiness by free citizens in an atmosphere of free enterprise.
>
> We will find that the causes of wars have been effectively minimized and that the general level of civilization has been substantially advanced through permitting the natural economic forces of specialization and exchange to work, free from artificial restriction.

As I view it, the primary task of the Commission on Foreign Economic policy should be to study ways and means whereby a climate can be created in the free countries of the world conducive to the investment of private capital and the conduct of trade and commerce. The Government should not directly engage in economic activities but should facilitate the economic activities of private citizens.

Mr. Speaker, it is my belief that the free-enterprise system, if permitted to operate free from artificial hazards and restrictions, can contribute to the economic betterment of the underdeveloped areas of the world and promote their internal stability and their capacity to resist external aggression. I quote again from my remarks of April 23, 1951, the following:

> Historically, the imperialistic aggressor has expanded his rule first against the weak and the unprepared. I think it is not inaccurate to say that the underdeveloped areas are vacuum areas into which the force of ambitious and ruthless power had a natural tendency to rush. To the extent that such vacuum areas are strengthened, become more independent and develop national pride and consciousness, as well as a higher standard of living, to that extent will the dangers of their being overrun by a conqueror diminish.

Mr. Speaker, in H. R. 4199 I sought to set forth a congressional declaration of purpose to guide the commission in its investigation and study of foreign economic problems. Title III of the bill before us contains no declaration of policy. However, that defect may not be important since the Congress has, in other legislation—the Mutual Security Acts and the Act for International Development—plainly gone on record in favor of promoting the competitive free-enterprise system in international economic affairs. In H. R. 4199 I sought to restate these purposes as follows:

> The Congress finds that the dynamic competitive free-enterprise system which has flourished in the United States can raise standards of living and promote internal strength and stability in other free countries, thereby increasing their capacity to resist aggression, stimulating international trade, and contributing to the growth of free economic and political institutions. These goals can be achieved in large measure through encouraging and facilitating the investment of private capital in other free

countries to develop their resources and improve their productivity. Numerous impediments now exist, however, which inhibit the investment of private capital and the conduct of trade and commerce throughout the free world. It is the purpose of this act to discover ways to overcome these obstacles and make the fullest use of free private enterprise, subject to proper restraints to prevent overreaching and unfair exploitation, in promoting mutual security, economic vigor, and individual liberty in the free world.

There should be no hesitation on the part of any Member of the Congress in subscribing to the principles stated in the foregoing declaration of policy.

Mr. Speaker, there is no more important business on the agenda of this Congress, in my opinion, than the initiation of a comprehensive and penetrating study of international economic affairs and the development of sound policies and programs in this field.

In my opinion, this study should be made by a commission. No committee of the Congress has broad enough jurisdiction to encompass the whole field of foreign economic problems. Furthermore, as I have previously pointed out, foreign economic activities of our citizens are matters in which they must voluntarily participate. They cannot be forced by governments to trade where they do not want to trade, nor to invest where they do not want to invest. For this reason it is particularly appropriate that the American business community have representation on any body or agency entrusted with the task of working out foreign economic policies.

Mr. Speaker, similar legislation, Senate Joint Resolution 78 to establish a bipartisan Commission on Foreign Economic Policy, was passed by the Senate May 19, 1953. Our passage of H. R. 5495 today will thus assure the creation of this Commission to undertake this most important study.

Again, I congratulate the administration and the leadership of the Congress on taking this concrete step toward the solution of the difficult, complex, and far-reaching international economic problems facing the world today.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Speaker, the essence of this bill represents a vindication for the foreign policy of the administration.

I hope that in voting on this rule Members will not let dust be thrown in their eyes. I am for the rule; it is the very best that could be obtained on the report from the Ways and Means Committee. It was obtained by great leadership on the part of the President and on the part of the leadership of this House which is entitled to great credit for bringing this legislation to its present situation.

This legislation I consider to be a package with foreign aid and with defense appropriations in the security interest of the United States. The Soviet Union is beginning to shift the ground of its struggle with the West, it is going into the trade battle now, and the extension of the Reciprocal Trade Agreements Act is the first step on our part to show that we recognize that the trade battle might very well prove to be more decisive than the military preparations which we have had up to now and are necessarily continuing.

The nations of Western Europe used to do a very great part of their business, about 40 percent, with countries that are now in the Communist bloc. It must be our desire to reorient the foreign trade of all the free world so that free Europe can free itself and not be dependent upon the Communist bloc for a substantial part of its trade—and replaced this trade since World War II—but aid is being cut now. This is exactly what we mean by trade not aid and is vital to the free world as aid is being cut. Orienting the free world's trade within itself is directly against the interests of the Soviet Union and we can expect great opposition from them on it. Action on this extension is our first step of recognition that we are in that economic struggle and that we are determined to be prepared for it.

In addition to that, the Soviet Union is widely broadcasting its interest in big trade contracts with the free world, so is Communist China, offering big trade contracts especially to the Western European nations—tomorrow probably to Japan, as well. These offers could prove very attractive, especially to nations like West Germany which has a great industrial complex that needs to be employed and with great manufacturing capacity, the products of which need to be exported. We have to offer them some alternative, otherwise the Russians can beat us in this economic "war" whereas they could not beat the free world in the "cold war" and they could not beat the free world in a "hot war" by armed aggression in Korea.

I hope the Members of the House will pay attention to the paramount importance of this particular piece of legislation in the foreign policy package of the United States and will recognize that in passing the essentials of this bill—which I consider to be the 1-year extension of the Reciprocal Trade Agreements Act and the appointment of a Presidential-Congressional Commission on the United States foreign economic policy—it is backing up the President who is doing, I feel, an outstanding job in trying to secure the peace of the world.

Mr. SMITH of Virginia. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. KELLEY].

Mr. KELLEY of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. KELLEY of Pennsylvania. Mr. Speaker, I cannot support this rule, nor can I support the bill, for the obvious reason that it fails to take cognizance of the conditions in the coal industry whereby residual oil dumped into the United States from South America displaced over 30 million tons of coal last year. As a consequence many thousands of men have been thrown out of employment and many coal mines have been forced to close.

The coal operators and the miners implored the Ways and Means Committee for relief through quota restrictions on residual-oil imports. This was refused by the committee; and the Rules Committee brought out a rule that prevents consideration of any amendments from the floor except the one amendment to increase the Tariff Commission from 6 members to 7. This is a sop to the Members in order to get votes for this bill.

No consideration has been given to the plight of the coal industry nor of the glass industry, which has been crippled for several years as a result of the importation of cheap glass. I have always supported the Reciprocal Trade Act, but this time I am compelled to oppose it. In my district prosperity depends to a great extent upon the conditions in the coal industry, but it seems that this administration is not concerned with the welfare of the people in the 21st District of Pennsylvania and in many other districts.

Mr. SMITH of Virginia. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Speaker, this bundle that the gentleman from New York speaks of containing the provision for a seven-man Tariff Commission to my mind is no vindication of our foreign policy. Vindication. Fiddlesticks, just nonsense, just a sop to the trade isolationists, the selfish interests of America, to get their additional man on the Tariff Commission so that the high protectiontists in this country can have their way, willy-nilly. It is a compromise, a crude deal, and it is rather astounding that the President should lend himself to it. I say this compromise is spindle-legged, it is an untoward surrender.

The President has already publicly surrendered his power to fashion trade policy. It has been the boast of those on this side of the aisle, on the Republican side of the aisle that in return for withdrawal of the original bill, the bludgeon bill offered by the gentleman from Pennsylvania [Mr. SIMPSON], the "stand up and deliver" bill that the President promised to make no more trade agreements for 1 more year, that is surrender of principle.

What bad timing, too, I will say to the gentleman from New York [Mr. JAVITS] especially at a time when the Kremlin is preaching economic independence to the western nations and is backing up those promises and words with very attractive offers that involve items most affected by United States trade barriers. What about these pontifical declarations by the administration about world trade and world trade being a two-way street, and that we must buy in order to sell. The administration with

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unction says we must level down our trade restrictions to enable our allies to enter our markets. Those are the words.

What about the deeds? The administration appointed to the Tariff Commission, not a man who is inspired with the philosophy announced in those pontificial declarations of the President. No. There was appointed a disciple of hard shelled protectionism. We remember Joe Talbot, a very distinguished gentleman, a fine Representative from Connecticut. He got the job. But he is a high protectionist of the old reactionary Republican school. What about deeds, not words, I say to the administration?

And again we shall have a high protectionist appointed to the Tariff Commission. The bill soon before us will provide for a seventh man. Because of pressure brought to bear on the White House by you Republicans and those whom you represent, the President will undoubtedly yield and select an additional high protectionist, so that we will have a Tariff Commission no longer nonpartisan but a Tariff Commission that will be armpit deep in partisan politics.

I then picture a long queque of applicants before the Commission demanding higher and higher rates.

Thus the President while apparently loking forward toward quickening and expanding foreign trade as a mutual two-way affair, is stepping backward into balkanizing world trade.

It is indeed an anomaly to me to see the administration on the one hand claiming credit for the wholesale elimination of personnel from the various agencies of the Government, reducing budgets, and on the other certain Republicans advancing the proposed amendment which would actually add another member to the Tariff Commission. This total inconsistency can only be explained on the grounds of pure political expediency. And that, I submit, Mr. Speaker, is the only reason for suggesting the proposal under consideration. And I believe it important that what is now proposed to pass under the guise of legislation be unmasked for what it truly is—unadulterated politics.

The proposal to make the Commission a political football is an affront to members of both parties who have labored solidly for years to keep the administration of the Tariff Act on a nonpartisan basis. A nonpartisan Commission was set forth in the Tariff Act of 1930. That act was framed by members of the present majority party. It was therein provided that a Tariff Commission of 6 members should be appointed by the President. Of these 6 Commissioners, it was established under the law that not more than 3 Commissioners could be of any 1 party, thereby assuring that neither of the 2 major political parties could dominate the Commission for partisan purposes. To further ascertain that equal weight in the Commission would be given to both parties, it was also directed that in making appointments members of different parties should be appointed alternately as nearly as could be practicable.

The above provisions, I might add, were derived from similar clauses in the Tariff Act of September 8, 1916, indicating that for almost 40 years it has been the consistent policy of both Republican and Democratic administrations to maintain the Tariff Commission on an impartial basis.

The success of this policy is eloquently spoken for by the untarnished record of the Tariff Commission during the period it has administered these provisions of law. Untouched by the slightest blemish of scandal or prejudice, the Commission has operated efficiently and devotedly over these many years, efficiently carrying out the mandate of Congress.

Now it is proposed to set aside the years of experience with a bipartisan Tariff Commission, to turn our backs upon an administrative organization which has worked so successfully for such a long period, and to inject the Tariff Commission into the arena of politics—to make the Tariff Commission the subordinate agency of the party in power.

Naturally, the real reason for resorting to politics instead of sound legislation at this juncture is to insure the administrative defeat of the pending measure extending the reciprocal trade treaty powers. The foes of this legislation are so determined to thwart the will of Congress and of the people that they would have the purposes of the bill defeated even after it becomes the law of the land.

The tariff, Mr. Speaker, is, as Mr. Havemeyer, of the American Sugar Refining Co., once said, "the mother of trusts." Often by Government fiat, it erects a vast wall which insulates much of American business from effective competition. The idea that the tariff is a temporary expedient to succor small and infant domestic industry until it matures has long been abandoned to the concept that the tariff often is a legitimate Government weapon to guarantee the domestic market for big business. Today the Big Three in aluminum are protected from competition by the tariff; the Big Four rubber producers are protected against competition by a duty on tires and other rubber products. The tariff assists the big paper companies and the big soap companies in controlling prices on those products in the United States. The tariff is no longer in many instances a sheltering arm for small competitive enterprise but a device utilized to protect the concentrated market of big business against competition.

At the same time, our high tariff makes enemies abroad. Unless the powers to continue reciprocal-trade agreements are authorized by the basic legislation undiluted by such amendments as is here offered, the United States will be criticized throughout the world for making it virtually impossible for many nations to rehabilitate their economy through international trade. How can we at the same time demand that we cease to assist these countries financially because they should be required to rely upon their own economies and at the same time foreclose them from the very markets which they must have in order to dispose of their goods. This reasoning is so elementary that it should be self-evident. Yet the same voices who cry loudest for abandoning our foreign-aid program are the very ones which now speak out against programs for reducing our tariffs or attempt to hobble such programs with crippling amendments.

Mr. Speaker, our Tariff Commission must remain untarnished, unsullied with politics and partisanship.

Mr. SMITH of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

JOINT RESOLUTION FOR THE PROCLAMATION OF A NATIONAL DAY OF PRAYER AND REPARATION

Mr. RABAUT. Mr. Speaker, I have today introduced a joint resolution, calling upon the President of the United States to proclaim a national day of prayer and reparation.

The words of Abraham Lincoln's second inaugural address, from which I have drawn freely in writing the preamble to this resolution, express far more eloquently than could I, the purpose which such a day would serve at this hour of world history. As apt today as they were almost a century ago, Lincoln's words remind us that—

> We have been preserved these many years in peace and prosperity. We have grown in numbers, wealth, and power as no other nation has ever grown; but we have forgotten God. We have forgotten the gracious hand that preserved us in peace, and multiplied and enriched and strengthened us; and we have vainly imagined, in the deceitfulness of our hearts, that all these blessings were produced by some superior virtue and wisdom of our own. Intoxicated with unbroken success, we have become too self-sufficient to feel the necessity of redeeming and preserving grace, too proud to pray to the God that made us.
>
> It behooves us then—
>
> He said—
>
> to humble ourselves before the offended power, to confess our national sins, and to pray for clemency and forgiveness.

It is my deep conviction, Mr. Speaker, that we in the 20th century have forgotten God. New wealth and new blessings have come to us over the decades that would have astounded Lincoln, but he would find nothing new in the same presumptuous pride that afflicts us today.

After World War II we sought, through the United Nations, the establishment of enduring world peace. But we are, today as in Lincoln's day, too proud to pray to the God that made us, too proud

to ask the divine guidance to follow His law.

Blinded by our achievements, we have become an end unto ourselves, and so blinded we are destined forever to grope in vain for the peace that cannot be without Him.

In the deepest humility, I submit that, as a Nation, we should turn, for just 1 day, to Almighty God in suppliant prayer, asking His mercy and forgiveness, that we may realize with Lincoln "the sublime truth announced in Holy Scriptures and proven by all history, that these nations only are blessed."

House joint resolution requesting the President to issue a proclamation designating an appropriate day as a National Day of Prayer and Reparation

Whereas in the words of Abraham Lincoln's second inaugural address, "it is the duty of nations as well as of men to owe their dependence upon the overruling power of God; to confess their sins and transgressions in humble sorrow, yet with assured hope that genuine repentence will lead to mercy and pardon; and to recognize the sublime truth announced in the Holy Scriptures and proven by all history, that these nations only are blessed"; and

Whereas we have, as a nation, "forgotten the Gracious Hand that preserved us in peace, and multiplied and enriched and strengthened us; and we have vainly imagined, in the deceitfulness of our hearts, that all these blessings were produced by some superior virtue and wisdom of our own"; and

Whereas we have, as a nation, "become too self-sufficient to feel the necessity of redeeming and preserving Grace, too proud to pray to the God that made us"; and

Whereas we may justly fear that it is God's chastisement for our transgressions which we now suffer in the conflict in Korea and in the suspicion and ill will which divide mankind the world over; and

Whereas we should, as a nation, "humble ourselves before the Offended Power, to confess our national sins, and to pray for clemency and forgiveness": Therefore be it

Resolved, etc., That the President of the United States is hereby authorized and requested to issue a proclamation designating an appropriate day as a National Day of Prayer and Reparation and calling on the people of the United States to observe such day, and urging the participation of all Americans and all religious groups, regardless of sect or creed, in the observance of such day by such means as they may deem appropriate.

Mr. SMITH of Virginia. Mr. Speaker, I yield such time as he may desire to the gentleman from Ohio [Mr. REAMS].

Mr. REAMS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. REAMS. Mr. Speaker, H. R. 5495 is titled "a bill to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes." With the stated purposes of this bill I am in complete agreement. There was never a time when the extension of Reciprocal Trade Agreements was more important to this country. In my judgment we must continue to act more like a creditor nation and work toward a free trade policy with the rest of the world. It is only by giving the other nations of the world an opportunity to sell their products here that we can continue to sell United States products all over the world. The ruinous alternative is to continue to pauperize the world and impoverish ourselves by the "handout" program.

The reciprocal trade agreements offer a selective manner in which trade with other countries can be expanded on a controlled basis. There are industries and groups of workmen who must have some protection for the time being. This is, first, that we may not give to these industries and their skilled workmen too sudden a shock from outside competition. It is also that we may retain under a controlled basis a group of skilled workmen for certain products which may be needed for our national defense program. It is also for protection of products like tung oil which we may sorely need should we again be shut off from the Orient. With all of this I am in hearty agreement.

With that part of title II of this bill which changes the composition of the United States Tariff Commission from 6 bipartisan commissioners to 7 commissioners, I am in complete disagreement. A study of the history of the Tariff Commission, its purposes and its record of achievement since its inauguration in 1916 commends the continuation of this bipartisan type of a commission. It has from the time of its creation consisted of 6 commissioners, not more than 3 chosen from the same political party. Its members have been appointed by the President and confirmed by the Senate for terms of 6 years. It has, insofar as I have been able to learn, operated as a truly bipartisan body, its activities being without political significance. The chairman and vice chairman have been chosen annually by the President from the membership of the commission.

If the provision in title II of the Reciprocal Trade Agreement Extention Act of 1953 becomes the law, the Tariff Commission will henceforth have 4 members from 1 of the political parties, presumably the majority party and 3 from the other. It will then become a political commission without any apparent cause or any need for such a change.

Operating within the executive department of the Government there are 9 regulatory commissions. These are policy-forming commissions that are actually a part of the executive branch of the Government. There is good reason for these commissions to recognize, at least to some extent, their responsibility to the Chief Executive. These regulatory commissions consist of the Federal Power Commission, the Federal Trade Commission, the Federal Communications Commission, the Civil Aeronautics Board, and others. They have an uneven number of members of whom more than one half may be members of the President's party.

The United States Tariff Commission was created and has operated for 37 years as a board of 6 members not more than 3 of whom are of the same political party. Its duties are and have been to investigate rather than to regulate. It is not a policymaking Commission and a Commission which is responsible both to the Congress and the President for the purpose of investigation into tariff problems and for giving accurate information to the executive department and to the Congress. The very nature of the duties and activities of the United States Tariff Commission forbids it to espouse political theories or policies. Its primary duties are to investigate and report its findings to the President, the House Ways and Means Committee and the Senate Finance Committee. The investigative duties of the Tariff Commission as set up by law and confirmed by its years of practice are:

First. To investigate the administration of the customs laws of the United States and their effect upon the economy of our country and the income of our people.

Second. To investigate the tariff relations between the United States and foreign countries, including commercial treaties, preferential provisions, and economic alliances. This includes a report on the volume of importations compared with domestic production, and the effect of competition of foreign industries on the United States production.

Third. Has the duty of surveying domestic and foreign industries and publishing a factual digest concerning more than 2,000 commodities with which our tariff laws are or may be concerned.

Fourth. To report the difference in production costs of similar articles produced in the United States and abroad in order to ascertain what effect the differential between wages paid in this country and other countries has on the cost of the product to the American people. This is very important under the flexible tariff provisions and our reciprocal-trade agreements. It also is important in discovering where protection may be needed.

In addition to these duties, the Tariff Commission has also been charged with securing information on unfair competition in import trading, ascertaining whether foreign countries practiced discrimination against the commerce of the United States, and the practical operation of our trade agreements including the Philippine Trade Act of 1946.

These are the bulk of the duties of the United States Tariff Commission. They are functions of investigating and reporting on the enumerated and other related matters. These subjects of investigation may originate with the members of the Commission or by request by committees of Congress and the President or members of his staff in the executive departments. There is every reason why this Commission should be kept completely bipartisan. Useful information is the same whether it is Republican or Democratic.

The Tariff Commission does not make any decisions wherein a deciding vote of an extra member of the Commission

is important to advance the political theory of any President and his party. If the United States Tariff Commission carries out its duties under the law and gathers the needed facts, these facts are exactly the same regardless of whether the Commission consists of 6 or 7 members and which party controls the majority at the time.

If the duties upon each Commissioner are so heavy that it is necessary to add additional Commissioners, then I would urge that two additional members be added and that the bipartisan aspect of the Commission be preserved. So far as I am able to learn or ascertain from a study of the Tariff Commission throughout its long and useful career, I find no other valid reason for increasing its number. I am opposed to the principle and the practice involved in this provision of the bill which would make a partisan board out of this bipartisan Tariff Commission.

Mr. SMITH of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. SECREST].

Mr. SECREST. Mr. Speaker, in 1934 I voted against the first reciprocal-trade agreements bill, fearing what it would do to domestic industry in the United States. The facts, I think, have proven the results to be as I expected.

Mr. President, I do not oppose increasing the number of members on the Tariff Commission because I think it is so bad that you cannot make it any worse. I do not oppose a study of this whole problem because certainly there is no problem facing our people that requires more study. But I do want, in this brief time, to give you a picture of what is happening to the industries about which I know the most, the glass industry, the pottery industry, the tile industry, the coal and oil industries, all of which are of extreme importance in my district.

Mr. Speaker, we compete with cheap foreign labor; we not only compete with cheap foreign labor but we have other disadvantages in trying to meet price levels of imports. Let me give you the picture on glassware. In 1950, 23 million pieces of glassware came into this country. In 1952, just 2 years later, over 50 million pieces of glassware came into this country, and on the basis of February and March of this year, 130 million pieces of glassware will come in during 1953. Imagine! In 1950, 23 million pieces came from countries having cheap labor, and these are all handmade products in which labor is about 70 percent of the cost. In 1953, just 2 years later, it is estimated that 130 million pieces of glassware will be imported.

Let us look at pottery. In 1950, 175 million pieces of pottery came into this country, and it is estimated that 190 million pieces of pottery will come into this country this year.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. SECREST. I yield to the gentleman from West Virginia.

Mr. BAILEY. In 1952, 36 percent of all the pottery products consumed in this country were imported from abroad.

Mr. SECREST. If this policy of free trade keeps on they will all be imported from abroad. This year, at the rate of imports so far, 320 million pieces of pottery and glass will come into this country.

Look at the picture in tile. In 1950 we exported three times as much tile as we imported. In 1951, just the next year, we imported more tile than we exported. The tile business and the pottery and glass industries are being destroyed.

Now we are destroying in great measure, by importing last year 128 million barrels of residual fuel oil, coal mining and many other industries.

In 1952, $61 million worth of jeweled watches and watch movements were brought into this country, which I am told was over half the domestic consumption of those items. Over $5 million worth of motorcycle parts, and over $34 million worth of fish were brought in, to compete with the fisheries in California and other parts of this country. Cord and twine were brought in to the extent of over $3 million, and many, many other items were imported.

We thought we had gained a victory when we added the escape clause to the Tariff Act, but what happened? Twenty-six applications were filed in 1952 and relief was given only to two small industries. If this policy keeps on of giving money abroad out of the taxpayers' resources and at the same time destroying industry here at home, where will we be in another 20 years? A bankrupt Nation with no industry left to produce the wealth of the country or to defend ourselves in time of war.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio.

Mr. SECREST. I want to show you two pieces of glassware. They are identical. One piece is produced in Bellaire, Ohio, being designed by men drawing large salaries. As soon as this was put on the market and a copy could be made, in came another one like it from Germany. This is made in the district next to mine at wages averaging $1.60 an hour, and it is made to sell for $1.25. This one was purchased in Macy's store. It is identical, and it was made in Germany, copied, for 80 cents. The people we compete against in connection with these handmade articles, pottery and glassware, motorcycles, and all the other things that have much labor involved in them, get about 25 percent the wages our people get. We are either going to have to bring our wages down, which no one wants to do, or bring their wages up, which we cannot do, or we have the alternative of going on a quota basis and saying that 5 percent of the pottery we will use or 10 percent of the glassware we use can come in from outside. If we do not do something of that kind, we will have lost all these industries.

I am speaking for those industries I know, but there are men here with many, many industries in their own districts that are being destroyed because we are trading machine-made goods for handmade goods. Every time you make a day's work by sending over mass-produced goods you put 10 people out of work in our own country for every day you gain. If we keep it up, there will not be anyone working in America. What will happen to our standard of living and to our potential if we get into another war? I think this thing needs a study if anything ever did. I am not hopeful unless they put someone on the Commission who really is sincere in trying to solve these problems. We all know we must have imports, but we do not want destructive imports to completely destroy an industry. I want another man on the Tariff Commission, but 7 baboons cannot teach school any better than 6, and unless we put a better man on the Commission than those we have, we are done in this country.

Mr. PERKINS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. PERKINS. Mr. Speaker, I must protest this procedure whereby H. R. 5495 has been brought before the House subject to a closed rule, barring the consideration of amendments from the floor, except with reference to the proposal to add another member to the Tariff Commission. This action is contrary to the practice heretofore followed with respect to reciprocal trade agreement legislation—except during the 80th Congress—which has been considered by the House under open rule permitting amendments. There are many Members in this body who would like to have the opportunity to vote for a sound reciprocal trade bill, a bill of sufficient duration to give importers and exporters some assurance of stability.

Personally, I do not intend to go along and support this legislation unless this rule is defeated. I feel that we should have the opportunity to present the viewpoint of the coal people and the coal miners on this floor.

The adoption of this gag rule deprives the Members from the coal-producing areas of the opportunity to offer an amendment to H. R. 5495 so as to place a necessary limitation upon excessive imports of residual oil. This undemocratic and arbitrary foreclosure, denying the House its rightful opportunity to deal with this urgent and important problem is shameful.

I have personally advocated since the commencement of this session that the residual oil problem be treated separately, inasmuch as the coal industry is most vitally affected of all basic industries by the importation of residual oil. The committee declined to follow that procedure but decided to tie our problem up with numerous other industries, none of which face a critical situation comparable to the coal industry.

Another bill, H. R. 5496, contains provisions in section 322 which would place

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reasonable limitations upon the dumping of surplus residual oil into this country. This bill contains the provision identical to the bills introduced by more than 20 Congressmen from the coal-producing areas. This double-play combination of a closed rule on H. R. 5495, and continuing inaction upon H. R. 5496, has bottled up efforts to provide a needed solution of the critical problem of excessive and increasing residual oil imports which are so seriously disrupting our domestic coal markets and depriving our miners of the opportunity to work in order to support their families and educate their children.

The plight of the coal industry and our miners resulting from swollen imports of residual fuel oil from the Caribbean area is a special problem not to be confused with the desirable objective of promoting beneficial international trade.

I have always supported legislation to further reciprocal trade agreements because I firmly believe that continued efforts to develop sound trade relations with other countries of the free world are absolutely essential to our own interests.

It is not right, however, to permit big oil to destroy the coal industry. Huge volumes of residual oil dumped as a waste byproduct at any price it will bring in our fuel markets do not provide a solid base for international trade. This mounting flood of residual oil from a single producing area is an exceptional problem which requires corrective action without further delay. We must act upon this problem now with proper recognition of the indispensability of our coal industry and our coal miners to the long-range needs of the domestic fuel economy and our national security.

Consider what the situation will be in the unhappy event of a future emergency, if we continue recklessly to depend upon erratic supplies of residual fuel oil now being dumped expediently on our shores while our own vital coal industry has been allowed to suffer attrition.

Let us not forget also that during World War II, with a much larger number of miners than now, there was such a shortage of manpower that we deferred thousands as more essential in the mines than in the Armed Forces. Mr. Speaker, the miners, not only in Kentucky, but throughout the Nation, have been waiting patiently for the opportunity to present their case to this body. These laboring people and the coal industry deserve just and equitable treatment. They are entitled to their day in court. The protests and warnings of the miners and the coal industry, as presented to the committee, are being ignored. The unfortunate consequence of the proposed closed rule which has been handed down on H. R. 5495 deprives the Members of Congress of the opportunity of offering amendments to deal with this problem which vitally concerns the Nation as a whole.

Let us vote against this rule in order that this House may have the opportunity to work out a sound reciprocal trade bill, and, at the same time, do something to improve the serious situation in the coal industry.

Mr. ALLEN of Illinois. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and on a division (demanded by Mr. BAILEY) there were—ayes 120, noes 14.

So the resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. REED of New York. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5495) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from New York.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 5495, with Mr. HOEVEN in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. REED of New York. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, the bill H. R. 5495, the Trade Agreements Extension Act of 1953, is the ninth extension of the act since its original enactment in 1934. The purposes of H. R. 5495 are clearly set forth in the committee report which accompanied the bill. I shall quote from the committee report as follows:

1. Extend until June 12, 1954, the authority of the President under section 350 of the Tariff Act of 1930, as amended, to enter into trade agreements as requested by the President;

2. Reduce from 1 year to 9 months the period within which the Tariff Commission must make its investigation and report on application for relief under the escape clause;

3. Increase the membership of the Tariff Commission from 6 to 7;

4. Establish a temporary bipartisan commission to be known as the "Commisison on Foreign Economic Policy" which will provide the mechanism for a thorough examination of our foreign economic policy as recommended by the President.

From the day of the enactment of the Reciprocal Trade Agreement Act in 1934 and even prior to its enactment, a torrent of propaganda was poured through churches, schools, patriotic societies, the press and magazines, urging its enactment as a cure for the so-called emergency of the moment namely "a depression."

The free-trade advocates in 1934 argued that its sole purpose was to rebuild domestic economy by encouraging exports.

I am including at the close of my remarks some tables which show that the increased exports about which the free-trade sponsors of the 1934 act bragged were in fact war supplies exported to aggressors who were then preparing for war. The increased exports stockpiled the aggressor nations.

I call the attention of the Members of the House to the following analysis of the arguments officially advanced by the executive branch to the Congress in support of the reciprocal-trade program since 1934. It will be noted that each time the question of its renewal was before the Congress, it was urged that the program was an indispensable part of any policy designed to remedy whatever emergency was facing the country at the moment.

Year	Emergency confronting United States	Argument for program
1934	Depression	Sole purpose is to rebuild domestic economy by encouraging exports.
1937	Threat of wars abroad	Will help to preserve world peace through increased international trade
1940	War in Europe, fear of United States being involved.	Will not involve United States in war. Will help build enduring peace for this Nation and the world.
1943	Winning the war and establishing lasting peace.	Failure to extend agreement would discourage our allies. Agreement essential to lasting peace.
1945	Establishing a lasting peace and post-war prosperity.	Indispensable to world peace. Essential to domestic prosperity. We will have to find foreign markets for our surplus production. (NOTE.—Cost our taxpayers $45 billion in aid to find markets.)
1947	Threat of new world war	War dislocations have resulted in widespread world poverty tending toward war. Reciprocal trade agreement program will spread wealth throughout the world.
1948	Threat of new world war continues	Trade agreement program only way United States can contribute its full share to sound economy and peace.
1949	Threat of new world war; concern with mounting cost of foreign aid.	Trade agreement program is necessary to protect our tremendous investments abroad. It will promote world economic recovery and peace.
1951	Menace of aggressive communism	Agreements will strengthen free world.
1953	Time of peril	"The long-term economic stability of the whole free world and the overriding question of world peace will be heavily influenced by the wisdom of our decision."

NOTE.—On Dec. 7, 1941, the United States was involved at Pearl Harbor. Not counting ships and planes, our losses were as follows: Navy: 2,117 officers and men killed; 960 men missing; 876 wounded. Army: 226 officers and men killed, 396 men wounded.

Without our exports to Japan this tragedy would not have occurred.

Japan not a signatory to an agreement, yet she had the benefit of the most-favored-nation clause in stockpiling with our exports.

I do not like subterfuge, specious arguments, hypocrisy, and bad faith with reference to trade agreements or any other legislation. The record shows, and by now it ought to be obvious to every thoughtful citizen, that the trade agreements have never contributed to world peace, yet that has been the main argument and emotional appeal by those urging the legislation and its extensions.

Now, what are the facts? As I have previously mentioned, the arguments have been repeatedly advanced by the proponents of the reciprocal trade program that the increased international trade claimed to have resulted therefrom was a basic factor in maintaining world peace. The fact is, however, that there has never been a period in world history when wars have been more numerous and more costly in blood and treasure than the period from 1934 to date. The reciprocal trade program has not resulted in peace for this Nation nor for the world.

I say to you that despite the dogmatism with which, over the years, the sponsors of the program have insisted that it was a vital factor in world peace, the facts are otherwise.

The figures show that the insatiable desire to the proponents to promote exports at any cost has made it possible for our enemies to obtain from our own shores the war materials which they needed in order to wage aggressive war.

What does the record show with reference to our exports to aggressors? From 1935 through 1940 we exported to Japan war material worth $949,018,892. Yes; and from 1935 through 1939 we exported war materials worth $323,099,694 to Germany, and war material worth $243,334,099 to Italy.

It was the exports of war material to Japan that made possible the war between Japan and the United States.

Faced with the deplorable facts that we exported from 1937 to 1939, inclusive, an average in each year of war materials worth $63,670,697 to Germany; $64,662,000 of war materials to Italy, and $176,948,579 worth of war materials to Japan, the proponents of the reciprocal trade program have shrugged their shoulders. They point out proudly that we did not have any reciprocal trade agreements with Germany, Italy, or Japan. But what they fail to mention is that our enemies did greatly benefit from the reciprocal trade-agreement program. The enemy nations benefited by getting the war material from the United States, and they also benefited financially. This is because each nation, whether or not it was a party to a trade agreement with us, received all the tariff-rate benefits that were awarded to any nation in any agreement.

Thus, over 100 different categories of products which were actually imported into this country from Japan since 1934 and prior to 1939 in amounts of $2,000 or more, received the benefit of reduced rates under trade agreements which we had entered into with other countries.

These rate reductions made it highly advantageous for the Japanese to get dollars to purchase war materials to wage World War II.

In view of the facts just mentioned, it is not surprising to find that the Japanese were able to import from us $530,845,737 worth of war materials in the period 1937 to 1939 which was 40 percent more than in the period of 1932 to 1934 which preceded the initiation of the trade-agreement program.

Similarly, Italy which also was able to take advantage of the myriad rate reductions granted in agreements with other countries found the dollars with which to purchase from us $150,217,263 worth of war materials in the period 1937 to 1939 which was 21 percent more than Italy purchased in the period 1932 to 1934.

Now, here is a most interesting and striking fact. Unlike Italy and Japan, Germany was unable to take advantage of the reduced tariff rates afforded by the reciprocal trade-agreement program because, effective October 15, 1935, we refused to allow her products to enter this country at the reduced rates. We find, in the case of Germany, that her imports of war materials from us decreased by 18 percent during the period 1937 to 1939, when she was actively preparing for war under Hitler, as compared to the period 1932 to 1934. In other words, where the aggressor nations were able to take advantage of the reciprocal trade program they were able to substantially increase their imports of war materials from us.

In the case where they were unable to avail themselves of the program, such as Germany when she was preparing for war more intensively than any of the others, the exports of war materials actually decreased. If Japan and Italy and other aggressor nations had not been assisted by the reciprocal-trade-agreements program in getting dollars which they needed to buy war materials from us; if a determined effort by the past administration had not been made to promote exports of any kind at any cost to almost every nation, regardless of the damage to domestic industry and to domestic self-sufficiency, I am convinced that Japanese aggression against this country would have been prevented.

The facts presented, I am forced to conclude that the reciprocal-trade-agreements program made a ghastly contribution to World War II.

The reciprocal-trade-agreements program, stripped of its mask of hypocrisy, is nothing more than a back-door approach to free trade.

The proposed extension can be justified only by the proposal to extend it for 1 year, during which time the subject of foreign-trade policy can be studied by the Commission to be appointed, as recommended by the President, and also on the proposal to increase the membership of the Tariff Commission from 6 to 7. This increase in membership will prevent tie decisions on peril-point cases.

If H. R. 5496, which gives certain tariff relief to domestic industries now hard pressed by foreign imports, were being considered, I would support it. It is my hope that H. R. 5496 may yet be brought to the floor for action.

Here are the figures with respect to the exports of war materials to which I have referred:

Table A shows the exports of war materials to Germany, Italy, and Japan, from 1936 through 1939 in the cases of Germany and Italy, and for the period 1936 through 1940 in the case of Japan.

Tables B and C, prepared by Harold T. Lamar, Legislative Reference Service of the Library of Congress, show the exports of these same war materials to the same three countries for the years 1932 through 1935.

Table D analyzes the foreign trade of the United States with Germany, Italy, and Japan for the years 1932 through 1934, when the reciprocal-trade-agreements program was not in operation, and the years 1937 through 1939, when the program was in full operation.

Table E shows the total exports of war materials in dollars to Germany, Italy, and Japan for the years 1935 through 1939, in the cases of Germany and Italy, and the years 1935 through 1940, in the case of Japan.

Table F shows the total exports from this country of war materials to all countries for the years 1929 through 1939.

It should be noted that the war materials referred to in tables B through E are those identified in table A. The classification of war materials in table F is different in a few minor respects.

TABLE A.—*Exports of certain war materials to Germany, Italy, and Japan*

Commodity	1936			1937		
	Germany	Italy	Japan	Germany	Italy	Japan
Raw cotton:						
Bales	719,327	339,520	1,356,000	988,261	539,721	918,949
Dollars	47,539,855	22,766,539	88,337,929	82,892,082	33,687,832	62,616,417
Petroleum and products: Dollars	19,409,249	9,009,611	28,873,205	19,707,549	12,108,713	41,530,749
Aviation gasoline [1]						
Iron and steel scrap:						
Tons	7,000	285,000	1,010,000	88,000	381,000	1,873,000
Dollars	122,000	3,564,000	11,897,000	1,610,000	4,640,000	37,418,000
Steel ingots, blooms, etc.:						
Tons	None	None	4,002	None	None	208,037
Dollars			123,327			8,902,847
Tinplate:						
Pounds	12,499	205	40,329,895	217,351	13,501,114	94,402,962
Dollars	608	10	1,681,191	10,459	755,766	4,442,819

[1] Not given separately.

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TABLE A.—*Exports of certain war materials to Germany, Italy, and Japan*—Continued

Commodity	1936			1937		
	Germany	Italy	Japan	Germany	Italy	Japan
Tinplate, scrap:						
Tons	None	None	13,662	None	None	14,126
Dollars			253,009			246,770
Copper, refined:						
Pounds	65,278,609	47,700,894	79,852,142	75,070,191	41,624,043	145,688,933
Dollars	6,041,037	4,483,789	7,292,977	9,971,923	5,482,976	17,997,004
Copper scrap:						
Pounds	13,947,584	None	5,355,471	23,715,774	276,057	10,838,709
Dollars	1,109,983		431,728	2,551,764	38,738	1,215,439
Motortrucks, buses, etc.:						
Number	27	378	7,769	97	95	10,492
Dollars	19,079	311,092	2,594,696	79,420	64,472	3,875,283
Aircraft and parts: Dollars	411,252	631,270	869,100	1,026,947	470,131	2,483,946
Firearms and ammunition: Dollars	11,156	None	11,037	10,439	65	49,965
Machine tools: Dollars	22,433	104,792	105,211	18,252	26,390	60,113

Commodity	1938			1939			1940 [1]
	Germany	Italy	Japan	Germany	Italy	Japan	Japan
Raw cotton:							
Bales	394,949	402,527	1,049,773	374,344	388,051	829,000	
Dollars	18,271,000	19,704,107	53,231,192	19,948,423	19,542,436	42,498,000	29,595,000
Petroleum and products: Dollars	24,262,928	14,152,852	49,567,108	13,604,641	12,925,853	45,285,000	54,600,000
Aviation gasoline:							
Barrels	None	None	None	23,646	4,711	555,456	776,499
Dollars				88,318	19,866	5,013,614	3,220,553
Iron and steel scrap:							
Tons	231,000	436,000	1,365,721	16,584	425,896	2,035,000	953,000
Dollars	3,046,000	6,061,000	21,685,100	238,145	6,335,496	32,732,000	17,082,000
Steel ingots, blooms, etc.:							
Tons	None	None	97,713	None	384	144,000	285,000
Dollars			3,397,333		12,244	5,639,000	8,765,000
Tin plate:							
Pounds	114,870	151,708	28,263,158	None	None	642,000	21,216,000
Dollars	4,440	8,429	1,631,366			29,000	1,112,000
Tin plate, scrap:							
Tons	None	None	12,495	None	None	10,699	4,293
Dollars			227,874			209,497	79,689
Copper, refined:							
Pounds	148,665,920	43,747,205	217,879,738	42,568,111	56,028,758	249,277,000	233,807,000
Dollars	14,871,930	4,205,196	21,813,071	4,340,771	6,937,419	27,567,000	24,321,000
Copper scrap:							
Pounds	23,678,355	2,639,365	3,804,560	11,049,880	3,986,127	9,882,000	6,815,000
Dollars	1,967,323	64,153	350,707	931,021	420,735	983,000	715,000
Motortrucks, buses, etc.:							
Number	1,025	35	5,804	124	13	2,427	58
Dollars	821,086	27,108	2,129,287	127,396	10,783	969,000	198,000
Aircraft and parts: Dollars	580,040	187,005	11,062,777	90,780	81,286	3,308,000	933,000
Firearms and ammunition: Dollars	24,845	125	106,365	18,532	32,710	761,684	4,143
Machine tools: Dollars	9,855	25,227	6,857	800	11,150	19,811,526	17,051,359

[1] There were practically no exports to Germany in 1940 or to Italy after the first 5 months.

NOTE.—Official figures giving exports of individual commodities by countries were discontinued in March 1941.

TABLE B

Commodity	1932			1934		
	Germany	Italy	Japan	Germany	Italy	Japan
Raw cotton:						
Bales	1,741,599	607,074	2,248,997	739,773	402,553	1,737,101
Dollars	67,624,264	27,023,646	85,921,334	44,947,706	31,915,720	112,178,330
Petroleum and products: Dollars	8,019,160	5,619,745	15,524,241	11,511,470	6,061,861	21,052,163
Aviation gasoline						
Iron and steel scrap:						
Tons	134	6,678	164,001	10,883	225,644	1,168,496
Dollars	8,390	37,421	1,325,464	122,643	2,226,712	12,427,709
Steel ingots, blooms, etc.:						
Tons	9				7	5,040
Dollars	850				701	127,724
Tin plate:						
Pounds		39,998	15,809,419		3,624,998	90,092,804
Dollars		1,187	580,292		131,835	3,628,315
Tin-plate, scrap: [1]						
Tons	(1)	(1)	(1)	(1)	(1)	(1)
Dollars						
Copper, refined:						
Pounds	30,447,238	23,344,238	448,041	72,761,664	43,041,104	113,709,412
Dollars	1,828,128	1,444,000	33,000	5,715,964	3,211,700	8,206,479
Copper scrap:						
Pounds	19,120,592	208,933	2,715,885	10,126,806	70,675	4,827,634
Dollars	1,136,595	14,650	139,730	700,892	5,411	322,965
Aircraft and parts: Dollars	192,501	3,696	366,950	1,761,697	107,295	320,562
Firearms and ammunition: Dollars	6,102	3,391	3,758	9,107	4,342	5,764
Machine tools: Dollars	36,077	32,142	28,065	63,405	30,529	66,202
Motortrucks, buses, etc.: Dollars	14,311	67,408	979,677	35,978	67,974	2,139,454

[1] Included in iron and steel scrap, not separately classified.

TABLE C

Commodity	1933			1935		
	Germany	Italy	Japan	Germany	Italy	Japan
Raw cotton:						
Bales	1,653,698	803,700	1,813,845	300,184	451,575	1,517,997
Dollars	77,106,754	37,501,111	86,699,273	38,452,681	29,935,050	98,586,883
Petroleum and products: Dollars	9,810,377	5,575,404	14,440,009	14,018,950	9,798,905	25,650,244
Aviation gasoline						
Iron and steel scrap:						
Tons	14,111	114,419	547,539	4,113	382,772	1,065,143
Dollars	163,999	858,739	4,738,917	99,142	4,164,559	10,843,964
Steel ingots, blooms, etc.:						
Tons	8			70		30,908
Dollars	780			1,275		568,192
Tin plate:						
Pounds		5,841,477	53,032,500	225	5,887,388	48,269,007
Dollars		208,827	1,924,639	13	233,165	1,874,099
Tin plate scrap:						
Tons					2	31,961
Dollars					30	691,483
Copper refined:						
Pounds	34,762,322	30,037,514	28,158,240	49,832,842	90,493,875	106,265,391
Dollars	2,523,043	2,026,793	1,589,136	3,822,008	6,746,111	7,888,379
Copper scrap:						
Pounds	8,927,880	113,005	7,309,436	11,701,869	13,331	3,243,049
Dollars	489,932	5,608	392,263	765,219	929	228,697
Motortrucks, buses, etc.: Dollars	2,833	10,708	1,238,889	16,902	539,490	2,834,813
Aircraft and parts: Dollars	349,539	21,005	339,208	195,464	789,826	950,377
Firearms and ammunition: Dollars	8,026	3,674	6,947	21,472	394	6,448
Machine tools: Dollars	36,710	12,987	34,562	8,025	36,703	80,363

TABLE D.—*Comparison of United States exports, exports of certain "war materials" and imports for the 3-year periods, 1932–34 and 1937–39, United States exports to and imports from Germany, Italy, and Japan*

GERMANY

Year	United States exports of "war materials" to Germany	Total United States exports to Germany	United States imports from Germany
1932	$78,866,378	$133,668,000	$73,372,000
1933	90,490,863	140,024,000	78,185,000
1934	64,868,762	108,738,000	68,805,000
Total, 3 years	234,226,003	382,430,000	220,362,000
1937	87,848,835	126,343,000	92,468,000
1938	63,862,747	107,190,000	64,550,000
1939	39,300,509	46,475,000	52,448,000
Total, 3 years	191,012,091	279,948,000	209,466,000
Average for 3 years, 1932–34	78,075,334	127,476,667	73,520,667
Average for 3 years, 1937–39	63,670,697	93,316,000	69,822,000
Percent decrease 1937–39 over 1932–34	18	27	5

TABLE D.—*Comparison of United States exports, exports of certain "war materials" and imports for the 3-year periods, 1932–34 and 1937–39, United States exports to and imports from Germany, Italy, and Japan*—Continued

ITALY

Year	United States exports of "war materials" to Italy	Total United States exports to Italy	United States imports from Italy
1932	$34,247,289	$49,135,000	$42,403,000
1933	46,224,806	61,240,000	38,571,000
1934	43,764,243	64,578,000	35,749,000
Total, 3 years	124,236,338	174,953,000	116,723,000
1937	59,275,083	76,830,000	48,170,000
1938	44,615,202	58,292,000	41,241,000
1939	46,326,976	58,804,000	39,922,000
Total, 3 years	150,217,263	193,926,000	129,333,000
Average for 3 years, 1932–34	41,412,113	58,317,667	38,907,667
Average for 3 years, 1937–39	50,072,421	64,662,000	43,111,000
Percent increase, 1937–39 over 1932–34	21	11	11

TABLE D.—*Comparison of United States exports, exports of certain "war materials" and imports for the 3-year periods, 1932–34 and 1937–39, United States exports to and imports from Germany, Italy, and Japan*—Continued

JAPAN

Year	United States exports of "war materials" to Japan	Total United States exports to Japan	United States imports from Japan
1932	$104,913,214	$134,921,000	$134,011,000
1933	111,403,843	143,435,000	128,418,009
1934	161,535,757	210,480,000	119,251,000
Total, 3 years	377,852,814	488,836,000	381,680,000
1937	180,839,343	288,558,000	204,201,009
1938	165,193,073	239,662,000	126,762,000
1939	184,813,321	232,184,000	161,212,000
Total, 3 years	530,845,737	760,404,000	492,173,000
Average for 3 years, 1932–34	125,950,938	162,945,333	127,226,667
Average for 3 years, 1937–39	176,948,579	253,346,000	164,058,333
Percent increase 1937–39 over 1932–34	40	55	29

TABLE E.—*Total exports of war materials to Germany, Italy, and Japan*

To Germany (1935 through 1939)	$523,099,664
To Italy (1935 through 1939)	243,334,019
To Japan (1935 through 1940)	949,018,892
Grand total	1,515,452,605

TABLE F

[Value in thousands of dollars]

Commodity	1929	1932	1933	1934	1935	1936	1937	1938	1939
Aircraft parts and accessories: Value	$9,126	$7,946	$9,181	$17,663	$14,292	$23,143	$39,404	$68,228	$117,805
Motortrucks:									
Number	196,760	24,954	43,516	92,723	99,080	106,239	166,167	115,788	115,301
Value	$111,435	$11,716	$20,113	$44,207	$50,882	$54,961	$100,376	$72,220	$69,622
Iron and steel scrap:									
Thousand tons	557	228	773	1,835	2,079	1,892	4,062	2,987	3,559
Value	$7,748	$1,559	$6,874	$19,188	$21,500	$22,049	$76,810	$45,155	$54,790
Pig iron:									
Tons	46,357	2,324	2,750	4,096	4,107	5,316	782,436	432,857	177,622
Value	$830	$54	$64	$97	$90	$119	$19,403	$7,135	$3,436
Steel ingots:									
Tons	42,578	1,627	3,169	19,586	30,782	20,400	338,722	167,641	215,778
Value	$1,500	$64	$114	$577	$901	$607	$13,392	$5,905	$8,124
Petroleum and products: Value	$561,191	$208,381	$200,016	$227,537	$250,327	$263,149	$376,239	$368,606	$383,122
Nonferrous metals (except precious) including aluminum, copper, zinc, lead, nickel, and brass: Value	$238,815	$33,210	$36,946	$68,276	$69,066	$76,217	$120,245	$117,664	$151,919
Steel sheets (black ungalvanized, and not containing alloys): Value	$14,307	$2,844	$2,465	$6,025	$6,550	$10,003	$22,464	$15,155	$18,436

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TABLE F—Continued

[Value in thousands of dollars]

Commodity	1929	1932	1933	1934	1935	1936	1937	1938	1939
Munitions, gunpowder, etc.: Value[1]	$7,250	$2,362	$3,555	$4,385	$4,284	$6,020	$7,672	$10,305	$7,780
Tractors and parts: Value	$75,224	$5,096	$6,252	$11,926	$18,000	$28,750	$52,859	$51,421	$47,989
Passenger cars and chassis (new):									
Number	330,617	40,656	63,754	143,914	172,572	179,957	229,186	161,612	137,866
Value	$234,539	$23,286	$31,805	$77,783	$94,511	$103,024	$134,815	$100,143	$84,658
Raw cotton, except linters:									
Thousands of pounds	3,884,706	4,714,631	4,411,597	3,028,802	3,084,719	2,826,078	3,034,779	2,288,437	2,404,493
Value	$764,760	$343,182	$395,168	$307,165	$353,398	$353,822	$360,023	$224,293	$230,222
Total value	$2,026,725	$640,000	$712,553	$874,829	$914,116	$941,864	$1,332,702	$1,106,230	$1,186,924

[1] Includes light arms (revolvers, rifles, etc.), machine guns, and heavy ordnance guns, cartridges, shells, gunpowder, dynamite, and other explosives.

Source: Foreign Commerce and Navigation of the United States, 1929, 1932-39, U. S. Department of Commerce.

Mr. COOPER. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the time is very limited for the consideration of this very important bill. Many requests have been made by Members for time to speak on this bill, so in view of that situation I shall only ask your indulgence long enough to make a brief statement.

Mr. Chairman, it is rather interesting to note in passing that the situation exists on this bill as it has throughout this session of Congress, the distinguished chairman of the committee speaking in opposition to the program recommended by the President of the United States. We have had that type of situation existing all along during this session. The bill H. R. 5495 was favorably reported by the Committee on Ways and Means by a vote of 23 to 2.

Mr. Chairman, this bill includes four provisions:

First. It extends the present Trade Agreements Act for a period of 1 year.

Second. It reduces the time for the Tariff Commission to make its reports to the President under the escape clause provision from the present 1 year to 9 months.

Third. It provides for an increase in the membership of the Tariff Commission from the present six to seven members, and increases the term from 6 to 7 years, and provides that not more than four of the members of the Tariff Commission shall be members of one political party.

Fourth. It provides for the Commission, as recommended by the President, to make a comprehensive study of the foreign-trade policy of this country.

This bill is in response to a special message by the President of the United States to the Congress, which was submitted here immediately following the Easter recess.

Mr. Chairman, since its inception in 1934, the trade-agreements program has been the cornerstone of our foreign-trade policy. I have always strongly supported this program. It is my conviction that, judged in the light of its contribution to the prosperity and economic welfare of our country and the free nations of the world, it is one of the greatest programs ever adopted by the Congress.

The trade-agreements program has been an essential collateral to our foreign-aid programs, such as the Marshall plan and the program under the North Atlantic Treaty Organization setup. It has contributed very materially to the economic strength and solvency of the free nations of the world, while at the same time imposing a deterrent upon communistic aggression from without and subversion from within.

Trade agreements have been to the mutual advantage of all contracting parties. Under the trade-agreements program, our exports to countries with which we had trade agreements had increased about 60 percent from the inception of the program until the outbreak of World War II, while our exports to "nonagreement countries" had increased only about 30 percent. In this same period, imports from agreement countries increased about 20 percent, compared to an increase of only about 10 percent from nonagreement countries.

They have made foreign markets accessible to our farmers and other domestic producers, which we would never have gained otherwise. This has been beneficial to all elements of our economy—labor, industry, and agriculture alike—and has contributed greatly to our internal strength.

In 1951, our exports represented 8.9 percent of our production of movable goods. In money, this amounted to around $15 billion, $4 billion in agricultural products and $11 billion in nonagricultural products. The $4 billion in farm exports equaled the combined farm income of New York, North Carolina, Indiana, and Kansas, and the production of 53 million acres of farm land. We exported about one-third of our total production of cotton, wheat, flue-cured tobacco, rice, dried whole milk, dried peas, and grain sorghums, and more than one-fifth of our total production of soybeans, dried fruits, hops, lard, and tobacco of all types. Even from this partial list of our farm exports, we can see that nearly every State has a large production of at least one farm product which is vitally dependent upon exports. One dollar out of every eight dollars of the income of farmers came from exports. Stated in another way, income from exports averaged $1,100 for each commercial farm in the United States.

Of our total production of nonagricultural commodities in 1951, exports in some cases ran as high as 41 percent. This was true in the case of sardines. In the case of road graders, we exported 30 percent of our total production; in the case of tractors, 21 percent; trucks, 16 percent; refrigerators, 14 percent; and machine tools, 11 percent. Most of these industries were running at full capacity. We can see that if their export markets were lost, the cutback in their production could run as high as 41 percent.

These figures indicate the importance of our export trade to our economy. It has been estimated that if there should be a decline in the exports of farm products so as to increase the supply available to our domestic market by only 7 or 8 percent, farm prices would fall as much as one-third. Repercussions from such an event would be a severe blow to our entire economy, since, as we all know, when our farm economy suffers, economic reverberations are country-wide.

At a time when our defense preparedness program is about to reach its peak, and when it appears that foreign aid has been successful in rehabilitating the war-torn economies of many friendly foreign nations, it is more than ever necessary to reaffirm our determination to continue the trade agreements program in our own self-interest, and in the interest of constructive and cooperative international effort and relations.

We must foster well-balanced, self-sustaining and mutually beneficial international trade, since the international economic policies and relations of the United States are one of the main foundations not only of our own national security and prosperity, but of the security and prosperity of all the friendly nations of the world. Since we have got these nations to cast their lot with us in our fight against world communism, we must assure them that they will not find us returning to economic isolation.

I am quite agreeable to a 1-year extension of the President's authority to enter trade agreements, as proposed in the bill under consideration. However, I very strenously oppose title II of this bill, which would make a fundamental and basic change in the Tariff Commission from its present nonpartisan, fact-finding nature to a partisan, political nature.

From the very beginning of the Tariff Commission in 1916, Congress has very carefully and purposefully intended that the Tariff Commission be independent of politics and objective in its functions. I quote from a letter from President Wilson to the chairman of the Committee on Ways and Means, recommending the establishment of a permanent Tariff Commission, dated January 24, 1916.

What we need would be, above all things else, a board (tariff board) as much as possible free from any strong prepossession in favor of any political policy and capable of looking at the whole economic situation of the country with a dispassionate and disinterested scrutiny.

Partisan politics has no business whatever in determining the composition of the Tariff Commission. The Commission's function should continue to be the ascertainment of economic facts by qualified, experienced and objective staff personnel and members. In 1929, an attempt was made to change the nonpartisan nature of the Tariff Commission, and the attempt was very roundly defeated.

This proposal to change the Tariff Commission from a nonpartisan fact-finding body to a partisan body is sponsored by those who have been known as opponents to the Trade Agreements Program from its very inception.

The main argument advanced for this proposal to "pack" the Tariff Commission is that it would avoid evenly-split decisions in escape-clause proceedings. There is certainly no precedent for this, because findings in escape-clause proceedings by the Tariff Commission have always been either unanimous or by a majority vote. When this argument fails, this provision stands out even more prominently in its true light, as an attempt by economic isolationists to do indirectly what the Congress has not permitted them to do directly.

I feel it my duty to point out that many persons feel that it would be better not to renew the President's authority to enter reciprocal trade agreements at all, if it is not possible to renew his authority without changing the traditional and historical nature of the Tariff Commission. The reason for this position is that there are no plans to negotiate new trade agreements in the coming year, and to renew the President's authority while at the same time changing the Tariff Commission to a political body will give the opponents of the trade agreements program an opportunity to eat away at existing trade agreements, and eventually destroy them.

It is my fervent hope, as one who has always supported the trade agreements program, that the provision increasing the Tariff Commission from 6 to 7 members will be stricken from the bill.

Mr. REED of New York. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts [Mr. BATES].

Mr. BATES. Mr. Chairman, within the next few weeks the fishing industry in New England will appeal to the Tariff Commission for relief to determine whether the increases in imports into this country cause serious injury to the domestic fishing industry producing like or competitive products.

As a consequence of the last appeal, the Tariff Commission refused the request for relief on September 4, 1952, by a split decision. It is my firm belief that the more damaging effect of recent imports should persuade the majority to change its opinion when the new testimony is presented. It is quite obvious to me, and to members of the fishing industry, that this business cannot possibly survive if the imports continue to increase as they have in recent years. In the year 1940, only 10 million pounds of ground fish fillets came into this country, and it represented only 10 percent of domestic consumption. In 1951 87 million pounds were imported and represented 37 percent of the domestic consumption, and in 1952, 107 million pounds of fish were imported, which represented over 45 percent of the domestic consumption. Many of the firms, both large and small, in Gloucester, Mass., sustained large losses a year ago and indications are, at the moment, that the losses will be more substantial during the present year.

As a result of the tremendous imports of a year ago, the storage of frozen fillets in the United States amounted to 51 million pounds in January of 1953, while in January of 1952 they only amounted to 33 million pounds. The 5-year average of fish holdings amounted to only 29 million pounds. Because of this, landings in Gloucester, Mass., which had amounted to 91 million pounds in the January-May period of 1951, and 58 million pounds in the January-May period of 1952, amounted to only 42 million pounds for the 6 months of the present year. Production of fish has also steadily declined. In the month of May 1951, in Gloucester production amounted to 27 million pounds. In 1952 it was 21 million pounds. In May of this year, production amounted to only 16 million pounds.

This appeal to the Tariff Commission will undoubtedly be the last one because if a favorable decision is not granted, the domestic fishing industry may close its doors and thus sadly end 329 years of fishing from that port. Unless some consideration is given, the industry will be faced with extinction and thousands of our people will become unemployed.

There is no basic controversy toward the extension of the Reciprocal Trade Act. The only opposition revolves on the proposal to increase the number on the Commission from 6 to 7 members. I am strongly in favor of this amendment and believe that the membership should be increased to an odd number. I can think of nothing more frustrating than to have the people of my district make their appeal and to receive the result of a 3-to-3 decision. Whatever opinion the Tariff Commission makes of the facts that will be presented to them, I say let that be a firm and clear-cut decision, not one that is evenly divided. Almost all Government activities which are established to make decisions have an odd number of members, so there is ample precedent established in this respect, although it has been said here today that this would establish a precedent. Rather the opposite is true. There are ample precedents in having an odd number of members on Government fact-finding boards, namely: 11, Interstate Commerce Commission; 5, Federal Power Commission; 7, Federal Communications Commission; 5, Federal Trade Commission; 3, Civil Service Commission; 5, Securities and Exchange Commission; 3, War Claims Commission.

This same situation should prevail on the Tariff Commission, and I strongly urge the House to accept the proposed amendment in order that the Tariff Commission may render unequivocal verdicts.

Mr. REED of New York. Mr. Chairman, I yield 15 minutes to the distinguished gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. Mr. Chairman, I was a little amused a few minutes ago when my distinguished colleague the gentleman from Tennessee [Mr. COOPER] joked a little with Mr. REED about his regularity. Mr. REED, because of his seniority, his high character, and ability, meets all the qualifications of a capable and eminent statesman.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I yield to the distinguished gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. The gentleman from Tennessee [Mr. COOPER] said something about agricultural exports; and I assume that he was referring to the period of the last 3 or 4 years. I should like to have the gentleman discuss, and I should like to point out with him, the fact that a large part of the agricultural exports since April 1948, and up to last year were paid for by the American taxpayers, and given away to various countries of the world. I shall just cite three of them.

What: The American taxpayers paid for $1,600,000,000 worth of wheat; $1,200,000,000 worth of cotton; and $450,000,000 worth of tobacco. These were all given away to these other countries, but were calculated in the figures presented by the gentleman from Tennessee [Mr. COOPER].

Mr. JENKINS. I am glad to have the gentleman's contribution, and I shall just take enough time to say that the distinguished gentleman from Minnesota appeared before the Ways and Means Committee when we were having public hearings on the bill H. R. 4294. He gave what I thought was a most lucid and complete dissertation with respect to the rights and problems of the farmers of this country. It is unfortunate that that bill we were then considering was divided into two bills, one of which we are considering here today.

I should like to talk to you, my colleagues, just in an informal way as though we were talking shop. The predecessor of the present Simpson bill was H. R. 4294. That is the number of the bill about which you have been receiving so many letters for several weeks. That bill was prepared with the greatest care and with the finest purposes in mind. It was not only Mr. Simpson's bill, but it was the bill of all of the Republican members of the Ways and Means Committee. That was in part the bill of some of the leading authorities in the country on the subject of the reciprocal trade agreements program. Our purpose was to prepare a bill that would meet the situation that was confronting the country and involving our economic, financial, and national welfare.

We had 5 or 6 meetings when we were preparing that piece of legislation. They were not secret meetings. They were not for the purpose of binding anybody. It was a meeting for the purpose of trying to find out just what was going on in the country, and what the different in-

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dustries wanted, and what the people wanted to be included in the bill. We agreed on about what the substance of that bill should be and Mr. SIMPSON introduced H. R. 4294 on March 30, 1953.

Great interest in that bill was manifested immediately by many persons and groups that knew what it was all about. Among these groups were those interested in the coal industry which is one of the big industries of the country. And there was the pottery industry which is a great industry in Ohio and a number of other States. The railroads of the country were also much interested. Likewise the glass industry and the watch industry and the textile industry and about 30 or 40 other industries big and little were vitally interested in this bill.

We had long hearings before the Ways and Means Committee lasting for about 3 weeks.

People came from all over the country to testify. I suppose that 300 different witnesses appeared, of these only 10 or 12 were opposed to the bill H. R. 4294.

Congressman AUGUST H. ANDRESEN appeared for agriculture and many other Congressmen and Senators appeared. Democrats and Republicans appeared and they were at least 15 to 1 in favor of the proposed legislation.

I was proud of that bill and I thought that we would be able to pass it because it was of such vital importance to so many people.

Just about the time when these hearings were started the President indicated that the administration would prefer to give the matter further study. Four or five members of our President's Cabinet came before the committee and expressed their views. It developed that the President would like to have the Simpson bill put over for a future time. But in the presentation of their views they claimed that they would like to have a commission appointed to study the subject of our trade policy. But they indicated quite clearly that they were not inclined to relieve the situations about which so many witnesses had protested, to wit, the importation of a vast amount of commodities that were in competition with our American industries.

Secretary of State Dulles testified before the committee as follows:

I want to say to you that, as Secretary of State, I have no preconceived ideas and no policies to which I feel committed. I have a completely open mind. That is why I can conscientiously urge that there be in effect a "standstill" until this problem can be studied under fresh auspices in its relation to the complex problems into which tariff policy must be fitted. That is why I urge that H. R. 4294 should not now be adopted. Its present adoption would have serious international repercussions, injurious to the best interests and welfare of the United States. It would be taken, throughout the free world, to forecast United States trade policies which would make it impossible for them to live without increasing association with and dependence on the Communist world.

Well, he probably did have an open mind.

The Secretary of State apparently had an empty mind as far as his knowledge of the bill was concerned because his mind apparently was set on benefiting foreign countries without regard for our domestic economy. His vision apparently was way across the oceans. He apparently was thinking about what would be best for Europe and Africa. When I thought we were getting ready to vote out the Simpson bill that we had spent so much time on Mr. SIMPSON decided to divide his bill into two bills. This was done and the bills are numbered H. R. 5495 and H. R. 5496. After some consideration the Ways and Means Committee voted out H. R. 5495. This is the bill that we are considering today.

As has been stated this bill, H. R. 5495, does four things: first it extends the President's authority to make agreements for 1 year; second, it provides that the Tariff Commission shall consist of 7 members instead of 6 members; third, it provides for the appointment of a commission of 17 persons to spend several months in studying world conditions; fourth, it provides that the Tariff Commission should report its findings within 9 months instead of 1 year on escape-clause actions.

This Commission that is to be appointed should consist of 17 members. Seven to be appointed by the President and 5 by the Speaker and 5 by the Vice President. Those who are not now in Government service are to be paid $75 per day with all expenses. This Commission no doubt will travel all over the world. If you pass this bill you know very well they will go to every country. You know how readily they go on a junket; do you not? They will no doubt have dozens of highly paid secretaries and high-titled experts and the cost will no doubt run into hundreds of thousands of dollars. And what will they do when they come back? They will come back with tall stories of the kind that we have been hearing for years. They will not know as much about tariffs and foreign trade as our own committee experts know now. There are not many people in our congressional districts who get $75 per day and all their expenses. I am opposed to this extravagance. This would be a fine opportunity to save about $500,000 which could be applied toward balancing the budget.

I am opposed to this bill. And I ought to give a reason for the faith that is within me. I can do that, I think. Here is the reason I am going to vote against the bill: Because it does not do anything that will be for the benefit of these thousands of people who need help badly—the conditions in the coal, glass, tile, and many other industries are all very bad. They tell us that the other Simpson bill which is still pending in the committee will be passed by Congress and that that bill H. R. 5496 will take care of these distressed industries; I am looking at the Republican side now and I prophesy that this next bill will not pass this House. But if it does it will not pass the Senate. I shall not be a party to deceiving the hundreds of people who need help. We should not yield to pressure and lose a good cause.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I yield to my friend the gentleman from Pennsylvania.

Mr. EBERHARTER. At the time the gentleman drew up that bill there was no Democrat represented, not a single Democrat was represented.

Mr. BOGGS. Who drew up the bill? The gentleman mentioned drawing up a bill. There are 10 Democrats on the committee, but not one of us were present.

Mr. JENKINS. We had hearings for about 3 weeks every day. The gentleman asked questions. He was very busy there.

Mr. BOGGS. The gentleman talks about drawing up a bill. I saw the bill only after it was drawn up. Who drew it up?

Mr. JENKINS. What were you doing there during the 3 weeks that we had hearings?

Mr. BOGGS. We have not discussed the bill since the hearings.

Mr. JENKINS. Did the gentleman not participate in the hearings?

Mr. BOGGS. I sure did.

Mr. JENKINS. I thought you did. You are smart, and you knew what was going on.

Let me proceed. I want to say in all seriousness, and I know that a lot of you are exactly in my position, I do not like to be considered as voting against anybody, but I have the honor to represent a good many fine people. I have been here a good many years, and I think I know right from wrong. I know that the heart of the bill H. R. 4294, upon which we held hearings for days and days, is sound and should become law. It was progressing nicely, but something came along, and the Simpson bill was divided. They put in one bill those parts that are before us today. But the heart of the bill is back there in the committee and is represented as H. R. 5496. We are going to vote on it in committee tomorrow, I think. When it comes out, I bespeak for it your serious consideration. But I hear that if it ever passes this House it will never survive in the Senate. I hear all of these things, and I tell my people in my district that I have done my very best. That is all I can do, and that is the way I expect to vote.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I yield to the gentleman from Tennessee.

Mr. COOPER. Our distinguished colleague says he does not know what happened. What happened was that President Eisenhower sent a special message to Congress and all the members of his Cabinet appeared before the committee in opposition to the original Simpson bill. When I asked Mr. Dulles the specific question:

Mr. Secretary, do you think it would be better for the present law to expire than to enact the Simpson bill at this time?

He said:

Yes.

Mr. JENKINS. He said he would rather see the present law expire than to see our bill H. R. 4294 pass.

Now, then, to come back again to the hearings on the original bill. Who appeared against the bill? A few members

of the President's Cabinet, and they all had the same little speech. They want this great big study commission appointed; they wanted the existing law that has done so much damage extended a year. Who else came before the committee? Why, there were witnesses representing the Norfolk & Western, the Pennsylvania Railroad, and the C. & O. Railroad, the greatest coal carriers in this country. All of them appeared in favor of the proposed bill H. R. 4294.

Who else came before the committee? The representatives of dozens of the small oil-producing organizations in the country? Who else? Well, what is left of the glass producers, also the poor watchmakers and the pottery makers.

These representatives of these groups are a fine segment of our citizenship. They should not be punished so that someone or some group might gain political advantage.

I was a little bit disappointed in the testimony of some of the members of the Cabinet. Of course, they are all fine men and are entitled to their own views. Likewise, I am not finding fault with the President, I know Mr. Eisenhower well, I know that his integrity and his patriotism cannot be challenged. It is unfortunate that many deserving persons and business concerns must suffer for something for which they are in no way responsible.

Again I say that we have a serious proposition, before us, not only the Republicans but the Democrats as well. Those of you who represent people who are interested in the bill that is up to be considered, I am sure will want to do justice. That shall be my only purpose.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from Montana [Mr. D'EWART].

Mr. D'EWART. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. D'EWART. Mr. Chairman, we have before us a measure of great importance to the producers of certain minerals, wool, mustard, and other commodities in my State, who have been seriously hurt by the reciprocal trade program as presently administered. We recognize the need of trade with foreign countries and want to encourage this trade when it is conducted on a plane of fair competition.

Unfortunately, such has not always been the case. In fact, through quotas, limitations, subsidies, and currency manipulation, trade with foreign countries is oftentimes anything but fair, resulting in great harm to domestic producers. Let me illustrate what I mean by using wool as an example: We have subsidized wool coming into the United States and breaking the domestic price from both Argentina and Uruguay. In Argentina the exchange rate was 5 pesos for an American dollar. Under controlled currency and manipulation, 7½ pesos was allowed for each American dollar if used in the purchase of Argentine wool and wool tops. Wool tops is raw wool that has been sorted, scoured, and washed, carded, and then combed, ready for spinning into yarn. In Uruguay, where the peso on the official rate was 1.519 per American dollar, the rate was set at 2.35 pesos for an American dollar if used in the purchase of Uruguayan wool tops.

Since 1949 wool tops imports into the United States have climbed from 1.1 percent of domestic production to 11.8 of domestic production. Uruguay's exports of wool tops to the United States in 1952 were 5,647 percent greater than they were in 1949 and total wool top importations into the United States in 1952 were 1,027 percent greater than in 1949. Because of the subsidy, Uruguayan wool tops, even after the payment of the present duty, have undersold United States produced tops by as much as 30 cents per pound. The current differential is about 20 cents per pound.

The result was that American producers, through manipulation of the currency, lost their market to foreign subsidized imports, and American workers, who in 1949 prepared 99 percent of the tops, lost 12 percent of their production to cheap foreign labor competition.

Briefly, I would like to tell you about what happened to mustard seed production in my State. In 1941 there were 124,000 acres of mustard seed harvested, with a production of 55,180,000 pounds. In 1949, the acreage was 17,700 and 8,700,000 pounds were produced. Up until 1929 the tariff was 2 cents per pound on mustard seed. It is now seven-eighths of a cent per pound, in an agreement with two principal exporting countries to the United States. Under the escape clause and peril point and under other provisions of law, protection could have been given United States producers. Protection was not given by the previous administration.

The proposed extension under consideration for 1 year will add another member to the Tariff Commission and broaden the Commission's powers. It will extend the program for 1 year and set up a commission to study and report to the Congress, at which time we can appraise the effects of the reciprocal trade program upon trade and determine whether the Commission, as presently constituted, will give protection to United States producers who have been harmed in the past.

Under these conditions I am going to support the President's request for an extension.

Mr. DINGELL. Mr. Chairman, it seems to me that the proposal in the bill to expand the Tariff Commission to seven members can be put in its true light by asking one very simple question: Why is it necessary?

Have the Republican sponsors of this proposal forgotten that they have a Republican President in the White House? Have they forgotten that under the present law the President has the final say on the action to be taken based on the findings of the Tariff Commission?

Do not the Republican sponsors have faith in President Eisenhower? Or are they afraid that he might be just a little too liberal in his foreign trade decisions to suit the high tariff wing of the Republican Party?

Mr. Chairman, I am a Democrat; and I think most all Democrats have more faith and confidence in President Eisenhower's judgment on foreign-trade policy than the leaders of the Republican Party. Those of us who have been in the House for many years might do some of our colleagues on the opposite side of the aisle a great favor by offering them a word of caution. If you do not support your President, you will have an awful lot of explaining to do to the people back home who elected him.

I cannot get away from the fact that the attitude of the Republican leadership on changing the bipartisan Tariff Commission to a strictly partisan group reflects some very odd thinking by this great political party. Apparently, if domestic industry cannot get relief from foreign competition by honest means, they will have to do it dishonestly through a "packed" Tariff Commission. Apparently, the Republican sponsors believe "if we can't get it by hook, we will get it by crook."

I might point out, Mr. Chairman, that the original bill on which hearings were held by the Committee on Ways and Means apparently turned out to be too embarrassing even for its supporters to advance with sincerity. It lacked provision only for electronic equipment for discovering a domestic injury and for speedily processing it into a restriction of an import. It provided for practically everything except electronic eyes that could hunt out pinpricks to industries even when they were unaware of being hurt; amplifying equipment that could step up a mild "ouch" to a series of sustained thunderclaps; and teletype equipment for rushing the Tariff Commission's "orders" to the President for proclaiming restrictions of imports.

Getting back to the bill under consideration, I wonder if the Republican sponsors thought of the consequences of changing the Tariff Commission to a political organization? Under this Republican plan a man who is not a Republican is virtually guaranteed an unfair hearing before the Tariff Commission. This is hardly a proper means of giving fair and adequate protection to American industry.

And most important of all: This is hardly a proper way for any administration, regardless of party, to conduct our foreign economic policy. President Eisenhower, in his state of the Union message to Congress, stated that he was "sincerely" interested in having a bipartisan foreign policy.

If President Eisenhower is sincere in this thought, then the leaders of his party are doing him a great disservice by destroying the character of the key bipartisan agency in the Government which traditionally has been free from narrow partisan politics.

Mr. Chairman, this attempt means no more and no less than the fact that the Smoot-Hawley high-tariff boys are in control and at it again. They have been defeated in their attempts to restore what they consider the good old days of the protectionist period in the open, and now they are trying to sneak in the back

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door when we are not looking, by politicalizing the Tariff Commission.

We will stop them just as cold here as we have stopped them in their direct assaults on the trade-agreements program.

It amazes me that any group of responsible men can today be so shortsighted and forgetful as are the high-tariff boys of the plunder bund. They would create major unemployment and invite a depression by cutting off our imports altogether if they could do so in order to gain personally at the expense of the people. Just pure, simple mathematics would refute their case in its entirety. Any schoolchild knows that you cannot sell where you do not buy. Trade is not a one-sided proposition; it takes two to make a bargain. You cannot send ships to foreign ports laden with American products and expect them to return in ballast. It just cannot be done, as we learned under the Republican Smoot-Hawley tariff law, which brought on the greatest depression in history.

A return to the depression-ridden Smoot-Hawley era can only be sought by the most selfish, self-interested groups. They are a very distinct but vicious minority. Just checking the hearings before the Committee on Ways and Means proves this.

I can no better elucidate on the fact that the protectionists would defeat their own purpose than by quoting a letter, most eloquently written, which I received from Mr. John S. Coleman, an outstanding industrialist and president of the Detroit Board of Commerce, under date of May 29, 1953, which reads as follows:

DETROIT BOARD OF COMMERCE,
Detroit, Mich., May 29, 1953.

The Honorable JOHN D. DINGELL,
Representatives Office Building,
Washington, D. C.

DEAR SIR: In recent weeks a large number of representatives of protected industries have appeared before a congressional committee to protest against a reduction of tariff barriers or to advocate the raising of tariff barriers or the imposition of import quotas. Their argument is that only by the maintenance, or, in many cases, the raising, of customs duties can their businesses be protected against injury or destruction. I am writing this letter as president of the Detroit Board of Commerce and as the head of an important Michigan company, in order to point out that the acceptance of their protests may seriously damage some industries in this State.

I do not deny that a reduction in tariff barriers will expose some firms to greater competition, but I am sure you will agree that this in itself is no argument against lower tariffs. Against an injury to a single business or industry must be weighed the benefits which will at the same time accrue to consumers, to export industries (which employ many more people than the protected industries in question), to the American economy as a whole, and to the free world.

I submit that the number of persons representing protectionist interests, which I understand was very large, who appeared before the committee, by no means reflects either business or public opinion in the community at large. There was a time when the business community was protectionist in viewpoint. That is no longer true. The United States Chamber of Commerce (representing some 1½ million businessmen), the Detroit Board of Commerce, the National Foreign Trade Council, and the United States Council for the International Chamber of Commerce have all declared themselves for freer trade.

A recent survey made by the Council on Foreign Relations of the views of leading citizens in 25 cities showed, in the great majority of cases, including those of businessmen, a solid rejection of the protectionist thesis. I repeat that, despite the higher proportion of protectionist spokesmen as against spokesmen for freer trade appearing before the committee, the opinion of most of the business community is convincingly against higher tariffs.

An argument constantly heard is that tariff reductions will cause unemployment. This may be true; but, on the other hand, if there are not tariff reductions, unemployment will be caused in export industries. The many thousands of people supported by export operations would be affected by the failure to encourage an increase in United States imports and they would be even more seriously affected if tariff barriers were raised or quotas imposed.

We do not have the choice between employment and unemployment. The question is where that unemployment is to strike, in export industries which are more productive, which are paying the highest wages to American workers and which are willing and able to compete with goods from all over the world, or in import industries which contrary to the basic philosophy of American free enterprise are demanding that the Government protect them against competition at the expense of that free choice between products which is the right of the consumer.

During the postwar period, our surplus of exports has been paid for by foreign aid to the extent of approximately $5 billion a year. With the tapering off of foreign aid, it is clear exports must be reduced to the extent that we do not permit the recipients of aid to earn more dollars in our market. Thus, something must give. Tariffs place a penalty on imports, but in doing so, they also penalize exports. Either we must take more imports or exports will be cut.

The basic question at stake then is: shall our policy be based on the interests of a few industries or on a concept of the national interest? We have heard much about the threat of competition from imports, but we heave heard little to date about the right of consumers to buy the goods they prefer; we have heard little about the right of American industry and agriculture to export the goods that they produce; we have heard little about the urgent interest of the United States in strengthening the economies of our allies abroad. The administration has called for the extension of the Trade Agreements Act without crippling amendments. It seems to me that President Eisenhower's recommendation should be accepted. It seems to me that as Americans and as leaders of the free world, this is where both our interests and our obligations lie.

Yours sincerely,

JOHN S. COLEMAN,
President.

Mr. COOPER. Mr. Chairman, I yield 10 minutes to the gentleman from Arkansas [Mr. MILLS].

Mr. MILLS. Mr. Chairman, when President Eisenhower asked the Congress on April 7 to extend for 1 year the Reciprocal Trade Agreements Act that expired last Friday, he must have had at least two major purposes in mind. First, he presumably wanted to assure the countries of the free world that his administration had no intention of reverting to the high tariffs and restrictive trade practices which have traditionally been associated with Republican administrations. Secondly, he wanted to use the 1-year extension period, not to negotiate new agreements—he specifically disavowed any such intention—but to allow time for a special commission to make a thorough reexamination of our whole foreign economic policy. That commission's report could then be used by the next session of Congress to make whatever changes in our foreign trade policy seemed appropriate.

Failure to extend the Trade Agreements Act which just expired denies the President authority to negotiate new trade agreements; such failure does not terminate, or in any way alter, any existing trade agreement to which the United States is a party. The practical effect of a 1-year extension of the Trade Agreements Act which just expired would be to reassure the free world that until the United States formulates a new trade policy it will take no steps either to narrow or to extend its restrictions on imports.

But shortly before the President formally declared his wishes and intentions, the high protectionist group had already drafted H. R. 4294, a bill introduced on March 30, 1953, by my esteemed colleague on the Ways and Means Committee, Mr. SIMPSON of Pennsylvania. His bill proposed a streamlined mechanism custom-designed to scuttle virtually all of the accomplishments so laboriously achieved during the past two decades under the trade agreements legislation. Among the more brazen and least subtle features of the bill were: one which would convert the Tariff Commission from a respected, nonpartisan, fact-finding agency to a "packed" partisan body; and another which would require the President to give effect to all "escape-clause" recommendations for restricting imports which this "packed" commission would formulate. The criteria of "injury" to domestic industry which were contained in that bill were such that the Tariff Commission would virtually be compelled to find "injury" in almost every instance when there was a complaint of increased competition from imports.

The original Simpson bill (H. R. 4294) proved to be too much for any but the most ardent protectionists to swallow in its entirety. The bill accordingly was fashioned into two parts: H. R. 5495, which we are here considering; and H. R. 5496, which contains those provisions of the original Simpson bill that are not embodied in the bill before us.

The Simpson bill which we are here considering actually contains only 1 objectionable provision, namely, that for packing the Tariff Commission by increasing its membership from 6 to 7 commissioners, "not more than 4 of 'whom' shall be members of the same political party." This same provision appeared in the original Simpson bill, but there in company with a provision that made it mandatory for the President to carry out all Tariff Commission recommendations for restricting imports in escape-clause cases. But this bill leaves with the President complete discretion in deciding whether to carry out such recommendations. What useful purpose then would now be served by

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having a majority of Republican Commissioners on the Tariff Commission? Some may feel that the President would be less inclined to disregard Tariff Commission recommendations if they were made by at least four Republicans. There is no evidence, however, that President Eisenhower would hesitate to reject Tariff Commission recommendations even if they were made by unanimous decision. Whereas President Truman never failed to carry out an escape-clause recommendation by the Tariff Commission which was unanimously arrived at, President Eisenhower has elected not to carry out the only two Tariff Commission escape-clause recommendations which have thus far come to his attention. One of these applied to briar pipes and the other to silk scarves, and in both instances the recommendations were by unanimous decision of the Tariff Commission.

Granted that packing the Tariff Commission would not achieve a major objective of the sponsors of H. R. 5495, would any harm likely result from such action? Yes, indeed—a great deal of harm.

Packing the Tariff Commission would be tantamount to telling the free world that while we feel it necessary to devote a year's study to learn what kind of trade policy best suits our enlightened self-interest, we can now clearly anticipate one certain result of that study, namely, the need to have all complaints of injurious competition from imports examined—not by an objective, nonpartisan Tariff Commission as at present—but by a partisan political body. Would the free world interpret such legislation as signifying our proclaimed intention of maintaining the status quo in our foreign-trade policy for the next year? Of course not. The free world would quite properly interpret the action as signifying that while the United States will not reduce any restrictions on imports during the next year, a politically dominated Tariff Commission will recommend to the President restrictions on virtually all imports, the limitation or prohibition of which would redound to the advantage of special interests but not necessarily to the benefit of consumers or the country at large. The free world would regard passage of H. R. 5495 as giving the groups in the United States that have always opposed a liberal trade policy an opportunity to destroy in 1 year all that the trade agreements program has accomplished since 1934.

But that is not the only damage which passage of H. R. 5495 would cause.

It is probable that a packed Tariff Commission would find it more comfortable to work with a staff that was either preconditioned or readily adaptive to viewing problems and prescribing remedies which were in good taste politically, irrespective of whether they were wholly warranted by the facts. Once the Tariff Commission staff ceased to be wholly objective in its investigations, the Tariff Commission's usefulness to the Congress would be at an end, no matter which political party was in power. If the Tariff Commission were to lose its present good reputation, together with its best and most experienced staff, it could not readily be reestablished.

This is not the first time that a proposal has been made to pack the Tariff Commission, but every past effort to do so failed. Ever since the Congress created the Tariff Commission in 1916, it has maintained the number of Commissionerships at 6, with not more than 3 from the same political party. Further, the Congress has always carefully avoided referring to the Tariff Commission as a partisan agency.

The drafters of the present plan to pack the Tariff Commission either never contemplated the possibility that the American people would again elect a Democratic President or they assumed that if a Democratic administration were to come into power again, it could repack the Tariff Commission to assure a majority control. Because presidential terms commence at the beginning of the calendar year and last for 4 years, and terms of Tariff Commissioners begin midyear and would last for 7 years under H. R. 5495, succeeding political administrations would not often find that they had majority membership on the Tariff Commission at the beginning of presidential terms. In 1957, for example, a Democratic President would find four Republican Tariff Commissioners in office; and that Republican majority would, on the basis of H. R. 5495, continue in office for an additional 1½ years, because the first Commissioner's term to expire under the next presidential term would be that of a Democrat.

In such circumstances, would the new President be expected to work with a Republican-dominated Tariff Commission for 1½ years; would he be expected to ask for resignations from one or more Republican members; or would he be expected to repack the Commission, possibly raising the number of Commissioners to 9?

At the present time when the Eisenhower administration claims to be making every effort to reduce the cost of Government and to increase its efficiency, what purpose is there to adding to the expense of operating the Tariff Commission? An additional Tariff Commissioner and his staff would also require office space which is both costly and scarce. Further, would increasing the number of Commissioners operate to increase the speed with which the Commission would process escape clause complaints and perform its other duties? Can 7 men reach decisions more quickly than 6?

The sponsors of the packing plan have intimated that a 7-man Commission could in fact reach decisions more quickly than a 6-man Commission, because evenly divided decisions would be avoided. But how many evenly divided escape clause decisions has the Tariff Commission thus far rendered? Exactly none. Of the 29 escape clause investigations instituted by the Tariff Commission to this date, 22 have been completed. The Commission recommended restrictive action in 8 cases, but found that there was no injury in 14 cases. Six of the 8 recommendations to the President were by unanimous decision of the Commission and 2, by a majority of 4 to 2. Every finding of no injury was by either unanimous decision or by a majority vote. To date, the Tariff Commission has not had a single evenly divided vote in which an escape clause action was at issue.

If the sponsors of the packing plan merely wanted to avoid the possibility of evenly divided Tariff Commission decisions, why did they not propose that the President be authorized to act on the recommendations of either of the evenly divided groups?

In conclusion, I urge that the provision to "pack" the Tariff Commission be deleted from H. R. 5495. To include it would be a signal to the free world that we will speedily retrace our steps in the direction of the Smoot-Hawley Tariff Act while we are theorizing about the most suitable foreign trade policy to pursue commencing next year. To include it would also result in permanently damaging the Tariff Commission, inviting future "repackings" of the Commission, lowering its prestige and usefulness, reducing its efficiency, and increasing its cost of operation.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from West Virginia.

Mr. BAILEY. The gentleman made the statement that the groups opposed to reciprocal trade would destroy in 1 year all that has been built up since 1934. I would like the record to show that the groups which are waging this fight are not interested in destroying the basic idea of reciprocal trade. We are interested in equal justice under law. We would like to have the same protection and the same privileges that have been accorded to other groups that have been enjoying the benefits of reciprocal trade. We just simply ask equal treatment. The gentleman from Arkansas is well aware that equality of treatment does not exist today.

Mr. MILLS. I understand the gentleman's position. The gentleman would not, I presume, desire to go back to the old system of Congress writing tariffs. I do not think he would. I think what the gentleman wants is an administration of the program in the light of the needs which exist in the area which he represents. I have agreed with the gentleman and contended with others that in the case of those industries which involve a great amount of manual labor and wherein labor costs are a major item, great caution must be exercised in lowering the protection which exists for those industries. But weighed against this consideration must be our overall national long-range economic welfare and security as well as our international relations and the economic welfare of friendly free nations. I am certain that the extension of the President's authority to enter trade agreements will be to the benefit of the majority of the American people and redound to the benefit of our country as well as the free nations of the world.

Mr. COOPER. Mr. Chairman, I yield such time as he may desire to the gentleman from Georgia [Mr. CAMP].

Mr. CAMP. Mr. Chairman, I had sincerely hoped that the Committee on Ways and Means would have, in accordance with the expressed views of the President and those of most of our leading economists and industrialists, reported a simple bill to extend for another year the Reciprocal Trade Agreements Act without change or amendment. While the bill now before us does extend this great program for another year, it contains, however, a provision to increase membership of the Federal Tariff Commission from the 6 members as now constituted to 7, providing that no more than 4 shall be of the same political faith. In other words this subtle amendment changes the Tariff Commission from a nonpartisan advisory board of experts to one of a partisan or political nature. It is my contention that this increase in the membership of the Tariff Commission will weaken its effectiveness and the high respect and regard in which it is held by American businessmen.

The President did not ask for this change. I do not know of any considerable element of our business or industry who do ask it. I sincerely trust that this House will strike it from this bill and by its vote pass a simple reenactment of the Reciprocal Trade Agreements Act as it now stands on our statute books.

It is my belief that this is the most important legislation that will come before this body during this session. The renewal of the Trade Agreements Act, in my humble opinion, is as important and vital in our efforts to promote goodwill and peace in this troubled world as any other program we may be called upon to consider, and furthermore, it is a most vital factor in our domestic economy. This is not a question of politics. It makes no difference whether you are a "high tariff" or a "low tariff" or a "free trade" man. There are far more questions involved in this bill than simply the protection of our domestic industry. Our domestic industry will suffer no more under the Reciprocal Trade Agreements program than under the Smoot-Hawley tariff. In fact our automobile industry and many others may be seriously injured by a return to high tariffs.

To have a full measure of prosperity in this country we must dispose of our surpluses of manufactured goods and agricultural products. For many years in our past history the United States enjoyed almost a monopoly in the production of raw cotton. The rest of the world bought cotton from us because there was nowhere else for them to get it. Until recent years the same thing was true of manufactured automobiles and motor vehicles. The world bought these products from us by sending us their gold regardless of trade barriers. They do not now have the gold to send us. Of the known supply of gold, to wit $36 billion, more than 60 percent of it is now in America, this country having at Fort Knox and elsewhere a total of $22,563,000,000.

Foreign countries have been buying our surpluses with money which we have been giving them in the form of Federal grants and aids. It is obvious that we cannot continue these huge grants. If they are discontinued, the only way for us to dispose of our surpluses is by trading with the world. The Reciprocal Trade Agreements Act offers the best method of increasing our exports without injuring our domestic economy.

I would like to trace for a moment the history of this program and the underlying reasons for its first adoption.

At the beginning of the Wilson administration in 1913 there was great concern over the steady decline for a number of years in our foreign trade; there were great surpluses of agricultural products, wheat, corn, rice, tobacco, and especially cotton, which we had been unable to export. Accordingly, President Wilson called a special session of Congress to meet for the purpose of studying the causes for the decline in our world trade and to study the tariff. On October 3, 1913, Congress passed the Underwood tariff law. It was a low tariff and it made considerable additions to the free list. In many cases it substituted ad valorem for specific rates in addition to reducing rates generally.

Among the articles placed on the free list were: Raw wool, iron, agricultural implements, raw sugar, coal, lumber, many agricultural products, including live cattle, meat, eggs, milk, cream, wheat, flour, corn, flax, and hemp and numerous manufactures, including shoes, wood pulp, and certain types of paper. This act was in operation about 9 months when World War I broke out in August 1914. Its effect on this country's foreign trade, therefore, may not be adequately judged by trade statistics, but we did experience almost immediately an upsurge in world trade.

In 1916 Congress passed an act creating the Tariff Commission, to be composed of 6 members whose duty was to study tariff rates and their effect upon world trade as well as upon our domestic industry. This Commission was to be nonpartisan, appointed because of qualifications as experts on the subject matters they were to deal with. The Commission had no authority except to advise the President and Congress about tariff matters.

The Republicans, following their election victory of 1920, immediately raised tariff duties in the so-called emergency tariff of 1921. Under this act duties on a number of agricultural products were increased and antidumping measures were imposed. A qualified embargo was placed upon dyes and certain other chemicals. This was essentially a stopgap tariff pending the enactment of a comprehensive revision of the entire tariff structure.

In 1922 the Fordney-McCumber Tariff Act was passed, which greatly increased rates. There was considerable fear of excessive imports following the cessation of World War I hostilities. The chemical and mineral industries were particularly insistent upon higher duties, largely because of their great expansion following the shutting off of foreign sources of supply during the war. On the agricultural side considerable competition was encountered as a result of overproduction in domestic areas under the stimulus of wartime conditions.

This act introduced the principle of the so-called flexible tariff, the provision authorizing the President to increase or decrease existing rates of duty by 50 percent after investigation by the United States Tariff Commission for the purpose of equalizing foreign and domestic costs of production.

Prior to the election of 1928 there was considerable discontent in certain agricultural areas because of their failure to share in the unusual prosperity that followed the depression of 1921. In the election campaign Mr. Hoover had promised tariff adjustment to help agriculture. The election of 1928 was interpreted by the Republican Party as a mandate for tariff revision.

In January 1929 hearings were begun on what, at the time was expected to be a limited adjustment in behalf of the farmers and in order to correct a few other inequalities. As the hearings progressed, however, it became clear that the revision would be much more general than was at first intended. Indeed, the Tariff Act of 1930, known as the Smoot-Hawley Tariff Act, became a general upward revision, raising both agricultural and industrial rates to the highest level in American tariff history. The hearings and the congressional debates on it were long and arduous, and Members of Congress, especially the late Senator Vandenberg, later said that they would never again want to have to go through the experience of a general congressional tariff revision.

The effect of the Smoot-Hawley Tariff Act upon our foreign trade was immediate and disastrous. In 2 years our trade declined practically 50 percent. This was because other countries retaliated against our high rates and such formidable trade barriers were thereby elected as to paralyze, in many instances, some of our most profitable world trade.

The newly elected Democratic administration in 1933 immediately began work to remedy this situation. The Reciprocal Trade Agreements Act, sponsored by former Secretary of State Cordell Hull, considered by many to be our greatest expert on tariff matters, became effective in June 1934, and immediately produced an increase in our world trade. It has been renewed every few years since then but in recent years has had incorporated in it a number of protective devices, including the escape-clause provision and the so-called peril-point amendment. Until 1947, however, the act operated in its original form and under it numerous trade agreements were consummated. This original act empowered the President to enter into executive agreements with foreign countries for the reciprocal reduction of trade barriers, and on the part of the United States he is authorized to lower tariffs by as much as 50 percent.

Twenty-nine trade agreements were concluded between 1934 and 1947. These agreements involved the reduction, or binding, by the United States of rates of duty on products accounting for almost three-fourths of this country's dutiable imports.

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In 1945 the Trade Agreements Renewal Act extended the President's power, making it possible for him to lower duties to 50 percent of the rates in effect in 1945 instead of those prevailing in 1934, as in the original act.

Since 1947 rate reductions have taken multilateral form in that they have been negotiated with more than one country at a time under the agreement concluded at Geneva in 1947 when 23 countries, including the United States, negotiated the General Agreement on Tariffs and Trade—the so-called GATT. Under this agreement the United States entered simultaneously into trade agreement negotiations with each of the other 22 countries and they, in turn, negotiated with each other. Subsequent additions were made in conferences at Annecy, France, and Torquay, England, so that the general agreement now has 34 contracting parties accounting for about 80 percent of total world trade.

Thirteen of the 27 countries with which the United States had bilateral trade agreements in effect in 1947 have since acceded to the general agreement, and bilateral agreements between them and the United States have either been terminated or suspended. Therefore, most of the results of trade-agreement negotiations consummated under the original Trade Agreements Act are now incorporated in the General Agreement on Tariffs and Trade.

The Trade Agreements Extension Act of 1951 made it more difficult for the President to negotiate reductions in tariff duties via trade agreements, by virtue of the escape clause and the peril-point amendments. In fact, no important trade-agreement activity has taken place under either the act as modified by the 80th Congress, which was immediately undone by the 81st Congress, or under the Extension Act of 1951. Some of the proponents of the trade-agreements program, in fact, maintain that it is not likely that any action could be taken under the Trade Agreements Act in its present modified form. These advocates of reciprocal tariff reduction maintain that the Trade Agreements Act in its present form, is more important as a piece of protectionist legislation, principally because of the escape clause, than as trade-liberalizing legislation.

The 34 contracting parties to the General Agreement on Tariffs and Trade are Australia, Austria, Belgium, Brazil, Burma, Canada, Ceylon, Chile, Cuba, Czechoslovakia, Denmark, Dominican Republic, West Germany, Finland, France, Greece, Haiti, India, Indonesia, Italy, Liberia, Luxembourg, Netherlands, New Zealand, Nicaragua, Norway, Pakistan, Peru, Southern Rhodesia, Sweden, Turkey, Union of South Africa, United Kingdom, United States.

The 14 countries with which the United States has had bilateral trade agreements, but which are not parties to GATT, are Argentina, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Iceland, Iran, Mexico, Paraguay, Switzerland, Uruguay, Venezuela.

The Czechoslovakian and Mexican trade agreements have been terminated.

The following tables of our world-trade history reveal the effects of our various tariff policies:

Foreign commerce

NO. 1008. EXPORTS AND IMPORTS OF MERCHANDISE, WITH TRADE BALANCES

[In thousands of dollars]

Year	Exports	Imports	Excess of exports (+) or imports (−)
1790	20,205	23,000	−2,795
1800	70,972	91,253	−20,281
1810	66,758	85,400	−18,642
1820	69,692	74,450	−4,758
1830	71,671	62,721	+8,950
1840	123,669	98,259	+25,410
1850	144,376	173,510	−29,134
1860	333,576	353,616	−20,040
1870	392,772	435,958	−43,186
1880	835,539	667,955	+167,584
1890	857,829	789,310	+68,519
1900	1,394,483	849,941	+544,542
1910	1,744,985	1,556,947	+188,038
1911	2,049,320	1,527,226	+522,094
1912	2,204,823	1,653,265	+551,957
1913	2,465,884	1,813,008	+652,876
1914	2,364,579	1,893,926	+470,653
1915	2,768,589	1,674,170	+1,094,419
1915 (6 months)	1,852,863	912,787	+940,076
1916	5,482,641	2,391,635	+3,091,006
1917	6,233,513	2,952,468	+3,281,045
1918	6,149,088	3,031,213	+3,117,875
1919	7,920,426	3,904,365	+4,016,061
1920	8,228,016	5,278,481	+2,949,535
1921	4,485,031	2,509,148	+1,975,883
1922	3,831,777	3,112,747	+719,030
1923	4,167,493	3,792,066	+375,427
1924	4,590,984	3,609,963	+981,021
1925	4,909,348	4,226,589	+682,758
1926	4,808,660	4,430,888	+377,772
1927	4,865,375	4,184,742	+680,633
1928	5,128,356	4,091,444	+1,036,912
1929	5,240,995	4,399,361	+841,634
1930	3,843,181	3,050,408	+792,773
1931	2,424,289	2,090,635	+333,654
1932	1,611,016	1,322,774	+288,242
1933	1,674,994	1,449,519	+225,435
1934	2,132,800	1,655,055	+477,745
1935	2,262,874	2,047,485	+215,389
1936	2,455,978	2,422,592	+33,386
1937	3,349,167	3,083,668	+265,499
1938	3,094,440	1,960,428	+1,134,012
1939	3,177,176	2,318,081	+859,095
1940	4,021,148	2,625,379	+1,395,767
1941	4,021,146	3,345,005	+1,802,149
1942	8,078,988	2,755,893	+5,323,095
1943	12,964,906	3,381,498	+9,583,408
1944	14,258,702	3,928,806	+10,329,837
1945	9,805,625	4,159,138	+5,646,487
1946	9,738,331	4,942,064	+4,796,267
1947	14,429,747	5,766,333	+8,674,413
1948	12,653,058	7,123,877	+5,529,181
1949	12,051,108	6,622,390	+5,428,718
1950	10,275,102	8,852,161	+1,422,941
1951	15,020,409	10,961,550	+4,058,836

The finest example of what can be done by two countries really working together for reciprocal trade is the case of Venezuela. Trade with Venezuela has increased markedly in recent years. Back in 1911–15 United States exports to Venezuela averaged less than $6 million. In the 5-year period 1921–25 total trade between the two countries averaged $30 million, divided about equally between exports and imports. In 1938, just prior to the negotiation of the original United States-Venezuelan Trade Agreement, trade between the two countries totaled $72 million with exports to Venezuela amounting to $52 million and imports from that country amounting to $20 million.

In 1951, trade between the two countries had expanded to the amazing total of $776 million. Exports to Venezuela in that year were valued at nearly $454 million. In 1950 the total trade was $711 million with exports amounting to $389 million and imports to almost $322 million.

United States imports from Venezuela are smaller than exports to that country and consist of a relatively short list of commodities. Petroleum and its derivatives account for over 90 percent of the trade. Other imports consist largely of iron ore, coffee, and cacao.

United States exports to Venezuela cover a wide list of commodities. Among the most important exports are foodstuffs, industrial machinery, electrical equipment, office appliances, textiles, automobiles and tractors, iron and steel products, including pipe, tanks, sheets and shapes, glass, paper, pharmaceuticals and medicinals, and copper wire.

In the new trade agreement with Venezuela, signed at Caracas on August 28, 1952, important concessions were obtained on all of these United States exports, especially the concessions obtained in behalf of automotive vehicles and parts and trailers and other vehicles.

American economy has prospered greatly under the reciprocal trade agreements program. If we abandon it at this time, thereby nullifying the splendid work of patriotic and able American experts in world trade, and build up tariff walls whereby our cotton, wheat, corn, and other agricultural products and our automobile industry may be unable to dispose of its surplus products, we are surely bringing economic disaster.

We cannot increase our trade with the world except on a reciprocal basis. For every passenger automobile exported from the United States, 62.4 pounds of lint cotton and 2 pounds of linters are sold. Each truck exported carries 86 pounds of lint cotton and 4 pounds of linters. Each separate tire exported carries an average of more than 5 pounds of lint cotton. Besides the cotton—manufactured cotton, not raw cotton—of course, there is the steel and all other things. During 1 year more than 50,000 bales of high-grade cotton and 1,000 bales of linters found a market in our foreign sales of automobiles, trucks, and tires, and two-thirds of our automotive exports are to countries with whom we have trade agreements, all of whom gave us concessions on automobiles, trucks, parts, and accessories.

Mr. Chairman, I hope that no political issue is made of this subject. Let us not do grave damage to our country's prestige and world influence at this time.

Mr. COOPER. Mr. Chairman, I yield 10 minutes to the gentleman from Louisiana [Mr. BOGGS].

Mr. BOGGS. Mr. Chairman, I listened with great interest to the remarks made a few moments ago by my friend, the gentleman from Ohio [Mr. JENKINS]. I gathered that Mr. JENKINS was not pleased with the legislation before the committee nor was he pleased with the position taken by the administration.

My colleague from Ohio [Mr. JENKINS] pointed out to the committee that the hearings had been held on the so-called Simpson bill; that the Simpson bill had been drafted by agreement, and that after the hearings had been held on that bill, because of pressures, of

which, of course, I am unaware, that bill had been shelved for the time being.

It is not difficult for me to understand why there should be some confusion among my friends sitting to the left. As a matter of fact, anyone who has followed these proceedings would almost automatically be confused. Let me review for a moment just what has taken place so far this year on the trade-agreements program.

The gentleman from Pennsylvania [Mr. SIMPSON] introduced a bill, a very comprehensive bill, but certainly anything but a trade-agreements bill. I believe it is the consensus of opinion that it is about as close to a return to the Smoot-Hawley tariff policies as you can get without reenacting the Smoot-Hawley Tariff Act. About that time the President of the United States sent a message to the Congress saying that he wanted the Trade Agreements Act extended, as is, for a year. Then a few days later he sent another message down saying that he wanted to establish a commission.

Of course, we have a lot of commissions now. This was another one. About that time we were holding hearings on the trade-agreements bill of Mr. SIMPSON's and I understand that the original Commission message was referred to the Foreign Affairs Committee, which was a bypassing of the Ways and Means Committee.

At that time the administration started sending down a group of witnesses. Secretary Dulles came down and apparently did not impress my good friend, the gentleman from Ohio [Mr. JENKINS], very much. Secretary Weeks came down. Secretary Humphrey came down. Secretary McKay came down.

Their testimony was very interesting. For one thing, it was impossible to find our whether or not any of these gentlemen were opposed to Mr. SIMPSON's original bill.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. BOGGS. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. From reading the testimony of Secretary Weeks and Secretary McKay, I would say that they compounded confusion, did they not?

Mr. BOGGS. I would not say that that was an exaggeration. In keeping with what the gentleman had to say, I remember an examination of Mr. McKay before the committee. I believe it was the gentleman from Pennsylvania [Mr. EBERHARTER] who referred to a statement in the Secretary's remarks in which he commented on this seven-man Commission that we are debating right now. The essence of his statement, if I remember it correctly, was that by creating this seven-man Commission we removed all possible objection to the extension of the Trade Agreements Act. The gentleman from Pennsylvania [Mr. EBERHARTER] asked him what he meant by that. The Secretary took a look at it and said that he did not believe he had seen it before, although he had just gotten through reading it. He disclaimed authorship right there on the spot.

As a matter of fact, Secretary Dulles—I presume that he was being facetious; I am sure he must have been—but in my examination of the Secretary he finally pled his constitutional privilege under the fifth amendment.

Where are we today? Let us examine the situation for a moment. I can genuinely understand why it is difficult for Mr. REED, Mr. JENKINS, Mr. SIMPSON, and all these other fine gentlemen, whose friendship I value—they are some of the closest friends I have in this body—I can understand why it is difficult for them to sit here and argue for an extension of the trade agreements program. After all, they have been opposed to it since 1934. They have led the opposition to it in one Congress after another. They have offered amendments to cripple the program; the peril-point amendments, the escape clause amendments. They have offered the motion to recommit in past years. I presume it is a bit difficult to ask them to sit here today and say, "Oh, we have been wrong for 20 years; you men over here have been right. We are now asking you to vote to extend the Trade Agreements Act."

So I cannot find any fault with my good friends in taking the position that they take, and I cannot blame them for being a bit confused. I suspect that somewhere down the line they have some assurances. Let us look at it for a moment.

To begin with, this committee never met to consider the Trade Agreements Act program in executive session until you started hearing about this seven-man Tariff Commission. Then about the time that you started hearing about the seven-man Tariff Commission another thing took place: the gentleman from Pensylvania [Mr. SIMPSON], my good friend, divided his bill; he came up with one part of it which said we will extend trade agreements for 1 year, we will create a packed Tariff Commission, we will change the whole concept of the Tariff Commission, we will pack the Tariff Commission against the Republican President in the White House—that is what it really says—and we will create another study commission. Now, that is what is before us in the first part of this bill. But at the same time my good friend, the gentleman from Pennsylvania [Mr. SIMPSON], introduced another bill which is given another number, which has all of the restrictive provisions in the original Simpson bill worked out in collaboration with the gentleman from Ohio [Mr. JENKINS], as he pointed out here a moment ago. In addition to that, tomorrow morning at 9 o'clock the Committee on Ways and Means is going to meet in executive session to consider the restrictive Simpson bill.

I cannot believe that all of this is coincidental; somehow or other I am inclined to believe that if that committee should succeed in reporting out the new Simpson bill which imposes all sorts of import restrictions, which imposes all sorts of quotas and limitations and almost completely destroys the power of the President of the United States in the peril-point and escape-clause provisions—I cannot help but believe that should the Committee on Ways and Means report that bill, that in a couple of weeks you will have a rule on that bill and you will have to choose then and determine whether or not you adopt those provisions.

Now, it may not happen, but it could very well happen, and I cannot believe either that this seven-man Tariff Commission is just a vain and futile thing, that it is just done for no purpose at all. I certainly cannot believe that it is done simply to give somebody else a job; there seem to be a lot of jobs around. I do not think they have to go thus far to create another job for somebody; no, sir. The purpose of that seven-man Tariff Commission is to accomplish at least a minimum amount of destruction of the trade-agreements program.

Now, you might ask how in the world could that have any effect. As the gentleman from Massachusetts asked a moment ago, why complain about it? You have a 7-man Federal Communications Commission, a 3-man some other commission, and a 9-man commission of some other kind. Well, why complain about it? Because the Tariff Commission heretofore has not been a quasi-judicial body, and I think that the statement of the gentleman from Massachusetts pretty well determines the road ahead.

The objective here really is to take away from the President of the United States the power to make the decision, and to put the power in a partisan, quasi-judicial body so that that body, not the Congress or the President, will make that decision. I fully understand the chagrin of my Republican colleagues, but I believe the time sooner or later must come, Mr. Chairman, when you are going to have to make up your mind whether or not you are going to follow your President in the White House.

Mr. REED of New York. Mr. Chairman, I yield 9 minutes to the gentleman from Pennsylvania [Mr. SIMPSON].

Mr. SIMPSON of Pennsylvania. Mr. Chairman, I trust the prognostications made by the gentleman from Louisiana [Mr. BOGGS] with respect to what will take place in reference to the second half of this reciprocal trade agreement program are true. I hope that tomorrow morning the Ways and Means Committee does report out the second bill. I hope a rule is granted on it. I hope every Member of this body has an opportunity of voting for or against the protection of American industry.

I am sure that under the bill now being considered there is a measure, a small measure it is true, of protection for American business, but, nevertheless, it is there, and the passage of this bill will give some measure of relief to a number of people who appeared before the Tariff Commission for relief under the escape clause or the peril-point provision of existing law.

I listened a bit ago to my very good friend and our colleague from Georgia

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[Mr. CAMP] who mentioned a neighboring country and told how the exports-imports had increased from perhaps $20 million a year to $700-million-plus a year, after the making of some reciprocal trade agreements. The inference was that it was a great advance in our economy to have that situation exist. But the other side of the page is a dark, black one, for in the hills and mountains of West Virginia, Illinois, Ohio, Pennsylvania, and numerous other States there are sitting today idle thousands upon thousands of your neighbors and mine. These are men who ordinarily work in the coal mines but cannot work because of the dumping in this country of residual oil, a waste product, if you please, prepared and produced in Venezuela, shipped in here and paid for by your neighbors and mine who are sitting today on unemployment compensation, the direct result of the unfair competition of the reciprocal trade agreements, which I want to correct.

This bill makes a beginning. The bill tomorrow will do better, if we are successful in getting it before this body.

The issue at the moment has to do with an amendment which will be offered, I believe, by the gentleman from Tennessee [Mr. COOPER] to the bill now before us seeking to remove from the bill the provision that the Tariff Commission hereafter shall consist of 7 rather than 6 individuals and that of the 7 not more than 4 shall be of any 1 political party. There is a reason for that, and a very good reason today just as there was a reason many years ago when the Tariff Commission was limited to 6 with the proviso that not more than 3 shall be of any one political party. Back at the time of the creation of the Tariff Commission the duty imposed upon that Commission was just one. It was that of finding facts, facts having to do with the cost of production of articles made here in America being competed with by articles made abroad. The men of the Tariff Commission and their employees were principally accountants and men capable of examining costs and books, and so forth, dealing with the cost of production and they went all over our country seeking to determine just what those costs were. These costs were unvaried, they were set. But they were facts, they were determined, and having been determined there was no discretion whatever in the powers of the Tariff Commission.

Those facts were presented to the Congress, and the Congress through its committees and by virtue of its own powers interpreted the facts and reached the conclusions. It was felt at that time, and perhaps rightly, that inasmuch as the figures they were seeking were unvarying and firm, that there should not be any opportunity for political division, and consequently to safeguard that approach it was provided that there should not be more than 3 of 1 political party out of the 6, and if that picture prevailed today I would have no complaint whatever at leaving the Tariff Commission with six members.

But, is that the picture today? It is not. A couple of years ago this Congress passed a proviso to the Reciprocal Trade Agreements Act providing that we should have what has become known as the peril point and the escape clause provision. Those obligations were imposed on the Tariff Commission and the Tariff Commission, at the request of the industry claiming damage or a threat of damage, was required to make a certain survey, not for facts, but for facts upon which a conclusion would be made by themselves and a determination and finding made. That changed the duties of the Tariff Commission from a fact-finding body to a quasi-judicial body; a group which found facts, it is true, listened to testimony, it is true, but then sat and considered and reconsidered and reached a conclusion or a determination as to whether or not the industry, which might be one within your own congressional district was or was not suffering as a result of too low tariff rates. Thus today the objective of having a 3–3 group, 3 of 1 party against 3 of another party, no longer prevails, for there comes into the picture a question of policy, if you please, one wherein the Administration may have an interest, just exactly as there does with respect to the Federal Trade Commission, the Interstate Commerce Commission, and any and every other commission which this Government has seen fit to set up. So, there is no more reason to deny the majority party having, if it chooses, 4 of its party in a 7-man commission with respect to the venture than there is of cutting back the number of Commissioners allowed in any one of the other commissions in our Government today. If one is to be limited to a tie vote under certain circumstances, then the others could, equally failing, be so limited.

Now I plead that there is an element of safety for the American industry which has to appear before the Tariff Commission under the provisions of the escape clause if we make the Tariff Commission 7 rather than 6. In recent years there have been 3 of the majority party and presumably 3 of the other, though vacancies have been allowed to exist, and it is true that in the vast number of cases there are not tie votes. But my point is that if it is continued and if the vacancies are filled at 3 to 3, then there will be tie votes, and your industries, which are forced to appear before a governmental agency and almost on bended knees beg for the protection of their industries, are entitled, I say, to a decision. If it is an adverse decision they may want to fold their tents and creep away; they may want to give up the manufacturing of glassware, of pottery, of weaving, the production of coal, the manufacture of motorcycles, any one of 1,000 items; they may want to give it up if the decision is against them, but on the other hand in a close case they are entitled to a decision in their favor, and I believe if we increase the size of the Commission to 7 their chances of a favorable decision will be greatly enhanced over what their chances are today.

It is for that reason, because I am for protection, protection of an American industry deemed necessary to the employment of your neighbors and mine, that I ask your opposition to the amendment to be offered later.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield.

Mr. HAYS of Ohio. I want to comment on the gentleman's statement about the Venezuelan oil. Is it not true that every dollar of that increase in trade was a dollar taken out of the pockets of some wage earner in the coal industry?

Mr. SIMPSON of Pennsylvania. That is the point I tried to make. The gentleman has done it quite effectively. I thank the gentleman.

Mr. REED of New York. Mr. Chairman, I yield 4 minutes to the gentleman from New Jersey [Mr. KEAN].

Mr. KEAN. Mr. Chairman, America must keep her ports open to foreign trade.

In order to purchase American exports, foreigners must have dollars. Most of these dollars can only be secured by sales in American markets. Otherwise, the American taxpayers must make up the difference, as they have in the past.

The United States has asked friendly nations not to trade in strategic materials with countries behind the Iron Curtain. The free countries, therefore, must be supplied with substitute markets.

Therefore, I believe that this extension of the reciprocal-trade law is for the best interest of the United States. I do agree, however, that there has been just criticism in the past of the administration of the law.

The State Department, which conducted the trade negotiations, seemed not to take into consideration anything but the international policy of the United States, and they certainly did not give sufficient consideration to the position of American industry or American labor, both of which are vitally affected by tariff cuts.

However, the new administration has shown by their actions in the case of the currency manipulation by Uruguay and in other matters that they will consider the interest of the American producers and will carry out the law as it is written.

I believe that the taxpayers of this country do not look with favor on a permanent program by which we will continue to subsidize our exporters through recurring large foreign-aid appropriations in order to give to foreign nations the needed dollars to purchase the goods which under present conditions they may only purchase in this country.

I also believe that the people of this country do not wish to drive most of the nations abroad into the necessity of very heavy trading with the nations on the other side of the Iron Curtain.

If European and Asiatic nations are forced to enter into such close relations that they look to the Communist nations for the goods necessary for their welfare and to the same nations for markets for their agricultural products and manufactured goods, it will not be too long before they will inevitably look to these same nations for their cultural and political ties.

In the past, Western Germany sold many of its manufactured goods to East Germany, to Poland, to the Ukraine, and

to the Balkans in exchange for agricultural products.

In the past the great market for Japanese manufactured goods was China and Manchuria.

We must make it possible for these nations to earn dollars, or they will be either thrown into the arms of the Communist nations, or else our American taxpayers will be forever burdened with demands for heavy foreign-aid appropriations in order that they can meet the dollar gap.

Ever since we became a creditor Nation after World War I, we have in some form or other used the taxpayers money to fill this gap.

Continuation of the reciprocal-trade program and the resulting encouragement of purchase of foreign goods is not a cure-all. It cannot fill all the dollar gap. But it will help.

We must try to fill the gap in other ways. We must encourage the investment of American money in equities abroad, not by buying foreign bonds for when the maturity date come on such bonds foreigners would have to find the dollars for repayment and thus the problem would only be postponed. The holders of equity investments, on the other hand, the purchases of stock in corporations which have their headquarters abroad would never require return of the capital they have invested to the United States.

We must always maintain and protect that American industry which is essential to our national defense. We also cannot ruthlessly throw to the wolves those industries which under tariff protection have for long periods of time provided the living for great numbers of American labor.

However, with proper administration, with the assurance that the law will be strictly adhered to, there should be sufficient protection for American industry in the present peril-point and escape-clause provisions.

I am pleased to support this bill.

Mr. COOPER. Mr. Chairman, I ask unanimous consent that the gentleman from Michigan [Mr. DINGELL] may have permission to extend his remarks just prior to the remarks of the gentleman from Arkansas [Mr. MILLS].

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. REED of New York. Mr. Chairman, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CURTIS of Missouri. Mr. Chairman, I regret that the limitation of time for debate requires that these remarks be placed in the RECORD without being delivered on the floor of the House where they would be subjected to the challenge of debate by these who disagree with them.

Nevertheless, the main points of what I have to say have been well and ably covered by those who spoke on the floor. The gentleman from New Jersey [Mr. KEAN] and the gentleman from Wisconsin [Mr. BYRNES], my colleagues on the Ways and Means Committee, have essentially expressed my viewpoint.

I want to emphasize two points and add another point. First, selfish interest is not a valid argument against advocates of a position. Especially when the selfish interest involves many people in our society. Indeed if the matter did not concern the selfish interest of some segment of our economy it would hardly be worth our while discussing it here in the Congress. In fact those who take the position in favor of "freer" trade can in most instances be accused of having selfish interest. They happen to be exporters or organizations who have capital invested abroad and are interested in importing their products into the domestic market at a profit.

The question before us is what is most beneficial for the greatest number of selfish interests with due regard for the short haul and the long pull. This is what we call enlightened self-interest. I cannot for the life of me see the argument that because the coal industry comes in and points out that it is being damaged by our trade policies that therefore it becomes a special pleader, uninterested in the welfare of our country, devoid of all sense of the realization of the importance of world trade and the need for friends abroad. Indeed, translate the coal industry into lives and happiness of men who are directly involved in this industry and then expand this translation to include the dependence of our national welfare upon the good health of a vital industry like coal and we begin to shift our views a bit about where lies the selfish interests.

Regardless of whether we turn down the plea of the coal industry or the many other industries who plead that they are being damaged by our trade policies certainly our hearts should be moved to sympathy and if we do feel that it is necessary for the overall selfish interests of the country to somewhat sacrifice the interests of this segment of our society at least we can do it with understanding and apologies, not with insults.

Second, I would say to my self-styled liberal friends that the freedoms of mankind are written in procedure. The Tariff Commission has been changed from a mere factfinding commission to a quasi-judicial commission. Our collective wisdom has for sometime resolved that when we have a tribunal that must make decisions of judgment it is well to have an odd rather than an even number to render the decision of judgment. This is elementary and yet we have the cry of politics when we make a move to apply this matter of well established human knowledge. Indeed, if the argument had been made, the Tariff Commission is still a factfinding body rather than body which must make decisions of judgment, we perhaps could have resolved the debate quickly. I think it is fair presumption to state that this ground of debate was not taken because it was admitted. There seems to be little question that under the present Reciprocal Trade Act the Tariff Commission is required to make decisions of judgment.

Then finally, I wish to point out a matter which has not been touched upon. At the close of the last century we found it advisable to lay down certain procedures which would insure as best we knew how free competition for our domestic enterprise. We passed antitrust and other laws to prohibit competitive practices which we found similar to strangleholds and finger bending and eye gouging in wrestling, because we felt that our enterprise would flourish better. We find today many of these holds forbidden in domestic competition transported abroad, and regrettably in many instances by American concerns, applied under the guise of being foreign trade and therefore free and unrestrained. Certainly, we should be as much concerned about unfair competition from abroad as we admittedly are concerned about unfair competition from domestic concerns.

The freedoms of mankind are written in procedures. Trade indeed will become freer if we begin to write some intelligent and fair procedures. Certainly the alley roughneck does not like rules. Certainly, the urban slick man likes rules or ethics as he sometimes wants to call them, which give him the advantage. Government's job is to make rules and make them fair. I am unimpressed by those who want no rules, and I am equally unimpressed by those who want special rules. I do not care in what form they wrap their package and how much they appeal to broad national interest. I do not care how often they scare us with Russia and cry we need friends abroad. Our job is to weigh all the selfish interests and come up with a set of fair rules.

Paradoxically, it can be the protectionists who are for the procedures which will bring about more and freer trade and it can be the free traders who would bring about less trade if the procedures they advocated further protected and encouraged the international cartels and trusts. There is much to study and generalities benign or malign do not help keep the head clear for such studying.

Mr. REED of New York. Mr. Chairman, I ask unanimous consent that all Members may extend their remarks at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BEAMER. Mr. Chairman, the Dictionary of Tariff Information, published by the United States Tariff Commission in 1924, gives, beginning on page 724, a résumé of the functions and organization of the Commission. It describes the Commission as "an independent nonpartisan body whose principal function is to ascertain facts upon the basis of which Congress may determine tariff policies, the rates of duty to make the policies effective, and methods of customs administration, and on which the President may base certain administrative acts in relation to these matters."

The key words are "independent" and "nonpartisan." "Nonpartisanship was to be secured by the requirement that not more than three of the Commissioners were to be members of the same political party"—page 725. From its creation in 1916 to date the statutes have provided for a total membership of 6;

the terms are now for 6 years, with 1 term expiring each year.

The need for an independent agency to supply objective information and advice on the regulation of our foreign trade is surely as great today as at any time in our history. With the increase in the number and complexity of policy decisions that much be made by the Congress there is less and less time for attention to tariff policy. And with the expansion of Government activities to encompass almost every detail of our daily life the President can personally devote but little time to the question. It becomes pertinent, accordingly, to review the administration of our tariff policy in recent years.

One of the expedients adopted to counter the great depression of the 1930's was the Trade Agreements Act of 1934. Its sponsors declared that by cutting our own tariffs we could bargain for tariff cuts abroad and thereby revive our exports, which would, in turn, stimulate our domestic economy. They requested, and were granted, power to cut any and all of our tariffs by half.

Many of our industries which are dependent on tariff protection for their very existence protested that cuts in their protection might wipe them out and thereby add to the depression. They asked that Congress include in the law some statements of principle, such as comparative costs of production, to give them a fighting chance of survival. But the free traders opposed all such statements of principle as crippling amendments which would prevent any worthwhile negotiations. In lieu thereof they enacted that before concluding an agreement the President must seek information and advice from the Tariff Commission. As stated above, the Commission was supposed to be both independent and nonpartisan. As such it should have been able to restrain, at least to some extent, the free-trade partisanship of the State Department.

Unfortunately, the record belies the suppositions. The Commission did not submit information and advice to the President. It did not function as an independent agency. Rather, it lent its name and resources for the use of the State Department.

After enactment of the act in 1934, the State Department asked the Tariff Commission to designate someone to serve on the interdepartmental trade agreements organization which became known as the Trade Agreements Committee. The Commission complied with this request and, from there on, one Commissioner, acting as an individual, became the Tariff Commission for trade-agreement purposes. The Commission delegated its authority to one man, carte blanche. It neither gave him instructions, nor did it review his actions. Yet the official propaganda continued to emphasize the participation of the Tariff Commission in the program. If you are interested in a detailed review of the procedure, you should read the testimony of the Commission's Chairman before the Senate Finance Committee in April 1947.

It is true that the Commission, as such, did review the factual and statistical information in the digests submitted to the Trade Agreements Committee. But this is staff work. This is a far cry from furnishing advice by an independent Commission composed of equal numbers of Republicans and Democrats. Is it not true that it was not until the Commission made its peril-point reports under the Trade Agreements Extension Act of 1948 that the President ever got any advice from the Tariff Commission to aid him in carrying out the trade-agreements program.

To this date, the Commission does not participate in the work of the Trade Agreements Committee, unless you consider that an individual member is the Commission. The Tariff Commission member of TAC has never been subject to instructions from the Commission, nor to review by it. He is now appointed by the Chairman—under Executive Order 10082, paragraph 1—and need not account to the Commission.

Thus was the will of Congress frustrated; it called for, but was denied, advice from an independent nonpartisan body. The Commission now functions as a body in peril-point and escape-clause reports. If it is to have a function directly in the work of the Trade Agreements Committee, it should be able to control its representative on that committee. Isn't it time for a change?

The Commission has always functioned as a body when reporting to committees of Congress. But its reports in recent years have often been far from satisfactory. Even if we accept the thesis that the Commission should refrain from making policy recommendations to Congress, we should require that its reports be as clear and concise as possible. The tendency seems to have been to make the reports as vague and uninformative as possible, avoiding, whenever possible, a clear analysis of any point that may be controversial.

It often seems as though the Commission was seeking the least common denominator—omitting from its reports on legislation anything that might cause an argument. Reports on bills are always unanimous and it is impossible to believe that men of diverse tariff philosophies—as Tariff Commissioners should be—could always be in perfect harmony as to what is pertinent to a full, clear, and concise analysis of a proposal to raise or lower the tariff. And many Members of Congress will recall that they have sought, and failed to find, an understanding of tariff problems in reports from the Tariff Commission.

Our tariff has now reached the lowest level in history, averaging less than 6 percent ad valorem. Even if we limit the computation to dutiable imports, the average is only 12 percent. Nevertheless, the cry is still raised that our tariff is too high and must be reduced.

We recognized the importance to many of our friends abroad of exports to the United States and we know that a big foreign trade has been beneficial to our own country, especially to our farmers, but many of our industries are at a competitive disadvantage compared to foreign industries, largely due to higher wages, and these industries might be bankrupted unless given tariff protection. If, after a full analysis of the various cases, we decide to deny protection, that will be a matter for Congress to decide. But can we depend on the Tariff Commission for an understandable report on these cases, so that we can make an intelligent judgment?

Recent history raises grave doubts in these premises. It is important that a thorough review be made of the administration of our tariff policy. It is useless for Congress to legislate in favor of moderate tariff protection if every complaint from American industries is to be whitewashed by administrators sympathetic to free trade. We need a revitalized Tariff Commission. We need a reorganization of the Tariff Commission.

Mr. FINO. Mr. Chairman, the foreign trade policy which the United States will pursue in the future is of vital significance and importance not only to the United States but to the economic and political strength of the free world. The United States and its allies can only meet the challenge of increasing Soviet economic and military power if the nations of the free world continue to grow in strength and collective security. An expanding and mutually advantageous trade is essential to that growth.

Under the Reciprocal Trade Agreements Act, the cornerstone of United States trade policy since 1934, the President has the power to reduce tariff duties on United States imports. These reductions have been made in exchange for the reciprocal reduction of trade barriers to United States exports through trade agreements with other countries. This act has signified to the rest of the world the willingness of this country in reducing its own trade barriers in an attempt to achieve more liberal trade policies and an expanding trade throughout the world. While I probably would not go along with some of the more ardent supporters of the trade-agreements program, I feel that conditions today would be a great deal worse had not the United States through the reciprocal trade-agreements program exercised its influence in bringing about a free flow of trade among the nations of the world.

An abrupt departure from the present United States trade policy through the adoption of a restrictionist attitude toward imports would be disruptive to the cooperative efforts of the nations of the free world in meeting the threat of Soviet expansion.

We are asked to extend for 1 year the present Reciprocal Trade Agreements Act. The President has proposed this action as an interim measure to "allow for the temporary continuation of our present trade program pending completion of a thorough and comprehensive reexamination of the economic foreign policy of the United States."

In following up his recommendation concerning the present Trade Agreements Act the President has requested this Congress to establish a Commission to make a "thorough reexamination of the foreign economic policy."

Opponents of the Trade Agreements Act in the past have claimed that certain domestic producers were being injured from increased imports resulting from

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tariff concessions given to other countries by the United States. While this injury has remained, for the most part, undefined, spokesmen for these interests have maintained that only by keeping out imports can certain industries in the United States survive. While no public interested party, be he private citizen or Government official would advocate standing by when domestic producers are threatened with disaster and workers face unemployment other factors must be considered before restricting of imports becomes the only and final solution to the problem. If the United States is to change its policy from one of liberalizing our trade to a policy of constructing further obstacles to the free flow of trade, many factors must be taken into account.

Obviously, if many producers were to be injured and many workers were to become unemployed as a result of allowing more imports to enter the United States, the national interest of the United States would best be served by a careful policy of restricting certain imports that threaten domestic producers. That the United States remain strong must be the central theme in any phase of our national policy. Our allies recognize this, for without a strong United States the rest of the free world could not survive the onslaughts of continued Communist pressures, be they economic or military.

All too often, however, it is not so obvious that workers in industries dependent upon exports to other countries might suffer if the United States were to pursue a policy of restricting imports further. In the event that the other nations of the free world were made less able to pay for our exports by restriction on their exports to the United States they would certainly find it necessary to cut back further their demand for United States goods.

To what degree would domestic producers suffer if the United States were to encourage more imports? To what degree would industries in the United States dependent upon exports be injured if the United States restricted its imports further? What would be the position of our allies in the free world's quest for collective security if either policy of restricting imports or encouraging imports were to be followed? It is questions such as these which must be answered if the trade policy of the United States is to be consistent with the overriding necessity of keeping both the United States and its allies strong and free.

In this time of strife between the nations of the free world and those which are Communist-dominated the United States can ill afford to disregard its national interest while paying homage to the shortrun interest of some particular producer. Such a study as suggested by the President can bring to light the facts that must be considered in developing a trade policy in the national interest.

It is my firm belief that we should follow the President's recommendations in extending the present Reciprocal Trade Agreements Act for an interim period of 1 year. This will be a symbol to our allies that the United States will continue to work for the achievement of an expanded world trade, founded on the principles of mutual advantage and friendly cooperation.

Mr. HELLER. Mr. Chairman, I am wholeheartedly in favor of renewing the Reciprocal Trade Agreement Act for another year. This act has been on our statute books for a long time. It is the cornerstone of United States commercial policy and it epitomizes the ideal of equal treatment of foreign countries which has characterized our foreign relations since the founding of the Republic.

I am convinced that if Congress should fail to renew this law, it will signify to the entire world that the United States is doing an about-face in its foreign economic relations. The dangers involved in our pursuing such a course would be great and in many quarters it would be interpreted as a signal that the United States is about to return to the discredited principles of tariff protection of the Smoot-Hawley era. The immediate effect of such a course of action would be to provide the Communists with ready-made propaganda material at our expense.

The original purpose of the trade agreements program, when it was first inaugurated back in 1934, was to break the logjam in foreign trade resulting from the worldwide economic depression of the Hoover days. Through the years, the program has played its part in stimulating international trade. Under the act numerous agreements with foreign countries have been signed and, while some of the concessions that have been granted by the United States have been more symbolic than effective in increasing such trade, it is certainly true that many of the concessions have stimulated trade.

Most fair-minded people will admit that this act, and the program administered under it, have been in the public interest. Most will agree that trade agreements played an important part in the economic recovery that set in shortly after the inauguration of President Roosevelt and that the program has helped to reduce United States trade barriers and has done much to bring about improved international relations. There is no doubt that it has become a practical measure for the strengthening of our economy and the improvement of our relations with other countries.

The unfortunate thing is that the Reciprocal Trade Agreements Act early became a victim of partisan politics. Whenever the act came up for renewal—and it has come up many times, because Congress at no time went further than to delegate the power to modify tariff duties on a temporary basis—the debate and voting has been along strictly party lines. But while the act itself has become a political issue, the trade agreements program has been administered on a nonpartisan basis and every legitimate domestic interest has had ample opportunity to be heard and to present its case before any tariff duty has been lowered. Furthermore, in recent years, the act has been amended in such a way as to afford greater protection against foreign competition than domestic producers ever enjoyed before.

While I do not claim that the trade agreements program has averted war or that it has brought about international economic stability, I do maintain that, if not for this act, international trade restrictions throughout the world today would be even tighter than they are and the free world would be worse off than it is. A particular medicine may not have effected a complete cure, but that should not blind us to the fact that it has at least kept the patient from getting worse.

There was a time when the debate over free trade versus protectionism afforded an opportunity for many people to exercise their lung power. Most informed persons were ready to admit that free trade would be desirable and would enlarge the sum-total of goods and services available for consumption. The fact remained, however, that a sudden change from protection to free trade would have precipitated such difficulties of adjustment that it would have resulted in considerable hardship. Under the circumstances the issue was largely academic.

Today, this is no longer true. The debate between those who would keep out imports and those who would be more liberal about it, occupies a new political setting. The world is divided into two parts, the one free and the other Communist. The crying need of the free world is for military, economic, and psychological strength. The need for military strength is obvious. Less obvious, but no less important than military strength, is psychological and spiritual strength, which comes from mutual understanding among nations of different cultural and religious backgrounds. The bridge between military and spiritual strength is economic strength and this means mutually beneficial trade. Those who are still under the influence of isolationism and fail to realize the significance of improved trade relations between ourselves and our allies are painfully unrealistic in their attitude on this question.

In the period following the end of World War II, the countries of Western Europe were economically prostrate. Aid was imperative and if the Marshall plan had not been enacted in 1947, it is altogether probable that Italy and France would have gone Communist. Military assistance under the Mutual Security Program later on was equally essential.

Direct aid, however, is becoming onerous, both to the recipients and to the givers. One solution advocated is through the stimulation of foreign trade. It is pointed out, for example, that each and every dollar of increased imports that the United States allows to enter the country will in fact make just that much foreign aid unnecessary. The fact that the lowering of United States tariffs may not be a panacea for all the world's ills hardly renders such action unimportant. The United States has much more to gain from increasing imports than from stifling trade.

There are, in fact, but three lines of action open to the United States:

The first is to continue our present course of granting huge sums in direct

foreign aid, but restricting imports. This is known as the gift route, and its dangers are becoming increasingly evident as the American taxpayers become more restless, while the recipients abroad become uncomfortable.

The second line of action would be to curtail such aid and to allow the chips to fall where they may. If we pursue this course, we are certain to curtail exports also, thereby denying to the countries of Western Europe many of the raw materials which they urgently need if they are to increase production and pay their own way. Furthermore, the strain that would be brought upon our own economy by a severe curtailment of exports would be most dangerous. Many of our industries are dependent upon export markets and by cutting off those markets we could hardly avoid a depression in this country that would have unfortunate repercussions throughout the free world.

The third, and to my mind the only really tenable policy for the United States to adopt, is to lower tariffs and quotas in order to stimulate imports. Such a course of action would enable countries that now receive aid from us to help pay their own way and it would relieve the American taxpayers of some of their crushing tax burden.

If we fail to renew the reciprocal-trade agreements, thereby denying to the President the power to enter into trade agreements with other countries, we announce to the whole world an abrupt reversal in United States commercial policy. Even though the present act is hamstrung by the escape-clause and the peril-point provisions, it is better than no act at all. The President has recently appointed the Honorable Lewis W. Douglas to organize a group for the purpose of making a comprehensive study of the entire subject of economic foreign policy. The very least that we can do is to extend the existing trade law for another year pending the outcome of this study.

We have no respectable alternative but to extend the Reciprocal Trade Agreements Act in its present form, at the very least, for another year. Let us give the President the required time in which to formulate his recommendations in this complicated area of economic foreign relations. This is not the time to erect new and ever more effective barriers against international trade. It is a time for sound thinking and constructive action.

Mr. SPRINGER. Mr. Chairman, I am glad to support this bill to extend the Reciprocal Trade Agreements Act for a year, which authority has been requested by the President.

I am sure we have had some definite benefits as a result of some of these reciprocal trade agreements in the past. I know that in my own particular area we have been able to dispose of considerable surplus crops in foreign countries by mutual agreements between the United States and those countries. The most important aspect of these agreements at the present time is to assist in the disposal of the tremendous surplus crops that are in storage bins all over the country as well as the Commodity Credit Corporation of the Federal Government. In order for us to keep farm prices stable, it is necessary that each year we dispose of approximately 10 percent of our grain in foreign markets. The disposal of this 10 percent is the margin that keeps our farm program on an even keel.

Undoubtedly the most important feature of the new reciprocal trade act will be the establishment of a temporary bipartisan commission to be known as "The Commission on Foreign Economic Policy," which will provide the mechanism for a thorough examination of our foreign economic policy. This commission will be expected to report back by June 12, 1954, as to its findings. I am hoping that one of the proposals to come out of that commission will be the establishment of an agency in the Department which will be in the nature of a supersales agency for the disposal of our goods and crops abroad.

I support the grain grant to Pakistan which will arise on the floor next Thursday. I feel sure that if the matter had been worked out months ahead, we would have been able to establish a much better trade for ourselves than the Pakistan agreement sums up. If we have an agency in the Department of Agriculture whose sole purpose is sale of our surplus grain in foreign markets, I believe we can do a better job than has been done. Our only task is to find a medium of exchange. Many of these countries want our produce but lack dollars. This agency when created should be able to barter produce of the many countries in exchange for strategic materials which we need for our goods.

I am cognizant that the reciprocal trade agreements as they have been passed by this body in the past have served some useful purposes. However, in order for our reciprocal trade agreements to be effective enough to solve some of our own economic problems, there must be constant readjustments to world conditions. There have been serious economic changes throughout the world since the establishment of the first Reciprocal Trade Act in 1935. Our trade agreements must be able to keep up with the times. I am hoping that the Commission on Foreign Economic Policy will come up with a solution of some of those problems when it makes its report back here next year.

Mr. STRINGFELLOW. Mr. Chairman, it is with reluctance and some trepidation that I vote today for the Trade Agreements Extension Act of 1953. As I have stated on several occasions in the past, I do not object to a general extension of our reciprocal trade agreements for a period of 1 year in order that the President, his Cabinet, and the Tariff Commission might have ample opportunity to study and reevaluate the entire tariff and trade programs. What I do object to is the fact that there is no provision in this act to grant immediate relief to several of our vital industries such as wool, lead, and zinc producers who are imperiled and face economic collapse unless action is taken to protect them from foreign products being dumped on our markets.

I heartedly supported and was in favor of the old Simpson bill, H. R. 4294, which embodied most of the worthwhile principles in the present extension act. However, H. R. 4294 took into account that several of our domestic industries were being endangered and would have immediately imposed quotas and additional duties on the importation of residual fuel oil, lead, zinc, or on other commodities which are being imperiled by foreign dumping on United States markets. Unfortunately there is no such provision in this new Simpson bill, H. R. 5495. It is sincerely hoped that early consideration will be granted by the Ways and Means Committee to H. R. 5496 which contains provisions covering critically imperiled commodities which were eliminated when the Simpson bill was rewritten at the request of the Administration.

When I appeared before the Ways and Means Committee and testified in support of the old Simpson bill, I said:

> I am not in accord with any policy or view which would allow some of our vital and critical industries to fold up and collapse while we sit idly by on our legislative hands, waiting for the year evaluation period to elapse. The time to start saving a drowning man is when he gets into water over his head, and not wait until he has gone down for the third time. The moment for making plans and preparation to assist the lead, zinc, and wool industries is right now, and not after all of our mines have closed and started caving in and filling with water or after our sheep have all been slaughtered or perished because of lack of markets. We here in Congress must make up our minds whether we are going to encourage or destroy the domestic production of lead, zinc, and wool. We must take action now to prevent further damage or we will be faced with the irony that our apathy and inaction has resulted in strangling the life out of these segments of our economy.

That statement is still applicable today.

Utah in 1952 had 30 active lead-zinc operations. To May 31, 1953, there were only 8 of these still active, and 6 of the 8 were on a curtailed basis. In May only 58 percent as many men were employed in Utah's lead-zinc mines, mills, and lead smelters as at this same time last year. The same depressed condition exists in other lead-zinc operations throughout the Nation.

This is not simply a case of bailing our own domestic producers out of a crisis, but is a matter of either saving or destroying these industries. It is a fact that the present depressed condition is directly attributable to the United States policies of financially aiding and fostering foreign producers at the expense of the United States taxpayers and to the detriment of our own domestic producers.

Much the same story exists in the wool industry as in the case of lead and zinc. Imports into the United States of shorn wool has been multiplying so rapidly that a continuation of the present practices will entirely wipe out the sheep industry of the United States as an important agricultural and livestock industry.

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There is no question about the immediate emergency need for action if we are to save the wool industry. In the past 20 months wool prices have dropped 51 percent. In that same period lamb prices dropped 38 percent. To show the dependence of one segment of our industry upon the other, that drop in the price of lamb includes a drop in the price of lamb pelts from a high of $12.86 to $2.85, a 78-percent decline. Because of wool imports forcing a decline in domestic wool prices, the sheep growers of the United States have seen their lamb prices drop $10 a head, or approximately the equivalent of 10 cents per pound liveweight.

Thus, one of America's basic industries finds itself depression ridden in the midst of a national economy for the rest of the Nation, which has climbed 9 percent in the same period, from an index of 229.5 to approximately 250, near its all-time high. That makes it self-evident that the decline of prices to producers has not been accompanied by any decline in the cost of production. Under continuation of import competition for even 1 more year in the volume and at the prices which have prevailed in the past 10 years, there would be no chance for a price improvement in time to save a further serious decline in production and further losses to the producers and handlers of the industry in the United States.

There are provisions in the Tariff Act and there is section 22 of the Agricultural Act of 1949 which could have given the industry some temporary relief, but these, like the relief provisions of the peril point and escape clause of the Trade Agreements Act, were not made sufficiently mandatory by the Congress, were not enforced, and in actuality provided little protection for the wool growers.

I have tried to briefly outline some of the problems and dilemma facing the wool, lead, and zinc industries in my own State and in the Nation. In my office I have many files and additional data, all testifying to the urgency of this situation. This information is available to any Congressman or other persons who might be interested in becoming more familiar with this trade and import problem. I have introduced legislation dealing with flexible duties on the import of lead, zinc, and wool, which, if enacted, will largely alleviate the present problem. Also, I have urged early consideration of these measures or similar provisions contained in Congressman SIMPSON's bill, H. R. 5496, in order that relief might come before it is too late to save these vital industries.

The United States is and will continue to be the most powerful economic producer nation on the face of the earth, only so long as we vigilantly protect and foster the development of our raw materials and build up our productive facilities. The strength and ability of this Nation to wage war or to defend itself against aggression is directly related to our domestic industries. If we continue to develop and build up foreign producers at the expense and detriment of our own domestic industries, we might well find ourselves in the dilemma of having provided our enemies or turncoat allies with the industrial potential which might rear up like a Frankenstein to destroy us.

I believe in foreign trade; I believe in improving our international relations; but I do not believe that we should always cast the United States or United States industries in the role of having to be on the giving end—of receiving the short end of every deal. Let us wake up to reality. While we are attempting to bring a higher standard of living and democratic principles to the backward areas of the world, we are sowing economic, social, and political theories in our own country that might well cause us to lose our own sacred birthrights. To paraphrase the Biblical quotation, "For what is a man profited, if he shall gain the whole world, and lose his own soul," we might have the analogy of aiding the whole world and losing our own place in the sun. I believe in America, first, last, and always. Internationalism and free trade must be secondary to our own domestic needs. Let us save at least some of America for Americans. Let us stop giving our inheritance away for a mess of international pottage.

There is no better time to start than now, and there is no more logical place to start using some good common economic sense than in our basic domestic industries.

I urge my colleagues in the Congress to study this problem and seek enlightenment on the effect which the continuation of present depressive trade policies will have upon our own domestic industries. I feel confident that if you have all of the facts on our foreign trade and import policies, that you will be motivated to support and demand that our domestic producers be given the protection and assistance provided in H. R. 5496 or in my own bill pertaining to these commodities, H. R. 5638 dealing with wool, and H. R. 4462 dealing with lead and zinc.

I am voting for the extension of the Trade Agreements Act in the hope and with the expectation that an early hearing will be granted to legislation designed to protect United States industries which are imperiled. Also, I have implicit faith in the leadership and advice of our great President, and believe he had the sincere interest of our Nation at heart in requesting the extension. The establishment of a Commission on Foreign Economic Policy is a definite step forward to work out a permanent and lasting policy to foster foreign trade and at the same time take into consideration our own domestic producers and the need for principles which will aid and foster United States production. However, we cannot afford to wait a year, 6 months, or even 3 months for the report of this new commission. We must come to the rescue of our wool, lead and zinc industries immediately and that is the reason why I urge early consideration of H. R. 5495 and H. R. 5638.

"Trade not aid" is an overworked phrase which has little merit in the present crisis. I urge a little more aid for our own domestic industries and a little less devotion to a slogan which has failed to solve any of our import-export problems. A better slogan for all of us to follow in this day and age is "Now is the time for all good men to come to the aid of their country." I urge you to vote to save United States industries today—tomorrow may be too late.

Mr. DAWSON of Utah. Mr. Chairman, I wish it were possible for me to stand here and say that this bill has my unqualified support. Unfortunately I cannot. I cannot vote for this bill without taking an opportunity to draw the House's attention to how the administration of our trade policies in the past have affected a vital industry in my State.

Reciprocal trade, in my opinion, is necessary in a world as interrelated economically as ours has become. In self-interest we must trade with other nations, and, of course, they must trade with us. But under the guise of helping our friends throughout the world we must never allow our own economic position to deteriorate. I am sorry to say that the State Department in the past has not recognized this fact. The provisions in the Reciprocal Trade Act expressly placed there by Congress to protect our vital domestic industries have been ignored until, at the present time, these industries are faced with extinction.

I am not speaking here of those industries whose narrow specialties make them particularly vulnerable to skilled foreign competition. Nor do I speak of industries which changing times and changing demands have made obsolete. No amount of tariff protection would have saved the blacksmith shop.

But I am concerned with industries whose basic production and continued operation are vital to the Nation's security. One such industry is our lead-zinc mining industry. And this industry more than any other illustrates the dangers that can occur to our economy through mismanagement of our trade policies.

I would like to explain to the House briefly how Government policies in the past have brought this great industry to its knees and why the passage of this Reciprocal Trade Act extension will not correct the present crisis.

Our lead-zinc mining industry has—more than any other segment of our economy—been the victim of a double standard of values which has been accepted and followed during the past decade by those who would buy international good will with the jobs of American workingmen.

Here is how the double standard has operated.

We have continued to levy record high taxes against our local mining industry during the same period that tax concessions have been granted to any citizen who would invest funds in foreign mining ventures.

The Office of Price Stabilization imposed strict ceiling prices on domestic lead-zinc production during the same period that our Government procurement agencies were paying high prices—all the market would bear—for foreign production. While consistently

refusing to give any increased tariff protection to our domestic output, the Government is now buying under long-term contracts the output of foreign mines at prices well above the current market price.

The result is, our own mines are closed; foreign mines are booming. Miners who used to earn $80 per week in Utah are now dependent upon welfare and union benefit payments. They already have exhausted their unemployment compensation. Meanwhile, French Morocco miners are all employed at the munificent salary of $24 per month. Uncle Sam is receiving no taxes from our closed mines. But foreign nations are reaping tax benefits from a mining industry that is booming.

I am confident that the new administration will realize the importance of keeping a healthy mining industry. I am certain that the year's study provided in this bill will prove that the lead-zinc industry along with other selected raw material producing industries must be given adequate protection from foreign competition. But in the case of lead and zinc a year's delay may be fatal. Mines must operate or they fill with water. Miners must work or they abandon the mining community. During this study, it is imperative that we grant this industry some added protection. Otherwise I am fearful that any recommendation made by the study commission will come too late. It will do us no good to reprieve the condemned man after the hanging.

Consequently, my vote for this bill should not be interpreted as approval of continuation of the status quo in our foreign trade agreements. During this period, when the entire problem is being restudied, additional protection must be afforded the lead and zinc industry or it won't live until the cure is perfected.

Unless this legislation is supplemented by special protection for this vital industry I am fearful that ghost towns in Utah, Idaho, Wisconsin, Arizona, New Mexico and Colorado will stand as monuments to those who feel that free trade is the open sesame to national prosperity and security.

Mr. GROSS. Mr. Chairman, I am opposed to an extension of this alleged reciprocal-trade program. The record of performance under this act in the past shows that it has operated all too often on a one-way street—with American agriculture, industry, and labor caught in the dead end of that street.

How reciprocal is it to import millions of dollars worth of commodities from the Iron-Curtain countries, including Russia and Communist China, as we did last year and shelling out American dollars, wrung from the taxpayers, to pay these countries for the stuff shipped to us?

Our trade policies in recent years have not been based upon what is good for this Nation and its citizens. These policies have been based almost entirely upon what a few soft-headed internationalists in the State Department thought was good for foreigners.

I predict that the day will come when the American people will awaken to just how badly they have been sold down the river by this international trade program. Then the emptiness of this word "reciprocal," as it has been used, will become all too apparent. But the damage will be done.

Mr. FISHER. Mr. Chairman, the pending bill proposes to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, for a period of 1 year. It reduces from 1 year to 9 months the period within which the Tariff Commission must make its investigation and report on applications for relief under the escape clause, and it proposes an increase in the membership of the Tariff Commission from 6 to 7.

In my judgment both of these amendments are sound and should be approved. The present Tariff Commission is composed of only six members. This has on many occasions resulted in stalemates, with 3 members voting one way and 3 voting the other way. There was probably some justification for the six-member Commission when it was established back in 1916 because at that time the agency was purely a fact-finding group. The members were called upon to study and collect facts with respect to cost of production of various products involved in international trade, both domestic and foreign. Those facts were turned over to the Congress for appropriate consideration in connection with legislation. But more recently the duties of the Tariff Commission have been expanded. The Congress has done that by changes in the law. The Congress has ordered the Commission to administer the escape clause and the peril-point provision which have been written into the trade-agreements law. In doing so, the Commission is required to make findings, establish conclusions, make recommendations, and resolve differences. It has become a quasi-judicial agency.

In the interest of orderly procedure in democratic processes, it is imperative that the Commission be modernized to enable it to meet responsibilities placed upon it by the Congress. That, of course, requires that the Commission be composed of an odd number of members. Otherwise you invite stalemates, indecision, lack of responsibility and confusion. After all, this is no new doctrine. The need for odd numbers on quasi-judicial agencies has been recognized for years in the Government. The Interstate Commerce Commission, the Federal Trade Commission, the Federal Power Commission, the Federal Communications Commission, the Civil Service Commission—all have odd numbers of members, and for good reason. To oppose correcting this hiatus in our Tariff Commission setup is to oppose plain necessity in orderly procedure—a necessity created by the Congress itself.

I am not going to let partisanship control my action in this matter. I prefer to think in terms of sound principles or orderly procedure in the operation of an agency where majority decisions must be made from time to time.

Moreover, Mr. Chairman, the work of the Tariff Commission has increased considerably in recent years along with the vast increase in and the expansion of world trade. The Commission is far behind in its work schedule. For example, last September hearings were held by the Tariff Commission to determine whether controls under section 22 of the Agricultural Adjustment Act were necessary with respect to importation of wool. The Secretary of Agriculture had advised the President that he had reason to believe that raw apparel wool and wool tops were being and were practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective or materially interfere with the price-support program for wool. The Secretary recommended to the President that he cause the Tariff Commission to make an investigation of the facts.

It is clear from reading section 22 of the Agricultural Adjustment Act, as amended, that the Congress intended to protect against import prices being permitted at levels below 90 percent of parity. Accordingly, at the request of the Secretary of Agriculture, the President directed the Tariff Commission to hold a hearing, determine the facts, and then make a recommendation with respect to the relief contemplated by the law. That hearing was held. But 9 months have come and gone and no decision has yet been rendered.

That indicates in itself that the Commission is overworked and is far behind with its work. Perhaps the addition of another member will not only improve the capacity of the agency to make decisions but will also help to expedite its work which the Congress expects it to do.

Mr. Chairman, the importance of encouraging wool production in this country has been recognized time and time again by Government officials who deal with the subject and who are acquainted with the plight of the growers in competing with mass production in foreign countries. Wool has been designated as a strategic commodity the domestic production of which is essential to our national security. The Secretary of Agriculture has recognized the problem in his testimony before Senate and House committees this year. Secretary Brannan recognized it last year when the Department of Agriculture sponsored the hearing before the Tariff Commission.

Several bills are now pending in Congress which are designed to meet the problem and alleviate the distress which has been caused by the dumping and excessive imports of foreign wool, some of it made possible by exchange manipulations and foreign subsidies. I recently introduced a bill, H. R. 5700, which is designed to protect domestic growers against disastrous low-cost competition, and maintain the integrity of the parity price principle. This bill simply implements section 22 of the Agricultural Adjustment Act, to which I have already referred. It is now pending before the Ways and Means Committee, and I earnestly hope that committee will be able to give it proper consideration during this session.

The fact is that under the Trade Agreements Act, as it has been administered, the domestic wool growers have not been given the consideration to which they are entitled. They have not been given the protection that has been

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authorized by the Congress and which was contemplated in many laws that have been enacted. The position of the growers is well described by Ernest Williams, secretary of the Texas Sheep and Goat Raisers' Association, in a recent letter on the subject in which he said:

As you know, this association, representing the sheep industry of Texas, has long felt that the industry was not sufficiently protected by provisions of the Trade Agreements Act from wool importations from countries having a lower cost of production. I hasten to say that we do not, and have not, opposed the importation of foreign wools into the United States in the amounts needed for consumption above our own production, and so long as the American grower has first chance at the American market at a fair price. Certainly there is nothing selfish in this desire, nor is it against the best interests of the United States.

We do strongly oppose the importation of wools at prices less than our cost of production. The American sheep industry is efficient, but costs of production are dictated by factors over which the producer has no control. His supplies are produced by labor which has a floor under its wages—foreign labor has no such advantage; certain supplemental feeds have, either directly or indirectly, floors under which their cost cannot fall. The market for lamb is a free one. Wool does have a support in the form of a loan, but that loan is lower than full parity and yet high enough in terms of foreign exchange to allow wools from other countries to come in at an even lower price.

As mentioned above, we do not oppose the importation of these wools. Until such time as the Congress recognizes the needs of the American wool industry, and as a result it is able to expand in sufficient numbers, we must have those wools. We do strongly feel that not 1 pound of Australian, New Zealand, South African, or South American wool should come into this country at less than the American parity price for such wool. It is our contention that the raising of present tariffs to a point more in keeping with American production costs would not decrease the amount of wool coming into this country, nor would it decrease the flow of American dollars to those countries from which the wool comes.

Mr. Chairman, there has been a tremendous drop in sheep numbers and in wool production in this country during the past 10 years. If we are to rebuild this important industry and achieve the production goals which the Congress has called for, it is imperative that sympathetic consideration be given to remedial legislation to protect the growers against foreign subsidized imports, dumping, and unfair competition. Foreign trade is absolutely necessary. Exports and imports are essential. But international trade contemplates fair competition. That means reciprocity that takes into consideration the relative competitive situation of our own industries and the factors which enter into the fairness of foreign goods sold on the American market. Unless a more realistic and sympathetic approach is given to the administration of existing laws and trade agreements, it is imperative that the Congress legislate further on the subject as it affects domestic wool producers. This should be done at an early date.

Mr. COOPER. Mr. Chairman, I yield such time as he may require to the gentleman from Georgia [Mr. BROWN].

Mr. BROWN of Georgia. Mr. Chairman, I would like to address myself today to one of the most important pieces of legislation facing this Congress—the extension of the Reciprocal Trade Agreements Act.

Nineteen years ago the United States, under the leadership of the Honorable Cordell Hull, embarked upon a policy of liberalizing and expanding trade under the Reciprocal Trade Agreements Program. Through negotiations under this program the United States has made gradual tariff concession from the record high tariffs established under the Smoot-Hawley Tariff Act of 1930 for trade concessions from other countries. Under this program the international exchange of goods and services has been encouraged and during this period the United States has emerged the leader among the nations of the free world. The United States now has trade agreements with over 40 foreign nations. The high degree of prosperity in the country today is ample evidence the program has not seriously injured any substantial segments of this economy.

I have a strong conviction that any change in existing tariff policy at this time would be extremely unwise. The President has recommended that Congress extend the Reciprocal Trade Agreements Act in its present form for one year during which time a thorough study can be made of our foreign trade problem. The President has indicated that he hopes United States trade policy can be coordinated with the country's total foreign policy.

I heartily concur with the President in his recommendation. To me it appears unwise to change our trade and tariff policy until we are sure we know where we are going and until we have given careful study to what the effects of such a change might be.

There are many arguments for extending the Reciprocal Trade Agreements Act in its present form, but my reasons for supporting this legislation are based primarily on the necessity for maintaining our foreign market outlets, achieving economic unity of the non-Communist world, and developing a trade policy which is consistent with our role as the greatest creditor nation in history.

This maintenance of our foreign market outlets is vital to the welfare of this Nation. This is particularly true for agriculture as evidenced by the fact that exports of agricultural products reached $4 billion or 27 percent of total United States exports in 1951. In that year approximately a third of our raw cotton, wheat, rice, dried peas, and tallow was exported. About a fourth of our tobacco, peanut oil, soybeans, and lard also was exported. The loss of foreign markets for these products would cause serious economic and social repercussions in this country's agricultural areas. The decline in agricultural exports in recent months is already being felt on the domestic front. Stocks are piling up in the Commodity Credit Corporation and farm prices in most cases have tumbled to support levels.

The agricultural commodities moving into export markets in the 1951–52 season represented the production of some 60 million acres—equivalent to the cultivated areas of the States of Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, Tennessee, and Kentucky. And this does not include the livestock products produced on pastures or orchard crops.

The absorption of the production of these acres by the domestic market is virtually impossible in any short period of time. Some shifts can and will be made by farmers to other crops in the long run. Nevertheless, reducing the acreage in the export crops will take time if serious maladjustments in agriculture are to be avoided.

For instance, in the South the opportunities for alternative crops which would give farmers anywhere near the same income they now receive per acre from cotton are limited. Shifts into other major crops of any sizable acreage over a short period of time simply contribute to the oversupply for the other crops. Shifts into livestock production take time. A permanent loss of three to four million bales of cotton exports would mean a reduction of income that would be disastrous to the economy of the South.

Significant segments of United States industry also have a strong interest in exports. In the industrial machinery field, the United States currently sells abroad about 21 percent of its tractors, 30 percent of its graders, 20 percent of its machine tools, 20 percent of its oilfield machinery, 27 percent of its textile machinery, and 15 percent of its trucks. Exports of chemicals are sizable with 25 percent of the sulfur black production being exported, 27 percent of penicillin, 30 percent of DDT, 26 percent of the carbon black, and 40 percent of the copper sulfate. Sales abroad are important to many of the other nonagricultural industries. Exports of lubricating oil equal 27 percent of production, paraffin wax 26 percent, turpentine 24 percent, and rosin 36 percent.

These statistics indicate the overall importance of foreign trade, both to agriculture and industry, but I would like to illustrate just how important foreign markets are to the United States cotton industry. The cotton producers have been through an exceedingly prosperous period since World War II. Only in 1 year, 1950, has it been necessary to impose marketing quotas and acreage restrictions. As a result, cotton producers have gone all out for full production and in the process great achievements have been made in production efficiency. Farms have been mechanized, recommended farm practices have been adopted, yields per acre have been increased, and in general cotton production has taken advantage of the opportunities afforded through science and technology for greater efficiency and lower costs. These achievements have been facilitated by the high level of farm production. Now, it is apparent that the cotton industry is facing the same old problems that it faced once before. First, there is greater competition in the fiber market at home; and secondly, export markets are shrinking.

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The recent decline in cotton exports, which for the current season are averaging just about one-half of the rate for the last season, is the major cause for concern. Unless exports pick up soon, it looks as if marketing quotas will be inevitable for next year. This will require production controls. With production curtailment and lower prices, farm incomes will suffer. In this connection I might add that net farm income may very likely suffer to a greater extent than gross farm income. This is because farmers today who have mechanized their operations and have adopted other scientific and improved techniques have increased their cash operating costs as compared to a generation ago. Farmers will find it more difficult to cut back production today and continue to produce profitably. I might add, here, that this is not only true for cotton farmers, but for all farmers as well. The maintenance of our export markets will have a tremendous impact upon American agriculture's ability to continue its progress toward greater efficiency.

A large volume of production in agriculture as in industry leads to lower unit costs and prosperity.

The development of sound multilateral trade among the nations of the free world is our greatest weapon for combating Communist aggression. If we are to break the ties between the East and the West, we must develop a trade policy which will make it possible for our allies to secure the raw materials they require for economic stability. A third of Western Europe's trade used to be with the Iron Curtain countries of Eastern Europe. If we think it wise for security reasons to discourage East-West trade, it is incumbent on the United States to provide a climate which will permit Western Europe to develop its trade in the free world. If we are to keep Japan from trading with Red China and Manchuria, we must permit them to develop their trade in the free world also. There are tremendous possibilities for economic development and for trade in the rest of the Far East if the right policies are established by Japan and the rest of the world.

Trade is a two-way street. The fact that the economics of the industrial countries of Western Europe, Japan and the United States are not complementary does not make it easy. The United States is capable of supplying most of the raw materials needed by these countries, but unless we are willing to buy something—either goods or services—they have no way of paying for these raw materials. This is a delicate situation. Unless the United States recognizes this impasse, there appears to be no alternative but to permit Western Europe and Japan to reestablish trade with the Communists. Development of the underdeveloped areas is being encouraged and in the long run should provide expanding markets for the United States and the industrial nations of Western Europe and Japan. Greater private investments in the underdeveloped areas will stimulate economic development there and also stimulate trade. This, we are encouraging, but in the meantime I want to urge that we must do our best to devise a trade policy which is consistent with our own overall security requirements.

The economic aid programs since 1945 have bridged the gap, but we certainly should not look on such programs as the long-run solution.

I subscribe to the philosophy that it would be better for us to trade than to continue huge giveaway programs.

Western Europe also subscribes to the idea that trade should now supplant aid. Now that Western European and Japanese industries have recovered from the devastation of war, these countries feel that they are now able to earn their own way if given a chance.

To me, this seems logical. It certainly is more appealing than the continuation of economic aid on the scale that we have known in the past.

If the rest of the world is to have this chance, our trade policy should recognize that trade is a two-way street. Only a small increase in United States imports would be of great value to the rest of the world in obtaining the necessary dollars to buy the raw materials that they must have to be self-sustaining and should go a long way in helping us to balance our domestic budget.

The case for continuing the reciprocal trade program cannot be refuted. It is in the national interest. If restrictive amendments are tacked on the Trade Agreements Act, it will seriously affect our international trade relations. The rest of the world is already worried about United States actions which might make it more difficult for them to trade with us. If we let the trade-agreements program expire, it will compound the doubts among friendly foreign nations as to our future trade policy.

I am gravely concerned over the provision of H. R. 5495 which would pack the Tariff Commission. Increasing the membership from 6 to 7 members and providing that not more than 4 of the Commissioners shall be members of the same political party would be unfortunate. It would change the entire concept that the Tariff Commission should be a nonpartisan body. It would change the Tariff Commission from an objective fact-finding body to a political body and invite decisions based on political grounds rather than on merit. This would create instability in trade policy. The proposal to increase the Tariff Commission membership is an attempt by those who have opposed the trade agreements program from its inception in 1934 to reverse the principles of the program by making it a trade-restrictive measure. It is an attempt to achieve indirectly what could not be accomplished directly.

In conclusion, I wish to urge the extension of the Reciprocal Trade Agreements Act of 1951 in its present form, without a single restrictive amendment. This is no time to compromise. If we do, we will be compromising ourselves, our economic well-being, our international role of leadership, and our economic and political security.

Mr. COOPER. Mr. Chairman, I yield such time as he may desire to the gentleman from Tennessee [Mr. EVINS].

Mr. EVINS. Mr. Chairman, I favor passage of the bill but am opposed to the crippling amendments in the bill. I shall support the Cooper amendment to be offered to improve the measure.

The great Committee on Ways and Means is to be congratulated in favorably reporting and recommending for passage a further extension of the Reciprocal Trade Agreements Act. As we all must recognize, the Reciprocal Trade Agreements program has been one of the most important and far-reaching statutes ever enacted by the Congress. I have urged previously that the act be favorably reported without nullifying amendments. It is gratifying that the rule has been adopted for continuing the extension of the trade-agreements program. The bill should be extended for the customary period of 2 years, rather than the 1-year extension recommended by the committee. In addition, may I say that while a study commission, authorized by the new bill, may have some merit, I do not think that such a study commission is either necessary or desirable. It is a great mistake to increase the membership of the Tariff Commission from 6 to 7 members as proposed in this bill. Traditionally the Tariff Commission has been a nonpartisan, fact-finding body, and it should not be made a political and partisan body to make decisions on economic policies which involve not only the welfare of our own Nation but of the other nations of the free world.

My great interest in this legislation is accentuated by the fact that I have the honor to represent the district formerly represented so ably by the distinguished and pioneer advocate of better trade relations with other nations, Judge Cordell Hull, a beloved son of Tennessee. After Judge Hull became Secretary of State, he wisely foresaw the need for revision of the United States foreign economic policy in the direction of freer trade for the promotion of peace with other nations of the world and for strengthening of the foundations of security.

The ultimate objectives of the United States foreign policy being peace, freedom and prosperity, every effort should be made to accelerate these objectives. Economic weakness in any part of the world is a threat to the strength and unity of free nations. We must not permit sectional interest to obscure the national interest, nor must we permit short-term interest and prejudices to jeopardize the long-term benefits of promoting freer trade and commerce among the nations of the world.

Today we are at the crossroads facing a fateful choice. Let us not turn back but go forward. We can adopt a restrictive policy that would reduce the volume of our exports which can be paid for only with earnings of foreign countries from their increased imports; or we can adopt a progressive policy which will enable us to continue our high productive capacity by maintaining and increasing our exports to friendly nations.

Maintaining production at peak capacity means that consumer capacity must be expanded—the Reciprocal Trade Agreements program greatly aids in effecting this purpose.

The last available figures in our Nations exports show that foreign markets consume 39 percent of our rice, 38 percent of our cotton, 37 percent of wheat and flour, and 26 percent of American-produced tobacco. Agricultural exports reached a total of $4 billion and manufactured goods, a total of $3 billion. The reciprocal trade program has greatly facilitated this commerce.

International trade is a two-way street and we must buy if we expect to continue to sell our agriculture and manufactured products to other nations.

Let us defeat the crippling amendments here proposed and continue to design a trade policy of promoting the widest possible trade for our American products, which will, in turn, greatly aid in the promotion of our own prosperity and world peace.

Mr. COOPER. Mr. Chairman, I yield such time as he may desire to the gentleman from Massachusetts [Mr. LANE].

Mr. LANE. Mr. Chairman, Einstein himself would feel like a split personality after trying to reconcile all the contradictions that pop up in any discussion of reciprocal trade.

If he came from New England he would know that the textile industry there—or what is left of it—is battling for its life and there would be nothing academic about that fact.

At the same time he would realize that foreign nations must have a chance to sell some of their goods here, or else, we would have to keep on giving them money. That is, if we wanted to have some allies in the struggle against communism.

Neither complete free trade nor Smoot-Hawley protectionism are practical in the world of 1953. These are the horns of the dilemma. The right course, and the workable course, is somewhere in between. It is the flexible formula of negotiation, otherwise known as the Trade Agreements Act.

Every nation must have markets for its goods. But no nation can open its doors to a flood of foreign products that would put its own people out of work. Even within a country as the United States, there is a difference between one product and another, insofar as foreign competition is concerned. Some industries, like textiles, need protection, because foreign textiles of the same quality but manufactured at slave wages, can undersell our products in American stores. By contrast, the automobile industry, by its superior productive methods, has nothing to fear from the sale of foreign cars in the United States. It can pay high wages and still beat foreign competition in the home market. Besides, most nations cannot maintain an automobile industry of their own.

The nub of the situation is that some of our industries need protection and others do not.

That is why some Members of Congress can consistently support the basic philosophy of reciprocal trade, while insisting on certain exceptions to the general rule.

Because of the district I represent, that is my position.

The national interest requires the extension of the Trade Agreements Act with proper safeguards to lessen those world-wide trade tensions which so often lead to war. Take the case of Japan, now in the camp of the free world. It has temporarily lost its natural market—China. If it is not to make a deal with the Communists, in order to survive, it must find compensatory markets elsewhere. That means that we must open up part of that market to some Japanese goods in the United States or risk the alienation of Japan.

I said some Japanese goods—meaning those that do not conflict with our basic industries.

At the same time, our prime duty is to remember that the purposes of the original reciprocal Trade Agreements Act of 1934 included "restoring the American standard of living" and "overcoming domestic unemployment."

Some may counter by saying that conditions now, are much different from the situation in which we found ourselves in 1934.

True in many, if not most respects.

But in several large communities of New England, so-called mill cities, we have had serious unemployment for several years.

Without escape clauses or peril-point protection their position might become desperate. New industries do not move in overnight to take up the slack. We must at least maintain what textile industries we have, until the transition is accomplished.

Our present plight is due to the southward trend of the industry, where labor costs and wages are lowest. We do not believe in going backward, by canceling the legitimate gains that labor has made after such a struggle. Even the South will find that its present low textile wages will have to go up.

The differentials between northern and southern wages in the textile industry have been enough to cause a severe dislocation which has left us with a large and continuing labor surplus.

But the differentials between New England textile wages and those of foreign textile industries are extreme.

Without duties to equalize the cost of production, the use of countervailing duties, and the prevention of unfair practices, including dumping in import trade, our embattled textile industry is done for.

The report on the New England textile industry by the committee appointed by the conference of New England Governors' published a short time ago finds that—

> The major explanation of New England's decline in textiles is the large differential between wage costs in that area and other parts of the United States. As the report states: "In highly competitive markets an addition of a few cents a yard in the cost of producing cloth in any one area eventually means loss of sales and brings on operating deficits and resultant loss of employment."

As between the United States and foreign competitors in the textile industry, there is a vast difference in wages. The average hourly wage in the United States is from 200 percent to 1,200 percent higher than foreign competitors in the textile field.

If we should lose but 10 percent of our home market to foreign textile producers, the economic setback would amount to $1,342,929,000. Employment would drop by 105,000. In addition, the Federal Government would lose $32 million of income taxes from displaced textile workers.

Trade, not aid is the objective of our international economic policy. I cannot avoid mention of the fact that, on the domestic scene, the United States Government is providing neither trade nor aid to the labor-surplus areas of New England.

Indifference to our domestic struggle is serious enough, but further and deliberate damage through lack of protection against foreign competition would be disastrous.

I did not make up these figures. They are a matter of record, and everyone has access to them.

Those who ignore them, or tamper with them, are answerable to every American who is unemployed through no fault of his own.

In my humble judgment, H. R. 5495, like most pieces of legislation, is not the best of bills, but we have no other choice.

It is an interim measure for 1 year that will attempt, as it states, to "foster the highest possible levels of trade consistent with the national securiy and a strong domestic economy."

It is better than having no basis for agreement.

Therefore, with reservations, and hoping for corrective amendments, I am going to support the basic purposes of H. R. 5495.

Mr. COOPER. Mr. Chairman, I yield such time as he may desire to the gentleman from Tennessee [Mr. FRAZIER].

Mr. FRAZIER. Mr. Chairman, the present Reciprocal Trade Agreements Act which we are asked to extend is a far cry from the original trade agreement philosophy of Cordell Hull. By snipping here and snipping there, protracted interests have succeeded in inducing Congress not merely to whittle down the effectiveness of the trade-agreements program; they have converted it from a law intended to stimulate foreign trade to one designed to restrict it. Let there be no mistake about it, the present Trade Agreements Act is nine-tenths protectionist legislation.

Some people forget very quickly and sometimes conveniently. When President Roosevelt and the Democratic Congress assumed office in 1933 the country was economically sick—desperately so. The sparkling effect of the leadership that descended upon Washington was manifest in all departments of economic life and Government. Before long the wheels of industry again moved and the farmers acquired new hope.

The cumulative sluggishness of foreign trade that had been nourished by the

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Smoot-Hawley Act and the retaliation that it engendered abroad soon encountered determination on the part of the new Government to do something about it. Reciprocity had been talked about and tried many times in previous years. In fact, just before his assassination in Buffalo, N. Y., President McKinley, notwithstanding his long background of protectionism, saw the light and urged two-way trade through reciprocity. But nothing came of it. All the attempts that followed called for congressional ratification and the many strenuous and sincere efforts on the part of individuals who attempted to negotiate agreements came to naught. It was as clear as crystal to those who really wanted action that commercial reciprocity is not workable if ratification of every detail of every agreement by a parliamentary body is required. The group pressures are too great.

Cordell Hull, then Secretary of State, who had already devoted the better part of a normal life-span to liberalization of the tariff, knew this. He had been in Congress and had seen at first hand the day-to-day behavior of protectionists before the Ways and Means Committee and Congress generally. Since he wanted to do something about it he saw to it that legislation was introduced that, above all else, was practical. The result was the Reciprocal Trade Agreement Act of 1934, an act that was intended to break the log-jam of foreign trade by facilitating the international movement of goods by lowering tariff barriers. It delegated to the President, within clearly stated limits, the power to enter into executive agreements with other countries for the purpose of lowering trade barriers. Moving cautiously, while establishing the executive machinery necessary to plan and negotiate agreements, Secretary Hull succeeded in unshackling trade and at the same time in establishing safeguards for every legitimate domestic producing interest.

Between 1934 and 1947 the President, utilizing the interdepartmental machinery that had been set up under the leadership of Secretary Hull, entered into 29 bilateral trade agreements with individual foreign countries. Under these agreements tariff rates were reduced or bound against increase by the United States on products accounting for close to 70 percent of this country's dutiable imports. On the export side the United States received many valuable concessions from foreign countries, both in terms of concessions on specific items and in terms of general treatment of its commerce. Between 1935 and 1947 United States exports to countries with which the United States had agreements in effect before January 1, 1948 increased from $1,600,000,000 to $11,700,000,000. In the earlier year this trade accounted for about 70 percent of total United States exports, but by 1947 it accounted for almost 82 percent.

In 1945 the act was strengthened and the President was granted the power to reduce rates to 50 percent of those in effect in 1945 instead of, as provided for in the original act, to those in effect in 1934. Since 1934, the Trade Agreements Act has been extended seven times and we are now called upon to extend it for the eighth time.

In most of the congressional hearings on the renewal of the Trade Agreements Act there has been heated controversy regarding the effectiveness of the program. Even at their best, statistics should be used with great caution. In a world as upset as it is in this mid-20th century, there are so many unusual variables that it is almost impossible to isolate cause-and-effect relationships. To claim flatly that the Reciprocal Trade Agreements Act brought about world peace manifestly would be false. However, the fact that the world has been plunged into two great world wars within a single generation and seems to be moving rapidly toward a third, does not prove that the Trade Agreements Act was not a force for world peace. A small boat equipped with a small outboard motor can battle upstream valiantly and still be washed downstream by the flood. Does this mean that the motor should be discarded altogether or that the boat needs a stronger motor? The trade-agreements program, gentlemen, as a force for loosening the straitjacket on world trade, needs strengthening, not weakening. Who, honestly, will deny that world trade is a force for peace? Countries that trade together in good will are not the countries that tend to fight each other on the field of battle. I have no sympathy with those who would discard what is good simply because it has not resulted in quick perfection.

Many conflicting forces have been at work throughout the life of the trade-agreements program to confuse statistical cause-and-effect relationships. But such official statistics as are available clearly indicate that the program has been headed in the right direction and that it has clearly resulted in discernible beneficial effects. The official statistics show that imports from countries with which we have had trade agreements have increased substantially more than have imports from the countries with which we had no trade agreements.

Between 1934 and 1945 imports from countries with which the United States had trade agreements increased by 196 percent, whereas imports from all other countries increased by only 65 percent. The increase in imports of nonagricultural products was particularly outstanding, with imports from the trade-agreement countries increasing by 228 percent, compared with an increase of 118 percent from non-trade-agreement countries.

On the export side, United States trade with trade-agreement and non-trade-agreement countries increased at about the same rate between 1934 and 1945—between 330 and 385 percent. Exports of agricultural products, however, increased more to the trade-agreement than to the non-trade-agreement countries—236 percent and 173 percent, respectively.

Since 1947 trade agreements have been negotiated multilaterally. The first large trade conference, participated in by 23 countries, was convened in Geneva in 1947. Out of it came the General Agreement on Tariffs and Trade, under which the United States signed trade agreements with each of the other 22 countries and each of them in turn entered into agreements with the United States and most of the other countries in attendance. This conference was followed by subsequent negotiations at Annecy, France, in 1949, and at Torquay, England, in 1951. The agreements now in effect include 34 contracting parties and the trade covered accounts for about four-fifths of the world's total. Most of the countries with which the United States had bilateral trade agreements prior to 1947 have come under the general agreement.

As a result of these years of negotiating, the United States has reduced or bound almost 2,600 rates affecting products with a trade coverage of over $2.5 billion, or 95 percent of our dutiable imports in 1949.

All of these accomplishments were achieved under the Trade Agreements Act in its original, unadulterated form. As early as 1947, with the advent of the 80th Congress, the adulteration process began. Through the years, with a huge crescendo whenever renewal hearings were held, the opponents of the program did their best to cripple the act through amendments. They called them perfecting amendments; in actual fact, they were crippling. Until the 80th Congress came to power, however, the forces of reaction were unable to make any serious inroads into the act or the program.

Meanwhile, the administration was introducing safeguards of its own to insure against serious injury from imports. In the Mexican Trade Agreement of 1942 there was included a so-called escape clause which reserved the right to withdraw a concession which resulted in unforeseen injury to any domestic producing interest. By agreement with the congressional committee the administration agreed that this escape clause would be included in all new trade agreements. The 80th Congress was not satisfied, however, and wrote a so-called peril-point amendment into the law.

Under the peril-point amendment the President, before entering into a trade agreement with any foreign country, is required to inform the Tariff Commission of the commodities upon the imports of which he contemplates making concessions. The Tariff Commission, after hearings and study, is then required to advise the President of the points beyond which, in its opinion, he cannot go in reducing tariffs without imperiling the producers of the products in question. What President, particularly one who is aware of the political pressures involved, would dare go beyond the points set by the Commission? And how far do you suppose realistic Tariff Commissioners will be willing to go in the face of the high tariff pressures that are snowballing upon them? Let us be realistic about this. The peril-point and the escape-clause provisions are protectionist devices intended to intimidate those who see the national interest from doing what is necessary to enhance

it. These amendments to the act represent abject surrender to the special interests. Those who have put the heat on Congress to strangle imports would sell the national interest down the river for a mess of special interest porridge. It is significant that no important trade agreements have been made under the law in this emasculated form. The 81st Congress immediately repealed the crippling amendments and restored the act to its original form. It remained that way until 1951, when Congress imposed the peril-points and the escape-clause provision in even stronger form.

And now, under the Simpson bill, we are asked not to restore the act to its original workable form, but to modify it still further in the direction of ineffectiveness. The changes that the Simpson bill will make in the present act would make it into an exclusively protectionist measure.

Congress should be aware of the fact that, speaking practically, no real lowering of international trade barriers will be possible as long as the act contains such provisions. It is unworkable except as an instrument for imposing greater restrictions. The only part of the present act which will be used, indeed, is the escape procedure. For practical purposes even the peril-point provision will be a dead letter, since the President already has told the Congress that he does not intend to use the act, at least in the coming year, for the purpose of entering into new tariff-lowering negotiations.

Under the escape-clause provision, with the Tariff Commission weighted down heavily on the side of protection, there will be a veritable flood of complaints of injury or anticipated injury. We can expect to see a steady stream of greater and greater pressures exerted upon the Tariff Commission and the White House to undo much of the good work that has been done through the past 19 years.

I am interested in the national welfare. I want to see my country maintain an honorable peace. I want to see a strong free world that will be able to resist Communist advance by the force of its own character. I do not think that the United States can go it alone. I believe that we need strong allies and, further, that the way to keep our allies on our side is to live and let live.

The issue is no longer merely the economic wealth of the United States. It is peace and security. In fact, it is our very survival as a free nation that is at stake. Under the circumstances I want to do all that I can to keep our country from running backwards, from undoing the good work that has been done.

Were it politically feasible I would hold out for the restoration of the original Trade Agreements Act as conceived and perfected by Cordell Hull. I do not, for one moment, believe that we are fooling anybody, other than ourselves, when we claim that renewal of the present act is a step toward trade liberalization. We certainly are not fooling our allies. Yet, to pass no act at all would make it abundantly clear to everybody that we are determined to return to the days of Messrs. Smoot and Hawley. To extend the act in its present form is just slightly better than nothing. If we pass it we at least retain the symbol, the shell, of a once-vital program.

Meanwhile those of us who want to continue the tradition of Cordell Hull will fight to put the country back on the right track, the track that leads to practical international economic cooperation, and ultimately to world peace through understanding and good-will, not to isolationism. It is my fervent hope that the Congress that comes into power in January 1955 will have the few additional votes that will be necessary to bring this about.

Mr. COOPER. Mr. Chairman, I yield such time as he may desire to the gentleman from West Virginia [Mr. BYRD].

Mr. BYRD. Mr. Chairman, I find myself in a position today of having to vote against a 1-year extension of the Reciprocal Trade Agreements Act. Because I believe in the basic purposes and principles underlying reciprocal-trade agreements, it is with regret that I oppose this extension.

I am cognizant of the fact that the great Democrat Party of which I am a member has long been the exponent of free trade. I realize, too, that we are living in a world which has been reduced by the miracles of modern science to a small community, and that if we expect to live happily, peacefully, and prosperously with our neighbors, we must work with them and trade with them. This is an age in which nations desiring to enjoy independence must, of necessity, be interdependent. The principle of reciprocity in trade is sound and desirable in my view. It is imperative that we make agreements whereby foreign markets will be open to our goods, and our markets will be open to other countries enabling them to earn dollars with which to purchase commodities produced by American industry.

However, to vote for H. R. 5495 which provides for a 1-year extension of the Trade Agreements Act but which fails to provide adequate protection for American industries is unthinkable. World trade is a two-way street, not a dead end or a blind alley. It involves rules of fair competition, it involves rules of reciprocity, it involves American jobs, the American standard of living, and national security. I know that one who desires to protect the industries of America so that a livelihood can be obtained by the men and women in them is quite likely to be labeled a protectionist and an opponent of international trade. But I do not believe that consideration of the welfare of our own people is a dastardly notion, nor do I agree that a legislator of this mind is automatically opposed to world trade or reciprocal agreements.

For many weeks we have been bringing to the attention of the Congress facts concerning the existing conditions in the coal industry and other industries. It has been repeatedly pointed out that unrestricted importation of residual oil from Venezuela and the Netherlands Antilles is hurting American industries and creating unemployment and underemployment. Residual oil is a leftover product of oil refineries, and those who produce it are tempted to sell it for any price in order to get rid of it. Forty-eight percent of this leftover product has been dumped on American east-coast markets where it is used in electric utility and manufacturing plants, whereas only 6 percent of the more desirable and more needed byproducts of the crude oil throughout is sold to the United States. Last year 127 million barrels of residual oil were dumped upon American markets, displacing 31 million tons of coal. This amount represents an increase of 300 percent in residual-oil importations over a period of 6 years and it was great enough to deprive the coal industry of $151 million in revenues last year, miners and their families of $75¾ million in wages, the railroads of $86 million in revenues, railroad employees of $43 million in wages, and National, State, and local tax coffers of $34 million in taxes. As a result of the excessive importation of this foreign leftover oil, domestic oil producers have curtailed activities leading toward the exploration and development of new oil-fields. Capital investments in the coal industry have been impaired and future progress has been impeded. Mines have closed, and this industry upon which we must depend most for fuel and power in time of need has been made to suffer.

West Virginia is the greatest bituminous-coal producer in the United States. Coal mining is the major industry and it involves 65 percent of our overall State economy. Since January 15 of this year over 70 mines have closed in West Virginia, more than 30 of which have been in my district, the Nation's largest coal-producing congressional district. Thousands of men have left the State to seek employment elsewhere. Many of these men are past 40 years of age and have had experience only in coal mining. Not only does the miner suffer, but the situation has set up a chain reaction which is felt in barber shops, filling stations, retail stores, wholesale houses, schools, and churches. A chain is only as strong as its weakest link. Coal is the weak link in the chain of our national economy. If we continue to permit unrestricted importation of foreign residual oil, I fear that the impact of economic distress in the coal fields will eventually make itself felt in other parts of the Nation.

We are told that in the year 1975 American industry will need 800 million tons of coal—70 percent more than the total production last year. This estimation is based upon conditions existing in a peaceful world. If at any time we should be at war, of course, the demand would be even greater. In peace or in war how can we expect our coal-mining industry to keep pace if we are going to deprive it of its markets, destroy its initiative, and deplete its manpower? Furthermore, in view of the fact that reports indicate that Russia today possesses six times the number of submarines possessed by Hitler at the beginning of World War II, how can we expect, in the event of total war, to keep our oil lifeline open if we depend upon foreign

sources for supply? I contend that we should give every encouragement to the protection and development of a healthy coal industry, an industry which will be called upon to supply coal—not only for heat and power, but also as the basic product from which many, many chemicals and synthetic fuels will be derived.

H. R. 5495 fails of this purpose. It does not afford this needed protection to the coal industry, to the glass industry, nor to certain other domestic industries. Under the rule by which this bill has been brought to the floor we are even precluded from amending it to include such protection. The bill, while providing for the extension of an act which is basically desirable, penalizes American domestic industries and the men and women engaged in them, and at the same time enriches a few giant oil companies, benefiting but little the people of Venezuela and a couple of small islands in the Caribbean. I know that there is a faint possibility that H. R. 5496, a bill which would give our industries the protection they need, may be brought before the House later, but that is not likely. My vote against the bill before us is a protest in behalf of the American people to whom I first owe my allegiance. I urge my friends here to vote in like manner. To do otherwise is to cheat ourselves and those who come after us.

In Edwin Markham's Parable of the Builders we are told the story of a certain rich man who had it in his heart to do good. One day as he was out walking over his broad estate he came upon a little hut down in a valley in which lived a poor carpenter with a large family. The following morning the rich man called the carpenter to his side and placed before him the plans for a beautiful building. He said, "I want you to build me a house just like this one over on that sunny hill. I want you to procure only the choicest of materials and use only the finest of labor, for I want it to be a good house." With that, he went away leaving it all to the builder.

After he had gone the carpenter said to himself, "This is my chance." He skimped a little here and he skimped a little there. He used twice as much sand and half as much cement in the foundation as the specifications called for. He used the poorest of materials and the cheapest of labor in order that he might have more money for himself.

At length the rich man returned. The carpenter walked up to him and offered him the keys, and as he did so, he said, "That is a very fine house I built for you over on that sunny hill."

"Good," said the rich man. "I am glad that it is a good house, because I have intended all along to give it to you when it was finished. The house is yours."

The carpenter walked away brokenhearted. How industriously he had been cheating himself. As he walked away with the keys in his hands, he said over and over again to himself, "Oh, if I had only known that I was building for myself."

Each of us is working on a building. It is the building of America. Let us take care as we build for the future, lest we find like the carpenter when it is all too late that we have been cheating ourselves.

Mr. COOPER. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. EBERHARTER. Mr. Chairman, some of those who have appeared before me plainly stated they want the Tariff Commission to be a partisan commission. It seems to me I have heard the President of the United States and I have heard the leaders of the Republican Party and the leaders of the Democratic Party appealing for a nonpartisan foreign policy. A foreign policy must be based to some extent on the reciprocal trade agreements program. Here is a Republican leadership in the House on the Committee on Ways and Means advocating partisanship on one of the most important programs facing the United States. Therefore, they are overriding the will of not only the President but the will of four of the members of the Cabinet. In addition to that, Mr. Chairman, the President has been all over the country, and his Cabinet Secretaries and Assistant Secretaries have been all over the country advocating a 1-year extension without any amendments whatsoever in this reciprocal trade agreements program. Here we have another example of the leadership in the House of Representatives absolutely opposing the program of the President as well as the program of the Republican Party.

Mr. Chairman, when the Secretary of the Interior threw out the suggestion that "You will go before a new commission in effect if you want relief," he was trying to sweeten up some of the Republican opposition to an extension of this program for 1 year. He, in effect, told the world "You will get consideration if you go before that commission now." He might just as well have said "We will knock out the heart of this reciprocal trade agreements program and the nonpartisanship part of it, which has existed for 40 years. We are going to do things on a partisan basis." That is what I think the Secretary, Mr. McKay, meant when he tried to sweeten up the Republicans so that they would vote for an extension.

Mr. Chairman, for 40 years this Commission has been nonpartisan. But now we are to have something quite different. As for the witnesses who did appear against an extension—there were many of them, but what kind of witnesses were they? Mr. Chairman, they were the same witnesses who have appeared in opposition to this program every time it has been up for renewal.

The members of the Ways and Means Committee knew in advance what they were going to say. In fact, they repeated everything that they had said 2 years ago, 3 years ago, 6 years ago—ever since the commencement of the program. So we did not get any new information from them. So we have the same opposition. And it is surprising to me, Mr. Chairman, that there is this insistence on partisanship. I am very glad, though, that those who oppose the program are not trying to conceal the fact that they want a partisan Tariff Commission.

You know what was in the original Simpson bill. It proposed to take from the President of the United States any discretion whatsoever. Under the original Simpson bill the President would have been compelled to accept the recommendation of the partisan Tariff Commission without regard to the foreign policy of the United States, without regard to many of the factors that enter into a decision by the President of the United States. It meant just taking away the power from their own President—absolutely. And that is what they have in mind for the future.

Mr. Chairman, it seems to me that this is one of the most—well, I might say dangerous moves that this Congress could take. It is notice to the whole world that we are going to change our policy with regard to building up the economies of foreign countries; to change our whole policy with regard to giving them an opportunity to sell their goods; to change the whole policy which has been for them to be able to sustain themselves and to provide some military defense. Our friends of the free world must have a sound economy in order to build some kind of a military defense for their own country's protection and for the help of the free world at large.

Mr. Chairman, the notice that will be given to the world at large, to the countries who are now our friends, will be that we are going back to an isolationist economy; that we are not going to help them in the future. And that is what they are fearful of right now. I know what they are saying down in South America, especially the friends of communism: "Don't depend on the United States." That is what some are saying now, much to my regret.

Mr. Chairman, the continuation of the present trade agreements program is as much, if not more, in our own self-interest as it is in the interest of other free nations of the world. We must remember that although less than 7 percent of the population of the world is in the United States, we produce about one-half of the industrial goods of the world. Also, we are far from being self-sufficient now, and we are steadily becoming less self-sufficient. This is due to the growth of our population and our ever-increasing per capita consumption of goods, with the consequent depletion of our natural resources.

The economic isolationists among us ignore these facts. They also ignore the fact that one of the most effective defenses against world communism is an expanded and liberalized trade agreements program. We have given and received commitments from various free nations in the world, looking toward our mutual defense and economic welfare. To retract from the philosophy of our trade agreements program toward the isolation of the Smoot-Hawley days, even for a moment, would cause serious repercussions among the free nations of the world and here at home.

Expanded international trade is the cheapest and most effective way to fight

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communism. If we should need proof of this, we can get it by noting that the Soviet bloc is hoping to encourage trade between itself and our friendly allies. This is an attempt to drive an economic wedge between the free nations of the world. Russia would be greatly benefited by trading her agricultural goods and raw materials for manufactured goods, so as to free her factories producing these goods to build war materials. A cut in foreign trade and aid could do nothing but play into the hands of the Communists at this time.

Through the Marshall plan, the Economic Cooperation Administration, and the North Atlantic Treaty Organization, we have helped reestablish the war-torn industries and economies of the free nations of the world, and strengthened our mutual security. We did this in order to help the free nations become self-sustaining. These programs have cost the taxpayers billions of dollars, and we have put 7 years of effort in them. Any attempt to cut down on the flow of imports into this country would tend to defeat our own purposes which we have strived to accomplish through these programs.

Since 1914, the excess of our exports over imports has been around $100 billion. This has meant that we have drained the other nations of the world of their gold, which we have now buried at Fort Knox, that they have defaulted on their loans, and that we have greatly damaged our own national wealth and welfare. How anyone can fail to see that it is essential that we increase our foreign trade in order to prosper here at home and help provide for our national security, while at the same time contributing to the prosperity and the well-being of the free world, I cannot understand.

It seems to me that the taxpayers of this country can very appropriately ask us why there is a movement in Congress this very day to cut down on our imports rather than expand them; why we keep gouging them for money to pay for aid to friendly nations, while at the same time requiring them to pay a much higher price for the goods which they have to buy than they would have to if our imports were increased. They could also very appropriately ask why they should have to subsidize domestic industry through high tariffs and trade protection.

The prosperity of the free nations of the world is necessary for our own prosperity, and our own prosperity depends to a very great extent on wise foreign economic policies. If we put penalties on imports, we are at the same time putting penalties on exports. If we spend dollars on imports, we are at the same time creating a demand for exports.

The protectionists apparently do not realize, or at least do not seem to realize, that if we let our exports sink to the level of our imports, not only will there be stagnation on our farms and in our industries at home, but there will also be stagnation abroad. They do not seem to realize that the free nations of the world must trade in order to live, and that if they cannot trade with us, they will be forced to trade with the Soviet bloc to a great and likely damaging extent.

If they argue that a favorable balance of trade is an excess of exports over imports, how can they answer the fact that such a situation means that we are giving away a good part of our national wealth and refusing to accept payments in foreign goods in return?

Would they have us to continue indefinitely foreign economic aid? Would they have us reduce our domestic production? Would they have us continue the resulting tax burden on our already overburdened taxpayers? And must the taxpayers continue to subsidize protected industries in the United States?

Mr. Chairman, it is hard for me to believe that in this day and time it is necessary that these questions still be asked. However, they must be. The attempt in the bill which we are considering today to change the nonpartisan nature of the Tariff Commission so as to make it a political, partisan body is a step backward toward the protectionist days of Hawley and Smoot. The eyes of the free nations of the world are upon us, because of their concern about the action which we may take here today, and the adverse effect which it could have on them. The eyes of the communistic countries of the world are upon us today, because they are hoping that we will take this backward step which we are being urged to take.

Mr. COOPER. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Chairman, if ever there was a time when it was important for the United States to have vigorous and loyal allies that time is now. In this atomic age the admonition to keep our powder dry means far more than building stockpiles of weapons and the airplanes to deliver them.

If we are to avoid a shooting war, if we are to guard our civilization against the complete corrosion of totalitarianism, we who believe in representative government by free men must win the battle for the hearts and minds of men. This is a battle that cannot be won by radio propaganda telling others how good we think we are. It can be won only by example. We must demonstrate that we say what we mean and that we mean what we say.

It does no good—in fact, it does much harm—to preach economic cooperation and leadership in our major political speeches, while making day-to-day decisions that point in the opposite direction. The peoples of other lands will judge us by what we do rather than by what we say. Have we not, in fact, urged that the Iron Curtain countries be judged by what they do rather than by what they say? We are now confronted by a test of our own sincerity. What we do in our foreign trade policy will be far more effective than countless expressions of hope for international cooperation in general.

We have before us a bill to extend the Reciprocal Trade Agreements Act in its present form for another year, pending a thorough study of the problem of formulating an economic policy for the United States by a Commission to be created for the purpose. We have a choice to make: We can move backward, we can stand still, or we can move forward.

To move backward at this critical juncture in world affairs would be tantamount to dropping a spark in oil-soaked sawdust. If we legislate new shackles designed to make the lowering of international trade barriers even more difficult or likely than at present we shall give a clear signal to other free countries that they will have to go it alone. If we do not buy their goods, even while urging them not to trade with the Iron Curtain countries, with whom can we expect them to trade? Is the blame theirs, or is it ours, if because their goods are barred from our shores, they turn to such markets as they can develop? Although the bill before us would continue, at least nominally, the power of the President to negotiate trade agreements, it contains a built-in practical joker. It would expand the Tariff Commission from 6 to 7 members, thereby destroying that body's bipartisan character and transforming it into an arm of the administration. Such action would be directly contrary to the 37-year old philosophy of the Tariff Commission. That organization is supposed to be bipartisan in composition in order that it may advise Congress and the President on tariff and other commercial policy matters. To destroy the balance between its Republican and Democratic membership would be to destroy the Tariff Commission idea and to give the green light to the Tariff steamroller.

Our second choice is to move forward. That is what I should like to see this Congress do. The Reciprocal Trade Agreements Act should be restored to its original form and stripped of all crippling amendments. This Congress should do more than merely extend the act in its present emasculated form. Repeal of the peril-point and escape-clause amendments would go far toward uniting the Western countries in a feeling of genuine economic cooperation. Even if we were not to make any new trade agreements the very fact that we would have demonstrated by legislative action that we have no intention of moving backward along the road of intensified trade restriction would help allay the suspicions and the fears of the countries to the west of the Iron Curtain.

Our third choice is to renew the act in its present form, pending further study. Although such action would provide no guaranty that the United States is to move forward toward greater international economic cooperation, such action would signalize our intention of holding the line pending the formulation of a firm and enlightened national policy. Even if the President of the United States decides not to enter into any new trade agreements in the immediate future the authorization to do so would be there if world conditions should develop so as to make further negotiation desirable.

No one, in truth, can say that the reciprocal trade-agreements program has

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not been successful. The trade-agreements program, initiated in 1934, together with the other recovery measures initiated by the Roosevelt administration, halted the vicious contracting spiral of the American economy and world trade and restored the self-confidence of the entire Nation. It was like a breath of fresh air dissipating the dreary fog of the great depression.

From 1934 to 1945 the President was authorized, under the terms of the original Trade Agreements Act, to lower duties to 50 percent of their 1930 levels in exchange for concessions by other countries in favor of our exports. In 1945 this power was extended, making it possible for the President to reduce rates to 50 percent of their 1945 levels.

Between 1934 and 1947, the first 13 years of the life of the Trade Agreements Act, the President concluded 29 bilateral agreements. In 1947, the United States, together with 22 other countries, held the first multilateral conference for the reduction of tariff barriers at Geneva, Switzerland, from which emerged the Geneva Agreement on Tariffs and Trade. Since then a number of other countries have acceded to the agreement so that it now has 34 contracting parties whose trade accounts for approximately four-fifths of the world's total. In exchange for the 2,500 rates which the United States has either decreased, or bound against increase, we have received many valuable export concessions.

In 1942, with the war emergency at hand, the administration introduced an escape clause into all new trade agreements. It was a true escape clause in that it opened the way for modification of concessions if increases in imports resulting from any trade-agreement reduction in rate brought about unforeseen injury. Always, however, the final decision was that of the President, who judged such modification in the light of the national interest.

The 80th Congress, and later the 82d, saw fit to write into the law the so-called peril-point provision which requires that the Tariff Commission perform the magician act of notifying the President, in advance, of the limits to which he might go in lowering tariffs without leading to injury to domestic producers. What a thousand Solomons could not possibly do the Tariff Commissioners are commissioned by law to do. Small wonder that their recommendations are supersafe and conservative.

The 82d Congress added the new escape-clause provision which puts the President right on the hot seat whenever he dares to overrule, even in the national interest, a finding of the Tariff Commission that some producer somewhere has been hurt, or might be hurt, by imports. And now the forces of reaction want to go even further and take away from the President even the power to veto the recommendations of the Tariff Commision. Those who reason this way see no difficulty in the fact that, even though the President has the power to veto an act of the full Congress, he would by such legislation be denied the right to veto acts of the Tariff Commission, which is a creature of the Congress.

Mr. Speaker, let us not be fooled by pious expressions of concern for the welfare of producers. The tariff diehards would improve the Trade Agreements Act by perfecting amendments. They would not slug the act to death with a broad-ax. Never. They would slit its throat with a sharp razor blade.

The fact remains that no important trade agreements have been negotiated while the peril-point and escape-clause amendments have been in effect. If we really desire to liberalize world trade we shall have to legislate workable legislation. The present act is not workable and neither is the bill before us. A vigorous program requires vigorous legislation, the kind that we had under the original Reciprocal Trade Agreements Act as inspired by that great world-trade leader, Cordell Hull.

Mr. Chairman, the present law is bad enough without making it worse by making the Tariff Commission a partisan body. It was not necessary for the Republican leaders to go to this extent. The 10 Democratic members of the Ways and Means Committee favored the extension of the present law, and all that was necessary for President Eisenhower and the Republican leaders was to get 3 of the Republican members of the committee to vote for such an extension.

Instead, political expediency was employed and the result, a further marked weakening of reciprocal trades agreements legislation.

And this comes at a time when the Soviet Union is making a determined effort to drive a wedge between the free countries of the world, and the main weapon they are using now is the economic appeal, for we know that the Soviet Union and Communist China are making attractive offers for trade.

On this morning we see in the New York Times a news item from Europe, and I quote:

> The Kremlin clearly hopes that the reduction of the United States dollar assistance abroad and the maintenance of the United States tariff barriers preventing the growth of a "trade, not aid" policy will force Europe to develop commerce with the Eastern bloc.

Several months ago all we heard about was "trade not aid." Anyone with common sense knew there was nothing to that, for it was nothing but another deceiving slogan. Everyone knows now it is so. Whatever action will be taken to enable proper international trade to take place, which is most desirable, and which will not be injurious to our own economy will be through the passage of an effective law enabling reciprocal trade agreements to be enacted, and the making of such agreements. The customs simplification act will also be helpful. And yet, in addition to the peril-point and escape-clause provisions of the present law the attempt is being made to make the Tariff Commission a partisan board. This will have a serious effect on all existing trade agreements. If we do not remove unnecessary barriers and permit friendly countries to trade with us we force them to trade elsewhere. In the world of today this action is not in the national interest of our country.

Throughout the past 37 years there has been more than a gentleman's agreement that the Tariff Commission should be bipartisan, 3 Democrats and 3 Republicans. The 64th Congress which was composed of 228 Democrats, 197 Republicans, and 9 others in the House, and 56 Democrats and 40 Republicans in the Senate, established this bipartisan commission. In the 71st Congress in 1930, consisting of 267 Republicans, 163 Democrats and 1 other in the House; and 56 Republicans, 39 Democrats, and 1 other in the Senate, an effort was made to increase the membership to 7. That effort failed. During the past 20 years no effort was made by Democratic administrations to increase the membership. It was not even thought of.

There should be enough independent Republicans to stop this from going through today. You will remember that not so many years ago there were only 89 Republican Members in the House, yet we Democrats did not even think of doing this at that time.

There were compelling reasons in 1916 why this Commission was made bipartisan that are just as compelling, and more so, today. It was then and is now recognized:

(a) That the setting of rates is a scientific national and international question and not purely a political matter.

(b) That tariff rates being of vital importance to our country, and now of future peace, should not be subjected to manipulation on a political basis.

(c) That the Commission should be so constituted that the members could resist the power and influence of pressure groups seeking special privileges or considerations at the expense of the country as a whole, and more broadly of our international interest.

(d) A Commission that could look at the whole economic situation on questions coming before it in an objective manner.

(e) That the Tariff Commission to enjoy confidence must be above politics.

(f) The most effective way to accomplish the maximum beneficial results was to have a bipartisan and not a partisan Commission.

Throughout the past 20 years we Democrats felt the best interests of our country in the field of tariff rates within the limits prescribed by law would be best served by a bipartisan Commission. Despite the fact our leaders have not been consulted much to date during this present term and by the present administration, the Democrats in Congress are giving President Eisenhower bipartisan support.

There is an old saying that "action speaks louder than words." The majority party has the responsibility of showing by its actions it wants that bipartisan support to continue.

This move is a message to the Democrats that years of custom, or what might be termed more than a gentleman's agreement going back to 1916 is meaningless to the Republican leadership, that they will use us, but arbitrarily

disregard the Democrats whenever political expediency within their own party dictates it.

That is an action which will destroy bipartisan support, for bipartisan support must work both ways.

The leadership for bipartisan support must come from the majority party, by the doing of those things, the regard for the feelings, and the position of the minority party, that will justify and result in bipartisan support.

The increase in the membership of the Commission is disruptive of bipartisan support.

Everyone knows the reason for this and practically every Member knows it is wrong. While it might have been necessary to get the bill out of the committee, this does not mean that the House is bound by any actions or agreements based on expediency. The bill is now before the House.

A vote for the national interest of our country and at the same time a vote that will strengthen, not disrupt, the bipartisan support in Congress that President Eisenhower wants, that he is seeking, that he is getting to date, will be a vote for a bipartisan 6-member Commission and not for a partisan 7-member Commission.

As I said before, we all know the reasons for this. We know it is a compromise, we know it is based upon expediency and we know it is a compromise between Republicans. Yet since 1916 with Democratic Congresses and Republican Congresses in power this six-man body has continued. We now come to a time when the world is faced with great danger—atheistic communism. We have had this bipartisan Commission for 37 years. We need it just as much today, probably more so than at any time during the past 37 years.

Why not let us go forward, Republicans and Democrats, working in unity and in bipartisan support of those matters that are in the interest of our Nation, not in support of Dwight Eisenhower, as leader of the Republican Party but of Dwight Eisenhower as the President of the United States.

This action today is nothing but a message to the Democratic Party: We will use you and we will abuse you.

Mr. REED of New York. Mr. Chairman, I yield 2 minutes to the gentleman from Nebraska [Mr. CURTIS].

Mr. CURTIS of Nebraska. Mr. Chairman, I am very happy that this bill carries a provision for a commission to study foreign trade. There are many things such a commission should go into. I would like to mention at least three of them.

I hope that they will develop the facts that will assist in restoring the traditional trade patterns of the world. Those patterns have practically disappeared by reason of wars and state trading. There was a time when the American farmer had an opportunity to feed a part of the millions of people in Europe. That market has gone unless you consider the giving away of your merchandise as trade.

The second thing I hope they will go into is the matter of ascertaining whether or not in our trade agreements programs of recent years we have not sacrificed our agricultural markets for industrial markets. There are many who believe that in the expansion of our industrial markets we have gone to countries that produce practically nothing but raw materials, and in order to make a market for America's industry they have sacrificed the agricultural market and have unduly encouraged farm imports. Many farm leaders believe that.

Mr. Chairman, I hope that the study commission will bring in a report that will enable the carrying out of a program that does not sacrifice one segment of American economy for another segment. And, the third point that I hope they will cover is this: That they will do something to reduce the trade barriers of the world. There are more barriers to trade now than have ever existed at any time in the history of our country. I refer to state trading quotas, embargoes, sterling blocks, Empire preferences, currency manipulations, and the many other practices which are today preventing a free flow of commerce.

Mr. REED of New York. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. MASON].

Mr. MASON. Mr. Chairman, I have made extensive speeches on the floor of the House in the past against reciprocal trade agreements. I am not going to make an extensive speech at this time. I am going to, however, try to prove to this committee that there is at least one man in the House that is not confused on the issues.

Mr. Chairman, in January 1937, as a new Member of this House, I was 1 of 13 who voted "no" against the extension of the reciprocal trade agreements for a 3-year period. That was the first extension asked. I have voted "no" on every extension since, and I expect to vote "no" on this extension. So, so far as I am concerned, I may be mistaken, but I am certainly not confused on the issues.

Now why have I been voting "no" all through the years? Well, as I read the blueprint outlining the functions of this Government I find in that blueprint that the function of the legislative branch of the Government is to decide upon and arrange and levy tariffs. So, I have been opposed to the reciprocal trade agreements all through the years because I claim it is a direct violation of the Constitution of the United States for the legislative branch to turn over to the executive branch the responsibility and the obligation that duly belongs upon our shoulders. That is fundamental with me, and that is the reason.

Now, about the Simpson bill that is before us, I actually told the gentleman from Pennsylvania [Mr. SIMPSON] when he presented his first bill to us, with all of those restrictions as well as quotas in it, "Dick, I will vote for this bill because it is a step back toward the Congress assuming its proper functions." Since then all restrictions have been removed from the bill that is now before us therefore I will vote "no" on the bill.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. REED of New York. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. BYRNES].

Mr. BYRNES of Wisconsin. Mr. Chairman, as is apparent to the membership, there is really only one item of controvery in this bill and that relates to the membership of the Commission.

Listening to the debate, I have been quite intrigued to hear the Democrats speak out with such great concern over the Tariff Commission, because fundamentally their concern in the past has been only one of weakening the Tariff Commission and subjugating it to the State Department. As far as the trade agreements and our tariff policy are concerned, they have always wanted the tariff policy to be out of the picture. They have wanted the tariff policy and trade policy determined not by the Tariff Commission but by the State Department.

You remember the debates in the 80th and 81st Congresses when we attempted to establish the peril point and escape clauses and give the Tariff Commission some real responsibility and functions. They fought it. "We do not want the Tariff Commission anyplace in this picture." That really was the word that went out. They have not changed their position. They still do not want a strong and effective Tariff Commission. That is why they want to keep it in a position where it can function with the least effectiveness, namely, as a six-man Commission. They would enjoy seeing the Tariff Commission stalemated by 3 to 3 decisions.

I am tempted to wonder somewhat when I hear the gentleman from Massachusetts crying about who is going to have control of this Commission. In the first place, let us remember that no matter what party labels they might have or what we might say in the law, it is the President of the United States that appoints the members of the Commission. Certainly they cannot contend that increasing the membership is going to make it more difficult for the President of the United States. Who is going to appoint the additional man? The President of the United States.

As the situation exists today what we have is a Commission four of whose members are appointees of prior administrations. They carry over. No matter what we do, we will have four members who were appointed either by President Truman or by President Roosevelt. That means that even with a 7-man Commission 4 of the members will have been appointed by previous Democrats. I am not criticizing any members of the Tariff Commission, but let me say that only 2 members of the Tariff Commission are being appointed by President Eisenhower. One appointment has been made. There is a Republican vacancy which he can fill at this time. I cannot help but feel that the real and underlying reason the Democratic spokesmen oppose increasing the membership of the Commission is that they do not want to disturb the 4 to 2 division of the committee—4 members appointed by

Democrat Presidents, 2 members appointed by a Republican President.

It is only reasonable and proper that the membership of this Commission should be increased from 6 to 7.

Mr. REED of New York. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. KNOX].

Mr. KNOX. Mr. Chairman, I am not in complete harmony with the provisions of the bill H. R. 5495. I am not opposed to the President's request for an extension of 1 year. However, I do believe that as far as the legislative and executive branches of the Government are concerned, they should be kept apart. They should make their own studies.

As far as changing it from a 6- to a 7-man membership is concerned, I believe it is in the best interest of our Nation that we should have a decision on all of the questions that arise before the Tariff Commission.

I am not one that cannot compromise my thinking. Therefore, I am going to support H. R. 5495.

Mr. COOPER. Mr. Chairman, I yield the remaining time on this side to the gentleman from Texas [Mr. RAYBURN].

Mr. RAYBURN. Mr. Chairman, this to me has been a very interesting debate and one on rather a high level. Some speeches on my right have been made that I would like to adopt as my own, because I think the Members who made them have gone into this matter from a very deep and fundamental standpoint.

We must debate this change from a 6- to 7-man membership during general debate because under the circumstances there can be only 5 minutes on a side when the amendment is offered to strike this 7-man provision out of the bill.

I heard a gentleman over here, I think it was the gentleman from Massachusetts [Mr. BATES], talking about these bipartisan commissions and the votes thereon. I happened to have a part in the creation of the Federal Power Commission, the Federal Trade Commission, and the Federal Securities and Exchange Commission. I happen to be the author of three of the laws that the Securities and Exchange Commission administers.

There was a reason for that—a good reason. It was so that every section of the country and all ideas concerning these matters should be represented on the various commissions. But that does not stand on all fours with the Tariff Commission at all. They deal entirely with matters domestic—nothing foreign. This Tariff Commission and this reciprocal trade bill we are considering this afternoon deal with far-reaching, fundamental, worldwide, and sometimes world-shaking problems. For 37 years, since 1916, under 25 years of Democratic administration and 12 years of Republican administration, no President of our country has ever advocated that this Commission be other than a 6-man Commission; that no more than 3 from either party be members of this Commission at the same time.

We heard a great deal in recent years about packing boards and commissions and courts. It rang through these Chambers and throughout the length and breadth of the country that a President of the United States wanted to pack the Supreme Court of the United States. Well, there has never been in the history of legislation a more deliberate attempt to subvert the original ideas that came into being with the creation of the Tariff Commission than what we are going to vote on in this House in a little while.

I read the President's message on taxation. The first two paragraphs of it contained deep criticisms of the administrations that preceded his. Of course, we have a deficit. We have an unbalanced budget for 1953 and we are going to have one a great deal more out of balance in 1954 and worse out of balance in 1955. We have to keep up trade and commerce with all the world in order to keep up the national income of this country and to have our people able to pay taxes. We have to have an income from the farm and the factory to be able to pay taxes to the greatest business in the world—the business of the United States of America. I want to say to the President with reference to this very partisan message, which he sent up here on the tax bill, that if I have ever known an administration in 40 years where the composition of the other body and of the House of Representatives required nonpartisan cooperation, this present Republican administration needs it more than any administration I have ever known. Just to be constantly criticized on the floor of the House and in other places, including the other end of the Avenue, for the things that have been done in the past does not set very well with some of us who want to cooperate with any President who occupies the White House because we do not hate Republicans in the White House like a lot of people hated Democratic Presidents in the White House in the past. I feel bad to hear and read some of the things which were said about Democratic Presidents not only politically but personally in the past. We want to cooperate. That is why we are voting for this bill today. We think reciprocal trade arrangements will save our country. I do not see how anyone, with world conditions what they are, and since we have become a great surplus-producing country, can think that we could possibly operate under the provisions of the old Smoot-Hawley Tariff Act. The gentleman from Tennessee talked about trade that we have had with the world and how much it has increased since we started working under the Reciprocal Trade Agreements Act. The gentleman from Massachusetts [Mr. MCCORMACK] and others called attention to what this means. It is going back on the very thing for which the Tariff Commission was created. It was a nonpartisan or no-partisan Tariff Commission. As the gentleman from Wisconsin [Mr. BYRNES] said a while ago, we needed a decision from that Commission. That Commission has been split a few times, but there has never been a 3-to-3 vote on a matter involving the escape clause.

So I think, as we come to a vote on this matter, if I were in the majority I would not do this to the Tariff Commission, and I hope that enough gentlemen on the other side will join us to carry this out as it was originally intended.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. REED of New York. Mr. Chairman, I yield 6 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Chairman, I have heard a lot of statements made on the Democratic side—maybe they are made in good faith, I do not know—statements that this administration is not doing very well, and that it is not doing so well with the Congress. Let me just say to you gentlemen that we are getting along all right. We are proceeding with our program and we are proceeding with it today. And here again you will see that degree of cooperation between this Republican Congress and the Republican administration that is going to characterize everything we are going to do.

Of course, I want to say to the people on our side of the aisle that nothing would please the Democrats better than to see us divided and fighting with one another. But it just has not been that way and it is not going to be that way.

In this measure I am supporting the administration position. And let me say that there was no dictation about it. I was present at the White House when this whole matter was discussed.

Let me say to you that this proposition, as it stands today, with the addition of a member to the Tariff Commission, is in line with the administration position and completely acceptable to them.

May I also say that I think it is a completely reasonable position which all of us can support.

The people on my right ought to recognize, as I recognize, that no one ever gets his way completely in legislation. To listen to this argument some might say that the addition of another member to the Tariff Commission is going to destroy the whole reciprocal trade agreements program. Ultra protectionists say it does not mean anything at all. I think that probably in the middle lies something near the truth.

As far as the addition of a member is concerned, it is not going to wreck any program. But I will tell you what it will do. It will provide a situation under which, to some degree at least, there may be a reflection of the views of the President of the United States.

The Members on the Democratic side talk about how they are supporting President Eisenhower, and once in a while they do—principally when it suits their own convenience or their own situation. But if they are talking about supporting him, as the gentleman from Wisconsin [Mr. BYRNES] pointed out, the President should be allowed to appoint this additional member to the Tariff Commission. So, necessarily, that man must be acceptable to him and will reflect his views. So what are you concerned about? Why all the to-do about it?

As a matter of fact, as the gentleman from Pennsylvania pointed out, the duties of the Commission have been broadened. And I might say, parenthetically, that the present Reciprocal Trade Agreements Act is substantially as it was enacted by the Republican 80th Congress.

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In view of the broadening of the powers of the Tariff Commission; in view of the fact that certainly the Eisenhower administration should have in some measure some authority in respect to the political and economic problems before the country. For those reasons I say the addition of a member to the Tariff Commission is justified.

The criticism has been made of the fact that the administration did not come down here and right away, before the Secretary of Commerce had hardly taken his oath, come out with a full-fledged, full-blown, far-reaching foreign economic policy covering all phases of the problem.

Now let me just say to my friends on this side—or on either side—who may have thought that answers and information were not quite definite enough, the administration has taken over a tremendous job. There was some controversy about how much of a mess there was before the election, but, believe me, as we have been looking into some of it, it really was as bad as anyone suggested. There have been tremendous things to do and you could not expect the administration to come up here immediately with a fulfilled policy. So what have they done? They have said to extend this program for a year and then we will create a commission to study this whole proposition, go into all the different angles and come up with recommendations which in the final analysis, may I say to my colleagues on the Ways and Means Committee, will come to them for their final determination. To my mind that is a completely sensible and reasonable approach; it is in compliance with the administration program. I cannot see how it can do harm to anybody's deep convictions. That being the situation, I hope that the amendment that is to be offered will be defeated, and I hope this measure will go on to passage in order that it may go to the other body, action be had on it there, and we get on with the other business before the Congress.

As to the Republican position generally on foreign trade, let me read from the platform—and I think we can all subscribe to this. This is what the administration seeks to do:

We favor the expansion of mutually-advantageous world trade. To further this objective we shall press for the elimination of discriminatory practices against our exports, such as preferential tariffs, monetary license restrictions, and other arbitrary devices. Our reciprocal trade agreements will be entered into and maintained on a basis of true reciprocity, and to safeguard our domestic enterprises and the payrolls of our workers against unfair import competition.

The CHAIRMAN. The time of the gentleman from Indiana has expired, all time for general debate has expired. Under the rule the bill is considered as having been read for amendment.

The bill reads as follows:

Be it enacted, etc., That this act may be cited as the "Trade Agreements Extension Act of 1953."

TITLE I—FOREIGN-TRADE AGREEMENTS

SEC. 101. Extension of authority.

The period during which the President is authorized to enter into foreign-trade agreements under section 350 of the Tariff Act of 1930, as amended and extended (19 U. S. C., sec. 1351), is hereby extended for a further period of one year from June 12, 1953.

SEC. 102. Time for certain reports by Tariff Commission.

The first paragraph of subsection (a) of section 7 of the Trade Agreements Extension Act of 1951 (19 U. S. C., sec. 1364) is hereby amended by striking out "1 year" and inserting in lieu thereof "9 months." In the case of any application made under such first paragraph before the date of the enactment of this act, the United States Tariff Commission shall make its report not later than whichever of the following is the earlier: (1) 1 year after the application was made, or (2) 9 months after the date of the enactment of this act.

TITLE II—UNITED STATES TARIFF COMMISSION

SEC. 201. Membership and terms of office.

(a) In general: Subsections (a) and (b) of section 330 of the Tariff Act of 1930, as amended (19 U. S. C., sec. 1330), are hereby amended to read as follows:

"(a) Membership: The United States Tariff Commission (referred to in this title as the 'Commission') shall be composed of seven Commissioners appointed by the President by and with the advice and consent of the Senate. No person shall be eligible for appointment as a Commissioner unless he is a citizen of the United States, and, in the judgment of the President, is possessed of qualifications requisite for developing expert knowledge of tariff problems and efficiency in administering the laws administered by the Commission. Not more than four of the Commissioners shall be members of the same political party.

"(b) Terms of office: The term of office of a Commissioner shall expire 7 years from the expiration of the term for which his predecessor was appointed; except that any Commissioner appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term."

(b) Effective date: Notwithstanding section 330 of the Tariff Act of 1930, as amended by subsection (a)—

(1) the term of office of any Commissioner in office on the date of the enactment of this act, and the term of office of any Commissioner appointed to fill a vacancy in a term of office which commenced before such date of enactment, shall expire at the time provided therefor by such section 330 as in effect on the day prior to such date of enactment;

(2) the term of office of the Commissioner appointed to succeed the Commissioner whose term of office expires June 16, 1953, shall expire at the close of June 16, 1959; and

(3) the first term of office of the additional Commissioner provided for by the amendment made by subsection (a) shall expire at the close of June 16, 1960.

TITLE III—ESTABLISHMENT OF COMMISSION ON FOREIGN ECONOMIC POLICY

SEC. 301. Establishment of the Commission.

There is hereby established a bipartisan commission to be known as the Commission on Foreign Economic Policy (in this title referred to as the "Commission".)

SEC. 302. Membership of the Commission.

(a) Number and appointment: The Commission shall be composed of 17 members as follows:

(1) Seven appointed by the President of the United States;

(2) Five appointed from the Senate by the Vice President of the United States; and

(3) Five appointed from the House of Representatives by the Speaker of the House of Representatives.

(b) Political affiliation: Of the first class of members specified in subsection (a), no more than 4 members shall be from the same political party. Of the second and third classes of members specified in subsection (a), no more than 3 members from each class shall be from the same political party.

SEC. 303. Organization of the Commission.

The President shall designate the member of the Commission who shall be the Chairman, and the member who shall be the vice chairman.

SEC. 304. Quorum.

Four members of the class specified in paragraph (1) of section 302 (a), 3 members of the class specified in paragraph (2) thereof, and 3 members of the class specified in paragraph (3) thereof shall constitute a quorum; but a lesser number may conduct hearings.

SEC. 305. Compensation of members of the Commission.

(a) Members of Congress: Members of Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(b) Members from the executive branch: The members of the Commission who are in the executive branch of the Government shall each receive the compensation which he would receive if he were not a member of the Commission, but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(c) Members from private life: The members from private life shall receive not to exceed $75 per diem when engaged in the performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

SEC. 306. Staff of the Commission.

(a) Appointment of personnel: The Commission may appoint such personnel as it deems advisable, without regard to the civil-service laws, and shall fix the compensation of such personnel in accordance with the Classification Act of 1949, as amended. The Commission may procure temporary and intermittent services in accordance with section 15 of the act of August 2, 1946 (5 U. S. C., sec. 55a), but at rates not to exceed $75 per diem for individuals. The Commission may reimburse employees, experts, and consultants for travel, subsistence, and other necessary expenses incurred by them in the performance of their official duties and make reasonable advances to such persons for such purposes.

(b) Certain laws not to apply: Except for members of the Commission appointed by the Vice President or the Speaker of the House, and except for any member of the Commission who may be appointed by the President from the executive branch of the Government, service of an individual as a member of the Commission, employment of an individual pursuant to the first sentence of subsection (a), and service by a person pursuant to the second sentence of subsection (a), shall not be considered as service or employment bringing such persons within the provisions of section 281, 283, 284, or 1914 of title 18 of the United States Code, or section 412 of the Mutual Defense Assistance Act of 1949, as amended (22 U. S. C., sec. 1594), or section 190 of the Revised Statutes (5 U. S. C., sec. 99).

SEC. 307. Expenses of the Commission.

There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be

necessary to carry out the provisions of this title.

SEC. 308. Report—Expiration of the Commission.

(a) Report: Within 60 days after the 2d regular session of the 83d Congress is convened, the Commission shall make a report of its findings and recommendations to the President and to the Congress.

(b) Expiration of the Commission: Ninety days after the submission to the Congress of the report provided for in subsection (a) of this section, the Commission shall cease to exist.

SEC. 309. Duties of the Commission.

(a) In general: The Commission is directed, within the framework of our foreign policy and national security objectives, to examine, study, and report on the subject of the foreign economic policy of the United States and to recommend policies, measures, and practices that will encourage further investment overseas and currency convertibility, and foster the highest possible levels of trade consistent with the national security and a strong domestic economy.

(b) Certain of the matters to be considered and reported on: Without limiting the general scope of the direction to the Commission contained in subsection (a), the Commission shall consider, and shall report on, the following matters:

(1) (A) Applicable provisions of the Constitution of the United States;

(B) Laws, regulations, and practices of the United States relating to international trade, including such matters as tariffs, customs, customs administration, trade agreements, peril-point and escape procedures, opinions and decisions thereon of the United States Tariff Commission and the President, import and export quotas, monetary licenses, countervailing duties, and procurement preferences;

(C) Departments, agencies, boards, commissions, bureaus, and other instrumentalities of the United States having jurisdiction over, or dealing with, these matters;

(D) Laws, regulations, and practices and official instrumentalities of other nations concerned with similar subject matters;

(E) Pertinent statistics on international trade; and

(F) Balance of payments, nation by nation; and the causes and effects of, and proposed remedies for, excessive imbalances.

(2) Relationship of our foreign economic policies to, and their influences on, our total foreign policy; and the proper relationship of each to the other.

(3) Effect of our foreign aid and military defense programs on international trade and international balance of payments.

(4) Foreign markets of trading nations—extent and nature; and the effect thereon of wars, other emergencies, technological advances, international relations, and other pertinent factors.

(5) International instrumentalities, organizations, and agreements and practices affecting trade, such as the General Agreement on Tariffs and Trade, Customs Unions, Organization for European Economic Cooperation, International Wheat Agreement, cartels, European Payments Union, European Coal and Steel Community, and International Monetary Fund.

(6) Foreign investment capital and the flow of investment capital between nations—need thereof—restrictions thereon—inducements necessary to encourage—role of the Export-Import Bank and of the International Bank for Reconstruction and Development.

(7) Effects on international trade of factors such as costs of production and pricing, labor practices and standards, general living standards, currency manipulation, inconvertible currencies, official inflationary policies, currency devaluations, exchange controls and licenses, quotas, embargoes, dumping and pricing practices, multiple currencies, bilateral trade agreements, barter arrangements, customs procedures, marking and transit problems, concealed regulations of exports and imports, preferential tariff systems, most-favored nation treatment, government monopolies, state-controlled economies, state trading, and state-subsidized trading.

(8) Effect of existing and proposed trade policies on the promotion of peace and security and the betterment of political, social, and economic life, domestic and foreign.

SEC. 310. Powers of the Commission.

(a) Hearings and sessions: The Commission or, on the authorization of the Commission, any subcommittee or member thereof, shall have power to hold hearings and to sit and act at such times and places, within the United States or elsewhere, to take such testimony, and to make such lawful expenditures, as the Commission or such subcommittee or member may deem advisable.

(b) Obtaining official data.—The Commission is authorized to request from any department, agency, or independent instrumentality of the Government any information it deems necessary to carry out its functions under this title; and each such department, agency, and instrumentality is authorized to furnish such information to the Commission, upon request made by the chairman or by the vice chairman when acting as chairman.

The CHAIRMAN. Are there any committee amendments?

Mr. REED of New York. There are none.

The CHAIRMAN. Are there any amendments which are permissible under the rule?

Mr. COOPER. Mr. Chairman, I offer an amendment permissible under the rule.

The Clerk read as follows:

Amendment offered by Mr. COOPER: On page 2, line 15, strike out all of title II, United States Tariff Commission.

Mr. COOPER. Mr. Chairman, this amendment will strike out title II of the pending bill which is the Tariff Commission packing provision of this bill. It has been interesting to me to listen to some of the statements made here, and especially to the alibis offered by the distinguished gentleman from Indiana. The fact is that the Tariff Commission from its inception has always been treated, recognized, and maintained as a nonpartisan Commission. It was so created in 1916 under the administration of President Wilson in response to a message from him asking that the Commission be created.

One of the strongest witnesses who has ever appeared before the Ways and Means Committee in support of the reciprocal trade agreements program was the Republican Chairman of the Tariff Commission, Mr. Robert Lincoln O'Brien.

I remember well when he appeared before the Ways and Means Committee in January 1937, in support of the first extension of the Trade Agreements Act. He said that he had been a lifelong Republican, and called attention to the fact that he had voted the straight Republican ticket in the general election of 1936 from Landon on down. He casually remarked, "I voted with increasing enthusiasm the farther down the ticket I went."

Mr. O'Brien was appointed by President Hoover, he was reappointed by President Roosevelt. He was appointed by the President who signed the Smoot-Hawley tariff bill, he was reappointed by the President who signed the reciprocal trade-agreements bill. How can you have anything more nonpartisan than from Smoot-Hawley to reciprocal trade and from Mr. Hoover to Mr. Roosevelt? That certainly is as nonpartisan as anything can be.

The Tariff Commission has existed throughout the 37 years as a nonpartisan commission charged with the responsibility of finding the facts and reporting them. Under the law as it now stands the Tariff Commission has the duty to make these findings of fact and then report to the President under the escape clause provision. The President not only has the power and appoints the members of the Tariff Commission but under the law he can either accept or reject any recommendation that it makes. Even if the recommendation is unanimous he still has discretionary authority to completely reject that recommendation. So there is no reason for this effort here today to increase the Tariff Commission membership.

It has existed throughout all these years as a nonpartisan fact-finding body and that is the way it should continue to exist. That is the purpose of the amendment I have offered, to allow the Tariff Commission to continue as a nonpartisan agency, as it has been under all administrations of the past, Republican administrations and Democratic administrations, during Republican control of the Congress and during Democratic control of Congress. There has never been at any time a disposition on the part of the Congress to change the nonpartisan character of this Commission and it is more important now than ever before that this Commission shall remain nonpartisan and a fact-finding agency.

To change it now to a partisan political commission would simply mean that the effort will be made to change reciprocal trade agreements that have been negotiated in the past and that have been entered into. So I appeal to you on this occasion to stand by the historic principle that has been maintained through the years and retain this important Tariff Commission as a nonpartisan and as a fact-finding agency, so that this program may be carried on in the future as it has been in the past, in a nonpartisan manner.

Mr. Chairman, title II of the bill under consideration would increase the membership of the Tariff Commission from 6 to 7 members and provide that "not more than 4 of the commissioners shall be members of the same political party."

This provision would make a very drastic and basic change in the Tariff Commission. Ever since the establishment of a permanent Tariff Commission in 1916, the Congress has always intended that it be a nonpartisan, fact-finding body, and has been very careful to insure that it be kept this way.

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I think it is very significant that this proposal is sponsored by those who have opposed the reciprocal trade agreements program from its very inception. They argue that this packing of the Tariff Commission is designed to avoid the possibility of an evenly split decision in escape clause proceedings. How they in good conscience can argue this I do not know, because the record shows that there has never been an evenly split decision of the Tariff Commission in escape clause proceedings. There has always been a finding of injury or of no injury by either a unanimous vote or a majority vote.

The real purpose of this proposal can be gathered from the very language in it, to the effect that "not more than four of the commissioners shall be members of the same political party." Regardless of all other arguments, it is an attempt to make the Tariff Commission a partisan body so that the sponsors who have been unable to defeat the purposes of the trade agreements program can, by packing the Commission, accomplish this by indirect means.

I would like to point out that under this bill the President would still recommend the appointment of members of the Commission, and he would still have his discretionary authority to accept or reject the Commission's recommendations. What could be gained by increasing the membership of the Tariff Commission in light of these two facts? It is doubtful that any claim could be fairly made that an additional member on the Tariff Commission would expedite the work of the Commission in arriving at decisions. It is certain that to make the Commission a political body will invite the filing of applications for relief, and in this way would automatically increase the burden of work on the Tariff Commission.

A seven-man Tariff Commission would very probably invite decisions based on political grounds rather than on merit. Such decisions would be more open to rejection by the President than would be objective decisions.

A very big objection to making the Tariff Commission a political body is the uncertainty which would be created in the minds of other friendly free nations of the world as to the course our trade policy might take. They would never be able to expand their production and trade with any assurance that they would be able to secure a market in this country. Success in their attempts would invite retaliation from special-interest groups in this country.

I cannot believe that the Members on either side of the aisle can in good conscience go along with this proposal to make the Tariff Commission a political body, since the Congress has jealously guarded the nonpartisan, fact-finding nature of the Tariff Commission ever since its inception in 1916.

The determination of economic facts must be made by experienced, trained, and objective persons. Political considerations can have no legitimate part in such determinations.

Mr. BAILEY. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. BAILEY moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

Mr. BAILEY. Mr. Chairman, may I preface my remarks by saying that I have no apology to offer my colleagues of the House for availing myself of this opportunity to say some things about the pending legislation that I was unable to say because of the type of rule under which this legislation is being presented. I would also remind my colleagues who represent districts similar to the one I represent, in which are found vast amounts of industry and of domestic producers that are harrassed by excessive imports, that there is nothing in this legislation as it is to be continued for 1 more year to relieve that situation. I would like also to make clear the position of the President of the United States on this particular matter, and I am quoting from his speech, The Eisenhower tax program, containing the full text of the President's May 19 address to the Nation:

> We live in an age of peril.
>
> We must think and plan and provide so as to live through this age in freedom—in ways that do not undermine our freedom even as we strive to defend it.
>
> To watch vigilantly on the military front must never mean to be blind on the domestic front. In our present world—in this kind of prolonged tension and struggle—a crippled industry or a demoralized working force could be the equivalent of a lost battle.

Mr. Chairman, 2 years ago in the reenactment and extension of the Trade Agreements Act, the Congress sought to lessen the discrimination and inequalities in our trade policies by writing into the new legislation the peril-point and escape-clause provisions. This comes about as the result of bipartisan action and represented a 2 to 1 majority.

The peril point fixed a floor below which rates on imports could not be lowered without imperiling the existing domestic industries and the producers of farm and other products.

The escape clause went a step further and provided safeguards against injury or threat of injury to domestic producers, harassed by excessive foreign imports.

Instead of the relief expected, the most ardent supporters of these amendments were disappointed at finding the Tariff Commission so "packed" that most applicants never even qualified for hearings, and of those that did, a majority were rejected or the Commission was deadlocked on a 3 to 3 vote.

The Simpson bill, H. R. 4294, which the House Ways and Means Committee failed to report favorably, would have solved most of the shortcomings of the present Reciprocal Trade Act. One change in particular was important. The President's power to disregard the findings of the Commission has been abused in the case of the new treaty with the Republic of Venezuela where the then President exceeded his authority granted by the Congress to change the rate of import duties under certain limitations.

I want the RECORD to show that I am not basically opposed to the idea of the present reciprocal trade policies. What is needed is equal treatment of all domestic industries and producers so that impact of foreign imports will be spread equally and will not destroy the economy of any industry or cause the loss of employment in certain areas as is the case under the present law.

May I say to my colleagues that a joint resolution, which I shall sponsor with a Member of the Senate, will be introduced declaring the Venezuelan reciprocal trade agreement null and void on the ground that the President exceeded the authority granted him by the Congress in fixing the rates in that treaty.

I might also say to my colleagues that putting through this bill today in the manner in which it has been put over is not going to be the last that Congress hears of this matter. I can assure you that you are not going to have any peace or quietude around here so long as you let a condition exist that is developing in the coal industry, in the independent oil industry, and in the railroad industry of this country.

Since I appeared before the Committee on Ways and Means 3 weeks ago, in which I reported that 171 mines were closed in the State of West Virginia, there have been 16 additional mines closed. I have a list of 14 more that will close before the first of July. At that time there were 33,000 miners out of employment and 9,000 railroaders. At the present time there are more than 40,000 miners and probably 12,000 to 15,000 railroaders out of employment. The situation is growing worse day by day, and the Congress cannot disregard the situation affecting one of its basic industries that is so necessary in our defense effort.

Mr. CURTIS of Nebraska. Mr. Chairman, I rise in opposition to the motion offered by the gentleman from West Virginia.

Mr. Chairman, the bill before us, H. R. 5495, is the President's program. It ought to pass. The administration is supporting this measure. No quotation can be produced indicating the contrary.

The President and his official family are for this measure today, they are for it as written, for it as reported out of the Committee on Ways and Means, and for it in its form at this time.

I also call your attention to the fact that the Tariff Commission will continue to be a bipartisan commission. There is nothing in that language that takes that identity and that quality away from it. It will continue to be a commission where both major parties will be represented. The only change in the Tariff Commission is the change in size. Shall we have 6 or shall we have 7 members? In other words, it means the establishment of a Commission that can function, that can determine its administrative procedure, that can conduct a study and bring in a report without being stalled on dead center by the lack of a majority.

I ask you, of what value is any commission or any court that cannot render a majority opinion? It does not mean

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that in rendering a decision the majority will follow partisan lines. There is nothing in this proposal that says there must be 4 Republicans there. There will be, but this will be a permanent law for a long time. This is an improvement in the Tariff Commission, so that you can have a workable Commission.

A commission consisting of an equal number is not conducive to orderly procedure. Its findings leave matters open to question.

I also call your attention to the fact that this bill does not disturb the power of the President.

The President will still have the power and authority, after receiving a report from the Tariff Commission, to make his decision in the light of his information for the good of the country. But this change will enable the President to know the majority opinion of the Commission. If a 7 to nothing decision comes in, he can disregard it and take a course contrary to that decision. Any allegation that this is destroying a bipartisan commission of many years standing cannot be supported by any fact in logic or in truth whatever.

The CHAIRMAN. The question is on the motion offered by the gentleman from West Virginia [Mr. BAILEY].

The motion was rejected.

Mr. SIMPSON of Pennsylvania. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Tennessee [Mr. COOPER].

Mr. Chairman, I hope the amendment offered by the gentleman from Tennessee will be defeated. Frankly, I have been wondering for some time why it is that the opposition to the bill object to making the Commission 7 instead of 6. I believe I have an answer right now. The answer is that under Democratic administration, and particularly since June 16, 1952, there were three Democrats on the Commission and the President failed to fill the vacancies which would have equalized the membership at three from each party. Consequently, it was not nonpartisan. It has not been nonpartisan. It has on the contrary been a definitely partisan Commission.

Mr. Chairman, it is no undertaking to freely admit that the party in power does have a responsibility whether it be in the field of Federal communications, in interstate commerce, or the Treasury, or in any department of our Government. The party in power does have a responsibility and that same responsibility applies to the party in power with respect to the Tariff Commission and this matter of foreign trade. Certainly the Republican Party is not going to run away from the position it has maintained for years, that we are a party that does guarantee to the American workingman a place to work and a place where his product may be sold in a free, competitive market. That is what our party stands for. It is one of the great party principles which has not been eliminated. It is one of the principles which I hope the party will ever maintain for unless we have a place for men to work, there will be no work for the workingman. I believe that by increasing the membership of the Tariff Commission from 6 to 7, and providing that no party shall have more than 4 of those 7 members, we are increasing the protection to the American workingman and to his employer in certain areas. In what areas? In those areas where today the American employer is forced to come to the Tariff Commission and beg for relief because his industry is being put out of business by reason of foreign competition. Each of you have in your respective congressional districts more than one, I venture to say, industries which today are endangered by foreign competition. I want to protect those jobs. I do not want to have to go home and say to a man who has been working in the mines, or to a man who has been working on the railroad, or who has been working in a textile mill, "Because your Congress has permitted the tariff to be cut so low, we are going to follow the recommendations of President Truman's Bell committee, and we are going to say to you, 'Mr. Miner, the time has come for you to give up mining. The time has come for you to go to school as Mr. Bell's committee recommended and to learn to do something else. The time has come for you to take up your family and move from the beautiful hills of Pennsylvania or West Virginia and go into some other State and there become a cog in that machine that we know as the mass-production business'." All that this bill does in this controversial section is to make a little bit more certain that there will be a little bit more protection for the employer who seeks to provide jobs for those men who live in your district and who want to continue to do the work for which they have been trained.

I hope—I hope earnestly—that you will oppose the amendment.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield to the gentleman from Indiana.

Mr. HALLECK. Is it not a fact that the purpose of inserting the so-called peril-point and escape clauses that we put in, in the 80th Congress, and which have been retained in the law since that time, was to give that degree of protection to which the gentleman refers?

Mr. SIMPSON of Pennsylvania. Why, certainly.

Mr. HALLECK. Does it not follow, in view of the mechanics by which it operates, that the Tariff Commission must be responsive to the will of the Congress in that regard?

Mr. SIMPSON of Pennsylvania. The words in the law mean nothing whatever unless we provide the machinery by which they can be carried out. And we have failed to provide that machinery in recent years. Since June of 1952, there have been 13 cases rejected, where the employers had sought to get relief. And of those 13, 10 were passed when the membership of the Tariff Commission was other than equal.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield to the gentleman from Tennessee.

Mr. COOPER. I am sure the gentleman from Indiana [Mr. HALLECK] does not want the statement to stand that the peril-point and escape clauses have been in the law since the 80th Congress.

Mr. SIMPSON of Pennsylvania. They were put in by the 80th Congress. The Democrats immediately knocked them out when they came back into power in order to prevent protection to the American workingman. The Democrats knocked them out and we put them back in last year over the opposition of the majority of the Ways and Means Committee.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

The question now recurs on the amendment offered by the gentleman from Tennessee [Mr. COOPER].

The question was taken; and the Chair being in doubt, on a division, there were—ayes 115, noes 152.

So the amendment was rejected.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. HOEVEN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 5495) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes, pursuant to House Resolution 275, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed, and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. SMITH of Mississippi. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. SMITH of Mississippi. I am.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion.

The Clerk read as follows:

Mr. SMITH of Mississippi moves to recommit the bill H. R. 5495 to the Committee on Ways and Means with instructions to report the same back forthwith with the following amendment: On page 2, line 15, strike out all of title II, United States Tariff Commission.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

Mr. SMITH of Mississippi. Mr. Speaker, on this vote I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 185, nays 215, not voting 30, as follows:

[Roll No. 52]

YEAS—185

Abbitt	Aspinall	Boggs
Abernethy	Barden	Boland
Addonizio	Barrett	Bolling
Albert	Battle	Bonner
Alexander	Bennett, Fla.	Boykin
Andrews	Bentsen	Brooks, La.
Ashmore	Blatnik	Brooks, Tex.

Brown, Ga.	Hale	O'Hara, Ill.
Buchanan	Haley	Passman
Burleson	Hardy	Patman
Byrne, Pa.	Harris	Pfost
Camp	Harrison, Va.	Pilcher
Campbell	Hart	Poage
Canfield	Hays, Ark.	Polk
Cannon	Hébert	Preston
Carlyle	Heller	Price
Carnahan	Herlong	Priest
Case	Heselton	Rabaut
Celler	Holifield	Rains
Chatham	Holtzman	Rayburn
Chelf	Howell	Reams
Chudoff	Ikard	Rhodes, Pa.
Cooley	Jarman	Richards
Cooper	Javits	Riley
Crosser	Jones, Ala.	Rivers
Davis, Ga.	Jones, Mo.	Robeson, Va.
Davis, Tenn.	Jones, N. C.	Rodino
Dawson, Ill.	Karsten, Mo.	Rogers, Fla.
Deane	Kelly, N. Y.	Rogers, Tex.
Delaney	Keogh	Rooney
Dingell	Kilday	Roosevelt
Dodd	King, Calif.	Selden
Dollinger	Kirwan	Sheppard
Donohue	Klein	Shuford
Donovan	Kluczynski	Sieminski
Dorn, S. C.	Lane	Sikes
Dowdy	Lanham	Smith, Miss.
Doyle	Lantaff	Smith, Va.
Durham	Lesinski	Spence
Eberharter	Long	Steed
Edmondson	Lucas	Sullivan
Elliott	Lyle	Sutton
Engle	McCarthy	Teague
Evins	McCormack	Thomas
Fallon	McMillan	Thompson, La.
Feighan	Magnuson	Thompson, Tex.
Forand	Mahon	Thornberry
Forrester	Marshall	Trimble
Fountain	Matthews	Tuck
Frazier	Metcalf	Vinson
Friedel	Miller, Calif.	Walter
Fulton	Miller, Kans.	Watts
Garmatz	Mills	Wheeler
Gary	Morrison	Wickersham
Gathings	Moss	Wier
Gentry	Moulder	Williams, Miss.
Gordon	Multer	Wilson, Tex.
Granahan	Murray	Winstead
Grant	Norrell	Yates
Green	O'Brien, Ill.	Yorty
Gregory	O'Brien, Mich.	Zablocki
Hagen, Calif.	O'Brien, N. Y.	

NAYS—215

Adair	Cole, Mo.	Hillelson
Allen, Calif.	Cole, N. Y.	Hillings
Allen, Ill.	Colmer	Hinshaw
Andersen, H. Carl	Coon	Hoeven
Andresen, August H.	Corbett	Hoffman, Ill.
Angell	Cotton	Holmes
Arends	Coudert	Holt
Auchincloss	Cretella	Hope
Ayres	Crumpacker	Horan
Bailey	Cunningham	Hosmer
Baker	Curtis, Mass.	Hruska
Bates	Curtis, Mo.	Hyde
Beamer	Curtis, Nebr.	James
Becker	Dague	Jenkins
Belcher	Davis, Wis.	Jensen
Bender	Dawson, Utah	Johnson
Bennett, Mich.	Dempsey	Jonas, Ill.
Bentley	Derounian	Jonas, N. C.
Berry	Devereux	Judd
Betts	D'Ewart	Kean
Bishop	Dondero	Kearney
Bolton, Frances P.	Dorn, N. Y.	Kearns
Bolton, Oliver P.	Ellsworth	Keating
Bonin	Fenton	Kelley, Pa.
Bosch	Fino	Kersten, Wis.
Bow	Fisher	Kilburn
Brambletl	Ford	King, Pa.
Bray	Frelinghuysen	Knox
Brown, Ohio	Gamble	Krueger
Brownson	Gavin	Laird
Broyhill	George	Latham
Budge	Golden	LeCompte
Burdick	Goodwin	Lovre
Burleson	Graham	McConnell
Byrne, Pa.	Gross	McCulloch
Byrnes, Wis.	Gubser	McDonough
Carrigg	Hagen, Minn.	McGregor
Cederberg	Halleck	McVey
Chenoweth	Harden	Mailliard
Chiperfield	Harrison, Nebr.	Mason
Church	Harrison, Wyo.	Meader
Clardy	Harvey	Merrill
Clevenger	Hays, Ohio	Merrow
	Hess	Miller, Md.
	Hiestand	Miller, Nebr.
	Hill	Miller, N. Y.
Mollohan	Richlman	Taylor
Morano	Robsion, Ky.	Thompson, Mich.
Morgan	Rogers, Colo.	Tollefson
Mumma	Rogers, Mass.	Utt
Neal	Sadlak	Van Pelt
Nelson	St. George	Van Zandt
Nicholson	Saylor	Velde
Norblad	Schenck	Vorys
Oakman	Scherer	Vursell
O'Konski	Scott	Wainwright
O'Neill	Scrivner	Wampler
Osmers	Scudder	Warburton
Ostertag	Secrest	Weichel
Patterson	Seely-Brown	Westland
Pelly	Shafer	Wharton
Perkins	Sheehan	Widnall
Phillips	Short	Williams, N. Y.
Pillion	Simpson, Ill.	Wilson, Calif.
Poff	Simpson, Pa.	Wilson, Ind.
Prouty	Smith, Kans.	Withrow
Radwan	Smith, Wis.	Wolcott
Ray	Springer	Wolverton
Reece, Tenn.	Staggers	Young
Reed, Ill.	Stauffer	Younger
Reed, N. Y.	Stringfellow	
Rees, Kans.	Taber	
Regan	Talle	

NOT VOTING—30

Buckley	Hunter	Patten
Bush	Jackson	Philbin
Condon	Kee	Powell
Dies	Landrum	Rhodes, Ariz.
Dolliver	McIntire	Roberts
Fernandez	Machrowicz	Shelley
Fine	Mack, Ill.	Small
Fogarty	Madden	Whitten
Gwinn	Martin, Iowa	Wigglesworth
Hoffman, Mich.	O'Hara, Minn.	Willis

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Willis for, with Mrs. Kee against.

Mr. Landrum for, with Mr. McIntire against.

Mr. Patten for, with Mr. Hunter against.

Mr. Madden for, with Mr. Bush against.

Mr. Fogarty for, with Mr. Dolliver against.

Mr. Whitten for, with Mr. Martin of Iowa against.

Mr. Roberts for, with Mr. Rhodes of Arizona against.

Mr. Fine for, with Mr. Hoffman of Michigan against.

Mr. Mack of Illinois for, with Mr. Jackson against.

Mr. Machrowicz for, with Mr. Gwinn against.

Mr. Philbin for, with Mr. Wigglesworth against.

Mr. Buckley for, with Mr. Small against.

Until further notice:

Mr. O'Hara of Minnesota with Mr. Dies.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

Mr. COOPER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 363, nays 34, answered "present" 1, not voting 32, as follows:

[Roll No. 53]

YEAS—363

Abbitt	Arends	Bennett, Fla.
Abernethy	Ashmore	Bentley
Adair	Aspinall	Bentsen
Addonizio	Auchincloss	Berry
Albert	Ayres	Betts
Alexander	Baker	Blatnik
Allen, Calif.	Barden	Boggs
Allen, Ill.	Barrett	Boland
Andersen, H. Carl	Bates	Bolling
Andresen, August H.	Battle	Bolton, Frances P.
Andrews	Beamer	Bolton, Oliver P.
Angell	Becker	Bonin
	Belcher	
	Bender	
Bonner	Hale	Nicholson
Bosch	Haley	Norblad
Boykin	Halleck	Norrell
Bramblett	Hardy	Oakman
Brooks, La.	Harris	O'Brien, Ill.
Brooks, Tex.	Harrison, Nebr.	O'Brien, Mich.
Brown, Ga.	Harrison, Va.	O'Brien, N. Y.
Brown, Ohio	Hart	O'Hara, Ill.
Brownson	Harvey	O'Neill
Broyhill	Hays, Ark.	Osmers
Buchanan	Hébert	Ostertag
Burdick	Heller	Passman
Burleson	Herlong	Patman
Byrne, Pa.	Heselton	Patterson
Byrnes, Wis.	Hess	Pfost
Camp	Hiestand	Pilcher
Campbell	Hill	Pillion
Canfield	Hillelson	Poage
Cannon	Hillings	Poff
Carlyle	Hinshaw	Polk
Carnahan	Hoeven	Preston
Carrigg	Hoffman, Ill.	Price
Case	Holifield	Priest
Cederberg	Holmes	Prouty
Celler	Holt	Rabaut
Chatham	Holtzman	Radwan
Chelf	Hope	Rains
Chenoweth	Horan	Ray
Chiperfield	Hosmer	Rayburn
Chudoff	Howell	Reams
Church	Hruska	Reece, Tenn.
Clardy	Hyde	Reed, N. Y.
Cole, N. Y.	Ikard	Rees, Kans.
Colmer	James	Regan
Cooley	Jarman	Rhodes, Pa.
Coon	Javits	Richards
Cooper	Jensen	Riehlman
Corbett	Johnson	Riley
Cotton	Jonas, Ill.	Rivers
Coudert	Jonas, N. C.	Robeson, Va.
Cretella	Jones, Ala.	Robsion, Ky.
Crosser	Jones, Mo.	Rodino
Crumpacker	Jones, N. C.	Rogers, Colo.
Cunningham	Judd	Rogers, Fla.
Curtis, Mass.	Karsten, Mo.	Rogers, Mass.
Curtis, Mo.	Kean	Rogers, Tex.
Curtis, Nebr.	Kearney	Rooney
Dague	Kearns	Roosevelt
Davis, Ga.	Keating	Sadlak
Davis, Tenn.	Kelly, N. Y.	St. George
Davis, Wis.	Keogh	Schenck
Dawson, Ill.	Kersten, Wis.	Scherer
Dawson, Utah	Kilburn	Scott
Deane	Kilday	Scrivner
Delaney	King, Calif.	Scudder
Dempsey	King, Pa.	Seely-Brown
Derounian	Kirwan	Selden
Devereux	Klein	Sheehan
D'Ewart	Kluczynski	Sheppard
Dingell	Knox	Shuford
Dodd	Krueger	Sieminski
Dollinger	Laird	Sikes
Dondero	Lane	Simpson, Ill.
Donohue	Lanham	Simpson, Pa.
Donovan	Lantaff	Smith, Va.
Dorn, N. Y.	Latham	Smith, Wis.
Dorn, S. C.	LeCompte	Spence
Dowdy	Lesinski	Springer
Doyle	Long	Stauffer
Durham	Lovre	Steed
Eberharter	Lucas	Stringfellow
Edmondson	Lyle	Sullivan
Elliott	McCarthy	Sutton
Engle	McConnell	Taber
Evins	McCormack	Talle
Fallon	McCulloch	Taylor
Feighan	McDonough	Teague
Fenton	McGregor	Thomas
Fino	McMillan	Thompson, La.
Fisher	McVey	Thompson, Mich.
Forand	Mack, Wash.	Thompson, Tex.
Ford	Magnuson	Thornberry
Forrester	Mahon	Tollefson
Fountain	Mailliard	Trimble
Frazier	Marshall	Tuck
Frelinghuysen	Matthews	Van Pelt
Friedel	Meader	Van Zandt
Fulton	Merrill	Velde
Gamble	Merrow	Vinson
Garmatz	Metcalf	Vorys
Gary	Miller, Calif.	Vursell
Gathings	Miller, Kans.	Wainwright
Gavin	Miller, Md.	Walter
Gentry	Miller, Nebr.	Wampler
George	Miller, N. Y.	Warburton
Goodwin	Mills	Watts
Gordon	Morano	Weichel
Graham	Morrison	Westland
Granahan	Moss	Wharton
Grant	Moulder	Wheeler
Green	Multer	Wickersham
Gregory	Mumma	Widnall
Gubser	Murray	Wier
Hagen, Calif.	Nelson	

Williams, Miss.	Winstead	Yorty
Williams, N. Y.	Withrow	Young
Wilson, Calif.	Wolcott	Younger
Wilson, Ind.	Wolverton	Zablocki
Wilson, Tex.	Yates	

NAYS—34

Bailey	Hagen, Minn.	Perkins
Bennett, Mich.	Hand	Phillips
Bishop	Harden	Reed, Ill.
Bow	Harrison, Wyo.	Saylor
Bray	Hays, Ohio	Secrest
Budge	Jenkins	Shafer
Busbey	Kelley, Pa.	Short
Byrd	Mason	Smith, Kans.
Clevenger	Mollohan	Staggers
Cole, Mo.	Morgan	Utt
Golden	Neal	
Gross	O'Konski	

PRESENT—1

Smith, Miss.

NOT VOTING—32

Buckley	Hunter	Pelly
Bush	Jackson	Philbin
Condon	Kee	Powell
Dies	Landrum	Rhodes, Ariz.
Dolliver	McIntire	Roberts
Ellsworth	Machrowicz	Shelley
Fernandez	Mack, Ill.	Small
Fine	Madden	Whitten
Fogarty	Martin, Iowa	Wigglesworth
Gwinn	O'Hara, Minn.	Willis
Hoffman, Mich.	Patten	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Landrum for, with Mrs. Kee against.
Mr. Dies for, with Mr. Smith of Mississippi against.

Until further notice:

Mr. Bush with Mr. Powell.
Mr. Ellsworth with Mr. Fernandez.
Mr. Hunter with Mr. Roberts.
Mr. Jackson with Mr. Buckley.
Mr. McIntire with Mr. Fine.
Mr. Martin of Iowa with Mr. Shelley.
Mr. O'Hara of Minnesota with Mr. Whitten.
Mr. Pelley with Mr. Willis.
Mr. Rhodes of Arizona with Mr. Patten.
Mr. Small with Mr. Mack of Illinois.
Mr. Wigglesworth, with Mr. Madden.

Mr. SMITH of Mississippi. Mr. Speaker, I have a live pair with the gentleman from Texas, Mr. DIES. If he were present he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. REED of New York. Mr. Speaker, I ask unanimous consent that all Members of the House may have 5 legislative days in which to extend their remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on June 15, 1953, the President approved and signed a bill of the House of the following title:

H.R. 4664. An act making supplemental appropriations for the fiscal year ending June 30, 1953, and for other purposes.

SHOWING OF VOICE OF AMERICA FILMS

Mr. LANHAM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LANHAM. Mr. Speaker, on tomorrow afternoon at 5 o'clock in the caucus room of the Old House Office Building, the State Department has agreed to show two moving-picture films entitled "With These Hands" and "The Local Union." They are showing these at the request of the Georgia delegation. We had our attention called to these films with certain criticisms of the Voice of America for using them. The State Department tells me that other delegations have called about the films. So this announcement is made in order that any person who has had complaints about the films, and would like to see them for himself or herself, can see what these films are about. The showing will be held tomorrow afternoon, Tuesday, June 16, in the caucus room at 5 o'clock.

DOCTORS' DRAFT ACT

Mr. SHORT. Mr. Speaker, I call up the conference report on the bill (H. R. 4495) to amend the Universal Military Training and Service Act, as amended, so as to provide for special registration, classification, and induction of certain medical, dental, and allied specialist categories, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 550)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4495) to amend the Universal Military Training and Service Act, as amended, so as to provide for special registration, classification, and induction of certain medical, dental, and allied specialist categories, and for other purposes, having met after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 9, 10, 11, 12, 13, 14, 17, 18, 19, 20, 21, and 23, and agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"examination;

"(D) periods of active duty for training entered into subsequent to the enactment of this subparagraph, as defined in subsection 101 (c), Armed Forces Reserve Act of 1952 (66 Stat. 481); and

"(E) periods of active service which terminate subsequent to April 30, 1953, in other than an Armed Force terminated by orders which specify that such termination is without the approval of the agency concerned."

And the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"The period of active duty that any such person may be required to perform shall not exceed (A) twenty-four months if he has had less than nine months of active service, as defined in paragraph 4 (1) (4) and (5) of the Universal Military Training and Service Act, as amended; (B) twenty-one months if he has had at least nine but less than twelve months of such service; (C) eighteen months if he has had at least twelve but less than fifteen months of such service; (D) fifteen months if he has had at least fifteen or more months of such service; since September 16, 1940, but prior to the date of his order to active duty under this subsection."

And the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: ", on July 1, 1953,"; and on page 7 of the bill, in lines 23 and 24, strike out "under the provisions of the Act of September 9, 1950, as amended," and insert in lieu thereof "on the basis of active service, as defined in section 4 (1) of the Universal Military Training and Service Act, as amended, rendered prior to the date of his latest entry on active duty,"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows:

In line 9 of the matter proposed to be inserted by the Senate amendment, immediately after "(c)", strike out "The" and insert in lieu thereof "Effective July 1, 1953, the"; and the Senate agree to the same.

DEWEY SHORT,
LESLIE C. ARENDS,
W. STERLING COLE,
CARL T. DURHAM,
PAUL J. KILDAY,
Managers on the Part of the House.

LEVERETT SALTONSTALL,
STYLES BRIDGES,
RALPH E. FLANDERS,
RICHARD B. RUSSELL,
HARRY FLOOD BYRD,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4495) to amend the Universal Military Training and Service Act, as amended, so as to provide for special registration, classification, and induction of certain medical, dental, and allied specialist categories, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendments to the House bill did not change the basic philosophy of the

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doctors' draft law. There were however some areas of difference between the two versions none of them of a highly controversial nature.

The House version of the bill included "active duty for training" within the definition of active duty and active service. A Senate amendment eliminated "active duty for training" from the definition of active duty or active service and aded a new subparagraph which expressly excludes recognition of such service subsequent to the enactment of the bill. The House receded from its disagreement with the Senate on this point but changed the Senate amendment so as to credit "active duty for training" for those now performing such duty even though it might extend beyond the effective date of this amendatory Act. Thus, the conference report now provides that persons entering into a period of "active duty for training" after the effective date of the act will not be permitted to count that service as active duty or active service for the purposes of the doctors' draft law.

The Senate version of the bill added a provision not originally contained in the House bill which provides that the Secretary of Defense may prescribe an oath of service or obedience, in lieu of the oath of allegiance now prescribed by statute, for aliens appointed as commissioned officers under the doctors' draft law. Since aliens will now be permitted to serve as commissioned officers in the armed services under the doctors' draft law and since they might well be in danger of expatriation should they take an oath of allegiance to the United States the House conferees accepted the Senate amendment.

Another Senate amendment contains a provision not contained in the original House bill, which excludes as creditable service, periods of active duty terminating subsequent to April 30, 1953, in other than an armed force, which service was terminated by orders stating that the termination is without approval of the agency concerned. Since this clause will close a loophole which special registrants might take advantage of with respect to duty with the Public Health Service the House agreed to the Senate amendment.

Probably the most important Senate amendment which was not contained in the House bill is that part of the conference report which amends the Career Compensation Act of 1949 so as to provide that physicians and dentists coming on duty as reserve or regular officers after July 1, 1953, and prior to July 1, 1955, will be entitled to the $100 per month equalization pay now provided for all doctors and dentists who entered the Armed Forces as reserve or regular officers and are now serving as such. The Senate amendment not only extended the date for which doctors and dentists may qualify for the additional $100 per month pay but also added veterinarians to the persons eligible for this equalization pay. Under the Senate amendment all veterinarians serving on active duty or entering on active duty after July 1, 1953, will be entitled to the $100 incentive pay now provided for physicians and dentists.

Another very important provision of the conference report is that dealing with periods of obligated service. The House bill established 2 periods of obligated service for special registrants—24 months of service for all physicians and dentists except those who served 12 months or more since September 16, 1940. Under the House bill these persons were required to serve only 17 months. The Senate amendment deleted the provision providing for 24 and 17 months of obligated service and substituted in lieu thereof 5 periods of obligated service based upon a prescribed amount of prior military service between September 16, 1940, and the date of the order to active duty. Thus under the Senate amendment special registrants with less than 6 months of prior active service would have been required to serve 24 months; special registrants with 6 or more but less than 9 months of prior service would have been required to serve 21 months; special registrants with 9 or more but less than 12 months of service would have been required to serve 19 months; special registrants with over 12 but less than 15 months of service would have been required to serve 17 months; and special registrants with 15 or more months of prior service would have been required to serve 14 months. The House conferees were of the opinion that 5 different periods of required service involved excessive administrative problems and in addition the House conferees were of the opinion that the minimum of 14 months of service was too short. Thus the conferees agreed upon four periods of obligated service as follows: Special registrants with less than 9 months of prior active service will be required to serve 24 months; special registrants with 9 or more but less than 12 months will be required to serve 21 months; those with 12 or more but less than 15 months will be required to serve 18 months, and those with 15 or more months of prior service will be required to serve only 15 months.

There is one remaining Senate amendment which should be thoroughly discussed. That is the Senate amendment which was not originally contained in the House bill which defines as active service any duty performed by physicians and dentists while employed by the Panama Canal Health Department between September 16, 1940, and September 2, 1945.

This amendment is only applicable to five persons and its inclusion in the conference report should not be construed as an acceptance by the conferees of both the House and Senate that civilian service during World War II is equivalent to military service. The five physicians and dentists who will be affected by this amendment present an unusual set of circumstances which led the conferees to the conclusion that their service should be recognized. These doctors presented themselves during World War II to their local draft board for induction into the armed services or applied for commissions. And it was at the urging of the local draft boards that they accepted an assignment as a physician or dentist with the Panama Canal Health Department. In this respect they were quite similar to physicians and dentists who served in our own Public Health Service.

The testimony before the Senate Armed Services Committee contains a letter from the chairman of a local advisory committee who served as such during World War II to the effect that these doctors were assured that this service with the Panama Canal Health Department would count as military service. The conferees were also impressed with the fact that service with the Panama Canal Health Department was for all intents and purposes military duty. The doctors affected by this amendment worked with and under uniformed military personnel in the armed services. There is little to distinguish between doctors serving with the Panana Canal Health Department and doctors who served with the Public Health Service in the same area. Even an examination of the salaries paid these doctors indicates that they received approximately the same or less than they would have received had they been commissioned as officers in the armed services.

The conferees, recognizing the discriminatory nature of the doctors' draft law, were of the opinion that there was full justification, with respect to the doctors who served with the Panama Canal Health Department, for counting this service as active service for the purposes of the doctors' draft law, but only for the purposes of the doctors' draft law. Such service will not be recognized as military service for any other purpose. It is only because of the manner in which these doctors were asked to serve in the Panama Canal Zone and the fact that they served for long periods of time and served under military personnel and in most cases treated military personnel that the conferees can justify the inclusion of this service as creditable service for purposes of the doctors' draft law. There was no financial gain to the doctors involved and they did serve as physicians and dentists. Because of these factors their service is included, but such action is not to be considered as a precedent for the acceptance of any other type of civilian service as equivalent to military service.

Remaining amendments in the conference report are technical in nature and do not affect the substance of the conference report. Some technical changes were made in the section which permits the release of physicians and dentists upon application who would not otherwise be subject to induction or order to active duty had service which is creditable in the conference report been in effect at the time of their induction or order to active duty. Technical changes were necessary to make sure that the section would be applicable to those whose prior service would have precluded them from induction or order to active duty at the time of their latest entry upon active duty, but service subsequent to their latest entry on active duty will not be used in determining their status with respect to their application for discharge or early release.

DEWEY SHORT,
LESLIE C. ARENDS,
W. STERLING COLE,
CARL T. DURHAM,
PAUL J. KILDAY,
Managers on the Part of the House.

Mr. SHORT. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

Mr. SHORT. Mr. Speaker, I ask unanimous consent to extend my own remarks in a brief explanation of the conference report at this point.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SHORT. Mr. Speaker, because of the tremendous interest shown by the membership, as well as by the general public, I would like to take this opportunity to explain just what the conference report does with respect to the drafting of doctors.

There were six areas of difference between the House and Senate versions of H. R. 4495. Four of them were minor. The Senate eliminated "active duty for training" from the definition of active duty and active service and we accepted this amendment, but protected those serving now on active duty for training.

The Senate amended the bill so as to provide for an oath of obedience for aliens, since aliens may now be commissioned as doctors under the bill. Since it would be unfair to require an alien to take an oath of allegiance to the United States and thus endanger his citizenship

with his own country, we agreed to this change.

The Senate also closed a possible loophole for certain doctors who might otherwise enter on active duty with the Public Health Service and thereafter leave after only a few days and be placed in priority IV. We agreed to this amendment which closes that loophole. It must be remembered that there is no authority existing in law to keep Public Health Service doctors on active duty, without their consent.

Then, the Senate amended the bill so as to provide that service with the Panama Canal Health Department would be counted as active service, for the purposes of the doctors' draft law. This is only applicable to five persons. The evidence indicated that there were unusual circumstances surrounding these cases and that simple justice and equity required that this service be credited. We are not opening the door in any way to other civilian service and I think the statement of the managers adequately covers this point.

Perhaps of greater importance is the Senate amendment which established 5 periods of obligated active service based upon the amount of previous service.

You will recall that the House bill provided for only 2 periods of service; namely, 24 months of service for all doctors, except those who served 12 months or more since September 16, 1940. These doctors, under the House bill, would have been released after 17 months. The Senate bill created 5 periods of obligated service starting with those with less than 6 months of prior service and ending with those with 15 or more months of prior service. Periods of active duty ran from a maximum of 24 months to a minimum of 14 months. The House conferees, recognizing the discriminatory nature of this legislation, were willing to accept this refinement in the House bill, but we objected to the 14 months' minimum service and the 5 different periods of obligated service. The conference report provides for 4 periods of obligated service, as follows: Doctors with less than 9 months of previous service will be required to serve 24 months; doctors with 9 months of prior service, but less than 12 months, will be required to serve 21 months; those with 12 or more, but less than 15 months, will be required to serve 18 months; and those with 15 months or more of prior service will be required to serve only 15 months.

Now, let us analyze the situation at this point to see just what obligation doctors now have. Supposing a doctor served for 22 months as an enlisted man during World War II and then was admitted to an Army specialized training program to complete his medical study. Upon completing his education he went on active duty for 5 months and then was released to inactive duty. Where does he stand under the doctors' draft bill? Well, under the new bill, all of his previous service will count and if he is now serving on active duty because he was a priority II doctor, he will be released upon application as soon as practicable, but in no event later than 90 days after this bill becomes law. Then, because he has prior service, he will go into priority IV and, because he has more than 21 months of total service, he cannot be inducted under the doctors' draft law.

Let us take a priority II doctor now serving on active duty who had 18 months of previous service and has since been recalled and has completed 4 months of active duty. He will be released as soon as practicable, but in no event later than 90 days after the enactment of this legislation, upon application, and since he had 18 months of prior service, he will be placed in priority IV. Then, because he now has a total of 22 months of active duty, he cannot be drafted under the doctors' draft law.

Let us take a priority II doctor who had 10 months of service following his education at Government expense. He has since been recalled. How much time will he have to serve? Well, since he has over 9 months, but less than 12 months of prior service to his credit, he will be required to serve 21 months in his new period of active duty.

Now, let us take a priority II doctor with 16 months of prior service following his education, at Government expense. Where does he stand under the doctors' draft law? Well, since he has had over 15 months of prior service, he will be released upon completion of 15 months of active service in his new period of active duty.

I think these illustrations will give you an idea of what we have attempted to do. We tried to be as liberal as possible, taking into consideration all of the equities involved. We realize that the priority II doctors, because they were deferred or educated at Government expense, have an obligation to serve their Nation. But we wanted to give them credit for their prior service and that is what the conferees have agreed to. I repeat that this is discriminatory legislation and that justifies the liberality provided in this proposed legislation and, in my opinion, justifies the four varying periods of obligated service.

There is one remaining amendment which must be discusssed and that is the Senate amendment which the conferees agreed to which extends the $100 per month incentive pay for physicians and dentists for those who enter on active duty as reservists or regulars after July 1, 1953, and prior to July 1, 1955.

The Senate amendment also extended this incentive pay to veterinarians. Since they are liable for induction and since their educational qualifications are nearly equal to those of physicians and dentists, we agreed to the inclusion of veterinarians. There are approximately 745 veterinarians now on active duty in the Armed Forces so it can be seen that the cost for including these doctors will not be great.

Now, the House might well ask why we did not originally consider amending the House bill so as to provide for the $100 a month incentive pay for those entering on active duty after July 1, 1953. We did not because it was the Senate that had asked the Department of Defense to make a special study of incentive pay. We felt that the Senate, having requested the study and having the advantage of the report of that Commission, was in a better position to consider whether or not this incentive pay should be extended beyond July 1, 1953. Our committee is not and has not been opposed to incentive pay for doctors, because we realize the discriminatory nature of the doctors' draft law. We are fully aware of the expenses incurred by doctors in securing an education which would not otherwise be compensated for on the pay provided for officers in the grade in which they are called to active duty under the doctors' draft law. We also recognize that the Armed Forces would get practically no Regular doctors without this incentive pay as a stimulus for requests for Regular commissions. Thus, we agreed to this amendment and as a result, physicians, dentists, and veterinarians entering on active duty as Reserve or Regular officers after July 1, 1953, but prior to July 1, 1955, will be entitled to a $100-a-month bonus so long as they remain on active duty.

This, Mr. Speaker, summarizes the conference report. I think we have done as good a job as is possible, considering the complicated nature of the subject. I urge the entire membership to support the conference report.

Mr. DURHAM. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. DURHAM. Mr. Speaker, I believe the managers on the part of the House at the conference on the disagreements between the House and the amendments of the Senate to H. R. 4495 made some improvements in the bill as passed on the House side. The only amendment in which I was not in full accord was the Senate amendment which granted to five doctors, who served in the Panama Health Department between September 16, 1940, and September 2, 1945, military credit. This amendment applies only to these five personnel and its inclusion is made plain in the conference report and should not be construed that civilian service is equivalent to military service. The facts were presented to us and proved without a doubt that these five doctors were convinced they were serving as military personnel. I believe the conferees have written a fair and equitable measure.

Mr. RIVERS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RIVERS. Mr. Speaker, so that the record will be crystal clear on the question of the conferees report on the doctors draft legislation, it is interesting to note that my amendment which lowered the prior service period from 1940 from 21 months to 17 months, and which was not in controversy is still a part of the bill. It means that any physicians

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or dentists having served 17 months since 1940, prior to being recalled, will be released as soon as practicable, and not later than 90 days, and the provision giving credit for the accumulative service is retained in the bill. A case where a physician or dentist has served 17 months prior to being recalled, and who has served an additional time, making his total service 21 months is placed in priority IV, and cannot be recalled, but if he has served less than a total period of 21 months, then he goes in priority IV and is subject to recall the same as other priority IV doctors, after the priority III doctors national quota has been exhausted.

It will be noted that the report of the managers fully explains the so-called sliding-rule proviso giving credit for past service.

FAYVILLE, MASS., TORNADO DISASTER

The SPEAKER. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 10 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I would like to have inserted as part of my remarks a statement which I received at my request from Dr. R. R. Gasser, who is the medical director of the Veterans' Administration Hospital, the Cushing Hospital at Framingham, Mass. There were approximately three truckloads of debris picked off the grounds of the station the day after the tornado, Wednesday, June 10, 1953. The largest piece being 4 feet by 8 feet of three-eighths inch plywood with white shingles attached, apparently a part of a prefabricated building blown in from an unidentified area.

Mr. Speaker, I would like to draw the attention of the House to the fact that the hospital was organized for disaster relief within an hour and a half after they learned of the tornado, a very remarkable feat. They had secured very promptly 95 pints of blood. It was a very remarkable performance. They were perfectly organized to meet a great emergency just a few hours afterwards.

Mr. Speaker, I visited the terrible tornado-damaged area in Worcester, on Thursday morning, and I found the greatest courage among the people who were badly injured, courage among the people who had lost their relatives. They were still searching for the bodies in the devastated area. I did not hear a complaint while I was there. Our distinguished colleague, Mr. DONOHUE, from Worcester, Mass., I found was giving the greatest of cooperation; from such people down to the man, perhaps, who had the least to do with the running of the city or the Government, I found nothing but courage; not a complaint did I hear from the people who had lost members of their family, or who had lost their homes.

I was amazed at the organization that had already been set up in 24 hours to alleviate distress.

Mr. Speaker, I introduced six resolutions asking the Government departments for full and complete information with respect to whether there is any connection between the tornadoes, which have recently occurred in the United States and the recent explosions of atomic bombs. I am hoping within the 7 legislative days—they are privileged resolutions—to get word back as to what is considered to be the cause.

Everywhere I had people ask me what the Government thought was the cause, or the possible cause, or the probable cause of the tornadoes. They had never had anything like this before in the State of Massachusetts and we hope never will have it again.

I feel, Mr. Speaker, that the public is entitled to have all of the information that the Government departments can give. The people are the ones that pay the bills, and who suffer the losses when a tornado takes place. The least we can do is to secure every bit of information.

(The report referred to is as follows:)

CUSHING HOSPITAL.
Framingham, Mass., June 11, 1953.

To: Deputy Administrator, Veterans' Administration, Central Office, Washington, D. C.

Subject: Narrative report—disaster.

1. At about 6 p. m., June 9, 1953, a call was received at the hospital by the medical officer of the day from an unidentified person to dispatch all available ambulances to the Fayville Post Office, Fayville, Mass., which was reported to have been demolished injuring or killing 30 to 40 persons.

2. Fayville, Mass., is located about 5 miles from the Cushing Veterans' Administration Hospital, Framingham, Mass.

3. Because of personnel and budgetary limitations, no ambulance drivers are on regularly scheduled duty after 4:30 p. m.

4. The Assistant Manager was notified of the call for assistance.

5. The State police barracks at Framingham, Mass. was contacted to ascertain the validity and extent of the disaster.

6. When informed that a tornado had ripped through central Masachusetts and all available medical help was needed, three ambulances were immediately dispatched to Fayville, Mass. Two nurses accompanied the ambulances. Plan B of the station's disaster plan was put into effect.

7. All chiefs of services and available staff were notified to report to the hospital at once.

8. The local radio station, WKOX, Framingham, Mass., was utilized to call to the hospital all available off-duty employees and blood donors.

9. While awaiting arrival of patients, donors were bled. Ninety-four pints of blood were obtained. Fifty additional beds were readied and staffed to care for any type of case.

10. By 7:30 p. m., every department of the hospital was in operation and several hundred casualties could have been cared for if required.

11. Throughout the evening, contact was maintained with the Massachusetts State police, the local Civil Defense Administration, the local radio station, and the police department of the city of Worcester, Mass., the latter city having borne the brunt of the tornado disaster.

12. One casualty was brought to the hospital by a private ambulance—Mr. Lewis J. Ward, West Main Street, Westboro, Mass., age 64 years, World War 1 veteran; diagnosis, dislocated femur, fractured pelvis.

13. Our ambulances, in the meantime, were under the supervision of the State police and assisted in carrying injured and dead to the hospitals in Worcester, which is approximately 20 miles from the Cushing Veterans' Administration Hospital. The ambulances returned to the station at approximately 1 a. m., June 10, 1953.

14. About 11 p. m., June 9, 1953, the hospital was informed by the Worcester city police that all casualties were being cared for and no additional blood nor hospital beds were required. After word was received that the situation in the Worcester area was under control, approximately 200 additional volunteer donors were dismissed.

15. The personnel called in for the emergency duty were dismissed at 11:30 p. m.

16. Having experienced an actual disaster emergency and placed into operation our preconceived disaster plan B, the results exceeded the most wishful thoughts of management.

17. Every department was adequately staffed within 1½ hours of the original call and we could have cared for upward to 300 severely injured.

18. The response to the call for emergency duty by full-time personnel, regular volunteers, and the general public was a most gratifying experience.

19. A telegram was dispatched to the Deputy Administrator, Veterans' Administration, Washington, D. C., at 9:05 p. m., June 9, 1953, in accordance with Manual M11–8F–1, Disaster, Emergency Relief, and Civil Defense Planning.

20. This situation sustained no damage to personnel, patients, or buildings thereon.

21. Approximately three truck loads of debris was picked off the grounds of the station the next day, Wednesday, June 10, 1953. The largest piece being 4 by 8 feet of ⅜-inch plywood with white shingles attached apparently a part of a prefabricated building blown in from an unidentified area.

22. Photographs of blood-donor scenes and the debris are attached as well as clippings from the local newspaper which had sent a reporter to the hospital as soon as the disaster became known.

23. During the morning following the disaster, June 10, 1953, this station performed liaison duty between the area medical director's office and the Veterans' Administration Hospital, Rutland Heights, Mass., because of lack of communication facilities between the two points.

24. Ascertaining the facts that no serious damage existed in Rutland, the number of casualties which they were caring for and relaying the request for neurosurgeons who were needed at the Veteran's Administration Hospital, Rutland Heights. This liaison was made possible through the Massachusetts State Police with whom this station enjoys excellent rapport.

R. R. GASSER, M. D.,
Manager.

Copy to: Chief medical director, VACO, area medical director, VARO.

BOOK BURNERS—SPEECH OF THE PRESIDENT AT DARTMOUTH COLLEGE COMMENCEMENT

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 4 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, the President made a glowing, statesmanlike speech at the Dartmouth College commencement. He criticized severely those whom he styled as book burners, those who are figuratively witch burners, who would stifle thought and smother ideas. He inveighed against those who would, with hobnail boots, trample

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on our traditions of free speech and free press.

His words will become enshrined indelibly upon the tablets of history. But how about deeds, Mr. President? The State Department and the Secretary of State, Mr. Dulles, might well be instructed to cease and desist censoring and proscribing books in our overseas libraries; books on communism and books by fellow-travelers, and even books by worthy liberals. We can only fight evil—the evil of communism—with knowledge of communism. So spoke the President amidst the elms of Dartmouth and alongside its great library. He doubtless had in mind the self-defeating fear that is spreading over the land—due to some of the intemperate and vigilante tactics of a certain gentleman heading a certain investigating committee, although he did not name him.

The President courageously spoke out against a sort of "shotgun silence" and a hysterical fear that has settled upon the Nation.

His warning was timely but right in his own official household the warning goes unheeded. Should not the President in his wisdom suit action to word, undo the wrong now being done in our libraries of the United States Information Service units abroad where volumes are being culled out and tossed aside. Words are valueless unless followed by action; otherwise we have the anomaly of United States official book burning while the President wisely and courageously deplores censorship and inveighs against bullies and book burners.

We petition action as well as words, Mr. President, We ask this, Mr. President, with all due respect for and honor to you personally and officially.

Mr. O'HARA of Illinois. Mr. Speaker, as the important business of the day did not permit the recognition of members for 1-minute addresses, I am extending my remarks by unanimous consent at this point. I did not wish to delay by as much as one day my commendation of the remarks of the President of the United States in his address at Dartmouth College on the subject of the burning of books. I am sure my colleagues on both sides of the aisle will agree that the President spoke in clear and courageous language what is in the thought of all America. We were horrified when Hitler issued his infamous order to burn the books. We are heartened and our America is glorified that the President of the United States has on the prestige of his high office reminded Americans that in the United States of America we give freedom to the thoughts of men and do not ape the ways of Hitler.

We who still believe in liberty in the spirit of the Bill of Rights commend our President for his Dartmouth College speech.

President Eisenhower spoke for all Americans who have faith in their country when he said:

> It is not enough merely to say I love America, and to salute the flag and take off your hat as it goes by and sing the Star-Spangled Banner.
>
> Liberty, won by the blood of heroes in the Revolutionary War, the Civil War, the Spanish-American War, World War I, World War II, and Korea, is no puny thing needing protection from alien ideas. It is beautiful, strong, and has the stamina to confront any adverse ideas and drive them to cover.
>
> In urging "Don't join the book-burners," President Eisenhower was speaking not to those men whose diplomas had made them fellow alumni with the great Daniel Webster. Rather he was urging the fainthearted and confused to take stock of their heritage and reaffirm their faith in those great spiritual values which have made the United States the leader of the world.
>
> Mr. Speaker, I trust that all my colleagues on the other side of the aisle will find in the remarks of the President of the United States at Dartmouth College the same heartening tones that they bring to my Democratic ears.

VETERANS' HOSPITAL PROGRAM

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, the much-discussed appropriation bill that contains funds for the veterans, all of the veterans, comes up for action tomorrow. I rise to remind the House of the pleasure that we feel that the veterans have won their and the Committee on Veterans' Affairs' fight and secured authorization for enough money to operate 114,000 beds.

I also rise to remind the House that there is a good deal of legislation in this appropriation bill and remind the chairmen of legislative committees and the members of such committees that if they allow increasing legislation in appropriation bills they will have no jurisdiction for their own committees and they might just as well retire and let the Appropriations Committee do the legislating. It is a very serious matter.

ONE HUNDRED AND SEVENTY-EIGHTH ANNIVERSARY OF THE BATTLE OF BUNKER HILL

The SPEAKER. Under the previous order of the House, the gentleman from Massachusetts [Mr. O'NEILL] is recognized for 5 minutes.

Mr. O'NEILL. Mr. Speaker, this coming Wednesday, June 17, marks the 178th anniversary of the Battle of Bunker Hill. Every American, from whatever corner of the Republic he may come is familiar with the thrilling story that marks the beginning of this great Nation. Across the river from the Old North Church whose belfry but 2 short months before burned two lights eagerly watched by Paul Revere. The famous ride that ensued was the curtain-raiser for the mighty drama to follow and on June 17 of that momentous year the first act was unfolded on the slope of Bunker—or to be more precise—Breeds Hill.

Aware that General Howe, who was in command of the British troops in Boston Harbor, was about to seize the heights at Charlestown, the gallant troops of the Continental Army crossed from Cambridge, took possession of the heights and proceeded to throw up a redoubt on the lower slope of Breeds Hill. Working quietly through the night, they were not discovered until daybreak by the watchers on His Brittanic Majesty's warships, peacefully anchored in the river below.

These opened up an ineffective fire but it was soon apparent that to dislodge the American forces would call for an attack by the troops. Accordingly General Howe landed about 2,500 British regulars and they advanced against the Colonists in two divisions. The patriots held their fire until the British were within sure range.

Both divisions of British broke and retreated. The British rallied their forces and made a second charge; again they were forced to retreat. Finally on the third attack by the British, the Colonists having exhausted their ammunition, were forced to retreat.

The important factor of this great battle was the terrific loss of the British, 1,054 having been killed; of the Colonists about 440 were killed or wounded, but the great result achieved was that the colonists were united to the conviction that this was war and must be fought as such.

Mr. Speaker, it is not my purpose to describe the battle in detail. That story has been recorded time and again in the course of the nearly two centuries which have elapsed since that bloody day. I will content myself with pointing out that, while indecisive in its immediate results, the battle of Bunker Hill is nevertheless one of the turning points of history, for on that bloody field it was demonstrated once and for all that the raw militia, the undisciplined Colonials, could and would fight. When Washington, journeying up to Boston in his new capacity as commander in chief of the Continental Army, met riders bearing dispatches concerning the battle, his first question is reported to have been, "Did the militia fight?" The temper of the American troops was tried and tested on that blazing June day of 1775, and from the high mark of valor and fortitude there achieved the Revolutionary Army never receded. As one historian puts it:

> The British won the hill, but the Americans won a moral victory of the first magnitude.
>
> Thereafter no one could truthfully say that untrained and undisciplined men would not fight; thereafter no man of sense in England thought that the king's troops would drive the Americans before them like a flock of refractory sheep.

Nowhere in the annals of American history can be found a more important factor in the winning and establishment of our great democracy than the famous Battle of Bunker Hill. The British won the hill, but the Continental Army won the will to fight for freedom. This

was the turning point in the battle for independence.

For over a century a great monument has crowned the heights of Bunker Hill. I refer, of course, to one of the Nation's most historic edifices, the Bunker Hill Monument.

I urge upon the Congress that this famous landmark of the struggle for independence be held in perpetual care for the people of the United States as a national shrine and park.

HELMUTH WOLF GRUHL — VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 177)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, H. R. 1334, for the relief of Helmuth Wolf Gruhl.

The bill would provide for the retroactive payment of a child's insurance benefit under the Federal old-age and survivors insurance program of the Social Security Act to Helen Mann Gruhl for the use and benefit of Helmuth Wolf Gruhl on the wage record of Werner Gruhl for the period December 1942 to February 1947, amounting to $868.53.

The facts in the case are as follows: It appears that in 1931 Helen Gruhl married Werner Gruhl. In April 1932 a son, Helmuth Wolf Gruhl, was born of this marriage, and in 1935 Mrs. Gruhl separated from her husband and took her son from their home in Elizabeth, N. J., to Chicago, Ill., and ultimately to Madison, Wis. In June 1941 she obtained an absolute divorce from Werner Gruhl.

Werner Gruhl entered into another marriage. He died in November 1942, in Middlebury, Vt. Helen Gruhl, the mother of Helmuth Wolf Gruhl, stated that she had no knowledge of the death of her former husband until April 1947, but that she would have learned of the death and would have filed a claim for the child's insurance benefits as early as November 1942, if the widow of Werner Gruhl had not, in her petition for administration of his estate, erroneously made the statement that she was his sole heir. Mrs. Helen Gruhl made application on behalf of her minor son for child's insurance benefits under title II of the Social Security Act in June 1947, and such benefits were awarded retroactive to March 1947 in the amount of $17.03 a month. Such benefits were paid until the child reached the age of 18. Had she been informed, in 1942, of the death of her husband, and had timely application been made for the benefits, payment for the 51 months from December 1942 through February 1947 would have accrued to the benefit of the child, which would have amounted to $868.53. The Bureau of Old-Age and Survivors Insurance held that the provisions of the Social Security Act then in effect prevented the payment of retroactive benefits for the period covered by this bill. The action of the Bureau was upheld on appeal by a referee and by the Appeals Council of the Federal Security Agency.

The Social Security Act does provide for the payment of retroactive benefits for a limited period when the filing of an application is delayed after the individual is first eligible for payments. Under the law in effect before September 1950, which was applied in this case, this period was 3 months. The 1950 Social Security Act amendments have since increased the period to 6 months—effective with regard to months after August 1950.

The legislative history of the Social Security Act indicates that, in providing for retroactive benefits for only a limited period, the Congress took into account the fact that persons otherwise eligible for benefits might "not know of their right to benefits or, for some other reason, have delayed filing their applications"—House Report No. 728, page 40; Senate Report No. 734, page 47, 76th Congress. The courts have ruled that the fact that a claimant is unaware of his rights under the Social Security Act does not extend rights beyond the statutory period of grace when no application for benefits has been filed as required by statute.

I appreciate the fact that the limitation on retroactive benefits in the Social Security Act may seem like an unjust penalty to those who, as the child and the mother in this case, had no timely knowledge of the wage earner's death. However, provision against retroactive benefits in the law—except for a reasonable period to allow for normal delays—was not intended as a penalty or forfeiture, but to carry out the purpose of this insurance program. Old-age and survivors insurance benefits are primarily intended to provide a regular, though small, income to beneficiaries to help meet their current living needs. That purpose would not be served by lump-sum payments to individuals to cover previous months for which provision had already been made in other ways, as the present case illustrates. The child has passed the age of eighteen at which social insurance benefits for minors are cut off. Moreover, the facts that the father was not supporting the child and that the death of the father was not known to the mother and child for so long indicate that there was no continuing relationship between the father and the child and that the child was not dependent economically upon the father.

Special legislation permitting one individual to receive social insurance benefits under conditions identical with those in which benefits are denied to another is undesirable and contrary to sound principles of equity and justice. If any modification of a provision in the Social Security Act is needed, I believe that the Congress should make such changes in the basic law so they will be available to all persons equally. The Congress, on two separate occasions—in 1939 and 1950—has considered the question of retroactive benefits and has decided that the period should be definitely limited.

For these reasons, I feel compelled to return the bill without my approval.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 15, 1953.*

The SPEAKER. The objections of the President will be spread at large upon the Journal, and, without objection, the bill and message will be referred to the Committee on the Judiciary and ordered to be printed.

There was no objection.

THE STATE DEPARTMENT

Mr. BENDER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BENDER. Mr. Speaker, the best news in today's paper is to the effect that the State Department has fired 2,600 people. It is just too bad it is not 5,000. I hope every other Cabinet member will read the newspaper today and follow suit.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Appendix of the RECORD, or to revise and extend remarks, was granted to:

Mr. REED of New York in five instances and to include extraneous matter in each.

Mr. BENDER in five instances and to include extraneous matter.

Mr. CRUMPACKER and to include a letter.

Mr. JENSEN and to include a letter and other data.

Mr. MILLER of Nebraska and to include a speech by Ezra Taft Benson on the agricultural situation.

Mr. BENTLEY in two instances and to include extraneous matter.

Mr. O'KONSKI in regard to the Henry Kaiser enterprises.

Mr. LAIRD in three instances and to include extraneous matter.

Mrs. CHURCH and to include a news article.

Mrs. ROGERS of Massachusetts and to include a letter sent to every Member of Congress by the American Legion on H. R. 5690, the independent offices appropriation bill.

Mr. FINO and to include an address delivered by him yesterday.

Mr. BURDICK.

Mr. LANE in five instances and to include extraneous matter.

Mr. ROGERS of Florida and to include an editorial.

Mr. WALTER and to include a news release from WRC.

Mr. THOMPSON of Louisiana in two instances and to include a newspaper clipping and an editorial.

Mr. BOGGS and to include extraneous matter.

Mr. FRAZIER.

Mr. HART and to include a newspaper item.

Mr. CELLER on four distinct subjects.

Mr. BYRD and to include extraneous material.

Mr. DODD.

Mr. LYLE and to include an article.

Mr. KELLEY of Pennsylvania in two instances, in one to include a resolution from the city of Jeannette, Pa., and in the other a resolution from the State Senate of Pennsylvania.

Mr. O'HARA of Illinois.

Mr. EVINS and to include an article.

Mr. YOUNGER and to include an editorial.

Mr. KLEIN in four instances and to include extraneous matter.

Mr. DEROUNIAN and to include an address by the President of the United States.

Mr. WILSON of California and to include an editorial.

Mr. UTT and to include extraneous matter.

Mrs. ST. GEORGE and to include extraneous matter.

Mr. GAMBLE and to include extraneous matter.

Mr. HOLT and to include extraneous matter.

Mr. HAGEN of Minnesota and to include extraneous matter, notwithstanding the fact it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $231.

Mr. O'KONSKI in three instances.

Mr. PRICE in three instances in each to include extraneous matter.

Mr. RODINO in two instances.

Mr. RADWAN (at the request of Mr. ARENDS) and to include a resolution.

Mr. ROONEY in three instances in one to include an editorial from the Washington Post, in another an editorial from the Brooklyn Eagle and in the third a newspaper article.

Mr. MCCORMACK in three instances and to include extraneous matter.

Mr. HÉBERT and to include extraneous matter.

Mr. SHAFER in four instances.

Mr. ADDONIZIO and to include an editorial.

SENATE BILL AND JOINT RESOLUTION REFERRED

A bill and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1273. An act to amend the act entitled "An act to incorporate the American University," approved February 24, 1893, so as to clarify the relations between the Board of Trustees of the American University and the Board of Education of the Methodist Church, and for other purposes; to the Committee on the District of Columbia.

S. J. Res. 6. Joint Resolution to provide for a continuance of civil government for the Trust Territory of the Pacific Islands; to the Committee on Interior and Insular Affairs.

ENROLLED BILL SIGNED

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 5174. An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1954, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee did on June 12, 1953, present to the President, for his approval, bills of the House of the following titles:

H. R. 3307. An act to provide for the treatment of users of narcotics in the District of Columbia; and

H. R. 4664. An act making supplemental appropriations for the fiscal year ending June 30, 1953, and for other purposes.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. O'HARA of Minnesota (at the request of Mr. AUGUST H. ANDRESEN), on account of illness.

Mr. FINE (at the request of Mr. DOLLINGER), for Monday, June 15, 1953, on account of important business.

Mr. PATTEN (at the request of Mr. EBERHARTER), for Monday, June 15, 1953, on account of official business.

Mr. POWELL (at the request of Mr. CELLER), indefinitely, on account of death in family.

Messrs. CLARDY, WALTER, and SCHERER (at the request of Mr. SCHERER), for June 17, 18, and 19, 1953, on account of hearings of the Un-American Activities Committee at Columbus, Ohio.

ADJOURNMENT

Mr. BENDER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock p. m.) the House adjourned until tomorrow, Tuesday, June 16, 1953, at 12 o'clock noon.

OATH OF OFFICE, MEMBERS AND DELEGATES

The oath of office required by the sixth article of the Constitution of the United States, and as provided by section 2 of the act of May 13, 1884 (23 Stat. 22), to be administered to Members and Delegates of the House of Representatives, the text of which is carried in section 1757 of title XIX of the Revised Statutes of the United States and being as follows:

I, A B, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion, and that I will well and faithfully discharge the duties of the office on which I am about to enter, so help me God.

has been subscribed to in person and filed in duplicate with the Clerk of the House of Representatives by the following Member of the 83d Congress, pursuant to Public Law 412 of the 80th Congress, entitled "An act to amend section 30 of the Revised Statutes of the United States" (U. S. C., title 2, sec. 25), approved February 18, 1948: ROBERT T. ASHMORE, Fourth District of South Carolina.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

770. A communication from the President of the United States, transmitting proposed supplemental appropriations for the executive branch for the fiscal year 1954 in the amount of $17,455,000 (H. Doc. No. 176); to the Committee on Appropriations and ordered to be printed.

771. A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation entitled "A bill to authorize the Secretary of Agriculture to convey to the State of North Carolina a tract of approximately 134 acres, together with buildings and improvements thereon, which the Bureau of Plant Industry, Soils, and Agricultural Engineering of this Department has been using as a cottonfield station"; to the Committee on Agriculture.

772. A letter from the Secretary of Agriculture, transmitting the report on cooperation of the United States with Mexico in the prevention of foot-and-mouth disease for the month of April 1953, pursuant to Public Law 8, 80th Congress; to the Committee on Agriculture.

773. A letter from the Secretary of the Navy, relative to the Department of the Navy proposing to transfer to the city of Chicago, Ill., the ex-German submarine *U-505*, to be established and maintained as a memorial, pursuant to section 1 of the act of August 7, 1946 (60 Stat. 897, as amended; 34 U. S. C. Supp. V, 546f); to the Committee on Armed Services.

774. A letter from the Director, Administrative Office of the United States Courts, transmitting a draft of a bill entitled "A bill to provide that United States commissioners who are required to devote full time to the duties of the office may be allowed their necessary office expenses"; to the Committee on the Judiciary.

775. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting a letter showing a list of cases of certain aliens, and requesting that they be withdrawn from those before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

776. A letter from the Secretary of Commerce, transmitting the 24th report of action taken by the United States Maritime Administration, pursuant to section 217 of the Merchant Marine Act, 1936, as amended (Public Law 498, 77th Congress); to the Committee on Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calender, as follows:

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 285. Resolution for consideration of H. R. 5690, a bill making appropriations for additional independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes; without amendment (Rept. No. 553). Referred to the House Calendar.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 1991. A bill relating to certain construction-cost adjustments in connection with the Greenfields division of the Sun River irrigation project, Montana; without amendment (Rept. No.

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554). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROBSION of Kentucky: Committee on the Judiciary. H. R. 1806. A bill to amend further the Federal Register Act, as amended; with amendment (Rept. No. 555). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROBSION of Kentucky: Committee on the Judiciary. S. 1105. An act to incorporate the National Safety Council; with amendment (Rept. No. 556). Referred to the House Calendar.

Mr. HESELTON: Committee on Interstate and Foreign Commerce. H. R. 3792. A bill to amend part III of the Interstate Commerce Act, so as to authorize the Interstate Commerce Commission to revoke, amend, or suspend water carrier certificates and permits under certain conditions; with amendment (Rept. No. 557). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROBSION of Kentucky: Committee on the Judiciary. H. R. 2557. A bill to amend the act of January 12, 1951, as amended, to continue in effect the provisions of title II of the First War Powers Act, 1941; without amendment (Rept. No. 558). Referred to the Committee of the Whole House on the State of the Union.

Mr. REES of Kansas: Committee on Post Office and Civil Service. H. R. 5302. A bill to provide for an additional Assistant Postmaster General in the Post Office Department; without amendment (Rept. No. 559). Referred to the Committee of the Whole House on the State of the Union.

Mr. McCULLOCH: Committee on the Judiciary. House Concurrent Resolution 28. Concurrent resolution commemorating the 300th anniversary of the formation of Westmoreland County, Va.; without amendment (Rept. No. 560). Referred to the House Calendar.

Mr. McCULLOCH: Committee on the Judiciary. House Concurrent Resolution 85. Concurrent resolution to participate in Fourth of July, 1953, observance at Independence Hall, Philadelphia, Pa.; with amendment (Rept. No. 561). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CHIPERFIELD:

H. R. 5710. A bill to amend further the Mutual Security Act of 1951, as amended, and for other purposes; to the Committee on Foreign Affairs.

By Mr. AUGUST H. ANDRESEN:

H. R. 5711. A bill to extend certain benefits to persons who served in the Armed Forces of the United States in Mexico or on its borders during the period beginning May 9, 1916, and ending April 6, 1917, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. ANGELL:

H. R. 5712. A bill to provide for the issuance of a special postage stamp in commemoration of the 200th anniversary of Columbia University; to the Committee on Post Office and Civil Service.

By Mr. BENTLEY:

H. R. 5713. A bill to amend the Railway Labor Act to enable employees covered by proposed union shop and checkoff agreements to vote to ratify or reject such agreements; to the Committee on Interstate and Foreign Commerce.

By Mr. BURLESON:

H. R. 5714. A bill to authorize the Commodity Credit Corporation to transfer certain surplus agricultural commodities to the Director for Mutual Security for sale to countries participating in the mutual security program; to the Committee on Agriculture.

By Mr. COON:

H. R. 5715. A bill to authorize lending operations by the Klamath Indians, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. FINE:

H. R. 5716. A bill to provide for the issuance of a special postage stamp in commemoration of the 200th anniversary of Columbia University; to the Committee on Post Office and Civil Service.

By Mr. FORAND:

H. R. 5717. A bill to provide for the issuance of a special postage stamp in commemoration of the 200th anniversary of Columbia University; to the Committee on Post Office and Civil Service.

By Mr. HAGEN of Minnesota (by request):

H. R. 5718. A bill to limit the period for collection by the United States of compensation received by officers and employees in violation of the dual compensation laws; to the Committee on Post Office and Civil Service.

By Mr. HERLONG:

H. R. 5719. A bill to amend the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

H. R. 5720. A bill relating to the tax treatment to be afforded under section 117 (j) (3) of the Internal Revenue Code in certain cases involving the sale, exchange, or conversion of land with unharvested crops thereon; to the Committee on Ways and Means.

H. R. 5721. A bill to authorize the adoption of a certain rule with respect to the broadcasting or telecasting of professional baseball exhibitions in interstate commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HESELTON:

H. R. 5722. A bill to amend section 7 of the War Claims Act of 1948, with respect to claims of certain religious organizations functioning in the Philippine Islands; to the Committee on Interstate and Foreign Commerce.

By Mr. McMILLAN:

H. R. 5723. A bill to repeal the $75 work clause that applies to old-age and survivors insurance benefits under title II of the Social Security Act; to the Committee on Ways and Means.

By Mr. MAILLIARD:

H. R. 5724. A bill to amend section 2 of the act approved February 20, 1931, relating to the construction, maintenance, and operation of the San Francisco Bay Bridge; to the Committee on Public Works.

By Mr. MILLS:

H. R. 5725. A bill to authorize the adoption of a certain rule with respect to the broadcasting or telecasting of professional baseball exhibitions in interstate commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PHILBIN:

H. R. 5726. A bill for the relief of sufferers of casualty losses, and for other purposes; to the Committee on Ways and Means.

By Mr. PHILLIPS:

H. R. 5727. A bill to amend the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

By Mr. SHAFER:

H. R. 5728. A bill to authorize the disposal of the Government-owned rubber-producing facilities, and for other purposes; to the Committee on Armed Services.

By Mr. SHELLEY:

H. R. 5729. A bill to amend section 2 of the act approved February 20, 1931, relating to the construction, maintenance, and operation of the San Francisco Bay Bridge; to the Committee on Public Works.

By Mr. SAYLOR:

H. R. 5730. A bill to authorize the Secretary of the Interior to construct, operate, and maintain certain facilities to provide water for irrigation and domestic use from the Santa Margarita River, Calif., and the joint utilization of a dam and reservoir and other waterwork facilities by the Department of and Interior and the Department of the Navy, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. UTT:

H. R. 5731. A bill to authorize the Secretary of the Interior to construct, operate, and maintain certain facilities to provide water for irrigation and domestic use from the Santa Margarita River, Calif., and the joint utilization of a dam and reservoir and other waterwork facilities by the Department of the Interior and the Department of the Navy, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ENGLE:

H. R. 5732. A bill to authorize the Secretary of the Interior to construct, operate, and maintain certain facilities to provide water for irrigation and domestic use from the Santa Margarita River, Calif., and the joint utilization of a dam and reservoir and other waterwork facilities by the Department of the Interior and the Department of the Navy, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. CURTIS of Nebraska:

H. R. 5733. A bill to substitute a retailers' excise tax on mechanical lighters for cigarettes, cigars, and pipes in place of the existing manufacturers' excise tax on these items; to the Committee on Ways and Means.

By Mr. DAGUE:

H. R. 5734. A bill to amend the Federal Seed Act of August 9, 1939 (53 Stat. 1275), as amended; to the Committee on Agriculture.

By Mr. DEMPSEY:

H. R. 5735. A bill conferring jurisdiction upon the United States District Court for the District of New Mexico, to hear, determine, and render judgment upon certain claims arising as a result of the construction by the United States of Elephant Butte Dam on the Rio Grande; to the Committee on the Judiciary.

By Mr. O'NEILL:

H. R. 5736. A bill to provide for the conveyance of the Bunker Hill Monument, Charlestown, Mass., to the United States; to the Committee on Interior and Insular Affairs.

By Mr. PHILBIN:

H. R. 5737. A bill for the relief of sufferers in designated tornado disaster areas for losses of real and personal property suffered in 1953 tornadoes; to the Committee on the Judiciary.

H. R. 5738. A bill for the relief of sufferers in designated disaster areas for losses of real and personal property; to the Committee on the Judiciary.

By Mr. SIMPSON of Illinois:

H. R. 5739. A bill to permit fiduciaries in the District of Columbia to hold fiduciary property in the name of a nominee; to the Committee on the District of Columbia.

By Mr. WOLVERTON:

H. R. 5740. A bill to amend the Federal Food, Drug, and Cosmetic Act, so as to protect the public health and welfare by providing certain authority for factory inspection, and for other purposes; to the Committee on Interstate Commerce.

H. R. 5741. A bill to amend section 39 of the Trading With the Enemy Act of October 6, 1917, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. CHIPERFIELD:

H. R. 5742. A bill to amend the International Claims Settlement Act of 1949; to the Committee on Foreign Affairs.

By Mr. FISHER:

H. R. 5743. A bill to amend section 47c of the National Defense Act of June 3, 1916, as amended; to the Committee on Armed Services.

By Mr. O'KONSKI:

H. R. 5744. A bill to authorize payment of a monetary allowance in lieu of transportation in kind to members of the uniformed services who transport their dependents, baggage, and household effects in a house trailer; to the Committee on Armed Services.

H. R. 5745. A bill to allow members of the uniformed services to reside in trailers under certain circumstances without forfeiting their allowance for quarters; to the Committee on Armed Services.

By Mr. PHILBIN:

H. J. Res. 277. Joint resolution authorizing the Federal National Mortgage Association to enter into agreements prior to construction to purchase mortgages on housing in disaster areas; to the Committee on Banking and Currency.

By Mr. RABAUT:

H. J. Res. 278. Joint resolution requesting the President to issue a proclamation designating an appropriate day as a national day of prayer and reparation; to the Committee on the Judiciary.

By Mr. GRAHAM:

H. Con. Res. 110. Concurrent resolution favoring the granting of the status of permanent residence to certain aliens; to the Committee on the Judiciary.

By Mr. ANGELL:

H. Con. Res. 111. Concurrent resolution favoring universal disarmament; to the Committee on Foreign Affairs.

By Mr. METCALF:

H. Res. 286. Resolution to promote the general welfare by providing for an investigation into the causes and effects of silicosis and for more effective cooperation between the States and the Federal Government to bring about prevention and control of silicosis; to the Committee on Rules.

By Mr. McCORMACK:

H. Res. 287. Resolution providing additional compensation for one minority employee; to the Committee on House Administration.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By Mr. LANE: Memorial of the Senate of Massachusetts memorializing Congress to retain the New England regional office of the Wage and Hour Division of the United States Department of Labor in the city of Boston, and the branch office of said Division in the city of Springfield; to the Committee on Education and Labor.

By Mr. HESELTON: Resolutions of the State Senate of Massachusetts memorializing Congress to retain the New England regional office of the Wage and Hour Division of the United States Department of Labor in the city of Boston, and the branch office of said Division in the city of Springfield; to the Committee on Education and Labor.

By Mrs. ROGERS of Massachusetts: Memorial of the Senate of Massachusetts to retain the New England office of the Wage and Hour Division of the United States Department of Labor in the city of Boston and the branch office of the Division in the city of Springfield, Mass.; to the Committee on Education and Labor.

By the SPEAKER: Memorial of the legislature of the State of California, memorializing the President and the Congress of the United States relative to the continued maintenance of Camp Roberts as a replacement-training center; to the Committee on Armed Services.

Also memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to act in the matter in relation to the enlistment in and strength of the California National Guard and California Air National Guard and the national manpower pool; to the Committee on Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of California:

H. R. 5746. A bill for the relief of Shang-Chi Su; to the Committee on the Judiciary.

By Mr. BARRETT:

H. R. 5747. A bill for the relief of Yousef Said Dahdah and his wife Charlotte Dahdah; to the Committee on the Judiciary.

By Mr. BENNETT of Florida:

H. R. 5748. A bill for the relief of Jones Edmund Schlögl; to the Committee on the Judiciary.

By Mr. CLARDY:

H. R. 5749. A bill for the relief of Maria Teresa Lubiato; to the Committee on the Judiciary.

By Mr. COUDERT:

H. R. 5750. A bill for the relief of Sergio Pezulich; to the Committee on the Judiciary.

By Mr. DEROUNIAN:

H. R. 5751. A bill for the relief of George Sotirios Samothrakis; to the Committee on the Judiciary.

By Mr. DODD (by request):

H. R. 5752. A bill for the relief of Antonios N. Konstantakis; to the Committee on the Judiciary.

H. R. 5753. A bill for the relief of Edward Barnett; to the Committee on the Judiciary.

H. R. 5754. A bill for the relief of Olindo Balboni, Mrs. Gisella Balboni, and Piero Balboni; to the Committee on the Judiciary.

By Mr. DORN of New York:

H. R. 5755. A bill for the relief of Edward C. Kempf; to the Committee on the Judiciary.

By Mr. FINE:

H. R. 5756. A bill for the relief of Androniki Drakoules Gregoriou; to the Committee on the Judiciary.

H. R. 5757. A bill for the relief of Francesco Reda; to the Committee on the Judiciary.

By Mr. HOLIFIELD:

H. R. 5758. A bill for the relief of Rodolfo Loera Chavez; to the Committee on the Judiciary.

By Mr. HOLT (by request):

H. R. 5759. A bill for the relief of Edward A. Cornez, also known as Edward Abbey Kornitz; to the Committee on the Judiciary.

By Mr. HOLTZMAN:

H. R. 5760. A bill for the relief of Nicholas Partheniades; his wife, Catherine; and their son, Constantine; to the Committee on the Judiciary.

By Mr. HYDE:

H. R. 5761. A bill for the relief of Edith Rickert Willson; to the Committee on the Judiciary.

By Mr. JAVITS:

H. R. 5762. A bill for the relief of Suren Pelenghian; to the Committee on the Judiciary.

By Mr. McCORMACK:

H. R. 5763. A bill for the relief of Milutan Lesa; to the Committee on the Judiciary.

By Mr. McMILLAN:

H. R. 5764. A bill for the relief of Chandler H. Lapsley; to the Committee on the Judiciary.

By Mr. REED of Illinois:

H. R. 5765. A bill for the relief of Henry C. Bush and other foreign service officers; to the Committee on the Judiciary.

By Mr. ROONEY:

H. R. 5766. A bill for the relief of Zoltan Schwartz; to the Committee on the Judiciary.

By Mr. ROOSEVELT:

H. R. 5767. A bill for the relief of Aron Gensel; to the Committee on the Judiciary.

H. R. 5768. A bill for the relief of Joseph Galton; to the Committee on the Judiciary.

By Mr. SHELLEY:

H. R. 5769. A bill for the relief of Wong Lai (also known as Wong Lee); to the Committee on the Judiciary.

By Mr. TOLLEFSON:

H. R. 5770. A bill for the relief of Anthony Mario Zuclich; to the Committee on the Judiciary.

H. R. 5771. A bill for the relief of Krsevan Spanjol; to the Committee on the Judiciary.

H. R. 5772. A bill for the relief of Robert E. Leibbrand; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

326. By Mr. HART: Petition of the Board of Commissioners of the city of Union City, N. J., memorializing the Congress of the United States to exercise extreme care and judgment in adopting reductions in the appropriations for the Veterans' Administration in order to insure that service, facilities, and benefits accorded and to be accorded disabled veterans and readjustment benefits for veterans of the Korean conflict shall be continued unimpaired and expanded where urgent need exists; to the Committee on Appropriations.

327. Also, petition memorializing the Congress of the United States that the Hoboken Typographical Union No. 323 go on record as endorsing the Murray-Dingell-Rhodes bill and urge all Senators and Congressmen to vote for its passage; to the Committee on Education and Labor.

328. By Mr. HIESTAND: Petition of Rev. A. G. Crockett and 62 other citizens, of Pasadena, Calif., and other nearby communities, urging support of H. R. 1227 to ban advertising of alcoholic beverages over radio and television and interstate commerce; to the Committee on Interstate and Foreign Commerce.

329. By Mr. NORBLAD: Petition of Wesley J. Miller and 27 other citizens of Corvallis, Oreg., urging the enactment of H. R. 1227, to prohibit all liquor advertising through interstate commerce and over the radio and TV; to the Committee on Interstate and Foreign Commerce.

330. By the SPEAKER: Petition of California Baptist Brotherhood, Fresno, Calif., relative to a resolution passed by the California Baptist Brotherhood recommending and endorsing the establishment of prayer and meditation rooms for the Members of the Senate and House of Representatives of the United States; to the Committee on House Administration.

331. Also, petition of the president, Wyandotte County Bar Association, Kansas City, Kans., relative to endorsing the enactment of S. 1663, which would increase the salaries of Members of Congress, judges of the United States courts, and United States attorneys; to the Committee on the Judiciary.

332. Also, petition of Mrs. J. B. Harris and others, Miami, Fla., requesting passage of H. R. 2446 and H. R. 2447, social-security legislation known as the Townsend plan; to the Committee on Ways and Means.

333. Also, petition of Mrs. Sofia Peterson and others, Holly Hill, Fla., requesting passage of H. R. 2446 and H. R. 2447, social-security legislation known as the Townsend plan; to the Committee on Ways and Means.

334. Also, petition of Birmingham B'nai B'rith Women, Birmingham, Ala., urging the revision of the McCarran-Walter Act Public Law 414; to the Committee on the Judiciary.

335. Also, petition of the Chinese Embassy, Washington, D. C., relative to transmitting a statement of the Legislative Juan of the Republic of China, stating opposition to any attempt to modify the principle of voluntary repatriation; to the Committee on Foreign Affairs.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, Seventy-ninth Congress, title III, Regulation of Lobbying Act, section 308 (b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received for the first calendar quarter of 1953.

QUARTERLY REPORTS

The following quarterly reports were submitted for the first calendar quarter 1953:

(NOTE.—The form used for reports is reproduced below. In the interest of economy questions are not repeated, only the answers are printed and are indicated by their respective letter and number. Also for economy in the RECORD, lengthy answers are abridged.)

File two copies with the Secretary of the Senate and file three copies with the Clerk of the House of Representatives.
This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.
Place an "X" below the appropriate letter or figure in the box at the right of the "Report" heading below:
"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.
"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the next such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19------

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) In General: This "Report" form may be used by either an organization or an individual, as follows:
(i) "Employee".—To file as an "employee," state in Item "B" the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee.")
(ii) "Employer".—To file as an "employer," write "None" in answer to Item "B."
(b) Separate Reports.—An agent or employee should not attempt to combine his Report with the employer's Report.
(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.
(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING.—(1) State name, address, and nature of business; (2) if this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers; except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—Section 302 (e).
(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).
(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place ☐ an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed, in connection with legislative interests, set forth: (a) description, (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

4. *If* this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C 4" and fill out Items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

NOTE ON ITEM "D".—(a) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302 (a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution, under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $_____Dues and assessments
2. $_____Gifts of money or anything of value
3. $_____Printed or duplicated matter received as a gift
4. $_____Receipts from sale of printed or duplicated matter

5. $_____Received for services (e. g., salary, fee, etc.)
6. $_____TOTAL for this Quarter (Add items "1" through "5")

7. $_____Received during previous Quarters of calendar year
8. $_____TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302 (a).

9. $_____TOTAL now owed to others on account of loans
10. $_____Borrowed from others during this Quarter
11. $_____Repaid to others during this Quarter

12. $_____"Expense money" and Reimbursements received this Quarter

Contributors of $500 or more (from Jan. 1 through this Quarter)

13. Have there been such contributors? Please answer "yes" or "no": _____
14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor*
	(*"Period"* from Jan. 1 through _____, 19____)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N. Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE ON ITEM "E".—(a) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302 (b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (item "E 6") and travel, food, lodging, and entertainment (item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Expenditures (other than loans)

1. $_____Public relations and advertising services
2. $_____Wage, salaries, fees, commissions (other than item "1")
3. $_____Gifts or contributions made during Quarter
4. $_____Printed or duplicated matter, including distribution cost
5. $_____Office overhead (rent, supplies, utilities, etc.)
6. $_____Telephone and telegraph
7. $_____Travel, food, lodging, and entertainment
8. $_____All other expenditures

9. $_____TOTAL for this Quarter (add "1" through "8")
10. $_____Expended during previous Quarters of calendar year

11. $_____TOTAL from January 1 through this Quarter (add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302 (b).

12. $_____TOTAL now owed to person filing
13. $_____Lent to others during this Quarter
14. $_____Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following headings: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates*	*Name and Address of Recipient*	*Purpose*
$1,750.00	7-11:	Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.	Printing and mailing circulars on the "Marshblanks Bill."
$2,400.00	7-15, 8-15, 9-15:	Britten & Blatten, 3127 Gremlin Bldg., Washington, D. C.	Public relations service at $800.00 per month.
$4,150.00	TOTAL		

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A. J. Carson Adkerson, 976 National Press Building, Washington, D. C.
C. (2) Strategic minerals, including manganese.

A. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.
C. (2) Generally any legislation which will affect the aircraft industry.
D. (6) $4,466.07.
E. (2) $3,750; (7) $625.32; (8) $90.75; (9) $4,466.07; (11) $4,466.07.

A. W. L. Allen, 5913 Georgia Avenue NW., Washington, D. C.
B. The Commercial Telegraphers' Union, International (AFL), 5913 Georgia Avenue NW., Washington, D. C.
C. (See attached).[1]

A. Allied Wool Industry Committee, 327 North Van Ness, Fresno, Calif., and 414 Pacific National Life Building, Salt Lake City, Utah.
C. (2) H. R. 1427, parity protection amendment to the Agricultural Act of 1949.
D. (6) $9,591.05.
E. (2) $1,000; (3) $1,000; (7) $1,000; (9) $3,000; (11) $3,000; (15)[1]

A. W. R. Allstetter, the National Fertilizer Association, Inc., 616 Investment Building, Washington, D. C.
B. The National Fertilizer Association, Inc., 616 Investment Building, Washington, D. C.
C. (2) Any legislation that might affect the manufacture or distribution of fertilizer or the general agricultural economy.
D. (6) $50.

A. Thomas H. Alphin, M. D., 1523 L Street, NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
C. (2) All bills (Senate and House) relating to health and welfare.
D. (6) $1,900; (8) $1,900.
E. (7) $60.70; (9) $60.70; (11) $60.70

A. American Association of University Women, 1634 I Street NW., Washington, D. C.
C. (2) Federal aid to education; qualified equal-rights amendment; strengthening the United Nations; protection of consumer against inflation and unfair trade practices; improvement of status of women; development of constructive foreign policy; strengthening of existing penal laws for sale of narcotics to minors. Opposed S. J. Res. 1, March 10, 1953.
E. (2) $2,100; (4) $60; (9) $2,160; (11) $2,160.

A. American Cancer Society, 47 Beaver Street, New York.
C. (2) Appropriations for public health.
E. (1) $5,416.65; (7) $1,298.18; (9) $6,714.83; (11) $6,714.83.

A. American Citizens Committee for Economic Aid Abroad, 124 East 70th Street, New York, N. Y. To support mutual security program for 1953 (insofar as the technical aid and economic assistance section of the program are concerned.
C. (2) Bills appropriating funds for economic assistance and technical aid to foreign countries; for such statutes and bills.
D. (6) $25.00.
E. (2) $12; (9) $12; (11) $12.

[1] Not printed. Filed with Clerk and Secretary.

A. American Cotton Manufacturers Institute, Inc., 203-A Liberty Life Building, Charlotte, N. C.
C. (2) Legislation affecting the cotton textile industry, including tariffs, corporate taxes, price, and production controls.
D. (6) $3,138.16.
E. (2) $2,641.45; (5) $249; (6) $108.11; (7) $139.60; (9) $3,138.16; (11) $3,138.16; (15).[1]

A. American Dental Association, 222 East Superior Street, Chicago, Ill.
C. (2) Legislation involving the dental health of the public or the practice of dentistry.
D. (6) $6,447.53.
E. (2) $6,101; (7) $346.53; (9) $6,447.53; (11) $6,447.53; (15).[1]

A. American Farm Bureau Federation, General office, 221 North La Salle Street, Chicago, Ill.; Washington office, 261 Constitution Avenue NW., Washington, D. C.
C. (See schedule 2.)[1]
D. (6) $23,546.
E. (2) $14,542; (4) $2,166; (5) $1,922; (6) $563; (7) $355; (9) $19,548; (11) $19,548.

A. American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C.
C. (2) Legislation affecting the interests of working people. (3) American Federationist.
E. (1) $6,838.41; (2) $14,964.51; (4) $4,063.77; (5) $940; (9) $26,806.69; (11) $26,806.69; (15).[1]

A. American Federation of the Physically Handicapped, 1370 National Press Building, Washington, D. C.
C. (2) To establish the Federal Agency for Handicapped; tax exemptions for handicapped and for those who support handicapped who cannot care for themselves; Federal Agency for Handicapped bills.
D. (6) $12,079.70.
E. (2) $900; (4) $720; (6) $40; (7) $50; (9) $1,710; (11) $1,710.

A. American Hospital Association, 18 East Division Street, Chicago, Ill.
C. (2) All legislation which may affect the ability of hospitals to render good care or which may affect care for the American people.
D. (6) $13,123.20.
E. (2) $7,713.74; (4) $455.27; (5) $825.79; (6) $407.68; (7) $403.97; (8) $761.75; (9) $10,523.20; (11) $10,523.20.

A. American Hotel Association, a trade association, 221 West 57th Street, New York, N. Y.
C. (2) All bills and statutes of interest to the hotel industry.
D. (6) $123,967.59.
E. (See rider.)[1]

A. The American Humane Association, 135 Washington Avenue, Albany, N. Y., 1617 Rhode Island Avenue NW., Washington, D. C.
C. (2) To promote the enactment of legislation within the field of work of the Association and conforming to the standards of the same. To discourage legislation below such standards.
D. (6) $660.83.
E. (5) $3; (6) $46.14; (9) $49.14; (11) $49.14.

A. The American Legion, National Headquarters, 700 North Pennsylvania Street, Indianapolis, Ind.
C. (See statement attached).[1]

[1] Not printed. Filed with Clerk and Secretary.

D. (6) $57,638.96.
E. (2) $11,602.96; (4) $2,320.50; (5) $1,692.93; (6) $376.13; (7) $826.69; (9) $16,819.21; (11) $16,819.21.

A. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.
C. (2) All prospective and existing legislation which may affect the life-insurance business.
D. (6) $6,238.62.
E. (2) $4,700.56; (5) $1,138.01; (6) $100; (7) $300.05; (9) $6,238.62; (11) $6,238.62; (15).[1]

A. American Medical Association, a corporation, 535 North Dearborn Street, Chicago, Ill.
C. (2) The general legislative interest of the American Medical Association is to advance the science and art of medicine. The specific legislative interest of the American Medical Association at the present time is in the items referred to on pages 3 through 6 of this report.[1]
D. (6) $50,000.
E. (2) $29,689.61; (4) $134.48; (5) $7,204.21; (6) $955.68; (7) $1,642.41; (8) $5,291.88; (9) $44,918.30; (11) $44,918.30; (15).[1]

A. American National Cattlemen's Association, 515 Cooper Building, Denver, Colo.
C. (2) Support prices, standby controls, freeze order, reciprocal trade, buy American, reorganization of Department of Agriculture, public land legislation, etc.
D. (6) $54,488.92.
E. (2) $6,800; (6) $75.88; (7) $703.09; (8) $1,051.75; (9) $8,630.72; (11) $8,630.72.

A. American Nurses Association, Inc., 2 Park Avenue, New York, N. Y.
C. (2) H. R. 3850, Federal grants-in-aid to nursing education legislation in area of social-security support; income-tax deductions for household help; revision of National Labor Relations Act; bills relating to various health programs are under study. (See attached sheet.[1]
D. (6) $453,144.35.
E. (2) $1,400; (5) $267.92; (6) $72.47; (7) $834.24; (9) $2,574.63; (11) $2,574.63; (15).[1]

A. The American Optometric Association, Inc., care of Dr. Leo G. Miller, 420 Sharp Building, Lincoln, Nebr.
C. (2) S. 632, H. R. 3921, 116, 2980, 2224, 2332, 257, 1817.
D. (6) $366.
E. (2) $1,800; (4) $45.39; (6) $21.80; (7) $16.42; (8) $3.25; (9) $1,886.86; (11) $1,886.86; (15).[1]

A. American Osteopathic Association, 212 East Ohio Street, Chicago, Ill.
C. (2) Bills affecting the public health.
D. (6) $451.07.
E. (2) $375; (5) $69; (6) $7.07; (9) 451.07; (11) $451.07.

A. American Paper & Pulp Association, 122 East 42d Street, New York, N. Y.
C. (2) Legislative interests are those affecting the pulp and paper industry, its operations, practices, and properties.
D. (6) $230.
E. (2) $200; (6) $20; (7) $10; (9) $230; (11) $230.

A. American Parents Committee, 132 Third Street SE., Washington, D. C., and 52 Vanderbilt Avenue, New York, N. Y.
C. (2) Support of Federal aid for school construction. Support of legislation providing national school health services. Appropriations to establish program of education for children of migratory workers.

[1] Not printed. Filed with Clerk and Secretary.

Bills to safeguard health and welfare of children of migratory workers. Appropriations for the Children's Bureau. Appropriations for the national school-lunch program. Emergency maternal and infant care, S. 2337.
D. (6) $5,134.50.
E. (2) $1,072.07; (4) $183.01; (5) $186.52; (6) $38.04; (7) $56.27; (8) $421.02; (9) $1,956.93; (11) $1,956.93.

A. American Petroleum Institute, 50 West 50th Street, New York, N. Y.
C. (2) Legislation affecting the petroleum industry.
D. (6) $35,245.
E. (2) $5,906; (5) $3,100; (6) $289; (6a) $1,764; (9) $11,059; (11) $11,059; (15).[1]

A. American Pulpwood Association, 220 East 42d Street, New York, N. Y.
C. (2) Legislative interests are those affecting the pulpwood industry, its practices and properties.

A. American Retail Federation, 1625 I Street NW., Washington, D. C.
C. (See page 3.)[1]
D. (6) $42,037.19.
E. (2) $8,750; (4) $15.38; (5) $1,023.33; (6) $909.05; (7) $361.09; (9) $10,958.85; (11) $10,958.85 (see pp. 5 and 6).[1]

A. The American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
C. (2) See Legislative policies, attached;[1] (3) Legislative policies, 1953.
D. (6) $2,157.16.
E. (2) $525; (4) $257.04; (5) $316.20; (6) $52.15; (7) $890.27; (8) $116.50; (9) $2,157.16; (11) $2,157.16; (15).[1]

A. The American Tariff League, Inc., 19 West 44th Street, New York, N. Y.
D. (6) $17,550.
E. (2) $9,128; (4) $1,369.29; (5) $1,631.85; (6) $225.50; (7) $867.37; (8) $728.88; (9) $13,950.89; (11) $13,950.89.

A. America's Wage Earners' Protective Conference, 424 Bowen Building, Washington, D. C.
C. (2) H. R. 4294, trade agreements bill.
D. (6) $3,180.
E. (2) $3,582.51; (8) $26; (9) $3,608.51; (11) $3,608.51; (see page 4).[1]

A. Angelina & Neches River Railroad Co., Keltys, Tex., et al.[1]
C. (2) Generally legislation affecting Texas railroads.
E. (2) $4,374.99; (8) $750.20; (9) $5,125.19; (11) $5,125.19; (15).[1]

A. Richard H. Anthony, the American Tariff League, Inc., 19 West 44th Street, New York, N. Y.
D. (6) $3,125.
E. (7) $283.88; (9) $283.88; (11) $283.88.

A. John R. Arant, 1102 Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
C. (2) Measures affecting mining, such as income taxation, social security, public lands, stockpiling, monetary policy, etc.
D. (6) $900.
E. (7) $20.50; (9) $20.50; (11) $20.50.

A. Hector M. Aring, 826 Woodward Building, Washington, D. C.
B. Johns-Manville Corp., 22 East 40th Street, New York, N. Y.
C. (2) Tax legislation, housing legislation, tariff legislation.
D. (6) $1,250.
E. (8) $861.88; (9) $861.88; (11) $861.88.

[1] Not printed. Filed with Clerk and Secretary.

A. Arnold, Fortas, and Porter, 1229 19th Street NW., Washington, D. C.
B. ARO, Inc., Tullahoma, Tenn.
C. (2) The following rider to the Air Forces appropriation for research and development, defense appropriations bill, H. R. 7391: "Provided, that no part of such appropriation shall be used to make any payment to ARO, Inc., for the operation of the Arnold Engineering Development Center."

A. W. C. Arnold, 200 Colman Building, Seattle, Wash.
B. Alaska Salmon Industry, Inc., 200 Colman Building, Seattle, Wash.

A. ARO, Inc., Tullahoma, Tenn.
C. (2) The deletion of the proviso in H. R. 7391 which would prohibit payment of appropriated funds to ARO, Inc. (3) "In re ARO, Inc."
E. (4) $588.80; (7) $497.77; (9) $1,086.57; (11) $1,086.57; (15).[1]

A. Arthritis and Rheumatism Foundation, 23 West 45th Street, New York City.
C. (2) Appropriations for public health.
E. (1) $900; (7) $233.66; (9) $1,133.66; (11) $1,133.66.

A. The Associated General Contractors of America, Inc., Munsey Building, Washington, D. C.
C. (See statement attached.)[1]

A. Association of American Physicians and Surgeons, Inc., 360 North Michigan Avenue, Chicago, Ill.
C. (2) The association concerns itself with only proposed legislation affecting physicians and surgeons in the practice of their profession.
D. (6) $1,500.
E. (4) $1,500; (9) $1,500; (11) $1,500.

A. Association of American Railroads, 929 Transportation Building, Washington, D. C.
B. (See rider D-14 for list of full member roads, AAR.)[1]
C. (See rider.)[1]
D. (6) $56,822.29.
E. (2) $35,063.32; (3) $10,000; (5) $4,976.41; (6) $376.50; (7) $1,100.77; (8) $5,305.29; (9) $56,822.29; (11) $56,822.29; (15).[1]

A. Association of American Ship Owners, 90 Broad Street, New York, N. Y.
D and E.[1]

A. Association of Casualty and Surety Companies, 60 John Street, New York, N. Y.
B. (See attached list of member companies.)[1]
C. (2) Legislation affecting casualty and surety companies.
D. (6) $1,863.69.
E. (2) $1,403.06; (4) $65.56; (5) $102.64; (6) $33.86; (7) $78.64; (8) $179.93; (9) $1,863.69; (11) $1,863.69.

A. The Association of Western Railways, 474 Union Station Building, Chicago, Ill.
C. (2) All Federal legislative proposals which do or may affect the western railroads.

A. Edward Atkins, 51 East 42d Street, New York, N. Y.
B. National Association of Shoe Chain Stores, Inc., 51 East 42d Street, New York, N. Y.
C. (2) Legislation regarding labor laws and revenue act.
E. (2) $125; (11) $125.

[1] Not printed. Filed with Clerk and Secretary.

A. Awalt, Clark & Sparks, 822 Connecticut Avenue, Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
C. (2) (See appended statement, p. 4.)[1]
D. (6) $6,250.
E. (6) $40.88; (7) $223.20; (9) $264.08; (11) $264.08; (15).[1]

A. Charles E. Babcock, Route 4, Box 73, Vienna, Va.
B. National Council, Junior Order United American Mechanics of the United States of North America, 3025-3029 North Broad Street, Philadelphia, Pa.
C. (2) Control of immigration; improvement of free public schools; suppression of communism.
D. (6) $249.99.
E. (5) $70; (6) $1.50; (7) $11.34; (8) $1.50; (9) $84.34; (11) $84.34.

A. Frazer A. Bailey, 1809 G Street NW., Washington, D. C.
B. National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C.
C. (2)[1].
D. (6) $3,125.

A. John A. Baker.
B. Farmers Educational and Cooperative Union of America, 1555 Sherman Street, Denver, Colo. (home office); 1404 New York Avenue NW., Washington, D. C. (legislative office).
D. (6)[1].

A. H. M. Baldridge, 1001 Connecticut Avenue NW., Washington, D. C.
B. United States Cane Sugar Refiners Association, 1001 Connecticut Avenue NW., Washington, D. C.

A. George W. Ball, 224 Southern Building, Washington, D. C.
B. Employed by Cleary, Gottlieb, Friendly & Ball, a law firm of which a client is the Chambers of Commerce of Venezuela, care of Caracas Chamber of Commerce, Sur 2, No. 30, Altos, Caracas, Venezuela, whose interest is the promotion of domestic and foreign private interests and commercial interests of its members.
C. (2) General interest in obtaining information on and opposing any legislation designed to increase tariffs or impose quotas on imports of petroleum products.

A. George W. Ball, 224 Southern Building, Washington, D. C.
B. Employed by Cleary, Gottlieb, Friendly & Ball, a law firm of which a client is Comite Franc-Dollar, 31 Avenue Pierre Ier de Serbie, Paris 8e, France (a branch of the Conseil National du Patronat Francais, a French manufacturers' association), whose interest is the development of French exports.
C. (2) General interest in obtaining information on legislation affecting imports into the United States; tariffs, quotas, etc., and communicating such information individually to other interested persons in the United States.

A. Joseph H. Ball, 1713 K Street NW., Washington, D. C.
B. Association of American Ship Owners, 90 Broad Street, New York, N. Y.
C. (2) During the period for which this report is filed, the registrant did support, advocate or oppose S. 1148 (war risk insurance), and S. 1081 (controls) amendments to the Merchant Marine Act, 1936, and independent offices appropriations for fiscal 1953 and 1954 (rider limiting valuation of vessels in requisition and war risk insurance cases).

[1] Not printed. Filed with Clerk and Secretary.

UNIVERSITY OF MICHIGAN LIBRARIES

E. (See p. 3 attached hereto and made a part hereof).[1]

A. J. H. Ballew, Stahlman Building, Nashville, Tenn.
B. Southern States Industrial Council, Nashville, Tenn.
C. (2) Support of legislation favorable to free enterprise system, and opposition to legislation unfavorable to that system.
D. (5) $2,156.30.

A. Hartman Barber, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, 1015 Vine Street, Cincinnati, Ohio.
C. (2) Interested in all legislation affecting labor, especially railroad labor.
D. (6) $2,046.51.
E. (6) $137.02; (7) $313.60; (8) $287.50; (9) $738.12; (11) $738.12.

A. Robert C. Barnard, 224 Southern Building, Washington, D. C.
B. Employed by Cleary, Gottlieb, Friendly & Ball, a law firm of which a client is the Chambers of Commerce of Venezuela, care of Caracas Chamber of Commerce, Sur 2, No. 30, Altos, Caracas, Venezuela, whose interest is the promotion of domestic and foreign.
C. (2) General interest in obtaining information on and opposing any legislation designed to increase tariffs or impose quotas on imports of petroleum products.

A. Robert C. Barnard, 224 Southern Building, Washington, D. C.
B. Employed by Cleary, Gottlieb, Friendly & Ball, a law firm of which a client is Comite-Franc-Dollar, 31 Avenue Pierre Ier de Serbie, Paris 8e, France (a branch of the Conseil National du Patronat Francais, a French manufacturers' association), whose*
C. (2) General interest in obtaining information on legislation affecting imports into the United States; tariffs, quotas, etc., and communicating such information individually to other interested persons in the United States.

A. Arthur R. Barnett, 1200 18th Street, NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
C. (2) (See appended statement, p. 5.[1])
D. (6) $5,025.
E. (6) $37.99; (7) $384.60; (8) $43.09; (9) $465.68; (11) $465.68; (15) $19, 2-4-53, Fan & Bill's, Washington, D. C., restaurant; $20, 2-12-53, El Toro, Washington, D. C., restaurant.

A. Irvin L. Barney, room 412, Railway Labor Building, 10 Independence Avenue, Washington, D. C.
B. Brotherhood Railway Carmen of America, 4929 Main Street, Kansas City, Mo.
C. (2) All legislation of interest to railroad employees and labor in general.
D. (6) $2,125.

A. A. K. Barta, 810 18th Street NW., Washington, D. C.
B. The Proprietary Association, 810 18th Street, Washington, D. C.
C. (2) Bills affecting proprietary medicines industry.
E. (7) $125; (9) $125; (11) $125.

A. J. A. Beirne, CWA-CIO, 1808 Adams Mill Road NW., Washington, D. C.
B. Communications Workers of America-CIO, 1808 Adams Mill Road NW., Washington, D. C.

[1] Not printed. Filed with Clerk and Secretary.

C. (2) Legislative matters affecting the interests of the membership of the union.

A. Julia D. Bennett, Hotel Congressional, Washington, D. C.
B. American Library Association, 50 East Huron Street, Chicago, Ill.
C. (2).[1]
E. (2) $1,451.25; (3) $21; (4) $118.45; (5) $8.53; (7) $157.79; (8) $2.25; (9) $1,759.27; (11) $1,759.27; (15).[1]

A. Ernest H. Benson, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich.
C. (2) All legislation affecting railroad employees in particular and labor in general.
D. (6) $4,500.

A. Mrs. Louella Miller Berg., 1634 I Street NW., Washington, D. C.
B. American Association of University Women, 1634 I Street NW., Washington, D. C.
C. (2) Federal aid to education; qualified equal-rights amendment; strengthening the United Nations; protection of consumer against inflation and unfair trade practices; improvement of status of women; development of constructive foreign policy; strengthening of existing penal laws for sale of narcotics to minors. Opposed Senate Joint Resolution 1, March 10, 1953.
D. (6) $1,350.

A. Joe Betts, 261 Constitution Avenue NW., Washington, D. C.
B. American Farm Bureau Federation, 221 North La Salle Street, Chicago, Ill.
C. (2).[1]
D. (6) $318.75.
E. (7) $17.71; (9) $17.71; (11) $17.71.

A. Bigham, Englar, Jones & Houston, 99 John Street, New York, N. Y., and 932 Shoreham Building, Washington, D. C.
B. The American Institute of Marine Underwriters, the Association of Marine Underwriters of the United States, American Cargo War Risk Reinsurance Exchange, American Marine Hull Insurance Syndicate.
C. (2) General questions affecting the insurance of ships and their cargoes against marine risks; reparations; subrogation. Merchant Marine Act of 1936.
E. (5) $75.60; (9) $75.60; (11 $75.60.

A. John H. Bivins, 50 West 50th Street, New York, N. Y.
B. American Petroleum Institute, 50 West 50th Street, New York, N. Y.
C. (2) Legislation affecting the petroleum industry.

A. James C. Black, 1625 K Street NW., Washington, D. C.
B. Republic Steel Corp., Republic Building, Cleveland, Ohio.
D. (6) $600.
E. (7) $500; (9) $500; (1) $500.

A. Wm. Rhea Blake, 162 Madison Avenue, Memphis, Tenn.
B. National Cotton Council of America, Post Office Box 18, Memphis, Tenn.
C. (2) Legislation affecting the raw cotton industry.

A. Charles B. Blankenship, CWA-CIO, 1808 Adams Mill Road NW., Washington, D. C.
B. Communications Workers of America, CIO, 1808 Adams Mill Road NW., Washington, D. C.

[1] Not printed. Filed with Clerk and Secretary.

C. (2) Legislative matters affecting the interests of the membership of this union.
D. (6) $2,788.58.
E. (2) $1,999.96; (7) $206.90; (8) $581.70; (9) $2,788.58; (11) $2,788.58.

A. Chester F. Bletch, 1756 K Street NW., Washington, D. C.
B. Maryland and Virginia Milk Producers Association, Inc., 1756 K Street NW., Washington, D. C.

A. Blue Cross Commission, 425 North Michigan Avenue, Chicago, Ill.
C. (2) General interest in legislation for payroll deductions, war damage, economic controls, and hospital and health matters.
E. (2) $650; (8) $192.63; (9) $842.63; (11) $842.63.

A. Morton Bodfish, 221 North La Salle Street, Chicago, Ill.
B. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.
C. (2) Support all legislation favorable to thrift and home ownership and particularly helpful to savings and loan associations and cooperative banks in carrying out their thrift and home financing objectives and oppose legislation detrimental to home ownership and those institutions.
D. (6) $625.

A. John N. Bohannon, 75 Macon Avenue, Asheville, N. C., and 1028 Connecticut Avenue NW., Washington, D. C.
B. Consolidated Natural Gas Co., 30 Rockefeller Plaza, New York, N. Y.
C. (2) Legislation materially affecting business in general and particularly any changes in public policy concerning fuels—coal, oil, and natural gas, or action which affects supply, production, gathering, transportation, sales, or distribution of natural gas, and demand therefor. Specific legislative interests of above individual include: S. J. Res. 13, S. Res. 45, H. Res. 59; H. R. 1, H. R. 133, H. R. 134, H. R. 308, H. R. 321, H. R. 1282, H. R. 1601, H. R. 2120, H. R. 2238, H. R. 2679, H. R. 3707, H. R. 3764, H. R. 3769, H. R. 3892, H. R. 4198, H. R. 4291, H. R. 4311; S. 298, S. 525, S. 655–659, S. 1051, S. 1287, and all subsequently proposed amendments to the Natural Gas Act that may be offered or considered.
D. (6) $4,500.
E. (5) $448.57; (6) $318.50; (7) $1,132.70; (9) $1,899.77; (11) $1,899.77.

A. Sanford H. Bolz, 927 15th Street NW., Washington, D. C.
B. American Jewish Congress, 15 East 84th Street, New York, N. Y.
C. (2) To oppose anti-Semitism and racism in all its forms and to defend civil rights incident thereto.
D. (6) $125.
E. (7) 65 cents; (9) 65 cents; (11) 65 cents; (12) 65 cents.

A. Joseph L. Borda, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers.

A. R. B. Bowden, 608 Hibbs Building, Washington, D. C., and 100 Merchants Exchange, St. Louis, Mo.
B. Grain and Feed Dealers Association, 100 Merchants Exchange, St. Louis, Mo.
C. 2. Legislation affecting the grain and/or feed business.

A. Charles M. Boyer, 2517 Connecticut Avenue NW., Washington, D. C.
B. Reserve Officers Association of the United States, 2517 Connecticut Avenue NW., Washington, D. C.
C. (2) Legislation for development of a military policy for the United States which

will guarantee adequate national security; (3) the Reserve Officer.

A. D. H. Brackett, Post Office Box 622, Atlanta, Ga.

A. Joseph E. Brady, 2347 Vine Street, Cincinnati, Ohio.

B. International Union of United Brewery, Flour, Cereal, Soft Drink, and Distillery Workers of America, 2347 Vine Street, Cincinnati, Ohio.

C. (2) All legislation involving or in the direction of national prohibition, taxation of alcoholic beverages, etc. (3) The Brewery Worker.

A. Harry R. Brashear, 610 Shoreham Building, Washington, D. C.

B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.

C. (2) Any legislation affecting transportation matters in which members of the association are interested.

A. James M. Brewbaker, 918 16th Street NW., Washington, D. C.

B. National Association of Manufacturers.

A. Dawes E. Brisbine, 952 National Press Building, Washington, D. C.

B. National Highway Users Conference, Inc., 952 National Press Building, Washington, D. C.

C. (2) Federal grants-in-aid to States for highways, or repeal, modification, or extension of Federal excise taxes on motor vehicles, gasoline, oil, tires, or auto parts. Such "legislative interest" is primarily for analysis and reporting—(a) Revenue Act of 1951; (b) H. R. 4473 and the Senate version; (d) for modification of automotive excise-tax provisions.

A. W. S. Bromley, 220 East 42d Street, New York, N. Y.

B. American Pulpwood Association, 220 East 42d Street, New York, N. Y.

A. Milton E. Brooding, 215 Fremont Street, San Francisco, Calif.

B. California Packing Corp., 215 Fremont Street, San Francisco, Calif.

C. (2) Legislation related specifically to food processing and farming.

D. (6) $1,000.

E. (6) $75; (7) $450; (9) $525; (11) $525.

A. Brown, Lund & Fitzgerald, Washington Loan & Trust Building, Washington, D. C.

B. National Association of Electric Companies, Ring Building, 1200 18th Street NW., Washington, D. C.

C. (2) H. R. 2289, H. R. 4351, S. 689 (Niagara power); S. 753, S. 1081 (economic controls); S. 1108 (relocation of utility facilities); independent offices appropriation, 1954; Interior Department appropriation, 1954; House Resolution 15 (commercial and proprietary activities of Government); House Resolution 12 (commercial and proprietary activities of Government); S. 106, H. R. 992 (organization of the executive branch).

D. (6) $8,166.66.

E. (2) $7,491.66; (5) $375; (6) $2.88; (8) $35.75; (9) $7,905.29; (11) $7,905.29.

A. Paul W. Brown, department 731, Sears, Roebuck & Co., 925 South Homan Avenue, Chicago, Ill.

B. Sears, Roebuck & Co., 925 South Homan Avenue, Chicago, Ill.

C. (2) Postal legislation.

D. (6) $445.56.

E. (6) $1.65; (7) $336.45; (9) $338.10; (11) $338.10.

A. Russell B. Brown, 1110 Ring Building, Washington, D. C.

B. Independent Petroleum Association of America, 1110 Ring Building, Washington, D. C.

C. (2) Legislation that might affect the petroleum industry.

E. (8) $9.80; (9) $9.80; (11) $9.80.

A. Thad H. Brown, Jr., 1771 N Street NW., Washington, D. C.

B. National Association of Radio and Television Broadcasters, 1771 N Street NW., Washington, D. C.

C. (2) Registrant is interested in any legislation—local, State, or Federal—which relates to the television-broadcasting industry.

A. John M. Brumm, Committee for the Nation's Health, 2212 M Street NW., Washington, D. C.

B. Committee for the Nation's Health, 2212 M Street NW., Washington, D. C.

C. (2) Interested in all legislation regarding national health insurance and the following bills: H. R. 1817, S. 1052, S. 1153, H. R. 3582, H. R. 3586, H. R. 4128, S. 461, H. R. 3850, S. 994, H. R. 8, and H. R. 390.

E. (2) $2,374.98; (8) $10.89; (9) $2,385.87; (11) $2,385.87; (14) $10.89.

A. Henry M. Buckson, 405 Dorset Avenue, Chevy Chase, Md.

B. Florida Inland Navigation District, Citizens Bank Building, Bunnell, Fla.

C. (2) Potentially interested in all legislation affecting river and harbor works, flood control, and other water use and conservation, and related subjects.

D. (6) $1,350.

E. (6) $2.20; (8) $32.49; (9) $34.69; (11) $34.69.

A. Henry H. Buckman, 405 Dorset Avenue, Chevy Chase, Md.

B. The Vulcan Detinning Co., Sewaren, N. J.

A. George Bugbee, 18 East Division Street, Chicago, Ill.

B. American Hospital Assn., 18 East Division Street, Chicago, Ill.

D. (6) $1,562.51.

E. (7) $169.62; (9) $169.62; (11) $169.62.

A. George J. Burger, 250 West 57th Street, New York, N. Y. and 352 Washington Building, Washington, D. C.

B. Burger Tire Consultant Service, 250 West 57th Street, New York, N. Y., and National Federation of Independent Business, 352 Washington Building, Washington, D. C.

C. (2) Interested in rubber tires bill, basing point legislation, antitrust law legislation, quantity discount case, spare tire monopoly, all legislation affecting independent small business.

D. (5) $2,779.84.

A. Donald T. Burke, 1200 18th Street, Washington, D. C.

B. National Association of Electric Companies, 1200 18th Street, Washington, D. C.

D. (6) $1,875.

E. (7) $372.87; (8) $37.53; (9) $410.40; (11) $410.40.

A. Harold Burke, 115 Pearl Street, New York, N. Y.

B. United States Cane Sugar Refiners Association, 1001 Connecticut Avenue NW., Washington, D. C.

A. Burley & Dark Leaf Tobacco Export Association, Postoffice Box 860, Lexington, Ky.

D. (7) $2,635.50.

E. (2) $3,103.26; (5) $595.91; (6) $147.78; (7) $110.58; (9) $3,957.53; (11) $3,957.53.

A. Robert M. Burr, 155 East 44th Street, New York, N. Y.

B. National Electrical Manufacturers Association, 155 East 44th Street, New York, N. Y.

C. (2) Legislation regarding excise taxes on electric refrigerators, electric ranges, electric water heaters, domestic electric appliances, commercial electric cooking equipment, electric fans, and legislation affecting imports of products into the United States.

D. (6) $186.78.

A. Orrin A. Burrows, 1200 15th Street NW., Washington, D. C.

B. International Brotherhood of Electrical Workers, 1200 15th Street NW., Washington, D. C.

C. (2) All legislation dealing with the electrical workers in particular and labor in general, such as attempts by Congress to reduce annual and sick leave for Federal employees, and in support of unemployment insurance and severance pay and other liberal benefits for the workers.

D. (6) $2,874.99.

A. Eugene J. Butler, 1312 Massachusetts Avenue NW., Washington, D. C.

B. National Catholic Welfare Conference, 1312 Massachusetts Avenue NW., Washington, D. C.

C. (2) All legislation affecting religious, charitable, and educational institutions and organizations.

A. Carl Byoir and Associates, Inc., 10 East 40th Street, New York, N. Y.

B. Schenley Industries, Inc., 350 Fifth Avenue, New York, N. Y.

C. (2) Revenue Act of 1952. Internal Revenue Code.

E. (2) $175; (4) $55; (6) $10; (7) $35; (8) $115; (9) $390; (11) $390.

A. C. G. Caffrey, 1625 I Street NW., Washington, D. C.

B. American Cotton Manufacturers Institute, Inc., 203–A Liberty Life Building, Charlotte, N. C.

C. (2) Customs Simplification Act; H. R. 2577, Trade Agreements Extension Act; S. 91, Cotton Products Identification Act of 1953; Emergency Stabilization Act of 1953; S. 595, price support; H. R. 3470, controlling inflation; amending and extending Defense Production Act of 1950; S. 800, Export-Import Bank Act; H. R. 2949, Export Control Act of 1949; amending the National Labor Relations Act, as amended.

D. (6) $760.20.

E. (6) $3; (7) $10; (8) $30; (9) $43; (11) $43.

A. James A. Campbell, room 716, AFGE, 900 F Street NW., Washington, D. C.

B. American Federation of Government Employees, room 716, 900 F Street NW., Washington, D. C.

C. (2) All bills of interest to Federal Government employees and District of Columbia government employees.

D. (6) $2,692.27.

E. (7) $269.22; (9) $269.22; (11) $269.22.

A. Julian W. Caplan, National Retail Furniture Association, 1028 Connecticut Avenue NW., Washington, D. C.

B. National Retail Furniture Association, 666 Lake Shore Drive, Chicago, Ill.

C. (2) Legislation affecting retail distribution of home goods. Appearance on S. 753 and S. 1081, control authority.

D. (6) $500.

E. (7) $100; (9) $100; (11) $100.

UNIVERSITY OF MICHIGAN LIBRARIES

A. John L. Carey, 270 Madison Avenue, New York, N. Y.
B. American Institute of Accountants, 270 Madison Avenue, New York, N. Y.
C. (2) Legislation affecting certified public accountants.
D. (6) $82.50.
E. (7) $42.72; (9) $42.92; (11) $42.92.

A. T. C. Carroll, Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich.
C. (2) Legislation of interest to railroad employees.

A. Henderson H. Carson, George Washington Inn, Washington, D. C., and 600 First National Bank Building, Canton, Ohio.
B. East Ohio Gas Co., 1405 East Sixth Street, Cleveland, Ohio.
C. (2) All legislation of interest to natural gas industry.
D. (6) $3,441.74.
E. (1) $28; (4) $15.62; (5) $5.50; (6) $45.60; (7) $165.40, $135.22; (8) $46.40; (9) $441.74; (11) $441.74.

A. Albert E. Carter, attorney at law, 1026 16th Street NW., Washington, D. C.
B. Pacific Gas & Electric Co., 245 Market Street, San Francisco, Calif.
D. (6) $3,000.
E. (5) $634.86; (6) $49.80; (7) $190; (8) $178.20; (9) $1,052.86; (11) $1,052.86; (12) $1,052.86; (14) $1,267.07.

A. Clarence B. Carter, Post Office Box 798, New Haven, Conn.
B. Railroad Pension Conference, Post Office Box 798, New Haven, Conn.
C. (2) Enactment of H. R. 122 for 30-year retirement at half-pay based on 5 years of highest earnings, maximum annuity $200 per month. (3) Pension Conference Bulletin.
E. (6) $17.21; (7) $66; (9) $83.21; (11) $83.21.

A. D. E. Casey, American Taxpayers Association, Inc., 419 Munsey Building, Washington, D. C.
B. American Taxpayers Association, Inc., 419 Munsey Building, Washington, D. C.

A. Benjamin F. Castle, 1625 I Street NW., Washington, D. C.
B. Milk Industry Foundation, 1625 I Street NW., Washington, D. C.
C. (2) The foundation has a general legislative interest in statutes or bills which affect the interests of milk dealers. Its only specific legislative interest at present is the Defense Production Act of 1950, as amended, and any amendments thereto or extensions thereof which may affect the interests of milk dealers.

A. Larry Cates, Air Line Pilots Association, 1185 National Press Building, Washington, D. C.
B. C. N. Sayen, Air Line Pilots Association, 55th Street and Cicero Avenue, Chicago, Ill.
C. (2) Aviation legislation, Railway Labor Act.
D. (6) $3,883.14.

A. Central Arizona Project Association, 510 Goodrich Building, Phoenix, Ariz.
C. (2) S. 75, Bridge Canyon Act; and H. R. 1500 and H. R. 1501, Bridge Canyon Act (known more frequently as central Arizona project bill) or as it may be renumbered or reintroduced. (3) The Case for Water in Central Arizona; Work for Water; California's Stake in Arizona's Share of Colorado River; What the Central Arizona Project Means to You; Truth; Settling Up Time; Facts You Should Know Respecting the Central Arizona Project; National Tax Benefits From the Central Arizona Project.
D. (6) $1,000.
E. (2) $5,204.13; (4) $371.57; (5) $847.82; (6) $199.24; (7) $504.78; (8) $2,268.68; (9) $9,396.22; (11) $9,396.22.

A. Central Public Utility Corp., 1017 Olive Street, St. Louis, Mo.
C. (2) Legislative interests consist of advocating before appropriate Members and committees of the Congress and administrative agencies, amendment of the Internal Revenue Code to provide for the inclusion, in subsection 458 (d) (2), of the principle now set forth in subsection 441 (9) (2).

A. William E. Chace, 616 Investment Building, Washington, D. C.
B. The National Fertilizer Association, Inc., 616 Investment Building, Washington, D. C.
C. (2) Any legislation that might affect the manufacture or distribution of fertilizer or the general agricultural economy.
D. (6) $20.

A. Chamber of Commerce of the United States of America, 1615 H Street NW., Washington, D. C.
C. (2) (See attachment.) [1]
D. (6) $998,088.44. (See attachment D, p. 7.) [1]
E. (9) $33,615.91 (see attachment E, p. 8) [1]; (11) $33,615.91.

A. Walter Chamblin, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers.

A. The Chase National Bank of the City of New York, 18 Pine Street, New York, N. Y.

A. The Christian Amendment Movement, 804 Penn Avenue, Pittsburgh, Pa.
C. (2) Promoting a proposed Christian amendment to the Constitution of the United States. (3) The Christian Patriot.
D. (6) $3,292.39.
E. (1) $60; (2) $3,930.37; (4) $880.68; (5) $139.73; (6) $24.26; (7) $679.23; (8) $146.76; (9) $5,861.03; (11) $5,861.03.

A. Abiah A. Church, 1771 N Street NW., Washington, D. C.
B. National Association of Radio and Television Broadcasters, 1771 N Street NW., Washington, D. C.
C. (2) Legislation—local, State, Federal, or international—which affects the broadcasting industry.

A. Robert M. Clark, 525 Shoreham Building, Washington, D. C.
B. The Atchison, Topeka & Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill.
C. (2) Pending and prospective legislation affecting the interest of the railway company.
D. (6) $5,025.

A. Ann Thacher Clarke, 224 Southern Building, Washington, D. C.
B. Cleary, Gottlieb, Friendly & Ball, a law firm of which a client is the Chambers of Commerce of Venezuela, care of Caracas Chamber of Commerce, Sur 2, No. 30, Altos, Caracas, Venezuela.
C. (2) Any legislation designed to increase tariffs or impose quotas on imports of petroleum products.

A. Ann Thacher Clarke, 224 Southern Building, Washington, D. C.
B. Cleary, Gottlieb, Friendly & Ball, a law firm of which a client is Comite-Franc-Dollar, 31, Avenue Pierre Ier de Serbie, Paris 8e, France (a branch of the Conseil National du Patronat Francais).
C. (2) General interest in obtaining information on legislation affecting imports into the United States; tariffs, quotas, etc.

A. Clear Channel Broadcasting Service (CCBS), 532 Shoreham Building, Washington, D. C.
C. (2) CCBS is opposed to any proposed legislation (such as S. 491 and H. R. 4004, 81st Cong.) calling for the duplication of class I–A clear-channel frequencies or the limitation of the power of class I–A standard broadcast stations. CCBS opposes ratification of the so-called NARBA agreement signed November 15, 1950.
E. (7) $19.75; (9) $19.75; (11) $19.75; (See pp. 3–4).[1]

A. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.
B. Chambers of Commerce of Venezuela, care of Chamber of Commerce, Sur 2, No. 30, Altos, Caracas, Venezuela.
C. (2) Any legislation designed to increase tariffs or impose quotas on imports of petroleum products.
E. (2) $81.84; (4) $120.55; (6) $35.90; (7) $197.83; (8) $13.51; (9) $1,249.63; (11) $1,240.63.

A. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.
B. Comite Franc-Dollar, 31, Avenue Pierre Ier de Serbie, Paris 16e, France (a branch of the Conseil National du Patronat Francais, a French manufacturers' association (whose interest is the development of French exports to North America).
C. (2) Legislation affecting imports into the United States; tariffs, quotas, etc., and communicating such information individually to other interested persons in the United States.

A. Marcus Cohn, 1625 I Street NW., Cafritz Building, Washington, D. C.
B. The American Jewish Committee, 386 Fourth Avenue, New York, N. Y.
C. (2) Genocide, the President's civil-rights program, repeal of Public Law 414 (82d Cong.), Bricker resolution, Senate Resolutions 70 and 71), citizenship rights for aliens.
D. (6) $125.

A. C. Fred Coleman, Lewisville, Ark.
B. St. Louis Southwestern Railway Co. as assistant general claim agent with headquarters at Lewisville, Ark.
C. (2) S. 1461 known as time-lag bill.
D. (6) $233.50.
E. (7) $682.40; (9) $682.40; (11) $682.40.

A. Russell Coleman, 616 Investment Building, Washington, D. C.
B. The National Fertilizer Association, Inc., 616 Investment Building, Washington, D. C.
C. (2) Any legislation that might affect the manufacture or distribution of fertilizer or the general agricultural economy.
D. (6) $100.

A. Howard O. Colgan, Jr., 15 Broad Street, New York, N. Y.
B. New York Stock Exchange, 11 Wall Street, New York, N. Y.
C. (2) Proposed Federal tax legislation affecting the interests of the New York Stock Exchange and its members.
D. (6) $162.50.
E. (7) $8.64; (9) $8.64; (11) $8.64.

A. Colorado Associated Businessmen, Inc., 335 Symes Building, Denver, Colo.
C. (2) General legislative interests of the group is the taxing of competitive business

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on the same basis without regard to exemptions under section 101 of the present Internal Revenue Code.
D. (6) $70.
E. (2) $125; (8) $15; (9) $162.50; (11) $162.50.

A. The Colorado Railroad Legislative Committee, 615 C. A. Johnson Building, Denver, Colo.

A. Colorado River Association, 306 West Third Street, Los Angeles, Calif.
C. (See p. 3 attached.)[1]
E. (1) $1,286.81; (2) $9,811.76; (3) $32.23; (4) $478.10; (5) $2,247.83; (6) $826.81; (7) $5,861.38; (9) $20,544.92; (11) $20,544.92.

A. Committee on National Affairs, 100 East 50th Street, New York, N. Y.
E. (4) $8.60; (8) $3; (9) $11.60; (11) $11.60.

A. Committee for the Nation's Health, 2212 M Street NW., Washington, D. C. (See attachment.)[1]
C. (2) Interested in all legislation regarding national health insurance and the following bills: H. R. 1817, S. 1052, S. 1153, H. R. 3582, H. R. 3586, H. R. 4128, S. 461, H. R. 3850, S. 994, H. R. 8, and H. R. 390.
D. (6) $6,795.89.
E. (2) $7,873.64; (4) $1,210.66; (5) $1,587.44; (6) $149.41; (7) $264.21; (8) $185.40; (9) $11,270.76; (11) $11,270.76.

A. Committee on the Present Danger, 711 14th Street NW., Washington, D. C.
C. (2) Mutual security; military manpower.
D. (6) $7,876.37.
E. (2) $1,104.38; (5) $1,084.22; (6) $330.53; (7) $472.90; (8) $280.06; (9) $3,272.09; (11) $3,272.09.

A. Committee for Promotion of Tramp Shipping Under American Flag in Foreign Commerce, 80 Broad Street, New York, N. Y.
C. (2) The committee is interested in amending existing shipping legislation in order to extend operating and construction-differential subsidies to American-flag vessels engaged in so-called tramp trades. A bill to this effect has been introduced in the House as H. R. 5346.

A. Communications Workers of America-CIO, 1808 Adams Mill Road NW., Washington, D. C.
C. (2) Legislative matters affecting the interests of the membership of the union. (3) CWA News.
D. (6) $1,153,937.38.
E. (2) $3,874.98; (7) $307.75; (8) $701.55; (9) $4,884.28; (11) $4,884.28.

A. Arthur D. Condon, 1000 Vermont Avenue NW., Washington, D. C.
B. Trucking Industry National Defense Committee, Inc.

A. John C. Cone, 815 15th Street NW., Washington, D. C.
B. Pan American World Airways System, 815 15th Street NW., Washington, D. C.
C. (2) Aviation legislation that might have a bearing on the operation of Pan American World Airways System.

A. Conference of American Small Business Organizations, Inc., 407 South Dearborn Street, Chicago, Ill.
C. (2) For: H. R. 1 (taxes); S. 1 (construction amendments); House Joint Resolution 184 (commission); H. R. 4036 (commission); and similar bills. Against: H. R. 4000 (small business administration) in its present form.
D. (6) $20,625.
E. (1) $6,230; (2) $5,560.02; (4) $1,568.70; (5) $1,629.12; (6) $155.71; (7) $370; (8) $1,828.63; (9) $17,337.18; (11) $17,337.18.

A. Congress of Industrial Organizations, 718 Jackson Place NW., Washington, D. C.
C. (2) Support all legislation favorable to the national peace, security, democracy, prosperity, and general welfare; oppose legislation detrimental to these objectives. (3) Legis-Letter.
D. (6) $8,050.85.
E. (2) $1,995; (3) $3,500; (4) $592.34; (5) $660; (6) $950; (7) $36.54; (8) $316.97; (9) $8,050.85; (11) $8,050.85.

A. Julian D. Conover, Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
C. (2) Measures affecting mining, such as income taxation, social security, public lands, stockpiling, monetary policy, etc.
D. (5) $2,500.
E. (6) $30.30; (7) $60.45; (9) $90.75; (11) $90.75.

A. J. Milton Cooper, 505 Washington Building, Washington, D. C.
B. National Coal Association, Southern Building, 15th and H Streets NW., Washington, D. C.
C. (2) Legislative interests are general in character and those affecting the coal industry.
D. and E. (see attached).[1]

A. J. Milton Cooper, 505 Washington Building, Washington, D. C.
B. National Lime Association, 927 15th Street NW., Washington, D. C.
C. (2) Legislative interests are general in character and particularly those affecting the lime industry.
D. and E. (see attached).[1]

A. J. Milton Cooper, 505 Washington Building, Washington, D. C.
B. New York Stock Exchange, 11 Wall Street, New York, N. Y.
C. (2) Federal tax legislation affecting the interests of the New York Stock Exchange and its members.
D. and E. (see attached).[1]

A. Wilmer A. Cooper, 104 C Street NE., Washington, D. C.
B. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
C. (See p. 3 attached.)[1]
D. (6) $1,250.
E. (6) $1.85; (7) $144.82; (9) $146.67; (11) $146.67.

A. Cooperative Health Federation of America, 343 South Dearborn, Chicago, Ill.
C. (2) All types of legislation which will raise the health standards in the United States, particularly by the process of voluntary action on the part of citizens.
D. (6) $300.
E. (2) 194; (5) $9; (6) $14; (9) $217; (11) $217.

A. John T. Corbett, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Locomotive Engineers, B. of L. E. Building, Cleveland, Ohio.
C. (2) Legislation affecting labor and transportation.
D. (6) $3,741.
E. (5) $351.27; (6) $28.02; (9) $379.29; (11) $379.29.

A. Cordage Legislative Committee, 350 Madison Avenue, New York, N. Y.
D. (6) $150.
A. J. G. Corona, suite 101, 1405 G Street NW., Washington, D. C.
B. Western Union Telegraph Co., 60 Hudson Street, New York, N. Y.
C. (2) General legislative interests cover any legislative proposals affecting the interests of the telegraph company in addition to my administrative duties at the company's Capitol offices.
E. (7) $45; (9) $45; (11) $45.

A. Harold B. Corwin, 1616 I Street NW., Washington, D. C.
B. Retired Officers Association, Inc., 1616 I Street NW., Washington, D. C.
C. (2) Any and all legislation pertinent to the rights, benefits, privileges, and obligations of retired officers, male and female, Regular and Reserve, and their dependents and survivors, of whatever nature, dealing with personnel matters, pay and retirement benefits, and pensions, studying and analyzing bills, preparing statements for presentation to the cognizant committees, and principally the Committees on Armed Services, the Committees on Veterans' Affairs, and the committees dealing with various privileges, opportunities, and obligations of the personnel involved. (3) The Retired Officer.
D. (6) $400.

A. Council of State Chambers of Commerce, 1722 H Street NW., Washington, D. C.
C. (2) Federal taxation, Federal expenditures, social security, and labor relations.
D. (6) $21,910.
E. (1) $18,424.94; (4) $3,102.20; (5) $1,081.03; (6) $743.66; (7) $4,747.90; (8) $164.23; (9) $28,263.96; (11) $28,263.96.

A. W. W. Coxe, 108 North Jefferson Street, Roanoke, Va.
B. Norfolk & Western Railway Co., 108 North Jefferson Street, Roanoke, Va.

A. M. F. Crass, Jr., 246 Woodward Building, Washington, D. C.
B. Manufacturing Chemists' Association, Inc., 246 Woodward Building, Washington, D. C.
C. (2) Legislation affecting the chemical industry.
D. (6) $244.50.

A. Edward B. Crosland, 195 Broadway, New York, N. Y., and 725 13th Street NW., Washington, D. C.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N. Y.
C. (2) S. 1108, to amend Federal-Aid Highway Act; H. R. 5, H. R. 1034, H. R. 1271, H. R. 2524, excise taxes; H. R. 408, H. R. 477, H. R. 3552, bills relating to interception of telephone messages; H. R. 1524, National Park Service bill; S. 758 and S. 1081, price- and wage-control legislation; and bills relating to labor matters.
D. (6) $4,875.01.

A. Leo J. Crowley, Equitable Building, Denver, Colo.

A. Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C.
B. Estate of Arnold Adler, 1011 Commerce Building, Kansas City, Mo.
C. (2) Amendment of Technical Changes Act of 1949, as amended, with respect to grantors dying after January 1, 1951.
D. (6) $1,000.

A. Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C.
B. Estate of Margery Durant Green, 1 Atlantic Street, Stamford, Conn.
C. H. R. 607, a bill to amend section 8 of the act to amend certain provisions of the Internal Revenue Code (Public Law 378, 81st

[1] Not printed. Filed with Clerk and Secretary.

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Cong.) to permit persons under a disability to take advantage of same.
E. (7) $2; (9) $2; (11) $2.

A. Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C.
B. Estate of W. D. Johnson, deceased, 900 Walnut Street, Kansas City, Mo.
C. (2) H. R. 606, a bill to amend section 811 (d) of the Internal Revenue Code so as to limit its application in certain disability cases.
E. (6) $6.55; (7) $4.25; (9) $10.80; (11) $10.80.

A. John C. Cuneo, Post Office Box 1054, Modesto, Calif.
B. The Townsend Plan, Inc., 6875 Broadway Avenue, Cleveland, Ohio.
C. (2) The Townsend bills in Congress, H. R. 2446, H. R. 2447.
D. (6) $3,340.89.
E. (4) $1,263.71; (5) $617.91; (6) $127.42; (7) $87.52; (8) $123.33; (9) $2,219.89; (11) $2,219.89.

A. Ralph E. Curtiss, 944 Washington Building, Washington, D. C.
B. National Licensed Beverage Association, 420 Seventh Street, Racine, Wis.
C. (2) Any legislation affecting tavern and restaurant industry.
D. (6) $2,100.
E. (6) $14.81; (8) $1.72; (9) $16.53; (11) $16.53; (12) $22.91.

A. William L. Daley, 911 Investment Building, Washington, D. C.
B. Newspaper Publishers' Association, National Editorial Association, 222 North Michigan Avenue, Chicago, Ill.
C. (2) All legislation affecting press management, production, and other operational matters.
D. (6) $825.
E. (5) $53; (6) $43.83; (8) $55.75; (9) $152.58; (11) $152.58.

A. John A. Danaher, 50 State Street, Hartford, Conn., and 1625 K Street NW., Washington, D. C.
B. The Firestone Tire & Rubber Co., Akron, Ohio.
C. (2) Legislation affecting the manufacture, sale, and distribution of automobile tires.

A. John A. Danaher, 50 State Street, Hartford, Conn., and 1625 K Street NW., Washington, D. C.
B. The B. F. Goodrich Co., 500 South Main Street, Akron, Ohio.
C. (2) Legislation affecting the manufacture, sale, and distribution of automobile tires.

A. John A. Danaher, 50 State Street, Hartford, Conn., and 1625 K Street NW., Washington, D. C.
B. Revere Copper & Brass, Inc., 230 Park Avenue, New York City.
D. (6) $3,000.
E. (6) $53.61; (9) $53.61; (11) $53.61.

A. Sherlock Davis, 1117 Barr Building, 910 17th Street NW., Washington, D. C.
B. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.
C. (2) Anything which pertains to sugar or trade with Cuba. The Sugar Act of 1948 (Public Law 388, 80th Cong.) and 1951 amendments thereto (P. L. 140, 82d Cong.).

A. Robert N. Denham, 1025 Connecticut Avenue NW., Washington, D. C.
B. Continental Baking Co., 630 Fifth Avenue, New York City.
C. (2) Labor relations and general industrial regulatory legislation.
D. (6) $2,508.02.
E. (6) $8.02; (9) $8.02; (11) $8.02.

A. B. B. Derrick, 1756 K Street NW., Washington, D. C.
B. Maryland and Virginia Milk Producers Association, Inc., 1756 K Street NW., Washington, D. C.

A. R. T. DeVany, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers.

A. Disabled American Veterans, 1423 East McMillian Street, Cincinnati, Ohio.
C. (2) The DAV is interested in legislation affecting war veterans, their dependents, and survivors of deceased veterans.
E. (2) $5,066.60; (7) $51.10; (9) $5,117.70; (10) $5,117.70; (11) $5,117.70.

A. Disabled Emergency Officers of the World Wars, 1604 K Street NW., Washington, D. C.
C. (2) All legislation affecting disabled veterans and their dependents and survivors of deceased veterans.
E. (2) $2,750; (9) $2,750; (11) $2,750.

A. Walter L. Disbrow, 900 F Street NW., room 314, Washington, D. C.
B. Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., room 314, Washington, D. C.
C. (2) Retention and improvement of the Civil Service Retirement and United States Employees Compensation Acts.
D. (6) $1,244.03.
E. (7) $85.50; (9) $85.50; (11) $85.50.

A. Doctors for Freedom, Medical Arts Building, Houston, Tex.
C. (2) General legislative interests in the medical field. Specifically, Reorganization Plan No. 1 of 1953 was opposed.
D. (6) $266.26.
E. (4) $150.12; (8) $14.45; (9) $121.45; (11) $121.45.

A. Al Dodge, Keshena, Wis.
B. Menominee Tribe of Indians, Menominee Indian Agency, Keshena, Wis.
C. (2) Favor enactment of S. 1014 and H. R. 2828.

A. Homer Dodge, 1244 National Press Building, Washington, D. C.
B. Committee for Constitutional Government, Inc., 205 East 42d Street, New York City.
C. (2) Any proposed legislation or policies involving a constitutional question.
D. (6) $915.

A. Doherty, Rumble, Butler & Mitchell, E-1006 First National Bank Building, St. Paul, Minn.
B. Iron Ore Lessors Association, Inc., W-1481 First National Bank Building, St. Paul, Minn.
C. (2) Amendment of Internal Revenue Code. H. R. 604; H. R. 2691; in favor of the bills.
E. (6) $42.92; (7) $384.20; (9) $427.12; (11) $427.12.

A. W. J. Donald, 155 East 44th Street, New York, N. Y.
B. National Electrical Manufacturers Association, 155 East 44th Street, New York, N. Y.
C. (2) Legislation regarding excise taxes on electric refrigerators, electric ranges, electric water heaters, domestic electric appliances, commercial electric cooking equipment, electric fans, and legislation with respect to amendment of the Labor-Management Relations Act.

A. James L. Donnelly, 120 South LaSalle Street, Chicago, Ill.
B. Illinois Manufacturers Association, 120 South LaSalle Street, Chicago, Ill.
C. (2) All legislation of general interest to manufacturers. (3) Industrial Review.

A. Robert F. Donoghue, 657 Warner Building, Washington, D. C.
B. Pacific American Tankship Association, 25 California Street, San Francisco, Calif.
C. (2) Legislation affecting the merchant marine, particularly the tanker division thereof, including without limitation amendments relating to titles 14, 33, and 46 of the United States Code, Annotated, the Merchant Marine Act of 1936, Transportation Act of 1940, appropriations relating to agencies charged with the duty of administering laws affecting transportation, etc.
D. (6) $900.

A. J. Dewey Dorsett, 60 John Street, New York, N. Y.
B. Association of Casualty and Surety Companies, 60 John Street, New York, N. Y.
C. (2) Legislation affecting casualty and surety companies.
D. (6) $99.

A. C. L. Dorson, 900 F Street NW., room 314, Washington, D. C.
B. Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., room 314, Washington, D. C.
C. (2) Retention and improvement of the Civil Service Retirement and United States Employees' Compensation Acts.
D. (6) $1,162.25.
E. (7) $29; (9) $29; (11) $29.

A. John E. Dougherty, 211 Southern Building, 15th and H Streets NW., Washington, D. C.
B. The Pennsylvania Railroad Co., 1740 Suburban Station Building, Philadelphia, Pa.
C. (See attached statement).[1]

A. Robert E. Dougherty, 1319 18th Street NW., Washington, D. C.
B. National Lumber Manufacturers Association, 1319 18th Street NW., Washington, D. C.
C. (2) All legislation affecting the interest of the lumber manufacturing industry.
D. (6) $2,200.
E. (7) $122; (9) $122; (11) $122.

A. Mrs. Francis P. Douglas, 1026 17th Street NW., Washington, D. C.
B. League of Women Voters of the United States, 1026 17th Street NW., Washington, D. C.
C. (2) (See program attached).[1]
D. (6) $550.02.
E. (7) $19.75; (9) $19.75; (11) $19.75.

A. James W. Douthat, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers.

A. Payette B. Dow, attorney, Munsey Building, Washington, D. C.
B. Committee for Pipe Line Companies, Tulsa, Okla.
C. (2) Any legislation which if enacted would divorce pipelines that are subject to the Interstate Commerce Act from their existing owning companies.
D. and E. (See statement attached).[1]

A. M. J. Dowd.
B. Imperial Irrigation District, El Centro, Calif.

A. Adin M. Downer, Wire Building, 1000 Vermont Avenue NW., Washington, D. C.
B. Veterans of Foreign Wars of the United States.
C. (2) Legislation affecting all veterans and their dependents in relation to employ-

[1] Not printed. Filed with Clerk and Secretary.

ment, hospitalization, rehabilitation, pensions, disability compensation, and housing; welfare of servicemen of the Armed Forces and their dependents; matters relating to the national security, immigration and naturalization, the combating of subversive activities; and the furtherance of a sound foreign policy; other matters included in the resolutions adopted by the national encampment and the national council of administration. (3) Foreign Service.
D. (6) $1,625.
E. (7) $36.50; (9) $36.50; (11) $36.50.

A. Richard S. Doyle, 404 Transportation Building, Washington, D. C.
B. Fletcher Trust Co. and Jessie Reed Millis, executors of estate of Fred Millis, deceased, Indianapolis, Ind.
C. (2) Federal estate taxes. (a) Section 8111 (c), Internal Revenue Code, as amended. (b) H. R. 3783, introduced March 9, 1953. (c) 63d Statutes 895; 65th Statutes 567. (d) For amendment of section 811 (c), Internal Revenue Code.

A. W. A. Dozier, Jr., 17 Molton Street, Montgomery, Ala.
B. Medical Association of the State of Alabama, 537 Dexter Avenue, Montgomery, Ala.
C. (2) All health matters covered by legislative action. (3) (a) Postal Reserve Notes.
D. (6) $1,650.
E. (4) $225; (9) $225; (11) $225.

A. Robert M. Drysdale, Jr., Federation for Railway Progress, Railway Progress Building, Washington, D. C.
B. Federation for Railway Progress, Railway Progress Building, Washington, D. C.
C. (2) Transportation legislation: S. 281, S. 908, S. 1360.
D. (6) $1,000.
E. (2) $187.50; (4) $100; (5) $617.58; (6) $161.73; (7) $44.65; (9) $1,111.46; (11) $1,111.46.

A. Stephen M. DuBrul, 5–141 General Motors Building, Detroit, Mich.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.
C. (2) (See statement (5) of quarterly report dated April 11, 1949.)
D and E (See attached statement).[1]

A. Read Dunn, Jr., 1832 M Street NW., Washington, D. C.
B. National Cotton Council of America, P. O. Box 18, Memphis, Tenn.
C. (2) The National Cotton Council of America favors such action on any legislation affecting the raw cotton industry as will promote the purposes for which the council is organized.
D. (6) $217.50.
E. (7) $5.62; (9) $5.62; (11) $5.62.

A. Wm. M. Dunn, 1808 Adams Mill Road NW., Washington, D. C.
B. Communications Workers of America-CIO, 1808 Adams Mill Road NW., Washington, D. C.
C. (2) Legislative matters affecting the interests of the membership of the union.

A. Henry I. Dworshak, 1102 Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
C. (2) Measures affecting mining, such as income taxation, social security, public lands, stockpiling, monetary policy, etc.
D. (6) $900.
E. (7) $7.25; (9) $7.25; (11) $7.25.

[1] Not printed. Filed with Clerk and Secretary.

A. Joseph L. Dwyer, 1625 K Street NW., Washington, D. C.
B. American Petroleum Institute, 50 West 50th Street, New York, N. Y.
C. (2) Legislation affecting the petroleum industry.
D. (6) $3,150.
E. (7) $628.94.

A. Eastern Meat Packers Association, Inc., Hotel Statler, New York, N. Y., and 740 11th Street NW., Washington, D. C.
C. (2) Matters affecting meat packers.
E. (2) $45.33; (4) 34 cents; (6) 44 cents; (7) $4.86; (9) $50.99; (11) $50.99; (15) (see attached).[1]

A. George S. Eaton, 907 Public Square Building, Cleveland, Ohio.
B. National Tool and Die Manufacturers Association, 907 Public Square Building, Cleveland, Ohio.
C. (2) Bills especially affecting the interests of contract tool and die shops which are small businesses.
D. (6) $100.

A. Joseph H. Ehlers, 1026 17th Street NW., Washington, D. C.
B. American Society of Civil Engineers, 33 West 39th Street, New York, N. Y.
C. (2) Legislative interests relative to matters affecting the engineering profession.
D. (5) $2,000.
E. (5) $13.50; (9) $13.50; (11) $13.50.

A. Bernard H. Ehrlich, 1367 Connecticut Avenue NW., Washington, D. C.
B. National Association and Council of Business Schools, 418 Homer Building, 13th and F Streets NW., Washington, D. C.
C. (2) Legislative interest on all bills relating to education and training of World War II veterans and Korean veterans.
D. (6) $1,050.
E. (6) $51.83; (8) $67.88; (9) $119.71; (11) $119.71.

A. Rev. D. Howard Elliott, 207 Darlington Road, Beaver Falls, Pa.
B. The Reformed Presbyterian Church of North America, 209 Ninth Street, Pittsburgh, Pa.
C. (2) We seek for the introduction of a bill into Congress calling for a constitutional amendment acknowledging divine authority.
E. (7) $165; (9) $165; (11) $165.

A. John Doyle Elliott, 305 Pennsylvania Avenue SE., Washington, D. C.
B. The Townsend Plan, Inc., 6875 Broadway Avenue, Cleveland, Ohio.
C. (2) Promotion to passage of H. R. 2446, 83d Congress, 1st session.
D. (6) $910.

A. Otis H. Ellis, 1001 Connecticut Avenue, Washington, D. C.
B. National Oil Jobbers Council, suite 708 Ferguson Building, Springfield, Ill.
C. (2) Legislation which might affect the business interests of independent oil jobbers.
D. (6) $4,500.

A. John H. Else, legislative counsel, 302 Ring Building, Washington, D. C.
B. National Retail Lumber Dealers Association, 302 Ring Building, Washington, D. C.
C. (2) Legislation affecting retail lumber dealers, including housing and price and wage controls.
D. (6) $3,050.
E. (7) $358.50; (9) $358.50; (11) $358.50.

[1] Not printed. Filed with Clerk and Secretary.

A. Law Offices of Northcutt Ely, 1200 Tower Building, Washington, D. C.
B. American Public Power Association, 1757 K Street NW., Washington, D. C.
C. (2) Legislation affecting public power projects generally.

A. Law Offices of Northcutt Ely, 1200 Tower Building, Washington, D. C.
B. Department of Water and Power of the City of Los Angeles, 207 South Broadway, Los Angeles, Calif.
C. (2) Conference and reports to clients on legislation affecting the city's rights in the Colorado River and related matters, and legislation affecting public power projects.
D. (6) $1,800.

A. Law Offices of Northcutt Ely, 1200 Tower Building, Washington, D. C.
B. East Bay Municipal Utility District, 512 16th Street, Oakland, Calif.
C. (2) Interior Department appropriations bill, 1954, and legislation affecting social security coverage for municipal employees.
D. (6) $2,173.82.
E. (4) $47.23; (6) $15.32; (8) $11.27; (9) $73.82; (11) $73.82.

A. Law Offices of Northcutt Ely, 1200 Tower Building, Washington, D. C.
B. Imperial Irrigation District, El Centro, Calif.
C. (2) Conferences and reports to clients on legislation affecting the district's rights in the Colorado River and related matters.
D. (6) $2,100.

A. Law Offices of Northcutt Ely, 1200 Tower Building, Washington, D. C.
B. Six Agency Committee and Colorado River Board of California, 315 South Broadway, Los Angeles, Calif.
C. (2) Legislation affecting California's interest in the Colorado River including S. 1438, Bridge Canyon bill, H. R. 4443, H. R. 4449, H. R. 4463, and S. 1555, Colorado River storage project, and legislation relating to reclamation and water resources policies.
D. (6) $6,673.51.
E. (6) $50.74; (7) $7.12; (8) $30.65; (9) $88.51; (11) $88.51.

A. Law Offices of Northcutt Ely, 1200 Tower Building, Washington, D. C.
B. Sun-Pacific, Inc., 520 Ash Street, San Diego, Calif.
C. (2) Conferences and reports to client on legislation affecting Sun-Pacific's interests; i. e., tuna tariff legislation (H. R. 5693) and related Federal Tariff Commission hearings.
D. (6) $4,500.
E. (6) $27.32; (8) $730.58; (9) $757.90; (11) $757.90.

A. Law Offices of Northcutt Ely, 1200 Tower Building, Washington, D. C.
B. Water Project Authority of the State of California, Sacramento, Calif.
C. (2) Interior Department Appropriations bill, 1954; H. R. 4213, Waterfowl Management, Central Valley project; and legislation affecting the Central Valley project and Federal reclamation and power policies generally.
D. (6) $2,400.95.
E. (7) $150.95; (9) $150.95; (11) $150.95.

A. Law Offices of Northcutt Ely, 1200 Tower Building, Washington, D. C.
B. Water Resources Board of the State of California, Sacramento, Calif.
C. (2) Army civil functions appropriations bill, 1954, and legislation affecting flood-control projects generally.

A. Emergency Committee of Small and Medium Size Magazine Publishers, room 301, 305 East 46th Street, New York, N. Y.
C. (2) Postal legislation.
D. (6) $3,777.70.
E. (2) $1,183.94; (4) $387.89; (6) $30.88; (7) $4.05; (8) $11; (9) $1,617.15; (11) $1,617.15 (see attached).[1]

A. K. Blyth Emmons, National Small Business Men's Association, Inc., 925 15th Street NW., Washington, D. C.
C. (2) All legislation pertaining to small business, either directly or indirectly. (3) Pulling Together.
D. (6) $2,325.
E. (7) $344.75; (9) $344.75; (11) $344.75; (14) $344.75.

A. Walter M. Evans, 512 Travelers Building, Richmond, Va.
B. Virginia Associated Businessmen, 512 Travelers Building, Richmond, Va.
C. (2) H. R. 1559 and similar tax equality legislation.
D.[1]
E. (6) $39.17; (7) $72.84; (10) $142.01; (15).[1]

A. Herman Fakler, National Press Building, Washington, D. C.
B. Millers' National Federation, 309 West Jackson Boulevard, Chicago, Ill.

A. Farmers Educational and Cooperative Union of America, 1555 Sherman Street, Denver, Colo. (home office); 1404 New York Avenue NW., Washington, D. C.
C. (2) Legislative interests, all matters affecting the interests of farmers.
D and E (see attached statement).[1]

A. Charles J. Farrington, National Automobile Dealers Association, Washington, D. C.
B. National Automobile Dealers Association.
C. (2) All small-business legislation; tax revision; Federal aid to highways.
D. (6) $5,769.24.
E. (7) $1,479.60; (9) $1,479.60; (11) $1,479.60.

A. Joseph G. Feeney, 17 Battery Place, New York, N. Y.
B. National St. Lawrence Project Conference, 843 Transportation Building, Washington, D. C.
C. (2) Any legislation with reference to the St. Lawrence Waterway and power project; opposed.
D. (6) $300.
E. (7) $245.50; (9) $245.50; (11) $245.50.

A. Abner N. Ferguson, 1100 Shoreham Building, Washington, D. C.
B. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.
C. (2) Legislation affecting savings and loan associations and general mortgage lending.
D. (6) $900.

A. John A. Ferguson, 918 16th Street NW., suite 501, Washington, D. C.
B. Independent Natural Gas Association of America, 918 16th Street NW., suite 501, Washington, D. C.
C. (2) Any legislation pertaining to natural gas.
D. (6) $3,750.

A. Estate of Karrie J. Ferguson, deceased, care of John A. Ferguson, Jr., executor, Post Office Box 5150, Terminal Annex, Denver, Colo.
C. (2) For amendment to section 811 (c) (1) (B), Internal Revenue Code, to prevent its application to trusts created prior to March 4, 1931, H. R. 3783 (Representative Simpson, Pennsylvania), introduced March 9, 1953.
E. (6) $22.35; (7) $240.03; (9) $262.38; (11) $262.38; (15).[1]

A. Irving Ferman, Century Building, 412 Fifth Street NW., Washington, D. C.
B. American Civil Liberties Union, 170 Fifth Avenue, New York, N. Y.
C. (2) H. R. 3575; S. J. Res. 1; H. R. 408, H. R. 477, S. 832; S. J. Res. 49; S. 655–659, S. 3, S. 10, S. 11, S. 16.
D. (6) $1,000.
E. (2) $207.04; (4) $32.85; (5) $149.16; (6) $90.24; (7) $71.30; (8) $32.17; (9) $582.76; (11) $582.76.

A. Josiah Ferris, 510 Union Trust Building, Washington, D. C.
B. United States Sugar Corp., Clewiston, Fla.; Wellsmere Sugar Producers Association, Fellsmere, Fla.; American Sugar Cane League, New Orleans, La.

A. Harold E. Fellows, 1771 N Street NW., Washington, D. C.
B. National Association of Radio and Television Broadcasters, 1771 N Street NW., Washington, D. C.
C. (2) General legislative interests: Those relating directly or indirectly to the radio and television broadcasting industry.

A. James Finucane, 1013 18th Street NW., Washington, D. C.
B. National Council for Prevention of War, 1013 18th Street, Washington, D. C.
C. (2) Bill affecting world peace, such as: Foreign economic assistance programs, military appropriations, universal military training and other manpower legislation, peace treaties, disarmament, immigration, and educational exchange.
D. (6) $1,225.
E. (7) $40.50; (9) $40.50; (11) $40.50.

A. Bernard M. Fitzgerald, Washington Loan & Trust Building, Washington, D. C.
B. National Association of Electric Companies, Ring Building, 1200 18th Street NW., Washington, D. C.
C. (2) Any legislation that might affect the members of the NAEC.
D. (6) $675.

A. Stephen Fitzgerald & Co., 502 Park Avenue, New York.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
C. (2) General legislative questions which affect the interests of the public and of electric light and power companies.
D. (6) $18,000.
E. (4) $612.34; (6) $234.86; (7) $2,395.24; (8) $290.20; (9) $3,532.64; (11) $3,532.64.

A. F. Stuart Fitzpatrick, Chamber of Commerce of the United States, Washington, D. C.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D. C.
C. (2) Rent control: Letter sent to Chairman WOLCOTT and members of the House Banking and Currency Committee on March 9, 1953, by Clarence R. Miles, manager, legislative department, advising that the Chamber of Commerce of the United States recommends that Rent Control Act be allowed to lapse on April 30, 1953.
D. (5) $675.

A. Roger Fleming, 261 Constitution Avenue NW., Washington, D. C.
B. American Farm Bureau Federation, 221 North La Salle Street, Chicago, Ill.
C. (2) (See attached.)[1]
D. (6) $1,277.78.

A. Donald G. Fletcher, 745 McKnight Building, Minneapolis, Minn.
B. Rust Prevention Association, 745 McKnight Building, Minneapolis, Minn.
C. (2) Legislation affecting funds for research on plant-disease control and crop improvement.
D. (6) $2,025.
E. (2) $331.27; (5) $140.68; (6) $45; (7) $155.83; (9) $672.78; (10) $672.78.

A. Fletcher Trust Co. and Jessie Reed Millis, executors, estate of Fred Millis, deceased, Indianapolis, Ind.
C. (2) Federal estate taxes: Section 811 (c), Internal Revenue Code, as amended; H. R. 3783, introduced March 9, 1953; 63 Stat. 895, 65 Stat. 567; for amendment of section 811 (c), Internal Revenue Code.

A. Florida Citrus Mutual, Lakeland, Fla.
C. (2) In any legislation that affects the citrus industry.
D. (6) $2,000.
E. (2) $1,133.33; (6) $20.49; (7) $78.52; (9) $1,232.34; (11) $1,232.34.

A. Florida Inland Navigation District, Citizens Bank Building, Bunnell, Fla.
C. (2) Potentially interested in all legislation affecting river and harbor works, flood control, and other water use and conservation and related subjects.
E. (2) $1,350; (8) $34.69; (9) $1,384.69; (10) $1,384.69; (15).[1]

A. Florida Railroad Association, 404 Midyette-Moor Building, Tallahasee, Fla.
B. (See B attached.)[1]
C. (2) Proposed legislation of interest to members of Florida Railroad Association set forth under B.
D. (6) $2,424.56.
E. (2) $1,320; (9) $1,320; (11) $1,320.

A. E. F. Forbes, 604 Mission Street, Suite 1002–3 San Francisco, Calif.
B. Western States Meat Packers Association, Inc., 604 Mission Street, suite 1002–3, San Francisco, Calif.
C. (2) Interested in legislation affecting livestock and meat packing industry.
D. (6) $5,416.70.

A. Mrs. J. A. Ford, 305 Pennsylvania Avenue SE., Washington, D. C.
B. Townsend Plan Inc., 6875 Broadway, Cleveland, Ohio.
C.[1]

A. Forest Farmers Association Cooperative, box 692, Valdosta, Ga.
C. (2) Agricultural appropriations bill for 1954 (forestry items). S. 1348, to amend the Bankhead-Jones Farmer Tenant Act so as to improve credit services available to farmers seeking to adopt certain conservation measures. (3) The Forest Farmer.

A. J. Carter Fort, 929 Transportation Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.
C. (2) (See rider C–2).[1]
D. (6) $6,934.59.
E. (7) $149.19; (9) $149.19; (11) $149.19; (15).[1]

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[1] Not printed. Filed with Clerk and Secretary.

A. John Possum, Keshena, Wis.
B. Menominee Tribe of Indians, Menominee Indian Agency, Keshena, Wis.
C. (2) Favor enactment of S. 1014 and H. R. 2828.

A. Charles E. Foster, Disabled American Veterans, 1701 18th Street NW., Washington, D. C.
B. Disabled American Veterans, National Headquarters, 1423 East McMillan Street, Cincinnati, Ohio.
C. (2) Legislation affecting war veterans, their dependents, and survivors of deceased veterans.
D. (6) $2,160.

A. Robert Franklin, 327 North Van Ness, Fresno, Calif.
B. Allied Wool Industry Committee, 327 North Van Ness, Fresno, Calif., and 414 Pacific National Life Building, Salt Lake City, Utah.
C. (2) H. R. 1427, parity protection amendment to the Agricultural Act of 1949.
D. (6) $1,000.
E. (7) $1,000; (9) $1,000; (11) $1,000.

A. George H. Prates, 1163 National Press Building, Washington, D. C.
B. NARD.
C. (2) To oppose legislation detrimental to independent retail druggists and to further legislation favorable to the profession. Protection of the Robinson-Patman Act which means opposition to H. R. 3501, H. R. 635, S. 540. (3) NARD Journal.
D. (6) $2,800.
E. (2) $675; (5) $399; (6) $105; (9) $1,179; (10) $2,396; (11) $3,575.

A. Dr. John H. Frederick, 1001 Connecticut Avenue NW., Washington, D. C.
B. Transportation Association of America, 130 North Wells Street, Chicago, Ill.
C. (2) All legislation having anything to do with transportation including pending bills before the House and Senate.

A. Fred J. Fredrickson, 1215 16th Street NW., suite 7, Washington, D. C. (home address: 247 Third Street SW., Valley City, N. Dak.).
B. North Dakota Resources Board, 311 Broadway, Fargo, N. Dak.
C. (2) Legislation affecting the development and utilization of the land, water, mineral, and other natural resources of North Dakota, including authorizations and appropriations.

A. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
C. (See p. 3 attached.) [1]
D. (6) $15,610.57.
E. (2) $7,907.26; (3) $100; (4) $2,465.37; (5) $1,512.79; (6) $280.91; (7) $639.13; (8) $1,039.88; (9) $13,945.34; (11) $13,945.34; (12) $150; (14) $640; (15).[1]

A. George M. Fuller, 1319 18 Street NW., Washington, D. C.
B. National Lumber Manufacturers Association, 1319 18th Street NW., Washington, D. C.
C. (2) Any legislation inimical to the interests of the lumber industry, American industry and free enterprise.
D. (6) $4,299.98.
E. (7) $1,030.51; (9) $1,030.51; (11) $1,030.51.

A. Wallace H. Fulton, 1625 K Street NW., Washington, D. C.
B. National Association of Securities Dealers, Inc.
D. (6) $625.

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[1] Not printed. Filed with Clerk and Secretary.

A. M. J. Galvin, attorney, 207 Union Depot Building, St. Paul, Minn.
B. Minnesota railroads.[1]
C. (2) Interested in all matters affecting railroads, and particularly any matters relating to Railroad Retirement Act and proposed amendments; Interstate Commerce Act and proposed amendments; and Federal Employer's Liability Act and proposed amendments. Generally favor legislation favorable to railroads and oppose unfavorable legislation.
D. (6) $500.

A. Earl H. Gammons, 801 Warner Building, Washington, D. C.
B. Columbia Broadcasting System, Inc., 485 Madison Avenue, New York, N. Y.
C. (2) Legislation applicable to or affecting the radio and/or television industry.
E. (7) $65; (9) $65; (15) Recipients of expenditures of $10 or more. (See attached page 3.) [1]

A. Gardner, Morrison, and Rogers, 1126 Woodward Building, Washington, D. C.
B. The Lehigh Valley Railroad Co., 143 Liberty Street, New York, N. Y.; agency of Canadian Car & Foundry Co., Ltd., 30 Broad Street, New York, N. Y.; and other holders of awards of Mixed Claims Commission, United States and Germany, World War I.
C. (2) Legislation relating to World War I awards of the Mixed Claims Commission, United States and Germany, such as H. R. 6074, 81st Congress, H. R. 4702 and H. R. 5802, 82d Congress. (3) Memorandum in support of H. R. 6074, 81st Congress, dated March 1, 1950.
E. (6) $1.83; (7) $65.93; (9) $67.76; (11) $67.76.

A. Marion R. Garstang, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
C. (2) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk.
D. (6) $2,438.
E. (8) $0.50; (9) $0.50; (11) $0.50.

A. Francis J. Garvey, 222 East Superior Street, Chicago, Ill.
B. American Dental Association, 222 East Superior Street, Chicago, Ill.
D. (6) $3,000.
E. (7) $346.53; (9) $346.53; (11) $346.53; (15) (See attached).[1]

A. Gas Appliance Manufacturers Association, Inc., 60 East 42d Street, New York, N. Y.
C. (2) In general, legislation which concerns or affects members of the Gas Appliance Manufacturers Association, Inc.

A. Gus F. Geissler.
B. Farmers Educational and Cooperative Union of America (National Farmers Union), 1555 Sherman Street, Denver, Colo. (home office); 1404 New York Avenue NW., Washington, D. C. (legislative office).

A. General Electric Co., 570 Lexington Avenue, New York, N. Y.
E. (4) $6,235.18; (9) $6,235.18; (11) $6,235.18.

A. J. M. George, 165 Center Street, Winona, Minn.
B. The Inter-State Manufacturers Association, 163–165 Center Street, Winona, Minn.
C. (2) H. R. 2685, S. 586, Senate Resolution 49, S. 471; H. R. 999, and H. R. 3599.
D. (6) $1,500.

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[1] Not printed. Filed with Clerk and Secretary.

A. J. M. George, H. K. Brehmer, and C. S. McMahon, 165 Center Street, Winona, Minn.
B. National Association of Direct Selling Companies, 163–165 Center Street, Winona, Minn.
C. (2) H. R. 2685, S. 586, Senate Resolution 49, S. 471, H. R. 999, H. R. 3599.
D. (6) $3,000.

A. Leo E. George, 711 14th Street NW., Washington, D. C.
B. National Federation of Post Office Clerks, 711 14th Street NW., Washington, D. C.
C. (2) All legislation pertaining to the postal service and the welfare of postal and Federal employees.
D. (6) $3,000.

A. Ernest Giddings, 1201 16th Street NW., Washington, D. C.
B. Legislation-Federal relations division of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
C. (2) Bills pending before the 83d Congress relating to public education.
D. (6) $1,400.
E. (7) $54.92; (9) $54.92; (11) $54.92.

A. Leif Gilstad, 1001 Connecticut Avenue NW., Washington, D. C.
B. Transportation Association of America, 130 North Wells Street, Chicago, Ill.
C. (2) All legislation having anything to do with transportation.
D and E. (See report of T. A. A.)[1]

A. Hugh V. Gittinger, Jr., 312 Wire Building, 1000 Vermont Avenue NW., Washington, D. C.
B. Washington Real Estate Board, Inc., 312 Wire Building, 1000 Vermont Avenue NW., Washington, D. C.
C. (2) All measures affecting the District of Columbia.

A. Lawrence L. Gourley, 1757 K Street NW., suite 603, Washington, D. C.
B. American Osteopathic Association, 212 East Ohio Street, Chicago, Ill.
C. (2) Bills affecting the public health.
D. (6) $375.

A. Government Employees' Council, American Federation of Labor, 100 Indiana Avenue NW., room 509, Washington, D. C.
C. (2) All legislation that affects Government employees is of interest to this council.
D. (6) $3,999.02.
E. (2) $3,490.71; (4) $252.96; (5) $451.15; (6) $126.53; (8) $767.31; (9) $5,088.66; (11) $5,088.66; (15).[1]

A. Grand Lodge of the Brotherhood of Locomotive Firemen & Enginemen, 318–418 Keith Building, Cleveland, Ohio.
C. (2) To promote general interests of locomotive firemen and enginemen.
D. (6) $28,035.
E. (2) $3,754.41; (5) $485.63; (6) $93.74; (7) $749.78; (8) $36.45; (9) $5,120.01; (11) $5,120.01; (15).[1]

A. Cassius B. Gravitt, Jr., 1110 F Street NW., Washington, D. C.
B. National League of District Postmasters, 1110 F Street NW., Washington, D. C.
C. (2) Any legislation which affects the interests of postmasters. (3) The Postmasters' Advocate.
D. (6) $1,500.

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[1] Not printed. Filed with Clerk and Secretary.

UNIVERSITY OF MICHIGAN LIBRARIES

A. David G. Gray, Humble Oil & Refining Co., Houston, Tex.
B. Humble Oil & Refining Co., Post Office Box 2180, Houston, Tex.
C. (2) Legislation affecting business in general, which includes practically every important measure before Congress.
D. (5) $1,500.
E. (6) $94; (7) $3,039.10; (9) $3,123.10.

A. Ernest W. Greene, Hawaiian Sugar Planters' Association, 731 Investment Building, Washington, D. C.
B. Hawaiian Sugar Planters' Association, Post Office Box 2480, Honolulu, T. H.

A. Jerry N. Griffin, 544 Washington Building, Washington, D. C.
B. National Coal Association, 15th and H Streets NW., Washington, D. C.
C. (2) Any legislation which affects the coal industry.
D. (6) $1,200.

A. Weston B. Grimes, 436 Bowen Building, Washington, D. C.
B. Cargill, Inc., 200 Grain Exchange, Minneapolis, Minn.
C. (2) Agriculture and the processing and transportation of the products thereof; tax legislation; legislation pertaining to imports and exports; H. R. 536, maintenance of 9-foot channel in the Minnesota River; S. 1064, CCC grain storage; S. 1369, CCC, surplus commodities, foreign disposal.
D. (6) $6,874.98.
E. (7) $9.50; (9) $9.50; (11) $9.50.

A. Mrs. Enid H. Griswold, 7501 Empire State Building, New York, N. Y.
B. National Economic Council, Inc., Empire State Building, New York, N. Y.
C. (2) Interests are in favoring any legislation that tends to support private enterprise and maintain American independence, and to oppose measures that work contrariwise.
D. (6) $300.
E. (7) $45.45; (9) $45.45; (11) $45.45.

A. John J. Gunther, 1341 Connecticut Avenue NW., Washington, D. C.
B. Americans for Democratic Action, 1341 Connecticut Avenue NW., Washington, D. C.
C. (2) All legislation covered by convention-adopted program of organization. (3) Column in monthly organization paper, ADA World.
D. (6) $1,350.
E. (7) $273.59; (9) $273.59; (11) $273.59.

A. Violet M. Gunther, 1341 Connecticut Avenue NW., Washington, D. C.
B. Americans for Democratic Action, 1241 Connecticut Avenue NW., Washington, D. C.
C. (2) All bills covered by convention-adopted program.
D. $1,470.
E. (7) $129.50; (9) $129.50; (11) $129.50.

A. Frank E. Haas, 280 Union Station Building, Chicago, Ill.
B. The Association of Western Railways, 474 Union Station Building, Chicago, Ill.
C. (2) Interested in any and all Federal legislative proposals which may or do affect western railroads.

A. Hugh F. Hall, 261 Constitution Avenue NW., Washington, D. C.
B. American Farm Bureau Federation, 221 North LaSalle Street, Chicago, Ill.
C. (2) Government credit policies; prohibition of trip leasing; agricultural appropriations; ACP payments; REA; taxation; appropriation, Agricultural Extension Service; Department of Agriculture reorganization; farm program; appropriations for defense.
D. (6) $950.
E. (7) $46.15; (9) $46.15; (11) $46.15.

A. Radford Hall, 515 Cooper Building, Denver, Colo.
B. American National Cattlemen's Association, 515 Cooper Building, Denver, Colo.
C. (2) Support prices, standby controls, freeze order, reciprocal trade, buy-American, reorganization of Department of Agriculture, public land legislation, etc.
D. (6) $2,400.
E. (6) $42.10; (7) $308.43; (8) $860.39; (9) $1,210.92; (11) $1,210.92.

A. E. C. Halbeck, 711 14th Street NW., Washington, D. C.
B. National Federation of Post Office Clerks, 711 14th Street NW., Washington, D. C.
C. (2) All legislation pertaining to the postal service and the welfare of postal and Federal employees. (3) Federation News Service Bulletin.
D. (6) $3,354.12.
E. (7) $300.49; (9) $300.49; (11) $300.49.

A. Harry G. Hamlet, 1616 I Street NW., Washington, D. C.
B. Retired Officers Association, 1616 I Street NW., Washington, D. C.
C. (2) Any and all legislation pertinent to the rights, benefits, privileges, and obligations of retired officers, male and female, regular and reserve, and their dependents and survivors, of whatever nature, dealing with personnel matters, pay and retirement benefits and pensions, studying and analyzing bills, preparing statements for presentation to the cognizant committees, and principally the Committees on Armed Services, the Committees on Veterans' Affairs, and the committees dealing with various privileges, opportunities and obligations of the personnel involved. (3) The Retired Officer.
D. (6) $750.

A. Joseph J. Hammer, 26 Broadway, New York, N. Y.
B. Socony-Vacuum Oil Co., Inc., 26 Broadway, New York, N. Y.
C. (2) Legislation of interest to the petroleum industry.
D. (6) $1,426.59.
E. (6) $18.20; (7) $283.39; (9) $301.59; (11) $301.59.

A. Ralph M. Hanneman, 1737 K Street NW., Washington, D. C.
B. National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill.
C. (2) Any legislation affecting the real-estate industry.
D. (6) $771.37.
E. (7) $1.10; (8) $4.27; (9) $5.37; (11) $5.37.

A. William A. Hanscom, 1700 I Street NW., Washington, D. C.
B. Oil Workers International Union, CIO, 1840 California Street, Denver, Colo.
C. (2) Support all legislation favorable to the national peace, security, democracy, prosperity, and general welfare—oppose legislation detrimental to these objectives.
D. (6) $2,055.
E. (7) $180; (9) $180; (11) $180.

A. Murray Hanson, 1625 K Street NW., Washington, D. C.
B. Investment Bankers Association of America, 1625 K Street NW., Washington, D. C., also 33 South Clark Street, Chicago.
C. (2) Tax and other legislation affecting the securities business.
D. (6) $600.
E. (2) $97.50; (5) $145.97; (6) $66.72; (7) $97.83; (9) $408.02; (11) $408.02.

A. Eugene Hardy, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers.

A. Ralph W. Hardy, 1771 N Street NW., Washington, D. C.
B. National Association of Radio and Television Broadcasters, 1771 N Street NW., Washington, D. C.
C. (2) Registrant is interested in any legislation—local, State, Federal, or international—which affects the broadcasting industry.

A. Robert E. Harper, 1001 15th Street NW., Washington, D. C.
B. National Business Publications, Inc., 1001 15th Street NW., Washington, D. C.
C. (2) That which affects postal rates of periodicals published by members of the above-named association.

A. Winder R. Harris, 441 Washington Building, Washington, D. C.
B. Shipbuilders Council of America, 21 West Street, New York, N. Y.
C. (2) Maritime matters.

A. Merwin K. Hart, 7501 Empire State Building, New York, N. Y.
B. National Economic Council, Inc., Empire State Building, New York, N. Y.
C. (2) Interests are in favoring any legislation that tends to support private enterprise and maintain American independence, and to oppose any measures that work contrariwise.
D. (6) $500.
E. (7) $174.19; $174.19; (11) $174.19; (15).[1]

A. Stephen H. Hart, 350 Equitable Building, Denver, Colo.
B. National Live Stock Tax Committee, 515 Cooper Building, Denver, Colo.
C. (2) Interested in general livestock tax matters, including specifically proposed amendments to the Internal Revenue Code concerning capital gains on sale of breeding livestock and deduction of soil conservation, brush control, and other ranching expenditures, and livestock accounting methods.

A. Dow W. Harter, 412–414 Washington Building, Washington, D. C.
B. The B. F. Goodrich Co., Akron, Ohio.
C. (2) Legislation authorizing the sale to private industry of facilities for the production of man-made rubber in the United States, also the repeal or reduction of present excise taxes on tires and tubes, and in certain other changes in our tax structure which would relieve burdens upon business and industry, and generally in all legislative proposals in Congress relating to tires and other manufactured rubber products.
D. (6) $2,125.

A. Paul M. Hawkins, 1625 I Street NW., Washington, D. C.
B. American Retail Federation, 1625 I Street NW., Washington, D. C.
C. (See p. 3.)[1]
D. (6) $3,375.
E. (7) $51; (9) $51; (11) $51.

A. Joseph H. Hays, 280 Union Station Building, Chicago, Ill.
B. The Association of Western Railways, 474 Union Station Building, Chicago, Ill.

A. John C. Hazen, suite 808, Sheraton Building, 711 14th Street NW., Washington, D. C.
B. National Retail Dry Goods Association, 100 West 31st Street, New York, N. Y.
C. (2) Senate Resolution 36, S. 1081, S. 753, House Resolution 1, H. R. 3851, H. R. 4159, H. R. 1533.
E. (7) $108.45; (8) $1.25; (9) $109.70; (11) $109.70.

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[1] Not printed. Filed with Clerk and Secretary.

A. Felix Hebert,[3] 602 Turks Head Building, Providence, R. I.
B. Associated Factory Mutual Fire Insurance Cos., 1500 Turks Head Building, Providence, R. I.
C. (2) Amendment to Internal Revenue Code, section 207.
E. (7) $256.39; (8) $6.75; (9) $263.14; (11) $263.14.

A. K. W. Heberton, room 101, 1405 G Street NW., Washington, D. C.
B. Western Union Telegraph Co., 60 Hudson Street, New York, N. Y.
C. (2) Legislative proposals affecting the interests of the telegraph company.
E. (7) $112.40; (9) $112.40; (11) $112.40.

A. George J. Hecht, 52 Vanderbilt Avenue, New York, N. Y., and 132 Third Street SE., Washington, D. C.
B. American Parents' Committee, 132 Third Street SE., Washington, D. C.
C. (2) Support of Federal aid for school construction. Support of legislative providing national school-health services. Appropriations to establish program of education for children of migratory workers. Bills to safeguard health and welfare of children of migratory workers. Appropriations for the Children's Bureau. Appropriations for the national school-lunch program. Emergency maternal and infant care, S. 2337.

A. C. B. Heinemann, 740 11th Street NW., Washington, D. C.
B. Eastern Meat Packers Association, Inc., Hotel Statler, New York, N. Y., and 740 11th Street NW., Washington, D. C.
C. (2) Matters affecting meat packers.
D. (6) $875.01.
E. (7) $242.94; (9) $242.94; (11) $242.94.

A. C. B. Heinemann, 740 11th St. NW., Washington, D. C.
B. The National Independent Meat Packers Association, 740 11th Street NW., Washington, D. C.
C. (2) Matters affecting meat packers.
D. (6) $1,608.06.
E. (7) $909.38; (9) $909.38; (11) $909.38.

A. Robert B. Heiney, 1133 20th Street NW., Washington, D. C.
B. National Canners Association, 1133 20th Street NW., Washington, D. C.
C. (2) Defense controls and all measures directly affecting the food-canning industry.
D. (6) $2,350.99.
E. (7) $85.10; (9) $85.10; (11) $85.10.

A. Joseph D. Henderson, 431 Balter Building, New Orleans, La.
B. American Association of Small Business, 431 Balter Building, New Orleans, La.
D. (6) $1,500.

A. Maurice G. Herndon, 1002 Washington Loan & Trust Building, Washington, D. C.
B. National Association of Insurance Agents, 96 Fulton Street, New York, N. Y., and 1002 Washington Loan & Trust Building, Washington, D. C.
C. (2) Any legislation which affects directly or indirectly the interests of local property agents.
D. (6) $126.94.
E. (7) $128.94; (9) $128.94; (11) 128.94.

A. Ewart A. Hester, 432 Shoreham Building, Washington, D. C.
B. Offices of Clinton M. Hester, 432 Shoreham Building, Washington, D. C.
C. (2) Legislation affecting the Brewing Industry.
D. (6) $2,500.

[3] Filed with the Secretary only.

A. M. P. Hicklin, Iowa Railway Committee, 507 Bankers Trust Building, Des Moines, Iowa.
B. Iowa Railway Committee,[1] 507 Bankers Trust Building, Des Moines, Iowa.

A. Ray C. Hinman, 26 Broadway, New York, N. Y.
B. Socony-Vacuum Oil Co., Inc., 26 Broadway, New York, N. Y.
C. (2) Legislation of interest to the petroleum industry.
D. (6) $1,250.

A. Mr. L. S. Hitchner, 528 Barr Building, 910 17th Street NW., Washington, D. C.
B. National Agricultural Chemicals Association, 528 Barr Building, 910 17th Street NW., Washington, D. C.
C. (2) I have an interest in the current investigation on the use of chemicals on foods being conducted by the select committee under Chairman JAMES J. DELANEY, Democrat, New York, as authorized by the passage of H. R. 323, Sabath resolution.

A. John L. Hoen, 1741 De Sales Street NW., Washington, D. C.
B. American-Hawaiian Steamship Co., 90 Broad Street, New York, N. Y., and Eastern Steamship Lines, Inc., 40 Central Street, Boston, Mass.
C. (2) Any legislation affecting the interest of the American Merchant Marine.
D. (6) $3,750.

A. Frank N. Hoffmann, 1001 Connecticut Avenue NW., Washington, D. C.
B. United Steelworkers of America, CIO, 1500 Commonwealth Building, Pittsburgh, Pa.
C. (2) Support all legislation favorable to the national peace, security, democracy, prosperity, and general welfare.
D. (6) $4,000.
E. (7) $3,200; (9) $3,200; (11) $3,200.

A. Robert L. Hogg, 230 North Michigan Avenue, Chicago, Ill.
B. American Life Convention, 230 North Michigan Avenue, Chicago, Ill. (See exhibit 1, attached to first quarter, 1950, report.)
C. (2) All prospective and existing legislation which may affect the life-insurance business.
D. (6) $2,916.67.
E. (6) 88 cents; (7) $299.17; (9) $300.05; (11) $300.05; (15).[1]

A. Charles W. Holman, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
C. (2) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk.
D. (6) $4,127.20.
E. (8) $2.20; (9) $2.20; (11) $2.20.

A. Home Rule Headquarters, 1608 20th Street NW., Washington, D. C.
C. (2) S. 999, District of Columbia Charter Act.
D. (6) $2,265.
E. (1) $795.96; (2) $868.44; (4) $312.11; (5) $350.93; (6) $138.65; (8) $362.67; (9) $2,828.76; (11) $2,828.76; (15).[1]

A. J. M. Hood, 2000 Massachusetts Avenue NW., Washington, D. C.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.

[1] Not printed. Filed with Clerk and Secretary.

C. (2) (See "legislative policies" attached to employer's report).
D. (6) $300.

A. Victor Hood, 4310 Queensbury Road, Riverdale, Md.
B. The Journeymen Barbers, Hairdressers, Cosmetologists, and Proprietors International Union of America, 12th and Delaware, Indianapolis, Ind.
C. (2) Interest in general legislation affecting labor, the National Defense Act, veterans' educational legislation, the District Barber Act, and any amendments thereto.
D. (6) $2,077.82.
E. (7) $727.82; (9) $727.82; (11) $727.82.

A. Housewives United, 2915 Foxhall Road NW., Washington, D. C.
C. (2) Interested in economic legislation affecting material welfare of family life.
D. (6) $69.36.
E. (7) $63.65; (9) $63.65; (11) $63.65.

A. S. H. Howard, 1414 Evergreen Avenue, Millvale, Pittsburgh, Pa.
B. Brotherhood of Railroad Signalmen of America, 503 Wellington Avenue, Chicago, Ill.
C. (2) H. R. 3999 and S. 281 and all other legislation of interest to railway employees and labor in general.
D. (6) $500.

A. Harold K. Howe, Suite C, 2480 16th Street NW., Washington, D. C.
B. American Institute of Laundering, Box 1187, Joliet, Ill.
C. (2) Legislation affecting the Laundry Industry and the members thereof.
D. (6) $2,649.99.
E. (2) $1,079; (7) $574.22; (9) $1,653.22; (11) $1,653.22.

A. Harold K. Howe, 205 Mills Building, Washington, D. C.
B. The Lawn Mower Institute, Inc., 205 Mills Building, Washington, D. C.
C. (2) All matters of interest to the lawn mower industry.
D. (6) $500.

A. Hudson, Creyke, Lipscomb & Gray, 400 Washington Building, Washington, D. C.
C. (2) To obtain relief for applicants for leases on submerged lands and for those persons whose activities led the Government to assert title to submerged lands.
D. (6) $1,000.
E. (6) $10.69; (9) $10.69; (11) $10.69.

A. William T. Huff, 806 Connecticut Avenue NW., Washington, D. C.
B. Trans-World Airlines, Inc., 10 Richards Road, Kansas City, Mo.
C. (2) Any legislation which might effect civil aviation.
D. (6) $2,350.
E. (7) $231.85.

A. C. E. Huntley, 2000 Massachusetts Avenue NW., Washington, D. C.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
C. (2) (See "legislative policy" attached to employer's return).
D. (6) $225.

A. William C. Hushing, 901 Massachusetts Avenue NW., Washington, D. C.
B. American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C.
C. (2) All bills affecting the welfare of the country generally, and specifically bills affecting workers.
D. (6) $2,616.
E. (6) $26.40; (7) $72.60; (8) $189; (9) $288; (11) $288.

A. Sam C. Hyatt, Hartville, Wyo.
B. American National Cattlemen's Association, 515 Cooper Building, Denver, Colo.
C. (2) Support prices, standby controls, freeze order, reciprocal trade, buy American, reorganization of Department of Agriculture, public land legislation, etc.

A. Illinois Railroad Association, room 1526, 33 South Clark Street, Chicago, Ill.
C. (2) Legislation affecting railroads.
E. (2) $825; (9) $825; (11) $825.

A. Independent Natural Gas Association of America, 918 16th Street NW., suite 501, Washington, D. C.
C. (2) Any legislation pertaining to natural gas.
D. (6) $49,072.16.
E. (2) $5,750; (5) $300; (9) $6,050; (11) $6,050.

A. Indiana State Medical Association, 1021 Hume Mansur Building, Indianapolis, Ind.
C. (2) All bills pending before Congress which would create national health insurance.

A. The Indiana Tax Equality Committee, Inc., Board of Trade Building, Indianapolis, Ind.
C. (2) Bills affecting equality of taxation—examples: revenue bills, the Mason bill (H. R. 1559) in the present Congress (for).
D. (6) $75.
E. (3) $51; (9) $51; (11) $51; (15).[1]

A. William Ingles, 1624 I Street NW., Washington, D. C.
B. Self-employed. Employee in sense of note (a) (1) above of list of employers attached hereto.[1]
C. (2) Legislation affecting industry.
D. (6) $8,656.
E. (2) $900; (5) $632.09; (6) $268.51; (7) $680.96; (8) $360; (9) $2,841.56; (11) $2,841.56.

A. Ingoldsby & Coles, 813 Washington Building, Washington, D. C.
B. Committee for the Promotion of Tramp Shipping (now incorporated under the name of American Tramp Shipowners' Association, Inc.), 80 Broad Street, New York, N. Y.
C. (2) The committee is interested in amending existing shipping legislation in order to extend operating and construction differential subsidies to American-flag vessels engaged in so-called tramp trades.
D. (6) $10,000.
E. (5) $272.58; (6) $72.63; (7) $103.46; (9) $448.67; (11) $448.67; (15).[1]

A. Kenneth W. Ingwalson, 261 Constitution Avenue NW., Washington, D. C.
B. American Farm Bureau Federation, 221 North La Salle Street, Chicago, Ill.
C. (2) Inflation control (Defense Production Act of 1950); Government credit policies; education; mutual security program; agricultural appropriations; ACP payments; REA: appropriation Agricultural Extension Service; Department of Agriculture reorganization; farm program.
D. (6) $1,125.
E. (7) $27.10; (9) $27.10; (11) $27.10.

A. International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers of America, 100 Indiana Avenue NW., Washington, D. C.
C. (3) General interest is in Federal and State legislation affecting the interest and welfare of the International Brotherhood of Teamsters of America, including its affiliate local unions and members.
D. (6) $3,750.
E. (2) $3,750; (9) $3,750; (11) $3,750.

A. The Inter-State Manufacturers Association, 163–165 Center Street, Winona, Minn.
C. (2) H. R. 2685; S. 586; H. R. 49; S. 471; H. R. 999; H. R. 3599.
D. (6) $3,000.
E. (4) $15.35; (9) $15.35; (11) $15.35.

A. Iron Ore Lessors Association, Inc., W–1481 First National Bank Building, St. Paul, Minn.
C. (2) Amendments of Internal Revenue Code: (b) H. R. 604, 2691; (d) in favor of bills. (3).[1]
D. (6) $59,562.37.
E. (2) $8,000; (4) $53.40; (5) $411.40; (6) $177.82; (7) $3,818.71; (9) $12,461.33; (11) $12,461.33; (15).[1]

A. Robert L. Irvin, 502 Jergins Trust Building, Long Beach, Calif.
B. Long Beach Harbor Commission, 1333 El Embarcadero, Long Beach, Calif.
C. (2) Tidelands legislation; supporting State ownership.
D. (6) $2,400.
E. (2) $540; (3) $20; (5) $715.29; (6) $82.43; (7) $765.11; (9) $2,122.83; (11) $2,122.83.

A. Mr. Boyd J. Jackson, Klamath Agency, Oreg.
B. Klamath Tribe of Indians, Klamath Agency, Oreg.
C. (2) Legislation relating to Indians; interested in enactment of S. 1033, S. 1034, S. 1035, S. 1036, S. 1037; H. R. 3402, H. R. 3403, H. R. 3404, H. R. 3405, and H. R. 3406.

A. Robert C. Jackson, 1625 I Street NW., Washington, D. C.
B. American Cotton Manufacturers Institute, Inc., 203–A Liberty Life Building, Charlotte, N. C.
C. (2) Customs Simplification Act; Trade Agreements Act; cotton products identification proposals; amending and extending Defense Production Act, 1950; S. 800, Export-Import Bank policies; amending and extending the National Labor Relations Act.
D. (6) $650.
E. (6) $9.60; (7) $89; (9) $96.60; (11) $96.60.

A. Seward H. Jacobi.
B. Wisconsin State Chamber of Commerce, 119 Monona Avenue, Madison, Wis.
C. (2) All legislation affecting business and industry.
(6) $2,750.

A. Japanese American Citizens League Anti-Discrimination Committee, Inc., 406 Beason Building, Salt Lake City, Utah.
C. (2) Legislation affecting persons of Japanese ancestry in the United States and Hawaii.
D. (6) $3,295.50.
E. (2) $600; (9) $600; (11) $600; (15).[1]

A. Robert G. Jeter, Dresden, Tenn.
B. H. C. Spinks Clay Co., Paris, Tenn.
C. (2) Interested in retaining our present percentage depletion allowance for Ball and Sagger Clays as shown in title 26, section 114, Internal Revenue Code.

A. William T. Jobe, 1706 L Street NW., Washington, D. C.
B. National Association of Ice Industries, 1706 L Street NW., Washington, D. C.
C. (2) General interest in matters affecting ice industry.

A. Peter Dierks Joers, Mountain Pine, Ark.
B. Dierks Lumber & Coal Co., 1006 Grand Avenue, Kansas City, Mo.
C. (2) Flood-Control Act of 1945—Millwood Dam. Legislation affecting lumber industry.

A. Johns-Manville Corp., 22 East 40th Street, New York, N. Y.
C. (2) Tax legislation, housing legislation, tariff legislation.
E. (2) $1,250; (8) $861.88; (9) $2,111.88; (11) $2,111.88.

A. Gilbert R. Johnson, 1208 Terminal Tower, Cleveland, Ohio.
B. Lake Carriers' Association, 305 Rockefeller Building, Cleveland, Ohio.
C. (2) Legislation relating to Great Lakes shipping.
D. (6) $2,916.

A. Vernon A. Johnson, 1000 Vermont Avenue NW., Washington, D. C.
B. Lockheed Aircraft Corp., Burbank, Calif.
C (2) All legislation affecting aviation.
D. (6) $4,320.
E. (7) $696.36; (9) $696.36; (11) $696.36.

A. W. D. Johnson, 10 Independence Avenue SW., Washington, D. C.
B. Order of Railway Conductors, O. R. C. Building, Cedar Rapids, Iowa.
C. (2) St. Lawrence seaway project and all legislation directly and indirectly affecting the interests of labor generally and employees of carriers under the Railway Labor Act, in particular.

A. Walter R. Johnson, 917 District National Building, 1406 G Street NW., Washington, D. C.
B. National Association of Attorneys General, 917 District National Building, 1406 G Street NW., Washington, D. C.
C. (2) To confirm and establish title in the States to lands beneath navigable waters within State boundaries. Senate Joint Resolution 13 and similar bills.
D. (6) $5,100.
E. (7) $243; (8) $20; (9) $263; (11) $263.

A. Lillian Cohen for Willard Johnson, general secretary, United States Committee for a United Nations Genocide Convention.

A. Bascom F. Jones, Tennessee Railroad Association, 930 Broadway, Nashville, Tenn.
B. Class I railroads operating in Tennessee.
C. (2) Legislative bills affecting the industry.
D. (See attached schedule.) [1]

A. Charles W. Jones, 1832 M Street NW., Washington, D. C.
B. National Cotton Council of America, Post Office Box 18, Memphis, Tenn.
C. (2) The National Cotton Council of America favors such action on any legislation affecting the raw cotton industry as will promote the purposes for which the council is organized.
D. (6) $450.
E. (7) $28.23; (9) $28.23; (11) $28.23.

A. Jones, Day, Cockley & Reavis, 1759 Union Commerce Building, Cleveland, Ohio, and 1135 Tower Building, Washington, D. C.
B. The M. A. Hanna Co., Leader Building, Cleveland, Ohio.

[1] Not printed. Filed with Clerk and Secretary.

[1] Not printed. Filed with Clerk and Secretary.

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C. (2) S. 589 and House Joint Resolution 104, to authorize the St. Lawrence seaway and power project.
D. (6) $15,725.
E. (6) $121.07; (7) $77.42; (9) $198.49; (11) $198.49; (15).[1]

A. J. M. Jones, 414 Pacific National Life Building, Salt Lake City, Utah.
B. National Wool Growers Association, 414 Pacific National Life Building, Salt Lake City, Utah.
C. (2) H. R. 4023, land bill; H. R. 1427, parity protection amendment to the Agricultural Act of 1949.
D. (6) $2,500.03.
E. (6) $85.52; (7) $809.67; (8) $434.61; (9) $1,329.80; (11) $1,329.80.

A. L. Dan Jones, 1110 Ring Building, Washington, D. C.
B. Independent Petroleum Association of America, 1110 Ring Building, Washington, D. C.
C. (2) Legislation that might affect the petroleum industry.
E. (8) $20.20; (9) $20.20; (10) $20.20.

A. Rowland Jones, Jr., 1625 I Street NW., Washington, D. C.
B. American Retail Federation, 1625 I Street NW., Washington, D. C.
C. (2) (See p. 3.)[1]
D. (6) $3,000.
E. (7) $308.09; (9) $308.09; (11) $308.09.

A. The Journeymen Barbers, Hairdressers, Cosmetologists, and Proprietors International Union of America, 12th and Delaware, Indianapolis, Ind.
C. (2) Interest in general legislation affecting labor, the National Defense Act, veterans' educational legislation, the District Barber Act, and any amendments thereto.

A. The Kansas Independent Businessmen's Association, 205 Orpheum Building, Wichita, Kans.
C. (2) Tax equality and other legislation affecting independent business.
E. (5) $196.74; (7) $76.75; (9) $273.49; (11) $273.49.

A. Thomas J. Keefe, 1319 F Street NW., Washington, D. C.
B. American Road Builders' Association, 1319 F Street NW., Washington, D. C.
C. (2) Legislation affecting the road-building industry.
D. (6) $2,750.
E. (6) $41.50; (7) $1,187.55; (8) $334.75; (9) $1,563.80; (11) $1,563.80.

A. Francis V. Keesling, Jr., 315 Montgomery Street, San Francisco, Calif.
B. City and County of San Francisco, City Hall, San Francisco, Calif.
C. (2) Legislation of interest to the city and county of San Francisco, including civil functions appropriations, civil defense, ship construction, payments in lieu of taxes, airports and aviation, merchant marine development, national defense appropriations, housing and urban development, taxation and Government controls, and veterans' educational benefits.
D. (6) $3,000.
E. (5) $1,075; (6) $562.73; (7) $2,787.78; (8) $87.38; (15).[1]

A. Miss Elizabeth A. Kendall, 5415 Connecticut Avenue, Washington, D. C.
C. (2) Any legislation related directly or indirectly to the development of the antarctic continent, such as that regarding geopolitical decisions, inventions, transportation, communcations, equipment, long-range planning, exploitation of natural resources, etc., in the interests of all United States taxpayers and world peace and prosperity.
E. (4) $5; (9) $5; (11) $5.

A. I. L. Kenen, 3636 16th Street NW., Washington, D. C.
B. American Zionist Council, 1737 H Street NW., Washington, D. C.
C. American aid to Israel and the Middle East.
D. (6) $3,36..
E. (1) $30; (4) $501.45; (6) $218.86; (7) $1,947.33; (9) $2,706.64; (11) $2,706.64; (15).[1]

A. Earle R. Kennedy, 162 Madison Avenue, Memphis, Tenn.
B. National Cotton Council of America, Post Office Box 18, Memphis, Tenn.
D. (6) $207.36.
E. (7) $243.92; (9) $243.82; (11) $243.82.

A. Mr. Harold L. Kennedy, 203 Commonwealth Building, Washington, D. C.
B. The Ohio Oil Co., Findlay, Ohio.
C. (2) Generally interested in all legislative matters that would affect the oil and gas industry.
D. (6) $500.
E. (2) $125; (5) $75; (6) $50; (7) $25; (8) $15; (9) $290; (11) $290.

A. Miles D. Kennedy, care of the American Legion, 1608 K Street NW., Washington, D. C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
C. (2) and (3) (See statement attached).[1]
D. (6) $3,100.
E. (7) $33; (9) $33; (11) $33.

A. Ronald M. Ketcham, 1757 K Street NW., Washington, D. C.
B. Los Angeles Chamber of Commerce, 1151 South Broadway, Los Angeles, Calif.
D. (5) $3,050.
E. (2) $3,050; (9) $3,050; (11) $3,050.

A. Omar B. Ketchum, Wire Building, 1000 Vermont Avenue NW., Washington, D. C.
B. Veterans of Foreign Wars of the United States.
C. (1) Legislative interests to continue indefinitely, because of yearly program. (2) Legislation affecting all veterans and their dependents in relation to employment, hospitalization, rehabilitation, pensions, disability compensation and housing; welfare of servicemen of the Armed Forces and their dependents; matters relating to the national security, immigration and naturalization, the combating of subversive activities; and the furtherance of a sound foreign policy. (3) VFW magazine; VFW Legislative Newsletter.
D. (6) $3,000.
E. (7) $247.85; (9) $247.85; (11) $247.85.

A. Jeff Kibre, 930 F Street NW., Washington, D. C.
B. International Longshoremen's & Warehousemen's Union, 150 Golden Gate Avenue, San Francisco, Calif., and National Union of Marine Cooks & Stewards, 86 Commercial Street, San Francisco, Calif.
C. (2) General interest in legislation affecting trade unions and their members and the maritime industry as well.
D. (6) $498.34.
E. (2) $303.33; (4) $24.08; (5) $117.71; (6) $92.30; (8) $32.94; (9) $571.26; (11) $571.26; (15).[1]

A. Clifton Kirkpatrick, 162 Madison Avenue, Memphis, Tenn.
B. National Cotton Council of America, post-office box 18, Memphis, Tenn.
C. (2) The National Cotton Council of America favors such action on any legislation affecting the raw cotton industry as will promote the purposes for which the council is organized.
D. (6) $330.
E. (7) $45.34; (9) $45.34; (11) $45.34.

A. C. W. Kitchen, 777 14th Street NW., Washington, D. C.
B. United Fresh Fruit & Vegetable Association, 777 14th Street NW., Washington, D. C.
C. (2) Interested in any legislation affecting the marketing and distribution of fresh fruits and vegetables, directly or indirectly.

A. Allan B. Kline, 221 North La Salle Street, Chicago, Ill.
B. American Farm Bureau Federation.
C. (2) Those matters affecting directly American agriculture.
D. (6) $1,250.

A. Robert E. Kline, Jr., 322 Munsey Building, Washington, D. C.
B. Palmer-Bee Co., Detroit, Mich.
C. (2) S. 477 and H. R. 2042.
E. (6) $4; (7) $4; (9) $8; (10) $85; (11) $93.

A. Burt L. Knowles, Munsey Building, Washington, D. C.
B. The Associated General Contractors of America, Inc., Munsey Building, Washington, D. C.

A. Robert A. Koch, 224 Southern Building, Washington, D. C.
B. Chambers of Commerce of Venezuela, care of Caracas Chamber of Commerce, Sur 2, No. 30, Altos, Caracas, Venezuela.
C. (2) Legislation designed to increase tariffs or impose quota on imports of petroleum products.

A. Robert A. Koch, 224 Southern Building, Washington, D. C.
B. Employed by Cleary, Gottlieb, Friendly & Ball, a law firm of which a client is Comite Franc Dollar, 31, Avenue Pierre Ier de Serbie, Paris 8e, France (a branch of the Conseil National du Patronat Francais).
C. (2) Legislation affecting imports into the United States; tariffs, quotas, etc.

A. Robert M. Koch, 619 F Street NW., Washington, D. C.
B. National Agricultural Limestone Institute, Inc., 619 F Street NW., Washington, D. C.
C. (2) All legislation which directly or indirectly affects the interests of agricultural limestone producers.
E. (7) $30.20; (9) $30.20; (11) $30.20.

A. John Kolanda, Room 413, Railway Labor Building, 10 Independence Avenue SW., Washington, D. C.
B. Railway Employees' Department, 220 South State Street, Chicago, Ill.
C. (2) All legislation of interest to railroad employees and labor in general.
D. (6) $2,700.

A. Alfred U. Krebs, 1809 G Street NW., Washington, D. C.
B. National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C.
C. (2) H. R. 66, S. 719, and H. R. 983.
D. (6) $500.

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[1] Not printed. Filed with Clerk and Secretary.

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A. Oscar R. Kreutz, 907 Ring Building, 18th and M Streets NW., Washington, D. C.
B. National Savings and Loan League, 907 Ring Building, 18th and M Streets NW., Washington, D. C.
C. (2) Support of bills to improve facilities of savings and loan associations for encouragement of thrift and home financing. Oppose legislation adverse to savings and loan associations. Opposing S. 975 and H. R. 1559. Supporting in the main H. R. 316. Supporting H. R. 1280.
D. (6) $2,500.

A. Lake Carriers' Association, Cleveland, Ohio.

A. James W. Lamberton, 224 Southern Building, Washington, D. C.
B. Chambers of Commerce of Venezuela, care of Caracas Chamber of Commerce, Sur 2, No. 30, Altos, Caracas, Venezuela.
C. (2) General interest in obtaining information on and opposing any legislation designed to increase tariffs or impose quotas on imports of petroleum products.

A. James W. Lamberton, 224 Southern Building, Washington, D. C.
B. Comite Franc Dollar, 31, Avenue Pierre 1er de Serbie, Paris 8e, France (a branch of the Conseil National du Patronat Francais).
C. (2) General interest in obtaining information on legislation affecting imports into the United States; tariffs, quotas, etc., and communicating such information individually to other interested persons in the United States.

A. Alfons Landa, 1000 Vermont Avenue NW., Washington, D. C.
B. Director of Trucking Industry National Defense Committee, Inc.

A. Fritz G. Lanham, 2737 Devonshire Place NW., Washington, D. C.
B. American Fair Trade Council, Inc., 1434 West 11th Avenue, Gary, Ind.
D. (6) $1,000.

A. Fritz G. Lanham, 2737 Devonshire Place NW., Washington, D. C.
B. National Patent Council, 1434 West 11th Avenue, Gary, Ind.
D. (6) $1,500.

A. Fritz G. Lanham, 2737 Devonshire Place NW., Washington, D. C.
B. State Tax Association, Post Office Box 2559, Houston, Tex.

A. Fritz G. Lanham, 2737 Devonshire Place NW., Washington, D. C.
B. Trinity Improvement Association, Inc., 1308 Commercial Standard Building, Fort Worth, Tex.
D. (6) $975.

A. La Roe, Brown & Winn, 743 Investment Building, Washington, D. C.
B. Eastern Meat Packers Association, Inc., Statler Hotel, New York, N. Y.
C. (2) Defense Production Act. Vesicular exanthema in hogs. Taft-Hartley law.
D. (6) $1,500.
E. (5) $2,678.19; (7) $263.58; (9) $2,941.77; (11) $2,941.77.

A. La Roe, Brown & Winn, 743 Investment Building, Washington, D. C.
B. The National Independent Meat Packers Association, 740 11th Street NW., Washington, D. C.
C. (2) Defense Production Act. Vesicular exanthema in hogs. Taft-Hartley law.
D. (6) $4,500.
E. (4) $9.51; (5) $2,678.19; (6) $42.50; (9) $2,730.20; (11) $2,730.20.

A. William V. Lavelle, 718 Jackson Place NW., Washington D. C.
B. Congress of Industrial Organizations, 718 Jackson Place NW., Washington, D. C., and United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.
C. (2) Support all legislation favorable to the national peace, security, democracy, prosperity, and general welfare; oppose legislation detrimental to these objectives.
D. (6) $2,625.
E. (7) $6.80; (9) $6.80.

A. John V. Lawrence, 1424 16th Street NW., Washington, D. C.
B. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $6,874.98.
E. (7) $6.90; (9) $6.80.

A. John G. Laylin, 701 Union Trust Building, Washington, D. C.
B. Kennecott Copper Corp., 161 East 42d Street, New York, N. Y.
C. (2) Legislative interests, mining, smelting, and refining, and to foreign or international investment, trade, or commerce.

A. Clarence F. Lea., 1001 Connecticut Avenue NW., Washington, D. C.
B. Transportation Association of America, 130 North Wells Street, Chicago, Ill.
C. (2) All legislation having anything to do with transportation.
D. and E.[1]

A. League of Women Voters of the United States, 1026 17th Street NW., Washington, D. C.
C. (2) (See program attached).[1] (3) The United States and underdeveloped countries, Report from the Hill No. 1, Report from the Hill No. 2, International Trade and International Economic Development, the National Voter.
D. (6) $3,505.73.
E. (2) $550.02; (4) $1,710.44; (6) $8.94; (9) $2,269.40; (11) $2,269.40.

A. Ivan Lebedeff, 8888 Appian Way, Hollywood, Calif.
B. National Economic Council, Inc., 7501 Empire State Building, New York, N. Y.
C. (Mr. Ivan Lebedeff, former employee, is now deceased. Please drop his name from registration).

A. Ivy Lee and T. J. Ross, 405 Lexington Avenue, New York, N. Y.
B. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.
C. (2) Legislation affecting the importation by the United States of sugar produced in Cuba. Sugar Act of 1948 and Public Law 140, 82d Congress, amending the Sugar Act of 1948. Trade Agreements Act. Tariff acts. (3) (See attached sheet).[1]
D. (6) $3,086.83.
E. (4) $1,367.02; (6) $51.96; (8) $167.85; (9) $1,586.83; (11) $1,586.83; (15).[1]

A. James R. Lee, 604 Albee Building, Washington, D. C.
B. Gas Appliance Manufacturers Association, 60 East 42d Street, New York, N. Y.
C. (2) In general, legislation which concerns or affects members of the Gas Appliance Manufacturers Association.

A. Legislative Committee of Office Equipment Manufacturers Institute (OEMI), 777 14th Street NW., Washington, D. C.

[1] Not printed. Filed with Clerk and Secretary.

A. Legislation-Federal Relations Division of the National Education Association of the United States (J. L. McCaskill, Director), 1201 16th Street NW., Washington, D. C.
C. (2) Bills pending before the 83d Congress relating to public education. (3) Legislative news.
E. (2) $1,625.63; (4) $1,326.49; (5) $116.52; (6) $45.08; (7) $259.04; (9) $3,372.76; (11) $3,372.76; (15).[1]

A. G. E. Leighty, Railway Labor Executives' Association, 10 Independence Avenue SW., Washington, D. C.
C. (2) All legislation of interest to railroad employees.

A. Mrs. Newton P. Leonard, 341 Sharon Street, Providence, R. I.
C. (2) The general legislative interests of the National Congress are concerned with measures which affect the welfare of children and youth in the field of education; social and economic well-being; child labor and environmental situations; Federal research agencies in education, health, juvenile protection and homemaking; world understanding and peace among nations. (3) National Parent-Teacher.

A. Wilbur R. Lester, 701 Union Trust Building, Washington, D. C.
B. Kennecott Copper Corp., 161 East 42d Street, New York, N. Y.
C. (2) Legislative interests, relating to mining, smelting and refining and to foreign or international investment, trade or commerce.
D. (6) (See p. 3).[1]

A. Arnold Levy, 829 Washington Building, Washington, D. C.
B. Anthracite Operators Wage Agreement Committee, 237 Old River Road, Wilkes Barre, Pa.
C. (c) All legislation affecting the anthracite industry.
D. (6) $4,521.75.
E. (6) $4.75; (7) $7; (8) $10; (9) $21.75; (11) $21.75.

A. George J. Lewis, Union Station Building, Lexington, Ky.
B. Kentucky Railroad Association, Union Station Building, Lexington, Ky.
C. (2) Legislation affecting the railroad industry.
D. (5) (Note p. 3).[1]

A. The Liaison Committee of the Mechanical Specialty Contracting Industries, 610 Ring Building, Washington, D. C.
C. (2) S. 848, H. R. 515, 1051, 1066, 1520, 1825.
D. (6) $7,533.71.
E. (2) $6,000; (4) $950; (7) $470.50; (8) $113.21; (9) $7,533.71; (11) $7,533.71; (15).[1]

A. Frederick J. Libby, 1013 Eighteenth Street NW., Washington, D. C.
B. National Council for Prevention of War, 1013 Eighteenth Street NW., Washington, D. C.
C. (2) Bills affecting world peace, such as: Mutual assistance program, appropriations and supplementary appropriations, particularly where they bear on military matters or on the government of occupied areas; manpower legislation, including universal military training and service, economic assistance (point 4), disarmament, expellees and

[1] Not printed. Filed with Clerk and Secretary.

displaced persons, educational exchange, and immigration legislation.
D. (6) $1,380.81.
E. (7) $155.82; (9) $155.82; (11) $155.82.

A. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y. (Washington address: 1000 Vermont Avenue).
C. (2) General: Legislation which might affect the welfare of policyholders and annuitants. Specific: (See p. 3).[1]
D. (6) $5,025.30.
E. (2) $3,478.78; (5) $1,410.38; (6) $106.82; (7) $29.32; (9) $5,025.30; (11) $5,025.30.

A. Life Insurance Policyholders Protective Assn., 116 Nassau Street, New York, N. Y.
C. (2) General education concerning the effect of inflation on the purchasing power of life insurance proceeds as it relates to Federal policies or measures which are deemed to be inflationary, or inflationary-retarding, in character. (3) (See attached).[1]
D. (6) $12,422.04.
E. (2) $2,871.38; (4) $1,427.53; (5) $822.26; (6) $122.27; (7) $3,011.30; (8) $479.42; (9) $8,734.16; (11) $8,734.16; (15).[1]

A. L. Blaine Liljenquist, 917 15th Street, Washington, D. C.
B. E. P. Forbes, Western States Meat Packers Association, Inc., 604 Mission Street, San Francisco, Calif.
C. (2) Legislation affecting the livestock and meat industry.
D. (6) $2,500.02.
E. (4) $23.69; (7) $135.06; (9) $158.75; (11) $158.95; (15).[1]

A. John W. Lindsey, 1625 K Street NW., Washington, D. C.
B. National Association of Securities Dealers, Inc.
D. (6) $375.

A. Leon Lipson, 224 Southern Building, Washington, D. C.
B. Chambers of Commerce of Venezuela, care of Caracas Chamber of Commerce, Sur 2, No. 30, Altos, Caracas, Venezuela.
C. (2) General interest in obtaining information on and opposing any legislation designed to increase tariffs or impose quotas on imports of petroleum products.

A. Leon Lipson, 224 Southern Building, Washington, D. C.
B. Comite Franc Dollar, 31 Avenue Pierre 1er de Serbie, Paris 8e, France (a branch of the Conseil National du Patronat Francais).
C. (2) General interest in obtaining information on legislation affecting imports into the United States; tariffs, quotas, etc.

A. Robert G. Litschert, 1200 18th Street, Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street, Washington, D. C.
C. (2) (See appended statement, p. 5).[1]
D. (6) $3,350.
E. (6) $17.10; (7) $506.22; (8) $88.10; (9) $611.42; (11) $611.42; (15).[1]

A. Norman M. Littell, 1422 F Street NW., Washington, D. C.
B. The Navaho Tribe of Indians residing in Arizona, Utah, New Mexico, and Colorado. (Address of superintendent, Window Rock, Ariz.)
C. (2) S. 108 and H. R. 433 re stock reduction on Navaho Reservation. S. 528 and H. R. 130 re helium on Navaho Reservation. S. 3013 re Colorado River storage project.
D. (6) $1,875.

A. Walter J. Little, 510 West Sixth Street, Los Angeles, Calif.
B. Major Steam Railroads of California.

[1] Not printed. Filed with Clerk and Secretary.

A. John M. Littlepage, 840 Investment Building, 15th and K Streets NW., Washington, D. C.
B. The American Tobacco Co., Inc., 111 Fifth Avenue, New York, N. Y.
C. (2) Any legislation affecting a company engaged in the manufacture and sale of tobacco products.

A. Gordon C. Locke, 643 Munsey Building, Washington, D. C.
B. Committee for Pipe Line Companies, 35 East Wacker Drive, Chicago, Ill.
C. (2) Legislation favorable to the pipeline industry.
D. (6) $5,000.

A. Charles E. Lofgren, 522 Rhode Island Avenue NE., Washington, D. C.
B. Fleet Reserve Association, 522 Rhode Island Avenue NE., Washington, D. C.
C. (2) Armed Forces personnel legislation. H. R. 1433, to prevent retroactive checkage. (For.)
D. (6) $1,716.

A. Benjamin H. Long, 2746 Penobscot Building, Detroit, Mich. Lawyer.
B. Blue Cross Commission, 425 North Michigan Avenue, Chicago, Ill.
C. (2) General interest in legislation for payroll deductions, war damage, economic controls, and hospital and health matters.
D. (6) $650.
E. (6) $15.01; (7) $181.95; (8) $19.40; (9) $216.36; (11) $216.36.

A. Lord, Day & Lord, 25 Broadway, New York, N. Y.; and 500 Wyatt Building, Washington, D. C.
B. Agency of Canadian Car and Foundry Co., Ltd., 30 Broadway, New York, N. Y.
C. (2) Legislation having relation to World War I claims.
D. (6) $2,814.88.

A. Otto Lowe, 820 Woodward Building, Washington, D. C.
B. National Canners Association, 1133 20th Street, Washington, D. C.
C. (2) Legislation affecting canning of food products.
D. (6) $1,500.
E. (7) $500; (9) $500; (11) $500.

A. Mrs. Frances B. Lucas, 1776 D Street NW., Washington, D. C.
B. National Defense Committee, National Society, Daughters of the American Revolution, 1776 D Street NW., Washington, D. C.
C. (2) In general, all legislation concerning defense and freedom; all bills relating to socialized medicine. (3) Press Digest and DAR magazine.
D. (6) $100.
E. (6) $7.40; (7) $6.50; (9) $13.90.

A. James C. Lucas, 1625 I Street NW., Washington, D. C.
B. American Retail Federation, 1625 I Street NW., Washington, D. C.
C. (See p. 3).[1]
D. (6) $750.

A. Lucas and Thomas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Acacia Mutual Life Insurance Co., Washington, D. C.
C. (2) Interested in aiding company as consultant counsel in connection with Federal tax matters affecting life insurance companies.
D. (6) $750.

A. Lucas and Thomas, 1025 Connecticut Avenue NW., Washington, D. C.
B. American Finance Conference, 176 West Adams Street, Chicago, Ill.

[1] Not printed. Filed with Clerk and Secretary.

C. (2) Legislation which may deal with credit controls.
D. (6) $1,250.

A. Lucas and Thomas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Adolph Von Zedlitz, care of 100 Park Avenue, New York, N. Y.
C. (2) S 155 and H. R. 3594, to amend section 32 of the Trading With the Enemy Act.

A. Dr. Carl E. Lunn, 2315 East Yale, Phoenix, Ariz.
B. Townsend Plan for National Insurance, 6875 Broadway, Cleveland, Ohio.
C. (2) The Townsend plan, H. R. 2446 and H. R. 2447.
E. (4) $23.20; (5) $1; (9) $24.20; (11) $24.20.

A. Gerald J. Lynch, Wyatt Building, Washington, D. C.
B. Ford Motor Co., Dearborn, Mich.

A. John C. Lynn, 261 Constitution Avenue NW., Washington, D. C.
B. American Farm Bureau Federation, 221 North La Salle Street, Chicago, Ill.
C. (See attached).[1]
D. (6) $2,218.76.
E. (7) $93.19; (9) $93.19; (11) $93.19.

A. A. E. Lyon, 10 Independence Avenue SW., Washington, D. C.
C. (2) Any legislation affecting labor, especially railroad labor.
D. (6) $750.

A. Avery McBee, 610 Shoreham Building, Washington, D. C.
B. Aircraft Industries Association.
C. (2) Legislation affecting aviation.
D.[1]

A. Jonas A. McBride, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Locomotive Firemen and Enginemen, 318 Keith Building, Cleveland, Ohio.
C. (2) All legislation affecting the Brotherhood of Locomotive Firemen and Enginemen in particular, and railroad employees in general; particularly proposed amendments to the Railroad Retirement Act.
D. (6) $2,499.99.

A. Robert J. McBride, 1424 16th Street NW., Washington, D. C.
B. Regular Common Carrier Conference of American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
C. (2) Legislative interest in protection and fostering of the interest of federally regulated motor common carriers of general commodities. Specific interest: S. 925 and H. R. 3203, leasing of motor vehicles; H. R. 2524, a bill to repeal certain miscellaneous excise taxes.
D. (6) $2,000.

A. Edward A. McCabe, 777 14th Street NW., Washington, D. C.
B. American Hotel Association, 221 West 57th Street, New York, N. Y.
C. (2) Any and all bills and statutes of interest to the hotel industry.
D. (6) $750.
E. (7) $82.65; (9) $82.65; (11) $82.65.

A. John A. McCart, Room 716, 900 F. Street NW., Washington, D. C.
B. American Federation of Government Employees, Room 716, 900 F Street NW., Washington, D. C.
C. (2) All bills of interest to Federal Government employees and District of Columbia government employees.

[1] Not printed. Filed with Clerk and Secretary.

D. (6) $1,750.
E. (7) $12.90; (9) $12.90; (11) $12.90.

A. Frank J. McCarthy, 211 Southern Building, 15th and H Streets NW., Washington, D. C.
B. The Pennsylvania Railroad Co., 1740 Suburban Station Building, Philadelphia, Pa.
C. (See attached statement).[1]

A. J. L. McCaskill, 1201 16th Street NW., Washington, D. C.
B. Division of Legislation and Federal Relations of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
C. (2) Bills pending before the 83d Congress relating to public education.
D. (6) $225.63.

A. McClure & Updike, 626 Washington Building, Washington, D. C.
B. Iron Ore Lessors Association, Inc., W-1481 First National Bank Building, St. Paul, Minn.
C. (2) Amendments of Internal Revenue Code. H. R. 604; H. R. 2691.
D. (6) $5,000.
E. (4) $24.23; (6) $48.12; (7) $1,055.90; (8) $49; (9) $1,177.25; (11) $1,177.25; (15).[1]

A. Warren C. McClure, Mississippi Valley Association, Box 207, Camden, Ark.
B. Mississippi Valley Association, 511 Locust Street, St. Louis, Mo.
C.(2) Legislative matters relating to soil conservation and flood control.
D. (6) $1,417.50.

A. Angus McDonald.
B. Farmers Educational & Cooperative Union of America (National Farmers Union), 1555 Sherman Street, Denver, Colo. (home office); 1404 New York Avenue NW., Washington, D. C.

A. A. J. McFarland, field secretary, 126 North 8th Street, Sterling, Kans.
B. The Christian Amendment Movement.
C. (3) The Christian Patriot.
D. (6) $810.
E. (7) $200; (9) $200; (11) $200.

A. Ernest W. McFarland, LaSalle Building, 1028 Connecticut Avenue NW., Washington, D. C.
B. American Cable and Radio Corp., New York City; RCA Communications, Inc., New York City; Western Union Telegraph Co., New York City.
D. (6) $7,500.

A. Thomas Edward McGrath, 4012 14th Street NW., Washington, D. C.
B. Taxpayers, U. S. A., 4012 14th Street NW., Washington, D. C.
C. [1]
D. (6) $180.
E. (2) $180; (9) $180; (10) $180; (11) $180.

A. Joseph V. McLaughlin, 923 Chestnut Street, Chattanooga, Tenn.
B. Railway Express Agency, Inc., 230 Park Avenue, New York, N. Y.
C. (2) Opposition to H. R. 3685.
D. (6) $3,813.32.
E. (7) $1,657.81; (9) $1,657.81; (11) $1,657.81.

A. M. C. McKercher, 3960 Lindell Boulevard, St. Louis, Mo.
B. The Order of Railroad Telegraphers, O. R. T. Building, St. Louis, Mo.
C. (2) Legislation affecting the welfare of railroad employes.
D. (5) $662.50.

A. W. H. McMains, 1135 National Press Building, Washington, D. C.
B. Distilled Spirits Institute, 1135 National Press Building, Washington, D. C.
C. (2) Legislation affecting the domestic distilling industry.

A. Ralph J. McNair, 1000 Vermont Avenue, Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
C. (2) General: Legislation which might affect the welfare of policyholders and annuitants. Specific: (See p. 3).[1]
D. (6) $337.50.

A. Wm. P. MacCracken, Jr., 1152 National Press Building, Washington, D. C.
C. (2) S. 632, H. R. 3921, H. R. 116, H. R. 2980, H. R. 2224, H. R. 2332, H. R. 257, H. R. 1818, H. R. 1862 on behalf of the American Optometric Association, Inc., care of Dr. Leo G. Miller, 420 Sharp Building, Lincoln Nebr.
D. (6) $1,800.
E. (6) $6.61; (7) $28.25; (9) $34.86; (11) $34.86.

A. W. Bruce Macnamee, National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C.
B. National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C.
C. (2) H. R. 66, transportation tax on persons. H. J. Res. 2, 3, 4, 104, and S. 589, Great Lakes-St. Lawrence seaway. H. R. 3080, dunnage. H. R. 3800, seamen's 30-day penalty wage. H. R. 640, lighting system on Delaware Canal.
D. (6) $1,050.
E. (7) $28.41; (9) $28.41; (11) $28.41.

A. Leslie T. Mahurin, 5001 Battery Lane, Bethesda, Md.
B. Organization of Professional Employees of the United States Department of Agriculture, Post Office Box 381, Washington 4, D. C.
C. (2) The general legislative interests are of Public General Bills issued by the Library of Congress under the captions, Public Officers and Employees, Retirement, and Taxation, exemptions to Annuitants.
D. (6) $49.18.
E. (7) $1.95; (9) $1.95; (11) $1.95.

A. Carter Manasco, 4201 Chesterbrook Road, Falls Church, Va.
B. National Business Publications, Inc., 1001 15th Street NW., Washington, D. C.
C. (2) All legislation affecting the members of the above-named trade association.
D. (6) $600.
E. (6) $16.55; (7) $171.87; (9) $188.47; (11) $188.47.

A. Carter Manasco, 4201 Chesterbrook Road, Falls Church, Va.
B. National Coal Association, Southern Building, Washington, D. C.
C. (2) All legislation affecting the members of the above-named trade association.
D. (6) $2,600.
E. (6) $16.55; (7) $171.77; (9) $188.47; (11) $188.47.

A. Manufacturing Chemists' Association, Inc., 246 Woodward Building, Washington, D. C.
C. (2) Any legislation affecting the chemical industry.
D. (6) $2,375.
E. (1) $1,000; (8) $1,375; (11) $2,375.

A. Olya Margolin (Mrs.), 1637 Massachusetts Avenue, NW., Washington, D. C.
B. National Council of Jewish Women, 1 West 47th Street, New York, N. Y.
D. (6) $1,567.02.
E. (8) $61; (9) $61.

A. Winston W. Marsh, 777 14th Street NW., Washington, D. C.
B. The National Association of Independent Tire Dealers, Inc., 777 14th Street, NW., Washington, D. C.
C. (See attached p. 3 for answer to items 1–3).[1]
D. (6) $161.88.
E. (7) $12.75; (9) $12.75; (11) $12.75.

A. Robert P. Martin, Vitrified China Association, Inc., 517 Wyatt Building, Washington, D. C.
B. Vitrified China Association, Inc., 517 Wyatt Building, Washington, D. C.

A. Maryland and Virginia Milk Producers Association, Inc., 1756 K Street, NW., Washington, D. C.
B. Maryland and Virginia Milk Producers Association, Inc.

A. Mike M. Masaoka, 1737 H Street, NW., Washington, D. C.
B. Japanese American Citizens League Anti-Discrimination Committee, 406 Beason Building, Salt Lake City, Utah.
C. (2) Legislation affecting persons of Japanese ancestry in the United States and Hawaii.
D. (6) $600.
E. (8) $12; (9) $12.

A. Will Maslow, 15 East 84th Street, New York, N. Y.
B. American Jewish Congress, Inc.
C. (2) To oppose anti-Semitism and racism in all its forms and in connection therewith to defend incidental civil rights.
D. (6) $112.50.
E. (7) $150; (9) $150, (11) $150.

A. Walter J. Mason, 901 Massachusetts Avenue NW., Washington, D. C.
B. American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C.
C. (2) All bills affecting the welfare of the country generally, and specifically bills affecting workers.
D. (6) $2,256.
E. (6) $38.20; (7) $69.60; (8) $177.20; (9) $275; (11) $275.

A. P. H. Mathews, Association of American Railroads, 929 Transportation Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.
C. (2) (See Rider C–2).[1]
D. (6) $4,746.99.
E. (7) $445.20; (9) $445.20; (11) $445.20; (15).[1]

A. Cyrus H. Maxwell, M. D., 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
C. (2) All bills (Senate and House) relating to health and welfare.
D. (6) $2,874.99.
E. (7) $314.96; (9) $314.96; (11) $314.96.

A. Medical Association of the State of Alabama, 537 Dexter Avenue, Montgomery, Ala.
C. (2) All health matters covered by legislative action. (3) P R NOTES.
E. (2) $1,650; (4) $225; (9) $1,875; (11) $1,875.

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[1] Not printed. Filed with Clerk and Secretary.

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A. E. A. Meeks, National League of District Postmasters, 1110 F. Street NW., Washington, D. C.
B. National League of District Postmasters, 1110 F Street NW., Washington, D. C.
C. (2) Any legislation which affects the interests of postmasters. (3) The Postmasters' Advocate.
D. (6) $1,500.

A. James Messer, Jr., 404 Midyette-Moor Building, Tallahassee, Fla.
B. Florida Railroad Association, 404 Midyette-Moor Building, Tallahassee, Fla.
C. (2) Proposed legislation of interest to members of Florida Railroad Association.
D. (6) $1,320.

A. Ross A. Messer, Post Office Box 1611, Washington, D. C. (Room 512 Victor Building, 724 Ninth Street NW., Washington, D. C.)
B. National Association of Post Office and General Services Maintenance Employees, Post Office Box 1611, Washington, D. C. (Room 512, Victor Building, 724 Ninth Street NW., Washington, D. C.)
C. (2) All beneficial legislation affecting custodial employees of the Post Office and G. S. A. (3) The Post Office and General Services Maintenance News.
D. (6) $500.
E. (7) $26.40; (8) $11.15; (9) $37.55; (11) $37.55.

A. Clarence R. Miles, 1615 H. Street NW., Washington, D. C.
B. Chamber of Commerce of the United States, 1615 H. Street NW., Washington, D. C.
C. (2) (See attachment A.)[1]
D. (6) $1,312.
E. (6) $48.46; (7) $74.70; (9) $123.16; (11) $123.16.

A. Milk Industry Foundation, 1625 I Street NW., Washington, D. C.
C. (See attached statement, page 3.)[1]
D. (6) $1,500.
E. (3) $1,500; (9) $1,500; (11) $1,500; (15).[1]

A. Dale Miller, Mayflower Hotel 372, Washington, D. C.
B. Dallas (Tex.) Chamber of Commerce.
C. (2) General legislation affecting Dallas and Texas, such as appropriations and revenue bills.
D. (6) $1,500.
E. (2) $225; (5) $55.18; (6) $24.68; (7) $524.82; (8) $70.32; (9) $900; (11) $900.

A. Dale Miller, Mayflower Hotel 372, Washington, D. C.
B. Intracoastal Canal Association of Louisiana and Texas, Second National Bank Building, Houston, Tex.
C. (2) For adequate river and harbor authorizations and appropriations.
D. (6) $2,250.
E. (5) $16.20; (6) $24.33; (7) $122; (9) $162.53; (11) $162.53.

A. Dale Miller, Mayflower Hotel 372, Washington, D. C.
B. Texas Gulf Sulphur Co., Newgulf, Tex., and New York, N. Y.
C. (2) For retention of existing depletion allowances in tax laws.
D. (6) $1,500.
E. (5) $847.77; (6) $79.93; (7) $421.69; (8) $38.25; (9) $1,387.64; (11) $1,387.64.

A. Justin Miller, 1771 N Street NW., Washington, D. C.
B. National Association of Radio and Television Broadcasters, 1771 N Street NW., Washington, D. C.
C. (2) General legislative interests: Those relating directly or indirectly to the radio and television broadcasting industry.

A. Millers' National Federation, 309 West Jackson Boulevard, Chicago, Ill.

A. Mississippi Associated Businessmen, 605–607 Plaza Building, Post Office Box 1329, Jackson, Miss.
C. (2) Legislation relating to Government economy, Government regulations of business, and taxation such as Mason and Davis bill.
D. (6) $315.
E. (4) $15.03; (9) $15.03; (11) $15.03.

A. Missouri-Kansas Businessmen's Association, Inc., 1210 Waltower Building, Kansas City, Mo.
C. (2) Association is interested in legislation relating to taxation of independent business, labor legislation, and encroachment of Government into private industry.
E. (4) $30.06; (5) $1.63; (7) $10.22; (9) $41.91; (11) $41.91; (16).[1]

A. Henry B. Mitchell, II, 224 Southern Building, Washington, D. C.
B. Chambers of Commerce of Venezuela, care of Caracas Chamber of Commerce, Sur 2, No. 30, Altos, Caracas, Venezuela.
C. (2) General interest in obtaining information on, and opposing, any legislation designed to increase tariffs or impose quotas on imports of petroleum products.

A. Henry B. Mitchell, II, 224 Southern Building, Washington, D. C.
B. Comite Franc-Dollar, 31 Avenue Pierre Ier de Serbie, Paris, 8e, France.
C. (2) General interest in obtaining information on legislation affecting imports into the United States; tariffs, quotas, etc.

A. Harry L. Moffett, 1102 Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
C. (2) Measures affecting mining, such as income taxation, social security, public lands, stockpiling, monetary policy, etc.
D. (6) $1,250.
E. (6) 0.55; (7) $44.66; (9) $45.21; (11) $45.21.

A. F. E. Mollin, 515 Cooper Building, Denver, Colo.
B. American National Cattlemen's Association, 515 Cooper Building, Denver, Colo.
C. (2) Proposed legislation supported or opposed: Support prices, standby controls, freeze order, reciprocal trade, buy American, reorganization of Department of Agriculture, public land legislation, etc.
D. (6) $4,400.
E. (6) $33.78; (7) $394.66; (8) $191.36; (9) $619.80; (11) $619.80.

A. George W. Morgan, 90 Broad Street, New York, N. Y.
B. Association of American Ship Owners, 90 Broad Street, New York, N. Y.
C. (2) Merchant Marine Act, 1936.

A. The Morris Plan Corporation of America, 103 Park Avenue, New York, N. Y.
C. (2) Bank holding company bills and similar legislation.

A. Giles Morrow, 1220 Dupont Circle Building, Washington, D. C.
B. Freight Forwarders Institute.
C. (2) Any legislation affecting freight forwarders.
D. (6) $3,750.
E. (5) $32.55; (6) $3.82; (7) $22.50; (9) $58.87; (11) $58.87.

A. Harold G. Mosier, 610 Shoreham Building, Washington, D. C.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.
C. (2) Any legislation of interest to the aircraft manufacturing industry.
D. (6) $3,750.
E. (7) $726.87; (9) $726.87; (15).[1]

A. William J. Mougey, 802 Cafritz Building, Washington, D. C.
B. General Motors Corporation, 3044 West Grand Boulevard, Detroit, Mich.

A. T. H. Mullen, 711 14th Street NW., Washington, D. C.
B. American Paper and Pulp Association, 122 East 42d Street, New York, N. Y.
D. (6) $200.
E. (6) $20; (7) $10; (9) $30; (11) $30.

A. Howard E. Munro, room 607, A. F. of L. Building, 901 Massachusetts Avenue NW., Washington, D. C.
B. Central Labor Union and Metal Trades Council of the Panama Canal Zone, Post Office Box 471, Balboa Heights, C. Z.
C. (2) All legislation affecting A. F. of L. union members employed on the Canal Zone.
D. (6) $1,800.
E. (3) $167.43; (5) $157.14; (6) $65.63; (7) $956.99; (9) $1,347.19; (11) $1,347.19; (15).[1]

A. Walter J. Munroe, Hotel Washington, Washington, D. C.
B. Brotherhood of Railroad Trainmen.

A. Dr. Emmett J. Murphy, 5737 13th Street NW., Washington, D. C.
B. National Chiropractic Insurance Co., Webster City, Iowa.
C. (2) H. R. 54; S. J. Res. 41.
D. (6) $300.
E. (8) $300; (9) $300; (11) $300.

A. Ray Murphy, 60 John Street, New York, N. Y.
B. Association of Casualty and Surety Companies, 60 John Street, New York, N. Y.
C. (2) Legislation affecting casualty and surety companies.
D. (6) $99.

A. J. Walter Myers, Jr., Post Office Box 692, Valdosta, Ga.
B. Forest Farmers Association Cooperative, Post Office Box 692, Valdosta, Ga.
C. (2) Agricultural appropriations bill for 1954 (Forestry Items). S. 1348—To amend the Bankhead-Jones Farmer Tenant Act so as to improve credit services available to farmers seeking to adopt certain conservation measures. (3) The Forest Farmer.

A. National Agricultural Limestone Institute, Inc., 619 F Street NW., Washington, D. C.
C. (2) All legislation which directly or indirectly affects the interests of agricultural limestone producers.
D. (6) $873.30.
E. (2) $600; (4) $121.56; (5) $121.54; (7) $30.20; (9) $873.30; (11) $837.30; (15).[1]

A. National Association of Attorneys General, 917 District National Building, 1406 G Street NW., Washington, D. C.
C. (2) To confirm and establish title in the States to lands beneath navigable waters within State boundaries. S. J. Res. 13, and similar bills.
D. (6) $8,000.

[1] Not printed. Filed with Clerk and Secretary.

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E. (2) $5,756.41; (4) $635.97; (5) $712.50; (6) $343.37; (7) $533; (8) $544; (9) $8,525.25; (11) $8,525.25; (15).[1]

A. National Association and Council of Business Schools, 418–419 Homer Building, 601 13th Street NW., Washington, D. C.
C. (2) Legislation concerning education of all kinds, particularly bills relative to GI education for Korean veterans, Public Law 550. (3) Business School News.
D. (6) $10,804.11.
E. (2) $5,340.06; (4) $1,696.39; (5) $1,282.99; (6) $115.36; (7) $247.95; (8) $120.10; (9) $8,802.87; (11) $8,802.87; (15).[1]

A. National Association of Direct Selling Companies, 163–165 Center Street, Winona, Minn.
C. (2) H. R. 2685, S. 586, S. 49, S. 471, H. R. 999, H. R. 3599.
D. (6) $14,050.
E. (4) $56.04; (5) $1.96; (6) $19.32; (8) $2.36; (9) $79.70; (11) $79.70.

A. National Association of Electric Companies, 1200 18th St. NW., Washington, D. C.
C. (See appended statement, p. 5.)[1]
D. (6) $378,446.97.
E. (1) $21,702; (2) $87,263.31; (4) $14,812.49; (5) $7,336.82; (6) $1,756.95; (7) $6,819.75; (8) $3,390.42; (9) $145,081.80; (11) $143,081.60; (15).[1]

A. The National Association of Independent Tire Dealers, Inc., 777 14th Street NW., Washington, D. C.
C. (2) Statutes or bills which affect the interests of independent tire dealers. (3) Dealer News.
D. (6) $223.17.
E. (2) $161.88; (4) $47.06; (6) $1.48; (7) $12.75; (9) $223.17; (11) $223.17; (15).[1]

A. National Association of Insurance Agents, 96 Fulton Street, New York, N. Y.
C. (2) Any legislation which affects, directly or indirectly, local property insurance agents. (3) American Agency Bulletin.
D. (6) $2,802.63.
E. (2) $3,378.48; (5) $414.63; (6) $324.92; (7) $128.94; (9) $4,246.97; (11) $4,246.97; (15).[1]

A. National Association of Margarine Manufacturers, 1028 Munsey Building, Washington, D. C.
C. (2) Interested in any legislation that may relate to margarine.
D. (6) $90.45.
E. (2) $70; (7) $20.45; (9) $90.45; (11) $90.45; (15).[1]

A. National Association of Mutual Savings Banks, 60 East 42d Street, New York, N. Y.

A. National Association of Post Office and General Services Maintenance Employees, Post Office Box 1611, Washington, D. C., and Room 512 Victor Building, 724 Ninth Street NW., Washington, D. C.
C. (2) Beneficial legislation affecting Postal employees and General Services employees, and Post Office custodial employees and GSA in PBS employees, in particular. (3) The Post Office and General Services Maintenance News.
D. (6) $14,814.21.
E. (2) $630.20; (4) $258.60; (5) $155; (6) $24.35; (7) $26.40; (8) $11.15; (9) $1,105.70; (11) $1,105.70; (15).[1]

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[1] Not printed. Filed with Clerk and Secretary.

A. National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill.—1737 K Street NW., Washington, D. C.
C. (2) Any legislation affecting the real estate industry.
D. (6) $63,654.07.
E. (1) $469.34; (2) $18,669.96; (4) 729.87; (5) $3,611.01; (6) $789.24; (7) $3,727.79; (8) $306.55; (9) $28,303.76; (11) $28,303.76; (15).[1]

A. National Association of Storekeeper-Gaugers, 4742 North Carlisle Street, Philadelphia, Pa.
C. (2) All legislation affecting Federal classified employees, and that in particular which would affect our position—United States storekeeper-gaugers.
D. (6) $439.80.
E. (2) $500; (9) $500; (11) $500; (15).[1]

A. National Association of Travel Organizations, 1424 K Street NW., Washington, D. C.
D. (6) $10,168.31.
E. (2) $333.99; (4) $18.50; (5) $78; (6) $12; (9) $442.49; (11) $442.49.

A. National Business Publications, Inc., 1001 15th Street NW., Suite 55, Washington, D. C.
C. (2) That which affects postal rates of periodicals published by members of the above-named association.

A. National Canners Association, 1123 20th Street NW., Washington, D. C.
C. (2) Defense controls and all measures directly affecting the food canning industry.
D. (6) $283,112.46.
E. (2) $3,850.99; (4) $145.21; (7) $3,106.70; (8) $36.60; (9) $7,139.50; (11) $7,139.50; (15).[1]

A. National Coal Association, 802 Southern Building, Washington, D. C.
C. (2) All measures affecting bituminous coal industry.
D and E.[1]

A. National Committee for Strengthening Congress, 1135 Tower Building, Washington, D. C.
C. (2) All legislation dealing with the organization of Congress.

A. National Congress of Parents and Teachers, 600 South Michigan Boulevard, Chicago, Ill.
C. (2) The general legislative interests of the National Congress are concerned with measures which affect the welfare of children and youth in the field of education; social and economic well-being; child labor and environmental situations; Federal research agencies in education, health, juvenile protection and homemaking; world understanding and peace among nations. (3) National Parent-Teacher.
D and E.[1]

A. National Cotton Compress and Cotton Warehouse Association, 586 Shrine Building, Memphis, Tenn., and 1008 16th Street NW., Washington, D. C.
C. (2) Any matters substantially affecting the cotton compress and cotton warehouse industry.
D. (6) $81.45.
E. (2) $71.50; (5) $6.95; (7) $3; (9) $81.45; (11) $81.45.

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[1] Not printed. Filed with Clerk and Secretary.

A. National Cotton Council of America, Post Office Box 18, Memphis, Tenn.
C. (2) The National Cotton Council of America favors such action on any legislation affecting the raw cotton industry as will promote the purposes for which the council is organized.
D. (6) $2,341.24.
E. (2) $1,665.86; (5) $199.80; (6) $14.82; (7) $460.76; (9) $2,341.24; (11) $2,341.24.

A. National Council on Business Mail, Inc., 105 West Monroe Street, Chicago, Ill.
C. (2) All legislation relating to the postal service, particularly S. 586, Senate Resolution 49, and H. R. 2685.
D. (6) $1,347.87.
E. (1) $900; (4) $37.30; (5) $9.35; (6) $17.31; (7) $317.91; (8) $66; (9) $1,347.87; (11) $1,347.87; (15).[1]

A. National Council, Junior Order United American Mechanism, 3027 North Broad Street, Philadelphia, Pa.
C. (2) S. 694, to prohibit international organization flag display, equal or superior to United States. S. 3 and S. 4 employment. H. R. 1 to reduce income tax 11 percent. S. 339, H. R. 1854 to exempt pensions and annuitants retired civil-service employees. H. R. 2076 nonquota visas. (3) The Junior American.
E. (2) $249.99; (4) $176.95; (8) $55.50; (9) $481.94; (11) $481.94.

A. National Council for Prevention of War, 1013 Eighteenth Street, NW., Washington, D. C.
C. (2) Bills affecting world peace, such as: Mutual assistance program, appropriations and supplementary appropriations particularly where they bear on military matters or on the government of occupied areas, manpower legislation including universal military training and service, economic assistance (point 4), disarmament, expellees and displaced persons, educational exchange, and immigration legislation. (3) Peace action.
D. (6) $10,713.02.
E. (2) $5,342.68; (3) $71.07; (4) $1,182.73; (5) $1,504.01; (6) $111.60; (7) $235.22; (8) $1,453.29; (9) $9,900.60; (11) $9,900.60; (15).[1]

A. National Economic Council, Inc., 7501 Empire State Building, New York, N. Y.
C. (See sheet attached).[1]
D. (6) $29,934.09.
E. (2) $15,229.78; (4) $4,668.12; (5) $4,886.56; (6) $664.04; (7) $1,843.16; (8) $513.22; (9) $27,804.88; (11) $27,804.88; (15).[1]

A. National Electrical Contractors Association, Inc., 1200 Eighteenth Street NW., Washington, D. C.
C. (2) S. 848 and companion House bills H. R. 515, H. R. 1051, H. R. 1066, H. R. 1520, H. R. 1825. (3) News Letter, Qualified Contractor.
D. and E.[1]

A. National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C.
B. Pacific American Steamship Association, 16 California Street, San Francisco, Calif. American Merchant Marine Institute, 11 Broadway, New York, N. Y.
C. (2) (See attachment 1.)[1]
E. (2) $5,143.75; (5) $1,350; (6) $183.76; (7) $85.96; (9) $6,763.47; (11) $6,763.47.

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[1] Not printed. Filed with Clerk and Secretary.

A. The National Federation of Business and Professional Women's Clubs, Inc., 1819 Broadway, New York, N. Y.
C. (2) (See attached statement).[1]
D. (6) $24,890.50.
E. (2) $900; (4) $452.10; (5) $220; (6) $173.04; (8) $24.57; (9) $1,769.71; (11) $1,769.71.

A. National Federation of Post Office Clerks, Suite 502, 711 14th Street NW., Washington, D. C.
C. (2) All legislation pertaining to postal service and the welfare of postal and Federal employees. (3) The Union Postal Clerk.
D. (6) $162,427.75.
E. (2) $7,413; (4) $5,197.21; (5) $380; (8) $5,169.97; (9) $18,180.18; (11) $18,180.18; (15).[1]

A. National Food Brokers Association, 527 Munsey Building, Washington, D. C.
C. (2) (See attached sheet).[1]
D. (6) $1,675.34.
E. (2) $1,000; (4) $645.34; (5) $30; (9) $1,675.34; (10) None; (11) $1,675.34; (15).[1]

A. National Housing Conference, Inc., 1129 Vermont Avenue NW., Washington, D. C.
E. (2) $5,517.54; (3) $30; (4) $996.98; (5) $1,391.06; (6) $478.71; (7) $980.83; (8) $2,731.03; (9) $12,126.15; (11) $12,126.15; (15).[1]

A. The National Independent Meat Packers Association, 740 11th Street NW., Washington, D. C.
C. (2) Matters affecting meat packers.
D. (6) $192.26.
E. (1) $3.44; (2) $120.11; (4) $35.01; (5) $17.16; (6) $4.04; (7) $19.08; (8) $11.06; (9) $209.90; (11) $209.90; (15).[1]

A. The National Labor-Management Council on Foreign Trade Policy, 424 Bowen Building, Washington, D. C.
C. (2) H. R. 4294, Trade Agreements bill. (3) Radio address, "Trade, Not Aid"; article, Import Quota.
D. (6) $270.86.
E. (1) $194.88; (2) $2,713.10; (4) $272.89; (5) $572.71; (6) $172.47; (7) $393.54; (8) $42.40; (9) $4,361.99; (11) $4,361.99; (15).[1]

A. National Live Stock Tax Committee, 515 Cooper Building, Denver, Colo.
C. (See p. 3 attached).[1]
D. (6) $1,308.

A. National Lumber Manufacturers Association, 1319 18th Street NW., Washington, D. C.
C. (2) All legislation affecting the interests of the lumber manufacturing industry. (3) Lumber Letter, National Defense Development Letter.
D (6) $29,093.73.
E. (1) $2,448.90; (2) $3,962.03; (4) $525.15; (5) $200.01; (6) $17; (7) $2,305.78; (8) $1,973.71; (9) $11,432.58; (11) $11,432.58; (15).[1]

A. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
C. (2) Any legislation that may affect milk producers or the Cooperatives. (3) News for Dairy Co-ops, Legislative Letter.
D. (6) $53,794.10.
E. (1) $904.76; (2) $27,991.93; (4 and 5) $3,938.16; (6) $984.10; $2,203.30;[1] (7) $4,734.42; (8) $1,711.82; (9) $42,468.49; (11) $42,468.49; (15).[1]

A. National Multiple Sclerosis Society, 270 Park Avenue, New York, N. Y.
C. (2) Appropriations for public health.
E. (1) $600; (7) $155.79; (9) $755.79; (11) $755.79.

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[1] Not printed. Filed with Clerk and Secretary.

A. National Reclamation Association, 1119 National Press Building, Washington, D. C.
C. (2) H. R. 200, H. R. 236, H. R. 495, H. R. 555, H. R. 559, H. R. 993, H. R. 1038, H. R. 1716, H. R. 2229, H. R. 2267, H. R. 2337, H. R. 2971, H. R. 4463, H. R. 4406, S. 67, S. 118, S. 156, S. 446, S. 621, S. 624, S. 646, S. 667, S. 1197, S. 1572, S. 1565, S. 1603, and all other bills concerning reclamation, flood control as related to reclamation, and water and land conservation.
D. (6) $5,942.60.
E. (2) $5,381.96; (4) $2,174.36; (5) $1,534.13; (6) $337.52; (7) $572.04; (8) $500.25; (9) $10,500.28; (11) $10,500.28; (15).[1]

A. National Retail Dry Goods Association, 100 West 31st Street, New York, N. Y.
C. (See p. 3).[1]
D. (6) $4,125.
E. (2) $3,375; (4) $2,703.07; (5) $517.60; (7) $108.45; (8) $2.50; (9) $6,706.62; (11) $6,706.62; (15).[1]

A. National Retail Furniture Association, 666 Lake Shore Drive, Chicago, Ill.
C. (2) Legislation affecting retail distribution of home goods.
E. (2) $300; (4) $100; (5) $100; (6) $100; (9) $600; (11) $600; (15).[1]

A. National Rivers & Harbors Congress, 1720 M Street NW., Washington, D. C.
C. (2) All matters pertaining to river and harbor improvement, flood control, navigation, irrigation/reclamation, soil and water conservation, and related subjects.
D. (6) $11,291.99.
E. (2) $2,416.95; (3) $20; (4) $378.95; (5) $152.77; (6) $57.05; (7) $1,689.36; (8) $904.37; (9) $5,619.45; (11) $5,619.45; (15).[1]

A. National St. Lawrence Project Conference, 843 Transportation Building, Washington, D. C.
C. (2) Any legislation with reference to the St. Lawrence waterway and power project (opposed).
D. (6) $16,500.
E. (1) $1,125; (2) $5,447.04; (4) $2,546.36; (5) $287.91; (6) $334.38; (7) $792.47; (8) $116.36; (9) $10,649.52; (11) $10,649.52; (15).[1]

A. National Savings and Loan League, 907 Ring Bldg., 18th and M Streets NW., Washington, D. C.
C. (2) Opposing S. 975 and H. R. 1559; supporting, in the main, H. R. 316; supporting H. R. 1280.
D. (6) $216,223.10.
E. (2) $2,500; (4) $690.16; (9) $3,190.16; (11) $3,190.16; (15).[1]

A. National Small Businessmen's Association, 2834 Central Street, Evanston, Ill.
C. (3) Monthly bulletin to membership.
E. (2) $4,372.92; (5) $1,242.39; (6) $141.27; (9) $5,756.51; (11) $5,756.51; (15).[1]

A. National Society of Professional Engineers, 1121 15th Street NW., Washington, D. C.
C. (2) All legislation affecting the interests of professional engineers, including: Taft-Hartley Act, Fair Labor Standards Act, Walsh-Healey Act, Davis-Bacon Act, UMT, Selective Service, Armed Forces Reserve legislation, Defense Production Act, Hoover Commission bills, income retirement legislation. (3) Legislative Bulletin.
D. (6) $84,358.10.
E. (2) $1,183; (4) $278.77; (9) $1,461.77; (15).[1]

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[1] Not printed. Filed with Clerk and Secretary.

A. National Tax Equality Association, 231 South La Salle Street, Chicago, Ill.
C. (2) General legislative interests relate to corporate income-tax legislation such as H. R. 1559 cited as the Tax Equalization Act of 1953 and H. R. 1988. National Tax Equality Association is for H. R. 1559.
D. (6) $14,261.64.
E. (1) $2,115.59; (2) $3,620.49; (4) $2,330.96; (5) $555.61; (6) $1,436; (7) $2,687.27; (9) $12,745.92; (11) $12,745.92; (15).[1]

A. National Tax Relief Coalition, Box 401, Greensboro, N. C.
C. (2) Favor tax limitations.
D. (6) $2,640.
E. (2) $375; (5) $500; (7) $1,200; (9) $2,075; (11) $2,075.

A. National Woman's Christian Temperance Union, 1730 Chicago Avenue, Evanston, Ill.
B. The National Woman's Christian Temperance Union, 1730 Chicago Avenue, Evanston, Ill.
D. (6) $3,059.65.
E. (2) $1,250; (5) $467.05; (8) $50; (9) $1,767.05; (11) $1,767.05; (15).[1]

A. National Wool Growers Association, 414 Pacific National Life Building, Salt Lake City, Utah.
C. (2) H. R. 4023, land bill; H. R. 1427, parity protection amendment to the Agricultural Act of 1949 (identical bill in Senate not yet introduced).
E. (2) $2,500.03; (6) $85.52; (7) $809.67; (8) $434.61; (9) $3,829.83; (11) $3,829.83; (15).[1]

A. William S. Neal, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers.

A. Samuel E. Neel, 1001 15th Street NW., Washington, D. C.
B. Mortgage Bankers Association of America, 111 West Washington Street, Chicago, Ill.
C. (2) Any legislation affecting the mortgage banking industry.
D. (6) $6,214.35.
E. (2) $229.61; (4) $28.80; (5) $1,351.67; (6) $444.59; (7) $534.72; (9) $2,589.39; (11) $2,589.39.

A. Mr. G. W. Nelson, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Railroad Trainmen.
C. (2) Advocating legislation favorable to labor and opposing unfavorable legislation.

A. Herbert U. Nelson, 22 West Monroe Street, Chicago, Ill., and 1737 K Street NW., Washington, D. C.
B. National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill., and 1737 K Street NW., Washington, D. C.
C. (2) Any legislation affecting the real-estate industry.
D. (6) $1,250.
E. (2) $291.83; (6) $18.91; (7) $1,472.64; (8) $632.50; (9) $2,415.88; (11) $2,415.88; (15).[1]

A. Harold F. Neumann, 112 Bowers Street, Jersey City, N. J.
B. New Jersey Associated Businessmen, Inc., 112 Bowers Street, Jersey City, N. J.
C. (2) Any laws or proposals adversely affecting business.
E. (4) $60; (5) $10; (6) $18.40; (9) $88.40; (11) $88.40.

A. New Jersey Associated Businessmen, Inc., 112 Bowers Street, Jersey City, N. J.
C. (2) Any laws or proposals adversely affecting business.

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[1] Not printed. Filed with Clerk and Secretary.

UNIVERSITY OF MICHIGAN LIBRARIES

D. (6) $100.
E. (5) $10; (6) $18.46; (7) $61.24; (8) $332.50; (9) $422.14; (11) $422.14; (15).[1]

A. New York Stock Exchange, 11 Wall Street, New York, N. Y.
C. (2) Proposed Federal tax legislation affecting the interests of the New York Stock Exchange and its members. (3) Taxes—Equity Capital—and Our Economic Challenges.
E. (2) $3,162.50; (4) $284.64; (7) $204.54; (8) $48.64; (9) $3,700.32; (11) $3,700.32; (15).[1]

A. Russ Nixon, 930 F Street NW., Washington, D. C.
B. United Electrical, Radio, and Machine Workers of America (UE), 11 East 51st Street, New York, N. Y.
C. (2) Support all legislation favorable to national peace, security, democracy, prosperity, and the general welfare. Oppose legislation detrimental to these objectives. Support Taft-Hartley repeal; repeal of Smith, McCarran, and Walter-McCarran Acts; social security extension, civil rights, lower taxes. Oppose wage controls and antilabor legislation.
D. (6) $1,217.50.
E. (7) $195; (9) $195; (11) $195.

A. W. R. Noble, Suite 509, 1028 Connecticut Avenue NW., Washington, D. C.
B. National Retail Farm Equipment Association, 207 Hotel DeSoto Building, St. Louis, Mo., and National Retail Hardware Association, 964 North Pennsylvania Street, Indianapolis, Ind.
C. (2) Special attention given to all labor legislation, tax bills, the Defense Production Act, and all legislation affecting the retail farm equipment and hardware trade.
D. (6) $3,375.
E. (4) $111.35; (6) $197.27; (7) $876.66; (8) $110.13; (9) $1,295.41; (11) $1,295.41.

A. Christian P. Norgord, 1617 Rhode Island Avenue NW., Washington, D. C.
B. American Humane Association, Albany, N. Y.
C. (2) To promote the enactment of legislation within the field of work and conforming to the standards of the association and its federated societies. To discourage the legislation in that field below such standards.
D. (6) $660.83.
E. (5) $3; (6) $46.14; (9) $49.14; (11) $49.14.

A. O. L. Norman, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Cos., 1200 18th Street NW., Washington, D. C.
C. (2) (See appended statement, p. 5.) [1]
D. (6) $4,812.52.
E. (7) $454.85; (8) $45.10; (9) $499.95; (11) $499.95; (15).[1]

A. Harry E. Northam, 360 North Michigan Avenue, Chicago, Ill.
B. Association of American Physicians and Surgeons, Inc., 360 North Michigan Avenue, Chicago, Ill.
C. (See attached.) [1]

A. North Dakota Resources Board, 311 Broadway, Fargo, N. Dak.
C. (2) Legislation affecting the development and utilization of the land, water, mineral, and other natural resources of North Dakota, including authorizations and appropriations.

[1] Not printed. Filed with Clerk and Secretary.

A. Northern Hemlock and Hardwood Manufacturers Association, Washington Building, Oshkosh, Wis.
C. (2) Legislation affecting the timber industries of Wisconsin and Michigan taxation, forestry, and labor-management relations.

A. Charles E. Noyes, 270 Madison Avenue, New York, N. Y.
B. American Institute of Accountants, 270 Madison Avenue, New York, N. Y.
C. (2) Legislation affecting certified public accountants.
D. (6) $937.50.
E. (6) $50; (7) $282.98; (9) $332.98; (11) $332.98.

A. Peter Q. Nyce, 1266 National Press Building, Washington, D. C.
C. (2) All legislation pertaining to land of the United States.

A. Donald W. Nyrop, Room 710, Ring Building, Washington, D. C.
B. Conference of Local Airlines, Room 710, Ring Building, Washington, D. C.
C. (2) Support legislation which is in the interest of a sound national air transportation policy and oppose legislation contrary to such interests.
D. (6) $313.
E. (2) $300; (4) $8; 7) $5; (9) $313; (11) $313.

A. Edward H. O'Connor, 176 West Adams Street, Chicago, Ill.
B. Insurance Economics Society of America, 176 West Adams Street, Chicago, Ill.
C. (2) All bids proposing to amend the Social Security Act.
D. (6) $30,620.47.

A. Eugene O'Dunne, Jr., Southern Building, Washington, D. C.
B. National Association of Wool Manufacturers, 386 Fourth Avenue, New York, N. Y.
C. (2) General interest in proposed legislation having direct or specific impact on the wool textile industry.
E. (6) $86.59; (8) $15; (9) $101.59; (11) $101.59; (15).[1]

A. Eugene O'Dunne, Jr., Southern Building, Washington, D. C.
B. Wilbur-Ellis Co., Inc., 320 California Street, San Francisco, Calif.
C. (2) General interest in any proposed legislation having direct or specific impact on any food products produced or handled by this company. H. R. 5693, 82d Congress, an amendmeint to the Tariff Act of 1930; opposed. H. R. 93, 83d Congress.
D. (6) $9,500.

A. W. Raymond Ogg, 261 Constitution Avenue NW., Washington, D. C.
B. American Farm Bureau Federation, 221 North La Salle Street, Chicago, Ill.
C. (2) Inflation Control (Defense Production Act of 1950); Lending Authority for Export-Import Bank; Mutual Security Program (Foreign Aid); Customs Simplification Act; Reciprocal Trade Agreements Act; Special Insurance for cotton stocks stored abroad, Congressional Bipartisan Commission to study foreign trade problems, Sec. 104 of Defense Production Act.
D. (6) $971.58.

A. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio.
C. (2) Legislation affecting railroad interests.

[1] Not printed. Filed with Clerk and Secretary.

A. Fred N. Oliver, 110 East 42d Street, New York, N. Y., and Investment Building, Washington, D. C.
B. National Association of Mutual Savings Banks, 60 East 42d Street, New York, N. Y.

A. Clarence H. Olson, 1606 K Street NW., Washington, D. C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
C. (2) (See attached statement).[1]
D. (6) $1,929.24.
E. (7) $15.30; (9) $15.30; (11) $15.30.

A. Sam O'Neal, Public Relations Counsel, 211 National Press Building, Washington, D. C.
B. National Council on Business Mail, Inc., 105 West Monroe Stree, Chicago, Ill.
C. (2) All legislation pertaining to postal rates and postal legislation.
D. (6) $900.
E. (7) $100; (8) $60; (9) $160.

A. Sam O'Neal, 211 National Press Building, Washington, D. C.
B. Power Distributors Information Committee of Tennessee Valley Public Power Association, Sixth and Cherry Streets, Chattanooga, Tenn.
C. (2) All legislation pertaining to public power.
D. (6) $1,875.
E. (7) $100; (8) $60; (9) $160; (11) $160.

A. Order of Railway Conductors of America, O. R. C. Building, Cedar Rapids, Iowa.
E. (2) $2,125; (5) $1,072.16; (6) $58.47; (9) $3,255.63; (11) $3,255.63.

A. Organization of Professional Employees of the United States Department of Agriculture, Post Office Box 381, Washington, D. C.
C. (3) (See p. 3).[1]
D. (6) $125.57.
E. (2) $54.23; (4) $99.06; (7) $1.95; (9) $155.24; (10) $155.24; (11) $155.24; (15).[1]

A. Mrs. Theodor Oxholm, 654 Madison Avenue, New York, N. Y.
B. Volunteer worker for Spokesmen for Children, Inc., 654 Madison Avenue, New York, N. Y.
D. (6) $47.52.
E. (7) $47.52; (9) $47.52; (11) $47.52; (15).[1]

A. Pacific American Tankship Association, 25 California Street, San Francisco, Calif.
C. (2) Legislation affecting the merchant marine, particularly the tanker division thereof, including without limitation, amendments relating to titles 14, 33, and 46 of the United States Code Annotated, the Merchant Marine Act of 1936, Transportation Act of 1940, appropriations relating to agencies charged with the duty of administering laws affecting transportation, etc.
D. (6) $200.
E. (2) $900; (9) $900; (11) $900.

A. Lovell H. Parker, 614 Colorado Building, Washington, D. C.
B. None. (Engaged as a consultant by National Coal Association; National Council of Coal Lessors; and Television Broadcasters Tax Committee; all of Washington, D. C., and Iron Ore Lessors Association, St. Paul, Minn.)
C. (2) Tax legislation affecting the bituminous coal industry, the iron ore industry and the television broadcasting industry.
D. (6) $3,000.

[1] Not printed. Filed with Clerk and Secretary.

A. George F. Parrish, Charleston, W. Va.
B. West Virginia Railroad Association, Post Office Box 7, Charleston, W. Va.
D. (6) $3,249.99.

A. James G. Patton.
B. Farmers Educational & Cooperative Union of America (National Farmers Union), 1555 Sherman St. Denver, Colo. (Home office) 1404 New York Avenue NW., Washington, D. C.
C. (2) Legislation on matters of interest to the National Farmers Union.

A. Albert A. Payne, 1737 K Street NW., Washington, D. C.
B. Relators' Washington Committee of the National Association of Real Estate Boards, 1737 K Street NW., Washington, D. C.
C. (2) Any legislation affecting the real estate industry.
D. (6) $2,500.
E. (6) $1.15; (7) $87.81; (8) $5.30; (9) $94.26; (11) $94.26.

A. Endicott Peabody, 50 State Street, Boston, Mass.
B. Charles D. Cook, M. D., Boston Lying-in Hospital, 221 Longwood Avenue, Boston, Mass.
C. (2) S. 1531 and H. R. 3706, doctors' draft law, amendment of same. (3) Typewritten memorandum in support of amendment.
D. (5) $500.
E. (5) $25; (6) $25.25; (8) $25; (9) $75.25; (11) $75.25.

A. D. Michael Perry, 1102 Ring Building, Washington, D. C.
B. American Mining Congress, 1102 Ring Building, Washington, D. C.
C. (2) Measures affecting mining, such as income taxation, social security, public lands, stockpiling, monetary policy, etc.
D. (6) $900.
E. (7) $89.77; (9) $89.77; (11) $89.77.

A. Pershing, Bosworth, Dick & Dawson, 320 Equitable Building, Denver, Colo.
B. Estate of Karrie J. Ferguson, deceased, care of John A. Ferguson, Jr., executor, post-office box 5150 Terminal Annex, Denver, Colo.
C. (2) For amendment of section 811 (c) (1) (B), Internal Revenue Code, to prevent its application to trusts created prior to March 4, 1931. H. R. 3783 (Representative SIMPSON, of Pennsylvania) introduced March 9, 1953.
E. (6) $22.35; (7) $240.03; (9) $262.38; (11) $263.38; (15).[1]

A. J. Hardin Peterson, post-office box 2097, Dixieland Station, Lakeland, Fla.
B. Government of Guam, an unincorporated Territory of the United States.
C. (2) Legislation affecting Guam. For omnibus bill making certain legislation applicable to Guam. Against legislation that would adversely affect Guam and for legislation that would be of assistance to Guam. For an act making National Guard Act applicable to Guam.
D. (6) $2,500.
E. (5) $40.88; (6) $1.54; (7) $27.19; (9) $69.61; (11) $69.61; (15).[1]

A. J. Hardin Peterson, post-office box 2097, Dixieland Station, Lakeland, Fla.
B. Florida Citrus Mutual, Lakeland, Fla.
C. (2) In any legislation that affects the citrus industry.
D. (6) $1,133.33.
E. (6) $20.49; (7) $78.52; (8) $2.33; (9) $101.34; (11) $101.34.

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[1] Not printed. Filed with Clerk and Secretary.

A. Albert Pike, Jr., 488 Madison Avenue, New York, N. Y.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
C. (2) General: Legislation which might affect the welfare of policyholders and annuitants.
D. (6) $55.

A. Frank M. Porter, 50 West 50th Street, New York, N. Y.
B. American Petroleum Institute, 50 West 50th Street, New York, N. Y.
C. (See explanatory statement).[1]

A. William I. Powell, Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
C. (2) Measures affecting mining, such as income taxation, social security, public lands, stockpiling, monetary policy, etc.
D. (6) $1,125.

A. Kenneth L. Pray, 1632 K Street NW., Washington, D. C.
B. Schenley Distillers, Inc., and affiliated companies.

A. William H. Press, 204 Evening Star Building, Washington, D. C.
B. Washington Board of Trade, 204 Evening Star Building, Washington, D. C.
C. (2) Legislation affecting the District of Columbia, of interest to the Washington Board of Trade.
D. (6) $4,500.

A. Murray Preston, 901 Hibbs Building, Washington, D. C.
B. Great Lakes-St. Lawrence Association, 821 Cafritz Building, Washington, D. C.
C. (2) Support of certain bills now in committee to authorize construction and operation of a St. Lawrence seaway.
D. (6) $2,475.
E. (7) $79.78; (9) $79.78; (11) $79.78.

A. Allen Pretzman, Scioto-Sandusky Conservancy District, 2540 Leveque Lincoln Tower, 50 West Broad Street, Columbus, Ohio.

A. Harry E. Proctor, 1110 Investment Building, Washington, D. C.
B. National Association of Mutual Savings Banks, 60 East 42d Street, New York City.

A. The Proprietary Association, 810 18th Street NW., Washington, D. C.
C. (2) Measures affecting the proprietary medicines industry.
E. (4) $136.80; (7) $125; (9) $261.80; (11) $261.80; (15).[1]

A. The Prudential Insurance Company of America, 763 Broad Street, Newark, N. J.
C. (2) General interest in all legislation affecting the business of the company.
E. (2) $10,500; (6) $245.16; (7) $2,646.92; (8) $1,362.83; (9) $14,756.91; (11) $14,756.91; (15).[1]

A. Ganson Purcell, 910 17th Street NW., Washington, D. C.
B. Insular Lumber Co., 1406 Locust Street, Philadelphia, Pa.
C. (2) General legislative interests are those affecting foreign commerce of the United States, including tax and tariff legislation.
E. (6) $3.75; (8) $1.12; (9) $4.87; (11) $4.87.

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[1] Not printed. Filed with Clerk and Secretary.

A. Alexander Purdon, 1809 G Street NW., Washington, D. C.
B. National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C.
C. (2) Legislation as may affect the development of an adequate American merchant marine.
D. (6) $468.75.
E. (7) $57.55; (9) $57.55; (11) $57.55.

A. C. J. Putt, 920 Jackson Street, Topeka, Kans.
B. The Atchison, Topeka and Santa Fe Railway Co., 920 Jackson Street, Topeka, Kans.
C. (2) General legislative interest in matters affecting railroads.

A. Luke C. Quinn, Jr., 412 Washington Building, Washington, D. C.
B. American Cancer Society, 47 Beaver Street, New York City; United Cerebral Palsy Association, 50 West 57th Street, New York City; Arthritis and Rheumatism Foundation, 537 Fifth Avenue, New York City; National Multiple Sclerosis Society, 270 Park Avenue, New York City.
C. Public health. The specific interest is to present the need for adequate appropriations by the Federal legislature for research in the fields of diseases which kill and disable people.
D. (6) $7,916.64.
E. (2) $844.98; (5) $1,017.08; (6) $179.38; (7) $1,372.34; (8) $137.40; (9) $3,551.18; (11) $3,551.18.

A. F. Miles Radigan, 1200 18th Street NW., Room 510, Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
C. (2) (See appended statement, pages 5 and 6).[1]
D. (6) $1,825.
E. (7) $121.75; (9) $121.75; (11) $121.75; (15).[1]

A. Alex Radin, 1757 K Street NW., Washington, D. C.
B. American Public Power Association, 1757 K Street NW., Washington, D. C.
C. (2) Any legislation affecting the generation, transmission and distribution of electrical energy by local publicly owned electric systems, and the management and operation of such systems.
D. (6) $2,500.

A. Radio-Television Manufacturers Association, 777 14th Street NW., Washington, D. C.
C. (2) General legislative interests are: Those relating directly or indirectly to the radio and television manufacturing industry.
E. (2) $6,260; (8) $154.70; (9) $6,414.70; (11) $6,414.70.

A. Railroad Pension Conference, Post Office Box 798, New Haven, Conn.
C. (2) For enactment of 30-year, half-pay railroad retirement legislation, maximum annuity $200 per month—H. R. 122.
D. (6) $485.
E. (4) $10; (5) $232.78; (6) $17.21; (7) $72.50; (8) $9.66; (9) $342.10; (11) $342.10.

A. Railway Labor Executive Association, 10 Independence Avenue SW., Washington, D. C.
C. (2) Any legislation affecting railroad labor.

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[1] Not printed. Filed with Clerk and Secretary.

UNIVERSITY OF MICHIGAN LIBRARIES

A. Alan T. Rains, 777 14th Street NW., Washington, D. C.
B. United Fresh Fruit and Vegetable Association, 777 14th Street NW., Washington, D. C.
C. (2) Interested in any legislation affecting the marketing and distribution of fresh fruits and vegetables, directly or indirectly.

A. DeWitt C. Ramsey, 610 Shoreham Building, Washington, D. C.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.
C. (2) Any legislation affecting the aviation industry.

A. Donald J. Ramsey, 1612 Eye Street NW., Washington, D. C.
B. Silver Users Association, 1612 Eye Street NW., Washington, D. C.
C. (2) Legislation involving silver. H. R. 2518. To repeal certain legislation relating to the purchase of silver, and for other purposes.
D. (6) $16,575.
E. (2) $797.69; (5) $928.59; (6) $487.17; (7) $799.47; (8) $1,103.76; (9) $12,116.68; (11) $12,116.68; (12) $12,116.68.

A. Record Industry Association of America, Inc., 270 Park Avenue, New York, N. Y.
C. (2) Legislation affecting the record industry.

A. Regular Common Carriers Conference of the American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
C. (2) The general legislative interest is protection and fostering of the interest of federally regulated motor common carrier of general commodities. Specific interest: S. 925 and H. R. 3203, leasing of motor vehicles; H. R. 2524, a bill to repeal certain miscellaneous excise taxes. (3) (See page 3 attached.)[1]
D. (6) $4,101.65.
E. (2) $3,284.50; (4) $767.15; (5) $50; (9) $4,101.65; (11) $4,101.65; (15).[1]

A. Gerard D. Reilly, 1120 Tower Building, Washington, D. C.
B. Foremanship Foundation, 512-20 Harries Building, Dayton, Ohio.
C. (2) Supporting provisions relating to supervisors in the Labor-Management Relations Act, 1947, and opposing bills contemplating modification or repeal.

A. Reserve Officers Association of the United States, 2517 Connecticut Avenue NW., Washington, D. C.
C. (2) Legislation for development of a military policy for the United States which will guarantee adequate national security. (3) The Reserve Officer.

A. Retired Officers Association, Inc., 1616 I Street NW., Washington, D. C.
C. (2) Any and all legislation pertinent to the rights, benefits, privileges, and obligations of retired officers, male and female, Regular and Reserve, and their dependents and survivors, of whatever nature, dealing with personnel matters, pay and retirement benefits and pensions. (3) The Retired Officer.
D. (6) $26,790.78.

A. Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., Washington, D. C.
C. (2) General legislative interests are: Retention and improvement of the Civil Service Retirement and United States Employees Compensation Acts.
D. (6) $5,548.08.
E. (2) $2,932.27; (4) $717.88; (5) $580.16; (6) $55.18; (7) $114.50; (8) $717.18; (9) $5,117.17; (11) $5,117.17; (15).[1]

A. Roland Rice, 537 Washington Building, Washington, D. C.
B. Regular Common Carrier Conference of the American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
C. (2) Legislative interest, protection and fostering of the interests of federally regulated motor common carriers of general commodities.
D. (6) $295.

A. William M. Rice, 631 Tower Building, 14th and K Streets NW., Washington, D. C.
B. Central Public Utility Corp., 1017 Olive Street, St. Louis, Mo.

A. Charles R. Richey, 777 14th Street NW., Washington, D. C.
B. American Hotel Association, 221 West 57th Street, New York, N. Y.
C. (2) All bills of interest to the hotel industry.
D. (5) $1,875.
E. (7) $157.95; (9) $157.95; (11) $157.95; (15).[1]

A. Siert F. Riepma, 1028 Munsey Building, Washington, D. C.
B. National Association of Margarine Manufacturers, 1028 Munsey Building, Washington, D. C.
C. (2) Interested in any legislation which may relate to margarine.
D. (6) $70.
E. (7) $20.45; (9) $20.45; (11) $20.45.

A. George D. Riley, 901 Massachusetts Avenue NW., Washington, D. C.
B. American Federation of Labor, 901 Massachusetts Avenue, NW., Washington, D. C.
C. (2) All bills affecting the welfare of the country generally, and specifically bills affecting workers.
D. (6) $2,256.
E. (6) $28.60; (7) $72.60; (8) $184.80; (9) $286; (11) $286.

A. E. W. Rising, 1215 16th Street NW., Suite No. 3, Washington, D. C.
B. National Water Conservation Conference, 341 Broad Street Station Building, Philadelphia, Pa.
C. (2) All legislation relative to development, utilization and conservation of natural resources, including bills to authorize projects, and appropriations for construction of projects.
E. (2) $'04; (4) $137.51; (5) $167.86; (6) $14.50; (7) $133.87; (9) $857.74; (11) $857.74; (15).[1]

A. E. W. Rising, 1215 16th Street NW., Washington, D. C.
B. Western Beet Growers Association, Post Office Box 742, Great Falls, Mont.
C. (2) Legislation that may affect or limit the right of American farmer to grow and market sugar beets.
D. (6) $265.
E. (2) $60.06; (4) $100.80; (5) $47; (6) $11.83; (7) $62.97; (9) $282.66; (11) $282.66; (15).[1]

A. George Mackay Robb, 2507 South Salina Street, Syracuse, N. Y.
B. Christian Amendment Movement, 804 Pennsylvania Avenue, Pittsburgh, Pa.
D. (6) $475.
E. (5) $5.03; (6) $6.92; (7) $183.71; (9) $195.66; (11) $195.66.

A. Paul H. Robbins, 1121 15th Street NW., Washington, D. C.
B. National Society of Professional Engineers, 1121 15th Street NW., Washington, D. C.
C. (2) All legislation affecting the interests of professional engineers. (3) Legislative Bulletin.
D. (6) $250.

A. Edward O. Rodgers, 1107 16th Street NW., Washington, D. C.
B. Air Transport Association of America, 1107 16th Street NW., Washington, D. C.
C. (2) General legislative interests for the proper advancement of the airline industry. (See attached sheets for specific bill numbers.)[1]
D. (6) $1,250.
E. (7) $22.50; (9) $22.50; (10) $22.50; (11) $22.50.

A. Frank W. Rogers, 911 Commonwealth Building, Washington, D. C.
B. Western Oil and Gas Association, 510 West 6th Street, Los Angeles, Calif.
C. (2) Federal legislation affecting the petroleum industry in Washington, Oregon, California, Arizona, and Nevada.
D. (6) $3,000.

A. Watson Rogers, 527 Munsey Building, Washington, D. C.
B. National Food Brokers Association, 527 Munsey Building, Washington, D. C.
C. (2) (See attached sheet).[1]
D. (6) $1,000.

A. George B. Roscoe, 610 Ring Building, Washington, D. C.
B. National Electrical Contractors Association, Inc., 610 Ring Building, Washington, D. C.
C. (2) The National Electrical Contractors Association has an interest in the enactment of S. 848, H. R. 515, H. R. 1051, H. R. 1066, H. R. 1520, and H. R. 1825. (3) News Letter, Qualified Contractor.

A. Carlton H. Rose, 1025 Connecticut Avenue NW., Washington, D. C.
B. National Lead Co., 111 Broadway, New York, N. Y.
C. (2) Legislation affecting the operation of National Lead Co., including the manufacture and sale of its products. H. R. 234, H. R. 606, H. R. 2535, H. R. 2740, H. R. 2823, S. 753, S. 860, S. 1539.

A. Roland H. Rowe, 400 Investment Building, Washington, D. C.
B. United States Wholesale Grocers' Association, 400 Investment Building, Washington, D. C.
C. (2) Legislation affecting interest of wholesale grocers. (a) Amending the Robinson-Patman Act and the Federal Trade Commission Act. (b) S. 1357, H. R. 3501, S. 1377, S. 540, H. R. 635. (c) Robinson-Patman Act, Federal Trade Commission Act. (d) For S. 1357. Against H. R. 3501, S. 1377, S. 540, and H. R. 635.
D. (5) $18.15. (See p. 3).[1]

A. Albert R. Russell, 162 Madison Avenue, Memphis, Tenn.
B. National Cotton Council of America, Post Office Box 18, Memphis, Tenn.
C. (2) Any legislation affecting the raw cotton industry as will promote the purposes for which the Council is organized.
D. (6) $165.
E. (7) $43.12; (9) $43.12; (11) $43.12.

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[1] Not printed. Filed with Clerk and Secretary.

A. Francis M. Russell, 1625 K Street NW., Washington, D. C.
B. National Broadcasting Co., Inc., 1625 K Street NW., Washington, D. C.
C. (2) Legislation affecting National Broadcasting Co., Inc., and/or affiliated companies.
E. (7) $297.25; (9) $297.25.

A. Horace Russell, 7 South Dearborn Street, Chicago, Ill.
B. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.
C. (2) Legislation directly or indirectly affecting the savings and loan business.
D. (6) $3,750.
E. (7) $109.29; (9) $109.29; (11) $109.29; (15).[1]

A. M. O. Ryan, 777 14th Street NW., Washington, D. C.
B. American Hotel Association, 221 West 57th Street, New York, N. Y.
C. (2) All bills of interest to the hotel industry.
D. (6) $3,750.
E. (7) $261.85; (9) $261.85; (11) $261.85; (15).[1]

A. Robert A. Saltzstein, 511 Wyatt Building, Washington, D. C.
B. Emergency Committee of Small and Medium-Size Magazine Publishers, 305 East 46th Street (Room 301), New York, N. Y.
C. (2) Interested in matters affecting second-class postal rates.
D. (6) $1,250.01.
E. (2) $27.75; (6) $36.63; (7) $1.05; (9) $65.43; (11) $65.43; (15).[1]

A. Charles E. Sands, 4211 Second Street NW., Washington, D. C.
B. Hotel and Restaurant Employees and Bartenders International Union, A. F. of L., 525 Walnut Street, Cincinnati, Ohio.
C. (2) Labor and social legislation.
D. (6) $1,800.
E. (5) $102; (9) $102; (11) $102.

A. L. R. Sanford, 21 West Street, New York, N. Y.
B. Shipbuilders Council of America, 21 West Street, New York, N. Y.

A. Satterlee, Warfield & Stephens, 40 Wall Street, New York, N. Y.
B. American Nurses' Association, 2 Park Avenue, New York, N. Y.
C. (2) General legislative interests are in legislation relating to nurses, nursing, or health. (3) The American Journal of Nursing.
D. (6) $1,600.
E. (7) $241.04; (9) $241.04; (11) $241.04; (15).[1]

A. Stuart T. Saunders, 108 North Jefferson Street, Roanoke, Va.
B. Norfolk & Western Railway Co., 108 North Jefferson Street, Roanoke, Va.

A. Schoene & Kramer, 1625 K Street NW., Washington, D. C.
B. Railway Labor Executives' Association, 10 Independence Avenue SW., Washington, D C.
C. (2) Railroad retirement and unemployment insurance matters.
D. (6) $500.
E. (7) $2; (9) $2; (11) $2.

A. John W. Scott, 317 Wyatt Building, Washington, D. C.
B. Harvey B. Jacobson, 1406 G Street NW., Washington, D. C.
C.[1]
D. (16) $300.

[1] Not printed. Filed with Clerk and Secretary.

A. Mildred Scott, 1370 National Press Building, Washington, D. C.
B. American Federation of the Physically Handicapped, 1370 National Press Building, Washington, D. C.
C. (2) H. R. 1725, 2701; S. 898; H. R. 2096, 2147, 2149, 2300, 2342, 2346, 2463, 2519, 3177, 3188, 3291, 3473.
D. (6) $300.
E. (7) $10; (9) $10; (11) $10.

A. Hollis M. Seavey, 532 Shoreham Building, Washington, D. C.
B. Clear Channel Broadcasting Service, 532 Shoreham Building, Washington, D. C.
C. (2) CCBS is opposed to any proposed legislation (such as S. 491 and H. R. 4004, 81st Congress) calling for the duplication of Class I-A Clear Channel frequencies or the limitation of the power of Class I-A Standard Broadcast Stations. CCBS opposes ratification of the so-called NARBA Agreement signed November 15, 1950.
E. (7) $19.75; (9) $19.75; (11) $19.75; (15).[1]

A. James D. Secrest, 777 14th Street NW., Washington, D. C.
B. Radio-Television Manufacturers Association, 777 14th Street NW., Washington, D. C.
C. (2) General legislative interests are: Those relating directly or indirectly to the radio and television manufacturing industry. Special legislative interests are: Defense Production Act; excise taxes; excess profits taxes. (3) RTMA Industry Report.

A. Mr. Harry See, 10 Independence Avenue SW., Washington, D. C.
B. Brotherhood of Railroad Trainmen.
C. (2) Advocating favorable labor legislation and opposing unfavorable labor legislation.
E. (7) $147.18; (9) $147.18; (11) $147.18.

A. Manning Shaw, Washington Loan & Trust Building, Washington, D. C.
B. National Association of Electric Companies, Ring Building, 1200 18th Street, NW., Washington, D. C.
C. (2) Any legislation that might affect the members of the N. A. E. C.
D. (6) $5,096.65.

A. Mark R. Shaw, 114 Trenton Street, Melrose, Mass.
B. National Council for Prevention of War, 1013 18th Street NW., Washington, D. C.
C. (2) Favor economic aid to Europe and Asia, point IV, etc. Favor plans for universal disarmament. Favor full cooperation in the U. N. for economic and social welfare. UNICEF. Favor modification of the McCarran-Walter immigration law, liberalizing it. Oppse UMT, UMS, and Military Aid Program. Oppose rearming Germany and Japan. Other measures related to peace and war. (3) Peace Action.
D. (6) $600.
E. (7) $38.90; (9) $38.90; (11) $38.90.

A. Leander I. Shelley, 30 Broad Street, New York, N. Y.
B. The Port of New York Authority, New York, N. Y. (Bi-State Agency); American Association of Port Authorities, Washington, D. C. (Port Association); Airport Operators Council, Washington, D. C. (Airport Association).
C. (2) For bills (1) to return tidelands to States, (2) to provide compensation for persons prejudiced by Rome Convention, (3) to amend Surplus Airports Act, and (4) to continue Federal-airport aid.
D. (6) $4,250.
E. (6) $1.38; (7) $249.62; (9) $251; (11) $251; (15).[1]

[1] Not printed. Filed with Clerk and Secretary.

A. Bruce E. Shepherd, 488 Madison Avenue, New York, N. Y.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
C. (2) General: Legislation which might affect the welfare of policyholders and annuitants.
D. (6) $117.50.

A. Robert H. Shields, 1001 Tower Building, Washington, D. C.
B. United States Beet Sugar Association, 1001 Tower Building, Washington, D. C.
C. (2) Interested in any legislation affecting sugar, particularly the Sugar Act of 1948 and related legislation.
D. (6) $10,000.

A. Earl C. Shively, 16 East Broad Street, Columbus, Ohio.
B. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio.
C. (2) Legislation affecting railroad interests.

A. Silver Users Association, 1612 I Street, NW., Washington, D. C.
C. (2) Legislation regarding silver.
D. (6) $4,250.06.
E. (7) $799.47; (9) $799.47; (11) $799.47.

A. Six Agency Committee, 315 South Broadway, Los Angeles, Calif.
C. (2) Legislation affecting California's interest in the Colorado River, including S. 1438, Bridge Canyon bill, H. R. 4443, H. R. 4449, H. R. 4463, and S. 1555, Colorado River storage project, and legislation relating to reclamation and water resources policies.
D. (6) $10,000.
E.[1]

A. Stephen Slipher, 711 14th Street, NW., Washington, D. C.
B. United States Savings & Loan League, 221 North La Salle Street, Chicago, Ill.
C. (See attached page).[1]
D. (6) $1,300.
E. (7) $15.40; (9) $15.40; (11) $15.40.

A. Miss Elizabeth A. Smart, 138 Constitution Avenue NE., Washington, D. C.
B. National Woman's Christian Temperance Union, 1730 Chicago Avenue, Evanston, Ill.
C. (2) S. 10, S. 11, S. 1080, H. R. 3094, H. R. 1227.
D. (6) $724.98.
E. (5) $159.56; (6) $44.75; (9) $204.31; (11) $204.31.

A. Anthony W. Smith, 718 Jackson Place, NW., Washington, D. C.
B. Congress of Industrial Organizations, 718 Jackson Place, NW., Washington, D. C.
C. (2) General: Forestry; regional development; resource conservation; labor relations.

A. George C. Smith, Jr., 1615 H Street, NW., Washington, D. C.
B. Chamber of Commerce of the United States, 1615 H Street, NW., Washington, D. C.
D. (6) $1,562.50.
E. (6) $23.25; (7) $557.30; (9) $580.55; (11) $580.55.

A. Harold O. Smith, Jr., 400 Investment Building, Washington, D. C.
B. United States Wholesale Grocers' Association, Inc., 400 Investment Building, Washington, D. C.

A. Lloyd W. Smith, 425 Shoreham Building, Washington, D. C.
B. Chicago, Burlington & Quincy Railroad Co., 547 West Jackson Boulevard, Chicago,

[1] Not printed. Filed with Clerk and Secretary.

Ill.; Great Northern Railway, 175 East Fourth Street, St. Paul, Minn.
C. (2) Any legislation affecting directly or indirectly the Chicago, Burlington & Quincy Railroad Co. and the Great Northern Railway.
D. (6) $2,556.66.

A. Robert E. Smith, 116 Nassau Street, New York, N. Y.
B. Life Insurance Policyholders Protective Association, 116 Nassau Street, New York, N. Y.
C.[1]
D. (6) $900.
E. (7) $1,227.55; (9) $1,227.55; (11) $1,227.55; (12) $9,801.89; (13) $2,000; (14) $435.29; (15).[1]

A. Sylvester C. Smith, Jr., Prudential Insurance Co. of America, 763 Broad Street, Newark, N. J.
B. Prudential Ins. Co. of America, 763 Broad Street, Newark, N. J.

A. Purcell L. Smith, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
C. (2) (See appended statement, pp. 5 and 6).[1]
D. (6) $16,250.01.
E. (6) $59.50; (7) $937.06; (8) $109.60; (9) $1,106.16; (11) $1,106.16; (15).[1]

A. Spokesmen for Children, Inc., 654 Madison Avenue, New York, N. Y.
C. (2) Appropriations for grants-in-aid for the States for maternal and child health, child welfare and services to crippled children. Public Law 874 and Public Law 815 for aid to schools in defense areas. S 1153 for extending local public health units.
D. (6) $430.75.
E. (1) $63; (4) $17.58; (5) $75.05; (6) $1.48; (7) $47.52; (9) $204.63; (11) $204.63; (15).[1]

A. Calvin K. Snyder, National Association of Real Estate Boards, 1737 K Street NW., Washington, D. C.
B. Realtors' Washington Committee of the National Association of Real Estate Boards, 1737 K Street NW., Washington, D. C.
C. (2) Any legislation affecting the real-estate industry.
D. (6) $4,125.
E. (6) $3.35; (7) $524.23; (8) $15; (9) $545.57; (11) $545.57; (15).[1]

A. J. D. Snyder, 1040 La Salle Hotel, Chicago, Ill.
B. Illinois Railroad Association, Room 1526, 33 South Clark Street, Chicago, Ill.
C. (2) Legislation affecting railroads.
D. (6) $825.

A. Southern States Industrial Council, Nashville, Tenn.
C. (2) Support of legislation favorable to free enterprise system and opposition to legislation unfavorable to that system. (3) Southern States Industrial Council Bulletin.
D. (6) $50,188.
E. (2) $15,896.30; (4) $4,055.86; (5) $1,992.04; (6) $193.28; (7) $139.28; (8) $503.33; (9) $22,780.04; (11) $22,780.04; (15).[1]

A. Spence, Hotchkiss, Parker & Duryee, 40 Wall Street, New York, N. Y.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.
C. (2) Legislation to establish a national air policy.

[1] Not printed. Filed with Clerk and Secretary.

A. Lyndon Spencer, 305 Rockefeller Building, Cleveland, Ohio.
B. Lake Carriers' Association, 305 Rockefeller Building, Cleveland, Ohio.

A. Thomas G. Stack, 1104 West 104th Place, Chicago, Ill.
B. National Railroad Pension Forum, Inc., 1104 West 104th Place, Chicago, Ill.
C. (2) Interested in all bills pertaining to the Railroad Retirement Act. (3) Rail Pension News.
D. (6) $1,320.
E. (1) $214.50; (2) $1,320; (4) $1,400; (6) $32; (9) $2,966.50; (11) $2,966.50.

A. Howard M. Starling, 837 Washington Building, Washington, D. C.
B. Association of Casualty and Surety Companies, 60 John Street, New York, N. Y.
C. (2) Legislation affecting casualty and surety companies.
D. (6) $150.
E. (7) $7.50; (9) $7.50; (11) $7.50.

A. Charles I. Stengle, AFGE, Room 716, 900 F Street NW., Washington, D. C.
B. American Federation of Government Employees, Room 716, 900 F Street NW., Washington, D. C.
C. (2) All bills of interest to Federal Government employees and District of Columbia government employees.
D. (6) $1,750.
E. (7) $27.20; (9) $27.20; (11) $27.20.

A. Mrs. Nell F. Stephens, Post Office Box 6261, Northwest Station, Washington, D. C.

A. Mrs. Alexander Stewart (Annalee), 1734 F Street NW., Washington, D. C.
B. Women's International League for Peace and Freedom, 1734 F Street NW., Washington, D. C.
C. (3) Four Lights, Washington Newsletter.
D. (6) $10,875.69.
E. (2) $5,802.68; (4) $993.24; (5) $2,978.55; (6) $427; (7) $624.97; (9) $10,826.44; (11) $10,826.44.

A. Charles T. Stewart, National Association of Real Estate Boards, 1737 K Street NW., Washington, D. C.
B. National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill.
C. (2) Any legislation affecting the real-estate industry.
D. (6) $3,768.58.
E. (7) $226.13; (8) $42.45; (9) $268.58; (11) $268.58; (15).[1]

A. Erskine Stewart, Suite 808, Sheraton Building, 711 14th Street NW., Washington, D. C.
B. National Retail Dry Goods Association, 100 West 31st Street, New York, N. Y.
C. S. Res. 38, S. 1081, S. 753; H. Res. 1, H. R. 3851, H. R. 4159, H. R. 1533, H. R. 235, H. R. 2685, H. R. 632.
D. (5) $375.
E. (8) $1.25; (9) $1.25; (11) $1.25.

A. Wilson E. Still, 162 Madison Avenue, Memphis, Tenn.
B. National Cotton Council of America, Post Office Box 18, Memphis Tenn.

A. Edwin L. Stoll, assistant director of public relations, 1737 K Street NW., Washington, D. C.
B. National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill.
C. (2) Any legislation affecting the real estate industry.

[1] Not printed. Filed with Clerk and Secretary.

D. (6) $2,566.76.
E. (7) $23.76; (8) $43; (9) $66.76; (11) $66.76; (15).[1]

A. Sterling F. Stoudenmire, Jr., 61 St. Joseph Street, Mobile, Ala.
B. Waterman Steamship Corp., 61 St. Joseph Street, Mobile, Ala.
C. (2) Any legislation affecting the American merchant marine and transportation generally.
D. (6) $1,000.

A. Paul A. Strachan, 1370 National Press Building, Washington, D. C.
B. American Federation of the Physically Handicapped, 1370 National Press Building, Washington, D. C.
C. (2) H. R. 2096, 2147, 2149, 2300, 2342, 2346, 2463, 2519, 3177, 3188, 3291, 3473, 1725, 2701. S. 898.
D. (6) $600.
E. (7) $30; (9) $30; (11) $30.

A. O. R. Strackbein, 424 Bowen Building, Washington, D. C.
C. (2) H. R. 4294, trade agreements bill.
D. (6) $3,000.

A. O. R. Strackbein, 424 Bowen Building, Washington, D. C.
B. International Allied Printing Trades Association, Box 728, Indianapolis, Ind.
C. (2) H. R. 4317 (Amendment of section 308 of the Tariff Act of 1930).
D. (6) $625.

A. O. R. Strackbein, 424 Bowen Building, Washington, D. C.
C. (2) H. R. 4294, trade agreement bill.
D. (6) $1,625.

A. Arthur D. Strong, 1034 Midland Bank Building, Minneapolis, Minn.
B. Upper Mississippi Waterway Association, 1034 Midland Bank Building, Minneapolis, Minn.
C. (2) All legislation relating to the improvement and development of navigable waterways in the upper Mississippi River, together with legislation relating to flood control, conservation, pollution, recreation, fish and wild life, including all legislation that has to do with the development of water resources of the upper Mississippi River and its tributaries as this legislation relates to all types of public benefits.
D. (6) $1,351.80.

A. Arthur Sturgis, Jr., 1625 Eye Street NW., Washington, D. C.
B. American Retail Federation, 1625 Eye Street NW., Washington, D. C.
C. (See page 3).[1]

A. J. E. Sturrock, P. O. Box 2064, Capitol Station, Austin, Tex.
B. Texas Water Conservation Association, P. O. Box 2064, Capitol Station, Austin, Tex.
C. (2) Interested in all legislation concerning the development, conservation, protection and utilization of Texas' land and water resources through existing State and Federal agencies. Opposed to all legislation creating Federal Valley Authorities and all legislation seeking to superimpose Federal Control over State control in the distribution of the State's water resources. Opposed to approving agreement between United States and Canada relating to the Great Lakes-St. Lawrence Basin. For legislation to prohibit establishment of valley authority in any State without vote of people of the State. For bill quitclaiming title to tidelands to the several States. (3) Texas water.

[1] Not printed. Filed with Clerk and Secretary.

D. (6) $1,500.
E. (2) $63.50; (5) $16.32; (6) $20.80; (7) $757.57; (8) $115.58; (9) $973.86; (11) $973.86; (15).[1]

A. Francis M. Sullivan, 1701 18th Street NW., Washington, D. C.
B. Disabled American Veterans, National Headquarters, 1423 East McMillan Street, Cincinnati, Ohio.
C. (2) Legislation affecting war veterans, their dependents, and survivors of deceased veterans. (3) DAV Semi-Monthly.
D. (6) $2,906.60.

A. A. D. Sutherland, 104 South Main Street, Fond du Lac, Wis.
B. Louis Cary, successor trustee of Bankers Farm Mortgage Co., Fond du Lac, Wis., in behalf of former bondholders of Bankers Joint Stock Land Bank of Milwaukee, Wis., and F. A. Carlton, 135 South LaSalle Street, Chicago, Ill.
E. (6) $8.37; (7) $141.87; (9) $149.87; (11) $149.87; (12) $8.37.

A. Tax Equality Committee of Kentucky, 310 Commerce Building, Louisville, Ky.
C. (2) Advocating revision of section 101 IRC.
D. (6) $599.50.
E. (1) $1,250; (2) $146.25; (4) $104.31; (5) $135; (6) $1.53; (7) $1.79; (8) $8.10; (9) $1,646.98; (11) $1,646.98; (15).[1]

A. Edward D. Taylor, 777 14th Street NW., Washington, D. C.
B. Office Equipment Manufacturers Institute (OEMI), 777 14th Street NW., Washington, D. C.

A. Margaret K. Taylor, 1731 Eye Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 Eye Street NW., Washington, D. C.
C. (2) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk. (3) News for Dairy Co-ops; Legislative Letter.
D. (6) $2,442.40.
E. (8) $4.90; (10) $4.90; (15).[1]

A. Randolph S. Taylor, 1507 M Street NW., Washington, D. C.
B. Burley & Dark Leaf Tobacco Export Association, Inc., 620 South Broadway, Lexington, Ky.
C. (2) Mutual Security Agency; United States Department of Agriculture; H. R. 1417, in opposition.
D. (6) $2,500.
E. (7) $44.45; (8) $33.55; (9) $78; (11) $78.

A. Tyre Taylor, 1112 Dupont Circle Building, Washington, D. C.
B. Southern States Industrial Council, Stahlman Building, Nashville, Tenn.
D. (6) $2,462.37.
E. (5) $471.20; (6) $36.50; (9) $507.70; (11) $507.70; (15).[1]

A. Marjorie L. Temple, 1917 Eye Street NW., Washington, D. C.
B. National Federation of Business and Professional Women's Clubs, Inc., 1819 Broadway, New York, N. Y.
C. (See attached statement).[1]
D. (6) $24,890.50.
E. (2) $900; (4) $452.10; (5) $220; (6) $173.04; (8) $24.57; (9) $1,769.71; (11) $1,769.71; (15).[1]

A. John U. Terrell, 424 Wyatt Building, Washington, D. C.
B. Colorado River Association, 306 West Third Street, Los Angeles, Calif.
C. (2) S. 1555.
D. (6) $3,000.

A. J. E. Sturrock, Post Office Box 2084, Capitol Station, Austin, Tex.
B. Texas Water Conservation Association, Post Office Box 2084, Capitol Station, Austin, Tex.
C. (2) Interest in all legislation concerning the development, conservation, protection, and utilization of Texas' land and water resources through existing State and Federal agencies. Opposed to all legislation creating Federal Valley Authorities and all legislation seeking to superimpose Federal control over State control in the distribution of the State's water resources. Opposed to approving agreement between United States and Canada relating to the Great Lakes-St. Lawrence basin. For legislation to prohibit establishment of Valley authority in any State without vote of people of the State. For bill quitclaiming title to tidelands to the several States. (3) Texas Water.
D. (6) $3,425.
E. (1) $400; (2) $1,800.96; (4) $827; (5) $294.68; (6) $299.98; (7) $578.56; (8) $1,319.34; (9) $5,520.52 (11) $5,520.52; (15).[1]

A. Oliver A. Thomas, 43 Sierra Street, Reno, Nev.
B. Nevada Railroad Association, 43 Sierra Street, Reno, Nev.; The Union Pacific Railroad Co.; The Western Pacific Railroad Co.; Southern Pacific Co.
C. (2) All Senate and House bills and resolutions affecting the interests of Nevada railroads. The St. Lawrence waterway; H. R. 2685 which proposes to repeal Public Law 199.
D. (6) $675.

A. Chester C. Thompson, 1319 F Street NW., Washington, D. C.
B. The American Waterways Operators, Inc., 1319 F Street NW., Washington, D. C.
C. (2) All matters affecting barge and towing vessel industry and water transportation. H. R. 294; H. R. 553; H. R. 618; H. R. 1776; H. R. 1997; H. R. 2078; H. R. 3300, and similar bills; H R. 3495; H. R. 3580; H. R. 3705; H. R. 3799; H. R. 4083; H. Res. 102; and H. J. Res. 104; S. 291; S. 413; S. 589, S. 639; S. 655; S. 656; S. 657; S. 658; S. 659; S. 753; S. 796; S. 905; S. 906; S. 1461; S. Res. 22; and S. J. Res. 45.
D. (6) $6,166.66.
E. (7) $134.20; (9) $134.20; (11) $134.20.

A. Julia C. Thompson, 711 14th Street NW., Washington, D. C.
B. American Nurses Association, Inc., 2 Park Avenue, New York, N. Y.
C.[1]
D. (6) $1,400.

A. Eugene M. Thoré, 1000 Vermont Avenue, Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
C. (2) General: Legislation which might affect the welfare of policyholders and annuitants. Specific: (See page 3).[1]
D. (6) $1,175.

A. G. D. Tilghman, 1604 K Street NW., Washington, D. C.
B. Disabled Emergency Officers of the World Wars, 1604 K Street NW., Washington, D. C.
C. (2) General legislation pertaining to the pay of military personnel.
D. (6) $2,750.
E. (7) $60; (9) $60; (11) $60.

A. E. W. Tinker, 122 East 42d Street, New York, N. Y.
B. American Paper & Pulp Association, 122 East 42d Street, New York, N. Y.

A. William H. Tinney, 211 Southern Building, 15th and H Streets NW., Washington, D. C.
B. The Pennsylvania Railroad Co., 1740 Suburban Station Building, Philadelphia, Pa.
C. (See attached statement.)[1]
D and E. (See attached.)[1]

A. Fred A. Tobin, 438 Bowen Building, 821 15th Street NW., Washington, D. C.
B. International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers of America, 100 Indiana Avenue NW., Washington, D. C.
D. (6) $3,750.

A. H. Willis Tobler, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
C. (2) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk. (3) News for Dairy Co-ops; Legislative Letter.
D. (6) $2,264.21.
E. (8) $35.45; (9) $35.45; (11) $35.45; (15).[1]

A. John H. Todd, 1008 16th Street NW., Washington, D. C.
B. National Cotton Compress and Cotton Warehouse Association, 586 Shrine Building, Memphis, Tenn.
C. (2) Any matters affecting the cotton compress and cotton warehouse industry.
D. (6) $62.50.
E. (2) $9; (5) $5; (7) $3; (9) $17; (11) $17.

A. Matt Triggs, 261 Constitution Avenue NW., Washington, D. C.
B. American Farm Bureau Federation, 221 North LaSalle Street, Chicago, Ill.
D. (6) $1,862.49.
E. (7) $77.27; (9) $77.27; (11) $77.27.

A. Paul T. Truitt, 817 Barr Building, Washington, D. C.
B. American Plant Food Council, Inc., 817 Barr Building, Washington, D. C.
C. (2) Generally interested in legislation affecting the fertilizer industry.

A. Harold J. Turner, Henry Building, Portland, Oreg.
B. Spokane, Portland, and Seattle Railway Co., Southern Pacific Co., Union Pacific Railroad Co., Henry Building, Portland, Oreg.
C. (2) All bills which directly affect railroads of Oregon.

A. Unemployed Service Association, 623 Third Street NW., Washington, D. C.
C. (2) No specific bill but various proposals for unemployed people.

A. United Cerebral Palsy Associations, Inc. 50 West 57th Street, New York, N. Y.
C. (2) Appropriations for Public Health.
E. (1) $999.99; (7) $259.63; (9) $1,259.62; (11) $1,259.62.

A. United States Cane Sugar Refiners Association, 115 Pearl Street, New York, N. Y.; and 1001 Connecticut Avenue NW., Washington, D. C.

A. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.
C. (2) (see appended statement).[1]
E. (1) $1,886.72; (4) $17,397.30; (9) $19,284.02; (11) $19,284.02; (15).[1]

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[1] Not printed. Filed with Clerk and Secretary.

UNIVERSITY OF MICHIGAN LIBRARIES

A. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.
C. (2) (Schedule attached).[1]
E. (2) $5,108.45; (4) $5,984.90; (5) $810.89; (6) $116.75; (7) $133.69; (8) $501.98; (9) $12,656.66; (11) $12,656.66; (15).[1]

A. A. L. Viles, 444 Madison Avenue, New York, N. Y.
B. The Rubber Manufacturers Association, Inc., 444 Madison Avenue, New York, N. Y.

A. Virginia Associated Businessmen, 512 Travelers Building, Richmond, Va.
C. (2) H. R. 1559 and similar tax-equality legislation.
E. (2) $1,551.75; (4) $858.59; (5) $464.08; (6) $69.15; (7) $128.17; (8) $149.03; (11) $3,220.77; (15).[1]

A. Vitrified China Association, Inc., 317 Wyatt Building, Washington, D. C.

A. Tracy S. Voorhees, 711 14th Street NW., Washington, D. C.
C. (2) Mutual security; military manpower.

A. The Vulcan Detinning Co., Sewaren, N. J.

A. James A. Waggener, 1021 Hume Mansur Building, Indianapolis, Ind.
B. Indiana State Medical Association, 1021 Hume Mansur Building, Indianapolis, Ind.
C. (2) All bills pending before Congress which would create national health insurance.

A. John E. Walker, 631 Tower Building, 14th and K Streets NW., Washington, D. C.
B. Central Public Utility Corp., 1017 Olive Street, St. Louis, Mo.
C. (2) Amendment of the Internal Revenue Code to provide for the inclusion, in subsection 458 (d) (2), of the principle now set forth in subsection 441 (g) (2).

A. Stephen M. Walter, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Cos., 1200 18th Street NW., Washington, D. C.
C. (2) (See appended statement, p. 5.)[1]
D. (6) $7,000.02.
E. (7) $362.38; (8) $48.20; (9) $410.58; (11) $410.58.

A. Thomas G. Walters, 100 Indiana Avenue NW., Room 509, Washington, D. C.
B. Government Employees' Council A. F. of L., 100 Indiana Avenue NW., Room 509, Washington, D. C.
D. (6) $2,625.

A. Milo J. Warner, 904 Nicholas Building, Toledo, Ohio.
B. The Prudential Insurance Company of America, Newark, N. J.
C. (2) Legislation which may affect the the interests of the mutual policyholders of The Prudential Insurance Company of America.
D. (6) $3,500.

A. Washington Board of Trade, 204 Evening Star Building, Washington, D. C.
C. (2) Legislation affecting the District of Columbia, of interest to the Washington Board of Trade.

A. Washington Home Rule Committee, 616-623 Transportation Building, Washington, D. C.
C. (2) S. 999, District of Columbia Charter Act.
D. (6) $.2855.50.
E. (1) $254.93; (4) $18.36; (7) $843.76; (9) $1,117.05; (11) $1,117.05; (15).[1]

[1] Not printed. Filed with Clerk and Secretary.

A. Washington Real Estate Board, Inc., 312 Wire Building, 1000 Vermont Avenue NW., Washington, D. C.
C. (2) All local measures affecting the District of Columbia are of interest.
E. (3) $500; (9) $500; (11) $500.

A. Vincent T. Wasilewski, 1771 N Street NW., Washington, D. C.
B. National Association of Radio and Television Broadcasters, 1771 N Street NW., Washington, D. C.
C. (2) Communications Act of 1934, as amended, 47 U. S. C. 151; Administrative Procedure Act, 5 U. S. C. 1001; bill to amend section 315 of Communications Act (H. R. 539); bill to establish daylight-saving time (H. R. 1722); bill to amend Communications Act re station licenses and revocations (H. R. 3977); bill to amend section 311 of Communications Act (S. 538); bills to provide standby economic controls (S. 753, 1081); bill to adopt rules re broadcasting of baseball (S. 1396); study of juvenile delinquency (S. Res. 88).

A. J. R. Watson, Room 1, I. C. R. R., Passenger Station, Jackson, Miss.
B. Mississippi Railroad Association, Room 1, I. C. R. R. Passenger Station, Jackson, Miss.
C. (2) Legislation affecting railroads in Mississippi. None.

A. William H. Webb, 1720 M Street NW., Washington, D. C.
B. National Rivers & Harbors Congress, 1720 M Street NW., Washington, D. C.
C. (2) All matters pertaining to river and harbor improvement, flood control, navigation, irrigation, reclamation, soil and water conservation, and related subjects.
D. (6) $3,150.57.
E. (5) $5.14; (7) $335.49; (8) $296.85; (9) $637.48; (11) $637.48; (12) $10; (15).[1]

A. Wayne M. Welshaar, 1115 17th Street NW., Washington, D. C.
B. Aeronautical Training Society, 1115 17th Street NW., Washington, D. C.
C. (2) Airmen's training bills H. R. 1925 and S. 1253.
D. (6) $3,300.
E. (4) $4.75; (7) $13.10; (9) $17.85; (11) $17.85.

A. William E. Welsh, secretary-manager, 1119 National Press Building, Washington, D. C.
B. National Reclamation Association, 1119 National Press Building, Washington, D. C.
C. (2) (a) Reclamation Act, 1902 (53 Stat. 1187, 43 U. S. C. 485) and all amendatory and supplementary acts thereto. H. R. 200, H. R. 236, H. R. 495, H. R. 555, H. R. 559, H. R. 993, H. R. 1038, H. R. 1716, H. R. 2229, H. R. 2267, H. R. 2337, H. R. 2971, H. R. 4463, H. R. 4406; S. 87, S. 118, S. 158, S. 446, S. 621, S. 624, S. 646, S. 887, S. 1197, S. 1572, S. 1555, S. 1603, and all other bills concerning reclamation, flood control as related to reclamation, and water and land conservation.
D. (6) $3,249.99.
E. (7) $303.62; (9) $303.62; (11) $303.62.

A. Richard P. White, 635 Southern Building, Washington, D. C.
B. American Association of Nurserymen, Inc., 635 Southern Building, Washington, D. C.
C. (2) Any legislation affecting the nursery industry directly.
D. (6) $3,124.98.
E. (2) $31.25; (4) $23.36; (5) $22.15; (6) $3.66; (7) $6.34; (9) $86.76; (11) $86.76.

[1] Not printed. Filed with Clerk and Secretary.

A. John C. White, Fulbright, Crooker, Freeman & White, 638 Transportation Building, Washington, D. C.
B. American Cotton Association, Cotton Exchange Building, Memphis, Tenn.; National Association of Cotton Shippers and Exporters; affiliated associations: Texas Cotton Association, Southern Cotton Shippers Association, Oklahoma State Cotton Exchange, California-Arizona Cotton Association, Atlantic Cotton Association, Arkansas Cotton Trade Association.
C. (2) Legislation affecting cotton and foreign trade, such as MSA, CCC, Commodity Futures Exchanges, and Price control. Specifically for S. 1413, H. R. 4465.
D. (5) $250.
E. (5) $1.20.

A. Wheeler & Wheeler, 704 Southern Building, Washington, D. C.
B. Missouri Pacific Railroad Co., 25 Broad Street, New York, N. Y.
E. (7) $117.30; (8) $13.72; (9) $130.02; (11) $130.02.

A. Wheeler & Wheeler, 704 Southern Building, Washington, D. C.
B. Contract Carrier Conference, 1424 16th Street NW., Washington, D. C.
C. (2) Any proposed legislation pertaining to the investigation of domestic land and water transportation under the Motor Carrier Act.
D. (6) $1,500.

A. George Y. Wheeler, II, 1625 K Street NW., Washington, D. C.
B. National Broadcasting Co., Inc., 1625 K Street NW., Washington, D. C.
C. (2) Legislation affecting National Broadcasting Co., Inc., and/or its affiliated companies.

A. Edward K. Wheeler, Wheeler & Wheeler, 704 Southern Building, Washington, D. C.
B. Shoreline Oil Co., Las Vegas, Nev.; Cray Co., Las Vegas, Nev.
C. (2) Any proposed legislation which affects the rights of the companies represented.

A. Western States Meat Packers Association, Inc., 604 Mission Street, suite 1002-3, San Francisco, Calif.
C. (2) Interested in legislation affecting livestock and meat packing industry.
D. (6) $70,627.27
E. (4) $23.69; (7) $135.06; (9) $158.75; (11) $158.75; (15).[1]

A. H. Leigh Whitelaw, 60 East 42d Street, New York, N. Y.
B. Gas Appliance Manufacturers Association, Inc., 60 East 42d Street, New York, N. Y.
C. (2) Any and all legislation particularly affecting the interests of manufacturers of gas appliances and equipment.

A. Louis E. Whyte, 918 16th Street, NW., Washington, D. C.
B. Independent Natural Gas Association of America, 918 16th Street NW., suite No. 501, Washington, D. C.
C. Matters of interest to the natural gas industry.
D. (6) $750.

A. Wilkinson, Boyden, Cragun & Barker, 744 Jackson Place NW., Washington, D. C.
B. Confederated Bands of Ute Indians, Fort Duchesne, Utah, and Ignacio, Colo.
C. (2) Supporting H. R. 4228 and S. 785.
E. (2) $3.23; (7) $6.65; (9) $9.78; (11) $9.78.

[1] Not printed. Filed with Clerk and Secretary.

A. Wilkinson, Boyden, Cragun & Barker, 744 Jackson Place NW., Washington, D. C.

B. Menominee Tribe of Indians, Menominee Indian Agency, Neopit, Wis.

C. (2) The Menominee Tribe is interested in all legislation relating to Indian Affairs. The Menominee Tribe is currently favoring enactment of S. 1014 and H. R. 2828.

E. (2) $4.30; (6) $9.76; (7) $11.85; (9) $25.91; (11) $25.91.

A. Wilkinson, Boyden, Cragun & Barker, 744 Jackson Place NW., Washington, D. C.

B. Nicholas B. Perry, 1841 Columbia Road NW., Washington, D. C.

C. (2) Relief for losses sustained at the hands of Hungarian and Rumanian Governments.

A. Franz O. Willenbucher, 1616 I Street NW., Washington, D. C.

B. Retired Officers Association, 1616 I Street NW., Washington, D. C.

C. (2) Any and all legislation pertinent to the rights, benefits, privileges, and obligations of retired officers, male and female, regular and reserve, and their dependents and survivors, of whatever nature, dealing with personnel matters, pay, and retirement benefits and pensions, studying and analyzing bills, preparing statements for presentation to the cognizant committees, and principally the Committees on Armed Services, the Committees on Veterans' Affairs, and the committees dealing with various privileges, opportunities, and obligations of the personnel involved. (3) The Retired Officer.

D. (6) $1,800.

A. Williams, Myers, and Quiggle, 817 Munsey Building, Washington, D. C.

B. National Food Brokers Association, 527 Munsey Building, Washington, D. C.

C. (2) Opposition to legislation tending to destroy the effectiveness of the antitrust laws to the detriment of free competition. Opposition to H. R. 635, H. R. 3501, H. R. 4170, S. 540, S. 1377. Support of legislation which would strengthen the effectiveness of the antitrust laws. Support of S. 1357. (All of the above bills to amend the Robinson-Patman Act.)

A. James L. Wilmeth, adviser, 3027 North Broad Street, Philadelphia, Pa.

B. The National Council of the Junior Order of United American Mechanics of the United States of America, Inc.

C. (2) S. 339 and H. R. 1854 exempt pensions and annuitants of retired civil-service employees; S. 694 to prohibit display of international organization flags equal or superior to United States; S. 3 and S. 4 prevent citizens of United States of questionable loyalty from accepting employment.

D. (6) $231.95.

E. (4) $176.45; (8) $55.50; (9) $231.95; (11) $231.95.

A. E. Raymond Wilson, 104 C Street NE., Washington, D. C.

B. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.

C. (See p. 2, attached.) [1]

D. (6) $1,812.50.

E. (6) $2.50; (7) $78.03; (9) $80.58; (10) $80.58.

A. Frank E. Wilson, M. D., 1523 L Street NW., Washington, D. C.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.

D. (6) $3,999.99.

E. (7) $843.73; (9) $843.73; (11) $843.73.

A. Everett T. Winter, 719 Omaha National Bank Building, Omaha, Nebr.

B. Mississippi Valley Association, 511 Locust Street, St. Louis, Mo.

C. Legislation relating to river and harbor maintenance and improvement, the American merchant marine, soil conservation, flood control, and regulation of domestic transportation.

D. (6) $3,500.

E. (7) $954.36; (9) $954.36; (11) $954.36.

A. Walter F. Woodul, Chronicle Building, Houston, Tex.

B. Angelina & Neches River Railroad Co., Keltys, Tex., et al.

C. (2) Generally legislation affecting Texas railroads.

D. (6) $5,086.16.

E. (6) $64.49; (7) $1,257.03; (9) $1,321.52; (11) $1,321.52; (15).[1]

[1] Not printed. Filed with Clerk and Secretary.

A. Frank K. Woolley, 261 Constitution Avenue NW., Washington, D. C.

B. American Farm Bureau Federation, 221 North La Salle Street, Chicago, Ill.

C. (2) (See attached.)[1]

D. (6) $2,171.87.

A. Edward W. Wootton, 900 National Press Building, Washington, D. C.

B. Wine Institute, 717 Market Street, San Francisco, Calif.

C. (2) Legislation affecting California wine and brandy industry.

A. Adam Yarmolinsky, 224 Southern Building, Washington, D. C.

B. Chambers of Commerce of Venezuela, care of Caracas Chamber of Commerce, Sur 2, No. 30, Altos, Caracas, Venezuela.

C. (2) General interest in obtaining information on, and opposing, any legislation designed to increase tariffs or impose quotas on imports of petroleum products.

A. Adam Yarmolinsky, 224 Southern Building, Washington, D. C.

B. Comite Franc-Dollar, 31, Avenue Pierre Ier de Serbie, Paris 8e, France (a branch of the Conseil National du Patronat Francais).

C. (2) General interest in obtaining information on legislation affecting imports into the United States; tariffs, quotas, etc., and communicating such information individually to other interested persons in the United States.

A. Mr. Donald A. Young, 1615 H Street, Washington, D. C.

B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D. C.

C. (2) (Attachment A).[1]

D. (6) $1,750.

E. (8) $10.75; (9) $10.75; (11) $10.75.

A. J. Banks Young, 1832 M Street NW., Washington, D. C.

B. National Cotton Council of America, Post Office Box 18, Memphis, Tenn.

D. (6) $50.

E. (7) $5; (9) $5; (11) $5.

[1] Not printed. Filed with Clerk and Secretary.

REGISTRATIONS

The following registrations were submitted for the first calendar quarter 1953:

(NOTE.—The form used for registration is reproduced below. In the interest of economy, questions are not repeated, only the answers are printed, and are indicated by their respective letter and number. Also for economy in the RECORD, lengthy answers are abridged.)

FILE TWO COPIES WITH THE SECRETARY OF THE SENATE AND FILE THREE COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19------ ←

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers; except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302 (e).

(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed, in connection with legislative interests, set forth: (a) Description, (b) quantity distributed, (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out Item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report. ←

AFFIDAVIT

[Omitted in printing]

PAGE 1 ←

A. Thomas H. Alphin, M. D., 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
C. (2) All bills (Senate and House) relating to health and welfare. 3. (a) Information Bulletins (Bulletin and Capitol Clinic) (now merged into A. M. A. Washington Letter). Weekly news letter and legislative notes published in Journal of AMA.

A. The American Association of Port Authorities, 919 11th Street NW., Washington, D. C.
C. (2) For Senate Joint Resolution 13 (Holland) and any similar bills with respect to tidelands; legislation increasing appropriation to United States Merchant Marine Academy; legislation involving shipping, Panama Canal tolls, foreign trade zones, river and harbor development. (4) (See attached).[1]

A. John R. Arant, 1102 Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
C. (2) Measures affecting mining, such as income taxation, social security, public lands, stockpiling, monetary policy, etc. (4) 1. Ordinary expenses incurred for transportation, travel, and other related expenses. 2. $300 per month.

A. Mrs. R. Gordon Arneson, 5520 North 23rd Street, Arlington, Va.
B. Spokesmen for Children, 654 Madison Avenue, New York, N. Y.
C. (2) Health, welfare, and reducation legislation. (4) I receive no compensation for my work. Am reimbursed for clerical expenses and travel, if any.

A. Richard B. Barker, Robert J. Bird, 906 Southern Building, Washington, D. C.
B. Eastman Kodak Co., Rochester, N. Y.
C. (2) Any legislation affecting war losses and excise taxes on photographic equipment. (4) Impossible to estimate the amount of expenses which would include travel, telephone and telegraph expenses. The firm is to be compensated on a quantum meruit basis.

A. Mrs. Louella Miller Berg, 1634 I Street NW., Washington, D. C.
B. American Association of University Women, 1634 I Street NW., Washington, D. C.
C. (2) Federal aid to education; qualified equal-rights amendment; strengthening the United Nations; protection of consumer against inflation and unfair trade practices; improvement of status of women; development of constructive foreign policy; strengthening of existing penal laws for sale of narcotics to minors (see attached legislative program). (3) Mimeographed materials on status of current legislation of interest to the association, sent to State legislative program chairmen. (4) Annual compensation, $5,400.

A. Andrew J. Biemiller, 901 Massachusetts Avenue NW., Washington, D. C.
B. American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C.
C. (2) All bills affecting the welfare of the country generally, and specifically bills affecting workers.

A. Blue Valley Study Association, Randolph, Kans.
C. (2) H. R. 2730, favoring legislation connected with Tuttle Creek Dam; flood control on Kansas River; soil conservation. (4) $500.

[1] Not printed. Filed with Clerk and Secretary.

A. Carl Brown, 1627 Cadillac Tower Building, Detroit, Mich.
B. Foreman's Association of America, 1627 Cadillac Tower, Detroit, Mich.
C. (4) Traveling and living expenses, $150.

A. Thomas H. Burke, 734 Fifteenth St. NW., Washington, D. C.
B. United Automobile Workers of America, CIO, 8000 East Jefferson Avenue, Detroit, Mich.
C. (2) Support all legislation favorable to the national peace, security, democracy, prosperity, and general welfare.

A. Miss Sally Butler, General Federation of Women's Clubs.
B. General Federation of Women's Clubs, 1734 N Street NW., Washington, D. C.
C. (2) Legislation on citizenship, communications, conservation, education, government and economic policies, international relations, national defense, welfare and legislation regarding women and children. (4) Estimate is $600 per annum or $50 per month devoted to contacts, hearings, etc.

A. Ralph H. Case, 889 National Press building, Washington, D. C.
B. Sioux Tribe of Indians, Cheyenne River Reservation, S. Dak., under attorney's contract approved May 20, 1948, by Commissioner of Indian Affairs; Oahe Dam project. Address: Cheyenne Agency, South Dakota.
C. (2) S. 695, H. R. 2233; Oahe Dam project.

A. Fred L. Crawford, 516 Investment Building, Washington, D. C.
B. Richardson Vista Corp., Panoramic View Corp., Hollywood Vista Apartments, Anchorage, Alaska.
C. (2) Appearance before House Committee on Government operations in Alaska housing. (4) $100 per diem.

A. Edward B. Crosland, 195 Broadway, New York, N. Y., and 725 13th Street NW., Washington, D. C.
B. American Telephone and Telegraph Co., 195 Broadway, New York, N. Y.
C. (2) Matters affecting communications; (4) Registrant reimbursed for out-of-pocket expenses. Compensation $1,541.67 per month. (See Attachment A.)

A. Robert A. Crichton, 1000 Vermont Avenue, Washington, D. C.
B. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.
C. (2) All prospective legislation which will or may affect the life insurance business. (4) (See attached.)[1]

A. John A. Danaher, 50 State Street, Hartford, Conn., and 1625 K Street NW., Washington, D. C.
B. The B. F. Goodrich Co., 500 South Main Street, Akron, Ohio.
C. (2) Legislation affecting the manufacture, sale, and distribution of automobile tires. (4) Telephone and stenographic services incident to the general practice of law. Compensation will be determined in due course.

A. John A. Danaher, 50 State Street, Hartford, Conn.; and 1625 K Street NW., Washington, D. C.
B. The Firestone Tire & Rubber Co., Akron, Ohio.
C. (2) Legislation affecting the manufacture, sale, and distribution of automobile tires. (4) Telephone and stenographic services incident to the general practice of law. Compensation will be determined in due course.

[1] Not printed. Filed with Clerk and Secretary.

A. Wesley A. Dierberger, Consolidated Building, Indianapolis, Ind.
B. Wabash Realty, Inc., Sycamore Building, Terre Haute, Ind.
C. (2) Amendment of H. R. 1, a bill to reduce the individual income tax. Other tax legislation. (4) Estimated travel and hotel expenses, $2,000, with fee to be based on results accomplished.

A. Richard S. Doyle, 404 Transportation Building, Washington, D. C.
B. Fletcher Trust Co., and Jessie Reed Millis, executors of estate of Fred Millis, deceased, Indianapolis, Inc.
C. (2) Federal estate taxes. Section 811 (c), Internal Revenue Code, as amended. 63 Statutes 895; 65 Statutes 567. For amendment of section 811 (c), Internal Revenue Code. (4) Anticipated expenses nominal for telephone and travel. Attorney's fees will cover both legislative and nonlegislative services and have not been determined.

A. Henry I. Dworshak, 1102 Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
C. (2) Measures affecting mining, such as income taxation, social security, public lands, stockpiling, monetary policy, etc. (4) 1. Ordinary expenses incurred for transportation, travel, and other related expenses; 2. $300 per month.

A. Rev. D. Howard Elliott, 207 Darlington Road, Beaver Falls, Pa.
B. The Reformed Presbyterian Church of North America, 209 Ninth Street, Pittsburgh, Pa.
C. (2) We are working toward a divine acknowledgment in the Constitution. (4) I receive no compensation other than expenses for this work. My travel and living expense will not exceed $200 for the stay in Washington.

A. Robert B. Ely III, 1600 Arch Street, Philadelphia, Pa.
B. Insurance Company of North America, 1600 Arch Street, Philadelphia, Pa.
C. (2) H. R. 4343. (4) Employee mentioned above is in the legal department of the company and will receive no additional remuneration for his services other than reimbursements of actual expenses incurred for transportation, telephone, hotel, and incidental out-of-pocket expenses.

A. Joseph G. Feeney, 1209 Whitehall Building, New York, N. Y.
B. National St. Lawrence Project Conference, 843 Transportation Building, Washington, D. C.
C. (2) Any legislation with reference to St. Lawrence Waterway and power project (opposed). (4) Vice president, Republic Coal and Coke Co., serving as chairman of National St. Lawrence Project Conference at the nominal fee of $3,000 per year and for reimbursement of expenses.

A. Estate of Karrie J. Ferguson, deceased, care of John A. Ferguson, Jr., executor, Post Office Box 5150, Terminal Annex, Denver, Colo.
C. (2) For amendment of section 811 (c) (1) (B) Internal Revenue Code to prevent its application to trusts created prior to March 4, 1931. (4) Nature of expenses: telephone, telegraph, and travel expenses, etc. Amount of expenses: cannot presently be determined.

UNIVERSITY OF MICHIGAN LIBRARIES

A. Irving Ferman,[1] Century Building, 412 Fifth Street NW., Washington, D. C.

B. American Civil Liberties Union, 170 Fifth Avenue, New York, N. Y.

C. (2) Supported: (H. R. 28, S. 127, S. 1733); (H. R. 1320, S. 1734); (H. R. 29); (S. 1732); (S. 656); (S. 49, S. 50). (4) Expenses, $1,500 per annum (for legislative purposes). Compensation, $1,400 per annum (for legislative purposes).

A. Fletcher Trust Co. and Jessie Reed Millis, executors, estate of Fred Millis, deceased, Indianapolis, Ind.

C. (2) Federal estate taxes. Section 811 (c), Internal Revenue Code, as amended. Bill to amend section 811 (c), Internal Revenue Code, being drafted. 63 Stat. 895; 65 Stat. 567. For amendment of section 811 (c), Internal Revenue Code. (4) Anticipated expenses nominal for telephone and travel. Attorney's fees will cover both legislative and nonlegislative services and have not been determined.

A. Florida Citrus Mutual, Lakeland, Fla.

C. (2) In any legislation that affects the citrus industry. (4) $10,000 per year plus $100 per day when out of the office, and actual expenses to J. Hardin Peterson.

A. Robert Franklin, 327 North Van Ness, Fresno, Calif.

B. Allied Wool Industry Committee, 327 North Van Ness, Fresno, Calif., 414 Pacific National Life Building, Salt Lake City, Utah.

C. (2) H. R. 1427. (4) Fee $1,000 per month. Anticipated expenses approximately $1,000 per month.

A. Marion R. Garstang, 1731 I Street NW., Washington, D. C.

B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.

C. (2) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk. (4) $9,750 per annum, effective January 1, 1953; reimbursed for all actual expenses.

A. Gus P. Geissler.

B. Farmers Educational & Cooperative Union of America, 1555 Sherman St., Denver, Colo.; and 1404 New York Avenue NW., Washington, D. C.

C. (4) My only receipts consist of my salary which is $12,000 per annum. All expenses incurred by me are paid by the National Farmers Union.

A. Leif Gilstad, Transportation Association of America, 1001 Connecticut Avenue NW., Washington, D. C.

B. Transportation Association of America, 130 North Wells Street, Chicago, Ill.

C. (2) Transportation legislation generally. (4) $21,000 a year salary.

A. Philip P. Gott, National Confectioners' Association of the United States, Inc., 221 North La Salle Street, Chicago, Ill.

B. National Confectioners' Association of the United States, Inc., 221 North La Salle Street, Chicago, Ill.

C. (2) Agricultural, foreign trade, control, tax, and food and drug legislation. (4) Approximately $3,000 per year, dependent upon activity.

A. Miss Eleanor M. Hadley, 1751 N Street NW., Washington, D. C.

B. National Consumers League, 1751 N Street NW.

C. (2) Legislation affecting migratory workers in agriculture. (4) Salary: $125 per week.

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[1] Filed with the Clerk only.

A. Ralph M. Hanneman, 1737 K Street NW., Washington, D. C.

B. National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill.

C. (2) Any legislation affecting the real-estate industry. (4) $4,600 per year.

A. Edmund Hardesty, Box 371, Marianna, Pa.

B. Foreman's Association of America, 1627 Cadillac Tower, Detroit, Mich.

C. (2) The legislative interest of the Foreman's Association is to procure appropriate amendment of section 2 (11) of the Labor Management Relations Act of 1947 to protect the rights of foremen to self-organization and to bargain collectively. (4) Traveling and living expenses, $150 plus wages for time lost from regular employment, approximately $100.

A. Mrs. Margaret Harper, 15687 East State Fair, Detroit, Mich.

B. Chrysler Chapter No. 3, Foreman's Association of America, 13534 Woodward Avenue, Highland Park, Mich.

C. (2) The legislative interest of the Foreman's Association, Chrysler Chapter Nc. 3, is to procure appropriate amendment of section 2 (11) of the Labor Management Relations Act of 1947 to protect the rights of foremen to self-organization and to bargain collectively. (4) Traveling and living expenses estimated not to exceed $160.

A. Herbert S. Hirsch, Associate of Cleary, Gotlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.

C. (2) General interest in obtaining information on, and opposing, any legislation designed to increase tariffs or impose quotas on imports of petroleum products.

A. Fuller Holloway, 1000 Shoreham Building, Washington D. C.

B. The Toilet Goods Association, Inc., 9 Rockefeller Plaza, New York, N. Y.

C. (For answers to 1, 2, 3, and 4, see attached page marked "Page 3").[1]

A. Mrs. Edna Howe, 61 Buena Vista, Highland Park, Mich.

B. Chrysler Chapter No. 3, Foreman's Association of America, 13534 Woodward Avenue, Highland Park, Mich.

C. (2) The legislative interest of the Foreman's Association, Chrysler Chapter No. 3, is to procure appropriate amendment of section 2 (11) of the Labor Management Relations Act of 1947 to protect the rights of foremen to self-organization and to bargain collectively. (4) Traveling and living expenses estimated not to exceed $160.

A. Harold K. Howe, 205 Mills Building, Washington, D. C.

B. The Lawn Mower Institute, Inc., 205 Mills Building, Washington, D. C.

C. (4) $6,000 per year, including all expenses.

A. Mrs. Ruth Johnson, 716 Cherry Street, Royal Oak, Detroit, Mich.

B. Chrysler Chapter, No. 3, Foreman's Association of America, 13534 Woodward Avenue, Highland Park, Mich.

C. (2) The legislative interest of the Foreman's Association, Chrysler Chapter, No. 3, is to procure appropriate amendment of section 2 (11) of the Labor-Management Relations Act of 1947 to protect the rights of foremen to self-organization and to bargain collectively. (4) Traveling and living expenses estimated not to exceed $160.

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[1] Not printed. Filed with Clerk and Secretary.

A. Norman J. Keehn, 5936 Edgewood Street, Monroe, Mich.

B. Foreman's Association of America, 1627 Cadillac Tower, Detroit, Mich.

C. (2) The legislative interest of the Foreman's Association is to procure appropriate amendment of section 2 (11) of the Labor-Management Relations Act of 1947 to protect the rights of foremen to self-organization and to bargain collectively. (4) Traveling and living expenses—$150, plus wages for time lost from regular employment, approximately $100.

A. Jeff Kibre, 930 F Street NW., Washington, D. C.

B. International Longshoremen's & Warehousemen's Union, 150 Golden Gate Avenue, San Francisco, Calif.; National Union of Marine Cooks and Stewards, 86 Commercial Street, San Francisco, Calif.

A. Dan Lacy, 2 West 46th Street, New York, N. Y.

B. American Book Publishers Council, Inc., 2 West 46th Street, New York, N. Y.

C. (4) $17,500 per annum reimbursed for actual expenses.

A. Ivy Lee and T. J. Ross, 405 Lexington Avenue, New York, N. Y.

B. Committee of American Shipping Companies Serving Essential Foreign Trade Routes (office of present chairman at 26 Beaver Street, New York, N. Y.).

C. (2) Legislation affecting the United States merchant marine. Merchant Marine Act of 1936. (4) $500 per month retaining fee only.

A. Robert R. Livingston, Capitol Theater, Lincoln, Nebr.

B. Council of Motion Picture Organizations, Inc., 1501 Broadway, New York, N. Y.

C. (2) Repeal of section 1700 (a), as amended, by section 1650 I. R. C. (20 percent tax on theater admissions). (3) Your Plan for Tax Repeal. (4) Traveling and miscellaneous expenses estimated $500 per month.

A. Lucas & Thomas, 1025 Connecticut Avenue NW., Washington, D. C.

B. Acacia Mutual Life Insurance Co., Washington, D. C.

C. (4) $750 per quarter. Anticipated expenses—not over $300.

A. Lucas & Thomas, 1025 Connecticut Avenue NW., Washington, D. C.

B. American Finance Conference, 176 West Adams Street, Chicago, Ill.

C. (4) $1,250 per quarter. Amount of anticipated expenses—not over $500.

A. Lucas & Thomas, 1025 Connecticut Avenue NW., Washington, D. C.

B. Adolph Von Zedlitz, 100 Park Avenue, New York, N. Y.

C. (2) S. 155 and H. R. 3594, to amend section 32 of the Trading With the Enemy Act. (4) Registrants are to receive no compensation or expenses for work in behalf of the passage of these bills.

A. Ernest W. McFarland, La Salle Building, 1028 Connecticut Avenue NW., Washington, D. C.

B. American Cable & Radio Corp., New York City; RCA Communications, Inc., New York City; Western Union Telegraph Co., New York City.

C. (4) $2,500 per month salary and $1,000 per month for expenses, including travel, office, stenographic, and miscellaneous expenses.

A. Merle H. Miller, Consolidated Building, Indianapolis, Ind.

B. Wabash Realty, Inc., Sycamore Building, Terre Haute, Ind.

C. (2) Amendment of H. R. 1. (4) Estimated travel and hotel expenses $2,000, with fee to be based on results acomplished.

A. Harry L. Moffett, 1102 Ring Building, Washington, D. C.

B. American Mining Congress, Ring Building, Washington, D. C.

C. (2) Measures affecting mining, such as income taxation, social security, public lands, stockpiling, monetary policy, etc. (4) Ordinary expenses incurred for transportation, travel, and other related expenses, $416.66 per month.

A. Chester Mueller, 830 Broad Street, Newark, N. J.

C. (2) My interest is in having the discriminatory excise tax on domestic floor polishers eliminated from code, section 3406 (a) (3). (4) Combined expenses and compensation estimated not to exceed $5,000.

A. Francis J. Myers, 2026 Land Title Building, Philadelphia, Pa.

B. National Foundation for Consumer Credit, Inc., 1627 K Street NW., Washington, D. C.

C. (2) Senate 753, Senate 1061. Quarterly compensation, $937.50.

A. Mrs. Stephen J. Nicholas, 1734 N Street NW., Washington, D. C.

B. General Federation of Women's Clubs, 1734 N Street NW., Washington, D. C.

C. (2) House Joint Resolution 74. (4) Estimate is $300 per annum or $25 per month, devoted to contacts, hearings, etc.

A. Donald W. Nyrop, Room 710, Ring Building, Washington, D. C.

B. Conference of Local Airlines, Room 710, Ring Building, Washington, D. C.

C. (2) Support legislation which is in the interest of a sound national air transportation policy. (4) Anticipated expenses should ordinarily be not in excess of $400 per quarter; compensation will represent prorating of fees in accordance with time spent.

A. Lovell H. Parker, 614 Colorado Building, Washington, D. C.

B. None: Self-employed (retained as a consultant by Iron Ore Lessors Association, Inc., First National Bank Building, St. Paul, Minn.

C. (2) Tax legislation affecting the lessors of coal lands.

A. Endicott Peabody, Esq., 50 State Street, Boston, Mass.

B. Charles D. Cook, M. D., Boston Lying-in Hospital, 221 Longwood Avenue, Boston, Mass.

C. (2) Senate 1531. (4) $10 an hour for my time, $500 expenses.

A. Pehle, Lesor, Mann, Riemer, & Luxford, 1616 K Street NW., Washington, D. C.

B. Mrs. Jean D. Puckle, 56 Avenue Foch, Paris, France. Employer, an American citizen, is not engaged in business. She has engaged the firm of Pehle, Lesser, Mann, Riemer, & Luxford, of Washington, D. C., to represent her generally in respect of her interest as a beneficiary of the estate of her mother, the late Emma G. Donaldson.

C. (2) The only legislative interest is in action affecting section 811 (c) (1) (B) of the Internal Revenue Code, as applicable to transfers made prior to March 4, 1931. (4) The firm of Pehle, Lesser, Mann, Riemer & Luxford is to be compensated generally for its services to Jean D. Puckle, and not specifically for legislative services. It is not expected that any expenses will be incurred in connection with legislative interests.

A. D. Michael Perry, 1102 Ring Building, Washington, D. C.

B. American Mining Congress, Ring Building, Washington, D. C.

C. (2) Measures affecting mining, such as income taxation, social security, public lands, stockpiling, monetary policy, etc. (4) Ordinary expenses incurred for transportation, travel, and other related expenses $300 per month.

A. Pershing, Bosworth, Dick & Dawson, 320 Equitable Building, Denver, Colo.

B. Estate of Karrie J. Ferguson, deceased, care of John A. Ferguson, Jr., executor, Post Office Box 5150 Terminal Annex, Denver, Colo.

C. (2) For amendment of section 811 (c) (1) (B) Internal Revenue Code, to prevent its application to trusts created prior to March 4, 1931. (4) Nature of expenses: telephone, telegraph, and travel expenses, etc. Amount of expenses: cannot presently be determined.

A. J. Hardin Peterson, Postoffice Box 2097, Dixieland Station, Lakeland, Fla.

B. Florida Citrus Mutual, Lakeland, Fla.

C. (2) In any legislation that affects the citrus industry. (4) $10,000 per year plus $100 per day when out of the office, and actual expenses to J. Hardin Peterson. Actual expenses contemplated will be railroad fare, hotel, meals, taxi cabs, telephone and telegraph and postage, estimated $2,500 for a year.

A. George C. Phillips, 9084 Longacre, Detroit, Mich.

B. Foreman's Association of America, 1627 Cadillac Tower, Detroit, Mich.

C. (2) The legislative interest of the Foreman's Association is to procure appropriate amendment of section 2 (11) of the Labor Management Relations Act of 1947 to protect the rights of foremen to self-organization and to bargain collectively. (4) Traveling and living expenses—$150 plus wages for time lost from regular employment, approximately $100.

A. Mrs. Jesse Phillips, 9084 Longacre, Detroit Mich.

B. Chrysler Chapter No. 3, Foreman's Association of America, 13534 Woodward Avenue, Highland Park, Mich.

C. (2) The legislative interest of the Foreman's Association, Chrysler Chapter No. 3, is to procure appropriate amendment of section 2 (11) of the Labor Management Relations Act of 1947 to protect the rights of foremen to self-organization and to bargain collectively. (4) Traveling and living expenses estimated not to exceed $160.

A. Edward R. Place, 1507 H Street NW., Washington, D. C.

B. American Lace Manufacturers Association, Inc., 212 Turks Head Building, Providence, R. I.

C. (2) General legislative interests are in tariffs. (4) Anticipated expenses, $25 per month; annual rate of compensation, $6,000.

A. Mrs. Jean D. Puckle, 56 Avenue Foch, Paris, France. Employer, an American citizen, is not engaged in business. She has engaged the firm of Pehle, Lesser, Mann, Riemer & Luxford of Washington, D. C., to represent her generally in respect of her interest as a beneficiary of the estate of her mother, the late Emma G. Donaldson.

C. (2) The only legislative interest is in action affecting section 811 (c) (1) (B) of the Internal Revenue Code, as applicable to transfers made prior to March 4, 1931. (4) The firm of Pehle, Lesser, Mann, Riemer & Luxford is to be compensated generally for its services to Jean D. Puckle, and not specifically for legislative services. It is not expected that any expenses will be incurred in connection with legislative interests.

A. Rev. George Mackay Robb, 2507 S. Salina Street, Syracuse, N. Y.

B. Reformed Presbyterian Church of North America, 209 Ninth Street, Pittsburgh, Pa.

C. (2) Working toward a divine acknowledgement in the Constitution. (4) I receive no salary or compensation other than expenses.

A. Mr. John C. Reid, Mr. Robert J. Bird, Ivins, Phillips & Barker, Southern Bld., Washington, D. C.

B. Symington-Gould Corp., Depew, N. Y.

C. (2) Amendatory legislation in respect to the Excess Profits Tax Act. (4) Impossible to estimate the amount of expense for travel, and telephone and telegraph. Firm to be compensated on quantum meruit basis.

A. Mr. John C. Reid, Mr. Robert J. Bird, Ivins, Phillips & Barker, Southern Building, Washington, D. C.

B. Estate of O. P. Woodward, 103 East Main Street, Rochester, N. Y.

C. (2) Amendatory legislation, section 113 (a) (5) Internal Revenue Code. (4) Impossible to estimate the amount of expense for travel and telephone and telegraph. Firm to be compensated on quantum meruit basis.

A. Benjamin H. Saunders, 1000 Shoreham Building, Washington, D. C.

B. The Toilet Goods Association, Inc., 9 Rockefeller Plaza, New York, N. Y.

C. (For answers to 1, 2, 3, and 4, see attached page marked "Page 3.")[1]

A. Hollis M. Seavey, 532 Shoreham Building, Washington, D. C.

B. Clear Channel Broadcasting Service (CCBS); suite 532, Shoreham Building, Washington, D. C.

C. (2) CCBS is opposed to any proposed legislation (such as S. 491 and H. R. 4004, 81st Cong.) calling for the duplication of class I-A clear channel frequencies or the limitation of the power of class I-A standard broadcast stations. CCBS opposes ratification of the so-called NARBA agreement signed November 15, 1950. (4) (See exhibit 1).[1]

A. Irwin W. Silverman, 516 Investment Building, Washington, D. C.

B. Richardson Vista Corp., Panoramic View Corp., Hollywood Vista Apartments, Inc., Anchorage, Alaska.

C. (2) Appearance before House Committee on Government Operations on Alaska housing. (4) $100 per diem.

A. Edward L. Sittler, Jr., 1608 20th Street NW., Washington, D. C.

B. Home Rule Headquarters and Home Rule Committee.

C. (2) S. 999. (4) Actual living expenses while in District of Columbia, plus a per diem of $50.

A. R. A. Smith, 1627 Cadillac Tower Building, Detroit, Mich.

B. Foreman's Association of America, 1627 Cadillac Tower, Detroit, Mich.

C. (2) The legislative interest of the Foreman's Association is to procure appropriate amendment of section 2 (11) of the Labor Management Relations Act of 1947 to protect the rights of foremen to self-organization and to bargain collectively. (4) Traveling and living expenses, $150, plus wages for time lost from regular employment, approximately $100.

A. Charles P. Taft, 906 First National Bank Building, Cincinnati, Ohio.

B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.

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[1] Not printed. Filed with Clerk and Secretary.

UNIVERSITY OF MICHIGAN LIBRARIES

C. (2) Opposing legislation imposing increased duties or quotas on imports of petroleum and petroleum products.

A. Barrett Godwin Tawresey, 1600 Arch Street, Philadelphia, Pa.
B. Insurance Company of North America, 1600 Arch Street, Philadelphia, Pa.
C. (2) H. R. 4343.

A. Margaret K. Taylor, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
C. (2) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk. (4) To receive a salary of $9,750 per annum.

A. H. Willis Tobler, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
C. (2) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk. (4) To receive a salary of $9,915 per annum.

A. Antoine Waupochick, Keshena, Wis.
B. Menominee Tribe of Indians, Menominee Indian Agency, Keshena, Wis.
C. (2) Favor enactment of S. 1014 and H. R. 2828. (4) Registrant receives salary of $4,800 per year as chairman of Menominee Advisory Council and $9 per diem while on actual business in Washington, D. C.

A. Wheeler & Wheeler, 704 Southern Building, Washington, D. C.
B. Missouri Pacific Railroad Co., 25 Broad Street, New York, N. Y.
C. (4) Compensation: $500 per month and reimbursement for out-of-pocket expenses, which will be incidental in nature and amount.

A. Wilkinson, Boyden, Cragun & Barker, 744 Jackson Place NW., Washington, D. C.
B. C. W. Carlstrom, 4205 Pacific Highway, San Diego, Calif.

A. Walter F. Woodul, 818 Chronicle Building, Houston, Tex.
B. Angelina & Neches River Railroad Co. et al., Keltys, Tex.
C. (2) All legislation affecting Texas railroads. (4) Monthly compensation, $1,458.33, and ordinary out-of-pocket expense away from home, telephone and telegraph, and incidental expense.

A. Jerome Worden, Keshena, Wis.
B. Menominee Tribe of Indians, Menominee Indian Agency, Keshena, Wis.
C. (2) Favor enactment of S. 1014 and H. R. 2828. (4) Registrant receives salary while on actual business in Washington, D. C., of $16 per day and $9 per diem.

SENATE

TUESDAY, JUNE 16, 1953

(Legislative day of Monday, June 8, 1953)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Everett Y. Seale, pastor, First Methodist Church, Beeville, Tex., offered the following prayer:

Our Father, as we come into Thy presence we thank Thee for our many blessings and invoke Thy divine guidance in the deliberations of this Senate. Bless them, their homes, and the States that they represent.

As we realize our heritage that has been left to us by those who have given so much, may we know our own responsibilities to Thee and Thy world, and only as we come to Thee in humility of spirit, with wills surrendered to Thy will, can we fulfill them.

Looking to Thee as the author and finisher of our faith, may we do all in our power to bring about peace on earth and good will among all peoples. We pray in Thy name. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Monday, June 15, 1953, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4495) to amend the Universal Military Training and Service Act, as amended, so as to provide for special registration, classification, and induction of certain medical, dental, and allied specialist categories, and for other purposes.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 1308. An act to amend the Color of Title Act;

H. R. 2231. An act to authorize the negotiation and ratification of separate settlement contracts with the Sioux Indians of the Lower Brule and the Crow Creek Reservations in South Dakota for Indian lands and rights acquired by the United States for the Fort Randall Dam and Reservoir, Missouri River development, to authorize a transfer of funds from the Secretary of Defense to the Secretary of the Interior and to authorize an appropriation for the removal from the taking area of the Fort Randall Dam and Reservoir, Missouri River development, and the reestablishment of the Indians of the Yankton Indian Reservation in South Dakota; and

H. R. 2824. An act to encourage the discovery, development, and production of tungsten ores, and concentrates in the United States, its Territories and possessions, and for other purposes.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 639. An act to provide for the abandonment of a certain part of the Federal project for the Broadkill River in Delaware;

S. 1679. An act to repeal certain acts relating to cooperative agricultural extension work and to amend the Smith-Lever Act of May 8, 1914, to provide for cooperative agricultural extension work between the agricultural colleges in the several States, Territories, and possessions receiving the benefits of an act of Congress approved July 2, 1862, and of acts supplementary thereto, and the United States Department of Agriculture; and

H. R. 4730. An act to provide for the conveyance by the United States to the city of Cincinnati, Ohio, of certain lands formerly owned by that city.

ANNOUNCEMENT OF POSITION OF SENATOR CAPEHART ON CERTAIN YEA-AND-NAY VOTES ON AGRICULTURAL APPROPRIATION BILL

Mr. KNOWLAND. Mr. President, because of an oversight in connection with the yea-and-nay votes on pages 6494, 6495, and 6496 in the RECORD of June 15, 1953, the voting position of the Senator from Indiana [Mr. CAPEHART] was omitted from the announcements. Had he been present and voting the Senator from Indiana [Mr. CAPEHART] would have voted as follows: "Yea" on the amendment of the Senator from Georgia [Mr. RUSSELL], page 6494; "yea" on the amended amendment of the Senator from Delaware [Mr. WILLIAMS], page 6495; and "nay" on the amendment of the Senator from Delaware [Mr. WILLIAMS], page 6496.

LEAVES OF ABSENCE

On request of Mr. JOHNSON of Texas, and by unanimous consent, Mr. LEHMAN was excused from attendance on the session of the Senate today.

On his own request, and by unanimous consent, Mr. BUTLER of Nebraska was excused from attendance on the sessions of the Senate beginning Thursday, until next Monday.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. BRIDGES. Mr. President, I ask unanimous consent that the Subcommittee on Airplane Procurement of the Committee on Armed Services may be authorized to meet tomorrow afternoon if the Senate is then in session.

The VICE PRESIDENT. Without objection, it is so ordered.

On request of Mr. KNOWLAND, and by unanimous consent, the Committee on Interior and Insular Affairs was authorized to meet during the session of the Senate today.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that following the quorum call such business as is usual in a morning hour may be transacted under the usual practice of a 2-minute limitation on speeches.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. KNOWLAND. Mr. President I move that the Senate proceed to the consideration of executive business for the

consideration of nominations under the heading of "New Reports."

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

The VICE PRESIDENT. If there are no reports of committees, the clerk will state the nominations on the executive calendar, under the heading "New Reports."

PUBLIC HOUSING ADMINISTRATION

The Chief Clerk read the nomination of Charles E. Slusser, of Ohio, to be Public Housing Commissioner.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

UNITED STATES ATTORNEY

The Chief Clerk read the nomination of Jacob S. Temkin, of Rhode Island, to be United States attorney for the district of Rhode Island.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

UNITED STATES MARSHAL

The Chief Clerk read the nomination of Clarence H. Spence, of Delaware, to be United States marshal for the district of Delaware.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. KNOWLAND. Mr. President, I ask that the President be immediately notified of the confirmation of these nominations.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. KNOWLAND. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

Mr. MAYBANK rose.

Mr. KNOWLAND. Before suggesting the absence of a quorum, I yield to the Senator from South Carolina.

RETIREMENT OF GEN. CHARLES P. SUMMERALL

Mr. MAYBANK. Mr. President, I ask unanimous consent to have printed in the body of the RECORD two editorials, one entitled "Retirement of General Summerall," published in the News and Courier, of Charleston, S. C., and the other entitled "Summerall Retires," published in the Columbia (S. C.) State.

The editorials are in tribute to Gen. Charles P. Summerall, who for the past 22 years has been president of The Citadel, a well known military college in South Carolina. General Summerall, who retired last week at the age of 86, is held in deepest affection not only by the people of South Carolina, where The Citadel Military Academy is located, but also in the State of Florida, from whence he came, and throughout the United States.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Charleston (S. C.) News and Courier]

RETIREMENT OF GENERAL SUMMERALL

When Gen. Charles P. Summerall came to The Citadel as president in 1931 he brought the prestige of a four-star general, a field commander of World War I, and a retired Chief of Staff of the Army. That prestige helped to extend the reputation of The Citadel throughout the country. It brought desirable cadets from other regions to mingle with South Carolina students.

General Summerall had more than rank and prestige. He brought to The Citadel the executive ability and knife-sharp intellect that had taken him to the top in the Army.

And he brought more than intelligence. His greatest contribution to The Citadel has been character.

The News and Courier cannot name a man who is Summerall's superior in adherence to a code. He is inflexible on matters of principle. His principles are high. Sometimes his refusal to compromise has created opposition, occasionally resentment. Always courteous, with the punctilious calm of a man who holds himself above the turmoil of the crowd, he has not receded from positions once taken. His strength has been a bulwark against trifling with the absolute values of truth, honesty, and self-respect.

The influence of such an example, especially on young men called to lead the defense of their country, is incalculable. In searching for a successor, the board of visitors will have to hunt a long way for a man of General Summerall's caliber.

Perhaps they will find another distinguished officer with prestige. We hope they will look closely behind the stars and the ribbons, into the head, the heart, and the soul of such a man. While no two human beings are duplicates, there are comparative planes for guidance.

For General Summerall, who at 86 has the erect bearing of a cadet and the respect of all who know his name, we wish health and happiness in his second retirement. He will not be idle nor useless as long as he lives. His 22 years as president of The Citadel have left a mark, both on the college and in the lives of thousands of young men, that will not be erased.

[From the Columbia (S. C.) State]

SUMMERALL RETIRES

Word that General Summerall plans to retire did not come unexpectedly. It was rumored that he was going to ask to be relieved of his duties at The Citadel. Certainly at 86, after such a distinguished career, he has a right to take it easier, though it is hard to visualize the four-star general in any but an active role.

General Summerall's career has been outlined often in this newspaper. There was a special article in our Sunday magazine supplement a couple of years ago, with his picture on the front page in color. And we have paid him many compliments, all deserved. Therefore we shan't endeavor here to detail his service. Suffice it to say that he is one of the finest soldiers this country has produced. He is a brave, intelligent, God-fearing man, whose record in peace and war is a pattern of upright, intelligent citizenship.

One of the top generals of the First World War, when high rank was nothing like as easy to attain as it is now, General Summerall later became Chief of Staff of the United States Army, where again his clear thinking and his fine abilities were to be used most effectively. At an age when many men would be thinking of lighter work, General Summerall accepted the challenge of The Citadel as a place where his long experience, his administrative ability and upright character might be used in the training of young men. It was a happy day when he agreed to become president of the military college which has grown in stature under his leadership. His influence for good over the lives of countless cadets cannot be expressed in words.

General Summerall is not a native South Carolinian, but this State has claimed him, since his mother was from Greenwood County, and as a young boy he was sent by her to Porter Military Academy. His appointment to West Point, however, was from Florida. So closely was the general identified with South Carolina that when he returned a hero from World War I, a dinner was given him in Columbia to welcome him "home." Little was it known at that time that this State indeed would become his home in a few years.

The man who succeeds General Summerall must be a real man. Otherwise The Citadel will suffer in the comparison. To the general, our thanks and our best wishes. May he be spared for many more years of usefulness.

ADVANTAGES OF A POWERFUL AIR FORCE

Mr. MAYBANK. Mr. President, on the radio and in the press there is currently widespread discussion about our Air Force. I could place in the RECORD many favorable articles in connection with the Air Force, but I have selected an article entitled "Record Air Blow Stall Foe's Drive; Fighting Subsides," a United Press dispatch published in the New York Times of Tuesday, June 16, 1953. The subheading of the article is "1,667 Missions Flown by U. N. Stop Advance Threatening To Reach 38th Parallel."

I have a deep appreciation of the value of our Air Force, in which I have always believed. Therefore, I think this article is well worth placing in the RECORD. I hope that when the armed services appropriation bill is under discussion, the Air Force will be justly recognized for what it has accomplished, not only in the Korean war, but also in World War II, where it played such an important part.

Mr. President, I ask unanimous consent that the New York Times editorial to which I have referred may be printed at this point in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RECORD AIR BLOWS STALL FOE'S DRIVE; FIGHTING SUBSIDES—1,667 MISSIONS FLOWN BY U. N. STOP ADVANCE THREATENING TO REACH 38TH PARALLEL—NEW DEFENSE LINE FIXED—SOUTH KOREANS WHO BORE BRUNT OF FIGHTING HAD DELAYED REPORTING NEW ATTACK

TOKYO, Tuesday, June 16.—A massive Chinese assault that had ground 2 miles into Allied lines and had threatened to reach the 38th parallel stalled last night after a record-breaking Allied air attack, frontline dispatches said today.

South Korean troops of the 5th and 8th Divisions were established along a strong new defense line on the east-central front. They reported no heavy fighting during the night. Eighth Army censorship did not permit locating the new defense line.

The 25,000-man Chinese drive in the Pukhan River area appeared to have lost its punch under the shattering aerial bombardment. About 500 Allied planes threw bombs, rockets, bullets, and jellied gasoline into a 30-mile-square sector where Communist troops and supplies were concentrated to back up the offensive.

Scattered reports from the 155-mile battlefront said the fighting had fallen off sharply. Outpost Harry and the position called "Boomerang," on the west-central front, reported quiet nights, but Allied commanders were prepared for new attacks.

SOUTH KOREANS BEAR BRUNT

Estimates of the number of Chinese and North Koreans pushing southward ranged from 24,600 by the Eighth Army to 32,000 by a South Korean corps commander. It was the most massive enemy assault since the spring offensive of 1951 and came in the same mountainous sector of the front. Then, as now, the two South Korean divisions bore the brunt of the attack.

In 1951 the Communists advanced 20 miles in 36 hours despite fantastic losses—60,000 men in 5 days. They were not stopped until the United States 2d Division turned the breakthrough into a death trap.

Lt. Gen. Chung Il Kwon, a South Korean corps commander, said he believed the Communists were trying to drive to the 38th parallel before a truce was signed at Panmunjom.

The Eighth Army imposed censorship, and the extent of the breakthrough was not revealed. Dispatches from the front said that the initial assaults had driven the South Koreans back 2 miles and the sizable enemy forces had poured through the gaps. Some Communist tanks were reported in action.

Heavy losses were reported on both sides. Several South Korean units were cut off and fighting it out.

The fighting was concentrated in the Kumhwa and Kumsong areas, about 30 to 40 miles inland from the east coast and from 20 to 25 miles above the 38th parallel. The war was blazing along a 50-to-60-mile stretch westward from the coast.

GOAL OF ENEMY DRIVE

The enemy drive appeared aimed at the spot where the Pukhan bends around the former South Korean line. If successful, the assault would push the United Nations' line back to the 38th parallel.

The line was holding in the Anchor Hill sector at the extreme east end of the front and at outposts Harry and Boomerang, which are held by the United States Third Division, about 60 miles inland.

Four enemy companies—perhaps 800 men—hit the Third Division west of Kumhwa and bent the line slightly. Soldiers of the Seventh Regiment then restored it in a counterattack.

The 5th Air Force announced that its planes had flown a record 1,667 missions in an attempt to halt the Communists drive with 1,500 tons of bombs and jellied gasoline. Navy planes from 4 carriers flew more than 500 missions.

The enemy air force was active, and late last night two enemy planes bombed Seoul in what may have been an attempt to cripple one of the vital Han River bridges. At least one bomb hit near the bridges. One Korean was reported killed and three were injured in the raid.

For the third day the Eighth Army described the situation as "fluid"—an expression that means the fighting is still raging with the outcome undetermined. The situation was so serious that the Eighth Army commander, Lieut. Gen. Maxwell D. Taylor, flew to the front to take personal charge. Gen Paik Sun Yup, South Korean Chief of Staff, also flew to the front.

Failure of the South Koreans to report the seriousness of the situation at once added to the difficulties. Proud Republic of Korea officers, anxious to save face, delayed their reports until hours after the Chinese had smashed into their defenses, it was said.

The Communists were suffering heavy losses from Allied guns and the steady pounding from the air. Shuttle flights of Sabre bombers, Thunderjets, Pantherjets, Corsairs, Skyraiders and Mustangs started taking off at sunrise. Pilots reported that smoke and dust rising 9,000 feet made damage assessment difficult. The 5th Air Force said 957 of its missions had been close support—another record.

The foe jabbed at Christmas Hill, nine separate times, but was thrown back. A fifth attack was launched at Outpost Harry. Feeler attacks hit a dozen other places including Sandbag Castle, Tankers' Hill, The Punchbowl and outposts east of Pukhan.

CALL OF THE ROLL

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gillette	Maybank
Anderson	Goldwater	McCarran
Barrett	Gore	McCarthy
Beall	Green	McClellan
Bennett	Griswold	Millikin
Bricker	Hayden	Monroney
Bridges	Hendrickson	Mundt
Bush	Hennings	Neely
Butler, Md.	Hickenlooper	Pastore
Butler, Nebr.	Hoey	Payne
Byrd	Holland	Potter
Capehart	Humphrey	Purtell
Carlson	Jackson	Robertson
Case	Jenner	Russell
Chavez	Johnson, Colo.	Saltonstall
Clements	Johnson, Tex.	Schoeppel
Cooper	Johnston, S. C.	Smathers
Cordon	Kefauver	Smith, Maine
Daniel	Kennedy	Smith, N. C.
Dirksen	Kerr	Sparkman
Douglas	Kilgore	Stennis
Duff	Knowland	Symington
Dworshak	Kuchel	Thye
Eastland	Langer	Watkins
Ellender	Long	Welker
Ferguson	Malone	Wiley
Fulbright	Mansfield	Williams
George	Martin	Young

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr. TOBEY] and the Senator from Oregon [Mr. MORSE] are absent by leave of the Senate.

The Senator from Vermont [Mr. FLANDERS] is absent on official business.

The Senator from New Jersey [Mr. SMITH] and the Senator from Ohio [Mr. TAFT] are necessarily absent.

The Senator from New York [Mr. IVES] is absent by leave of the Senate having been appointed a delegate to attend the International Labor Organization conference at Geneva, Switzerland.

Mr. CLEMENTS. I announce that the Senator from New York [Mr. LEHMAN], the Senator from Alabama [Mr. HILL], and the Senator from Wyoming [Mr. HUNT] are absent by leave of the Senate.

The Senator from Delaware [Mr. FREAR] is absent on official business.

The Senator from Washington [Mr. MAGNUSON] is absent by leave of the Senate on official committee business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization conference at Geneva, Switzerland.

The PRESIDING OFFICER (Mr. THYE in the chair). A quorum is present.

REPORT OF UNITED STATES MARITIME ADMINISTRATION, DEPARTMENT OF COMMERCE

The VICE PRESIDENT laid before the Senate a letter from the Secretary of Commerce, transmitting, pursuant to law, a report of the United States Maritime Administration, Department of Commerce, for the period January 1 through April 30, 1953; which, with the accompanying report, was referred to the Committee on Interstate and Foreign Commerce.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, and referred as indicated:

By the VICE PRESIDENT:

A resolution of the Senate of the State of California; to the Committee on Appropriations:

"Senate Resolution 174

"Resolution relating to adequate medical care for ill and disabled veterans

"Whereas this country called upon its young men and women to give up their private lives and to take up arms to protect their country and its citizens; and

"Whereas now that the veterans have returned and are returning, to their private lives, this country should not forget the sacrifices they made but should look after those that are in need and should take special care to look after those veterans that are ill and disabled; and

"Whereas for these reasons this country should provide a sufficient number of hospitals and adequate medical treatment to those veterans that are ill and disabled and in need of such medical care; and

"Whereas it has been called to the attention of members of the Senate of the State of California by the American Legion that an attempt is being made to close veterans hospitals and to reduce appropriations for medical care for veterans; and

"Whereas reduction of funds for the adequate medical care to veterans and the closing of veterans hospitals is not consistent with the fulfillment of the country's obligation to its veterans: Now, therefore, be it

"*Resolved by the Senate of the State of California*, That it respectfully requests the President and the Congress of the United States to take the necessary steps to insure that sufficient funds are appropriated to the appropriate agencies so that adequate medical care and treatment is accorded to ill and disabled veterans; and be it further

"*Resolved*, That the Senate of the State of California respectfully requests the President and the Congress of the United States to take the necessary steps to insure that no more veterans hospitals are closed until such time as there is a conclusive showing that a surplus of beds for veterans who need care exists; and be it further

"*Resolved*, That the secretary of the senate is hereby directed to send copies of this resolution to the President and Vice President of the United States and the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A resolution of the Senate of the State of California; to the Committee on Armed Services:

"Senate Resolution 161

"Resolution relative to the continued maintenance of Camp Roberts as a replacement training center

"Whereas Camp Roberts, the largest replacement training center in the country, located in San Luis Obispo County, has been considered for deactivation as part of the national administration's current policy to reduce expenditures; and

"Whereas the terrain of Camp Roberts is excellent for all types of infantry and artillery training and the year-around weather is ideal for all operational purposes, which facts are well known to and emphasized by the United States Army; and

"Whereas Camp Roberts has, in a recent inspection tour, been given the highest rating ever attained by an Army training camp; and

"Whereas Camp Roberts is within a short distance of the Pacific Ocean, a region which is of vital importance to our national defense; and

"Whereas due to Camp Roberts' natural advantages as a replacement training center, and the high efficiency which it has attained and its strategic position: Now, therefore, be it

"*Resolved by the Senate of the State of California*, That the Secretary of Defense is requested and urged to maintain Camp Roberts as an active replacement training center; and be it further

"*Resolved*, That the secretary of the senate is hereby directed to transmit suitably prepared copies of this resolution to the Secretary of Defense, to the President of the United States Senate, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

Resolutions of the General Court of the Commonwealth of Massachusetts relating to the retention of the New England regional office of the Wage and Hour Division of the Department of Labor in the city of Boston, and the branch office of said division in the city of Springfield; to the Committee on Labor and Public Welfare.

(See resolutions printed in full when presented by Mr. KENNEDY (for himself and Mr. SALTONSTALL) on June 15, 1953, p. 6447, CONGRESSIONAL RECORD).

A resolution adopted by the 42d general assembly of the Union of American Hebrew Congregations, in New York City, relating to the national origins quotas provision in the Immigration and Nationality Act; to the Committee on the Judiciary.

A resolution adopted by the executive committee, California Baptist Brotherhood, the Southern Baptist General Convention of California, favoring the establishment of prayer and meditation rooms in the Capitol for use of Members of Congress; to the Committee on Rules and Administration.

FUNDS FOR MORE EMPLOYMENT IN NEW ENGLAND STATES—RESOLUTION OF CITY COUNCIL OF LYNN, MASS.

Mr. KENNEDY. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the City Council of the City of Lynn, Mass., relating to funds for more employment in the New England States.

There being no objection, the resolution was referred to the Committee on Appropriations, and ordered to be printed in the RECORD, as follows:

Whereas the Honorable JOHN F. KENNEDY, Senator from Massachusetts, has on the floor of the United States Senate, on at least two recent occasions eloquently pleaded that the Federal Government give or restore additional Federal funds required or necessary for more employment to the New England States, including the Charlestown Navy Yard; and

Whereas the Commonwealth of Massachusetts is and will continue to be a heavy contributor to the expense of Federal Government: It is therefore

Resolved by the City Council of the City of Lynn, That the aforesaid efforts of the Honorable Senator JOHN F. KENNEDY be and hereby are approved and commended by the City Council of the City of Lynn.

RESOLUTIONS OF SECOND DISTRICT, AMERICAN LEGION, SLAYTON, MINN.

Mr. HUMPHREY. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, two resolutions which I have received from the second district, American Legion, Slayton, Minn., relating to appropriations for veterans services, and admission of veterans in Veterans' Administration hospitals.

There being no objection, the resolutions were ordered to be printed in the RECORD, and referred, as follows:

To the Committee on Appropriations:

"Resolution 4

"Whereas the budget for the Veterans' Administration for the fiscal year 1954 as proposed by the Bureau of the Budget drastically cuts funds for administration, medical, hospital, and domiciliary services by approximately $280 million; and

"Whereas a subcommittee of the House Appropriations Committee has held hearings on the proposed budget at which only officials of the Veterans' Administration were admitted; and

"Whereas this subcommittee is expected to report to the full committee shortly following which such full committee will frame a bill containing such budget for the VA for the fiscal year 1954; and

"Whereas budget curtailment in the year just past has resulted in more than 2,300 beds being inactivated in VA hospitals, 108 of which were at the Minneapolis VA Hospital; and

"Whereas the proposed drastic cut will cause further inactivation of another two to three thousand beds at a time when disabled veterans are returning from the Korean conflict and long waiting lists are prevalent everywhere; and

"Whereas the present high standard of excellence in the medical program of the Veterans' Administration is threatened because of dissatisfaction among medical personnel who feel that the future of this program is insecure because of recurring reductions; and

"Whereas it is believed that the sum of $921,100,000 which has been requested for administration, medical, hospital, and domiciliary services is justified and should be approved for the fiscal year 1954: Now, therefore, be it

"*Resolved by the second district of the American Legion, Department of Minnesota, in convention assembled at Blue Earth, Minn., this 8th day of June 1953*, That we respectfully request the Congress to provide not less than the minimum of $921,100,000 necessary to carry on these services to veterans of all wars; and be it further

"*Resolved*, That copies of this resolution be forwarded to all Representatives in Congress and United States Senators from the State of Minnesota.

"ERNEST A. SAMUELSON,
"Chairman, Convention Rehabilitation Committee.
"JOHN DIRKS,
"Secretary, Convention Rehabilitation Committee.
"B. F. EDMONDSON,
"Committeeman, Convention Rehabilitation Committee."

To the Committee on Labor and Public Welfare:

"Resolution 5

"Whereas the entitlement provided by Federal law to veterans who served honorably in the Armed Forces in time of war to be hospitalized in Veterans' Administration hospitals for non-service-connected disabilities is being criticized by the press and various organizations based on inaccurate information: Now, therefore, be it

"Resolved by the second district, Department of Minnesota, the American Legion, in annual convention assembled in Blue Earth, Minn., on this 8th day of June 1953, That we reaffirm our position that no change be made in Public Law 312, 73d Congress, which provides that any veteran who served honorably in the Armed Forces in time of war shall be entitled to admission to a Veterans' Administration hospital for treatment of a non-service-connected disability if unable to pay for such treatment elsewhere provided a bed is available; and be it further

"Resolved, That copies of this resolution be forwarded to all Representatives in Congress and United States Senators from the State of Minnesota.

"ERNEST A. SAMUELSON,
"Chairman, Convention Rehabilitation Committee.
"JOHN DIRKS,
"Secretary, Convention Rehabilitation Committee.
B. F. EDMONDSON,
"Committeeman, Convention Rehabilitation Committee."

THE ST. LAWRENCE SEAWAY—REPORT OF A COMMITTEE (REPT. NO. 441)

Mr. WILEY. Mr. President, from the Committee on Foreign Relations, I report favorably an original bill providing for creation of the St. Lawrence Seaway Development Corporation to construct part of the St. Lawrence seaway in United States territory in the interest of national security; authorizing the Corporation to consummate certain arrangements with the St. Lawrence Seaway Authority of Canada relative to construction and operation of the seaway; empowering the Corporation to finance the United States share of the seaway cost on a self-liquidating basis; to establish cooperation with Canada in the control and operation of the St. Lawrence seaway; to authorize negotiations with Canada of an agreement on tolls; and for other purposes.

This morning the committee considered the bill and approved it by a vote of 13 to 2. This overwhelming majority reflects, in my judgment, the desire of the American people that we push ahead without further delay with the construction of this important project.

It is not my intention today to discuss in detail the provisions of the bill. That

will be done when the bill is before the Senate.

I will say to the Senate, however, that the bill has had very thorough consideration by a bipartisan subcommittee of eight members of the Foreign Relations Committee. The subcommittee was composed of the Senator from New Hampshire [Mr. TOBEY], the Senator from Ohio [Mr. TAFT], the Senator from California [Mr. KNOWLAND], the Senator from Georgia [Mr. GEORGE], the Senator from Rhode Island [Mr. GREEN], the Senator from Alabama [Mr. SPARKMAN], the Senator from Minnesota [Mr. HUMPHREY], and myself, as chairman of the committee. We held hearings 5 days during April and May.

While I have not discussed the matter with the distinguished majority leader, it is my hope that the plans for adjournment will not preclude the possibility of final Senate action on this measure during the present session of Congress.

The construction of the St. Lawrence seaway will not only be of very great value to the total defensive strength of this Nation, but will also constitute a tremendous economic asset which will be helpful to our entire country.

Mr. President, the question is not whether the seaway will be built. The question is whether we shall participate with Canada in its construction. I am hopeful that when the time comes, the Senate will be recorded strongly in favor of this important project.

Mr. President, in connection with reporting the bill, I ask unanimous consent that the committee's report may be submitted within the next 2 days.

The PRESIDING OFFICER (Mr. THYE in the chair). The bill will be received and placed on the calendar; and, without objection, the committee is authorized to submit its report on the bill within the next 2 days.

The bill (S. 2150) providing for creation of the St. Lawrence Seaway Development Corporation to construct part of the St. Lawrence seaway in United States territory in the interest of national security; authorizing the Corporation to consummate certain arrangements with the St. Lawrence Seaway Authority of Canada relative to construction and operation of the seaway; empowering the Corporation to finance the United States share of the seaway cost on a self-liquidating basis; to establish cooperation with Canada in the control and operation of the St. Lawrence seaway; to authorize negotiations with Canada of an agreement on tolls; and for other purposes, was read twice by its title and placed on the calendar.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 16, 1953, he presented to the President of the United States the following enrolled bills:

S. 639. An act to provide for the abandonment of a certain part of the Federal project for the Broadkill River in Delaware; and

S. 1679. An act to repeal certain acts relating to cooperative agricultural extension work and to amend the Smith-Lever Act of May 8, 1914, to provide for cooperative agricultural extension work between the agricultural colleges in the several States, Territories, and possessions receiving the benefits of an act of Congress approved July 2, 1862, and of acts supplementary thereto, and the United States Department of Agriculture.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CASE (by request):

S. 2141. A bill to provide public assistance to needy persons in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

(See the remarks of Mr. CASE when he introduced the above bill, which appear under a separate heading.)

By Mr. BUTLER of Nebraska:

S. 2142. A bill for the relief of Mrs. Maria Nucaro Scalise; to the Committee on the Judiciary.

By Mr. FULBRIGHT:

S. 2143. A bill for the relief of George Ban McCleland; to the Committee on the Judiciary.

By Mr. MANSFIELD:

S. 2144. A bill for the relief of Sister Antonia Fodor; to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 2145. A bill to extend the provisions of the Public Health Service Act to hospitals furnishing primarily domiciliary care and to extend the provisions of the Vocational Rehabilitation Act to mentally disabled individuals; to the Committee on Labor and Public Welfare.

By Mr. ANDERSON:

S. 2146. A bill to extend the period for filing claims for compensation by prisoners of war to July 31, 1953; to the Committee on the Judiciary.

Mr. DWORSHAK:

S. 2147. A bill for the relief of Terrence Waller; to the Committee on the Judiciary.

By Mr. DOUGLAS:

S. 2148. A bill for the relief of Mile Milanovic; and

S. 2149. A bill for the relief of Johnnie Happy Wauchop; to the Committee on the Judiciary.

By Mr. WILEY:

S. 2150. A bill providing for the creation of the St. Lawrence Seaway Development Corporation to construct part of the St. Lawrence seaway in United States territory in the interest of national security; authorizing the Corporation to consummate certain arrangements with the St. Lawrence Seaway Authority of Canada relative to construction and operation of the seaway; empowering the Corporation to finance the United States share of the seaway cost on a self-liquidating basis; to establish cooperation with Canada in the control and operation of the St. Lawrence seaway; to authorize negotiations with Canada of an agreement on tolls; and for other purposes; placed on the calendar (Rept. No. 441).

(See the remarks of Mr. WILEY when he reported the above bill from the Committee on Foreign Relations, which appear under a separate heading.)

By Mr. JOHNSON of Colorado:

S. 2151. A bill for the relief of Mrs. Ala Olejcak (nee Holubowa); to the Committee on the Judiciary.

PUBLIC ASSISTANCE TO NEEDY PERSONS IN THE DISTRICT OF COLUMBIA

Mr. CASE. Mr. President, at the request of the Board of Commissioners of the District of Columbia, I introduce for appropriate reference a bill. The bill would bring together the acts which relate to public welfare in the District of Columbia, and would establish general principles for the various forms of public assistance.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2141) to provide public assistance to needy persons in the District of Columbia, and for other purposes, introduced by Mr. CASE (by request), was received, read twice by its title, and referred to the Committee on the District of Columbia.

NOTICE OF HEARINGS ON CERTAIN NOMINATIONS BY COMMITTEE ON FOREIGN RELATIONS

Mr. WILEY. Mr. President, the White House transmitted to the Senate today the following nominations: L. Corrin Strong, of the District of Columbia, to be Ambassador to Norway; M. Robert Guggenheim, of the District of Columbia, to be Ambassador to Portugal; James S. Kemper, of Illinois, to be Ambassador to Brazil; John C. Baker, of Ohio, to be the representative of the United States of America to the 16th session of the Economic and Social Council of the United Nations. Notice is given that these nominations will be considered by the Committee on Foreign Relations after 6 days have expired, in accordance with the committee rule.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. FULBRIGHT:

Address delivered by Senator HUMPHREY at 84th annual convocation of National University Law School, June 5, 1953.

By Mr. MARTIN:

Excerpt from address delivered by him at the golden jubilee celebration of Midway, Washington County, Pa., on June 13, 1953.

Address delivered by Senator WELKER at the Flag Day ceremonies held in Independence Square, Philadelphia, on June 15, 1953.

By Mr. MILLIKIN:

Article entitled "CORDON of Oregon: Key Man in Federal Public Works Policy," published in the Engineering News-Record of June 4, 1953.

By Mr. HOEY:

Editorial entitled "Prosperous Business Requires Prosperous Customers," written by Dr. Clarence Poe, editor of the Progressive Farmer, and to be published in the July issue.

By Mr. HUMPHREY:

Article entitled "Jobs, Incorporated," published in the spring edition of the magazine Transmission.

By Mr. SMATHERS:

Editorial entitled "Colombia on the Brink," published in a recent issue of the Washington Post.

Article entitled "United States Losing Latin Friendship Over High Tariff Plan," written by Edward Tomlinson and published in the Miami Herald on June 12, 1953.

Article entitled "United States Prone To Take Latins for Granted," written by Marquis Child, in his syndicated column, and published in a recent issue of the Washington Post.

By Mr. KENNEDY:

Editorials published in New England newspapers on the subject of the New England economy.

By Mr. BUSH:

Editorial entitled "They Demand Inflation," published in the Wall Street Journal of June 12, 1953.

REGISTRATION, CLASSIFICATION, AND INDUCTION OF CERTAIN MEDICAL AND DENTAL CATEGORIES—CONFERENCE REPORT

Mr. SALTONSTALL. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4495) to amend the Universal Military Training and Service Act, as amended, so as to provide for special registration, classification, and induction of certain medical, dental, and allied specialist categories, and for other purposes. I ask unanimous consent for the immediate consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4495) to amend the Universal Military Training and Service Act, as amended, so as to provide for special registration, classification, and induction of certain medical, dental, and allied specialist categories, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 9, 10, 11, 12, 13, 14, 17, 18, 19, 20, 21, and 23, and agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "examination;

"'(D) periods of active duty for training entered into subsequent to the enactment or this subparagraph, as defined in subsection 101 (c), Armed Forces Reserve Act of 1952 (66 Stat. 481); and

"'(E) periods of active service which terminate subsequent to April 30, 1953, in other than an Armed Force terminated by orders which specify that such termination is without the approval of the agency concerned."

And the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "The period of active duty that any such person may be required to perform shall not exceed (A) twenty-four months if he has had less than nine months of active service, as defined in paragraphs 4 (1) (4) and (5) of the Universal Military Training and Service Act, as amended; (B) twenty-one months if he has had at least nine but less than twelve months of such service; (C) eighteen months if he has had at least twelve but less than fifteen months of such service; (D) fifteen months if he has had at least fifteen or more months of such service; since September 16, 1940, but prior to the date of his order to active duty under this subsection."

And the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: ", on July 1, 1953,"; and on page 7 of the bill, in lines 23 and 24, strike out "under the provisions of the Act of September 9, 1950, as amended," and insert in lieu thereof "on the basis of active service, as defined in section 4 (1) of the Universal Military Training and Service Act, as amended, rendered prior to the date of his latest entry on active duty,"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In line 9 of the matter proposed to be inserted by the Senate amendment, immediately after "(c)", strike out "The" and insert in lieu thereof "Effective July 1, 1953, the"; and the Senate agree to the same.

LEVERETT SALTONSTALL,
STYLES BRIDGES,
RALPH E. FLANDERS,
RICHARD B. RUSSELL,
HARRY FLOOD BYRD,
Managers on the Part of the Senate.

DEWEY SHORT,
LESLIE C. ARENDS,
W. STERLING COLE,
CARL T. DURHAM,
PAUL J. KILDAY,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeding to consider the report.

Mr. SALTONSTALL. Mr. President, the Senate version of H. R. 4495 contained 23 amendments to the bill as passed by the House. The House conferees receded from their disagreement to and accepted 22 of these amendments. Perfecting language was added in conference to 3 of the 22 Senate amendments agreed to.

With respect to the remaining amendment, the House accepted with slight modification the provision as passed by the Senate. This section of the bill—subsection 4 (c)—concerns the obligated periods of service for special registrants. The Senate version of the bill provided for 5 periods of obligated service. The conferees reduced these periods to 4. They are as follows: 24 months if there has been less than 9 months of active service; 21 months if there has been at least 9 but less than 12 months of such service; 18 months if there has been at least 12 but less than 15 months of such service; 15 months if there has been 15 or more months of such service.

Mr. President, except for this change in the obligated periods of service, the conferees reported the bill substantially as it was passed by the Senate.

It is the unanimous report of the conference committee.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

PRESIDENT EISENHOWER'S DENUNCIATION OF BOOK BURNING

Mr. HENNINGS. Mr. President, I ask unanimous consent to address the Senate for 2 minutes.

The PRESIDING OFFICER. Without objection, the Senator from Missouri may proceed.

Mr. HENNINGS. Mr. President, I was greatly heartened by President Eisenhower's eloquent denunciation of book burning, in the course of his address on Sunday, at Dartmouth College.

When speaking at the Dartmouth College commencement ceremonies, the President had this to say:

Don't join the book burners. Don't think you are going to conceal faults by concealing evidence that they ever existed. Don't be afraid to go to your library and read every book as long as any document does not offend our own ideas of decency. That should be the only censorship.

How will we defeat communism unless we know what it is? What it teaches? Why does it have such an appeal for men? Why are so many people swearing allegiance to it? It's almost a religion, albeit one of the nether regions.

Now we have got to fight it with something better, not try to conceal the thinking of our own people. They are part of America; and even if they think ideas that are contrary to ours, they have a right to have them, a right to record them, and a right to have them in places where they are accessible to others. It is unquestioned or it is not America.

This defense of freedom of the mind comes at a time when many of us who have been dismayed at the brazen attacks on basic American freedoms recently loosed from several quarters, have been deeply concerned lest the administration contine to give in to the book burners, in abject submission. I commend the President on his forthright statement.

I feel constrained, however, to point out that it has been the President's own administration that has ordered the book burning. I trust the President will see to it that his subordinates in the State Department and the United States Information Service fit the action to the words.

Concerning the issue of book burning and the preservation of basic freedoms, it might be well to point out that many leaders in American life have spoken out against the efforts of self-appointed thought controllers and modern-day witch hunters. I myself have made many speeches on this subject within the past 2 years. My distinguished colleague, the junior Senator from Missouri [Mr. SYMINGTON], warned against the present trend, in an address he delivered at Radcliffe College on June 10. Others have condemned the current attacks on our basic freedoms and our constitutional rights.

The unique and distinguishing thing about President Eisenhower's Dartmouth College address is that the current campaign to burn books is at present completely in the control of the Eisenhower administration. All that the State Department has to do is to stop burning books.

My use of the term "book burning" is symbolic of any effort to remove books

from libraries. It matters little whether the removal literally takes the form of burning or consists of storing the books in basements and warehouses.

The current book-burning campaign in United States overseas libraries in Germany is especially regrettable because Germany, under the Nazis, had a particularly virulent history of book burning. So has Soviet Russia. Book burning in all its forms is a totalitarian device. It is a technique of the worst kind of dictatorship, but it has no place in democracies which cherish the basic ideals of freedom of religion, freedom of thought, and freedom of speech.

The PRESIDING OFFICER. The Chair reminds the Senator from Missouri that the Senate is now operating under the 2-minute rule, and the Senator has exhausted his 2 minutes.

Mr. HENNINGS. I ask unanimous consent that I may proceed for an additional 30 seconds, Mr. President.

The PRESIDING OFFICER. Without objection, the Senator from Missouri may proceed.

Mr. HENNINGS. Mr. President, book burning is the tool of tyranny—the essence of totalitarian doctrine. That it should be part and parcel of a Nazi regime or of a Communist regime is understandable because it is another power device which reinforces the authoritarian control of the State. But that book burning or any other companion form of thought control should be permitted or condoned by our country is more than shocking. It is shameful, and it is un-American to the core.

I hope President Eisenhower's administration will end this medieval exhibitionism with firmness and finality.

I ask unanimous consent to include in the RECORD at the conclusion of my remarks an editorial entitled "Mr. Eisenhower at Dartmouth," appearing in the New York Times of yesterday morning, and two editorials from the Washington Post, one entitled "These Books Weren't Burned," the other "Who's Burning Books?"

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times of Jupe 15, 1953]

MR. EISENHOWER AT DARTMOUTH

If it is a suspicious sign for an American citizen to wish to know something about communism, then 33,938,285 citizens who voted for Dwight D. Eisenhower last November are guilty by association. President Eisenhower, a former soldier who knows what courage is, urged it upon the students in his commencement address yesterday at Dartmouth. He urged, among other things, the kind of courage that is required to read the kind of book that some of our would-be censors think is bad for us. He said, in part:

"Don't join the book burners. • • • Don't be afraid to go in your library and read every book • • • that does not offend our own ideas of decency. How will we defeat communism unless we know what it is? • • • We have to fight it with something better. Not try to conceal the thinking of our own people."

This was an informal address, delivered offhand and without the aid of secretaries, Cabinet members, and publicity experts. However, the President's audience could not mistake his meaning nor doubt his sincerity. He was appealing for a vigorous and positive sort of citizenship which would lead young men to fight existing evils in their own country, to love the good in it, to attack ungodly doctrines with the mind and not merely with the emotions. Unless this approach is possible, then Dartmouth and all other institutions of learning, in spite of those that love them, might as well close their doors. The President had faith that this was not so. He had faith in the inquiring and open mind.

This faith the great mass of those who voted last year for Adlai E. Stevenson undoubtedly share. It is an American faith. The book burners, the exalters of ignorance, the censors and bullies, are, after all, an un-American minority.

[From the Washington Post of June 14, 1953]

THESE BOOKS WEREN'T BURNED

Another indication of the extent to which some Americans have departed from the fundamental beliefs on which this country grew and prospered now has come from San Antonio, where the mayor recently suggested the branding of all "Communist-written" books in the public library. Not to be outdone, the acting city manager said, "I think they should be burned instead of stamped." These un-American suggestions were made after a super-alert lady produced a list of books she considered subversive and which she wanted the library to label in one way or another. On her list were books by Albert Einstein, Thomas Mann, and a few similarly dangerous characters. Also listed were editions of the Canterbury Tales and Moby Dick because the illustrations were by someone she thought to be subversive.

Miss Julia Grothaus, public library director, replied to these fantastic suggestions as a responsible librarian should. The San Antonio Library, she said, "does have books on communism • • • some by suspected or known Communists. These books are carefully chosen so that the reader may learn all that he should know about communism • • •. After all you cannot remain ignorant about a thing and fight it. The library always has carried books on controversial subjects • • •. The library never has dictated to the people what they should read • • •. It has material on both sides of the question. These books are not labeled, but catalogued."

The library board has stood firmly behind the librarian despite some popular support at first for the mayor and acting city manager. The mayor listed opponents of his book-branding scheme as just "the intelligentsia." But the mayor has been ever so quiet in the last few days and the controversy has died down. The acting city manager, for reasons which have not been made clear, has resigned. All in all, San Antonians seem to have withstood this assault upon their dignity as intelligent citizens should. But the fact that an issue like this can even be seriously debated is a disturbing symptom of the hysteria abroad in the land.

[From the Washington Post of June 16, 1953]

WHO'S BURNING BOOKS?

President Eisenhower's outspoken remarks at Dartmouth ought to have been read by his Secretary of State as a mandate to end the chaotic and demoralizing situation that has developed in American overseas libraries. The responsibility to stop the "book burners," as the President described those who would impose a censorship or book purge, rests squarely on the Secretary of State. Yet at his press conference yesterday Mr. Dulles misinterpreted the spirit of the President's statement and made it clear that he simply wanted to slough off his own responsibility.

But American foreign policy is being undermined by the heavy-handed attacks on the integrity of the libraries. At a time when Russia is wooing Western Germany with an unprecedented show of finesse, the United States is seemingly determined to offend all its most loyal friends, in Germany as well as elsewhere. That the State Department should be a party to the attack is incredible. Yet by its surrender to a potent minority on Capitol Hill that has no understanding of the American heritage the Department has abetted the country's most violent defamers.

Whatever the demerits of a given volume, the moment officials start weeding out books because the authors of the books are under attack American freedom is made to appear ridiculous. It has been the habit of free countries to judge a book by its content, not by the name or politics of the author. When American officials purge United States libraries that are supposed to be symbols of freedom, it is no wonder that foreigners ask whether this country is going Fascist. The question may seem to us to be irrelevant and irreverent, but the memory of fascism is keen in Europe, and Europeans know that book burning marked the beginning of fascism in Italy and Germany. A copy of a Communist book in an American overseas library could do very little harm; the withdrawal of that book, with the attendant publicity, can do this country infinite harm.

In a report the other day from Berlin to the New York Times, Walter Sullivan gave a terrifying account of the effect on the German mind of the book purges. Some books written by indubitably loyal and middle-of-the-road Americans have been removed from the library shelves. Some others by persons who are under attack as leftwingers have been removed. From Italy recently came a report that a book by Secretary Dulles was withdrawn. Such is the absurdity of this kind of censorship. It cannot be limited or intelligently handled. Once it is started, there is no stopping. Almost every book published contains something that is objectionable to someone or some group.

Mr. Sullivan said in his report that the book purges and some other censorial activities "have done much to undo the herculean efforts of United States occupation forces in the postwar years to present American democracy to the German people as a magnet to draw them away from totalitarian attitudes." The British and French information services, he said, continue to present to the Germans a broad section of opinion from their own countries. In his final report as High Commissioner, John J. McCloy said that one of the basic tasks of the American libraries was to combat the intellectual stagnation of the Nazi period and the effect of 12 years "of isolation and one-sided information." We cannot counteract the effects of German book burning by similar tactics of our own.

A most important thing for Europeans to remember is that these desecrations have been committed by terrorized officials in the face of serious objection and criticism from many Americans. A vast number of persons here are appalled by what has taken place. Our European friends should not lose sight of the fundamental sanity of the great majority of Americans and the great strength of our constitutional safeguards. But the President chose a propitious moment to reassert a basic American conviction in the spirit of freedom, and others in the administration ought to take the cue.

TRANSFER OF PRICE-SUPPORT WHEAT TO PAKISTAN

The Senate resumed the consideration of the bill (S. 2112) to provide for the transfer of price-support wheat to Pakistan, which had been reported from the

Committee on Agriculture and Forestry with amendments.

The PRESIDING OFFICER. The first amendment of the committee will be stated.

The first amendment of the Committee on Agriculture and Forestry was, on page 2, in line 6, after the word "President" to insert "At least 50 per centum of the gross tonnage of wheat made available under this act and transported from the United States on ocean vessels shall be so transported on United States flag vessels to the extent practicable and to the extent such vessels are available at market rates for United States flag vessels."

The amendment was agreed to.

The next amendment was on page 3, in line 4, after the word "Act", to strike out the comma and "as well as similar supplies obtained locally or imported from outside sources by the Government of Pakistan."

The amendment was agreed to.

The next amendment was on page 3, in line 8, after the word "States", to insert a semicolon and "and to provide such supplies free of cost to persons who, by virtue of circumstances beyond their control are unable to pay for them."

Mr. AIKEN. Mr. President, I should like to point out that, by mistake, the amendment was printed at the point indicated in the bill, whereas it would be more appropriate and accurate if it were inserted after the word "discrimination", in line 6, at the end of paragraph (a). The amendment will mean the same, wherever it appears in the bill.

The PRESIDING OFFICER. Without objection, the amendment will be transposed accordingly.

Does the Senator from Vermont believe it is necessary that a comma be inserted after the word "control", in line 10?

Mr. AIKEN. I think a comma should be inserted there.

The PRESIDING OFFICER. Without objection, a comma will be inserted accordingly.

Without objection, the committee amendment, as amended, is agreed to.

The bill is open to further amendment.

Mr. KNOWLAND. Mr. President, let me suggest to the distinguished Senator from Vermont that it might be well to have the committee report, which is rather short, appear in the RECORD immediately preceding the final action on the bill, so that the legislative background of the bill will be available.

Mr. AIKEN. Mr. President, I ask unanimous consent that the committee report be printed at this point in the RECORD.

There being no objection, the report (No. 404) was ordered to be printed in the RECORD, as follows:

The Committee on Agriculture and Forestry, to whom was referred the bill (S. 2112) to provide for the transfer of price-support wheat to Pakistan, having considered the same, report thereon with a recommendation that it do pass with amendments.

S. 2112 would carry out the President's recommendation for the grant of wheat to Pakistan as set out in his message of June 10 (H. Doc. 171, 83d Cong.). Pakistan is a new, democratic nation that is friendly to the United States. It has suffered severe drought in its wheat-producing area for 2 successive years. Despite rigorous steps taken by it to demedy both the food outlook and its general economic disabilities, it is at present facing famine conditions and suffering grave financial difficulties. Its gold and foreign-exchange holdings are barely enough to meet its regular requirements for currency backing and essential working capital. It does not appear likely that it would be able to repay a monetary loan, and such a loan would make it impossible for Pakistan to obtain further necessary development loans from international lending institutions. A loan of wheat repayable in kind is neither feasible nor desirable from the viewpoint of either country. Pakistan's export earnings and all of its prospective financial resources are needed to meet the demand of economic development essential to prevent future food and financial crises.

Its immediate need for wheat from abroad is 1.5 million long tons for consumption and for a small working reserve during the next 11 months. It expects to obtain about 400,000 tons from abroad with its own and other aid resources. Canada and Australia have both made generous grants. Under S. 2112 the President could grant Pakistan up to 1 million long tons of wheat, of which 700,000 tons would be available to alleviate starvation and suffering, and up to 300,000 tons would be available to provide a working reserve. One hundred thousand tons is needed in Karachi by August 15, and immediate action on the bill might tend to have the further beneficial effect of freeing for distribution the little wheat now held in private hands in Pakistan.

As amended by your committee, the bill provides for sale of the wheat by the Government of Pakistan for rupees to those of its people who can afford to pay, and distribution free of cost to those who cannot. It is also expected that proper precautions will be taken by the President and the Government of Pakistan to assure that none of the wheat will be sold at an excessive price. Rupees received from the sale of the wheat would be utilized as agreed upon by the United States and the Government of Pakistan for the further benefit of the people of Pakistan through programs to increase food production and in other programs in the mutual interest of the United States and Pakistan. Five percent of the rupees so received would be available for local currency requirements of the United States, including administrative and operating expenses in Pakistan in connection with assistance supplied by the United States.

Commodity Credit Corporation stocks of wheat early this month totaled about 310 million bushels. The quantity yet to be acquired under the 1952 program may be in excess of another 100 million bushels. The 1953 crop is expected to total over 1,100 million bushels, and supply and demand conditions in exporting and importing countries appear to be such as to result in decreased demand for dollar wheat. The United States is therefore well able to furnish the 1 million long tons (about 37 million bushels) provided by the bill.

ANALYSIS OF THE BILL

Section 1 would authorize the Commodity Credit Corporation to make up to 1 million long tons of wheat acquired through price-support operations available to the President for transfer to the Government of Pakistan upon such terms as he sees fit.

Section 2 would authorize appropriations to reimburse Commodity Credit Corporation.

Section 3 would require the terms of the transfer to Pakistan to provide for—

(a) distribution of the wheat without discrimination;

(b) full publicity for United States assistance;

(c) United States observers;

(d) utilization of local currency received for the wheat as agreed upon by the United States and Pakistan to increase food production in Pakistan and other projects in the mutual interest of the two countries;

(e) allocation of 5 percent of the local currency receipts to the United States for its local currency requirements; and

(f) appropriate measures to reduce and forestall further relief needs.

Section 4 would permit termination of assistance by the President or Congress.

Section 5 makes it clear that the local currency allocated to the United States by the bill would be subject to section 1415 of the Supplemental Appropriations Act, 1953, or any other applicable provision of law. Section 1415 prohibits the expenditure of foreign credits owed to or owned by the United States Treasury except as provided annually in appropriation acts.

AMENDMENTS

Your committee has recommended three amendments to the bill as introduced. These amendments would (1) provide for transportation of at least 50 percent of the wheat in American ships, (2) remove the requirement of the bill that the antidiscrimination provision of the proposed agreement with Pakistan cover wheat from other sources, and (3) provide specifically for free distribution to needy persons.

Mr. AIKEN. Mr. President, I had a brief speech prepared in connection with the bill. However, if there is no objection at all to the bill, I much prefer not to give the speech.

Mr. CARLSON. Mr. President, will the Senator from Vermont yield to me?

Mr. AIKEN. I yield.

Mr. CARLSON. I certainly do not wish to delay action on the bill. Let me say that I wrote to Harold Stassen, Director of Mutual Security, about 3 weeks ago, regarding the use of some of the price-support, surplus wheat in the form of flour for food. Inasmuch as I have received a letter from Mr. Stassen, I now ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF THE DIRECTOR FOR
MUTUAL SECURITY,
Washington, D. C., June 12, 1953.

The Honorable FRANK CARLSON,
United States Senate.

DEAR SENATOR CARLSON: Thank you very much for your letter of June 1.

I am very gratified to hear that you are prepared to give affirmative support to the President's request for wheat to meet the emergency situation in Pakistan. Any assistance you can give us in expediting the passage of the necessary legislation for this program will be deeply appreciated.

We have carefully considered your proposal that a portion of the shipments to Pakistan be in the form of flour, in order that it may be ready for immediate use on arrival. I am informed, however, that in this particular country, the furnishing of flour might complicate, rather than expedite the process of getting the food into the places where it is most needed. The whole ration and distribution system of Pakistan is based on grain, and past experience has indicated that considerable administrative difficulties would be involved if flour were introduced directly into the system. A major element in the situation is the fact that the Pakistani traditionally mill and cook grain in their homes. The result of this process is a 95-percent extraction rate, and naturally a very coarse flour. We are continuing our study of the possibility of using flour in this type of situation, but I don't believe that in the present case of

Pakistan, we would be gaining any time or advantage through a substitution of it for the wheat itself.

Sincerely yours,

HAROLD E. STASSEN,
Director for Mutual Security.

Mr. LANGER. Mr. President, I believe the Senator from Vermont should give the speech he has prepared, for the benefit of the people of the country.

Mr. AIKEN. Mr. President, let me say that this bill is the result of President Eisenhower's request to Congress of last Wednesday that 1 million tons of wheat be made available to Pakistan.

Pakistan has had 2 years of drought, and is very short of wheat. Thus we have an opportunity to have our own country, which has a very large surplus of wheat, make a friendly gesture toward one of the countries of the world which is in need and which is also friendly to us.

The wheat which it is proposed to send to Pakistan will be sold at a fixed price by the Government of Pakistan, except that which is used to help the people who have no rupees to pay for it. The money received for the wheat will be spent by the Mutual Security Administration in helping to build and repair irrigation works in Pakistan, in the hope that it will prevent the recurrence of near-famine conditions. I do not know that there is anything more to be said, unless there are questions.

Mr. CASE. Mr. President, will the Senator yield for a question?

Mr. AIKEN. I yield.

Mr. CASE. The bill provides for the establishment of a special fund in which the Government of Pakistan will deposit in the form of its own local currency the money received in the disposition of the wheat. Is that correct?

Mr. AIKEN. That is entirely correct. The people of Pakistan are not out of funds, but they are out of dollars. They have rupees, but unfortunately the rupees will not buy United States and Canadian wheat.

Mr. CASE. Ninety-five percent of those funds will be available for expenditure within Pakistan, for the improvement of the food-producing ability of the country. Is that correct?

Mr. AIKEN. That is correct.

Mr. CASE. My reason for bringing out that point is that for some time there has been pending before the Committee on Agriculture and Forestry, of which the Senator from Vermont is chairman, a bill which I introduced many weeks ago, proposing a program somewhat similar to this, but for the benefit of the people and the armed forces of the Republic of South Korea. The principle underlying the pending proposal seems to me to be worthy of application to other situations, not only from the humanitarian standpoint, but also that the interests of the United States itself may be served.

When General Van Fleet appeared before the Committee on Armed Services, he spoke at some length of the relative ration of food given to the South Koreans who were in their armed forces, and the ration which was provided for the prisoners of war. He stated repeatedly that the South Korean soldiers who were guarding the prisoners of war were receiving much less in the way of food rations than were those they guarded, the Red soldiers, who were being fed by us under the terms of the Geneva Convention.

It seemed to me, therefore, that we could appropriately make available to the Republic of South Korea foodstuffs and fiber, to be paid for in their own currency. They, too, are out of dollars. We could thereby strengthen the ability of the South Korean soldier to stand in the line and to resist aggression. We also could make the dollars do double duty by making the Korean currency thus paid available for the rehabilitation of Korea.

Everyone knows that we simply cannot walk away from Korea, after it has been devastated by armed conflict, and their public buildings, hospitals, and schools have been destroyed. Sooner or later we shall have to provide some funds for the purpose of rehabilitating Korea. We cannot do less for an ally, Korea, than we have done for such former enemy countries as Japan and Germany. If at the same time we use funds for the purchase of grains, meat, and fiber products to be made available to the South Koreans, we receive in return therefor the local currency and set it aside for the rehabilitation of Korea, we will get double duty from the dollars.

I take this occasion to point that out, because what we are doing for Pakistan is something we ought also to do, it seems to me, for the Republic of South Korea. It would strengthen the ability of the South Koreans to maintain their position, and it would assist in the discharge of the obligation to rehabilitate the country, an obligation which we will recognize when the truce is signed. I should like to urge upon the distinguished chairman of the Senate Committee on Agriculture and Forestry the importance of early action on that subject.

Mr. AIKEN. The Senator from South Dakota has aptly pointed out one way by which American food surpluses could be used in the promotion of good will and better economic conditions throughout the world. There are several bills pending which have that general objective in view. However, it is my understanding that the White House expects to send to the Congress very soon, possibly this week, a proposal to authorize the President to use some of our surplus commodities for the purpose of promoting international good will and preventing distress in friendly nations, and at the same time to authorize the disposal of some of our very large surpluses of certain commodities within the United States. I think it likely that the bill will be referred to the Committee on Foreign Relations for consideration. I have not seen it, but I assure the Senator from South Dakota that, so far as it is possible for the Senator from Vermont to cooperate to that end, an end which he has very fittingly pointed out at this time, he will do so. But I do not feel like stepping in ahead of the President's own proposal, when that proposal is expected to reach Congress soon, possibly within the next day or two.

Mr. CASE. Mr. President, will the Senator yield further?

Mr. AIKEN. I yield.

Mr. CASE. I may state that following the Van Fleet hearings and my introduction of the bill to which I have referred, I discussed the Korean situation with the Ambassador from the Republic of Korea at considerable length. The information was so important that I asked him to put in writing, in the form of a letter addressed to me, a summary of the statements he had made in our visit. It should be of interest to all Senators. I ask permission of the Senate to have that letter printed in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

KOREAN EMBASSY,
Washington, D. C., March 25, 1953.

The Honorable Senator FRANCIS CASE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CASE: It was a great pleasure for Mr. Han, our counsellor, and me to meet you and your assistant this morning, and I want to thank you for taking time out to talk with us.

Again I wish to repeat what I have written to you and what I have told you—namely, that I am very grateful to you for having given serious thought to the whole problem of relieving our very grave economic needs in Korea.

In compliance with your request, I wish to state the following:

As you well know, this horrible war has been going on for the last 3 years in Korea, and more than 1,000 villages have either been destroyed or seriously crippled. More than 50 cities and towns have met the same fate during the course of the fighting in Korea. Ten million of our people have been made homeless, and there are more than 100,000 innocent children who have become orphans. Bombing from the south, bombing from the north, bombing from the east, and bombing from above cause a great deal of destruction in Korea, and this explains why most of our agricultural production has been seriously disrupted. Furthermore, there are virtually no facilities for the production of consumer goods.

I am sure that you can understand very readily why we need help. We have to feed these homeless people, we have to clothe them, and particularly the unfortunate orphans must be fed and clothed also.

Naturally, the food problem is one of the most acute difficulties our people face. We have to supply our population and particularly our armed forces, and, despite the fact that many well-meaning non-Korean organizations have been assisting us, the problem still remains serious. That is why whatever you can do in this respect would be a tremendous contribution to the betterment of the general well-being of our people. Grains such as barley, wheat, rice, corn, soya beans, and even flour would be most welcome to us. Any poultry products as well as other meats would be an invaluable addition to the task of meeting the shortage of food in Korea. However, dairy produce such as cheese, butter, and liquid milk would not be suitable, because the Korean dietary habits have not as yet been developed to include a taste for these items. On the other hand, it is my firm belief that powdered milk would be very useful, particularly for the children in Korea.

Any assistance that can be given to relieve the suffering of our people, particularly with regard to the need for food and clothing materials such as woolen and cotton goods, would mean a tremendous uplift in the morale of my countrymen.

I am sure that you will agree with me that, if the families and dependents of our

soldiers in Korea as well as the police, who also have shared the burden of fighting in Korea, are given a more ample supply of food and clothing, the morale of our fighting soldiers and police would be greatly strengthened. Such help would make a direct contribution to the even more essential military operations in Korea.

As I told you this morning, due to the poor living conditions, because of the war, 30 percent of our people are tuberculosis cases. If something is not done to alleviate this situation, it may mean national suicide.

You may remember my comment on the farm animals. The losses in virtually all forms of livestock have been very heavy, and there has been a very sharp decline in the number of draft animals for tilling the soil. I am sure that in ameliorating this condition it would mean an increase of agricultural produce in Korea.

I also called to your attention our need for ships. Early in 1952 a bill was introduced by Senator WARREN MAGNUSON to authorize the transfer of 50,000 tons of ships to be used by Korea. This was passed in the Senate, but to our great regret, the bill failed to get recommendation in the House.

In the last few years, kindhearted American people, through their churches, other organizations, and, in many cases, individuals, have collected large quantities of relief goods for our refugees in Korea. May I call to your attention that many times in the past these goods have failed to reach Korea because of the lack of transportation.

If we had, for example, 10 Liberty-type ships, there could be a continuous flow of transportation not only for our relief goods but also for grains that have been purchased now in the process of being sent to Korea. It would mean further that these ships could go to Korean ports directly instead of stopping first in Japan. This would eliminate piling up of goods due to lack of shipping space. Our Government, despite its very difficult financial situation, has been using its meager dollar funds for the purchase of grain in this country and elsewhere as well as for the transportation of these grains at a cost of up to $13 per ton. If we had these ships, the cost for transportation could be greatly reduced, and, naturally, this reduction would help us immensely. Ten of these ships could transport 40,000 to 50,000 tons of cargo per month.

The above is about the gist of our conversation this morning, and if there is anything I can do, please do not hesitate to call on me.

Very sincerely yours,

YOU CHAN YANG,
Korean Ambassador.

Mr. McCLELLAN. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield to the Senator from Arkansas, for a question.

Mr. McCLELLAN. I have several questions I desire to ask.

The PRESIDING OFFICER. Does the Senator from Vermont yield to the Senator from Arkansas for a series of questions?

Mr. AIKEN. I yield.

Mr. McCLELLAN. I may say to the distinguished chairman of the Committee on Agriculture and Forestry that I have had no opportunity to study the pending proposal. I have been fully occupied with appropriation bills. However, from a hurried glance at the bill, there are some questions I should like to ask.

Do I correctly understand that the wheat in question is to be made available to the Government of Pakistan, to in turn be sold to the people of Pakistan?

Mr. AIKEN. The Government of Pakistan will sell the wheat to those who have money with which to pay for it, and will sell it at a fixed price. One of the amendments which the committee proposed, and which has been approved by the Senate, provides that wheat shall be furnished, also, to those who cannot afford to pay for it.

Mr. McCLELLAN. Is it correct to say that we are actually making a gift of the wheat to the Pakistan Government, itself?

Mr. AIKEN. In the final analysis, yes; although the Government of Pakistan will sell the wheat and put the money in a special fund. The money will then be expended for the improvement of irrigation work in Pakistan, in the hope that future crop failures may be prevented.

Mr. McCLELLAN. Is it not true that all the wheat is to be given by our Government for the benefit of Pakistan? So far as we are concerned, we are to receive no payment in money or in other material values in return for the aid and assistance we are giving. Is not that correct?

Mr. AIKEN. That is correct.

Mr. McCLELLAN. We are, however, trying to make certain that the Government of Pakistan will so administer the gift as not to discriminate against those who are suffering from hunger, as a result of their inability to produce or to purchase food; and we will require the Government of Pakistan to make distribution to all who are in need, charging only those who are able to pay. Is that correct?

Mr. AIKEN. That is the purpose. That is why we adopted the amendment, "and to provide such supplies free of cost to persons who, by virtue of circumstances beyond their control, are unable to pay for them." I understand, however, that most of the Pakistanians are able to pay, but they are able to pay only in rupees. Nevertheless, there are in Pakistan, as there are in this country, those who are unable to pay.

Mr. McCLELLAN. Payment, of course, would be made in the currency of Pakistan.

Mr. AIKEN. That is correct.

Mr. McCLELLAN. That currency would then be used for the purpose of making internal improvements, so as to provide greater production capacity for the future. Is that not correct?

Mr. AIKEN. That is correct. I may say also that the money received from the sale of the wheat might save the United States some expense to which it would otherwise be put, through the mutual security program.

Mr. McCLELLAN. Is it correct that the wheat which we propose to give to Pakistan amounts to about 37 million bushels?

Mr. AIKEN. That is correct.

Mr. McCLELLAN. As of today, what is the money value of the wheat?

Mr. AIKEN. I do not know the exact cost to the Commodity Credit Corporation.

Mr. McCLELLAN. What would it amount to, approximately, in millions of dollars?

Mr. AIKEN. It would be about $80 million or $85 million.

Mr. McCLELLAN. In other words, we are making a gift of from $80 million to $85 million. Is that correct?

Mr. AIKEN. Yes. I suppose that is not the world-market price, but that is what it would cost us.

Mr. McCLELLAN. In other words, that is what it will cost the taxpayers of this country.

Mr. AIKEN. That is correct; that is what it would cost for the wheat.

Mr. McCLELLAN. In other words, the wheat we are giving to Pakistan will cost or has cost the taxpayers of the United States approximately $80 million or $85 million. Is that correct?

Mr. AIKEN. Yes. Let me say to the Senator that when transportation charges are added the amount will probably be nearer $100 million.

Mr. McCLELLAN. That we are granting to the Government of Pakistan?

Mr. AIKEN. That is correct.

Mr. McCLELLAN. All we hope to gain from this action, as I see it, will be two things: We benefit in that we are serving humanity; we are doing something for the relief of human suffering in another area of the world. The second benefit is, though it is not insured, that we will gain the good will and friendship of the people of Pakistan.

Mr. AIKEN. Yes. And there is still a third benefit. We have nearly 600 million bushels of wheat carryover, with a prospect of 800 million bushels of carryover a year from now. The Government already owns 310 million bushels of wheat acquired under the price-support program, and it is very likely that it will lose a good deal on the wheat.

Mr. McCLELLAN. Whatever the value may be, the taxpayers have already paid for it or will pay for it. It means approximately $100 million to them, anyway, whatever we do with the wheat.

Mr. AIKEN. That is correct.

Mr. McCLELLAN. The point I am making, Mr. President, is that the only benefit we derive from the transaction is the self-satisfaction of knowing that we are trying to do a humanitarian service for people who are in distress and are suffering, while at the same time we hope, at least, that we shall receive their friendship and good will.

Mr. AIKEN. The Senator is correct.

Mr. McCLELLAN. I notice in the report the following statement, about which I should like to have the Senate think for a moment:

> The United States is therefore well able to furnish the 1 million long tons (about 37 million bushels) provided by the bill.

Mr. President, we assert that we are well able and can well afford to do this for peoples elsewhere in the world. I am going along with the proposal to make this gift, but I desire now to remind the Senate that at the same time we are depriving our own people of many protections from disaster and suffering by cutting to the bone, below the realities of necessity, and despite the demand and the urgency, appropriations for flood control, for soil conservation, and for other benefits we should be providing here at home.

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I have just come from the Civil Functions Subcommittee of the Appropriations Committee. The subcommittee is marking up the Civil Functions bill to provide for flood control and improvements to rivers and harbors. We are trying to cut the appropriation even below the revised budget in order to bring about a nearer balance of the national budget. We make the assertion here in this report that we are well able to furnish this wheat to Pakistan, but, on the other hand, they should know that we are able to do it only while we are denying our own people much protection in the nature of flood control and related improvements for which there is a critical demand and an urgent necessity.

I hope the beneficiaries of this gift will not take for granted the implication of the statement in the committee's report that we are simply overflowing with goods and wealth and that we can disburse it wherever we want to without some sacrifice being made by our people here at home. Too often the erroneous impression has gone to foreign countries that America is rich and she can afford it. Thank God, maybe we can afford it, but I think it is well to let other peoples of the world know that when we do these things we are sacrificing and denying ourselves some things we urgently need here at home. As the distinguished Presiding Officer who is in the chair at the moment is well aware, and as other Senators know, we are making a sacrifice.

Disaster from floods could be prevented, Mr. President, if we should take this $100 million and devote it to flood control and conservation measures for which there is an urgent need in many of the valleys of our own Nation. I do not want the unqualified impression to go forth that we are well able to give this wheat and that it means no sacrifice on the part of the American people to do so. It does mean a sacrifice. We are sacrificing in order to do it, and the RECORD should show that fact. When we give assistance of this nature to other governments, we should let them know it is costing us something to do it; that we too have burdens to carry, nd we hope they will realize and appreciate the more our willingness to sacrifice in order to help them and bring relief to their suffering people.

Mr. AIKEN. Mr. President, I thank the Senator from Arkansas for his remarks, but I want to point out that the United States is well able to furnish the 1 million long tons, approximately 37 million bushels, of wheat provided by the bill. That is not to be interpreted as meaning that the United States has a surplus of money. It means that we have a large surplus of wheat for which the farmers have been paid under our price-support program. I am glad the point has been raised, because I want to make it clear that the committee statement to which the Senator from Arkansas referred does not relate to a surplus of money.

Mr. LANGER. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield.

Mr. LANGER. Mr. President, I desire to commend the Senator from Vermont [Mr. AIKEN]. The distinguished Senator from Arkansas [Mr. MCCLELLAN] had much to say about the giveaway program. Everyone is familiar with the fact that with the exception of UNRRA I have always voted against giveaway programs. But it has been traditional with the people of the United States that wherever they see hunger, want, or starvation they want to help, and for example, most of you will remember the aid we gave Japan at the time of the earthquake.

With reference to Pakistan, upon the return of our distinguished Secretary of State, John Foster Dulles, from his trip abroad 3 weeks ago, he said that nowhere in the East do we have better friends than in Pakistan, and that their splendid military forces are set to help this country at any time we need them. Pakistan has a distinguished Ambassador who has taken a very active part in promoting friendship between the people of the United States and the people of Pakistan. He has rendered distinguished and outstanding service in the cause of humanity.

Mr. President, there are in the State of Texas approximately 25 Pakistan families. Near Phoenix, Ariz., there are 250 Pakistan families. In the home State of the distinguished majority leader [Mr. KNOWLAND], near Sacramento, and in other places in California, there are 1,250 Pakistanians, hundreds more who have made an outstanding record.

They came to this country in about 1908 and 1909. When they went to the Imperial Valley that valley was waste country. In that valley and in other places in California where there was alkali swampland they planted rice. When they planted it they knew they would not get any crop the first year. They knew they had to inoculate the soil. The next year they got a small crop. They continued their development work in California until the land became worth several hundred dollars an acre. Then out of a clear sky, Mr. President, came a suit claiming that these people from Pakistan were neither Negroes nor Caucasians, and therefore could not become citizens of our country. The Supreme Court of the United States, in 1924 or thereabouts, with Mr. Justice Sutherland writing the opinion, held that they could not own any land in the five States which had passed laws against such ownership. Nor as aliens could they even get driver's licenses for their trucks or cars.

I made a thorough investigation of the matter. I visited Gov. Earl Warren, of California. Mr. Warren wrote a beautiful letter to Dr. Mubarek Ali Khan, head of the India Welfare League of America, and said that the Pakistanis were some of the very finest people who had ever come to the State of California, and that they practically held the record for having committed fewer law violations than any other people.

I contacted the Governor of Arizona, Mr. Osborn, and the attorney general, Mr. Wilson, and they endorsed the bill to enable these 3,500 or 4,000 people an opportunity to become citizens of the United States.

Representatives Clare Boothe Luce and EMANUEL CELLER put in a bill in the House and I introduced one in the Senate, and the bill was finally passed, with the assistance of Dr. Cooper, now deceased, of Catholic University. The committee held that the Pakistanis were Caucasian in view of testimony given by certain anthropologists.

Mr. President, in World War II 250 Pakistan boys offered their lives as members of the United States Armed Forces. I think there ought to be an immigration quota for Pakistan. I suggest to the distinguished chairman of the Committee on Foreign Relations [Mr. WILEY] that when the Senate considers the matter of Near East relief, the subject of a quota for Pakistan be included.

I compliment the Senator from Vermont [Mr. AIKEN] upon the remarkably fine work he has done. The subcommittee has done much to create good feelings between the Near East, the people of Pakistan and the United States. Heaven knows, we need such good feeling today between the people of that area, above all other places in the world, and the people of this country. I am certain that the distinguished Senator from Wisconsin [Mr. WILEY], who is chairman of the Committee on Foreign Relations, will remember the testimony of John Foster Dulles that those people are anxious and willing to integrate a part of their forces with and to fight, if necessary, in behalf of the people of the United States of America.

Mr. President, the pending bill represents a forward step, and I am delighted to support it. This measure giving this wheat to the starving people of Pakistan will in a large measure be due to the untiring, hard 12 years of work of Dr. Murabek Ali Khan, who has sacrificed so much of his time and money for his people and who is beloved all over the United States as a statesman who ardently supported the goal of friendship between these two countries.

Mr. HUMPHREY. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield to the Senator from Minnesota.

Mr. HUMPHREY. First, I wish to join with the Senator from North Dakota [Mr. LANGER] and other Senators who have expressed commendation of the distinguished chairman of the Committee on Agriculture and Forestry for reporting the Senate bill 2112, which provides for the transfer of price-support wheat to Pakistan.

I note that the formula in the bill, as set forth in the first two paragraphs, is very much similar to a formula I presented to the Senate Committee on Foreign Relations with respect to the overall use of surplus commodities. As the Senator from Vermont will recall, in speaking privately to him about the kind of legislation Congress might pass that would facilitate the improvement of our foreign relations by the use of excess foodstuffs, I expressed the hope that some permanent legislation would be enacted, so that the President would have authority to grant such aid when it was in the interest of the United States. I believe the proposal outlined in the Pakistan wheat bill provides a legislative formula which can be used in connection

with the overall picture of the distribution of surplus commodities, because I am certain that the question will arise again.

For a long time I have been interested in emergency food aid to Pakistan. On April 27, 1953, I introduced a bill, Senate bill 1782, which would have almost the same effect as that resulting from the measure now before the Senate. Prior to that I had written to the Secretary of State and to the Mutual Security Administrator, encouraging them to cause an investigation to be made with respect to what amount of such aid might be necessary. I think the record should show that the Government of the United States did send a team of investigators, so to speak, into the area of Pakistan, and that they returned with factual information as to the need for particular allotment of surplus wheat from the Commodity Credit Corporation provided for in the pending measure. So this is a very well planned piece of legislation.

I think it should also be noted when hearings are held on the mutual security bill in the Committee on Foreign Relations, the distinguished chairman of which I am glad to observe present in the Senate Chamber, that one of the areas where some Senators feel funds for economic aid might be too limited is the Near East, as the Senator from North Dakota [Mr. LANGER] has pointed out. Particularly is that true in the case of some of the Moslem countries.

As I understand, the native currency which will be obtained from the sale of this wheat in Pakistan can be and will be used in the general direction of cooperation by the Mutual Security Administration in the overall, long-term improvement of agricultural conditions in Pakistan. Is that not correct?

Mr. AIKEN. The Senator from Minnesota is correct. The rupees which will be paid for the wheat by those who are able to pay for it, who include most of the people of Pakistan, will be used for permanent improvements, and will reduce proportionately the number of dollars which might otherwise have to be sent from the United States under the mutual assistance program.

Mr. HUMPHREY. I wished to make that clear, because while I realize that the proposal involves a large expenditure on the part of the people of the United States, including expenditures which have already been made for price-supported commodities, actually, as the Senator from Vermont has pointed out, in the long run it may very well replace some dollar expenditures at a later date, because in this instance, as in the case of the India wheat program, which it may be recalled was before the Senate 2 years ago, the money is dedicated to the improvement of land and of irrigation facilities, so that farm conditions may be alleviated. This is to be done in the hope that the United States will not again have to meet such emergency problems.

I assure the Senator from Vermont of my wholehearted support of the bill. I only say, as the Senator from South Dakota [Mr. CASE] has pointed out, that what is proposed in the case of Pakistan follows a kind of program which, if carefully worked out, can greatly strengthen the foreign relations of the United States. Particularly is this true as we observe the shift in tactics of the Soviet Union. The Soviet Union is shifting somewhat from the "politics of violence" to the "politics of peace." It appears that our mutual security program ought to be strengthened by giving to the President of the United States and to the Mutual Security Administration authority to utilize some of our surplus foods, first, wherever they can be used to alleviate famine and human suffering, and second, wherever they can be used to strengthen American foreign policy and strengthen the free world.

I hope the Senate will approach the mutual security authorization and appropriation with a view to strengthening the whole mutual security and foreign policy structure, because to date it has been necessary to legislate on these questions individually. I believe Congress ought to legislate on the subject generally, and not make it necessary to enact a law with respect to every specific proposal.

Mr. CASE. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield.

Mr. CASE. In order that the record may be clear, there are two questions I wish to ask, since there has been some discussion of the bill.

First, in response to a question asked by the Senator from Arkansas [Mr. MCCLELLAN], I think the record will give the impression that all the local currency will become available for the purposes which have been discussed by the Senator from Minnesota. Is it not correct that the bill provides that 5 percent of the local currency account is to be available for the local currency requirements of the United States within Pakistan?

Mr. AIKEN. The Senator is correct.

Mr. CASE. So 95 percent is to be available for the other program, and 5 percent would be available for our own expenses in Pakistan.

Mr. AIKEN. That is correct.

Mr. CASE. In addition, the committee has an amendment providing that at least 50 percent of the gross tonnage of wheat shall be transported "on United States-flag vessels to the extent practicable," as I read the bill, and I simply wish the RECORD to be clear about the fact that the Commodity Credit Corporation is not to pay the transportation. The Commodity Credit Corporation is to deliver the wheat on board vessels in United States ports, as directed by the President.

Mr. AIKEN. The Commodity Credit Corporation is not to pay the transportation. I think the Mutual Security Administration is to pay the transportation. It is intended that Pakistan pay the cost of nondollar bottoms as far as possible, and that the dollar bottoms will be paid for out of MSA funds.

Mr. CASE. But the Commodity Credit Corporation does not pay it?

Mr. AIKEN. It is to be paid by whichever agency is designated by the President to handle the wheat. We are told that the President will designate the Mutual Security Agency. The provision that at least 50 percent of the wheat shall be carried in American bottoms, if available, is substantially the same provision as appears in the Mutual Security Act. As a matter of fact, it is doubtful if 50 percent will be carried in American bottoms, because I understand that they are not available at this time.

Mr. CASE. While the Senator from South Dakota is in support of this particular measure, at the same time I think we ought to be a little careful about turning such measures into subsidies for the merchant marine or anything else, unless they are clearly labeled as such.

Mr. AIKEN. I know just what the Senator from South Dakota means, because we have debated that subject on the floor frequently in the past few years.

Mr. CASE. Should it not be clearly understood that the appropriations authorized in this measure will be to make payments to the Commodity Credit Corporation for the commodities supplied, and not for transportation, and that the transportation costs, if paid for by the Mutual Security Administration, should come from Mutual Security Administration funds?

Mr. AIKEN. That is correct.

Mr. CASE. Reverting for a moment to the Korean situation, in my discussion with the Korean Ambassador he pointed out that the South Koreans would be happy if the commodities intended for them were simply made available f. o. b. port of departure. If, in addition, we were to lend them some of our idle Liberty ships which are in mothballs at the present time, they would provide the sailors and provide the operating expenses. If we would place the food on our docks and lend them some ships, they would man the ships and take care of the transportation.

Mr. AIKEN. I have not the slightest doubt that generous treatment will be accorded South Korea in this respect, as it should be. If we contribute the commodities at shipside to the foreign government, then it is up to the foreign government to furnish the transportation.

Mr. HUMPHREY. Mr. President, will the Senator further yield?

Mr. AIKEN. I yield. I wish to yield soon to the Senator from Mississippi [Mr. STENNIS], who has been on his feet for some time.

Mr. HUMPHREY. Certain organizations such as CARE and CROP, two excellent organizations, have in the past taken care of some of the shipping costs themselves when surplus foods have been made available. Such a provision is not included in this bill. I mention it only as a reminder in connection with future legislation. In the past we have utilized at least the administrative organizations of such relief groups. I believe that in the case of Yugoslavia the Government of the United States paid the shipping charges.

I make this comment because I intend to press as hard as I can for overall, long-term legislation to empower the President of the United States, as the chief spokesman for this Nation in foreign affairs, to utilize some of our surplus goods for these purposes. I do not believe it ought always to be on a gift basis. The proposal which I have in mind, and which I discussed before the Senate For-

eign Relations Committee, would have permitted the President to make a gift, as provided in this bill, with the provision that local currencies be used for rehabilitation or improvement within the particular country; secondly, it would have permitted the President to sell on the basis of a loan, which was the method used in the case of the India wheat, at least in part; or, thirdly—and I think this is important—it would have permitted sale at a concessional price. The present law permits sale out of Commodity Credit Corporation stocks, but at the amount which the Commodity Credit Corporation has invested in such stocks. If we were to give the President the authority to sell at a concessional price, we would have an opportunity at times to do business with countries which cannot pay the prevailing world price for a particular commodity. I make this observation only because this is the appropriate time to comment.

In the case of military assistance for our allies, we have an overall program. We do not introduce and have reported a special bill every time we wish to give military assistance to a friendly nation. We ought to be equipped to provide food assistance when it is necessary. Certainly food is just as important to the survival and stability of a country as military equipment, if not much more so, particularly when there is no hot war going on.

I cannot help but believe that we are a little better equipped to produce food economically than to produce guns economically. We can produce food at less cost to the Government, and with less difficulty for the population, than in the case of military supplies. We have never had to regiment our economy to produce food. We have almost had to regiment our economy in order to stop producing food.

I know that the President will ask for overall legislation. I shall support it. I wish such legislation could be enacted this year, because I think the psychological situation requires that the United States show the world that, although we are prepared to spend several billion dollars for military assistance, if need be, we would rather provide food assistance. This bill provides it in one specific instance; but mark my words, as the Senator from South Dakota [Mr. CASE] pointed out, if peace comes to Korea it will bring in its wake problems as great as those of war. Special legislation will be introduced to provide aid to Korea. I hope that such aid can be provided under general legislation.

Mr. AIKEN. Mr. President, let me point out that this relief to Pakistan was not delayed for inclusion in a general bill because the President felt that the need in this case was urgent. The State Department and other agencies believe it essential that some wheat begin to arrive in Pakistan by the first of August. That is the reason why this part of the overall program was singled out for quick action.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. AIKEN. I yield to the Senator from Mississippi.

Mr. STENNIS. Are there any similar programs contemplated for other nations? Pakistan is the only one mentioned in the bill, but are there in prospect this year any similar plans for other nations?

Mr. AIKEN. No. Pakistan is almost the only populous nation, outside the war-torn areas, that did not have pretty good crops last year. In the contributions to Pakistan, however, there is participation on the part of Canada and Australia.

Mr. STENNIS. That was the next question I had in mind. What other nations are contributing, and what is their contribution?

Mr. AIKEN. I believe Canada is contributing $10 million worth of wheat, which would provide about 105,000 tons. Australia is contributing 45,000 tons, through a grant of $4½ million. We have the most to give. However, I am inclined to think that the 45,000 tons contributed by Australia represents as large a proportion of the total supply as what we are giving.

Mr. STENNIS. So far as the Senator knows, have there been any requests from other nations similarly situated?

Mr. AIKEN. There are no urgent requests that I know of.

I think we must be careful, in these mutual assistance programs which involve the use of surplus American farm commodities, to see that we do not hurt the economy of small producing nations. In the case of Pakistan there is a near disaster. It might become a complete disaster before next winter if we did not help.

In the case of certain other nations which probably would like some of our surplus commodities at lower prices, I think we should make sure that any low-cost commodities from the United States are in addition to the supply normally used, and are not used to supplant the normal purchases made from other small producing nations of the world, which might go broke if we gave away too much.

Mr. STENNIS. I should like to ask one more brief question. I invite the attention of the Senator to paragraph (b), on page 3, which, including the committee amendment, reads as follows:

(b) To give full and continuous publicity in Pakistan to the assistance furnished by the United States; and to provide such supplies free of cost to persons who, by virtue of circumstances beyond their control, are unable to pay for them.

With reference to the Senator's discussion as to what these funds are to be used for, in view of the distressing conditions upon which the bill is based, does not the committee amendment make it almost certain that all of this wheat will be given to those who, by virtue of circumstances beyond their control, are unable to provide such supplies—that is, unable to pay for them?

Mr. AIKEN. Yes; the committee amendment would provide for giving the wheat to those who are unable to pay for it, but not to those who are able to pay.

Mr. STENNIS. Will not the portion going to those unable to pay represent virtually all of it?

Mr. AIKEN. The committee amendment, which has been approved by the Senate, was placed in the paragraph above. It was misplaced in the printing. It refers to supplies made available under the act among the people of Pakistan, without discrimination, and provides that such supplies are to go free of cost to persons who, by virtue of circumstances beyond their control, are unable to pay for the wheat.

Mr. STENNIS. My question would still apply, then.

Mr. AIKEN. The Senator from Florida proposed the amendment in the committee, I think. The Senator is on his feet and it might be well for him to tell us exactly what the amendment means.

Mr. STENNIS. Mr. President, I ask unanimous consent that the Senator from Florida may be permitted to answer the question.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLAND. Mr. President, I think the Senator from Vermont has perhaps overlooked the fact that the Senator who suggested this amendment was the present occupant of the chair, the distinguished senior Senator from Minnesota [Mr. THYE].

Mr. AIKEN. The Senator is correct.

Mr. HOLLAND. His position was supported by the Senator from Florida. However, it should be stated that the Senator from Minnesota was the one who first urged this point.

To state the matter as clearly as I can, from my recollection, 2 years of drought have brought about a very bad situation in west Pakistan. Even after the furnishing of supplies of wheat by Australia and Canada, other supplies from other nations under the Colombo Pact, and other supplies by way of barter, in which Pakistan is using some of her products in order to get food, there is still lacking about one-fourth of the normal full annual supply of wheat in west Pakistan.

That means that for about 25 million people, as I believe we were told, famine is imminent, and starvation is threatening.

It was our thought, in considering the making of this gift, that the United States should contribute not just to those people who might be able to buy the wheat—and there are many in Pakistan who are able to buy it with rupees, which in turn will be used to help to permanently solve the food-production problem—but should also contribute wheat to those who are not able to buy it.

Therefore, the words under discussion were inserted in the bill, with the thought that the act itself would make clear the fact, although we do not pretend to go in and distribute the supplies which we are furnishing, that at the same time we expect our friendly neighbor, Pakistan, which will handle the distributing of the wheat to its own people, to recognize the want of those who do not have the means with which to pay for the wheat, in the same way as those who can pay are recognized.

It is the understanding of the Senator from Florida that the amount which will be given free will be only a part of the whole, and less than half of the whole, because the whole supply will

take care of about 3 months of the entire wheat needs of west Pakistan, both on the part of those who can pay and those who cannot pay, most of whom, if this wheat were not being used, would go hungry.

So the wheat will be used to supply those who are not able to pay, which includes both farming people and those whose business has been pretty well wiped out by the difficulties of the farming people, and will also supply the need for bread and the need for wheat of those who are able to pay. Does that answer the question of the distinguished Senator from Mississippi?

Mr. STENNIS. I thank the Senator from Florida very much. So far as it goes, it does answer the question. Will the chairman of the committee state what the estimate is of the percentage of the entire wheat to be delivered and distributed under this clause in the bill?

Mr. AIKEN. The Senator from Vermont does not know what percentage of the wheat will be given free to people without rupees in Pakistan, but he would point out the safeguard contained in the bill, which provides that no wheat at all shall be delivered until an agreement containing certain provisions has been entered into between Pakistan and the United States. I think that is a good safeguard in general.

Mr. STENNIS. I would not say that the bill is unsound. It seems to me, however, that some reasonable limitation should be placed in it, based on a good judgment of the facts. Perhaps the agreement would take care of that point.

Mr. AIKEN. I will say to the Senator from Mississippi that the bill contains sufficient safeguards to prevent unjustified use of this wheat by the Government of Pakistan, such as free distribution to persons who are able to pay for it. The House committee is considering the bill today, and if it is felt that the details should be spelled out, they can be considered.

Mr. STENNIS. The chairman of the committee represents to the Senate that it would be his purpose to follow up that thought, so as to make sure that such a safeguard is provided, so far as it is possible to do so?

Mr. AIKEN. I believe it is the purpose of the committee to make certain that the privilege of giving away our wheat shall not be abused. It would not be advantageous to Pakistan to abuse it, because the money received for the wheat would be spent for making permanent improvements in that country.

Mr. HOLLAND. Mr. President, will the Senator from Vermont yield for one more observation?

Mr. AIKEN. I yield.

Mr. HOLLAND. I should like to say, first, that the bill had the unanimous support of all members of the committee on both sides of the aisle, and was completely and is completely bipartisan and nonpartisan.

Second, I want to make the same statement with reference to all three of the committee amendments which are in the bill.

Third, I want to make the same statement with reference to the fact that all of the committee members recognized the fact that the President, in making the agreement with Pakistan, will of course deal with the details, which are inappropriate to be set out in a bill, as they shall have been brought up to date and as they shall have developed up to that time, so as to meet the changing situation, whatever it may be.

Mr. President, I close by saying that the statements made to the committee by those who had gone to Pakistan to review the situation on the ground—men who were chosen from various schools, and I remember in particular the dean of the college of agriculture at Purdue University and one of his professors—made it clear that they believe this grant will take care of the critical situation, in view of the fact that the present year promises vastly improved crop conditions in Pakistan.

If I may be permitted to make one further observation, Mr. President, I should like to say that the committee wants it clearly understood that the grant has no relation to the price-support program or to any domestic agricultural program. It is just incidental that our Nation does own wheat in abundance. However, no member of the committee would want it understood that in any way through this grant, or similar grants that might be necessitated by famine or starvation of human beings anywhere, we propose to create the impression that we are seeking to justify or affect any price-support program.

I am sure that the Senator from Vermont, the distinguished chairman of the committee, will make it clear that this subject was handled by the committee as having no relation to that program, but simply as showing the willingness of our Nation to meet a tragic need on the part of suffering human beings who have done their utmost to meet their own critical problem, and whom we know to be, besides, a very fine people, who believe in freedom and who are showing their devotion to freedom in many tangible ways.

Mr. AIKEN. The Senator from Florida has stated the situation very clearly. I yield now to the Senator from Georgia.

Mr. RUSSELL. Mr. President, no printed report of the hearings of the committee is available, as I understand. I did not hear the first part of the Senator's statement, and I, therefore, inquire as to whether the chairman of the committee or any other Senator has stated for the RECORD, for the information of the American people, anything with regard to the relations which have existed and exist between Pakistan and the United States and between Pakistan and the United Nations. Did the Senator from Vermont deal with that in the opening part of his statement?

Mr. AIKEN. No; not directly.

Mr. RUSSELL. Mr. President, it seems that in this country we are developing some kind of a complex whereby sometimes we are afraid to proclaim some of the reasons which prompt our attitude and our delight at being able to extend a helping hand to a friend who is in distress.

I may be in error, but I seem to recall that at about the time of the outbreak of hostilities in Korea, Pakistan was one of the first nations to offer to send a substantial number of troops to fight under the banner of the United Nations in Korea, in resisting Communist aggression there. I may be confusing Pakistan with some other country, in that connection; but I believe I am correct about that matter.

Mr. AIKEN. The Senator from Georgia may be correct.

Mr. RUSSELL. I believe Pakistan offered to send a full brigade of troops to fight with the soldiers of the United States and the soldiers of other nations which were undertaking to draw a line against armed aggression, and to say, "This far, and no farther, shall armed aggression take away the freedom of those who desire to enjoy the privileges of freedom."

So, Mr. President, I take particular delight in voting for this bill. I may be a little old fashioned, but I am never afraid to rise and to say to the entire world that the United States does not forget its friends when they are in trouble or in need.

I am perfectly willing to say, further, that in my own scrutiny of the foreign-aid programs, I propose to be much more generous with nations whose friendship to us is unquestioned than I do with those whose attitude is friendly toward countries which threaten the freedom of men everywhere.

Pakistan, by virtue of its situation, has had great difficulties in getting under way as a free nation. I believe the American people, should ever recall the fact that Pakistan was one of the first nations to rise to the support of the United Nations, and that the only thing that prevented the Pakistanis from actually landing their troops on the peninsula of Korea was the difficulty they had with India over the Province of Kashmir.

I believe this statement should be made a part of this record, and I believe we should state clearly that we desire to aid a country which has shown its friendship to the endeavor to prevent armed aggression and the effort to bring about peace in the world.

Mr. AIKEN. Mr. President, the Senator from Georgia has made a most valuable contribution to the discussion.

I wish to add that the Pakistanis have made it perfectly clear that they have not the slightest intention of turning one inch toward communism, regardless of whether this wheat is given to them. The Pakistanis want that clearly understood. They are desperately in need of the wheat, but they are not threatening to swing in the other direction if they do not get it. They are prepared to stand by.

Mr. WILEY. Mr. President, will the Senator from Vermont yield to me?

Mr. AIKEN. Mr. President, I am glad to yield the floor to the Senator from Wisconsin. I am sure what he will say will also be music to my ears.

Mr. WILEY. Mr. President, I have listened with a great deal of interest to all the statements which have been made in connection with this bill. I agree that it is in accordance with our Christian principles to do what the bill contemplates. It certainly is in the interest of

our foreign policy and in the interest of maintaining and of retaining, as has been suggested by the Senator from Vermont, the friendship of the people of Pakistan. So I am very much in favor of the bill.

In the Foreign Relations Committee we had occasion to consider this matter in connection with the mutual aid bill. We were given the facts. We recognize that this bill takes care of a situation which, from every point of view, should be taken care of, considering the tremendous supply of wheat we have in storage and the large supply which now is coming into being.

The PRESIDING OFFICER. The bill is open to further amendment.

If there are no further amendments to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2112) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provisions of any other law, the Commodity Credit Corporation is authorized and directed to make available to the President out of wheat stocks acquired through price-support operations not to exceed 1 million long tons of wheat, during the period ending June 30, 1954, for transfer to the Government of Pakistan upon such terms and conditions as the President determines appropriate, of which 700,000 tons may be made available in order to alleviate starvation and mass suffering threatened by famine conditions in Pakistan and not to exceed 300,000 tons to provide such reserve supply as he may determine to be a necessary supplement to such emergency assistance. Commodity Credit Corporation shall deliver the wheat on board vessels in United States ports as directed by the President. At least 50 percent of the gross tonnage of wheat made available under this act and transported from the United States on ocean vessels shall be so transported on United States flag vessels to the extent practicable and to the extent such vessels are available at market rates for United States flag vessels.

SEC. 2. For the purpose of making payments to the Commodity Credit Corporation for commodities disposed of hereunder, there are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, such sums as are equal to the Corporation's investment in such commodities, including handling costs, plus the costs incurred in making deliveries hereunder. Any funds or other assets available to the Commodity Credit Corporation may be used, in advance of such appropriation or payments, for carrying out the purposes of this act.

SEC. 3. No assistance under authority of this act shall be made available until an agreement is entered into between Pakistan and the United States containing the following undertakings, and any others the President may determine to be desirable to carry out the purposes of this act, on the part of Pakistan;

(a) To distribute the supplies made available under this act, among the people of Pakistan without discrimination, and to provide such supplies free of cost to persons who, by virtue of circumstances beyond their control, are unable to pay for them.

(b) To give full and continuous publicity in Pakistan to the assistance furnished by the United States.

(c) To permit persons designated by the Government of the United States to observe without restriction the distribution in Pakistan of supplies made available under authority of this act.

(d) To deposit in a special account amounts of the currency of Pakistan equivalent to the amounts of such currency accruing to the Government of Pakistan from the import and sale of commodities furnished as a grant hereunder, this account to be utilized as may be agreed upon by the United States and the Government of Pakistan for the benefit of the people of Pakistan in programs to increase food production and in other projects and programs in the mutual interest of the United States and Pakistan.

(e) To allocate to the use of the Government of the United States 5 percent of the local currency account established in subsection (d) for use, in accordance with applicable United States laws, for local currency requirements of the United States, including administrative and operating expenses in Pakistan in connection with assistance supplied by the United States.

(f) To pursue all appropriate measures to reduce its relief needs and to increase production and supply and improve distribution of foodstuffs within Pakistan so as to lessen the danger of similar emergencies in the future.

SEC. 4. All or any part of the assistance provided hereunder shall be terminated by the President whenever he or Congress by concurrent resolution, determines that because of changed conditions continuation of assistance is unnecessary or undesirable. Termination of assistance to Pakistan under this section may include the termination of deliveries of all supplies scheduled under this act and not yet delivered.

SEC. 5. Nothing contained in this act shall affect the applicability of section 1415 of the Supplemental Appropriation Act, 1953, or other provisions of law to the local currency allocated to the use of the United States in accordance with the agreement provided for in section 3.

YOUNG REPUBLICANS SUPPORT ALLIED UNITY AND AMERICAN LEADERSHIP

Mr. WILEY. Mr. President, last Saturday certain folks at the Wisconsin State Republican convention engineered actions designed to turn the clock back in America's history. They endeavored to have our country turn its back on its leadership in world affairs, by supporting a constitutional amendment whose effect would be to wreck our foreign policy.

In the same newspapers which recorded this unfortunate action there was carried a dispatch from South Dakota reporting the results of the convention of the Young Republican National Federation, which took a completely opposite approach—a sound, intelligent, enlightened approach. Unanimously, the 1,000 delegates approved American foreign policy, based on collective security. Not one delegate supported the idea of having America abandon the United Nations. Tribute was paid to the great majority leader of the United States Senate—the senior Senator from Ohio [Mr. TAFT].

Action was taken on other resolutions—some controversial, some not.

An effort was made in the convention to secure endorsement of the Bricker amendment, but no such action was taken.

I do not have available a transcript of the convention's proceedings, but I know that the action taken on behalf of a constructive foreign policy represents the will of the American people in seeking a foreign policy of leadership. The Young Republicans represented the thinking not only of the Young Republican movement, but of the senior Republican movement. In this instance the young people were far closer to the mark than were some of their parents.

I send to the desk the text of this news dispatch, and ask unanimous consent that it be printed following my remarks in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Milwaukee Journal of June 14, 1953]

YOUNG GOP SUPPORTS U. N.—O. K.'S COLLECTIVE SECURITY

RAPID CITY, S. DAK.—The Young Republican National Federation, with more than 1,000 delegates from 45 States, Saturday unanimously supported a "collective security" foreign policy based on continuing membership in the United Nations, and said American sacrifices in Korea "have not been in vain."

Without dissent, the Young Republicans espoused the foreign policy of President Eisenhower, rather than that urged by Senator TAFT, of Ohio. In the 1952 campaign TAFT attacked the Korean conflict as "Truman's war," and recently he urged future United States reliance on military alliances rather than the United Nations.

Supporting the administration move for an armistice in Korea, the Young Republicans declared their belief that, "though costly and heartbreaking, Korea has been a symbol of the free world's determination to stop the aggression of the Soviet Union and its satellites, and to that end American sacrifices have not been in vain."

PEACE CALLED INDIVISIBLE

There was no discussion on this point, although many Republican orators in the last campaign challenged the wisdom of former President Truman in sending United States troops to resist Communist aggression in Korea in June 1950.

"Peace is indivisible and must be achieved in the forum of nations," the foreign policy resolution said. "Peace cannot be lastingly achieved in isolation, but only by effective cooperation with the community of nations. Regional alliances are only supplemental to the basic collective purposes of the United Nations, for we know that global peace cannot be attained in a piecemeal fashion."

Not a single delegate arose to espouse the Taft argument that the United States should extricate itself from the United Nations. The delegates, however, did declare unanimously their admiration of TAFT for the leadership he had given the party and the support he had given the Eisenhower administration program in Congress. Hope was expressed that TAFT's health would improve rapidly so that he could resume active leadership of the Republican majority in the Senate.

SECURITY MOVE BACKED

The convention approved without dissent a resolution commending the administration for the great progress it has made in ferreting subversives out of the Government service, and urging continued vigilance in this direction.

A cheer greeted the resolution that pledged the Young Republicans to stand for adequate safeguards to protect the rights of individuals who appear before either administration loyalty boards or legislative investigating committees. A predicted floor fight over the investigating methods of Senator MCCARTHY, Republican, of Wisconsin, did not materialize.

The Republican juniors also went on record in support of the administration's request for extension until December 30 of the excess-profits tax, and urged its replacement at that time, if necessary, by other sources of revenue.

There was no debate on a proposal that the individual States, rather than Federal Government, enact immediately effective fair-employment-practices legislation. A. Price Woodward, of Wichita, Kans., a Negro delegate, was presiding at the time.

Other resolutions that were adopted:

Supported extension of the Reciprocal Trade Act and systematic reduction or elimination of tariffs and trade barriers.

Sidestepped endorsement of the Bricker amendment, which would bar any treaty or international agreement from superseding domestic legislation.

Asked revision of the McCarran-Walter immigration law.

Supported proposals to lower the voting age from 21 to 18.

Asked a congressional study of the advisability of returning federally owned lands and minerals to the States in which they are located.

Opposed expansion of the national service life insurance program for Armed Forces personnel. (The vote on this was 294 to 270.)

Sullivan Barnes, 31, of Sioux Falls, S. Dak., was elected president of the federation at the closing session Saturday night. He received 430 votes; Herbert W. Beitel, of Chicago, 112; and Carlton Rouh, of Lindenwold, N. J., 25.

EXTENSION OF CERTAIN CHARTERS OF VESSELS TO CITIZENS OF THE PHILIPPINES

Mr. CASE. Mr. President, I ask unanimous consent for the immediate consideration of Senate Joint Resolution 88, Calendar No. 404.

The PRESIDING OFFICER. The joint resolution will be read by title for the information of the Senate.

The CHIEF CLERK. A joint resolution (S. J. Res. 88) to authorize the Secretary of Commerce to extend certain charters of vessels to citizens of the Republic of the Philippines, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Dakota for the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

The PRESIDING OFFICER. The joint resolution is open to amendment.

Mr. POTTER. Mr. President, I should like to discuss the joint resolution and also the measure which the distinguished Senator from South Dakota will call up next, namely, Senate Joint Resolution 72. These joint resolutions are companion measures, in that Senate Joint Resolution 88, which is now under consideration, will authorize a continuation of the chartering of eight ships by citizens of the Republic of the Philippines. These ships have been chartered for the past 6 years. They are slow, wartime-built ships, which have little or no value to our own merchant marine, but they are serving a very useful purpose and are engaged in a very useful service in the intercoastal trade in the Philippines. So the joint resolution would simply continue for another year the chartering of the ships.

The other joint resolution, which I should like to discuss briefly at this time, authorizes the Secretary of Commerce to sell the same eight ships to citizens of the Republic of the Philippines, and to sell them at the Ship Sales Act price.

When the Philippine Rehabilitation Act was initiated in 1946, many citizens of the Philippines who had had ships, but who had lost them during the war, were not able to have their claims settled in time to allow them to purchase ships under the Ship Sales Act, which was a measure by which we allowed many citizens of foreign nations and many foreign nations themselves to purchase American wartime-built ships. So the Philippines, because of the fact that their claims were not settled in time, were precluded from purchasing the ships.

The two resolutions have been reported unanimously by the Committee on Interstate and Foreign Commerce. They have been endorsed by the Department of Commerce and the Department of State, and we have a letter from the Government of the Philippines asking for the passage of the two measures.

Mr. PASTORE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded, and that further proceedings under the call be dispensed with.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Rhode Island? The Chair hears none, and it is so ordered.

The joint resolution is open to amendment. If there be no amendment, the question is on the engrossment and third reading of the joint resolution.

The joint resolution (S. J. Res. 88) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That, notwithstanding any other provisions of existing law, the Secretary of Commerce is authorized to extend and continue the present charters of vessels to citizens of the Republic of the Philippines, which charters were made and entered into under the terms of section 306 (a) of the act of April 30, 1946 (Public Law 370, 79th Congress), and which charters were extended by the Secretary of Commerce under the terms of a joint resolution, approved April 30, 1952 (Public Law 327, 82d Congress). Such charters may be further extended for such periods of time and under such terms and conditions as the Secretary may, from time to time, determine to be required in the interest of the economy of the Philippines, but any such charter shall contain a provision requiring that the vessel shall be operated only in the interisland commerce in the Philippines. No such vessel shall be continued under charter, as authorized herein, beyond the completion of the first voyage terminating after June 30, 1954.

SALE OF CERTAIN VESSELS TO PHILIPPINE CITIZENS FOR USE IN INTERISLAND SERVICES

Mr. CASE. Mr. President, I ask unanimous consent for the immediate consideration of Calendar No. 405, Senate Joint Resolution 72.

The PRESIDING OFFICER. The clerk will read the joint resolution by title.

The LEGISLATIVE CLERK. A joint resolution (S. J. Res. 72) to authorize the Secretary of Commerce to sell certain vessels to citizens of the Republic of the Philippines; to provide for the rehabilitation of the interisland commerce of the Philippines, and for other purposes.

The PRESIDING OFFICER. Is there objection to the consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution (S. J. Res. 72) which had been reported from the Committee on Interstate and Foreign Commerce with amendments, on page 3, line 12, after the word "Philippines", to insert a colon and *"Provided, however,* That the Secretary of Commerce, after consultation with the National Advisory Council in International Monetary and Financial Problems, shall fix the terms of payment on unpaid balances, which terms shall in no event be more favorable than the terms applicable in the case of sales to citizens of the United States"; on page 4, line 8, after the word "provided", to strike out "application" and insert "applications", and after line 11, to insert:

Except with the prior approval of the Secretary of Commerce, any vessel sold under this joint resolution shall, for a period of 10 years from the date of sale of the vessels, be operated only in the interisland commerce of the Philippines.

So as to make the joint resolution read:

Resolved, etc., That notwithstanding the provisions of section 14 of the Merchant Ship Sales Act of 1946 (Public Law, 321, 79th Cong.), as amended, or any other provision of law, the Secretary of Commerce is hereby authorized and directed to sell to citizens of the Republic of the Philippines in accordance with the Merchant Ship Sales Act of 1946, any or all of the 8 vessels named herein: *Bowline Knot, Carrick Bend, Masthead Knot, Snug Hitch, George W. Tucker, Northern Wanderer, Boatswains Hitch, Turks Head,* which at present are in the Philippines: *Provided, however,* That the Secretary of Commerce, after consultation with the National Advisory Council in International Monetary and Financial Problems, shall fix the terms of payment on unpaid balances, which terms shall in no event be more favorable than the terms applicable in the case of sales to citizens of the United States.

In determining the order of preference between applicants for the purchase of such vessels, first preference shall be given to the applicants who are charterers of such vessels under the terms of the aforesaid act of April 30, 1946, as amended, at the time of making application to purchase vessels under the terms of this act; second preference shall be given to applicants who suffered losses of interisland tonnage in the interests of the allied war effort; provided applications for the purchase of said vessels are received by the Secretary of Commerce within 90 days after the date of enactment of this act.

Except with the prior approval of the Secretary of Commerce, any vessel sold under this joint resolution shall, for a period of 10 years from the date of sale of the vessel, be operated only in the interisland commerce of the Philippines.

Delivery of the vessels for the purposes of sale shall be made at a port in the Philippines designated by the Secretary of Commerce.

Notwithstanding any other provision of law, the said vessels shall continue to operate in the Philippines under existing charters until such time as the agreements of sale are executed and deliveries of the vessels thereunder are accomplished.

For the purposes of this act, the term "citizen" includes any individual, corporation, partnership, association, or other form of business entity authorized to do business under the laws of the Republic of the Philippines.

The amendments were agreed to.

The PRESIDING OFFICER. The joint resolution is open to further amendment.

Mr. POTTER. Mr. President, this is the joint resolution of which I spoke a few moments ago prior to the suggestion of the absence of a quorum. It authorizes the Secretary of Commerce to sell 8 vessels which have been under charter to the citizens of the Government of the Philippines. Approximately $1,500,000 will be returned to our Treasury.

I have discussed this proposed legislation with the distinguished minority leader. It has received the unanimous report of the Committee on Interstate and Foreign Commerce, and it has been recommended by the Department of Commerce, the Department of Defense, and the Government of the Philippines.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution (S. J. Res. 72) was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was rejected.

NATURALIZATION OF PERSONS SERVING IN THE ARMED FORCES OF THE UNITED STATES

Mr. CASE. Mr. President, I ask unanimous consent for the immediate consideration of Calendar No. 380, Senate bill 1759.

The PRESIDING OFFICER. The clerk will read the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1759) to provide for the naturalization of persons serving in the Armed Forces of the United States after June 24, 1950.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 1759) to provide for the naturalization of persons serving in the Armed Forces of the United States after June 24, 1950, which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 8, after the word "than", to strike out "thirty" and insert "ninety", so as to make the bill read:

Be it enacted, etc., That, notwithstanding the provisions of sections 310 (d) and 318 of the Immigration and Nationalty Act, any person, not a citizen, who, after June 24, 1950, and not later than July 1, 1955, has actively served or actively serves, honorably, in the Armed Forces of the United States for a period or periods totaling not less than 90 days and who (1) having been lawfully admitted to the United States for permanent residence, or (2) having been lawfully admitted to the United States, and having been physically present within the United States for a single period of at least 1 year at the time of entering the Armed Forces, may be naturalized on petition filed not later than December 31, 1955, upon compliance with all the requirements of the Immigration and Nationality Act, except that—

(a) he may be naturalized regardless of age;

(b) no period of residence or specified period of physical presence within the United States or any State after entering the Armed Forces shall be required: *Provided*, That there shall be included in the petition the affidavits of at least two credible witnesses, citizens of the United States, stating that each such witness personally knows the petitioner to be a person of good moral character, attached to the principles of the Constitution of the United States and well disposed to the good order and happiness of the United States;

(c) the petition for naturalization may be filed in any court having naturalization jurisdiction regardless of the residence of the petitioner;

(d) notwithstanding section 336 (c) of the Immigration and Nationality Act, the petitioner may be naturalized immediately if prior to the filing of the petition, the petitioner and the witnesses shall have appeared before and been examined by a representative of the Immigration and Naturalization Service; and

(e) no fee, except that which may be required by State law, shall be charged or collected for making, filing, or docketing the petition for naturalization, or for the final hearing thereon, or for the certificate of naturalization, if issued.

Service in the Armed Forces of the United States may be proved by a duly authenticated copy of the record of the executive or military department having custody of the record of the petitioner's service, showing that the petitioner is or was during the period or periods hereinbefore described a member serving actively and honorably in such forces and, if separated from such service, that he was not separated under other than honorable conditions; or may be proved by affidavits, forming part of the petition, of at least two citizens of the United States, members of the Armed Forces of the United States, of the noncommissioned or warrant officer grade or higher (who may also be the witnesses described in subsection (b) of this section): *Provided, however*, That no period of service in the Armed Forces of the United States shall be made the basis of a petition for naturalization under this act if the applicant has previously been naturalized on the basis of the same period of service.

SEC. 2. Any person entitled to naturalization under section 1 of this act may be naturalized while serving outside the jurisdiction of any naturalization court, upon compliance with applicable provisions of that section without appearing before any such court. The petition for naturalization of any such person shall be made and sworn to before, and filed with a representative of the Immigration and Naturalization Service designated by the Attorney General, which representative is hereby authorized to receive such petition, to conduct hearings thereon, to take testimony concerning any matter touching or in any way affecting the admissibility of such person for naturalization, to call witnesses, to administer oaths, including the oath of the petitioner and his witnesses to the petition and the oath prescribed by section 337 of the Immigration and Nationality Act and to grant naturalization and to issue certificates of naturalization: *Provided*, That the record of any proceedings hereunder shall be forwarded to and filed by the clerk of a naturalization court in the district designated by the petitioner and made a part of the record of such court.

SEC. 3. Any person otherwise qualified for naturalization pursuant to section 1 or 2 of this act who is or has been discharged under other than honorable conditions from the Armed Forces of the United States, or is discharged therefrom pursuant to an application for discharge made by him on the ground that he is an alien, or who is a conscientious objector who performs or performed no military duty whatever or refused to wear the uniform, shall not be entitled to the benefits of such section 1 or 2 of this act: *Provided*, That citizenship granted pursuant to section 1 or 2 of this act may be revoked in accordance with section 340 of the Immigration and Nationality Act if at any time subsequent to naturalization the person is separated from the Armed Forces of the United States under other than honorable conditions, and such ground for revocation shall be in addition to any other provided by law: *Provided further*, That for the purposes of section 340 (f) of the Immigration and Nationality Act, revocation on such ground shall be classified with revocatory action based on section 329 (c) of that act. The fact that the naturalized person was separated from the service under other than honorable conditions shall be proved by a duly authenticated certification from the executive or military department under which the person was serving at the time of separation.

SEC. 4. When used in this act, the term "United States" means the continental United States, Alaska, Hawaii, Puerto Rico, Guam, and the Virgin Islands of the United States.

Mr. WATKINS. Mr. President, this bill provides for the expeditious naturalization of certain aliens who have served, are serving, or who shall serve in our Armed Forces after June 25, 1950, and not later than July 1, 1955. It is provided that a minimum of 90 days' service is required in order to qualify for the benefits under this act. The bill is patterned generally after legislation enacted during World War II to enable aliens serving honorably in the Armed Forces of the United States during World War II to qualify for naturalization. None of the basic requirements of the Immigration and Nationality Act are waived relating to good moral character, attachment to the principles of the Constitution, and understanding of the English language. It contemplates benefits only for the alien who has effected lawful entry, either in an immigrant or nonimmigrant status and subversives are excluded from consideration thereunder. A conscientious objector who performs no military duty or refuses to wear the uniform, or a person discharged from service under other than honorable conditions or pursuant to an application for discharge made by him on the ground of alienage is prohibited from participation in these benefits. The bill also provides that a nonimmigrant must be in the United States for a period of 1 year before his service in the Armed Forces begins in order to conform the bill to the requirements of the Selective Service Act.

I think most Members of the Senate will remember that aliens who have been in the United States a year, lawfully, can be required to serve under the Draft Act.

Provision is made for overseas naturalization to benefit an alien serving in our Armed Forces outside the jurisdiction of any naturalization court. The bill is to take care of the Korean police action, known to most people as a war,

and we want to treat the veterans of that conflict the same as we have treated aliens who have served so well in our armies in World Wars I and II.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

Mr. WATKINS. Mr. President, House bill 4233, a similar bill, is now pending in the Committee on the Judiciary. I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of House bill 4233, that it be considered by the Senate, and amended by striking out all after the enacting clause and inserting the text of Senate bill 1759, as amended.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Utah?

There being no objection, the Senate proceeded to consider the bill (H. R. 4233) to provide for the naturalization of persons serving in the Armed Forces of the United States after June 24, 1950.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Utah [Mr. WATKINS] to strike out all after the enacting clause and insert the text of Senate bill 1759, as amended.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 1759 is indefinitely postponed.

ESTABLISHMENT OF OFFICE OF COMMISSIONER OF REFUGEES

Mr. CASE. Mr. President, I ask unanimous consent for the immediate consideration of Calendar No. 381, Senate bill 1766, to establish the Office of Commissioner of Refugees.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 1766) to establish the Office of Commissioner of Refugees.

The PRESIDING OFFICER. Is there objection to the consideration of the bill? The Chair hears none.

There being no objection, the Senate proceeded to consider the bill.

Mr. LANGER. Mr. President, this bill provides for the establishment of the Office of Commissioner of Refugees which shall be headed by a Commissioner of Refugees appointed by the President by and with the advice and consent of the Senate. The Commissioner so appointed would serve at the pleasure of the President.

Under the terms of the bill, the Commissioner would act only on behalf of the President and would be subject to the direction of the President. In consultation with the Secretaries of State and Defense and with other appropriate agencies of the Government, the Commissioner would have primary responsibility for (a) the development and administration of programs of assistance to refugees; (b) liaison between the Government of the United States and foreign governmental and intergovernmental agencies and organizations concerned with refugees or with migration and resettlement of people; and (c) accumulation and collation of information concerning migration possibilities of people from areas in which refugees are temporarily located to areas of potential reception.

The bill defines the term "refugee" to mean a person (a) who is out of his usual place of abode because of persecution, fear of persecution, natural calamity or military operations, and (b) who is in urgent need of assistance for the essentials of life or for transportation.

Present and former members of Communist, Nazi, or Fascist organizations or movements are specifically excluded from the provisions of the bill unless the membership was involuntary or while under the age of 16 years.

The bill provides specifically that nothing contained therein shall be construed to modify or supersede in any way any provision of the Immigration and Nationality Act.

The act would expire 3 years after the date of enactment.

In attempting to cope with the refugee problem, there are, in general, three methods of approach, none of which is exclusive and each of which complements the others, namely, relief, integration, and migration. There are numerous governmental, intergovernmental agencies, and organizations actively engaged in seeking a solution of the refugee problem. I believe that altogether there are eight of them. However, one fact stands out, namely, that there is no uniform overall policy of the United States Government with reference to approaching the problem of the refugees through relief, integration, or migration.

It cannot be doubted that the United States Government has a keen interest at stake in reaching a permanent solution of the problem. The millions of dollars which have been appropriated to sustain various programs clearly demonstrate the interest of our Government in dealing with these problems, but this interest has not been centered in a single agency, with a single responsibility and a single policy. This confusion of efforts and policy is evidenced by the great number of agencies and organizations presently concerned with the refugee situation in Europe, as well as the agencies concerned with the Palestinian refugees, the refugees in Korea, and, I might say, the refugees in Egypt.

It is the purpose of the bill to provide a means for the development by this Government of a uniform overall policy in the field of refugee problems through the establishment of an Office of Commissioner of Refugees, to be headed by a commissioner who would be appointed by the President, and who would act on behalf of the President, subject to his direction, and in consultation with the Secretaries of State and Defense, and with appropriate agencies of the Government.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. PASTORE. Was the action of the committee on this bill unanimous?

Mr. LANGER. The action of the committee was unanimous.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. WATKINS. I appreciate the statement made by the distinguished Senator from North Dakota, who is chairman of the Committee on the Judiciary.

As the author of the bill, I have a strong feeling that it will help coordinate the efforts which are now being made throughout the world in behalf of refugees. Ten different agencies are now operating in Europe, and others are functioning in the Near East and the Far East. All of them have something to do with refugees, and are being supported financially, to some extent, by the United States.

Reports come to us, which I think are authentic, that in countries where such agencies are operating there is more or less competition among them. At least, the refugees, or some of them, sometimes feel that they can sit back and wait for a better offer from another agency.

Obviously, if so many people are dealing with one problem, it means waste, extravagance, and inefficient administration. A Commissioner of Refugees can be of great aid in coordinating the program and bringing it under one head.

I believe the proposed bill is a constructive step in the direction of helping to solve the refugee problem. It will not in any way affect the Immigration and Naturalization Act, passed a year ago; in fact, it would work in harmony with that law. At least, the efforts in behalf of refugees would be centered in one place, and there would be provided fair, efficient, and firm direction of our program to aid and assist these people, in connection with other nations which are at present acting in a similar fashion with respect to the refugee problem.

I think this is a long step forward and a very constructive piece of legislation, which will help solve a very pressing and distressing problem.

The PRESIDING OFFICER (Mr. KUCHEL in the chair). The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1766) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted, etc., That there is hereby established, with its principal office at the seat of the Government, the Office of Commissioner of Refugees, hereinafter referred to as the Office, which shall be headed by the Commissioner of Refugees, hereinafter referred to as the Commissioner, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall serve at the pleasure of the President.

SEC. 2. Effective 30 days after his appointment the Commissioner, on behalf of the President and subject to his direction, shall in consultation with the Secretaries of State and Defense and with other appropriate agencies of the Government, within the limits of appropriations which shall have previously been made therefor, have primary responsibility for—

(a) the development and administration of programs of assistance to refugees;

(b) liaison between the Government of the United States and foreign governmental and intergovernmental agencies and organizations concerned with refugees or with migration and resettlement of people; and

(c) accumulation and collation of information concerning migration possibilities of people from areas in which refugees are temporarily located to areas of potential reception.

SEC. 3. When used in this act the term "refugee" means a person (a) who is out of his usual place of abode because of persecution, fear of persecution, natural calamity or military operations, and (b) who is in urgent need of assistance for the essentials of life or for transportation: *Provided, however*, That no person shall be considered to be a refugee who is or has been a member of any Communist, Nazi, or Fascist organization or movement unless he shall establish by clear and convincing evidence that his membership was involuntary or while under the age of 16 years.

SEC. 4. In order to avoid duplication of personnel and of functions the President is authorized (a) to detail or assign to the Office any officer or employee of any agency of the Government who is engaged in activities relating to refugees or to migration and resettlement of people and (b) to transfer for expenditure by the Office sums available by any agency of the Government for expenditure relating to refugees or to migration and resettlement of people.

SEC. 5. The Commissioner shall receive compensation at the rate of $17,500 per annum. The Commissioner is authorized to appoint and fix the compensation of such personnel as may be necessary to enable him to carry out his functions under this act without regard to the civil-service rules and regulations and the Classification Act of 1949.

SEC. 6. The act entitled "An act to protect the national security of the United States by permitting the summary suspension of employment of civilian officers and employees of various departments and agencies of the Government, and for other purposes," approved August 26, 1950 (Public Law 733, 81st Cong.), is amended by inserting after the words "the Chairman, National Security Resources Board;" the words "the Commissioner of Refugees," and by inserting after the words "National Security Resources Board," the words "Office of Commissioner of Refugees."

SEC. 7. The Commissioner shall prepare and transmit to the President and to the Congress on or about January 15 of each year a report of his activities under this act and shall from time to time prepare and publish factual reports on refugees and on migration and resettlement of people.

SEC. 8. Nothing contained in this act shall be construed to supersede or modify any provision of the Immigration and Nationality Act, or to authorize the negotiation or entering into of any treaties or executive agreements not otherwise authorized.

SEC. 9. There are hereby authorized to be appropriated such sums of money as may be necessary to carry out the purposes of this act.

SEC. 10. This act shall expire 3 years after the date of enactment.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed, without amendment the following bills of the Senate:

S. 141. An act for the relief of Harry Ray Smith; and

S. 712. An act for the relief of William R. Jackson.

The message also announced that the House had agreed to the amendments of the Senate to each of the following bills of the House:

H. R. 1482. An act for the relief of Hildegard Schoenauer; and

H. R. 3795. An act to adjust the salaries of officers and members of the Metropolitan Police force, the United States Park Police, the White House Police, and the Fire Department of the District of Columbia, and for other purposes.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 3581. An act to further the policy enunciated in the act of October 26, 1949 (63 Stat. 927), to facilitate public participation in the preservation of sites, buildings, and objects of national significance or interest by providing for a National Trust for Historic Preservation in the United States; and

H. R. 5495. An act to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H. R. 1308. An act to amend the Color of Title Act;

H. R. 2231. An act to authorize the negotiation and ratification of separate settlement contracts with the Sioux Indians of the Lower Brule and the Crow Creek Reservations in South Dakota for Indian lands and rights acquired by the United States for the Fort Randall Dam and Reservoir, Missouri River Development, to authorize a transfer of funds from the Secretary of Defense to the Secretary of the Interior and to authorize an appropriation for the removal from the taking area of the Fort Randall Dam and Reservoir, Missouri River Development, and the reestablishment of the Indians of the Yankton Indian Reservation in South Dakota; and

H. R. 3581. An act to further the policy enunciated in the act of October 26, 1949 (63 Stat. 927), to facilitate public participation in the preservation of sites, buildings, and objects of national significance or interest by providing for a National Trust for Historic Preservation in the United States; to the Committee on Interior and Insular Affairs.

H. R. 5495. An act to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes; to the Committee on Finance.

FRED P. HINES

Mr. CASE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 52, Senate bill 152.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 152) for the relief of Fred P. Hines.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Dakota.

The motion was agreed to, and the Senate proceeded to consider the bill.

Mr. LANGER. Mr. President, an identical bill of the 81st Congress passed the Senate on July 26, 1950. In the 82d Congress a similar bill was approved by Congress and was vetoed by President Truman on August 30, 1951. On July 4, 1952, the Senate overrode the President's veto.

This bill would reimburse Fred P. Hines, of Minot, N. Dak., in the sum of $778.78, which represents medical and hospital expenses incurred by him after medical authorities at the Veterans' Administration facility at Fargo, N. Dak., decided that operational interference was inadvisable on this man, who was 75 years of age at the time.

Previously Mr. Hines had been treated at various times by this veterans' facility. On the particular date in question, June 2, 1948, he was examined for abdominal complaints. The complaints were attributed by the medical authorities to a hernia, and he was treated conservatively for the latter ailment with an abdominal belt. The pain and distress continued, and Mr. Hines went to a private physician, who performed an operation for an obstruction in the stomach.

The letter from the Veterans' Administration discusses the conditions precedent to eligibility for treatment for service-connected and non-service-connected disabilities. However, as pointed out above, this veteran had been previously treated without any question as to the status of his disability.

The committee does not desire that this determination be considered a precedent, and it does not by inference or otherwise wish to reflect upon any individual or branch of the Veterans' Administration.

The committee therefore recommends favorable consideration of the bill.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs is authorized and directed to pay, out of any money available for the payment of compensation and allowances to veterans, to Fred P. Hines (C-2389074), of Minot, N. Dak., the sum of $778.78, representing the amount necessary to pay private medical and hospital expenses incurred by him incident to an emergency operation when his physical condition was such that he could not be removed to a Veterans' Administration hospital: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

PREVENTION, DETECTION, AND PUNISHMENT OF CRIME IN THE DISTRICT OF COLUMBIA

Mr. CASE. Mr. President, I move that H. R. 5312, Calendar No. 406, the so-called District of Columbia crime bill, be

restored as the unfinished business of the Senate.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 5312) to provide for the more effective prevention, detection, and punishment of crime in the District of Columbia.

The PRESIDING OFFICER. The Chair lays the unfinished business before the Senate.

The Senate proceeded to consider House bill 5312.

Mr. CASE. Mr. President, the Senator from Wyoming [Mr. BARRETT] has already set forth the principal purposes of the bill, and has discussed with the Senator from New Jersey [Mr. HENDRICKSON] and the Senator from Oregon [Mr. MORSE] certain amendments which may dispose of the one question at issue, namely, the question relating to mandatory minimum sentence. I should like to have the Senator from Wyoming, in his time, speak on the amendments. However, at the moment, I wish to say a word in tribute to the members of the Senate Committee on the District of Columbia, who are responsible for the bill being before the Senate in its present form.

The story of work on the crime problem in the District of Columbia runs through previous sessions of Congress. In the 81st Congress, the distinguished Member of the House, Representative DAVIS, of Georgia, on behalf of the House Committee on the District of Columbia, conducted an investigation into crime in the District of Columbia. In the 82d Congress, the distinguished Senator from West Virginia [Mr. NEELY] headed a subcommittee of the Committee on the District of Columbia, of which the Senator from Idaho [Mr. WELKER], the Senator from Maryland [Mr. BUTLER], the Senator from Rhode Island [Mr. PASTORE], and the Senator from Wyoming [Mr. HUNT] were members. During the 81st Congress, they conducted an investigation into crime in the District of Columbia, and their investigation achieved very notable results.

As the Senator who sponsored within the Committee on the District of Columbia the resolution calling for that investigation, I was particularly pleased by the fact that the subcommittee not merely conducted an investigation, but that results were achieved by the investigation itself. There was a change in the police department. There were resignations of different officials of the police department, which grew out of the fact that the former officials were unable or unwilling to explain certain activities of the past and were not willing to testify before the subcommittee, in some instances, I believe, pleading protection of the fifth amendment.

The bill which is now before the Senate is the product of studies by both the House and Senate District Committees. It represents not merely the result of the two investigations to which I have referred, but the result of public hearings which were conducted by the committee of the Senate. The Senator from Wyoming conducted public hearings at which representatives of various agencies and citizens' organizations throughout the city appeared.

So far as we could—and the Senator from South Dakota in this capacity speaks as a member of the Subcommittee on the Judiciary of the Committee on the District of Columbia, which conducted the public hearings—we sought to incorporate in the bill the benefit of the suggestions made by citizens of the District. The bill as it now comes before the Senate represents the best that we could obtain as the result of investigations in two different Congresses by the respective committees of both bodies of Congress. It is the result of many public hearings, and of intensive study by the committee staff.

In that connection, I should like to pay tribute to the work of Judge J. D. Coon, counsel to the committee, and Mr. William Gulledge, assistant counsel to the committee. They worked many long hours with the clerk of the committee, Mr. Albrook, and with the corporation counsel and other officials of the District of Columbia. They have had the benefit of suggestions from the police department and from members of the judiciary of the District of Columbia. So the bill represents the product of many experienced minds which have worked on this problem. I commend the work of the committee. I myself have resigned from the Judiciary Subcommittee of the Committee on the District of Columbia, so I think I can speak objectively when I say that the full committee and the subcommittee, the counsel and the staff deserve great credit for the bill in its present form.

I hope the Senator from Wyoming [Mr. BARRETT], will present the amendments which have been submitted by the Senator from New Jersey [Mr. HENDRICKSON], and the Senator from Oregon [Mr. MORSE].

Mr. HUMPHREY. Mr. President, will the Senator yield to me for a question?

Mr. CASE. I yield.

Mr. HUMPHREY. We find two bills on our desks, namely, House bill 5312 and Senate bill 1946. As I understand, the bill under consideration at the present time is House bill 5312. Is that correct?

Mr. CASE. That is correct.

Mr. HUMPHREY. Are not the two bills supposed to be for the same purpose? What is the difference?

Mr. BARRETT. Mr. President, will the Senator from South Dakota yield to me?

Mr. CASE. I yield to the Senator from Wyoming.

Mr. BARRETT. The bill before the Senate today is Senate bill 1946. The House bill to which the Senator from Minnesota refers is House bill 5312.

Mr. CASE. The Senator from South Dakota should explain that he was handed by the acting majority leader [Mr. KNOWLAND] a list of bills to be called up in order. The bill on the list which was handed to me was House bill 5312. If the parliamentary procedure of first considering the Senate bill and then turning to the House bill has not been previously complied with, I should like to amend my request so as to provide for the present consideration of Senate bill 1946. I ask unanimous consent that Senate bill 1946, rather than House bill 5312, be made the unfinished business.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Dakota?

There being no objection, the Senate proceeded to consider the bill (S. 1946) to provide for the more effective prevention, detection, and punishment of crime in the District of Columbia, which had been reported from the Committee on the District of Columbia with amendments.

Mr. HUMPHREY. Mr. President, that clarifies the situation.

Mr. CASE. I appreciate the consideration of the Senate. The bill on the list which was handed me was the House bill.

Mr. BARRETT. Mr. President, in the previous consideration of this measure the committee accepted the amendments submitted by the junior Senator from New Jersey [Mr. HENDRICKSON] and the junior Senator from Oregon [Mr. MORSE]. The only controversy remaining, as I see it, revolves around the question of a mandatory minimum sentence for assault with intent to commit rape and for armed robbery, for which the sentence is 2 years. For a second offense of rape the sentence is 7 years. For a second offense of assault with a dangerous weapon on a police officer, and for illegal possession of a pistol, as well as for illegal possession of burglar tools, the minimum sentence is 1 year. As I pointed out the other day, 42 of the 48 States have mandatory minimum sentences of more than that for each of these crimes for the first offense.

The proposed legislation in the form in which it will be after the amendments which have been submitted and accepted are adopted, will provide that the mandatory minimum sentence shall apply only in the case of a second conviction. It seems to me that that is a very reasonable provision. In the light of the situation which confronts the District of Columbia, it seems to me to be entirely wise and proper that the language of the bill should stand in that form.

Mr. President, I ask for consideration of the committee amendments.

The PRESIDING OFFICER. The amendments will be stated.

The amendments of the Committee on the District of Columbia were, on page 4, line 4, after the word "than", to strike out "1 year, and" and insert "2 years"; in line 9, after "(D. C. Code, sec. 22–3201)", to strike out the comma and "the minimum sentence shall be not less than 2 years"; at the beginning of line 15, to strike out "3 years, and" and insert "7 years"; in line 17, after the word "defined", to strike out the comma and "the minimum sentence shall not be less than 7 years"; on page 5, line 1, after the word "officer", to insert "occurring after the person has been convicted of a violation of that section or of a felony, either in the District of Columbia or in another jurisdiction"; on page 15, line 14, after the word "Columbia", to strike out the comma and "Forfeitures under this subsection shall be enforced by pro-

ceedings in the United States District Court for the District of Columbia as provided in chapter 163 of title 28 of the United States Code" and insert "by order of any court having jurisdiction, unless good cause is shown to the contrary by the owner, for disposition by public auction or as otherwise provided by law. Bona fide liens against property so forfeited shall, on good cause shown by the lienor, be transferred from the property to the proceeds of the sale of the property", and on page 49, line 4, after the word "move", to insert "than", so as to make the bill read:

Be it enacted, etc., That this act may be cited as the "District of Columbia Law Enforcement Act of 1953."

TITLE I—TABLE OF CONTENTS AND DEFINITIONS

SEC. 101. This act is divided into titles and sections according to the following table of contents:

TABLE OF CONTENTS

Title I—Table of contents and definitions

Sec. 101. Table of contents.
Sec. 102. Definitions.

Title II—Criminal offenses

Sec. 201. Minimum sentences for certain crimes.
Sec. 202. Sex offenses.
Sec. 203. Abortion.
Sec. 204. Amendments to the Dangerous Weapons Act.
Sec. 205. Assault on police officer.
Sec. 206. Gambling.
Sec. 207. Arrests without a warrant.
Sec. 208. Presence in illegal establishments.
Sec. 209. Possessing implements of crime.
Sec. 210. Unlawful assembly—profane and indecent language.
Sec. 211. Disorderly conduct.
Sec. 212. Threats to do bodily harm.
Sec. 213. Receiving stolen goods.
Sec. 214. Fornication.
Sec. 215. Amendments to certain penal provisions relating to the taking of property.

Title III—Metropolitan Police Department

Sec. 301. Records—General provisions.
Sec. 302. Central criminal records.
Sec. 303. Reports by independent police.
Sec. 304. Notice of release of prisoners.
Sec. 305. Bonding of Metropolitan Police.
Sec. 306. Fees for storing property.
Sec. 307. Mobile laboratory.

Title IV—General provisions

Sec. 401. The Council on Law Enforcement in the District.
Sec. 402. Powers of investigators assigned to United States attorney.
Sec. 403. United States commissioner.
Sec. 404. Licenses for bottle clubs.
Sec. 405. Psychiatrist and psychologist.
Sec. 406. Records to be kept by bondsmen.
Sec. 407. Extradition.
Sec. 408. Qualifications of jurors.
Sec. 409. Refusal to give testimony.
Sec. 410. Contempt of the Municipal Court.
Sec. 411. Effect of Reorganization Plan No. 5.

DEFINITIONS

SEC. 102. For the purposes of this act—

(1) The term "Commissioners" means the Board of Commissioners of the District of Columbia;

(2) The term "district court" means the United States District Court for the District of Columbia;

(3) The term "United States attorney" means the United States attorney for the District of Columbia;

(4) The term "municipal court" means The Municipal Court for the District of Columbia; and

(5) The term "District" means the District of Columbia.

TITLE II—CRIMINAL OFFENSES

MINIMUM SENTENCES FOR CERTAIN CRIMES

SEC. 201. (a) Section 3 of the act entitled "An act to establish a Board of Indeterminate Sentence and Parole for the District of Columbia and to determine its functions, and for other purposes," approved July 15, 1932, as amended (D. C. Code, sec. 24–203), is amended by inserting "(a)" after "SEC. 3."; by inserting ", except as provided in subsections (b) and (c)" after "hereafter" in the first sentence; and by adding at the end of the section the following new subsections:

"(b) The minimum sentence imposed under this section on a person convicted of an assault with intent to commit rape in violation of section 803 of the act entitled 'An act to establish a code of law for the District of Columbia,' approved March 3, 1901, as amended (D. C. Code, sec. 22–501), or of robbery (other than robbery by stealthy seizure, commonly known as picking pockets) in violation of section 810 of such act (D. C. Code, sec. 22–2901), or of housebreaking at night in violation of section 823 of such act (D. C. Code, sec. 22–1801), shall not be less than 2 years if the violation occurs after the person has been convicted in the District of Columbia or elsewhere of a crime of violence as defined in section 1 of the act of July 8, 1932, as amended, providing for the control of dangerous weapons in the District of Columbia (D. C. Code, sec. 22–3201). The minimum sentence imposed under this section on a person convicted of rape in violation of section 808 of the act entitled 'An act to establish a code of law for the District of Columbia,' approved March 3, 1901, as amended (D. C. Code, sec. 22–2801), shall not be less than 7 years if the violation occurs after the person has been convicted in the District of Columbia or elsewhere of a crime of violence, as so defined. The maximum sentence in each case to which this subsection applies shall not be less than three times the minimum sentence imposed, and shall not be more than the maximum fixed by law.

"(c) For a person convicted of—

"(1) a violation of section 432 (b) of the Revised Statutes, relating to the District of Columbia, as amended (D. C. Code, sec. 22–505, relating to assault with a dangerous weapon on a police officer) occurring after the person has been convicted of a violation of that section or of a felony, either in the District of Columbia or in another jurisdiction;

"(2) a violation of section 3 of the act of July 8, 1932, as amended, providing for the control of dangerous weapons in the District (D. C. Code, sec. 22–3203, relating to illegal possession of a pistol), occurring after the person has been convicted of violating that section; or

"(3) a violation of section 209 of the District of Columbia Law Enforcement Act of 1953 (relating to possession of implements of crime) occurring after the person has been convicted in the District of Columbia of a violation of that section or of a felony, either in the District of Columbia or in another jurisdiction, the minimum sentence imposed under this section shall not be less than 1 year, and the maximum sentence shall not be less than three times the minimum sentence imposed nor more than the maximum fixed by law."

(b) Section 4 of the act entitled "An act to reorganize the system of parole of prisoners convicted in the District of Columbia," approved July 17, 1947 (D. C. Code, sec. 24–201c, relating to reduction of minimum sentences), is amended by adding at the end thereof the following new sentence: "If a prisoner is serving a sentence for a crime for which a minimum sentence is prescribed by section 3 (b) of the act entitled 'An act to establish a Board of Indeterminate Sentence and Parole for the District of Columbia and to determine its functions, and for other purposes,' approved July 15, 1932, as amended, his minimum sentence shall not be reduced under this section below the minimum sentence so prescribed."

(c) The first sentence of section 2 of the act entitled "An act for the establishment of a probation system for the District of Columbia," approved June 25, 1910 (D. C. Code, sec. 24–102), is amended by adding "or any other crime for which a minimum sentence is prescribed by section 3 (b) of the act entitled 'An act to establish a Board of Indeterminate Sentence and Parole for the District of Columbia and to determine its functions, and for other purposes,' approved July 15, 1932, as amended," after "kidnapping,".

(d) The first sentence of section 5025 of title 18 of the United States Code (relating to the applicability of the Federal Youth Corrections Act to District prisoners) is amended by adding immediately before the period at the end thereof the following: ", except those offenses for which minimum sentences are prescribed by section 3 (b) of the act entitled 'An act to establish a Board of Indeterminate Sentence and Parole for the District of Columbia and to determine its functions, and for other purposes,' approved July 15, 1932, as amended."

(e) The amendments made by this section shall not apply with respect to any sentence imposed for a crime committed before the date of the enactment of this act.

SEX OFFENSES

SEC. 202. (a) (1) Section 9 of the act entitled "An act for the preservation of the public peace and the protection of property within the District of Columbia," approved July 29, 1892, as amended (D. C. Code, sec. 22–1112), is amended to read as follows:

"SEC. 9. (a) It shall not be lawful for any person or persons to make any obscene or indecent exposure of his or her person, or to make any lewd, obscene, or indecent sexual proposal, or to commit any other lewd, obscene, or indecent act in the District of Columbia, under penalty of not more than $300 fine, or imprisonment of not more than 90 days, or both, for each and every such offense.

"(b) Any person or persons who shall commit an offense described in subsection (a), knowing he or she or they are in the presence of a child under the age of 16 years, shall be punished by imprisonment of not more than 1 year, or fined in an amount not to exceed $1,000, or both, for each and every such offense."

(2) Section 18 of such act (D. C. Code, sec. 22–109) is amended by adding at the end thereof the following new sentence: "The second sentence of this section shall not apply with respect to any violation of section 9 (b)."

(b) The first section of the act entitled "An act for the suppression of prostitution in the District of Columbia," approved August 15, 1935, as amended (D. C. Code, sec. 22–2701), is amended to read as follows:

"That it shall not be lawful for any person to invite, entice, persuade, or to address for the purpose of inviting, enticing, or persuading, any person or persons 16 years of age or over in the District of Columbia, for the purpose of prostitution, or any other immoral or lewd purpose, under a penalty of not more than $250 or imprisonment for not more than 90 days, or both."

ABORTION

SEC. 203. Section 809 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended (D. C. Code, sec. 22–201), is amended to read as follows:

"SEC. 809. Whoever, by means of any instrument, medicine, drug, or other means whatever, procures or produces, or attempts to procure or produce an abortion or miscarriage on any woman, unless the same were done as necessary for the preservation of the

mother's life or health and under the direction of a competent licensed practitioner of medicine, shall be imprisoned in the penitentiary not less than 1 year or not more than 10 years; or if the death of the mother results therefrom, the person procuring or producing, or attempting to procure or produce the abortion or miscarriage shall be guilty of second-degree murder."

AMENDMENTS TO DANGEROUS WEAPONS ACT

SEC. 204. (a) For the purposes of this section, the term "Dangerous Weapons Act" means the act of July 8, 1932, as amended, providing for the control of dangerous weapons in the District.

(b) Section 3 of the Dangerous Weapons Act (D. C. Code, sec. 22-3203) is amended to read as follows:

"CERTAIN PERSONS FORBIDDEN TO POSSESS PISTOLS

"SEC. 3. No person shall own or keep a pistol, or have a pistol in his possession or under his control, within the District of Columbia, if—

"(1) he is a drug addict;

"(2) he has been convicted in the District of Columbia or elsewhere of a felony;

"(3) he has been convicted of violating the first section of the act entitled 'An act for the suppression of prostitution in the District of Columbia,' approved August 15, 1935, as amended (D. C. Code, sec. 22-2701), the first section of the act entitled 'An act to confer concurrent jurisdiction on the police court of the District of Columbia in certain cases,' approved July 16, 1912 (keeping bawdy house, D. C. Code, sec. 22-2722), or the act entitled 'An act to define and punish vagrancy in the District of Columbia, and for other purposes,' approved December 17, 1941 (D. C. Code, title 22, ch. 33); or

"(4) he is not licensed under section 10 of this act to sell weapons, and he has been convicted of violating this act.

No person shall keep a pistol for, or intentionally make a pistol available to, such a person, knowing that he has been so convicted or that he is a drug addict. Whoever violates this section shall be punished as provided in section 15 of this act, unless the violation occurs after he has been convicted of a violation of this section, in which case he shall be imprisoned for not more than 10 years."

(c) Section 4 of the Dangerous Weapons Act (D. C. Code, sec. 22-3204) is amended by striking out everything after "being so concealed" and inserting in lieu thereof a period and the following new sentence: "Whoever violates this section shall be punished as provided in section 15 of this act, unless the violation occurs after he has been convicted in the District of Columbia of a violation of this section or of a felony, either in the District of Columbia or in another jurisdiction, in which case he shall be sentenced to imprisonment for not more than 10 years."

(d) Section 7 of the Dangerous Weapons Act (D. C. Code, sec. 22-3207) is amended to read as follows:

"SELLING TO MINORS AND OTHERS

"SEC. 7. No person shall within the District of Columbia sell any pistol to a person who he has reasonable cause to believe is not of sound mind, or is forbidden by section 3 of this act to possess a pistol, or, except when the relation of parent and child or guardian and ward exists, is under the age of 21 years."

(e) The second sentence of section 8 of the Dangerous Weapons Act (D. C. Code, sec. 22-3208) is amended by striking out "a statement that he has never been convicted in the District of Columbia or elsewhere of a crime of violence" and inserting in lieu thereof "a statement that he is not forbidden by section 3 of this act to a possess a pistol."

(f) The first sentence of paragraph 3 of section 10 of the Dangerous Weapons Act (D. C. Code, sec. 22-3210) is amended to read as follows: "No pistol shall be sold (a) if the seller has reasonable cause to believe that the purchaser is not of sound mind or is forbidden by section 3 of this act to possess a pistol or is under the age of 21 years, and (b) unless the purchaser is personally known to the seller or shall present clear evidence of his identity."

(g) The first sentence of paragraph 5 of section 10 of the Dangerous Weapons Act (D. C. Code, sec. 22-3210) is amended by striking out "a statement signed by the purchaser that he has never been convicted in the District of Columbia or elsewhere of a crime of violence" and inserting in lieu thereof "a statement by the purchaser that he is not forbidden by section 3 of this act to possess a pistol."

(h) Section 14 of the Dangerous Weapons Act (D. C. Code, sec. 22-3214) is amended by inserting "(a)" after "SEC. 14."; by inserting "switch blade knife," and "sandbag,"; and by adding at the end thereof the following new subsections:

"(b) No person shall within the District of Columbia possess, with intent to use unlawfully against another, an imitation pistol, or a dagger, dirk, razor, stiletto, or knife with a blade longer than 3 inches, or other dangerous weapon.

"(c) Whoever violates this section shall be punished as provided in section 15 of this act, unless the violation occurs after he has been convicted in the District of Columbia of a violation of this section or of a felony, either in the District of Columbia or in another jurisdiction, in which case he shall be imprisoned for not more than 10 years."

ASSAULT ON POLICE OFFICER

SEC. 205. Section 432 of the Revised Statutes, relating to the District of Columbia, as amended (D. C. Code, sec. 22-505), is amended to read as follows:

"SEC. 432. (a) Whoever without justifiable and excusable cause, assaults, resists, opposes, impedes, intimidates, or interferes with any officer or member of any police force operating in the District of Columbia while engaged in or on account of the performance of his official duties, shall be fined not more than $5,000 or imprisoned not more than 5 years, or both.

"(b) Whoever in the commission of any such acts uses a deadly or dangerous weapon shall be imprisoned not more than 10 years."

GAMBLING

SEC. 206. (a) Section 863 (a) of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended (D. C. Code, sec. 22-1502), is amended to read as follows:

"SEC. 863a. If any person shall, within the District of Columbia, knowingly have in his possession or under his control, any record, notation, receipt, ticket, certificate, bill, slip, token, paper, or writing, current or not current, used or to be used in violating the provisions of sections 863, 865, or 869 of this act, he shall, upon conviction of each such offense, be fined not more than $1,000 or be imprisoned for not more than 1 year, or both. For the purpose of this section, possession of any record, notation, receipt, ticket, certificate, bill, slip, token, paper, or writing shall be presumed to be knowing possession thereof."

(b) Section 866 of such act (D. C. Code, sec. 22-1505) is amended to read as follows:

"SEC. 866. (a) Any house, building, vessel, shed, booth, shelter, vehicle, enclosure, room, lot, or other premises in the District of Columbia, used or to be used in violating the provisions of section 863 or 865 of this act, shall be deemed 'gambling premises' for the purpose of this section.

"(b) It shall be unlawful for any person in the District of Columbia knowingly, as owner, lessee, agent, employee, operator, occupant, or otherwise, to maintain or aid or permit the maintaining of any gambling premises.

"(c) All moneys, vehicles, furnishings, fixtures, equipment, stock (including, without limitation, furnishings and fixtures adaptable to nongambling uses, and equipment and stock for printing, recording, computing, transporting, safekeeping, or communication), or other things of value used or to be used—

"(1) in carrying on or conducting any lottery, or the game or device commonly known as a policy lottery or policy, contrary to the provisions of section 863 of this act;

"(2) in setting up or keeping any gaming table, bank, or device contrary to the provisions of section 865 of this act; or

"(3) in maintaining any gambling premises,

shall be subject to seizure by any member of the Metropolitan Police force or the United States Park Police, or the United States marshal, or any deputy marshal, for the District of Columbia, and shall, unless good cause is shown to the contrary by the owner, be forfeited to the District of Columbia by order of any court having jurisdiction, unless good cause is shown to the contrary by the owner, for disposition by public auction or as otherwise provided by law. Bona fide liens against property so forfeited shall, on good cause shown by the lienor, be transferred from the property to the proceeds of the sale of the property. Forfeit moneys and other proceeds realized from the enforcement of this section shall be deposited in the Treasury of the United States to the credit of the District of Columbia.

"(d) Whoever violates this section shall be imprisoned not more than 1 year or fined not more than $1,000, or both, unless the violation occurs after he has been convicted of a violation of this section, in which case he may be imprisoned for not more than 5 years, or fined not more than $2,000, or both."

(c) Section 869 of such act, as amended (D. C. Code, sec. 22-1508), is amended to read as follows:

"SEC. 869. It shall be unlawful for any person, or association of persons, within the District of Columbia to purchase, possess, own, or acquire any chance, right, or interest, tangible or intangible, in any policy lottery or any lottery, or to make or place a bet or wager, accept a bet or wager, gamble or make books or pools on the result of any athletic contest. For the purpose of this section, the term 'athletic contest' means any of the following, wherever held or to be held: a football, baseball, softball, basketball, hockey, or polo game, or a tennis, golf, or wrestling match, or a tennis or golf tournament, or a prize fight or boxing match, or a trotting or running race of horses, or a running race of dogs, or any other athletic or sporting event or contest. Any person or association of persons violating this section shall be fined not more than $1,000 or imprisoned not more than 1 year, or both."

(d) Subchapter 5, chapter 19, of such act, as amended (D. C. Code, title 22, ch. 15), is amended by adding thereto a new section as follows:

"SEC. 869f. (a) Whenever, in the judgment of the United States attorney for the District of Columbia, the testimony of any witness, or the production of books, papers, or other records or documents, by any witness, in any case or proceeding involving a violation of this subchapter before any grand jury or a court in the District of Columbia, is necessary in the public interest, such witness shall not be excused from testifying or from producing books, papers, and other records and documents on the grounds that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him, or subject him to penalty or forfeiture; but such witness shall not be prose-

cuted or subject to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, documentary or otherwise; except that such witness so testifying shall not be exempt from prosecution and punishment for perjury or contempt committed in so testifying.

"(b) The judgment of the United States attorney for the District of Columbia that any testimony, or the production of any books, papers, or other records or documents, is necessary in the public interest shall be confirmed in a written communication over the signature of the United States attorney for the District of Columbia, addressed to the grand jury or the court in the District of Columbia concerned, and shall be made a part of the record of the case or proceeding in which such testimony or evidence is given."

ARRESTS WITHOUT A WARRANT

SEC. 207. (a) Arrests without a warrant, and searches of the person and seizures pursuant thereto, may be made for violation of any section listed in subsection (b), by police officers, as in the case of a felony, upon probable cause that the person arrested is violating the section involved at the time of the arrest.

(b) Subsection (a) shall apply with respect to section 209 of this act (possession of implements of crime), sections 3, 4, and 14 of the act of July 8, 1932, as amended, providing for the control of dangerous weapons in the District (D. C. Code, secs. 22-3203, 22-3204, and 22-3214), and section 863 (a) of the act entitled "An act to establish a code of law for the District of Columbia", approved March 3, 1901, as amended (possession of lottery tickets; D. C. Code, sec. 22-1502).

(c) Arrests without a warrant, and searches of the person and seizures pursuant thereto, may be made for violation of section 827 of the act entitled "An act to establish a code of law for the District of Columbia", approved March 3, 1901, as amended (petit larceny; D. C. Code, sec. 22-2202), by police officers, as in the case of a felony, upon probable cause that the person arrested has in his possession at the time of the arrest, property taken in violation of that section.

(d) No evidence discovered in the course of any arrest, search, or seizure authorized by this section shall be admissible in any criminal proceeding against the person arrested unless at the time of such arrest he was violating one of the sections referred to in subsection (b) or had in his possession property taken in violation of the section referred to in subsection (c).

PRESENCE IN ILLEGAL ESTABLISHMENTS

SEC. 208. (a) Whoever is found in the District in a gambling establishment or an establishment where intoxicating liquor is sold without a license or any narcotic drug is sold, administered, or dispensed without a license shall, if he knew that it was such and establishment and if he is unable to give a good account of his presence in the establishment, be imprisoned for not more than 1 year or fined not more than $5,000, or both.

(b) Whoever is employed in a gambling establishment in the District or an establishment in the District where intoxicating liquor is sold without a license or where any narcotic drug is sold, administered, or dispensed without a license, knowing that it is such an establishment, shall be imprisoned for not more than 1 year or fined not more than $500, or both.

POSSESSING IMPLEMENTS OF CRIME

SEC. 209. (a) No person shall have in his possession in the District any instrument, tool, or other implement for picking locks or pockets, or that is usually employed in the commission of any crime, if he is unable satisfactorily to account for the possession of the implement. Whoever violates this section shall be imprisoned for not more than 1 year and may be fined not more than $1,000 unless the violation occurs after he has been convicted in the District of a violation of this section or of a felony, either in the District or in another jurisdiction, in which case he shall be imprisoned for not less than 1 nor more than 10 years.

(b) Paragraph (2) of this first section of the act entitled "An act to define and punish vagrancy in the District of Columbia, and for other purposes", approved December 17, 1941 (D. C. Code, sec. 22-3302), is repealed.

UNLAWFUL ASSEMBLY—PROFANE AND INDECENT LANGUAGE

SEC. 210. Section 6 of the act entitled "An act for the preservation of the public peace and the protection of property within the District of Columbia", approved July 29, 1892, as amended (D. C. Code, sec. 22-1107, relating to unlawful assembly, profane and indecent language), is amended by striking out "$25" and inserting in lieu thereof "$250 or imprisonment for not more than 90 days, or both."

DISORDERLY CONDUCT

SEC. 211. (a) Whoever, with intent to provoke a breach of the peace, or under circumstances such that a breach of the peace may be occasioned thereby—

(1) acts in such a manner as to annoy, disturb, interfere with, obstruct, or be offensive to others;

(2) congregates with others on a public street and refuses to move on when ordered by the police;

(3) shouts or makes a noise either outside or inside a building during the nighttime to the annoyance or disturbance of any considerable number of persons;

(4) interferes with any person in any place by jostling against such person or unnecessarily crowding him or by placing a hand in the proximity of such person's pocketbook, or handbag; or

(5) causes a disturbance in any streetcar, railroad car, omnibus, or other public conveyance, by running through it, climbing through windows or upon the seats, or otherwise annoying passengers or employees, shall be fined not more than $250 or imprisoned not more than 90 days, or both.

(b) Section 18 of the act entitled "An act for the preservation of the public peace and the protection of property within the District of Columbia," approved July 29, 1892 (D. C. Code, sec. 22-109), is amended by inserting "section 211 of the District of Columbia Law Enforcement Act of 1953 or" after "violations of" and after "convicted of any violation of."

THREATS TO DO BODILY HARM

SEC. 212. Section 2 of the act entitled "An act to confer concurrent jurisdiction on the police court of the District of Columbia in certain cases," approved July 16, 1912 (D. C. Code, secs. 11-605 and 22-507), is amended to read as follows:

"SEC. 2. That the municipal court for the District of Columbia shall also have concurrent jurisdiction with the United States District Court for the District of Columbia of threats to do bodily harm, and any person convicted of such offense shall be sentenced to imprisonment not exceeding 6 months or a fine not exceeding $500, or both, and, in addition thereto or in lieu thereof, may be required to give bond to keep the peace for a period not exceeding 1 year."

RECEIVING STOLEN GOODS

SEC. 213. Section 829 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended (D. C. Code, sec. 22-2205), is amended to read as follows:

"SEC. 829. Receiving stolen goods: Any person who shall, with intent to defraud, receive or buy anything of value which shall have been stolen or obtained by robbery, knowing or having cause to believe the same to be so stolen or so obtained by robbery, if the thing or things received or bought shall be of the value of $100 or upward, shall be imprisoned for not less than 1 year nor more than 10 years; or if the value of the thing or things so received or bought be less than $100, shall be fined not more than $500 or imprisoned not more than 1 year, or both."

FORNICATION

SEC. 214. If any unmarried man or woman commits fornication in the District, each shall be fined not more than $300 or imprisoned not more than 6 months, or both.

AMENDMENTS TO CERTAIN PENAL PROVISIONS RELATING TO THE TAKING OF PROPERTY

SEC. 215. (a) Section 826 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended (D. C. Code, sec. 22-2201), is amended by striking out "$50" and inserting in lieu thereof "$100."

(b) Section 826c of such act, as amended (D. C. Code, sec. 22-2204a), is amended by striking out "$50" and inserting in lieu thereof "$100."

(c) Section 827 of such act, as amended (D. C. Code, sec. 22-2202), is amended by striking out "$50" and inserting in lieu thereof "$100."

(d) Section 828 of such act, as amended (D. C. Code, sec. 22-2208), is amended by striking out "$35" and inserting in lieu thereof "$100."

(e) Section 842 of such act, as amended (D. C. Code, sec. 22-1301), is amended by striking out "$50" and inserting in lieu thereof "$100."

(f) Section 851a of such act, as amended (D. C. Code, sec. 22-1207), is amended by striking out "$50" and inserting in lieu thereof "$100."

(g) Section 851b of such act, as amended (D. C. Code, sec. 22-2203), is amended by striking out "$50" and inserting in lieu thereof "$100."

TITLE III—METROPOLITAN POLICE DEPARTMENT

RECORDS—GENERAL PROVISIONS

SEC. 301. (a) Section 386 of the Revised Statutes, relating to the District of Columbia, as amended (D. C. Code, sec. 4-134), is amended to read as follows:

"SEC. 386. The Board of Commissioners shall cause the Metropolitan Police force to keep the following records:

"(1) General complaint files, in which shall be entered every complaint preferred upon personal knowledge of the circumstances thereof, with the name and residence of the complainant;

"(2) Records of lost, missing, or stolen property;

"(3) A personnel record of each member of the Metropolitan Police force, which shall contain his name and residence; the date and place of his birth; his marital status; the date he became a citizen, if foreign born; his age; his former occupation; and the dates of his appointment and separation from office, together with the cause of the latter; and

"(4) Such other records as the Board of Commissioners considers necessary for the efficient operation of the Metropolitan Police force."

(b) Section 389 of the Revised Statutes, relating to the District of Columbia, as amended (D. C. Code, sec. 4-135), is amended to read as follows:

"SEC. 389. The records required to be kept by paragraphs (1), (2), and (3) of section

386 shall be open to public inspection when not in actual use."

(c) Section 390 of the Revised Statutes, relating to the District of Columbia, as amended (D. C. Code, sec. 4–137), is amended to read as follows:

"SEC. 390. All records of the Metropolitan Police force shall be preserved, except that the Board of Commissioners, upon recommendation of the major and superintendent of police, may cause records which it considers to be obsolete or of no further value to be destroyed."

CENTRAL CRIMINAL RECORDS

SEC. 302. (a) In addition to the records kept under section 386 of the Revised Statutes, relating to the District of Columbia (D. C. Code, sec. 4–134), the Metropolitan Police force shall keep a record of each case in which an individual in the custody of any police force or of the United States marshal is charged with having committed a criminal offense in the District (except those traffic violations and other petty offenses to which the Commissioners determine this section should not apply). The record shall show—

(1) the circumstances under which the individual came into the custody of the police or the United States marshal;

(2) the charge originally placed against him, and any subsequent changes in the charge (if he is charged with murder, manslaughter, or causing the death of another by the operation of a vehicle at an immoderate speed or in a careless, reckless, or negligent manner, the charge shall be recorded as "homicide");

(3) if he is released (except on bail) without having his guilt or innocence of the charge determined by a court, the circumstances under which he is released;

(4) if his guilt or innocence is so determined, the judgment of the court;

(5) if he is convicted, the sentence imposed; and

(6) if, after being confined in a correctional institution, he is released therefrom, the circumstances of his release.

(b) The Attorney General, the Corporation Counsel, the United States Commissioner for the District, the clerk of the district court, the clerk of the municipal court, and the Director of the Department of Corrections shall furnish the Chief of Police with such information as the Commissioners consider necessary to enable the Metropolitan Police force to carry out this section.

REPORTS BY INDEPENDENT POLICE

SEC. 303. Reports shall be made to the Chief of Police, in accordance with regulations prescribed by the Commissioners, of each offense reported to, and each arrest made by, any other police force operating in the District.

NOTICE OF RELEASE OF PRISONERS

SEC. 304. (a) Whenever the Board of Parole of the District of Columbia has authorized the release of a prisoner under section 4 of the act entitled "An act to establish a Board of Indeterminate Sentence and Parole for the District of Columbia and to determine its functions, and for other purposes," approved July 15, 1932, as amended (D. C. Code, sec. 24–204), or the United States Board of Parole has authorized the release of a prisoner under section 6 of that act, as amended (D. C. Code, sec. 24–206), it shall notify the Chief of Police of that fact as far in advance of the prisoner's release as possible.

(b) Except in cases covered by subsection (a) of this section, notice that a prisoner under sentence of 6 months or more is to be released from an institution under the management and regulation of the Director of the Department of Corrections shall be given to the Chief of Police as far in advance of the prisoner's release as possible.

BONDING OF METROPOLITAN POLICE

SEC. 305. (a) The Commissioners shall obtain a bond to secure the District against loss resulting from any act of dishonesty by any officer or member of the Metropolitan Police force. Bonds obtained under this section shall be in such amounts, and may secure the District against loss resulting from such other acts by officers and members of the Metropolitan Police force, as the Commissioners shall consider appropriate. The Commissioners may obtain such bonds by negotiation, without regard to section 3709 of the Revised Statutes, as amended (41 U. S. C., sec. 5), and shall pay the cost of such bonds out of funds appropriated for the expenses of the Metropolitan Police Department for fiscal years beginning after June 30, 1953.

(b) Section 2 of the act entitled "An act relating to the Metropolitan Police of the District of Columbia," approved February 28, 1901 (D. C. Code, sec. 4–109), is repealed.

(c) This section shall take effect July 1, 1953.

FEES FOR STORING PROPERTY

SEC. 306. (a) Section 413 of the Revised Statutes, relating to the District of Columbia (D. C. Code, sec. 4–156), is amended by adding at the end thereof the following new sentence: "Before delivering any property coming into his custody as a result of the death of the owner or the execution by the United States marshal of a judgment to recover possession of real property, or any property which is lost, abandoned, or alleged to have been feloniously obtained or to be the proceeds of crime, the property clerk shall collect from the person claiming the property a fee, to be fixed under regulations prescribed by the Board of Commissioners, to reimburse the District of Columbia for the cost of services rendered by the Metropolitan Police force in taking custody of, protecting, and storing the property."

(b) Any vehicle impounded by any officer or member of the Metropolitan Police force may be kept impounded until the person claiming the vehicle pays a fee, to be fixed under regulations prescribed by the Commissioners, to reimburse the District for the cost of storing the vehicle, for each day in excess of 7 days during which it is impounded.

(c) Fees collected by reason of this section shall be paid into the Treasury of the United States to the credit of the District of Columbia.

MOBILE LABORATORY

SEC. 307. The Metropolitan Police force shall maintain and operate a motor vehicle equipped with cameras, photographic developing equipment, an electrical generator, floodlights, and such other equipment as may be necessary to permit the use of the vehicle as a mobile laboratory to handle evidence at the scenes of crimes and otherwise to aid in the prevention and detection of crime.

TITLE IV—GENERAL PROVISIONS

THE COUNCIL ON LAW ENFORCEMENT IN THE DISTRICT

SEC. 401. (a) The Council on Law Enforcement in the District of Columbia (referred to in this section as the "Council") is hereby created.

(b) The Council shall be composed of the following members:

(1) The President of the Board of Commissioners;

(2) The Chief of Police;

(3) The Chief of the United States Park Police;

(4) The United States attorney;

(5) The corporation counsel;

(6) A United States commissioner for the District;

(7) The Director of the Department of Corrections;

(8) The Parole Executive of the Board of Parole of the District;

(9) The United States marshal for the District;

(10) One person appointed by the chief judge of the district court;

(11) One person appointed by the chief judge of the municipal court;

(12) The judge of the juvenile court of the District of Columbia;

(13) One person appointed by the Bar Association of the District of Columbia;

(14) One person appointed by the Washington Bar Association; and

(15) One person appointed by the Washington Criminal Justice Association.

(c) The Council shall make a continuing study and appraisal of crime and law enforcement in the District, and shall make a report to the Senate and the House of Representatives at the beginning of each regular session of Congress.

(d) The Council shall select a chairman from among its members. The Council shall meet at regular intervals at least four times annually, at times to be fixed by the chairman. A special meeting may be held at any time upon the call of the chairman. The first meeting of the Council shall be called by the President of the Board of Commissioners, who shall preside until a chairman is selected.

POWERS OF INVESTIGATORS ASSIGNED TO UNITED STATES ATTORNEY

SEC. 402. Any special investigator appointed by the Attorney General and assigned to the United States attorney for the District shall have authority to execute all lawful writs, process, and orders issued under authority of the United States, and command all necessary assistance to execute his duties, and shall have the same powers to make arrests as are possessed by members of the Metropolitan Police force of the District.

UNITED STATES COMMISSIONER

SEC. 403. Each United States commissioner for the District may employ secretarial and clerical assistants in such number and incur such other expenses as the district court considers necessary.

LICENSES FOR BOTTLE CLUBS

SEC. 404. (a) Section 7 of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25–107), is amended by striking out the period following the words "morals" at the end of the first paragraph thereof and inserting in lieu thereof the following: ", and the Commissioners are further authorized to prescribe such rules and regulations not inconsistent with this act as they may deem necessary to properly and adequately control the consumption of alcoholic beverages on premises licensed under paragraph (1) of section 11 of this act, with specific authority to prescribe the hours during which alcoholic beverages may be consumed on such premises."

(b) Section 9 (a) of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25–109 (a)), is amended by adding at the end thereof the following new paragraph:

"It shall be unlawful for any person operating any premises where food, nonalcoholic beverages, or entertainment are sold or provided for compensation, and where facilities are especially provided and service is rendered for the consumption of alcoholic beverages, who does not possess a license under this act, to permit the consumption of such alcoholic beverages on such premises."

(c) Section 10 of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25–110), is amended to read as follows:

"SEC. 10. The Board is authorized to issue licenses to individuals, partnerships, or corporations, but not to unincorporated associations, on application duly made therefor,

for the manufacture, sale, offer for sale, consumption on premises of clubs where food, nonalcoholic beverages, or entertainment are sold or provided for compensation, or solicitation of orders for sale of alcoholic beverages within the District of Columbia. The Board shall keep a full record of all applications for licenses, and of all recommendations for and remonstrances against the granting of licenses and of the action taken thereon."

(d) Section 11 of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25–111), is amended by striking out the word "eleven" in the first sentence thereof and inserting in lieu thereof the word "twelve," and by adding immediately before the last paragraph thereof the following new subsection:

"(l) Consumption license for a club: Such a license shall be issued only for a club. The word 'club' within the meaning of this paragraph is a corporation for the promotion of some common object (not including corporations organized or conducted for any commercial or business purpose, or for money profit), owning, hiring, or leasing a building or space in a building of such extent and character as in the judgment of the Board may be suitable and adequate for the reasonable and comfortable use and accommodations of its members and their guests; and the affairs and management of such corporation are conducted by a board of directors, executive committee, or similar body chosen by the members at least once each calendar year, and no officer, agent, or employee of the club is paid, directly or indirectly, or receives in the form of salary or other compensation, any profit from the conduct and operation of the club beyond the amount of such salary as may be fixed and voted by the members or by its directors or other governing body. No license shall be issued to a club which has not been established for at least 3 months immediately prior to the making of the application for such license. Such a license shall authorize the holder thereof to permit consumption of alcoholic beverages on such parts of the licensed premises as may be approved by the Board. The annual fee for such a license shall be $100."

(e) The first sentence of section 14 (b) of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25–115 (b)), is amended to read as follows: "Before granting a license under section 11 (1) of this act or a retailer's license, except a retailer's license class E or class F, the Board shall give notice by advertisement published once a week and for at least 2 weeks in some newspaper of general circulation published in the District of Columbia."

(f) The first sentence of section 14 (c) of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25–115 (c)), is amended by striking out the words "or class D" and inserting in lieu thereof the following: ", class D or a license issued under section 11 (1) of this act."

(g) Section 20 of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25–121), is amended by adding at the end thereof the following new paragraph:

"No person being the holder of a license issued under section 11 (1) of this act shall permit on the licensed premises the consumption of alcoholic beverages, with the exception of beer and light wines, by any person under the age of 21 years, or permit the consumption of beer and light wines by any person under the age of 18 years; or the consumption of any beverage by any intoxicated person, or any person of notoriously intemperate habits, or any person who appears to be intoxicated; and ignorance of the age of any such minor shall not be a defense to any action instituted under this section. No licensee shall be liable to any person for damages claimed to arise from refusal to permit the consumption of any beverage on any premise licensed under section 11 (1) of this act."

(h) Section 28 of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25–128), is amended to read as follows:

"SEC. 28. (a) No person shall in the District of Columbia drink any alcoholic beverage in any street, alley, park, or parking; or in any vehicle in or upon the same; or in or upon any premises where food, nonalcoholic beverages, or entertainment are sold or provided for compensation not licensed under this act; or in any place to which the public is invited for which a license has not been issued hereunder permitting the sale and consumption of such alcoholic beverage upon such premises except premises licensed under section 11 (1) of this act; or in any place to which the public is invited (for which a license under this act has been issued) at a time when the sale of such alcoholic beverages on the premises is prohibited by this act or by the regulations promulgated thereunder, or in any place for which a license under section 11 (1) of this act has been issued at a time when the consumption of such alcoholic beverages on the premises is prohibited by regulations promulgated under this act. No such person shall be drunk or intoxicated in any street, alley, park, or parking; or in any vehicle in or upon the same or in any place to which the public is invited, or at any public gathering and no person anywhere shall be drunk or intoxicated and disturb the peace of any person.

"(b) Any person violating the provisions of this section shall be punished by a fine or not more than $100 or by imprisonment for not more than 90 days, or both."

(i) Section 29 (a) of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25–129 (a)), is amended to read as follows:

"SEC. 29. (a) A search warrant may be issued by any judge of the Municipal Court of the District of Columbia or by a United States commissioner for the District of Columbia when any alcoholic beverages are manufactured for sale, kept for sale, sold, or consumed in violation of the provisions of this act, and any such alcoholic beverages and any other property designed for use in connection with such unlawful manufacture for sale, keeping for sale, selling, or consumption may be seized thereunder, and shall be subject to such disposition as the court may make thereof, and such alcoholic beverages may be taken on the warrant from any house or other place in which it is concealed."

(j) The District of Columbia Alcoholic Beverage Control Act, as amended, is further amended by adding at the end thereof the following new section:

"SEC. 41. (a) Any building, ground, premises, or place where any intoxicating beverage is manufactured, sold, kept for sale, or permitted to be consumed in violation of this act is hereby declared to be a nuisance, and may be enjoined and abated as hereinafter provided.

"(b) An action to enjoin any nuisance defined in subsection (a) of this section may be brought in the name of the District of Columbia by the corporation counsel of the District of Columbia, or any of his assistants, in the civil branch of the Municipal Court for the District of Columbia against any person conducting or maintaining such nuisance or knowingly permitting such nuisance to be conducted or maintained. The rules of the Municipal Court for the District of Columbia relating to the granting of an injunction or restraining order shall be applicable with respect to actions brought under this subsection, except that the District as complaining party shall not be required to furnish bond or security. It shall not be necessary for the court to find the building, ground, premises, or place was being unlawfully used as aforesaid at the time of the hearing, but on finding that the material allegations of the complaint are true, the court shall enter an order restraining the defendant from manufacturing, selling, keeping for sale, or permitting to be consumed any alcoholic beverage in violation of this act. When an injunction, either temporary or permanent, has been granted it shall be binding on the defendant throughout the District of Columbia. Upon final judgment of the court ordering such nuisance to be abated, the court may order that the defendant, or any one claiming under him, shall not occupy or use, for a period of 1 year thereafter, the building, ground, premises, or place upon which the nuisance existed, but the court may, in its discretion, permit the defendant to occupy or use the said building, ground, premises, or place, if the defendant shall give bond with sufficient security to be approved by the court, in the penal and liquidated sum of not less than $500 nor more than $1,000, payable to the District of Columbia, and conditioned that intoxicating beverages will not thereafter be manufactured, sold, kept for sale, or permitted to be consumed in or upon the building, ground, premises, or place in violation of this act.

"(c) In the case of the violation of any injunction, temporary or permanent, rendered pursuant to the provisions of this section, proceedings for punishment for contempt may be commenced by the corporation counsel or any of his assistants, by filing with the court in the same case in which the injunction was issued a petition under oath setting out the alleged offense constituting the violation and serving a copy of said petition upon the defendant requiring him to appear and answer the same within 10 days from the service thereof. The trial shall be promptly held and may be upon affidavits or either party may demand the production and oral examination of the witnesses. Any person found guilty of contempt under the provisions of this section shall be punished by a fine of not more than $1,000 or by imprisonment for not more than 12 months, or by both such fine and imprisonment."

(k) Subsections (b) and (h) of this section shall take effect 60 days after the date of the enactment of this act.

PSYCHIATRIST AND PSYCHOLOGIST

SEC. 405. The Commissioners shall appoint a qualified psychiatrist and a qualified psychologist whose services shall be available to the following officers to assist them in carrying out their duties: (1) The probation officers of the district court and the municipal court, (2) such officers of the juvenile court of the District of Columbia as the judge thereof shall designate, (3) such officers of the Department of Corrections as the Director thereof shall designate, and (4) the Board of Parole of the District.

RECORDS TO BE KEPT BY BONDSMEN

SEC. 406. Section 8 of the act entitled "An act to regulate the business of executing bonds for compensation in criminal cases and to improve the administration of justice in the District of Columbia," approved March 3, 1933 (D. C. Code, sec. 23–608), is amended by inserting "(a)" after "SEC. 8.", and by adding at the end of the section the following new subsection:

"(b) Each such court shall prescribe such rules and regulations as may be necessary to insure that whenever a bondsman becomes surety for compensation upon a bond in a criminal case before the court, the bondsman, or his agent, clerk, or representative, shall make a record, which shall be accurate to the best of the maker's knowledge and belief and shall thereafter be open for inspection by the court or its designated representative, and by the designated representative of other

law-enforcement agencies of the District of Columbia, of the following matters:

"(1) The full name and address of the person for whom the bond is executed (referred to in this subsection as the 'defendant') and the full name and address of his employer, if any;

"(2) The offense with which the defendant is charged;

"(3) The name of the court or officer authorizing the defendant's admission to bail;

"(4) The amount of the bond;

"(5) The name of the person who called the bondsman, if other than the defendant;

"(6) The amount of the bondsman's charge for executing the bond;

"(7) The full name and address of the person to whom the bondsman presented his bill for such charge;

"(8) The full name and address of the person paying such charge; and

"(9) The manner of payment of such charge.

Whoever violates any rule or regulation prescribed under this subsection shall be fined not more than $500 or imprisoned not more than 6 months or both and if he is a bondsman, or the agent, clerk, or representative of a bondsman, shall be disqualified from thereafter engaging in any manner in the bonding business for such a period of time as the trial judge shall order."

EXTRADITION

SEC. 407. (a) Section 930 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended (D. C. Code, sec. 23-401), is amended by inserting "(a)" after "SEC. 930. EXTRADITION.—" and adding at the end thereof the following new subsections:

"(b) The chief judge of the United States District Court for the District of Columbia may also surrender, on demand of the executive authority of any State, any person in the District of Columbia charged in such State in the manner provided in subsection (a) of this section with committing an act in the District of Columbia, or in another State, intentionally resulting in a crime in the State whose executive authority is making the demand, even though the accused was not in that State at the time of the commission of the crime, and has not fled therefrom.

"(c) No person apprehended in accordance with the provisions of subsections (a) and (b) of this section shall be delivered over to the agent whom the executive authority demanding him shall have appointed to receive him unless he shall first be taken before the chief judge of the United States District Court for the District of Columbia who shall inform him of the demand made for his surrender, and of the crime with which he is charged, and that he has the right to demand and procure legal counsel; and if such person or his counsel shall state that he or they desire to test the legality of his arrest, the judge shall fix a reasonable time to be allowed him within which to apply for a writ of habeas corpus. When such writ is applied for, notice thereof, and of the time and place of hearing thereon, shall be given to the United States attorney for the District of Columbia, and to the said agent of the demanding State: *Provided, however,* That nothing contained in this subsection shall prevent such person from waiving his right to appear before the chief judge of the United States District Court for the District of Columbia and voluntarily returning in custody of a proper official to the jurisdiction of the State, Territory, or other possession of the United States which is demanding him."

(b) The act entitled "An act to provide for the detention of fugitives apprehended in the District of Columbia," approved April 21, 1928 (D. C. Code, secs. 23-401—410), is amended by inserting at the end thereof the following new section:

"SEC. 8. (a) The agent of the demanding State to whom the prisoner may have been delivered in accordance with the provisions of section 930 of the act entitled 'An act to establish a code of law for the District of Columbia,' approved March 3, 1901, as amended, may, when necessary, confine the prisoner in the Washington Asylum and Jail; and the superintendent of the Washington Asylum and Jail must receive and safely keep the prisoner for such reasonable time as will enable the officer or person having charge of him to proceed on his route, such officer or person being chargeable with the expense of keeping.

"(b) The officer or agent of a demanding State to whom a prisoner may have been delivered following extradition proceedings in another State, or to whom a prisoner may have been delivered after waiving extradition in such other State, and who is passing through the District of Columbia with such a prisoner for the purpose of immediately returning such prisoner to the demanding State, may, when necessary, confine the prisoner in the Washington Asylum and Jail; and the superintendent of the Washington Asylum and Jail must receive and safely keep the prisoner for such reasonable time as will enable the officer or agent to proceed on his route, such officer or agent, however, being chargeable with the expense of keeping: *Provided, however,* That such officer or agent shall produce and show to the superintendent satisfactory written evidence of the fact that he is actually transporting such prisoner to the demanding State after a requisition by the executive authority of such demanding State. Such prisoner shall not be entitled to demand a new requisition while in the District of Columbia."

QUALIFICATIONS OF JURORS

SEC. 408. (a) Section 199 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended (D. C. Code, sec. 11-1402), is amended to read as follows:

"SEC. 199. The said jurors shall be selected, as nearly as may be, from the different parts of the District, and shall be selected, as nearly as may be, from its intelligent and upright residents."

(b) Section 215 of such act, as amended (D. C. Code, sec. 11-1417), is amended by striking out "and under 65."

REFUSAL TO GIVE TESTIMONY

SEC. 409. (a) Any officer or employee of the District who refuses to testify upon matters relating to his office or employment in any proceeding wherein he is a defendant or is called as a witness, upon the ground that his answer may tend to incriminate him or compel him to be a witness against himself, or who refuses so to testify on such ground when called by a grand jury or a congressional committee, shall forfeit his office or employment and any emolument, perquisite, or benefit (by way of pension or otherwise) arising therefrom, and be disqualified from holding any public office or employment under the District.

(b) Any former officer or employee of the District who refuses to testify upon matters relating to his former office or employment in any proceeding wherein he is a defendant or is called as a witness, upon the ground that his answer may tend to incriminate him or compel him to be a witness against himself, or who refuses so to testify on such ground when called by a grand jury or a congressional committee, shall forfeit any emolument, perquisite, or benefit (by way of pension or otherwise) arising from such former office or employment, and be disqualified from holding any public office or employment under the District.

(c) If the retirement pay, pension, or annuity of any officer or employee or former officer or employee of the District is forfeited under this section, there shall be paid to such individual a sum equal to (1) the total amount paid by him as contributions toward such retirement pay, pension, or annuity, plus any accrued interest attributable to such contributions, less (2) the total amount of such retirement pay, pension, or annuity received by him prior to such forfeiture.

CONTEMPT OF THE MUNICIPAL COURT

SEC. 410. (a) Section 5 (c) of the Act of April 1, 1942, as amended (D. C. Code, sec. 11-756 (c)), is amended by inserting before "to punish" the following: "in any case or proceeding, whether civil or criminal.".

(b) The first sentence of section 48 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended (D. C. Code, sec. 11-606), is amended by striking out "; to punish contempts by fine not exceeding $20 and imprisonment for not more than 48 hours, or either, and" and inserting in lieu thereof a comma.

EFFECT OF REORGANIZATION PLAN NO. 5

SEC. 411. Where any provision of this act, or any amendment made by this act, refers to an office or agency abolished by Reorganization Plan No. 5 of 1952, such reference shall be deemed to be to the office, agency, or officer exercising the functions of the office or agency so abolished.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The PRESIDING OFFICER. That completes the committee amendments. The bill is open to further amendment.

Mr. HUMPHREY. Mr. President, will the Senator from Wyoming yield to me for a question?

Mr. BARRETT. I am glad to yield.

Mr. HUMPHREY. Do I correctly understand that the amendments which have just been adopted meet some of the objections which were offered before the District Committee by the officers and judges of the District Court for the District of Columbia?

Mr. BARRETT. I may say to the Senator from Minnesota that I am informed that the amendments submitted by the Senator from New Jersey [Mr. HENDRICKSON], which are about to be considered, will meet, in large measure, the objections by the judicial branch of the government in the District.

Mr. President, I ask that the amendments submitted by the Senator from New Jersey be considered at this time.

Mr. HUMPHREY. Mr. President, will the Senator permit me first to make a statement, and then offer an amendment on behalf of the Senator from Oregon [Mr. MORSE]?

The PRESIDING OFFICER. Does the Senator from Wyoming yield for that purpose?

Mr. HUMPHREY. I believe I have the floor.

The PRESIDING OFFICER. The Chair was unaware of that. The Senator from Wyoming had not yielded the floor, had he?

Mr. BARRETT. I yield the floor for that purpose.

Mr. HUMPHREY. Mr. President, the Senator from Oregon [Mr. MORSE] had intended to be present today, but was unavoidably detained. He asked me to offer, in his behalf, an amendment to Senate bill 1946. I offer the amendment, which I send to the desk and ask to have stated.

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The PRESIDING OFFICER. The amendment offered by the Senator from Minnesota for the Senator from Oregon will be stated.

The LEGISLATIVE CLERK. On page 3, after line 8, it is proposed to strike out section 201, as amended, as follows:

MINIMUM SENTENCES FOR CERTAIN CRIMES

SEC. 201. (a) Section 3 of the act entitled "An act to establish a Board of Indeterminate Sentence and Parole for the District of Columbia, and to determine its functions, and for other purposes," approved July 15, 1932, as amended (D. C. Code, sec. 24–203), is amended by inserting "(a)" after "SEC. 3."; by inserting ", except as provided in subsections (b) and (c)" after "hereafter" in the first sentence; and by adding at the end of the section the following new subsections:

"(b) The minimum sentence imposed under this section on a person convicted of an assault with intent to commit rape in violation of section 803 of the act entitled 'An act to establish a code of law for the District of Columbia,' approved March 3, 1901, as amended (D. C. Code, sec. 22–501), or of robbery (other than robbery by stealthy seizure, commonly known as picking pockets) in violation of section 810 of such act (D. C. Code, sec. 22–2901), or of housebreaking at night in violation of section 823 of such act (D. C. Code, sec. 22–1801), shall not be less than 2 years if the violation occurs after the person has been convicted in the District of Columbia or elsewhere of a crime of violence as defined in section 1 of the act of July 8, 1932, as amended, providing for the control of dangerous weapons in the District of Columbia (D. C. Code, sec. 22–3201). The minimum sentence imposed under this section on a person convicted of rape in violation of section 808 of the act entitled 'An act to establish a code of law for the District of Columbia,' approved March 3, 1901, as amended (D. C. Code, sec. 22–2801), shall not be less than 7 years if the violation occurs after the person has been convicted in the District of Columbia or elsewhere of a crime of violence, as so defined. The maximum sentence in each case to which this subsection applies shall not be less than three times the minimum sentence imposed, and shall not be more than the maximum fixed by law.

"(c) For a person convicted of—

"(1) a violation of section 432 (b) of the Revised Statutes, relating to the District of Columbia, as amended (D. C. Code, sec. 22–505, relating to assault with a dangerous weapon on a police officer) occurring after the person has been convicted of a violation of that section or of a felony, either in the District of Columbia or in another jurisdiction;

"(2) a violation of section 3 of the act of July 8, 1932, as amended, providing for the control of dangerous weapons in the District (D. C. Code, sec. 22–3203, relating to illegal possession of a pistol), occurring after the person has been convicted of violating that section; or

"(3) a violation of section 209 of the District of Columbia Law Enforcement Act of 1953 (relating to possession of implements of crime) occurring after the person has been convicted in the District of Columbia of a violation of that section or of a felony, either in the District of Columbia or in another jurisdiction,

the minimum sentence imposed under this section shall not be less than 1 year, and the maximum sentence shall not be less than three times the minimum sentence imposed nor more than the maximum fixed by law."

(b) Section 4 of the act entitled "An act to reorganize the system of parole of prisoners convicted in the District of Columbia," approved July 17, 1947 (D. C. Code, sec. 24–201c, relating to reduction of minimum sentences), is amended by adding at the end thereof the following new sentence: "If a prisoner is serving a sentence for a crime for which a minimum sentence is prescribed by section 3 (b) of the act entitled 'An act to establish a Board of Indeterminate Sentence and Parole for the District of Columbia and to determine its functions, and for other purposes,' approved July 15, 1932, as amended, his minimum sentence shall not be reduced under this section below the minimum sentence so prescribed."

(c) The first sentence of section 2 of the act entitled "An act for the establishment of a probation system for the District of Columbia," approved June 25, 1910 (D. C. Code, sec. 24–102), is amended by adding "or any other crime for which a minimum sentence is prescribed by section 3 (b) of the act entitled 'An act to establish a Board of Indeterminate Sentence and Parole for the District of Columbia and to determine its functions, and for other purposes,' approved July 15, 1932, as amended," after "kidnaping,".

(d) The first sentence of section 5025 of title 18 of the United States Code (relating to the applicability of the Federal Youth Corrections Act to District prisoners) is amended by adding immediately before the period at the end thereof the following: ", except those offenses for which minimum sentences are prescribed by section 3 (b) of the act entitled 'An act to establish a Board of Indeterminate Sentence and Parole for the District of Columbia and to determine its functions, and for other purposes,' approved July 15, 1932, as amended."

(e) The amendments made by this section shall not apply with respect to any sentence imposed for a crime committed before the date of the enactment of this act.

And renumber the succeeding sections.

Mr. HUMPHREY. As I understand, the purpose of the amendment would be, first, to eliminate all mandatory minimum sentences; second, to remove from the bill the prohibition against the granting of probation and parole by the judges of the district court in cases for which mandatory minimum sentences are provided; and, third, to strike what is in effect a repeal of certain provisions of the Federal Youth Correction Act.

As I understand, it follows closely the recommendations contained in the resolution adopted by the Judicial Conference of the District of Columbia Circuit. I have a copy of the resolution before me. It is dated June 12, 1953, and reads:

Resolved by the members of the Judicial Conference of the District of Columbia Circuit (to wit, the judges of the United States District Court for the District of Columbia and the judges of the United States Court of Appeals for the District of Columbia Circuit), That they oppose enactment of those provisions of H. R. 5312, 83d Congress, and S. 1946, 83d Congress, which compel the judges of the district court to impose minimum sentences in certain classes of cases, which deny such judges the right to place certain defendants on probation and the right to admit certain defendants to parole, and which bring about, in effect, repeal of certain provisions of the Federal Youth Correction Act as it was made applicable to the District of Columbia; and it is further

Resolved, That copies of this resolution be presented to the Judicial Conference of the United States and to the appropriate committees of Congress.

Dated: June 12, 1953.

I have read a copy of the resolution, to which the Judicial Conference gave its assent and support.

The changes are not only recommended by Chief Judge Laws of the United States district court for the District of Columbia, but, as I pointed out, by the whole Conference of the District of Columbia Circuit, in the resolution which was adopted last Friday.

I have no more to say with reference to this subject. I am not familiar with the details. I am taking this action on behalf of the Senator from Oregon [Mr. MORSE]. However, I must say that the judges of the district court have spoken to me, and I strongly support those areas of their resolution which recommend deleting from the bill the prohibition against granting probation and parole, and any provisions of the bill which would in effect repeal certain provisions of the Federal Youth Correction Act.

Mr. BARRETT. Mr. President, I should like to call to the attention of the Senator from Minnesota the fact that the Senator from Oregon [Mr. MORSE] offered an amendment the other day to strike subsection (c).

Mr. HUMPHREY. I understand.

Mr. BARRETT. The committee accepted that amendment. The Senator from New Jersey [Mr. HENDRICKSON], at the same time offered an amendment which would strike subsection (d) of the bill, and the committee accepted that amendment.

As the matter stands today, both those provisions with reference to probation, and all the provisions in the bill with reference to probation, will be stricken when action is taken on those amendments.

Mr. HENDRICKSON. It is also true that the amendments would in effect continue unimpaired the provisions of the Federal Youth Correction Act. Is that not correct?

Mr. BARRETT. That is correct.

Mr. HUMPHREY. I understand. I may say that I am in full concurrence with the amendments suggested by the Senator from Oregon [Mr. MORSE] and the Senator from New Jersey [Mr. HENDRICKSON]. As I understand, the difference between canceling out all of section 201 and the deletions which the Senator from Wyoming has mentioned, is that canceling out all of section 201 would do away with any form of mandatory sentences for certain classes of cases.

Mr. BARRETT. The Senate has not yet adopted the amendments, I will say to the Senator from Minnesota, which will strike out subsections (c) and (d). They are presently before the Senate.

Mr. HUMPHREY. Yes; I have another amendment of the Senator from Oregon [Mr. MORSE], which I shall offer later. However, as I understand, the amendment which I have offered on behalf of the Senator from Oregon would remove all three of those areas from the bill. In other words it would eliminate all mandataory minimum sentences, it would remove from the bill the prohibition against the granting of probation and parole in cases for which mandatory minimum sentences are provided, and it would strike what is in effect a repeal of certain provisions of the Federal Youth Correction Act.

In other words it is a package amendment which would accomplish the removal of subsections (c) and (d), as well as the remainder of section 201.

Mr. BARRETT. That is correct. However, I may say that the committee accepted the amendments offered by the Senator from New Jersey and the Senator from Oregon on the premise that the judicial officers of the District would be reasonably satisfied with the provisions of the bill if we were to eliminate some of the provisions that called for mandatory minimum sentences. The committee therefore agreed to confine the mandatory sentences to assault with intent to commit rape, and to armed robbery on a second conviction, and to leave the minimum at 2 years; also to provide that in cases of second conviction for rape, the minimum should be 7 years. The other provision would be for a minimum of 1 year for assault upon a police officer with a dangerous weapon, for possession of a pistol illegally, and for possession of burglary tools where a second conviction is proved.

So it seems to me that the committee has agreed upon a very liberal and very reasonable provision for second offenses only. Certainly if we are to take some corrective measures to improve the situation in the District of Columbia, where the crime rate is reported to be 2½ times the national average, we must provide some strict penalties. It would seem to me that with the adoption of amendments striking the provision for mandatory minimum sentences the bill is in about as good a shape as it could be.

Mr. HUMPHREY. I will say to the Senator from Wyoming that I concur with the general judgment of the committee. I am of the opinion that the amendments which have been offered to strike out subsections (c) and (d) sufficiently agree with what I consider to be the extremes in the legislative proposals, so as to meet in general and to be in conformity with the wishes of the judicial conference.

I have offered the additional amendment only as a service and as a favor to the Senator from Oregon [Mr. MORSE], because apparently he felt very strongly about it. I think if we could call it up and vote on it, we could meet the situation.

Mr. CASE. Mr. President, I suggest we proceed to consider the two amendments offered by the Senator from Oregon [Mr. MORSE] and the Senator from New Jersey [Mr. HENDRICKSON], and consider them first as perfecting amendments, so as to raise the issue between the bill as perfected and the amendment offered by the Senator from Minnesota, to strike out the complete section.

Mr. BARRETT. I may say that the Senator from New Jersey has offered his amendment first, and it includes a part of the amendments offered by the Senator from Oregon.

Mr. HENDRICKSON. That is correct. I was going to ask that my amendment be stated at this time.

Mr. CASE. Following such a procedure would simplify the matter.

The PRESIDING OFFICER. The Chair will state to the Senator from New Jersey that his amendment has precedence over the amendment offered by the Senator from Minnesota. What is the desire of the Senator from New Jersey?

Mr. HENDRICKSON. The Senator from New Jersey calls up his amendment 6-11-53-A.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 3, line 24, it is proposed to strike out the language commencing with the word "or" down to and including the word "years" on line 4, page 4, and insert "or of armed robbery in violation of section 810 of such act (D. C. Code 22-2302) shall be not less than 2 years."

On page 6, strike out line 18 through line 2, on page 7, and renumber subsection (e).

Mr. HENDRICKSON. Mr. President, I should like to modify the amendment. There is a transposition of figures in line 4 of the amendment. I ask to modify the amendment by striking out the figures "22-2302" and inserting in lieu thereof the figures "22-3202".

Mr. BARRETT. The committee accepts the amendment, as modified.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Jersey [Mr. HENDRICKSON], as modified.

The amendment, as modified, was agreed to.

Mr. BARRETT. Mr. President, I call up the amendment of the Senator from Oregon to subsection (c) of section 201.

Mr. HUMPHREY. Mr. President, let me ask whether this amendment is the one which I was asked by the Senator from Oregon to call up.

Mr. BARRETT. The amendment relates only to subsection (c). Is that the one to which the Senator from Minnesota refers?

Mr. HUMPHREY. Yes. The Senator from Oregon had two amendments, which I was asked to have called up. I am glad to have the Senator from Wyoming proceed to call up the amendment; I simply wish to be sure that the amendment is called up.

Mr. BARRETT. This amendment was submitted the other day.

The PRESIDING OFFICER. Is it the desire of the Senator from Wyoming to offer a further amendment?

Mr. BARRETT. I am calling up the amendment submitted the other day by the Senator from Oregon [Mr. MORSE] to strike from the bill subsection (c) on page 6.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 6, it is proposed to strike out subsection (c), beginning on line 9, through line 17.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon.

Mr. HENDRICKSON. Mr. President, I desire to associate myself with this amendment, because on Thursday I promised the Senator from Oregon that in his absence I would gladly call up the amendment. I thoroughly approve of the amendment.

Mr. KILGORE. Mr. President, will the Senator from Wyoming yield for a question?

Mr. BARRETT. I yield.

Mr. KILGORE. As I understand, the amendment of the Senator from Oregon deals with subsection (d), which relates to the Youth Correction Act.

Mr. BARRETT. I may say to the Senator from West Virginia that subsection (d) has already been stricken from the bill, as a result of the adoption of the modified amendment of the Senator from New Jersey.

Mr. KILGORE. I thank the Senator from Wyoming; I was late in entering the Chamber.

Mr. CASE. Mr. President, will the Senator from Wyoming yield to me?

Mr. BARRETT. I yield.

Mr. CASE. Is it correct to say that the two amendments intended to be offered by the Senator from Oregon [Mr. MORSE] will have been taken care of if the pending amendment is agreed to? In other words, the amendment of the Senator from Oregon striking out subsection (d) was incorporated in the modified amendment of the Senator from New Jersey [Mr. HENDRICKSON], which already has been agreed to; is that correct?

Mr. BARRETT. That is correct.

Mr. CASE. And the pending amendment is the second amendment of the Senator from Oregon, identified as "6-11-53—C," which would strike from the bill subsection (c), on page 6, in lines 9 through 17; is that correct?

Mr. BARRETT. That is correct.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon, striking from the bill subsection (c), on page 6.

The amendment was agreed to.

Mr. CASE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from South Dakota will state it.

Mr. CASE. Is not the present situation that the perfecting amendments have been adopted, and the amendment now pending is the one offered by the Senator from Minnesota [Mr. HUMPHREY], in behalf of the Senator from Oregon [Mr. MORSE], to strike from the bill the entire section 201, as it has been amended?

The PRESIDING OFFICER. That is the advice the Chair has received from the Parliamentarian.

Mr. HUMPHREY. Mr. President, I wish to say, in behalf of the amendment of the Senator from Oregon, that although it strikes from the bill the provisions in regard to mandatory sentences for certain classes of crimes, it does not in any way impose any restrictions upon the power of the courts to exercise discretion in such matters. Discretionary power is still to be maintained. The Senator from Oregon feels very strongly about the need for the courts to have wide discretion in these cases.

As I have said earlier, I believe the elimination of subsections (c) and (d), along with the modified amendment of the Senator from New Jersey, does a great deal to improve the bill and, I feel, to protect the Federal Youth Correction Act, in addition to giving the judges on the district court bench and the circuit court bench power in granting parole and in granting pardons in certain cases.

Mr. BARRETT. Mr. President, I may say to the Members now present that the bill was reported unanimously by the committee. We feel that with the amendments we have accepted this afternoon, the bill is in very good shape, and constitutes fair proposed legislation.

So the committee would be opposed to the amendment of the Senator from Oregon to strike from the bill all of section 201, as amended. I hope that amendment will be rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon, to strike from the bill section 201, as amended.

Mr. COOPER. Mr. President, I should like to ask several questions about the bill. I am sorry I was not present last week when it was discussed. So I beg the indulgence of the Senator from Wyoming, if he will be willing to have me ask of him a few questions about certain points which may previously have been discussed.

Mr. BARRETT. Certainly.

Mr. COOPER. Is it true that section 201, before the amendments of the Senator from Oregon were agreed to, made it mandatory upon judges to apply minimum sentences in the cases designated in that section?

Mr. BARRETT. That is true.

Mr. COOPER. What effect did the acceptance of the amendments of the Senator from Oregon have upon those mandatory provisions?

Mr. BARRETT. The amendment now before the Senate would strike from the bill all of section 201, as amended.

Mr. COOPER. I realize that.

Mr. BARRETT. The amendment of the Senator from Oregon which has already been agreed to struck out subsection (c), on page 6. That subsection relates to probation.

The modified amendment offered by the Senator from New Jersey [Mr. HENDRICKSON] limits the offenses which, in the case of a second conviction, will come within the provisions for mandatory minimum sentences. Those offenses are thus limited to assault with intent to commit rape, armed robbery, and rape itself; and then there is to be a mandatory minimum sentence of 1 year for assault with a dangerous weapon upon a police officer, illegal possession of a pistol, and possession of burglary tools.

Mr. COOPER. Does the elimination of subsection (c) make it possible for the Board of Sentence and Parole to act in all the cases to which the Senator from Wyoming has just referred?

Mr. BARRETT. The elimination of subsection (c) leaves the law precisely as it is at the present time, and does not interfere with the granting of probation, any more than does the existing law. The same is true with reference to the parole of youths for correction purposes, under subsection (d).

Mr. HENDRICKSON. Mr. President, I should like to say that the amendments which have been adopted protect fully the Youth Correction Act and the Parole Act.

Mr. COOPER. Then there is to be no limitation upon the power of the Board of Parole to act in those cases; is that correct?

Mr. HENDRICKSON. I believe that is correct.

Mr. COOPER. Let me ask the Senator from Wyoming whether he agrees that that is correct.

Mr. BARRETT. I hardly think it is, I believe the existing law provides that in cases of treason or cases of homicide, rape, arson, or kidnaping, upon a second conviction, the parole statute shall not apply. That act was passed in 1910.

Mr. COOPER. But is it true that this bill will not impose a further limitation, now that subsection (c) has been stricken from the bill?

Mr. BARRETT. That is correct.

Mr. HENDRICKSON. Mr. President, I should like to say that in the cases cited by the Senator from Wyoming is it already the law.

Mr. BARRETT. Yes; it has been the law since 1910.

Mr. HUMPHREY. Mr. President, in order that the RECORD may be quite clear, I ask the Senator from Wyoming does he believe that the amendments which have been adopted thus far, eliminating sections (c) and (d), and the alteration in the first part of section 201, will meet the request and the general advice of the Judicial Conference of the District?

Mr. BARRETT. I have been so advised by the Senator from New Jersey.

Mr. HENDRICKSON. Mr. President, will the Senator yield?

Mr. BARRETT. I yield.

Mr. HENDRICKSON. I have been advised on reliable authority that the judges of the District are reasonably well satisfied with the amendments.

Mr. HUMPHREY. Mr. President, if I may ask a further question, is my understanding correct that the judges of the District wanted the section 201 entirely eliminated?

Mr. HENDRICKSON. I may say for the benefit of the Senator, that most of the judges would much prefer the complete elimination of the mandatory minimum sentences in all cases.

Mr. HUMPHREY. So that the amendment I offered in behalf of the Senator from Oregon [Mr. MORSE] really carries out the recommendation of the Judicial Conference of the District and Circuit Courts in the District of Columbia?

Mr. HENDRICKSON. I may say it carries out the initial recommendation.

Mr. HUMPHREY. But it is the Senator's opinion, is it not, that the amendments thus far adopted meet the major objections to the proposed legislation as it came to the Senate?

Mr. HENDRICKSON. I am well satisfied that they meet the major objections.

Mr. CASE. Mr. President, if the Senator will yield, I should like to address an inquiry to the Senator from Wyoming, chairman of the subcommittee. Is it not true that from the bill as reported by the committee there has already been eliminated the mandatory minimum sentence so far as first offenders are concerned?

Mr. BARRETT. That is correct. The bill applies now only in cases of second conviction.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Minnesota [Mr. HUMPHREY] for the Senator from Oregon [Mr. MORSE].

Mr. HUMPHREY. I ask unanimous consent to withdraw the amendment which I offered on behalf of the Senator from Oregon [Mr. MORSE].

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HENDRICKSON. Mr. President, I desire to take this opportunity to commend the distinguished Senator from Minnesota for following this course, even though I am wholeheartedly—or was wholeheartedly—in favor of the amendment. I know that the committee have done a magnificent bit of work on this important issue. I know, too, as a practical matter, the problem they are going to have in conference with the House, I think, with the amendments which have been accepted and adopted, the committee's problem in conference will be much less difficult than it would be if we had adopted the amendment which has just been withdrawn by the Senator from Minnesota. I say this, Mr. President, even though I am one who desired very much to support the amendment.

I desire to take this opportunity to say further that I am very proud, as a Member of the Senate, of the work the Committee on the District of Columbia has done in this instance. This bill has been sorely needed ever since I have been in the Senate. To me, it has been a shameful thing that this, the greatest Capital in the world, should have had over a long period so much crime. Again I say, I think it magnificent that the two committees have gotten together to give the District of Columbia a law which will be of inestimable value to the officials of the District of Columbia and enable them to deal more effectively with the evils of crime and corruption. I pay my tribute today to the distinguished chairman of the subcommittee, the Senator from Wyoming [Mr. BARRETT].

Mr. HUMPHREY. Mr. President, I also desire to pay tribute to the Senator from Wyoming [Mr. BARRETT] and to the Senator from South Dakota [Mr. CASE]. I asked to withdraw my amendment because I was convinced, after the discussion on the floor, that the objective which the judges of the District of Columbia sought had been cared for by the subcommittee and the full committee. I think if we can make this much progress we should be happy and should not jeopardize a reasonable piece of legislation by doing what some persons may think is going too far.

I also desire to thank the Senator from New Jersey [Mr. HENDRICKSON].

Mr. HENDRICKSON. Mr. President, I thank the Senator from Minnesota.

Mr. BARRETT. Mr. President, I desire to take this opportunity to thank the

Senator from Minnesota [Mr. HUMPHREY] and the Senator from New Jersey [Mr. HENDRICKSON] for their kind words respecting the committee. I am very hopeful that the action taken today will be quite helpful in solving the problem.

Mr. President, I ask unanimous consent that the Senate proceed to consider House bill 5312, and to strike out all after the enacting clause and insert in lieu thereof the text of Senate bill 1946, as amended.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wyoming?

There being no objection, the Senate proceeded to consider the bill (H. R. 5312) to provide for the more effective prevention, detection, and punishment of crime in the District of Columbia.

The PRESIDING OFFICER. The question is on the amendment to strike out all of the House bill after the enacting clause, and insert the text of Senate bill 1946, as amended.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 5312) was read the third time and passed.

The PRESIDING OFFICER. Without objection, Senate bill 1946 is postponed indefinitely.

AIR FORCE BUDGET

Mr. McCLELLAN. Mr. President, Gen. Hoyt S. Vandenberg, Chief of Staff, United States Air Force, recently appeared before the Armed Forces Subcommittee of the Senate Appropriations Committee, and gave testimony concerning the proposed cuts in the Air Force budget. He made a very forceful presentation of his views which has evoked a widespread interest in this controversy.

The proposed cut of $5.1 billion made by Secretary Wilson in the original Air Force budget of $16.8 billion obviously came as a surprise to the Air Force. This cut was presented to Congress notwithstanding the warning of the Joint Chiefs of Staff of the continuing threat to American security. General Vandenberg claimed, before hearings were held, that the Air Force had had no opportunity to express an opinion of the effect of such cuts on Air Force operations, or to defend the 143-wing program.

In the hearings, General Vandenberg was given this opportunity, which he claims was previously denied to the Air Force. He testified to the effects the proposed budget cuts would have on the Air Force's 143-wing program, expressing his disagreement with Secretary of Defense Wilson as to fact and probability of results.

After noting this strong divergence of opinion between the Secretary of Defense and the Chief of Staff of the Air Force, a number of Senators joined with me in asking General Vandenberg to present an estimate of the amount of money that can be judiciously spent by the Air Force in 1954 to avoid abandonment of the 143-wing program at this time.

This request of the Senators gave the Air Force an opportunity to make a professional military adjustment of the Air Force budget to Secretary Wilson's program. General Vandenberg has now furnished a figure which he contends is the lowest possible to permit continuation of the 143-wing program. This estimate, he points out, has resulted from deferment of appropriations for every item that can possibly be deferred to the next fiscal year. The estimate takes into consideration the lead-time changes proposed by Secretary Wilson. It provides for concentration on the combat efficiency of the Air Force. It accepts a stretchout of research and development. It recognizes and adjusts to restrictions on personnel ceiling and public works funds ordered by the Defense Department which, it appears, have already delayed the possible achievement of the 143-wing goal by early 1956.

It is General Vandenberg's position that in the revised estimate submitted to us for consideration, the personnel asked for has been limited to personnel essential for increased development of combat units; bases requested have been limited to those essential to the operation of combat units; and requests for necessary supporting ground handling equipment, electronics, radar, and so forth, have been limited accordingly.

I would point out, Mr. President, that in presenting this revised estimate, the Air Force states it has accepted the rules and regulations laid down by the Department of Defense, even though it questions the judiciousness of such rules.

As I see it, the difficult question we must decide is whether any further reduction in the estimate of funds needed can be made without abandonment of the 143-wing program, which Secretary Wilson has not yet demanded, although he has the matter under further study.

In other words, does the estimate presented by General Vandenberg constitute a budget pared to the minimum? He contends that it has been pared to the very minimum. It is the only budget, General Vandenberg says, that would permit the Air Force to continue its buildup at an orderly rate toward the 143-wing goal. If so, and if I am convinced of that, then, Mr. President, I shall want to support it.

Secretary Wilson cut the budget initially requested by $5.1 billion. General Vandenberg asks for restoration of $1.4 billion of the cut. In other words, the budget submitted by General Vandenberg, at the request of the Senators, represents an adjusted reduction of $3.7 as against Secretary Wilson's reduction of $5.1.

The budget proposed by the Air Force, with a $3.7-billion cut would, the Air Force states, permit achievement of the Secretary's interim goal of 120 wings by the end of fiscal year 1954, but if supported by adequate appropriations in later years would permit achievement of 136 wings by the end of fiscal year 1955, 141 wings by the end of fiscal year 1956, and 143 wings by the end of fiscal year 1957.

In other words, Mr. President, the Defense Department and the Secretary of Defense differ with the Chief of Staff of the Air Force on what he says is the very minimum. If we are to continue the 143-wing program, there will be a difference of $1.4 billion. That difference, of course, the Congress will have to resolve.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks a statement submitted by General Vandenberg on June 15, 1953, which statement includes the figures and estimates he has presented to the committee.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Members of the congressional Appropriations Committees have asked how much more money above the $11.7 billion current fiscal year 1954 appropriation estimate the Air Force can effectively use during fiscal year 1854 to continue toward the achievement of a 143-wing program at the earliest practicable date. In determining the answer to the above queston, I have had the Air Force make a study of its capability to continue at an orderly rate toward the 143-wing program. A brief of the study herewith presented represents, as of this date, a statement of the fiscal needs of the Air Force in fiscal year 1954 to accomplish this. The amount needed is $1.435 billion for a total fiscal year 1954 appropriation of $13.123 billion.

It is emphasized that this is not a recomputation of the budget as conceived on the date when the original fiscal year 1954 budget was presented. Recent restrictions, for example personnel ceiling and the freezing of public-works funds, have imposed a delay in the original rate of Air Force progress which has necessitated a rephrasing of the Air Force buildup.

This new rephrasing gives priority to the creation of combat units and defers the scheduling of support units. Also considered in this recomputation has been the new policy of reduction in re-order lead time which defers aircraft production financing until the next fiscal year.

The original fiscal year 1954 budget estimate amounted to $16.778 billion. Because of the reduction in production rates, due either to a delay in delivery of aircraft within the funding period or the application by the Air Force of its policy for initial production at reduced rates to permit more complete testing of new types of aircraft prior to production acceleration, the Air Force revised its initial estimate of $15.201 billion.

The reduction from $15.2 billion to the new requirement of $13.1 billion is made possible by the following.

1. Deferred financing of aircraft production due to shortening re-order lead times. This amounts to $655 million.

2. Deferred procurement of B–47 type aircraft necessary for the training of combat crews after the force buildup. This amounts to $400 million.

3. Elimination of an aircraft combat reserve designed to replace wartime losses for a very short period of combat. This amounts to $233 million.

4. Cancellation of a planned trainer aircraft. This amounts to $250 million.

5. The reduction in operating funds due to stretchout of the force buildup. This amounts to $558 million.

In line with the above, the newly requested recomputation of funds required in fiscal

year 1954 to carry on the 143-wing program follows:

[In millions]

Title	Current budget	Added requirements	Revised requirements
Aircraft and related procurement	$3,495	$353	$3,848
Major procurement other than aircraft	625	50	675
Acquisition and construction of real property	400	200	660
Maintenance and operations	3,200	600	3,800
Military personnel requirements	3,300	172	3,472
Research and development	475		475
Reserve personnel	14.9		14.9
Air National Guard	147.1		147.1
Contingencies	31		31
Total	11,688	1,435	13,123

For aircraft and related procurement, the $353 million would provide for the procurement of 447 airlift and support aircraft.

For major procurement other than aircraft, the $50 million would provide for the phased procurement of equipment including ground powered equipment and electronics equipment associated with the increase in forces above the 120-wing program.

For acquisition and construction of real property, the $260 million would allow the construction of minimum essential facilities associated with the increase in the size of the Air Force.

The increase of $600 million for maintenance and operations would provide for the maintenance and operation of the forces as increased and provide for their support. This would include an increase in the flying-hour program from 8.1 million to 9.3 million hours in fiscal year 1954.

The $172 million for military personnel would provide for pay and allowances for the additional military strength for the fiscal year 1954 increment toward the ultimate strength required for the 143 wings. The military personnel strength for end of fiscal year 1954 would be 1,035,000.

This revised 143-wing program will be achieved as follows:

Wings:

End of fiscal year 1954	120
End of fiscal year 1955	135
End of fiscal year 1956	141
End of fiscal year 1957	143

In summary I believe the Air Force can effectively utilize $1.435 billion in addition to the $11.688 billion during the fiscal year 1954. Thus $13.123 billion will enable the Air Force to continue its buildup to a 143-wing objective.

Mr. FERGUSON. Mr. President, the senior Senator from Arkansas [Mr. McCLELLAN] presented for printing in the RECORD a statement from Gen. Hoyt Vandenberg, the Chief of Staff of the Air Force, regarding the Air Force budget.

I asked the Secretary of Defense to make reply to this statement, and I inserted his reply in the record of the proceedings before the Committee on Appropriations this morning. I now ask that my statement before the committee be printed in the body of the CONGRESSIONAL RECORD and that Secretary Wilson's letter and statement be printed in the body of the RECORD and that in the permanent RECORD they be printed following the remarks of the Senator from Arkansas in presenting the statement submitted to him by General Vandenberg.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The statement submitted by Mr. FERGUSON is as follows:

STATEMENT BY SENATOR FERGUSON

During the course of the hearings of the Armed Services Subcommittee of the Senate Appropriations Committee, Senator JOHN MCCLELLAN requested that Gen. Hoyt Vandenberg, Air Force Chief of Staff, furnish the committee with his views on the amount of funds in excess of the revised budget estimates which the Air Force could effecttively use. As chairman of the subcommittee, I requested that the Secretary of Defense examine this document and give the committee his comments on it, and they are attached.

I have examined the Secretary of Defense's comments and reply, and the accompanying letter, and find he points out that General Vandenberg's proposal represents his own personal opinion; that it in no sense is an official budget request; that the proposal is simply a request for more money and is not substantiated by supporting information.

The official budget request is approved by the President and that whole budget must be looked at, rather than just additional requests. The President's budget request for adequate financing for the Air Force for the 1954 fiscal year provides for $11.7 billion in new funds. When added to the $28.5 billion carryover from previous years, this will make $40.2 billion available for the 1954 fiscal year.

The comment of the Secretary of Defense points out that General Vandenberg's proposal would provide only 20 additional days of advance financing for the programs under the appropriation "Aircraft and related procurement" which is financed 42 months into the future at the 1954 rate of expenditure.

Similarly, General Vandenberg's proposals with respect to the appropriation for "Major procurement other than aircraft" would provide merely 20 days' additional financing to programs which will already have been financed 48 months ahead at the possible 1954 rate of expenditure.

THE SECRETARY OF DEFENSE,
Washington, June 19, 1953.

HON. HOMER FERGUSON,
Chairman, Subcommittee on Armed Services, Senate Committee on Appropriations

DEAR MR. CHAIRMAN: In response to your oral query and to Senator SALTONSTALL'S request during the hearings before your committee, there are transmitted herewith comments on the Vandenberg proposal for an additional $1.4 billion of appropriations for the Department of the Air Force in fiscal year 1954 which was submitted by General Vandenberg earlier this week in response to a request of one of the members of your committee. It should be understood that this proposal represents General Vandenberg's personal opinion and in no sense is an official budget request.

In essence the Vandenberg proposal is simply a request for more money and is not substantiated by supporting information, or a showing as to the utilization of funds otherwise available. As requested, however, we are enclosing some comm nts with respect to each appropriation classification which makes up the total of the $1.4 billion proposal referred to above.

We feel that the official budget, as approved by the President, provides adequate financing for the Air Force for fiscal year 1954. The official budget request for new funds in the amount of $11.7 billion together with the $28.5 billion carried over from previous years would make a total of $40.2 billion available to the Air Force at the beginning of the next fiscal year.

Very sincerely yours,

C. E. WILSON.

Aircraft and related procurement

[Millions of dollars]

Fiscal year	Unexpended carryover	New authority	Transfers	Total available for expenditure	Lapsed to Treasury	Expenditures
1951	2,463	7,303	13	9,779	16	1,940
1952	7,823	11,258	(1)	19,081	2	4,366
1953	14,713	11,000	(1)	25,713		6,050
1954	19,663	3,495	(1)	23,158		{6,300 / 6,700}
1955	{16,858 / 16,458}					

[1] Less than $500,000.

The unexpended balance estimated to be carried into fiscal 1955 is between $16.5 billion and $16.9 billion based on the Eisenhower 1954 budget.

The average monthly rate of expenditure estimated for fiscal 1954 is between $525 million and $560 million.

If we assume $550 million as a probable monthly rate, the $23.2 billion available under the Eisenhower budget for expenditure in fiscal 1954 provides financing for over 42 months—for all of fiscal 1954 and 2½ years beyond—not considering any new funds for fiscal 1955.

The additional funds of $353 million General Vandenberg says are required would add 20 days' additional advance financing to an already overfinanced program.

The additional 447 airlift and support aircraft stated as required, if found to be necessary in the financing period, can be financed by reducing overfinanced lead time in the present funding program.

A quick look at the unexpended carryover in recent years should make this clear. The real question, therefore, is whether further reductions in new authorization for fiscal 1954 should not be made to reduce to a reasonable basis the 2½ years of financed lead time which will be carried into fiscal 1955.

The matter following indicates the area of excess financing:

Differences in funding for Air Force aircraft and initial spares between the Jan. 9, 1953, budget and the revised budget now before Congress

	Amount (in millions)
Items eliminated or reduced:	
1. Elimination of funds for aircraft not ready for production in the period to be covered with 1954 financing	$1,000
2. Reductions in the numbers of support-type aircraft such as transports, trainers, and helicopters	476
3. Elimination of a trainer model which was marginal to the Air Force requirements and was in any case being eliminated by the Air Force	250
4. Reduction in B–47 aircraft for training units	372
5. Reduction in financing of excessive lead times	1,602
6. Elimination of increment A in January budget	233
7. Reductions by Air Force in jet spare engines	165
Subtotal of eliminations or reductions	4,098
Items added:	
1. Excess lead time left in revised budget	847

Items added—Continued	Amount (in millions)
2. Additional preproduction costs put in revised budget	$100
3. Contingency for procurement of long lead-time items put in revised budget	56
Subtotal of items added	1,003
Net reduction from January budget for aircraft and related procurement	3,095

Major procurement other than aircraft

[Millions of dollars]

Fiscal year	Unexpended carryover	New authority	Transfers	Total available for expenditure	Expenditures
1951		924	[1] 686	1,610	186
1952	1,424	1,775		3,199	467
1953	2,732	900		3,632	650
1954	2,982	625		3,607	800
1955	2,807				

[1] Transferred from 1951 appropriation "Special procurement" when new appropriation was established.

The unexpended balance to be carried into fiscal 1954 is estimated at almost $3 billion, of which over $300 million will not have been placed under contract by June 30, 1953. The Eisenhower budget requests $625 million of authority, which, if appropriated, would make $3.6 billion available for expenditure in fiscal 1954 and subsequent years.

The average monthly rate of expenditure during fiscal 1954 is around $67 million, and the Air Force estimates that spending would be around $75 million a month at the end of fiscal 1954.

Even assuming a $75 million monthly rate for all of fiscal 1954 and thereafter, the $3.6 billion available for expenditure in 1954 would finance these procurement requirements for 4 years—all of fiscal 1954 and 3 years beyond—not considering any new funds for fiscal 1955. Unexpended funds to be carried into fiscal 1955 are estimated at $2.8 billion.

The additional funds of $50 million listed by General Vandenberg for this account would merely add 20 days' additional financing to programs which will already have been financed 4 years ahead at the possible 1954 rate of expenditure.

If the $50 million of ground-powered and electronic equipment for which this amount is requested is required, it can be financed without difficulty by slight adjustments within the total sum of $3.6 billion which would be available.

Maintenance and operations

[Millions of dollars]

Fiscal year	Unexpended carryover	New authority	Transfers	Total available for expenditure	Lapsed to Treasury	Expenditures
1951	436	2,972	+50	3,478		1,729
1952	1,749	3,443	—1	5,191	37	3,195
1953	1,959	3,600	[1] —359	5,100	100	3,200
1954	1,860	3,200		5,060	90	3,300
1955	1,770					

[1] Includes $150 million transferred to military personnel requirements of the Air Force and $250 million transferred to military personnel requirements of the Army in accordance with Public Laws 488 and 11.

Under the Truman budget, $4.2 billion was requested for Air Force maintenance and operation. Under the Eisenhower budget, this was revised to $3.2 billion, a reduction of $1.0 billion. General Vandenberg has suggested increasing the appropriation for this purpose by $600 million to a total of $3.8 billion.

During the past several years, large stocks of supplies and spare parts have been financed in this appropriation and in the aircraft and related procurement appropriation and remain available for use. Spares and spare parts alone aggregate over $9 billion even if large stocks of spares and spare parts on hand at the beginning of fiscal year 1951 for World War II aircraft were ignored.

This "housekeeping" type of appropriation is susceptible to substantial economies, both in overhead and improved supply distribution, which should enable the Air Force to get along next year on the same amount of money as was used this year.

The initial Air Force request to the Secretary of Defense for maintenance and operation for 1953 was $5.8 billion. The budget request was submitted for $4.4 billion. The appropriation bill passed by the House provided for a cut of $627 million, based on the recommendation of the appropriations subcommittee to the effect that "through better management, better utilization of the equipment and materials on hand, more careful supervision of all the activities, a better service can be performed in the interest of the Nation. In the opinion of the committee there is scarcely an area under his appropriation request that cannot take a reduction and still perform its required operation effectively. A major portion of all civilian personnel are employed in the areas of this appropriation request and a better utilization of such civilian personnel would produce better results and at a lesser cost."

The Air Force appealed to the Senate for restoration of the entire $627 million, alleging that this reduction "would necessitate a critical slowing down in the level of Air Force activities through fiscal years 1953, 1954, and later years. Not only would the readiness of the force be affected during the fiscal year 1953, but the damage in the 1953 proficiency would extend out for many years thereafter."

It was further stated that without restoration of the funds reduced by the House, "Stocks on hand at the end of fiscal 1953 would not be sufficient to support the proper flying program in fiscal 1954. Aircraft modification and mechanical deficiencies and changes to improve flying safety would either be deferred to 1954 or later years or canceled altogether. The reduction in funds would set up a lag in Air Force modification which could continue well beyond 1954. Logistical support of individual and unit training programs would be reduced and this would result in both quantity and quality in our pilots and air crews scheduled to graduate from Air Force schools during fiscal year 1953 and 1954. The cut would also cause deficiencies in spare parts and equipment which in turn would cause an increase in the number of aircraft out of commission for lack of parts. And one of our major problems today is the adequate supply of spare parts, especially for our widely deployed overseas units."

The Senate remained completely unconvinced by the protestations of the Air Force and cut this appropriation by an additional $222 million. Thus, Congress cut the Air Force request by a total of $790 million and provided the Air Force with $3.6 billion rather than the $4.4 billion requested in the budget.

Actual operating experience has shown that not only was the Air Force able to get along with the amounts appropriated by Congress, but it actually will use this year only $3.2 billion of the $3.6 billion appropriated, and approximately $400 million was able to be transferred to meet additional military personnel costs. In other words, although the Air Force actually needed only $3.2 billion this year, it insisted that the appropriation of anything less than the $4.4 billion in the budget would have critical effect on the operations of the Air Force. Some of the same dire consequences are now threatened unless we appropriate $600 million more for fiscal year 1954 than was actually used this year.

Spare-parts consumption is an area that would be affected by increased flying hours. The situation with respect to financing and use of spare parts is as follows:

With the 1954 budget as requested, there will have been financed since Korea $12.7 billion for aircraft spares and spare parts. On the basis of Air Force consumption factors, and allowing $1.5 billion for increased stock levels and provision for war reserves, about $3.2 billion would be consumed by the end of fiscal 1954. There would be $9.5 billion of such equipment still in inventory or on order. Even this ignores the fact that a very great part of the hours flown in fiscal 1951, 1952, and 1953 were in World War II aircraft for which great quantities of spares were available in inventory at the beginning of fiscal year 1951.

The table below indicates the funds available or requested for aircraft spares and spare parts since Korea without taking into account stocks on hand at the beginning of fiscal year 1951:

Aircraft spares and spare parts

[Thousands of dollars]

Fiscal year	Funds programed, Air Force		Total	Actual [1] consumption	Difference
	Project 120	Project 411			
1951	1,848,922	571,161	2,420,083	267,173	2,152,910
1952	4,197,035	697,500	4,894,535	369,184	4,525,351
1953	3,290,204	860,532	4,150,736	[2] 479,636	3,671,100
1954	938,870	300,000	1,238,870	[2] 554,789	982,924
Total	10,275,031	2,429,193	12,704,224	1,670,782	11,033,442
Provision for stock levels					500,000
Provision for war reserve and other					1,000,000
Total on hand or on order available for operating requirements					9,533,442

[1] Based on Air Force actual cost per hour.
[2] 9 months actual and 3 months estimate.
[3] Estimated consumption based on flying hour program.

MILITARY PERSONNEL REQUIREMENTS

The request before the committee provides for 970,000 man-years with a beginning strength of 980,170 and an ending strength of 960,000. As indicated in earlier testimony before your committee, this represents a reduction in end strength of 5,000 from the actual military personnel in the Air Force on March 1, 1953, at which time the discussions leading to these determinations were initiated and finalized shortly thereafter.

As indicated in previous testimony, the Senate Preparedness Subcommittee in its 40th report dealt extensively with the waste of manpower in all of the military services, and particularly in the Air Force. Our reductions were predicated on information contained in this report and other studies

which indicated that adjustments of this magnitude certainly could be made without affecting the military operations of the Air Force. The initial plan presented by the Air Force for the utilization of the 970,000 man-years provided in the budget for fiscal year 1954 still included excess numbers of military police, bandsmen, administrative personnel, personnel specialists, career specialists, chauffeurs, and base maintenance and related types of personnel, such as grounds keepers and grass cutters.

A preliminary review of this plan indicates that substantial reductions can still be made in all these areas without affecting the Air Force military effectiveness. Such reductions will permit the assignment of the spaces needed to support the pilot-training program at desired levels and to other necessary programs, such as manning combat wings and squadrons, which were unnecessarily curtailed in the personnel plan submitted by the Air Force.

Acquisition and construction of real property

[Millions of dollars]

Fiscal year	Unexpended carry-over	New authority	Total available for expenditure	Expenditures
1951	191	1,456	1,647	244
1952	1,403	2,174	3,577	1,049
1953	2,528	1,200	3,728	1,160
1954	2,628	400	3,028	900
1955	2,128			

The Air Force will carry over as of July 1, 1953, over $2.6 billion of unexpended public-works money, and of this amount the Air Force estimates that $1.6 billion will not have been placed under contract. These unobligated funds, plus the $400 million requested in the Eisenhower budget, will make $2 billion available for contracting in fiscal 1954.

The Air Force contracting performance since Korea is indicated by the following (in millions of dollars):

	Fiscal year 1951	Fiscal year 1952	Fiscal year 1953
Available for obligation	1,600	2,850	2,970
Obligated	923	1,081	1,358
Unobligated at end of year	677	1,769	1,612

General Vandenberg has indicated an additional requirement of $260 million over the $400 million requested in the Eisenhower budget. This would make $2,260 million available for placing contracts in fiscal 1954. There is no reason to believe, on the basis of past performance and the present state of Air Force plans, that funds in excess of $2 billion could be effectively placed under contract during the next 12 months.

There is no need for the additional financing called for by General Vandenberg. There is sufficient financing provided from the President's fiscal 1954 budget and from prior funds to meet whatever reprograming of facilities requirements may be occasioned by such changes in goals as may be decided upon later this year.

APPOINTMENT OF ROBERT V. FLEMING AS CITIZEN REGENT OF BOARD OF REGENTS OF THE SMITHSONIAN INSTITUTION

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 392, Senate Joint Resolution 82.

The PRESIDING OFFICER. The question is on the motion of the Senator from California.

The motion was agreed to, and the Senate proceeded to consider the joint resolution (S. J. Res. 82) for the appointment of Robert V. Fleming as Citizen Regent of the Board of Regents of the Smithsonian Institution.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, which will occur by the expiration of the term of Robert V. Fleming, of Washington, D. C., on July 26, 1953, be filled by the reappointment of the present incumbent for the statutory term of 6 years.

APPOINTMENT OF OWEN JOSEPHUS ROBERTS AS MEMBER OF BOARD OF REGENTS OF THE SMITHSONIAN INSTITUTION

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 393, Senate Joint Resolution No. 83.

The motion was agreed to; and the Senate proceeded to consider the joint resolution (S. J. Res. 83) to provide for the appointment of Owen Josephus Roberts as a member of the Board of Regents of the Smithsonian Institution.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the joint resolution. The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, caused by the death of Roland S. Morris, be filled by the appointment of Owen Josephus Roberts, a citizen of the State of Pennsylvania, for the statutory term of 6 years.

LEGISLATIVE PROGRAM

Mr. KNOWLAND. Mr. President, for the information of the Senate regarding the program for the remainder of this week and for next week, let me say that it is the purpose of the acting majority leader to move that the Senate bill 1901, which is title III of the Submerged Lands Act, be made the unfinished business of the Senate, with the understanding that it will not be called up for action until copies of the hearings are available. They are in process of being printed.

It is planned to take a recess from tonight until Thursday. On Thursday we will have a call of the calendar, and I hope that by Friday the printed hearings on the submerged lands measure will be available. If they are not available by Friday, we will take up miscellaneous and largely noncontroversial bills, and then go over until Monday.

Next week, if the Senate is not prepared to begin consideration of the submerged lands bill it is hoped that the mutual-aid bill will be ready for consideration, and also certain appropriation bills. I understand that 1 and possibly 2 appropriation bills may be reported either Thursday or Friday of this week. If that be so, by next Tuesday or Wednesday we will be ready to go ahead with those appropriation bills.

Mr. JOHNSON of Texas. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. I yield.

Mr. JOHNSON of Texas. I notice that the chairman of the subcommittee which held hearings on the Continental Shelf bill, the Senator from Oregon [Mr. CORDON], is on the floor at this time. I understand from him that there are available, and have been available for some time, several copies of the transcript of the hearings, and that any Member who wishes to study the question may obtain a copy by calling on the clerk of the committee. I thought possibly the acting majority leader would like to have that information.

Mr. KNOWLAND. I am glad to have the information. I would say that I have urged upon the chairman of the subcommittee of the Committee on Interior and Insular Affairs, and also on other Senators, that they expedite the printing of hearings so that they will be available at the earliest possible moment.

Mr. JOHNSON of Texas. The junior Senator from Louisiana [Mr. LONG] is on his way to the Chamber, but I hope the Senator from California will not ask to make the Continental Shelf bill the unfinished business. I hope the bill will not be taken up until the report and all the hearings are available.

Mr. KNOWLAND. Of course, on the request of the distinguished minority leader or of any other Senator who felt he wanted to be more fully advised, I would not press for action without such an opportunity.

So, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be vacated, and that further proceedings under the call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. I yield.

Mr. LONG. May I ask the distinguished acting majority leader whether his request is that S. 1901 be made the unfinished business, with the assurance that no effort will be made to reach a vote on it until the hearings are available, the committee report is printed and before Senators, and sufficient time has been allowed for Senators who wish to speak on the subject to prepare themselves?

Mr. KNOWLAND. Before the junior Senator from Louisiana entered the Chamber, and the request for a quorum call was made so that the Senator from Louisiana and other Senators might be

present, I had stated that it was my desire to move that calendar No. 441, S. 1901, to provide for the jurisdiction of the United States over the submerged lands of the outer Continental Shelf, and to authorize the Secretary of the Interior to lease such lands for certain purposes, be made the unfinished business.

If that is done, I then propose to move that the Senate take a recess until Thursday. On Thursday it is proposed to have a call of the calendar. It will not be our purpose to take action upon the proposed submerged lands legislation until proper opportunity has been afforded to consider it. I hope that the printing of the hearings can be expedited. If they should be ready by Friday, I hope that we may get started on the debate. I am sure the Senator from Oregon [Mr. CORDON] and other Senators would like to discuss the question. It will not be my purpose to move for a vote on the bill without affording Senators an opportunity to examine the record.

At any rate, we hope to be prepared early next week to begin the discussion of the bill.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. ELLENDER. Can the distinguished acting majority leader give us assurance that there will be no votes until next week?

Mr. KNOWLAND. So far as the majority leader is concerned—and I am sure there will be no effort on the part of the chairman of the subcommittee to seek a vote before next week—there will be no votes on this proposed legislation prior to next week. However, I hope, if the printed reports are available, that we may get started on the debate on Friday.

Mr. ELLENDER. As the Senator well knows, since I am from Louisiana, I am vitally interested in this proposed legislation. As the Senator also knows, I have been very busy in the Appropriations Committee.

Mr. KNOWLAND. The Senator is a very able and conscientious member of that committee.

Mr. ELLENDER. I have not had an opportunity to study the evidence or to hear any of the evidence. It is my hope that time will be allowed so that I may at least look over the evidence, study the report, and be prepared to discuss the bill next week.

Mr. KNOWLAND. I will say to the distinguished Senator from Louisiana that I am informed that galley proofs of the hearings are available. I am sure that if the Senator desires a copy the Senator from Oregon [Mr. CORDON] will see that it is made available.

I will give the assurances which the Senator has just asked for, that we will not proceed to a vote prior to next week.

Mr. ELLENDER. What I intend to do is to spend the weekend in reviewing the evidence. In the meantime, I hope to assist in concluding the markup of several appropriation bills now being considered by the Committee on Appropriations. I understand that on Thursday the full committee intends to complete marking up the Interior Department bill.

Mr. KNOWLAND. One reason why I am proposing that the Senate take a recess from tonight until Thursday is to give a number of committees which have been trying to operate with Senators rushing back and forth between the Chamber and the committee rooms an opportunity to do some work without having to go through that process. The Senator from Louisiana, who is a member of the Civil Functions Subcommittee, of which I happen to be chairman, knows that in order to accomplish something in that subcommittee and to avoid the constant moving in and out of the committee room we started a meeting at 7:30 o'clock last night and continued until about 10:30. I think the various committees could well use some uninterrupted time to move the legislative program along.

Mr. ELLENDER. I agree with the Senator.

Mr. KNOWLAND. The Senator may rest assured that the acting majority leader will always be glad to cooperate with Senators on both sides of the aisle in any reasonable arrangement. I had been informed that certain Senators from States which are also vitally interested had commitments the following weekend and that they hoped the bill would be out of the way by that time. So I am trying to accommodate both the Senator from Louisiana and other Senators who have an equal interest.

Mr. ELLENDER. I thank the Senator.

JURISDICTION OVER SUBMERGED LANDS OF THE OUTER CONTINENTAL SHELF

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of Senate bill 1901, Calendar 441.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 1901) to provide for the jurisdiction of the United States over the submerged lands of the outer Continental Shelf, and to authorize the Secretary of the Interior to lease such lands for certain purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs, with amendments.

Mr. COOPER subsequently said: Mr. President, what is the situation with respect to Senate bill 1901?

Mr. KNOWLAND. The Senator from Kentucky was probably not in the Chamber at the time that bill was made the unfinished business. It is my intention to move that the Senate take a recess until Thursday. On Thursday we shall have a call of the calendar. There will be no voting in connection with the unfinished business until next week. I hope that if the printed record is available we shall be prepared to begin the debate on Friday. However, if the printed record is not available, we shall not begin the debate until Monday, in which case we shall substitute something else on Friday.

Mr. COOPER. I thank the Senator.

AUTHORIZATION FOR SECRETARY TO RECEIVE MESSAGES FROM THE HOUSE OF REPRESENTATIVES AND NOMINATIONS FROM THE EXECUTIVE BRANCH

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the Secretary be authorized to receive messages from the House of Representatives during the recess of the Senate; also to receive nominations from the executive branch of the Government.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR VICE PRESIDENT TO SIGN ENROLLED BILLS DURING RECESS OF THE SENATE

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the Vice President be authorized to sign enrolled bills during the recess of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR COMMITTEES TO SUBMIT REPORTS ON BILLS AND NOMINATIONS DURING THE RECESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the committees be authorized to submit reports on bills and nominations during the recess of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS TO THURSDAY

Mr. KNOWLAND. I move that the Senate stand in recess until 12 o'clock noon on Thursday next.

The motion was agreed to; and (at 3 o'clock and 16 minutes p. m.) the Senate took a recess until Thursday, June 18, 1953, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 16 (legislative day of June 8), 1953:

UNITED NATIONS

John C. Baker, of Ohio, to be the representative of the United States of America to the 16th session of the Economic and Social Council of the United Nations.

DIPLOMATIC AND FOREIGN SERVICE

James S. Kemper, of Illinois, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Brazil.

L. Corrin Strong, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Norway.

M. Robert Guggenheim, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Portugal.

BUREAU OF THE MINT

Ross P. Buell, of California, to be superintendent of the mint of the United States at San Francisco, Calif.

UNIVERSITY OF MICHIGAN LIBRARIES

Arthur C. Carmichael, of California, to be assayer in the mint of the United States at San Francisco, Calif.

COLLECTORS OF CUSTOMS

Jeremiah A. McGimsey, of Arizona, to be collector of customs for customs collection district No. 26, with headquarters at Nogales, Ariz.

Frank Abelman, of Michigan, to be collector of customs for customs collection district No. 38, with headquarters at Detroit, Mich.

George F. Jameson, of Oregon, to be collector of customs for customs collection district No. 29, with headquarters at Portland, Oreg.

IN THE AIR FORCE

Lt. Gen. Earle Everard Partridge, 33A (major general, Regular Air Force), United States Air Force, to be Deputy Chief of Staff, Operations, United States Air Force, with rank of lieutenant general and as lieutenant general in the United States Air Force, under the provisions of sections 504 and 515, Officer Personnel Act of 1947.

Lt. Gen. Leon William Johnson, 88A (major general, Regular Air Force), to be senior Air Force member, Military Staff Committee, United Nations, with the rank of lieutenant general and as lieutenant general in the United States Air Force, under the provisions of sections 504 and 515 of the Officer Personnel Act of 1947.

Brig. Gen. Alvin Roubal Luedecke, 1486A (colonel, Regular Air Force), United States Air Force, for appointment as temporary major general in the United States Air Force, under the provisions of section 515 of the Officer Personnel Act of 1947.

IN THE NAVY

Adm. William Morrow Fechteler, United States Navy, to have the grade, rank, pay and allowances of an admiral while serving as commander in chief, Allied forces, southern Europe.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 16 (legislative day of June 8), 1953:

PUBLIC HOUSING ADMINISTRATION

Charles E. Slusser, of Ohio, to be Public Housing Commissioner.

UNITED STATES ATTORNEY

Jacob S. Temkin, of Rhode Island, to be United States attorney for the district of Rhode Island.

UNITED STATES MARSHAL

Clarence H. Spence, of Delaware, to be United States marshal for the district of Delaware.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 16, 1953

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Most merciful and gracious God, from whom cometh every good and perfect gift, grant that daily we may be more willing to acknowledge how dependent we are upon Thee for all our blessings.

Give us a greater concern for the welfare and happiness of Thy needy children everywhere. May we be glad and grateful that there is so much that we are able and privileged to share with others which will inspire them with hope and courage.

We penitently confess that we so often fail to see that we are taking the song and the sunshine out of the life of our fellow men by our surrender to a spirit which is sullen and selfish.

May our minds and hearts be radiant and glow with confidence as we face tasks and responsibilities which demand the dedication and devotion of our noblest manhood and womanhood.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 5227. An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1954, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. YOUNG, Mr. FERGUSON, Mr. MCCARTHY, Mr. MUNDT, Mr. AIKEN, Mr. RUSSELL, Mr. HAYDEN, and Mr. MCCARRAN to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4495) entitled "An act to amend the Universal Military Training and Service Act, as amended, so as to provide for special registration, classification, and induction of certain medical, dental, and allied specialist categories, and for other purposes."

SECOND INDEPENDENT OFFICES APPROPRIATION BILL, 1954

Mr. ALLEN of Illinois. Mr. Speaker, I call up House Resolution 285 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5690) making appropriations for additional independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1954, and for other purposes, and all points of order against said bill or any provisions contained in said bill are hereby waived. After general debate, which shall be confined to the bill and continue not to exceed 4 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 30 minutes to the gentleman from Texas [Mr. LYLE].

Mr. Speaker, I rise to urge the adoption of House Resolution 285, making in order the consideration of the bill (H. R. 5690) making appropriations for additional independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes.

House Resolution 285 provides for an open rule, waiving points of order and provides for 4 hours of general debate on the bill itself.

H. R. 5690 for the purposes of our consideration can be broken down into four distinct sections. The bill recommends appropriations for the Atomic Energy Commission, the Selective Service System, the Tennessee Valley Authority, and the Veterans' Administration.

According to the committee report on the bill the American taxpayer will be saved $1,171,389,000 on this measure alone if the Congress gives it favorable consideration. This figure represents the cuts made from the original budget estimate and is the result of the combined efforts of the Bureau of the Budget, the Appropriations Committee, and, in some cases, the agency receiving the appropriation.

In terms of percent this bill represents a saving of 18 percent over the original budget estimate. The bulk of the saving of over $3 billion, as compared with 1953 appropriations, has been made possible by the decrease in funds for the Atomic Energy Commission.

If you consider the recommended cuts department by department you will see just how substantial these savings are. In 1953, the Congress appropriated for the Atomic Energy Commission $4,124,621,500. The original budget estimate submitted for this year asked for $1,592,789,000 and the committee has cut this figure to $1,057,781,000 which they now recommend to the Congress.

The Selective Service System in 1953 received an appropriation of $36,772,000 and the budget estimate submitted early this year asked for $34,400,000. The Committee on Appropriations has cut this figure to $29,882,400.

In 1953, the TVA received an appropriation of $336,027,000 to continue its work. The estimate of their needs for 1954 which was submitted to the Congress asked for $254,355,000, but the committee recommends instead $188,371,000, a saving to the taxpayer of millions of dollars on this one item alone.

This bill is one which goes about making much-needed cuts in expenditures in a sensible manner. There is logic behind these cuts which should assure them of the considered support of the House membership. I hope that the House will adopt House Resolution 285, which will make in order the consideration of this very important bill.

Mr. LYLE. Mr. Speaker, I think the rule should be adopted. I have no requests for time on this side.

Mr. ALLEN of Illinois. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to, and a motion to reconsider was laid on the table.

YOU'RE WELCOME, DAVE KROHE

Mrs. FRANCES P. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. FRANCES P. BOLTON. Mr. Speaker, I would like to share with the Members of the House a "thank you" note received in my mail last week.

The other day the postman delivered a letter to me addressed to "Any living Member of the 78th Congress of the United States of America, Capitol Building, Washington, D. C." I qualified, and the postman, seeing the return address was 2135 Adelbert Road, Cleveland 6, Ohio, sent me the letter.

Inside was a card. On one side was printed "Thank you." On the other was written "For my education. David Krohe, C–15 026 660, 1953."

So I would say here on the floor of this House:

It is really a wonderful thing you did, Dave, when you sent that little card out into the air to those of us who passed the GI bill of rights back in the 78th Congress. It put a song in my heart that I am going to share with the rest of the "any living" Members of that Congress by putting this into the CONGRESSIONAL RECORD so they will all have it.

Thanks for the lift, David Krohe, C–15 026 660, 1953, and all the luck in the world to you.

COMMITTEE ON FOREIGN AFFAIRS

Mrs. FRANCES P. BOLTON. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may have until midnight tonight to file its report, which was not filed last night.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

COMMITTEE ON AGRICULTURE

Mr. HILL. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may meet during general debate while the House is in session today.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

MORE PRIVATE INVESTORS NEEDED

Mr. KERSTEN of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KERSTEN of Wisconsin. Mr. Speaker, the Republican administration should take positive steps to encourage small private investors who, for the past 20 years, have been discouraged by the Socialist planners who brought private investment down to a trickle in favor of Government investment and control of American industry.

To this end, I have today introduced a bill to exempt from Federal income tax the first $1,000 of dividend income received by any taxpayer.

This bill will eliminate to some extent the double taxation of dividends which now exist under the Federal income tax laws. Corporate income is first taxed when earned by the company. This same income is again taxed to the individual when he receives it in the form of dividends. This double taxation of dividends results in a net effective tax rate on dividend income of individuals which ranges from not less than 65 percent to as high as 95 percent. This is too great a burden to place on those who invest in enterprises in America and tends to discourage investments.

Because of the $1,000 maximum, this bill will particularly relieve the burden of double taxation from small-share owners who constitute the great bulk of share owners in the United States. About 76 percent of the 8,500,000 share owners in the United States have a gross income under $10,000. These persons receive an average of about $600 each in dividend income. Larger share owners will also benefit by the bill but not to as great a proportion as will the small-share owners.

The proposed change would encourage more persons to own corporate stock and encourage a wider distribution of ownership of private corporations in the United States. A wider ownership of corporate stock will help to establish greater stability in our society by providing greater security and independence to more people. A workingman who also has an interest in American business enterprises has both additional income to supplement his earnings and a cushion to soften the adverse effect of loss of job or illness.

Ideally, our society would be much more stable if each family had income from both earnings and property and were not solely dependent on earnings. This bill encourages a development in the direction of this ideal.

From Treasury Department figures, I have computed that the reduction of revenue for the United States if this bill is enacted would amount to only $575 million. And in the long run this amount would be regained and probably surpassed because of the stimulation to new widespread investment which would result.

WASTE OF TRAINED MANPOWER IN THE ARMED SERVICES

Mr. JONES of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. JONES of Missouri. Mr. Speaker, because it does emphasize a problem in which I have been very much interested, I am going to read an excerpt from a letter I have received from a constituent in my district today:

> While there is much discussion on reducing the budget, waste in the various branches of the service, and similar problems, I should like to bring to your attention a form of waste that many citizens consider inexcusable—the waste of trained manpower. At a time when the many technical companies are begging for engineers and are swamping the current group of graduates with offers for jobs, the Army is ignoring the hundreds that are in its ranks. Of three graduates from engineering school whom I know, one is serving as a clerk-typist in Japan, a second is Military Police, and a third, my nephew, is attending leadership school after having asked repeatedly for something in his line of work.
>
> Since I know my nephew's qualifications, I shall explain in detail why I think the Army could use him to a better advantage besides the infantry. He was graduated from Missouri School of Mines, Rolla, Mo., in 1952 with a degree in chemical engineering. After working 6 months as a chemist with the ——— Oil Co., he was called into service. He had several years of National Guard training, so was a good soldier in basic, receiving the trophy for being the outstanding trainee in his battery. He also was told that his score on the intelligence tests given the group was the highest in the battery, not excluding officers. He is now taking an 8-week leadership course at Camp ———. He would like very much to get into the chemical warfare division since he has been told by men in that group that there is a need for replacements. However, he has never received any encouragement in that respect and he feels that the chance of a transfer is very remote.

Mr. Speaker, we are not only wasting this manpower but because of some of the regulations and laws under which we are laboring we are failing to utilize the services of many people because of some physical defect. I think we should take into consideration the opportunity to utilize the skills of many people who would like to be serving their country but who are precluded from doing so because of the regulations we have.

SPECIAL ORDER GRANTED

Mr. JAVITS asked and was given permission to address the House on Thursday of next week for 30 minutes, at the conclusion of the legislative program and following any special orders heretofore entered.

1953–54 FOREIGN-AID BILL

Mr. BURLESON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BURLESON. Mr. Speaker, on yesterday, the Foreign Affairs Committee, of which I am a member, reported out the 1953–54 foreign-aid bill. I assume a rule is being requested at this time.

At the conclusion of the hearings on the mutual-security measure, I offered a motion in the committee to postpone further consideration until sometime in

the fall and not later than December 1 of this year. My motion did not prevail.

Now, Mr. Speaker, in view of certain existing conditions around the world, it would seem the part of wisdom to delay action until some of these obvious imponderables could be more nearly determined than at present.

Just to mention a few: France is without responsible leadership and a goodly part of the funds provided in the authorization bill will go to France. France's position in southeast Asia is, to say the least, unstable at the time and what it may be in the next few months, dependent upon what happens in Korea, is not reasonably predictable.

A settlement in Korea will likely alter, and radically so, the entire picture in the Far East, and particularly southeast Asia.

There are grave doubts as to the position of both France and England in their colonial possessions. There are grave doubts as to what will occur in the great Middle East.

All these problems and conditions should have a clearer meaning in the reasonably near future. Can we at this time act with reasonable judgment in view of all these uncertainties at this time?

I am not one who believes all these conditions will be settled in the near future, but I do believe there will be indications on which more intelligible action can be taken after the lapse of a few more months.

Bear in mind also that the Mutual Security Agency now has in the neighborhood of $10 billion of unexpended funds. Yes, I know they say these funds are obligated. But it so happens that practically all of the obligations have been made since the first of last month. I am aware, of course, that there is such a thing as the "pipeline" and a "lead time" on military end items, but I cannot believe any serious vacuum would be left in this pipeline of supplies if action on the foreign-aid bill was postponed for 4, 5, or 6 months.

Let me say here, Mr. Speaker, that I strongly support cooperation between the free peoples and the free nations of this world. Unless we do so, it is my belief eventually we will be engulfed by Communist aggression. It is not a matter of opposing legislation to bolster the defenses of the free world, but rather it is to have the opportunity of acting more intelligently than it is possible to do so at this time.

The President, the Secretary of State, and the Director of Mutual Security say forcefully they oppose any postponement of action. Of course, they do. What else could they say? It would have a much different effect on our allies should the President and the top leadership of his administration concur in such action or opinion, but it would be another thing if the leadership of this Congress, in its considered judgment, did not bring this measure up for consideration at this time. It would have been another thing had the Committee on Foreign Affairs decided that a new look should be taken before additional billions were authorized for foreign aid.

It would seem perfectly proper that action be taken to authorize the expenditure of unexpended funds to maintain the program in its forward progress, but to wait for the better or worse which seems imminent in the next few months ahead.

Mr. Speaker, I know of no parliamentary procedure of the House by which action on this measure can be delayed other than by a motion to recommit. I would not want to see that action taken. In all probability, it would have an adverse effect and I am not of the disposition to see such happen. It would seem much more wise to delay action on this measure until either the Congress returned in the fall of the year or the first of the next session, than either to pass the bill at this time or defeat or defer it on any sort of a motion.

Therefore, Mr. Speaker, I hope there are enough Members of this House who feel as I do about it to appeal to the leadership not to bring out this legislation at this time, but not to close the door on its consideration a few months hence.

The immediate future may reveal to us possibilities not now anticipated, and I believe that a study of the present fiscal status of the mutual assistance program will convince you that nothing will be impaired or jeopardized in the interim.

PRICE OF AGRICULTURAL PRODUCTS

Mr. McCARTHY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. McCARTHY. Mr. Speaker, about a week ago the gentleman from Missouri [Mr. CURTIS] criticized the Democrats for slipping things into the RECORD and not speaking here publicly so that they could be refuted by Republican Members of the House. I would like to have this public statement noted, and I would like to have it answered or refuted, if possible by Republicans. The Republican national chairman, Mr. Hall, recently spoke in Minnesota. In the course of his speech, he announced that the farm price decline had been halted by the present administration, and that the price of agricultural products is now on the upturn. I find it difficult to reconcile this statement with the most recent report which has been issued by the Department of Agriculture under Mr. Benson, and difficult also to reconcile it with the fact that the price of wheat has now fallen to $1.89 a bushel, the lowest I believe it has been since 1950, and the fact that on Friday of last week the price of veal dropped a dollar per hundred pounds to the lowest that price has been in the last 6 years. Apparently this is the market reaction to the Republican national chairman's statement that his party is attempting to launch a new agricultural program.

TRANSFER OF RECORDS NOT LESS THAN 50 YEARS OLD TO NATIONAL ARCHIVES

Mr. LECOMPTE. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 288) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the Clerk of the House is authorized to permit the Administrator of General Services to make available for use—

(1) any records of the House of Representatives, transferred to the National Archives, which have been in existence for not less than 50 years, except when he determines that the use of such records would be detrimental to the public interest; and

(2) any records of the House of Representatives, transferred to the National Archives, which have previously been made public.

SEC. 2. Such permission may continue so long as it is consistent with the rights and privileges of the House of Representatives.

The SPEAKER. The question is on the resolution.

The resolution was agreed to, and a motion to reconsider was laid on the table.

AMERICAN CITIZENS IMPRISONED BY CHINESE COMMUNISTS

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, Donald Dixon is an American newspaperman who is a foreign correspondent for the International News Service. He and his family have, for a long time, resided in the congressional district I am privileged to represent. On March 21 of this year, Donald Dixon, while on a vacation from his assignment in Korea, joined two other American citizens on a pleasure cruise abroad a private vessel flying the American flag. They were traveling between the island of Hong Kong, a colony of the Government of Great Britain, and the island of Macao, a possession of Portugal, when they were suddenly overtaken by a gunboat flying the flag of the Chinese Communist regime. Their vessel was taken in tow and they were, without any apparent justification, abducted and imprisoned by the Chinese Communists.

I have inquired of the State Department on numerous occasions as to what information this Government has concerning the whereabouts and treatment of Donald Dixon. I have been told that the Chinese Communist radio and Chinese Communist newspapers, apart from admitting they had captured Donald Dixon and imprisoned him in Canton, have given no indication whatsoever of why they have so interfered with the freedom of an American citizen. They have never informed him, or anyone else to the best of our knowledge, as to the nature of the charges, nor have they

permitted him to communicate with his family or his government.

I am informed by the Department of State that Donald Dixon and the two Americans, in whose company he was at the time of his abduction, are not the only citizens of our country who have been treated in this way. At the present time the Department of State has knowledge of at least 30 American citizens who are being held by the Chinese Communist regime. At least 30 American citizens, Mr. Speaker, who are being held incommunicado. The Department of State has asked those of our allies who have diplomatic exchange with the Chinese Communist regime to intercede in behalf of these American citizens and several of our friends have done so, but they have received no reply to their inquiries.

On the 25th of March of this year, Ambassador Henry Cabot Lodge, Jr., addressed the Communist delegates of the United Nations and asked them, in view of their professed interest in human rights, about the status and whereabouts of these American citizens, but again his queries went unanswered.

Mr. Speaker, I need not, I am sure, impress you or the other Members of this body with the brutal nature of communism or the basic insincerity of Communist governments in expressing peaceful intentions. We all know of the willful disregard of human dignity and human freedom which has been shown by Communist rulers throughout the world, but this government of the people is required to protect its citizens and has a long history of genuine interest in individual freedom. The Congress of the United States is in these instances required, in my opinion, to express in formal and certain terms its indignation at this treatment of American citizens by the rulers of Communist China. I have, therefore, Mr. Speaker, today introduced a concurrent resolution by which the Congress would express its indignation at the peremptory arrest and incarceration of Donald Dixon and his compatriots. A resolution by which the executive agencies of the Government be requested to take all possible action to bring about the release of each of these American citizens and by which the Congress expresses its recognition at such inhuman and barbaric action on the part of the Chinese Communist regime conclusively proves its insincerity in claiming peaceful intentions and forms a basic obstacle toward the achievement of world peace.

MUTUAL SECURITY BILL

Mr. JAVITS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Speaker, I have heard my distinguished colleague the gentleman from Texas [Mr. BURLESON] member of the Foreign Affairs Committee, state the effect of his motion to defer any consideration of the mutual security bill. Of course, the Foreign Affairs Committee has considered the bill and has reported it out.

Mr. Speaker, I think two points must be clear to the House. First, that the amounts of money which are obligated are amounts of money for ships, planes, and tanks with which to equip men of our allies who may well jeopardize their lives in battle to maintain the security of the free world. As I understand our policy, we want that preparation for the common defense to continue, not to stop. If we do not pass the mutual security bill that process will stop.

As I understand the gentleman from Texas [Mr. BURLESON], he in effect, regrets that the world will not stand still. But the world will not stand still. The Soviets will not stand still, the Communist Chinese will not stand still, and we cannot stand still.

This mutual security bill which will be before the House is an embodiment of the fact that we are going forward with free world defense in our own security and that we are determined not to jeopardize the security of the American people by standing still.

The SPEAKER. The time of the gentleman from New York has expired.

SALARY ADJUSTMENT OF DISTRICT OF COLUMBIA POLICE AND FIREMEN

Mr. KEARNS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3795) to adjust the salaries of officers and members of the Metropolitan Police force, the United States Park Police, the White House Police, and the Fire Department of the District of Columbia, and for other purposes, with Senate amendments thereto and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, strike out rate table and insert:

"Chief of police	$12,500
Deputy chiefs	8,459
Inspectors	7,753
Captains	6,590
Lieutenants	6,009
Sergeants	5,521
Corporals	5,090
Private, class 4 (3 or more years' service)	4,641
Private, class 3 (2 or more but less than 3 years' service)	4,378
Private, class 2 (1 or more but less than 2 years' service)	4,115
Private, class 1 (less than 1 year's service)	3,900"

Page 2, line 2, following table, strike out "$4,000" and insert "$3,900."

Page 2, line 6, strike out "$1,300" and insert "$1,200."

Page 2, line 8, strike out "$500" and insert "$465."

Page 2, line 12, strike out "$300" and insert "$270."

Page 2, line 14, strike out "$300" and insert "$390."

Page 2, after table, renumber lines 1 to 17, inclusive, 3 to 19, inclusive.

Page 3, line 3, strike out "$400" and insert "$390."

Page 3, line 14, strike out "five" and insert "three."

Page 5, strike out rate table and insert:

"Fire chief	$12,500
Deputy fire chiefs	8,459
Superintendent of machinery	8,459
Fire marshal	8,459
Battalion fire chiefs	7,753
Assistant superintendent of machinery	7,753
Deputy fire marshal	7,753
Captains	6,590
Pilots	6,328
Marine engineers	6,328
Lieutenants	6,009
Sergeants	5,521
Assistant pilots	5,038
Assistant marine engineers	5,038
Inspectors	4,813
Private, class 4 (3 or more years' service)	4,641
Private class 3 (2 or more but less than 3 years' service)	4,378
Private, class 2 (1 or more but less than 2 years' service)	4,115
Private, class 1 (less than 1 year service)	3,900"

Page 5, line 10, strike out "$4,000" and insert "$3,900."

Page 5, line 1, strike out "$400"' and insert "$390."

Page 6, line 11, strike out "five" and insert "three."

Page 9, line 11, strike out "Department or" and insert "Department."

Page 9, line 12, after "Department" insert ", or Battalion Chief Engineer of the Fire Department."

Page 9, lines 14 and 15, strike out "Chief or" and insert "Chief."

Page 9, line 15, after "Chief", insert "or Battalion Fire Chief."

Page 12, line 11, strike out all after "on" down to and including "act" in line 14, and insert "July 1, 1953."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

HILDEGARD SCHOENAUER

Mr. GRAHAM. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1482) for the relief of Hildegard Schoenauer, with Senate amendments thereto and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Page 2, line 5, strike out "241" and insert "242."

Page 2, line 5, strike out "242" and insert "243."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the calendar.

JOHN W. McBRIDE

The Clerk called the bill (S. 140) for the relief of John W. McBride.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

WILLIAM R. JACKSON

The Clerk called the bill (S. 712) for the relief of William R. Jackson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William R. Jackson, administrator of the estate of W. C. Jackson, deceased, the sum of $11,500 plus interest on such sum at the rate of 4 percent per annum from February 24, 1943, to the date of payment, representing the amount of damages found by the United States Court of Claims (Congressional No. 17859, decided April 8, 1952, in response to S. Res. 137, 81st Cong.), to have resulted from the unlawful taking by the Government of the deceased's fishing grounds and the deprivation by the Government of the deceased's use of his fishing nets in the vicinity of Spesutie Island, Md.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. ROBERTS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROBERTS: Page 1, line 6, strike out the word "plus", after the figure, and all of line 7, and line 8 through and including the word "payment."

Mr. MILLER of Maryland. Mr. Speaker, the effect of the amendment, as I understand it, is to strike out of the bill the allowance for interest in the judgment of the Court of Claims that was included in the Senate bill and has been approved by our Judiciary Committee and reported favorably to this House.

The item, briefly, that is involved is a property right under Maryland law which was seized by the Government due to war necessities. This matter has been pending in the Congress for some years. It was originally introduced in the Senate by Senator Tydings. Eventually the Senate by resolution sent this case to the Court of Claims of the United States to determine the amount that might be due. Last year the Court of Claims, in assessing the damages that had been done through the seizure of this property, fixed the amount of the award in the principal sum of $11,500. The opinion of the court, which was handed down on April 8, 1952, concludes with this language:

It is our conclusion that the plaintiff has a legal and equitable claim against the United States for $11,500, plus, as a part of just compensation, interest at the rate of 4 percent per annum from February 24, 1943.

I want you to note that language particularly "plus, as a part of just compensation, interest from February 24, 1943."

The amount claimed by the plaintiffs in court was considerably larger than the amount awarded. The Court of Claims, after very careful consideration, has awarded not only the principal amount but the interest, which in this case amounts to a considerable part of the recovery, $4,600.

This bill, without amendment, has passed the Senate twice; it has been approved by our own Committee on the Judiciary without amendment, and unlike many cases, this is not an unliquidated contract proposition where, as I understand, we have often stricken the interest as an economy measure. This is the only substantial asset that the widow of this particular former constituent of mine has. After the Court of Claims has gone into the merits of the case and sorted out the facts, and as the court of competent jurisdiction has brought out its solemn judgment and says this should be included, it would seem to me that any hasty action here in the House, where the facts have not been fully explained and where we have not had the opportunity to sit as a court, would be setting a bad precedent. We would, by adopting this amendment, knock off 40 percent from the judgment allowed by the Court of Claims of the United States, which is certainly the most competent body I know of to determine what is fair to this particular constituent of mine.

These people are not wealthy. This widow needs the $4,600 very badly, and I would hate to see it stricken from this award just as a theoretical economy.

Mr. ROBERTS. Mr. Speaker, I rise in favor of the amendment.

Mr. Speaker, it is not always a pleasant duty for us to oppose a bill on the Private Calendar, but there are times when we feel it is our duty to do it.

In the first place, this man's fishing rights, you may say, were not of a permanent nature. He held his rights simply in the nature of a revocable license that could be taken away from him at any time by the State of Maryland.

In the second place, the verdict of the Court of Claims is what we call down in Alabama a quotient verdict or a speculative verdict. They had no certain way of fixing his earnings. They simply estimated them.

I would like to read from the opinion:

We think, therefore, that the plaintiff had a sort of property right in his fishing ground, and that the Government took that property from him. But the valuation of what was taken, for the purposes of just compensation, is difficult, for at least two reasons. The first is that he fished only by license from and at the sufferance of the State of Maryland, which could have changed its law at any time and refused him a further license. The second is the considerable fluctuation of the plaintiff's net income from his fishing, during the years before he was forbidden, and upon the basis of which his loss must be estimated. The best that can be done, in our opinion, is to make an estimate, in the nature of a jury verdict, of approximately what the plaintiff's right and prospects would have sold for in 1943. We fix that sum at $10,000.

They allowed $1,500 for his nets.

Now, our objection to this award of interest on this total amount goes further than that. He did not actually earn $11,500 nor $10,000 the first year, but this court decision attempts to give him interest on the full amount from the date of February 24, 1943.

If I do not make myself clear, what I am trying to say is, in his first year of fishing the court estimated he made, I think, around $2,000. We would not object to giving him, perhaps, interest on what they estimated he actually earned, but we do oppose giving him interest on a speculative verdict at the full amount from the date of the taking.

Mr. MILLER of Maryland. Mr. Speaker, will the gentleman yield?

Mr. ROBERTS. I yield to the gentleman from Maryland.

Mr. MILLER of Maryland. The gentleman understands that this fishing right, which he refers to as a sort of property right, is one which has the same basis as a holding in real estate.

Mr. ROBERTS. I would just like to say that the action of the State, as to a revocable license, is highly speculative. I think the gentleman will agree with that statement.

Mr. MILLER of Maryland. I am not arguing the merits of this case here, but the annual earnings that were shown on that investment were in the neighborhood of $2,800 a year. Actually, if capitalized at that value, it would be much larger than the court's award, and there was a larger claim made by the plaintiff. But how can we, after the matter has been tried in a court of competent jurisdiction, in a few minutes here go into the merits of something that the court has studied carefully and embodied in its judgment, that the interest should be allowed because of the circumstances in this case?

Mr. ROBERTS. I will admit that we may be accused of going far, but when the court admits in its own opinion that the damages are highly speculative, I think, then, we have a right not to add interest, retroactive to the time he lost his fishing rights.

Mr. MILLER of Maryland. I agree we have a right to read the opinion, but we must bear in mind that when this bill was originally introduced by Senator Tydings in 1948, the original demand was $60,000. Now it has been reduced, and you want to reduce it still further.

The SPEAKER. The question is on the amendment offered by the gentleman from Alabama [Mr. ROBERTS].

The amendment was rejected.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TERRY L. HATCHETT

The Clerk called the bill (H. R. 4097) for the relief of Terry L. Hatchett.

Mr. JARMAN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

HUNTINGTON, McLAREN & CO.

The Clerk called the bill (H. R. 4329) for the relief of Huntington, McLaren & Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $3,720 to Huntington, McLaren & Co., of San Marino, Calif., in full settlement of all claims against the United States as reimbursement of excessive payment of custom tax on jute webbing shipped from Calcutta, India, during the period April 3, 1951, to July 23, 1952: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out "$3,720" and insert "$3,712."

The committee amendment was agreed to.

Mr. GRAHAM. Mr. Speaker, I offer a committee amendment.

The Clerk read as follows:

Amendment offered by Mr. GRAHAM: On page 1, line 10, strike out "1952" and insert in lieu thereof "1951."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OTHO F. HIPKINS

The Clerk called the bill (H. R. 4799) for the relief of Otho F. Hipkins.

Mr. JARMAN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

FAVORING SUSPENSION OF DEPORTATION IN THE CASES OF CERTAIN ALIENS

The Clerk called the concurrent resolution (F. Con. Res. 25) favoring the granting of the status of permanent residence to certain aliens.

There being no objection, the Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months:

A-4735353, Aaron, Joseph Louis or Joseph Luis Aaron.

A-7824615, Ackerman, Carolina McDowell or Carolina Peralta or Carolina Peralta McDowell or Carolina McDowell.

A-6330113, Amso, Khalid Iskander alias John Amso.

A-7983248, Anderson, George Newton.

A-3261198, Atteyeh, Zehia Najm or Victoria Atteyeh.

0604-3332, Bain, Kenneth Bruce.

V-49807, Beard, Harold Edwin.

A-3866913, Bell, Joseph Lee.

A-8001026, Ben-Kiki, Salomon or Shlomo.

A-6721110, Borenstein, Dyna or Dyna Bernstein (nee Kozuchowicz).

A-6808238, Bradaschia, Alberta or Alberta Bradaschia Hatch.

A-8031622, Brando, Antonio.

A-4387675, Browne, Sam.

A-9005941, Bulieris, Nick.

A-7279873, Cantu-Ornelia, Tomas.

A-6661961, Carlson, Mary Theodora or Mary Theodora Rawlence.

A-4764334, Carnegie, Gladys Lucille Campbell.

P. R. 905495, Chen, Kuang Tsao or Joe K. Chen.

A-6849873, Mun, Chiew Chen or Mun Chiew Chen.

A-7249012, Chu, Phoebe Fei.

A-3471204, Colohan, Mary.

A-5866573, Costakis, Michael Zackarias.

V-688517, D'Amico, Italo.

A-2539803, De Balle, Carmen Esparas Viuda.

A-4145753, Di Cola, Giuseppe Schiano.

A-7983028, De Grace, Clifford.

A-4534672, De Guoy, Suzanne Elisabeth or Suzanne Philipine Pullig.

A-2870961, De Iglesias, Francesca Villamil (nee Duran).

A-3378820, De Licon, Josefa Corral or Josefa Corral.

A-7028578, Denes, Mary Ann.

A-2458189, Dominguez, Lauro or Lara Dominguez or Lauro Dominguz.

A-3036747, Dono, Avelino Iglesias or Avelino Iglesias or Avellino Iglesias.

A-3324246, Dorducoff, Carl.

A-9694533, Durand, Lucion.

A-7985557, Fernandez, Maria Antonia Gelpi y Diaz Fernandez.

A-7903349, Fernandez, Roberto Boluffer or Roberto Bolufer Fernandez or Roberto Fernandez.

A-2486285, Fischer, Alexander or Alex Fischer.

A-5043636, Formoso, Domingo (Gonzalez).

A-5151582, Fornalewicz, Stanley Francis or Stanley Francis Foreman or Stanley Francis Kwiatkowski.

A-1005408, Fortier, Albert Arthur or Joseph Jean Baptiste Albert Arthur Fortier or Albert Fortier.

A-6846619, Foster, William Molson or William Marshall Farrell.

A-6300474, Frayne, Miriam Gwenda.

A-4100276, Garneau, Arline Marie (nee Pare or Perry).

A-5741626, Geddes, Eileen Melvin or Eileen Morgan or Eileen McFadden.

A-3792149, Geier, Wilhelm Herman.

A-6096912, Geli, Josephine Alvarez.

A-6868022, Georgieff, Anna (Gheorgieff) (nee Hrankova).

A-8117175, Gesso, Ugo Del.

A-4255428, Gill, Caroline Beatrice (nee Caroline McLean).

A-7469710, Giordano, Bianca Rosa (nee Nocerine or Bianca Rea).

A-7797183, Girdharry, Reginald Oswald.

A-5070402, Gitter, Reinhold Curt.

A-4497520, Grbin, Liberat or Liberat Gribin.

A-7828315, Haghani, Parvin.

A-5816142, Harocopos, George Dimitre.

A-9736801, Henriques, Oscar.

A-7978948, Herrera, Fernando Rodriguez or Fernando Herrera-Rodriguez.

A-7978949, Herrera, Argelia Rodriguez or Argelia Herrera-Rodriguez.

A-7137159, Hill, Katharina Anna (nee Turner).

A-3971073, Huie, Gladys Moy.

A-7027264, Huie, Moy Ling.

A-1407913, Ilicin, Sandor or Alexander Ilicin.

V-1139290, Jessel, Enrique De Alba or Henry Jessel.

A-6243597, Jones, Joan Lee.

A-6882344, Karagovalis, Nicolas Lemony.

A-6972968, Kastrinakis, Maria Panagiotis.

A-2622980, Kolley, Edith May (nee Valkenier).

A-2159935, Koo, Freeman or Freeman Fuchang Koo.

A-7427796, Koo, Edith Tsai.

A-7967850, Lafayette, Stanford.

A-7367047, Liang, Ping Yee.

0500-41402, Liang, Alice Kao (nee Alice Shih Hsien Kao or Shih Hsien Kao).

A-6695766, Lin, Yip Sho or Julia Yip Tong.

A-7184964, Liu, Tso-Chow.

A-7418127, Lowry, Kathryn.

A-1101128, Luksch, Andreas.

A-2679657, Makovsky, Frantisek or Frank Makovski.

A-6735994, Malone, Annie Woods, formerly Lyons (nee Woods or Higgins).

A-2582450, Markantonatos, Nester.

A-7127470, Marks, Helen Korakis (nee Helen Aristotelis Koarkis).

A-1427560, Martelle, Theresa (nee Theresa Guay).

A-5552771, Matheson, Flora Gilchrist.

A-7980256, Martinez-Castaneda, Felix.

A-7371947, McKenzie, Herman Augustus or "Rhod."

A-9695087, Meeuwissen, Jacobus F.

A-7203595, Mekjian, Massis or Movses Makajian or Mike Nakjian.

A-6671901, Miah, Aflak or Akbar Mohamed.

A-9765120, Minardi, Emanuele.

A-1770131, Modny, Nikoloj or Nick Modny alias Joe Pastuszenko.

A-3469757, Moy, Harry May or Harry Kasim.

A-3603606, Muniz, Stella or Estrella Muniz (nee Iglesias).

A-3448885, Negro, Giovanni.

A-6561438, Nepli, Jessie Chatman.

A-7042936, Nevarez, Maria Lidia Nieves or Minerva G. Nevarez or Maria Lidia Romo or Maria Lidia Hernandez (nee Maria Nieves Lidia Hernandez).

A-4726959, Nuzzo, Antonio or Tony Nuzzo.

A-9777484, Orellana, Francisco or Francisco Beltran Orellana.

A-3581790, Osley, Christina (nee Foltin).

A-6477498, Paap, Antonie Herbert.

A-9281816, Panagis, Efstathios or Efstathios Panos or Stathis Penogis or Stathis Panos.

A-6819642, Papa, Gaetano.

A-8088748, Parker, Elizabeth Claras or Claris or Clarice (nee Butt or Betty).

V-503518, Perrotta, Ernesta Ilda.

A-9825457, Pervanidis, Leonidas or Leonides Pervandis or Louis Pervandis.

V-949373, Pichardo, Maria del Carmen Villegas Calvo.

A-2009652, Pilotti, Sisto.

A-7351119, Pirak, Hirell Mary or Hirell Mary Williams.

A-7110851, Pizzimenti, Cristoforo.

A-5701817, Prapas, Ionnis or John Athanisou or Ioannis Athanasiou Prapas.

A-8035647, Preciado, Maria Gloria or Gloria Preciado, or Gloria Ravago Preciado.

A-2485355, Quagliata, Pietro Joseph.

A-2585291, Quinones, Iris Iglesias.

A-2505027, Rapanos, Pamaquiatiz Andreou or Pete Rapanos Andrews.

A-5609429, Rasmussen, Carl or Carl Adolph Kreutzfeldt.

A-7119207, Retrain, Pierre Paul.

A-7457067, Rintchen, Adam Adolf.

A-4545300, Ristich, Bozidar or Bozidar Ristitsch.

A-7197877, Robatscher, Johann Heinrich or John Henry Depew.

UNIVERSITY OF MICHIGAN LIBRARIES

A-3135196, Roberts, Ertie Helen formerly Schauer (nee Turpin).
A-7491693, Rock, Margaret Anderson (nee Lawrence).
A-7821674, Fernandez, Ada Pilar Alonso Y or Ada Rodrigues.
A-7809785, Rodrigues, Evelio Pena.
A-7828399, Rossiter, Esther Elizabeth (nee Sondergaard).
A-5509279, Sabatelli, Andrea Ranelia.
A-7469758, Saliba, Helene Elias.
A-7915587, Salas-Salik, Maria Teresa.
A-7274202, Sandate, Ambrosio.
A-7274201, Mani, Josefa or Josefa Mani de Sandate.
A-7934690, Sandoval, Jesus Maria Zapata.
A-7985793, Scafidi, Maria Lombardo (nee Maria Lombardo).
A-6178369, Schermerhorn, Angelita Odulio.
A-7457021, Sefcik, Frantiska (Frances).
A-2783222, Semedo, John Moreira.
A-6313369, Servin-Maya, Manuel Silvestre or Delfino Madrono Velasquez.
A-4246347, Shen, Ciao Lin or Leo Shen.
A-1186681, Shen, Mei Yu (nee Mei Yu Kuo).
A-8057920, Sigala-Munoz, Francisco.
A-4878546, Sims, Stephen A. or Stephen Augustus Simms or Stephen A. Simms.
A-3975551, Spampanato, Paolino or Aophonse Cadabrese or Aophonse Cacabrese.
A-7287964, Stanimiroff, Reina Vanko.
A-4799492, Stasinowsky, Rudolf Gustave Wilhelm.
A-7858052, Stephenson, Ison George.
A-6985319, Stollop Esther (nee Schinasi).
A-6440257, Szender, Bela or Bela Aldebert Szender or Gedalia Szender.
A-7194649, Tabella Enrichetta (nee Di Pietrantonio).
A-7890470, Vela, Jose Ramon.
A-5623999, Voight, Agnes Kirsten formerly Hansen (nee Schiellerup or Agnes Knice Larson).
A-6507631, Vonikis, Anthy (nee Pitilaki).
A-1853256, Voskidis, Theodore John or Voskides or Voshides.
A-7858034, Vuoso, Aniello.
A-1914023, Vuskovich, Marin or Mario Marin Vuckovich or Marino Vuskovich.
A-7117967, Walker, Samuel Lureon or Jonathan Waterman.
A-5638949, Watanabe, Hikomune.
A-3137196, Wei, Luy or Wei Luy.
A-5897490, Wilson, Helena Altagracia.
A-6461074, Wint, Cecil Theodore.
A-6269695, Wong, Ah.
A-6377721, Yu, Shao Chi.
A-6379007, Yu, Shao Chen.
A-6318239, Zaferopoulous, Sophia G. or Sophia Zaferopoulos (nee Palapanibou).
A-5449289, Zito, Luigi.
A-7274121, Zournitzes, Anna.
A-1006866, Zuczek, Jan Sylvester.
A-6254131, Acevedo, Teodoro Juvenal Tovet or Teodoro Juvenal Jovet Acevedo or Juvenal Jovet Acevedo.
A-6253545, Agarwal, Jagdish Chandra.
A-8010575, Alamo, Frances Francisco Gonzalez.
A-6857626, Amiri, Leon Barukh.
A-4680359, Angell, William Donald Henry.
A-5503168, Auriemma, Silvio or Sylvia Auriemma or Silvio D. Auriemma or Silvio Auriemma.
A-2251718, Barba, Antonio.
A-6604420, Barnett, Bertram Leopold alias Albert Lobbom or Lobbon.
A-3171773, Bauseler, August.
A-4551468, Benvenuti, Angelo.
A-5505112, Binternagel, Alfred or Pred Nagel.
A-4773375, Black, Wilfred Constantine.
A-8039186, Bionqvist, Waldamar or Waldemar or William Bionquist or Bloomquist alias Charles Hill or Charles Oscar Hill or Charles R. Hill.
A-7174712, Boccanfuso, Luigi or Louis Boccanfuso.
A-6802559, Bodner, Naftali alias Nathan Bodner.
A-6802560, Bodner, Maria (nee Wasser).
A-7957148, Borges, Fabio, Augusto Eschalante.
A-1934944, Bosotina, Tome or Toma or Tom Basotina.
A-4496021, Boss, Karl Heinrich.
A-6712461, Brokke, Cornelis Jacobus or "Cees" or C. Y. Brokke.
A-1136301, Bronner, Otto Robert alias Otto Brunner alias Oskar Rudolf Bronner alias Jacob Hoffman.
A-1375004, Bullough, Elizabeth alias Lillian Bullough.
A-9765191, Byer, Louis Ernest.
A-7858133, Campbell, Adolphus.
A-6868114, Carrillo, Bruno.
0606-48769, Cartwright, Harcourt Lemorn.
A-6744363, Cavalieri, Lucia Teresa formerly Menzel (nee Papasso).
A-5014299, Chen, Jean Ting or Mary-Jean Vung-Hwa Ting.
A-5612168, Ching, Chin Shew or Shew Ching Chin now Chin Ginn.
A-4752956, Chow, Ah Kin or Ah Kin Chu or Ah Kin Chow Yuan.
A-6317969, Chow, Wah.
A-5928406, Choy, Cheung.
A-6027136, Chu, Charles Chi-Jung or Chi-Jung Chu or Charles J. Chu.
A-2645479, Cirillo, Francesco or Frank Cirillo or Jack Cirillo.
A-5045831, Clark, Lester.
A-5240615, Clarke, Esther Amanda formerly Draggan (nee Vernon).
A-3029860, Colias, Angelo or Evangelos Koliaroudis.
A-7357188, Crawford, Hertha Asta (nee Koeppen).
A-7357188, Crawford, Beatrix Doris formerly Koeppen.
A-4710105, Cruz, Avelino Manuel.
A-7173939, Cruz, Jaime Quiason or Jimmy Cruz.
A-3693528, Cutri, Giuseppe or Joseph Cutri.
A-5621852, Davis, Charles Norman or Jack Charles Davis.
A-5406055, DeAlessandri, Luigi.
A-5876270, DeAngelis, Joseph or Giuseppe DeAngelis.
A-6856237, De Carrizalez, Angelina Garcia.
A-1470875, Demopoulos, Pete or Pete Demas.
A-5319885, Djado, Lenus Louse.
A-4339977, Donna, Ciro Di.
A-7203709, Duncan, Clifford Uriah alias James H. Heron or Herron.
A-2414136, Duran, Julio Martinez or Julio M. Duran.
A-7983292, Eredita, Filippo.
A-4258607, Eskenas, Victoria or Victorias Levi or Levy.
A-5348477, Falzone, Arcangelo alias Angelo Falzone.
A-6815008, Ferguson, Joyce Irene (nee Castle).
A-7050951, Fierro, Felix.
A-7050952, Fierro, Angela.
A-7050953, Fierro, Alejandro.
A-6866925, Gabbay, Jacob Noonoo.
A-8091833, Garcia, Heriberto Llagostera y.
A-8091655, Garcia-Santiago, Santos.
A-8091927, Garcia, Paula Lozano de.
A-5061341, Garim, Henrique David Fernandez.
A-9635529, Georgiafentis, Michael Ioannis.
A-5583799, Gerner, Balthazar or Bill Gerner.
A-2505610, Gianino, Domenico M.
A-4088546, Giovanopoulos, Athanasios.
A-5131379, Goldhammer, Renee formerly Ronal (nee Regina Rezsin Roth).
A-6385785, Gomez, Jose alias Jose Gomez y Cantero.
A-6969999, Gonzalez-Ramos, Jose.
0300-356606, Goskin, Hudson or Hudson Gaskin.
A-7646264, Grey, Doris Arlene.
A-5067363, Hall, Charles Vanderbilt or Victor Hall or Charles Hall.
A-5818422, Hanke, Kurt George.
A-5756500, Harms, William.
A-5957168, Hartanian, Dero or Hartinian.
A-1086276, Hartanian, Sarah or Seranoosh Hartanian (nee Kupenian or Afarian).
A-6447841, Heim, Stanley Harasim.
A-7457206, Heng, Fong or Fang Heng.
A-7982086, Hernandez-Avila Gonzalo.
A-4986529, Hernandez, Tovar, Jesus.
A-4283577, Hirai, Harumitsu.
A-5963051, Hoglund, Kristina Elizabeth K.
A-4547366, Howard, Emma, alias Emma Josephine Klein (nee Zoeller).
A-3524739, Hurdle, Alexander Rudolph.
A-8117874, Hurtado-Alejandro, Isabel.
A-8078948, Gallardo-Gonzalez, Maria Natividad alias Natividad Ybarra.
A-7903746, Hurtado-Gallardo, Ruben.
A-8078946, Hurtado-Gallardo, Miguel.
A-3490499, Hymowitz, Sophie formerly Sophie Avrutik (nee Sophie Nedner).
A-1040403, Ito, Kenjiro.
A-7070971, Jacome-Sanchez, Jorge alias Roberto Sanchez-Barrera.
A-5285361, Jerome, Nick or Nicola Di Girolamo.
A-7247972, Kallenbach, Rudolf Werner.
A-7211044, Kania, Julian.
A-3474366, Kariotis, Demetrios George alias James Pappas.
A-9527023, Karistianos, Ioannis Antonios alias John Karistianos.
A-6163393, Kaszuba, Stefan.
A-7189458, Kendall, Beatrice Paule (nee Pellitti).
A-6188419, Keuker, Frances Else Siemsen.
A-2516855, Khalil, Joseph or Joe Khalil, or Joseph Cahil or Joseph Cahil or Joseph Kahill or Joseph Khalill.
A-6758378, Kirpalani, Mohan Santdas.
A-6205992, Kokorelis, Demitrios George.
A-2584801, Koutroukis, Athansios or Tom.
A-6261617, Kouzounis, Smara.
A-6838411, Kwan, Cho Shun or C. S. Kwan or Cho Shun Kuan.
A-4115327, Kwan, Margaret Mo-Hing or Margaret Kwan (nee Margaret Ho-Hing Yeung).
A-2212514, Kypreos, Zaharias E. or Zaharias Ephemius Kypreos.
A-5028348, Lamela, Jose.
V-633237, Lampert, Tadersz. .
A-4493520, Leberman, Solomon or Solomon Greenbaum.
A-3852009, Lee, Wah or Lee Wah.
A-5813667, Levitan, Ryfka alias Beatrice Levitan alias Reba Rosenberg.
A-6038654, Loo, Ah Ping.
A-7042323, Lorenz, Anna or Anne Catherine Lorenz or Annie Lawrence.
A-5643477, Lorenzetti, Livio.
A-6727269, Loureiro, Felzia Bettencourt Sancho.
A-7450693, Luci, Maria (nee Ambesi).
A-8117478, Lum, Mun Kit alias Lin Wen Cheich.
A-3040466, Mahovtas, John Evangelo or Ioannis Evangelo Mahovtas.
A-3369242, Margitic, Daniel Vladimir.
A-4553066, Martin, Joseph Marks.
A-4493878, Martin, Eva.
A-6141122, Martinez, Roberto or Roberto Morales.
A-3778804, Martinolich, John.
V-259045, Matyskiel, Sophia.
A-9747072, Mavridis, Sotirios or Sotirios Themistocles Mavridis.
A-5379506, Nakawatase, Tatsuo.
A-1772242, Nanos, Harry Christos, or Harilaos Christos Nanos or Harry Christ Nick Harris or Nick Harris.
A-5191574, Norcia, Michele or Michael or Michael Prestigiacomo or James Milone.
A-5443936, Norcia, Rosalia Mustacchia or Rosalia Mustacchia or Margherita Mustacchia.
A-6558360, Novelli, Gino.
A-2916644, Mendes, Paaixano or Paxao Mendes.
A-6407308, Meyer, Majer or Mayer Spatz.
A-7096140, Meyer, Nanno.
A-9620180, Millarson, Leonard Paul or Leonard P. Millarson.
A-7841702, Mohamed, Dost.

A-9025342, Moraglis, Michaelis Stefanos.
A-4887284, Munter, Johann Karl Bernard alias Bernard Werner.
A-8065048, Olivares-Saucedo, Angel or Juan Montanez or Angel Olivares.
A-7135763, Omlie, Ricardina Lozano (nee Cacho).
A-1028134, Opitz, Paul Rudolf.
A-6921230, Ortega, Alfonso or Alfonso Ortega Marin.
V-905040, Ortiz, Monina Dones or Monina Dones de Ortiz.
T-1617259, Ostolaza, Edith Cortez alias Edith Cortez Cortez or Edith Cortez Heredia.
A-7251144, Ozyurt, Muhittin.
A-6326925, Ozyurt, Perihan.
A-9520851, Pahk, Karl Friedrich.
A-2343423, Pai, Hua Shen, or Livy Hua.
A-2337585, Hua, Lily Kuh Veng Chao or Kuh Ving Chao.
A-4290983, Palmer, Sara alias Sadie Palmer.
A-3714760, Papiannou, Vasilios or William Basil.
A-9765441, Parascandolo, Salvatore.
A-5702963, Pearson, Mary (nee Aune Maria Vassi or Mary Vassi).
1300-51121, Perez, David Cobb.
A-5379724, Peterson, Axel Wilhelm or Axel Vilhelm Petterson or Axel William Peterson.
A-9290128, Pineault, Laureat or Andre Albert Laureat Pineault.
0400-41461 (1), Planchart, Carlotta Patricia.
0400-41461 (2), Planchart, Anthony Delano.
A-7392105, Prete, Aldo Del.
A-6782132, Psichoulis, Dimitrios.
A-9057055, Puglionisi, Orazio alias Harry Puglionisi.
A-6178516, Reid, Cristeta.
A-8022369, Rivera-Torres, Manuel.
A-7140812, Rocha, Pablino.
A-7140746, Martinez, Maria.
A-6210868, Rodas-Shaw, Guillermo Ricardo.
A-7123414, Ruggiero, Giovanni or John.
A-1790295, Sabattini, Mario Enrico.
A-2215058, Sabourin, John Ambrose.
A-5014256, Sahrten, Otto Arthur.
A-7983426, Salas, Enrique Valavia.
A-6903810, Samaha, Khalil.
A-2998912, Sameshima, Hideshi or Hideshi Samejima.
A-1690341, Sarantis, Pantelis G.
A-6931610, Schiraldi, Maria Rosaria (nee Politano alias Rosaria M. Politano or Maria Rosaria Politano Schiraldi).
A-4801844, Schulze, Johann Gustav.
V-241911, Schwarz, Alter or Schwarc.
A-1603961, Seemann, Rudolf Christian Johannes.
A-1804137, Seemann, Gertraut Luise.
A-7043714, Seemann, Johannes Wilhelm.
A-3898264, Sinodinos, Spiros.
A-7463352, Slatwinski, Lucrecia (nee Lucrecia Sanchez).
A-6268939, Smith, Maria Luisa.
A-6458390, Solomon, Theresa Talmadge (nee Theresa Naftaly Assayas or Theresa Naftaly Talmadge).
0300-297931, Soon, Eng Hung alias Toby Eng.
A-6442554, Spielmann, Frederic Bedrich.
A-6442553, Spielmann, Lieselotte.
A-6194562, Syriopoulos, Constantine.
A-2432704, Tang, Seetoo Ngan.
A-1515444, Tartaras, Constanino Eftimiou.
A-5967450, Teshima, Hisashi.
A-7139299, Theriault, Sigrid Waltraut (nee Pfeiffer).
V-1271056, Thomas, Marie Louis Denise (nee Minos).
A-7978943, Tolberg, Thomas Edward.
A-5398165, Torres-Puga, Rutilio or Rutilio Puga-Torres.
A-7978947, Tow, Li Cho alias Luk Tow or Hing Seam Wong.
A-5320776, Tse, Oi Ming.
A-4937801, Vasko, Frank alias John Lang.
A-9825395, Vasquez, Juan alias Juan Manueel Vasquez y Santos.
A-9713426, Vecina, Iremio.
A-9836818, Venidis, Nicholas or Nikolaos Venidis.
A-6178321, Victoriano, Severino Sangil.
V-1508643, Villegas-Arango, Alberto.
A-1705125, Vlavianu, Michael.
A-6268681, Waldman, Katherine Ruth (nee Moor or Moore).
A-9549891, Walthery, Franz Maurice Marie.
PR-948368, Wang, Kung Shou.
PR-946593, Wang, Lucy Shou.
A-7141093, Ward, Gertrude May (nee Bessie Gertrude Hatton formerly Johnston formerly Wiseman).
0300-355719, Welch, Gerald Oscar Darlington or Gerald Olde.
A-4909821, White, Albert or Bela Weisz.
A-5327052, Wick, Oscar Albert.
A-6897056, Wizenfeld, Szmul Najer.
A-7280925, Wizenfeld, Dina.
A-2658704, Wong, Chai Bong alias Edward Goon alias William Wong.
A-6407197, Wong, Hing.
A-1536915, Wu, Ching Te or Carl Ching Te Wu.
A-2250015, Wu, Annie Chen Hua or Nee Yang.
A-3515048, Yantsis, Evangelos Soterios or Vangels Sotir Yantsis.
A-9549332, Yasa, Nikola Yakov or Nikola Jasa.
A-6752686, Yuen, Wai Loo or Wai Loo Sung or Woo Nei Lu.
A—6394812, Yureklier, Iskender.
A-7115540, Zaccarelli, Gianfianco or Gianfranco Mandrelli.
A-7115541, Zaccarelli, Pier Giorgio or Pier Giorgio Mandrelli.
A-5040923, Zaimas, Nicholas or Nicholas John Zaimas formerly Nicholaos or Nicholos Ioanou Zaimas alias Nicola John Nick.
A-8037882, Zazzera, Yolanda or Maria Chiesa or Iolanda Mazza.
A-7955260, Abraham, Angela Mahbub (nee Zeidan).
A-7898445, Aguilera y Julve, George Segundo.
A-9764566, Amin, Nural.
A-6919766, Antzakas, Angelo Augustus.
A-7778303, Arguinano-Sarri, Antonio Maria Pedro.
A-5937033, Arreola, Miguel.
A-4973444, August, David Lewis.
A-7445068, Bakal, Rose.
A-5230646, Beattie, Ursual Gwendolyn formerly Slack (nee Ryan).
A-9659000, Blees, Johann.
A-1322933, Braun, Anna Maria (nee Kaumbach or Grohs).
A-1001178, Bulmer, Yta (nee Yebizawa).
A-3291922, Caccamo, Philip Joseph.
A-8190892, Carrillo, Antonio Nunez.
A-7209364, Carrillo, Juan Brigido or John Brigido Carrillo Androve.
A-8091983, Cavaioli, Elizabeth McKenna formerly Elizabeth Miller Matezie (nee Elizabeth Miller McLean McKenna).
A-7415668, Celli, Nemmo Ciccone.
A-6649886, Chai, Young Kow.
A-3743650, Chang, Yuen.
A-7061804, Chen, Huan Yung.
A-6851558, Chen, Suzy Chin-Sheng Wang.
A-3530400, Chin, Dot.
A-5626906, Cicero, Nicolo Lo.
A-7126636, Crosthwaite, Tatians Eugene formerly Tatiana Pavlichenko.
A-5214813, Decandia, Spiro.
A-4979175, De Torres, Braulia Lira (nee Braulia Lira-Paz).
A-1435361, Dilalos, Georgios Aristidis.
A-5014254, Dimeglio, Giuseppina.
A-2685933, Dominguez, Amelia (nee Legaspi alias Barbara Pia).
A-4603643, Dudine, Joseph.
A-6441301, Duffy, Catherine Mary.
A-3341729, Dulka, Pauline (nee Zadoreska).
A-7039633, Estrada-Ojeda, Benito.
A-4741071, Farese, Antonio.
A-7415752, Fernandez, Jose or Ralph G. Fernandez or Jose Carlos Manuel Fernandez-Gonzalez.
A-6492907, Fiallo-Suazo, Luis Omar.
A-6492908, De Fiallo, Carmela Tavares.
A-5909702, Flores-Arredondo, Tomas.
A-7008674, Fortunis, Athena Louis or Athina Michael Nicholopoulou, or Athena Fortunes or Athena Adams.
A-7491007, Gall, Stephen John.
A-5783226, Gee, Chin.
A-8091922, Gong, Hoy Sing alias Gong Hoy Sing alias Hay Sing Gong.
A-2992721, Grego, Umberto or Umberto Greco.
A-4769402, Guidici, Louis or Luigi Zudich.
A-9764869, Guishard, James Selwin.
A-6772191, Harangi, Laszlo.
A-7050396, Harangi, Antonia (nee Yuhasz).
A-5113357, Hartman, Otto Frank or Otto Franz Hartman.
A-7962206, Hernandez, Hector Ruiz or Hector Ruiz.
A-6833491, Houle, Thomas or Hull or Hall.
A-9557883, Hymans, Eugene Henry.
A-7092017, Jabalera, Eustacia Marta.
A-6921562, Jiminez-Romero, Leonardo.
A-3434275, Kolodny, Anna.
A-5337619, Kuong, Yung Po.
0300-300475, Lai, Fred Wing or Lai Wing Lai or Lai Wing Fook.
A-3372916, Lafkas, Efstathios Kostas or Steve Lafkas.
A-5000379, Lajacona, Gilda Margaret (nee Geltrude Salamone).
A-8117867, Lee, Jack or Wah Jack Youngh.
A-7983074, Leon, Maria Rincon y Padilla.
A-2153959, Lin, Ho Kwin alias Harry Ho.
A-6327712, Lomibao, Socorro Zenaida.
A-3575659, Loy, Yip Sing alias Frank Loy.
A-3432597, Lukanowski, Paul.
A-3179195, MacKenzie, John.
A-7264277, Madrigal-Mejia, Miguel.
A-3442270, Magalhaes, Manuel Piereira.
A-7296160, Mango, Attilio.
A-5243646, Mayer, Alex.
A-2189879, Mihailtsis, Constantinos alias Constantinos Mihailidis or Gus Mihalidis.
A-8010437, Mireles, Eugenia or Eugenia Mireles Diaz, or Eugenia Mireses-Nava.
A-9758369, Modica, Salvatore.
A-6870226, Montoya, Adolfo or Adolfo Montoya-Salazar.
A-5338324, Muskardin, John alias Giovanni Muskardin or Ivan Muskardin.
A-1278630, Nathanielsz, Edward Basil.
A-7018847, Nathanielsz, Ault Mellor.
A-6509101, Nieh, Ching Hsia Change or Ching Hsia Chang alias Helen Chang or Elaine C. Nieh.
A-6620588, Nieh, Edward Kwangpoo.
A-5621957, Palho, Edward or Eljas Polho.
A-2285648, Panos, Peter or Panagiotis Tsilipanos or Tsilimbanis.
A-1442917, Papalexatos, Spiros.
A-7858176, Papvasiliou, Sotiris.
A-4548284, Paris, Ferdinand John.
A-7140795, Patselas, George.
A-7903989, Pena, Jose Angel.
A-2314032, Pietranera, Ivo.
A-6387466, Prado, Jose or Jose Prado Teijido.
A-1342877, Raimonde, Giovanni alias John Raymond.
A-1528339, Renda, Giuseppe.
V-450269, Rodriguez, Aurora (nee Pena Rivas).
V-673789, Romer, Joseph.
A-4599489, Sakowitz, Peter or Sakozitch.
A-2888204, Sang, Lee Fook or Song.
A-2382124, Satoyoshi, Yahei.
A-6642782, Seglem, Thoralf.
A-6502396, Shurry, Vibert or Vibart Shury alias Thomas Simons.
A-6706358, Siefert, Rose (nee Zachgruber alias Riedl).
A-3312207, Speranzo, Luigi.
A-6114940, Suarez-Perez, Napoleon or Miguel Suarez-Perez.
A-6771732, Tang, Ching Tsien.
A-9573350, Thanh, Nguyen Duc.
A-2551541, Theodorakis, Stavros or Steve Theodorakis.

A-7062250, Tinker, Mae Eloise or Mae Eloise Souchon.
A-4325099, Tong, Cheung King of Jimmy Jong or Charles Cheung or King Tong or Charles King or James King.
A-4611319, Tung, Chen-Dao.
A-4040700, Tung, Doreen.
A-5087273, Vandoros, John.
A-2927483, Walcott, Frank Murril or Walcot.
A-1395855, Wazumi, Minoru or Minoru Joe Wazumi or Joe Minoru Mazumi.
A-6577344, Weinberger, Erwin.
A-4879891, Weissman, Samuel.
A-3704893, Weston, Charles Henry.
A-3736575, Wong, Yut-Wee or Wong Yut Wee.
A-8017215, Wroclawski, Amelia (nee Urbanski).
A-4350896, Sinovieff, Vladimir Alexei.
A-2622778, Asheo, Samuel.
A-5103971, Bryce, Lucille Adessa Douglin (nee Lucille Adessa Louglin) alias Lucille Bryce or Brice alias Margaret Louise Jackson.
A-6640277, Dames, Henry J.
A-5825563, Doerfler, Philipp.
A-6924783, Foster, Raymond Leroy.
A-4727774, Godfrey, Thomas Waring.
A-5212632, Godfrey, Alice Laura (nee Blackwell).
A-2435206, Hing, Seto.
A-5780667, Kraak, Erich Adolf.
A-6965146, Lauh, Welthy Shao-Chin or Welthy Carges.
A-5125807, Leong, Chiu King or Arthur Chu or Hai Sing.
A-3361267, Lopez, Maria Emilia Rajo Alvirez or Emilia Lopez.
A-6481319, Meguerdichian, Hnigaz alias Haikaz Mkurtichian.
A-9764818, Norton, Swidbert Harry or Harry Naughton.
A-6989702, Peterkin, Eglon James or James Pearson or Pierson.
A-1851244, Ravalico, Giuseppe.
A-5280420, Schuelein, Bertha.
A-5208815, Tasmere, Aurelia Mae.
A-6757442, Aguillon-Garcia, Vicente Lairo.
A-7841689, Altieri, Vincenzo.
A-4177218, Andersen, Alf Harding.
A-5438777, Ashby, Isabella.
A-5360493, Ashby, Arthur Raymond.
A-3404132, Ashby, Ethel Mary.
A-4037353, Bak, Nip or Nick Back.
A-7356406, Bauer, Max Peter or Max Sernatinger.
A-3994262, Biggio, Eduardo Edward.
A-2268894, Blank, Harry or Harry Blane.
A-4407631, Bogieff, Anton.
0300-329949, Castillo, Gladys (nee Gladys Walsh Bonilla).
A-2022050, Catalfamo, Andrea or Catalfano.
A-6254803, Cimino, Rosa Guida (nee Rutilio or Rosa Guido Botolio).
A-7178467, Conte, Antonina (nee Antonina Conti).
A-4164446, Cuiman, Teodoro.
A-8015988, De Angelis, Francesco.
A-4954514, De Carrasco, Ignacia Pena.
A-3092160, De Falco, Giovanni.
A-9778470, De Freitas, John.
A-7248206, Deguchi, Keiko (nee Eda).
A-9764908, Duck, Cheror Hsieh-Ti or Hsieh-Ti.
A-6301140, Du Luart, Else Olivia.
A-6301141, Du Luart, Evelyn Rose.
A-1104619, Durlacher, Annie David.
0300-268599, Echeverria, Mario Rene.
A-6989407, Economou, Theofanis Constantinou.
A-1672313, Elvosic, Sime Vink or Sam Ivosich.
A-6038522, Engel, Alfred or Jack Keey or Alfred Jacob Beckman.
0606-49355, Febus, Betty Gradi.
A-7118686T, Fei, Tung-Chia or Katherline Fei (nee Sheng).
A-7957400, Froberg, Bo Edgar.
A-9764901, Ganotis, Nicholas Demetrios.
A-7135771, Giordano, Mary or Maria (nee Mammola).
A-6881283, Gonzalez-Padilla, Ildefonso.
A-4875569, Haguel, Rosita (nee Tabah or Belmonte).
A-7476657, Hall, Simone Marie Eugenie (nee Merlin).
A-5082458, Himot, Lucile (nee Fox or Lucile Yablochnick or Niusia Yablochnick).
A-2147788, Holley, Margot Winawer (nee Margaret Winawer or Margot Peterson).
A-1941337, Holmes, Maria Mercides (nee Velazco).
A-4947889, Intriago, Amado Benigno.
A-3314472, Jogewest, Ewald Bernhard or Ewald Bernhard West, or Ewald West or Jorgewest Ewald or Evald Bernhardt Jogewest; Jagewest; Jogeveste; Jorqwest; Jorgwest; Jorgewest; Joegewest; Jogewist; Jorguest.
1600-79046, Johnson, Ellen Louise (nee Ness).
A-6934996, Josefowitz, Ziche or Zishe Jozefovicz.
A-1155313, Joseph, Ann Margaret (nee Boiles).
A-4276370, Kanellos, Eleftherios.
A-7550987, Katsuki, Takashi.
A-1621542, Kerrinis, Frederich Jakob.
A-4737448, Kerrinnis, Miriam.
A-3065016, King, Lau.
0300-375320, King, Lloyd Beresford or Octavius N. Robinson.
0300-383525, Kressevich, Pietro.
A-5296961, Kulman, Alexander or Paul Bikow or Alexander Sprogis.
A-6192689, Liao, Ping Ling.
A-5196599, Lieberman, Mollie.
A-7560719, Ling, Clara S. (nee Szeto or Clara Soo-Hoo Ling or Clara Szeto Soo-Hoo Ling).
A-5071321, Lopez, Eduardo.
A-7525589, Lopez, Paulina.
A-7524902, Lopez, Eduardo Miguel.
A-5537864, Lopez, Manuel.
A-9777473, Lubrano, Michele or Michele Lavadera Lubrano.
A-9506480, Luk, Chan Shing.
A-9831265, Malucelli, Mario.
A-9758492, Manfredi, Mario.
A-3832800, Mantello, Salvatore.
A-7828749, Manuel, Jr., Eusebio David.
A-4731978, Maria, Ignazio.
A-9764891, Mavromatopoulos, John Nicholas or John Nicholas Mavroson.
A-9744651, Mazier, Juan Alandro.
A-9769934, McKenzie, Allan George.
A-7385581, Minieri, Domenica Virginia (nee Tortora).
A-5211863, Miram, Jan or Paul Pogul or Janis Mizan.
1102-9513, Moreno-Pantoja, Robert or Robert Moreno or Robert Pantoja-Moreno.
A-2971805, Noecker, Anna Maria Ruppert.
A-3105618, Noon, Wong or Neon Wong or Wong Non or Wong Neun.
A-1110134, Parda, Emil Fernandez or Emil Fernandez.
A-6209355, Patron, Elias.
A-6195007, Pavlis, Virginia.
A-6970399, Perez, Pedro or Pedro Pascual Perez Mendoza.
A-5298663, Pretzel, Horst Jan or Frederick H. Pressel, or Horace Pressel.
A-9765587, Price, Fitzgerald Laing or R. Fitzgerald Blake.
A-7297153, Quevedo-Nava, Agustin.
A-9765770, Recchia, Pasquale.
0800-79612, Riachi, Nicolas Kabalan.
A-3053085, Rokos, Melachrinos or Michael Rokos or Mike Rokos.
A-7385648, Russell, Herbert Leroy or Hugh Leigh Robinson.
A-6417511, Russell, Oscar George.
A-7112937, Sandoval, Rafael Lemus or Rafael S. Lemus.
A-5179788, Scavo, Giosofatto or Guiseppe or Joe Scabo or Giovanni Anacleria.
A-5460681, Schramm, Erich Max.
A-4640465, Smuga, Slawomir Maciej or Slawomir Smugga or Slawomir M. Smuga.
A-9661364, Sorlie, Finn Rudolph.
A-4099412, Stadlmayer, Matthias.
A-5434520, Stapley, Walter Samuel.
A-5195036, Tabah, Angelita Rebecca or Belmonte.
0300-388974, Thompson, Kermit Godfrey.
A-5706553, Toboada, Juaquin Louzan.
A-7112020, Torres, Rolando Harol Francisco or Rolando Harol Francisco y Torres.
A-1948836, Vitale, Gaetana (nee Mazzeo).
A-7203345, Voyer, Otto Thomas formerly Otto Thomas Piffer.
A-4186072, Weinstein, Lilly or Rose L. Weinstein or Rosa Nashelska or Rosa Cymberg.
A-7423206, Wong, Chong.
A-7828839, Xenakis, George or George John Xenakis.
A-3223439, Yacuone, Concetta (nee DiCesare).
A-2755101, Yuen, Hing or Harry Yuen.
A-7177517, Agostino, Joseph alias Giuseppe Agostino.
A-9799855, Aldeguer, Tomas A.
A-6363856, Amaro, Simon Fernandez.
A-7910895, Arias-Melo, Jose Altagracia or Jose Arias.
A-4355088, Aronov, Pauline or Pauline Rothman alias Pesra Aronov.
A-3404354, Aronov, Morris alias Mozes Aronowsi or Mozes Aronowski.
A-8017239, Ashley, Maria Carmen alias Carmen Ruiz (nee Maria Carmen Martin Del Campo).
A-7122606, Avila, Juan or Juan Avila-Asunce.
A-9777401, Bakboord, Percy George Rene.
A-7957139, Barbosa-Lozano, Andres.
A-5588652, Bates, Thomas Adam.
A-5343786, Berezowicz, John.
A-3836613, Bene, Armando Del.
A-3487883, Boekhout, Hansen Geradus.
A-5549921, Boniecki, Stanislaw or Stanley Bonieki or Boniski.
A-6342124, Bulmas, Jaime Malla y.
A-7222778, Burg, Manfred.
A-7123402, Cabrera, Georgia (nee Deetjen).
A-4130600, Calhao, Francisco Da Silva or Francisco Da Silva.
A-3250393, Cardee, Philip.
A-7240840, Carlo, Felice Del.
A-5074651, Carrillo, Edmund or Edmundo.
A-5636177, Case, John or John Albert Case.
A-4453204, Case, Mary or Maria Louise or Couturier.
V-304399, Castro, Filomena Bonilla.
A-7858994, Cavallo, Bruno.
A-2303130, Charest, Oscar or Oscar Joseph Charest or Francois Oscar Charest.
A-1837320, Charest, Lena or Lena Elizabeth Thibeault.
A-1821330, Chen, Robert Wen-Yi.
A-6370046, Chen, Della Wai-Kuen (nee Li Wai-Kuen).
A-5418844, Chiaramonti, Fernando Annibale.
A-7849984, Chong, Chin.
A-4121087, Chuen, Moy Wing.
A-4688212, Cohen, Benjamin or Benjamin Periman.
A-7439767, Corrado-Floridia, Salvatore.
A-6051551, Corrales y Teuma, Humberto or Humberto Corrales.
A-7391992, Corona-Ruiz, Gregorio.
A-7415397, de Corona, Maria Guevara.
V-476303, Coscoros, Daria (nee Scarpa).
V-462326, Coscoros, Nicholas John alias Nicholas J. Coscoros.
A-8117593, Cronkhite, Herbert Willard (or Cronk).
A-7203696, Cuevas, David.
A-2924844, DaCampo, Antonio alias Tony Campo alias Antonio D'A Campo.
A-7263666, Dagher, Philippos Ameen alias Philip Lewis.
A-7903344, Danavall, John Robert.
A-6014385, Darlington, Leonard.
A-5762799, Davis, Helen Lillian.
A-2667005, Delavogias, Nicholas Leonidas or Nick Delavogias or Nicholas Delavogias.
A-6350843, DeMules, Anastasia.
A-7267724, DeVargas, Maria Morales.
A-7197991, Dimantstein, Joseph or Diamantsztyn.
A-7962045, DiSchino, Attilo Biagio.

A-1912364, Dishington, Elulse Emma (nee Hoelzl).
A-7879670, Dowling, Roseta Elizabeth.
A-6476941, Edie, Fermina Elodia Peres.
A-1416417, Eresuma, Julian.
0300-311551, Farquharson, Luther or Luther Theophilus or Theophelius or Luther Theophious Farquharson.
A-8217881, Finn, Jolae Martha (nee Wilkie alias Jolae Martha Daigneault Walters).
A-2552039, Fook, Chin.
A-3224445, Foon, Tom Lee or Jim Man Lee.
A-2701789, Forza, Mark alias Antonio Faraguna.
A-8117372, Fuentes-Medina, Erick Genaro.
A-8117371, de Fuentes, Berta Trujillo.
A-4284686, Fukushima, Unokichi.
A-7583910, Fung, Fung Kuen.
A-7967195, Galvani, Celio Celso.
A-4259609, Gam, Mar or Sun Gum Mar or Mar Yan.
A-9799777, Golaw, Clemente San Luis.
A-7350803, Gonzalez, Jose Antonio alias Jose Antonio Gonsales Machado.
A-7983509, Grotle, Harold Andreas or Harald Andreas Grotle.
A-5712477, Guillan, Manuel Antonio alias Emanuel Antonio Guillan.
A-6413947, Hardie, William George alias Carl Stewart.
A-4904741, Hsu, James.
A-2022522, Hsu, Lo or Tsoo or Eu Hsu or May Hsu or Mabel Hu.
A-6618581, Huang, Henry alias Henry Ng Teng Hong.
A-7898757, Hyssop, Charles.
A-7934140, Iacobazzi, Nicola or Nick Iacobazzi.
A-6559391, James, Seymour Wesley or Seymour W. James.
A-6992573, James, Mavis Claire (nee Grant).
A-6872513, Jendro, Alexander or Alexander Tygreys.
A-3490369, Johnson, Aaleen Carylon (nee Pindra).
A-5890316, Johnson, Mildren Louise or Mildred Louise Stroman.
A-7043226, Stuart, Lillian.
A-3812662, Jong, Lee Buck or Jong Lee or Buck Jong Lee.
A-9771248, Kalpides, Constantinos Christopher alias Constantine or Gust Kalpides.
PR-905313, Kao, Keh Ding or Wilbur Kao.
A-4747989, Kilgren, Oscar Louis or Oscar Lois Maldemar Kilgren.
A-6041674, Kin, Lin or Kin Li.
A-5960637, Lagstein, Salomon.
A-5960636, Lagstein, Anna Maria.
A-7024029, Lai, Harry or Lai Har or Har Sau Lai.
A-7178553, La Porta, Patricia Ann (nee Levi).
A-7809805, Larsen, Axel Wedel.
A-3309092, Lee, Wai or Lee Jack Wai or Lee Wai or Jack Wai Lee.
A-6853284, Lenczner, Lillian.
A-3915804, Leong, Frank Lai or Lai Leong.
A-7999468, Leon-Rodriguez Abraham De.
A-7999435, de Leon, Guadalupe Contreras.
A-7203182, Lewnes, Efstathia (nee Giannopoulos).
A-6730628, Li, Kuo Fan alias Kuo Fan Li Chun or Anita Chun.
A-3013522, Li, Yau Luen.
0300-344367, Loyo, Francisco Uribe.
A-7978694, Luna de Garcia, Refugia alias Aurelia Delgadillo.
A-7398271, Macias, Manuel Camacho.
A-7398316, De Camacho, Manuela Cortez.
A-6805613, Maizler, David.
A-2416044, Mattera, Giovanni Francesco.
A-4848352, McEwan, Sarah.
A-9764504, Medina, Paul Carmelo.
A-6603182, Millan-Pulido, Lazaro.
A-7367028, Miller, Eustace alias Eustace Sylvester Miller alias Eustace Miller.
A-7789774, Millett, Knolly Everard.
A-9713441, Mock, Lee alias Moch Wah.
A-6330382, Mogensen, Cecilie M.
A-6255013, Montoya, Fernando Oscar.
A-6461091, Morgan, Hubert William.
A-9703166, Moustakeas, Vasilios alias Bill Manos.
A-4689705, Mykytiuk, Sophie or Sophie Zwarych or Sophie Ostapchuch.
A-7962243, North, George A. or George Antoniou Borias.
A-5340803, Okuno, Bunshichi.
A-7427757, Pao, Chen Wang-Tsung (nee Chen Wang-Trung).
A-2150606, Papazoglou, Dimitrios Ioannis.
A-6168368, Pelayo, Jose Luis.
A-6168367, Pelayo, Margarita Maria.
A-6459197, Perez, Carmen Hipolita.
A-6317950, Perez, Francisco.
A-5107546, Pilalis, Theodore George.
A-8117234, Pina, Bonifacio or Bonifacio Pina-Hernandez.
A-3390610, Pitchford, Gladys Ivy.
A-7060697, Puccini, Maria (nee Maria Lo Bue).
A-7903390, Puerta, Graciela.
A-2476513, Puertas, Antonio.
A-9096729, Radovcic, Roco or Rocco Radoviach.
A-3672970, Ramirez, Claudio Silvino.
A-7469714, Richardson, Kitty.
A-7136988, Richardson, Michael Eric.
A-7821866, Richardson, Dorothy Patricia.
A-7821201, Richardson, Frances Margaret.
A-71459147, Robinson, Alleyne.
A-5665433, Roman-Elli, Giovanni.
A-4721547, Rosman, Clara (nee Fischer) alias Lenke Perlstein.
0300-342983, Ruggiero, Vitantonio.
A-7915540, Sandoval, Josue Paco alias Josue Sandoval Paco.
A-4224878, Sang, Hee or Hui Sang or Chan Chong or Hee Shen or Cheng Hong Hee or San Hui.
A-6311659, Scarpantonio, Giovanni.
A-4496976, Schier, Alfred Adolf or Alfred Schier.
A-7995753, Scipilliti, Antonio.
A-6839881, Scotto, Joseph Cesare.
A-7995749, See, Tsai.
A-2429235, Sekiguchi, Fusakichi.
A-1012607, Sharpardanis, Kostantinos Gust.
A-4486722, Siems, Emil Wilhelm Gustav.
A-7243238, Sneider, Aase Margarethe (nee Aase Margarethe Goldberg-Pinhert nee Rostvig).
A-3191516, Sorrentino, Aniello.
A-5678221, Soto, Jose Martinez alias Ernesto Cuervo.
A-7849247, Swartout, Mary Dorothea alias Mary Dorothea Borden-Castro.
A-2144525, Tiniakos, Demetrios alias James John Tiniakos.
A-9709068, Tong, Shui alias Hong Mon Shui.
A-7279656, Tsao, Shu-Ming Thomas or Thomas Shu-Ming Tsao.
A-9573640, Ullah, Abrus.
A-8015486, Varria, Jesus Sala.
A-7222220, Vasquez-Enriquez, Fidel Real y.
A-7863844, Velardi, Giovanni or John Vilardi.
A-2453653, Vignolles, Sara Seoane.
A-3508066, Voulogaropoulos, Elias Pavlou or Ilias Pavlou Vougaropolous.
A-7903823, Wah, Lock Fook or Fook Wah Lock.
A-5825342, Ward, Alfred G.
A-7710441, Wilkinson, Basil alias Clyde Johnson.
PR-923882, Wu, King Yan.
A-7755854, Wu, Sylvia Cheng (nee Chue Tchang).
A-4112996, Yasransky, Celia Dinerman alias Celia Dubitsky.
A-7135708, Adler, Hugo.
A-7469062, Aguilar-Figueroa, Gilberto.
A-6930091, Alfonso, Anita (nee Chatel).
A-7270049, Alvey, Amy Ruch (nee Parks).
V-581810, Amarantides, Genevieve (nee Eleftheriou).
A-7222749, Amezquita-Hernandez, Alberto.
A-1426781, Ampiro, Solly N. or Bin Salleh Ampira.
A-4428039, Andersen, Albert.
A-7962224, Arango y Mata, Rene Fernando Diaz or Rene Arango Mata or Rene Diaz.
A-9094547, Assoumany, Georges alias Asoumany Georges.
A-6848612, Au, Kitman or Au Kit Man.
A-6606612, Au, Puk-Chun Chiu (nee Puk-Chun Chiu) alias Puk-Chun Au.
A-2543823, Ayala, Manuel.
A-6574368, Aycart, Arturo.
A-9713427, Bagos, Vivencio.
A-7903407, Bec, Eva-Garcia alias Eva Glorencia Garcia y Dominguez.
A-7469686, Becerra-Madrigal, Victoriano.
A-7457785, Becerra, Francisca Franco de (nee Francisca Franco-Mendoza).
A-7286446, Belosic, Maria (nee Fekete).
A-7826567, Benenelis-Avino, Jaime Esteban or James Benenelis.
A-3664121, Benvenuto, Dino.
A-4947602, Bestrin, Pavel or Paul.
A-9694378, Biris, Theodore G.
V-672841, Birnbaum, Rywa alias Rywa Wiegutone y Puks.
A-2698896, Bjelland, Frieda Graub.
A-7354349, Bogaisky, Zillah (nee Rosen).
A-3512035, Breitbart, Helen (nee Hinda Chaja Joselewich or Hinda Fine).
A-7224975, Brown, Sylvia Elizabeth.
A-7686937, Carr, Neil Arthur.
A-5297236, Carrozza, Eugo (Hugo).
A-5447865, Carsten, John.
A-2142245, Chang, Kei or Key Hyung.
A-6246415, Chen, Chu Pei.
A-6453253, Chen, Helen (nee Eng).
A-6760635, Chen, Keo.
A-6967750, Chen, May Yee York alias Yoh Mei-Yee.
A-6851378, Chen, Kwoh-Kwon.
A-3262146, Chung, Chiu Yuan.
A-7415718, Clarke, Edgar Alonza alias Edgar Clark.
A-4182344, Corpora, Gaspare.
A-5996907, Cortez-Flores, Anselma.
A-5438243, D'Arpa, Antonino Francesco or Antonio Francesco Diarpa or Anthony Frank D'Arpa.
A-6308494, Davis, Geneva.
A-7015121, DeGutierrez, Guadalupe De La Cruz, alias Guadalupe De La Cruz.
A-7203775, DeHidalgo, Maria Mora, or Maria De Los Angeles Mora Rojas.
0300-389037, Dell, Christopher Edward Morris, alias William Ennis.
A-5455524, Diaz, Francisco.
A-6934994, Dolgopiaty, Jankel.
A-4644687, Dorsena, Clementinsa (nee Quaglia).
A-7910920, Dovellos, Nicholas George.
A-6613815, Dziadek, Fiszel, or Fiszel Felek Dziadek.
A-7415639, Ebe, Olga, or Olga Embeoglou (nee Olga Sotirhou).
A-7415840, Ebe, Mary John, or Mary John Embeoglou.
V-1025857, Edwards, Muriel Constance (nee Muriel Constance Fernandez).
A-7139087, Eley, Sheila Bamford.
A-6364446, Epstein, Hersh or Hersz.
A-4828375, Ereno, John, or Juan Zabala.
A-7809715, Fajardo, Manuel Rodriguez.
A-8196058, Fernandez-Arrillaga, Teofilo Juan.
A-5409284, Findley, Cyril Bartholomew.
A-3944102, Fisher, Peter Thomassen, or Peter Thomassen.
A-6891806, Fixler, Alexander.
A-9105881, Flamos, Antonios Theodore.
V-462979, Franco, Flerida Maria (nee Mauricio).
A-7083727, Freeman, Cleveland, or Cleveland Formington Freeman.
A-6933868, Friedman, Leib or Leopold.
V-1383301, Fuentes, Adelberto Jesus.
A-3502628, Fung, Kay, alias Fung Shew.
A-7809544, Gallardo-Fierro, Eduardo, or Eduardo Gallardo.
A-9776557, Ganaires, Ioanis John.
A-5169727, Gasparini, Giuseppe, or Joseph Gasparini, or Joe Gasparini.
A-9132073, Gerold, Michael Mauritis Laurentius.
A-1449528, Gerow, Edythe Marion (nee Tombyll.)
A-2664047, Giorsos, Kostas Elias.

V-419039, Goldslager, Abraham, alias Abe Gold.
A-1440941, Grant, Lavington James.
A-8331601, Grundel, Ferdinand Robert.
V-934113, Han, Lee Kun.
A-4572934, Haro-Charles, Juan.
A-3734169, Hart, Patrick.
A-4547695, Hathiram, Gustadji Merwanji, or Gustadti Hathiran, or Gustav Merwan Hatheran.
A-6839337, Hionis, Gerasimos Nicholas.
A-1344124, Hoffmann, Alfred.
A-2454996, Hong, Wah May.
A-9133877, Ikic, Mike.
A-7174575, Jeu, Mary Hum.
A-4554285, Jones, Pearl Louise Campbell.
A-6860907, Jossef, Nicolae.
A-1331798, Kallahman, Millie Sweder or Millie Kallah or Millie Sweder.
A-6920055, Karcsewski, Stefan.
A-7457081, Kekkonen, Towo.
A-3877984, Keller, Frank Joseph.
A-4132628, Kelt, Charles Edward.
A-1568310, Khan, Noroz or Neroes Khan or Naroz Kahn.
A-6887752, Kim, Bok Duk Ryu.
A-5969119, Kolin, Joseph.
A-5635997, Korakas, Michael Constantinos.
A-5141092, Kulukundis, Michael E.
A-5141103, Kulukundis, Potini Michael (nee Potini Nitza Yannachas).
A-3881020, Kutasow, Stelir alias Stella Manik or Sala Manik.
A-9513238, Laidna, Jaan.
V-1429387, Landsman, Joshua Lejb.
V-1446713, Lapidus, Jacqueline Sonia (nee Lapidue).
A-4944278, Laurent, Mary (nee Leibovitch).
A-1151027, Lassemillante, Charles Albert or Lassy.
A-8340858, Lee, William alias William Toll.
A-4390623, Leibschwager, Paul Karl Alfred.
A-5045624, Leibschwager, Bertha Pauline (nee Harraas).
V-885210, Li, Han Hun.
A-3414330, Liakis, George Constantinos.
A-8021807, Louie, Sing.
A-7483639, Lowry, Johanna (nee Sunkel).
A-9695682, Mak, Joe.
A-2570367, Mancebo, Antonio De Sousa.
A-2776312, Manlohee, Lucas Bin or Lucas Nanlohee.
A-3004120, Maola, Carmine Francesco or Francesco Carmine Maola.
A-9540023, Martinsons, Nikolajs.
A-4565529, Matheson, Sydney Augustus alias Sydney Matheson.
A-6501248, Medlin, Patricia Eve Brown.
A-7240425, Mendoza, Lucresia (nee Neto Beltran).
A-1100262, Migues, Ignacio Rouperio alias Mike Migues alias Ignacio Migues.
A-4570737, Milich, Herta.
A-1166456, Monovasios, Aristides Yacov.
A-5078952, Moore, Charles.
A-7055551, Mortreuil, Francoise Annie Paule alias Maria Charlotte Maclennen alias Francoise Maclennan.
A-4652847, Mowlem, Aboudi Robin or Aboudi Reuben Mawlem or Aboudi Robin Maulim, or Aboudi Robin Moualiem.
A-7957127, Murguia, Jose Capote y.
A-7957145, Capote, Haydee Gonzales.
V-1389763, Mutors, Gerhard Waldemar Gregory or Gregorn Waddell.
A-2870601, Nakamura, Eitaro.
A-2647601, Nava, Luisa (nee Luisa Sambrano).
A-4037083, Ng, Yick Tung.
A-9740176, Nolan, Thomas K.
A-7228306, Nosco-Bucenec, Jan alias John B. Nosco.
A-7228305, Nosco, Bozena Maria (nee Votavova).
V-610685, Ostos, Juan or Juan Ostos Mateos-Canero.
A-7049734, Pacillas, Antonio.
A-9623561, Padilla, Roberto.
A-6937248, Panics, Hersz.
A-7983469, Papadopoulos, Nicolas or Nicolaos alias Nick Pappas.
A-7198369, Patrao, Plinio Pereira.
0300-294250, Patrao, Maria Da Conceicao Batista.
V-793638, Perelli, Nicola.
V-942641, Pirolozzi, Domenico.
A-4653981, Pirro, Antonio or Anthony Pirro or Tony Pirro.
A-4365433, Poyhonen, Anna Maria or Anna Maria Suomi or Anna Maria Virtanen.
0300-70415, Rasmussen, Alf Kristian.
A-5541831, Rave, William.
0616-2405, Rhymer, Ilva Rebecca.
V-1383275, Rivera, Carolina (nee Juarez y Lopez).
A-6455456, Robles, Angela Agustina (nee Rodriguez Y Gamboa or Angela Rodriguez).
0402/14836, Rosato, Francesco.
A-7116348, Rosenblatt, David.
A-1338550, Saat, Repin.
A-6858754, Sacristan, Manuel Lannegrand.
A-6497380, Saka, Ester Nakash or Ester Nakash Sakka.
A-3180706, Sancton, Gertrude Emma.
A-7863285, Schefstad, Lina (nee Aguilar).
A-4469482, Schmerler, Rebecca.
A-7842263, Schwabe, Kurt Herbert.
A-7927938, Scott, Melvyn Lee.
A-9698452, Seliste, Bruno Voldemar.
A-3570616, Seng, Fong Fook or Fong Jun.
A-6268893, Shunda, Enache or Enache Vangel Shunda or John Shunda.
A-5341241, Siciari, Francesco.
A-7886742, Sigona, Francesco.
A-9736802, Silva-Marques, Argentino.
A-4031405, Smith, Anna (nee Friedman).
A-4382772, Smith, Gershon.
A-6965415, Spritzer, Netty (nee Frank).
A-3869867, Stein, Ida Sara.
A-4459701, Stender, Libe Emma.
V-397530, Stray, David or David Tsui or Tsui Yu Shan.
A-3385506, Suda, Alfred or Alfred George Suda.
A-3423901, Sztybel, Tadeusz alias Tadeus Karpinski.
A-3423800, Sztybel, Tatiana.
A-3853890, Teira, Antonio Sainas.
A-1791499, Tien, Jack Minpung alias Minpung Tien.
A-6896414, Todman, Joseph Emanuel.
A-5953857, Todman, Dorothy Joyce.
A-6825259, Trivisani, Emilie Lilli.
A-2739551, Truppi, Antonio.
A-1937317, Truswell, Richard.
A-1937313, Truswell, Mary Pauline (nee Sudsbear).
V-28562, Tsakiery, Lefkothea Manzacoufa or Lefkothea Manzacoufa.
A-7809505, Uribe-Flores, Eriberto.
A-7809555, Madrigal, Fidela Becerra or Fidela Becerra De Uribe.
1003-1971, Uribe-Gomez, Aurelio Alberto.
A-4577161, Valdes, Felecia Maden.
A-6930683, Valentine, Edla J. M. (nee Kelly J. M. Zjocelyn Marcella).
A-7957759, Velci, Stefano or Steve.
0300-366591, Vera-Valdez, Jose Dionisio.
A-4752251, Villa, Ena Nuele.
V-905929, Wagner, Monserrat.
A-6851543, Wang, Cheng Ching.
A-6142206, Wang Florence Wu (nee Florence Shu-Fang Wu alias Florence Wu, or Shu Fang or Wang Chang Ching).
A-7049472, Weiss, Arieh.
A-4761207, Wittelsohn, Shaye or Shaya Wittelsohn or Sam Wittelson.
A-7427214, Wo, Loy.
A-1998010, Woo, George Pat or Woo Fat or Ng Fat.
A-4601513, Yablonik, Jennie alias Yabloko (nee Flieschman).
A-6102167, Zamora-Rojas, Cecilio.
A-4062162, Zanger, Leonard De.
A-5521763, Zanger, Ellen Kelly De or Ellen Kelly or Ellen De Zanger or Anne Kelly.
A-6794144, Zeito, George.
A-1126340, Zgombic, Mate or Mike Zgombic.
0300-322548, Zuvich, Pilar.
A-5218223, Alexander, George Vassile or George Vassile Alexandrevis.
A-6661349, Alhadeff, Rachel Hassan.
A-2848315, Ali, Abas.
A-1597879, Ali, Peer or Peter.
A-1316263, Allie, Benny alias Bin Ali Codin.
A-7849296, Amezcua-Madrigal, Pedro.
A-6818114, Andonyadis, Todori alias Theodore Andoniadis.
A-5034705, Ankenbrandt, Ellen Maud.
0300-368993, Aragundez, Jose Luis Pavia or Jose Pavia.
A-6067226, Ataman, Mustafa Tarik.
A-5155727, Bailey, Julia Jui Cheng (nee Sze).
A-9801103, Balatocan, Ricardo.
A-6765555, Barbey, Henri Raoul.
A-5444348, Bauman, Margaret.
A-2013350, Bavas, Eleftherios Antonious.
A-7297160, Benites, Carmen or Carmelo Benites or Eusbeio Del Carmen Benites.
A-4662679, Berezowicz, Anna.
A-8155776, Besada, Juan or John Besada.
A-6465799, Blaauw, Dirk Pieter Andries.
A-6401900, Blackman, Herman Elliot.
A-6748293, Bonifacio, Anton.
A-6999089, Bottenbley, Cecil George or C. Bottenbley.
A-9501295, Breiland, Andreas Emil Mark Mathian alias Andreas Emil Mork Mathison.
0300-367834, Brown, Horace Arthur.
0300-351436, Campbell, Alphonso.
A-6220021, Capetillo-Fraga, Jesus.
A-8010633, Castellanos, Juan alias Juan Americo Castellanos-Quintana.
PR-901137, Chang, Mei Chien June.
PR-901140, Chang, Nelson.
PR-901141, Chang, Shelley.
A-7070272, Chatel, Frank Emanuel or Franck Chatel.
0300-352540, Chen, Teh Tsan or T. T. Chen.
A-9607096, Chinnery, Eric Ezekiel.
A-6683047, Cohen, Bella (nee Wine alias Rapps).
A-7838725, Colombo, Giovanni.
A-7886730, Concepcion y Torres, Orestes.
A-5426928, Cooper, Mary (nee Solway).
A-6185633, Cottam, James Harry.
A-5543517, Cox, Esther Verland Jean (nee Lucas).
A-7445884, Dagsie, Koi.
A-7414964, Davoli, Malvina Passini.
A-5045017, Bisschop, Joseph De or Joe Bishop or Joseph Bishop or Joe De Bisschop.
A-3263793, Dedeurwarder, Alfonso.
A-9670256, Dedo, Ivo.
A-6943091, Estrada, Maria Petra Luna De.
A-8190292, Estrada-Luna, Francisco.
A-8190293, Estrada-Luna, David.
A-8117156, De Hentzen, Maria Isabel Carballo.
A-7983095, De Hernandez, Paula Chavez.
A-8039963, De La Cruz-Ramirez, Hipolito.
A-7491353, Del Coro, Sofia (nee Sofia Ippolito alias Elena Grassi).
A-7450778, Delgadillo-Aguayo, Jose Pablo alias Martin Martinez.
A-9765109, De Luca, Antonio.
A-4771267, De Oliveira, Jose Martins or Jose Martins.
A-6751302, De Vela, Nicolasa Avellaneda or Nicolasa Avellaneda or Elvira Avellaneda.
A-7799513, Del Toro, Elsa Maria (nee Hernandez).
A-5369603, Diness, Celia (nee Wolas).
A-9836687, Do Couto, Antonio.
A-5919472, Ebelini, Giacomo Guilio or Jack Ebelini.
A-3326449, Fair, Catherine B. Webster.
A-4097972, Feller, Frances Annie.
A-6434155, Fernandez, Emilio Rodrigues.
A-6718000, Feuer, Lucia (nee Juster).
A-6905273, Fifer, Doris or Doris Rubin (nee Rabiner).
A-8039180, Finley, Virginia Ruth.
A-8082420, Fiore, Michele.
A-7264773, Fitzsimmons, Beatrice (nee Camprini).
A-7983293, Flagg, Russell Grant.
A-3559372, Fong, Lo alias Fong Lo alias Lo K. Ming or Lo Ket Ming.
A-1254779, Formosa, Jack or Joaquin Formoso Pico.
A-9825423, Fragomeni, Nicola.
A-6905018, Friedman, Edita or Edith Friedman or Edith Schwartz.

A-7858138, Fuentes-Iglesias, Eugenio De La alias Eugenio De La Fuentes alias Eugenio Fernandez.
A-6923767, Gardyn, Lujza Berger.
A-6441627, Gaytan-Vasquez, Daniel.
A-1640218, George, Jesus Rogaciano alias Jesus R. George.
A-3461223, German, Filip.
A-9671099, Gonzalez, Alfredo Prieto.
A-6314566, Gonzalez, Jorge Morfin.
A-3962351, Gonzalez-Martinez, Pedro or Pedro Martinez Gonzalez.
A-6447290, Gordon, Olive Maud (nee Olive Maud Dickson).
A-6922684, Gottlieb, Simon.
0300-351187, Grun, Margit (nee Margit Weiman).
A-4743403, Haag, Signe Elisabeth Ekland.
A-3493135, Hagglund, Marie or Hilja Maria Kaipiainen alias Mary Adams.
A-5987425, Hannon, Evelyn Joan (nee Mary Evelyn Joan Kemp).
A-4991379, Heike, Ernest Bruno.
A-4379869, Heike, Elizabeth.
A-6252598, Hidalgo, Antonio Cesar Asias.
A-9532455, Hillman, Edmund H.
A-3478865, Hohenwald, Richard Emil.
A-5389337, Hudson, Walter Roy.
A-7115138, Hudson, Vera Noreen.
A-5390960, Hurrell, William Henry.
A-5340334, Igge, John.
0300-122083, Jensen, Barbara Anderson (nee Barbel Anna Johanna Andersen alias Barbel Andersen).
V-905003, Johnson, Arnida Fabon.
A-7202862, Johnson, Elese Adline (nee Wood).
A-1415170, Jose, Jacinto known as Jacinto Joseph.
A-1606795, Kaempfe, Walter Emil.
A-3466925, Kajganic, Vasil known as Mike Minic.
A-2772295, Kalinowski, Stephanie Stella.
A-6601853, Kalistian, Deckranouri (nee Beshgeturian).
A-4085651, Kartsounis, Efstratios or Stavros or Steve Karonas or Steve Pappa.
A-3262888, Kee, Tang Wong.
A-5928439, Kwai, Tsu Ding or Tau D. Kwai.
A-6861477, Labastida-Aguilar, Carlos.
A-6180834, Laird, Mary Aparici.
A-6180836, Laird, Elizabeth Welderica.
A-6180835, Laird, Robert Fulton.
A-4353932, Lass, Elise Marquard.
A-7145249, Lazo, Benito Padilla.
A-4540497, Lee, Hum Fay Jin or Hum Fay Jin or Hum Shee.
A-7024479, Kai, Lee Mon or Guy Lee or Mon Kai Lee.
A-1739133, Lee, Sherman H. or Lee Hsueh-Wen.
A-1365639, Legax, Marian or Marijan or Marian or Marijan Lejac.
A-4350403, Lenetsky, Ray (nee Roman).
A-7037911, Lenetsky, Beatrice.
A-7040212, Lenetsky, Constance.
A-7041176, Lenetsky, Sybil.
A-7041175, Lenetsky, Evelyn.
0300-357422, Letsche, Julius Eugene.
A-7631587, Linforth, Lionel Keith.
A-7631588, Linforth, Moya Jean (nee Thistleton).
A-6888038, Ling, Ping.
A-7297972, Lloyd, Betty.
A-4021548, Longo, Giuseppe.
A-6255041, Lopez, Jesus Rios alias Juan Jose Elizarraras Y Rios or Jesus Lopez Rios.
V-1387486, Lopez y Lloret, Pilar Dora Maria Pascuala or Pilar Perez.
A-6046390, Loung, Pai Yen.
V-397987, Loung, Min (nee Min Lin).
A-5729350, Low, Woo Ah or Ah Low Wing or Mrs. Chin Dor Wing or Mrs. George C. Wing.
A-5001440, Maggio, Mario August or Augusto May.
A-9177009, Mainas, Artemis.
A-6045429, Martinez, Timothy Henry or Timothy Henry Martin or Timothy H. Maxwell.
V-1466183, Mathias, Elsie Doreen.
V-1466181, Mathias, John Eaton Keary.
V-1466180, Mathias, Mark Orson Miguel.
V-1466179, Mathias, Francine Alden Elizabeth.
A-4023968, Matteson, Ruben Isidor.
A-7121738, Matz, Jack Jacob.
A-6424609, McClarty, Barbara Frances.
A-5838428, McCoy, Mackie or Mike.
A-8010444, Mena, Evangelina Francisca Hernandez Lara aka Evangelina Mena.
A-8010420, Mena y Abreu, Olallo.
A-7849030, Mendoza-Mora, Bernabe.
A-1496850, Meraliker, Maria Knaus or Maria Knaus.
A-3613713, Mesa y Dorta, Vincente Jesus or Jesus Solis y Mesa.
A-4066647, Mizialek, Walenty.
A-6233818, Mojica, Judith Morales or Judith Morales or Judith Morales de Banuls.
A-6732225, Molina-Gonzalez, Felipe.
0300-319833, Mon, Wing Lung or Mon Gee Mow or David Mon or Mon Yin.
A-6551173, Monreal-Yanez, Roque.
A-7978646, Montenegro, Silvia.
A-8189358, Moutzalias, Gerasimos Demetrios or Mike Moutzalias.
A-9700258, Mow, Chang Siao.
A-6899347, Nesserella, Amanda Hanna.
A-2403236, Nitkin, Max.
A-7948451, Nuqui, Elena Soriano.
1300-116259, Oka, Masahiko.
V-1240484, Oka, Miyuki.
1300-118260, Oka, Naohiko.
A-3364126, Orcutt, Borgia Marcia or Borgia Marcia Woods.
A-7287862, Orsi, Maria Isci (nee Maria Isci).
A-7197800, Otero, Jose Benito or Sotero or Bennie Jose Sotero.
A-5123181, Pantaleo, Saverio.
A-1939748, Parada, Ramon alias Ramon Parada Rocende.
A-3577138, Pasqutti, Mario alias Giuseppe Truant.
A-7858180, Pelaez, Jorge Oscar or Jorge Oscar Pelaez y Rodriguez de Cancio.
A-6919791, Perres, Mike or Emmanuel Pyrovolicos.
A-6870388, Pettipher, Frank.
A-6551920, Pimental, Pablo.
A-7780837, Pina, Carmen Rodolfina.
A-7375823, Poldmets, Mart.
A-6463168, Pollak, Bernard.
A-7365168, Preisig, Julia Maria (nee Julia Maria Basto da Silva).
A-7983362, Puleo, Cesare.
A-9527234, Radovich, John alias Ivan Radovich or Radovic or Ivo Rodavic.
A-6133979, Ramirez-Ramirez, Mario.
A-4965967, Ribeiro, Alfredo Gomes.
A-7962042, Rivera, Rodrigo Fernandez.
A-7121713, Roberts, Windel.
A-7383120, Rodgers, Alice Lorane aka Alice L. Rodgers.
A-6292992, Rodriguez, de Scala, Maria Teresa.
A-1932267, Rogers, Richard.
A-2516837, Roumbinis, Georgios alias George Macris.
A-5441804, Rudnikoff, John.
A-5630941, Rudnikoff, Fannie.
A-8017124, Ruiz, Maria Lydia alias Lydia Ashley.
A-9767915, Rusu, Petre.
A-7048581, Saffory, Elisabeth.
A-9776972, Salomon, Albino or Albert.
A-3713179, Salzano, Pasquale.
A-6377321, Sanchez, Julia (nee Julia Puente y Lacera).
A-7903013, Scalia-Scalia, Francisco.
A-4445694, Schnoor, Fred Wilhelm.
A-7842264, Schwabe, Rosa.
A-3579221, Schweitzer, Irene Anna (nee Kafka).
A-2155400, Scully, Margaret alias Peggy Dennis.
A-5307653, Scale, Lambert Oswald.
A-5300412, Seto, Fai alias Seto Fai alias Deanna Fong.
A-8117103, Sew, Sue Lin.
A-6724452, Shajli, Shamseddin.
A-2505741, Shatkin, Harry or Harris Shatkin or Henry Shatkin or Harris Shatsky or Hersch Schatzki.
A-8001842, Sideris, Sid.
A-7427180, Sinclair, Randall George.
A-3495728, Sing, Theodore L.
A-3112031, Siskopoulos, George Evangelos or George Poulos or George E. Siskos.
A-5093218, Sorrentino, Bartolomeo.
A-9516787, Spetland, Trygve Einan Bjarne.
A-9625311, Spineto, Giuseppe.
A-4497115, Stachowiak, Kryzytan or Christ Stachowiak.
A-2629094, Stashko, Michael.
0935/8571, Stephan, Elaine Delphine.
A-6917851, Stratis, Demitrios.
A-6660383, Tang, Yu Shang Chang.
A-4382647, Thaler, Max.
A-3470784, Thomson, James.
A-5841917, Tin, Loh Tsung alias Chew Loh Tsung Tin.
A-5858280, Titsidou, Dosta or Tetsidou or Tetsios or Tatseff or Tetseff (nee Yanchiou or Ianchiou also known as Dosta Dimitroff, as Dosta Dimitry or Dimitri and as Dosta George).
A-5143070, Tollaksen, Olga, Charlotte.
A-6248902, Tsamisis, Pauline Kaitery (nee Polyxeni James Kaitery).
V-252416, Van Lent, Andree (nee Andree Agnes Desmaris).
A-5825887, Varela, Arturo Lima.
A-6855806, Vestarhis, Leonidas Michael or Vestarchis.
A-4069345, Walther, Wally Erna (nee Wally Erna Hoffman Reich).
A-5129791, Weinberg, Philip.
A-3918583, Weiner, Mary (nee Sherman).
A-9671943, West, Julio Martinez.
A-5094078, Wiesenberg, Raizel alias Roselle Starkman.
A-7049128, Williams, Dulcibell Partika (nee Ho Sang).
A-6007009, Wisotsky, Meyer.
A-1897423, Woodham, Cyril William.
A-5090897, Wydryz, Ida Marie.
A-3739101, Yaskransky, Abraham alias Abe Dubitsky.
PR-946510, Yeh, Hsuan.
A-9139290, Ying, Chai.
A-3711168, Yong, Hee alias Yong Kin Si.
A-7983067, Yong, Lee.
A-9511329, Young, Ho or Young Ho alias Cheong Fook Chong.
A-3598307, Huisgen, Julius.
A-4804792, Huisgen, Else Magdelena Steinder.
A-6465789, Morris, Coral Margaret.
A-8001264, Reiwkham, Monwipha aka Frances Mary McGowan or Monipipha R. McGowan.
A-7131142, Pacini, Silvano Joseph.
A-6025064, Hendel, Naumi or Naumi Alekalaj Hemdel (nee Alcalay).
A-6287119, Vacchina, Giuseppe.
A-6287120, Vacchina, Irene E.
T-2729526, Yannouris, Stergias Ioannis aka Steve John Geannouris.
A-7177104, Baron, Anna formerly Anna Lukue (nee Cyszkiewicz).
A-2954969, Chong, Len or Lam Cheung.
A-6858766, Dracos, Demitrios Demetre Panagiotis or Drakos.
A-6858767, Dracos, Catherine (Aikatherine) Demetre (nee Hadjipateras).
A-7962196, Farina, Antonio.
0300-255723, Garcia-Fresno, Maria Del Carmen or Maria Del Carmen Garcia.
A-4695724, Harvey, Ralph.
A-3495462, Holt George or George Kurzholtz or George Holtz or George Kurzhals.
A-6660706, Hsi, William Arthur or Hsi Yu-Hao.
A-6445059, Hsi, Dorothy Lee or Dorothy Grace Lee.
A-3105626, Lee, Yun or Lee Yun alias Lee You.
A-4773211, Manfredi, Mario.
A-8196300, Rios-Esparza, Juan.
A-6541771, Torres-Fernandez, Felix or Felix Torres.

With the following committee amendments:

Strike out the matter as it appears on page 1, lines 7, 8, 11; page 32, line 18; page 33,

lines 11 and 12; page 41, line 5; and on page 66, after line 2, add the following:

"A-7824615, Ackermann, Carolina McDowell or Carolina Peralta or Carolina Peralta McDowell or Carolina McDowell.

"A-3261198, Atteyeh, Zahia Najm or Victoria Atteyeh.

"A-1110134, Parada, Emil Fernandez or Emil Fernandez.

"A-5890316, Johnson, Mildred Louise or Mildred Louise Stroman.

"A-7145947, Robinson, Alleyne."

The committee amendments were agreed to.

The concurrent resolution was agreed to, and a motion to reconsider was laid on the table.

LT. GEN. GRAVES BLANCHARD ERSKINE

The Clerk called the bill (H. R. 5527) to authorize the employment in a civilian position in the Office of the Secretary of Defense of Lt. Gen. Graves Blanchard Erskine, upon retirement from the United States Marine Corps, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the proviso under the heading "retired pay" in title II of the Department of Defense Appropriation Act, 1953 (66 Stat. 517, 518), Lt. Gen. Graves Blanchard Erskine, United States Marine Corps, upon his voluntary retirement from the United States Marine Corps shall be entitled to receive retired pay, as otherwise provided by law, from any funds available for the retired pay of officers on the retired list of the Marine Corps.

SEC. 2. Notwithstanding the provisions of section 2 of the act of July 31, 1894 (28 Stat. 205), as amended (5 U. S. C. 62), Lt. Gen. Graves Blanchard Erskine, upon his retirement from the United States Marine Corps, may be appointed to a civilian position in the Office of the Secretary of Defense. The appointment shall be made subject to applicable civil-service laws and regulations, including the Classification Act of 1949, as amended. Lieutenant General Erskine's appointment to and acceptance of, the civilian position in the Office of the Secretary of Defense shall in no way affect any status, office, rank, or grade he may occupy or hold as a retired officer in the United States Marine Corps, or any emolument, perquisite, right, privilege, or benefit incident to or arising out of any such status, office, rank, or grade. So long as he holds a civilian position in the Office of the Secretary of Defense he shall receive the compensation of that position under the Classification Act of 1949, as amended, in lieu of retired pay to which he would be entitled as a retired officer of the United States Marine Corps.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HARRY RAY SMITH

The Clerk called the bill (S. 141) for the relief of Harry Ray Smith.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any lapse of time or statute of limitations, the Court of Claims shall have jurisdiction to hear, determine, and render judgment on the claim of Harry Ray Smith against the United States for compensation which he would have received as an immigrant inspector, United States Immigration and Naturalization Service, during the period from July 11, 1938, to September 27, 1939, had he not been suspended from the Service during such period, less any amounts earned by him through other employment during such period. Suit on such claim may be instituted at any time within 1 year after the date of enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WRIGHT H. HUNTLEY

The Clerk called the resolution (H. Res. 255) for the purpose of sending H. R. 1114, together with all accompanying papers, to the United States Court of Claims.

There being no objection, the Clerk read the resolution, as follows:

Resolved, That the bill (H. R. 1114) entitled "A bill for the relief of Wright H. Huntley," together with all accompanying papers, is hereby referred to the United States Court of Claims pursuant to section 1492 and 2509 of title 28, United States Code; and said court shall proceed expeditiously with the same in accordance with the provisions of said sections and report to the House, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand, as a claim legal or equitable, against the United States, and the amount, if any, legally or equitably due from the United States to the claimant.

The resolution was agreed to and a motion to reconsider was laid on the table.

AV-EQUIP MANUFACTURING CO.

The Clerk called the resolution (H. Res. 256) providing for sending to the United States Court of Claims the bill (H. R. 4661) for the relief of the Av-Equip Manufacturing Co.

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that the resolution be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

MRS. ALBERTA S. ROZANSKI

The Clerk called the bill (H. R. 5410) for the relief of Mrs. Alberta S. Rozanski.

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

CLARA GABRIEL

The Clerk called the bill (H. R. 5511) for the relief of Clara Gabriel.

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The SPEAKER. That completes the call of the Private Calendar.

SECOND INDEPENDENT OFFICES APPROPRIATION BILL, 1954

Mr. PHILLIPS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5690) making appropriations for additional independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from California [Mr. PHILLIPS].

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 5690, with Mr. BETTS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. PHILLIPS. Mr. Chairman, I yield myself 17 minutes.

Mr. Chairman, the subcommittee on the independent offices appropriations brings to the floor this afternoon the second independent offices appropriation bill, or what is in effect the second section of the independent offices appropriation bill. This being the first time we have divided the bill into two parts. That was done, Mr. Chairman, as you will recall, because the budget figures were not available in March for all of the agencies which come before our subcommittee. We now bring before you the figures for the Atomic Energy Commission, for the Selective Service, for the TVA, and for the Veterans' Administration.

The total amount of the bill is $5,284,369,664, which is a reduction of approximately $3⅓ billion from the 1953 appropriation, and a little over $1 billion less than the original request which we in the Congress refer to as the Truman budget. The sizable amount of the reduction as compared to the present fiscal year 1953 is largely in construction costs and, to a very large extent, in the Atomic Energy Commission.

Mr. Chairman, in the Atomic Energy Commission, the budget figures are, to all intents and purposes, those of the revised budget request. We have made certain general restrictions. In this bill, as in the first bill, we indicated that we wanted a full use made of automobiles now owned by the Government, some of them belonging to agencies which are going out of business; some of them in a group which we believe to have been unnecessary in the past; in the same way we made reductions in the general travel expense, and those enter into the reductions we have made.

In the Selective Service System budget for that agency we have, in effect, accepted the recommendation of the new Budget Director.

In the Tennessee Valley Authority we again accept the major recommendations of the present Director of the Budget.

You will find that in general the controversial issue there will have to do with the reduction of two steam plants which will, I presume, be discussed by other

Members of the Congress and which may be discussed again under the 5-minute rule.

Four new units were requested by the Tennessee Valley Authority. The committee accepted the Budget Director's recommendation to eliminate the new steam plant at Fulton, and not to start a new steam plant in the Memphis area, but to continue the third unit, at the John Sevier plant, and the ninth unit at the Kingston plant which, in a way, complete the program already made for those steam plants.

I think it may be said that perhaps there are Members of Congress who feel that it would have been well not to have started those plants, to have depended upon the ability of the private utilities in the surrounding area to provide power. They were started over the votes of some of the Members of Congress, but they were started. These steam plants complete the program.

The Fulton plant, however, is in a different category. The Fulton plant is in an area somewhat distant from the main area of TVA power production.

There is no reason, in the opinion of the committee, why power for that area could not be supplied by increases in private power which is already supplying the Memphis area, or by the production, if necessary, of a steam plant by the municipality of Memphis itself, as other municipalities have done in all parts of the United States.

The Veterans' Administration budget has been discussed at length, both in our offices and on the floor. As you know, I came to the floor, Mr. Chairman, on the 4th of June and made a preliminary statement on what we intended to do. This was approved on June 11, a week later, by the full committee.

We have tried, for the first time, Mr. Chairman—and I say this with some pride—to tie together the number of beds which are being used, which can possibly be activated, securing staff, securing all the attendants, securing all the necessary factors to activate a bed in a veterans' hospital. We have taken the number indicated by the Veterans' Administration as the maximum that they can support and operate, which is 114,315 beds; and we have tied that to the VA's own figure of the cost of operation of those beds, which is about $555 million. We have said that if those beds are not activated then that amount of money must be reduced proportionately.

We have further separated the amount of money for hospitalization from the large figure which included many items besides hospitalization, and we have made that a separate item in the budget, as you will find.

Never again, in my opinion and certainly this is my hope, Mr. Chairman, never again will it be possible to create a furore, and to subject the Congress of the United States to the misstatements that have been current in the last 2 months. Figures have been given that have no direct relation to the hospitalization program, because we have now taken that single item which appeared before and which, in the Truman budget, was $921 million, and have separated it into seven items which can be identified as the parts of the main figure applying the different benefits and different functions.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. In just a moment, certainly.

We do this in a way as a matter of experiment, but my feeling is that at the end of the year we will come out with more understanding of the problems of the VA and of the administration of the VA.

I now yield to the gentleman from California [Mr. JOHNSON].

Mr. JOHNSON. I think a great deal of the furore that we had a while ago and the things we heard, the claims made that Congress was going to be unfair with the veterans, was based on a misconception. As the gentleman knows, and as I know, following the First World War, the Congress decided that there would be no compensation for non-service-connected disabilities. That principle, recommended by President Wilson, has been in effect to this day. The gentleman will remember, like I remember very well, that later the VA stated that if there were available beds in hospitals, built for service-connected cases, if there were available beds, then those who had disabilities but were unable to prove the disabilities were service connected, that those veterans might occupy those beds. Some people have construed that to mean that the law requires that veterans with non-service-connected disabilities should be furnished beds. I think that is where many persons got a thorough misconception of the whole problem of beds for veterans. I think the gentleman has very thoroughly covered the subject, and I want to congratulate him and his colleagues on the committee.

Mr. PHILLIPS. I thank the gentleman. There are other items in here; there are certain calculations and recalculations. After the bill came out there was a story that we had intended to lower the amount of compensation or pensions. We could not do that if we tried; that is a legislative enactment and we are required to provide the necessary money for it. We did reduce it, we reduced it materially, but we feel we did not reduce it more than the amount that will be required if there is proper administration. If it is not enough, then we will have to grant another amount in the first supplemental bill for calendar year 1954. I observe also that the same letters that say that we had reduced this amount neglected to say that by the same sort of calculation we increased the amount of money for insurance to Korean veterans and for payments of veterans' indemnity.

So, Mr. Chairman, it seems to me that perhaps we would reach a more rapid conclusion if I took time to answer questions rather than to discuss the bill in greater detail today.

I would be unappreciative, Mr. Chairman, if I did not say that it is a very great pleasure to me personally to work with the other six members of this subcommittee. We have had always the finest relationship between the minority and majority, no matter which party was in control of the Congress. I express my personal appreciation to the gentleman from Texas [Mr. THOMAS], the gentleman from Alabama [Mr. ANDREWS], the gentleman from Illinois [Mr. YATES], and to the fellow members on my side of the table, the majority side, the gentleman from New Hampshire [Mr. COTTON], the gentleman from North Carolina [Mr. JONAS] and the gentleman from North Dakota [Mr. KRUEGER].

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from New Jersey.

Mr. CANFIELD. With reference to the $300 million cut below the budget estimate for the item "compensation and pensions," it is my understanding that this was based on a recalculation of VA requests?

Mr. PHILLIPS. Yes; primarily so.

Mr. CANFIELD. There is no directive of any kind in the bill or in the report which would require the new Administrator of Veterans' Affairs to reduce the compensation and pensions of veterans now regulated by law?

Mr. PHILLIPS. I do not think he could if he wanted to. The gentleman from New Jersey does well to ask that question. But I do not want to have any misunderstanding. Of the $300 million we reduced it, there would be no argument over possibly $100 million. That amount would be accepted. On the other hand, the committee put into the hearings a report of our investigators showing that there has been great liberality, perhaps beyond the legal authority of the Congress, in granting some of these compensation cases. We cannot do anything about the legally granted compensation cases, and, certainly, we do not want to do anything about those who are deserving. But there is a question in my mind if a man who had flat feet when he went into the Army and flat feet when he came out of the Army is entitled to draw $20 a month for the rest of his life. There are cases like that, and they are not unusual cases. All we ask is that when the new Administrator comes in he will see whether that is a field for investigation in reference to economy. If he does not agree with us, we will probably have to provide $100 million later.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. As I understand it, the report is unanimous on this bill?

Mr. PHILLIPS. Well, not in all details, no. Insofar as the Veterans' Administration is concerned, yes.

Mr. AUGUST H. ANDRESEN. I heard that this committee has conferred with the heads of the various service organizations. Are they in harmony with the action taken by the committee?

Mr. PHILLIPS. I was looking around to see whether the gentleman from Pennsylvania [Mr. VAN ZANDT] is present. When he comes in I shall yield to him to say that the major veterans' organizations met with the Speaker at his request and agreed to the additions made in the bill, also agreed to the areas in which we made savings in order to pro-

vide the money that would give more hospitalization for deserving veterans. In one letter which I received yesterday, the writer of the letter, who was not the chief representative of that veterans' organization at the meeting, neglected to mention one or two points of agreement that were fully understood in the meeting.

Mr. COTTON. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from New Hampshire.

Mr. COTTON. I would like to inquire of the gentleman from California in further reference to the question propounded by the gentleman from New Jersey [Mr. CANFIELD] if, also, in the consideration which led to the reduction of $300 million in servicemen's benefits, the provision on page 18 of the bill, which was inserted in this bill by the committee, permitting the transfer between the various departments, compensation benefits, compensation pensions, and so forth, up to an amount of 5 percent, enabled us to reduce the appropriation?

Mr. PHILLIPS. I thank the gentleman. That is a complete answer I neglected to give. We put into the bill this year 5-percent exchange between these funds, which will more than protect the veterans about whom the gentleman from New Jersey [Mr. CANFIELD] was asking.

Mr. BROOKS of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Louisiana.

Mr. BROOKS of Louisiana. Mr. Chairman, I rose to ask the distinguished gentleman a question or two, but since rising I realize how tremendously important this bill is and how much interest there is throughout the country in a proper determination of some of the controversies in this bill. I think, therefore, we ought to really have a quorum here. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Eighty-nine Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 54]

Abbitt	Garmatz	Morrison
Albert	Gary	Moulder
Bush	Gathings	O'Hara, Minn.
Byrne, Pa.	Green	Patten
Case	Halleck	Philbin
Celler	Howell	Powell
Chatham	Hunter	Rhodes, Ariz.
Chudoff	Kee	Shafer
Coudert	Kelley, Pa.	Shelley
Davis, Tenn.	Kilday	Sikes
Dempsey	Krueger	Thornberry
Dies	McIntire	Wigglesworth
Ellsworth	Marshall	Willis
Fernandez	Martin, Iowa	
Fogarty	Morgan	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BETTS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 5690, and finding itself without a quorum, he had directed the roll to be called, when 378 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. PHILLIPS. Mr. Chairman, at the time of the rollcall I was about to yield to the gentleman from Louisiana [Mr. BROOKS].

Mr. BROOKS of Louisiana. I would like to ask the distinguished chairman of the committee something in reference to the action of the committee regarding the financing of a suitable number of doctors to handle the hospitals and the beds that are needed in his program. We have in our section, I know, 2 hospitals, 1 operated to about 60 percent of capacity, and 1 about to close several tubercular wards on account of a lack of doctors. I am asking if the committee has placed in the bill ample funds to take care of the doctors that can be obtained?

Mr. PHILLIPS. The gentleman asks a very good question. We have placed an adequate amount of money in the bill. We have placed in the bill all the beds that the VA said it could activate in the several categories, and all the money the VA said it needed to activate those beds. But money is not everything. We had to pass on this floor, a few weeks ago a bill to draft doctors and dentists for the military, and we have an even worse situation in the Veterans' Administration and in private hospitals. We do not have psychiatrists, we do not have TB specialists, and we have actually paid more than the doctors are making in many areas of the United States. There is a suction into the Veterans' Administration rather than away from it. If the gentleman will realize that, he will realize some of the problems this committee has in figuring out how many beds to authorize and supply money for, in view of the shortage of doctors, nurses, dentists, technicians, and other staff members.

Mr. BROOKS of Louisiana. I am aware of the problem the gentleman had before his committee. I know in the doctor draft bill, we did the almost unheard-of thing of raising the age for drafting of an occupation, the medical profession, to draft doctors and dentists up to 51 years of age. I know there is an acute shortage. But, the gentleman feels he has gone as far as money can go in supplying the needed doctors; is that right?

Mr. PHILLIPS. Yes. My own feeling is that money will be left over at the end of the year.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from New York.

Mr. ROONEY. I wish to commend the distinguished gentleman from California upon his action and the action of the committee with regard to the $555 million appropriation for maintenance and operation of hospitals in the Veterans' Administration.

Am I correct in understanding that under the committee action, in a situation such as the 1,000-bed Fort Hamilton VA hospital in Brooklyn, N. Y., where 180 beds have been vacant for some time because of the failure of the Washington office of the Veterans' Administration to allocate funds to reactivate those 180 beds, that there are sufficient funds in the gentleman's bill to reactivate such beds?

Mr. PHILLIPS. The answer is unquestionably "Yes," unless the difficulty has to do with the inability to get psychiatrists or certain types of personnel. So far as money is concerned, or the intent of the VA, the answer is "Yes."

Mr. ROONEY. It is the intention of the committee, is it not, that in a situation such as I describe, the full capacity of beds will be activated.

Mr. PHILLIPS. It is.

Mr. ROONEY. I wish to thank the distinguished gentleman for his assurance.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. THOMAS. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, on behalf of the minority I would like to commend our distinguished friends on the majority for doing a fine job. Chairman PHILLIPS has worked long and hard and certainly has shown more than an ordinary amount of good, common horse sense and good judgment. The gentleman from New Hampshire [Mr. COTTON] added much wisdom to the deliberations of the committee as did the gentleman from North Carolina [Mr. JONAS], and the gentleman from North Dakota [Mr. KRUEGER]. They have been of invaluable assistance not only to their own side, but to the minority as well.

Mr. Chairman, I do not think there is anything in this bill that is going to give the House too much trouble. I can well anticipate four or five items upon which the membership may want some clarification.

The committee is particularly proud of its action with reference to the Veterans' Administration. In the days gone by there has been quite a bit of misunderstanding and confusion in the administration of their business. I think that has been cured by the resignation of certain people in the Administration.

Mr. KEARNEY. Mr. Chairman, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from New York.

Mr. KEARNEY. I compliment the chairman of the committee and the subcommittee on bringing in this appropriation bill. However, there is one thing I would like to get clear in my own thoughts. As I understood the chairman of the subcommittee on hospitals, the figure with respect to the hospital setup is $555 million.

Mr. THOMAS. That is correct.

Mr. KEARNEY. I thank the gentleman.

Mr. THOMAS. If I may add one more thought to the contribution of my distinguished friend, that was $6 million more than the budget of former President Truman and some $30 million higher than the budget of our distinguished present President.

By that sum of money we intend to keep in operation every single bed the veterans will have during the fiscal year 1954, and that is a total, using round figures, of 114,000. That takes care of the new beds that will come into use this

year and those 2,500 that have been closed down for 5 or 6 months, I might add, without rhyme or reason.

Mr. KEARNEY. I am very glad to hear the gentleman make that statement. In other words, the way the setup is now, every bed that is vacant will be now open under this appropriation?

Mr. THOMAS. Absolutely.

Mr. Chairman, I yield 7 minutes to the gentleman from Florida [Mr. MATTHEWS].

Mr. MATTHEWS. Mr. Chairman, on June 4 of this year, our able colleague, the gentleman from California [Mr. PHILLIPS] made a most informative talk in the House and in his remarks included the following statement, and I quote:

> It is a fact, however, that the veteran population has moved westward and that the number of NP beds is not adequate for the present load.

Then later in his excellent address he made the statement:

> The neuropsychiatric load has been increasing in the western and southwestern area seriously.

I should like to supplement that statement by saying that the veteran population has also moved to the far south, and that the neuropsychiatric load in my State of Florida, has been very rapidly increasing and our problem there at the present time is a very serious one. The State of Florida's population has increased by over 300,000 since the 1950 Federal census was taken. Thus, our population is now over 3 million, and included in this rapid increase is a proportionate number of veterans who seek our State because of the salubrious climate, the character and charm of our citizens, and the great opportunities which Florida has to offer.

In the city of Gainesville, in the Eighth Congressional District that I have the honor to represent, very complete plans were made for a neuropsychiatric hospital several years ago. Approximately $1½ million have been spent on the acquisition of land, preparation of plans, and further exploratory work which it was hoped would lead to the building of this hospital. In 1948, President Truman reduced the construction program of VA hospital beds which had been planned by the Federal Board of Hospitalization, and as a result of this reduction, the neuropsychiatric hospital proposed for Gainesville, Fla., was eliminated.

The first question, of course, is will this hospital be needed for Florida? The answer to that is yes. At the present time the ratio of veterans to beds in Florida is 278 to 1, whereas in the United States as a whole, it is 175 to 1. There are only 5 States in the Union which have a higher ratio of veterans to beds than Florida. I will not mention these States, but it is interesting to note that their population through the past several years has been declining whereas the population of Florida has been steadily on the increase. If we consider the neuropsychiatric facilities, we will find that in the United States as a whole, there are 374 veterans for each NP bed, whereas in the State of Florida there are 3,304 veterans for each NP bed. It is interesting to point out here that over a year ago there were 742 veterans from Florida hospitalized in VA neuropsychiatric hospitals outside of Florida. It is well to note here that these 742 men were transported at VA expense, many of them with 2 escorts, also on mileage and per diem allowance. This item amounts to thousands of dollars annually.

Just this past spring the Florida State Legislature has authorized the construction of a medical school on the campus of the University of Florida, which is in Gainesville, and which is located only about 2 miles away from the proposed site for the neuropsychiatric veterans hospital. Within the next 2 years, the first unit of this medical school will be completed, and we shall have in Gainesville an opportunity to train our doctors and medical leaders. Surely as future construction of hospitals, according to need, is contemplated, the neuropsychiatric hospital in Gainesville should be among the first to be considered. One of the chief objections to some of our veterans hospitals in the past has been their isolation from medical centers.

I mention this problem at the present time because I know that we are thinking in terms of proper economy and that we realize that in the future when hospitals are built, that we should take into consideration their accessibility to medical schools and the possibility of obtaining doctors and nurses to staff these hospitals. From this consideration, I emphasize again that Gainesville, Fla., is a magnificent location. Here we will have a great medical school with all of its cooperating facilities.

I want also to point out that there is one aspect of our great veterans program which is causing me particular concern, and which I think frankly has worried the veterans in my district more even than the hospital program or any of the other great and needful programs administered by the Veterans' Administration. I refer to the difficulty they are having in obtaining loans to build their homes. One of the finest programs administered by the Veterans' Administration is the loan-guaranty program. I should like to quote from Gen. Carl R. Gray, who has just resigned as Administrator of Veterans' Affairs, in his testimony before our Committee on Veterans' Affairs on February 4, 1953:

> It is perfectly delightful to me to be able to report to you people who have provided the opportunity for this, how marvelously the veteran has responded from the standpoint of solvency and integrity in meeting his obligations. A total of 3,110,475 loans of all types have been guaranteed through the end of November, with principal value of $19,033,672,000 in value, and less than 1 percent of these loans have been defaulted. The integrity of the veteran as far as his financial obligations are concerned, is outstanding.

Now, however, despite this splendid record of the veteran he cannot borrow money to build his homes. I thought when the interest rate was increased to 4½ percent, that the program would begin to move, but this is not the case. Some of my friends have told me they suspect the attractive offering of Government bonds with their gilt-edge security and without being supported by the Treasury has encouraged the investment of the large lenders in Government bonds to the great detriment of the veterans' building program. A builder in my district has said that he thinks the problem is that the Veterans' Administration has insisted that the builder who wants to service a loan to a veteran must obtain a loan that will not exceed 4½ percent interest, and he cannot give a lender a discount. Another builder in my district stated that he felt the problem could be solved if the Veterans' Administration gave the veteran's home a proper appraisal and said to the builder, "You have to give this veteran a $10,000 home for $10,000," and then say to the builder, "I don't care how much interest you have to pay on your loan, just so this veteran gets the kind of house that he has paid for." This builder then went on to say, he thought that he could borrow money and pay a higher rate of interest by taking a discount on the loan which he would be willing to do. He said further, that if he could not get money at some rate of interest, he would have to go out of business. I pointed out to the builder that some of us were afraid that permitting the builder to get a loan at a discount would amount to legalized larceny, because he would try to pass on his loss because of the higher interest rate to the veteran. The builder replied that this absolutely was not so, because if the Veterans' Administration appraised the house, at its proper value, and insisted that the builder give the veteran the value of the house and further if the veteran attested to the fact that he would pay only those fees and charges allowed by the Veterans' Administration, there would be no legalized larceny. Whatever the answer to the problem is, Mr. Chairman, I know that the veterans in my district are not being able to get money for their homes. Our Committee on Veterans' Affairs has reported a bill to extend the direct-loan feature of the veterans' program for another year, with an additional appropriation of $100 million. This program, as we know, has been especially helpful for those who live in rural areas far separated from the great lending institutions. I hope this bill can soon be passed. However, I think one of the chief problems is still this matter of getting private money to build these homes. I understand that those who are interested in FHA mortgages are finding the same problem. I mention this matter at this time so that we can all know that as far as our great veterans programs are concerned, that one of the chief problems now is the fact that the veterans of good credit standing cannot get money to build homes which will mean so much not only to them, but to the whole business economy of this Nation. I certainly hope that some steps can be taken so our veterans can once again start building their homes and I might add not only our veterans, but other worthy citizens who cannot at the present find mortgage money. The gentleman from Ohio [Mr. AYERS] has scheduled hearings on this matter before his appropriate Subcommittee on Veterans' Affairs. These hear-

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ings will be held this week and I know the committee will do all that it can to help solve this problem.

Mr. THOMAS. I yield 12 minutes to the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Chairman, I have such great respect for my colleagues on the Independent Offices Subcommittee that I hesitate to disagree with them on any issue, particularly to the extent of disagreeing with them by writing minority views to the report accompanying this bill.

However, the one point on which I differed with them is so fundamental, in my opinion, that I have taken this rather unusual course. I wrote minority views last Thursday as a result of the rejection by the subcommittee of an amendment which I offered to the appropriation for at Atomic Energy Commission.

There is no disagreement as to the amount that is involved in the appropriation. There is disagreement only in directives to be given the AEC. It concerns one of the items within the funds that are appropriated for research and development, the development and construction of an atomic reactor.

The Atomic Energy Commission has requested $7.9 million for research and development of an atomic reactor. This reactor, development of which the committee already has approved—and let me say at this point that there is no dispute among any of the members of the committee that this work should go ahead—we are all agreed that it should. This reactor can be built in 1 or 2 ways. It can be built for a single purpose, namely: The generation of useful power for civilian purposes, or it may be built for a double purpose: not only for the generation of useful power for civilian purposes, but for propelling an aircraft carrier as well.

It is my view, and this is the reason for my amendment, that we should direct the Atomic Energy Commission to design and construct the atomic reactor so that it will serve a double purpose, civilian and military, as well.

This is the important point. A reactor which is capable of use in an aircraft carrier is also capable of being used for civilian purposes. The converse, however, is not true. A reactor that is designed to generate power for civilian use cannot necessarily be used in an aircraft carrier. And while it is true from any reactor that we may build we will learn valuable lessons which will serve in the construction of reactors for military purposes at a later date, nevertheless, we are at the present time in the opening stages, in the development and construction of a reactor, where we can without substantial increase in the ultimate cost obtain a reactor which it is anticipated will generate not only power for civilian purposes, but which will also generate power for an aircraft carrier as well. It is as easy to accomplish the double purpose as the single.

In October 1951, the Joint Chiefs of Staff established as a military requirement that there should be constructed such a reactor and work was begun.

However, this year, when the new Secretary of Defense reviewed his budget, he decided that the military requirement for this reactor was not needed. The military requirement was therefore revoked, and with it the reactor's military purpose. Thereafter, the Atomic Energy Commission appeared before the National Security Council and obtained permission to apply to the Congress for funds with which to build this reactor for civilian purposes. That is the situation at the present time.

If the reactor was not going to be built, it would be one thing, but inasmuch as a reactor is now going to be built—we have approved funds for it—why should it not be built to serve a double purpose? In the current budget the Department of Defense has requested almost a quarter of a billion dollars for construction of a new carrier of the Forrestal class, a request which will undoubtedly be approved by the Congress. If the new carrier is a military requirement—and certainly the Department of Defense would not have approved construction of such an expensive ship if there had not been a military requirement for it—if the construction of this carrier is a military requirement, how then can the Department of Defense take the position that construction of a power plant for an atomic carrier is not a military requirement? This position seems to me to be indefensible.

Why did the Department of Defense change its mind? On May 6 a story appeared in the Washington Post to the effect that the reasons underlying the withdrawal by the Department of Defense for the military requirement for the atomic reactor were: First, economy; and, second, that this reactor could be built by private industry.

In both respects the Department of Defense is wrong. In the first place, the funds of the Department of Defense are not affected in the least by construction of this reactor. This appropriation is chargeable to the Atomic Energy Commission and has no effect on the appropriations for the Department of Defense. Secondly, with respect to its contention that private industry is now ready to build such a reactor, I have checked every source I have been able to find, and I have been unable to find one authority, not one, which will state positively that private industry is capable now of building a reactor of this type. The AEC must still undertake development and construction of such reactors.

Why is my amendment of such importance? I will tell you why it is important. Since the time I filed my minority views on Thursday a story has appeared in the Washington Post of Sunday under the headline "A-Carrier Progress Speeded Despite Reactor Project Ban." And the story says this:

> Construction of an atomic-powered aircraft carrier will be speeded rather than delayed by the Defense Department's cancellation of its carrier reactor project, high officials at the Pentagon said yesterday.

Now, as far as I can make out, that statement is just so much double talk, just so much verbal legerdemain because I cannot see how the building of an atomic carrier can be speeded by withdrawing funds for the construction of its power plant.

The article goes on:

> The Navy, it was disclosed, will go ahead with the nuclear flattop, utilizing modified and enlarged versions of existing submarine reactors.

When I saw that statement in the paper I checked with our Appropriations Committee and found that neither our subcommittee, which has jurisdiction of appropriations for the Atomic Energy Commission, nor the military subcommittee, have received a request for funds for such a reactor and it is well that neither of our committees had received such a request, because if the Navy proceeds to build a reactor which is based upon the theory behind existing submarine reactors it will be a serious and a major mistake, for the reasons outlined in the latter paragraphs of the article. The article itself reputes the contention of the Defense Department. While it is true that the reactor which is being developed to power a submarine can power a submarine, it is extremely doubtful that such a reactor is powerful enough to drive a carrier through the water.

Some more economical means, some other theory of using atomic energy must be adopted in connection with the propulsion of an atomic carrier. We have such an opportunity in this bill. Is it not only ordinary commonsense that if we are going ahead to build a reactor, which can be used for this purpose, if the funds are now being appropriated can be used for a double purpose, for the life of me I cannot see why we should not tell the Atomic Energy Commission: This is the way in which we want the reactor built. We want it built to generate power not only for civilian purposes, but we want a reactor that will power an atomic aircraft carrier as well.

It seems to me, Mr. Chairman, that there is more to the race in which we are engaged with Soviet Russia to attain mastery in the field of atomic energy. We must remember that the field of atomic energy is not restricted to the explosion of a bomb or to an artillery shell. It covers the entire field in which power is used. Atomic energy can be the propelling force for vehicles of war as well as for the weapons of war and this, too, is our competition at the present time with the Communist forces.

I say, therefore, Mr. Chairman, that if we are going to build this plan as we are, we should use it for two purposes—for propelling large ships and for the generation of power for civilian purposes as well. I hope the House will accept my amendment.

Mr. PHILLIPS. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. COLE].

Mr. COLE of New York. Mr. Chairman, at the outset I want to compliment the gentleman from California [Mr. PHILLIPS] and the members of his Appropriations Subcommittee for the genuine understanding they have shown in their treatment of the development of atomic power as contained in this bill. Much has been said lately on this subject and not all of it has been either accurate or temperate. It is therefore especially gratifying to find that these responsible Members of the House have

come to the heart of the matter and are recommending to us action which is, in contrast to some public statements on the subject, both temperate and intelligent.

The House is urged to follow the recommendations made by this committee. We do not yet know whether or not private enterprise is going to put up the capital necessary to build atomic power plants, but it is clear that no one is willing to put up private money now to do the whole job of development, design, and construction. There is equally no doubt that United States leadership in this field of harnessing atomic energy for peaceful purposes cannot be allowed to falter. The insurance contained in this recommended appropriation that atomic power for industrial as well as for military purposes will be developed and constructed is welcomed news indeed.

Almost 3 months have passed since the Joint Committee on Atomic Energy was organized for this Congress. During a large portion of these 3 months the subject of atomic power development policy has been No. 1 on our agenda. We have held 10 separate executive hearings with witnesses from both Government and industry to discuss some of the problems involved.

In general, our discussions have brought out the fact that industry has an intense interest in the development of an atomic powerplant. In one case we were told that a particular industrial group would be ready to put its own money into the building of a powerplant, provided that the Federal Government continue its research and development programs in atomic power, and provided the Atomic Energy Act of 1946 is amended to permit private ownership of fissionable material production plants, and provided we permit patent rights to accrue to private industry. Further executive hearings, and, if possible, open hearings, will be held during this session of Congress.

One conclusion is already clear to me. Apparently the Appropriations Committee has reached the same conclusion. We must not risk loss of momentum, so dearly bought with Federal funds, in the atomic-power-development program. If private money is forthcoming, it should be given every opportunity to participate in atomic-power development. If it is not forthcoming, the Atomic Energy Commission must be given the legal and financial freedom necessary to permit it to carry the ball until private money is ready to step in.

More than 3 weeks ago I addressed a letter to the gentleman from California [Mr. PHILLIPS]—speaking only for myself—in which I tried to sum up the situation as it stood then. It was not an attractive prospect to anyone sincerely interested in maintaining United States leadership in atomic-energy development. My letter called attention to the fact that the proposed Atomic Energy Commission budget for fiscal 1954, then before the Independent Offices Subcommittee, contained no money for construction of a civilian atomic powerplant.

It seemed to me that the relations of the United States with every other country in the world could be seriously damaged if Russia were to build an atomic power plant for peacetime use ahead of us. The possibility that Russia might actually demonstrate her allegedly "peaceful" intentions in the field of atomic energy, while we are still concentrating on atomic weapons, would be a major blow to our position in the world. It could even disrupt the continued operation of our own atomic weapon plants—disrupt them by stimulating friendly countries to slow down the flow of vital uranium they now sell us in order to avoid the politically irresponsible and factually erroneous charge that they are selling their atomic birthright for a few American dollars.

I wrote to the gentleman from California [Mr. PHILLIPS] because I firmly believed—and I still believe—that the point had been reached where no other part of our Government was in a position to act so as to protect the broad United States interest in this matter.

Now what has been the history of atomic power development? The first atomic power project began under the Manhattan engineer district in 1946 at Oak Ridge. It failed a year later because of the inadequacy of the existing scientific and technical data. The second atomic power project ran its course from 1948 through early 1950 at the Knolls Laboratory in Schenectady, N. Y., under a contract with the General Electric Co. It was never built because of the excessive cost in prospect for this design. The data was salvaged and is being used in the submarine intermediate reactor prototype now under construction. The third effort, in 1951–52, consisted of getting five groups of private companies to study the prospect for privately financed projects. All five groups have expressed interest, but none have offered to put up construction money without strings attached at this stage of development.

Last fall, the Commission proposed to the Bureau of the Budget that it include some construction money in its fiscal 1954 budget to start building full-scale, power-breeder reactor. This was turned down on economy grounds. Then the Commission proposed to the National Security Council that money be included in the revised fiscal 1954 budget for beginning construction of a pilot plant to produce 7,500 kilowatts of electric power. The National Security Council turned this down on the grounds of economy.

Finally, Navy plans for an atomic powerplant prototype for an aircraft carrier were reviewed by the National Security Council and the Department of Defense and were eliminated as too long-term for the current budget. This so-called CVR aircraft-carrier project happens to coincide with many aspects of commercial atomic-power development. It was the last-ditch stand from which the Commission hoped to draw the design and operating experience for stimulating private commercial atomic power development.

Cancellation of the aircraft-carrier reactor resulted in an appeal from the Commission to the President, and in a special appearance by the Commission before the Joint Committee at the request of the committee. As a result, a modified civilian version of the aircraft carrier reactor to produce 250,000 kilowatts of electric power was put back in the fiscal 1954 budget now before the Congress. But the budget as finally submitted contained only $4,200,000 for continuation of research and development on this reactor, and nothing for construction.

I believe that it is not only ridiculous but dangerous beyond our ability to foretell that we should now appropriate over a billion dollars for continued atomic weapon supremacy and yet allow nothing to start building at least one atomic-power plant for peacetime use. This is not an act of economy, but of folly.

I am sure we all agree it would be folly to invite the Soviets to take atomic leadership away from us in the weapons field. Equally so would it be folly to let them take leadership in the atomic power field. It is easy to imagine the effect of an announcement from Moscow that they had developed atomic power, and were ready to make their knowledge available to all comers. World faith in the West would be shaken to the core, for America symbolizes a better way of life to most of the nations of the world and in the eyes of those who are without adequate power resources, atomic power is the touchstone to achievement of the American standard.

But what is not so easy to imagine is the other side of the coin.

What would happen if it was from Washington rather than from Moscow that the announcement came of the achievement of atomic power, and that the United States stood ready to show the rest of the world how they could obtain electric power in plentiful quantities. Why, Radio Moscow would burn out its transmitters saying that our offer was a trap, an offer of a greedy profiteer, and of a henchman of Wall Street. The power hungry nations of the world would be at the doors of American embassies wanting to know how quickly they could share in this great advance. The Soviets would be forced to devote much of their effort toward catching up with our atomic power development. In a real sense this would dilute the effort that Russia with her limited atomic resources could devote to weapons.

We have seen Russia respond to the stimulus of competition in the field of atomic weapons. Everything we do they have to try to do better for the sake of their pride and their struggle for world leadership. We hear talk about the competition that private enterprise can bring to this field. Here is real competition, in the peacetime side of the atom where the whole world will benefit, competition between the United States and the Soviets to bring atomic blessings to the world. Here is the starting gun of an atomic power race, the successor to the atomic arms race, a contest deserving our fullest effort.

These thoughts may be visionary, but I say they bear directly upon the money bill before us today for what we decide here will set the course of future atomic power development for the next decade. The oft-repeated public statements that private companies are ready and willing now to put up private capital to do this

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job of atomic power development without qualification are just not true. The joint committee has been examining this thesis for 2 months. A mere trickle of private money will be available, and that only when the law is changed and only after the Congress has had opportunity to debate the broad issues of private ownership, patents, and security.

I would therefore like to add my most sincere personal recommendation to that of the Independent Offices Appropriations Subcommittee in favor of allowing the Atomic Energy Commission to start construction of a useful atomic power plant prototype in the coming year. I have the strongest assurances from the Commission that they will make every possible effort to avail themselves of any offers of cooperation by private capital which may be forthcoming and will make every effort to insure that the interest of the public and of all of industry are adequately protected. There is tangible hope that private capital may be available for at least the nonatomic portion of the power plant. If this should prove correct, the Federal contribution for a completed plant would be not $70 million, but somewhere between $20 and $57 million, and the contribution from private industry would be from $15 to $50 million depending on the details of the plan acceptable to all parties concerned, including our watchdog joint committee.

Scientists and engineers the world over have declared commercial atomic power possible now. I do not know whether the first civilian power plant will produce power at less cost than conventional plants may. Nobody knows, and we will never know until we build one and find out. We must be about the business of building at least one plant as a demonstration to American industry and to the world that it is possible, and truly practical.

This proposed appropriation provision would insure that we could indeed get about that business and start building at least one atomic power plant while the broad debate looking toward the longer future goes on to a fair and equitable conclusion.

Mr. COTTON. Mr. Chairman, will the gentleman yield?

Mr. COLE of New York. I yield to the gentleman from New Hampshire.

Mr. COTTON. Mr. Chairman, first, on behalf of the subcommittee, I would like to say to the gentleman that we are deeply appreciative of the help he has given us in the consideration of this all-important matter. We admire his grasp of this problem, his devotion to it, and we have, as the gentleman knows, inserted in this bill directions which will point the way and free funds to be used for the purpose. As a Representative from New England, an area that is power hungry, may I say that the development of atomic power for civilian use means very much to us. I thank the gentleman for the splendid work he is doing in this cause.

Mr. COLE of New York. I appreciate the gentleman's generous references.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. COLE of New York. I yield to the gentleman from Illinois.

Mr. YATES. I was interested in the statement the gentleman made concerning the activities of his committee at the present time in looking into the possibility of obtaining private enterprise for the development of atomic energy. Did I understand the gentleman correctly in his statement that as of the present time it appears there is only a trickle of funds that would be interested in developing this particular field, and that for the foreseeable future, as far as we know, the work will have to be done through the Atomic Energy Commission?

Mr. COLE of New York. That is not exactly what I said. I said that if nothing is done by way of changing the law, if things are allowed to carry along as they are now, only a trickle is available. It has been indicated, however, that substantial sums might be available if the law is changed in certain fashions, making it permissible and legal for the producers of private capital to own fissionable production plants, to own the material, to generate the power, and to have the benefit of any patent applications they may develop as a result of their work. There is indication of the availability of certain private capital, but it is a conditional availability.

Mr. YATES. The Atomic Energy Commission, with the funds that have been provided in the last fiscal year and with the funds appropriated in this bill, will develop and construct a reactor which is susceptible to the generation of power for civilian use, we hope; at least, that is its goal. Does the gentleman agree with the position I have taken, that as of the present time, however, the direction in which this reactor should be developed should be for a double purpose, namely, for the generation of power for civilian purposes but as well for the development of a plant which will power the driving shafts of large ships, such as aircraft carriers?

Mr. COLE of New York. I listened very carefully to the gentleman's statement, and, frankly, I could not find the basis of his disagreement with the provisions contained in this bill. The bill states:

That in addition to funds allocated for research and development for a reactor which will advance technology toward both ship propulsion and the generation of industrial power—

Which I understand is the very thing the gentleman seeks to achieve—

and for design of such atomic-power reactor, the Commission may expend from funds provided under this head such sum as may be necessary, not to exceed $7 million, for beginning construction of such reactor—

This means a reactor which will advance technology toward ship propulsion and power production. Therefore, the only difference I can see is that the gentleman would prefer to authorize $7,900,000 in contrast to the committee's authorization of $7 million.

Mr. YATES. If I may explain my position, there are two funds involved in this bill: One is a fund for research and development; the other is a fund for construction purposes. It is necessary to separate these for appropriation purposes. The language the committee has used is to that portion of the bill which deals with funds for construction purposes. The amendment which I propose to offer on the floor tomorrow deals with the funds that are to be used for research and development. If the gentleman will note now the language which he read, he will see that it states: "in addition to funds allocated for research and development." That comes in at a prior part of the bill. It is at that part of the bill that I hope to present my amendment.

Mr. COLE of New York. May I ask what is the gentleman's interpretation of the language in line 13, where it authorizes $7 million for the beginning of construction of such reactor? What kind of reactor are they talking about except one which directly relates to ship propulsion and power development?

Mr. YATES. The $7 million will be used for these purposes as part of the construction fund: First, for the drafting of engineering and architectural plans for the construction of a building; and, second, for the construction of a building itself. The funds to which my amendment is to be offered are for actual research and development funds themselves, which precede the making of the plans and the construction of the buildings. So there are 2 purposes for 2 different types of funds. But still will the gentleman not agree with me the language used in this particular section which states a reactor which will advance technology both for ship propulsion and the generation of industrial power merely says this: that no matter what type of reactor the Atomic Energy Commission develops, if it is only for the generation of power for civilian purposes, that in itself will increase the advance of technology for a reactor which may subsequently be built for an aircraft carrier? The contrary would be true, however, in the event the funds which were appropriated were directed for use for construction of an aircraft carrier, in which case it could not be used for civilian purposes at all.

Mr. COLE of New York. I gather the substance of the gentleman's statement and it is not necessary to continue it. The net of my statement is that whatever interpretation may be applied to this provision which is included in the appropriation bill, it is measurably better than the budget which was submitted to the Congress by the executive department. I am a bit fearful that we may lose sight of the woods in order to focus our sights on some of the trees if we are to pursue the argument advanced by the gentleman from Illinois. As far as my interest and my concern are affected, the provisions submitted by his committee contained in this bill are adequate. It will mean we will continue with the scheduled program of building one of these power reactors and incidental to that learn valuable lessons about using a reactor for ship propulsion. The thing that disturbed me was the proposal to cut out all funds for the construction of a reactor which would generate power. I feel very deeply it is important for us to maintain our position as pioneer in the atomic field and to prove to the world we are just as interested in making use of atomic force for peaceful, constructive, and positive

and useful purposes as we are for destructive purposes.

Mr. PHILLIPS. I just want to point out in the figures mentioned by the gentleman from Illinois $4,200,000 is already allocated for research work on the prototype of the reactor the gentleman from New York is talking about. This is experimental work on a prototype for a useful, civilian purpose, and the balance of the amount of $3.7 million which the gentleman from Illinois mentioned is also in the research fund.

Mr. YATES. Of that fund approximately three-quarters of it is for reactors of all types including the submarine reactor and the aircraft reactor and $1.7 million are for actual cancellation costs attributable to the cancellation of the reactor work which was started last fall.

Mr. PHILLIPS. As the gentleman from New York knows the Atomic Energy Commission has said that money, both that which was originally in the bill and that which the subcommittee put in, will be used for the development of a reactor suitable for use either with large ships or for industrial purposes. I concur with the gentleman from New York in the belief that this is the best way to handle that situation.

Mr. COLE of New York. Let me conclude by simply pointing out that even though the funds are appropriated for this purpose it does not mean necessarily that the money is going to be spent for that purpose. It is going to require continued watchfulness on the part of the Congress to see that the money is actually spent because under the present arrangement, it is conceivably possible for an economy-minded administrator to deny the commission the use of the funds for this purpose. But, if that decision is made in the executive department, in my view, it would be evidence of an extreme type of blindness and a lack of realization of the importance of this program to the maintenance of our position in world affairs.

Mr. Chairman, I yield back the balance of my time.

Mr. THOMAS. Mr. Chairman, I yield to the gentleman from Alabama [Mr. ANDREWS] such time as he may require.

Mr. ANDREWS. Mr. Chairman, first I should like to say that I think this is a good bill, with one or two exceptions. So far as the hospital program for the veterans is concerned, I have no doubt but that there will be an adequate number of hospital beds operated by the Veterans' Administration during the fiscal year 1954. As a matter of fact, we attempted in every way possible to find out from the officials of the Veterans' Administration first, how many beds can they operate in the GMS hospitals, and the TB hospitals, and the NP hospitals. Next, how many domiciliary beds can they operate; and how many contract beds can they operate.

We took the figures given us by the Veterans' Administration officials, and next we asked how much money will it cost to operate this number of beds. In each case we have allowed in this bill the amount of money that the Veterans' Administration officials tell us will be necessary to operate the maximum number of hospital beds. So if, in 1954, any hospital beds are closed, any hospital wards are closed, any doctors are fired, any nurses or technicians are fired, it certainly will not be due to a lack of appropriated funds by the Congress.

When the bill is read under the 5-minute rule, I propose to offer an amendment to strike from the bill certain language that makes it impossible for the Directors of the Tennessee Valley Authority to move their administrative offices from Knoxville, Tenn., to Muscle Shoals, Ala.

As you know, the Congress created the TVA by an act in 1933. In the original act, as I recall section (j), provision is made for the principal office of the administration to be located in the vicinity of Muscle Shoals, Ala. The language of that act says that the principal office shall be located in the vicinity of Muscle Shoals; which, in law, as you know, is mandatory.

The law provides that the affairs of the TVA will be administered by a board of directors. There are three members of that board. Under the law, the directors have authority to do all things necessary toward the efficient and effective operation of the TVA.

For many years, since the creation of TVA, the administrative offices have been located in Knoxville, Tenn., which is on the far eastern fringe of the territory served by TVA. The administrative offices in Knoxville are housed in 8 or 10 buildings scattered throughout the city of Knoxville. Each Director of the TVA has told our committee that in his opinion the affairs of the agency can be conducted more economically and more efficiently from one building, operating under one roof, operated from Muscle Shoals, Ala.

Why should the Congress step in and with the language that I hope to strike out by an amendment, say to the board of directors, men who have done a magnificent job in the operation of TVA, men who are unquestioned so far as their integrity or their ability is concerned—why should the Congress come in and say to those men, "We do not want you to move those offices"? If we begin legislating here about the internal matters of TVA, then I suggest to you that the time has come that we abolish the board of directors, just let Congress create a committee and run TVA. So tomorrow when I offer my amendment to strike that language from the bill I certainly hope that you will listen to the argument that will be advanced at that time as to why those offices should be moved.

And I want to say this in closing, Mr. Chairman, that with me this is not a personal matter. It is nearly as far from Muscle Shoals to my district as it is from here to Muscle Shoals, and there is not one kilowatt of electricity that goes into my district from TVA. But I say that it is a matter of principle, that if we entrust 3 directors with the expenditure of some $400 million of the taxpayers' money a year, and if we charge them under the law with the duty of operating TVA, certainly we should rise above any political attraction that might be involved in this case and give those directors the privilege of putting that office where they say it should be located and from where they say they can operate more effectively, more efficiently, and more economically.

Mr. PHILLIPS. Mr. Chairman, I yield 5 minutes to the gentleman from Tennessee [Mr. SUTTON].

Mr. SUTTON. Mr. Chairman, I have the highest respect and esteem for my good friend from Alabama, the gentleman who just preceded me. Naturally he is interested in moving industry into Alabama, just like we are interested in keeping it in Tennessee; so there is more than meets the eye to this problem of the amendment that will be offered to the appropriation bill.

Let us get on to some facts and figures, though, and see what the story actually is on this proposition of moving the TVA office to Alabama; and I might say, Mr. Chairman, that Knoxville is some 300 miles from my home and my home county; Muscle Shoals is only about 28 miles. From a personal standpoint it would be better for me to have TVA headquarters in Muscle Shoals, it would help my home county, we might have some people employed down in TVA headquarters if it were at Muscle Shoals. But this is larger than any personal question. Now is the time to start economizing if we are going to have economy in this Government, and one of the points last November that brought this administration into power, one of the reasons why the electorate decided that General Eisenhower was to be President was the point of economy. So let us look at this from the standpoint of economy instead of the personal standpoint.

There are 14 major TVA dams in Tennessee; only 3 in Alabama. There are two new dams under construction right now in Tennessee; there are none under construction in Alabama. There are 6 major TVA steam plants in Tennessee; there are 2 in Alabama. Also, there are 2 new TVA steam plants under construction in Tennessee; only 1 under construction in Alabama. There are 865,000 customers served in Tennessee by TVA; there are only 143,000 served in Alabama by TVA. The TVA plant investment in power facilities in Tennessee is $478 million; there are only $157 million of such investments in Alabama.

You see where the investment is. You see where TVA is. It is not in Alabama; it is in Tennessee. Three-quarters or more of it is in Tennessee, not in Alabama.

Let us look at what my friend the gentleman from Alabama [Mr. ANDREWS] says, to the effect it must go to the Muscle Shoals area. Any time you incorporate under the Delaware law or any other State law, it says in your corporation charter it is mandatory that the seat of it shall be in that State. If you were incorporating in Tennessee or in Alabama under Delaware law, your headquarters by your charter would be in Delaware. How many people do that? There are common factors in any corporation law, so the wording in that was taken from the corporate law.

Mr. BAKER. Mr. Chairman, will the gentleman yield?

Mr. SUTTON. I yield to the gentleman from Tennessee.

Mr. BAKER. Is it not true that at the time the TVA Act was passed in 1933 only one dam was completed. That was the Wilson Dam, at Muscle Shoals?

Mr. SUTTON. That is exactly right.

Let us go a little further and look at the contemplated move into Alabama. TVA is trying to obligate us for the sum of $7 million for a building. Those who want to move to Alabama will say: "We will get that money back." But let us see whether we will or not. They are trying to obligate us for $7 million, 120,000 square feet they are asking for in this building in the Muscle Shoals area. They only have 86,000 square feet in Knoxville now. But they will not close down those offices and give up that 86,000 square feet in Knoxville. So it is 120,000 square feet with $7 million additional to what it has today. So on top of the 86,000 square feet that they now have in Knoxville they are asking for 120,000 square feet more, which will be $7 million more than what it actually costs now.

From an economy standpoint I do not see how anyone could oppose keeping the TVA headquarters at Knoxville, Tenn., because that is the center of TVA facilities, it is its headquarters, which have proven effective. To move it down into Alabama would cost an additional $7 million, plus moving people around all over the country, and disrupting the great city of Knoxville as well as Muscle Shoals.

Mr. BAKER. Mr. Chairman, will the gentleman yield?

Mr. SUTTON. I yield to the gentleman from Tennessee.

Mr. BAKER. Does the gentleman know of any reason in the 20 long years that TVA has had its headquarters in Knoxville for the sudden decision to move it down into Alabama?

Mr. SUTTON. Other than what Mr. Clapp says, it is none of Congress' business, that they will put their offices wherever they want to. No one in Congress was consulted and I think the subcommittee on appropriations should have been advised on any intentional move until TVA does not require Congress to appropriate additional funds. When that time comes then TVA in my estimation can make all of the decisions. Until that time I believe TVA is obligated to the Congress of the United States.

Mr. Chairman, I hope this committee and the Congress will leave the headquarters at Knoxville, Tenn.

Mr. PHILLIPS. Mr. Chairman, I yield myself 1 minute to answer a question to be asked by the gentleman from New York.

Mr. DORN of New York. I appreciate very much the gentleman's yielding for me to ask a question. On June 4, the gentleman from California made a very excellent speech, and in answer to certain questions I addressed to him then with reference to the Fort Hamilton Veterans' Administration Hospital he told me that the appropriation of $550 million would adequately take care of opening all beds in the Fort Hamilton Hospital at Brooklyn, N. Y., a veterans' hospital. May I ask him now if there have been any changes in his statement since that time?

Mr. PHILLIPS. There have been no changes in the situation. The gentleman from New York will remember that I said I could hardly commit the Veterans' Administration to the number of doctors, the staff, and so forth, necessary, but it is the intention of the Veterans' Administration to open that hospital. It is the desire of the committee that it should be opened, and if the gentleman will remember I said if I were in his place I would say that to my people.

Mr. DORN of New York. Then, if we can find additional doctors and additional nurses in New York or in Brooklyn to staff the hospital, the total number of beds should be opened, because the money is contained in this $555 million.

Mr. PHILLIPS. The gentleman is correct.

Mr. DORN of New York. I thank the gentleman. I want to state in behalf of the veterans in Brooklyn that they thank the committee very much. They have been working on this matter for the past 2 years, and I know that they fully appreciate this appropriation.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. THOMAS. Mr. Chairman, I yield 9 minutes to the gentleman from Alabama [Mr. JONES].

Mr. JONES of Alabama. Mr. Chairman, I regret, indeed, that this has become apparently an issue between the State of Alabama and the State of Tennessee as to where the headquarters of the TVA should be located. I would like to appeal to you on a broader basis, however, because this will not resolve the question before the committee today.

The second proviso in the TVA item of the bill prohibits the use of any funds available to TVA to acquire a building for administrative offices so long as the annual appropriations for power purposes exceed the amounts which TVA repays to the Government on account of the Federal investment in power facilities. I believe it clear that it is wrong in principle for Congress to decide where the main offices of a regional agency can be most effectively located when the agency itself has made a good faith and well-supported decision as to how it can best carry out the activities entrusted to it by Congress. In addition to this objection in principle, however, I think it is apparent from the language of the proviso as well as from the language of the committee report that the limitation is inept in draftsmanship and punitive in intent. Such an action would not meet the standards of dignity and statesmanship which the country has a right to expect from Congress. I shall attempt to point out in the brief time available to me some of the specific weaknesses of this provision.

First. Nowhere in the report is there a statement that the move of the central management staff from Knoxville to Muscle Shoals would not be in the interests of sound, economical, and efficient administration. The record made before the committee demonstrates that the move is in the interests of TVA and of the Federal Treasury. The Bureau of the Budget has reported that the building transaction negotiated by TVA is a favorable one. Congress is therefore asked to take this action without the committee being willing or able to give a single supporting fact as a basis for the action. If there are any reasons for the committee action they are evidently reasons which the committee is unwilling to put in print. So far as I know this is the first time that the committee has proposed a major limitation without even having claimed that its proposal makes sense, much less assigning any sensible reasons for it.

Second. The committee did not play fair with Congress when it prevented the acquisition of any office building until TVA power repayments equal TVA appropriations. This makes it seem as though the TVA staff was being moved as a matter of personal pleasure or reward. On the contrary, many of the TVA staff will move at substantial personal hardship. They are moving in order to do their job more cheaply and more effectively. Whether power repayments are equal to power appropriations has nothing to do with the case, or at least, any relationship is just the opposite of that implied by the proviso. The move will result in better and more economical administration of the TVA program and, therefore, will hasten the day when repayments and appropriations will come into balance. The limitation, therefore, obstructs and hinders the very thing it would seem on its face to encourage.

Third. This proviso has one purpose and one purpose only, to keep the payroll of the TVA Board and the central management staff within the Second District of Tennessee, and to punish the effrontery of the TVA Board for making the decision to move in order to improve efficiency. Its purpose is to create a captive payroll for the city of Knoxville. In proposing this limitation, questions of how agencies of the Government can function best, and questions of the appropriate relationship between Congress and its administrative agencies, went out the window. This is demonstrated on the face of the bill and on the face of the report. What interest have you as Members of Congress in insisting that TVA work at the wrong location, that it waste the money appropriated for it, that it reduce the effectiveness of the programs entrusted to it, just so that the Second District of Tennessee will be able to keep a payroll?

Fourth. Of course the committee did not dare spotlight its willingness to force the work of the Government to be done at the wrong location and its determination to overrule a decision of the TVA Board made after long study and supported conclusively in testimony before the committee. The committee had to put a gloss of generality, a gloss of principle, on this action. In doing so it has made matters even worse than they would have been if it had frankly provided that the TVA Board and the TVA staff in Knoxville should be prisoners of the city. In attempting to provide a general formula for a wrong act committed for a wrong purpose, the committee covered under the proviso many transactions which go far beyond the committee's intent. They have not only prohibited the acquisition of a building at

Muscle Shoals for the TVA Board, they have prohibited the acquisition of a building anywhere for administrative purposes. What is an administrative office? I suppose it could be argued that any office with a typewriter and a telephone is an administrative office. Remember that in the normal course of TVA's operations, with workloads fluctuating from place to place as one dam or steam plant is completed or another begun, staff must be moved all the time, and in normal course there are thousands of transfers every year. In order to trap the TVA Board in Knoxville the committee has been reckless enough to insert language which could be construed to prevent the acquisition of a building anywhere to house any type of administrative personnel.

Fifth. Although the proviso itself is limited to the acquisition of a building the punitive purpose of the provision is demonstrated beyond question by the provision in the report that "no steps should be taken to move the office personnel located in Knoxville to a new location." Here the committee has given away the show. It has demonstrated that it is not interested in whether the building transaction is a good one or a bad one, or even whether there is to be a building transaction at all. The TVA Board and staff are prohibited from moving even if quarters were to be provided for them at Muscle Shoals rent free. The committee here is saying in words that cannot be misconstrued that regardless of considerations of convenience, economy, or program administration, that no matter how bad a location Knoxville may be or how much worse it may become, that no matter how severely the TVA program may be crippled by forcing the Board to function from Knoxville, that in Knoxville it must stay and the public interest be damned.

Sixth. In requiring the TVA Board to remain in Knoxville the committee, whether intentionally or not, has given Knoxville landlords a tight monopoly on TVA office-space requirements. There is no surplus office space in Knoxville, but in the past TVA has been able to negotiate leases which reasonably protected the Government's interests. If this provision remains in the bill, what could TVA do if the landlords next year doubled or tripled or quadrupled the rents? TVA cannot move from Knoxville and it cannot build a building in Knoxville. This proviso may create some new millionaires in Knoxville, sucking their wealth from the Public Treasury because of this misguided and ill-intentioned effort to hamstring TVA and keep a payroll in Knoxville at any cost.

Seventh. There are 2,000 TVA workers in Knoxville and in the past there have been thousands of transfers between Knoxville and other locations. The bill and the language of the report have been so ineptly drawn that they can be construed as freezing in the Knoxville location every individual who may be now working in Knoxville and who may be hereafter transferred to Knoxville or be employed at Knoxville. I am sure this was not the committee's intent, but the situation serves to demonstrate how wrong actions are multiplied in the effort to defend them, and how every effort to rationalize and justify a wrong action simply creates new wrongs. This provision is not only wrong, it is absurd and ludicrous. It cannot be defended except in terms of the most shortsighted party politics and disregard for the public welfare. I cannot believe that Congress will sustain this action of the committee.

Mr. PHILLIPS. Mr Chairman, I yield 5 minutes to the gentleman from North Carolina [Mr. JONAS].

Mr. JONAS of North Carolina. Mr. Chairman, I have no desire to get into an argument between the two great States of Tennessee and Alabama. I have no interest in Knoxville, Tenn., or Muscle Shoals, Ala. I have served with pleasure on the subcommittee with my distinguished friend, the gentleman from Alabama [Mr. ANDREWS], who spoke earlier this afternoon. I have learned to appreciate his sterling qualities and to admire his ability. Ordinarily, I would be happy to go along with him on most any subject, and I do not know of any we have had disagreement about in the subcommittee.

But because of some of the remarks that have been made here this afternoon bearing upon what motivated the committee in its decision on this particular subject, I would like to take a minute or two to explain my own attitude and my own position. There is no question here of deciding where Tennessee Valley Authority headquarters shall remain permanently. I would agree with my friend, the gentleman from Alabama, that Congress should not enter into a debate on that proposition once TVA begins to stand on its own feet and operate as a corporation ought to operate. But so long as TVA continues to come back here and ask the American people to appropriate a quarter of a billion dollars a year to enable it to expand its activities, then I think we as custodians of the public purse, have a right to express an opinion to TVA as to where they shall maintain their headquarters.

And why do I say that? I say that because there are 500 families and approximately 2,000 people in Knoxville, Tenn., who will be forced to dispose of their property and transplant them down to the State of Alabama. And despite all the denials that may be made about it, if the past is a pattern for the future, it will not be many years until this House will be urged by the people of Muscle Shoals and vicinity, because this will have then become a federally impacted area, to help them build schools and hospitals and roads, and other installations. And you know that is true just as well as I do, despite all the denials that have been made about it.

Of course, they came in before our committee—the representatives of that community—and they said, "Oh, we are able to absorb this influx of 2,000 people."

That is only the beginning, bear in mind, ladies and gentlemen of this Committee. This is only the first step in a plan that the gentleman from Alabama [Mr. ANDREWS] says has been in the minds of the Directors of the TVA since 1933.

So we are saying in this provision that until TVA is able to stand on its own feet and will no longer have to come back to Congress every year for hundreds of millions of dollars, they ought not to take such a fundamental step as to disrupt the lives of several thousand people in Knoxville and move them down to Muscle Shoals. That is the reason I voted to put that provision in the bill.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. JONAS of North Carolina. I am glad to yield to my friend from Alabama.

Mr. JONES of Alabama. The gentleman made the statement of the habit of the TVA of coming back to Congress every year for appropriations. Does the gentleman know how TVA could fail to come to the Congress for appropriations?

Mr. JONAS of North Carolina. Surely; I know how; by operating efficiently. It is more than a billion-dollar corporation. Why can it not stand on its own feet?

Mr. JONES of Alabama. The gentleman from North Carolina knows as well as I that the language in the TVA acts compels it to come to Congress. In the 80th Congress we wrote a provision of repayment for TVA, and naturally it has to come back, because it cannot make the expenditure of funds for capital improvements——

Mr. JONAS of North Carolina. Does the gentleman know that the TVA will have an income this year of $175 million from its own activities?

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. PHILLIPS. I yield the gentleman 2 additional minutes.

Mr. JONAS of North Carolina. Do you know that the TVA, from its own operations, will have an income of $175 million this year?

Mr. JONES of Alabama. Did it not give an accounting to the Congress and to your committee of its activities?

Mr. JONAS of North Carolina. Of course it gave accounting; but it came in and originally asked for $254 million more this year to build additional steam plants and to expand its activities.

Mr. JONES of Alabama. It would have to expand if it is to perform the service required of it by law.

Mr. JONAS of North Carolina. It should do its expanding from its own funds and not expect the taxpayers of the country to continue to provide the funds. Private utilities find the money to pay for their expansions.

Mr. JONES of Alabama. It is not an ordinary public utility; it is a Government creation.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield to me?

Mr. JONAS of North Carolina. I yield to the gentleman from California.

Mr. PHILLIPS. I thought perhaps the gentleman would like to call the committee's attention to the fact that during all this discussion, when it had obligated the Federal Government to some $7 million as a possible future debt, the TVA did not at any time mention this fact to the subcommittee on independent offices, even though it had

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signed a contract 2 days before they came before us.

Mr. JONAS of North Carolina. That is correct. The officials of the TVA came before our committee on the 12th day of the month, and 2 days prior to that day they had signed the contract; and they never mentioned that fact, as fundamental a fact as lifting up bodily 2,000 people and disrupting their lives and moving them into another State.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. JONAS of North Carolina. I am glad to yield to the gentleman from Pennsylvania.

Mr. GAVIN. I want to compliment my very distinguished and able friend on a very forceful and forthright statement. This TVA has been misused around here for a long time and I think it is about time that some action is taken by this Congress to reexamine the whole TVA situation. Let us find out what it is all about and whether or not it is standing on its own feet, or whether it is being subsidized by the American taxpayers for benefits for that particular area.

Mr. JONAS of North Carolina. The answer to that, if the gentleman will permit me to say so, is very clear in the record. Despite the fact that Congress has given TVA more than a billion dollars, and despite an income of $175 million a year, TVA cannot even finance a little $30 million steam plant; and they come to this Congress and ask that Congress provide them with the money to build it.

Mr. THOMAS. Mr. Chairman, I yield to the gentleman from South Carolina [Mr. RICHARDS] such time as he may desire.

Mr. RICHARDS. Mr. Chairman, I rise at this time to propound an inquiry to the distinguished chairman of the subcommittee as well as to the distinguished ranking minority member.

This bill, as I understand, includes funds through which contracts are made with the States for agricultural training of veterans on the farm. Recently the Veterans' Administration held up over a hundred thousand dollars from the State of South Carolina, claiming irregularity. If the Veterans' Administration takes that position, I can go along with their thesis that individual veterans should be held responsible in case of fraud or irregularity, but I would like to know whether or not it is the understanding of the chairman that funds will be withheld from the State only where the State itself through its officials is guilty of gross negligence or fraud?

Mr. PHILLIPS. Yes; the gentleman knows that the committee is very much in sympathy with the position he takes and fully agrees with him. There are two reasons why the committee did not attempt to write anything into either the report or the bill. If we wrote anything into the bill, it might apply not only to this case but also to the case where it would be desirable for the Veterans' Administration to attempt to get back money which had been paid out, or to refuse additional money because there might be some error in calculation; and, second, because on page 806 of the hearings the gentleman will find that I questioned the attorney, and I quote from the record:

> Mr. PHILLIPS. Well, it seems to me Mr. Odom, the meat of the coconut is that you have agreed to have a meeting with representatives of the State of South Carolina——
>
> Mr. ODOM. That is correct.
>
> Mr. PHILLIPS. And to work this out and to go, if necessary, to the extent of advancing the money——
>
> Mr. ODOM. That's right.
>
> Mr. PHILLIPS. Under some sort of an agreement——
>
> Mr. ODOM. That is correct.
>
> Mr. PHILLIPS. By which the State, in effect, might have to pay some of it back——
>
> Mr. ODOM. That is correct.
>
> Mr. PHILLIPS. If the amount determined were in favor of the Veterans' Administration?
>
> Mr. ODOM. That is correct.

We felt that with that agreement on the part of the Veterans' Administration and the understanding that all South Carolina would be asked to do would be to agree to that same sort of assurance which other States had made in the same sort of situation, that the matter was satisfactorily settled. If it were not we have said that in the progress of this bill through this body or the other body we would be very glad to help straighten it out.

Mr. THOMAS. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. Gladly.

Mr. THOMAS. May I supplement my chairman's remarks by stating that either on Thursday or Friday of last week I called the Acting Administrator, Mr. Stirling, of the Veterans" Administration, and asked him about the South Carolina situation. He advised me that on that day a letter was going out, I believe he said to the governor of the State, offering to pay them $104 million. I asked him if that would make everybody happy and ease up the claims, and he said, "Yes." I asked him if I was at liberty to pass that word on to my colleague from South Carolina [Mr. RICHARDS] and the other Members of the South Carolina delegation, and the answer was "yes."

Mr. RICHARDS. I thank both gentlemen very much, but I want to ask the distinguished ranking minority Member: Is it his understanding that in the case of South Carolina, and all States where a contract has been made with the Veterans' Administration, these funds can be withheld only on grounds of gross negligence or fraud on the part of the State; is that correct?

Mr. THOMAS. I cannot categorically answer the gentleman's question. It is my understanding that liability accrues by virtue of a contract. Sometimes it is made with a governor of the State as the representative of that State; sometimes it is made with the board of education, and so forth. But it is my understanding that it is the intention of the Veterans' Administration not to penalize any State by virtue of any irregularity that does not smack of fraud.

Mr. RICHARDS. The gentleman means that the veteran individually is responsible and the policy is not to penalize the State?

Mr. THOMAS. That is my understanding.

Mr. RICHARDS. As the gentleman understands then, this $100,000 plus will be paid to the State of South Carolina, is that correct?

Mr. PHILLIPS. I think it may have been paid. I understood the gentleman from Texas to say that.

Mr. RICHARDS. If it has been paid, it is news to me.

Mr. THOMAS. He said the letter was going forward that they were offering $104,000, so I presume it has been paid.

Mr. PHILLIPS. I was in error that it has already been paid, but it is in the process of being paid.

Mr. THOMAS. I think perhaps it has been.

Mr. RICHARDS. I thank the gentleman. I only want to see that the State of South Carolina as well as the veterans of our State are not unjustly penalized.

Mr. THOMAS. Mr. Chairman, I yield 7 minutes to the gentleman from Tennessee [Mr. EVINS].

Mr. EVINS. Mr. Chairman, some of the arguments we have heard here today in debate and doubtless will hear as debate proceeds with reference to the TVA, have been repeated many times in the past. Other criticisms of TVA have been ingeniously created and advanced by the enemies of the TVA—the enemies are always the same—the private power trust—which we all know and recognize as the most powerful lobby in Washington.

During the time allotted to me, I want to endeavor to answer some of the arguments against TVA.

Mr. Chairman, in answer to those who charge that the TVA is not a profit-making enterprise and that its bookkeeping methods are improper, I would answer by referring to statements from recognized sources who have investigated the TVA accounting methods.

The financial success of TVA power operations has been confirmed from several outside sources. Maj. T. Coleman Andrews, now Commissioner of the Bureau of Internal Revenue, when Director of the Corporation Audits Division of GAO, testified before a congressional committee as follows:

> TVA, which is a profit-making enterprise although it may not have been basically intended to be so, is in excellent financial condition.

Last year, 1952, TVA paid into the Treasury of the United States $25,800,000. Since its inception TVA has paid a total of $66,131,000—under the act, all capital loans for power expansion must be repaid into the Treasury.

The firm, Haskin & Sells, New York firm of certified public accountants, in a task force report to the Hoover Commission said:

> The Authority is more than earning sufficient power revenues from power operations to repay the investment in power facilities with interest.

The Senate Committee on Expenditures in the Executive Departments—Senate Report 2685, 81st Congress—has stated with regard to GAO reports on TVA's operations:

> From the very first report submitted by the GAO for the fiscal year 1945, the auditor's opinions have been affirmative of the excellence of the corporation's affairs and there

has been reported no single proceeding in violation of the law. In comparison with reports of the GAO on the affairs of other governmental corporations, this is a real tribute. With respect to each year, the corporation's own balance sheet and supporting statements have been found to present fairly the entire operations of the corporation, as reflected in accounting methods maintained in accordance with applicable law.

Commissioner Andrews has also testified before a congressional committee:

TVA probably has the best accounting system in the entire Government and probably one of the finest accounting systems in the entire world. It is an excellent system. There is no private enterprise in this country that has any better.

To those who charge that TVA has no authority for steam-plant construction, I should like to reply that this age-old question has been settled by the Congress and the courts time and time again.

Appropriate sections of the act refer to TVA's power to acquire assets and to construct facilities—including steam plants, which is a necessary auxiliary of a power producing facility. The United States District Court for the Western District of Kentucky in the matter of the *United States Ex rel. TVA* v. *Puryear* (105 F. Supp. 534) affirmed TVA's authority for the building of steam plants.

In this case TVA brought action to condemn an easement and right-of-way for the use of TVA in constructing electric power transmission lines. The court decided that the act contained this authority and said:

There is undoubtedly statutory authority in the TVA Act, granted in section 4, for the construction of the Shawnee steam plant.

Senator Vandenberg, Presiding Officer of the Senate, ruled that the TVA Act conferred such authority. During the 80th Congress a point of order was made against an amendment to appropriate funds for the new Johnsonville steam plant on the grounds that the TVA lacked authority to construct such plants. Senator Vandenberg, President pro tempore of the Senate, overruled the point of order on the ground that the words "other structures" in subsection (1) of section 4 of the act could well include steam plants.

The late Wendell Willkie, in testifying before the committees of the Congress, both before and subsequent to the sale of private utility properties to the TVA, testified of the necessity of the TVA to build steam plants and of the intent of the Congress to confer such authority.

To those who charge that industry is being moved from the East to the South because of the availability of TVA power, I would reply that this charge has often been repeated, but never established or confirmed.

During the 80th Congress, with the new Johnsonville steam-plant matter before the Congress, charges were made that industry was moving from the East to the South. I challenged any member of the Committee on Appropriations to show a single instance regarding the transfer of industry to the South for this reason. No one accepted the challenge.

Recently our colleague, Congressman GWINN, of New York, has inserted in the Appendix of the CONGRESSIONAL RECORD at page A3404, copy of a letter to the Governor of Tennessee in which Congressman GWINN states in part:

And what about the hundreds of industries that have moved from other parts of the country, especially New England, in order to take advantage of TVA subsidized power? In Columbia, Tenn., is the Massachusetts Knitting Co.

Congressman GWINN uses the words "just hundreds"—to bring the words from out of the sky—and then cited just one instance.

In a long-distance telephone conversation recently with a distinguished lawyer, and friend of mine in Columbia, Tenn.—Hon. Lon P. McFarland—I learned that the Columbia, Tenn., Knitting Mills—successor to the Massachusetts Knitting Mills—was located in Tennessee in 1931. The TVA Act was not passed until 1933 and the TVA power was not available in the area of Columbia, Tenn., until 1939. The plant had been established in the area more than 6 years before TVA power was even available.

In this connection I would like to read excerpts from a letter from Mr. Frank Cover, plant manager, of the Tennessee Knitting Mills, Inc., Columbia, Tenn., dated June 12, 1953:

"Dear CONGRESSMAN EVINS: Our attention has been called to the effect that some New England Congressman has inserted in the CONGRESSIONAL RECORD a statement that Tennessee Knitting Mills was located in Tennessee as a result of the availability of TVA power. That statement is false from beginning to end. To keep the record straight, please note that Tennessee Knitting Mills acquired the present building in June 1931, and started partial operation within a month; whereas, TVA legislation was not enacted by Congress until 1933 and actual use of TVA power was not available (in our city) before August 16, 1939."

* * * * *

The power factor (of TVA rates) is so insignificant that at no time would it be a determining factor in either coming or remaining in Columbia because of the lower power rates.

We appreciate the opportunity of presenting the facts to you as they are, and not as someone would like for them to be.

With best wishes, we are

Respectfully yours,

TENNESSEE KNITTING MILLS, INC.,
FRANK COVER, *Plant Manager.*

Yet we continually hear from our colleagues about industry being located in the South because of the TVA.

The distinguished young Senator from Massachusetts has recently made a series of speeches in the other body regarding the industrial situation in New England. Among other things, the Senator has pleaded for conservation and development of New England's water resources. When he did so, he was stepping on the toes of the power trusts.

I like the formula of the junior Senator from Massachusetts when he said:

I want to equalize New England and the rest of the country, but I want to do it by upgrading New England and not by downgrading other parts of the Nation.

I commend this formula to the Members of the Congress.

It has been well said, Mr. Chairman:

If you would destroy a region, destroy its power supply. If you would hold a region to a lower standard of living, you can do it by placing a limit on its supply of electric power. If you would build a region, build an even greater and greater supply of electric energy.

The Congress of the United States through the TVA has accepted the responsibility of supplying the power needs of the Tennessee Valley. The people of the area, therefore, have looked with confidence to the Congress and to the TVA to carry out its responsibilities as in the past.

When the Federal Government authorized the TVA and purchased all of the private power interests in the area, a partnership arrangement was entered into between the Federal Government and the people of the Tennessee Valley area. This partnership, at the end of 1952, was comprised of 54 cooperatives and 96 municipalities which distribute power to the people, all of our farms, and in our cities—power produced by the TVA—the sole supplier of power for the people in the area.

Naturally, the people have been concerned that this partnership be continued. Certainly the Congress should not violate its contract with the people. Neither should the Congress put a lid on the progress, growth, and well-being of a great segment of our citizenship.

As one citizen of the area recently expressed himself in a letter:

If we can afford to give billions of dollars to people halfway around the world, surely we can afford to lend the TVA the funds necessary to prevent the economic throttling of an important section of our country.

More recently we have all read headlines and statements in the press to the effect that $8 billion in American aid was the stake in the Italian elections.

Yes. We seem to see the advantages of aiding the people of other countries, and yet sometimes are shortsighted about the needs for reasonable growth and progress of our own people.

Mr. Chairman, I have never been able to reconcile the position of some Members of Congress in failing to see the importance of building up and strengthening of all sections of our common country.

Yes, Mr. Chairman, the people of the South through TVA have made progress during the past several years. The South was once referred to, we may recall, as the economic problem No. 1 of the Nation. Today the economic situation of the average individual of the area is improved—yet not in line with the national average. Progress in this direction is being made. We are looking today upon the South as an outstanding example to the world of progressiveness.

The Tennessee Valley area has become one of the great productive regions of the Nation and the arsenal for defense for our common country. Unfortunately, because of this progress and advancement, there has developed and exists—a prejudice against the TVA—sectional prejudice and skepticism. The 20-year record of TVA's success has been too much for some to appreciate and understand.

During May of this year the TVA celebrated its 20th anniversary. The TVA

has had its ups and downs during this time, but the years have meant a steady climb of growth and progress. The sum total of TVA's operations means that the welfare of the people has been improved. Agriculture and industry have flourished. Our municipalities and cooperatives have expanded, and our national defense has been strengthened.

Yes, the TVA has served well the people of the Tennessee Valley area, but more than this, the benefits of the TVA go far beyond the immediate area—and that is what I wish the membership of this House could realize, appreciate, and understand.

The TVA has become a symbol of progress—not only to our people, but to people of other lands—in every country of the world—where the forces of freedom and economic betterment are struggling for existence. The TVA has become recognized with widespread interest and is heralded by people all over the world. This is evidenced by the fact that people from other nations have come to see and know the TVA area first hand. The leaders of other nations have noted the accomplishments of TVA in improving navigation, flood control, and in developing electric power, not only for civilian use but for national defense.

The story of the joint partnership between the people of a great section of America and their Government is a wonderful story. It is the story of a partnership which has harnessed rivers and streams which have been put to work for the economic betterment of all of the Nation. Time does not permit the retelling of the full side of this story of the TVA today.

There is another story—an even more vital one concerning the TVA—that I wish to relate—and that is the national defense importance of the TVA and its production of electricity for the Nation's defense and security.

TVA had its beginnings as a national-defense project during World War I. We had its power and other resources during World War II. The power produced by the TVA system hastened the end of World War II and helped save many lives. It kept our bombing planes flying until we gained control of the air and won final victory.

In this age of atomic threat and challenge, we should take great pride that the resources of the TVA are fighting on our side. The TVA is a great national asset—the resources of which belong to all of the people of our Nation.

The TVA, alleged by its critics as a wasteful and visionary experiment, has proved to be neither. It has proved rather that its contribution was a life-saving foresight for our national safety and defense.

Power supplied by TVA averted a crisis in aluminum production during World War II.

The chemical nitrate plants of the TVA supplied more than 60 percent of the total phosphorus requirements of the military for bombs, fire and smoke screens during the war. The electric furnace research of TVA aided industry in producing the other 40 percent needed.

TVA power was used to build the first atomic bomb.

The Oak Ridge atomic project could not have been made a reality without the TVA—thus, TVA was the most direct contributor of any power facility of the Nation toward ending the war in Europe and Japan.

Today, the TVA is still in the forefront serving the national defense needs and meeting the increasing power demands of our military and defense installations not only at Oak Ridge but also the tremendous power requirements for the new atomic energy installation at Paducah, Ky., the rocket research center and guided missile plant at Huntsville, Ala., and the new and important defense installation, the Air Engineering Development Center near Tullahoma, Tenn., in the district which I have the honor to represent. This project—the AEDC—now under construction, when completed, will be a great aerodynamic research center for the development and testing of jet and other aircraft—the largest wind tunnel operation in the United States—and so far as we know—in the world. When completed, this center alone will consume and require more than 750 million kilowatt-hours of electric power annually. This power for the Government is to be supplied by the TVA.

To meet this vast power demand for national defense purposes alone, the TVA must increase its present installed power generating capacity from 4,500,000 kilowatt-hours—present capacity of 1952—to 9,600,000 kilowatt-hours by 1956—3 years hence.

It is the increased demand for power by the Federal Government—the defense installations which, at this time, require capital funds to be loaned for expansion of power needs and requirements of the area.

The power division of TVA is charged with the responsibility of providing power for all the people of the area. This area, I would advise my friends, does not include just Tennessee alone, but is an eight State area consisting of 80,000 square miles—an area in which 5 million people live.

It is true that farm and home use of electricity has increased; but, this power consumption has been paid for by the people of the area. They will continue to pay for this power. The people only want an opportunity to purchase it—not to be denied a source of power supply.

According to TVA engineers, farm and industrial power consumption is not estimated to be increased in substantial proportions during the next years—only power for normal growth needs will be required. However, the requirements of the Federal Government—national defense power needs—will be substantially increased during the next 3 years.

The importance of advanced planning for heavy increased power requirements for the Federal Government should not be overlooked. The recommended cut in present power facility construction should not be sustained—the new facility construction cut out—the Fulton steam units must be restored—the future needs of the area and the Nation demand it.

It would not be necessary for this expansion except for power purposes. The committee, in its report, recommended that the TVA be placed on a self-sustaining basis. The committee should be aware that the TVA is already on a self-sustaining basis except for expansion—expansion of which is required by the Federal Government.

The best engineering estimates indicate that it would not be necessary at this time to be asking the Congress for additional capital loan for power production purposes except for the national defense demands. The increased demands for electric power by the defense installations constitute the primary reason for the appropriation requested.

The large increase in energy requirements forecasted for 1954 through 1956 reflect the announced expansion of the defense mobilization program in the TVA area, and assures a continued high-level production of civilian goods. The municipalities, cooperatives, and Federal agencies are TVA's preference customers. The Federal agencies alone in the area during 1954 will require almost three times the amount used in 1952—this primarily because of the expansion of the Atomic Energy's facilities at Oak Ridge, the AEDC near Tullahoma, Tenn., the chemical plant at Muscle Shoals, Ala., and the new atomic energy plant at Paducah, Ky.

The maintaining of a strong posture of national defense during these years of national tension is a matter of first importance. Nothing could please the Kremlin more than evidence of weakness in our productive and industrial system. For these reasons alone we cannot afford to reduce our power resources so necessary to maintain our highest possible production of power for both military and civilian needs.

Mr. Chairman, in addition to the civilian and military power needs of the area and the fact that TVA being the sole supplier of power in the area and is morally and legally obligated to supply the power needs of the area, there exist many other valid reasons why the Congress should provide the necessary capital loans for increased power-generating facilities for the TVA:

First. TVA belongs to all the people and is a great national asset.

Second. The TVA is a sound business enterprise. Its power program is profitable and makes a substantial return in revenue to the Treasury annually.

Third. The TVA has served well the agricultural and industrial interests and the public interests of the South and of the Nation.

Fourth. TVA has helped improve navigation, and has provided protection in flood control of the Tennessee Valley.

Fifth. The estimated savings of property by reasons of control of destructive floodwaters is conservatively estimated to be $450 million.

Sixth. TVA's power operations are self-supporting and self-liquidating. Last year, 1952, $25 million was paid into the Treasury—profits from TVA's power sales. Since TVA's inception the power program has made a return of $66,131,000 into the Treasury—the net average

income over the years has been 4.7 percent—approximately 5 percent on investments.

Seventh. The traffic load on the rivers of the valley include automobiles, coal, coke, petroleum products, steel, agriculture, and manufactured products—all of which evidences that this phase of TVA's work is serving well the industry and the commerce of the Nation.

Eighth. The chain of 25 dams with hydroelectric power stations of the integrated TVA system constitute a great national asset—of vital usefulness and importance in peace and war.

Ninth. TVA has served as a yardstick to help adjust power rates for the consumers of the Nation—the average TVA rate for residential use is 1.33 cents per kilowatt-hour. The average rate for residential use in the United States is 2.76 cents per kilowatt-hour. TVA rates have helped to keep down power costs to consumers in other areas.

Tenth. The TVA has greatly helped in accelerating farm electrification. Today 90 percent of farms of our section are electrified whereas less than 4 percent of the farms were served with electricity in the area prior to TVA—there are still over a million farms in the country without electricity and many of these are in the TVA area.

Eleventh. The public-owned lands in the Tennessee Valley yield an estimated annual income of $350 million. Under sound forest management this yield could be increased many times.

Twelfth. The upstream storage of the TVA dams has resulted in a saving from flood control of more than $95 million according to reasonable and conservative computation—these dams are capable of reducing floods at Cairo, Ill., by 2 to 4 feet and on down the stream. This security from floods protects 6 million acres of the Mississippi Valley productive land and reduces the frequency of floods in 4 million acres additional—sulting in the saving of thousands and thousands of dollars annually.

Yes, Mr. Chairman, the benefits from TVA are many. The national asset in the TVA is great.

We hear a lot these days about decentralization of Government from Washington. The TVA is a splendid example of how a Federal agency can work with local agencies of the Government on a decentralized basis in the development of the natural resources of the Nation.

Yes, the TVA has many times over proven and demonstrated its great worth to the Nation—for national defense—and is an excellent example of the people's ability to cooperate with the Federal Government in a program for economic advancement and betterment.

The elimination of funds for the resources program removes the source of TVA's effectiveness as an agency of regional development. Through the resources develoment program assistance is given to the State and local communities, to chambers of commerce and private enterprise in forestry, agriculture, minerals, and industrial development. The resources and development program has helped to bring about changes of permanent and lasting value to the resources of the Tennessee Valley area. The elimination of funds for the resources development program reduces the TVA largely to a power production facility.

The action of the committee in reducing the power potential of the TVA and cutting out entirely the resources development program of the TVA is the most unwise and uneconomic act of this Congress.

The committee, in recommending $188,371,000 for TVA for 1954, is proposing a reduction of $65,984,000 in the budget estimate for TVA for all purposes for next year. It should be pointed out that this is a reduction of $91,830,000 from the original budget.

The recommended cuts include $31 million for power facilities presently under construction, an additional cut of $30 million for new facilties—namely, the Fulton plant—a total of $61 million cut for power construction.

Further, a cut of $661,000 in funds for additions and improvements on present and completed projects, a cut of $308,000 for navigation, a cut of $187,000 for investigation of plans for future projects needed and a cut of $770,000 for the chemical programs.

As if this were not more than enough, the committee has recommended cutting out the entire funds for the resources development program in the amount of $2,377,000.

The total budget cut for TVA for fiscal 1954 is $65,984,000 from the revised estimates—a total cut of $91,830,000 from the original budget estimates.

The committee indicates, according to its report, that the Federal Power Commission and the Defense Electric Power Administration—DEPA—submitted evidence indicating that over the past several years the TVA has overestimated its future power demands. Nowhere in the report or hearings does the committee show the basis for its conclusion. Apparently, the committee has obtained some secretive, unreported testimony and evidence concerning the power needs of the TVA.

The truth of the matter is that the private power experts—the Edison Electric Institute and others of the private Power Trust—have repeatedly predicted, and I should add falsely predicted, that the TVA power units would create unneeded surplus power. These so-called experts have been proven wrong time and time again.

The private power interests made a prediction in 1935 that surplus power existed in the TVA area "sufficient to provide for growth for the next 6 years." That was in 1935 and 6 years later we had World War II.

I think it should also be pointed out that at the time this prediction was made spokesmen for the private Power Trust also stated that not more than 1 farm out of 4 was a prospective power customer. How wrong they proved to be.

In 1948, when the TVA asked for funds to begin construction of the Johnsonville steam plant, private utility interests again stated that no further power was needed. Their estimates and predictions were again proven untrue and unfounded.

Today, through TVA and REA, approximately 90 percent of farms in the TVA area have electric power—an increase from 3 percent in 1933 to 90 percent in fiscal year 1954. Thus, the great programs of TVA and REA are responsible for this remarkable development in the electrification of the farms of America.

In 12 successive semiannual surveys made in the last 6 years by the Edison Electric Institute of the power needs of the Nation the institute has found it necessary in each instance to raise and revise its original estimates.

What better evidence could there be that private power spokesmen cannot forecast accurately even the needs for private power sources? They have miscalculated and underestimated the power requirements of their own service areas.

How could it be assumed that they could accurately predict—even if they desired to do so—the needs of the TVA area?

They have been wrong in the past and they are wrong again in their whispered estimates of TVA needs.

In 20 years TVA has never requested funds to start a single plant that did not prove to be needed—usually before it was finished. During the same time the private power lobby experts have regularly predicted that these same plants would create unneeded surplus power. The Budget Director and Appropriations Committee have failed to read the lessons of history. They have listened to those who have made mistakes in estimates in the past and to the shortsighted prophets of doom.

It should be remembered that the predecessor of the Edison Electric Institute was the National Electric Light Association, which was discontinued following investigation and disclosure by the Federal Trade Commission of many unsavory practices in which this association engaged.

In view of the history of the inaccuracy of private power estimates of future power needs of the TVA area—and in view of the expertness and accuracy of the TVA's estimates of past needs—I, for one, prefer and certainly think the Congress should take the estimates of the TVA—those experts who are in a position to know the needs of the people of the area and the Federal power requirements.

Apparently, in arriving at their conclusions, the committee has referred to testimony—appearing in the hearings—received by the committee to the effect that the private power companies serving outside the area could furnish any power requirements that might be needed. The only recorded and published testimony in the hearings of any representative of private power companies is that of Mr. R. B. Wilson, vice president of the Mississippi Power & Electric Co., Jackson, Miss.

Mr. Wilson's testimony is contained on pages 223–228 of the hearings and I submit that the reading of Mr. Wilson's entire testimony will fail to disclose any encouragement to the position indicated in the committee's report. Mr. Wilson stated that his company possibly could

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build additional expansions in the years ahead. Mr. Wilson was asked by our colleague, Congressman ANDREWS, at page 227 as to whether or not his company at the present time had a surplus of power. Mr. Wilson's reply follows:

When our present production schedule is completed at the end of this year, we will have some surplus power. Of course, it was built to serve our own loads and to serve any outside loads; and, of course, we expect it will be available until our own loads require it.

Mr. Wilson further pointed out that his company had sold TVA "quite a bit of power in the past." Mr. Wilson was also asked how his company's rates would compare with the rates of TVA. His answer follows:

Well, I couldn't answer that right now, Mr. ANDREWS, without knowing the amount of power, the type of power, the facilities required, or the contract that might be entered into.

All of Mr. Wilson's testimony corroborates and substantiates the TVA's position that there is a shortage of power in the area and that his company is not able to supply the needed power at this time. Should his company later be able to do so, the energy might be piped in to the area after their own company's demands and requirements had been met.

Following this testimony, I believe it is evidently clear that the committee was pleased to excuse Mr. Wilson from further testimony.

The published recorded testimony of this one single private power witness does not in any respect justify the committee's action—and I should add, neither does the whispered unrecorded testimony justify in any respects the erroneous power estimates furnished the Bureau of the Budget and others of this connection.

The private power boys are suggesting that if the TVA region needs more power, the cities and other distributors should build their own private power-generating facilities to supplement those existing in the TVA system. Should this scheme be carried out, it would mean smaller steam plants and smaller units, and higher costs of production per kilowatt-hour of energy. TVA has demonstrated the efficiency value of larger power producing units.

Another argument of the private power interests is that if additional power is needed in the region, it should be piped in from adjoining areas.

This argument is invalid because the adjoining power companies do not have available power, because the method would be more expensive and because this would make the Tennessee Valley area a colonial dependency of the utility power companies committed to supply their own areas first. The private companies would reduce the area to a second class customer.

Another line followed by the enemies of the TVA goes something like this, "Let's have a private utility build any new steam plants required in the area."

This was tried recently in Joppa, Ill., across the river from the atomic energy plant at Paducah, Ky. The Joppa plant was scheduled to go into operation before TVA's Shawnee steam plant, which jointly was to supply electric energy to the huge atomic development.

It is my information that the construction of the Joppa plant was given top priority on construction material and otherwise—above that of TVA.

The first unit of the TVA Shawnee plant went into operation during the early part of this year—the Joppa plant, by private interests, is not yet completed or in operation.

These attacks—that cities should build their own steam plants—that outside power should be piped in—and that private utilities can supply the power needs of the area, constitute the new pattern recommended for supplying critically needed power.

Under this new pattern the Federal Government underwrites the financing. Power rates go up to the consumers and after the plants are paid for, they are owned by the private utilities. Under the TVA system, the Government loans the money for capital improvements, rates are held down to the consumers, the Federal Government's defense needs are supplied, the TVA pays back every dime to the Federal Government, and the facilities belong to the Government—to all the people.

Surely, my colleagues will not be blinded by the false propaganda put out by those who would gouge the consumers, put a lid on all progress in our country, and deny the needed power supply of the people of our country and the Federal Government. Let us not halt progress in an area that has become a citadel of defense against aggression.

Yes, all of the States are benefiting by the TVA; the people of the Nation as a whole are benefiting by TVA; and most important, our Nation's defense is being served and strengthened.

It is certainly most unwise and uneconomic to fail to promote a healthy economy for our Nation—for defense—and to promote the power needs of the Nation.

Let us not break our contract and end our partnership with the people of the TVA area. Let us not close the door on further progress in the South. Let us not cripple the national defense of our country. In short, let us not sell out to private-power trust. Let us not go back to the days of private-power monopolies and Insull—who we all recall had his yacht anchored off the shores of New York and his sails set for parts unknown.

No, Mr. Chairman; the membership of this House must not permit this to happen. My hope and my appeal is that the Congress will vote the full appropriation needed for this cause—for the sum needed to insure the normal growth and progress of the people of the TVA area and also contribute greatly to the national defense and security of our country. And, most of all, to insure the happiness and well-being of the people—not only the people of Tennessee, but the people of all America.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. PHILLIPS. Mr. Chairman, I yield the gentleman 1 additional minute in order to read something to him. This is part I of the hearings, Second Independent Offices Appropriation for 1954. At page 65 the question is raised of Mr. Kampmeier as to how, in their bookkeeping system, they figure the amount of money which they say is paid back to the Federal Government, so far as operations are concerned, without complete dependence on Federal funds, and Mr. Kampmeier stated:

The amount paid by private industries as Federal income tax can be compared with earnings which accrue to the Federal Government, over and above the cost of the money. And such a comparison will show that the Federal Government receives as much as, if not more, from the TVA operation than it would receive and does receive from private utilities.

Then the chairman said:

But you arrive at that figure by adding in improvements that you make on the property, which you say the Federal Government owns.

Mr. Kampmeier said:

Yes; included in that is the entire return.

Mr. Chairman, I want to point out that the way the TVA operates is to say that it includes in the amount it says it pays back to the Federal Government in lieu of taxes the cost of the new building it builds with Federal money. It is a rather curious conception.

Mr. EVINS. The TVA constitutes a great national asset belonging to all the people. I am wondering if the gentleman does not take pride in the national-defense potential and the national-defense features of the TVA? I wish I had time to discuss fully the contribution to the national defense provided by the TVA. I think he should take pride in this great national-defense feature of the TVA.

Mr. PHILLIPS. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. JOHNSON].

Mr. JOHNSON. Mr. Chairman, there was a question I wanted to ask the gentleman from Tennessee who has just left the floor. In the final run, do you pay back to the Federal Government every single dollar of investment this costs?

Mr. EVINS. Yes; I should like to answer the gentleman affirmatively. The law mandatorily states that all funds for power operations must be repaid into the Treasury of the United States over a 40-year period.

Mr. JOHNSON. It is like the reclamation law, then?

Mr. EVINS. Yes; the TVA Act provides that all funds appropriated for power resources and power development must be repaid into the Treasury. These appropriated funds are being repaid into the Treasury in advance of the scheduled time for payment.

Mr. JOHNSON. Another question that comes to mind is this, and I am not being critical of the TVA, as the gentleman knows. You pay such small amounts, like $65 million this year, and get such small amounts in appropriations, that I cannot possibly see how you can pay back in 40 years the billion dollars you have invested down there.

Mr. PRIEST. Mr. Chairman, if the gentleman will yield, there had been allocated to power about $555 million as of the end of this fiscal year. The billion-dollar figure to which the gentleman

refers is the total operation, including navigation, flood control, and other operations.

Mr. JOHNSON. The point I want to make is that the payment is so small you cannot possibly pay that back in 40 years.

Mr. EVINS. Does the gentleman consider $25.8 million a small payment in 1952?

The CHAIRMAN. The time of the gentleman has expired.

Mr. PHILLIPS. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. GAVIN] who will probably say that yes, that is a small payment to pay back that much money in 40 years.

Mr. GAVIN. Mr. Chairman, it is ridiculous, really, if we use common sense, to say that this money is being paid back or will be paid back. You have a billion or more invested in the Tennessee Valley by the Federal Government. If you pay the money back and it is a profitable enterprise, why do you have to come in here every year and ask for another quarter of a billion or half a billion dollars, if it is such an enterprising project?

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I cannot yield to my very good friend for I have but a limited time, but I do want to answer him about the gentleman's section of the country propagandizing the North and the Northeast sections of the Nation. The gentleman made the statement that they do not propagandize the North and the Northeast for the purpose of inducing industries to locate in the Tennessee Valley. Here is an article apearing in the Commercial Appeal from Memphis, Tenn., under date of June 12, 1953. I will read just a paragraph from it:

> Mr. Crawford said his newspaper has strongly supported Mayor Ed Lindsey, of Lawrenceburg, who is spearheading a drive for the extension of the whole TVA program, the Fulton steam plant included. Lawrenceburg, he added, is now planning a $1 million bond issue to attract new industries made possible by TVA power.

When a little town such as Lawrenceburg is willing to spearhead a drive for $1 million to attract industries into the Tennessee Valley Authority region, please do not tell me that they are not propagandizing the North and the Northeast, as here is conclusive evidence.

Mr. SUTTON. Mr. Chairman, will the gentleman yield? Since Lawrenceburg is my home town, I would like to tell the gentleman about it.

Mr. GAVIN. I cannot yield as much as I would like to the very able gentleman from Tennessee as I have only 3 minutes.

In my district a local company just finished building a steam powerplant at Warren, Pa. I think it cost us $16 or $18 million. They did not ask the Federal Government to put up the money. They did not ask that it be made tax exempt to produce cheap hydroelectric power. They put up their own money. They built their own plant because the power was needed. Therefore, what right in the name of commonsense do we, as Representatives in the Congress, have to put up the American taxpayers' money to build these powerplants down in Tennessee any more than you would build them in New Jersey, Rhode Island, or Pennsylvania or Ohio or anywhere else? You started out with the TVA as a navigation and flood-control project. Then you got over into hydroelectric power. Now the American taxpayers have put about a billion dollars in the TVA. My State pays their proportionate share of the cost to develop the TVA to produce cheap hydroelectric power—tax exempt, interest free—sure—it will attract industry, and the galling thing is we are putting up the money to crucify our own industrial life, but let me tell you it has reached the point of saturation. Building steam powerplants should be discontinued. I have no objection to your building steam powerplants in the Tennessee Valley to attract industry, but do it with your own money. Do not do it with the taxpayers' money. Build your own plants just the same as they do in my district and I will have no objection to this type of competition.

Pennsylvania with its 10 million people is fighting for its very industrial existence and to be compelled to meet the competition of interest-free, tax-exempt hydroelectric power financed by the American people is a difficult matter.

Certainly, there is no more reason to build steam powerplants in Tennessee than in Pennsylvania. In fact, there is more reason to build them in Pennsylvania because in many of the distressed areas, particularly the coal regions, there would be coal to operate the steam powerplants right in their backyards. If we could secure 5 or 6 steam powerplants in the northeastern section of Pennsylvania, particularly in the distressed areas, we could produce cheap electric power, tax exempt, to attract industry and it certainly would be helpful to our State and the people who are dependent upon it for their livelihood.

Mr. THOMAS. Mr. Chairman, I yield 15 minutes to the ranking member of the Tennessee delegation [Mr. COOPER].

Mr. COOPER. Mr. Chairman, it was my privilege to speak to the House of Representatives not long ago for 45 minutes in support of the Tennessee Valley Authority. I also appeared before the Appropriations Subcommittee of the House in support of the appropriation for the TVA and especially the Fulton steam plant. I have been, and I am continuing to exert my best efforts to be of every possible assistance in this vitally important program.

As I have pointed out, 20 years ago last month the Congress created TVA, and the production of power for the use of the people was one of the major tasks assigned to this great Agency of regional resource development. TVA has been of untold benefit to the region and the Nation. Today, by act of Congress, it has become the sole supplier of electricity in an area of 80,000 square miles. Five million people depend upon it for all the energy they use in their homes, on their farms, and in their business enterprises. Power use is growing in this area at a splendid rate, and new capacity must be provided to meet the expanding demand of a more productive economy.

This year TVA has requested funds to continue the construction of 34 steam and hydro units already underway and scheduled for completion before the end of 1955, and funds to begin construction of 4 new units to meet the increase in requirements which must be met in 1956. Two of the new units recommended are scheduled to be located at a new plant to be built at what is known as the Fulton site, 30 miles north of Memphis, Tenn., in Lauderdale County, a part of the Eighth District which I have the honor to represent. It takes 3 years to build a modern steam plant of the kind TVA plans to construct at the Fulton site. If the appropriation of $30 million for the Fulton plant is granted now, the first unit of 225,000 kilowatts will be placed in service in the fall of 1956.

As we all know, the TVA power system is operated as a whole. No plant is a captive of any individual community, but this plant is proposed for location near Memphis and in west Tennessee because the increasing requirements of that area can be most economically served if additional capacity is provided here. At peak loads west Tennessee now uses about 450,000 kilowatts of capacity. By the winter of 1956–57 it is estimated that west Tennessee loads will have grown to 700,000 kilowatts and to almost 900,000 by the winter of 1958–59.

In Memphis alone electricity consumption is expected to rise to 2.5 billion kilowatt-hours by 1956, when this plant will go in service. To get an idea of what this quantity means, let me point out that this figure for Memphis is 80 percent of the total amount of electricity produced during 1952 by all the utilities, both privately and publicly owned, in our neighboring State of Arkansas, just across the river from Memphis.

Today the major load centers in the west Tennessee area are being served from generating plants located from 100 to 200 miles away. Power comes into our area over transmission lines from the various TVA hydro plants along the Tennessee River and from the steam plant at Johnsonville. The existing lines are inadequate to take care of the larger loads that are certain to develop in the next few years. TVA had two alternatives for meeting west Tennessee's future power requirements: One, to add to generating capacity of steam plants already under construction, then to build additional transmission lines from those distant plants to the Memphis area; or to start a new steam plant in the west Tennessee area, thereby reducing transmission costs and transmission power losses. This is the method selected by TVA engineers after a thorough study of all factors. This is the prudent, efficient way for TVA to add to the total generating capacity available on its system.

Let no one be fooled by the suggestion I have recently seen in the press that TVA estimates of load growth in west Tennessee are overoptimistic and that experts from outside the region believe the Fulton plant is not required.

In west Tennessee the number of electrified farms has increased more than 4 times in the past 7 years, from less than 15,000 farms in 1945 to 63,000 farms today. About 90 percent of our farms

are equipped to take electric service now; their loads are growing. Those of us who live in the region know the facts. We know that on this question the management of TVA is expert.

Let me remind you that in 20 years of experience TVA has not so far built one kilowatt of excess capacity, in spite of the fact that every year the private utility experts thought differently. We had experience in Tennessee with the experts of the private power companies. We want no more of their forecasts. They thought 800,000 kilowatts in capacity was enough for the whole area now served by TVA. They thought only 3 percent of the farms deserved electric service. They thought we would never see the industrial growth which TVA has made possible.

The economic growth of this region is dependent upon an increase in the power capacity available from TVA. The Fulton plant is needed to guarantee efficient and economic management of the TVA power system. We have had efficient and economic management so far. Let it not be said that with 1953 good power system management is to be abandoned.

Mr. COTTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Ohio [Mr. Bow].

Mr. BOW. Mr. Chairman, in connection with the bill before us containing appropriations for the Tennessee Valley Authority, I would like to bring to the attention of this body certain facts which demonstrate the intolerable conditions which arise when the heavy hand of Federal bureaucratic government reaches out into a local area and year by year tightens its grip on the over-all economy of that area.

The people of the Tennessee Valley are trapped. They admit they are trapped. A host of them, all of them men of good will, I am sure, came before the Appropriations Committee and pleaded that the committee be generous in its consideration of the TVA budget because they were dependent upon the TVA for the economic welfare of the region.

Let me read to you the testimony of one of the officials of the electric power board of the city of Chattanooga. In answer to a question from a member of the committee concerning the dependent trap into which the people of the area have allowed themselves to become entangled, the gentleman replied:

> Oh, yes; I think the Federal Government has a legal and moral responsibility to continue its partnership with us in the Tennessee Valley power program. We are bound to purchase our supplies, that is, municipalities and the cooperatives, from the Federal Government. We cannot buy from anybody else. There is an exclusive contract.

I submit, gentlemen, that here is exhibit A of government in business in action. Here we have a well-meaning municipal official deeply concerned with his local problems. In an attempt to solve them he must journey many miles to the seat of national government and plead his case before a committee of the Federal Congress.

Later on in his testimony before the committee, this same gentleman told the committee that in order to keep the economic growth of his area going along with the rest of the country, power for his area could not be obtained from other than Government sources. He stated:

> We are going to have to live under whatever rules you gentlemen in Congress make for us.

On the other side of this Government-Tennessee Valley partnership, we have a very good example of what Government does when it becomes inextricably tied up with the economy of a local area. We have the case of employees of the Federal Government going out into the TVA area and beating drums to gather this local support for its appropriations.

In the Chattanooga Times of April 22, 1953, there appeared a news story reporting the formulation of a permanent—I repeat, permanent—"Tennessee Valley Committee for Adequate Electric Power." This news story went on to report that many groups in the Tennessee Valley were banding together, first to support a continuance of the Tennessee Valley as any effective power-production agency for its present service area; second, to seek adequate appropriations from the United States Congress for the TVA and United States Army engineers to construct steam plants and other generating facilities necessary for supplying the Tennessee Valley's normal growth in demand for electricity.

The groups supporting this effort represent a responsible cross section of public-minded citizens in the Tennessee Valley area. As I have said previously, I do not doubt the sincerity of their purpose. They are trapped, they are hopelessly enmeshed in a spider web of bureaucracy.

But let us go on and examine this news report further. It is reported:

> The meeting to set up the organization is the culmination of a series of some 20 meetings held over the valley at which TVA undertook to acquaint the people of the valley with its budget requirements and the future power needs of the area.

Does this Congress intend to continue ad infinitum appropriation moneys in order to finance the propaganda efforts of TVA information experts? Here is an admitted flagrant propaganda effort on the part of big government.

In the 80th Congress a Subcommittee on Publicity and Propaganda of the Committee on Expenditures in the Executive Departments, of which I was general counsel, made an exhaustive study of these publicity and propaganda practices of the Federal agencies. In its final report the subcommittee stated:

> While most of the lobbying activity by Federal employees is aimed at specific legislation to increase the power and appropriation of specific departments and agencies, the overall effect is a tremendous and constant pressure for more expensive government, and further encroachment upon the rights and liberties of individual citizens.

In more specific comment apropos of the present situation before us, that subcommittee noted that the public-relations staffs were utilized in furtherance of the propaganda drives, and felt that there is considerable overstaffing in the public-relations offices and a number of executive agencies. The committee found that there was a tendency on the part of many of this public relations experts to overstep legitimate bounds in what they considered dutiful acts to sell their agency and the philosophy of their superiors to the public.

To repeat again, Mr. Chairman, we have before us an admitted case of such Government agency pressure activities. Apparently all of the people in the Tennessee Valley area do not agree that this continued dependency on big brother is the answer to the day-to-day local problems of the valley. In commenting editorially on this situation, the Chattanooga News-Free Press deplored the circumstances whereby the Tennessee Valley area "is forced to go to Congress with its hand out, asking the Congressmen, who represent the taxpayers of all the Nation, to give us more of the taxpayers' money to expand our subsidized public-power monopoly."

I would suggest, Mr. Chairman, that the Committee on Government Operations investigate the activities of these employees who have been beating the drums for larger appropriations.

I would suggest, further, that perhaps section 201 of title 18 has been violated. If it has, then the Attorney General should take immediate action.

Mr. COTTON. Mr. Chairman, I yield 10 minutes to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Chairman, the Committee on Veterans' Affairs met this morning in executive session to consider the very serious problem raised by the number of legislative riders in the appropriation bill, H. R. 5690. The committee considers that this is a serious invasion of the rights of legislative committees, and as such, strenuously opposes this practice and supports the principle contained in the House Rules that there shall be no legislation on an appropriation bill. This is a matter I have brought to the floor on numerous occasions.

The Committee on Veterans' Affairs has been very active during the first session of the 83d Congress. There have been 43 meetings of the committee—21 of the full committee and 22 of the subcommittees. Over 90 bills out of a total of 215 have been considered and the recommendations of the subcommittees and the actions of the full committee have been very restrained in character considering some of the suggestions made in the form of bills introduced and referred to the committee. The hearings which have been held have resulted in the printing of 269 pages of printed testimony. Eleven bills have been reported and four enacted into law.

The Subcommittee on Hospitals sent a questionnaire to each of the 161 installations of the Veterans' Administration, and the replies on the subject of hospitalization form the basis for House Committee Print 53—a 552-page document on this subject.

In addition, the Subcommittees on Insurance and Administration and Finance in the Veterans' Administration have completed a 125-page study of the operations of the Insurance Section of the Veterans' Administration.

I cite these statistics, Mr. Chairman, to show that the committee has been most active and all of the questions

raised by the legislative riders on the appropriation bill properly come within the jurisdiction of the committee of which I have the honor to be chairman.

I wish to give this assurance to the Appropriations Committee and to the Members of the House generally that if these riders are removed from the bill, the Committee on Veterans' Affairs will make every effort to consider the subject of the riders during the current session of Congress and I believe that we can recommend permanent legislation at an early date to cover each of the subjects contained as riders in the appropriation bill, H. R. 5690.

We have done a good deal of preliminary study on these matters already, I may say to the House, and we plan to have more hearings very shortly. The committee has been somewhat handicapped because some of the members are assigned to two committees and some even to three, I believe; so we were retarded a little in action on some of our legislation. We voted unanimously on procedure this morning. Certainly, efforts will be made in the House to eliminate the legislation on this appropriation bill with the exception of possibly one provision which we have already voted on in our committee. A bill was introduced today, by the gentleman from New Jersey [Mr. FRELINGHUYSEN] and others for that purpose will be introduced.

I earnestly hope that the Committee on Appropriations will accept the elimination of certain legislative provisions in the bill. Some of the members of the committee have already discussed the matter with the chairman of the subcommittee on appropriations [Mr. PHILLIPS] and we hope very much to reach an agreement on this matter.

Mr. THOMAS. Mr. Chairman, I yield 7 minutes to the distinguished gentleman from Tennessee [Mr. PRIEST].

Mr. PRIEST. Mr. Chairman, in the time allotted me I wish to discuss a few of the questions that always arise in any debate on the appropriation for the Tennessee Valley Authority.

The valley of the Tennessee is the only region in the country in which there has been a unified development of a valley with its entire watershed.

There was a job in that valley which needed to be done and it was an undertaking too big for private enterprise or local governments. The Federal Government stepped in to do that job, and the result today is a national asset of tremendous worth and importance both to the Nation's economy and security.

You have heard many times from the well of this House, and you will hear it again before this debate is over, that electric rates in the Tennessee Valley are subsidized and that taxpayers in other sections of the country are paying part of the bill.

Now, I can understand how one not familiar with the facts could be misled by such an argument.

A look at the record will show that the power program is self-supporting.

In 1952 power revenue totaled $95 million, and after deducting operating expenses, including payments made by TVA in lieu of State and local taxes and depreciation, the net operating income was $25,800,000.

Now, Mr. Chairman, the average investment last year in the TVA power program was $555 million. If we divide the net earnings of $25,800,000 by $555 million invested, we find that the power system earned nearly 4¾ percent. The year before it was 5½ percent and over the 19-year period since 1933 the return has averaged 4¼ percent. Thus, it is clear that a return of more than 4 percent indicates that the consumers of the power are paying the full cost of producing it and that the rest of the Nation pays nothing toward the costs of operation.

Now, someone will raise the question that TVA does not pay Federal income taxes. But let me emphasize that all of its income belongs to the Government and if a share of the power earnings were earmarked for income taxes in the same proportion as for utility companies, there would still be enough left over to cover the Government's cost of providing the money.

Now, without reviewing all of the amortization plan, let me summarize by pointing out that through June of last year Congress has provided $514 million for power facilities on which construction has been completed, and of this amount TVA has now repaid $66 million and is well ahead of the pay-back schedule.

Mr. Chairman, when Congress approved the 1939 amendments to the Tennessee Valley Authority Act, I think everyone recognized that this agency was given the full responsibility of supplying the electric-power requirements of that area.

Recently I have read some of the testimony before the Military Affairs Committee at that time. I quote some of that testimony, particularly some statements of the late Wendell Willkie. He said:

> I can see no possible benefits of this wasteful competition going on. I do not think, under that competition, the municipalities, either, could make money. I think, too, there would be property destruction on both sides.
>
> I know not a man, that is, a man of any thought, whether he believed in the public operation of power, or in the private operation of power, but who does not also believe that it should be noncompetitive.
>
> Something has been said here of monopolies. Now, I know not the distinction between public monopoly and private monopoly, or their respective deleterious effects on the public; but I do know, as any student of utility business knows, that it is a natural monopoly, and should be such, whether in public or in private hands; and the man who represents the public agency here today sits and pleads for it to be a public monopoly, and in that he is right.

Now, in the same connection the Senate committee report had this to say:

> Notwithstanding the liberal price to be paid for the properties included in the contemplated sale, both the friends and critics of the Tennessee Valley Authority, as well as the Commonwealth & Southern Corp., the real owner of the property to be sold, are satisfied with the price agreed upon for the sale of such properties. The elimination of potentially wasteful competition in this area would be a factor of major importance. An audit of the properties to be purchased, made by the engineers of the Tennessee Valley Authority, indicated that the value of the properties involved in the contemplated sale were not worth more than $70 million. The difference between this sum and the total consideration of $78,600,000 agreed upon can be regarded as the cost of eliminating the destructive competition, a competition damaging and injurious to both the Tennessee Valley Authority and to the private owner of the properties to be purchased.

Obviously, Mr. Chairman, Congress could not have reached a decision to eliminate competition in the area and to make it solely dependent on TVA for power without recognizing that TVA would be responsible thereafter for providing whatever types of additional generating facilities that might become necessary to meet the requirements of the area.

Let me remind you again that a greater portion of the new generating capacity asked for by TVA between now and the fall of 1956 will supply power of vital importance to the defense of the Nation. Actually more than half of it will be required at new and expanded atomic-energy installations.

Still other portions will supply industries that are producing vital defense materials. Many of these large consumers are supplied directly by TVA and other smaller ones are supplied by municipal and cooperative distributors of TVA power.

Recall if you will that in World War II three-fourths of the entire power output of TVA was used for defense production, and more than 10 percent of all power used in the defense program in the entire Nation came from TVA.

The generating capacity which TVA had anticipated by the fall of 1956 still would not be enough to establish that margin of power supply that proved of such value in World War II.

We dare not face a future crisis with a deficiency of power.

At this point I want to review briefly the question of Federal expenditures in the Tennessee Valley as compared to the Nation as a whole.

All sections of the Nation share in the benefits from investments and expenditures made by the Federal Government. Investments are made in public buildings, public roads, river and harbor improvements, defense installations, and projects for flood control and resources development. Current expenditures cover the payrolls of military personnel at home and abroad, payrolls of civilian employees, grants-in-aid to States, payments for social security and veterans' benefits, the purchase of goods, the various Federal Government enterprises, and interest payments.

These current Federal expenditures contribute to the income of individuals directly through Federal payrolls, relief, welfare, social security, and veterans' benefit payments or indirectly through grants-in-aid to States and the payrolls of firms producing goods and services for the Federal Government.

The direct effect of Federal expenditures on personal income payments received by individuals in the States can be measured at least in part. Thus almost half—$26 billion—of the total Federal expenditures of $58 billion in 1951 calendar year was paid out directly as per-

sonal income payments to individuals in the form of payrolls and welfare payments and veterans' benefits.

A large part of the $2.4 billion payments to States as grants-in-aid also showed in State government payrolls. These grants-in-aid paid to States—not including a similar amount in grants paid to individuals in States—currently comprise about one-sixth of the general expenditures of State governments. The indirect effect of domestic purchases of goods and of Federal construction, amounting to $21 billion, was felt in payrolls of private firms throughout the Nation to which contracts were let.

IS THE TENNESSEE VALLEY A FAVORED AREA?

The Tennessee Valley is the only region in the country in which the unified development of a valley with its whole watershed has been carried out. In this respect the valley has been a favored area. At the same time, however, Federal expenditures in the valley region—201 watershed and TVA-power-service counties combined—have been less, on a per capita basis, than for the Nation as a whole, insofar as it has been possible to make regional comparisons. The less-favored position of the valley is reflected in, first, a lower share of Federal income from payrolls and welfare payments; second, a lower share of Government purchases; and, third, a smaller share of Federal employees.

VALLEY HAS LOWER FEDERAL GOVERNMENT INCOME PER CAPITA

Valley people received only four-fifths the national average per capita income from the Federal Government in 1951. The valley region received about $820 million out of the $26 billion that in 1951 went directly to individuals as personal income payments from Federal sources in the form of civil and military payrolls and veterans' and social-security benefits. Thus, the 201 counties of the valley and TVA power area, with 3.87 percent of the Nation's people, received only 3.15 percent of the Nation's Federal income payments to individuals.

The average for the 6 million people living in the valley was $138 per person, or only four-fifths of the national average of $170 from Federal sources.

REGIONAL INEQUALITIES IN FEDERAL INCOME PAYMENTS, 1946

There were wide differences in the regional distribution of personal income payments to individuals from Federal sources in 1946. Federal, civil, and military payrolls, veterans' benefits, and public-assistance payments in 1946 amounted to $137 per capita in the Nation. The average was $130 per person in the State of Tennessee, which comprises a large portion of the valley region. The average was higher in the Southeast, $134; the Middle East, $150; the Southwest, $156; the Northwest, $140; and the Far West, $162. The average was lower in New England, $127, and the Central States, $112.

Among individual States, Tennessee's average of $130 was matched by Massachusetts, $128; New York, $137; Pennsylvania, $131; and Illinois, $132. Ohio's average, $117, was below Tennessee's. California people received $179 per person from Federal payrolls and benefit payments in 1946.

VALLEY REGION HAS SMALL SHARE OF FEDERAL PURCHASES

The valley is receiving only a small share of Federal military and procurement contracts, judging from recent reports by the Munitions Board.

A large portion of the Federal expenditures for goods and construction flows to individuals through the payrolls of firms throughout the country. Therefore, the regional effect of Government purchases on individual income is reflected roughly in the distribution of Federal contracts, although the State figures on contracts are not a direct measure of where goods are produced.

The military procurement and construction contracts are heavily concentrated in the industrial sections of the Nation. Contracts for $71 billion were let between July 1950 and September 1952, according to the Munitions Board. This was an average of $472 per person in the Nation. The average was $155 for the State of Tennessee—only one-third the national average. The average for the valley States as a whole was even lower—$137 per person.

The industrial New England, Middle East, and Central States received 72 percent of the contracts, which amounted to about $600 per person living in these States. And most of the subcontracting was probably confined to these industrial States. In Massachusetts and Illinois the average was $400 per person, in Ohio it was $600, and in New York it was $814. The value of contracts let to Far Western firms averaged $800 per capita, with an average of $870 in California.

VALLEY HAS LEAN SHARE OF FEDERAL GOVERNMENT WORKERS

The valley's share of Federal civil-government workers is on the lean side; it has declined since TVA was established, and it is well below the region's share of the Nation's private workers.

In 1950, the valley, with its 13,540 TVA workers and 34,830 other Federal civil workers, had only 8 Federal workers per 1,000 population—two-thirds the national ratio of 12, according to figures compiled by the Byrd committee for the additional report of the Joint Committee on Reduction of Nonessential Federal Expenditures, 82d Congress. For the Southeast, there were 10 Federal workers per 1,000 population, and this rate was matched by Massachusetts, New York, Pennsylvania, Illinois, and Ohio. California and the Far West had 17 workers per 1,000 population. All of the major regions of the Nation reported rates as high as or higher than the rate for the valley region.

VALLEY'S SHARE OF FEDERAL EMPLOYEES DECLINED SINCE 1934

Since 1934 Federal civil Government employees have not increased as rapidly in the valley region as in the Southeast and Nation. Actually, since TVA was created, the expansion of Federal employment in other agencies, as reported by the Bureau of Labor Statistics, has overshadowed TVA employment. The valley's share of the Nation's Federal civil workers declined from 3.9 percent in 1934 to 2.7 percent in 1950 and to 2.5 percent in 1951 in spite of the increase of TVA activities after mid-1950. Likewise, in 1934, 31.7 percent of Federal workers in the 7 valley States were employed in the valley region, but only 22.4 percent were located there in 1950 and 19.2 percent in 1951.

In the valley only 3.1 percent of all employees were on Federal civil payrolls in 1950. This was well below the southeastern ratio of 3.5 and the national ratio of 3.7 percent, as measured by the Bureau of Labor Statistics and the Bureau of the Census.

The valley had only 2.7 percent of the Nation's Federal employees in 1950, but it had 3.3 percent of the Nation's private employees, as covered by BLS and the Census.

LOWER PER CAPITA FEDERAL PAYROLLS IN VALLEY REGION

Federal payrolls alone for military personnel and civilian employees in general Government and Federal enterprises were $114 per person in the Nation in 1951, but only $76 per capita in the valley region—or only two-thirds of the national average. The valley average includes TVA payrolls, which amounted to $13 per capita. It also includes $4 for direct AEC payrolls at Oak Ridge, but it does not include the payrolls of private construction and operating contractors there.

EFFECT OF OAK RIDGE ON VALLEY INCOME

The effect of Oak Ridge payrolls on incomes in the valley region can be measured from AEC reports. In 1951, when total personal income of individuals in the valley region amounted to $5,578 million, about $111 million, or 1.99 percent, was from combined Oak Ridge payrolls.

Total per capita income in the valley was $940 in 1951. Valley personal income from all direct Federal Government sources was $138 per capita, and the average from Federal payrolls was $76. This included $4 for AEC payrolls at Oak Ridge, but not the payrolls of private construction and operating contractors at Oak Ridge which amounted to $14 per capita. Thus, if these operation and construction jobs were manned by Federal employees, as is all TVA work, Federal payrolls in the valley would be $90 per capita—still below the national average of $114, which does not include payrolls of Government contractors.

RELATIVE MAGNITUDE OF FEDERAL INVESTMENTS IN TVA

Altogether the investment of a billion dollars in TVA has amounted to about $54 million per year, or only $9 per year for each of the 6 million valley people.

The per capita investment in TVA is small in comparison to the $49 per capita spent by the Federal Government for additions to the Nation's physical assets in 1951.

TVA PURCHASES NOT CONFINED TO VALLEY

Federal expenditures for TVA have not been confined to the valley. Since 1934, TVA has purchased almost $800 million in manufactured goods, about two-thirds of TVA purchases of $1,138 million for goods and services.

Less than one-tenth of the manufactured goods were purchased in Tennessee. The seven valley States have received only 22 percent of TVA procurement orders for processed articles.

TVA purchases of manufactured goods during the 18 years have been concentrated in the industrial northeast, where three-fourths of the expenditures for machinery and other processed articles have been placed. Two-thirds of the manufactured goods were purchased in seven industrial States: Pennsylvania, $193 million; New York, $92; Ohio, $79; Illinois, $77; Wisconsin, $45; Massachusetts, $30; and New Jersey, $28.

Purchases of raw materials and local services, about one-third of the total, were made largely in the valley area, but half of these expenditures were made outside Tennessee. Altogether the State of Tennessee has received less than one-fourth of combined purchases, and the seven valley States have received only 42 percent of the total.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. PRIEST. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. Now, would the gentleman explain those payments that were made, as the gentleman stated? Will he tell us what States received those payments?

Mr. PRIEST. Every State in which the Tennessee Valley operated.

Mr. GAVIN. Right. That is why I am arguing. We put Pennsylvania's money in the TVA. It is an investment to build it, but when any payments are made they are made to States in TVA region.

Mr. PRIEST. I believe I can clear up some of the other things the gentleman is about to ask me. Incidentally I wanted my good friend from Pennsylvania to yield to me a moment ago in order to point out to him in connection with TVA procurements from the year 1934 to 1952, that in his State of Pennsylvania $193,238,427 were spent in procuring materials.

I feel he should know that, because I believe the record shows that the great State of Pennsylvania leads all of the other States in the Union in the amount of materials sold to the Tennessee Valley Authority and that does not include many, many other purchases that have been made as a result of the operation. I wanted to get that in the RECORD because I think it is a tribute to the industry of his great State that they stand at the top in selling to this great Federal agency, this great national asset.

Mr. GAVIN. The gentleman did not answer my question.

Mr. PRIEST. I am about to get to that. I told the gentleman that I thought some subsequent things I would say would more directly go to the point he has in mind.

Mr. GAVIN. I want to say to the gentleman that he has value received for the money he spent.

Mr. PRIEST. Absolutely, certainly, and I believe, Mr. Chairman, that the United States of America is getting value received for every penny that has yet been invested in the Tennessee Valley Authority.

Mr. Chairman, I yield 5 minutes to the gentleman from West Virginia [Mr. NEAL].

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. NEAL. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. May I ask my very good friend, the gentleman from Tennessee, a question? The gentleman said that TVA pays back certain moneys in lieu of taxes.

Mr. PRIEST. They pay to the State and local governments. That was provided by Congress.

Mr. GAVIN. Would the gentleman tell us what States get that money?

Mr. PRIEST. The same States get it that get similar taxes paid by private utilities in those States: Tennessee, Alabama, southern Kentucky, and Mississippi, and a small amount in northern Georgia.

Mr. GAVIN. It is several million dollars each year, is it not?

Mr. PRIEST. Yes, somewhere from 3 to 4 million dollars, in lieu of local taxes.

Mr. GAVIN. The point I am trying to make is, if my State makes a certain investment in TVA through taxes, when there is a distribution of these funds that are available to be repaid why do not all the States participate, because we all pay taxes?

Mr. PRIEST. That comes in the repayments, in which the State of Pennsylvania and all the other States share.

May I say that in an extension of my remarks I have some figures, which I hope my good friend will read, because they point out some very real facts about the Tennessee Valley Authority.

Mr. GAVIN. The gentleman has answered my question. I only wanted to bring to the attention of the Committee of the Whole that only 5 or 6 States were involved in this distribution, that the money that was paid goes to the States in the Tennessee Valley Authority area.

Mr. NEAL. Mr. Chairman, I want to discuss for just a couple of minutes one of the clauses in this bill which is coming up for a vote tomorrow which needs consideration by each and every Member of this Congress. I think it needs consideration because of the interpretation which may be made of this clause:

> And the Administrator shall make every effort to collect from any veteran hospitalized, cared for, or treated for a nonservice-connected disability according to the ability of the veteran to pay for such hospitalization, treatment, or care.

In my opinion, that provision can be interpreted to cover a great deal of abuse which would naturally come about in the administration if the Administrator of Veterans' Affairs were inclined to interpret it to mean that he could hold out to the veterans the opportunity to come into the hospitals, occupy the beds in the hospitals, and pay whatever they could afford to pay, and by so doing overcrowd the hospitals and prevent the admission of many serious cases, which thus might have to wait a long time before they could be admitted.

I want you to consider that possible interpretation of that clause because at the appropriate time tomorrow I expect to offer an amendment to delete the clause. I believe when you consider the possible interpretation that may be placed upon that provision and the opportunity it gives the Administrator to make such interpretation and apply under the law whatever he considers to be just, you will consider that the deletion of this phrase from the bill is certainly justified.

Mr. THOMAS. Mr. Chairman, I yield such time as he may desire to the gentleman from Massachusetts [Mr. LANE].

Mr. LANE. Mr. Chairman, I hope that tomorrow, no amendments will be offered to reduce the appropriation for the Veterans' Administration.

There are 2,288 beds in VA hospitals that are vacant, due to lack of funds.

More will be folded, if any proposed cut in the budget for veterans goes through.

The Veterans' Administration is the largest of the independent agencies. For all the various benefits, services, and functions, the VA asked for $4,574,214,664 to cover the fiscal year of 1954. In the revised budget, this was pared by $279,168,000. Even with this reduction, the total is $137,842,704 more than estimated expenditures for the current year which ends on June 30.

The above paragraph is a broad and objective financial picture of the VA.

Veterans organizations themselves have patriotically suggested certain economies * * * but not at the expense of medical facilities and services. Veterans who need treatment must not have it taken away from them in the name of economy, or for any other reason.

Perhaps there is some misunderstanding, here, prompted by fear.

Congressman PHILLIPS, of California, himself a disabled veteran, has given us a sincere and competent explanation of the Veterans' Administration budget for fiscal year 1954. I am interested in the committee's recommendation that the appropriation for the costs of operating neuropsychiatric, tuberculosis, and general medical and surgical hospitals be separated and set up as an item in the bill. And that contract beds in other than VA hospitals—domiciliary care and outpatient care—be set up as separate items. Perhaps this will eliminate duplication and transfer of funds that have caused us some uneasiness, thinking that it might be used as a pretext for curtailing essential medical services for veterans.

We are assured that no hospitals are to be closed, but I think this should be stressed more than it has been, so that there will be no reversal of this policy in the year to come.

Regarding the figures on vacant beds, it has been claimed that it is difficult to staff VA hospitals under present conditions. If we could perform a successful operation on the redtape and save some of the money that is now wasted on repetitious paper work, and apply the same toward increasing staff salaries, we would have little trouble in attracting and holding the skilled personnel needed to provide adequate care for veterans in need of hospitalization.

There is a very sensitive point lurking behind the scenes of the Veterans' Administration—its cost and its administration—which many people prefer to dodge. It involves hospitalization for non-service-connected veterans.

A man or woman develops an illness years after discharge from military service. Apparently, there is no connection between military service and subsequent disability after a long interval of time.

What doctor however, can say with complete certainty that the physical strain of military service, even though it does not show at the time of discharge, or for a number of years thereafter, is not remotely responsible for the breakdown that occurs later.

It seems to me that we should not shut off these men from VA hospitalization when they need it. They also served their country. Many of them did not seek the disability compensation to which they might have been entitled had they applied in the usual manner, and had they met the basic requirements.

You may say that ignorance or negligence on their part is no excuse.

You would put them in the same class as men and women who never made the sacrifices implicit in military service.

I do not believe it is fair to deny hospitalization to the non-service-connected veteran who is in need of medical care and cannot afford it. In the average case, he wants to work steadily, to maintain a home, and bring up a family. With his average wage, however, he cannot pay the costs of medical care when he becomes seriously ill, or disabled.

Most of us are genuinely concerned about the mounting financial demands of the Federal Government, but not in denying those services that we consider to be an obligation. Like the current debate over the budget for the Air Force, it is not the goal that is in dispute but the manner of reaching it. Economies can be made, but not by sacrificing essentials.

It is true that we must have a yardstick to go by.

Instead of drawing the line between service-connected and nonservice connected, except in the matter of priority of treatment, I am of the opinion that only the question of means is important.

If we should establish the rule that veterans with non-service-connected ailments, and whose income is $6,000 a year and above should not be entitled to hospitalization in a VA facility or under VA authorization, then we would be on firm ground.

It is in these cases where the abuse is evident.

All other veterans genuinely in need of hospitalization and without the financial means, as determined by the above-mentioned or comparable formula, should be eligible when there are VA facilities available.

Furthermore, the veterans of World War I, who never had access to other benefits that are available to veterans of succeeding wars, are reaching the age where many of them need medical attention and they cannot pay for it.

After weighing all factors, I cannot conscientiously favor a cut in the appropriation originally requested for the veterans hospital program.

Mr. THOMAS. Mr. Chairman, I yield 7 minutes to the gentleman from Alabama [Mr. RAINS].

Mr. RAINS. Mr. Chairman, I have little idea that I will be able to convince anyone, in the time allotted, who already has his mind made up on this subject. I think it is regrettable, very frankly, that a controversy has come up with reference to moving the TVA offices at a time when the TVA itself seems to be in rather dire circumstances. I do want to say, however, in my opinion that the subcommittee overstepped its prerogatives when it stepped in to tell the Board of Directors, charged by law with the administration of the TVA, as to how to operate the TVA agency of the Government. I think we gave the Board of Directors that right by law, and it is their duty and their responsibility. I would like to say one other thing, and I do not mean this in any unkindness to the members of the subcommittee because I have great admiration for them individually and as a committee, but I am wondering when the subcommittees of the Committee on Appropriations are going to cease usurping the legislative prerogatives of the legislative committees of the House of Representatives. I do not mean that as any unkind cut to any individual member. But, I have noticed, for instance, the other week on the housing bill, which came out of a great committee such as the Committee on Banking and Currency, and in other matters, such as come within the jurisdiction of the Committee on Veterans' Affairs, where we labor long day after day in an effort to write legislation, that then the Committee on Appropriations, which after all has no greater duty than we as members of these other committees have, come in and impose their will by legislative riders on these great legislative committees by the rule and the ruse of waiving points of order. The day will come in this Congress when the legislative committees will grow weary of the patchwork job that the Committee on Appropriations does on so many of these bills by writing legislation on appropriation bills. I realize I am not the one to give advice, but I think it is poor legislative workmanship not only on this bill but on many other appropriation bills.

Mr. Chairman, I want, now, to confine my remarks to the TVA. I happen to represent a district in Alabama which has only 1 TVA county and 7 counties served by a private power company. I am one of the few who knows what it means to work closely with private enterprise in the power business and with the TVA. I say to you frankly, I compliment both the TVA and the power companies in my State for the wonderful cooperation they exercise in working together. I have noted with dismay attacks made here on the TVA as if suddenly it had grown up to be some sort of giant octopus seeking to deny people of other sections of the country their rights. It was 20 years ago this year that the TVA was founded and started off on the great track of real service to the people. At that time that section of the South was very commonly referred to as the Nation's number one economic problem. At that time the hills and valleys of Tennessee and Alabama were flooded and eroded and the people who inhabited that part of the country were eking out a meager living from soil which was not protected. I came from that section of Alabama where no home except in the towns and cities had any kind of electric power prior to 1920. Today the REA, not supplied altogether by the TVA, because the private power companies supply 5 REA's in my district and the TVA supplies 2, but the TVA yardstick rates and the competition, if you will have it so, that TVA gave to private industry caused the private utilities to move and to begin themselves doing the job of rural electrification. Sure TVA has transformed that section of the South, but at the same time the TVA has been the good and worthy servant of all the people in all the States. I remember one time when a wartime President set the goal of 100,000 planes in 1 year to fight Hitler and people were doubtful. I tell you if it had not been for the TVA there would not have been those 100,000 planes each year to meet Hitler's might—not at all. Not only that, I was here in the days when they were struggling first with the development of the atomic bomb, as were many of you, and I can tell you that the atomic bomb itself would never have been attained for Hiroshima or Nagasaki except for the TVA.

I think that every person, in every State in the Union, has a stake in that great attainment. So let us not become little and narrow in our views and believe that this, after all, is but a sop to certain sections of this great country of ours.

I think of digging in Boston Harbor; that costs the people of my State money. I think of the ship canal from the gulf to Houston. That cost my people money. I think also of the great developments in Pennsylvania and other States that cost the people of Alabama money.

Mr. GAVIN. If the gentleman will yield, I would just like to have the gentleman name them.

Mr. RAINS. I have no intention of trying to name them. But I do not think the gentleman would want to tell this Congress that the Federal Government has not spent any money for internal improvements in the State of Pennsylvania.

TVA is a great instrument for the national good. I think President Eisenhower agreed, because I have before me that very famous telegram, gentlemen on the left side of the aisle, which he sent, and that I am sure he meant and still means. I cannot believe that the day has really come when we want to cut up TVA into sections. I think it is as important to build a plant in Memphis as it is in any other State.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. THOMAS. I yield the gentleman 2 additional minutes.

Mr. RAINS. The point that I am trying to make is this. The TVA is a system. You cannot have the TVA develop in one section of the TVA area and not in another. I wonder if anyone here thinks that because you are building some new generators in east Tennessee, that if the lights go off in Memphis they will still burn in east Tennessee. That is not correct. It will operate as one whole system. And if you curtail its operation, if it is needed—and President

Eisenhower said he favored it—if you curtail its operation in one section you curtail it throughout the area.

We talk about $1 billion expended. It is expended for the people of the United States, and I think that the record will prove that it is the best investment, the wisest investment this Congress has ever made for the internal improvement and the defense of this country.

The CHAIRMAN. The time of the gentleman from Alabama has again expired.

Mr. THOMAS. Mr. Chairman, I yield such time as he may desire to the gentleman from Alabama [Mr. BATTLE].

Mr. BATTLE. Mr. Chairman, I join my Alabama colleagues today in this fight to uphold the law in moving the TVA headquarters to Muscle Shoals. Politics should not be placed above the interest of effective, efficient, and economical operations of this great undertaking which has meant so much to the defense of our America.

The law specifically states that this headquarters must be located in Alabama and then when the Board of Directors moved to carry out this provision it was stopped by the Congress from doing its duty. Surely this does not make sense.

Mr. Chairman, I will support the Andrews amendment to carry out the original intent of Congress so that we can go ahead with the development which means so much to Alabama, Tennessee, and the entire country.

I hope the Congress will approve this move.

Mr. PHILLIPS. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Chairman, as many of my colleagues know, I was chairman of the Government Corporations Committee in the year 1947. TVA, being a Government corporation, naturally they came before that committee to justify their requests for appropriations. Up to that time Congress had appropriated for TVA $389 million plus for revenue-producing facilities, which was for hydroelectric power and steam power plants. The law which established the TVA provided that all moneys appropriated by Congress for revenue-producing facilities should be returned to the Treasury of the United States.

I read that law and I told my committee that I felt it was our duty to see to it that the law was adhered to. Mr. Clapp, the Administrator of TVA, testified before the committee several days and he strenuously opposed the writing into the bill that provision which would reiterate the law as originally established by Congress which I have just explained. Finally, however, Mr. GORE, of Tennessee, a member of the committee, who is now Senator GORE, said to Mr. Clapp:

> I can see no good reason why TVA should not pay back in accordance with the law that amount which the law provides they should pay back.

So we wrote into that bill a provision which required the TVA to pay that $389 million plus into the United States Treasury over a period of 40 years. Up to that time they had paid into the Treasury only $20 million. I understand now they have paid into the Treasury some $80 million plus. But believe you me, they fought like Trojans to keep the Congress from collecting that money. It was then that I lost some confidence in the management of TVA.

I made a trip to the Tennessee Valley all alone that year and I stayed there a day or two before I reported to TVA headquarters. I talked with many people in different walks of life. Most of them were glad that TVA had been established in their valley. Some of them were not so happy about it. A number of them said to me: "I do not like the idea that we have three men not elected by the people but appointed by the President who can dictate to us everything pertaining to our economic and business life in the Tennessee Valley."

The Tennessee Valley crosses State lines; hence it affects State sovereignty. I was told by one of the members of the Board in confidence—he is not a member of the Board now—that that Board had more power than any three bad men in America should have or good men should want, and he said: "I hope the Congress of the United States will see to it that river-valley authorities of this nature are not organized in any other section of America; because then it will be only a short time until a few men not elected by the people will have control of the power and the water resources of America, and then they will control America."

That has been the main reason why I have opposed the Federal Government getting into the power business any place in our land further than is safe and good for the future of America.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. Are we not producing more power in the Tennessee Valley now than we need?

Mr. JENSEN. Let me answer by saying the private industry, even though it is forced to compete with TVA power rates, can and will furnish all the power that is needed in the Tennessee Valley for everything, including the military, if given a fair chance to do so. And let us not forget that the private utilities which surround the TVA area pay on an average of over 3 mills in local, State, and Federal taxes on every kilowatt-hour of power they produce and market. The TVA rates today are less than 5 mills per kilowatt hour. You can readily understand how the private utilities in that area are handicapped in asking people to invest in their stocks or shares in order to build power-producing and transmission facilities in that area.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from Alabama.

Mr. JONES of Alabama. The gentleman stated a moment ago, as I understood him, that as TVA operated in more than one State it had trespassed upon local sovereignty.

Mr. JENSEN. Yes, to some degree.

Mr. JONES of Alabama. In the 20 years that TVA has been in existence, can the gentleman give me a single instance or example in which a governor of those respective States in which TVA has operated has complained that TVA has tried to usurp local authority?

Mr. JENSEN. No, because he would not dare. That is the answer. TVA holds more power than any State official in that area, and they know it. Let us have no misunderstanding about that.

Mr. JONES of Alabama. The gentleman is not saying that the men who are elected governors of States are not men of honor and integrity and are afraid to speak their own minds?

Mr. JENSEN. I will answer that by saying that in a dictatorship honest, honorable men are sometimes made into dupes. That is too often the case. I am not saying the governors of any of those States, have bowed and scraped to everything TVA has asked them to do. But they know the power of TVA, make no mistake about that. Because TVA has more money to spend than do the governors, and Federal dollars are mighty powerful.

Now, so far as steamplants are concerned, the laws covering the Bureau of Reclamation do not permit the building of steam plants by that organization any place. The TVA Act does permit the building of steam plants and I am sorry it does. But I hope that this Congress will see to it that no other agency of Government is permitted to build steam plants, and no more steam plants should be built by TVA in my studied opinion.

Mr. PRIEST. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from Tennessee.

Mr. PRIEST. Is the gentleman aware of the fact that the TVA steam plant construction program was begun at the urgent request of the Government when the Watts Bar plant was built in order to provide electricity for the Atomic Energy Commission and Alcoa?

Mr. JENSEN. Oh, yes, how well I remember those days when everything had to be done by the Government of the United States under the guise of national defense. But, we had better bring that to a halt at the earliest time possible to forstall a military dictatorship here.

Mr. Chairman, in closing let me say that we of this generation had best look ahead, especialy when we continue to appropriate for this great TVA empire within our great American empire. We had best see to it that in the future private industry build with its own money the necessary steam plants and transmission facilities not only in the TVA area but in every area of these United States. If we do not the day will come when the Federal Government will have control of all the electric power of America for he who controls the electric power of not only America but any land can completely control that nation. Look across the sea to England. When the Socialists in England got control of the power then the rest of the socialization and nationalization of England was a push-over.

Let it not happen in America.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. THOMAS. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. FORRESTER].

Mr. FORRESTER. Mr. Chairman, on February 4, 1953, Admiral Boone, Chief Medical Director, Department of Medicine and Surgery, advised me by letter that the Veterans' Administration had 20 tuberculosis hospitals and 35 neuropsychiatric hospitals in our country and 103 general medical and surgical hospitals.

That apparently is true, although tuberculosis and neuropsychiatric hospitals are, and have been, desperately needed. On February 2, 1953, I was advised by Hon. W. K. Barrett, State veterans' service officer of Georgia, that the one neuropsychiatric hospital in Georgia, located at Augusta, had a waiting list of over 400 veterans, and that 514 Georgia veterans were in the State insane asylum at Milledgeville awaiting a VA bed. Mr. Barrett further advised that there were 2 tubercular hospitals serving the southeast, 1 at Augusta, Ga., and 1 at Oteen, N. C., and that both were filled and that there is an average waiting list at Augusta, Ga., of approximately 100. That tubercular patients and neuropsychiatrics were not getting hospitalization was known in 1944, and a veterans' hospital construction program was contemplated.

Pursuant thereto a program was set up. In July 1946, official notice was given by the VA that a 250-bed tubercular hospital would be built in Americus, Ga., that city having been selected and that city agreeing to furnish 25 acres of land free to the VA, and to extend water facilities to the site. Americus, through the chamber of commerce, bought the land and paid for it, the deed being made to the United States in consideration of $1. In addition, the city of Americus spent $50,000 for water facilities, including an artesian well to serve the hospital they had been assured would be built.

The hospital was never built. In fact we have been notified that no hospital will be built, and that the lands the Americus and Sumter County Chamber of Commerce had bought and had deeded to the United States had been declared surplus.

I wrote the office of the General Services Administration and advised that I assumed the land would be delivered back. I was told to my amazement and disgust that the land would be sold and the United States would get the proceeds. However, the lands are being held from sale until determination is made as to whether additional hospitals will be built. Principles of common honesty apply to the United States and Veterans' Administration as to individuals. They should build that hospital as they said they would do. I hate to see my country break its word, do you not? I am certain that Americus never doubted the word of the United States, and I am glad they did not.

It is true that Americus so completely believed the United States that deed to the land was made to the United States in fee, without any reservation, for $1, and this was done at the insistence of the Veterans' Administration. Americus was shocked to be told first, no hospital for you, although you bought land and spent $50,000 for water facilities, relying on our word; second, we will sell the land and pocket the money. If no hospital is built, I will be before you with a bill asking you to give us the land back.

The tubercular and mentally ill veterans are our wards. It is with shame I tell you of the conditions in my State. American veterans served this country, but they must serve it again. Sunday afternoon I stood by a street corner and watched the motley crowd parading before the White House. Many of them were well dressed and partaking of the fruits of the Government they do not respect. I saw an American soldier looking that crowd over and I said, "Son, what do you think of it?" He said, "Mister, we were killing Communists and being killed by Communists in Korea, but it looks like we have a fight on our hands back home, and believe me, I like a Chinese Communist better than I do an American Communist."

I would not mulct the Government for a veteran, but I gladly defend his right of hospitalization, and that it be the best there is, and it be speedily granted. They have had a shabby break. Frankly, I think the VA could have done a better job than it has done, and I believe the veterans' organizations agree with me. I hope that the new Veterans' Administration Administrator is going to dedicate himself to the service of our sick veterans and will give the law reasonable interpretations.

The tubercular and mentally ill veteran must have the benefit of the doubt as to service-connected disability, as these diseases are slow in developing and hard to detect until the diseases have become so apparent that the layman can see something wrong.

I cannot help calling attention to the situations I have described as existing in Georgia. Doubtless the same conditions exist generally. We must correct them, and correct them now, and this I am ready to do.

Mr. THOMAS. Mr. Chairman, I yield such time as he may desire to the gentleman from New Jersey [Mr. HOWELL].

Mr. HOWELL. Mr. Chairman, the bill which we are considering today I believe to be one of the most important to come before the House this session, because the action which we take on the appropriations for fiscal 1954 for the operation of the Veterans' Administration will probably set the trend for years to come as to allocations of adequate funds for this most important of Government agencies. If we fail to provide the necessary moneys for the care and treatment of our veterans, to whom we owe so much, we may be required to change the basic laws which provide veterans' benefits, and, by amendatory legislation, thus deprive those who have served us well of the rights and privileges to which they are entitled. In fact, we have an inkling of such action for I understand that a staff report submitted at the time the Appropriations Committee was considering H. R. 5690 carried the inference that these appropriations were being recommended for fiscal 1954 pending a thorough legislative study and congressional determination of appropriate changes in the basic legislation for granting compensation and pensions, which is only one part of the VA program. Former President Truman, in recommending funds for the VA for next year, submitted an estimate of $4,574,214,664, and I am convinced that in so doing, he gave careful thought to the needs of the veterans' program. With the emphasis which has been placed on sound economy during the past few years, I am sure that this estimate was not exorbitant and unreasonable. President Eisenhower, in submitting his recommendations, requested an appropriation of $4,295,046,664, while the committee cut these funds even more to $4,008,335,264. It is therefore a sound assumption that with such drastic curtailment of funds, some of the services of the VA must be drastically limited, or, even in some instances, eliminated entirely, and veterans suffer as a consequence.

I am interested particularly in two phases of VA operations, which I strongly feel should not be hampered, namely the medical program and compensation and pensions.

I call to your attention a statement by the Medical Director of the VA who admitted that over 5,000 beds in VA hospitals would become vacant if these lower budget estimates were adopted. In addition, the opening of a number of new hospitals, so badly needed at this time, would be indefinitely deferred because of the lack of funds to maintain them.

It is common knowledge that at the present time there is a tragic lack of hospital space and medical facilities for veterans and certainly we can expect no improvement with even lower appropriations. In my own State of New Jersey alone, where two very fine VA hospitals are located, at Lyons and East Orange, the picture is anything but bright. As recently as a month and a half or so ago, there were 64 service-connected veterans suffering from neuro-psychiatric conditions, who are seeking admission to Lyons, but who are now required to remain in county and State mental institutions because of the lack of beds at Lyons.

Fortunately—and I say this proudly—New Jersey has a very fine system of care for its mentally ill—but this may not be true elsewhere, and it is unfair to veterans and their families for them to accept so-called second-class care. The hospital at East Orange was originally constructed to hold 950 beds but only 322 patients can be treated there, while there is a waiting list of 255. My colleagues may ask why East Orange does not care for those mentally ill veterans who are unable to be admitted to Lyons.

East Orange is a general hospital, and although it maintains a psychiatric clinic, it is not equipped to care for long-term patients, suffering from mental disabilities. This picture must be duplicated in many of our other States, and is only one phase of the VA program where additional funds are needed, not less funds. Nor do I feel it possible to judge the extent and quality of medical care by dollars and cents alone. Who can estimate the real value of service which is rendered by VA hospitals throughout the country to those who are physically and mentally sick.

It has been said that veterans in some instances have found that medical care

is too readily available to them. With that I cannot concur. It has been my experience that veterans in New Jersey seek medical care and treatment only when they need it, and they are independent enough not to expect these services unless they are actually required. I believe that our veterans resent this inference, as I do, and have proven by their service that they are willing to accept responsibility for their own welfare.

The other item which I ask that you review most carefully before voting on these cuts is that for compensation, and pensions. There is a growing fear on the part of veterans that this reduced appropriation for fiscal 1954 is only the first step in the lowering of all compensation and pension payments. Report No. 550 states that—

> The committee recognizes the fact that funds provided for this purpose are to meet a contractual obligation of the Federal Government. If an additional sum is required during the next fiscal year, the committee will recommend funds to meet the situation.

While I feel generally that a study should be made of the compensation and pension program of the VA with the view of improving inequalities, and so forth, I cannot approve a system of financing whereby appropriations for the immediate present are based on some future action, vague and problematical as that is. Current appropriations should keep pace with current laws. Could any of us regulate our own personal finances for today on what might be our requirements several years in the future?

No one believes in economy more than I do, but I do feel that current appropriations should be based on current needs. To follow any other procedure would be false economy and poor financing in the most accurate sense of the word. All of us agree that there are many instances where economies can be effected, but I urge the Members of this House not to discriminate against those who have sacrificed for our country. America has always prided itself on its ability to care for you who are called to defend it, and it would be a sad commentary if we were pennywise and pound-foolish in this most important of all Government obligations. These men and women have served us well. We must not fail them now.

Mr. THOMAS. Mr. Chairman, I yield 7 minutes to the gentleman from Tennessee [Mr. FRAZIER].

TENNESSEE VALLEY AUTHORITY

Mr. FRAZIER. Mr. Chairman, TVA requested an appropriation of $254,355,000 for 1954. The bulk of the 1954 appropriation requested is for power facilities to meet national defense and growing civilian requirements. The Bureau of the Budget recommended a cut of $61 million, reducing the requested appropriation to $190,822,000.

The Appropriations Committee in reporting this bill, adopted the recommendation of the Bureau of the Budget with one exception. The present bill, as supported by the committee, eliminated all funds for resource development. The Bureau of the Budget had recommended $2,377,000 for this purpose. With this additional cut, the present bill now carries an appropriation of $188,371,000, which is a reduction of $65,984,000 under the TVA budget estimate.

Twenty years ago on May 18, 1933, the TVA was created by Congress. In this act the TVA's responsibilities, duties, authority, and what it was to do were clearly defined. These were:

First. To provide upon the Tennessee River watershed the maximum amount of flood control.

Second. To provide maximum development of the Tennesse River for navigation purposes.

Third. To develop the maximum generation of electric power.

Fourth. To develop the proper use of marginal lands.

Fifth. To develop the proper method of reforestation of all lands in the drainage basin suitable for reforestation.

Sixth. To make a contribution to methods of improving agricultural conditions in the valley of the drainage basin.

The Tennessee Valley is the only region in the country in which the unified development of a valley with its whole watershed has been carried out. Within the limits of the watershed of the great Tennessee River—and its adjacent Cumberland River—are located over 1¼ million users of municipally and cooperatively distributed electricity.

Since its creation by the Federal Government, the TVA has become the sole source of electric supply for this area, an area embracing some 80,000 square miles in which some 5 million people live and work. It includes all the State of Tennessee, a substantial portion of northern Alabama and northern Mississippi, the southern edge of Kentucky, and fringe areas of Virginia, North Carolina, and Georgia.

We have made great progress in the Tennessee Valley in the past 20 years. When the TVA started to build dams in 1933, the entire region which is now served by the TVA electricity, used about 1½ billion kilowatts of electricity. Today, homes, farms, and factories of the TVA power-service area are using more than 23 billion kilowatts of electricity a year. By 1956, the additional power plants now under construction would make the power system sufficiently large to supply more than 59 billion kilowatthours a year.

But even that is not enough. The farms still without electricity—some 10 in every 100—will need more power. The new homes to be built, the new schools, and hospitals will increase the demand for electricity. The new electrical appliances—and this region is the fastest growing electrical appliance market in the United States—will take more electricity. New power plants must be built to permit these things to happen, to meet these demands. New industries will want more power but will not be able to get this power unless TVA starts to build more power plants next year.

TVA has done much more than provide electricity for this great area; it has completed and there now exists upon the Tennessee River a 9-foot navigation channel from Paducah on the Ohio River to Knoxville, Tenn.—a distance of 650 miles. This modern ice-free channel, all weather channel, links the Tennessee Valley region with the 8,000-mile inland waterway system of the United States. Upon this navigation channel traffic is now running at the rate of 800 million ton-miles annually, compared to some 33 million ton-miles in 1933. In 1933 the tonnage was mostly sand and gravel which moved short distances. In 1953 the tonnage includes oil, gasoline, automobiles, coal, fertilizer, corn, and wheat, and the Tennessee Valley is linked with such inland water ports as Pittsburgh, Minneapolis, St. Paul, Chicago, St. Louis, and the ports on the gulf coast. The result of this TVA created navigation channel has been that shippers using it upon the Tennessee River are saving in excess of $8 million annually in traffic charges.

The TVA has largely controlled the floods which occurred annually on the Tennessee River. Floods are, of course, one of our national problems, annually causing much destruction. In this period of 20 years the TVA has placed into service an integrated system of 28 dams which control the flow of water on the Tennessee River system, now providing nearly 12 million acre-feet of storage for the reduction of floods. Completion of 2 additional dams under construction will bring the number to 30. Five of these dams are owned by the Aluminum Co. of America, and are operated by TVA under agreement as part of the river's integrated water control system. Nine of the dams are on the Tennessee River and 21 are on the tributary streams. The great benefits which have come from this flood control system of TVA are, of course, first apparent in the Tennessee Valley region, but they likewise extend far outside of the valley. It has been carefully estimated that since the establishment of this flood control system $11 million of annual average benefits have been brought about—more than half of which are outside of the valley—in the lower Ohio and Mississippi Valleys. When the Tennessee River is in flood, and it does flood during certain seasons of the year, the storage behind the TVA dams is great enough to reduce large floods at Cairo, Ill., where the Ohio joins the great Mississippi River, by from 2 to 4 feet. The TVA system of multiple purpose dams, by increasing the effectiveness of existing levees, provides security from floods of certain stage to nearly 6 million acres of productive Mississippi land—and it reduces the frequency of flooding in the Mississippi Valley on an additional 4 million acres of land. Prior to TVA it was almost an annual occurrence for my own city of Chattanooga to have moderate floods. These flood stages still occur, but have been greatly reduced through the upstream reservoirs of TVA's multiple purpose reservoir system. Since Norris Dam—the TVA's first project—was placed in operation in 1936, it has been conservatively estimated that Chattanooga has been saved an estimated $45 million in flood damage.

It is not too well known that the TVA chemical plant at Muscle Shoals, which was constructed during World War I, is the Nation's only large-scale laboratory and center for the development of fer-

tilizer. These facilities, devoted to fertilizer production research in peacetime, also produce munitions of war when needed in time of war. TVA's data on new products, new processes, the use of new equipment—all developed at Muscle Shoals—are made available to and used extensively by the private fertilizer industry. Fertilizer companies all over the country have benefited by TVA's work in this field. TVA has been a factor in opening up the Nation's western phosphate reserves, which are the largest in the country.

During World War II electric power from the TVA averted a crisis in aluminum production and kept new bombers flowing from assembly lines. The prewar construction of TVA dams and powerplants proved to be a stroke of foresight for our national defense.

TVA power was used to build the first atomic bomb. The men who built Douglas and Fontana Dams on record-breaking schedules to supply power for Oak Ridge helped to end the war.

Today it is necessary for TVA to double its power facilities to meet the valley's requirements, including expanded operations at Oak Ridge and a new plant being built in western Kentucky by the Atomic Energy Commission.

IMPORTANCE OF TVA POWER FOR NATIONAL DEFENSE

By far the greater part of the new generating capacity that TVA plans to put in operation between now and the fall of 1956, and for which Congress is presently being asked to appropriate funds, will supply power vital to the defense of our Nation. More than half of it is required to help power the new and expanded atomic energy installations; other parts will supply industries producing vital defense materials—large power consuming industries supplied directly by TVA and a large number of smaller industries served by the municipal and cooperative distributors of TVA power.

In World War II, three-fourths of TVA's entire power output was used for defense production. More than 10 percent of all the power used in the United States defense effort came from the TVA system. In future emergencies, similar or larger proportions are to be expected. TVA power produced much of the aluminum that helped make possible the rapid expansion of the aircraft program; TVA power was used to produce much of the phosphorus for incendiary bombs and other military uses; TVA power produced large quantities of the ferroalloys so essential to the production of alloy steels for weapons of all kinds; TVA power helped separate uranium 235 at Oak Ridge for the A-bomb, and the availability of TVA power was a key factor in the location of the Oak Ridge operations.

One of the primary requirements of any region of our Nation which must be met, if the area is to continue to prosper and grow, is to meet the electricity requirements as they arise.

By far the greatest single factor in the rapid increase and demand for power which has occurred during the last few years in the valley has been the needs of the Atomic Energy Commission with its large expansion programs at Oak Ridge and Paducah. When these additions are completed and taking the amounts of power which TVA is expected to supply, the total amount of TVA power to be used by the Atomic Energy Commission will be 24 billion kilowatt-hours a year. This large amount of electric energy will account for approximately 40 percent of the estimated 60 billion kilowatt-hours generation the TVA will be required to furnish in 1956.

These new requirements of the AEC, of course, are piled upon other growing demands for power in the region. Based upon what has happened in the past, the conservative estimate shows that between 1952 and 1956 it is expected that the demands for power by the business, industrial, home and farm customers served by the 150 power distributors, plus the demands of the few large industrial consumers served directly by TVA, will increase by 75 percent.

The power distributors, who in fiscal year 1945 required 3.3 billion kilowatt-hours, in 1956 are expected to require 11.7 billion kilowatt-hours. In 1952 they actually required 6.5 billion. When the figures of these large power requirements are studied, it can be seen that the projected goal by 1956 of 9,600,000 kilowatts of generating capacity is conservative.

The use of TVA electricity in the Third Congressional District of Tennessee, which I have the honor to represent, was 2½ times as large in 1952 as in 1945. The increase was largely in use of power by business and industry, as well as by homes and farms.

TVA power is distributed in this district by 10 locally owned and operated electric systems—6 municipalities, 4 rural cooperatives. These electric systems have an investment of $39 million in facilities for delivering power to some 111,000 homes, farms, businesses and industries. The investment has doubled since the war, increasing from $19 million in 1945. This illustrates the growing participation of these locally owned systems in the job of regional power supply.

The growth in use of electricity in the homes and on the farms—over four times as large in 1952 as in 1945—reflects not only an increase in the standard of living of individual families, but the extension of rural lines to many previously unserved farms. The number of farms served has been increased from 5,582 in 1945 to 16,174 at the end of 1952.

The annual use of electricity by business and industry in this district was more than twice as great in 1952 as in 1945. This growth is due to the expansion of facilities by older firms and the creation of new facilities by new firms such as the Wheland Gun Plant, Combustion Engineering-Superheaters, Inc., E. I. du Pont, and Tennessee Products & Chemical Corp. The rapid growth of productive capacity of the district's industries, as demonstrated by the doubling of power use since the war, represents an important potential for defense production in times of emergency.

To help supply the growing power needs of this and neighboring districts, TVA is now constructing the first 8 units of the nearby Kingston steam plant and 2 additional units at the Widows Creek steam plant just below Chattanooga. The 1954 budget includes funds not only for continuing the present work on these units but also for beginning the installation of the ninth unit at Kingston, which will make this plant the largest in the world.

The TVA act states that the power program is to be self-supporting. The power operations more than fulfill the requirements of the TVA act that they be self-supporting. In the fiscal year, 1952, TVA power revenues amounted to $95 million, with net revenue from operations after deductions of operating expenses, including depreciation of $25,800,000. This amounts to a return of 4⅞0 percent average net power investment. For the past 6 years, the rate has averaged 5 percent annually. The rate from power operations over the entire period of TVA existence has averaged over 4 percent annually on the average net investment. Over the period, the cost of money to the Government has averaged 2 percent.

In 1948, the Congress directed TVA to repay the Treasury and RFC investment in the power system—determined at that time to be $348,239,240—over a period of 40 years, including retirement of $2,500,000 of its bonds annually. It provided also that TVA should repay appropriated money invested in new facilities within 40 years after the facilities went into operation.

At June 30, 1952, TVA had paid $40 million of power revenues into the general fund of the United States Treasury and had retired over $26 million in bonds. This makes a total of more than $66 million which has been repaid. Of the total repayments $15 million in payments to the Treasury and $8.5 million in bond redemptions had been made prior to passage of the 1948 appropriations act. Altogether, TVA on June 30, 1952, had financed out of net cash proceeds from power sales $207 million of power plant and other assets which are the property of the Federal Government.

Under section 13 of the TVA Act, TVA pays 5 percent of its gross revenues from sale of power—exclusive of that used by TVA or sold to other Federal agencies—to States and counties in which it owns power property or carries on power operations. The minimum payment is the amount of State and local ad valorem property taxes formerly paid on power property purchased and operated by TVA and on reservoir lands allocated to power. In addition to the TVA payments, municipal distribution systems make tax-equivalent payments and cooperative systems pay taxes as required by the various States.

In the fiscal year 1952, TVA payments in lieu of taxes were $3,036,000. The tax payments of the municipal and cooperative systems in the same year totaled $4,672,000. The combined payments of TVA and the distributors were $7,708,000, exceeding by about $4,474,000 the

former State and local ad valorem property taxes on all power property purchased by TVA and the municipal and cooperative systems and on all reservoir lands.

TVA is not required to pay Federal income taxes. However, all of TVA's income belongs to the Government; and if a share of TVA's power earnings were earmarked for income taxes in the same proportion as for utility companies, there would still be enough left over to cover the Government's cost of providing the money.

The question is often asked by Members of Congress as to why TVA, an agency responsible for the multipurpose control of the Tennessee River system, should be constructing steam-generating capacity on such a large scale and under what authority it is doing so.

The reason for building these steam plants is the tremendously increased demand for electric power, not only by the homes, farms, business establishments, and industrial plants, which now total almost 1,300,000 in number, but also by the great atomic-energy plants constructed in the region for national defense. By 1956 TVA will be supplying 25 billion kilowatt-hours a year to the Atomic Energy Commission's plants at Oak Ridge, Tenn., and Paducah, Ky. This is more power than was sold in any 1 of 45 of the 48 States last year; it is exceeded only by the sales in the States of California, New York, and Pennsylvania.

Expanding industrial development as well as new homes, schools, and hospitals will increase the demand for electricity. Electric appliances to be added—this region is the fastest-growing appliance market in the United States—will take still more electricity. The farms yet to be electrified—about 10 in every 100—will further increase the demand for power, and the farms recently electrified have only begun to make effective use of power in farming operations and in the farm home.

In 1933, only 3 percent of the farms in Tennessee were electrified. Now, about 88 percent of these farms are electrified. In that year, there were no milking machines in Tennessee. Now, all the large dairy farms and most of the smaller farms are equipped with them. Nearly every farmhouse has its washing machine, Frigidaire, and deep freeze.

The original TVA Act, passed in 1933, authorized the construction and operation of both hydro and steam plants. It also gave TVA custody of both Wilson Dam and the 60,000 kilowatt steam plant the Government had built at Muscle Shoals during World War I.

Electricity is one of the bedrock necessities in a modern economy and the progress of any region depends upon it. The TVA area is one of the fastest-growing regions in the country today, and its power needs are correspondingly great.

It is frequently charged that tremendous amounts of money are being poured into the Tennessee Valley area and that this area is the sole beneficiary of appropriations made by Congress for the TVA.

The money invested in the TVA power system does bring great benefits to the area it serves, and none of us wish to minimize that. But it should be pointed out that TVA investments in power facilities will be paid back by the region in dollars to the Federal Treasury. But Members of the House should know that dollars appropriated to TVA for power facilities are not spent solely in the Tennessee Valley although the completed plants are located in that region and will be paid for by the power consumers of that area.

Transformers purchased by TVA are produced in Massachusetts, Pennsylvania, Missouri, and Wisconsin; circuit breakers come from Pennsylvania and Massachusetts, and condensers from New Jersey and Pennsylvania. If the pattern of TVA procurement in the past is repeated, Delaware, Pennsylvania, and Massachusetts will supply piping and valves purchased with funds provided in the appropriation for fiscal 1954. New Jersey and California will manufacture feed-water pumps. Boiler equipment will be manufactured and delivered from Ohio, Illinois and Indiana; New York, Michigan and Maryland will produce instruments and metering equipment, motors will come from Wisconsin, Minnesota, Pennsylvania, and New York. Machine tools from Ohio, Maryland, and Pennsylvania, while blowers and fans will be produced in Michigan. Trucks and tractors will be manufactured and delivered from Illinois, Michigan, Ohio, New York, Pennsylvania and Wisconsin. Cranes and power shovels will come from Wisconsin, Ohio, Illinois, Michigan, New York and California.

From 1934 through 1952 TVA purchased almost $800 million worth of manufactured goods, 90 percent outside the State of Tennessee, 78 percent outside the 7 States of the Tennessee Valley. When you lump together the purchases of manufactured goods, raw materials, and services, only 42 percent came from the 7 valley States from 1934 through 1952.

From these figures you can readily see that the Tennessee Valley Authority not only benefits the region where it is located, but many other States.

TVA requested $30 million to commence the construction of a steam-generating plant at Fulton, which is some 40 miles from Memphis, Tenn. The Bureau of the Budget and the Appropriations Committee had rejected this request and denied the TVA the funds with which to commence this additional steam plant which is badly needed to supply the city of Memphis, Tenn.

In 1935 the city of Memphis signed a contract with TVA, a Federal agency designed to supply all the power needed in the area served. This contract provides that the city of Memphis shall take all of its power from the TVA. The city of Memphis has made investments in electric facilities, plants, and other assets of $51,753,554. When Memphis contracted with the TVA the maximum demand on the Memphis system was approximately 59,000 kilowatts. The maximum demand at the present time is 241,000 kilowatts. The city of Memphis will in all probability reach a peak of 300,000 kilowatts by the summer of 1954. Any large industry or war project might accelerate this rate of growth. These facilities are, therefore, inadequate. If TVA is going to prepare for the expected growth at the expected rate of increase the lead would be doubled in 6½ years. If this additional plant is not built, it will stop the industrial development and growth of Memphis and west Tennessee.

The Appropriations Committee has made an additional cut of $2,377,000 in the bill now under consideration which the TVA had asked for resources development. This is a serious blow to TVA and area and bad for the Nation. It is a blow at the very heart of TVA, not because of the amount of money involved, but because of what the money pays for.

This cut will eliminate from TVA the entire program which sets TVA apart from an ordinarily conceived power production agency. Included in the resource development category are such things as the forestry management program; the reservoir development program, which includes fish and wildlife operations and recreational developments; the industrial development program, to assist local governmental and private agencies in their efforts to attract new industry to the area; the topographical mapping service which, for the first time in the history of the area, is providing adequate land maps; all agricultural development work with the exception of the fertilizer test demonstration program.

In cutting out these phases of TVA operation, it destroys the concept of developing a region's resources through coordinated programs.

I urge you to restore this cut which means so much to this entire area.

Under the program, the TVA has greatly contributed to the reforestation of the area; it has encouraged farmers to plant barren areas and thereby replenish the Nation's rapidly depleting lumber supply. TVA has participated in the replanting of cut-over timber lands. Under this program, 254 million seedlings have been set out in the valley.

I most earnestly implore you to restore this small cut that means so much to this area. I urge you to consider the value of TVA to national defense and the future security of the Nation.

Mr. COTTON. Mr. Chairman, I yield myself 15 minutes.

Mr. COTTON. Mr. Chairman, I hope I shall not use all the 15 minutes, but as this debate nears its close, there are a few points that I would like to see in the RECORD.

The first point that I would like to see in the RECORD is the fact that we who serve on the Independent Offices Subcommittee are particularly fortunate. We are very nonpartisan. There are reasons for our nonpartisanship. Those of us who serve as privates in the ranks of the Independent Offices Subcommittee may be perfectly happy, whether the Democrats or the Republicans control the Congress, because we have had two of the best chairmen, I think, that any committee can boast of in the House of Representatives.

It was a pleasure to serve under the gentleman from Texas [Mr. THOMAS]. It is equally a pleasure to serve under the gentleman from California [Mr. PHILLIPS]. And while we might, for some other reasons, have a preference as to who wins the next election, so far as the chairmanship is concerned we shall always be happy.

We have been discussing many things this afternoon. I just want to call your attention to some of the overall facts. The first is that we have reduced the budget recommended by President Truman last January by over $1 billion in this portion of the independent offices bill.

There are a few high points that undoubtedly will be the subject of much discussion tomorrow and that have been the subject of discussion in the past few weeks. I want briefly to go back to this matter of the Veterans' Administration and call the attention of this House to the fact that I think that your subcommittee has been able to present the kind of a bill that should protect the Members of this House on both sides of the aisle from difficulty in the coming year as regards our treatment and our consideration of the Nation's veterans.

I picked up at random, and have in my hand now, a copy of the New York Daily News of yesterday. I see in it an article entitled "Turned-Away Marine Gets VA Bed."

It tells how some marine could not get a bed at the Fort Hamilton Veterans Hospital in Brooklyn, and a bed was finally secured for him; and then we find these words—and I read them because they are the sort of thing that you have been reading for many months. It says:

> The rejection of Barrett, revealed in the News last Friday, focused public attention on the fact that 180 beds in the Fort Hamilton Hospital lie empty for lack of trained personnel to care for patients, the result of a congressional economy move last October.

That sort of thing appears in the press all the time, and the impact immediately hits us all.

As a matter of fact, we will not dig up past history, but this Committee on Independent Offices tried its best and has, ever since I have been on it, leaned over backward, to be liberal, to see that appropriations are given for hospital beds for the Nation's veterans.

But there are other factors that enter into this matter. As has been already said in this debate, money cannot make doctors, or nurses, or those who treat neuropsychiatric patients, or technicians. All these are in scarcity.

There are many instances of this kind—I have one in my own State—where there are vacant wards and vacant beds simply because they could not obtain the doctors and the psychiatrists and the nurses and the attendants to care for them. But the impact comes back on you Members on each side of this aisle. So this time and with all due respect to the veterans' organizations—they have done a fine job as they always do in protecting the interests of the veterans—but this came about before any conference with them; we in the subcommittee said we were going to try to fix it this year so that there could be no question. So let me remind you that we gave the Veterans' Administration the exact amount of money, every single last penny they said was necessary, to activate every bed in this country in veterans' hospitals, including 19 new hospitals they expect to be opened during the coming year.

The amount we gave them was more than the so-called revised Eisenhower budget; it was more than the so-called Truman budget; it was the exact amount they said was necessary to do this job.

Mr. PRIEST. Mr. Chairman, will the gentleman yield?

Mr. COTTON. I yield.

Mr. PRIEST. I congratulate the gentleman and the committee on this particular bit of work and I would just like to ask the gentleman if it is not true that if there are not enough facilities in these hospitals it will not be because of lack of appropriation by the Congress, assuming that we appropriate this amount.

Mr. COTTON. That is absolutely true, I may say to my friend.

Mr. PRIEST. Because the Veterans' Administration told the committee that this was all that would be necessary to operate all of the beds.

Mr. COTTON. That is precisely what they said.

Mr. PRIEST. I thank the gentleman for yielding to me.

Mr. COTTON. In taking care of it we added this provision, in order that there should be economy but at the same time these beds should be cared for: We said this amount we give you, the full amount you asked—and I think, Mr. Chairman, it is the only time that we have exceeded both budgets so far in this House this session—we give you this full amount for hospital beds. It is predicated on 114,000 hospital beds. If you cannot get doctors, if you cannot get psychiatrists, if you cannot equip them all, then you use only that portion of this money that is proportionate to the number of beds you actually put into operation. This, we thought, was fair and was safe. It means they cannot come back and say to this Congress that we did not take care of the veterans. If the full number of beds is not activated, it will not be for lack of funds.

Now, I want to say just a word about the other part of this bill; that, it is quite evident to everyone, is somewhat controversial. That is the Tennessee Valley Authority. As a representative of the State of New Hampshire, as a New Englander, I should be an implacable enemy of TVA. I do not think that I am an enemy of TVA. I had the privilege of going down and looking over that system to some extent with my friend from Alabama a few weeks ago, and I want to say to you that as an American citizen I was thrilled and inspired to see that great power system pumping its power into the Oak Ridge atomic plant and other defense plants.

I, for one, even though I come from New England, which is power hungry, and even though I cannot go along with the underlying theory behind TVA, have no desire to do anything that will cripple it, or will cause it to lose the benefit of what has been done by this Congress and by the Nation in past years. But I could not help but view with some degree of apprehension some aspects of that great socialistic experiment. These features are not confined to power. Up in my State we have pine forests; as a matter of fact, our small State exported more pine lumber during World War II than any other State in the Union except one. It takes us 20 to 30 years to grow a pine. They grow much more rapidly down there in that beautiful southland where you gentlemen have so many advantages. I saw while I was down there acres of pine seedlings being cultivated by TVA to be distributed throughout those Southern States. I could not help but think that the people of my State of New Hampshire were contributing to producing those seedlings—it sounds like a small matter—to be distributed in order to grow pine in competition with one of our greatest resources.

I saw beautiful artificial lakes behind the great dams and I found in the budget here $106,000 requested for recreational development and to pay the salaries of technicians and experts to advise the chambers of commerce of Tennessee, Alabama, and these other States how to advertise those artificial lakes to get the tourists away from the most beautiful spot in all America, the White Mountains of New Hampshire: I said to myself: There is something wrong with such a system.

Now, to be more serious: Four new steam plants were requested. Two of them were additional units to steam plants already in operation; two of them were to be units of a new steam plant starting over in West Tennessee. The Bureau of the Budget, after reviewing the request, granted the two that were additional units to plants already in operation and denied the other two. Our committee compromised because we had conflicting viewpoints and made that as our recommendation.

But let me say to you that the time has got to come when we are going to decide which way we will travel in this matter. Before our committee the representatives of TVA told us very frankly, and I respect them for their frankness, that the needs were growing in that valley so that they would undoubtedly be asking the Congress for 4 or 5 new units each year for the next 5 years. I do not question the need for them. I, for one, do not question the fact that, having gone in there and started to produce power, there is a certain obligation, and I certainly want to back up the President in saying we will not strike a blow to cripple them suddenly. But the time has come when we must decide how far we are going.

I hope to have the privilege of bringing this matter to a head by introducing a bill in this Congress to try to provide some way that the people of this great valley can take over that portion of the TVA which is a power development. The Federal Government may continue to contribute to them for flood control, for navigation and for other legitimate projects in which the Federal Government is interested, but they may issue their own bonds and securities as other power

companies do. They may own and control and operate their power development and then it will be theirs. They will not be faced with the situation of being dealt with year after year by the Congress. They will not have to come here and complain that the Congress is trying to tell them where to put their administrative offices, whether they shall have a new building or not. They will not suffer from the whims of Congress because they will have the reins in their own hands. And we, who come from various States that need power so desperately, will not be reproached at home for continuing to advance money, even though it may be paid back sometime, without interest, to continue to satisfy the ever-increasing demands of one section of the Nation.

Mr. Chairman, I just want to say this before I yield. I hold in my hand a sheet that interests me very much. It lists some of the investments that this Government has. For 20 years we had an idea that everything that was to be done, the Federal Government had to do. It lists rubber plants, Federal barge lines, Federal power plants—the steam plants we have been talking about this afternoon, fertilizer plants, aluminum plants, United States Government apartment houses, United States Government storage plants, and many others.

It reminds us that Charles E. Wilson, not the Secretary of Defense, but the other Charles E. Wilson who was the head of defense mobilization, has said that if the Government of the United States will return to private capital and to private operation the great industries and plants that it owns, that it will mean a billion dollars in taxes each year coming into the Federal Treasury. That, Mr. Chairman, is one way to reduce taxes. That, Mr. Chairman, is one way to reduce the national debt. That, Mr. Chairman, is one way to return to private initiative the power to produce. I am not an enemy of TVA; I am a friend of TVA when I say we should bring this about not only in this instance, but in other instances of Government operation of great industries.

Mr. SUTTON. Mr. Chairman, will the gentleman yield?

Mr. COTTON. I yield to the gentleman from Tennessee.

Mr. SUTTON. I greatly appreciate the realistic position that the gentleman from New Hampshire takes on this matter since he has been down in Tennessee, and that he can realize the position we in Tennessee are in. In 1933 the Congress of the United States made it a public-power monopoly. We are in the position where we are at the mercy of the Congress, so to speak; whether or not they will let us develop the power there or to make us a choking economic failure. Now it is up to the Congress to decide whether or not we are going forward as a State of this Nation by means of the public power we have, or to let somebody else take it over. I hope that the Congress in its wisdom never will leave us without any public power, but I hope that they will decide one way or the other so we can advance as a State of this Union instead of crippling us in cutting TVA out from under us.

Mr. COTTON. I will say to my friend I think he will advance faster and further and more successfully as a private industry than he will by continuing as a ward of the Government of the United States in any kind of socialistic experiment financed by the Government, gentleman from New Hampshire has expired.

Mr. THOMAS. Mr. Chairman, I yield to the distinguished minority leader, the gentleman from Texas [Mr. RAYBURN] such time as he may desire.

Mr. RAYBURN. Mr. Chairman, of course it would be a fine thing if private enterprise would do all these things that are claimed for it. If we had depended on private enterprise to electrify the farms of this country they would have been in the same shape they were 20 years ago in the great Southwest, in that great farming area, when free enterprise was electrifying the country. In 1934, fewer than 3 percent of the farm homes of the country were electrified. Then we went into this socialistic thing—people called it that at that time—of lending money to farm cooperatives to build rural lines, and today more than 90 percent of the farm homes of all the great Southwest are electrified. There would not have been 10 percent electrified at that time if we had not gone into this thing that people at that hour called socialism, and the great Tennessee Valley would never have been developed as it is and as it should be in the future if you had turned it over to private enterprise, and anybody that has ever studied that area down there knows that without any question whatsoever.

Mr. THOMAS. Mr. Chairman, I yield such time as she may desire to the gentlewoman from Idaho [Mrs. PFOST].

Mrs. PFOST. Mr. Chairman, I rise to make some brief remarks about one of the economic tragedies of our time. During a period of unusually high metal consumption in the United States, and at a time when we are not producing enough lead and zinc from our own mines to satisfy our demands, the price of those vital commodities has dropped to a point where most of our marginal mines have closed up and many of the higher grade properties have had to curtail operations and are losing money. I am informed that more than 2,500 lead and zinc miners are out of work and in Arizona only one important producer is left operating and that only because other metals are present in the ore. Nearly 100 mines are shut down in the tri-State area. In my State of Idaho many mines have closed, more than 500 men are out of work, and the outlook is dim indeed. Creeping paralysis is setting in.

Mr. Chairman, mines cannot be opened and closed like opening and closing a grocery store where the goods will still be available on the shelves. It costs a lot of money to maintain a mine in standby condition. Many mines once shut down can never be reopened and the loss to the Nation of valuable metals, and to the communities, the State and the Nation in property values and taxes is almost incalculable. The real tragedy, however, would be reliance upon foreign sources of supply for metals which are vital to our national defense. Modern submarines and aircrafts could sweep our shipping lanes clear. It is one thing to place orders for war materiel and another to have the metals with which to make it. Ours is a metals economy in peace and in war.

What is the matter with our metals prices at a time when our consumption far outstrips our production? Mr. Chairman, it is the vast volume of foreign lead and zinc which is being dumped here in order to get dollar exchange—lead and zinc produced by cheap labor, and—yes, a good deal of it financed by the United States Government, which will not stretch out a hand to aid the domestic miner.

There is at present before the Ways and Means Committee a bill known as the Simpson bill, to establish a sliding scale tariff on lead and zinc which is intended to stabilize the domestic prices of these metals around 15 or 16 cents per pound. No quotas are involved, and the bill would not block needed imports. It merely would keep the largest part of our lead-and-zinc industry in a healthy condition. After all, aside from the strategic necessity for a strong, vital domestic mining industry, I ask you, Mr. Chairman, who employs our labor and pays our taxes, Idaho or Bolivia, Arizona or Africa, Peru or Missouri?

There seems to be some question whether the Simpson bill ever will get to this floor for consideration. Although there are a scattering of members of the Ways and Means Committee who are from metal-producing States, I do not feel that a matter of such grave import as this one should be left to this committee, learned in these matters as it is, to decide.

Mr. Chairman, let us have the Simpson bill brought out on this floor, for open debate, where the issues can be fairly and squarely placed before the Members for a vote, and see whether or not they prefer to support foreign investors and foreign labor or to pass the Simpson bill and support American enterprise, American labor, and American capital. I beg the Members of this House to ponder these matters carefully and demand that they have the chance to vote American and protect domestic industry.

Mr. PHILLIPS. Mr. Chairman, I yield such time as he may desire to the gentleman from Indiana [Mr. BRAY].

Mr. BRAY. Mr. Chairman, the veterans' hospitalization program must not be impaired. We must not allow another situation to occur such as that in 1933 when veterans were ejected from veterans' hospitals without their clothes. I am aware of the problems connected with the hospitalization of veterans. Before I came to Congress I was post service officer of both my local American Legion post and my local post of the Veterans of Foreign Wars. I also served as county veterans' service officer, and I believe that I am well acquainted with the need and the importance of the veterans' hospitalization program.

By this statement, however, I do not mean to excuse extravagance and inefficiency in the operation of the veterans' hospitals. The veteran is just as interested in having this program efficiently

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and economically run as are other taxpayers. We are all aware that the Veterans' Administration has in many ways become bureaucratic and extravagant. We realize that the hospitalization program has not been run as efficiently as it should have been. We are also aware that this inefficiency and extravagance is keeping the veteran and the taxpayer from receiving the full value of the taxpayer's dollar that is spent. If we merely cut the appropriation to run the veterans' hospitalization program and do nothing to correct the present inefficiencies, then this inefficiency will continue and the hospitalization program of the veteran will suffer. While the operation of the veterans' program is not purely the function of the Congress, as the Congress merely appropriates the money, the Appropriations Committee has, in my opinion, in this bill gone a long way toward bringing efficiency and economy into the veterans' hospitalization program.

In the past the Veterans' Administration has stated the maximum number of beds which it could open, equip, staff, and operate for the following fiscal year. Congress appropriated money to carry out these hospitalization plans. The Veterans' Administration has spent the money but has not operated the number of beds for the veterans for which it had requested funds and for which Congress had appropriated adequate money. In this appropriation bill, if the Veterans' Administration does not operate these hospital beds for the veteran, then the money which it is allowed to spend will be reduced proportionately. This is a commonsense proposal and should increase the number of veterans getting hospitalization, increase the efficiency of that hospitalization, and save the taxpayer money.

The appropriation for the hospitalization of the veteran for the next fiscal year is more than will be spent for hospitalization this current year and is also more than the original budget estimate. The Acting Administrator of Veterans' Affairs and the Chief Medical Director have both stated that this appropriation gives them all of the funds to operate all of the hospitals now in operation or which will come into operation during the next fiscal year. The Chief Medical Director also stated that they could continue to furnish the high quality of food in the hospital. I have also personally contacted and talked with the officials of the American Legion, the Veterans of Foreign Wars, and the Disabled American Veterans, and they have all assured me that they are satisfied with the appropriation bill as it now stands as it relates to the hospitalization of the veteran.

I want to congratulate the veterans' organizations which have taken an active interest in this program. Their individual members and their officials have contacted individual Members of Congress and have conferred with the Appropriations Committee and have assisted in working out this plan which should benefit all concerned. It is in the interest of all of us to see that this hospitalization program works. All of us hope that when the new Director of the Veterans' Administration takes over he will develop a revitalized program that will give the veteran better hospitalization and the taxpayer more hospitalization value for the tax dollars.

At this time I would also like to bring to the attention of the Congress the situation existing in the State of Indiana, which adversely affects the hospitalization of the veterans in that State. There has been a critical shortage of available beds for the hospitalization of veterans in Indiana for some time. For several years we had the Cold Springs Road Hospital at Indianapolis which had 347 beds for general medical and surgical use. The 500-bed Billings General Hospital, which previously was connected with Fort Benjamin Harrison just northeast of Indianapolis, was made available to the veterans at the close of World War II. This made a total of 847 beds for general medical and surgical use. Then the Government constructed a new and modern veterans hospital on West Tenth Street in Indianapolis, near Indiana University's School of Medicine. This hospital has a total of 494 beds. At first it appeared that the Veterans Hospitalization Program in Indiana would be well taken care of. However, the Veterans' Administration, pursuant to the President's budget message for the fiscal year 1950, ordered Billings General Hospital closed, and ordered the Cold Springs Road Hospital to be turned into a tuberculosis hospital. And while tuberculosis hospitals are needed, this order removed 347 beds from the general medical and surgical program which were so vitally needed. Therefore, instead of the new hospital on West Tenth Street increasing the total available beds for medical and surgical use by 494, Indiana had 353 less beds available for medical and surgical use for the veterans than it had before the new Tenth Street hospital was constructed.

I have discussed this matter several times with the Indiana officials of the American Legion and the Veterans of Foreign Wars and with the officials of the Veterans' Administration, and I am hopeful that in the near future something can be done to remedy this situation. I do not intend to cast the blame on any previous administration or on the Veterans' Administration. This condition came about through a failure to properly plan our veterans programs. Many veterans hospitals were located for purely political reasons. There are two things necessary for the proper location of veterans hospitals. First, it must be in a locality where there is a sufficient number of veterans who need and are entitled to hospitalization. Secondly, the hospital must be located where there are adequate doctors, nurses, and technicians available to properly staff this hospital. We are all aware that there have been hospitals constructed where there were not sufficient veterans in that locality to possibly fill the hospital. Hospitals have also been constructed at locations where it was impossible to properly staff them.

In Indiana we certainly have the need for additional hospital beds. The officials of the Veterans' Administration have admitted this to me several times. The Veterans' Administration also admits that there are sufficient personnel available to staff an additional veterans hospital in Indianapolis or vicinity.

It is useless, however, to spend a great deal of time blaming people for that which has happened in the past. In the future, however, we can and must see that the veterans hospitalization program is sanely and soundly administered. I do think that the interest of the veterans organizations such as the American Legion, Veterans of Foreign Wars, and Disabled American Veterans and their respective auxiliaries are helping and will continue to help the Congress vitalize the hospitalization program.

Mr. PHILLIPS. Mr. Chairman, I yield 3 minutes to the gentleman from West Virginia [Mr. BAILEY] for the purpose of asking a question.

Mr. BAILEY. Mr. Chairman, I have asked for this time in order to ask the distinguished chairman of the committee a question relative to the possible use of surplus medical service and beds in the several hospitals for the purpose of special treatment of psychiatric and tubercular cases.

May I preface my statement by saying that in my State of West Virginia we have an original hospital built after World War I in connection with the regional office at Huntington, and we have two of the newer hospitals, each of 200 beds, just recently completed and occupied. We are also using the facilities of the old Army hospital at Martinsburg, W. Va.

The hospital association of my State of West Virginia is interested in the possibility of converting one of those institutions to the treatment of tubercular patients. One of them happens to be located at an elevation of approximately 3,000 feet and about half a mile distant is a State tubercular institution. It is ideally located.

May I ask the chairman if the Administrator of Veterans' Affairs would have authority, without authority from the Congress, to make such a change and set that hospital up as a special hospital for the treatment of tubercular patients?

Mr. PHILLIPS. It is a question in my mind whether he could actually remodel a hospital or change the categories of patients in that hospital. I would say offhand that he could. If the Solicitor advised him that he could not, I can assure the gentleman from West Virginia that I do not believe there would be any hesitation on the part of the Congress to give him such authority, because it is perfectly obvious that there are hospitals in the United States not used to their fullest capacity. The hospital named in West Virginia is one of those which was built for 200 patients, activated to 176 patients, has never had more than 122 patients in it, and has 202 employees in the hospital for those patients. If we can use these hospitals perhaps by changing a GM and S to an NP or a TB—and I think the one the gentleman speaks about would be eminently satisfactory for a TB hospital; is that right?

Mr. BAILEY. That is right.

Mr. PHILLIPS. Then it seems to me that is a better use of hospitals. Congress is very much in favor of that, and hopes that the new Administrator will initiate such a reexploration or reinvestigation immediately.

Mr. BAILEY. I thank the gentleman from California for the information.

Mr. THOMAS. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. ABERNETHY].

Mr. ABERNETHY. Mr. Chairman, the only source of power for the greater part of my congressional district is supplied by the Tennessee Valley Authority. If there is to be, and I hope there is, an expansion of industry in my district and if the few remaining homes and farms which do not have electricity are to have it in the future the TVA must be authorized and empowered to increase its power-generating facilities to meet these needs. This situation not only applies to my section but it applies to all other districts located within the sphere of operations of the TVA.

I have listened most attentively to the debate this afternoon and am disturbed with the course which it has taken. One group expresses the opinion that everything is wrong with TVA and nothing is right. Another group has expressed the opinion that everything is right with TVA and nothing is wrong. Most assuredly both groups are mistaken. The TVA has no doubt made some mistakes but these mistakes are not so serious but what they could be corrected. Certainly, they have not been so bad as to warrant its complete abolition as many seem to desire.

Most of the things about which anti-TVA members have complained can, if need be, be corrected by the Congress. Some complain that it does not pay enough in lieu of taxes. If this be true it can be corrected by the Congress. Some complain that its repayment schedule is too slow or that the annual payments are too small. If this be true it, too, can be corrected by the Congress. Not a single complaint has been registered here today against the TVA but what it cannot be corrected, if it need be, by an act of this Congress. I do not understand why those who complain and criticise do not make a more constructive approach and offer what they believe to be the proper remedy to correct the mistakes and wrongs which they attribute to the TVA. Mind you, I am not agreeing with them; I am simply saying that ordinary everyday sniping at TVA is not getting us anywhere, nor is it doing us any good. If there is, in your judgment, anything wrong, then back it up by the introduction of an amendment or a bill.

Much has been said about the accomplishments of TVA and the wonderful advancement which the people in the valley have made since it was established. With all of this I am in full agreement. Homes and farms in our section enjoy lights and power today which, had it not been for the TVA would still be living by the light of oil lamps. A fine working relationship has been established between the TVA and the people and their local agencies. There is every reason to believe that this good relationship will continue. It definitely is one which the people wish to continue and, as previously stated, the progress which they have made cannot be maintained or expanded unless the TVA, their only source of power, is permitted to meet the demands made upon it by expanding its operations.

The city of Memphis, west Tennessee, and northeast Mississippi will not and cannot make the progress which they should make and which they are capable of making unless the TVA is permitted to construct the plant it has programed for Fulton, Tenn. I was tremendously shocked when this administration on submitting its budget deleted from the budget the funds which the TVA sought to start this plant. This deletion in my judgment violated a solemn pledge made by the Republican Party through its presidential candidate last year. This was hardly to be expected following the commitment which President Eisenhower made in Memphis, Tenn., at the time when he was Candidate Eisenhower and seeking the Presidency of the United States.

On October 15, 1952, Candidate Eisenhower in his Memphis speech solemnly stated that if he were elected President there would be no disposition on his part or that of his administration to impair the effective progress of TVA. On November 3, 1952, the day before election, Candidate Eisenhower made a solemn commitment in a telegram over his own signature as follows:

> Let me reiterate what I tried to make clear in my address at Memphis, TVA will be operated and maintained at maximum efficiency.

In order that this solemn pledge might be made generally known and used to the most effective advantage in securing votes for the Republican ticket it was published on the front pages of the Knoxville News-Sentinel and the Memphis Press-Scimitar the day before election. It was conceded by the editors of both papers that this solemn commitment made by Candidate Eisenhower was responsible for his receiving an extraordinarily large vote throughout the Tennessee Valley and a majority of the vote in the State of Tennessee.

It is rather strange that one of the first official acts of the President and his Budget Bureau was to recommend a budget which would not maintain the TVA at maximum efficiency, all quite contrary to his pledge. Although it has been clearly shown that the construction of a steam plant at Fulton, Tenn., is sorely needed to avert a shortage of power in that section of the valley, this item was stricken from the budget and also from the pending bill.

This action, unless overridden by the Congress, definitely means that the TVA will not be kept at maximum efficiency. It means a shortage of power in the Tennessee Valley. A shortage of power means a short economy. This, as I heard the distinguished Governor of Tennessee say the other day, will mean a legislated depression for our section of the country. Truer words were never spoken. Could this be the lowly pattern which this administration has set for our people—all of which is contrary to its pledges solemnly made the day before its candidate was made President of the United States?

Tomorrow an amendment will be offered to restore the funds for the Fulton plant. I sincerely hope that the members of the committee which recommended the deletion of this plant and those of you who have spoken generally against the TVA this afternoon will, between now and tomorrow, reconsider. In the meantime search your conscience and determine for yourselves whether or not this action is in keeping with the pledges made by your candidate for President less than 24 hours before the sun rose on election day last November. In closing let me remind you that your candidate for President on this occasion also stated that under his administration "TVA will continue to serve and promote the prosperity of this great section of the United States."

Could it be that you have forgotten so soon?

Mr. THOMAS. Mr. Chairman, I yield such time as he may require to the gentleman from Florida [Mr. LANTAFF].

Mr. LANTAFF. Mr. Chairman, a few moments ago information reached me from Miami that the reduction in appropriations for the Veterans' Administration would force the VA to close the Miami regional office. I would like to direct a question to the gentleman from Texas [Mr. THOMAS] and ask him whether or not budget reductions will force such a move?

Mr. THOMAS. The answer is "No."

Mr. LANTAFF. Is it contemplated that any regional office will be closed down because of the lack of funds included in this bill?

Mr. THOMAS. The answer is "No."

Mr. LANTAFF. Were the committee informed by the Veterans' Administration at the budget hearings or the appropriation hearings that they contemplated closing any regional office?

Mr. THOMAS. The answer is "No."

Mr. LANTAFF. I thank the gentleman.

Mr. THOMAS. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from North Carolina [Mr. DEANE].

Mr. DEANE. Mr. Chairman, I am grateful to the gentleman from Texas [Mr. THOMAS], the ranking minority member of the committee, for this time.

It has been most reassuring to me to hear the chairman of the committee, the gentleman from California [Mr. PHILLIPS], and the gentleman from Texas [Mr. THOMAS], the ranking minority member, say that the sum of $555 million as provided in the bill on page 11, line 18 will be sufficient to maintain the vacant beds now existing in VA hospitals. In this connection, I was advised by the Veterans' Administration this morning that there are now 2,288 vacant beds in VA hospitals because of a lack of funds. Is that true?

There are in the process of construction 9 general medical and surgical hos-

pitals and 4 neuropsychiatric. They are as follows with the total bed capacity:

Location	Bed capacity
General medical and surgical:	
Ann Arbor, Mich.	496
St. Louis, Mo.	496
Chicago, Ill.:	
Cancer research hospital	516
General hospital	496
Oklahoma City, Okla.	496
Pittsburgh, Pa.	742
Cincinnati, Ohio	496
New York, N. Y.	1,252
Neuropsychiatric:	
Salisbury, N. C.	973
Pittsburgh, Pa.	956
Brockton, Mass.	958
Los Angeles, Calif.[1]	1,000
Total	8,887

[1] Not scheduled to open until after fiscal 1954.

It is estimated that these hospitals under construction will be ready or completed during 1953 and as late as May 1954. They have a total bed capacity of 8,877. Do I understand that this appropriation of $555 million contemplates taking care of those beds in those hospitals which are now under construction, both general and NP?

Mr. PHILLIPS. If they are under construction. Now we are carrying out the neuropsychiatric program, and also include in this bill money for Topeka and San Francisco just as we put Cleveland and Los Angeles in last year. But one of those hospitals of 1,000 beds, which I think is on your list, does not come in until August 1954, and therefore would not be in this year's budget. Do you have a general medical and surgical hospital on that list in Cleveland?

Mr. DEANE. The neuropsychiatric hospitals I have named are located as stated: Salisbury, N. C.; Pittsburgh, Pa.; Brockton, Mass.; and Los Angeles. I am interested in all of them, but I am interested at this time primarily in the one in Salsbury, N. C., which the adjutant of the North Carolina American Legion indicates it is 95 percent complete and the Veterans' Administration tells me as of this morning that they could begin to receive patients in October of this year. What I am asking is whether or not this particular scheduled opening of this hospital is included in this appropriation of $555 million.

Mr. JONAS of North Carolina. If the gentleman will yield to me to answer that question, I will say that I have been in touch with the Veterans' Administration officials with respect to the Salisbury Hospital because it is near my home. I am equally interested in it with the gentleman from North Carolina who asked the question. I have been informed within the last few days by the Veterans' Administration that money is already in hand to complete construction of the hospital, which is practically completed now. And also to fill it with supplies and completely equip it, and it will open according to plan subject only to their ability to staff it.

Mr. DEANE. I thank the gentleman. I bring the subject up because there have been many reports in North Carolina that the Salisbury Hospital would open on a certain date, then another date has been indicated.

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield?

Mr. DEANE. I yield to the gentleman in whose district this hospital is located.

Mr. ALEXANDER. Mr. Chairman, I want to ask this question, since there has been quite a bit of propaganda that it would not open and it would be staffed.

Is it the intention of the committee that this new $16-million hospital will be opened as scheduled and will be staffed?

Mr. JONAS of North Carolina. It is not only our intention; if there is any doubt about it, we shall insist upon it. We asked the specific question when the officials of the VA were before our committee whether there were any plans not to open that hospital as scheduled, and we were assured that the hospital should open according to plan. I just stated a moment ago that the money is there, regardless of whether appropriated in this bill or not, to completely equip the hospital with all necessary equipment and supplies.

Mr. DEANE. Mr. Chairman, my purpose in bringing up this Salisbury hospital is to nail down in the record for good that this hospital is going to open on schedule. Likewise I am sure that the Members of Congress will be interested in those NP hospitals in Pittsburgh, Pa.; Brockton, Mass.; and Los Angeles, Calif., and whether or not funds are being made available in this bill for the opening and maintenance of these NP hospitals as well as the nine general medical and surgical hospitals I described that are scheduled for early completion.

The CHAIRMAN. The time of the gentleman has expired.

Mr. PHILLIPS. I yield the gentleman an additional minute so that I may answer his question.

May I say that the one in Salisbury is scheduled to open in October of this year with 973 beds; Brockton will open in September of this year with 958 beds, and so on.

Mr. DEANE. One other question, if I may direct to the gentleman from California [Mr. PHILLIPS]. What gives me concern is the legislative language appearing on page 20, line 6. I read:

> The Administrator of Veterans Affairs is hereby authorized in his discretion, to activate and operate at reasonable standards throughout the fiscal year 1954 those beds which are needed and which can be staffed, in the following categories: (a) all beds in Veterans'Administration hospital and domiciliary facilities and all contract beds that were in use during the fiscal year 1953, except those replaced or to be replaced by new construction, (b) all beds in Veterans' Administration hospital and domiciliary facilities and all contract beds that were closed during the fiscal year 1953, except those replaced or to be replaced by new construction, and (c) all beds in Veterans' Administration hospital and domiciliary facilities constructed in the fiscal years 1953 and 1954; provided, that the qualified personnel required for the standard operation and maintenance of such beds can be obtained.

Do I understand by that language the VA Administrator at his discretion is given a free hand in determining, for example by the hospital at Fayetteville, N. C., one of our older hospitals would be discontinued. I have a letter from the manager of that hospital——

Mr. PHILLIPS. Are there patients?

Mr. DEANE. If I may follow, Mr. Chairman, I have a letter from the manager of this Fayetteville, N. C., hospital, indicating this hospital has a total bed capacity of 416, and they have vacant beds at present to the number of 66.

The CHAIRMAN. The time of the gentleman from North Carolina has again expired.

Mr. PHILLIPS. I yield the gentleman an additional minute so that I may answer his question.

It all depends upon the type of patient, the need for the hospital. We have about a half a dozen hospitals, none of which would be occupied to the capacity for which it was built.

I do not care to become involved in the matter of a specific hospital without knowing anything about the conditions. If the hospital is needed for patients, it certainly will be kept in operation under this bill which we are now discussing.

Mr. DEANE. I thank the gentleman. If I may follow up one step further, Mr. Chairman.

In the CONGRESSIONAL RECORD of June 4, page 6113, I called to the attention of the House a story that appeared in the New York Times of Sunday, May 24. This news story had this heading: "VA Fears Closing of Six Hospitals." The article goes on to say:

> WASHINGTON, May 23.—Veterans' Administration medical experts estimated today that they would have to close 6 or 7 veterans' hospitals as a result of cuts in their budget for the 1954 fiscal year, starting July 1. They were not ready to talk for the record, but their private calculations showed that 4,800 beds would have to be closed. These are in addition to 2,288 beds already held inactive for a lack of funds.

The article goes on to say that the VA medical officials are supposed to support the Budget Bureau when the appropriation hearings start. These same officials, however "are concerned, though, about how to do that and still say what they feel they must—that the cut will mean reduced medical care."

The news story continues referring to the Veterans' Administration.

They figure it this way:

> The proposed medical and hospital allowance, totaling $657,600,000 is $13,779,467 less than they had for the same purpose in the current fiscal year; yet 10 new hospitals will be completed during the year, adding 6,187 beds to the load they must handle.
>
> The agency wanted money to hire about 6,000 extra persons to staff the beds in the hospitals to be opened next year. They received an allowance for only 1,383. To get the rest, the officials feel they will have to "rob" older, less-efficient, and less-desirable hospitals and that could mean closing some of the older ones.
>
> Among those on the list to be considered for this purpose, it was learned, are VA general medical and surgical hospitals in Fayetteville, Ark.; Fort Logan, Colo.; Lake City, Fla.; Fort Thomas, Ky.; Fayetteville, N. C.; Amarillo, Tex.; White River Junction, Vt.; Kecoughtan, Va.; Iron Mountain, Mich.; Vancouver, Wash.; Dublin, Ga.; Poplar Bluff, Mo.; Miles City, Mont.; Beckley, W. Va.; and Minot, N. Dak.

Within the last 10 days, I have contacted managers of the following hospitals involved in the aforementioned story to determine the bed capacity and the number of vacant beds as of June 1, and I am able to give the committee the following information:

Location	Bed capacity	Vacant beds as of June 1, 1953
Fayetteville, Ark	254	47
Lake City, Fla	(1)	
Dublin, Ga	600	89
Fort Thomas, Ky	395	None
Iron Mountain, Mich	185	51
Poplar Bluff, Mo	201	111
Miles City, Mont	109	46
Fayetteville, N. C	416	66
Minot, N. Dak	162	38
Amarillo, Tex	170	14
White River Junction, Vt	250	48
Kecoughtan, Va	604	134
Vancouver, Wash	575	133
Beckley, W. Va	176	73

[1] Reply not received.

In my letter to the above hospitals, I asked not only about their bed capacity and the number of vacant beds at present, but also I inquired that if funds were provided, could the additional personnel needed to staff the increased number of beds be found? In reply, of the 14 responses received, the managers at Miles City, Mont.; Fayetteville, N. C.; Minot, N. Dak.; Vancouver, Wash.; and Beckley, W. Va., expressed themselves that it would be doubtful if additional personnel could be found for this purpose.

I think we should know whether or not the one at Fayetteville, N. C.; the one at Lake City, Fla.; at Dublin, Ga.; Fort Thomas, Ky., and so forth, are being considered for closing now or anytime in the immediate future.

Mr. PHILLIPS. If the gentleman will wait a moment, and permit me to interrupt, I shall yield him another minute.

The gentleman is going now into a list of hospitals that are almost impossible to staff. We just cannot staff the hospital at Dublin, Ga., at the present time. As to the one that the gentleman mentioned before that, I think it is on the list of those hospitals that are extremely difficult to staff, and no amount of money appropriated by this Congress will make a doctor or a dentist or a nurse out of a dollar bill.

Mr. DEANE. That is what I am trying to get back to, that perhaps the New York Times was not too far off base when they were giving the record here, that these various hospitals, including the one at Fayetteville, were in the process of being discontinued, and I was wondering whether or not they would be discontinued.

Mr. PHILLIPS. They have been discussed every year for the 7 years that I have been making the Veterans' budget; no more this year than in any previous years. We do not know any more this year what to do about them than we did 7 years ago. That is why I said to the gentleman from West Virginia that we want an investigation of the hospital program to see whether we can make the best possible uses of the hospitals that we have.

Mr. DEANE. In other words, I am correct in thinking that the language on page 20 gives, as I read it, the Administrator of Veterans' Affairs—

The Administrator of Veterans' Affairs is hereby authorized, in his discretion, to activate and operate—

Then it brings in, as I interpret it, hospitals similar to the ones I have mentioned, whether or not they will be continued or closed; is that right?

Mr. PHILLIPS. Or transferred to some other category. The one in West Virginia is one of the most difficult, but it could very easily be transferred to a tuberculosis hospital when it is not effective as a G. M. and S. hospital. It is difficult to answer the question, much as I would like to.

Mr. DEANE. It is a subject in which I think every Member of the House is interested, and I hope every Member will study my statement of June 4 on page 6113 which deals with these particular hospitals that were carried in the New York Times story. It included one in Fayetteville, N. C. I express the hope that the new VA administrator will move with great care before such a hospital as the one in Fayetteville is discontinued in view of its present load and urgent need.

Mr. PHILLIPS. We concur in that, but we also point out that the list includes hospitals that are not under discussion at all.

Mr. DEANE. I only wish to point out Mr. Chairman that these hospitals are involved in the overall VA hospital program and we are entitled to know in the respective States and hospitals concerned what is in the minds of the new VA administration, what is contemplated concerning these last-named hospitals mentioned in the New York Times story.

Mr. THOMAS. Mr. Chairman, I yield 5 minutes to the gentleman from Alabama [Mr. ELLIOTT].

SUFFICIENT MONEYS ARE BEING APPROPRIATED IN THIS BILL TO GUARANTEE THE OPERATION OF EVERY AVAILABLE VETERANS' ADMINISTRATION HOSPITAL BED DURING THE COMING FISCAL YEAR

Mr. ELLIOTT. Mr. Chairman, I want to express my personal appreciation to the members of the Committee on Appropriations of the House for the assurances they have given us this afternoon that they have provided sufficient moneys in this bill to adequately operate all our VA hospital beds next year.

The people I have the honor to represent in the Congress are interested in this question. As their representative I am interested in seeing that we appropriate sufficient funds to keep in operation every single VA hospital bed that might serve a veteran of the Seventh Congressional District of Alabama or any other veteran of this entire Nation.

Veterans of the congressional district which I represent are keenly interested in this question because only recently we have opened a new VA hospital at Birmingham, Ala. This new hospital puts our veterans in position to perhaps get better and more efficient service than they have ever enjoyed before. We are anxious to see the Birmingham hospital operate at full capacity.

APPROPRIATION OF MONEY TO OPERATE HOSPITALS DOES NOT INSURE THAT SUFFICIENT MEDICAL PERSONNEL CAN BE FOUND TO STAFF THOSE HOSPITALS

Of course, we all understand that the appropriation of sufficient moneys to operate all available beds in every VA hospital in the entire country does not mean that the VA can necessarily find the personnel—the doctors, the psychiatrists, the nurses, the medical technicians—that are necessary to staff these hospitals, and thus assure us that all existing beds will be used for the treatment of veterans who need them.

CONGRESS MUST TAKE ACTION TO ASSURE NECESSARY MEDICAL STAFFS FOR ALL GOVERNMENT HOSPITALS

And, now the question arises as to what the Congress should do to be sure that the Government can get the necessary medical staffs to operate our VA hospitals. The same question applies with equal force to every Government hospital, whether operated by one of the armed services, the Coast Guard, the Public Health Service, or the Veterans' Administration. This is a question that the Congress must find an answer to. I hope that the appropriate committee of the Congress will begin an immediate study to determine the proper course for us to pursue. The services which these various hospitals were designed and built to render must be rendered. This is a question that the medical and nursing professions should be invited to help find an answer to. The greatest Government on earth, equipped with the statutory authority, and the money to serve certain of its people, such as its veterans, with medical and hospital care must not be rendered impotent to provide that service because of shortages of the required personnel.

THE TVA MUST BE ALLOWED TO FULFILL ITS OBLIGATION TO FURNISH ELECTRIC POWER TO THE PEOPLE OF THE TVA AREA

Mr. Chairman, I have the privilege of representing a congressional district that partially draws its electric power needs from the Tennessee Valley Authority. Culman County, Ala., gets all its power from TVA; Franklin County gets about two-thirds of its requirements from TVA; Winston County gets a smaller portion from TVA. The rest of the district, all or a part of eight counties, gets its power from a private power company. And, I think it should be here said that both groups are fortunate in that they receive dependable power and good service. Further, I doubt if there are two such power organizations—one public and one private—anywhere else in the United States where the relations are as good as they are in Alabama. Here the TVA and the private power company have established a record for cooperation, exchange of power, and in other fields which I believe might be a model for other sections of the United States.

I believe now for several years that the TVA, the private power companies, and the public generally have by common consent come to understand the boundaries of the area which the TVA serves, and which under existing circumstances it must serve.

There are some of our colleagues who believe that the Government of the United States should never have been in the business of generating and distributing electric power. But, I point out that insofar as TVA is concerned that argument is academic. Here we are faced with the reality that under a law passed by the Congress 20 years ago the TVA is charged with furnishing power to a fairly large area of the United States lying partially within 7 States. The area served by it has no other source of electric energy. I do not believe that we can in good conscience deprive TVA of the ability to generate the power which the customers of its service area require. To do so would be to penalize the people of the TVA area. I do not want to see the people of Cullman, Franklin, or Winston who get their power from TVA penalized by the Congress of the United States placing a squeeze on the source of that power. The matter could be viewed in a different light were it a question of the TVA attempting to expand its service area. And, I am confident that the Congress will eventually reach the decision that TVA should be allowed to build the facilities necessary to adequately serve its customers. President Eisenhower has openly expressed himself as being in favor of the TVA operating in such a manner as to be able to serve its customers. Will this Congress run the risk of allowing a situation to develop where because of our failure to appropriate sufficient moneys for TVA generating equipment the lights become dim in the great Tennessee Valley? I hope it will not. I do not believe it will.

ARE THE DIRECTORS OF TVA MORE POWERFUL THAN THE GOVERNORS OF THE AFFECTED STATES?

The gentleman from Iowa [Mr. JENSEN] attempted to make the point this afternoon that the directors of TVA were more powerful than the the Governors of the seven States which lie wholly or in part within the TVA area. I would like to say to the gentleman that he is most unfamiliar with the character or the temper of Gov. Gordon Persons, of Alabama; and of Gov. Frank Clement, of Tennessee, or he would not have made such a statement.

Fortunately for all of us, the directors of TVA, regardless of how much power the TVA Act gives them, have thus far pursued a policy not of wielding power but a policy of cooperation.

But let us see for a moment how powerful the TVA directors are:

Section 4 of the basic TVA Act reads:

Except as otherwise specifically provided in this act, the Corporation—

Meaning the TVA—

(f) May purchase or lease and hold such real and personal property as it deems necessary or convenient in the transaction of its business. • • •

(g) Shall have such powers as may be necessary or appropriate for the exercise of the powers herein specifically conferred upon the Corporation.

Now, section 8 (a) of the TVA Act says:

The Corporation shall maintain its principal office in the immediate vicinity of Muscle Shoals, Ala. The Corporation shall be held to be an inhabitant and resident of the Northern Judicial District of Alabama within the meaning of the laws of the United States relating to the venue of civil suits.

Now the TVA directors, not in the exercise of any of the general powers of the Corporation but instead in an attempt to comply with the plain mandate of the statute that the Corporation shall maintain its office at Muscle Shoals, is met by the Congress of the United States coming in and prohibiting the directors from complying with this mandate.

And, mind you, this is done not in the traditional method of legislating but instead by the highly dubious method of legislation on an appropriation bill. Here is what the committee said:

Provided, further, that no part of the funds available for expenditure by this agency shall be used directly or indirectly to acquire a building for use as an administrative office of the Tennessee Valley Authority so long—

And so forth. Meaning, insofar as we can foresee that for a period of 40 years the TVA cannot move its headquarters to Muscle Shoals, Ala., and thus comply with the mandate of the basic act.

Many of us have taken great pride in the fact that TVA has been operated throughout its history outside the realm of partisan politics. I sincerely regret that the first show of political operation of TVA came from the Congress of the United States. Let us call a spade a spade. Is there any reason, other than the obvious political one, why TVA should not be allowed to move its headquarters to Muscle Shoals as the law creating TVA said it "shall."

So, when this great powerful corporation gets ready to exercise one of its routine functions, the Congress of the United States steps in and prohibits it from doing so. There are many reasons as I see it that in doing so the Congress made a mistake. We are now in the position of allowing the Congress to become the court of appeal from all rulings of the Board of Directors of TVA. And, unlike other courts, the appellant before this court does not have to show that the Directors violated a statute. His appeal may be sustained on an assignment of error based on politics rather than law.

I am distressed by the attitude whereby some of our colleagues seem to feel that the TVA area has become rich and a land flowing with milk and factories. Nothing is further from the truth. It is true that we have made progress in recent years, both in the TVA area, and without, but we are still far behind the rest of the Nation, greatly behind the national averages. I represent a small part of the TVA area and from that small part I will cite an example. The average annual income per person of the part of the area I represent is something less than $700. The average annual income per person in the United States is about $1,500.

Yes, it is true that we are making progress. That $700 figure was something less than $200 when the TVA Act was passed in 1933.

I want to ask this question of those of my colleagues who complain that moneys from their States went into the costs of construction of TVA. Do you want us to advance economically in the South, both inside and outside the TVA area, so that we may stand in the position of not having to call on your help in the future? Do you want us to go forward to the point that our payments of taxes will be a greater percentage than they now are? Or do you want to beat us over the head, and attempt to cripple our ability to advance? I hope it is not the latter, because a great industrial revolution is going on south of the Potomac. Our advancement of recent years has been such that we are now able to compete with you on all counts for industrial development. I mention this to call your attention to the fact that the competition is beginning to run the other way. One of these days before long you are going to be in the position of having to compete with us. And this is going to be true whether you hamstring TVA or not.

Mr. THOMAS. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. DAVIS].

Mr. DAVIS of Georgia. Mr. Chairman, I desire to ask several questions of the gentleman from Texas [Mr. THOMAS] who last year was chairman of the subcommittee on independent offices appropriations. Last year in the conference report, page 21, Report No. 2443, this language appears:

Conferees have approved the full amount of the budget estimate for research, including work in connection with prosthetic appliances, and have further agreed that there should be no reduction in the number of doctors, dentists, nurses, and dietitians.

It was my understanding that this language was placed in the conference report last year as a protection against any hospital beds being closed down in Veterans' Administration hospitals, is that correct?

Mr. THOMAS. That is correct.

Mr. DAVIS of Georgia. I was very much concerned, as many of us were, that some 2,288 beds were closed down notwithstanding this language which the Congress had placed in the conference report.

Mr. THOMAS. About 2,500, I will say to the gentleman from Georgia.

Mr. DAVIS of Georgia. So I attended a hearing before the Veterans' Affairs Committee at which Admiral Boone testified. He was asked about this very matter of closing down these beds and he testified that 2,250 employees were discharged and he said further:

I can break down that reduction of 2,250. Physicians 14, dentists 3, nurses 61, dietitians 2; other medicals such as orderlies, ward and mess attendants, 1,301, administration and supply and maintenance people 869.

That makes up the 2,250.

Now, by discharging orderlies, ward and mess attendants they just as effectively closed down hospital beds as they would have if they had discharged doctors, dentists, nurses, and dietitians, did they not?

Mr. THOMAS. I think the answer to that must be yes. May I refer my distinguished friend to the hearings. If you will look at page 632 of the hearings you will see there is no earthly excuse for closing down those beds if anything like businesslike management had been

applied to the hospitals. In the first place, the Veterans' Administration will have a carryover in the fiscal year 1953, this year that they closed them down, some 8 to 13 million dollars.

In addition they spent $600,000 for a report that neither the committee nor the Congress authorized. In addition they spent some $7,500,000 on pay increases, and by making some just ordinary fringe cuts in personnel that do not affect the hospital operation itself nor the operation of any beds they could have picked up another two to five million dollars. Think about those figures. If you look in the hearings you will find those enumerated.

Mr. DAVIS of Georgia. I thank the gentleman for that information.

At this same hearing Admiral Boone was asked by the gentleman from Illinois [Mr. SPRINGER]:

This $31,000,000 cut, was that applied to the Department of Medicine and Surgery alone?

He answered:

Yes, sir. As a result of congressional action we had a $40,000,000 cut for the Veterans' Administration as a whole and $31,000,000 was in the Department of Medicine and Surgery.

Further testimony was as follows:

Mr. AYRES. Who made the decision that the figure you gave would be applied to medical?

Admiral BOONE. The $31 million?

Mr. AYRES. Yes. Who made that decision?

Admiral BOONE. The budget officer of the Veterans' Administration.

Mr. BIGELOW. Proportionately, it was made that way. That was our cut proportionately.

Mr. SPRINGER. As I understood, you said Congress applied this $31 million cut to you. Did they?

Mr. BIGELOW. No. The $40 million cut was to the Veterans' Administration, and the proportionate cut to us, to the Department of Medicine and Surgery, was $31 million.

Mr. SPRINGER. You mean they just divided it up proportionately, depending on how many dollars you got before?

Mr. BIGELOW. That is correct.

Mr. SPRINGER. It was my understanding that that was the thing the Congress did not want to be done. Am I right on that?

Admiral BOONE. The only limitation was that there should be no reduction in the category of physicians, dentists, nurses, and dietitians.

Mr. AYRES. When Congress made the cut, they had no authorization to indicate where the cuts were to be made.

Admiral BOONE. After I got the cut, we had $31 million less, and I had to make the determination how I was going to make that distribution.

Mr. AYRES. Who told you you had to reduce your budget $31 million?

Admiral BOONE. That was what was given to us.

Mr. AYRES. Who gave it to you?

Admiral BOONE. The budget officer of the Veterans' Administration.

Mr. AYRES. The story we all get in our mail is that there seems to be a feeling among the veterans that the cut was made where it would hurt most so there would be pressure to restore the cut.

Admiral BOONE. That is not a fair assumption.

Mr. SPRINGER. I do not think the spirit has been complied with. The conference report stated:

"Conferees have approved the full amount of the budget estimate for research, including work in connection with prosthetic appliances, and have further agreed that there should be no reduction in the number of doctors, dentists, nurses, and dietitians."

I think the intention was that cut was not to be applied to the medical department.

Mr. TEAGUE. It is just like giving Congress a certain amount and saying, "You will not apply the cut to Congressman, but to the staff."

Now I am still concerned as I know all of us are to see that nothing like this occurs again this year.

I want to ask the gentleman from Texas another question, if I may. I notice that in the appropriation bill now under consideration on page 11, $555 million is being appropriated for maintenance and operation of hospitals. I think that this money ought to be earmarked this year so that no more activities of the kind that were engaged in last year could be engaged in this year.

Mr. THOMAS. The committee has taken the gentleman's suggestion and it is earmarked and it can only be spent for that purpose this year. This is the first time it has ever been done, and that $555 million is $6 million more than President Truman asked for, so the Veterans' Administration and the organizations are well pleased.

Mr. DAVIS of Georgia. And that money is all earmarked this year?

Mr. THOMAS. It cannot be used for anything else.

Mr. DAVIS of Georgia. And must be used to operate these facilities.

Mr. THOMAS. That is right.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. THOMAS. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Chairman, when we come to this subject of the TVA each and every year it seems to be one that generates quite a bit of heat along with the electricity that it produces for the area. But I do not think that there are some facts connected with this, which have been covered in detail, I am sure, by those who have preceded me here, but which yet have not registered apparently with many of the newspapers of the country and with many people, from the correspondence which I get.

The Government of the United States set out in the Tennessee Valley, when it set up this Authority, to meet the flood-control problems there as it has done in so many other river valleys. It also set out to provide for navigation. In between keeping the water high enough for navigation and low enough for flood control, it was provided that the power that would be generated be generated for the use of those in the area where the power could reach them. With the passage of time, in order to more properly utilize the power generation capacity of this area in which we were going to do the navigation and the flood control anyway, they added to it various steam plants so as to firm up this power so that it would be consistent on a year-round basis.

It was my privilege to serve on this subcommittee for a number of years when many of the things which were misunderstood, I thought, were straightened out. I was on the committee and took an active part in the discussion concerning the question raised each and every year, Why does not the TVA pay back to the Government what we put in it? To answer that we provided in 1948 the provision, which I helped write, that in 40 years the TVA must return to the Government the money that is spent for power generation.

This is the point I would like to make. The money belongs to the Federal Government now. This payment is not a case of the TVA's paying its way so that it belongs to somebody else, but it is a dividend in cash to the Government, a return of the money that is invested. Once that money is returned to the Government, as is now being done, $96 million having already been paid, with an additional $25 million payment contemplated this year, it still belongs, and will belong, to the Federal Government.

This has meant a whole lot to the valley, and it means a whole lot to the region, including much of north Mississippi. It has meant a whole lot to the Nation from the benefits that come from having it as a yardstick in the public-utility field. But whether you believe in that, whether you think the Government should ever have gone into public power development in this area or not, it is the utility of that region. To say that it canot expand to meet the needs of the territory it serves is just the same as saying that a private utility cannot enlarge its plant to serve the territory it serves, and it is just as unsound to say, "Let this city or that city or the other city within the territorial area served by this utility put up their own plant." As to tell the people in Cleveland, Ohio, or Charleston, Miss., or any other town or village in this country, 'We cannot let the utility that is serving your area put up a generation plant to add to its system to serve your increased needs. No, you folks put up a municipal plant."

Lots of folks who are trying to strangle TVA on the growing power needs of the area are really trying to eliminate the public power feature of it. That issue was determined when the TVA, by act of Congress, became the utility of the region. I say this is the utility of a certain geographical area. It has contributed to the general welfare and general wealth of the Nation because the huge amounts of money that have gone into that region have changed it from an area that was more or less undeveloped in some respects to one that has contributed greatly to the Nation. I do not have to mention the fact that we have called on this utility for a large part of its power to meet our needs in the atomic-energy field. But I repeat, and I think I am sound in principle, that the Congress, having determined that this would be the utility of this region, has an obligation to the people in that area to let their needs be served as we let the needs of the people in a private utility area be served by that private utility.

I have listened to much of the debate. So many of our arguments have been complete in all detail that I shall not bore you with going over the aspects of it which have been covered by other speakers. I do not know that we will

change any votes. But I say it is unsound business to show your hand to the point of trying to restrict a great area of this country and at the same time claim you are for the TVA. You are reading the fine print to us now. We thought General Eisenhower was for this needed growth.

I would like to list here TVA payments to the United States Treasury:

TVA payments to the U. S. Treasury

FROM POWER PROCEEDS

	Retirement of bonds	Payments to general fund	Total
Total to June 30, 1952	$26,072,500	$40,059,019	$66,131,519
Fiscal year 1953:			
Actual payments to May 27, 1953	5,000,000		5,000,000
Payments to be made in June 1953		10,000,000	10,000,000
Total payment of power proceeds through June 30, 1953	31,072,500	50,059,019	81,131,519

FROM NONPOWER PROCEEDS

Total to June 30, 1952		$13,132,901	$13,132,901
Fiscal year 1953: Actual payments to May 27, 1953		4,229,268	4,229,268
Total payment of nonpower proceeds through June 30, 1953		17,362,169	17,362,169
Total payment to U. S. Treasury through June 30, 1953	$31,072,500	67,421,188	98,493,688
N. B.: Estimated 1954 payments to the U. S. Treasury:			
From Power Proceeds, estimated fiscal year 1954	5,000,000	15,000,000	20,000,000
From Nonpower Proceeds, estimated fiscal year 1954		5,288,000	5,288,000
Total estimated payments for fiscal year 1954	5,000,000	20,288,000	25,288,000

I would like to continue further and say one of the truly heartening developments which has taken place in this country during the past 20 years has been the economic resurrection of the South. The tremendous expansion in commerce and industrial activity in this great region has caused it to become a truly participating partner in our national economy. While retaining much of its previous agricultural importance, it is also succeeding in becoming a source of great industrial strength. The South has progressed with really tremendous strides but still greater strides must be made if it is to achieve a par with the rest of the Nation.

To those of us who live in the South one of the evidences of what is taking place is the growth which has marked the service institutions of the South, notably the electric systems. Fast as power supply has expanded, the growth in supply has not been as rapid as the growth in demand. This condition of growth is emphasized by the fact that for the past several years the Southeast has been 1 of the 2 major sections of the country which consistently have been listed as areas of critical or tight power supply. The other section of the country in this condition has been the Northwest.

The utilities serving the Southeast—both the privately and publicly owned systems—are making great efforts to increase their capacity so as to be able to serve the loads which have been developing and must continue to develop. Having in mind the need to strengthen our national productive capacity to prepare for any eventuality resulting from present international relations, the Congress has encouraged this great expansion of generating capacity by permitting these utility companies to accelerate the amortization for tax purposes of a large portion of such capacity. In effect, the Congress has been giving these companies very effective financial encouragement to expand, to grow.

In the very heart of this great southeastern area, however, Congress is in effect, saying stop, do not grow. That area is the 80,000 square miles served by the Tennessee Valley Authority, including most of my own district. Paradoxically enough, this is the very region in which this extremely desirable growth in power use has been even greater than in the rest of the Southeast.

To provide barely enough power to keep abreast of its loads, TVA had requested authority to begin construction of a new steam plant near Memphis, Tenn., to be known as the Fulton steam plant. This plant was to provide 450,000 kilowatts of capacity. In combination with the 2 new units in east Tennessee, an increase of 8½ percent was to be provided in the capacity of the TVA power system. In view of the fact that the annual rate of increase in power use for the Nation is about 8 percent, and that many of the private utilities in the South are growing much more rapidly than that, it can hardly be said that the proposed capacity additions to the TVA system were generous. In spite of this the request for the Fulton plant has been refused.

What will be the result of this refusal? To those of you who are interested in the vital question of economy the answer will be both enlightening and shocking. The cost of constructing this 2-unit plant, capable of producing more than 3.5 billion killowatt-hours per year, is estimated to be $90 million. That is a fairly large sum. Yet, if this plant is refused, the excess cost of obtaining this power elsewhere—if, indeed, it could be obtained at all—could well amount to $20 million to $25 million in 1 year. To this must be added another $5 million or more for transmission facilities which would be needed to bring this substitute power to supply west Tennessee and north Mississippi loads. The Tennessee Valley Authority is being asked to forego a plant which is sorely needed and yet it is being told to expend $30 million in out-of-pocket expenses for 1 single year of refused capacity. The construction of the plant would result in a permanent addition to the generating capacity of the area, the region, and the Nation. The out-of-pocket expenditure for replacement power for 1 year alone would be equal to one-third the cost of the plant and yet at the end of the year there would be no new capacity to show for the money. That $30 million could much better be used for repayment of investment in power facilities, instead of being a loss to the Treasury.

For those of you unfamiliar with the history of TVA's Johnsonville plant let me remind you that we have already had a good example of what will happen if the Fulton plant is delayed. The 80th Congress acted on bad advice and decided that the Johnsonville capacity was not needed. I participated in efforts to get that plant, made the closing argument in the House. If you provide funds to build the Johnsonville plant, we were told, the area served by TVA will not be able to use the power and TVA will expand into Missouri and Illinois and Arkansas and Ohio to sell its surplus capacity. We finally got the funds but initial appropriations for Johnsonville were delayed for less than a year. What happened? It very soon became clear that a serious temporary power shortage lay ahead. Industrial development of the region slowed down. Heavy costs were incurred for the use of the marginal power sources of all systems within reach of transmission lines. The Treasury bore the expense of overtime construction costs to recover as much as possible of the time that was lost. Is history to repeat itself? Is this Congress to make the same mistakes the 80th Congress made? If it does, the results will loom large in the minds of the people of the Southeast between now and the fall of 1956, which will be another year of power shortage for failure to start the Fulton plant.

To those of you who may feel that this is a cry of "Wolf," that the loads predicted are overly optimistic, let me point out that the long-range estimates TVA has laid before us in the past, in support of new capacity, have proved to be conservative. Were the estimates given us in support of the Johnsonville plant too high? Has TVA spread out into other regions, as predicted, to get rid of a surplus? No—to both questions, No. The fact is that the loads then predicted by TVA have long since been far exceeded. For 20 years the Congress has been told that TVA was creating a useless power surplus and what does the record show? The record shows that TVA has never provided one excess kilowatt of capacity.

We are in the position of providing financial encouragement, through tax-saving amortization, for the expansion of utility service to all the rest of the Southeast—nay, all the rest of the United States, while denying additional power

to the people of the Tennessee Valley area including a large part of my State whom the Congress decided should be served directly by a Federal power system. We are seeking to reduce expenditures today while wasting money tomorrow. It will be wasted, for time will show, and very shortly, that this plant must be constructed. We should weigh the consequences of the mistakes we may make. Which would be worse? To make this investment a few months early, assuming that for once the prophets of doom are correct? Or starting a year too late? An early investment would not be a wasted investment. Low-cost power from a most modern plant is always too precious to be wasted. At the least, the power could save the use of older, less efficient capacity for the few months that we might assume would elapse before new loads required the power. On the other hand, a year's delay could mean wasting amounts of money equal in that 1 year to one-third of the total cost of the plant. With the risks so great, why should we delay? If we fail to make this appropriation, we are being neglectful of the economic well-being of the Federal Treasury and we are being oppressive to the 5 million people of the area.

Again I believe a utility should be permitted to grow to meet the needs of the area it serves. I believe in that principle for the private companies. I believe in that principle for the TVA for it is the utility of its area. I repeat it belongs to the United States. The TVA must return to the Treasury all cost of power development as dividends. It will still then belong to the Government. That being true, we should allow the TVA to put up power-generation facilities needed to supply its customers in its area.

Mr. THOMAS. Mr. Chairman, I yield myself 10 seconds.

Mr. Chairman, this winds up the requests for time on this side. I want to compliment the speakers on both sides of the aisle on their fine, intelligent, and interesting remarks. The House is to be congratulated on their high order in which this debate has been conducted. I know our chairman will get unanimous consent to give everybody an opportunity to revise and extend their remarks.

Mr. JONES of Alabama. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. JONES of Alabama. Mr. Chairman, in reading the hearings, I find on page 222 two charts entitled "Information from Federal Power Commission and Defense Electric Power Administration re TVA Capabilities and Loads." Since the TVA officials were not present before the committee to examine these figures and since the hearings do not disclose any comment from them regarding these figures, I directed a letter to Mr. Gordon Clapp, Chairman of the TVA Board, about this matter. I am placing in the RECORD at this point the reply which I received from Mr. Clapp:

TENNESSEE VALLEY AUTHORITY,
Knoxville, Tenn., June 15, 1953.

Hon. ROBERT E. JONES, Jr.,
House of Representatives,
House Office Building,
Washington, D. C.

DEAR MR. JONES: Your request for comment on the statements concerning TVA's power estimates appearing on pages 222–223 of the House hearings on the second independent offices appropriation bill for 1954 was received after we had noted this material in the record and had reviewed the tables. We have already written letters to DEPA and the Federal Power Commission, quoted as sources by the committee, calling attention to errors in some of the figures and to misinterpretation of the data in other instances. Copies of those letters can be supplied, but in the meantime I am glad to summarize the situation for you.

Let me make clear at the outset that TVA's record in estimating the demand for new power capacity does not support the conclusions drawn in the statement incorporated in the hearings, nor the comments in the committee report. Far from overestimating the amount of capacity required to meet this region's power demands, TVA's long-range load forecasts have been consistently conservative. Forecasts of load growth which are the basis of requesting funds for capacity on the TVA system must be made almost 3 years in advance of the date when the capacity is to be required. While, like all utility systems TVA long-range estimates have tended to be too low, they have nevertheless been considerably more realistic than similar forecasts made by the utility industry generally.

For example, for 6 years the Edison Electric Institute has been making semiannual surveys of the future loads estimated by all the major power systems in the United States. A review of those surveys shows that short-term estimates have sometimes been high and sometimes low, but that in 12 of 13 semiannual surveys the longest-range estimates of total United States loads have had to be revised upward successively. Such underestimates have been made by equipment manufacturers as well as by operating utilities. Five years ago the Westinghouse Co. made an elaborate report projecting power use to 1957. The use of electricity the company forecast for 1957 is about the level that will be reached in 1953. An estimate made 3 years ago by the Electrical World as to use of electricity in 1955 will be exceeded this year.

The material inserted in the record of the committee hearings, however, attempts to discredit TVA's long-range forecasts, which, as I have said, have erred on the conservative side, by purporting to demonstrate that TVA's 1-year estimates of electricity use show a history of overestimating demands. It should be clearly understood that long-range and 1-year estimates are not made for the same purpose, and that they involve entirely different judgments. I need not take your time to analyze the different factors entering into long- and short-term load estimating now, however, because even judged by short-range forecasts the facts do not support the subcommittee's conclusion. It is not true that "in the 12 years from 1941 to 1952, inclusive, TVA has continuously overestimated its future power demand."

The records of the Federal Power Commission do not include TVA's 3- or 4-year forecasts, the forecasts upon which requests for capacity are based. However, for the past several years the monthly reports required by the Commission from all power systems have included 2-year forecasts. It is unfortunate that the staff of the Appropriations Committee did not make an analysis of these 2-year forecasts in addition to the 1-year estimates. Such an analysis would have shown that TVA had overestimated the demand in only 2 of the last 6 years and that in one of those cases the load was down because of a strike in the Alcoa Aluminum plant, a temporary condition having no relation to the necessity of having capacity available to meet the demands which the system would have faced under our existing contracts with Alcoa except for the strike.

But even if TVA's record of long-range and 2-year forecasts were not considered in appraising the record, the facts are that actual power demands have exceeded TVA's 1-year forecasts in at least as many years as the demand was less than TVA expected, and when there were short-range overestimates, the amount of the overestimates was much smaller than the subcommittee supposed. The error occurs in part because the subcommittee appears to have assumed that the first column of figures in the table showed loads TVA expected to carry, the second column loads actually carried, and that the differences between the two columns can be attributed to errors in estimating. That is a misinterpretation of the meaning of the figures. The first column shows TVA's estimates, not of the load it expected to meet, but of the demand for power—that is, the load it would carry if sufficient power were available on a normal basis to meet the demand. The second column—the figures which the table compares with these estimates of demand—shows the load actually carried after curtailment of service to the consumers for whom power could not be supplied on a normal basis because of inadequacy of capacity.

In 1947, for example, FPC asked all power systems for a supplemental report, so that the amount of load curtailed would be a matter of record. The report, presumably available for examination at FPC, shows that TVA's supply to its consumers was curtailed by over 100 megawatts, more than enough to account for the difference that the subcommittee assumed was an error in estimating. In every year but one since 1947, curtailments of supply have been greater than they were in that year. This record does not support the subcommittee's conclusion that power requirements were overestimated. Repeated necessity for curtailing service means that capacity is inadequate, not the contrary.

There are other errors in interpretation of the figures. For example, the estimates made by TVA were, as requested, estimates of the demand to be expected in the month of highest demand. The loads reported, however, are the loads carried in December. December is not invariably the month of highest electricity use. In 1945, for example, TVA's predicted peak demand was reported to FPC as being expected to occur in June, and in June TVA's estimate was actually exceeded. But the load reported in the table is not the June use of electricity. It is the year end, postwar load in December.

There are additional errors in the table. The figure shown as TVA's estimate for 1941 was not TVA's estimate for 1941. FPC's records will show that the figure used in the table is several hundred megawatts higher than TVA's actual estimate. This was another year in which it will be found, if the correct figures are used, that the demand exceeded TVA's estimate.

I believe it is clear that whether long-range, 2-year, or 1-year estimates are used to judge, there is no basis for the statement that TVA has consistently overestimated the demand.

In addition to material inserted in an effort to discredit TVA's past forecasts of load growth, the statement in the hearings also includes current estimates of TVA's loads in future years—estimates both by TVA and

by the Defense Electric Power Administration. The latter's estimates were used as a basis for an opinion that considerably less generating capacity is needed than TVA had proposed. The comparative estimates for this year and 3 succeeding years are as follows:

Year	Estimated loads, megawatts	
	DEPA	TVA
1953	5,452	5,450
1954	7,406	7,900
1955	8,194	8,900
1956	8,654	9,600

Starting with essentially the same anticipated load for this year, the DEPA estimate is nearly a million kilowatts lower than the TVA estimate for 1956. DEPA, as a defense agency, should be expected to be making a forecast which, giving due regard to national defense, would insure the provision of adequate capacity to meet such power demands as might develop. However, an examination of figures shows that the DEPA estimate cannot be supported as being on such a basis. We do not know what qualifications DEPA placed on its figures or, with certainty, who in DEPA prepared the figures. Nearly the entire staff has been disbanded because the agency is being eliminated on June 30. However, we have written a letter to DEPA, copy of which is attached, asking for an explanation of the figures.

DEPA's figures, if accepted at face value, would assume a load growth of 3,202 mw over the next 3 years. TVA estimates a growth of 4,150 mw. Both must include load increases at the Oak Ridge and Paducah atomic energy plants of nearly 1,700 mw already scheduled for 1954 and 1955. The remainder of the anticipated increases is discussed below.

TVA assumes an increase averaging about 14 percent per year in the loads of the more than 1,250,000 consumers served by municipal and cooperative distribution systems. This rate of increase is a little less than the average experienced during the dozen years in which the systems have been in operation.

TVA's estimates allow for a possible increase in Federal loads of only 350 mw, in addition to the presently scheduled expansion in power demands of the atomic energy installations. This allowance would be used up by a further increase of about 10 percent, or 3 percent per year from now until 1956, of the presently scheduled 1956 demands of the atomic energy plants and other Federal loads in this area. We have already had inquiries as to the availability of some of this power.

The TVA estimates allow for an increase of 600 mw in large industrial loads over the next 3 years. Approximately one-third of this increase is already under contract and tentative commitments have been made for most of the remainder.

As you could judge from the foregoing paragraphs, we are unwilling to rely upon and are unable to explain a DEPA estimate for 1956 which is lower by any amount, let alone a million kilowatts, than TVA's estimates. Further evidence of the probable inadequacy of DEPA's estimates is the fact that they assume an increase from 1955 to 1956 of 5.6 percent, whereas the average rate of increase for the United States for a good many years has been 8 percent, and there is every reason to suppose that load growth in this area will continue to be more rapid than the United States average. We have carefully reviewed our estimates of 1956 loads in recent weeks and see no basis for reducing the estimates of demand which should be planned for at that time.

If we can provide any additional information, we will be happy to do so.

Sincerely yours,

GORDON R. CLAPP,
Chairman of the Board.

Mr. PHILLIPS. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, I concur in the statement by the gentleman from Texas. This has been a very interesting debate. The committee appreciates the attitude of all Members.

Mr. Chairman, I ask unanimous consent that all Members of the House, both those who have spoken and those that have not spoken this afternoon, may have permission to revise and extend their remarks on this bill.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. PHILLIPS. Mr. Chairman, I now yield what I believe will be the last 5 minutes of the debate to the gentleman from Massachusetts [Mr. NICHOLSON].

Mr. NICHOLSON. Mr. Chairman, I dislike to take these few minutes at the conclusion of the general debate on this bill, but I listened with a great deal of attention to the gentleman from Iowa on this power question and the TVA. I do not want to get in any trouble with Members who come from the TVA area, but I call attention to one thing, the same thing the gentleman from Iowa told you, that there is a limit to everything. In this bill today we are providing for extension of the TVA. As I understand, we are giving two more units for steam power to produce electricity in these several States.

I would like to call your attention to the fact, Mr. Chairman, about rural electrification, which enters into it too. My State is more or less of a rural State and so is New Hampshire, which the gentleman said was the most beautiful State in New England. If he thinks so, he must just run through the State of Massachusetts and does not know Massachusetts from one end to the other. If he did, he would realize that and he might qualify his statement a little bit. But that has nothing to do with this question of public power or private power. In Massachusetts, we, as I said, are a rural State and 98 percent of it has rural electrification. It was put there by the farmers themselves who were willing to pay the private utilities to bring it in and we did not ask any other State in the Union to give us any power. We have had plenty of power, Mr. Chairman, since 1620 and we want to use that power doing things as we want to do them. I wonder how the gentleman from Tennessee would feel about the Committee on Rules passing a rule that you could not move this stuff down in Alabama and into Muscle Shoals. It is not the fault of the Committee on Rules, as the gentleman from Alabama said. It is the fault, if there is any fault, of the committee that has studied it so thoroughly and asked for that kind of a rule. I think it is the duty of the Committee on Rules to follow these committees that know much more about it than we do.

The gentleman from Alabama says that they pay for dredging up in Boston Harbor. Maybe they paid for it in Boston Harbor, but they do not pay for it in my district and I have more seashore, I think, than any Representative in the Congress. And we are not coming here and asking for money either. I guess the thing for us to do is to dredge our own harbors and keep the Federal Government out of it.

The gentleman from Mississippi was just talking about this great power. This great power is a baby that we made, and it was a billion-dollar baby. It will never be paid for by the people of the Tennessee Valley, but it will be paid for by the whole United States. It is about time we stopped it.

Mr. PRIEST. Mr. Chairman, will the gentleman yield?

Mr. NICHOLSON. I yield.

Mr. PRIEST. I can appreciate naturally the position the gentleman is taking. I certainly give him full credit for his viewpoint and his opinions, as I do with every Member of the House, whether they agree with me or not. The gentleman mentioned the question just a moment ago of public and private power. I asked the gentleman to yield to me to ask him this question, and that is whether or not so far as the Tennessee Valley area of 80,000 square miles is concerned, was that question not settled by the Congress in 1939? At that time the Congress approved by the request of Mr. Wendell Willkie, and I reread his testimony a day or two ago before the old Committee on Military Affairs, the Congress as I say approved the sale of the assets of the Commonwealth & Southern Co. to the TVA. Mr. Lilienthal and Mr. Willkie had come to an agreement which they said was satisfactory to all concerned. Mr. Willkie said on that occasion among other things that there was not room in that area for two competing utilities, and since the TVA has the responsiblity of flood control and navigation as well, he thought it advisable that Commonwealth & Southern retire from the field. Congress approved it. That was settled and the TVA became the utility of that area by congressional direction. That is the point I want to make. If we are going to argue that point then we would have to go back, I think, to 1939.

Mr. JONAS of North Carolina. Mr. Chairman, will the gentleman yield so that I may ask the gentleman from Tennessee a question?

Mr. NICHOLSON. I yield.

Mr. JONAS of North Carolina. We have been talking about the Tennessee Valley area and you have cited Mr. Willkie's testimony when he said that there was not room in the Tennessee Valley for Commonwealth & Southern and the TVA together. The gentleman from Mississippi commented about an alleged obligation on the part of the Federal Government since we had created this monopoly, so to speak, to continue to provide funds for the expansion of TVA. You gentlemen are forgetting the fact that in this bill we are not undertaking to deny TVA normal operating funds. The bill provides $188 million for TVA. The only thing we are

denying is the right to start a new, a completely new, steam plant on the Mississippi River which is about 100 miles from the Tennessee River, and not on any tributary of the Tennessee River. My position is that the site of the Fulton plant is not a part of the Tennessee Valley area that you gentlemen have been talking about this afternoon.

Mr. NICHOLSON. In 1939, we were on the verge of this World War; and, as I understand it, Wendell Willkie was an attorney for this power company and got a very substantial fee for being their lawyer, to arrive at some kind of an understanding between the TVA and the public utility. If I am wrong, I should like to have someone tell me that I am wrong. But it goes away beyond that.

Mr. PRIEST. Mr. Chairman, will the gentleman yield?

Mr. NICHOLSON. I yield to the gentleman from Tennessee.

Mr. PRIEST. I want the record to be clear on the point; I believe it should be clear. Mr. Wendell Willkie was president of the Commonwealth & Southern, not just an attorney representing them, but president of the company at the time.

Mr. NICHOLSON. I cannot understand, Mr. Chairman, the president of a company giving up all his rights to do business in any valley or any city or town in this whole United States.

Mr. PRIEST. May I say to the gentleman further on that point—I did not get to bring it to the attention of the House because of the time limitation, but in an extension of my own remarks today I have quoted some of Mr. Willkie's testimony; and also a report from the committee at the time which I believe clearly indicates what Congress intended, and that Congress thoroughly understood what they were doing at the time.

Mr. NICHOLSON. We ought to begin to realize that if we made a mistake in 1939 it is about time that we started rectifying it. In this program now, there are two more units, in this steam-plant business, and next year they intend to put in some more.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. PHILLIPS. I yield 6 minutes to the gentleman from North Carolina [Mr. JONAS].

Mr. JONAS of North Carolina. I yield to the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. The gentleman made a statement a while ago as to what the committee had done here, and I think his statement is a fair one. I would like to say, however, that when the gentleman says that the plant is that far distant from the central part of the valley, that, too, is correct. But it is within the geographical area that is now served by the TVA; but in the handling of the power there is a tremendous loss of power in moving it from the central area to an area a long distance from it. So I presume, just as in the case of any other utility, that the TVA will serve all the territory within its geographical area that it can out of its total power. But if that be true, then the committee is approving a waste in power by sending it long distances to that region which is in the area served by it; is that correct?

Mr. JONAS of North Carolina. No; we are not. What we are trying to do is to tell TVA that they may have all of the installations that they need to supply the power requirements of what ought to be considered and recognized as the natural TVA area. But they should not go 100 miles beyond the Tennessee River, to the banks of the Mississippi River, and thereby take in more territory, because when they are firmly established there, then they will want to go transmission distance beyond that, and there never will be any end to it.

Mr. WHITTEN. That is the point I wish to make. The water is over the dam, so to speak, because they have already gone into that area. It is already in the region that is being served by it.

Mr. JONAS of North Carolina. No; the water is not over the dam, if the gentleman will permit me to interrupt. They are in here now asking for the money to begin the plant on the Mississippi. They are asking for $90 million, $30 million of which they want this year, to build a completely new plant a hundred miles beyond what I consider the Tennessee Valley area.

Mr. WHITTEN. That is right, but it is to serve a geographical area that is now being served and which must look to TVA alone to meet its need. There is not one bit of territorial expansion included in the request, not a dime in this bill.

Mr. JONAS of North Carolina. May I interrupt the gentleman to say that there is no power shortage there? Does the gentleman understand that there was testimony before our committee that private utilities are now sending power into Memphis and selling it to TVA? They have connections with the TVA system at Memphis right now; and the testimony before the committee was that these private utilities are not only willing but financially able to supply TVA with all the power they need in the Memphis area.

Mr. WHITTEN. I think the gentleman is—I know he is utterly sincere, but the folks who testified come from my immediate area, and there were a whole lot of qualifications connected with it: If they could get the right kind of contract; if they could finance it, and many other ifs.

Mr. JONAS of North Carolina. The gentleman apparently is not aware of the fact that subsequent to that testimony they offered a written contract to TVA to supply TVA all the power requirements they need in the foreseeable future in the Memphis area.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. JONAS of North Carolina. I yield.

Mr. EVINS. The fact that TVA has been purchasing power from the Mississippi Power & Light Co. substantiates and corroborates their evidence and testimony that there is a shortage of power in the area and that they need an additional power supply.

Mr. JONAS of North Carolina. My view is simply that Memphis, Tenn., should never have been considered as being in the TVA area.

Mr. WHITTEN. I can understand the gentleman's belief in that, but I say, unfortunately, from his viewpoint, he was not here when the subject originally came up, but I do not agree with him. It has become the power supplier of the section and there is no request here for any territorial expansion of TVA; there is just a request to let them expand their plant to meet the needs.

Mr. JONAS of North Carolina. On the contrary, there are plans for a plant 100 miles west of the Tennessee River. I display to the gentleman a page of the National Tennessean in color. The publisher of the paper sent this to me and I am going to use it in the debate tomorrow. You will observe if you look at this map that whereas there has never been a TVA dam or steam plant west of the Tennessee River, now they plan the construction of a plant a hundred miles beyond the Tennessee River, which will have an ultimate cost of $90 million.

Mr. WHITTEN. As I understand, that area is under distribution in the TVA now. The only question is whether you are going to transfer the power from elsewhere or allow TVA the right to expand to meet the needs of the area it now serves.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. JONAS of North Carolina. I yield.

Mr. JONES of Alabama. Did I understand the gentleman from Alabama to say that the power company had submitted a proposal subsequent to the one they proposed in the committee?

Mr. JONAS of North Carolina. Correct, a proposal in writing; and they sent our committee a copy of it.

Mr. JONES of Alabama. Has that proposal been made public by the committee?

Mr. JONAS of North Carolina. It was only received yesterday. It has not been published because the committee report had already been published before the copy of the proposal letter was received by the subcommittee.

Mr. JONES of Alabama. One further inquiry before we leave the subject——

Mr. JONAS of North Carolina. It was sent to our subcommittee because the TVA officials had sent to the committee their answer to the original proposal which indicated dissatisfaction with it.

Mr. JONES of Alabama. Has TVA had an opportunity to answer the latest proposal of the Mississippi Power & Light Co.?

Mr. JONAS of North Carolina. I do not know. All the subcommittee received was a copy of a letter proposal, dated June 12, 1953, sent to TVA by the private utility company offering a contract to furnish power in the Memphis area.

Mr. NEAL. Mr. Chairman, I have been listening all day long to the debate, pro and con, respecting appropriation of funds for TVA.

The issue: Government ownership and operation versus private enterprise.

The conclusions: If TVA paid its share of taxes to local, State, and Federal Government, plus interest on investment, it would be compelled to charge approximately the same rate for power to its consumers as the prevailing rates charged by privately operated power companies.

The facts? Taxes imposed on the Nation as a whole are diverted for the creation and maintenance of regional facilities to produce and distribute public power at preferential rates, thus favoring local areas of population at the expense of the rest of the Nation. The savings of private citizens—for the most part, little people whose investments make up the bulk of capital for private industry—are forced to accept limited dividends because forced competition by federally produced power, subsidized by tax money, reduces earnings of private companies to a very minimum.

Why this perennial argument and why prolong a controversy that becomes more untenable with each passing year?

Proponents of TVA declare there is nothing socialistic in the conduct of TVA. Yet each year they must ask for more and more money to create new facilities to serve more people with power at preferential rates. What else can we call it?

Surely no one will deny that it favors extension of Government ownership; and Americans know how Government ownership has failed in all history. Shall we continue to follow blindly the path upon which European nations have been wrecked, just to satisfy minorities who clamor for special favors? Shall we continue to stifle individual investors whose contributions to private enterprise have made the United States of America the Nation that it is?

If we approach this subject with reason we can find a way out—a way that recognizes two cardinal principles, both working to the advantage of private investors willing to risk capital and, at the same time make a commitment to federalize some projects too big to be undertaken by investment capital. No one disputes the Federal Government's obligation to promote navigational projects and to take advantage of power potential and water uses that can be created in connection therewith. Based on reasonable local contributions, such projects could be made to serve innumerable areas throughout the Nation. But these projects should be limited to the full use, locally, of each such project's potential power, leaving the production of any additional power required to serve the needs of development in the area to be financed and created by private industry.

This plan, in limiting Federal Government activities and at the same time encouraging private capital investments, in order to assure proper safeguards and be workable, must be based on the following considerations:

First. Rates must be equalized and regulated by constituted authority.

Second. Government investment should pay prevailing interest charges and local, State, and Federal taxes.

Third. Government and privately financed producers of power should be required to furnish adequate facilities for interchange of power to meet adequately the shifting area demands.

Fourth. Profits on Government operations should be returned to the United States Treasury to amortize the original costs of the development.

Fifth. Profits earned by private enterprise should be so regulated as to provide capital reserves after returning normal dividends.

A long-range national plan, based on the recognized principle that there is abundant opportunity for future development of hydroelectric power and cooperative effort of private enterprise, would forever set a pattern to limit Government's invasion of the power industry, Government's encroachment on private capital, and free the Congress from having each year to fight the battles between public and private power interests.

The CHAIRMAN. The time of the gentleman from North Carolina has expired. All time for general debate has expired. The Clerk will read.

The Clerk read down to and including page 2, line 2.

Mr. PHILLIPS. Mr. Chairman, I move that the commitee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BETTS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 5690, second independent offices appropriation bill 1954, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. PHILLIPS. Mr. Speaker, in the Committee of the Whole I asked and secured consent that all Members may have permission to revise and extend their remarks. In the House I now ask unanimous consent that all Members may have permission to include statistics or extraneous material in those remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

CONFERENCE REPORT

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the conferees on the part of the House may have until midnight tonight to file a conference report on the bill S. 1081.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

COMMITTEE ON AGRICULTURE

Mr. ARENDS. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have until midnight tonight to file a report on the bill H. R. 5659.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. WIGGLESWORTH (at the request of Mr. COTTON), for 1 week, on account of illness.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Appendix of the RECORD, or to revise and extend remarks, was granted to:

Mr. CLARDY in two instances and to include extraneous matter.

Mrs. ST. GEORGE in two instances and to include extraneous matter.

Mr. JACKSON and to include two articles.

Mr. HOSMER in two instances and to include extraneous matter.

Mr. DORN of New York.

Mr. ANGELL and to include extraneous matter.

Mr. KERSTEN of Wisconsin in five instances and to include extraneous matter.

Mr. SMITH of Wisconsin and to include a resolution by the Hollywood Post of the American Legion.

Mr. DAGUE in two instances and to include in each an editorial.

Mr. JAVITS in two instances and to include extraneous matter.

Mr. YORTY (at the request of Mr. PRICE) in five instances and to include extraneous matter.

Mr. PRICE and to include a letter from the legislative director of the American Legion.

Mr. JONES of Alabama and to include charts and letters in remarks he intends to make in Committee of the Whole on the bill, H. R. 5690.

Mr. RHODES of Pennsylvania and to include an editorial.

Mr. TRIMBLE and to include an editorial.

Mr. HOLTZMAN and to include an editorial.

Mr. LESINSKI and to include an editorial.

Mr. EDMONDSON and to include an editorial.

Mr. ADDONIZIO and to include a resolution.

Mr. SIEMINSKI in two instances and to include extraneous matter.

Mrs. KELLY of New York in two instances and to include extraneous matter.

Mr. LANTAFF in two instances and to include extraneous material.

Mr. FENTON and to include a Memorial Day address.

Mr. BEAMER and to include an editorial.

Mr. BOLAND and to include extraneous matter.

Mr. BATTLE and to include a resolution.

Mr. MCCORMACK in two instances and to include extraneous matter.

Mr. BUSBEY in two instances, to include two editorials from the South Town Economist of Chicago, and that the one of the later date follow immediately after the one of the earlier date.

Mr. CURTIS of Missouri and to include three articles.

Mr. JONAS of Illinois and to include extraneous matter.

Mr. HOFFMAN of Illinois (at the request of Mr. JONAS of Illinois) and to include extraneous matter.

Mr. CANFIELD and to include a letter.

Mr. SHEEHAN (at the request of Mr. ARENDS) in two instances and to include two articles.

Mr. ROBINO (at the request of Mr. PRIEST).

Mr. KEOGH (at the request of Mr. PRIEST) and to include a magazine article.

Mr. KLEIN (at the request of Mr. PRIEST) and to include an address entitled "Ask United States Food Stocks for Famine Areas" which is estimated by the Public Printer to cost $196.

Mr. KLEIN (at the request of Mr. PRIEST) and to include extraneous matter.

ENROLLED BILLS SIGNED

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 4495. An act to amend the Universal Military Training and Service Act, as amended, so as to provide for special registration, classification, and induction of certain medical, dental, and allied specialist categories, and for other purposes; and

H. R. 4730. An act to provide for the conveyance by the United States to the city of Cincinnati, Ohio, of certain lands formerly owned by that city.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 639. An act to provide for the abandonment of a certain part of the Federal project for the Broadkill River in Delaware; and

S. 1679. An act to repeal certain acts relating to cooperative agricultural extension work and to amend the Smith-Lever Act of May 9, 1914, to provide for cooperative agricultural extension work between the agricultural colleges in the several States, Territories, and possessions receiving the benefits of an act of Congress approved July 2, 1862, and of acts supplementary thereto, and the United States Department of Agriculture.

BILL PRESENTED TO THE PRESIDENT

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 5174. An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1954, and for other purposes.

ADJOURNMENT

Mr. ARENDS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 23 minutes p. m.) the House adjourned until tomorrow, Wednesday, June 17, 1953, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

777. Under clause 2 of rule XXIV, a letter from the Secretary of Commerce, transmitting a report on a case where an officer of the National Bureau of Standards created an obligation in excess of the amount permitted by regulations prescribed and approved pursuant to section 13 of Budget-Treasury Regulation No. 1, pursuant to section 3679 of the Revised Statutes, as amended, and section 15 (e) of Budget-Treasury Regulation No. 1, was taken from the Speaker's table and referred to the Committee on Appropriations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LECOMPTE: Committee on House Administration. House Resolution 288. Resolution authorizing the Clerk of the House of Representatives to permit the Administrator of General Services to make available certain records of the House of Representatives which have been transferred to the National Archives, without amendment (Rept. No. 562). Ordered to be printed.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 335. A bill to amend the mineral leasing laws in order to eliminate the waiver of rentals for oil and gas leases; without amendment (Rept. No. 563). Referred to the Committee of the Whole House on the State of the Union.

Mr. CHIPERFIELD: Committee on Foreign Affairs. H. R. 5710. A bill to amend further the Mutual Security Act of 1951, as amended, and for other purposes; without amendment (Rept. No. 569). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOPE: Committee on Agriculture. H. R. 5659. A bill to provide for the transfer of price-support wheat to Pakistan; with amendment (Rept. No. 570). Referred to the Committee of the Whole House on the State of the Union.

Mr. WOLCOTT: Committee of Conference. S. 1081. Defense Production Act Amendment of 1953. (Rept. No. 571). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FORRESTER: Committee on the Judiciary. H. R. 948. A bill for the relief of William F. Thomas; without amendment (Rept. No. 564). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 2396. A bill for the relief of Harry Clay Maull, Jr.; without amendment (Rept. No. 565). Referred to the Committee of the Whole House.

Mr. MILLER of New York: Committee on the Judiciary. H. R. 3217. A bill for the relief of Mrs. Florence D. Grimshaw; without amendment (Rept. No. 566). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 4104. A bill for the relief of Frank St. Charles; with amendment (Rept. No. 567). Referred to the Committee of the Whole House.

Mr. MILLER of New York: Committee on the Judiciary. H. R. 4958. A bill for the relief of the estate of Martin A. Gleason; without amendment (Rept. No. 568). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BONIN:

H. R. 5773. A bill to provide for the refund, under certain conditions, of money paid as premiums on United States Government life insurance or national service life insurance which is canceled for fraud; to the Committee on Veterans' Affairs.

By Mr. BUDGE:

H. R. 5774. A bill relating to the repacking of Irish potatoes which have been introduced or delivered for introduction into interstate commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. DEMPSEY:

H. R. 5775. A bill authorizing the transfer of certain property of the United States Government (in Bruns General Hospital area) to the State of New Mexico; to the Committee on Armed Services.

By Mr. EDMONDSON:

H. R. 5776. A bill to provide for the conveyance of certain lands by the United States to the city of Moskogee, Okla.; to the Committee on Veterans' Affairs.

By Mr. FRELINGHUYSEN:

H. R. 5777. A bill to eliminate the 4-percent gratuity on loans guaranteed under the Servicemen's Readjustment Act, as amended; to the Committee on Veterans' Affairs.

By Mr. JOHNSON:

H. R. 5778. A bill to equalize certain benefits between and among members of the Armed Forces of the United States, and for other purposes; to the Committee on Armed Services.

By Mr. KERSTEN of Wisconsin:

H. R. 5779. A bill to amend the Internal Revenue Code to provide that an individual taxpayer may deduct $1,000 in dividend income received during the taxable year; to the Committee on Ways and Means.

By Mr. KING of California:

H. R. 5780. A bill to continue until the close of June 30, 1954, the suspension of duty on zinc scrap; to the Committee on Ways and Means.

By Mr. MILLER of California:

H. R. 5781. A bill to amend section 2 of the act approved February 20, 1931, relating to the construction, maintenance, and operation of the San Francisco Bay Bridge; to the Committee on Public Works.

By Mr. NORBLAD:

H. R. 5782. A bill to extend the excess-profits tax for 6 months; to the Committee on Ways and Means.

By Mr. STAGGERS:

H. R. 5783. A bill to provide a transcontinental superhighway with alternate sections; to the Committee on Public Works.

By Mr. WILSON of California:

H. R. 5784. A bill to amend section 6 of the act of August 24, 1912, as amended, with respect to the recognition of organizations of postal and Federal employees; to the Committee on Post Office and Civil Service.

By Mr. FERNÓS-ISERN:

H. R. 5785. A bill to exempt Puerto Rico from the requirements of the act of April 29, 1902, as amended, relating to the procurement of statistics of trade between the United States and its noncontiguous territory; to the Committee on Ways and Means.

By Mr. BATTLE:

H. Con. Res. 112. Concurrent resolution expressing the sense of the Congress that sessions of the General Assembly of the United Nations and sessions of other international organizations should open with prayer; to the Committee on Foreign Affairs.

By Mr. ROOSEVELT:

H. Con. Res. 113. Concurrent resolution expressing indignation of the Congress of the United States at the Chinese Communist regime for the arrest and incarceration of Donald Dixon and his 29 American compatriots; to the Committee on Foreign Affairs.

By Mr. BATTLE:

H. Res. 269. Resolution opposing the admission of Communist China to membership in the United Nations; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By Mr. SMITH of Wisconsin: Resolution approved by both chambers of the Wisconsin State Legislature memorializing the Congress of the United States to enact legislation providing for the withdrawal of the Federal Government from the field of gasoline taxes; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HOEVEN:

H. R. 5786. A bill for the relief of Otsuka Yumiko; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 5787. A bill for the relief of Zacharie Keller Jaffe; to the Committee on the Judiciary.

H. R. 5788. A bill for the relief of Daniel and Riva Danielpour; to the Committee on the Judiciary.

By Mr. MORGAN:

H. R. 5789. A bill for the relief of Marietta DiLiberto (nee Bevacqua); to the Committee on the Judiciary.

By Mr. O'BRIEN of Michigan:

H. R. 5790. A bill for the relief of Frederick George Boughton; to the Committee on the Judiciary.

By Mr. OSMERS:

H. R. 5791. A bill for the relief of Michail Thomakos, Ruth Thomakos and Spiridoula Thomakos; to the Committee on the Judiciary.

By Mr. RODINO:

H. R. 5792. A bill for the relief of Julio Martinez-Lopez; to the Committee on the Judiciary.

By Mr. SMALL:

H. R. 5793. A bill for the relief of Louis P. Agnello (Luigi Flavio Agnello); to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

336. By Mr. CANFIELD: Resolutions adopted by the house of delegates of the Medical Society of New Jersey at the 187th annual meeting in Atlantic City, N. J., favoring an amendment to the Constitution providing that "the Government of the United States shall not engage in any business, professional, commercial, financial or industrial enterprise except as specified in the Constitution"; to the Committee on the Judiciary.

337. By the SPEAKER: Petition of Joe Shepard, Houston, Tex., relative to a redress of grievance relating to injuries and disability suffered in the course of his United States employment; to the Committee on the Judiciary.

338. Also, petition of Union of American Hebrew Congregations, New York, N. Y., relative to condemning those provisions of the McCarran-Walter immigration law that contain national origins quotas; to the Committee on the Judiciary.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 17, 1953

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, we thank Thee for this new day with its infinite possibilities and wonderful opportunities.

Grant that we be calm and courageous as we find ourselves challenged by tasks which seem hopeless and by goals which seem far beyond our reach.

May we never allow our faith in Thee and in the triumph of righteousness to become eclipsed and our enthusiasm to become dulled and deadened by the devastating moods of doubt and despair.

Sustain us by Thy grace as we wait and watch patiently and prayerfully for the dawning of that glorious day when all our aspirations and labors for peace on earth and good will among men shall be crowned with the laurel of achievement and the diadem of Thy praise.

In Christ's name we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 4233. An act to provide for the naturalization of persons serving in the Armed Forces of the United States after June 24, 1950; and

H. R. 5312. An act to provide for the more effective prevention, detection, and punishment of crime in the District of Columbia.

The message also announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 152. An act for the relief of Fred P. Hines;

S. 1766. An act to establish the office of Commissioner of Refugees;

S. 2112. An act to provide for the transfer of price-support wheat to Pakistan;

S. J. Res. 72. Joint resolution to authorize the Secretary of Commerce to sell certain vessels to citizens of the Republic of the Philippines, to provide for the rehabilitation of the interisland commerce of the Philippines, and for other purposes;

S. J. Res. 82. Joint resolution to provide for the reappointment of Robert V. Fleming as citizen regent of the Board of Regents of the Smithsonian Institution;

S. J. Res. 83. Joint resolution to provide for the appointment of Owen Josephus Roberts as a member of the Board of Regents of the Smithsonian Institution; and

S. J. Res. 88. Joint resolution to authorize the Secretary of Commerce to extend certain charter of vessels to citizens of the Republic of the Philippines, and for other purposes.

DEFENSE PRODUCTION ACT AMENDMENTS, 1953

Mr. WOLCOTT. Mr. Speaker, I call up the conference report on the bill (S. 1081) to provide authority for temporary economic controls, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the statement.

The conference report and statement follows:

CONFERENCE REPORT (H. REPT. No. 571)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1081) to provide authority for temporary economic controls, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"TITLE I

"SECTION 1. This title may be cited as the 'Defense Production Act Amendments of 1953.'

"SEC. 2. Section 2 of the Defense Production Act of 1950, as amended, is amended to read as follows:

" 'DECLARATION OF POLICY

" 'SEC. 2. In view of the present international situation and in order to provide for the national defense and national security our mobilization effort continues to require some diversion of certain materials and facilities from civilian use to military and related purposes. It also requires expansion of productive facilities beyond the levels needed to meet the civilian demand.'

"SEC. 3. Section 101 of the Defense Production Act of 1950, as amended, is amended to read as follows:

" 'SEC. 101. (a) The President is hereby authorized (1) to require that performance under contracts or orders (other than contracts of employment) which he deems necessary or appropriate to promote the national defense shall take priority over performance under any other contract or order, and, for the purpose of assuring such priority, to require acceptance and performance of such contracts or orders in preferene to other contracts or orders by any person he finds to be capable of their performance, and (2) to allocate materials and facilities in such manner, upon such conditions, and to such extent as he shall deem necessary or appropriate to promote the national defense.

" '(b) The powers granted in this section shall not be used to control the general distribution of any material in the civilian market unless the President finds (1) that such material is a scarce and critical material essential to the national defense, and (2) that the requirements of the national defense for

such material cannot otherwise be met without creating a significant dislocation of the normal distribution of such material in the civilian market to such a degree as to create appreciable hardship.'

"SEC. 4. Subsection (a) of section 301 of the Defense Production Act of 1950, as amended, is amended by striking out, 'or in connection with or in contemplation of the termination,' and by inserting before the period at the end thereof a comma and the following: 'or for the purpose of financing any contractor, subcontractor, or other person in connection with or in contemplation of the termination, in the interest of the United States, of any contract made for the national defense; but no small-business concern (as defined in section 203 of the Small Business Act of 1953) shall be held ineligible for the issuance of such a guaranty by reason of alternative sources of supply'.

"SEC. 5. Subsection (b) of section 303 of the Defense Production Act of 1950, as amended, is amended by striking out '1962' and inserting in lieu thereof '1963'.

"SEC. 6. Section 303 of the Defense Production Act of 1950, as amended, is amended by adding at the end thereof a new subsection as follows:

"'(f) Notwithstanding any other provision of law to the contrary, metals, minerals, and materials acquired pursuant to the provisions of this section which, in the judgment of the President, are excess to the needs of programs under this Act, shall be transferred to the national stockpile established pursuant to the Act of June 7, 1939, as amended (50 U. S. C. 98–98h), when the President deems such action to be in the public interest.

"'Transfers made pursuant to this subsection shall be made without charge against or reimbursement from funds available under such Act of June 7, 1939, as amended, except that costs incident to such transfer other than acquisition costs shall be paid or reimbursed from such funds, and the acquisition costs of such metals, minerals, and materials transferred shall be deemed to be net losses incurred by the transferring agency and the notes payable issued to the Secretary of the Treasury representing the amounts thereof shall be canceled. Upon the cancellation of any such notes the aggregate amount of borrowing which may be outstanding at any one time under section 304 (b) of this Act, as amended, shall be reduced in an amount equal to the amount of any notes so canceled.'

"SEC. 7. Subsection (c) of section 701 of the Defense Production Act of 1950, as amended, is amended to read as follows:

"'(c) Whenever the President invokes the powers given him in this Act to allocate any material in the civilian market, he shall do so in such a manner as to make available, so far as practicable, for business and various segments thereof in the normal channel of distribution of such material, a fair share of the available civilian supply based, so far as practicable, on the share received by such business under normal conditions during a representative period following June 30, 1953: *Provided, however,* That the President shall from time to time give effect to the then current competitive position of established businesses measured over a reasonable period of time, except as the same may result from Government controls under this or any other Act: *Provided further,* That the limitations and restrictions imposed on the production of specific items shall not exclude new concerns and newly acquired operations from a fair and reasonable share of total authorized production, and shall give due consideration to the needs of new concerns and newly acquired operations: *Provided further,* That if the President continues or reimposes allocation controls after June 30, 1953, in the civilian market of any materials subject to such controls on July 1, 1953, he shall do so in the manner above provided but on the basis of the share received by such business during a representative period preceding June 24, 1950, adjusted to reflect, since such date, attained competitive position, the requirements of new concerns and newly acquired operations.'

"SEC. 8. Section 702 (d) of the Defense Production Act of 1950, as amended, is amended to read as follows:

"'(d) The term "national defense" means programs for military and atomic energy production or construction, military assistance to any foreign nation, stockpiling, and directly related activity.'

"SEC. 9. Subsection (e) of section 705 of the Defense Production Act of 1950, as amended, is hereby amended by adding at the end thereof the following paragraph:

"'All information obtained by the Office of Price Stabilization under this section 705, as amended, and not made public prior to April 30, 1953, shall be deemed confidential and shall not be published or disclosed, either to the public or to another Federal agency except the Congress or any duly authorized committee thereof, and except the Department of Justice for such use as it may deem necessary in the performance of its functions, unless the President determines that the withholding thereof is contrary to the interest of the national defense, and any person willfully violating this provision shall, upon conviction, be fined not more than $10,000 or imprisoned for not more than one year, or both.'

"SEC. 10. Subsection (a) of section 717 of the Defense Production Act of 1950, as amended, is amended to read as follows:

"'(a) Title I (except section 104), title III, and title VII (except section 714) of this Act, and all authority conferred thereunder, shall terminate at the close of June 30, 1955. Section 104, title II, title VI, and section 714 of this Act, and all authority conferred thereunder, shall terminate at the close of June 30, 1953. Titles IV and V of this Act, and all authority conferred thereunder, shall terminate at the close of April 30, 1953.'

"SEC. 11. Subsection (c) of section 717 of the Defense Production Act of 1950, as amended, is amended by adding before the period at the end thereof a comma and the following: 'or the taking of any action (including the making of new guarantees) deemed by a guaranteeing agency to be necessary to accomplish the orderly liquidation, adjustment or settlement of any loans guaranteed under this Act, including actions deemed necessary to avoid undue hardship to borrowers in reconverting to normal civilian production; and all of the authority granted to the President, guaranteeing agencies, and fiscal agents, under section 301 of this Act shall be applicable to actions taken pursuant to the authority contained in this subsection'.

"TITLE II

"SEC. 201. This title may be cited as the 'Small Business Act of 1953'.

"SEC. 202. The essence of the American economic system of private enterprise is free competition. Only through full and free competition can free markets, free entry into business, and opportunities for the expression and growth of personal initiative and individual judgment be assured. The preservation and expansion of such competition is basic not only to the economic well-being but to the security of this Nation. Such security and well-being cannot be realized unless the actual and potential of small business is encouraged and developed. It is the declared policy of the Congress that the Government should aid, counsel, assist, and protect insofar as is possible the interests of small-business concerns in order to preserve free competitive enterprise, to insure that a fair proportion of the total purchases and contracts for supplies and services for the Government be placed with small-business enterprises, and to maintain and strengthen the overall economy of the Nation.

"SEC. 203. For the purposes of this title, a small-business concern shall be deemed to be one which is independently owned and operated and which is not dominant in its field of operation. In addition to the foregoing criteria the Administration, in making a detailed definition, may use these criteria, among others: Number of employees and dollar volume of business.

"SEC. 204. (a) In order to carry out this policy there is hereby created an agency under the name "Small Business Administration" (herein referred to as the Administration), which Administration shall be under the general direction and supervision of the President and shall not be affiliated with or be within any other agency or department of the Federal Government. The principal office of the Administration shall be located in the District of Columbia, but the Administration may establish such branch offices in other places in the United States as may be determined by the Administrator of the Administration.

"(b) The Administration is authorized to obtain money from the Treasury of the United States for use in the performance of the powers and duties granted to or imposed upon it by law, not to exceed a total of $250,000,000 outstanding at any one time. For this purpose appropriations not to exceed $250,000,000 are hereby authorized to be made to a revolving fund in the Treasury. Advances shall be made to the Administration from the revolving fund when requested by the Administration. This revolving fund shall be used for the purposes enumerated subsequently in sections 207 (a), (b), and (c). Not to exceed an aggregate of $150,000,000 shall be outstanding at any one time for the purposes enumerated in section 207 (a). Not to exceed an aggregate of $100,000,000 shall be outstanding at any one time for the purposes enumerated in sections 207 (b) and (c).

"(c) The management of the Administration shall be vested in an Administrator who shall be appointed from civilian life by the President, by and with the consent of the Senate, and who shall be a person of outstanding qualifications known to be familiar and sympathetic with small-business needs and problems. The Administrator shall receive compensation at the rate of $17,500 per annum. The Administrator shall not engage in any other business, vocation, or employment than that of serving as Administrator. The Administrator is authorized to appoint three deputy administrators to assist in the execution of the functions vested in the Administration. Deputy administrators shall be paid at the rate of $15,000 per annum.

"(d) There is hereby created the Small Business Advisory Board of the Small Business Administration, which shall consist of the following members, all ex officio: The Secretary of the Treasury, as Chairman, the Secretary of Commerce, and the Administrator. Either of the said Secretaries may designate an officer of his Department, who has been appointed by the President by and with the advice and consent of the Senate, to act in his stead as a member of the Small Business Advisory Board with respect to any matter or matters. The Small Business Advisory Board shall establish general policies which shall govern the Administration in carrying out the powers, duties, and authority conferred upon it by this title. Such general policies shall, among other things, provide the standards (1) for the granting and denial of financial assistance by the Administration, and (2) for the exercise of the powers enumerated in sections 207 (b) and (c). It shall also be the duty of the Small Business Advisory Board to periodically review the operations of the Administration and coordinate its functions with other activities and policies of the Government.

"SEC. 205. (a) The Administration shall have power to adopt, alter, and use a seal,

which shall be judicially noticed. The Administrator is authorized, subject to the civil service and classification laws, to select, employ, appoint, and fix the compensation of such officers, employees, attorneys, and agents as shall be necessary to carry out the provisions of this title; to define their authority and duties, require bonds of them, and fix the penalties thereof. The Administration, with the consent of any board, commission, independent establishment, or executive department of the Government, may avail itself of the use of information, services, facilities, including any field service thereof, officers, and employees thereof, in carrying out the provisions of this title.

"(b) In the performance of, and with respect to, the functions, powers, and duties vested in him by this title, the Administrator, notwithstanding the provisions of any other law, may—

"(1) sue and be sued in any court of record of a State having general jurisdiction, or in any United States district court, and jurisdiction is conferred upon such district court to determine such controversies without regard to the amount in controversy: *Provided*, That no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Administrator or his property;

"(2) under regulations prescribed by him, assign or sell at public or private sale, or otherwise dispose of for cash or credit, in his discretion and upon such terms and conditions and for such consideration as the Administrator shall determine to be reasonable, any evidence of debt, contract, claim, personal property, or security assigned to or held by him in connection with the payment of loans granted under this title, and to collect or compromise all obligations assigned to or held by him and all legal or equitable rights accruing to him in connection with the payment of such loans until such time as such obligation may be referred to the Attorney General for suit or collection;

"(3) deal with, complete, renovate, improve, modernize, insure, or rent, or sell for cash or credit upon such terms and conditions and for such consideration as the Administrator shall determine to be reasonable, any real property conveyed to or otherwise acquired by him in connection with the payment of loans granted under this title;

"(4) pursue to final collection, by way of compromise or otherwise, all claims against third parties assigned to the Administrator in connection with loans made by him. This shall include authority to obtain deficiency judgments or otherwise in the case of mortgages assigned to the Administrator. Section 3709 of the Revised Statutes, as amended (41 U. S. C. 5), shall not be construed to apply to any contract of hazard insurance or to any purchase or contract for services or supplies on account of property obtained by the Administrator as a result of loans made under this title if the premium therefor or the amount thereof does not exceed $1,000. The power to convey and to execute in the name of the Administrator deeds of conveyance, deeds of release, assignments and satisfactions of mortgages, and any other written instrument relating to real property or any interest therein acquired by the Administrator pursuant to the provisions of this title may be exercised by the Administrator or by any officer or agent appointed by him without the execution of any express delegation of power or power of attorney. Nothing in this section shall be construed to prevent the Administrator from delegating such power by order or by power of attorney, in his discretion, to any officer or agent he may appoint;

"(5) acquire, in any lawful manner, any property (real, personal, or mixed, tangible or intangible), whenever deemed necessary or appropriate to the conduct of the activities authorized in section 207 (a) of this title; and

"(6) in addition to any powers, functions, privileges, and immunities otherwise vested in him, take any and all actions determined by him to be necessary or desirable in making, servicing, compromising, modifying, liquidating, or otherwise dealing with or realizing on loans or advances made under the provisions of this title.

"(c) To such extent as he finds necessary to carry out the provisions of this title, the Administrator is hereby authorized to procure the temporary (not in excess of one year) service of experts or consultants or organizations thereof, including stenographic reporting services, by contract or appointment, and in such cases such service shall be without regard to the civil service and classification laws, and, except in the case of stenographic reporting services by organizations, without regard to section 3709, Revised Statutes, as amended (41 U. S. C. 5).

"SEC. 206. All moneys of the Administration not otherwise employed may be deposited with the Treasurer of the United States subject to check by authority of the Administration. The Federal Reserve banks are authorized and directed to act as depositaries, custodians, and fiscal agents for the Administration in the general performance of its powers conferred by this title. Any banks insured by the Federal Deposit Insurance Corporation when designated by the Secretary of the Treasury, shall act as custodians, and financial agents for the Administration.

"SEC. 207. The Administration is empowered—

"(a) to make loans or advances to enable small business concerns to finance plant construction, conversion, or expansion, including the acquisition of land; or to finance the acquisition of equipment, facilities, machinery, supplies, or materials; or to supply such concerns with working capital to be used in the manufacture of articles, equipment, supplies, or materials for war, defense, or essential civilian production or as may be necessary to ensure a well-balanced national economy; and such loans or advances may be made or effected either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis: *Provided, however*, That the foregoing powers shall be subject to the following restrictions and limitations:

"(1) No financial assistance shall be extended pursuant to (a) above unless the financial assistance applied for is not otherwise available on reasonable terms and all loans made shall be of such sound value or so secured as reasonably to assure repayment; no participation may be purchased unless it is shown that a deferred participation is not available; and no loan may be made unless it is shown that a participation is not available;

"(2) No loan or advance shall be granted under this title if the total amount outstanding and committed by participation to the borrower from the revolving fund established by this title would exceed $100,000, and no loan, including renewals or extensions thereof, may be made for a period or periods exceeding ten years; except that any loan made for the purpose of constructing industrial facilities may have a maturity of ten years plus such additional period as is estimated may be required to complete such construction;

"(3) In agreements to participate in loans on a deferred basis, such participations by the Administration shall not be in excess of 90 per centum of the balance of the loan outstanding at the time of disbursement;

"(b) to enter into contracts with the United States Government and any department, agency, or officer thereof having procurement powers obligating the Administration to furnish articles, equipment, supplies, or materials to the Government;

"(c) to arrange for the performance of such contracts by negotiating or otherwise letting subcontracts to small-business concerns or others for the manufacture, supply, or assembly of such articles, equipment, supplies, or materials, or parts thereof, or servicing or processing in connection therewith, or such management services as may be necessary to enable the Administration to perform such contracts; and

"(d) to provide technical and managerial aids to small-business concerns, by advising and counseling on matters in connection with Government procurement and on policies, principles, and practices of good management including but not limited to cost accounting, methods of financing, business insurance, accident control, wage incentives and methods engineering, by cooperating and advising with voluntary business, professional, educational and other nonprofit organizations, associations, and institutions and with other Federal and State agencies, by maintaining a clearinghouse for information concerning the managing, financing and operation of small-business enterprises, by disseminating such information, and by such other activities as are deemed appropriate by the Administration.

"SEC. 208. The Reconstruction Finance Corporation shall transmit requests for loans from small businesses received by it after the date of enactment of this title to the Administration for its consideration and possible action.

"SEC. 209. In any case in which the Administration certifies to any officer of the Government having procurement powers that the Administration is competent to perform any specific Government procurement contract to be let by any such officer, such officer shall be authorized to let such procurement contract to the Administration upon such terms and conditions as may be agreed upon between the Administration and the procurement officer.

"SEC. 210. (a) Whoever makes any statement knowing it to be false, or whoever willfully overvalues any security, for the purpose of obtaining for himself or for any applicant any loan, or extension thereof by renewal, deferment of action, or otherwise, or the acceptance, release, or substitution of security therefor, or for the purpose of influencing in any way the action of the Administration, or for the purpose of obtaining money, property, or anything of value, under this title, shall be punished by a fine of not more than $5,000 or by imprisonment for not more than two years, or both.

"(b) Whoever, being connected in any capacity with the Administration (A) embezzles, abstracts, purloins, or willfully misapplies any moneys, funds, securities, or other things of value, whether belonging to it or pledged or otherwise entrusted to it, or (B) with intent to defraud the Administration or any other body politic or corporate, or any individual, or to deceive any officer, auditor, or examiner of the Administration makes any false entry in any book, report or statement of or to the Administration, or, without being duly authorized, draws any order or issues, puts forth, or assigns any note, debenture, bond, or other obligation, or draft, bill of exchange, mortgage, judgment, or decree thereof, or (C) with intent to defraud participates, shares, receives directly or indirectly any money, profit, property, or benefit through any transaction, loan, commission, contract, or any other act of the Administration, or (D) gives any unauthorized information concerning any future action or plan of the Administration which might affect the value of securities, or, having such knowledge, invests or speculates, directly, or indirectly, in the securities or property of any company or corporation receiving loans or other assistance from the Administration shall be punished by a fine of not more than $10,000 or by imprisonment for not more than five years, or both.

"SEC. 211. It shall be the duty of the Administration and it is hereby empowered, whenever it determines such action is necessary—

"(a) to make a complete inventory of all productive facilities of small-business concerns which can be used for war or defense production, or to arrange for such inventory to be made by any other governmental agency which has the facilities. In making any such inventory, the appropriate agencies in the several States may be requested to furnish an inventory of the productive facilities of small-business concerns in each respective State if such an inventory is available or in prospect; and

"(b) to coordinate and to ascertain the means by which the productive capacity of small-business concerns can be most effectively utilized for war or defense production.

"SEC. 212. When directed by the President, it shall be the duty of the Administration to consult and cooperate with governmental departments and agencies in the issuance of all orders or in the formulation of policy or policies in any way affecting small-business concerns. When directed by the President all such governmental departments or agencies are required, before issuing such orders or announcing such policy or policies, to consult and cooperate with the Administration in order that the interests of small-business enterprises may be recognized, protected, and preserved.

"SEC. 213. The Administration shall have power, and it is hereby directed, whenever it determines such action is necessary—

"(a) to consult and cooperate with officers of the Government having procurement powers, in order to utilize the potential productive capacity of plants operated by small-business concerns;

"(b) to obtain information as to methods and practices which Government prime contractors utilize in letting subcontracts and to take action to encourage the letting of subcontracts by prime contractors to small-business concerns at prices and on conditions and terms which are fair and equitable;

"(c) to determine within any industry the concerns, firms, persons, corporations, partnerships, cooperatives, or other business enterprises, which are to be designated 'small-business concerns' for the purpose of effectuating the provisions of this title;

"(d) to certify to Government procurement officers with respect to the competency, as to capacity and credit, of any small-business concern or group of such concerns to perform a specific Government procurement contract;

"(e) to obtain from any Federal department, establishment, or agency engaged in procurement or in the financing of procurement or production such reports concerning the letting of contracts and subcontracts and making of loans to business concerns as it may deem pertinent in carrying out its functions under this title;

"(f) to obtain from suppliers of materials information pertaining to the method of filling orders and the bases for allocating their supply, whenever it appears that any small business is unable to obtain materials from its normal sources for war or defense production;

"(g) to make studies and recommendations to the appropriate Federal agencies to insure a fair and equitable share of materials, supplies, and equipment to small-business concerns to effectuate war or defense programs;

"(h) to consult and cooperate with all Government agencies for the purpose of insuring that small-business concerns shall receive fair and reasonable treatment from said agencies; and

"(i) to establish such advisory boards and committees wholly representative of small business as may be found necessary to achieve the purposes of this title.

"SEC. 214. In any case in which a small-business concern or group of such concerns has been certified by or under the authority of the Administration to be a competent Government contractor with respect to capacity and credit as to a specific Government procurement contract, the officers of the Government having procurement powers are directed to accept such certification as conclusive, and are authorized to let such Government procurement contract to such concern or group of concerns without requiring it to meet any other requirement with respect to capacity and credit.

"SEC. 215. To effectuate the purposes of this title, small-business concerns within the meaning of this title shall receive any award or contract or any part thereof as to which it is determined by the Administration and the contracting procurement agency (A) to be in the interest of mobilizing the Nation's full productive capacity, or (B) to be in the interest of war or national defense programs.

"SEC. 216. The Administration shall make a report every six months of operations under this title to the President, the President of the Senate, and the Speaker of the House of Representatives. Such report shall include the names of the business concerns to whom contracts are let and for whom financing is arranged by the Administration, together with the amounts involved, and such report shall include such other information and such comments and recommendations as the Administration may deem appropriate.

"SEC. 217. The Administration is hereby empowered to make studies of the effect of price, credit, and other controls imposed under war or defense programs and wherever it finds that these controls discriminate against or impose undue hardship upon small business, to make recommendations to the appropriate Federal agency for the adjustment of controls to the needs of small business.

"SEC. 218. (a) The President is authorized to consult with representatives of small-business concerns with a view to encouraging the making by such persons with the approval by the President of voluntary agreements and programs to further the objectives of this title.

"(b) No act or omission to act pursuant to this title which occurs while this title is in effect, if requested by the President pursuant to a voluntary agreement or program approved under subsection (a) and found by the President to be in the public interest as contributing to the national defense, shall be construed to be within the prohibition of the antitrust laws or the Federal Trade Commission Act of the United States. A copy of each such request intended to be within the coverage of this section, and any modification or withdrawal thereof, shall be furnished to the Attorney General and the Chairman of the Federal Trade Commission when made, and it shall be published in the Federal Register unless publication thereof would, in the opinion of the President, endanger the national security.

"(c) The authority granted in subsection (b) shall be delegated only (1) to an official who shall for the purpose of such delegation be required to be appointed by the President by and with the advice and consent of the Senate, and (2) upon the condition that such official consult with the Attorney General and with the Chairman of the Federal Trade Commission not less than ten days before making any request or finding thereunder, and (3) upon the condition that such official obtain the approval of the Attorney General to any request thereunder before making the request.

"(d) Upon withdrawal of any request or finding made hereunder the provisions of this section shall not apply to any subsequent act or omission to act by reason of such finding or request.

"SEC. 219. (a) The President may transfer to the Administration any functions, powers, and duties of any department or agency which relate primarily to small-business problems. In connection with any such transfer, the President may provide for appropriate transfers of records, property, necessary personnel, and unexpended balances of appropriations and other funds available to the department or agency from which the transfer is made.

"(b) The President may also provide for such transfers of records, property, and personnel from the Small Defense Plants Administration, during the period of its liquidation, as he considers appropriate to assist the Small Business Administration in carrying out its functions under this title.

"SEC. 220. No loan shall be made or equipment, facilities, or services furnished by the Administration under this title to any business enterprise unless the owners, partners, or officers of such business enterprise (1) certify to the Administration the names of any attorneys, agents, or other persons engaged by or on behalf of such business enterprise for the purpose of expediting applications made to the Administration for assistance of any sort, and the fees paid or to be paid to any such persons; (2) execute an agreement binding any such business enterprise for a period of two years after any assistance is rendered by the Administration to such business enterprise, to refrain from employing, tendering any office or employment to, or retaining for professional services, any person who, on the date such assistance or any part thereof was rendered, or within one year prior thereto, shall have served as an officer, attorney, agent, or employee of the Administration occupying a position or engaging in activities which the Administration shall have determined involve discretion with respect to the granting of assistance under this title; and (3) shall furnish the names of lending institutions to which such business enterprise has applied for loans together with dates, amounts, terms, and proof of refusal.

"SEC. 221. To the fullest extent the Administration deems practicable, it shall make a fair charge for the use of Government-owned property and make and let contracts on a basis that will result in a recovery of the direct costs incurred by the Administration.

"SEC. 222. There are hereby authorized to be appropriated such sums as may be necessary and appropriate for the carrying out of the provisions and purposes of this title.

"SEC. 223. If any provision of this title, or the application thereof to any person or circumstances, is held invalid, the remainder of this title, and the application of such provision to other persons or circumstances, shall not be affected thereby."

And the House agree to the same.

JESSE P. WOLCOTT,
RALPH A. GAMBLE,
HENRY O. TALLE,
CLARENCE E. KILBURN,
BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
Managers on the Part of the House.

HOMER E. CAPEHART,
JOHN W. BRICKER,
WALLACE F. BENNETT,
PRESCOTT BUSH,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1081) to provide authority for temporary economic controls, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recom-

mended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause and inserted a substitute amendment. The conferees have agreed to a substitute for both the Senate bill and the House amendment. Except for technical, clarifying, and conforming changes, the following statement explains the differences between the House amendment and the substitute agreed to in conference.

TERMINATION DATES

The Senate bill provided for a 2-year extension of certain provisions of the Defense Production Act of 1950. The House amendment provided for a 1-year extension of some, but not all, of these provisions. The conference substitute provides for a 2-year extension of those provisions which the House amendment extended for 1 year. These provisions, which will terminate June 30, 1955, under the conference substitute, are sections 101, 102, and 103 of title I (which relate to priorities and allocation controls and hoarding); title III (which relates to expansion of productive capacity and supply); and title VII (which contains general provisions relating to the administration of the Act), except section 714. Section 714, which provides for the Small Defense Plants Administration, will terminate June 30, 1953. Its successor, the Small Business Administration created by title II of the House amendment and retained in the conference substitute, will be a permanent agency.

DEFINITION OF "NATIONAL DEFENSE"

The Senate bill amended the definition of "national defense," contained in section 702 (d) of the Defense Production Act of 1950, to read as follows: "The term 'national defense' means programs for military and atomic energy production or construction, military assistance to any foreign nation and stockpiling and directly related activity." The House amendment contained a substitute definition covering the activities and operations of the Armed Forces and the Atomic Energy Commission and other agencies certified by the Department of Defense as directly and substantially concerned with the national defense, and operations and activities in connection with the Mutual Defense Assistance Act of 1949. The conference substitute contains the definition included in the Senate bill, with an amendment to make it clear that the phrase "directly related activity" applies to programs for military and atomic energy production or construction and military assistance to foreign nations, as well as to stockpiling.

INFORMATION OBTAINED BY OPS

The House amendment contained a provision, not included in the Senate bill, barring disclosure of certain information obtained by the Office of Price Stabilization, except to the Department of Justice, unless the President determines it is contrary to the interest of the national defense to withhold the information. The conference substitute includes this provision, with two amendments. The first amendment provides that such information may be disclosed to the Congress or any of its authorized committees. The second amendment makes it clear that such information, when disclosed to the Department of Justice, may be used by it to the extent it deems necessary in performing its functions.

PRODUCERS OF MINERALS AND METALS

It has been contended that the Small Defense Plants Administration would not consider producers of strategic and critical minerals and metals as small business concerns and therefore such producers were denied the assistance afforded to small business concerns under the provisions of section 714 of the Defense Production Act of 1950 which created the Small Defense Plants Administration. As a result section 10 of the bill as passed the Senate proposed to amend the definition of small business contained in section 714 (a) (1) of the Defense Production Act of 1950 as amended. To make it clear that the producers of strategic and critical minerals and metals were eligible for the assistance provided to small business under such section if such producers otherwise qualified as small business concerns a similar amendment was proposed to the definition of small business when the Small Business Act of 1953 was being considered in the House of Representatives. The amendment was withdrawn after full assurance was given by the Committee that such producers were as eligible as any other business so long as such producers were small business concerns. It was made clear in the discussion of this amendment in the House that a small business concern was not to be denied assistance merely because it was a producer of strategic minerals and metals. It was made clear that producers of minerals and metals other than strategic and critical were likewise eligible for the benefits so long as they were small business concerns.

The proposed change in the definition of a small business concern to specifically include producers of strategic and critical minerals was not retained in the conference substitute merely because by specifically naming certain businesses which were to be included as small business concerns it might be construed as eliminating other business concerns because they were not so specifically named. It is the unanimous opinion of the conferees that a producer of strategic and critical minerals and metals is as eligible for assistance under Title II of the conference substitute as any other business concern if it otherwise meets the criteria for a small business concern under the Act.

DISTRIBUTION OF MATERIALS TO SMALL BUSINESS

In view of the termination of the allocation of many materials for civilian purposes, it is the hope of the conferees that the producers of such materials will continue to distribute their supplies so as to assure small users thereof sufficient quantities to meet their current requirements.

JESSE P. WOLCOTT,
RALPH A. GAMBLE,
HENRY O. TALLE,
CLARENCE E. KILBURN,
BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
Managers on the Part of the House.

Mr. WOLCOTT. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, the report of the conferees on the bill S. 1081 follows substantially the House bill.

There were two major differences. One was in the termination date. We accepted the Senate termination date of 2 years instead of the House termination date of 1 year. We accepted in principle the definition of national defense in the Senate bill, which seems to tighten it up a little bit and restricts it to national-defense activities.

The Senate conferees yielded on the standby controls, so there are no standby controls and no 90-day freeze in the bill.

They accepted the amendment which was offered on the floor to authorize a Small Business Administration in lieu of the present Small Defense Plants Corporation.

I think those are in substance the differences. In other words, this is substantially the House bill, with the exceptions I have noted.

Mr. Speaker, I yield 5 minutes to the gentleman from Kentucky [Mr. SPENCE].

Mr. SPENCE. Mr. Speaker, I voted for the bill when it passed the House, I voted for the small-business bill, and I agreed to the conference report. However, there are some things in this legislation that disturb me.

Legislation is the result of compromise and concessions. One usually does not get all he wants. I think the ultimate purpose of the creation of the Small Business Administration is to let the Reconstruction Finance Corporation die at the expiration date.

The Reconstruction Finance Corporation was organized under the administration of Herbert Hoover. If there ever was legislation that illustrated the difference between the fundamental principles of Alexander Hamilton and Thomas Jefferson, of the Republican and Democratic Parties, it was that relating to the Reconstruction Finance Corporation.

The Corporation was organized at a time of peril to our institutions in the depth of the depression to bail out the banks, the insurance companies, and the railroads. No thought was given to small business at that time because the Republican theory was if we could reestablish the prosperity of the banks and insurance companies and railroads, enough of it would drip off and fall down on the plain men and women. In the succeeding administration when the Democrats gained control the Reconstruction Finance Corporation was authorized to make loans to small business. It has done it pretty well, I think, notwithstanding the fact that there have been some 5 percenters who have gotten credulous businessmen to employ them to obtain advantages or privileges which they could not deliver, and notwithstanding the fact that some girl may have obtained a mink coat. I have been reliably informed that the giver of the coat never obtained the loan for which he applied. These incidents in the light of the services rendered by the Reconstruction Finance Corporation through the years are not material to the question of its extended existence.

I think the issue is plain. We have established the Small Business Administration now, and we have provided in the act after the date of its enactment the Reconstruction Finance Corporation shall transmit requests for loans from small businesses received by it to the Small Business Administration. This will greatly reduce the activities of the Reconstruction Finance Corporation, as the great majority of its loans have been made to small business. The Reconstruction Finance Corporation will not expire until a year from now, on the 30th of June 1954. Unless this Small Business Administration does meet the needs of small business, the Reconstruction Finance Corporation should be continued. I think that is obvious. Shakespeare said, "The evil men do lives after them, but the good is oft interred with their bones." And that might be true of the Reconstruction Finance Corporation.

When you speak of the criticisms that have been made of it, you must consider the good that it has done. Under Jesse Jones it was a fine organization that did a great public service, and whether we need it now or not will be determined by whether this Small Business Administration meets the needs for which it was organized. If it does not meet them, the Reconstruction Finance Corporation ought not to be executed without arraignment, without trial, and without a verdict. I just leave that thought with you. I hope sincerely that the Small Business Administration will do the work it was created to do. But the Small Business Administration is not in the hands of small business. It is in the hands of men whose associations of a lifetime have been with big business. It may be when they are stimulated and sobered by the great responsibility entrusted to them they will see that the purposes of this act are carried out. But if they do not do it, let us keep alive a corporation that has done a good job notwithstanding the criticisms that have been leveled against it, which are mostly immaterial and irrelevant to the question of its continued existence.

Mr. WOLCOTT. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. PATMAN].

ABOLISHING RFC

Mr. PATMAN. Mr. Speaker, if I had been acting solely as a Representative from the First Congressional District of Texas, I would not have signed the conference report because it contains the type of small business administration that I cannot really favor as a Congressman from the district I have the honor to represent. But as a manager on the part of the House of Representatives, and as one of the conferees on the part of the House, I felt obligated to sign the report because the House received practically everything that it wanted, which incidentally is what this gentleman from Texas opposed when it passed. The gentleman from Michigan [Mr. WOLCOTT] is to be congratulated for successfully steering and passing the bill through to completion in the manner and form that the majority party in the House of Representatives would like to have it passed. It does not meet with my approval for several reasons. One is, the Small Business Administration is to take the place of the RFC. I am not in favor of eliminating the RFC. I think it serves a purpose that is too good and too useful for it to be put out of business.

Next is, the Small Business Administration as a tiny RFC; it will be a tiny RFC, and it will have entirely too little power to be worth a great deal to small business in this country.

Small business is not the only segment of our economy that needs attention from an agency like the RFC. The Small Business Administration under this report will be limited to $100,000 on loans. That, of course, is insufficient in most instances, as the record in the past has proved.

Next is that the capital stock of the Corporation is entirely insufficient, not nearly large enough to take the place of the RFC.

There is one purpose that the RFC serves that the people, I believe, will eventually demand. They will demand to have some agency serve that purpose.

I happen to know about a small steel company in the Southwest that at one time could not get any assistance from the RFC, although their purpose was to make steel entirely for national defense. The banks in that area were not interested because they did not know anything about the steel business. They knew all about cattle, and they knew all about petroleum, and about cotton, and things of that kind. But they did not want to get interested in the steel business because they knew nothing about it.

So the local bankers caused our people to go right straight to New York to see if we could get a big bank there to finance a steel plant, and in the end we were confronted with the knowledge that we would have to convince the directors of the big bank up there, some of whom were interested in steel companies, and naturally they did not want any competition in the Southwest. We did not have a chance under the circumstances.

Then we went to the insurance companies. The insurance companies have a lot of money to loan in that way. We commenced at the bottom and finally worked our way up.

In both instances our proposition was feasible, it was practicable. There was no question but what it would make money and that it would be in the interest of the country; it would serve the national defense need. There was no question about that. Finally, we got to the top in New York and met with the same situation with the directors of the insurance company that we encountered with the bank, too many directors, directly or indirectly, who had good reasons of their own for not wanting our people to build a steel plant. So naturally we failed again. They did not want to permit a competing company in a section of the country where they did not want any competition for existing plants.

If it had not been for the RFC, we would not have that wonderful facility today. So I think there is a great need to serve people in a local community who want to establish some industry, where the local bankers cannot take care of their needs, for various and sundry reasons.

There should be some place in the United States, through the use of the Government's credit, where credit cannot be obtained from any other source in the world, to which they can go and receive fair consideration on a proposal of that kind. The RFC is the only agency that gave them any hope that they would get consideration. It always had to be a good proposition.

For those reasons, I dislike very much to see the Small Business Administration adopted for the purpose of taking the place of the RFC. If it is to be strictly a small-business agency, that is a different thing; but for the admitted purpose of taking the place of the great RFC, I certainly do not look with favor upon it, and I hope the time will come when the Members of this House will view it differently, because I personally know, from experience I have had, that there is a great need for the RFC. It must be continued. It will go on, according to the law, for another year; it will not expire until June 30, 1954. During that time our experience will probably lead us one way or the other: one way, to the conclusion that it should be terminated; or the other, to the conclusion that it should be extended.

The SPEAKER. The time of the gentleman has expired.

The question is on agreeing to the conference report.

The conference report was agreed to, and a motion to reconsider was laid on the table.

EASTERN GERMAN RIOTS AND A LIBERATION PROGRAM

Mr. KERSTEN of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KERSTEN of Wisconsin. Mr. Speaker, the riots in Eastern Germany and elsewhere show that now is the time to put the pressure on the Communist slave empire and not be lulled by a Korean truce to give the Communists time to digest their gains.

To assure complete legislative cooperation with the President's program, stated at Mount Rushmore last week, of encouraging the "stress and strain within the ranks of the 800 millions in the Soviet world," I am today introducing a series of resolutions outlining an overall program to aid in the self-liberation of the peoples of the captive nations of Eastern Europe, Eastern Germany, and China.

Today's riots against the Communist government in East Berlin by many thousands of East Germans under the muzzles of Soviet guns are very significant.

These East German riots, the recent workers' riots in Pilsen, Czechoslovakia, the escape of Communist jet fighters, recent serious trouble in the Ukraine, voluntary surrenders of Red Chinese soldiers in Korea, and similar trouble and defections from Iron Curtain nations should make it clear to timid and blind statesmanship of the non-Communist world that President Eisenhower was right when, last August, before the American Legion Convention, he called for a new American foreign policy of liberation of the peoples enslaved by the Soviet Union as against the old negative policy of containment and abandoning these peoples to their fate.

The 800 millions of enslaved peoples are our greatest potential allies to destroy the terrible world Communist conspiracy that now takes 2 out of 3 of our tax dollars, regiments our youth, and threatens all-out world war III.

Lower and operational heads in our Department of Defense and Department of State are not adjusted to this new policy liberation. Their thinking is geared only to the outmoded concept of peoples fighting peoples. The people of

the Western World have no reason whatsoever to fight against the peoples of East Germany, Poland, Czechoslovakia, Eastern European countries, nor China, nor with the peoples of Russia.

Modern techniques make it entirely feasible for us to reach our hand through the barbed wire of the Iron Curtain and help these people get rid of their hated Communist governments. The President recognizes that there is a great potential resistance among these 800 million people. I believe it is the duty of the operational heads of the Departments of Defense and State to develop new concepts of political warfare that can make this potential resistance active, so that the peoples of the enslaved nations might regain their freedom and fashion governments of their own choice.

Congress has already passed a law making it possible to set up national military units of escapees from Iron Curtain countries: Polish units, Hungarian units, Czech, Slovaks, and Russian units, and so forth. The mere existence of such military units would increase the potential for defection from Soviet-controlled armed forces and would strike a powerful blow at Soviet military potential.

We should create an all-out defection program to help paralyze the power of the Communists.

We should cease dealing with the Communist representatives of the enslaved nations and withdraw recognition from them for the reason that we have a friendship for their people.

As long as the present Communist governments remain in power we will have ever-increasing taxes and regimentation of our youth and finally the all-out world war III which the Kremlin is determined to launch at the time most advantageous to itself. There is only one answer: Help the forces of resistance among the peoples behind the Iron Curtain to get rid of their enslaving Communist government.

SPECIAL ORDER GRANTED

Mr. DAVIS of Georgia asked and was given permission to address the House for 45 minutes tomorrow, following the legislative program of the day and any special orders heretofore entered.

SECOND INDEPENDENT OFFICES APPROPRIATION BILL, 1954

Mr. COTTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5690) making appropriations for additional independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 5690, second independent offices appropriation bill, 1954, with Mr. BETTS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the Clerk had read the first paragraph of the bill.

GENERAL PERMISSION TO REVISE AND EXTEND

Mr. COTTON. Mr. Chairman, I ask unanimous consent that all Members who speak on this bill during this session of the Committee of the Whole and on all amendments thereto may have permission to revise and extend their remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. CELLER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I ask unanimous consent to speak for 2 additional minutes and to speak out of order for those 2 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

BOOK BURNING

Mr. CELLER. Mr. Chairman, before I address myself to the bill in question which is now before us I have asked unanimous consent to speak out of order for 2 minutes.

We have been smug in the belief it—book burning—cannot happen here. That the President of the United States found it necessary to issue the warning "Don't join the book burners" reveals how that smugness must be pierced. Book burning, in the literal and figurative sense, is a national horror from which the free mind shrinks. And no wonder. It is the forging of the death knell for free thought, free inquiry, the degrading of individual dignity. We recoiled in horror when the Nazis and Communists practiced it. Is it any less excusable when we do it? The free world stands aghast. Freedom is not merely a word. It is the right of a man to examine ideas, to hold them up to the light of the truth, to discard and to know what he is discarding. The text of President Eisenhower's statement on book burning should be memorized by every American, for it is as much a part of the American creed as the pledge of allegiance to the flag of the United States. Let no one say, in and out of Government, "this does not mean me." It does. It means everybody. He who excludes himself embraces tyranny.

BALANCING BUDGET

With reference to the bill before us, there is a conception current that Government can be run as a business. That conception is false. Nothing is more unrealistic and contrary to the welfare of the country. Unlike Government, the motive of business is profit, more and more profits, and rightly so. Unlike Government, business has restraints upon it, like the antitrust laws, income taxes, the excess profits tax and licenses. One does not confuse the profit motive of industry—one dare not—with the reasons for the establishment and running of the United States Government. Those reasons are in the Constitution and they are as follows:

We formed a Government, in order to form a more perfect Union, to establish justice, to insure domestic tranquillity, to provide for the common defense, to promote the general welfare and to secure the blessings of liberty to ourselves and our posterity.

Thus, what is good for business may not be good for these constitutional purposes. What is good for General Motors cannot necessarily be good for the country. General Motors is not under injunction to provide for the common defense, the general welfare, and to secure the blessings of liberty for ourselves and our posterity.

Also, it is faulty, grievously faulty, to compare the running of Government with the home, as was done by our distinguished President in a recent telecast. That is naive and again unrealistic. A home is run for the convenience of the family, a single unit. A home is not dedicated to the advance, the welfare, the health, happiness, and education of 160 million people. Running a home is not the operation of making treaties, making war or peace with foreign nations, conserving our natural resources, reconciling the interests of worker, farmer, and industrialist all at the same time.

Balancing a budget in the home is far removed from balancing a budget in our Government. When the President sought to make the comparison in his telecast he was guilty of the grossest oversimplification and naivete. Unfortunately, the new concept is that the budget, as in the home, as in business, must under any and all circumstances be balanced.

Every act of indifference to human needs is to be excused by the rallying cry "balance the budget." Every act of indifference to veterans' reasonable needs is to be excused by the cries of economy. Too often those who make these cries know the "price of everything and the value of nothing." Of course, try as best you may to even up appropriations with revenue, but not in any event in disregard of human needs.

By all means you can make a neat column of figures on the comptometer to show economy. But there is a shadow standing behind the dollar sign. What is that shadow? That shadow is the human being, particularly the veteran, who carries with him always the scars of battle, physical and mental. Remember, we said, "Nothing is too good for our boys." How forgetful are some. Time has dulled the memory of those who worship at the altars of the false gods of economy. They have forgotten the pledge. I shall not forget the pledge. Outcries against false economy have caused proper changes in the originally proposed appropriations for veterans. Public opinion was aroused and caused the restoration of cuts that were improper in the sense they did not take care of the veterans fairly and judiciously. Those cuts, those improper cuts, were indeed inconsistent with the pledges we made to the veterans. I am happy that the wrong has been righted.

The Clerk read as follows:

ATOMIC ENERGY COMMISSION

Operating expenses: For necessary operating expenses of the Commission in carrying out the purposes of the Atomic Energy Act

of 1946, including the employment of aliens; services authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); maintenance and operation of aircraft; publication and dissemination of atomic information; purchase, repair, and cleaning of uniforms; purchase of newspapers and periodicals (not to exceed $5,000); official entertainment expenses (not to exceed $5,000); not to exceed $2,389,130 for expenses of travel; reimbursement of the General Services Administration for security guard services; not to exceed $27,352,000 for program direction and administration personnel; and hire of passenger motor vehicles; $891,781,000, together with the unexpended balances, as of June 30, 1953, of prior year appropriations made available under this head to the Atomic Energy Commission: *Provided*, That of such amounts $100,000 may be expended for objects of a confidential nature and in any such case the certificate of the Commission as to the amount of the expenditure and that it is deemed inadvisable to specify the nature thereof shall be deemed a sufficient voucher for the sum therein expressed to have been expended: *Provided further*, That from this appropriation transfers of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred: *Provided further*, That no part of this appropriation shall be used to pay the salary of any officer or employee (except such officers and employees whose compensation is fixed by law, and scientific and technical personnel) whose position would be subject to the Classification Act of 1949, as amended, if such act were applicable to such position, at a rate in excess of the rate payable under such act for positions of equivalent difficulty or responsibility: *Provided further*, That no part of this appropriation shall be used in connection with the payment of a fixed fee to any contractor or firm of contractors engaged under a cost-plus-a-fixed-fee contract or contracts at any installation of the Commission, where that fee for community management is at a rate in excess of $90,000 per annum, or for the operation of a transportation system where that fee is at a rate in excess of $45,000 per annum.

Mr. YATES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. YATES: On page 2, line 25, after the colon following the word "expended", insert the following: "*Provided*, That of the funds appropriated for research and development, the sum of not to exceed 7.9 million dollars shall be used for research and development for a single shore-based prototype of a nuclear-power unit capable of being used for the propulsion of large ships and for the generation of useful power for civilian purposes."

Mr. YATES. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. YATES. Mr. Chairman, this is a picture of an atomic aircraft carrier that I hold in my hand. This is a carrier which, according to a magazine article written in Collier's by John Floberg, who is Assistant Secretary of the Navy for Air, was to be the Navy's Sunday punch. The article is entitled "Seapower, Sunday Punch" which appears in Collier's for October 4, 1952.

This was the carrier on which work was begun last year as research was undertaken for the construction of an atomic power plant. This is the carrier, work upon which was canceled by the Department of Defense this year, when the Secretary of Defense recommended that work on the reactor be stopped as being no longer a military requirement. That, Mr. Chairman, essentially is the reason for my amendment: to counteract the action of the Department of Defense in stopping the work begun last year on the atomic aircraft carrier, and to insure that the reactor now being built by the Atomic Energy Commission will be capable of being used for the purpose of powering an aircraft carrier.

This bill carries funds for research and development of a reactor, but the Commission reactor according to the testimony given to our subcommittee is not designed to be used for powering an aircraft carrier. The AEC's reactor is intended being used for the generation of civilian power.

Without undue difficulty the work that was undertaken last year for a double objective, the work that was undertaken to power an aircraft carrier as well, can be accomplished by the project now in work by the Atomic Energy Commission. Yet, Mr. Wilson, Secretary of Defense, still says no. He was asked yesterday in a press conference as to whether or not he favored the construction of this reactor, and this is what he said, as reported in the Washington press this morning:

> The Defense Department canceled plans to build atomic power plants for an aircraft carrier and an airplane, in order to put the emphasis on more research on the problem rather than on going into an immediate design. Atomic-powered submarines, however, are "most promising" and construction is going ahead. Wilson said he did not know if the submarine reactor could be adapted to carriers, but this is one approach. Meanwhile, he added, the Atomic Energy Commission can go ahead with building a land reactor.

To my mind, the Secretary's statement just does not make sense. We are dealing here with a reactor that is only in the research stage. The work has not yet reached the stage of design.

The Joint Chiefs of Staff have determined that a military requirement exists now for the construction of a single shore-based prototype of a nuclear power propulsion unit suitable for driving one shaft of a major warship, such as an aircraft carrier, and for use after completion as a shore installation for the production of plutonium for electric power. This prototype should be, as far as design knowledge will permit, as nearly as possible an exact duplicate in all respects of one of the units which will be on shipboard to form the complete four-shaft plant.

In the face of this recommendation by the Joint Chiefs of Staff, why does the Secretary of Defense insist that the Atomic Energy Commission go ahead with this reactor for land purposes only? If he does not want an atomic carrier, why has he then approved the construction at an expenditure of almost a quarter of a billion dollars of a carrier of the *Forrestal* class? One thing is certain, that if we listen to the Secretary of Defense on this measure an atomic aircraft carrier may never be built. Did the Secretary consult with the Joint Chiefs before making up his mind?

Mr. Chairman, my amendment is directed to one purpose, to authorize and direct the Atomic Energy Commission to continue the work that was begun last year to develop and to construct an atomic reactor for a double objective rather than for a single objective. This can be done without substantially more money. No additional funds are requested in this appropriation. We are told that this reactor can be made to serve both a military and a civilian purpose. As I see it, faced as we are with a continuation of an atomic race with the Communists for supremacy, with the knowledge that the field of atomic energy is not limited only to the explosion of a bomb or an artillery shell but that the race is for the discovery of the secrets which will enable us to obtain the propulsion of military vehicles of war as well as their weapons, I believe the amendment I have offered should be accepted.

Mr. JONAS of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield.

Mr. JONAS of North Carolina. Is this a correct statement, that the gentleman's amendment would make mandatory the research looking to the construction of the double-action reactor, whereas the language in the bill makes that permissive?

Mr. YATES. That is essentially correct. It is not correct in this respect: My amendment would direct the Commission to continue the work it began last year when they were operating under military requirements by the Joint Chiefs of Staff to so design and construct this reactor that it would be useful to propel an aircraft carrier, as well as for civilian purposes. The language that has been accepted by the committee does not require the Commission to do this. As I interpret that language, the Commission can construct a land-based reactor, which would be useful for the generation of civilian power only. There is no question, but that knowledge could be gained from the construction of that reactor which would be useful for naval vessels. As long as we are constructing this reactor, capable of being used for an aircraft carrier, we ought to do so.

Mr. JONAS of North Carolina. This is correct, is it not? The language under the gentleman's amendment says that the money shall be used for research and development for a single shore-based prototype of nuclear power unit capable of being used for the propulsion of large ships and for the generation of useful power for civilian purposes.

Mr. YATES. That is good, but still is not adequate. The language of the Committee in the bill uses the word "technology." Any reactor that you build will advance the technology for both purposes. I contend that we are still appropriating money for military use. We are constructing new carriers. Then let us build an atomic powerplant for that carrier too, particularly, when

we do not eliminate the civilian purpose. That is the purpose of my amendment.

Mr. HOSMER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, there seems to be a great deal of doubt and uncertainty as to just what a reactor is and as to every other phase of the atomic-energy program. I think that is probably the basis for the arguments in favor of the amendment being conned from newspaper articles, Collier's magazine, and various other places. Let me say this. The first atomic reactor in this country was put into operation in late 1944 or 1945 in Washington for the purpose of breeding plutonium for use in the second bomb that was dropped over Japan. Since that time the reactor problem has been under study and research throughout the Nation. One phase of it amounts to the changing of U–238 into Pu–239, which is a fissionable product. When fission of either U–235 or Pu–239 occurs, a great amount of heat is released. Now, actually, the bomb itself is nothing more than a disintegration or fission of atoms, and in the bomb it is not controlled—it all goes out at once. In these reactors you control your neutrons so that the reaction is controlled or slowed down and the amount of heat released is limited in amount at any one time. In the reactor all you do is take that heat and transfer it into an ordinary standard usable type of energy. That is, water or some other heat-transferring fluid is run through the reactor at the time the atomic heat is being released and then taken on to, let us say, a steam turbine. It is just as simple as that. There is no mystery about this thing. Your plant out in Washington at Hanford and your engine they are making for submarines are the same, identical process. The only thing in the world this amendment proposes to do is to build another size plant somewhere in between. You have your technical knowledge from the big plant at Hanford. You have your technical knowledge from your submarine work. There is no reason in the world why it is necessary with that brand of research going on, and the field being explored from one end to the other, why the Congress should tie down the hands of the Atomic Energy Commission and the scientists who are doing the research work on this problem to one specific, small, tiny field. Who are we in the Congress to compel these scientists who really know about this work and what has to be done to work only on a small restricted phase of the problem? Particularly when this phase is being taken care of in the overall work they are doing in the development of reactor processes. If you want to build an atomic engine for a large aircraft carrier, it is the same identical problem as building it for a small submarine and there is no sense in the world, in my opinion, of trying to pin our research down to some aircraft carrier that may never even be built.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. HOSMER. I yield to the gentleman from Illinois.

Mr. YATES. The information that was submitted to me is to the effect that the powerplant which is being constructed for the propulsion of the submarine cannot for the sake of realistic, efficient, and economic operation be used in the propulsion of an aircraft carrier. The submarine will use U–235 as fuel; the use of such fuel for a carrier is not practicable.

Mr. HOSMER. The only difference between using U–235 and Pu–238 as fuel is that the reaction of the latter is just a little bit slower.

Mr. YATES. That is correct. Therefore, the new reactor proposes a different theory, so that an aircraft carrier may be operated on a much more efficient and economical basis, possibly through the use of a breeder unit.

Mr. HOSMER. Let me say this, that the difference in the reaction between these two fuels is not in minutes or hours, but in microseconds. That difference is very small.

Mr. YATES. The point that I am making is that our committee was assured that such a reactor could be built for a double purpose, for both civilian and large-ship purposes.

Mr. HOSMER. Was the gentleman assured that by the Atomic Energy Commission?

Mr. YATES. Yes.

Mr. HOSMER. Let me say that I spent a year working for the Atomic Energy Commission and I find that I cannot rely on anything the Atomic Energy Commission tells me, because everything they have done has been wound up in a cloak of secrecy and security, and behind that cloak are some things that would certainly amaze and disgust you gentlemen of this Congress.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. WHEELER. Mr. Chairman, I move to strike out the last word.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield to see if we might fix some time for debate on this amendment?

Mr. WHEELER. I yield to the gentleman from California.

Mr. PHILLIPS. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto be concluded in 15 minutes, the last portion of the time to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WHEELER. Mr. Chairman, since we have under discussion one of the most important items in this bill, the Atomic Energy Commission, I take this time merely to call the attention of the House to the fact that within the next hour I shall be introducing into this legislative body a bill for the purpose of impeaching one Justice Douglas of the Supreme Court.

I see no particular point in all this business that we are going through, attempting to secure information relative the Atomic Energy Commission program, and then have one Justice of the Supreme Court take unto himself the authority to grant amnesty to two proven spies who have been convicted of having stolen the secrets about which we are now legislating.

I see no particular point in sending men to Korea to die while atomic spies are allowed to live here at home. I can understand where in an emergency one Justice of the Supreme Court could grant amnesty in good conscience. But where the case has been heard two or three times by the full Court, then by one Justice yielding to the vociferous minority pressure groups of this country to grant amnesty to these two convicted spies is indefensible. I cannot sit idly by here in this legislative body without seeking to do something about it. Therefore, within the next hour I propose to introduce into this body a bill of impeachment proposing to impeach Justice Douglas.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Chairman, I find myself in a peculiar position today on this amendment offered by my friend from Illinois. As a member of the Joint Committee on Atomic Energy since its inception I think I have a pretty good grasp of this particular situation, and I want to say that I am so pleased with the restoration of this fund by the committee that I find it very hard in my heart to be considered in any way critical. I think that the committee in restoring this fund has done a very important thing. I think it is very important that the development of a reactor for power proceed, and that is what is meant by this appropriation now. I regret only that it is not larger, because I note that $1,700,000 is for cancellation costs. Is not that true?

Mr. PHILLIPS. The gentleman understands that $4,200,000 is for research, and small items of $800,000, is also for research; another $3,150,000 for the preparation of plans, and in addition to that $7 million is approved for the beginning of a pilot plant, that is, for construction; and I would like to say that this amount was not set by us but was the amount the AEC said it could use.

Mr. HOLIFIELD. If the gentleman will answer one further question, how much of the cost is for cancellation of the original program?

Mr. PHILLIPS. One million seven hundred thousand dollars, so I understand.

Mr. HOLIFIELD. As I understand, $1,700,000 goes for cancellation of the larger program, and I regret that we are going to lose that amount. However, I want to address myself to the technical point involved. You cannot go ahead with research development and construction of a civilian power reactor, that is, a power reactor to produce electric energy for civilian purposes, without at the same time finding out a tremendous amount about a similar reactor which could be put into a ship, into the actual building of a reactor that would go into an aircraft carrier; that would be built in a different way with a different type of shielding, and it would have to be more compact and confined to the space available, and you would have to use different materials, but for the objective

of developing a reactor that would produce useful and practical amounts of power it could be diverted from the propeller of a ship into the turning of a turbine for civilian purposes just the same.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. YATES. A slight point, but I would point out to the gentleman the fact that when there was a power shortage in the city of Tacoma, Wash., power and light were supplied to the city by an aircraft carrier anchored right outside.

Mr. HOLIFIELD. Yes. I recognize that point. When, and if a marine propulsion atomic reactor is constructed, that reactor, too, could be used to supply emergency power to a port city.

I frankly would like to see both types of reactor development proceed and therefore I am in sympathy with the gentleman's objective as contained in his amendment. But I do believe that such course is permissive under the committee's language, although not specifically directed as in the Yates amendment.

Again I state that it is so important that a civilian-use power reactor be developed, that will advance atomic reactor technology in the immediate future, that I am appreciative of the committee's action in restoring the $7 million. I want to thank the subcommittee including the gentleman from Illinois for their support and restoration of the $7 million appropriation.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. PRICE].

Mr. YATES. Mr. Chairman, I ask unanimous consent that the gentleman from Illinois [Mr. PRICE] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE. Mr. Chairman, I will support the amendment offered by the gentleman from Illinois [Mr. YATES].

I am glad he has directed the attention of the House to a situation in connection with reactor development which in my opinion will lead to a slowdown in a very important phase of our atomic energy program. There is no good reason to give up experiments and research directed toward achieving a reactor which eventually will be of value in our national security program.

The trend which I see toward halting important research and development projects so vital to our defense is alarming. Certainly the Congress would be on much safer ground if the Yates amendment is approved. We should recognize it as our responsibility to direct a continuance of research and development on a reactor which eventually may provide the power to propel our ships and fly our military aircraft. Both goals have been set as military requirements. How can we fulfill such requirements if we abandon the reactor program? The Yates amendment will insist on a continuation of it.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS. Mr. Chairman, I yield to the gentleman from North Carolina [Mr. DURHAM].

Mr. DURHAM. Mr. Chairman, I want to give my support to the bill appropriating money to the Atomic Energy Commission for the coming year. It is especially deserving of bipartisan support because it is such a fine demonstration of the fact that science and technology—not politics—govern our atomic program.

Members of the Independent Offices Subcommittee have reported to us a bill which sets aside $4,200,000 for research and development and $7 million for the beginning of construction of an atomic powerplant. The language of the bill stresses that this plant is to be equally useful from a technical standpoint for both large naval vessel propulsion machinery and central station electric power for industrial use. This is the kind of action we must take in order to insure that our atomic-energy program will move forward with equal vigor for peace and war.

The real problems involved at this stage in the development of atomic power relate to advances in science and engineering, not in gadgets and details of economics. The important thing to everyone—Navy men and industrialists alike—is that we do not slow down in our efforts to gain real experience in building and operating a full-size atomic powerplant.

The subtle distinction which has been raised here this afternoon regarding the amount of this effort which should be directed toward Navy rather than industry, is more semantics than science.

I want to join the gentleman from New York, my esteemed successor as chairman of the Joint Committee on Atomic Energy [Mr. COLE], in assuring the House that on this as on all other matters in atomic energy the "watchdog" joint committee will do its very best to see to it that the intent of Congress is not subverted by bureaucrats—whether they serve the Government or industry. The program which we will be fostering with this bill is the one sure way open to us of maintaining our momentum in the science and engineering of atomic-power development. As bargains go we would look far to find a better one.

As today we look at the expanding frontiers of all of science, and particularly at the great untapped reservoir of energy to do man's work that is represented by atomic energy, it becomes apparent that our action here in the House in approving—as I pray we will—this farsighted and thoughtful appropriation bill as submitted by the gentlemen from California, may well be the key opening the door to that promise-laden future.

Mr. PHILLIPS. Mr. Chairman, the subcommittee is very sympathetic to the gentleman from Illinois, who is a member of the subcommittee, but we are not entirely sure why the gentleman is so worried about the situation. Yesterday, in the debate, the gentleman from New York [Mr. COLE] expressed the same feeling that he did not quite understand the concern about it. Two members of the Atomic Energy Commission have indicated they would not approve the amendment offered by the gentleman from Illinois and that experimental work was being carried out on a reactor which would meet the two purposes. The President of the United States, after consulting, so I understand, with the National Security Council, issued an Executive order covering this issue. The Department of Defense, consulted, speaking through a spokesman for that Department, said it did not think this amendment is a necessary one. It seems to me under the circumstances and with all regard and respect for the gentleman from Illinois, that the amendment should be defeated.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Illinois.

Mr. YATES. Do I understand that it is the intention of our subcommittee that the Atomic Energy Commission provide a reactor that will be capable of being used by an aircraft carrier as well as one that may be used for civilian purposes?

Mr. PHILLIPS. So far as the basic principle is concerned, I would say yes. Considerable conversation that was had in the hearings does not appear, of course, so far as that subject is concerned. Therefore, so far as saying that you can take this reactor or this power plant, using simple language, and putting it in a boat, I would say no, because there are certain additional balancing principles to be considered after the initial experimenting has been done. But other than that, the answer is yes.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. YATES].

The question was taken; and on a division (demanded by Mr. YATES) there were—ayes 17, noes 67.

So the amendment was rejected.

The Clerk read as follows:

For expenses necessary for the operation and maintenance of the Selective Service System, as authorized by title I of the Universal Military Training and Service Act (62 Stat. 604), as amended, including services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); not to exceed $250 for the purchase of newspapers and periodicals; not to exceed $80,000 for expenses of travel, national administration, planning, training, and records management; not to exceed $200,000 for expenses of travel, State administration, planning, training, and records servicing; $92,500 for the National Selective Service Appeal Board, of which not to exceed $3,875 shall be available for expenses of travel; and $265,000 for the National Advisory Committee on the selection of doctors, dentists, and allied specialists, of which not to exceed $35,000 shall be available for expenses of travel; $29,882,400: *Provided*, That during the current fiscal year, the President may exempt this appropriation from the provisions of subsection (c) of section 3679 of the Revised Statutes, as amended, whenever he deems such action to be necessary in the interest of national defense.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we just witnessed an amendment offered by the gentleman from Illinois and the interesting debate on both sides, with Members on both sides recognizing the importance of the situation in relation to atomic-energy development in the national interest of our country and, more broadly, in its

contribution toward, as we hope in the near future but ultimately, a world of peace; not only the development of atomic energy, but perhaps some more powerful energy that, if necessary, could be utilized in connection with our national defense.

While the debate was going on, my mind went back to the early days of World War II, and I can tell this now because it is no longer a secret, when former Speaker RAYBURN asked Speaker MARTIN, then the minority leader, and myself, then the majority leader, to meet in his office the next day with General Marshall, the late Secretary Stimson, and Dr. Bush. I had no knowledge as to what the meeting was called for, or its purpose. To me it was one of the most important meetings that I ever participated in. I had heard rumors of some experiment going on but I had no knowledge of it, and for the first time I found that our country was engaged in an experimental race with Nazi Germany in the development of a bomb. I did not even know then and for some time later what kind of a bomb it was. I did not know where the plant was located. We were informed by the late Secretary Stimson, General Marshall, and Dr. Bush, who was at the head of the Manhattan project—and I will ask the gentleman from New York [Mr. COLE] if my memory is correct as to that.

Mr. COLE of New York. Headed by General Groves.

Mr. McCORMACK. But Dr. Bush was one of our leading scientists.

Mr. COLE of New York. He was identified with its research and development.

Mr. McCORMACK. Exactly. The information they gave us at that time has left a lasting impression on my mind. The project was started with funds supplied by the late President Roosevelt out of his blanket funds. It could not be carried on without appropriations by the Congress. They told us that during the next 2 fiscal years it would be necessary for Congress to appropriate from $1,600,000,000 to $1,800,000,000 to carry on the experiment, in such a manner that the then enemy, Nazi Germany, would not know what the money was being appropriated for. The leadership was asked to get this money appropriated. The necessary amount was.

The late Secretary Stimson and General Marshall frankly told us that it was a race between our country and Nazi Germany; that they did not know how many experimental plants Germany had; that a few weeks prior to that time a British commando force had gone into Norway and accomplished one of the bravest raids of World War II, doing considerable damage to an experimental plant the Germans had in Norway, and that they felt they had put the Germans back 6 months insofar as the operation of that plant was concerned, but with the efficiency of the Germans it might be 3 months. They also said they did not know where any other plants were located, if the Germans had them.

Mr. HOLMES. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Washington.

Mr. HOLMES. I appreciate and am very much interested in the remarks the gentleman is making, because I will never forget the day when a young liaison officer from the Joint Chiefs of Staff came into my office and said there was going to be a huge plant located in the Fourth Congressional District of the State of Washington, that it was of an extreme emergency type, and that it would cause a tremendous amount of dislocation. It turned out to be the Hanford Engineering Works. That was in February 1943.

Mr. McCORMACK. It was just about that time. I thank the gentleman.

I want to get this story to the Members of the House because it concerns all of us as Americans and has a connection with the best interests of our country.

General Marshall and the late Secretary Stimson, with their heads down on their chests, told the three of us that if the Germans completed that bomb before we did, overnight we could be defeated.

I simply refer to this so that we may have in mind the gamble that was taking place. It was a great gamble. But they said then it might be $2 billion thrown down the drain, it might be a failure. Dr. Bush told us of the advances we had made at that time. That was a secret that was kept religiously until the first bomb was dropped on Japan. I think some of the members of the appropriate Subcommittee on Appropriations were taken into their confidence, but on the Hill here among the legislators that was a secret that was religiously kept.

I am wondering how far the Soviet Union has gone now in the development of atomic bombs and other more destructive bombs. I think it is safe to say that we do not know. We may have an idea, but certainly we do not know. How many experimental plants have they? What advance has been made by their scientists in both basic and applied science? I do not know, just as in 1943 we did not know when we were called into that conference. We had to take a gamble. We had to go ahead because it was a race against time—a race between the United States and Nazi Germany. We had to spend the money. It might have been wasted. Fortunately, we won that race. Our scientists and others developed it. But how do we know what the situation is in the world today? So, in connection with actions and appropriations in relation to the development of atomic energy, which I sincerely hope and pray will be used for peaceful purposes but, if necessary, will be used for the defense of America, I think we should recognize the gamble that was taken 10 years ago and realize that we have to take chances now. If we are going to err in the amount of appropriations, we had better err on the side of strength and safety, not on the side of weakness.

Mr. HOLIFIELD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, except for the 3 minutes I took a few moments ago, I have not spoken on this bill and I do not intend to speak on the rest of it. But I do want to say this to the membership of the House at this time. There are quite a number of the Members of the House who have been on the Atomic Energy Committee from its very inception. The largest percentage of them have served constantly over 7 years. It has been a real pleasure to serve on that committee, and I can say with absolute truthfulness there has been less partisanship on that committee than there has been on any committee I have served on in the House. I want to pay tribute at this time to the three chairmen we have had, and the acting chairman of the committee in the last 7 years. Starting out in the 80th Congress with Senator BOURKE HICKENLOOPER and followed by Senator McMahon, now deceased, and then by our acting chairman the gentleman from North Carolina [Mr. DURHAM], and our present chairman the gentleman from New York [Mr. COLE]. These men have given unselfishly of their time to this work. There have been almost daily meetings of the committee. I think it is because this committee has been so dedicated to this work of developing this atomic-energy program that we are as far ahead as we are today. I think I am betraying no secret when I say this committee has pushed the Atomic Energy Commission in their management and it has pushed the military people to adapt the new knowledge in this field to strategic and tactical weapons and to widen the field of its application. We have pushed the Atomic Energy Commission to obtain new and additional ore. I believe this committee has functioned in such a way and discharged its responsibility in such a way that this project is so far ahead of the Russians today that it gives each and every one of us a feeling of great confidence and great security in our ability to defend ourselves and this Nation. This does not mean that we can afford to relax in our program of further development. I want to pay tribute at this time also to the subcommittee on appropriations that has always had the handling of this appropriation. They have been understanding and they have caught the vision of the job that is to be done. Almost without exception they have supported the Joint Committee on Atomic Energy's recommendations with regard to all of these important projects now going on in the Nation. We honestly believe the money spent on this atomic-energy project and our advancement to date in different types of weapons which are now available, is the greatest deterrent that there is against the world conquest planned by the Soviets.

I agree with the statement made by Sir Winston Churchill lately when he said that if it had not been for the atomic bomb being in possession of the free nations of the world, the Soviets would have pushed their boundaries clear to the English Channel in Europe and throughout the whole of southeast Asia as well as the territory of Manchuria and China, which they occupy at this time. I know many Members of this House have gone along with this program on the strength of the recommendations of the members of the Joint Committee on Atomic Energy and the members of the Committee on Appropriations although the Members did not know the details. So I think it is a great tribute to every person on the Committee on Appropriations and the Joint

Atomic Energy Committee that you have gone along, and I assure you most of our action in that committee has been unanimous, and I believe we merit the confidence which you have shown during the past 7 years.

The Clerk read as follows:

TENNESSEE VALLEY AUTHORITY

For the purpose of carrying out the provisions of the Tennessee Valley Authority Act of 1933, as amended (16 U. S. C., ch. 12A), including purchase (not to exceed one) and hire, maintenance, and operation of aircraft, and hire of passenger motor vehicles, $188,371,000, to remain available until expended, and to be available for the payment of obligations chargeable against prior appropriations: *Provided*, That no funds appropriated for the Tennessee Valley Authority by this paragraph shall be used for the maintenance or operation of any aircraft for passenger service that is not specifically confined to the active operation of the official business of the Tennessee Valley Authority by officers or employees of such Authority, and not to exceed $773,000 (exclusive of travel for work in connection with the construction of transmission lines, dams, and steam plants) of funds available to the Tennessee Valley Authority shall be used for expenses of travel: *Provided further*, That no part of funds available for expenditure by this agency shall be used, directly or indirectly, to acquire a building for use as an administrative office of the Tennessee Valley Authority so long as the amount appropriated annually for the construction of power facilities exceeds the amount deposited annually in the Treasury for repayment of the investment of the Federal Government in the power facilities of the Authority: *Provided further*, That no funds available for expenditure by this Agency shall be used for the payment of the salary of any employee in the District of Columbia at a rate in excess of $8,000 per annum.

Mr. COOPER. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. COOPER: Page 9, line 3, after the word "vehicles", strike out "$188,371,000" and insert "$218,371,000."

Mr. COOPER. Mr. Chairman, I ask unanimous consent that I may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Chairman, I want to express my very deep appreciation to my good friend and distinguished colleague, the gentleman from Mississippi [Mr. WHITTEN] for his kindness in yielding that I might have the opportunity to offer this amendment. As a member of the Appropriations Committee, he was entitled to prior recognition, but as the project affected by this amendment is in the district which I have the honor to represent, he very kindly did not claim his prior right of recognition in order that I might offer the amendment. We know that he has always been an ardent supporter of the Tennessee Valley Authority program and a great friend of TVA all the way through.

Mr. Chairman, my amendment will provide funds to permit TVA to begin construction of a steam-generating plant at Fulton, Tenn., north of Memphis. If money is appropriated in this bill, 2 units with a combined capacity of 450,000 kilowatts will be installed to be in service in time to meet the peak loads of 1956–57. If we fail to provide the necessary funds to enable orders to be placed for equipment and preliminary work to begin in fiscal 1954 there will be a shortage of power in the whole TVA area in the autumn of 1956. If such a shortage in power supply were to come to this important area because a power plant were bombed, every Member of this House would call for retaliation. If such a shortage came because of incompetence in planning by the management of TVA every Member of this House would join in condemnation. Yet if this House today does not adopt the amendment I have offered we are scheduling a power shortage for the winter of 1956–57 just as surely as if a bomb were dropped to put 450,000 kilowatts out of service in this area vital to the Nation's defense.

I hear it said that the power to be provided by the Fulton plant is not required and that TVA's estimates of load growth for the municipalities and cooperatives it serves are excessive. Without disrespect to those high-placed officials who have been induced to believe such statements, I submit that they are wrong. Since 1939 when TVA took over the responsibility of power supply for this service area its estimates of power demand have been sound. TVA could not, of course, anticipate the expanding requirements of the atomic-energy program, nor could it foresee the sudden claims of other defense establishments for large amounts of energy. But with respect to what might be called the normal load growth, TVA's estimates have been conservative, with never a kilowatt or a dollar wasted in capacity unused.

I know the experts of the Edison Electric Institute are reported to disagree with TVA's power forecasts. That does not worry me. It should not influence this House. Those experts have been wrong too many times. They were talking about power surpluses a few years ago while the national defense agencies were scouring the country for areas in which there was power available for new defense requirements. They were crying "surplus" when every informed person knew that power supply was a bottleneck in war and national defense preparations.

We who live in the Tennessee Valley area know the record of the private power companies who served the area prior to TVA. We know they kept the prices high, the capacity low, and sold our future short. Every Member of this House who was here in 1948 should remember the last time there was an open clash between the so-called experts of the private utilities and the qualified and competent technicians of TVA. Then the private utilities argued that the Johnsonville steam plant was not necessary. Well, it was. Then, as now, tables and charts were introduced to prove their theories. Well, the Johnsonville plant, with six units, is in service today. The power is being used. That experience should have taught us something. The Government lost money because Congress took the advice of the private utilities. There was a delay of less than a year in starting Johnsonville, but the demand for power could not be postponed even that long. TVA had to make up months of the time lost by the delay in the appropriation of funds. Over $3 million of overtime costs had to be incurred by the Government merely because this House was temporarily persuaded by the so-called experts and failed to provide the necessary funds when they were requested.

An examination of the record of the hearings before the Appropriations Subcommittee at least suggests that the private power experts and those who rely upon them must know better. They know that there will be an increase in the total load of the TVA system. They know that power is particularly needed in TVA's western Tennessee area, where the Fulton plant was proposed to be located, because there is little generating capacity there and a rapidly growing load. They know that at peak now those west Tennessee consumers require 450,000 kilowatts to supply them. They know that by 1956 700,000 kilowatts will be needed.

Let us get the record straight on this. Those of us who live in the area know what we are talking about. Of course there is occasionally surplus power available on systems which are interconnected with TVA. TVA has had to buy a lot of it. During the first half of the current fiscal year TVA had to bring in every kilowatt it could from every direction in order to meet the enormously expanded requirements of the atomic energy installations before TVA's own generating capacity could be built. The record shows what happened. Agreements and promises were made by private utilities, but some of them had to be canceled because those companies had less surplus power available than they anticipated. They had underestimated their own growing loads. Some arrangements were on a week-to-week basis, others day-to-day. It was high-cost power, and transmission costs were high. The Atomic Energy Commission paid the bill. The United States Treasury will pay the bill.

This is the kind of undependable, high-cost power the private utilities would like to provide for the power consumers now served by TVA. Instead of receiving their power from plants built with a view to economy and efficiency by the agency having an obligation to serve them, located and designed to give the best service, the private power companies would have them depend for their expanding needs upon high-cost power generated at uneconomical locations, brought over costly transmission lines to serve the customers who have contracts with TVA.

In this matter there are no halfway measures. Unless TVA can discharge its obligations to its consumers just as any responsible and well-run utility should do then it cannot discharge its obligations to the Congress to repay the power investment to the Federal Treasury. We cannot have it both ways. If TVA is to be held accountable to its commitments to the Congress it must be able to operate with the economy and efficiency that has characterized it thus far. Look what happened at the Shaw-

nee plant. Every Member of this House should know that when the Paducah installation of the AEC was begun contracts were made between AEC with TVA on the one hand and between AEC and Electric Energy, Inc., on the other, each of the power suppliers to provide a portion of the electricity required. Electric Energy, Inc., is composed of five private utilities, and as a Member of this House—the gentleman from Alabama [Mr. JONES]—recently pointed out on the floor, spokesmen for private interests went racing around the country calling public attention to the building of the Shawnee plant by TVA and the Joppa plant by EEI as one instance where starting from scratch to do the same kind of job in the same area it would be possible to judge the competence of each. Private utility spokesmen failed to point out that the Joppa plant was scheduled to come in 3 months ahead of the Shawnee plant. They failed to point out that the Shawnee plant is considerably larger in capacity than the Joppa plant. Because they thought they had a sure thing they picked it as a race which was to settle all controversy in this field. Well, so far as I am concerned it is settled. On April 9, without any fanfare or excitement, TVA's Shawnee plant, designed, built, and operated by an agency of the Government, began to furnish power. The Joppa plant is not in service yet, although I read a recent statement in the press reporting that EEI had been given some kind of distinguished service award by the Edison Electric Institute for its achievement.

I believe that when an agency of the Federal Government is authorized to undertake a job it should be permitted to do the job well. TVA should be permitted to begin the Fulton plant as it had planned. The $30 million requested for fiscal 1953 for the Fulton units will be spent in Pennsylvania, in Wisconsin, New York, Ohio, Michigan, and all the industrial States where orders for electric equipment are filled. Then in 1956, when the plant is built and the people of the area have energy from its generators to use in their homes, on their farms and in their business enterprises, they will begin to pay the money back. In 40 years every penny advanced today and until the plant is completed will be paid back by power consumers, but the plant will remain the property of the Government and its earnings will continue to be an asset to the Treasury.

I cannot be accused of being unfamiliar with or indifferent to the problem of the Government in raising revenues for its operations. I contend that the building of the Fulton plant is a good investment, that it is unthinkable that this Congress should put a ceiling on the progress of this area. I trust my amendment will be adopted.

Mr. WHITTEN. Mr. Chairman, I rise in support of the pending amendment. I was glad to yield the privilege of offering this amendment to the gentleman from Tennessee [Mr. COOPER], distinguished member of the Ways and Means Committee, since this plant would be in his district.

Mr. Chairman, during the years I have been a Member of Congress the TVA and its appropriations and authorizations have been a matter of great controversy. Yet if we study the subject, the issue of whether to have private power or public power in that area, presumably was settled by this Congress years ago when it set up the TVA to be the utility company of the region in the Tennessee Valley, including in that area a large part of north Mississippi.

It was my privilege to serve on this subcommittee for quite a number of years. I want to disabuse your minds of much misinformation which I think has been distributed. In the Tennessee Valley we have flood-control projects which we have in the river valleys of many other sections of the country. They also have to maintain the water at a high enough level for navigation. So in keeping water level of the river low enough to take care of flood control and the water high enough for navigation, it was determined to make this project economically feasible by generating power between those two levels of water supply. With that in mind the money was made available to put in these hydroelectric systems. This gave power for a considerable part of the year. With the passage of time and in view of an increase in the demand for electricity, it was provided that steam plants would be operated for the balance of the year, that is, additional steam plants, so that you would have a firm year-round power supply.

With the passage of time and due to the development of the territory within the TVA distribution area there has come a great demand for additional power and the outlook for the future is that additional power will be needed.

I recall when we had this same fight, when we wanted to let TVA go ahead with the Johnsonville plant, it was said then this would make it possible for TVA to go out and take away territory from the private companies. But that is not true. Involved in this fight here is no effort at all to extend the territorial limits, the geographical limits, in which TVA is the sole supplier of utility services.

I say to you that the TVA, being the utility in this area, the argument that we should have public or private power is a question that was determined when they set up the TVA as the utility for this area. To say here that it shall not be permitted to increase its productive capacity to meet the needs of that area is just as bad as to say in any utility company area that the utility shall not add a new plant to meet the needs of that particular area.

There is one other thing I think I should point out to you. Earlier it was said, why should the TVA be supported by the Federal Government? Why does it not repay to the Government the money that we put in it?

I was a member of this subcommittee and had a large part in writing the provisions of the law, and I hope you listen to this: It requires the TVA to return to the Government in dividends, within a 40-year period, all the money spent for power and for power distribution. That is the law now. The TVA belongs to the Federal Government, but we fix it by law that they must return in dividends, in money, the cost of these power generating facilities, and they have paid $96 million already. They contemplate paying $25 million this year.

Now listen to this: After they have returned the full amount of the cost of these facilities to the Federal Government it still belongs to the Federal Government. I say to you, do not get entangled with this question of public versus private power. That is a prime subject if this were territorial expansion. That is a question that might properly have the attention of this House in future developments of other river valleys, but when they set up this utility in this region and when the people of this region had to look to this utility for its power supply, I say to you until you change the ownership of this facility, that certainly the burden is on us to see that that area is not hamstrung.

Why provide new plants in east Tennessee—lose part of the power transporting to west Tennessee? Why not save money by having the power where needed in the first instance? If I had more time I would like again to present in detail the economy of this addition on the western side of the TVA territory which I presented to the committee yesterday.

When you look into the matter of power supply, there has been no greater increase in power demand in any section of the United States than in that region; yet, if you give them all the additional units asked for here, the rate of increase will be substantially the same rate of increase that other utility companies, private utilities, if you please, are confronted with for power demand in the area which they serve. So, I do hope you will let this agency meet the crying power needs in that area as it is the utility of the section.

Mr. JONAS of North Carolina. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to say at the outset that I am not an enemy of Tennessee or the Tennessee Valley Authority. The only thing I have against Tennessee is the disposition on the part of some members of the athletic department of the University of Tennessee coming over into my State and taking our high-school football players to Knoxville. Of course, I would say to my friend from Pennsylvania that we occasionally go up to his State and bring some football players down to North Carolina to play football.

I would like to discuss this amendment without any heat and I would like for my motives not to be impugned. One gentleman yesterday pulled out the old red herring that is always drawn across the trail and would try to leave the impression that all those who oppose this amendment or who oppose the extension of TVA are tools of some private power trust. I would like to disclaim any connection whatever with any private power utility. If the private power companies have been doing any lobbying on this subject, I would say that TVA has been doing its part.

In this connection I would like to read from a page of the Chattanooga Times dated April 22, 1953, which announces

that valleywide meetings were called to support this very amendment, and I quote the following language from that dispatch:

"The meeting to set up the organization is the culmination of a series of some 20 meetings held over the valley at which TVA undertook to acquaint the people of the valley with its budget requirements and the future power needs of the area," Whitaker explained.

Thus was the organization created to develop the propaganda which was disseminated in our home districts to bring pressure upon us here to increase these appropriations.

What do we have here? The amendment would increase the appropriation by $30 million, but that is only the beginning. The amount involved here is $90 million, because that is the contemplated cost of the Fulton steam plant when it is finally completed. So we need not kid ourselves that we are concerned here with only $30 million. The proposal is that we obligate this Government to build an additional steam plant at Fulton, Tenn., at an ultimate cost of $90 million.

I call these facts to the attention of those who would contend that our committee has been less than generous with TVA: Funds appropriated in this bill for projects already under construction, including 34 power units, plus 2 brandnew units at John Sevier and Kingston, amount to $160 million.

Fourteen power units have just been completed and will be put into operation during fiscal year 1953.

Twenty-nine power units are scheduled to be completed and put into operation during 1954–55.

Additional funds are provided in the bill amounting to $17,800,000 for two brandnew projects.

Additional funds are provided in this bill for other projects in the sum of $9,982,000.

In addition to all this, TVA will have an estimated income—and it is estimated by their own officials—this year of $179,276,000 to spend, income from the sale of power, or a grand total of $367,647,000 that TVA will have to spend from its own income and from appropriated money.

How much more money should this Congress take from the taxpayers of the United States to give to the TVA in order to build additional plants? Is not $188,371,000 enough for 1 year, considering the fact that TVA will have from its income funds the additional sum of $179,276,000, or a grand total of $367,647,000 to spend in just 1 year.

But the proponents of increased spending are not satisfied with this. The people in the Tennessee Valley, who derive the direct benefits from cheap power produced by subsidized funds from the American taxpayer, feel that $367,647,000 is a very small sum of money and represents a disposition on the part of the Appropriations Committee to stifle the growth and development of TVA.

We are told by those who are seeking to increase this appropriation that $367,647,000 is not enough for TVA to have to spend in 1 year; that if we do not appropriate another $30 million this year, which will mean an ultimate obligation on the part of the Government for $90 million, to build a brandnew unit distant approximately 100 miles from the Tennessee River and situated on the extreme western periphery of the Tennessee Valley area, if indeed it can reasonably be considered as being in the TVA area at all, that we will be breaking faith with the people of the Tennessee Valley and be defaulting on a moral obligation.

I, for one, would like to deny any such allegation. It seems to me that we never will be able to satisfy the beneficiaries of this program. I think it comes with poor grace indeed for Members to stand here and contend that this committee has been less than generous in the appropriations provided in this bill.

Mr. GAVIN. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. GAVIN as a substitute for the amendment offered by Mr. COOPER: On page 9, line 3, strike out "$188,371,000" and insert "$170,571,000."

Mr. GAVIN. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

Mr. VAN ZANDT. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and forty-three Members are present, a quorum.

Mr. PHILLIPS. Mr. Chairman, will the gentleman from Pennsylvania yield to me briefly for an attempt to provide a limitation of time which will not affect his 5 minutes? How much time is desired on the other side? I suggest a limit of 20 minutes, following the gentleman from Pennsylvania who now has the floor.

Mr. DONDERO. Mr. Chairman, reserving the right to object, how much time will that give to each Member?

Mr. PHILLIPS. That would give us about 2 minutes each. Suppose I make it 25 minutes?

Mr. COOPER. Mr. Chairman, reserving the right to object so that we may have a clearer understanding of this, does the gentleman from California have in mind asking unanimous consent to close debate on the amendment and the substitute?

Mr. PHILLIPS. I will do that if that is satisfactory.

Suppose I make it 30 minutes with the last 5 minutes reserved to the committee, and include the name of the gentleman from Tennessee [Mr. BAKER] even though he may not be on the floor at the present time.

Mr. REECE of Tennessee. Mr. Chairman, I would like to be recognized if any arrangement is made as to the limitation of time.

Mr. PHILLIPS. The gentleman from Tennessee is present and would be included among those to be recognized.

Mr. Chairman, I will not make any request at this moment. Suppose debate continues for another 10 minutes.

Mr. HOFFMAN of Michigan. Mr. Chairman, a parliamentary inquiry. Would it be proper now to offer an amendment to the amendment offered by the gentleman from Pensylvania to include relief for citizens along the western side of Michigan for erosion caused by high water?

The CHAIRMAN. The Chair is of the opinion that the gentleman has propounded a hypothetical question, which cannot be answered at this time.

The Chair recognizes the gentleman from Pennsylvania [Mr. GAVIN] for 10 minutes.

Mr. GAVIN. Mr. Chairman, I want to call the attention of the House to the fact that this Nation of ours is $267 billion in debt and that the Republican administration is pledged to a program of reduced taxes and effecting economies in the conduct and operation of the Government to afford relief to the long-suffering taxpayers. Also, it is committed, wherever possible, to take the Government out of private business.

In fact, I believe that the gentlewoman from Indiana [Mrs. HARDEN] is now the chairman of a subcommittee of the Committee on Government Operations making a study of the situation to take the Government out of business and out of competition with free enterprise.

This amendment of mine is for the purpose of deleting from the bill $17,800,000 set up for the construction of two new steam units as additions to the existing steam plants at Kingston and John Sevier in the TVA area.

Here is an opportunity to make a start to take the Government out of business. I am a firm believer in the American way of life, the system of free enterprise that has built, without question, the greatest Nation in the world. To me this is the land of opportunity where anyone with the initiative, energy, and resourcefulness can go anywhere in America he wants to. That is the system I want to preserve for the generations to follow.

The early pioneers who built America built it strongly and well. And they were not subsidized. They did not look to the Government every foot of the way for a helping hand. They turned in and worked and produced and built a great Nation. However, today it seems that everyone is looking to the Government. They think that Uncle Sam is a rich uncle whose pockets are inexhaustible and that they can spend and spend and spend without going into bankruptcy.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. Not at this time.

I am friendly to the development of all the areas in this great country of ours. However, when it comes to steam powerplants there is not any reason why my State or any other State in the Nation should not receive a number of steam powerplants just as well as the TVA area; steam powerplants that pay no interest on the investment; steam powerplants that are tax-exempt; steam powerplants in competition with free enterprise.

Certainly they can produce power at lower rates because of the reasons I have given. This is unfair and unjust, to use the American taxpayer's money to strengthen the industrial potentialities of any one particular area; and it should be discontinued.

Mr. MILLER of Kansas. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. Not at this time.

This is a matter of principle with me. You either stand for the system that built a great America, or you stand for the trend toward creeping socialism.

I hold no brief either for the Republicans or the Democrats. I am making no appeal to either side. You gentlemen decide for yourselves whether you want a free, fair system or whether you want the Federal Government in business. It is up to you to determine whether you stand for the fundamental principles that have built a great America, or whether you are going to turn to the Federal Government to assume obligations at the expense of all the taxpayers, that should be assumed by the people themselves. If we continue this trend ultimately we will find ourselves in bankruptcy.

This TVA project was started as a flood-control and navigation project. Then it moved over into various other phases, such as hydroelectric power. Then, when they found that they did not have enough water in the low periods in the summertime, they conceived the idea of steam power plants to supplement the hydroelectric power, to give them a well rounded out operation.

It is all right for you to have steam power plants to supplement your hydroelectric power, but you pay for it yourselves; do not ask the people of my State and other States to put the cash on the barrel head to build a project that will crucify the industries throughout the Northeast section of the United States.

Mr. MILLER of Kansas. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I decline to yield.

In the 80th Congress, the Republican organization—and I am talking to my Republican friends—fought steam power plants, but they were in the minority. So, when my Democratic friends say that this is the law now, that was passed by the Congress, remember that it was passed by a Democratic Congress and not by a Republican Congress. In the 81st Congress, the first steam power plant was authorized.

Let me state for the record that it was not authorized with my votes.

Now, Mr. Chairman, if this TVA is such a paying and attractive proposition why is it necessary to ask the Federal Government for a quarter of a billion or half a billion dollars every year to keep TVA in operation? If it is such a profitable enterprise why do not the people down in the TVA area interest private capital to move in and take advantage of these great profit organizations?

They talk about paying back to the Federal Government in 40 years some billion or more invested in TVA. I want to say right now that the day will never come when you will pay back into the Federal Government the money that has been expended in TVA, and let us not fool ourselves about that. So I say to the Members of the House it is time that we stopped subsidizing all these various projects and get down to good commonsense. Let us be practical realists and know exactly what we are doing. The folks back home, I may say, are looking to us for relief from excessive programs of spending. I hope this amendment of mine will be accepted, for it will indicate to the people whether or not we stand for the principles enunciated by the Republican Party. Those principles were to effect economy, stop this unnecessary spending, reduce overhead, and give some relief to the American people who have been long suffering.

Let me say also that if this great enterprise and all these enterprises we talk about are so profitable how does it come that we are $267 billion in debt, $267 billion in debt if all these subsidy programs are returning profits to the Government. Why its simply ridiculous. If all these projects are profitable why are we not in the black instead of in the red every year to the tune of billions of dollars? So I say here is an opportunity if this amendment is adopted to take the Government out of business.

Mr. COTTON. Mr. Chairman, will the gentleman yield for a question?

Mr. GAVIN. Permit me to continue—your vote will indicate to the American people whether you want to keep the Government out of business, whether you stand for the American way of life, whether you stand for free enterprise, and whether or not you are going to reduce this debt and give some relief to the American taxpayer.

I yield to the gentleman from New Hampshire.

Mr. COTTON. The gentleman has plenty of time. I merely wanted to ask the gentleman to tell the House what his amendment does.

Mr. GAVIN. The amendment does this: I explained it in the forepart of my remarks, evidently the gentleman from New Hampshire had not heard me, but for his information I will repeat it again. What the amendment intends to do: The amendment is for the purpose of deleting from the bill $17,800,000 set up for the construction of two new steam units as additions to existing steam plants at Kingston and John Sevier in the TVA area.

Mr. COTTON. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield that I may make another attempt to limit time?

Mr. COTTON. I yield.

Mr. PHILLIPS. Mr. Speaker, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 30 minutes, the last 3 to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. ABERNETHY. Mr. Chairman, reserving the right to object, this is a very important feature of the bill to some of us. We have not taken any time on it. I hope the gentleman will let the debate run along for a while until we can reasonably cover the subject.

Mr. PHILLIPS. Mr. Chairman, I will withdraw my request until the gentleman from New Hampshire has concluded.

The CHAIRMAN. The gentleman from New Hampshire is recognized for 5 minutes.

Mr. COTTON. Mr. Chairman, the question I asked my good friend, the distinguished gentleman from Pennsylvania [Mr. GAVIN] was not asked facetiously; I wanted information for the House so the Members could understand what we have before us and I take this time to make certain that the parliamentary situation is thoroughly understood. In the beginning TVA requested four steam-plant units. Two of those units were to start a new steam plant, the so-called Fulton steam plant in west Tennessee over near Memphis. The other two units were to be added to two existing steam plants in the eastern part of the State in the TVA system.

The Bureau of the Budget, after examining the request, recommended that we not allow the money for the two new units that would start a new steam plant, but did recommend to the committee that we allow money for the two units that were to be added to existing plants.

Let us bear in mind, Mr. Chairman, that the two units that were taken out by your committee and by the Bureau of the Budget, the Fulton units, would cost $90 million to complete. For the first year $30 million would be required to start them. To complete the two units that were left in the bill will cost $55 million and there is slightly less than $18 million appropriated in this bill to start them. Frankly, Mr. Chairman, that was a compromise within our committee.

Personally, I am opposed to further expansion of TVA in the form of steam plants. They admitted to our committee that already they contemplate in the next 4 or 5 years that each year they will come back and ask the Congress for 4 or 5 more units. There will be no end to this. I feel that the time has come when we must draw the line somewhere. But this was a compromise reached in the committee. It was the result of the recommendation of the Bureau of the Budget and of President Eisenhower. It allowed for the providing of power the need for which a good deal of evidence was presented. It allowed the 2 smaller, or less expensive, units in existing plants and took out the beginning of a new steam plant. We felt that was a logical step to take and a logical point at which to draw the line. That is the situation.

If you want to take the steam units out of the bill, vote for the substitute. If you want to restore all of them, defeat the substitute and vote for the amendment offered by the gentleman from Tennessee. If you want to follow the course that the committee adopted, that the Bureau of the Budget approved, and that President Eisenhower recommended, vote against both the substitute and the amendment offered by the gentleman from Tennessee [Mr. COOPER]. Beat them both and leave the bill as it is.

I just wanted to take this time to clarify the situation. Personally and conscientiously I am opposed to any new steam plants, but as a member of the subcommittee I am bound to follow the recommendations of that committee to

which we all accepted as a fair compromise and as conforming to the recommendation of the President.

Mr. DONDERO. Mr. Chairman, I move to strike out the requisite number of words.

THE TENNESSEE VALLEY AUTHORITY: OUR EMBARRASSING DILEMMA

Mr. Chairman, the Tennessee Valley Authority Act became law on May 20, 1933, at the conclusion of what now seems hasty hearings and hasty congressional consideration to a most novel and untraditional proposal.

Since then many proposals have been made for similar legislation affecting other valleys and streams. At one time this Congress gave serious consideration and study to legislation that would have divided the Nation into seven valley authorities.

It is significant that, in the light of the experience of the people of Tennessee and adjacent areas, no other valley authority legislation has received the support and approval of the regions affected or of the Congress.

In keeping with the adventurous nature of our people we have been willing, as in the case of TVA, to try anything once. To this end Congress has generously contributed to the exploitation of power development on the Tennessee River and its tributaries.

Supposedly and theoretically it is a federally endowed plan to control floods, to improve navigation, to promote the growth of fish and wildlife, for forests, and to afford recreational facilities.

TVA is a Federal power trust. Its powers and authority are vast. It is a political entity and a political menace. The crusades of right-thinking and virtuous-minded liberals against the private power trust of 30 years ago have resulted in a Frankenstein of which they never dreamed.

As to flood control—the reservoir dams of the Tennessee Valley today permanently overflow more land than was ever watered by the floods of the Tennessee River when it flowed untrammeled and undammed into the Ohio. We have now a permanent flood almost twice as great as the worst flood in the known history of the river.

For this flood control more than 50,000 persons have been displaced by the United States Government. They were uprooted. The cemeteries of their ancestors were covered. The churches where the marriages and funerals of their pioneer forefathers had taken place became the submarine haunt of the fish.

As to navigation—a Commission appointed by President Roosevelt made a long study and reported to the effect that, instead of improving navigation on the Tennessee River, TVA is utterly valueless. This is known as Appendix U to House Document 159, 79th Congress, 1st session. It is an obscure document, out of print, and hard to find. I have a copy of it but I doubt if many Members of Congress have ever seen it. The secrecy of the quiet obsequies attendant to the burial of Appendix U would be worthy of the attention of some curious newspaperman.

The economy of TVA lags conspicuously behind that of its sister States in the South. What once was thought to have been a blessing—Federal spending—has become a blight as permanent as the permanent overflow of the Tennessee River.

Tennessee has dropped from third to fourth in gross postal receipts among the 11 southern States from 1933 to 1951.. It dropped from second in 1929 to fifth in 1948 in retail store payrolls, and in retail stores sales. In 1945 it stood first in construction contracts awarded but in 1951 it stood eighth—could it be that the Federal pump was not being primed fast enough?

In 1933 the value of products manufactured in Tennessee by manufacturing ranked third among this group of States. Today, despite—or could it be because of?—the mythical and legendary advantages of TVA's cheap power, Tennessee ranks fourth.

Economists well know that the cost of electric power is only one-half of 1 percent of the overall cost of manufacturing of most commodities. Manufacturers seeking new locations are interested in other factors besides the cost of power.

We come now to the crux of our 1953 problem. TVA claims, with justification, that it will soon be lacking in the power supply to meet the growing demands of its customers. It therefore requests that the people of the United States, taxpayers of every city, village, and farm, contribute through the appropriating machinery of the Federal Congress to the construction of additional steam electric power generating facilities.

TVA, for the area it serves, once looked like a blessing and now it appears to be a blight. It is the only area solely served by the Federal Government as a source of its electric power. It is, therefore, utterly dependent upon the moods and circumstances under which Congress may choose to bestow upon that area additional funds for generating facilities.

If the people, the factories, the department stores in the city of Detroit and its surrounding neighborhood should require more power, the local electric company, by the statutes of the State of Michigan, and under the terms of its franchise as a privately owned public utility, would be legally compelled to supply such power and in such quantity as to satisfy the demand. The local company, the Detroit Edison Co., with a staff of trained engineers, anticipates the future supply; the executive officers have the necessary data and when additional requirements are anticipated they are met by the sale of stocks or bonds to the public or from the reserves of the corporation. In short, the American private enterprise system operates quietly and efficiently. Detroit Edison pays its way to the Federal Government in enormous taxes and locally in heavy taxes and at the same time the charges for its services, taxes excluded, are as good or better than the sum charged at wholesale by the TVA to its customers.

The dilemma of the TVA, and the dilemma of American citizens who perforce are being served by the Authority, is the inflexibility of the plan.

It is worthy of note that people of the community that I represent and all of the communities represented here by other Members of Congress are footing the bills for TVA. It pays no taxes except in token to local governmental bodies. It pays, with slight exception, no interest on the principal on the Federal investment. Yet, it is always short of power.

The question arises, and naturally so, as to why the TVA's customers do not build their own additional steam plants to supplement the power they receive from the TVA. That is the present "$64 question." The answer goes back to the summer of 1935 when the original TVA Act was amended. Among the changes in the act this language was added:

. . . That the Board is authorized to include in any contract for the sale of power such terms and conditions, including resale rate schedules, and to provide for such rules and regulations as in its judgment may be necessary or desirable for carrying out the purposes of this chapter, and in case the purchaser shall fail to comply with any such terms and conditions, or violate any such rules and regulations, said contract may provide that it shall be voidable at the election of the Board (49 Stat. 1076; 16 U. S. C. 831l).

This section of the act plainly grants to TVA the authority to insert in any of its contracts for the sale of power the conditions that it be the sole supplier of power and that the purchaser cannot build a steam plant to supply additional power.

This legislative language has been abused to the point where every city and every rural electric cooperative is an economic captive of the Board of Directors of the TVA. I now cite to you an example: The power contract between TVA and Union City, Tenn., which was negotiated in 1950. This contract would seem to be substantially the same type of standard contract which TVA has with other municipalities. In this particular instance Union City apparently wished to abandon its locally owned generating facilities and obtain electric power from outside sources. Being in the State of Tennessee, there was no alternative for this community to seek this power source from anyone except TVA.

Section 3 of the contract, entitled "Power Supply," states:

Beginning on the date of initial delivery and thereafter for the remaining term of this agreement, Authority will supply for municipality's use and for resale all of municipality's power requirements up to the maximum demand specified in section 4 hereof.

Municipality shall in no event obtain, by generation, purchase, or otherwise, power from any source, other than Authority's electric system, without the consent of Authority, unless Authority has refused to supply municipality such additional quantities of power as may have been applied for as provided herein, and then only to the extent of its requirements in excess of the power available from Authority. Should municipality, during the period of this contract, desire to increase its purchases of power in excess of the maximum provided herein, municipality may apply to Authority for additional quantities of power. Such application shall be in writing and shall be supported by proof of probable need for such additional power. . . .

It can be seen from this section that Union City has obligated itself to prove, in writing, the need for any additional electric power before it could expect any consideration of additional power supply needs which may occur under reasonable expanding conditions. TVA, on the other hand, expects assurances respecting the increased use of power so that it in turn could justify its request for expanding its generating facilities.

SEC. 5. Schedule of rates: Attached hereto and hereby made a part hereof is a "Schedule of rates and charges" wherein municipality is referred to as distributor. Municipality shall pay for the power and energy supplied by Authority at the rates fixed in wholesale power rate schedule A. All payments shall be made to Authority at its principal office at Wilson Dam, Ala., or at such other place as Authority may from time to time designate.

The payments to be made hereunder shall be made solely and exclusively from the revenues of municipality's electric system and shall not be a charge upon municipality's general funds.

It is clear from the last paragraph of this section that the municipality has "tied its own hands" with respect to the discretionary use of municipality's general funds.

Here is further evidence that a contract with TVA means submission to detailed dictation concerning the handling of municipal funds:

7. Disposition of revenues: Municipality agrees to dispose of its gross revenues from electric operations in the following manner:

(a) Revenues shall first be used for the payment of all current operating expenses, including salaries, wages, cost of materials and supplies, power at wholesale, and insurance.

(b) From remaining revenues municipality shall next currently provide for the payment at maturity of interest accrued on all system indebtedness, and for amortization charges and/or sinking fund payments thereon.

(c) Thereafter, revenues shall be used currently to set up reasonable reserves for replacements, new construction, and contingencies, and to provide a reasonable amount of cash working capital.

(d) From remaining revenues municipality may thereafter pay into its general fund a return on its investment, as provided in the financial and accounting policy in the schedule of terms and conditions attached hereto.

(f) All remaining revenues shall be considered surplus revenues and shall serve as a basis for the reduction or elimination of surcharges to consumers, and thereafter for the reduction of rates; *Provided, however,* That municipality may, subject to the consent of Authority, devote part or all of such surplus revenues to the purchase or retirement of system indebtedness prior to maturity. Surplus revenues shall be computed as of June 30 of each year.

This section, likewise, demands close adherence to TVA's pattern of municipal fiscal operations.

Section 11 contains the following, which probably best sums up TVA's dominant position:

In accordance with these principles, which are mutually recognized as of the essence of this agreement, municipality agrees to operate its electric system and to maintain its financial accounts and affairs in full and strict accordance with the provisions of this power contract.

Further in connection with this, municipality also agrees from time to time to supply TVA with any information it may "reasonably request," including an annual report in such form as may be requested, to be submitted to TVA by September 1 of each year covering the transactions of the electric department for the preceding year ending June 30 and of the assets and liabilities of its electric department as of June 30.

Attached to and made a part of the typical power contract is itemized a Schedule of Terms and Conditions under 26 headings. This schedule, in addition to defining many of the technical terms, also sets up in more detail the practices to be followed in operating the municipal electric system according to TVA standards.

We are presently confronted with the problem of constructing a new steam plant because of this "sole-supplier" contract. The city of Memphis is perfectly solvent, perfectly able to build its own steam plants. For that purpose it could issue most attractive tax-exempt bonds. But in so doing it would act in violation of its contract with the TVA. And here we are confronted with a dilemma. We might as well face it now while there is still time.

The dilemma is whether the United States Government is committed in perpetuity to supply a certain area of the Nation with electric power the income of which is virtually untaxed and the capital investment of which pays no interest—although the Federal Government is finding difficulty in financing its own credit at 3¼ percent.

This is a question that every Member of Congress must answer to his constituents. He must tell the people back home that he voted for or against giveaway electric power to the people of other communities while their local power companies are forced by law to pay taxes, interest, and other normal free enterprise charges that are the cost of business.

There has been some talk of selling to a free enterprise corporation the power facilities of the TVA. Such a concept is an ideal but hardly practical. Interest-paying, taxpaying corporations just do not buy white elephants. It is entirely possible that the TVA is in Federal possession for all time to come.

It does not follow, therefore, that this Authority has a commitment from the taxpayers of your town and my town in perpetuity for further growth and expansion. I say let the people of Tennessee build their own additional power generating facilities.

It is the party line of the opposition to call this a giveaway Congress. And yet the opposition is attempting here to commit the Treasury to give away millions now and billions eventually.

Their giveaway story seems a bit inappropriate here.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Alabama.

Mr. JONES of Alabama. I know the consistency of my friend from Michigan in following a course of economy. Now let me pose this question to him: The gentleman said that TVA ran the private utilities out of that country.

Mr. DONDERO. Oh, I did not say that. I said you bought them out.

Mr. JONES of Alabama. Yes.

Mr. DONDERO. Which was another way of getting them out.

Mr. JONES of Alabama. It is not because TVA was there but because of a referendum of the people in which they voted and expressed themselves to acquire power from the Tennessee Valley Authority. TVA of itself is not the instrumentality by which we acquire the right to use TVA power. It is the local expression of the people themselves.

Mr. DONDERO. However, TVA does not permit its customers to buy power from other sources.

Mr. JONES of Alabama. There is not a utility in the United States that does not have similar terms and conditions in its contract. Neither the Edison Electric Co. nor the TVA could make an investment of millions and millions of dollars and have the will of the people violate that contract at their pleasure.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. ABERNETHY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am one of those democratic Members of the House who, I think, can truthfully say that in my 11 years of service I have been reasonably nonpartisan and have approached at least 90 percent of the issues in a nonpartisan manner. I concede that there are times when I have been political. In this instance my remarks will be addressed primarily to my Republican colleagues. I shall not do so in a partisan manner or in an attempt to tell my Republican colleagues how they should vote on the pending issues. I simply wish to remind them of some things which were done and said last fall and then they may let their own consciences be their guide. As I address my remarks to my Republican friends I desire to have you take note of the fact that I am using your microphone as it would seem more appropriate, considering what I shall have to say.

We have been reminded several times this year that we had an election last fall. You on the Republican side have taken great delight in reminding the Democrats of such. Now, may I remind you of some things that were said and done during the campaign which contributed to the success of your ticket.

I hold in my hand the front page of the October 15, 1952 edition of the Memphis Press-Scimitar, a newspaper published in Memphis, Tenn., the largest city in the TVA area, and one of the largest and most progressive cities in America. It has a heavy vote which was constantly wooed by the Republican candidates. On this front page you see the picture of a big four-motored Eastern airliner which had just arrived at the Memphis airport with Ike aboard. This was made only an hour or so before he was to speak in historic DeSoto Park, near the Mississippi River front. The very first headline that appears under this picture is as follows: "TVA 'Looks O. K.' to Ike." This was intended to catch the eye of the

people of this great city and section of the South and to assure them that above all things TVA would be safe and sound in his hands. The first paragraph of the news story simply announced that Ike arrived, then there immediately followed the soundoff on TVA.

Now, quoting from the second paragraph we find the following:

Ike told this reporter, who asked about his stand on the Tennessee Valley Authority: "It looks O. K. to me."

A short time after Ike made that statement he made an important campaign speech in DeSoto Park and devoted most of his time to the two things which that section is mostly interested in, agriculture and TVA. Now let us see what he said about TVA, and I quote:

This region is deeply interested in the TVA, and in the part it has played in the improvement of agriculture and commerce in this area. TVA has served rural areas well and has created many new industries in this section. It has helped conserve natural resources, control floods.

Now, listen:

Certainly there would be no disposition on my part to impair the effective work of TVA.

The campaign went on for a couple of weeks and the Republican leadership of Tennessee as well as some of the Democrats who were supporting Ike suspected they had a chance to carry Tennessee into the Republican column. But they were not absolutely satisfied that Ike's speech on TVA would get the required votes. So the editors of the Memphis Press-Scimitar and the Knoxville News-Sentinel decided to send Ike a wire. They received a prompt response from Ike and published it along with their own wire on the front pages of their afternoon editions of November 3, 1952, less than 24 hours before the sun rose the next morning on election day. They naturally hoped that with this eleventh hour promise and solemn commitment on the part of their candidate, they would carry the State of Tennessee. They had every right to depend on Ike's solemn promise and since he was their candidate and they were trying to get all the votes for him they could I do not blame them for publishing his reply. Now, what did they say when they wired Ike, who was not then President Eisenhower but Candidate Eisenhower?

Let us read the messages and I quote:

DWIGHT D. EISENHOWER,
Care of Gov. Sherman Adams, Commodore Hotel, New York, N. Y.:

We editors of the two evening Scripps-Howard newspapers in Tennessee believe it is necessary that you issue a much stronger statement than you have in support of TVA.

You have an excellent chance to carry Tennessee and other Southern States. But TVA means much to these States and there is honest concern in the minds of the people as to how TVA would fare under a Republican administration.

It is unfortunate that these editors and others from that section could not have been here yesterday and today to witness the treatment which TVA is being accorded by Republican Members of the House. These editors did not know the half of it when they included that statement in their wire to Ike.

We ourselves as editors have no such concern. We are aware that the bulk of your party by their votes in Congress have shown that TVA is safe under a Republican administration.

I wonder; I wonder; I wonder. But let us go on.

We are also militant supporters of your candidacy. We think your election will be good for the South.

Again, I wonder.

We think it would be tragic if there was any misunderstanding to keep supporters of TVA, which is everybody in this part of the country, from also being supporters of Dwight D. Eisenhower.

Therefore, we urge that you make another statement, not only declaring a friendly attitude toward TVA, but a warm appreciation of what it has done and will be able to continue to do in the future, so that all would realize what we realize—that TVA will continue to prosper, and with it the people it serves, under your administration.

(By unanimous consent, Mr. ABERNETHY was allowed to proceed for 5 additional minutes.)

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield.

Mr. PHILLIPS. I just want to ask briefly: Did General Eisenhower say anything about giving something to Memphis that they could not get for themselves?

Mr. ABERNETHY. No, he just said he was going to give something to TVA, that is, such as it was entitled to—growth, progress, and all it needed to operate at maximum efficiency. There was no misunderstanding about what he would do. At least, then.

Mr. PHILLIPS. Did he say anything about giving $17 billion?

Mr. ABERNETHY. No, I will read what he said. If the gentleman will just give me time, I will read what he said. I cannot yield further, Mr. Chairman. I am sorry. I do not want to be discourteous, honestly I do not, please permit me to continue reading—I have quite a bit to read and say.

Mr. BAKER. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. Well, I am compelled to yield to my friend and distinguished colleague from Knoxville.

Mr. BAKER. Does the gentleman yield at this time?

Mr. ABERNETHY. Yes, I am duty-bound to yield, but I wish the gentleman would be brief as my time is so limited and I have so many things I wish to say, particularly with regard to what Ike said when he was a candidate.

Mr. BAKER. Do you not think in all fairness to this Congress that we in the TVA area should say to this committee that you have given us good treatment in comparison with the way other items have been cut in this economy move? They could have cut out John Sevier and Kingston steam plants. Do you not think we have had good treatment?

Mr. ABERNETHY. That is what I am coming to. I am coming to the treatment of the entire needs of TVA. May I have your further attention now, please, because these promises of your candidate regarding TVA get more interesting as we go along.

Candidate Ike then replied as follows:

NEW YORK, N. Y.

EDWARD J. MEEMAN,
Editor, Memphis Press-Scimitar:

Thank you for your telegram. Let me reiterate what I tried to make clear in my address at Memphis and Knoxville, that TVA has served well both agricultural and industrial interests of this region. Rumors are being maliciously spread in TVA areas that I propose not only to decrease the efficiency of the operation but to abandon it, which is grossly untrue and utterly false.

If I am elected President, TVA will be operated and maintained at maximum efficiency.

Now those were your candidate's words less than 24 hours before election day. His reply reads further as follows:

I have a keen appreciation of what it has done and what it will be able to continue to do in the future. Under the new administration TVA will continue to serve and promote the prosperity of that great section of the United States.

DWIGHT D. EISENHOWER.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. Mr. Chairman, I regret I must decline to yield at this time.

Mr. GAVIN. We have not objected to the gentleman getting additional time. Suppose we objected to you getting additional time?

Mr. ABERNETHY. Mr. Chairman, if I have time, I will yield.

It followed that the next day Ike got a tremendous vote in the Tennessee Valley and actually carried the State of Tennessee. Is it not fair to assume that his vote down there very largely was attributable to his commitment on TVA?

Let us assume for the sake of argument only, that this committee has reported the bill in keeping with the pledges of candidate Eisenhower who received the votes of the State of Tennessee. Now, the gentleman from Pennsylvania, my good friend [Mr. GAVIN], a regular of the Republican Party, has most certainly stepped out of bounds and has violated, or attempted to violate, the very thing that his candidate stated to his supporters and would-be supporters, he would not do, and that is, destroy the TVA.

Mr. GAVIN. Mr. Chairman, will the gentleman yield now?

Mr. ABERNETHY. No, Mr. Chairman; I respectfully decline to yield just now.

Mr. GAVIN. Mr. Chairman, the gentleman mentioned my name. He has mentioned my name and the gentleman ought to yield; we have given him plenty of time.

Mr. ABERNETHY. Mr. Chairman, I regret I cannot yield now.

He would cut out the only new units provided for in this bill. He would permit no expansion at all of TVA. He would stagnate its progress and stagnation would mean eventual death. He would deny the TVA the very things which the President himself has recommended it should have.

Mr. Chairman, I would like to remind him of one other thing. He stated that it was a Democratic Congress which put the TVA into effect, and I concede it was.

However, on two occasions prior to that time, Members of the Congress under Republican administrations voted not once but twice to create the Tennessee Valley Authority and it would have become a reality then had it not been vetoed on both occasions by Republican Presidents. When it finally did become a reality under Democratic rule, scores of Republicans joined Democrats in making it so.

Now, Mr. Chairman, I yield to my friend, the gentleman from Pennsylvania.

Mr. GAVIN. I just want to say to the gentleman that in quoting the President as to what he stood for, and I think he still stands for the TVA, I think the TVA has turned in a very creditable performance.

Mr. ABERNETHY. Now I wish to say one more thing.

Mr. GAVIN. If the gentleman will permit me to proceed, we have given him additional time, and we have listened attentively to him. The TVA as far as navigation and flood control and as far as land reclamation and reforestation and natural resources has turned in a creditable job.

Mr. ABERNETHY. The gentleman is agreeing with what I said, but he is just against the TVA generating power.

Mr. GAVIN. I have been here for 10 years.

Mr. ABERNETHY. I have been here for 10 years, too.

Mr. GAVIN. I have never uttered a word about the TVA in 10 years, but when you come along and get into steam powerplants that is a different proposition from flood control and reclamation.

Mr. ABERNETHY. I get the gentleman's point. He would just stagnate TVA, bar its progress and eventually choke it to death insofar as the generation of power is concerned.

Mr. GAVIN. And the President did not make any statement about steam power.

Mr. ABERNETHY. But he did not say he was against it.

Mr. GAVIN. Well, he did not say he was for it, either.

Mr. ABERNETHY. All right; you can call him up and find out.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. What does the gentleman think the people of Tennessee and that area thought he meant?

Mr. ABERNETHY. Of course everybody knows what he meant. It was well understood throughout the Tennessee Valley that Candidate Eisenhower had committed himself to the construction of steam plants. They felt that TVA would be in good hands under him and they had a right to so feel after hearing him speak and reading his last-minute election-eve telegram.

Mr COTTON. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman from New Hampshire.

Mr. COTTON. I should like to ask the gentleman whether or not he thinks this committee in the report we made—he said perhaps he saw the light—does the gentleman think we did treat the Tennessee Valley Authority fairly or not?

Mr. ABERNETHY. I will say this, and I want to be fair. I think you gave it better treatment than I would ordinarily expect from a Republican Congress. I will say that. I am being honest about it.

Mr. COTTON. The gentleman is throwing down the gauntlet, then? Does he want a vote here on a party basis? Is that what the gentleman wants, or not?

Mr. ABERNETHY. Up to now, I have made my speech in opposition to the amendment of the gentleman from Pennsylvania [Mr. GAVIN].

Mr. COTTON. I will say to the gentleman that we leaned over backwards to be fair and to carry out our promises. If the gentleman wants to have a vote on this on a partisan basis, all bets are off.

Mr. ABERNETHY. That is for the gentleman and his colleagues to decide. One other thing, Mr. Chairman, and I am through.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

(By unanimous consent (at the request of Mr. TEAGUE), Mr. ABERNETHY was granted 2 additional minutes.)

Mr. ABERNETHY. I began my talk by saying that it is not often that I get partisan. I have mentioned some things which were done and said during the campaign. They are facts, undisputed facts. On the basis of the solemn commitments made by the Republican candidate for President last year the people of the valley had every right to expect this Congress to continue the operation of the TVA at "maximum efficiency," to quote the exact words of the man who is now our President. If the amendment of the gentleman from Pennsylvania [Mr. GAVIN] is adopted I am sure that President Eisenhower would himself regard it as a violation of his pledge. Ike himself is for steam plants. His own Budget Bureau which is responsible for the so-called Eisenhower budget recommended the construction of two new steam-plant units and they are included in this bill.

Personally, I feel that in order to carry out the pledge which was made in Memphis, Tenn., that the Fulton steam plant should be started this fiscal year and the Cooper amendment should be adopted. I shall support the Cooper amendment and hope you will, too.

In all fairness—and let us be fair with ourselves, forgetting the Democratic and Republican Parties—this Congress has an obligation to TVA. It is fixed by law. The TVA belongs to and constitutes a part of this Government. It is the duty of the Congress to support it. The opposite is to ignore our duty, neglect it, or to put it another way, to choke it to death. I am afraid that is the treatment we are about to receive. If you want to choke it to death in the face of what Ike said down in Memphis, that is your privilege. Those are the only two courses open here today, support it to the extent that it may operate at maximum efficiency as the Republican Party committed itself or violate the commitment and choke it to death.

The CHAIRMAN. The time of the gentleman from Mississippi has again expired.

Mr. BAKER. Mr. Chairman, I rise in opposition to the Gavin amendment.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield to me for a unanimous-consent request, which time will not come out of the time granted the gentleman?

Mr. BAKER. I yield to the gentleman from California.

Mr. PHILLIPS. I suggest, on this noncontroversial measure, that probably another 20 minutes should fix it up, and I so request.

The CHAIRMAN. The gentleman from California asks unanimous consent that debate on this amendment and all amendments thereto close in 20 minutes.

Mr. PHILLIPS. With the last proportionate time being reserved to the committee.

Mr. SUTTON. Reserving the right to object, Mr. Chairman, I notice that there are four additional Members who want to talk on this amendment since your original request. I would suggest the gentleman change his unanimous-consent request to 30 minutes.

Mr. PHILLIPS. Twenty minutes would bring us up to the hour that was originally requested. Does not the gentleman think that this subject was exhausted yesterday? Could we not get the Members to read yesterday's RECORD?

The CHAIRMAN. The gentleman from California has asked unanimous consent that debate on this amendment and all amendments thereto close in 20 minutes. Is there objection?

Mr. MURRAY. Reserving the right to object, Mr. Chairman, would the gentleman from California [Mr. PHILLIPS] make it 30 minutes? There are some of us here from Tennessee who have not had the opportunity to speak on this.

Mr. PHILLIPS. I ask unanimous consent, Mr. Chairman, that all debate on this amendment and all amendments thereto close in 30 minutes, the last 3 minutes being reserved to the committee.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Tennessee [Mr. BAKER] had been recognized before the time limit was fixed.

The gentleman from Tennessee is recognized.

Mr. BAKER. Mr. Chairman, my remarks will be brief, perhaps less than 5 minutes. They will be in no sense partisan. I am very fond of the gentleman from Mississippi, who just preceded me, and I am sure his intentions were good. But this matter is far too serious, certainly to the great seven-State area of the Tennessee Valley, to be treated facetiously, and I do not believe my friend, TOM ABERNETHY, meant it just that way, to throw out campaign promises and say that the Republican Party did not live up to them. I say to you, Mr. Chairman, and I am from Tennessee and the South, that I have supported TVA every time it has been before the House.

I think this subcommittee and this full committee have been fair, honorable, and just.

Everybody I have talked to at home, and the home of TVA is in my district, thank goodness, and I hope it will stay there. This afternoon I am going to make another speech on that subject. I have talked to people, business people, members of labor unions, representatives of industry. When these 2 steam plants, one at Kingston, which is only 10 miles from the atomic plant at Oak Ridge, and John Sevier, which is next door to the great Holston ordnance plant, were left in this bill by this Republican-controlled committee, those people saw that certainly the Republican Party and the Eisenhower administration did not mean to kill and shackle TVA. I am reflecting to you the views of the people I represent.

I am going to read to you a letter dated June 9, 1953, from Sherman Adams, administrative assistant to President Eisenhower. I saw it only this morning. It is on the White House letterhead, Washington, and is addressed to the editor of the Memphis Press-Scimitar, a Scripps-Howard paper:

THE WHITE HOUSE,
Washington, June 9, 1953.

Mr. EDWARD J. MEEMAN,
Editor, Memphis Press-Scimitar.
Memphis, Tenn.

DEAR MR. MEEMAN: Thank you for your letter of May 16, 1953, bringing to our attention the open letter to the President from you and Mr. Loye W. Miller, editor of the Knoxville News-Sentinel, urging the inclusion in the 1954 Tennessee Valley Authority budget of a $30 million appropriation to initiate construction of a steam powerplant at Fulton, Tenn. The letter to the President states that this additional generating capacity is needed for natural growth and for a possible national emergency.

In developing the revised 1954 budget recommendations the need to provide energy to meet the natural load growth of the Tennessee Valley Authority was recognized. The national defense requirements were also carefully considered. Analysis of all available information indicated that continuation of work on some 35 units now under construction, as well as 1 additional unit at Kingston and 1 at John Sevier, would provide for a reasonable growth in powerloads of the area through calendar year 1956, including provision for appropriate operating reserves.

In view of the overall budget situation confronting this administration it was not possible at this time to include funds in the Tennessee Valley Authority budget for all possible contingencies which might occur in future years.

The estimates of power needs in the Tennessee Valley Authority area which may reasonably be expected to develop during the period from 1954 to 1956 and beyond will again be reviewed in connection with budget estimates for the fiscal year 1955 in order that action appropriate to the circumstances at that time may be taken.

Sincerely,

SHERMAN ADAMS.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

(By unanimous consent, the time allotted Mr. SUTTON was yielded to Mr. BAKER.)

(By unanimous consent, the time allotted Mr. JONES of Alabama was yielded to Mr. BAKER.)

Mr. BAKER. Mr. Chairman, I am sure that most of the Members have read the committee report, but here are the figures so that all of you will have them fully in mind: Roughly, $174,600,000 is for continuing work on 34 generating units already under way. There was $47,800,000 for beginning construction of new facilities in the Truman budget, but this was revised by the Eisenhower budget to include approximately $143,600,000 for continuing work on the 34 existing generating units and approximately $17,800,000 to start new facilities.

If and when it is proven to the satisfaction of the present administration that the Fulton steam plant is needed, I believe what is stated in this letter will certainly be carried into effect. It might come next year, and I sincerely hope it will. The information furnished to me is to the effect it is needed now. But many things are needed in this country that we cannot always provide at the patricular moment. However, to stop completion of these two other steam plants in east Tennessee would be tragic, which would be the effect of the amendment offered by the gentleman from Pennsylvania. The Kingston plant is only 10 miles from the great war plants of the atom bomb at Oak Ridge. All of that power goes to Oak Ridge, plus power which comes from the Corps of Engineers. There are 8 units now and 1 unit is required to complete it. The funds for that one unit are in this bill today. There will be no more funds for that plant and the other plant in the district represented by the gentleman from Tennessee [Mr. REECE] is one unit only. We do urge that that be done.

Mr. GOLDEN. Mr. Chairman, will the gentleman yield?

Mr. BAKER. I yield to the gentleman from Kentucky.

Mr. GOLDEN. I would like to remark that in my district in Kentucky we have a great hydroelectric power plant built by the Government on the Cumberland River, at what is ordinarily called the Wolf Creek Dam, and all of that power is going into Tennessee to help operate the bomb plant. In addition to that, in my hometown in Pineville, the Kentucky utilities steam plant, operated by private industry, has a special line built into the bomb plant across the Tennessee line to supply power for the necessary development of the atom bomb. If we were to adopt the amendment offered by the gentleman from Pennsylvania, it would certainly be tragic, not only for the Tennessee Valley but for all the Nation.

Mr. BAKER. That is correct.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. BAKER. I yield to the gentleman from Tennessee.

Mr. COOPER. In line with the observation made by the distinguished gentleman from Kentucky, I am sure my colleague from Tennessee will recall that from the best information available it appears that by 1955 all of the hydroelectric power of the TVA system will be required for the Atomic Energy Commission.

Mr. BAKER. There is no question about that.

May I just add one fact along that line and then I am through: The TVA is now supplying the Atomic Energy Commission over three times as much power in Oak Ridge alone as it did during the latter part of World War II. By the end of next year the Oak Ridge requirement from TVA will be nearly 8 times as great as at the end of World War II, to wit, 1,700,000 kilowatt-hours. So these two units are for national defense and national security.

Mr. JONES of Alabama. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. JONES of Alabama. Mr. Chairman, the TVA has established a magnificent record in providing for the power needs of the Tennessee Valley region. Since 1933, it has multiplied production of energy by 20 times to meet the growing use of power by the homes, farms, stores, and factories of this section of our Nation. It has made possible the electrification of over 90 percent of the farms compared with the less than 3 percent which had electricity 20 years ago. It has supplied very large quantities of electricity to establishments producing vital materials for the defense of the Nation—aluminum, chemicals, and ferroalloys to mention a few. It has furnished a fantastic amount of energy to the atomic-energy plant at Oak Ridge and this is to be almost tripled in meeting the expanded requirements of AEC both at Oak Ridge and Paducah.

This phase of TVA's regional responsibility has been carried out in an efficient and businesslike basis. The sale of the power has brought in sufficient revenues to cover its operating costs, depreciation of its plant, and in lieu tax payments to local governments. In addition, the revenues have been sufficient to earn a return of 4⅓ percent on the investment in the generation and transmission facilities, which are the only part of this power system owned by TVA.

In the face of this record of performance what does the present administration recommend for meeting the future power needs of the Tennessee Valley region? Please remember that any power-supplying agency, whether it is public or privately owned, is a natural monopoly in the area it serves. In this case TVA is the sole source of power supply to over 5 million people. Since use of electricity enters into almost everything one does, these people are relying upon TVA to take the necessary steps to provide the facilities in anticipation of their increased needs for electricity in 1956 as they add appliances in their homes and power-using equipment on their farms and in their factories.

TVA has a grave responsibility to these people whose future economic progress depends upon an adequate power supply. The TVA, upon whom this responsibility rests, determined that, in order to meet those needs in 1956, work should begin this year on the installation of four new steam units with a total capacity of

810,000 kilowatts. Do we find such a recommendation before us today? No. The committee has reported a bill which would start less than half that capacity in two units. We are told that TVA's views which are based on a long record of experience with the Tennessee Valley are to be ignored and other judgments are to be substituted. And you may ask whose judgments are considered superior to the men in TVA who are intimately familiar with the need and who have a responsibility for being right. We are led to believe that the minions of the private power companies are to be relied upon. Of course, if their advice is followed, the consequences of having too little power will be borne by the people of the Tennessee Valley and elsewhere TVA will be charged with failure as a power supplier. Following the advice of these power company people is not much different from following Moscow's advice on the size of our Army.

We are told that if the committee's recommendation on capacity turns out to be low, TVA can secure the power it needs from neighboring private systems. What we have seen thus far is an effort to delude us into believing that such a course is available. But what are the facts? Mr. Wilson of the Mississippi Power & Light Co. indicated that his system would have to begin promptly to add new capacity if his company were to supply TVA with firm power in 1956. Not only that, he asks TVA to commit itself now and at the same time he is unwilling to tell TVA what he would charge for the power. We can only assume that he is stalling since a price quotation would make it crystal clear that it would be more economical to the Government to build its own plant at Fulton. This is an obvious trick to delude the uninformed into believing that such an alternative is practical.

If this Congress is to act responsibly on this matter which is so important to the region and to the Nation, we should not follow the will-o'-the-wisp suggestion of those who would destroy the TVA. We should rely upon the carefully developed recommendations of the TVA. We and the Nation are holding TVA accountable for a high standard of performance in supplying the power on a financially sound basis. They cannot be held accountable if the recommendations of the enemies of TVA are to be controlling.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. MURRAY].

Mr. MURRAY. Mr. Chairman, I rise in opposition to the substitute amendment offered by the gentleman from Pennsylvania [Mr. GAVIN] and in support of the amendment offered by my colleague the gentleman from Tennessee [Mr. COOPER] in favor of an appropriation of $30 million for the Fulton plant.

At the outset I wish to express my appreciation to the Committee on Appropriations and especially to the members of the subcommittee on this appropriation bill for their consideration. I appreciate what they have done for the Tennessee Valley Authority in the way of appropriations, and I am grateful for their kind consideration, but I wish they had done just a little more for TVA. I know that there are no finer gentlemen in the House than the members of the subcommittee who considered this appropriation bill, and they were most considerate in listening to the pleas of friends of TVA for adequate and sufficient funds for the TVA. They allowed us to have our day in court. They heard all the witnesses in behalf of TVA that asked to be heard, but I wish they had gone a little further in helping TVA. However, I do appreciate what they have already done for us. I wish they had gone just one step further and included $30 million for the Fulton steam plant and $2,300,000 for the resources development program, which is one of the finest and most beneficial programs of the TVA. I am very grateful they did not use the meat ax on TVA.

Mr. Chairman, I am sure that the Members will not go along with the gentleman from Pennsylvania [Mr. GAVIN] in his amendment. I am confident that they will support the President and the Director of the Bureau of the Budget and the Appropriations Committee who propose that TVA be given sufficient appropriations to build two additional steam units at the John Sevier plant and the Kingston plant. Certainly, you are not going to fail to back up your Committee on Appropriations in that respect.

Now, I appeal to you to go one step further and give TVA an additional $30 million as provided by the amendment offered by my good friend the gentleman from Tennessee [Mr. COOPER], which would authorize the construction of a new steam plant at Fulton, which is so badly needed, because in 1956, in the fall of that year, we will face a serious shortage in the Tennessee Valley region unless we can begin the construction of the Fulton plant this year.

It is estimated that in the fall of 1956 there will be a power shortage of 165,000 kilowatts in the valley unless Congress makes an appropriation this year for the construction of the proposed steam plant at Fulton in west Tennessee. There will be a period of 3 years from the time construction is begun on this plant until it can start the generation of power. The construction of the Fulton plant is a good, sound investment for the Federal Government as the United States Treasury will get back every penny of the money appropriated for building the plant. The people of the TVA Valley are not asking for any special grant or favor from the Federal Government in building this plant but are merely requesting our Government to advance the money for the construction of its own plant and in return the Federal Treasury will get every dollar paid back from the power revenues of the plant.

There has been a tremendous increase throughout the United States in the demand for electric power due to population growth, rapid strides in rural electrification, industrial expansion, and wide use of various electric appliances in the homes and public buildings.

The TVA is only asking for additional electric power to meet the growing needs of the region. No special favor is requested by the Cooper amendment as TVA must repay to the Federal Government all of the money that has been appropriated for its power facilities within a period of 40 years with at least one-fourth of the amount being paid every 10 years. Thus far the TVA has paid back into the Federal Treasury over $66 million from its power revenues. Today TVA is ahead of its repayment schedule. All of the money appropriated to TVA for power facilities will be paid back in full and, of course, the Federal Government owns all of the property and assets of the TVA corporation.

TVA has a natural power monopoly in the TVA valley and the people there have no other source of electric power, which is just as essential to the life and well-being of our region as blood supply is to the human body. The municipalities and the REA cooperatives in the valley have no other place to go for electric power except TVA, which has contracted with them to furnish adequate and sufficient power to meet their needs. I sincerely hope that Congress will not bring about a serious power shortage in the TVA region by reducing TVA appropriations each year. Unfortunately there are some greedy private-power lobbyists who would not only like to cripple but would absolutely destroy TVA. The operations of the TVA have helped financially other sections of our country as it has bought over $665 million in equipment from other areas of the country outside of the South. The people of the valley have purchased $1 billion worth of various kinds of electrical appliances which were manufactured in the North, East, and West. TVA is the only source of electric power for 6½ million people in an area of 80,000 square miles. I appeal to the Members to vote down the amendment of the gentleman from Pennsylvania [Mr. GAVIN], which would eliminate funds for the construction of the two additional units at John Sevier and Kingston steam plants, which have been recommended by our President and the Bureau of the Budget, as well as our Appropriations Committee, and I do hope that the Members will vote favorably for the amendment offered by the gentleman from Tennessee [Mr. COOPER], which provides for an appropriation of $30 million for the construction of two units at the proposed Fulton steam plant in west Tennessee.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. PRIEST].

(By unanimous consent, Mr. BAILEY yielded the time allotted to him to Mr. PRIEST.)

Mr. PRIEST. Mr. Chairman, I think this matter has been rather adequately debated yesterday and today. I rise at this time to support very strongly the amendment of our colleague, the dean of our delegation, the gentleman from Tennessee [Mr. COOPER], and to oppose with equal fervor the amendment offered by the gentleman from Pennsylvania [Mr. GAVIN].

A great deal was said on the floor yesterday and today about power needs across the country. I hold in my hand a copy of today's Wall Street Journal. One of the leading articles, appearing

in column 8 on page 1, carries this headline: "Electric Utilities Chart 4-Year 50 Percent Boost in Generating Ability."

The subhead is: "End-of-1956 Capacity Will Be 2½ Times the Close-of-the-War Level—Appliances' Appetite Grows."

The first paragraph of this news story under a New York date line is as follows:

If you're worried about the business outlook, just talk to a few electric utility executives and let some of their optimism rub off on you.

I want to read just two other paragraphs from this story because I believe they are very significant, as they affect not only the amendment offered by the gentleman from Tennessee [Mr. COOPER] but the other amendment as well.

The country's power systems plan this year to install nearly 14 million kilowatts of generating capability at a cost of around $4 billion, according to the latest survey by the Edison Electric Institute. That would boost national capacity by over 17 percent.

I now skip down to this paragraph:

The four companies which make up the big Southern Co. system—Alabama, Georgia, Gulf and Mississippi Power companies—plan to spend $100 million this year for generating equipment and powerlines. That outlay will increase the system's capacity nearly 20 percent. "The companies anticipate greatly increased sales as a result of new customers and of increased requirements from existing ones," explains W. D. Ketchum, vice president of the system's service adjunct, Southern Services, Inc.

Mr. Chairman, I felt it important that we get this matter in perspective here. According to this story in the Wall Street Journal, the private utilities are planning a 50-percent boost in capacity over a 4-year program. Certainly I am grateful to the appropriations subcommittee and the full committee for the inclusion of the two units that are in the bill. If private utilities on a nationwide basis see the need of a 50-percent increase then how can anyone logically oppose expansion of the utility which Congress has told to serve the TVA area?

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. PRIEST. I yield to the gentleman from Tennessee.

Mr. EVINS. In view of the fact that the so-called Eisenhower revised budget represents a cut of more than $65 million from the Truman budget for the power program, does not the gentleman feel that the Cooper amendment should be adopted?

Mr. PRIEST. I certainly feel that the Cooper amendment should be adopted, and that the amendment offered by the gentleman from Pennsylvania to strike out funds for the two units in east Tennessee, at Kingston and John Sevier, should be overwhelmingly defeated. I feel very strongly that there can be no sound basis for reducing this appropriation as proposed in the Gavin amendment, and I do not believe the House will approve his amendment.

I want to mention one matter that the gentleman from North Carolina [Mr. JONAS] mentioned this morning when he claimed the Fulton plant was an extension of TVA territory. It was emphasized, I believe, by the gentleman from Mississippi [Mr. WHITTEN], that this is not in any sense an expansion of the geographical territory served by the Tennessee Valley Authority. It is the utility for that area. The distribution system at Fulton and all around Fulton now distributes through a municipal distribution system the Tennessee Valley Authority power. So it cannot in any sense be an expansion of territory. It is simply, to repeat again what has been said many times, to enable this Authority to do this job that Congress has told it to do. I hope the Gavin amendment will be defeated and the Cooper amendment will be approved.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. REECE].

Mr. REECE of Tennessee. Mr. Chairman, I shall not take the full time allotted to me. I wish to associate myself with the very splendid remarks of my colleague from the Second Congressional District of Tennessee. Also, I feel that I should compliment the people of the Second Congressional District for sending to Washington such an able and outstanding man as HOWARD BAKER who has gained the esteem and confidence of his colleagues so rapidly and has attained such a high position among them and who works so effectively for the interests of his State and district. I listened to his remarks with great interest. He portrayed the picture well and effectively. I also wish to commend the Committee on Appropriations for the objective study it made of the Tennessee Valley Authority, carrying out the objective viewpoint of this administration. None of us have felt that the people of the Tennessee Valley had anything to be concerned about so far as this administration is concerned. Everybody is interested in doing the right thing at the right time, and I have confidence that that kind of program will be carried out by this administration and by this committee under the direction of the able subcommittee chairman, the gentleman from California [Mr. PHILLIPS] and his associates.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. JONAS].

(By unanimous consent, the time allotted to Mr. WILSON of California was granted to Mr. JONAS of North Carolina.)

Mr. JONAS of North Carolina. Mr. Chairman, I apologize for speaking twice today on this bill, but I do so in order to express my own personal views about the proposed steam plant at Fulton, Tenn. I would not have my distinguished friend from that district, Mr. COOPER, think there is anything personal in this. Goodness knows I have nothing against the people of Memphis, Tenn., or that area, but I have studied the basic act and I have carefully considered the testimony of the Tennessee Valley Authority officials when they came before our committee. I made a sincere and conscientious effort to try to justify in some way the expenditure of $30 million this year to build a steam plant at Fulton, Tenn., knowing as I do that this involves an ultimate expenditure of $90 million before the plant is completed. Let me tell you why I had my original misgivings about our authority to do that and whether it would be a wise thing to do. Let me read to you from the original TVA act. Here is what the Tennessee Valley Authority was authorized to do:

Shall have power to acquire real estate for the construction of dams, reservoirs, transmission lines, power houses, and other structures and navigation projects at any point—

Where?—

along the Tennessee River.

Where else?—

or any of its tributaries.

Mr. Chairman, Fulton, Tenn., is not on the Tennessee River. It is on the banks of the Mississippi River, 100 miles west of the Tennessee River.

It is not on any tributary of the Tennessee River. I hold in my hand a display for the members of the Committee. It is a front page from the National Tennesseean of Sunday, May 17, 1953. I call attention to the fact that this newspaper, which is one of the proponents of the expansion of TVA activities, has depicted here in color the entire Tennessee Valley area. Let me point out to the members of the Committee where Fulton, Tenn., is. As shown on this map, it is right here on the banks of the Mississippi River. The Tennessee River is about 100 miles east of Fulton and the map shows that all streams in this area are tributary to the Mississippi, instead of the Tennessee.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. JONAS of North Carolina. I yield to my friend, the distinguished gentleman from Tennessee.

Mr. COOPER. I just want to invite the gentleman's attention to the fact that all of the area that he mentions is served by TVA. It is the only source of power they have.

Mr. JONAS of North Carolina. May I correct the gentleman? There was testimony before our committee to the contrary. The testimony indicated that right at Memphis there is a private utility which connects with TVA from the South and other connections that TVA makes with a private utility from Arkansas. The TVA and the private utility in Arkansas jointly own or control a power crossing of the Mississippi River right at Memphis. Is that correct?

Mr. COOPER. That is an interchange system. Those two utilities, to which the gentleman refers, are not able to furnish the required power that is needed in this area where the Fulton steam plant is recommended to be constructed.

Mr. JONAS of North Carolina. May I correct that? The subcommittee received, dated June 12, 1953, a letter from one of those private utilities—I do not now recall the name of it—making a

definite and specific offer to supply TVA with its power requirements in the Tennessee area. At what price? At a price to be fixed by the Federal Power Commission. It is just not according to the facts as they were established in our subcommittee, and I am anxious to be corrected if I am wrong, that there is no other source of power in the Memphis area except TVA power.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. YOUNGER].

Mr. YOUNGER. Mr. Chairman, I do not want to add anything or take the time to enter into this all-American interstate debate. I have had some correspondence with Mr. Ken G. Whitaker, a member of the information committee of the Tennessee Valley Public Power Association.

There has been quite a bit said about the taxes paid by the Tennessee Valley Authority to the local communities. This information that I want to give you was furnished by the information committee of the Tennessee Valley Public Power Association.

In 1937 the various companies that were taken over by the TVA in Tennessee paid $2,799,000 in taxes. In 1951 they paid $5,474,000, or a ratio between 1937 and 1951 of 2 times.

In the United States the public utilities during the same years increased their taxes to local authorities 2.3 percent; in Alabama 1.8 percent; in Georgia 3 percent; in Kentucky 2 percent; in Mississippi 3.7 percent; in North Carolina 2.3 percent; and in Virginia 3.4 percent.

As long as there has been so much conversation about the contribution or taxes by the TVA to local authorities, I thought the CONGRESSIONAL RECORD ought to have the facts.

Taxes other than Federal income taxes charged to electric operations, 1937 and 1951

[Thousands of dollars]

	T. V. A. and distributor contractors in Tennessee [1]	Privately owned electric utilities [4]						
		United States	Alabama	Georgia	Kentucky	Mississippi	North Carolina	Virginia
1937	[2] $2,799	$330,427	$3,041	$2,329	$2,168	$980	$6,576	$1,816
1951	[3] $5,474	$327,934	$5,579	$7,094	$4,375	$3,449	$15,091	$6,224
Ratio: 1951 to 1937	2.0	2.3	1.8	3.0	2.0	3.7	2.3	3.4

[1] Source: Tennessee Valley Authority, "Taxes and tax equivalents paid by TVA and power distributors for the 1952 fiscal year," Jan. 9, 1953.
[2] Average property tax levies for last 2 years properties were in private ownership, computed on basis of property held and operated by TVA on June 30, 1951.
[3] Ad valorem taxes and tax equivalents for year ending June 30, 1952.
[4] Source: Annual reports of electric companies to Federal Power Commission. Data for 1937 partially estimated.
[5] Includes State, local, social security, and Federal excise taxes. Ad valorem taxes imposed by State and local bodies not separately compiled.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. GAVIN] is recognized.

Mr. GAVIN. Mr. Chairman, I wish to ask the chairman at this time whether it is not a fact that they are producing now in the Tennessee Valley more power than they are consuming.

Mr. PHILLIPS. Yes; that is correct.

Mr. GAVIN. It is a fact that they are producing more power in the Tennessee Valley than they are actually consuming.

Mr. PHILLIPS. They would have to; any utility would have to.

Mr. GAVIN. We hear statements from our friends here about how tragic it would be for the Tennessee Valley, if my amendment were passed. We hear about how we are shackling the TVA. The fact is we have pumped a billion and a half dollars down in the Tennessee Valley. What do you mean by shackling? What do you mean by tragic?

Mr. PHILLIPS. It is a billion three.

Mr. GAVIN. Well, that is all right; let us be specific, a billion, three. A million is a thousand thousand; and a billion is a thousand million. So we put over thirteen thousand million dollars down in the Tennessee Valley. I cannot understand the statement about shackling and tying. It is my opinion the TVA has been faring quite well at the expense of the American taxpayer.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. GAVIN. I shall be pleased to yield.

Mr. TABER. Did you ever hear of anybody saying anything about TVA paying any interest on the money that it has?

Mr. GAVIN. No; and, what is more, they do not intend to, and remember, too, not alone interest free but tax exempt. I thank the gentleman for his contribution. Now let me return to my good friend, the gentleman from Mississippi [Mr. ABERNETHY], who, a moment ago, so dramatically presented to the Committee what President Eisenhower said—I wonder what my good friend from Mississippi was saying about President Eisenhower in the last campaign? It would be interesting to see some of his remarks about President Eisenhower before his election.

So, do not be intimidated by the gentleman from Mississippi about what President Eisenhower said. I am quite certain that in none of President Eisenhower's speeches did he state anything about tax-exempt steam powerplants down in the Tennessee Valley, because I am firmly convinced that that is contrary to President Eisenhower's philosophy of government.

Mr. PRIEST. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I have only 2½ minutes. My time is limited.

Mr. PRIEST. The gentleman will not yield?

Mr. GAVIN. Yes; I will have to yield to my good and able friend from Tennessee, whom I greatly admire, a gentleman who by his work in the Congress has won the respect and admiration of the Members on both sides of the aisle.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. GAVIN. I was just getting under way.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. PHILLIPS] for 3 minutes to close the debate.

Mr. PHILLIPS. Mr. Chairman, the real issue before us is whether or not the TVA, after the committee's suggestion of removing 2 powerplants that were to be the start of a whole new powerplant development, the building of 2 units to complete powerplants already started, whether under those conditions as expressed in our bill there will be power enough—that is whether there will be facilities enough to supply all the power needed in the next year.

Rather than refer to some newspaper in which somebody said something or did not say something, I will take a strictly nonpartisan reference.

The Office of Defense Mobilization, the Federal Power Commission, the Munitions Board, and the Defense Electric Power Administration are the authorities. I call these as my witnesses, Mr. Chairman, to indicate that after taking out these two plants we are talking about there will still be more power than the TVA, which has consistently overestimated its needs, needs in the next fiscal year. It runs as high, Mr. Chairman, as over a million kilowatts more than in the next few years than it will use. So when the proper time comes I will insert in the RECORD one of the least of these estimates, which is that of the Federal Power Commission.

Indicative of the general overestimating by TVA, are the following figures from the Federal Power Commission. It is understood that the TVA-estimated loads shown were made approximately 1 year prior to actual load shown for corresponding year. The figures are megawatts.

[In thousands of watts]

Year	TVA estimated load	Actual load	Excess of estimated over actual
1941	1,550	1,111	439
1942	1,600	1,384	316
1943	1,775	1,540	235
1944	1,850	1,579	271
1945	1,600	1,430	270
1946	1,690	1,991	−301
1947	2,085	2,053	32
1948	2,270	2,364	−94
1949	2,700	2,336	364
1950	2,950	3,008	−58
1951	4,000	3,677	323
1952	4,900	4,121	779

The estimates from 1952 to 1956 are in another table.

Year	Estimated loads		Margin of capability above loads			
			Based on—		Based on—	
	DEPA [1]	TVA	DEPA load estimate	TVA load estimate	DEPA load estimate	TVA load estimate
			Under Truman fiscal year 1954 budget		Under revised fiscal year 1954 budget	
1952	4,430	[2]4,121	−48	271	Same	
1953	5,452	5,450	463	465	Same	
1954	7,406	7,900	558	64	Same	
1955	8,194	8,900	1,802	1,097	1,716	1,010
1956	8,654	9,600	2,337	1,391	1,857	891

[1] DEPA states that the load estimates shown, made in March 1953, have been concurred in by representatives of the following agencies: Office of Defense Mobilization, Federal Power Commission, Munitions Board, and Defense Electric Power Administration.
[2] Actual.

The committee, Mr. Chairman, taking the recommendations of the Bureau of the Budget, thought if we had gone back we might have stopped the two, the John Sevier unit and the Kingston unit, or some of us did, but this is the completion of a power program that Congress had authorized. If we could turn the clock back, I would vote against all four units. In the case of the Fulton plant, that is a new powerplant 100 miles or more from the central area of the TVA. So it was the recommendation of the subcommittee that we should leave in, Mr. Chairman, the 2 units for John Sevier and for Kingston, and that we should not approve, that we should leave out, the 2 units for the new plant, the Fulton plant at Memphis. There has been nothing brought before the subcommittee since that time which has caused us to change our minds.

Each Member will vote as he pleases upon this amendment. I shall vote against both of the amendments that are pending at this time.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from New York.

Mr. TABER. The report says there is included in the bill $17,800,000 to start construction on two new units. I did not understand that these units had been started at all.

Mr. PHILLIPS. The plants have been started. The units are to add to the plants already under construction to produce the power needed.

The CHAIRMAN. All time has expired. The question is on the substitute amendment offered by the gentleman from Pennsylvania [Mr. GAVIN] to the amendment offered by the gentleman from Tennessee [Mr. COOPER].

The question was taken; and on a division (demanded by Mr. GAVIN) there were—ayes 69, noes 153.

So the substitute amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee [Mr. COOPER].

The question was taken; and on a division (demanded by Mr. SUTTON) there were—ayes 83, noes 154.

So the amendment was rejected.

Mr. ANDREWS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ANDREWS: Page 9, line 15, after the word "travel", strike out all of lines 15 through 22, including the word "further" in line 23.

Mr. ANDREWS. Mr. Chairman, in the original TVA Act of 1933, section 831 (G) of title 16 of the United States Code, subsection (A), reads as follows:

The Corporation—

Meaning TVA—

shall maintain its principal office in the immediate vicinity of Muscle Shoals, Ala.

Mr. Chairman, the language my amendment would strike from the bill prohibits the Board of Directors of TVA from moving their principal administrative offices from Knoxville, Tenn., to Muscle Shoals, Ala. I read you the original act, which stated that the principal office of TVA shall be maintained in the Muscle Shoals vicinity. You know that in law the word "shall" is mandatory.

There are many reasons why the Board of Directors of TVA should be permitted to move those offices from Knoxville to Muscle Shoals. Let me read to you excerpts from a statement made by Mr. John Oliver, General Manager of TVA, to our committee. He was speaking for himself as general manager as well as for the Board of Directors. Under the law, the Board of Directors is charged with the duty of performing the duties of the Corporation. This is what he said:

This is not an abrupt or hastily considered change of residence of members of the Board or the general administrative offices. Fourteen years ago the Board of TVA, after an exhaustive study of all the factors concerned, concluded that it could serve the region best by moving its administrative offices to Muscle Shoals where its legal headquarters are located by act of Congress.

Although the Board's decision to move has never been a secret, the actual date of moving has been postponed repeatedly because of national emergencies which prevented the use of materials necessary to carry out the plan. Those postponements have given the Board many opportunities to review its decision, and each year the evidence piles up that the decision of 14 years ago was a good one and has been too long delayed. Knoxville is not now a suitable location for the Board and central management of TVA.

At Muscle Shoals the Board of TVA will be nearer to the capitals of 3 of the 4 States where TVA's principal activities are concentrated.

I should like to state as emphatically as I can that the Board has only one purpose in this move. It has not been guided by its own convenience or by the convenience of its staff. Its single purpose is to place itself and its administrative staff where they can serve the region best.

We are aware that since the announcement of this move there have been many protests from the commercial and real-estate interests of Knoxville. This is entirely understandable, and we do not complain because they have exercised their right to criticize and protest. But the TVA Board has a job to do, and it is under a heavy obligation to do its job in the most effective way possible. Neither its personal convenience or the pressures of local interests, or even the preference of its employees, can be controlling when sound management dictates that a job can be done better for the region as a whole by working at one place rather than another. The responsibility of the TVA Board for such decisions cannot be delegated to local groups or the local press.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. ANDREWS. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

Mr. PHILLIPS. Mr. Chairman, reserving the right to object, I ask unanimous consent that debate close on the pending amendment, and all amendments thereto, in 20 minutes reserving a proportionate amount of time only for the committee.

Mr. REECE of Tennessee. Mr. Chairman, will the gentleman yield, if it does not come out of the time of the gentleman from Alabama [Mr. ANDREWS]?

Mr. PHILLIPS. Mr. Chairman, I ask unanimous consent that this time not be deducted from the time of the gentleman from Alabama [Mr. ANDREWS].

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. REECE of Tennessee. Mr. Chairman, the gentleman from Alabama [Mr. ANDREWS], sponsor of the amendment, will have consumed 7½ or 8 minutes when he concludes. The other chief party at interest is the gentleman from Tennessee [Mr. BAKER]. I wonder if the gentleman from California would not be agreeable to amending his request to make it applicable after the gentleman from Tennessee has concluded his remarks.

Mr. PHILLIPS. I think that I can yield my time to him, the gentleman from New Hampshire can yield his time, which I believe will satisfy the gentleman from Tennessee.

The CHAIRMAN. The Chair recognizes the gentleman from Alabama [Mr. ANDREWS].

Mr. ANDREWS—

The move will place the Board, with its managerial staff, closer to the places of its work and its future developmental problems.

The key factor responsible for the success of TVA's program operations to date is the fact that TVA's management service employees have kept close touch with the people actually doing the job in the field. The location at Muscle Shoals is better for this purpose than Knoxville.

The move will increase internal operating efficiency.

It will bring together under 1 roof staffs now scattered about in 5 different buildings in Knoxville and 1 in Chattanooga. Communication between staffs will be better, coordination of work made easier.

The Shoals area is well located from the standpoint of TVA's work.

It is a central point on the river; 259 river miles from the mouth, 371 from the head of navigation at Knoxville. As I stated earlier—it is closer to Nashville, the capital of Tennessee, than Knoxville, whether one goes by highway, by rail, or by air. When one travels from Knoxville to Memphis on the Southern Railroad, he passes through Muscle Shoals. It is 34 air miles closer to the geographical center of the State of Tennessee than Knoxville—and as I stated earlier, 125 air miles closer to the center of the TVA power service area.

These figures mean less time spent in getting from headquarters to the jobs in the field; a saving in time means a saving in money and improved performance of the work.

We do not believe the impact on the community life of Knoxville will be as grave as some are now suggesting, nor that the addition of a few hundred persons to the tricities area will prove too great a problem for those communities to handle.

Mr. Chairman, those are the statements of the General Manager of the TVA, speaking for himself and speaking for the Board of Directors. It simply means this: It means that the Board of Directors, the men who are charged by law with the duty of operating the business affairs of the Corporation tell you that they want to make a move from Knoxville to Muscle Shoals. They want to move their administrative offices from Knoxville to Muscle Shoals because of the fact that it will put them in the center of their activities. They can consolidate employees who are now in 5 buildings into 1 building. They can do their job more effectively and more efficiently.

I respectfully ask that you vote for my amendment and make it possible for the directors to make that move.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. BAKER].

(By unanimous consent, Mr. COTTON and Mr. PHILLIPS yielded their time to Mr. BAKER.)

Mr. BAKER. Mr. Chairman, I rise in opposition to the amendment to strike the following language from the bill:

Provided further, That no part of funds available for expenditure by this agency shall be used, directly or indirectly, to acquire a building for use as an administrative office of the Tennessee Valley Authority so long as the amount appropriate annually for the construction of power facilities exceeds the amount deposited annually in the Treasury for repayment of the investment of the Federal Government in the power facilities of the Authority.

I would like to first reply to the remarks of my distinguished colleague the gentleman from Alabama [Mr. RAINS] who severely criticized the Subcommittee on Independent Offices and the full committee for placing this language in the bill and for invading the province of legislative committees.

Under the Tennessee Valley Authority Act of May 18, 1933, whether rightly or wrongly, no legislative committee of the Congress has jurisdiction of TVA. The Appropriations Committee is the only committee of this House which does have jurisdiction to in any way regulate the conduct of the affairs of TVA.

The Tennessee Valley Authority Act authorizes the building of dams, steam plants, and many other things. Section 27 of the act provides:

All appropriations necessary to carry out the provisions of this act are hereby authorized.

However, as broad as the Tennessee Valley Authority Act is, a careful reading discloses that even the 73d Congress reserved unto the Congress of the United States certain powers, rights, and duties with respect to the Tennessee Valley Authority, among these being the requirement that the agency make complete annual reports to the President and to the Congress. The Comptroller General of the United States audits the transactions of the agency. The agency must come to Congress for appropriations and, on page 4, line 11, of the TVA Act appears the following very significant reservation of power in the Congress:

Provided, That any member of said Board may be removed from office at any time by a concurrent resolution of the Senate and the House of Representatives.

I shall discuss other pertinent provisions of the TVA Act if time permits.

On March 12, 1953, representatives of TVA appeared before the subcommittee and outlined in detail TVA's plans, needs, and requirements for the next fiscal year. They did not tell this subcommittee or intimate that 2 days before, on March 10, 1953, the agency, acting through a purported agreement signed by one John I. Snyder, Director, Division of Property and Supply, had undertaken to enter into a contract with one Wallace S. Pitts, Sr., of Montgomery, Ala., purporting to obligate TVA, as was revealed in testimony before this subcommittee, to pay to Pitts over a period of 20 years the sum of $8,835,056 for occupancy on a lease-purchase arrangement of a 7-story office building to contain 120,000 square feet of usable space and to be erected by Pitts at Muscle Shoals, Ala.; nor did they reveal to the subcommittee that they planned to move 500 families out of Knoxville, Tenn., to Muscle Shoals to carry on this headquarters.

A few days later the General Manager of TVA announced in Knoxville that it was moving headquarters to Muscle Shoals. The announcement in part is as follows:

TVA will do everything it can within the limits of its authority and consistent with sound management to help employees get relocated. TVA will work with the Muscle Shoals community to get school, transportation, and other facilities expanded if necessary. Decisions on housing, of course, must be made finally by each individual.

This announcement was almost like the dropping of an atom bomb on the city of Knoxville. I received hundreds of telegrams and letters from TVA employees, civic groups and citizens of Knoxville and east Tennessee protesting this action. Most of these 500 families own their homes in Knoxville. They have been there for 20 years. They have engaged in civic work, community chest work, church work. They do not want to move to Muscle Shoals.

It is perfectly apparent if this action is carried into effect, an acute housing shortage will exist in the little village of Muscle Shoals, which has about the same population as my home town, about 1,500 people.

I even had a letter from a 9-year-old girl saying she did not want to leave her playmates in Knoxville.

On March 23, I dispatched a telegram to Mr. Gordon R. Clapp and the other two directors of TVA from which I quote:

Strongly urge you to reconsider proposed action moving administrative offices TVA from Knoxville to Muscle Shoals. I feel that you will render great service to TVA by reconsidering your recent action.

I received a reply from Mr. Clapp dated April 2, 1953, from which I quote:

This replies, perhaps tardily to your letter urging the TVA Board to reconsider its decision to move to Muscle Shoals. In our view the decision of where the TVA Board hangs its hat within the valley is one the Board is peculiarly fitted to make. • • •

You will understand why we who have a responsibility to this region and not just to Knoxville are becoming more and more concerned about the time-consuming dimensions this detail of TVA housekeeping has become for our major officials. All of us, without exception, are working desperately to persuade those who have decisions to make about our budget that this region needs more capital finance for additional power supply on the TVA system. One would suppose that this would be considered important to the people of Knoxville, but if our officials are much longer diverted over the question of where the TVA Board is going to have its office desks there will be little time for us to be persuasive with anybody about meeting the additional power requirements of Knoxville and other parts of this region.

In almost the words of the late Will Shakespeare, "Upon what meat hath this little Caesar fed to grow so fat?"

There is no logic, no economic justification for moving headquarters to Muscle Shoals, Ala. A mere glance at the map of the gigantic power generating and distribution system shows that nearly all of the industries, the power-generating facilities, the defense plants, and the customers, present and potential, lie to the north, the west, and the east of Muscle Shoals. Persons who might want to consult the Board of Directors or executive officers of TVA from Kentucky, North Carolina, and nearly all parts of the system would have to travel much farther than to Knoxville. In the case of most of the Kentucky customers this additional distance would be between 200 and 300 miles.

For example, 865,000 of TVA's electric customers are in Tennessee; 143,000 in Alabama. There are 14 major TVA dams in Tennessee; 3 in Alabama; 9 steam plants in Tennessee; 3 in Alabama. TVA's income from power in Tennessee is approximately 5 times as much as in Alabama.

I would like to call special attention to a provision of the alleged agreement entered into by Snyder and Pitts. TVA proposes to declare surplus 30½ acres of land located in Colbert County, Ala., on the Wilson Dam Reservation to advertise this land for sale at public sale. Pitts agrees to initially bid $26,000, then if anybody else bids, Pitts will raise the bid up to $60,000, and if he has to pay

anything in excess of $26,000, TVA will reimburse Pitts. This agreement violates the spirit and I contend the letter of all laws pertaining to public advertising.

On May 7, 1953, the Honorable Joseph M. Dodge, Director of the Bureau of the Budget, dispatched the following telegram to Mr. Clapp:

The report of the first independent offices appropriation bill of 1954, on page 21, questions the transfer of the administrative offices of the agency from Knoxville, Tenn., to Muscle Shoals, Ala., and the acquisition of the building to be constructed at Muscle Shoals through a lease purchase contract with the builder and requests that no further action be taken by TVA at this time.

It also states that the matter is being studied by the committee, and the committee proposes to submit a recommendation concerning the matter at the time appropriations for TVA are considered.

Under these circumstances you are instructed to delay any action in this matter in connection with contracts and construction until the subject has been resolved to the satisfaction of the Congress.

If headquarters remain in Knoxville the rent would amount to $4,856,000 in 20 years. The Government would save $4 million. It would cost more than $200,000 to move the agency and personnel to Alabama. I urge that this amendment be defeated.

Mr. REECE of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. BAKER. I yield.

Mr. REECE of Tennessee. The gentleman from Tennessee [Mr. BAKER] referred to the land-purchase contract and a reimbursement above $26,000 should anyone else bid. It would be a violation of law as well as of the duty of the board to make a provision like that, it would seem to me.

Mr. BAKER. There is no question at all in my mind about that. It is absolutely imperative to stop this movement. Why did they not tell the subcommittee what they were going to do? I tell you I do not like it, and the people of our country do not like it. We do not like the way they went about it. I wish I had time to review the whole matter, but my time is up.

The CHAIRMAN. The Chair recognizes the gentleman from Alabama [Mr. JONES].

(Mr. ROBERTS and Mr. ELLIOTT asked and were given permission to yield their time to Mr. JONES of Alabama and to extend their remarks at this point in the RECORD.)

Mr. ROBERTS. Mr. Chairman, the language of the appropriation bill with respect to the headquarters would simply prevent TVA from acquiring a building "as an administrative office." The committee report, however, interprets that language in relation to the recent proposal and states "that no steps should be taken to move the office personnel located in Knoxville to a new location. The phrase in the committee report is, of course, much broader than any previous discussion would prompt. As I understand it, the opposition was to the removal of the Board and general administrative offices. Would it be possible to have it made clear in debate that the committee report is not intended to hold every person now employed in Knoxville, regardless of economy and efficiency?

For example, the bill eliminates funds for resource development. That will release space owned by TVA in Norris and a little in Muscle Shoals. It will release space now rented in Knoxville and Chattanooga. It seems unlikely that the committee would wish to force TVA to continue renting space in Knoxville by preventing the removal of, for example, one of the engineering divisions out to Norris, where TVA-owned space will become available, or to prevent readjustments of space and personnel as between Chattanooga, Muscle Shoals, and Knoxville where space will be released.

In the reorganization which will follow the loss of the resource development program individual employees might be denied promotions and even continued employment if the Board of TVA is not free to make the kind of small changes in station which must be constantly made in an organization the size of TVA.

Mr. ELLIOTT. Mr. Chairman, I rise in support of the Andrews amendment to strike out the proviso in this bill prohibiting the TVA from moving its offices to Muscle Shoals, Ala., as the law provides. I want to reiterate what I said about this matter during yesterday's debate. It is most regrettable that the Congress has seen fit to allow itself to become enmeshed in the corporate functions of TVA to the extent that this bill prohibits TVA from discharging its responsibility under the basic law creating it 20 years ago. That law said the offices of TVA "shall" be at Muscle Shoals, Ala. The Board of Directors has attempted to move those offices to Muscle Shoals. This bill prohibits them from doing so. Our Republican friends have a majority on the subcommittee on independent offices of the House Committee on Appropriations. They have a majority on the full Committee on Appropriations. They have a majority in this House. They can keep this proviso which prohibits TVA from moving its offices to Muscle Shoals in this bill if they desire.

But, Mr. Chairman, I submit that the matter of which political party has a majority of the membership of this House should not determine where the TVA offices will be located.

We can best resolve this question by adopting the amendment striking out the proviso in this bill.

The CHAIRMAN. The gentleman from Alabama [Mr. JONES] is recognized.

Mr. JONES of Alabama. Mr. Chairman, this is not a question between the State of Alabama and the State of Tennessee; this is not a question between Muscle Shoals, Ala., and Knoxville, Tenn.; nor is it a question of the Congressman of the Eighth Congressional District of Alabama against the Congressman of the Third Congressional District of Tennessee; it is a question with which I would like to reason with you for a few minutes.

In the first place, you will recall, as has so often been stated on this floor, that the original act provided that the headquarters of the Tennessee Valley Authority should be located in the vicinity of Muscle Shoals, Ala. Due to the tremendous amount of work required in the upper area of the Tennessee Valley in the early days after TVA's creation it was desirable for TVA's administrative offices to be located at Knoxville for the period when this program of dam construction was carried out in the upper reaches of the tributaries of the river to provide flood control and navigation on the main stem of the river. During that early period the expected move to Muscle Shoals was delayed, and later the extraordinary circumstances of war and the Korean situation prevented the board from carrying out their long-contemplated plan to move to the Muscle Shoals area.

In recent years TVA officials reviewed the situation again, and after a close study and analysis as to how the Board and central management could more effectively, more efficiently, and more economically carry out their activities in the region and save the taxpayers' dollars, they once again determined that it was time for them to move to the Muscle Shoals area, where they could more efficiently serve the entire region. They made an agreement to rent a building to be constructed by private enterprise at Muscle Shoals and over a 20-year period the rental payments would amortize the cost of the new building which would house all of the activities of the general offices which are now dispersed in some 6 or 7 buildings throughout the city of Knoxville, and in Chattanooga.

I wonder why TVA's plan for economy is disregarded by those who have attested their faith in bringing about efficiency and economy in Government? I wonder why they turn their backs upon the earnest pleas of a public official who plans to bring about economy and efficiency in Government? That is the issue here. So I appeal to you this afternoon, in thinking about this matter, not to resolve it on the basis of politics, not to resolve it upon the grounds of geography but to resolve the question on the wisdom, which requires statesmanship, of saving the taxpayers of this country money, and they are entitled to that, and to prevent waste in the use of the Federal money.

My good friend from Tennessee [Mr. BAKER] says that there is no appropriate legislative committee to which questions involving TVA may be referred. However, the gentleman from Tennessee is the author of a bill to accomplish the very same thing that is provided in this bill, which was referred to the Committee on Public Works and has been in that committee for several months. Why can we not let the legislative committee make a complete investigation of the allegations made by the responsible officials of TVA rather than to have the Congress write it in an appropriation bill? This question has not been considered by a legislative committee. The Reorganization Act did not destroy the ability or the availability of a legislative committee to consider this problem.

I hope that the Andrews amendment will prevail and that we will let the decision of the board of directors of TVA remain unimpaired for if we are to assume the responsibility and obligation of determining every decision they make, we will have destroyed its integ-

rity and its usefulness to the people of this country.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. REECE].

Mr. REECE of Tennessee. Mr. Chairman, it is well established that to move the headquarters to Muscle Shoals will cost, over a period of years, some $4 million more than it will to remain at Knoxville. In neither the annual report of the TVA nor in its appearance before the Committee on Appropriations was any reference made to the question of the desire to move to Muscle Shoals, which should have been the case, especially in view of the increased cost for headquarters alone. Then you have an additional cost for housing units for more than 500 families.

Some question has been raised about this being in the heart of the TVA activities. Here is a map that my colleague from North Carolina exhibited to the House a few minutes ago. Here is the Tennessee Valley extending from Muscle Shoals north and northeast. Muscle Shoals is on the extreme southwest corner of the TVA area. There are 14 dams in Tennessee and only 3 in Muscle Shoals. There are 18 plants in Tennessee and only 3 in Muscle Shoals, counting those under construction. There is an investment of $478 million in Tennessee, only $157 million in Alabama. Eight hundred and sixty-five thousand people are served by the TVA in Tennessee and only 143,000 in Alabama. It is on the extreme southwestern periphery of the Tennessee Valley area.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Chairman, I am not affected by this matter but I would like to point out to you what I think is a grave mistake on the part of the Committee on Appropriations. The reason you have the TVA set up as a Government corporation is so that they can have the latitude in operating the agency that you have in any corporation. It so happens that our friends on the left, the Republicans in charge of the committee this year, have 5 votes to 3 on the subcommittee. They have granted power units for the districts represented by our Republican friends, the gentleman from Tennessee [Mr. BAKER] and for the district represented by the gentleman from Tennessee [Mr. REECE], and they will generate more power in that area. On the Memphis end of the district they refuse such new generating plant and will lose lots of power carrying it from Knoxville over there. Not only that, but they have written a provision that you cannot move the offices away from Knoxville, which is not in the center of the district. It does not affect me where it is, but what, if in the next Congress, the Democrats are in control? So, they write a provision that you may move it to Alabama. Then 2 years later, if the Republicans come back, they say move it back to Knoxville. That is an unsound approach for the Congress to start writing into the law where you are going to move the offices of a Government corporation. Now I have gone over the facts and I have listened to the presentation of the facts by my friends from Alabama who have studied this thing closely, and their statement and the statement of the TVA itself is that it is much more economical and it would save money to be in Alabama. But, our friends on the left say that is not true. I am not passing on those facts, but I do say for the Congress to write legislation as to where you switch these offices is uneconomic and will cost you money in the long run. I hope the amendment of the gentleman from Alabama will be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Alabama [Mr. SELDEN].

Mr. SELDEN. Mr. Chairman, I rise in support of the amendment offered by my colleague from Alabama.

After evaluating the testimony given in the committee in favor of this transfer, I am convinced that the transfer of administrative offices from Knoxville to the Muscle Shoals area will be in the best interest of Federal Government economy and at the same time will bring about more efficiency in the operation of TVA.

It is of importance to note that the original TVA Act passed in 1933 provided that the administrative offices of TVA be located in the vicinity of Muscle Shoals, Ala. The law also provides that the affairs of the TVA be administered by a Board of Directors. These provisions are in direct conflict with what the Appropriations Committee is attempting to have done today; that is, the insertion of a provision into an appropriations bill which would, in effect, prohibit the transfer of administrative offices as recommended by the Board of Directors of the TVA.

In accordance with these two provisions of the TVA Act I have just mentioned, the Board of Directors has been contemplating moving its headquarters to the Muscle Shoals area for almost 14 years. Their decision to transfer the headquarters was arrived at after an exhaustive study of all factors concerned, and it was the opinion of the TVA Board 14 years ago that the TVA would serve its area best by moving its administrative offices to Muscle Shoals where its legal headquarters are already located by an act of Congress. After 14 years, this move is still being recommended by the members of the TVA Board. The moving date has been postponed repeatedly, however, because of national emergencies.

This spring the TVA Board of Directors set in motion the machinery necessary to bring about this long-contemplated move. On March 10, 1953, the Board entered into a lease agreement for the building necessary to make a move possible. This lease agreement provided that a building was to be constructed by the lessor at his expense and that the TVA was to lease this building for a period of 20 years at an average rental of $264,178 per year. At the end of this 20-year period, the building was to become the property of the United States Government without further payment. In addition, the Government had the option at any time to buy the building at the base price, less the amount of cost amortized through rent on a 4-percent amortization basis.

This proposed transaction will undoubtedly save the Government money over a 20-year period. I understand the Bureau of the Budget has interposed no objection to the proposed move. On the other hand, the Federal Government has nothing to gain economically by continuing to rent office buildings in Knoxville. In Knoxville and Chattanooga the Government is paying an average yearly rent of $242,000. As long as the TVA headquarters are located in these rented buildings, TVA will continue to pay this rent.

It has been estimated that the proposed building at Muscle Shoals will cost in the vicinity of $5¼ million if paid for on the 20-year lease basis. It is my understanding that this figure includes all costs except maintenance. It must be understood, however, that this amount will not be an initial outlay of $5¼ million by the Federal Government for a building. Leased space in Knoxville and Chattanooga will be given up and space provided at Muscle Shoals. The rent being paid today at Knoxville and Chattanooga that will be saved by moving to Muscle Shoals amounts to approximately $242,000 per year. The building at Muscle Shoals will be paid for at an annual average rent of $264,178 over a 20-year period. At the end of the 20-year period, a building valued at over $3½ million will be owned by the TVA. If Congress fails to support the amendment offered by my colleague from Alabama, approximately the same amount will be paid as rent in Knoxville, and at the end of 20 years TVA will have nothing to show for the expenditure of this large amount of money.

Besides the fact that the TVA could acquire its own building at a yearly cost only slightly more than the amount now being paid, there are other significant reasons for moving the headquarters to the Muscle Shoals area.

Transfer of the headquarters to Muscle Shoals would bring together under one roof staffs now dispersed in Knoxville. Communication between staffs would be better and the coordination of work made easier. The Shoals area is well located from the standpoint of TVA's work. There the TVA Board would be nearer to the capitals of 3 of the 4 States where TVA's principal activities are concentrated—Nashville, Tenn.; Montgomery, Ala.; and Jackson, Miss. By any mode of transportation, Muscle Shoals is closer to Nashville, the Capital of Tennessee, than is Knoxville itself. Muscle Shoals is located at a central point on the Tennessee River. It is 34 air miles closer to the geographical center of the State of Tennessee than Knoxville, and it is 125 air miles closer to the center of the TVA power service area.

If this amendment now pending is considered on its merits, I, frankly, cannot see how the House could possibly fail to adopt it. I therefore urge my economy minded colleagues on both sides of the aisle to assist in its passage.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. ABERNETHY].

Mr. ABERNETHY. Mr. Chairman, the question of where the board of TVA should maintain its administrative offices is not a fight between the States of Alabama and of Tennessee. It is a question of whether this House is more interested in economy and efficiency than it is in satisfying the age-old greed of the spoilsmen for a payroll. As my good friend and colleague, the gentleman from Alabama [Mr. JONES] pointed out so forcefully on this floor yesterday, the report of the committee is strangely silent on reasons why it would force the board of TVA to remain at a location which testimony before the committee clearly demonstrated is no longer the best location for its work.

Are we proposing here to reward the city of Knoxville for some special quality that city possesses? Are times so hard in Knoxville we must guarantee it certain payrolls in perpetuity? If we do so guarantee, it will be something new for TVA and for the Tennessee Valley. For 20 years, TVA employees have been stationed at points from which they could do their work most economically and efficiently. As the work requirements have changed, they have been moved from one location to another. Last year, for example, over 700 of TVA's permanent employees were shifted from one location to another within the valley—not for their personal convenience—not because some town asked for a special payroll, but because the requirements of the work demanded it.

Never before has it been proposed that this agency be operated on the principles of a modern-day WPA.

While the bill before us and the committee report fail to give any reasons for this proviso, statements were read in the general debate yesterday which deserve comment. The impression is left that this move represents an overall expansion of activities, the establishment of an additional headquarters. This is not the case, as testimony before the subcommittee made clear. What the board of TVA has proposed to do is to consolidate, under one roof, certain members of its staff now housed in scattered buildings at locations ill-suited to their work. Much has been said of the cost of acquiring and occupying the new building for a period of 20 years. But those who feel that maintenance of a payroll in Knoxville is more important than governmental economy and efficiency or the needs of the Tennessee Valley have said little of the costs of keeping these people in Knoxville.

My friend the gentleman from Tennessee [Mr. SUTTON] told us yesterday of the number of dams in Tennessee, the value of investments in that State, the number of power consumers. TVA has not proposed to move the Tennessee dams and steam plants, or even the operating headquarters of the power system. This headquarters will remain in Chattanooga because Chattanooga remains a good location from which to direct the day-to-day operations of the power system.

TVA has not proposed by this move to render less efficient service to the power consumers of Tennessee, but better service—better service because the overall direction of TVA activities can better be performed from the new location.

The facts of geography are against my friends who argue for this provision of the bill. The plain facts are that Muscle Shoals is closer to most points in Tennessee than Knoxville. It is closer to the geographical center of the State than Knoxville, it is closer to the capital city of Nashville than is Knoxville, and it is 125 air miles closer to the geographical center of the power service area than is Knoxville. The great central warehouse and service center for the power system is located, not in Knoxville, on the eastern edge of the system, but on the reservation at Muscle Shoals. It was located there, not because somebody demanded a payroll, but because Muscle Shoals was a better location for this facility.

This is not a fight between Tennessee and Alabama. It is an issue between the Tennesee Valley and the spoilsmen of Knoxville, between the taxpayers of the whole country, who have an interest in the efficiency of TVA management, and local interests which would pervert this great enterprise to their own narrow ends.

I am unable to follow the logic of the committee in the formula set up in this bill. I gain the impression from the committee report and from statements on the floor that Muscle Shoals may very well be a better, more efficient location for the TVA Board, and perhaps when Congress no longer appropriates money to the agency TVA ought to move to Muscle Shoals. Meanwhile we are told it should stay where it is. Should we be less interested in economy and efficiency because the taxpayers' money is going into this enterprise? And I fail to follow the logic of those Tennessee Congressmen who support this proviso. They express faith in the ability of the TVA Board to spend wisely the funds we appropriate to that agency. They are confident of the Board's ability to anticipate the power demands and to build wisely to meet that demand, but they are unwilling to accept the Board's judgment as to where it ought to be located to best direct this work.

If this rider stays in the bill it will be serving notice on every agency of Government that so far as this Congress is concerned economy and efficiency in operations are to go out the window and the only consideration in Government administration is politics.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. GWINN].

Mr. GWINN. Mr. Chairman, I rise in opposition to this amendment.

I call the attention of the House to the patent fact that this is the 20th anniversary of the birth of TVA. After witnessing the debate and at times even the wrangle in this House over the continued life of this socialistic experiment, I wonder how many of us would like to plan our individual businesses on the basis of what Congress might do year after year from now on with regard to power in the Tennessee Valley.

The people down there under private enterprise had 20 companies supplying power in the Tennessee Valley. These companies had salesmen on the road inducing the people to buy power. They had a surplus. Today the Governor of Tennessee writes us—

> The people of my State are deeply disturbed about their future electric power supply. Yes, our people in the Tennessee Valley live in dread.

Let us face the fact that ownership of the means of production of electricity in the hands of the Government as advocated by Marx is unsatisfactory. People cannot depend on Government management as a basis for making their plans. TVA for that reason is an unreliable source of power and an incredible burden to the taxpayers besides. Let us not build a new $7 million office building and landscape a 30-acre showplace for TVA. Let us dispose of TVA. Let private enterprise which is a reliable source take over, and supply the power. It will pay taxes too instead of living on Government subsidies. As the gentleman from Mississippi indicated, we ought to do either one thing or the other. Tennessee lives in dread and uncertainty.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky [Mr. GOLDEN].

Mr. GOLDEN. Mr. Chairman, I rise in opposition to the amendment.

In addition to letting this Government in for an additional and useless expenditure of in excess of $4 million and undertaking to supply housing for 500 families, the fact remains that two-thirds or maybe three-fourths of the business of the Tennessee Valley Authority is now in the State of Tennessee. If we permit this move to be made to the extreme corner of the Tennessee Valley district and move 500 employees down there, who is going to pay the traveling expenses for these people to come back into Tennessee to attend to their official and legitimate business?

Further, one of the greatest installations in the history of the world, the atom bomb plant at Oak Ridge, Tenn., is being supplied with power by the Tennessee Valley Authority. That is in east Tennessee. That is where most of the work of this Authority lies. I can see no sense in now sending the principal office down to Alabama, where we have very little work to do.

In my opinion, if this move of headquarters is permitted from Tennessee to Alabama, more and more useless expense will be recurring from year to year and officers and employees of the Tennessee Valley Authority will be moved away from where most of their duties require them to be. The amendment should be defeated.

The CHAIRMAN. The time of the gentleman from Kentucky has expired. All time has expired.

The question is on the amendment offered by the gentleman from Alabama [Mr. ANDREWS].

The question was taken; and on a division (demanded by Mr. ANDREWS) there were—ayes 33, noes 114.

So the amendment was rejected.

Mr. JONES of Alabama. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONES of Alabama: On page 9, line 5, after the word "appropriations" insert ", and an additional sum of $2,377,000 for resource development."

Mr. JONES of Alabama. Mr. Chairman, this item was contained in the original Truman budget and the Eisenhower budget. It was deleted from the bill, and its deletion leaves no money for the resource-development work to be carried out by the Tennessee Valley Authority.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield.

Mr. PHILLIPS. There is a small item in the bill.

Mr. JONES of Alabama. There was $20,000 budgeted from corporate funds, and the total amount for the work was $20,000, in addition to the amount of $2,377,000, to come from appropriated funds.

Let me tell you what the resource-development program includes. It includes the work in agriculture, forestry, tributary watershed work, minerals research work, and reservoir development, which includes stream pollution work, recreation and allied activities. It includes industrial development assistance, topographic mapping, and analyses of regional development. All of these activities are included in the $2,377,000. These are the funds by which TVA joins local communities, States, counties, and municipalities in cooperative programs to conserve and better utilize the natural resources of the valley region. In the beginning TVA spent approximately 75 percent of the total amount expended to carry out this work in the valley. Today it is spending approximately 34 percent. In carrying out these works, the local people have assumed responsibility that was once on the shoulders of the Federal Government. The whole program is a demonstration of what cooperative action can mean. In the agricultural resources development work TVA has budgeted $250,000. This is the work that is carried out through the land-grant colleges and the extension services in unit test demonstration farms in small watersheds, in the use and application of the high-grade fertilizers produced at the Muscle Shoals chemical plant.

In addition, the program helps to disseminate knowledge of what has been accomplished by the land-grant colleges in the carrying out of these unit demonstration projects.

For forestry development, there is a request for $654,000. Do you realize that TVA has propagated over 350 million trees for planting in that area to protect the Federal investment and to reduce soil erosion and the washing away of the soil and the filling of the reservoirs?

There are at present 16 million seedlings growing in two forest nurseries at Clinton and Muscle Shoals which are to be distributed this fall. This work cannot continue unless these funds become available. There is $719,000 in the budget for work in tributary watersheds. These watershed development programs are as vital as any watershed works for which we make annual appropriations in any section throughout the entire country.

Mr. ELLIOTT. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I am glad to yield to the gentleman from Alabama.

Mr. ELLIOTT. Does this appropriation bill make any provision by way of legislation or in any other way for the disposition of the 16 million pine tree seedlings that are now growing in the Tennessee Valley nurseries for distribution, for planting this fall and winter on eroded lands within the Tennesee River drainage area. It is regrettable not to provide for their distribution.

Mr. JONES of Alabama. The only funds available for all these activities are $20,000. So I do not see how the work can be carried out.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield to the gentleman from California.

Mr. PHILLIPS. I am sure the gentleman has heard of the United States Forest Service?

Mr. JONES of Alabama. Yes. They are working in connection with this program. And so are the local forest agencies and the fire protection works that are going on.

Mr. PHILLIPS. Why do not they do it, then?

Mr. JONES of Alabama. Local agencies are increasing their share of the total activities, Mr. PHILLIPS. Do not deny them TVA's leadership and assistance completely.

Mr. PHILLIPS. Is that not a complete answer to the gentleman's question?

Mr. JONES of Alabama. I do not think so. I think this work by TVA, dollar wise, is being decreased. But the work by local agencies is on the increase.

The gentleman knows as well as I that this has been a very favorable type of program, one which is being adopted and one which is being carried forward in the Civil Functions Appropriations Subcommittee and in the Agricultural Appropriations Subcommittee. The value of this type of work is widely recognized. But in the Tennessee Valley instead of having 35 agencies of the Government carrying it out, you have one agency. It has been a splendid example of rational organization for watershed work, other agencies could well emulate what has been accomplished by the TVA.

The complete elimination of TVA's resource-development program as proposed by the Appropriations Committee is one of the most shortsighted and self-defeating actions which has ever been proposed to any Congress. The committee has marked for destruction some of the most hopeful, the most fruitful, the most promising activities carried on by any Government agency. The committee is attempting to destroy the very activities which are designed to build up the strength of State and local agencies and to help them to handle problems of their region with minimum assistance from the Federal Government. The long-run effect of the cut, if sustained by Congress, can only be to create new problems and new areas of dependence on Federal aid and support.

The special quality of the TVA which has made it a symbol of hope throughout the world is that it represents a unified and decentralized approach to the development of natural resources. The TVA approach depends not on an army of Federal employees in the field, but on drawing together all of the State and local assets of leadership and strength for the solution of regional and local problems. The expenditures which are involved here are not for direct action programs by the Federal Government. They are almost entirely for work involving cooperative relationships with State and local agencies. They involve activities in which every dollar of Federal funds is multiplied many times with the funds and the time and the effort of the peoples and the agencies of the region. The TVA and the Tennessee Valley have made this method work in fact. Total public funds, including Federal-aid funds, expended by State agencies in the region to build up the resource base have increased from $8½ million in 1934 to $51 million in 1950. The States provided less than two-thirds of the total in 1934 but nearly three-fourths of it in 1950. While much progress has been made, the Tennessee Valley still lags considerably behind the rest of the Nation economically. There is much more to do. This is the very kind of thing that Congress should encourage. This is the very kind of strength at the grassroots which the Republicans profess to want to build up. This is the very kind of alternative to Federal direct-action programs which the Republicans recommend. It is impossible to reconcile this proposed budget action with the stated aims of the Republican Party and its leadership.

TVA is a symbol both of full use of our natural resources and of reliance on the development of local initiative and enterprise. That is why it is, among all of the agencies in the United States, the most respected and emulated throughout the world. The action of the House committee would mean the destruction of a great resource development concept.

This country has had many other water-control agencies. It has tried many approaches to develop and protect its great river basins. But today, while Great Falls, Mont., and Sioux City, Iowa, begin to clean up the destruction wrought by the rampaging waters of the Missouri a few days ago, the towns and farms of the Tennessee are going about their normal jobs, secure in a valley whose river has been safely harnessed by the TVA—a single agency responsible for the unified development of all its resources. And while AEC, in its new plant at Paducah, looks vainly across the Ohio River for electric power promised months ago by five private utilities which are still trying without success to get a steam-electric-generating plant running at Joppa, it is already receiving large amounts of power from TVA's Shawnee plant, which was originally scheduled for completion 3 months after the Joppa plant.

The difference between other methods of basin development and the TVA method has been that the TVA project was motivated by a grand design to make the fullest possible use of the program for the people of the region and the country and to achieve these values primarily through the agencies and the people of the region. The committee has now undertaken to deprive TVA of the small amount of money required to achieve these objectives. The action may save the Federal Government $2 million now, but in the years and generations to come we shall have to foot the bill, and it will be very high. If Congress should sustain the cut, we would be betraying the future generations who must rely on us to plan, not only for the development and husbanding of our natural resources but also for the utilization of the great reservoirs of human initiative and strength which lie in the people and institutions of the various regions of this country.

If we kill off today by adoption of the committee recommendation the most fruitful experiment in resource development this country has ever known, the RECORD should be clear that responsibility for the action lies with the Republican Party.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. JONES of Alabama. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

Mr. MASON. Mr. Chairman, I object.

Mr. PHILLIPS. Mr. Chairman, I rise in opposition to the amendment.

Mr. HALLECK. Mr. Chairman, will the gentleman from California yield to me?

Mr. PHILLIPS. I yield to the gentleman from Indiana.

Mr. HALLECK. I have asked the gentleman to yield in order that I might make a statement about our hopes in respect to the conclusion of action on this bill and the program for the rest of the week.

The Mutual Security Authorization Act has been reported. The report is available. A rule has been granted providing for 5 hours of general debate. It is necessary that that Authorization Act be enacted finally into law before the appropriation in respect to MSA can be made. So there is urgency about it.

It is my hope—I should say more than a hope. I think I should say now that we shall stay in session this evening as long as is necessary to complete the reading of this bill for amendment. If there are any record votes having to do with amendments or a motion to recommit, or on passage, they will go over until tomorrow. If, this evening, it could be arranged that we could adopt the rule on the MSA Authorization Act, I should like to have that done.

Then tomorrow we will take up the Authorization Act for MSA, with the idea of concluding general debate, and thus be in a position to read the bill for amendment on Friday.

I should hope that we may get unanimous consent to convene as early as 11 o'clock at least tomorrow and Friday, if that be deemed necessary to conclude action.

The legislative appropriation bill is ready. That likewise should be disposed of as quickly as possible. If it does not take too long, we might be able to work it in along with the MSA Authorization Act.

Also the bill for wheat to Pakistan has been reported. A rule will be granted. However, I hope that we can shorten the time on that so that we may conclude that measure.

If that work cannot be concluded by Friday night it will be necessary for us to meet on Saturday, because these are measures that must be disposed of quickly.

The principal reason for my rising at this time was to suggest that it is highly desirable that we conclude the reading of this bill for amendment this afternoon.

Mr. PHILLIPS. If the gentleman will yield, if I understand the gentleman from Indiana, we are going to finish this bill this afternoon.

Mr. HALLECK. Down to the final voting stage.

Mr. PHILLIPS. And if we do not finish it this afternoon, the House will have to meet Saturday; am I right?

Mr. HALLECK. The House may have a session on Saturday anyway; but in any event if we cannot conclude this bill this afternoon the whole timetable as I have outlined it will be upset.

Mr. PHILLIPS. Mr. Chairman, under those circumstances I move that all debate on the section dealing with the Tennessee Valley Authority close immediately.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama [Mr. JONES].

The question was taken; and on a division (demanded by Mr. JONES) there were—ayes 46, noes 101.

So the amendment was rejected.

The Clerk read as follows:

General operating expenses: For necessary operating expenses of the Veterans' Administration, not otherwise provided for, including expenses incidental to securing employment for war veterans; not to exceed $6,000 for newspapers and periodicals; not to exceed $2,675,720 for expenses of travel of employees; and not to exceed $43,700 for preparation, shipment, installation, and display of exhibits, photographic displays, moving pictures, and other visual educational information and descriptive material, including purchase or rental of equipment; $193,531,000: *Provided*, That no part of this appropriation shall be used to pay in excess of 26 persons engaged in public relations work: *Provided further*, That effective September 1, 1953, no part of any appropriation shall be used to pay to educational institutions for reports and certifications of attendance at such institutions an allowance at a rate in excess of $1 per month for each eligible veteran enrolled in and attending such institution.

Mr. TEAGUE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TEAGUE: Beginning on page 10, line 22, strike out ": *Provided*, That no part of this appropriation shall be used to pay in excess of 26 persons engaged in public relations work: *Provided further*, That effective September 1, 1953, no part of any appropriation shall be used to pay to educational institutions for reports and certifications of attendance at such institutions an allowance at a rate in excess of $1 per month for each eligible veteran enrolled in and attending such institution."

Mr. TEAGUE. Mr. Chairman, this is a perfect example of an appropriations committee writing something into law, changing a bill written by a legislative committee, without hearings, any investigation, or asking questions of anyone.

Last year we passed the so-called Korean GI bill. We had 2,000 pages of testimony. A lot of this testimony was in reference to reimbursing colleges because of the number of reports we asked them to make. We had considerable testimony on that subject.

Mr. Laurence Lundeen, comptroller and treasurer of the University of Minnesota, made an exhaustive study of this and he came to our committee and said that the minimum amount they could make these reports for was $1.62. The amount agreed on finally was $1.50 per month for each veteran.

STATEMENT OF LAURENCE R. LUNDEN, TREASURER AND COMPTROLLER OF THE UNIVERSITY OF MINNESOTA

I am Laurence R. Lunden, treasurer and comptroller of the University of Minnesota. I appear to offer testimony on legislation having as its purpose the extension of educational benefits to veterans of the armed services. I do so as chairman of the joint committee of business officers representing the Association of Land-Grant Colleges and Universities, and the National Association of State Universities. This committee consists of major ranking business officers of colleges and universities that are members of the two associations named. All come from publicly supported institutions of higher education that offered educational opportunities to a very large proportion of veterans availing themselves of the benefits of Public Laws 16, 346, and related acts. In view of this, I believe that the opinions of the members of the committee are derived from a working knowledge of the program that has been in operation for the past several years. When I use the first person pronoun, I do so in a collective sense.

You have heard or will hear the statement presented by Dr. Lewis Webster Jones, president of Rutgers University, on behalf of the Association of Land-Grant Colleges and Universities. This statement, with which I am in full accord, is significant in the consideration of any legislation relating to the extension of educational benefits to veterans. Indeed, because of its length and comprehensiveness, it serves admirably as a backdrop for the much shorter, but nonetheless meaningful, statement comprising section 102 of H. R. 6425, which says:

"The Congress of the United States hereby declares that the veterans' education and training program created by this act is for the purpose of providing vocational readjustment and restoring lost educational opportunities to those service men and women whose educational ambitions have been interrupted or impeded by reason of active service in the Armed Forces during a period of hostilities and for the purpose of aiding the veteran in attaining the educational and training status which he might normally have aspired to and obtained had he not served his country."

Our institutions in the past have felt the impact of veteran enrollment to a greater degree than any other type of institution in the field. When I tell you that enrollment in my own institution rose from 10,000

in 1945-46 to a peak of 28,000 in the fall of 1948, you will appreciate that I know the full meaning of the word "impact." Experience in other land-grant institutions has not been dissimilar.

The legislative proposals seem to follow three patterns. One, typified by H. R. 5896, would, as I understand it, continue the program established under Public Law 346 and related acts without modification. We know well this pattern and are prepared to suggest certain modifications that would in our opinion make for more efficient and economical operations. The second pattern, best illustrated by H. R. 5040, represents a fairly radical departure from the present program. It contains features that are both desirable and undesirable from our point of view. A third pattern, best described by the provisions of H. R. 6425, is the most radical departure from the present program of all the proposals that have come to my attention. There is a fourth possible pattern, not yet embodied in any legislative proposals so far as I have been able to ascertain, that suggests itself if one views H. R. 5896, H. R. 5040, and H. R. 6425 in that sequence and with emphasis on the evolutionary character of the underlying philosophies. I should like to comment on each of the three aforementioned bills and then, with your permission, develop very briefly the fourth possible pattern to which I have made reference.

In the foregoing language I have made reference to the phrase "evolutionary character of the underlying philosophies." It is only fair that I explain what I mean by this abstract term.

Under the present program, and it should be remembered that I am speaking for only that portion of it that relates to publicly supported institutions in the field of higher education the veteran enrollee has occupied, and continues to occupy, a unique position on the campus. He is essentially a third party to a highly complex contractual arrangement between the Veterans' Administration and the institution of his choice. His tuition and fees are paid for him and he never sees the money; his books, supplies, and equipment are furnished to him after rather elaborate certification and authorization procedures have been followed, and he never sees the money. He is aware of many restrictions involving freedom for selecting educational objectives and the like. He knows, if he is typical, that he is essentially a commodity on which can be hung one of four different price tags. He is never permitted to forget that he is a veteran.

The provision of H. R. 5040 restores to the veteran many of the characteristics of the nonveteran enrollee. Under the provisions of this proposal the veteran would procure, as any other student, essential books, supplies, and equipment from the incremental allowance attaching to his subsistence checks. No longer would he queue up at the Bureau of Veterans' Affairs; be told that he was entitled to a market basket in which there were 5 books, 2 erasers, a ream of paper, and 5 pencils of assorted colors; and then proceed to a designated on- or off-campus store to receive the basket upon receipt containing conditions of dire consequence should he have made any misrepresentation. Under the provisions of H. R. 5040 the veteran, within the limits of his own resources, would secure the articles which to him are essential in the pursuit of his education. This is not only sensible and economical but is psychologically good for the veteran. H. R. 5040 would also permit the veteran sufficient independence to present himself as any other student to the bursar's window and pay a part of his own tuition and fees. Thus, H. R. 5040 would restore considerable independence of action to a veteran.

We have seen from the foregoing how we might remove the veteran in part from complete regimentation to one of partial independence. H. R. 6425 goes one step further. It places money in the hands of the veteran so he can now buy all his books, supplies, and equipment, pay his own tuition and fees, and—except for some limitations such as changes in educational objectives—may go about the campus as any nonveteran student. There are some exceptions to this, however, but for the most part the veteran student is pretty much on his own and there is little occasion to remind him that he is a veteran and that decisions will be made for him by others. This is evolutionary in character. Evolutionary processes will not have been completed, however, until we have gone one step beyond what H. R. 6425 provides. That step is the fourth pattern to which I referred and to which I will return in my comments shortly.

As we contemplate new legislation, I believe we should recognize the changes that have occurred since the enactment of Public Law 346 and its related acts. When the program as originally authorized gained full momentum, more than 1 million veterans came to institutions that were inadequately equipped in terms of staff and physical plant to permit immediate adjustment. Additional staff had to be recruited, new classroom and laboratory space had to be built, and administrative procedures had to be changed in a most radical fashion. All of this was costly to the institutions and to the States supporting them. That is why so much emphasis was placed on the bases of reimbursement permitted under the law and implementing regulations.

The numbers of veterans who will come to institutions of higher education under any form of new legislation are likely to be less than 25 percent of the peak reached in the spring of 1947. In the meantime, additional members of staff have been trained and recruited, additional permanent classrooms and laboratories have been constructed, and the veteran population is small relative to total enrollment. Therefore, to put it bluntly, it is now possible from a fiscal point of view to look upon the veteran in exactly the same light as we look upon any other student.

Manifestly, this was impossible when the veteran population was up to two-thirds of total enrollment.

If the Congress were to favor such a measure as H. R. 5896, I would hope that there would be many changes brought about either by legislation or by regulation directed by legislative intent. For example, I would most earnestly ask that an adjustment be made in subsistence. This would result in great economy to the Federal Government. It would also remove one of the many possible sources of contingent liability on the part of institutions. I was appalled at the implications of the Solicitor's ruling relative to the Government's right of recovery against institutions having their own book stores. Special attention is given this in the report of the House Select Committee To Investigate Educational, Training, and Loan Guaranty Programs Under the GI Bill (pp. 163 ff.).

It is reassuring to read what the committee said relative to the Solicitor's finding. The discussion concludes with the paragraph:

"In summary, it appears that this recent interpretation of the Solicitor which attempts to hold the schools technically liable for constructive notice of an actual cost policy dating back to 1944, when, in fact, no such policy was in effect or advocated until some years later, is a breach of every type of good faith that responsible government should stand for in dealing with any segment of its citizenry. This action in the closing stages of the program appears to be suspiciously close to accomplishing by retroactive administrative fiat that which the Veterans' Administration failed to accomplish by clear and timely regulation in the beginning. This committee—especially in the light of the tremendous expenditures involved in providing education under the Servicemen's Readjustment Act—is inclined to be sympathetic to reasonable policies which pare the cost of the program; however, it cannot agree with tactics which are anything less than forthright, equitable, and just."

A nice question to ask at this point is just where publicly supported institutions would secure the funds with which to make refunds if demanded. No one with the slightest knowledge of college and university finance would long be in doubt as to the absurdity of the claim and the impossibility of its fulfillment. Yet this is illustrative of the type of rulings and interpretations applied retroactively that have kept so many university officials in a constant state of uncertainty and apprehension. It also goes a long way toward explaining our desire to deal with the veteran as an individual rather than continuing to operate under complex and changing regulations of one Government agency and interpretations of another.

I would also ask that attention be given to the optional bases of reimbursement presently in effect. Publicly supported institutions, practically all of which are among the lowest in tuition brackets, have been discriminated against since the inception of the program. They have also suffered greatly among their constituents as a result of the use of the term "nonresident tuition" when used as a basis for reimbursement for veteran enrollees who are residents of the State in which the institution using that option is located. Privately supported institutions have been able to charge tuition and fees in any amount without limitation so long as such tuition and fees were customary. Publicly supported institutions, on the other hand, were limited to $500 per veteran per academic year if tuition and fees were anything but customary. At my own institution, customary tuition and fees cover approximately 25 percent of the total cost of instruction. The so-called nonresident tuition, together with customary fees, covers approximately 50 percent of the total cost of instruction. With the heavy influx of veterans and with a budget fixed for a biennial period by the legislature, my institution had no other alternative than to elect one of the other optional bases of reimbursement. For a brief period we used the so-called cost basis, but because of our increasing awareness of the potential liabilities lurking in this arrangement either through revised regulations applied retroactively by the Veterans' Administration or foreseen interpretations of existing regulations by the General Accounting Office, we adopted the nonresident tuition arrangement. But even here there was an absolute limitation of $500 per student per academic year, with the result that in many areas costs exceeded $500 by substantial amounts, with the university absorbing such overages. Thus, I feel that there should be but one basis of reimbursement and that based on the true cost of instruction, reflecting not only what the present formula allows but general university costs, administrative costs, physical plant costs, and salary costs directly supplementary to instruction.

Much could be said about the manner of computing costs of instruction. Much has been said about the formula now in use. There is only one further comment that I want to make at this time relative to any formula. The Association of Land Grant Colleges and Universities urges with all the emphasis possible that if a cost-of-instruction formula is adopted, that Public Law 571 will continue in full force and effect. This measure forbidding the Administrator to deduct Morrill-Nelson and Bankhead-Jones funds from the estimated cost of teaching as he attempted to do was enacted by the

81st Congress over the objections of the Veterans' Administration and the General Accounting Office. Public Law 571 is significant for several reasons, among them being reaffirmation of congressional intent as a guiding factor in administering legislation as well as reiterating the principle of the inviolability of endowments established by the Congress.

I can well imagine the unhappiness that would come to privately supported schools if they were to undertake the work involved in applying the cost formula used by the Veterans' Administration. Admittedly it involves a great deal of work and is costly as a result. However, publicly supported schools have had to go through all of this work even though not on a cost-of-instruction basis. The formula had to be applied to justify the use of the nonresident tuition rate. I submit that simple equity calls for uniform treatment among colleges and universities. I could add to this list of proposed changes, but it is my hope that the World War II program will not become the pattern for this new generation of veterans.

H. R. 5040 does remove tuition differentials within an institution. Since the numbers are likely to be small relative to what they were in the late 1940's, I do not interpose any objection to this. I am happy that provisions are made for the veteran to procure his own books, supplies, and equipment. I regret that our institutions would still find it necessary to bill the Veterans' Administration periodically for 50 percent of the tuition and fees involved. Splitting the bill rendered the veteran is in itself burdensome and costly. Preparing and submitting vouchers is time-consuming and costly. Audits are burdensome and costly. I assume that it is not necessary for me to belabor the point that a cash-and-carry business is more economical to carry on than one involving the extension of credit. However, if the sponsors of H. R. 5040 feel that there is merit in this arrangement, I believe that some form of reimbursement for the additional costs involved should be provided. This is true also of work involved in certifying documents and preparing special reports relating to veteran enrollees. We can live with H. R. 5040, but we can live better and longer if we are paid for the extra work required by Federal law and not in our normal operations.

Except for those institutions in States having no tuition for resident students, the effect of H. R. 6425 would be to remove from university operations virtually all of the procedures which have been necessary under the existing program. This is, in my judgment, a forward step. I note with particular interest that in title VI provision is made for the Administrator to reimburse each State approving agency for reasonable expenses incurred by it in rendering service and reports requested by the Administrator. If the services and preparation of reports are delegated to the individual institutions by the State approving agencies, I would earnestly hope that suitable provision for reimbursement to that institution be spelled out. The present language is ambiguous with respect to this point.

You may wonder why I make a point of asking that provision be made for reimbursement to an institution in connection with special reports. I should like to tell you—and this is the only time that I shall introduce statistics into this statement. Anticipating that the several bills introduced would force some sort of reporting by the educational institution, I asked the dean of admissions and records at my institution to provide me with cost data for at least four types of reports. From experience he could envision four possible types which he characterized as:

REPORT I

"The simplest type of report that we could furnish would be merely to advise the Veterans' Administration monthly of the status of the man's registration without regard to class attendance."

REPORT II

"The next simplest type might be a form listing the veteran's course registration furnished to the man by the admissions and records office with space provided for each instructor to certify attendance."

REPORT III

"A further refinement of this procedure that might be required would be to have the man, after he has obtained his instructor's certifications, present the form to the admissions and records office for certification of registration."

REPORT IV

"If the Veterans' Administration should object to the veteran doing any of this leg work and insist that the university obtain attendance reports from instructors, assemble and report on each man, this could be done but would be considerably more costly."

The office of admissions and records at the University of Minnesota is expertly staffed and equipped with International Business Machines equipment. As a result, I would expect any operation undertaken by it to be carried out at minimum cost. In order to make the cost analysis I had requested, certain assumptions were made. They were:

1. Total attendance, 16,000.
2. Total veterans, 500.
3. Wage rates, 1951–52.

The summary of costs resulting from this study is as follows:

Report	Cost per veteran for each monthly report	Total cost for each report	Cost for 9 months
I	$0.03 (9 months=$0.27)	$14.79	$124.56
II	$0.12 (9 months=$1.08)	58.01	522.09
III	$0.18 (9 months=$1.62)	90.01	810.09
IV	$4.04 (9 months=$36.36)	2,018.49	18,166.41

I think it is relevant to quote two paragraphs from the report itself. They are:

"I suspect that all these estimates are minimum, that the real cost would almost surely add rather than subtract from them. I feel that this is particularly so because of the time and money necessary to implement an attendance scheme; achieving cooperation, etc., with faculty and administrators would add an additional heavy burden.

"Of 2,500 veterans who might be in attendance, the correction factor I might use would be a factor of 6. This is merely an estimate based on the fact that, while quantity of data would increase slightly due to the cost of machine procedures, the cost of instructor and clerical costs would increase much more so, necessitating the hiring of extra personnel. This is particularly true of report IV. Veteran attendance less than 500 would not greatly reduce the costs because machine procedures would remain essentially the same."

The University of Minnesota, and I use my institution as an example because I think it is typical of most land-grant institutions and State universities would not object to absorbing the costs involved in reports I, II, and III. However, experience indicates that we are not likely to be asked for these alone. Report IV, or some variation thereof, seems almost inevitable. As a matter of fact, requests for reports of one sort or another represent one of the most vexing problems that we encounter in our relationships with the Government. Compliance with requests of this sort can lead to involvements and costs that no one can predict. Because costs in the preparation of reports are not as apparent as they are in the procurement of commodities, for example, most people are likely to overlook them—or at least to ignore them. I call your attention to the fact that if the Veterans' Administration were to demand report IV, or any variation of it, the cost to the University of Minnesota in furnishing it would be equivalent to the tuition collected for one academic quarter in, let us say, the college of science, literature, and the arts. Putting it another way, I might remind you of the fact that resident tuition at any institution covers approximately 25 percent of the cost of institutions so that if certain reports were demanded without compensation the University of Minnesota would lose 33 percent of its modest collection in any one academic year.

Reporting may seem inconsequential to many. However, requests or demands for reports have an insidious way of multiplying both in number and in scope. I earnestly ask, therefore, that you afford protection in some manner against loss to our institutions.[1]

There are other points, admittedly of a minor nature, to which I might address myself in connection with H. R. 6425. However, I do think that this proposal comes the closest of those introduced thus far to meeting what my colleagues feel to be the most desirable arrangement of all.

I said earlier that the legislative proposals before us constituted three patterns of approach. I said there was a fourth possible pattern which is suggested strongly by H. R. 6425. Rather than involving an institution of higher education in any way other than certification of enrollment, I would prefer to

[1] For the sake of brevity as well as for simplicity I have introduced into the text of my statement only those cost data relating to the furnishing of reports that are likely to be demanded under such a bill as H. R. 6425. Our experience with costs in connection with administering the present program in the year 1950–51 points up rather dramatically the reasons for our being so cost-conscious. I should like to introduce a summary schedule of purely incremental costs for this period.

SCHEDULE 3.—*University of Minnesota, summary of costs incident to the Veterans' program, 1950–51*

I. Estimated costs:	
Admissions and records (schedule B)	$23,476.60
Books and supplies (schedule C)	17,540.19
Bureau of Veterans' Affairs (schedule D)	98,764.35
Comptroller's office (schedule E)	11,539.24
Total estimated costs	151,320.38
II. Estimated cost per veteran:	
A. Veteran enrollment 1950–51 (excluding Duluth Branch):	
First summer session	4,219
Second summer session	3,341
Fall quarter	5,891
Winter quarter	5,197
Spring quarter	4,566
Total veteran enrollment	23,214
B. Average cost per enrollment: Total estimated cost, total enrollment $151,320.38+23,214=(per enrollment per term)	6.52

To the extent that the institution deals with the Veterans' Administration rather than the individual enrollee, costs are involved. These costs involve many departments and are significant in amount, particularly when they are so large relative to the amount collected for veteran enrollees.

have an outright scholarship bill with a flat sum, the amount to be determined by dependency status, and payable to the veteran, with complete freedom of choice given to him as to where he will enroll. This would have the merit of putting the veteran completely on his own and relieving the institution of many administrative procedures that have proven burdensome and costly. It is proposed in H. R. 6425 to pay the veteran with no dependents enrolled for a full-time course of study $110 per month, and a veteran with one or more dependents enrolled for a full-time course of study $150 per month. For an academic year these amounts aggregate approximately $990 and $1,350, respectively. Such sums, or variations thereof, could constitute the scholarship amounts.

I realize that what I am proposing may not be as easily workable in other areas of training or education as in higher education, but I am prompted to advance the further thought that the "ground rules" governing higher education should be different from other programs. My reason for holding to this view stems from my experience with the present program. Invariably when publicly supported institutions of higher education objected to certain regulations and certain procedures we were told that the Veterans' Administration had no alternative under the law than to issue regulations uniformly applicable to all areas and levels of training and education. Thus, at the very time that regulations of a disciplinary or punitive character were promulgated to correct abuses in some areas, institutions of higher education were innocently and adversely affected. The differences between old and established colleges and universities and relatively new schools for profit, as an example, are so apparent that the request for separate treatment cannot seem unreasonable. The report of the House Select Committee prepared under the direction of the Honorable OLIN TEAGUE bears this out.

In summary, therefore, it is our position that the extension of the present program as contemplated in H. R. 5896 is undesirable unless accompanied by such fundamental and desirable modifications as having the veteran provide his own books, supplies, and equipment and establishing a uniform basis of reimbursement to all colleges and universities irrespective of source of support. Further, the land-grant colleges and universities feel that the version typified by H. R. 5040 represents some improvement, but that it does not go far enough in relieving institutions of higher education of administrative burdens nor does it give the veteran enrollee his full measure of individual responsibility. Greater progress is made in this direction in H. R. 6425. However, we believe that the door should not be closed to going even further and giving consideration to a bill which would restore in every respect the normal relationship between students and institutions, between the Federal Government and institutions, and between institutions themselves. This could be accomplished by amendments to H. R. 6425 which retain its basic principles.

Why did we put that provision in the bill? Because under the World War II bill at one time there were $200 million in overpayments to veterans because they had left school and the colleges did not make reports. The VA did not know where they were. However, the VA collected back all but about $20 million of that amount. Imagine how much paper work it took to collect that $180 million in overpayments. That is one of the safeguards we placed in the bill.

I feel like the Appropriations Committee should give us some time to find out whether that is the correct amount. There are not a sufficient number of veterans in the colleges yet so that we can tell whether that is the right or wrong amount, but certainly it is not right for the Appropriations Committee to come to this floor and say that you should change this amount without any study or investigation.

I have never said one thing on this floor, I have never done one thing to mislead this Congress, and I feel like it is very unfair for the Appropriations Committee to come in here and bring about this change without some hearings or some investigation.

I would like to read you a letter from Dr. Arthur S. Adams, president of the American Council on Education, and others, as follows:

AMERICAN COUNCIL ON EDUCATION,
Washington, D. C., June 10, 1953.

The Honorable OLIN E. TEAGUE,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN TEAGUE: The statement made by Congressman PHILLIPS and published in the CONGRESSIONAL RECORD on June 4, strikes at the heart of the provisions of Public Law 550, which were included to protect the interests of the Government and of the veteran. The act specifically requires that the educational institution refund to the Veterans' Administration any overpayments made to the veteran if the institution does not report that the veteran is no longer in attendance or is not maintaining satisfactory progress. This provision makes it necessary for the institution to institute forms and maintain staff for the special recording and reporting of Public Law 550 veterans which are not required for other students.

The amount of $1.50 per month per veteran was agreed upon by the congressional committee after public hearings and substantiation of the cost. If it is to be changed, public hearings should be held and the institutions given the opportunity to present evidence in support of the amount of actual administrative costs. To change the amount of a statutory payment by appropriation jeopardizes all other financial provisions in the act, including the amount of payment to the veteran.

It is our sincere hope, in the interest of protecting the Government and the veteran, that the payment of $1.50 per month will be continued.

Sincerely yours,

ARTHUR S. ADAMS.

I have similar letters from the National Association of State Approval Agencies, the American Vocational Association, National Association of Technical Schools, National Association and Council of Business Schools, the Strayer College in this city, and the land-grant colleges of our country.

AGRICULTURAL AND MECHANICAL COLLEGE OF TEXAS,
College Station, Tex., June 11, 1953.

Congressman OLIN E. TEAGUE,
Old House Office Building,
Washington, D. C.

DEAR CONGRESSMAN TEAGUE: As chairman of the Committee on Veterans' Affairs of the Association of Land-Grant Colleges and Universities, I am very much opposed to the proposal of Representative JOHN PHILLIPS, of California, chairman of the subcommittee on independent offices appropriations, to cut the monthly payments by the Veterans' Administration to colleges for monthly reports on students under Public Law 550, the Korean GI bill, from $1.50 to $1. I am writing to you since you were the chief author of the bill in question.

The $1.50 payment per monthly report was arrived at by the legislative committees of the Congress after careful consideration of the evidence presented as to costs of this service, which is not performed in behalf of nonveteran students. The whole intent of Public Law 550 was to place the veteran student in the same relationship to the college as other students, paying the same fees, and receiving the same service. It seemed fair to the legislative committees of the Congress that the colleges should be paid for special services rendered to the Government on behalf of veterans, particularly since they are under the law held financially responsible for failure to make their reports if an overpayment to the veteran by the Government results from failure of the college to submit them.

I do not think that $1 per month per student will cover the cost of submitting these reports and I recommend that the monthly payment of $1.50 be retained. Your support of this request will be greatly appreciated.

Sincerely yours,

M. T. HARRINGTON,
President, Agricultural and Mechanical College of Texas.

NATIONAL ASSOCIATION AND COUNCIL OF BUSINESS SCHOOLS,
Washington, D. C., June 10, 1953.

Hon. OLIN E. TEAGUE,
Old House Office Building,
Washington, D. C.

DEAR MR. TEAGUE: We note with concern the proposal to reduce the $1.50 per student per month now paid to institutions enrolling veterans, for clerical expense, to $1 per month.

Speaking for this association, which represents directly 500 of the larger business schools of the Nation, and indirectly the entire field, we very seriously object to this reduction. The amount of time and labor that is required in the extraordinary care which is necessary to maintain veterans' records and process the required reports is by no manner of means represented even by the $1.50 per student. That was but a token and not a real coverage of this added cost of handling the veteran student.

The law requires that veteran students shall be received on the same terms and conditions as nonveteran students, but the record-keeping and reporting required of every institution fastens a cost per student upon each institution well in excess of the $1.50. As a matter of plain equity, it certainly should not be reduced.

The members of your committee are very conversant with the need of this added care, that the Government and the veteran may be protected against abuse through carelessness or actual deception in recording time for which payment is required. That urgency in no manner of means is reduced as this token payment for it is reduced.

We appreciate the very real contribution which you, personally, have made to develop and secure enactment into law of a bill in which equity was three-dimensional.

Cordially yours,

H. D. HOPKINS,
Executive Secretary.

NATIONAL ASSOCIATION AND COUNCIL OF BUSINESS SCHOOLS,
June 6, 1953.

To the Member Schools of NACBS:

In a speech given before the House yesterday by Congressman PHILLIPS, of California, of the Subcommittee on Appropriations, Mr. PHILLIPS said the following:

"Another saving has to do with a very small item. This is the small monthly payment given the schools to report their veteran students are still in the classes. This is now $1.50 per month per student. On the basis of this report, the veteran receives his subsistence check. There is about as much

justification for this as for paying me to send in my income tax report. The subcommittee does not recommend the elimination, although we might well do so, but only the reduction from $1.50 to $1. This, however, will save almost $2 million."

This affects the college field more broadly than it does our own people, but if you have 100 veterans enrolled, this costs you $1,500 a year, also. So that every school enrolling veterans is by this procedure (if enacted into law) penalized to that extent.

According to schedule, the report of the Veterans Committee will go to the House floor for a vote June 16 or 17, and in your own interest and that of the field, your Congressman should have your views on this subject. Write or wire him as the urgency moves you.

This item is under Veterans' Administration budget for 1954.

Sincerely yours,

H. D. HOPKINS,
Executive Secretary.

BERNARD H. EHRLICH,
ATTORNEY AND COUNSELLOR AT LAW,
Washington, D. C., June 10, 1953.

Hon. OLIN E. TEAGUE,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN TEAGUE: On behalf of the National Federation of Private School Associations which includes the National Association and Council of Business Schools, the National Council of Technical Schools, and the National Home Study Council, I am writing to you concerning the VA budget for the fiscal year 1954. Congressman PHILLIPS, of California, on June 5, stated before the House that his committee would seek to reduce the monthly payment given the schools to report on veteran students from $1.50 per month per student to $1. Congressman PHILLIPS stated "that there is about as much justification for this as for paying me to send in my income tax report."

As legal counsel of the above organizations, I wish to state that Congressman PHILLIPS has not correctly stated the facts. As you know, from your complete investigation of the VA, the VA has required all private schools to file a tremendous number of reports. These reports have prevented the schools from concentrating on their job of educating the student and has placed on them high administrative expenses to make sure that all of the records are filled out completely. In the case of the private schools there is a necessity for making sure that the attendance record of each veteran is correct because if in error the veteran will have his education and training allowance perhaps drastically cut.

We are firmly opposed to such a change in the appropriations bill which would in effect nullify Public Law 550 and the intent of that law. We believe that this is an example of false economy and I assure you that the $1.50 per month per student does not begin to cover the actual cost of the time and effort required by all private school owners to keep the necessary records and make the reports which are required by the VA. The $1.50 merely helps the school to meet these expenses and therefore helps to keep the cost of tuition from rising any further than it is at the present time.

Your aid and support in seeking an amendment when the bill is presented on the floor of the House will be greatly appreciated.

Cordially,

BERNARD H. EHRLICH.

NATIONAL COUNCIL OF
TECHNICAL SCHOOLS,
Washington, D. C., June 10, 1953.

Hon. OLIN E. TEAGUE,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN TEAGUE: The members of this council were assembled in annual meeting on June 4, 1953, at the Statler Hotel in Washington. At that time we learned of the current effort to reduce the expense reimbursement to educational institutions as provided in section 255 (b) of Public Law 550, 82d Congress, from $1.50 per veteran per month to $1 per veteran per month.

Our members requested that I express to you our objection to this reduction. We are of the opinion that the present $1.50 per month does not adequately cover our expenses in preparing the many reports required by the Veterans' Administration and the additional records we must maintain to support these reports.

Many of the curricula offered by our member schools are accredited and therefore are available for eligible veterans under section 253 of Public Law 550. However, whether under section 253 or section 254, the records and reports required by the VA are considerably in excess of those normally maintained by an institution for nonveteran students. Our schools are privately owned and in our case, the expense of these records and reports must be borne by current tuition income rather than come from State tax sources. A reduction in reimbursement such as proposed would therefore materially affect our operating expenses and reduce the capital we have available for maintaining our curricula at high-level standards.

We shall appreciate your assistance to oppose the reduction or elimination of this reimbursement to our institutions.

Respectfully yours,

C. L. FOSTER,
President.

AMERICAN VOCATIONAL
ASSOCIATION, INC.,
OFFICE OF THE SECRETARY,
Washington, D. C., June 15, 1953.

The Honorable OLIN E. TEAGUE,
House of Representatives,
United States Capitol,
Washington, D. C.

MY DEAR CONGRESSMAN TEAGUE: This letter deals with a matter that involves Public Law 550 with which you are very familiar since you authored this act of Congress.

You know that Public Law 550, 82d Congress, which provides education and training benefits for veterans with Korean service, provides that all payments are made directly to the veteran and that the veteran, in time pays the school the same tuition which is charged a nonveteran. The law specifically prohibits the school from charging the veteran more than a nonveteran pays.

You are also cognizant of the fact that Public Law 550 requires schools to maintain records of attendance and submit detailed monthly reports of attendance and progress of the veteran students. The Veterans' Administration uses these reports as a basis for paying the veteran for his education and training allowance. Section 266 contains a provision which makes a school liable for any overpayment to a veteran which results from the school's willful or negligent failure to report excessive absences or interruption. The findings of the Administrator of the Veterans' Administration are conclusive as to whether the school was willful or negligent. The school is liable for the entire amount of overpayment to the veteran, including the portion intended for subsistence, even though the school receives no part of the money that was overpaid.

It is my understanding that these provisions were placed in the law to prevent large overpayments such as occurred under the World War II program. It was reported that overpayments under that program reached $200 million at one time. When Public Law 550 was passed, the Congress realized that the school was being required to undertake a considerable amount of responsibility and extra administrative work, purely for the benefit of the Veterans' Administration; therefore an allowance of $1.50 per month per student was provided to defray the extra administrative expense involved in making the monthly report.

H. R. 5690, the bill providing appropriations for the Veterans' Administration contains a rider cutting the amount payable to schools from $1.50 per month per student to $1. The chairman of the committee says that this will create a savings of $2 million. Judging from his statement he seems to be confused as to the reasons why these payments are necessary.

This appears to be another attempt to cripple educational authorities in their efforts to render efficient service to veterans. In general schools are overcrowded and underfinanced. Why place this additional burden on the schools and thus further weaken them to serve both veterans and nonveterans?

It is the sincere hope of the members of the American Vocational Association—located in every State and community of the Nation—that you will protest strenuously this proposed drastic cut in the administrative funds for schools. If made it will result in a cut in efficient service to veterans.

Sincerely yours,

M. D. MOBLEY,
Executive Secretary.

STRAYER COLLEGE,
Washington, D. C. June 15, 1953.

The Honorable OLIN TEAGUE,
House of Representatives,
Washington, D. C.

DEAR MR. TEAGUE: It has come to our attention that the appropriation bill for the Veterans' Administration will come to the floor of the House of Representatives this week. We have learned about Congressman PHILLIPS' proposal to cut the allowance paid schools and colleges from $1.50 to $1 for handling veterans' records and reports each month.

It is our opinion, based on evidence submitted here, that the $1.50 current charge is justifiable and fully earned by schools and colleges.

In addition to enrollment and reentry forms, the following clerical procedures must be completed for each veteran trainee each month and are operations not required in handling nonveteran students:

1. Attendance record must be checked in order to note all time lost from school. In addition to absences, tardiness, and early dismissals must be computed by actual time lost and converted to full days or part days as the case may be.

2. Progress records must be checked. If the end of the calendar month does not coincide with our regular grading period, each teacher must be contacted personally to determine whether progress and conduct are satisfactory.

3. Reports must be gotten to students for signature.

4. Vouchers must be prepared to accompany reports. Duplicates of both vouchers and reports are filed so that we can, when necessary, verify the fact that reports have been submitted.

5. Reports must be mailed to Veterans' Administration or delivered in person.

We sincerely appreciate the time and energy you have spent in securing legislation friendly and favorable to schools and colleges and hope that the information we have given will be helpful to you in carrying forward the good work you are doing.

Very truly yours,

STRAYER COLLEGE,
E. J. PURVIS, *Director.*

P. S.—We estimate that approximately 1 hour per month per veteran student is required to do the work involved in submitting the necessary reports.

NATIONAL ASSOCIATION OF STATE APPROVAL AGENCIES,
June 12, 1953.

The Honorable OLIN E. TEAGUE,
Member of Congress, House of Representatives, Washington, D. C.

DEAR CONGRESSMAN TEAGUE: I understand that bill H. R. 5600 will be introduced shortly which reduces the payment to institutions by the Veterans' Administration for the supplying of monthly reports from $1.50 to $1.

The Veterans' Administration, in administering Public Law 550, requires the institution to submit a monthly report covering the veteran's attendance and progress. If these reports are not submitted promptly, the veteran will be deprived of his monthly allotment. And if there should be any discrepancy in the report, the institution will be held responsible for overpayments to the veteran.

It is not right to require institutions to make these reports if the Federal Government does not intend to pay for the expense of hiring or employing additional personnel for this purpose. Monthly reports are not required of regular students and for that reason, this is an additional burden put on the school by the Federal Government and should be paid for by the Federal Government.

As president of the National Association of State Approval Agencies, I urge that you do everything possible to retain the fee of $1.50 instead of reducing it to $1. I am speaking for the 48 States that are members of our National Association of State Approval Agencies. We believe that institutions should be required to do a good job for the returning veterans, but we also believe that they should be paid for additional expense incurred in caring for these veterans.

Thanking you for your interest in the past, I am

Yours very truly,
W. A. SCHIFFLEY,
President.

On April 1 in a statement the gentleman from California [Mr. PHILLIPS], chairman of this subcommittee, said:

We send veterans to school. We pay their way and give them a supporting amount of money while they are there, and we require the school to send us a report every month on how the veteran is doing, is he still there, and what kind of marks he is getting. We pay the school $1.50 for each of these reports. No educational institution does it for its other students. My friend from Connecticut [Mr. SEELY-BROWN] would probably be glad to have $1.50 for every report to parents he made on every student in his school. If we cut down the number of reports to one on entering, at midyear, and at the end of the year—that is a reduction that could be made—this item alone would save $5 million.

In his statement on June 4, 1953, the gentleman from California [Mr. PHILLIPS] made the following statement concerning the $1.50 per month payment:

Another saving has to do with a very small item. This is the small monthly payment given the schools to report that veteran students are still in the classes. This is now $1.50 per month per student. On the basis of this report the veteran receives his subsistence check. There is about as much justification for this as for paying me to send in my income-tax report. The subcommittee does not recommend the elimination, although we might well do so, but only a reduction from $1.50 to $1. This, however, will save almost $2 million.

Mr. Chairman, if the chairman of this subcommittee had read our hearings of last year or had made any kind of an investigation, he would not have made a remark like that about the actions of the legislative committee of this House on veterans' affairs.

Mr. SELDEN. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE. I yield to the gentleman from Alabama.

Mr. SELDEN. Can the gentleman from Texas tell me whether or not any State institution or any State Department of Education has requested or was allowed to submit any testimony to the Appropriations Committee as to the effect this reduction from $1.50 to $1 would have?

Mr. TEAGUE. If the gentleman will turn to page 816 of the hearings, that is the only place I can find it mentioned. There were a number of questions asked back and forth, and as far as I know, that is the only place where it is mentioned.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. FRELINGHUYSEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FRELINGHUYSEN: On page 10, line 22, after the word "That", strike out "effective September 1, 1953" and in lieu thereof insert "between September 1, 1953 and June 30, 1954."

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from California.

Mr. PHILLIPS. The committee would have no resistance to this amendment. We think it is a satisfactory amendment giving the legislative committee time to work out the problem. I do not want to deprive the gentleman of his time to speak, but I want him to know that we are not opposing his amendment.

Mr. FRELINGHUYSEN. I thank the gentleman very much. I am delighted to hear the chairman of the subcommittee has no objection to this amendment. I would like to explain why I, as a member of the Veterans' Affairs Committee, am offering this perfecting amendment. It is being offered for the very reason that the gentleman from Texas mentioned, and that is to give the Veterans' Affairs Committee time to consider this question. A number of the members of the Veterans' Affairs Committee feel that some of the items in this bill constitute legislation, and we would like time to consider these items ourselves. Our committee naturally is sensitive about its prerogatives and aware of its responsibilities to consider these and other pressing problems. I am offering this amendment so that our committee can consider the adequacy of payments which are now being made, and before June 30, 1954, presumably, we, as a committee, will act on this directly.

Mr. PHILLIPS. I just do not want it to seem that nothing was said by our committee. We discussed this with the distinguished chairman of the Legislative Committee 3 months ago. On the floor on June 4 I talked about this; I talked about it several times. During the general discussions, when we wanted to add quite a bit more money for the hospitalization of actually disabled veterans, we, from the beginning, said that we wanted to recover money from some source which was of no benefit to the veteran, or even of slight benefit to the veteran, in order to use it for the disabled veterans, and I think that is the issue.

Mr. FRELINGHUYSEN. I think the members of the Veterans' Affairs Committee sympathize with the approach of the subcommittee, but it was our feeling that there are items in this bill that were appropriate for us to consider. It was to give us time to consider this particular question that I am offering the amendment.

Mr. TEAGUE. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Texas.

Mr. TEAGUE. The committee has made a continuous study of this requirement in relation to the Korean GI bill. There are an insufficient number of Korean GI's in colleges today for anyone to tell what the cost should be. The colleges say it should be more. The gentleman from Illinois [Mr. SPRINGER] has letters to that effect, saying that we should give the colleges more money under the GI bill. It could be delayed for a year.

Mr. FRELINGHUYSEN. I sympathize with the gentleman from Texas in the position he takes in this affair. I was not a Member of Congress at the time this proposal was written into existing legislation. However, I do feel that we should go along with the Committee on Appropriations in their efforts to reduce expenses where it can be done. This is particularly true if, as the gentleman from Texas points out, we do not have sufficient evidence as yet as to the adequacy of these payments. It seems reasonable to me, temporarily, to proceed on the theory that the one dollar is an adequate amount. In the meantime, our committee can hold hearings and can look at the matter directly.

Mr. TEAGUE. Do I understand that the gentleman is opposing my amendment?

Mr. FRELINGHUYSEN. I am perfecting the gentleman's amendment.

Mr. TEAGUE. But the gentleman is not opposing my amendment until we have a chance to investigate it.

Mr. FRELINGHUYSEN. I agree that this matter should be investigated. But if my amendment prevails, the gentleman's amendment would not remain as it is, because my amendment simply changes the existing language to include a specific time limit, from September 1, 1953, to June 30, 1954. It would not strike the whole proviso as the gentleman's amendment proposes.

Mr. PHILLIPS. Mr. Chairman, if the gentleman will yield further, it would recover $1,800,000 to be applied toward the hospitalization of veterans and the building of new hospitals. In the intervening year the gentleman from Texas and the committee of which the gentleman is a member could work out a satisfactory equivalent if they felt that was necessary.

Mr. TEAGUE. How would this money be applied to hospitals? I think the gentleman is confusing the issue.

Mr. PHILLIPS. I am not confusing it. The money is to come out of the taxpayers' pocket one way or the other. If

we increase the money for deserving veterans and for hospitals, we cannot spend money that does not exist; we have to get it from somewhere. This is one place to get it. I may say that this is the only place I know of in the United States where a school or any other agency is paid every month to send in what amounts to a bill for the tuition for which the Federal Government pays.

Mr. TEAGUE. We are paying the colleges for an additional burden we have imposed upon them. What will be the result? The veterans' reports will not be sent in on time; the veterans will not be paid on time.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Illinois.

Mr. MASON. The statement that we are paying for an additional burden we are placing upon the universities is not a correct interpretation. We are placing no burden on any university. They can take their own GI's and then they send in each month this report, which is in the nature of a bill to collect on their tuition.

Mr. JONAS of North Carolina. Mr. Chairman, I move to strike out the last word in order to ask the gentleman from Texas a question. Can the gentleman tell me the nature of these reports?

Mr. TEAGUE. Yes; I have a complete list of them.

Section 231 (b) (2) contains the following requirement relating to attendance:

(b) The education and training allowance for an eligible veteran shall be paid, as provided in section 232, only for the period of the veteran's enrollment as approved by the Administrator, but no allowance shall be paid—

(2) to any veteran enrolled in a course approved under section 254 or in a course of apprentice or other training on the job for any day or absence in excess of 30 days in the 12-month period, not counting as absences weekends or legal holidays established by Federal or State law during which the institution or establishment is not regularly in session or operation, or

Section 231 (c) requires the school to furnish certain records:

(c) No education and training allowance shall be paid to an eligible veteran for any period until the Administrator shall have received—

(1) from the eligible veteran (A) in the case of an eligible veteran enrolled in a course approved under section 253 or a course of institutional on-farm training, a certification that he was actually enrolled in and pursuing the course as approved by the Administrator, or (B) in the case of an eligible veteran enrolled in a course approved under section 254 or a course of apprentice or other training on the job, a certification as to actual attendance during such period, or (C) in the case of an eligible veteran enrolled in a program of education or training by correspondence, a certification as to the number of lessons actually completed by the veteran and serviced by the institution, and

(2) from the educational institution or training establishment, a certification, or an endorsement on the veteran's certificate, that such veteran was enrolled in and pursuing a course of education or training during such period, and, in the case of an institution furnishing education or training to a veteran exclusively by correspondence, a certification, or an endorsement on the veteran's certificate, as to the number of lessons completed by the veteran and serviced by the institution.

Education and training allowances shall, insofar as practicable, be paid within 20 days after receipt by the Administrator of the certifications required by this subsection.

Section 253 (b) contains the following provisions relating to records to be kept by accredited institutions:

(b) As a condition to approval under this section, the State approving agency must find that adequate records are kept by the educational institution to show the progress of each eligible veteran. The State approving agency must also find that the educational institution maintains a written record of the previous education and training of the veteran and clearly indicates that appropriate credit has been given by the institution for previous education and training, with the training period shortened proportionately and the veteran and the Administrator so notified.

Section 254 (c) (7) contains the following approval requirement relating to records:

(c) The appropriate State approving agency may approve the application of such institution when the institution and its nonaccredited courses are found upon investigation to have met the following criteria:

(7) Adequate records as prescribed by the State approving agency are kept to show attendance and progress or grades, and satisfactory standards relating to attendance, progress, and conduct are enforced.

Section 266, making schools liable for overpayments to veterans, is quoted below:

In any case where it is found by the Administrator that an overpayment has been made to a veteran as the result of (1) the willful or negligent failure of the educational institution or training establishment to report, as required by this title and applicable regulations, to the Veterans' Administration excessive absences from a course, or discontinuance or interruption of a course by the veteran or (2) false certification by the educational institution or training establishment, the amount of such overpayment shall constitute a liability of such institution or establishment, and may be recovered in the same manner as any other debt due the United States: *Provided*, That any amount so collected shall be reimbursed if the overpayment is recovered from the veteran. This provision shall not preclude the imposition of any civil or criminal action under this or any other statute.

Section 265 (b): The committee approved the addition of a new subsection (b), whereby the Administrator must pay to each educational institution which is required to submit reports and certifications to the Administrator a uniform allowance to be determined by the Administrator for the purpose of assisting such educational institution in defraying the additional expense of preparing and submitting such reports and certifications. It was pointed out to the committee that every educational institution would necessarily incur additional administrative costs arising out of the keeping of separate records for veteran students and that it was obviously unfair to impose this obligation upon these institutions without some compensation.

We said that before he gets his check he and the college have to report that he is in school, and that he is making good grades. That is the report they have to send in.

Mr. JONAS of North Carolina. That is the point I am making. They make these reports monthly?

Mr. TEAGUE. They make that report monthly.

Mr. JONAS of North Carolina. Could they not make that monthly report on a postal card? Is it worth a dollar and a half?

Mr. TEAGUE. There are not enough veterans in school yet to tell. I do not know, frankly, as to that, but the colleges say it is not enough.

Mr. JONAS of North Carolina. They have to report each month whether the veteran is in school and whether he is making satisfactory progress in his work. I submit that this Government ought not to have to pay a dollar and a half per veteran for that kind of information every month.

Mr. MATTHEWS. Mr. Chairman, will the gentleman yield?

Mr. JONAS of North Carolina. I yield to the gentleman from Florida.

Mr. MATTHEWS. May I say to the gentleman that my profession has been education. I was connected with the University of Florida, where we have a number of these veterans. Believe me, it requires more than just sending out a report. I know for one thing they have to have a special counselor who checks into these records.

Mr. JONAS of North Carolina. We are not required to provide money to hire members of the faculty of these institutions, are we?

Mr. MATTHEWS. That is not what it is doing. As I understand the position of the gentleman from Texas, all he wants is an opportunity to study to find out just what exactly is being done. I support the gentleman's position.

Mr. TEAGUE. Did the committee make any investigation? Did you ask one college? Did you make one iota of effort to find out whether this is right or not?

Mr. JONAS of North Carolina. We made some study of it.

Mr. TEAGUE. Where is it in the hearings?

Mr. JONAS of North Carolina. We did not have representatives of any colleges before us, but we ascertained just what the gentleman from Texas has now confirmed, that all they have to do is make this monthly report. We think they can do it on a post card. It is not worth $1.50.

Mr. TEAGUE. The committee did not make any investigation.

Mr. JONAS of North Carolina. We certainly did.

Mr. PHILLIPS. Mr. Chairman, I move that all debate on these amendments do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. FRELINGHUYSEN].

The amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. TEAGUE].

Mr. PHILLIPS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. PHILLIPS. Mr. Chairman, the perfecting amendment of the gentleman from New Jersey was accepted. That makes the amendment offered by the gentleman from Texas an amendment not striking out the section but changing it to stay in effect for a year, is that correct?

The CHAIRMAN. The Chair is of the opinion that if the amendment of the gentleman from Texas [Mr. TEAGUE], which is to strike out the proviso, is agreed to, it would also strike the perfecting amendment of the gentleman from New Jersey.

Mr. PHILLIPS. If I may understand that, Mr. Chairman, the so-called Teague amendment would not strike out the proviso, am I correct?

The CHAIRMAN. It would strike it out.

Mr. PHILLIPS. Then what would become of the amendment offered by the gentleman from New Jersey [Mr. FRELINGHUYSEN]?

The CHAIRMAN. It would go out with the remainder of the proviso if the amendment of the gentleman from Texas is agreed to.

Mr. HALLECK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HALLECK. Mr. Chairman, the Teague amendment, as amended by the perfecting amendment, strikes out language presently in the bill but adds language that pertains to the date September 1 through and including the date of June 1954.

Mr. Chairman, I ask unanimous consent that the language of the paragraph, as it has been amended, be reported.

Mr. PHILLIPS. And on which we are now voting.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The CHAIRMAN. The Clerk will report the paragraph as amended by the amendment of the gentleman from New Jersey [Mr. FRELINGHUYSEN].

The Clerk read as follows:

Page 10, line 22: "*Provided further*, That between September 1, 1953, and June 30, 1954, no part of any appropriation shall be used to pay to educational institutions for reports and certifications of attendance at such institutions an allowance at a rate in excess of $1 per month for each eligible veteran enrolled in and atending such institution."

Mr. TEAGUE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TEAGUE. Mr. Chairman, is it not true, if this amendment is adopted, it means that things will go on as they are for 1 year? That there will be no change?

The CHAIRMAN. The Chair is of the opinion that the Frelinghuysen amendment is not an amendment to the amendment offered by the gentleman from Texas, but is a perfecting amendment. The Teague amendment is to strike out the proviso, and if the Teague amendment does not prevail, the perfecting amendment offered by the gentleman from New Jersey will prevail.

Mr. PHILLIPS. Mr. Chairman, may I make a statement somewhat simpler than parliamentary language? If the Teague amendment is adopted, the amount will be $1 next year. If the Teague amendment is not adopted, it will be $1.50.

The CHAIRMAN. Without objection, the Clerk will report the Teague amendment.

There being no objection, the Clerk again reported the amendment offered by Mr. TEAGUE.

Mr. EDMONDSON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. EDMONDSON. Is not the plain effect of the Frelinghuysen amendment, as it now stands, to make effective on September 1 a reduction to $1 for these reports?

Mr. PHILLIPS. Mr. Chairman, this now becomes very important. The Parliamentarian has evidently ruled that the Frelinghuysen amendment is a perfecting amendment, not to the Teague amendment, but a perfecting amendment to the bill. Thus, if the Teague amendment carry, then the section would be stricken as the gentleman from New Jersey [Mr. FRELINGHUYSEN] amended it. Thus, if you are in favor of the $1 you should defeat the Teague amendment; if you are in favor of the $1.50 you should support the Teague amendment.

Mr. EDMONDSON. Mr. Chairman, a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. EDMONDSON. Will not the effect of the Teague amendment, if agreed to at this time, be, therefore, to strike the Frelinghuysen amendment and also the preexisting language from the bill, and make possible this study during the intervening period?

The CHAIRMAN. The question is on the Teague amendment.

Mr. MILLER of California. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MILLER of California. I should like to know this: The Frelinghuysen amendment, as it now perfects the wording of the bill, would make it read:

Provided, That effective September 1, 1953, through June 4, 1954, no part of the appropriation shall be used to pay to educational institutions for reports and certifications of attendance (so much) at a rate not in excess of $1.

That means, between those dates, effective next September and until a year from now, that rate will be $1. After that it would revert back to $1.50. Is not that correct? That is the very thing we tried to defeat. It destroys this period of study.

The regular order was demanded.

The CHAIRMAN. The question is on the Teague amendment.

The question was taken; and on a division (demanded by Mr. TEAGUE) there were—ayes 64, noes 91.

Mr. TEAGUE. Mr. Chairman, I ask for tellers.

Tellers were refused.

So the amendment was rejected.

Mr. TEAGUE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TEAGUE: Page 10, line 25, after the word "institutions", insert "covering attendance on or after September 1953."

Mr. PHILLIPS. The amendment is suggested, as I understand, by the Solicitor for the Veterans' Administration. If it is agreeable to Members on the minority side it is all right on our side.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The amendment was agreed to.

Mr. VAN ZANDT. Mr. Chairman, I move to strike out the last word and ask unanimous consent to proceed for 5 additional minutes and to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. VAN ZANDT. Mr. Chairman, because of the controversy that has resulted from consideration of the appropriation for the Veterans' Administration for the fiscal year 1954, I am taking this opportunity to discuss the viewpoint of the three largest veterans organizations in the United States, namely, the American Legion, the Veterans of Foreign Wars of the United States, and the Disabled American Veterans.

Several weeks ago, as many of you will recall, due to a lot of misstatements based on lack of information there was developing a bitter controversy concerning the Veterans' Administration appropriation for the fiscal year 1954. In my opinion, this controversy was doing great harm to the veteran, as well as the membership of the Congress of the United States.

As one of several veterans who enjoy the great honor of having served as national commander of one of the Nation's major veterans organizations, we were successful in assembling at a conference, in the Speaker's office, representatives of the American Legion, the Veterans of Foreign Wars of the United States, and the Disabled American Veterans, to confer with congressional leaders, including Chairman TABER, of the House Appropriations Committee, and Congressman JOHN PHILLIPS, of California, and NORRIS COTTON, of New Hampshire, both members of the subcommittee handling the veterans' appropriation for the fiscal year 1954.

In a 3-hour conference, the representatives of these three veterans organizations were given a preview of the proposed recommendations of the House Subcommittee on Appropriations, and after a lively discussion, in which many questions were asked and answered, it was mutually agreed by all present, that while the appropriation bill was not entirely satisfactory, yet in view of the compelling need for economy, it was as much as could be expected at this time.

No doubt many of you have heard that a compromise was reached between congressional and veterans' leaders at this conference. While there was a compromise in the feelings of some present,

there was no compromise in regard to providing essential services for our veteran population.

The principal area of disagreement centered around the appropriation of $921,100,000 for administration, medical, hospital and domiciliary services in the Veterans' Administration budget for the fiscal year 1954. This figure was contained in the Truman budget request and was the only figure available to the three veterans' organizations prior to May 1, 1953, when the Bureau of the Budget's revised estimate for 1954 was released, calling for $851,350,000 as recommended in the revised estimates of the Bureau of the Budget.

As the result of the examination of the testimony at the hearing and the discussion that took place at the conference of congressional and veterans' leaders, the veterans' organizations accepted the amount of $895,710,600 recommended by the committee as being the sum needed to operate the Veterans' Administration without impairing the Administration, medical, hospital, and domiciliary services for the fiscal year 1954.

As part of the appropriation of $895,710,600 is the amount of over $555 million to provide for the staffing and operation of Veterans' Administration hospital beds. This amount is approximately $6 million in excess of the original budget estimate, and was recommended by the Acting Administrator of Veterans' Affairs and the Chief Medical Director as the sum necessary for the staffing and operation of 114,315 hospital beds which the Veterans' Administration estimates is the maximum number of beds they can hope to staff and keep open, under present problems in obtaining needed personnel. Thus, the amount of over $555 million requested for hospital beds gives assurance that the Veterans' Administration is being given funds to enable them to make available the number of beds they can staff and operate during the fiscal year 1954.

During the course of the conference the need was stressed for beds to hospitalize NP or mental patients. In this connection, it was explained that the Subcommittee of the House Committee on Appropriations told the Veterans' Administration to go ahead and perfect plans for converting excess general medical and surgical beds to NP beds, and when the plans were perfected to request a supplemental appropriation to cover the cost.

The appropriation for outpatient and dental treatment, the privilege of free hospitalization for non-service-connected veterans, the rental of contract beds by the Veterans' Administration, the elimination of the first year's interest on a GI business or home loan, and other items that were not subject to controversy were thoroughly discussed and met with general agreement.

Great concern was shown by veterans' leaders regarding the $300 million reduction under compensation and pensions. It was explained that the subcommittee estimated that the sum of $2,246,291,000 would be sufficient to meet all compensation and pension payments during the fiscal year 1954, and that the reduction of $300 million could be only a temporary one, should the Veterans' Administration find the amount estimated insufficient for compensation and pension payments to service-connected disabled veterans.

The conference in Speaker MARTIN's office was most amicable, with a friendly give-and-take attitude on both sides of the table. The friendly atmosphere that prevailed was indicative of the great concern of all present over the bitter controversy that had developed, and a sincere desire on the part of everybody to clarify the situation and dispel any fear that the program of veterans' benefits was being destroyed.

The fruitful results of the conference are evidenced by the following letters written by the spokesmen for the American Legion, the Veterans of Foreign Wars of the United States, and the Disabled American Veterans. You will observe that in speaking for the American Legion, Miles D. Kennedy, director of the national legislative commission of the American Legion, said, in part:

THE AMERICAN LEGION,
NATIONAL LEGISLATIVE COMMISSION,
Washington, D. C., June 15, 1953.

Re H. R. 5890, independent offices appropriation bill for 1954, Veterans' Administration.

To All Members of the House of Representatives:

The above appropriation bill was reported by the House Appropriations Committee on June 11 and is scheduled for debate in the House on June 16.

The American Legion is deeply interested in the portion of the bill that deals with funds for the Veterans' Administration for the fiscal year 1954.

The American Legion has consistently urged the appropriation of $921,100,000 for administration, medical, hospital, and domiciliary services in the Veterans' Administration budget for the fiscal year 1954. This figure was contained in the original January 9, 1953, budget and is the one and only figure that was available to the American Legion prior to May 21, 1953, when the Bureau of the Budget's revised estimate for 1954 was released. We note that H. R. 5890, the bill under consideration, proposes the sum of $895,710,600 in lieu of the original Bureau of the Budget estimate of $921,100,000 for the same purposes. An examination of the testimony presented by representatives of the Veterans' Administration during the hearings before the House Appropriations Subcommittee indicates that the Veterans' Administration should be in a good position to operate its programs for these purposes if granted the sum of $895,710,600 therefor. In view of these facts the American Legion accepts the amount of $895,710,600 as being the sum needed to operate the maximum number of beds the Veterans' Administration people testified should be available during the fiscal year 1954, namely 114,315, on a 90-percent occupancy basis.

Under "Compensation and pensions" (pp. 13–14 of the bill) only $2,246,291,000 is provided; this is a reduction of $300 million over the 1954 budget estimate. Considering the background for the proposed cut of $300 million we feel that judgment must be reserved until such time as it is possible to make a further detailed study of the subject. We are very much concerned about any reduction of funds for the service-connected disabled veterans.

We make the same observation with respect to the imposition of an undistributed reduction of $2 million to be applied to administration and operating expenses. While our national commander has recommended steps looking toward efficiency and economy in the Veterans' Administration functions we are watching to see that this reduction does not impair or restrict the essential services to veterans.

With reference to the proposed amendment of section 6 of Public Law 2, 73d Congress, the American Legion has taken, and will continue to take, aggressive steps to eliminate every possible abuse of the privilege of Veterans' Administration hospital care of the non-service-connected disabled, limited by existing law to the use of available beds by those financially unable to pay. We favor a tightening of the administrative provisions to eliminate such abuses.

However, we are constrained to believe that the proposed amendment to Public Law 2, 73d Congress, as amended, as set forth at pages 19 and 20 of the bill, might be interpreted to mean that all veterans with non-service-connected disability would have the right to seek treatment in Veterans' Administration facilities, regardless of their financial ability to pay. We do not believe such was the intent of the Appropriations Committee. We feel that the amendment as now drawn could result in a great many more non-service-connected veterans seeking hospitalization in Veterans' Administration facilities than is the case under the present law, if they find they are eligible and can obtain excellent medical treatment at rates below those charged in private hospitals, even though they realize when entering the Veterans' Administration facility they have to pay for their treatment.

The fact that we have not commented on the many other features contained in the bill and report is not to be construed as an indication of our approval thereof.

Thanking you kindly for your favorable consideration of the above as well as your assistance to the end that the interests of deserving veterans may be protected under this important legislation, I am

Sincerely yours,

MILES D. KENNEDY,
Director.

Omar B. Ketchum, director, national legislative service, Veterans of Foreign Wars of the United States, is quoted as saying:

VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
Kansas City, Mo., June 5, 1953.

DEAR MR. VAN ZANDT: This has reference to the conference in Speaker MARTIN's office on the afternoon of June 3, when representatives of the major veteran organizations, including the Veterans of Foreign Wars, were privileged to sit down with the Republican leadership of the House of Representatives to discuss fiscal 1954 appropriations for the Veterans' Administration in general and the medical and hospital program in particular.

I am encouraged—and have so reported my encouragement to our membership—over the results of the meeting in Speaker MARTIN's office. The amicable discussion and friendly give and take resulted in what I believe to be the best compromise that can be worked out in the matter of appropriations for the Veterans' Administration, and particularly for the medical and hospital program. I am sure you realize the compromises were not always satisfactory to both sides, and in some instances were accepted with reluctance, but on the whole I think the recommendations of the House Subcommittee on Appropriations, as outlined by Representative JOHN PHILLIPS on the floor of the House, June 4, following our conference on June 3, represent a budget recommendation that is generally acceptable by the Veterans of Foreign Wars.

I was particularly impressed with and approve wholeheartedly the statement of policy which was offered to be incorporated in the appropriation bill for the Veterans' Administration which was accepted by the Republican leadership and the subcommittee

on appropriations. It is my understanding this statement of policy, if incorporated and approved along with the VA appropriation bill, would authorize the Administrator of Veterans' Affairs, in his discretion, and in accordance with apparent needs, to staff and maintain additional hospital beds beyond the specified 114,315 beds for which specific funds in the amount of $555 million plus are initially appropriated. In other words, under the statement of policy if the Administrator of Veterans' Affairs determines that additional beds are needed above the 114,315 and he can find the necessary personnel to staff and operate same, he would be authorized to take such action and authorization for additional funds, in a supplemental appropriation, is implied. In my opinion this policy statement will go far to reassure veterans that within reasonable limits and in accordance with the ability of the Veterans' Administration to provide the beds and the staff to operate same that the maximum number of hospital beds will be made available for use.

Thanking you for your sympathetic consideration and intelligent understanding of the needs of our Nation's veterans, and trusting the House of Representatives will approve not less than the recommendations outlined by Representative PHILLIPS in his statement on the floor of the House on June 4, I remain

Sincerely yours,

OMAR B. KETCHUM,
Director.

Francis M. Sullivan, national legislative director, Disabled American Veterans, said in his letter:

DISABLED AMERICAN VETERANS,
Washington, D. C., June 8, 1953.

DEAR JIMMIE: The DAV is proud to have played a part with the Republican leadership, and leaders of the American Legion, and the VFW, upon our conference in Speaker MARTIN's office on Wednesday afternoon, June 3, to confer on the forthcoming second independent offices appropriation bill for the fiscal year 1954.

The DAV recognizes the need for economy, and our organization has done, and will continue to do its part in savings within the Veterans' Administration. Of course, the DAV will object when essential services for disabled veterans are concerned.

At our conference on June 3, the DAV realized that the House Appropriations Committee must make some savings. The forthcoming bill is not entirely satisfactory to us but under the need for economy it is as much as we could expect at the present time.

With best wishes, I am

Very sincerely yours,

FRANK
Francis M. Sullivan,
National Legislative Director.

Mr. Chairman, in concluding my statement, I want to join the spokesmen for the three major veterans organizations, when they say they are accepting this bill, although it is not entirely satisfactory, but the best possible, in view of the imperative need for economy in the affairs of government.

Mr. TEAGUE. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield to the gentleman from Texas.

Mr. TEAGUE. Can the gentleman tell me whether or not the three veterans' organizations, VFW, DAV, and American Legion, agreed to the provisos and the riders placed in this bill?

Mr. VAN ZANDT. All the riders placed in the bill were thoroughly discussed. Some of them were accepted without reservation and others were accepted with reservation.

Mr. TEAGUE. All were accepted by the three major veterans' organizations?

Mr. VAN ZANDT. Yes. They were all accepted by the three major veterans' organizations with reservations, and, may I add, reluctantly.

Mr. TEAGUE. Misstatements have been mentioned; the leadership mentioned misstatements and a number of Members have mentioned misstatements. Will the gentleman identify and say what he is talking about.

Mr. VAN ZANDT. They had to do with the $921 million, which, in my opinion, was the basis for all such statements.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield to the gentleman from New Jersey.

Mr. CANFIELD. The gentleman has referred to the $300 million cut in the item "Compensation and pensions." The committee report very forthrightly said this:

> The committee recognizes the fact that funds provided for this purpose are to meet a contractual obligation of the Federal Government. If an additional sum is required during the next fiscal year, the committee will recommend funds to meet the situation.

I know the gentleman from Pennsylvania has studied the bill very carefully and also the report. He knows of no directive, expressed or implied, to the new Veterans' Administration Administrator requiring him to reduce compensation or pensions now regulated by law.

Mr. VAN ZANDT. The gentleman from New Jersey is absolutely correct, and I can say that the veteran groups want it understood the $300-million cut is not a directive to the Veterans' Administration to cut any service-connected disabled veteran. That responsibility rests with the House Committee on Veterans' Affairs to recommend changes in existing law.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Did the veterans' organizations say that they endorsed the principle of legislating in appropriation bills?

Mr. VAN ZANDT. I cannot answer that question because we did not discuss the subject. We talked about the amount of money involved and the services to be provided the veteran and his dependents.

Mrs. ROGERS of Massachusetts. I understand that the veterans' organizations, the Legion, anyway, recommended an appropriation of $900 million plus, and that the committee cut it only by $25 million; is that correct?

Mr. VAN ZANDT. In accordance with the letter I have here from the American Legion, they very specifically said and I quote, "that in view of these facts the American Legion accepts the amount of $895,710,600."

Mrs. ROGERS of Massachusetts. Which is only $25 million less than recommended, I understand.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. McGREGOR. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, all of us are greatly interested in H. R. 569, known as the independent offices appropriation bill for 1954, which covers appropriations for the Veterans' Administration and I emphasize that we are especially interested in the appropriation covering the Veterans' Administration.

Some weeks ago we were deluged with letters from our constituents who were interested in the veterans' problems demanding that we reinstate the amount that had been deducted by the Appropriations Committee changing the sum of $921,100,000 to $895,710,600. Evidently, some word had gone out to these good veterans that it was the intention of Congress to jeopardize the veterans' program.

As 1 veteran of this Congress, and I feel that I am joined by at least 300 other veteran Members of this legislative body, and practically all of those who are not veterans, when I say that it is certainly not the intent to, in any way, jeopardize the veterans' program. But, I do say, and I think I am joined with the others, that we want the redtape and inefficiency cut out of the Veterans' Administration so that the veterans can have the service and consideration that rightfully belongs to them. Many of us are of the opinion that money appropriated to the Veterans' Administration has not been used in an efficient manner and I am personally calling upon the Veterans' Administration to fire those individuals who are not giving courteous treatment, efficient service, and dollar value for dollar received.

I have many, many letters citing the discourteous treatment that our veterans are receiving and it is time that we have a house cleaning in the Veterans' Administration.

I have always supported, will support this legislation, and will continue to support legislation that will give to our veterans the treatment and consideration which they so rightfully deserve. The veterans have fought to retain our freedoms and certainly we should give them a sufficient amount of money so that they may receive medical and hospital treatment to which they are entitled.

Mr. Chairman, I would like to include in my remarks a statement from the American Legion's National Legislative Commission which clearly sets forth that the National American Legion is in accord that the budget for the Veterans' Administration should be reduced to $895,710,600 as previously decided. I think the Legion and their staff are to be congratulated on having sent word out to the various posts that $895,710,600 is sufficient instead of $921,100,000. I am certain that the American Legion, and I am a past post commander, fully recognizes that it is not necessary to give more money than is needed and they also recognize that heavy taxes are a drain and burden on the veteran and his family and unnecessary expenses make additional taxes.

THE AMERICAN LEGION,
NATIONAL LEGISLATIVE COMMISSION,
Washington, D. C., June 15, 1953.

Re H. R. 5690, independent offices appropriation bill for 1954, Veterans' Administration.

To All Members of the House of Representatives:

The above appropriation bill was reported by the House Appropriations Committee on June 11 and is scheduled for debate in the House on June 16.

The American Legion is deeply interested in the portion of the bill that deals with funds for the Veterans' Administration for the fiscal year 1954.

The American Legion has consistently urged the appropriation of $921,100,000 for administration, medical, hospital, and domiciliary services in the Veterans' Administration budget for the fiscal year 1954. This figure was contained in the original January 9, 1953, budget and is the one and only figure that was available to the American Legion prior to May 21, 1953, when the Bureau of the Budget's revised estimate for 1954 was released. We note that H. R. 5690, the bill under consideration, proposes the sum of $895,710,000 in lieu of the original Bureau of the Budget estimate of $921,100,000 for the same purposes. An examination of the testimony presented by representatives of the Veterans' Administration during the hearings before the House Appropriations Subcommittee indicates that the Veterans' Administration should be in a good position to operate its programs for these purposes if granted the sum of $895,710,000 therefor. In view of these facts, the American Legion accepts the amount of $895,710,000 as being the sum needed to operate the maximum number of beds the Veterans' Administration people testified should be available during the fiscal year 1954, namely, 114,315, on a 90-percent occupancy basis.

Under "Compensation and pensions" (pp. 13–14 of the bill), only $2,246,291,000 is provided; this is a reduction of $300 million over the 1954 budget estimate. Considering the background for the proposed cut of $300 million, we feel that judgment must be reserved until such time as it is possible to make a further detailed study of the subject. We are very much concerned about any reduction of funds for the service-connected disabled veterans.

We make the same observation with respect to the imposition of an undistributed reduction of $2 million to be applied to administration and operating expenses. While our national commander has recommended steps looking toward efficiency and economy in the Veterans' Administration functions, we are watching to see that this reduction does not impair or restrict the essential services to veterans.

With reference to the proposed amendment to section 6 of Public Law 2, 73d Congress, the American Legion has taken, and will continue to take, aggressive steps to eliminate every possible abuse of the privilege of Veterans' Administration hospital care of the non-service-connected disabled, limited by existing law to the use of available beds by those financially unable to pay. We favor a tightening of the administrative provisions to eliminate such abuses.

However, we are constrained to believe that the proposed amendment to Public Law 2, 73d Congress, as amended, as set forth at pages 19 and 20 of the bill, might be intepreted to mean that all veterans with non-service-connected disabilities would have the right to seek treatment in Veterans' Administration facilities, regardless of their financial ability to pay. We do not believe such was the intent of the Appropriations Committee. We feel that the amendment as now drawn could result in a great many more non-service-connected veterans seeking hospitalization in Veterans' Administration facilities than is the case under the present law, if they find they are eligible and can obtain excellent medical treatment at rates below those charged in private hospitals, even though they realize when entering the Veterans' Administration facility they have to pay for their treatment.

The fact that we have not commented on the many other features contained in the bill and report is not to be construed as an indication of our approval thereof.

Thanking you kindly for your favorable consideration of the above as well as your assistance to the end that the interests of deserving veterans may be protected under this important legislation, I am

Sincerely yours,

MILES D. KENNEDY,
Director.

Mr. THOMAS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise to propose an inquiry to our beloved chairman. I wonder if the gentleman from California would be inclined to move at this time that the remainder of the chapter dealing with the Veterans' Administration be thrown open for debate, and that all debate upon the chapter end in some, say, 20 minutes?

Mr. PHILLIPS. Yes, I think it would be advisable to suggest some time. I suggest the bill be considered as read and open to amendment at any point, because I think the bill has been discussed so fully that everyone understands what the points are in it. I will ask that first.

Mr. TEAGUE. Is that a unanimous-consent request?

Mr. PHILLIPS. Yes.

Mr. TEAGUE. I object, Mr. Chairman.

Mr. PHILLIPS. I was about to move it, because the gentleman from Texas understands this does not end debate.

Mr. TEAGUE. I understand, but it gives the committee preference on amendments and discussion of the bill. I object.

Mr. THOMAS. How much time is desired? I suggest 25 minutes, Mr. Chairman.

Mr. SECREST. There are several of us that have been waiting to discuss some of these amendments. The gentleman from Indiana [Mr. ADAIR] has what I think is a very important amendment to this bill. Will there be assurance that we will have ample time to discuss that amendment? Some of us have used no time at all. We are waiting for that amendment.

Mr. PHILLIPS. To which amendment does the gentleman refer?

Mr. SECREST. The Adair amendment.

Mr. PHILLIPS. There are several Adair amendments.

Mrs. ROGERS of Massachusetts. I have an amendment also.

Mr. SECREST. It would be the one on non-service-connected hospitalization, in which the provision is made that they shall pay for part care.

Mr. PHILLIPS. I presume the matter is taken care of since objection was made to my unanimous-consent request and under the parliamentary ruling I cannot move at present that the reading of the section be dispensed with.

Mr. HALLECK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HALLECK. Do I correctly understand that it is not in order to move that the bill be considered as read and open to amendment at any point?

The CHAIRMAN. The Chair doubts that the motion would be in order at this time.

Mr. THOMAS. May I state that it is not the disposition of any of the committee members to cut off debate unduly, but our distinguished majority leader has stated that he wants this bill concluded this afternoon, and perhaps he has some other matters to be considered this afternoon after this has been concluded, so I wonder if we cannot agree on some reasonable length of time. Would 30 minutes suit everybody?

Mr. HALLECK. As I understand the parliamentary situation, before we could limit debate on the whole paragraph, since it has not been read, we would have to have it considered as read and open to amendment at any point.

Mr. THOMAS. That is the entire chapter, the gentleman means.

Mr. HALLECK. Then it would be my idea that a 30-minute limitation should be sufficient. I am sure the membership generally would recognize that those Members who have amendments they want to offer and speak on should be recognized and given an opportunity. With that idea in mind, Mr. Chairman, I ask unanimous consent that the section on the Veterans' Administration be considered as read, and be open to amendment at any point.

Mr. TEAGUE. I object, Mr. Chairman.

The Clerk read as follows:

Out-patient care: For expenses necessary for furnishing out-patient care to beneficiaries of the Veterans' Administration, as authorized by law, including not to exceed $190,140 for expenses of travel of employees; $92,677,900, of which not exceeding $23 million shall be available for out-patient dental care: *Provided*, That no part of this appropriation shall be available for out-patient dental care and treatment, or related dental appliances, when the dental condition or disability being treated is not compensable, unless such condition or disability is shown to have been in existence at time of discharge and application for treatment is made within 1 year after separation from service, or 1 year after the enactment of this act, whichever is later: *Provided further*, That when any such noncompensable dental condition or disability has once been corrected, additional care and treatment therefor may not be provided.

Mr. FORD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FORD: On page 13, line 1, after the colon following the word "care" strike out the remander of line 1 through 11 and insert the following: "*Provided*, That no part of this appropriation shall be available for outpatient dental services and treatment, or related dental appliances with respect to a service-connected dental disability which is not compensable in degree unless such condition or disability is shown to have been in existence at time of discharge and application for treatment is made either 2 years after separation from active service, or 1 year after enactment of this act, whichever is later: *Provided*, That this limitation shall not apply to adjunct outpatient dental service or appliances for any

dental condition associated with and held to be aggravating disability from some other service-incurred or service-aggravated injury or disease."

Mr. FORD. Mr. Chairman, my amendment coincides rather closely with the amendment included in the bill by the committee. The problem we are trying to attack is precisely this. When a man goes into the service, any one of the three branches, and if he or she has a tooth filled, a single tooth or all of his or her teeth, that tooth or those teeth become service-connected disabilities for perpetual veteran care as long as that person is alive. In other words, we now have about 20 million servicemen or GI's who have potential service-connected disabilities of this sort. Each year we are now turning out of the three branches of the service about 900,000 additional people who are potential dental patients of the Veterans' Administration. Let me just read to you what the Surgeon General of the Army recently testified before our Subcommittee of the Committee on Appropriations. General Armstrong said, "I would guess it is 100 percent." In other words, what he was answering was this: I asked him how many people in the Army from the time they entered the service until they were discharged received dental treatment including the filling of a tooth, and he said approximately 100 percent.

Mr. THOMAS. Mr. Chairman, will the the gentleman yield?

Mr. FORD. I am glad to yield to the gentleman.

Mr. THOMAS. If the gentleman would briefly explain his amendment so that we may understand it properly, and explain how his amendment changes the committee amendment, I believe our distinguished chairman would be willing to adopt the amendment.

Mr. FORD. I will be glad to explain it.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. PHILLIPS. Mr. Chairman, we are constrained to accept it. The gentleman must remember it is hard to listen to an amendment, and then say, "Well, yes; surely that is satisfactory, in detail." If it is by any chance not exactly right that can be ironed out, and we are willing to accept it.

Mr. FORD. Mr. Chairman, my amendment primarily takes the language of a bill introduced by the gentleman from Texas [Mr. TEAGUE], H. R. 5007, and makes one change. The Teague bill provided that there was to be a 3-year period for filing claims. My amendment to the committee bill makes it a 2-year period. In other words, it is half way between the Teague bill and the committee bill.

I believe all of the veterans' organizations are on record in favor of this kind of legislation, some of them more forcibly than others.

Mr. TEAGUE. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. TEAGUE. It is very true that I introduced that bill. It is very true that I am for some legislation of that type. I wrote the Veterans' Administration for an opinion from the Solicitor on the bill I introduced and he wrote back that there was much in the bill that needed correcting, that a lot of terms were used there that would be interpreted in different ways, and suggested that it not be passed in the form that it is. I suggest we should have hearings on it and try to perfect it. I agree that the dental program has gotten out of control, and has gone too far, that we should have legislation, but I am not in favor of this amendment until I know what it means.

Mr. FORD. I might say to the distinguished gentleman from Texas that as we face the situation today, the outpatient dental treatment is costing the Veterans' Administration about $35 million a year. The committee amendment would cut out about $20 million worth of this expenditure to the Veterans' Administration. I think my amendment would make it about the same. I respect the point of view of the gentleman from Texas, but as a practical matter, if we want to solve this problem right now during this session, there is only one way to get any action and that is on this appropriation bill. If we await action by the Committee on Veterans' Affairs, and subsequent action in the House and in the other body, we will never get it during this session or the next session. I say if you want action to save $20 million a year, and to bring under control a problem that is getting worse and worse and worse, this is the only time that you can do it and the only way in which it can be done.

Mr. LONG. Mr. Chairman, I rise in opposition to the amendment.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield for unanimous-consent request?

Mr. LONG. I yield to the gentleman from California.

Mr. PHILLIPS. The request is that the discussion on this amendment and all amendments thereto close after the gentleman's time has expired.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LONG. Mr. Chairman, I am not in opposition to this bill by any means. I rise only to add my humble word and, as a dentist, to be helpful. You are not going to solve this problem that the gentleman just spoke to in this way. I am presently cooperating with the members of the American Dental Association, and the American Medical Association, and with the committee of which I am a member, the Veterans' Affairs Committee, in the preparation of a bill that we soon expect to introduce.

The gentleman spoke of saving $20 million. If we can write the kind of bill that we plan, we will save $100 million.

I had an amendment here that I wanted to offer, merely to hold this matter in abeyance for a short time, to strike out some of the language and give us a chance to perfect the kind of legislation that we need. You are not going to do it on an appropriation bill in committee and, in one or two sections, take care of a matter of this kind.

Let me tell you just what I am talking about. There was wasted in handling veterans' affairs more than $70 million in examinations alone. We propose, in the preparation of this bill, to remedy this situation and fix it so that we will spell out what they can do and what they cannot do, and in that way save this country millions of dollars.

If you defeat this amendment and adopt the one that I am going to propose, if you give us a few days, I will guarantee that we can come back here and be helpful to this committee and to this Congress, and we know what we are talking about.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. LONG. I yield to the gentleman from Indiana.

Mr. HALLECK. I might suggest to the gentleman that this appropriation bill will go to the other body, who will act on it, and then it will go to conference. It might well be that the language the gentleman has in mind could take the place of this language, in conference, if deemed desirable.

Mr. LONG. I thank the gentleman. I yield back the balance of my time, Mr. Chairman.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Michigan [Mr. FORD].

The question was taken; and on a division (demanded by Mr. JAVITS) there were—ayes 82, noes 54.

So the amendment was agreed to.

The Clerk read as follows:

Compensation and pensions: For the payment of compensation, pensions, gratuities, and allowances (including subsistence allowances authorized by part VII of Veterans Regulation 1a, as amended), authorized under any act of Congress, or regulation of the President based thereon, including emergency officers' retirement pay and annuities, the administration of which is now or may hereafter be placed in the Veterans' Administration, and for the payment of adjusted-service credits as provided in sections 401 and 601 of the act of May 19, 1924, as amended (38 U. S. C. 631 and 661), $2,246,291,000, to be immediately available and to remain available until expended.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROGERS of Massachusetts: On page 14, line 2, after the comma, strike out the sum and insert "$2,546,291,000."

Mrs. ROGERS of Massachusetts. Mr. Chairman, this amendment restores to the bill the $300 million the committee struck out insofar as payment of compensation and pensions is concerned.

Mr. PHILLIPS. Mr. Chairman, will the gentlewoman yield briefly?

Mrs. ROGERS of Massachusetts. I yield.

Mr. PHILLIPS. I just want to make it clear that what the distinguished gentlewoman is asking for is the original Truman budget that was reduced by the Dodge budget. That reduction was accepted by the Veterans' Administration.

Mrs. ROGERS of Massachusetts. My understanding was that the committee has stated that they would come in at a later time if there was need and grant additional funds.

In the hearings on pages 784 to 882 there are certain recommendations that alarm me very much and I think should alarm the other Members of the House. The recommendations are easily stated:

Non-service-connected pensions plus a combined ceiling on all pensions, veterans, social security, civil-service retirement, railroad retirement, and so forth.

First. Legislative study of non-service-connected pensions.

Second. Place a combined ceiling on all pensions from Federal Government—VA, social security, civil-service retirement, railroad retirement, and so forth.

Third. Comprehensive review with respect to service-connected compensation—presumably with respect to having a ceiling on earning capacity and receipt of compensation.

Fourth. Tighten up pension requirements at age 65.

The report indicates that if the above recommendations are followed, approximately $300 million can be saved as follows:

First. Curtailment of non-service-connected pensions by 30 percent.

Second. Elimination of one-third of 10 and 20 percent compensation cases by imposition of income restriction.

Third. Review of static cases and general tightening up of rating philosophy.

The report then gives a number of cases of both service-connected and non-service-connected cases which the report indicates substantiate the viewpoint of the investigators.

Mr. THOMAS. Mr. Chairman, will the gentlewoman yield just briefly, and I will ask that she be given more time if she desires it.

Mrs. ROGERS of Massachusetts. I appreciate that very much, I may say to the gentleman.

Mr. THOMAS. Let me say to our distinguished chairman of the Veterans' Affairs Committee that it is not the intention of the Subcommittee on Appropriations to deny one penny of benefits in the way of pensions and compensation. The gentlewoman knows perhaps better than anybody on this floor that when you begin to estimate the amount of pensions and compensation that run in excess of $2 billion, somebody is going to have to do considerable guesswork. Those pensions are valid existing obligations of the Government and whatever that amount is going to be in the final analysis, this Congress is going to vote it.

Mrs. ROGERS of Massachusetts. I cannot yield further.

Mr. THOMAS. Mr. Chairman, I ask unanimous consent that the distinguished gentlewoman from Massachusetts, chairman of the great Veterans' Affairs Committee, may proceed for an additional 5 minutes. If she is not entitled to it nobody on the floor is.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMAS. The point is that the committee has to guess just like the Bureau of the Budget does on these pensions. We have put a transferability clause in here, of 5 percent, which has never been done before; and if we miss our guess we are going to come right back here and supply every penny just like the gentlewoman herself would. But as the matter stands to date, the committee has guessed a little more accurately than the Bureau of the Budget on these matters.

Mrs. ROGERS of Massachusetts. I may say to the gentleman that even though he has asked additional time for me, I will not have any time left if he speaks longer.

Mr. THOMAS. If the gentlewoman wants more time I am sure the committee will give it to her.

Mrs. ROGERS of Massachusetts. I have but 5 minutes. I suggest that the gentleman talk in his own time.

Mr. PHILLIPS. The gentlewoman knows that she has an additional 5 minutes, does she not?

Mrs. ROGERS of Massachusetts. I know, but not now because most of it has already been used by the gentleman from Texas.

Mr. PHILLIPS. The gentlewoman may not realize it, but we have included in this bill a 5 percent transferability clause which means that 5 percent can be transferred from any of these funds to make it available in any other.

Mrs. ROGERS of Massachusetts. I realize that, but there may be a trick there without our knowing it. You see I know about the cleverness of Californians, Texans, and so forth.

The report indicates that if the above recommendations are followed, approximately $300 million can be saved. That is the thing we are watching for and that is the thing we worry about. There is a curtailment of non-service-connected pensions by 30 percent, there is the elimination of one-third of 10 and 20 percent compensation cases by the imposition of income restriction and there is the review of static cases and a general tightening up of rating philosophy.

What does this mean to the people who have struggled and struggled and struggled to get a higher rating for very serious disabled veterans?

Then the report gives a number of cases of both service-connected and non-service-connected cases which the report indicates substantiates the viewpoint of the investigators.

I would be satisfied except I do not like this savings of $300 million as a result of the recommendations that are in the hearings. I think it is very dangerous and it is just the amount that the savings is supposed to take care of.

It looks to me very much like legislation, and I greatly deplore legislation on appropriation bills. You might just as well abolish the Committee on Veterans' Affairs. I talked with a newspaperman who has just secured information on the casualties in Korea and he informs me they are running now 2,000 casualties a day. That includes the South Koreans as well as our own men. Our load is going to increase.

In view of the statement made by the gentleman from Pennsylvania [Mr. VAN ZANDT] I realize I can probably get nowhere with this amendment to increase this bill $300 million, but I would feel very much happier if it were in the bill. It is a limitation. It is not legislation on an appropriation bill, I know. Other propositions that have been taken up in the bill are legislative provisions in an appropriation bill. In trying to get something for severely disabled veterans in an appropriation bill, I have failed in the past.

We are in the midst of the most horribly dangerous situation that our country has ever been placed in. I have been home recently and I think sometimes I hear from nearly every human being. I hear from the mothers and fathers of sons who are in Korea and the fathers and mothers of those boys who may have to go to Korea. I terribly deplore any action that will deny any benefits to these men just as we have given to veterans of the other wars.

This is not an easy time for those who are anxious about our country, who are worried about the spread of communism. I am terribly unhappy over any limitation of debate on this bill. We spent 4 or 5 hours debating the provision of this bill having to do with the Atomic Energy Commission and the provision having to do with TVA, yet an effort is made to limit debate on the provision that refers to our veterans.

The committee has done a great many fine things in connection with the hospital program, I grant that, things that I am very happy about, but I do wish the committee would give us time, the Committee on Veterans' Affairs, to consider and recommend legislation on certain things. I think something can be accomplished in the way of savings. On the other hand, I am horrified at the writing off of a man's life, because it is life to him and his family if the 20 percent ratings are cut and they get nothing. The wiping out of the 10-percent disability is in the same category. They will have no veteran's preference other than the fact they are a veteran. It is not right.

I believe that the House, perhaps not on this bill but in future bills, will consider not writing legislation in appropriation bills. It is thoroughly bad, it is thoroughly dangerous.

I would like to add that I congratulate the Appropriations Committee for breaking down the general administration item into specific operational items because I believe that that will make for a better understanding on the part of the Congress, and the public generally, of how the money is being spent. I hope that the Appropriations Committee will pursue this matter further. More detail could be provided with considerable resulting good effect for all concerned. The amounts authorized in the bill before us seem to me to be much more realistic than the budget estimate as originally presented.

However, in that connection I am sympathetic, too, with the problem which the Appropriations Committee faced because of the difficulty which it has experienced in dealing with the Veterans' Administration. I have had considerable experience with that myself. I have had conflicting answers and conflicting testimony given to my committee. One set of figures has been furnished one Member of Congress, another set has been furnished another

Member, and the result has been confusion, and I do not think that the public generally or the veterans have been served by such tactics. I hope the new administrator will correct this situation.

However, Mr. Chairman, the debate on this bill focuses attention on a number of very important items, and one of the most important is that the committees charged with operating that particular field should have that responsibility and they should exercise it. They should not be usurped by any other committee of the House. I feel very deeply that for a number of months the Appropriations Committee has been encroaching more than ever upon the work of the legislative committees of the House. Members will note that in the report accompanying this bill and in the bill itself, there are several specific instances of limitations, or legislation, on the appropriation bill. In some instances there has been a very limited, if any, consideration of the subject sought to be treated.

Regardless of the merits of the so-called housing gratuity of $160, that matter should have been considered first by the Committee on Veterans' Affairs prior to its consideration by the Appropriations Committee and the Appropriations Committee should not usurp the right of cutting off funds for that function simply because it believes money can be saved there. The Congress, in considering the Servicemen's Readjustment Act, provided that the Government would pay to the veteran, or rather to the lender in behalf of the veteran, a sum equal to 4 percent of the amount guaranteed. This means that each veteran had paid on the principal loan outstanding in his behalf $160 whenever he purchased a house. It was a small amount for the individual veteran and truly one that he did not immediately feel but, nevertheless, it was a real benefit. With the interest rate now increased to 4½ percent the housing which veterans of World War II and Korea are getting is anywhere from $600 to $700 and maybe $1,000 or more higher over the life of the 20-year loan than it was for those who were fortunate enough to buy prior to the interest-rate increase or prior to the limitations the Appropriations Committee has now written into this bill.

In this connection the Acting Administrator of Veterans' Affairs recently advised that—

> It may be noted that since the removal of credit restriction of April 23, 1953, greater flexibility is now permitted on the application of the gratuity payment. The manner in which it is applied is determined by the agreement between the lender and the veteran, but the veteran may now request that the gratuity be applied to meet regular monthly mortgage payments as they accrue, thus giving him an immediate benefit. For example, if the monthly mortgage payment is $53.33 or less, the $160 gratuity would give the veteran a 3-month breathing spell soon after the loan is made. Even if the gratuity payment is initially applied as a prepayment of principal, future interest accruals will be proportionately reduced so that the loan will be paid off several months earlier if payments are made on schedule. Moreover, it does not necessarily follow that in the event the gratuity is applied to the principal balance of the loan, the veteran will obtain no tangible benefit until the final maturity approaches. This is true because, in such a case if the veteran later encounters financial distress, he may request the reapplication of the gratuity payment to cure the delinquency resulting from his inability to meet his regular mortgage payments. In this aspect the gratuity thus provides a cushion against a period of distress.
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> Notwithstanding the foregoing, it is realized that this matter is one of policy which involves the consideration on the one hand of the material savings which would result from the elimination of the gratuity payment and on the other hand of factors such as the possible arguments of discrimination against World War II, and particularly Korean conflict veterans, who have not yet availed themselves of their loan entitlement under the Servicemen's Readjustment Act, and the fact that the withdrawal of this element of the total assistance now available to the veteran would further reduce the preferred position intended to be accorded him by the loan-guaranty program under the Servicemen's Readjustment Act.

I note, too, that the Appropriations Committee states in its report that Public Law 36 should be repealed in order for money to be saved in the insurance program. Now this public law was enacted for the benefit of the insured. It was enacted in an effort to place the national service life insurance act on a par with commercial policies in the practice of commercial insurance companies insofar as the use of dividends is concerned to maintain an insurance policy in full force and effect. It is quite true that difficulties have arisen in administration but the Committee on Veterans' Affairs has already made a survey of this problem in connection with a general survey conducted by the Subcommittee on Administration and Finance in the Veterans' Administration and the Subcommittee on Insurance. House Committee Print 55 has been published and the problem in connection with Public Law 36 is clearly stated therein. One of these committees will act in this field probably before the current session adjourns but it is a matter which requires careful consideration and it is a legislative problem and not an appropriation item and the Appropriations Committee should not arrogate to itself the authority to either terminate this act or to otherwise amend it by refusing to appropriate proper funds. The Assistant Administrator for Insurance has recently installed new automatic equipment in the Philadelphia office which he believes will go far toward solving this problem but our committee can be of assistance in solving the problem on a permanent basis and not on a piecemeal basis as it is likely to be done if the Committee on Appropriations operates in the field.

One of the most controversial items, certainly legislation on an appropriation bill, is the proviso which the Appropriations Committee seeks to include of providing new controls over the granting of hospitalization for non-service-connected disabled veterans. This is a complicated problem and one which cannot be solved by the limited consideration which the Appropriations Committee gave it nor by legislating here on the floor of the House. There is legislation on this subject pending before the Committee on Veterans' Affairs. The Subcommittee on Hospitals headed by the gentleman from New York, Mr. KEARNEY, has jurisdiction of this subject and I feel sure will meet its responsibility at the proper time in the proper way.

With regard to hospitalization, the Acting Administrator of Veterans' Affairs, Mr. H. V. Stirling, says:

> This proposal will obviously impose serious administrative burdens. For example, it would appear that some procedure will be necessary from which to make a preliminary determination of ability to pay and a determination whether further investigation is indicated, notwithstanding the sworn statement that the veteran is unable to defray the expense of hospitalization. This might require some such procedure as revision of the application form to require a financial statement, and this would present complexities as to what items were properly for inclusion and exclusion on such a statement. Depending upon what preliminary facts might disclose, there would then arise the question as to what cases would justify further investigation and how extensive such an investigation should be, considering the expense involved and the possible results.
>
> There would exist the administrative problem of how to fix the charges and prorate them in accordance with the individual's ability to pay as well as the difficulties of estimating ability to pay on a uniform basis, in view of the many variations in individual circumstances. This would in some long-time cases also entail the determination of whether payments should be exacted throughout the course of hospitalization and how to gear the amount charged to the probable duration of hospitalization. In some cases it might be necessary to wait until the end of the period of hospitalization to determine what a proper charge would be. Finally, having fixed a charge, the problem of collection would frequently become a troublesome one, possibly involving the question of offsetting the amounts charged against items otherwise payable to the veteran.

I am also distressed, Mr. Chairman, by some of the activities of the Appropriations Committee in its so-called staff studies of the Veterans' Administration. A part of the overall report has been placed in the hearings before the Appropriations Committee, namely, that part which deals with compensation and pensions. I have known about this report for some time, though I have never been furnished with a copy, although it seems to me that since the committee of which I have the honor to be chairman has jurisdiction of this subject, it would have been the courteous thing to have given me a copy of this report, and at the same time to have made copies available to our committee. I have written for a copy of it, but to date have not received one nor have I received a reply. This despite the fact that copies have been given to executive agencies.

Insofar as the compensation and pension study is concerned, I believe that it was made by two gentlemen from the General Accounting Office and one from private business. The study continued over a period of several months. The basic philosophy underlying this study is that veterans should be treated as any other individual in society and that the Government owes him no special obligation. On that point, Mr. Chairman, I disagree entirely and completely. I believe that the veteran is a special class

in a special group in our society. We hear a lot about the statement that the Nation is fast becoming a nation of veterans. The veteran population of the country is something like 20 million. Assuming that there are 3 people in each veteran's family, that makes 60 million and still considerably less than 50 percent of the total population of America. But regardless of that fact, it does not diminish in the least the responsibility of the Federal Government in this field. The Government has asserted the right to draft men into the Armed Forces and I would certainly agree that it has that right. At the same time it must assume the responsibility for its acts in this field.

We can all think of many individuals who did not go to war, who stayed home and put up with the headaches of rationing and other inconvenience of a wartime economy but they did not sacrifice and most in many instances they profited very well while other people were away suffering for their country. To deny that the group who had to go has no special place seems to me to fly in the face of the facts and moral responsibility.

The staff study to which I have referred starts off very carefully by citing the so-called abuses of the non-service-connected pension program. They would reduce this program by either placing a limit on the total income that a man may have despite the fact that there is a rather rigid ceiling on the figure today, and by further making possible that income received from social security must be combined in determining the income which the veteran receives. Then the staff study very carefully and casually builds up the consideration of the compensation cases. These cases in every and each instance involve service-connected disabled veterans, men who have service-incurred disability—incurred either in combat or as a part of their service. In this connection, Mr. Chairman, I think it should be borne in mind that men who lose a leg in the camp or some other place while they are in the service do not have any control over whether they shall go to the front lines or whether they will stay in the rear or whether they will lose a leg on a weekend pass while they are going home to see their loved ones. They are serving as a result of their Federal Government order to participate.

In any event, these compensation cases too are criticized by the staff study. The premise of the study is that these men, these service-connected disabled veterans are out earning a living and that there is no real good reason why the Federal Government should pay them any compensation. I think that very few people will agree with that conclusion if they take the time to think the problem through. Suppose a man has lost a leg, or two legs, or an arm, and he overcomes the handicap and makes a good salary. We have always tried to encourage the handicapped. Are we to reverse this policy? He lost that arm, or that leg, or both legs, in the service of his country and I think the Government should recognize that and act accordingly, and that is the whole basis of the activity of the Federal Government in this field. If we retreat in this field today, Mr. Chairman, if we start cutting service-connected compensation we will, in a short time, be cutting out the veterans' program altogether. I know that the people would be the ones to last deny that they wanted to hurt the veterans but I have seen enough in this Congress and I have seen enough in the 28 years of public service to know the handwriting on the wall when I see it.

There are no easy answers to the problem, Mr. Chairman, but we can find it if we proceed in an orderly manner.

The CHAIRMAN. The time of the gentlewoman from Massachusetts has expired.

Mr. PHILLIPS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am sure the distinguished gentlewoman from Massachusetts neglected to make a statement which she intended to make, on account of her time running out. Although this committee had, by recalculation, reduced the amount for compensation and pensions a very moderate amount, considering the entire bill, that we had actually increased by recalculation, on page 16, for example, national life insurance more than 50 percent and that we had recalculated and increased the servicemen's indemnity by more than we reduced compensations and pensions. We are dealing with large figures, which undoubtedly makes this figure seem large to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I did neglect to say that. I realize that is true. I realize the gentleman increased the appropriation for hospitals, but I would like to point out that California and New Hampshire fared fairly well in that respect.

Mr. COTTON. What does the gentlewoman mean, New Hampshire? There is no hospital given New Hampshire.

Mrs. ROGERS of Massachusetts. But you are going to open this hospital, and I am delighted.

Mr. PHILLIPS. The gentlewoman is wrong and that is an unfortunate statement to make about her colleagues. All hospitals on that list, no matter where they are, were next in line on the Veterans' Administration; not our list.

Mrs. ROGERS of Massachusetts. I mean it as a matter of result, as a practical matter. May I just say this also, I hope very much that the hospital here in Washington can be built. That was, I think, recommended by the VA. I do not remember whether the budget accepted it or not. I am delighted that you have the money for the 114,000 beds, and I will say to the gentleman from New Hampshire, my neighbor, I am delighted that his hospital will be built.

Mr. PHILLIPS. I move, Mr. Chairman, that all debate on this section and all amendments thereto close at once.

Mr. ROGERS of Florida. Mr. Chairman, before the gentleman makes that motion, will he yield?

Mr. PHILLIPS. I yield to the gentleman from Florida.

Mr. ROGERS of Florida. I want to ask the gentleman with reference to this $300 million just spoken of by the gentlewoman from Massachusetts. Irrespective of what we do here, there is a liability on the part of the Government to pay this $300 million for compensation and pensions.

Mr. PHILLIPS. The gentleman is right. There is no difference between this year and the other 6 years that I have been on this subcommittee.

Mr. ROGERS of Florida. And if there does happen to be a deficit, we would have to make it up by bringing in a supplemental bill.

Mr. PHILLIPS. That is right, but we usually calculate better than the Veterans' Administration.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Tennessee.

Mr. EVINS. The distinguished chairman has spoken of raising the amount of money for hospitalization and medical care. In that regard I repeat that the committee is to be congratulated, but while increasing funds for veterans' hospitalization and medical care the committee cut very deeply in compensation and pension benefits, readjustment benefits, and other services for veterans. We hear about veterans' costs going up and increasing day by day.

Mr. PHILLIPS. We were building more hospitals.

Mr. EVINS. The facts are that overall veterans' benefits have been drastically reduced over the years. Yes, I congratulate the members of the subcommittee for increasing money for hospitals and medical care, but at the same time I insist that there have been very drastic cuts in other veterans' benefits.

Mr. PHILLIPS. Not the service-connected veterans.

Mr. HAGEN of California. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HAGEN of California. Is there a motion pending which would limit any additional amendments to this section pertaining to veterans?

Mr. PHILLIPS. No; just to this paragraph covering compensation and pensions.

Mr. TEAGUE. The gentleman means the unnumbered sections?

Mr. PHILLIPS. That is right. My intention was not to stop amendments relating to other Veterans' Administration items, but only with regard to the readustment benefits, and that part ends on page 14, line 3.

Mr. Chairman, I withdraw my motion.

Mr. EVINS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the committee on Veterans' Affairs has given considerable study to the hospital and medical care program. A special Subcommittee on Hospitals has made an extensive survey of the veterans' hospital program including the service-connected and non-service-connected caseload.

I should say that the veterans' hospital program has been blackened and given a black eye by a few instances of irregularities and some illegal and improper admissions of veterans to VA hospitals.

During the recent months, there have been in fact three surveys made by responsible sources of the Government

with reference to the hospital and medical service of the Veterans' Administration. I want to direct the committee's attention to the result of these surveys—each of which tends to discount and discredit much of the false propaganda being directed against the veterans' hospital and medical care program.

These surveys show that the number of veterans with non-service-connected disabilities who have been improperly and illegally admitted to VA hospitals constitute a few exceptions. These exceptions have been strongly exaggerated and magnified—to the extent that the whole Veterans' Administration medical and hospital program has been damaged and blackened.

Some critics of the Veterans' Administration program have allowed a few scattered clouds on the horizon to cast shadows over the operation of a great medical program for the disabled and needy veterans of the Nation.

The Appropriations Committee, in its report, has cited 12 cases—which the committee believes are cases of veterans improperly admitted to the VA hospitals. All the facts on the cases are not given.

It should be remembered that there are more than 20 million veterans in the Nation, and approximately 114,000 veterans in our hospitals today.

When we consider the average daily patient load of 114,000 veterans in hospitals—and 20 million veterans of the Nation, 12 cases of questionable and improper admissions is certainly not a bad situation. It is, in fact, an excellent record—a record of administration of which the Nation can and should be proud.

An illustration of one such instance may serve to show the damage which results to veterans' hospital programs by publicity being given to a seemingly improper case without the full facts being known.

The mayor of one of our great cities of the South was admitted to a veterans' hospital for care and treatment and the press played up the facts of this admission as one improperly admitted to a veterans' hospital. The facts are that this mayor was a Marine Corps veteran. He died shortly after his admittance to the veterans' hospital and his estate, upon administration, was declared bankrupt.

I am sure that this veteran must have known best his financial circumstances at the time of his admittance into the hospital—better than the critics of the veterans' hospital program.

All of the surveys of the VA hospitals in this connection refute the critics of the medical care program.

The Comptroller General's report covered a survey of 46 veterans' general medical and surgical hospitals. This report, submitted to the chairman of the Committee on Veterans' Affairs on March 11, of this year, shows that of the 46 hospitals surveyed, 64.4 percent of the veterans hospitalized were suffering from non-service-connected disabilities while 35.6 percent of the caseload in these hospitals were service-connected veterans.

At first glance, some persons might assume that a large number of the 64.4 percent of veterans with non-service-connected disabilities were ineligible or illegally admitted to VA hospitals.

A more careful analysis shows that 24.8 percent of veterans in this category had permanent and total disabilities and were receiving compensation and being treated for both service-connected and non-service-connected disabilities. Eleven and four-tenths percent of veterans in this group were suffering from service-connected disabilities and were, at the time, being treated for non-service-connected disabilities. An additional 11.4 percent of veterans in this class were suffering from tuberculosis, cancer, psychosis, or other long-term chronic disabilities. Six and one-tenth percent were being treated for other disabilities—the nature of which had not been adjudicated or determined at the time.

Veterans with service-connected disabilities plus the number of veterans suffering from TB, cancer, psychotic, and long-term disabilities—all legally admitted to VA hospitals—total 89.9 percent of VA cases.

According to the GAO report, we thus have only 10.1 percent of veterans hospitalized who had no service-connected disabilities, and who are being treated for sickness and disabilities for less than 90 days—a small fraction indeed of the veteran population.

We have a question today as to whether the Federal Government or the States shall care for the disabled and needy veterans of this country. It is a major question as to whether it shall be a Federal or a State responsibility.

Former President Hoover said in 1932:

> The Nation is not asking for a reduction in allowance for men and dependents whose disabilities arise out of war service nor for those veterans with substantial service who have become totally disabled from non-service-connected causes and who are at the same time without means of support. These latter veterans are a charge on the community at some point, and I feel that in view of their service to the Nation as a whole, responsibility should fall upon the Federal Government.

President Hoover recognized that the responsibility for the care of the disabled and needy non-service-connected veterans was a Federal responsibility.

Former President Coolidge said in 1933:

> I recommend that all hospitals be authorized at once to receive and care for, without hospital pay, the veterans of all wars needing such care whenever there are vacant beds, and that immediate steps be taken to enlarge and build new hospitals to serve all such cases.

It has long been accepted Federal policy that the Federal Government should care for the disabled and needy veterans of the Nation.

We have heard here today statements to the effect that the veteran population of the Nation is increasing—that the cost of care for the veterans of the Nation is increasing. We have all heard this song before. We hear it each time that the Appropriations Committee reports the annual appropriations bill for the care of the veterans of the Nation.

When I first came to the Congress, shortly following World War II, the total appropriations for the Veterans' Administration for all purposes was approximately $9 billion. This was in 1947.

In 1948 appropriations for the VA were reduced, in round figures, to $8 billion.

In 1949 VA appropriations were further reduced to approximately $7,500,000,000.

In 1950 there was a further cut in funds for the VA for all purposes to about $6 billion and for the next year to $5 billion.

Last year appropriations for all purposes for the Veterans' Administration totaled $4,157,203,960—and now for the fiscal year 1954—the present bill carries a total fund for the VA for all purposes of $4,008,335,264—which represents a cut of $4½ billion during the past 6 years. So do not let anyone tell you that expenditures for veterans are increasing. The number of veterans is increasing, but the cost of benefits to veterans is decreasing.

The original budget request for the hospital and medical care program for 1954 was $921,100,000. This bill carries an authorization for these purposes totaling $895,710,600, which is a cut of $25,389,400 for administration, hospital and medical-care programs.

The committee has approved $555 million for the hospital program alone and this sum is more than the amount recommended in the original Truman budget or the Eisenhower revised budget.

The committee should be congratulated for providing full funds for the hospital program—an amount which VA officials and the Chief Medical Director have assured the committee would be adequate to do a good job and insure operation of all existing VA hospitals.

The committee has provided funds for the hospital program while at the same time making cuts and reductions in other phases of veterans' benefits—cuts have thus been made elsewhere to offset this increase.

A reduction of $300 million has been made for compensation and pension. The amount for compensation and pension is fixed by law, and this reduction will, of necessity, have to be later restored by subsequent appropriations.

Readjustment benefits for veterans of World War II and Korean veterans have been cut by $220,651,000. Funds for repair and improvement of VA buildings and other items have been cut $7,344,000—representing a total cut of $565,879,400 over the revised 1954 estimates of VA needs.

Yes, reductions are continually being made in the veterans' benefit program. The hospital and medical care service for veterans represents the very heart and core of veterans' benefits. The overall cuts have been too severe. It is time that this trend be stopped.

In addition to the number of veterans of the Nation, more than 80,000 Korean veterans are being discharged each month.

A grateful nation should see to it that these men are given just recognition for their sacrifices and services to the Nation.

We as a nation cannot carry on the traditions that have made our country great simply by uttering words of praise to our Nation's heroes on Memorial Day. The great veterans' benefit program we have built up should not be whittled away. It should not be scuttled by those who would economize at the expense of the disabled and needy veterans of our country.

The question of responsibility for the diseased, disabled, and the needy veterans of this country is a Federal responsibility and not a State responsibility. We should not try to shirk our responsibility by putting riders on appropriation bills to cut off benefits to the needy veterans, just because there have been a few cases of illegal admissions to VA hospitals. Under such a procedure deserving veterans would be penalized.

Mr. JONAS of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. EVINS. I yield.

Mr. JONAS of North Carolina. May I say to the gentleman that in our subcommittee we do not consider these matters as Republicans or Democrats. There has been no politics in this bill whatever.

Mr. EVINS. Neither is the Committee on Veterans' Affairs partisan in its consideration of legislation.

Mr. JONAS of North Carolina. I understood the gentleman to be directing some remarks to this side of the aisle, as if there were some politics involved.

Mr. EVINS. I was just trying to point out that over the past 6 years—since World War II—the total appropriations for all veterans' benefits have been cut substantially. Now the committee is recommending further cuts affecting medical care and other benefits.

Mr. JONAS of North Carolina. Not only that, but this bill was unanimously reported by our subcommittee. The question of politics has never been discussed or considered by any member of our subcommittee.

Mr. EVINS. The fact still remains that while the committee has increased the appropriations for the hospital program, the committee has cut veterans' benefits under other veterans' programs. This cannot be denied.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Massachusetts.

The amendment was rejected.

The Clerk read as follows:

Readjustment benefits: For the payment of benefits to or on behalf of veterans as authorized by titles II, III, and V, of the Servicemen's Readjustment Act of 1944, as amended, and title II of the Veterans' Readjustment Assistance Act of 1952, $664,311,000, to be immediately available and to remain available until expended: *Provided*, That on and after September 1, 1953, no part of any appropriation to the Veterans' Administration shall be available, in connection with any loan authorized by title III of the Servicemen's Readjustment Act of 1944, as amended (38 U. S. C. 694–694n), for payment to the lender by the Administrator of Veterans' Affairs, or for credit on the loan, of an amount equivalent to 4 percent of the amount originally loaned, guaranteed or insured by the Veterans' Administration: *Provided further*, That no right to any such payment shall accrue on or after said date, but the foregoing proviso shall not apply with respect to payments based on guarantees made, or certificates of commitments issued, prior to said date.

Mr. MAILLIARD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MAILLIARD: on page 14, line 10, after "That", strike out "on and after" and insert "from", and after "1953" insert "to June 30, 1954"; and in line 19 strike out "on or after said date" and insert "during this period."

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. MAILLIARD. I yield.

Mr. PHILLIPS. Mr. Chairman, this is a similar amendment to that previously offered which limits the action in this bill to the coming fiscal year, and on our side we accept it.

Mr. MAILLIARD. I thank the chairman. I would like also to say that the Committee on Veterans' Affairs voted yesterday unanimously its approval of the idea that the subcommittee had, but we are still objecting to permanent legislation in an appropriation bill.

Mr. PHILLIPS. The gentleman knows there is an answer to that.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. MAILLIARD].

The amendment was agreed to.

Mr. DOLLINGER. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DOLLINGER. Mr. Chairman, any economy measure at the expense of our veterans, their widows, and dependents is unjustified. It is subject to the severest criticism, and must be defeated.

I want no part of saving dollars if it means broken promises to those who faithfully served their Nation during its times of stress and danger; if it means breaking faith with our veterans. And I am certain that the American people as a whole wish to fulfill their obligations to those who were willing to risk everything they had in order to protect us and preserve our freedom. In fact, such an obligation cannot ever be fully repaid. Any cut in appropriations for the Veterans' Administration, any curtailment of medical, hospital, and domiciliary services, or reduction of compensation and pension payments to veterans and their dependents, is a stark betrayal of our veterans, and I am strongly opposed to such reductions.

No price tag is placed upon the life of a veteran when he goes into battle or the dangers he faces. We cannot estimate in dollars the risk of loss of limbs or mind, the sacrifice of the best years of his life in service which he could otherwise have spent in getting his education or starting a career, the period of rehabilitation, the disabilities incurred through service to his country which he must contend with ever after, the knowledge that he can never, so long as he lives, be a well person. However, to try to make up for some of these things, we have given our word that we would do all we could to help them, and the American people have gladly pledged their support.

Now, when our country is in no immediate danger and we feel relatively secure, we would save dollars which should be used to repay, to some extent, our obligations to our veterans. I say we have no right to cut this appropriation—we owe this money, it is a debt which we are honorbound to pay. The attitude that we are giving something away, being generous, or meting out charity, is deplorable. Our plain duty is to appropriate sufficient funds so that our veterans can receive necessary hospital and medical care, compensation, pensions, and other assistance which are their just due.

We know that in the fiscal year 1953, some 2,300 Veterans' Administration hospital beds were closed and personnel terminated; at the same time thousands of veterans were being told that nothing could be done for them, their requests for hospitalization, medical care, and other assistance, were turned down. Many who applied for help were turned down because it was determined that they did not suffer from a service-connected disability. Lack of funds and hospital beds have prevented their receiving aid applied for. When we consider that our veterans did not bargain as to their services, that they placed no premium on their sacrifices in the name of liberty, such treatment of them by us is cause for shame.

Pitiful letters from veterans and their families are constantly received by me. Many state that they were refused hospitalization or medical care by the Veterans' Administration and have no other sources of help; others in need of immediate attention have been forced to wait too long for processing; a veteran in need of dental care which he had to have before he could apply for a job, was forced to wait an unconscionable length of time before all the decisions were made and before the work could be done; families have spent their last cent in giving a psychoneurotic veteran private hospital care while awaiting his admission to the veterans' hospital. The psychoneurotic cases are the most tragic, yet we have not provided ample hospital facilities for them—they are being refused admission to veterans' hospitals, they are "farmed out" to State institutions, or they are placed on a long waiting list to await future consideration.

In my opinion, no veteran who needs medical care should be refused. In many cases, the decision that a veteran is not suffering from a service-connected disability is not based on fact but on surmise. It should be assumed that the veteran who fights for his country does give of himself, that in many instances he must suffer some bad effects which would undermine his health and earning capacity in future years. When we have asked everything of him, our attitude should not be how little we can do for him, but how much.

Veterans should receive adequate compensation to make up for reduced earning power as a result of disabilities—mental and physical—incurred in the service of our country. Compensation which has been paid them has not been sufficient to offset increasing living costs. Furthermore, the law should give

protection to all disabled veterans. To say that the man who is rated below 50 percent disabled needs no financial help, that he can meet the competition of well men in the working world, is most unfair and causing great hardship to many.

We must also remember that the numbers of our veterans have greatly increased in the past 25 years; that the number is steadily increasing now due to the Korean situation. When we reduce any benefits to our veterans, their widows, or dependents, we cause hardship to a large percentage of our population. It is inconsistent to decrease sums available for the care and benefit of our veterans at the same time that the number of veterans is increasing daily.

It would be well to remember that our young men are being called to service in large numbers every day. What are they to think? Will they go into the service of their country believing that if they are willing to sacrifice their all for us, that we will be grateful and see them through later difficulties resulting from their service—or are they to be given reason to feel that our words of praise and assurances are false and that the promises will be forgotten or broken?

We spend billions and billions of dollars cheerfully in all corners of the world in our effort to preserve freedom and democracy. Necessary funds can, and must, be made available to give all possible aid to those who have been called upon to risk their very lives in fighting for that freedom.

It would be a great tragedy if Congress were to adopt a policy in the name of economy which would in any way curtail the services and assistance to which our veterans are entitled. Instead of practicing economy at their expense, we should be planning to take better care of their needs, to provide adequate facilities and personnel so that no veteran need be denied medical, dental, or other care when he is in need and must turn to the Veterans' Administration for help. We should give adequate compensation to those disabled, so they and their families can enjoy a decent standard of living and not merely exist.

I repeat, the fullest possible assistance we can give our veterans has already been earned by them. We stand indebted to them. If we fail in this responsibility, we fail not only our veterans, but every decent, right-thinking American who is anxious to discharge his obligations with honor.

Mr. O'HARA of Illinois. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Chairman, my heart at the moment is with the distinguished gentlewoman from Massachusetts [Mrs. ROGERS]. She is the chairman of the Committee on Veterans' Affairs of this body. She has served on that committee for many years and I remain within the limitations of accuracy when I say she is beloved by service men and women throughout the Nation. In the Congress of the United States she has had but one interest, a driving and all-important interest. That has been the welfare of the veterans. I have been told that no veteran has ever written her that his communication did not receive at her hands a reception rich in friendship and in sympathy.

I have seen her within the last 5 minutes leave the well of this House I thought in tears. I have heard her talk, throwing her heart into every word that she uttered, and the last great—by me never to be forgotten—plea made in this debate for the cause of the veterans of our country fell on ears that the expediency of a reluctant compromise had deafened.

All she asked was that the veterans of the United States, the veterans of all of our many wars, should have a voice in the House of Representatives of the United States. For that purpose this body by its rules had established the Committee on Veterans' Affairs.

But all the legislation for veterans, properly within the jurisdiction of the Veterans' Committee, has by this bill under consideration today been taken over by the Appropriations Committee.

If the gentlewoman from Massachusetts could sleep at night when act or silence of hers had contributed to selling down the river our ex-service men and women her eyes would not have been filled with tears when she left the well of this House within the last few minutes.

The gentlewoman from Massachusetts is a Republican. The gentleman from Texas [Mr. TEAGUE], himself an infantry combat veteran with 11 decorations for bravery and as true a friend of the serviceman as ever sat in Congress, is a Democrat. In my book they are great Americans. They have won my renewed admiration today.

I wonder if my colleagues in the House realize all that they are doing. I wonder if when they voted in the matter of outpatient dental care they knew what they were doing to a handful of surviving Spanish-American War veterans. I fought in the 81st Congress, and against the veto of the President of my party, to get for these veterans out-patient treatment including dental care. It meant a lot, I think, to these old veterans, not many in numbers, most of them living on their pensions. Well, you threw it out today. And you did not stop there. You slammed the door on many a veteran of World War I and World War II and of the Korean war. I know too many of these veterans whose war service is directly responsible for the present condition of their teeth.

My distinguished and beloved colleague from Pennsylvania [Mr. VAN ZANDT] said that the three big veteran organizations had agreed to this compromise but with reluctance. That reluctance I can understand. There are many provisions that I do not like.

None to my mind is more objectionable than the authorization to the Administrator of Veterans Affairs "to investigate any non-service-connected veterans' statement of inability to defray the cost of hospitalization or treatment where reason exists to doubt the accuracy of such statement."

Veterans know what that means. More redtape. More questioning and cross-examination and affidavits to go get and then maybe have someone at a desk tell the veteran, too bad, he is out.

But that is not all. The subcommittee's bill further orders that "the Administrator shall make every effort to collect."

The subcommittee chairman admits this provision will not save much cash. Then by all that is decent why put it in? Because on very rare occasions a veteran might make an erroneous statement as to his financial condition is it necessary to brand all sick veterans as suspects until proven otherwise?

The subcommittee chairman announced that this provision "certainly will not be controversial to veterans' organizations." I think the chairman is right, but not as he intended. I am sure there could be no division of opinion among the delegated heads of the veterans organizations, any more than among the rank and file, on a proposition to make VA a little FBI to work on all the veterans with non-service-connected ailments.

Mr. Chairman, much as I regret the position of the subcommittee in many phases, some of which I have touched upon, I nevertheless join with my colleagues in recognition of the long hours of hard work which the members have put into the preparation of this bill. I would not wish to be understood as questioning for one moment the fine patriotism and great statesmanship of the gentleman from California [Mr. PHILLIPS]. There is no one in this House for whom I have greater respect. Certainly no one could have handled this bill on the floor with greater ability than the gentleman has shown.

I commend the gentleman for the gracious manner in which he has met the just arguments of the veteran organizations on the matter of hospitalization. I regret that in making concessions there he thought it necessary to practice increased severity elsewhere. The trimming—if economy required such—should have been done by the Veterans' Committee. That would have avoided the many very evil injustices in the present bill.

Mr. JAVITS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I shall not take but a minute or two. I wish to join what is obviously the same opinion on the floor of a good many Members in protesting against the widespread legislation of all veterans' affairs in this appropriation bill. It is very seductive to be saving money, or what goes by way of saving money in dollars upon veterans' activities. It is an easy place to do it in an appropriation bill where the tendency of Members, many of whom are committed to economy, is to cut. I would like to call the attention of these Members to the fact that you are changing basic policy here even if it is for 1 year. You are changing basic policy at a time when, as has been so often stated, we have just been through a hot war which is still going on with tremendous casualties to veterans, and at a time of great mobilization, and when you expect our men

when they go into the Army, Navy, and Air Force, to go in without any reservations of what is going to happen to them when they get out. I think it is a very serious question involving the morale of those who enter the armed services of the United States. The Committee on Veterans' Affairs has shown itself very solicitous of this morale question. I think we are making a great mistake as we go through this bill provision after provision with legislation for veterans, which is not going through the Committee on Veterans' Affairs after holding hearings and the utilization of their own experience and after hearing veterans' organizations and all the people who are generally heard upon these measures. I for one Member, am going to vote and will continue to vote consistently against all of these legislative provisions in this bill because to my mind in deep conscience, I feel it is a grave mistake to jeopardize the question of morale of these men, the finest in America who are going into the armed service if in this cavalier way under the guise of economy we deal with veterans' affairs without leaving it to the Committee on Veterans' Affairs.

Mr. BECKER. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I rise at this time to add my words of praise to the committee preparing this bill in at least one particular respect and that is in breaking down the total amount of the appropriation into specific categories. That had never been done heretofore. Under the law, the Veterans' Administration in previous years had been able to make cuts across the board irrespective of where they might hit. Every one of us here knows that last year, all of the veterans' organizations, of which I happen to be a member of two, and very active in the American Legion and the Veterans of Foreign Wars, that we got into a turmoil because hospital beds, which were so badly needed, were refused to be opened by the Administrator of Veterans' Affairs. He stated there were not sufficient funds, and then a few months ago we had an amendment to a bill to increase the appropriation by $10 million in order to open the beds that he said could not be opened. That amendment was defeated on the floor. I voted against it because I had been advised there was sufficient money, and beds could be opened. I then investigated the report of the conference committee between the House and the Senate last year on the appropriation bill for the Veterans' Affairs provision and found that the House and Senate agreed there should be no cut in the hospital and medical care in this current year. Then that was violated by the Administrator in making a straight 4 percent cut across the board, eliminating beds in hospitals. Now, in this particular bill, during this coming year, there is an increase of appropriations in the hospital and medical section that will permit the operation of all of the beds to the number of 114,315.

I want to go a step further, if I have the time, and say this: that the veterans' organizations and the veterans of this country have a right to be disturbed when there is an economy move in Congress, because our minds go back to 1933 when the pensions of battle-casualty veterans of this country were cut from 25 percent to 70 percent, by the administration, which also affected the widows and orphans of those battle-casualty veterans. But it was the heart of a good Congress a year later that restored those cuts, so those veterans received their pensions and so did the widows and orphans.

Today, as we have this bill before us, I, too, go along with the committee, and if the amounts for pensions provided here, are not sufficient we, as the Congress, commit ourselves to saying that sufficient money will be appropriated in a supplemental or a deficiency bill to make up that amount.

I say that it is my firm conviction that the veterans of this country, 20 million of them, know that they are paying taxes for these benefits, that they are not getting something for nothing in anything that we may add to this appropriation. The veterans of this country, 20 million of them and with their families, over 50 million, know that, as well as those whom we are creating as veterans every day. They know that they are going to pay the bill, just as well as you and I and the nonveterans of our country. They are going to pay for it and they are going to be looking to you and to me to see that only the money goes into these appropriation bills that is absolutely necessary.

I believe the Members of this House will agree with me that it is our responsibility in the current year and in the next year to see that these appropriations that we are voting today are sufficient; and if they are not sufficient, in accordance with the recommendations, that we meet our obligation in the coming year.

Mr. PHILLIPS. Mr. Chairman, I rise for the purpose of attempting to limit debate on the rest of the bill, with the exception of that provision which had not been sufficiently discussed before we came on the floor, and which begins at the bottom of page 19.

I shall move that debate cease at once on all other parts of the bill except that portion beginning on page 19, line 17, and extending to line 5 on page 20.

Mrs. ROGERS of Massachusetts. Will the gentleman reserve his motion for just a minute? As I understand it, Members with amendments will have time in which to discuss them?

Mr. PHILLIPS. On this section, yes; any amendment. But there would be none to discuss, because I know of no other amendments to any other part of the bill.

Mrs. ROGERS of Massachusetts. Would the gentleman yield for half a minute, for the purpose of asking a question?

Mr. PHILLIPS. Mr. Chairman, I move to strike out the last word, and yield to the gentlewoman from Massachusetts for one-half minute.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I understand that the committee has announced that they will give $800,000 to the prosthetic appliance research work?

Mr. PHILLIPS. At the suggestion of the gentlewoman, we have already given it, but we earmarked it, because the gentlewoman was afraid that it might be used for something else.

Mrs. ROGERS of Massachusetts. It has been in the past.

Mr. PHILLIPS. It has been taken care of.

Mrs. ROGERS of Massachusetts. I thank the gentleman.

Mr. PHILLIPS. Mr. Chairman, I make the unanimous-consent request that all debate on the bill cease, with the exception of that part of the bill which begins on line 17, page 19, and ends on line 5, page 20.

Mr. McCORMACK. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. McCORMACK. Has the remainder of the bill been considered as read?

Mr. PHILLIPS. I thank the gentleman for his suggestion.

Mr. McCORMACK. Does not the gentleman think he should ask unanimous consent for that purpose first; and even after that, there should be at least 5 minutes' debate on the motion.

Mr. PHILLIPS. I thank the gentleman, and I should like to amend my request that all parts of the bill be considered as read; and then that all debate cease on all parts of the bill except that beginning on page 19, line 17, and ending on line 5, page 20, which will make it necessary, I will say to the gentleman from Massachusetts [Mr. McCORMACK], to read that section which we are about to discuss.

Mr. McCORMACK. I object to that, not because I am not in agreement with the proposition but because I think the first request should be that the remainder of the bill be considered as read with the exception of the part the gentleman mentions.

Mr. PHILLIPS. I accept that.

Mr. McCORMACK. Then, of course, if anyone wants to make a motion to close debate it could be done after the first speech.

Mr. HALLECK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HALLECK. Do I understand that the request is that the remainder of the bill be considered as read, that it be printed in the RECORD and open to amendment at any point?

The CHAIRMAN. Will the gentleman from California restate his request?

Mr. PHILLIPS. I was simply accepting the suggestion of the gentleman from Massachusetts. If there is any question I now ask unanimous consent that the remainder of the bill be considered as read, that it be printed in the RECORD, and that it be open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The remainder of the bill reads as follows:

Military and naval insurance: For military and naval insurance, $1,496,000, to remain available until expended.

Hospital and domiciliary facilities: For hospital and domiciliary facilities, for extending, with the approval of the President, any of the facilities under the jurisdiction of the Veterans' Administration or for any of the purposes set forth in sections 1 and 2 of the act approved March 4, 1931 (38 U. S. C. 438j-k), or in section 101 of the Servicemen's Readjustment Act of 1944 (38 U. S. C. 693a), to remain available until expended, $48,867,000: *Provided*, That no part of the foregoing appropriation shall be used to commence any major alteration, improvement, or repair unless funds are available for the completion of such work; and no funds shall be used for such work at any facility if the Veterans' Administration is reasonably certain that the installation will be abandoned in the near future: *Provided further*, That not to exceed 5.5 percent of the amounts available under this head shall be available for the employment of all necessary technical and clerical personnel for the preparation of plans and specifications for the projects as approved hereunder and in the supervision of the execution thereof, and for all travel expenses, field office equipment, and supplies in connection therewith, except that whenever the Veterans' Administration finds it necessary in the construction of any project to employ other Government agencies or persons outside the Federal service to perform such services not to exceed 9 percent of the cost of such projects may be expended for such services.

Hospital and domiciliary facilities (liquidation of contract authorization): For payment of obligations heretofore authorized to be incurred under this head, $21,185,664, to remain available until expended.

National service life insurance: For the payment of benefits and for transfer to the national service life insurance fund, in accordance with the National Service Life Insurance Act of 1940, as amended, $75 million to remain available until expended: *Provided*, That certain premiums shall be credited to this appropriation as provided by the act.

Servicemen's indemnities: For payment of liabilities under the Servicemen's Indemnity Act of 1951, $18 million, to remain available until expended.

Veterans miscellaneous benefits: For the payment of burial awards authorized by Veterans' Administration Regulation No. 9 (a), as amended, and for supplies, equipment, and tuition authorized by part VII and payments authorized by part IX of Veterans' Administration Regulation No. 1 (a), as amended, $35,743,000, to remain available until expended.

Grants to the Republic of the Philippines: For payment to the Republic of the Philippines of grants in accordance with the act of July 1, 1948 (50 U. S. C. App. 1991–1996), for expenses incident to medical care and treatment of veterans, $1,781,000, and in addition thereto not exceeding $769,000 of the unobligated balance for this purpose for the fiscal year 1953.

Supply fund: For establishment of a revolving supply fund effective July 1, 1953, to be available without fiscal year limitation for all expenses necessary for the operation and maintenance of a supply system for the Veterans' Administration including procurement of supplies and equipment, and personal services, the Administrator is authorized to capitalize, at fair and reasonable values as determined by him, all supplies and materials and depot stocks of equipment on hand or on order: *Provided*, That the fund shall be (1) reimbursed for the cost of all services, equipment and supplies furnished appropriations at rates determined by the Administrator on the basis of estimated or actual direct and indirect cost; (2) credited with advances from appropriations to which services or supplies are to be furnished, and all other receipts resulting from the operation of the fund including the proceeds of disposal of scrap, excess or surplus personal property of the fund, and receipts from carriers and others for loss of or damage to personal property: *Provided further*, That following the close of each fiscal year any net income after making provision for prior losses, if any, shall be covered into the Treasury of the United States as miscellaneous receipts: *Provided further*, That an adequate system of accounts for the fund shall be maintained on the accrual method and financial reports prepared on the basis of such accounts, and that an annual business-type budget shall be prepared for the operations under this fund.

Not to exceed 5 percent of any appropriation for the current fiscal year for "Compensation and pensions," "Readjustment benefits," "Military and naval insurance," "National service life insurance," and "Servicemen's indemnities," may be transferred, to any other of the mentioned appropriations.

Appropriations available to the Veterans' Administration for the current fiscal year for salaries and expenses shall be available for services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a).

Appropriations available to the Veterans Administration for the current fiscal year for "Maintenance and operation of hospitals," "Maintenance and operation of domiciliary facilities," and "Outpatient care," shall be available for funeral, burial, and other expenses incidental thereto (except burial awards authorized by Veterans' Administration Regulation No. 9 (a), as amended), for beneficiaries of the Veterans' Administration receiving care under such appropriations.

No part of the appropriations in this act for the Veterans' Administration (except the appropriation for "Hospital and domiciliary facilities") shall be available for the purchase of any site for or toward the construction of any new hospital or home.

Appropriations in this act for the Veterans' Administration for "Maintenance and operation of hospitals" and "Maintenance and operation of domiciliary facilities" may be used to repair, alter, improve, or provide facilities in the several hospitals and homes under the jurisdiction of the Veterans' Administration, not otherwise provided for, either by contract, or by the hire of temporary employees and the purchase of materials.

No part of the foregoing appropriations shall be available for hospitalization or examination of any persons except beneficiaries entitled under the laws bestowing such benefits to veterans, unless reimbursement of cost is made to the appropriation at such rates as may be fixed by the Administrator of Veterans Affairs.

Notwithstanding the provisions of section 6 of Public Law No. 2, 73d Congress, as amended (38 U. S. C. 706), the Administrator of Veterans Affairs is authorized to investigate any non-service-connected veteran's statement of inability to defray the cost of hospitalization, treatment, or domiciliary care, where reason exists to doubt the accuracy of such statement; and the Administrator shall make every effort to collect from any veteran hospitalized, cared for, or treated for a non-service-connected disability according to the ability of the veteran to pay for such hospitalization, treatment, or care: *Provided further*, That inability to pay shall not prevent any veteran from receiving hospitalization, treatment, or domiciliary care, if such veteran is unable to pay and there is a bed available.

The Administrator of Veterans' Affairs is hereby authorized, in his discretion, to activate and operate at reasonable standards throughout the fiscal year 1954 those beds which are needed and which can be staffed, in the following categories: (a) all beds in Veterans' Administration hospital and domiciliary facilities and all contract beds that were in use during the fiscal year 1953, except those replaced or to be replaced by new construction, (b) all beds in Veterans' Administration hospital and domiciliary facilities and all contract beds that were closed during the fiscal year 1953, except those replaced or to be replaced by new construction, and (c) all beds in Veterans' Administration hospital and domiciliary facilities constructed in the fiscal years 1953 and 1954: *Provided*, That the qualified personnel required for the standard operation and maintenance of such beds can be obtained.

GENERAL PROVISIONS

SEC. 102. The general provisions applicable to appropriations contained in title I of the "First Independent Offices Appropriation Act, 1954," shall apply to appropriations contained in this act, excepting the Tennessee Valley Authority: *Provided*, That the provisions of section 102 of such act shall not apply to travel performed by members of local draft boards of the Selective Service System.

SEC. 103. No part of any appropriation contained in this act, or of the funds available for expenditure by any corporation included in this act, shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation or fund contained in this act shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than 1 year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.

SEC. 104. No part of any appropriation contained in this act, or of the funds available for expenditure by any corporation or agency included in this act, shall be used for publicity or propaganda purposes designed to support or defeat legislation pending before the Congress.

SEC. 105. (a) No part of the money appropriated by this act to any department, agency, or corporation or available for expenditure by any department, agency, or corporation which is in excess of 75 percent of the amount required to pay the compensation of all persons the budget estimates for personal services heretofore submitted to the Congress for the fiscal year 1954 contemplated would be employed by

such department, agency, or corporation during such fiscal year in the performance of—

(1) functions performed by a person designated as an information specialist, information and editorial specialist, publications and information coordinator, press-relations officer or counsel, photographer, radio expert, television expert, motion-picture expert, or publicity expert, or designated by any similar title, or

(2) functions performed by persons who assist persons performing the functions described in (1) in drafting, preparing, editing, typing, duplicating, or disseminating public information publications or releases, radio or television scripts, magazine articles, photographs, motion pictures, and similar material,

shall be available to pay the compensation of persons performing the functions described in (1) or (2).

SEC. 106. This act may be cited as the "Second Independent Offices Appropriation Act, 1954."

Mr. ADAIR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ADAIR: Page 19, line 17, strike out the paragraph beginning on line 17, page 19.

The CHAIRMAN. The gentleman from Indiana is recognized.

Mr. ADAIR. Mr. Chairman——

Mr. THOMAS. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I yield.

Mr. THOMAS. I hope this is not taken from the gentleman's time and I ask unanimous consent that it be not taken from his time.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. THOMAS. I wonder if our chairman will be willing to propound a consent request to see if we could not limit debate. I understand this is the last controversial item in the bill.

Mr. PHILLIPS. Would my distinguished friend from Texas wait until after consideration of this particular amendment is concluded? Because this amendment strikes out the entire section, and it is not the desire of the various organizations that have been writing us that the entire section be stricken out. After that is voted upon then I think the gentleman's suggestion would be in order.

Mr. THOMAS. I withdraw the suggestion.

Mr. ADAIR. Mr. Chairman, the proposed amendment strikes out the paragraph beginning near the bottom of page 19.

Along with those who have spoken previously today I share the view that an appropriation bill is not the place for legislation. This paragraph is legislation of the broadest and most sweeping kind. It purports to make certain changes for non-service-connected cases in veterans' hospitals; it also directs the Administrator of Veterans' Affairs to investigate non-service-connected veterans' statements of inability to pay.

The goal sought to be achieved by that wording is good, but I object to the means followed.

I want to say at this time that the subcommittee and its members have been very fair, and very gracious to me.

The proposition is presented to this committee as one which would save money. Mr. Chairman, I think it is quite possible that it would do just the reverse. The wording which they permitted to remain in the bill would say in effect to any non-service-connected veteran: You go to the veterans' hospital, you receive treatment, and then you pay what you are able. Are there any standards set up by which the measure of ability to pay is established? No, there are no such standards.

Does this do away with the requirement that a man sign an affidavit when he goes in there that he is not able to pay? No; I think it does not. If a man goes in as an emergency case and this affidavit is signed by him, it seems to me he would possibly be subject to prosecution thereafter for making a false affidavit, if it should be determined later that he was able to pay.

What I am trying to say in some haste and in the time at my disposal, is that I think here is wording which is very vague, the goal of which is good but which does not do the thing that it purports to do. What I am pleading for today is a chance for the proper legislative committee to have an opportunity to study this situation. We have been assured it will be studied. After that the committee can bring in legislation to accomplish what is sought to be accomplished here.

I will say that I believe there have been abuses by some non-service-connected veterans who have sought and received hospital treatment. This is not the way to correct those abuses, however. If there are those here, and I am sure there are, who are fearful of what we might call Government medicine, let me point out to you that you are inviting just that by this wording. It is my opinion that you are inviting people with non-service-connected ailments to go into a veterans' hospital and say in effect: "We will pay what little we can." Not, then, are we here by this wording going to save money for the Government but, the gentleman of the subcommittee to the contrary notwithstanding, I believe we are likely to cause a great increase in cost by this amendment.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I yield to the gentleman from Tennessee.

Mr. EVINS. I share the views expressed by the gentleman and would like to be associated with his remarks in this connection. May I ask my colleague whether he does not feel that where the words "all non-service-connected veterans" are used, such language might well be interpreted to mean that all non-service-connected veterans can come in and receive veteran medical care if they desire to pay some amount, even though a very small amount?

Mr. ADAIR. I think that would be true.

Mr. EVINS. The gentleman, I am sure, also objects to the members of his party on the Committee on Appropriations usurping the jurisdiction of the Committee on Veterans' Affairs.

Mr. ADAIR. I do believe this is a matter for the Veterans' Affairs Committee to study. I say again that the subcommittee of the Appropriations Committee has been very kind to me. I think they are trying to do a good thing by the wrong means. This legislation is going to lead us into a maze of certain vague wording, the intent of which cannot be understood.

If any Member of this House will take the trouble to read the wording of this bill in this respect, particularly those of you who are members of the bar, I feel confident you will share my view that it will be extremely difficult to make an interpretation of those words and to know what the intent of the legislation is.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

(On request of Mr. EDMONDSON, and by unanimous consent, Mr. ADAIR was given 2 additional minutes.)

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. Mr. Chairman, I would like to ask the gentleman, in associating myself with his very fine argument, is it not also true that this amendment would impose upon the Administrator the very burdensome and possibly very expensive additional task of making every effort to collect from any veteran hospitalized and cared for or treated for a non-service-connected disability? In other words, it is going to convert your Administrator into a collection agency with all the possible costs and additional personnel that that might involve.

Mr. ADAIR. I am glad that the gentleman raises that point because the wording does just that: "and the Administrator, shall make every effort"—not "may" but he "shall"—make every effort to collect from any veteran hospitalized and cared for or treated for a non-service-connected disability according to the ability of the veteran to pay for such care."

This matter should be most carefully studied by the proper legislative committee and adequate legislation reported to this House for timely consideration.

Mr. BROOKS of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I yield to the gentleman from Louisiana.

Mr. BROOKS of Louisiana. I want to state to the gentleman that in my own State of Louisiana we have a fine system of charity hospitals, and there are other States that have methods of taking care of charity patients. In many instances now what is happening is our Veterans' Administration is turning down a veteran; and then he is taken over by the State hospital system. People think we are saving money by this procedure under which the veteran is taken over by a State hospital and taken care of in the State hospital as a patient. They are mistaken. It ought to cost no more to take care of a veteran who is entitled to get into a veterans' hospital under Federal jurisdiction than it does in State charity hospitals. I do not want to see us tighten up to the point where, because a man is a veteran, he does not have as much right as a citizen who is entitled to get into a charity hospital. I think the

veteran ought to have at least the same privilege of getting into a hospital that a nonveteran has. In fact, I think it ought to be a veteran's right——

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. JONAS of North Carolina. Mr. Chairman, I move to strike out the last word in order to undertake to explain a misunderstanding. The facts are that it costs in excess of $20 per day in a veterans' hospital, yet contract beds can be procured by the Veterans' Administration for approximately $14 a day.

Mr. TEAGUE. Mr. Chairman, will the gentleman yield?

Mr. JONAS of North Carolina. I yield to the gentleman from Texas.

Mr. TEAGUE. Is it not a fact that $14.25 is merely an entering service charge, and that does not mean anything so far as the cost to the taxpayer is concerned?

Mr. JONAS of North Carolina. It is the price that the Veterans' Administration pays, for example, to a Navy hospital, and the same price that you would pay at Bethesda. But it costs $20 per day to hospitalize a veteran in a hospital maintained by the VA.

Mr. TEAGUE. What does it cost the Navy or the Army?

Mr. JONAS of North Carolina. I do not know what it costs them. I know what it costs the Veterans' Administration, and that is $20 per day plus.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. JONAS of North Carolina. I yield to the gentleman from Tennessee.

Mr. EVINS. I am sure that the gentleman would not prefer providing medical care to veterans in contract hospitals over our veterans hospitals.

Mr. JONAS of North Carolina. I am merely pointing out the difference in cost.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. JONAS of North Carolina. I yield to the gentleman from California.

Mr. PHILLIPS. What the gentleman is talking about and all that we are talking about are non-service-connected veterans who are in the hospital for no condition which has anything to do with their war service. We are taking care of other cases, including non-service-connected veterans who are doubtful cases. The point we are talking about, the service-connected veteran, he goes into the hospital right now. When we had the hearings there were only three service-connected veterans in the entire United States who were not in the hospitals, and those were not there because of their own choice.

Mr. BROOKS of Louisiana. Mr. Chairman, will the gentleman yield further?

Mr. JONAS of North Carolina. I yield.

Mr. BROOKS of Louisiana. I want to say that the cost of handling men in the service hospitals is not $20 per day per person. Up until recently it was $12.65 per day. But I want to say this, it ought to cost just as much to handle a man in a State-owned hospital as it does in a federally owned hospital. If it does not, we better investigate and see why the inordinately high cost is in the federally operated hospitals. I said that in Louisiana there is a charity system of hospitals. The veteran can be forced into the charity hospitals in Louisiana if he has a non-service-connected disability and qualifies otherwise.

Mr. JONAS of North Carolina. What does that cost per day?

Mr. BROOKS of Louisiana. There is no charge to him. It is charity. The veteran with a non-service-connected disability is denied admission into a veterans' hospital, we will say. He is put in jail down there in Louisiana and kept there for a while if he is a mental case until they can get him into a State-owned hospital. I say my blood boils when I think of this. I say the taxpayer is fooling himself if he thinks he is saving money on that procedure. I will not support legislation which continues in existence such shameful procedure and such unfair treatment.

Mr. PHILLIPS. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Indiana [Mr. ADAIR].

Mr. Chairman, my intention is to use this 5 minutes to cover as much as I can of the entire field so as to conserve time.

The amendment offered by the gentleman from Indiana is an amendment to strike the entire section. That amendment, therefore, strikes out the first part of the sentence, which is a clarifying sentence telling the Veterans' Administration that they are authorized to look back of this affidavit in cases where they believe there is reason to look back of it. They say that, under the law as it exists, they do not have that right, and they know that people are in the hospitals who come in and sign affidavits—they cannot afford treatment, who have money enough, a great deal of money, to pay for the service.

I did not know until this matter came up that anyone would offer an amendment to strike the first half of this, because the AMA does not want it struck, the veterans' organizations do not want it struck, and the committee does not want it struck. The legislative committee has frequently said that something should be done about it, and I believe the majority in Congress do not want that half struck.

Therefore my recommendation would be that we defeat the Adair amendment and then take the next amendment, whoever offers it, to strike the last part of the sentence after the semicolon, which is the one that you have been getting letters about.

If this does take place and you consider an amendment to strike out all after the semicolon, I ask you to consider that the situation we describe in our bill exists at the present time. If you strike out this language, you make the situation worse than it is now, because no effort will be made to collect from men who have in turn collected insurance premiums or who have as high as $12,000 or more a year income.

If you leave some sort of fragment in there for my subcommittee, we can go to conference. We are not especially concerned about the wording. We would like you to leave some fragment of that so that when we go to conference, if the Senate has not put something in, we will be able, with the help of anyone, including the legislative committee, to write a substitute that will do what we all want to do. If the wording is not right—and we have no pride in the wording—we will go into conference and try to do something to correct a condition which I assure you everyone, including the AMA and the veterans' organizations, and the Members of Congress, want corrected.

I am sure many of our friends in the medical society do not realize what they are doing in an attempt to prevent this wording from lending respectability to free hospitalization. They are putting us back to the situation that exists at the present time, when the same men with the same incomes will be in the same hospitals getting free hospitalization, and the Veterans' Administration will not do anything about it.

So I recommend that we defeat the Adair amendment, let the gentleman from Indiana, or the gentleman from Pennsylvania, offer another amendment, let me offer a substitute to that amendment, and then, with as little more argument as possible, vote upon these as you desire to vote. We will have no hard feelings on the committee about how the vote comes out.

Mr. TEAGUE. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Texas.

Mr. TEAGUE. Then do I understand the chairman correctly that he would agree to strike out the remaining part of that paragraph if from line 17 down to the semicolon in line 23 were left in there?

Mr. PHILLIPS. No; that is not what I said. I said that if anyone would offer any substitute for the language after the semicolon we would take it. If nobody else offers it, I hold in my hand an amendment which I think will at least preserve the committee's right to take this into conference.

Mr. HALLECK. Mr. Chairman, I ask unanimous consent that debate on this amendment and all amendments thereto close in 20 minutes, the last 5 minutes to be reserved to the ranking minority member of the subcommittee.

Mr. SECREST. Mr. Chairman, reserving the right to object, would the gentleman not find out how many Members want to speak so that we may see how much time each one of us will get. Each one of us, I think, should have at least 3 minutes to talk upon this because it is so important.

Mr. BARDEN. Mr. Chairman, reserving the right to object, may I call this to the attention of the gentlemen. I have not seen anyone yet who knows what we are considering. Do you want to limit time on something that you do not know what you are limiting the time on? The Chairman just said there was one amendment. Then probably they are going to offer another one. Then he probably is going to offer a substitute. Are you going to positively limit debate in a situation like that? I think we had better chart our course a little more accurately.

Mr. HALLECK. If the gentleman from North Carolina is raising a question as to whether I, for instance, know

what is going on here, I think I do and I am not going to stand here and say that I do not know.

Mr. BARDEN. Would the gentleman explain what is going to happen?

Mr. HALLECK. I will try to explain it to the gentleman. There is an amendment pending to strike out the entire section. The gentleman from California who is the chairman of the subcommittee has indicated that as far as he is concerned, the language after the semicolon on page 23 could go out provided some language retaining some semblance of what is there contained might go in. If I understood the inquiry of the gentleman from Texas [Mr. TEAGUE] who is very much of an authority on this whole proposition, he raised the question as to whether or not the gentleman from California would agree to take out all of the language starting on line 23, after the semicolon, and to which the gentleman from California properly replied that that was not quite his statement, that what he wanted was some language in the bill that could go to conference which would permit them to work this out. To me, it seems perfectly simple.

Mr. BARDEN. It is as clear as mud.

Mr. HALLECK. It may be that clear to you. Normally, the gentleman is a man of great understanding and quick perception, and if it is not clear to him, then I really am disturbed.

Mr. BARDEN. Let us be fair to each other and cut out the horse play. The gentleman just referred to the Chairman of the committee as demanding language bearing some semblance to so and so. Does the gentleman want to limit himself to any particular few minutes of debate as to language with some semblance to so and so when we do not know what it is going to be?

Mr. HALLECK. Of course, the language would be read, and I am sure the gentleman from North Carolina would be the quickest of any of us to discover what the language means. May I say that it is all right with me to remain here just as long as anybody wants to, but I think the positions of the various Members in respect to this matter can be made known, and I think we can conclude action on the bill and be through with it. A great many Members have spoken to me about their desire to conclude action on the bill reasonably soon. I am only trying to expedite the business now before the House so far as I am concerned.

Mr. PHILLIPS. Mr. Chairman, reserving the right to object, and still trying to conserve time, I am not insisting upon any specific language so long as we are left some language in the bill on which to go into conference. If nobody has better language, I am going to recommend this language: "*Provided further*, That nothing in this section shall be construed as establishing a policy authorizing the admission of veterans with non-service-connected disabilities to veterans' hospitals who are financially able to pay for their hospital and medical expenses."

Mr. Chairman, I do not consider this wording perfect, but at least, Mr. Chairman, it would permit the subcommittee to go into conference and work out a satisfactory wording. When I say satisfactory, I do not mean to the seven of us, but to the gentlemen who are now engaged in this colloquy who are tremendously interested in this matter.

Mr. HALLECK. Mr. Chairman, may I revise by unanimous-consent request.

Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 25 minutes, with the last 5 minutes to be reserved to the gentleman from Texas [Mr. THOMAS].

Mr. TEAGUE. Reserving the right to object, Mr. Chairman, a few moments ago I objected to a unanimous-consent request of the gentleman from Texas [Mr. THOMAS], which, of course, I did not want to do. I later told him that when the debate had finished on the amendment to the language on page 19 I would not object any more. In turn, he told the gentleman from California [Mr. PHILLIPS] and I did not object to his unanimous-consent request that the bill be considered as read.

I do not feel that you are being fair if you limit debate on this one amendment and amendments thereto.

Mr. HALLECK. If the gentleman will yield, the gentleman objected to a unanimous-consent request that I made to consider the bill as read, and the gentleman said that he thought this amendment was the last one that he was interested in.

Mr. TEAGUE. That is right.

Mr. HALLECK. That did not seem to me to imply any obligation on the part of anyone, when we got to the amendment, not to try to have some reasonable time limitation on the debate on the amendment.

Mr. TEAGUE. When you propose to allow us 1 minute apiece, do you feel that is a reasonable time?

Mr. HALLECK. I believe one of the gentlemen suggested 3 minutes to each Member.

Mr. Chairman, in view of the general attitude, I withdraw my request.

Mr. PHILLIPS. Reserving the right to object, Mr. Chairman, I should like to ask a question of the gentleman from Texas [Mr. TEAGUE]. If the gentleman from Texas [Mr. TEAGUE] will yield to me, I shall then yield to the gentleman from Texas [Mr. THOMAS].

Would the gentleman from Texas [Mr. TEAGUE] be satisfied that he was not denied time, or anything else, if we accepted the amendment which I presume will be introduced by the gentleman from Indiana [Mr. ADAIR] to strike out the language beginning at the semicolon in line 23 and extending to and including line 5 on page 20, and to substitute therefor the language which I just read, and which I shall read again?

Mr. TEAGUE. No, sir; certainly not.

Mr. PHILLIPS. Then what the gentleman wants, in effect, is not to place any limitation upon non-service-connected veterans who are now getting free service in hospitals, and who can afford to pay?

Mr. TEAGUE. If I understand the rules of the House correctly, if you leave those first five lines in, down to the semicolon, then you can go to conference on that section.

Mr. PHILLIPS. No; I asked the Parliamentarian and he was not sure. For that reason I am taking this action to make sure that we are not deprived of the right to do something about a situation which everybody agrees something should be done about.

Mr. THOMAS. Will the gentleman from California yield to me briefly?

Mr. PHILLIPS. I yield to the gentleman from Texas.

Mr. THOMAS. The hour is getting late. Everybody is getting tired. Everyone has various and sundry views on this subject. I wonder if we cannot get unanimous consent to an agreement to limit debate—there is only one item here, and that is the AMA item—to, say, 35 or 40 minutes. And if we cannot do it, let us move and get rid of it. Then we will take this thing to conference and I believe we can work it out to the satisfaction of everybody. We know what everybody's ideas are on this subject. There are 4 or 5 groups who are not going to agree. I suggest a unanimous-consent agreement, Mr. Chairman, to limit debate to 35 minutes.

Mr. PHILLIPS. May I suggest 30 minutes?

Mr. THOMAS. I suggest 35 minutes; that debate on this amendment and all amendments thereto and the remainder of the Veterans' Administration section be limited to 35 minutes.

Mr. PHILLIPS. Reserving the last 5 minutes to the gentleman from Texas [Mr. THOMAS].

Mr. THOMAS. I do not care about that.

Mr. BROOKS. Reserving the right to object, will that give each of us at least 3 minutes?

Mr. THOMAS. Mr. Chairman, I move that all debate end in 40 minutes on the section dealing with the Veterans' Administration affairs and that the last 7 minutes be given to the committee.

Mr. TEAGUE. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. TEAGUE. I make the point of order that debate must ensue before the motion is in order.

Mr. PHILLIPS. Debate has been had.

The CHAIRMAN. The bill has been considered read.

The question is on the motion of the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. TEAGUE) there were—ayes 98, noes 70.

So the motion was agreed to.

The CHAIRMAN. The time will be divided equally between the Members seeking recognition.

Mr. VAN ZANDT. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Substitute amendment offered by Mr. VAN ZANDT to the amendment offered by Mr. ADAIR: On page 19, line 23, after the semicolon strike out the remainder of the line, also lines 24 and 25; and line 1 up to and including line 5 on page 20.

Mr. McCORMACK. Mr. Chairman, I make a point of order against the amendment that has been offered. It is not a substitute, it is a perfecting amendment. The gentleman can correct it very easily, but instead of being a substi-

tute it is an amendment to the existing paragraph.

Mr. VAN ZANDT. I will change it to "perfecting amendment."

Mr. McCORMACK. I simply make that point of order to keep the parliamentary situation correct.

The CHAIRMAN. In reference to the point of order raised by the gentleman from Massachusetts, the Chair desires to read as follows from Cannon's Procedure:

When it is proposed to strike out certain words, it is not in order to amend by adding other words to the paragraph but it is in order to amend by striking out a portion of the words specified.

Mr. McCORMACK. Mr. Chairman, I am not making a point of order against the amendment itself. It should be a perfecting amendment, not a substitute amendment. In other words, if the gentleman had offered it as an amendment I would have no objection.

The CHAIRMAN. Without objection, the amendment will be changed to read "perfecting amendment" rather than "an amendment to the amendment."

There was no objection.

(By unanimous consent, the time allotted Mr. JOHNSON was yielded to Mr. VAN ZANDT.)

THE VAN ZANDT AMENDMENT ON THE QUESTION OF FREE HOSPITALIZATION FOR VETERANS WHOSE DISABILITIES ARE NOT DUE TO MILITARY SERVICE

Mr. VAN ZANDT. Mr. Chairman, when this provision providing eligibility for hospitalization of non-service-connected veterans was discussed at the conference between spokesmen for the three major veterans' organizations and congressional leaders, held in Speaker MARTIN's office on June 3, those present representing the veterans' groups were very skeptical about this provision mostly because of the ambiguity of the language used and the fear that the interpretation made by the Veterans' Administration, would not be in the best interest of the veteran.

The spokesmen for the veterans' groups stated frankly they were in full accord with the desire that something should be done to tighten up on the applications for admission to veterans' hospitals on the part of non-service-connected veterans who are financially able to pay for the cost of hospitalization in a private hospital.

In connection with the proposal that the Veterans' Administration make every effort to collect from any veteran hospitalized, cared for, or treated for a non-service-connected disability, the veterans' groups took the position that such a proposal would make a collection agency out of the Veterans' Administration and would attract many more non-service-connected cases to a VA hospital, because of the reduced rates. Veterans' leaders felt that such a result would defeat the intention to curb abuses of free hospitalization for non-service-connected veterans who are able to pay.

My amendment will delete from the bill the following language that begins after the semicolon on line 23 of page 19 up to and including line 5 on page 20.

The language deleted is as follows:

And the Administrator shall make every effort to collect from any veteran hospitalized, cared for, or treated for a non-service-connected disability according to the ability of the veteran to pay for such hospitalization, treatment, or care: *Provided further*, That inability to pay shall not prevent any veteran from receiving hospitalization, treatment, or domiciliary care, if such veteran is unable to pay and there is a bed available.

Therefore, if my amendment is accepted, the controversial language referred to will be deleted and all that will remain of the proviso is the following language which begins on line 17, page 19 and ends with a semicolon on line 23, page 19. The language is as follows:

Notwithstanding the provisions of section 6 of Public Law No. 2, 73d Congress, as amended (38 U. S. C. 706), the Administrator of Veterans' Affairs is authorized to investigate any non-service-connected veteran's statement of inability to defray the cost of hospitalization, treatment, or domiciliary care, where reason exists to doubt the accuracy of such statement.

If my amendment should prevail, the language retained in the bill and which I just read, will give to the Veterans' Administration authority to investigate any non-service-connected veteran's statement of inability to defray the cost of hospitalization, treatment or domiciliary care where reason exists to doubt the accuracy of such statement. My amendment simply means that when a veteran fills out a VA form P–10 which is an application for hospitalization, the VA representative will not only question the veteran concerned, but also investigate as to whether or not the statement made under oath which is on form P–10 is accurate.

Let me read to you questions 27, 28, and 29 which the veteran answers "yes" or "no" to, followed by the oath he signs:

27. Are you entitled to hospital care by membership in a union, group plan, insurance policy, etc., or reimbursement for its cost by reason of a cause of action against any party?

28. Are you financially able to pay necessary expenses of hospital or domiciliary care?

29. Are you financially able to pay cost of your transportation to and from hospital at time of admission and discharge?

30. I agree to accept transfer to another hospital, or my home, if in the opinion of the medical staff such transfer is deemed expedient. I understand the questions. The answers to all questions are true and complete to the best of my knowledge and belief. I acknowledge notice of the effect of the law mentioned on the reverse side hereof.

Mr. Chairman, when one compares the intent of the oath on Form P–10 with the intent of the language that will remain in the bill if my amendment is adopted, he will find they are similar. Therefore, all we are doing here today is to insist that the VA investigate non-service-connected veterans' applications for hospitalization and if a veteran is financially able to defray the cost of hospitalization in a private hospital he is expected to do so under existing law since his disabilities are not due to his military service.

The objective is to curb the abuses that have arisen because of laxity on the part of the VA in failing to scrutinize non-service-connected applications as to whether a veteran is able to pay for his hospitalization under existing law.

Mr. SECREST. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield to the gentleman from Ohio.

Mr. SECREST. I do not believe the gentleman means, though, that the veteran should be denied admission until investigation is made.

Mr. VAN ZANDT. No.

Mr. SECREST. He is admitted, then investigated?

Mr. VAN ZANDT. Yes; he is admitted if his condition is serious and then investigated. Let me state that if my amendment is adopted the language used can be changed in conference. I understand the gentleman from California has the language in mind which he intends to take into conference with him.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I support the gentleman's amendment, but when it comes to the amendment to be offered by the gentleman from California, knowing my friend's views, he better be careful because I think that language is more dangerous in conference than the language already in the bill.

Mr. VAN ZANDT. Let us look at that amendment when the gentleman from California offers it but now let us confine ourselves to my amendment. I am concerned with retaining the privilege of free hospitalization for non-service-connected disabled veterans of this country as long as there are beds available, but I believe at the same time that the manager of the VA hospital when he accepts a form P–10 should determine whether or not the veteran is able to go to a private hospital if he has the means of doing so.

Mr. LANHAM. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield to the gentleman from Georgia.

Mr. LANHAM. Does the gentleman think that a conference committee is the place to write this legislation? It seems to me that the spectacle that the House has already made of itself this afternoon proves what we who have been objecting to legislation on an appropriation bill mean. What we mean is that the conference committee is not the place to write this legislation. It ought to be written by the Veterans' Affairs Committee. As long as we try to legislate in this way we are just going to have a hodgepodge and nobody will know what the law is.

Mr. VAN ZANDT. I agree with the gentleman that we are faced here with a question of jurisdiction but regardless I still think we should serve notice on the Veterans' Administration to be more vigilant in handling applications for hospitalization from non-service-connected veterans.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield to the gentleman from Tennessee.

Mr. EVINS. If the entire section is stricken out the language with respect to the taking of an oath remains in the

existing law so you are thereby preserving what the gentleman hopes to accomplish.

Mr. VAN ZANDT. If my amendment is adopted language will remain in the bill which will require the Veterans' Administration to investigate for the purpose of determining the eligibility of the non-service-connected veteran for admission to a Veterans' Administration hospital.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. SECREST].

Mr. SECREST. Mr. Chairman, I think definitely that this is one of the most complicated veterans' propositions that has ever come before this House. We of the Veterans' Affairs Committee have already this year considered 90 bills in 20 full days of hearings and in 22 days of subcommittee hearings. We are cognizant of this problem, and that is the only place that you can solve this question without running into every possible danger and every kind of injustice not only to the veteran but to the taxpayer. Here you say in the part that even would remain, if this perfecting amendment is adopted, that the Veterans' Administrator can go behind that affidavit and see whether or not this veteran could pay for his own hospitalization. If that is to be done, then there should be some standards set by law and not leave it up to the Veterans' Administrator. There should be certain standards set by law as to when is a veteran able to pay. I would ask the chairman of the committee or anyone else to get it clarified here in the RECORD before this becomes a law. If a veteran owns a 4-room house, has a wife and 4 children, has not a cent to his name, must he mortgage that house or sell it before he can get into one of these hospitals as a non-service-connected veteran? If you say "No," then if he owns an 8-room house, must he mortgage that before he is eligible? If he has $500 in the bank and is single, must he turn that $500 over to the hospital before he gets in? If the answer is "No," if he has $5,000, must he do that? There should be some standard set up by legislation if we are going to go behind that affidavit as to a veterans' ability to pay. If you leave it to the Veterans' Administrator and if he, in turn, leaves it to the admission hospital, you can see the situation you are in. A veteran may get into a hospital in Florida with $50,000, but in Ohio he may be denied with $5,000. The place to fix this is in the Veterans' Committee after a full hearing.

If this rider stays in the bill we will run the risk of harming the veteran just as bad as the economy bill did in 1933. It provides a meat ax with no instructions as to its use. It provides a club with no curb on the place to swing it.

(Mr. SAYLOR asked and was given permission to yield the time allotted to him to Mr. TEAGUE.)

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. TEAGUE].

Mr. TEAGUE. Mr. Chairman, first I want to say that any Member of this House who thinks that the American Legion, the Veterans of Foreign Wars, and the Disabled American Veterans are favorable to all these riders will find out differently. I do not know what they told the gentleman from Pennsylvania when they spoke to him, but they certainly did not tell me they were in favor of these riders. They did tell me that they were in favor of the $555 million for hospitalization.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE. I yield to the gentleman from Pennsylvania.

Mr. VAN ZANDT. I think if the gentleman will read the RECORD he will find I said that they accepted with reservation and with great reluctance.

Mr. TEAGUE. I think if you will read the RECORD first you said that they agreed to this bill, and later I asked you if they accepted the riders and you said they accepted some without reservation and others with reservation. I want to make it clear that they did not tell me that they were in favor of the provisos in this bill.

The gentleman from Georgia said this would cause a hodgepodge of legislation. When this bill came out, I asked the Administrator of Veterans' Affairs this question—and I hope I have time to read what he says:

VETERANS' ADMINISTRATION,
Washington, D. C., June 16, 1953.

Hon. OLIN E. TEAGUE,
House of Representatives,
Washington, D. C.

DEAR MR. TEAGUE: This is in reply to your letter of June 11, 1953, addressed to the Assistant Administrator for Legislation, concerning certain restrictive provisions and legislative riders in connection with the proposed appropriations for the Veterans' Administration in H. R. 5690, 83d Congress, "A bill making appropriations for additional independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes."

You desired comments as to any inconsistencies or ambiguities by reason of the referenced provisions and advice concerning any unusual problems which might be created thereby. They will be discussed in the order specified in your letter.

RESTRICTION OF PAYMENTS TO EDUCATIONAL INSTITUTIONS TO A MAXIMUM OF $1 PER MONTH FOR EACH ELIGIBLE VETERAN

The second proviso under the heading "General Operating Expenses," on page 10, provides: "*Provided further,* That effective September 1, 1953, no part of any appropriation shall be used to pay to educational institutions for reports and certifications of attendance at such institutions an allowance at a rate in excess of $1 per month for each eligible veteran enrolled in and attending such institution."

This would be a permanent limitation on the use of appropriations implementing section 265 (b) of the Veterans' Readjustment Assistance Act of 1952 (Public Law 550, 82d Cong., approved July 16, 1952). That provision of the Korean GI bill directs the Administrator to pay to each educational institution which is required to submit reports and certifications to the Administrator in connection with the education and training program for veterans of the Korean conflict period an allowance at the rate of $1.50 per month for each eligible veteran enrolled in and attending the institution. This is stated to be for assisting the institution in defraying the expense of preparing and submitting such reports and certifications.

The language of the appropriation bill, literally construed, would purport to reduce the amount of the payment in every case on and after September 1, 1953, whereas it is presumably intended that the allowance shall not exceed the $1 rate for reports and certifications covering attendance on and after September 1, 1953, without precluding payment after that date at the $1.50 rate for services in making reports and certifications covering attendance prior to September 1, 1953. This could be clarified by a simple amendment such as the insertion of the words "covering attendance on or after September 1, 1953," immediately following the word "institutions" in line 25 of page 10 of the bill.

Other than the foregoing, there is no ambiguity or inconsistency in this language, and the Veterans' Administration does not anticipate that there would be any unusual administrative problem created thereby from the standpoint of our operations. The matter of reducing the rate of this allowance is one of policy for the Congress to determine. As a matter of background information, it may be noted that this authorization was first placed in the bill (H. R. 7656, 82d Cong.), which became the Veterans' Readjustment Assistance Act of 1952, by the Senate after the bill had been passed by the House without such a provision. The Senate language did not specify an amount, but directed the Administrator to pay a uniform allowance to be determined by the Administrator, with a pro rata reduction for part-time training. The conference committee substituted the provision which was finally enacted calling for a payment at the rate of $1.50 per month, without distinction between full-time and part-time courses. In other words, it was apparently concluded that a fixed amount should be prescribed ($1.50 per month) for payment in every case to compensate the institution for these reporting services required by the basic act.

LIMITATION OF USE OF APPROPRIATION FOR STAFFING AND OPERATION OF HOSPITAL BEDS

The proviso on page 11 following the appropriation under the heading "Maintenance and Operation of Hospitals" reads:

"*Provided,* That the foregoing appropriation is predicated on the staffing and operation of 114,315 beds during the fiscal year 1954, and if a lesser number is provided, such appropriation shall be expended only in proportion to the number of beds staffed and operated."

No difficulties are anticipated in applying this limitation, if enacted as a part of the bill.

RESTRICTION ON OUTPATIENT DENTAL CARE

In connection with the appropriation under the heading "Outpatient Care" beginning at the bottom of page 12, there are two provisos (p. 13), as follows:

"*Provided,* That no part of this appropriation shall be available for outpatient dental care and treatment, or related dental appliances, when the dental condition or disability being treated is not compensable, unless such condition or disability is shown to have been in existence at time of discharge and application for treatment is made within 1 year after separation from service, or 1 year after the enactment of this act, whichever is later: *Provided further,* That when any such noncompensable dental condition or disability has once been corrected, additional care and treatment therefor may not be provided."

Before considering these provisos it should be mentioned that the limitation of $23 million for outpatient dental care immediately preceding the first proviso (line 25, p. 12, and line 1, p. 13) is not qualified and would, in terms, apply both to outpatient dental care furnished by Veterans' Administration staff and outpatient dental care handled on a fee basis with hometown dentists. In the light of the committee report (p. 10), it seems clear that the limitation of $23 million was intended to refer only to outpatient dental care handled on a fee basis. If, as appears to be the case, it is not intended to include staff dental treat-

ment in this ceiling it would appear that the language of the limitation should be revised so that it refers only to outpatient fee basis dental care.

The quoted provisions limit the use of the 1954 appropriation only and would not be permanent in character.

These limitations would not require any change in the authorization for treatment of compensable dental disabilities. Moreover, it is believed that they would not limit the furnishing of outpatient dental treatment on an adjunct basis when the dental condition, though it is noncompensable, is associated with and aggravating a service-connected medical disability for which outpatient treatment is authorized. This type of treatment is afforded under the existing regulations pursuant to law and would be regarded as treatment of the basic service-connected medical disability and, therefore, outside the scope of the restriction in question. There is a question, however, as to whether these restrictions might not preclude outpatient treatment for a noncompensable dental condition in the case of a disabled veteran trainee pursuing vocational rehabilitation training under Public Law 16, 78th Congress, or Public Law 894, 81st Congress, as amended. Presently such treatment is authorized, irrespective of whether the condition is service-connected or compensable, in order to prevent interruption of the training. If this result is not intended, clarifying language is indicated, as, for example, an added sentence at the end of line 11, page 13, as follows:

"Nothing in the foregoing provisos shall be construed to prevent authorized outpatient dental care and treatment for trainees under Public Law 16, 78th Congress, as amended, or Public Law 894, 81st Congress, as amended, who are in need of treatment to avoid interruption of such training."

It may be noted that the restriction would bar outpatient dental treatment in many cases of Spanish-American War veterans who now receive such treatment pursuant to Public Law 791, 81st Congress, which declares that upon application for outpatient treatment they shall be deemed to have incurred their disabilities as the direct result of their war service. In general, the dental disabilities of these veterans are not compensable.

Difficulty may be encountered in determining the meaning and proper application of the provision of the language in the last proviso which excludes additional care when the noncompensable dental condition has once been corrected. This is subject to variable interpretations. It is assumed, however, that it is intended to refer to a treatment or series of treatments in which the noncompensable dental disability which existed at discharge has been once completely treated, without regard to later developments.

In view of the 1-year limitation with respect to noncompensable cases, it may be expected that there will be an increase in the number of applicants during the 1-year period following the enactment of this provision.

ELIMINATION OF LOAN GRATUITY PAYMENTS

At page 14 a proviso to the appropriation for readjustment benefits would prohibit, on and after September 1, 1953, the use of any appropriation to the Veterans' Administration for payment of the 4 percent gratuity on loans made, guaranteed or insured under title III of the Servicemen's Readjustment Act of 1944, as amended. A second proviso would protect the right to payments based on guaranties made, or certificates of commitments issued prior, to that date.

No changes in language appear necessary to carry out the intended effect of eliminating the loan gratuity subject to the safeguard in the second proviso. No administrative difficulties are perceived.

As background for your consideration of this matter, it may be pointed out that in making the provision for the payment to the veteran's loan account of an amount equal to 4 percent of the guaranteed portion of the loan (up to $160) it was the apparent intention of the Congress to assist him in meeting a part of the expenses incident to the closing of the loan. Consistent with that aspect of the gratuity, the Veterans' Administration has permitted charges against the veteran to pay costs such as those entailed in obtaining an appraisal, in obtaining credit information, and in the inspection of new construction. One consideration in permitting these charges was that the gratuity more than compensated the veteran for these initial outlays.

It may be noted that since the removal of credit restriction on April 23, 1953, greater flexibility is now permitted on the application of the gratuity payment. The manner in which it is applied is determined by the agreement between the lender and the veteran, but the veteran may now request that the gratuity be applied to meet regular monthly mortgage payments as they accrue, thus giving him an immediate benefit. For example, if the monthly mortgage payment is $53.33 or less, the $160 gratuity would give the veteran a 3-month breathing spell soon after the loan is made. Even if the gratuity payment is initially applied as a prepayment of principal, future interest accruals will be proportionately reduced so that the loan will be paid off several months earlier if payments are made on schedule. Moreover, it does not necessarily follow that in the event the gratuity is applied to the principal balance of the loan, the veteran will obtain no tangible benefit until the final maturity approaches. This is true because, in such a case, if the veteran later encounters financial distress, he may request the reapplication of the gratuity payment to cure the delinquency resulting from his inability to meet his regular mortgage payments. In this aspect the gratuity thus provides a cushion against a period of distress.

Notwithstanding the foregoing, it is realized that this matter is one of policy which involves the consideration on the one hand of the material savings which would result from the elimination of the gratuity payment and on the other hand of factors such as the possible arguments of discrimination against World War II and particularly Korean conflict veterans who have not yet availed themselves of their loan entitlement under the Servicemen's Readjustment Act and the fact that the withdrawal of this element of the total assistance now available to the veteran would further reduce the preferred position intended to be accorded him by the loan guaranty program under the Servicemen's Readjustment Act.

LIMITATION CONCERNING HOSPITALIZATION FOR NON-SERVICE-CONNECTED DISABILITY

Beginning at the bottom of page 19 is the following:

"Notwithstanding the provisions of section 6 of Public Law 2, 73d Congress, as amended (38 U. S. C. 706), the Administrator of Veterans' Affairs is authorized to investigate any non-service-connected veteran's statement of inability to defray the cost of hospitalization, treatment, or domiciliary care, where reason exists to doubt the accuracy of such statement; and the Administrator shall make every effort to collect from any veteran hospitalized, cared for, or treated for a non-service-connected disability according to the ability of the veteran to pay for such hospitalization, treatment, or care: *Provided further*, That inability to pay shall not prevent any veteran from receiving hospitalization, treatment, or domiciliary care, if such veteran is unable to pay and there is a bed available."

This is a legislative provision which is not prescribed in terms of a limitation on appropriations. Its net effect would be to authorize the Administrator to charge and collect from a veteran hospitalized or domiciled for a non-service-connected disability amounts commensurate with his ability to pay for hospitalization, treatment, or domiciliary care. While affirmatively authorizing the Administrator to investigate the veterans' statement of inability to defray the cost of hospitalization, etc., where reason exists to doubt the accuracy of the statement, this language would not change the basic provisions of section 6 of Public Law No. 2, 73d Congress, as amended, which require the Administrator to accept the oath of the applicant as sufficient evidence of inability to defray necessary expenses. Thus, the Veterans' Administration could not, under the proposed language, refuse to admit veterans otherwise eligible who file sworn statements of inability to pay. Further, it is believed that the language would not affect cases in which the veteran's eligibility is not dependent upon inability to pay, specifically veterans who are now eligible under the implementing regulations for hospitalization for non-service-connected disabilities because they were either discharged for a service-connected disability or in receipt of compensation.

This proposal will obviously impose serious administrative burdens. For example, it would appear that some procedure will be necessary from which to make a preliminary determination of ability to pay and a determination whether further investigation is indicated, notwithstanding the sworn statement that the veteran is unable to defray the expense of hospitalization. This might require some such procedure as revision of the application form to require a financial statement, and this would present complexities as to what items were properly for inclusion and exclusion on such a statement. Depending upon what preliminary facts might disclose, there would then arise the question as to what cases would justify further investigation and how extensive such an investigation should be, considering the expense involved and the possible results.

There would exist the administrative problem of how to fix the charges and pro rate them in accordance with the individual's ability to pay as well as the difficulties of estimating ability to pay on a uniform basis in view of the many variations in individual circumstances. This would in some long-time cases also entail the determination of whether payments should be exacted throughout the course of hospitalization and how to gear the amount charged to the probable duration of hospitalization. In some cases it might be necessary to wait until the end of the period of hospitalization to determine what a proper charge would be. Finally, having fixed a charge, the problem of collection would frequently become a troublesome one, possibly involving the question of offsetting the amounts charged against items otherwise payable to the veteran.

Although it is not contended that this provision is incapable of being administered, the preceding discussion is indicative of some complications which would necessarily be encountered. It is impracticable to attempt any precise formulation of the administrative procedure which would be followed. Careful study and planning would be required in order to implement this provision without unduly impeding operations.

The urgency of your request has not permitted time for ascertaining from the Bureau of the Budget the relationship of these proposals to the program of the President.

Sincerely yours,

H. V. STIRLING,
Deputy Administrator
(For and in the absence of the Administrator).

That is what the Administrator of Veterans' Affairs says about this section. I hope this section will be stricken out.

Mr. SAYLOR. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE. I yield to the gentleman from Pennsylvania.

Mr. SAYLOR. If this whole section is stricken out, the affidavit which is now in existence still remains?

Mr. TEAGUE. That is true.

Mr. SAYLOR. The proper committee to handle this type of legislation is the Committee on Veterans' Affairs and not the Committee on Appropriations.

Mr. TEAGUE. Our committee, of which the gentleman is a very able member.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE. I yield to the gentleman from Minnesota.

Mr. JUDD. I want to make sure I understood the gentleman correctly. Is he is favor of the Adair amendment or the Van Zandt amendment, to strike out only that language between the two semicolons?

Mr. TEAGUE. I am in favor of the language in the bill down to the semicolon. I do not think you can argue about that. There is no misinterpretation you can put on it. I do think our committee should pass on it. However, the rest of it is not interpretable.

Mr. JUDD. The gentleman would favor the Van Zandt amendment, which would strike out the language between the two semicolons?

Mr. TEAGUE. I did not understand that that was what it would do. If it does that, I am very much in favor of it, but our committee should pass it.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. BARDEN].

(Mr. DEANE asked and was given permission to yield the time allotted to him to Mr. BARDEN.)

Mr. BARDEN. I wish to thank the gentleman from North Carolina [Mr. DEANE]. It is most kind of him. Mr. Chairman, I do not think there is any man in the House who appreciates more than I the fine work the Committee on Appropriations does, and I know a great deal about the problems with which they are faced. At the same time, we have legislative committees of the House who conduct hearings, listen to all the testimony, and listen to the technical problems that come up in just such matters as this. I do not think, with all the rest of the problems the Committee on Appropriations has, they are capable of listening to a few minutes of discussion, of listening to a recommendation, whether it be from the budget or anyone else, and then, with a brush of the pen, writing this kind of legislation into an appropriation bill.

If that is sound legislation there are going to be a lot of unemployed folks on legislative committees, because if you can do it in this case we might just as well adopt it as a policy.

This section here is just full of trouble. I do not know what guide the Administrator will use in saying whether or not a man is capable of paying a bill. Is there anyone here who would offer a suggestion as to what would be a guidepost for him in that case? I do not know whether the Administrator should be authorized to refund payments to a veteran who is in the hospital and who left the hospital, if 3 months later the Veterans' Administration declared his disability to be service-connected. If such a declaration should be made, then the Government would owe him that amount of money from the beginning. Yet no provision is made.

I do not know how they would proceed to collect payments due, whether they would turn the matter over to the Attorney General, whether it would be a Federal procedure for him to prosecute the veteran in the district court of the United States and perhaps in the end sell everything the veteran had except his homestead.

I do not know what the committee intends. I think I know the objective of the committee. I think I know what they have in mind, and I am in sympathy with the idea of protecting the Government against abuse by people who would take advantage of the Government if they had an opportunity to do so. At this time when we are creating new disabled veterans every day, and even at this late hour the Veterans' Administration is declaring service-connected disabilities which were incurred in the First World War and in the Second World War, only a small percentage, you might say, in comparison with what will come when compared with those that were declared service-connected from the beginning, and when every day the boards in the Veterans' Administration are declaring them service-connected disability, I say here is a big job of about a week or 10 days of intensive study and hearings before a legislative committee to write a law of this type instead of doing this with the brush of a pen at this time when we should be more than careful in writing veterans' legislation because there are many people in this country who are pretty sensitive about the 150,000 casualties caused by this present Korean war, police action, or whatever you may choose to call it, and more who are coming in every day. So, Mr. Chairman, my discussion with the gentleman from Indiana is simply to try to get the time to really think out where we are going. He wanted to limit it to 25 or 30 minutes. No; it involves too much suffering to be disposed of in such a short time. I hope this language will be just stricken out and that the proper committee—the Veterans' Affairs Committee—will be able to give it the study that is necessary. We are asking too much of the Armed Forces of this country; let us love and consider them as much in the Halls of Congress as we do on the battlefields or on election day.

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma [Mr. EDMONDSON].

Mr. EDMONDSON. Ordinarily, Mr. Chairman, I am in wholehearted agreement with the gentleman from Texas [Mr. TEAGUE] on matters affecting veterans. But, I must with great reluctance take issue with my distinguished friend from Texas on the stand which I understand he is taking on this measure. I personally favor the Adair amendment because I believe the Adair amendment in very clear and in unmistakable terms leaves it to the proper committee to consider this question and the determination of whether or not we are going to change the basic law of the United States with regard to the care which is given our veterans. That basic law which appears in title 38 of the United States Code provides definitely the statement under oath of the applicant in such form as may be prescribed by the Administrator of Veterans' Affairs shall be accepted as sufficient evidence of inability to defray necessary expenses.

We now propose to place on the Veterans' Affairs Administrator the duty of investigating these affidavits. To investigate them for what purpose? To investigate them to what end? And in what way are we changing the fundamental function of the Veterans' Administration? Is the Veterans' Administration set up to be an assistance and an aid and a friend to the veteran or is it set up to be an FBI to police the private affairs of the veteran and to check into his bank balance? I believe we are changing the fundamental function of the Veterans' Administration by this simple rider which appears in this bill. I do not believe it is proper to legislate this way without action by the Committee on Veterans' Affairs. For that reason, I believe the Adair amendment should be adopted.

Mr. TEAGUE. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I yield.

Mr. TEAGUE. I want to concur with the statement that the gentleman has made. I am in favor of the Adair amendment. I said I did not object to the language down to the semicolon. I am in favor of the Adair amendment 100 percent.

Mr. EDMONDSON. Then I apologize to the gentleman from Texas because my understanding is that he stated he favored the amendment of the gentleman from Pennsylvania [Mr. VAN ZANDT].

Mr. TEAGUE. I do not object to the language down to the semicolon.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. LANHAM].

Mr. LANHAM. Mr. Chairman, in the first place I want to commend this subcommittee for making sufficient appropriations for the hospitalization and medical care of veterans. But let me ask now upon what meat these men have fed that they have become so great they can assume to legislate for all the standing committees of the House of Representatives. And how long are we going to stand for it? Until we rise up and do something about it, they are going to continue to take over the functions of the standing committees. I, for one, am tired of it. For that reason, I am in favor of the Adair amendment which would strike all of the objectionable section. Oh, you say you are going to let them investigate. Well, what is the veteran going to do while they are investigating? Why, he will die, and if they find he was entitled to hospitalization after he is dead, it is going to do him little good. Why this whole thing ought to be stricken out and the matter left to the Commit-

tee on Veterans' Affairs under the able leadership of the gentlewoman from Massachusetts.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Tennessee.

Mr. COOPER. I am sure the gentleman will agree that there are many worthy and deserving veterans in this country who do not have compensation or a pension, and the only benefit they can get is hospitalization.

Mr. LANHAM. That is correct. And let me say this to you gentlemen. The Veterans' Administration now is assuming to change their ruling on whether or not a veteran's disability is service-connected. After 8, 9, or 10 years, I think it is too late for anyone to tell whether a veteran's disability is service-connected. They are declaring that a veteran has no service-connected disability, after he has had service connection established for years.

I know of a case of a veteran who is mentally disabled. They say now, after 8 or 9 years, that they were mistaken, and that that man has a personality defect. Did you ever hear of such an absurd thing—a personality inadequacy? I know a lot of Congressmen, including myself, probably, who have personality inadequacies. But we are not disabled as is the veteran to whom I refer.

It is difficult to determine the origin and cause of mental disabilities and once service connection is established for such a disability there should be no change in this decision until the veteran recovers or it is established by the very strongest evidence that there was an error in the decision when he was first declared to have service connection. The burden should not be put upon the veteran after the expiration of a long number of years, of proving service connection.

But back to this appropriations bill and the amendments now under consideration. In my opinion the entire section of substantive legislation engrafted upon this bill by the Appropriations Committee in direct violation of the rules of the House, should be stricken and the attempted legislation left to the Veterans' Affairs Committee. This the Adair amendment will do and I will support. In conclusion let me say that the Appropriations Committee means well in attempting to legislate in this fashion, but their action is a usurpation of authority and power.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. BROOKS].

Mr. BROOKS of Louisiana. Mr. Chairman, I want to take this time to state that I realize and recognize that there are abuses of the present system. I realize that some of our veterans have taken advantage of the VA hospital system. I recognize that the system ought to be tightened up. But I say this: that it is a very serious matter, requiring much study, to work this out properly, and I do not want to see a bill passed here which will create more abuses than the ones we are trying to correct.

I know down in my own State, we have a State charity hospital system. There are also the VA hospitals. Mr. Chairman, the shortage of beds has been such in mental cases that veterans have been placed in jails temporarily, and some of them have been allowed to remain there for several weeks at a time in local jails down there in Louisiana because of lack of beds in VA hospitals. Some of them had to be placed in State-owned charity hospitals in Louisiana.

Mr. Chairman, it is a serious matter to refuse a hospital bed to a veteran who is sick and disabled, or wounded. And I think that is what has happened too often in the past.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. HAGEN].

Mr. HAGEN of California. Mr. Chairman, my mother never told me how difficult it was to get a word in edgewise in this place.

I want first to congratulate the veterans' organizations of the United States who got behind this committee and gave them a boost and the benefit of their advice on this veterans' budget. I think the good aspects of the budget are largely attributable to the interest of the active veterans' organizations in this country.

I am a member of the Committee on Veterans' Affairs and as such member I appreciate the tribute paid to us by the gentleman from Texas [Mr. THOMAS] as being a great committee. But, if we are such a great committee, I think we ought to do a little legislating about veterans' affairs instead of turning our duties over to the Appropriations Committee.

I would be willing to serve on the Appropriations Committee with one-quarter of a vote instead of on the Veterans' Affairs Committee with one vote, which I have, and I think I would get more accomplished for the veterans.

Let us analyze the language of this bill. Gentlemen before me have pointed out that any law student, any first-year law student, could write better language than is contained in this legislative proviso at this point in the bill.

Presumably it was an economy move. Certainly the AMA would have drawn such a proposal, yet they come in here objecting to it. I have a telegram from my local medical association objecting to the original language in this bill. The American Legion objected to the original language here, because it opened the door to a larger number of veterans, although it was supposed to be an economy move.

Are we going to adopt some substitute language here, which most of us have never seen, with any assurance that it is any better than the language in this bill? We should adopt the Adair amendment, strike this out; and if these gentlemen on that committee want to legislate on this subject, let them introduce a bill in our Veterans' Committee and we will report it out.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. FENTON].

Mr. FENTON. Mr. Chairman, when this bill was reported by the subcommittee to the full Appropriations Committee I rather anticipated that we would have this confusion when it reached the floor of the House. On that assumption I tried in the full committee to do what has been done here today, to take out a lot of superfluous language that I think does not have any place in this bill.

To my mind, even if the language is left in this particular section down to the semicolon, as has been so aptly said here, it will just simply revert to what the present law intends, and I think that if the subcommittee has done nothing else than pinpoint the necessity for some legislation necessary to control these things that are going on, I believe it will have done a good job.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. FENTON. I yield.

Mr. HALLECK. It ought to be understood, of course, that if this so-called rider stays in here the legislative committee could report out a bill changing this language after it became law and could rewrite the language and make it effective, having particular regard for whatever may be included in this bill.

Mr. FENTON. In the time remaining to me all I have to say is that I support the Van Zandt amendment simply because it does pinpoint the necessity for some action by the legislative committee; and I am certainly not in favor of the Appropriations Committee usurping the duties of the legislative committee.

Mr. CHAIRMAN. The Chair recognizes the gentleman from Indiana [Mr. ADAIR].

Mr. ADAIR. Mr. Chairman, the course of this debate, I think, has made abundantly clear one of the fundamental things to which those of us who do object to this wording find obnoxious. The fact is that its meaning is completely unclear; it is not understandable; it is susceptible to as many different interpretations, I think, as there are individuals within the Chamber today.

It is suggested that the amendment that I proposed would strike out all of this wording; and let me be very clearly understood, Mr. Chairman, that is exactly what I want. I do not want the conference committee to write this legislation any more than I want the Appropriations Committee to write it. I want the legislation, if it be necessary—and I believe it is—to be written after adequate hearings and after an opportunity has been presented to all interested parties to present their views and then a legislative committee can act with intelligence.

I believe that if this committee fails to take that course today we are setting a course which will give us very great difficulty in days, months, and years to come. It will be not only the Veterans' Affairs Committee for which legislation will be written, but it will be also the committees upon which all Members of this House serve.

I believe that we have a matter of principle as well as a matter of good parliamentary practice before us today, and here is an opportunity to show that we do believe in a principle and that we do favor some parliamentary practice.

Let me say again, and I think I am speaking not only for myself but also for many others, that we do not object to the goals but we do object to the means by which those goals are sought to be attained.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana [Mr. BEAMER].

Mr. BEAMER. Mr. Chairman, I shall support the Van Zandt amendment. For the sake of brevity I yield back the remainder of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Chairman, I shall support the Van Zandt amendment. One reason we are in this trouble today is because there have been times in the past when the Committee on Veterans' Affairs has not been as vigorous as some of us thought it ought to be in dealing with legislation trying to correct certain difficulties and abuses which have arisen. With the assurance we now have that the present Veterans' Affairs Committee is on its toes and will deal with this matter, we do not need to be unduly alarmed.

Everyone who has a veterans' hospital in his district, as I have, knows that a veritable racket has developed. People with good incomes will go into one of those hospitals and get a hernia operation, which is not an emergency, they will get it for nothing, then collect insurance from their health insurance company of $150 and put that money in their pockets. That is an outrage and simply must be taken care of.

On the other hand, to try to correct it by this language below the semicolon, which would set up a body of adjudicators to decide who should pay 20 percent, or 40, 60, or 80 percent, would create a body of people using up more money than the Government would get and cause more trouble, confusion, and bitterness between veterans who did not get exactly the same treatment than anything I have seen in a long time.

I believe, however, that the first part of this language should be retained. I am advised by the gentleman from Texas [Mr. TEAGUE]—and there is no man in the House who commands more respect on either side so far as veterans' legislation is concerned than the gentleman from Texas—that he himself has introduced a bill which will contain precisely the same language beginning in line 17 and on down to the semicolon in line 23. I believe that language should be retained. If we were to strike that language out here today it could properly be interpreted to mean that the Congress does not want anything done about these folks who are getting unjustified care. So I favor the Van Zandt amendment.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. NEAL].

Mr. NEAL. Mr. Chairman, due to the lateness of the hour and due to the fact that this discussion has covered every point which I could possibly emphasize, I shall submit my remarks for the RECORD and state that I am firmly convinced that our best move is to indorse the Van Zandt amendment.

Mr. Chairman, I wish to submit for the RECORD a letter addressed to the members of the House Appropriations Committee by the National Medical Veterans Society, and a letter addressed to the same committee by Dr. F. E. Wilson, director, Washington office, American Medical Association:

JUNE 12, 1953.

Re VA hospitalization rider of second independent offices bill.

To the Members of the House Appropriations Committee:

The National Medical Veterans Society recently held its annual meeting in New York City. Its executive body has formally indorsed the recent investigation into the widespread misuse of Veterans' Administration medical facilities conducted by Representative JOHN PHILLIPS, of California. This work has focused attention particularly on the care given to veterans for non-service-connected disabilities, despite the fact that many of these men were apparently well able to pay for medical care. We subscribe to the finding that this has produced a distinct hardship on veterans wounded or injured in action who are unable to obtain hospitalization, since the non-service-connected cases have already occupied all of the hospital beds. A further inequity is incurred by the veteran suffering with chronic illnesses, such as tuberculosis or neuropsychiatric problems, who are in distinct need of prompt and immediate hospitalization.

In the CONGRESSIONAL RECORD of June 4, Representative PHILLIPS, in a speech before the House, outlined what the report of his subcommittee would recommend. Of primary interest to us was the statement requesting the authorization of the Administrator of Veterans' Affairs to investigate any non-service-connected veteran's statement of inability to defray the cost of hospitalization or treatment; and further that the Administrator shall make every effort to obtain at least partial payment according to his ability to pay.

We, as veterans ourselves, and as those who have been the first to see war-incurred injuries and their complication, have no dispute with full care for the service-connected infirmity. However, we strongly recommend to the Congress that they consider most carefully the above-suggested amendment in that section which applies to partial payment for non-service-connected cases. Our reasons are as follows:

1. This will increase the waiting list for hospital beds and inevitably will cause further delay in the hospitalization of service-connected patients.

2. This will vastly enlarge the number of veterans eligible for hospitalization for non-service-connected disabilities by allowing them to make partial payment when able to afford it. In the long run it will increase the burden on the taxpayer and force the eventual expansion of an already too large medical program.

3. It will give a congressional blessing to an enlarged Government medical program supported in large part by Government funds and Government facilities—in essence, Government medicine coming in the side door.

4. We feel that inability to pay shall not prevent any veteran from receiving hospitalization or treatment for non-service-connected tuberculosis or neuropsychiatric disease.

In conclusion, as a veterans organization composed of over 20,000 physicians whose members live from coast to coast, we want to affirm that above all we support treatment for the service-connected veteran. We reaffirm our indorsement of the work done by Congressman PHILLIPS in his investigation of the misuse of Veterans' Administration medical facilities. We hope this investigation will be continued.

O. B. HUNTER, JR., M. D.,
Chairman, Veterans Affairs Committee, National Medical Veterans Society.
W. B. WALSH, M. D.,
Chairman, Legislative Committee, National Medical Veterans Society.

To Members of House Appropriations Committee:

Re Second independent offices bill, VA hospitalization rider.

American Medical Association strongly urges the House Appropriations Committee to critically review the hospitalization rider in the Veterans' Administration appropriations bill, text of which appears in the CONGRESSIONAL RECORD for June 4, on page 6119. For years our association has been studying this problem in great detail. While one of the objectives in this rider is certainly praiseworthy, we are convinced beyond any doubt that if the rider is enacted intact the eventual result will be to make millions more veterans fully eligible for hospitalization for all non-service-connected conditions, subject only to sliding scale of partial payment based on income.

Under the first major provision of this rider, VA would be authorized (but not required) to turn away veterans who obviously could afford to pay the entire bill, but would admit those unable to pay the entire bill. Under the second, VA would be directed to attempt to collect the veteran's share of the bill, a percentage which could be determined only by means of a sliding scale based on income or financial resources. In every case the Federal Government would bear the remainder of the cost.

This second provision is a new concept of Federal medical care, one found nowhere else, to our knowledge. It would constitute, in effect, a standing offer on the part of the Federal Government to pay part of the cost of medical care for every veteran suffering from a non-service-connected condition. Even the so-called inability oath would lose its meaning, because there would be some payment from all but the most destitute.

It seems to us a reasonable conclusion that in the years ahead millions of veterans would apply for such hospitalization and medical care as a matter of right. This rider would, in our carefully considered opinion, bring about an unwarranted, dangerous, and incalculably expensive expansion of the Veterans' Administration's medical program, in competition with non-Government medical care and non-Government hospitals. It would establish an uncontrollable program of Government-subsidized medicine for a large segment of our population. The long-run effect would be more, not fewer, VA hospitals and larger, not smaller, medical and supporting staffs to care for men whose conditions are not the result of military service.

Our association heartily supports the objectives of an investigation where there is doubt of the accuracy of the inability oath, as outlined in the first part of the rider. However, we believe the effectiveness of the legislation would be greatly increased by directing, not authorizing, the Administrator to make investigations where there is doubt of the accuracy of such statements. There should be no option on the part of the Administrator in doubtful cases; every doubtful case should be investigated.

While we realize that the committee is not at this time considering other amendments to the law, it is the standing policy of our association that care of nonservice cases be provided, within limits of existing facilities only to veterans suffering from tuberculosis or psychiatric or neurological disorders and who are unable to defray their own hospitalization expenses.

F. E. WILSON, M. D.,
Director, Washington Office, American Medical Association.

Further, I want to refer you to a statement made by Miles D. Kennedy, director of the American Legion, which appears in the Appendix of the CONGRESSIONAL RECORD, page A3469, under extension of remarks made by the Hon-

orable EDITH NOURSE ROGERS. These releases all clearly express the fears of the writers that the language contained in the rider to this bill is capable of interpretation and administration never intended by the committee members who authorized this bill.

Under existing demands for Federal expenditures, appropriations for increased hospital facilities will of necessity have to be limited until deficit spending ceases to threaten our national economy.

The need for beds to care for service-connected veterans is certain to increase as veterans grow older and as their numbers increase with an ever-expanding need for manpower. To these service-connected disabled we have promised and intend to give unlimited hospital care. Non-service-connected veterans, wholly unable to pay, are likewise entitled to hospitalization under existing law, which limits non-service-connected veterans to hospital privileges only in the event of available beds. Such cases must not be encouraged to occupy beds when such occupancy deprives service-connected veterans of services in times of dire need.

It is easy to legislate benefits. It is far more difficult to discontinue these benefits once they are established. No better example of the ultimate financial involvment of overextending welfare payments can be found than the recent announcement by the Government of New Zealand that more than one-half of the national income is now required to meet the requirements of social-welfare commitments.

The veterans' programs are at present costing more than any other single Government outlay for domestic spending. In the light of history it will increase from year to year. The veterans of today will become the bearers of the tax burdens of tomorrow. Therefore, it is the veterans who must see to it that abuses of privileges do not increase this burden beyond their ability to meet it.

While we recognize the full responsibility of Government to provide hospitalization and medical care for the veterans who are eligible through service connection, we are equally cognizant that to further extend the privileges of hospitalization to the non-service-connected veterans will eventually destroy the program insofar as it is able to meet the needs of service-connected veterans. This must not be done. The inclusion of the rider referred to would undoubtedly offer the unlimited opportunity to non-service-connected veterans to utilize the available beds, at the expense of the service-connected veterans for whom the benefits were originally intended.

I hope it will be the pleasure of the Congress to delete these provisions from the present bill by adopting the Van Zandt amendment.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. BONNER].

Mr. BONNER. Mr. Chairman, certainly the debate this afternoon has conclusively proved that legislative committees should be more active and function to a greater extent than they have in the past. It is with regret that I have noticed time after time the Committee on Appropriations bringing in legislation on appropriation bills; nevertheless, I commend the Committee on Appropriations for their effort to bring about economy and efficiency in the various agencies of the Government.

There is not a Member of this House here this afternoon who is not in favor, as all Members are, of hospitalization to service-connected veterans and veterans who are not able to defray hospital expenses themselves. But certainly, all of us desire to reach the end that the Committee on Appropriations here is aiming at.

Therefore, Mr. Chairman, I shall support the amendment to strike out all after the semicolon and hope that the Veterans' Administration itself will carry out the law as it is on the books now and see that veterans who are able to pay their own hospital bills are not permitted to enter hospitals at Government expense, for the treatment of non-service disability.

Mr. ROGERS of Florida. Mr. Chairman, will the gentleman yield?

Mr. BONNER. I yield to the gentleman from Florida.

Mr. ROGERS of Florida. I just want to say, Mr. Chairman, that I favor this legislation and that I favor the amendment. I think that that will take care of the situation and it will take care of our veterans. We all are interested in not only our disabled veterans, but we are interested in all of them.

Mr. JONES of Missouri. Mr. Chairman, while I would commend the efforts of the subcommittee handling this bill, and the efforts of the Appropriations Committee in attempting to effect economies in the operation of our Government, and particularly in the Veterans' Administration, nevertheless I cannot agree with the principles and the policies involved in the legislative language inserted in this bill, which the gentleman from Indiana [Mr. ADAIR] seeks to strike in his amendment, which I am supporting. At the same time, Mr. Chairman, I would say that I feel the gentleman from Pennsylvania [Mr. VAN ZANDT] is in error as he seeks to retain a portion of the language authorizing the Administrator of Veterans' Affairs to investigate any non-service-connected veteran's statement of inability to defray the cost of hospitalization where reasons exist to doubt the accuracy of such statement, but strikes from the bill that saving provision inserted by the committee which states:

> That inability to pay shall not prevent any veteran from receiving hospitalization, treatment of domiciliary care, if such veteran is unable to pay and there is a bed available.

I think, Mr. Chairman, that it is commendable for the committee to write certain limitations in appropriation bills, but there is much to be said against the policy adopted by this committee as it seeks to correct those impositions which have become more or less general through a rather lax interpretation of the law. This is a wide field which needs to be studied by the appropriate committee, and I believe, Mr. Chairman, that the action being taken here today, and the interest which has been generated through the consideration of this bill and the discussion that has gone on, will serve to stimulate the Committee on Veterans' Affairs to bring in at an early date legislation to correct those conditions that have been the source of widespread criticism.

Mr. Chairman, I cannot discuss this subject of veterans hospitalization without paying a tribute to the present management of the Veterans' Administration hospital at Poplar Bluff, in southeast Missouri, the district which I have the honor to represent. It has been my privilege during recent weeks to visit this hospital, which is under the capable direction of Dr. Ernest M. Tapp, manager of the hospital, a practicing physician, who is active in rendering medical care to the patients in that hospital.

Unfortunately, in a recent press release from Washington, D. C., it was suggested that Poplar Bluff was one of several Veterans' Administration hospitals, "which Veterans' Administration medical experts estimated that they would have to close" as a result of cuts in their budget. The article went on to say that they were not ready to talk for the record. Actually it would appear that they were talking for propaganda purposes. Largely because of that article I made a special trip to Poplar Bluff to see what conditions were in that hospital, and to reassure the employees of that hospital, as well as the people of Poplar Bluff, and particularly the more than 100 patients who were at that time receiving treatment in the hospital that I did not believe this hospital was in danger of being closed.

I made that statement because of the fact that it would appear to be the greatest folly to even consider the closing of a practically new hospital, approximately 3 years old, serving an extremely large area in southern Missouri and north Arkansas, and I might add the most populous rural areas of both of those States, and thousands of veterans who depend on this hospital for treatment, especially in cases of emergency.

The Poplar Bluff hospital, during the 6-month period from November 1952 through April 1953, has carried an average daily patient load of 109, with a turnover rate of 162 percent, and the efficiency of this hospital is indicated in the fact that during this period the average length of patient stay was only slightly more than 20 days. At the conclusion of these remarks, Mr. Chairman, I am including a tabulation showing the professional staffing pattern and workload for the Poplar Bluff hospital as compared with other hospitals of comparable size, which indicates not only the efficiency with which this hospital is being operated, but the service it is rendering to the veterans of not only northern Arkansas and southern Missouri, but transfers from other sections of the country.

It is true, Mr. Chairman, that the Veterans' Administration Hospital at Poplar Bluff could and should be caring

for an even greater load than it is now, and I am assured by Dr. Tapp that he and his staff are prepared to take care of more patients. I think he is to be congratulated, and commended, however, that he is not seeking to keep his hospital filled with those who might be seeking only bed and board, but that he and his staff are rendering the highest type of service in restoring to health those who come to them for skilled medical and surgical attention, and returning them to their normal daily routine.

Following is the chart previously referred to:

Professional staffing pattern and workload

Hospital	Total bed capacity	Operating beds	Total employees	Total medical	Physicians	Nurses	Dentists	Total admissions	Total dispositions	Total applications	Applications rejected	Average daily patient load	Average length patient stay	Percent patient turnover rate	Per diem	CPS: Chief, Professional Services. Customarily, hospitals with medical managers and no Chief, Professional Services, show 50 percent of his time for professional work and 50 percent for administrative work.
Poplar Bluff, Mo.	201	157	207	137	8	28	2	219	102	396	178	115	18	167	22.73	Includes manager, no CPS.
Grand Island, Nebr.	201	132	168	130	6	30	1	168	176	221	53	93	19	175	28.15	Do.
Beckley, W. Va.	200	176	207	140	9	31	2	193	209	356	89	132	19	158	20.71	Do.
Big Springs, Tex.	250	181	206	144	7	33	2	133	153	227	82	134	32	113	20.49	Lay manager and CPS.
Spokane, Wash.	200	132	204	135	12	33	1	126	130	244	96	123	28	106	23.82	Includes manager, no CPS.
Grand Junction, Colo.	152	152	198	133	8.5	33	2	153	147	176	17	110	20	134	23.59	Lay manager, no CPS.
Clarksburg, W. Va.	200	200	254	170	10	45	2	142	134	292	98	135	30	99	23.51	Includes manager, no CPS.
Iron Mountain, Mich.	250	185	261	176	8	42	1	199	164	175	28	125	23	130	25.03	Do.
Manchester, N. H.	150	132	244	135	11	36	1	140	110	249	100	106	21	103	25.71	Includes manager and CPS.

Professional personnel: Supplement VA statistical summary, monthly report, March 1963, pp. 144-147.
Workload: For January 1963 with exception of Grand Island and Grand Junction, which is for March 1963.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS. Mr. Chairman, I hope that the Members of the House will listen very carefully. We are approaching the same sort of a parliamentary problem which we met at the very first amendment.

I want to say right now that if I were to offer my amendment, much as I would like to offer it, and much as I think it might be desirable, I would add to the confusion to the extent that we would probably still be arguing here at 7:30. So I am not going to offer the amendment which I said I would offer.

We have, therefore, before us two amendments; the Adair amendment which strikes out the entire paragraph and the Van Zandt amendment which strikes out the words after the semicolon in line 23. Now I want to make sure what happens when we vote "yes" or "no" on either one, and for that reason I make that parliamentary inquiry of the chairman.

Mr. Chairman, the Van Zandt amendment will be voted upon first.

The CHAIRMAN. That is correct.

Mr. PHILLIPS. Then if we vote favorably on the Van Zandt amendment, the language beginning on line 23 with the semicolon to the end of line 5, on page 20, will be stricken out.

The CHAIRMAN. That is correct.

Mr. PHILLIPS. May I clarify that? Did the Van Zandt amendment end with the semicolon on line 2 or with the period on line 5?

The CHAIRMAN. With the period on line 5.

Mr. PHILLIPS. The Van Zandt amendment takes out all the language to the period on line 5. Of course, if we do not adopt the Van Zandt amendment, then the vote comes on the Adair amendment which strikes out the entire paragraph, but if we adopt the Van Zandt amendment, Mr. Chairman, do we vote "yes" on the Adair amendment in order to put the terms of the Van Zandt amendment into effect, or would the Adair amendment strike out the entire paragraph no matter what the Van Zandt amendment did to it? There are a great many people in this House and also people outside of this House who have been sending us letters who feel very strongly that they do not want the first 6½ lines stricken, and I want to get clear in my mind what the situation is. If we adopt the Van Zandt amendment, how do we vote upon the Adair amendment in order to leave the first 6½ lines in the bill?

The CHAIRMAN. The Chair believes that under the circumstances the Van Zandt amendment should be treated as an amendment to the text and voted on first. If the Van Zandt amendment is adopted, it removes from the bill the text referred to therein and the next vote would be on the Adair amendment.

Mr. PHILLIPS. Then, in simple language, if I as one Member of the House wished to take out the last lines beginning with the semicolon in line 23 and to leave in the first 6½ lines beginning at line 17 and going down to that semicolon, I should vote "yes" on the Van Zandt amendment and "no" on the Adair amendment?

The CHAIRMAN. The gentleman is correct.

Without objection, the Clerk will again read the Van Zandt amendment.

The Clerk read as follows:

Amendment offered by Mr. VAN ZANDT as a perfecting amendment to the text: On page 19, line 23, after the semicolon strike out the remainder of the line, also lines 24 and 25, and line 1 up to and including line 5 on page 20.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. THOMAS].

Mr. THOMAS. Mr. Chairman, the language of the committee does three things. The first thing it does is this. It repeals the existing law which states that when a non-service-connected veteran makes an affidavit that he cannot pay his hospital bill, even though he is worth a million dollars, you cannot go behind his affidavit. That is the law—even though he is worth a million dollars. This language of the committee, first, repeals that.

No. 2: It tells the Veterans' Administration, "You shall collect from non-service-connected veterans whatever sum they are able to pay."

No. 3: If a non-service-connected veteran is not able to pay one penny he still is given a bed and treatment if that bed is available.

The American Medical Association wired us all. What did they want? They said this language was opening the door to socialized medicine. What in the world has been going on for 20 years if it is not socialized medicine, when a non-service-connected veteran who is able to pay is admitted to a hospital for 1 day or 3 or 5 months for exactly nothing? So the AMA, as much as we admire and respect them, have certainly crossed up their own wires.

The language says that if you are able to pay $2 and the bill is $20, pay the $2. This language is going to save the American taxpayers, in my judgment, at least 12 to 15 percent of the total hospital bill. I do not think there is any escape from it. Does that make sense? If he is able to pay $1, let him pay it. If he is able to pay $5, let him pay it. What is wrong with that? And if he is not able to pay a dime, I am in favor of letting him go there, and that last proviso was written on that basis. What is wrong with that? Is that not good sense? And they talk about the great Veterans' Administration with that little, small staff of 170,000 employees, and that they cannot make the rules and regulations to figure out whether a man can pay or not. They have made regulations by the thousands for the last 20 years, and you know

it and I know it. If they are not capable of making a reasonable regulation, let us get rid of them and get some people who can. That is common horse sense, is it not? Is there anything difficult about that? Of course not. Let us not make a mountain out of a mole hill.

Mr. Chairman, let us go back to the two amendments. The so-called Adair amendment says let us repeal all; and if you are going to touch the language, the sensible thing to do is to adopt his amendment and strike it all out, lock, stock, and barrel, and leave it just as it is today. That is what I am going to do. If you are going to change it at all, just take it all out, lock, stock, and barrel.

The Van Zandt amendment is sort of a cross between the two. It says to do away with the affidavit protection and make them sign an oath and an affidavit; but if they have something, then let them pay. Let them pay what? The $20. Well, you know and I know that no man with an income of less than $7,000 or $8,000 a year can afford to pay $20.35 a day for hospitalization. That is what it is going to cost him in a G. M. and S. hospital. Is that what you want? Maybe he can scrape the money up without hurting himself too much, if he had to pay $2 or $3 a day, and I think he would retain his own self-respect a great deal more if you let him pay what he is able to pay instead of staying there 3 or 4 weeks for free. I think he would stay there only 7 or 8 days perhaps. Gentlemen, the hour is late. You know what the issues are. Your committee is not trying to harm anybody. We are not trying to assume any jurisdiction which normally the committee does not have. This great legislative committee is fine. I hope sometime—they have only had about 20 years to look into this matter—I hope sometime they get around to it. As much as I love them, and they are all my friends, but if 20 years is not long enough, I am sure if you give them a few more years they will do it. If you touch this language, my advice to you is to knock it all out and give that committee another opportunity, and maybe in another 2 or 3 years they will get around to it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. VAN ZANDT].

The question was taken; and on a division (demanded by Mr. ADAIR) there were—ayes 122, noes 80.

So the amendment was agreed to.

The CHAIRMAN. The question is now on the amendment offered by the gentleman from Indiana [Mr. ADAIR].

The question was taken; and on a division (demanded by Mr. ADAIR) there were—ayes 99, noes 109.

Mr. ADAIR. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. PHILLIPS and Mr. ADAIR.

The Committee again divided; and the tellers reported that there were—ayes 105, noes 117.

So the amendment was rejected.

The CHAIRMAN. Are there any further amendments? If not, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BETTS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 5690) making appropriations for additional independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes, pursuant to House Resolution 285, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. SECREST. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. SECREST. I am in its present form, Mr. Speaker.

The SPEAKER. Does any Member who is absolutely opposed to the bill desire to offer a motion to recommit? If not, the gentleman qualifies, and the Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. SECREST moves to recommit the bill to the Committee on Appropriations with instructions to report the bill back forthwith by striking out the language starting on line 17, page 19, and up to and including the colon following the word "statement" on line 23 of page 19.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

Mr. HALLECK. Mr. Speaker, in view of the understanding with the leadership on the minority side, I ask unanimous consent that further proceedings in connection with this bill go over until tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

LEGISLATIVE AND JUDICIARY APPROPRIATION BILL, 1954

Mr. HORAN, from the Committee on Appropriations, reported the bill (H. R. 5805) making appropriations for the legislative branch and the judiciary branch for the fiscal year ending June 30, 1954, and for other purposes (Rept. No. 598), which was read a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. GARY reserved all points of order on the bill.

HOUR OF MEETING TOMORROW

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

LEGISLATIVE AND JUDICIARY APPROPRIATION BILL, 1954

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 291, Rept. No. 599), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5805) making appropriations for the legislative branch and the judiciary branch for the fiscal year ending June 30, 1954, and for other purposes, and all points of order against said bill or any provisions contained in said bill are hereby waived. After general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

MUTUAL SECURITY ACT OF 1951, AS AMENDED

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 292, Rept. No. 600), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5710) to amend further the Mutual Security Act of 1951, as amended, and for other purposes, and all points of order against said bill or any provisions contained in said bill are hereby waived. After general debate, which shall be confined to the bill and continue not to exceed 5 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

WHEAT TO PAKISTAN

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 293, Rept.

No. 601), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5659) to provide for the transfer of price-support wheat to Pakistan, and all points of order against said bill or any provisions contained in said bill are hereby waived. After general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

DISTRICT OF COLUMBIA LAW ENFORCEMENT ACT OF 1953

Mr. TALLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5312) to provide for the more effective prevention, detection, and punishment of crime in the District of Columbia, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Strike out all after the enacting clause and insert "That this act may be cited as the 'District of Columbia Law Enforcement Act of 1953.'

"TITLE I—TABLE OF CONTENTS AND DEFINITIONS

"SEC. 101. This act is divided into titles and sections according to the following table of contents:

"TABLE OF CONTENTS

"*Title I—Table of contents and definitions*
"Sec. 101. Table of contents.
"Sec. 102. Definitions.
"*Title II—Criminal offenses*
"Sec. 201. Minimum sentences for certain crimes.
"Sec. 202. Sex offenses.
"Sec. 203. Abortion.
"Sec. 204. Amendments to the Dangerous Weapons Act.
"Sec. 205. Assault on police officer.
"Sec. 206. Gambling.
"Sec. 207. Arrest without a warrant.
"Sec. 208. Presence in illegal establishments.
"Sec. 209. Possessing implements of crime.
"Sec. 210. Unlawful assembly—profane and indecent language.
"Sec. 211. Disorderly conduct.
"Sec. 212. Threats to do bodily harm.
"Sec. 213. Receiving stolen goods.
"Sec. 214. Fornication.
"Sec. 215. Amendments to certain penal provisions relating to the taking of property.
"*Title III—Metropolitan Police Department*
"Sec. 301. Records—General provisions.
"Sec. 302. Central criminal records.
"Sec. 303. Reports by independent police.
"Sec. 304. Notice of release of prisoners.
"Sec. 305. Bonding of Metropolitan Police.
"Sec. 306. Fees for storing property.
"Sec. 307. Mobile laboratory.
"*Title IV—General provisions*
"Sec. 401. The Council on Law Enforcement in the District.
"Sec. 402. Powers of investigators assigned to United States attorney.
"Sec. 403. United States commissioner.
"Sec. 404. Licenses for bottle clubs.
"Sec. 405. Psychiatrist and psychologist.
"Sec. 406. Records to be kept by bondsmen.
"Sec. 407. Extradition.
"Sec. 408. Qualifications of jurors.
"Sec. 409. Refusal to give testimony.
"Sec. 410. Contempt of the Municipal Court.
"Sec. 411. Effect of Reorganization Plan No. 5.

"DEFINITIONS

"SEC. 102. For the purposes of this act—

"(1) The term 'Commissioners' means the Board of Commissioners of the District of Columbia;

"(2) The term 'district court' means the United States District Court for the District of Columbia;

"(3) The term 'United States attorney' means the United States attorney for the District of Columbia;

"(4) The term 'municipal court' means the Municipal Court for the District of Columbia; and

"(5) The term 'District' means the District of Columbia.

"TITLE II—CRIMINAL OFFENSES

"MINIMUM SENTENCES FOR CERTAIN CRIMES

"SEC. 201. (a) Section 3 of the act entitled 'An act to establish a Board of Indeterminate Sentence and Parole for the District of Columbia and to determine its functions, and for other purposes,' approved July 15, 1932, as amended (D. C. Code, sec. 24–203), is amended by inserting '(a)' after 'SEC. 3.'; by inserting ', except as provided in subsections (b) and (c)' after 'hereafter' in the first sentence; and by adding at the end of the section the following new subsections:

"'(b) The minimum sentence imposed under this section on a person convicted of an assault with intent to commit rape in violation of section 803 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended (D. C. Code, sec. 22–501), or of armed robbery in violation of section 810 of such act (D. C. Code 22–3202) shall be not less than 2 years if the violation occurs after the person has been convicted in the District of Columbia or elsewhere of a crime of violence as defined in section 1 of the act of July 8, 1932, as amended providing for the control of dangerous weapons in the District of Columbia (D. C. Code sec. 22–3201). The minimum sentence imposed under this section on a person convicted of rape in violation of section 808 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended (D. C. Code, sec. 22–2801), shall not be less than 7 years if the violation occurs after the person has been convicted in the District of Columbia or elsewhere of a crime of violence, as so defined. The maximum sentence in each case to which this subsection applies shall not be less than three times the minimum sentence imposed, and shall not be more than the maximum fixed by law.

"'(c) For a person convicted of—

"'(1) a violation of section 432 (b) of the Revised Statutes, relating to the District of Columbia, as amended (D. C. Code, sec. 22–505, relating to assault with a dangerous weapon on a police officer) occurring after the person has been convicted of a violation of that section or of a felony, either in the District of Columbia or in another jurisdiction;

"'(2) a violation of section 3 of the act of July 8, 1932, as amended, providing for the control of dangerous weapons in the District (D. C. Code, sec. 22–3203, relating to illegal possession of a pistol), occurring after the person has been convicted of violating that section; or

"'(3) a violation of section 209 of the District of Columbia Law Enforcement Act of 1953 (relating to possession of implements of crime) occurring after the person has been convicted in the District of Columbia of a violation of that section or of a felony, either in the District of Columbia or in another jurisdiction,

the minimum sentence imposed under this section shall not be less than 1 year, and the maximum sentence shall not be less than 3 times the minimum sentence imposed nor more than the maximum fixed by law.'

"(b) Section 4 of the act entitled 'An act to reorganize the system of parole of prisoners convicted in the District of Columbia,' approved July 17, 1947 (D. C. Code, sec. 24–201c, relating to reduction of minimum sentences), is amended by adding at the end thereof the following new sentence: 'If a prisoner is serving a sentence for a crime for which a minimum sentence is prescribed by section 3 (b) of the act entitled "An act to establish a Board of Indeterminate Sentence and Parole for the District of Columbia and to determine its functions, and for other purposes," approved July 15, 1932, as amended, his minimum sentence shall not be reduced under this section below the minimum sentence so prescribed.'

"(c) The amendments made by this section shall not apply with respect to any sentence imposed for a crime committed before the date of the enactment of this act.

"SEX OFFENSES

"SEC. 202. (a) (1) Section 9 of the act entitled 'An act for the preservation of the public peace and the protection of property within the District of Columbia,' approved July 29, 1892, as amended (D. C. Code, sec. 22–1112), is amended to read as follows:

"'SEC. 9. (a) It shall not be lawful for any person or persons to make any obscene or indecent exposure of his or her person, or to make any lewd, obscene, or indecent sexual proposal, or to commit any other lewd, obscene, or indecent act in the District of Columbia, under penalty of not more than $300 fine, or imprisonment of not more than 90 days, or both, for each and every such offense.

"'(b) Any person or persons, who shall commit an offense described in subsection (a), knowing he or she or they are in the presence of a child under the age of 16 years, shall be punished by imprisonment of not more than 1 year, or fined in an amount not to exceed $1,000, or both, for each and every such offense.'

"(2) Section 18 of such act (D. C. Code, sec. 22–109) is amended by adding at the end thereof the following new sentence: 'The second sentence of this section shall not apply with respect to any violation of section 9 (b).'

"(b) The first section of the act entitled 'an act for the suppression of prostitution in the District of Columbia', approved August 15, 1935, as amended (D. C. Code, sec. 22–2701), is amended to read as follows:

"'That it shall not be lawful for any person to invite, entice, persuade, or to address for the purpose of inviting, enticing, or persuading, any person or persons 16 years of age or over in the District of Columbia, for the purpose of prostitution, or any other immoral or lewd purpose, under a penalty of not more than $250 or imprisonment for not more than 90 days, or both.'

"ABORTION

"SEC. 203. Section 809 of the act entitled 'An act to establish a code of law for the District of Columbia', approved March 3,

1901, as amended (D. C. Code, sec. 22-201), is amended to read as follows:

"'SEC. 809. Whoever, by means of any instrument, medicine, drug, or other means whatever, procures or produces, or attempts to procure or produce an abortion or miscarriage on any woman, unless the same were done as necessary for the preservation of the mother's life or health and under the direction of a competent licensed practitioner of medicine, shall be imprisoned in the penitentiary not less than 1 year or not more than 10 years; or if the death of the mother results therefrom, the person procuring or producing, or attempting to procure or produce the abortion or miscarriage shall be guilty of second degree murder.'

"AMENDMENTS TO THE DANGEROUS WEAPONS ACT

"SEC. 204. (a) For the purposes of this section, the term 'Dangerous Weapons Act' means the act of July 8, 1932, as amended, providing for the control of dangerous weapons in the District.

"(b) Section 3 of the Dangerous Weapons Act (D. C. Code, sec. 22-3203) is amended to read as follows:

"'CERTAIN PERSONS FORBIDDEN TO POSSESS PISTOLS

"'SEC. 3. No person shall own or keep a pistol, or have a pistol in his possession or under his control, within the District of Columbia, if—

"'(1) he is a drug addict;

"'(2) he has been convicted in the District of Columbia or elsewhere of a felony;

"'(3) he has been convicted of violating the first section of the act entitled "An act for the suppression of prostitution in the District of Columbia", approved August 15, 1935, as amended (D. C. Code, sec. 22-2701), the first section of the act entitled "an act to confer concurrent jurisdiction on the police court of the District of Columbia in certain cases", approved July 16, 1912 (keeping bawdy house, D. C. Code, sec. 22-2722), or the act entitled "An act to define and punish vagrancy in the District of Columbia, and for other purposes", approved December 17, 1941 (D. C. Code, title 22, ch. 33); or

"'(4) he is not licensed under section 10 of this act to sell weapons, and he has been convicted of violating this act.

No person shall keep a pistol for, or intentionally make a pistol available to, such a person, knowing that he has been so convicted or that he is a drug addict. Whoever violates this section shall be punished as provided in section 15 of this act, unless the violation occurs after he has been convicted of a violation of this section, in which case he shall be imprisoned for not more than 10 years.'

"(c) Section 4 of the Dangerous Weapons Act (D. C. Code, sec. 22-3204) is amended by striking out everything after 'being so concealed' and inserting in lieu thereof a period and the following new sentence: 'Whoever violates this section shall be punished as provided in section 15 of this act, unless the violation occurs after he has been convicted in the District of Columbia of a violation of this section or of a felony, either in the District of Columbia or in another jurisdiction, in which case he shall be sentenced to imprisonment for not more than 10 years.'

"(d) Section 7 of the Dangerous Weapons Act (D. C. Code, sec. 22-3207) is amended to read as follows:

"'SELLING TO MINORS AND OTHERS

"'SEC. 7. No person shall within the District of Columbia sell any pistol to a person who he has reasonable cause to believe is not of sound mind, or is forbidden by section 3 of this act to possess a pistol, or, except when the relation of parent and child or guardian and ward exists, is under the age of 21 years.'

"(e) The second sentence of section 8 of the Dangerous Weapons Act (D. C. Code, sec. 22-3208) is amended by striking out 'a statement that he has never been convicted in the District of Columbia or elsewhere of a crime of violence' and inserting in lieu thereof 'a statement that he is not forbidden by section 3 of this act to possess a pistol.'

"(f) The first sentence of paragraph 3 of section 10 of the Dangerous Weapons Act (D. C. Code, sec. 22-3210) is amended to read as follows: 'No pistol shall be sold (a) if the seller has reasonable cause to believe that the purchaser is not of sound mind or is forbidden by section 3 of this act to possess a pistol or is under the age of 21 years, and (b) unless the purchaser is personally known to the seller or shall present clear evidence of his identity.'

"(g) The first sentence of paragraph 5 of section 10 of the Dangerous Weapons Act (D. C. Code, sec. 22-3210) is amended by striking out 'a statement signed by the purchaser that he has never been convicted in the District of Columbia or elsewhere of a crime of violence' and inserting in lieu thereof 'a statement by the purchaser that he is not forbidden by section 3 of this act to possess a pistol.'

"(h) Section 14 of the Dangerous Weapons Act (D. C. Code, sec. 22-3214) is amended by inserting '(a)' after 'SEC. 14.'; by inserting 'switch blade knife,' after 'sandbag.'; and by adding at the end thereof the following new subsections:

"'(b) No person shall within the District of Columbia possess, with intent to use unlawfully against another, an imitation pistol, or a dagger, dirk, razor, stiletto, or knife with a blade longer than 3 inches, or other dangerous weapon.

"'(c) Whoever violates this section shall be punished as provided in section 15 of this act, unless the violation occurs after he has been convicted in the District of Columbia of a violation of this section or of a felony, either in the District of Columbia or in another jurisdiction, in which case he shall be imprisoned for not more than 10 years.'

"ASSAULT ON POLICE OFFICER

"SEC. 205. Section 432 of the Revised Statutes, relating to the District of Columbia, as amended (D. C. Code, sec. 22-505), is amended to read as follows:

"'SEC. 432. (a) Whoever without justifiable and excusable cause, assaults, resists, opposes, impedes, intimidates, or interferes with any officer or member of any police force operating in the District of Columbia while engaged in or on account of the performance of his official duties, shall be fined not more than $5,000 or imprisoned not more than 5 years, or both.

"'(b) Whoever in the commission of any such acts uses a deadly or dangerous weapon shall be imprisoned not more than 10 years.'

"GAMBLING

"SEC. 206. (a) Section 863 (a) of the act entitled 'An act to establish a code of law for the District of Columbia', approved March 3, 1901, as amended (D. C. Code, sec. 22-1502), is amended to read as follows:

"'SEC. 863a. If any person shall, within the District of Columbia, knowingly have in his possession or under his control, any record, notation, receipt, ticket, certificate, bill, slip, token, paper, or writing, current or not current, used or to be used in violating the provisions of sections 863, 865, or 869 of this act, he shall, upon conviction of each such offense, be fined not more than $1,000 or be imprisoned for not more than 1 year, or both. For the purpose of this section, possession of any record, notation, receipt, ticket, certificate, bill, slip, token, paper, or writing shall be presumed to be knowing possession thereof.'"

"(b) Section 866 of such act (D. C. Code, sec. 22-1505) is amended to read as follows:

"'SEC. 866. (a) Any house, building, vessel, shed, booth, shelter, vehicle, enclosure, room, lot, or other premises in the District of Columbia, used or to be used in violating the provisions of section 863 or 865 of this act, shall be deemed "gambling premises" for the purpose of this section.

"'(b) It shall be unlawful for any person in the District of Columbia knowingly, as owner, lessee, agent, employee, operator, occupant, or otherwise, to maintain or aid or permit the maintaining of any gambling premises.

"'(c) All moneys, vehicles, furnishing, fixtures, equipment, stock (including, without limitation, furnishings and fixtures adaptable to nongambling uses, and equipment and stock for printing, recording, computing, transporting, safekeeping, or communication), or other things of value used or to be used—

"'(1) in carrying on or conducting any lottery, or the game or device commonly known as a policy lottery or policy, contrary to the provisions of section 863 of this act;

"'(2) in setting up or keeping any gaming table, bank, or device contrary to the provisions of section 865 of this act; or

"'(3) in maintaining any gambling premises, shall be subject to seizure by any member of the Metropolitan Police force or the United States Park Police, or the United States marshal, or any deputy marshal, for the District of Columbia, and shall, unless good cause is shown to the contrary by the owner, be forfeited to the District of Columbia by order of any court having jurisdiction, unless good cause is shown to the contrary by the owner, for disposition by public auction or as otherwise provided by law. Bona fide liens against property so forfeited shall, on good cause shown by the lienor, be transferred from the property to the proceeds of the sale of the property. Forfeit moneys and other proceeds realized from the enforcement of this section shall be deposited in the Treasury of the United States to the credit of the District of Columbia.

"'(d) Whoever violates this section shall be imprisoned not more than 1 year or fined not more than $1,000, or both, unless the violation occurs after he has been convicted of a violation of this section, in which case he may be imprisoned for not more than 5 years, or fined not more than $2,000, or both.'

"(c) Section 869 of such act, as amended (D. C. Code, sec. 22-1506), is amended to read as follows:

"'SEC. 869. It shall be unlawful for any person, or association of persons, within the District of Columbia to purchase, possess, own, or acquire any chance, right, or interest, tangible or intangible, in any policy lottery or any lottery, or to make or place a bet or wager, accept a bet or wager, gamble or make books or pools on the result of any athletic contest. For the purpose of this section, the term "athletic contest" means any of the following, wherever held or to be held: a football, baseball, softball, basketball, hockey, or polo game, or a tennis, golf, or wrestling match, or a tennis or golf tournament, or a prize fight or boxing match, or a trotting or running race of horses, or a running race of dogs, or any other athletic or sporting event or contest. Any person or association of persons violating this section shall be fined not more than $1,000 or imprisoned not more than 1 year, or both.'

"(d) Subchapter 5, chapter 19, of such act, as amended (D. C. Code, title 22, ch. 15), is amended by adding thereto a new section as follows:

"'SEC. 869f. (a) Whenever, in the judgment of the United States attorney for the District

of Columbia, the testimony of any witness, or the production of books, papers, or other records or documents, by any witness, in any case or proceeding involving a violation of this subchapter before any grand jury or a court in the District of Columbia, is necessary in the public interest, such witness shall not be excused from testifying or from producing books, papers, and other records and documents on the grounds that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him, or subject him to penalty or forfeiture; but such witness shall not be prosecuted or subject to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, documentary or otherwise; except that such witness so testifying shall not be exempt from prosecution and punishment for perjury or contempt committed in so testifying.

"'(b) The judgment of the United States attorney for the District of Columbia that any testimony, or the production of any books, papers, or other records or documents, is necessary in the public interest shall be confirmed in a written communication over the signature of the United States attorney for the District of Columbia, addressed to the grand jury or the court in the District of Columbia concerned, and shall be made a part of the record of the case or proceeding in which such testimony or evidence is given.'

"ARRESTS WITHOUT A WARRANT

"SEC. 207. (a) Arrests without a warrant, and searches of the person and seizures pursuant thereto, may be made for violation of any section listed in subsection (b), by police officers, as in the case of a felony, upon probable cause that the person arrested is violating the section involved at the time of the arrest.

"(b) Subsection (a) shall apply with respect to section 209 of this act (possession of implements of crime), sections 3, 4, and 14 of the act of July 8, 1932, as amended, providing for the control of dangerous weapons in the District (D. C. Code, secs. 22–3203, 22–3204, and 22–3214), and section 863 (a) of the act entitled 'An act to establish a code of law for the District of Columbia,' approved March 3, 1901, as amended (possession of lottery tickets; D. C. Code, sec. 22–1502).

"(c) Arrests without a warrant, and searches of the person and seizures pursuant thereto, may be made for violation of section 827 of the act entitled 'An act to establish a code of law for the District of Columbia,' approved March 3, 1901, as amended (petit larceny; D. C. Code, sec. 22–2202), by police officers, as in the case of a felony, upon probable cause that the person arrested has in his possession at the time of the arrest, property taken in violation of that section.

"(d) No evidence discovered in the course of any arrest, search, or seizure authorized by this section shall be admissible in any criminal proceeding against the person arrested unless at the time of such arrest he was violating one of the sections referred to in subsection (b) or had in his possession property taken in violation of the section referred to in subsection (c).

"PRESENCE IN ILLEGAL ESTABLISHMENTS

"SEC. 208. (a) Whoever is found in the District in a gambling establishment or an establishment where intoxicating liquor is sold without a license or any narcotic drug is sold, administered, or dispensed without a license shall, if he knew that it was such an establishment and if he is unable to give a good account of his presence in the establishment, be imprisoned for not more than 1 year or fined not more than $500, or both.

"(b) Whoever is employed in a gambling establishment in the District or an establishment in the District where intoxicating liquor is sold without a license or where any narcotic drug is sold, administered, or dispensed without a license, knowing that it is such an establishment, shall be imprisoned for not more than 1 year or fined not more than $500, or both.

"POSSESSING IMPLEMENTS OF CRIME

"SEC. 209. (a) No person shall have in his possession in the District any instrument, tool, or other implement for picking locks or pockets, or that is usually employed or reasonably may be employed in the commission of any crime, if he is unable satisfactorily to account for the possession of the implement. Whoever violates this section shall be imprisoned for not more than 1 year and may be fined not more than $1,000, unless the violation occurs after he has been convicted in the District of a violation of this section or of a felony, either in the District or in another jurisdiction, in which case he shall be imprisoned for not less than 1 nor more than 10 years.

"(b) Paragraph (2) of this first section of the act entitled 'An act to define and punish vagrancy in the District of Columbia, and for other purposes,' approved December 17, 1941 (D. C. Code, sec. 22–3302), is repealed.

"UNLAWFUL ASSEMBLY—PROFANE AND INDECENT LANGUAGE

"SEC. 210. Section 6 of the act entitled 'An act for the preservation of the public peace and the protection of property within the District of Columbia,' approved July 29, 1892, as amended (D. C. Code, sec. 22–1107, relating to unlawful assembly, profane and indecent language), is amended by striking out 'twenty-five dollars' and inserting in lieu thereof '$250 or imprisonment for not more than 90 days, or both.'

"DISORDERLY CONDUCT

"SEC. 211. (a) Whoever, with intent to provoke a breach of the peace, or under circumstances such that a breach of the peace may be occasioned thereby,—

"(1) acts in such a manner as to annoy, disturb, interfere with, obstruct, or be offensive to others;

"(2) congregates with others on a public street and refuses to move on when ordered by the police;

"(3) shouts or makes a noise either outside or inside a building during the nighttime to the annoyance or disturbance of any considerable number of persons;

"(4) interferes with any person in any place by jostling against such person or unnecessarily crowding him or by placing a hand in the proximity of such person's pocketbook, or handbag; or

"(5) causes a disturbance in any streetcar, railroad car, omnibus, or other public conveyance, by running through it, climbing through windows or upon the seats, or otherwise annoying passengers or employees, shall be fined not more than $250 or imprisoned not more than 90 days, or both.

"(b) Section 18 of the act entitled 'An act for the preservation of the public peace and the protection of property within the District of Columbia,' approved July 29, 1892 (D. C. Code, sec. 22–109), is amended by inserting 'section 211 of the District of Columbia Law Enforcement Act of 1953 or' after 'violations of' and after 'convicted of any violation of.'

"THREATS TO DO BODILY HARM

"SEC. 212. Section 2 of the act entitled 'An act to confer concurrent jurisdiction on the police court of the District of Columbia in certain cases,' approved July 16, 1912 (D. C. Code, secs. 11–605 and 22–507), is amended to read as follows:

"'SEC. 2. That the municipal court for the District of Columbia shall also have concurrent jurisdiction with the United States District Court for the District of Columbia of threats to do bodily harm, and any person convicted of such offense shall be sentenced to imprisonment not exceeding 6 months or a fine not exceeding $500, or both, and in addition thereto or in lieu thereof, may be required to give bond to keep the peace for a period not exceeding 1 year.'

"RECEIVING STOLEN GOODS

"SEC. 213. Section 829 of the act entitled 'An act to establish a code of law for the District of Columbia,' approved March 3, 1901, as amended (D. C. Code, sec. 22–2205), is amended to read as follows:

"'SEC. 829. Receiving stolen goods: Any person who shall, with intent to defraud, receive, or buy anything of value which shall have been stolen or obtained by robbery, knowing or having cause to believe the same to be so stolen or so obtained by robbery, if the thing or things received or bought shall be of the value of $100 or upward, shall be imprisoned for not less than 1 year nor more than 10 years; or if the value of the thing or things so received or bought be less than $100, shall be fined not more than $500 or imprisoned not more than 1 year, or both.'

"FORNICATION

"SEC. 214. If any unmarried man or woman commits fornication in the District, each shall be fined not more than $300 or imprisoned not more than 6 months, or both.

"AMENDMENTS TO CERTAIN PENAL PROVISIONS RELATING TO THE TAKING OF PROPERTY

"SEC. 215. (a) Section 826 of the act entitled 'An act to establish a code of law for the District of Columbia,' approved March 3, 1901, as amended (D. C. Code, sec. 22–2201), is amended by striking out '$50' and inserting in lieu thereof '$100.'

"(b) Section 826c of such act, as amended (D. C. Code, sec. 22–2204a), is amended by striking out '$59' and inserting in lieu thereof '$100.'

"(c) Section 827 of such act, as amended (D. C. Code, sec. 22–2202), is amended by striking out '$50' and inserting in lieu thereof '$100.'

"(d) Section 828 of such act, as amended (D. C. Code, sec. 22–2208), is amended by striking out '$35' and inserting in lieu thereof '$100.'

"(e) Section 842 of such act, as amended (D. C. Code, sec. 22–1301), is amended by striking out '$50' and inserting in lieu thereof '$100.'

"(f) Section 851a of such act, as amended (D. C. Code, sec. 22–1207), is amended by striking out '$50' and inserting in lieu thereof '$100.'

"(g) Section 851b of such act, as amended (D. C. Code, sec. 22–2203), is amended by striking out '$50' and inserting in lieu thereof '$100.'

"TITLE III—METROPOLITAN POLICE DEPARTMENT

"RECORDS—GENERAL PROVISIONS

"SEC. 301. (a) Section 386 of the Revised Statutes, relating to the District of Columbia, as amended (D. C. Code, sec. 4–134), is amended to read as follows:

"'SEC. 386. The Board of Commissioners shall cause the Metropolitan Police force to keep the following records:

"'(1) General complaint files, in which shall be entered every complaint preferred upon personal knowledge of the circumstances thereof, with the name and residence of the complainant;

"'(2) Records of lost, missing, or stolen property;

"'(3) A personnel record of each member of the Metropolitan Police force, which shall contain his name and residence; the date and place of his birth; his marital status; the date he became a citizen, if foreign born; his age; his former occupation; and the dates of his appointment and separation from office, together with the cause of the latter; and

"'(4) Such other records as the Board of Commissioners considers necessary for the efficient operation of the Metropolitan Police force.'

"(b) Section 389 of the Revised Statutes, relating to the District of Columbia, as amended (D. C. Code, sec. 4–135), is amended to read as follows:

"'SEC. 389. The records required to be kept by paragraphs (1), (2), and (3) of section 386 shall be open to public inspection when not in actual use.'

"(c) Section 390 of the Revised Statutes, relating to the District of Columbia, as amended (D. C. Code, sec. 4–137), is amended to read as follows:

"'SEC. 390. All records of the Metropolitan Police force shall be preserved, except that the Board of Commissioners, upon recommendation of the major and superintendent of police, may cause records which it considers to be obsolete or of no further value to be destroyed.'

"CENTRAL CRIMINAL RECORDS

"SEC. 302. (a) In addition to the records kept under section 386 of the Revised Statutes, relating to the District of Columbia (D. C. Code, sec. 4–134), the Metropolitan Police force shall keep a record of each case in which an individual in the custody of any police force or of the United States marshal is charged with having committed a criminal offense in the District (except those traffic violations and other petty offenses to which the Commissioners determine this section should not apply). The record shall show—

"(1) the circumstances under which the individual came into the custody of the police or the United States marshal;

"(2) the charge originally placed against him, and any subsequent changes in the charge (if he is charged with murder, manslaughter, or causing the death of another by the operation of a vehicle at an immoderate speed or in a careless, reckless, or negligent manner, charge shall be recorded as 'homicide');

"(3) if he is released (except on bail) without having his guilt or innocence of the charge determined by a court, the circumstances under which he is released;

"(4) if his guilt or innocence is so determined, the judgment of the court;

"(5) if he is convicted, the sentence imposed; and

"(6) if, after being confined in a correctional institution, he is released therefrom, the circumstances of his release.

"(b) The Attorney General, the Corporation Counsel, the United States Commissioner for the District, the clerk of the district court, the clerk of the municipal court, and the Director of the Department of Corrections shall furnish the Chief of Police with such information as the Commissioners consider necessary to enable the Metropolitan Police force to carry out this section.

"REPORTS BY INDEPENDENT POLICE

"SEC. 303. Reports shall be made to the Chief of Police, in accordance with regulations prescribed by the Commissioners, of each offense reported to, and each arrest made by, any other police force operating in the District.

"NOTICE OF RELEASE OF PRISONERS

"SEC. 304. (a) Whenever the Board of Parole of the District of Columbia has authorized the release of a prisoner under section 4 of the act entitled 'An act to establish a Board of Indeterminate Sentence and Parole for the District of Columbia and to determine its functions, and for other purposes', approved July 15, 1932, as amended (D. C. Code, sec. 24–204), or the United States Board of Parole has authorized the release of a prisoner under section 6 of that act, as amended (D. C. Code, sec. 24–206), it shall notify the Chief of Police of that fact as far in advance of the prisoner's release as possible.

"(b) Except in cases covered by subsection (a) of this section, notice that a prisoner under sentence of 6 months or more is to be released from an institution under the management and regulation of the Director of the Department of Corrections shall be given to the Chief of Police as far in advance of the prisoner's release as possible.

"BONDING OF METROPOLITAN POLICE

"SEC. 305. (a) The Commission shall obtain a bond to secure the District against loss resulting from any act of dishonesty by any officer or member of the Metropolitan Police force. Bonds obtained under this section shall be in such amounts, and may secure the District against loss resulting from such other acts by officers and members of the Metropolitan Police force, as the Commissioners shall consider appropriate. The Commissioners may obtain such bonds by negotiation, without regard to section 3709 of the Revised Statutes, as amended (41 U. S. C., sec. 5), and shall pay the cost of such bonds out of funds appropriated for the expenses of the Metropolitan Police Department for fiscal years beginning after June 30, 1953.

"(b) Section 2 of the act entitled 'An act relating to the Metropolitan police of the District of Columbia,' approved February 28, 1901 (D. C. Code, sec. 4–109), is repealed.

"(c) This section shall take effect July 1, 1953.

"FEES FOR STORING PROPERTY

"SEC. 306. (a) Section 413 of the Revised Statutes, relating to the District of Columbia (D. C. Code, sec. 4–156), is amended by adding at the end thereof the following new sentence: 'Before delivering any property coming into his custody as a result of the death of the owner or the execution by the United States marshal of a judgment to recover possession of real property, or any property which is lost, abandoned, or alleged to have been feloniously obtained or to be the proceeds of crime, the property clerk shall collect from the person claiming the property a fee, to be fixed under regulations prescribed by the Board of Commissioners, to reimburse the District of Columbia for the cost of services rendered by the Metropolitan Police force in taking custody of, protecting, and storing the property.'

"(b) Any vehicle impounded by any officer or member of the Metropolitan Police force may be kept impounded until the person claiming the vehicle pays a fee, to be fixed under regulations prescribed by the Commissioners, to reimburse the District for the cost of storing the vehicle, for each day in excess of 7 days during which it is impounded.

"(c) Fees collected by reason of this section shall be paid into the Treasury of the United States to the credit of the District of Columbia.

"MOBILE LABORATORY

"SEC. 307. The Metropolitan Police force shall maintain and operate a motor vehicle equipped with cameras, photographic developing equipment, an electrical generator, floodlights, and such other equipment as may be necessary to permit the use of the vehicle as a mobile laboratory to handle evidence at the scenes of crimes and otherwise to aid in the prevention and detection of crime.

"TITLE IV—GENERAL PROVISIONS

"THE COUNCIL ON LAW ENFORCEMENT IN THE DISTRICT

"SEC. 401. (a) The Council on Law Enforcement in the District of Columbia (referred to in this section as the "Council") is hereby created.

"(b) The Council shall be composed of the following members:

"(1) The President of the Board of Commissioners;

"(2) The Chief of Police;

"(3) The Chief of the United States Park Police;

"(4) The United States attorney;

"(5) The corporation counsel;

"(6) A United States commissioner for the District;

"(7) The Director of the Department of Corrections;

"(8) The Parole Executive of the Board of Parole of the District;

"(9) The United States marshal for the District;

"(10) One person appointed by the chief judge of the district court;

"(11) One person appointed by the chief judge of the municipal court;

"(12) The judge of the juvenile court of the District of Columbia;

"(13) One person appointed by the Bar Association of the District of Columbia;

"(14) One person appointed by the Washington Bar Association; and

"(15) One person appointed by the Washington Criminal Justice Association;

"(c) The Council shall make a continuing study and appraisal of crime and law enforcement in the District, and shall make a report to the Senate and the House of Representatives at the beginning of each regular session of Congress.

"(d) The Council shall select a chairman from among its members. The Council shall meet at regular intervals at least four times annually, at times to be fixed by the chairman. A special meeting may be held at any time upon the call of the chairman. The first meeting of the Council shall be called by the President of the Board of Commissioners, who shall preside until a chairman is selected.

"POWERS OF INVESTIGATORS ASSIGNED TO UNITED STATES ATTORNEY

"SEC. 402. Any special investigator appointed by the Attorney General and assigned to the United States attorney for the District shall have authority to execute all lawful writs, process, and orders issued under authority of the United States, and command all necessary assistance to execute his duties, and shall have the same powers to make arrests as are possessed by members of the Metropolitan Police force of the District.

"UNITED STATES COMMISSIONER

"SEC. 403. Each United States commissioner for the District may employ secretarial and clerical assistants in such number and incur such other expenses as the district court considers necessary.

"LICENSES FOR BOTTLE CLUBS

"SEC. 404. (a) Section 7 of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25–107), is amended by striking out the period following the word 'morals' at the end of the first paragraph thereof and inserting in lieu thereof the following: ', and the Commissioners are further authorized to prescribe such rules and regulations not inconsistent with this act as they may deem necessary to properly and adequately control the consumption of alcoholic beverages on premises licensed under paragraph (1) of section 11 of this act, with specific authority to prescribe the hours during which alcoholic beverages may be consumed on such premises.'

"(b) Section 9 (a) of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25–109 (a)), is amended by adding at the end thereof the following new paragraph:

"'It shall be unlawful for any person operating any premises where food, nonalcoholic beverages, or entertainment are sold

or provided for compensation, and where facilities are especially provided and service is rendered for the consumption of alcoholic beverages, who does not possess a license under this act, to permit the consumption of such alcoholic beverages on such premises.'

"(c) Section 10 of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25–110), is amended to read as follows:

"'SEC. 10. The Board is authorized to issue licenses to individuals, partnerships, or corporations, but not to unincorporated associations, on application duly made therefor, for the manufacture, sale, offer for sale, consumption on premises of clubs where food, nonalcoholic beverages, or entertainment are sold or provided for compensation, or solicitation of orders for sale of alcoholic beverages within the District of Columbia. The Board shall keep a full record of all applications for licenses, and of all recommendations for and remonstrances against the granting of licenses and of the action taken thereon.'

"(d) Section 11 of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25–111), is amended by striking out the word 'eleven' in the first sentence thereof and inserting in lieu thereof the word 'twelve', and by adding immediately before the last paragraph thereof the following new subsection:

"'(i) Consumption license for a club: Such a license shall be issued only for a club. The word "club" within the meaning of this paragraph is a corporation for the promotion of some common object (not including corporations organized or conducted for any commercial or business purpose, or for money profit), owning, hiring, or leasing a building or space in a building of such extent and character as in the judgment of the Board may be suitable and adequate for the reasonable and comfortable use and accommodations of its members and their guests; and the affairs and management of such corporation are conducted by a board of directors, executive committee, or similar body chosen by the members at least once each calendar year, and no officer, agent, or employee of the club is paid, directly or indirectly, or receives in the form of salary or other compensation, any profit from the conduct and operation of the club beyond the amount of such salary as may be fixed and voted by the members or by its directors or other governing body. No license shall be issued to a club which has not been established for at least 3 months immediately prior to the making of the application for such license. Such a license shall authorize the holder thereof to permit consumption of alcoholic beverages on such parts of the licensed premises as may be approved by the Board. The annual fee for such a license shall be $100.'

"(e) The first sentence of section 14 (b) of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25–115 (b)), is amended to read as follows: 'Before granting a license under section 11 (i) of this act or a retailer's license, except a retailer's license class E or class F, the Board shall give notice by advertisement published once a week and for at least 2 weeks in some newspaper of general circulation published in the District of Columbia.'

"(f) The first sentence of section 14 (c) of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25–115 (c)), is amended by striking out the words 'or class D' and inserting in lieu thereof the following: ', class D or a license issued under section 11 (i) of this act'."

"(g) Section 20 of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25–121), is amended by adding at the end thereof the following new paragraph:

"'No person being the holder of a license issued under section 11 (i) of this act shall permit on the licensed premises the consumption of alcoholic beverages, with the exception of beer and light wines, by any person under the age of 21 years, or permit the consumption of beer and light wines by any person under the age of 18 years; or the consumption of any beverage by any intoxicated person, or any person of notoriously intemperate habits, or any person who appears to be intoxicated; and ignorance of the age of any such minor shall not be a defense to any action instituted under this section. No licensee shall be liable to any person for damages claimed to arise from refusal to permit the consumption of any beverage on any premise licensed under section 11 (i) of this act.'

"(h) Section 28 of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25–128), is amended to read as follows:

"'SEC. 28. (a) No person shall in the District of Columbia drink any alcoholic beverage in any street, alley, park, or parking; or in any vehicle in or upon the same; or in or upon any premises where food, nonalcoholic beverages, or entertainment are sold or provided for compensation not licensed under this act; or in any place to which the public is invited for which a license has not been issued hereunder permitting the sale and consumption of such alcoholic beverage upon such premises except premises licensed under section 11 (i) of this act; or in any place to which the public is invited (for which a license under this act has been issued) at a time when the sale of such alcoholic beverages on the premises is prohibited by this act or by the regulations promulgated thereunder, or in any place for which a license under section 11 (i) of this act has been issued at a time when the consumption of such alcoholic beverages on the premises, is prohibited by regulations promulgated under this act. No such person shall be drunk or intoxicated in any street, alley, park, or parking; or in any vehicle in or upon the same or in any place to which the public is invited, or at any public gathering and no person anywhere shall be drunk or intoxicated and disturb the peace of any person.

"'(b) Any person violating the provisions of this section shall be punished by a fine of not more than $100 or by imprisonment for not more than 90 days, or both.'

"(i) Section 29 (a) of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25–129 (a)), is amended to read as follows:

"'SEC. 29. (a) A search warrant may be issued by any judge of the municipal court for the District of Columbia or by a United States commission for the District of Columbia when any alcoholic beverages are manufactured for sale, kept for sale, sold, or consumed in violation of the provisions of this act, and any such alcoholic beverages and any other property designed for use in connection with such unlawful manufacture for sale, keeping for sale, selling, or consumption may be seised thereunder, and shall be subject to such disposition as the court may make thereof, and such alcoholic beverages may be taken on the warrant from any house or other place in which it is concealed.'

"(j) The District of Columbia Alcoholic Beverage Control Act, as amended, is further amended by adding at the end thereof the following new section:

"'SEC. 41. (a) Any building, ground premises, or place where any intoxicating beverage is manufactured, sold, kept for sale, or permitted to be consumed in violation of this act is hereby declared to be a nuisance, and may be enjoined and abated as hereinafter provided.

"'(b) An action to enjoin any nuisance defined in subsection (a) of this section may be brought in the name of the District of Columbia by the corporation counsel of the District of Columbia, or any of his assistants, in the civil branch of the municipal court for the District of Columbia against any person conducting or maintaining such nuisance or knowingly permitting such nuisance to be conducted or maintained. The rules of the municipal court for the District of Columbia relating to the granting of an injunction or restraining order shall be applicable with respect to actions brought under this subsection, except that the District as complaining party shall not be required to furnish bond or security. It shall not be necessary for the court to find the building, ground, premises, or place was being unlawfully used as aforesaid at the time of the hearing, but on finding that the material allegations of the complaint are true, the court shall enter an order restraining the defendant from manufacturing, selling, keeping for sale, or permitting to be consumed any alcoholic beverage in violation of this act. When an injunction, either temporary or permanent, has been granted it shall be binding on the defendant throughout the District of Columbia. Upon final judgment of the court ordering such nuisance to be abated, the court may order that the defendant, or any one claiming under him, shall not occupy or use, for a period of 1 year thereafter, the building, ground, premises, or place upon which the nuisance existed, but the court may, in its discretion, permit the defendant to occupy or use the said building, ground, premises, or place, if the defendant shall give bond with sufficient security to be approved by the court, in the penal and liquidated sum of not less than $500 nor more than $1,000, payable to the District of Columbia, and conditioned that intoxicating beverages will not thereafter be manufactured, sold, kept for sale, or permitted to be consumed in or upon the building, ground, premises, or place in violation of this act.

"'(c) In the case of the violation of any injunction, temporary or permanent, rendered pursuant to the provisions of this section, proceedings for punishment for contempt may be commenced by the corporation counsel or any of his assistants, by filing with the court in the same case in which the injunction was issued a petition under oath setting out the alleged offense constituting the violation and serving a copy of said petition upon the defendant requiring him to appear and answer the same within 10 days from the service thereof. The trial shall be promptly held and may be upon affidavits or either party may demand the production and oral examination of the witnesses. Any person found guilty of contempt under the provisions of this section shall be punished by a fine of not more than $1,000 or by imprisonment for not more than 12 months, or both such fine and imprisonment.'

"(k) Subsections (b) and (h) of this section shall take effect 60 days after the date of the enactment of this act.

"PSYCHIATRIST AND PSYCHOLOGIST

"SEC. 405. The Commissioners shall appoint a qualified psychiatrist and a qualified psychologist whose services shall be available to the following officers to assist them in carrying out their duties: (1) The probation officers of the district court and the municipal court, (2) such officers of the juvenile court of the District of Columbia as the judge thereof shall designate, (3) such officers of the Department of Corrections as the Director thereof shall designate, and (4) the Board of Parole of the District.

"RECORDS TO BE KEPT BY BONDSMEN

"SEC. 406. Section 8 of the act entitled 'An act to regulate the business of executing bonds for compensation in criminal cases and to improve the administration of justice in the District of Columbia,' approved March 3, 1933 (D. C. Code, sec. 23–608), is amended by inserting '(a)' after 'SEC. 8.', and by adding at the end of the section the following new subsection:

"'(b) Each such court shall prescribe such rules and regulations as may be necessary to insure that whenever a bondsman becomes surety for compensation upon a bond in a criminal case before the court, the bondsman, or his agent, clerk, or representative, shall make a record, which shall be accurate to the best of the maker's knowledge and belief and shall thereafter be open for inspection by the court or its designated representative, and by the designated representative of other law-enforcement agencies of the District of Columbia, of the following matters:

"'(1) The full name and address of the person for whom the bond is executed (referred to in this subsection as the "defendant") and the full name and address of his employer, if any;

"'(2) The offense with which the defendant is charged;

"'(3) The name of the court or officer authorizing the defendant's admission to bail;

"'(4) The amount of the bond;

"'(5) The name of the person who called the bondsman, if other than the defendant;

"'(6) The amount of the bondsman's charge for executing the bond;

"'(7) The full name and address of the person to whom the bondsman presented his bill for such charge;

"'(8) The full name and address of the person paying such charge; and

"'(9) The manner of payment of such charge.'

Whoever violates any rule or regulation prescribed under this subsection shall be fined not more than $500 or imprisoned not more than 6 months or both and if he is a bondsman, or the agent, clerk, or representative of a bondsman, shall be disqualified from thereafter engaging in any manner in the bonding business for such a period of time as the trial judge shall order.

"EXTRADITION

"SEC. 407. (a) Section 930 of the act entitled 'An act to establish a code of law for the District of Columbia,' approved March 3, 1901, as amended (D. C. Code, sec. 23–401), is amended by inserting "(a)" after 'SEC. 930. Extradition:—' and adding at the end thereof the following new subsections:

"'(b) The chief judge of the United States District Court for the District of Columbia may also surrender, on demand of the executive authority of any State, any person in the District of Columbia charged in such State in the manner provided in subsection (a) of this section with committing an act in the District of Columbia, or in another State intentionally resulting in a crime in the State whose executive authority is making the demand, even though the accused was not in that State at the time of the commission of the crime, and has not fled therefrom.

"'(c) No person apprehended in accordance with the provisions of subsections (a) and (b) of this section shall be delivered over to the agent whom the executive authority demanding him shall have appointed to receive him unless he shall first be taken before the chief judge of the United States District Court for the District of Columbia who shall inform him of the demand made for his surrender, and of the crime with which he is charged, and that he has the right to demand and procure legal counsel; and if such person or his counsel shall state that he or they desire to test the legality of his arrest, the judge shall fix a reasonable time to be allowed him within which to apply for a writ of habeas corpus. When such writ is applied for, notice thereof, and of the time and place of hearing thereon, shall be given to the United States attorney for the District of Columbia, and to the said agent of the demanding State: *Provided, however,* That nothing contained in this subsection shall prevent such person from waiving his right to appear before the chief judge of the United States District Court for the District of Columbia and voluntarily returning in custody of a proper official to the jurisdiction of the State, Territory, or other possession of the United States which is demanding him.'

"(b) The act entitled 'An act to provide for the detention of fugitives apprehended in the District of Columbia,' approved April 21, 1928 (D. C. Code, secs. 23–401–410), is amended by inserting at the end thereof the following new section:

"'SEC. 8. (a) The agent of the demanding State to whom the prisoner may have been delivered in accordance with the provisions of section 930 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended, may, when necessary, confine the prisoner in the Washington Asylum and Jail; and the superintendent of the Washington Asylum and Jail must receive and safely keep the prisoner for such reasonable time as will enable the officer or person having charge of him to proceed on his route, such officer or person being chargeable with the expense of keeping.

"'(b) The officer or agent of a demanding State to whom a prisoner may have been delivered following extradition proceedings in another State, or to whom a prisoner may have been delivered after waiving extradition in such other State, and who is passing through the District of Columbia with such a prisoner for the purpose of immediately returning such prisoner to the demanding State, may, when necessary, confine the prisoner in the Washington Asylum and Jail; and the superintendent of the Washington Asylum and Jail must receive and safely keep the prisoner for such reasonable time as will enable the officer or agent to proceed on his route, such officer or agent, however, being chargeable with the expense of keeping: *Provided, however,* That such officer or agent shall produce and show to the superintendent satisfactory written evidence of the fact that he is actually transporting such prisoner to the demanding State after a requisition by the executive authority of such demanding State. Such prisoner shall not be entitled to demand a new requisition while in the District of Columbia.'

"QUALIFICATIONS OF JURORS

"SEC. 408. (a) Section 199 of the act entitled 'An act to establish a code of law for the District of Columbia,' approved March 3, 1901, as amended (D. C. Code, sec. 11–1402), is amended to read as follows:

"'SEC. 199. The said jurors shall be selected, as nearly as may be, from the different parts of the District, and shall be selected, as nearly as may be, from its intelligent and upright residents.'

"(b) Section 215 of such act, as amended (D. C. Code, sec. 11–1417), is amended by striking out 'and under 65.'

"REFUSAL TO GIVE TESTIMONY

"SEC. 409. (a) Any officer or employee of the District who refuses to testify upon matters relating to his office or employment in any proceeding wherein he is a defendant or is called as a witness, upon the ground that his answer may tend to incriminate him or compel him to be a witness against himself, or who refuses so to testify on such ground when called by a grand jury or a congressional committee, shall forfeit his office or employment and any emolument, perquisite, or benefit (by way of pension or otherwise) arising therefrom, and be disqualified from holding any public office or employment under the District.

"(b) Any former officer or employee of the District who refuses to testify upon matters relating to his former office or employment in any proceeding wherein he is a defendant or is called as a witness, upon the ground that his answer may tend to incriminate him or compel him to be a witness against himself, or who refuses so to testify on such ground when called by a grand jury or a congressional committee, shall forfeit any emolument, perquisite, or benefit (by way of pension or otherwise) arising from such former office or employment, and be disqualified from holding any public office or employment under the District.

"(c) If the retirement pay, pension, or annuity of any officer or employee or former officer or employee of the District is forfeited under this section, there shall be paid to such individual a sum equal to (1) the total amount paid by him as contributions toward such retirement pay, pension, or annuity, plus any accrued interest attributable to such contributions, less (2) the total amount of such retirement pay, pension, or annuity received by him prior to such forfeiture.

"CONTEMPT OF THE MUNICIPAL COURT

"SEC. 410. (a) Section 5 (c) of the act of April 1, 1942, as amended (D. C. Code, sec. 11–756 (c)), is amended by inserting before 'to punish' the following: 'in any case or proceeding, whether civil or criminal,'.

"(b) The first sentence of section 48 of the act entitled 'An act to establish a code of law for the District of Columbia,' approved March 3, 1901, as amended (D. C. Code, sec. 11–606), is amended by striking out '; to punish contempts by fine not exceeding $20 and imprisonment for not more than 48 hours, or either, and' and inserting in lieu thereof a comma.

"EFFECT OF REORGANIZATION PLAN NO. 5

"SEC. 411. Where any provision of this act, or any amendment made by this act, refers to an office or agency abolished by Reorganization Plan No. 5 of 1952, such reference shall be deemed to be to the office, agency, or officer exercising the functions of the office or agency so abolished."

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. PHILLIPS. Mr. Speaker, again as on yesterday, I ask unanimous consent that all Members may not only extend their remarks on the bill H. R. 5690, but might also have the right to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

COMMITTEE ON FOREIGN AFFAIRS

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent that the minority members of the Committee on Foreign Affairs may have until midnight tonight to file a minority report.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

AMENDING FIRST WAR POWERS ACT, 1941

Mr. REED of Illinois. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 2557) to amend the act of January 12, 1951, as amended, to continue in effect the provisions of title II of the First War Powers Act, 1941.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act of January 12, 1951 (Public Law 921, 81st Cong.) as amended (Public Law 426, 82d Cong.), is further amended by deleting the date "June 30, 1953" and inserting in lieu thereof the date "June 30, 1954."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. ROBSION of Kentucky. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. ROBSION of Kentucky. Mr. Speaker, this bill would extend for another year, until June 30, 1954, the provisions of title II, First War Powers Act, 1941. At the present time, the powers granted thereunder to the President to authorize executive agencies to enter into contracts, to amend or modify existing contracts, and to make advance, and other payments on contracts, notwithstanding restrictions imposed by existing law, whenever it is deemed that such action would facilitate the national defense, will expire as of June 30, 1953.

Pursuant to Public Law 921, 81st Congress, the President has conferred the powers authorized under title II of the First War Powers Act upon the heads of a number of executive departments and agencies, including the Department of Defense, the Department of Agriculture, the National Advisory Committee for Aeronautics, the Atomic Energy Commission, the Government Printing Office, the General Services Administration, the Tennessee Valley Authority, the Federal Civil Defense Administration, and the Department of the Interior.

The continuation of the effectiveness of these emergency powers has been and will continue to be of important assistance to the authorized departments and agencies of the Government in the prosecution of the Korean conflict and the national mobilization program, either in current procurement activities or as standby authority which may be exercised during a period of exigency arising out of the defense effort.

Under the act, executive departments and agencies are empowered to amend or modify Government contracts without additional consideration, where, for example, an actual or threatened loss on a defense contract will impair the productive capacity of a contractor whose continued existence is needed for the national defense. Officials likewise may make advance payments on contracts to be executed in future or extend delivery dates where otherwise unauthorized. Mistakes and ambiguities in contracts made under the pressure of mobilization may be rectified. And indemnity payments may be guaranteed for otherwise noninsurable risks. The act would also permit contracts for the erection of nonseverable facilities in plants of private industry.

The impelling conditions necessitating some such emergency powers were indicated by testimony from representatives of the Department of Defense before our Judiciary Committee on May 28, 1953, and who said, in part:

> The authority granted by title II is vitally necessary to the defense effort. The expansion of industry and the pressure of defense procurement, both in terms of volume and urgency, impose heavy burdens on the industrial system. Without some flexibility in procurement authority many concerns, particularly small ones, would be lost to the defense effort. The exercise of title II authority permits the defense agencies to make the necessary adjustments to assure the continued availability of essential productive capacity and to grant relief to contractors where Government action has caused losses.

In a communication dated January 24, 1953, and addressed to Hon. JOSEPH W. MARTIN, JR., Speaker of the House of Representatives, the Department of Defense requested this proposed legislation. This letter, which was referred to the House Judiciary Committee, concluded:

> It is believed that the extension of title II of the First War Powers Act, 1941, for a period of 1 year is vitally necessary in order to supplement other contract authority and to insure an uninterrupted performance of contracts to facilitate the national defense.

At the request of our committee for a report on the proposed legislation, on March 17, 1953, the Bureau of the Budget reported to us, in part:

> Since a continuation of the authority of title II of the First War Powers Act is clearly essential to the continued effectiveness of our current mobilization program, you are advised that the enactment of H. R. 2557 would be in accord with the program of the President.

The subcommittee of the House Judiciary Committee, of which I am the acting chairman, which held hearings and considered the bill, and the full Judiciary Committee have endorsed this bill unanimously and report to the House their recommendation that it pass. However, in recommending the continuation of title II of the First War Powers Act for another year, the committees do not necessarily endorse the manner in which it has been administered by the executive departments and agencies in the past. The committees intend to direct their attention to suggested amendments which seek to modify in certain respects the manner in which the act has been administered by the military departments. At the same time the committees are cognizant of the importance of the powers conferred by the statute to the successful continuation of the defense program, and in view of the fact that the basic law will expire on June 30, 1953, the committees have recommended that the powers granted therein be continued until June 30, 1954.

SPECIAL ORDER GRANTED

Mr. BAILEY asked and was given permission to address the House for 15 minutes on tomorrow, at the conclusion of the legislative program and following any special orders heretofore entered.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Appendix of the RECORD, or to revise and extend remarks, was granted to:

Mr. FRELINGHUYSEN and to include an editorial.

Mr. BENTLEY and to include a newspaper article.

Mr. HOSMER and to include extraneous matter.

Mr. MASON to extend his remarks in the Appendix in explanation of a bill to place a ceiling under annuities and pensions up to $1,500 so they will be tax exempt.

Mr. SEELY-BROWN and to include extraneous matter.

Mr. HELLER and to include extraneous matter.

Mr. THORNBERRY and to include extraneous matter.

Mr. ROGERS of Texas and to include extraneous matter.

Mr. ELLIOTT in two instances, in each to include extraneous matter.

Mrs. SULLIVAN.

Mr. STAGGERS in two instances, in each to include extraneous matter.

Mr. DOYLE in two instances, in each to include extraneous matter.

Mr. STRINGFELLOW and to include extraneous matter.

Mr. HOFFMAN of Illinois (at the request of Mr. HALLECK) and to include an article.

Mr. OAKMAN (at the request of Mr. HALLECK) and to include an article.

Mr. GWINN and to include extraneous matter.

Mr. SMITH of Wisconsin in three instances and to include extraneous matter.

Mr. JOHNSON.

Mr. BERRY and to include the text of the address of the President of the United States delivered at the annual convention of the National Young Republican Organization held at Mt. Rushmore National Monument, Black Hills, S. Dak., on June 11.

Mr. D'EWART in two instances and to include extraneous matter.

Mr. WOLVERTON in three instances and to include extraneous matter.

Mr. OLIVER P. BOLTON.

Mr. MCGREGOR to revise and extend his remarks in Committee of the Whole this afternoon and to include a letter from the American Legion; and further

to extend his remarks and include an editorial appearing in the Delaware (Ohio) Gazette.

Mr. JUDD (at the request of Mr. GAVIN) in four instances and to include extraneous matter.

Mr. GAVIN and to include a letter.

Mr. MILLER of California (at the request of Mr. LANE) and to include extraneous matter.

Mr. LANE in four instances and to include extraneous matter.

Mr. FRIEDEL (at the request of Mr. HART) and to include an editorial.

Mr. MCCORMACK (at the request of Mr. TEAGUE) and to include extraneous matter.

Mr. TEAGUE to revise and extend his remarks in Committee of the Whole and to include extraneous matter.

Mr. HILLINGS (at the request of Mr. HALLECK) and to include extraneous matter.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. HALE (at the request of Mr. ARENDS), indefinitely, on account of official committee assignment duties for the Committee on Interstate and Foreign Commerce.

SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Bills and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 152. An act for the relief of Fred P. Hines; to the Committee on the Judiciary.

S. 1766. An act to establish the office of Commissioner of Refugees; to the Committee on the Judiciary.

S. J. Res. 72. Joint resolution to authorize the Secretary of Commerce to sell certain vessels to citizens of the Republic of the Philippines; to provide for the rehabilitation of the interisland commerce of the Philippines, and for other purposes; to the Committee on Merchant Marine and Fisheries.

S. J. Res. 82. Joint resolution to provide for the reappointment of Robert V. Fleming as citizen regent of the Board of Regents of the Smithsonian Institution; to the Committee on House Administration.

S. J. Res. 83. Joint resolution to provide for the appointment of Owen Josephus Roberts as a member of the Board of Regents of the Smithsonian Institution; to the Committee on House Administration.

S. J. Res. 88. Joint resolution to authorize the Secretary of Commerce to extend certain charter of vessels to citizens of the Republic of the Philippines, and for other purposes; to the Committee on Foreign Affairs.

ENROLLED BILLS SIGNED

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1482. An act for the relief of Hildegard Schoenauer; and

H. R. 3795. An act to adjust the salaries of officers and members of the Metropolitan Police force, and United States Park Police, the White House Police, and the Fire Department of the District of Columbia, and for other purposes.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 141. An act for the relief of Harry Ray Smith; and

S. 712. An act for the relief of William R. Jackson.

BILLS PRESENTED TO THE PRESIDENT

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 1482. An act for the relief of Hildegard Schoenauer;

H. R. 3795. An act to adjust the salaries of officers and members of the Metropolitan Police force, the United States Park Police, the White House Police, and the Fire Department of the District of Columbia, and for other purposes;

H. R. 4495. An act to amend the Universal Military Training and Service Act, as amended, so as to provide for special registration, classification, and induction of certain medical, dental, and allied specialist categories, and for other purposes; and

H. R. 4730. An act to provide for the conveyance by the United States to the city of Cincinnati, Ohio, of certain lands formerly owned by that city.

ADJOURNMENT

Mr. HALLECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 9 minutes p. m.), under its previous order, the House adjourned until tomorrow, Thursday, June 18, 1953, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

778. A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of a bill entitled, "A bill to amend the act entitled 'An act to regulate the practice of veterinary medicine in the District of Columbia'; approved February 1, 1907"; to the Committee on the District of Columbia.

779. A letter from the Assistant Secretary of the Interior, transmitting one copy of a bill passed by the Legislative Assembly of the Virgin Islands, pursuant to section 16 of the Organic Act of the Virgin Islands of the United States approved June 22, 1936; to the Committee on Interior and Insular Affairs.

780. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to section 4 of the Displaced Persons Act of 1948, as amended; to the Committee on the Judiciary.

781. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to the act approved July 1, 1948 (Public Law 863), amending subsection (c) of section 19 of the Immigration Act of February 5, 1917, as amended (8 U. S. C. 155 (c)); to the Committee on the Judiciary.

782. A letter from the Acting Archivist of the United States, transmitting a report on records proposed for disposal and lists or schedules covering records proposed for disposal by certain Government agencies; to the Committee on House Administration.

REPORTS OF COMMITTEE ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BISHOP: Joint Committee on the Disposition of Executive Papers. House Report No. 572. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. BISHOP: Joint Committee on the Disposition of Executive Papers. House Report No. 573. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. SHAFER: Committee on Armed Services. H. R. 5728. A bill to authorize the disposal of the Government owned rubber-producing facilities, and for other purposes; with amendment (Rept No. 593). Referred to the Committee of the Whole House on the State of the Union.

Mr. WEICHEL: Committee on Merchant Marine and Fisheries. S. 719. An act to provide transportation on Canadian vessels between Skagway, Alaska, and other points in Alaska, between Haines, Alaska, and other points in Alaska, and between Hyder, Alaska, and other points in Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation; without amendment (Rept. No. 594). Referred to the Committee of the Whole House on the State of the Union.

Mr. O'HARA of Minnesota: Committee on Interstate and Foreign Commerce. H. R. 5419. A bill to extend the duration of the Hospital Survey and Construction Act (title VI of the Public Health Service Act); with amendment (Rept. No. 595). Referred to the Committee of the Whole House on the State of the Union.

Mr. WEICHEL: Committee on Merchant Marine and Fisheries. S. 1082. An act to approve a conveyance made by the city of Charleston, S. C., to the South Carolina State Ports Authority, of real property heretofore granted to said city of Charleston by the United States of America; without amendment (Rept. No. 596). Referred to the Committee of the Whole House on the State of the Union.

Mr. WEICHEL: Committee on Merchant Marine and Fisheries. H. R. 2234. A bill to amend the rules for the prevention of collisions on certain inland waters of the United States and on the western rivers; without amendment (Rept. No. 597). Referred to the House Calendar.

Mr. HORAN: Committee on Appropriations. H. R. 5805. A bill making appropriations for the legislative branch and the judiciary branch for the fiscal year ending June 30, 1954, and for other purposes; without amendment (Rept. No. 598). Referred to the Committee of the Whole House on the State of the Union.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 291. Resolution for consideration of H. R. 5805. A bill making appropriations for the legislative branch and the judiciary branch for the fiscal year ending June 30, 1954, and for other purposes; without amendment (Rept. No. 599). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 292. Resolution for consideration of H. R. 5710, a bill to amend

further the Mutual Security Act of 1951, as amended, and for other purposes; without amendment (Rept. No. 600). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 393. Resolution for consideration of H. R. 5650. A bill to provide for the transfer of price-support wheat to Pakistan; without amendment (Rept. No. 601). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. H. R. 711. A bill for the relief of Mrs. Ruth E. Ekholm; with amendments (Rept. No. 574). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 823. A bill for the relief of Abraham G. Sakin; without amendment (Rept. No. 575). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 828. A bill for the relief of Dr. Vincenzo Guzzo; without amendment (Rept. No. 576). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 871. A bill for the relief of Orsola Jacopelli Leggio; with amendments (Rept. No. 577). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 954. A bill for the relief of Edith Smith; without amendment (Rept. No. 578). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 1111. A bill for the relief of Sister Augusta Sala; with amendment (Rept. No. 579). Referred to the Committee of the Whole House.

Mr. CELLER: Committee on the Judiciary. H. R. 1629. A bill for the relief of Miss Aiko Ikehara; with amendment (Rept. No. 580). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 1688. A bill for the relief of Henry Ty; with amendment (Rept. No. 581). Referred to the Committee of the Whole House.

Mr. HILLINGS: Committee on the Judiciary. H. R. 1792. A bill for the relief of Lee Lai Ha; with amendment (Rept. No. 582). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 1892. A bill for the relief of Nicola, Lucia, and Rocco Pierro; without amendment (Rept. No. 583). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 2504. A bill for the relief of Sisters Adelaide Canelas and Maria Isabel Franco; with amendment (Rept. No. 584). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 2506. A bill for the relief of certain members of the Missionary Sisters of the Sacred Heart; with amendment (Rept. No. 585). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 2507. A bill for the relief of Alfonso Gatti; with amendment (Rept. No. 586). Referred to the Committee of the Whole House.

Mr. CELLER: Committee on the Judiciary. H. R. 2816. A bill for the relief of Sachiko Yuda; with amendment (Rept. No. 587). Referred to the Committee of the Whole House.

Mr. HILLINGS: Committee on the Judiciary. H. R. 3027. A bill for the relief of Tamiko Nagae; without amendment (Rept. No. 588). Referred to the Committee of the Whole House.

Mr. CELLER: Committee on the Judiciary. H. R. 3142. A bill for the relief of Waltraut Benteler LaMontagne; without amendment (Rept. No. 589). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 3223. A bill for the relief of Gisela Korb (nee Unruh); without amendment (Rept. No. 590). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 3690. A bill for the relief of Mrs. Nathalie Iline; with amendment (Rept. No. 591). Referred to the Committee of the Whole House.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 947. A bill authorizing the Secretary of the Interior to issue to Tom Gwin a patent in fee to certain lands in the State of Mississippi; with amendment (Rept. No. 592). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BOGGS:

H. R. 5794. A bill to provide that the judges of the Court of Military Appeals shall hold office during good behavior, and for other purposes; to the Committee on Armed Services.

By Mr. MERROW:

H. R. 5795. A bill to provide a reduced rate of postage on manuscripts of authors; to the Committee on Post Office and Civil Service.

By Mr. CAHMAN:

H. R. 5796. A bill to amend the Bankruptcy Act to make tax liens of States and their subdivisions valid against trustees in bankruptcy; to the Committee on the Judiciary.

By Mr. SEELY-BROWN:

H. R. 5797. A bill to amend the act of August 7, 1946, so as to provide for the disposition by the Secretary of the Navy of certain surplus engines, equipment, and material; to the Committee on Armed Services.

By Mr. SELDEN:

H. R. 5798. A bill to amend the existing law to provide for the automatic renewal of expiring 5-year-level-premium-term policies of United States Government and national service life insurance; to the Committee on Veterans' Affairs.

By Mr. SPRINGER:

H. R. 5799. A bill to provide for the transfer of price-support wheat to Pakistan; to the Committee on Agriculture.

By Mr. MORRISON:

H. R. 5800. A bill to provide for the improvement of the Tchefuncta River, La.; to the Committee on Public Works.

By Mr. REED of Illinois:

H. R. 5801. A bill to provide that United States commissioners who are required to devote full time to the duties of the office may be allowed their necessary office expenses; to the Committee on the Judiciary.

H. R. 5802. A bill to amend section 456 of title 28 of the United States Code with respect to the official stations of justices and judges; to the Committee on the Judiciary.

By Mr. WAMPLER:

H. R. 5803. A bill to authorize an emergency appropriation for the purpose of erecting in Abingdon, Va., a post office and courthouse building; to the Committee on Public Works.

By Mr. HYDE:

H. R. 5804. A bill to authorize the Secretary of the Interior to grant easements for rights-of-way through, over, and under the parkway land along the line of the Chesapeake & Ohio Canal, and to authorize an exchange of lands with other Federal departments and agencies, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HORAN:

H. R. 5805. A bill making appropriations for the legislative branch and the judiciary branch for the fiscal year ending June 30, 1954, and for other purposes; to the Committee on Appropriations.

By Mr. BERRY:

H. R. 5806. A bill to authorize the issuance of trust patents in lieu of land-use exchange assignments issued on the Rosebud Sioux Reservation; to the Committee on Interior and Insular Affairs.

By Mr. McMILLAN:

H. J. Res. 279. Joint resolution to amend the District of Columbia Traffic Acts as amended; to the Committee on the District of Columbia.

By Mr. REED of Illinois:

H. J. Res. 280. Joint resolution proposing an amendment to the Constitution of the United States, relating to the legal effect of certain treaties and executive agreements; to the Committee on the Judiciary.

By Mr. KERSTEN of Wisconsin:

H. Con. Res. 114. Concurrent resolution expressing the hopes of the American people for the early liberation of the peoples of China from their present enslavement and for early restoration of their basic human rights and freedoms, and for other purposes; to the Committee on Foreign Affairs.

H. Con. Res. 115. Concurrent resolution expressing the hopes of the American people for the early liberation of the Bulgarian people from their present enslavement and for the early restoration of their basic human rights and freedoms; to the Committee on Foreign Affairs.

H. Con. Res. 116. Concurrent resolution expressing the hopes of the American people for the early liberation of the peoples of Albania from their present enslavement and for early restoration of their basic human rights and freedoms, and for other purposes; to the Committee on Foreign Affairs.

H. Con. Res. 117. Concurrent resolution expressing the hopes of the American people for the early liberation of the peoples of Czechoslovakia from their present enslavement and for early restoration of their basic human rights and freedoms, and for other purposes; to the Committee on Foreign Affairs.

H. Con. Res. 118. Concurrent resolution expressing the hopes of the American people for the early liberation of the Hungarian people from their present enslavement and for the early restoration of their basic human rights and freedoms; to the Committee on Foreign Affairs.

H. Con. Res. 119. Concurrent resolution expressing the hopes of the American people for the early liberation of the Rumanian people from their present enslavement and for the early restoration of their basic human rights and freedoms; to the Committee on Foreign Affairs.

H. Con. Res. 120. Concurrent resolution expressing the hopes of the American people for the early liberation of the Polish people from their present enslavement and for the early restoration of their basic human rights and freedoms; to the Committee on Foreign Affairs.

By Mr. WHEELER:

H. Res. 290. Resolution impeaching William O. Douglas, Associate Justice of the Supreme Court of the United States, of high crimes and misdemeanors in office; to the Committee on the Judiciary.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Wisconsin, memorializing the President and the Congress of the United States to enact legislation providing for the withdrawal of the Federal Government from the field of gasoline taxes; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALBERT:

H. R. 5807. A bill for the relief of Mary Ross; to the Committee on the Judiciary.

By Mr. BAKER:

H. R. 5808. A bill for the relief of Emin M. Beynam; to the Committee on the Judiciary.

By Mr. BARTLETT:

H. R. 5809. A bill for the relief of Charles O. Perry and other employees of the Alaska Road Commission; to the Committee on the Judiciary.

By Mr. BATES (by request):

H. R. 5810. A bill for the relief of Gennaro Tommolini; to the Committee on the Judiciary.

By Mrs. FRANCES P. BOLTON:

H. R. 5811. A bill for the relief of Mrs. Johanna Eckles; to the Committee on the Judiciary.

By Mr. CURTIS of Nebraska:

H. R. 5812. A bill for the relief of Burgal Lyden, and others; to the Committee on the Judiciary.

By Mr. DOWDY:

H. R. 5813. A bill for the relief of the Jacksonville Garment Co.; to the Committee on the Judiciary.

By Mr. FARRINGTON:

H. R. 5814. A bill for the relief of Caroline Rocky Young; to the Committee on the Judiciary.

By Mr. GWINN:

H. R. 5815. A bill for the relief of Carl Max Morgner; to the Committee on the Judiciary.

By Mr. KEOGH:

H. R. 5816. A bill for the relief of Mrs. Caridad Rosa Avila Leyva de Ernest; to the Committee on the Judiciary.

By Mr. LANTAFF:

H. R. 5817. A bill for the relief of Mrs. Amy Kasanof; to the Committee on the Judiciary.

By Mr. McCORMACK:

H. R. 5818. A bill for the relief of Dr. and Mrs. Ivan Pernar; to the Committee on the Judiciary.

H. R. 5819. A bill for the relief of Joseph Torbar; to the Committee on the Judiciary.

By Mr. McVEY:

H. R. 5820. A bill for the relief of Michael K. Kaprielyan; to the Committee on the Judiciary.

By Mr. MERROW:

H. R. 5821. A bill for the relief of Mrs. Helen M. Sargent; to the Committee on the Judiciary.

By Mr. SMITH of Virginia:

H. R. 5822. A bill for the relief of Evanthia Demetrios Makrozonari; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

339. By Mr. UTT: Petition of George Gano, Fullerton, Calif., and 29 others urging support for H. R. 1227, which would ban advertising of alcoholic beverages over radio and television and interstate commerce; to the Committee on Interstate and Foreign Commerce.

340. By the SPEAKER, Petition of the Organization for the Defense of Four Freedoms of the Ukraine, Inc., New York, N. Y., relative to fully supporting the resolution introduced by Congressman SMITH of Wisconsin, relating to establishing normal diplomatic relations, including the exchange of ambassadors between the United States and the Ukraine; to the Committee on Foreign Affairs.

SENATE

THURSDAY, JUNE 18, 1953

(Legislative day of Monday, June 8, 1953)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O Lord, our God, in the quiet of this sacred moment dedicated to the things that are unseen and eternal, we come to Thee in the name of Him unto whom every knee must bow. At this daily shrine of the spirit we would be made aware of eternal realities and lifted out of our littleness by abiding values greater than ourselves.

Give us honest eyes to see the spiritual poverty that we try to hide from each other, but which we cannot hide from Thee, unto whom all hearts are open and from whom no secrets are hid. In this dismaying era, with all its darkness, we are deeply thankful for the things that cannot be shaken and for guiding lights of beauty and goodness and truth that no winds of violence can ever blow out. In the vast difficulties confronting the makers of peace for this ravaged earth, restore and strengthen and sustain our souls and lead us in the paths of righteousness for Thy name's sake. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., June 18, 1953.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. WILLIAM A. PURTELL, a Senator from the State of Connecticut, to perform the duties of the Chair during my absence.

STYLES BRIDGES,
President pro tempore.

Mr. PURTELL thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, June 16, 1953, was dispensed with.

MESSAGE FROM THE HOUSE RECEIVED DURING RECESS

Under authority of the order of the Senate of June 16, 1953,

The following message from the House of Representatives was received by the Secretary of the Senate, on June 17, 1953:

That the House had agreed to the concurrent resolution (S. Con. Res. 25) favoring the granting of the status of permanent residence to certain aliens, with amendments, in which it requested the concurrence of the Senate.

That the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 4329. An act for the relief of Huntington, McLaren & Co.; and

H. R. 5527. An act to authorize the employment in a civilian position in the Office of the Secretary of Defense of Lt. Gen. Graves Blanchard Erskine, upon retirement from the United States Marine Corps, and for other purposes.

ENROLLED BILLS SIGNED

That the Speaker of the House of Representatives had signed the following enrolled bills, and, under authority of the order of the Senate of the 16th instant, they were signed, on June 17, 1953, by the Vice President:

H. R. 1482. An act for the relief of Hildegard Schoenauer;

H. R. 3795. An act to adjust the salaries of officers and members of the Metropolitan Police force, and United States Park Police, the White House Police, and the Fire Department of the District of Columbia, and for other purposes; and

H. R. 4495. An act to amend the Universal Military Training and Service Act, as amended, so as to provide for special registration, classification, and induction of certain medical, dental, and allied specialist categories, and for other purposes.

HOUSE BILLS REFERRED DURING RECESS

The following House bills were each referred, on June 17, 1953, as indicated:

H. R. 4329. An act for the relief of Huntington, McLaren & Co.; to the Committee on the Judiciary.

H. R. 5527. An act to authorize the employment in a civilian position in the Office of the Secretary of Defense of Lt. Gen. Graves Blanchard Erskine upon retirement from the United States Marine Corps, and for other purposes; to the Committee on Armed Services.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 5312) to provide for the more effective prevention, detection, and punishment of crime in the District of Columbia.

The message also announced that the House had passed a bill (H. R. 2557) to amend the act of January 12, 1951, as amended, to continue in effect the provisions of title II of the First War Powers Act, 1941, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they

were signed by the Acting President pro tempore:

S. 141. An act for the relief of Harry Ray Smith;

S. 712. An act for the relief of William R. Jackson; and

H. R. 5312. An act to provide for the more effective prevention, detection, and punishment of crime in the District of Columbia.

LEAVE OF ABSENCE

On request of Mr. CLEMENTS, and by unanimous consent, Mr. RUSSELL was excused from attendance on the sessions of the Senate today and tomorrow.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that immediately following the quorum call Senators may introduce bills and joint resolutions and transact such other business as is customary in a morning hour, under the usual practice of a 2-minute limitation on speeches.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CALL OF THE ROLL

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Griswold	McCarran
Anderson	Hayden	McCarthy
Barrett	Hendrickson	McClellan
Bennett	Hennings	Millikin
Bush	Hickenlooper	Monroney
Butler, Md.	Hill	Morse
Byrd	Hoey	Mundt
Capehart	Holland	Neely
Carlson	Humphrey	Payne
Case	Hunt	Potter
Chavez	Jackson	Purtell
Clements	Jenner	Robertson
Cooper	Johnson, Colo.	Saltonstall
Cordon	Johnson, Tex.	Schoeppel
Daniel	Johnston, S. C.	Smathers
Dirksen	Kefauver	Smith, Maine
Douglas	Kennedy	Smith, N. J.
Duff	Kerr	Sparkman
Dworshak	Kilgore	Stennis
Eastland	Knowland	Symington
Ellender	Kuchel	Taft
Ferguson	Langer	Thye
Flanders	Long	Watkins
Frear	Magnuson	Welker
George	Malone	Williams
Gillette	Mansfield	Young
Goldwater	Martin	
Green	Maybank	

Mr. SALTONSTALL. I announce that the Senator from Maryland [Mr. BEALL], the Senator from Ohio [Mr. BRICKER], and the Senator from New Hampshire [Mr. BRIDGES] are necessarily absent.

The Senator from Nebraska [Mr. BUTLER] and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate.

The Senator from New York [Mr. IVES] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

The Senator from Wisconsin [Mr. WILEY] is absent on official business.

Mr. CLEMENTS. I announce that the Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Georgia [Mr. RUSSELL] are absent by leave of the Senate.

The Senator from Tennessee [Mr. GORE], the Senator from New York [Mr. LEHMAN], the Senator from Rhode Island [Mr. PASTORE], and the Senator from North Carolina [Mr. SMITH] are absent on official business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

The ACTING PRESIDENT pro tempore. A quorum is present.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

SUSPENSION OF DEPORTATION OF ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders granting the applications for permanent residence filed by certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for granting such applications (with accompanying papers); to the Committee on the Judiciary.

LAW ENACTED BY LEGISLATIVE ASSEMBLY OF VIRGIN ISLANDS

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a copy of a law enacted by the Legislative Assembly of the Virgin Islands, entitled "Bill No. 55—Act To Amend 'Law Concerning Actions To Declare Void or Dissolve the Marriage Contract, and for Other Purposes' Approved December 29, 1944" (with an accompanying paper); to the Committee on Interior and Insular Affairs.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Acting Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The ACTING PRESIDENT pro tempore appointed Mr. CARLSON and Mr. JOHNSTON of South Carolina members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A resolution adopted by the City Council of the City of Oakland, Calif., favoring the enactment of legislation to provide for the continuance of tolls on the San Francisco-Oakland Bay Bridge for the purpose of constructing additional crossings of San Francisco Bay; to the Committee on Public Works.

A telegram from the board of directors and the national council of the American Friends of the Middle East, New York, N. Y., embodying a resolution favoring the enactment of legislation to furnish 1 million tons of wheat to the starving people of Pakistan; ordered to lie on the table.

A resolution adopted by citizens of Estonian, Latvian, and Lithuanian descent, in Washington, D. C., protesting against Soviet acts of violence and genocide in the Baltic States; to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CARLSON, from the Committee on Post Office and Civil Service:

S. 1569. A bill to amend the Independent Offices Appropriation Act, 1953, so as to provide for the investigation by the Civil Service Commission in lieu of the Federal Bureau of Investigation of persons receiving Atomic Energy Commission fellowships; without amendment (Rept. No. 443).

By Mr. SALTONSTALL, from the Committee on Armed Services:

S. 2128. A bill to further amend the Mutual Security Act of 1951, as amended, and for other purposes; with amendments (Rept. No. 444); and

H. R. 5527. A bill to authorize the employment in a civilian position in the Office of the Secretary of Defense of Lt. Gen. Graves Blanchard Erskine, upon retirement from the United States Marine Corps, and for other purposes; without amendment (Rept. No. 446).

By Mr. STENNIS, from the Committee on Armed Services:

S. 1806. A bill to amend the Navy ration statute so as to provide for the serving of oleomargarine or margarine; without amendment (Rept. No. 447).

By Mr. CORDON, from the Committee on Appropriations:

H. R. 4828. A bill making appropriations for the Department of the Interior for the fiscal year ending June 30, 1954, and for other purposes; with amendments (Rept. No. 445).

By Mr. GOLDWATER, from the Committee on Banking and Currency:

S. 1458. A bill to continue the effectiveness of the act of December 2, 1942, as amended, and the act of July 28, 1945, relating to war-risk hazard and detention benefits, until July 1, 1954; with amendments (Rept. No. 449).

By Mr. LANGER, from the Committee on the Judiciary:

S. 848. A bill to prescribe policy and procedure in connection with construction contracts made by executive agencies, and for other purposes; with amendments (Rept. No. 448).

TAX PROBLEMS OF SMALL BUSINESS—REPORT OF SELECT COMMITTEE ON SMALL BUSINESS (REPT. NO. 442)

Mr. HENDRICKSON. Mr. President, on behalf of the the Select Committee on Small Business, and as chairman of its Subcommittee on Taxes, I submit a report on the tax problems of small business. The report has been unanimously agreed to by the 13 members of our committee.

Since I feel that this document may be of interest to all of my colleagues in whose States there are numerous small businesses, I ask unanimous consent to

have printed in the body of the RECORD the 5 findings and recommendations of the Small Business Committee.

There being no objection, the findings and recommendations were ordered to be printed in the RECORD, as follows:

FINDINGS AND RECOMMENDATIONS

As a result of its hearings and studies in the field of the impact of Federal taxation on small business, your committee presents the following findings and recommendations to the Senate and to its tax-writing group, the Senate Finance Committee:

1. All of the testimony taken by the Senate Small Business Committee and all of the surveys it has undertaken show that the excess-profits tax is an inequitable, unjust levy, difficult of administration. This evidence underlined the desirability of calling upon the House Ways and Means Committee, the Senate Finance Committee, and the Treasury Department to propose alternate methods for replacing revenue lost by the termination of the excess-profits tax to the extent that they regard such revenue as absolutely essential. As a minimum alternative, an excess-profits-tax exemption for corporations earning under $100,000 seems indicated to your committee. Such an exemption would result in a relatively minor loss of revenue (it is estimated that firms earning under $100,000 pay less than 8 percent of the dollars raised by the excess-profits tax) and would bring the present $25,000 minimum figure to a more realistic level so far as small businesses are concerned.

Since the conclusion of your committee's investigation, however, President Eisenhower has sent a tax message to Congress in which he asked a 6-month extension of the excess-profits tax in the following words:

"Though the name suggests that only excessive profits are taxed, the tax actually penalizes thrift and efficiency and hampers business expansion. Its impact is especially hard on successful small businesses which must depend on retained earnings for growth. These disadvantages of the tax are now widely recognized. I would not advocate its extension for more than a matter of months. However, under existing circumstances the extension of the present law is preferable to the increased deficit caused by its immediate expiration or to any short-term substitute tax."

2. More reasonable policies on depreciation allowances should be the goal of congressional and Treasury Department action within the next year. Your committee feels that present Treasury regulations covering amortization of plant and equipment are unduly restrictive and adversely affect the new and growing company. Your committee recognizes that revenue losses might result from a reform of the depreciation schedule which would rule against its immediate adoption, but all the evidence at hand indicates that any such loss would be temporary and would be more than counterbalanced over a period of a few years. The Joint Committee on Internal Revenue Taxation and the Treasury Department should undertake comprehensive studies in this field at the earliest possible opportunity.

3. The business community should be given a set of easily understandable criteria which would be followed in enforcing section 102 of the Internal Revenue Code which deals with unreasonable accumulation of corporate profits. Your committee also recommends repeal of the provision of the 1938 Revenue Act which shifted the burden of proof of reasonableness to the taxpayer.

4. At the earliest possible date, the exemption from the surtax rate on corporate income should be lifted from the present $25,000 to $50,000 or $100,000. Your committee feels that the higher limit would allow a successful growing business in the small- or medium-size bracket to become an effective competitor to his larger rivals. An alternative proposal which has been suggested to the committee would be a method whereby tax credits might be given to firms for the first $25,000 or $50,000 which is reinvested in capital equipment.

5. The impact of death levies on many privately held small businesses all too often results in forced sales to competing firms in the same industry. Furthermore, the threat of inheritance and estate taxes provides a strong inducement for the principal owners of any such corporation to hedge against the possibility of death through such sellouts. At the present time your committee is not in a position to recommend specific reductions in these rates, but it does appear that further studies would indicate methods of administering and collecting estate taxes which would lessen this danger point.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 18, 1953, he presented to the President of the United States the following enrolled bills:

S. 141. An act for the relief of Harry Ray Smith; and

S. 712. An act for the relief of William R. Jackson.

BILLS AND A JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BARRETT:

S. 2152. A bill for the relief of Felipe Lopez Vasquez; to the Committee on the Judiciary.

By Mr. THYE:

S. 2153. A bill to authorize the transfer of certain property to the State of Minnesota, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. CAPEHART:

S. 2154. A bill to authorize the extension of patents covering inventions whose practice was prevented or curtailed during certain emergency periods by service of the patent owner in the Armed Forces or by production controls; to the Committee on the Judiciary.

By Mr. CLEMENTS:

S. 2155. A bill for the relief of Christa Kunze and her minor daughter, Yvonne; to the Committee on the Judiciary.

By Mr. McCARRAN:

S. 2156. A bill for the relief of John Enepekides, his wife, Anna, and his son, George; to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 2157. A bill to permit deduction for income-tax purposes of certain expenses incurred by working mothers in providing care for their children while they are at work; to the Committee on Finance.

By Mr. DOUGLAS:

S. 2158. A bill for the relief of Helga Edith Kucera; to the Committee on the Judiciary.

By Mr. PURTELL:

S. 2159. A bill for the relief of Mrs. Elizabeth M. Casey; to the Committee on Finance.

S. 2160. A bill for the relief of the East Coast Ship & Yacht Corp., of Noank, Conn.; and

S. 2161. A bill for the relief of Cornelia Jean Seager; to the Committee on the Judiciary.

By Mr. ANDERSON:

S. 2162. A bill for the relief of Joan Casad Ellison; to the Committee on the Judiciary.

By Mr. HOEY:

S. 2163. A bill to authorize conveyance to the State of North Carolina of certain lands and improvements constituting the United States cottonfield station located near Statesville, N. C.; to the Committee on Agriculture and Forestry.

By Mr. MALONE:

S. 2164. A bill to amend the Tariff Act of 1930, and for other purposes; to the Committee on Finance.

(See the remarks of Mr. MALONE when he introduced the above bill, which appear under a separate heading.)

By Mr. NEELY:

S. J. Res. 90. Joint resolution relating to the legal limits within which the import tax applicable to crude petroleum and residual fuel oil may be increased or decreased by the President; to the Committee on Finance.

AMENDMENT OF FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949, RELATING TO LEASE-PURCHASE AGREEMENTS—AMENDMENT

Mr. MUNDT submitted an amendment intended to be proposed by him to the bill (S. 690) to amend the Federal Property and Administrative Services Act of 1949, as amended, to authorize the Administrator of General Services to enter into lease-purchase agreements to provide for the lease to the United States of real property and structures for terms of more than 8 years but not in excess of 25 years and for acquisition of title to such properties and structures by the United States at or before the expiration of the lease terms, and for other purposes, which was ordered to lie on the table and to be printed.

JURISDICTION OVER SUBMERGED LANDS OF OUTER CONTINENTAL SHELF—AMENDMENTS

Mr. HENDRICKSON (for himself and Mr. CASE) submitted amendments, intended to be proposed by them, jointly, to the bill (S. 1901) to provide for the jurisdiction of the United States over the submerged lands of the outer Continental Shelf, and to authorize the Secretary of the Interior to lease such lands for certain purposes, which were ordered to lie on the table and to be printed.

NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS TO INTERIOR DEPARTMENT APPROPRIATION BILL, 1954

Mr. CORDON. In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4828) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1954, and for other purposes, the following amendment, namely: On page 26, after line 14, insert:

The Secretary of the Interior shall review all existing concession leases and contracts, and hereafter all new concession leases and contracts and all renewals of such leases and contracts shall be reviewed by the Secretary of the Interior and shall be entered into with qualified persons on the basis of competitive bids: *Provided*, That hereafter all awards of concession leases and contracts shall be reported by the Secretary of the Interior to the President of the Senate and the Speaker of the House of Representatives for transmission to the appropriate Committees.

Mr. CORDON also submitted an amendment intended to be proposed by him to House bill 4828, making appropriations for the Department of the Interior for the fiscal year ending June 30, 1954, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. CORDON. In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4828) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1954, and for other purposes, the following amendment, namely: at the proper place insert the following:

Provided further, That the succession of the Island Trading Company is hereby extended to December 31, 1956, and the time within which the amount of the reserve for Navy subsidies shall be paid into the Treasury as miscellaneous receipts, as required by the Interior Department Appropriation Act, 1953, is hereby extended to the said date

Mr. CORDON also submitted an amendment intended to be proposed by him to House bill 4828, making appropriations for the Department of the Interior for the fiscal year ending June 30, 1954, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. CORDON. In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4828) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1954, and for other purposes, the following amendment, namely: On page 2, line 15, insert:

The Secretary of the Interior is hereby authorized to negotiate a disposition of all real and personal property acquired by contract or otherwise out of or by color of appropriations in either the 1952 or 1953 Interior Department Appropriation Acts under the heading "Construction, Southeastern Power Administration" for the Clark Hill-Greenwood transmission facility to the Greenwood County Electric Power Commission, a public agency of the State of South Carolina, having first completed payments due on property so acquired. The disposition of such property shall be on such terms as will reimburse the United States and the proceeds therefrom shall be deposited in the Treasury as miscellaneous receipts.

When said disposition has been effected the unexpended balance of the appropriation made in the Interior Department Appropriation Act, 1952 (65 Stat. 248), under the heading "Construction, Southeastern Power Administration," and the unexpended balance of the appropriation made in the Interior Department Appropriation Act, 1953 (66 Stat. 445), under the same heading for the Clark Hill-Greenwood facilities, shall be covered into the Treasury as miscellaneous receipts.

Mr. CORDON also submitted an amendment intended to be proposed by him to House bill 4828, making appropriations for the Department of the Interior for the fiscal year ending June 30, 1954, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. CORDON. In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4828) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1954, and for other purposes, the following amendment, namely: On page 9, line 20, after "completed" insert:

Provided further, That the Secretary may transfer without exchange of funds to the Devils Lake Sioux Tribe of the Fort Totten Reservation, the East Side and Crow Hill day schools together with the lands on which they are situated whenever it is determined they are no longer needed for Bureau purposes.

Mr. CORDON also submitted an amendment intended to be proposed by him to House bill 4828, making appropriations for the Department of the Interior for the fiscal year ending June 30, 1954, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. CORDON. In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4828) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1954, and for other purposes, the following amendment, namely: On page 9, line 20, after "completed", insert:

Provided further, That the Secretary is authorized to purchase, without regard to the prohibition against the purchase of land from appropriations for Construction, Bureau of Indian Affairs, contained in this or any other act, not to exceed 1,500 acres of nonreservation lands in Arizona, and necessary rights-of-way and easements required for the enlargement of the Picacho Reservoir of the San Carlos Indian irrigation project, and approximately 5 acres of allotted Indian lands within the Yakima Indian Reservation, Wash., for use of the Wapato irrigation project.

Mr. CORDON also submitted an amendment intended to be proposed by him to House bill 4828, making appropriations for the Department of the Interior for the fiscal year ending June 30, 1954, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. CORDON. In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4828) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1954, and for other purposes, the following amendment, namely: On page 13, line 25, after "fund" insert:

Provided, That not to exceed $268,000 shall be available toward the emergency rehabilitation of the Dalton Gardens irrigation project, Idaho, to be repaid in full under conditions satisfactory to the Secretary of the Interior.

Mr. CORDON also submitted an amendment intended to be proposed by him to House bill 4828, making appropriations for the Department of the Interior for the fiscal year ending June 30, 1954, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. CORDON. In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4828) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1954, and for other purposes, the following amendment, namely: On page 13, line 25, after "fund" insert:

Provided further, That not to exceed $222,000 shall be available toward the emergency rehabilitation of the Avondale irrigation project, Idaho, to be repaid in full under conditions satisfactory to the Secretary of the Interior.

Mr. CORDON also submitted an amendment intended to be proposed by him to House bill 4828, making appropriations for the Department of the Interior for the fiscal year ending June 30, 1954, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. CORDON. In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4828) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1954, and for other purposes, the following amendment, namely: On page 13, line 25, after "fund" insert:

Provided further, That not to exceed $1,000,000 of the amount appropriated herein for the Missouri River Basin project shall be nonreimbursable representing that portion of the cost of Pactola Dam allocated to furnishing a water supply for the Rapid City Air Base.

Mr. CORDON also submitted an amendment intended to be proposed by him to House bill 4828, making appropriations for the Department of the Interior for the fiscal year ending June 30, 1954, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. CORDON. In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4828) making appropriations for the Depart-

ment of the Interior for the fiscal year ending June 30, 1954, and for other purposes, the following amendment, namely: Page 28, line 7, after "U. S. C. 695–695c)" insert "; leasing and management of lands for the protection of the Florida Key deer."

Mr. CORDON also submitted an amendment intended to be proposed by him to House bill 4828, making appropriations for the Department of the Interior for the fiscal year ending June 30, 1954, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

HOUSE BILL PLACED ON CALENDAR

The bill (H. R. 2557) to amend the act of January 12, 1951, as amended, to continue in effect the provisions of title II of the First War Powers Act, 1941, was read twice by its title, and placed on the calendar.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. FERGUSON:

Address entitled "What Makes America Great?" delivered by George E. Stringfellow before annual banquet of New Jersey League of Masonic Clubs, at Union City, N. J., last week.

By Mr. MAYBANK (for himself and Mr. JOHNSTON of South Carolina):

Address entitled "Preserving the Western Alliance," delivered by Hon. Bernard M. Baruch at centennial dinner of the Junior Order, United American Mechanics, at Philadelphia, Pa., on June 17, 1953.

Mr. ROBERTSON:

Addresses delivered at the unveiling of a bronze replica of the Declaration of Independence, presented to the University of Virginia on April 13, 1953.

By Mr. McCARRAN:

Address delivered by E. O. Sowerwine, vice president, Anaconda Copper Mining Co., before Copper and Brass Warehouse Association at Chicago, Ill., on April 27, 1953.

By Mr. JOHNSON of Texas:

New York Times dispatch dated June 9 from Karachi, Pakistan, relating to good-will mission to Pakistan of Texas clubwomen.

By Mr. SCHOEPPEL:

Article by George Sokolsky in tribute to Senator TAFT, published in the Washington Times-Herald of June 18, 1953.

By Mr. SMITH of New Jersey:

Commencement address delivered by Senator SALTONSTALL at the United States Naval Academy, Annapolis, Md., June 5, 1953.

Commencement address delivered by Senator SALTONSTALL at Kenyon College, Gambier, Ohio, June 8, 1953.

By Mr. SALTONSTALL:

Address delivered by Richard L. Bowditch, president of the Chamber of Commerce of the United States, before the Greater Boston Chamber of Commerce on June 16, 1953.

By Mr. PURTELL:

Address entitled "Proclaim Liberty," delivered by Rabbi Morris Silverman, of Hartford, Conn., chairman of the Commission on Civil Rights of Connecticut, and broadcast over the radio on June 7, 1953.

By Mr. KEFAUVER:

Article entitled "A Congressional Code of Fair Conduct," written by Joseph L. Nellis, and published in the June-July issue of the Decalogue Journal.

Letter written by Mr. Lou Williams, of the Tennessee Conservation League, referring to the serious nature of the reduction voted by the House Appropriations Committee in the TVA budget of funds for resource development.

By Mr. LEHMAN:

Editorial discussing the recent address of the President of the United States at Dartmouth College, published in the St. Louis Post-Dispatch of June 15, 1953.

By Mr. HUMPHREY:

Editorials from the Polk County Tribune of Glenwood, Minn., and from the Farmers Union Herald of St. Paul, Minn., discussing farm prices.

By Mr. MARTIN:

Editorial entitled "The Flag We Honor," referring to Flag Day.

By Mr. SPARKMAN:

Article from Washington Post of June 18, 1953, on the subject of rising rates of interest.

IMMIGRATION REGULATION

Mr. McCARRAN. Mr. President, I hold in my hand the text of an editorial entitled "Immigration Regulation," which appeared in the June 15, 1953, issue of United Evangelical Action, official organ of the National Association of Evangelicals. I ask unanimous consent that this editorial may be printed in the body of the RECORD at this point as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

IMMIGRATION REGULATION

We have repeatedly spoken our piece about immigration regulation in America. We have opened our columns to those who disagreed with us. After all the argument, we still stand where we did in the beginning—for the McCarran-Walter Act.

The new law may have its weaknesses, but no law will ever satisfy all the elements in our national life. This is the best one we have had to date. It is the only one which has been based on an intensive investigation and study of our entire complex immigration and naturalization system and which codifies in a comprehensive whole a program which will be for the best interests of the United States of America.

We have too many people in America who think of the immigration problem primarily in terms of their own special interests. Roman Catholics think of it in terms of how many recruits for their faith can be squeezed through Ellis Island. Jews want to swell their ranks. There are also many Protestant groups with a European background that have an appreciable anxiety about their brethren across the seas and want to see them given a haven of peace and liberty in America. They see the immigration problem primarily through hyperopic lenses. And then there are the Communists, the hyphenated Americans and a thousand educational, scientific, economic, and other special interests, each with some selfish ax to be ground by raising the barriers and admitting hordes of immigrants from turbulent Europe.

We need to evaluate our immigration policy from the American viewpoint. America has something which is valuable to the whole world. It must have or there would not be so many millions wanting to share it. That something must be preserved. A mawkish liberality and religiosity that blinds us to the dangers of an influx of subversives may actually rob us of all that is best in America and leave the world at large without the enlightened leadership it needs to solve its problems.

To get to cases prior to McCarran-Walter: Thousands of criminals became citizens because fingerprinting was abandoned. Thousands of totalitarian-minded DP's, far beyond our liberal quotas, unlawfully drifted across our borders to the north and south of us. Various administrative directives bypassed immigration laws and admitted scientists, musicians, artists, and professional men who were espionage agents in disguise. Wealthy refugees smuggled funds into America and cleaned up on the stock markets. Thousands misrepresented themselves as poor farmers, housemaids, Protestants, and whatnot to obtain sponsors and then repudiated their own word, their sponsors, and the country that befriended them. Communists headed smuggling agencies in many nations and successfully bootlegged thousands of immigrants through our borders only to become ready recruits in subversive organizations intent on destroying America. In this connection thousands of fictitious documents have been framed, perjury has been practiced, and fraudulent misrepresentation has flourished, often under the guise of religion. From 1920 to 1950 nearly 3 million of the 6 million immigrants admitted to the United States of America were Roman Catholics. So many Jews came in that half the world's Jews now live in America. Is this what we want?

We are not closing our gates to those who wish to come to America. We still have the most liberal immigration policy of any major nation in the world. At least 60 percent of total world immigration has come to the United States of America in the past 50 years. Canada ranks next as the greatest receiving country. With far more land to be occupied, Argentina received less than one-fifth as many immigrants as the United States of America. Brazil has been the destination for only 7 or 8 percent of world immigration. We are fully discharging our share of the world's responsibility for the overcrowded condition of Europe and parts of Asia.

Let us not allow ourselves to be duped into believing that the McCarran-Walter Act is not Christian. It is realistically Christian within an American pattern. If we give it a fair trial we may be able to preserve the American way of life and thereby the measurable Christian testimony of the Nation in the midst of a pagan world.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Hawks, one of his secretaries, and he announced that on June 16, 1953, the President had approved and signed the following acts:

S. 117. An act to amend section 7 of the Flood Control Act of 1941 relating to the apportionment of moneys received on account of the leasing of lands acquired by the United States for flood-control purposes;

S. 1307. An act to amend the act of December 23, 1944, authorizing certain transactions by disbursing officers of the United States, and for other purposes; and

S. 1739. An act to provide for continuation of authority for regulation of exports, and for other purposes.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. MILLIKIN, from the Committee on Finance:

Rae V. Biester, of Pennsylvania, to be Superintendent of the Mint at Philadelphia, Pa.;

Ross P. Buell, of California, to be Superintendent of the Mint at San Francisco, Calif.;

Arthur C. Carmichael, of California, to be assayer in the mint at San Francisco, Calif.;

Edwin A. Leland, Jr., of Louisiana, to be comptroller of customs, with headquarters at New Orleans, La.;

Jeremiah A. McGimsey, of Arizona, to be collector of customs for customs collection district No. 26, with headquarters at Nogales, Ariz.;

Theodore H. Lyons, of Louisiana, to be collector of customs for customs collection district No. 20, with headquarters at New Orleans, La.

Frank Abelman, of Michigan, to be collector of customs for customs collection district No. 38, with headquarters at Detroit, Mich.

EXECUTIVE REPORTS OF ARMED SERVICES COMMITTEE

Mr. SALTONSTALL. Mr. President, as in executive session, I report from the Committee on Armed Services the nomination of Mrs. Katherine G. Howard, of Massachusetts, to be Deputy Federal Civil Defense Administrator, and the nomination of Mr. Raymond Henry Fogler, of New York, to be Assistant Secretary of the Navy, together with other military nominations, and ask that they be printed on the Executive Calendar.

The ACTING PRESIDENT pro tempore. As in executive session, the nominations will be received and placed on the Executive Calendar, as requested by the Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, also as in executive session, from the Committee on Armed Services, I report 3,296 nominations ranging from colonel to second lieutenant in the Army. In order to save the expense of printing this large list of names on the Executive Calendar, and inasmuch as they have already appeared once in the RECORD, I request that they be ordered to lie on the Vice President's desk for inspection by any Senator, prior to their confirmation.

The ACTING PRESIDENT pro tempore. As in executive session, the nominations will be received; and, without objection, will lie on the desk, as requested by the Senator from Massachusetts.

THE CALENDAR

Mr. HENDRICKSON. Mr. President, I move that the Senate now proceed to the consideration of measures on the calendar to which there is no objection.

Mr. JOHNSON of Texas. Mr. President, as I understand, unanimous consent is required to proceed to the consideration of the calendar.

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. HENDRICKSON. I ask unanimous consent that the Senate proceed to the consideration of the calendar.

The ACTING PRESIDENT pro tempore. What order of business is it desired to start with?

Mr. HENDRICKSON. Under a previous unanimous-consent agreement, we were to take up first three bills which were passed over at the previous call of the calendar, namely, Calendar Nos. 220, 274, and 293, which are, respectively, House bill 662, Senate bill 879, and Senate bill 1857.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from New Jersey? The Chair hears none, and the clerk will state the first bill by title for the information of the Senate.

MR. AND MRS. JOSEPH W. FURSTENBERG—BILL PASSED OVER

The bill (H. R. 662) for the relief of Mr. and Mrs. Joseph W. Furstenberg was announced as first in order.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. McCARRAN. Mr. President, is this a call of the calendar?

The ACTING PRESIDENT pro tempore. It is.

Mr. McCARRAN. My understanding was—I may be in error—that we were to commence at the beginning of the calendar and go clear through it.

Mr. HENDRICKSON. No. We were to take up the call of the calendar at the point where we left off. In addition, there were three bills which were carried over by unanimous consent, namely, House bill 662, Senate bill 879, and Senate bill 1857.

Mr. McCARRAN. What is the request of the Senator with reference to those bills?

Mr. HENDRICKSON. By unanimous consent, those bills were carried over until the present call of the calendar.

Mr. McCARRAN. Are they on the present call of the calendar?

Mr. HENDRICKSON. They are on the present call of the calendar.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of House bill 662?

There being no objection, the bill (H. R. 662) for the relief of Mr. and Mrs. Joseph W. Furstenberg was considered, ordered to a third reading, read the third time, and passed.

Mr. McCARRAN. Mr. President, will not these bills be taken up in regular order?

Mr. HENDRICKSON. They are being taken up in regular order.

Mr. KNOWLAND. Mr. President, my understanding is that the calendar is to be called from the point where we left off at the last call of the calendar. However, at the last call of the calendar, by unanimous consent of the Senate it was agreed that the three bills which have been mentioned, which I assume are the ones specified by our Calendar Committee, would be taken up as though they were on the new call of the calendar. That is the request of the Senator from New Jersey.

Mr. HENDRICKSON. That is the reason they have precedence over the remaining bills on the calendar.

Mr. SMATHERS. Mr. President, I did not realize that the Senate was considering Calendar No. 220, H. R. 662. I have been asked to object to the consideration of the bill, and I ask unanimous consent that the Senate may return to its consideration, in order that I may object and ask that it go over.

Mr. HENDRICKSON. Mr. President, may I suggest that the Senator from Florida withhold his request for a moment?

Mr. SMATHERS. I withhold the request.

The ACTING PRESIDENT pro tempore. Without objection, the vote by which House bill 662 was passed is reconsidered, and the bill is before the Senate.

Mr. HENDRICKSON. Mr. President, the Senator from New Jersey requests that the bill go over until the next call of the calendar. I make that unanimous-consent request.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the bill will be passed over to the next call of the calendar.

REGULATION OF LIFE INSURANCE IN THE DISTRICT OF COLUMBIA—BILL PASSED OVER

The bill (S. 879) to amend section 12 of chapter V of the act of June 19, 1934, as amended, entitled "An act to regulate the business of life insurance in the District of Columbia," was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with amendments, on page 1, at the beginning of line 7, to insert "Sec. 12"; in line 9, before the subhead, to insert "1"; at the beginning of line 10, to strike out "Sec. 12. (a)"; on page 2, line 3, after the word "foreign", to insert "or alien"; in line 17, before the subhead, to insert "2"; at the beginning of line 18, to strike out "(b) (A)" and insert "a."

The PRESIDING OFFICER. Without objection, the amendments are agreed to.

The additional amendments of the Committee on the District of Columbia to the bill will be stated.

Mr. SMATHERS. Mr. President, I wonder whether we could have an explanation of the bill.

The PRESIDING OFFICER. The Senator from Maryland [Mr. BEALL] is in charge of the bill.

Mr. SMATHERS. In view of the absence from the floor of the Senator from Maryland, I ask unanimous consent that the bill go to the foot of the calendar, so that it may be subsequently explained.

The PRESIDING OFFICER. Without objection, the bill will be placed at the foot of the calendar.

EXPEDITION OF JUDICIAL PROCEEDINGS FOR THE CONDEMNATION OF LANDS

The bill (S. 1857) to amend certain statutes providing expeditious judicial proceedings for the condemnation of lands for public purposes was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, by request, I ask that the bill be passed over.

Mr. McCARRAN. Mr. President, will the Senator from New Jersey withhold his request?

Mr. HENDRICKSON. I gladly yield to the Senator from Nevada, and I withhold my request.

Mr. McCARRAN. Mr. President, Senators who heard this bill discussed on the last call of the calendar will recall that the purpose of the measure is to protect existing water rights in the arid States of the West, against possible adverse effect through condemnation of land by the Federal Government for dams and reservoirs.

As I explained when this bill was last before the Senate, the bill as introduced contained in several places phraseology, which unfortunately, was susceptible of interpretation in more than one way. Because of these faults, the bill was objectionable. However, I offered, and the Senate adopted, three clarifying amendments which eliminated these faults.

The bill as amended was ordered printed in the RECORD, so I know Senators are familiar with what the Senate did by way of amendment. As amended, the bill seems unobjectionable, and by the amendments its scope has been limited to its proper purposes. Enactment of this bill would simply guarantee that in a case where land, with or without appurtenant water rights, is taken by Federal condemnation, for dam or reservoir purposes, water rights in connection with other land on the same stream, whether upstream or downstream, may not be adversely affected; and the bill sets up machinery through which such other water rights on the stream may be adequately protected. The bill does not deny to the Federal Government the right to condemn any land which it needs. The bill does not deny the right to the Federal Government to condemn water rights. The bill grants only the same protection, with respect to condemnation actions for dam or reservoir purposes, that is already in the law with respect to Government use of streams for purposes of navigation.

This bill has been perfected by the Senate; I ask that the Senate now consider it.

RESISTANCE TO COMMUNIST OPPRESSION IN EUROPE

Mr. HUMPHREY. Mr. President, I rise at this time to address myself to what I consider to be a very significant development, namely, the brave and courageous resistance of the people of East Germany against their tyrannical bosses, the Communist leadership in the East German Government. I believe Congress ought to pay a well-deserved and appropriate tribute to these brave men and women, primarily workers in factories, shops, and mines, who have had the courage to resist the machine guns, the tanks, the troops, and the cruel treatment which the Communist police and leaders have meted out to them as they have fought against the oppression and tyranny which has gripped their country. The days of June 17 and 18, 1953, will live as days of glory and honor for East Germany in her struggle for liberation from communism.

I should also like at this time to pay tribute to the brave people of Czechoslovakia when the Communist government of that satellite state literally took away the life savings of the entire population, again the workers in the factories and shops and mines resisted and rebelled. The Communist government had to use force of arms to put down the rebellion. These brave people of Czechoslovakia have again demonstrated their love of freedom.

I think it should be noted also that in Bulgaria again brave and loyal people have demonstrated their courage by resisting their Communist oppressors. The spirit of liberty and independence has not been crushed. It lives on and gives strength to the people in these unfortunate lands.

The same situation is apparently true in the Ukraine, where the spirit of nationalism lives on. Reports from behind the Iron Curtain indicate that the Communist government in Russia has had to make great changes in the Ukraine in an attempt to placate the people, who are determined to have freedom.

The people of West Germany are taking on great burdens, as thousands of refugees stream over the boundary from the East German satellite.

It is our privilege and responsibility, Mr. President, to give a ray of hope to the people of Germany. They need our encouragement. They deserve our respect and assistance in their struggle for unification and freedom. Let us make clear to all Germany—yes to all nations under the Soviet yoke—that we stand with them as friend and ally. I suggest the following immediate program.

First, our Government should intensify its Voice of America program all through Central Europe. What we are doing now is so inadequate that it is almost a national disgrace. The Voice of America should be beamed as a ray of hope, day after day, into the minds and hearts and spirits of those brave people, particularly in Czechoslovakia, Poland, and Germany.

Mr. President, I further suggest that we step up our economic aid to West Germany, so the people of West Germany may better provide for the millions of refugees who are coming over the border. This is a time for bold action.

I have heard a great deal said about seizing the initiative. If ever there was a time for our Government to seize the initiative that time is now, not a week from now or a month from now. We ought to have a definite policy and program, and we ought to move forward quickly.

I suggest that this is an appropriate time to approve the President's recommendation for the admission into this country of 240,000 refugee immigrants. The President has requested such legislation. Many of those immigrants who would be under a law of that kind would come from Germany. Many of them are political refugees. We would welcome them into our country as a freedom-loving people. By the passage of the proposed legislation, we would show the people of East Germany and West Germany that we are really on their side and that we want to help them.

Finally, Mr. President, this is no time to weaken our defenses. This is no time to cut down on our armed services. This is no time to cut down on our program for developing and strengthening NATO. It is no time for cutting down on our mutual-security program. We must be strong.

The Soviet Union understands one thing, and that is strength. We must be in a position to bargain from strength. Some of the troubles in the Soviet Union and the Soviet empire today are due to the fact that we have put on the pressure, that we have had the strength, and that we have shown in Korea and in Western Europe we are in earnest when we say we stand for the freedom of people everywhere and that our purpose is to defend the free world.

Mr. President, I believe our Government should immediately call for German unification and free elections. Let us seize the initiative. The people of Germany want unification, and they deserve it. The Government of the United States ought to demand throughout Germany free elections under international supervision, so there can be no skulduggery, and the elections can be properly policed to assure that they shall be free, clean, and honest.

In this regard, I submit and send to the desk a resolution reading as follows:

Resolved, That the Senate of the United States hereby expresses:

(1) Its profound admiration for the people of Germany in their resistance to Communist totalitarianism;

(2) Its sense that every effort be made by the Government of the United States to bring about the unification of Germany, so that a united Germany may take its place as an equal partner in the family of the democratic nations; and

(3) Its belief that the holding of free elections throughout Germany is the essential first step toward German unification.

Mr. President, it is fitting that the Congress, the people's voice, be heard on this question. I believe that our Government must proceed forthwith with a dynamic and bold policy. The fate of Western Europe may well depend on what happens in Germany. We must make sure that Germany joins with the West in defense of freedom.

The ACTING PRESIDENT pro tempore. Without objection, the resolution will be received, out of order, and appropriately referred.

The resolution (S. Res. 119), submitted by Mr. HUMPHREY, was referred to the Committee on Foreign Relations.

Mr. HENDRICKSON. Mr. President, I should like to observe that we are now in the midst of the call of the calendar, and I hope that from now on there will not be speeches which are not related to the measures on the calendar.

The ACTING PRESIDENT pro tempore. Of course, as the Senator from New Jersey knows, any Senator is entitled to speak for 5 minutes, under the rule, during the call of the calendar.

Mr. HENDRICKSON. I realize that; but, of course, the intention of the rule was that during the call of the calendar, speeches be directed to the measures on the calendar. In my mind there is no doubt about that.

EXPEDITION OF JUDICIAL PROCEEDINGS FOR THE CONDEMNATION OF LANDS—BILL PASSED OVER

Mr. HENDRICKSON. Mr. President, what measure on the calendar has now been reached?

The PRESIDING OFFICER. Senate bill 1857, Calendar No. 293, to amend certain statutes providing expeditious judicial proceedings for the condemnation of lands for public purposes.

Mr. HENDRICKSON. Mr. President, I regret sincerely that the Republican calendar committee must object, by request, to passage of the bill at this time.

The ACTING PRESIDENT pro tempore. Objection being heard, the bill will be passed over.

Mr. LANGER. Mr. President, I should like to make a motion to have the bill considered in the course of the regular business, some day next week. The bill has been on the calendar quite a while; and I should like to have it disposed of, if that is possible.

Mr. HENDRICKSON. Mr. President, I am quite sure the acting majority leader will agree to have that done. I suggest that the Senator from North Dakota communicate with the senior Senator from California [Mr. KNOWLAND] as soon as he returns to the floor.

INCORPORATION OF THE NATIONAL FUND FOR MEDICAL EDUCATION—BILL PLACED AT FOOT OF CALENDAR

The Senate proceeded to consider the bill (S. 1748) to incorporate the National Fund for Medical Education, which had been reported from the Committee on the Judiciary with an amendment on page 9, line 6, after the words "funds", to insert "Such reports shall not be printed as public documents."

The amendment was agreed to.

Mr. COOPER. Mr. President, I offer the amendments which I send to the desk and ask to have stated.

The ACTING PRESIDENT pro tempore. The amendments submitted by the Senator from Kentucky will be stated.

The LEGISLATIVE CLERK. On page 2, in line 25, and on page 3, in line 1, it is proposed to strike out "George Meany, Washington, District of Columbia;".

On page 5, in line 12, it is proposed to strike out "fourteen" and insert "thirteen."

On page 5, in lines 20 and 21, it is proposed to strike out "George Meany, Washington, D. C."

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendments of the Senator from Kentucky.

The amendments were agreed to.

Mr. SMATHERS. Mr. President, may we have an explanation of the bill, as amended?

Mr. LANGER. Mr. President, the bill, as amended, grants a Federal charter to an organization known as the National Fund for Medical Education.

The National Fund for Medical Education is a voluntary, nonprofit, New York membership corporation organized to interpret the needs of medical education to the American public; to encourage the advancement of medical training standards in the United States; and to preserve academic freedom in the medical schools and equality of educational opportunity, and to foster the training of a sufficient number of competent physicians to meet the Nation's health needs. The National Fund for Medical Education was established in 1949.

Funds received by this organization are allocated annually to the Nation's 79 medical schools, for unrestricted use in support of their teaching budgets in accordance with a grants policy approved by the fund's board of trustees.

This bill has the support of the American Medical Association and the Association of American Medical Colleges. The committee believes that the granting of a Federal charter to this organization is deserved, and therefore recommends favorable consideration of this bill, as amended.

I may say that the bill was reported unanimously.

Mr. SMATHERS. Mr. President, I have been requested to object to the bill. In view of the amendments which have been agreed to, I think possibly the person who requested that I object may be satisfied.

Therefore I ask that the bill be placed at the foot of the calendar until I have an opportunity to talk with the person who asked me to make objection.

Mr. COOPER. Mr. President, in view of the statement made by the Senator from Florida, I should like to make a statement regarding the purpose of the amendments.

The Senator from Ohio [Mr. TAFT], who is a sponsor of the bill, has proposed these amendments. The bill provides for 14 trustees. One of the trustees named was Mr. George Meany. Mr. Meany is unable to serve, or has resigned. The amendments I offered, which were agreed to, would reduce the number of trustees from 14 to 13, and would strike from the bill the name of Mr. George Meany.

Mr. SMATHERS. Mr. President, I ask that the bill, as amended, be placed at the foot of the calendar.

The ACTING PRESIDENT pro tempore. Without objection, the bill, as amended, will be placed at the foot of the calendar.

AMENDMENT OF ACT INCORPORATING THE AMERICAN WAR MOTHERS

The bill (H. R. 1434) to amend the act of February 24, 1925, incorporating the American War Mothers was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF ACT INCORPORATING THE AMERICAN LEGION

The bill (H. R. 2113) to amend the act incorporating the American Legion so as to redefine (a) the powers of said corporation, (b) the right to use the name "The American Legion" and "American Legion," was considered, ordered to a third reading, read the third time, and passed.

GRANTING STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

The Senate proceeded to consider the joint resolution (H. J. Res. 238) granting the status of permanent residence to certain aliens, which had been reported from the Committee on the Judiciary with an amendment, on page 3, after line 13, to insert:

A-8021995, DeSamarjay, Anne Marie.
A-6769940, Ledecky, Jaromir Karl Josef.
A-7197690, Wolf, Jaroslava Nemejc.
A-6390541, Wolf, Vladimir Joseph.
A-6063012, Tomkins, Angelina Mijares Montilla.
A-6063013, Tomkins, Bertram Percival, or Herbert Tomkins.
A-6421940, Malaxa, Nicolae.
A-6064705, Kahane, Adam.

Mr. SMATHERS. Mr. President, may we have an explanation of the joint resodution? How many persons are involved?

Mr. LANGER. Mr. President, under various provisions of the immigration laws, the Attorney General refers to the Congress the cases of certain aliens in which he recommends adjustment of status of such aliens to that of permanent residence. The instant joint resolution consists of the names of 39 aliens that have heretofore been held by the committees for further investigation, but in which cases, on the basis of further study and investigation, it has been ascertained that the cases warranted approval.

However, since the time for congressional approval under the general immigration laws had expired, it was necessary that these cases be included in a joint resolution.

Mr. SMATHERS. Mr. President, does the Senator from North Dakota have available a list of the names?

Mr. LANGER. Yes. They are set forth in the joint resolution. Does the

Senator from Florida wish to have the names read?

Mr. SMATHERS. I should like to have that done, if the Senator from North Dakota does not mind.

Mr. LANGER. The names are as follows:

Alster, Israel.
Baczynski, Czeslaw Stanislaw.
Bayer, Bohuslav Joseph.
Bayer, George Otakar.
Bayer, Libuse Julia (nee Kvarda).
Wurczel, Afsi.
Wurczel, Rivca.
Banczyk, Andrzej Gregory.
Banczyk, Helena Stanislova.
Banczyk, Stanislaw.
Bocek, Frantisek or Frank.
Fogel, Samuel.

Mr. McCARRAN. Mr. President, I could not understand the pronunciation of the last name.

Mr. LANGER. Perhaps I have been reading the names too rapidly.

The other names are as follows:

Hodza, Fedor Andrej.
Hrubec, Zdenek.
Eichenholz, Izak.
Kase, Karel Aloys.
Korenblit, Abram.
Korenblit, Aron.
Pall, Francis Acatius.
Piotrowski, Jozef.
Radil, Bozena Barbara.
Radimska, Olga.
Saar, Walter Emil.
Salumaa, Eduard.
Stapinski, Julia.
Tychanowicz, Ludulka (nee Zarenska).
Tychanowicz, Rudolph Marian or Wladyslaw Filip Lawicki.
Zysman, Ryfka E. (nee Hufnagel).
Brandes, Esther.
Simmons, Ryden Reddington.
Taylor, Lucille Jean Marie Guillent.
DeSamarjay, Anne Marie.
Ledecky, Jaromir Karl Josef.
Wolf, Jaroslava Nemejc.
Wolf, Vladimir Joseph.
Tomkins, Angelina Mijares Montilla.
Tomkins, Bertram Percival, or Herbert Tomkins.
Malaxa, Nicolae.
Kahane, Adam.

Mr. SMATHERS. Mr. President, I wish to make a comment.

The ACTING PRESIDENT pro tempore. The Chair inquires whether the Senator from North Dakota has satisfied the Senator from Florida.

Mr. SMATHERS. The Senator from North Dakota has satisfied me. I wish to commend him upon his linguistic ability.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution (H. J. Res. 238) was read the third time and passed.

CONSTITUTIONAL AMENDMENT RELATING TO THE TAKING OF PRIVATE PROPERTY

The Senate proceeded to consider the joint resolution (S. J. Res. 3) proposing an amendment to the Constitution of the United States relative to the taking of private property, which had been reported from the Committee on the Judiciary with amendments, on page 2, line 1, after the word "by", to strike out "law" and insert "act of Congress"; and after line 2, to insert:

SEC. 2. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within 7 years from the date of its submission.

So as to make the joint resolution read:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE —

"The Executive power of the United States shall not be construed to extend at any time to any taking of private property other than in a manner prescribed by act of Congress."

SEC. 2. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within 7 years from the date of its submission.

Mr. McCARRAN. Mr. President, this is a resolution proposing an amendment to the Constitution to prohibit the taking of private property without due process.

The proposed amendment would simply provide that—

The Executive power of the United States shall not be construed to extend at any time to any taking of private property other than in a manner prescribed by act of Congress.

I cannot believe that any Member of this body favors the taking of private property by Executive order without due process of law. Therefore, I cannot see why there should be an objection on the part of any Member of the Senate to Senate Joint Resolution 3.

Mr. SMATHERS. Mr. President, I should like to ask the Senator from Nevada to explain how the procedure under the proposed constitutional amendment would differ from that under which we are presently operating.

Mr. McCARRAN. Under the proposed constitutional amendment in an emergency an act of Congress could be passed authorizing the President to take private property. Such an amendment is desirable because of the situation which has resulted from the decision of the Supreme Court of the United States in the Steel case, in which there was a divided opinion. In other words, there was a dissent, and individual opinions were rendered by a number of Justices. So, question has arisen whether at some time in the future the Court might see fit to render a decision other than that laid down in the Steel case.

If the joint resolution were passed and the proposed amendment to the Constitution should be adopted, there would be placed in the hands of Congress the power to give the President authority to seize private property, but the President could not seize private property without due process of law, as was done in the Steel case.

Mr. FERGUSON. Mr. President, will the Senator from Nevada yield for a question?

Mr. McCARRAN. If I have the floor, I yield.

Mr. FERGUSON. I merely wanted to ask, in line with the question of the Senator from Florida, whether the proposed constitutional amendment, if adopted, would not determine the question of the right of the President to seize property without an act of Congress, to the extent that the question may have become clouded as a result of the dissenting opinion in the Steel case.

Mr. McCARRAN. That is correct. The Senator has touched the point exactly.

Mr. FERGUSON. For that reason, I favor the amendment, which would remove all doubt.

Mr. SMATHERS. May I inquire whether this joint resolution was reported unanimously by the Committee on the Judiciary?

Mr. McCARRAN. I am advised that it was so reported.

Mr. FERGUSON. Mr. President, will the Senator yield for another question?

Mr. McCARRAN. I yield.

Mr. FERGUSON. Am I correct in assuming that this proposed amendment to the Constitution, if adopted, will eliminate the question of the inherent power of the President to make seizures? It will make it clear, will it not, that the President has no such inherent power?

Mr. McCARRAN. It is the object of the joint resolution to make the situation very clear, and to dissipate the idea of inherent power which has been played with and toyed with.

Mr. FERGUSON. I have spoken on this question heretofore. I think the proposed amendment to the Constitution is well calculated to clear up the matter.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The joint resolution (S. J. Res. 3) was ordered to be engrossed for a third reading, read the third time, and passed.

INCREASE OF AUTHORIZED APPROPRIATION FOR CONSTRUCTION OF EKLUTNA PROJECT

The bill (S. 2097) to increase the amount authorized to be appropriated for the construction of the Eklutna project was announced as next in order.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Reserving the right to object—and I had not planned to object—I wonder whether we might have an explanation of the bill. It appears from the committe report that the increase in the authorization is fairly justified, but that in the past there has been some treatment of the project which is subject to criticism. I wonder whether the Senator from Oregon could

tell us what the present situation is, and what the past situation has been.

Mr. CORDON. Mr. President, the Eklutna project is a hydroelectric project in Alaska, situated approximately 30 miles from Anchorage, Alaska. The Department of the Interior, through its Bureau of Reclamation, came before the Senate Committee on Interior and Insular Affairs with this proposition before there was any authorization of activity by the Bureau of Reclamation in the Territory of Alaska. The committee went into the matter rather fully and reached the conclusion that the peculiar situation within that area required some action in the form of the use of public funds to develop hydroelectric power, in order that the rapidly increasing population of the Anchorage and Palmer areas might have reasonably adequate service. The Bureau of Reclamation thereupon made its recommendation and submitted a report on this project, which involved driving a tunnel about 4½ miles in length through a mountain, and conducting water from a lake through the tunnel and through turbines in the hydroelectric project, for the purpose of generating electric power.

At the time the matter was presented to the Commitee on Interior and Insular Affairs, it was estimated that the total cost of the project would be in excess of $20 million—to be exact, $20,365,400. Predicated upon that estimate and the showing made, not only with respect to the present need for all the power which is proposed to be developed, but also for demands resulting from the potential growth of the area, which demands presently exceed even the power that would be available, the commitee recommended authorization of the project at the total estimated cost of $20,365,400.

Contracts were let, and the work was begun. Certain unforeseen difficulties arose, as a result of the tunneling. The soundings or the borings evidently had not been sufficiently adequate in the first instance. Certainly, the amount of the estimate was low, but contracts were let. When the request for further funds was made it was found that the original authorization of $20,365,000 was approximately exhausted, with the project only about 60 percent completed.

It then became necessary that drastic action be taken. The present Secretary of the Interior sent his Under Secretary, Mr. Tudor, to Alaska to look over the situation and to report. On the basis of his report, request was made by the Bureau of the Budget for permisison to ask for an increase in the monetary authorization to $33 million. It is now the estimate of the Interior Department, and I may say that the estimate is concurred in by Mr. Tudor, who is, himself, a distinguished construction engineer, that $33 million is a sound and firm estimate for the overall job, exclusive of certain necessary acquisitions of local power plants so that the entire project may be integrated.

With reference to such acquisition, tentative agreement has been reached to acquire the other facilities without the transfer of money, but by the use of the power to be developed, which will be paid for by the city, and the city will reimburse itself for the facilities which are to be turned over to the Department of the Interior.

There can be no question, Mr. President—and I think I should be very frank with the Senate—that the original estimate was hardly a sound "guesstimate," much less an engineering estimate. It was far too low.

The only point which has been advanced to the committee that sounds in reason is that there was a mistake made in estimating the higher cost of labor in that area as compared with that in the United States, the estimate used being 1.4, whereas the true estimate should have been 2.35. There were some incidental difficulties which always arise in engineering projects.

The committee feels, from the evidence before it, that the figure is a sound one. The necessity for the bill rests on the fact that the project is approximately 50 percent completed. Approximately $19 million has been spent, and it will take the balance of the $33 million to do the job. If the authorization is made, the appropriation can stand in the appropriation bill, but if it is not made, the item will be stricken from the bill.

Mr. HENDRICKSON. Will that amount indicated by the Senator from Oregon adequately complete the project?

Mr. CORDON. Yes.

Mr. HENDRICKSON. I thank the Senator.

Mr. SMATHERS. Mr. President, will the Senator from Oregon yield?

Mr. CORDON. I yield.

Mr. SMATHERS. I should like to inquire whether there is any participation in the payment for this construction on the part of the government of the Territory of Alaska?

Mr. CORDON. None. The estimate is predicated upon the findings which have been reported to the committee which indicate a potential market adequate to repay the Government for its full investment of $33 million, with interest at current rates to the Government in 50 years.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 2097) to increase the amount authorized to be appropriated for the construction of the Eklutna project was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 6 of the act of July 31, 1950 (64 Stat. 382), is hereby amended by striking the figure "$20,365,400" and inserting in lieu thereof the figure "$33,000,000."

REGULATIONS FOR PREVENTING COLLISIONS AT SEA

The bill (H. R. 2456) to amend the act of October 11, 1951, authorizing the President to proclaim regulations for preventing collisions at sea, and for other purposes, was announced as next in order.

Mr. SMATHERS. Mr. President, I wonder if we may have an explanation of this bill.

Mr. POTTER. Mr. President, this is a simple bill. It is designed to correct two typographical errors which occurred in the bill passed by the Congress on October 11, 1951. The word "traveling" should be stricken out and the word "trawling" inserted. That error occurs in section 6 of the act of October 11, 1951, in the first line of that section.

The second typographical error is in connection with rule 11 (c) of section 6 in the use of the word "been" in the second line, which should be "be."

Mr. SMATHERS. I have no objection.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 2456) was considered, ordered to a third reading, read the third time, and passed.

BROADCASTING OR TELECASTING OF PROFESSIONAL BASEBALL EXHIBITIONS—BILL PASSED OVER

The bill (S. 1396) to authorize the adoption of certain rules with respect to the broadcasting or telecasting of professional baseball exhibitions in interstate commerce, and for other purposes, was announced as next in order.

Mr. COOPER. Mr. President, by request, I ask that the bill go over.

Mr. JOHNSON of Colorado. Mr. President, will the Senator from Kentucky withhold his request for a moment?

Mr. COOPER. Yes. The junior Senator from Illinois [Mr. DIRKSEN] requested me to ask that the bill be passed over.

Mr. JOHNSON of Colorado. If the Senator will withhold his objection, I should like to say to the acting majority leader that at a very early time I shall make an effort to have this bill considered. I hope to have the friendly cooperation and support of the acting majority leader in bringing this bill up at an early date.

Mr. HENDRICKSON. Mr. President, were the remarks of the Senator from Colorado directed to me?

Mr. JOHNSON of Colorado. Yes.

Mr. HENDRICKSON. Mr. President, I shall be very happy to discuss the matter with the majority leader and try to arrange to have the bill taken up in the regular order.

Mr. JOHNSON of Colorado. I thank the Senator.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

AMENDMENT OF NATIONAL HOUSING ACT, AND SERVICEMEN'S READJUSTMENT ACT OF 1944, RELATING TO INTEREST RATES—BILL PASSED TO FOOT OF CALENDAR

The Senate proceeded to consider the bill (S. 1993) to amend the National Housing Act, as amended, and the Servicemen's Readjustment Act of 1944, as amended, with respect to maximum interest rates, and for other purposes, which had been reported from the Committee on Banking and Currency with

amendments, on page 1, after the enacting clause, to strike out:

That the first sentence of section 213 (d) of the National Housing Act, as amended, is hereby amended by striking "4 percent per annum" and inserting "4½ percent per annum in case of a mortgage subject to subsection (b) of this section, and 5 percent per annum in case of a mortgage subject to subsection (c) of this section."

And insert:

That the first sentence of section 213 (d) of the National Housing Act, as amended, is hereby amended by striking "4 percent per annum" and inserting "4½ percent per annum, except that individual mortgages insured pursuant to this subsection covering the individual dwellings in the project may bear interest at not to exceed 5 percent per annum."

On page 2, after line 8, to strike out:

SEC. 2. (a) Section 512 (a) (C) of the Servicemen's Readjustment Act of 1944, as amended, is hereby amended by striking "4 percent per annum" and inserting "the rate currently in effect from time to time pursuant to section 500 (b) of this title."

(b) Section 512 (b) of said act, as amended, is hereby amended by striking "4 percent" and inserting "4½ percent."

After line 16, to insert:

SEC. 2. Title III of the Servicemen's Readjustment Act of 1944, as amended, is hereby amended as follows:

(1) The last proviso of section 500 (b) is hereby amended to read as follows: "*And provided further*, That the Administrator shall from time to time, with the approval of the Secretary of the Treasury, prescribe by regulation the maximum rates of interest, not exceeding 4½ percent per annum, which may be charged on loans guaranteed under this title. Any rate or rates so prescribed may be varied if in the judgment of the Administrator such variation will be to the advantage of eligible veterans and will aid the achievement of the purposes of this title."

(2) By striking "4 percent per annum" from clause (C) of section 512 (a) and inserting "the rate currently in effect from time to time pursuant to section 500 (b) of this title" in lieu thereof.

(3) By amending the language of section 512 (b) which precedes the proviso to read as follows: "Loans pursuant to commitments made after the effective date of this enactment shall bear interest at such rate as may be then prescribed for guaranteed home loans, and in no event to exceed 4½ percent per annum and shall be subject to such requirements or limitations prescribed for loans guaranteed under this title as may be applicable."

(4) By striking out "June 30, 1953" from clause (C) of section 512 (b) and inserting "June 30, 1954" in lieu thereof.

(5) By striking out "June 30, 1953" from the first sentence of section 513 (a) and inserting "June 30, 1954" in lieu thereof.

(6) By striking out "June 30, 1954" from the third sentence of section 513 (c) and inserting "June 30, 1955" in lieu thereof.

(7) By striking out "June 30, 1953" from the first sentence of section 513 (d) and inserting "June 30, 1954" in lieu thereof.

So as to make the bill read:

Be it enacted, etc., That the first sentence of section 213 (d) of the National Housing Act, as amended, is hereby amended by striking "4 percent per annum" and inserting "4½ percent per annum, except that individual mortgages insured pursuant to this subsection covering the individual dwellings in the project may bear interest at not to exceed 5 percent per annum,".

SEC. 2. The first sentence of the last paragraph of sections 803 (b) and 908 (b) of said act, as amended, is hereby amended by striking out "4 percent" and inserting "4½ percent".

SEC. 3. Title III of the Servicemen's Readjustment Act of 1944, as amended, is hereby amended as follows:

(1) The last proviso of section 500 (b) is hereby amended to read as follows: "*And provided further*, That the Administrator shall from time to time, with the approval of the Secretary of the Treasury, prescribe by regulation the maximum rates of interest, not exceeding 4½ percent per annum, which may be charged on loans guaranteed under this title. Any rate or rates so prescribed may be varied if in the judgment of the Administrator such variation will be to the advantage of eligible veterans and will aid the achievement of the purposes of this title;".

(2) By striking "4 percent per annum" from clause (C) of section 512 (a) and inserting "the rate currently in effect from time to time pursuant to section 500 (b) of this title" in lieu thereof.

(3) By amending the language of section 512 (b) which precedes the proviso to read as follows: "Loans pursuant to commitments made after the effective date of this enactment shall bear interest at such rate as may be then prescribed for guaranteed home loans, and in no event to exceed 4½ percent per annum and shall be subject to such requirements or limitations prescribed for loans guaranteed under this title as may be applicable:".

(4) By striking out "June 30, 1953" from clause (C) of section 512 (b) and inserting "June 30, 1954" in lieu thereof.

(5) By striking out "June 30, 1953" from the first sentence of section 513 (a) and inserting "June 30, 1954" in lieu thereof.

(6) By striking out "June 30, 1954" from the third sentence of section 513 (c) and inserting "June 30, 1955" in lieu thereof.

(7) By striking out "June 30, 1953" from the first sentence of section 513 (d) and inserting "June 30, 1954" in lieu thereof.

The amendments were agreed to.

Mr. SMATHERS. Mr. President, this seems to be a good bill, but it is a very important one, and I wonder if we might have an explanation of its purposes.

Mr. COOPER. Mr. President, the senior Senator from Indiana [Mr. CAPEHART] is absent from the Chamber at the moment, and I ask that the bill go to the foot of the calendar. Perhaps we may have an explanation of it later.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ERECTION OF MEMORIAL TO SARA LOUISA RITTENHOUSE

The Senate proceeded to consider the joint resolution (S. J. Res. 37) to authorize the erection of a memorial to Sara Louisa Rittenhouse in Montrose Park, D. C., which had been reported from the Committee on Rules and Administration with an amendment, on page 1, line 6, after the word "to", to strike out "Sara Louisa Rittenhouse. The design of such memorial shall, prior to the erection thereof, be approved by the Commission on Fine Arts. No part of any expense incurred in connection with the erection of such memorial shall be borne by the United States" and insert "the memory of Sara Louisa Rittenhouse.

"SEC. 2. The site for the memorial shall be approved by the Secretary of the Interior and the National Capital Planning Commission. The design of the memorial, its adequacy and propriety for the site designated, the inscription on the memorial, and the plan for the treatment of the grounds connected with the site shall be approved by the Commission of Fine Arts, the Secretary of the Interior, and the National Capital Planning Commission. The memorial shall be erected and its site landscaped under the supervision of the Secretary of the Interior.

"SEC. 3. All funds necessary to carry out the erection of the memorial and the landscaping of its site shall be certified available to the Secretary of the Interior by the Georgetown Garden Club in time to permit the completion of such work within not more than 4 years after the exact site has been determined; and the United States shall be put to no expense in or by the erection of said memorial and the landscaping of its site."

So as to make the joint resolution read:

Resolved, etc., That the Secretary of the Interior is authorized and directed to grant to the Georgetown Garden Club permission to erect in Montrose Park, in the District of Columbia, an appropriate memorial to the memory of Sara Louisa Rittenhouse.

SEC. 2. The site for the memorial shall be approved by the Secretary of the Interior and the National Capital Planning Commission. The design of the memorial, its adequacy and propriety for the site designated, the inscription on the memorial, and the plan for the treatment of the grounds connected with the site shall be approved by the Commission of Fine Arts, the Secretary of the Interior, and the National Capital Planning Commission. The memorial shall be erected and its site landscaped under the supervision of the Secretary of the Interior.

SEC. 3. All funds necessary to carry out the erection of the memorial and the landscaping of its site shall be certified available to the Secretary of the Interior by the Georgetown Garden Club in time to permit the completion of such work within not more than 4 years after the exact site has been determined; and the United States shall be put to no expense in or by the erection of said memorial and the landscaping of its site.

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

RESOLUTION PASSED OVER

The resolution (S. Res. 115) increasing the limit of expenditures for the Select Committee on Small Business was announced as next in order.

Mr. ELLENDER. Over.

Mr. THYE. Mr. President, I just heard the Senator from Louisiana request that the resolution go over. Will it go to the foot of the calendar so that it may be acted upon before the beginning of the new fiscal year? That is the reason why I rise, to ask whether it will go to the foot of the calendar and may be discussed at the conclusion of the calendar call.

The ACTING PRESIDENT pro tempore. Objection was heard.

Mr. HENDRICKSON. Mr. President, I ask unanimous consent that the resolution be taken up at the conclusion of the call of the calendar.

Mr. ELLENDER. Mr. President, I object.

The ACTING PRESIDENT pro tempore. The resolution will be passed over.

APPOINTMENT OR RETENTION OF CERTAIN FEMALE RESERVE PERSONNEL

The bill (S. 1492) to require the establishment of adequate provisions relating to the appointment or retention of certain female Reserve personnel with minor or dependent children, was announced as next in order.

Mr. SMATHERS. I have no objection to the consideration of the bill; but I should like to have an explanation of it.

Mr. HENDRICKSON. Mr. President, I am glad to give an explanation. I believe the bill to be one of the most equitable measures the Senate will have before it for consideration at this session of Congress.

Senate bill 1492 would amend the Armed Forces Reserve Act of 1952 by adding three new sections to the law. These sections would provide that present and former women members of the armed services would not be discharged or declared ineligible for appointment in the military services Reserves solely because of the fact that they become mothers or assume custody of minor children.

There is no existing law which expressly deals or treats with this problem. The cases which have been considered have been handled solely under regulations of the military services, and under the current regulations women are not eligible for appointment or enlistment in the Reserve components if they have minor or dependent children, and they are discharged mandatorily from the Reserves if they become mothers or assume custody of minor children.

I was chairman of a special subcommittee of the Committee on Armed Services which held extensive hearings for 2 days on the bill. The Senate may be assured that the bill was most carefully considered.

In effect, S. 1492 would provide the legislative guaranty that the birth of children or assumption of the care of minor children would not be the sole basis for denying women membership in the Reserve components. The Committee on Armed Services was of the opinion that the regulations excluding women from membership in the Reserves for these reasons, without considering any of the circumstances involved in each case, were arbitrarily unfair to the women affected, and, at the same time, deprived the Armed Forces of a source of very valuable personnel.

As a matter of fact, there were in attendance at the hearings a number of women who had served with great distinction in the last war and who are mothers. To me, as a former member of the Armed Forces, it would be shocking to exclude such women from the Armed Forces simply because they have assumed custody of minor children, either by reason of birth or otherwise. I do not believe they should be denied the right to serve their country in an emergency.

The bill was most carefully considered and was reported unanimously by the Committee on Armed Services.

Mr. SMATHERS. Mr. President, will the Senator yield further?

Mr. HENDRICKSON. I yield.

Mr. SMATHERS. Is the Senator of the opinion that a woman who has served in the armed services and who now has the custody of a child is still in a condition to return to the armed services and be of benefit to the armed services?

Mr. HENDRICKSON. Indeed I am. As a matter of fact, the hearings clearly established that fact beyond any question of doubt.

Mr. SMATHERS. Did the Department of Defense give its approval to the proposed legislation?

Mr. HENDRICKSON. The Department of Defense did not give its approval, because it objected to some administrative features which would be imposed on the Department by the enactment of the bill. However, they are very minor administrative features. There appeared on behalf of the Department one witness who attempted to carry the burden of proof against the advantages of the bill.

Mr. SMATHERS. Can the Senator estimate the additional cost to the Armed Services if the bill should pass?

Mr. HENDRICKSON. The only expenditures involved as a result of enactment of the bill would be, first, the pay of the women who would enter active military service; and, of course, they would be entitled to that pay. Second, the bill provides for the payment of those who participate in reserve activities. I am assured that the overhead cost involved in maintaining the records of the personnel would be a very small item indeed, compared with the advantages of having these talented women available in the event of an emergency.

Mr. SMATHERS. Do I understand correctly that the bill does not in any way require the armed services to call back to active duty any of these women?

Mr. HENDRICKSON. It would not have that result. In effect, all the bill does is to say to the military that they shall establish satisfactory or reasonable regulations to cover the whole subject.

The ACTING PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the bill (S. 1492) to require the establishment of adequate provisions relating to the appointment or retention of certain female Reserve personnel with minor or dependent children was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted etc., That the Armed Forces Reserve Act of 1952 is amended—

(1) by adding at the end of part III thereof the following new section:

"SEC. 305. The Secretary of the Army shall establish adequate provisions with respect to female Reserve officers, female former Reserve officers, Reserve enlisted women, and former Reserve enlisted women of the Army Reserve to insure (1) that such personnel shall not be declared ineligible for appointment or enlistment in the Army Reserve solely on the basis of having minor or dependent children, and (2) that such personnel shall not be discharged involuntarily therefrom solely because of the birth or assumption of care or custody of such children.";

(2) by adding at the end of part IV thereof, the following new section:

"SEC. 415. The Secretary of the Navy shall establish adequate provisions with respect to female Reserve officers, female former Reserve officers, Reserve enlisted women, and former Reserve enlisted women of the Naval Reserve, Marine Corps Reserve, and Coast Guard Reserve to insure (1) that such personnel shall not be declared ineligible for appointment or enlistment in the Naval Reserve, Marine Corps Reserve, and Coast Guard Reserve solely on the basis of having minor or dependent children, and (2) that such personnel shall not be discharged involuntarily therefrom solely because of the birth or assumption of care or custody of such children."; and

(3) by adding at the end of part VI thereof, the following new section:

"SEC. 604. The Secretary of the Air Force shall establish adequate provisions with respect to female Reserve officers, female former Reserve officers, Reserve enlisted women, and former Reserve enlisted women of the Air Force Reserve to insure (1) that such personnel shall not be declared ineligible for appointment or enlistment in the Air Force Reserve solely on the basis of having minor or dependent children, and (2) that such personnel shall not be discharged involuntarily therefrom solely because of the birth or assumption of care or custody of such children."

Mr. HENDRICKSON subsequently said: Mr. President, I ask to have printed in the RECORD a statement with reference to S. 1492.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HENDRICKSON ON S. 1492

S. 1492 would amend the Armed Forces Reserve Act of 1952 by adding three new sections to this law. These sections would provide that present and former women members of our armed services would not be discharged, or declared ineligible for appointment in the Reserves of our military services, solely because of the fact that these women become mothers or assume custody of minor children. There is no existing law which expressly deals with this matter.

Under current regulations of the military services, women are not eligible for appointment or enlistment in the Reserve components if they have minor or dependent children, and they are discharged mandatorily from the Reserves if they become mothers or assume custody of minor children.

The junior Senator from New Jersey would like to add at this point that he was chairman of a special subcommittee which held hearings for 2 days on this bill, and the Senate may be assured that this bill was carefully considered.

What S. 1492, in effect, would do would be to provide the legislative guaranty that the birth or assumption of the care of minor children would not be the sole basis for denying women membership in the Reserve components. The Committee on Armed Services was of the opinion that the regulations excluding women from membership in the Reserves for these reasons, without considering any of the circumstances involved in each case, are arbitrarily unfair to the women involved and at the same time deprive the Armed Forces of a source of valuable personnel.

The committee received extensive testimony from women who were formerly mem-

bers of the Reserve components. Some testified that, except for the time usually required for maternity leave, the birth of their children would not have interfered with their continuation on military duty. Others, in the case of adopted children, testified that they would have continued their military service without any interference from the assumption of the custody of the children. In all cases, however, these women were discharged.

There are also those women in the Reserves who were not on active military duty who were discharged as reservists solely because of their becoming mothers. These women likewise testified that their children would not interfere with their Reserve activities.

I would like to emphasize that this bill does not say that these women must be retained even if they have children. It merely says that they may not be mandatorily discharged for this reason alone. The effect would be that the military services would have to consider the circumstances in each case.

FUNDS INVOLVED

The only funds which this bill involves would be (a) the pay of those women who would enter active military service because of the passage of this bill or (b) those who would be paid for participating in Reserve activities, and (c) the overhead costs involved in maintaining the records on these persons.

DEPARTMENT OF DEFENSE POSITION

The Department of Defense opposed this bill, apparently on the basis that since women who are mothers could not be involuntarily ordered to duty during a period of mobilization, they did not constitute a dependable part of the mobilization potential. This reasoning appears to ignore the fact that the women reservists with children who would remain on active military duty constitute a part of the actual military strength rather than any mobilization potential.

With respect to the mobilization potential argument, there would certainly be a portion of these women who would come in; whereas if they are all mandatorily discharged, there is no mobilization potential at all. It would certainly appear that the relatively small expense of maintaining the records and providing the necessary training programs would justify the retention of these women in the Reserve forces.

AMENDMENT OF FEDERAL CREDIT UNION ACT

The Senate proceeded to consider the bill (S. 1665) to amend the Federal Credit Union Act, which had been reported from the Committee on Banking and Currency with amendments, on page 1, line 3, after the enacting clause, to strike out:

That section 13 of the Federal Credit Union Act (12 U. S. C., sec. 1763) is hereby amended by inserting "(a)" after "SEC. 13." and by adding at the end thereof the following new subsection:

"(b) If at any annual meeting a dividend is declared under subsection (a) then upon recommendation of the board of directors a patronage dividend may also be declared at such meeting from the remaining net earnings. A patronage dividend shall be paid to members in proportion to the interest they have paid during the preceding fiscal year on loans made to them."

And insert:

That subsection (c) of section 11 of the Federal Credit Union Act (12 U. S. C., sec. 1761) is hereby amended by striking out "and," after the last semicolon and by inserting before the period at the end of the paragraph the following: "and, subject to such regulations as may be issued by the Director, authorize an interest refund to members of record at the close of business on December 31 in proportion to the interest paid by them during that year."

On page 2, line 14, after the word "the", to strike out "Federal Security Agency" and insert "Bureau of Federal Credit Unions"; so as to make the bill read:

Be it enacted, etc., That subsection (c) of section 11 of the Federal Credit Union Act (12 U. S. C., sec. 1761) is hereby amended by striking out "and," after the last semicolon and by inserting before the period at the end of the paragraph the following: "and, subject to such regulations as may be issued by the Director, authorize an interest refund to members of record at the close of business on December 31 in proportion to the interest paid by them during that year".

SEC. 2. Section 16 of the Federal Credit Union Act (12 U. S. C., sec. 1766) is hereby amended by adding at the end thereof the following new subsection:

"(f) Any officer or employee of the Bureau of Federal Credit Unions is authorized, when designated for the purpose by the Director of the Bureau of Federal Credit Unions, to administer oaths and affirmations and to take affidavits and depositions touching upon any matter within the jurisdiction of the Bureau of Federal Credit Unions."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LABELING OF PACKAGES CONTAINING FOREIGN-PRODUCED TROUT

The bill (S. 2033) relating to the labeling of packages containing foreign-produced trout sold in the United States, and requiring certain information to appear on the menus of public eating places serving such trout was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 301 of the Federal Food, Drug, and Cosmetic Act, as amended (21 U. S. C. 331), is amended by adding thereto a new paragraph as follows:

"(n) The sale, offering for sale, possession for sale or serving of trout produced outside the United States, its Territories, or possessions, in violation of section 408 of this title."

SEC. 2. Chapter IV of the Federal Food, Drug, and Cosmetic Act, as amended (21 U. S. C. 341 et seq.) is amended by adding at the end thereof a new section as follows:

"FOREIGN-PRODUCED TROUT

"SEC. 408. (a) No person shall sell, offer for sale, or possess for sale as food, in any place other than a public eating place, trout produced outside the United States, its Territories, or possessions, unless—

"(1) such trout is packaged;

"(2) each part of the contents of the package is contained in a wrapper; and

"(3) each such package and wrapper is clearly and conspicuously stamped or labeled to disclose in type or lettering not smaller than 20-point type the word 'trout' preceded by the name of the country in which such trout was produced.

"(b) No person shall possess in a form ready for serving or shall serve at a public eating place trout produced outside the United States, its Territories, or possessions, unless there appears on the menu of such eating place in clear and conspicuous type the word 'trout' preceded by the name of the country in which such trout was produced, or, if such eating place does not have a menu, a notice is displayed prominently and conspicuously in such eating place stating that '—— trout is served in this restaurant,' the blank space to be filled with the name of the country in which such trout was produced.

"(c) The requirements of subsections (a) and (b) shall be in addition to and not in lieu of any of the other requirements of this act.

"(d) As used in this section the term 'trout' means all species of trout fish, except Salvelinus namaycush (lake trout), belonging to the following genera: Salmo, Salvelinus, Cristivomer, Hucho, and Brachymystax."

SEC. 3. Nothing in this act shall be construed as authorizing the possession, sale, or serving of foreign-produced trout in any State or Territory in contravention of the laws of such State or Territory.

Mr. DWORSHAK. Mr. President, I ask unanimous consent to have printed in the RECORD an explanatory statement relative to Senate bill 2033.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR DWORSHAK ON SENATE BILL 2033

The purpose of my bill, S. 2033, is simple. It would merely require honest labeling of foreign trout sold and served in this country. It is in no way designed or intended to restrict the imports of foreign trout. It does not restrict or in any way limit such imports. It is not a tariff measure.

This bill was introduced after numerous complaints from all over the country were received that imported trout is being sold in the United States under various false labels, indicating that the imported product was in fact a domestic product. "Rocky Mountain trout," "Eastern brook trout," and even "Idaho brook trout," are terms used to describe the foreign product. My bill simply requires that imported trout be sold under honest labels. This will make it possible to eliminate unfair competition with American commercial trout growers who have already suffered considerable financial loss because of this deceptive practice. It is also appropriate to point out that foreign trout lacks the distinctive flavor and firmness of the domestic product. This is due to the difference in feeding methods.

Reports received on S. 626 and S. 1114, which were similar in objective to the pending bill, from the Departments of State, Interior, and Health, Education, and Welfare, generally were adverse.

The State Department contended that enactment of such legislation was in conflict with United Sates trade policies and commitments. This contention is simply not valid, because the legislation does not prevent the importation of foreign trout. To reemphasize, the bill simply requires honest labeling. It would seem entirely reasonable to require that foreign trout be sold for what it is—foreign trout.

The Department of Health, Education, and Welfare objected on the ground that there is already provision in the Food and Drug Act prohibiting removal or alteration of required labeling while an article is held for sale. That is true, however, only to the point at which the imported fish is removed from bulk containers and repackaged for sale in this country. Existing provisions of law are therefore not adequate.

There is no reason why, if the principle involved in the law cited by the Department has validity, it should not be extended to cover the whole situation.

The Department of the Interior report reflected the erroneous impression that the bill was designed to curb imports and stated that the measure would not serve that purpose. It stated also that the labeling requirement would raise the cost per pound of imported trout by only a few cents. Then it went on to say that "The present differential in wholesale price between domestically raised trout and the imported, hatchery-raised trout is around 40 cents per pound. Thus, the additional cost could be absorbed easily and the imported trout still would undersell domestically produced trout." That objection, if such it can be called, is an argument for the bill.

From the foregoing it should be convincingly clear that S. 2033 does no more than restore a fair basis for competition.

COMPACT RELATING TO HIGHER EDUCATION IN WESTERN STATES

The bill (S. 1515) granting the consent of Congress to certain Western States and the Territories of Alaska and Hawaii to enter into a compact relating to higher education in the Western States and establishing the Western Interstate Commission for Higher Education was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the consent of Congress is hereby given to any five or more of the States of Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming and the Territories of Alaska and Hawaii to enter into the following compact and agreement relating to higher education and creating the Western Interstate Commission for Higher Education.

The compact reads as follows:

"ARTICLE I

"Whereas the future of this Nation and of the Western States is dependent upon the quality of the education of its youth and

"Whereas many of the Western States individually do not have sufficient numbers of potential students to warrant the establishment and maintenance within their borders of adequate facilities in all of the essential fields of technical professional, and graduate training, nor do all the States have the financial ability to furnish within their borders institutions capable of providing acceptable standards of training in all of the fields mentioned above; and

"Whereas it is believed that the Western States, or groups of such States within the region, cooperatively can provide acceptable and efficient educational facilities to meet the needs of the region and of the students thereof:

"Now, therefore, the States of Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming, and the Territories of Alaska and Hawaii do hereby covenant and agree as follows:

"ARTICLE II

"Each of the compacting States and Territories pledges to each of the other compacting States and Territories faithful cooperation in carrying out all the purposes of this compact.

"ARTICLE III

"The compacting States and Territories hereby create the Western Interstate Commission for Higher Education, hereinafter called the Commission. Said Commission shall be a body corporate of each compacting State and Territory and an agency thereof. The Commission shall have all the powers and duties set forth herein, including the power to sue and be sued, and such additional powers as may be conferred upon it by subsequent action of the respective legislatures of the compacting States and Territories.

"ARTICLE IV

"The Commission shall consist of three resident members from each compacting State or Territory. At all times one Commissioner from each compacting State or Territory shall be an educator engaged in the field of higher education in the State or Territory from which he is appointed.

"The Commissioners from each State and Territory shall be appointed by the governor thereof as provided by law in such State or Territory. Any Commissioner may be removed or suspended from office as provided by the law of the State or Territory from which he shall have been appointed.

"The terms of each Commissioner shall be 4 years: *Provided, however*, That the first 3 Commissioners shall be appointed as follows: 1 for 2 years, 1 for 3 years, and 1 for 4 years. Each Commissioner shall hold office until his successor shall be appointed and qualified. If any office becomes vacant for any reason, the governor shall appoint a Commissioner to fill the office for the remainder of the unexpired term.

"ARTICLE V

"Any business transacted at any meeting of the Commission must be by affirmative vote of a majority of the whole number of compacting States and Territories.

"One or more Commissioners from a majority of the compacting States and Territories shall constitute a quorum for the transaction of business.

"Each compacting State and Territory represented at any meeting of the Commission is entitled to one vote.

"ARTICLE VI

"The Commission shall elect from its number a chairman and a vice chairman, and may appoint, and at its pleasure dismiss or remove, such officers, agents, and employees as may be required to carry out the purpose of this compact; and shall fix and determine their duties, qualifications and compensation, having due regard for the importance of the responsibilities involved.

"The Commissioners shall serve without compensation, but shall be reimbursed for their actual and necessary expenses from the funds of the Commission.

"ARTICLE VII

"The Commission shall adopt a seal and bylaws and shall adopt and promulgate rules and regulations for its management and control.

"The Commission may elect such committees as it deems necessary for the carrying out of its functions.

"The Commission shall establish and maintain an office within one of the compacting States for the transaction of its business and may meet any time, but in any event must meet at least once a year. The Chairman may call such additional meetings and upon the request of a majority of the Commissioners of three or more compacting States or Territories shall call additional meetings.

"The Commission shall submit a budget to the governor of each compacting State and Territory at such time and for such period as may be required.

"The Commission shall, after negotiations with interested institutions, determine the cost of providing the facilities for graduate and professional education for use in its contractual agreements throughout the region.

"On or before the 15th day of January of each year, the Commission shall submit to the governors and legislatures of the compacting States and Territories a report of its activities for the preceding calendar year.

"The Commission shall keep accurate books of account, showing in full its receipts and disbursements, and said books of account shall be open at any reasonable time for inspection by the governor of any compacting State or Territory or his designated representative. The Commission shall not be subject to the audit and accounting procedure of any of the compacting States or Territories. The Commission shall provide for an independent annual audit.

"ARTICLE VIII

"It shall be the duty of the Commission to enter into such contractual agreements with any institutions in the region offering graduate or professional education and with any of the compacting States or Territories as may be required in the judgment of the Commission to provide adequate services and facilities of graduate and professional education for the citizens of the respective compacting States or Territories. The Commission shall first endeavor to provide adequate services and facilities in the fields of dentistry, medicine, public health, and veterinary medicine, and may undertake similar activities in other professional and graduate fields.

"For this purpose the Commission may enter into contractual agreements—

"(a) with the governing authority of any educational institution in the region, or with any compacting state or territory, to provide such graduate or professional educational services upon terms and conditions to be agreed upon between contracting parties, and

"(b) with the governing authority of any educational institution in the region or with any compacting state or territory to assist in the placement of graduate or professional students in educational institutions in the region providing the desired services and facilities, upon such terms and conditions as the Commission may prescribe.

"It shall be the duty of the Commission to undertake studies of needs for professional and graduate educational facilities in the region, the resources for meeting such needs, and the long-range effects of the compact on higher education; and from time to time to prepare comprehensive reports on such research for presentation to the Western Governor's Conference and to the legislatures of the compacting States and Territories. In conducting such studies, the Commission may confer with any national or regional planning body which may be established. The Commission shall draft and recommend to the Governors of the various compacting States and Territories, uniform legislation dealing with problems of higher education in the region.

"For the purposes of this compact the word 'Region' shall be construed to mean the geographical limits of the several compacting States and Territories.

"ARTICLE IX

"The operating costs of the Commission shall be apportioned equally among the compacting States and Territories.

"ARTICLE X

"This compact shall become operative and binding immediately as to those States and Territories adopting it whenever five or more of the States or Territories of Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming, Alaska, and Hawaii have duly adopted it prior to July 1, 1953. This compact shall become effective as to any additional States or Territories adopting thereafter at the time of such adoption.

"ARTICLE XI

"This compact may be terminated at any time by consent of a majority of the compacting States and Territories. Consent shall be manifested by passage and signature in the usual manner of legislation expressing such consent by the legislature and Governor of such terminating State. Any State or Territory may at any time withdraw

from this compact by means of appropriate legislation to that end. Such withdrawal shall not become effective until 2 years after written notice thereof by the Governor of the withdrawing State or Territory accompanied by a certified copy of the requisite legislative action is received by the Commission. Such withdrawal shall not relieve the withdrawing State or Territory from its obligations hereunder accruing prior to the effective date of withdrawal. The withdrawing State or Territory may rescind its action of withdrawal at any time within the 2-year period. Thereafter, the withdrawing State or Territory may be reinstated by application to and the approval by a majority vote of the Commission.

"ARTICLE XII

"If any compacting State or Territory shall at any time default in the performance of any of its obligations assumed or imposed in accordance with the provisions of this compact, all rights, privileges and benefits conferred by this compact or agreements hereunder shall be suspended from the effective date of such default as fixed by the Commission.

"Unless such default shall be remedied within a period of 2 years following the effective date of such default, this compact may be terminated with respect to such defaulting State or Territory by affirmative vote of three-fourths of the other member States or Territories.

"Any such defaulting State may be reinstated by: (a) performing all acts and obligations upon which it has heretofore defaulted, and (b) application to and the approval by a majority vote of the Commission."

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

AMENDMENT OF NATIONAL SCIENCE FOUNDATION ACT OF 1950

The Senate proceeded to consider the bill (S. 977) to amend the National Science Foundation Act of 1950, which had been reported from the Committee on Labor and Public Welfare with an amendment, to strike out all after the enacting clause and insert:

That subsection (a) of section 16 of the National Science Foundation Act of 1950 is amended by striking out "not to exceed $500,000 for the fiscal year ending June 30, 1951, and not to exceed $15 million for each fiscal year thereafter" and inserting in lieu thereof "such sums as may be necessary to carry out the provisions of this act."

The amendment was agreed to.

Mr. SMATHERS. Mr. President, I wonder if we might have an explanation from the able senior Senator from New Jersey as to the purposes of the bill.

Mr. SMITH of New Jersey. The purpose of the bill is to carry out the intent of the Bureau of the Budget to consolidate, so far as possible, in the National Science Foundation, research in pure science as distinguished from applied science. This can be done only if the present limited ceiling of $15 million is removed from the law. It is proposed by the pending bill to amend the law so as to provide an open ceiling for such amounts as may be necessary to carry out the purposes of the act. This amendment has the full approval of the Bureau of the Budget, after a conference with Mr. Dodge and the Directors of the Foundation.

If the Senator from Florida wishes a further explanation, I can go into more detail.

Mr. SMATHERS. I should appreciate having the Senator give a little further explanation, if he is in a position to do so.

Mr. SMITH of New Jersey. The action along the line suggested was initiated at the instigation of Dr. Vannevar Bush, who was the head of all the Government's scientific work during the war. As a result of experience in the war with atomic energy work, and otherwise, he came to the conclusion that one thing that was needed with a consolidation of efforts in research in pure science. That was what led to the introduction of the National Science Foundation bill.

At that time Dr. Bush estimated that, under the circumstances, the cost of stimulating much needed basic research might reach $50 million or $60 million a year. He believed that in the long run money would be saved by consolidating this research in the new Foundation.

I believe this question was before Congress 2 or 3 years ago, and that there was extended debate on the subject. The National Science Foundation was established, with provision made for representatives on the Foundation from colleges all over the country, including land-grant colleges. A program was developed for the assignment of research projects to different institutions after hearings before the Foundation itself.

The Director of the Foundation is Dr. Alan Waterman, an eminent scientist. Mr. Chester Barnard, formerly head of the Rockefeller Foundation, accepted the chairmanship of the Board. He, Dr. Waterman, and other scientific colleagues are moving ahead with the whole program and are carefully carrying out the original purposes of the act.

The difficulty in the past has been that some Members of Congress have not fully understood the need for consolidating our Government's basic research efforts. Appropriations have been so limited that it was not possible for the Foundation to do the work for which it was originally created, namely, to bring together much of the basic research now being done in the Department of the Army, the Department of the Navy, and other agencies. Such centralization is necessary if we are to make economies in this expensive but critically important area of work. That was the only reason why we asked that the definite ceiling of $15 million be removed so that in consultation with the various departments and the Bureau of the Budget, funds and programs now carried on by other agencies of the Government could be transferred, in accordance with the President's policy of consolidation, to the National Science Foundation.

This year I think the appropriation asked for was $15 million. I understand that approximately $10 million has been tentatively approved. No more money is needed this year; but it is necessary to have the ceiling removed so that the Foundation's work can be expanded, as originally intended, and the very important research in pure science be put on a sound nationwide basis under the leadership of eminent scientists. I wish to emphasize that the removal of this ceiling would not increase total Federal expenditures in basic research. All it would do would be to permit consolidation of this work. As a matter of fact, such consolidation can be expected to result in savings from the standpoint of the overall Federal budget.

The original request was that the number required for a quorum be reduced. There are 24 members on the Board. There have always been present at the meetings more than a majority of the members. It was believed by some that it might expedite the work of the Foundation if a smaller number were required to form a quorum. However, we considered the work so important that we felt that the members of the panel should get together at regular intervals for the very important task of assigning research projects and assigning scholarships for young scientists among the various institutions. We rejected the request that a smaller number be required for a quorum, but we felt that removal of the ceiling from the authorization was necessary to enable the Foundation to design and carry out a program of the scope and dimension originally intended by Congress. I consider such basic research a vital part of our national health, welfare, and security.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I yield.

Mr. SMATHERS. Would this bill in any way change the previous operations of the National Science Foundation?

Mr. SMITH of New Jersey. It would change its operations in the sense that research in pure science would tend to be concentrated in the Foundation, rather than having it scattered, with a little in one department and a little in another department.

The ACTING PRESIDENT pro tempore. The Chair reminds the Senator from New Jersey that his 5 minutes have expired.

Mr. SMATHERS. I thank the Senator from New Jersey, and commend him for his work in this field.

The ACTING PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EXTENSION OF DURATION OF HOSPITAL SURVEY AND CONSTRUCTION ACT

The Senate proceeded to consider the bill (S. 967) to extend the duration of the Hospital Survey and Construction Act (title VI) of the Public Health Service Act, which had been reported from the Committee on Labor and Public Welfare with an amendment, on page 1, line 5, to strike out the word "five" and insert in lieu thereof the word "seven", so as to make the bill read:

Be it enacted, etc., That the first sentence of section 621 of the Public Health Service Act, as amended, is amended by striking out the word "five" and inserting in lieu thereof the word "seven."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PERMISSION TO VETERANS TO SUSPEND OR DELAY THEIR PROGRAMS OF EDUCATION OR TRAINING

The Senate proceeded to consider the bill (S. 631) to permit veterans to suspend or delay their programs of education or training under the Veterans' Readjustment Assistance Act of 1952 in order to perform services as missionaries, which had been reported from the Committee on Labor and Public Welfare with amendments.

The first amendment of the Committee on Labor and Public Welfare was, on page 1, line 10, after the word "having", to insert "during the past 10 years."

The amendment was agreed to.

Mr. SMATHERS. Mr. President, I wonder if we may have an explanation of the bill. I see that the Senator from Utah [Mr. BENNETT], the author of the bill, is present in the Chamber.

Mr. BENNETT. Mr. President, this bill would enable returning Korean veterans to perform a traditional, full-time, unpaid, religious missionary service for their church without losing the educational benefits of the Veterans' Readjustment Assistance Act of 1952, commonly known as the Korean GI bill.

The Church of Jesus Christ of Latter-day Saints—commonly known as the Mormon Church—for many years has sent out young men as missionaries when they were about the ages of these returning veterans. However, the performance of this missionary work by the returning veteran involves such a delay in, or such an interruption of, his educational program that, under the requirements of the act as to time of initiation or allowed interruption, he loses his benefits under the act. There may be other churches with the same problem, but we know of no others.

First. The present act—section 212a—requires the veteran to initiate his education program within 2 years after his discharge or release from active service. This bill provides that up to 36 months time spent in missionary work as defined by this bill would be disregarded in applying this limitation on the time for initiating the program of education.

Second. The present act—section 212b—provides that the veteran cannot interrupt his education program for more than 12 months. This bill would provide that up to 36 months' time spent in missionary work as defined by this bill would be disregarded in applying this limitation on interruption of the program of education.

For more than 120 years the Church of Jesus Christ of Latter-day Saints has been sending out young men from 18 to 25 years of age as missionaries. Ordinarily they spend 2 to 2½ years in this service, unpaid and at their own expense, and return to establish themselves in other careers, since the church has no paid ministry. This is the accepted pattern of life for an orthodox and devoted member of the church.

When the Korean war began, there were approximately 3,000 young men in the missionary service of this church. Ordinarily they have been exempt from military service to perform this missionary work; however, in order to eliminate the conflict with the draft law for young men of this age, this exemption was voluntarily waived by the church, and it decided not to call as missionaries after January 31, 1951, any young men who were fit to be classified as 1–A. It asked them to serve their country first and then return to serve their church. That was before the present GI bill was written, and it was not known then that if such returning veterans were to perform the traditional missionary service they would lose the education benefits of this act. This makes it a difficult choice for the boys.

The purpose of this bill is to enable these boys to perform this missionary service without foregoing the benefits they may be entitled to under the act.

This bill does not extend the overall time for the receipt of benefits under the Veterans' Readjustment Act of 1952, nor does it extend the overall time under which the Veterans' Administration would be obligated to administer benefits under the act.

This bill would not result in any additional costs in benefits received or in the administration of the act.

Mr. SMATHERS. I thank the Senator. Will the Senator from Utah yield for a question?

Mr. BENNETT. I yield.

Mr. SMATHERS. Does the Senator believe that it would be constitutional to place in the bill a limitation which requires that a religious group which might be the recipient of the benefits of the bill must be a bona fide religious organization for 10 years?

Mr. BENNETT. The original bill did not contain such a limitation. The limitation was placed in the bill by the committee. The Senator from Utah would be perfectly willing to have that particular provision deleted, because it serves no purpose.

Mr. SMATHERS. Does not the Senator from Utah believe that that particular provision is discriminatory, in that some other religious group might spring up within 8 years, 7 years, or 5 years, which should be entitled to the same benefits under the bill as any other religious organization?

Mr. BENNETT. So far as the Senator from Utah is concerned, that provision may be stricken.

Mr. SMATHERS. Would the Senator be willing to allow the bill to go to the foot of the calendar, so that we may draft a proper amendment? I advise the Senator that the junior Senator from Florida will object to the bill with that provision in it.

Mr. SMITH of New Jersey. Mr. President, the question arose in the committee, and the fear was that unless there was some limitation to insure the bona fides of a religious organization, attempts might be made to take advantage of the law by those who are not really entitled to its advantages. I admit that a period of 10 years seems arbitrary; yet it seemed that there should be some limitation to take care of the important, bona fide religious organizations.

Mr. SMATHERS. Was there discussion in the committee as to how it would be determined what a bona fide religious organization is?

Mr. SMITH of New Jersey. No; that question was not discussed. The feeling was that if we should insert a time limit in the bill, it would at least require an organization attempting to claim the benefits of this provision to prove that it had been in existence for some time.

Mr. SMATHERS. Would not the Senator agree that if a bona fide religious organization should come into being 8 years or 7 years from the time this legislation was enacted, such bona fide religious organization and its members should have the same benefits as would members of religious organizations which had been in existence for longer than 10 years?

Mr. SMITH of New Jersey. I think the point made by the Senator is very reasonable, but it seems to me that we must guard against spurious, fly-by-night organizations coming into existence for the purpose of trying to take advantage of the law and obtaining a longer time within which to exercise GI rights.

Mr. SMATHERS. The Senator must recognize that when we enter the field of bona fide religious organizations, what might be considered by one person as a fly-by-night organization might not be so considered by another person. If the Senator from Utah would be willing to withdraw his amendment, I would be willing to withdraw my objection.

Mr. BENNETT. Would the Senator from New Jersey [Mr. SMITH], who is the chairman of the committee which reported the amendment, be willing to withdraw the amendment?

Mr. SMITH of New Jersey. So far as I am concerned, I am perfectly willing to delete the amendment and leave the bill as originally introduced. I am not sure that I have the authority to do so, but I am willing to do it.

Mr. SMATHERS. Mr. President, do I understand the Senator from New Jersey withdraws the amendment?

Mr. SMITH of New Jersey. I am willing to withdraw the limitation in the form of the amendment on page 1, line 10, if there is no objection, and I assume there will be none.

The PRESIDING OFFICER. The amendment has been agreed to. The Chair will entertain a motion to reconsider the vote by which the amendment was agreed to.

Mr. SMITH of New Jersey. Mr. President, I move that the Senate reconsider the vote by which the committee amendment, on page 1, line 10, was agreed to.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from New Jersey [Mr. SMITH] to reconsider the vote by which the Senate adopted the amendment.

The motion was agreed to.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the committee amendment. A negative vote will delete the amendment from the bill.

The amendment was rejected.

The ACTING PRESIDENT pro tempore. The clerk will state the remaining committee amendments.

The CHIEF CLERK. On page 2, line 10, after the word "until", to strike out "completion; and" and insert "completion"; and after line 10, to strike out:

"(3) shall be added to the 7-year period after discharge or release from active service in determining the expiration of the period of eligibility for education or training of such eligible veteran under section 213."

So as to make the bill read:

Be it enacted, etc., That section 212 of the Veterans' Readjustment Assistance Act of 1952 (66 Stat. 664, 38 U. S. C. 917) is amended by adding at the end thereof a new subsection as follows:

"(d) In the case of an eligible veteran who, after his discharge or release from active service, is engaged in performing full-time services as a missionary (either within or outside the United States) by a religious denomination or interdenominational mission organization having a bona fide organization in the United States, any period, not exceeding a total of 36 months, during which such eligible veteran is so engaged—

"(1) shall be added to the periods prescribed by subsection (a) within which such eligible veteran must initiate a program of education or training;

"(2) shall be disregarded in applying the provisions of subsection (b) which require an eligible veteran to pursue his program of education or training continuously until completion."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PROHIBITION OF INTRODUCTION OR MOVEMENT IN INTERSTATE COMMERCE OF HIGHLY FLAMMABLE WEARING APPAREL AND FABRICS

The bill (H. R. 5069) to prohibit the introduction or movement in interstate commerce of articles of wearing apparel and fabrics which are so highly flammable as to be dangerous when worn by individuals, and for other purposes, was announced as next in order.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. MAGNUSON. Mr. President, reserving the right to object—and I shall not object—I believe the bill should be clarified in a certain respect.

Section 11 of the bill excludes from the provisions of the act any common carrier, contract carrier, or freight forwarder receiving the prohibited articles in the ordinary course of business.

As section 11 is worded, it might be construed to distinguish freight forwarders from other common carriers. I am sure that no such construction is intended. Three years ago a question arose as to the status of freight forwarders, and the Congress enacted Public Law 881 of the 81st Congress to clarify that status and make clear that freight forwarders are common carriers.

I would not want to have the wording of this bill cause any further confusion as to the common-carrier status of freight forwarders.

It is my understanding that the term "freight forwarder" was spelled out in the bill for the reason that there are certain activities, described as freight forwarding, engaged in, particularly at ports and in overseas shipping, which are not subject to regulation under the Interstate Commerce Act and which might not be embraced within the term "common carrier." To make certain that all such activities would be excluded from the act, the term "freight forwarder" was used, in addition to the term "common carrier."

I make this statement because I want it to be clear on the record that the use of the term "freight forwarder" in the bill is not intended to change or in any way affect the common-carrier status of freight forwarders, which was determined in the 81st Congress.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 5069) to prohibit the introduction or movement in interstate commerce of articles of wearing apparel and fabrics which are so highly flammable as to be dangerous when worn by individuals, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT TO THE CONSTITUTION RELATING TO THE MAKING OF TREATIES AND EXECUTIVE AGREEMENTS — JOINT RESOLUTION PASSED OVER

The joint resolution (S. J. Res. 1) proposing an amendment to the Constitution of the United States relative to the making of treaties and executive agreements was announced as next in order.

Mr. SMATHERS. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Griswold	McCarran
Anderson	Hayden	McCarthy
Barrett	Hendrickson	McClellan
Bennett	Hennings	Millikin
Bush	Hickenlooper	Monroney
Butler, Md.	Hill	Morse
Byrd	Hoey	Mundt
Capehart	Holland	Neely
Carlson	Humphrey	Payne
Case	Hunt	Potter
Chavez	Jackson	Purtell
Clements	Jenner	Robertson
Cooper	Johnson, Colo.	Saltonstall
Cordon	Johnson, Tex.	Schoeppel
Daniel	Johnston, S. C.	Smathers
Dirksen	Kefauver	Smith, Maine
Douglas	Kennedy	Smith, N. J.
Duff	Kerr	Sparkman
Dworshak	Kilgore	Stennis
Eastland	Knowland	Symington
Ellender	Langer	Taft
Ferguson	Lehman	Thye
Flanders	Long	Watkins
Frear	Magnuson	Welker
George	Malone	Williams
Gillette	Mansfield	Young
Goldwater	Martin	
Green	Maybank	

The PRESIDING OFFICER (Mr. BENNETT in the chair). A quorum is present.

Is there objection to the present consideration of Senate Joint Resolution 1, Calendar No. 408, proposing an amendment to the Constitution of the United States relative to the making of treaties and executive agreements?

There being no objection, the Senate proceeded to consider the joint resolution, which had been reported from the Committee on the Judiciary with an amendment on page 2, after line 5, to strike out:

SECTION 1. A provision of a treaty which denies or abridges any right enumerated in this Constitution shall not be of any force or effect.

SEC. 2. No treaty shall authorize or permit any foreign power or any international organization to supervise, control, or adjudicate rights of citizens of the United States within the United States enumerated in this Constitution or any other matter essentially within the domestic jurisdiction of the United States.

SEC. 3. A treaty shall become effective as internal law in the United States only through the enactment of appropriate legislation by the Congress.

SEC. 4. All executive or other agreements between the President and any international organization, foreign power, or official thereof shall be made only in the manner and to the extent to be prescribed by law. Such agreements shall be subject to the limitations imposed on treaties, or the making of treaties, by this article.

SEC. 5. The Congress shall have power to enforce this article by appropriate legislation.

SEC. 6. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within 7 years from the date of its submission.

And insert:

"SECTION 1. A provision of a treaty which conflicts with this Constitution shall not be of any force or effect.

"SEC. 2. A treaty shall become effective as internal law in the United States only through legislation which would be valid in the absence of treaty.

"SEC. 3. Congress shall have power to regulate all executive and other agreements with any foreign power or international organization. All such agreements shall be subject to the limitations imposed on treaties by this article.

"SEC. 4. The Congress shall have power to enforce this article by appropriate legislation.

"SEC. 5. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within 7 years from the date of its submission."

So as to make the joint resolution read:

Resolved, etc., That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE —

"SECTION 1. A provision of a treaty which conflicts with this Constitution shall not be of any force or effect.

"SEC. 2. A treaty shall become effective as internal law in the United States only through legislation which would be valid in the absence of treaty.

"SEC. 3. Congress shall have power to regulate all executive and other agreements with

any foreign power or international organization. All such agreements shall be subject to the limitations imposed on treaties by this article.

"SEC. 4. The Congress shall have power to enforce this article by appropriate legislation.

"SEC. 5. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within 7 years from the date of its submission."

Mr. LANGER. Mr. President, in connection with the joint resolution, I may say that the committee was divided, by a close vote. I believe the joint resolution is of such importance that it should not be disposed of during the call of the calendar, but I hope it will be taken up some time next week.

Mr. BUTLER of Maryland. Mr. President, the Senator from North Dakota does not object to the committee amendment, does he?

Mr. LANGER. Oh, no.

Mr. BUTLER of Maryland. Then, Mr. President, the question now is on agreeing to the committee amendment, is it not?

The PRESIDING OFFICER. Yes; the question is on agreeing to the committee amendment. (Putting the question.)

The amendment was agreed to.

The PRESIDING OFFICER. If there is no further amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

Mr. LANGER. Mr. President, there is a divided report on the part of the committee, and the joint resolution is of such great importance that in my opinion it should not be passed during the call of the consent calendar.

I respectfully ask that the joint resolution be passed over, but be set for consideration in the early part of next week.

Mr. HENDRICKSON. I suggest that the Senator from North Dakota take up this matter with the distinguished acting majority leader.

Mr. LANGER. Very well. The joint resolution should be considered very soon.

Mr. McCARRAN. Mr. President, in respect to Senate Joint Resolution No. 1, Calendar No. 408, let me say that I had the honor of joining with other Members of this body in introduction of Senate Joint Resolution 1, which would put an end to legislation and constitutional amendment by treaty or by executive agreement. I had the honor of joining with other members of the Committee on the Judiciary in reporting the joint resolution favorably to the Senate. This joint resolution should be approved by the Senate, and I am confident it will be approved by the Senate.

I wish to inquire now of the acting majority leader whether he has information as to the plans of the majority leadership in regard to permitting the joint resolution to come before the Senate for debate and vote at an early date.

Mr. HENDRICKSON. Mr. President, the distinguished acting majority leader, the senior Senator from California [Mr. KNOWLAND], is on the floor. I think it would be better to have him respond to the inquiry of the Senator from Nevada.

Mr. McCARRAN. Mr. President, I should like very much to have the Senator from California respond.

Mr. KNOWLAND. I did not understand the Senator's question.

Mr. McCARRAN. At what time in the near future can consideration by the Senate be given to Senate Joint Resolution 1, the so-called Bricker resolution?

Mr. KNOWLAND. I would say to the distinguished Senator from Nevada that I have been in touch with the Senator from Ohio [Mr. BRICKER]. As the Senator from Nevada knows, the report on the resolution has but recently been made available to the Senate, and I have invited the Senator from Ohio to appear before the policy committee at its next meeting, on Tuesday, at which time the matter relative to scheduling the resolution for consideration will be discussed by the policy committee.

Mr. McCARRAN. Mr. President, addressing myself to the Senator from California, the acting majority leader, I express the hope that the joint resolution may be considered at an early date. It is one which has had the attention of the entire country, and the entire country is behind it. It should be passed during the present session of the Congress.

The PRESIDING OFFICER. The joint resolution will go over.

AMENDMENT TO THE CONSTITUTION RELATING TO THE MAKING OF TREATIES AND EXECUTIVE AGREEMENTS—MOTION TO RECONSIDER

Mr. KNOWLAND subsequently said: Mr. President, I wish to enter a motion to reconsider the vote by which the Senate, in its consideration of Senate Joint Resolution 1, on the calendar call today, agreed to certain amendments. Under the rules of the Senate, as I understand the parliamentary situation, the Senate, having adopted the committee amendments today during the call of the calendar, would be foreclosed from making further amendments to any of the sections that were amended and agreed to today. I was one of the 55 or 60 sponsors of the joint resolution proposing the constitutional amendment, and I do not believe it is good legislative procedure to foreclose the Senate from further consideration of any other amendments which, in its judgment, it might desire to consider.

The PRESIDING OFFICER. The motion will be entered.

CIVIL-SERVICE APPOINTMENT OF PERSONS IN THE ARMED FORCES AFTER JUNE 30, 1950

The Senate proceeded to consider the bill (S. 1684) to facilitate civil-service appointment of persons who lost opportunity therefor because of service in the Armed Forces after June 30, 1950, and to provide certain benefits upon appointment which had been reported from the Committee on Post Office and Civil Service with amendments, on page 1, line 7, after the word "Act" to insert "as amended"; on page 2, line 4, after the word "received" to strike out "an" and insert "a probational"; in line 6, after the word "for" to insert "probational"; in line 19, after the word "person" to insert "as a result of such restored eligibility"; on page 3, line 4, after the word "was" to insert "probationally"; in line 11, after the word "separated" to insert "or relieved from active duty"; in line 19, after the word "separation" to insert "or relief from active duty"; in line 20, after the word "Forces", to strike out "or"; in line 21, after the word "continuing" to insert "for a period of not more than one year"; in line 22, after the word "separation" to insert "or relief from active duty"; in line 23, after the word "Forces", to insert "or (C) the date of enactment of this act, whichever is later"; after line 24, to strike out:

(b) This act shall not apply to any periods of service (including reenlistments) in the Armed Forces which commence or are voluntarily continued after the expiration of the authority to induct persons into the Armed Forces under the Universal Military Training and Service Act.

And insert:

(b) No person shall be entitled to the benefits of this act who—

(1) voluntarily continues service (including reenlistments) in other than a reserve component of the Armed Forces and who serves more than 4 years (plus any additional service imposed pursuant to law) or

(2) serves more than 4 years after the date of entering upon active duty, or serves beyond the date upon which he is able to obtain orders relieving him from active duty following 4 years of service, in the Armed Forces (other than for the purpose of determining his physical fitness) whether or not voluntarily, in response to an order or call to active duty.

And on page 4, line 21, after the word "his" to insert "probational", so as to make the bill read:

Be it enacted, etc., That (a) any person (1) who serves in the Armed Forces of the United States at any time after June 30, 1950, and prior to the expiration of the authority to induct persons into the Armed Forces under the Universal Military Training and Service Act, as amended, (2) whose name appears on any civil-service register after June 30, 1950, with respect to a position in the Government of the United States or in the municipal government of the District of Columbia, and (3) during whose service in the Armed Forces subsequent to June 30, 1950, another eligible standing lower on such list of eligibles received a probational appointment therefrom, shall be entitled to be placed on the original or appropriate successor register for certification for probational appointment.

(b) The Civil Service Commission is authorized and directed to place such persons on such original registers or appropriate successor registers with the same priority accorded persons entitled to the benefits of the act entitled "An act to provide benefits for certain employees of the United States who are veterans of World War II and lost opportunity for civil-service appointments by reason of their service in the Armed Forces of the United States," approved July 31, 1946 (Public Law 577, 79th Cong.), as amended.

(c) Upon the probational appointment of any such person as a result of such restored eligibility, he shall, for the purpose of determining (1) his rate of basic compensation, (2) his seniority rights, (3) in the case of a

position in the postal field service, his grade and time-in-grade, and (4) in the case of a position to which the Classification Act of 1949, as amended, applies, his within-grade step increases (including credit for that period of time not used in determining his rate of basic compensation), be held to have been appointed to such position as of the earliest date the Civil Service Commission finds, in accordance with section 1 (a) of this act, a lower ranking eligible was probationally appointed.

(d) No regular employee in the postal field service shall be reduced to substitute status by reason of the enactment of this act.

SEC. 2. (a) No person shall be entitled to the benefits of this act unless—

(1) he shall have been separated or relieved from active duty under honorable conditions from the Armed Forces;

(2) he is qualified to perform the duties of the position for which the register on which he is to be placed is established; and

(3) he makes application to be placed on such original register or appropriate successor register within 90 days after (A) the date of his separation or relief from active duty from the Armed Forces, (B) the date of the termination of hospitalization continuing for a period of not more than 1 year after his separation or relief from active duty from the Armed Forces, or (C) the date of enactment of this act, whichever is later.

(b) No person shall be entitled to the benefits of this act who—

(1) voluntarily continues service (including reenlistments) in other than a reserve component of the Armed Forces and who serves more than 4 years (plus any additional service imposed pursuant to law) or

(2) serves more than 4 years after the date of entering upon active duty, or serves beyond the date upon which he is able to obtain orders relieving him from active duty following 4 years of service, in the Armed Forces (other than for the purpose of determining his physical fitness) whether or not voluntarily, in response to an order or call to active duty.

SEC. 3. No person shall be entitled to any basic compensation by reason of the enactment of this act for any period prior to the date of his probational appointment in accordance with this act.

The amendments were agreed to.

Mr. SMATHERS. Mr. President, I ask the able Senator from Kansas [Mr. CARLSON] if he will explain the bill?

Mr. CARLSON. Mr. President, the provisions of S. 1684 will extend to veterans of the Korean conflict the opportunities and benefits which were accorded World War II veterans under Public Law 577 and various Executive orders. The benefits granted in the bill are parallel with those included in the Universal Military Training and Service Act.

This bill provides dual benefits to those persons serving in the Armed Forces between June 30, 1950, and the expiration date of the Universal Military Training and Service Act, as amended, providing they were on a civil-service register and their names were passed over by lower-ranking eligibles during this period.

First, it preserves and restores the eligibility of probational appointment of those who were on a civil-service register and eligible for probational appointment, and who lost opportunity for such appointment because of their service in the Armed Forces during this period.

The second benefit is that upon probational appointment, the veteran's rate of compensation, seniority rights, grade and time-in-grade and within-grade step increases shall be based and determined as if he were appointed the date the lower ranking eligible was probationally appointed.

Section 1 of the bill authorizes and directs the Civil Service Commission to place these veterans on an appropriate register with the same priority that is extended to World War II veterans.

Section 2 provides that a person qualifying for the benefits under the bill must be separated or relieved from active duty under honorable conditions. He must be qualified for the duties of the position for which the register is established, and the bill further provides that he must make application within 90 days after his separation, or termination of hospitalization after 1 year, and that if he serves over 4 years in the Armed Forces, or beyond the date on which he could have been relieved from active duty, then these benefits shall not be extended to him.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be offered, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for reading, read the third time, and passed.

CONTINUATION OF PROVISIONS OF TITLE II OF FIRST WAR POWERS ACT, 1941—BILL PASSED OVER

The bill (S. 1237) to amend the act of January 12, 1951, as amended, to continue in effect the provisions of title II of the First War Powers Act, 1941, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. THYE. Mr. President, reserving the right to object, I may say that my only reason for reserving that right is in order that I may offer an amendment to the bill. The amendment is similar to a bill which was introduced by 10 members of the Committee on Small Business, and which was referred to the Committee on Government Operations. That committee has not had an opportunity to consider the bill, because of other pressing duties. However, in a report submitted by that committee a year ago in connection with a similar legislative proposal, the committee endorsed the very amendment I am now proposing.

I have talked with the staff of the Committee on Government Operations. They tell me that, as a committee staff, they would have recommended favorable action on the bill I am now offering as an amendment. Unfortunately, however, the committee has not been able to consider the bill.

By way of explanation of the amendment I am offering, I may say that the information obtained through studies made by the Committee on Small Business is to the effect that the legislative history and the administration of Public Law 921 indicated that the Congress, in extending the law, expressed a twofold intent, namely, to provide military sources of supply by keeping defense suppliers in business, and to afford relief to suppliers subjected to heavy losses on fixed-price contracts. We found that the defense agencies were administering the law under regulations which allowed relief only in the case of essential contracts. That is the principal and specific reason for my desiring to obtain agreement to this amendment to the present provisions of title II of the First War Powers Act; namely, to make certain that small businesses which have suffered extreme hardships under a fixed contract will be given the same consideration as that which the defense authorities have accorded to the essential contractor.

Mr. President, I send the amendment to the desk. If the amendment is adopted, I shall then have no objection to the bill; otherwise, I shall have to object, until this question can be clarified and assurance given either that the Defense Department will conform to the intent of Congress in this matter or consideration given to legislation to make such procedure mandatory.

The PRESIDING OFFICER. The amendment will be received.

Mr. BUTLER of Maryland. This is a bill enactment of which has been recommended by the administration through the Department of Defense. The section of the First War Powers Act which is sought to be extended is contained in section 611 of title 50, War, appendix, United States Code, and reads as follows:

> The President may authorize any department or agency of the Government exercising functions in connection with the prosecution of the war effort, in accordance with regulations prescribed by the President for the protection of the interests of the Government, to enter into contracts and into amendments or modifications of contracts heretofore or hereafter made and to make advance, progress and other payments thereon, without regard to the provisions of law relating to the making, performance, amendment, or modification of contracts whenever he deems such action would facilitate the prosecution of the war: *Provided*, That nothing herein shall be construed to authorize the use of the cost-plus-a-percentage-of-cost system of contracting: *Provided further*, That nothing herein shall be construed to authorize any contracts in violation of existing law relating to limitation of profits: *Provided further*, That all acts under the authority of this section shall be made a matter of public record under regulations prescribed by the President and when deemed by him not to be incompatible with the public interest.

This section was further extended by section 2 of Public Law 921 of the 81st Congress until June 30, 1952. Since then it has been extended for varying periods of time, and the legislation presently under consideration provides for an extension until June 30, 1954. If not extended, the authority will expire on July 1, 1953.

The Department of Defense considers that it is absolutely essential that this legislation be further extended so as to enable them to operate under the present unsettled world conditions.

Mr. President, we know nothing of the amendment proposed by the Senator from Minnesota. It has not been referred to a committee for study.

This bill is in the nature of emergency legislation, Mr. President. The present law expires on the last day of this month, and if that happens it will very seriously interfere with our war effort. There are many situations in which we are unable to indemnify contractors, particularly with reference to flying planes into Korea. If the bill is not passed it will be necessary to stop some of the flights, thereby hampering the prosecution of the Korean war. I ask the Senator from Minnesota to let the bill pass. It is emergency legislation. We can have the committee consider the amendment and report it as a separate bill.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Minnesota.

The LEGISLATIVE CLERK. It is proposed at the end of the bill to insert the following new section:

SEC. 2. Section 201 of the First War Powers Act, 1941, as extended by the first section of this act, is amended to read as follows:

"SEC. 201. The President may authorize any department or agency of the Government exercising functions in connection with the national defense, in accordance with regulations prescribed by the President for the protection of the interests of the Government, to enter into contracts and into amendments or modifications of contracts heretofore or hereafter made and to make advance progress and other payments thereon, without regard to the provisions of law relating to the making, performance, amendment, or modification of contracts whenever such action would facilitate the national defense: *Provided*, That nothing herein shall be construed to authorize the use of the cost-plus-a-percentage-of-cost system of contracting: *Provided further*, That nothing herein shall be construed to authorize any contracts in violation of existing law relating to limitation of profits: *Provided further*, That the functions exercised under this section shall be subject to the provisions of section 3 of the Administrative Procedure Act: *Provided further*, That all contracts entered into, amended, or modified pursuant to authority contained in this section shall include a clause to the effect that the Comptroller General of the United States or any of his duly authorized representatives shall have access to and the right to examine any pertinent books, documents, papers, and records of the contractor or any of his subcontractors engaged in the performance of and involving transactions related to such contracts or subcontracts. As used in this section, the term 'facilitate the national defense' shall be deemed to include, but without limitation thereto, the following:

"(1) obtaining continued operations by contractors engaged in national defense production;

"(2) affording relief to contractors incurring extreme financial hardships on fixed-price contracts due to factors beyond their anticipation or control; or

"(3) adjusting contracts to new conditions and circumstances, including those created by the acts, rules, orders, instructions, or determinations of Government departments and agencies.

This section shall also apply to a contractor who has suffered extreme financial hardship after June 24, 1950, regardless of the fact that final payment on the contract has been received prior to the enactment of this sentence or that relief has been denied prior thereto: *Provided, however*, That such a contractor must file an application for relief within 6 months after the date of enactment of this sentence."

Amend the title so as to read: "A bill to amend and extend until June 30, 1954, the provisions of title II of the First War Powers Act, 1941, as amended, and to prescribe standards for the implementation of such provisions."

Mr. THYE rose.

The PRESIDING OFFICER. The Chair would remind the Senator from Minnesota and the Senator from Maryland that under the rules they are entitled to only one speech.

Mr. THYE. Then, Mr. President, I object.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

CRIMES AND CRIMINAL PROCEDURE

The Senate proceeded to consider the bill (H. R. 3853) to amend title 18, United States Code, entitled "Crimes and Criminal Procedure," with respect to continuing the effectiveness of certain statutory provisions until 6 months after the termination of the national emergency proclaimed by the President on December 16, 1950.

Mr. McCARREN. Mr. President, I should like to invite the attention of Senators to the language beginning on line 11, page 2, of the calendar print of this bill, which reads as follows:

and acts of the kind giving rise to legal consequences and penalties under any of these provisions when performed during a state of war shall give rise to the same legal consequences and penalties when they are performed during the period above provided for.

What are the acts to which reference is made? What are the penalties which, if this bill shall be enacted into law, would be made applicable without regard to whether hostilities are continuing in any part of the world, with all the force and severity originally prescribed by the Congress during a period of war? What does the language mean?

Mr. BUTLER of Maryland. Mr. President, this bill was introduced at the request of the Department of Defense. It provides for the continuation of presently existing authority to impose the wartime penalty for convictions under the various espionage and sabotage statutes. For example, in time of war the death penalty applies in a case where a person delivers defense information with intent or reason to believe that it will harm the United States or benefit a foreign nation. In time of peace this is not an offense. This bill would make it an offense under present conditions and impose the wartime penalty.

Under the sabotage statutes the wartime penalty provided is up to 30 years' imprisonment or a fine of $10,000 or both, whereas in time of peace the penalty is 10 years' imprisonment or $10,000 or both.

Does that answer the Senator's question?

Mr. McCARRAN. No. Let me read the language again. What does this language mean?

Mr. BUTLER of Maryland. From what page is the Senator reading?

Mr. McCARRAN. Line 11, page 2, of the calendar print. I read:

And acts of the kind giving rise—

Listen to this language—

And acts of the kind giving rise to legal consequences and penalties under any of these provisions when performed during a state of war shall give rise to the same legal consequences and penalties when they are performed during the period above provided for.

Mr. BUTLER of Maryland. The proposed legislation is aimed at acts of espionage and sabotage—for example, destruction of war materials and the production of defective war materials.

Mr. McCARRAN. Are we passing a code without inquiring what the acts are, to be continued indefinitely with the same penalties as though a war were in progress? Does the Senate know what the acts are?

Mr. BUTLER of Maryland. We have been operating under this statute for periods beginning during World War II.

This is an extension of the authority to make the penalties applicable at this time, the same as if we were at war.

Mr. McCARRAN. I wish particularly to invite the attention of the Senator to this language:

And acts of the kind giving rise to legal consequences.

What kinds and what acts? How would we construe that language to a court? If we cannot construe it here and do not understand it, what is the use of passing the proposed legislation?

I now invite the Senate's attention to the two paragraphs beginning on line 17, page 2, of the calendar print of the bill, which read as follows:

Effective for the period above provided for, the words "conduct of war", as used in section 2151, are extended to include defense activities.

Effective for the period above provided for, the words "carrying on the war", as used in sections 2153 and 2154, be extended to include defense activities wherever they appear therein.

I should like to know what all that means. I ask the Senator from Maryland [Mr. BUTLER] whether these sections have the effect of changing a precise definition into an extremely broad and totally unprecise definition. More specifically, exactly what is sought to be accomplished by these amendments? What are the limits of the defense activities to which all the penal provisions of this chapter of the criminal code are now to be made applicable?

Mr. BUTLER of Maryland. Under the bill, I do not think there is any limit to the acts. It is the same as if a state of war existed.

Mr. McCARRAN. In other words, it goes on indefinitely, forever and ever?

Mr. BUTLER of Maryland. The bill terminates 6 months after the end of the emergency proclaimed by the President on December 16, 1950, but within that time the situation would be the same as if there were an actual state of war, and defense activities would be construed to be war activities.

The PRESIDING OFFICER. The time of the Senator from Nevada has expired.

Mr. SMATHERS. Mr. President, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed a bill (H. R. 5690) making appropriations for additional independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H. R. 5690) making appropriations for additional independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes, was read twice by its title, and referred to the Committee on Appropriations.

TEMPORARY ECONOMIC CONTROLS—CONFERENCE REPORT

Mr. KNOWLAND. Mr. President, there is at the desk a privileged matter, which I ask the Chair to lay before the Senate.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. JOHNSON of Texas. I assume it is the intention of the majority leader to move that the Senate proceed to the consideration of the conference report on the controls bill?

Mr. KNOWLAND. The minority leader is correct.

Mr. JOHNSON of Texas. It is my understanding that the parliamentary situation is such that the motion is not subject to debate.

Mr. KNOWLAND. The Senator is correct. That is why I am now yielding to him, so that he may make the observations which I understood he desired to make.

Mr. JOHNSON of Texas. Does not the acting majority leader, the Senator from California, think that, in fairness, the minority should have an opportunity to explain what the legislative situation really is, before the Senate proceeds to vote? Would the acting majority leader object to a unanimous consent request that the minority leader might proceed for 5 minutes?

Mr. KNOWLAND. No. Although the motion is not debatable, I ask unanimous consent that the minority leader may proceed for 5 minutes, to state his position and that of the minority.

Mr. JOHNSON of Texas. I understand that the motion has not yet been made and that, parliamentarywise, I could proceed for 5 minutes on some bill on the calendar. However, if there is no objection to the request, I merely wish to point out what the situation is.

Mr. KNOWLAND. The reason why I did not make the motion is that I had been informed in advance that the distinguished minority leader, recognizing that the motion was not debatable, desired some time. He asked for 5 minutes. Had he asked for 10 I would have yielded to him, because we are trying to cooperate. That was the reason why I did not press the motion at the time I suggested that the conference report be laid before the Senate.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The Chief Clerk read the report.

(For text of conference report, see pp. 6691–6695 of House proceedings of CONGRESSIONAL RECORD for June 16, 1953.)

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. Mr. President, has action been taken on the unanimous consent request?

The VICE PRESIDENT. Without objection, the unanimous consent request is agreed to, and the Senator from Texas is recognized.

Mr. McCARRAN. Mr. President, I raise the point of order that when unanimous consent is given to call the calendar, that consent cannot be disturbed, even by a privileged motion.

Mr. KNOWLAND. Mr. President, speaking to the point of order raised by the Senator from Nevada——

Mr. JOHNSON of Texas. Mr. President, I hope the time taken for this discussion will not come out of my 5 minutes.

Mr. KNOWLAND. I ask that the time required for the discussion on the point of order not come out of the time of the distinguished minority leader.

On the question of the point of order raised by the distinguished Senator from Nevada, I believe the Senator is in error. A conference report is always in order, except during a period when the Senate is voting or when a motion to adjourn has been made. I believe it is perfectly proper that the Consent Calendar be interrupted for consideration of a conference report, which is of the highest privilege.

Mr. McCARRAN. It has always been my theory, and it is now, that unanimous consent, is unanimous consent, and cannot be set aside by unanimous consent. A privileged question certainly cannot set aside unanimous consent.

The VICE PRESIDENT. The Chair is informed by the Parliamentarian that the only agreement was that the Senate would proceed to the consideration of the calendar of bills to which there was no objection. So far as the unanimous-consent agreement was concerned, there was no agreement to proceed to the conclusion of the calendar. Under the circumstances, the conference report can be brought up for consideration at this time.

Mr. JOHNSON of Texas. Mr. President——

The VICE PRESIDENT. The Senator from Texas is recognized for 5 minutes.

Mr. JOHNSON of Texas. Mr. President, I would not ask the Senate to indulge me for even this brief period except for the fact that I believe there is involved a very serious question, namely, the question of the relationship between the majority and the minority. From that standpoint, I think the action just taken by the distinguished acting majority leader is very unfortunate.

Mr. President, I desire every Senator, before he answers the rollcall on the motion to consider the conference report, to know what he is voting for. I do not know what is in the conference report; I do not know how many Senators know what is in the conference report. I did not know that the conference report would be brought up.

On last Tuesday the distinguished acting majority leader made a statement to the Senate, which appears at page 6637, and reads as follows:

> It is planned to take a recess from tonight until Thursday. On Thursday we will have a call of the calendar, and I hope that by Friday the printed hearings on the submerged lands measure will be available. If they are not available by Friday, we will take up miscellaneous and largely noncontroversial bills, and then go over until Monday.

The minority leader does not make the point that the distinguished acting majority leader gave any assurance that that would be the only business transacted, but I ask each Senator to turn to page 6637 of the RECORD, read that language, and see if he would not feel he would be justified in concluding that no controversial legislation would be brought up.

The conference report is so controversial that not one member of the minority would sign it. Why? That will be told to the Senate in detail during the debate on the merits of the proposition.

The acting majority leader told the Senate on Tuesday that he would move a recess of the Senate until Thursday; that on Thursday he would move a call of the calendar; that on Friday it was proposed to take up the submerged lands bill, but there would be no vote on it.

On Wednesday afternoon, at 5:20, he called my office. I was not present; I was in the House Chamber. This morning I called his office, and he was not present; he was attending a meeting of the Committee on Foreign Relations. However, the first information that the minority had that this controversial conference report would be brought up was at 5:20 yesterday afternoon.

I submit that if the majority of the Senate is going to legislate in that way, it is legislation by surprise; it is a patronage grab in the dark, without notice. It is legislation by steam roller.

I hope the day will never come, in connection with a measure so controversial as this—a conference report which none of the Democratic conferees would sign—when such a matter can be brought before the Senate, in the midst of a call of the calendar, by a motion which is not debatable. The only way the motion can be discussed is by virtue of the generosity of the acting majority leader in permitting us to have 5 minutes to explain our attitude on the report.

Mr. President, the conference report ought to go back to the conference committee. The conference report ought not to be adopted. However, that is not the question we are deciding now. The question is whether this procedure should be permitted. At 5 o'clock on Wednesday afternoon the membership

of the Senate is assured that the calendar will be called on Thursday, and that no votes will be had on Friday. Many Senators go to their respective States to fill engagements. Then the acting majority leader rises and says, "This is a privileged matter. We have our responsibilities. We are going to ram it down your throat."

I do not believe that a fair Senate, a just Senate, or any Senator who believes in fair treatment of his colleagues, will vote to proceed to the consideration of the conference report at this time.

Mr. President, I suggest the absence of a quorum.

Mr. KNOWLAND. Mr. President, will the Senator withhold his suggestion of the absence of a quorum so as to permit the acting majority leader to make a statement, in view of the statement made by the minority leader? I shall not require more than 5 minutes.

Mr. JOHNSON of Texas. Certainly.

Mr. KNOWLAND. Mr. President, I think the Senate is entitled to have all the facts in connection with this situation. The conference report is a privileged matter. I have carefully reread the statements made by the acting majority leader last Tuesday. There is nothing in them which, by the slightest implication, would indicate that no matter of controversy would be taken up in the Senate on Thursday.

We have the problem of completing our legislative program. I say that it is the duty of every Senator to be present in the Senate Chamber to transact business. All of us have engagements. I have had them myself. I have canceled many engagements in order to discharge my duties as a Senator.

The rules of the Senate provide that a conference report is a privileged matter. There is nothing in the statement of the acting majority leader on Tuesday which indicates that no matter of controversy would be considered on Thursday.

I invite the attention of Senators to the fact that there is an expiration date in connection with the Second War Powers Act. That date is the 30th of June. Next Monday will be the 22d day of June. If by chance the Senate should send the report back to the conference committee, the Second War Powers Act might expire, and we would suffer the loss of control of strategic materials, which the executive branch of the Government believes necessary for the security of the Nation.

Furthermore, I wish to point out that the conference report was considered yesterday in the House of Representatives. So far I know, it was considered without any advance notice, and by unanimous consent, including the consent of all the Democratic Members and the Democratic minority leader, as well as the Democratic members of the conference committee.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. JOHNSON of Texas. I am sure the Senator from California wishes to give the Senate all the facts. Will not the Senator also tell the Senate that the conference report is largely the House bill?

Mr. KNOWLAND. Yes. I assume that fact will be brought out in the explanation. I hope the time consumed by the question of the Senator from Texas will not be taken from my time.

I have read the debate in the House. If one looks at the CONGRESSIONAL RECORD of yesterday, on page 6758, he will see that the conference report was considered by unanimous consent. There was no objection. As soon as I received word that the House had acted by unanimous consent, immediately—within 5 minutes of that time—I personally attempted to get in contact with the distinguished minority leader. Our relationships have always been pleasant, and I intend to keep them pleasant. I immediately personally called him. He was not in his office. I instructed the Secretary of the Senate, acting for me, immediately to call the secretary of the minority, Mr. Johnston, and inform him what our program was. I was informed—and I believe I am correct—that at about 5:20 last night Mr. Johnston, the secretary of the minority, was able to get word to the distinguished minority leader.

I invite the attention of Members of the Senate to the fact that members of the minority are not foreclosed in the slightest degree, because once the procedure is taken to bring up for consideration the conference report, the report itself will be debatable. Members of the minority will not lose any of their rights in the presentation of their point of view. The distinguished Senator from Indiana [Mr. CAPEHART] will make a statement on behalf of the conferees. The conference report itself will be subject to debate, under the very broad rules of the Senate. There will be no limitation of debate on that subject, so members of the minority will not be foreclosed from a full, frank, and free discussion of their views. I certainly would object if there were any attempt to shut off discussion at any time. Members of the minority will have every opportunity to present their case.

This is a procedural matter. Acting on my responsibility as acting majority leader, I am trying to expedite the business of the Senate. Next week we shall have before us for consideration some very important legislation, including mutual-security legislation, the Interior Department appropriation bill, the submerged lands bill, and other measures. I am trying to expedite transaction of the business of the Senate, with the help of the Senate, so that we can get away at a reasonable time this summer.

I am merely asking that the Senate, in connection with a procedural matter, follow the motion of the majority leader to bring this question before the Senate. Then ample debate can be had.

I understand that the distinguished minority leader wished to suggest the absence of a quorum. As soon as a quorum is obtained, with the understanding that I shall not lose my right to the floor, I intend to make my motion.

Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hayden	McCarran
Anderson	Hendrickson	McClellan
Barrett	Hennings	Millikin
Bennett	Hickenlooper	Monroney
Bush	Hill	Morse
Butler, Md.	Hoey	Mundt
Byrd	Holland	Neely
Capehart	Humphrey	Payne
Carlson	Hunt	Potter
Case	Jackson	Purtell
Clements	Jenner	Robertson
Cooper	Johnson, Colo.	Saltonstall
Cordon	Johnson, Tex.	Schoeppel
Daniel	Johnston, S. C.	Smathers
Douglas	Kefauver	Smith, Maine
Duff	Kennedy	Smith, N. J.
Dworshak	Kerr	Sparkman
Eastland	Kilgore	Stennis
Ellender	Knowland	Symington
Ferguson	Kuchel	Taft
Flanders	Langer	Thye
Frear	Lehman	Watkins
George	Long	Welker
Gillette	Malone	Williams
Goldwater	Mansfield	Young
Green	Martin	
Griswold	Maybank	

The VICE PRESIDENT. A quorum is present.

Mr. KNOWLAND. I move that the Senator proceed to the consideration of the conference report on Senate bill 1081.

The VICE PRESIDENT. The question is on the motion of the Senator from California that the Senate proceed to the consideration of the conference report.

Mr. KNOWLAND and Mr. JOHNSON of Texas requested the yeas and nays.

The yeas and nays were ordered.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. JOHNSON of Texas. I understand the question before the Senate is whether the Senate will proceed to the consideration of the conference report. Senators who wish to have the conference report taken up will vote "yea"; Senators who do not wish to have the conference report taken up will vote "nay." Is that correct?

The VICE PRESIDENT. That is the question before the Senate.

The yeas and nays have been ordered and the Secretary will call the roll.

Mr. BUSH. Mr. President, will the Chair state the question again?

The VICE PRESIDENT. The question is on the motion of the Senator from California to proceed to the consideration of the conference report. The Secretary will call the roll.

The legislative clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Maryland [Mr. BEALL], the Senator from Ohio [Mr. BRICKER], and the Senator from New Hampshire [Mr. BRIDGES] are necessarily absent. If present and voting, the Senator from Maryland [Mr. BEALL], the Senator from Ohio [Mr. BRICKER], and the Senator from New Hampshire [Mr. BRIDGES] would each vote "yea."

The Senator from Wisconsin [Mr. WILEY] and the Senator from Illinois [Mr. DIRKSEN] are absent on official business. If present and voting, the Senator from Wisconsin [Mr. WILEY]

and the Senator from Illinois [Mr. DIRKSEN] would each vote "yea."

The Senator from Wisconsin [Mr. MCCARTHY] is unavoidably detained. If present and voting the Senator from Wisconsin [Mr. MCCARTHY] would vote "yea."

The Senator from Nebraska [Mr. BUTLER] and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate. If present and voting, the Senator from Nebraska [Mr. BUTLER] and the Senator from New Hampshire [Mr. TOBEY] would each vote "yea."

The Senator from New York [Mr. IVES], is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland. If present and voting the Senator from New York [Mr. IVES] would vote "yea."

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Arizona [Mr. HAYDEN], and the Senator from Louisiana [Mr. LONG] are unavoidably detained.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Georgia [Mr. RUSSELL] are absent by leave of the Senate.

The Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. PASTORE], and the Senator from North Carolina [Mr. SMITH] are absent on official business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland. I announce further that if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Arizona [Mr. HAYDEN], the Senator from Louisiana [Mr. LONG], the Senator from Montana [Mr. MURRAY], and the Senator from Rhode Island [Mr. PASTORE] would each vote "nay."

Mr. WELKER. Mr. President, I inquire how I am recorded.

The VICE PRESIDENT. The Senator from Idaho is recorded as having voted in the affirmative.

Mr. FERGUSON. Mr. President, I inquire how I am recorded.

The VICE PRESIDENT. In the affirmative.

Mr. BUTLER of Maryland. Mr. President, I inquire how I am recorded.

The VICE PRESIDENT. In the affirmative.

Mr. SCHOEPPEL. Mr. President, I inquire how I am recorded.

The VICE PRESIDENT. In the affirmative.

Mr. HENDRICKSON. Mr. President, I inquire how I am recorded.

The VICE PRESIDENT. In the affirmative.

Mr. MAYBANK. Mr. President, I inquire how I am recorded.

The VICE PRESIDENT. In the negative.

Mr. DOUGLAS. Mr. President, I inquire how I am recorded.

The VICE PRESIDENT. As voting in the negative.

Mr. KERR. Mr. President, I inquire how I am recorded.

The VICE PRESIDENT. In the negative.

Mr. HUMPHREY. Mr. President, I inquire how I am recorded.

The VICE PRESIDENT. In the negative.

Mr. JOHNSTON of South Carolina. Mr. President, I inquire how I am recorded.

The VICE PRESIDENT. In the negative.

Mr. MONRONEY. Mr. President, I inquire how I am recorded.

The VICE PRESIDENT. In the negative.

Mr. SMATHERS. Mr. President, I inquire how I am recorded.

The VICE PRESIDENT. In the negative.

Mr. HOLLAND. Mr. President, I inquire how I am recorded.

The VICE PRESIDENT. In the negative.

Mr. HENNINGS. Mr. President, I inquire how I am recorded.

The VICE PRESIDENT. In the negative.

Mr. EASTLAND. Mr. President, I inquire how I am recorded.

The VICE PRESIDENT. In the negative.

Mr. JOHNSTON of South Carolina. Mr. President, I ask for a recapitulation of the vote.

The VICE PRESIDENT. Will the Senator from South Carolina restate his request?

Mr. JOHNSTON of South Carolina. I ask for a recapitulation of the vote.

Mr. FERGUSON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Michigan will state it.

Mr. FERGUSON. Can there be a recapitulation of the vote before the result is announced?

Mr. KNOWLAND. Mr. President, a point of order.

The VICE PRESIDENT. The Senator from California will state it.

Mr. KNOWLAND. Following the suggestion of the Senator from Michigan, I make the point of order that a recapitulation is not in order until the result of the vote has been announced.

Mr. JOHNSTON of South Carolina. Mr. President, I withdraw the request for a recapitulation.

The yeas and nays resulted, yeas 39, nays 39, as follows:

YEAS—39

Aiken	Flanders	Payne
Barrett	Goldwater	Potter
Bennett	Griswold	Purtell
Bush	Hendrickson	Saltonstall
Butler, Md.	Hickenlooper	Schoeppel
Capehart	Jenner	Smith, Maine
Carlson	Knowland	Smith, N. J.
Case	Kuchel	Taft
Cooper	Langer	Thye
Cordon	Malone	Watkins
Duff	Martin	Welker
Dworshak	Millikin	Williams
Ferguson	Mundt	Young

NAYS—39

Anderson	Ellender	Hill
Byrd	Frear	Hoey
Clements	George	Holland
Daniel	Gillette	Humphrey
Douglas	Green	Hunt
Eastland	Hennings	Jackson
Johnson, Colo.	Lehman	Morse
Johnson, Tex.	Magnuson	Neely
Johnston, S. C.	Mansfield	Robertson
Kefauver	Maybank	Smathers
Kennedy	McCarran	Sparkman
Kerr	McClellan	Stennis
Kilgore	Monroney	Symington

NOT VOTING—18

Beall	Fulbright	Murray
Bricker	Gore	Pastore
Bridges	Hayden	Russell
Butler, Nebr.	Ives	Smith, N. C.
Chavez	Long	Tobey
Dirksen	McCarthy	Wiley

The VICE PRESIDENT. On this vote the yeas are 39, and the nays are 39.

Under the Constitution, the President of the Senate, who has the right to vote in the case of a tie, casts his vote in the affirmative; and the motion to proceed to the consideration of the conference report is agreed to.

The question now is on agreeing to the report.

Mr. CAPEHART. Mr. President, the conferees met to resolve the differences between the House and Senate versions of Senate bill 1081.

Your conferees did their very best to retain the Senate version of the bill. However, when it became evident that the House conferees were just as determined to retain the features contained in the House version of the bill, it became necessary for the conferees to adopt a substitute for both the House and Senate versions.

Mr. LONG. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. For what purpose does the Senator from Louisiana request that I yield?

Mr. LONG. I was not able to be in the Chamber at the time of the taking of the last vote. I understand it was a tie vote, and I should like to move to have the vote reconsidered.

The VICE PRESIDENT. Does the Senator from Indiana yield for that purpose?

Mr. CAPEHART. Mr. President, I refuse to yield.

The VICE PRESIDENT. The Senator from Indiana declines to yield for that purpose.

Mr. LONG. Then, Mr. President, as soon as I can obtain recognition, I shall move to have the last vote reconsidered.

Mr. CAPEHART. Mr. President, as I have just stated, it became necessary for the conferees to adopt a substitute for both the House and the Senate versions of Senate bill 1081.

NINETY-DAY FREEZE

Section 16 of the Senate version would have added a new title VIII to the Defense Production Act to provide a 90-day standby price, wage, and residential rent-freeze authority. This title was deleted by the House Banking and Currency Committee. An effort to restore this title on the floor of the House was defeated by almost a 2-to-1 vote.

As the Senate knows, the Senate Banking and Currency Committee by a 12–to–3 vote reported favorably a bill containing a proposed title VIII which authorized the President to invoke a 90-day freeze in the event of a grave national emergency. The House Banking and Currency Committee failed by only

two votes to reinstate this title as reported by your committee.

Before passing Senate bill 1081, the Senate adopted several amendments to title VIII. One of these amendments required a declaration of war or concurrent resolution by both Houses of the Congress before the President could invoke the freeze authority. In view of this amendment, the managers on the part of the House were of the opinion that the effectiveness of the title was so restricted as to make it inadvisable to include the title in the conference report. Consequently, in view of the adamant attitude on the part of the House managers, the Senate conferees receded on this point.

CONSUMER AND CONSTRUCTION CREDIT CONTROLS

Section 7 of the Senate version of the bill, dealing with standby consumer credit and real estate construction credit controls, is tied into the freeze authority. It therefore became necessary for your conferees likewise to recede on this point.

Mr. FERGUSON. Mr. President, will the Senator yield for a question at this time? I must leave the Chamber presently to attend a meeting of the Committee on Appropriations, of which I am a member.

Mr. CAPEHART. I yield.

Mr. FERGUSON. I should like to ask the Senator from Indiana, as the chairman of the committee handling the bill and now in charge of the bill, a question in regard to section 701 (c) of the bill. Section 701 (c) sets forth certain criteria that the administrator must follow in the event materials are allocated in the civilian economy. I note that in section 101 (b), which restricts controls in the civilian economy, the phrase "control the general distribution of" is used, rather than "allocate," as in section 701 (c). I should like assurance from the chairman that whenever the controls are invoked in the civilian economy, whether it be controlled materials plan, usage controls, end-use limitations, unit restrictions, or others, it would be incumbent on the administrator to follow the criteria set forth in section 701 (c).

Mr. CAPEHART. The answer is "Yes."

Mr. FERGUSON. I thank the Senator.

Mr. CAPEHART. Section 13 of the Senate bill provides for continuation of the Small Defense Plant Administration to June 30, 1955. The House version allows the SDPA to terminate on June 30, 1953, except for liquidation purposes. In place of SDPA the House amendment establishes a new Small Business Administration as an independent and permanent agency. Expanded powers are included in the House amendment, to enable this new agency to serve the needs of small businesses in times of peace as well as in time of accelerated defense activity. I should like to emphasize that point. The new Small Business Administration which is created is given the right in time of peace as well as in time of war, to make loans.

Mr. MAYBANK. Mr. President, will the Senator yield for a question?

Mr. CAPEHART. I yield.

Mr. MAYBANK. In other words, the distinguished chairman of the committee, who so ably handled the Senate bill will agree that as between that bill and the House substitute, the Senate conferees did not get very far.

Mr. CAPEHART. The record speaks for itself. The Senate conferees agreed with the House conferees as to the House version.

Mr. MAYBANK. That is, the majority of the Senate conferees agreed.

Mr. CAPEHART. Yes; the majority agreed.

Mr. MAYBANK. The Senator speaks of the new Small Business Administration. I am glad the Senator made the statement he did, that it is a permanent organization, not connected with any war effort. Is that correct?

Mr. CAPEHART. That is correct. It is a permanent organization.

Mr. MAYBANK. There is an authorization of $250 million unconnected with the production act, and unconnected with any war emergency, is there not?

Mr. CAPEHART. I think $100 million is connected with the war effort.

Mr. MAYBANK. The Small Business Administration can do with the $100 million as it desires, can it not?

Mr. CAPEHART. That is correct.

Mr. MAYBANK. Is the Senator from Indiana able to advise the Senate who will have charge of that fund? I know how Senators felt on the subject, since the Senate committee originally approved an extension of the Small Defense Plants Administration for 1 year, upon the request of Mr. Flemming, who stated that he represented President Eisenhower. I asked Mr. Flemming, before the committee, "Do you represent the administration?" He replied that he did.

Mr. CAPEHART. I will come to that a little later.

Mr. MAYBANK. I am sorry I interrupted the distinguished Senator.

Mr. CAPEHART. No; that is perfectly all right.

Mr. MAYBANK. I know how hard the Senator has worked on this matter, and I know how hard he worked on the Senate bill. I should like to say, if the Senator will yield to me further——

Mr. CAPEHART. I yield.

Mr. MAYBANK. That last night on a television network from Philadelphia, Mr. B. M. Baruch made a statement in which, in substance, he commended the Senate committee for what it did. He said, "How wrong we were to leave everything wide open, with the world on fire." He did not speak of the $250 million for the Small Business Administration. That has nothing to do with the war, but it is a permanent organization. I ask the chairman, were any extensive hearings held in regard to it?

Mr. CAPEHART. We held hearings for several days on the Byrd bill to dissolve the Reconstruction Finance Corporation, as well as on several other bills—seven, as I recall—to create small-business agencies. I believe there were two bills introduced by the Senator from Alabama [Mr. SPARKMAN], one introduced by the Senator from Virginia [Mr. ROBERTSON], and, I think one or two introduced by the able Senator from Illinois [Mr. DOUGLAS]. There was also one introduced by the Senator from Minnesota [Mr. THYE].

Mr. MAYBANK. I merely wanted the RECORD clear. The distinguished chairman knows of my appreciation of his efforts in connection with the subject which, with the efforts of other Senators, resulted in reporting the Senate bill. We had no hearings, I may say, or at least no hearings of consequence, so far as small business was concerned, and merely wrote certain provisions into the measure. I believe the Senator will agree with me about that.

Mr. CAPEHART. In all fairness, I would have to say the Senate Committee on Banking and Currency conducted hearings for a few days on a bill introduced by the Senator from Virginia [Mr. BYRD], proposing to dissolve the RFC, and on 6 or 7 other bills.

Mr. MAYBANK. There were seven bills.

Mr. CAPEHART. One of the bills, that introduced by the Senator from Minnesota [Mr. THYE], was exactly the same as a bill introduced in the other body and made a part of the pending legislation by the House.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. DOUGLAS. Is it not true that the Committee on Banking and Currency came to no conclusion about the respective merits of the various bills?

Mr. CAPEHART. That is correct.

Mr. DOUGLAS. Was it not the feeling that this subject should be handled as separate legislation rather than being tacked on as a rider to the defense production bill?

Mr. CAPEHART. I think the best answer to that is, that we did not add any of the bills to the Defense Production Act. However, I want to say that the chairman of the Senate Committee on Banking and Currency, who was also the chairman of the Senate conferees, in private conferences with conferees on the part of the House, as well as with other Members of the House, developed the fact that the House, on two previous occasions, had passed the particular legislation which is now in controversy. It was first passed as a separate measure, in the Hill bill, and then was passed again by writing it into the Defense Production bill.

It was impossible for the conferees to get them to recede, because the House had passed this particular bill twice, once as separate legislation, and once as a part and parcel of the Defense Production bill.

Mr. DOUGLAS. Would the Senator from Indiana, with his customary sincerity and frankness, therefore, say that he yielded unwillingly to the obstinacy of the House conferees and was really pressured by force majeure in accepting something which was inately distasteful to his nature?

Mr. CAPEHART. As one of the managers of the conference for the Senate, I did my very, very best to get the House conferees and the Members of the House to recede. We were instructed to do that. But I always know when I am licked.

Mr. DOUGLAS. Mr. President, will the Senator from Indiana further yield?

Mr. CAPEHART. I yield.

Mr. DOUGLAS. Would not the Senator welcome reinforcement from this side of the aisle, so that he might turn defeat into victory?

Mr. CAPEHART. I will not admit that. I will say to the able Senator from Illinois, that I feel the conferees did all they could do under the circumstances. The House had on two occasions passed the proposed legislation, and the best we could do was to agree to the conference report and bring it back for a vote of the entire Senate. I hope that within not to exceed an hour the Senate will either concur with the majority of the Senate conferees or instruct them to go back for a further conference. That is the Senate's privilege. My best judgment is that inasmuch as the House has passed this proposed legislation on two occasions, that body is not going to recede even though we ask for a further conference.

Mr. MONRONEY. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I yield.

Mr. MONRONEY. Will the distinguished Senator from Indiana advise the Senate whether the bill has the approval of the Bureau of the Budget?

Mr. CAPEHART. Yes; it has. I am reliably so informed. We have been informed that it has the approval of the President and of the Bureau of the Budget.

Mr. MONRONEY. When was the approval submitted? Was it during the hearings in the House committee?

Mr. CAPEHART. It must have been. I am certain of that. I shall read what the Assistant Secretary of Commerce had to say before the Senate Banking and Currency Committee when we were considering the so-called Thye bill, which is exactly the same as the bill we are discussing. Here is what he said:

> Authority to make loans to small business under certain safeguards should continue. This function should be located in the Small Defense Plants Administration, or successor agency, subject to general policy direction of a policy board including among its members the Secretaries of Treasury and Commerce. This authority would appear to lapse upon the enactment of S. 892, unless provision is made for its continuance.

Mr. MONRONEY. But he did not endorse the language of the bill which is now before the Senate.

Mr. CAPEHART. That statement did not particularly do so.

Mr. MONRONEY. When the bill was in the Senate, the Senate committee did not have a letter from the Bureau of the Budget on the particular bill which the Senate is now asked blindly to accept.

Mr. CAPEHART. Here is what Mr. Sheaffer further stated. I asked this question:

> The CHAIRMAN. Are you familiar with the bill that the House Banking and Currency Committee reported favorably a couple of days ago to the floor of the House?
>
> Mr. SHEAFFER. That is the bill similar to S. 1523?
>
> The CHAIRMAN. Did you testify in respect to that bill?
>
> Mr. SHEAFFER. Yes, sir.
>
> The CHAIRMAN. That is the so-called administration bill; is it?
>
> Mr. SHEAFFER. I believe that represents the thinking of the administration. * * *
>
> The CHAIRMAN. Then you recommend the dissolution of the RFC, and the setting up of a new agency?
>
> Mr. SHEAFFER. Yes, sir. * * *
>
> Senator BRICKER. What will be the functions of this new organization?
>
> Mr. SHEAFFER. The general functions would compare, to a degree, with the functions as now exercised by SDPA, with this exception: It will go into the servicing of small business on a peacetime basis, rather than maintaining strictly the procurement functions which principally motivated the SDPA.

Mr. SPARKMAN. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I shall be very happy to yield.

Mr. SPARKMAN. As a matter of fact, I should like to point out a discrepancy. First, I ask the distinguished Senator if it is not a fact that the Thye bill and the Hill bill, which were somewhat similar——

Mr. CAPEHART. I think they were almost identical.

Mr. SPARKMAN. They were almost identical to start with. It was those bills to which the Bureau of the Budget had given clearance, but somewhere along the way in the House committee a very significant amendment was added which changed entirely the make-up of the Small Business Administration by taking the policymaking power out of the hands of the Administrator and vesting it in the Secretary of the Treasury, the Secretary of Commerce, and the Administrator. But the Administrator is not even chairman of that group. That is a very significant change, and it is a change against which the small-business men of the country are violently protesting.

Mr. CAPEHART. I think the able Senator has made a correct statement, but I do not know why the small businessmen of the of the Nation should be opposed to it.

Mr. LEHMAN. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I yield.

Mr. LEHMAN. Is it not a fact that the bill which was originally reported by the Banking and Currency Committee of the Senate was passed in committee by a vote of either 12 to 3 or 13 to 2?

Mr. CAPEHART. I think the vote was 12 to 3.

Mr. LEHMAN. Is it not a fact that the bill which is now before the Senate as a result of the conference report is completely different from the bill which was recommended by the committee which the distinguished Senator from Indiana heads as chairman and on which I have the honor of serving as a member?

Mr. CAPEHART. Of course the bill reported to the Senate was somewhat emasculated on the floor of the Senate before it went to the House. The House made many changes in it, including the elimination of the Small Defense Plant Administration and establishing a Small Business Administration to which they gave all the authority and the power which the Small Defense Plant Administration has had in the past, plus the fact that they gave the right to make loans up to $100,000, and made it a piece of permanent legislation.

Mr. LEHMAN. Mr. President, will the Senator from Indiana yield for another question?

Mr. CAPEHART. I yield.

Mr. LEHMAN. Is it not a fact that in the many hearings of the Banking and Currency Committee which extended over a period of several weeks, at least, the main concern of many members of the committee was to protect the interests of small businesses and to make it possible for them to get loans on equitable terms up to a reasonable amount, which, according to my recollection, was $100,000? Therefore, they established an independent agency under the supervision and administration of an administrator. Now, we have a bill containing a proposal which would completely vitiate the very purpose which the members of the committee—and, I believe, the great majority of the Members of the Senate—had in mind. There is nothing in this bill which in any way safeguards the interests of small-business men or makes it possible for them to maintain their position, to get working capital and expansion capital where it is necessary to do so, particularly in the case of defense contracts.

Mr. President, in my opinion, this is a step backward. It is something about which we should all be very deeply aggrieved. It is so different from what we on the committee were voting for conscientiously. When I say "we," I am pleased to include wholeheartedly the distinguished chairman of the committee. Yet, Mr. President, we find that this conference report completely vitiates what we were trying to do and kicks small business in the face. It does not give small business a chance. I, for one, simply cannot see it.

Mr. CAPEHART. Mr. President, I shall have to disagree with the able Senator from New York. The bill which is now before the Senate is good legislation, so far as small business is concerned. As the able Senator from New York knows, 2 years ago, or longer ago than that, Congress established what was known as the Small Defense Plants Administration, and the Senator is familiar, as are other Senators, with its operations. The weakness of the Small Defense Plants Administration was that it could not make direct loans to small-business concerns. All it could do in respect to such loans was to recommend them to RFC, but it had no authority to force RFC to make any loans. We had testimony to the effect that they made a number of recommendations to RFC, but that RFC refused to make the loans.

The bill before the Senate retains every good feature of the old Small Defense Plants Administration. It does not change by one iota the authority of the Small Defense Plants Administration. It keeps all the virtues which that Administration had, but it makes one addition, which I think is very important: It gives to the Small Business Administration the right to make loans up to $100,000 to any small-business man

in the United States, whether in peacetime or in wartime.

So it cannot be said that the bill is not a good one for small business because it is. It gives the Small Business Administration the right to lend up to $100,000 to any small-business man in the United States. It is a good bill because it lodges in the Small Business Administration, a new agency, the right to make direct loans up to $100,000.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. LEHMAN. Instead of the administration being in the hands of an administrator, as provided in the Senate bill, the pending bill provides as follows:

> There is hereby created the Small Business Advisory Board of the Small Business Administration, which shall consist of the following members, all ex officio: The Secretary of the Treasury, as Chairman; the Secretary of Commerce; and the Administrator.

We know that the Secretary of Commerce has already declared himself as being less than enthusiastic about the Small Business Administration.

Mr. CAPEHART. I think the Senator might well be wrong in that instance, because this provision, which is really the Hill bill or the Thye bill, as introduced in the Senate, was written by Mr. Sheaffer, Under Secretary of Commerce. He really wrote the bill.

Mr. LEHMAN. But I do not know that Mr. Sheaffer or the Secretary of Commerce has shown any particular enthusiasm for small-business plants.

Mr. CAPEHART. They wrote the bill, and they were the first sponsors of the proposed legislation.

Mr. LEHMAN. Among the powers which are given to the Small Business Administration is the power to grant or deny financial assistance. In other words, the Small Business Advisory Board, all ex officio, and none of them except the Administrator being really interested in the problem, have a right to deny any loan that may be sought by small business.

Mr. CAPEHART. The able Senator from New York is pointing out that under the old Small Defense Plants Administration, the Administrator himself was the chief executive officer; no one was over him. He did not even have an advisory group. In the proposed legislation, now under consideration, we have given the Small Business Administration, to use the new name, the right to lend up to $100,000. The proposed legislation would establish an advisory group, which would act only in an advisory capacity on general policies. The Secretary of the Treasury would be a member of that board, as also would be the Secretary of Commerce and the Administrator. The Secretary of the Treasury would be Chairman of the Board.

I presume that the objection of the able Senator from New York is that he feels that a board composed of the Secretary of the Treasury, the Secretary of Commerce, and the Administrator would result in the Cabinet officers outvoting the Administrator, and there would not be the independence the Senator would wish to see in such an agency.

Mr. LEHMAN. There would be complete veto power.

Mr. CAPEHART. Yes. I presumed that that was the Senator's position. I am not fearful of what he anticipates. I rather think that with respect to the affairs of any lending agency the Secretary of the Treasury, who is responsible for the money of the Government of the United States, ought to have something to say. He ought to know what is going on. He ought to be part and parcel of any advisory group that has to do with the spending of any sums of Government money.

The primary purpose of the House provision establishing a Small Business Administration is to consolidate and centralize small business programs in a single, permanent, independent agency with adequate powers to enable small business to make its maximum contribution to the economy. This will result in avoiding a duplication of functions, and waste of effort and expense on the part of the Federal Government. In order to accomplish these objectives, the Small Business Administration is empowered to make loans to small business; to enter into Government procurement contracts to be sublet to small business; to certify to Government procurement officers as to the capacity and credit of small business concerns; to undertake specific procurement contracts; and to provide technical and managerial aids to small business.

Moreover, the Small Business Administration is empowered to make an inventory of the productive facilities of small business useful for defense production. It will encourage the letting of subcontracts to small business by Government prime contractors. It will make recommendations to appropriate Federal agencies to insure that a fair and equitable share of materials goes to small business. And it will result in cooperation with Government procurement officials in order to attain the full use of the productive capacity of small business.

Senators will recognize, from the description of the authority and functions of the Small Business Administration, that in general these adhere closely to the authority and functions now possessed by the Small Defense Plants Administration. It will be recalled that the statutory authority for SDPA was first adopted by the Senate itself in 1951. Later, the same general provisions were approved by the House.

Speaking now in terms of the Defense Production Act of 1951, in 1951 the Senate included in its bill the title "Small Defense Plants Administration." That title was in the Senate bill which went to conference with the House. There was no such provision in the House bill, but the Senate included the Small Defense Plants Administration in its bill.

In the conference with the House, the House accepted the Small Defense Plants Administration feature of the Defense production bill. In other words, in that instance the case was somewhat reversed. The House accepted what the Senate had included in its bill with respect to small business. The House bill contained no provision with respect to small business. This time the House has eliminated the Senate provision for a Small Defense Plants Administration and has substituted a new agency, to be known as the Small Business Administration.

We are familiar with the activities of SDPA during the past 2 years. We are also aware that SDPA is a temporary agency whose powers are limited to encouraging small business to participate fully in the defense effort. It has no authority to encourage the maximum contribution of small business to the overall national economy. The conference report gives these additional needed powers to the Small Business Administration.

In order to centralize in one agency adequate powers to assist small business, the conference report gives the Small Business Administration authority to lend money to small business concerns for proper purposes when they are unable to obtain such funds from private financial institutions, either on a direct or participating basis. A limitation of $100,000, representing the Small Business Administration's share of a loan to a single borrower, is contained in the lending authority. This would appear to be an ample limit for the vast majority of small-business concerns. From the inception of RFC in 1932 through March 31, 1953, that agency has made 63,300 business loans. Ninety percent of these loans were in amounts of $100,000 or less.

It should be kept in mind that the Small Business Administration, which is given power to lend to small business, is limited in any individual loan to not more than $100,000.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. WILLIAMS. What does the committee plan to do with the RFC in connection with loans in excess of $100,000?

Mr. CAPEHART. That is a question which the Congress itself will have to decide. We have before us at the moment in the Senate Committee on Banking and Currency a bill to dissolve the RFC. So far the committee has taken no action on that bill. We have held hearings, but we have taken no action.

Mr. WILLIAMS. Mr. President, will the Senator further yield?

Mr. CAPEHART. I yield.

Mr. WILLIAMS. Is it not a fact that approximately 90 percent of all the money which has been loaned in recent months has gone to business which has been identified as large business?

Mr. CAPEHART. I do not have the facts before me, and I have no positive information, but I think the Senator is correct.

Mr. WILLIAMS. If we are to restrict this program merely to small business loans, there is no need for continuing two lending agencies, is there?

Mr. CAPEHART. That is a matter for Congress to decide. I would hope that

we would wind up with one. Certainly we do not need two.

Mr. WILLIAMS. Mr. President, will the Senator further yield?

Mr. CAPEHART. I yield.

Mr. WILLIAMS. Does not the Senator think it would have been much better if, at the same time we established the new agency, we had killed the old one?

Mr. CAPEHART. The testimony before the Committee on Banking and Currency, from Mr. Humphrey, the Secretary of the Treasury, from the Secretary of Commerce, and from the head of the RFC, Mr. Cravens, and others, was to the effect that they were perfectly willing that the RFC be dissolved, provided some other agency were established to take care of small business. I do not think we have any testimony from any governmental witness to the effect that the RFC ought to be eliminated without some other agency being established to take its place.

Mr. WILLIAMS. Practically all the testimony which has been given in behalf of one of these agencies has been offered in the name of the small-business man. However, at the same time, the benefits have gone to the large-business man. The small-business man has been used as window dressing.

Mr. CAPEHART. The records show that since RFC was created in 1932, through March 31, 1953, 63,300 business loans were made. Ninety percent of them were in amounts of $100,000 or less.

Mr. WILLIAMS. How does the comparison stand if it is made in terms of dollar amounts?

Mr. CAPEHART. I suspect that on the basis of dollar amounts, the 10 percent of loans made to large business would be greater, in dollars, than the 90 percent of loans made to small business.

Mr. WILLIAMS. Does not the Senator believe that if the percentages were based upon the dollar value, they would be reversed, and that 90 percent of the dollar value would have gone to big business?

Mr. CAPEHART. I think we would both be guessing if we were to say "Yes" in answer to that question. However, there is no question that, in terms of numbers of dollars, the amount of loans to large businesses far exceeds the amount of loans to small business.

Mr. WILLIAMS. Let me say to the Senator from Indiana that I am not guessing as to the results of the past 15 months, because I have a report, from which I intend to read later, which shows that during the period in which Mr. McDonald was Administrator, more than 89 percent of all the money that was loaned went to businesses which were clearly identified as large businesses. I refer to loans of more than $100,000. More than 89 percent of all the money that was loaned during the 15-months' period went to large business.

I point out that during Mr. McDonald's term of office only about $35 million, in the entire 15-months' period, was loaned to small business.

The bill pending provides for an appropriation of $250 million for a 2-year period, as I understand.

Mr. CAPEHART. It would be a 1-year period. The fund would be a revolving fund. The language of the bill provides that there shall be appropriated not to exceed $250 million, which shall be a revolving fund. In other words, there could not be outstanding at any one time more than $150 million in loans.

Mr. WILLIAMS. As I understand, the proposed agency is to be established for 1 year. Is that correct?

Mr. CAPEHART. No. It will be permanent.

Mr. WILLIAMS. The $250 million would last, perhaps, for 8 years, at the rate at which loans are being made.

Mr. CAPEHART. I do not have any figures on that subject. I do not know. However, this is permanent legislation. I want to be fair with the Senator.

Mr. THYE. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. THYE. I had introduced a bill to create such Small Business Administration, which would take over the functions of the Small Defense Plants Administration. One question which concerns me very much is this: On page 5 of the conference report I find the following language:

> (d) There is hereby created the Small Business Advisory Board of the Small Business Administration, which shall consist of the following members, all ex officio: The Secretary of the Treasury, as Chairman, the Secretary of Commerce, and the Administrator. Either of the said Secretaries may designate an officer of his Department, who has been appointed by the President by and with the advice and consent of the Senate, to act in his stead as a member of the Small Business Advisory Board with respect to any matter or matters.

I find that the Secretary of the Treasury is to be the Chairman of the Board. I believe that it would be far more advisable, from an administrative standpoint, and from the standpoint of prestige of the Small Business Administration, if the Administrator of the Small Business Administration were the Chairman of the Board, because that is his field. The Secretary of the Treasury has his field. That question concerns me very much.

The other point I wish to make is that any member of the Board may appoint someone else to represent him. So it is not a matter of having the Secretary of the Treasury and the Secretary of Commerce, whom we definitely know to be friendly to small business, as members of the Board. A Board member may designate someone else within his Department to represent him, someone with whom we are not acquainted and who might not be so acceptable to small business as the Secretary of the Treasury or the Secretary of Commerce.

Mr. CAPEHART. No one can be designated unless he has previously been confirmed by the Senate. In other words, the one designated would have to be an Under Secretary or Assistant Secretary, whose nomination had previously been confirmed by the Senate. Therefore we would know who he was.

Mr. THYE. I will agree that we would know who he was, in name, but we would not know him as we know the Secretary of the Treasury or the Secretary of Commerce. It seems to me that this agency might well have had as its chairman the Administrator of the Small Business Administration. In that respect the conference report differs somewhat from the provisions of the bill which I had introduced.

I was somewhat encouraged when the Senator from Indiana answered the Senator from Delaware [Mr. WILLIAMS] to the effect that the Small Business Administration is to be given permanent status. It is proposed that it shall extend beyond the life of the act which is being amended, namely, the Defense Production Act. The Defense Production Act is extended for a limited time.

Mr. CAPEHART. It is extended for 2 years.

Mr. THYE. However, the Small Business Administration will continue indefinitely, unless action is taken by Congress to abolish it.

Mr. CAPEHART. Title II of the bill we are considering is permanent legislation. The agency will continue until the act is repealed by the Congress. The bill calls for an appropriation of $250 million, which will be used as a revolving fund. From time to time the Congress can increase that amount or decrease it. However, the legislation is permanent.

Mr. THYE. We can foresee that the Administrator of this agency is to be so restricted in his administrative function that he will not even be privileged to make any move unless he consults the other two members of the Board.

Mr. CAPEHART. I cannot answer that question. The Senator's judgment is as good as mine. The House wrote this language. The Senate conferees accepted the language. There is no way of amending a conference report, as the Senator knows. We must either take the language or send the bill back to the conferees for further conference.

Mr. THYE. On all conference committees on which I have served, except with respect to items which were identical in the two bills, all matter concerning which there was a difference between the two bills would be subject to change. In such cases conference committees on which I have served have changed not only figures with respect to appropriations, but have changed language also.

Mr. CAPEHART. That is correct.

Mr. THYE. Certainly the Senator from Indiana does not intend to say that the Senate conferees had to accept what the House had provided. If that be the case, we should not consider the conference report, but vote to return it to the conference committee. Instead we should keep in mind what the Senate did in passing the proposed legislation.

Mr. CAPEHART. I believe the Senator from Minnesota misunderstood what I said. Perhaps I did not make myself clear. What I intended to say was we cannot amend the language in the conference report. The Senator from Minnesota knows we cannot amend the conference report. The conferees might have amended it, but they did not do it.

Mr. THYE. That is what I wanted to call to the attention of the Senator from Indiana when I understood him to say we could not change the report. If the chairman of the committee could not change it in conference, there is something strange and unusual going on, because I have seen the chairman act otherwise under similar circumstances in conference.

Mr. CAPEHART. Evidently I misunderstood the Senator from Minnesota, or he misunderstood me. What I thought he was suggesting was that we change the language in the conference report on the floor of the Senate.

Mr. THYE. Oh, Mr. President, we all know we cannot do that.

Mr. CAPEHART. We might have changed it previously; yes.

Mr. THYE. All we can do is vote to have it recommitted to the conference committee or accept it.

Mr. CAPEHART. The House had drawn up its version. The Senator from Minnesota is objecting to the fact that the Secretary of the Treasury would be the chairman of the advisory group, and the Senator is fearful that he will dominate the Administrator. Is that correct?

Mr. THYE. The Administrator is named by the President, and he heads the Small Business Administration. In determining policies, he would have only 1 voice against 2 other voices from 2 other Federal agencies. He would not be the chairman. Therefore, I am concerned that the Small Business Administrator will be at the command of and under the orders of two other Government departments, instead of being at the head of an independent Small Business Administration.

Mr. CAPEHART. In all fairness to the Senator from Minnesota and other Senators, I may say it could work that way. On the other hand, a chairman could also mismanage the new agency. It is a question of whom we would trust and in whom we would have confidence. When creating such an agency as this we must hope that the persons who are appointed to administer it will do the honorable and right thing. It is a question of whether we would have more confidence in the administrator acting as the chairman or the Secretary of the Treasury acting as the chairman.

Mr. THYE. When the Small Defense Plants Administration was conceived and first organized—and the same thought applies to the proposed reorganization—it was naturally felt when an administrator was selected he was selected on the basis of his background and understanding in the field of small business. However, if the person who is appointed by the President to be the administrator of the Small Business Administration is not privileged to serve as chairman, then he must answer entirely to the other 2 members who are serving with him, and those 2 other members are not primarily selected to represent small business. That is the concern I have in studying the conference report.

I know the problems confronting the Select Committee on Small Business, and I know that the committee gave a great deal of study to this question prior to the introduction of the bill. I appeared before the committee headed by the distinguished Senator from Indiana in support of the bill which I had introduced. I had hoped that the bill could be acted on by the committee and reported to the Senate so that it could come before the Senate on its own merits, instead of being written into a conference report, as has now been done, which we are forced to accept without modification or amendment or send it back to conference.

Mr. CAPEHART. The Senator is correct.

Mr. THYE. Therefore, I am concerned about it. I am trying to make certain that we develop a legislative history, so the record will show specifically the intent of Congress with reference to the Administrator of the Small Business Administration.

Mr. CAPEHART. Mr. President, let me say at this point that the purpose of a conference is to have the conferees of the two Houses do the best they can in an effort to try to get together and report back to the two Houses. The House conferees reported back to the House, and the House approved their action. We are reporting back to the Senate. If Senators feel that there are points in the pending legislation which ought to be further clarified, all they need to do is vote to recommit the report to conference, and we will do the best we can on a reconsideration of the report. If we cannot satisfy the Senate on the second conference, we will try a third time.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. KNOWLAND. What would be the situation, in the Senator's judgment, if the 30th day of June came and went without legislation having been passed? Could the Senator give his opinion on that subject for the RECORD?

Mr. CAPEHART. I was going to say that the purpose of the conference and of submitting the conference report to the respective Houses was to give the Members and Senators an opportunity to vote on the report. If Senators feel the conferees can do a better job, they can vote to send the report back to conference.

I am glad the Senator from California is also interested, because I was about to say that most of the legislation covered by the conference report expires on June 30.

Unless we act between now and midnight of June 30 and the President signs the bill, there will be no legislation whatever giving the Military Establishment the right to all the materials they need. In my opinion, that would be quite chaotic, regardless of what an individual Senator's or an individual House Member's feelings at the moment may be concerning the report. Regardless of our feelings, we must take action.

It is important that we pass legislation extending many of the features of the Defense Production Act which expire at midnight on June 30. Let us not become all snarled up and place ourselves in such a position that there will be no legislation of this character at midnight on June 30.

Apropos of the point made by the Senator from Minnesota, is it not correct to say that the bill of the Senator from Minnesota established a committee of three persons, consisting of the Administrator, the Secretary of the Treasury, and the Secretary of Commerce in connection with the administration of small business?

Mr. THYE. That is true only insofar as the granting of loans is concerned. It provided that the Secretary of the Treasury and the Secretary of Commerce would serve on the advisory board for that purpose.

What I have feared in connection with the conference report is that the identity of the Small Business Administration would be submerged in either the Department of Commerce or in the Treasury Department, because the chairmanship lies with the Treasury, and that provision would be written into the law. It is stipulated that the chairman shall be the Secretary of the Treasury.

I want to make certain that it is not the intent of the conference report that the identity of the Administrator of the Small Business Administration shall be lost. I want to be certain that when we have appointed a man to head the Small Business Administration he will be recognized as the Administrator, and that the other two members will be advisers to him, and will not dominate the Small Business Administration to a point where a small-business man has lost the services of an agency which was intended by Congress to look after the problems of small business.

Mr. BUSH. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I yield to the Senator from Connecticut.

Mr. BUSH. The matter just discussed does not seem to me to be of a very substantive character. There is to be a board, and the Administrator of the Small Business Administration is to be the important member. Whether or not he will actually preside at the meetings seems to me to be very inconsequential. When there is a ranking officer of the Administration present at a meeting, it does not seem to me inappropriate that he be the presiding officer, and it does not seem to me that as such he would necessarily exercise any greater influence on the proceedings than if he were sitting there under the chairmanship of another member.

Mr. THYE. My concern arose from the fact that it seemed that the Secretary of Commerce and the Secretary of the Treasury could name, from within their Departments, persons who would represent them, and those individuals may become very ambitious to take over the entire administrative functions of the Small Business Administration. That is my concern.

I want the RECORD to show that the intent of Congress is that the Office of Administrator of the Small Business Administration is established for the purpose of administering a governmental agency, and that the other two members of the committee are advisers, in-

sofar as they may aid in formulating a policy, but they are not the dominating factors in the Small Business Administration.

That is my concern, and I wish to be certain that I have an expression from the chairman of the committee that it is his understanding that the Administrator of the Small Business Administration will be the one to whom we will look as the Administrator of the Small Business Administration.

Mr. BUSH. Perhaps the distinguished chairman of the committee can give more assurance, but as one who has heard the testimony of a representative of the Administration in favor of the new director, who probably will be the Administrator of the Small Business Administration, and as one who has heard him discuss the philosophy of this whole question, I wish to say that it was my impression that the affairs would be conducted just as the Senator from Minnesota hopes they will be. That is my impression. I cannot give any more assurance than that, but that is my most definite impression.

Mr. THYE. The Senator is a member of the Committee on Banking and Currency, is he not?

Mr. BUSH. I am.

Mr. THYE. The RECORD is what is referred to generally in regard to the establishment of administrative policies of any agency, and I want the RECORD to be crystal clear on the question now being discussed.

Mr. MAYBANK. Mr. President, will the Senator yield for a moment?

Mr. THYE. I will yield, if the Senator from Indiana will permit me to do so.

Mr. CAPEHART. I yield to the Senator from South Carolina.

Mr. MAYBANK. There have been no hearings on the pending bill. The committee has not taken any action on it.

Mr. SPARKMAN. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I yield to the Senator from Alabama.

Mr. SPARKMAN. On the point the chairman of the Small Business Committee has been making, I know that if the legislative history is in contradiction to the plain language of the law, it amounts to nothing. It does not amount to anything what one says on the floor of the Senate explaining some matter if the law provides differently.

I wish to read to the Senator from the bill and then ask him if it does not provide very clearly that the proposed Board, consisting of the Secretary of the Treasury as the Chairman, the Secretary of Commerce, and the Administrator, shall run the Small Business Administration.

Mr. THYE. I got that understanding from the language I read.

Mr. SPARKMAN. It says:

> The Small Business Advisory Board shall establish general policies which shall govern the Administration in carrying out the powers, duties, and authorities conferred upon it by this title.

If that does not place the entire governing power in the three men rather than in the Administrator, I cannot understand the English language.

Mr. THYE. I agree that it does, and the Administrator of the Small Business Administration is only 1 of the 3 members.

Mr. SPARKMAN. Just one; he is not even the chairman of the board.

Mr. THYE. That is why I desired to make certain that it was the understanding of the conferees that the Small Business Administrator was the individual who would administer the affairs of the agency, and that the other two gentlemen were advisory to the Administrator.

Mr. SPARKMAN. The bill, as now framed, does not say that. It says they shall "establish the policies which shall govern."

Mr. THYE. In the bill I introduced there is no such delegation of authority.

Mr. SPARKMAN. That was not in the Senator's bill.

Mr. THYE. That is correct. In the bill I introduced, and in the testimony I gave before the Banking and Currency Committee, I specifically stated that the Board should be advisory on loan policies, but the bill provided that the Administrator would have the administrative functions; just as it is proposed there shall be an Advisory Board in the Department of Agriculture, which the Secretary of Agriculture advocates. I had in mind that the authoritative voice would be the Administrator of the Small Business Administration, and the Advisory Board would do what its name implies, advise the Administrator on loan policies.

Mr. SPARKMAN. Mr. President, will the Senator from Indiana yield further?

Mr. CAPEHART. I yield to the Senator from Alabama.

Mr. SPARKMAN. The Senator from Minnesota is exactly correct. He introduced a bill which made provision for a real Advisory Board, and that was also in the Hill bill when it was introduced. Let me say, by the way, that that was objected to on the floor of the House, but under the peculiar legislative situation prevailing, because the House had taken up the Senate bill and added this provision as an amendment, there was no opportunity in the House of Representatives to get a proper amendment to the bill, and, in view of the legislative situation, there was no opportunity to have agreed to a motion to recommit. So there has been no opportunity to write into the bill what the Senator from Minnesota wrote into his bill. Instead of having an Advisory Board to advise, the pending bill provides for what it calls an Advisory Board, but it is to govern.

Mr. THYE. I wish to commend the chairman of the committee for having brought in the report, because it does assure permanent life for the Small Business Administration. I have endeavored to make certain that such an agency would be created within the Government, and when my bill was introduced it was submitted for analysis to the American Enterprise Association, whose report is available.

Small-business people have not recommended such an advisory board as the conference bill now provides, with the Secretary of Commerce and the Secretary of the Treasury forming an official administrative majority, with the Chairman other than the actual Administrator of the Small Business Administration. That is the only objection I find to the conference report. I am afraid that it would deny the Administrator the right actually to administer the Small Business Administration in the manner in which he should be privileged to administer it. The Board should be advisory to him, rather than supersede him in authority and in administrative prestige by having the chairmanship lodged in someone other than the Administrator of the Small Business Administration.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield to the Senator from New York.

Mr. LEHMAN. I know the desire of the Senator from Minnesota to make a legislative record concerning this matter which will satisfy him and will safeguard the interests of those whom we are trying to assist. But I do not think any legislative record can possibly accomplish that purpose. The Senator from Minnesota, when he was Governor of his State, appointed many advisory committees, who were to advise him. I did the same thing when I was Governor of my State. In many cases those advisory committees were very useful. But I do not think the Senator, then Governor of Minnesota, would have appointed any advisory committees, any more than would I, to be coequal with him in authority, or superior to him in authority, so far as administration was concerned. Yet that is exactly what is proposed to be done by this bill. I desire to read section 4, subparagraph (d). It reads:

> (d) There is hereby created the Small Business Advisory Board of the Small Business Administration, which shall consist of the following members, all ex officio: The Secretary of the Treasury, as Chairman, the Secretary of Commerce, and the Administrator.

It then goes on to say:

> The Small Business Advisory Board shall establish general policies which shall govern the Administration in carrying out the powers, duties, and authority conferred upon it by this title. Such general policies shall, among other things, provide the standards (1) for the granting and denial of financial assistance by the Administration, and (2) for the exercise of the powers enumerated in sections 207 (b) and (c). It shall also be the duty of the Small Business Advisory Board to periodically review the operations of the Administration and coordinate its functions with other activities and policies of the Government.

Mr. President, if that does not hamstring the Administrator in the performance of the duties which are meant to be assigned to him, then I certainly do not understand the English language. Here is an Administrator who is a member of a so-called advisory board—a minority member, not even the chairman. He will have to compete as a minority member with two Cabinet officers of far greater prestige and standing. In my opinion, there is no way by which he will be able to assert his authority or discharge his duties as administrator.

I have already said, but I desire to repeat, that, so far as I am concerned, by agreeing to the conference report we are deliberately kicking the small-business man in the teeth. He has no chance whatever We are simply taking from him the protection which I believe the Congress, or most of the Members of the Congress, have wished to give him.

Mr. CAPEHART. Mr. President, let me say that I certainly do not in any way want to deceive any Member of the Senate. There is no question that the Advisory Board as constituted by the language of the conference report makes the Secretary of the Treasury the Chairman of the Advisory Board and makes the Secretary of Commerce and the Administrator members. Each of them has equal responsibility, each has equal authority, other than the fact that the Secretary of the Treasury is the Chairman.

However, I do not agree, I cannot agree that this is particularly a bad provision. My opinion is that the Secretary of the Treasury and the Secretary of Commerce are just as much interested in small business as is the Administrator. I do not think we have any right to stand on the floor of the Senate to contend that the Secretary of the Treasury, or the Secretary of Commerce, is any more patriotic than the Administrator, or, conversely, that the Administrator is any more patriotic than either of the other two.

The Thye bill called for the creation of a Board which would have the same responsibilities and the same duties as the Secretary of the Treasury, the Secretary of Commerce, and the Administrator would have under the provisions of the conference report. It might be—I do not know—we might constitute a Board that would be more sympathetic to small business. Those are the chances we take, regardless of the kind of commission we create and regardless of whom we place on it. But if good, conscientious men are placed on the Board, men like the Secretary of the Treasury and the Secretary of Commerce, we may depend upon getting a good job done; otherwise, we may not.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield to the Senator from South Carolina.

Mr. MAYBANK. I deeply appreciate the honest and frank expression of opinion by the distinguished Senator from Indiana. The point I tried to make was that, in conference, there was no discussion about the question of who would be what, or about what the Secretary of Commerce or the Secretary of the Treasury would do. Is that not correct?

Mr. CAPEHART. That is correct.

Mr. MAYBANK. This provision was placed in the bill, but no hearings were held on it.

Mr. CAPEHART. The reason was, the House had twice passed this particular proposed legislation.

Mr. MAYBANK. I am not speaking of that.

Mr. CAPEHART. They passed it once as a separate bill, known as the Hill bill, a bill which is now in the Senate Committee on Banking and Currency.

Mr. MAYBANK. I did not sign the report because there were no hearings on that bill.

Mr. CAPEHART. That is correct. Secondly, House made it a part of the controls bill. They had made up their minds that they were going to have this particular legislation, and there was nothing the Senate conferees could do but accept it.

Mr. MAYBANK. I agree with the Senator, that the House conferees refused to yield. Nevertheless, in conference there was no discussion whatever of the bill which was embodied in the report. Is that not correct?

Mr. CAPEHART. That is correct. We offered no amendment to it. That is an honest statement.

Mr. THYE. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield to the Senator from Minnesota.

Mr. THYE. Mr. President, I see a great deal of benefit to the small-business man in this proposed legislation. I do not want to be misunderstood. I am not criticizing the entire conference report; far from it. But I want to make it positively certain that we do not lose sight of the fact that the President has appointed an Administrator of the Small Defense Plants Administration, and that that Administration will be superseded by the new Small Business Administration. In the bill I introduced, I provided for an administrator, with specific responsibility as an administrator. The board was to be advisory to him. I should have recommended for the board such men as the Secretary of Commerce and the Secretary of the Treasury. I would gladly have recommended that they be appointed as advisers to the Administrator of the Small Business Administration. But I would not have recommended that they be vested with power equal to that of the Administrator of the Small Business Administration, and then that one of them should supersede him by becoming chairman of the board.

I am not concerned about Mr. Weeks, Secretary of Commerce; I am not concerned about the present Secretary of the Treasury; but this legislation is permanent, and some day we might have a chairman and a member of the Board who would desire to assume great responsibilities and authority over the Small Business Administration; and if they succeeded, we would not need an administrator, we would need only someone who would carry out the orders of the other two members of the three-man board.

In my bill I provided for an advisory committee of three men, not specifically for a certain type of administrator, with the chairman required by law to be the Secretary of the Treasury, but not to supersede the Administrator in his functions. That is the point wherein my bill differed entirely from the provision in the conference report.

Mr. CAPEHART. The able Senator is 100 percent correct as to the difference between the bill which he introduced and the bill which we are considering at the moment.

Mr. SPARKMAN. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I yield.

Mr. SPARKMAN. I would remind the Senator from Minnesota that the advisory committee was to advise with reference to the loan policy of the agency, and certainly the controlling power was not to be given to the so-called advisory group, as provided in the conference report. I hope the distinguished Senator from Connecticut [Mr. BUSH] will listen to this, because he was speaking a few moments ago with reference to the matter.

There came to each Member of the Senate and to each Member of the House of Representatives an analysis which was not based on the conference report. It was based on the Hill bill as it passed the House. It is a very fine and objective analysis of the situation, published by one of the best small-business associations in the United States. There are many good small-business organizations in the United States. One of the best is the Small Business Association of New England. This association analyzes the Hill bill as it passed the House, and points out the fact that the original Hill bill and the original Thye bill had in them very sound and sane provisions with reference to an advisory committee, but that the Hill bill, as it passed the House, incorporated new language to which small business is strongly opposed.

If the Senator from Connecticut has not yet seen the analysis, I would suggest that he read it carefully, because it is a good objective analysis by a very fine and strong small-business association.

Mr. SPARKMAN subsequently said: Mr. President, earlier in the day, in connection with the discussion of the conference report, I referred to a report which had been sent to each Member of the House and of the Senate by the Small Business Association of New England. I ask unanimous consent that at that point in the RECORD there be printed the report of the Small Business Association of New England, together with a telegram which has come to me from Mr. A. Dudley Bach, president of that association, protesting against the conference report, advocating its defeat, and requesting continued hearings by the Senate Banking and Currency Committee on the whole subject matter.

There being no objection, the report and telegram were ordered to be printed in the RECORD, as follows:

JUNE 11, 1953.

To Members of the United States Senate and House of Representatives and Appropriate Committees:

A statement of the position of the Smaller Business Association of New England on the new Hill bill (H. R. 5141).

Today we received a copy of the new Hill bill, now H. R. 5141, creating a Smaller Business Administration, which purports to be merely an amendment to the old Hill bill (H. R. 4090). This, however, is in essence an entirely new bill. It bears little resemblance in its essential provisions for the operation of this agency, to those of the original House Hill bill, 4090.

Twelve of our directors made a trip to Washington, April 21, 1953, and appeared before the Select Committees on Small Business of the Senate and House, and discussed the provisions of the Hill bill (H. R. 4090) and the Thye Senate bill 1523, for 2 hours with each committee. Later on two witnesses from our association made a trip to Washington, May 19, 1953, to testify before the Senate Banking and Currency Committee on the SBA bill introduced by Senator Thye (S. 1523).

At these hearings we presented our views and suggestions for changes of certain provisions which, in our opinion, would substantially strengthen the bill. These suggestions were made after thorough discussion among our membership:

1. We have had 16 years of experience in just what kind of agency works best for small business. Every experience confirms our belief that small business needs to have an independent agency not in, or a part of, or controlled directly or indirectly by any other department or agency, and responsible only to the President. This we felt was the stated position set forth in both the original Hill bill in the House and the Thye bill in the Senate.

The only restriction on the complete independence of the smaller-business administrator was the provision that the SBA administration be "empowered to make loans or advances in accordance with general policies established by a small-business loan policy board made up of the Secretaries of the Treasury and Commerce and the administrator." This loan policy board in both the Thye and Hill bills was to concern itself with policies relating only to the financial authorities given SBA.

We agree that in order to carry out the fiscal policy of the Government, the loaning agencies should be coordinated, and that with this control over and check on the financial authority of the SBA, that there is no necessity for putting a limitation of $100,000 on loans. Any limitation as to amounts could well be left to the discretion of the Board.

We are certain that small business deserves to have a truly independent agency and that it should not be smothered in a welter of other divisions in a Government department. It should have the freedom, imagination, and authority to deal with the multitudinous problems of small business. The Department of Commerce formerly had such a division for small business, but never did much with it. Twice before, Congress has recognized the necessity for creating a special agency to do the job for small business by the creation of the Smaller War Plants Corporation in World War II, and the SDPA in the present defense mobilization. Both of these were created because it was found that the Department of Commerce did not do the job for small business.

We testified at three hearings on these bills and at their conclusion we felt that both the first Hill bill in the House and the Thye bill in the Senate would set up an independent, workable, effective agency to assist small business.

But—5 days after its passage, we received a copy of the new Hill bill, H. R. 5141. This bill, known as the Small Business Act of 1953, we studied and found it was an entirely new bill because of a so-called last minute amendment to strike out everything after "Be it enacted," and substitute, therefor, an entirely new bill with a setup not at all like that in the first Hill bill.

We can show you clearly by merely setting out exact quotes from the Hill bill, H. R. 5191 at the beginning of section 4 (a) and the other at the end of section 4 (d), both, bear in mind, from the same new Hill bill passed by the House Friday, June 5, that the 4 (d) completely contradicts and practically nullifies the provisions of section 4 (a).

Section 4 (a), page 20, line 18:

"In order to carry out this policy there is hereby created an agency under the name 'Small Business Administration' (hereinafter referred to as the Administration), which Administration shall be under the general direction and supervision of the President and shall not be affiliated with or be within any other agency or department of the Federal Government."

Section 4 (d), page 22, line 8:

"There is hereby created the Small Business Administration, which shall consist of the following members, all ex officio. The Secretary of the Treasury, as Chairman, the Secretary of Commerce, and the Administrator. Either of the said Secretaries may designate an officer of his Department, who has been appointed by the President by and with the advice and consent of the Senate, to act in his stead as a member of the Small Business Advisory Board with respect to any matter or matters. The Small Business Advisory Board shall establish general policies which shall govern the Administration in carrying out the powers, duties, and authority conferred upon it by the act. Such general policies shall, among other things, provide the standards (1) for the granting and denial of financial assistance by the Administration, and (2) for exercise of the powers enumerated in sections 7 (b) on page 28 (which embraces all its operating powers), and (c) it shall also be the duty of the Small Business Advisory Board to periodically review the operations of the Administration and coordinate its functions with other activities and policies of the Government."

We deeply deplore this attempt to "water down" the independence of SBA as we believe it will make it very difficult, if not impossible, for it to function effectively to carry out it's avowed purposes.

We, therefore, suggest that the Loan Policy Board be confined only to supervision of financial assistance to small business. The present setup, in Hill bill 5191 as set forth in section 4 (d), reduces the Administrator to the status of being merely one of a committee of three outvoted by Treasury and Commerce members of the Commission.

BOSTON, MASS., *June 18, 1953.*

Senator JOHN J. SPARKMAN,
Senate Office Building,
Washington, D. C.:

The Small Business Association of New England has gone on record as not favoring the new Hill bill, H. R. 5141, as presently constituted. We believe the Senate Banking and Currency Committee should complete its hearings and give full consideration to both the Hill bill and the Thye bill along with other proposed small business legislation before it. We feel any small-business agency must be independent, have adequate loaning power, and adequate authority to carry out the functions Congress assigns to it.

A. DUDLEY BACH,
President.

Mr. BUSH. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I yield.

Mr. BUSH. Since the Senator from Alabama has directed his remarks to me, I should like to comment, that the arrangement provided for in the bill which is now before the Senate, so far as the 3-man committee is concerned, does not seem to me to be dangerous, but rather very advantageous.

I think it is very fortunate that there are to be brought into the administration of the small-business organizations the talents of the Secretary of the Treasury and the Secretary of Commerce and some responsibility in connection therewith. They have expressed an interest in doing something constructive in connection with small business and loans to small business. I am not one who fears their general interest in the situation, nor am I one who fears they will dominate the Administrator, who is a man of their own choosing and a man of very substantial characteristics in his own right. He is a very fine, able, successful young man.

So, Mr. President, while I think the Senator from Minnesota is correct in wanting to have the RECORD clear, as he says, I believe the way the bill sets up the Small Business Administration is one of the advantageous things about it, and not one of the unfortunate things about it.

Mr. KENNEDY. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I yield.

Mr. KENNEDY. Mr. President, I was interested in what the Senator from Alabama [Mr. SPARKMAN] said about the small-business group of New England.

Does not the Senator from Indiana feel that the limitation in the bill of $100,000 on loans would affect work which is vitally important to small-business men?

Particularly is not that true when the majority of the loans recommended in past years were for more than $100,000?

Mr. CAPEHART. The loans recommended by SDPA had to do only with the war effort, whereas the new policy will be to make loans for both civilian purposes and war purposes. We hope we shall soon be finished with the war purposes. The House committee figured that $100,000 was sufficient. It might be a little short in respect to the war effort, but the war effort may well be on the way down. We hope so.

Moreover, title 302 of the Defense Production Act gives the right to loan any amount.

Mr. KENNEDY. We must assume that the economy of the country will remain sufficiently high so that even though the war emergency may pass small business may not be able to get loans anywhere else.

Mr. CAPEHART. If it had been left to my good judgment I would have made it $125,000 or $150,000. However, we had no choice. At the moment it is purely a matter of guessing. I suspect that the starting point of $100,000 is possibly as good an estimate as $125,000 or $150,000 would have been. It is simply a starting point. We shall have to learn from experience whether it is too much or too little. My best judgment is that it may be a little bit short, but I shall not quarrel with it at the moment, because the act can be amended.

Mr. KENNEDY. I think the Senate should consider the low limitation and the reaction of the small-business association of New England.

Mr. CAPEHART. It is my thought that the act can always be amended.

Mr. President, I have some further pages with reference to the Small Business Administration, but I think we have

covered the subject in our debate. I should like, however, to ask unanimous consent to have 3½ pages on the subject inserted at this point in the RECORD.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

In order to centralize in one agency adequate powers to assist small business, the conference report gives the Small Business Administration authority to lend money to small business concerns for proper purposes where they are unable to obtain such funds from private financial institutions either on a direct or participating basis. A limitation of $100,000 representing Small Business Administration's share of a loan to a single borrower is contained in the lending authority. This would appear to be an ample limit for the vast majority of small business concerns. From the inception of RFC in 1932 through March 31, 1953, that agency has made 63,300 business loans. Ninety percent of these loans were in amounts of $100,000 or less.

Adequate safeguards are contained in the conference report to assure that the Small Business Administration will in no way compete with private financial institutions in making loans to small business.

In order to avoid duplication of effort, the conference report requires that RFC forward to SBA for processing all loan applications hereafter received from small business.

From appropriations authorized, an overall lending limitation of $150 million is prescribed. An additional $100 million is authorized for the Small Business Administration to take prime contracts from the Government and subcontract them to small-business concerns.

The Senate Banking Committee held rather extended hearings on the Hill bill (H. R. 5141) as reported from committee, and on the Thye bill (S. 1523). The Hill bill as reported by the House Banking Committee is identical with that bill as it passed the House, with the exception of a single word. The Hill bill as passed by the House is identical with title II of the substitute bill adopted by the conference.

Small-business problems and needs were gone into quite thoroughly during the hearings before the Senate Banking and Currency Committee on this very bill—S. 1081. Many witnesses appeared before the committee explaining the need for increased authority in the small-business agency. Many recommended direct lending authority. In fact, my recollection is that many witnesses at that time in effect endorsed wholeheartedly the very principles embodied in the Small Business Administration.

In addition, the Senate committee held several days of hearings on 7 or 8 bills to assist small business—May 20, 21, 22, 25, 26, and 27. One of these bills is the Thye bill, S. 1523. It is substantially the same as the Hill bill as passed by the House. All witnesses appearing for the administration were enthusiastic in support of the main features of the Thye bill and the Hill bill. Representatives of the Treasury, Commerce, RFC, and General Services testified in support of this legislation.

Chairman WOLCOTT of the House Banking and Currency Committee assured the conferees that he personally had obtained the approval of the White House for the Hill bill as passed by the House. Therefore, this bill has the wholehearted endorsement of the administration. It is an administration bill.

In summary, the majority of the Senate conferees decided to recede to the House position and accept title II of the conference report, which creates a Small Business Administration.

Mr. CAPEHART. Mr. President, another change was with reference to the definition of "national defense."

The conferees accepted the Senate definition of the term "national defense," with technical, clarifying changes.

ALLOCATIONS IN THE CIVILIAN MARKET

There was a slight difference between the Senate and House versions of the revised language proposed for section 701 (c) of the Defense Production Act, as amended. Both provide that if it becomes necessary in the future to allocate any material in the civilian market, consideration should be given to the then current competitive position of established businesses in determining the basis for allocating such material to them. The House version of the bill requires that in computing the then current competitive position of any such business, there be excluded the effect of Government controls. Such controls might result in the particular business having a different competitive position than would have been the case in the absence of such controls. The Senate conferees agreed to recede to the House position on this provision.

In so doing, there was no intention of affecting the remaining provisions of section 701 (c), as proposed to be amended by the conference report. In general, these provisions provide different base dates for computing future allocations in the civilian market, depending upon whether the particular material happens to be under allocation controls on July 1, 1953. If such controls are in effect on that date, future allocations must use a pre-Korean base date preceding June 24, 1950, with appropriate adjustments. If such controls are not in effect on July 1, 1953, future allocations take as a base date a representative period following June 30, 1953, with appropriate adjustments. In determining whether any particular material is subject to allocation control on July 1, 1953, within the meaning of the conference report, it is necessary to find that such control is in the nature of a full scale operating allocation control. This criterion would exclude such items as steel—other than nickel-bearing stainless steel, copper, and aluminum which will have been substantially decontrolled by July 1, 1953. Consequently, if it becomes necessary in the future to allocate any of such materials in the civilian market, the base date for allocation under the conference report would be a representative period following June 30, 1953, notwithstanding the fact that there may exist in the third quarter of 1953 certain limited and highly specialized controls over such materials.

DISTRIBUTION OF MATERIALS TO SMALL BUSINESS

In view of the termination of allocation of many materials for civilian purposes, the conferees in the statement of the managers on the part of the House expressed their hope that producers of such materials will continue to distribute their supplies so as to assure small users sufficient quantities to meet their current requirements.

PRODUCERS OF MINERALS AND METALS

A provision of the Senate bill sponsored by the junior Senator from Arizona [Mr. GOLDWATER] would have amended the definition of small business in the Defense Production Act by specifically including miners of strategic and critical minerals and metals among those who could qualify as small business concerns as long as they meet the criteria set forth in the act for small business concerns.

When a similar amendment was suggested to the Hill bill (H. R. 5141) in the House, assurance was given on behalf of the House Committee on Banking and Currency that such miners were as eligible as any other business to qualify as small business concerns. It was feared that by specifically naming certain classes of business which might qualify as small business, there would be a danger that other classes of business, similarly qualified, but not so named, might be excluded by implication. In order to make clear the intent of the conferees, a portion of the statement of the Managers on the part of the House was devoted to explaining why the proposed amendment was not incorporated in the bill. The statement of the Managers makes it perfectly clear that producers of strategic and critical minerals and metals stand on the same basis as any other business in their ability to qualify as small business concerns if they meet the necessary criteria contained in the bill.

I hope that is perfectly clear. I do not believe there is room for any misunderstanding whatsoever that small producers of metals and minerals, wherever found, if they come within the category of small business, will be entitled to secure reasonable loans from the new agency.

INFORMATION OBTAINED BY OPS

The Senate version of the bill would have continued for 2 years section 705 of the Defense Production Act. This section requires that confidential treatment be given to information supplied to OPS under that section if, at the time it is supplied, a request is made that such information be held confidential. The House version of the bill added an amendment which would result in all information supplied to OPS under section 705 which had not been made public by April 30, 1953, being treated as confidential. The House provision would have allowed disclosure of such information only to the Department of Justice, unless the President determined that withholding the information would be contrary to the interest of the national defense, in which event the information could be made public.

The substitute bill adopted by the conference includes the House provision with two amendments. The first amendment allows disclosure to the Congress or any of its authorized committees. The second amendment makes it clear that when disclosed to the Department of Justice, such information may be used to the extent deemed necessary in performing the functions of the Department of Justice. It was felt that some guaranty to safeguard this information against indiscriminate use should be written into the statute, in view of the fact that OPS has ceased to function as an operating agency. Nevertheless, there remains in the possession of the

executive department much information collected by OPS acting under section 705.

TERMINATION DATES

In general, the Senate bill extended for 2 years those provisions of the Defense Production Act which were to be extended. On the other hand, the House version of the bill extended for only 1 year such of these provisions as the House retained in its bill. In this matter the House receded and agreed to the Senate provisions.

The Small Business Administration, created under title II of the bill adopted by the conference, will be a permanent agency.

While the conference report represents a compromise of views on the part of the conferees, and may not wholly satisfy some of the conferees, I submit that the results reached represent an honest effort on the part of all conferees to attain an acceptable conclusion on all points in controversy between the two Houses. Naturally, there were differences of opinion even among conferees representing the same body.

However, as in all conferences, it was necessary to reach a compromise. In my opinion, the final result is the best bill that can be obtained from the conference between the two Houses. In view of the early termination of important defense-production powers, I recommend the immediate adoption of the conference report.

Mr. BUTLER of Maryland. Mr. President, will the Senator yield?

Mr. CAPEHART. I am happy to yield.

Mr. LONG. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. LONG. Is the Senator from Indiana yielding for a question, or is he yielding the floor?

Mr. CAPEHART. I am yielding for a question.

Mr. LONG. I desire to be recognized in my own right.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. CAPEHART. I have not yet yielded the floor.

Mr. LONG. Is the Senator yielding for a question, or is he yielding the floor?

Mr. CAPEHART. I yield for a question.

Mr. LONG. I do not desire to ask a question; I simply wish to seek recognition in my own right, if the Senator from Indiana is prepared to yield the floor.

Mr. CAPEHART. I have only one more statement to make.

Mr. BUTLER of Maryland. I should like to make a 3-minute statement.

Mr. CAPEHART. Mr. President, I ask unanimous consent that, without my losing the floor, the Senator from Maryland may make a 3-minute statement.

Mr. LONG. Mr. President, I must object. I am seeking recognition. I have been waiting for about 2 hours, and I do not propose to take more than 3 minutes.

Mr. CAPEHART. Mr. President, I ask unanimous consent that the Senator from Maryland [Mr. BUTLER] may speak for 3 minutes, without my losing the floor, and that then the Senator from Louisiana [Mr. LONG] may have 3 minutes, without my losing the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The Senator from Maryland is recognized for 3 minutes.

POLITICAL SITUATION IN THE PHILIPPINES

Mr. BUTLER of Maryland. Mr. President, recently on the Senate floor the Senator from North Dakota [Mr. LANGER] told us of a situation in the Philippines which deserves our attention, thought, and action.

The Senator pointed out that one of the principal issues in the current presidential election campaign in the Philippines is the allegation that American Embassy officials are interfering in the internal politics of that country. If these charges, which have been made by President Quirino himself and by other members of the incumbent Liberal Party, are true, we are indeed deserving of sharp criticism. If they are not true, we must make every effort to dispel the doubt which has been cast upon our democratic intent.

Personally, Mr. President, I am confident that our officials have not meddled in Philippine politics. But it would seem that they are inept in permitting these charges to assume the proportions of a major controversial issue in the Philippine campaign, and I agree with the distinguished Senator from North Dakota that it behooves us as a democratic nation to make our position of strict neutrality in Philippine politics clear beyond a shadow of doubt.

We have a particularly delicate role to play in the politics of the Philippines. As our former colony, they look to us for guidance and example. The world looks on with interest. Our enemies search for evidence of insincerity in our having granted the Philippines their independence. Asia, particularly southeast Asia, casts suspicious glances toward the West, for they remember all too well abuses of colonial authority by western nations. Our record as a colonial power was excellent. Our voluntary grant of independence to the Philippines was welcomed everywhere in the free world as evidence of the high ideals of American democracy.

We cannot afford to have a misunderstanding undermine our prestige as a proponent of democracy. We must understand that our generosity invites suspicion from some peoples who have always been exploited, and we must make extra effort to prove that we have no ulterior purpose.

Our own Nation was founded on the bedrock of self-determination of people. We have fostered that high principle at home and abroad since 1776. We must not let that record be tarnished by unfortunate misdeeds or by misunderstandings.

It is my understanding that several Senators from both sides of the aisle have become disturbed by this problem which has arisen in the Philippines, and plan to take some action to remedy the matter and express emphatically American policy of neutrality and noninterference in Philippine politics and sincere friendship for the government chosen by the Philippine people, whether it be the present one which is returned to office in November or a new one.

Let the Philippine people speak their minds with ballots, and let us offer our friendly assistance to the government of their choosing.

Mr. President, I have certain clippings of articles from American and Philippine newspapers which seem to show the extent of the problem, which I ask unanimous consent to have printed in the body of the RECORD following my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times of April 21, 1953]

UNITED STATES BIAS IS DENIED IN PHILIPPINE VOTE—FOREIGN SECRETARY FINDS NONE, BUT QUIRINO BACKERS SEE MAGSAYSAY FAVORED

(By Henry R. Lieberman)

MANILA, April 20.—The Secretary of Foreign Affairs, Joaquin M. Elizalde, declared in an interview today that there had been no official interference by the United States in Philippine election activities. He noted that Ambassador Raymond A. Spruance and his staff were now making every effort to keep Americans out of the heated Presidential contest here.

"It is a very difficult situation because you are in politics here from breakfast to dinner," Mr. Elizalde observed. "As of today, however, I have seen no case of any interference."

His comment followed a series of complaints by leaders of President Elpidio Quirino's Liberal Party that "some American officials" were partial to the presidential candidacy of Ramon Magsaysay, the former Defense Secretary. The open Liberal Party feud with the Embassy on this score last month has now abated, but Liberal leaders still cling to the belief that a number of Americans here are inimical to the President's candidacy.

Talks with key Liberal Party leaders, including Mr. Quirino and Eugenio Perez, Speaker of the House of Representatives, indicate the Liberals are not yet fully convinced of American neutrality in the forthcoming election. They make a distinction between the United States Government and individual Americans here who are favorably disposed toward Mr. Magsaysay, but occasionally the lines seem to get somewhat blurred.

"We are watching," said Oscar Castelo, the Secretary of Justice, who now also holds the post of Secretary of Defense. "We do not mind if you are pro-Magsaysay, but we do not want any campaigning."

He threatened to deport any Americans whom he found to be interfering.

"If we find the United States Government is interfering, either for the Liberals or the Nacionalista, we will denounce the United States in the United Nations," he added.

The background of these suspicions apparently include favorable notice Mr. Magsaysay has been given in the United States press, his obvious popularity with resident Americans, his defection from the Liberal Party and various individual comments and public actions regarded by the Liberals as having cast unwarranted reflections on the Quirino administration. There also are indications of Liberal fears that American money might be brought in to support the Magsaysay candidacy.

Meanwhile, all major political leaders—Liberals and Nacionalists alike—continue to talk about the necessity of close cooperation between the United States and the Philippines regardless of who is elected president next November.

There is an obvious sensitivity on both sides about all matters concerning Philippine sovereignty and there is a strong bipartisan sentiment favoring revision of the 1946 agreement governing present trade relations between the United States and the Philippines.

At the same time, however, one gets the impression that the United States retains a strong reservoir of goodwill in this country. A Philippine Government official put it this way.

"It is still a political asset in this country to have the United States on your side. That is what a lot of the commotion is about."

[From the New York Herald Tribune of March 9, 1953]

QUIRINO ASSERTS UNITED STATES WON'T PUSH LAND REFORMS—UNITED STATES OFFICIALS DEMUR, NOTE ENVOY HAS POINTED OUT VALUE OF MSA PROPOSALS

(By Homer Bigart)

MANILA, March 7.—President Elpidio Quirino said in an interview that he has demanded and received assurances that the United States will not intervene in the Philippine presidential campaign by pressing for land-tenure reform.

He said he has been told by American Ambassador Raymond A. Spruance that a controversial Mutual Security Agency report on land reform was "just one man's opinion," and is not to be regarded as an official policy statement.

President Quirino was particularly upset by a statement in the report that the United States might have to take "direct, expensive, drastic action" to save the Philippines from communism unless extreme poverty and political unrest among tenant farmers were alleviated.

LAND REFORM BIG ISSUE?

Land reform will be a major political issue if Ramon Magsaysay, who resigned last week as Defense Minister in Mr. Quirino's Liberal Party Cabinet, is nominated by the rival Nacionalista Party for President.

Mr. Magsaysay insists that agrarian reform offers the best means of uprooting discontent in the Provinces where the Communist-led Huk movement finds recruits. Mr. Quirino, while giving lip service to reform, has rejected American recommendations as suggesting collectivism.

American sources, later, gave a quite different account of the Quirino-Spruance conversation than was received by this correspondent from President Quirino.

MSA PLAN APPROVED

They said Ambassador Spruance not only approved wholeheartedly the contents of the MSA report but sent to Mr. Quirino a covering aide-memoire (memorandum) stressing its importance.

It was stated also that the Ambassador, after a close first-hand study of the problem, became convinced that oppressive farm rentals, exorbitant interest rates, and feudal practices under the land-tenure system are major incitements to rebellion and that he reminded Mr. Quirino pointedly of the keen interest of the United States in an honest election next November in the Philippines.

TWICE REMINDED QUIRINO

The controversial MSA report was almost completed when Ambassador Spruance arrived at Manila early last year. He personally submitted it to President Truman in August. Subsequently, when no action was taken by the Quirino government, he brought the matter to Mr. Quirino's attention on at least two occasions.

Written by Robert Hardy, who had been General of the Army Douglas MacArthur's land-reform expert in Japan, the report recommended government purchase of big, private landholdings which would be split up and sold to tenants as family-sized farms.

"The trouble with Mr. Hardy," President Quirino said, "was that he could not understand that our problem is different from Japan's. In Japan, all you had to do was to split up the Emperor's lands—the Government did not have to pay for it. But here you have to pay for the land, and we haven't got the money.

"Mr. Hardy must have thought this was still occupied territory."

OPPOSES RELEASING REPORT

Mr. Quirino said he felt obliged to tell Ambassador Spruance that the Hardy report "would severely affect" American-Philippine relations if made public.

Turning to politics, Mr. Quirino said Americans are being fed "systematic exaggerated publicity" about the achievements of Mr. Magsaysay.

"I build him up," Mr. Quirino said. "He got credit for things I personally directed. The Americans believe he reorganized the army. But the army was reorganized before he came in.

ARMY MORALE LIFTED

"Of course, with his new enthusiasm, ability and hard work, he was able to lift the spirit and morale of the army. But the capture of the Huk Politburo at Manila was possible because I turned over to Mr. Magsaysay the agent who provided all the information. But Mr. Magsaysay got all the credit. I was building him up.

"I knew he was going to resign and I just waited until he reached the end of his rope. As a matter of fact, I did not even read his resignation.

"There is nothing wrong about Mr. Magsaysay except that he is bewildered by the flattery and cajolery of the Nacionalistas. There is no danger of a coup. Mr. Laurel is just talking bloodshed as a scarecrow."

[Mr. Quirino was referring to Sen. Jose Laurel, the Nacionalista leader.]

"Personally, I don't think Mr. Magsaysay will get the Nacionalista nomination," Mr. Quirino added. "They just want to split the liberal party."

Mr. Quirino said he is confident he will head the liberal party ticket. He said Carlos P. Romulo, now Philippine Ambassador at Washington, is being considered for the liberal party nomination for vice president.

[From the New York Times of January 6, 1953]

PHILIPPINES ANGRY OVER UNITED STATES REPORTS—SECURITY AGENCY DATA ON RURAL CONDITIONS MAY BRING FORMAL PROTEST BY MANILA CONGRESS

MANILA, Tuesday, January 6.—The impatient rejection by President Elpidio Quirino of a Mutual Security Agency report on rural backwardness in the Philippines set off a congressional movement today for a formal protest to the United States Government. The suggested protest had obvious overtones of election year politics.

It was the second recent report of the Security Agency on rural conditions in the Philippines to arouse the ire of the Quirino administration. The first one, identified as the so-called Hardie report (after Robert S. Hardie, its author) on tenure reforms led to intimations in congressional quarters that the United States assistance program in the Philippines was infiltrated by Communist influences subversive of the Philippine Government.

Speaker Eugenio Perez of the Philippine House of Representatives suggested that the Philippine Government should be allowed to screen United States Government people sent on assistance programs. The suggestion has been ignored by United States officials here.

Since the Perez suggestion the Hardie report has been published in detail, revealing nothing interpretable as subversive or Communistic in character.

The second mutual security report now the subject of a threatened formal protest against United States "interference" with domestic affairs was prepared jointly by the United States Technical Mission and its Philippine Government counterpart, the Philippine Council for United States Aid.

Identified as the McMillan-Rivera report, it concludes that nearly half of the village residents of the Philippines today were worse off than 10 years ago.

The report said that the Philippine Government influence, except for schools, did not penetrate to the village (barrio) level, where 75 percent of Filipinos live, and that the Filipino barrio folk were virtually ruled by the cacques, or bosses, who control their lives and working conditions.

Such conclusions were naturally politically unwelcome to President Quirino's Administration and the Liberal Party, whose survival depends on the outcome of the national elections next November.

Mr. Quirino denied such conditions existed and affirmed his administration's constant concern for the underprivileged barrio people. Speaker Perez, in a statement to the press, called the McMillan-Rivera report malicious and said it was designed to undermine popular faith in the Government.

[From the New York Times of March 14, 1953]

SHUN MANILA POLITICS, AMERICANS ARE TOLD

MANILA, March 13.—United States Ambassador Raymond A. Spruance issued one of his rare public statements Thursday warning Americans in the Philippines to refrain from any kind of participation in the coming national elections or in election campaign activities.

It was more or less a routine statement, merely urging compliance with the law without reference to the violent political feeling over President Elpidio Quirino's bid for reelection against Ramon Magsaysay, his former Secretary of Defense, who resigned recently under political pressure and is expected to oppose him on the Nacionalista Party ticket. But it served to call attention to Washington's watchful attitude toward the election campaign, which gives signs of producing an explosive reaction from the politically excitable Filipinos.

Admiral Spruance called attention both to United States and Philippine laws bearing on such participation.

The statement was not believed to have been inspired by any noticeable tendency on the part of Americans here to intervene, but was rather a precautionary warning to let the Filipinos know how the United States stands on such matters. The 10,000 to 12,000 Americans residing in the Philippines probably are the largest American colony outside the United States.

[From the Chronicle, Manila, Philippines, of March 31, 1953]

LIBERAL PARTY SOLONS ACT TO OUST MEDDLERS—PEREZ, ALIAS SEEK DEPORTATION OF POLITICKING ALIENS

A Liberal Party-inspired move to deport local American residents found meddling in Philippine politics was started yesterday in the House of Representatives.

Representative Cipriano Alias, Liberal, of Pangasinan, filed a resolution yesterday seek-

ing the creation of a special congressional committee to conduct a secret investigation of the reported meddling.

Speaker Eugenio Perez said in Baguio last night that the Alias resolution will be given top priority in the House agenda should congressmen press for its immediate discussion.

Perez indicated that he may throw the full weight of his influence as president of the Liberal Party behind the resolution. Liberal Party congressmen who are with Perez in Baguio rallied behind the move.

Explaining his resolution, Alias said that he and his colleagues merely want to know who among the local American residents are meddling in Philippine politics.

Those found politicking, Alias said, will be recommended for deportation. Officials of the American Embassy meddling in local politics will be reported to Washington as persona non grata in the Philippines, Alias said.

Nacionalistas meanwhile found themselves doing the unfamiliar role of defending the local American Embassy from attacks of interference hurled by the Liberal Party leaders, including President Quirino.

In the 1946 and 1949 elections, the Nacionalistas, it will be recalled, hurled the same accusations against the American Embassy.

Reactions among Congress leaders on the move to ask for the recall of Spruance followed strictly the party line. Liberals are almost unanimously in favor of the move while Nacionalistas are against.

Speaker Perez said in Baguio that the controversy has reached serious proportions and may directly affect the election campaigns.

He said the issue could be easily raised against the Nacionalista Party in the campaign, adding that "the sovereignty of this country should be protected at all cost."

Alias indicated that his political bosses, the Liberal Party leaders, will throw the full weight of the administration behind his resolution in order to rid the country of foreign intervention.

Senators Claro M. Recto and Jose P. Laurel, Nacionalista Party leaders who have hitherto been branded as anti-Americans for their outspoken attacks against American foreign policy in the Orient, strongly defended the American Embassy against the President's accusations.

Quirino last Sunday accused American Ambassador Spruance and the American Embassy of meddling in local politics. The President's accusations were followed up by Speaker Eugenio Perez and Representative Diosdado Macapagal, Liberal Pampanga.

The President charged the Embassy with snubbing Liberal Party leaders at its recent dinner-conference in honor of Adlai E. Stevenson, during which local politics was reportedly discussed.

Senate President Eulogio Rodriguez, Sr., Nacionalista Party president, said last night that the charges hurled by the President are purely nonsense. He said that Ambassador Spruance "is the best American Ambassador ever to be assigned in the Philippines."

Rodriguez denied that only Nacionalista Party leaders were invited to the Stevenson dinner, as charged by President Quirino. He said he is definitely against the move to ask for the recall of Spruance.

Macapagal, in a statement last night, asked for a categorical comment from the American Embassy on widespread reports indicating its interference in the coming presidential election.

His statement follows in full:

"I wish to clarify that I have not made charges against the American Embassy. I have simply requested the Embassy to comment on widespread reports indicating its interference in the coming presidential election. If the Embassy does not indulge in such intervention, it should so state and clarify the reports in order to clear the atmosphere.

"Irrespective of partisan alignment, I call on all to expose and resist the interference of the United States Embassy under Ambassador Spruance in the conduct of our elections. Even if the Embassy interferes in favor of the Liberal Party and its presidential candidate, I will still fight it because foreign meddling in our polls, irrespective of the party or candidate favored, transgresses our sovereignty and makes a mockery of our independence."

(By Jose C. Nable)

BAGUIO, March 30.—Liberal congressmen today contemplated asking for the immediate recall of American Ambassador Raymond A. Spruance for alleged interference in Philippine politics.

Macapagal, who heads the foreign affairs committee in the Lower House, said he will personally file the resolution declaring Ambassador Spruance "persona non grata" to the Philippine Government. The resolution will be filed immediately upon the resumption of Congress sessions on April 6.

Speaker Eugenio Perez said the Macapagal resolution will be given priority in the House agenda should congressmen press for its immediate discussion.

Qualifying their stand on the proposed resolution, the congressmen, including Macapagel, indicated that a satisfactory explanation and clarification by Embassy officials on this matter would clear up the current misunderstanding. It may even prevent the pressing of the resolution any further.

United States Embassy officials were charged particularly with hiding in the Embassy vaults a reported agreement signed between Senators Jose P. Laurel, Claro M. Recto, Lorenzo Tanada and former Defense Secretary Ramon Magsaysay.

The Embassy is also charged with having ignored the Magsaysay statement to the effect that the American Government has lost confidence in the Quirino administration.

While the Embassy made it a practice to issue official communiques on lesser matters, it did not deny the Magsaysay statement, it was charged.

The controversy between the Embassy and administration leaders was described by congressmen as having reached "serious proportions" which may directly affect the election campaigns.

Speaker Perez admitted that the issue could easily be raised against the Nacionalistas in the course of the campaign, adding that "the sovereignty of this country should be protected at all costs."

[From the Philippine Herald, Manila, Philippines, of March 29, 1953]

HIT UNITED STATES "MEDDLING" IN PHILIPPINE ISLANDS POLITICS—MACAPAGAL DEMANDS EXPLANATION—MALACANAN RELEASES ARTICLE ACCUSING UNITED STATES EMBASSY, ARMY OF PLOT

A double-barreled attack was leveled yesterday at the American Embassy for alleged interference in local politics by boosting the candidacy of former Secretary Ramon Magsaysay.

The first blast came from Representative Diosdado Macapagal, Liberal, Pampanga, who demanded that the American Ambassador should either deny or clarify two reports tending to implicate the United States Embassy in certain political moves.

The second blast came from Malacañan which issued an official release under the letterhead of the "Office of the President" quoting in full an article in the Bataan magazine which attacked the United States Army and Embassy for pushing the election of a "man on horseback." The article was entitled: "Will There Be a United States Party in the Philippines?"

Macapagal charged that the United States Embassy was guilty of "interference by omission" because it failed to deny a report that a "secret agreement" entered into by Senators Jose P. Laurel, Claro M. Recto, Lorenzo Tañada, and Magsaysay was "being guarded in the vaults of the Embassy."

Macapagal also charged that the United States Embassy was guilty of "interference by omission" in failing to deny or correct Magsaysay's statement that the American Government has "lost confidence in the Quirino administration."

Macapagal made the charges in a signed statement released to the press last night. It was considered significant because Macapagal signed it as chairman of the committee on foreign affairs.

The statement follows in full:

"The silence of the American Embassy on two recent reports is disturbing. The first is the report that Senators Laurel, Recto, Tañada, and ex-Secretary Magsaysay have signed a secret agreement and that this document is being guarded in the vaults of the Embassy. The second is the statement of Mr. Magsaysay that the American Government has lost confidence in the Quirino administration.

"The United States Embassy has heretofore made or sought denial or clarification of less serious matters than these. The continued failure of the Embassy to make denial or clarification now may be taken as an undue interference with the political struggle going on in the country. Interference is done not only by commission, but by omission.

"We, therefore, ask the American Ambassador to clarify said reports with the same candor in which he owned the politically controversial contents of the Hardie report. The Embassy has recently called on the American officialdom and community to refrain in every way from the political situation. Such admonition will best find substance through a clarification of the aforesaid reports by the American Ambassador."

Indicating that the press statement was only the first step in the move to force a showdown with the United States Embassy, Macapagal told the Herald he plans to ask Liberal leaders to make a formal request for an explanation from the American Ambassador.

In Malacañan, reporters covering the President were surprised at what they termed an "out and out propaganda material" being issued officially by the press office. Although the release was marked "for background purposes," a Malacañan authority said it could be reprinted.

The Bataan article, according to the release, was airmailed to Malacañan from the States where the magazine is being published.

Besides attacking the United States Embassy and Army for building up the "man on horseback" the article also charged that American newsmen, magazines, and periodicals were unwittingly made tools by United States political plotters. The article did not mention any name, but it was clear that it was referring to Magsaysay.

The article follows in full:

QUESTION IS ASKED BECAUSE OF EFFORTS TO BUILD UP "A MAN ON HORSEBACK"—MANILA POLITICAL CIRCLES AGOG OVER ACTIVITIES OF PRO COLONEL CONSIDERED PUPPET PULLING FROM BEHIND THE SCENES—PROPAGANDA PATTERN FOLLOWED IN UNITED STATES EXPOSED

MANILA, February 25.—What started here as a wisecrack in political circles that aside from the Liberal and Nacionalista Parties, a third one is about to be born—an American Army Party organized to foist "a man on

horseback" on the Filipinos—seems to be taking shape. Whether it will continue operating from behind the scenes as it has so far done or whether it will dare show its hand is not known at this writing, but the arrival of its master mind who returned here a few days ago from Washington may precipitate some developments that may culminate in some sort of a political crisis.

It is an open secret here that a certain sector of the United States Army and some American officials, interested mainly in Pacific security, have been trying the last 2 years to build up a certain figure and prepare him to be a presidential candidate. For this purpose, a propaganda build-up was encouraged among some United States magazines and periodicals, and even the Pentagon was unwittingly inveigled into the attempt to boost the United States Army favorite.

SECURITY IN THE PACIFIC

Leading American publishers and publicists as well as newspaper correspondents were fed with materials about the so-called achievements of the United States Army fair-haired boy, and every effort was exerted to present him as a hero to the American public. Recently, as a result of the change in administration in the United States, a certain Army colonel rushed to Washington to direct a new propaganda spurt to influence the faces in Washington in favor of the man on horseback.

The propaganda pattern is clear as evolved by the PRO colonel: Main theme: United States security in the Pacific. How to achieve it: Elect as president of the Philippines the one who can best promote and defend United States security and interests. How to influence American opinion: Present President Quirino as a weak, corrupt chief executive. At the same time build up one of his cabinet members as a strong, honest, courageous official. Give this official all the credit for everything good in the Philippine Government and blame Quirino for all the faults and weaknesses of the administration. In other words, make of Quirino a villain, and of the United States Army pet a hero.

That is the pattern that was carefully evolved and followed. The American newspaperman is essentially and fundamentally fair. So when he arrives here in Manila he tries to get the facts. To get the facts he has to go to what he thinks are the accepted objective sources. These are the United States Embassy and the United States Army. He is not aware of any preconceived plan to build up a certain figure. And what he believes are the objective sources begin to give him their facts. Then he is subtly but effectively guided to get confirmation of the facts from Filipino sources known to be anti-Quirino. Finally, when he has been properly briefed in accordance with the pattern, an effort is made to make him interview President Quirino. Whatever Quirino tells him cannot efface the first impression created in his mind by the objective sources.

NEW PUBLICITY SCHEME

So when the United States elections came and a new administration was elected and it was evident that there would be changes in the Pentagon, the PRO colonel rushed to Washington in December and a new spate of organized publicity was started. Frank Pace, Dan Kimball, William Foster who had already been sold to the Army pet had been eased out. A new set has to be indoctrinated. New articles must be published presenting Quirino as a devil and the "man on horseback" as an angel. Hence, articles appearing in United States newspapers and magazines in December, January, and February.

That done, more maneuvering must be done from here. From Manila must come news about politicians trying to wreck the Army, news dispatches purporting to show that efforts to suppress the Huks are weakened by politicians envious of the Army pet, that communism is gaining ground in the Philippines, that United States security is thus endangered in the Pacific, and that the only man who can save the situation is the "man on horseback." All these must be cleverly and unobstrusively directed from behind the scenes. The Hardie report must be properly exploited against Quirino. The Supreme Court decision on emergency powers must also be transmitted to the United States in a manner that will show how tyrannical this man Quirino is. A statement must be written for the pet defending the military mind in order to project him to the attention of President Eisenhower.

Fortunately, we the unwary are beginning to wake up. We are beginning to see the outlines of a colossal effort to interfere in our domestic affairs and make a mockery of our national sovereignty. Whether the Nacionalistas as the opposition party are conscious of all these behind-the-scenes puppet-pulling and are encouraging it by such politically-clever statements of offer of withdrawal in favor of this or that candidate in order to take advantage of it when the opportune moment comes and thus win the election for the opposition by exposing it in all its Machiavellian significance, your correspondent does not know. He is inclined to believe that they know and are aiding and abetting it—for their comfort and subsequent victory at the polls.

TEMPORARY ECONOMIC CONTROLS—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1081) to provide authority for temporary economic controls, and for other purposes.

Mr. LONG. Mr. President——

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 3 minutes.

Mr. LONG. Mr. President, I ask unanimous consent that the limitation of 3 minutes upon my remarks be rescinded. I see no point in the restriction, since the Senator from Indiana [Mr. CAPEHART] is prepared to yield the floor.

Mr. CAPEHART. Mr. President, I desire to speak for 2 or 3 additional minutes, if the Senator from Louisiana will permit me to conclude.

Mr. LONG. I wish to make a motion when I obtain the floor.

Mr. CAPEHART. Will the Senator from Louisiana withhold his motion until I have finished?

Mr. LONG. Mr. President, I ask unanimous consent that I may be recognized at the conclusion of the remarks of the Senator from Indiana.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. CAPEHART. I merely wish to say, in closing, that the proposed legislation establishes the Small Business Administration for the purpose of cooperating with, working for, and helping small business to the extent of helping it to secure war orders, helping it to finance war orders, and lending it money for civilian purposes. There is no limitation, except that it must be small business.

One of the points which is not found in this bill, but which is in the RFC Act, is a provision that a loan may not be made unless it is in the national interest. There is no such provision in the language of the pending bill. The proposed agency is a real, honest-to-goodness, small business administration, created for the sole purpose of helping small business, to the extent that any small-business man anywhere in the Nation may borrow up to $100,000. The agency proposed to be established is 100 percent in aid of small business. Let no one be deceived about that. It is a small-business agency, not only to help small business obtain war orders, but likewise to lend money to small businesses, up to $100,000.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. MONRONEY. As the Senator says, the field is wide open. Would it include the financing of a hairdressing establishment?

Mr. CAPEHART. I should say that that would depend on the policy adopted by the Board. However, I see nothing in the bill which would prevent such a loan being made.

Mr. MONRONEY. I take it saloons would be eligible for loans?

Mr. CAPEHART. Yes, if that were in accordance with the policy adopted by the Board. The Board could eliminate saloons.

Mr. MONRONEY. But the bill as written would provide for the financing of saloons, hairdressing establishments, bowling alleys, or any other kind of enterprise.

Mr. CAPEHART. The bill would permit financing of any small business, up to $100,000. The Board would set the policy. It could include or exclude saloons. To be perfectly frank and honest, it could either finance them or not, as it saw fit.

Mr. MONRONEY. Let me ask the distinguished Senator if there is any provision in the bill for local bank participation, which is now the policy.

Mr. CAPEHART. There certainly is.

Mr. MONRONEY. Will the Senator show the junior Senator from Oklahoma where that language is to be found in the conference report? I have tried to find it, and I have been unable to do so. I do not find it anywhere in this hastily considered legislation.

Mr. CAPEHART. Immediate or deferred participation is part and parcel of the bill. I will find the language for the Senator in a moment.

Mr. MONRONEY. While the language is being looked up, I should also like to ask the distinguished Senator if it is not a fact that from a practical standpoint this proposed legislation came to the House not subject to any floor amendment. Therefore it was conceived under the gag rule in the House. It comes to the Senate without the opportunity to dot an "i" or cross a "t" or make any restrictions whatsoever. So what we actually have before us is probably the worst example of the way to legislate that could possibly be conceived. One committee of one House can generate legislation with respect to which no amendments can be offered when the bill comes to the floor of the House;

when it comes to the Senate, it comes under a gag rule, so that we cannot possibly amend or correct or improve the bill. We are expected to take it on faith.

Mr. CAPEHART. What does the Senator object to about the bill?

Mr. MONRONEY. In the first place, I do not think there is any safeguard whatsoever for the public, in the classification of loans that can be made. It is proposed to create a multi-million-dollar establishment, which the Senator says can finance saloons, hairdressing establishments, or anything else, whether needed or not. Anything can be financed by the new agency, which is an open end to the Federal Treasury. I have been unable to find any of the careful safeguards which in the past have consistently been placed in lending legislation. That was true when I was a member of the House Committee on Banking and Currency.

Mr. CAPEHART. Of course, the able Senator knows that, under the provisions of paragraphs (1), (2), and (3) on page 7, every conceivable effort must be exhausted to obtain a loan from private lenders before a borrower is eligible to make a loan under the terms of the bill. He must sign an affidavit that he was unable to obtain a loan from any other source. Moreover, he must furnish the Administrator with letters from the sources from which he tried to obtain a loan, and which turned him down. There are many safeguards in this particular bill that were not in the old RFC Act. But in all fairness I had to answer the Senator in the affirmative when he asked me if loans could be made for the financing of saloons or hairdressing establishments. I should say that such businesses could be financed by loans if the Board decided that it wished to make such loans. Saloons are legalized businesses. The same is true of any branch of the liquor business. A hairdressing establishment is certainly a very fine institution. At least all the ladies in the galleries think it is. Personally, I would have no objection to lending a little money to a widow who wanted to pretty up the hair of the girls in her particular town. I see nothing particularly wrong with that. I am not against small business. The Senator may be against the hairdressers if he wishes. I am not. I should like to lend them a little money.

Mr. MONRONEY. The point the junior Senator from Oklahoma is making is that with taxes at a record-breaking high, with defense demands pressing us so that we are compelled to impair the effectiveness of the Air Corps itself, the Senator is proposing to establish a multi-million-dollar chest without bothering to establish any safeguards whatsoever, from the standpoint of limiting such financing to enterprises which are in the public interest. The Senator has said that there is no regard for the public interest. No limitation is contained in the bill.

Mr. CAPEHART. I did not say that there was no regard for the public interest. I said that there was nothing in the bill which provided that we must take into consideration whether a loan is in the public interest, as was the case in connection with the RFC Act.

Mr. MONRONEY. Then there is no regard for the public interest.

Mr. CAPEHART. I can see that perhaps the able Senator is too frank, and is trying too hard to make certain that every Senator understands what is in the bill and what is not. I am trying to be factual and honest, and explain what is in the bill.

Mr. MONRONEY. The junior Senator from Oklahoma is asking—and I am sure the Senator from Indiana will give him the information—what provisions there are in the bill relative to local bank participation.

Mr. CAPEHART. If the Senator will turn to page 7, paragraph (1) reads as follows:

> No financial assistance shall be extended pursuant to (a) above unless the financial assistance applied for is not otherwise available on reasonable terms.

Mr. MONRONEY. The junior Senator from Oklahoma is well aware of the fact that if other credit is available the bill prohibits a loan. What the junior Senator from Oklahoma inquired about was the policy with respect to local bank participation. Historically that has been a part of other lending legislation. If a local bank were to take 10 percent of the loan and the Federal Government the remainder, the Federal Government would have the advantage of having the advice and servicing of the loan by the local bank.

Mr. CAPEHART. Let me read from the bill. I think we can clear up this question. I read from page 7 of the conference report:

> (1) No financial assistance shall be extended pursuant to (a) above unless the financial assistance applied for is not otherwise available on reasonable terms and all loans made shall be of such sound value or so secured as reasonably to assure repayment; no participation may be purchased unless it is shown that a deferred participation is not available; and no loan may be made unless it is shown that a participation is not available;
>
> (2) No loan or advance shall be granted under this title if the total amount outstanding and committed by participation to the borrower from the revolving fund established by this title would exceed $100,000, and no loan, including renewals or extensions thereof, may be made for a period or periods exceeding 10 years; except that any loan made for the purpose of constructing industrial facilities may have a maturity of 10 years plus such additional period as is estimated may be required to complete such construction;
>
> (3) In agreements to participate in loans on a deferred basis, such participations by the Administration shall not be in excess of 90 percent of the balance of the loan outstanding at the time of disbursement;

Mr. MONRONEY. Will the Senator from Indiana explain how that language provides for local bank participation? I followed the reading. I can see that there is a limitation on participation. However, I do not see any affirmative language on the subject of participation.

Mr. CAPEHART. I refer the Senator to the language at the top of page 7: "and such loans or advances may be made or effected either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis: *Provided, however*, That the foregoing powers shall be subject to the following restrictions and limitations."

Mr. MONRONEY. Mr. President, as I read the provision, it nullifies any effective bank participation, and is proof of the charge I made earlier, namely, that it was the product of a gag rule in the House and that it is brought to the Senate under a gag rule. Therefore, no Senator can tell what he is passing on this afternoon.

Mr. CAPEHART. It is an attempt to make certain that there will be no waste of Federal funds. One cannot honestly criticize the measure for not containing proper safeguards. One can criticize it because of the way it was handled in the House, and perhaps for the way the provision was placed in the bill, as permanent legislation, when otherwise the bill contains semipermanent legislation. However, I do not believe one can criticize the bill itself as not being a good bill.

If Senators want to vote for small business, if they are in favor of helping small business, and if they want to have loans made to small business, my judgment is that it would be hard to write a better bill.

Mr. MONRONEY. The Senator does not tell the Senate, however, that if we refuse to buy the pig in the poke he, as chairman of the Committee on Banking and Currency, will lose interest in reporting a bill on small business.

Mr. CAPEHART. No. I am saying, as I frankly stated before, I hope every Senator will vote according to his conscience. If the Senate votes that the conference report should go back to conference for further consideration by the conference committee, I, as chairman of the committee, will be delighted to take it back, and I will do the best I can when it goes back to conference.

Mr. MONRONEY. The Senator will assure us, with his usual diligence and interest in small business, if this abortive effort at legislation fails, the door will not be closed to satisfactory small business legislation?

Mr. CAPEHART. I will assure the Senator that if the conference report is turned down the Committee on Banking and Currency will renew its hearings, as it intended to continue its hearings, and will consider the Thye bill, the Fulbright bill, the Byrd bill, the Sparkman bill, and the Douglas bill. We intended to do it. We held hearings for about a week, and we recessed because of more pressing business.

However, if the Senate rejects the conference report, we could, of course, go back to conference and perhaps reach an agreement with the House between now and June 30; but if no agreement should be reached before midnight of June 30, the Small Defense Plants Administration Act would likewise expire, and we would have no legislation whatever on the books helpful to small business.

Mr. THYE. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. THYE. Mr. President, in order that the RECORD may be clear as to my opinion, I share the expressed statement of the able and distinguished chairman of the committee that title II in general is a good provision. It does assure small business that it will have an agency from which it can obtain loans for what might be called participation in defense manufacturing, and that it will also have an opportunity to obtain loans in a situation in which it would need to come to the agency for assistance.

I recognize that such provisions are in the report. The only objection I had to the section pertaining to small defense loans was primarily that there was established a supervisory board which actually superseded the Administrator of the Small Business Administration and actually made him a clerk rather than an administrator.

If I can obtain the assurance of the chairman of the committee that it is not the intent of the Committee on Banking and Currency or of the conference committee to nullify the importance of the Administrator of the Small Business Administration, but that the other two members of the board will serve in an advisory capacity to him, I will vote for the conference report, because it is a step forward and assures small business that it will be protected.

Mr. CAPEHART. I am certain that that is the way it will work in practice, with the Secretary of the Treasury and the Secretary of Commerce acting in an advisory capacity, and that they will permit the Administrator to operate the agency. I am certain they will.

I am not, however, going to stand on the floor of the Senate and say something that is directly opposed to the way the language is written. The language provides that the Secretary of the Treasury and the Secretary of Commerce are equal managers with the Administrator so far as general policy is concerned. That language cannot be taken out of the measure. It is in the bill. Personally, I have no fear of it at all. If I find that the other two members of the Board are hamstringing the Administrator, we will immediately prepare an amendment to the act and endeavor to get it through Congress at the earliest possible moment, because I am just as much opposed as is the Senator from Minnesota to having the Administrator hamstrung by the Secretary of the Treasury and the Secretary of Commerce. I do not think they will hamstring him. I do not think they should. It is not the intention that they shall. It is the intention that they shall cooperate with him. The language, however, provides that the three of them shall be equal managers so far as general policy is concerned.

Mr. THYE. The assurance I wanted from the chairman of the committee was that they would not hamstring the Administrator, and that if they did hamstring him, the chairman of the Committee on Banking and Currency, with the approval of the committee, would give consideration to amending the act. With that assurance I can see no just reason to object to the conference report.

Mr. CAPEHART. Mr. President, in closing I wish to say that if the bill becomes law and the proposed agency is created, and loans up to $100,000 can be granted to the small business people of the United States, the Committee on Banking and Currency will certainly give consideration to the dissolution of RFC, if not immediately, at least by June 30, 1954. Personally I do not think we need 2 lending agencies or 2 RFC's. We certainly should eliminate one or the other.

Mr. THYE. Mr. President, will the the Senator yield further?

Mr. CAPEHART. I yield.

Mr. THYE. I should like to say to the Senator that the whole purpose in the preparation of the bill which I introduced was to serve small business when RFC was abolished. I personally believe that RFC should be abolished and that was what I had in mind when I prepared the bill which I introduced. It has been my hope that RFC would be abolished. That is what I had expected the Committee on Banking and Currency would recommend, namely, that when it reported a bill on small business it would at the same time report a bill to abolish RFC.

Mr. CAPEHART. First, I wish to thank the able Senator from Minnesota for his help and in introducing the bill to which he has referred. I do not know whether I am forced to say, but I believe I should say that, the Committee on Banking and Currency had no opportunity to pass upon the Thye bill or on any of the other bills, because the House attached to the Defense Production Act the small-business bill. We had no choice in the matter but to accept it, though, of course, the Senate can decide this afternoon to instruct us to go back to conference and do something else.

Mr. LONG. Mr. President, unfortunately, the junior Senator from Louisiana was not present at the time of the vote on the motion to proceed to the consideration of the conference report.

I regret very much that the acting majority leader decided to bring up the report, because the impression I had from having been on the floor and engaging in the colloquy at the previous session of the Senate, was that no vote of any significance would be had during this weekend. At the time the colloquy occurred—and it appears at page 6638 of the RECORD of June 16—the junior Senator from Louisiana was rather distressed to hear the acting majority leader say that there would be no vote, because the junior Senator from Louisiana wanted to make a speech on the submerged lands bill on Friday, but he was afraid he would not have an audience to speak to, since many Senators who had commitments and plans in their States would probably have departed by then.

With regard to the conference report, some of us in the minority are cognizant of certain matters in the report, and have serious objections to some of its provisions.

Certain proposals had not previously been submitted to the Senate, and we had no knowledge of them. We had had no occasion to study them, although 1 or 2 of our Members, or perhaps a larger number, who had studied these proposals were strongly opposed to them. To the best of my knowledge, at least some of those Senators are not present at this time to advise us of their views on these matters.

If the shoe were on the other foot, and if the acting majority leader were now leading the minority, I am sure that, with his characteristic fairness, if on his side of the aisle some Members had strenuous objections to certain provisions and desired to be present when they were considered, he certainly would insist that adequate time be allowed, so as to enable them to be present and present their views and that the measure be handled in a more orderly way.

As a matter of fact, that was the entire tenor of the remarks of the acting majority leader when he proposed that the submerged lands bill be taken up. Point was made that the committee report was not available and the hearings were not available, and that the measure was a very important one. With the fairness which we so often see displayed by the acting majority leader, he said he would propose that the submerged lands bill be made the unfinished business, but that consideration of the bill would be resumed on Monday.

Mr. President, I agree that ordinarily a conference report is a routine matter which can quickly be brought up and disposed of. However, the pending conference report is not of that nature. This conference report has not received consideration by the Senate. It contains a proposal to create an agency to dispose of $250 million of Federal funds, and that proposal has not previously been considered on the floor of the Senate. Serious objections are raised to it.

I hope the acting majority leader will agree to have the conference report taken up on Monday, perhaps; and then I am sure there will be no objection on the part of Senators on this side of the aisle to having the conference report considered, and, as soon as the Senators who favor the report and the Senators who oppose the report can be heard, to have the vote taken on the report.

Mr. KNOWLAND. Mr. President, will the Senator from Louisiana yield?

Mr. LONG. I yield.

Mr. KNOWLAND. I am not sure the Senator from Louisiana was in the Chamber when some of the earlier discussion occurred.

Again I wish to say, as I did earlier today, that a reading of the RECORD will show that the vote taken on Tuesday was on the question of making the submerged lands bill the unfinished business. In that bill the distinguished Senator from Louisiana is particularly interested. He is always very diligent in respect to all matters relating to public business.

I was attempting to give assurance to the distinguished Senator from Louisiana and to other Senators who had raised the question that unless the committee report and the hearings on that bill were available, it would not be taken up this week.

I was asked about that matter by both the minority leader and other Senators. Even before the Senator from Louisiana entered the Chamber, I said that that was my intention regarding the submerged-lands bill; and in order that the Senator from Louisiana might have an opportunity both to state his position and to ask questions, after consultation with the distinguished minority leader I suggested the absence of a quorum, so that no business would be transacted until the Senator from Louisiana was able to return to the Chamber from his office or from committee.

Again I wish to say that the normal and customary procedure has been to consider conference reports promptly.

This conference report was adopted by unanimous vote of the House of Representatives.

The acting majority leader, in moving to have the conference report taken up in the Senate, was acting entirely in keeping with the rules and precedents of the Senate. Discussion was not cut off in any way. No attempt was made to apply a gag rule. That is obvious, because there has been prolonged debate today. Of course, under the rules of the Senate, as the distinguished Senator from Louisiana knows as well as does any other Member of this body, there is no limitation to the discussion and debate on the conference report. So I think it is not fair to say that there has been gag-rule procedure in connection with this matter.

In serving in my present position, I have the responsibility of trying to have the business of the Senate transacted expeditiously.

With all due respect, I say again that Senators on the other side of the aisle and Senators on this side of the aisle must necessarily be absent at times. Some are sick. Some who are here today and tomorrow, may not be present on Monday and Tuesday. Therefore, so far as the equities are concerned, the number of Senators who may be inconvenienced by having this measure acted upon today may be even smaller than the number of Senators who would be inconvenienced by having the conference report acted upon on Monday or Tuesday.

Having known that the House of Representatives had, without objection, agreed to the conference report, and in view of my relationship with the distinguished senior Senator from Texas [Mr. JOHNSON], the able minority leader, for whom I have high regard and deep affection, in our normal procedure, as soon as I had the information about action on the conference report by the House of Representatives, and as soon as we had determined to move to have the conference report brought up, within less than 5 minutes' time I personally put in a call to the minority leader, to inform him of that decision. When I found that he was not then at his office, I immediately instructed the Secretary of the Senate and the Secretary for the majority to get in touch with Mr. Johnston, the Secretary for the minority, to inform him and to have him inform, late yesterday afternoon, the distinguished minority leader. No attempt was made to slip something before the Senate today, for consideration.

This morning the distinguished minority leader came to me and said he had received the message, and raised some objections to the proposed procedure. He told me his viewpoint, and I told him mine. I am not quarreling with him for taking the position he has taken.

Again I informed him that it was my intention to move to have the conference report considered today, but probably not until about 2 o'clock. In advance of 2 o'clock, I again informed the minority leader that at about 2 o'clock I was going to move the consideration of the conference report.

I shall continue to try, as I have always tried, to give due notice and to proceed on a reasonable basis.

Let me state the situation facing the Senate next week: On Monday we shall either have the submerged lands bill ready for consideration or we shall have one of the important appropriation bills ready for consideration.

Moreover, next week—and I want the Senate to be informed as far in advance as possible—there is scheduled for consideration the mutual security legislation, which probably will entail a considerable amount of debate. We probably shall have a second appropriation bill, and perhaps a third appropriation bill.

I am trying, as one Member of the Senate and as one who temporarily occupies this seat, to expedite the business of the Senate, so that the Senate can adjourn at a reasonable time this summer.

However, in the case of the conference report, there is a deadline. If it is the judgment of the Senate—and the matter is entirely one for the Senate to decide—that the conference report should be rejected, then, as the Senate knows, a further conference must be held on the measure.

If thereafter the conferees on the part of the House and the conferees on the part of the Senate could not agree, we could easily come to the 30th of June without having a conference report on this subject acted upon. In that case, the Defense Production Act would expire. The Senate would then be faced with the problem of passing a joint resolution which, in effect, would continue all the controls which now are on the statute books. That would bring up a very complex and complicated problem, for I doubt very much whether all Senators on the other side of the aisle would wish to be in the position of voting to continue all the controls. I think the general position of the Senate, at least, has been that only the controls which are essential to the defense needs of the Nation and to the control of strategic materials should be continued.

I make this statement in fairness to the Senator from Louisiana. So long as I occupy this seat, I shall always attempt to give the minority leader as much information as I have in regard to legislative matters which are to come before the Senate. I have done that ever since I have occupied this seat.

Under the circumstances, I feel that the duty of every Senator, as long as the Senate is in session, is to be in his seat in the Senate Chamber, in the absence of some major reason why he should be absent.

I myself have turned down literally hundreds of requests to make speeches at various places, for I have felt that the Senate has work to do, and therefore it seems to me that every Senator should be available.

Let me say that I hope that hereafter there will be no misunderstanding; I hope that every Senator will recognize that as the business of the Senate proceeds, as in the case of conference reports, Senators must be prepared to have such measures taken up as they reach the Senate from the House of Representatives.

Mr. LONG. Mr. President, if the acting majority leader had made on yesterday or the day before yesterday the declaration he has just made, those of us who are opposing having the conference report brought up at this time would not object, because we would have been on notice.

However, on Tuesday, when the acting majority leader moved to have the submerged lands bill, which deals with the Continental Shelf, taken up, that measure had just been reported from the committee. No committee report was available and no hearings were available. In fact, the hearings are still in the galley-proof stage. So there was simply nothing which the Senate could use in considering that measure. Yet a motion was made to make that bill the unfinished business.

Why was there not brought up some measure upon which the Senate could act, such as Senate Joint Resolution 1, which has been on the calendar for some time, or some other measure? I assume it was because nothing which demanded attention by the Senate was then pressing for action.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Louisiana yield to me?

Mr. LONG. I yield.

Mr. JOHNSON of Texas. I simply wish to confirm what the acting majority leader has said about the relationship between the majority leader and the minority leader for the past 5 months.

I also wish to serve notice on all Senators that they can no longer depend on statements made in the RECORD to the effect that the calendar will be called on Thursday and that miscellaneous or noncontroversial bills will be brought up thereafter, on Friday. What happened was that when the acting majority leader was asked for a statement as to what the program would be, he said, "The calendar will be called on Thursday." He did not say, "And we may bring up a controversial conference report, or we may bring up some bill on which the Senate is highly divided." He said, "We will call the calendar."

"What else will we do?" He said, "We will take up some miscellaneous, noncontroversial bills."

Mr. KNOWLAND. Mr. President, I am sure the Senator will yield to me, and that he wants to be fair.

Mr. JOHNSON of Texas. Mr. President, the Senator yielded to me, and I do not yield the floor.

Mr. KNOWLAND. Very well.

Mr. JOHNSON of Texas. Mr. President, the acting majority leader said that, in the event hearings on the submerged-lands measure were not available until Friday—I am not attempting to quote his exact language—"we will take up miscellaneous and largely noncontroversial bills."

Mr. KNOWLAND. On Friday.

Mr. JOHNSON of Texas. Certainly, on Friday.

Mr. KNOWLAND. This is Thursday.

Mr. JOHNSON of Texas. The calendar was to be called on Thursday. The calendar contains some highly controversial measures. The Senator from California did not serve notice that he would call up a conference report on which the conferees were then meeting. I asked the Senator this morning to give us a reasonable length of time. But, no, the Senator said, "We have got to go through with it today."

So, Mr. President, every Senator on this floor may take judicial notice at this time of the fact that when the RECORD contains the statement that there will be a calendar call he may be confronted with controversial conference reports or anything else. I do not want the responsibility to be placed on the minority leader for the measures upon which Senators may be called upon to act.

For 5 months we have been able to depend upon the assurances and the agreements made and arrived at between the majority leader and the minority leader. I pled with the acting majority leader not to rely on notifying me at 5:20 yesterday afternon in my office, or rather, leaving a message, that at 12 o'clock today, this conference report would be ready for consideration, and that, during the day, he expected to have it considered. Why? Because some Senators had to keep engagements in their States, and were absent. They went with assurance that the calendar would be called on Thursday, and that, on Friday, there would be a general discussion of the submerged lands bill, if the hearings were available at that time, and if not miscellaneous noncontroversial bills would be considered. Mr. President, I submit that those Senators have been deceived.

Mr. KNOWLAND. Mr. President, will the Senator from Louisiana yield at that point? I ask it as a matter of personal privilege.

Mr. LONG. I will yield in a moment.

Mr. KNOWLAND. I would appreciate it if the distinguished Senator would permit me to make a brief statement, as a matter of personal privilege, at this time.

Mr. LONG. I will yield to the Senator. Mr. President, I ask unanimous consent that the Senator from California may address the Senate for 3 minutes, without prejudice to the rights of the junior Senator from Louisiana to the floor.

The PRESIDING OFFICER. Is there objection?

Mr. MORSE. Mr. President, reserving the right to object, I do not want the Senator from California to be limited to 3 minutes. I want to hear his statement. I am sure he will not speak at great length, but I want to hear him. I do not want him to be limited to 3 minutes. I ask the Senator from Louisiana to allow the Senator from California to reply to the Senator from Texas. The Senator from California is not going to speak very long.

Mr. KNOWLAND. I am sure my remarks will not extend for more than 5 minutes. They will occupy probably much less time.

The PRESIDING OFFICER. If there is no objection to the unanimous-consent request, the Senator from California may proceed.

Mr. MORSE. But, Mr. President——

Mr. LONG. I ask unanimous consent that the Senator from California may proceed, with the understanding that, at the conclusion of his remarks, the junior Senator from Louisiana will have the floor.

Mr. MORSE. Mr. President, I have a right to object, and I am objecting. I shall not object, if the Senator from Louisiana is willing to permit the Senator from California to make his reply to the Senator from Texas.

Mr. LONG. Mr. President, I withdraw the time limitation. I would simply ask that the Senator from California be permitted to proceed, reserving the right of the junior Senator from Louisiana to have the floor at the conclusion of the remarks of the Senator from California.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and, the Senator from California may proceed.

Mr. KNOWLAND. Mr. President, to the best of my ability, I have given an explanation of the motivations of the acting majority leader in this matter. I desire to say to my friend from Texas that I personally resent the remark which he made that the Senate of the United States could no longer depend upon a statement which is made on the floor. I have not knowingly violated the statement which I made to the Senate, and I am sorry to hear the distinguished Senator from Texas make such a charge. In the 8 years I have served in the Senate of the United States I have kept my word, and I have attempted to the best of my ability to cooperate with the distinguished Senators on the other side of the aisle. In fairness to myself and to the RECORD, I feel that I should make my views known to the minority leader.

Mr. LONG. Mr. President, I do not fully subscribe to the views of my minority leader, nor with the views of the acting majority leader. I believe the acting majority leader did not say he was not going to bring up the conference report. Certainly, based on the RECORD, he did not say that he would not bring it up. On the other hand, I submit to any fair-minded Senator—and I believe that if the Senator from California, in calmer moments, would look at the RECORD, he would agree—that the inference of the statement made by the Senator from California was that we could expect that no controversial matters of such a nature as the pending conference report would be interjected during this weekend.

Mr. ROBERTSON. Mr. President, will the Senator yield for a question?

Mr. LONG. I yield for a question.

Mr. ROBERTSON. When the three Democratic members of the conference refused to sign the conference report, was not the acting majority leader put on notice that we were dealing with a highly controversial matter?

Mr. LONG. That is the opinion of the junior Senator from Louisiana.

Mr. ROBERTSON. Is it not a fact that this is a controversial bill, and that it is nothing but a rider on the Defense Production bill?

Mr. LONG. That is what it amounts to.

Mr. ROBERTSON. Is it not true that the bill, itself, is still pending before the Senate Committee on Banking and Currency, which has had no chance to hold any hearings on it?

Mr. LONG. That is correct.

Mr. ROBERTSON. Is it not true that the senior Senator from Virginia has a speaking engagement tonight; that the junior Senator from Virginia is to speak before the Bankers Association in the morning, and that the Senator from Georgia [Mr. RUSSELL] has left the city—all of us being under the impression that, since the Senate had been put on notice that the conference report needed to be looked into and carefully considered, we would not be expected on a day when it was stated that the calendar would be called, to debate it and to vote on it?

Mr. LONG. That is correct. Mr. President, I will make a motion in one moment. Before doing so, however——

Mr. JOHNSON of Texas. Mr. President, will the Senator yield for one brief observation, in order that we may conclude this discussion?

Mr. LONG. I yield for a question.

Mr. JOHNSON of Texas. The Senator from Texas did not mean to imply that he had received assurance from the acting majority leader that the conference report would not be brought up. He thought he received assurance that the calendar would be called on Thursday, and that, on Friday, the submerged lands bill would come up, provided the hearings were available; but that otherwise, the Senate would take up miscellaneous, noncontroversial bills. The Senator from Texas thinks the conference report goes beyond that statement.

Mr. LONG. That was the impression received by most of us. From page 6638 of the RECORD of June 16, the Senator from California [Mr. KNOWLAND] speaking, I read:

Mr. KNOWLAND. The Senator may rest assured that the acting majority leader will always be glad to cooperate with Senators on both sides of the aisle in any reasonable arrangement. I had been informed that certain Senators from States which are also vitally interested had commitments the fol-

lowing weekend and that they hoped the bill would be out of the way by that time. So I am trying to accommodate both the Senator from Louisiana and other Senators who have an equal interest.

That, Mr. President, is not completely consistent with the statement which the Senator from California just made, to the effect that Senators should make their plans always to be in their seats and to be ready for a vote. Here is simply a case where an arrangement was made to accommodate certain Senators by not bringing up a piece of legislation the Senate was not prepared to consider thoroughly at the time, and the impression was given that other Senators could safely make their plans and fulfill commitments and arrangements they had made. Therefore, Mr. President, I move to reconsider the vote by which the Senate agreed to proceed to the consideration of the conference report on Senate bill 1081.

Mr. KNOWLAND. Mr. President, I move to lay on the table the motion of the Senator from Louisiana, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The motion is not debatable.

The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hayden	McCarran
Anderson	Hendrickson	McCarthy
Barrett	Hennings	McClellan
Bennett	Hickenlooper	Millikin
Bush	Hill	Monroney
Butler, Md.	Hoey	Morse
Byrd	Holland	Mundt
Capehart	Humphrey	Neely
Carlson	Hunt	Payne
Case	Jackson	Potter
Clements	Jenner	Purtell
Cooper	Johnson, Colo.	Robertson
Cordon	Johnson, Tex.	Saltonstall
Daniel	Johnston, S. C.	Schoeppel
Dirksen	Kefauver	Smathers
Douglas	Kennedy	Smith, Maine
Duff	Kerr	Smith, N. J.
Dworshak	Kilgore	Sparkman
Eastland	Knowland	Stennis
Ellender	Kuchel	Symington
Ferguson	Langer	Taft
Flanders	Lehman	Thye
Frear	Long	Watkins
George	Magnuson	Welker
Gillette	Malone	Williams
Goldwater	Manafield	Young
Green	Martin	
Griswold	Maybank	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the motion of the Senator from California to lay on the table the motion of the Senator from Louisiana to reconsider the vote by which the Senate agreed to consider the conference report.

Mr. LONG and other Senators requested the yeas and nays.

The yeas and nays were ordered.

Mr. ROBERTSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ROBERTSON. What is the issue on which the Senate is called upon to vote?

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California [Mr. KNOWLAND] to lay on the table the motion of the Senator from Louisiana [Mr. LONG] to reconsider the vote by which the Senate agreed to proceed to the consideration of the conference report. The motion to table is not debatable. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SALTONSTALL. I announce the Senator from Maryland [Mr. BEALL], the Senator from Ohio [Mr. BRICKER], and the Senator from New Hampshire [Mr. BRIDGES] are necessarily absent.

If present and voting, the Senator from Maryland [Mr. BEALL] the Senator from Ohio [Mr. BRICKER], the Senator from New Hampshire [Mr. BRIDGES], would each vote "yea."

I also announce that the Senator from Nebraska [Mr. BUTLER] and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate.

If present and voting, the Senator from Nebraska [Mr. BUTLER] and the Senator from New Hampshire [Mr. TOBEY] would each vote "yea."

I further announce that the Senator from Wisconsin [Mr. WILEY] is absent on official business.

If present and voting, the Senator from Wisconsin [Mr. WILEY] would vote "yea."

The Senator from New York [Mr. IVES] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference, at Geneva, Switzerland.

If present and voting, the Senator from New York [Mr. IVES] would vote "yea."

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. CHAVEZ] is unavoidably detained.

The Senator from Arkanses [Mr. FULBRIGHT], and the Senator from Georgia [Mr. RUSSELL] are absent by leave of the Senate.

The Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. PASTORE], and the Senator from North Carolina [Mr. SMITH] are absent on official business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

I announce further that if present and voting the Senator from New Mexico [Mr. CHAVEZ], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Montana [Mr. MURRAY], and the Senator from Rhode Island [Mr. PASTORE] would each vote "nay."

The yeas and nays resulted—yeas 41, nays 41, as follows:

YEAS—41

Aiken	Flanders	Payne
Barrett	Goldwater	Potter
Bennett	Griswold	Purtell
Bush	Hendrickson	Saltonstall
Butler, Md.	Hickenlooper	Schoeppel
Capehart	Jenner	Smith, Maine
Carlson	Knowland	Smith, N. J.
Case	Kuchel	Taft
Cooper	Langer	Thye
Cordon	Malone	Watkins
Dirksen	Martin	Welker
Duff	McCarthy	Williams
Dworshak	Millikin	Young
Ferguson	Mundt	

NAYS—41

Anderson	Hoey	Magnuson
Byrd	Holland	Manafield
Clements	Humphrey	Maybank
Daniel	Hunt	McCarran
Douglas	Jackson	McClellan
Eastland	Johnson, Colo.	Monroney
Ellender	Johnson, Tex.	Morse
Frear	Johnston, S. C.	Neely
George	Kefauver	Robertson
Gillette	Kennedy	Smathers
Green	Kerr	Sparkman
Hayden	Kilgore	Stennis
Hennings	Lehman	Symington
Hill	Long	

NOT VOTING—14

Beall	Fulbright	Russell
Bricker	Gore	Smith, N. C.
Bridges	Ives	Tobey
Butler, Nebr.	Murray	Wiley
Chavez	Pastore	

The VICE PRESIDENT. The vote being 41 to 41, a tie, the Chair, in the exercise of his constitutional authority, votes in the affirmative, and the motion of the Senator from California [Mr. KNOWLAND] to lay on the table the motion of the Senator from Louisiana [Mr. LONG] to reconsider the vote by which the Senate agreed to proceed with the consideration of the conference report, is agreed to.

Mr. ROBERTSON. Mr. President, in a speech which we understood would consume 10 minutes, and finally wound up by consuming 2 hours, the distinguished chairman of the Senate Committee on Banking and Currency [Mr. CAPEHART] today in his peroration said, "Our committee had no chance to consider this bill." That was true. Then he said, "So there was nothing left for us to do but accept it."

That was what old Cato, in the Roman Senate, would have called a non sequitur. It does not follow that because the Senate Committee on Banking and Currency had no chance to discharge its legislative duties and functions, and because the Senate had no opportunity to consider hearings—there were none on the Senate side—or to give mature consideration to what was involved in the measure, all that was left for us to do was quickly, and without due consideration, to accept what the House had sent us as a rider on an entirely different kind of bill.

It surprises me, Mr. President, to see a party committed to economy, to a balanced budget, to a reduction of taxes, to a reduction in Government expenditure, and to stemming the trend toward paternalism, violating every single one of those promises in a single measure.

This bill is the equivalent of an appropriation of $250 million of borrowed money—because it comes out of the Treasury, which will have to borrow it. That much will be added to the prospective deficit now facing the country.

Mr. CHAVEZ. Mr. President, I wonder if my good friend from Virginia will yield to me for a moment.

Mr. ROBERTSON. I yield.

Mr. CHAVEZ. Due to unavoidable circumstances I was absent at the time the last vote was taken, and did not vote. I wanted to vote. I wonder if my good friend from Virginia will yield to me for the purpose of making a motion to reconsider the vote just taken?

Mr. ROBERTSON. I yield to my colleague.

Mr. CHAVEZ. Mr. President, I move that the vote by which the motion of the Senator from Louisiana [Mr. LONG] to reconsider the vote by which the Senate proceeded to consider the conference report was laid on the table be now reconsidered, because of the fact that I was not present, but was unavoidably detained, and because I wish to cast my vote on that question.

Mr. KNOWLAND. Mr. President, I object. I make the point of order that the motion to reconsider was laid on the table.

Mr. CHAVEZ. That is the point——

Mr. HOLLAND. Mr. President, I should like to be heard on that question, if I may. I invite the attention of the distinguished acting majority leader to the fact that the last vote was upon a motion to lay on the table. The acting majority leader did not permit a vote to come on the motion to reconsider. If he had done so, the point would be well taken; but since it was a motion to lay on the table, action taken on that motion is now subject to reconsideration. I ask for a ruling from the Chair to that effect.

The VICE PRESIDENT. Does the Senator from California desire to be heard?

Mr. KNOWLAND. Mr. President, I think the point is well taken, that this was not a vote on the motion to reconsider, but rather a vote on my motion to lay on the table the motion to reconsider. Under those circumstances I am inclined to believe that a motion to reconsider the motion to table would be in order.

Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. JOHNSON of Texas. Did the Chair rule after the acting majority leader, in effect, conceded the point of order? Did the Chair rule on the question?

The VICE PRESIDENT. The Chair did not make a ruling. The Chair was about to ask the acting majority leader whether he intended to withdraw the point of order.

Mr. KNOWLAND. Mr. President, I did withdraw the point of order; and then I suggested the absence of a quorum.

The VICE PRESIDENT. The rollcall will continue.

The Chief Clerk resumed and concluded the call of the roll, and the following Senators answered to their names:

Aiken	Carlson	Douglas
Anderson	Case	Duff
Barrett	Chavez	Dworshak
Bennett	Clements	Eastland
Bush	Cooper	Ellender
Butler, Md.	Cordon	Ferguson
Byrd	Daniel	Flanders
Capehart	Dirksen	Frear
George	Kennedy	Neely
Gillette	Kerr	Payne
Goldwater	Kilgore	Potter
Green	Knowland	Purtell
Griswold	Kuchel	Robertson
Hayden	Langer	Saltonstall
Hendrickson	Lehman	Schoeppel
Hennings	Long	Smathers
Hickenlooper	Magnuson	Smith, Maine
Hill	Malone	Smith, N. J.
Hoey	Mansfield	Sparkman
Holland	Martin	Stennis
Humphrey	Maybank	Symington
Hunt	McCarran	Taft
Jackson	McCarthy	Thye
Jenner	McClellan	Watkins
Johnson, Colo.	Millikin	Welker
Johnson, Tex.	Monroney	Williams
Johnston, S. C.	Morse	Young
Kefauver	Mundt	

Mr. KNOWLAND. Mr. President, during the call of the quorum I had an opportunity to examine the rules of the Senate. Because of the importance of the decision which the Senate is called upon to make I hope every Senator on the other side of the aisle, particularly the Southern Senators, will very carefully read the rules of the Senate. At page 17 of the rules, in rule XIII, it is provided:

1. When a question has been decided by the Senate, any Senator voting with the prevailing side or who has not voted may, on the same day or on either of the next 2 days of actual session thereafter, move a reconsideration; and if the Senate shall refuse to reconsider, or upon reconsideration shall affirm its first decision, no further motion to reconsider shall be in order unless by unanimous consent. Every motion to reconsider shall be decided by a majority vote, and may be laid on the table without affecting the question in reference to which the same is made, which shall be a final disposition of the motion.

Mr. President, I wish to be perfectly frank about it. That is the point of order which I originally had in mind, but at the time I did not have the rule before me. I believe it is a valid point of order. I do not believe any Senator can read the rule without recognising that there has been a final disposition of the question so far as bringing the conference report before the Senate is concerned.

I do want to make the point of order, and I ask for a ruling by the Chair.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. ROBERTSON. Would the majority leader prefer to have a vote this afternoon without further extended debate? The junior Senator from Virginia would like to speak for about 3 minutes on the merits of the issue and have the conference report voted up or down. The House has acted on the conference report, and the Senate cannot move to recommit it. It can vote it up or down. If it is voted down it goes back to the conference. The conference committee may then see fit to submit a report in line with what the administration asks in the way of allocations, and there can be decided later the question of what kind of lending agency should be established. Bills relating to this subject are now pending before the Committee on Banking and Currency. Would the majority leader care to have a vote now?

Mr. KNOWLAND. A number of Senators on this side of the aisle desire to discuss the conference report. I want to settle these matters one at a time.

Mr. ROBERTSON. Does that mean that we will not vote today?

Mr. KNOWLAND. I desire to have settled the question whether action on a motion to lay on the table a motion to reconsider is under the rules a final disposition.

Mr. CHAVEZ. Mr. President, there is no Senator in this body for whose judgment I have greater respect than I have for the judgment of the Senator from California [Mr. KNOWLAND]. Nevertheless, I have made a motion, based upon a record vote of this body, to reconsider the vote by which the motion of the Senator from California to lay on the table the motion of the Senator from Louisiana was agreed to. There is nothing wrong with that. I have the greatest affection for the Senator from California, but I was absent when the vote was had. I want to do my duty in this body as much as any other Senator wants to do his duty. I did not vote on the motion.

All I ask is that the Senate reconsider the motion of the Senator from California to lay on the table the motion of the Senator from Louisiana [Mr. LONG].

I was not in the Chamber, Mr. President. Perhaps it is my fault that I was not present. Nevertheless I was not in the Chamber. I am now making a motion that the motion to table be reconsidered.

Of course, I do not know how the Senate will vote on the motion. Perhaps it will vote the way the Senator from California believes it should vote. That would not hurt my feelings. I feel, in all sincerity, that my motion is well taken, notwithstanding what the Senator from California has stated to the Vice President with respect to the rule. I believe I am in order in making the motion to reconsider the motion of the Senator from California to table the motion of the Senator from Louisiana. That is all I am asking for.

Mr. KNOWLAND. Mr. President, I renew my point of order that the action of the Senate was final.

Mr. MAYBANK. Mr. President, since the Senator from California has raised a point of order and has read from the rules, I wish to know whether the Chair is ready to rule.

The VICE PRESIDENT. The Chair is ready to rule.

The Chair has read the rule to which the Senator from California has referred, and the Chair is of the opinion that the language of the rule is clear; namely, that—

Every motion to reconsider shall be decided by a majority vote, and may be laid on the table without affecting the question in reference to which the same is made, which shall be a final disposition of the motion.

The Chair does not believe any language could be less equivocal.

Therefore, the Chair sustains the point of order raised by the Senator from California.

Mr. ROBERTSON. Mr. President, in view of the fact that the acting majority leader has said there are, on his side of

the aisle, Senators who wish more maturely to consider and discuss the pending measure, and not to have it voted on this afternoon, I desire to ask unanimous consent that the Senate set the vote for 3 p. m. next Monday. That will give ample notice to Senators who are away, and will give all Members of the Senate an opportunity to read the limited hearings held by the House committee on this measure. No hearings have been held on it by the Senate committee, and not a single witness of a Government agency which would be involved was invited to testify on the issue at the House committee hearings. Senators should realize that at a time when we are committed to reducing the number of jobs in the Government service, it is now proposed that there be created a new group of jobs, in the interest, so-called, of small business, and to pay the administrator $17,500 a year, which is more than the salary of a Senator, more than the salary of a member of the Board of Governors of the Federal Reserve Board, more than the salary of the Chairman of the Federal Deposit Insurance Corporation, and more than the salary of the Comptroller of the Currency. Moreover, the administrator of the agency is to have 3 assistants, each at a salary of $15,000 a year, which is as large as the salary of a Senator. Furthermore, it is proposed to provide the new administrator with an indefinite number of so-called advisers, technicians, and experts, who would not be subject to civil service, and would be paid whatever salary the administrator wished them to receive.

Mr. KNOWLAND rose.

Mr. ROBERTSON. I yield to the acting majority leader. I hope he will make a friendly gesture.

Mr. KNOWLAND. Mr. President, in view of the statement made by the Senator from Virginia, because of our desire to accommodate all Senators, and since we have now had an opportunity to have discussion of the conference report, the text of which will be printed in the CONGRESSIONAL RECORD, along with the debate, and will be available to Senators, as the acting majority leader I would be willing to enter into an agreement to have the vote taken on Monday afternoon, at 2 o'clock, with the time preceding the vote to be equally divided between the proponents and the opponents.

Mr. ROBERTSON. Mr. President, I appreciate that friendly gesture, because it may save my life, for tonight I must drive into the mountains of Virginia.

So I accept the amendment of the Senator from California to my proposal.

Mr. CAPEHART. Mr. President, if the Senator from California will yield to me, let me say that in order to keep the record straight, I wish Senators would pay close attention at this time, because we try to be factual.

The Senate voted for a continuation of the Small Defense Plants Administration, with an Administrator to receive an annual salary of $17,500. The Senate voted for a continuation for 2 years of the Small Defense Plants Administration, with an authorization of an appropriation of $150 million.

The pending conference report eliminates the Small Defense Plants Administration and eliminates the Administrator of that Administration, at a salary of $17,500, and eliminates the authorized appropriation of $150 million.

So no new positions would be added as a result of adoption of the conference report, which provides for a new agency by name—the Small Business Administration—and there would not be a newly created administrator.

The appropriation authorized if the conference report were adopted, would be increased by only $100 million, not by $250 million, because the Senate has already authorized an appropriation of $100 million for this agency; and the conference report, if agreed to, would result in the addition of an appropriation authorization of only $100 million.

Let us keep the record straight. Let us not confuse the issue or create a belief that it is proposed that a new agency be established. It is true that the agency will be new in name, but at the same time we shall be eliminating an existing agency, one for which we already have authorized appropriations of $150 million. The provision in the conference report proposed to substitute for that authorization an authorization of an appropriation of $250 million, which will be an increase of only $100 million, not an increase of $250 million.

Furthermore, no new positions would be created.

Mr. ROBERTSON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Virginia will state it.

Mr. ROBERTSON. Did I yield; and, if so, to whom, and for what purpose?

The VICE PRESIDENT. The Senator from Virginia has the floor.

Mr. MAYBANK. Mr. President, I understood that a unanimous-consent agreement was proposed.

Mr. ROBERTSON. Mr. President, while I have the floor—I shall yield in a moment—I ask, in keeping with the suggestion made by the distinguished acting majority leader, unanimous consent that the vote on the pending measure be taken on next Monday, at 2 o'clock, and that the acting majority leader may state the division of the time.

Mr. KNOWLAND. Mr. President, I would be willing to agree—of course, I can speak only for myself, but I would urge all Members of this side of the aisle to agree, also—to a unanimous-consent proposal along the line of the general suggestions made by the Senator from Virginia, namely, that when the Senate meets at noon on Monday next—and, in fact, it would be my proposal to have the Senate take a recess until Monday, at noon—the time be divided equally between noon and 2 p. m., so that there would be 1 hour for each side, with the vote to be taken at 2 p. m.; and with the hour for the opponents to be controlled by the distinguished senior Senator from South Carolina [Mr. MAYBANK], the ranking minority member of the Banking and Currency Committee; and with the other hour to be controlled by the distinguished senior Senator from Indiana [Mr. CAPEHART], the chairman of the Banking and Currency Committee.

Mr. JOHNSON of Texas. Mr. President, will the Senator from California yield for a question?

Mr. KNOWLAND. I yield.

Mr. JOHNSON of Texas. Does the acting majority leader anticipate that the usual routine business could be transacted for 20 or 30 minutes immediately after the Senate convenes on Monday?

Mr. KNOWLAND. I would prefer that the procedure on Monday be that which already has been suggested. After 2 o'clock there would be ample time for Senators to present routine matters for the RECORD.

So I prefer to have the Senate consider the unanimous-consent agreement which already has been proposed. Certainly we have tried to accommodate one another.

In view of some of the statements which have been made, I am inclined to believe that on Monday all Senators might feel a little better.

Under these circumstances, I shall be glad to agree to the proposed unanimous-consent agreement.

Mr. ROBERTSON. Is it proposed that the time to be allotted under the agreement begin at 12 o'clock on Monday?

Mr. KNOWLAND. Yes; immediately following a quorum call.

Mr. ROBERTSON. Mr. President, I renew my request for a unanimous-consent-agreement, as explained by the acting majority leader regarding the time available for debate and the division of the time.

Mr. CHAVEZ. Mr. President, will the Senator from Virginia yield one moment to me?

Mr. ROBERTSON. I yield two moments to the Senator from New Mexico. [Laughter.]

Mr. CHAVEZ. I should like to make a brief observation.

The Senator from Indiana has stated that there is a little confusion, and that there is no intention to create a new agency. We believe that is a correct statement. The only difference between Senators on this side of the aisle and Senators on the other side of the aisle is that under the pending proposal and the philosophy of the moment the Administrator would be paid $17,500, whereas Senators on this side of the aisle had proposed that the Administrator be paid $12,500.

The VICE PRESIDENT. Is there objection to the proposed unanimous-consent agreement?

Mr. HENDRICKSON. Mr. President, reserving the right to object, I should like to ask a question: What will happen to the remainder of the measures on the calendar in view of the fact that the calendar call which we began today has not been completed?

Mr. KNOWLAND. Under those circumstances, the call of the calendar

would still remain uncompleted. Perhaps following the disposition of the conference report on Monday, we might resume the call of the calendar, if other important proposed legislation is not then ready for action.

However, Mr. President, I wish to state that I desire to have Senators be on notice that if controversial matters, such as appropriation bills—if such bills can be considered controversial—or if the submerged lands bill, under the statement I previously made, or if other important measures are ready for action, we shall then proceed to act upon them.

Thereafter I would propose that the Senate resume the call of the calendar.

Mr. HENDRICKSON. I thank the Senator from California.

Mr. CHAVEZ. Mr. President, if the Senator from California will yield to me for a moment, I should like to say that I desire to get along with Senators on both sides of the aisle, and I think I generally do.

Some Senators on this side of the aisle, who will not be present on Monday, will certainly desire to vote on the conference report. I do not know how they intend to vote.

Therefore, will the Senator from California agree to amend the proposal, so as to have the vote taken on Tuesday, instead of Monday?

Mr. KNOWLAND. Mr. President, I should like to be able to accommodate the distinguished Senator from New Mexico, but it seems to me that in view of the very heavy schedule we have for next week, which may even require some night sessions, we should dispose of the conference report on Monday.

In view of all the statements which have been made, it seems to me that all Senators certainly will have ample notice, as a result of the articles which will be carried in the press and the notices which can be sent out by the minority and by the majority, so that there will be ample opportunity for Senators to be present on Monday.

Mr. CHAVEZ. The statement of the Senator from California is correct, but I have been told by Senators on the other side of the aisle that they would like to be free to attend to their private business, and therefore that they would prefer that the vote be taken on Tuesday, instead of Monday.

Mr. KNOWLAND. Frankly, I could not agree to that.

Mr. MAYBANK. Mr. President, reserving the right to object, I should like to ask the distinguished acting majority leader one question. We agreed to an hour for debate on each side. Would the acting majority leader suggest that a quorum call be had before that, or would he suggest that the Senate meet at 11 o'clock? I am anxious to see that each side has 1 hour.

Mr. KNOWLAND. What I would say in regard to Monday is that, if it were any other day, I would propose that the Senate meet an hour earlier; but I would be willing to say that, when the Senate meets at 12 o'clock, we will have a quorum call, the time not to be charged to either side; and that, following the quorum call, each side, as I previously indicated, will have 1 hour.

Mr. LANGER. Mr. President, reserving the right to object, I am not familiar with the conference report. I want to ask the distinguished Senator from California, does it or does it not abolish the Reconstruction Finance Corporation?

Mr. KNOWLAND. It does not abolish the RFC.

Mr. CAPEHART. Mr. President, I may say it has absolutely no reference to the RFC, in any respect. It does not abolish the RFC.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. CAPEHART. Mr. President, I made a misstatement. It refers only to RFC by saying that RFC shall refer all small loans to the Small Business Administration.

Mr. SPARKMAN. I thank the Senator.

Mr. KERR. Mr. President, reserving the right to object, I should like to ask the distinguished majority leader whether, in view of the concession he has made with reference to the quorum call, and so forth, he would not be willing to agree that the vote would not start before 3 o'clock?

Mr. KNOWLAND. I may say to the distinguished Senator, it seems to me that we are very close to agreement.

Mr. KERR. That is the reason I ask the distinguished acting majority leader the question, because I happen to know that in 1 or 2 instances it would work quite a hardship for Senators to be here definitely by 2:30 instead of, perhaps, 3 o'clock. I can see no possible objection the distinguished Senator could have to amending the agreement so as to provide that the actual yea-and-nay vote will not start before 3 o'clock.

Mr. KNOWLAND. I will try—and I hope this will be the last modification of the suggestion—to accommodate the distinguished Senator from Oklahoma by consenting that the voting will not commence prior to 3 o'clock on Monday.

Mr. KERR. I thank the Senator.

The VICE PRESIDENT. Is there objection to the unanimous-consent request, as modified? The Chair hears none, and it is so ordered.

RECONSTRUCTION FINANCE CORPORATION

Mr. WILLIAMS. Mr. President, now that the pending question before the Senate is whether we shall establish another lending agency, I think it might be well, before the vote is taken, to examine what has been done under the old RFC.

Mr. Harry A. McDonald, the former Administrator of the Reconstruction Finance Corporation, in rendering his final report on Tuesday, April 28, 1953, for the 13 months in which he had served as the Adminstrator, included in his release the following statement:

> Between March 1952 and April 1953 the Reconstruction Finance Corporation made 2,001 loans in the amount of $334,479,000. * * * The vast majority of the loans made by the Reconstruction Finance Corporation are for less than $100,000 each and go to small business enterprises. In fact, in excess of 90 percent of the outstanding loans are under $100,000 each and almost all of the RFC loans have gone to enterprises clearly identified as small business.

It has always been politically popular to justify the existence or the need for a continuation of the Reconstruction Finance Corporation on the basis that their primary function was to serve the small businessman. However, their record of operations in this direction is not as good as Mr. McDonald, the former administrator, would have the public believe.

Upon reading this report, I directed an inquiry to Mr. McDonald under the date of April 30, 1953, asking for a breakdown of the $334,479,000 represented by the 2,001 to which Mr. McDonald referred.

On May 15, 1953, I received a report in which a list of all loans in excess of $100,000 had been compiled. In this list there are 310 loans representing 89 percent of all the money that was loaned during the 13-month period.

This report completely explodes Mr. McDonald's claim that the small businessman has been reaping the major benefits from the Reconstruction Finance Corporation. On the contrary, it shows that:

First. One of these loans was for $94 million and represented 28 percent of the total disbursements.

Second. Four borrowers received $169,365,000 or over one-half of the entire amount loaned during the 13-month period.

Third. Over 63 percent of all the money loaned during Mr. McDonald's 13-month term of office was represented by loans in excess of $1 million each and went to 36 borrowers.

In fact, of all the money loaned by the Reconstruction Finance Corporation under Mr. McDonald's administratorship, less than 11 percent went to the small-business man; for example, those borrowing less than $100,000.

This report definitely proves that the Reconstruction Finance Corporation has outlived its usefulness as an instrument to aid small business and clearly demonstrates that there is no need for the continuation of this discredited agency. If the Congress wishes to render the small-business man real assistance, the best way to do it would be through a more favorable consideration of the tax rates for the smaller corporations.

Mr. President, I am opposed to establishing another lending agency and most certainly oppose such action, while, at the same time, continuing the RFC.

I ask unanimous consent to have incorporated in the RECORD at this point a breakdown of each of all loans made in excess of $100,000 by the RFC between the period of March 1, 1952, and March 31, 1953.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Reconstruction Finance Corporation loan authorizations, Mar. 1, 1952, through Mar. 31, 1953

Name and location	Date approved	Amount approved	Legislative authority	Remarks
LOANS OVER $20,000,000				
San Manuel Copper Corp., Superior, Ariz.	July 10, 1952	$94,000,000	Sec. 302 DPA	
LOANS $5,000,001 TO $20,000,000				
Detroit Steel Corp., Detroit, Mich.	June 16, 1952	15,000,000	RFC Act	
Lone Star Steel Co., Dallas, Tex.	June 4, 1952	8,574,799	Sec. 302 DPA	Represents increases in loan approved Jan. 12, 1951, from $23,425,201 to $37,000,000.
	Jan. 8, 1953	5,000,000	do	
LOANS $10,000,001 TO $25,000,000				
Public Utility District No. 1 of Pend Oreille County, Newport, Wash.	Mar. 28, 1952	16,791,000	RFC Act	Public agency loan.
LOANS $1,000,001 TO $10,000,000				
A. & P. Corrugated Box Corp., Lowell, Mass.	Aug. 22, 1952	1,500,000	do	
Ashburn Peanut Co., Ashburn, Ga.	Sept. 18, 1952	1,500,000	do	
Aviation Fuel Terminals, Inc., Goldsboro, N. C.	July 28, 1952	1,087,500	Sec. 302 DPA	
Breese Corp., Inc., Newark, N. J.	Nov. 13, 1952	1,300,000	RFC Act	Canceled in full prior to disbursement.
Contra Costa Oil Depot, Martinez, Calif.	Oct. 6, 1952	2,655,338	Sec. 302 DPA	
Couse Manufacturing, Inc., Newark, N. J.	Nov. 17, 1952	1,275,000	do	
Eastern States Petroleum Co., Inc., Houston, Tex.	Oct. 23, 1952	2,100,000	do	
East Coast Aeronautics, Inc., Mount Vernon, N. Y.	June 16, 1952	1,300,000	do	Do.
Federal Motor Truck Co., Detroit, Mich.	Sept. 9, 1952	3,000,000	RFC Act	
Fenn Manufacturing Co., Hartford, Conn.	Dec. 11, 1952	1,250,000	Sec. 302 DPA	
Georgia Peanut Co., Moultrie, Ga.	Sept. 29, 1952	2,000,000	RFC Act	
Huck Manufacturing Co., Detroit, Mich.	Nov. 6, 1952	1,400,000	do	
Johns Hopkins University, Baltimore, Md.	Mar 28, 1952	1,400,000	Sec. 302 DPA	
Jones Aircraft Corp., Shawnee, Okla.	Dec. 30, 1952	1,200,000	do	
Clara Maass Memorial Hospital, Newark, N. J.	Jan. 19, 1953	2,000,000	Sec. 409 FCDA	Civil defense loan.
McGlynn Hays Industries, Inc., Belleville, N. J.	Mar. 26, 1953	1,183,800	Sec. 302 DPA	
Mid-South Refrigerated Warehouse Co., Memphis, Tenn.	June 16, 1952	1,250,000	do	
Oregon Fibre Products, Inc., Pilot Rock, Oreg.	Mar. 23, 1953	1,100,000	RFC Act	Loan approved Jan. 30, 1951, increased from $2,000,000 to $3,100,000.
Photoswitch, Inc., Cambridge, Mass.	July 3, 1952	1,500,000	Sec. 302 DPA	
Sessions Co., Inc., Enterprise, Ala.	Oct. 16, 1952	1,600,000	RFC Act	Canceled in full prior to disbursement.
South Water Machinery Co., Rockford, Ill.	June 12, 1952	2,300,000	do	
Susquehanna Mills, Inc., New York, N. Y.	Aug. 11, 1952	1,500,000	do	Do.
Village of Robbins, Cook County, Ill.	Jan. 15, 1953	190,000	do	Public agency loan approved Jan. 15, 1951, increased from $945,000 to $1,135,000.
Virginia-Lincoln Corp., Marion, Va.	Dec. 1, 1952	1,500,000	do	
LOANS $100,001 TO $1,000,000				
A. B. A. Tool & Die Co., Inc., Manchester, Conn.	June 5, 1952	198,000	Sec. 302 DPA	
Ace Welding Service, Inc., Saugus, Mass.	Dec. 11, 1952	175,000	do	Canceled in full prior to disbursement.
Adamas Carbide Corp., Harrison, N. J.	Aug. 22, 1952	442,000	do	
Ahlberg Bearing Co., Chicago, Ill.	Mar. 4, 1952	365,000	RFC Act	Do.
The Ahrendt Instrument Co., College Park, Md.	May 5, 1952	200,000	Sec. 302 DPA	
Akin Products Co., Inc., Mission, Tex.	June 5, 1952	300,000	RFC Act	Do.
Alaska Plywood Co., Juneau, Alaska	Aug. 18, 1952	600,000	Sec. 714 DPA	
Alma Canning Co., Alma, Ark.	Nov. 13, 1952	250,000	RFC Act	
American Generator & Armature Co., Chicago, Ill.	Apr. 14, 1952	225,000	Sec. 302 DPA	Do.
American Machinery Corp., Orlando, Fla.	Apr. 17, 1952	300,000	RFC Act	
Do.	May 12, 1952	500,000	Sec. 302 DPA	
Do.	June 16, 1952	750,000	do	
American Tractor Corp., Churubusco, Ind.	May 22, 1952	225,000	RFC Act	
The American Woodworking Co., West Haven, Conn.	May 9, 1952	112,000	Sec. 302 DPA	
Anaconda Land Co., Great Falls, Mont.	June 5, 1952	552,500	RFC Act	Do.
Anchorage Oxygen Corp., Anchorage, Alaska	June 2, 1952	125,000	do	
A. F. Anderson Iron Works, Chicago, Ill.	Mar. 12, 1953	150,000	do	
Arcturus Manufacturing Corp., Venice, Calif.	Apr. 3, 1952	240,000	Sec. 302 DPA	
Arlington Lumber & Plywood Corp., Arlington, Wash.	Dec. 15, 1952	150,000	RFC Act	
Associated Iron & Metal Co., Oakland and Richmond, Calif.	Apr. 29, 1952	335,000	do	
Barton Mills, Inc., Omaha, Nebr.	Dec. 11, 1952	125,000	do	Do.
The Cryil Bath Co., Cleveland, Ohio	Apr. 17, 1952	950,000	Sec. 302 DPA	
Bellingham Canning Co., Bellingham, Wash.	June 2, 1952	800,000	RFC Act	
Belock Instrument Corp., College Point, Queens, N. Y.	Apr. 21, 1952	620,000	Sec. 302 DPA	Do.
Benson-Lehner Corp., Los Angeles, Calif.	Jan. 26, 1953	187,000	do	
Bertie Peanut Co., Aulander, N. C.	Oct. 30, 1952	600,000	RFC Act	Do.
Bishop Manufacturing Co., Carlisle, Iowa	Apr. 3, 1952	400,000	Sec. 302 DPA	
Bjorksten Research Laboratories, Inc., Madison, Wis.	Oct. 2, 1952	120,000	do	
Bomac Laboratories, Inc., Beverly, Mass.	Mar. 4, 1952	150,000	RFC Act	
R. H. Bouligny, Inc., Charlotte, N. C.	Feb. 16, 1953	500,000	do	
Brooklyn Hospital Equipment Co., Inc., New York, N. Y.	Sept. 15, 1952	125,000	do	
The Brundage Co., Kalamazoo, Mich.	Mar. 4, 1952	120,000	do	
Brunswick Marine Construction Corp., Brunswick, Ga.	May 12, 1952	120,000	do	Do.
Brust Tool Manufacturing Co., Chicago, Ill.	Jan. 12, 1953	910,000	Sec. 302 DPA	
C. L. Bryant Corp., Cleveland, Ohio	June 5, 1952	250,000	Sec. 714 DPA	
Buehler Ltd., Chicago, Ill.	Aug. 7, 1952	279,000	Sec. 302 DPA	
Buffalo Coal Mining Co., Inc., Anchorage, Alaska	May 26, 1952	425,775	do	
Wm. L. Burford & Co., Louisville, Ky.	July 14, 1952	200,000	Sec. 714 DPA	
Butcher & Hart Manufacturing Co., Toledo, Ohio	Mar. 16, 1953	230,000	do	
The Buxbaum Co., Canton, Ohio	Feb. 9, 1953	175,000	do	
Callison & Sons, Seattle, Wash.	Sept. 2, 1952	200,000	RFC Act	Do.
Calumet Heat Treating Corp., Chicago, Ill.	Sept. 22, 1952	125,000	do	
Camfield Manufacturing Co., Grand Haven, Mich.	Dec. 18, 1952	800,000	do	
Carlstrom Pressed Metal Co., Westboro, Mass.	Mar. 26, 1953	155,000	Sec. 302 DPA	
Car-O-Green, Inc., Kansas City, Mo.	June 26, 1953	300,000	Sec. 714 DPA	
Case-Swayne Co., Inc., Santa Ana, Calif.	June 30, 1952	175,000	do	
Central Freight Lines, Inc., Waco, Tex.	Apr. 28, 1952	370,000	RFC Act	Do.
Chandler Machine Products Co., Cedar Rapids, Iowa	May 22, 1952	145,000	do	
Chattanooga Welding & Machine Co., Inc., Chattanooga, Tenn.	Mar. 4, 1952	400,000	Sec. 302 DPA	
Chief Consolidated Mining Co., Salt Lake City, Utah	Apr. 14, 1952	125,000	do	
Forrest S. Chilton 3d Memorial Hospital Association, Pompton Plains, N. J.	Feb. 16, 1953	443,000	Sec. 409 FCDA	Civil defense loan.
Clark's Frozen Food Co., Temple City, Calif.	Nov. 10, 1952	110,000	Sec. 714 DPA	
Cobell Supply Corp., Fort Worth, Tex.	June 28, 1952	200,000	RFC Act	
Collins Engineering Co., Culver City, Calif.	May 28, 1952	375,000	Sec. 302 DPA	Canceled in full prior to disbursement.
W. H. Compton Shear Co., Newark, N. J.	Oct. 20, 1952	175,000	RFC Act	
Concrete Masonry Corp., Elyria, Ohio	Mar. 26, 1953	200,000	Sec. 714 DPA	
Do.	do	160,000	do	
Consolidated Industries, Inc., Lafayette, Ind.	May 28, 1952	732,600	Sec. 302 DPA	
Cooper Precision Products, Los Angeles, Calif.	May 19, 1952	250,000	do	
Copper City Realty Co., Inc., Anaconda, Mont.	Aug. 11, 1952	362,500	RFC Act	

Reconstruction Finance Corporation loan authorizations, Mar. 1, 1952, through Mar. 31, 1953—Continued

Name and location	Date approved	Amount approved	Legislative authority	Remarks
LOANS $100,001 TO $1,000,000—continued				
Cosmo Engineering Laboratories, Inc., Hackettstown, N. J.	Oct. 23, 1952	$135,000	Sec. 302 DPA	
James H. Craggs Construction Co., Ocala, Fla.	June 2, 1952	175,000	RFC Act	
Crawford Packing Co., Palacios, Tex.	Sept. 4, 1952	107,000	do	Canceled in full prior to disbursement.
Crenshaw Hospital, Los Angeles, Calif.	Mar. 26, 1953	150,000	do	
Cripple Creek Coal Co., Fairbanks, Alaska	Mar. 9, 1953	413,500	Sec. 302 DPA	
Cross Bros. Meat Packers, Inc., Philadelphia, Pa.	Aug. 25, 1952	350,000	RFC Act	
Frank J. Curran Co., Downers Grove, Ill.	May 9, 1952	250,000	Sec. 302 DPA	
Davenport Beeler Corp., Davenport, Iowa	Sept. 9, 1952	400,000	RFC Act	Do.
Davis Mining Enterprises, Linden, Wis.	Jan. 8, 1953	220,000	Sec. 302 DPA	
W. A. Davis Milling Co., High Point, N. C.	Sept. 9, 1952	200,000	RFC Act	
Dayton Precision Manufacturing Co., Dayton, Ohio	Jan. 15, 1953	196,000	Sec. 302 DPA	
Detroit Chemical Works, Detroit, Mich.	Mar. 12, 1953	350,000	RFC Act	
Diamond Manufacturing Co., Wakefield, Mass.	Mar. 6, 1952	117,000	do	Do.
Dicco, Inc., Bakersfield, Calif.	Dec. 8, 1952	130,000	Sec. 714 DPA	
Dick Bros., Inc., Reading, Pa.	Dec. 18, 1952	359,000	do	
Direct Reproduction Corp., Brooklyn, N. Y.	Oct. 6, 1952	175,000	do	
Disnuke Tire & Rubber Co., Clarksdale, Miss.	July 31, 1952	250,000	do	
Dixie Paint & Varnish Co., Inc., Brunswick, Ga.	Dec. 4, 1952	150,000	RFC Act	
Doer Electric Corp., Cedarburg, Wis.	Mar. 10, 1952	130,000	do	Do.
Donalsonville Grain & Elevator Co., Donalsonville, Ga.	Sept. 16, 1952	400,000	do	
Druge Bros. Manufacturing Co., Oakland, Calif.	June 16, 1952	198,000	Sec. 302 DPA	
Dubuque Stamping & Manufacturing Co., Toledo, Ohio	Apr. 24, 1952	230,000	RFC Act	
East Georgia Peanut Co., Statesboro, Ga.	Sept. 16, 1952	600,000	do	
The Edenton Peanut Co., Edenton, N. C.	Nov. 6, 1952	500,000	do	
Ehrhardt Cooperage Co., Ehrhardt, S. C.	Aug. 29, 1952	105,000	do	
Electric Service Engineering Co., Joliet, Ill.	May 15, 1952	650,000	Sec. 302 DPA	
Ellis Trucking Co., Inc., Indianapolis, Ind.	May 1, 1952	717,500	RFC Act	Do.
James L. Entwistle Co., Providence, R. I.	Mar. 3, 1953	200,000	Sec. 302 DPA	
Era Tool & Engineering Co., Franklin Park, Ill.	Dec. 4, 1952	200,000	RFC Act	Do.
Excelsior Pearl Works, Inc., New York, N. Y.	Feb. 2, 1953	200,000	do	Do.
The F. R. L. Realty Co., Columbus, Ohio	Mar. 30, 1953	150,000	do	
Farm Fertilizers, Inc., South Omaha, Nebr.	July 17, 1952	126,000	do	
Farmers Gin Co., Inc., Edison, Ga.	Sept. 16, 1952	600,000	do	
Federal Industries, Inc., Detroit, Mich.	Mar. 4, 1952	110,000	do	
Feldco Loose Leaf Corp., Chicago, Ill.	Jan. 29, 1953	150,000	do	
Fenn Manufacturing Co., Hartford, Conn.	Apr. 14, 1952	350,000	do	
Do.	Oct. 20, 1952	600,000	do	
Do.	Dec. 8, 1952	700,000	do	
Forest Hills Foundation, Inc., New York, N. Y.	May 5, 1952	1,000,000	Sec. 409 FCDA	Civil defense loan.
Foster Beef Co., Manchester, N. H.	do	141,000	RFC Act	Canceled in full prior to disbursement.
Foster Freight Lines, Inc., Indianapolis, Ind.	Aug. 15, 1952	501,890	Sec. 302 DPA	
Fox Bros. Manufacturing Co., St. Louis, Mo.	Mar. 12, 1953	250,000	RFC Act	
France Packing Co., Philadelphia, Pa.	Oct. 9, 1952	425,000	do	
Franco-Italian Packing Co., Terminal Island, Calif.	Feb. 5, 1953	150,000	do	
Galesburg Soy Products Co., Galesburg, Ill.	Nov. 20, 1952	600,000	Sec. 714 DPA	
Garlynn Engineering Co., San Francisco, Calif.	Dec. 1, 1952	104,475	Sec. 302 DPA	
Garnet Instrument Co., San Antonio, Tex.	July 10, 1952	150,000	do	
Garrean & Co., Inc., Newport, R. I.	Jan. 8, 1953	150,000	Sec. 714 DPA	
Gateway Engineering Co., Chicago, Ill.	Oct. 27, 1952	500,000	RCF Act	
The Gemco Engineering & Manufacturing Co., Inc., Glendale, Ohio.	Dec. 23, 1952	150,000	Sec. 714 DPA	
General Development Corp., Elkton, Md.	Dec. 18, 1952	135,000	Sec. 302 DPA	
General Machinery Co., Inc., and Hamilton Manufacturing Co., Inc., New Haven, Conn.	Mar. 31, 1952	125,000	Sec. 714 DPA	
General Products Corp., Union Springs, N. Y.	Feb. 2, 1953	170,000	do	
Georgia & Florida RR., Augusta, Ga.	Mar. 20, 1953	717,000	RFC Act	Railroad loan.
Globe Industries, Inc., Dayton, Ohio	Sept. 25, 1952	300,000	Sec. 302 DPA	
The Green Ball Bearing Co., Cleveland, Ohio	Nov. 6, 1952	140,000	RFC Act	
G. G. Greene Manufacturing Corp., Warren, Pa.	Jan. 26, 1953	300,000	do	
Guernsey Memorial Hospital, Cambridge, Ohio	Jan. 8, 1953	400,000	Sec. 409 FCDA	Civil defense loan.
Gussett Boiler & Welding, Inc., Canton, Ohio	Mar. 5, 1953	300,000	RFC Act	
Gustaveson, Inc., Kansas City, Mo.	June 16, 1952	120,000	Sec. 714, DPA	Canceled in full prior to disbursement.
H-S Engine Co., Billings, Mont.	Nov. 24, 1952	110,000	RFC Act	
Hanlon & Wilson Co., Wilkinsburg, Pa.	Jan. 12, 1953	375,000	do	
Hardel Plywood, Inc., Olympia, Wash.	July 8, 1952	210,000	do	
Harvey-Whipple, Inc., Springfield, Mass.	Aug. 4, 1952	500,000	Sec. 302 DPA	
Hastings Instrument Co., Inc., Hampton, Va.	July 3, 1952	275,650	do	Do.
Hayward Woolen Co., East Douglas, Mass.	June 26, 1952	200,000	do	Loan approved Sept. 27, 1951, increased from $500,000 to $700,000.
Do.	Dec. 18, 1952	200,000	RFC Act	
Hazelton Engineering Co., St. Louis, Mo.	Jan. 15, 1953	347,850	Sec. 302, DPA	
Headland Peanut Co., Headland, Ala.	Sept. 16, 1952	400,000	RFC Act	
Heckethorn Manufacturing & Supply Co., Littleton, Colo.	Apr. 17, 1952	800,000	Sec. 302 DPA	
Heidrich Tool & Die Corp., Detroit, Mich.	Apr. 29, 1952	1,000,000	RFC Act	
Hewitt Oil Terminal, North Charleston, S. C.	Mar. 31, 1952	432,000	Sec. 302 DPA	
The Hi-Shear Rivet Tool Co., Los Angeles, Calif.	Feb. 16, 1953	450,000	RFC Act	
Hightower Box & Tank Co., Birmingham, Ala.	Mar. 30, 1953	300,000	do	
Hobbs Manufacturing Co., Worcester, Mass.	Aug. 18, 1952	112,500	do	
Hodgson's, Inc., Athens, Ga.	Sept. 16, 1952	250,000	do	
Hogan Laboratories, Inc., New York, N. Y.	Feb. 14, 1952	250,000	Sec. 302 DPA	
Houston Peanut Co., Sylvester, Ga.	Oct. 30, 1952	400,000	RFC Act	
Hycon-Oedekerk & Ludwig, Pasadena, Calif.	Dec. 8, 1952	400,000	do	
Hyde Corp., Fort Worth, Tex.	Oct. 16, 1952	1,000,000	do	
Hydraulic Research Manufacturing Co., Burbank, Calif.	Dec. 30, 1952	485,000	Sec. 302 DPA	
Imperial Glass Corp., Bellaire, Ohio	Oct. 9, 1952	365,000	RFC Act	
Independent Flow, Inc., Neodesha, Kans.	Aug. 11, 1952	200,000	Sec. 302 DPA	
Industrial Steel Container Co., St. Paul, Minn.	June 19, 1952	142,943	RFC Act	Disaster loan. Canceled in full prior to disbursement.
Instrument Associates of California, Santa Monica, Calif.	Jan. 15, 1953	150,000	Sec. 302 DPA	
The Instruments Corp., Baltimore, Md.	Jan. 19, 1953	125,000	RFC Act	
Jacques Brass Specialties Co., Inc., Baltimore, Md.	Aug. 29, 1952	115,000	do	
Jemco Aircraft Corp., Shawnee, Okla.	Mar. 17, 1952	750,000	Sec. 302 DPA	
Kansas City Market Co., Inc., Kansas City, Kans.	June 26, 1952	128,000	RFC Act	Disaster loan.
Kansas Soya Products Co., Inc., Emporia, Kans.	June 10, 1952	128,000	do	
Kelley-Farquhar & Co., Tacoma, Wash.	Feb. 24, 1953	300,000	do	
Kelly Foundry & Machine Co., Elkins, W. Va.	Dec. 11, 1952	183,000	do	
Kenmore Metals Corp., Jersey City, N. J.	June 19, 1952	420,000	Sec. 302 DPA	
Kirkwood Machine & Manufacturing Co., Kirkwood, Mo.	Mar. 9, 1953	128,000	do	
Knox-Warrenton Co., Warrenton, Ga.	Dec. 15, 1952	225,000	Sec. 714 DPA	
Kolstad Canneries, Inc., Silverton, Oreg.	May 19, 1952	200,000	RFC Act	
Lake Shore Electric Manufacturing Corp., Cleveland, Ohio.	Aug. 15, 1952	106,000	do	
Lamb Weston, Inc., Weston, Oreg.	May 19, 1952	1,000,000	do	
Lambert Tool Specialties Co., St. Louis, Mo.	June 26, 1952	200,000	Sec. 302 DPA	
Langley Corp., San Diego, Calif.	June 5, 1952	862,000	RFC Act	
Laris Painting, Inc., Green Cove Springs, Fla.	Aug. 4, 1952	267,000	Sec. 714 DPA	
Lawton Community Hotel, Inc., Lawton, Okla.	Mar. 16, 1953	700,000	RFC Act	
Linder Corp., Kensett, Ark.	Nov. 24, 1952	175,000	do	

Reconstruction Finance Corporation loan authorizations, Mar. 1, 1952, through Mar. 31, 1953—Continued

Name and location	Date approved	Amount approved	Legislative authority	Remarks
LOANS $100,001 TO $1,000,000—continued				
Louisville Builders Supply Co., Louisville, Ky	Jan. 19, 1953	$450,000	RFC Act	
Lovequist Engineering Co., Los Angeles, Calif	May 19, 1952	140,000	Sec. 302 DPA	Canceled in full prior to disbursement.
Ludera Marine Construction Co., Stamford, Conn	July 28, 1952	126,000	do	Do.
Ludwig Honold Manufacturing Co., Folcroft, Pa	Apr. 21, 1952	124,000	RFC Act	
Macy & Co., Red Bluff, Calif	July 28, 1952	155,000	do	
Malanco, Inc., Blue Island, Ill	May 9, 1952	175,000	Sec. 714 DPA	Do.
Marine Steel & Welding Co., River Rouge, Mich	July 14, 1952	200,000	RFC Act	
Marks Oxygen Co., Augusta, Ga	Mar. 28, 1952	146,800	Sec. 714 DPA	
Marquardt Aircraft Co., Van Nuys, Calif	June 26, 1952	705,000	Sec. 302 DPA	
H. S. Martin & Co., Evanston, Ill	Sept. 22, 1952	800,000	Sec. 714 DPA	
Maryville and Goat Hill Water District, in Georgetown County, Georgetown, S. C.	Aug. 29, 1952	180,000	RFC Act	Public Agency loan.
Mason, Shaver & Rhoades, McKeesport, Pa	Sept. 29, 1952	400,000	do	
McCullough Industries, Inc., Birmingham, Ala	Apr. 3, 1952	267,000	do	
McGrath & Co., Inc., Stillwater, Minn	Apr. 14, 1952	150,000	Sec. 302 DPA	
McKoy-Helgerson Co., Greenville, S. C	Sept. 22, 1952	125,000	RFC Act	
Medley Manufacturing Co., Inc., Columbus, Ga	May 9, 1952	215,500	do	
Menominee Sugar Co., Green Bay, Wis	Apr. 14, 1952	200,000	do	
The Microtone Co., Inc., St. Paul, Minn	Mar. 9, 1953	580,000	Sec. 302 DPA	
Mid-Georgia Natural Gas Co., Conyers, Ga	Feb. 5, 1953	250,000	RFC Act	
Miller Dial & Name Plate Co., Los Angeles, Calif	July 17, 1952	300,000	Sec. 714 DPA	
J. W. Minder Chain & Gear Co., Los Angeles, Calif	Dec. 15, 1952	250,000	RFC Act	
Mississippi Chemical Corp., Yazoo City, Miss	Mar. 30, 1953	900,000	do	
Model Engineering & Manufacturing, Inc., Huntington, Ind	Mar. 4, 1952	170,000	Sec. 302 DPA	
Modern Metal Crafts Co., Inc., Philadelphia, Pa	July 14, 1952	120,000	do	Canceled in full prior to disbursement.
Modern Welding Co., Inc., Owensboro, Ky	Oct. 30, 1952	400,000	RFC Act	
Modesto City Hospital, Modesto, Calif	Feb. 16, 1953	250,000	do	
Modglin Co., Inc., Los Angeles, Calif	Aug. 25, 1952	250,000	do	Do.
Montana Electric Supply, Billings, Mont	June 23, 1952	120,000	do	
Morgan Steel Products, Inc., Cleveland, Ohio	June 12, 1952	110,000	do	
Moson Screw Co., North Chicago, Ill	May 15, 1952	350,000	Sec. 714 DPA	
Moss Light Weight Aggregate Co., Memphis, Tenn	June 16, 1952	800,000	RFC Act	Do.
Munter Construction Co., Inc., Anchorage, Alaska	Mar. 25, 1953	150,000	Sec. 714 DPA	
New Town Water & Sewage Utility, Inc., Semish, N. Dak	Mar. 4, 1952	130,000	RFC Act	
The North Adams Hospital, North Adams, Mass	Nov. 17, 1952	375,000	Sec. 409 FCDA	Civil Defense loan.
North Shore Hospital, Inc., Great Neck, Long Island	Mar. 28, 1952	750,000	do	Do.
North Star Enterprises, Anchorage, Alaska	Sept. 2, 1952	140,000	RFC Act	
Northern Supply, Anchorage, Alaska	Jan. 22, 1953	150,000	do	
Nuera Gear Co., Rochester, Mich	Feb. 26, 1953	180,000	do	
Robert J. Ohland Plumbing & Heating, Seattle, Wash	Feb. 2, 1953	150,000	do	
Oriental Foods, Inc., Los Angeles, Calif	July 21, 1952	200,000	Sec. 714 DPA	
The Wm. H. Ottemiller Co., Inc., York, Pa	Oct. 6, 1952	180,000	RFC Act	Canceled in full prior to disbursement.
J. A. Otterbein Co., Middletown, Conn	Mar. 17, 1952	150,000	Sec. 302, DPA	Do.
Pacific Grape Products Co., Modesto, Calif	May 22, 1952	1,000,000	RFC Act	
Pacific Tile & Porcelain Co., Paramount, Calif	Aug. 11, 1952	150,000	do	
Pacific Waxed Paper Co., Seattle, Wash	Oct. 30, 1952	200,000	do	
Pamco Corp., Lubbock, Tex	Nov. 17, 1952	800,000	Sec. 302 DPA	
Pascack Valley Hospital Association, Westwood, N. J	Mar. 5, 1953	600,000	Sec. 409 FCDA	Civil Defense loan.
J. C. Peacock Machine Co., Los Angeles, Calif	June 16, 1952	284,000	Sec. 302 DPA	
Peoria Consolidated Manufacturers, Inc., Peoria, Ill	Nov. 13, 1952	814,189	do	
Piquette Mining Co., Platteville, Wis	June 9, 1952	144,000	do	
Polston Flooring Manufacturing Corp., Lafayette, Tenn	Feb. 19, 1953	150,000	RFC Act	
Portland Copper & Tank Works, Inc., South Portland, Maine	Feb. 12, 1953	600,000	do	
Powers Manufacturing Co., Longview, Tex	Nov. 20, 1952	920,000	Sec. 302 DPA	
Precision Sheet Metal, Inc., Culver City, Calif	Mar. 28, 1952	425,000	RFC Act	Canceled in full prior to disbursement
Warner W. Price Co., Inc., Smyrna, Del	June 30, 1952	175,000	Sec. 714 DPA	
Red Diamond Mills, Inc., Cordele, Ga	Oct. 2, 1952	700,000	RFC Act	
Remler Co., Ltd., San Francisco, Calif	Oct. 27, 1952	1,000,000	Sec. 302 DPA	
J. W. Rex Co., Lansdale, Pa	Mar. 30, 1953	458,350	do	
Richter Spring Corp., Chicago, Ill	July 28, 1952	160,000	Sec. 714 DPA	
The Ric-Wil Co., Cleveland, Ohio	Jan. 12, 1953	600,000	RFC Act	
D. M. Rose & Co., Knoxville, Tenn	Dec. 11, 1952	165,000	Sec. 302 DPA	
J. Rubin & Co., Rockford, Ill	Aug. 29, 1952	140,000	Sec. 714 DPA	
Ruffe, Inc., Miami, Fla	Aug. 11, 1952	200,000	do	
Runnymede Mills, Inc., Taboro, N. C	Nov. 24, 1952	150,000	RFC Act	
Russell Fork Coal Co., Inc., Praise, Ky	Mar. 30, 1953	430,000	do	
Russell-Stanley Corp., Woodbridge, N. J	Mar. 23, 1953	175,000	do	
Saginaw Transfer Co., Inc., Saginaw, Mich	Mar. 12, 1953	150,000	do	Do.
Salem Foundry & Machine Works, Inc., Salem, Va	June 19, 1952	150,000	Sec. 714 DPA	
Scherer Freight Lines, Inc., Ottawa, Ill	Jan. 19, 1953	350,000	RFC Act	
Scholle Chemical Corp., Chicago, Ill	Oct. 6, 1952	120,000	Sec. 714 DPA	
Seidelhuber Steel Rolling Mills, Inc., Seattle, Wash	Aug. 4, 1952	760,000	do	
Sekely Industrial Tool & Mfg., Inc., Salem, Ohio	Aug. 26, 1952	120,000	RFC Act	
E. B. Sewall Manufacturing Co., St. Paul, Minn	Apr. 3, 1952	150,000	do	
The Shallow Water Refining Co., Garden City, Kans	Mar. 28, 1953	1,000,000	do	
Sherman & Reilly, Inc., Chattanooga, Tenn	Mar. 20, 1952	300,000	Sec. 302 DPA	
Simmonds Aerocessories, Inc., Tarrytown, N. Y	Apr. 10, 1952	280,000	Sec. 714 DPA	Do.
Skydyne, Inc., Port Jervis, N. Y	Mar. 16, 1953	110,000	do	
Smith Canning & Freezing Co., Pendleton, Oreg	June 23, 1952	150,000	RFC Act	
Snellstrom Lumber Co., Eugene, Oreg	Jan. 22, 1953	700,000	do	
Sosner Tap & Tool Corp., New York, N. Y	Apr. 21, 1952	180,000	Sec. 302 DPA	Do.
Southeastern Metals Co., Inc., Birmingham, Ala	Jan. 19, 1953	425,000	RFC Act	
South Carolina State Ports Authority No. 1 Vendue Range, Charleston, S. C.	Dec. 30, 1952	400,000	do	Public agency loan.
South Water Realty Corp., Rockford, Ill	June 12, 1952	700,000	do	
Southern States Oil Co., Jacksonville, Fla	July 31, 1952	255,000	Sec. 302 DPA	
Southland Oil Corp., Savannah, Ga	Nov. 10, 1952	677,000	do	
Southwest Fertilizer & Chemical Co., El Paso, Tex	Aug. 22, 1952	332,063	RFC Act	
Stevens Industries, Inc., Dawson, Ga	Sept. 12, 1952	1,000,000	do	
Do	Nov. 20, 1952	500,000	do	
Stokerunit Corp., Milwaukee, Wis	Mar. 30, 1953	300,000	do	
T. S. C. Motor Freight Lines, Inc., Houston, Tex	Aug. 11, 1952	200,000	Sec. 302 DPA	Canceled in full prior to disbursement.
Talley Machine & Manufacturing Corp., Los Angeles, Calif	Mar. 16, 1953	210,000	Sec. 714 DPA	
Tech Laboratories, Inc., Palisades Park, N. J	Jan. 26, 1953	165,000	RFC Act	
Tennessee Aircraft, Inc., Nashville, Tenn	May 5, 1952	250,000	Sec. 302 DPA	
Do	Sept. 4, 1952	150,000	do	
Town of Beulaville, Beulaville, N. C	Oct. 9, 1952	125,000	RFC Act	Public agency loan.
The Water and Gas Board of the Town of Cherokee, Colbert County, Ala	Aug. 25, 1952	140,000	do	Do.
Town of Columbiana, Shelby County, Ala	Apr. 24, 1952	250,000	do	Do.
Town of Courtland, Courtland, Ala	July 31, 1952	120,000	do	Public agency loan. Canceled in full prior to disbursement.
Town of Kure Beach, New Hanover County, N. C	Sept. 30, 1952	32,000	do	Public agency loan approved Mar. 12, 1951; increased from $190,413 to $215,413.

Reconstruction Finance Corporation loan authorizations, Mar. 1, 1952, through Mar. 31, 1953—Continued

Name and location	Date approved	Amount approved	Legislative authority	Remarks
LOANS $100,001 TO $1,000,000—continued				
Town of Leighton, Leighton, Ala.	July 17, 1952	$115,000	RFC Act	Public agency loan. Canceled in full prior to disbursement.
Town of Town Creek, Lawrence County, Ala.	June 30, 1952	110,000	do	Do.
Trumbull Bearings, Inc., Hartford, Conn.	July 8, 1952	450,000	Sec. 302 DPA	
Tycoon Tackle, Inc., Miami Springs, Fla.	Mar. 30, 1953	650,000	do	
Union Fishermen's Co-op Packing Co., Astoria, Oreg.	Feb. 12, 1953	125,000	RFC Act	
Usibelli Coal Mine, Inc., Suntrana, Alaska	July 3, 1952	250,000	do	
Varo Manufacturing Co., Inc., Garland, Tex.	May 22, 1952	200,000	do	
Vitro Chemical Co., Salt Lake City, Utah	July 14, 1952	850,000	Sec. 302 DPA	
Wadell Equipment Co., Garwood, N. J.	July 24, 1952	200,000	do	Canceled in full prior to disbursement.
Waltham Horological Corp., Waltham, Mass.	Apr. 24, 1952	285,000	do	
Warner Lewis Co., Tulsa, Okla.	May 12, 1952	103,000	RFC Act	Do.
Warner Machine Products, Inc., Muncie, Ind.	Apr. 14, 1952	225,000	Sec. 302 DPA	
Warrington Home Builders, Inc., Fort Walton, Fla.	May 5, 1952	246,120	RFC Act	Do.
Wells All-Steel Products, North Hollywood, Calif.	Aug. 22, 1952	143,135	Sec. 714 DPA	
The Wheland Co., Chattanooga, Tenn.	May 9, 1952	300,000	RFC Act	
F. A. Whitney Carriage Co., Leominster, Mass.	May 28, 1952	641,250	Sec. 302 DPA	Do.
Wien Alaska Airlines, Inc., Fairbanks, Alaska	Oct. 20, 1952	358,000	do	
Wire, Inc., Morton Grove, Ill.	Apr. 14, 1952	150,000	do	
Woburn Chemical Corp., Kearny, N. J.	Sept. 29, 1952	175,000	RFC Act	
York-Shipley, Inc., York, Pa.	do	250,000	do	
Total		297,009,527		

Mr. MARTIN. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. MARTIN. Does not the Senator from Delaware believe that if we had more favorable tax provisions for small businesses, particularly incorporated businesses, it would do more to promote such businesses than would the opportunity to borrow money from the Federal Government?

Mr. WILLIAMS. I do. Unquestionably, the greatest assistance which the Government can give the small-business men is to give them more favorable tax consideration. Under existing rates, with the excess-profits tax, a small corporation earning $25,000 is taxed at 32 percent. For the next $1,000 the rate jumps to over 80 percent if that corporation has a small capitalization. That is unreasonable. I think some consideration should be given small business, but it should be done in a constructive manner. I certainly agree with the Senator from Pennsylvania that tax consideration is more constructive than is loaning more money.

Mr. MARTIN. For example, if we should eliminate income taxes on dividends, would not that be a greater help than to have the opportunity of securing loans from the Federal Government?

Mr. WILLIAMS. I do not know that that would exactly solve the problem to the extent to which I was speaking. It would be more helpful to the investors than to the corporations.

Mr. MARTIN. That is true, but is it not a fact that many small corporations are owned by only a few stockholders, and when those stockholders have to pay taxes on dividends, it amounts to double taxation, which is very detrimental to the expansion of small business?

Mr. WILLIAMS. I have suggested many times that the small corporations should be exempted from the application of section 102. It is acknowledged by the Treasury Department that practically all the revenue received by the Government under section 102 is from small corporations, because the tax attorneys employed by the large corporations can get around the provision. The statement has been made by responsible Treasury officials that the reason why that section is not being enforced with reference to large corporations is that the officials are afraid that if the question was taken to the Supreme Court it would be found unconstitutional. That certainly is a very weak argument for enforcing the section with reference to the small corporations and not against the large corporations. I think we must take care of it by either repealing the section in its entirety or exempting the small corporations.

Mr. MARTIN. Mr. President, the distinguished senior Senator from Delaware has again made what I think is a very valuable contribution.

Mr. SPARKMAN. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. SPARKMAN. Mr. President, it is very good to have an exchange between two high ranking members of the Finance Committee. I should like to invite attention to the fact that the Senate Small Business Committee has filed a unanimous report recommending tax relief for small business, and I earnestly hope that when the matter comes before the committee, the committee will give most serious consideration to the recommendations.

Mr. WILLIAMS. Mr. President, I can assure the Senator that they will be given consideration by the Senator from Delaware, who has felt for some time that small corporations are not given equal consideration under our tax laws. I have sponsored amendments to our tax laws each time they were under consideration to achieve that purpose.

SENATOR KENNEDY, OF MASSACHUSETTS

Mr. MANSFIELD. Mr. President, an article with reference to the junior Senator from Massachusetts [Mr. KENNEDY] was published in the Saturday Evening Post of June 13, 1953. I have a few remarks to make on this subject, and I ask unanimous consent that at the conclusion of my remarks the story from the Saturday Evening Post be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MANSFIELD. Mr. President, the Senator from Massachusetts [Mr. KENNEDY] is one of the hardest working and most respected Members of the Senate. He has already made his mark because of his efforts in behalf of New England industry which is, in effect, a continuation of his interest in that region as manifested during his previous service in the House of Representatives.

The Senator from Massachusetts has had not only an interesting but a distinguished career as a public servant. A veteran of the Pacific in World War II, an author of note, a Member of the House and now a Senator, he is devoted to his work and to his country. His interests, while primarily concerned with Massachusetts, extend beyond that State's borders to New England and the country as a whole. Because of his drive, determination, and understanding, he has been of invaluable help to those of us who come from the West. While young in years, he is wise in experience, and he has given freely of his advice and counsel to many of his colleagues.

The Senate is extremely fortunate to have JOHN KENNEDY as a Member of this body. Massachusetts and the Nation can feel secure that he will look after their interests at all times and to the utmost of his great ability.

We are all proud of Senator KENNEDY because he has made his way to his present position through hard work, an understanding of the issues, and a devotion to duty excelled by none.

EXHIBIT 1

THE SENATE'S GAY YOUNG BACHELOR

(By Paul F. Healy)

JOHN FITZGERALD KENNEDY, the 36-year-old Democrat from Massachusetts, accomplished something unusual for a newcomer to the United States Senate this year: he excited open envy among his colleagues. KENNEDY appeared to be a walking fountain of youth. He is 6 feet tall, with a lean, straight, hard physique, and the innocently respectful face of an altar boy at High Mass. Senators less generously endowed were especially taken with his trade-mark—a bumper crop of lightly combed brown hair that shoots over his right eyebrow and always makes him look as though he had just stepped out of the shower.

Six years ago, when he started his first of 3 terms in the House of Representatives,

KENNEDY looked so young that he was mistaken by several other congressmen for a House page. In January of this year, when he tried to board the little subway car that runs between the Capitol and the Senate Office Building, KENNEDY was told by a guard to "stand back; let the Senators go first." KENNEDY, who is humbly obliging under such circumstances, retreated, and watched Senators who looked old enough to be Senators climb aboard.

Certainly, the residents of Washington's Georgetown section, where KENNEDY lives, had no basis for suspecting his political identity when he played touch football on the streets and playgrounds there every Saturday last winter and spring. The capital's most sophisticated neighborhood is geared more to the deportment of such other residents from Capitol Hill as, say ROBERT A. TAFT. A man of simple living habits, despite the fact that he rents a remodeled, Georgetown-type house, KENNEDY at the same time defies the gourmets in that area by sticking to a diet of milk and steak or lamb chops, followed by ice cream blanketed in chocolate sauce.

KENNEDY wears an air of imperturbable informality; he often seems to be at once preoccupied, disorganized, and utterly casual—alarmingly so, for example, when he solemnly addressed the House with his shirttail out and clearly visible from the galleries. Many women have hopefully concluded that KENNEDY needs looking after. In their opinion, he is, as a young millionaire Senator, just about the most eligible bachelor in the United States, and the least justifiable one. KENNEDY lives up to that role only occasionally, when he drives his long convertible, hatless, and with the car's top down, in Washington, or accidentally gets photographed with a glamour girl in a night club.

A surface impression of KENNEDY is that instead of being in the Senate he ought to be making one of those transoceanic voyages in his own sailboat, something he probably would be not at all averse to. But KENNEDY's diffidence is deceptive. Basically a mature and responsible fellow, he possesses an inner fire which has enabled him to rise gallantly to the occasion whenever it was required. One of these occasions was when he set out to unseat the lofty Republican Senator Henry Cabot Lodge, Jr., against almost everyone's advice. KENNEDY last fall defeated Lodge by 69,000 votes, while General Eisenhower was carrying the State by 208,800 against Adlai Stevenson, and another Republican, Representative Christian Herter, was dealing a surprise defeat to Massachusetts' Democratic Gov. Paul A. Dever. Lodge as Ike's preconvention campaign manager, had presumably shared in the general's reflected popularity; nonetheless, he was the only so-called liberal Republican Senator to go down in the election.

Lodge had been outgeneraled, outworked and outnumbered, for KENNEDY was reinforced by a task force from his large and fabulous family. His comely mother and three attractive, long-legged sisters took the stump, while his younger brother, Robert, acted as campaign manager. They staged the longest and one of the most expensive and original campaigns Massachusetts has ever seen. A charming fellow himself, Lodge was faced with a formidable array of charm. The cosmopolitan, slightly madcap Kennedys for the first time harnessed together their remarkable energies and used them to pull votes. Lodge was helpless against their novel campaign devices, the most successful being a new kind of Boston tea party, which they used as a Kennedy road show.

Robert, who was recently out of the University of Virginia Law School, did his best to keep the family deployed strategically about the State, but he occasionally turned up on the platform Kennedyless. In one such instance, he delivered what must have been the shortest campaign speech in Massachusetts history.

"My brother Jack couldn't be here," Robert told the audience, "my mother couldn't be here, my sister Eunice couldn't be here, my sister Pat couldn't be here, my sister Jean couldn't be here, but if my brother Jack was here, he'd tell you Lodge has a very bad voting record. Thank you."

While two-thirds of the family took the field against Lodge, its head, Joseph Patrick Kennedy, a prominent and controversial figure in the world of politics, finance, and philanthropy, remained under the grandstand, lending advice and whatever other support was necessary. The only two Kennedys completely on the sidelines were Rosemary, a schoolteacher in Wisconsin; and Edward, the husky baby of the family who was then dong his hitch in the Army at a post in Germany. Originally, there had been nine Kennedy children. The oldest, Joseph, Jr., had died a hero's death as a Navy pilot in World War II and had a destroyer named after him. Kathleen ("Kick"), who married the Marquis of Hartington in England, was killed in a plane crash in 1948.

"JACK" KENNEDY'S type of appeal was perfect counterpoint for the glossy Lodge, who is now the United States chief delegate to the United Nations. He was the only Democrat in the State who was conceded a chance of besting him. At 50, Lodge was a skillful politician and a widely respected Senator. He was handsome, wealthy, and a Harvard man with an impeccable Massachusetts name and an excellent combat war record. But so was KENNEDY. And he had another, more elusive quality. He made people want to do something for him. He was "Nature Boy," with an Ivy League polish. It was said that during the campaign every woman who met KENNEDY wanted either to mother him or marry him. At first glance, he looked a little lonesome, and in need of a haircut and perhaps a square meal. One Boston woman who was told she was illogical in voting to put Eisenhower in the White House and KENNEDY in the Senate replied, "Ah, now, how could I vote against that nice lad?" An Eisenhower rooter who watched KENNEDY girl workers hand out pamphlets at the entrance to an Eisenhower rally was overheard asking, "What is there about KENNEDY that makes every Catholic girl in Boston between 18 and 28 think it's a holy crusade to get him elected?"

Yet, KENNEDY twice met Lodge on his own terms—on the rostrum—and coolly held his own. He seemed the less worried of the two. Not so glib or urbane as the seasoned Lodge, KENNEDY was well prepared both times, displaying a modest self-confidence. He did not really think he would win the election until he received favorable reaction to his performance in the second of their two debates, on the Keep Posted television forum, a month before the election. KENNEDY'S forensic manner is unhurried, direct, natural, and sincere, the kind that comes across most effectively in TV close-ups.

KENNEDY'S political savvy is the result of both heredity and environment. His paternal grandfather, Patrick Kennedy, was a State senator and a respected ward leader in Boston; two great-uncles were State senators; and another great-uncle, Charles Hickey, was mayor of Brockton. His maternal grandfather, and the most unforgettable character he ever met, was John F. ("Honey Fitz") Fitzgerald, a Congressman at the turn of the century and twice mayor of Boston. "Honey Fitz" was the George M. Cohan of Massachusetts politics. He popularized his theme song, Sweet Adeline, nationally, and also entertained political rallies by dancing everything from a jig to a waltz. He could orate, too, of course, one of his favorite themes being that the future of New England industry depended on everyone's getting back into long woolen underwear.

"Joe" Kennedy—as he is universally known—married Fitzgerald's pretty daughter, Rose, and set out to make millions as fast as they produced children. The children stopped at 9, but the millions didn't. Kennedy had the Midas touch. Red-faced, aggressive, and a shrewd plunger, his successful enterprises have included banking, shipbuilding, theater ownership, movie production, liquor importing and, most recently, purchase of Chicago's Merchandise Mart, the largest private office building in the world. He also took time out during the New Deal to be the successful Chairman of the Securities and Exchange Commission, Chairman of the Maritime Commission, and then United States Ambassador to Great Britain during the tense 1937–41 period.

The Kennedys lived first in Brookline, a conservative Boston suburb. John, the second child, was born there on May 29, 1917. He attended Brookline public schools and Choate Prep School; went to Harvard and graduated cum laude with a bachelor-of-science degree in 1940, besides making the swimming team and playing junior-varsity football. He had rounded out his education by taking a look at the radical theories of Prof. Harold Laski at the London School of Economics during 1935–36, and in knocking around Russia and middle Europe while his father was Ambassador.

Turned down by the Army because of some old football injuries when he tried to enlist in 1941, KENNEDY took strengthening exercises and wound up a year later as a motor-torpedo-boat skipper in the Navy. In August 1943 he earned the Purple Heart and the Navy and Marine Corps medal for his "extremely heroic conduct" in a dramatic episode in the mid-Solomons. KENNEDY'S boat was rammed and sliced in two by a Japanese destroyer one black night. When the boat sank, KENNEDY towed one wounded man to a small uncivilized island 3 miles away, by holding a strap of the man's Mae West with his teeth. According to the citation: "During the following 6 days, he succeeded in getting his crew ashore, and after swimming many hours attempting to secure food and aid, finally effected the rescue of his men."

Like his brothers and sisters, KENNEDY had learned to swim at an early age by being pushed off a pier into Nantucket Sound. For two decades the family and its friends have swarmed all over a shapeless, modernized 17-room house on the sound at Hyannis Port, on Cape Cod. The place, which is ideally equipped for their all-around interests, including a private movie theater, in the basement, an impressive library, tennis courts, a beach and four sailboats, became their most permanent address.

As they grew up and scattered, the Kennedys spent less and less time in the Boston area—they lived for one long stretch in Bronxville, N. Y.—but they are still identified with Massachusetts. They have been called by some the "first of the Irish Brahmins" and, by others, "High Irish," meaning the kind that send their sons to prep school and Harvard, their daughters to convent schools and themselves abroad. They expect the vote of every son of Erin, but they are mildly irked to find themselves still being socially stratified as Irish-Americans. "How long do we have to be here before we lose the hyphen?" they want to know. The Kennedys and Fitzgeralds have been native-born for three generations; Great-grandfather Kennedy landed here as far back as 1849. Actually, the Kennedys are more typically American than most Yankee bluebloods in their sense of humor, their competitive drive and their emphasis on health and outdoor exercise.

Senator KENNEDY is a total departure from the traditional concept of an Irish-American politico in his State, a fact which augurs well for whatever political future he might

someday have beyond Massachusetts' borders. KENNEDY not only reads books with hard covers—as many as 6 or 8 a week—he has written one. Back in 1940, after serving as his father's secretary in the London Embassy, he composed, Why England Slept, an analysis of why that country was militarily unprepared for World War II. The 23-year-old author was lauded by the critics for his perception and objectivity, and his book, surprisingly, hit the best-seller lists, though it was in no sense light reading.

Also unlike his Democratic colleagues, KENNEDY has a Harvard accent and wears neither his race nor his religion on his sleeve. He prides himself on his intellectual independence and at the same time tries to be unsentimental about erring "pols." In 1947, for example, he refused to sign a petition asking President Truman for clemency for James Michael Curley, Boston's perennial Democratic candidate, who was then doing 6 to 18 months for mail fraud. Curley was KENNEDY's predecessor as Representative of the 11th district, but KENNEDY felt he could not justify helping him get out of jail when he had turned down similar pleas from nonpolitical convicts. However, all other Democrats—and even some Republicans—in the Massachusetts delegation in Congress signed the petition, and Truman commuted Curley's sentence to the 5 months he had served.

Observers of the Lodge-Kennedy race now admire the manner in which KENNEDY set his strictly lone-wolf course and held resolutely to it, despite criticism of his somewhat amateur, family-style campaign from the pros. KENNEDY never gave up. His exterior nonchalance conceals a terrific will to win. All the Kennedys have great physical courage, and hate to lose. They were brought up to give that old college try, whether competing against Yale, Lodge, or another Kennedy. English girls had been amazed at the fierceness with which Eunice Kennedy had played field hockey at convent schools near London. Joe Kennedy has been known to banish some of the younger Kennedys from the dinner table when he discovered that they had horsed around and lost a sailing race. A Kennedy usually turns into a Captain Bligh the moment he steps into a boat.

Once, on the day of a scheduled race, Joe, Jr., and Jack were disgusted to find that their competitors wanted to cancel the contest just because the weather happened to be wild and stormy. The two Kennedys hopped into their boat and pushed out into the rough water, whereupon Jack jumped off the stern into the waves and Joe, Jr., single-handedly whipped the 21-foot boat about and returned to rescue him. Coming back to shore, the brothers called to their shivering rivals, "See? There's nothing to worry about."

Oddly enough, Jack, who is now being spoken of as the hardest campaigner Massachusetts has ever produced, never wanted to be a politician in the first place. He is not very gregarious. He has always liked to write, and, growing up, he had thought he would become a newspaperman. After being mustered out of the Navy with injuries in 1945, he covered the United Nations charter meeting and the Potsdam Conference for the International News Service. But Joe, Jr., who was more of the rugged extrovert and was groomed to be the politician in the family, had been killed in a volunteer mission over the English Channel, and Jack felt it was up to him to carry on the political tradition in the family. Besides, the war had made him more serious. As Joe Kennedy's son, he was suffering from a sense of security. Public life seemed to offer the largest possibilities for doing something worth while.

Thus he ran for the House in 1946, after winning the primary easily from a field of eight older and more experienced candidates. In the heavily Democratic 11th District, winning the nomination has always insured being elected, and KENNEDY had only token opposition from the Republicans. He did not even bother to campaign to get reelected in 1948 and 1950.

As for wanting to dislodge Lodge, there was a family reason for that. Back in 1916, Grandfather Fitzgerald had tried to unseat Lodge's grandfather, the famous Henry Cabot Lodge the first, and lost by 33,000 votes.

To plant the Kennedy name as solidly as Lodge's, statewide, KENNEDY realized he would have to wage a long and highly personalized campaign. In a sense, he really started campaigning not so long after he entered the House, in January 1947. He instructed his secretaries to make speaking dates only outside his district. Soon he began spending long week-ends in other parts of the State, addressing communion breakfasts, veterans' groups, women's clubs, commencement classes, and others regularly in need of guest speakers. In the 18 months before the election last fall, KENNEDY stepped up this pace and devoted a part of almost every week to roaring from one town to another in a battered old sedan, accompanied by Frank Morrissey, a Boston lawyer, who worked out the split-second schedule, and Robert Morey, who, as chauffeur, made sure that it was met. Morey, an ex-prizefighter, and the stocky Morrissey doubled as bodyguards whenever KENNEDY was in danger of being mobbed by hundreds of smitten high-school or college girls. The three drove from dawn to midnight daily, and by election time had covered all 351 cities and towns in Massachusetts.

On these trips, KENNEDY made a point of dropping in on the local rectories, Protestant as well as Catholic, and on any outstanding member of a local racial or religious group. KENNEDY also tramped up and down the assembly lines of factories, and climbed over fishing boats, in his search for potential votes. Everywhere he doggedly shook hands with everyone in sight. He proved he has no superior in the art of simultaneously grasping a stranger's palm and his first name, and opening up with a wide, warm smile.

In the spring of 1952, KENNEDY hired a high-priced press agent, Ralph Coghlan, former star editorial writer for the St. Louis Post Dispatch. The campaign proper started in June, a full 3 months before candidates in Massachusetts ordinarily clear their throats. By late May the far-flung Kennedys had begun to gather. From Chicago came beautiful Eunice, former executive secretary of the Justice Department's juvenile delinquency section and a social-service worker for the House of the Good Shepherd, who recently married socialite Robert Sargent Shriver, Jr., an assistant manager of the Kennedy enterprises. From Chicago also came the more reserved Jean, who had been working for her father in the Merchandise Mart, and from New York came sophisticated-looking Patricia, whose career is television production work. From Paris, where she was vacationing, came Mrs. Rose Kennedy, a small, svelte brunette with a gay laugh, who could pass for one of her daughters. The late John Boettiger, one-time son-in-law to the late President Roosevelt, exclaimed, upon being introduced to Mrs. Kennedy, "At last, I believe in the stork!"

It was a major test for the blithe and buoyant Kennedy. Joe Kennedy had set up individual million-dollar trusts so his children could choose careers without considering the need to earn money. In an attempt to inject some of his own business efficiency into their living habits, he also converted his New York office into a clearinghouse that could file family memorabilia and plot the up-to-date location of its servants, automobiles, passports, and so on. The Kennedys fly around the country like so many restless birds with alternate nests. Besides the Cape Cod home, there is a luxurious estate at Palm Beach, Fla., plus small apartments or houses available for overnight use the year around in Boston, New York, Chicago, and Washington. Under such conditions, the Kennedys find it hard to track their own itineraries from day to day.

A classic example of this occurred when one Kennedy girl telephoned long distance to the New York nerve center to ask seriously, "Where was I yesterday?" The office force did some research and the answer was relayed back, "You were in Westbury, Long Island." The carefree Kennedy sisters frequently report their personal jewelry as lost, strayed, or stolen. One Kennedy family friend believes he could make an easy living just following the girls around and picking up misplaced jewels valued well into five figures.

However, there was nothing haphazard about the way the Kennedy women pitched in to help brother Jack. First they pounded the pavements to help collect a record total of 262,324 signatures on his nominating petition—though only 2,500 were required by law. Every signer was considered a potential worker. Brother Robert defined the objective as "getting a great many people to do a small amount of work."

The Kennedys organized a statewide network of 286 Kennedy committee secretaries; if possible, the secretary selected for each town or community was in the 28-to-35 age bracket, a political novice, and well respected in his locality as a businessman, lawyer, doctor, undertaker, insurance man, and so on. Some 21,000 regular workers were organized under the secretaries, according to Robert, plus another 30,000 workers "who did something." The secretaries were handed directives which asked them, among other things, to "sell" KENNEDY by having workers make 2 telephone calls to every voting family within 30 days of the election.

Most of the workers were under 35 years old; a great many of them were female; and only a half dozen were paid for their services. A political writer who visited a Kennedy headquarters in Boston reported that KENNEDY's campaign "was in the hands of boys and girls." The vitality at every headquarters was tremendous.

The now-famous Kennedy tea party was a frank play for the women's vote through the Kennedy family charm. In each of 38 towns and other communities, engraved announcements were sent to a list of names that had been screened in advance to make sure all races, religions, political factions, and other blocs were represented. In some locations the tea was held in the most elegant local hotel and became a unique social event, for which many of the housewives outfitted themselves in fresh hairdos and new ensembles. In all, a total of some 60,000 women decided they could not afford to pass up an opportunity to meet the wife of the former ambassador to the Court of St. James', her three lovely daughters and her unmarried son. A few women got so carried away with the graciousness of the Kennedy receiving line that they concluded it by bussing the candidate on the cheek. Later, the guests, who almost always overflowed the ballroom or auditorium, gulped tea and small sandwiches and listened to Mrs. Kennedy and her son give brief, good-humored talks.

Another innovation was the Coffee With the Kennedys television program, which was used twice. Virtually, a captive audience was provided by having each of several thousand Kennedy women workers invite 4 or 5 friends to her home at the appointed hour on a certain morning to sip coffee and watch the show. It was an unrehearsed, homey little affair, in which the Kennedys chattered on a sofa, then invited the viewers to telephone the station—collect—any questions they wanted Jack to answer during the program.

In her first venture into actual politicking, Mrs. Kennedy was a natural. Ad libbing all the way, she turned in one of the great

maternal performances in television annals. One of her most appealing bits of business was displaying and explaining the indexed cards through which she was able to keep track of nine childen's vital statistics across the years—confirmation dates, vaccinations, tonsillectomies, childhood illnesses, and other milestones. Her eloquently moving account of her two sons' adventures in the war is said to have reduced to tears some of Massachusetts' most blasé citizens.

Mrs. Kennedy, who had been made a papal countess by Pope Pius XII for her "exemplary motherhood and many charitable works," also toured the Boston-area wards to address political rallies. Meanwhile, the three sisters were holding house parties and ringing doorbells to spread their brother's name. A Kennedy girl worker would invite a large group of her friends to her home for the house party, which consisted of a description of the candidate by one of his sisters, a movie showing him in action, and harmless refreshments. Eunice, Patricia, and Jean rang doorbells right through the hot summer months and during the fall. Two of them would choose a block known to be Democratic or independent, and work it from both sides of the street simultaneously. With a few dramatic exceptions, they were well received. After all, who but a "black Republican" would slam the door in the face of such wholesome glamour?

On election eve, when the Republicans were trying to save Lodge by whooping it up with Eisenhower in an all-star, televised musical show at the Boston Garden, the three sisters were operating in the Boston subway stations. Once, when Eunice buttonholed a subway rider and introduced herself as the candidate's sister, the skeptical stranger jerked his thumb toward his girl friend and barked, "Oh, yeah? Well, meet Margaret Truman."

There were no real issues splitting KENNEDY and Lodge. KENNEDY's slogan was: "KENNEDY will do more for Massachusetts." Lodge's writers went into a huddle and then countered with: "Lodge has done—and will do—the most for Massachusetts." Besides the fact that both were for Massachusetts, their voting records were not strikingly different, though KENNEDY's veered more to the left. KENNEDY's congressional bailiwick is a have-not district that includes 35 nationalities, taking in the north and west ends of Boston, East Boston, Charlestown, all of Cambridge and parts of Brighton and Somerville. He had voted accordingly on such issues as labor, housing, minimum wage, immigration, social security, and Federal controls. The CIO News box score shows that KENNEDY, in 57 votes on issues affecting the workingman, went "wrong"—in the CIO's view—just twice during his 6 years in the House.

KENNEDY, however, is almost recklessly forthright and free-wheeling in his public as well as private remarks on issues, and he resists any effort to tag him with an ideological label. He is annoyed by letters which chide him for not being a "true liberal."

"I'd be very happy to tell them I'm not a liberal at all," he said recently. "I never joined the Americans for Democratic Action or the American Veterans' Committee. I'm not comfortable with those people.

One critic accused KENNEDY of being a practitioner of popularism—in a willingness to give the people what they want in specific situations, while shunning the generalities of a liberal ideology. KENNEDY readily acknowledges that this may be the case. In any event, his political philosophy is still developing. Meanwhile, he disagrees amiably on most major issues with his father, who stands politically a little to the right of Senator TAFT, and expects his son to grow more conservative with the years.

In the House, KENNEDY had joined the Republicans frequently in voting to cut the nonmilitary budget, but he supported the main lines of the United States postwar policy in Europe. He has made a hobby of foreign affairs since he saw Europe from the keyhole of the London Embassy. His extensive travels abroad have greatly influenced his thinking, resulting in some criticism of the Democratic State Department for its China policies and for not requiring our North Atlantic Treaty allies to pull their weight. He prefers to travel alone, at his own expense, having found that he can learn more about a country that way than if he is officially escorted. He was the first Congressman to visit Indochina after the war started there.

KENNEDY made no great record in the House as an effective legislator. He was away most of the time, traveling abroad, campaigning for the Senate in Massachusetts or flat on his back with recurrences of the malaria he picked up in the Pacific.

The Kennedy-Lodge campaign finally came down to a question of who had the less embarrassing absentee record. KENNEDY waited for Lodge to charge that he had been absent and unrecorded on 179 out of 604 roll-call votes in the House; then he charged Lodge with being away on 45 out of 46 votes on economic controls questions in 1951 and 1952.

The biggest laugh of the campaign was over a begging letter from a Kennedy committee which started out: "Believe it or not, JACK KENNEDY needs money—" No one had any doubt that the Kennedy campaign was adequately financed. The six Kennedy committees reported to the State a total expenditure of $349,646, a new high for on-the-record spending by committees other than the Democratic and Republican State committees.

KENNEDY's father, mother, 2 brothers and 3 sisters contributed $5,000 each to the Kennedy committees, according to the official report, while the candidate kicked in $15,866 of his personal funds. (Under Federal law, a candidate for the United States Senate may spend up to $20,000 in a campaign, but there is no limit fixed for spending by political committees in his behalf, and no limit to the number of committees.) The Kennedys had the right kind of friends. Thirty-five of them were listed as contributors of $4,000 or more each.

In September Lodge had said publicly he was disturbed by reports that he was in a "battle to buy the senatorship." But Lodge was not running his campaign on a shoestring, either. Lodge also was taking up television time and billboard space. But there was no official breakdown on how much the Republicans spent on him. The Republican State committee reported that it spent a total of $1,058,501 on Lodge and all other GOP candidates, thus smashing its own previous spending record.

KENNEDY maintains that he would have been unable to compete with Lodge without his family bank roll. The prevailing opinion in Massachusetts, however, is that the money spent by and on KENNEDY was only one of several essential factors in his uphill victory. One factor is that KENNEDY himself turned the tide early by shrewdly getting a long jump on Lodge, who was busy campaigning in other places for Eisenhower's nomination during the first 6 months of 1952 and did not start his own campaign until mid-September. Lodge also could do nothing about KENNEDY and his handsome family's appeal to women, young people, and the Catholic Democrats, who, for some reason, had traditionally gone for Lodge. Yet another factor was the bloc of diehard Taft Republicans whom Lodge had alienated by fighting for Eisenhower's nomination. But it seems more probable that what KENNEDY did primarily was to hold the Democrats, who normally have the numerical edge in a presidential race in Massachusetts, in the face of the Eisenhower landslide.

In the Senate KENNEDY has settled down to work closely with a loosely organized group of northern and western Democrats who hope to establish a constructive minority record that will swing the masses of people away from the Republicans in 1954 or 1956. He is working harder than he ever did in the House.

Significantly, as a member of the Government Operations Committee under the chairmanship of Senator MCCARTHY, he has shied away from MCCARTHY's controversial investigating subcommittee. KENNEDY chose Senator MARGARET CHASE SMITH'S relatively cloistered Subcommittee on Government Reorganization, which does not deal in personal reputations.

He also has made one innovation in the internal appearance of the Senate Office Building. He is the only Senator who customarily keeps wide open the outer as well as the inner doors of his office. Meeting the people is what put him in that office and he does not intend to hide out now.

ORDER FOR RECESS TO MONDAY

Mr. KNOWLAND. Mr. President, I ask unanimous consent that when the Senate concludes its business this evening, it stand in recess until 12 o'clock noon on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER AUTHORIZING COMMITTEE REPORTS, SIGNING OF ENROLLED BILLS, AND RECEIVING EXECUTIVE NOMINATIONS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that during the recess of the Senate following today's session, committees may be authorized to submit reports, that the Vice President be authorized to sign enrolled bills and joint resolutions, and that the Secretary of the Senate be authorized to receive executive nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

FOREIGN TRADE AUTHORITY—FAIR TRADE NOT "FREE TRADE" WITH FOREIGN NATIONS BASIS OF FAIR AND REASONABLE COMPETITION

Mr. MALONE. Mr. President, I intend to introduce for the consideration of the Senate, and I may offer it later as a substitute for the proposed extension of the 1934 Trade Agreements Act, a bill similar to the one I submitted 2 years ago, the flexible import fee bill, to be administered by a foreign trade authority.

REESTABLISH CONSTITUTIONAL RESPONSIBILITY OF CONGRESS

The bill would regain for Congress its constitutional responsibility to regulate the foreign trade of the United States and to adjust the duties, imposts, and excises commonly known as tariffs or import fees.

CATCH PHRASES TO SELL AN IDEA

At this time I do not wish to undertake a detailed discussion of the bill or of the trade-agreements law, which was enacted in 1934, and which did not contain the words "reciprocal trade." That was a catch phrase invented by the "economic one worlders" to sell free trade to the American people. A similar slogan "trade, not aid," was more recently invented by that great, versatile operator,

the Chancellor of the Exchequer of Great Britain, Mr. Butler, to sell the United States and the people of the United States the theory that the more of their trade they gave away, the more trade they would have.

THE KEYNES THEORY

In passing, I might say that a few years ago, under another administration, the theory was sold to the people of the United States by Lord Keynes of England, or at least the people were cowed to the point where they went along with the idea, that the more the United States could get itself in debt, or the more it owed, the richer it would be. As a result, we now have a debt of $270 billion.

THE PRESIDENT, AN AGENT OF CONGRESS

However, Congress has thus far retained the ability to determine that it can regulate import duties and excise taxes, as the Constitution says it must do.

For 20 years Congress has continually kept that authority in the executive, in effect making the President of the United States the agent of Congress.

Most people doubt the constitutionality of such action, but the question has never been decided by the courts.

POINTS FOR CONSIDERATION

I wish to state a few points for the consideration of the Senate between now and the time the Senate begins consideration of the extension of the Trade Agreements Act of 1934.

ORGANIZED CAMPAIGN

During the past several weeks I have been increasingly concerned about what appears to be a persistent and well-organized campaign by certain influential newspapers, columnists, and editorial writers to intimidate individual Senators, and the Senate as a whole, in an effort to prevent us from playing our proper constitutional role in the field of foreign affairs.

SENATE ACCUSED OF USURPING AUTHORITY

Every time a Senator takes any action or makes any remark that is critical of the foreign policy these journalists advocate, the Senate is accused of usurping the constitutional prerogatives of the President and of the Department of State.

Every time the President or the Department of State makes a change in the policy or administration of foreign affairs, along lines advocated by the Senate or by individual Members, the President and the Secretary of State are accused of abdicating their constitutional responsibilities.

CONSTITUTIONAL RESPONSIBILITY

Under the Constitution, the Senate in particular and Congress as a whole have very definite and extremely important responsibilities in the field of foreign affairs. It is not my purpose to engage in a constitutional debate at this time as to what our specific responsibilities are. However, I earnestly hope that such a debate will materialize in the Senate before this session is adjourned. I believe such a debate, for a clarification of the issues, is an essential service that must be rendered to the public, which is being subjected to a constant barrage of distorted propaganda.

THE CONGRESS TO REGULATE FOREIGN COMMERCE

I wish to mention one very clear field of responsibility which the Constitution has specifically assigned to Congress in the field of foreign affairs, namely, the fixing of customs duties and the regulating of foreign commerce. Section 8 of the Constitution makes that point very clear.

EXECUTIVE USURPATION OF CONGRESSIONAL RESPONSIBILITY

I submit that the only abdication from constitutional responsibility in the field of foreign affairs has been by Congress in surrendering to the Executive the authority to fix customs duties and to regulate foreign trade. The only usurpation of prerogatives has been the continuing invasion by the Executive of the clearly assigned obligations of Congress in this field.

I might say, in passing, that that is the fault of Congress itself.

A STRONG-MINDED EXECUTIVE

In 1934 a strong-minded Executive prevailed upon a weak Congress to transfer to the President authority to fix duties, imposts, and excises, and to regulate foreign commerce.

THE PRESIDENT AN AGENT OF CONGRESS

In other words, it was an attempt to make the President an agent of Congress in carrying such regulations. Of course, any such attempt is preposterous on its face, but since the matter has never been questioned in the Supreme Court of the United States, Congress for 20 years has abided by such an arrangement.

RESTORE TO CONGRESS CONSTITUTIONAL RESPONSIBILITY

The most important clause in the substitute measure that I am introducing would restore to Congress its responsibility to regulate customs fees and foreign commerce, as provided by the Constitution. It does not give the President authority to regulate foreign commerce; it charges Congress with the constitutional responsibility of regulating foreign commerce.

The Foreign Trade Authority, which would be set up under this bill to succeed the present United States Tariff Commission, would report directly to Congress, and Congress, not the President or the State Department, would have the sole right to veto actions taken by the Foreign Trade Authority in revising tariff schedules.

FAIR TRADE—NOT FREE TRADE

The Foreign Trade Authority would supersede the Tariff Commission with the necessary latitude to continually adjust the flexible duties or tariffs on this basis of fair and reasonable competition. To establish fair trade not "free trade" with foreign nations.

I could cite volumes of data to support my contention that the tariff policies which our Government has pursued during the past 20 years could lead us to disaster.

NAMED "RECIPROCAL TRADE" TO DECEIVE THE PEOPLE

When the proposed extension of the 1934 Trade Agreements Act, named the Reciprocal Trade Agreements Act for the very purpose of deceiving the American people, including the workers and investors of the Nation, just the same as the slogan "trade, not aid," was invented for the same purpose.

A CONSPIRACY TO DESTROY THE WORKERS

Free trade and billions to foreign nations is a conspiracy to destroy the workingmen and small business of America.

I intend at a future time to cite many examples to support that statement. At this time, however, I shall be content with citing a single example, which I think is illustrative, and which has recently received widespread publicity.

"BUY AMERICAN" SUBSTITUTE FOR TARIFF

Unfortunately the public thus far has heard only one side of the case. Senators will recall the tremendous outburst of indignation from the advocates of "free trade" and one economic world when the Secretary of Defense invoked the "buy American" clause and rejected the low bid submitted by a British company for generating equipment for the Chief Joseph Dam, to be installed by the Army engineers.

The Secretary invoked the "buy American" clause since there was virtually no other protection to the workingmen and investors in that industry.

The Washington Post and other influential journals ran weekly editorials denouncing the administration for what they termed betrayal of our allies.

THE MORE MARKETS WE GIVE AWAY THE MORE WE HAVE

At this time I should like to read into the RECORD an article which appeared in yesterday's Journal of Commerce, which I believe illustrates why this body must carefully review our tariff policies in the regulation of foreign trade. In the Constitution of the United States our tariffs are called duties, imposts, and excises. We must also carefully review the widely ballyhooed program to greatly increase the flow of foreign goods into this market.

The Journal of Commerce of New York, on Wednesday, June 17, 1953, carried an article with a Pittsburgh dateline, from the Associated Press. The headline is "Foreign Bidders Called Job Threat." The subhead is "Westinghouse Reports Millions Lost to Firm by Federal Awards."

The article reads in part:

A Westinghouse Electric Corp. official told 8,000 employees at a mass meeting today that awarding of Government contracts to foreign firms is endangering the jobs of American workers.

John K. Hodnette, vice president in charge of the company's industrial products division, said foreign competitors often are able to underbid United States firms because of cheap labor.

REPORTS HEAVY LOSSES

Speaking at the unveiling of a giant new manufacturing building at Westinghouse's East Pittsburgh plant, Mr. Hodnette said the plant alone since January 1, 1952, "has lost more than $7 million worth of business and about a million man-hours of work" by factory employees on Government contracts given to foreign companies. On this business, he declared, the "United States Government has lost more than $1.8 million in taxes."

One million man-hours of work have been lost.

THE PUBLIC PUNCH DRUNK WITH FIGURES

The situation is becoming such that $7 million, $7 billion, or $7 thousand means very little to Congress. I am afraid the public has been beaten down to a condition in which it hardly recognizes the difference when these figures are mouthed by Members of Congress. They are punch drunk. But I think the people can still understand the meaning of 1 million man-hours of work.

MAN-HOURS OF WORK—TAXES

One million man-hours of work was lost by factory employees on Government contracts given to foreign countries.

"On this business," he declared, "the United States Government has lost more than $1.8 million in taxes."

That is an item which perhaps very few pay much attention to, because of the fact that we get our taxes elsewhere—through taxation of individuals, and through wartime taxes. The 11 percent emergency taxes are still in effect, as is the excess-profits tax; the Congress is considering extending it. There are all kinds of taxes, including up to 25 percent taxes on telephones, telegraph, transportation, women's handbags, and many other so-called emergency taxes which are still in existence. So we pay little attention to a loss of $1,800,000 in taxes resulting from awarding to the sweatshop labor of Europe a job which should go to American workers.

In passing I might say I am opposed to the extension of the excess-profits tax—I have introduced a bill to repeal the wartime taxes on communications, transportation, entertainment, women's handbags, and other necessities—and a bill to abolish individual emergency income taxes up to 11 percent.

I continue to quote from the article in the Journal of Commerce.

All told during that period, Mr. Hodnette said, the Government "has let 24 contracts for electrical equipment to foreign companies — contracts worth more than $13.5 million, representing 1.7 million hours of factory work lost to United States labor and worth $3.5 million in lost taxes," he added:

The equipment where foreign competition gives us a rough time is practically hand-made, which means that wages usually make up half of our cost.

Mr. President, I am quoting from the statement of Mr. Hodnette, vice president of Westinghouse, to his 8,000 employees. This is not a political speech by Mr. Hodnette. He is trying to keep work for his men.

I continue to quote:

The average earned hourly rate in manufacturing in the United States is about $1.74. The average earnings of a Westinghouse worker are $2.10 an hour with the East Pittsburgh average even higher than that. Compare these rates: Switzerland 53 cents, England 48 cents, France 41 cents, Italy 31 cents.

FOREIGN WAGES ONE-SEVENTH TO ONE-TENTH

Those wages represent from one-seventh to one-tenth of our wages. A million man-hours of work lost. Understand, Mr. President, this refers to only one company in the United States. Thousands of companies are in trouble today because of this same policy which has been continued for 20 years. There has been emergency after emergency for 20 years, and we are still in a state of emergency. In certain cases in which industries would have been noticeably hurt, subsidies have been paid to keep them quiet.

Mr. President, we are like a man on a prolonged drunk. We are afraid to face the headache. He keeps it up until his bank cuts off the payment of his checks and his friends desert him. We are headed in that direction. We must face the condition.

If we are not willing to do so ourselves, when the result catches up with us there will be no avoiding it.

I continue to read from the article in the Journal of Commerce:

Mr. Hodnette told employees to write their Congressman and urge that something be done about foreign competition. He said:

"Our job is to tell Congress what is happening in the electrical industry and it's their job to do something about it. But nothing's going to be done if we don't tell them first."

WRITE YOUR CONGRESSMAN

I agree with that statement. I agree with Mr. Hodnette that not only should his employees write their Senators and Representatives, but every worker in the United States should do so.

METHODS OF PRODUCTION OFFER LITTLE

In that connection I wish to quote from the Monthly Digest of Business Condition and Probabilities, published by Stevenson, Jordan, and Harrison, Inc., management engineers. In their pamphlet for May 1953, they say:

As to many products which account for large-scale employment in this country, methods of production of similar products in foreign countries differ little from our methods and are equally efficient. The cost of raw materials used and the efficiency of workers may be about the same.

COST DIFFERENCES DUE TO WAGES PAID

The cost differences are due mainly to differences in wages paid. As is well known, rates of pay and living standards in the United States are considerably higher than are those of any other country.

Hourly earnings in various foreign countries as a percent of those in the United States in 1950, published in the February 1951 Monthly Labor Review of the United States Department of Labor, were as follows:

	Percent
Canada	65
Czechoslovakia, Denmark, Finland, Norway, Sweden, Switzerland, Great Britain	25 to 37
France, Germany, Hungary, Ireland	19 to 24
Austria, Netherlands	13 to 18

Rates of pay were even lower in Italy and in Japan and other Asiatic countries. A McGraw-Hill publication, How Factory Workers Live Around the World (July 1947) gave the following straight-time hourly rates of pay in April 1947 of screw-machine operators, converted to the exchange rate of American money at that time: Italy, 15 cents; China, 9 cents; India, 11 cents; the United States, $1.45.

From wage data published in the Statistical Supplement of the International Labor Review of July 1952, converted to dollar value at current rates of exchange, it appears that in October 1951 male textile spinners earned per hour on an average in Belgium 42 cents, in West Germany 25 cents, in England 40 cents, in Holland 24 cents, in Sweden 57 cents, in the United States $1.30.

The people who think we can compete on such a basis say "Oh, with our methods of manufacturing and our machinery we can produce faster than they can with the same hours of work." Mr. President, those people are just 15 or 20 years behind the times.

MACHINERY AVAILABLE TO FOREIGN COUNTRIES

Not only is the up-to-the-minute machinery available to the people in Europe, but we paid for the machinery in the last 10 or 15 years, or a good part of it, so they can compete with American manufacturers and in the sale of the goods.

Of course, it is a well-known fact that the European countries are approximately 160 percent recovered over prewar. They sell their goods to the iron curtain countries and to Russia, and are now pounding at our door with the slogan, "Trade, not aid."

TRADE AND AID

What they really mean is trade and aid, as I have learned since I looked at the budget.

I quote further:

In the same period machinists were earning the equivalent of 28 cents an hour in Holland, 32 cents in Germany, 43 cents in Belgium, 86 cents in Sweden, and in the United States from $1.60 to $2.

REQUIRED READING FOR "ONE ECONOMIC WORLDERS"

I should like to quote one more paragraph from this very enlightening pamphlet, and I would recommend it as required reading for people who think we have better methods available to us in this country for manufacturing than do the people in European countries.

CAPITAL COSTS—COMPARISON

Cola G. Parker, president of Kimberly-Clark Corp., manufacturers of writing paper, is quoted in the Digest as saying:

The comparison of capital costs is equally disadvantageous to the American industry. Capital costs in Europe are less than half what they are here. Before the war, a typical paper machine cost in Norway or Sweden $350,000 to $400,000. The same machine cost here $1 million. Today, the discrepancy is even greater.

It is the same machine, Mr. President. Mr. Parker further said:

If tariffs on finished paper are eliminated, it is probable that there will be an immediate movement toward building new paper mills outside of the United States to make use of the pulp now exported.

We will then import the paper instead of the pulp (with resultant loss of many jobs). In the meantime, some 300 mills in this country will have to go out of business, unless they can develop their own pulp supply.

THE HODNETTE ARTICLE

Mr. President, I would like to interpolate the figures quoted in the Hodnette article. Mr. Hodnette estimates that the $7 million worth of business his firm lost to foreign competitors represented a million man-hours of labor. I am told by other sources in industry that this million-hours estimate is extremely conservative.

Nevertheless using this estimate, we can see it would cost the Westinghouse Corp. $2,100,000 for labor. It would have cost a Swiss company $530,000 for labor. The British company could purchase a million hours of labor for $430,000.

THE WORKERS SUFFER

That is the saving which the columnists and the people who want "free trade" and are in favor of "one economic world" are clamoring to effect at the expense of the workers of the United States.

DIFFERENCE IN LABOR COSTS

Mr. President, I think most of us here, at one time or another, have had some intimate personal contact with the forces of competition.

Are there any of us here who believes he could remain in this type of business very long if he were subjected to that kind of competition?

Of course, it is true that our great mass-production industries have developed production and merchandising techniques which enable them to pay wages many times those paid by their foreign competitors and still quote lower prices.

However, Mr. President, I would like to call to your attention the fact that some of our most vital industries do not respond to mass-production methods. The electrical-engineering industry, the specialized machine tool industry, the heavy-machinery industry, for the most part turn out tailormade products. The labor factor in these industries represents anywhere from 50 to 95 percent of the manufactured cost.

GOVERNMENT SHIPS PATENTS ABROAD

I should like to point out also that all of these industries have been under continued pressure, frequently outright coercion, by our Government to make their designs and patents and manufacturing know-how available to their foreign competitors. That has been a new development over the past 20 years.

They have even been pressured into sending their executives and engineers abroad to train executives and workers in American manufacturing methods.

At this point I should like to say that the fine advice, which Congress has financed, is unnecessary.

FOREIGN NATIONS TURN HONEST

All that these countries need to do is to turn honest and protect the integrity of the private investments. There will be no drought of capital to build industrial plants.

BUILD PLANTS WITHOUT MARKET

Instead, what do we do? We furnish the money to build a plant where there is no market, and use the money of the taxpayers of the United States to the point where the total runs up to nearly $80 billion in 1 year.

GET-RICH-QUICK METHOD

The get-rich-quick promotion in the mining business, a promoter in New York or some other place far from the mining fields, would finance a mill to be built in the desert or mountain area.

For that purpose he would obtain perhaps $100,000 or maybe $1 million. The mill would be built first. Then he would start looking for a mine. In the early days the mountain and the desert country was dotted with mills built in that manner, which lay dormant until a mine was located somewhere within the distance that the mill could be moved. Then the mill would be wrecked for junk, and would be hauled to the new location, and set up and operated there. That is exactly what would have to be done, as I pointed out on the floor of the Senate in 1948.

ARM RUSSIA AND BREAK OUR MARKETS

If more materials than the European market could absorb were produced, they would have to be sold to Russia or the Iron Curtain countries. The result would be to arm Russia, to break down the American standard of living, as a result of an avalanche into the United States of the products of sweatshop labor—or both.

At this time we are facing just that situation. I have predicted it there on the floor of the Senate.

Mr. President, I now ask unanimous consent to introduce, out of order, for appropriate reference, a bill to amend the Tariff Act of 1930, and for other purposes. The bill would create a foreign-trade authority to regulate foreign trade and to adjust the duties or tariffs on a basis of fair and reasonable competition—to establish fair trade with foreign nations.

I also ask unanimous consent that the bill be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the bill (S. 2164) to amend the Tariff Act of 1930, and for other purposes, introduced by Mr. MALONE, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc.—

DECLARATION OF POLICY

SECTION 1. It is declared to be the policy of the Congress—

(a) to facilitate and encourage the importation into the United States of foreign goods and products in quantities sufficient to supply the needs of the United States economy;

(b) to foster and provide for the export of the products of American industry and agriculture in quantities sufficient to pay for the needed imports;

(c) to develop and promote a well-balanced, integrated, and diversified production within the United States so as to maintain a sound and prosperous national economy and a high level of wages and employment in industry and agriculture;

(d) to provide necessary flexibility of import duties thereby making possible appropriate adjustments in response to changing economic conditions;

(e) to assure the accomplishment of these objectives by returning to and maintaining hereafter in the United States the control over American import duties now subject to international agreements.

RESTATEMENT OF EXISTING IMPORT DUTIES

SEC. 2. Title I, paragraphs 1 to 1559, inclusive, of the Tariff Act of 1930 are hereby amended by repealing the classifications and rates therein contained and substituting therefor the classifications and rates obtaining and in effect on June 12, 1953, by reason of proclamations of the President under section 350 of the Tariff Act of 1930 or otherwise.

FORMATION OF FOREIGN TRADE AUTHORITY

SEC. 3. Title III, part II, section 330, of the Tariff Act of 1930 is hereby amended to read as follows:

"SEC. 330. Organization of the Foreign Trade Authority.

"(a) Membership: The United States Tariff Commission shall be reorganized and reconstituted as the Foreign Trade Authority (hereinafter referred to as the 'Authority') to be composed of 6 directors to be hereafter appointed by the President by and with the advice and consent of the Senate. The original directors of the Authority shall be the same persons now serving as Commissioners of the United States Tariff Commission, each such person to serve as a director of the Authority until the date when his term of office as a Commissioner of the United States Tariff Commission would have expired. Thereafter the term of office of any successor to any such director shall expire 6 years from the date of the expiration of the term for which his predecessor was appointed except that a director appointed to fill a vacancy occurring for any reason other than the expiration of a term as herein provided shall be appointed only for the remainder of the term which his predecessor would otherwise have served. Directors shall be eligible for appointment to succeed themselves if otherwise qualified therefor. No person shall be eligible for appointment as a director unless he is a citizen of the United States, and, in the judgment of the President, is possessed of qualifications requisite for developing expert knowledge of tariff problems and efficiency in administering the provisions of this act. Not more than three of the directors shall be members of the same political party, and in making appointments members of different political parties shall be appointed alternately as nearly as may be practicable.

"(c) Chairman, Vice Chairman, and salary: The President shall annually designate one of the directors as Chairman and one as Vice Chairman of the Authority. The Vice Chairman shall act as Chairman in case of absence or disability of the Chairman. A majority of the directors in office shall constitute a quorum, but the Authority may function notwithstanding vacancies. Each director shall receive a salary of $15,000 a year. No director shall actively engage in any business, vocation, or employment other than that of serving as a director."

APPOINTMENT OF SECRETARY

SEC. 4. title III, part II, section 331 (a), of the Tariff Act of 1930 is hereby amended to read as follows:

"(a) Personnel: The Authority shall appoint a secretary who shall receive compensation in accordance with the Classification Act of 1949, and the Authority is hereby empowered to employ and, in accordance with the Classification Act of 1949, fix the compensations of such special experts, examiners, clerks, and other employees of the Authority as it may find necessary for the proper performance of its duties."

ADMINISTRATION OF TRADE AGREEMENTS

Section 5. Title III, part II, of the Tariff Act of 1930 is amended by adding at the end of section 331 the following new section:

"SEC. 331A. Administration of trade agreements

"(a) All powers vested in, delegated to, or otherwise properly exercisable by the President or any other officer or agency of the United States in respect to the foreign trade agreements entered into pursuant to section 350 of the Tariff Act of 1930 are hereby transferred to, and shall be exercisable by the Authority, including, but not limited to, the right to invoke the various escape clauses, reservations, and options therein contained, and to exercise on behalf of the United States any rights or privileges therein provided for the protection of the interests of the United States.

"(b) The Authority is hereby authorized and directed—

"(1) to terminate as of the next earliest date therein provided, and in accordance with the terms thereof, all the foreign trade agreements entered into by the United States pursuant to section 350 of the Tariff Act of 1930;

"(3) to prescribe, upon termination of any foreign trade agreement, that the import duties established therein shall remain the same as existed prior to such termination, and such import duties shall not thereafter be increased or reduced except in accordance with the Tariff Act of 1930, as amended by this act."

PERIODIC ADJUSTMENT OF IMPORT DUTIES

SEC. 6. Title III, part II, section 336, of the Tariff Act of 1930 is hereby amended to read as follows:

"SEC. 336. Periodic adjustment of import duties

"(a) The Authority is authorized and directed from time to time, and subject to the limitations hereinafter provided, to prescribe and establish import duties which will within equitable limits, provide for fair and reasonable competition between domestic articles and like or similar foreign articles in the principal market or markets of the United States. A foreign article shall be considered as providing fair and reasonable competition to United States producers of a like or similar article if the Authority finds as a fact that the landed duty paid price of the foreign article in the principal market or markets in the United States is a fair price, including a reasonable profit to the importers, and is not substantially below the price, including a reasonable profit for the domestic producers, at which the like or similar domestic article can be offered to consumers of the same class by the domestic industry in the principal market or markets in the United States.

"(b) In determining whether the landed duty paid price of a foreign article, including a fair profit for the importers, is, and may continue to be, a fair price under subdivision (a) of this section, the Authority shall take into consideration, insofar as it finds it practicable—

"(1) The lowest, highest, average, and median landed duty paid price of the article from foreign countries offering substantial competition;

"(2) Any change that may occur or may reasonably be expected in the exchange rates of foreign countries either by reason of devaluation or because of a serious unbalance of international payments;

"(3) The policy of foreign countries designed substantially to increase exports to the United States by selling at unreasonably low and uneconomic prices to secure additional dollar credits;

"(4) Increases or decreases of domestic production and of imports on the basis of both unit volume of articles produced and articles imported, and the respective percentages of each;

"(5) The actual and potential future ratio of volume and value of imports to volume and value of production, respectively;

"(6) The probable extent and duration of changes in production costs and practices;

"(7) The degree to which normal cost relationships may be affected by grants, subsidies (effected through multiple rates of export exchange, or otherwise), excises, export taxes, or other taxes, or otherwise, in the country of origin; and any other factors either in the United States or in other countries which appear likely to affect production costs and competitive relationships.

"(c) Decreases or increases in import duties designed to provide for fair and reasonable competition between foreign and domestic articles may be made by the Authority either upon its own motion or upon application of any person or group showing adequate and proper interest in the import duties in question: *Provided, however*, That no change in any import duty shall be ordered by the Authority until after it shall have first conducted a full investigation and presented tentative proposals followed by a public hearing at which interested parties have an opportunity to be heard.

"(d) The authority, in setting import duties so as to establish fair and reasonable competition as herein provided, may, in order to effectuate the purposes of this act, prescribe specific duties or ad valorem rates of duty upon the foreign value or export value as defined in sections 402 (c) and 402 (d) of the Tariff Act of 1930 or upon the United States value as defined in section 402 (e) of said act.

"(e) In order to carry out the purposes of this act, the Authority is authorized to transfer any article from the dutiable list to the free list, or from the free list to the dutiable list.

"(f) Any increase or decrease in import duties ordered by the Authority shall become effective 90 days after such order is announced: *Provided*, That any such order is first submitted to Congress by the Authority and is not disapproved, in whole or in part, by concurrent resolution of Congress within 60 days thereafter.

"(g) No order shall be announced by the Authority under this section which increases existing import duties on foreign articles if the Authority finds as a fact that the domestic industry operates, or the domestic article is produced, in a wasteful, inefficient, or extravagant manner.

"(h) The Authority, in the manner provided for in subdivisions (c) and (f) in this section, may impose quantitative limits on the importation of any foreign article, in such amounts, and for such periods, as it finds necessary in order to effectuate the purposes of this act: *Provided, however*, That no such quantitative limit shall be imposed contrary to the provisions of any foreign trade agreement in effect pursuant to section 350 of the Tariff Act of 1930.

"(i) For the purpose of this section—

"(1) the term 'domestic article' means an article wholly or in part the growth or product of the United States; and the term 'foreign article' means an article wholly or in part the growth or product of a foreign country;

"(2) the term 'United States' includes the several States and Territories and the District of Columbia;

"(3) the term 'foreign country' means any empire, country, dominion, colony, or protectorate, or any subdivision or subdivisions thereof (other than the United States and its possessions);

"(4) the term 'landed duty paid price' means the price of any foreign article after payment of the applicable customs or import duties and other necessary charges, as represented by the acquisition cost to an importing consumer, dealer, retailer, or manufacturer, or the offering price to a consumer, dealer, retailer, or manufacturer, if imported by an agent.

"(j) The Authority is authorized to make all needful rules and regulations for carrying out its functions under the provisions of this section.

"(k) The Secretary of the Treasury is authorized to make such rules and regulations as he may deem necessary for the entry and declaration of foreign articles with respect to which a change in basis of value has been made under the provisions of subdivision (d) of this section, and for the form of invoice required at time of entry."

AMENDMENT OF SECTION 337

SEC. 7. Title III, part II, section 337, of the Tariff Act of 1930 is hereby amended as follows:

(a) Subdivision (a) thereof by striking out the word "President" and substituting therefor the word "Authority".

(b) Subdivision (b) thereof is hereby repealed.

(c) Subdivision (d) thereof is hereby repealed.

(d) Subdivision (e) thereof is hereby amended to read as follows:

"(e) Exclusion of articles from entry: Whenever the existence of any such unfair method or act shall be established to the satisfaction of the Authority, it shall direct that the articles concerned in such unfair methods or acts, imported by any person violating the provisions of this act, shall be excluded from entry into the United States, and upon information of such action by the Authority, the Secretary of the Treasury shall, through the proper officers, refuse such entry."

(e) Subdivision (f) thereof is hereby amended to read as follows:

"(f) Entry under bond: Whenever the Authority has reason to believe that any article is offered or sought to be offered for entry into the United States in violation of this section, but has not information sufficient to satisfy it thereof, the Secretary of the Treasury shall, upon its request in writing, forbid entry thereof until such investigation as the Authority may deem necessay shall be completed; except that such articles shall be entitled to entry under bond prescribed by the Secretary of the Treasury."

(f) Subdivision (g) thereof is hereby amended to read as follows:

"(g) Continuance of exclusion: Any refusal of entry under this section shall continue in effect until the Authority shall find and advise the Secretary of the Treasury that the conditions which led to such refusal of entry no longer exist."

CONTINUANCE OF PERSONNEL, FUNDS, ACTIONS, AND SO FORTH

SEC. 8. Section 339 of the Tariff Act of 1930 is hereby amended to read as follows:

"SEC. 339. Effect of enactment.

"(a) All personnel, property, records, balance of appropriations, allocations, and other funds available (or to be made available) to the United States Tariff Commission shall be transferred to the Authority for use in connection with the exercise of its functions; and such transfer shall not operate to change the status of the officers and employees transferred from the Commission to the Authority. No investigation or other proceedings pending before the Commission at such time shall abate by reason of such transfer but shall continue under the provisions of this act.

"(b) Wherever in the Tariff Act of 1930, or in any other law, the terms 'United States Tariff Commission' or 'Commission' occur, such terms shall be construed to mean the 'Foreign Trade Authority' and the 'Authority', respectively."

REAPPLICATION OF SECTION 516 (O)

SEC. 9. Section 17, subsection (c), of the act of June 25, 1938, chapter 679, is hereby repealed.

STATISTICAL ENUMERATION

SEC. 10. Title IV, part III, section 434 (e), of the Tariff Act of 1930 is hereby amended to read as follows:

"(e) Statistical enumeration: The Chairman of the Foreign Trade Authority is authorized and directed to establish from time to time, after consultation with the Secretary of the Treasury and the Secretary of Commerce, a statistical enumeration of imported articles in such detail as he may consider necessary and desirable to effectuate the purposes of this act. As a part of each entry there shall be attached thereto or included therein an accurate statement giving details required for such statistical enumeration. The Secretary of Commerce is hereby authorized and directed to make such reasonable and proper digests from, and compilations of, such statistical data as the Chairman requests. In the event of a disagreement between the Chairman and the Secretary of Commerce, as to the reasonable

and proper nature of any request the matter shall be referred to the President whose decision shall be final."

REVISED TEXT OF TARIFF ACT

SEC. 11. The Authority, as soon as practicable, shall prepare and cause to be printed as a public document available for public distribution a complete revised text of the Tariff Act of 1930 as amended.

EFFECTIVE DATE

SEC. 12. This act shall take effect as of June 12, 1953.

ESTABLISH FAIR TRADE—NOT "FREE TRADE"

Mr. MALONE. Mr. President, the purpose of this bill is to establish fair trade, not free trade, with foreign countries. Fair trade should be the objective in our dealings with the other nations of the world. We should establish a fair trade basis for our labor and our investors.

DOMESTIC WOOL PRODUCTION

In that connection, I wish to read from a guest editorial which was published in the Denver Post of June 10, 1953. The editorial was written by Brett Gray. It reads in part as follows:

SHEEPMEN OBJECT TO DANGER OF "TRADE, NOT AID"

(By Brett Gray)

For some months it has been virtually impossible to pick up any large newspaper or a publication of national scope without seeing articles promoting an old theory under a new name. It matters not if we call it "trade, nor aid," "free trade," or "reciprocal trade," the theory takes a vicious bite out of the taxpayers' dollar. Those who propose "trade, not aid" and cry out against protecting even our most basic industries through tariffs can be classed into five groups.

Those whose foreign competition was destroyed by World War II or the economic effects thereof;

Those who are now protected by quotas or tariffs so restrictive as to be virtual embargoes;

Administration and congressional leaders who may be so frightened over secret things they know about the international situation that they dare not change trade policy or dare not tell the American public the whole truth;

Communists, leftwingers, and "pinks";

Those who, through incomplete information or ignorance, are blindly following the lead of others.

While most Americans think in terms of aid for many countries and while we are still fiddling away on such subjects as point 4 and mutual assistance, the British, the French, the Mexicans, the Japanese want to go back to trade. Actually, surprising developments are taking place in this good old-fashioned field, as, for instance, the important trading position developed by Mexico and the return of Japan to world markets. The British find that our involvement in the Korean war imperils their position as traders.

Mr. President, I believe the fifth classification includes 75 percent of the followers of this group.

MANUFACTURERS ESTABLISH BRANCH PLANTS

I wish to say that some of the manufacturers who, under tariff protection, have grown to such size and strength that they can construct plants in the low-wage countries and furnish the market there, ship their goods into this country and undersell the products produced under our standard-of-living wages.

Many of the plants were constructed under the loans the United States has made to Britain and under the operation of UNRRA, the Marshall plan, the ECA, the mutual-security program, point 4, and all the other programs with trick names that are thought up to keep ahead of the American public.

NAME CHANGED OFTEN ENOUGH TO FOOL PUBLIC

The name used for such a giveaway program is changed often enough to keep ahead of the public. The result is that from year to year, the general public of the United States has been willing to have this general socialistic giveaway program continued for another year.

Mr. President, I now read further from the guest editorial by Brett Gray, as published in the Denver Post of June 10:

Much of the world engaged in international trade with the United States was physically injured in World War II and the United States has usurped the markets of these countries. Thus, pinned between the horns of a world dilemma, we are faced on one side by overproduction of some items and on the other by the clamor of foreign countries who need to regain lost markets. They say in effect, that the United States must give up those markets she has usurped or accept imports in a sufficient volume to replace the trade lost. Since most of the countries crying out for American dollars lost much of their manufacturing industry, their chief exports must be in the nature of basic production. Unfortunately the United States is amazingly well supplied with her own basic production.

Therefore, many of the international trade deals made in recent years have been made at the expense of certain of our vital basic production industries.

Let us look at an example: Wool production in the United States in 1952 amounted to only 27 percent of our national consumption. Yet today approximately half of the 1952 domestic clip is surplus in the hands of the CCC purchased from the producer under the wool loan program at figures below the cost of production.

In other words, as a result of our free-trade policy, the wool used in the United States is imported, and the wool produced in the United States is placed in storage. The wool in the storerooms is just one clip ahead of the demand.

I read further from the guest editorial by Brett Gray:

In 1950 it cost us more than $8.50 to run a stock ewe for 12 months.

It cost the Australians less than $2. In 1952 it cost the United States producer from 35 to 45 cents to shear a sheep; it was done in Argentina for 6 cents. These are recognized figures; yet the administration, past and present, has not seen fit to give protection from this peon-standard-of-living competition. Add to this that South American countries used a subsidy system through currency manipulation which dumped millions of pounds of wool on the United States market. This subsidy varied from 35 to 58 percent of the value of the wool and made completely ineffectual the already low-tariff rate. The result—the United States sheepman is quitting business.

This would be unimportant from a national standpoint, because we sheepmen are small in numbers, were it not for the strategic importance of wool. Every military authority knows that a cold soldier cannot fight. No fiber can keep a soldier warm as well as wool. An additional supply of wool lies from 6,000 to 12,000 miles away and our military authorities have often referred to the unequaled size and efficiency of the Russian submarine fleet. Surely we are fools if we do not recognize that serious disruption of shipping lanes would be unavoidable in the event of a war and that an actual blockade of the United States is possible.

Is it then common sense to drive such an industry out of business because of trade not aid? Is it not time that we recognized that many of the trade-not-aiders are carrying that banner for selfish reasons.

The time may well come when the American public will look back with revulsion at those who sacrificed basic industries in the name of trade not aid. They may see the time when inadequately clothed and armed soldiers will die needlessly because H. R. 5495 slipped through Congress.

That is the renewal of the free-trade policy.

THREE-POWER CONFERENCE

Mr. President, on June 1, 1953, in the New York Journal of Commerce, George E. Sokolsky wrote a very interesting column. In part, he said:

When the heads of state of the three great powers meet in Bermuda in the middle of June, they will not limit their discussions to the Korean war. The biggest problem they will face is the dollar—the American dollar.

The British do not regard the Korean war as a war. To them it is a limited military action, as the American marines used to practice in Nicaragua and Haiti and such places. They have a similar problem in Malaya as the French have in Indo-China. So far as they are concerned, Korea should not interfere with the restoration of trade, so that the British can accumulate sufficient dollars to set themselves economically free from the United States.

I quote further:

Last December, leaders of the British Commonwealth met to discuss precisely this problem and they came up with the slogan "trade, not aid."

Mr. President, as early as November 10, last year, the junior Senator from Nevada called attention, in a statement to the press, to the fact that Richard Butler, Chancellor of the Exchequer of England, had invented that phrase; and, when Mr. Churchill came to the United States, he used the phrase.

"TRADE, NOT AID," "RECIPROCAL TRADE," "THE DOLLAR SHORTAGE"

We could go back further to show the invention of the reciprocal trade slogan—and all of these slogans, such as "The Dollar Shortage," "Reciprocal Trade," "Trade, Not Aid," are invented for the consumption of the American public.

Before the public has discovered what is behind them, or who invented them, or who profits by them, the United States Congress, urged to greater speed, has passed a law, and the President has signed it, giving them another $6 billion or $7 billion, and other extension of the free trade which divides the markets, the basis of the income of the United States of America with them. I read further:

The Commonwealth financial leaders agreed to increase the production of food, raw materials, and industrial commodities in the entire Commonwealth with the object of increasing the dollar earnings of sterling-using countries. They hope to reduce imports from the United States in order to decrease the outgo of American dollars.

EXPORT MORE GOODS TO UNITED STATES

In a word, the British want to increase the amount of dollars that come into their area, which can only be accomplished by exporting more goods to the United States and importing less from the United States.

Yet this great slogan is held out, Mr. President, to increase the trade of the United States with foreign nations. I read further:

While most Americans think in terms of aid for many countries and while we are still fiddling away on such subjects as point 4 and mutual assistance, the British, the French, the Mexicans, the Japanese want to go back to trade. Actually, surprising developments are taking place in this good old-fashioned field, as, for instance, the important trading position developed by Mexico and the return of Japan to world markets. The British find that our involvement in the Korean war imperils their position as traders.

STERLING BLOCK PUSHING RECOGNITION OF COMMUNIST CHINA

Of course, it should be well known that all the representatives of the commonwealth countries got together in England and decided that they will push for the recognition of Communist China by the United Nations.

Of course, I believe, and so stated on the floor of the Senate in 1951, that the State Department, at that time, had agreed to follow England in recognition of Communist China.

We raised so much objection in this country, that nothing was done at the time; but, after Mr. Acheson came back from his tour of Europe, and the Congress met in joint session to hear him, he talked for an hour; and in only one sentence did he say anything that the Congres had not heard 40 times previously.

Like the master of ceremonies in a night club, he led up to his important point, and then got away fast. He said, "We will not use the vote to prevent recognition of Communist China." That is what he said; and our present Secretary of State has never changed that rule.

THE TRUCE—THEIR RECOGNITION OF COMMUNIST CHINA

So, Mr. President, as soon as we get the truce, the sterling bloc countries, without exception—France and all of our other so-called allies—will push us into recognition of Communist China and we will have them in the United Nations. Of course, it is the claim that will improve the United Nations.

THE SUCKER—THE FALL GUY

Mr. President, we are in the same position with the billions to Europe, and the trade not aid, the support of the United Nations and all of the other shenanigans including doing the fighting, and have been since the formation of the United Nations, as the fellow who comes in from the hills with a pocket full of uncashed checks.

He comes in from the mines, from the woods, the ranches, and is lured into one of the games that are open to him in almost any town.

Some of them are public games, but, more often, they are not public. A few drinks and he is in a poker game.

Mr. President, if he wakes up in time to see what is happening to him before all of his money is gone, and quits, the game is over, because he has the only new money in the game.

That is exactly what we have been doing since the formation of the United Nations.

To quote further from George Sokolsky's article of June 1:

And be it noted that trade has a very small conscience. It will flow wherever it can earn a profit even at the cost of lives. All countries want to trade with China and Russia and grow antagonistic because the United States is interfering with good markets.

The British sent their smartest economist, the Chancellor of the Exchequer, Richard Butler, to the United States to discuss this problem with the Eisenhower administration. One of the British objectives is the establishment of price arrangements with the United States—

Listen carefully, Mr. President—

Price arrangements with the United States so that we shall sell wheat, cotton, etc., at lower prices, while we buy rubber, wool, tin, and jute at high prices, thus providing a hidden aid.

Reading further:

Then the British also want a huge fund established, amounting to billions of dollars, to stabilize the British pound sterling so that it can more readily be converted into dollars. Such a fund could pump American dollars out of our reserve at Fort Knox into the European and Asiatic markets via London.

Thailand, for example.

LOSING OUR GOLD RESERVE

Mr. President, we have been losing our gold reserve steadily for several years. How? They—the European nations—take the Marshall plan money and buy gold from Fort Knox. I should like, just as an experiment, to see an American citizen try that sometime. But the countries of Europe do it. They often sell it at a higher price.

THE WORKERS FIRST TO LOSE

Again, in the Times-Herald in a recent column, Mr. Sokolsky said:

If all labor were equally paid for the same kind of work in all industrial countries, that is, if there were an economic "One World," there would be no need of any kind of protective tariff anywhere. If all currencies were stabilized so that transfer of goods could not be affected by the exchange of moneys, there would be no need for any kind of a protective tariff. And to make one further point, if no governments subsidized their industries, so that goods might be dumped into particular countries for political objectives, there would be no need of a protective tariff in any country on earth.

Mr. President, diverting at that point, as the junior Senator from Nevada has said many times on this floor—and he has been in all these countries—we pay more money in our unemployment insurance, in our social security, and in our industrial insurance than many of these countries pay in wages. What kind of competition is that. I read further:

Unfortunately none of these postulates stand up against the facts, particularly against the fact that, by American standards, all labor in Europe is sweated and in Asia is so cheap as to be almost unpaid. And to that must be added the existence of slave labor. Slave labor probably also is employed in Soviet China, which is now being industrialized.

I read further:

What is actually happening is that considerable American capital has been exported to European countries under ECA and by other means for the rebuilding of European industries. Also there are a number of American firms which have been establishing branches all over the world, manufacturing various commodities, some of which these Americans hope to export to the United States.

AMERICAN BANKERS EXPORT CAPITAL

Some American banks export capital from the United States to foreign countries with the hope of manufacturing goods for export to the United States.

This really involves a flight of American capital from the United States with the object of manufacturing goods, made by foreign sweated labor, at low-wage levels, to compete with American labor, receiving high wages and high-fringe benefits. I have not yet studied the relationship of this process of earning profits to taxes. That is a rather involved matter which will take a great deal of study.

A limited number of American firms can build worldwide economic empires. Most American business possess neither the capital nor the experience to engage in this type of enterprise.

Therefore, what is called small business in the United States continues to demand a protective tariff, while big business goes so far as to favor free trade. It was never before true in this country that big business favored free trade. Most American industries were built up by the protective tariff, which is also largely responsible for high wages and the high standard of living in this country. The change of attitude has come so suddenly that few understand the real reason until the entire subject is related to export capital and to the flight of some phases of American industry from American labor.

MUST STUDY ALL PHASES

This needs to be studied in all its phases to find a full explanation of the process and to relate it not only to the tariff, but to wage scale and to the American standard of living. The "flight from American labor" may be justified on economic grounds. Already there are signs that Western Germany and Japan are pushing into markets which, after the war, some Americans had hoped would be developed for American goods.

Sweated labor, producing the same commodities, will always undersell highly paid labor—particularly if the savings of mass production are practiced in both the cheap labor and high-priced labor countries. When American capital is exported, American management is also exported.

This is not a subject for high-pressure propaganda. It is one that needs to be investigated fully and honestly. It requires a statistical approach by an impartial body which seeks facts and will make the facts known in the national interest. I hit upon it because of my keen interest in the surprisingly sudden support of free trade by American big industry, which has always labored valiantly for a protective tariff. There must be a reason for the changed attitude.

EXPORTING SOCIALISM

Mr. President, Mr. E. F. Tompkins, in one of his articles in the New York Journal-American, entitled "Exporting Socialism," says, in part:

Mr. Clement Attlee, leader of British Fabianism—

That was organized nearly 50 years ago, Mr. President, and it finally took over Great Britain—

told the House of Commons last week that it is wrong "to blame all of this country's troubles on the United States."

Nonetheless, he criticised "the attitude" of the United States Congress "toward a wider open door for British exports." He was paraphrasing the new slogan, "Trade

Not Aid." By this slogan, British propagandists—abetted by some American internationalists—strive to abolish the remnants of our protective tariff system and to open our home market to unlimited competitive exports, while Britain retains the protective-tariff principle under the title of imperial preferences.

MARSHALL PLAN SUBSTITUTE

Actually, the proposal of "trade, not aid," has been devised as a substitute for the profligate program of foreign aid called the Marshall plan.

Under the Marshall plan, United States Treasury dollars were used to purchase goods which were presented to Socialist Europe.

That scheme is near its end. So we have "Trade, not aid," proposed as a device to let low-wage foreign countries sell in this country on a free-trade basis and use as they please the American dollars received.

The British will get the lion's share of such trade. And every dollar paid here for their goods will mean a dollar less, in our home market, paid to American producers.

There are highly informed sources in England itself who warn that the new scheme will not help Britain and will greatly harm America.

One of these is the publication of European Review. It notes that the American donations to Britain under the Marshall plan have really benefited "the Canadian farmers, to whom a large part of the American gift dollars have, in fact, been paid instead of to the American farmers whose taxes went to provide the funds required."

Mr. President, I addressed the Canadian Mining Congress in 1948. I at that time chided the people of Canada a little. They would not let Britain have their wheat until she could pay cash. I said, "You are just waiting for us to pass the Marshall plan so that the English will have the money to pay for your wheat."

It was not even a good joke. That was exactly what they were waiting for. It is to that matter that Mr. Sokolsky referred.

I read further:

"It is no longer possible," the Review says, "to pretend that the present volume of exports to Europe by America and Canada can continue, as the result of some effort or other on the part of Europe alone."

ONLY A PIPEDREAM

"It could continue on a genuine trading basis only if America chose to remove all her tariffs and if, in addition, the European currencies and the pound sterling were debased sufficiently to insure that a large volume of manufactured European goods could flood into America.

"Everyone knows that this will not happen, and indeed it might be very hard on the American manufacturers if it did.

"The pretense that the existing level of exports by America can genuinely be financed by a corresponding volume of imports—trade not aid—thus needs to be given up, for it is only a pipedream and one which is standing in the way of more realistic policies."

THE DOLLAR SHORTAGE

Mr. President, that dollar shortage was the greatest hoax ever perpetrated on the American people. It means, in the first instance, a shortage when we spend more money than we make, weekly, monthly, or annually. We have all been subject to such a dollar shortage. But there is another kind of a dollar shortage, and that is one where a nation places a price on their money higher than it is worth on the open market. No one except the Congress of the United States of America will pay such a price. No trader will pay it.

In 1948, when the British pound was worth $4.03, I was in Hong Kong. I laid down a 1-dollar bill on a bank counter and got $6.10 in Hong Kong money for it. I went to another place and laid down $16.40 of Hong Kong money and got a British pound for it—that made it worth $2.60, and no one was paying any more for it except the United States of America.

Mr. President, in another recent article Mr. Tompkins had this to say:

This British campaign for "trade, not aid" may be helping Soviet Russia to drive a wedge between the United States and our Western European allies. Under the slogan just quoted, the British seek to abolish the remnants of our protective tariffs. Their plausible argument is that Britain wishes to buy more of our goods, but cannot do so unless we adopt free trade, which Britain itself abandoned years ago, and buy more British goods.

At the same time, Britain is drumming up "trade, not aid" with our Communist foes.

Now, the only imported goods affected at all by our tariffs are competitive goods. These are produced in low-wage countries at lower costs than here. Consequently, unless the American producers have tariff protection, the foreign goods will undersell them in their home market.

That is happening, Mr. President.

This cheap competition will diminish our production, and even put some producers out of business.

I read an article on the wool business. Plenty of such dispatches can be read before the session adjourns.

I read further:

Hence it will destroy many American jobs. Furthermore, numerous concerns, which are dependent on tariff protection, are essential in national defense. Thus the Federal Government, having shorn away the tariffs, will have to keep such concerns in existence by subsidizing them at taxpayers' expense.

Mr. President, we wonder why we cannot lower taxes.

FEED $3 PER HUNDRED CORN—TO $20 PER HUNDRED CATTLE

One crop of wheat and corn in bins, and one crop of wheat and corn on the way, while we continue to import grain.

We are now about to appropriate money to build bins for another year's supply of corn and wheat.

Cows out on the ranges from western Kansas to the Pacific coast are selling for $18 to $20 a hundred, and the Govment is holding corn at $3. All that the feeders ask for is a recipe to feed $3 corn to $20 cattle. That is all they want. They do not want to furnish tax money to build more bins; the cattle are scattered all the way from western Kansas to the Pacific coast, getting thinner every day, and the bins of corn are scattered all the way from western Kansas east and getting thicker every day—and costing the taxpayer more money in subsidies.

EASY TO PAY SUBSIDY—LONG AS TAXPAYER HOLDS OUT

It is all very well to pay a subsidy, and it is very easy to do so, as long as the taxpayers' money holds out. But it is a good deal like shooting a man. It is easy enough to shoot him, but it is disposing of the body that turns up all the trouble.

I quote further from the same dispatch:

EUROPEAN COUNTRIES TRADING WITH COMMUNISTS

As for Communist trade, Great Britain is promoting it and soliciting it, along with other European and Asiatic countries.

I have made that very statement on the Senate floor many times since 1948. In 1949 I placed in the RECORD 96 trade treaties that the 17 Marshall-plan countries had with Iron Curtain countries and Russia. I thought it would shock the Senate and the people of the United States. It did not shock the people of the United States because no one published the information. It did not shock Senators, since they kept on voting money to build more European plants to sell more goods to Russia. The taxpayers of the United States, including the fathers of the kids who were later sent to Korea, paid for about three-fourths of the material used to kill their youngsters. It is not a pleasant thought.

The article continues:

The Herald Tribune's London report said "the trend toward more trade with China actually began several months ago."

The House of Commons has been officially informed that British exports to Red China in the first quarter of 1953 were 10 times as large as in the corresponding period of 1952.

The writer continued by saying that at a recent Geneva conference British delegates dickered with Russian representatives for more trade.

In another dispatch, on June 17, 1953, in the New York Journal-American, Mr. Tompkins said:

QUEER REALINEMENT

The propaganda that demands "trade not aid" for Europe and Asia has caused a queer realinement here.

Mr. President, I want you to notice the alinement on this question.

I continue to read from the dispatch by Mr. Tompkins:

Liberals want to continue the New Deal's Reciprocal Trade Agreements Act as a device for abolishing the protective tariff system. Tariffs, they say, enabling big business to exploit American consumers. Obviously, if that were true, big business should overwhelmingly favor high tariffs. Instead, we find the "trade, not aid" movement supported by such big business organizations as the National Association of Manufacturers, the United States Chamber of Commerce, the Committee for Economic Development and the Detroit Board of Commerce—an alinement of liberals with the so-called magnates whom liberals affect to despise.

On the other side of the argument enlightened labor leaders understand that labor is the real beneficiary of protective tariffs. So we find, in the new alinement, important labor organizations supporting the reasonable position of the American Tariff League in opposition to the liberal free traders who are supposed to be the friends of labor.

Further along in the dispatch, Mr. Tompkins said:

Another labor spokesman for tariff protection is Mr. J. C. Rich, editor of the Hat Worker, writing in the New Leader.

Further along, Mr. Tompkins says:

Mr. Rich rather derides the anointed saviors of the foreign economies.

"What they want," he asserts, "is for distress merchandise to be dumped here at bankruptcy rates, forced out from countries overseas by the poverty and misery with which those countries are still afflicted."

This spokesman regards the protective tariff system as an international wage-hour law, serving, as such, the same function as our domestic-labor legislation performs. And he does not believe an unprotected American market will benefit foreign workers much.

"It is," he concludes, "an economic fallacy to think that sweatshop production and sweatshop commerce will enhance the prosperity of a nation.

"If low wages could bring economic welfare to anyone, those low-wage regions of our own Nation should be the richest of our industrial areas.

"We know, however, that this is not the case."

In other words, free trade or low tariffs here will only drag American labor down without improving the standards of living of European and Asiatic labor.

PROFIT OUT OF SWEATSHOP LABOR; QUID PRO QUO—HOUR'S LABOR FOR AN HOUR'S LABOR

We need to get on a basis of quid pro quo in our trade, an hour's labor for an hour's labor. The only way that can be done is to take the profit out of sweatshop labor through a differential. Call it a duty, as the Constitution does; call it a tariff or an import fee, as we have come to call it; call it a cow; call it anything, so long as it is meant to symbolize the differential in cost of production of an article which is represented by a difference in the wage standard of living between the United States and abroad.

VESTED RIGHT IN SWEATSHOP LABOR

Then, when it is not possible to profit by sweatshop labor, when there is no incentive to profit by the use of such labor, American investors will not go to England, Africa, or other places and establish a vested right in sweatshop labor.

They will go there intending to pay a living wage standard. Let that standard continue to improve and eventually reach our own standard.

THAT DIFFERENTIAL IN COST OF PRODUCTION

Under the bill I have introduced, the Foreign Trade Authority that would be created would simply establish an organization that could let the flexible import fee, tariff, duty, or whatever it is desired to call it, represent the differential in cost due to the difference in wage standard of living between here and abroad, and permit foreign products to be brought into the United States on a basis of fair and reasonable competition. It would be fair trade with foreign nations, not free trade.

CONGRESS CONSTITUTIONAL RESPONSIBILITY

It must be remembered that it is the constitutional responsibility of the legislative branch, Congress, to regulate foreign commerce. We call it foreign trade, or trade with foreign nations.

It is the constitutional responsibility of Congress to adjust duties, imposts, excises, known as tariffs or import fees, on the basis of fair and reasonable competition.

In 1934 President Roosevelt prevailed upon Congress to make him the agent of Congress, and to grant him unlimited, and unrestricted authority, within the limits of the act, to trade all or any part of any American industry to foreign nations through manipulation of duties or tariffs, without regard to the difference in wage standard of living here and abroad.

REMAKE INDUSTRIAL MAP OF THE UNITED STATES

In effect, the President was given a green light as an emergency measure. The act is 20 years old, but it is still called an emergency measure in this law Congress continues to extend. The President was given a green light to remake and rearrange the industrial map of the United States.

TRAIN WORKERS TO DO OTHER WORK

What do the great Government economists say, the great brains that have come out of schools so far removed from the actual working industry that they could hardly distinguish it from a bale of hay?

They say, "Of course it will throw some people out of work. It will abolish some industries. But we will set up schools to train the workers to do something else."

WATCHMAKERS WILL BECOME BOILERMAKERS

Mr. President, what will the workers do? Will the miners from Utah and Montana become watchmakers? What will the people who are thrown out of work in the wool business do? Will they raise muskrats I suppose? What kind of industry can the people who are thrown out of the watchmaking industry tackle? I suppose they can become boilermakers.

AMERICAN WORKER AND SMALL BUSINESS ON WAY OUT

With our brains and know-how, with our machinery, our streamlined, assembly-line methods, where they are applicable, it is almost impossible to think of an industry in a foreign country which cannot use this 10-cent-an-hour to 40-cent-an-hour labor and bring the products back here and undersell the American worker and investor in his own market.

FAIR TRADE WITH FOREIGN NATIONS

So all I ask under the bill I have introduced today is fair trade with other nations. Let us equalize the difference in the rates of pay, efficiency, with a tariff, import fee, or duty, or whatever it may be called. Let us take the profit out of the sweatshop labor of Asia and Europe and make it advisable and feasible that foreign nations allow their living standards to rise, and not hold them down, so that the foreign producers profit by the difference between the low-cost labor which foreign nations can obtain to manufacture products and what the market will bear here.

DEBATE ANYONE ANYWHERE

I have been debating this question on the radio, on the television, on the Senate floor, on street corners, and, in fact, anywhere people will talk to me about it.

CONSUMER WILL NOT PROFIT

It is said that the American consumer is entitled to the lower-cost product.

BUY LOW-WAGE GOODS

We are told, "Let us buy it where it can be bought at the lowest cost," meaning where they have the lowest wages. Is that what we want? If it really worked that way we would not like it, but it does not work that way. The situation is like that involved in a price fight between two gasoline companies on opposite corners, a little company and a big company. When the little company is driven out of business the price goes back up to make up the losses or all the traffic will bear. So, when the wool business, the watch business, and other businesses are gone, other nations will take what the traffic will bear. We do not profit by that sort of operation.

CONGRESS REGAINS ITS CONSTITUTIONAL RESPONSIBILITY

Under the proposed legislation Congress would regain its constitutional responsibility to regulate foreign trade and to adjust the flexible duties, imposts, and excises, commonly known as tariffs and import fees, on a basis of fair and reasonable competition—fair trade, not free trade, with foreign nations.

NO HIGH TARIFF OR LOW TARIFF

Mr. President, it is not a question of a high tariff or a low tariff. It is a question of establishing trade with foreign countries on an equal man-hour basis—on a fair-trade basis. Many familiar slogans are used by the free traders when they see someone trying to protect an American worker.

It is said he is a high-tariff man, or that he wants to build a tariff wall around the United States. Let me tell the Senate the kind of wall I want to build. I want to build a wall which will bring the products of the sweatshop labor of Europe and Asia into this country on the basis of fair and reasonable competition, under our standard of living. That is what my bill would do—establish fair trade with foreign nations. It would establish fair trade with those people, and take the profit out of their sweatshop labor.

EQUAL ACCESS TO OUR MARKETS

What does that mean? It means that they would have equal access to our markets on an equal basis, so that our own workers and investors would compete with foreign producers on the basis of fair and reasonable competition, and compete with them for our own markets. In other words, they would have equal access to the American markets.

Have we ever heard of any other nation offering such a proposition to us? No; and we never shall. At least not in our time. We never shall hear of it unless we establish the criterion on a basis of fair and reasonable competition, and take the profit out of their sweatshop labor.

MANIPULATIONS OF MONEY EXCHANGE METHODS ADVANTAGE

A few weeks ago I presented to this body certain information and data on the exchange methods of Chile. Chile has seven different values for its pesos in terms of the dollar.

I placed them in the RECORD one day in my discussion of the proposed free trade on copper. I placed in the RECORD a statement showing just exactly the extent of each one of those exchanges, what they were used for. They are a matter

of record. Practically every other nation in the world is doing the same thing to Uncle Sam. It is a form of piracy.

NO NATION EVER KEPT A TRADE AGREEMENT WITH US

Let us take the incentive out of this kind of manipulation. No nation has ever kept a trade agreement with this Nation. They manipulate their currencies, and we float along on a bright colored cloud and do not know what is happening to us. We establish a peril point. What for? The Tariff Commission is asked at what point in tariff reduction an industry would be injured. That is a fair question. The Commission is fully capable of determining that point. It does so and gives the information to the State Department, which uses it. At the moment it is correct information.

TARIFF ON THEIR MONEY

Ten minutes after the trade agreement is signed, the other nation can establish a new value for its currency—a new higher value for the peso in terms of the dollar in South America or the pound in the sterling bloc countries—and the price of the pound or peso in terms of the dollar is raised. In effect, a tariff is placed on their money, and the peril point is out the window. But we have already signed the agreement. There can be no new peril point established. We want the tariff or duty to be flexible to correct abuses of this kind.

NATIONAL ECONOMY—NATIONAL DEFENSE

Let me reemphasize that these industries are not only vital to our economy, but absolutely vital to our national defense.

We are fast becoming dependent on the colonial nations of the world, 5 to 10 thousand miles away, for the minerals, fuels and other materials without which we cannot fight a war.

We close our own mines and shut down our own industries. We throw out of work our trained watchmakers and machinists and scatter them among the population.

WILLING VICTIMS

We then become the willing victims of any nation big enough to have a submarine fleet and a system for stopping ocean traffic. Even our own national defense organization admits that Russia has such facilities.

PONDER THE QUESTION

In conclusion, I earnestly request that my colleagues in the Senate, during the time between now and the time when we take up the legislation which would extend the 1934 Trade Agreements Act, ponder well this question.

CONSIDERED CHATTELS

Do we wish to subject our industries and our workers to the kind of competition under which the workers are still mainly considered to be chattels?

ARE WE DISCHARGING OUR RESPONSIBILITY?

I also suggest that we ask ourselves whether we Members of Congress have discharged our obligations by delegating to the Executive the responsibilities which were clearly imposed upon us by the Constitution, which we have all sworn to uphold.

THE RESIGNATION OF MR. DONALD C. COOK AS CHAIRMAN OF THE SECURITIES AND EXCHANGE COMMISSION

Mr. JOHNSON of Texas. Mr. President, an able and courageous public servant has left the Government.

Only yesterday, Donald C. Cook stepped down from his position as Chairman of the Securities and Exchange Commission. He turned over his office to his successor, wished him Godspeed, and retired to private life.

For more years than I can remember, I have counted Don Cook among my closest and most valued friends. I know that I hold no monopoly in my esteem for Don Cook. It is a feeling shared by Senators on both sides of the aisle who have worked with him.

Far more important, however, is the fact that the American people can count Don Cook as a trusted and valued friend. He brought to the Government a concept of public service that can stand as a model for all time to come.

To Don Cook, a public office is a public trust—not an individual privilege. It is an opportunity to serve—and he has used that opportunity even though it meant considerable personal sacrifice.

I have known him as special counsel to the House Naval Affairs Committee; as Director of the Office of Alien Property; as Executive Assistant to the Attorney General; as Chief Counsel to the Senate Preparedness Committee; as Vice Chairman and then Chairman of the Securities and Exchange Commission.

To each post, he brought the same qualities—d e t e r m i n a t i o n, incisive thought, knowledge that was both broad and deep. In every instance, those qualities were exercised in the pursuit of two objectives—to improve the standards of Government service and to advance the public welfare.

As a public servant, Don Cook has been no time server. He tackled every job with energy and enthusiasm. He never confined himself to asking: "How can this job be done?" He always wanted to know: "How can this job be done better?"

Almost invariably, he would find a way to do the job better—quicker, more efficiently, more economically.

As chief counsel of the Senate Preparedness Committee he toiled day and night for no compensation other than the satisfaction that comes from service to our country.

He directed investigations; handled administration; spent sleepless nights poring over committee reports. Almost every evening, he left his office with his briefcase bulging with documents that had to be examined and studied before the next morning.

I am very proud of the record of the Senate Preparedness Committee. There is no man who contributed more to that record than Don Cook.

His achievements as chairman of the Securities and Exchange Commission are outstanding.

When he assumed the office, there were still remaining many major problems of corporate integration and simplification under the Public Utility Holding Company Act. Within a year, these problems had been solved.

When he took over the job, businessmen were groaning under the load of complicated paperwork necessary for SEC registration. Within a year, the registration statements had been simplified without the sacrifice of any protection that should surround investors.

Meanwhile, the Commission, under his direction, moved firmly and vigorously to act against those who would bilk the public through fraudulent devices in the sale of securities. Blue Sky operators received short shrift.

Don Cook submitted his resignation when the new administration came into office. President Eisenhower requested that he continue to serve until his successor could be selected and qualified.

The decision was a difficult one: It involved a continuation of financial sacrifice; a postponement of a badly needed rest. But Don Cook could never turn down a call to duty. He acceded to the President's request and stayed on for almost 4 months.

He has now retired. I do not know what the future holds for Don Cook. But I know it will be a future of even greater accomplishment and even greater honor.

Men of his caliber are rare. There is a demand for their services which cannot be ignored.

Whatever the future holds, however, he has already made a mark in public life that has been equalled by few and excelled by none. The Government and the Nation have been enriched by his services.

We are a fortunate people as long as we can call to duty men of the ability and integrity of Donald C. Cook.

STATEMENT BY MEMBERS OF THE CONTROL YUAN OF REPUBLIC OF CHINA RELATING TO ADMISSION INTO UNITED NATIONS OF COMMUNIST CHINA REGIME

The PRESIDING OFFICER (Mr. SCHOEPPEL in the chair), by unanimous consent, laid before the Senate a letter from the Chinese Ambassador, transmitting a statement adopted by the members of the Control Yuan of the Republic of China, relating to the admission of the Chinese Communist regime into the United Nations, which was referred to the Committee on Foreign Relations.

VOLUNTARY REPATRIATION—RESOLUTION OF MEMBERS OF THE CONTROL YUAN OF REPUBLIC OF CHINA

The PRESIDING OFFICER (Mr. SCHOEPPEL in the chair), by unanimous consent, laid before the Senate a letter from the Chinese Ambassador, enclosing a resolution adopted by the members of the Control Yuan of the Republic of China, relating to voluntary repatriation, which was referred to the Committee on Foreign Relations.

OBSERVANCE OF 50TH ANNIVERSARY YEAR OF CONTROLLED POWERED FLIGHT

The PRESIDING OFFICER. The Chair appoints the following six Members of the Senate as members of the Joint Committee on Observance of the 50th Anniversary Year of Controlled Powered Flight: The Senator from New Hampshire [Mr. TOBEY], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Ohio [Mr. BRICKER], the senior Senator from North Carolina [Mr. HOEY], the junior Senator from North Carolina [Mr. SMITH], and the Senator from Massachusetts [Mr. KENNEDY].

PROPOSED BONNEVILLE CONTRACT

Mr. KEFAUVER. Mr. President, it has come to my attention that the Eisenhower administration is about to embark on an historic change of policy in regard to the distribution of power from Government dams. This change of policy is so important and will affect so many areas of the United States, including particularly the Tennessee Valley and the State of Tennessee, that I take this opportunity to urge the Secretary of the Interior and the President himself to examine this move more carefully before it is consummated.

According to information reaching me, the Secretary of the Interior has concurred in the drafting of a contract between the private utility companies in the Northwest and the Bonneville Power Administration, whereby power from this Government project, built by all the taxpayers, would be distributed through nine private utility companies.

It is my further understanding that this contract might serve as a pattern for other areas in the United States, including the Southwest Power Administration in Texas, Arkansas, and Missouri, and the area benefited by the great and farsighted Tennessee Valley Authority.

It is my information also that Dr. Paul Raver, Administrator for Bonneville Administration, is in the city of Washington, and is preparing to sign a contract with the private utilities. This contract may be signed sometime this week, possibly even today or tomorrow. Inasmuch as several billion dollars were spent by all the taxpayers of America to build Bonneville Dam, the Tennessee Valley dams, and various other power projects throughout the United States, I urge the Secretary of the Interior to withhold this action until the whole matter can be scrutinized and carefully considered by the appropriate committees of Congress.

I do not believe that Congress will favor a contract whereby a small group of utilities shall have the autocratic right to allocate power generated by the Government and paid for by all the taxpayers. Days, in fact weeks, of debate were spent in this body before it was decided to build Bonneville Dam and the Tennessee dams. Therefore, the allocation of their power should not be deeded away at the stroke of a pen in a few minutes.

I hold in my hand a copy of one of the most amazing contracts ever drawn up for execution by the United States Government. It is entitled "Power Sales Contract Executed by the United States of America, Department of the Interior, Acting By and Through the Bonneville Power Administrator, and Portland General Electric Co."

This is the contract which Secretary McKay proposes signing this week, or shortly. Although this contract is to be signed with the Portland General Electric Co., I am informed that it is a pilot contract and on page 5 I note that it is also to be extended to the following corporations: California-Oregon Power Co.; California-Pacific Utilities Co.; Idaho Power Co.; the Montana Power Co.; Mountain States Power Co.; Pacific Power & Light Co.; Portland General Electric Co.; Puget Sound Power & Light Co.; and the Washington Water Power Co.

I am also informed that this pilot contract, drawn up with the Portland General Electric Co., is the same identical contract to be applied to other power projects of the United States.

Mr. President, the contract is of such great importance, considering the time which has been given to determining congressional policy in this regard, that I ask unanimous consent that the draft of the contract of May 20, 1953, be printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER (Mr. SCHOEPPEL in the chair). Is there objection? The Chair hears none, and it is so ordered.

(See exhibit 1.)

Mr. KEFAUVER. A study of this contract reveals some amazing provisions.

Section 4 (b), for instance, provides that private utilities may have an option on all the power produced by the Bonneville system and that no contracts may be let to private industry either to expand their existing requirements or to place new factories in this area until the exclusive option given to the private utilities is met. This gives a virtual veto power to the private utilities. They can decide whether industry can expand or not in their area. They can decide which factories shall grow and which shall be stifled.

I refer to some discussions between the Secretary of the Interior and others as reported in the newspapers. Particularly I have before me a letter written by the Secretary of the Interior, which was printed in Mr. Drew Pearson's column in the Washington Post, in which the Secretary of the Interior is reported as having said that that is not exactly the case, that utilities will not have the veto power. But, Mr. President, I think that section of the contract, namely, section 4 (b) substantially provides such a veto power. There are some slight modifications, but that is generally the provision.

I have in my hand and wish to insert in the RECORD, copies of protests made by very important industrial concerns in the Northwest, in which they protest the proposed contract on the ground that it would stifle their future. In this protest they state:

> The proposed utility contract expressly provides, under certain conditions, that Bonneville will not enter into agreement to supply firm power to an industrial customer without the consent of the private utility. The industrial customers of Bonneville Power Administration strongly believe it is contrary to the public interest to grant a veto right over the Government's sale of its own power.

In brief, industrial firms in the Northwest protest that a dam built by the Federal Government is now, in effect, surrendered to the private utilities under provisions whereby the utilities have a veto over the sale of Government power.

These companies are not exactly New Dealers. As far as I can see, they are not Democrats. They are staunch Republicans. Yet they protest, and quite rightly so, that when the Government generates power it is up to the Government to distribute the power, not hand it over to private individuals who shall have the right of veto over other private individuals.

These companies are conservative business organizations. They include such companies as the Aluminum Co. of America, the Reynolds Metals Co., the Kaiser Aluminum & Chemical Corp., the American Carborundum Co., and many other companies.

These companies, as I say, are not New Dealers. They include the Aluminum Corp. of America, one of the biggest concerns in the United States and organized by the late Andrew W. Mellon, secretary of the Treasury under Warren G. Harding, Calvin Coolidge, and Herbert Hoover. I think we all remember he was a Republican, and the company he directed protests vigorously against abrogation of the Government's right to distribute its own power from its own project. All of the companies protest to Secretary of the Interior McKay against the giving away of Federal power to private utilities.

Examining this contract further, we find that section 3 (b) provides that Bonneville will not make power available to publicly owned utility districts or municipalities for resale to new industrial consumers where such resale will increase the power taken by such public bodies in excess of 10,000 kilowatts a year.

This, Mr. President, appears to be in direct contradiction to the public preference clause in the Bonneville Power Act. It also appears to be in direct contradiction to the act of 1906, passed by another Republican administration, giving preference to municipalities and publicly owned utility districts.

Furthermore, this proposed contract provides, in effect, that the Bonneville Dam Administrator abrogates his present duty of fixing the resale of electric power. Under the law as passed by this body, the Administrator of Bonneville has the duty of seeing to it that resale rates are reasonable and nondiscriminatory.

In contrast, and in my opinion in direct violation of the law, this new contract provides that the Administrator can merely protest when he deems the resale rates fixed by the utilities to be unreasonable. When he protests, he cannot act until after he has given 4 years' notice. And only after 4 years can he terminate a contract with the private utilities. Furthermore, the private utilities can continue endless argument or

litigation by appealing to the United States district court.

This provision is inserted in the contract despite the fact that only Congress has the power to vest jurisdiction in a United States District Court. I have never felt it was possible to vest jurisdiction in a United States district court simply by providing for it in a contract between a member of the Cabinet or an official of a governmental agency and certain private utilities.

Of course, Mr. McKay says privately owned utilities will continue to be subject to full regulation by the public-utilities commissions of the States. Mr. President, the report of the Oregon Public Utilities Commission, in connection with certain surcharges, and certain reports in connection therewith which have been received recently from the State of Oregon, do not indicate that that would be the kind of regulation which would always be in the public interest.

I submit that the national guide for regulation of power in the United States has been set in the Congress of the United States. It was set first in 1906, during a Republican administration. I have before me, and I wish I had the time to read it, the first Reclamation Act, I believe. It is the Reclamation Act of 1906, which gives preference to municipalities and public bodies in the distribution of power generated at Federal Government installations. This policy has also been recognized in various other acts which have been passed by Congress from time to time.

Section 9 of the Reclamation Act of 1939—title 43, United States Code, section 387—contains a preference clause. The 1944 Flood Control Act—section 16, United States Code Annotated, section 440—contains a preference or preferential clause. Section 10 of the TVA Act contains a preferential clause for municipalities and cooperatives.

The same general pattern was reemphasized and reset, after thorough debate in the Congress, during a Democratic administration, under Franklin D. Roosevelt. I submit that this pattern should not be changed by the stroke of the pen of one man, the Secretary of the Interior, without proper debate and proper investigation by the Congress.

Mr. President, the public power policy of the United States has been debated at great length in Congress. It has been established by Congress after a great deal of consideration by the appropriate congressional committees. Great statesmen, such as the late Senator Norris, of Nebraska, and the late Senator Hiram Johnson, of California, played a strong part in the determination of this program, back in the days when the public-power policy was first established.

Certainly the policy should not now be changed by means of a contract entered into, without full debate, full consideration, and full information to the public as to what is contained in the contract, and particularly inasmuch as the contract which is proposed between the Bonneville Administration and certain private electric power companies would establish a pattern for the disposition of power from other publicly owned dams in all parts of the United States.

I urge that the Secretary of the Interior delay entering into the contract until Congress can have full information and until the policy which would result from the contract can be considered by Congress.

After all, Mr. President, the policy was made by Congress. If the policy is to be changed, it should be changed by Congress.

In my opinion it certainly would be a tragic mistake for private utilities to have veto power over the amount of electricity which could be obtained by public bodies and cities. I think it would also be a tragic mistake if private utilities were to have veto power over the amount of the electricity which one industry or another could receive from generators at dams owned by the Federal Government.

I believe the Senate Committee on Interior and Insular Affairs should immediately look into this problem. It should ask the Secretary of the Interior to submit to it his proposed program, in order that the program might be considered, first, by the committee; next, by the Senate; and, finally, by the entire Congress.

I do not have the privilege of serving on that committee. However, if the committee does not look into the matter on its own initiative, I believe a resolution calling for such an inquiry should be submitted and should be considered by the Senate before the contract is signed.

Mr. President, a few minutes ago I referred to a protest by certain large corporations against the signing of the contract. The protest is set forth in a letter dated June 9, 1953. I ask unanimous consent to have the letter printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

LETTER TO BPA ADMINISTRATOR RAVER FROM INDUSTRIAL USERS OF BONNEVILLE POWER

DR. PAUL J. RAVER,
Bonneville Power Administration,
Portland, Oreg.:

Pursuant to our meeting of June 1 the following industrial customers of the Bonneville Power Administration submit herewith a statement in respect to a proposed contract between the Bonneville Power Administration and the Portland General Electric Co. The enclosed statement is endorsed and supported by the following companies: Aluminum Co. of America, Carborundum Co., Electro-Metallurgical Co., Harvey Machine Co., Inc., Kaiser Aluminum & Chemical Corp., Keokuk Electro-Metals Co., Pacific Carbide & Alloys Co., Pacific N. W. Alloys Co., Pennsylvania Manufacturing Co. of Washington, Rayonier, Inc., Reynolds Metals Co., Victor Chemical Works.

These companies have invested over $500 million in the Pacific northwest, and they have provided this region with a new basis for its economy. Together they purchase more than 99 percent of all power now being supplied by Bonneville to industry.

Representatives of the above companies will continue to explore this problem, seeking a solution more satisfactory to the various interests involved and better safeguarding the development of the northwest.

Very truly yours,

C. S. Thayer, Aluminum Co. of America; John L. Bergman, Carborundum Co.; N. L. Krey, Kaiser Aluminum & Chemical Corp.; Glen E. More, Pennsylvania Salt Manufacturing Co. of Washington; E. J. Appel, Reynolds Metals Co.; F. M. Anabien, Victor Chemical Works.

Mr. KEFAUVER. Mr. President, attached to the letter is a statement by these industrial power users. The statement sets forth their reasons for protesting against the signing of the contract. I ask unanimous consent to have the statement printed at this point in the RECORD, as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY INDUSTRIAL POWER USERS OF NORTHWEST

The industrial customers of Bonneville Power Administration, as an organized group, voice most emphatic objection to a proposed power contract between the Bonneville Power Administration and Portland General Electric Co. It is understood that this contract would serve as a pattern for similar contracts with other private utilities. The proposed contract represents a departure from the historic policy of Bonneville Power Administration of encouraging the development of industry in the Northwest by direct sale to industrial customers. The proposed contract instead sets up drastic limitation upon the sale of power by Bonneville to new industry or for the expansion of existing industry.

The proposed arrangement worked out between Bonneville and the private utility companies without consultation with industry or the public would erect such barriers in the way of supplying power to Bonneville's industrial customers as to make it virtually certain that new basic industry will be unwilling to establish itself in this area and that such basic industry already here will be unable to grow and expand.

There can be no doubt of the tremendous contribution made to the Northwest by the investment of many hundreds of millions of dollars of private capital in the basic industries of this area. By their basic nature these industries contribute uniquely to the support of all segments of the Northwest economy, particularly through sustained payrolls, tax revenues and their expenditures for goods and services.

Continuing investments of a similar nature will, to an increasing extent, contribute to the economic well-being of the Northwest provided such investments are encouraged, not limited.

The proposed utility contract expressly provides, under certain conditions, that Bonneville will not enter into agreement to supply firm power to an industrial customer without the consent of the private utility. The industrial customers of Bonneville Power Administration strongly believe it is contrary to the public interest to grant a veto right over the Government's sale of its own power.

The proposed agreement lacks any semblance of equity. Industry should at least be permitted to share in additional power from new Federal hydro developments after a reasonable amount of such power has been provided the private utilities.

Such sharing of power is provided for in contracts already in force between Bonneville and five Northwest private utilities. No possible benefit can accrue to this region from an arrangement which would retard further industrial growth. All groups in

this region should unite in urging the authorization and construction of additional generating facilities in this area, but in the meantime it is not in the public interest for any one group to have first claim on all of the power available in excess of the requirements of the public agencies which at present enjoy a preferential allotment under the Bonneville Act.

EXHIBIT 1

POWER SALES CONTRACT EXECUTED BY THE UNITED STATES OF AMERICA, DEPARTMENT OF THE INTERIOR, ACTING BY AND THROUGH THE BONNEVILLE POWER ADMINISTRATOR, AND PORTLAND GENERAL ELECTRIC CO.

This power sales contract, executed ——————, 1953, by the United States of America (hereinafter called "the Government"), Department of the Interior, acting by and through the Bonneville Power Administrator (hereinafter called "the Administrator"), and Portland General Electric Co. (hereinafter called "the purchaser"), a corporation organized and existing under the laws of the State of Oregon, witnesseth:

Whereas the purchaser is a privately owned public utility engaged in the generation of electric energy and its distribution to rural and domestic consumers and others in the Pacific Northwest; and

Whereas the purchaser and each of the other private utilities hereinafter specified desires to purchase its firm-power requirements from the Government; and

Whereas the Administrator is authorized to dispose of electric energy generated at various Federal dams in the Northwest in accordance with the Bonneville Project Act, approved August 20, 1937, as amended, pursuant to Executive Order No. 8526, dated August 26, 1940, and the following orders of the Secretary of the Interior: No. 1904 (dated September 26, 1944), No. 2115 (dated October 16, 1945), No. 2563 (dated May 2, 1950), and No. 2663 (dated September 15, 1951); and

Whereas the Administrator desires to make available to each of said private utilities its firm-power requirements but the supply of firm power available for disposition by the Administrator is now, and will be for several years, insufficient to accomplish that purpose; and

Whereas the parties hereto recognize that it will be necessary to enter into agreements from time to time during the term hereof supplementing the provisions herein contained; and

Whereas the parties hereto have executed an exchange agreement (designated as Contract No. Ibp-5975), which establishes an exchange energy account and points of delivery, and provides for measurement and scheduling arrangements and other matters; and

Whereas the parties hereto on October 30, 1951, executed a power sales contract (designated as Contract No. Ibp-8604), which provides for the sale of electric energy to the purchaser, and the parties desire to terminate said contract: Now, therefore, the parties hereto, subject to all the provisions of said Bonneville Project Act, as amended, mutually covenant and agree as follows:

1. Rescission of contract: Said Contract No. Ibp-8604 is hereby rescinded effective at 12 p. m. on September 15, 1953, but all liabilities accrued thereunder shall be and are hereby preserved; but this agreement shall not terminate the exchange agreement (designated as Contract No. Ibp-5975) and the provisions of this contract shall not be deemed to preclude the execution by the parties of an agreement for sharing of excess steam costs for any period.

2. Term of contract: Subject to the other provisions contained herein, each of the provisions of this contract shall be effective for the term commencing at 12 p. m. on September 15, 1953, and ending at the expiration of 20 years from 12 p. m. on the date upon which this contract is executed.

3. Definitions and explanation of terms: As used herein:

(a) The term "private utilities" shall include the following corporations: The California Oregon Power Co.; California-Pacific Utilities Co.; Idaho Power Co.; the Montana Power Co.; Mountain States Power Co.; Pacific Power & Light Co.; Portland General Electric Co.; Puget Sound Power & Light Co.; and the Washington Water Power Co.

(b) The term "public agency requirements" for any period in the term hereof shall mean the amount of electric energy, as estimated by the Administrator, which reasonably will be required to supply the requirements in excess of the capability of their own hydroelectric generating facilities of all public bodies, cooperatives, and Federal agencies to be supplied by the Government during such period, directly over the Government's facilities or by transfer over other facilities: *Provided, however*, That in making such estimate for any period specified in section 7 (a) (1) hereof the Administrator shall not, without the purchaser's consent, include therein the amount of firm power required by any public body or cooperative, either for service to any new industrial customer, or for additional service to an existing industrial customer, if such service is reasonably expected to result within a period of any 1 year in an increase of 10,000 kilowatts or more in what would otherwise be the largest contract demand, if any, but if none, in the largest measured demand, of such public body or cooperative during such year;

(c) The term "industrial requirements" for any period in the term hereof shall mean the number of kilowatts of firm power shown for such period in the industrial requirements schedule in effect during such period as provided in section 4 hereof;

(d) The term "minimum energy supply" for any period shall be the number of kilowatt-hours of electric energy shown for such period in the minimum energy supply schedule in effect during such period as provided in section 5 hereof;

(e) The term "available supply of energy" for any period shall be the number of kilowatt-hours of electric energy, as estimated by the Administrator but not less than the minimum energy supply for such period, which will be available for his disposition during such period, under water conditions equal to those of the minimum water year of record, after supplying public agency and industrial requirements, any requirements under agreements providing for the delivery or exchange of power pursuant to storage, exchange, or transfer arrangements or under existing contracts with private utilities or renewals of such contracts, but in making such estimate the Administrator shall give due regard to any geographical preference then provided by law;

(f) The term "available supply of peaking" for any month shall mean the smallest of the 30-minute integrated demands, as estimated by the Administrator, at which the Government will be able to deliver electric energy during such month after supplying the requirements specified in subsection (e) of this section;

(g) The term "firm power requirements" of each of the private utilities for any contract year shall mean the number of kilowatts obtained by subtracting from the largest computed demand (as defined in section 2.3 of exhibit F attached hereto) of such private utility for such year, the amount of reserve generating capacity taken into account in calculating such computed demand;

(h) The term "Supply Schedule" for the first contract year shall mean the Supply Schedule for 1953–54 contained in exhibit C attached hereto, and for each contract year thereafter shall mean the Supply Schedule prepared in accordance with the provisions of section 6 (d) hereof, and made applicable to such year as provided in section 6 (f) hereof;

(i) The term "billing limit" for any month in any contract year shall mean the number of kilowatts specified after such month in column 3 of the supply schedule for such year;

(j) The term "schedule of steam generation" for the first contract year shall mean the schedule of steam generation for 1953–54 contained in exhibit C attached hereto, and for each contract year thereafter shall mean the schedule of steam generation prepared in accordance with the provisions of section 6 (d) hereof, and made applicable to such year as provided in section 6 (f) hereof;

(k) The term "total peaking resources available to the private utilities" for any half-hour shall mean the total integrated demand at which electric energy can be supplied to the private utilities during such half-hour, under water conditions equal to those of the minimum water year of record (1) by all the generating facilities of the private utilities; (2) under all contracts (including contracts with the Government, other than this contract and the similar contracts with the other private utilities) which provide for the delivery of firm power to any of the private utilities; and (3) by any other resources available to the private utilities such as generating facilities of industrial consumers, generating facilities in the Dominion of Canada, resources through other interconnections, and fuel-fired generating facilities of: public bodies, cooperatives, and Federal agencies other than the Department of the Interior;

(l) The term "total minimum peaking requirements of the private utilities" for any month shall mean the largest of the total 30-minute integrated demands of the systems of such utilities during such month remaining after use of the total peaking resources available to the private utilities for such half-hour;

(m) The term "net reduction in load" which occurs as the result of a disposition of any portion of the distribution system of any of the private utilities shall mean the number of kilowatts obtained by subtracting from the maximum 30-minute integrated demand of such portion of such distribution system during the 12 months preceding such disposition (or for the period such electric energy was delivered if less than 12 months), the maximum 30-minute integrated demand, as determined by the Administrator, at which electric energy could be supplied under water conditions equal to those of the minimum water year of record by any generating facilities included in such disposition.

4. Industrial power requirements and supply:

(a) Each industrial-requirements schedule which takes effect hereunder shall remain in effect thereafter until the next numbered schedule takes effect hereunder. Industrial Requirements Schedule No. 1, attached hereto as exhibit L, shall take effect upon execution of this contract. A new industrial-requirements schedule shall be submitted to the private utilities by the Administrator as soon as it is reasonably practicable after he determines that the industrial-requirements schedule then in effect must be changed as the result of—

(1) The termination of any contract specified in such schedule, or a change in the contract demand for firm power (not including temporary reductions of contract demand in accordance with the terms of the contract) specified for such contract in such schedule, if such termination or change is to be effective before such contract expires according to such schedule;

(2) The extension of the term of any contract specified in such schedule (either by amending or supplementing such contract or replacing it with a new contract for an additional term); or

(3) The sale of firm power to an industrial consumer or industrial consumers, if the contract or contracts of sale are not

included in such schedule and are authorized by the terms hereof.

The Administrator shall specify in such new schedule a list of the then existing contracts which have been, or are to be, executed by the Government and industrial consumers, together with the expiration date thereof and the contract demand or contract demands therein stated. Such new schedule shall be attached hereto and take effect hereunder when submitted to the private utilities.

(b) Except as it is otherwise provided in subsection (c) of this section, the Government will not, without the purchaser's consent, hereafter enter into any agreement which will require it to make firm power available to industrial consumers other than as specified in Industrial Requirements Schedule No. 1, during any period in the term hereof, if the Government has not agreed to supply the purchaser's firm power requirements during such period.

(c) The provisions of this contract shall not be deemed to prohibit the Government from entering into any agreement which—

(1) Changes any of the terms of any contract specified in the industrial requirements schedule then in effect (either by amending or supplementing such contracts or replacing it with a new contract), if such change does not either extend the term or increase the contract demand for firm power as specified in such contract;

(2) Extends the term of any contract specified in the industrial requirements schedule then in effect (either by amending or supplementing such contract or replacing it with a new contract), if such contract was entered into by the Administrator for the purpose of carrying out any geographical preference in the use of electric energy as provided by law;

(3) Provides for the sale of electric energy to any industrial consumer at any time, if such agreement is entered into by the Administrator for the purpose of carrying out any geographical preference in the use of electric energy as provided by law; or

(4) Extends the term of any contract specified in Industrial Requirements Schedule No. 1 (either by amending or supplementing such contract or replacing it with a new contract), if such agreement provides that the Government will reduce its obligation to supply firm power under the contract so extended to the amount specified in subsection (d) of this section at all times when the amount of electric energy generated by the purchaser's fuel-fired generating facilities exceeds the amount specified in the schedule of steam generation: *Provided, however*, that such reduction will be made only to the extent that the industrial consumer named in the contract so extended is then able to obtain from other suppliers firm power at the average cost per kilowatt-hour of all electric energy then being generated by fuel-fired generating facilities for service to firm power customers of the private utilities.

(d) The reduced amount of firm power to be made available to each of the industrial customers listed in exhibit L, attached hereto, upon extension of the term of their contracts as specified in said exhibit L shall be determined as provided in exhibit M which is attached hereto and hereby made a part of this contract.

(e) The Government will not, without the purchaser's consent, make more than 20,000 kilowatts of interruptible power available to any industrial consumer, during any day of the period referred to in section 7 (a) (1) hereof, if the Administrator determines that as a result thereof (1) the Government will not have available for delivery to the purchaser during the remainder of the month, the purchaser's electric energy requirements, determined in accordance with section 7 (b); or (2) the Government would not be able to supply to the private utilities during the remainder of the contract year their electric energy requirements in excess of the estimated amount obtainable by them from the resources specified in section 3 (k) hereof.

The Administrator will normally curtail deliveries of interruptible power to industrial consumers during short peak periods when necessary to avoid placing in operation, for a short period, any fuel-fired generating plant normally on cold standby.

5. Minimum energy supply and generator schedules:

(a) Each minimum energy supply schedule and each generator schedule which takes effect hereunder shall remain in effect thereafter until the next numbered schedule takes effect hereunder. Minimum energy supply schedule No. 1, attached hereto as exhibit A, and generator schedule No. 1, attached hereto as exhibit B, shall each take effect upon execution of this contract.

(b) A new minimum energy supply schedule shall be submitted to the private utilities by the Administrator as soon as it is reasonably practicable after he determines that the amounts shown in any minimum energy supply schedule then in effect must be changed as the result of—

(1) Changes in the generator schedule then in effect hereunder,

(2) Changes in the industrial requirements schedule then in effect hereunder,

(3) Service by the Government to any public body or cooperative for any distribution system, or portion thereof, hereafter disposed of to such public body or cooperative, by any of the private utilities,

(4) The purchase, acquisition, or exchange of electric energy by the Administrator from other suppliers,

(5) Any changes in the amount of water, electric energy, or storage capacity, or in the discharge of water from a storage reservoir, used or to be used for the purpose of irrigation, navigation, or flood control, or for any other purpose permitted by law, or,

(6) The expiration of 5 years, as required by applicable law, after written notice is given to the purchaser that in the judgment of the Administrator a part of the electric energy purchased hereunder is likely to be needed to satisfy the requirements of public bodies and cooperatives.

The Administrator shall specify in such new schedule his estimate of the amount of electric energy which will be available for disposition by him to the private utilities during each storage drawdown period in the remainder of the term of the contract: *Provided, however*, That for the purpose of making such estimate the term of each contract specified in the industrial requirements schedule then in effect shall be deemed to expire at the time of expiration of this contract regardless of the expiration date shown in such schedule. Such new schedule shall be attached hereto and take effect hereunder when submitted to the private utilities.

(c) A new generator schedule shall be submitted to the private utilities by the Administrator as soon as it is reasonably practicable after he determines that changes in the then existing generator schedule are necessary because of changes in the capability of the Government's system. The Administrator shall prepare such new schedule to conform with such changes, and the new schedule shall be attached hereto and take effect hereunder when submitted to the private utilities.

6. Submission of required information.

(a) At least 90 days before the beginning of the second contract year and of each contract year thereafter, the Administrator will give written notice to the purchaser specifying—

(1) the available supply of energy and peaking, respectively, as defined in section 3 (e) and 3 (f), for each month in such year; and

(2) his estimate of the firm-power requirements, as defined in section 3 (g), of each of the private utilities for such year.

(b) At least 90 days before the beginning of the second contract year and of each contract year thereafter, the purchaser will give written notice to the Administrator specifying—

(1) the estimated total minimum peaking requirements for each month in such year of the private utilities, as defined in section 3 (i) hereof, and the total peaking resources available to the private utilities, as defined in section 3 (k) hereof, taken into account in estimating such requirements;

(2) the portion allocated to the purchaser for each month in such year of such total minimum peaking requirements of the private utilities as so estimated: *Provided, however*, That the total amount to be so allocated for any month shall not be less than 60 percent of the largest of such total minimum peaking requirements during such year; and

(3) a distribution among the months of such year, but not exceeding 20 million kilowatt-hours for any month, of 125 million kilowatt-hours which is the amount of fuel-generated electric energy to be utilized by the private utilities before the Government would be required to supply electric energy to the purchaser pursuant to section 7 (a) (2) hereof: *Provided, however*, That if any portion of the distribution systems or any fuel-fired generating facilities of the private utilities are disposed of to any public body or cooperative, the above amounts will be reduced by the larger of: (A) The ratio of the maximum 30-minute integrated demand of such portion of such system during the 12 months preceding such disposition to the sum of the maximum 30-minute integrated demands of the private utilities for the same period, or (B) the ratio of the peaking capability of such fuel-fired generating facilities to the sum of the peaking capabilities of the fuel-fired generating facilities of the private utilities immediately before such disposition.

(c) If the purchaser notifies the Administrator, within 15 days after a notice is given pursuant to subsection (a) of this section, that the purchaser disagrees with the Administrator's estimate of any amount mentioned in subsection (a) (2), or if the Administrator notifies the purchaser, within 15 days after a notice is given pursuant to subsection (b) of this section, that he disagrees with the purchaser's estimate or distribution of any amount mentioned in said subsection (b) (1) or (b) (3) as specified in said notice, the estimate or distribution of such amount which is to be used to prepare the supply schedule, schedule of steam generation, and supplemental agreement (hereinafter referred to) for the ensuing contract year shall be such amount, if any, as is agreed upon by the parties hereto, but if such amount is not agreed upon within a period of 15 days after notification of the disagreement, the amount thereof determined by arbitration in the manner provided in section 32 of exhibit G attached hereto within 30 days after the expiration of said 15-day period shall be so used. If the purchaser's estimate of the total minimum peaking requirements of the private utilities mentioned in said subsection (b) (1) is changed as aforesaid, the purchaser will, within 5 days thereafter, give written notice to the Administrator specifying another allocation in accordance with the provisions of subsection (b) (2).

(d) If the available supply of energy specified in any notice given pursuant to subsection (a) of this section is insufficient to enable the Government to supply the total estimated firm power requirements of the private utilities (determined as provided in subsection (a), or if necessary pursuant to subsection (c), of this section) for the ensuing contract year, the purchaser will give

to the Administrator, at least 60 days before the beginning of such year, written notice of allocation specifying therein the portions of the available supply of energy and peaking, respectively, to be made available to it during each month in such year. If such a notice of allocation is not so given for any contract year, or if the sum of the amounts specified by the private utilities exceeds the available supply of energy or peaking, respectively, the Administrator shall advocate the amounts which are to be made available to the purchaser and the other private utilities during each month in such year and, at least 45 days before the beginning of the ensuing contract year, shall give to each of the private utilities written notice of the amounts allocated to it. If the purchaser disagrees with the Administrator's allocation of such amount, he may submit such allocation for reconsideration by a disinterested arbiter chosen by mutual agreement of the private utilities. If the arbiter, at least two (2) days before the beginning of the ensuing contract year, gives the Administrator written notice of a revised allocation of amounts which in the aggregate do not exceed the available supply of energy or peaking, the arbiter's allocation shall be final. If such notice is not given, the Administrator's allocation shall be final.

After allocation to the purchaser (pursuant to the first paragraph of this subsection) of portions of the available supply of energy and peaking, respectively, for each month in such contract year, and after allocation to the purchaser (pursuant to subsection (b), or, if necessary, pursuant to subsection (c) of this section) of a portion of the total minimum peaking requirements of the private utilities for each month in such year, the Administrator will prepare the supply schedule for such year, which shall specify after each month in such year, (1) in columns 1 and 2 thereof, the portions of the available supply of energy and peaking, respectively, so allocated to the purchaser for such month; and (2) in column 3 thereof, the larger of: (A) the portion of the total minimum peaking requirements of the private utilities so allocated to the purchaser for such month, or (B) the number of kilowatts specified after such month in column 2 of such supply schedule.

After distribution among the months of such year (pursuant to subsection (b), or, if necessary, pursuant to subsection (c) of this section) of the amount of fuel-generated electric energy to be utilized by the private utilities, the Administrator will prepare the schedule of steam generation for such year which shall specify such distribution.

(e) If the available supply of energy and peaking specified in any notice given by the Administrator pursuant to subsection (a) of this section is sufficient to enable the Government to supply the total estimated firm power requirements of the private utilities for the ensuing contract year (determined as provided in subsection (a), or if necessary pursuant to subsection (c), of this section) no supply schedule will be prepared for such year, but the purchaser's estimated firm power requirements for such year, as so determined, shall be the purchaser's contract demand for such year.

(f) Prior to the beginning of the second contract year and of each contract year thereafter, the Administrator will, except as it is otherwise provided in subsection (g) of this section, prepare a supplemental agreement to be submitted to the parties hereto which shall make applicable to such contract year either the supply schedule or contract demand for such year, the schedule of steam generation for such year, and such other terms as have been agreed upon by the parties hereto.

(g) If the Administrator gives written notice to the purchaser in accordance with this subsection (g), the purchaser's contract demand for each month in the contract years specified in the notice shall, subject to section 7 (c) and 8 (d), be an amount which is equal to the larger of (1) the purchaser's largest measured or computed demand (as defined in sections 2.2 and 2.3, respectively, of exhibit F attached hereto) during the 12 months' period ending on the last day of such month, or (2) 80 percent of the largest contract demand of the purchaser during the period of 5 years ending on the last day of such month.

The Administrator shall not give written notice to the purchaser under this subsection (g) unless he gives a similar notice to each of the other private utilities and three or more contract years are specified in the notice. If such a notice is given, the subsections of this section 6 preceding this subsection (g) shall not apply with respect to the contract years specified in such notice.

7. Sale of power and amount sold:

(a) Subject to the other provisions contained herein, the Government will make available to the purchaser at one or more of the points of delivery described in, and subject to the applicable terms and provisions of, said contract No. Ibp-5975, and the purchaser shall purchase from the Government:

(1) during each month in each contract year for which the available supply of energy is insufficient to enable the Administrator to supply the total estimated firm power requirements of the private utilities for such contract year as provided in section 6 (e) hereof, the number of kilowatt-hours of electric energy specified after such month in column 1 of the supply schedule for such year; and such electric energy will be made available during such month as requested by the purchaser except that the Government will not be obligated to deliver such electric energy during any half-hour in such month at an integrated demand for such half-hour which is in excess of the number of kilowatts specified after such month in column 2 of such supply schedule;

(2) during each other contract year firm power in the amount of the purchaser's contract demand for such year determined as provided in section 6 (e) hereof; and

(3) during any day of the months referred to in subdivision (1) of this subsection, such amounts of electric energy (in addition to the amount specified after such month in column 1 of the supply schedule for such year) not exceeding (except as may be otherwise mutually agreed by the parties hereto) the amount specified in subsection (b) of this section, as the Administrator determines is available for disposition by him during such day after providing for public agency and industrial requirements; and such electric energy will be made available as requested by the purchaser except that the Administrator may restrict the integrated demand at which electric energy will be delivered under this section during any half-hour to such amount as he determines is necessary for proper operations, but such amount shall not be less than the number of kilowatts specified after such month in column 2 of the supply schedule for such year.

(b) The amount of electric energy referred to in subsection (a) (3) of this section shall be the number of kilowatt-hours obtained by subtracting from the total number of kilowatt-hours of electric energy required by the purchaser to supply the demands on its system during such day, the sum of the following kilowatt-hours which are usable to supply such demands during such day:

(1) the number of kilowatt-hours of electric energy which could be generated under prevailing water conditions by the hydroelectric generating facilities of the purchaser taking into account storage of water necessary for load protection;

(2) the number of kilowatt-hours of electric energy which the Government is obligated to make available to the purchaser pursuant to subsection (a) (1) of this section;

(3) the number of kilowatt-hours of electric energy, if any, which the Government is obligated to make available to the purchaser pursuant to all other firm-power contracts executed by the parties hereto;

(4) the number of kilowatt-hours of electric energy, if any, which suppliers other than the parties hereto are obligated to make available to the purchaser pursuant to firm power contracts;

(5) the number of kilowatt-hours obtained by multiplying the ratio of the purchaser's billing limit to the sum of the billing limits of the private utilities then in effect, by the larger of: (A) all additional hydroelectric energy acquired by the private utilities from others, or (B) all additional hydroelectric energy obtainable by the private utilities from others at a cost not in excess of the rate specified in Bonneville Wholesale Energy Rate Schedules H-3, a copy of which is attached hereto as exhibit K; and

(6) such part of the number of kilowatt-hours of electric energy shown after the appropriate month in the schedule of steam generation for such year as is specified by the Administrator: *Provided, however,* That the amount so specified by the Administrator shall not exceed the capability of the purchaser's station L: *Provided further,* That the total of the amounts so specified by the Administrator for the private utilities for any month shall not exceed the amount shown after such month in such schedule of steam generation.

(c) If the purchaser disposes of any portion of its distribution system after the Government has become obligated to supply the purchaser's firm power requirements, the purchaser's contract demand then in effect shall be reduced by the net reduction in load as defined in section 3 (m) hereof, at the request of either party. If the Government becomes obligated to supply the purchaser's firm power requirements during any contract year and any customer or customers terminate service by the purchaser and commence to take service from a public body or cooperative, during such period, the purchaser's contract demand then in effect shall be reduced by such amount as is agreed upon by the parties, upon request of the purchaser, but if the parties fail to agree the matter will be settled by arbitration as provided in section 32 of exhibit G attached hereto.

8. Payment for power sold:

(a) Subject to the other provisions contained herein, the purchaser shall pay the Administrator for the electric energy made available hereunder during each month in each contract year specified in section 7 (a) (1) hereof at the rate of (1) one-twelfth of $17.50 (which is the rate specified in Bonneville Wholesale Power Rate Schedule C-4, a copy of which is attached hereto as exhibit D) per kilowatt of billing demand for energy for such month, determining as provided in subsection (b) or (c) of this section, and (2) $0.75 (which is the demand charge specified in Bonneville wholesale power rate schedule F-4, a copy of which is attached hereto as exhibit E) per kilowatt of billing demand for peaking for such months, if any, determined as provided in subsection (c) of this section.

The purchaser shall make the payments required by this subsection in accordance with the terms of the general rate schedule provisions (effective April 1, 1948, as amended, which are attached hereto as exhibit F) to the extent that they are not inconsistent with this subsection.

Sections 15 and 16 of the general contract provisions attached hereto as exhibit G shall apply to any changes in the amounts specified in this subsection and said exhibits D and E until December 19, 1959.

The purchaser shall pay the Administrator for the electric energy made available hereunder during each month in the remainder of the term hereof commencing on December 20, 1950, at the rate specified in any rate schedule available at the end of such month under new contracts for service of the class, quality, and type provided for herein, and in accordance with the terms thereof and the general rate schedule provisions incorporated or referred to in such rate schedule: *Provided, however,* That if more than one rate schedule for such service is available at the end of such month, the purchaser shall determine which of the several rate schedules shall then apply hereunder: *Provided, further,* That if a rate in excess of the rate in effect on December 19, 1950, becomes effective hereunder pursuant to this subsection (a) the purchaser may, by giving written notice to the Administrator at any time within 60 days from the time such increased rate becomes effective, terminate this contract at such time after said notice is given as is therein specified.

(b) If deliveries of electric energy to the purchaser during any month in any contract year specified in subsection (a) of this section are not restricted by the Administrator to an amount which is less than the amount specified in section 7 (b), and if there is no restriction by the Administrator of the integrated demand at which electric energy is delivered to the purchaser during any half hour in such month to an amount which is less than the billing limit (as defined in sec. 2 (i) hereof) for such month, the billing demand for energy for such month shall be the billing limit for such month, and there shall be no billing demand for peaking for such month.

(c) If deliveries of electric energy to the purchaser during any month in any contract year specified in subsection (a) of this section are restricted by the Administrator to an amount which is less than the amount specified in section 7 (b), or if the integrated demand at which electric energy is delivered to the purchaser during any half hour in such month is restricted by the Administrator to an amount which is less than the billing limit for such month:

(1) the "billing demand for energy" for such month shall be the number of kilowatts determined (by using the energy delivered at scheduled demands equal to or less than the billing limit) in the manner illustrated in detail by the calculation attached hereto as Exhibit I, and graphically illustrated by the chart attached hereto as Exhibit J; and

(2) the "billing demand for peaking" for such month shall be not less than the excess of the number of kilowatts specified after such month in column 2 of the Supply Schedule for such year over the billing demands for energy for such month, but otherwise shall be the smallest of: (A) such billing demand for energy, (B) the excess of the billing limit for such month over such billing demand for energy, or (C) the excess over such billing demand for energy of the smallest number of kilowatts to which the integrated demand for any half-hour is so restricted during such month pursuant to said section 7 (a) (3).

(d) Subject to the other provisions contained herein, the purchaser shall pay the Administrator for the firm power made available hereunder during each contract year specified in section 7 (a) (2) hereof at the rate specified in said exhibit D and in accordance with the terms thereof and the terms of said exhibit F.

If a contract demand is not in effect hereunder during the immediately preceding contract year, all measured and computed demands during such immediately preceding year shall be disregarded in determining the billing demand under said exhibit F.

If additional "generating capacity (including assured capacity purchased or leased from others)" becomes available to the purchaser during any contract year specified in section 7 (a) (2) hereof, as the result of additional storage or otherwise, and such additional generating capacity was not included as a part of the purchaser's total generating capacity in determining the purchaser's firm-power requirements for such year pursuant to section 6 hereof, and if the purchaser has notified the Administrator of its intent to acquire such additional generating capacity at least two (2) years before it becomes available to the purchaser:

(1) the purchaser's contract demand for such year shall be reduced, effective when such additional generating capacity becomes available to the purchaser, by the amount of such additional generating capacity less such reserve as is mutually agreed upon, or as is determined by arbitration in the manner specified in section 32 of exhibit G attached hereto, if the parties do not agree on such reserve; and

(2) all measured and computed demands of the purchaser prior to such reduction shall, for the purpose of computing the charges due hereunder for each month after such reduction, be reduced by the amount of such reduction.

(e) The amount by which the purchaser's 30-minute system load exceeds the load which could have been carried by the purchaser's generating capacity will be calculated for each of three periods in each month:

(1) in accordance with the provisions contained in section 2.3 of said exhibit F;

(2) in accordance with the principles and procedures to be followed in the calculation of computed demand, a copy of which is attached hereto as exhibit H and made a part of this contract; and

(3) by using as the "reserve generating capacity" (mentioned in clause "(b)" of said section 2.3 of said exhibit F) such percentage of the entire capacity of the purchaser's generating facilities as is mutually agreed upon, or as is determined by arbitration in the manner provided in section 32 of exhibit G, attached hereto, if the parties do not agree on such reserve.

The largest of the three amounts so calculated shall be the purchaser's "computed demand" for such month.

(f) In addition to the amounts to be paid by the purchaser pursuant to subsections (a) or (d) of this section, and as an adjustment for the diversity in the flow of electric energy at the several points of delivery, the purchaser will pay, for each month in the term hereof and at the time the payment for such month under subsection (a) or (d) is due, $0.01185 per kilowatt of billing demand for energy and billing demand for peaking for such month, or the purchaser's contract demand, if any, in effect during such month.

If changes in conditions hereafter occur which affect the diversity in the flow of electric energy at the several points of delivery, the charge specified in the immediately preceding paragraph shall be changed to conform with such changes in conditions. If the parties do not agree as to what constitutes such a change in conditions or on the change to be made in such charge, the matter will be settled by arbitration in the manner provided in section 32 of exhibit G attached hereto.

(g) If the Government delivers electric energy to the purchaser during any half-hour in any month specified in subsection (a) of this section at an integrated demand for such half-hour which is in excess of the billing limit for such month, the number of kilowatt-hours represented by such excess (i. e., one-half of such excess integrated demand) shall be deemed to be excess energy and shall be credited to the Government in the exchange energy account established by said contract No. Ibp-5975. Any dump or emergency energy delivered hereunder, determined as provided in section 14 of exhibit G attached hereto, shall also be credited to the Government in such exchange energy account.

(h) Pursuant to section 5 of exhibit G attached hereto, the purchaser will prepare and deliver to the Administrator within 10 days after the end of each month of each contract year specified in section 7 (a) (2) hereof, such information as may be required to enable the Administrator to calculate the purchaser's computed demand for such month.

The purchaser will also prepare and deliver to the Administrator within 10 days after the end of each month during which deliveries are restricted as provided in section 8 (c) of each other contract year a tabulation showing for each hour in such month the integrated demand on the purchaser's system, including all deliveries for the account of the Government, the integrated demand at which electric energy is delivered to each utility which is not dependent upon the purchaser for the major part of its electric energy requirements, and the amount of uncontrolled energy in each hour, which shall be the sum of the following:

(1) The amount of electric energy generated during such hour by all the purchaser's hydroelectric generating facilities from streamflows which it is estimated would otherwise be wasted;

(2) the amount of electric energy generated during such hour by such generating facilities from storage water withdrawn from the purchaser's reservoirs which it is estimated would otherwise be wasted;

(3) the amount of electric energy delivered to the purchaser during such hour and which is generated by other suppliers by using water owned by the purchaser in storage reservoirs of such suppliers and which it is estimated would otherwise be wasted;

(4) the amount of electric energy generated during such hour by stream-generating facilities of the purchaser which are being operated for a spinning reserve;

(5) the amount of electric energy delivered to the purchaser during such hour pursuant to firm purchase obligations other than that contained herein; and

(6) the amount of electric energy delivered to the purchaser during such hour by the Government to replace the electric energy delivered by the purchaser pursuant to the terms of any transfer agreement of the parties hereto.

If the Administrator does not agree that any amount, shown in the information submitted pursuant to this subsection, is correct and the parties do not thereafter agree to such amount, the matter shall be settled by arbitration in the manner provided in section 32 of Exhibit G attached hereto.

9. Power factor: It will not be practicable to measure the average power factor at which electric energy is delivered to the purchaser hereunder because of the interconnection of the systems of the various privately owned utilities in the Northwest, and for billing purposes it will be assumed that electric energy has been delivered to the purchaser hereunder at an average power factor of 0.85 or more. However, during the contract years specified in section 7 (a) (1) hereof, the purchaser will use due diligence so to operate its system as to be capable of supplying its own requirements of reactive power and will do so to such extent as is consistent with the operation of the interconnected systems of the region. If the purchaser fails to supply its entire requirements of reactive power, as determined by tests made under maximum load conditions, during any period specified in said section 7 (a) (1), the Government shall not be obligated to supply the entire amounts of electric energy therein stated, but shall be obligated to supply during such period only such part thereof as is reasonably practicable (in view of the Government's obligations to

deliver electric energy to other purchasers under the then existing conditions).

10. General provisions: The general contract provisions (GCP form POU–8), attached hereto as exhibit G, are hereby made a part of this contract, except that section 16 of said exhibit G shall be applicable only until 12 p. m. on December 19, 1959.

11. Resale rate regulation:

(a) The purchaser shall deliver to the Administrator schedules of all its rates and charges for electric service now in effect and such alterations and changes therein as may become effective, and the Administrator shall keep them on file in this office.

(b) If the Administrator is supplying the firm power requirements of the purchaser and determines that its rates are not reasonable and nondiscriminatory, he may negotiate with the purchaser to agree on changes. If no agreement is reached, the Administrator may cancel the contract on 4 years' notice. Upon receipt of cancellation notice by the Administrator, the purchaser shall have the right to have the action of the Administrator reviewed by the United States District Court for the District of Oregon, to determine if such rates and charges are in fact unreasonable and discriminatory.

12. Resale to other utilities:

(a) The purchaser will not sell electric energy to utilities not dependent on the purchaser for the major part of their electric energy requirements, except the electric energy generated in the purchaser's fuel-fired electric generating plants in excess of the amount generated for its own use, and except electric energy generated in the purchaser's hydroelectric plants as follows:

(1) During the months of April, May, June, and July of each year, electric energy generated from the excess of the current streamflows over those required: (A) to refill the purchaser's reservoirs on a schedule which will assure that each reservoir will be full on or before August 1 of such year, without depending on purchases of electric energy other than firm power, and (B) to generate the electric energy requirements of the purchaser's system not exceeding the equivalent of the average assured capability of the purchaser's hydroelectric plants during the period embracing all other months of the year; and

(2) During each other month of such year, electric energy generated from streamflows in excess of streamflows in the corresponding month of the 12 months' period commencing July 1, 1936, and from any accumulation of such excess streamflows then in storage in the purchaser's reservoirs or elsewhere.

(b) The amount of any electric energy sold by the purchaser in accordance with subsection (a) of this section during any month specified in section 7 (a) (2) hereof will be disregarded in determining the purchaser's 30-minute system load to be used in computing the charges due hereunder for such month.

(c) No part of the electric energy sold by the purchaser in accordance with subsection (a) of this section shall be delivered at such time as to increase the purchaser's maximum system demand for any month in the term hereof unless it is otherwise agreed by the dispatchers of the parties hereto.

(d) The purchaser will furnish to the Administrator, in accordance with section 5 of exhibit G attached hereto, such information as he requests and which is reasonably required to determine whether or not the purchaser is complying with the provisions of this section.

(e) If the purchaser delivers to any such utility during any month in the term hereof any electric energy other than energy available for such resale in accordance with subsection (a) of this section, the amount of electric energy so delivered shall be deemed to have been supplied by the Government to the purchaser and shall be credited to the Government in the exchange account established by said contract No. Ibp–5975.

(f) The inclusion of this section is not intended to have the effect of interfering with the construction of new generating facilities by the purchaser. Accordingly, it is the intention of the parties hereto to negotiate in good faith for the modification of this section if such modification is reasonably necessary to aid in the financing by the purchaser of additional generating facilities.

13. Joint studies and negotiations:

(a) Representatives of the parties hereto will collaborate in joint studies from time to time to forecast the power requirements of the purchaser to be supplied hereunder and to plan the facilities required to assure the most efficient mutual operations.

(b) If any statute (including the Bonneville Project Act), Executive Order, or order of the Secretary of the Interior, which applies to the disposition of any electric energy amended at any time during the term hereof, by the Administrator is promulgated or amended at any time during the term hereof, the parties hereto, at the request of either, shall negotiate in good faith to amend this contract to conform it with the applicable statutes and orders as they exist after such amendment.

(c) If any power sales contract hereafter executed by the Administrator and any other customer contains more favorable terms or provisions than those contained herein, the parties hereto, at the request of the purchaser, shall negotiate in good faith to amend this contract to incorporate herein such more favorable terms or provisions: *Provided, however,* That this subsection (c) shall not be deemed to require the Administrator to negotiate regarding the inclusion of any provision which he determines cannot be performed by the Government, or which in his opinion would be inconsistent with any other contract or with the statutes, rules and regulations governing the disposition of electric energy by him.

14. Approval of contract: This contract shall not be binding upon the parties hereto until it has been approved by the Secretary of the Interior, and until the rates and charges herein contained are approved by the Federal Power Commission, but when so approved shall be effective as of 12 p. m. on the date this contract is executed.

In witness whereof, the parties hereto have executed this agreement in several counterparts.

UNITED STATES OF AMERICA,
DEPARTMENT OF THE INTERIOR,
By _____
Bonneville Power Administrator.
PORTLAND GENERAL ELECTRIC CO.,
By _____

The PRESIDING OFFICER. Does the Senator from Tennessee yield the floor?

Mr. KEFAUVER. I do, Mr. President.

RECESS TO MONDAY

The PRESIDING OFFICER. Pursuant to the order previously entered, the Senate now stands in recess until 12 o'clock noon, on Monday next.

Thereupon (at 7 o'clock and 37 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until Monday, June 22, 1953, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 18 (legislative day of June 8), 1953:

SUBVERSIVE ACTIVITIES CONTROL BOARD

Harry P. Cain, of Washington, to be a member of the Subversive Activities Control Board, for a term of 3 years, expiring August 9, 1956. (Reappointment.)

OFFICE OF EDUCATION

Lee Mohrmann Thurston, of Michigan, to be United States Commissioner of Education.

UNITED STATES MARSHALS

Emerson Perrell Ridgeway, of Florida, to be United States marshal for the northern district of Florida, vice Edgar W. Scarborough, resigning.

William W. Kipp, Sr., of Illinois, to be United States marshal for the northern district of Illinois, vice Thomas P. O'Donovan, deceased.

DEPARTMENT OF THE NAVY

CHIEF OF THE BUREAU OF AERONAUTICS

Rear Adm. Apollo Soucek, United States Navy, to be Chief of the Bureau of Aeronautics in the Department of the Navy for a term of 4 years.

IN THE NAVY

Vice Adm. Felix B. Stump, United States Navy, to have the grade, rank, pay, and allowances of an admiral while serving as commander in chief, Pacific, and commander in chief, United States Pacific Fleet.

Rear Adm. Thomas S. Combs, United States Navy, to have the grade, rank, pay, and allowances of a vice admiral while serving as a fleet commander.

William A. Gureck, midshipman (Aviation), to be an ensign in the Navy.

Floyd W. Emanuel (Naval Reserve Officers' Training Corps), to be an ensign in the Navy, subject to qualification therefor as provided by law.

The following-named (Naval Reserve Officers' Training Corps) for permanent appointment to the grade of second lieutenant in the Marine Corps:

Lewis W. Jarman
Carl Schwartz

The following-named (Army Reserve Officers' Training Corps), for permanent appointment to the grade of second lieutenant in the Marine Corps:

Richard C. Meichel
Albert R. Saunders, Jr.
Walter W. Shorter

The following-named officers for permanent appointment to the grade of second lieutenant in the Marine Corps:

Francis O. Affeld IV	Walter J. Henderson
James F. Aycock	Robert J. Henley
Leo P. Bailey, Jr.	John D. Hissong
Andrew D. Beach	Joseph D. Jackson
Kenneth H. Berthoud	Franklin H. Jones, Jr.
George E. Bivens	Therin H. Jones
George E. Blackstone, Jr.	Albert W. Keller
Robert D. Boles	Milton C. Kramer
James J. Brennan	Alphonse A. Laporte, Jr.
Henry M. Bridges	Eugene H. McCauley, Jr.
Larry R. Butler	Robert H. Meier
Wiley R. Cable	Raymond O. Miller
Raymond A. Carey	Edward B. Moore, Jr.
Howard E. Carr, Jr.	Vern E. Munhett
David D. Centola	James K. O'Rourke
Larry P. Charon	Donald P. Ostlund
Willard E. Cheatham	Elmer S. Payne
Richard L. Coughlin	Charles H. Phelps, Jr.
Albert L. Cull	Bernard P. Phillips
Will C. Cuppy, Jr.	George W. Pinfield, Jr.
Roland H. Dean	Walter S. Pullar, Jr.
Clyde S. DeLong, Jr.	James P. Riseley, Jr.
George J. DeLong	Morris G. Robbins
Robert P. Dore	Richard T. Roberts
Herbert W. Drescher	Duncan J. Robertson
Norman B. Fear, Jr.	Edward R. Root
Gerit L. Fenenga	Alfred W. Ruete, Jr.
Harold J. Field, Jr.	Robert L. Ryan, Jr.
Harlan C. Flinner	Edward J. Schaub
John W. Florence	Jack E. Schlarp
Lester M. Fulcher	Robert H. Schultz
William M. Galloway	Mitchell J. Serven
Robert B. Gantt	Leonard G. Severin
Bronislaus A. Gill	Alan E. Skagerberg
John P. Gillen	Donovan C. Strickland
Michael J. Gott	
Thomas E. Graney	
John G. Gray	

Billy D. Thornbury	Robert E. Wander
William L. Threlfall	Jay H. Wenrich
Donald B. Townsend	Willard J. Woodring,
Joseph A. Urban	Jr.
Kenneth D. Vanek	

The following-named officers to be lieutenants (junior grade) in the Chaplain Corps in the Navy:

Martin J. Doermann
Gordon H. Griffin

The following-named to be ensigns in the line in the Navy, subject to qualification therefor as provided by law:

Frederick J. Blum III	William T. Hollenbach
Lawrence Boncer	Malcolm L. Huffman
Robert T. Carteretta	Allen S. Jefferis
Arthur W. Cooley	Alfred G. Kelley, Jr.
Douglas L. Crinklaw	Jerry D. Lafferty
Walter C. Deal, Jr.	Ernest E. Laib, Jr.
Charles C. Denman, Jr.	Clarke E. Lants
	Joseph J. McGovern
William W. Ferguson	Jack V. McKee
Robert K. Fisher	George R. Mead
Gordon W. Friedel	Stuart T. Meredith
Harvey E. Gardner	Richard L. Perkins
Charles E. Gibbs, Jr.	William F. Reilly
Halbert G. Gillette	James H. Reynolds
John R. Goodrich	Dale G. Schuster
John P. Hall	Herman A. Seeba
Rodney V. Hansen	Conard L. Seymour
Albertlea Hanson	George C. Simpkins
Paul R. Heise	James H. Smith
Nathan S. Henderson, Jr.	Joseph J. Wachtel
	James B. Wheeler
Ray A. Hobgood	Ralph T. Williams

Austin E. O'Toole, to be ensign in the line (Aviation) in the Navy, subject to qualification therefor as provided by law.

The following-named to be ensigns in the Supply Corps in the Navy, subject to qualification therefor as provided by law:

Ernest B. Coleman	Alva F. Jordan, Jr.
George V. Hemmert	Nelson S. Larson
William J. Hodges	

The following-named officers for permanent appointment to the grade of first lieutenant in the Marine Corps:

John E. Baxter	Russell W. McNutt
William W. Campbell	Wilfred C. Nicholas
Robert W. Cooney	Owen L. Owens
Orie E. Cory	Albert R. Pytko
Thomas M. Elliott	James B. Seaman
Olin V. Hoffman, Jr.	Luther S. Smith, Jr.
Robert L. Kletzker	Russell E. Tanner
Thaddeus Kolankiewicz	William T. Wallace
	David Y. Westling
Herbert V. Lundin	Charles F. Whitehead,
Fredic Massena	Jr.
Paul G. McClanahan	

John R. Collin, officer, for permanent appointment to the grade of second lieutenant in the Marine Corps.

The following-named to be ensigns in the line in the Navy, for limited duty only, classification "deck," subject to qualification therefor as provided by law:

Lynn R. Clark	James C. Peeler
Donald H. Dowds	Raymond B. Prell
Bernard A. Duffy	John L. Preston
Kenneth N. Holt	Jack M. Reid
James W. Hodges, Jr.	Clarence H. Smitter
Paul E. Kane	Harris E. Steinke
William R. Knapp	Edward C. Walshe, Jr.
Charles N. Osborne	

The following-named to be ensigns in the line in the Navy, for limited duty only, classification "ordnance," subject to qualification therefore as provided by law:

Robert E. Byrnes	Clovis K. McDonald
Joseph M. Callaghan	James H. Manion
Claire V. Chesley, Jr.	Edward K. Markley
Eugene A. Culver	William E. Medinger
Elmer C. Froewiss	Andrew T. J. Nutter
Roy E. Lanphear	Joseph Pestcoe

The following-named to be ensigns in the line in the Navy, for limited duty only, classification "administration," subject to qualification therefor as provided by law:

Paul F. Bodling, Jr.	Harry E. Howell
Kermit E. Dearman	Gayle Ramsey
John P. Elmore, Jr.	Douglas I. Smiley
Edward V. English	John D. Thomas
Boyce "D" Evans	David W. Williams
James J. Holian	James B. Williams
John S. Hoover	

The following-named to be ensigns in the line in the Navy, for limited duty only, classification "engineering," subject to qualification therefor as provided by law:

Robert C. Alexander	Robert E. Kutzleb
Donald L. Alldredge	Donald A. Langer
Leonard F. Bathel	William B. Latham
Jack G. Belton	Arthur J. Meacham
James K. Berger	Carroll K. Mitchell
Walter J. Blaszcak	Robert D. Morris
Paul E. Camplin	Irvin R. Moss
Edwin B. Clark	Gordon F. Murphy
Albert E. Ferguson	James C. Schasteen
Allen W. Helmandollar	David H. Stewart
John R. Henley	Jacob L. Van der
Elbert R. Holland	Coore
Llewellyn E. Jalbert	

The following-named to be ensigns in the line in the Navy, for limited duty only, classification "hull," subject to qualification therefor as provided by law:

Leonard "C" Ash	John G. Dolan
William A. Bullock	Edward C. Fitzpatrick
George R. Cammer	Thomas M. Moran
Alexis N. Charest	

The following-named to be ensigns in the line in the Navy, for limited duty only, classification "electronics," subject to qualification therefor as provided by law:

George E. Bein	John H. Larsen
Albert Chisum, Jr.	Stanford E. Lichlyter
Thomas G. Clinton	William A. Meador
Fayne E. Curtis	Harold L. Olsen
Dion G. B. deBit	Charles F. Skillman
Forrest J. Godfrey	Orville A. Smullen, Jr.
Robert W. Goodreau	Wilmer E. Walker
Frederick M. Hollen	

The following-named to be ensigns in the line in the Navy, for limited duty only, classification "aviation operations," subject to qualification therefor as provided by law:

Roy L. Judd	John A. O'Shea, Jr.
James D. Mullins	Henry L. Wittrock

The following-named to be ensigns in the line in the Navy, for limited duty only, classification "aviation ordnance," subject to qualification therefor as provided by law:

John C. Thomas
George H. Waters

The following-named to be ensigns in the line in the Navy, for limited duty only, classification "aviation engineering," subject to qualification therefor as provided by law:

Robert J. Brunskill	Richard G. Rieken
Robert T. Check	Walter P. Schmidt
Walter J. Davis	John J. Snee
Edmund F. Foley	Donald C. Walrath
Billy D. Jamison	Harry H. Williamson,
Virgil J. Lemmon	Jr.
Merle E. Mills	William P. Wright, Jr.

The following-named to be ensigns in the line in the Navy, for limited duty only, classification "aviation electronics," subject to qualification therefor as provided by law:

Leonard B. Crane, Jr.	Frederick E. Groesert
William T. Dickson	Grant "W" Miller
Ralph L. Gordon	

The following-named to be ensigns in the Supply Corps in the Navy for limited duty only, subject to qualification therefor as provided by law:

James L. Avary	Walter P. Merrick
Purnel L. Collicott	Bayard A. Taylor, Jr.
William I. Davidson	Harry M. Volkmann
Delbert L. Faust	Lee Wood, Jr.
Alfred J. Purnweger	

The following-named to be ensigns in the Civil Engineer Corps in the Navy, for limited duty only, subject to qualification therefor as provided by law:

Loney L. Blough
Oscar F. Parrish, Jr.
William C. Pinch

IN THE MARINE CORPS

The following-named officers of the Marine Corps for permanent appointment to the grade of colonel:

Michael S. Currin	Frederick E. Leek
Leonard K. Davis	William R. Wendt
Elmer T. Dorsey	Robert A. McGill
Earl A. Sneeringer	James M. Clark
Merlyn D. Holmes	Peter J. Speckman
Lewis J. Fields	Roy L. Kline
Harvey S. Walseth	Odell M. Conoley
Bruce T. Hemphill	Louis C. Reinberg
Edward P. Pennebaker, Jr.	William W. Buchanan
	Jack Tabor
Wallace M. Nelson	Joseph N. Renner
Leonard F. Chapman, Jr.	William R. Collins
	Norman VanDam
John E. Weber	Herbert H. Williamson
Gallais E. Matheny	
Herman Nickerson, Jr.	John C. Miller, Jr.
Richard H. Crockett	Charles S. Todd
George A. Roll	Thomas S. Ivey
Floyd R. Moore	Joseph L. Winecoff
Marshall A. Tyler	William G. Robb
Marvin H. Floom	Ralph L. Houser
Richard E. Thompson	Robert C. Burns
Willard C. Fiske	Arthur A. Chidester
Robert C. Walton	Reed M. Fawell, Jr.
Stanley W. Trachta	Arthur J. Davis
Carey A. Randall	Wendell H. Duplantis
Ronald B. Wilde	Joseph R. Little, Jr.
William S. McCormick	Lawrence H. McCulley
William J. Van Ryzin	Fenwick N. Reeve
Albert F. Metze	Alexander A. Vandegrift, Jr.
Joe C. McHaney	
Gould P. Groves	George W. Hays
Donn C. Hart	"A" "E" Dubber
Wilmer E. Barnes	Paul R. Tyler
Kenyth A. Damke	Edmund M. Williams
Raymond L. Murray	Philip W. John
John S. Oldfield	Harold B. Meek
Kenneth A. Jorgensen	Rathvon M. Tompkins
Alexander B. Swencaski	Charles M. Nees
	Glenn D. Morgan
Hoyt Mcmillan	George B. Bell
Peter J. Negri	Andrew B. Galatian, Jr.
Frank P. Hager, Jr.	
Elmer E. Brackett, Jr.	Frederick R. Dowsett
William T. Fairbourn	Elby D. Martin, Jr.
Custis Burton, Jr.	Richard W. Wallace
Clayton O. Totman	John H. Masters
Bruno A. Hochmuth	Harrison Brent, Jr.
Thomas P. Riley	William F. Kramer
Frederick P. Henderson	Louis B. Robertshaw
	William D. Roberson
Donald J. Decker	Maynard M. Nohrden
Michael Sampas	Richard Rothwell

The following-named officers of the Marine Corps for permanent appointment to the grade of lieutenant colonel:

John B. Sweeney	James E. Herbold, Jr.
Grant S. Bare	John S. Hudson
Harry S. Popper, Jr.	Meryl P. Kurr
William T. Bray	Webb D. Sawyer
Quintin A. Bradley	Samuel L. Grigsby
George D. Webster	Winston E. Jewson
Carl M. Johnson	James T. Kisgen
George F. Vaughan	Robert A. Campbell
Henry S. Campbell	George E. Moore
David M. Danser	Donald E. Noll
James G. Brady	Edward R. Gilbert
Harry W. Edwards	William P. Oliver, Jr.
James P. Rathbun	Maxie R. Williams
Arthur J. Rauchle	Peter I. Olson
Edward J. Doyle	Harry D. Pratt
Wilbur R. Helmer	Theodore A. Demosthenes
Paul H. Millichap	
Edward P. Dupras, Jr.	Sherman W. Parry
Louis C. Griffin	Frank A. Long
Houston Stiff	Robert T. Neal

Richard G. Warga
Kenneth N. Hilton
Joseph C. Missar
Charles E. Dobson, Jr.
Raymond C. Portillo
Edward G. Roff, Jr.
Walter M. Caulfield
Arnold W. Harris
Stanley M. Adams
John P. Wilbern
Raymond G. Coyne
Leonard D. Reid
Milton G. Cokin
Howard E. Wertman
Sidney J. Altman
Harry O. Buzhardt
James A. Feeley, Jr.
John R. Spooner
Joseph H. Elliott, Jr.
James T. McDaniel
Robert P. Keller
Donald H. Sapp
Richard M. Caldwell
Alan J. Armstrong
Robert E. Cameron
Foster C. LaHue
Donald S. Bush

The following named officers of the Marine Corps for permanent appointment to the grade of major:

David W. Schumaker
George E. Jerue
Thomas A. Manion
Don W. Galbreaith
Edward E. Hammerbeck
Mitchell O. Sadler
James R. Earbour
Raymond J. Fenling
Ephraim Kirby-Smith
Paul R. Nugent
John Lemay, Jr.
Thurman L. Perkins
Murray M. Staples
Corbin L. West
Richard C. Peck
Richard P. Dyer
Joseph B. Motelewski
Francis I. Fenton, Jr.
Mitchell Paige
Neil M. Hansen
John V. Huff
Joseph C. Fegan, Jr.
John D. Curd
Julius F. Koetsch
Neely D. Butler, Jr.
Robert "F" Foxworth
Theodore R. Boutwell
Emmett O. Anglin, Jr.
William I. Taylor
Edwin J. Hernan, Jr.
Earle P. Carey
Robert D. Morris
Robert E. Brant
Emmett R. Hiller
Leo B. Shinn
Frederick C. Dodson
Nicholas L. Shields
Russell E. Corey
Hoyt C. Duncan, Jr.
Edward R. Messer
Franklin J. Harte
Louis L. Ball
David W. Banks
Richard C. Smith
Edward H. Pesely
Nels E. Anderson
William O. Cain, Jr.
Richard L. Moore
Leslie E. Brown
Jay W. Hubbard
William F. Lane
Wilbur J. Buss
Richard C. Bryson
John M. Barclay
Bruce F. Williams
Walter E. Stuenkel
Charles J. Dyer
William J. Zaro
Rufus B. Thompson, Jr.
William M. Graham, Jr.
William P. Nesbit
Roland H. Makowski
Edward H. Greason
James P. Young, Jr.
William H. Clark
Harry L. Givens, Jr.
Frank R. Berrar
Frederick W. Baker, Jr.
Charles M. Greene, Jr.
Ray O. Larsen
Edward L. Possum
Adolph J. Honeycutt
Gale B. Gibson
Herbert A. Robinson
Claude R. LaPlant
Richard A. Brenneman
David E. Lownds
Gilbert D. Bradley
Robert M. Krippner
William K. White
Joseph E. LoPrete
Ralph H. Pratt
William P. Vaughan
Benson A. Bowditch
Albert S. Dooley, Jr.
Clyde S. Stewart
Wesley W. Hazlett
Wiley A. Green
Anthony R. Nollet
Marion C. Dalby
Floyd G. Phillips
Harold L. Honnold, Jr.
John E. Cosgriff
Walter A. Petersen
Theodore J. Horner
Charles "E" Cornwell
Robert M. Ervin
Dennis D. Nicholson, Jr.
Richard N. Aufmann
William T. Westmoreland, Jr.
Peter J. Mulroney
Paul C. Scofield
Francis P. Wilson
William E. Antley, Jr.
Eric R. Haars
Charles E. Walker
Thomas N. Greene
Jack R. Jones
Maximillian N. Brinkman
Albert L. Williams
Quentin V. Earl
John J. Meek
Francis X. Rudenauer
Leslie F. Fultz
Lloyd L. Willis
Gordon Matthew
Herbert E. Ing, Jr.
Jerome D. Gordon
Eugene L. Hamon
Thurston B. Stidham
William D. Heier
Phillip C. Delong
Edwin A. Harper
John J. Reber
Robert A. Strieby
Lionel D. Hastings
Zigmund J. Radolinski
William G. MacLean, Jr.
Ralph H. Lewis
Summerfield M. Taylor, Jr.
Frederick "E" Hughes
John P. Coffey
George E. Kittredge, Jr.
William F. Fry
John Meeko
Anthony J. Castagna

The following-named officers of the Marine Corps for permanent appointment to the grade of major for limited duty:

Ronald J. Nourse
Ben Sutts
Howard H. Parker
Harold M. Tupper
Frank J. Cermak
Frank C. Sheppard
William B. Richards

The following-named officers of the Marine Corps for permanent appointment to the grade of captain:

Joseph S. Heitzler
Arthur T. Hill
Richard H. Fairchild
Wilbourn Waller
Edward A. Koster
Joseph J. Kelly
Eldon C. Stanton
Thomas A. James
Leo R. Jillisky
Howard Wolf
Arthur F. Shupe
Eugene M. Oster
Wayne R. Johnson
James R. Jones
Jack K. Knocke
Byron J. Melancon
Clarence M. Hurst
Rex A. White
Max F. Brumfield
Joseph O. Compton, Jr.
Patrick D. Boyle
Arthur W. Latta, Jr.
Fred F. Eubanks, Jr.
Adlin P. Daigle
Francis K. Tomlinson, Jr.
George Kuprash
Frank S. Crawford
James Leon
Ted J. Foster
William D. Watson
Donald H. Edwards
Ray Connelly
Kenneth G. Hadcock
Nelson E. Brown
Harold L. Green
Lloyd F. Childers
James W. Smith
Billie "E" Loos
John Browne
John P. Baden
Herman L. Mixson
William G. Carter
Gerald C. Armstrong
George L. Davis, Jr.
William H. MacCormack
Breen G. Lansford
Richard P. Greene
William G. Joslyn
Ben C. Porter
John S. Alexander
William A. Mazzarella
Joe B. Crownover
Dene T. Harp
Eugene W. Gleason
John E. Quay, Jr.
Francis W. Vaught
Paul G. Graham
Edgar F. Remington
John E. McVey
John L. Scott
Drury W. Wood, Jr.
Elbert F. Price
Thomas L. Cobb
Ted H. Collins
Gordon R. Squires
Joseph W. Krewer
John J. Murphy
Robert D. Slay
Richard W. Benton
Harold F. Keller
Robert L. Parnell, Jr.
McDonald D. Tweed
James B. Turner, Jr.
Loren W. Calhoun
Daniel A. Casey, Jr.
William F. Harrell
Harvey L. Jensen
Truman Clark
Vincent J. Marzelo
Thomas H. Nichols, Jr.
Louis J. McGowan
James S. McAlister
Thomas W. Clarke
Joseph A. Nelson
Rocco D. Bianchi
Robert V. Anderson
William L. Hall
Charles H. Watkins, Jr.
Chester M. Lupushansky
Samuel B. Burnett
Edgar D. Pitman
Landon E. Christian
David M. Bidwell
Harry Hunter, Jr.
Donald R. Dempster
Cecil L. Champion, Jr.
Ross R. Miner
Eraine M. Patrias
Joseph DiFrank, Jr.
Kenneth J. Conklin
Richard J. Feilingham
Walter E. Sparling
Paul L. Hitchcock
William R. Quinn
Joseph L. Wosser, Jr.
Stanley G. Dunwiddie, Jr.
Jack G. Kelly
Elwin M. Jones
Julian G. Bass, Jr.
Daniel A. Somerville
Emanuel R. Amann
Dale Gutshall
Robert B. Lipscombe, Jr.
George R. Pillon
Charles N. Sims, Jr.
James T. Doswell II
Reed T. King
George T. Keys
Jeremiah D. Shanahan
Paul T. Wiedenkeller
Leslie W. Bays
Leo Gerlach
Bobby Carter
Donald R. Harris, Jr.
Roy E. Oliver
Jerome J. C. Beau
Edward E. Kaufer
Nathan A. Smith
Eugene V. Pointer
Eugenous M. Hovatter
Howard S. Bolton
Robert D. Bohn
Ermel D. Bowen
Leo G. Wears
Matthew A. Clary, Jr.
Lawrence C. Switzer, Jr.
John F. LaSpada
William E. Barrineau
Ralph A. Heywood
Edward D. Murray
Walter C. Kirk
Frank L. Straner
William K. Dormady
Gordon K. Jackson
Donald L. Galbraith
Theodore A. Stawicki
Oscar H. Kirsch
Wilbur C. Kellogg, Jr.
Roland R. Miller
James W. Shank
Norman Vining
Lloyd J. Engelhardt
Clement T. Corcoran
Joseph W. Luker
Thomas A. White
Ardath C. Smith
Eugene W. Derrickson
Delmar L. Edwards
Keith W. Costello
Charles W. Abrahams
Howard H. Zagrodzky
Martin J. Itzin
Earl W. Thompson
James P. Mariades
Robert W. Hamilton
William C. Airheart
Edward L. Walls, Jr.
Frederick A. Murchall
George H. Dodenhoff
Jerome L. Goebel
Paul D. King
Donald M. Bloomer
Arthur R. Smith
Keith D. Nolan
Robert A. Meyer
Donald R. Judge
Leo R. Swarts
Harold W. Evans, Jr.
Frederick G. Connelly
Jack R. Grey
Oliver E. Dial
Samuel A. Wallace
Walter G. Hunter
Russell L. Silverthorn
Arthur B. Slack, Jr.
William S. Harris
Edward B. McNeill, Jr.
Milton B. Cooper
Louis T. Iglehart, Jr.
Paul F. Curtis
Duane W. Skow
Orlin A. P. Hughes
Ralph B. Crossman
Edward W. Carmichael
Donald H. Brooks
Charles D. Mize
Burton L. Lucas, Jr.
William F. Doehler
James M. Sherwood
Henry L. Claterbos
Joseph F. Holzbauer
Eugene B. Fallon
Thomas E. Gleason
Roy H. Miller
Sumner A. Vale
Lawrence V. M. Wickham
William P. Cosgrove
Horton E. Roeder
Palmer H. Rixey
Carl O. H. Haroldson
Frederic A. Hale, Jr.
William L. McCulloch
Don H. Blanchard
Ray N. Joens
James G. Dionisopoulos
John V. McNulty, Jr.
James C. Gasser
Lyle V. Tope
Harold C. Fuson
Richard D. Temple
Walter L. Persac
Francis R. Kraince
Lavern J. Oltmer
George A. Brigham
Francis C. Opeka
Raymond W. Mullane
William J. Hinson, Jr.
David P. Graf
Burneal E. Smith
John G. Theros
George A. Gibson
Russel H. Stoneman
Robert H. Emswiler
Gus Robinson
Benjamin F. Fox
Herbert E. Mendenhall
Herman L. Anderson
Forrest E. Caudle
Robert W. Bayless
Eugene S. Kane, Jr.
Charles J. Brewer
Wesley F. Demmons
Arnold S. Baker, Jr.
Mark A. Rainer, Jr.
Robert W. Taylor
Harvey E. Spielman
Wilmer W. Hixson
John W. Collier, Jr.
Gene M. Hoover
Robert J. Tunnell, Jr.
Maurice A. David
James W. Dunning
Angelo J. Sammartino
James F. Williams
Edwin S. Shick, Jr.
Gordon H. Keller, Jr.
Eugene Miliette
Hiel L. VanCampen
Robert G. Scurrah
Howard A. Blancheri
Leo G. Lewis, Jr.
Adolph G. Schwenk
James Landrum, Jr.
Samuel Taub, Jr.
Richard P. Peterson
Earl K. Vickers, Jr.
Emil M. Misura
Lyle B. Matthews, Jr.
Raymond McArthur

The following-named officer of the Marine Corps for permanent appointment to the grade of lieutenant colonel, subject to qualification therefor as provided by law:

James K. Egan

The following-named officer of the Marine Corps for permanent appointment to the grade of captain, subject to qualification therefor as provided by law:

Robert C. Messman

The following-named officer of the Marine Corps Reserve for permanent appointment to the grade of lieutenant colonel:

Leo B. Case

The following-named woman officer of the Marine Corps for permanent appointment to the grade of lieutenant colonel:

Pauline B. Beckley

The following-named officers of the Marine Corps for permanent appointment to the grade of first lieutenant:

Donald J. Burger
Victor Ohanesian
William C. Keith, Jr.
Ralph L. Cunningham, Jr.
William R. Grubaugh

Kenneth S. Foley
Robert S. Silverthorn
Adolph G. Sadeski
Garland T. Beyerle
Marvin H. Stevens
Jerry F. Mathis
Claude E. Deering, Jr.
William E. Cross, Jr.
Robert L. Larson
Elwin B. Hart
Harold E. Stine
Walter F. Murphy, Jr.
David G. Mehargue
Edward J. Bronars
John J. Oltermann
James W. Marsh
James S. Levoy
Harry O. Cowing, Jr.
John D. Driggers, Jr.
Kenneth J. Kopecky
Joel D. Sugg, Jr.
George F. Tubley
Lee R. Bendell
Charles A. Rosenfeld
Arthur R. Petersen
Vincent J. Pross, Jr.
John E. Greenwood
Wendell N. Vest
Martin B. Reilly
Taylor J. Tucker
Grover C. Koonts
Andrew E. Hare
David M. Twomey
James J. DiNardo, Jr.
Paul D. Walker, Jr.
Audrey P. McNair
Robert J. Irwin
Thomas A. Palmer
Robert B. Brennan
Warren M. Brown
Ira L. Morgan, Jr.
Alan F. Moreno
Alexander P. McMillan
Otto I. Svenson, Jr.
Fredric A. Green
Leo A. Shane
Thomas P. McGeeney, Jr.
Laurence D. Krentzlin
Joseph W. Hall
Joseph R. Gutheinz
Johan S. Gestson
George T. Sargent, Jr.
Harry L. Gary
Albert E. Shaw, Jr.
Charles B. P. Sellar
Walter V. Walsh
Stanley A. Herman
James M. Brannaman
David J. Pudas
Harry B. Randall III
Robert A. Eccles, Jr.
Raymond M. Ryan
Jack Erwin
Lawrence A. Hall
Gilbert H. Holmes
John M. Travis
Bain McClintock
Robert N. Good
Donald C. Miller
Charles S. Homola, Jr.
Richard K. Buchanan
William G. Schwefel
Edward A. Robbins, Jr.
David M. Ridderhof
Aubrey W. Talbert, Jr.
Birchard B. Dewitt
David J. Wightman
Winston D. Chapman
John E. Nolan, Jr.
William B. Shields
Oral R. Swigart, Jr.
Holcombe H. Thomas
Frederick M. Woeller
Richard E. Jones
Kenneth E. Taft, Jr.
Cornelius F. Savage, Jr.
Richard L. Still
Rodolfo L. Trevino
Eugene F. Hertling, Jr.
Albert J. Zlogar
Joseph Nastasi
Cyril Wadzita
Richard B. Sheridan
Jack L. Handey
Presley M. Rixey
David I. Curtis
Joshua W. Dorsey III
William Lesser
Paul G. McMahon
Leo J. Fitzpatrick, Jr.
James H. Bryson
John N. Webb
Robert G. Brown
Ernest O. Agee
Henry E. Wold
Winans D. Holliday
Don L. Keller
David E. Schwulst
David J. Bytrek
William R. Corson
Robert W. Oliver
Peter G. Paraskos
Thomas J. Burckell
Eugene D. Foxworth, Jr.
Edward J. Rigby
James W. Wood
Erin D. Smith
William B. Wilson, Jr.
James L. Bowman
Robert D. Morse
James R. Aichele
Lawrence R. Dorsa
James K. Bald
William B. Fleming
Warren R. Johnson
John M. Frease
Joseph V. McLernan
John L. Lowe
Stewart G. Mayse
Gregory J. Cizek
Frederick F. Brower, Jr.
Charles W. Abbott
Joseph J. N. Gambardella
Bruce L. Rehn
Thomas E. Bulger
Stanley H. Olson
William B. McCurdy
Edward R. Watson
Robert C. Jenkins
Richard J. Smith
Earl F. Roth, Jr.
Reagan L. Preis
Donald B. Saunders
Joseph H. Trimbach
Richard B. Wyatt
Newell D. Staley, Jr.
William M. Herrin, Jr.
Robert L. Gunter
Andrew F. Toxey
Jesse L. Gibney, Jr.
Withold J. Bacauskas
Charles A. Sloan, Jr.
Robert B. Farrell
Robert E. Wehrie
Harvey F. Robbins
Joseph C. Shea, Jr.
William K. Rockey
Heman J. Redfield III
Richard T. Guidera
Arthur W. Anthony, Jr.
Wilson A. Frease
Jimmy Magoulas
Richard E. Campbell
Robert F. McCulloch
Marshall J. Treado
Robert E. Presson
Marvin J. Fournier
Richard W. Scott
Elmer Jenner
William H. Duquette
Steve Minko
Robert B. March
Charles G. Cooper
Grover J. Rees, Jr.
Robert A. Lindsley
John A. Sivright
Hal S. Needham
Harold C. Colvin
James R. McEnaney
David J. Hunter
Norman B. McCrary
Henry V. Martin
Murray L. Nelson
Elliott R. Laine, Jr.
Thomas P. Manley
Frederick D. Leder
James E. Spangler
Claude L. Reynolds
Alexander M. Stewart
David I. Carter
Robert D. Whitesell
Frank R. Bonner
John K. Davis
James L. Rice
Clinton J. Thro, Jr.
Stanley P. Daggett, Jr.
Aloysius E. O'Flaherty III
William B. Muir
Charles B. Walker
Lloyd E. Tatem
Harrison G. Frazier
Roddey B. Moss
Samuel T. Stumbo
Kenneth J. Ivanson
George V. Ruos, Jr.
John H. Hews
William V. H. White
Howard L. Barrett, Jr.
Robert J. Murphy, Jr.
Robert R. Montgomery
Robert E. Hunter, Jr.
Hugh T. Kennedy
Sanford P. Holcomb
Carlton D. Goodiel, Jr.
Harold Arutunian
Robert E. Byle
Hal W. Vincent
William F. Hawkins
George E. Beattie
Jack F. Ingalls III
Clement C. Buckley, Jr.
James W. Abraham
James A. Todd
Richard H. Burnett
Paul X. Kelley
Ross L. Mulford
George W. Houck
John R. Fulgham, Jr.
Byron T. Chen
James W. Myers
Donald J. Beatty
Birney A. Adams
Peter P. C. Armstrong
John E. Buynak
Francis C. Cushing, Jr.
William J. Galyon
Charles K. Whitfield
William M. Tatum, Jr.
Richard D. Mickelson
Carl M. Maloy
James W. Lasater
Robert A. Walker
Edward L. Lieland, Jr.
William K. Parcell
James J. Linn
Joseph M. Laney, Jr.
Raymond W. Craig
Clinton Roberson
Leonard C. Gademsky, Jr.
Goodell P. Warren
James N. Bardin
Edward J. Rutty
Philip M. Crosswait
Robert E. Howard, Jr.
James G. Marts III
Dean C. Macho
Raymond A. Cameron
Charles O. Hiett
William G. McCool, Jr.
Richard E. Percival
Ural W. Shadrick
Frederick H. Seitz
William D. Stoddart III
Arnold E. Bench
Irwin H. Gold
Leslie L. Darbyshire
Francis E. Doud
Edgar K. Jacks
Conrad P. Buschmann
"L" "G" Linman
William S. Russ
James A. Trout
Martin P. Olsen
Paul A. Manning
Francis H. Thurston
Eugene R. Brady
James F. Meyers, Jr.

The following-named officers of the Marine Corps for permanent appointment to the grade of first lieutenant for limited duty:

Gearl M. English
Johnny L. Carter
Gene C. Martin
Granville G. Sweet
Alex H. Touchton
John A. Rapp
Jerry A. Harness
Talmadge R. Liles
Harold H. Bennefeld
Eugene D. Anderson
Edward L. Zielinski
Maurice W. Collins
William C. Adams
Howard E. Pyles
Charles R. Livingston
Lytton F. Bliss
Henry G. Roberts
Frank L. Bradshaw
William J. Varley
Jack F. Bailey
Hubert C. Grow

The following-named women officers of the Marine Corps for permanent appointment to the grade of first lieutenant:

Betty P. Vaughn
Elaine T. Carville
Joan P. O'Neil
Patricia A. Maas
Virginia Caley
Margaret L. O'Neill
Mary S. Mock

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 18, 1953

The House met at 11 o'clock a. m.

Capt. Andrew Miller, commanding officer, the Salvation Army, Akron, Ohio, offered the following prayer:

Our Heavenly Father, we thank Thee Thou dost still work Thy will through the instrumentality of the human personality. In this Thou dost constantly teach the value of the individual. Help the Congress of the United States in making world-shaping decisions that they might not lose sight of their own individual responsibility or the overwhelming value of the individuals they serve.

We thank Thee, too, despite our own apparent insignificance, we may have an abundant faith for today and tomorrow and the future based confidently upon the sacrifice of the cross and the victory of the resurrection.

Grant through this fact we might—all of us—be assured of being "more than conquerors" as we trust in Thee.

Bless the deliberations—the decisions of the day in this place.

Give continuing strength and guidance to our Nation's leaders.

In Jesus name. Amen.

The Journal of the proceedings of yesterday was read and approved.

SECOND INDEPENDENT OFFICES APPROPRIATION BILL, 1954

The SPEAKER. The unfinished business is the vote on the motion of the gentleman from Ohio [Mr. SECREST] to recommit the bill H. R. 5690, the second independent offices appropriation bill, 1954.

The Chair notes that the motion offered on yesterday by the gentleman from Ohio [Mr. SECREST] to recommit the bill (H. R. 5690) to the Committee on Appropriations with instructions to report the bill back forthwith with an amendment striking out the language starting on line 17, page 19, and up to and including the semicolon following the word "statement" on line 23, page 19. The bill has been engrossed and the line numbers have been slightly changed.

Without objection, the motion to recommit of the gentleman from Oho will be corrected to conform to the line numbers of the engrossed copy of the bill, which is now before the House.

Without objection, the Clerk will report the motion of the gentleman from Ohio as corrected.

There was no objection.

The Clerk read as follows:

Mr. SECREST moves to recommit the bill to the Committee on Appropriations with instructions to report the same back to the House forthwith with an amendment striking out the paragraph beginning on page 19, line 19 and running through line 25.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. SECREST) there were—ayes 31, noes 38.

Mr. SECREST. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 217, nays 180, not voting 33, as follows:

[Roll No. 55]

YEAS—217

Abernethy	Alexander	Aspinall
Adair	Andrews	Ayres
Addonizio	Angell	Bailey
Albert	Ashmore	Barden

Barrett	Gentry	O'Neill
Battle	George	Patman
Bennett, Mich.	Gordon	Patten
Bentsen	Granahan	Patterson
Blatnik	Grant	Perkins
Boggs	Green	Pfost
Boland	Gregory	Philbin
Bonin	Gross	Pilcher
Bonner	Hagen, Calif.	Polk
Bosch	Hagen, Minn.	Powell
Boykin	Haley	Preston
Bray	Hardy	Price
Brooks, La.	Hart	Priest
Brooks, Tex.	Hays, Ark.	Prouty
Brown, Ga.	Hays, Ohio	Rabaut
Buchanan	Heller	Radwan
Buckley	Herlong	Rains
Burdick	Heselton	Rayburn
Burleson	Holifield	Reams
Byrd	Holtzman	Rhodes, Pa.
Byrne, Pa.	Howell	Riley
Camp	Izard	Rivers
Campbell	Jarman	Roberts
Canfield	Javits	Rodino
Cannon	Jones, Ala.	Rogers, Colo.
Carlyle	Jones, Mo.	Rogers, Fla.
Carnahan	Jones, N. C.	Rogers, Mass.
Case	Karsten, Mo.	Rogers, Tex.
Celler	Kearney	Rooney
Chelf	Kearns	Roosevelt
Chudoff	Kelley, Pa.	Sadlak
Colmer	Kelly, N. Y.	Saylor
Condon	Keogh	Schenck
Cooley	King, Calif.	Secrest
Cooper	Kirwan	Seely-Brown
Cretella	Landrum	Selden
Crosser	Lane	Shelley
Davis, Ga.	Lanham	Sheppard
Deane	Lantaff	Shuford
Delaney	Latham	Sieminski
Dempsey	Lesinski	Sikes
Dingell	Long	Smith, Miss.
Dodd	Lyle	Spence
Dollinger	McCarthy	Staggers
Donohue	McCormack	Steed
Dorn, N. Y.	McGregor	Sullivan
Dorn, S. C.	Machrowicz	Sutton
Dowdy	Mack, Wash.	Taylor
Doyle	Madden	Teague
Durham	Magnuson	Thomas
Eberharter	Mahon	Thompson, La.
Edmondson	Mailliard	Thompson, Tex.
Elliott	Marshall	Thornberry
Engle	Matthews	Trimble
Evins	Metcalf	Vinson
Fallon	Miller, Calif.	Watts
Feighan	Miller, Kans.	Weichel
Fernandez	Mills	Wheeler
Fine	Mollohan	Wickersham
Fino	Morgan	Wier
Forand	Moss	Willis
Forrester	Multer	Winstead
Fountain	Murray	Withrow
Frazier	Norrell	Wolverton
Frelinghuysen	O'Brien, Ill.	Yates
Friedel	O'Brien, Mich.	Yorty
Fulton	O'Brien, N. Y.	Zablocki
Garmatz	O'Hara, Ill.	
Gathings	O'Konski	

NAYS—180

Abbitt	Church	Harrison, Va.
Allen, Calif.	Clevenger	Harrison, Wyo.
Allen, Ill.	Cole, Mo.	Harvey
Andersen, H. Carl	Cole, N. Y.	Hébert
	Coon	Hess
Andresen, August H.	Corbett	Hiestand
	Cotton	Hill
Arends	Crumpacker	Hillelson
Auchincloss	Cunningham	Hillings
Baker	Curtis, Mass.	Hinshaw
Bates	Curtis, Mo.	Hoeven
Beamer	Curtis, Nebr.	Hoffman, Mich.
Becker	Dague	Holmes
Belcher	Davis, Wis.	Holt
Bender	Dawson, Utah	Hope
Bennett, Fla.	Derounian	Horan
Bentley	Devereux	Hosmer
Berry	D'Ewart	Hruska
Betts	Dolliver	Hunter
Bishop	Dondero	Hyde
Bolton, Frances P.	Ellsworth	Jackson
	Fenton	James
Bolton, Oliver P.	Fisher	Jenkins
	Ford	Jensen
Bow	Gary	Johnson
Bramblett	Gavin	Jonas, Ill.
Brown, Ohio	Golden	Jonas, N. C.
Brownson	Goodwin	Judd
Broyhill	Graham	Kean
Budge	Gubser	Keating
Busbey	Gwinn	Kersten, Wis.
Byrnes, Wis.	Halleck	Kilburn
Carrigg	Hand	King, Pa.
Cederberg	Harden	Knox
Chenoweth	Harris	Krueger
Chiperfield	Harrison, Nebr.	Laird
LeCompte	Poage	Stauffer
Lovre	Poff	Stringfellow
Lucas	Ray	Taber
McConnell	Reece, Tenn.	Talle
McCulloch	Reed, Ill.	Thompson, Mich.
McDonough	Reed, N. Y.	
McVey	Rees, Kans.	Tollefson
Mason	Regan	Utt
Meader	Rhodes, Ariz.	Van Pelt
Merrill	Riehlman	Van Zandt
Merrow	Robeson, Va.	Velde
Miller, Md.	Robsion, Ky.	Vorys
Miller, Nebr.	St. George	Vursell
Miller, N. Y.	Scott	Wainwright
Morano	Scrivner	Wampler
Mumma	Scudder	Warburton
Neal	Shafer	Wharton
Nelson	Sheehan	Widnall
Nicholson	Short	Williams, Miss.
Norblad	Simpson, Ill.	Williams, N. Y.
Osmers	Simpson, Pa.	Wilson, Calif.
Ostertag	Small	Wilson, Ind.
Passman	Smith, Kans.	Wilson, Tex.
Pelly	Smith, Va.	Young
Phillips	Smith, Wis.	Younger
Pillion	Springer	

NOT VOTING—33

Bolling	Hale	Moulder
Bush	Hoffman, Ill.	Oakman
Chatham	Kee	O'Hara, Minn.
Clardy	Kilday	Richards
Coudert	Klein	Scherer
Davis, Tenn.	Kluczynski	Tuck
Dawson, Ill.	McIntire	Walter
Dies	McMillan	Westland
Donovan	Mack, Ill.	Whitten
Fogarty	Martin, Iowa	Wigglesworth
Gamble	Morrison	Wolcott

So the motion to recommit was agreed to.

The Clerk announced the following pairs:

Mr. Bush with Mr. Dies.
Mr. McIntire with Mr. Morrison.
Mr. Martin of Iowa with Mr. Chatham.
Mr. Scherer with Mr. Fogarty.
Mr. Wolcott with Mr. Klein.
Mr. Clardy with Mrs. Kee.
Mr. Coudert with Mr. Kluczynski.
Mr. Gamble with Mr. Mack of Illinois.
Mr. Hoffman of Illinois with Mr. Moulder.
Mr. Westland with Mr. Walter.
Mr. Wigglesworth with Mr. Whitten.
Mr. Oakman with Mr. Dawson of Illinois.
Mr. O'Hara of Minnesota with Mr. Donovan.
Mr. Hale with Mr. Kilday.

Mr. HARVEY changed his vote from "yea" to "nay."

Mr. PATTERSON, Mr. KEARNS, Mr. SIKES, Mr. HERLONG, and Mr. FRIEDEL changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

Mr. PHILLIPS. Mr. Speaker, acting on the instructions of the House, and on behalf of the Committee on Appropriations, I report back to the House with an amendment the bill H. R. 5690.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Strike out the language starting in line 19 on page 19 up to and including the period following the word "statement" in line 25 on page 19.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. ADAIR and Mr. RAYBURN asked for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 397, nays 2, not voting 31, as follows:

[Roll No. 56]

YEAS—397

Abbitt	Deane	Jonas, Ill.
Abernethy	Delaney	Jonas, N. C.
Adair	Dempsey	Jones, Ala.
Addonizio	Derounian	Jones, Mo.
Albert	Devereux	Jones, N. C.
Alexander	D'Ewart	Judd
Allen, Calif.	Dingell	Karsten, Mo.
Allen, Ill.	Dodd	Kean
Andersen, H. Carl	Dollinger	Kearney
	Dolliver	Kearns
Andresen, August H.	Dondero	Keating
	Donohue	Kelley, Pa.
Andrews	Dorn, N. Y.	Kelly, N. Y.
Angell	Dorn, S. C.	Keogh
Arends	Dowdy	Kersten, Wis.
Ashmore	Doyle	Kilburn
Aspinall	Durham	King, Calif.
Auchincloss	Eberharter	King, Pa.
Ayres	Edmondson	Kirwan
Bailey	Elliott	Knox
Baker	Ellsworth	Krueger
Barden	Engle	Laird
Barrett	Evins	Landrum
Bates	Fallon	Lane
Battle	Feighan	Lanham
Beamer	Fenton	Lantaff
Becker	Fernandez	Latham
Belcher	Fine	LeCompte
Bender	Fino	Lesinski
Bennett, Fla.	Fisher	Long
Bennett, Mich.	Forand	Lovre
Bentley	Ford	Lucas
Bentsen	Forrester	Lyle
Berry	Fountain	McCarthy
Betts	Frazier	McConnell
Bishop	Frelinghuysen	McCormack
Blatnik	Friedel	McCulloch
Boggs	Fulton	McDonough
Boland	Garmatz	McGregor
Bolton, Frances P.	Gary	McMillan
	Gathings	McVey
Bolton, Oliver P.	Gavin	Machrowicz
	Gentry	Mack, Wash.
Bonin	George	Madden
Bonner	Golden	Magnuson
Bosch	Goodwin	Mahon
Bow	Gordon	Mailliard
Boykin	Graham	Matthews
Bramblett	Granahan	Meader
Bray	Grant	Merrill
Brooks, La.	Green	Merrow
Brooks, Tex.	Gregory	Metcalf
Brown, Ga.	Gross	Miller, Calif.
Brown, Ohio	Gubser	Miller, Kans.
Brownson	Gwinn	Miller, Md.
Broyhill	Hagen, Calif.	Miller, Nebr.
Buchanan	Hagen, Minn.	Miller, N. Y.
Buckley	Haley	Mills
Budge	Halleck	Mollohan
Burdick	Hand	Morano
Burleson	Harden	Morgan
Busbey	Hardy	Moss
Byrd	Harris	Multer
Byrne, Pa.	Harrison, Nebr.	Mumma
Byrnes, Wis.	Harrison, Va.	Murray
Camp	Harrison, Wyo.	Neal
Campbell	Hart	Nelson
Canfield	Harvey	Nicholson
Cannon	Hays, Ark.	Norblad
Carlyle	Hays, Ohio	Norrell
Carnahan	Hébert	O'Brien, Ill.
Carrigg	Heller	O'Brien, Mich.
Case	Herlong	O'Brien, N. Y.
Cederberg	Heselton	O'Hara, Ill.
Celler	Hess	O'Konski
Chelf	Hiestand	O'Neill
Chenoweth	Hill	Osmers
Chiperfield	Hillelson	Ostertag
Chudoff	Hillings	Passman
Church	Hinshaw	Patman
Clevenger	Hoeven	Patten
Cole, Mo.	Hoffman, Mich.	Patterson
Cole, N. Y.	Holifield	Pelly
Colmer	Holmes	Perkins
Condon	Holt	Pfost
Cooley	Holtzman	Philbin
Coon	Hope	Phillips
Cooper	Horan	Pillion
Corbett	Hosmer	Poage
Cotton	Howell	Poff
Cretella	Hruska	Polk
Crosser	Hunter	Powell
Crumpacker	Hyde	Preston
Cunningham	Izard	Price
Curtis, Mass.	Jackson	Priest
Curtis, Mo.	James	Prouty
Curtis, Nebr.	Jarman	Rabaut
Dague	Javits	Radwan
Davis, Ga.	Jenkins	Rains
Dawson, Ill.	Jensen	Ray
Dawson, Utah	Johnson	Rayburn

Reams	Sheehan	Trimble
Reece, Tenn.	Shelley	Utt
Reed, Ill.	Sheppard	Van Pelt
Reed, N. Y.	Short	Van Zandt
Rees, Kans.	Shuford	Velde
Regan	Sieminski	Vinson
Rhodes, Ariz.	Sikes	Vorys
Rhodes, Pa.	Simpson, Ill.	Vursell
Richards	Simpson, Pa.	Wainwright
Riehlman	Small	Wampler
Riley	Smith, Kans.	Warburton
Rivers	Smith, Miss.	Watts
Roberts	Smith, Va.	Weichel
Robeson, Va.	Smith, Wis.	Wharton
Robsion, Ky.	Spence	Wheeler
Rodino	Springer	Whitten
Rogers, Colo.	Staggers	Wickersham
Rogers, Fla.	Stauffer	Widnall
Rogers, Mass.	Steed	Wier
Rogers, Tex.	Stringfellow	Williams, Miss.
Rooney	Sullivan	Williams, N. Y.
Roosevelt	Sutton	Willis
Sadlak	Taber	Wilson, Calif.
St. George	Talle	Wilson, Ind.
Saylor	Taylor	Wilson, Tex.
Schenck	Teague	Winstead
Scott	Thomas	Withrow
Scrivner	Thompson, La.	Wolverton
Scudder	Thompson, Mich.	Yates
Secrest		Yorty
Seely-Brown	Thompson, Tex.	Young
Selden	Thornberry	Younger
Shafer	Tollefson	Zablocki

NAYS—2

Davis, Wis.	Mason

NOT VOTING—31

Bolling	Hoffman, Ill.	Oakman
Bush	Kee	O'Hara, Minn.
Chatham	Kilday	Pilcher
Clardy	Klein	Scherer
Coudert	Klucznski	Tuck
Davis, Tenn.	McIntire	Walter
Dies	Mack, Ill.	Westland
Donovan	Marshall	Wigglesworth
Fogarty	Martin, Iowa	Wolcott
Gamble	Morrison	
Hale	Moulder	

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hoffman of Illinois with Mr. Dies.
Mr. Bush with Mr. Morrison.
Mr. McIntire with Mr. Chatham.
Mr. Westland with Mr. Fogarty.
Mr. Clardy with Mr. Klein.
Mr. Hale with Mr. Klucznski.
Mr. Oakman with Mr. Walter.
Mr. O'Hara of Minnesota with Mr. Mack of Illinois.
Mr. Martin of Iowa with Mr. Donovan.
Mr. Gamble with Mr. Bolling.
Mr. Scherer with Mr. Moulder.
Mr. Coudert with Mr. Pilcher.
Mr. Wolcott with Mr. Davis of Tennessee.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

SUBCOMMITTEE OF THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent that the subcommittee of the Committee on Interior and Insular Affairs may meet during general debate this afternoon at 2:30 p. m.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. SIMPSON of Illinois. Mr. Speaker, I ask unanimous consent that the Committee on the District of Columbia may have until midnight tomorrow night to file reports on certain bills.

The SPEAKER. Is there objection to the request of the gentleman from Illinois.

There was no objection.

OPTIMISM

Mr. VELDE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. VELDE. Mr. Speaker, I know it is rather difficult for any of us to be optimistic in these troubled days, but, because of the fact that the 35th annual convention of Optimist International is being held in Washington, D. C., at this time, and because there will be in attendance some 2,500 to 3,000 Optimists throughout the Western Hemisphere, including United States, Canada, Mexico, Cuba, Puerto Rico, and the Hawaiian Islands, I think it fitting and proper to make these pertinent remarks about the need of, and value to our country of optimism. I mean, of course, organized optimism consisting of 43,000 members in 862 clubs whose prime objective is "friend of the boy." Realizing that in these troubled times every boy needs a man's helping hand, I would like to insert in the CONGRESSIONAL RECORD a commendation to this fine group of Optimists for their splendid activities in boys' work.

GENERAL PERMISSION TO REVISE AND EXTEND REMARKS

Mr. VORYS. Mr. Speaker, I ask unanimous consent that all Members may revise and extend their remarks made in debate on the mutual-security aid bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

PERSONAL ANNOUNCEMENT

Mr. REAMS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. REAMS. Mr. Speaker, a statement was made on this floor by the gentleman from Georgia [Mr. WHEELER] condemning a Justice of the Supreme Court of the United States—Mr. Justice Douglas—for granting a stay of execution of convicted spies. It was followed up by the introduction of House Resolution 290, calling for the impeachment of this Justice for his action. His words were applauded by colleagues in this Chamber. Radio and news reports seem to indicate that this statement and resolution by the gentleman from Georgia [Mr. WHEELER] met with unanimous approval of the membership of the House. In spite of my high personal regard for the gentleman from Georgia and for his courage and will to support his convictions, I must disagree with him. Therefore, I rise to disassociate myself from the statement and the resolution, or any move at anytime to threaten or punish any judge of any court for exercising his judgment on a discretionary matter.

In this case the Justice was presented with a motion to grant a stay of execution until the Court could look into the question of whether or not these defendants were tried under the correct criminal statute. The Justice stated that he believed there was a reasonable doubt and granted a stay until the entire Court could examine the record of the facts and the law.

I do not attempt to defend the correctness of his judgment, but I do emphatically support the principle that every person in our country accused of crime must have due process of law. This means that every judge is charged with the absolute duty to continue to give the accused the right to be heard by a court of competent jurisdiction on every point of defense upon which there is a scintilla of a doubt, until every reasonable doubt has been resolved and adjudicated.

If the Justice in this case had one scintilla of doubt that these defendants were not convicted under the proper statute but under one which had been superseded by another authorizing a lesser punishment, it would be the grossest dereliction of his duty not to grant a stay until this matter could be heard by the Court. Only in that way could these defendants have the due process of law guaranteed by our Constitution. If the Justice, having such a doubt had failed to grant the stay, then he would indeed be subject to impeachment.

Mr. Speaker, hysteria is running high on this subject. Good citizens and conscientious Members of this House are inflamed against these convicted spies. The temper of the people is not conducive to permitting them to have another hearing or trial because of a technicality of the law or procedure. But that is why we have courts, to protect the rights of even the most heinous offenders.

Mr. Speaker, this is not the first time when hysteria has run high against the accused. One of the outstanding cases which has become one of the pillars in our temple of justice is ex parte Milligan, decided very soon after the assassination of President Lincoln. Milligan was a resident of the State of Indiana. During the Civil War he gave aid and succor to a Confederate Army which came into that State. He was tried by a military tribunal and convicted and sentenced to be hanged. A writ of certiorari was granted and Milligan's case came before the Supreme Court of the United States. This Court at that time was composed of a majority of Justices who had been appointed by the martyred President. Feeling ran high in the country. The popular thinking would have been to justify the military tribunal in a State which had been invaded by an enemy force, but the Supreme Court of the United States in the case of ex parte Milligan raised itself above the hysteria of the moment and said that Milligan had not had a fair trial. The judgment of the military court was set aside and a new trial in a civil court ordered. Then, even as now, many people and

some Members of Congress said the Justices should be impeached.

Mr. Speaker, I do not speak in defense of the Justice of the Supreme Court, nor of the cause which has been before that Court, nor of the issue that was decided by this Justice, nor yet of the defendants involved in that case. I speak in behalf of an understanding and appreciation of the fundamental principles of American jurisprudence which have given more freedom and more justice to more people than any other system of jurisprudence existing in the world today.

Therefore, Mr. Speaker, I would have a feeling that I was remiss in the oath that I took when I came to this House and the oath I took when I was admitted to practice law in this Nation, if I did not disassociate myself with any resolution which sought to question the motives or prevent any judge of any jurisdiction in this Nation from exercising his discretion and granting to every defendant full due process of law. In this case that means a right to be heard by the full Court on material and relevant evidence which Mr. Justice Douglas says was not heretofore considered by the Court.

Freedom is on trial in the world. Regardless of the outcome of this case, the fact that these defendants had this stay granted and a hearing on the new evidence, stands out like a beacon light in a world where human rights are so often not protected by courts and judges.

Mr. Speaker, as a prosecuting attorney I never shrank from the ghastly duty of calling upon the juries for the supreme penalty. But likewise, never then or now will I consciously fail to raise my voice and hand to secure due process of law for all who are charged with crime, even the most despised of all, the spy and traitor. Nor will I ever fail to support the judge when exercising his discretion by giving a stay to the condemned so that new evidence may be heard by a court of competent jurisdiction.

SPECIAL ORDER GRANTED

Mr. REAMS asked and was given permission to address the House for 10 minutes today, following the legislative program and any special orders heretofore entered.

THREE HUNDREDTH ANNIVERSARY OF LANCASTER, MASS.

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, I am happy indeed to extend my warmest and heartiest congratulations to my friends and neighbors, the splendid people of Lancaster, Mass., now celebrating the 300th anniversary of the founding of their community.

This beautiful, historic town, situated in my district in central Massachusetts, is rich in the traditions and values that we all like to believe are best and loftiest in our America. First settled in 1653, it is one of the oldest towns in Massachusetts and its founding antedated the American Revolution by almost 125 years.

I will not here recount the glorious history of this inspiring community. It has been hailed in song and story by many historians, writers, orators, and poets. The early settlers in Lancaster were brave and indomitable men and women, pioneers of freedom, if you will, imbued with that unquenchable zeal for personal liberty and independence which impelled them with high courage to open wide the gates of a virtually unexplored wilderness and establish their churches, their schools, and their democratic town government close by the banks of the picturesque, enchanting Nashua River over three centuries ago.

These early settlers dauntlessly faced the primitive dangers that lurked in this wilderness. They assiduously cleared the virgin forests and industriously tilled the rich soil of the lovely valley of the Nashua River and its undulating hills and intervales. They endured the rigors and hardships of frontier life. They suffered bloody massacres by savage Indian tribes that inhabited the area. Their little village was sacked and burned several times, their meager possessions carried away, their wives, children, and neighbors slaughtered in cold blood or kidnaped by the merciless Indians and taken to remote places.

But neither the rigors of nature nor the ravages of the bloodthirsty savages could deter them from their goal of establishing a settlement in this wilderness where they could worship God according to their will, ordain their own free institutions under an orderly government, and seek a meager livelihood and greater opportunities for themselves and their posterity.

It is said that truth is stranger than fiction and the true story of Lancaster's early days, desperate struggles against great odds and final triumphs is as thrilling and inspiring a story as has ever been told.

It might be well for us of this age in which the freedom these early settlers sacrificed so much to establish is in grave peril to ask ourselves the reasons for their success.

First, it is well to remember that they were primarily motivated by absolutely unselfish purposes. There were two central themes which guarded and directed them, belief in the Almighty and the resolution always to worship and revere Him, and secondly, determination to secure freedom in all its import—independence of the mind, dignity of the individual, fellowship of the spirit and all the graces and benefits of free Government and free civilization which only untrammeled and unfettered human beings seem able to achieve.

Fixed in their determination to reach these goals, they never deviated for a moment from basic principles and fundamental concepts of morality, ethics and democracy. They nurtured the solid social virtues which flow naturally from a devout religious spirit. They glorified the American home, the transcendent importance of the family unit. They encouraged and developed the homely qualities of work, diligence, frugality, and thrift. Their meeting houses became not only places of worship and the centers of their spiritual life, but also the seats of the town government and the early sanctuaries of learning and education. The meeting house, the school, and the home—these in time became the trilogy of spiritual, political, cultural, and social life, which welded together the mighty forces that insured progress, advancement, and ultimate triumph over natural and human enemies. These brought stability, order, self-sufficiency, and happiness into their lives. These guarded and nourished their precious freedom.

Lancaster is not only noted for its inspiring history. It has also been known as the Mother of Towns because it was from its original territory that Clinton, my own home town, what is now the great city of Leominster, Bolton, Berlin, Harvard, Boylston, Sterling, and West Bowlston and portions of other communities were established.

But Lancaster has been far more than a mother of towns. It has been the mother of a great people, of noble souls, of outstanding patriots, of inspiring public men, of brilliant teachers and writers and lawyers and churchmen of loyal American citizens. In war and peace it has sent forth a steady stream in every generation to defend American institutions when the need arose, to spread the gospel of God, to teach and instruct the youth, to cultivate the learning and culture of the people, to promote justice in high places and to make for the betterment, advancement, and improvement, not only of its own community, but after the fashion of the unselfish ideals of the founders of the Commonwealth and the Nation as well.

Lancaster thus has a tremendous, glorious heritage. This mother of towns has contributed greatly and invaluably in every field to the building, improvement and progress of the Nation. Space and time forbid that I should enumerate the many famous, yes, and many simple, unheralded men and women, who have played their part in the moving drama of Lancaster. The roll of patriotism, special achievement and invaluable contribution is long indeed. Yet some stand out not only historically but in the present. The Thayers, the Parkers, the Bartols, the Burbanks, the Dorrs, the Buttricks, the Chickerings are household words in the homes of Lancaster citizens, who well realize their immeasurable service, and there are others too numerous to mention, both families and individuals, entitled to their share of credit. The Prescotts, the Willards, the Warrens, the Whites, the Hartwells, the Prentices, the Rowlandsons, and innumerable families of Lancaster illumined the pages of this brilliant history.

Worthy of comment and approbation has been the philanthropy, generosity, benefactions and public service of the Thayer family during many years of Lancaster's history.

And special mention may appropriately be made of the contributions of the late distinguished and beloved former

Attorney General and great lawyer, Herbert Parker, whose brilliance, ability and public spirit wrote such a gleaming chapter in the history of Massachusetts.

Lancaster can well be proud of the outstanding service upon the Supreme Court bench of one of its most beloved sons, Judge Allan Buttrick, a commanding and much appreciated judicial figure, able and effective in his mastery of jurisprudence; and the great, famous Luther Burbank, a Lancaster native son, a genius in the world of science and horticulture, whose lasting contributions would take volumes to describe.

And, of course, there were a great many other outstanding Lancaster natives, past and contemporary, of great distinction, prominence, and high repute, whom I cannot include in this brief summary and I hope I may be pardoned for not being able here to acknowledge their good works and pay them fitting tribute.

In the early days these people were comprised largely of that rugged, virile, indomitable American stock which, inspired by the Almighty, set up this great Nation. To them we owe the greatest of debts because they were the pioneers, the trailblazers, the ordainers of American liberty.

As years passed, other peoples joined them, the many diverse races of the old world to come to America. Happy and proud to relate, it was not long before these newcomers took prominent places in the Lancaster community and started to make their own valuable contributions to its civic life. Not only new races but new religious faiths came, the Catholic, the Jew, and the Seventh Day Adventist—all living together in harmony, understanding and peace, a model for every American community and the world.

The advent of these peoples changed somewhat the atmosphere and general tenor of the town. By adding other customs and traditions, they enriched the religious, cultural, and social life of Lancaster.

A most impressive instance of this change, this growth, this development of the town was the establishment by the Seventh-day Adventists of what is now a thriving, progressive, substantial, and great institution of learning, Atlantic Union College. Students come to this fine school from many parts of the Nation and world. It has steadily grown in size and importance. It has provided increasingly larger accommodations and facilities and is generally recognized as one of Lancaster's most celebrated landmarks, as well as a truly outstanding college conducted by a group that is greatly respected.

It is a remarkable fact that so strong has been the adherence of Lancaster people to the American principle of toleration that the appearance in the community of these new groups with firm convictions and high zeal for their own beliefs, has produced no undesirable frictions. Not only toleration, but a friendly, understanding, mutual appreciation, and wholesome spirit of cooperation exist in the town of Lancaster. The old has joined with the new without regard to questions of race, creed, or station to promote civic welfare and strengthen the patriotic motive. Protestant and Catholic, Jew and Gentile, white and colored, yes, Republicans and Democrats, all get along well in Lancaster, where true Americanism holds sway.

In great human events, there is frequently a single dominating personality, a single driving force, a single guiding spirit. The illustrious and memorable John Prescott, founder, settler, encourager, and developer of early Lancaster was the great figure whose insuperable courage, clear-sighted vision, boundless energy, and unflagging tenacity furnished the inspiring leadership which, despite obstacles, setbacks, and disappointments that would have completely discouraged ordinary men, finally successfully pointed the way to the establishment and subsequent development of Lancaster.

John Prescott, like his contemporaries, was a lover of liberty. To achieve his goal he was willing to make every necessary sacrifice. His will of steel would not be twisted either by political opposition or physical danger. He was unselfishly devoted to his task of setting up a free community in Lancaster. From that task he was never swerved.

He left a rich legacy which undoubtedly enabled his descendants to carry out the great work he had so magnificently begun. His descendants and successors have fought in every American war from Concord and Lexington to Korea and many of his lineal relatives still inhabit Lancaster and surrounding towns. I wish I had time to elaborate upon the life of this great man, who was Christian and American to the very roots of his being.

What he and his associates would think of the chaotic political scene that spreads before us of this generation, I do not know. But I can well imagine the chagrin, disappointment, disapproval, and uncompromising opposition which John Prescott and his followers would exhibit at the sorry spectacle of subversion, appeasement, encouragement of godlessness, shattered moral principles, betrayed political ideals, weird and baffling social policies, ill-conceived and extravagant international theories, and the general moral deterioration which afflicts our country and mankind.

John Prescott and his followers lived before the time of Bunker Hill. But in the best sense, they were Bunker Hill Americans who loved their country, its institutions, its freedom, its independence, its opportunity for wholesome family life, and for achievement in the various fields of human endeavor. To them the wanton distortion of the solid values of morality, political principles, and fundamental economic patterns for which they laid the foundation would cause them to turn over in their hallowed graves and bewail and lament the narrow vision, contradictory statesmanship, lack of counsel and wisdom on the part of leadership, want of burning interest in governmental affairs and other vital affairs on the part of the American people themselves which appear to be so much a part of our contemporary life.

They would doubtless construe these happenings, as many construe them, as tragic omens for their country, of fearful forebodings of the inevitable fate which history has decreed throughout recorded time for all peoples, however great and powerful, who turn their backs upon the things of the spirit to worship the God of Mammon and sordid materialism and who ignore their basic obligations to protect and preserve basic liberties and fundamental moral and political values.

We of this generation can, if we will, draw incalculable lessons from the sterling example of John Prescott and the early Lancaster founders. The hour is late for free America because unbelievable destructive movements are sweeping through the Nation and the world. Unless there shall be a revival and a reawakening of the solid underlying values of American life and government, exemplified so well by these great men and women of the past, unless there shall be a firm resolve on the part of our entire people once again fervently and tenaciously to embrace the principles, practices, and virtues which made this Nation great, unless we can spiritually mobilize as a single, dynamic force against the godless inscrutable enemies who are spreading the poison of subversion in our midst and fomenting insurrection, revolution, and war throughout the world, our situation, in the not too distant future, will be grave. Indeed it is grave today. The signs are already written upon the wall. If we would save our precious heritage bequeathed us by the John Prescotts of the past, we had better heed and act upon them before we, too, shall join that numerous, miserable company of great nations which have succumbed to their own weakness of resolution and insidious propaganda, diabolical infiltration or unwarranted, unjust aggression by ideological Communist tyrants.

The task of girding America for the struggles and dangers ahead is colossal. It will require all our resources. Wealth alone will not suffice. Economic strength is not adequate. Material power, though imperative, will not avail. There must be a spiritual remobilization, a rededication to the ideals of John Prescott and the American founders, an inflexible, undying determination buttressed by unflinching courage, accompanied by undiluted, undivided loyalty, executed with invincible purpose, by a united and unified American people, consolidated and reinforced by the collective will of the Nation irrespective of race, color, creed, or class, all aiming to the one great indispensable end—protection of the Nation and the preservation of our way of life. Should we fail in this great end, all will be lost and make no mistake about it.

Shall we meet this challenge in the spirit of those who built this Nation? Or shall we bathe in Pollyannish luster, exalting material comforts and pleasures, benumbed by satiety, basking in indifference until the modern Huns and Vandals furiously storm upon our gates and their domestic fellow travelers complete their dastardly work of first poisoning the minds and hearts of Americans,

as they are doing today, and then delivering the Nation to unspeakable totalitarian bondage.

"Is it too late?" one often hears. I do not think so. I have complete confidence in the American people and the unexcelled people of my district to whom I owe so much and who have repeatedly honored me, I fear, far beyond my deserts.

There has been no people in all history so great, so inspired, so unselfish as a whole, so idealistic, so patriotic, devoted and loyal as the American people. To my mind, once they are fully informed, once they are fully aroused to the dangers, to the enormous iniquities, to the real scope and seriousness of the "great Red lie" and its apparatus in this Nation, to its ruthless, unjust oppressions, to its vision and aim of the world Red conquest, to its incessant evil conspiracy in this country, the American people will act. They will act as they have always acted in the past—decisively and resolutely in the protection of their blessed legacy.

American history abounds in examples of the invincible moral power of our democracy once the people recognize the need. Other times have had their grave problems. Even in the early days of Lancaster, physical peril was almost ever present and spiritual leaders inveighed time and time again against the moral laxity and irresponsibility of the hour. That has been true throughout the lifetime of the Nation.

Yet any American who does not perceive that we are in graver danger than ever before is hardly attuned to the events transpiring before our very eyes. I feel somehow that perhaps the greatest danger emanates from ourselves, our casual appraisals, our overconfidence in our strength, our procrastination in facing the issues, our apathy in not moving swiftly, effectively, and courageously toward the obvious solutions.

In this enlightened and advanced age of scientific miracles, of huge agricultural and industrial productivity almost beyond the imagination, of rich blessings the Almighty has bestowed upon us in the form of higher material standards than the world has ever known, there is neither need nor desirability for us to practice the harsh frugality of the Lancaster founders. On the other hand, we cannot afford to practice profligacy and waste of our resources, material or human. We cannot afford the dangerous luxury of a paternalistic government that would dissipate the fruits of our people's labors and decimate the incentive of our enterprising citizens by socialistic programs at home and abroad. Thank God there is enough for everyone in America who is willing to work to enjoy our high standard of living—a standard that will steadily increase in the future if we but show the wisdom in our statecraft to protect and guard those free institutions and patterns which are responsible for it.

But there must be strict accountability imposed upon Government at every level to insure economy, efficiency and that prudence and practical, sensible judgment and behavior in public affairs that will militantly reject corruption and malfeasance and at the same time provide for the people every essential service designed for their convenience, happiness, security, and welfare which a modern, forward-looking government can and should provide for its citizens.

There is no Aladdin's lamp which can miraculously produce a lasting peace in a world torn apart by Communist villainies. Yet our duty as Americans is clear. We must never cease working for that peace and brotherhood which the Prince of Peace Himself desires us to ordain.

The Soviet will press just as far as it can. There is no weapon of deceit, treachery or force it will not employ if world conditions and military timetables permit. Time has been running on the Soviet side since 1945. Each passing day with world peace unestablished strengthens her position. Each day sees her more fully equipped militarily. Each day adds to her mastery of the atomic bomb and other destructive weapons. Each day brings new political victories for communism in other nations. Each day spreads her domain of influence and control.

In these circumstances this Nation must be strong, not only in great military and aerial striking force, but strong in production and economic weapons, and above all strong in the things of the spirit—strongest of all in our will to face up to every contingency, every sacrifice necessary to defend our way of life.

A truce or a peace that is based on betrayal of principles, appeasement and justice is not only morally repugnant to Americans but will only serve to defer the evil day of reckoning and complicate and increase the magnitude of these great problems.

There is no substitute for victory and there is no substitute for courage and if this Nation abandons its principles in favor of a Carthaginian peace of appeasement, we will surely rue the day because our allies, already seriously at odds with our policies, demonstrably unwilling to share properly and fairly in the burdens of war against aggression, will interpret our appeasement as a further and unpardonable sign of weakness and will join a bandwagon movement in the United Nations and elsewhere to the side of the Soviet. In fact that trend is already apparent.

A truce or peace to endure must be honorable. It must be just. It must be wise. Pray God let no stain of dishonor or craven cowardice come upon the proud, undefiled escutcheon of America.

The principles, traditions, and values promulgated in Lancaster over 300 years ago are rooted deep in the soil of this Nation. The people of Lancaster have kept them alive in the words and deeds of men like John Prescott and Herbert Parker down to the present hour.

It is for us this day, as we proudly join the citizens of Lancaster in celebrating and commemorating its glorious past, to realize that in these simple truths can be found the key to the salvation of America and the free world. Let us devoutly and resolutely embrace them while we may.

Fifty years ago, Lancaster celebrated its 250th anniversary with outstanding public exercises presided over by Rev. George M. Bartol, D. D., and attended by many State and national dignitaries, including the then Governor of Massachusetts, the Honorable John L. Bates, several United States Senators and Congressmen, other distinguished guests, and a great concourse on the green of citizens and their friends.

The impressive exercises were divided into two parts: First, a religious memorial celebration in the meeting house of the first parish, and then, the civic celebration on the green. The illustrious spiritual leader, Rev. Dr. Bartol, presided over the first, and the celebrated and eloquent Hon. Herbert Parker, over the second. Moving addresses were delivered by several dignitaries, including a famous United States Senator from the great State of Indiana, a descendant of Lancaster, the Honorable Charles Warren Fairbanks; the Governor of Massachusetts, the Honorable John L. Bates; ex-Governor George Boutwell; that great intellect, lawyer, and orator, Massachusetts' own Senator Hoar; the Honorable Henry S. Nourse, and the Honorable Charles Francis Adams, a great American and the Representative of the Massachusetts Historical Society.

In addition, prayers were offered by the beloved Father John M. O'Keefe, then pastor of the Catholic parishes in Clinton and Lancaster, and remarks were also made by that distinguished divine, Rev. Edward A. Horton, of Boston, and the Honorable Arthur P. Rugg, native of Sterling and later to become and to serve so faithfully and conspicuously as one of the most distinguished chief justices ever to grace our Massachusetts Supreme Court, and Hon. Christopher C. Stone, able and respected judge of the Clinton District Court.

I can think of no better way to conclude my remarks, congratulatory and commemorative, of Lancaster's glorious 300th year history than by repeating the closing eloquent phrases of the distinguished principal orator of the day, Senator Fairbanks:

> At the close of this memorable day, we shall turn our faces to the future. We shall plan and toil until the celebration of the 300th anniversary of the birth of Lancaster. What shall those speak who shall then assemble here? There is no vision so penetrating that it can see as far in advance of the present hour. There is no seer with wisdom profound enough to open to us the mystic volume of the next 50 years. We are not filled with anxiety as to the half century which lies immediately before us. Hope tells us to look up, not down. She tells us that if we but carry into the future the work and the faith of the fathers, we shall surely go forward, expanding in knowledge and power, and that the roots of our institutions will strike deeper into the affections of the people, and that through the united efforts of the East and the West, the North and South, blended into one sublime word "America," our primacy will be established and everywhere acknowledged, and that in the future, as in this hour, our chief glory will be that wisdom, justice and mercy will preside over us and the destiny of the great republic.

PERSONAL ANNOUNCEMENT

Mr. CHELF. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. CHELF. Mr. Speaker, as a member of the House Judiciary Committee, to which the Wheeler resolution calling for the impeachment of Justice Douglas, has been referred, I cannot and will not voice an opinion at this time as to the merits or demerits of the matter, for to do so would be placing myself in the position of judging a case before the evidence had been heard. This is as it should be. However, I hold in my hand a bill that I shall introduce forthwith for repeal of the existing law that now permits an individual member to set himself up as a one-man Supreme Court.

The Rosenbergs were tried and convicted by a court of competent jurisdiction in 1951. In February of 1952 the United States Court of Appeals in New York unanimously upheld the Rosenbergs' conviction and their sentence. On October 13, 1952, the Supreme Court of the United States refused to review the case by an 8-to-1 vote. On November 17, 1952, the Supreme Court again refused a review of the case by a vote of 8 to 1. Later on, in January 1953, Judge Kaufman granted a stay of execution to allow for a clemency appeal to President Harry S. Truman. The President took no action. On February 11, 1953, President Eisenhower refused a reprieve or executive clemency, stating that he—President Eisenhower—had found "neither new evidence nor mitigating circumstances" and that the Rosenbergs had been "accorded their full measure of justice." On May 25, 1953, the Supreme Court for the third time refused to review the case by a 7-to-2 vote, Justices Black and Douglas dissenting. On May 26, 1953, Chief Justice Vinson refused to grant a further stay of the conviction, since rescheduled for June 18, 1953. On June 15, 1953, the Supreme Court decided by a vote of 5 to 4 to turn down new appeals for a review and for a stay of execution. Justice Douglas was among the four dissenting justices. Later, on the same day, June 15, 1953, the full Supreme Court voted 7 to 2 against a petition to file a writ of habeas corpus. On June 16, 1953, new appeals were filed with Justice Douglas. Notwithstanding the fact that the full Supreme Court had acted adversely in the Rosenbergs' case on six different occasions, Justice Douglas took it upon himself to literally take charge of the situation in the absence of the Court which had adjourned in the interim, and by so doing practically voided the will of the majority of the Supreme Court.

The Congress has given the right in title 28, section 1651 (b), United States Code, for an individual justice to act. By the action taken by Justice Douglas, I am of the opinion that the authority previously conferred upon the Court has been abused. I, therefore, hope that the House Judiciary Committee, of which I am a member, will—when this bill is referred to it—act promptly and favorably, and that the House will likewise pass the legislation.

SPECIAL ORDER GRANTED

Mr. MADDEN asked and was given permission to address the House for 10 minutes on tomorrow, at the conclusion of the legislative business of the day and any other special orders heretofore entered.

MUTUAL SECURITY ACT, 1951

Mr. ALLEN of Illinois. Mr. Speaker, I call up House Resolution 292, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5710) to amend further the Mutual Security Act of 1951, as amended, and for other purposes, and all points of order against said bill or any provisions contained in said bill are hereby waived. After general debate, which shall be confined to the bill and continue not to exceed 5 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, this, as you know, is an open rule which provides for 5 hours of general debate, after which the bill will be read for amendment.

It is my understanding that there are some who are opposed to the bill in its entirety. It is also my understanding that there are some who feel that the amount in the bill should be reduced. However, I know of no one who is opposed to the rule.

Mr. Speaker, I yield 30 minutes to the gentleman from Virginia [Mr. SMITH].

Mr. SMITH of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. LYLE].

Mr. LYLE. Mr. Speaker, the resolution presently under consideration is a liberal one in that it permits 5 hours of general debate on the subject of aid to free countries of the world. All germane amendments are in order. In my judgment, your Committee on Rules has faithfully performed its function when it brings legislation for your consideration in an orderly manner and under such liberties as will permit free and full discussion and ample opportunity for amendments.

There seems to be no question but that the subject matter of the proposed bill should be considered by this body at this time. No other legislation deserves more painstaking and thoughtful consideration. We deal not alone with billions of dollars, which is always a serious matter—particularly billions which belong to the people of the United States—but we also deal with the freedom and liberty of all free peoples, including our own. Freedom and liberty have no value, for they are priceless. It is my judgment that this legislation should not stand or fall upon the amount of money involved, but upon the determination, character, and intent which would dominate its administration. If this measure is predicated upon fear, then we act in an unworthy manner. If it is predicated alone upon faith or hope, then it lacks the substance to insure its success. On the other hand, if it is predicated upon a firm determination of this administration, backed up by a willing and determined American public to win in an all-out, sincere, positive offensive against communism, then it is justified and the amounts involved are matters of arithmetic to be determined by all of the facts which will be submitted, first to our Committee on Appropriations and then to the House.

Mr. Speaker, history records few, if any, real, sincere efforts by the major governments of the world for world peace; that is, efforts separate from the colonial and economic empires and the aspirations of the governments. The exception is, of course, that of our own country. Our efforts in leadership for peace have been so amateurish and unrealistic that it seems to many of us that they have led to distrust and confusion, not only among the governments and peoples of the rest of the world but in our own homeland. Therefore, it seems to me that we must not fail this opportunity to express our firm determination to commit ourselves to a real and sincere effort to establish peace, a just peace, in the world.

I cannot understand or rationalize enthusiasm for the support of billions and billions of dollars for war and destruction, and, at the same time, a shyness toward efforts for peace, which certainly is the prayer and hope of every decent human being throughout the world. We cannot, however, as trustees of the resources of this country, afford the luxury of foolish and blind appropriations. We do not want to be a party to throwing American dollars to howling mobs as a bribe which might temporarily keep them quiet until someone figures out a sound and honorable policy.

I am disturbed, as you are, at failure to receive an account of the billions of dollars which we have appropriated and which have been spent in like undertakings since the end of the last war. I believe that my trust as a United States Representative entitles me to know, yes, makes it necessary that I know how previous appropriations of dollars have been spent before I may rightfully vote to appropriate additional money.

That can come, however, and properly should come from the Committee on Appropriations.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. LYLE. I am delighted to yield to the gentleman from Iowa.

Mr. GROSS. The gentleman is a member of the Rules Committee. As I understand this resolution provides for 5 hours of general debate.

Mr. LYLE. That is correct.

Mr. GROSS. Two and one-half hours on a side.

Mr. LYLE. That is correct.

Mr. GROSS. When the Republican members of the Foreign Affairs Committee appeared before the Rules Committee was any representation made to the Rules Committee that 2½ hours allotted to the Republican side would accommodate only members of the Foreign Affairs Committee, that there would be no time available to any other Member of the House to discuss this bill under general debate? Was the Rules Committee made aware of that?

Mr. LYLE. No.

Mr. GROSS. Does not the gentleman think that is an intolerable situation on a bill involving more than $5 billion?

Mr. LYLE. Let me use a different word. I think it is an unfortunate situation.

Mr. GROSS. Let me say to the gentleman that there is every reason for defeating this rule and sending this back to the Rules Committee and getting more time so that Members of the House, at least on the Republican side, may have some time to say something about this matter.

Mr. LYLE. I would like for every Member of the House to have the opportunity to express himself but that is quite impossible when you have 435 Members.

Mr. O'KONSKI. Mr. Speaker, will the gentleman yield?

Mr. LYLE. I yield to the gentleman from Wisconsin.

Mr. O'KONSKI. I have great respect for the gentleman who is speaking. He said this is a very liberal rule allowing 5 hours of general debate. I wonder if the gentleman knows that the opposition to the bill on this side of the aisle is only getting 45 minutes. Does the gentleman consider that a liberal discussion?

Mr. LYLE. No; but I would rather not express myself on the gentleman's leadership.

Mr. GROSS. And those 4 Members are members of the Foreign Affairs Committee. No time is allotted to any Member on the Republican side.

Mr. LYLE. I have great respect for the gentleman from Ohio [Mr. VORYS] who will probably handle the bill for that side. I shall use what influence I have with him to ask them to give the opposition time to express themselves.

Mr. Speaker, I will enthusiastically support the leadership in an offensive for peace that has character, determination, and is based upon American principles. To do this, I do not think it necessary that I be satisfied with the economic policies of the government involved. I do not believe it my rightful province to play God. I believe it my duty in such matters to follow God and demand a decent and sound policy by which we may say to the world, "Our leadership is based upon fundamental principles and if you cannot accept it under those circumstances, then you must stand or fall by yourself."

I do not feel that I am committing myself by voting for this authorization bill to support the appropriations authorized. I do think it would be shortsighted, even foolish, to deny ourselves the possibility and flexibility of future action by defeating this authorization bill. It is clear, however, I am sure, that there is a great deal of distinction between authorizing and appropriating. The determination between amounts to be appropriated and attacks upon amounts should not, in my judgment, come at this time.

At the moment I would not vote to give one dime to the Republic of Korea, because the actions of their government without regard to reason, has endangered every American committed to combat in that faraway land. I do not, however, feel that I may rightfully foreclose the possibility of future action in the event an honest and satisfactory truce is arranged. At the moment I would not vote to appropriate one dime for France because it has no government, but I do not want to foreclose the possibility that the future may bring a French Government which has stability, character, and integrity, and one that may be allied with our own Government in an effective and positive policy for peace.

Those are questions which can be determined when actual appropriations are requested. This bill, an authorization bill, is a weapon we cannot afford to lock in the closet. How we load it and how we use it are determinations for the future, but as a hunter for peace I would like it to be readily available.

Mr. SMITH of Virginia. Mr. Speaker, I yield 10 minutes to the gentleman from Texas [Mr. BURLESON], a member of the Committee on Foreign Affairs.

Mr. BURLESON. Mr. Speaker, I thank the gentleman from Virginia for being kind enough to give me time on the rule. There is a particular reason why I did request time now rather than in general debate. I am sure the ranking minority member of the Committee on Foreign Affairs would have given me time, but it would not have offered opportunity to oppose the rule before us. It so happens that I can agree with my colleague from Texas who just preceded me and at the same time oppose this rule. If that sounds inconsistent, there is a reason why it is not.

At the conclusion of the hearings on this bill by the Committee on Foreign Affairs I introduced an informal motion that further consideration of it be postponed for several months; that the committee be subject to the call of the chairman, and that the committee reconvene not later than December 1 of this year, if not called sooner by the chairman, to "have a new look," so to speak, at world conditions.

Can we today authorize approximately $5 billion as just mentioned, and as referred to by my colleague from Texas [Mr. LYLE], with very much intelligence when we look at all the imponderables around the world today? I asked that question of Mr. Stassen and the Secretary of State, Mr. Dulles, when they were before our committee, and, of course, they did not think it was wise to recess these hearings and wait until a little further along in the year when we could have a new look at this thing. What else could they say? What could the President say, but that we must go along now with this program? Of course, they say that. I know we have this so-called pipeline which must be kept flowing. But there is approximately $12 billion sitting up here in this great hopper with the small end down here in the pipeline. They will not use any of that money for the fiscal year 1953–54. They could not do it, and will tell you as much.

What do we have in France today? No responsible leadership of government. In Italy Mr. de Gasperi's coalition government is tottering on the brink. We have to know what his experience is going to be before we can intelligently appraise the success or failure of his government. Then there is Korea. What is going to be the effect of a truce in Korea? Our entire policy must be adjusted to that, whatever the outcome.

It is not a matter of mistrusting the leadership of this administration. As a matter of fact, we should take the contrary view that we are supporting the administration when we assume our own responsibilities and wait a few months until we can come more nearly to determine what we can expect in the future.

What are they going to do with the huge army in north China if a truce is brought about in Korea? They cannot very well keep it idle up there. If they bring it down into south China to join with the tremendous forces already there, what will happen in southeast Asia? Take Egypt. What is their attitude at the present time? I am not too critical of our so-called friends and certainly I am not critical of this administration, but I think they should have the opportunity of waiting to see which way we are going before we put out another $5 billion. It just simply makes sense to me that we cannot legislate today with any intelligence on these uncertainties. This House, by defeating this rule, could simply tell our committee that we could exercise our judgment in giving attention to it in the fall of the year and having a bill ready for you when we come back the first of the year. I do not know of anything that would suffer by it. It just seems the part of wisdom that we should take a new look at these things. I can see as you do that just in the few months ahead things could change rapidly. I mentioned this on the floor a few days ago, and my friend, the gentleman from New York [Mr. JAVITS], replied to me that things could happen in the next few months which would change our entire outlook for better or for worse. Should we not wait? Should we not wait? We should exercise our own responsibility. Mr. Stassen says we should trust the administration, "we will do the proper thing—we will exercise our judgment." Why put that burden on them? Many people believe that today one of the great difficulties in this country is that we have delegated too much power to governmental agencies, and that is what we are doing here. We say "You use your judgment," but here is an additional $5 billion involved. It is our responsibility and ours only.

Mr. BARDEN. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from North Carolina.

Mr. BARDEN. Did I understand the gentleman to say that not a dollar of this $5 billion would be used during the year 1953–54?

Mr. BURLESON. I think anyone would tell you that; I think the administration will tell you that. The Director of Mutual Security will, I am sure, give such assurance.

Mr. BARDEN. Then we are now appropriating money for 1954–55.

Mr. BURLESON. Exactly, or maybe 1955–56. Of course, this matter of a fiscal year appropriation is probably a misnomer. We do that in the military, and I know we have to contract in advance. It takes time to produce and to deliver military end items but a few months delay is not going to disrupt or impair the continuity of this program. Now Mr. Speaker, I have always supported this program, and probably will do so again if I must but it will be on the basis of considering there is no alternative. Must we be forced to legislate by fear?

Mrs. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield to the gentlewoman from Illinois.

Mrs. CHURCH. I would like to interrupt the gentleman briefly just to point out that he was not a voice crying in the wilderness from this point of view in the Committee on Foreign Affairs; that he had with him more than a few who supported his wise admonition that a little delay, in order to see where we are going, might be the better part of wisdom as well as of valor.

Mr. BURLESON. I thank the gentlewoman.

Mr. O'KONSKI. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from Wisconsin.

Mr. O'KONSKI. I compliment the gentleman for bringing that point out. I think he should also point out the new negotiations going on between Tito and the Kremlin. This bill authorizes more money for Tito, and 6 months from now nobody knows where he is going to go.

Mr. BURLESON. There are some most disturbing reports in that connection, and I appreciate the gentleman's point. There are many unfavorable circumstances to which attention might be directed. Taken together, the entire world atmosphere is exceedingly static, and we need more than ever to act with caution and prudence. We cannot, under immediate conditions, exercise reasonable judgment based on reasonable and logical information.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from Iowa.

Mr. GROSS. I want to compliment the gentleman on his statement. I do not know how we can possibly and logically appropriate the money contained in this bill, for instance, to the European defense community, the EDC, when, in fact, there is no such thing as a European defense community.

Mr. BURLESON. That is just another instance where I feel we would show greater judgment by waiting to see what the developments are.

Mr. VORYS. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from Ohio.

Mr. VORYS. As far as the European defense community is concerned, under the Richards amendment that was adopted in committee we hold back the equipment available in this bill for the European army until they have gotten together. Is not that correct?

Mr. BURLESON. That is true. With the greatest respect for my leadership on the minority side, I am almost forced into saying at this time that by comparison, I think that would do greater injury by the Richards' amendment than if we postponed the consideration of this bill. I think we should wait until we can take a positive stand, without limitation; without building up a little dam here to stop something and then jumping over here to build another little dam, hoping it will finally work. With all these gimmicks and gadgets in the bill, when if we waited until we can see more clearly and more nearly what we were doing, then we might not have to do a lot of these things. We might have to do more and we might have to do less. Let us wait and see.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from Minnesota.

Mr. JUDD. The gentleman states that if we pass this legislation now we would be legislating on fear. But is not the course he recommends of postponing action at this time also based on fear, fear that the world situation is disintegrating and too uncertain? Would not postponement be an announcement to the rest of the world that the United States is retreating in the situation?

Mr. BURLESON. I think perhaps many of us have legislated more or less on fear in all the years we have had this program before us, but I say that today we are operating on greater fear than we would be if we waited. If we put it off a few months, we would be legislating on prudence.

Mr. JUDD. "Prudence" is a better word than "fear."

Mr. JAVITS. Mr. Speaker, will the gentleman yield? The gentleman was good enough to mention my name.

Mr. BURLESON. I did not have a chance to reply to the gentleman the other day on the floor.

Mr. JAVITS. I would like to ask the gentleman this. The gentleman is seeing signs of considerable unsettlement in Czechoslovakia, East Germany, and other areas in the Communist bloc. Does the gentleman think we ought to sit with our hands folded and let those people fold up and be massacred as the people were in Warsaw while the Russians looked on? Does not the gentleman believe that, on the contrary, this is the time to go ahead, instead of sitting by in fear?

Mr. BURLESON. I am sorry. I think the gentleman misunderstands my entire concept. We should wait and see what does develop so we can act more intelligently. No, we will not be sitting with folded hands. We will be using approximately $11 billion now available. If dollars are any factor in our accomplishments of these things to which you call attention, surely we are pretty well equipped for carrying on our present efforts.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. SCOTT].

Mr. SCOTT. Mr. Speaker, I do not know whether the amount of this bill is right, whether we can do with less, or whether we need more. I am not going to undertake to talk to the merits of the bill. I might support some of the cuts if they appeal to me and I might support some additions if they appeal to me.

I am here to make one point. The thing I do not like in this argument is the argument "Let us not be foresighted, let us leave the foresight to the Russians." That we want to avoid at all costs.

Let me give this illustration. A number of you have had the opportunity of going through Berlin. In East Berlin you saw nothing but wreckage, rubbish, destruction, and Soviet repression. In West Berlin you saw a city restored, prosperous, growing stronger by the day, its streets paved, its houses rebuilt, its industries humming with steadily increased activity. All over West Berlin the East Berliners have seen more food, better clothing, and the blessings of freedom under western civilization, and they have seen all over the city enormous signs saying, "These things were made possible for you by the help of the United States." On top of these signs are the shield of the United States and of the city of Berlin.

No one could convince me that when these hungry and ill-fed people in East Berlin riot as they have in the last 2 days, that they were not influenced by the foresight of the American Congress 2 or 3 years ago in making those conditions possible. Wherever we can do those things we win a part of the battle for the free nations of the world. To that extent I am convinced that you do have to plan and authorize programs well in advance, because this is a war for the minds and the hearts of men.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. SCOTT. I yield.

Mr. GROSS. On the gentleman's trip to Europe, did he happen to see the signs on the steel plants which were built with American money which said "Go Home Americans."

Mr. SCOTT. No, I did not. But ingratitude is not unusual in the world and neither is gratitude. I came here to speak not of gratitude, but of wise planning to extend the frontiers of the free people and to break down the walls which enslave many who cry, as did the East Berliners: "We want to be free."

Mr. ALLEN of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. KERSTEN].

LIBERATION OF THE COMMUNIST ENSLAVED ARMED FORCES

Mr. KERSTEN of Wisconsin. Mr. Speaker, we have been talking about whether or not we should base our policy upon fear or upon faith and courage. I think, under the circumstances at the

present time, we have a tremendous opportunity to base our policy on courage and faith.

We know that the reason for the expenditure of this MSA money, all of it, and for $2 of the $3 of every defense dollar that is spent is because of the threat of the Soviet and satellite armed forces. In the news in the last few days we find there is great disturbance, resistance and potential for defection behind the Iron Curtain.

We have today the news that Syngman Rhee in Korea is intending to enlist the people who have been liberated from the POW camps into the South Korean forces. Here you have in operation, a direct and tremendous psychological attack upon the Communist military potential. That is the type of policy that should be encouraged: the turnabout of military force that had been on the side of the Reds to the side of freedom. That is the type of thing that is based upon courage and faith; in other words, faith in freedom and faith in proceeding upon a policy based upon liberation of the enslaved armed forces. There is in this bill a section providing for such a policy. I am all for it. Our policy should not be defensive. It should be affirmative, and we should set up a policy that will encourage escape to freedom, particularly from the armed forces, and in that way we are drawing away from the armed forces and striking at the Soviet military war-making potential. These are the things that we should be doing in pursuing a policy of real peace. This is the affirmative policy that can avoid world war III. We should base our policy upon faith in freedom and not upon fear.

Mr. MORANO. Mr. Speaker, will the gentleman yield?

Mr. KERSTEN of Wisconsin. I yield.

Mr. MORANO. It is not true that if this rule is defeated, it will be scuttling the administration's attempt to continue with this foreign policy of liberation rather than containment?

Mr. KERSTEN of Wisconsin. Yes, and that is why I am for the rule, because I have the faith that our new policy will be one of courageous liberation and not of fearful containment.

Mr. SMITH of Virginia. Mr. Speaker, I do not think I will make any remarks on this rule. But, I would say under all the circumstances that I favor the adoption of this rule and a thorough debate and consideration of this bill. I have great sympathy for the remarks of the gentleman from Texas [Mr. BURLESON]. I have always supported this program, and yet, I am greatly troubled, and more troubled today than I have ever been in the past. I would like to have some clarification of this program. I would like to hear further from the members of the Committee on Foreign Affairs. I do not think any fight ought to be made on this rule. I hope it will be adopted.

Mr. ALLEN of Illinois. Mr. Speaker, I yield to the gentleman from Illinois [Mr. BISHOP].

Mr. BISHOP. Mr. Speaker, it was with a deep sense of loss and sorrow that I learned that former Congressman Edward Everett Denison had passed from this earthly life on Sunday, June 14, 1953.

Edward Everett Denison, of Marion, Ill., served as Republican Representative in Congress of the 25th District of Illinois from March 4, 1915, to March 3, 1931, a period of 16 years. His first trip to Washington was also his first attempt at public office. A popular Congressman throughout his entire term, E. E. Denison was an instigator of inland waterways in Illinois and labor bills protecting the miners of his district. He served on the important Interstate and Foreign Commerce Committee and was for 6 years a member of the steering committee of the House of Representatives. While a Member of Congress he was chairman of the Panama Canal Committee and in connection with his duties spent a part of each year traveling in the islands of the Caribbean Sea and in Central America, particularly Panama and was responsible for most of the legislation enacted by Congress for the Government of the Panama Canal after its completion. There are some here today who were privileged to serve with this great American who devoted his full strength, wisdom, and leadership without thought of self to the service of his country. It was Mr. Denison who had me appointed as postmaster in my home town of Carterville, Ill., in April 1923 where I served for 10 years.

Mr. Denison entered the Valpariso University of Texas at the age of 16. He graduated from the Baylor University, Waco, Tex., and received the degree of bachelor of arts from Yale University. Later after receiving the degrees of bachelor of law and master of law he entered the practice of law in Marion, Ill., to which he returned after leaving the Congress. Mr. Denison was unmarried. The Marion Memorial Hospital dedicated on May 30 of this year stands on a portion of his home place which he donated to this great humanitarian cause. Although he had been in ill health for some time he never lost interest in others and in world affairs, that great quality which endeared him to the hearts of his many friends.

I would be deeply remiss if on this occasion I did not express my personal gratitude and thankfulness for his friendship and advice to me throughout the years. His soul is another of those who belong to the ages, but his example and his spirit will remain in our midst always.

Mr. RAYBURN. Mr. Speaker, will the gentleman yield?

Mr. BISHOP. I yield.

Mr. RAYBURN. Mr. Speaker, in the passing of our former colleague, Edward Everett Denison, I have a twinge of great sorrow. I served with him on the Committee on Interstate and Foreign Commerce for many years. He was an outstanding man. He had great ability and learning. He was a man of fine character, a gentleman of the highest type.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. SMITH].

Mr. SMITH of Wisconsin. Mr. Speaker, I do not ask for this time to oppose the rule. I do want, however, to draw the attention of the House to the great speed which we have used in bringing this matter to the floor.

We have here a $5 billion package. Hearings in the committee were completed a week ago last Saturday. There were some 1,300 pages of testimony. They came to us yesterday morning along with a 72-page report. Members of the committee got together a week ago Wednesday. The committee marked up the bill on Thursday. We find that we have been working our staff overtime—up to 1 o'clock in the morning. The members of the committee, to say nothing of the Members of the House, have had no time to examine the hearings or the two reports.

I merely bring this to the attention of the House in the hope that when very important legislative matters are presented to us, legislation should not be on a horse-race basis just because we are anxious to get away from this Chamber.

This is a matter, in my opinion, that should have studious attention. If necessary, we ought to spend a week on this legislation, because I do not think we are going to have a more important piece of legislation to consider in this session.

For myself and other members of the minority who joined in the minority report—and I call it to your attention. It is not very long, it is only 7 or 8 pages—we feel that the time has come to consider seriously this matter of amounts in the bill for one thing. We expect to introduce amendments to the bill which will reduce the amount by almost $1 billion. And we shall offer them fully appreciating the fact that there will be the charge that the administration must have this money.

We think, with all the money that is on hand and what will be appropriated or authorized in this bill, the program will in no way be jeopardized. We feel also that the time has come, as has been so well pointed out by the gentleman from Texas [Mr. BURLESON] to stop, look, and listen; to see, if we possibly can, just what we are buying in this program.

Are we buying friends? It is a rather turbulent world as we look about us, when you stop to consider for just a moment the situation in Asia, where we are going to go it alone, not on our own initiative, but by the will of our friends.

Mr. Pearson, president of the United Nations Assembly, said only last week that American-Asiatic policy will not be followed by other nations who are in the United Nations and, further, that the problems in Asia are problems to be solved by the Asiatics.

I would like respectfully to suggest that if we use that rule in Asia, we ought seriously to consider it in Europe. We ought to know by this time that we cannot buy friends. We ought to realize and understand also that we are not going to kill communism with bombs or bullets or planes. But there is nothing in the bill before us except for some TCA. This is, of course, a military bill. That is where most of your money is going. This bill is a mistake, and I shall not vote for it.

Mr. ALLEN of Illinois. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the "ayes" appeared to have it.

Mr. WILLIAMS of Mississippi. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After a pause.] One hundred and sixty-six Members are present, not a quorum.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 341, nays 35, not voting 54, as follows:

[Roll No. 57]

YEAS—341

Abbitt	Cooper	Hart
Abernethy	Corbett	Hays, Ark.
Adair	Cotton	Hays, Ohio
Addonizio	Cretella	Heller
Albert	Crosser	Herlong
Alexander	Crumpacker	Heselton
Allen, Calif.	Cunningham	Hess
Allen, Ill.	Curtis, Mass.	Hiestand
Andersen, H. Carl	Curtis, Mo.	Hill
	Curtis, Nebr.	Hillelson
Andresen, August H.	Dague	Hillings
	Davis, Ga.	Hinshaw
Andrews	Davis, Wis.	Hoeven
Arends	Dawson, Ill.	Hoffman, Mich.
Ashmore	Dawson, Utah	Holmes
Aspinall	Delaney	Holt
Auchincloss	Dempsey	Holtzman
Ayres	Derounian	Hope
Baker	Devereux	Horan
Barrett	D'Ewart	Hosmer
Bates	Dingell	Howell
Battle	Dodd	Hruska
Beamer	Dollinger	Hunter
Becker	Dolliver	Hyde
Belcher	Dondero	Jackson
Bender	Donohue	James
Bennett, Fla.	Dorn, N. Y.	Jarman
Bentley	Doyle	Javits
Benteen	Durham	Jenkins
Betts	Eberharter	Jonas, Ill.
Bishop	Edmondson	Jonas, N. C.
Blatnik	Elliott	Jones, Ala.
Boland	Ellsworth	Jones, Mo.
Bolton, Frances P.	Engle	Jones, N. C.
	Evins	Judd
Bolton, Oliver P.	Fallon	Karsten, Mo.
	Feighan	Kean
Bonin	Fenton	Kearney
Bonner	Fine	Kearns
Boykin	Fino	Keating
Bramblett	Forand	Kelley, Pa.
Bray	Ford	Kelly, N. Y.
Brooks, La.	Forrester	Keogh
Brooks, Tex.	Fountain	Kersten, Wis.
Brown, Ga.	Frazier	Kilburn
Broyhill	Prelinghuysen	King, Calif.
Buchanan	Friedel	Kirwan
Buckley	Fulton	Kluczynski
Busbey	Garmatz	Knox
Byrd	Gary	Krueger
Byrne, Pa.	Gathings	Laird
Byrnes, Wis.	Gentry	Lane
Camp	George	Lanham
Campbell	Golden	Lantaff
Canfield	Goodwin	Latham
Cannon	Gordon	LeCompte
Carlyle	Graham	Lesinski
Carnahan	Granahan	Long
Carrigg	Grant	Lovre
Case	Green	Lyle
Cederberg	Gregory	McCarthy
Celler	Gubser	McCormack
Chelf	Gwinn	McCulloch
Chenoweth	Hagen, Calif.	McDonough
Chiperfield	Haley	McGregor
Church	Halleck	McMillan
Clevenger	Hand	Machrowicz
Cole, N. Y.	Harden	Madden
Colmer	Hardy	Magnuson
Condon	Harris	Mahon
Cooley	Harrison, Va.	Marshall
Coon	Harrison, Wyo.	Matthews
Meader	Rains	Springer
Merrill	Ray	Staggers
Merrow	Reams	Stauffer
Miller, Calif.	Reece, Tenn.	Steed
Miller, Md.	Reed, Ill.	Stringfellow
Miller, Nebr.	Reed, N. Y.	Sullivan
Miller, N. Y.	Rees, Kans.	Taber
Mills	Rhodes, Ariz.	Talle
Mollohan	Rhodes, Pa.	Taylor
Morano	Richards	Teague
Morgan	Richman	Thomas
Moss	Riley	Thompson, La.
Multer	Rivers	Thompson, Tex.
Mumma	Roberts	Thornberry
Murray	Robsion, Ky.	Tollefson
Neal	Rodino	Trimble
Nelson	Rogers, Colo.	Tuck
Nicholson	Rogers, Fla.	Utt
Norblad	Rogers, Mass.	Van Pelt
Norrell	Rooney	Van Zandt
O'Brien, Ill.	Roosevelt	Vinson
O'Brien, Mich.	Sadlak	Vorys
O'Hara, Ill.	St. George	Vursell
O'Neill	Saylor	Wainwright
Ostertag	Schenck	Wampler
Patman	Scott	Warburton
Patten	Scrivner	Watts
Patterson	Scudder	Weichel
Pelly	Seely-Brown	Whitten
Perkins	Selden	Wickersham
Pfost	Sheehan	Widnall
Philbin	Sheppard	Wier
Pillion	Short	Williams, N. Y.
Ponge	Shuford	Wilson, Calif.
Poff	Sieminski	Wilson, Ind.
Polk	Sikes	Wilson, Tex.
Powell	Simpson, Ill.	Winstead
Preston	Simpson, Pa.	Wolverton
Price	Small	Yates
Priest	Smith, Miss.	Yorty
Prouty	Smith, Va.	Young
Rabaut	Smith, Wis.	Younger
Radwan	Spence	Zablocki

NAYS—35

Bailey	Gross	Robeson, Va.
Barden	Hagen, Minn.	Rogers, Tex.
Bennett, Mich.	Harrison, Nebr.	Secrest
Bosch	Ikard	Shafer
Bow	King, Pa.	Smith, Kans.
Budge	Landrum	Sutton
Burdick	Lucas	Thompson, Mich.
Burleson	McVey	
Cole, Mo.	Mack, Wash.	Velde
Dorn, S. C.	Mason	Wheeler
Dowdy	O'Konski	Williams, Miss.
Gavin	Passman	Withrow

NOT VOTING—54

Angell	Gamble	Morrison
Berry	Hale	Moulder
Boggs	Harvey	Oakman
Bolling	Hébert	O'Brien, N. Y.
Brown, Ohio	Hoffman, Ill.	O'Hara, Minn.
Brownson	Holifield	Osmers
Bush	Jensen	Phillips
Chatham	Johnson	Pilcher
Chudoff	Kee	Rayburn
Clardy	Kilday	Regan
Coudert	Klein	Scherer
Davis, Tenn.	McConnell	Shelley
Deane	McIntire	Walter
Dies	Mack, Ill.	Westland
Donovan	Mailliard	Wharton
Fernandez	Martin, Iowa	Wigglesworth
Fisher	Metcalf	Willis
Fogarty	Miller, Kans.	Wolcott

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Brown of Ohio with Mr. Dies.
Mr. Hoffman of Illinois with Mr. Morrison.
Mr. Gamble with Mr. Klein.
Mr. Coudert with Mrs. Kee.
Mr. McConnell with Mr. Walter.
Mr. Bush with Mr. Willis.
Mr. Scherer with Mr. Bolling.
Mr. Harvey with Mr. Fogarty.
Mr. Hale with Mr. Fernandez.
Mr. Osmers with Mr. O'Brien of New York.
Mr. Martin of Iowa with Mr. Moulder.
Mr. Jensen with Mr. Deane.
Mr. Angell with Mr. Chatham.
Mr. McIntire with Mr. Mack of Illinois.
Mr. Clardy with Mr. Donovan.
Mr. Johnson with Mr. Metcalf.
Mr. Oakman with Mr. Hébert.
Mr. O'Hara of Minnesota with Mr. Holifield.
Mr. Wigglesworth with Mr. Boggs.
Mr. Brownson with Mr. Shelley.
Mr. Westland with Chudoff.
Mr. Berry with Mr. Kilday.
Mr. Wolcott with Mr. Davis of Tennessee.
Mr. Phillips with Mr. Fisher.
Mr. Mailliard with Mr. Pilcher.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

Mr. CHIPERFIELD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5710) to amend further the Mutual Security Act of 1951, as amended, and for other purposes.

The question was taken; and on a division (demanded by Mr. GROSS) there were—ayes 122, noes 10.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present.

Mr. HALLECK. Mr. Speaker, I demand tellers.

The SPEAKER. The point of order of the gentleman from Iowa takes precedence. The Chair will count. [After a pause.] Two hundred and eighteen Members are present, a quorum.

So the motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 5701, the Mutual Security Act of 1953, with Mr. ALLEN of Illinois in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. The rule provides 5 hours of general debate to be equally divided. The Chair will recognize the gentleman from Ohio [Mr. VORYS] for 2½ hours and the gentleman from South Carolina [Mr. RICHARDS] for 2½ hours.

Mr. VORYS. Mr. Chairman, I yield such time as he may desire to the distinguished chairman of the Committee on Foreign Affairs, the gentleman from Illinois [Mr. CHIPERFIELD].

Mr. CHIPERFIELD. Mr. Chairman, first of all as chairman of the Foreign Affairs Committee I want to thank every member of my committee for the conscientious job they did while considering this bill. It involved holding 47 meetings of the full committee and 18 meetings of the subcommittees. The members spent long hours of hard work and study on its preparation, hearing over 1,300 pages of testimony and writing a report of 74 pages.

I also want to pay tribute to the entire staff of the committee for the excellent work they have done and for their untiring efforts in behalf of the committee.

During the consideration of the bill there was a completely bipartisan approach and I especially want to commend the distinguished gentleman from South Carolina Mr. JAMES P. RICHARDS, former chairman of this committee, for his fullest cooperation and help. He was a tower of strength during the consideration of this bill.

This year the Foreign Affairs Committee was divided into eight subcommittees. There are four area committees, namely, Europe, Near East, and Africa, Far East, and Western Hemisphere. We also have four functional subcommittees which are State Department Organi-

zation and Personnel, National Security, International Organizations and Movements, and Foreign Economic Policy.

Since most of the provisions of this bill come within the jurisdiction of these subcommittees they have given special attention and study as to how this bill affects their particular areas or functions. It was, therefore, thought, so far as practical, to take advantage of the special study these subcommittees have made and have them take the lead in the debate on matters which come within their special provinces.

In addition, this spring we sent a study mission headed by the distinguished gentleman from Wisconsin [Mr. SMITH] to the European area; and also a study mission headed by the distinguished gentleman from New Hampshire [Mr. MERROW], to the Near East, Pakistan, and the Far East. Both groups studied the problems created by mutual security legislation and upon their return made most helpful and detailed reports containing many constructive suggestions.

By unanimous vote the Republican members of the Foreign Affairs Committee have requested the distinguished gentleman from Ohio [Mr. VORYS] to act as floor manager in behalf of the Republican members of the Foreign Affairs Committee during the consideration of this bill as he so ably acted in this capacity for the last 2 years when mutual security legislation was on the floor. There is no man in Congress who is better fitted for this position as no one has worked harder on this bill or has a better grasp of the details of this complex measure than the gentleman from Ohio [Mr. VORYS].

I favor passage of H. R. 5710 not because it is a perfect bill but because I believe the continuation of the mutual security program is essential as part of our defense and for the security of the United States. This view is supported not only by the President but by every member of his Cabinet, the evaluation teams, all the military authorities who testified before us, and by the Republican and Democratic platforms.

The bill which is offered is a so-called package bill and amends 11 different laws. This, of course, results in a hodgepodge, but we have been assured by the administration that early next year we will have new basic legislation which will correct the present situation.

The committee agrees with the President that there is a great need for new legislation on this program. It is also hoped that the new proposed Reorganization Plan No. 7 will result in bringing about a more efficient administration of the mutual security program and related programs.

This year the administration changed the form of previous legislation on this subject from an area approach to a functional one so the bill is divided into six functional chapters as follows:

Chapter I. Military assistance.
Chapter II. Mutual defense financing.
Chapter III. Mutual special weapons planning.
Chapter IV. Technical assistance.
Chapter V. Special regional economic assistance.
Chapter VI. Multilateral organizations.

Since the mutual security program was presented in Mr. Truman's budget it has already received three successive cuts, as follows:

[In millions]

		Reductions
Truman budget request	$7,600	
Administration request	5,828	$1,772
Revised administration request	5,474	354
Committee bill	4,998	476
Total reduction		2,602

As noted in this tabulation the administration reduced the Truman request by $1,700,000,000. Then with unusual candor reduced it another $354 million promising, if possible, an additional reduction of $50 million which does not appear in this tabulation.

As indicated, the Foreign Affairs Committee made the following further reductions:

Section 101 (a) (1): Europe	$100,000,000
Section 201: Military aid to Near East and Africa	100,000,000
Defense support (United Kingdom)	100,000,000
Special weapons	150,000,000
Basic materials	25,000,000
Ocean freight	1,000,000
Total reduction	476,000,000

These reductions were selective and based on consideration of policy rather than cuts across the board. An analysis will disclose that the committee bill is $2,600,000,000 or 34 percent below the Truman request; and $830 million or 15 percent below the administration's original request.

A study of the provisions of the bill will disclose that 80 percent of the military assistance for Europe is for military end items and training and the remainder for packaging, crating, infrastructure, and administrative costs.

A further breakdown will disclose that there is direct military assistance to Europe in this bill amounting to $2,979,000,000 which is 42 percent of the total authorized by the bill. This includes military end items, offshore procurement, infrastructure, and military training.

Offshore procurement programs of course are for procuring military materiel from our allies overseas.

I favor offshore purchases because it helps us reach the necessary military requirements more nearly on schedule and assures production in Europe of such items as ammunition and spare parts, so Europe will not be dependent on the United States for such military items. It also helps to close the dollar gap between the United States and the countries in which the money is spent. By the expenditure of such funds overseas the recipient nations will not be so dependent on this country for financial aid. Furthermore, in many instances military end items can be produced cheaper in Europe than in the United States.

It is hoped under this program to produce in Europe as much as $1 billion of military end items.

The infrastructure program is designed to construct facilities necessary to carry on effective combat operations such as airfields, fuel supplies, radar, and so forth. There is included in this bill $180 million for this purpose.

I favor such expenditure because it puts special emphasis on Air Force defenses, and we plan to build over 100 airfields with their related facilities in Europe at strategic points.

The next war, everyone knows, is going to be fought with modern weapons, and I am especially pleased we are putting this emphasis on our air program.

While we contribute to the infrastructure program approximately 40 percent, the recipient countries contribute 60 percent as well as the land for these airfields, which averages in value about 10 percent of the cost of installation, and the utilities, which add another 5 percent.

It also is true the European countries pay comparable taxes to those in the United States, and in some cases even higher.

It must also be remembered that while we propose to spend over $2 billion for the fiscal year 1954 in Europe for military equipment, Europe plans to spend during the same period $14,930,000,000 for its own defense, so it is by no means a one-way street.

Everyone realizes the Near East and Africa are critical areas. The committee recommends $305 million for military purposes in this area. This, however, is $100 million less than requested as the committee disapproved at this time the establishing of a middle east defense organization estimated to cost that amount. The committee felt such a request was premature at this time but that does not mean at a future date such a program would not be given the fullest consideration.

Due to the critical military situation in Asia and the Pacific this bill places greater emphasis on military aid in that area.

It is proposed in this bill to authorize approximately $1 billion of military aid in this area which would be twice as much as Congress authorized last year for that purpose. Of this amount the bill contains a sum which would assist Japan to defend herself.

The bill contains $884 million for defense support and the explanation is that these funds are necessary for countries with large military programs so they will not so overstrain their economies as to have to cut back their military programs to maintain themselves. However, the committee did cut $100 million defense support funds for the United Kingdom.

The bill does provide, however, for special financing, $100 million for production of military aircraft in England, and another $100 million for the manufacture of artillery, ammunition, and small weapons in France.

The committee had been requested to authorize $250 million for the development of special weapons, some of which might be developed in Europe, but this amount was reduced to $100 million as it was thought the plans for this purpose were too premature to justify such a great expenditure at this time. No atomic weapons are to come under this

program and there are safeguards to protect the security of the United States.

There also is in this bill a very controversial provision which provides that not less than 50 percent of the funds authorized for military assistance to Europe in fiscal 1954 shall be available only for the European Defense Community.

I believe all of us are anxious for a EDC to be consummated at the earliest possible moment, but it seems to be most doubtful whether such a provision would hasten the formation of such a community or deter it.

The bill contains $140 million for technical assistance in the Near East, a breakdown of which is found in the committee's report on pages 37–39.

Incidentally, a great deal of work and detail was placed in this report which, if the House will read and study, will answer many questions that may arise when considering such a controversial and complex program.

Very frankly, I feel reductions can be made in TCA or the point 4 program. I would like to have the point 4 program limited to its original purpose of sharing our technical skills with people in underdeveloped areas and not have the programs enlarged to a worldwide WPA where the United States would have to make large contributions for the actual construction of public works such as dams, roads, and so forth.

The same is true of the $130 million authorized for special regional economic assistance. While this aid is authorized for countries in critical areas, it is very difficult for me to approve of millions of dollars being spent for such projects as dams, waterway improvements, watersheds, and so forth, when in this country not one new flood project, which was not actually under construction, was placed in the administration's budget for 1954. We have to fight to get appropriations for such programs for our own districts which were authorized several years ago. While we are frequently unsuccessful, so far as such projects for our own districts are concerned, yet we are asked to spend huge sums for similar projects all over the world. I feel in this field of special economic aid there could be considerable reduction of the programs authorized by the committee in this bill.

In the past we have contributed to a number of multilateral organizations such as movement of migrants, multilateral technical assistance, children's welfare, ocean freight, and United Nations-Korean organized agency for which the committee authorized approximately $1 million. Each one of these programs is fully explained in the report and the Committee of the Whole can determine for itself whether they are justified.

Incidentally, our committee cut $1 million from ocean freight which assisted such voluntary organizations as CARE which are contributing so much to volunteer foreign aid. Subsequent information which the committee did not have at the time this cut was made may make it advisable to restore this amount.

There are many other provisions in the bill. I only mention a few of them. There has been an attempt made by this bill to further reduce personnel by establishing ceilings.

It also contains stronger provisions for guaranties to private investors abroad.

A request was made to extend the program to 1958 and the liquidation period another 3 years but the committee felt that since the bill was considered only as an interim aid program, and the President promised a new framework for this legislation early next year, the expiration date was left the same as before, June 30, 1954. But the liquidation period was extended from 12 to 24 months.

The bill also increases by $200 million the limit on furnishing United States excess military equipment. This is for the transfer of items already on hand for which the United States has no further use.

The committee recognized the fact there has been criticism of the mutual security program and set forth the most important criticisms, with our comments, on pages 6 and 7 of the report. I recommend your most careful reading of that section of the report.

In the course of the hearings which covered 1,300 pages we investigated most of the criticisms, some of which have already been corrected. But in spite of these criticisms and at times imperfect administration of the program and the apparent unwillingness of some of our allies to extend themselves to the utmost of their ability, most of the members of the committee were of the opinion that this legislation is paramount to the security of the United States and that we must continue to resist Soviet aggression by trying to mobilize the free nations as our allies against this threat. Those who favor this bill feel it carries out this purpose and should be adopted.

Mr. VORYS. Mr. Chairman, this is a foreign policy package bill. It involves the extension of 11 different foreign policy laws. There are 7 chapters to the bill; it has 4 geographical titles covering the whole globe; it involves 56 countries directly and every country on earth indirectly.

This is not an appropriation bill. The amounts in the bill are limits on foreign policy activities.

The total in the bill is $4,998,000,000. That is $1 billion less than the authorization bill last year; $2,600,000,000, or 34 percent less than the Truman budget presented this year; and it is $830 million, or 15 percent, below the original Eisenhower budget. Through reductions suggested by the administration and some made by the committee we bring you this the smallest foreign-aid bill in 5 years.

This package plan was devised in the 80th Congress; the columnists and commentators at that time attacked it as being designed to confuse and delay consideration of a series of foreign policy measures that had a deadline of April 1, 1948. But the House met that deadline on March 31, and the package plan has been continued and followed ever since.

The advantages of the package plan are that it provides overall comparison, consideration, and action on worldwide foreign policies at one time; but the disadvantage is that it requires rapid study, discussion, and understanding of complex and diverse problems all over the world. We hope during general debate to go into the details and to answer questions. But before we do that I want to suggest two broad simple principles that are involved at the beginning, and you will face them at the end.

First. We must stand by the President of the United States on foreign policy;

Second. We do not want to fight alone here.

This is the first big foreign policy test for a Republican Congress in a Republican administration for over 22 years. We are out of practice. Under our Constitution, the President has primary responsibility for foreign policy. We are in a grim and dreary period of war, with threats of more war. This bill involves what we do with other countries in a time of tension and peril. We have a President with more experience, more ability, in successfully leading allies in war, in preparing them for war, than any other man on earth. The simple question is going to be—does Congress have confidence in the President? I think the answer will be, to our friends and enemies all over the world, the people's representatives in this Republic are standing by President Eisenhower.

Eighty-nine percent of this is for military aid, for weapons, training, financing defense activities, so as to go forward in arming and equipping 4,900,000 men to fight, if need be, in the cause of freedom against our common foe. We don't furnish all the arms, we don't feed or pay or clothe them, but the average cost is about $5,556 a year for an American soldier before he has a gun in his hand. This Mutual Security Program will cost us less than $1,000 for a foreign soldier, to help put a gun in his hand. These forces of our allies are not all equally ready, willing and able to fight by any means, but in helping to arm them, instead of exclusively arming American boys, we take a calculated risk, instead of a calculated loss. If we do not have war, additional American troops cost $5,556 each per year. The economic loss can be calculated. If we have war, we can also calculate the loss in blood and tears if Americans are to do all the fighting.

Now some of you may want us to go it alone, pull out our forces all over the world, arm to teeth here, and wait for our enemies to come here. I have seen the war-devastated countries of Europe where they fought at home. I think we should plan, if we must have war, to fight our wars away from home, on friendly soil and not do all the fighting ourselves. I was attacked by Vishinsky in the U. N. in Paris in 1951 for a statement I had made like this in our Foreign Affairs Committee the summer before. He had the committee hearings in his hand. He said I wanted foreign mercenaries to fight for the Wall Street monopolists. Well, I disagree with Vishinsky. I think we help not only our neighbors, but ourselves, when we give them a chance to defend their homeland.

But we do not want to do all the fighting. In 1950, just after the Korean attack, every Member of the House, except Marcantonio, voted to extend the military aid bill. With trouble brewing all

over the world, we had better remember that vote.

The various kinds of economic aid in this bill are tied up to our security. For instance, we have given Germany no military aid. We gave Germany a military beating, but since the war we have given Germany vast economic aid, and the progress in Western Germany, contrasted with the conditions in East Germany, has been the main cause for this East German revolt that is striking terror to those in the Kremlin who fear this is the beginning of the end. We find various kinds of economic aid in this bill including technical assistance. In undeveloped countries, poverty, disease and ignorance breed communism, not because poor people, sick people, ignorant people go Communist but because they are more easily taken over by Communist conspiracies, infiltration and aggression. So, programs for more food, more health, and more education help us in the cold war. But how about in times of peace? Well, in times of peace we have had our most profitable foreign trade not with backward countries, but with the more developed countries, so therefore when we help people to improve their standards of living we lay the foundation for future export markets which must continually expand if we are to continue to hold up our high standard of living, and import increasing lists of strategic materials which we need. So, we serve our own interest in war and peace as well as those of other free people in this economic-aid program.

But in the final analysis there are going to be these two simple questions on this bill: Are you backing President Eisenhower in his foreign policy? Or, do you want us to do all the fighting if war comes?

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Michigan.

Mr. DINGELL. The gentleman made reference to the fact that we are not giving military aid to Germany but are giving her and have given her vast economic aid. May I say first, before I ask my question, whether we give them military aid or economic aid, they can provide military aid for themselves if we relieve them and help them economically. I am for all that, but I am wondering, in the case of Germany, whether or not that is the proper thing to do, and I want the gentleman's reaction. Does the gentleman have confidence that Germany is going to go straight after she does get on her feet militarily? Can we trust her, and if so, how far?

Mr. VORYS. Here is the answer: In defeating Japan and Germany we created two military vaccums on either side of Soviet Russia, and that situation must be redressed to restore a balance of power that will deter the Russians. Germany is absolutely essential to the defense of Western Europe. I feel that the Germans have learned their lesson. The pattern of the European army devised by the French creates a situation under which the Germans can be safely armed to join in the common defense without danger of their aggression again, and I am one of those who hopes that the European army will come to fruition rapidly. However, the committee bill provides that unless and until the European army, with Germany in it, has been ratified, one half of the $2,079,000,000 for Western European military aid will not be delivered.

Now, we have been asked on this gigantic bill to give all information possible. We will try to answer questions. We have a series of 19 charts in the Speaker's lobby which explain graphically what has been done with the money spent, what they intend to do with the money they have not yet spent, what they intend to do with the money they are requesting in this bill.

Mr. CHIPERFIELD. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Illinois.

Mr. CHIPERFIELD. I hope the distinguished gentleman from Ohio will call attention to the committee report on this bill, because it will provide answers to many of the questions Members may have.

Mr. VORYS. We have a 74-page report that attempts to condense the 1,300 pages of the hearings, to give information about all of the vast areas and the divers and complex questions in the bill. We commend it to the attention of the Members.

Mr. KERSTEN of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. KERSTEN of Wisconsin. I do not wish the gentleman to answer me specifically or factually, but generally. May I ask the gentleman whether or not the thing Vishinsky most feared in the episode to which the gentleman referred was the military potential of people who had escaped from behind the Iron Curtain?

Mr. VORYS. Mr. Vishinsky was complaining about the so-called Kersten amendment in this program of which the gentleman from Wisconsin was the author. The Russians are like some others, they seem to holler when they are hurt. It would seem as if they feared greatly that persons who had escaped from behind the Iron Curtain might join the forces of freedom to defend western Europe.

Mr. KERSTEN of Wisconsin. I thank the gentleman.

Mr. O'KONSKI. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Wisconsin.

Mr. O'KONSKI. Why was not the $100 million appropriated for the purpose of helping those escapees used by the previous administration?

Mr. KERSTEN of Wisconsin. If I may reply to my good friend from Wisconsin, in partial answer may I point out that that $100 million was appropriated under a previous administration, which I do not think was in favor of a policy of liberation. We need a little time, I think, to develop that policy. I am confident that it will be developed along the proper lines.

Mr. VORYS. We are proceeding under a new positive foreign policy to seize the initiative, which involves eventual peaceful liberation instead of containment, a policy of having striking forces ready, not for preventive war but dreadful retribution, in case war should be launched, with the idea that this is the way to deter war or win it if war comes.

We have been counseled by my dear friend the gentleman from Texas [Mr. BURLESON] to call the whole thing off, that we need more time, we should wait a while. Admittedly we are in a grim situation, but this is not the time to stall or to wait. We are launching a positive foreign policy. There are trouble spots all over the world, tense, serious, critical, many of them precipitated by the Soviets. There are other crucial areas that will be discussed during the consideration of this bill.

That is what our new President faced when he came in. We have a new fire chief. He has some ideas on safety measures and fire prevention, but when he got the job there were two fires raging, in Indochina and Korea. Embers were still smoldering and sparks were flying all over the world. He has to use the old equipment, the old sprinkler system, until he can devise a new one. Under these conditions, let us help the fire chief. Certainly let us not turn off the water. Let us keep the pressure high at this time.

The French in World War I were faced with a desperate situation in 1914. You remember the famous message Marshal Foch to Marshal Joffre during the first battle of the Marne:

> My right has been rolled up. My left has been driven back. My center has been smashed. I have ordered an advance in all directions.

We are in no such desperate danger. But let us advance with courage and conviction under the leadership of our President, this great genius in organizing free people to defend their liberties.

Mr. RICHARDS. Mr. Chairman, I yield myself 35 minutes.

Mr. Chairman, in the previous 2 years I came before you as chairman of the Committee on Foreign Affairs, and under Democratic leadership we presented bills to you embodying the so-called Mutual Security Program. Today we are under other leadership. I want to compliment the distinguished chairman of the committee, the gentleman from Illinois [Mr. CHIPERFIELD], for the unfailing courtesy and consideration he has shown the minority during the deliberations on this bill, and commend him for the very efficient way in which he has handled the committee. I also commend the gentleman from Ohio [Mr. VORYS] who spoke so eloquently a few minutes ago in behalf of this bill. As a matter of fact, there are a few men in this country more completely informed on foreign-aid legislation. It was just mentioned that this is a package bill which came into being during the 80th Congress, a Republican Congress. That is correct. The gentleman from Ohio [Mr. VORYS] was too modest to tell you the truth about it; he is the author of the package idea.

In coming before you today, of course, I feel a little more relaxed. I do not have the responsibility. Somebody else has the ball, but, nevertheless, I want to say to my Democratic colleagues on this side of the House, it is our duty still—it is our duty still to approach this subject in a nonpartisan spirit.

We feel all around today, even in this Hall, a sense of uncertainty and unrest, and I might say frustration, doubt, as to how far we should go on this path. You are thinking, of course, of the fact that we have spent around this earth since the last World War in economic aid and military aid about $41 billion. There is no doubt about that. But while you think of that, try to visualize and picture in your mind what the condition of the world would be today if we had not spent it. That is a stupendous sum, and your constituents and mine have to pay it. But as President Eisenhower has said, we want to cut the budget, we want to cut down the burden on our taxpayers, but we cannot gamble with the security of this country. Do not forget we have appropriated more than that during 1 year in the last 3 years for our defense forces. I think it would be difficult to deny that if it had not been for the Marshall plan in Europe, which was inaugurated under a Democratic administration and supported by a Republican-controlled Congress, Europe would today be under the heel of the Communists. I venture to say if it had not been for the military-aid program in Europe there would not be any appreciable defense potential or posture in Europe today or in any nation thereof.

When Members on the other side of the aisle state today that we have a new foreign policy—and the gentleman from Ohio [Mr. VORYS] just said that—I beg to disagree.

As a matter of fact, under the leadership of a great American and a great soldier, President Eisenhower, and under the leadership of another great American, Mr. Dulles, Secretary of State, the foreign policy of the United States is basically the same as it was under the last Democratic administration. No one should vote for or against this bill in the false premise that this is a horse of another color.

Everybody knows that the foreign policy of the United States in the last few years has been, or has been claimed to be, the containment of communism. That principle can be poured into a mold and remain static while the implementation phases of foreign policy may vary geographically or from day to day. Today the emphasis is in the Pacific, and I think properly so. But the fact remains that the main battleline against communism, as evidence by the figures in this bill and the facts that support it—the first battleline against communism is in Europe. You can say what you want about the rest of the world, but give the Soviets the workshop of Europe, with its engineering genius, its industrial know-how, the Ruhr and the Saar Valley, its educational facilities and traditions built up over a thousand years, and add to that the raw materials and the manpower that they have now, and our backs would soon be against the wall and inevitably we would have to spend several times the $41 billion that we have spent in this whole program to date. Our country would have to be an armed camp.

There is no difference in our foreign policy; this is a real bipartisan foreign policy now, as it was in preceding Congresses. Turn to page 165 of the hearings. I want to refer you to the words of the distinguished Secretary of State when I asked him certain questions. I asked Mr. Dulles did we make a mistake in spending all that money in Europe under the Marshall plan? He said "No."

I asked, did we make a mistake, after we thought the economic stability of the countries had been reasonably restored to help build up the military installations of those countries, in the hope that if war eventually came to us, there would be somebody who would stand by our side? Did we make a mistake? And he said no.

I asked, do you believe in a real bipartisan foreign policy in the Congress? He replied that he regarded such a policy as desirable and essential to success, or words to that effect.

He referred me to the fact that he and Senator Vandenberg were two of the principal movers in the inauguration of this bipartisan foreign policy. They introduced the first bill in the other body to provide military aid for Europe. I reiterate, there is no basic difference between the foreign policy of the present administration and that of the preceding administration.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Minnesota.

Mr. JUDD. Pursuing the line of what the gentleman has said, is it not true that the Marshall plan, which was sponsored and authored by a Democratic administration, was passed by a Republican Congress?

Mr. RICHARDS. There is no doubt about that.

Mr. JUDD. So that both parties have consistently supported whichever administration was in power whenever this issue of the security of our country was at stake?

Mr. RICHARDS. There is no doubt about that. This bill should stand on its own bipartisan merits; it should not come in here under a Republican flag or a Democratic flag. Since bipartisan foreign policy was inaugurated, I am proud to say that Members on both sides of the aisle have never for 1 minute approached this subject from the standpoint that they were Democrats or Republicans.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield.

Mr. VORYS. The gentleman has been speaking about a bipartisan foreign policy. However, there are those who criticize it. I call attention to page 2 particularly where we set out the 1952 platforms of the major parties. We also call attention to the platform of the Progressive Party which most of us considered as a Communist front outfit. The Progressive Party said in its platform:

> The Progressive Party asserts that the real threat to American security comes not from without but from within, from the policies of the bipartisans themselves.

So that we find that we have the Progressive Party and a few scattered Members in this House who are not members of that party who disagree with the gentleman's view and mine on bipartisan policy.

Mr. RICHARDS. I appreciate the gentleman's remarks.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield.

Mr. ROONEY. I should like to express my commendation to the distinguished former chairman of the Committee on Foreign Affairs, the present ranking minority member upon his great success in getting the gentleman from Illinois [Mr. CHIPERFIELD], and the gentleman from Ohio [Mr. VORYS], in such great accord on such an important subject as this.

Mr. RICHARDS. In principle we are in accord, and I am proud of it.

Mr. WILLIAMS of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Mississippi.

Mr. WILLIAMS of Mississippi. I am delighted that I have found a place where I can agree with the gentleman in connection with foreign aid. I just want to endorse what he said about this being the same program that has been carried on for the last 6 or 8 years. About the only psychological difference I can see between Mr. Acheson and Mr. Dulles is a mustache.

Mr. RICHARDS. We have appropriated a lot of money for this program and you are asking yourself whether you should authorize an additional $5 billion to go on down the road, whether or not this new investment will be worth while.

The foreign aid program alone is not going to break this country; our defense program plus other programs, including foreign aid, may break it. I stand on the ground that this authorization is logically just as necessary for the defense of the United States as are the battleships and guns and uniforms that you put upon your own boys who do the fighting.

Mr. DURHAM. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield.

Mr. DURHAM. The gentleman made the statement that the defense program might break us. He also believes in it as part of our security, does he not?

Mr. RICHARDS. Yes, certainly; the most important part. What I was trying to say is that this program is a necessary part of our general defense program.

Well it is said that the nations we help do not appreciate our help and do not like us; very true, maybe nobody loves the United States, nobody likes their banker, nobody likes foreign troops patrolling their soil or the country that sends them there—in my own district when our own soldiers hold maneuvers down there, we go restive about it. If you are looking for popularity in this you are just not going to get it. The basic question is whether or not this authorization is for the best interests of the United States. I believe it is.

I asked Mr. Dulles when he was before the committee: What is the relative importance of this authorization to the defense of the United States? Mr. Dulles said that he thought it was more important than an equal amount in our own defense program because we got 2 or 3 times as much for the same dollar; because it was to array others on our side

instead of our boys doing all of the fighting and dying alone.

You will find a new approach to the problem of foreign aid in this bill. Here we say to Europe for the first time that you must do certain things before you get the money. Some people do not like it. They do not like it in the State Department, they do not like it abroad. In this bill for the first time is the policy of telling the people of Europe: "Now, we have put you on your feet economically, we have given you all these billions to adopt a reasonable defense posture. We have sponsored the North Atlantic Pact with 13 other nations and we have joined them to guarantee your security if you are attacked.

You have offered to us a European defense community—the Netherlands, Belgium, France, Germany, Italy and Luxemburg—140 million people, the best educated, the best qualified and supposedly among the most patriotic people in Europe.

Only one parliament has ratified that agreement and that parliament is Germany's. President Eisenhower said and General Ridgway said that the EDC is hopeless militarily without Germany. Secretary Dulles said this money was going to be poured down a rathole if Europe reverted to its old system of balance of power, animosities, and everybody flying in different directions. If that happens in Europe, do you know what is going to become of the money we spend over there? If the Russians do not come in, those people are going to fritter it away fighting each other in another war before long.

Mr. O'KONSKI. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Wisconsin.

Mr. O'KONSKI. I compliment the gentleman for his very excellent statement in showing how little difference there is between the foreign policy of this administration and the previous administration. I think the gentleman should go a step further and say that the only change in this bill is the amendment the gentleman himself introduced to put a little sense in the bill and that came from the minority side, not from the majority side.

Mr. RICHARDS. I thank the gentleman. I did introduce that amendment and I got votes from the Republican and Democratic sides. It carried by a good majority. This provision says to the European defense communities, the group of six nations that sat down in solemn covenant and agreed that they should form a united army without which they had no hope militarily to stand up against invasion by Russia, an agreement that has not been ratified by any country except Germany.

We say: All right; we want to help you. There is limited military support in here if you want to go alone; there is some economic aid in here if you want to go it alone. We say to France: We are helping you fight this war in Indochina with an authorization of $400 million in this bill. In addition, there is for France $100 million to increase military production.

We say: All right; we will go along with you that far at this time if you want to go it alone. But no longer, so far as we are concerned, will we vote to authorize one single dollar to send the best American arms and equipment to you individually, France, Belgium, the Netherlands, Italy, or Luxembourg, unless you do what you agreed to do and go through with the European defense community, without which you and we are pouring money down the rathole. For the first time the committee has written in this bill that those countries have to do something if they want this money.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Minnesota.

Mr. JUDD. Just to have the RECORD complete, some may have forgotten that when the first Mutual Defense Assistance Act was before the House in 1949 the gentleman from South Carolina and the gentleman from Texas [Mr. BURLESON], along with the gentleman from Ohio [Mr. VORYS] and myself, introduced substantially the same provision that 50 percent of the funds authorized for military assistance would be made available only when the countries who were to be the recipients in Europe developed a unified plan for the defense of Europe. The House passed that amendment and it went to the Senate and was lost in conference. But does not the gentleman agree with me that we would be a great deal further along both in Europe and our own defense posture if that amendment passed by the House in 1949 had stayed in the bill? Our aim then was, naturally, not to be used as a stick but as a carrot to the extent that if and when they would get together and adopt unified defense plans the United States would come along with its substantial support.

Mr. RICHARDS. I thank the gentleman. That is correct. I had the honor of introducing that amendment, and I was very forcefully seconded by the gentleman from Ohio, the gentleman from Texas, and the gentleman from Minnesota. I think it had a salutory effect. But, let me tell you what happens in the executive department in regard to such amendments; and I am talking about both the Democratic administration and the Republican administration. Every year or two we have been writing something in this bill urging econmic solidarity, political unity, and military integration, and every year they say, "Do not do that. You will make somebody mad." For 3 years we suggested it; but they held up their diplomatic hands in horror, but we did it anyway. The only way you are going to handle that is for the Congress to say, "We want to help, we want to go along with you, but there is an end to our resources." Russia hopes that it will economically bankrupt this country. That is its first hope. The other hope is that these democratic nations will fall apart and squabble among themselves. There is danger in each one of those Soviet hopes. Nevertheless, we should write it into law for the first time: "All right, Europe; we are willing to give you more than $1 billion; but first unite, otherwise you will not get it."

Mr. CURTIS of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Nebraska.

Mr. CURTIS of Nebraska. I was interested in the gentleman's observation that the defense program could bankrupt this Nation. A great many thoughtful people, careful people, all over this country share that worry. Now, should that happen, then the United States loses the struggle both at home and abroad; is that not true?

Mr. RICHARDS. That is right.

Mr. CURTIS of Nebraska. With that fear present, is it not time that we examine the premise of what shall we defend and how much shall we defend; is that not true?

Mr. RICHARDS. That may well be true.

Mr. CURTIS of Nebraska. Is that not definitely tied up in the foreign policy as well as the military?

Mr. RICHARDS. That is right.

Mr. CURTIS of Nebraska. Well now, has there been any such reexamination of that policy?

Mr. RICHARDS. I want to say that our President has gone a long way in that direction. He thinks we can cut out some of the deadwood in our own defense program, and he has proposed that. He has cut way down from the Truman administration figure of $7.6 billion in this program. The President of the United States, the Secretary of State, and the Mutual Security Director have done that. But I think we are just about down to rockbottom now.

The gentleman must have misunderstood what I said a while ago about the defense program breaking the country. The real question, the first question, is whether we are going to stand up. If so, how much money are we going to spend? If we are going to mortgage the future of our children to the extent of $40 billion for defense, the next question is whether we are willing to spend one-eighth of that abroad in the hope and in the prayer that they will stand up with us. We know they will not without us.

Mr. SMITH of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield.

Mr. SMITH of Wisconsin. Will the gentleman indicate just where this so-called military threat comes from? As I recall the testimony, General Ridgway said that the Russians had a certain capability, but the gentleman will recall also that we had testimony this year as we had in 1947 that the Russians had 175 divisions on the western front, and that figure has not changed. I know the gentleman is serious and honest about this matter. I think there is a serious doubt as to whether we face a military threat rather than a political threat, and I should like to have the gentleman's views on that.

Mr. RICHARDS. As to the question whether or not we face a military threat, they are talking in that manner in France right now. They say we are not going to have a war, there is no threat.

A lot of people think that even today France would not mobilize. I do not know about that, but certainly they would not fight effectively outside of a European defense community army. France is the key to this whole problem. I am not referring to nonratification by Luxembourg and the Netherlands. They do not want to get into any argument between France and Germany and be squeezed if European rivalries and European wars occur again. Do you think they are going to ratify the agreement without French and German acceptance? No. It depends on France. Since the end of the war France has received more money from the United States in economic and military aid than any other nation in the world, with the exception of Great Britain.

France says, "Don't tell us what we have to do." We should say, "We are not telling you what you have to do; we are just saying that if we pay certain bills for you, you must meet certain conditions."

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Ohio.

Mr. VORYS. As to the nature of the threat, for the first time this year we have had a high military officer, General Ridgway, come before us and describe in public session the Soviet threat. It is true, he said, that there are still 175 Russian divisions, but they have been increasingly motorized and mechanized. There are now 20,000 planes with reserves instead of 14,000, and there are 300 submarines. That is five times the number of submarines that Germany had when it began the war. They have not been making this build-up for fun. When we talk about their capacity for war and think of the self denial that is forced on the Russian people by their gigantic arms program, they must mean business. They are not doing it for fun.

One other point: I note in the minority views a quotation from Secretary Dulles on this matter of economy. He says:

> The American economy is the very heart of the strength of the free world, but our resources are not unlimited, and we dare not endanger our fundamental economic stability. * * * If economic stability goes down the drain, everything else goes down the drain.

That is the way he looks at it, and that is the way President Eisenhower looks at it, and they are the ones who are recommending this program the committee has brought to the floor.

Mr. RICHARDS. I thank the gentleman. That is a very forceful and correct statement.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from New York.

Mr. JAVITS. I just wanted to say this to the gentleman in connection with his statement in the committee about the billion-dollar reservation for the European Defense Community: I was one of those who opposed it. I believe the House ought to have the other side of the medallion. Is it not a fact that, despite the failure to keep in the 1949 law the reservation with respect to defense plans which implied the creation of a North Atlantic Treaty Organization, that despite the fact that there was no such reservation in the bill when finally passed by the Congress, NATO was formed and functioned, and successfully? Have we not, therefore, the right to expect the same will be true as to the EDC without any such reservation as contained in the bill which I consider to be a restriction doing grave damage to the whole question of NATO rearmament?

Mr. RICHARDS. Do not confuse NATO with the European Defense Community. There are 14 nations in NATO, including ourselves, Britain, and Canada. There is no commitment of more funds to NATO. That is a guaranty about certain things if other nations do anything. The European Defense Community is a closely knit group of 6 nations in Europe with 140 million people. They must have a uniform army to be effective.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield.

Mr. DONDERO. Some years ago, since the end of the war, I stood on a street corner with General Clay in Berlin, Germany, and he made this statement, "That the German people perhaps were the most industrious people of Europe," and the question is: What was the reason behind omitting Germany from any aid in this bill?

Mr. RICHARDS. There is money for Germany in the bill, although we do not have really a peace treaty with Germany. Germany is in a different status. But do not forget militarily we are spending plenty of money in Germany. Do not forget that.

Mrs. KELLY of New York. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield.

Mrs. KELLY of New York. I compliment the gentleman on his very fine statement. I would like to bring to the gentleman's attention in answer to the statement of the gentleman from Wisconsin [Mr. SMITH] the statement on page 3 of our report where Secretary Dulles said in his opening statement, "Our country is confronted by a very grave threat. There is not yet any evidence that this threat has diminished, or will diminish within the foreseeable future," and so on. I bring that to the attention of my colleagues that they may read it if they wish.

Mr. RICHARDS. I thank the gentlewoman for calling that to our attention.

Mr. HAYS of Arkansas. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield.

Mr. HAYS of Arkansas. I am not sure I understood the gentleman with reference to France. I do understand why France comes into the discussion, but does not the gentleman believe that the defense France is making against communism in Indochina, a defense that is taxing their resources, is indicative of the will to stand against the Communist threat?

Mr. RICHARDS. In fairness, I should say for France that it has spent just about as much money fighting in Indochina as we have given her in military aid.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield.

Mr. MORANO. I want to correct the impression left by the question of the gentleman from Michigan. There is $353,527,000 in this bill for Germany.

Mr. RICHARDS. The money for Germany is contingent upon the acceptance of the contractual arrangement by all parties.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield.

Mr. FULTON. I would like to point out to the committee where they can find the proper figures on military aid in the 1954 program. It is on page 12 of the committee report under a title called "Title I, Mutual Security Aid to Europe." That is divided between mutual defense material and training in Germany $338,527,000 and defense support $15,000,000, which is economic aid.

Mr. RICHARDS. I thank the gentleman.

Mrs. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield.

Mrs. CHURCH. I merely wish to state I think the gentleman from Ohio has given evidence that the strength of the Soviet forces has increased. But I wanted to ask the gentleman from South Carolina who has introduced, what seems to me, a very sound amendment to this bill, as it appears in the committee print, whether or not he thinks the courage and the will and the desire and capacity to fight that Soviet strength has increased relatively as the increase of the Soviet strength has developed?

Mr. RICHARDS. With reference to that, all I can say is that it has worried me a great deal. I am not making any indictment against the patriotism of any people anywhere. All I know about that is what I have seen and what I have read. And what I have seen and what I have read has caused me grave concern.

Mr. Chairman, it is no pleasure for me to come here year after year to ask for appropriations for foreign aid. It is no pleasure for me to have to go down to my hometown and have some fellow on the street come by and tell me, "What are you appropriating this money for these foreigners for?" It is no more pleasant for me than it is for you. But honestly this question in my mind is whether or not it is in the best interest of the United States to do it. I think it is. I owe no allegiance to a French flag, or a British flag, or a German flag, or any other foreign flag. The old flag that I love is the Stars and Stripes of the United States. If we are going to have liberty, if we are going to have freedom, if we are going to enjoy democracy, we are going to have to fight for it. If communism is to be successfully met; we must not only meet it here, but around the world.

Mr. VORYS. I yield 10 minutes to the gentlewoman from Ohio [Mrs. FRANCES P. BOLTON].

Mrs. FRANCES P. BOLTON. Mr. Chairman, H. R. 5710 is before you. Your Committee on Foreign Affairs has labored arduously and long to bring you an authorization bill which you will want

to support. It was voted out of committee by a vote of 17 to 5. One of those five votes was not against the measure—only against the time of acting upon it.

I am here to support the bill and hope that it will pass promptly with as few, if any, changes. There are matters in it with which I do not agree; that is true. But I am certain that we have a responsibility in the world today which we cannot avoid—from which we may not retreat. Some of this responsibility is expressed in this legislation. The result of failure would certainly be very far-reaching. I am not and never have been one to shirk responsibility, even though I may not agree with every suggested method with which it is to be carried out.

You have heard a very able presentation of the bill from the distinguished ranking Republican of our committee, the Honorable JOHN VORYS, of Ohio. Untiring in his efforts to clarify all doubtful points on such measures as come before the committee, indefatigable in his determination to give the House a clear picture of the complex matters involved, JOHN VORYS has never done a better job than this. I am sure I express the feeling of every Member when I say to you, John, that we are proud to work with you; proud of you as a Member of this great body; one who has assumed ever-increasing personal responsibility, with a quiet strength, and, in this instance especially, often subordinating your own personal feelings to the wishes and the will of the committee.

I also want to express my deep appreciation of the loyalty and support which the distinguished gentleman from South Carolina [Mr. RICHARDS], the ranking Member on the Democratic side, under whose able chairmanship we have all served, has given to the work of this committee. We always want his opinions. He gives them, as he says, without partisanship and with much frankness, always in what he considers to be the best interests of the United States.

I would remind you that the legislation before you is not an appropriation. It represents a succession of reductions which have brought it from the $7,600,000,000 of the Truman budget to $4,998,000,000 setup in H. R. 5710—a total cut of $2,602,000,000. This represents, first of all, the determination of the present administration to cut at all points. It represents also, let us not forget, the considered judgment of the President of these United States—a man who probably knows more than any man in this country the gravity of the world situation and our position of influence and responsibility in the family of nations. It is this man who, after careful study, cut the original budget request by $2,126,000,000. The cuts made by our committee come to $476 million, which brings to you a bill limiting appropriations under the act to $4,998,000,000.

When it was presented to us, the President said this:

> I present this whole program to you with confidence and conviction.

Let us be worthy of his confidence.

He continued:

> Were the United States to fail to carry out these purposes, the free world could become disunited at a moment of great peril when peace and war hang precariously in balance.
>
> In my judgment, it represents a careful determination of our essential needs in pursuing the policy of collective security in a world not yet freed of the threat of totalitarian conquest. * * *
>
> Unequivocally I can state that this amount of money judiciously spent abroad will add much more to our Nation's ultimate security than would an even greater amount spent merely to increase the size of our own military forces in being.

It seems to me, Mr. Chairman, that we who have accepted the role of leadership in a world spiraling toward self-destruction must take firm hold of the confusions and misconceptions here in our own country and all over the world. We are known to be strong, yes; and we must be willing to pay the price of strength. That very strength gives rise to fear of us and of our motives in the hearts and minds of others who have never really known and experienced the miracle of strength and power to do for others as we have used it.

I find myself increasingly out of patience with those who say that Western Europe will never unite. How long did it take us to unite? How long were we in trying to form a government? Remember, we were a people who all spoke the same language, whereas these nations of Western Europe do not. In addition, they have fought each other for centuries and wars breed all too much suspicion and hatred to be good soil for unity.

Mr. GROSS. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. GROSS. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and two Members are present, a quorum.

The gentlewoman from Ohio will proceed.

Mrs. FRANCES P. BOLTON. Mr. Chairman, as I was saying, I find myself increasingly out of patience with those who say the nations of free Europe are not going to unite. I protest that they have progressed far along the road and that we should have faith in the sincerity of their efforts. Mr. Chairman, I submit that we are a very emotional people, we sway now here, not there, in our desire to do for others. We do not stay on the road, Mr. Speaker. We expect one gesture in some one direction to solve a problem. When it does not, we say, "You see they don't appreciate what we have done—so let us do no more."

Let me illustrate my point: 2 years ago nothing was too much for the people of this country to do to urge the Italian people that communism would get them nowhere. Short wave radio from women here to the friends and families in Italy—letters, cables with our labor unions lending money and men to give Italy the true picture of Communist control. Was anything of that sort done before this recent election? Dare we blame Italy because freedom won by so close a margin when we know what tremendous efforts we have to put out to bring our own people to the polls? Yet there are those who say the narrow margin shows that what we have done in the past has been useless and we should withdraw all help?

Now I would ask you to look at the world for a moment without your pink glasses.

Have you considered coldly the question of what would happen here if we pull out of any one of the areas where our help is being given? These areas are more necessary to us, both now and in the future, than we like to think them. Yes—we have great physical riches—metals, oils, and so forth. We can produce in quantity. But where would our markets be? What would lack of world markets do to our standards of living?

The ultimate—and not too distant—result of the isolation which would be ours bit by bit might well be starvation. Sit down for a moment and think realistically and quite coldly of what would happen if Europe goes under. The kind of isolation that would ensue would be a very dangerous thing for us. What would you do to keep up our standard of living if we had no export trade, and we certainly would not have any if we allowed Europe or Asia or both to be drawn behind the Iron Curtain.

Take off your rosy glasses for a moment and look at the world with me.

The Russians dominate much of the world. Where they do not rule by armed might, they dictate by intense moral persuasion and fear. Their hirelings present communism as an economic program, a way of life and a religion. For a time many of the world's people were fooled until they found themselves trapped. For those locked in the satellite countries there may be no way back, but we are their only hope, let us not forget that. But look at Berlin. What an object lesson there. For 8 years the Russians have had the East Germans under their yoke. The "people's democracy" rules at full force over these unfortunate people. Where the "democracy" does not take effect, Russian troops move in.

All along, the Communists have been aware that East Berlin was a window into their Iron Curtain. So they have not spared their efforts to paint the window as a model of Communist government.

So confident were they, that last Tuesday they encouraged a few picked workers to protest a work speedup program. After 5,000 laborers marched in East Berlin, the party politburo quickly reduced the work quota and assumed everything was back to sweetness and light.

But it did not work that way. The Reds had lifted the lid of oppression just long enough for the delicate air of freedom to sift through.

Yesterday tens of thousands rioted through the streets of East Berlin. They demanded free elections, resignation of the Red government and a united Germany. It took a division of hardened Russian soldiers to restore order.

Is this not amazing? People, unarmed, rising up against tanks and guns? People who know that merely to be seen

on the streets during a protest demonstration means a knock on their doors by the revengers some night in the future?

There was not a chance on earth that they could drive the oppressors from their land. But they were willing to risk being shot down to prove to the world that men everywhere will die for liberty.

They fought — blindly, hopelessly, bravely—for us to see. They spilled their blood to show that men, women, and children will not succumb to the horrible domination by a totalitarian ruler without a battle to the end.

Their bodies may be in chains, but their hearts are free.

Other nations are looking at this and then turning to us. They are not yet under the heel of Russia. They want to fight, and those among them who hesitate are strengthened in their determination to fight by every such uprising.

By passing this bill we tell the free world that we accept its leadership in a battle that we recognize is ours.

I would say quietly to anyone who questions me as to my reasons: "Unfortunately, my friend, we have to do these things. They are the price we pay for greatness. The days when we were irresponsible have gone forever. I say to you we are not in a position to withdraw from anything."

We look out into the world to find few, if any, friends. But I contend this matters little. It does not take from us our responsibility to win through to peace. We cannot step aside. Mr. Chairman I contend that if we are true to ourselves and to our destiny we may not retreat from the obligations laid upon us in these last years. We must continue to carry the heavy burden of responsibility. We must work, not for ourselves, but for all that is important. There is no other way. What we are doing cannot be a matter of dollars only, nor can we count its results in visible value received.

Mr. Chairman, no man nor any nation can buy friendship. I want to make it very clear that I am not supporting this bill to pursue such an illusion. I am supporting it and asking you to do so with me because I believe it is part of the price we must pay for our strength and for the responsibility for leadership.

Why, you ask, is there money left over? Why do we authorize more still? Because if we should not do so we would give them reason to believe that we may once again walk out on them. Such discouragement at this moment could well break the slender thread with which the vision of the few is bit by bit fastening together the pieces that will unite the nations of Europe.

This is a serious moment. Surely you see we may not withdraw. If we do, then, indeed, will we take a terrible responsibility for the future.

This does not mean that we do not examine every phase of the programs presented herewith. It does not mean that we permit the continuance of extravagance if it exists. Rather does it mean that we insist that in every expenditure each penny must do its full service in the strengthening of the free world of which we are the center and the strength.

I urge you with all the strength I have to pass this bill.

Mr. CURTIS of Nebraska. Mr. Chairman, will the gentlewoman yield.

Mrs. FRANCES P. BOLTON. I yield gladly to the gentleman from Nebraska.

Mr. CURTIS of Nebraska. The gentlewoman referred to the 4 billion 9. I believe it was, in this bill. Does that include carry-over funds?

Mrs. FRANCES P. BOLTON. I believe so.

Mr. CURTIS of Nebraska. In other words, the passage of this bill will limit the spending to four nine?

Mrs. FRANCES P. BOLTON. Oh, no. I fear I did not understand the gentleman's question.

Mr. CURTIS of Nebraska. What will be the limit on spending in the fiscal year 1954?

Mrs. FRANCES P. BOLTON. I would not be able to tell the gentleman the limit to be spent because I do not know how much will be spent. The limit on funds will be something like $14 billion.

Mr. CURTIS of Nebraska. $14 billion?

Mrs. FRANCES P. BOLTON. With a carry-over included of some $10 or $11 billion.

Mr. RICHARDS. Mr. Chairman, I yield such time as he may desire to the gentleman from Wisconsin [Mr. ZABLOCKI].

Mr. ZABLOCKI. Mr. Chairman, the splendid presentation of the former chairman of the Committee on Foreign Affairs, the Honorable JAMES RICHARDS, emphasizes the far-reaching importance of the legislation that we are considering today.

The Committee on Foreign Affairs has given careful consideration to the critical world situation, and to the policies that our country must continue as the leader of the free world to attain peace and security. It is my sincere conviction that favorable action on this legislation is vital to our national interest.

The present struggle between East and West, between atheism and religious liberty, between tyranny and freedom, is unparallelled in the history of mankind. It is a conflict which does not recognize national boundaries, and which involves every people on the face of the earth.

This is the first showdown contest in human history in which every nation, on every continent, will eventually have to take one side or the other. There will be no safe middle ground, no refuge, in which a nation could hide in peaceful isolationism. The age in which America, or for that matter any other large nation, could isolate itself from the troubles and tribulations of the rest of the world, is long gone. It disappeared with the invention of the atom bomb, of guided missiles, and of the airplanes which can travel faster than sound.

Some of us are inclined to be very little concerned about what happens in China, in the Near East, in Africa, in Europe, in South America. But the fact remains that what happens there will inevitably affect our lives—yours and mine. The developments on other continents may determine how we are going to live, and whether we are going to live.

During the past few years I was on two study missions to Europe and the Near East. We covered Europe from England to Austria, from Spain to Yugoslavia. I even managed to get behind the Iron Curtain, into Hungary. More recently, I was on a study mission headed by the Honorable CHESTER MERROW, of New Hampshire, which took us to the Far East, from Pakistan and India, to Siam, Indochina, and the Philippines. My observations on those trips convinced me that this earth of ours is in the throes of a revolution which encircles the globe.

But one does not have to leave the United States or, for that matter, your own home, to realize what is going on. Radio, television, and newspapers bring the news to our doorsteps. We know that Communist Russia appears to be the most powerful single force in this world revolution, which reflects itself in political, social, and economic spheres. We know that Russia has extended her domination over one-third of the human race, and is striving for even larger conquests. We know that she is an enemy of our way of life, and that she is dedicated to the idea of spreading the rule of communism throughout the world. And to a degree Russia has been succeeding because situations and lack of foresight have almost defaulted areas to Communist conquest.

We also know that the Soviets took over Eastern Europe, and that the repercussions of that move are rocking Western Europe; and that the whole of Asia is in a state of turmoil; that fires of revolution burn brightly in parts of Africa, and even in Latin America; and that the Near East is torn with strife and disorder. Wherever we look, the conditions are full to the very brim with trouble.

What can be done to change that situation, and to bring order, peace, and justice to the world?

The answer to this question is not easy, simply because the problems which the world faces are complicated, and cannot be solved overnight. Their solution requires patience and sacrifice, on the part of our governments, and on the part of the peoples. The biggest problem facing our leaders in Washington since the end of Warld War II has been twofold in scope: in the first place, there has been this growing threat of Soviet Russia, which has been getting stronger and stronger, and threatening another world war. Secondly, there was also the problem of our allies, who were partially destroyed by war, disunited, and in need of help.

Because, after World War II, our Nation became of necessity the leader of the free world, we had to set the pace in the struggle with communism. We knew that force is the only thing which the Communists respect. As a result, we have tried to build our own strength, and the strength of our allies. By matching our strength with the Communist strength, we stopped Communist expansion in Greece, in Turkey, in Iran, and we are stopping it today in Korea. If we had not done that, the countries which I just mentioned, and maybe several others, would today be under Communist rule, and Soviet Russia would be that much stronger, and closer to the attainment of world communism advo-

cated by Trotsky, Lenin, Stalin, and Malenkov.

In the second place, our Nation has tried to eliminate social conditions which give rise to communism. Hungry and discontented people will follow the leaders who promise them bread. They are in no mood to argue about political democracy, or the high ideals of freedom, liberty, and justice. They want food.

Through the Marshall plan, and the point 4 program, United States has tried very successfully to help the free nations to improve their living conditions. Our efforts in this field constituted an experiment unparalleled in history. There has never been a time when one nation would go out of its way, and through self-sacrifice and self-denial extend as much help to others as we have done during the past 8 years. Yet, on the other hand, our aid programs were good business, because by helping others we were building our collective strength, building our security, and our prosperity.

To my colleagues who would condemn our Government for instituting the Marshall plan, for originating the point 4 program, and for extending help to our allies in other ways, I would like to point out that the total moneys we have spent on those projects since the end of World War II is less than we spend in 1 year on our military defense. And we know that the returns we receive from those projects are many times the value which we derive from the economically unproductive manufacturing of armaments.

I have spoken to you about the things which we did during the past 8 years. We should, however, also look to the future, and to those thoughts I would like to devote the next few moments.

Our Government is presently being managed by a new administration headed by President Eisenhower. In many instances the leaders of this new administration have shown that they understand the problems which face our Nation and the entire free world. Some of the leaders realize what steps must be taken to solve those problems and to avert world war III, which we all hope and pray and labor and even fight to avert.

Many administration leaders have gone on record favoring the legislation before us. In the course of the hearings held for more than 3 months by the Committee on Foreign Affairs, we have received testimony from many members of the executive branch, from our representatives abroad, and from our military authorities.

The committee has carefully analyzed the facts which they presented to us, conducted its own studies, and endeavored in every possible way to determine the exact extent to which our Nation has to participate in this mutual-security program to give us a reasonable degree of security in the face of the Communist threat.

The results of our findings and of our convictions are embodied in the bill before this House. This measure calls for mutual-security-program authorizations of $4,998,000,000, which is $476 million less than what the administration requested and $2,602,000,000 less than the original budget estimate.

In my sincere opinion, the mutual-security-program authorization for fiscal 1954 has been cut as much as it ought to be cut. To curtail it even more would be dangerous. We must all realize that our country is confronted by a very grave threat, and that this program is based upon solid considerations of self-interest. This program has nothing to do with pure charity, and, as has been pointed out before, it will give our Nation—our people—more security than we could get by spending the same amount of money on a purely national program.

Mr. Chairman, it is my sincere hope that the membership of this body will act favorably on this vital legislation. The path which leads to security and to just and lasting world peace is not easy to travel and requires real sacrifices, such as those which are called for in this legislation. In traveling along that path we have in the past met with disappointments and delays. Undoubtedly we shall come upon them again in the days that lie ahead. But this does not detract from the realization that we have been moving forward, and that, with determination on the part of our people and of our allies, we shall reach our goal.

I join with the members of my committee in earnestly urging the membership of this body to take favorable action on the mutual-security-program authorization before us.

Mr. RICHARDS. Mr. Chairman, I yield 9 minutes to the gentleman from the Ozarks in Arkansas [Mr. HAYS].

Mr. HAYS of Arkansas. Mr. Chairman, I am grateful to the gentleman from South Carolina for identifying me with the Ozark Mountains. However geography is not important in a debate of this character.

Mr. JUDD. But the clouds are.

Mr. HAYS of Arkansas. Mr. Chairman, if the gentleman wishes an explanation of that reference I am prepared to give it. My dear friend from South Carolina [Mr. RICHARDS] has enjoyed asking me occasionally if I ride to work on a cloud. My reply is, "Yes, the Foreign Affairs Committee and this Congress, like the Army of the United States, needs reconnaissance." So if I have been riding the clouds occasionally it is because I think we need a broad view of some of these problems.

While we are indulging in pleasantries, the reference to the Ozark Mountains reminds me that in 1951 in our subcommittee's meeting with Chancellor Adenauer in Bonn, being the only southerner in the group of five, I made this comment to the Chancellor, which he seemed to appreciate. "Mr. Chancellor, I am sure there are occasions when you feel you could never love the American Army, for occupation troops are never popular, and if you fear you cannot, I hope you will consider this scene: I come from a State that was once occupied by an invading army. I am the only southerner in this committee. I am traveling with four Yankees, and I love them, every one."

The gentleman from South Carolina, like all southerners, reveres the name of Robert E. Lee. I ran across this incident recently which might be relevant on that point. He was sitting on the front porch of the president's home, of Washington College, which later became Washington and Lee University, talking with a neighbor, when an old soldier showed up at the gate. General Lee got up and walked out to meet him. The visitor saw General Lee reach in his pocket and hand something to the old soldier rather surreptitiously. The general noticing his friend's puzzled expression said, "One of the boys needing a little help." And the friend said, "What outfit did he fight with?" and General Lee replied, "I wouldn't know. He was on the other side."

Now, one of our principal props in this situation is the West German Republic, and we have got to help them. One of the principal props in the Orient is Japan, our former enemy, and because of the Communist threat we have to help them. It is a strange commentary that our reliance in some parts of the world are former enemies, that is true. They are capable of resisting and because of their bitter experience, perhaps, they may be better prepared to resist tyranny. Conversely threats come from some who were formerly allied with us.

The world task today is too great for any one nation alone; it is not too great for Western civilization fully dedicated to the task and standing together, and that is the reason, Mr. Chairman, that I enthusiastically support this bill. I would not ask the House to accept in toto every action of the Committee on Foreign Affairs for it is, of course, the duty of the House to scrutinize every decision we have made with respect to details. But I trust in this debate, which may be rather vigorous at times, for emotions are involved, that we will weigh the problems in the light of the world situation; that we will consider them in proper perspective, and that we will regard America's interest as the paramount interest; I am sure we will do that, but that we will avoid concluding that because it is also in the interest of certain friends of ours in the world, it must thereby be against our own interest; in other words, that we cannot serve England, France, Italy, and the Benelux countries, for example, that we cannot serve their interest and at the same time serve our own. If I may repeat, this task is too great for America alone. We must have friends in this world crisis. It is inevitable then that those of us on the committee who have lived with this problem for the last few weeks will speak with a sense of urgency.

This is not the sort of performance that I enjoy. My natural inclinations are all in the other direction. I served for 8 years on the Banking Committee, and sought a place then at the foot of the Foreign Affairs table because I believed the most important problems of the country are being considered there. Sometimes I have felt that perhaps I may have made a mistake because these decisions seem too great, too overwhelming. They stagger us.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman from South Carolina.

Mr. RICHARDS. The gentleman referred to the fact that I had ribbed him sometimes about riding to his office in the morning on a cloud. When I have seen him thinking about a lot of things sometimes that appeared to be rather ethereal I have been inclined to have fun at his expense. However, let me say this about the gentleman from Arkansas that regardless of how he rides to his office, I have always noticed that in matters involving the welfare of this country he has kept his feet solidly on the ground.

Mr. HAYS of Arkansas. The gentleman is very kind. I am grateful to him.

I had tried to say, Mr. Chairman, that it is difficult for us to be tough in the world conflict. Americans are not tough-minded in the sense that we want to push other people around. We will never be that way. There is the right mixture of toughness and kindness in this bill.

In these few moments, then, if I may conclude a talk that is extemporaneous and I am sorry to say quite rambling, although I hope it is to the point, may I make clear this point, that I feel the Foreign Affairs Committee has done a good job. I stand with the chairman, the gentleman from Illinois [Mr. CHIPERFIELD] and the gentleman from Ohio [Mr. VORYS] in the essential points of this program.

A great businessman once said, "There is no end to the good we can do if we do not care who gets the credit." That is hard for those of us in politics, but he said a good thing. I suppose we will serve our country better if we do not care too much who gets the credit for our evolving policy. I certainly have no restraint in paying tribute to the majority in this instance, though I think my party performed well, too, in the preceding years.

Mr. CURTIS of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield.

Mr. CURTIS of Nebraska. On page 7 of the committee report there appears a table which recites, "Unexpended funds June 30, 1953—estimate—$8,038,300,000. Estimated expenditures, fiscal 1954—Wilson estimate—$5 billion. Unexpended balance from present appropriations remaining at end of fiscal 1954, $3,038,300,000."

That is exclusive of authorizations carried in the bill before us today?

Mr. HAYS of Arkansas. Yes.

Mr. CURTIS of Nebraska. Without the bill today, the spending of that $5 billion of carryover funds could go on?

Mr. HAYS of Arkansas. Yes.

Mr. CURTIS of Nebraska. You would end the year June 30, 1954, with a little over $3 billion in the military aid, as stated in this table.

Mr. HAYS of Arkansas. The problem the gentleman is discussing——

Mr. CURTIS of Nebraska. Would you or would you not?

Mr. HAYS of Arkansas. I do not want to say categorically that we would. Yes, we would have certain sums left. I assume the gentleman is reading the table?

Mr. CURTIS of Nebraska. Yes. It recites similar figures for nonmilitary funds, as follows:

Unexpended June 30, 1953—estimate—$1,474,900,000. Expenditures, fiscal 1954—estimate—$1,871,500,000.

So you have a deficit to carry out the next year's program there of $396,700,000. In other words, you could carry on your program for fiscal 1954 with an authorization bill for $400 million for nonmilitary funds, could you not?

Mr. HAYS of Arkansas. No.

Mr. CURTIS of Nebraska. Why?

Mr. HAYS of Arkansas. I see my friend from Minnesota wants to comment. I yield to him, and then I want to comment on it.

Mr. JUDD. The fact is that almost all of this unexpended money is already contracted for and to make no additional authorization would be to risk throwing away the money that has been put in previously, because we would not be carrying through. To be sure, the money in the carryover is unspent, the same as at one time the Defense Establishment had about $108 billion carryover, and I think it is about $80 billion now.

Mr. CURTIS of Nebraska. That is the very problem that I am worried about. The theory of this year-to-year authorization was that Congress had control of it.

Mr. JUDD. Yes.

Mr. CURTIS of Nebraska. The purpose of this bill, then, is not to carry out the program in 1954, but to continue the program beyond that. Is that not correct?

Mr. JUDD. That is substantially right. It is a long-term program. It does not make sense to build it up to a certain level and then cut it off. There is no way you can spend the money authorized in this bill in this fiscal year except to get up on top of the Capitol and throw the money away.

Mr. CURTIS of Nebraska. That is right.

Mr. JUDD. It has to be contracted for in order to have goods delivered in future months, even years. That is the way the Government operates on any long-term program.

Mr. CURTIS of Nebraska. The fact remains that you could carry on with your projected program and pay the bills without this bill.

Mr. JUDD. You could pay the bills if you did not want to have a further program. Why would you suggest cutting off the program at the very moment when it is beginning to pay dividends and beginning to create unrest behind the Iron Curtain?

Mr. CURTIS of Nebraska. I am not talking about the merits of the program. I am arguing the fact that the Congress has no control over this.

Mr. JUDD. Oh, yes; we have because we have cut it down 34 percent in this bill.

Mr. HAYS of Arkansas. I would like to comment very briefly on this because I am sure the gentleman from Minnesota would agree with me, that to do as the gentleman from Nebraska suggests we would be forced to throw out of the window all of the blueprints and all of the charts and all of the plans that are made. It hinges on the question of lead time. It is all due to the fact that you cannot construct the kind of defense program for the United States through its Defense Department, for which our Committee on Armed Services is primarily responsible, the Committee on Foreign Affairs being responsible for these phases, you cannot plan the kind of long-range defense program that is absolutely essential to full strength without this kind of authorization. If the gentleman wants to abandon the whole program, then, of course, we should do as he suggests and there would be just a few completed items. In other words, the wheels would continue to run a little while and we would turn off the assembly line some end items. It all hinges on whether or not the Congress wants to retain the sound idea of authorizations and annual appropriations in preference to the discarded plan of authorizing contracts only.

Mr. CHIPERFIELD. Mr. Chairman, I yield 10 minutes to the distinguished gentleman from New Hampshire [Mr. MERROW].

Mr. CURTIS of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. MERROW. I yield briefly to the gentleman.

Mr. CURTIS of Nebraska. I just want to observe, following this colloquy which has just taken place, and state for the record that I was not discussing the merits of this. I made no proposal about throwing out blueprints or projected planning, but am merely raising the point that budgetwise the Congress comes in after the act and has to ratify it.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. MERROW. I yield to the gentleman briefly.

Mr. FULTON. Actually the contracts which are being entered into now are for deliveries 20, 25, 27, and 30 months from this date. You cannot make a jet plane in under 27 months or thereabouts. If we took the gentleman's inference that we stop right now and underwrite no more funds, we would have to cut off these items that are very necessary like jet planes and tanks and other electronic equipment that is necessary to contract for at the present time.

Mr. MERROW. Mr. Chairman, as has been pointed out in the able presentation made by the gentleman from Ohio [Mr. VORYS], the bill, H. R. 5710, the Mutual Security Act of 1953, carries a total authorization of $4,098,000,000. I want to reemphasize the fact that this measure has been reduced several times. President Truman asked for a total of $7.6 billion. The present administration requested, in the first place, $5,828,000,000. Then, after reconsideration, it was reduced to $5,474,000,000, and the committee reduced the measure still further, so that, in all, there has been a reduction of $2,602,000,000 in this mutual security program.

I think we should take this into consideration as we contemplate possible further reductions in the measure. I would like also to emphasize that this is an authorization bill and not an appropriation bill. I believe that the committee has presented to the House a good measure. Every item in this mutual security program was carefully studied and analyzed by the committee.

As I have already pointed out, substantial reductions have been made, and, in my opinion, this does not impair the effectiveness of the program, but I hope that the measure in its various items will not be cut further.

Our mutual assistance program over the years has been successful in strengthening our allies and increasing the power of the free world. It is a good investment for the United States. Our security and our survival are at stake in this universal struggle to maintain freedom and to construct a peaceful and a decent international society.

This mutual security program, as has been emphasized here very ably on the floor this afternoon, is a vital part of our defense and is a significant factor in our security. It is essential to our leadership in the free world. And it is my hope that this authorization bill will not be further reduced.

I am sure that you will agree with me that if the program is worth doing—and there is incontrovertible evidence that the mutual security effort is essential—then it is worth doing well. This measure should not be cut to a point where its effectiveness would be reduced or impaired. There is, I believe, a point beyond which we cannot reduce the mutual security authorization and appropriation without impairing the effectiveness of the measure. And in view of the fact that there have been several cuts, as I have pointed out here this afternoon, it would seem to me that we have reduced the measure as much as it ought to be reduced in an authorization bill, especially in view of the fact that the money is yet to be appropriated by the Appropriations Committee.

There are two important parts of this bill which I would like to emphasize. In the first place, more emphasis has been placed on the East. The plans for assistance to Africa and Asia have been enlarged, made more flexible. And I call the attention of the membership to the table on page 5 in the report which accompanies this bill. This table gives a comparison of the money allocated to Europe and the East for 1953 and 1954. You will see that we have placed more emphasis this time on the East than previously. Every day the importance of the East becomes greater, and I feel it is well that we have recognized this in the present bill and have made available a larger percentage of funds for the countries in the East, and Southeast Asia.

There is another section of the bill which has been emphasized here this afternoon and which I would like to call attention to again. We all agree that greater unity in Europe is most desirable and essential in this struggle against the tyranny of communism. All of us had hoped that the European Defense Community would be established by this time. There is a lag in the formation of the European Defense Community which we hope will soon be overcome.

"The bill," as the report states, "provides that not less than 50 percent of the funds authorized for military assistance to Europe in fiscal 1954 shall be made available only for the European Defense Community."

This provision, in my opinion, will stimulate the formation of the European Defense Community. I want to take this opportunity to compliment the gentleman from South Carolina [Mr. RICHARDS], who has discussed this part of the bill this afternoon. I have long supported the attaching of conditions to the aid we extend to various countries.

I am glad that last year the House wrote into the bill an amendment which I offered stating that the Mutual Security Director shall insure that no country receive funds under this act unless it take decisive action to marshal its resources with the integration and unification plans of a given area. I think that the new provision in the bill we are now considering is an essential and important part of the legislation.

Mr. GROSS. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. GROSS. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After a pause.] Evidently a quorum is not present. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 58]

Barrett	Hébert	Moulder
Becker	Hoffman, Ill.	Oakman
Bentsen	Jonas, Ill.	O'Brien, Mich.
Berry	Kee	O'Brien, N. Y.
Bolling	Kilday	O'Hara, Minn.
Brown, Ohio	King, Calif.	Patman
Brownson	Klein	Philbin
Bush	Kluczynski	Phillips
Celler	Krueger	Powell
Chatham	Landrum	Regan
Clardy	Latham	Rogers, Fla.
Cooley	Lovre	Scherer
Coudert	McConnell	Shelley
Davis, Tenn.	McIntire	Sheppard
Dawson, Ill.	McVey	Staggers
Dies	Mack, Ill.	Thornberry
Dingell	Mahon	Vinson
Fogarty	Martin	Walter
Gamble	Miller, Calif.	Wharton
Hale	Miller, Kans.	Wigglesworth
Hart	Mollohan	Wolcott
Harvey	Morrison	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ALLEN of Illinois, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 5710, and finding itself without a quorum, he directed the roll to be called, when 354 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The gentleman from New Hampshire [Mr. MERROW] is recognized.

Mr. VORYS. Mr. Chairman, will the gentleman yield? I would like to yield 1 minute to the distinguished floor leader at this time. I yield the gentleman from New Hampshire 1 additional minute so that the gentleman from Indiana may be recognized.

Mr. HALLECK. Mr. Chairman, as I said yesterday, it is our plan and it is still our plan to conclude general debate on this measure today; so, whatever time it takes, we shall be here until it is concluded. This, of course, is an important measure; the Members should be interested in it and should, if at all possible, be present here on the floor during the sittings of the Committee of the Whole in order to hear what is being said.

As a practical matter points of order, of course, will lie if a hundred Members are not present. I earnestly request that in the interest of expediting the action of the House Members who have committee meetings forego business for the afternoon and stay here on the floor in order to keep a quorum present and to give attention to the things that are being said about the bill and to conclude the general debate so that we can go on with the reading of the bill tomorrow.

I may say in repetition of what I said yesterday that it is our expectation that we will meet at 11 o'clock tomorrow and will proceed with the reading of the bill tomorrow. If it is concluded tomorrow we will go over to Monday. I withdraw that; there might be some matters of lesser consequence that could be disposed of on Saturday. But, otherwise, if this bill is not concluded tomorrow night it will be necessary to meet on Saturday to conclude it, because as we all understand, the authorization bill must be acted upon by the Congress before action can be taken on the appropriation for MSA, and, of course, in respect to that time is running out.

Mr. MERROW. Mr. Chairman, in April of this year I served as the chairman of a study mission which included three of my colleagues, the gentleman from Minnesota [Mr. JUDD], the gentleman from Missouri [Mr. CARNAHAN], and the gentleman from Wisconsin [Mr. ZABLOCKI], that made a study of Pakistan, India, Thailand, and Indochina. I wish to call the attention of the committee to the funds provided in this measure for these areas. You will find on page 13 of the report that accompanies the bill we are now considering that the technical assistance and special economic assistance for India amounts to $109,900,000; Pakistan, $27,500,000; Thailand, $5 million; and Indochina, for special defense financing, $400 million. Under leave to extend my remarks in the RECORD I am going to include certain conclusions that were written into the report of the special mission that visited these four countries, conclusions that will substantiate, I believe, and justify the expenditures for these countries to which I have just referred. I would like to quote from the report of our study commission.

At this time I want to call the attention of the committee to the statement in our report in reference to Pakistan. The report states:

The study mission was told that an immediate emergency food shortage exists, which the mission agrees must be promptly met, otherwise there may well be serious internal disorders.

We will be considering the subject of food shortage in the near future. But we went on to state:

Important though this emergency is, it should not be the overriding consideration in the formulation of a program for the fiscal year 1954; the main consideration must continue to be a patient and persistent approach to the problems of Pakistan in a long-range effort to assist within our available means in developing its material and human resources in a sound and effective manner. There are no effective short-cuts to what is necessary in solid achievement. More investment capital from outside sources can only be supplementary to the effort which the Pakistanis must make themselves to develop and improve their own capabilities for dealing with their problems. In all of this, technical assistance is one of the chief means by which the United States has been assisting Pakistan.

Technical assistance is one of the chief means by which the United States has been assisting Pakistan. In the continuation of this program for not only Pakistan, but India, Thailand, and other countries we will be assisting in a long-range program of development and there is great need for economic development in these underdeveloped countries.

The CHAIRMAN. The time of the gentleman from New Hampshire has expired.

Mr. RICHARDS. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. MERROW. I thank the gentleman.

Mr. CARNAHAN. Mr. Chairman, will the gentleman yield?

Mr. MERROW. I yield to the gentleman from Missouri.

Mr. CARNAHAN. I want to take this time to compliment the gentleman for the capable and balanced leadership which he brought as chairman to this study mission of which I had the honor of being a member. From what we saw and learned of the area about which he is speaking now, I join with him in saying that the potential from that area for the free world certainly justifies a continuation of our assistance to them.

Mr. MERROW. I thank the gentleman for his kind words. May I say that I appreciate his cooperation and the cooperation of the other members of the study mission who visited these countries during April.

I wish I had an opportunity to refer to various sections of the report which deal with this particular bill under consideration, but time does not permit. I would like to call attention, however, to the fact that in India there is a 5-year development program, 2 years of which have been completed. The total cost of the program will be $4,250,000,000, largely financed by the Indian Government.

Mr. COLE of Missouri. Mr. Chairman, will the gentleman yield?

Mr. MERROW. I yield to the gentleman from Missouri.

Mr. COLE of Missouri. The gentleman spoke about Pakistan. I notice on page 75 of the hearings that Pakistan is exporting cotton to Communist China. Does the gentleman want us to continue to aid Pakistan in order that they may trade with the enemy?

Mr. MERROW. I think that trading with the enemy should be stopped and I hope we will be able to do that. Pakistan, however, is very friendly to the United States and in my opinion it is oriented to the West. The country is doing what it can to help us in this struggle against communism.

Under leave to extend my remarks I include the following excerpts from the report of the special study mission to Pakistan, India, Thailand, and Indochina:

Longer range prospects: It must be emphasized that the current and prospective economic problems in Pakistan are the result of two concurrent and unexpected events—the sharp decline in export proceeds and bad wheat crops in 1952 and 1953. From a longer range view, economic prospects are considerably better. Normal weather would go far toward removing the wheat deficit while irrigation, fertilizer, and other agricultural improvements offer hope of a substantial increase in productivity. Major new industries now under construction particularly cotton textiles and jute, will lessen dependence on imports and diversify the economy. Improved electric power and transport facilities will increase the rate and effectiveness of both agricultural and industrial expansion. These future prospects, together with the evidenced determination and drive of the Pakistan people, are the basis on which the judgment is made that, in the future, requirements for foreign economic aid should be considerably lessened.

Summary: Belt tightening as a consequence of reduction in foreign exchange earnings and budgeting income is the classical and approved economic answer to such problems. It is already taking place in Pakistan as indicated both by the limitation of imports and the reduction of Government expenditure.

However, the fundamental economic situation in Pakistan is substantially different from that in countries more highly developed. The country has little fat to sacrifice; its people are already close to, or at, a subsistence standard of living; its national reserves of foreign exchange and local government funds are already dangerously low. There is no margin left to cut without affecting the basic livelihood and expectations of the people.

Prior to partition, India and what is now Pakistan formed an economic unit, one area supplementing the needs of the other. Now that partition has been achieved, Pakistan finds herself in a difficult position due to her lack of industrialization—such products as jute and cotton, for example, must be shipped to India where they are processed. A settlement of the problems which exist between the two countries would go a long way toward solving this most difficult situation.

The study mission was told that an immediate emergency food shortage exists, which the mission agrees must be promptly met, otherwise there my well be serious internal disorders. Important though this emergency is it should not be the overriding consideration in the formulation of a program for the fiscal year 1954; the main consideration must continue to be a patient and persistent approach to the problems of Pakistan in a long-range effort to assist within our available means in developing its material and human resources in a sound and effective manner. There are no effective shortcuts to what is necessary to solid achievement. More investment capital from outside sources can only be supplementary to the effort which the Pakistanis must make themselves to develop and improve their own capabilities for dealing with their problems. In all of this, technical assistance is one of the chief means by which the United States has been assisting Pakistan.

INDIA

The 5-year plan

The group arrived from Pakistan in New Delhi, India, April 5 (Easter Sunday), and after luncheon with the chargé, Mr. Sheldon Mills, was briefed by him and members of the Embassy and TCA staff on the political and economic situation in India, as well as on TCA and economic development programs. The study mission went in the afternoon to a conference with Mr. C. D. Deshmukh, the Minister of Finapce, and Mr. D. T. Krishnamachari, the Deputy Chairman of the Planning Commission, and other members of the Commission. The major portion of this conference was devoted to an outline by the Indian officials of their 5-year development program, 3 years of which remain. Mr. Deshmukh pointed out that the program will cost approximately $4.25 billion. India will be able to cover two-thirds of this from taxation, borrowing, and some aid already received. This leaves a gap of $1.4 billion. Against this they have $600 million equivalent in sterling balances. They will then need $800 million after the full employment of all of their resources. Against this they expect that their friends in the Commonwealth will be able to provide a small amount—Canada perhaps $13 million; Australia some $3 million a year; the International Bank (IBRD) has loaned $50 million plus $30 million for a steel project and perhaps $20 million more for a steel plant—a grand total of approximately $120 million. This will leave a deficit of some $700 million according to Mr. Deshmukh.

Mr. Deshmukh expressed the hope that the United States would make up the deficit of approximately $200 million a year for the remaining 3 years. He indicated that he understood the practical difficulties in obtaining this assistance. He indicated further that it would be desirable that one-half of this assistance be on the commodity side—the equivalent of 1 million tons of wheat. If this potential wheat-import requirement could be underwritten, it would enable them to have confidence in going ahead with expenditures in rupees. The wheat is needed to control inflation. Mr. Deshmukh explained that it was the hope of the Indian Government that in carrying out the 5-year plan, it would be possible to permit moderate increases in the low standard of living of the Indian people during the development period. In answer to a question as to what the Indian Government would do should such outside help not be forthcoming, he replied that they would nevertheless attempt to complete their program but that they could not tell at what cost or hardship to the Indian people it would be accomplished. Two years of the program were completed by the end of March 1953, which is the end of the Indian fiscal year. It represented an expenditure of $1.3 billion of the $4.25 equivalent total cost of the program, leaving $2.9 billion for the remaining 3 years.

Mr. Deshmukh informed the group that United States emergency food aid to India prevented food riots and, by relieving serious inflationary pressures, had a tendency to stabilize the economy.

* * * * *

The study mission recommends that a further careful analysis be made of India's 5-year plan. This is especially important since

every form of United States assistance to that country is geared to the plan. If the Congress is asked to render assistance to India by way of meeting the deficit in the 5-year plan, it should be one of the major functions of the legislative branch to make certain that it is not underwriting an overambitious program.

THAILAND

1. The people and country

The people of Thailand are friendly disposed to the United States. In the view of the study mission, the Thai people can take great pride in their country and the progress they have been able to achieve. The capital, Bangkok, is a progressive city and an indication of the improvements which are possible throughout the land.

2. STEM program

The Special Technical and Economic Mission (STEM) maintained in the country by the Mutual Security Agency is doing commendable work in coming to grips with Thailand's basic problems—agricultural and economic.

3. Strategic location

In view of the strategic location of the country, it is vital that its independence be maintained and that United States assistance be continued along substantially the same lines as the present programs. This should encourage a further development in Thai living conditions, inspiring the people to want to defend their country and way of life.

INDOCHINA

Strategic importance

The area of Indochina is immensely wealthy in rice, rubber, coal, and iron ore. Its position makes it the strategic key to the rest of Southeast Asia. If Indochina should fall, Thailand and Burma would be in extreme danger; Malaya, Singapore, and even Indonesia would become more vulnerable to the Communist-power drive; and Ceylon, India, and Pakistan would find it difficult to maintain the freedom of action which they envisage for themselves in Asia.

An Asiatic Communist empire holding the Indochinese-Malay Peninsula together with Indonesia—controlling over 90 percent of the world's natural rubber and some 60 percent of its tin and dominating the great shipping lanes of the Pacific and containing some 150 million people—could deal powerful blows to the economy of the free world. Communism would then be in an excellent position to complete its perversion of the political and social revolution that is spreading through Asia. The resultant world of fear and insecurity would indeed be a tragic one in which to live. The Communists must be prevented from achieving their objectives in Indochina.

The CHAIRMAN. The time of the gentleman from New Hampshire has again expired.

Mr. LONG. Mr. Chairman, I regret very much to throw cold water on this love feast between the Democrats and the Republicans. I regret very much to have to interrupt lovers. But, Mr. Chairman, when the Democrats were in power I was opposed to this very measure, and I see no reason why I should support it now that the Republicans are in power.

Candor forces me to give Congress my views on this subject. Before I begin to speak I should like to call your attention to the 5,000 people in the hall, right here under the nose of Congress, who came here to keep the Rosenbergs from hanging, and now they stay here to keep Congress from impeaching Mr. Douglas. These people may be the forerunners of the 240,000 that we are supposed to admit to America to follow the same tactics that they are following, if we admit them.

Mr. Chairman, I realize probably I am in the minority in what I am about to say. Nevertheless, I feel sure that it should be said.

We should have nerve enough to speak out for America. I tell you that this bill that you are considering today does not show strength. On the contrary, it shows weakness in the face of our enemies.

Mr. Chairman, now that a truce is about to be reached in the Korean conflict, I think it would be wise for us to take stock and evaluate America's position in foreign affairs. Specifically, where do we stand in the United Nations and in relation to our so-called allies? Unless we learn from our experience and heed the warnings which have become apparent, our effort in Korea will have been nothing but a waste of money, a waste of time, and—far more tragic—a waste of life and blood.

The primary fact with which we are confronted when we review the 3-year action in Korea is that our allies did not carry their fair share of the burden. I do not believe that the other members of the United Nations even came close to making the kind of contribution in Korea of which they were capable. If the United States had not been willing to assume responsibility for providing almost all the aid to South Korea, the Communists would have easily added that gallant republic to their list of victims.

The British Commonwealth certainly did not do its fair share. During the coronation it was boasted by the British that the new queen would reign over more than 600 million people. Yet out of that vast population, the British Commonwealth mustered only one division of troops for Korea. Similarly, France, with a population of 40 million, contributed one battalion. In reality the battles were fought, as we all know, by the United States and the Republic of Korea. Our country, with only one-fourth the population of the British Commonwealth, contributed seven divisions of combat troops. The small Republic of South Korea was able to organize 14 divisions.

I know that the British have been crying that they were not financially able to carry their share of the load in Korea. I am willing to accept that statement. However, with a population of 600 million, the British cannot cry that they are bankrupt as far as manpower goes. The same is true of France. Those countries may be poor in dollars, but they are not poor in population.

Mr. Chairman, I am not complaining that the United States paid for the entire Korea campaign in dollars; however, I do protest vigorously that we gave more than our fair share of blood and life. If there is going to be a United Nations, it seems to me that every member should be required to share responsibility to the fullest extent. We went into Korea without much preparation or planning because the action was sudden and time was of the essence. In case of any future police actions or wars, however, it seems to me that there should be, in advance, firm commitments of troops from all the allies. It is not fair that the United States should undertake to save the free world from aggression singlehanded.

In order to prepare ourselves for the future, I think now is the time to make a thorough assessment of our relations with our so-called allies. In recent weeks we have been deafened by loud cries that the alliance between the United States and its supposed friends, particularly Great Britain, is beginning to fall apart. As usual, many people believe the United States is to blame. I think this blame has been misplaced, and I intend to lay it right back where it belongs, in the laps of our so-called allies. If these other nations were really concerned about their relations with the United States, they would act far differently than they do.

In the past month the two chief British leaders, Attlee and Churchill, have uttered words which are not the words of friends. The one has made disparaging remarks about the living document which is sacred to all true Americans, our Constitution. The other has shown himself willing to appease the Communists and create another Munich. Other Englishmen grew fat from the blood trade with the same Communists who maimed and murdered our boys in Korea.

I resent very much the typical English attitude which Mr. Attlee exhibited on May 12 when he criticized the Constitution of the United States of America on the floor of Parliament. He implied that this Constitution, the foundation of our Government, is antiquated. Actually it has been and is the vital, permanent basis for our strength. Furthermore, our Constitution, which Mr. Attlee so rudely attacked, has not only protected America for more than a century and a half but it has twice saved the British Empire from ruin and defeat. In the First World War and in the Second World War, American might, derived from our Constitution, saved England from being swallowed up by the Germans.

May I call attention to this fact: If it were not for the Constitution of the United States we would not be the powerful nation we are today. We would only be a lot of small countries living on the same continent, as is the case in Latin America and Europe. We would constantly be at one another's throats and never in agreement on any major subject. Without the unity derived from our Constitution, we could not have sustained ourselves in time of war, much less have gone to the rescue of England in time of need and danger.

I think Mr. Attlee's criticism comes with very poor grace, considering that he is a leader of a nation which has accepted more gifts of money, material, and blood than any other nation on earth. Do you know that we gave the British over $23 billion during the Second World War? Do you know that we have given them $8 billion since that war? We are as much British taxpayers as if we were under the domination of the British Government.

It seems evident to me that Mr. Attlee's talk comes from a man in whose veins flows the same blood as that of the British redcoats who, in 1777 and 1778, seized Philadelphia, lived in warm homes, and dined sumptuously on the fat of the land, while 20 miles away George Washington and his cold and starving men camped at Valley Forge. I have not forgotten that in the winter of 1777 and 1778 those patriots at Valley Forge could be traced by the blood that came from their poor bare feet. I have not forgotten that the British were responsible for the plight of those naked, hungry, and starving souls.

Nevertheless, these soldiers of the Revolutionary War followed the Christian star of the east—they knew they were fighting for posterity. Yes, they were fighting for you and me. These forefathers of ours died for the privilege of writing this Constitution which today stands as the strongest bulwark against communism, protecting the Christian religion and all the free nations of the world.

Furthermore, remember that we had to fight the British again in the War of 1812. I have not forgotten that during that war the British sacked and burned this very Capitol in which we meet today. This Capitol is dedicated with the blood of our patriots who died defending it from the vandalism of the British. Nevertheless, in spite of this outrage, we twice saved them from deadly peril. Their ingratitude is apparent.

Just as bad as the criticism from Mr. Attlee is the challenge which has been laid down by Sir Winston Churchill. Sir Winston, who at Teheran and Yalta delivered us into the hands of the enemy, has proposed another high-level conference with Soviet Russia. Although the United States is loudly condemned by Britain if we even consider making an international decision without British approval, on May 11 Mr. Churchill proposed another Yalta without American approval. He ignored the fact that such a meeting was contrary to United States interests.

President Eisenhower has countered this proposal for a conference with the U. S. S. R. with a suggestion to hold a three-power conference with France and England in Bermuda. However, if Sir Winston has his way, the Bermuda conference will be merely a prelude to a meeting with Russia, which will be dominated by the Communists—and Sir Winston Churchill.

France is conniving with England in this matter. France, now that she obviously believes she has gotten just about as much as she can from us, is ready to deal with the Soviet Union. She, too, favors a meeting with the U. S. S. R., a meeting which they think we will be forced to attend in order to protect ourselves. France has long been known all over the world as a political opportunist, yet we have been carrying her and nourishing her just like a rattlesnake in our bosom.

We cannot really count on France as an effective ally as long as she has a constitution which allows the Prime Minister to be voted out of power every time there is a minor crisis. The French Government has changed 17 times since the end of the war. As long as such fickleness continues, how can we possibly be sure that France will be on our side when a showdown comes?

Sir Winston Churchill also appears to change his mind rather easily. I do not think that there is any right-thinking man here who does not remember that Churchill, just after World War II, came to the United States and spoke disparagingly of Russia. His speech at Fulton, Mo., on March 6, 1946, was so anti-Soviet that it was taken as a call to arms throughout the world. At that time he said that what the Russians desired was "the fruits of war and the indefinite expansion of their power and doctrines." He said that the danger would not be relieved "by a policy of appeasement."

The Soviet Union has done nothing since 1946 which should change the opinion expressed by Churchill. Nevertheless, today he is ready to accept Communist terms and admit Communist China into the United Nations. When this happens we will lose face in Asia and many of the European countries while the Communists will gain both prestige and power.

The British apparently also wanted to appease the Communists by causing us to break our pledge and our promise to the thousands of prisoners of war who would rather be homeless than return to the slavery and tyranny of the Communists. We promised the Chinese Communists who came over and surrendered and became our prisoners that they never would be sent back. We sent thousands upon thousands of leaflets to Korea and distributed them behind the Communist lines, begging them to give up and offering them asylum. Then we were asked to break our solemn word by turning these prisoners back to Communist China for one purpose, and one purpose alone, and that was to be murdered by the Communist Chinese.

I am sorry to say, as far as the United Nations is concerned, that other members of the U. N., along with France and England, are trying to make it a world court in order that they can dominate the policies of the United States of America. They wanted to have their full say in Korea but they did not want to do their full share of the fighting.

Many people worried when there was talk about going it alone in Korea. I would like to call the attention of the Congress to the fact that for 3 years in the war in Korea we did go it alone. We furnished almost all the supplies and, with the South Koreans, we provided 92 percent of the naval forces, 95 percent of the ground forces, and 99 percent of the air forces. Our so-called allies contributed the rest. Great Britain provided only 2 percent of the ground forces.

We have called for deeds, not words, from the Russians. We must also call for action, not words, from our allies. It is time for us to get tough. I do not believe the British care for the United States. To them we are a pawn to be traded for a price. They will do everything they can to build up their trade and their power in Asia, no matter what the expense is to us. It is up to us to let them know that we will deal with them only on an equal basis.

The British had an opportunity to prove by their deeds that they are our allies. The first step they could have taken in this direction was to stop selling material to Communist China. They should have stopped sending their ships to Communist waters where they could be used to transport Red Chinese soldiers, soldiers who were responsible for casualties of American boys at the rate of 123 per day each day for the past 3 years. One hundred British vessels made 177 trips to Communist China ports between December 19, 1952, and April 30, 1953. This fact is shocking, and we should be sure this will not happen again before we ever embark on another Korea.

We did not have any help in Korea and we have no assurance that we will have help in the future. There is no need to continue to kid ourselves and bleed ourselves white by taxing the American people to buy weapons for other countries. Until we know that other countries will help us, it would be better to keep our money at home and become militarily and economically strong for our own defense. We should stop worrying about going it alone. We already are alone. England, in my opinion, is just as jealous of us as is Russia. The only concern of the British is where they can get the most trade. The only language that England knows is the language of might and starvation and privation and selfishness. At the Yalta Conference Churchill said that as long as he was Prime Minister he would never yield one scrap of Britain's heritage. The British are all for the British, not one bit for the United States. Today they are plainly making eyes at the Soviet Union. In my opinion we are worrying needlessly about losing our allies because we have nothing to lose.

The United States does face grave danger. There are greedy hordes in Europe and Asia, eyeing the natural resources of the United States, believing in nothing except their own selfish desires for wealth. Just like any other thief or robber, they see a man with a big pocketbook and lots of money and they pounce on him and leave him in the gutter. This has been the pattern followed by these same nations throughout time.

We have a tremendous opponent in Communist China alone. If the Chinese today should start marching, eight abreast, past a 5-year-old boy, he would have to live to be 150 years old to see them all pass by. So, in view of this, their superiority in numbers seems to outweigh our superiority in weapons on land and sea and in the air.

Mr. COLE of Missouri. I commend the gentleman from Louisiana on the excellent speech that he is making. I agree with you. However, I would like to call to mind the recent disclosures of Britain trading with the enemy.

Mr. LONG. Yes; that is one point that I want to make also.

Mr. COLE of Missouri. And the recent disclosures of Pakistan, to whom our Government proposes to send 1 million long tons of wheat, also trading with the enemy. Also the recent disclosures of India, Egypt, Western Europe, and Ceylon, all trading with the enemy. This bill proposes that we continue to pour billions into these countries while they

help our enemies who kill and maim our boys.

Mr. LONG. I thank the gentleman for his contribution.

There is a real danger. However, I do not believe the best way of meeting the Communist threat is by aid to Britain and her cohorts so that they can continue to live beyond their means. I believe the best way of protecting our freedom and freedom everywhere is through renewed efforts to strengthen ourselves. The money for which we are taxing ourselves for foreign aid is being wasted while we jeopardize our own security by defense cuts. It would be far better to spend this money on our own Army, and our own Air Force. Why should our own airpower be cut beyond the minimum point of security at a time when we are squandering funds to strengthen other countries?

A great many times you hear people speak of precedent. This is one of the times I think we should follow the precedent laid down by George Washington in his Farewell Address. At that time he said we should have as little political connection with foreign nations as possible. That policy served us well for over a century, a century in which we grew in might and became the stronghold of democracy and freedom. Now we are straying from that sage advice to avoid entangling alliances. The result may be disaster.

May I say in conclusion that we want to have charity for all because we are a Christian country. We have gone to the aid of those who were sick and those who were in distress and those whose liberties were threatened. However, my friends, the very foundation upon which these liberties throughout the world are based is threatened today. The greatest contribution we can make to the security of the free world is to keep that foundation, the United States of America, armed and able to repel any foe. Should our country fail to remain strong, then the rest of the world, along with the United States of America, will be enslaved. Let us use the mentality which God Almighty has given us to keep our country the bulwark of freedom.

I restrained myself from criticizing our alleged allies during the heat of the Korean battle. However, I think now is the time to speak up so that we can find and correct our mistakes. I am not opposed to the United Nations or alliances among the members of the free world. However, I am convinced that in the past the other countries have not carried their part of the burden. I do not think we should continue to support these countries unless and until they prove by their actions that they are true allies.

I would like to close with this thought, Mr. Chairman: "Shall we bear all the load alone, while all the world rides free? Or shall they pay their share, the same as we?"

Mr. VORYS. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. SMITH].

Mr. SMITH of Wisconsin. Mr. Chairman, we have been told, and it is a fact, that most of the money in this program is going for military end items, about 90 percent. So basically we want to know whether our money has done a job, whether or not we can anticipate that it is going to do a job in the future.

I want to bring to bear as a witness a gentleman who has been in Europe and has made a very intensive investigation as to whether or not our money has bought the goods we thought it would. A week ago Monday, Ray Henle, of Three-Star Extra, in his broadcast from Paris said this—and I shall read certain excerpts from his broadcast, because I believe we have an unbiased witness in Mr. Henle. As a matter of fact, he has always supported the mutual security program. Speaking from Paris, he said:

Tonight from my vantage point in Paris we look further in search for the answer to the question: What of European defense against communism? Last week we looked in France. Tonight we turn to West Germany. First, let's recapitulate to bring you up to date. We have poured hundreds and hundreds of millions into France the past few years. Our idea that France would become the keystone of the European defense effort. But what we find today is a French nation not greatly interested in the job we are trying to do.

We feel that our NATO program in the very beginning may have been based on the fallacy that France would be a strong keystone. We feel that NATO is doomed to collapse, in spite of the billions we have poured into it, unless we can find a strong companion for France in Europe, to help put a shoulder to the wheel.

And continuing further in the broadcast, he said:

I would like to repeat tonight what I have said before, namely, that it is not completely fair to the French people to put all the blame on them for this situation. There would seem to be some very serious failure on the part of our military, economic, and political planners in ever expecting that France could successfully carry out the job we have given her. France has not been a military power for many years. She does not have the resources necessary to supply and maintain a large modern army. The flower of her manpower has been poignantly dissipated in war.

Her political structure has been weakened by a multiparty system. If our planners seriously thought they could make France into a great power by economic aid, then they certainly have failed in that program. On the other hand, the basis for the reliance our military planners place on West Germany is readily apparent.

The following night, Mr. Henle, again speaking from Paris, had some very pertinent remarks to make; and I want to read from a transcript of that broadcast:

Here's something I want to get over to you from Paris tonight. The fact that in France there is no deep-rooted fear of war with the Soviet Union. You find an attitude of almost unconcern over the Russian threat of running through the French population all the way from some of the top French statesmen down to the farmers in the field.

There are, of course, some French politicians who've been smart enough to know that the best way to continue American aid is to work up a sweat over the threat of communism. But that practice doesn't go down into the fabric of the French people very far.

And in spite of the fact that United States propaganda services in France might have been supposed to work up an appreciation of the danger of world communism, if the effort has been seriously made, it has resulted in failure.

The French indifference to the Communist threat gives you one good reason for the French indifference to our NATO program for building up military defenses in Europe.

Mr. RICHARDS. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. KEARNS].

Mr. KEARNS. Mr. Chairman, I rise here this afternoon in a very serious vein of thought. I may say that my thoughts were prompted by the distinguished gentleman from Texas [Mr. LYLE] when he asked: "Are we playing God, or are we following God?"

I do not know whether you gentlemen have noticed this demonstration that has been going on this afternoon on the streets here in Washington and through the halls and corridors of our office building and the Capitol. I wonder whether we are playing country or being country.

This afternoon I expect to offer a resolution in the House demanding that we be informed as to who has organized and underwritten the cost of this group coming down to Washington trying to intimidate justice in America.

I know that they have come down here at a cost of $5 a round trip against $17.66 a round trip, and I think the country, everybody in America, is entitled to know who organized it and who has underwritten it. We should know for the good of America who is behind an effort like this to intimidate justice, and I appeal to both sides of the aisle to support me in my resolution.

I thank you very much.

Mr. RICHARDS. Mr. Chairman, I yield 10 minutes to the gentleman from South Carolina [Mr. DORN].

Mr. DORN of South Carolina. Mr. Chairman, I remember from history that Marechal de Villars, on taking leave from Louis the Fourteenth, said:

Defend me from my friends; I can defend myself from my enemies.

Voltaire also is reported as having said:

God defend me from my friends; I can take care of my enemies.

I understand that this statement is much older than that, having originated back in the early days of Rome, and I imagine Julius Caesar, as he lay dying on the Senate floor, in Rome, stabbed by his friend, could have said very much the same thing: "Defend me from these friends, I took care of my enemies." America defeated her enemies, the dictators of World War I and II, but today we are in danger of being bled to death by our friends.

Mr. Chairman, I think that is exactly the question we have before this Congress and before the United States today. We are in more danger from our so-called friends and false allies than we are from our open enemies. Frankly, I think the United States of America can take care of Russia and her satellites; but my prayer today is to defend this country from our friends. Yes, I remember the statement of the ex-Prime Minister of England, Mr. Attlee, and what he said about the Constitution of this country. I recall that his government in England received more money than any other country or any other individual under this foreign-aid program that we inaugurated immediately after World War II, plus a fantastic amount of lend-lease during the war.

I also remember that Shakespeare said:

> Blow, blow, thou winter wind!
> Thou art not so unkind
> As man's ingratitude.
>
> Freeze, freeze, thou bitter sky,
> Thou dost not bite so nigh
> As benefits forgot.

It seems to me that is a fundamental basic weakness of human character, ingratitude; and I want to warn this House and this Nation as I did from this same well in the 80th Congress that we must beware of those who would drag America down. A real friend would not insist that you hold him up with one hand while fighting with the other. He would urge that you sit him down and fight with both arms for mutual benefit.

How many of these Allies are really our friends? Do you know what they would say if they were really interested in preserving mutual security? They would say: No, America, you keep your money. You are the one that saved Europe in 1942, 1943, 1944, and 1945, you saved the Pacific for freedom. You keep the money. Put it in a great air force that will be the best defense for all of us, put it in a good navy, put it in adequate national defense.

If they were really our friends, that is exactly what they would say. They would tell us: You owe $267 billion. We know the sacrifices that the American people have made in every sea and every area of the world trying to protect the free peoples of the world. We know that you gave your sons and daughters.

That is what Attlee should have said. He could have told us that our casualties in World War II exceeded those of the entire British Empire, India included, and that if the world is to remain free, we must take care of the heart and core of that free world, the United States of America itself.

I know the argument they used here in this House in 1948. I challenged it then. Here is what the argument was on this side of the aisle and that side of the aisle, by these advocates of buying love with money, these advocates of buying world friendship with money, these fellows who forget the story of the prodigal son in the Bible, who came down here in this well, and said: "We must have foreign allies, we must appropriate this money. It will buy allies and it will prevent war."

I told this House then it would not prevent war and it would not buy allies.

Subsequently, in June 1950, just 2 year after the Marshall plan passed, war started in Korea. Look at the record. Look at the arguments made here by these world dreamers, these advocates of internationalism, these advocates of spending America into bankruptcy. They said it would prevent war. It did not prevent the Communists from going across the 38th parallel, and once they had crossed and the free world decided to meet that threat, where were the friends—the other argument that was used here in 1948? Our friends were not there.

Yes, I visited Korea twice. The only soldiers of any consequence were American troops and the troops of South Korea.

Mr. Chairman, let us reject this entire appropriation. I agree with the gentleman from Texas who so eloquently stood up here this morning, and I refer to the gentleman from Texas [Mr. BURLESON], and said: "Let us wait, let us reject this entire appropriation and give us time to study the world situation."

I am even opposed to the military aid in this bill. Why? Because much of the equipment the Communists are using today came from America. I make the prediction that if we continue to pour military equipment into France and Italy and some of these other so-called friends, it will be used against America in world war III. You know it, and I know it. Let us keep America strong and save the free world. Scatter our shots all over the globe, and we all will perish together.

Yes, I have a plan. I think the American people have a plan. Let us spend some of this money, if not all of it, on making America the most powerful force in the world. Then you will have friends, as England had them when Britannia ruled the waves; you will have friends, as Rome had them when the Roman legions dominated the world. No one questions or argues with the boxing champion of the world when he walks down the street because he is strong, he is the champion. Let us spend this money in that way, and it will be better for France, it will be better for England, it will be better for Italy and all of the countries of the free world if America has a strong knockout punch. We could have that punch already if our friends had only insisted that the United States keep most of its money.

Do you think if we had spent the $87 billion that we have thrown away on relief on American air power, on the American Army, that in Korea today we would be groveling in the dust, accepting a false truce, from fourth-rate countries like North Korea and Red China? I pleaded with this House in 1947 and 1948 to use this money to build 5,000 strategic bombers. Secretary Acheson said that strategic air power was the only force that was holding Russia back; Wedemeyer said that; Douglas MacArthur told me as much in Tokyo; and so did just about every leader I talked with. But America and the Congress—and I believe in this great body—failed to spend our money on what Russia feared most. I hope we will have the courage today to put first things first. America will have the respect of the world if we only use this money to make America strong.

Listen, all of this talk about going it alone. America has been going it alone; you know it and I know it. We hardly have a friend in the world today. Take France and Italy. I have been there, too, since I fought there in 1944 and 1945. They are not as friendly today as they were then. Why? Because of American aid. They are jealous; they resent it. Realism, that is what we need today.

Let us abandon this international policy of going it alone with false friends and depend on some real allies. Let us form a better friendship with Spain. I asked right here in this House 6 years ago of 2 members of the Committee on Foreign Affairs, "What about Franco of Spain? Does he not hate communism? Is he not against it" Do you know what their answer was? "Well, I appreciate the gentleman's question," and they went right on with the rest of their speech. Spain has 30 divisions, strong divisions, anti-Communist divisions. Western Germany will fight, if prepared. I talked with those people; they are progressive and strong; they don't like Russia—the nation that enslaved their people and is today holding 300,000 of their troops in concentration camps in Russia. Germany, Spain, and Turkey could be the real friends of America because we all have so little in common with ruthless communism. These people are the key to Western Europe. Do you know what members of the Turkish Parliament told me 18 months ago? They said, "We offered the United States six divisions to use in Germany, to use in Korea, to use anywhere in the world, men who would fight if we would only equip them, and the administration refused this great offer. Chiang Kai-shek offered America troops and we refused them. Let us abandon this policy of false allies. Do not forget Japan, Japan alone could stop the Russians in the Far East. Let us use Japan, Germany, Spain, Turkey—nations that will fight.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. FULTON].

Mr. FULTON. Mr. Chairman, I am glad that the gentleman from South Carolina has brought up the question of who our friends are among the nations. With very few exceptions on the floor today, there has been no doubt of the statement that we in the United States need friends, and good ones. The question is, of course, basically, shall we stand alone as we have been doing, unfortunately, almost alone in Korea?

Who have stood by the United States? Let us look at just a few examples. The South Koreans have certainly stood by our people in America when they have taken over all but about 20 to 25 percent of the frontline and even this very day are manning most of it in South Korea. The South Koreans now have 600,000 troops, so we are not doing it all. There has been nothing said here about the good work that the Greeks have done, how they have come back from a disabling guerrilla action in northern Greece, and are now one of your strongest friends and allies, small in size though they may be. There has been little said about Turkey, how Turkey has stood up and has been our friend under great difficulties, when it looked as if we were going to give them only a smattering of aid in the first aid program, called the Greek-Turkish aid program. The United States might have abandoned these nations, but thank heaven this Congress did not, so that today there is a fine, strong, friendly Turkey and Greece in the eastern Mediterranean.

There has been no country that has been aided by this Congress under these programs that we have lost as a friend since the aid programs were started by

Congress. In Italy the vote has varied back and forth by a few percent but to date Italy is in the ranks of our friends and there is a government in Italy that is strongly favorable to the United States and for freedom. I thank heaven for De Gasperi's Christian government and the good Italian people.

We should mention that in this bill there is the carryover of the $125 million that has been previously authorized for Spain, in addition to $91,091,000 for mutual defense material and training to help them, plus $10 million in defense support to help the Spanish people stand up further against communism.

This program for Spain is instituted on negotiations that they will give us air and naval bases in Spain so that the United States can have a lifeline through the Mediterranean to protect our own boys that are over there now in the United States Fleet. We need friendly countries around the Mediterranean. With the increase in power of planes, instead of going 300 or 400 miles an hour, as in World War II, many now operate at 800 to 900 miles an hour. As you have heard, the Douglas Aircraft supersonic test pilot, William Bridgman, has recently at Muroc, Calif., piloted a plane at 1,335 miles an hour.

I have said on the floor a good many times that I represent the city of Pittsburgh, one of the large atom-bomb targets of the United States. We in Pittsburgh are very cognizant of the fact that we are now only 4 to 5 hours away from the outer reaches of our defenses, and that if planes would be sent over to the United States there would only be about 10 percent of them intercepted and shot down.

We in Pittsburgh desperately want peace. We want a fair peace, a just peace, and will work for such a program. We in Pittsburgh want a strong country, not for aggression, but to maintain a respected position in a peaceful world. We in Pittsburgh know that the United States needs defense bases that are not just 20 minutes away from Pittsburgh by plane but that give us in our great city at least 2 to 3 hours' notice, should any aggressor take action.

There are strategic bases that only our allies can give us by joining with us for mutual self-defense as all countries are given the right under the United Nations Charter. They are not bases meant for offense, they are bases meant for defense. These bases that our allies are building have defense installations called "infra structure," necessary to equip the bases that are in the countries of Western Europe and of these other friends of ours. We in Pittsburgh think such defense bases and installations are necessary, so I am going to vote for them for the security of the United States and the safety of the people in Pittsburgh and my own congressional district. These bases are not aimed at aggressive action toward any country or group of countries, but are necessary and legitimate defense measures.

I would like to give some of the ways this bill has been cut, because I am one of the moderates on the Committee on Foreign Affairs that looks over the program to find where we can save and reduce Government expenditures where not necessary whether at home or abroad. We Congressmen have the duty to watch carefully the interests of the American taxpayers whom we represent. In fact, I went to Europe for a month just about a month ago, and went to most of the countries of Europe discussing with our United States staffs and with the local government leaders and the ordinary people what are the needs of this program. I came back with some ideas where the program could be handled more economically, where it should be strongly sustained for United States security, and where it should be cut.

To begin with, the current mutual security program submitted by President Truman amounted to $7,600,000,000. Our own Republican administration, the Eisenhower administration, reduced it by $1,772,000,000, to a figure of $5,828,000,000. The Eisenhower administration then, through Mr. Harold Stassen, after we started the hearings in the Foreign Affairs Committee, went back and looked over their request again on our demanding that they cut out every bit of fat. The Mutual Security Administration came back with a program then of $5,474,000,000 which is another cut of $354 million.

In the Foreign Affairs Committee report, we members on top of all those cuts have again cut this request for authorization for the program for the fiscal year 1954 for mutual-security aid by $476,000,000.

Mr. Chairman, on my own motion I put in three amendments that cut $100,000,000 each from this aid. The Foreign Affairs Committee adopted each of those three amendments cutting this bill by $300,000,000. Two others on the Foreign Affairs Committee put further amendments in equaling $176,000,000, which were adopted by the committee. So I certainly have been for cutting this program, as I supported each of these further cutting amendments as justified. I feel in some instances, and I will point them out later, the bill can be cut still further but only in moderate amounts. I do not feel, with the work the committee has done on this bill, that further cuts can be made with a meat ax which would slice the current mutual-security program in half, and have any security protection left in this bill for this United States of ours.

I believe firmly we must balance the security of the United States within the framework of a balanced budget, and within the framework of a good sound economy. So that I am one of those members who has been sitting at the hearings trying to balance the serious problem of adequate defense, security, and a sound economy.

As a result of my trip to Europe I came back with a feeling that this agency was overstaffed in Europe. So I have introduced two amendments at the committee level that have already cut the United States civilian personnel on this program, and will have a supplementary amendment which will be joined in by the gentleman from Minnesota [Mr. JUDD] which will cut this administrative United States civilian personnel in the mutual-security program by a total of 10 percent from the total on the payroll as of January 31, 1953, when the Eisenhower administration took over from the Truman administration. We are going to cut between 500 and 600 jobs from this program.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield.

Mr. GROSS. Will there be any prohibition in the bill against the mutual security turning around and hiring foreigners to replace the Americans you are cutting out?

Mr. FULTON. We are also cutting the funds so that they will not have the money to spend for that. I will go further and give the exact numbers these amendments on administrative personnel will cut under the 1954 mutual-security program.

The total administrative personnel right now in this program are 5,274: Mutual Security Director's office, 125; Mutual Security Agency generally 1,791; lent by State Department 1,005; lent by Technical Cooperation Administration 886; and lent by the Defense Department 1,467.

Then, under a committee amendment, that will appear on this bill at page 13, line 11, by inserting the words "assigned to comparable positions" we are bringing under this program 390 more TCA employees so that we have them in under the ceilings of the mutual security program. The amendment, which tomorrow will be sponsored by me on the floor, and concurred in by the gentleman from Minnesota [Mr. JUDD] will cut the figure of 5,664 United States administrative personnel by 10 percent, amounting to a reduction of 566 people, which will be a real saving to the American taxpayer. This program can be well and more efficiently run with less personnel and better management.

The foregoing figure of 5,664 is the number of administrative personnel on the United States payroll under this program on January 31, this year. That is the date when the Eisenhower administration took over this personnel from the Truman administration. So you will, therefore, find there will be 566 of the administrative personnel who were hired in the Truman administration cut by this committee in the current 1954 fiscal year program. We owe the taxpayers this sound management.

With the permission of the committee, I would like to insert my amendments at this point in the RECORD, so that I will not have to read them because they are rather technical, but the results as outlined, are obvious.

Amendments to be offered by Mr. FULTON:

Page 12, lines 7 to 10, strike out all of paragraph 1.

Page 13, line 6, after "the", insert "Director for Mutual Security or the"; line 8, after "Defense", insert "and other participating agencies"; line 10, strike out "5" and insert "10"; line 11, after "assigned" insert "to comparable positions."

And renumber paragraphs accordingly.

The question comes up as to whether we are gaining proportionately in defensive strength both as to capabilities and as to our allies' willingness to assume the burdens of defense. I answer that by saying that General Ridgway at page 406 of the committee hearings answered that question in the affirmative.

Mr. Chairman, I would like to insert this in the RECORD, at this point, and will ask for House permission at the end of today's session:

Chairman CHIPERFIELD. Mr. FULTON.

Mr. FULTON. I likewise welcome you and say we are glad to have you back. We have had confidence in your work in SHAPE headquarters.

If you will refer to page 4 of your statement, the bottom paragraph, I would like to call your attention to the number of divisions in the Soviet and their air forces.

That statement says:

"The Soviet Army mounts 175 army divisions, the Soviet Air Force has over 20,000 frontline aircraft with a large aircraft reserve."

I was on the committee in 1947 when the interim aid bill was before this committee. Those were the exact figures of the size of the Russian forces at that time.

You are giving us these figures publicly for the first time that then indicates to me that there has been no substantial buildup in Soviet Army divisions nor in frontline aircraft from 1947 to 1953, is that correct?

General RIDGWAY. My information is that it is, sir.

Mr. FULTON. If the buildup has not been in numbers, what kind of a buildup has there been? Has it been in modernization, in better equipment and newer weapons?

General RIDGWAY. It has been just in those things that you mentioned, sir. There has also been some very great improvement but one difficult to evaluate in combat effectiveness, in the training field. There has been an intensive effort in the ground forces to replace older equipment with more modern. There has been in the air forces a great effort to replace obsolescent types with the most modern jet types.

There continues to be an intensive training effort in the Soviet ground forces. All of those add up to our estimate of a substantial increase in combat effectiveness with no increase numerically in the numbers.

Mr. FULTON. With the continuation of this force in being, we are not faced with greatly increased forces but just a continuing force, is that right?

General RIDGWAY. That is right.

Mr. FULTON. With your help and the help General Eisenhower gave in Europe, we are now proportionately in a much better position in the case of the use of any force or any attack on Europe that might be made.

General RIDGWAY. We are, sir.

The point I would like to stress, sir, is this: While I think beyond any question that the power ratio in combat effectiveness—in other words, between our defensive strength and his offensive capability—over the period which you are discussing, has been in our favor, I would like to point out that at the beginning of that period we were almost defenseless in Western Europe. While we have increased our strength many times on a mathematical basis, and therefore have substantially altered the power ratio in a favorable direction, we are still very much under a very serious threat.

Mr. FULTON. But with the encouragement of the European people and their increased feeling of security and increased living standards we are well along the road toward security?

Mr. VORYS. Mr. Chairman, I yield myself such time as I may require in order to state that I requested of the Speaker in the House this morning general leave for Members to extend and revise their remarks and to include extraneous material.

I would like to propound a parliamentary inquiry as to whether that request is of record, and whether the permission then granted could not be availed of by all Members so that they may extend and revise their remarks without making individual requests.

The CHAIRMAN. The Chair is advised that the gentleman did obtain permission in the House for all Members to revise and extend their remarks.

Mr. FULTON. Mr. Chairman, does that include extraneous matter?

The CHAIRMAN. No; permission to include extraneous matter will have to be obtained in the House.

Mr. BATTLE. Mr. Chairman, I yield such time as he may require to the gentleman from New York [Mr. HELLER].

Mr. HELLER. Mr. Chairman, I have heard my colleagues take the floor this afternoon and warn us to "look well" before we pass this authorization bill, and then we were told that in looking well be sure to speak for America. I just cannot follow this kind of argument. I agree that we must look well, but when that admonition is coupled with the statement that we speak up for America, is there at the same time an implication that we should follow the go-it-alone philosophy?

Do those who advocate such a policy realize that, by retreating to our own shores and isolating ourselves from our friends abroad, we invite the full wrath of a Communist attack upon our country? Whether they are aware of it or not, those who talk of curtailing the mutual-security program are actually advocating such a course.

The consequences are not too difficult to foresee: A few years of cheap peace in splendid isolation and then, sooner or later, a devastating war—a war without benefit of allies, or their manpower, or their production; a war without the many vital raw materials which our hemisphere lacks and which are so essential for our defense.

Those who advocate the discontinuance of this program or seek to limit its efforts through crippling reductions, must assume full responsibility for their deeds. They would place the safety of our Nation in peril. They would undermine our position of world leadership, which we have attained in recent decades. They would destroy the confidence which we enjoy in the eyes of the whole free world. The free nations of the world are anxiously waiting and watching our action.

I wish to be associated with the remarks of the distinguished gentleman from Texas [Mr. LYLE], who in arguing in favor of the rule and again during general debate, urged us to commit our Government to a real effort for a permanent peace. Yes; this is the only way to help assure our security and human dignity.

There is no getting around the fact that our foreign-aid program is a costly one, but what disturbs me most is that any cuts which may be proposed may prove to be even more costly—and not necessarily in money alone. Aggression by Communist forces is still a constant threat to the security of this Nation, and against this threat the American people must be adequately protected. In this way we can look well and speak up for America.

And should we not consider the fact that we cannot hazard the chance that the foreign-aid program be crippled at a time when President Eisenhower needs a strong hand in treating with our allies at the forthcoming Bermuda conference? Many historians who have studied the period just before World War II are agreed that its outbreak might have been avoided if the free nations had clearly demonstrated to Hitler by word and deed that this aggression would be met by the combined strength of all countries affected. This lesson applies to the world situation today.

Substantial sums are needed for the arming and maintenance of the armed forces of the North Atlantic Treaty Organization. We still must supply our European partners with essential raw materials, machine tools, and military equipment needed to carry out our common defense program. General Ridgway, the outgoing Supreme Commander of the NATO forces, stated in his testimony recently before a congressional committee how dangerous any cutback in mutual security funds might be. He emphasized the fact that allied forces in Europe are still suffering from major deficiencies and that our combined air power there remains the weakest link in our defense system.

It has been suggested here that, since the United States would have on hand at the end of the current fiscal year some of the foreign-aid funds which Congress had voted in past years, these carryover funds might be used to cut down the present requirements. The answer is that most of these funds are already obligated. The situation does not permit us to rely upon carryover funds as a means of facilitating further aid cuts. The present defense figure is already a minimum. If it is destined that we err, let it be in asking for more than we need rather to find later that we have "too little and too late." It will be much safer that way.

During the deliberations on the mutual-security program last year, I stated on the floor as follows:

I am willing to concede that the cost of foreign aid is great. Let us remember, however, that the cost of the alternatives to the mutual-security program would be overwhelmingly and tragically greater. Who among us is willing to assume the responsibility for crippling the foreign-aid program? Who among us is willing to carry a deed of this sort on his conscience for the remainder of his life?

Mr. Chairman, I now repeat the same admonition. I urge my colleagues to vote for America and a free world.

Mr. BATTLE. Mr. Chairman, I yield 10 minutes to the gentleman from Mississippi [Mr. WILLIAMS].

Mr. WILLIAMS of Mississippi. Mr. Chairman, I think it is generally known among Members of the House that I have continuously opposed these international handouts. I intend to oppose this one.

I remember back in 1948 when the Marshall plan was initiated that they presented the argument that voting those billions of dollars of aid for Europe was a calculated risk that we could not afford not to take. They kept up that same argument until just a year or so ago. I have not heard it since. I do not know whether we are continuing to take a calculated risk now, or

whether we have dumped so many billions into Europe that we have just gotten into the habit, and cannot stop.

It would be another calculated risk to cut off this aid. Why not try that for a change? What are we afraid of now? If 50 billions have failed to buy friends for us, why should we think that more money would accomplish it?

This program, since 1947, has had four different names. And why? Because under each name it got so rotten that they had to change its identification. Back in 1948 you called it the Marshall plan. Two years later you called it ERP. Then you changed the name 2 years later to the European Cooperation Administration. Now you call it the Mutual Security Agency. What is it going to be next? What is it going to be when it gets so bad that the people cannot stand the odor of it? How long do you think you can keep the real nature of this program concealed from the people?

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. There were 5 changes; UNRRA was No. 1. The gentleman remembers UNRRA?

Mr. WILLIAMS of Mississippi. That was back before I came to Congress. The song has ended, but the melody lingers on.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield to the gentleman from Minnesota.

Mr. JUDD. Just to keep the record straight, the gentleman left out one of the important ones, MDAP, the mutual defense assistance program, which was the name used between the ECA and MSA.

Mr. WILLIAMS of Mississippi. If there are any more letters in the alphabet that have not been used, we will get around to them, do not worry. That is, if we have any money left.

Mr. DORN of South Carolina. Mr. Chairman, will the gentleman yield to me?

Mr. WILLIAMS of Mississippi. I yield to the gentleman from South Carolina.

Mr. DORN of South Carolina. I think the gentleman left out the direct British loan and lend-lease. That is where it really started.

Mr. WILLIAMS of Mississippi. I thank the gentleman. I also want to thank him for making the splendid speech he made a few minutes ago. He said exactly what I had intended to say in my time, and did a much better job than I could have done.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield to the gentleman from Pennsylvania.

Mr. FULTON. The gentleman forgot the Act for International Development in 1950.

Mr. WILLIAMS of Mississippi. I understand it will be 1955 before we get around to spending the money you folks are voting today, as funds are already available from previous appropriations to carry it through 1954. One of these days I want someone in authority to let us know when we are going to wind up this and relieve our people of this unnecessary burden of expense. You told us when we started in 1948 that it was a 5-year program. Lo and behold, last year we made the biggest appropriation in the history of the program, after it was supposed to have died.

I am going to have to agree with my good friend from South Carolina [Mr. DORN] in what he said. You told us back in 1948 that the purpose of this European aid program was to buy friends over in Europe so that we would not have to spend much larger amounts on military defenses and installations.

The fact is that 6 years and $50 billion later, we are spending more than 3 times as much on our military defenses as we were spending then, and we still cannot see the end of this expensive aid program. We just go on and on, giving these billions of dollars to Europe every year.

I should like for somebody on the committee to show me where we have saved any money in military expenditures by carrying on this foreign aid program. Our budget was $15 billion when we started the Marshall plan. Today it is $50 billion for the military services. And we have spent $50 billion on foreign aid. It just does not add up.

Oh, you said that the Marshall plan was going to keep us out of war, that it was an investment in peace. Do you remember that? You said if we sent the money, we would not have to send our boys. That was the so-called calculated risk; spend that money on aid, we will not have to go to war; no American boys will ever have to set foot again on European shores. Do you remember that? It was not but 2 years later that we had to invoke the draft again, and 2 years later we went into Korea. I have the casualty lists right here: 21,700 American boys killed in action since it began. Today, we are closer to another world war than we have been since World War II; yet you would tell us that this has kept us out of war.

Oh, yes; what is this program? It is obvious that this money is being used as an international bribe to try to buy friends.

The American people are tired of this international handout; they are tired of having to dig down into their pockets to pay an international bribe. If you as an individual accepted or were offered a bribe you would be put in the penitentiary. A lot of people have been put in the penitentiary, Members of Congress included, because they accepted or were offered bribes. But do it on an international scale—oh, that is carrying out our foreign policy with a high moral purpose. You have put it on that basis already. You said that this is a great Christian program. Oh, no. You know what it is as well as I do. It is to keep the pumps going in Wall Street; it is to sap the strength of our real military defense; it is to keep inflation going; to maintain artificial prosperity—to elect and reelect. Ninety percent of the American people are against this program, in my opinion, but their spokesmen are few.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield to the gentleman from Connecticut.

Mr. MORANO. The gentleman made a statement that 90 percent of the people are opposed to this program. In November last we went through an election. Everybody knew where everyone stood in that election. Certainly, the President of the United States was for the program. It was one of the cornerstones of his foreign policy and the people overwhelmingly elected him. How can the gentleman make that kind of a statement?

Mr. WILLIAMS of Mississippi. I am delighted that the gentleman has asked that question, and if I can secure 5 additional minutes I shall answer him.

Mr. BATTLE. Mr. Chairman, I yield 3 additional minutes to the gentleman from Mississippi [Mr. WILLIAMS].

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS of Mississippi. Not at the moment, please; I am going to stop working on the gentleman's committee. I am going to start working on the Republicans now.

I am delighted that the gentleman from Connecticut asked me that question because I intended covering that subject. Yes, the American people overwhelmingly elected President Eisenhower last year, and I do not mind telling you that I was one who had to struggle with his conscience to keep from voting for him myself. But let me tell you this: It makes you feel awfully good deep down inside to know that you wrestled with temptation and did not fall from grace.

Do you remember what your Republican platform was? Oh, you told the American people that you were going to give them economy in Government. How we all remember President Eisenhower, then General Eisenhower, telling the American people he was going to cut the budget 10 or 12 percent. He used big ambitious figures. But he took one look at the budget after getting into office, then he said: "Friends, maybe we can cut a little later on. Economy will have to wait."

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS of Mississippi. No. I am answering his question.

Your candidate said he was going to reduce taxes; and the only tax reduction bill yet reported has been killed, has it not, by orders from on high? It is lying in the Rules Committee and is not coming before the House until your policy crowd gives it a green light.

You Republicans said you were going to kill that evil, vicious, mean, unfair, inequitable excess-profits tax. Do you remember that? The President went on the radio the other night as master of ceremonies in a nice, interesting panel program and repeated those adjectives. He said that the excess-profits tax is bad; it is inequitable; it is unfair; it is unreasonable; it is incapable of being administered properly. But he said that, even so, we must keep it because we just have to have the revenue. Perhaps we need this additional revenue to pay for your Republican "economy."

Mr. DORN of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield.

Mr. DORN of South Carolina. Just to keep the RECORD straight and along the same line, does the gentleman remember last year the statements that were made so glibly that we could reduce the budget by $40 billion?

Mr. WILLIAMS of Mississippi. Oh, sure, I remember all that. They are trying to forget. They would like to forget. The people will not forget.

Mr. WHEELER. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield.

Mr. WHEELER. Speaking of the American people's having expressed their dissatisfaction at this international giveaway, I would like to ask the gentleman if the American people were given any alternative in last November's election?

Mr. WILLIAMS of Mississippi. On promises, yes; on performance, no. You know, they are even carrying out the old Acheson program.

The GOP told us that they would give us peace with honor in Korea. You remember that? Peace with honor in Korea. Now, what do we find? Why, they are over there right now trying to conclude an Acheson-Hiss truce. You know that.

Then they jumped on poor old President Truman. They knew that all they had to do down South was to mention his name and they would get the votes. He was their strawman. They said President Truman had cut 22 wings off the Air Force and had crippled our defenses. But they believed in preparedness and would keep us strong. So what are they doing now? They are trying to go Mr. Truman one better—they are trying to cut our air arm 23 wings, from 143 to 120.

Then you advocated "Trade, not aid." Trade, not aid. Well, you are voting almost $5 billion in aid now; and if I understand correctly, your high tariff bill will be out next week to kill the trade. Yes; the people voted for a change, but they are not getting it. Your program has the smell of New Deal all over it. Next time, the people will not accept a substitute; they will demand the real article.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield.

Mr. GAVIN. I want the gentleman to know that there are some of us over here who do not agree with the giveaway programs any more than my good friends on the other side. I fully realize, too, that they not alone in these countries expect us to feed and finance them and take care of their annual budget deficit, but today they not only expect us to feed and finance them and take care of the annual budget deficit, equip them militarily and send our boys over there to do the fighting if necessary. So let us not get into a discussion about the Air Corps because the gentleman was here in 1949 when we cut the 70-wing air group back to 48.

Mr. WILLIAMS of Mississippi. Yes, we both complained. That cut was ill advised and unwise.

Mr. GAVIN. Do you remember how we canceled the carrier, mothballed the fleet, cut back the Army's ground forces, the Navy air arm; so let us stay with the matter before us, what has been referred to as the giveaway program.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota [Mr. JUDD].

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mr. HALLECK. The address we just heard ought to be something of an enlightenment to those on our side. I kind of regret that that speech was made, because I have deep affection and high regard for my friend, but it is quite apparent that he is interested principally in an attack upon the Eisenhower administration. That probably would be denied very strenuously. But when he speaks about failure to reduce the budget, may I say to him that in the appropriation bills that have already passed the House of Representatives, they have been cut 25 percent below the Truman budget. Now, I must give him a little credit for helping accomplish some of that. Hence, my surprise at his attack. Likewise, this very bill that is here before us has been cut by successive administrative operations, and the action of the Committee on Foreign Affairs of the House—a bipartisan action, may I say—from an original seven and six-tenths billion to four and nine-tenths billion, and that likewise is a very substantial reduction.

In the same breath, when he talks about our failure to do something about cutting the cost of government, he decries the cuts that have been made and are to be made in some of the military operations, I say cuts that are justified upon any fair interpretation of the reasonable needs of this country. Then when he drags in the tax situation, it seems to me that those of us over here who, in a way, have a responsibility for the carrying out of these programs—not ours alone, because I might remind my friends over there that I was the majority leader in a Congress that put the Marshall plan into effect, likewise aid to Greece and Turkey and to France and to Italy—but to those of us who do carry the responsibility, I think we just ought to be a little more alert as to just what may be an effort against the program that was devised by the Eisenhower administration, and, may I say, overwhelmingly supported by a great majority of the people of this country.

Mr. JUDD. Mr. Chairman, in dealing with any problem as difficult and as controversial as this, it seems to me one has to look at the situation in the way a doctor is trained to look, and that is, what are the alternatives? A man comes in with a ruptured appendix that he has neglected, or a cancer that has invaded vital organs, or a TB process that he has paid little attention to; he has taken some patent medicine or gone to some quack, and his condition is now desperate. There is no choice except an operation to take care of the immediate emergency in order to save his life. So the doctor operates, say, on the ruptured appendix. The patient does not get along very well. Months later he still has a fistula, or he has adhesions and cramps and indigestion. He may say, "Look what a terrible failure my operation has been. I am not well; I still have all these troubles."

Well, was the operation a failure? No; look at the alternative. Without it, he would have been in the cemetery. With it, he is alive. He is not yet well, but he has a chance to get well.

Now, when the gentleman from Mississippi says the policy and program extended by this bill have been a failure because of bad conditions existing here and there among our allies, I reply: Look at the alternative. Where would they and we be without it?

Look back at where we were when this program of aid to threatened countries was started in the 80th Congress in the spring of 1947. We had disarmed. We had taken the greatest military force any nation in the world ever had—in the air, on the land, on the sea, and under the sea—and scrapped it. The Soviet-controlled countries had 300 divisions breathing down the necks of both Europe and Asia. They were moving into Greece which had been prepared for the kill by a Communist armed fifth column, when the President of the United States, Harry S. Truman, to his eternal credit, came to the Congress, first to our committee, then to the whole House, and said, "We have to make an effort to keep these endangered countries from falling into the hands of the Soviets."

Some people said, "Why should we spend money to protect a rotten, corrupt, reactionary, undemocratic, and unpopular regime in Greece? What does it matter to us what happens to that little country?" But look at the map. It was not just Greece that was at stake; it was Europe—and ourselves. Greece is only a little territory but it controls a lot of islands which in turn control the Aegean Sea which in turn controls the lifeline to Turkey. If Greece went down, these islands would go down, including Crete, then Cyprus; these islands dominate the eastern Mediterranean. The Kremlin would then dominate the Suez Canal, the land bridge across to Africa, and an area with half of the known oil reserves in the world. There was no way that Turkey could stand if she were flanked by a Greece controlled by the Soviet Union.

With the eastern half of the Mediterranean in the control of the Soviet Union, Italy, already hanging on the ropes, would have gone before the end of 1947. Not a person who was there will deny that. France had just had an election with more than 25 percent of the people voting Communist. Her economy was shattered, her people demoralized. Nobody who was there believes France could have made it with Greece, the eastern Mediterranean, and Italy gone. The Low countries could not have held out. Then Germany would have been encircled. That was the prize. The Soviet Union always was after Germany, because Germany is the hub of the European wheel. God made it that way. You and I may not like it, but that is a fact of geography. It was the German manpower, productive capacity, and

strategically advantageous central position that the Soviet Union was after.

Then England would have been isolated. North Africa was already exploding. There was nothing to stop Communist forces from going to Dakar, which is closer to South America, at the bulge of Brazil, than is Key West.

When anyone says now, "Look at Greece today. Things are still not good there," I reply, "But Greece is free. Italy is free. Turkey is free. France is free. West Germany is free. North Africa is free."

Do you mean to tell me this has been of no value to us? Where in the world would the United States be today, if all that had gone under Communist domination? I do not like the way some of our allies have acted, and nobody has protested more than I, especially privately, which I think is generally the better way. But look at the condition of the patient. He is alive, and as long as he is alive there is hope he and we can carry out, slowly, patiently, the measures that will help develop the kind of strong, resilient governments we are interested in. What future is there if the patient is dead?

Now come to the Far East for a moment. The criticism that we on this side have consistently made of the administration that preceded the present one was not of what it did, but of what it did not do. We supported by a wide margin the policies it followed in Europe; we criticized it because it did not follow the same policies in Asia.

In Europe it said, "We will help you if you keep the Communists out of your government." In China it said, "We will help you only if you take the Communists in."

We on this side of the aisle supported the administration's strong policy of resisting the Communists in Europe; we opposed its weak policy of trying to appease and bring in the Communists in Asia. The policy in Europe was sound. It succeeded. The one in Asia was unsound. It failed.

Look at the Korean war. It has not done what many of us wanted it to do and believe it could have accomplished—defeat the Communists and achieve a united, independent Korea. But it cannot be called a failure—for without that operation all Korea would have been gone, long ago. And how long does any Member of this House think Japan could stand if the Communists had won control of Korea, in addition to China?

On the day 2 years ago, when General MacArthur was fired, I stood on this floor and predicted that act would turn out to be a disaster for us in Asia second only to that at Pearl Harbor, because it marked the abandonment of a policy of trying to win victory in Korea and the adoption of a policy of trying to made a deal with the Communists, to accommodate ourselves, to accept, to adjust to Communist control of North Korea and mainland China. That could only be to the interest of the Communists, not of ourselves or of Japan. I said, "There is Sakhalin coming down almost to one corner of Hokkaido, the northern island of Japan. And the Kurile Islands come down to the other corner, with only a few miles between. If, with them already in the hands of the Kremlin, and then Korea under its control, how in the world can Japan long hold out?"

Well, we still have a tough problem in Korea. It is tragic that we did not seize the victory when we had it—we had it all but won on two occasions. Instead we have let the Communists almost snatch victory from defeat. We may still do that. I have warned against it and will continue to do my best to prevent it. But however tough the problem still is, there is hope, because South Korea is still free. Without that, there would be no hope. And Japan is still free. Formosa and the Philippines and Southeast Asia are still free.

The gentleman from New Hampshire [Mr. MERROW] spoke a few moments ago about our subcommittee visiting south Asia, the subcontinent, India and Pakistan, during the Easter recess. They, too, are still free. Because of the 3 years' breathing spell they have had as a result of our resistance in Korea, their progress in these years of independence is beyond anything I had expected. Without the assistance the United States has given, including firm resistance in Korea, all these countries in Asia would be gone, or hopelessly imperiled. There is still the possibility that we will lose them—and Europe, too, I grant that. But there is no need to lose them. They are still free. And it is largely because of that part of American foreign policy which is embodied in this bill and supported for 6 years by this Congress under both parties, the policy of keeping this country strong and of trying effectively wherever we could to help others become strong also.

Mr. Chairman, our major concern must not be whether other countries are our friends or not. Nobody is going to like us for something we do for them. Our purpose is not to bribe them or to induce them to like us, as has been said when it is charged that the program is unsound. Our purpose is to give them the capacity to defend their own independence. If they are free, the Kremlin cannot use their manpower, their resources, their strategically located bases against us. If they are not free, it can use those strengths against us.

I do not want Mr. Nehru or anybody else to become a satellite of the United States. That is the policy and the objective of the Kremlin; it is not ours.

We are not trying to help people in order to have them do our fighting for us. We want only to help them get to the point where they can defend their own beloved soil. That serves their interests; that serves our interests.

If we continue the policy of helping free peoples stay free, and add to it the policy of encouraging and assisting oppressed peoples to overthrow their oppressors, if we are on the alert to plug up loopholes and fill gaps in the lines, and correct errors in judgment here and there, and do whatever is necessary to adjust to changing situations, which is what we are trying to do by the changes provided in this bill, I believe we have a good chance to turn back this avalanche of tyranny which threatens to sweep over the rest of the world, and then over us, too. What other policy provides a better chance?

Our objective is not to wage war. Our objective is to prevent war. What forces are effective in preventing the Kremlin from starting a war? There are about four main deterrents, as I see it.

The first is the Armed Forces in Western Europe including our own six divisions there. The Kremlin is not really afraid of those forces at the present time because it can overrun them. It can go to the English Channel just about as fast as its troops can walk. But it would have to destroy much of what it overran. Surely the hard-headed men in the Kremlin do not want to do that. They do not want to destroy Western Europe where we have just finished installing several billion dollars' worth of dynamos and fertilizer plants and chemical plants and steel mills. The Kremlin wants Western Europe intact so that it can use the newly reconditioned plants and American industrial equipment for its own needs and to produce war goods to be used against us. The Reds can defeat the free forces in Western Europe if they want Europe as a rubble heap. But that is not what they want. So the ground troops in Western Europe with supporting air and seapower are one deterrent because they would force the Kremlin to destroy the plant in Western Europe which it wants to use.

A second deterrent is the Armed Forces of the free world in Asia, including our own, the South Koreans, the Chinese on Formosa acting as a threat along Communist China's middle, and the resistance forces in Indochina and the rest of Southeast Asia. They force the Soviet Union to divide its attention between two widely separated fronts. I cannot believe that these hard-headed realists in the Kremlin are going to get themselves into a two-front war. They know that was the fatal mistake of both Hitler and Japan. That is why they are trying to liquidate the fighting front in Korea, with, of course, as much gain in prestige as possible, so that they can concentrate their efforts on Europe or elsewhere in Asia. Therefore, we must keep both of Russia's fronts active or at least tie up the attention and tie down the strength of the Kremlin on two widely separated fronts.

A third deterrent to war was discussed this afternoon by the gentleman from South Carolina [Mr. DORN]. It is our Strategic Air Force. Make no mistake about it, this is the most important deterrent of the first three. The Kremlin is not afraid of what we with our soldiers can do to its soldiers on the plains of Germany or western Europe—it does not care how many human beings we destroy. What has held it back thus far is its knowledge of what our Strategic Air Force—our intercontinental bombers and weapons of mass destruction—can do to its lines of communication and war plants and industries within Russia. That is what it is afraid of. So we have to keep intact our Strategic Air Force, while we work patiently but urgently, not, I repeat, to seek to bribe people to become our friends but to help people to get sufficient strength so that they can defend their own homelands.

The fourth deterrent is the strongest of all, in my opinion, and that is the productive strength of the United States. But any one of them is not enough by itself. We need all four. Statesmanship depends on getting proper balance in a total policy—and our skill and success in applying that policy.

The Kremlin can still take Europe or Asia without too much trouble. It can win the first battle any time, but it is not interested in winning just the first battle. The Kaiser won the first battles, but he did not win the last battle. American strength won it.

Hitler won all the first battles, but American productive capacity and weapons and manpower won the last battle.

Japan's military machine won all the first battles, but who won the last battle? American manpower and productive capacity won the last battle.

Yes, the Kremlin and its forces could have taken all of Europe and Asia any time since 1946 when we disarmed. They want them and they intend to get them. Then why do they not take them? Because they are interested in the last battle. These men are not fools. It is almost inconceivable that they will start a general war until they are sure of that last battle. That means they will not start a war until they are in a position to strike us here in the United States. The next world war, if we allow it to come will start if and when they think they can destroy enough of our productive capacity so that they can win the last battle.

Some cynic has said that they probably will not drop bombs on Washington because they would not want to end the confusion here. But you can be sure they will drop their bombs, when they have enough, on Pittsburgh and Fort Worth and Oak Ridge and Detroit and the Boeing plant at Seattle, and the airplane factories in Los Angeles and San Diego. There is little need to worry about their starting all-out war until they think they are in a position to cripple us here so that we will not be able to mount an effective counter attack on Russia herself. We must not let them get time and strength to get into position to attack us. Therefore we have to keep all four deterrents in being and effective.

While keeping ourselves and other free peoples strong, we must also build up strength behind the Iron Curtain, weakening the Kremlin's hold correspondingly. Ultimately these people can be drawn irresistibly by the attraction of what they find is happening outside of the Iron Curtain. Surely that is the meaning of the daring and desperate riots in East Berlin yesterday.

Actually the Kremlin is already weakened. Refusal of the indoctrinated soldiers of its Chinese and Korean satellites to return home, seething unrest in its European satellites, its willingness to make some concessions to get a temporary breathing spell in Korea, are all eloquent evidence.

Mr. Chairman, this is a moment for steady nerves and steadfast wills. Let us not expect Rome to be built in a day. Let us pursue the course to which we have set our hand. Especially just now when we may soon be in a position to reap some of the results—long-delayed and costly to be sure—of what we have been doing all these years. Let us not waver at the moment when those efforts are beginning to pay dividends.

This conflict, like a terrible disease is approaching a crisis, when things can go quickly one way or the other.

All wars end, including cold wars. And this one is going to end. We are near the stage where it may be possible, I think, to end it fairly quickly and in favor of a free world. We can lose it or we can win it, depending on our firmness and our faith. This awful tyranny will be overthrown ultimately from the inside. If we will continue and strengthen a fourfold program of the sort I have been trying to describe, working all around the periphery to tie up and drain the enemy's strength, and giving hope, encouragement and skillfull assistance to those under its blight, then, please God, in 1 year or 5 years, or however long it takes, the day is bound to come when this immoral, evil thing will crack up and oppressed peoples will be able to rise and overthrow their oppressors, and you and I can live and breathe as free American citizens again.

Mr. GORDON. Mr. Chairman, I yield 3 minutes to the gentleman from New Jersey [Mr. SIEMINSKI].

Mr. SIEMINSKI. Mr. Chairman, I trust the House will forgive me for rising here—I am not on the Foreign Affairs Committee, but I do have many people in my district whose relatives, whose forebears, and whose heritage go back not only to countries behind the Soviet bloc, but to mainland Europe as well.

Some hold that more time should be taken by the Congress before judging this issue, more time for the dust to settle. Others say that we should make courage and faith our guideposts in voting on this bill. No doubt full reasons will be marshaled during the debate under the 5-minute rule to support both sides.

However, it appears that with a sense of historic balance between prevailing pressures today, two questions can be asked to help us determine our vote. First, can the United States, as a countervailing force in Europe and Asia, delay the time that the next guns will go off? They have gone off, in the history of the West, once every generation, on the average. Second, does the concept "checkmate" define the realities of the prevailing pressures at work for peace or war? Like Rotarians, are John Bull and Uncle Sam at the same table, though in competitive markets, economically and politically?

What are the prevailing pressures in the Kremlin, in 10 Downing Street, and in Washington?

From the Kremlin: containment seems now to be the policy, holding World War II gains: East Germany and the satellites and central Europe are restive. Korea is in turmoil. Soviet World War II enemies, Germany, Japan, and Italy, are again economic, market-seeking productive realities. The British are in China. We are on Formosa.

From 10 Downing Street: historically, Germany, Japan, and Italy have threatened British interests in war and in peace, as they have that of France. They have a very small military productive and maintenance cost and can, I believe, produce for less today economically than the British; if not now, certainly soon. Already Germany is taking markets in Egypt and South America and in 5 years claims she will have captured aviation supremacy. British investments in Europe from 1850 to 1914 were exceedingly small in comparison to her commonwealth investments. They still are.

From Washington: Italy, Germany, and Japan appear to have received the bulk of our reconstruction funds. Our former adversaries are now our declared friends. Thus comes the alinement of forces that makes one ask, Is the policy in the world today, as Mr. Churchill put it, one of checkmate: with the British on one side, and the United States on the other, balancing the prevailing forces? Are all, like rotarians, jockeying for friendship, economically and militarily: we with Italy, West Germany, and Japan; the British, in self-defense economically, alined with Russia, China, and France; Russia and France eventually to checkmate a renascent Germany, and China eventually to check Japanese supremacy in the Orient? Can the British, to survive, afford a supreme competing power on mainland Europe, and in the Orient?

The question is, can the United States, as a countervailing force, keep the British and the Germans and the Italians and the French from each other's throats in the future? They have been at each other's throats and at ours in the past. Can we do the same for the powers in the Orient? I say it is a good bet to stay where the fires have been hottest and keep cooling them off so that we are not again inflamed, at least less often than once every generation.

Mr. CHIPERFIELD. Mr. Chairman, I yield 10 minutes to the distinguished gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Chairman, we have heard eloquent elucidation of the position in opposition to this bill; we have heard an attack, or an attempt at an attack, on the existing administration. I think, Mr. Chairman, that it is time to put a few things in focus here and to be sure of exactly what we are talking about.

It is my deep conviction—and I think it is the deep conviction of the great majority of Americans—that President Eisenhower was not elected to preside over the liquidation of the security of the United States, nor was he elected to isolate us into citadel America. I feel that the American people who have supported him feel that what the President could do on security was far superior in importance to whether or not he could cut taxes. I believe the President in the utmost good faith has carried out his basic pledge to the American people. Recognizing that because of his peculiar talents, leadership, and experience, they trusted him with the security of this country in an hour of great peril. I believe that he will carry out that pledge to the American people to the full; that he will bring about cuts in expenditures and cuts in taxes within a balanced budget, but, beyond everything else, only as the security of the United States will permit.

And now, Mr. Chairman, the opponents of this program, which incorporates really the basic foreign policy of the United States, cannot have it both ways. They cannot ask us both to withdraw into citadel America and to save money, because they themselves admit that if we withdraw into citadel America we must greatly expand the Armed Forces of the United States, and to expand those Armed Forces will cost far more money than is involved in this foreign-aid program. They know it, and we know it; so it is nothing but a forensic appeal to the American people not based upon fact.

Let us examine that fact, because it is a very interesting one. We have been told that this is a giveaway program. The program is in fact 90 percent for military aid and 10 percent for economic and technical assistance—90 percent for military aid. I ask the mothers of America whether they think that in the eyes of the mothers of Great Britain and France and Belgium and Holland it is a giveaway to give their children arms with which to risk their lives to defend freedom. And if this is a giveaway program, Mr. Chairman, why is Western Europe this year spending upon its military forces $14,930,000,000, whereas we will spend by this bill for the same purpose if we appropriate the whole amount authorized, $2,079,698,870? Does that sound like a giveaway to the people of Europe? Would they not be very much better off if, instead of accepting the giving away of this amount of money, to accept the proposed amendment of the gentleman from South Carolina and the gentleman from Alabama and to say: "Sure, Mr. United States, you protect us." With what? "With the hearts and the lives of your young men as well as with your treasure, but particularly the hearts and lives of your young men." These gentlemen seem to be very solicitous about a policy which in actuality will require Western Europe to jeopardize seven times as much in money as we do, plus the lives of its youth, if only we help give them the tools to do it with.

Mr. WILLIAMS of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. WILLIAMS of Mississippi. Will the gentleman tell us about the proportion of the troops we have furnished in Korea as compared with those of our allies?

Mr. JAVITS. I am delighted the gentleman has asked me that question. We have put up the bulk of the forces in Korea. Now I would like to ask the gentleman a question. Can he tell me how many men we have sent to aid the anti-Communist struggle in Indochina? How many men has the United States got in Indochina and how many men has France got in Indochina? How many men has Britain in Malaya in a hot war and how many has the United States?

Mr. WILLIAMS of Mississippi. That is France's business.

Mr. JAVITS. That is the ambit of the gentleman's understanding of this problem, for the anti-Communist war is not alone in Korea where we are fighting; it is not alone in Indochina where the French are fighting; and it is not alone in Malaya where the British are fighting. It is, and I believe the American people understand thoroughly, a single global anti-Communist struggle, and that what the French are doing in Indochina, what the British are doing in Malaya, and what we are doing in Korea is all in the nature of one anti-Communist war.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. JUDD. I wish to correct the statement of the gentleman from Mississippi. He said there was $70 billion in the military program in this budget for this year. It is actually $43 billion for our defense, not $70 billion.

Mr. DORN of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from South Carolina.

Mr. DORN of South Carolina. What we are trying to say is that you cannot with money alone buy courage and will power and a determination to resist. I would like to point out one other thing to the gentleman from New York, whom I admire very much. That is this: There have been a lot of statements made here today about the awful calamity it would be if France and Italy fell behind the Iron Curtain. Hitler took over Italy and France, and that was his downfall. They were a liability. He had to divert troops and he lost the war. The same thing might happen to Russia. I am not advocating that, but it could.

Mr. JAVITS. Yes; you cannot buy morale, you cannot buy the will to resist—but the will to resist in this modern technological world is worthless without weapons. We are supplying the weapons to be added to the morale and the will to resist. I would like to remind the gentleman in speaking about France and Italy that it cost 10 million casualties, including almost a million American casualties, to redeem Europe from the grip of Hitler. Do you want the same thing to redeem Europe from the grip of the Kremlin?

We discuss this bill at a very critical moment in the history of the world. Events are not standing still, events are marching forward at a tremendous rate. If we stand still we can suffer from the juggernaut.

These events are taking place in Germany through the tremendous effort of the Soviet Union to unify Germany on its terms, which is dangerous to the free world and to the key participation of Western Germany to the defense of Europe. The Soviet Union is also making efforts to pull apart the unity of the free world in Austria by permitting increased traffic between the zones and other ameliorating measures; in Turkey, through renouncing claims to borderlands and to offer to negotiate anew on the Dardanelles; in Korea, through a truce; in Great Britain, by trade offers—enormous trade offers; in Japan, by offers of a rumored two to two and a half billion dollars' worth of trade from Communist China.

In Czechoslovakia and in East Germany, we see the stirrings of freedom in the spontaneous uprising of working people.

Now, under these dynamic conditions, are we going to let the great free peoples of the world each go off on their own, or are we going to do something to help them in a reasonable way, and it is a reasonable way to maintain their community of interest in the defense of freedom and in its development.

We are spending well over $40 billion for the armed services of the United States in fiscal 1954. We are spending a maximum of $5 billion on this foreign-aid program. Now, no great people, and the American people are a great people, no world leaders want to plead self-pity or do any breast beating. The American people have a gross national product this year of about $360 billion, they have a national income of about $290 billion.

In the face of that, can we say that $5 billion to help the rest of the free world to meet urgent problems, mainly of military defense, is too much? Furthermore, it is to help us in defense against the greatest threat the free world has ever known. Is that too much—1½ percent or less than 1½ percent? That is not so in the eyes of the American people.

The security of our country is being tremendously buttressed by this program, and this should be at the lowest possible cost, and when compared to our capability the cost is absolutely reasonable. I would like to produce evidence on that.

The new Secretary of the Treasury is a very conservative gentleman. He has gotten a great reputation in the country for being very careful with money. Let us see what he says about this program. You would think he would be pretty cautious about it. I asked him a question on page 306 of the record. I said:

> Mr. Secretary, do you believe that the total amount asked for in this program, $5,800,000,000—it is now down $800 million from that—is within the financial capability of the United States, as you are in charge of that financial capability?"

This is his answer, and I would like to read it in full.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. GORDON. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. WILLIAMS of Mississippi. Mr. Chairman, I think the House ought to be here to hear this 1-minute speech. I make the point of order that a quorum is not present.

The CHAIRMAN (after counting). One hundred and seventeen Members are present, a quorum.

Mr. JAVITS. I would just like to conclude by reading the answer of Secretary Humphrey. The committee will recall I asked him whether $5.8 billion was within the financial capability of the United States:

> Secretary HUMPHREY. That is a most difficult question to answer because very frankly I think we ought to balance the budget and if we cut it all out we would come nearer balancing the budget. On the other hand, I do not think we can or should cut it all out. I hope that it will be somewhat further reduced. I hope there will be another four or five hundred million dollars to come out of the authorization but I think that the expenditures that are contemplated, nearly all the ones that I have gone through, and I have gone through most of them, are

desirable expenditures to make, notwithstanding the fact that we do not see the balanced budget yet in sight.

This is the financial man of the United States, and I think that ought to be a conclusive answer to those who say we are bleeding ourselves white.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Pennsylvania.

Mr. FULTON. I want to compliment the gentleman, because, I understand, he sponsored an amendment that amounted to one-third of the total cuts made by the Committee on Foreign Affairs on this bill.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. VORYS. Mr. Chairman, I yield 15 minutes to the gentlewoman from Illinois [Mrs. CHURCH].

Mrs. CHURCH. Mr. Chairman, I wish first to say a warm thank you to the gentleman from Ohio [Mr. VORYS], who is managing the bill, for his courtesy in granting me this time to express my very unusual disagreement with his viewpoint. I think that I would also remind the gentleman that if in previous years, when the Mutual Security Act was brought to the floor, he had not trained me so to scrutinize it for economy and effectiveness, I might not have found myself in disagreement in studying this present bill.

I rise at this time to call the attention of the House to the minority report coming from the majority side of the Committee on Foreign Affairs: a minority report brought out with reluctance, but based on the fundamental American right to disagree; a minority report which could not have been withheld because of the mounting conviction of four members of that committee that this bill is not the desired or adequate answer at this time.

Mr. Chairman, I do not think that I need say to the chairman or to anyone in this House that the Members who signed the minority report do not yield, to the rest of the committee, one tittle in their desire for security and for peace, nor do they yield one iota in their desire to support a courageous and dynamic President. Our position is explained in two familiar lines to which I often take recourse: "There lies more faith in honest doubt, believe me, than in half the creeds." Because our doubt was honest and sincere and strong, we felt that we must bring to the House our viewpoint. I stress the point: We also believe in mutual security. We do not think for 1 minute that America wants to go it alone, unless she has to, in a mad world. We would vote to aid our friends, if such would bring peace and support, but we see mounting evidence that what we are buying in the world is a security which is not mutual, a security that does not promise the necessary greatest possible modicum of real defense and real peace.

Now briefly to the bill. It seems a short 2 years since I as a freshman Member took this floor. Realizing at least that I could plumb the depths of my own ignorance on the Mutual Security Act of that time, I limited my remarks to a strong plea for solvency: a reminder that no nation, however strong it was, if it committed itself to a program of possible bankruptcy—no matter how necessary or how worthy the projected program—could long endure.

I remember saying at that time, and I repeat it now, that if we so permitted our resources to be drained to the last extremity, we would carry down not only ourselves, but with us the whole free world, together with the freedom and the safety and the hope of the peoples of that world.

Today, as a junior member of the Foreign Affairs Committee, I might well express that same fear of overextension. That fear, however, is not my greatest one. Today, despite a mounting debt, I would pay almost any price to find the key to peace. My greatest fear now, however, is that we have not yet found the answer.

I thought as I listened to Dr. JUDD, who certainly gave us the greatest picture of the dream at its height of what this program was meant to produce, that it might take the Biblical tongues of men and of angels to follow after. What Dr. JUDD portrayed remains to me, however, the dream and not the actuality, much as I wish it otherwise.

The other side of the golden dream was recently equally graphically expressed by a committee member who supports this program when he said:

> We set out to isolate communism, and may end by isolating ourselves.

I sought membership on the committee because I had been convinced in 2 years that every question that we attempt to settle, either foreign or domestic, hinges on a foreign policy. I was personally concerned also about foreign policy, because I have lived through four wars and have contributed members of my family to two of them. I want peace. I want security.

I have made every effort to acquaint myself with the provisions of this bill. I have spent 853 hours in the study of its proposals. I have read in full the reports of the Stassen evaluation teams. I took advantage of the opportunity offered to go abroad to study the situation in Europe. I come back and speak to you today, I assure you, certainly not as an arm-chair general, certainly not presuming to call myself a statesman, for I will never be that; and not even thinking that I am an expert in foreign affairs. I come only as a plain, honest American who looks at her world and is troubled; and who has become increasingly convinced that no policy based on force or dollars can alone provide the final answer.

There are technical difficulties in this bill. It is to my mind much too big, too big for real study by any one committee within a specified time, no matter how experienced the members. It involves the wise appropriation of $4,998 million in one swoop, and that after the committee cuts were made. It is, moreover, too bulky. The chairman in the excellent majority report with admirable candor pointed out that this bill contains "7 chapters and affects 56 countries, every country on earth directly." That is a big load.

It is also exceedingly unfortunate that the bill contains large grants based on agreements which are not made and may never be made. Such grants total nearly $1 billion—an amount which we hold might be laid aside until such time as those agreements become effective. Great elasticity for shifting appropriated moneys is also allowed. This aids and abets the system by which Congress is losing further control over the finances and financial policies of this country. As stated on pages 4 and 5 of the minority report:

> Furthermore, this bill is an example of the way in which the Congress is losing its constitutional authority in the control of expenditures. In addition, there is a provision in H. R. 5710 permitting a 10-percent transfer within an area between funds authorized for different purposes in the area or between countries or groups of countries in the same area; another provision permits a 10-percent transfer between areas for the same type of assistance as the funds were originally authorized for.
>
> In the case of military assistance, the authorization for fiscal year 1954 involves funds for many military end items to be shipped not in fiscal 1954, not in fiscal 1955, but in fiscal 1956. Unexpended funds are estimated to amount to $8,038,300,000 by the end of June 30, 1953. Estimated expenditures are estimated by Secretary of Defense Wilson to amount to some $5 billion for fiscal 1954. Thus, the unexpended balance from present appropriations remains at the end of fiscal 1954, the fiscal year for which authorizations are requested in this bill, will equal $3,038,300,000. Thus, if we authorize no funds for fiscal 1954, there would be more than enough military end items to ship abroad. Secretary of the Treasury Humphrey in testifying before the committee pointed out the danger of "getting away out so far in front." He pointed out how the Congress has lost control of expenditures: "At the moment you have no control over expenditures at all. It is in large part money that was appropriated 1 or 2 years ago. We have no control over it and you have no control over it. You are just paying the bills as the stuff comes in. The way to stop that is to stop buying ahead." We don't stop buying ahead in this bill.

It is further unfortunate even if necessary that the bill comes cloaked in so much secrecy. For me, it is particularly unfortunate, because I found this morning on referring to page 1344 of the committee hearings, in desire to prove my own remarks by a statement from a leading administration statesman who appeared before us, that both my question and his answer had been deleted for security reasons. For further instance, I hope tomorrow morning to introduce an amendment. I can barely hope to pass it, because I am not free to explain to you what is behind it. But I know what is behind it, and feel that the House would agree as to the involved danger. It is too bad that the House, in discussing foreign policy, is perforce unable to pierce the veil of secrecy which prevents Members from knowing actually what is in this bill, as well as what policy it sets forth. For this is not an appropriation bill, it is a bill appropriating money that will make policy. Congress should be able to explore and decide that policy.

There are, therefore, strong technical points of which I disapprove. But there is more than that. We come stark against the fact that this bill still presents only the same answer to the same

problem. The problem is not new. We had it in 1947, 1948, 1949, 1950, 1951, 1952. And in 1953 we still come to you asking for what? For dollars. Dollars for military aid. Dollars for economic aid. Dollars for military aid to nations abroad which will release their own dollars for economic purposes. Dollars for economic aid spread over the globe. There is no new approach, no new formula—and to date, the old approach, the old formula is not enough.

Mr. Chairman, I believe in strength. I am no prophet of doom nor of fear. I assure you that it takes more courage to look beyond the present and dare to suggest a change in course, or at least to suggest the need for a change in course, than to continue on the same familiar, previously charted path, insisting because you can think nothing different, that this is the only thing to do.

I would add this. We face a new and dynamic period in world affairs. The political mold is breaking in Europe, Asia, and Africa. Every hour denotes change in trend and balance. The gentleman from Minnesota [Mr. JUDD] outlined better than I ever could hope to do the nature of such changes. Such change demands on our part a fluid approach, built on a well-determined policy based on moral purpose.

In this changing world, in which the danger alone remains constant, we want allies, but we want them with us because they believe what we do, not because we have temporarily bought their allegiance with our dollars. We want friends who will stick by us because they are indissolubly bound to us by principle.

Where does this take us. It takes me directly to the point where I find that our policy in war and peace is still being dictated, or an attempt is being made to dictate it, by allies we have fed and clothed and armed, but who do not share our principles or aims. The time has come to ask: "Are you with us or against us?" I am not frightened by political conditions in France, alarming though they be. I am not frightened by conditions in Italy, disappointing as they have proved. I am not even frightened by the conditions in Korea, although they are heartbreaking. I fear only that our own aim will weaken; that our own faith in freedom will be curtailed by our allies. And I know this. A nation which has for 7 years poured out its dollars and its sons and our American blood everywhere has the right to ask, "Are we going to be allowed to stand by our convictions?" To pass H. R. 5710, to pass out added funds, will accomplish naught for peace and security if we cannot awaken in our allies understanding of, and respect for, the principles of human freedom for which alone we fight.

I hold that H. R. 5710, marking only the same material approach, is not enough. In fact, is it not true that in the entire program we may have failed either to impress our friends or win our goal because we have put too much emphasis on materialism and not enough emphasis on spiritual values? Is it not possible that we have gotten no further than we have because we have sought to gain allies by promising only material aid instead of by selling the real spirit of American freedom?

How can we possibly feel that we have allies who understand what we are talking about or fighting for when Great Britain and the Commonwealth Ministers can suggest to us that we should become "realistic"? What basic understanding of us can they have when at the same time that we are pouring billions into Europe to save that continent from communism they invite the Communists to sit down with them at the table, trust them in Asia, and even urge admittance of Red China to the United Nations? To me it makes poor sense and bodes no good for permanent peace.

I have not too much time. I repeat again, those who signed the minority report respect and demand strength. We want true allies, and would certainly support such allies. But we hold that in view of changing international events and currents it might be well to hold off and keep in our own hands the trump card of decision.

Why lay down full authority or go the whole length in authorization before we can estimate what is going to be needed of us or where or what influence we might wield if we kept some of our strength and some of our promise back?

I assure you I myself would not speak this way if I were not convinced, with that splendid gentleman, Mr. BURLESON, of Texas, that there is sufficient money already appropriated to cover amply within fiscal 1954 all military and economic needs. Remaining unexpended appropriations, I repeat, would permit us to carry on the necessary aid, would permit us not to turn our back on those who want help, not to withhold arms in places where it would strengthen us to have those arms. We would definitely not have to say to any people, "We have dropped the program."

Thus it seems to me the part of courage, valor, plain commonsense to say: Let us stand aside; let us stand aside briefly, take a fresh look at the problem, a fresh look at the world, a fresh look indeed at our aims, certainly a fresh look for fresh remedies. Above all, let us determine that no program can be built alone on might; that no program to succeed for a nation such as ours can be built only on materialistic strength.

As I close, I am mindful of a great country in which I have such faith that, even as I warn, I speak with courage and not with fear. I think of a nation that has been founded in freedom; that has within the bones and sinews of its people the spirit of freedom; that has in its heart Christian idealism; that has proved to the world its spirit to give and to serve; and I know that such a nation can never fail, if it remembers those things for which it stands; if it is able to pour into the hearts of its allies some appreciation of the things in which it believes; if it tells the people on this side of and behind the Iron Curtain, of the glory of what it means to live as free men and women.

I reiterate that I am recommending at this time no withdrawal of protection, no diminution of our strength. I reiterate that we need to be strong, but that more than anything else our essential need is moral strength, expressed in moral action—a strength that will be demonstrated by unwillingness to protect colonialism for instance in one area of the world, unwillingness further to sell out nations behind the Iron Curtain, and assurance to free people that they will not again be bartered away. I believe if we convince the world that we will stand by what we believe, that nations and peoples will know that we walk, and that they can walk safely with us, in the protection of those old and never dying words: "Not by might, not by power, but by My Spirit." A foreign policy, based on so firm a foundation could never fail.

Mr. GORDON. Mr. Chairman, I yield 5 minutes to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Chairman, I can assure you that the oratorical pyrotechnics that have been popping on the floor for the last few hours will be silent during the few minutes that have been allotted to me. I was one of the small group who voted against the rule bringing this legislation to the floor. I considered for a time voting "Present," but I remembered a practice during my long life that when in doubt always say "No," for then you always have an opportunity to change your mind.

I am in doubt, Mr. Chairman, as to the wisdom of the policy proposed here today. And why am I in doubt? Let me preface my remarks by saying that I have supported both military aid and economic aid in this program since coming to the Congress first in 1945. During the last session of Congress I supported a drastic cut in the economic section of the funds to be appropriated and in the authorization of those funds.

Now, why am I still in doubt? I am going to assure you, Mr. Chairman, that I shall continue to vote for every cent of military aid that is necessary. I have my doubts on the economic phase of this program. During the last 3 or 4 years American tax dollars have gone to the construction of pottery plants in Italy, glass plants in France. Today American dollars are building one of the big power projects on the lower Rhone River.

In contrast to that let me say to you that the pottery plants in my district in the State of West Virginia are closed. Only one of them is operating, and that on a share-the-work basis. Let me say to you that 4 out of the 9 plants closed in my district are closed because we have built glass plants in France with American tax money and pottery plants in Italy.

Let me go a little further and remind you that I have an area in my district in West Virginia in which flash floods have drowned 81 in the last 10 years. Only yesterday another flash flood struck that section, that same area, drowning 2, and there are 3 or 4 others missing. Hundreds of thousands of dollars of damage was done. I am reminded that 2 days ago the Senate Appropriations Committee cut out of the Agricultural appropriation bill the $5 million item for upstream improvement on these critical areas throughout the country, demonstration projects, if you please.

It causes one to be in doubt and to wonder when we can see that this mutual security is a one-way street. It ought to mean security here in America. I sat by here more or less helplessly on Monday

of this week and saw the leadership of the House on both sides ram through a year's extension of the Reciprocal Trade Agreements Act, totally disregarding hundreds of witnesses and thousands of pages of testimony that the coal industry and the independent oil industry was being ruined through the operation of the supplemental Venezuelan Trade Agreement Act that is flooding this country with what in Venezuela is a waste product, residual fuel oil. I was powerless to do anything about it. I want my colleagues on the floor of the House to know that at the time that I addressed the committee on this proposition 171 mines were closed in the State of West Virginia. Eleven have closed since then, and I have a list of some 16 or 17 that will close before the first of July. Forty thousand miners are now out of work along with 12,000 railroadmen used in transporting the coal. Eleven thousand of those men have drawn all their unemployment compensation. I have towns in my district and there are towns in other sections of West Virginia, mining towns of from 500 to 2,000 population in which a mine that had previously employed 600 or 700 miners has closed; the company store is closed; 75 percent of those people are on direct relief. I am mindful of the limit of the relief funds that my State, West Virginia, will be able to supply to take care of situations of that kind.

There is still doubt in my mind despite all the oratory I have listened to, and I have still got an open mind if I can be convinced that the policy is a proper one.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from Connecticut [Mr. MORANO].

Mr. MORANO. Mr. Chairman, I just heard the very eloquent address by the distinguished, able, and charming gentlewoman from Illinois, and while I have come to admire and respect her very much since I have been associated with her on the committee I must disagree with her point of view. The constituents of her district are to be complimented for electing the gentlewoman from Illinois [Mrs. CHURCH] to represent them in Congress.

Mr. Chairman, we have heard much about economy and much about the need to cut the mutual-security program next year in order to economize. I am a firm believer in the need to eliminate waste of Government funds. It is extremely important to curtail needless expenditures and to lay the foundation in this country for a strong, sound economy.

But we must be thoughtful, we must proceed with caution lest in our zeal to strengthen our domestic economy we allow to crumble the structure of a free world upon which rests not only our economic solidarity but possibly our very existence as a free nation.

The kind of economy we would get by further cutting the mutual-security program is the same kind of economy that leads a man who lives in a tinder box to economize by not buying a fire extinguisher.

Who would be so bold as to say that we already have enough protection that we can stop our efforts to build fire extinguishers? There is incipient fire in the world. Can we afford to stop paying the premium on our fire insurance?

The mutual security program of President Eisenhower represents about one-tenth of the total investment we are making in insurance for freedom.

The President has said that we get more for our money spent in helping our allies to build up and maintain their armed strength and their economic strength than we would get if we devoted the same amount of money merely to increasing our own military forces.

I know of no man in this country today more qualified than President Eisenhower to judge astutely the amount of aid needed to spur freedom's march around the globe.

It is true that previous aid programs have sometimes been wasteful and extravagant. For the first time in years Congress has had presented to it a budget from which all of the water has been squeezed in advance, a bill pared to the bone, a bill made up of only the essentials needed to insure security.

This bill has experienced four successive cuts by an economy-minded Executive. It is now 34 percent below the Truman budget request, and $830 million, or 15 percent, below the original administration request.

At a time when the highest military authorities tell us that Communist military strength is at its height and still growing, should our answer be to cut down on an honest request for funds to build up the strength of the free world?

What would be the effect of further cuts?

Our allies would be discouraged from making further efforts to help themselves, at a time when strong evidence appears that the Soviets are losing their iron grip on peoples bound to be free. Our new, inspired policy of encouraging liberation for the oppressed is beginning to show results. The recent anti-Communist riots in East Berlin are dramatic evidence that man's will to be free is growing stronger.

Without the help and encouragement of the strongest nation in the world, what enslaved peoples would dare strike out for freedom? We cannot build strength from fear or weakness.

Drastic cuts in the President's program for the next year would serve to give aid and comfort to the enemy, and might even encourage the Communist bloc to indulge in further aggressive adventures. We cannot afford to take this chance. Strength generates courage. Weakness leads to defeatism.

As for the half billion dollars the President has requested for technical, economic, and developmental purposes, we know that progress generates hope, and hope results in resolution.

We cannot afford to cut this program. We cannot afford to slow down freedom's progress, to dampen the hopes and to check the resolution of those millions of people in the underdeveloped nations who look to us for their grubstake to the future.

No; we are not going to buy friends. We are not going to buy freedom. But we can help to promote freedom for all whose hearts cry for freedom. This policy of mutual security can produce results. It can work, and it has worked in deterring Communist aggression in Europe. Shall we abandon it now, possibly in the twilight days of communism's domination?

We cannot have lasting peace in a world insecure. If there is a road to peace—and I am sure there is—I have faith in President Eisenhower's ability to lead us to it.

With a firm, sound foreign policy and a realistic mutual-security program, we can travel that road to peace in concert with our allies.

Let us approve what the President has asked for. The money will be wisely used. Let us show the world, both friend and foe, that the United States is not abandoning its role as the world's prime mover for peace and freedom.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. MORANO. I yield to the gentleman from Pennsylvania.

Mr. FULTON. It is a pleasure to compliment the gentleman on his fine statement. He has clearly and firmly stated the Eisenhower administration policy for United States security and defense.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. MORANO. I yield to the gentleman from New York.

Mr. JAVITS. Mr. Chairman, I wish to compliment my colleague, the gentleman from Connecticut [Mr. MORANO] on a splendid statement on this bill.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. MORANO. I yield to the distinguished gentleman from South Carolina.

Mr. RICHARDS. May I express my profound appreciation of the clear thinking of the gentleman from Connecticut as expressed in his splendid address to the House.

Mr. GORDON. Mr. Chairman, I yield 10 minutes to the gentleman from Alabama [Mr. BATTLE].

Mr. BATTLE. Mr. Chairman, I take the floor at this time to support this legislation, which I do somewhat reluctantly. I shall support this authorization because of the alternative, as I see it, of simply doing nothing, or following a line which I do not believe would put us in a position to defend ourselves against communism once it comes to an actual shooting all-out war in our direction. I support it because I think in the final analysis, as Assistant Secretary of Defense Nash said, it will cost the United States much more money in the long run in the way of our own military defense if we cut out this foreign-aid program and that the end results will not be as effective as it will if we go ahead and do our best to support our allies and to get them to support this joint effort of defense against Communist aggression.

First, Mr. Chairman, I would like to thank the gentleman from Illinois [Mr. CHIPERFIELD], the chairman of the Committee on Foreign Affairs, and his cochairman, the gentleman from Ohio [Mr. VORYS], in presiding so impartially and so fairly in regard to the minority

on that committee. I would like to say also that the votes in the committee were completely nonpartisan, so far as I could tell, because in many cases it seemed to alternate from person to person and from side to side, and that, I think, is the way it should be, because such an issue is too great to be a partisan affair. We had long, hard, and sometimes somewhat confused hearings, but the information is available today in the reports and in these speeches and in the piles of statistics which we have in the Committee on Foreign Affairs. The best that we can do today and tomorrow is to try to present them as fairly and as clearly as we can to you so that you can use your own judgment. As I said, I have some misgivings about this program, some which have not been contained in the minority report. It has been mentioned that France is weak and that she is without proper leadership. That is certainly true. Their attitude on trading behind the Iron Curtain was repugnant to me when I visited that nation last year. There is also the lack of support we have gotten in Korea, which is a just criticism. The lack of support by the members of the United Nations is an appalling thing, because certainly the military effort in Korea was voted by the United Nations, and it should have been more of a joint effort. I think they could have done much more to win the war instead of taking the attitude that it is more an American war than it is theirs.

I am particularly aware of the fact that nearly every Member on and off the floor today has had projects cut out of his particular district. I am thinking of the Gorgas project in Alabama that was cut out, a proposition whereby the Federal Government had invested money for some years back jointly with the Alabama Power Co., a proposition where the Government and private enterprise were cooperating completely together and were on the verge of success, almost to the point of beginning a new enterprise. This is a project that has been joined by representatives from different parts of the world for the purpose of taking old coal mines that have been abandoned, burn them for years, and capture the smoke and residue that comes from those mines to make all kinds of worthwhile products. Projects that all of us have held dear to our hearts have been cut out, and I am certainly aware of that.

I am aware also that our allies in many cases take an opposite view to the one which I take in that they want to recognize Red China in the United Nations, which I would never do. Far be it from me ever to legalize the rape of China.

The problem of trade behind the Iron Curtain is a project I have worked on for quite some time. I am unhappy to report that we have not made more progress in stopping the shipment of strategic materials which builds up the Communist war machines, not only in China and Russia, but in other Iron-Curtain countries. We are still facing a situation where our allies in various parts of the globe are leasing ships to nations behind the Iron Curtain, with some restrictions, yes, but once they get upon the high seas they can go just about anywhere they please and haul about any type of cargo they wish.

We are facing a situation, which I have been promised would be corrected for at least a year in the free ports of continental Europe. Many of the free ports on the continent of Europe make no effort to stop strategic shipments coming from any nation in the world legally or illegally through their ports for further shipment behind the Iron Curtain. They have made and will make no effort to stop those shipments. They have indicated that they will agree to set up an inspection system and establish the same embargo regulations which apply to all other shipments, but so far it is just promises in the international coordinating committee of Europe and elsewhere.

I would like also to point out to the House at this time the problem of prior commitments, commitments that were made prior to the passage of the Battle Act, which embargoes shipments of strategic goods behind the Iron Curtain. The United States has made exceptions to the shipment of $2,500,000 worth of strategic goods from our allies behind the Iron Curtain. There is over three times that much pending. We have set a precedent of making exceptions to different nations, and now it will be most difficult to get out of that pattern because various other countries will be coming along and saying, "Here we had prior commitments and contracts made before the passage of your embargo legislation and we must follow through." We well remember the Danish tanker that was sent behind the Iron Curtain not too long ago, and the tragic fact, as I understand it, that Denmark has another tanker in the making. We have no assurance whatsoever that this second tanker will not be sent behind the Iron Curtain, because it is part of a prior contract. I was particularly disturbed during a trip I had last year by the attitude of some neutral countries like Switzerland and Sweden, great democracies, strong financially and strong militarily, who are more or less taking a free ride and will not participate aggressively in NATO and who will not participate aggressively in this international coordinating committee in Europe, which is designed to stop strategic trade from going behind the Iron Curtain. They will not participate actively in the defense of Europe unless the enemy chooses to come over the mountainous terrain of their own particular countries.

I was very much impressed with the statement this morning of the gentleman from Texas [Mr. BURLESON], although I disagree with his conclusions to some extent. I think it is long past due that Europe lay it on the line, so to speak, and that we no longer have to rely on promises because we have been blessed with much more time than I thought we would have been blessed with a few years ago. That is the reason I support the Richards amendment. I think it is absolutely necessary. I do not visualize this as a club to hold over their heads, but I do know we cannot continue to give aid and assistance and help forever without getting more results.

I do not agree with the proposition that has been expressed here recently about this program having to be stretched out over a longer period of time. I have disagreed with the attitude of Great Britain and other European countries in this respect because they have more or less seemed to think that they have 10, or 15, or 20 years to get prepared. I think we should go ahead with this program and get prepared at home and abroad as quickly as possible.

I hope the other body will adopt the Richards' amendment to give an incentive for the establishment of this European defense community immediately and set up their defense so that all can be more secure against the aggression of Russia.

I would like to point out in conclusion that we must not feel that a truce in Korea will end the danger of world war III. Certainly we have not accomplished enough but, as Dr. JUDD said, our allies are still free and I am convinced in my own mind that without the Marshall plan and the so-called Truman doctrine, France would have gone down, Italy would have gone down, and Greece possibly would have been overrun. I feel certain we would have already been engaged in world war III without these programs. Any investment that can save American blood or has a chance of saving American blood is worthwhile. I feel, in the long run, we will have some allies by our side. Certainly Turkey will fight. Great Britain is our strongest ally, and if we cannot persuade England to go along with us and work with us then we ought to be ashamed. Our position of leadership would not measure up to the great heights we can attain. There is no other alternative as far as I can see except doing nothing. I strongly support our military defense within, and I believe this program will also help to support the defense of America in which we are all vitally interested. We need all the help we can get to save the lives of American boys.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from Indiana [Mr. ADAIR].

Mr. ADAIR. Mr. Chairman, as we consider this very important legislation this afternoon, I speak as one of those who signed the report setting forth certain minority views. It has previously been brought to the attention of the House that those of us who signed that report certainly have a great interest in the security of this Nation and the free world. We do not, however, believe that the bill as it is now presented to us accomplishes those ends.

Specifically, this bill, in my opinion, fails as to amounts, areas, and, in some cases, allocations. This will be brought to the attention of the Committee more specifically tomorrow when amendments are offered.

We do not believe that our Nation today proposes to go it alone. We believe that we must have friends, but those friends likewise must contribute their share toward assuring the mutuality of

the program. Beyond that we have the matter of our own economic stability in which we are interested.

I should like to recall to the attention of this body what was said by the Secretary of State in that connection. He said:

> The American economy is the very heart of the strength of the free world. But our resources are not unlimited and we dare not endanger our fundamental economic stability. * * * If economic stability goes down the drain, everything else goes down the drain.

With that statement I think we can all find ourselves in agreement.

Reference has been made earlier to the uncertainty and chaos which exist in the world today. It would be redundant at this hour to point out the situation that exists in France and Italy and Indochina and Korea and Germany. We all know that conditions in those nations and elsewhere are most uncertain and chaotic.

I should like to make further reference to the point of view expressed by the gentleman from Texas [Mr. BURLESON]. I think it is very sound and one which should have the very serious consideration of the Members of this body. He has proposed that, in view of the great uncertainty which exists, we stand back and take a long and deliberate view of the world conditions and then, based upon that view, try to arrive at a proper decision. In my opinion, he is reinforced in that position when we understand that there are enough unexpended funds on hand in these programs to do more than to carry the program forward through the coming year. In other words, the argument that our pipelines need to be kept filled does not seem to apply here, because the funds are available; and if we simply see that the authorization is there for their continued expenditure, the money can be spent, pipelines can be filled, and we would have the opportunity to look more closely and in more leisure at this great problem.

I think some of those who fear that we should not make any cuts in this program likewise fail to take into account that funds for the defense of the free world, specifically including, of course, our own great Nation, will without doubt be included in the bill for appropriations for our own armed services. Certainly those who are considering or will consider that bill will have in mind the needs of ourselves and the free world.

Finally, it can be said with justification that the budgets of the free world need bolstering. Of course they need bolstering; so does our budget need bolstering. We must give great thought and attention to that.

And in conclusion I would like to point out, as others have before me today, that in previous appropriation bills that have come before this body we have taken out funds for hospitals and schools and projects for the benefit of our own Nation. I believe that we have an obligation to ourselves and our constituents to look most closely into any effort which is based upon giving away funds to other nations when we deny them to our own people.

Mr. Chairman, I yield back the balance of my time.

Mr. VORYS. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. MCVEY].

Mr. MCVEY. Mr. Chairman, we have before us today the Mutual Security Agency appropriation which, in more understandable terms to the public, means our foreign aid spending program. The amount of aid extended to foreign countries, since the inception of the lend-lease program 13 years ago, has reached staggering proportions. The total is much larger than many of our people realize.

The foreign-aid program began with the lend-lease shipments on July 1, 1940. In the postwar years, one appropriation after another has followed in rapid succession. The United States disbursed gross foreign aid to the value of $84,795,000,000 between July 1, 1940, and December 31, 1951. During the war years, $49 billion, in round numbers, was expended and, between the close of the war and December 31, 1951, another $35 billion in aid was passed out to foreign lands.

The totals of foreign aid made available include not only gross foreign aid utilized as of January 1, 1952, but, in addition, unutilized aid which, as of the same date, amounted to $16,105,000,000. If to the above sum is added the total of unobligated funds, the aid available to foreign nations for the period, July 1, 1940, to July 1, 1952, amounts to approximately $104 billion. This total includes the United States commitments of $2,750,000,000 to the International Monetary Fund and $635,000,000 to the International Bank. To the above amounts, should be added $6 billion which represents the amount of foreign aid appropriated for the current fiscal year, ending June 30, 1953.

The extension of these huge sums in foreign aid during World War II is readily understandable. We were engaged in an all-out war, and we were compelled to win it at any cost. But, let us look at the aid extended since the close of that war:

[In billions]

Grants utilized	25.755
Credits	11.072
Total	36.827
Less renegotiated lend-lease grants	1.256
Net	35.571
Plus utilized aid as of Dec. 31, 1951	16.105
Plus International Monetary Fund	2.750
Plus International Bank	.633
Total	55.061

It is difficult for the average individual to understand the impact on our economy of the expenditures of such huge sums. If one undertakes to spread this cost over the householders of the Nation, it will be found that for every family of four this program has cost or will cost $3,328.

Does the average family really play an important part in the financing of our foreign-aid program? It certainly does. The working men and women, as well as the corporation, carry this burdensome tax load. Much of it is collected from hidden taxes. Taxes upon about every purchase made: theater tickets, transportation, purses, jewelry, alarm clocks, hand lotions, and many other articles carry excessive taxes. Telephone companies have calculated that taxes on each telephone installed in the home amount to more than $3 per telephone per month. Yes, we meet these taxes at every turn, and it is time the working men and women become conscious of the inroads of taxes upon their earnings.

There is another phase of these expenditures about which the public is poorly informed. We are accustomed to think of our foreign-aid program as an effort to assist the free nations of Europe to rehabilitate and arm themselves against the forces of aggression. When the average layman is apprised of the fact that our money and resources are used to finance nations in just about every quarter of the globe, the information comes as a shock. It is believed that our taxpayers have a right to know where their money goes, and, with this in mind, I have set up the following table which contains information gathered from authoritative sources:

Foreign grants by country

WAR AND POSTWAR PERIOD (JULY 1, 1940–DEC. 31, 1952)

Total	$73,374,501,000
American Republics	713,631,000
Argentina	1,437,000
Bolivia	10,765,000
Brazil	373,421,000
Chile	30,711,000
Colombia	12,961,000
Costa Rica	5,860,000
Cuba	7,304,000
Dominican Republic	2,688,000
Ecuador	15,746,000
El Salvador	3,705,000
Guatemala	7,744,000
Haiti	6,664,000
Honduras	4,862,000
Mexico	143,631,000
Nicaragua	3,335,000
Panama	3,010,000
Paraguay	8,215,000
Peru	28,743,000
Uruguay	9,049,000
Venezuela	8,727,000
Unspecified	25,053,000
Afghanistan	304,000
Albania	20,444,000
Austria	989,595,000
Belgium-Luxembourg	638,486,000
British Commonwealth	33,693,924,000
United Kingdom	31,808,879,000
Australia	909,288,000
Bermuda	1,000
British East Africa	301,000
Ceylon	46,000
Federation of Malaya	10,000
Hong Kong	368,000
India	628,429,000
Jamaica	3,000
New Zealand	251,732,000
Nigeria	1,000
Pakistan	1,493,000
Southern Rhodesia	1,000
Trinidad and Tobago	3,000
Union of South Africa	93,370,000
Burma	11,521,000
China-Taiwan (Formosa)	2,969,979,000
Czechoslovakia	191,928,000
Denmark	237,143,000
Egypt	2,543,000
Ethiopia-Eritrea	3,176,000
Ethiopia	3,161,000
Eritrea	15,000

Foreign grants by country—Continued

Finland	$3,493,000
French Union	5,745,013,000
France	5,691,507,000
Algeria	16,052,000
French Equatorial Africa	118,000
French Morocco	63,000
Indochina	37,208,000
Germany	3,571,437,000
Greece	1,551,001,000
Hungary	$2,359,000
Iceland	22,237,000
Iran	24,458,000
Iraq	509,000
Ireland	18,641,000
Israel	98,113,000
Italy	2,519,372,000
Japan and possessions	2,077,827,000
Japan	1,937,555,000
Ryukyu Island	140,186,000
Miscellaneous Islands	86,000
Jordan	1,917,000
Korea	691,664,000
Lebanco	1,653,000
Liberia	2,053,000
Libya	1,826,000
Nepal	215,000
Netherlands Union	1,068,208,000
Netherlands	968,606,000
Indonesia	99,602,000
Norway	243,744,000
Philippines	745,277,000
Poland	387,203,000
Portugal and possessions	11,470,000
Portugal	11,469,000
Cape Verde Islands	1,000
Saudi Arabia	7,458,000
Spain	1,759,000
Sweden	88,128,000
Switzerland	1,803,000
Syria	88,000
Thailand	10,235,000
Trieste	45,886,000
Turkey	360,681,000
U. S. S. R. (Russia)	11,241,611,000
Yugoslavia	504,446,000
Trust Territory of the Pacific Islands:	
Caroline Islands	815,000
Mariana Islands	5,109,000
Marshall Islands	447,000
International organizations:	
European Payments Union	238,084,000
Intergovernmental Committee on Refugees	5,668,000
International Refugee Organization	237,116,000
Organization of American States	1,518,000
Provisional Intergovernmental Committee for Movement of Migrants from Europe	8,950,000
United Nations	105,458,000
United Nations International Children's Emergency Fund	87,417,000
UNRRA	324,725,000
Unspecified areas:	
Europe	4,512,136,000
British Zone	221,981,000
United States Zone	259,614,000
Balkans	90,003,000
Other	3,940,537,000
Other	2,324,598,000

The bill before us today calls for an additional appropriation for foreign-aid spending amounting to $4,998,732,500.

The Joint Committee Report on Reduction of Nonessential Federal Expenditures reveals that unexpended balances in the foreign-aid spending account, as of March 31, 1953, according to Mutual Security records, amounted to $11.9 billions, and that of this amount $4.2 billions was unobligated.

No one would challenge for one moment the motives behind our efforts to assist the nations of the world in their attempts to recover from the devastations of World War II. There is no gainsaying the fact that the aid extended has been very helpful to other countries, but there comes a time when we should call a halt and, in my opinion, that hour has arrived.

Much of the industrial potential of Europe was damaged by the ravages of war, but the index of production in those countries is far ahead of prewar—the average is better than 150 percent of prewar production. Many of them have been able to balance their budgets, and some have actually reduced taxes. It seems unfair that our own country should continue with unbalanced budgets and a high level of taxes in order to help nations all over the world, some of which took no part in World War II and are not likely to assist in any future wars in which we may be compelled to engage.

Earlier in this statement, I included a table showing our grants-in-aid to the various countries of the world. Let us take a look at the following examples:

Brazil	$373,421,000
Chile	30,711,000
Ecuador	15,746,000
Mexico	143,000,000
Peru	28,000,000
India	628,000,000
China	2,969,979,000
Czechoslovakia	191,928,000
Algeria	16,052,000
Indochina	37,208,000
Iceland	22,237,000
Iran	24,458,000
Ireland	18,641,000
Indonesia	99,602,000
Sweden	88,128,000
Yugoslavia	504,446,000

The above grants represent the hard earned dollars of the American people. It seems to me that some of our leaders in Government have been very gullible in their dealings with other nations. We have piled upon our people a tax load about equal to the tax load of the combined nations of the free world, and a Federal debt almost twice as great as all other nations of the free world combined.

The proposal to spend another $4,998,732,500 in foreign aid, as proposed in this bill, stands between us and a balanced budget and a reduction of taxes. Since the record shows that we had, as of March 31, 1953, the amount of $11.9 billion unexpended in the mutual security account, it seems to me a further appropriation at this time is unjustified, and I shall, in all fairness to the home front, have to vote against the expenditures set up in this bill.

For many years, our Government has indulged in an unsound fiscal policy. During that time, we have piled up a Federal debt of approximately $270 billion—the greatest debt load any nation has been called upon to bear since the dawn of history. We have seen the purchasing power of our dollar decline to a little more than 50 percent of its prewar value. Let us take a look at the decline in the purchasing power of the dollar.

Purchasing power of the dollar as measured by consumer prices

August 1939	101.4
June 1946	75.0
June 1950	58.8
January 1951	55.1
June 1951	54.0
December 1951	52.9
June 1952	52.7
December 1952	52.4

Source: Survey of Current Business, U. S. Department of Commerce.

What has been the impact of this decline in the purchasing power of the dollar upon the lives and the fortunes of the American people?

The value of life-insurance policies, time deposits, E, F, and G savings bonds has just about been cut in half—this loss amounts to 60 times the loss incurred through the closing of the banks in the early thirties. It reaches a total of $1,901,000,000. The misery caused to old-age pensioners and those who with thrift had saved something for their declining years is sad to relate.

Now, do we propose to go on with this same program and continue with unbalanced budgets? It seems to me the issue is clear. We must come to grips with one vital problem. The issue today is whether the Government of the United States will adopt a policy consistent with its resources and its taxing power.

Our troops today are stationed in 49 separate countries of the world. They may be called upon to defend any one of them. The United States is spending more to defend Europe than all the free countries combined. Western Europe is apparently unworried about the threat of communism and is happy to let the United States pay the bill.

If our Government is to continue to mix in quarrels all over the world, do 90 percent of the fighting, and pay for just about all of the cost—there is little hope for balanced budgets and a reduction in taxes. In the light of the facts here presented, it seems that, in addition to our efforts to make our Nation secure, we must make certain that we keep our economy strong and our currency sound. As I have already stated, the foreign aid spending bill stands today between us and a balanced budget, and a reduction in taxes. Let us think of the homefront for a while and take a vacation from foreign aid grants. We may be surprised how well other nations can get along without us.

I am continually amazed at the fear expressed in this country about a Russian attack on our mainland. The countries of Europe are not alarmed about any danger to them. We have been reading in the papers recently about riots behind the Iron Curtain. There would be plenty of riots should Russia attempt to invade the Western Powers, and Russia would be fully occupied at home. Russia understands these situations, and, in my opinion, has no intention of starting a war of aggression.

The time has come when we must begin to think of safeguarding our economy in this country in order that we may

be strong economically as well as militarily.

I, for one, will not vote for a single dollar of foreign aid spending at this time.

Mr. GORDON. Mr. Chairman, I yield 1 minute to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Chairman, I am deeply interested in this foreign affairs bill, the security bill. Had I not taken the chairmanship of the Committee on Veterans' Affairs in the 80th Congress, by seniority rule I would now be chairman of this committee; instead I took the chairmanship of the Committee on Veterans' Affairs, that great committee which deals with past and future security of the men who have made this country as secure as it has been all these years.

I have, as I told the House yesterday and today I would, set the wheels in motion for the Committee on Veterans' Affairs to hold hearings on the controversial issues recently raised in the appropriations bill for the Veterans' Administration. I have sent letters and talked to the chairmen of the subcommittees on these issues. Much of the debate on that bill centered around legislative provisions which had been written into the bill by the Appropriations Committee.

The members of the Committee on Veterans' Affairs strenuously opposed these legislative provisions on the grounds that it was a usurpation of the jurisdiction of the Committee on Veterans' Affairs.

The gentleman from New York [Mr. KEARNEY] has announced that on July 8th he will hold hearings on the question of the hospitalization of veterans. Other subcommittee chairmen have said they would hold hearings on other subjects. So those who are worried about their actions on the floor today will have a chance to analyze and vote upon what the Committee on Veterans' Affairs proposes.

The letters are as follows:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, D. C., June 18, 1953.

Hon. WILLIAM L. SPRINGER,
Member of Congress,
House of Representatives,
Washington, D. C.

DEAR COLLEAGUE: As you know, the appropriations bill, H. R. 5690, contains a provision which reduces the payment to schools for making certain reports under Public Law 550 of the 82d Congress from $1.50 to $1.

There is no legislation pending before the committee on this subject, but I think it would be well if your subcommittee would immediately schedule hearings on this subject as soon as your hearings planned for the week of June 22 are completed. I hope and I am sure that you will give all interested parties an opportunity to testify so that a proper amount for this report may be determined and appropriate legislation recommended to the Congress.

Sincerely yours,
EDITH NOURSE ROGERS,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, D. C., June 18, 1953.

Hon. WILLIAM H. AYRES,
Member of Congress,
House of Representatives,
Washington, D. C.

DEAR COLLEAGUE: In view of the action of the House in voting to discontinue the so-called 4-percent gratuities on guaranteed housing loans, and in view of the committals made during the debate, I request that your subcommittee give consideration at the earliest practicable date to the Frelinghuysen bill, H. R. 5777, which would, in effect, make permanent the limitation placed in the appropriations bill, H. R. 5690.

It seems to me that we must show the House that we will keep faith by taking prompt action on this matter.

Sincerely yours,
EDITH NOURSE ROGERS,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, D. C., June 18, 1953.

Hon. BERNARD W. (PAT) KEARNEY,
Member of Congress,
House of Representatives,
Washington, D. C.

DEAR COLLEAGUE: As you know, the House, on today, voted to strike from the appropriations bill, H. R. 5690, the legislative provision which would have amended the basic law governing hospitalization of veterans.

There is legislation pending before your subcommittee which would amend this provision and there is also legislation pending on out-patient dental care.

It seems to me that this entire subject should be promptly considered by your subcommittee in order that we may write the sort of legislation which is required. I hope that you will take action to see that all interested parties are given full opportunity to testify and that the proper sort of legislation is recommended to the full committee at an early date.

Sincerely yours,
EDITH NOURSE ROGERS,
Chairman.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from Vermont [Mr. PROUTY].

Mr. PROUTY. Mr. Chairman, probably no legislative proposal which has been or will come before this session of the Congress will be given such wholehearted support by President Eisenhower as the bill presently under consideration. As evidence of the importance which the President attaches to the mutual security program let me quote from his message of May 5: "Unequivocably I can state that this amount of money judiciously spent abroad will add much more to our Nation's ultimate security than an even greater amount spent merely to increase the size of our own military forces in being. Were the United States to fail to carry out these purposes, the free world would become disunited at a moment of great peril when peace and war hang precariously in balance. This is the best way to defend successfully ourselves and the cause of freedom."

Few will deny that Mr. Eisenhower's background of knowledge and experience places him in a position to appraise the efficacy of the mutual security program with highest objectivity. As a great soldier, and as one thoroughly conversant with the political and economic problems of our NATO allies, he is in a better position than most people to judge the merits of the overall program.

The President is an intensely practical-minded man. So are the Secretary of Defense and the Secretary of the Treasury. These gentlemen and others dedicated to maximum economy in government state without reservation that any substantial deviation from the President's recommendations of funds to be authorized for mutual security will be contrary to the national interest. I think the views expressed by these men are worthy of our very serious consideration.

When you start cutting the security or taking a chance with the security of your country, that is an entirely different matter from just cutting off services or something of that kind. But if you cut the security funds of your country to the point where you have jeopardized the safety of America you have done something that is irreparably damaged. No one is more economy minded than I am. I just do not want economy at the expense of security.

I have just quoted from the statement made before the Foreign Affairs Committee by Secretary of the Treasury Humphrey. Certainly none will suggest that Mr. Humphrey is of the starry-eyed visionary type of individual. He is a dyed-in-the-wool conservative and completely realistic in his thinking. He believes that national security must take precedence over all other considerations. Can any reasonable person take issue with that philosophy?

At this point may I say to my colleagues on my side of the aisle that, in my opinion, the voting on this bill will provide the first major test of the degree of unity which exists among Republicans in the House.

Last November the American people gave Mr. Eisenhower an overwhelming vote of confidence. They believed in him then; they believe in him now. If there are many within the majority party in Congress who find it impossible to support the programs of the first Republican President in more than 20 years, particularly in matters involving foreign policy and national defense, I fear that we shall soon experience unfortunate political repercussions.

I have nothing but the highest admiration for anyone who votes according to his convictions. I try to do that myself. But unless Republicans can get pretty solidly behind the President on questions of major importance he cannot give the Nation the leadership so desperately needed in these perilous times, and it will not take the American people very long to recognize that fact. If we fail to respond to the President's leadership, our party will soon become like a rudderless ship, drifting hither and yon, and destined to crack up on the shoals of political impotence.

Before we become too much engaged in a discussion of the specifics in this bill I think we would do well to give some thought to the overall objectives of the mutual-security program.

Unfortunately most of the details concerning the military aspects of the mutual-security program are kept in an area of top secrecy. Then, too, the facets of the program involving political and economic considerations are so widespread and diverse in character that it is difficult to understand them in all their ramifications. I am sure that there would be relatively little opposition to the program on the whole if this information were more readily available.

When the people of Vermont elected me as their lone Representative in the House I do not think I acquired any prerogative to determine what charities they should contribute to. That is a

matter for individual preference and decision.

If I believed, as some do, that we are now discussing a huge give-away measure to be financed by the already overburdened American taxpayers, I would oppose it as vehemently as I could. But I do not believe it falls within that category. For on the basis of information I have received, together with some of the tangible results of the program which I have witnessed in Europe and elsewhere, I am convinced beyond a doubt that it contributes materially to the security of the United States. Whether or not mutual-security program adds to our own national defense must be the sole criterion in our effort to reach a sound decision.

Any evaluation of the mutual-security program must, I think, be made within the concept that the world in which we live is vastly different from the one in which most of us were born, and that the gap separating us from the past is growing wider at an extremely rapid rate.

Modern science has caused time and distance to become relatively unimportant in our thinking; it has also created weapons so frightful in destructive power as to defy the imagination. Formerly distant areas of the world are now closer to each other than were the various political subdivisions in our districts not so long ago. Events which occur beyond our borders have become matters of urgent concern for us.

The mutual-security program is the outgrowth of these rapidly changing world relationships.

It rests on three primary principles:

First. The security of the United States is inseparable from the security of the free world, within which, as the strongest and most highly industrialized member, this Nation is called upon to assume leadership.

Second. The defense of the free world against totalitarian aggression requires not only adequate armed forces and weapons and the capacity to produce material for armed forces but also base economic strength sufficient to support the defense program.

Third. Security for the free world can be achieved only through the cooperation and mutual assistance of its members.

There are those who disagree with such reasoning; who seem to feel that we can withdraw from the rest of the world, develop some sort of protective shield which will negate the attack of any potential enemy and enable us to enjoy peace and plenty. Certainly all of us wish such a dream might become a reality, but I know of no competent military authorities who think this is possible. On the contrary, they all agree that such a hope is completely unrealistic and the product of the most fallacious of fallacious reasoning.

They insist that the defense of the United States has become a global problem and that we need our allies almost as much as they need us.

Percentagewise the amount we have been spending for mutual security in comparison with our own defense expenditures is small. But this does make available to us manpower resources much greater than our own. It gives us access to many of the strategic materials essential to our defense program as well as to our civilian economy. It provides us with strategic airbases within easy range of Soviet and satellite industrial centers if war should come and, in the case of Western Europe, it makes available the facilities of an industrial complex second only to our own. Let us remember, too, that even if we sometimes feel that our European Allies are not doing as much to help themselves as they could that they will spend during fiscal 1954 the equivalent of $15 billion for defense purposes, and that in terms of gross national product they are making nearly as great a contribution to the common effort as we are.

Should these advantages be lost to us as the result of an invasion of Western Europe, we would have no alternative other than to retire within our own borders and devote all our energies and efforts to a national defense program which would make the present one seem picayune in comparison.

Badly as some of the foreign-aid programs have been administered in the past, I am convinced that they have kept the free world free. If that is still our objective, if we are to continue to think in terms of our own enlightened self-interest, I do not believe that any substantial reductions in the authorizations provided for in this bill can be justified. It is already $2.6 billion below the recommendations in the Truman budget, and I think that is as far as we can safely go.

We are faced with problems without parallel in history, and we must adjust ourselves to the needs of the times. We have a rich heritage of liberty. Only those who deserve freedom can retain it. That is our responsibility now. May we be equal to it for the sake of our children and for generations yet unborn.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. PROUTY. I yield to the gentleman from Pennsylvania.

Mr. FULTON. May I compliment the gentleman on a fine statement.

Mr. PROUTY. I am very grateful to the gentleman from Pennsylvania.

The CHAIRMAN. The time of the gentleman from Vermont has expired.

Mr. GORDON. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, as I have done in the past, during my long years of membership in the House Foreign Affairs Committee, I now rise to support fully a foreign-policy measure designed to strengthen the best interests and security of the United States. The fundamental philosophy of H. R. 5710 carries forward the idea that the peace and security of the world involves tremendous burdens not only for the United States but for all those who cherish free institutions. The United States, because of its position of leadership, must pave the way for other free and independent nations to follow and, in addition, to inspire other nations with our leadership we must help them with the resources which they lack in order that they may be better able to help themselves and help us. That is the cardinal principle of the mutual security program. And I am pleased that this principle has been adopted by the present administration.

In support of the principle of mutual security, it is only proper that we ask the six provisional members of the European defense community to become full-fledged members of that community, which means ratification by their parliaments of the agreements which they have made. The Richards amendment contained in this bill, making available 50 percent of the military-assistance funds to the European defense community, is not a club held over the heads of these six nations. On the contrary, it is a definite legislative encouragement which we hold forth to these nations. We say to them, "You have almost reached the point of uniting. Now, go a step further and unite, and we will join you with financial support and with our leadership in that union."

I endorse wholeheartedly the provision in the bill which expands the present legislation to assist escapees from Communist-dominated or Communist-occupied areas of Asia. We must again reaffirm that the United States has not forgotten the millions of people behind the Iron Curtain who yearn for freedom and liberty. In this connection, let me add that the present situation in East Berlin shows that though the spirit of freedom-loving people behind the Iron Curtain may appear to be smothered, this basic and fundamental desire of people for liberty inevitably will rise up.

I support the technical assistance and the special economic-aid programs contained in this bill for the Near East and Africa, for Latin America, and for Asia. We must demonstrate to the peoples of the world that security means more than military defense but also means higher living, economic and social standards in the underdeveloped areas of the world.

I believe this bill comprises all the elements which combine to make up great leadership. I feel that I am privileged to support it.

Mr. VORYS. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. RADWAN].

Mr. RADWAN. Mr. Chairman, the basic question presented in the legislation before us is one which is clear cut. Are we going to support the foreign policy of President Eisenhower? Are we going to make our decision by adopting selfish self-interest or enlightened self-interest? I rise to support President Eisenhower's foreign policy.

In support of the program before the House, the President made the following statement:

> I present this whole program to you with confidence and conviction. It has been carefully developed by the responsible members of this administration in order to achieve, at least possible cost, the maximum results in terms of our security and the security of our friends and allies. In my judgment it represents a careful determination of our essential needs in pursuing the policy of collective security in a world not yet freed of the threat of totalitarian conquest.
>
> Unequivocally I can state that this amount of money judiciously spent abroad will add much more to our Nation's ultimate security in the world than would an even greater amount spent merely to increase the size of our own military forces in being.
>
> Were the United States to fail to carry out these purposes, the free world could become

disunited at a moment of great peril when peace and war hang precariously in balance.

This is the way best to defend successfully ourselves and the cause of freedom.

I might mention to the House that this week is known as Theodore Roosevelt Week. It will not hurt us now to look to his advice as we consider this very important legislation. Theodore Roosevelt said:

True patriotism carries with it not hostility to other nations but a quickened sense of responsible good will toward other nations, a good will of acts and not merely of words. I stand for a nationalism of duty, to one's self and to others; and, therefore, for a nationalism which is a means to internationalism.

The foreign policy of this great country of ours, like the foreign policy of any nation, must have, as a first consideration and concern, the best interests and security of that nation. Anything less is bad policy. This program reported by our committee and endorsed by the administration has for its prime concern the security of the United States of America. It is a dollar investment in such security. It is paying less today rather than a lot more too late tomorrow.

Like other members of the committee and a great many American people, I recognize the criticism that has been made against foreign aid. Many people will say that the strain of the present defense program, including foreign aid, on the economy of the United States is a cause for concern. We have taken full cognizance of that problem. Undoubtedly the public debt is nearing the authorized limit, and the people are growing restive under the burden of taxation. It is mandatory that we economize. But it would be false economy if this program were defeated at the cost of real security of the United States.

There has been some criticism to the effect that there are people in allied countries of the free world whose zeal for defense has cooled somewhat. Nevertheless, our aid programs must be different from what they would be if all countries were equally able and determined to put themselves in readiness as quickly as possible to meet any Soviet attack regardless of the sacrifices involved. In relation to their capacity, the efforts of these countries reflect substantial sacrifices.

There are other criticisms which I could consider but I will not go into them at this time. Despite these factors, this is a program that must go forward. It is not just the addition to our strength which we would gain if it is possible to unite and organize effectively the manpower and the production facilities of the nations not yet under Soviet domination. There is also the added danger to us—yes, to our great country, if the same resources are permitted to fall under Soviet control. We must continue our insurance policy on, our security. The money that we are going to authorize by the passage of this legislation is the premium on that insurance policy.

When the American people gave President Eisenhower his toughest job, they had uppermost in their minds the security of these United States. I am convinced that this program is in the interests of the security of the United States. We must not give up. We must try to mobilize the free nations against Communist aggression. Now is no time to drop our guard, rather we must keep our guard up and increase it in every way we can.

Mr. VORYS. Mr. Chairman, I yield 15 minutes to the gentleman from Michigan [Mr. BENTLEY].

Mr. BENTLEY. Mr. Chairman, at the very outset of my remarks I would like to make it crystal clear that I am in no sense opposed to the program of foreign aid, as such. With my colleagues, I endorse the objectives of mutual assistance which, in simplest terms, are to preserve and promote the security interests of the United States. However, I have spent several years of my life living abroad in the service of our Government and have formed my own conclusions as to what our foreign military and economic assistance can do and what it cannot do. It is with these conclusions, or rather convictions, firmly in mind that I, as a freshman Member of this Congress and of the Foreign Affairs Committee, stand here to speak to you today.

First, however, I would like to say how pleased and privileged I have been to participate in the hearings on this legislation. I wish especially to thank our chairman, the gentleman from Illinois, for his unfailing courtesy and kindness to all committee members. The ranking majority and minority members, the gentleman from Ohio and South Carolina, have always been helpful and patient with me, as have all my other colleagues on the committee. It is with a very deep sense of gratitude that I acknowledge their assistance to me, the only first-termer to serve on this present committee.

I have always accepted the principle of foreign aid with two important conditions: First, that we do not give assistance which is beyond the limit of our own capabilities and resources, and, second, that we do no more for any people or group of peoples than they are willing and able to do for themselves. I do not believe that the Mutual Security Act of 1953 fully meets these two conditions, and therefore I feel compelled to oppose its passage.

As authorized by the Foreign Affairs Committee, this legislation contains a total amount of $4,998,732,500 which is broken down into 6 general types of assistance. These are briefly: Military assistance, mutual-defense financing, mutual special weapons planning, technical assistance, special regional economic assistance, and contributions to multilateral organizations. Without taking the time of the committee to mention these breakdowns by individual amounts, I would say that those of us who signed the minority report believe these figures to be, almost without exception, excessive for the purposes for which they are stated. When the 5-minute rule comes up, we propose to offer amendments to reduce the authorization ceilings on many of them.

Frankly, Mr. Chairman, this bill which is offered to us today provides something for just about every one of our foreign friends and allies. But there is one group left out—a very important group to all of us, a group, in fact, which is directly responsible for all of us sitting here today. I refer to the American taxpayer who is certainly the forgotten man so far as this legislation is concerned. We are giving airplanes to England, we are giving artillery to France, we are giving technical aid to the countries of the Near East and Africa, we are giving special assistance to India and Pakistan, and so on. But all we are giving Joe and Mary back home is an extra $5 billion worth of tax bills which they will have to meet somehow.

Let us take the very first amount contained in this bill, the figure of $2 billion plus which is available for military assistance for Europe. I am sure that there is no one who would refuse to authorize this money provided that those countries receiving it were contributing as fully to their own defense as we are being asked to contribute to it. I would like to call the committee's attention to a set of figures which appeared in last week's issue of Newsweek magazine in the column written by Mr. Henry Hazlitt. This article, which I inserted in the Appendix of the RECORD last Monday, sets forth, in the case of 10 European nations, the percentage of their total central government expenditures which is allocated for defense. Mr. Hazlitt's figures, which are substantiated by the table on page 48 of the published committee hearings, and which are reproduced in our minority report, show that the United States is spending some 70 percent of its total budget on defense while these 10 European countries receiving aid are averaging only 30 percent of their budgets on defense. In total amounts the United States is spending more than 4 times as much as those 10 countries combined.

Now, many persons might be inclined to take the so-called Community Chest viewpoint, that is, that those persons or countries who are rich and wealthy should contribute to help those who are not. This is a wonderful and humanitarian concept. I am not certain whether you could apply it to the idea of foreign aid and sell it to the people of your districts or not. I know I would have difficulty in mine. But, on closer examination, there are a few fallacies if you try to apply such a parallel.

In the first place, when we give to those who are less fortunate than ourselves, we usually expect a certain amount of thanks, gratitude, cooperation, call it what you will. I do not believe we have acquired a vast number of friends throughout the world through these foreign assistance programs, and I am not sure that we ever will. Debtors are not often enamored of their creditors and, whether it be a loan or a grant, friendship is not often given in exchange. I think one of the great things which we Americans have to learn in the field of foreign affairs is that friendship is not purchasable. The friendship may have been there from the beginning, but it is not acquired as a result of several million dollars exchanging hands. We do not win allies through conducting diplomacy with the pocketbooks of the American taxpayers.

I call to mind a few of the governments which have been and still are recipients or beneficiaries of our foreign aid program. Take the British Govern-

ment. Basically the British people and the American people have been friends for over a hundred years. But there are few of us here today who would care to defend the policy of the British Government in the Far East, and with particular reference to Korea. You know, like trade, aid is a two-way street.

Our contributions under this legislation to France and Italy, for example, must assume a certain amount of confidence in these governments. To judge from the events of the last few weeks, however, I could not say that the French people and the Italian people have the same confidence in their own governments. I wonder whether it is prudent for us to continue such large-scale assistance to governments who cannot even rely upon the support of their own peoples.

Now, I would like to call the Committee's attention to the item on page 6 of the bill of $94,400,000 for special economic assistance to India and Pakistan. There are some people who feel that we are committed to the support of the Indian Government's 5-year plan, a program of economic rehabilitation and development. I am not certain whether such a commitment was made, if made, and whether or not it was with the approval of the Congress. But it certainly could be no more binding, if it was made, that the commitment of that same Indian Government, as a member of the United Nations, to support us when North Korea and later Communist China were officially declared aggressors by the U. N. I believe that anyone who is familiar with the history of the past 3 years could hardly say that the Indian Government has cooperated to the extent which we had every right to expect of them. Since the fighting broke out in Korea, the Indian Government has sent one ambulance unit. And yet today they stand ready to send a thousand soldiers there for the purpose of guarding the anti-Communist Chinese and North Korean POW's who refuse to go back behind the Iron Curtain.

In the past, we have come to the assistance of the Indian Government in typically generous fashion. We were partially repaid for this assistance last February when the head of the Indian Government stood up in his Parliament and inferred that the peace of the world was endangered because of President Eisenhower's occupancy of the White House. If we tried to acquire friendship from the Indian Government in exchange for our wheat, I am afraid that this attempt sadly miscarried.

Now, during the hearings, the committee received testimony as to the terrible conditions in underdeveloped areas throughout the world, conditions of suffering, misery, and general hardship, conditions which urgently required the continuation of our program of technical and economic assistance. I am definitely in favor of continuing such a program, with the emphasis of the "technical" rather than on the "assistance" and always provided that we do not pour more money into the program that can reasonably and efficiently be expended in pursuit of its objectives. But, Mr. Chairman, let us at the same time remember the suffering and misery and hardship that still exists in our own country, some of it within sight of this building in which we are sitting today.

Another important point for the committee to consider, I believe, is the long-range future of this entire foreign-assistance program. I noticed in the press that, in his appearance on Tuesday before the Rules Committee, the gentleman from Ohio spoke in terms of another 10 years. I am not going to stand here and try to set arbitrarily a deadline after which I believe mutual assistance should terminate. But I do ask that some thought be given as to the length of time this kind of program should be continued. I think it is high time for a reappraisal of our entire foreign policy and, if the Congress is to continue its constitutional control of our Government purse strings, I think it is only right and proper that this foreign policy and the expenditures relevant to it should be reappraised and reexamined by the Congress itself.

[From the Washington Post of June 18, 1953]

TODAY AND TOMORROW

(By Walter Lippmann)

THE MOLD IS BROKEN

The Bermuda meeting, we must now realize, will have to examine a much greater problem than the well-known and over-advertised and artificially inflated differences among the western allies. For the real trouble is not that we have some disagreements in the Far East. It is that for the European situation, which is now rapidly developing, we have severally and jointly no policy at all.

The world has outgrown the European policy which we worked out in the crisis which became acute in 1947. Our European policy is no longer related to the movement of events and it is radically out of touch with the opinions and sentiments of the European peoples. Forced upon us by the bitter cruelties of the Stalinist empire, the policy was an improvisation for an emergency. It was designed to contain the expansion of a barbarous conquest which already had half of Europe in its grip. In no serious and practical sense has the policy ever contemplated either the liberation of Eastern Europe or the recession of the Stalinist empire.

The policy is indeed founded upon the working assumption that the partition of Germany and of Europe will continue indefinitely. The military and political institutions set up to defend the western part of Europe, and to make this fragmentary Europe workable and livable have required a high state of tension. Without a fear of Soviet aggression great enough to override all other feelings, the peoples would not have made the sacrifices of their personal convenience, their class and national interests, that the policy has called for.

For more than a year it has been increasingly plain that the situation was changing and that the policy, which had been necessary for the emergency, could become a dangerous liability if for any reason the emergency passed.

Even before Stalin's death a main support of the policy grew feebler and virtually disappeared. That was the belief that the Soviet was intending and planning the military conquest of Europe. The disappearance of this belief which has been sanctioned by men like Churchill himself, has been the operative cause of the rejection in Europe of our principal projects, such as the Lisbon program for NATO, the hurried rearmament of Germany, the European Defense Community. All have withered on the vine because the sap which nourished them, the fear of military conquest, had ceased to run.

The rejection of the projects, with which we have so unwisely identified ourselves so much too zealously, has brought with it serious political trouble for the men and the parties who have supported our policies. The first to go down was Schuman in France. In Italy the Center coalition under de Gasperi has grown much weaker since 1948—as one Italian put it, because the people were now voting as they felt and no longer as they feared. The position of Dr. Adenauer in Germany is highly vulnerable to any serious action by the Soviet Union to bring about the unification of Germany.

Now against the imminent breakdown of the existing West European diplomatic structure, there exists—so far as I can discover—no replacement, no substitute, no second line of diplomatic defense. In Washington, in Paris, even I believe in London, except as Churchill is playing by ear, in Rome, and in Bonn, there is apparently no policy, no planning, not even some leading idea, on what to do in case the Soviets have decided to bring about the unification of Germany and the enormous consequences which would follow, such as the evacuation of Austria and some lifting of the Iron Curtain to restore contact with Eastern Europe.

There are plenty of obvious explanations for this failure to look forward and to get ready for new eventualities. There are very strong vested interests which have grown up around the American subsidies and expenditures in Western Europe; they do not gladly contemplate any important change. There are vested interests of an idealistic character; having made some progress toward federation in the western part of the Continent, the men behind these projects do not relish the notion of rethinking their plans in order to make a place in Europe for a united Germany, much less for countries east of Germany.

There is an allied bureaucracy built up for the emergency which prefers the accepted stereotypes to the pains and uncertainties of a new policy for a new situation. And then, of course, last but by no means least, there is the shell-shock of our diplomats abroad, who are stunned by the terror and humiliation to which they are subjected. Intimidated men do not think well. Men beaten down do not look to the horizon. Intimidated men do not even see well what is immediately before them.

Yet it is imperative that the Western Allies who are going to Bermuda should form a policy which is founded not on the partition of Europe but on the ending of the partition of Europe. The mold of our present European policy is broken. No amount of exhortation or threats of the ending of subsidies can repair and restore it. The popular tides in Western Europe and the actions in Eastern Europe coming from the new regime in Moscow are releasing new forces all over Europe. They cannot be led by the existing formulae, they cannot be regulated by the existing rules and plans. They will get entirely out of hand—as against any constructive influence we can hope to exert—if in place of the contracted and dismembered Europe we now support we are unable to propose a true all-European system.

A great deal is said here about how we favor the unification and the integration of Europe. But, in fact, what we have been talking about is the small part left to the West out of the Europe that the Stalinist empire had partitioned.

A great deal has also been said—most of it quite confusing—about the great and imperative idea of the liberation of Eastern Europe.

Now the time has come when the opportunity may be presented to us to promote by agreement the substantial liberation of Eastern Europe within an all-European system. It is an opportunity which, were it missed, might never be presented to us again. For the Europeans will find some other way to end the monstrosity of their partition.

That way may not be with us and it could all too easily be against us.

In the reappraisal and the reexamination, which I might describe as drawing a long breath and taking another look round, even a complete moratorium on all new authorizations for foreign aid expenditures would not be disastrous to this program. As of April 30, 1953, there remained a total unobligated balance of $3.2 billion and an unexpended balance of $11.4 billion—see June 30 figures. If the fiscal 1953 authorizations were merely carried over with no new increases, it would seem that the program could continue at present rates for several months yet. But I am not suggesting such a moratorium. What I personally am advocating is a continuation of the present program with authorizations of nearly $900 million below those contained in the present legislation.

This suggested cut of about $900 million was not made in a meat-ax manner. When we come under the 5-minute rule, I am prepared, insofar as security classification will permit, to go through this bill item by item, and, as the various amendments are offered, to explain the amount of the cut, and the reasons behind it. For example, I have examined the entire program of technical and economic assistance on a country-by-country basis and would like, at the appropriate time, to say something of the nature of the individual programs, where they are unclassified or declassified. I understand that the gentleman from Wisconsin, the gentlewoman from Illinois, and the gentleman from Indiana, with whom I was privileged to sign the minority report, are planning to do likewise.

Finally, Mr. Chairman, I would like to say this. No one is more concerned with the national security of this country than I am, no one is a more genuine advocate of true mutual security than I am. No one more sincerely wishes to support President Eisenhower in his efforts to bring stability and safety to this country and peace to the world than I do. But, during my campaign last year, I made a promise to the voters of my district that, if elected, I would try to reduce this whole program of foreign aid to some manageable proportions. Several weeks ago, I announced my present intentions in a newsletter to my constituents and I have received nothing but commendation and encouragement from them. If a man ever had a mandate from the folks back home to take a particular course of action, I feel that I have one today. That is why I ask you to support our attempts to reduce these authorizations to a point consistent with what we sincerely and honestly believe is the ability of our economy and our taxpaying public to support them. In the overall matter of military and economic assistance, we are not misers, but we are tired of being spendthrifts. And we think it only right and proper to demand that, for every dollar spent abroad in this fashion, a dollar's worth of value be received in return.

I would like to pay tribute to the three members who signed the minority report with me and to their unquestioned integrity and sincerity by keeping to their own honest convictions in the face of rather substantial opposition. I would like to thank the gentlemen from Ohio for permitting us the time to express these convictions of ours here in the Committee of the Whole. And I would like to thank my colleagues of the House for having the courtesy and the patience to listen to me here today.

Mr. CURTIS of Nebraska. Mr. Chairman, will the gentleman yield at that point?

Mr. BENTLEY. I yield to the gentleman.

Mr. CURTIS of Nebraska. How much did we have unobligated on January 20?

Mr. BENTLEY. I am sorry, I do not have those figures. Can anyone on the committee supply them?

Mr. CURTIS of Nebraska. If the gentleman does not have them for January 20, does he have them for January 31?

Mr. BENTLEY. I should like to point this out, if I may. That is, between April 30, when we had $3.2 billion, and the end of this month, when we are estimated to have only $400 million left, that means that we have obligated money at an approximate rate of $1.5 billion a month. And if you go back to January 20, at that rate you would have unobligated approximately, I suppose, $8 billion.

Mr. CURTIS of Nebraska. I would like to ask the gentleman, also, What is his understanding of the meaning of the term "obligated"?

Mr. BENTLEY. That is a definition which I am not sure anyone on the committee can give. But, as I understand, an obligation is when money has been definitely contracted or programed. I may say that I understand further that "obligation" has a different meaning, whether it is military, TCA, or MSA, or what it is.

Mr. CURTIS of Nebraska. What is the difference between obligation and earmarking?

Mr. BENTLEY. I will have to yield to the committee on that question.

Mr. VORYS. I think the gentleman will agree with me that "obligated" has been a mysterious and wonderful word in the parlance of our budgetary processes on the hill for some time. We hope that in the Defense Department they have cleared it up.

Mr. CURTIS of Nebraska. What is the answer to my question?

Mr. BENTLEY. The answer to the question has not been given, so far as I am concerned.

Mr. CURTIS of Nebraska. Is an obligation synonymous with a contract?

Mr. BENTLEY. I yield to the gentleman from Ohio [Mr. VORYS] to answer that. He is handling the bill on the floor. I am opposed to the bill.

Mr. VORYS. We can point out to you the new Comptroller's rules, which are available and rather elaborate, that the term "obligation" actually refers to a contract with a third party rather than a bookkeeping transaction within the Defense Department.

Mr. CURTIS of Nebraska. It is not a political commitment, then, but an actual contract?

Mr. BENTLEY. It is a contract.

Mr. GORDON. Mr. Chairman, I yield 5 minutes to the gentleman from North Carolina [Mr. DURHAM].

Mr. DURHAM. Mr. Chairman, we heard today a very interesting discussion again on this measure, which has been before the House on several former occasions. I have been one of those who have supported a bipartisan foreign policy and I expect to continue to support it. But I think everyone has a reason for his support of this measure. If he does not, of course, he should vote against it.

My reason for voting for this is the fact that I believe and have faith in a principle that I think is inherent in the American people—a belief in freedom. The gentlewoman from Ohio [Mrs. FRANCES P. BOLTON] expressed it well when she said:

Primarily, we sponsor and support this program because we have faith in God.

But through the years in this land of ours which we love, and especially here in the East, we go back even before 1775; we believed in the principles of freedom before we fought the Revolutionary War and we sacrificed dearly for it. We sacrificed in 1775. We made further sacrifices in 1812; we made sacrifices in 1865, again in 1917 and 1918, again in the 1940's, and still today we are a free country, we still have the same Government that we loved in those days.

Now as to the amounts specifically that should be carried in this measure, I am no expert. The members of this committee for whom I have the highest respect, the gentleman from Ohio [Mr. VORYS], and the gentleman from South Carolina [Mr. RICHARDS], have given to this House what they feel is a fair program. I think we can criticize it at many points. Some of it, I have not always agreed to, but the overwhelming fact is that you must, if you believe in the principle of freedom, try to do something to stem this communistic ideology that has swept across Europe. I do not see how in the world people can stand here in this Chamber and criticize this program and not propose something better.

I know they are convinced; they are honest, and I have respect for their opinion, but even Mr. Walter Lippmann, of whom the speaker before me referred to, has not offered any alternative, as far as I know, a better program than the one that has been initiated here and has been carried out by the Democrats and now is being sponsored by our great President, whom we all respect. If someone has something better, it is incumbent upon him to come out here and tell this body what they have. Do not nullify this program if you do not have something better to offer. If you believe there is no danger, all right, but you cannot today sit and listen to those people who have knowledge of conditions—and I think I have listened to just about as many secret meetings of what goes on in Europe as anyone on the floor of this House over the past 15 years or more. General Ridgway has been spoken of here today, and he has appeared before this committee; he has appeared before both the Atomic Energy Committee and the

Armed Services Committee. When one looks at the picture today from the Black Sea to the Baltic, at the forces that face the countries to whom we are trying to give some support, moral support as well as military support, how in the world you can sit here and say there is not some danger, how you can say there is not imminent danger, I cannot understand. I cannot reach that conclusion, Mr. Chairman. The gentleman from Minnesota [Mr. JUDD] has expressed it far more brilliantly than I can.

There today sit 175 to 200 divisions that are fully equipped, mobilized, and ready to move at any hour—and do not forget our people know where they sit. Back of that are probably 200 reserve divisions far better than anything we have trained in our Reserve forces; back of that is a tremendous air force, one that is expanding really faster than even ours. In front of that sit the satellite countries who probably can produce 200 divisions. There we are, from Norway to the low countries, the Netherlands, our 6 divisions, sitting there in the heart of Europe, France, on down the line to Italy, Greece, and Turkey, strewn out around a section that cannot be mobilized quickly even under the best conditions. Whether or not this program fits into the military situation is one's own opinion. I believe it is an important part, and I feel like we simply must give to these people moral as well as military help. I think the amendment placed in the bill by the gentleman from South Carolina is sound, and I can support this measure with a good deal more comfort and pleasure. But to stand up here and take the position that we simply cannot afford to do this is a risk.

People around the world today are looking to us. They know that we are strong. We are still strong. Certainly, we have sacrificed, certainly the American taxpayer has sacrificed, but the American taxpayer will always sacrifice for his freedom. I represent a district that pays probably as much tax as any district in the entire United States. I have had very few objections to this program from my section of the country. People have told me time and time again that they are willing to support this program, they are willing to support the military program. They feel it is much safer and much better to fight this menace on the European Continent than it is to fight it at our front door.

If you want to come back into this country and build up a citadel of strength, which has been advocated by some, that is one thing, and we have heard people say that we cannot win this by armed strength. We heard it said on the floor of this House today that you cannot win this by military strength alone. What is the alternative?

I do hope and pray that we will never have to make the sacrifices which we have heretofore made, but under present world conditions I feel we should give aid and try to build moral strength as well as military strength, for both are necessary. We must have all the friends we can build in Europe and Asia if we expect to win this fight, and this is one that we must win, and I believe we can with a determined effort.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all Members may have permission to extend their remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SHEEHAN. Mr. Chairman, in our consideration of H. R. 5710, a bill to amend the Mutual Security Act of 1951, I believe we must take into consideration the results of our program to date and the prospects that the continuation of the Mutual Security Act will hold out for the hopes and aspirations of the American people. It must be borne in mind that as of April 1, 1953, the Joint Committee on Nonessential Expenditures reported that the Mutual Security Agency had $11.9 billions in unspent funds and $4.2 billions in unobligated funds. Chairman BYRD, Democrat of Virginia, said this means that the Mutual Security Agency would have to make new obligations during the final 3 months of the fiscal year at almost double the rate of the first 9 months to finish the year with only $10.3 billion in unspent but obligated funds as forecast by former President Truman. As of today, it is estimated that somewhere between $10 billion and $11 billion remain in this fund as being unspent. In other words, to me it seems that the amount of money in this bill—$4,998 million—which we would vote on would be money which cannot be spent until sometime during 1954 or 1955. We could, therefore, very well wait until later to determine what the conditions or circumstances are at that particular time and then decide whether or not the Mutual Security Act should be continued.

The Mutual Security Act, which was born in 1948, certainly cannot be really classified as being "mutual" or offering us "security." The Korean police action where we are furnishing the majority of the manpower and the bulk of the equipment is not a mutual undertaking on the part of the people to whom we have been liberally donating money during the past years. When we consider what is happening all over the world today, we certainly cannot rely on the term "security" as a guaranty from our allies that they will help us.

Probably Secretary of State Dulles most appropriately stated the entire approach to the problem in his opening statement before the Senate and House committees when he said:

> Our mutual security planning must be and is long-range planning • • • we must think in terms of policies and programs that we can afford to live with for what may be a very long time.

Certainly on a long-range planning basis, we do not have to think about immediate funds when we are apparently in no position to spend money that is already appropriated. Mr. Dulles also hit a very vital problem in his thought "That we can afford to live with," because on the basis of effort put forth by America as compared with the effort put forth by her allies, we must think of our own economic well-being. The following table showing the fiscal years armament expenditures of 10 of our aid beneficiaries stated as a percentage of, first, their total central governmental expenditures; and second, their gross national product indicates the record of these European countries compared with our own:

Defense Expenditures

Percent of total central government expenditures

Belgium-Luxembourg	23.6
Denmark	24.2
France	37.6
Greece	39.0
Italy	26.4
Netherlands	23.3
Norway	26.5
Portugal	35.5
Turkey	40.8
United Kingdom	37.2
United States	71.3

Percent of gross national product

Belgium-Luxembourg	6.3
Denmark	3.5
France	11.2
Greece	8.5
Italy	5.8
Netherlands	6.2
Norway	5.0
Portugal	5.0
Turkey	6.5
United Kingdom	12.0
United States	15.0

You will note from the above table that the United States contribution is double and nearly triple every other nation in percentage of total central government expenditures for defense and also in the percent of gross national product devoted to the defense effort. Certainly no one can accuse us of shirking our part but the time has certainly arrived for a reassessment of the efforts of our friends to help secure their own defense and freedom.

I wish to bring to the attention of the House the results of a recent public-opinion survey of the people of the 11th Illinois Congressional District. When the question was asked: "Are you in favor of further arms and military aid to foreign nations?" 55.3 percent of the replies were in the negative. On the question: "Do you favor continued economic aid"—point 4 program—"to foreign nations for the development of backward nations?" 56.7 percent voted against further economic aid.

It would seem to me that from the standpoint of the wishes of my constituents, from the standpoint of the economic welfare of our own country, and from the standpoint of needing more time to measure the overall facts of the mutual security program, I am not in favor of H. R. 5710 and will vote against its passage.

Mr. VORYS. Mr. Chairman, the President is making public today the announcement of $50 million of economic aid for West Berlin. I do not know how you feel about it but the way these West Berliners have stood up I feel like applauding.

Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. WAINWRIGHT].

Mr. WAINWRIGHT. Mr. Chairman, I understand that my remarks are to be the last this evening. I would like to thank the gentleman from Illinois [Mr. CHIPERFIELD] and the gentleman from

Ohio [Mr. VORYS] for allowing me to end this historic debate. I am sure that those who have stood by patiently will be delighted to hear this. I will try not to consume the full 5 minutes. I am honored to be ending this historic debate.

Mr. WILLIAMS of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. WAINWRIGHT. I yield to the gentleman from Mississippi.

Mr. WILLIAMS of Mississippi. Would the gentleman like to have a quorum to hear it?

Mr. WAINWRIGHT. No, thank you; unless the gentleman from Mississippi so desires.

This is the second time that I have had the privilege of speaking before the Congress of the United States. The first time I vowed, and I make the same avowal now that I would never speak in the well of the House unless I felt very deeply about the subject involved. On the first occasion I sought funds for Fire Island, a very worthy project in the First District of New York. This was defeated, for which I was sorry. I would feel fifty times, yes, a hundred times as sorry if the authorization that is sought by the President of the United States and the Committee on Foreign Affairs is cut. In my opinion, the life blood of the United States would be endangered if this should happen.

Earlier today the gentleman from Mississippi presented his ideas. While I disagree entirely with his viewpoint, I think it is a wonderful thing that in this country of ours, and in our Congress we present opposing views and that we respect them with tolerance and understanding.

Now, I would like to repeat the question which my distinguished friend from Minnesota, Dr. JUDD, posed earlier today: What is the alternative? Where do we go if we abandon our friends abroad? Do we return to the foreign-policy philosophy of the early 1920's, do we abandon the countries to whom we have been giving aid and allow them to fall into Russian hands? That would happen if we drastically curtail our foreign-aid program. If we do this the security of our Nation would be in grave danger.

Our foreign-aid program can be compared with a hospital that has everything on it but the roof. Would it not be wise, then, to finish the job, or could we leave the hospital with the roof off?

In closing, I would like to call the attention of this great body to six major points of the administration's program. These six points epitomize why the Eisenhower administration is convinced that this bill should be passed.

These points, I might say, are taken from the testimony of the Secretary of State before the Committee on Foreign Affairs on May 5. They are implemented by certain remarks made by the Secretary of State yesterday to certain Members of Congress.

His first point was that this program is not charity but that it is based upon solid considerations of self-interest. It most definitely is not, as has been suggested, a giveaway, throwaway program. It is not international bribery.

The administration's second point was that the United States cannot go it alone. It is impossible for the United States to return to an isolationist viewpoint. We must continue to rely heavily upon our friends throughout the world. Our own security is involved.

For the third point I quote directly from Mr. Dulles' testimony on May 6:

> If Soviet communism is permitted to gobble up other parts of the world one by one, the day will come when the Soviet world will be so powerful that no corner of the world will be safe, including our corner.

His fourth point was that American Foreign Policy requires a long-range planning program.

We cannot afford a hit-or-miss, blow-hot blow-cold program. We must pace ourselves. We must plan for the years ahead. We cannot go from emergency to emergency, reacting each time they arise. Our planning must be done on a long-range basis. We must plan programs that are to be lived with for a very long time.

Mr. Dulles' fifth point was that American security would be imperiled if Europe goes under. While our allies are free and strong they can contribute to the defense of the free world. This includes the United States.

The Secretary informed us that he was speaking for the President of the United States as well as himself when he made this vigorous presentation.

In my humble opinion, I am confident that the majority of the Members here, Republicans or Democrats, will accept this view. The President of the United States is far more qualified to judge this program we are considering than any Member of the Congress of the United States, or any living American.

At the same time let me remark that the Secretary of State is probably one of the 2 or 3 best qualified American diplomats of our day and time. His experience as a well-known diplomat began before I was born.

The Secretary of State's sixth point and final is probably the most important of all. I am delighted to be closing this historic debate with his May 6 quotation:

> It is the judgment of the President and his Cabinet and of the National Security Council, after the most intensive investigation, on the one hand, that the program here presented us is within the capabilities of the United States and consistent with moving as rapidly as possible toward a balanced budget and, on the other hand, that anything appreciably less would be dangerous to our peace and security.

Mrs. KELLY of New York. Mr. Chairman, I find it necessary to preface my discussion on this bill with a few remarks. It is disappointing to us and to say the least, discouraging to find ourselves again discussing the mutual security program for 1954 without the actual existence of a European army.

By this time we had hoped for at least the ratification of this treaty by the respective parliaments involved. We have been informed by Secretary Dulles that there is hope for this to become an actuality in the fall. The delay is regrettable. This ratification was to have been the means of incorporating German units in a European defense army rather than having independent national armies. This objective is not only of military but also of economic importance. European unity is a necessity. Great progress toward this has been achieved by the separate action of France and Germany in the establishment of the coal and steel community through the Schuman plan. Thus, the first step in European integration is in operation. During the previous administration, great progress was made under the leadership of the United States, in unifying our allies—the nations of the free world. The United States developed a foreign policy of international cooperation. It was based on self-help and mutual cooperation through the United Nations, the Economic Cooperation Administration, the Mutual Defense Pact, the North Atlantic Treaty Organization, and finally, the mutual security program. The foreign policy which we are pursuing today is a continuation of this positive, constructive policy established under the previous Democratic administration. This is noteworthy. It proves that this policy was based on a firm foundation.

In his opening statement in support of the mutual security program Secretary Dulles said, speaking to a joint committee hearing:

> The mutual program will produce more real security for the people of the United States than we could get by spending the same amount of money on a purely national program. I want to make clear at the beginning that this program has nothing to do with pure charity. It is based upon solid considerations of self-interest. It is, in fact, an inescapable part of our own national-security program.

On May 6, when asked by Hon. JAMES P. RICHARDS whether he considered the mutual security authorization to be just as important to the defense of the United States as any equivalent amount in our own defense appropriation bill, Secretary Dulles said:

> Yes, sir. I would even go further than that and say that by and large, cuts in this bill would require in the very near future the expending of more money in terms of our purely national defense than could be cut out of the bill. In other words, I believe that cutting this bill will not, in the long run, involve a saving, but will involve additional cost. I believe that the defense value that the United States gets, for example, out of divisions of other countries, which cost far less to maintain than do United States divisions, which are already located perhaps in a more strategic position to deter aggression than would our forces if they were kept here at home, that to round that out with some additional end items and military equipment from the United States, is the cheapest way in which we can get defense. If we do not do it that way, we will have to do it in a more expensive way. That is, broadly speaking, my view.

Secretary Dulles had also said in his opening statement:

> Our country is confronted by a very grave threat. There is not yet any evidence that this threat has diminished, or will diminish within the foreseeable future. • • • Our mutual security planning must be, and is, long-range. We cannot afford to exhaust ourselves by spasmodic programs designed to meet ever-recurring emergencies. We cannot operate on a day-to-day, hand-to-mouth basis. Instead, we must think in terms of policies and programs that we can

afford to live with for what may be a long period of years.

Statement of Director for Mutual Security Stassen:

I feel we are at one of these crucial points in the history of this country and the free nations, and in which the prospects of peace are in balance. I think that the vital thing is whether or not this country and this Congress are backing the President and the Secretary of State as they endeavor to move in these very complex, delicate, difficult, world problems. This program, with all of its interlocked defense, military, and economic aspects that affect these governments all around the world, is one essential element in the whole picture. You are in a situation where these governments, which have been moving on the basis of certain policies, are being turned in new directions. The President has made it clear, after careful study, that he wants to cut the program down to this level of $5.8 billion. In addition, we have found, within the 1950–53 programs that we can make further savings of $404 million, even thought we have already met * * * certain other needs out of these savings. Thus, you can see that we are not just carelessly issuing funds, and under those circumstances I think it is just tremendously vital to the future prospects of peace and to economic success within America that the President be backed in the program.

Statement of the Secretary of Defense:

Late yesterday afternoon I returned from 3 weeks in Europe. The review of the military situation in the NATO meeting in Paris, the informal discussions which I had with Defense Ministers and military leaders of other nations, and my conversations with our own United States commanders, and inspection of the installations on which United States forces are presently deployed have all led me to the following conclusions:

(a) We have come quite a long way toward the goal of attaining security for the North Atlantic Community;

(b) We still have a long way to go, measured in terms of military, economic, and political strength;

(c) To date no justification has yet appeared to warrant any belief that the danger has disappeared or even appreciably lessened;

(d) We have now reached a posture of defense in NATO where we can determine the rate of further improvement in our military forces in the light of the economic capabilities of NATO nations to sustain a continued defense effort and state of preparedness over an indefinite period of years.

(e) Problems outside the NATO area, particularly in the Pacific where two hot wars are now going on, require individual treatment although they are essentially an important part of the defense of the free world.

You will see as the program for the Far East is laid out for you that, together with the further strengthening of Japan, Formosa, and the Philippines, more than 25 percent of the total proposed military aid is designed to replace weakness with strength in this vitally important area. Likewise the crucial Middle East is not being neglected. In conclusion, it is my opinion, confirmed by the judgment of other members of the executive branch, that this program is what can and should be done by way of military assistance in the fiscal year 1954.

For that reason, I ask all of my colleagues during the debate on this bill to bear in mind that those things which we have in common are greater than the things that divide us; that each one vote bearing in mind the responsibility placed upon him as a Representative to consider the overall good for the United States and not the narrow, sectional interest of the few. We all have in common our belief in God and our respect for the integrity of our fellowmen. We know the purpose of life and we desire to share our responsibility toward our fellowmen. That is why we seek a just peace for ourselves and for all people. This belief and faith have made the United States the leader of the free world. Our Nation has grown and flourished in the defense of these principles, retaining the heritage for which it was founded. No other nation on the face of the earth has so rich an inheritance, so firm a foundation, built as it is upon the recognition of the dignity of man and upon a respect for his civil, social, and spiritual rights. We share our faith and hope with other free nations of the world and even with those who are held in bondage. This common bond has inspired our union with the other nations in quest of our goal against the common enemy. More than anything else, this unity is the target of the enemy's propaganda.

In a sense, fate has aided the common enemy. Political changes in the world have had a delaying effect upon the federation of Europe and upon the ratification of the European defense community. The political change in the United States was the change from a Democratic administration to a Republican administration. The Republican administration has always had a connotation of isolationism. But this was changed during the leadership of Senator Vandenberg. Since his death, there has been a return of the Republican Party's policy to isolationism as is evident by the continual destructive criticism of our foreign policy, and a renunciation of its bipartisan acceptance. It is a fact that the candidate of the Republican Party was the man who, during the Democratic administration, was the executive in charge of putting into operation the collective defense of the free world and of unifying the European defense community. He gave this his unqualified approval.

The Republican Party used as its slogan in the fall campaign, "It is time for a change." No one knew where the change would occur; a change in the beliefs of Candidate Eisenhower; a change in the beliefs of the Republican Party. When this change came, our allies became confused and looked for new hope in new alliances. The death of Stalin brought this new hope. A new regime in the U. S. S. R. might usher in a change of policy. It did just that. Peace overtures were the new order. Disunite the free world—anything to retard the progress of the free world's collective cooperation. This new approach is directed against the United States. Our allies have absorbed and are inclined to believe in this new approach—not the new approach of the Republican Party leadership, but the new approach of the U. S. S. R.

As a result of the many problems in the world the free world is zigzagging along the edge of an abyss. The United States, under the Republican leadership, must continue our leadership and prove to our allies that we have and will continue our commitments of the mutual cooperation program. Let them have this chance to decide on which side they want to be alined.

This bill serves that purpose. It proves this program is a continuation of the past program and passage will mean we are united on our foreign policy program.

The Richards amendment does not prevent new plannnig and new programing. It simply holds back the delivery of 50 percent of the funds for the European Defense Community Nations until they carry out their commitments.

There are several new approaches to the military buildup. This is all in chapter II. The most outstanding is the increase of offshore procurement. This procurement of military equipment by the United States for other nations is done partly in the United States and partly abroad.

The objectives of this program are:

First. To assure delivery in Europe of military items that will meet military requirements according to a predetermined time schedule.

Second. To assure production in Europe of items such as ammunition and spare parts after the initial buildup of supplies with United States assistance.

Third. To create a defense production base in Europe to meet minimum wartime requirements.

Another is the authorization of funds for the assistance to France and the United Kingdom for manufacture in those countries of equipment required by their forces for the defense of the North Atlantic area.

CHAPTER III

This is a new section which authorizes nontransferrable funds for furnishing special weapons—but not atomic energy weapons—such funds to be used for production of weapons upon the determination of the President.

CHAPTER IV

This is a new type of program. It is economic aid over and above technical know-how. Its purpose is to achieve economic development in the Near East and Africa. This is on an area basis in that section of the world where the United States hopes to encourage friendly cooperation among the neighboring countries and where new-found freedom from colonization is still fearful and suspicious of outsiders, including the intention of the United States.

CHAPTER V

In this chapter is found the United States contribution to multilateral organizations including the noteworthy participation in the International Committee for European Migration. This program has gone far in moving the surplus population—refugees, escapees, and expellees—within and without Europe to areas where they can live and work.

It is the continuation of multilateral technical assistance through the United Nations and its specialized agencies, child welfare, and funds for the sending of relief packages going from the United States to foreign countries.

CHAPTER VI

The right to transfer funds within and from the areas is new. It is limited to 10 percent but does not limit these funds in their transfer to the purpose

authorized. This gives greater flexibility to the program.

I want to bring to the attention of my colleagues the fact that this bill in no degree fills the dollar gap. On page 218 of the hearings on this bill we find the following questions and answers:

Mrs. KELLY. Governor, could you tell us to what degree this new program will close the dollar gap?

Mr. STASSEN. We feel that it will supply the balance of payments necessary, on a restricted basis, for fiscal year 1954. In other words, no other European countries will be able to expand their imports from us but if they keep them at about this level, we will be able to have a reasonably satisfactory transitional year in 1954.

Mr. KELLY. You mean you will not have a decrease in that $4.5 billion gap?

Mr. STASSEN. No.

Mrs. KELLY. Not at all if this goes through as is?

Mr. STASSEN. We will fill it by offshore procurement being stepped up, and by a lease agreement on economic aid, and by the overall relations to the rest of the world that are involved in our mutual security program.

It is most unfortunate that the administration has not seen fit to help provide greater markets for our allies, which is the only solution to bring ultimate end to the assistance we must furnish the nations of the free world. Nor was the compromise renewal of the Reciprocal Trade Agreements Act on June 2 a solution. These are basic policies which must be faced at the earliest possible date.

It is indeed misleading for the administration, in presenting this bill, to find basic disagreements. Secretary Humphrey—on page 295 of the hearing—in the discussion of the unobligated balance, said:

Secretary HUMPHREY. Now, you are talking about MSA?

Mr. MERROW. Yes. We have some that will not be obligated.

Secretary HUMPHREY. I think the unobligated should be deducted from the future appropriation. I think it ought to be reduced.

Mr. MERROW. And that would help the budget.

Secretary HUMPHREY. It will not help our expenditures this year but it will help bring down those prior obligations which eventually helps the budget.

Mrs. KELLY. Mr. MERROW, this is in line with your question of Secretary Wilson on Friday when he recommended that we carry over that $1.2 billion of unobligated funds of this June.

Secretary HUMPHREY. Is that Defense or MSA?

Mrs. KELLY. MSA.

Mr. MERROW. I put the two together, both MSA and military assistance.

Secretary HUMPHREY. It is all in the MSA budget. Didn't Mr. Stassen say that he would do that?

Mrs. KELLY. No; here is Mr. MERROW's questioning on Friday. Right down at the bottom of the page, Mr. MERROW. You brought that factor up. The unobligated funds at the end of this current fiscal year would be $1 billion to $2 billion. You asked Mr. Wilson the question, should or could we deduct from this MSA authorization of 1953–54, $5.8 billion, that $1 billion, plus or minus, which would be unobligated this year, and Mr. Wilson strongly stressed the negative. Read the last paragraph.

Mr. MERROW. The response was: I do not think it should be done because I say that it is the major feature to get the job done more than it is an indication that we did not need the money.

This is a controversial program, but we must all bear in mind that assistance to the free world, as authorized in this bill, involves the security of the United States, and this implementation of our foreign policy is our first line of defense.

The CHAIRMAN. There being no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Mutual Security Act of 1953."

Mr. VORYS. Mr. Chairman, the chairman of the Committee on Foreign Affairs wishes me to announce that there will be a meeting of that committee immediately after the Committee rises.

Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ALLEN of Illinois, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 5710) to amend further the Mutual Security Act of 1951, as amended, and for other purposes, had come to no resolution thereon.

HOUR OF MEETING TOMORROW

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

PERSONAL ANNOUNCEMENT

Mr. CHUDOFF. Mr. Speaker, I am advised that there was a rollcall vote on the adoption of the rule for the consideration of the mutual security bill. I was unavoidably detained on official business and therefore could not answer to my name. Had I been present I would have answered "yea."

SPECIAL ORDER GRANTED

Mr. REAMS. Mr. Speaker, I ask unanimous consent that the special order I have for today go over until next Tuesday.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

LONG LIVE LITHUANIA

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, the little Baltic nation was founded 700 years ago. Today it is under forced occupation by the Russian Communists, who suffer from the delusion that they have incorporated it as one of the slave states into the shotgun marriage, that is called the Soviet Union.

The profound faith in God and freedom, strengthened by adversity, is life itself to all Lithuanians.

They have endured much before.

They are blessed with the immortal courage to outlast those who now hold them in chains.

Communism as we know it has had one-third of a century in which to build a record, up to World War I it was only a theory that attracted a few people with its sugary promises. Since then we have seen its poison in action. The record of communism is one of monumental betrayal and cruelty. Upon that it must stand and be judged before it falls.

Already it is beginning to show signs of internal strain.

One would not think so looking at Korea, where, on the surface, the Communists have forced the free world to make a succession of blunders that will be hard to match.

If there are any more Yaltas or Koreas, we will really defeat ourselves.

Before that happens, however, there is a good chance that communism itself will begin to disintegrate because of internal contradictions. If we only have the clear thinking and willpower to give it a push instead of trying to save it.

Moscow is beginning to make a few minor concessions on its own initiative, not for genuine peace or justice, but because the ferment inside the Communist empire is threatening to get out of hand.

They want us to abandon our military buildup while they catch their second wind.

It is both necessary and convenient in their present predicament.

First. Lull us to sleep.

Second. Give them a chance to repair the cracks in the Soviet social and economic structure, while they build up the required supply of A-bombs and other sure missiles.

Third. Hit us with a knockout punch from which we will never regain consciousness.

It is so simple that one cannot understand how any free nation could be fooled by it.

Yet there is the very real danger that those who crave for the illusion of peace at any price, even if only for a year, will be deceived again and become willing instruments of their own eventual destruction.

Little nations like Lithuania know so much more than we do, because the world did not listen to their warnings concerning Soviet doubletalk. While Moscow was reaching out to take over their country.

Lithuania reminds us that the Union of Soviet Socialist Republics was ousted from the League of Nations, on December 14, 1939, because of its aggressive attack upon Finland. Six months later, the Red army poured into Lithuania in a naked aggression that did not even have an

alibi or an excuse to conceal its brutal conquest.

Lithuania bides its time.

It knows that the free world outside cannot go on making one mistake after another. Sometime, by the law of averages, and even by accident, perhaps, it will make the right, honorable, and clear decision.

Meanwhile, Lithuania has the strength and patience of its religious faith and its devotion to freedom to support it during the long, dark hours of its captivity.

From the 700 years of its history, we derive hope for its future.

God bless Lithuania.

If other nations larger in size and richer in material things had one-half of Lithuania's moral fiber, there would be no such evil as communism to torture mankind.

THE SUPREME COURT

The SPEAKER. Under previous order of the House, the gentleman from Georgia [Mr. DAVIS] is recognized for 45 minutes.

Mr. DAVIS of Georgia. Mr. Speaker, I am glad that events of the past few days have focused attention on the Supreme Court of the United States, and have called public attention to its activities. For some days I have been checking into that Court's activities, preliminary to the remarks I intend to make today. When I obtained the special order under which I am speaking, the sentence of the convicted Communists had not been stayed, nor had the resolution been introduced to impeach the Justice who later granted the stay of sentence. My remarks today were not prompted by the Communist spy case, nor any of the events connected with it. However, these events do point up the crying need for the people of the United States to pay attention to what the Supreme Court has been doing for the last 12 to 15 years in usurping legislative functions which do not belong to the judicial department of the Government, in following a course of conduct which amounts, in effect, to judicial legislation, and in otherwise tearing down our institutions.

During that time the Court has followed a course of action which has every appearance of being a studied plan to whittle away and destroy the rights of States and the rights of individuals guaranteed by our Constitution—rights which have been recognized throughout the years, which have been accorded full faith and credit by the Federal Government and all its branches, and which were never questioned until the New Deal philosophy came upon the scene. Its disciples came bold, ambitious, and determined to remake according to their own plans our economy, our way of life, our laws, and our Government. They found that the Supreme Court, as then constituted, was a roadblock in the way of their plans, and that the Court refused to surrender its functions and become a subservient tool.

Angered by this refusal, the then President contemptuously referred to the members of the Court as "nine old men," and called upon Congress to give him the power to pack the Court by increasing its membership, which would have enabled him to pack the Court with members willing to declare that hereafter the provisions of the Federal Constitution should be stretched to fit the laws of the New Deal program instead of measuring the New Deal laws by the yardstick of the Constitution.

When men of courage and integrity in the Congress refused to grant that outrageous demand, the arrogant Chief Executive then demanded that they be purged by the voters, and be replaced by rubber stamps who would vote him the power to pack the Supreme Court. This issue was presented to the people in the elections. They refused to purge the Congress, and refused to the Executive and the New Dealers the requested power to pack the Supreme Court.

However, although the people and the Congress successfully resisted this brazenly announced intention to pack the Court, vacancies did occur which gave the Executive the opportunity to pack the Court. In the final analysis it was packed just as effectively as if the requested power had been granted in the first place.

When this was done, the perfect setup then became complete for this new cult to tear down and destroy our Constitution, which guaranteed the rights of States, local governments, and of individuals. The three steps necessary to remake our economy, our way of life, our laws, and our Government had been arranged. They were first the planners to work out the details of the program, second to the Congress to enact it into law, and third, the Supreme Court to overrule prior decisions and declare all newly enacted measures under the program to be constitutional.

The wheels began to turn. The planners drew the bills, and as fast as they were presented to Congress they were enacted into law. Master planners set up in great detail the machinery for filling all departments of the Federal Government with eager disciples of the new philosophy to administratively handle the program, to see to it that no opposition developed anywhere in the administrative machinery to interfere with the installation and operation of the program. New Dealers were placed in Government positions by the tens of thousands, and the burden of financing a program to destroy the American Government and American institutions was officially placed upon the backs of the American taxpayers, where it has remained and where it has constantly increased, despite the efforts of many of us to prevent it.

Into positions of responsibility and importance were placed such men as Alger Hiss, a protege of one of the present Justices of the Supreme Court, Mr. Frankfurter. Hiss, after being protected by the Government to the extreme limit of its ability to protect him, was finally convicted and is now behind the bars, where he should have been long ago, and where hundreds of his colleagues and cohorts who have never been tried and convicted should be along with him. Two of the present Justices of the Supreme Court exposed their true colors when they went to New York and tried to deceive a court and jury about the real character of Alger Hiss, the traitor, when they told the court that he was a man of good character and reputation.

They were willing to go as witnesses in a trial court, when the issue was whether or not a Communist had been apprehended and should be convicted of perjury, on the one hand, or whether, on the other hand, an upright public official of good character and integrity had been unjustly accused and was entitled to acquittal. He was repudiated, and so were they, by the verdict of the jury.

These two Justices offered no objection that the dignity of the Court or its independence would be adversely affected by their appearance as character witnesses for that defendant. Yet today we have the spectacle of another Justice of that same Court refusing to appear before a subcommittee of Congress which is making a legitimate inquiry into the activities of a department of Government at a time when that Justice was the head of that Department. The subject of the inquiry is corruption, misfeasance, and malfeasance in the Department. The former head of it ought to be glad to help give the American people all of the facts connected with his administration of the Department. We find a different attitude entirely on his part about appearing before an investigative body seeking the truth. This member of the Court says his appearance before the committee would injure the independence of the Court. He seems to think it is more important to maintain the independence of the Court than to give to the American people facts which are peculiarly within his own knowledge. This is his attitude, notwithstanding the fact that the question under investigation has no connection with the Supreme Court, does not bring any act of the Supreme Court before the judgment of the committee or under its scrutiny, and could not affect the dignity or the independence of the Supreme Court, unless it could be contended that an inquiry by the committee into the question of whether he was a rascal or not might have such effect. So we have this situation: Two Justices of the Supreme Court, one of them being largely responsible for filling up our Government with people like Alger Hiss, willing to appear and testify in behalf of a betrayer of his country, his people, and Government, and to give to their testimony all the prestige which goes with the position of Supreme Court Justice without concern for the dignity or independence of the Court. On the other hand, we have a person now a member of the Court refusing to testify as to his conduct when he was head of another agency of Government because he feels duty bound to protect the independence, dignity, and prestige of the Court. The truth is the Court suffers far more by his refusal to appear and testify than

it would because of his testimony, whatever it might be. If he does not voluntarily appear and testify, he should be subpenaed and forced to testify. He does not possess the claimed immunity, in my opinion.

In an article in the January 7, 1952, issue of Newsweek, entitled "Shadow Over the Court," by Raymond Moley, it was stated that the Roosevelt selections of Supreme Court appointees from Hugo Black to Wiley Rutledge, eight in number, were all selected largely because they were sympathetic with the Roosevelt New Deal. That article pointed out that personal government became the rule under President Roosevelt, and that President Truman retained personal control and added machine methods. The author asserted that then a new code of ethics prevailed which was lower than that which is expected to govern private life or real party life, and that the result lies before us in the current disclosures of sordid official conduct.

I quote the following from that article:

Another and very simple illustration of what happens when personalized machine rule supplants party government is what has happened to the Supreme Court.

A fair review of history will support the proposition that in general Presidents in selecting members of the Supreme Court from 1789 to 1937 imposed one or both of these qualifying tests: Distinguished service on the bench or at the bar; notable and honorable party service. In practically every case where a party leader has been selected, he has also had important experience in the practice of law. It is true that at times when party passions ran high, adherence to the policies preferred by the President was taken into consideration, but in the famous case of Roger B. Taney there had been a demonstration of a high order of legal ability.

The author concludes Shadow Over the Court with the following paragraph:

The Supreme Court is and has always been a human institution. Party conflict and personal ambitions have frequently knocked at its door. But the immense respect, not to say reverence, which it has won is a matter of vital national interest. If, because of the tests followed by Presidents in making appointments or the conduct of the Justices themselves, that respect is impaired, something fine and noble will pass from our Nation's life. And it cannot be denied that some of that prestige has been lost and more will be lost if present conditions continue.

Mr. FORRESTER. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Georgia.

Mr. FORRESTER. I want to say to my colleague that I wish there was a larger audience here to hear the gentleman. I happen to know that the gentleman who is addressing us at this time has one of the finest and one of the most enviable records of any lawyer and judge that the State of Georgia has ever produced.

Mr. DAVIS of Georgia. I thank the gentleman.

Mr. FORRESTER. In connection with that, I want to say that I know of no man who loves the courts and the judiciary more than does the gentleman who is now addressing this body. I know that it pains the gentleman to feel it necessary to offer these criticisms because I know that there is no one who respects an honest and intelligent judiciary more than does the gentleman.

Mr. DAVIS of Georgia. The gentleman is certainly correct.

Mr. FORRESTER. I know that the gentleman is doing this, not for the pleasure he gets out of it, but because he is absolutely of the opinion that this country cannot be saved from without, that this country has got to be saved from within, and I know that the gentleman in his long experience has known for a long time that a packed jury or a packed court will not do, I do not care what the motive is. Certainly, no lawyer of experience can deny that the respect for the highest court in this land is at the lowest ebb in the history of this country. There are reasons for that. As a matter of fact, those who have followed the decisions of the Supreme Court could not help but be impressed by the fact that even Members themselves have said its decisions are nothing more than a ticket which says: Good for 1 day on a particular train for 1 ride only. That is a horrible situation.

There is no doubt but what that court has completely annihilated precedents and landmarks and it has had the audacity so to do without the citation of a single authority. In other words, I say that they have been a court running wild completely without any check or without any balance. The gentleman is correct, they were political appointees. I feel very keenly, and I know the gentleman does, too, because if they had wanted to give the South representation, my State and the gentleman's State had one of the finest lawyers that this country has ever produced. I refer to none other than Senator WALTER F. GEORGE, who adorned the supreme bench of the State of Georgia.

Mr. DAVIS of Georgia. I concur with the gentleman in that remark. I could suggest another able lawyer of unquestioned integrity and ability, Judge Samuel H. Sibley, who served in the United States District Court for the Northern District of Georgia and upon the circuit court of appeals.

Mr. FORRESTER. I am glad the gentleman referred to Judge Samuel Sibley. When politics were removed, it was conceded that Judge Samuel Sibley, of Georgia, was the finest Federal court judge in the United States. The only criticism of Judge Sibley was that he possibly would not bring political philosophy into court, that he left that on the outside. That was the objection to Senator GEORGE. But, thank God, down in Georgia our judiciary always leaves the political angle on the outside.

Mr. DAVIS of Georgia. I thank the gentleman sincerely for those remarks, and I concur in what he has just said.

At least a majority of these justices seem to have an exaggerated idea of their sanctity, and a distorted conception of their powers. The great number of previously existing Supreme Court decisions which they have overruled clearly shows they do not feel themselves bound by precedent or by the Constitution as it has been understood by the American people in years past. In the period from 1937 to date the Court has rendered 32 decisions, each of which has overruled a case previously decided by the Supreme Court, construing the Constitution and establishing principles of law accepted and relied upon by both the Courts and the public for long periods of years.

I list at this point the name and citations of the overruling case, the year in which it was overruled, the vote by which it was overruled, the name and citation of the overruled case, the year in which that case was decided, the vote by which it was decided, and the age of the overruled case at the time it was overruled:

	Overruling case	Term	Vote	Overruled case	Term	Vote	Age (years)
1.	*Helvering* v. *Producers Corp.* (303 U. S. 376)	1937	5 to 2	*Gillespie* v. *Oklahoma* (257 U. S. 501)	1921	6 to 3	16
				Burnet v. *Coronado Oil & Gas Co.*, (285 U. S. 393)	1931	5 to 4	6
2.	*Erie R. Co.* v. *Tompkins* (304 U. S. 64)	1937	8 to 0	*Swift* v. *Tyson* (16 Pet. 1)	1842	Unanimous	95
3.	*Graves* v. *N. Y. ex rel. O'Keefe* (306 U. S. 466)	1938	7 to 2	*Collector* v. *Day* (11 Wall. 113)	1870	8 to 1	68
				N. Y. ex rel. Rogers v. *Graves* (299 U. S. 401)	1936	8 to 0	2
4.	*O'Malley* v. *Woodrough* (307 U. S. 277)	1938	7 to 1	*Miles* v. *Graham* (268 U. S. 501)	1924	8 to 1	14
5.	*Madden* v. *Kentucky* (309 U. S. 83)	1939	7 to 2	*Colgate* v. *Harvey* (296 U. S. 404)	1935	6 to 3	4
6.	*Helvering* v. *Hallock* (309 U. S. 106)	1939	do	*Helvering* v. *St. Louis Trust Co.* (296 U. S. 39)	1935	5 to 4	4
				Becker v. *St. Louis Trust Co.* (296 U. S. 48)	1935	do	4
7.	*Tigner* v. *Texas* (310 U. S. 141)	1939	8 to 1	*Connolly* v. *Union Sewer Pipe Co.* (184 U. S. 540)	1901	7 to 1	38
8.	*United States* v. *Darby* (312 U. S. 100)	1940	Unanimous	*Hammer* v. *Dagenhart* (247 U. S. 251)	1917	5 to 4	23
				Carter v. *Carter Coal Co.* (298 U. S. 238; limited)	1935	do	5
9.	*United States* v. *Chicago, M., St. P. & R. Co.* (312 U. S. 592)	1940	do	*United States* v. *Lynch* (188 U. S. 445; overruled in part)	1902	5 to 3	38
10.	*Nye* v. *United States* (313 U. S. 33)	1940	6 to 3	*Toledo Newspaper Co.* v. *United States* (247 U. S. 402)	1917	5 to 2	23
11.	*California* v. *Thompson* (313 U. S. 109)	1940	Unanimous	*DiSanto* v. *Pennsylvania* (273 U. S. 34)	1926	6 to 3	14
12.	*Olson* v. *Nebraska* (313 U. S. 236)	1940	do	*Ribnik* v. *McBride* (277 U. S. 350)	1927	do	13
13.	*Alabama* v. *King & Boozer* (314 U. S. 1)	1941	8 to 0	*Panhandle Oil Co.* v. *Knox* (277 U. S. 218)	1927	5 to 4	14
				Graves v. *Texas Co.* (298 U. S. 393)	1935	6 to 2	6
14.	*State Tax Comm'n* v. *Aldrich* (316 U. S. 174)	1941	7 to 2	*First National Bank* v. *Maine* (284 U. S. 312)	1931	6 to 3	10
15.	*Williams* v. *North Carolina* (317 U. S. 287)	1942	do	*Haddock* v. *Haddock* (201 U. S. 562)	1906	5 to 4	37
16.	*Brady* v. *Roosevelt S. S. Co.* (317 U. S. 575)	1942	Unanimous	*Fleet Corp.* v. *Lustgarten* (280 U. S. 320)	1929	Unanimous	13
17.	*Jones* v. *Opelika* (319 U. S. 103)	1942	5 to 4	*Jones* v. *Opelika* (316 U. S. 584; reversed on reargument)	1941	5 to 4	1
18.	*Oklahoma Tax Comm'n* v. *U. S.* (319 U. S. 598)	1942	do	*Childers* v. *Beaver* (270 U. S. 555)	1925	Unanimous	17

Overruling case	Term	Vote	Overruled case	Term	Vote	Age (years)
19. *Board of Education* v. *Barnette* (319 U. S. 624)	1942	6 to 3	*Minersville School Dist.* v. *Gobitis* (310 U. S. 586)	1939	8 to 1	3
20. *Federal Power Comm'n* v. *Hope Gas Co.* (320 U. S. 591).	1943	5 to 3	*United Railways* v. *West* (280 U. S. 234; overruled in part)	1929	6 to 3	14
21. *Mercoid Corp.* v. *Mid-Continent Co.* (320 U. S. 661)	1943	5 to 4	*Leeds & Catlin Co.* v. *Victor Talking Machine Co. (No. 2)* (213 U. S. 325; limited).	1908	Unanimous	35
22. *Mahnich* v. *Southern S. S. Co* (321 U. S. 96)	1943	7 to 2	*Plamals* v. *Pinar Del Rio* (277 U. S. 151; overruled in part)	1927	do	16
23. *Smith* v. *Allwright* (321 U. S. 649)	1943	8 to 1	*Grovey* v. *Townsend* (295 U. S. 45)	1934	do	9
24. *United States* v. *Underwriter's Ass'n* (322 U. S. 533)	1943	4 to 3	*Paul* v. *Virginia* (8 Wall. 168; overruled in part)	1868	do	75
25. *Girouard* v. *United States* (328 U. S. 61)	1945	5 to 3	*United States* v. *Schwimmer* (279 U. S. 644)	1928	6 to 3	17
			United States v. *Macintosh* (283 U. S. 605)	1930	5 to 4	15
			United States v. *Bland* (283 U. S. 636)	1930	5 to 4	15
26. *Angel* v. *Bullington* (330 U. S. 183)	1946	6 to 3	*Lupton's Sons Co.* v. *Automobile Club* (225 U. S. 489; rendered obsolete by prior change in law).	1911	Unanimous	35
27. *Sherrer* v. *Sherrer* (334 U. S. 343)	1947	7 to 2	*Andrews* v. *Andrews* (188 U. S. 14; overruled in part)	1902	5 to 3	45
28. *Lincoln Union* v. *Northwestern Co.* (335 U. S. 525)	1948	Unanimous	*Adair* v. *United States* (208 U. S. 161)	1907	6 to 2	41
			Coppage v. *Kansas* (236 U. S. 1)	1914	6 to 3	34
29. *Commissioner* v. *Church* (335 U. S. 632)	1948	6 to 3	*May* v. *Heiner* (281 U. S. 238)	1929	Unanimous	19
30. *Oklahoma Tax Commission* v. *Texas Co.* (336 U. S. —).	1948	Unanimous	*Choctaw & Gulf R. Co.* v. *Harrison* (235 U. S. 292)	1914	do	34
			Indian Oil Co. v. *Oklahoma* (240 U. S. 522)	1915	do	33
			Howard v. *Gipsy Oil Co.* (247 U. S. 503)	1917	do	31
			Large Oil Co. v. *Howard* (248 U. S. 549)	1918	do	30
			Oklahoma v. *Barnsdall Corp.* (296 U. S. 521)	1935	do	13
31. *United States* v. *Rabinowitz* (1950) (339 U. S. 56, 66, 86).	1949	5 to 3	*Trupiano* v. *United States* (1949) (334 U. S. 669)	1947	5 to 4	2
32. *Joseph Burstyn Inc.*, v. *Wilson* (1952) (343 U. S. 495, 502).	1951	Unanimous	*Mutual Film Corp.* v. *Ohio Industrial Comm'n* (1915) (236 U. S. 230).	1914	Unanimous	36

The cases overruled have been the established law of the land for varying periods of years ranging from 1 year to 95 years.

So notorious has the present Court become for striking down recognized existing principles of law and setting up new and conflicting principles in its stead, and so great has become the uncertainty as to what the Constitution means or what the law really is, that members of the Supreme Court itself have complained about this sort of judicial action on the part of the Court and have severely criticized it.

In commenting on the value of such decisions as legal precedents, Justice Roberts, in the case of *Smith* v. *Allwright et al.* (321 U. S. 649) said on page 669:

> The reason for my concern is that the instant decision overruling one announced about 9 years ago tends to bring adjudications of this tribunal into the same class as a restricted railroad ticket, "good for this day and train only."

These are the kind of decisions which this packed Court has been rendering, and which the American people are called upon to respect and observe, notwithstanding the fact that they are tearing down our American institutions as they existed under the Constitution for years and generations. They are substituting systems and philosophies new, radically different, completely at variance with the established order, and completely at variance with accepted decisions rendered by courts which were not packed, whose members were not selected to sponsor any philosophy, but because of their recognized ability, learning, and demonstrated integrity.

In many respects the decisions of this current Court have had the effect of changing the meaning of provisions of our Constitution.

I protest such conduct. When the time comes to change existing provisions of the Constitution, that instrument itself provides a definite and distinct method of change by amendment. Such change by amendment will reflect the will of the people.

In my opinion it never was, and is not now, a proper function of the Supreme Court to render decisions, the substantial effect of which is to amend the Constitution. The Supreme Court has authority to construe the Constitution, not to amend it.

In an address on July 29, 1949, Donald R. Richberg said to the Virginia State Bar Association at their annual meeting:

> As an active practitioner, and a prospective teacher, of constitutional law I must make a clear distinction between what the law is and what the law ought to be. The Supreme Court is the final arbiter of what the law is. But the people are the final arbiter of what the law ought to be and eventually shall be. If they believe that the National Government should have and exercise greater powers to promote the general welfare, they will find the way to enlarge its authority. If they believe that more local self-government is essential to their liberties and their pursuit of happiness, they will find the way to enlarge the authority of the States and the municipalities.

Mr. WILLIAMS of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Mississippi.

Mr. WILLIAMS of Mississippi. I would like also to compliment the gentleman for the very courageous statement he has made to the House. In my opinion, the most dangerous thing that confronts our American institutions today is the tendency on the part of our present Supreme Court to legislate judicially. The division of powers, the division of authority, under our Constitution to me is sacred. I am very much disturbed by the manner in which the Congress is being bypassed in the matter of legislation, not only by the executive department, whom we are prone to criticize mostly, but also and perhaps most dangerously by the present Supreme Court. I compliment the gentleman and I thank him for having made those remarks.

Mr. DAVIS of Georgia. I appreciate sincerely the remarks of the gentleman and his fine contribution to this subject.

I agree with that principle of law. I intend to talk some more on the activities of the Supreme Court in usurping legislative functions and in enacting judicial legislation.

Inasmuch as my special order for today has about expired and the hour is growing late, I shall conclude these remarks now, but I shall deal with this subject more in the future.

Mr. WHEELER. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Georgia.

Mr. WHEELER. I wish to compliment the gentleman on the very fine statement he has just made. Not only do I compliment him, but I would like to associate myself with the remarks just made by the gentleman.

Mr. DAVIS of Georgia. I thank the gentleman.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Iowa.

Mr. GROSS. I, too, want to commend the gentleman not only on the excellence of his statement but on his courage in making the statement. I hope he will notify all Members of Congress when he makes a further presentation on this subject. I want to be here.

Mr. DAVIS of Georgia. I thank the gentleman from Iowa very much.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Appendix of the RECORD, or to revise and extend remarks, was granted to:

Mr. RADWAN.

Mr. HOSMER and to include extraneous matter.

Mr. YOUNG and to include extraneous matter.

Mr. SHEEHAN.

Mr. CANFIELD and to include an editorial.

Mr. SPRINGER and to include an article.

Mr. GROSS and to include a speech made by Mr. BURDICK before the American Flag Committee in Philadelphia.

Mr. MILLER of Nebraska and to include a letter.

Mrs. CHURCH and to include a clipping.

Mr. JUDD in two instances and to include extraneous matter.

Mr. HAGEN of Minnesota in two instances and to include extraneous material.

Mr. KERSTEN of Wisconsin in three instances and to include extraneous matter.

Mr. ELLIOTT in two instances and to include extraneous matter.

Mr. ZABLOCKI and to include extraneous matter.

Mr. METCALF in two instances and to include extraneous matter.

Mr. MILLER of Kansas in two instances and to include a letter.

Mr. HELLER and to include extraneous material.

Mr. HOFFMAN of Illinois (at the request of Mr. JONAS of Illinois).

Mr. CURTIS of Missouri.

Mr. SCOTT and to include two editorials.

Mr. NEAL (at the request of Mr. HALLECK) and to include an editorial.

Mr. WOLVERTON (at the request of Mr. SMITH of Wisconsin) in four instances and to include extraneous matter.

Mr. MERROW to revise and extend his remarks in Committee of the Whole and to include extraneous matter.

Mr. MILLER of Maryland and to include a letter.

Mr. HELLER (at the request of Mr. LANE).

Mr. RAINS (at the request of Mr. BATTLE) and to include a speech by Hon. KENNETH ROBERTS.

Mr. LANE and to include an article notwithstanding the fact that the cost of printing is estimated to be $224.

Mr. FULTON and to include extraneous matter in remarks made by him in Committee of the Whole.

Mr. WILLIAMS of Mississippi and to include extraneous matter in remarks made by him in Committee of the Whole.

Mr. ROONEY in two instances in one to include an editorial and a newspaper article from the Brooklyn Eagle and in the other a communication from the American Retail Association.

Mr. BEAMER and to include an editorial.

Mr. REES of Kansas and to include extraneous matter.

Mr. GWINN and to include extraneous matter.

ENROLLED BILL SIGNED

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 5312. An act to provide for the more effective prevention, detection, and punishment of crime in the District of Columbia.

BILL PRESENTED TO THE PRESIDENT

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee did on this day present to the President for his approval a bill of the House of the following title:

H. R. 5312. An act to provide for the more effective prevention, detection, and punishment of crime in the District of Columbia.

ADJOURNMENT

Mr. WAMPLER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 59 minutes p. m.), under its previous order, the House adjourned until tomorrow, Friday, June 19, 1953, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

783. A letter from the Acting General Counsel, Office of the Secretary of Defense, transmitting a draft of a proposed bill entitled, "A bill to provide for ordering certain members of the Reserve components and retired members of the Armed Forces of the United States to active duty, and for other purposes"; to the Committee on Armed Services.

784. A letter from the Acting General Counsel, Office of the Secretary of Defense, transmitting a draft of a proposed bill entitled, "A bill to amend section 2680 (j) of title 28, United States Code, so as to permanently exclude claims arising out of combatant activities from the Federal Tort Claims Act and the jurisdiction of the United States district courts"; to the Committee on the Judiciary.

785. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated July 29, 1952, submitting an interim report, together with accompanying papers and illustrations, on Copper River and gulf coast, Alaska. This interim report is submitted under the authority for a preliminary examination and survey of harbors and rivers in Alaska, authorized by the Flood Control Act approved on June 30, 1948. It is also in final response to preliminary examinations and surveys of Valdez Harbor, Alaska, and Cordova Harbor, Alaska, authorized by the River and Harbor Act approved on March 2, 1945; and review of reports on Cordova Harbor, Alaska, requested by the Committee on Rivers and Harbors, House of Representatives, adopted on February 28, 1941 (H. Doc. No. 182); to the Committee on Public Works and ordered to be printed, with illustrations.

786. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated July 11, 1952, submitting a report, together with accompanying papers and an illustration, on a review of reports on the lower Mississippi River, with a view to determining whether improved flood protection should be provided for in the New Madrid floodway, Missouri, requested by a resolution of the Committee on Public Works, House of Representatives, adopted on April 18, 1951 (H. Doc. No. 183); to the Committee on Public Works and ordered to be printed, with one illustration.

787. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated July 8, 1952, submitting a report, together with accompanying papers and illustrations, on a cooperative beach-erosion-control study of Ocean City, N. J., prepared under the provisions of section 2 of the River and Harbor Act approved on July 3, 1930, as amended and supplemented (H. Doc. No. 184); to the Committee on Public Works and ordered to be printed, with five illustrations.

788. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated December 1, 1952, submitting a report, together with accompanying papers and an illustration, on a review of reports on Arkansas River and tributaries, with a view to determining if improvement in the interest of flood control and related purposes at Enid, Okla., and the waterways contiguous thereto, is advisable at the present time, requested by a resolution of the Committee on Public Works, House of Representatives, adopted on January 28, 1947 (H. Doc. No. 185); to the Committee on Public Works and ordered to be printed, with one illustration.

789. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated August 22, 1952, submitting a report, together with accompanying papers and illustrations, on a cooperative beach-erosion-control study of Virginia Beach, Va., prepared under the provisions of section 2 of the River and Harbor Act approved on July 3, 1930, as amended and supplemented (H. Doc. No. 186); to the Committee on Public Works and ordered to be printed, with seven illustrations.

790. A letter from the Acting Secretary of the Interior, transmitting a report on the Fryingpan-Arkansas project, Colorado, pursuant to section 9 (a) of the Reclamation Project Act of 1939 (53 Stat. 1187) (H. Doc. No. 187); to the Committee on Interior and Insular Affairs and ordered to be printed, with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. TALLE: Committee on the District of Columbia. S. 1839. An act to amend section 32 of the Fire and Casualty Act, so as to provide that an agent or solicitor may secure a license to solicit accident and health insurance in the District of Columbia under that act without taking the prescribed examination, if he is licensed under the Life Insurance Act; with an amendment (Rept. No. 603). Referred to the Committee of the Whole House on the State of the Union.

Mr. TALLE: Committee on the District of Columbia. H. R. 2582. A bill to amend section 12 of chapter V of the act of June 19, 1934, as amended, entitled "An act to regulate the business of life insurance in the District of Columbia"; with an amendment (Rept. No. 604). Referred to the Committee of the Whole House on the State of the Union.

Mr. KEARNS: Committee on the District of Columbia. H. R. 2236. A bill for the establishment of a Commission on Area Problems of the Greater Washington Metropolitan Area; with an amendment (Rept. No. 605). Referred to the Committee of the Whole House on the State of the Union.

Mr. WOLCOTT: Committee on Banking and Currency. S. 1376. An act to amend section 503 of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended; without amendment (Rept. No. 627). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. TALLE: Committee on the District of Columbia. S. 2032. An act to modernize the charter of Washington Gas Light Co., and for other purposes; with an amendment (Rept. No. 602). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary: S. 173. An act for the relief of Socorro Gerona de Castro; without amendment (Rept. No. 606). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 226. An act for the relief of Keiko Tashiro; without amendment (Rept. No. 607). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 297. An act for the relief of Dr. Arthur Tye; without amendment (Rept. No. 608). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 314. An act for the relief of Cornelius A. Navori; without amendment (Rept. No. 609). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 315. An act for the relief of Owen Lowrey; without amendment (Rept. No. 610). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 349. An act for the relief of May Ling Ng; without amendment (Rept. No. 611). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 458. An act for the relief of Angelo Gurisetti Podesta, without amendment (Rept. No. 612). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 505. An act for the relief of Rev. John T. MacMullen; without amendment (Rept. No. 613). Referred to the Committe of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 604. An act for the relief of Maria Neglia and Angelo Neglio; without amendment (Rept. No. 614). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 616. An act for the relief of Dr. Albert Haas; without amendment (Rept. No. 615). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 1039. An act for the relief of Mr. and Mrs. Lucillo Grassi; with an amendment (Rept. No. 616). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 1262. An act for the relief of Stefanos A. Spilios, also known as Stephen A. Harrison; without amendment (Rept. No. 617). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 1579. An act for the relief of Mieko Kristine; without amendment (Rept. No. 618). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 3619. A bill for the relief of Rufin Manikowski; with an amendment (Rept. No. 619). Referred to the Committee of the Whole House.

Mr. HILLINGS: Committee on the Judiciary. H. R. 4100. A bill for the relief of Mrs. Lau Hong Shee; without amendment (Rept. No. 620). Referred to the Committee of the Whole House.

Mr. HILLINGS: Committee on the Judiciary. H. R. 4101. A bill for the relief of Hidenori Utada; without amendment (Rept. No. 621). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 4375. A bill for the relief of Julia S. Criswell; with an amendment (Rept. No. 622). Referred to the Committee of the Whole House.

Mr. CELLER: Committee on the Judiciary. H. R. 4440. A bill for the relief of Hilde Kretz Sforza; without amendment (Rept. No. 623). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 4620. A bill for the relief of Natale Joseph John Ratti; without amendment (Rept. No. 624). Referred to the Committee of the Whole House.

Mr. CELLER: Committee on the Judiciary. H. R. 5118. A bill for the relief of Louise Kaden and Elke Beate Kaden; without amendment (Rept. No. 625). Referred to the Committee of the Whole House.

Mr. CELLER: Committee on the Judiciary. H. R. 5470. A bill for the relief of Salvatore Mario Veltri; without amendment (Rept. No. 626). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BAILEY:

H. R. 5823. A bill relating to the legal limits within which the import tax applicable to crude petroleum and residual fuel oil may be increased or decreased by the President; to the Committee on Ways and Means.

By Mr. CHELF:

H. R. 5824. A bill to repeal title 28, section 1651 (b), of the United States Code, and for other purposes; to the Committee on the Judiciary.

By Mr. DINGELL:

H. R. 5825. A bill to authorize the issuance of 240,000 special quota immigrant visas to certain Polish war veterans, escapees, German expellees, and nationals of Italy, Greece, and the Netherlands, and for other purposes; to the Committee on the Judiciary.

By Mr. DONOHUE:

H. R. 5826. A bill to authorize the President to donate surplus Federal property to individuals in a major-disaster area; to the Committee on Public Works.

By Mr. HAGEN of Minnesota:

H. R. 5827. A bill conferring jurisdiction upon the Indian Claims Commission to hear and determine the claims of the Pottawatomie Indians; to the Committee on Interior and Insular Affairs.

By Mr. HOSMER:

H. R. 5828. A bill to provide recognition as veterans of the Indian wars for persons who took part in the capture of the Ute Indians in 1906, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. BATES:

H. R. 5829. A bill to further encourage the distribution of fishery products, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. FARRINGTON:

H. R. 5830. A bill to withdraw and restore to its previous status under the control of the Territory of Hawaii certain land at Kaakaukukui, Honolulu, Oahu, T. H.; to the Committee on Interior and Insular Affairs.

H. R. 5831. A bill to enable the Hawaiian Homes Commission of the Territory of Hawaii to exchange available lands as designated by the Hawaiian Homes Commission Act, 1920, for other public lands; to the Committee on Interior and Insular Affairs.

H. R. 5832. A bill to amend section 73 of the Hawaiian Organic Act; to the Committee on Interior and Insular Affairs.

H. R. 5833. A bill to authorize the Commissioner of Public Lands of the Territory of Hawaii to exchange certain public lands for private lands of equal value required for school purposes; to the Committee on Interior and Insular Affairs.

By Mr. H. CARL ANDERSEN:

H. R. 5834. A bill to include in section 16 of the act of June 18, 1934 (48 Stat. 984), the Mdewakanton and Wahpekute Sioux Indians of the State of Minnesota; to the Committee on Interior and Insular Affairs.

By Mr. SAYLOR (by request):

H. R. 5835. A bill to revise the Organic Act of the Virgin Islands of the United States; to the Committee on Interior and Insular Affairs.

By Mr. KEARNS:

H. Res. 294. Resolution to authorize the Committee on Un-American Activities to investigate and study the sponsorship of the mass migration of Communists and fellow travelers to Washington on June 18, 1953; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Michigan, memorializing the President and the Congress of the United States to request the Federal Government to give consideration to the Hearst plan for better roads; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BATES (by request):

H. R. 5836. A bill for the relief of Christos Moustakis; to the Committee on the Judiciary.

By Mr. BOLAND:

H. R. 5837. A bill for the relief of Stavroula Nicholas Rupakias; to the Committee on the Judiciary.

By Mr. BROYHILL:

H. R. 5838. A bill to authorize and direct the Postmaster General to adjust the rental currently being paid to the Henry Knox Field Lodge, No. 349, for the use of its premises as a post office station, so as to bring such rental in line with the general rental level in the area; to the Committee on Post Office and Civil Service.

By Mr. DOYLE:

H. R. 5839. A bill for the relief of Stefano Panizza; to the Committee on the Judiciary.

By Mr. FARRINGTON:

H. R. 5840. A bill to authorize the Hawaiian Homes Commission to exchange certain Hawaiian Homes Commission land and certain easements for certain lands in private ownership; to the Committee on Interior and Insular Affairs.

By Mr. HESELTON:

H. R. 5841. A bill for the relief of Boris Ivanovitch Oblesow; to the Committee on the Judiciary.

By Mr. JARMAN:

H. R. 5842. A bill for the relief of Viktor R. Kandilin; to the Committee on the Judiciary.

By Mr. SHORT:

H. R. 5843. A bill for the relief of Kimie Hayashi Crandall; to the Committee on the Judiciary.

By Mr. SHUFORD:

H. R. 5844. A bill for the relief of George D. Hopper; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

341. By Mr. BEAMER: Petition of 28 citizens of Jay County, Ind., in regard to the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

342. By Mr. GOODWIN: Petition of the Massachusetts Legislature to Congress to retain the New England regional office of the Wage and Hour Division of the United States Department of Labor in the city of Boston, and the branch office of said division in the city of Springfield; to the Committee on Appropriations.

343. By the SPEAKER: Petition of the field secretary, American Friends of the Middle East, Inc., New York City, supporting the request made by the President of the United States to Congress that 1 million tons of wheat be granted to the drought-stricken area of Pakistan; to the Committee on Agriculture.

344. Also, petition of the Board of Aldermen, city of Chelsea, Mass., relative to the curtailment of works at the Boston Navy Yard; to the Committee on Armed Services.

345. Also, petition of the president, Tarrant County Republican Women's Club, Fort Worth, Tex., relative to an immediate end to the policy of appeasement by Representatives of the United States regarding the Korean situation; to the Committee on Foreign Affairs.

346. Also, petition of H. P. Phoenix and others, of St. Petersburg, Fla., requesting passage of House bills 2446 and 2447 social-security legislation known as the Townsend plan; to the Committee on Ways and Means.

HOUSE OF REPRESENTATIVES

FRIDAY, JUNE 19, 1953

The House met at 11 o'clock a. m.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

God of all goodness, we are again uniting our hearts in the fellowship of prayer, grateful for the many joys which cheer us and the trials which teach us to put our trust in Thee.

May we accept the tasks and responsibilities of our high vocation without fear or complaint for Thou art our wisdom and strength, a very present help in time of trouble.

Help us to understand that in the building of a better world we must have the counsel and cooperation, the influence and impact of a united people.

Show us how we may overcome our feelings of pride and prejudice and may the day soon dawn when there shall be the spirit of peace and brotherhood among all the nations of the earth.

To Thy name we ascribe all the praise. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 1434. An act to amend the act of February 24, 1925, incorporating the American War Mothers;

H. R. 2113. An act to amend the act incorporating the American Legion so as to redefine (a) the powers of said corporation, (b) the right to use of the name "The American Legion" and "American Legion";

H. R. 2456. An act to amend the act of October 11, 1951, authorizing the President to proclaim regulations for preventing collisions at sea, and for other purposes; and

H. R. 5069. An act to prohibit the introduction or movement in interstate commerce of articles of wearing apparel and fabrics which are so highly flammable as to be dangerous when worn by individuals, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H. J. Res. 238. Joint resolution granting the status of permanent residence to certain aliens.

The message also announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 631. A act to permit veterans to suspend or delay their programs of education or training under the Veterans' Readjustment Assistance Act of 1952 in order to perform services as missionaries;

S. 967. An act to extend the duration of the Hospital Survey and Construction Act (title VI of the Public Health Service Act);

S. 977. An act to amend the National Science Foundation Act of 1950;

S. 1402. An act to require the establishment of adequate provisions relating to the appointment or retention of certain female Reserve personnel with minor or dependent children;

S. 1515. An act granting the consent of Congress to certain Western States and the Territories of Alaska and Hawaii to enter into a compact relating to higher education in the Western States and establishing the Western Interstate Commission for Higher Education;

S. 1665. An act to amend the Federal Credit Union Act;

S. 1684. An act to facilitate civil-service appointment of persons who lost opportunity therefor because of service in the Armed Forces after June 30, 1950, and to provide certain benefits upon appointment;

S. 2033. An act relating to the labeling of packages containing foreign-produced trout sold in the United States, and requiring certain information to appear on the menus of public eating places serving such trout;

S. 2097. An act to increase the amount authorized to be appropriated for the construction of the Eklutna project;

S. J. Res. 3. Joint resolution proposing an amendment to the Constitution of the United States relative to the taking of private property; and

S. J. Res. 37. Joint resolution to authorize the erection of a memorial to Sara Louisa Rittenhouse in Montrose Park, D. C.

The message also announced that the Presiding Officer of the Senate had appointed Mr. TOBEY, Mr. SALTONSTALL, Mr. BRICKER, Mr. HOEY, Mr. SMITH of North Carolina, and Mr. KENNEDY as members on the part of the Senate of the Joint Committee on Observance of the Fiftieth Anniversary Year of Controlled Powered Flight created by Public Law 32, 83d Congress.

The message also announced that the Vice President has appointed Mr. CARLSON and Mr. JOHNSTON of South Carolina as members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 53-11.

SPECIAL ORDERS GRANTED

Mr. PRICE asked and was granted permission to address the House today for 30 minutes, following the legislative business of the day and any other special orders heretofore entered.

Mr. WHEELER asked and was granted permission to address the House on Monday next for 1 hour, following the legislative business of the day and any other special orders heretofore entered.

Mrs. ROGERS of Massachusetts asked and was granted permission to address the House today for 5 minutes, following the legislative business of the day and any other special orders heretofore entered.

GENERAL LEAVE TO REVISE AND EXTEND REMARKS

Mr. VORYS. Mr. Speaker, I ask unanimous consent that all Members who may speak today on the bill H. R. 5710 may have leave to revise and extend their own remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

CALL OF THE HOUSE

Mr. SMITH of Wisconsin. Mr. Speaker, a point of order. I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ARENDS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 59]

Becker	Gubser	Oakman
Blatnik	Hale	O'Brien, N. Y.
Bolling	Harrison, Nebr.	O'Hara, Minn.
Buckley	Hoffman, Ill.	Philbin
Bush	Jackson	Phillips
Chudoff	Kee	Powell
Crosser	Kilday	Radwan
Davis, Tenn.	Kirwan	Rivers
Dawson, Ill.	Lantaff	Staggers
Dies	McIntire	Sutton
Dingell	Machrowicz	Teague
Dodd	Mack, Ill.	Wigglesworth
Dolliver	Martin, Iowa	Wolcott
Fine	Miller, Md.	Young
Fogarty	Morrison	
Gamble	Moulder	

The SPEAKER. On this rollcall 380 Members have answered to their names; a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

MUTUAL SECURITY ACT, 1951

Mr. CHIPERFIELD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 5710) to amend further the Mutual Security Act of 1951, as amended, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 5710, with Mr. ALLEN of Illinois in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the Clerk had read the first section of the bill.

If there are no amendments, the Clerk will read.

The Clerk read as follows:

CHAPTER I—MILITARY ASSISTANCE

SEC. 101. Authorization of appropriation: The Mutual Security Act of 1951, as amend-

ed, is amended by adding at the end thereof the following new section:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 540. There is hereby authorized to be appropriated to the President for the fiscal year 1954 not to exceed $2,079,689,870 to be available under section 101 (a) (1) (relating to military assistance for Europe), of which not less than 50 percent shall be made available only for the organization referred to in clause (C) of section 2 (b); $305,212,637 to be available under section 201 (relating to military assistance for the Near East and Africa); $1,081,620,493 to be available under section 301 (relating to military and other assistance for Asia and the Pacific); and $15 million to be available under section 401 (relating to military assistance for Latin America)."

Mr. SMITH of Wisconsin. Mr. Chairman, I offer an amendment which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Wisconsin: On page 2, line 2, strike out "$2,079,689,870" and insert "$1,750,503,870."

Mr. SMITH of Wisconsin. Mr. Chairman, the amount which is inserted in this amendment means I am asking for a reduction in the amount of $329,186,000.

If you will refer to the committee report, on page 12, the specific items which I am concerned with involve $21,189,000 for Portugal; $91,091,000 for Spain, and $216,216,906 for Yugoslavia.

Before I get into a discussion of these amounts, I want to submit to the committee a statement made by Mr. Stassen's evaluation team on the mutual security program. This report is one signed by Mr. Francis, chairman of the evaluation teams, and I am going to read from page 3 of this so-called evaluation report of March 24, 1953.

Mr. Francis and his committee say this:

Broadly speaking, each country has improved economically, has significantly strengthened its military establishment, has a more hopeful view of the future and a new-found will to progress and survive. From the standpoint of economic aid, this has been accomplished within original estimates of cost.

Because of the improved situation, further financial aid for economic purposes should be reduced substantially for the next year and generally discontinued by June 1954. There are some specific and important exceptions to the above general statement such as exist in the Far East. The situation affecting each country should be considered separately on its individual merits. Some countries must have further economic aid if current military and other objectives are to prevail.

The time has come to apply practical action to the realization that friendship cannot be bought but must be earned. The "rich uncle, poor nephew" concept describes a relationship which has become objectionable to many of our friends. A growing sense of independence may well be construed as further evidence of a return to economic strength. No self-respecting country likes to depend on gifts.

Mr. Chairman, in considering the amount of the cut, which is $329,186,000 as applied to the military assistance program in Europe, I am not at liberty under the rules of the House to discuss this matter as I would like to because of the cloak of secrecy that involves this particular item.

Mr. O'KONSKI. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield.

Mr. O'KONSKI. The gentleman might mention that those figures which are supposed to be kept secret from us are kept secret only from us; everybody else knows about them, including the Kremlin.

Mr. SMITH of Wisconsin. I do not think we have any knowledge of that fact, but it is entirely possible that these secret figures are public property. They are, of course, set out here in the report of the committee, and I will go no further to discuss the exact amounts involved in the matter. I cannot, of course, discuss the specific items that are involved, because of secrecy.

In this matter of $21,189,000 for Portugal, I think there is the least justification for that of any item in the bill, but we are not appropriating or authorizing any such amount. Portugal is today perhaps one of the most prosperous countries of Europe.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

(On request of Mr. MCCORMACK, Mr. SMITH of Wisconsin was allowed to proceed for 5 additional minutes.)

Mr. SMITH of Wisconsin. The value of money in Portugal is on a par with that of the United States. It is actually doing very little from the standpoint of the NATO organization, although it is a member of the NATO organization. The only value that it has—and for the life of me I cannot find any justification to authorize such an amount—is in its agricultural resources. But we have not been called upon by Portugal for any extensive aid in that direction, and I do not believe that we ought at this time in view of our financial situation to authorize $21,189,000 for Portugal.

Mr. KERSTEN of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield.

Mr. KERSTEN of Wisconsin. Does that apply to economic or military aid? Can the gentleman state that?

Mr. SMITH of Wisconsin. Chiefly economic.

In the matter of Spain, I have always supported authorizations for Spain. It may seem strange that I am asking that this amount of $91,091,000 be deleted. But I do it for the reason that the testimony was to the effect there is in this account still $125 million unspent. There is no need for further authorization at this time. It can be said without contradiction it has not been spent because there has really been no desire on the part of those who are administering the fund, in the absence of specific agreements, to enter upon this program. So I submit that while this is true, while the $125 million is still on hand, we are not justified in authorizing another $91 million on top of that.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. Can the gentleman give us any reason why the executives in charge of this $125 million have not worked out a program where it could become available and be used.

Mr. SMITH of Wisconsin. There has been a good deal of pulling and hauling between Spain and our own authorities with reference to agreements. They have been unable to resolve differences of views in this matter.

Mr. GAVIN. How long has this $125 million been available to them?

Mr. SMITH of Wisconsin. For the past 2 years at least.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield to the gentleman from Michigan.

Mr. DONDERO. How much money remains unspent of the money heretofore appropriated for foreign aid?

Mr. SMITH of Wisconsin. I think according to the last fiscal statement we had it was about $11,332,000,000.

Mr. DONDERO. $11 billion?

Mr. SMITH of Wisconsin. Yes. But we get into this whole problem of obligations by that question. We were told by Mr. Stassen that by the end of June all has been obligated except $400 million. Of course, if that is true then they have been obligating it at a terrific pace in the last 30 or 60 days.

Mr. KERSTEN of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield to the gentleman from Wisconsin.

Mr. KERSTEN of Wisconsin. I would like to ask the gentleman whether or not in connection with the difficulties of arriving at agreements with Spain any pressure from other allies, for example, England, has been a factor in that difficulty?

Mr. SMITH of Wisconsin. There is no question about that, but so far as I am concerned it would be hearsay.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield to the gentleman from California.

Mr. JOHNSON. Last summer I was in Spain on behalf of the Armed Services Committee studying the situation over there. They were then actively negotiating in order to try to get bases, but they have not yet resolved their differences. Would the deletion of this $91 million affect those negotiations?

Mr. SMITH of Wisconsin. It is my understanding it would not.

Mr. JOHNSON. The sum on hand prior to this is adequate, in the gentleman's opinion, to care of the acquisition of bases that some think are necessary?

Mr. SMITH of Wisconsin. It is.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield to the gentleman from California.

Mr. McDONOUGH. The $125 million that has not been spent will still be available after the amount the gentleman is seeking to knock out is deleted?

Mr. SMITH of Wisconsin. Yes, indeed.

Mr. McDONOUGH. In other words, the amount the gentleman is seeking to knock out will not become available to Spain, according to the schedule, for another 2 years?

Mr. SMITH of Wisconsin. I think it is fair to assume at least for another year.

Mr. McDONOUGH. Another year?

Mr. SMITH of Wisconsin. At least. I urge the adoption of my amendment.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. HALLECK. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Wisconsin [Mr. SMITH].

(By unanimous consent, Mr. HALLECK was allowed to proceed for 5 additional minutes.)

Mr. BENTLEY. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Michigan.

Mr. BENTLEY. In response to the question of the gentleman from Michigan as to the amount of unexpended funds as of June 30, it is estimated that the amount of military funds unexpended is $9.4 billion, the estimated expenditures for the fiscal year $6.8 billion. I am quoting from the committee report.

Mr. HALLECK. I thank the gentleman.

Mr. Chairman, I did not take any time in the general debate because there were many wanting to speak, especially the members of the committee who have worked diligently and well in studying this whole matter and in bringing it to you. Necessarily they are the most expert of any among us on the provisions of this bill, and so well was it that they had the time.

But, Mr. Chairman, I do feel compelled to speak not only on the pending amendment, but generally as to my attitude as majority leader in respect to this legislation and as to the attitude of the administration, as I understand it to be.

Let me say first of all that as a youngster just turned 18 I was voluntarily inducted into the Army in 1918. I did not get in long enough to see very much service, but I did see a little of it. I did not know what the war was all about beyond the fact that my country was in a war, and being in a war the only thing I knew to be done was to win it. Then I went on through school, practiced law for a while, came on to Congress, where I served in those difficult, troublesome days leading up to our entry into World War II. Suffice it to say that I was not too anxious for this country to get into that war. The record will show that I opposed many measures which I thought would involve us in a war. My principal reason for not wanting to get into it was that no one could show me the arithmetic by which we could win the peace. To my mind, to involve our country in a war, unless we can see some reasonable prospect of winning the peace, indeed presents a troublesome problem. For some of those beliefs before Pearl Harbor I was castigated in campaigns, as recent as the last one. However, be that as it may, after we got into that war and won it, I said, "We have won the war, and while there was no arithmetic shown to win the peace, I will do everything I can to win the peace." As a result, when the United Nations was presented, I supported it; it was the only thing to do. I had serious misgivings about it because my study of history had indicated to me that nations fight and win wars, and immediately they are won, nations start realining to get ready for the next one. I was afraid history would repeat itself, and that is very much what has happened.

We are in a war in Korea. We are threatened with cold wars. We have been for some years in the process of certain realinement, yes, it is said technically, within the limits of the United Nations Charter, but with all of that I am hoping that we still have a chance to avert a great war of aggression on the part of the Communists of Russia and their satellite countries and keep, at least, from further war in the world.

Now, as I indicated yesterday, as many of you know, I was the majority leader in the 80th Congress which, I think, rather strikingly put through all the legislation having to do with the foreign policy of this country for which any degree of success can be claimed. Rightly or wrongly, when the Russian intention became clearly evident to certain people of this country who had been too blind to see before that time, we were called upon to grant aid to Greece and Turkey and interim aid to France and Italy. Now that was followed by the presentation of the Marshall plan, and whether for better or for worse, I supported the Marshall plan which was enacted in the 80th Republican Congress.

Now briefly I would tell you some of the things that impressed me at that time. One was the Russian threat that was becoming very, very evident; the other was that I thought we needed friends somewhere around the world and also—and possibly this is a little cynical—having seen this country twice become engaged in wars in Europe, I became convinced that if another war broke out there we again would become involved in it. So it occurred to me, rightly or wrongly, that possibly we should do what we could to avoid the outbreak of war in Europe.

Then there was another thing that impressed itself tremendously upon me. We had seen the use of an atomic bomb in the closing days of World War II. We had reason to believe that the Russians would soon be able to develop and have for use an atomic bomb. A long-standing friend of mine, well versed in international affairs, said this thing to me that I do not think can be denied, that in an age of atomic warfare that nation which is isolated is at a great disadvantage.

In other words, here is what I mean. Today, certainly in some measure, an advantage exists by reason of these programs that have been carried on. Our bombers, I trust and I hope, and our atomic bombs are sitting close to the boundaries of the Russians, there for whatever action may be needed. But thank goodness, as I understand, the Russian bombers can only get at us if they come over the North Pole, and so far as I have been able to understand and know, they do not have bombers than can come over the North Pole, deliver an atomic bomb in this country, and get back to Russia.

I heard in the debate yesterday that these programs had not prevented war, that we are in war in Korea. Of course, the conduct of our foreign affairs in the Pacific has been entirely different from the conduct of our foreign affairs in Europe. May I say to my friend from the Republican side of the aisle that for that conduct in Asia we had no responsibility, but we have had and continue to have a tremendous responsibility in respect to the conduct of our foreign affairs in Europe; yes, and as of today we now have the responsibility for the conduct of our foreign affairs in the Pacific and the Far East, which is dealt with in this measure.

I have felt the same frustrations that many of us have felt in respect to the conduct of our allies, our friends, whom we are trying to help. I have wished on many occasions that they would do things differently, that they would quit their bickering, that instead of criticizing us they would speak in friendly terms of us, because we desire no conquest, all we want is to help our friends, people who would be our allies, and to maintain peace in the world against threatened Communist aggression.

As I say, we have not had that, but I do say we have achieved a very considerable measure of success in our foreign policy in Europe, not the least of which, may I say again, is that I think we have there on those airfields and bases, some of them ours and some of them belonging to foreign countries, the strongest deterrents to Communist aggression we could possibly have.

As far as we on our side are concerned in this matter of collective security, and as far as I am concerned, I think we are committed to a continuation of this program. I recognize, of course, the right of every individual here who has consistently voted against it to maintain his position. But may I say only that in the declaration of principles that we Republicans issued in 1950 we said:

> We advocate a strong policy against the spread of communism or fascism at home and abroad, and we insist that America's efforts toward this end be directed by those who have no sympathy either with communism or fascism.
>
> We support aid to those states resisting communism but such aid should be given only if it is essential to our national security, if it is within the total limits which the American economy can afford, if it will be effective, if it is beyond the ability of the aided nation to supply for itself, and if there is a program for progressive reduction.

And the platform declared for a program of collective security.

In my opinion, this bill that is before us, after weeks and weeks of hard work by the committee, substantially meets the commitments of our declaration and of our national platform.

(By unanimous consent, Mr. HALLECK was allowed to proceed for 5 additional minutes.)

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Iowa.

Mr. GROSS. What are the capabilities of the American taxpayers to continue to carry this load, with $270 billion of debt?

Mr. HALLECK. I will address myself to that.

I think that this figure, as it has been reduced, as these appropriations have been reduced, is within the capacity of the American economy to support.

Let me go to another matter in respect to this statement; and I think this

is no violation of the confidence implicit in these White House conferences. I went to the White House conferences when I was the leader in the 80th Congress. It was there that we had proposed to us the first time some of these programs that I have talked about. But when we came to discuss this aid program, this mutual assistance program, very early in the game, the question came up down there, shall we cut this down to where we think it ought to be, or shall we keep it high and then let the Congress cut, say, $1 billion?

I said, "Let us cut it down to where you think it is down to the bare minimum, because I do not think the Congress of the United States at this juncture wants to put itself in a position of being in a wide-open conflict with what the best judgment is in the administration. Do not put a figure in for bargaining purposes, but put in a figure that you think is realistic."

What has happened in respect to this figure? The Truman budget had the figure at $7.6 billion. I say it is to the credit of the Eisenhower administration and the people working in it, that they cut it down successively to $5.4 billion. I have no quarrel with the action of the committee in cutting it down to $4.9 billion. I shall oppose efforts to remove those committee cuts, as I am here opposing serious, drastic cuts that would bring the figure below $4.9 billion.

Some question was raised as to the uncertainty here in the future in the world. Some suggestion was made that we cannot legislate here because we do not know what is going to happen in Korea; we do not know what is going to happen in Italy. Let me say this. I have confidence in the Eisenhower administration to administer this program frugally and efficiently and well, as they have committed themselves to administer every other program for which we have appropriated money.

Some criticism was made of haste in respect to this program. I want to take my large share of responsibility for that. I do not think it has been undue haste. But we must all understand before the appropriation can be acted upon for this program, this authorization act must be carried to a conclusion.

Mr. DORN of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from South Carolina.

Mr. DORN of South Carolina. I want to know if the gentleman from Indiana [Mr. HALLECK] can give the House any assurance concerning the statement that the President made the other day that this program will continue for at least 10 years?

Mr. HALLECK. I do not recall that the President made any such statement as that. I think he said that the tensions of the cold war may continue for 10 years. As far as I am concerned, from what I have seen of the Russian situation, I am not prepared to refute that. I should hope that the disturbances in East Germany which have been referred to here, and certain other manifestations, might indicate a relaxation of that threat. I am not sure. But as of the moment I do not believe that we can put our faith in that.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I should like to call attention to two of the countries, Portugal and Spain, which are two of the strongest anti-Communist countries in the world; they are pro-Christian; they are geographically located where they are vital to the national interest of our country. Portugal owns the Azores and the Cape Verde Islands, which are a relatively few hundred miles away from our own shores. It seems to me vitally important that we include those countries in this program.

Mr. SMITH of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Wisconsin.

Mr. SMITH of Wisconsin. I should like to call the attention of the distinguished gentleman from Massachusetts [Mr. McCORMACK] to the fact that $216 million is included for one of the outstanding Communist countries in the world.

Mr. HALLECK. As far as Spain is concerned, I would like to remind the gentleman from Massachusetts [Mr. McCORMACK] that some years ago we had an amendment to include Spain; I am not so sure but that the gentleman from Wisconsin [Mr. SMITH] offered it.

The CHAIRMAN. The time of the gentleman from Indiana has again expired.

(By unanimous consent, Mr. HALLECK was granted 5 additional minutes.)

Mr. HALLECK. Of course, a great hullabaloo arose. I understand some of the practical problems that are presently before us. If it appeared that perhaps Spain is the place where you are going to make your stand, certain other countries behind that and in between Spain and Russia might say, "Look out. Are you throwing us to the wolves? Are you writing us off?" We have to understand all of the things that must be dealt with by an alert, intelligent, and efficient administration that just cannot be talked about too much, in view of the situation in the world.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. I would like to ask the gentleman from Indiana if this is a party measure, this question of appropriating this money.

Mr. HALLECK. If I understand the gentleman's question, as a party measure I do not think it is any more the responsibility of those on our side of the aisle than it is those on the other side of the aisle. There are Democrats whose speeches indicated that they are violently opposed to any of this program. There are Republicans who are violently opposed to any of this program. But in respect to the Republican Party, I think by our declarations, by our platform, and by the position of the administration, and particularly the action of the majority of the committee, I would expect that under the circumstances, in the absence of commitments, extreme personal convictions or something like that, the majority of us on our side would feel some obligation to go along with this program.

People say the whole program ought to be junked; the whole thing ought to be terminated immediately. We have new administration. Let us change the whole thing. Again, rightly or wrongly, this foreign policy has developed through the years. I hold it ought to be subject to constant study, to re-examination, to a determination as to whether or not it is giving us the sort of protection we ought to have. I anticipate the Eisenhower administration will be giving it that kind of study. For myself, with the President, the people around him, his Cabinet and his advisers; and, generally speaking, I think most of the Republicans in the country, saying at the moment at least, "The only thing to do is to continue this program within reasonable limits," I say it would be folly indeed for the Congress of the United States at this point to take the responsibility for absolutely killing the program. As a matter of fact, I do not believe there would be 50 votes in the House to kill the whole program.

Some question has been raised as to the continuation of the program, and what might be indicated by the President's position. Of course, those from my area know that the President, before the convention, was viciously attacked in many newspapers of wide circulation for being a man who stood for this program. For that reason, they suggested, he should not be nominated. But he was nominated. I think it is also a matter of record that many newspapers continued to challenge him, and to question his fitness as a candidate for President, because, they said, "He has been in Europe. He has been the head of NATO, and he will likely carry on this program." But what happened? If you want to look for a vote of confidence in my State, I did better than I ever did before, carrying my district by upwards of 42,000, from a low of 15,000 in 1948. But Eisenhower carried my district by 55,000, and he carried the State of Indiana by 300,000. One of our State candidates carried it by 200,000 and another one by 100,000. In my opinion, the people of my State demonstrated their conviction that they had in Eisenhower a man they needed in this hour, and I think that situation still prevails.

I said a moment ago, and I say it again, I think since this figure has been reduced from $7.6 billions to $4.9 billions covering all these wide ranges, that it is a reasonable figure. I am likewise convinced that if that were to be substantially reduced or eliminated completely we would have to spend untold billions more in an effort to protect ourselves at the shores of our land. Because I believe that, I hope this action prevails.

Mr. FULTON. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. FULTON as a substitute to the amendment offered by Mr. SMITH of Wisconsin: On page 2, line 2, strike out "$2,079,689,870" and insert "$1,979,689,870."

Mr. FULTON. Mr. Chairman, I would say in the beginning——

Mr. KERSTEN of Wisconsin. Mr. Chairman, will the gentleman yield for a consent request?

Mr. FULTON. I yield.

Mr. KERSTEN of Wisconsin. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

POW'S IN KOREA

Mr. KERSTEN of Wisconsin. Mr. Chairman, the Reds in Korea are the last ones in the world to talk about sincerity in connection with the handling of prisoners of war.

During the course of the war, by their own admission the Reds themselves released between 40,000 and 50,000 otherwise unaccounted for South Korean prisoners.

They claimed, of course, that they "reeducated" these prisoners in North Korea.

But all the evidence shows that this vast number of unaccounted-for prisoners taken by the Reds were either forcibly pressed into their labor battalions or the Red armed forces or they were murdered.

The Communists' cry of "outrage" at Rhee's giving prisoners of the UN their freedom is fantastic in view of the indisputable evidence of wholesale murder of many of the prisoners the Reds took, some of which murdered victims were American boys. I have several photographs taken of the bodies of prisoners of the Reds, some of whom, from the pictures, appear to be American, with their hands tied behind their backs and a bullet hole in the back of the head.

At any rate, when the Reds now shout "Where are our 25,000 prisoners whom Rhee permitted to escape?" the answer is obviously "Where are the forty to fifty thousand who were 'reeducated' in North Korea? Of course, we found some of them in ditches—murdered."

Mr. FULTON. Mr. Chairman, I would start out with an explanation of what this amendment does. This amendment cuts $100 million from the figure $2,079,000,000 in the second line of page 2, as the figure for military assistance to Europe.

The reason for the amendment is this: If you will look at page 12 of the committee report, you will see a list of the countries which are receiving this military assistance and also defense support, which is economic aid. Look at the bottom line and you will see for the 1954 fiscal program that Yugoslavia has been listed for $216,906,000 for military aid and also $45 million for defense support. This totals for the fiscal year 1954 program $261,906,000 for Yugoslavia. Because it is a secret figure I am not allowed to discuss with you the amount of the overhang there is at the present time in the Yugoslav program for previously authorized aid that is unexpended. But I may say to you that the amount is big—that is unobligated, unexpended, or whatever you want to call it. Does this Congress want to add further to the unexpended unobligated amount to a country such as Yugoslavia? My amendment is different than the Smith amendment because I feel that aid to Spain is necessary; I think we must have aid for Spain. I believe the $125 million unspent for Spain is fair; it should be given to them in the interests of our mutual security. I believe the $91,091,000 new authorization that is in this bill for Spain for 1954 for military purposes is necessary as we are now dealing in respect to bases in Spain. I also believe that the defense support of $10 million, which should go into projects like building up their railroads and to help them modernize their arms and equipment, is necessary. Likewise, I have been to Portugal in the last 2 years and I feel that Portugal, as a member of NATO, is a good ally of ours. We need the Portuguese cooperation in the South Atlantic. We need the Azores as a base for our protection and defense. The gentleman from Pennsylvania, Representative CORBETT, the gentleman from Oregon, Representative NORBLAD, and I spent a day looking over our military installations there a few weeks ago.

Mr. CHELF. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Kentucky.

Mr. CHELF. I apologize to the gentleman and I want to thank him for this moment. I just read on the ticker tape a statement that I think the House will be interested in. The Supreme Court has just voted to set aside the stay of execution in the Rosenberg case. Praise God, from whom all blessings flow. We thank the Supreme Court.

Mr. WILLIAMS of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Mississippi.

Mr. WILLIAMS of Mississippi. Do I understand that the gentleman's amendment reduces the amount of money that we are giving away under the program?

Mr. FULTON. It certainly does. It cuts off $100 million from the program for this coming year 1954, programed for Yugoslavia when there is $261 million programed. Under the present circumstances I think that is too much, and we can well postpone for a year putting in the whole amount of aid proposed, in order to see what transpires in this area, and to see whether the present government gives more freedom and rights to the poor Yugoslav people.

Cuts of $300 million and the $476 million made by the Foreign Affairs Committee in this bill were made on my amendments, which were accepted by the committee as justified. In addition, the administrative personnel will be cut by 566 from the total on the payroll under this foreign-aid program as of January 31, 1953.

(By unanimous consent, Mr. FULTON was allowed to proceed for 5 additional minutes.)

Mr. HAGEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Minnesota.

Mr. HAGEN of Minnesota. I generally have opposed all of these aids to Europe. I favor cuts in every possible manner. Does the gentleman realize when he asks for this special cut for Yugoslavia and when he mentions Spain as wanting money to repair railroads and so forth that Yugoslavia in the last war suffered much more destruction, and lost practically every railroad car in the country, every tunnel, every canal, and every bridge was destroyed; so they need more money than Spain would need in this program if you are going to have a program.

Mr. FULTON. The gentleman asks, Why cut Yugoslavia on military aid when Yugoslavia had many installations and many railroads destroyed, and Spain, the gentleman says, should have less money than Yugoslavia for such purposes? Actually that is the case in the program. There is only $10 million worth of defense support for Spain and economic aid for Spain, while for Yugoslavia there is $45 million for defense support and economic aid. Actually my amendment does not cut economic aid for Yugoslavia. It is to cut excess military aid. And may I finish that point by saying the reason for that is I think we have to hold back a little to make sure our aid is not misused or lost. We could still give it to Yugoslavia next year. But when Tito refuses to let adequate United States military assistance groups see the operation of our equipment I object strongly. Yugoslavia is the only aided country in the world that prevents adequate military assistance groups of the United States from checking the military equipment once we deliver it to them, and the only one under this program. Why should we deliver to Tito this military equipment, which I cannot describe for security reasons, when they will not let us have any control over its use? Yugoslavia will not join any one of the organizations for defense of Europe. I say we should do the same for Yugoslavia as we do with Turkey and Greece. My point is treat Yugoslavia just as you do Turkey and Greece, and require the same cooperation from Yugoslavia.

Mr. O'KONSKI. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Wisconsin.

Mr. O'KONSKI. I would like to know what is the use of sending jet planes to Yugoslavia? We sent 18 in one batch. They did not have any fliers to fly them. They sent 3 to America to get some training and when the 3 arrived in America they asked for haven in America and did not want to go back to Yugoslavia.

Mr. FULTON. In answer to the gentleman, because my lips are sealed by security, I would point this out: Look at page 12, table 1, "Europe," and on the list you will see "Yugoslavia, mutual defense material and training, $216,996,000." Then look down under (1) below and you will see what that is for: "This is direct military assistance, including tanks, planes, weapons, ammunition, and so forth."

Last year I was on the floor pleading that if you gave jet planes to Yugoslavia, put proper conditions on the delivery. We should aim at restoring full freedoms and democratic rights to the oppressed peoples under dictatorships anywhere. We in America should stand firmly against communism, imperialism, colo-

nialism, and denial of rights of peoples subject to totalitarian regimes everywhere.

My amendment intends that if we are going to give Yugoslavia this $261 million in military aid in 1954, hold back $100 million of it until we see what is happening next year, and that will not hurt the program.

Let us have a bargaining position that our State Department people will have to come up with agreements to guarantee more freedoms in Yugoslavia and to guarantee with proper safeguards against the defection of Yugoslavia, or the misuse of our military aid against Italy. We heard rumors from Yugoslavia that they are raising the devil with the people in our United States departments because we will not knuckle to them and give them things on a silver platter without conditions.

Mr. SMITH of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Wisconsin.

Mr. SMITH of Wisconsin. Will the gentleman point out just where this $100 million saving will be made? Is the gentleman speaking in general terms?

Mr. FULTON. The $100 million is going to come out of the general program for military assistance for Europe but is intended to be deducted from the item of military assistance for Yugoslavia in the 1954 program.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from South Carolina.

Mr. RICHARDS. Would the adoption of the gentleman's amendment or the Smith amendment, either one, assure that the cuts would be placed against the countries that the gentleman mentioned?

Mr. FULTON. I understand that they will.

Mr. RICHARDS. I do not see how the gentleman figures that.

Mr. FULTON. We have previously on the committee requested the department to make certain cuts in line with certain positions taken by the committee, to which the Government agencies have conformed, and I believe that that can well be done from the point of view of this debate.

Mr. RICHARDS. It could well be done, but necessarily it would not be done.

Mr. FULTON. The department, I hope, will not ignore the intention of Congress as shown by this debate. This amendment is presented for a simple cut of only 5 percent in the total funds for Europe, to prevent military assistance going to a country that will not permit adequate military observers. I think this cut is necessary.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. HAGEN of Minnesota. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

Mr. WILLIAMS of Mississippi. Mr. Chairman, reserving the right to object, are other Members going to be accorded the same courtesy?

Mr. FULTON. I will be glad to. As a matter of fact, I have not had time to make my own statement. I yielded to the gentleman and others.

Mr. VORYS. Mr. Chairman, further reserving the right to object, I shall not object in this instance, but I would not want to promise that we will not be attempting to limit debate sometime during the day. The gentleman has had considerable time, and I certainly would not want this one to go by with the idea that there is any promise that there will not be, at the appropriate time later in the afternoon, a limitation of debate.

Mr. RAYBURN. Mr. Chairman, further reserving the right to object, I think that this is the crux of the bill, and after we get over this we will move along rather hastily. I trust there is no evident purpose, at the moment, at least, to limit debate. Let us run along until we have had a chance to thoroughly discuss this matter. The time may come later when it will be necessary to limit debate, but I hope there will be no attempt to do so now.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

Mr. WILLIAMS of Mississippi. I object, Mr. Chairman.

Mrs. KELLY of New York. Mr. Chairman, I rise in opposition to the Smith amendment and to speak on the Fulton amendment.

Mr. Chairman, first of all may I say that I understand the confusion of some of the Members on the left side of the aisle in reference to the Mutual Security Act of 1953. Some of them opposed a mutual security program or they voted to cut it. They voted against the mutual security bill last year, and they voted against the appropriation. I believe that includes those who wrote the minority report. So I cannot say I believe in their minority report, that they are for any mutual security program.

Mrs. CHURCH. Mr. Chairman, will the gentlewoman yield? She referred to the Members who wrote the minority report, and I should like the privilege of asking her to yield at this time.

Mrs. KELLY of New York. I yield to the gentlewoman from Illinois.

Mrs. CHURCH. I would just like to put in the RECORD that this particular Member of the minority has in fact record votes on having voted aid abroad, both military, and, in the case of India, economic.

Mrs. KELLY of New York. May I ask the gentlewoman a question? Did she vote for the mutual security bill last year, and did she vote for the appropriation for the mutual security bill?

Mrs. CHURCH. The gentlewoman is right. I was quite consistent. I did not vote for the Mutual Security Act last year nor did I vote for the appropriation, but I have voted for both military and economic aid abroad.

Mrs. KELLY of New York. I think the record speaks for itself.

In speaking to the amendment offered by the gentleman from Pennsylvania [Mr. FULTON]—and I favor the adoption of his amendment—may I say that I hope he will withdraw the amendment at this point in the bill and offer it to page 11, where I have a similar amendment to offer, where it specifically refers to unexpended balances. I think his amendment should be offered at that point and I will support it.

I now address myself to the Smith amendment. I am opposed to the amendment and I want to explain my reasons. First of all, on page 295 of the hearings in my questioning of Secretary Humphrey, it was brought out clearly that Mr. Humphrey believes the unobligated should be deducted from the future appropriation. He states he thinks it ought to be reduced. He adds that it will not help our expenditures this year but it will help bring down those prior obligations which eventually helps the budget. However, we did that in committee.

I also brought out the fact that Mr. Wilson believed that the cut should not be made. That was in answer to a question by the gentleman from South Carolina [Mr. RICHARDS], who asked if they did not need this unobligated and unexpended balance for elbowroom, and he answered that they not only needed it for elbowroom but that it was needed; it was not authorized or appropriated without a program in view, but it just meant that they, the new administration, needed a new look and to revise and possibly renegotiate that portion of the program. Therefore, I oppose the Smith amendment. I support the Fulton amendment and I hope that the gentleman from Pennsylvania will support my amendment when it is offered to delete aid to Yugoslavia.

Then on page 337 of the hearings, in a question to General Stewart I brought out the fact that when General Bradley appeared before our committee, he explained the recommendations in the Eisenhower budget. On April 29 General Bradley received from the Secretary of the Treasury, Secretary Humphrey, a request to bring his defense recommendations within the $5,800,000,000 requested. It was too short a period to revise and study the entire program, so it was necessary for them to make a 15-percent cut across the board.

I do not think that this is any way to arrive at what is needed for the defense of our country, so I would really defend the right to appropriate more in this bill in certain instances and I so told General Bradley—and the members of the Eisenhower administration who appeared before the Foreign Affairs Committee.

I want to take up at this particular point that the Eisenhower administration states that a 30-percent increase will be made in the combat effectiveness of the forces in our defense. This I know will be true because of past authorizations and appropriations. Those appropriations are now bringing equipment off the assembly lines. They are the long-lead items which we need.

I agree with that, but I want to say that this increased combat effectiveness will generate from our past program. And along this line on page 429, I asked that question of General Ridgway; if

he was satisfied with the present new approach, which is a stretch out in preference to the momentum we had hoped to achieve in the past program. General Ridgway stated, "My greatest apprehension would be that there would be any loss of momentum. I would regard that with very deep concern."

So at this point I should like to say that we should not only vote against the Smith amendment, but I hope that my colleague from Pennsylvania [Mr. FULTON] will consider withdrawing his amendment at this point in the bill and introducing it on page 11.

The CHAIRMAN. The time of the gentlewoman from New York [Mrs. KELLY] has expired.

Mr. BENTLEY. Mr. Chairman, I rise in support of the Smith amendment.

Mr. Chairman, the Smith amendment, as has been explained, takes out $21 million from Portugal, $91 million from Spain, and $216 million from Yugoslavia. It is a reduction of $329 million. With respect to Portugal, the amount there is very small. I do not think it matters too much one way or the other. With respect to the reduction as to Yugoslavia, that case has already been ably presented by the gentleman from Pennsylvania and the gentlewoman from New York, and I am not going to comment further at this time.

What I want to comment on is the $291 million requested deduction as to Spain. I should like to read just a few brief excerpts from the hearings before our committee on this question of Spain. Mr. Wood, who is Governor Stassen's deputy, said this, in talking about Spain:

> The present amount which we request be carried over is $125 million, to which is to be added this new sum—
>
> That is the $91 million—
>
> for mutual defense material and training, plus an additional sum for defense support.
>
> That is $10 million.
>
> The total then will be $125 million of carryover plus new funds.

Dr. JUDD raised the question:

> But why in the world should we appropriate more when we could not spend in the next year, if we got an agreement tomorrow, the money already on hand?

And Mr. Wood said:

> It can be obligated within the next fiscal year.

What it means, Mr. Chairman, is that they have $125 million already on hand for Spain, and they want a carryover of a new authorization for the next fiscal year. They are asking for this new sum of $91 million in military assistance, plus $10 million for so-called defense support. They admit that they will not be able to spend $91 million plus $10 million, or $101 million; they would not be able to spend that $101 million in this coming fiscal year even if they had an agreement with Spain starting as of tomorrow, and without which agreement, of course, not a penny can be spent.

I am for bases in Spain. I think it is extremely important to have Spain on our side. I believe we can get an extremely valuable contribution to our entire effort in this cold war there. But I cannot see the necessity of appropriating new money at this time when we have this tremendous carryover, and could not spend this new money in the coming fiscal year.

Mr. Chairman, I yield back the balance of my time.

Mr. SIKES. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I oppose both amendments. We have been talking for a long time about security, and we have spent a lot of money, hundreds of billions of dollars, trying to achieve it. At this late date, when we may be closer than we realize to security, before we cut military funds, let us take a careful look to be sure that we are not cutting our own security. The thing that is closest to the hearts of the Members of this Congress is the security of American boys who may be called upon to fight on foreign soil. Let us think about their security.

The fact that $125 million was voted previously for Spain, and has not been spent, has been listed as the prime reason for eliminating additional funds which are intended for Spain. It is true, that money has not been spent, and for a very good reason. It has not been spent because an agreement between the Spanish Government and the United States Government for the use of Spanish bases by our forces and for the revitalization of Spain's forces has not been signed. But I am reliably informed that progress is being made in the discussions, and that it can now be anticipated that a full agreement will be reached within a short time. When that agreement is reached the money is going to be needed very much and it will be used very rapidly. Surely you realize that in this present day, when military costs are astronomic, $125 million is not a big amount for the purpose in question and that it will not go far. Spain's military equipment and Spain's bases need revitalization, if they are to help to oppose Communist aggression. Once our Governments reach an agreement we shall want to be in position to revitalize them as quickly as possible.

Every outstanding military leader in our Armed Forces has attested to the importance of bases in Spain. Every military man who has expressed himself on the subject before my committee, the Subcommittee on Military Affairs of the Appropriations Committee, has testified that we need bases in Spain. Why? Because Spain is the one place in Europe that we are sure we could hold at this time if the Reds were to swarm over Europe. I assure you a superhuman effort would be made to hold all along the present line. Not a foot of ground would be relinquished willingly. But facts are facts and we may not be able to hold, unless our allies step up rearmament and unless the European Army becomes a reality. But we could hold in Spain, come what may.

Yes, Spain is the one place we know we could hold today, and you quibble over $125 million. The passes of the Pyrenees could be defended against almost any number of invaders. This has been shown before, by troops and weapons far inferior to ours. In the event of general war, if we hold in Spain, we shall not have to go in again over the beaches, as we did in the invasion of Normandy in 1944. If we do not hold in Europe, we shall have to go in over the beaches or surrender the culture and training and education of Europe, with an industrial capacity that is almost equal to our own, to the Red hordes. They, I assure you, would use that trained manpower, and industrial capacity to choke us to death economically or to destroy us militarily.

Let us face the facts. Think back, if you will, to the fact that it took a 3-year buildup to get ready to invade Europe before, and when we did so we suffered 100,000 casualties. Mind you, those were American casualties, 100,000 American casualties that were the price of the invasion of Europe over the beaches of France when we had no foothold such as Spain. Then there were no atomic bombs. Now there are big stockpiles of atomic bombs and we do not hold all of them. Military experts will tell you there are some military operations which do not make practical targets for A-bombs, but they will tell you without exception that a beachhead operation is a prime target for an atomic bomb. If it should be necessary for us to go in over the beaches of Europe and subject American forces to attack by atomic bombs, you will leave not 100,000 casualties, but a million casualties on those beaches. You decide now whether you want to take the gamble. Shall we risk leaving a million casualties on the beaches of Europe or possibly avoiding that by putting in the money which is requested for Spain?

Now, let us not deny that we need help. Let us not deny that we cannot be sure of the support of some of our present allies. We had better take the help of Spain. We had better take the help of Yugoslavia.

Yugoslavia's defection from the ranks of Stalinistic communism has contributed much to the strength and solidarity of our Mediterranean front. I do not care whether or not she admits American military missions. We are getting some very practical benefits from Yugoslavia. We had better take help of any power which has shown that it has the courage to stand up against communism.

Let us remember that we are trying to make the free world so strong that the Reds will not dare attack. We have made progress in the fight against communism. We still are making progress, even though it is painfully slow and at terrific cost. But let us not take the risk contained in these amendments that we may be condemning American youths to a slaughter which a few more dollars might help to avoid. I say that we may be getting a lot for a little if we support the military authorizations as they now are written into this bill. I fear it would be very unwise to change them.

Mr. HAGEN of Minnesota. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Pennsylvania [Mr. FULTON]. His amendment would throw out of balance the whole program set up by the Mutual Security Administration, throw out of balance, proportions and plans of the program as worked out by the Com-

mittee on Foreign Affairs after long weeks of study and consideration.

I want to make it clear, however, that I am for a cut in all appropriations. I am opposed to this large amount of aid to Europe. I will vote for amendments which will make an overall cut in the appropriations. But the amendment offered by the gentleman from Pennsylvania would take away just from Yugoslavia certain millions and perhaps give it to some other country. I am opposed to that. I will favor cuts and support them but I do not feel that we should take from one country and give it to another and thus throw out of balance the program that has been set up by the committee.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. HAGEN of Minnesota. I yield.

Mr. FULTON. I cut $100 million from the bill completely and I do not give it to any other country. My amendment cuts $100 million from the bill completely.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. HAGEN of Minnesota. I yield.

Mr. VORYS. The gentleman from Pennsylvania referred to the military situation and the lack of observation in Yugoslavia. I call attention to page 29 of the committee report which refers to the number of military advisory groups in these various countries and says that there is a military assistance advisory group of United States officers in Yugoslavia as there is in each country. They perform the same functions, as in other countries, including inspection and end-use checks.

Mr. FULTON. Mr. Chairman, will the gentleman yield for a question?

Mr. HAGEN of Minnesota. I yield.

Mr. FULTON. I will say definitely there is no United States military advisory group in Yugoslavia. There are simply a few men under the military attaché of the United States Embassy there. If there is somebody from the State Department I wish they would correct me if I am wrong. There is not.

Mr. VORYS. Just on that point, there are other members of the committee here; I see them nodding their heads. They got information from the same source the gentleman did; and disagree with him. Therefore, I state again that there are military advisory groups there similar to the groups in other countries.

Mr. HAGEN of Minnesota. I might say, too, that the Government of Yugoslavia has invited and still invites any American citizen who wants to go there, especially Members of Congress, to go over there, make their own observations and make their own reports of what they find. They have nothing to hide.

I think every Member of Congress will agree with me that it is far better to hold any enemy back at the Danube River and at the borders of Yugoslavia than it would be to have to hold back such enemy on the plains of France or on the ridges of the Pyrennes, or in Italy. So if we are going to spend the money I think the place to put it is the place where we need it most, and that if there should be an enemy who must be stopped from overrunning Europe it is better to be able to stop it at the Danube River and on the Yugoslavia borders than elsewhere.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. HAGEN of Minnesota. I yield.

Mr. MORANO. Does the gentleman expect to vote for the Smith amendment?

Mr. HAGEN of Minnesota. Yes; I made that very clear. I am for a cut.

Mr. MORANO. The gentleman wants to cut it all out.

Mr. HAGEN of Minnesota. No, but I want to greatly reduce it.

Mr. MORANO. You ask the author of the Smith amendment, I think he will tell you that.

Mr. HAGEN of Minnesota. I am here opposing the Fulton amendment. We will consider and discuss the Smith amendment when it comes up. As I understand and as the author has advised me, it would make a general cut in the overall program.

Mr. MORANO. But if you vote for the Smith amendment you will cut all of Yugoslavia out.

Mr. HAGEN of Minnesota. I feel that after considering all the facts I must oppose the Fulton amendment. I will vote for the Smith amendment because I am opposed to all these large amounts being spent. I will vote for cuts in the general overall program.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HAGEN of Minnesota. I yield.

Mr. GROSS. I would just like to quote a statement made by General Ridgway, Supreme Commander of NATO in Europe. He said that the Russians could capture Paris in 40 days. French General Juin declares that the Russians could take Paris in 23 days. British General Fuller described as pathetically unreal without German troops the NATO military of about 25 partially equipped divisions to face some 200 Russian divisions in the event of war. They made no exceptions as to what they could capture in Europe and this statement was made the present year.

Mr. HAGEN of Minnesota. I thank the gentleman for his contribution.

Mr. JAVITS. Mr. Chairman, I rise in opposition to both pending amendments.

Mr. Chairman, I do not like the nature of the administration of Spain or the nature of the Yugoslav administration. Both are totalitarian forms of government. We all understand that. I have the greatest feelings of friendship for the peoples of Spain and Yugoslavia. It is a rather unhappy day for me to find it necessary, either in committee or on the floor, to vote mutual-defense aid even though military to help our own defense and military capability—where such regimes are in power, but I am devoted to the cause of the free world and this must be safeguarded beyond all personal considerations. I believe thoroughly that it is essential to the security of our country that such mutual-defense aid shall be voted; therefore I am opposed to both amendments. This is based upon the hardest headed security grounds which I would like to analyze because I think it is very important.

First, to lay at rest a question which is not too critical but one that has been raised here, I understand there are military inspections of the use and disposition of the equipment which we give to Yugoslavia by a military group called by another name from the military groups in other countries, because it has this distinction in procedure: When it goes into the field to make inspection which I understand it is completely free to do, the Yugoslavs, who are still living with Communist suspicions, insist on having our mission accompanied by their officers. So we call the mission by some other catechism of letters instead of the normal military mission titles used in the other states.

To get at the fundamental point involved, Spain is in a highly strategic part of Europe. Spain is isolated from the rest of the totalitarian world by many countries which are in the free world. When Gen. Mark Clark and General Eisenhower led our forces into north Africa their published statements and reports state they were in grave fear they might be unable to go through the Strait of Gibraltar without some hostile action by Franco, who was then on the side of Hitler and Mussolini. It seems to me that if we can secure that passage, the amount of money which is involved here is cheap and we are doing it on the straight grounds of the security of the United States and the security of the free world.

It seems to me also, looking at the totalitarian governments, of which Spain is one, it is much better to get their doors open even a little bit for the entry of ideas of freedom and our understanding of the struggle in the defense of freedom than if the doors remain shut tight. I think that is of benefit to the Spanish people. I consider that benefit in addition to the paramount consideration of the security of the free world, which on a strategic level, based on the information of our Joint Chiefs of Staff and borne out by the experience of World War II, absolutely demand protection of that entrance into the Mediterranean Sea which Spain offers. In addition, Spain is of tremendous importance as a place for airfields and naval anchorages.

As to Yugoslavia, that country has, and this figure has been mentioned time and time again, therefore it is no breach of security, 30 divisions, at least, considered to be good fighting divisions. In my opinion, the greatest blow the Kremlin has ever suffered and what will yet result in a complete recession of Russian power is the defection of Yugoslavia. Though Yugoslavia gives evidence of really meaning its defection to be final, we are still approaching the problem there in a modest, reasonable way. We are not going overboard to keep Yugoslavia in every field as the potential military strength of Yugoslavia might dictate. We are moving in slowly and doing only what is absolutely necessary in order to give those Yugoslav divisions some fighting power.

First, there is the ideological point of causing Tito to defect from the Communist world, which he did because he felt he could get better support in the free world, and he has gotten that support, and it is very important to keep him on the free-world's side.

Second, we talk about the weakness of the whole Balkans. The Balkans are vulnerable or they are Communist, and here in Yugoslavia is the solid threat in the underbelly of Europe to any Communist drive in that direction, on the complete flank of any such drive helping brave Greece and protecting Turkey, too. Hitler understood that he had to take Yugoslavia before he could do anything in the Balkans, and the Russians understand the same thing. I would like very much, naturally, to see Yugoslavia a democratic country, and again, there, too, any entry of ideas of freedom will be of some help to the people of Yugoslavia in showing them that there are ways to freedom and away from communism. Here is Yugoslavia a thorn in the side of the Russians, right on their flank, which helps make the Balkans substantially secure from being overrun by the Russians, and I think we are getting it at a cheap price and we would be foolish, indeed, if we kicked it away.

The CHAIRMAN. The time of the gentleman from New York has expired.

(Mr. JAVITS (at the request of Mr. GROSS) was given permission to proceed for 1 additional minute.)

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Iowa.

Mr. GROSS. Let us not talk in platitudes but let us talk in realism for a few minutes. Does the gentleman know of a single general, American or otherwise, who has made the statement that the Russians could not take Europe, without exception, in less than 40 days? Can the gentleman quote any general?

Mr. JAVITS. This gentleman knows, in the first place, of no responsible general who has made the statement that Europe can be taken in 40 days.

Mr. GROSS. I just quoted the general who said that.

Mr. JAVITS. Whom did the gentleman quote?

Mr. GROSS. General Ridgway.

Mr. JAVITS. How long ago?

Mr. GROSS. Early this year.

Mr. JAVITS. I believe from all the testimony before us the fact is, if that estimate was made, it is out of date, and that it is expected now that the free peoples are able to make—and the testimony before us showed that we are able to make for the first time since NATO has been formed some reasonable defense of Europe, which does not mean that Europe is impregnable or that Europe cannot be overrun, but for the first time that free peoples through NATO are able to man some reasonable defense of Europe through the help of our programs including this mutual security program.

Mr. FORRESTER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I must confess my misgivings concerning the legislation before us. The argument in favor of this legislation is that we grant these several billions of dollars to other countries so that we can combat communism.

I despise communism, and the people I represent despise communism, and we will do anything in our power to defeat it. If this country really wants to fight communism and is willing to make the personal sacrifices required, I pledge, and my people pledge, every ounce of devotion we possess.

But if we are to fight communism we must fight it wherever it appears. That we have not done. I never believed I would live to see what I have seen in Washington in the past few days. Last Sunday I saw six or seven thousand mongrels picketing the White House, parading with banners, charging that our Government had bribed witnesses, and with banners demanding that two particular children not be made orphans. Not one of that crowd was concerned over the widows and orphans of our fine young men who died fighting communism in Korea.

Yesterday the Capitol Grounds were alive with hundreds of people who have no interest whatsoever in our country except to destroy it, even to take our country over. Today as I came down to the office, I saw that riff-raff picketing the President of the United States.

Our Constitution guarantees the right to peaceably assemble and to petition for grievance, just as it gives the right to the people to keep and bear arms. These rights are not unrestricted licenses for a mob, and certainly these rights are subject to reasonable regulations. While a person may keep arms, he can be, and often is, required to register that weapon and give a description of himself together with his true address. A person has the right to bear arms, but he can be, and often is, required to obtain a license to carry that instrument and to give a bond with good security that he will not breach the peace. It is my belief that these terrible assemblies, such as I have heretofore described, organized to disturb and to cause trouble, can also be placed under reasonable regulations such as requiring each person to register with the proper authorities and give a description of himself or herself, together with a complete and true address, and to state that he or she is not a member of any organization advocating the overthrow of our Government by force and violence, and any other necessary information that would be conducive to the police powers of our Government. Further, all of this information set out in said registration should be under oath, and the affiant subject to criminal prosecution and punishment for any false information knowingly contained therein.

The scene of yesterday, I understand, was inspired principally by the Civil Rights Congress. Requirements concerning registration could bring this kind of information out. It would be a reasonable requirement that a person assembling should be required to truthfully name the person or organization inspiring such assemblage, and it would be a reasonable regulation to require the registrant to disclose if he or she was hired or received any emolument whatever and if so, from whom.

Yes, the Civil Rights Congress, an organization listed by the Attorney General as subversive, is at its horrible practices again. No wonder we find the Civil Rights Congress in action. Too many have gone crazy over so-called civil rights, a Communist propaganda favorite, and this class of people is most responsible for this foolishness. Never has that organization said anything about civil obligations or responsibility toward our Government, and actually it denies that there is any. No one has aided this foolishness more than the United States Supreme Court. The Rosenberg cases have been heard 12 or 14 times. No longer is there any finality of litigation. I was a prosecuting attorney for 27 years and the repeated hearings in these cases run counter to anything occurring in all of that experience. Such actions have been completely contrary to every rule of law regarding new trial motions.

Wednesday, two lawyers, not employed, solicited or even authorized to represent the Rosenbergs, obtained a stay order—thereby shattering every rule of law governing such matters that we ever knew.

It will do no good to fight communism abroad and let it flourish here. It is not realistic—it is not even ordinary sense. It makes law abiding citizens lose confidence. Communism must be unpopular here if we expect to build sentiment against it abroad.

Whether we should have entered Korea, I do not know. Maybe so. Anyway, we did. What we have gained, if anything, I do not know. Whether the moneys we have expended for relief should ever have started without being sure the recipients would fight on our side, I doubt. I will, perhaps, go along with the President on this legislation most of the way this time, but if there is not a change in action here, and if we do not make it tough on Communists here and if orphans of Communists only are of concern, over and above the orphans of American boys who gave their lives for this country, I want the world to know I will be through with this program. By the same token, if we really mean business and are willing to do everything we can to remove communism from our own shores, I want you to know that the section, which I come from, the section where there is no communism, will gladly make every sacrifice and risk every danger and fight until this scourge is completely removed as a menace.

Mr. O'KONSKI. Mr. Chairman, I move to strike out the necessary number of words.

Mr. Chairman, this is the first time this year I have imposed myself upon the Members of Congress, and perhaps it will be the last time. So I want to invite each and every one of you to be my guests at the World Series at Milwaukee, Wis., the latter part of September. But there is an issue involved here that defeats the whole purpose of our entire foreign-aid program.

Therefore, Mr. Chairman, may I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. O'KONSKI. Mr. Chairman, I could support this bill but for one reason. I could support this bill if it were truly an anti-Communist bill. I could support this bill if it were really and truly an authorization of money to stop the trend of communism. I could support this bill if it were really and truly

representative of an honest to God liberation program of the Government of the United States of America.

But this bill is not any of that, and for that reason I cannot support it. For instance, I think that the greatest item in the appropriation bill that we passed last year for mutual security aid was perhaps the smallest item. But this one item would have done us the most good. This one item was voted against the wishes of our President and State Department. That is how little they know of what really is going on. That one item was the $100 million appropriation that we set aside and earmarked, and served notice on the leaders of our Government, military and civil, that we wanted them to use to encourage the refugees and escapees from behind the Iron Curtain who have the courage to revolt against communism. And to this date that money has not been expended. Our State Department and Executive are still ignorant of the real needs of a real anti-Communist program.

The one item in the bill that could have done us the most good was not used. Four million dollars of it I understand was used. And if they ever told you the truth about whom they gave this $4 million to, it would make your hair stand on your head. They used it for exactly the opposite purpose for which it was intended.

So when it comes to actually adopting a program of liberation and encouraging revolts against communism, our leaders are not doing it. Either they do not know how or do not care to.

The second reason why I oppose this bill is that any amount of money donated to Dictator Tito is sacrilege, and it is an insult to my intelligence and a dishonor to our Nation.

I am going to tell you something about that. In 1950, when aid to Tito was first put in this bill, there was the greatest fraud committed upon the Congress of the United States of American that has ever been committed upon it in the 11 years that I have been a Member in this House. It was conceived in fraud and perjury and put over the House in that manner. In 1950, the patriotic people of Yugoslavia resisted and revolted on their farms and in the cities and in the villages—they openly revolted, just as they did in Germany yesterday—they revolted against Tito's Communist regime. The people on the collectivized farms of Tito's Yugoslavia refused to produce for him, because they resisted communism. They resisted his anti-church policies. They resisted his putting bishops and priests in jail. And so they went on sitdown strikes and in the various villages and various cities they actually refused to produce because they were revolting against Tito's Communist regime. They were ready to destroy Tito and his Communist regime. The stage was set and Tito was doomed.

Now, get this. If the Government of the United States of America had not bailed out to Tito with money in 1950, Tito would have been deposed as a Communist dictator and today Yugoslavia would be free and independent and a real ally of ours. What a tragedy. Here the people openly revolted against communism. But the Congress of the United States with money helped Tito save communism.

The hundreds of millions of dollars that we gave Tito gave him the military power to put down the revolt against the Communist regime in Yugoslavia. And when we start appropriating the money of the taxpayers of the United States of America to put down revolts against communism, I think it is a sham and it is a fraud. The Congress of the United States saved Tito's communism in Yugoslavia. How then in good conscience can you call this a stop-communism bill. It is truly an aid-communism bill.

Now how was this fraud committed? The big heads in the civil and military departments of our Government got together in 1950 and they said, "We can never tell the people of America that the people are revolting in Yugoslavia against Tito's Communist regime. My God. We cannot tell them that. So what are we going to tell them?"

Here is the fraud and perjury. They conceived the idea, and by lies and perjury before the Foreign Affairs Committee of the Congress, they told them that there was a drought in Yugoslavia and for that reason there was a famine there and because we were humanitarians we should go to their aid. Our State Department actually lied in turning a revolt against communism into a drought and famine. How is that for honor and integrity?

Here was a revolt of liberation among the Serbian people in Yugoslavia against the Communist dictator. Yet our State Department lied by telling us it was a drought which created a famine and appealed to our humanitarianism to get us to appropriate money to save Tito's communism in Yugoslavia. So instead of containing and stopping communism we actually financed it in Yugoslavia. Yet they call this a stop-communism bill. What fraud and perjury is committed in the name of humanitarianism? Recently we sent him 18 jets. How shameful. When this appropriation bill is finished, Tito will have more jet planes than we will have in Europe among our own forces. Did you know that? It is a supposed secret. When we sent them the first 18 jet planes, they did not have anybody to fly them. They sent 3 fliers to America to be trained, and the minute those 3 fliers got on American soil they said, "We seek haven in the United States. We won't go back to Yugoslavia even if you kill us." So Tito has no fliers for his jet planes that we are sending him. Any military maneuvers of these jet planes, whenever they do get fliers, cannot fly over Italy, because the fliers would jump to freedom. They cannot fly over France or Great Britain or Spain or America. They cannot fly over any land that is free, because the minute their plane goes over a country that is free, down they will come and the fliers will seek haven to escape Tito's communism. We are sending him more jet planes.

What a stupid and unconscionable fraud. I think the appropriation of money for Yugoslavia has the saddest effect on the people revolting behind the Iron Curtain. Those people say that "The time is going to come when we can be liberated." Those unfortunate people who are waiting for the time when they can take off the yoke of communism. They say, "What you are doing for Yugoslavia and for Tito is a body blow to those of us who want to revolt against communism." They say, "You cannot trust Americans." They say, "We should revolt against communism." They say, "We should not accept the Communist doctrine teachings, and what do they do? They turn around and give Communist Tito $350 million so that he can force his Communist government on the people of Yugoslavia." What a travesty on decency and honor when we actually support the horror of a Communist regime.

I think the appropriation of this money to Tito's Yugoslavia is a sham and a fraud on our people. I do not think it ought to be called a liberation bill. I do not think it ought to be called a Communist-containment bill, because you are perpetuating a Communist regime when you give money to a Communist dictator. Do not forget that the deflection between Tito, of Yugoslavia, and Joe Stalin was a personal feud between Tito of Yugoslavia and Joe Stalin. The reason was that Tito was getting a little too big for his pants, and he thought he was bigger than Joe Stalin, and there was a sort of personal feud between them. But now you have got a new administration in Russia, and already they are making eyes at each other. They have exchanged Ambassadors. Do not forget these planes we are giving Tito. The only place that Tito can send his fliers is over Russia, because he knows his planes will never come down in Russia. That is the only place he can send those planes and have his fliers return. That is the only place he can fly his planes. They would not dare fly over any other country, because they will fly to freedom and stay there. That is the situation you have in Yugoslavia. Russia is the only country he can have free intercourse with, and be sure his people will return.

I apologize to the Members for imposing myself as I have, but I cannot conscientiously support this bill and try to give the people the impression that it is a bill to discourage communism and to encourage revolts behind the Iron Curtain. It is not that at all when you appropriate this $300 million to a dastardly dictator like Tito. Do not forget the next trouble you will have will be when Tito marches on Trieste; and then, when the bullets and the bombs you are sending to Tito today will be used on American boys defending Trieste, then I wonder what you Members of Congress are going to say. Will it be enough to say, "That you made another mistake; that you were misinformed?" Cannot the Congress do a little thinking for itself for a change?

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. O'KONSKI. I yield to the gentleman from Pennsylvania.

Mr. FULTON. Did the gentleman comment on the fact that it was Dictator Malenkov who first sponsored Tito? It was the same Tito that shot down the planes with American boys?

Mr. O'KONSKI. Oh yes. The crowd that is in control of the Kremlin right now is the Spanish civil war crowd. They are Malenkov and Beria, of Russia, Tito of Jugoslavia, Bierut of Poland, Gottwald of Czechoslovakia, Thorez of France, Taggilliate and Longo of Italy, and Dimitroo of Bulgaria. These were Stalin's favorite proteges. They are one happy family. Tito is again in this family. These men were all schooled in the Kremlin as a unit.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

(Mr. O'KONSKI (at the request of Mr. FULTON) was granted 3 additional minutes.)

Mr. O'KONSKI. The crowd that is in control of the Kremlin now is this one happy family, and they were leaders in the Spanish civil war in Spain in 1936 and 1937. Beria, the butcher of the Communist regime in Russia today and Malenkov, and Josef Tito are bosom pals. They got the same training in the same Kremlin together. They were in this school with Thorez of France, with Tagliatti of Italy, with Luigi Lango of Italy, with Mierut of Poland, Clement Gottwald of Czechoslovakia, Dimitros of Bulgaria—all of them along with Malenkov and Beria of Russia. These were Stalin's prize students and picked to take over Europe. They were schooled by the Communists in the Kremlin and went over there to Spain to engineer a civil war in Spain. At that time it was a Communist effort to take over Spain. Their plan was first to jump over central Europe and France and take over Spain. They were the people who instigated and led the civil war in Spain. Now these same Communist devils are the leaders of the Communist nations in Europe. All one big happy family again since Stalin died.

Since Stalin's death those are the boys who have taken over. If you think for 1 minute Tito is not going to make up with that crowd and join that big happy family again you are mistaken. Cannot this Congress see even the nose on its face?

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. O'KONSKI. I yield.

Mr. GROSS. Yes; and if the bombs start falling on Trieste it will not be called a mistake, it will be another calculated risk that backfired.

Mr. O'KONSKI. It will be something like that. But in all sincerity, I think I understand the world picture. For 5 weeks I have been eating with, living with, and sleeping with a boy who knows all about communism and the desire of people to revolt against it. I have adopted him and will adopt the other one as soon as he gets over here. These boys know about the Communists. They were ace pilots in the jet air force of Poland. I have been eating and sleeping with one of these lads for the last 5 or 6 weeks. When you mention for example that we are appropriating money for a man like Tito he just cannot understand that. The people of Poland cannot understand it, and the people of Czechoslovakia cannot. Nor can any people who are ready to revolt against communism.

You are asking whether or not we have any friends. Yes we do. But the friends we really have have not been mentioned here. Do you know who our friends are? Let us be honest about it. Our friends are in Latvia, Russia, Ukraine, White Russia, Lithuania, Estonia, Czechoslovakia, Austria, Hungary, Bulgaria, Poland. Yes, and even in Yugoslavia. They are our real friends, about 200 million of them that are risking their lives every day to revolt against communism. If you want to do something to help the people who want to help us do something for these people in Latvia, Lithuania, Estonia, and so forth, and do not give them a slap in the face by giving money to a rat like Tito to enable him to foist an unwanted Communist horror and terror among them.

Mr. GROSS. Mr. Chairman, will the gentleman yield further?

Mr. O'KONSKI. I should like to call the gentleman's attention to a page 1 story of the New York Times of today headed: "Yugoslavia Will Let Soviet Flotilla Pass Down the Danube from Vienna."

That is just the beginning. Every jet we send to Tito will eventually find its way to the Kremlin.

In conclusion bear this in mind Members of Congress. Every time Tito kills or imprisons a priest or bishop, or a minister or nun—the Congress of the United States helped him do it. Every time Tito shoots down like a dog a citizen of Yugoslavia—the Congress of the United States helped him do it. Every time hundreds of liberty loving people die and rot in a Communist jail in Yugoslavia—remember the Congress of the United States helped him do it. Every bullet that kills an American at Tito's orders was a bullet given him by the Congress of the United States. The United States saved Tito's communism; the Congress of the United States with money and guns suppressed Yugoslavia's revolt against communism. If it were not for the stupidity of the Congress of the United States Yugoslavia would be free and independent today. So do not insult the American people that this is a stop-communism or a liberation bill to help free peoples. To say this is a sham and a fraud. I am wondering how it feels to aid and abet communism and help kill freedom-loving people? I am wondering if this Congress has any heart or conscience?

Mr. BUDGE. Mr. Chairman, I offer an amendment to the substitute.

The Clerk read as follows:

Amendment offered by Mr. BUDGE as an amendment to the substitute offered by Mr. FULTON: On page 2, line 2, strike out "$1,979,669,870" and insert "$1,862,783,870."

Mr. BUDGE. Mr. Chairman, I have been seeking recognition for several minutes to offer this amendment. I am happy, however, that the gentleman from Wisconsin who preceded me has so ably presented the case for which I shall also plead.

The purpose of this amendment is to cut out all funds for Yugoslavia. If an amendment is offered to cut out funds for any other totalitarian nation included in this bill, I shall be happy to support it.

But I wonder if our memories are as bad as it would appear from inclusion of this item for Yugoslavia in this bill? Do we not all remember that this man Tito was trained in Moscow; that he spent the war years in Moscow; that we had a friend and democracy had a friend in a man named General Mihailovich, that this same man Tito, to whom you propose to give $216 million, this same man Tito was sent down from Moscow for the specific purpose of capturing and executing America's and democracy's friend, General Mihailovich? He succeeded and executed the general, who assisted American fliers who were downed over Yugoslavia. Then we had a Tito who proceeded to shoot down American fliers.

The reason I have offered this amendment directed at this particular nation which is ruled by a dictator, a totalitarian state, is because the distinguished majority leader and a great many others have told us that the purpose of this bill is to fight communism. How can we expect the people of Yugoslavia or the people anywhere else to revolt against a Communist government when we in the United States furnish that government the tools with which to keep those people in subjugation? I submit, and I submit earnestly, that the Congress of the United States should never permit one dime of economic, and particularly not of military aid, to go to a Communist dictator whether his name is Tito, Stalin, Malenkov, or any other name. I am satisfied if we permit the building up of a Communist government anywhere in the world the only thing we are succeeding in doing is discouraging the people who love democracy, who would like to free themselves from their autocratic, damnable rulers but cannot do so because the Congress of the United States appropriates funds for economic and military aid to keep their masters in power.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. BUDGE. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. The most hopeful sign I have seen is the uprising of workers and other people behind the Iron Curtain, which is the way we secured our freedom here in the United States during the Revolution. It is the only manner in which they will secure their freedom over there. If we can help them with these uprisings, then we will have accomplished something to restore freedom to them.

Mr. BUDGE. I thank the gentleman. He is absolutely correct. The people to whom we should be giving this aid in Yugoslavia are the people who want to fight Communists, not the man who wants to continue to be a Communist dictator over what was once and can be again a great and free people. The Congress of the United States should not assist a Communist dictator in his efforts to continue in power, and this amendment simply removes that assistance.

Mr. VORYS. Mr. Chairman, I rise in opposition to all three pending amendments.

Mr. Chairman, the discussion so far has applied to the three countries to which the gentleman from Wisconsin referred in discussing his amendment.

These three countries have varying types of government, none of them the type we like. I understand they have a dictator in Portugal, too, as well as in Spain and Yugoslavia. But these countries are all extremely strategic spots in Western Europe. We have had enough discussion on the merits and demerits of these countries.

This is the first year that the amounts for military purposes have been disclosed country by country in Europe. The purpose has been to inform the House as fully as possible, but, of course, a debate such as this, on a country-by-country basis is not particularly helpful to the military men under our President who have the problem of implementing our security by preparing our defenses in Europe. However, the situation is that all of the amendments strike at the whole program of military aid for Europe, title I. Europe includes NATO, where our President was the great leader in attempting to draw these people together.

Here is what has happened to title I this year: Under the Truman budget title I was $4,056,060,000. The first Eisenhower budget was $2,479,089,870. The second Eisenhower budget was $2,197,689,870. The committee bill is $2,079,689,870. The first Eisenhower budget cut the Truman budget 38 percent; the next one cut it 13 percent; and we made a 5 percent cut. There has been a 49 percent cut in the amount of military aid programed for Western Europe during this year. The largest cut of the amendments pending here proposed would cut it about 11 percent more. This is for Europe, where General Ridgway said that we have not the strength now for a full-fledged defense. I would not quarrel or disagree with those who read pessimistic statements from General Ridgway as to the defense of Europe.

Now that is what title I is all about. It is to strengthen the defense of Europe. One reason we have to do it is because some of those people are faint hearted in view of the dreadful fate they may face. I think that any statement General Ridgway or others would make about the overrunning of Europe leaves out the imponderable of what the A-bomb might possibly do to any aggressor that was attempting to come through Europe.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Iowa.

Mr. GROSS. Well now, is the gentleman saying to us that we are going to drop the A-bomb on Paris or any other city in Europe?

Mr. VORYS. No. That is one of the problems. Where do we drop the A-bomb? We drop it on the concentrated military forces of the enemy. I do not think it would be helpful, I will say to my friend, to discuss A-bomb strategy at this time except to say I hope we will never consider such an alternative as he mentioned.

Now, why do we have to have more money when we have so much unexpended? We will have $8 billion plus of unexpended balances for military aid as of July 1. Some of that is going to be unobligated. For the most part this administration has reported back the unobligated money and told us to cut it from the new authorizations. Most of this obligated balance is for long-lead-time items. Tanks take 11 months to make; a bomber takes 3 years; a jet fighter 18 months, and electronics equipment takes a lot more time. Ships often take 5 years. This is lead time. That is why we need additional money this year.

The point has been raised, How long will this go on? I have heard General Eisenhower, former President Hoover, French Foreign Minister Schuman, and others at different times say that this period of tension would last for 10 years. I have never said that I think our President thinks that this present program will last for 10 years. His aim has been to reduce our share as rapidly as the buildup takes place in Europe.

Here is a chart that might be of interest to you. It shows you how our share in the European buildup has been going down and shows that the European expenditures, on their own defenses, have been going up from 6.4 billion in 1950 to a prospective of 13.7 billion in 1953, and 14.9 billion in 1954.

Here you note that our contribution for next year has already been reduced below the amount on the chart. I beg you not to reduce it more.

These amendments should be defeated.

Mr. McVEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of all the amendments that are before the House, because I am opposed to this bill altogether.

The emotional appeals that have been made to the House beginning yesterday afternoon have not moved me very deeply. We have heard these appeals year after year for the last 10 years on the floor of this House.

We have remaining in the unexpended portion of the mutual-security fund, as the previous speaker has said, more than $8 billion. It seems to me we could well get along for another year with that $8 billion and not appropriate any additional sums at this time.

I am moved to say this because it seems to me that we elected last November a party that was pledged to balance the budget and reduce taxes. I know some of us did not agree to do this immediately, but the bill we are considering today, for almost $5 billion, stands between us and a balanced budget, a promise which we made last November.

We have in this bill over $200 million for Yugoslavia. We have already appropriated $504 million for Yugoslavia. If this appropriation for Yugoslavia is allowed to prevail, we will have appropriated more than $700 million for a Communist country. I think no one here today would deny that Yugoslavia is a Communist country. It has a Communist philosophy, and Tito himself admits that he is a Communist dictator.

Let us see what he has done to the churches of Yugoslavia. You have read in the papers about the priests and the ministers who have been imprisoned. Let me tell you about the convents in Yugoslavia. Tito decided a couple of years ago to close the convents in two of his provinces. He turned the sisters in those convents out on the streets. They tried to find their home towns, only to discover that many of them had been destroyed by the ravages of war. They were unable to find their homes. They were on the streets, and they were arrested as vagrants on the streets of that country and thrown into jail, these sisters of mercy who were devoting their lives to the religious work of the church to which they belonged. I do not belong to that church, and I am not arguing for that church because I am a member of it, but I respect the sisters in that church because I had many of them in my classes at DePaul University. I had an opportunity to observe at firsthand their devotion to duty, and the high-mindedness of their calling.

Are we going to send more money into a country that persecutes its people in this fashion; that throws into jail priests, ministers, and the nuns in the convents? It seems to me it approaches the ridiculous for us to continue to appropriate funds for a country such as Yugoslavia, that engages in persecutions of this character.

It seems to me that in this country we need to come to grips with a vital issue, and that issue is whether we are going to conduct a government in Washington that is consistent with our resources and our taxing power. That is not the kind of government we have had in Washington for many years.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. McVEY. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. May I ask the chairman a question? The total amount of this bill is $4,998,000,000. Is that correct?

Mr. VORYS. That is right.

Mr. GAVIN. That is about $5 billion. Yesterday we were limited to 5 hours of debate, so with $5 billion, or $5,000 million, that is at the rate of a billion dollars an hour. It will be very interesting to the American taxpayers, I may observe to my good friend, when they read that the Congress is appropriating money at the rate of a billion dollars an hour—5 hours, $5 billion.

It is a good thing my old friend, Bob Rich, is not here now, because he would propound that question, "Where are you going to get the money?"

Mr. McVEY. This is not a new philosophy which I am espousing on the floor this afternoon. I have voted against these foreign aid bills for the last 2 years, because I think the time has come when we must begin to protect the resources of America and keep ourselves both militarily and economically strong; because if America goes down, the rest of the world goes down with us.

The CHAIRMAN. The time of the gentleman has expired.

Mr. REED of New York. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I doubt if I can add anything to the gaiety of nations on this subject. I think my position has been pretty well established in this House for economy. I have opposed many of the boondoggling projects that have been carried on over a period of years and I am still opposed to them.

The greatest security this Nation can have is its own solvency. We are dissipating it.

We made some very profound promises during the recent election. We were going to reduce expenditures; we were going to reduce taxes, and balance the budget. There has been proposed a scheme of taxation—enactment of H. R. 1 and the defeat of the excess-profits tax. No man can deny in the light of past experience, that the proposal will work. It will balance the budget; reduce the national debt; wipe out the deficit. The tax proposal wiped out a $20 billion deficit in 2 years in the 80th Congress, balanced the budget for the first time in 17 years, paid $5 billion on the national debt and left a surplus of $8 billion.

Of course, that is all ignored so far. Let us see what we have been doing and whether or not we have not been following Lenin's philosophy to force us to spend ourselves into bankruptcy.

I have been abroad, too, quite a number of times. I was astounded to see what had been done in the building of a ship canal from the Mediterranean Sea up to Lake Geneva, practically every inch of it through French soil.

I went down to see a couple of the dams that were completed. They cost about $568 million. That seaway is to have 22 dams, 46 power stations; financed by our money; not one nickel of French money is going into this project. The completion of this sea canal, now that we are committed to it, will cost us only about $13 billion more.

Over in Rome there is a railroad station—and that has been debated on this floor—a station a mile long. Our millions went into it. I know of a great many places in this country that would like a railway station, a very modest one, but there are no funds for home projects.

In Rovigo, a town over there in Italy of 40,000 population, a railway center in northern Italy, where they have built a railroad station with our money in which you could house the Washington station and the one in Albany and the one in Syracuse.

You can go to Milan and you can see a palatial hotel. Just anyone cannot go into it. It is one of these luxury hotels, 10 stories high. I am not criticizing them for building it out of marble, because that is their best material over there with which to build. You can see apartment houses that have been built in Paris and Rome and elsewhere that would make the apartment houses on Riverside Drive in New York blush with shame. How long are we going to keep this thing up? How much security do you think is in this proposal here?

In the bay of Naples on the Island of Capri, there is another beautiful hotel, a luxury hotel—oh, yes, built with our money.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield to the gentleman.

Mr. GAVIN. I just want to call attention to the rehabilitation of Vienna Opera House. I was over there several years and looking the project over I said, "Why not put this money into some useful purpose, into industry, to create employment for the people?" The answer was, "Well, you must remember the cultural and esthetic side of life of the people, too, you know."

We go merrily along spending, taxing the American people for projects such as the gentleman describes. I thought perhaps the gentleman had forgotten about this Vienna opera house.

Mr. REED of New York. I have forgotten a thousand projects that we have been financing over there with our money. We are getting nothing for this at all. If you do not believe it, just go over there. When they find out you are a Yankee they say, "Go home, Yankee." You cannot buy friendships with dollars. We have become so dollar-minded that we think we can push these people into programs that they do not want. They despise us for it.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. Does the gentleman know of any place in the world where we have poured our billions that we have ever bought any good will on a permanent basis?

Mr. REED of New York. Not at all. In the history of our country there is only one other nation that has ever sent us any help in time of disaster, and that was during the Mississippi River flood, and it was China that sent the aid. But we have been having cyclones and tornadoes all over this country. How many foreign nations have even said they would like to help us a little? Do you ever hear anything from them? No; you do not.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield to the gentleman from Pennsylvania.

Mr. FULTON. In justice, I believe that Burma is sending $10,000 to the victims of the cyclones, but I am one of those who feels the program should be cut.

Mr. REED of New York. Certainly it should be cut.

The CHAIRMAN. The time of the gentleman from New York has expired.

(By unanimous consent (at the request of Mr. GAVIN), Mr. REED of New York was granted 3 additional minutes.)

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. It appears to me that what we are doing is scattering our hits all over the world. If we were ever called upon to win a ball game we could not do it. Unless we remain strong at home, financially and otherwise, we cannot be of any help to ourselves or any other part of the world.

Mr. REED of New York. I have had one philosophy ever since I have been in Congress, and that is that the finest thing we can do is to make our Government work within the principles of the Constitution, within the framework of the greatest charter of liberty ever framed. When we do that, other nations can see it. They can see the fine, splendid standard of living. We can be fairly generous in cases of disaster, but the way we are operating now we are operating under what I would call mob psychology. We are here making emotional appeals. When you make emotional appeals you will sink the average intellect down to the lowest common denominator of intelligence. That has always been true. You will see this mob psychology surrounding the Supreme Court. You see it marching through here, operating under mob psychology. It is about time we operated on the basis of sound sense and reason and within the great charter of liberties to which I have referred. We have got 24 personal liberties in the Constitution. We can spend ourselves to death on these emotional appeals. This should be called from now on "the Age of Reason," and let us legislate along that line.

Mr. VORYS. Mr. Chairman, we have been talking on this amendment now for an hour and a half. I wonder if we could not agree on limitation of debate. I ask unanimous consent that debate be limited to 25 minutes, 5 minutes for each gentleman now standing, and 5 minutes for the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I am glad that we are at last getting down to a discussion of the bill. Yesterday I spent 5 hours on the floor of the House, and I never listened to more platitudes or more euphonious statements in my life than I did yesterday afternoon and last evening in what was called general debate on this bill. We did get some information from the minority of the Foreign Affairs Committee, but we got little or nothing on the provisions of this bill from the majority.

There are a thousand questions I would like to ask about this foreign giveaway scheme. I would like to ask the Members to turn to page 22 of the report. This is something new. We have on page 22: Slice 1; slice 2; slice 3; slice 4 (a); slice 4 (b); slice IVa; slice IVb; and so on and so forth. The only thing I have not found here is the slice that is taken out of the taxpayer. I wonder if some member of the Foreign Affairs Committee can tell me just what kind of slice this is going to take out of the American taxpayer's throat?

I would like to ask how much you propose to spend in this bill on offshore procurement. Will some member of the committee tell me? I have not been able to get an answer.

Mr. FULTON. I will answer that.

Mr. GROSS. I am waiting patiently. I do not want the gentleman to take my time in prolonged consultation before giving me his answer.

Mr. FULTON. Approximately $1 billion.

Mr. GROSS. How much?

Mr. FULTON. Approximately a billion dollars.

Mr. GROSS. That much for offshore procurement?

Mr. FULTON. That is correct.

Mr. GROSS. Let me tell you something about this offshore procurement. I have been reading some of the British financial journals. The British Finan-

cial Times says gleefully that although American dollars labeled "aid" may be reduced, American dollars received from offshore purchases will make up the loss, if any. So if you reduce the direct funds to the British in this bill you are still not cutting them out of anything.

Let me go further. The London Economist assures its readers that American giveaway artists have a plan "full of special devices which have been carefully worked out by mutual-security officials with the idea of including as much as possible under headings which will have the effect of economic, or defense support, and technical aid, while appearing to ask for much less for these purposes." In other words, trick American taxpayers into believing there is a cut in foreign spending while dishing out as much or more than before under offshore procurement.

That same publication observes there may be a slight cut in the outright dole to Britain and other countries because "it will be hard both to counter the argument for stringent economy and to explain away the existence of eleven and nine-tenths billions of unspent funds voted in previous years, over four billions of which are still uncommitted to any particular project."

So the British are saying they expect America to cut direct aid in military appropriations, but they will get it back in the offshore program.

I call this particularly to the attention of Members from industrial districts, because this may well come back to haunt you in the future.

The British seem amazed, as well they should, that any new foreign aid funds are sought on top of prodigious uncommitted funds. They can scarcely believe their continued good fortune in grabbing more and more American tax dollars in outright aid or offshore procurement, which means practically the same thing—an American-financed international WPA.

On top of that the London Statist, another economic magazine, proclaims "United States Aid Cut Need Cause No Alarm," because, it says in effect, British economy can stand alone if American aid is cut off.

All this provides additional incentive for me to continue to vote against foreign aid and attempt, as I have done before, through legislation, to prevent the use of American tax dollars for offshore procurement, which deprives American industry, labor, and agriculture of whatever contracts are let in foreign countries under that scheme.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Chairman, I recognize the danger of being misunderstood when anyone attempts to discuss this bill. I recognize full well that there is a great deal of feeling about this bill and there have been a great many unreasoned statements made and more such statements probably will be made in the future. I recognize a great many of our people are thinking in terms of prejudice rather than in terms of reason about this bill. For this reason I realize that my statement will very likely be misunderstood, therefore, I want to make it perfectly clear that I recognize that this bill is far from perfect. Not many pieces of legislation are offered that I consider perfect, even those offered from my own committee. I have no doubt that I shall oppose some of the items of this very bill. I expect to vote for amendments to this bill.

At the same time, I recognize that we have a program we must carry out. I hope that that program may be based upon serious thought about what is involved rather than upon someone's prejudice for or against some individual. I have been distressed that there has been so much discussion here about the character of certain individual dictators in various parts of the world, particularly about Tito who is the dictator of Communist Yugoslavia. I recognize Mr. Tito for exactly what he is. I am not here to defend him, or his policies. In fact, I cannot approve these policies, but it seems to me that rather than passing upon legislation simply because we do not like a man or a government, we ought to look at some of the sober facts. One of those facts is that Mr. Tito right now commands the second largest army in Europe, thirty-odd divisions, armed, equipped, trained, and ready to go. Even if we do not get those divisions actively on our side, it is worth a lot to us to keep them from joining the enemy. I do not want them on the Russian side. I think it is worth good hard money to the United States to see that those 30 divisions might at least constitute a threat on the Russian flank. If they do not actively help us, I do not want them to help the Bear.

I do not think anybody will deny the fact that Tito does possess a powerful army. You may question his individual character or his philosophy. I am not here to defend him, but I do not think we should be swept away by criticism that does not have any sound basis.

One of our distinguished colleagues got up here and talked about the fraud which he said had been perpetrated upon the American people in 1950 by telling us there was a drought in Yugoslavia. I believe he stated that we first granted aid to Yugoslavia on a misrepresentation of fact. He said we were led to believe that a drought existed when the fact was that we were aiding Tito to put down a revolution. I do not know anything about the revolution, but I feel that I owe an obligation to this House to testify as to the facts which I do know.

I was in Yugoslavia in the fall in 1950. I did not see any rebellion. There might have been one. I do not claim to know. I do not know just what those people were thinking. I could not talk to them. I did not visit all of their cities. But I did see the condition of their crops. I hold myself out to be somewhat of an expert on droughts. I do not know any other subject on which I would make that claim of expertness, but I have lived with dry weather all my life in the Southwest.

We are faced with a terrible drought now and I may be calling on you to give to our people down in the southwestern part some of the aid we are giving to foreign people in regard to droughts. I think these people are entitled to drought aid—that is, the people of the United States should, in my opinion, receive just as much aid from our Government as anybody anywhere in the world, but I do know there was a drought in Yugoslavia in 1950 because I was there. I saw corn 3 feet high burn up, making nothing. I think I know and can tell the result of a drought.

When Members come before this House and try to prejudice us against a program on the theory that we have been deceived, when, as a matter of fact, the conditions that were described to us actually did exist, I just wonder how well informed those Members are about some of the other matters that they discuss.

I do not pass on the other statements that were made, because the drought is the only one of these things I know about. It is the one thing I personally saw. But I do know about that drought, and I can testify before this House of my own personal knowledge. These other statements may or may not be correct. I have no doubt but what those who made the statements believed them to be true, but when I know that advocates are mistaken about one phase of their testimony I wonder if they may not be mistaken about other parts of that testimony.

Let me again make it clear, I am not defending Tito, but I do want this House to be sure it is not acting on a misunderstanding of the facts. I just want to keep the record straight.

Mr. DORN of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from South Carolina.

Mr. DORN of South Carolina. I think the gentleman is certainly right about what he is telling the House here. I informed the House yesterday that I was opposed to the entire bill, and I am, but if you are going to have an aid bill at all, certainly we ought to try to support Spain and those countries that really have something to fight with. I have argued that for years. Spain might be the one place in Europe where we can withdraw our own boys behind the Pyrenees and protect them until we can get them out.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. RAYBURN].

Mr. RAYBURN. Mr. Chairman, I trust that this does not become an age-old fight. I have no apology to make today, because my position has never changed. I have been voting for these things since the inception in the 80th Congress.

The budget, as it came down from the Truman administration, was $7,600,000,000. The first Eisenhower budget request was $5,828,000,000. The revised Eisenhower budget was $5,474,000,000. The committee, not satisfied with that, cut it again and reduced it to $4,998,000,000, or a cut of $2,602,000,000 from the original budget.

Now, if people want to cut, if it is their idea to cut any part of this program, it seems to me it certainly has been cut enough. I am not going to say one word in the moment that I detain you that would be tortured into a criticism of any

ally we have upon the face of the earth or any prospective ally, for the simple reason that if there was ever a time in this Nation's history, the biggest, the strongest, the most democratic nation upon the earth, that has been challenged with the leadership of the world, it is now, and it must lead, or this is a leaderless country and a leaderless world.

The President of the United States, your President and mine, has said that this amount ought to be $400 million more than it is. I think he was right about it. You talk about the expenditure of money. Of course, there are some people that can balance budgets by just taking a meat ax and cutting off here, there, and yonder. They can also reduce taxes. My beloved friend from New York can reduce taxes at any time, because he is not very strong on voting for any kind of appropriation, and especially any kind of an appropriation for foreign aid or world cooperation and world concord. I think I know that our actions in the past, in the Marshal plan and in this mutual-aid program, are as much or more responsible for the confusion and the uncertainty today behind the Iron Curtain than any other one thing. We were unprepared, the world was unprepared, in 1914 and 1917. We were unprepared terribly in 1940 and 1941. I stood on this floor and pleaded for bigger appropriations for our military, saying that there was danger, terrible danger in this world. I was not as sad at that moment about world conditions as I am about world conditions today. We were attacked because we were unprepared and everybody knew that we were unprepared, and because we were not prepared and our allies were not prepared we expended $400 billion in less than 5 years and lost thousands upon thousands of lives of American boys and American girls.

If we could prepare or help prepare those who stand with us so that they could resist, even though it took $5 billion this year and $5 billion every year for the next 10 years, if we could thus prevent a war, a holocaust, the destruction of property and lives and the expenditure of $500 billion, even from the material standpoint it would be the greatest investment the people of the United States ever made.

So today, as an old friend who has been here a long time and who has been here during two wars and the aftermath, one who has seen to his great sorrow after World War I and World War II this thing called isolationism crawl out of the shadows and make itself evident, after being asleep during the wars, for after each and every one of these wars this isolationist spirit has come back, I say to you that isolation from the rest of the world will destroy the United States and every democracy upon the face of the earth, and civilization itself. I will not take that kind of responsibility today, next week, next month, or next year.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. MARTIN], the Speaker of the House, to close debate.

Mr. MARTIN of Massachusetts. Mr. Chairman, I want first to congratulate the Members upon the splendid debate we have had this afternoon. The conflicting views have been presented ably and in good spirit. It is a wholesome thing, that we can debate thoroughly these questions before we make our decision.

I would not rise here this afternoon if I did not believe it was a serious and very vital question we were considering; one fraught with danger not only to our country but to the world. I believe I should give you, who have been my colleagues and who have been good to me, the benefit of my wisdom, such as it may be.

Whether we like it or not, we have been thrust into world leadership. The responsibility today is largely ours whether we are to have peace, prosperity, and progress in this great world of ours.

I, like many of you, have been critical of some of the program here presented. No one has lifted his voice, probably, any more often than I have in criticism. But when I believe it is a grave error that we are liable to commit I must give to the House the benefit of my views. This authorization has been reduced 34 percent, a larger cut than has been given to any of our other efforts. When we consider this bill we must not forget that this is not a bill of handouts, of boondoggling. We have seen a great deal of that, and I hope it has been discontinued. This is a bill to help the other peoples of the world who, like us, are trying to resist the ever-onward march of the powerful ideology of communism.

I do not question the motives of the men who offer these amendments because they offer them in good faith and from conviction. I know they do, from my past association with them. Spain and Portugal have been singled out as not deserving of aid. These have been two faithful allies as far as the United States is concerned. They are countries we may well like to have on our side in these eventful days ahead. We must be practical as we stand in the path of a powerful foe.

The second largest army in all Europe is back of the Pyrenees. They possess a haven American troops might like to possess. Bases in Spain could aid the free forces of the world immensely. It costs $590 a year to maintain a Spanish soldier, equipped and ready for action. It costs $11,000 a year to maintain an American soldier. I think I would feel comfortable if I knew that a well equipped and expanded Spanish Army was ready to resist the march of communism in Europe.

It costs $570 a year to equip a Turkish soldier, one of the best fighters in the world. I have seen on the fields of Korea the crosses that mark their bravery, where those men fought and died for freedom. I would feel safer if I saw a modern, well-equipped Turkish Army in the Dardanelles.

So I hope that no one will try to discriminate against countries who have been friendly to us and who want earnestly to retain our friendship.

I know in the last World War when we were desperately in need of bases, little Portugal freely came forward and gave us bases from which we were able to launch our attacks against Europe. Those bases saved lives and money and contributed to our success. How can we, through an amendment, eliminate them from the receipt of funds without doing serious harm. No, I do not believe we are going to do that.

We talk of economy. I believe in economy. I believe in economy probably fully as much as any man in the House, because in my youth I have known the necessity of the most rigid economy. I want to tell you, gentlemen, we can make many a grave mistake in the name of economy. We can economize so far that we will be unable to accomplish the purposes which we seek.

And if we should fail, and that could mean war, the third world war, we might find then, too late, there was less economy in our vote than we had anticipated. Such an economy could well bring the loss of some of our youths.

We have no partisanship here today on this bill because this is not a question of Republicans and Democrats. It is a question of Americans and Americanism. It is a question of whether we are going to give up the program which we have been following in the last 4 or 5 years, or whether we are going to carry it to a successful conclusion.

I cannot believe that the people of America, having once set their hands to the plow, are going to withdraw. I cannot believe that we are going to fall into the booby trap of the Communists in this period of the truce, if it comes; and I question whether there will be any truce. I do not believe we are going to play the Communist game and disarm, and make it impossible for our allies or anyone else to resist the march of communism. I have greater faith in the people of the United States than that.

On a hot summer day, when I am out of Congress, I love to sit on the shores of old Cape Cod. I love to sit on the porch of my little house located on a bluff, that overlooks Cape Cod Bay. From that place I can see 30 miles away the shadowy outlines of the monument erected to the Pilgrims in Provincetown. I can look across the bay and see the outline of Truro, where the Pilgrims landed. I can see the course of that little ship, the *Mayflower* across Massachusetts Bay, around the head into Plymouth Harbor.

I cannot believe that a people with such a heritage, a people who conquered the savage barbarians and the wilderness and built this great empire—I cannot believe now, at the zenith of our power that for a few hundred millions of dollars we are going to falter, we are going to turn back from our high purpose.

No, I do not like to waste money. It is ingrained in my very soul, I repeat, to resist waste. But I do know that above all, above money, I must ever place the security of my country. That comes first. Security is more precious than dollars. Why is it today that men leave the Eastern Zone in Germany and endure hardships and privations to the end that they can find a haven of security in Western Germany? It is the inalienable appeal that comes to all peoples for freedom.

I say to you today, as we consider this bill, let us be true to the confidence that our people have placed in us. Let us not back out in this fight which we have started. Let us give Dwight Eisenhower a chance to prove his merit. I know he is thinking of economy just as much as you and I. If he had been one who believed in waste, he would not have sent word to the House that $400 million could have been cut off of that bill after it had been sent out. We can trust him to adjudicate the money wisely.

One more thought I want to leave with you. This is an authorization bill. You say, "Oh, we have heard that story before." But let me tell you, we have a pretty good man at the head of the Appropriations Committee. I do not believe that JOHN TABER is going to let items get by that he does not believe in. We might cut this bill today to the point where it would be fatal; but tomorrow, when this bill comes before JOHN TABER'S committee, he can cut it, and if there is a mistake he can correct it by a supplemental appropriation later. But we cannot make a mistake today in this authorization bill. This might be fatal. Let us not back out now. Let us take the leadership that the world has given to us. Let us take this leadership that God has placed in our hands and use it wisely for the benefit of humanity.

If we should discontinue our aid and encouragement to those outside of the Iron Curtain it could well hasten the triumph of communism. That no straight-thinking American would desire.

It serves no good purpose to think only of the terrific amount of the money that the United States has generously poured forth to encourage the fight of a free world. It is of no good purpose to think only of the failure of these liberal contributions to gain the good will of other people. We must face the facts as they stand today.

My colleagues, let us not pull out of the fight for freedom in this crucial period. Let us not play the game of the Soviet craftily awaiting the day when it is propitious to attack.

A strong America and strong allies are our best security. Let us finish the task we have started and bring peace and security for the people of the world.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho [Mr. BUDGE] to the substitute amendment offered by the gentleman from Pennsylvania [Mr. FULTON].

(By unanimous consent, the amendment was again reported.)

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho.

The question was taken; and on a division (demanded by Mr. BUDGE) there were—ayes 100, noes 154.

So the amendment to the substitute was rejected.

The CHAIRMAN. The Clerk will report the substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. FULTON as a substitute for the amendment offered by Mr. SMITH of Wisconsin: On page 2, line 2, strike out "$2,079,689,870" and insert "$1,979,689,870."

The CHAIRMAN. The question is on the substitute amendment.

The question was taken; and on a division (demanded by Mr. FULTON) there were—ayes 96, noes 159.

So the substitute amendment was rejected.

The CHAIRMAN. The Clerk will report the Smith amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Wisconsin: Page 2, line 2, strike out the figure "$2,079,689,870" and insert "$1,750,503,870."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. SMITH].

The question was taken; and the Chair announced that he was in doubt.

Mr. MCCORMACK. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. VORYS and Mr. SMITH of Wisconsin.

The Committee divided; and the tellers reported that there were—ayes 100, noes 192.

So the amendment was rejected.

Mr. FULTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FULTON: On page 2, line 6, before the semicolon, insert "but this section in the interests of the security of the United States shall not operate to deprive of aid nor penalize nations who have fully ratified the treaty to create the said organization, because of the lack of action or failure to ratify by any other nation."

Mr. FULTON. Mr. Chairman, this is an amendment to the Richards amendment. The Richards amendment, as you know, is on page 2, lines 3, 4, and 5. It states that "not less than 50 percent shall be made available only for the organization," called the European Defense Community, which means the proposed European army. My amendment adds to the Richards amendment as follows: It provides that the Richards amendment, which would give the money to the European Defense Community when formed, shall not be used to withhold aid from any country that has ratified the treaty and has shown it would go along with the proposed integration of the defense of the European community.

The gentleman from South Carolina [Mr. RICHARDS] said he felt that most of these five countries that have not yet ratified will go along, meaning that one or several may not go along. We should have in this bill, a provision that this amendment is not intended to deprive of aid any country that ratifies the European Defense Community. We should have a provision so that they can get the aid on individual ratification of the treaty or we will put in the hands of the remaining countries that might be holdouts, the power to block the whole European Defense Community.

The Republic of Germany has ratified the treaty, subject to a final court decision. De Gasperi's government in Italy has stated its strong position for the European Defense Community. The Netherlands Government has taken a position for it, Luxembourg is for it, and Belgium is for it but, as you know, in France there is no government existing. We need action from these five countries. If we get a weak government in France or one that delays and continues to delay, we will then have a situation where there cannot be any aid going to Europe or to these countries because one country without a government might not ratify the treaty.

My amendment is based on the fact that we favor these nations taking voluntary steps to form the EDC organization, and when it is formed we will give the aid to the European Defense Community; that is, the military aid for Europe. But my amendment supplements this intention, to cut down the harsh application of the Richards amendment on those countries who have ratified but are blocked by others. My amendment states that when the countries ratify they shall not be penalized on this aid because any other country fails to ratify or refuses to ratify, but shall be eligible for military aid under this program.

My amendment is for the security of the United States, because when we have a willing ally, a country that has ratified and said they want a unified European army, we should not penalize them if some other country says no, and lump them together.

My amendment recognizes that the Richards amendment gives the money to the European army organization when formed, but my amendment provides that this section in the interests of the security of the United States shall not operate to deprive of aid nor penalize nations otherwise qualified who have fully ratified the treaty creating the European army organization, because of the lack of action or failure to ratify by another Nation.

Unless we adopt this amendment we lump all the nations together. But if you adopt my amendment, any of the nations who ratify the European defense treaty can then be given the military aid individually, even though the organization is not formed. I have come to the conclusion that my amendment is necessary to prevent the unfair application of the Richards amendment.

I think the rule that the gentleman from South Carolina [Mr. RICHARDS], has stated is too rigid because it will penalize willing countries who want to go along with us. It is like having a whole group accused of not cooperating and saying that we will refuse aid to the whole group.

My amendment will pick out who our friends are and limit the Richards amendment so that it will not, in any case, deprive of aid any cooperating nation, or any nation which desires to cooperate. No nation should be penalized by the failure to act, or by lack of action of any other nation that will not cooperate. So my amendment will put the European nations on their own feet if they cooperate, give them the aid.

I wish to state to you that there are two other basic amendments that I have to this legislation. My position has been the moderate position. I am for the legislation. But I think there are various places where it can be amended, and

the amount cut to obtain a more efficient handling of the program.

It is not a small amount when we talk of $100 million as various Members were talking about it here previously. If we in this country increase the first-class rate on letters, 1 cent to 4 cents, this would amount to an increase of only $78 million for the year. I have an amendment that will be offered later to cut $100 million in economic aid.

The amendment offered by the chairman of the Foreign Affairs Committee this afternoon is an adoption by the committee and extension of two of my amendments cutting administrative personnel in the mutual security program. From my observation on my investigation trip to Europe in April 1953, I feel that the agency is overstaffed as to administrative personnel, and that there should be a 10-percent cut in such expenditures in the interests of efficiency and economy. My amendments will save almost $30 million by cutting down the administrative personnel on the payroll on January 31, 1953, in the number of 5,664, by 10 percent or 566, within 90 days after the passage of this bill. This action is necessary as the total employees on the payroll as of January 31, 1953, have substantially increased by March 31, 1953, as follows:

Mutual security program employees by departments

	Jan. 31, 1953	Mar. 31, 1953
DMS	146	119
MSA	5,409	5,304
State	3,240	3,260
TCA	3,625	4,022
Defense	39,921	40,428
Total	52,341	53,133

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. RICHARDS. Mr. Chairman, I rise in opposition to the amendment.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Ohio.

Mr. VORYS. I ask unanimous consent that all debate on this amendment and amendments thereto cease in 10 minutes, the last 5 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. RICHARDS. Mr. Chairman, of course, this amendment will undo everything that the committee has done in regard to encouraging the formation of the European Defense Community. I am a little surprised that the gentleman from Pennsylvania [Mr. FULTON], who supported this provision in the committee and has also been in favor of certain cuts here today, would offer this amendment.

There is no Richards amendment before the House. The provision that the gentleman from Pennsylvania [Mr. FULTON] seeks to amend is in the bill itself and it carried by about a 2-to-1 vote in the committee. I do not think anybody else on the committee is opposed or will offer any amendment to it here today.

There has been a great deal of discussion about what this bill tries to do with regard to the European Defense Community.

The provision sought to be amended here applies to Luxembourg, Netherlands, Belgium, France, Italy, and Germany. We were told before the Foreign Affairs Committee that the main objective of the European Defense Community was to assure effective unity of action under General Ridgway and also to get Germany into the defense picture over there. All of our military men have testified that in the long run there is no effective central military defense in Europe against communism unless we have Germany in the picture. Germany is the only 1 of these 6 nations so far that has ratified the treaty; or whose parliament has ratified the agreement. All 6 countries have signed the agreement.

I hope the amendment will be defeated.

I want to read right here what the present Secretary of State said in a recent speech about this problem. He warned them that they had to get together. Secretary Dulles said:

> Nothing that the United States can do will ever be enough to make Europe safe if it is divided into rival national camps.

He was right.

For years and years we have gone along, letting these individual nations have money even though they followed a lone-wolf policy, and now all we are asking is that they unify and make effective use of it.

Mr. WAINWRIGHT. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. WAINWRIGHT. Mr. Chairman, I rise because I have serious reservations, which I feel sure are shared by many other Members of this body, concerning the so-called Richards amendment. It would appear necessary at this point to clarify exactly what we have labeled "The Richards amendment." It is that section of the bill which would, for all practical purposes, withhold military assistance to the European Defense Community countries, a sum amounting to over $1 billion until all these countries ratify the EDC treaty. The amendment proposed by the gentleman from Pennsylvania [Mr. FULTON] would, as I understand it, allow the funds tied up by the Richards amendment to be released as each country ratifies the EDC treaty.

Both of these amendments, in my opinion, are unsound. They invoke a doctrine unnatural to the American way of thinking. These amendments would in effect apply economic and political pressure on foreign parliaments.

I emphasize this point because this is not the usual and customary diplomatic procedure of bringing pressure on foreign governments. Here we are attempting to bring pressure directly on the parliamentary bodies themselves. Can you imagine the situation in reverse? We in this Congress would rise to a man to reject this approach. Why should we inflict this coercion on others?

From a practical viewpoint the Fulton amendment is less harmful than the provision of the bill known as the Richards amendment. At least, under the Fulton amendment, we would be allowed to release these blocked funds for our friends and allies so that they can go about their business of assisting us, whether or not the other countries have ratified. I am confident that the President of the United States and the Secretary of State do not want accusations leveled at this Government to the effect that we are attempting to bribe or coerce our fine allies. One of the principal points at stake here today is America's leadership in the world. There are many of us here who do not feel that this leadership should be tarnished by the suggestions of the amendments in question.

Mr. JAVITS. Mr. Chairman, this is a very important amendment. The Richards amendment in the bill to which this amendment applies is very important. What it does is to tie up a billion dollars until such time as all six powers ratifies the European Defense Community. It leaves a balance of about $1 billion to be used for Western Europe's armament, to be divided among all the nations.

I was against the Richards amendment in committee. I am still against it. I think the whole concept is wrong. I think the amendment offered by the gentleman from Pennsylvania [Mr. FULTON] ameliorates it a little.

The question is, Why do we who oppose the Richards amendment not move to strike out the Richards amendment? The answer is: The structure of the whole military phase of this bill is built upon the principle of the Richards amendment. Therefore, the only way to deal with it is to let the other body work its will on this program, then to let the two bodies, one of which will be this House, pass on the bill according to the different structures in each bill and work it out in conference.

I believe the Fulton amendment ameliorates the position of the Richards amendment and makes it somewhat better. At least, it lets the program go forward to some extent, for each nation that approves the European Defense Community is under this amendment then to be entitled to participate in the amount tied up. The only thing that can be said for the Richards amendment is that it proposes to give some incentive to the nations of Europe to approve the EDC plan; but it is fatally defective, as I see it, in that it crosses over and disregards the whole NATO organization, consisting of 14 countries of Europe which are kept together and are organized effectively for the common defense. It penalizes all of the 14 because only part of them—5—have not approved EDC. Therefore, the whole Richards amendment is unsound, and I feel this view will prevail, and it will not be in the final legislation.

Mr. FRELINGHUYSEN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. PRELINGHUYSEN. Mr. Chairman, there is a Biblical expression to the effect that those who walk with wise men will become wise themselves. Certainly we have participated in a most enlightened discussion today. I have listened with great interest to the profound remarks of our Speaker, the gentleman from Massachusetts [Mr. MARTIN]. I was most interested also in the opinions just expressed by the gentleman from New York [Mr. JAVITS], a member of the Foreign Affairs Committee, which I believe contain real wisdom.

It is my firm conviction, which I am sure is shared by many others, that the so-called Richards amendment, barring some $1 billion in aid to Europe until the European countries in question qualify by ratifying the European Defense Community Treaty, is undesirable Although few members of this committee would argue about the desirability of the ultimate objective which is sought to be obtained by this amendment, I do doubt, however, that the desired objective can be achieved in this way.

For a moment let us put ourselves in the position of the members of the European parliaments now considering ratification of the European Defense Community Treaty. If we now were considering such a grave question, affecting our national sovereignty and contemplating the formation of an organic military unit, superior to the national units which contribute to it, we surely would resent and resist any foreign intervention which might seek to affect our determination. The countries of Europe would be in a similar position if the Richards amendment should remain in this legislation. Communist members of European parliaments would surely capitalize on the situation which would result as also would the radical elements opposed to the objectives of the free world. It would benefit also those holding extreme nationalist positions in these countries. It would vastly complicate the position of those who now favor joining the European Defense Community. They almost inevitably would be called American stooges if they attempted to push ratification. Last, but not least, the undecided members of these parliaments, with whom the final decision as to ratification may well rest, would very likely resist such pressure by the United States even though we acted with the best of intentions.

In summary, I should like to state that I believe strongly that this country should use all legitimate means to encourage France, Belgium, the Netherlands, Luxembourg, and Italy to join the European Defense Community. We should not attempt to do this, however, by the clumsy and rigid method exemplified by the Richards amendment. In my opinion the amendment by the gentleman from Pennsylvania [Mr. FULTON] would do little to eliminate these objections which I am now raising.

Mr. VORYS. Mr. Chairman, I opposed the Richards amendment in committee. It was written in by a decisive vote. The point is this, that we will either dispose of this subject promptly, or spend a lot of time on it. The way to do it is to vote down this amendment and go on to some other subject or we will spend the rest of the afternoon debating the merits and demerits, the willingness and unwillingness of our allies. I think we have had enough debate on that subject. Therefore, I feel the thing to do is to vote down this amendment, particularly because it uses words like "deprives," and "penalizes," as applied to our allies over there. It seems to me the thing to do is to defeat this amendment and let us go on to other parts of the bill.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Minnesota.

Mr. JUDD. I am one of those who supported the Richards amendment in committee and I hope it remains in the bill. Everybody understands the philosophy of this program. It is built upon the willingness of other countries to help themselves and help each other, and thereby help us as we help them. The question here is, how to make it succeed.

This bill as written makes it perfectly clear that we are prepared to go the second mile, whenever six countries involved go the first mile. If they do not become a real European Defense Community, our aid cannot save them but will only weaken ourselves. It is not because we want to weaken the program in Europe that the Richards amendment is in the bill; it is because we want it to succeed.

I hope the Fulton amendment will be defeated.

Mr. CHIPERFIELD. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. CHIPERFIELD. I am against this amendment.

The CHAIRMAN. All time for debate on the Fulton amendment has expired.

The question is on the amendment offered by the gentleman from Pennsylvania [Mr. FULTON].

The amendment was rejected.

Mr. HAYS of Ohio. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. HAYS of Ohio moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

Mr. HAYS of Ohio. Mr. Chairman, I have no apology for offering this motion because I am for the bill and merely use this device to get time to try to set in proper perspective some of the things that have been said about this bill in the past few days. I cannot but feel that the inveterate hatred some people have for anything foreign has drawn them demonstrably aside from the line of dull reasoning, because it is more difficult sometimes to approach things in a calm atmosphere which is 100 percent against them. I would like to speak of the formal generalization made here yesterday that the best way the United States of America can prepare itself is to get strong and stay strong like the Roman Empire did.

I ask you: What has happened to the Roman Empire? You can go to Rome today and see the ruins of the grandeur of the empire. Why do we see nothing but ruins today? Because it was an empire built on the philosophy of imposing its will upon people by force. During the halcyon days of that Roman Empire, if you please, came the admonition of the prophet Micah out of Israel: Love mercy, do justice, and walk humbly with thy God. This admonition was overridden, downtrodden, and lost sight of. Then at the very height of the Roman Empire there came upon this earth a Man with a philosophy very alien to that of the Romans, the cornerstone of which was perhaps a rephrasing, if you please, of the words of the prophet Micah, and that was to do unto other people as you would have other people do unto you. The Romans at the direction of Pontius Pilate ordered this Man to be crucified, but they have never destroyed this ideal or His memory.

I would like to say this afternoon, Mr. Chairman, that foreign aid, military security, the Marshall plan, or whatever you care to call it, is the first time in history that any nation on the face of this earth has tried to put that philosophy into a workable idea under most difficult circumstances; and for the first time in history we have had a clear demonstration that it will work Because of the fact that a few of its fringe programs have not worked 100 percent is no reason to condemn the whole program. Think, for instance, of the situation in Japan, and I believe everybody in this room knows that when war in Korea first broke out, within a few weeks Japan had been stripped of almost every available American soldier to fight in Korea and that the troops who were left in Japan could probably have been gotten into this hall without crowding. Did the Japanese who had lately been our enemies rise against us? No; they did not; they went to work unloading our ships, unloading our hospital supplies, doing menial tasks we had no one to do. Why? Because we had not treated them as the Russians treated their satellites; we had not treated them as the Communists treat people, we had not oppressed them. So in Japan we did not witness the riots that just this week occurred in East Germany, but there we had a nation who had lately been our bitter enemy willing to go along and do what they could to assist us. We had cast our bread upon the waters and it had come back to us manyfold. We are living in a world today that is not altogether of our own making and, certainly, not of our own choosing. We certainly need friends.

I heard a statement made yesterday about Mr. Attlee and what he said. What did he say? I have read it. He said:

Under the American Constitution the President had no assurance that he could go to Bermuda and make a deal or make an agreement that he could get the Congress to back up.

If you think he has any assurance, I would like to refer you to the example of another President who went to Versailles with an idea to prevent another world war and the Congress would not back him up. The grandson of the very man who led the fight against the League of Nations, which was an idea to bring peace to the world, today is the representative of the President of the

United States in the United Nations. That proves that some people's thinking has changed down through the years.

In closing, Mr. Chairman, I would like to say that this Nation and this world cannot remain static. We have got to grow, we have to have new ideas. This is a new one. If mankind wants to achieve peace he has to do it by working with others. If mankind wants to upset the philosophy which has gripped a great part of the world in its clutches, known as communism, then the free nations of the world must stand together.

Mr. HOFFMAN of Michigan. Mr. Chairman, I rise in opposition to the preferential motion.

Mr. Chairman, I did not gather from what the gentleman said whether he was opposed to the bill or for it.

Mr. HAYS of Ohio. I am for the bill.

Mr. HOFFMAN of Michigan. The gentleman is for the bill but he wants to strike out all after the enacting clause.

Mr. HAYS of Ohio. Well, if the gentleman will yield, that is a device I learned from the gentleman from Michigan to get a little time when you cannot get it in any other way, and I appreciate the fact he taught me that.

Mr. HOFFMAN of Michigan. But the gentleman just misused the information he got because my motions have always been made in good faith; yours was in this case, too, I presume. The gentleman is for the bill, yet he wants to strike out its substance.

I am opposed to his motion to strike out the enacting clause, because I think there should be an amendment to the bill which would provide in substance, if it is proper parliamentary procedure, that we quit giving aid of any kind to these people until they say that they are willing to cooperate and go along with us in an effort to bring peace. This effort to buy friendship really does not work. It has not worked.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. Did I use the gentleman's name?

Mr. HAYS of Ohio. Yes.

Mr. HOFFMAN of Michigan. In vain?

Mr. HAYS of Ohio. I hope not. It may have been in vain because I think you are going to get defeated on your objections to the bill.

Mr. HOFFMAN of Michigan. Oh, no; I am going to win this one on the gentleman's own motion.

Mr. HAYS of Ohio. I will withdraw it. If you want to get it over with, I will ask unanimous consent to withdraw it.

Mr. HOFFMAN of Michigan. No; I just want to talk as did the gentleman.

Mr. HAYS of Ohio. May I state, then, that I did not say the program did not work. I said small parts of it had not worked.

Mr. HOFFMAN of Michigan. Small parts of it had not worked?

Mr. HAYS of Ohio. Yes.

Mr. HOFFMAN of Michigan. I just disagree with that. Small parts of it may possibly have worked. Most of it—the money spent—has been wasted. But what have we been talking about over the years? Those supporting this bill have been referring to efforts in behalf of free peoples and free nations. That is all right if you were getting anywhere. But my observation leads me to the conclusion that we do not have overmuch freedom here at home. Permit just 2 or 3 illustrations of my point. For example, just a week or so ago we were out on the west coast investigating this public-housing situation. What did we find? We learned that the housing authority, and they used some $42 million of Federal money, is giving preference, as opposed to veterans who want housing, to known Communists. Think that one over. Are the veterans free to exercise the right to a home? They are not. That housing authority prefers Communists in Government-owned or financed homes. Free people. The Communists are free out there to live in Government-financed homes which veterans cannot occupy.

Then, a little later, a week or two later, we went to Detroit. What did we find there? We have heard a great deal about balancing the budget. I have learned indirectly, and been led to a somewhat hazy conclusion, that the President was in favor of balancing the budget some time later, and that our distinguished colleague the gentleman from New York [Mr. REED] who has been on this particular committee some thirty-odd years, was also in favor of it and said that we could not only balance the budget, but reduce the tax rate. That I believe. I told some of the folks in Detroit this: I said, "What are you kicking about all the time?" And some of my own folks, too, "What are you kicking about all the time; because we do not reduce taxes?" when right here in Detroit and all over this country of ours we are permitting the Teamsters International Union, headed by Dave Beck, to deduct withholding taxes—no; it is not withholding; they do not withhold it; they tell the fellow he has got to deduct $5 a week from the pay check of the worker who is getting less than $90 a week, $20 every 2 months, $25 every third month; that is what the deduction amounts to—$110 a year. I said, "Why are you kicking about the Congress all the time?" They said, "The Congress doesn't amount to anything. You haven't cut the tax nor balanced the budget." They said, "You won't cut our taxes as you promised."

Now the fellow who insists that men and women who work pay $5 per week, is Hoppa, who was convicted because of doing that once to the grocery-store owners and now he is doing it to the employees, generally. This week and part of last week, according to his testimoney, there is in force all over the United States a concerted drive by the teamsters union to stop every truck on the highway, organized trucking concerns, the trucks of farmers, and all others, and make them kick in $25 to $50 initiation fees, and then dues every month.

Now, why talk about free people and free nations when here at home we have that situation?

Mr. HAYS of Ohio. Mr. Chairman, I ask unanimous consent to withdraw my motion.

Mr. HOFFMAN of Michigan. I object.

The CHAIRMAN. The question is on the motion.

The motion was rejected.

Mr. KRUEGER. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

WHY CUT MILLIONS AT HOME TO SPEND BILLIONS ABROAD?

Mr. KRUEGER. Mr. Chairman, I cannot in all conscience support the Mutual Security Agency program that calls for the expenditure of such vast sums to be spent abroad.

We have already shipped billions—many billions—overseas in an effort to correct those blunders of so-called diplomacy and statesmanship that were perpetrated at Teheran, Yalta, and Potsdam. We have sent guns, planes, ships, costly military equipment; we have sent millions of tons of food, garments by the thousands, and employees by the tens of thousands across the Atlantic for the rehabilitation of Europe.

We have been generous with cultural improvement, with social welfare. We have built factories, supplied machinery and equipment. We have torn up century-old hedgerows and stone walls so that American tractors could turn around in pocket-sized fields. We have helped them raise their own foods, have created competing producers, and added to our domestic marketing problems.

Behind it all was the preservation of peace. It was truly a laudable motive, a wonderful idea. But like so many of our idealistic schemes, has it paid off?

I will grant that we have accomplished much in the way of economic rehabilitation, but what have we done toward maintaining peace? What has been accomplished in our progress toward the goal of a free world? I have not been able to get a satisfactory answer.

The present situation in Europe offers little assurance. Can we depend on the nations who have benefited the most to stick by us? Their present actions indicate to me that they will follow whatever plan seems to be the easiest, the course most likely to leave them undisturbed; pursue whatever idea will further their ambitions.

Even now, England, having recognized Red China, continues to press for the recognition of Red China by the U. N. English ships have carried Red troops to fight against our own sons and our allies in Korea. The eyes of Great Britain look longingly toward the advantage of trade behind the Iron Curtain, financed in part by favorable deals at the expense of the American taxpayer. In Korea, the Government that we have been fighting to protect goes directly contrary to plans for bringing about a truce.

The program has had years to develop and billions to accomplish its purpose. It was so widespread and liberal that equipment made and supplied by this country has been used to advantage in killing our troops in Korea. The Iron Curtain countries have found our material and our dollars helpful in spread-

ing the Red ideology over most of the world.

What have we bought? I am not convinced that we have purchased friendship. Instead, our dollars have fermented fear and jealousy among the nations who should be solidly and firmly united with us. We have rebuilt factories, have reestablished these countries so that industrially they are well on the way to recovery.

Have we gained friends? If present actions and diplomatic attitudes are any indication, all the resources of the Nation could be freighted across the Atlantic and we would still be looking around, wondering who was going to bury a knife in our backs. Friendship is something we have to earn, something we have to merit. The dumping of dollars and the flaunting of wealth will not buy it.

Mr. Chairman, I have watched the Appropriations Committee at work. I have helped trim the expenditures of departments and bureaus that are concerned with our domestic affairs and our progress. I went along with the reduction in funds for programs that were essential to national welfare. In the interests of lower taxes and a balanced budget, we trimmed and whittled. We took a lot of heat, a lot of criticism for our actions.

We saw the requests for the expansion of REA and RTA curtailed. We could not go along with the overall requests for the Veterans' Administration; we had to struggle to keep the school lunch program alive; irrigation and flood control programs were reduced. Hospitals, research, housing, development of the atomic energy programs were curtailed.

I do not think that it was the purpose to reduce our spending at home in order to keep up this wasteful dumping abroad. How can I justify a reluctance to expand aid to agriculture, the basis of our entire economy and then approve $90 million for questionable broadcasts? How can I explain away the lack of funds for construction of needed public buildings at home and approve millions for quarters in Germany, France, Italy, and elsewhere, complete with swimming pools and maid's quarters.

We need to trim our Federal expenditures. We must do it to keep our Government and our Nation strong and on an even keel. But we are not going to accomplish this by whittling off a million here and a thousand there on needed programs at home and then toss billions away overseas.

I am not entirely opposed to foreign aid. I think we can invest wisely in protection, in bettering alliances, but we will not do it by foolish spending that will turn people away rather than bring them closer to us. We should apply the same principles of economy to this foreign aid program that we have to our own funds. This has not been done sufficiently to satisfy me.

Mr. Chairman, tax reduction, a balanced budget were primary objectives of this administration. We have started well on that basis, but to me this idea of blindly appropriating billions abroad is a needless detour on the road back to sanity in government spending. This measure for consideration before us today is a continuation of the ideas, the plans of the do-gooders that put as in the spot we are in today.

The voters asked for a change from the policies of the past 20 years. Are they getting it?

I campaigned in the last election on the promise that I would help eliminate unnecessary expenditures in order to balance the budget, and give relief to the American taxpayer. This promise I will keep. This pledge I will work for.

Mr. SMITH of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

On page 2, line 8, strike out "$1,081,620,493" and insert "$966,620,493."

Mr. SMITH of Wisconsin. Mr. Chairman, before getting into the subject matter of my amendment, I think we ought to have clearly in mind just what the issue is in this legislation. I am wondering if anyone can tell me just how this program will create sufficient will in the people of those countries who receive this aid to resist communism. Now, that is not a military problem. I yield to no man in my desire for the security of this country, and certainly I will do my part to help any program that aims to make our country secure.

I want to ask another question, one that I asked yesterday: Where is the real threat of military aggression? There is no testimony in the hearings that there is such a threat. Has there been a showing so far in this debate that the people of Europe live in fear of communism? I do not think so.

It was my privilege to be in Europe at Eastertime with a study mission, and the subcommittee came back and we reported to you that there was no fear of communism in the hearts and the minds of the people there. Yet here we are today engaged in a great $5-billion undertaking. I think the time has come for us to answer some of the questions that are relevant to the issues raised in the bill.

Mr. Chairman, I am offering an amendment which is related to the Asiatic sector, and I am offering an amendment which would reduce the amount by $115 million. Here again, the same as this morning, we have an item that is secret. We cannot talk about it. About the most that can be said is in the majority report, and I am going to read it:

Destruction of Japanese military power has created a defense vacuum on the periphery of the Communist world. In restraining Soviet aggression, Japan occupies a position analogous to that of Germany in Europe. Its ability to defend itself is a matter of paramount concern. The Japanese constitution prohibits creation of an army, navy, or air force, but does not prohibit a home guard or police force.

I think I can say in this connection that so far as the program for Japan is concerned there is none. There is none. I can say further to you that the amount contained in my amendment is less than those who have been trying to plan a program say is necessary for it. I think we ought to refrain now from writing any blank checks, and that is exactly what you are doing unless you support my amendment. It means that the Government of Japan is going to be able under the plan that has been suggested to use an amount for preparedness which under their constitution is prohibited. I call your attention to the fact that that prohibition in the Japanese Constitution was insisted upon by General MacArthur when he was in command.

Mr. LONG. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we are still witnessing a great love feast among Democrats and Republicans, and that is something seldom before heard of in the history of this country. However, much as I regret to do it, I am going to have to interrupt that love feast temporarily and do just a little talking. I feel that there are a few things that we should discuss here.

The Republicans talk about their great mutual security program. When I ran for Congress I was against my own party on this issue. I told my party that when I got to Washington I would vote against the foreign-aid program, even though my party had started it. I told my people, "I will vote with the Republicans" but lo, and behold, before I could get straightened out, the Republicans swallowed the Democrats' program hook, line, and sinker. As a result there is very little opposition to this mutual security program. Well, there may not be many of us, but thank God we can say what we think about it.

Mr. Chairman, I would not object to the mutual security program if it fulfilled our duty as a Christian Nation to feed the hungry and clothe the naked. Nor would I object to military aid and defense support to countries which had proved that they were our allies and they would fight side by side with us against Communist imperialism. Our so-called allies, however, have not proved that they deserve help from us. On the contrary, the insignificant number of troops sent by other members of the United Nations to Korea proves that other nations will take all the money and material they can get from us, but will give us almost nothing in return.

Since the Communists attacked South Korea 3 years ago, it has been the only other country to prove on the battlefield its love of liberty. Unfortunately, we have recently found ourselves in disagreement with the government of that gallant republic. I would like to make it clear that I am in accord with the manner in which our great President, Dwight David Eisenhower, is handling this tragic episode. However, I cannot help but feel sorry for Syngman Rhee and his people for I know of the great sacrifices which they have made.

Sir Winston Churchill and the British Government have been very critical of Syngman Rhee and have called his actions "treacherous." Yet Great Britain responded only feebly to the Communist aggression in Korea, whereas Syngman Rhee's nation has been literally bathed in its own blood while defending that which they think is right. I wonder how Sir Winston Churchill, the boast of the British Empire, would have reacted if he had been called on to undergo the personal punishment that Syngman Rhee has taken for his country? Could he

have stood firm as did Syngman Rhee when they tied oiled paper around his poor wrists and set them afire to make him betray his country? Korea's oppressors placed Syngman Rhee's hands on a block and mashed his poor fingers so badly that even today they bear scars from this ordeal. Nevertheless, Syngman Rhee never stopped fighting for Korea's freedom. He remained a patriot willing to die for his country.

I think Sir Winston Churchill would do well to let the United States handle the truce in Korea. We are the only country that has really helped the South Koreans and I am sure that everything could be worked out satisfactorily if we followed our own ideas. It does not seem to me that Sir Winston is helping. In the middle of a bad situation he has confused and disturbed those involved by practically calling the great leader of South Korea a traitor.

I wonder how far some people will go before they can discover the real truth. How long will we continue to believe that with enough money we can contain communism or buy friends?

I have heard some people declare that we have contained communism by extending assistance to foreign countries. I want to talk about that just a little bit. Do you know how we have contained communism? Just like we contained Japan when she persuaded us to send her all our scrap iron. How were we paid for this scrap iron? Japan shot it back at us. Are we containing communism? Let's not be fooled.

Can we contain communism by helping other countries? Look at some of the countries we have helped for the answer. Look at China. We went over there and helped the Chinese whip Japan. As soon as we got through with that they took the ammunition that we had furnished them and started shooting it back at us. Have we contained communism? Let's not be fooled.

Look at Russia. During the war we sent her ships. We sent her money. We kept many Russians from starving. Yet she did not even send the ships back. She has more than 500 of our vessels that she is going to use in world war III. Have we contained communism—oh, no; we have not contained anything. The only thing that has been contained are the American dollars contained in their pockets.

Look at Yugoslavia. We have been pouring our military resources into Yugoslavia on the theory that Tito would stand by the West against Russia, even though Tito was trained by the Russians and is one of the most vicious and confirmed Communists in the world. When Russia recently began making friendly overtures to her former satellite, Tito apparently accepted them. According to press reports Yugoslavia and Russia are going to resume full diplomatic relations. In addition, Tito is now going to allow Russian warships docked in Vienna to pass through the Yugoslavian section of the Danube on their way to the Black Sea area for repairs. That is our payment for the grain and guns and tanks we have sent to Yugoslavia.

Look at Italy. In the recent Italian elections the party led by premier de Gasperi, who has supported our foreign policy, failed to win the majority vote. In fact, the center coalition lost strength to the Monarchists and neo-Fascists on the right and to the Communists and extreme Socialists on the left. The left's increase in voting strength went from 8 million in 1948 to over 9½ million in 1953. Yet we have sent Italy hundreds of millions of dollars worth of aid since the end of the war.

Italy best illustrates the fallacy in the belief that our dollars can buy friends. You cannot buy friends. You cannot buy allies unless their interest is the same as your interest anyway. We should not expect to win the friendship of the people of other lands when we give our money to the governments, not the people. There is a basic reason for this, and that is that the rulers are greedy and selfish and use our dollars to keep themselves in power, not to help the people.

Almost every dollar and every piece of machinery and every bushel of wheat which our Government sends to Europe is turned over to the government of the country involved, which in turn sells it to the people. Therefore, we are aiding the Socialist regimes of Europe directly, not the people. The people in Europe get almost nothing free from us and therefore have no reason to be grateful for any gift from us. The method we use to distribute foreign aid is comparable to trying to help the people of Kansas City by giving money to the Pendergast machine with instructions to sell whatever the money will buy to the people of the city.

Another thing which I do not like about this bill to give away $5 billion is that the Congress is practically asked to sign a blank check. We are not even told exactly how much money each country is going to get. The proponents of this measure make all kinds of eloquent pleas, but they do not have the nerve to write into the bill exactly where the money is going. I think it is a fair question to ask specifically who will get the money. Without using vague generalities, can the sponsors of this measure say exactly what is going to be done with the money that is collected from the taxpayers of the United States of America?

As a parting word, let me express my belief that 4 years from now, in the next presidential election, every man who advocates this giveaway program will be defeated in every office from justice of the peace to President of the United States.

I realize that I may be called an isolationist by those who do not share my view. Isolationist is a word which has lost all meaning because it has been hurled at everyone who dared to speak out against the greedy politicians of Europe and call attention to their abuse of our aid. We cannot even ask our so-called allies to do their share of the fighting without being called isolationists. Well, if protecting the future generations of American taxpayers from the greed of selfish European politicians is being an isolationist, then I shall be one proudly.

In conclusion, I would like to read a pertinent editorial from the Saturday Evening Post of June 13, 1953. It is aptly titled "Maybe It's Britain That's Gone Isolationist":

MAYBE IT'S BRITAIN THAT'S GONE ISOLATIONIST

The rumpus which naturally followed Clem Attlee's absurd attack on the American Constitution as an isolationist document, coupled with Sir Winston Churchill's rather weak response, has subsided. Nevertheless, the episode brought into sharp focus certain shifts in Britain's foreign policy which must disturb Americans whose reading on this subject has been confined to the more optimistic eastern newspapers.

Behind Attlee looms Bevan, who recently informed Americans through the Nation that, if we want peace in Korea, we shall have to agree to the "immediate disbanding of Chiang Kai-shek's army on Formosa" and the return of Formosa to the Chinese Communists "to whom it belongs." Behind Sir Winston are ranged the exporting and shipping interests which regard the threat of Red conquest as secondary to the nearer disaster of a poor balance sheet. Behind the statesmen on both sides is a distaste for any policy carrying the remotest risk of war, plus a growing optimism as to Russian intentions.

In other words, Mr. Attlee's inept use of the word "isolationist" fits Britain today far better than it fits generous, blundering Uncle Sam. Leaving naughty words like "isolationist" to one side, the fact is that British policy has changed very little in its essentiality, which is the defense of Britain's national interests, or what are understood to be her national interests. Just as the French, while welcoming American aid in Indochina, have no intention of letting the United Nations horn in on the affair, so Britain is now making it plain that she intends to play her own hand. The cards include fewer aces than formerly, and Britain no longer sees the point of bluffing. She intends to take the trade, without which England and her people cannot live, and let the ideology go. Mr. Churchill reminded us, in case we feel let down, that it was Americans who, against British advice, let the Russians into Berlin in 1945, thus making the crisis no easier. Well, touché.

In the Far East, British interests are still considerable, and, because Britain hopes that her trade position can remain relatively undisturbed despite political upheavals, she has recognized the Chinese Communists. She now gives us trustful Americans the bad news that, if we want to get out of Korea alive, we must put the Red Chinese in U. N., etc. At the same time, it is indicated from London that there is a lot of sentiment in favor of seeing Sir Winston rush off to Moscow, to paraphrase Mr. Dooley, as fast as his hands and knees can carry him.

Unfortunately, the pressure to bring Red China into the United Nations is not exclusively British. During the past month former Ambassador Chester Bowles expressed the opinion that the United States would have to agree to the admission of Red China if we wanted to settle the Korean war. Perhaps we owe Clem Attlee something for stating the issue in such provocative terms as to make it unlikely that the American appeasers of the Communists will get anywhere—at any rate just yet. After all, America also has national interests which require protection. We are certainly entitled to consider our own security and strategic future as well as the convenience and prosperity of British traders. If we are forced to take greater account of these interests and to reexamine our more cockeyed global commitments, who can say that the result would be altogether bad?

Certainly a United Nations in which the paralyzing influence of Red Russia had been augmented by Red China would hardly be worth the dues. Such membership would be no compensation for the collapse of our

strategic front in Asia. These are matters which need to be set straight.

Mr. WHEELER. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, when I came to this body about 7 years ago, I had just returned from war-torn Europe where I had served in the Military Establishment of this country for approximately 2 years. One of the first major issues that was presented to me, after assuming my position in this body, was the question as to whether I should support the so-called Marshall plan. Yielding for 2 years on 2 separate occasions to my feeling of regard for suffering mankind, and in an attempt to help those people rebuild their economy, I voted to spend American tax money under the Marshall plan, as I say, for humanitarian reasons. Then, a little later on, when the program had changed name, and when the proponents of the program stated their reasons to get my support and the support of others, they said, "Yes. The economies of those people whom you proposed to help those first 2 years have been rebuilded, but," they said, "now you must support this new program as a program in opposition to Russia." They painted a terrible picture of that which would happen to your country and mine if Russia were not contained.

I did not buy that bill of goods. I wondered for a while as to whether my position was justified. Not being an expert in the field of foreign affairs or an expert in the field of military affairs, I sought advice on this subject; and if my memory serves me correctly, the great American who now is President of the United States was just a little over a year ago quoted in the press of this country as saying that the American people had no more to fear from the Russians than one did from a bunch of pollywogs swimming down a muddy creek. I am quoting the man who was Candidate Eisenhower at that time. He justified my position, I thought. As to whether or not he knew, I leave to you to decide.

Perhaps I can seek other sources of information as to the military potential of Russia; perhaps one of the Associate Justices of the present Supreme Court whose name has been in the news for the last few days and who has officially applied for a visa to the Soviet Union—now that the Court I presume will recess again and he will have a chance to use that visa, maybe he can advise us as to the potential in Russia when he returns.

When asked a few minutes ago as to whether I objected to that visa being granted, my answer was that I did not object so long as they would grant it on a one-way permanent basis. Upon being questioned further as to whether I wanted that particular Justice out of this country, my answer was that I wanted him removed from the Bench in the most expeditious manner possible.

I am still left in doubt as to just what your reasons are for passing this bill.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

(By unanimous consent, Mr. WHEELER was allowed to proceed for 5 additional minutes.)

Mr. WHEELER. Your President told me a year ago that we had no more to fear from Russia than from a bunch of polliwogs swimming down a muddy creek. One of his spokesmen came before my committee a few days ago, a spokesman for the administration, testifying on the pending wheat-for-Pakistan bill; and in answer to my question he said that he would take American wheat and do not let anybody kid you, it is costing American dollars—that he would take wheat and feed hungry people, Communist or non-Communist within or without Russia.

This conflicting testimony leaves me somewhat confused, and I am not ashamed to admit it. They tell us now that we must—I heard a speaker right here today say that we must take the aid of Spain, take the aid of France, take the aid of Italy; as I sat there and listened my reaction was that if we got it we would probably have to take it; it would not be offered.

On whose side will France fight if world war III comes? Will she fight on our side? On whose authority do you get that advice? The spokesman for which French Government are you listening to? I ask you again, on whose side will Italy fight? The margin is very narrow over there.

Another question that has been asked before but has not been answered to my satisfaction, is how is this program, whether you call it ERP, the most appropriately named program yet, going to work? You say it will keep war from coming. Since when? Ask the mothers and fathers of those casualties in Korea.

You say, well, we must support it because the President submitted the question to the American people last year and the American people, you say, by overwhelming majority placed their stamp of approval on it. Will you please tell me what alternative they had? We were misguided in our convention, too. I heard a lot of my folks say they were going to vote Republican because they assumed that you might not adopt this whole New Deal program, Fair Deal program, or whatever kind of deal you want to call it. And, as the gentleman who preceded me has already said, you have swallowed it hook, line, and sinker. Now, you are not only going to give the Pakistanians wheat but you are going to pay them to take it and pay the freight to send it over there.

You ask, How much longer will this program last? Somebody said 10 years. In view of the evidence I have heard, I am constrained to think that there are a few more countries in this world where we have not been told: "Go home, Yank." The proponents of this bill propose to extend it until we have been told: "Go home, Yank" in every nation on the face of this earth. Is that how long you are going to continue it? How many nations are left where the Yanks have not been told to go home? Is that the thanks we get?

I would like to have the answer to some of these questions if you want me to vote in any way, shape, or fashion for this boondoggling program.

There are a great many more pertinent questions I would like to ask about the proposed extension of this program, but the lack of time will preclude me from asking them. There is one thing, however, that I want to make abundantly clear and that is my desire for this country to be militarily strong to the point where we are capable of deterring aggressive action against us by any foreign power. No amount of such military might can be effective if it is to be hamstrung as our power has been in Korea.

If you can convince me that this mutual-security program is the most effective way of guaranteeing our security, I will not only vote for the pending bill, but would vote to increase the amounts sought to be authorized. I do not believe this is the way to secure our future. In my opinion, and I believe history will prove my position correct, the only way to secure and maintain our security is to build a strategic Air Force that is capable of commanding the skies anywhere and everywhere in the world. If it takes the amount of money sought by this measure to build such an Air Force, I would gladly vote to spend it. If we can command the sky, we will have both security and friends in the world. Without such strength, we cannot command the respect or friendship of any nation on earth.

Mr. LANHAM. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, I do not have the eloquence of my esteemed colleague from Georgia, Hon. DON WHEELER, whom I greatly admire and respect, and certainly I cannot match the oratory of the very eloquent doctor, the gentleman from Louisiana [Mr. LONG]. But I must speak out to try to correct the impression their speeches may have left.

I would like to ask the gentleman from New York [Mr. REED] which side today is appealing to the emotions of the Members of this House and which side is appealing to the intelligence, or attempting to appeal to the intelligence, of the Members of this House? What I say to you this afternoon comes from my heart, but I hope it appeals to your intelligence.

Come, now, let us reason together just for a few moments about this specific amendment. Oh, you say, we are going to write a blank check to the President and the Secretary of State. You know, I am a Democrat and I did not vote for Mr. Eisenhower, but I do have confidence in him and his leadership and I am glad to see that just a few of his own party are willing to trust his leadership. If any man in America knows what is necessary in Europe and what ought to be done in Asia, it is President Eisenhower.

Mr. Chairman, do you know that we are in the middle of the most serious situation in Korea that we have yet faced?

I, along with other members of the Subcommittee on Asia, of the House Committee on Foreign Affairs, attended a conference this morning in the office of the Secretary of State. I cannot tell you what transpired there but I can tell you this, that the Secretary of State proposed to us or told us of a dilemma that has four horns, and if we choose any one

of them, we are going to have a rough ride. Are you going to refuse to give the President and the Secretary of State and our Defense Department the money to do what is necessary in Japan, in view of the situation that exists today in Korea? You are not going to have a truce in Korea tomorrow or the next day. I hope we are not going to have an intensified war, and if we will all be calm and if we will keep our heads and if we will support the people in America who know best what is necessary and what we ought to do, we may avoid a more extensive war.

Let me say this. You say that all of the money that we poured into Europe has not brought us peace. What have we been trying to do in Europe? As Dr. Judd said on yesterday, we are not trying to buy friends in Europe or in Asia. We are not trying to bribe anybody. We are trying to make strong those people who may be able to defend themselves, and in defending themselves who may be able to help us in defending ourselves against the Russian menace and the menace of this godless communism.

My friends, let us not get fainthearted now that we begin to see the results of all the money we poured into Europe.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

(Mr. LANHAM (at the request of Mr. McCORMACK) was given permission to proceed for 5 additional minutes.)

Mr. LANHAM. What do you think is happening behind the Iron Curtain today What do you think the revolt in East Berlin means? It means that this rotten thing that the gentleman from Minnesota, Dr. JUDD, talked about yesterday is cracking up as it must crack up if you believe in God and if you believe this is a moral universe in which we live. As the gentleman from Ohio said just a few minutes ago, the Roman Empire fell because it was based upon the wrong principles, the basis and philosophy was unmoral. Now I have faith that we do live in a moral universe and I have faith in the spiritual forces of life and I see now the beginning of the triumph of those forces in Eastern Europe.

My friends, we are just on the verge of victory in Europe. Why, you say, we wasted our money on Turkey and on Greece. Nothing could be further from the truth. Are you blind to what happened last week when Russia said that she no longer had any claim on the Dardanelles; that she abandoned all of her claims against Turkey? Why do you suppose she did that? Do you not think that the help we have been giving to Turkey and the help we have been giving to Greece and the help we have been giving to Yugoslavia has had something to do with the action on the part of Russia? Did they do it voluntarily? They did it for that reason, and they did it for the other reason I have spoken to you about, because there is a revolt brewing behind the Iron Curtain. The first crack has come. Slaves have never defeated freemen, and slaves never will. You may keep slaves in subjection; you may keep men in subjection for a time, but you cannot do it forever. The end of that crooked, rotten regime is coming.

I have supported these varied aid programs because I did have faith that this is a moral universe in which we live, and that God's laws cannot be violated without the violator's dashing himself upon the stone upon which those laws are written. I have never yet lost faith. Some days it has been dark and I have doubted what was ahead. But, Mr. Chairman, we are beginning to see the light. I have supported these programs because I have felt that at Stalin's death the very thing would happen that we see happening today. The people who have been held in subjection not only in Russia but in all of Europe are rising up against the tyranny under which this nation and the unholy and immoral and godless system upon which it is founded has held them. Now we are beginning to see the light. The crack in the Iron Curtain has come. When we have come this far, are we now going to weaken? Are we going to turn back? Are we going to withdraw from the support of these people who themselves now can see the light and who are beginning to see some chance of their defending themselves?

Do not let anybody tell you this is a giveaway program. I know mistakes have been made. I know some of the money has been wasted. I know not all of it has gotten down to the people whom we would really like to see have it. But, by and large, it has saved Europe from communism, and it will save Asia from communism. Let us not weaken. Let us give this money to the President and let him do what he can do in Japan so that whatever comes in Korea our flank in Japan is protected. Moreover, a portion of this proposed cut would go to Formosa, to the Philippines, and other areas in Asia, where the most serious threat to our fight against communism now exists.

I hope that this amendment is defeated and that the bill will pass without crippling amendments.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on this specific amendment and all amendments thereto close in 15 minutes, the last 5 minutes to be reserved to the committee.

Mr. WILLIAMS of Mississippi. Mr. Chairman, I object to the request in that form. I see no reason why the committee should have 5 minutes. I believe in giving everybody equal time.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that the time be 15 minutes, to be evenly divided among the 4 Members now standing.

Mr. BURDICK. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

Mr. BURDICK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have not said anything about this bill for 2 days. I do not know that I would have arisen to say anything, but it looks to me as if you do not know what your are doing, and if I do know what I am doing, it is my duty to disclose what I have in mind. I want the gentleman from Georgia [Mr. LANHAM], who did not answer questions propounded by the gentleman from Georgia [Mr. WHEELER] to understand that I am appealing to his intelligence. Here is the situation. I have no objection to what you want to do because even if this bill is amended to suit me in every particular, I will vote against it anyhow. So you know my attitude and the people of the country know it. But let me tell you you will never develop anything in Europe against communism when you have England trading with the Communists. We have poured $40 billion into Great Britain, and they have been busy all the time trading with the enemy. We gave them steel that we needed here at home. What did they do with it? When they got it into Great Britain, they sold it and traded it to the Russians. And England has been busy hauling Red troops around the world. One hundred ships have been found hauling troops for the Reds. Can you beat a country that will trade with the enemy and furnish them with munitions when their own men are getting it shot back at them? You must have friends more loyal than that.

So far as influence is concerned, I have said before I would rather have Rhode Island with me 100 percent patriotic than the entire British Empire.

If you want to spend this money, go ahead and spend it, and continue as foolish as we have been in the past. Have you accomplished very much? You are spending it to overcome the mistakes this Government made when you entered into secret treaties at Teheran, Yalta, and Potsdam. That is where you gave in to the Russians. That is where you encouraged them. There is no greater blot on the history of America than that committed by us in Potsdam when we consented to let the Russians take half a million German people into the slave camps to labor and die. There they are yet—what is left of them, and we consented to it. Most of the money that we are spending since that time is to overcome the mistakes that we made before. What assurance have you now that this money will be spent in the interest of humanity? Some people say I am an isolationist. Well, if sticking up for America and trying to preserve our Constitution and the institutions of this great, free country are the elements of an isolationist, then I admit I am a good one. I have never felt that way at all. My people have been in this country for 330 years. We have never been isolationists. We want to trade with the world, and for 150 years we did. We maintained on this continent a great empire of freedom where people could come from every country and partake of our system of government, and here you are today in this body—most of our sires were foreigners at one time.

If we cannot rely on the loyalty of Great Britain in any common effort, or as an ally in actual war, why do we desire to spend any more money where we know we shall be paid back in perfidy and disloyalty.

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that debate on this amendment and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. GAVIN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, for the benefit of my Republican colleagues, I hurriedly sent over to the office to secure one of my campaign speeches made in the last campaign. I want to call to the attention of my Republican friends what I said during that campaign. Here it is:

There is need for new leadership. Today we are assailed by doubts and insecurity. Even in the darkest days of the American Revolution the people never lost faith in the outcome, but today we are experiencing fear for our national security. This fear has been created to intimidate our people.

On the international scene we have been outbargained, outsmarted, and outmaneuvered. We have undergone humiliations unparalleled in our history.

The art of statecraft is rapidly vanishing, particularly in the field of foreign policy and national defense. We have had an administration operating under the appeasement policy. Every time a breeze wafts from the Kremlin our leaders in Washington tremble anew, seeking a peace that is impossible to obtain while their blunders continue. They advocate appeasement and more appeasement. While they appease, the Soviet Union grows stronger in armaments and prestige.

For 20 years, starting with the recognition of Russia in 1933, our Government's official policy has been to appease Russia, and up until our troops were sent into Korea we let them have no more than a polite slap on the wrist.

The past few years, the administration's chief instrument of foreign policy has been the dollar. It has pursued a policy of trying to buy friends by pouring unlimited billions into foreign countries for the mere asking. Foreign aid between July 1, 1945, and March 31, 1951, totaled $32.7 billion or $220 for every man, woman, and child in the United States.

Even with an approximate $260 billion debt hanging over this Nation, which eventually the American taxpayers must pay, we are expected not alone to feed and finance ourselves, but to feed and finance the world; equip them militarily and send our boys across the seas to do the fighting.

It appears that the annual deficits of the Atlantic-pact countries, or the so-called United States of Europe, will be expected to be absorbed annually in our budget setup and that European and Asiatic spending is a regular thing that is here to stay and is going to be part and parcel of our budget setup just the same as the Post Office Department, the Agriculture Department, the judiciary, and every other branch of the Government.

How long the economy of this country can stand the terrific drain on our resources and finances is problematical. How long can the American people stand up under the heavy taxes bearing down on them?

I deeply sympathize with all the people of the world. However, we cannot achieve a strong military posture by exhausting our finances and resources all over the world; scattering our hits in so many different directions that we could not win a game if called upon to do so.

Our principal concern must be the defense of the United States, and unless we remain strong we can neither assist other nations nor protect our own freedom.

It is about time we sloughed off on our spending, and let the countries of Europe slug it out a little harder and give relief to the American taxpayer who for the past number of years has accepted with a generous and fine spirit this responsibility of rehabilitating the countries of Europe and Asia. The economic rehabilitation of France, Italy, Germany, and Britain has largely been accomplished, and with few exceptions these spending programs in Europe should be terminated at once.

That is what I said then about the foreign policy and foreign spending during the last campaign. I wish I had the time here today to discuss the matter further but permit me to state that with few exceptions this economic aid should be terminated. It is my opinion that our principal concern must be the defense of the United States and unless we remain strong we can neither assist other nations nor protect our own freedom. The American taxpayer has had no relief from this vicious burden of taxation and today we again authorize five billion more spending. Certainly the time has come when the taxpayer is entitled to consideration and relief.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Chairman, I think we have gotten very far afield from the matter which is before the Committee of the Whole at the present time, and while the speeches made have been very interesting, they were not confined to the amendment which is before us at this time.

The amendment before us is the one offered by the gentleman from Wisconsin [Mr. SMITH], to reduce the aid for military assistance to the Near East and Africa by $115 million.

It is rather strange that that amendment should come from a Republican source. I am sure that my Republican friends will not be disturbed or feel that I am engaging in any political activity in what I am about to say.

Mr. VORYS. Mr. Chairman, will the gentleman yield for a correction?

Mr. McCORMACK. I yield.

Mr. VORYS. The gentleman said "the Near East." I am sure he meant the Far East.

Mr. McCORMACK. "Military and other assistance for Asia and the Pacific"—yes; the gentleman is correct, and I meant that.

I am sure my friends on the Republican side will not be disturbed when I call to their attention that that has been one area of the the world where throughout the past 5 or 6 years they have been very deeply interested, and I have been deeply interested; and this particular amendment if adopted will seriously interfere with the actions on the part of our Government in a part of the world where the Republican Party during the past 5 years as a minority party has shown great constructive interest as I thought. I think it is fair to call to their attention their policy as a minority party and to remind them that they should remain consistent in that policy as a majority party.

I have no fear to vote to obligate funds to any man who is President of the United States to use when in his opinion the national interests of our country need it. This money, the purpose of which, the members of the committee are aware but about which they can say little publicly—and I appreciate that fact and the necessity for it—will be used by the President of the United States for the national interest of our country.

My good friend the gentleman from Wisconsin [Mr. SMITH] asked a question that he said has not been answered: Where is the real threat of military aggression? My friend may have his views and I respect them, but I have mine, too. If Greece and Turkey were now under Communist control, if Italy, France, Belgium, and Western Europe were under Communist control—and 4 or 5 years ago it looked as though that might happen—then there would be a real threat to the United States of America. I would not want to see the 200 million people of Western Europe who are outside of the Iron Curtain brought under the domination of the Communists. I would not want to see the brains located in that area brought under the control of the Communists, but, above all, I would not want to see the production capacity of that area brought under Communist control. If the Soviet Union and its satellites ever obtain control of Western Europe, either directly or through satellite governments—that means control by the Kremlin—then, from the production angle alone, the Soviet Union would have almost as much production capacity as the United States of America. So, to me, I can see a real threat, not only ideologically but from a military angle, and I think the money we have appropriated has been in the national interest of the United States.

I thoroughly agree that we should not appropriate one penny to build up another country economically, and I have not been doing that. There are those who may disagree with me, and I respect their views, but every penny I voted to appropriate was money that I consider to be in the national interest of the United States of America.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Chairman, a partial quotation was made here this afternoon from a statement said to have been made by President Eisenhower last year, to the effect that there was no more reason for Americans to fear the Russians than to fear polliwogs coming down a stream. But there was a condition attached to that statement and the condition was not quoted. Indeed, there is no reason to fear the Russians, if. If what? If we ourselves stay strong, if we help keep free the parts of the world that are still free, and if we help those people who are oppressed to become free. That is the "if" which was omitted. This whole bill

has to do with fulfilling the second and third part of that "if." The proposed amendment would cut down the "if." Were we to weaken ourselves or our allies, or abandon those who have been enslaved by our enemies, then there would be reason to fear; but there is no reason to fear if Americans remain Americans and look facts in the face and mobilize their own strength and that of our allies. That is what President Eisenhower believes. So do I.

It is particularly important that we not cut down, as the gentleman from Georgia [Mr. LANHAM] said, right at this moment when the Kremlin is backing up. This is not the time to begin relaxing our pressures. I thought almost the first law of military strategy is that when the enemy begins to weaken, press, do not retreat or soften.

It has also been said today that this program in past years did not prevent war in Korea and that a good many of our boys have died. But why did it not prevent war in Korea? Because it was not tried there. We did not follow this policy in Korea; in fact we repeatedly refused to help or even let the Koreans build up their military strength. Nobody criticized the previous administration for that failure any more than we did on this side of the aisle. As the gentleman from Massachusetts [Mr. McCORMACK] properly reminded us, we Republicans criticized the Democrats because they did not follow a strong policy in Asia. That is why our boys are dead.

Are we Republicans now going to cut funds for that very area of the world, and further weaken it? I am sure that if we stop to think about it, we will not vote, as we have, to reject cuts for Europe where there is no war, only a possibility of war, and then cut our help to those areas in Asia where there is a war, in fact, two wars. Furthermore, it is an area where we have been losing ground from the standpoint of our long-term security interests.

Let me remind you on my side of the aisle that the Republican platform said:

In the balanced consideration of our problems we shall end neglect of the Far East which Stalin has long identified as the road to victory over the West. We shall make it clear that we have no intention to sacrifice the East to gain time for the West.

That is what our platform stated. We did not say that Asia is more important than Europe or that Europe is more important than Asia. We say we cannot save either of them unless we save both of them. We wanted better balance, and this bill provides it. It increases the percentage of funds to Asia from 14 to 24 percent.

It is said that the cut is proposed because there is no military aid for Japan in the bill. It is true that no negotiations are going on with Japan to build up its arms because it has a constitutional provision against such rearming. But Japan is not all of Asia. Indochina is in this bill; Thailand is in this bill. They are vital parts of southeast Asia where the riches of Asia are.

Why did the Kremlin work so long and hard to get China? Because that was the first step she had to take in order to get to the riches of Asia. China, with the exception of Manchuria, is largely a deficit area; Korea is largely a deficit area. Russia had to take them on the way down to southeast Asia where the tin, the oil, the rubber, and, perhaps most important of all, the rice surpluses are. Protection for the riches of Asia is in the authorization which the amendment would cut.

The Philippines are in this authorization; Formosa is in this authorization. We are not permitted to report to you what the present plans for division of this total sum are, and you can see the obvious reasons for that. We are fighting various kinds of wars in Asia. It is not good sense to tip our cards to the enemy, how much is going here and how much is going there. It is not good sense to tell even our friends ahead of time that definite amounts are earmarked for them. In so fluid a situation, we can do better if we have a certain amount of leeway and flexibility. Shifts may be required. Those that play ball and cooperate may get better treatment, for they deserve it. I am sure everybody understands why the committee is not permitted to reveal how this total amount is broken down.

But, having made as much fuss as some of us have about the failure of the previous administration to pay adequate attention to Asia, surely we do not want to continue the sort of policy we have condemned. We cannot do anything now about the past; it is water over the dam. But we must not make it worse by today being so shortsighted as to reduce aid to the forces that are already hard pressed in that particular part of the world, the part of the world where we are in greatest trouble.

I urge you to vote against the amendment offered by the gentleman from Wisconsin.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. SMITH].

The amendment was rejected.

The Clerk read as follows:

CHAPTER II—MUTUAL DEFENSE FINANCING

SEC. 201. Authorization of appropriations: (a) The Mutual Security Act of 1951, as amended, is amended by adding after section 540 the following new section:

"SEC. 541. There is hereby authorized to be appropriated to the President for the fiscal year 1954 not to exceed $200,000,000 to carry out the provisions of section 101 (a) (2) (relating to defense support and economic assistance for Europe), and not to exceed $84,000,000 to carry out the provisions of section 302 (a) (relating to defense support, economic and technical assistance) for the National Government of the Republic of China and the Associated States of Cambodia, Laos, and Vietnam."

(b) Such act, as amended, is further amended by inserting after section 101 the following new section:

"SEC. 102. There is hereby authorized to be appropriated to the President for the fiscal year 1954, to be made available on such terms and conditions (including transfer of funds) as he may specify, (1) not to exceed $100,000,000 for manufacture in France of artillery, ammunition, and semi-automatic weapons required by French forces for the defense of the North Atlantic area, and (2) not to exceed $100,000,000 for manufacture in the United Kingdom of military aircraft required by United Kingdom forces for the defense of the North Atlantic area."

(c) Such act, as amended, is further amended by inserting after section 303 the following new section:

"SEC. 304. There is hereby authorized to be appropriated to the President for the fiscal year 1954, to be made available on such terms and conditions (including transfer of funds) as he may specify, not to exceed $400,000,000 for the procurement of equipment, materials, and services (as defined in section 411 of the Mutual Defense Assistance Act of 1949, as amended) which are required by and are made available to, or are necessary for the support of, the forces of the Associated States of Cambodia, Laos, and Vietnam and the forces of France located in such Associated States."

Mr. ADAIR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ADAIR: On page 2, line 19, strike out "$200,000,000" and insert "$130,000,000."

Mr. ADAIR. Mr. Chairman, I should like to direct the attention of the Committee to the fact that we now, by this amendment, consider a new aspect of this program. Heretofore we have been considering military assistance. This, you will observe, is the first amendment offered under that chapter dealing with mutual defense financing; in other words, this is in the field of economic aid or economic assistance.

There are those in this Chamber who have heretofore expressed the view that some adjustment might well be made in that field. If that is your opinion, here is your first opportunity to demonstrate it.

Let me tell you what this amendment does. This section, as you can determine by reading the majority report, first called for an appropriation of $300 million for the countries of Austria, Germany, Greece, Italy, Spain, Turkey, Yugoslavia, and the United Kingdom, with a sum remaining undistributed. The committee reduced that amount by $100 million, leaving an aggregate of $200 million in the bill.

If you read the majority report you will find that although it is not specifically spelled out the inference is that the first $100 million would come from the United Kingdom. Now I want to say again so that there will be no question about it, this proposal of mine would reduce economic aid from $200 million to $130 million. In this portion of the bill there is no provision for military weapons. There are no military end items.

Before I tell you what, in fact, there is here, let me say that among those countries that I just named are many who have great traditions; many who have traditions of friendship and support for this Nation of ours. Certainly it is not my desire here to say anything derogatory about those nations, nor to harm them. What I am saying is that by this amendment I think they can continue to receive that help which is necessary yet at the same time in the field of economic aid give some relief to the American taxpayer.

Here are the items that are in this paragraph of the bill: Coarse grains, cotton, bread grains, petroleum, machinery, freight, iron, steel, chemicals, and fats. Those, by and large, are the items which

are in this portion of the bill and which I am asking this House to reduce by $70 million. If you believe as I do that we can do all that is necessary to help those who are our friends yet at the same time give some relief to our taxpayers, here is the opportunity to demonstrate it by voting for this amendment.

Mr. HALLECK. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 15 minutes, the last 5 minutes to be reserved to the committee.

Mr. WILLIAMS of Mississippi. For the same reason as stated a few minutes ago, Mr. Chairman, I object.

Mr. HALLECK. If I understood correctly, that would be 5 minutes for everyone who was standing. Did I understand the gentleman to say that he objects to the reservation of the last 5 minutes to the committee?

Mr. WILLIAMS of Mississippi. If that provides for an unequal distribution of the time, yes.

Mr. HALLECK. It does not provide that. It provides 5 minutes for every Member who was standing at the time I made the request, and it included 5 minutes for the committee. That has been the usual practice and I think it should be done.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. WILLIAMS of Mississippi. Mr. Chairman, did the gentleman renew his request?

The CHAIRMAN. The Chair so understood, and so ruled.

Mr. WILLIAMS of Mississippi. I was on my feet, Mr. Chairman, and I wanted to object to any reservation being made that would show preferential treatment to the committee.

The CHAIRMAN. As the Chair understood it, only 3 Members wanted time, and they will be recognized.

Mr. WILLIAMS of Mississippi. In that case I of course withdraw my objection, Mr. Chairman.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. FULTON].

Mr. FULTON. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Substitute amendment offered by Mr. FULTON: On page 2, line 19, strike out "$200,000,000" and insert "$100,000,000."

Mr. FULTON. Mr. Chairman, it seems that I am one of the most conservative Members on the floor, but these are amendments which I feel should be in the bill in order to get a good, efficient working of the mutual security foreign aid program.

I have continuously supported the mutual security program and the various military aid programs on the basis of United States security. I have done that right through every Congress, as you know, although in each year I have voted certain cuts and have sponsored certain cuts which I felt were advisable to save the taxpayers' money.

This cut is within the framework of the efficient operation of the program under this bill. My amendment is a cut of $100 million in the general economic aid to Europe. The present figure in the bill in section 541 is $200 million. This amendment cuts only economic aid. Just as the gentleman from Indiana said, neither his amendment nor this amendment in the least affect military aid. The amendment offered by the gentleman from Indiana is one that cuts $70 million worth of economic aid from the $200 million economic aid to Europe. My amendment cuts the general economic aid for Europe by taking $100 million from the $200 million figure now in the bill.

You say to me why do we do that? The gentleman from South Carolina [Mr. RICHARDS] said yesterday these nations—the six European Defense Community nations—are now on their economic feet. I believe so, too. We come to a time in these countries when we go beyond security and we then are giving end items that are current living items. There are many people in my district who do not have a standard of living that many of the European countries have, or even their average citizen has. I represent the South Pittsburgh district, the city of Clairton, and the Neville Island industrial area, the southern wards, and we have many people that are poor there. In addition to these workers there are many suburban and business and professional people who are paying high taxes and this tax money must be spent economically.

I have been to Europe, as I said, just a month ago. I have seen the prosperity of many of the European countries. They are getting along and I do not want to hurt them. Why should we cut this particular economic aid? The purpose of it is this. I have another amendment that should interest the farm representatives here because I would cut part of the money out of the program and put in farm surpluses. So I have an amendment that emphasizes that farm surpluses should be used in this program and payment should be taken from this authorization. The amendment is this. It will be put in later:

It is the intention of Congress, where feasible under this act, that this act will be so administered that surplus foods, grains, and commodities, now or hereafter held by the various agencies of the United States Government, shall be substituted for other forms of economic aid specified in this act, and shall be paid for out of funds herein authorized.

That means that the people who are in districts that have agricultural surpluses will have a chance to have those surpluses purchased under this program, wherever feasible, as the substitute for this economic aid that might be going into things that are not as necessary. The United States will be much better off propagandawise if we will supply surplus American food to those countries as long as it is economic aid, rather than simply make up the deficiencies in their budgets that are not food. Remember in these countries you have budgets, including everything from the health plan and the socialized insurance plan in England to keeping up the parks of Paris.

Mr. HARRISON of Virginia. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield.

Mr. HARRISON of Virginia. Is it not a fact that the Sawyer report last fall recommended the end of economic aid in Europe?

Mr. FULTON. Yes; businessmen who have been to Europe as well as the Sawyer report all say Congress should end economic aid to Europe as quickly as possible and let them stand on their own feet economically. The United States must come to that point of cutting foreign economic aid some time, or many of these countries will be living from the United States economic aid all our lives. I am against continued economic handouts which cannot be directly connected with the security and safety of the United States. Foreign boondoggling programs by foreign governments are just as distasteful to our American taxpayers, as are domestic boondoggling programs when proposed by our own governmental departments.

Mr. HARRISON of Virginia. Mr. Chairman, I favor this amendment to reduce the amount of nonmilitary aid to Europe.

In this bill, the United States is authorizing over $2,300,000,000 for the military defense of Europe. In addition, there is provided $200 million for British and French airplane procurement. In view of this and in view of the many billions we have provided in the past under the Marshall plan and other acts, it does seem that the time has come to stop making contributions that are purely for the economic welfare of European countries which are strong enough to support themselves.

This view is supported by others who have recently made careful study of the situation. Last fall a Commission headed by Secretary of Commerce Sawyer reported to President Truman "that the adjustments required to absorb orderly termination of economic aid can be made." This Commission thought that "Indefinite dependence on aid destroys self-respect, impairs the real strength of the recipient economy and has a capacity to destroy friendly relations between the giver and the recipient. Permanent strength and stability for the Western European Allies do not lie in continuing United States subsidies and grants but in expanding production and trade."

Recently the new administration appointed teams of businessmen who went to Europe and made detailed studies of our aid to European nations. They have submitted thoughtful reports. They are of opinion that economic aid to Europe is no longer needed and should stop.

I think they are right.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. BENTLEY].

Mr. BENTLEY. Mr. Chairman, this question of so-called economic defense support is the last remnant of the Marshall plan as far as I can see that is in this program today. I do not think we have had a country-by-country breakdown on the committee authorization, and I would like very briefly to give it to you.

Twenty million dollars for Austria.
Fifteen million dollars for Germany.
Twenty million dollars for Greece.
Twenty million dollars for Italy.
Ten million dollars for Spain.
Fifty million dollars for Turkey.
Forty-five million dollars for Tito—that is in the bill too.

Some of us tried to go into this program a little bit and find out just what these countries were after, what they needed, and where they could be cut.

The gentleman from Indiana [Mr. ADAIR] told you this is basically a question of subsidizing their imports of certain things, such as coarse grains, raw cotton, machinery, chemicals, petroleum, fats, and things like that.

As the gentleman from Virginia [Mr. HARRISON] I believe just said, the unanimous recommendation of people who have been in that area, who have seen it, people unconnected with the Government in many cases, has been that Western Europe is economically self-sufficient and able to stand on its own feet. We are not asking for the complete elimination of this amount, but we do think, for example, that in the case of Spain, where there is a carry-over, I believe, of—I forget the figure now, but it is included in that $125 million carried over from last year—that further economic assistance at this time is completely unjustified.

Likewise, we can see very little reason for this $45 million assistance to Yugoslavia for reasons which have been given here to such an extent that I shall not bother to repeat them.

We have been told by those whom we believe to be competent, that Italy is completely self-sufficient and is as far advanced as they can get under their present government. We are told that Western Germany is completely self-sufficient. And in both cases those areas do not require any further assistance.

We, however, leave enough in this authorization for the administration to make the most effective use of it in cases such as Turkey, for example, and Austria, where the need is completely justified.

I urge that the amendment be supported.

Mr. RICHARDS. Mr. Chairman, I rise in opposition to the amendment.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Ohio.

Mr. VORYS. Is it not true that we cut this item from $300 million to $200 million in committee so as to eliminate $100 million that went to Great Britain; so we cut it already 33⅓ percent?

Mr. RICHARDS. We cut this item $100 million and the reduction was intended to apply to Great Britain. The committee report states that clearly. The reason is that Great Britain has been able to reduce its taxes.

Mr. VORYS. Is it not also true—and I refer you to page 11 of our report—that the comparable item last year was $1,402 million as compared with $200 million this year?

Mr. RICHARDS. That is right.

Mr. VORYS. So that there has been a gigantic cut in this defense support money to keep these economies going?

Mr. RICHARDS. That is correct.

Let me say this. We talk about economic aid in this bill. So far as I am concerned, economic aid as such ended with the Marshall plan. If it were not for the military buildup plan in Europe, we would not be asking for this defense support. Defense support is the financing of commodity exports to countries in order to support their defense effort. The only reason I recommend this is because through defense support we offer very limited amounts of civilian-type commodities to Europe. It is a constantly shrinking amount. This bill contains $200 million to be divided among 7 countries. Certainly that amount divided so widely can hardly be said to be the Marshall plan. Let me make another distinction between this item and the ECA operation. The defense support in this bill is for limited amounts of food, cotton, and other raw materials. Less than $40 million is for machinery. I think that disposes of the argument that this is a continuation of the old ECA which was devoted to rebuilding Europe's industrial base.

We are not concerned with holding up the economies of those countries; those days are gone. What we are proposing in this bill is a small amount of incentive goods that will enable Europe to produce more for its own defense. It is cheaper to have Europe make as much of the military goods as it can rather than to have us send it over there.

What countries will get some of this money? Austria, an outpost of the free world. Greece and Italy, important bastions against communism. Turkey, a strong ally for the free world. Yugoslavia, Germany, and Spain will get small amounts to help them increase their military output.

I think it would be poor economy to cut this item. We will get a greater return on this money than we will from an equal amount used for military end items that are sent directly from this country.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield.

Mr. GROSS. Is not the gentleman splitting hairs when he says this is not economic aid?

Mr. RICHARDS. I tried to explain that.

Mr. GROSS. Is not the gentleman just splitting hairs when he says this is not the old Marshall plan?

Mr. RICHARDS. I say it is not the old Marshall plan. The gentleman from Ohio [Mr. VORYS] has stated the figures accurately. It is economic aid of a very limited kind and amount to enable a few countries to improve their defense output. It is just as important as the military portion of the program.

I hope the amendment will be defeated.

The CHAIRMAN. The time of the gentleman from South Carolina has expired, all time for debate on this amendment has expired.

The question is on the substitute amendment.

Mr. FULTON. Mr. Chairman, I ask unanimous consent that the amendment may be read again.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. FULTON as a substitute for the amendment offered by Mr. ADAIR: On page 1, line 19, strike out $200,000,000" and insert "$100,000,000."

The CHAIRMAN. The question is on the substitute amendment.

The question was taken; and on a division (demanded by Mr. FULTON) there were—ayes 67, noes 120.

So the substitute amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Indiana [Mr. ADAIR].

The question was taken; and on a division (demanded by Mr. ADAIR) there were—ayes 82, noes 133.

So the amendment was rejected.

Mr. FULTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FULTON: At the end of section 201 insert "It is the intention of Congress, where feasible under this act, that the act shall be so administered that surplus foods, grains, and commodities now or hereafter held by the United States Government shall be substituted for other forms of economic aid specified in this act, and shall be paid for out of funds herein authorized."

Mr. FULTON. Mr. Chairman, I have had reducing amendments, two involving $100 million each. The last one offered by the gentleman from Indiana involved $70 million. These sound small when Congress is talking about $5,000 million, which is proposed to be authorized in this mutual-security foreign-aid bill.

I would remind the House that we are here spending the taxpayers' money. When we spend money in an amount of $78 million, that would be the equivalent of raising the United States first-class-letter mail 1 cent, from 3 to 4 cents. If we will save $78 million on a reduction amendment here, or a $100 million amendment, we would save the total amount Congress will have to raise somehow for the Post Office Department deficit of this country.

My current amendment is proposed to place surplus agricultural and other commodities under this bill as much as possible. It simply says that the sense of the Congress is that we shall emphasize and use up the United States surplus commodities, as the United States farmers have not had a sufficient emphasis, nor part in these aid programs. This will direct the administration to recognize the legitimate rights of our good United States farmers.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from West Virginia.

Mr. BAILEY. Would the gentleman define that term "commodities"?

Mr. FULTON. It means commodities of any kind that are surplus. Of course, I know the gentleman has in mind coal, so if he wants coal in here the specific word "commodities" is broad enough to include coal.

Mr. BAILEY. I would much prefer to have the definition spelled out in the amendment.

Mr. FULTON. I point out to the House that previously there has been in this bill on other occasions a provision for agricultural surplus commodities of the United States, and the use of such United States surplus farm commodities under this program to the extent of $283.6 million. All of the surplus commodities have not been used that could have been. So my amendment simply states that the sense of the Congress is that the bill be so administered on economic aid that as much surplus of United States commodities as can reasonably be put under the bill be so placed. Where the United States agencies have surplus commodities in excess supply, we should use them in such programs to save the United States taxpayers as much as possible. The agricultural representatives should ask, Will the funds for the use of these surplus commodities be charged to this appropriation? The answer is I would charge this procurement to this appropriation so that the cost does not come out of the agricultural funds.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from North Carolina.

Mr. COOLEY. I would like to suggest to the gentleman that we have now in the neighborhood of $3 billion invested in surplus commodities. Some of those commodities might well be used in connection with this defense program. I am very much in favor of the gentleman's amendment.

Mr. FULTON. I am glad to hear the gentleman, the ranking member of the Agriculture Committee, say he is in favor of the amendment because that support will help.

Mr. COOLEY. I opposed the amendment on former occasions because it was charged to agriculture rather than to the national defense. Wherever feasible, the President should use this money to buy up surplus commodities for these countries.

Mr. FULTON. I have cooperated with the gentleman from North Carolina, and consulted with him, and have his approval of the amendment from the agricultural point of view that this proposal is feasible in this mutual-security program.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman used as an example the proposed increase in first-class postal rates and cited that. Your amendment would save that much money?

Mr. FULTON. My two previous amendments of $100 million each would have saved more of the taxpayers' money than the amount of $78 million that will be saved by increasing the first-class postal letter rates for 1 year.

Mr. GROSS. I wonder if we cannot get an amendment through here today that would keep just a few of our fourth-class offices open all over the country? I wonder how some people are going to explain the closing of fourth-class post offices.

Mr. WIER. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Minnesota.

Mr. WIER. I was going to ask the gentleman from Pennsylvania if the proposal he has made in cooperation with the gentleman from North Carolina would not be exactly what we were trying to do 2 or 3 years ago in the distribution of our surpluses to our own people under the Brannan plan.

Mr. FULTON. No. This is not that kind of a plan, because this involves a purchase, and the people who get these foods purchase them.

Mr. COOLEY. Mr. Chairman, if the gentleman will yield further, the gentleman's amendment is substantially the same amendment that was introduced on former occasions by the distinguished gentleman from Ohio, the ranking member of this committee.

Mr. FULTON. That is right as to general principles, but my current amendment is broader, and calls for emphasis by the Mutual Security Director upon the use of farm-surplus commodities in this current mutual-security program.

Mr. COOLEY. The only addition is that you charge this to national defense rather than to agriculture.

Mr. FULTON. That is right, so it does not make the agricultural program a giveaway program, but the surplus is purchased by the Mutual Security Agency and then we sell it to the other countries who are the recipients. We simply say that surplus commodities shall be emphasized and substituted in economic aid alone, and not military aid, wherever feasible.

Mr. COOLEY. Well, the real purpose of the amendment is to emphasize the importance of these surplus commodities going to these recipient countries, wherever feasible.

Mr. FULTON. Yes, to use the surpluses wherever feasible, in the foreign economic aid programs. This will certainly help the United States farmers' market, and American agriculture in general.

Mr. VORYS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the thing that this amendment is talking about is already written into the law, and you will find it in section 112 (d) and (e) of the retained part of the ECA law. At the time last year that I attempted to eliminate all of the inappropriate sections of the ECA law this portion was retained, because it had been worked over time and again in conjunction with the Committee on Agriculture. If you will simply look at section 112 it provides, for instance, that whenever the Secretary of Agriculture determines that any quantity of any surplus agriculture commodity is available for use in furnishing assistance to foreign countries he shall so advise the departments, agencies, and establishments; and provides procedure laid out after careful consideration by those who are interested in agriculture. This is entirely different from the amendment that I offered some years ago. I wanted to get away from having the Commodity Credit Corporation paid out of foreign-aid funds for what was obtained. I was unsuccessful. That reimbursement feature is in the law, and so far as you can interpret this amendment, if it means anything, if it means what these speeches have been about or what the gentleman's speech is about, it is already in the law. If it means something else, if it requires us to use agricultural surpluses when the country may need steel or may need some other product for defense buildup or something like that, then it ought not to be adopted, and therefore there is no reason for it. All the reasons given for adopting this amendment apply to existing law.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from West Virginia.

Mr. BAILEY. It does not apply to any other commodity but agriculture at the present time?

Mr. VORYS. That is right. We do not have any other surplus commodity.

Mr. BAILEY. We are interested in finding a market for some hundreds of thousands, even millions, of tons of surplus coal in West Virginia; cars in trains a mile long loaded with coal without any market.

Mr. VORYS. Certainly, if this amendment requires the export of all surplus coal or all surplus products, that is something that nobody has claimed for it up to this minute.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Iowa.

Mr. GROSS. Under the offshore procurement features in this bill, is it possible to purchase agricultural products or any other products and ship them back into this country from offshore?

Mr. VORYS. No.

Mr. GROSS. Is there a definite prohibition in this legislation?

Mr. VORYS. The legislation I am referring to, and another provision which is already on the books in another section in an appropriation bill, requires the use of our agricultural surpluses for this program before we purchase anything anyplace else or permit these funds to go for any such purpose.

This amendment is unnecessary window dressing.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Chairman, it occurs to me that even though we do have legislation, which directs the use of surplus agricultural commodities it cannot possibly do any harm to emphasize that fact. Last year we did not have the surplus commodities we have this year. Last year we were not faced with the problem of the certainty of marketing quotas on several of our major crops in the succeeding crop year. Last year we placed in the law the provision to which the gentleman from Ohio has correctly referred. I think it is a sound provision and a proper one.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Ohio.

Mr. VORYS. Does the gentleman know of any objection to the provisions that are now in the law?

Mr. POAGE. I have no objections to the provisions now in the law but I can see no objection to underlining those provisions. I can see no objection to saying that at this time it is extremely important to carry out those provisions.

Frankly, I think those provisions have been overlooked for a good long time, and I am not simply referring to conditions since the 20th of January. I will say that both before and since the 20th of January those provisions have been honored in the breach rather than in the observance. I have not heard any Secretary of Agriculture, the present Secretary or past ones, make any announcement or request or point out the importance of moving surplus commodities. I think the movements of these surpluses is an important thing. I think that the continuation of these surpluses is a thing that threatens our whole economy. I do not think you can build up agricultural surpluses in America and not threaten the entire economic structure of this country. If we pull down that structure, as has been so often said, we will not be in a position to give anybody any aid.

Mr. VORYS. Does the gentleman know that his colleague from Texas [Mr. BURLESON] has pending before the Committee on Agriculture a recently introduced bill providing somewhat elaborately for the use of $1 billion of agricultural surpluses for this purpose?

Mr. POAGE. Yes. As the gentleman points out, it is elaborate, so elaborate that I doubt seriously that we are going to get any action on it. But we now have an opportunity simply to put our finger on an important policy that ought to be carried out. All you are doing here is saying that the Congress of the United States thinks, "It is important, Mr. Administrator, that you do what we told you to do last year." I grant you that this amendment does not tell him much more.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Pennsylvania.

Mr. FULTON. The use of surplus commodities has been very small under the previous programs. We are directing the people who administer this program to use as much of them as possible, even to substitute them in some cases for other economic aid.

Mr. POAGE. Exactly. I realize there are no sanctions behind the provisions of the Fulton amendment. I recognize that if the Secretary of Agriculture and the Administrator of this aid do not care to go along with it, they are not going to do anything in the world about it. But I think it can do no harm for the Congress to say, "We would like to see you do it, Mr. President, Mr. Secretary, Mr. Administrator, and all the rest of those charged with its administration."

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. VORYS. On page 221 of the hearings, we see that $283 million worth of surplus agricultural commodities were used in this program this year.

Mr. POAGE. That is about 7 percent of the surplus agricultural commodities that we now hold, and we are going to hold a great deal more. I am convinced that 7-percent use is not an adequate use of our surplus commodities in the United States. On the contrary, I think that these figures show very clearly that there has been very little emphasis on the program of disposing of surplus commodities. All I want to do, and all I understand the Fulton amendment does, is to emphasize the importance of this thing.

When we come back to you sometime next year, as we are almost certain to do, and ask your support for an agricultural relief program because we are going to be faced with gigantic agricultural surpluses—in fact we are now faced with these surplus commodities and we are faced with drought and we are faced with disaster—when we come back—do not say that we did not try to make any effort to dispose of these surpluses because we are trying now to encourage the disposal of these things in a way that will not injure the welfare of our country.

Mr. DEVEREUX. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. DEVEREUX. I think the approach of the gentleman from Pennsylvania [Mr. FULTON] is very sound. It will take care of many of our excess commodities and will be of great assistance throughout the world.

Mr. POAGE. It cannot do any harm. It does not embarrass anyone unless they want to ignore the present law. It cannot stand in the way of any proper disposition of surplus commodities. So why not do the thing that cannot do any harm and might do some good? Why not let our aid to the foreign people aid our American people—at least so far as it does not in the least reduce our assistance to the foreign recipient of our food and fiber. To refuse to use these surpluses in a manner which would aid our own economy, would as I see it, be just as stupid as to refuse to use water which is going over a dam to generate electricity before using it for irrigation. The water does not lose any of its wetness and the food does not lose any of its nutrition. Let us not make our taxpayers pay twice for any article which can be supplied from what we have in stock.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Pennsylvania [Mr. FULTON].

The question was taken; and on a division (the Chairman being in doubt) there were—ayes 105, noes 58.

So the amendment was agreed to.

Mr. RAYBURN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the thought occurs to me that the gentleman from Ohio or the gentleman from Indiana might ask unanimous consent that the bill be considered as read and open for amendment. Under those circumstances, nobody would be denied any of his rights. Of course, I shall not ask that permission myself.

Mr. HALLECK. So far as my responsibility is concerned, may I say to the gentleman from Texas that many Members have expressed to me the hope that the bill could be completed this evening within a reasonable time. I have said to a great number of people, and I still say it, I have no inclination to shut off debate on any amendment to be offered.

Mr. RAYBURN. Of course not.

Mr. HALLECK. This is not to pressure anybody because certainly as we have progressed here this afternoon, no one can complain of any time limitation that has been imposed. If the bill is finished this afternoon, we will adjourn over until Monday. Now rightly or wrongly a great many Members have made some commitments for tomorrow, but if we do not conclude this evening, I will feel compelled to continue the consideration of this bill on tomorrow. I do not know what the attitude is of the members of the committee who may have amendments to offer in respect to considering the bill read and have it open for amendment. So far as I am concerned that very likely would expedite the consideration of the bill, and if the Members who have amendments at the desk would be recognized, it would seem to me to indicate that would be a desirable procedure.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. VORYS. The gentleman from Texas has the floor.

Mr. GROSS. The gentleman last week programed business for Friday and Saturday of this week; is that not true?

Mr. HALLECK. That is right.

Mr. GROSS. And if people have made commitments to do something tomorrow, not to be in the House of Representatives, then they made them upon their own responsibility, did they not?

Mr. HALLECK. I might say to the gentleman from Iowa that some of these commitments were made a long time ago. Some of them involve State conventions of importance officially to Members, and they were probably set months ago. So I do not think you could put all of these people in that category.

Mr. GROSS. We have had a week's notice.

Mr. HALLECK. I am not going to contend with the gentleman about it. All I ever try to do here is to carry on the business of the House expeditiously and

give everybody their rights as far as amendments or talking is concerned. Just to see what will happen—and I certainly would not be unhappy if anyone objected—Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and be open for amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

Mr. BUDGE. Reserving the right to object—a parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. BUDGE. I have an amendment at the end of this bill which would cut 10 percent from each item. How could I offer that amendment until we reach that point in the bill and until the funds are specifically spelled out?

The CHAIRMAN. The Chair wishes to say that, if this unanimous-consent request is granted, the Chair will recognize the gentleman as soon as possible.

Mr. HALLECK. In other words, the gentleman from Idaho [Mr. BUDGE] could be recognized to offer his amendment after all other amendments have been disposed of.

Mr. BUDGE. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. BUDGE. Mr. Chairman, this is my inquiry: My amendment reads that the amounts hereinbefore authorized to be appropriated shall not be authorized to be appropriated in excess of 90 percent. Now, if I offer the amendment at this point, before those amounts are made definite and certain, would that be in order?

The CHAIRMAN. The Chair will say that the gentleman may offer his amendment at any time and he will be recognized. But the Chair believes that the proper place would be at the end of the bill.

Mr. VORYS. Reserving the right to object, Mr. Chairman, I certainly would not want to waive any points of order to an amendment like that by this procedure, and I hope we do not waive any points of order.

The CHAIRMAN. The Chair will state that this does not waive any points of order.

Is there objection to the request of the gentleman from Indiana [Mr. HALLECK]?

There was no objection.

The remainder of the bill reads as follows:

CHAPTER III—MUTUAL SPECIAL WEAPONS PLANNING

SEC. 301. Authorization of appropriation: The Mutual Security Act of 1951, as amended, is amended by adding after section 541 the following new section:

"SEC. 542. There is hereby authorized to be appropriated to the President for the fiscal year 1954 not to exceed $100 million for the purpose of furnishing special weapons to nations eligible to receive military assistance under this act or to the international organizations referred to in section 2 (b) (A) and 2 (b) (C) of this act: *Provided*, That, prior to the obligation of funds for this purpose, the President shall determine that such obligation is of direct importance to the security interest of the United States and is in furtherance of the policies and purposes of the Mutual Defense Assistance Act of 1949, as amended: *And provided further*, That, prior to the transfer of such weapons, the President shall determine (1) that the recipient is adequately prepared to safeguard the security of such weapons; (2) that the transfer of such weapons will be of direct importance to the security interest of the United States; and (3) that such transfer will further the purposes and policies of the Mutual Defense Assistance Act of 1949, as amended. Nothing contained in this section shall alter, amend, revoke, repeal, or otherwise affect the provisions of any law restricting, limiting, or prohibiting the transfer of any such weapons. Notwithstanding any other provisions of this act, funds made available pursuant to this section may be used only for the purpose of this section."

CHAPTER IV—TECHNICAL ASSISTANCE

SEC. 401. Authorization of appropriation: The Mutual Security Act of 1951, as amended, is amended by adding after section 542 the following new section:

"SEC. 543. There is hereby authorized to be appropriated to the President for the fiscal year 1954 not to exceed $43,792,500 to carry out the provisions of section 203 (relating to economic and technical assistance for the Near East and Africa); $72,100,000 to carry out the provisions of section 302 (a) (relating to defense support, economic and technical assistance) other than for the National Government of the Republic of China and the Associated States of Cambodia, Laos, and Viet-Nam; and $24,342,000 to carry out the provisions of section 402 (relating to technical assistance for Latin America)."

CHAPTER V—SPECIAL REGIONAL ECONOMIC ASSISTANCE

SEC. 501. Near East and Africa: Section 206 (relating to refugees) of the Mutual Security Act of 1951, as amended, is amended to read as follows:

"SEC. 206. In order to further the purpose of this act in the Near East and Africa there is hereby authorized to be appropriated to the President for the fiscal year 1954 not to exceed $194 million to be used, on such terms and conditions as he may specify, to furnish special economic assistance designed to promote the economic development of the area, for relief and rehabilitation of refugees in the area, and for other types of economic assistance to assist in maintaining economic and political stability in the area. The applicable provisions of the Act for International Development (64 Stat. 204; 22 U. S. C. 1557), except the provisions relating to the purpose for which assistance may be given, or of section 503 (b) (3) of this act, shall apply to the expenditure of funds pursuant to this section to the extent that they are not inconsistent with the purposes of this section."

SEC. 502. India and Pakistan: Section 302 (relating to economic and technical assistance for Asia and the Pacific) of the Mutual Security Act of 1951, as amended, is amended by redesignating subsection (b) as subsection (c), and by inserting after subsection (a) the following new subsection (b):

"(b) In order to further the purpose of this act in India and Pakistan there is hereby authorized to be appropriated to the President for the fiscal year 1954 not to exceed $94,400,000 to be used, on such terms and conditions as he may specify (which shall include conditions and assurances to enable the countries designated in this subsection to make greater progress toward solving their mutual problems in cooperation with each other), to furnish special economic assistance designed to promote the economic development of such countries, and to assist in maintaining economic and political stability therein. The applicable provisions of the Act for International Development, except the provisions relating to the purpose for which assistance may be given, or of section 503 (b) (3) of this act, shall apply to the expenditure of funds pursuant to this section to the extent that they are not inconsistent with the purposes of this section."

CHAPTER VI—MULTILATERAL ORGANIZATIONS

SEC. 601. Movement of migrants: Section 534 (relating to the movement of migrants) of the Mutual Security Act of 1951, as amended, is amended by adding at the end thereof the following new sentence: "There is hereby authorized to be appropriated to the President not to exceed $10 million for contributions during the calendar year 1954 to the Intergovernmental Committee for European Migration."

SEC. 602. Multilateral technical cooperation: The Mutual Security Act of 1951, as amended, is amended by adding after section 543 the following new section:

"SEC. 544. There is hereby authorized to be appropriated to the President for the fiscal year 1954 not to exceed $13,750,000 for multilateral technical cooperation under section 404 (b) of the Act for International Development."

SEC. 603. Children's welfare: The Mutual Security Act of 1951, as amended, is amended by adding after section 544 the following new section:

"SEC. 545. There is hereby authorized to be appropriated to the President not to exceed $9 million for contributions during the calendar year 1954 for the support of international children's welfare work in such manner and on such terms and conditions as he may deem to be in the interests of the United States."

SEC. 604. Ocean freight: Section 535 (relating to the payment of ocean freight charges on relief shipments) of the Mutual Security Act of 1951, as amended, is amended by adding at the end thereof the following new sentence: "There is hereby authorized to be appropriated to the President for the fiscal year 1954 not to exceed $825,000 for use in paying ocean freight charges under section 117 (c) of the Economic Cooperation Act of 1948, as amended."

SEC. 605. United Nations Korean Reconstruction Agency: Section 303 (a) (relating to Korean relief) of the Mutual Security Act of 1951, as amended, is amended as follows:

(a) Add at the end the following new sentence: "There is hereby authorized to be appropriated to the President for the fiscal year 1954 not to exceed $71 million for making contributions to the United Nations Korean Reconstruction Agency."

(b) In the third sentence, strike out "$67,500,000" and insert in lieu thereof "$40,750,000."

CHAPTER VII—FURTHER CHANGES IN EXISTING MUTUAL SECURITY LEGISLATION

SEC. 701. Pacific Pact: Section 2 (b) of the Mutual Security Act of 1951, as amended, is amended by adding at the end thereof the following new sentence: "The Congress favors the negotiation of a Pacific Pact, consistent with the provisions of the United Nations Charter, for the common defense of the free peoples of the Far East, South Asia, and the Pacific Ocean area, and the participation therein of the United States."

SEC. 702. Transfers of funds: (a) Section 101 (b) of the Mutual Security Act of 1951, as amended, is amended (1) by striking out "granted pursuant to" both times it appears therein and inserting in lieu thereof "made available under", and (2) by striking "this section" out of the first proviso and inserting in lieu thereof "section 546 of this act".

(b) Section 202 of such act, as amended, is amended by striking out "pursuant to section 201" and inserting in lieu thereof "under section 201".

(c) The first sentence of section 513 (a) of such act, as amended, is amended to read as follows: "Whenever the President determines it to be necessary for the purpose of this act, funds made available under sections 101 (a) (1), 201, 301, and 401 may be transferred among such sections, except that not more than 10 percent of the funds available under any such section may be transferred from

that section; and funds made available under sections 101 (a) (2), 203, 302 (a), and 402 may be transferred among such sections, except that not more than 10 percent of the funds available under any such section may be transferred from that section. Funds so transferred shall be consolidated with the funds available under the section to which they are transferred. The determination of amounts authorized to be transferred under this subsection shall be made without reference to any balances of prior appropriations continued available pursuant to section 546 of this act."

SEC. 703. Unexpended balances: The Mutual Security Act of 1951, as amended, is amended by adding after section 545 the following new section:

"UNEXPENDED BALANCES

"SEC. 546. The unexpended balance under each paragraph of title III, Mutual Security, of the Supplemental Appropriation Act, 1953, is hereby authorized to be continued available for its original purposes through June 30, 1954, and may be consolidated with the appropriate fiscal year 1954 appropriation made for the same general purpose under the authority of this act."

SEC. 704. Escapees: Pargraph 101 (a) (1) of title I (relating to Europe) of the Mutual Security Act of 1951, as amended, is amended (1) by deleting the word "similarly" before the word "determined", (2) by inserting "or any Communist-dominated or Communist-occupied areas of Asia" immediately after "Austria" and before "and any other countries absorbed by the Soviet Union", and (3) by striking out "and to the security of the United States" and inserting in lieu thereof "or to the security of the United States".

SEC. 705. Authority for assistance to Korea: The first sentence of section 302 (a) (relating to economic aid and technical assistance) of the Mutual Security Act of 1951, as amended, is amended by striking out "(but not including the Republic of Korea)".

SEC. 706. Title V (relating to organization and general provisions) of the Mutual Security Act of 1951, as amended, is further amended as follows:

(a) Personnel ceiling exemption for new military assistance programs: Amend section 514 (d) (relating to reduction in personnel) to read as follows:

"(d) (1) On and after January 1, 1954, the number of United States citizens employed by the Mutual Security Agency shall be at least 10 percent less than the number employed by the Mutual Security Agency on June 30, 1953.

"(2) Ninety days after the enactment of the Mutual Security Act of 1952, the number of civilian employees who are United States citizens, receiving compensation or allowances from the administrative expense appropriations authorized by this act, employed in the United States and overseas by or assigned to the Mutual Security Agency, or employed by or assigned to the Department of State or the Department of Defense for carrying out programs the appropriations for which are authorized by this act, and the military personnel assigned to such programs, shall be in the aggregate at least 5 percent less than the number so employed or assigned on June 1, 1952, except for such personnel of the Department of Defense engaged in the manufacturing, repair, rehabilitation, packing, handling, crating, or delivery of materiel.

"(3) Ninety days after the enactment of the Mutual Security Act of 1953, the number of civilian employees who are United States citizens, receiving compensation or allowances from the administrative expense appropriations authorized by this act, employed in the United States and overseas by or assigned to the Mutual Security Agency or employed by or assigned to the Department of State or the Department of Defense for carrying out programs the appropriations for which are authorized by this act shall be in the aggregate at least 5 percent less than the number so employed or assigned on January 31, 1953, except for such personnel of the Department of Defense engaged in the manufacturing, repair, rehabilitation, packing, handling, crating, or delivery of materiel.

"(4) After the Director has determined the reduction to be effected in each agency under paragraph (3), the determination as to which individual employee shall be retained shall be made by the head of the agency concerned.

"(5) The Director for Mutual Security shall cause studies to be made from time to time for the purpose of determining whether further reductions in personnel are feasible and consistent with the accomplishment of the purposes of this act.

"(6) After July 1, 1953, the following categories of military personnel carrying out programs under the Mutual Defense Assistance Act of 1949, as amended, shall be in addition to the personnel ceiling established under paragraph (2) of this subsection:

"(A) Military personnel carrying out such programs in the Associated States of Cambodia, Laos, and Viet-Nam, over and above the number so engaged before July 1, 1953,

"(B) Military personnel carrying out such programs for any countries in which no such programs were in operation on July 1, 1953,

"(C) Military personnel carrying out such programs for international organizations and headquarters established after July 1, 1953."

(b) Special use of funds: Amend section 513 (b) (relating to special use of funds) to read as follows:

"(b) Not more than $100 million of the funds made available under this act, of which not more than $20 million may be allocated to any 1 country, may be used in any fiscal year by the President, to be expended, without regard to the requirements of this act, or any other act for which funds are authorized by this act, in furtherance of the purposes of such acts, when the President determines that such use is important to the security of the United States. The President shall notify the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives upon making any such determination."

(c) Repeal: Repeal section 516.

(d) Guaranties: Amend section 520 (relating to investment guaranties) to read as follows:

"GUARANTIES

"SEC. 520. Funds realized from the sales of notes pursuant to section 111 (c) (2) of the Economic Cooperation Act of 1948, as amended, shall be available for making guaranties of investments in accordance with the applicable provisions of sections 111 (b) (3) and 111 (c) (2) of the Economic Cooperation Act of 1948, as amended, in any country with which the United States has agreed to institute the guaranty program, notwithstanding the provisions of section 511 of this act."

(e) Termination of program: Amend section 530 (relating to the expiration of the mutual-security program) by striking out "12 months" and "12-month" wherever appearing therein, and by inserting in lieu thereof "24 months" and "24-month", respectively.

(f) Underdeveloped areas: Add after section 546 the following new section:

"UNDERDEVELOPED AREAS

"SEC. 547. Whenever funds are made available under this act for assistance, other than military assistance, to any economically underdeveloped area, such funds may be used under the applicable provisions of section 503 (b) (3) or the applicable provisions of the act for International Development. Where administrative arrangements, including provisions relating to compensation and allowances of personnel, authorized under section 503 (b) (3), differ from those authorized by the act for International Development, the director may make use of arrangements authorized under either statute, in carrying out such programs, except that before extending the provisions of section 109 (a) of the Economic Cooperation Act of 1948, as amended, to countries in which programs authorized under the act for International Development are being carried out, the director will secure the approval of the Secretary of State."

(g) Use of local currency:

(1) Strike out the next to the last sentence of section 521 (relating to administrative expenses).

(2) Add after section 547 the following new section:

"UNITED STATES USE OF FOREIGN CURRENCY

"SEC. 548. (a) The several amounts otherwise authorized by this act to be appropriated are authorized to be increased by amounts which shall not, in the aggregate, exceed $98,396,000.

"(b) Amounts appropriated pursuant to any authorization contained in this act are authorized to be made available for purchase of foreign currencies (including foreign currencies or credits owed to or owned by the United States): *Provided*, That such currencies or credits are authorized to be made available for use, without reimbursement to the Treasury, for liquidation of obligations legally incurred against such currencies prior to July 1, 1953."

(h) Near East refugees. Add after section 548 the following new section:

"SEC. 549. (a) In order to contribute to the peace and stability of the Near East in particular and of the world in general, the Director for Mutual Security shall, in consultation with the Secretary of State, make a survey of the refugee situation in the Near East and report the results of the survey to the Congress within 90 days after the Mutual Security Act of 1953 is enacted, together with recommendations for seeking a solution. In the making of such report and recommendations, especial consideration shall be given to a program which would utilize the services and talents of these refugees to develop and expand the resources of the area, including its water resources.

"(b) In carrying out his duties under this section, the Director for Mutual Security shall consult with the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives, and shall keep these committees constantly and fully informed of the action which he takes to carry out the provisions of this section."

SEC. 707. The Mutual Defense Assistance Act of 1949, as amended (22 U. S. C. 1571-1604), is further amended as follows:

(a) Excess equipment: Immediately before the period in the next to last sentence of section 403 (d) (relating to limitation on furnishing of excess equipment), insert a comma and the following: "and after June 30, 1953, by an additional $200 million."

(b) Sales of military equipment: Amend section 403 (e) by adding at the end thereof the following new paragraph:

"(4) The provisions of section 530 (a) of the Mutual Security Act of 1951 (relating to expiration of program) shall not apply in the case of the transfer, or procurement for transfer, under this subsection, of parts, components, and equipment required for the maintenance or repair of military end items (as referred to in section 506 (c) of the Mutual Security Act of 1951) previously supplied under this act or the Mutual Security Act of 1951."

(c) Dependable undertaking procedure: Amend the last sentence of section 408 (e)

(2) (relating to sales of military equipment) by striking out "such nation" and by inserting in lieu thereof "such nation, or international military organization or headquarters,".

(d) Loans of equipment: Amend section 411 (d) (containing definitions) to read as follows:

"(d) The term 'services' shall include any service, repair, training of personnel, or technical or other assistance or information necessary to effectuate the purposes of this act, including loans of limited quantities of equipment for designated periods solely for test and study purposes."

SEC. 708. The remaining provisions of the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1503–1519), are further amended as follows:

(a) Term of guaranties: Amend section 111 (b) (3) (relating to guaranties) by striking out "which guaranties shall terminate not later than 14 years from the date of enactment of this act," and by inserting in lieu thereof "which guarantes shall be limited to terms not exceeding 20 years from the date of issuance."

(b) Guaranties: Amend section 111 (b) (3) (v) (relating to guaranties) by inserting immediately after "participating country" the following: "or by reason of war, revolution, or civil disorder."

(c) Counterpart loans: Amend the last proviso of section 115 (b) (6) (relating to counterpart funds) by striking out "shall be redeposited in such special account", and by inserting in lieu thereof the following: "prior to termination of assistance to such country shall be reused only for such purposes as shall have been agreed to between the country and the Government of the United States."

(d) Use of local currency: Amend section 115 (h) by striking out "including" and inserting in lieu thereof the following: "and, without regard to section 1415 of the Supplemental Appropriations Act, 1953, for."

Mr. CHIPERFIELD. Mr. Chairman, I offer a committee amendment to section 708, which is at the desk.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. CHIPERFIELD:

On page 12, lines 7 to 10, strike out all of paragraph 1; page 13, line 6, after "the", insert "Director for Mutual Security or the."

Line 8, after "Defense", insert "and other participating agencies."

Line 10, strike out "5" and insert "10."

Line 11, after "assigned", insert "to comparable positions" and renumber the paragraphs accordingly.

Mr. CHIPERFIELD. This is simply a perfecting amendment, a clarifying amendment, to an amendment introduced by Mr. JUDD and Mr. FULTON. There was a conflict to a slight degree, and this is intended to clarify it.

The CHAIRMAN. The question is on the amendment offered by Mr. CHIPERFIELD.

The amendment was agreed to.

Mrs. CHURCH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. CHURCH: On page 3, line 6, strike out following the word "specify" through line 9.

Mr. VORYS. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. VORYS. That part of the bill was passed before the consent request was agreed to.

The CHAIRMAN. The Chair states that the Clerk had not read that section.

The point of order is overruled. The gentlewoman from Illinois is recognized.

Mrs. CHURCH. Mr. Chairman, this is an amendment to section 102 on page 3, and seeks to remove from the bill the appropriation of the amount not to exceed $100 million for manufacture in France of artillery, ammunition, and semiautomatic weapons required by French forces for the defense of the North Atlantic area.

I introduce the amendment truly not so much for the elimination of the $100 million, though that possibility certainly has its merits, but to point out to the House that whether you believe it possible or not, something new has been introduced in a Mutual Security Act.

In discussing this item of $100 million, the committee in its report fairly states, and I ask you to note: The arrangement differs from ordinary defense support in that the grant of United States funds is tied directly to specific items of military equipment.

I would point out that the appropriation differs in one other respect, and that within my knowledge and within the power of my search this is the first time that the United States Congress has been asked to appropriate moneys to pay for contracts made by other countries on their own terms and according to their own wishes. It is a departure and I think an exceptionally dangerous departure, dangerous in two ways: In the first place, the rules laid down for actual United States offshore procurement are definite and as far as possible do carry safety features. When offshore purchases are intentioned and bids to be let, special United States committees placed in foreign countries make a point of determining the capacity and probability of a foreign company's ability to produce the article; the probability of strikes, Communist influences, and so forth. The reports of those evaluating committees are sent back to this country and contracts for offshore procurements are then entered into in normal fashion through the procurement branches of our military forces. There is full protection as to amount and performance. That I would say to you is a logical approach, and within human nature presents as safe a procedure to get offshore procurement as could be devised. There is also protection of United States industry by the additional ruling that foreign bids, except in certain rare cases, cannot be accepted if more than 110 percent of competing American contracts.

Yet the $100 million contained in section 201 presents an amazingly different procedure for spending United States money. On pages 441 to 443 of the hearings, you will find the matter covered in a colloquy between the members of the committee, and Mr. Halaby. In attempting to explain the request and the need for this money, Mr. Halaby on page 443 states that the United States, finding that France was not able to pay for contracts which it had placed—or perhaps wishing to use its funds otherwise—had agreed to pay the entire cost of the French contracts. I begin first with a question by Mr. LECOMPTE:

Mr. LECOMPTE. That procurement is in the name of the United States, or NATO?

Mr. HALABY. It is in the name of the United States, sir.

Mr. LECOMPTE. That is the way you want it, is it? Those are items that the French have canceled?

Mr. HALABY. Would have canceled if they had been unable to transfer the contracts to the United States.

Mrs. BOLTON. We are picking up the check.

I suggest to the House that there is danger when we pay in goods contracted for by a foreign government to be used for their own forces. I repeat that we are setting a dangerous and expensive precedent, when we pick up the check for materials which another country has ordered. I say to you that the peril is twofold: First of all, we have none of the securities usually connected even with offshore procurement, none of the safety provided when contracts are subject to United States regulations.

Second, this might well be an example which would suggest to other countries that they too can cancel their contracts or threaten to do so in the hope that for them, too, the United States will pick up the check.

The CHAIRMAN. The time of the gentlewoman from Illinois has expired.

(By unanimous consent, Mrs. CHURCH was allowed to proceed for 5 additional minutes.)

Mrs. CHURCH. Mr. Chairman, I would like to finish with a quotation from Mr. Halaby, on page 442 of the hearings, which I think emphasizes the danger that this program of paying for foreign contracts is not for 1 year; that it is not the matter of a single generous act to take up a tab just once, but that there is great possibility that the practice will become magnified, because Mr. Halaby went on to say:

In fiscal year 1952, that totaled about $177 million, and for fiscal year 1953, to date, another $90 million, and more is on its way.

I hope that the House will express its disapproval of this practice.

Mr. COOLEY. Mr. Chairman, will the gentlewoman yield?

Mrs. CHURCH. I yield to the gentleman from North Carolina.

Mr. COOLEY. Can the gentlewoman give us the benefit of the views of the committee with reference to this particular item justifying departure from the regular procedure?

Mrs. CHURCH. I would not attempt to speak for the committee, but I think that there was great surprise on the part of the committee that this practice had started. There was at least considerable question about it and it surprised me that the request for the appropriation was allowed to appear in this bill.

Mr. BROOKS of Louisiana. Mr. Chairman, will the gentlewoman yield?

Mrs. CHURCH. I yield to the gentleman from Louisiana.

Mr. BROOKS of Louisiana. I want to express a fear, and I will ask the gentlewoman's opinion. We are requiring that this money be spent in France for artillery, for ammunition, semiautomatic weapons, and things of that kind,

Suppose you have a plant in your area that employs lots of people and they begin to cut out what some of these plants have. What would the gentlewoman think of the advisability of leaving out the ammunition money that must be spent over there?

Mrs. CHURCH. Perhaps the gentleman does not realize it but this money has already been spent over there and we are appropriating money to pick up the tab.

Mr. BROOKS of Louisiana. This does not provide for new work?

Mrs. CHURCH. It is my understanding that this present appropriation deals entirely with contracts already entered upon.

I would like to point out in addition that even if this $100 million were eliminated from the bill, there would still be in the bill for France $400 million in military aid for Indochina, plus $364,288,000 for France itself, making a total of $764,288,000, still available for ammunition and artillery for France.

Mr. BENTLEY. Mr. Chairman, will the gentlewoman yield?

Mrs. CHURCH. I yield to the gentleman from Michigan.

Mr. BENTLEY. I wonder if the gentlewoman can tell the Committee where these items are to be used, in what part of the world?

Mrs. CHURCH. The committee report says specifically that they are to be used in North Africa, but on page 442 of the hearings Mr. Halaby says that the amount is for items that are military requirements for the French forces in NATO or the Mediterranean area or Indochina.

Mr. BENTLEY. In other words, they might be used in North Africa for the purpose of keeping down a rebellion among the natives over there?

Mrs. CHURCH. They might be used for any French purpose, according to Mr. Halaby's statement on page 442 of the hearings.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. VORYS. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, we have discussed defense support, where some of the money goes into surplus commodities, wheat, and things like that, but it is to support the economy of the country. We have discussed for a number of years offshore purchases where we purchase abroad weapons for use in this military aid program. By and large when we buy them abroad we get them cheaper than if we bought them here. There are some exceptions.

You will find on page 35 of the committee report a description of this special defense financing for France, and another item for the United Kingdom. On offshore purchases, obtaining military equipment over there, it is hoped that possibly as much as a billion dollars of the amount authorized for military purposes will be used in that area, because it gives a combination effect. You save some money in procuring it over there, and those dollars are available to sustain their economy. These, however, are two special cases.

The gentlewoman from Illinois has accurately described what happened; that is, that France made a contract or a series of contracts for the manufacture in France of artillery, ammunition and semi-automatic weapons, exactly the kind of thing we need in this program, and their budget was in such shape that they could not carry on the contracts. It is exactly the same kind of things needed for the program. If they were not obtained this way they would have been obtained through an off-shore purchase contract or making them in our factories. Therefore, at the April meeting of NATO in Paris, Secretary Dulles, Director Stassen, Secretary of the Treasury Humphrey, and Secretary of Defense Wilson agreed to this proposition to pick up the check. That is a homely expression.

Mrs. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentlewoman from Ohio.

Mrs. BOLTON. I was reminded of using those words and I was very happy to use them, because I think it was an excellent thing for us to do. I want that clear in the RECORD.

Mr. VORYS. This picking up of the check means that we said we would underwrite these contracts that otherwise would be canceled, and therefore this is a kind of defense support and offshore purchase where we get exactly what we need, and if this is called off, we will need exactly that same sort of thing that France needs, and we will have to start at it in another way.

One word as to where they are to be used. Line 9 of the bill says "for the defense of the North Atlantic area," and that North Atlantic area, by the North Atlantic Treaty includes only Algeria, which is part of metropolitan France, and does not include Morocco and other places on the African coast. So the only place where they could conceivably go in Africa for defense of the North Atlantic area as required by the bill would be in Algeria.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from North Carolina.

Mr. COOLEY. I would like to know who would determine for us whether or not the funds were being utilized in a manner compatible with our own defense program.

Mr. VORYS. The specific weapons and contracts have already been reviewed by our MAAGS, our military people over there, and they will continue to follow these contracts through.

Mr. COOLEY. Will some official of our Government approve final disposition of the money?

Mr. VORYS. Yes.

Mr. ADAIR. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Indiana.

Mr. ADAIR. Does the gentleman agree that this is the first time that this type of procurement has been used?

Mr. VORYS. There have been similar examples before. This could have been worked out through the laborious process of defense offshore procurement, but the agreement was to speed things up, since these were the exact weapons needed in the contracts, reviewed by our Cabinet officials, and that that was the easiest way to handle it.

The CHAIRMAN. The Chair recognizes the gentleman from South Carolina [Mr. RICHARDS].

Mr. RICHARDS. Mr. Chairman, I hope this amendment will be defeated for another reason. We proposed about $5 billion for this overall foreign-aid program, and we have said in this bill that so far as end items and military materials to be furnished by the United States to the European area are concerned, over $1 billion of that will not be furnished to 6 of these nations, including France, unless they go into the European Defense Community.

A good many people have been saying that in this bill we are just washing our hands of France, that we do not want to go along with France, but that is not correct. What we are saying in the provision ahead of this amendment is, "You get it if you go into this European Defense Community, because we think that our materials, our hardware, our guns, our No. 1 stuff sent out of this country to Europe should only be turned over to the European Defense Community."

Suppose they do not agree to do that? Suppose the parliaments over there do not ratify this pact? To meet that, we put this $100 million in there and say, "All right, France, you do not want any part of EDC or the money provided for it in this bill. We will help you to some extent, nevertheless, even if you want to go alone. We will help you to the extent of $100 million for the manufacture of defense implements to equip your own forces." That is the essence of this provision in the bill.

I for one do not want to give the impression to anybody that because I have sponsored the European Defense Community amendment I mean we will not give at least some support to France if they want to go it alone.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Ohio.

Mr. VORYS. It is an error to describe this as a new idea. I find that at page 442 of the hearings Mr. Halaby said that—

> In fiscal year 1952, there were similar transactions that totaled about $177 million, and for fiscal year 1953, to date, another $90 million.

The point is that due to the special circumstances of this item they simply stated exactly what was agreed on in Paris, and the committee authorized it in that way. We are going to give the weapons that we need in the common defense.

Mr. BENTLEY. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Michigan.

Mr. BENTLEY. I wonder if the gentleman from South Carolina realizes that his so-called Richards amendment has nothing to do with this $100 million

on which we are voting. It is an entirely different section.

Mr. RICHARDS. No; it has nothing to do with it directly. I am just talking about the situation France would be in if we did not furnish them items ourselves. That is all.

Mr. BENTLEY. The French will get this money whether the treaty is ratified or not.

Mrs. KELLY of New York. Mr. Chairman, will the gentleman yield?

Mrs. RICHARDS. I yield.

Mrs. KELLY of New York. I want to bring to the attention of the House that if this amendment prevails the combat effectiveness of the NATO troops will not be what President Eisenhower and Mr. Stassen hope for the coming year. It will not be an increase of 30 percent.

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

The question is on the amendment offered by the gentlewoman from Illinois [Mrs. CHURCH].

The question was taken; and on a division (demanded by Mrs. CHURCH) there were—ayes 31, noes 90.

Mrs. CHURCH. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mrs. CHURCH and Mr. VORYS.

The Committee again divided; and the tellers reported there were—ayes 67, noes 118.

So the amendment was rejected.

Mr. CURTIS of Nebraska. Mr. Chairman, I offer an amendment which is at the desk.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. CURTIS of Nebraska: On page 15, line 10, strike out all of lines 19, 20, 21, and 22, and lines 1 and 2 on page 16.

Mr. CURTIS of Nebraska. Mr. Chairman, in offering this amendment, I am not concerned with the merits or demerits of the program. I do not propose to weigh or discuss its value or its effectiveness. My sole purpose in offering this amendment is to make this budget of ours a little more controllable. At the present time the budget of the United States is about 67 percent uncontrollable. In other words, the money that will flow out of the Treasury in this coming fiscal year was determined by actions of the Congress a year ago—yes—but also by actions taken 2, 3, 4, 5, 6, and 7 years ago.

This bill as written would extend this program for 1 year. But during that year they could obligate enough of these funds running up to around $14 billion, so that the program could run full blast for 3 years.

My amendment would limit that cleanup period to 12 months. That is the law now. The bill as written says that after this thing runs a full year, in which they can obligate in advance, the program could still continue on for 24 months to fulfill the obligations made in this next year.

In other words, what appears to be extending this program for 1 year, in reality is extending it for 3 years.

In other words, we set it in motion now so that we are determining to what extent money can flow out of the Treasury of the United States 3 years from now. In other words, we are binding ourselves for the future.

A lot has been said about why does not the Eisenhower administration cut expenses now, both foreign and domestic expenses.

The facts are that we were a slave to the past; that the money that flows out of the Treasury this next year is due to authorizations and appropriations of 2, 3, 4, 5, 6, and 7 years before; and the language in the lines that I would strike from this bill says that after this program ends—that after the obligating period ends—they can still go on for 2 years to deliver and to transfer and to pay for goods.

If this bill passes as it stands, the program can go on at full blast for 3 years provided all the money is obligated within the next year. I think that here at the time we are authorizing we should say to the Appropriations Committee that we are limiting the appropriating power to take care of 2 years, not 3; in other words, these lines in this bill change what has been the law all the time; that this program run to an expiration date and then they have 12 months to clean up the business.

The language in the bill which I would strike out would extend that cleanup time to 24 months.

So here we are determining not how much money will go out of the Treasury for this program in fiscal 1954; we do not end with committing the Treasury for fiscal 1955, but we commit the Treasury for fiscal 1956. The Congress next year and the Congress to be elected in the following calendar year will be subject to the action we take today and will have no control over the expenditures.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. GROSS. Mr. Chairman, I object and offer a preferential motion.

The CHAIRMAN. The Clerk will report the motion.

The Clerk read as follows:

Mr. GROSS moves that the committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

Mr. GROSS. Mr. Chairman, a few moments ago we saw the defeat of the amendment offered by the gentlewoman from Illinois [Mrs. CHURCH] an amendment which would have prohibited $100 million of blank-check spending. I thought that the Republican Party when it came into power last November 4 took a positive stand against blank-check spending.

I remember about a year ago when there was serious unemployment in Detroit, Mich., and the New England States, how the Representatives of those areas came into this House of Representatives and sought legislation to provide that it be made mandatory that defense contracts in this country be channeled into surplus manpower areas; in other words, what they sought to do was to take away contracts that might go out to the Middle West, to my part of the country, to take away the materials that would go into defense production in my part of the country and channel contracts and material into the manpower surplus areas.

What do you do when you authorize blank-check spending of $100 million to pick up products the French or British have already made with no price control through competitive bidding?

What do you do when you set aside a billion dollars in this bill for offshore procurement?

You set the stage for flagrant waste and deprive American industry and labor of the right to produce.

I hope that none of the people who voted to defeat the Church amendment walk down here in the well of the House if we run into a depression and ask for help for their areas, for I will be here to remind them of their votes at this time.

I want to address myself to a provision in this bill appearing on page 9, "Further changes in existing mutual security legislation," and I should like you to listen to this:

Section 2 (b) of the Mutual Security Act of 1951, as amended, is amended by adding at the end thereof the following new sentence: "The Congress favors the negotiation of a Pacific Pact, consistent with the provisions of the United Nations Charter, for the common defense of the free peoples"—

And so forth. I should like to ask the chairman of the committee or some member of the Commitee on Foreign Affairs if it is being stated in this bill that we are going to set up in the Pacific another United Nations or some sort of an organization based upon the United Nations Charter where Russia has 3 votes to our 1?

Mr. JAVITS. There is no such proposal in the bill. We propose only to provide for the common defense of the Pacific by the nations of the Pacific themselves. The only reason for any reference to the United Nations Charter is that that Charter allows regional organizations. This organization we have no idea will have anything to do with the United Nations.

Mr. GROSS. The wording here is "consistent with the provisions of the United Nations Charter."

Mr. JAVITS. So that if it is organized, there will be no violation of charters to which we are a member.

Mr. GROSS. You do not intend under this provision to give the United States 1 vote and Russia 3, the present situation in the U. N.?

Mr. JAVITS. No.

Mr. GROSS. In any organization you set up out in the Pacific?

Mr. JAVITS. The language does not say so.

Mr. GROSS. Mr. Chairman, this provision in the bill is further evidence of the dismal failure of the United Nations. If that organization was capable of promoting either peace or collective security there would be no call here for a separate pact. But this provision is in keeping with this bill—it will provide neither mutuality nor security.

Mr. CURTIS of Nebraska. Mr. Chairman, I rise in opposition to the preferential motion.

Mr. Chairman, I do not believe in roundabout attacks. I have no ax to grind in this amendment that I have offered other than that we do something to put the control of the purse in the hands of the Congress.

If we pass this bill as is, we are authorizing a program for 3 years that on its face looks like it is for 1 year only. I remind you people who have been hoping for the cutting off of this expenditure and that expenditure—all expenditures—and you people who have been asking, "Why has not the new administration and the new Congress balanced the budget?" that it is because the great portion of your budget is uncontrollable. It is determined by what has been done in the past. If this bill passes as is, the money that is on hand now, plus what is appropriated, which may be up to $14 billion, can be used in this program for 3 years, provided only that they make the obligations during the next year.

Do not tell me that that is necessary for the defense of the country. I call your attention to the Constitution, article I, defining the powers of Congress, which states:

> To raise and support armies, but no appropriation of money to that use shall be for a longer term than 2 years.

If this is justified on the basis of our defense, then we are bound by the Constitution to provide for only 2 years.

Do you mistrust the future? Do you mistrust what this Congress will do next year? Do you mistrust the American people in their selection of a Congress to serve 2 years from now? If you do not, then these programs should not be projected far, far in the future and bring about a situation where the Congress has nothing to do but raise the taxes and pay the bills. As long as that system goes on, then Congress sits here helpless and pays for the goods ordered previously, and they have no control to terminate or to restrict or to reduce.

I hope this amendment will be favorably acted upon. If you need a program for 3 years or 4 years, authorize for that, but do not come in here with a program that appears to run for 1 year when in reality it runs for 3 years.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Nebraska. I yield to the gentleman from Wisconsin.

Mr. BYRNES of Wisconsin. I think the gentleman has hit really a very vital point in the matter of proper fiscal management. He points up the real reason why we today are facing trouble in the management of our expenditure program as against our revenues, and that is always going to be the case until you stop obligating Congresses 3, 4, and 5 years from now.

Mr. CURTIS of Nebraska. That is exactly right. The reason that the President of the United States and the Secretary of the Treasury have anticipated a deficit this next year, and one that might be higher in the year following unless some drastic action is taken, was not because of their planning for more spending; it was because we must pay for previous obligations. At the present time you have no control over 67 percent of your budget. We are slaves to fixed charges and obligations.

The CHAIRMAN. The question is on the motion offered by the gentleman from Iowa [Mr. GROSS].

The motion was rejected.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on the Curtis amendment and all amendments thereto close in 3 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. VORYS].

Mr. VORYS. Mr. Chairman, this is another case where you do not know what your committee has already done. We have not only cut money but we have cut time. The administration proposal for time was to extend the time 7 years, that is, extend the basic period 4 years and, with 3 years more for carrying out long lead item contracts. We cut it down to just 1 year.

We simply added 1 year to the time for completing contracts after the termination date which will be a year from June 30. The reason we cut to this short period was that the President of the United States has promised "by early next year we will be prepared, with appropriate consultation with the Congress, to recommend a new basis for this legislation." At that time we can fully debate what sort of lead time we want to provide for. So we shortened this period from the administration request of 7 additional years down to 1 additional year and now the gentleman from Nebraska wants to cut it 1 additional year. I suggest you leave it the way it is because of two things: First, before that time comes up we will have a new bill here with some discussion about the termination date; second, in the meantime we need the 2-year compensation period because of this long lead time on military items, where a lot of them take a couple of years to build, and there are many important military items that they ought to be contracting for during the current year for delivery after the year is over. Now, as to whether the Congress complies with the Constitution by acting on military appropriations every 2 years, let me remind you that this Congress under this legislation not only appropriates every year but it is one of the few bills where we authorize every year. That is what we are doing here today. And if we do not authorize it the thing might stop dead on June 30, so all we are doing is to keep this program going for another year, until we can have additional legislation. But during that time we want to have enough lead time in advance of that so that they can order and complete the contracts on some important, strategic military weapons such as planes, tanks, and electronic equipment.

I hope the amendment will be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska [Mr. CURTIS].

The question was taken; and on a division (demanded by Mr. CURTIS of Nebraska) there were—ayes 79, noes 94.

So the amendment was rejected.

Mr. JONAS of Illinois. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. JONAS of Illinois. Mr. Chairman, I realize that the bill we are considering today is one of grave import both to this country and to the free nations of the world. It is a measure intended to a lesser degree to implement and carry out a foreign policy but slightly removed from that of the Truman administration.

I do not wish to be critical of the committee which labored so hard in its preparation, but by its efforts, however sincere and painstaking, it produced only a facsimile in a shrunken state of the package bill sponsored by the administration which President Eisenhower succeeded. In brief, this bill does not spell out in enough detail how we are to actually use the billions of dollars which will be wrung from the long-suffering taxpayers of this country. Our people have a right to know what their money is to be used for—where it is to be used—and to know that its use will actually do something toward the accomplishment of peace in this generation.

Standing alone and if presented in separate bills, there are provisions in the instant measure which I endorse without question. I offer no opposition to any steps taken by this country which, through legislative action, would alleviate the suffering of children and the aged and the bombed-out victims of war wherever they are or wherever they may be, but, Mr. Chairman, the bill now before us for consideration is entirely too general and too vague about this specific aid. Nor does it spell out how the money should be spent, who should direct the spending, and what specifically it shall be spent for.

The term "economic assistance" is, in my opinion, entirely too ambiguous, elusive, and vague. Section 201 would hand the President $200 million for, and I quote, "defense support and economic assistance for Europe." This, Mr. Chairman, is illustrative of what I mean by using the term "too vague and too general." Apparently it leaves to the subordinates appointed by the President the interpretation and determination of what is "defense support" and what is "economic assistance." It would be better to define in specific terms, including that of spelling out in guns, tanks, and airplanes our "defense support"—and it would be infinitely better that we write out "economic support" in terms of food, clothing, and shelter.

This same section amends the Mutual Security Act of 1951 so that France will get $100 million for the manufacture of artillery—and England a like amount for

the manufacture of military aircraft—the manufacturing to be done in those countries presumably to bolster their sagging economies. There is no provision that such manufacture take place under our supervision, or at least with some measure of control by this country. Already there are ample indications that both France and England are swinging toward a state of mind aptly described as "neutralism."

Paragraph (c) of section 201 amends the Mutual Security Act of 1951 in such a fashion as to give $400 million for military support to France in the Associated States of Cambodia, Laos, and Viet Nam—an area now subject to Red pressure. In the light of this intended appropriation, let us face up to the harsh fact that in Korea for the first time in our history we have suffered an outright setback which can be construed as not far removed from actual defeat, after expending 30,000 lives on the field of battle, and numbering another 120,000 of our boys as wounded, missing or prisoners of war; and after the expenditure of billions of dollars, our flag lies humble before the aggressor.

It may strike some of us as a terrible admission; nevertheless, it is time to become realistic and understand that we cannot police the world. We were told, Mr. Chairman, that the United Nations would bring an end to war—yet, written into the Charter of the United Nations was the provision which rendered that organization powerless to halt aggression, but actually put the aggressor in the driver's seat where he, and not the peace-loving nations, can say when and where there will be no peace. I refer, Mr. Chairman, to the veto power given to Russia. This enables the men in the Kremlin to say what aggression can continue and which shall be stopped.

The $400 million military assistance that this bill would give to France for her military operations in the Far East is not appreciated by the citizens of France; nor do I believe that the people of that country bear us any love, and in some instances have indicated that they manifest toward us downright ill will. More and more French publications damn us as warmongers, and say that we propose to run France and the rest of the world. France is not the only nation which has overtly shown her ingratitude toward us. Public men in England have seen fit to declare our Constitution the document of an isolationist nation.

In section 301 of the bill before us we find an appropriation of $100 million for special weapons to be given to various NATO countries. These weapons would be transferred from our own stockpiles—and in transferring them we may unwittingly send them in a direction opposite that from which attack might come. There is nothing in the bill which defines "special weapons," but they might as well be atomic. Would it be wise to trust these weapons to allies who seem indifferent to defense and seek only neutrality?

One hundred and ninety-four million dollars is earmarked for the Near East and Africa to furnish special economic assistance designed to promote the economic development and to assist in maintaining political stability in those areas. Here, again, the bill is devoid of specifics and details—nothing but generalities. But, aside from specifics—might we raise the question that we are going too far afield in attempting to bolster the economics and stabilize the politics of areas so distant from our shores? Could we not better use this money at home? We need some economic and technical aid right here in our own country.

In this measure we propose to throw billions of dollars into military and economic aid to nations around the world, while at home we need much of this money for aid to our own people. And, by aid to our people at home, I do not mean direct grants or any vast Federal program of a socialistic nature.

The inadequacies and presumed virtues of the bill, together with the real or potential vices and deficiencies were presented and interposed either for or against the measure during prolonged and extended debate in the House before this bill was subjected to amendments. I can conceive of no marked difference in the arguments presented by both the proponents and opponents of the bill that differ materially from the arguments advanced when a similar bill was debated in the 82d Congress. The fact remains that the objectives sought in each instance are practically alike. The main difference is that of figures and the overall amount to be expended. Aside from that feature, I invite the production of factual evidence that will refute this challenge.

In the United States today there are innumerable examples of whither we are drifting because of lack of funds so necessary to sustain the obligations and functions delegated to the several States and their respective subdivisions and municipalities. The authorities charged with the responsibilities of maintaining our State and local governments are all more or less pointing out that they cannot raise funds necessary to adequately discharge their legal and moral obligations to the citizens and inhabitants except by adding more taxes to the huge and burdensome taxload that they are already obliged to assume.

Every dollar expended to carry out the provisions of the mutual aid and security program appropriated in H. R. 5710 finds its way into the Treasury of the United States by one route only—that is by calling for more taxes regardless of whether the money is procured by direct or indirect levies.

The report of the House Committee on Foreign Affairs labels H. R. 5710 a package bill. To that extent I am heartily in accord with the language noted in the report. I voted not to approve the mutual security package bill adopted by the 82d Congress, and in the best interests of all the people of our Nation, I will vote not to approve H. R. 5710. I do so with the firm conviction that when the Founding Fathers of our country inserted in the Constitution section 8 of article I the words: "The Congress shall have the power to lay and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defense and general welfare of the United States," it was not intended nor anticipated that future Congresses would frequently appropriate and authorize billions of dollars for allocation to carry on many of the activities specified in the Mutual Security Act. What we have been doing and propose to continue to do in furtherance of mutual-security aid to foreign nations seems to me in a good many instances to be far removed from contributing to the "common defense and general welfare of the United States."

Mr. BURLESON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BURLESON:

On page 11, line 2, after "SEC. 546", insert "Notwithstanding any other provision of this act, no funds authorized to be appropriated by the amendments made by the Mutual Security Act of 1953 shall be appropriated until after January 1, 1954."

On page 11, line 6, strike out "fiscal year 1954."

Mr. BURLESON. Mr. Chairman, this is a continuation of an effort which I believe to be justified, in postponing a final judgment on this matter until certain very serious difficulties are more nearly and more clearly determined. It simply provides that no appropriation shall be made on this authorization until the first of next year. It continues, however, the unexpended balances now available from all the appropriations which have heretofore been made.

The first thing we should remember is that we have in excess of $11 billion unexpended. My amendment reauthorizes and continues whatever programs are provided to be supported by these funds. In other words, $11 billion and more will be available until June 30, 1954, and after January of next year the Appropriations Committee can conduct their "new look" at developments around the world. I have opposed cuts and crippling amendments to this bill today. I join with the leadership on both sides of the aisle and especially with the Speaker and former Speaker, that we have had world leadership thrust upon us, whether we wanted it or not, and we have tremendous responsibility in this world. That has been said many times on this floor today. We need a positive and forceful leadership, and I think we have it in this administration. This administration is no haven for isolationists. It is no haven for the fearful. I think we are supporting this administration when we say, "Let us share our responsibilities and wait a few months until we can determine some of these things." Just to mention a few. Yugoslavia was discussed at length here this morning. The imponderables connected with Yugoslavia are many. France is without responsible leadership today. What is going to happen in the great Middle East? What is going to happen when a truce is brought about in Korea? No one can possibly anticipate all of the difficulties and all of the changes that are inevitably going to occur by all these things.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. BURLESON. I yield.

Mr. HALLECK. I would like to understand just what the gentleman's amendment means. As I understand it, it is estimated there will be $400 million of

unobligated money on June 30. All of the rest of the funds are obligated. Therefore, for 6 months there could be no carrying on of this program, which is contemplated here, except to the extent of the $400 million, if the gentleman's amendment were to prevail.

Mr. BURLESON. The distinguished majority leader, of course, knows that to distinguish between unexpended and unobligated balances requires interpretation of the facts. As of the first of last month, and I will stand corrected if I am not correct, approximately $11,800,000,000 was unobligated. In less than 60 days the sum between the low figure the gentleman has mentioned as being unobligated and the $11,800,000,000 unexpended, is that balance which has not been allocated or earmarked and dedicated to a particular purpose. I think we will find in looking through the record, that in every year this program has been in existence, more than two-thirds of all the funds have been obligated in the last 60 days of the fiscal year. Maybe that just happens. But it is a peculiar thing to me that they come along so rapidly at that period each year. I tried to picture yesterday when I was pleading for a postponement of the consideration of this bill, and as I did in the committee, a great hopper up here with almost $11-billion-plus in it. The funnel end of the hopper is tied into the pipeline and that pipeline is flowing all along. You cannot see anything but the $11,800,000,000 up here in the hopper. It is still there. They say it is obligated when it is dedicated to a certain purpose, and when it is allocated to a certain area. It is a paper transaction. Whatever is said about obligated balances or unexpended balances, it remains a fact that for the fiscal year 1953–54, all programs now in effect, military or otherwise, will have more than $11 billion for support.

These efforts will not be interrupted, the continuity of operating these programs will not be jeopardized by a few months delay in furnishing the money for this new bill. Not only will we be acting with prudence with reference to the actions of participating nations but we will also know more about our own economy 6 months from now.

I hope the membership of this House will support my amendment.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and amendments thereto close in 5 minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from South Carolina [Mr. RICHARDS].

Mr. RICHARDS. Mr. Chairman, if there is confusion now, and there seems to be considerable confusion here, the proposed amendment would add more confusion still. The adoption of this amendment would simply compound confusion as to what must be done in the battle against communism. I remember during the last administration some of our friends on the other side had a great deal to say, and had a lot of amusement at the expense of our then Secretary of State. I think he was a great Secretary of State, just as I think Mr. Dulles will prove to be a great Secretary of State, when he said that we should wait a little while until the dust settles. What my friend, the gentleman from Texas, is proposing here is, "Go ahead and authorize this money, when we know we will not be saving anything from the authorization. So let us wait a little while until the dust settles and not do anything about it, no matter what happens." We do not know what is going to happen in Europe, and we do not know what is going to happen in Asia. There are clouds, maybe small clouds now, in north Africa. But though they may be small now, we do not know how those clouds may expand 2 months from now. There are many Members here who honestly believe that the whole bill is a mistake.

There are many Members here who do not think anything should be cut out and that we should take the word of the executive department of the Government. But, so far as the Foreign Affairs Committee is concerned, it has done its duty as it saw it. We have cut this bill almost half a billion dollars. We have come in here with almost a united front. If we want to emasculate the bill, let us do it, but at least let us do it like men. Let us not, on the one hand, say, "Here it is," and on the other hand, say, "No, you cannot use it until the first of next year."

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Ohio.

Mr. VORYS. If the gentleman will allow me to suggest it, instead of a recommital motion, this is a sort of noncommital motion. It says, in substance, we cannot make up our minds, so let us authorize it, put our hands in our pockets and our fingers in our mouths and wait. I suggest that in this naughty world, he who hesitates is lost right now. If the word went out that we had done a thing like that, we would very properly lose such allies as we have in a hurry and we would face a tragic situation, when they found that the great Congress of the United States, the Congress of this great Republic, just simply could not make up its mind what to do. I hope the amendment is defeated.

Mr. BURLESON. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Texas.

Mr. BURLESON. I might say to the gentleman from Ohio [Mr. VORYS], if we are going to lose friends that easily, then they are not worth saving anyway. But let me say also that I shall vote against any motion to recommit. I shall support this bill when I have to vote for it. But let me also ask my distinguished minority leader of the committee if any of these $5 billions of funds can possibly be used within the fiscal year for which we are authorizing appropriations in this bill?

Mr. RICHARDS. I do not know. I want our hands to be untied, if we are going to authorize this money.

Mr. HALLECK. Mr. Chairman, will the gentleman yield to me?

Mr. RICHARDS. I yield to the gentleman from Indiana.

Mr. HALLECK. I think in this matter, as in the matter of our own national defense, there must be a lead time. I think in the past we have had too much lead time. I think it ought to be cut back. But the bare fact remains that if the unobligated balance carried over June 30 is only $400 million—and that is my information corroborated by certain members of the committee—then this program would be stymied, it would go into neutral, it could not be carried forward for 6 months. In my opinion, that would be tantamount to killing the program.

Mr. RICHARDS. It would just leave a vacuum and slow down the momentum which is vital.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. The gentleman said that they had obligated some $11 billion in the last 60 days; is that right?

Mr. RICHARDS. No; that is not correct.

Mr. GAVIN. What was the statement, may I ask?

Mr. RICHARDS. I do not think the gentleman said that.

Mr. BURLESON. If the gentleman will yield to me, there was $11,800,000,000 unexpended as of the first of last month——

Mr. VORYS. Unexpended.

Mr. BURLESON. Unexpended.

Mr. VORYS. Not obligated?

Mr. BURLESON. That is true. But unobligated and unexpended in this instance is about the same thing. It is an arbitrary paper designation.

Mr. GAVIN. How are they going to spend that in 6 months? You cannot spend that in 6 months.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Texas [Mr. BURLESON].

The question was taken; and on a division (demanded by Mr. DORN, of South Carolina) there were—ayes 73, noes 118.

So the amendment was rejected.

Mrs. KELLY of New York. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. KELLY of New York: On page 11, line 8, strike out the period and insert "except that portion of the unexpended balance earmarked for Yugoslavia."

Mrs. KELLY of New York. Mr. Chairman, I do not want to take the time of the membership of the House for further discussion on Yugoslavia.

Arguments against aid to this country have been presented in earlier debate, to which I subscribe. I do not want economic or military assistance to a leader of a country who is an admitted Communist. I would like to assist the people of Yugoslavia who are held in slavery by the Communist regime, but assistance to Yugoslavia will not help the Yugoslavs, but helps to keep in power a regime not of their choice. The section which I wish to amend refers to the carryover or unexpended balance, and I am asking that that portion which was earmarked

for past programs for Yugoslavia be deleted.

Mr. RICHARDS. Mr. Chairman, will the gentlewoman yield?

Mrs. KELLY of New York. I yield to the gentleman from South Carolina [Mr. RICHARDS].

Mr. RICHARDS. As I understand, the gentlewoman has an amendment striking out the present authorization or future authorizations for Yugoslavia.

Mrs. KELLY of New York. That was not my amendment, Mr. RICHARDS, but I did support Mr. FULTON, by whom it was offered.

Mr. RICHARDS. The proposal of the gentlewoman from New York, then, is to stop any funds?

Mrs. KELLY of New York. Yes, and to stop the delivery of items previously authorized and appropriated.

Mr. RICHARDS. Of any funds.

Mrs. KELLY of New York. You are correct. That is my purpose.

Mr. RICHARDS. Even though authorized by this House?

Mrs. KELLY of New York. That is correct.

Mr. VORYS. Mr. Chairman, I move that all debate on this amendment close in 2 minutes.

The motion was agreed to.

Mr. VORYS. Mr. Chairman, this is the first time there has been an attempt made to blackball any nation by name in this legislation, and I hope we do not do it. The amendment should be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York.

The question was taken; and on a division (demanded by Mrs. KELLY of New York) there were—ayes 22, noes 110.

So the amendment was rejected.

Mr. COLMER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COLMER: On page 20, after line 15 insert:

"CHAPTER 8, CEILING ON AUTHORIZATIONS OF APPROPRIATIONS

"SEC. 401. The total of all appropriations made in pursuance of the several authorizations of appropriations contained in this act shall not exceed $4,500,000,000."

Mr. COLMER. Mr. Chairman, I am one of those humble Members of this House who is not a member of the Foreign Affairs Committee, who is not an expert on foreign affairs, who approaches this subject not as a Democrat or as a Republican, or an Independent, but who is one of those many Members of this House who is very much concerned and whose soul is troubled about this bill. I want to congratulate the membership of this House upon the nonpartisan attitude in the approach it has taken in the consideration of this bill. We have witnessed here today the real big guns on both sides taking the floor in support of this legislation—the distinguished Speaker of the House, the distinguished majority leader, the distinguished minority leader, and the minority whip as well as others.

But some of us are still concerned—we are worried. We are searching our souls. We have heard much about the security of this Nation. I call your attention to the fact that the first line of security for this Nation is not how many battleships, jet bombers, guns, and so forth, we have but the solvency of the American dollar, the thing that everybody in the world is looking for—our dollars.

I have supported all of these programs by whatever names they have been brought in, always with the assurance that sometime there was going to be a cutoff date, until the last one when I rose in the well of this House and announced that unless there was a cutoff date and unless the amount was reduced I was going to file a protest vote. I do not want to file another protest vote. I do not hold anything against any Member of this House, regardless of party or section of the country for the position that they take on this legislation. I know it is something that tests their souls because this is an important matter.

I say to you that somewhere along the line we have got to consider how far we can go without destroying our own economy, thereby not being able to help anybody in the world, including ourselves. We owe the stupendous sum of $267 billion. Did you ever stop to think about what that means? Suppose you stopped going into the red, suppose you stopped deficit spending, and retired that obligation at the rate of $1 billion a year. It would take you 267 years to retire the present debt.

Mr. Chairman, why am I alarmed? I am alarmed because it is now costing more money to service the national debt than it was costing to operate the whole of the Federal Government when I came to Congress. That is something that must give us all concern.

I want to help these people and I think we have helped them, but the thing that worries me is how long—how long are we going to be able to go along with these annual appropriations?

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

(By unanimous consent, Mr. COLMER was allowed to proceed for 4 additional minutes.)

Mr. COLMER. That is what worries me. For the past several years I have been a member of that little group, call them reactionaries, call them conservatives, call them anything you want, who have been concerned about balancing the budget which I think ought to be the first objective of this or any other administration. I have voted against many improvements, many bills that would help the people of my district and the people of this Nation in order to reach that objective of balancing the Nation's budget, stabilizing the American dollar, and continuing this glorious Republic of ours. Once the financial stability of the Nation is lost you have lost everything and you will not be able to help anybody.

Now they tell us that the world is in a very sad situation. I have been hearing that for 20 years. I know it is true, too. I know that the situation abroad is very fluid. I know that the masters of the Kremlin, even though Stalin has gone to the Great Beyond, are still the masters of the situation. They are still calling the signals and we are still running the defensive plays.

In my judgment—and it is purely my judgment; maybe I am wrong, and with those of you who disagree I shall not fall out with—but in my humble judgment the main objective of the Kremlin is not peace, not war. They want neither; they want confusion, they want world chaos, they want to take over after destroying our economy by appealing to the hungry bellies. Do you know where I got that phrase, "hungry bellies"? A lot of the Members talked in the well of this House today about being in Europe. Well, I was in Europe in 1945. There was one stock question I asked the rulers of 13 countries over there, and some of you here were with me. I asked all of them, "What is the chance of this country going Communist?" In August 1945, I asked one general, Dwight Eisenhower, that question, when he was in charge of our forces in Germany. I asked him that there in Frankfurt. Do you know what he said after a moment's reflection? He said, "People with hungry bellies do not care much what type of government they live under." Now if we are going to destroy the economy of this country by trying to help everybody else beyond our means, then the hungry bellies come in in this country and the Communists take advantage of it by promising them something for the future.

I realize that it is more or less futile to seek this reduction; I realize what the situation is. I have been around here long enough to know that when the leadership on both sides of the aisle are in accord, as they are here today, that it is impossible to buck them. However, I did want to give those Members, who desired to do so, an opportunity to save the overburdened taxpayers of America a half billion dollars. That is all my amendment does. I hope that you can go along with it in spite of the pressure from all sides.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. COLMER. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

Mr. KILBURN. I object, Mr. Chairman.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. BUDGE. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

Mr. BUDGE. Mr. Chairman, I offer a substitute.

The Clerk read as follows:

Amendment offered by Mr. BUDGE as a substitute for the amendment offered by Mr. COLMER: On page 19, line 17, add a new section entitled:

"SEC. 707. Of the amounts hereinbefore authorized to be appropriated not more than 90 percentum thereof is authorized to be appropriated in fiscal year 1954."

Mr. BUDGE. Mr. Chairman, I objected to the time limitation because

when I asked the Chair earlier in the day on a point of order if I could be recognized at any point on this bill I told the Chair the type of amendment I sought to offer. I have been trying to offer it now for the last hour and a half, and I hope that I get my 5 minutes, although I shall not attempt to impose upon the time of the House beyond that period.

Mr. Chairman, my amendment simply states that on each of the items in this bill the Appropriations Committee cannot appropriate the entire amount in fiscal 1954, that it can appropriate only 90 percent of the amounts which have been approved. It is a 10-percent cut on each item. I have specifically worded the amendment in that way for this reason. We have had quite a little discussion this afternoon about the sanctity of the Eisenhower budget in this instance and the fact that the committee cut the Eisenhower budget 9 percent.

In the bills that have gone through this House in the last few weeks and which affect Americans you have in the civil functions bills, that affects every man in this House made a cut not of 9 percent but of 17 percent. In the Labor-Federal Security bill we took a cut of 6 percent on items that affect the very lives of the people of America. The Interior bill, which is the bill that protects the physical resources of the United States, we did not cut by 9 percent, we cut it 16 percent. All these cuts refer to the Eisenhower budget.

If we are going to continue this program, and I can see we are, then why in all fairness should not the rest of the world take a 10 percent cut along with the United States? The amendment will simply reduce each item for each nation by 10 percent. I sincerely hope the Committee can see fit to adopt the amendment.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. BUDGE. I yield to the gentleman from California.

Mr. McDONOUGH. Does not the gentleman mean he wants to cut the authorization 90 percent, because the gentleman just recited the appropriation bills that had been previously authorized and the appropriations which had been made which were less than the budget and a lot less than the previous authorization. What the gentleman wants to get at, as I understand, is a cut of 90 percent of the authorizations of the funds in this bill?

Mr. BUDGE. I am seeking to cut the authorization not 90 percent but 10 percent. It is only 10 percent, not 90 percent, and that will be a smaller cut than we have imposed upon the Eisenhower budget for the things which we want to do in our own country.

Mr. COLMER. Mr. Chairman, will the gentleman yield?

Mr. BUDGE. I yield to the gentleman from Mississippi.

Mr. COLMER. The gentleman is making a very excellent statement, and I congratulate him on it. I am sure the gentleman also appreciates the fact that this is not for this year alone but that this thing may last 20 years; that if the Communists want to keep us off balance and in a constant turmoil rather than have an all-out war, then they are accomplishing their purpose by draining us white, and they can take over after they have destroyed our economy.

Mr. BUDGE. I thank the gentleman.

Mr. Chairman, in conclusion, I would simply like to remind the Members that in the Labor-Federal Security appropriation bill, which passed the House a couple of weeks ago, we dealt with every human need of the people of this Nation. We had $1,340,000,000 there for public assistance. We had all the public-health programs and all the research activities. We had aid to schools and aid to hospitals and endowments for education and aid for practically every need—for widows and dependent children, the blind and other physically handicapped, and all other needs of the people of our own Nation. With $1,340,000,000 of it designated for public assistance, the total bill amounted to less than $2 billion. Here we are spending two and one-half times that much abroad. We cut all American programs, and I plead with the Committee to simply make the rest of the world take the cut that the poor and the sick and those who are in need in our own country have been forced to take.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 5 minutes.

Mr. SHAFER. Mr. Chairman, I object.

Mr. VORYS. Mr. Chairman, I move that all debate on the pending amendment and all amendments thereto close in 5 minutes.

The question was taken; and on a division (demanded by Mr. SHAFER) there were—ayes 115, noes 28.

So the motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. VORYS].

Mr. VORYS. Mr. Chairman, first I wish to apologize to my dear friend, the gentleman from Idaho [Mr. BUDGE]. I had no idea of shutting him off. I understood he did not wish to offer his amendment as a substitute for the pending amendment. However, as soon as I discovered that that was his wish, I was glad to defer to him, of course, so that he could explain his amendment.

Mr. Chairman, we have a doubleheader here before us. We have two battleax amendments—one of them, the 10 percenter, makes a blind date with the end of this bill—whatever it is—and it is to be a 10-percent cut of whatever is in it. The other amendment makes a cut of $450 million, which would be an utter impossibility to administer. Let me remind you, as our Speaker has said, this is an authorization bill where we are not appropriating a dime, but putting limitations upon foreign activities. The committee bill is already a 34-percent—or $2,700 million—cut in the original Truman budget. The committee itself cut $478 million. But it was done selectively. We have spent the afternoon deciding which part of these programs we wanted to eliminate or reduce, and we have tried to go at it intelligently, but this is a wholesale approach to cutting, and I hope the amendments are defeated.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. RICHARDS. I would like to join with my colleague in opposition to most of these amendments. Is it not a fact that the cuts referred to by the gentleman who has just spoken were made in the appropriation bill?

Mr. VORYS. Yes; he has been talking about appropriation bills.

Mr. RICHARDS. As a matter of fact, so far as this authorization is concerned, the committee has cut the Eisenhower budget by 10 percent; is that not correct?

Mr. VORYS. It has cut 15 percent, or $830 million, below the original Eisenhower budget in the bill before us now. We have done that.

Mr. RICHARDS. If there is any merit to the gentleman's position, that fight should be made on the appropriation bill when it comes up.

Mr. VORYS. Yes; all of this is going to be reviewed in the appropriation bill.

Mr. BUDGE. I just want to correct the gentleman to this extent. You are talking now about the Truman budget. The Interior Department appropriation bill was cut 33 percent below the Truman budget. The civil-functions bill was cut 40 percent below the Truman budget.

Mr. VORYS. The gentleman is talking about appropriations. I am talking about authorizations. Here the committee has already cut 34 percent below the Truman budget, even before the bill gets to the Appropriations Committee. Please let it go to the Appropriations Committee the way we have it now. There already are stern limitations on foreign-policy activities all over the world. Please do not try to hamstring this by these amendments.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Idaho [Mr. BUDGE] to the amendment offered by the gentleman from Mississippi [Mr. COLMER].

The question was taken; and on a division (demanded by Mr. BUDGE) there were—ayes 102, noes 132.

Mr. BUDGE. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. VORYS and Mr. BUDGE.

The committee again divided; and the tellers reported that there were—ayes 101, noes 152.

So the substitute amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Mississippi.

Mr. COLMER. Mr. Chairman, I ask unanimous consent that the amendment may be again reported.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. COLMER: On page 30, after line 15, insert:

"CHAPTER 8. CEILING ON AUTHORIZATIONS OF APPROPRIATIONS

"SEC. 401. The total of all appropriations made in pursuance of the several authorizations of appropriations contained in this act shall not exceed $4,500,000,000."

And renumber succeeding chapters and sections appropriately.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. COLMER].

The question was taken; and on a division (demanded by Mr. COLMER) there were—ayes 83, noes 104.

So the amendment was rejected.

Mr. BENTLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BENTLEY: Page 6, lines 22 and 23, strike out "$94,400,000" and insert "$47,200,000."

Mr. BENTLEY. Mr. Chairman, I do not expect this amendment to be adopted. I have two other amendments at the Clerk's desk that I am not going to offer this afternoon in the interest of those who want to get away. The temper of the Committee is evidently against any further reductions.

But I would like to tell the Committee a few things about what is going to be done when it authorizes this full amount of $94,400,000, which happens to be for special economic assistance to India and Pakistan. It is part of a total amount of something better than $400 million—the total amount of technical and economic assistance that we are authorizing in this legislation.

I call it a giveaway program, and when I do that I am quoting a spokesman from the administration who came before our committee and called it a giveaway program—right in our own hearings. I would also like to quote of the leading members of the committee who terms this entire program an "international WPA."

Let me take just a moment to tell you some of the projects that this $94,400,000 is going for in India and Pakistan:

Production wells, the importation of fertilizer, equipment for the production of fertilizer in that country—there is a lot of fertilizer in this bill—the mechanization of fisheries, $25 million for India for river valley development in that country—sort of a TVA being exported over there—$18 million to import iron and steel for agriculture, and so forth, and so on. Of this amount of $94,400,000, nearly $80 million goes to India for special economic assistance, added to which there is about $29 million going to India under regular technical assistance, a total amount of $109 million, which happens to be twice as much as we gave India last year—just double the amount.

I would also like to make the point that this special economic assistance is tied in with India's 5-year plan, about which I spoke briefly yesterday, and which the administration confidently expects to come back to this Congress next year or the year after this and ask for an average amount, according to their own spokesman, of about $200 million a year to support this 5-year plan in India.

Now, as far as Pakistan is concerned, the amount of special economic assistance is only $14,500,000 and there is about $13 million in technical assistance. Those are not large amounts except that I might point out that last year Pakistan was unable to absorb all of the money we put into that country and had to turn some of it back, and we are giving it more yet this year.

I just want to make the point—although I do not expect this amendment to carry—I just want the Committee to know something about what they are being called on to vote for this year in the way of authorization, not only for this year but for a commitment that will run at least 2 more years or longer.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. BENTLEY. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I might point out that, in addition, there will be a bill here probably next week to give Pakistan $100 million worth of wheat as a grant.

Mr. BENTLEY. Yes. I understand that that is in addition to all this Pakistan loan. I was not sure whether it was seventy or one hundred million dollars, but that must be figured in, too.

Mr. O'KONSKI. Mr. Chairman, will the gentleman yield?

Mr. BENTLEY. I yield to the gentleman from Wisconsin.

Mr. O'KONSKI. For the last 5 years Pakistan and India have been at virtual war with each other. How is the gentleman going to expect them to fight each other if we do not send them some money?

Mr. BENTLEY. I do not understand it. There is not a single man from Pakistan or from India in Korea, I would like to make that point.

I would just like to say this, when you go back home to your districts and try to explain to them why you did not get this project or that irrigation plan or something else for them, you can tell them, if you want to, it is because you were sending it over to some other part of the world.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. BENTLEY. I yield to the gentleman from Iowa.

Mr. GROSS. India's voting record in the United Nations as far as the United States is concerned is not very palatable either, is it?

Mr. BENTLEY. The Indians have attempted to pursue a position of neutrality in favor of their Chinese neighbors.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. SHAFER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, throughout this debate one statement has repeatedly been made which, to my knowledge, has not been challenged or denied. The gentleman from South Carolina [Mr. RICHARDS] said yesterday:

The foreign policy of the United States is basically the same as it was under the last Democratic administration.

The same thing was said yesterday by the gentlewoman from New York [Mrs. KELLY]:

The foreign policy which we are pursuing today is a continuation of [the] * * * policy established under the previous administration.

Those of the minority party who favor this bill make this claim proudly, almost boastfully. Others, of both parties, who oppose this bill make the same statement by way of indictment.

I belong to this latter group. I opposed the foreign policy of the past administration. I see no reason why I should support that same policy simply because it has new sponsorship. For me black does not become white that easily or simply. And I might say that some of the members of the Republican Party have not only adopted the Truman-Acheson foreign policy but apparently have adopted the Fair Deal smear tactics. I particularly resent the effort of the gentleman from Ohio [Mr. VORYS] to identify those of us who are critical of this relabeled Truman-Acheson foreign policy with the Progressive Party or with Communist-front groups. In view of the gamble which we are being asked to take with both the military and economic security of the Nation in a continuation of the international give-away program, it ill behooves anyone—least of all a Republican—to indulge in that kind of a smear against those who earnestly question the wisdom and justification of such a gamble. Let us hear no more of such vicious talk.

Throughout this debate we have constantly been reminded of the nonperformance of our alleged allies in the so-called program of mutual defense. We have been reminded that we "find ourselves again discussing the mutual security program for 1954 without the actual existence of a European army," to quote the gentlewoman from New York [Mrs. KELLY]. We have in the RECORD the acknowledgment that "these forces of our allies are not all equally ready, willing, and able to fight by any means," as the gentleman from Ohio [Mr. VORYS] phrased it yesterday. We have it pointed out that "unless and until the European army, with Germany in it, has been ratified, one-half of the $2,079,000,000 for Western European military aid will not be delivered"—which is, in itself, a confession of our misgivings that even the half we are giving away may very well be another billion down the drain. We have the admission by the gentleman from New Hampshire [Mr. MERROW] that "there is a lag in the formation of the European Defense Community which we hope will soon be overcome."

All of these statements, I point out, come from the sponsors—not the opponents—of this new $5 billion mutual security appropriation. Yet these same advocates of the measure at no time face up to the implications of their admitted misgivings and disappointments and hopes deferred. Having admitted all this, and having left unanswered the evidence of appalling instability in

France—a nation without a government, having left unanswered the evidence of the precarious situation in Italy, having left unanswered the evidence that European nations view us as alarmists who are leading them to the brink of war, having left unanswered the evidence that Great Britain is interested in appeasement rather than security—in the face of all this, the sponsors of this bill embrace the Acheson-General Bradley-Dulles doctrine that "the mutual security program will produce more real security for the people of the United States than we could get by spending the same amount of money on a purely national program." How long shall we tolerate this folly? Are we to permit it to carry us over the brink of disaster?

More than a year ago I warned of the folly of this policy of collective security which calls for farming out separate defense functions and assignments to the participating nations. Last May I said:

> This is the same kind of division of labor practiced by the automobile industry in setting up separate parts-manufacturing and assembling plants around the country. As we well know, under this scheme, a work stoppage or breakdown in any one plant cripples the entire production setup. Each unit is thus a link in a chain no stronger than its weakest link.
>
> A mutual defense program built on this theory thus can be wrecked or gravely crippled by the failure of any one of the national units to fulfill its assigned function. This policy puts American defense at the mercy of a change of government or Communist coup in a European country, or even ordinary defense feet dragging in any of the countries involved.
>
> There could be no graver betrayal of American security than to link our military defenses so completely with the unpredictable actions and policies of other nations.

On only one score would I change what I said a year ago last May. It should be clear now that the actions and policies of the other nations are not unpredictable. They are all too clearly predictable. These other countries are going to act on the basis of immediate self-interest. They are going to go it alone whenever they think it is to their advantage to do so. These nations have proved that the one thing about them which is definitely predictable is their unreliability as allies and as agents of effective defense for the United States.

I believed the Truman-Acheson foreign policy wrong. I believe events have demonstrated and are demonstrating how very wrong it was. I do not believe in sending good money after bad. Least of all do I believe in committing $5 billion more to this folly when there is some $11 to $12 billion of unexpended funds still in the pipeline of the Truman-Acheson foreign policy and program which the administration is now unhappily adopting as its own. Billions for defense, yes; billions even for mutual defense, if and when our so-called allies give proof of their wholehearted and effective commitment to mutual defense. But not one more cent to justify the baseless and repeatedly deferred hopes that someday, some way we will have allies who can be relied upon in the time of need; not one cent more to protect those of either political party who have a vested interest in the tragic blunders of the past.

One final word. While we talk here of so-called mutual security, a faithful ally—the Republic of South Korea—finds itself under pressure from its so-called allies, including the United States, to abjectly surrender its security in a false and treacherous truce. What a sham that makes of our mouthings about mutual security.

Washington had his Valley Forge. But even Washington was spared the tragedy we are inflicting on Syngman Rhee. No allies at Valley Forge told Washington he must make peace with the enemy on the basis of a divided country and at the price of unwon independence. No allies at Valley Forge compelled him to leave the Redcoats and the Hessians in possession of the northern colonies for the sake of peace.

Billions of dollars spent on programs of so-called mutual security will never be an adequate substitute for the determination to fight to win in the war in which we are already engaged. Billions of dollars spent for so-called mutual security cannot offset the loss of integrity and devotion to principle involved in forcing a weaker ally to abandon all hope of unity, independence, and security for his Nation. There is no defense or security against moral bankruptcy.

Mr. MERROW. Mr. Chairman, I rise in opposition to the amendment.

The pending amendment on page 6, lines 22 and 23 would cut the $94,400,000 in half. This is money that is for economic development in India and Pakistan. I would like to call the attention of the Members to the language in the bill which states that it is "to be used on such terms and conditions" as the President may specify, "which shall include conditions and assurances to enable the countries designated in this subsection to make greater progress toward solving their mutual problems in cooperation with each other, to furnish special economic assistance designed to promote the economic development of such countries, and to assist in maintaining economic and political stability therein."

This is not a giveaway program, but it is a program designed to increase and to help increase the standard of living in 2 important countries in southeast Asia, namely: Pakistan, with a population of 76 million people; and India, with a population of 360 million people.

I submit that in this battle against communism around the world, one of the most effective weapons that can be used is assistance in enabling undeveloped countries to increase their standard of living.

True, the measure provides for assistance in respect to fertilizer and agriculture and in river valley development, but that is a part of helping these countries to increase their standard of living.

With a population of that size, and the money that is involved in this bill, I think you will agree that this is not spending an excessive amount of money. It is true that the total amount of money to be authorized in this bill for India is $109,900,000, including technical assistance and economic development; and for Pakistan $27,500,000 for technical assistance and economic development. But in comparison to the other sums that are authorized in this bill, I think you will agree that this is small.

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield to me?

Mr. MERROW. I yield to the distinguished gentleman who was on the study mission with us to the Far East.

Mr. ZABLOCKI. Is it not true that in executive session Admiral Radford tesified that the economic programs in all that area, including Pakistan and India, are absolutely essential in the long run to the security of the United States?

Mr. MERROW. That is correct. I agree that they are essential to the security of the United States. And I would also like to call the attention of the membership to the fact that these funds have been cut, just as other funds have been cut throughout this entire bill. It would seem to me that there is a point beyond which you cannot cut these authorizations and have the measure effective.

It has been emphasized here on the floor this afternoon that Asia is extremely important. I do not think anyone will disagree. Here are two countries in the Asiatic sphere.

This bill places more emphasis on and devotes more attention to the Far East. Certainly we ought to give the funds necessary to assist in the development of these countries. Technical aid has been of great assistance in the industrial and agricultural development of both India and Pakistan.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. MERROW. Briefly.

Mr. REED of New York. How many miles is it from India to this country?

Mr. MERROW. I guess about 9,000.

Mr. REED of New York. I think it is a little nearer 15,000; it is nearly across the world, and they are on the doorsteps of Russia. What does the gentleman think will happen to them over there with whatever security we think we could give them? Which side does the gentleman think they are going to tie up with?

Mr. MERROW. I think that if the standard of living of India and Pakistan can be raised that they will definitely be on our side. The fact that they are so close to Russia and the fact that they are in Asia makes it all the more necessary for us to help them increase their standard of living which is most effective in combating communism.

The CHAIRMAN. The time of the gentleman from New Hampshire has expired.

Mr. POLK. Mr. Chairman, I ask unanimous consent that the gentleman from New Hampshire may continue for 3 additional minutes.

Mr. VORYS. Mr. Chairman, I am constrained to object to any member of the committee taking extra time.

I do, however, ask unanimous consent that all debate on this amendment and all amendments thereto close in 7 minutes to be divided between the gentleman from Missouri and the gentleman from Minnesota.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The gentleman from Missouri [Mr. CARNAHAN] is recognized.

Mr. CARNAHAN. Mr. Chairman, I rise in opposition to this amendment and would like to point out to the members of the committee that every item covered by this assistance is an item which is basic to the production of food, water conservation, wells for irrigation, fertilizer, better-farming methods, and the aid is going to two new republics, India and Pakistan—400 million people who are striving toward becoming free and toward developing for themselves a standard of living which they will be willing to defend.

We say we will give military assistance but will not give economic assistance, and here we are saying we are attempting to build military strength on those empty bellies we have heard so much about today. Let me point out to the committee that military strength in the world is one of two things: It is either the abundance of a free economy like ours, or it is blood, sweat, and the food of slaves as the military power of Russia. Now, what kind of strength do we want to build? We cannot have military strength on our side if it is built on slavery and starvation; we must have military strength which is built on an abundant economy like our own; yet here we are denying to the 400 million people of this area a chance to develop for themselves enough food to keep from going hungry.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. CARNAHAN. I yield.

Mr. JAVITS. Is it not a fact that the committee was assured that the two most solid bastions for us in the Middle East included Pakistan, and that is one country directly affected?

Mr. CARNAHAN. The gentleman is correct.

Mr. BENTLEY. Mr. Chairman, will the gentleman yield?

Mr. CARNAHAN. I yield.

Mr. BENTLEY. I would just like to ask the gentleman from Missouri what India has done for us in the United Nations since we went into Korea 3 years ago.

Mr. CARNAHAN. And in reply I am going to ask the gentleman what a nation can do without food? Is it reasonable to ask our friends who do not have sufficient food to prevent the starvation of their own people to develop a position of military strength?

Mr. POWELL. Mr. Chairman, this is an insult to the good people of India. It strikes at the heart of our democratic world ideals. I ask for its defeat.

The CHAIRMAN. The gentleman from Minnesota [Mr. JUDD] is recognized.

Mr. JUDD. Mr. Chairman, there are more things that ought to be said here than time will permit. I am sure that when the Committee stops to consider that we are dealing with the second and the sixth largest countries in the world occupying an exceedingly important strategic portion of the earth's surface; when we remember that they are threatened with the fate that has befallen the largest nation in the world, China; when we consider that China is behind the Iron Curtain because we were not farsighted enough to take in time the measures which might have and many of us believe certainly could have prevented that disaster; when we realize that our own military budget went up from $15 billion to $40 billion only when a Communist invasion began in Korea which was made possible only because China had been conquered; when we stop to think how much higher still our military budget would be in the United States if this Indian subcontinent were to fall and we would then have to defend ourselves against Soviet submarine bases in the Indian Ocean that would cut the world in two, cut off Australia and New Zealand, exposing Africa without any defenses on her whole eastern coast, it seems to me we will not vote to cut this amount of special economic assistance for India and Pakistan.

The original program proposed for India alone was $250 million. That was cut by the Truman administration to $200 million. After the election, the new administration reduced it to $140 million. The bill now provides for $110 million for India—in this and another item—a cut already of 60 percent for a country which is one of the few remaining places in Asia where successful efforts are being made to develop a democratic government, and in that part of the world—the so-called underdeveloped areas—where the Communists have been making greatest progress.

We in the United States might look back upon our own history and consider what would have happened to us if we had not help from other countries, especially France, during our early, struggling years. In consideration of all these factors, I am convinced that it would be shortsighted from every standpoint to reduce the authorizations in this bill for this area.

There is another point to make. Two years ago we appropriated some $180 million for 2 million tons of wheat for India. The program of development in this bill, coupled with India's own efforts, is almost certain to enable India to bring herself into a position where she will have to import less than half as much grain each year as she has had to import in the past, even in good crop years. The main purpose of the aid is to help her get so that she will not again have to come to the United States for loans or grants for grain, and can have a stable, independent government because the people are a little better off.

As a result of universal use of fertilizers, tube wells, and irrigation projects that have already been started, India should be able to export rice next year for the first time in the history of the nation. Within 3 or 4 years, at the completion of her 5-year plan, there is reason to believe, and our own experts agree, she will not have to import on the average more than 1 million tons of grain a year as against 4 million tons average in the past.

The aid for Pakistan is of the same kind and for the same purposes. Her basic situation this year is not as favorable as India's. It is all the more important that she have the full amount for this long-term economic and technical aid, as well as a grant of wheat next week for the immediate emergency.

So this is not a case where we throw good money after bad; rather it is to invest good money in such a way that we will not again have to give large amounts for mere relief, or for arms to protect an area too weak to defend itself.

I hope the pending amendment will be defeated.

The CHAIRMAN. All time has expired. The question is on the amendment offered by the gentleman from Michigan [Mr. BENTLEY].

Mr. BENTLEY. Mr. Chairman, I ask unanimous consent that my amendment may be again reported.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. BENTLEY: On page 6, lines 22 and 23, strike out "$94,400,000" and insert: "$47,200,000."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. BENTLEY].

The question was taken; and on a division (demanded by Mr. BENTLEY) there were—ayes 79, noes 118.

So the amendment was rejected.

Mr. SMITH of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Wisconsin: On page 4, line 7, strike out the figure "$100,000,000" and insert "$50,000,000."

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield to the gentleman from Indiana.

Mr. HALLECK. First I ask unanimous consent that the request I am about to make shall not come out of the time of the gentleman from Wisconsin.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Chairman, I think we can conclude action on this bill this evening. I know many Members are hopeful that we can. Mr. Chairman, in view of that fact I ask unanimous consent that debate on the bill and all amendments thereto close at 7:30.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

Mr. POWELL. Mr. Chairman, reserving the right to object, I would like to inquire how many amendments there are at the desk?

Mr. HALLECK. There are more amendments there than will be offered. A number of them, as has been indicated, will not be offered. I did not discover more than 3 or 4 or 5 that will be offered.

Mr. BUDGE. Further reserving the right to object, Mr. Chairman, may I inquire of the distinguished majority leader or of the Chair what the prerogative of a Member would be now who wanted to offer a motion to recommit?

Mr. HALLECK. Of course, a motion to recommit is in order. That will be in the control of the minority, and what the motion to recommit will be I do not now know. This request would have nothing to do with the motion to recommit.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. SMITH of Wisconsin. Mr. Chairman, I will proceed as rapidly as possible, for I realize that the Members are anxious to get away.

This amendment would provide a reduction of $50 million in what the bill calls a special weapons provision. Now when this matter was under consideration in the committee there was no testimony to show that there was any specific program involved; in other words, this is what we call in the planning stage; no testimony produced to show that it was to apply on a given set of weapons. It was merely an authorization to proceed in the future with the program. I believe this kind of legislation is certainly in the category of a blank check.

We have the report of the committee with reference to special weapons. The minority members who filed minority views referred to it as a "maybe" item. This is a place, it seems to me, where we can save $50 million. This committee ought to be interested in reducing this special item from $100 million to $50 million without any adverse effort upon the program itself.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield to the gentleman from New York.

Mr. JAVITS. I might say to the gentleman, as the gentleman knows, that it was my motion in the committee which cut this from $250 million to $100 million. The reason for the $100 million, which I would like to explain to the committee, is that this deals with new nonatomic weapons adjusted to particular kinds of terrain, the very kind of situation we found in Korea, where you need to develop new weapons fitting new situations. The idea was to draw on the inventive genius of our allies. It was felt that $100 million would give them elbowroom to do that, whereas $50 million would be too limited and $250 million would be too much.

General Ridgway testified to this at page 431 of the record, and he said:

> It seems to me it is very forward thinking and imaginative anticipation of what our needs may be.

Mr. SMITH of Wisconsin. The gentleman from New York did not read the important part of General Ridgway's testimony, and this was a question by the gentleman from Indiana [Mr. ADAIR]:

> There is in this bill an item of $250 million which we are informed is earmarked for new secret nonatomic weapons.
>
> Do you regard that as an essential item? Would you care to make any comment upon that?
>
> General RIDGWAY. I did not know about that, sir, and I do not yet know.

We are speaking about nonatomic weapons. I dare you to produce here this afternoon any testimony of a plan for this $100 million.

Mr. JAVITS. Of course General Ridgway would not know. He handles NATO over in Europe, and this is a program which was designed here. Secondly, if we produced the program here this afternoon it would be $500 million we would be talking about, not $100 million. This is an opportunity for them to do a job that they feel is urgent.

Mr. SMITH of Wisconsin. This is a NATO program, do not forget that and if special weapons were being considered General Ridgway would know about them. This item cannot be justified under any circumstances.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. FULTON].

Mr. FULTON. Mr. Chairman, I am very glad to cosponsor this amendment offered by my friend the gentleman from Wisconsin [Mr. SMITH]. This amendment should be passed, because there is $100 million which is unprogramed and unplanned in this bill under the heading of "Special weapons." On the committee level, I, too, had sponsored this amendment cutting this section by the additional $50 million. We must remember there is submitted as justification, no program or planning for this $50 million. I think that when we continue in the program under this amendment, as the gentleman from Wisconsin and I do, $50 million to experiment with on new weapons in a fiscal year, that is enough undesignated authority for planning and experimental purposes abroad. Too much authority will cause loose handling and loose spending of the taxpayers' money.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. SMITH].

The question was taken; and on a division (demanded by Mr. SMITH of Wisconsin and Mr. FULTON) there were—ayes 48, noes 80.

So the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. JAVITS:
>
> On page 15, line 6, strike out all of line 6 and insert the following: "(c) repeal (1) subsection a of section 516 is repealed."
>
> 2. Amend subsection (b) of such section by striking out the words "to accomplish the purpose of clause (1) of subsection (a) of this section under" and insert in lieu thereof the word "under."

Mr. JAVITS. Mr. Chairman, this is an amendment which we should have taken care of in committee, but as we reported the bill out, it could not be done. All it does is restore the stimulation of private enterprise sections to the original legislation which dealt with the fact that our Government departments should endeavor to stimulate the maximum of overseas private investment, and it eliminates the provisions which the committee voted against and which dealt with efforts to stimulate private enterprise in the countries in which we were operating mutual security programs.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia [Mr. HARRISON].

Mr. HARRISON of Virginia. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from New York.

The Clerk read as follows:

> Amendment offered by Mr. HARRISON of Virginia as an amendment to the amendment offered by Mr. JAVITS: On page 15, line 6, insert: "(b) Section 115 (k) of the Economic Cooperation Act of 1948, as amended, is repealed. Nothing in this subsection shall be construed to prevent the carrying out of any commitment or agreement entered into pursuant to said section 115 (k) prior to the date of enactment of this act."

Mr. HARRISON of Virginia. Mr. Chairman, the object of this amendment is to wipe out two unworkable laws the Congress has enacted in the past and to prevent further expenditures thereunder except where funds have previously been actually committed or made subject to positive agreement.

In 1949 Congress declared it to be the policy of the Congress that the Mutual Security Act be administered in such a way as to provide, in the countries receiving aid, for increased participation of private enterprise, for discouragement of disapproved business practices and for the development and strengthening of labor union movements within such countries.

To the extent that these objectives may be praiseworthy, they can only be put into operation by the foreign countries themselves. As a member of the Smith committee which, at the request of Governor Stassen, recently went to Europe to study the operation of parts of the Mutual Security Act, I found that this provision of the law was resented—and justifiably, I think—as an unwarranted interference with the internal management-labor relationship of their country.

For example, if the working people of France want labor unions of the John L. Lewis-David Dubinsky variety, that is their business. They certainly should not be required to have such unions as a condition of our joining with them in mutual defense against Russian attack.

In 1951 Congress went further and provided that $100 million must be expended to establish revolving funds to compel internal compliance with the policy as to free enterprise and labor unions.

This constitutes a silly waste of taxpayers' money, the only fruit of which is ill will toward our country. It should stop.

The proposed repeal does not nullify agreements already made, but if it is adopted, certainly there should be no further undertakings to which we are not already fully and necessarily committed. In other words, the "revolving funds" should stop "spinning" at the earliest date and the United States extirpated from this unwise and extravagant adventure in international meddling.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. HARRISON] to the amendment offered by the gentleman from New York [Mr. JAVITS].

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. JAVITS] as amended.

The amendment as amended was agreed to.

Mr. MORANO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MORANO: On page 8, line 18, strike out "$825,000" and insert in lieu thereof "$1,825,000."

Mr. MORANO. Mr. Chairman, this increases the authorization $1 million from $825,000. It was estimated by the administration that $1,825,000 would be needed to carry out the provisions of this section.

If this amendment of mine is carried, it will aid the work of the following voluntary nonprofit relief agencies that participate in this program:

American Baptist Relief, American Friends of Austrian Children, American Friends Service Committee, American Jewish Joint Distribution Committee, American ORT Federation, Brethren Service Commission, Church World Service, Congregational-Christian Service Committee, CARE, Foster Parents' Plan for War Children, Greek War Relief Association, International Rescue Committee, Lutheran World Relief, Mennonite Central Committee, Near East Foundation, The Salvation Army, Save the Children Federation, Unitarian Service Committee, United Lithuanian Relief Fund of America, and War Relief Services of National Catholic Welfare Conference.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut [Mr. MORANO].

The question was taken; and on a division (demanded by Mr. MORANO) there were—ayes 55, noes 55.

Mr. MORANO. Mr. Chairman, I demand tellers.

Tellers were refused.

So the amendment was rejected.

Mr. POWELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. POWELL: On page 1, line 10, after the word "authorize", insert the following: "*Provided*, That no country shall receive any assistance under this act that does not permit technical help in the collection of its taxes."

Mr. POWELL. Mr. Chairman, this is an amendment which I offered last year and which was defeated by only a bare score of votes. It merely says this; that we shall not appropriate money from the taxes of the citizens of this Nation to any other nation in the world that does not allow us to give them technical help in the collection of their own taxes. This is due to the fact that everywhere in the world, except England and the Scandinavian countries, taxes are not being collected. They are not being collected because they do not know how.

In all of Italy, only one man, Signor Gaetano Marzotto, paid his taxes, that is, of those in the wealthy upperclass division.

That is not right. It is immoral, it is almost illegal for the American people to pay money to support others when they are not collecting their own taxes.

I ask for a vote in favor of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. POWELL].

The question was taken; and on a division (demanded by Mr. POWELL) there were—ayes 52, noes 56.

So the amendment was rejected.

Mr. BURDICK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BURDICK: Page 9, line 12, after the semicolon strike out the rest of the paragraph.

Mr. BURDICK. Mr. Chairman, the rest of the paragraph reads:

"The Congress favors the negotiation of a Pacific Pact, consistent with the provisions of the United Nations Charter, for the common defense of the free peoples of the Far East, south Asia, and the Pacific Ocean area, and the participation therein of the United States."

This is a policy, I understand, of course, that we are only spending a billion dollars a month in Korea and in Europe, and that is not quite enough. This is an authorization so you could spend more, so you are going to start a new venture over in the Pacific islands, in the Pacific area. If that is what you want, you just vote for it.

Mr. SIEMINSKI. Mr. Chairman, I offer a perfecting amendment to the section.

The Clerk read as follows:

Amendment offered by Mr. SIEMINSKI as a perfecting amendment to the text of the bill: Page 9, line 17, after the words "United States", insert "and of other free States having mutual interests in such a pact."

Mr. SIEMINSKI. Mr. Chairman, the purpose of my perfecting amendment is to prevent the United States from being mouse trapped in a Pacific war without immediate or automatic access to or aid from, out-of-Pacific people, areas, or bases from which it might be necessary for us to strike a mortal blow at a Pacific aggressor, no matter who.

The Pacific Pact concept is good. So is the language. But history flies in the face of its limiting language, which makes it possible for America to defend not only the freedom of Pacific people but non-Pacific interests and weath as well, without loss of non-Pacific blood.

Today, if a NATO nation is struck, American participation in its defense is automatic. The reverse is not true. Even if our production were seriously sabotaged, the NATO alliance provides no access to member nation production or base facilities from which to destroy the aggressor.

Tomorrow, if a Pacific Pact people, nation, or state were attacked, America, by the language of the bill would come to its aid. The reverse would not be true. Europe and the NATO nations could block off military aid to the Pacific, declare it a limited area, as Korea was so declared, and trade with all comers. A war between Russia and the United States in the Pacific could lock out all Pacific peoples. Europe and NATO could stay neutral—let the two giants bleed each other to death. Let us look at history. Were the Pacific Pact in being in the following years, the United States would or could have been the Patsy and European investments would have been protected with no cost in blood:

1894: Sino-Japanese War. On whose side would we have fought?

1904: Russo-Japanese War. On whose side would we have fought?

1931: Sino-Japanese War. On whose side?

1954: If Russia "Pearl Harbors" Japan, how do we get at Russia? Through Europe? By what treaty?

1955: If Russia bombs the United States over the North Pole, how do we get at her? By what treaty? Or will it be a roman-candle duel in the skies? What of Canada? Sensitive about our going north of the 38th parallel in Korea, will Canada restrict our overhead counter-attack, or block our overland route to Alaska?

My perfecting words, Mr. Chairman, merely make it possible for Pacific Pact people to make out-of-area arrangements for such emergencies mentioned above.

When all regional pacts are formed, I want to be sure they can be interlaced, just in case the United Nations is shunted off the track, or fails to act as promptly or with more direct aid than it did in Korea.

Mr. JUDD. Mr. Chairman, I would like to speak against the Burdick amendment to strike out section 701 on the Pacific Pact.

There is but one objective involved in that section, and that is an attempt to get those Pacific area countries which we are already helping individually, and others, too, perhaps, to get together on a voluntary basis in order to pool their strength so our aid will be more effective. There is no question of an increase in appropriation; it is an attempt to get united strength in the Pacific as we have been seeking to get all these years in the North Atlantic.

The CHAIRMAN. The question is on the perfecting amendment offered by the gentleman from New Jersey [Mr. SIEMINSKI].

The amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from North Dakota [Mr. BURDICK].

The amendment was rejected.

The CHAIRMAN. Are there further amendments?

Does the gentlewoman from Illinois [Mrs. CHURCH] desire recognition?

Mrs. CHURCH. No, Mr. Chairman.

The CHAIRMAN. Does the gentleman from Indiana [Mr. ADAIR] seek recognition?

Mr. ADAIR. No, Mr. Chairman.

The CHAIRMAN. Does the gentleman from Iowa [Mr. GROSS] desire recognition?

Mr. GROSS. Yes.

The CHAIRMAN. The gentleman is recognized.

Mr. GROSS. Mr. Chairman, in a few moments, perhaps in half an hour or so, the 1954 edition of the foreigner's gravy train will be put on the road by the House of Representatives. Some steam was built up in the boiler a couple of weeks ago when the House passed a bill setting up a fund of $100 million to guarantee exporters and the big bankers of this country against losses on exports to foreign countries. I hope the gravy train stays on the rails and the foreigners get a good ride.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. KERSTEN].

Mr. KERSTEN of Wisconsin. Mr. Chairman, I take this time to again make a matter of record with regard to that portion of the bill under section 101 (a) (1) which provides for $100 million to form national military units from escapees from Iron Curtain countries and to aid resistance behind the Iron Curtain which has not been effectively used up to this time but which if properly used by the new administration can spearhead the new foreign policy that everyone in this House wants.

I want to take this time to make it a matter of record that that section was not meant to be just a refugee program. The provisions of the bill are definitely meant to be an aid to resistance behind the Iron Curtain, and to form national military units from those who have escaped from the Iron Curtain countries. If we implement such a policy we will change the policy from the containment policy which the American people discarded last fall when they elected Dwight Eisenhower on the basis of his stand for liberation during the campaign. With the current instances of resistance behind the Iron Curtain which are occurring every day, we should begin to take advantage of these things so that we can press forward with an affirmative policy that will end the stalemate with the Communists in less than a period of 10 or more years, perhaps within a few years if we do it effectively.

The main and primary purpose of this program is, therefore, to form such national military units and to aid resistance to communism behind the Iron Curtain. Allied to this primary and major purpose there is, of course, the secondary and minor purpose of aiding the refugee escapees from Iron Curtain countries.

I want to make it clear that there is no justification for turning this into a mere refugee program which I think it was the disposition of the previous administration to do. And perhaps there are some individuals still in the State Department who would continue it along the lines of only a refugee program because of timidity on the part of some from adopting a real program of liberation which clearly was the intent of Congress. Current events make such a new policy all the more necessary. President Eisenhower has stated clearly that we will not accept the Soviet conquests. Congress and the President agree that we cannot have peace based on a one-half slave, one-half-free world.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. LONG].

Mr. LONG. Mr. Chairman, I realize that the time is about out for debate on this bill. I just want to make one remark: "Consistency, thou art a jewel."

This administration has already taken away from the farmers of this country practically all the aid that they were receiving in money for conservation of their soil, their seed, and so forth. But now they come here today and give large amounts of money away to Pakistan and India to help them buy seed for conservations of their country at the expense of our own farmers in America.

I would like to say to you on the Republican side: Do not take any credit for this measure. This is a Democratic measure. You have joined the Democrats over here. You fought the Truman administration, you said this was bad. Now, you come here today and swallow the Truman recommendation and policy hook, line, and sinker.

I want to warn you when you go home to keep this in mind and I am sure that the voters of America will take care of your political future.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. LAIRD].

Mr. LAIRD. Mr. Chairman, there are authorizations in this bill I, of course, support. In view of the action of the House today in refusing to cut out authorizations in this bill which were not substantiated and for which no plans or programing were presented to the Foreign Affairs Committee, I cannot support the full authorizations in the amount of $4.9 billion. The Mutual Security Administration has of this date available over $10 billion in unspent appropriations provided by past sessions of Congress. The committee hearings and the discussion before the Committee of the Whole House today clearly show that this authorization could be cut by $475 million without damaging our mutual security.

Mr. O'HARA of Illinois. Mr. Chairman, I have refrained from any participation in the debate on the bill before us because the time of the House the better could be given to the distinguished members of the Committee on Foreign Affairs and others of seniority and of great familiarity with the subject. I have followed, however, the debate with great interest and was especially impressed by the clear and cogent reasoning of the masterly address by the No. 2 member of the committee, my dear friend and colleague the gentleman from Illinois [Mr. GORDON]. I was gratified to note the keen attention and the generous applause with which his remarks were received by the House.

Mr. Chairman, I have received many letters from my constituents in the Second District of Illinois on the continued support of the international children's welfare work. On that there is no division of opinion.

The money that we put into arms buys a sense of security, but it is the security of the moment since soon the armament is outmoded and has to be replaced.

The money that we put into the welfare of children, thus assuring in the future a world of friendly and healthy minds, is an investment in permanent peace.

Mr. Chairman, America and the world are looking forward to something better than a race of armaments. The mission of this generation is to attain the goal of a permanent and lasting peace. Let us not take our eyes from that mission and that goal.

We must remain strong to secure ourselves from the aggressions of evil governments. As long as it is necessary in freedom's cause we will meet with all our resources and with willing sacrifices the challenge of aggression.

But, Mr. Chairman, there will be future governments in lands where now we find hostility. There will be future governments in lands where in return for what we have done there should be universal appreciation, but misunderstanding can be fanned by motivated propaganda. There will be future governments in lands where we have fought, in lands that we have invaded, but in true magnanimity of spirit later have sacrificed ourselves to help.

What we do now through the instrumentality of UNICEF can determine the character of those future governments. If we fail to make the most of the opportunity offered us by UNICEF we have missed the boat to the promised land of peace.

This, Mr. Chairman, is the message the men and women of my district hugging Lake Michigan in the south side of Chicago, commission me to bring to the attention of my colleagues.

I am concerned with the amount of the appropriation. I read on page 1175 of the public hearings the testimony of Dr. Eliot that in 1953 UNICEF could not carry out the projects planned without the full contribution of $16.4 million from the United States. The report of the committee does not make clear to me how $9 million in 1954 can do the work. I hope that UNICEF, while being showered with verbal bouquets, is not being made the target of an economy drive which strikes at the very key spot of our crusade for a peaceful world of understanding and brotherhood. The men and women of my district, and I am sure those in every other district in the country, are satisfied that every dollar that goes into UNICEF is well spent. It is a shortsighted policy that would cut the appropriation below the amount necessary to carry on with full efficiency.

Mr. DONOHUE. Mr. Chairman, yesterday I introduced in the House H. R. 5826, a bill to authorize the President to donate surplus Federal property to individuals in a major disaster area. I have asked our Massachusetts Senators and all other Senators and Representatives of disaster areas to introduce companion bills and join with me in pressing for prompt congressional approving action.

Mr. Chairman, along with yourself and all other Members of Congress, I am heartfully concerned over the suffering and hardships being experienced by the tornado disaster victims in my own Massachusetts area and the other unfortunate sections of the country that have so recently been struck by the dev-

astating fury of this terrible freak of nature.

To those who have lost loved ones we can only offer our deepest sympathy and earnest prayers that divine providence will sustain their grief-stricken hearts with the abiding faith and courage necessary to carry on. In several personal inspection trips through my own havoc ridden district, I have been inspired by the valiant determination of our people to immediately start reconstructing their lives and property from practically total destruction.

Ever since the fateful night of Tuesday, June 9, when the fearful tornado suddenly ripped through our Worcester County area, I have been in continuing contact with officials of the Reconstruction Finance Corporation, the Housing the Home Finance Agency, the Farmers' Home Administration, and the Civil Defense Administration. These are the agencies empowered under existing legislation to render prescribed assistance, through State and local governments, to disaster areas when they have been so designated by the President. I can testify that all these authorities are doing everything within their limited power to help our local communities get back to normal operation; their cooperation has been truly splendid.

However, in talking with all the authorities, I have been amazed to find that, while they can assist States and municipalities to restore public functions, they consider themselves powerless to give any direct aid to homeless individuals. They apparently feel current laws do not permit them to do so. Wide publicity is being given to allocations made from the President's disaster fund and pending requests for appropriations of millions of dollars for disaster relief. Yet, few persons seem to realize that even if such funds are approved, they can now only be used for the emergency repair of local public works and the general welfare. Private and business loans can, of course, be made, at interest, by the RFC, the FHA, and the HHFA to those who can meet the technical financial requirements and after they have been unable to negotiate satisfactorily with their local banks.

Now there are, in my disaster area alone, reportedly hundreds of families who have lost their homes and all household furnishings, with, unfortunately, little insurance recovery. They must still meet the mortgage interest payment on a demolished home, they have practically no financial resources now but the father's weekly pay, and their credit rating, under the circumstances, is very uncertain. While awaiting the long intervening period, if ever, when these distressed families can begin thinking of building or purchasing a new house, a great many of them will undoubtedly desire to keep all members of the family under one roof by renting an unfurnished apartment or flat. They will have little or no money to buy household furnishings after paying the monthly rent. The purpose and thought behind my bill is to enable Federal officials to donate, from Government surplus property, directly to these families, such household articles as kitchen utensils, chairs, tables, cots, mattresses, bureau dressers and other items so essential to renewing normal living conditions.

It seems rather ridiculous to me that we can freely give money and supplies to unfortunate people all over the world, and yet there appears to be no existing legislative authority by which this Government can directly and concretely aid American taxpayers who have lost virtually all they owned in these terrible tornado disasters. Charity is truly a wonderful thing, and I know of no reason why it should not begin at home. I can think of no way in which Government surplus property, which officials tell me is lying around in warehouses, could be put to better use.

Mutual security and economic aid can and should be applied here at home among our own people as well as to those who are alleged to be our allies.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. VORYS].

Mr. VORYS. Mr. Chairman, I yield to the distinguished gentleman from Indiana [Mr. HALLECK] so that he may give us the good news or bad news about the program for next week.

Before doing it, since this is the last time I shall speak on this bill, I want to pay my tribute to the members and staff of our Foreign Affairs Committee; to our chairman, the gentleman from Illinois [Mr. CHIPERFIELD] for his unfailing courtesy and consideration; to our former chairman, and ranking minority member, the gentleman from South Carolina [Mr. RICHARDS], steady and strong, a great man to have with you in a fight; to all the others who have helped put this bill together and helped put it through the House; to Mr. SMITH and the others who signed the minority report, who have expressed themselves with force and sincerity, but always with courtesy and consideration, and never have resorted to obstructionist tactics; to our staff director, Boyd Crawford and that able, willing, and untiring staff team of Bullock, Westfall, and Kaplan; to the others on the staff who worked so hard.

These are my dear friends. We have labored for weeks together in committee; and for these 2 days on the floor. They have my affection and respect. I feel they deserve the thanks of the House, of the Nation, for their labors and the results we see today.

Mr. HALLECK. Mr. Chairman, it occurred to me that the Members might like to have an announcement of the program for next week before we begin the rollcall, so that as the Members' names are called they will be free to leave.

First of all in announcing these bills, except as to the first ones, the legislative appropriation bill and the District of Columbia bill, I do not intend to indicate they will be called in this particular order. I think also it ought to be said that from here on out to the end of the session, which we hope will be July 31, Members should hold themselves in readiness to be here at any time during the week in order to act on legislation that may be coming along. We have tried, as best we could, as we have gone through the session, to adjust to the personal convenience of the Members, but it looks now as if we are coming to the end of that time. Secondly, it may be that other measures will be reported and rules granted. If that happens and action is to be taken we will let you know as quickly as possible so that you can adjust your affairs accordingly.

For the specific matters that seem to be ready for action next week, on Monday, first of all, we will take up the legislative appropriation bill, and that will be followed by District of Columbia bills which I will list the numbers of in the whip notice. I will not take the time to read the titles now.

May I say that the listing will be for Monday and for the balance of the week, because it is our purpose to get to these bills as quickly as we can.

H. R. 5659, which has to do with wheat for Pakistan; H. R. 5451, which has to do with amending the wheat marketing quotas; H. R. 3203, the trip-leasing bill; H. R. 5728 having to do with the disposal of rubber-producing facilities; and S. 1376, extension of the Housing Act on which there is a deadline.

If the bill is reported and a rule is granted we will expect to call up the extension of the excess-profits tax. Likewise it is possible there may be some resolutions from the Committee on Government Operations having to do with reorganization plans. As we all understand, conference reports are in order at any time. We had hoped that the appropriation bill for the armed services would be ready next week. One of the important members on that subcommittee has been ill and for that reason and for certain other reasons it is probable that the bill will not be ready for next week, but if it should develop that it will be ready we will let you know as quickly as possible.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ALLEN of Illinois, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 5710) to amend further the Mutual Security Act of 1951, as amended, and for other purposes, pursuant to House Resolution 292, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not the Chair will put them in gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. DORN of South Carolina. Mr. Chairman, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. DORN of South Carolina. I am, Mr. Speaker.

The SPEAKER. The gentleman qualifies.

The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. DORN of South Carolina moves to recommit the bill H. R. 5710 to the Committee on Foreign Affairs.

The SPEAKER. The question is on the motion to recommit.

Mr. SMITH of Wisconsin. On that motion, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. RAYBURN. On that, Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 280, nays 108, answered "present" 1, not voting 41, as follows:

[Roll No. 60]

YEAS—280

Abbitt	Dingell	Jones, Ala.
Addonizio	Dodd	Jones, Mo.
Albert	Dollinger	Jones, N. C.
Alexander	Donohue	Judd
Allen, Calif.	Donovan	Karsten, Mo.
Allen, Ill.	Dorn, N. Y.	Kean
Angell	Doyle	Kearns
Arends	Durham	Keating
Ashmore	Eberharter	Kelley, Pa.
Aspinall	Edmondson	Kelly, N. Y.
Auchincloss	Elliott	Keogh
Ayres	Engle	Kersten, Wis.
Bailey	Evins	Kilburn
Baker	Fallon	King, Calif.
Barrett	Feighan	Klein
Bates	Fenton	Kluczynski
Battle	Fernandez	Lane
Becker	Fine	Lanham
Bender	Forand	Latham
Bennett, Fla.	Ford	LeCompte
Boggs	Forrester	Lesinski
Boland	Fountain	Lucas
Bolton, Frances P.	Frazier	Lyle
	Frelinghuysen	McCarthy
Bolton, Oliver P.	Friedel	McConnell
	Fulton	McCormack
Bonin	Gamble	McDonough
Bonner	Garmatz	McMillan
Bosch	Gary	Madden
Boykin	Gathings	Magnuson
Bramblett	George	Mahon
Brooks, Tex.	Goodwin	Mailliard
Brown, Ga.	Gordon	Marshall
Broyhill	Granahan	Matthews
Buchanan	Grant	Meader
Burleson	Green	Merrill
Byrd	Gregory	Merrow
Byrne, Pa.	Gubser	Metcalf
Byrnes, Wis.	Hagen, Calif.	Miller, Kans.
Camp	Haley	Miller, Md.
Campbell	Halleck	Miller, N. Y.
Canfield	Harden	Mills
Cannon	Hardy	Mollohan
Carnahan	Harris	Morano
Carrigg	Harrison, Va.	Morgan
Case	Hart	Moss
Celler	Harvey	Moulder
Chatham	Hays, Ark.	Multer
Chelf	Hays, Ohio	Mumma
Chiperfield	Hébert	Murray
Chudoff	Heller	Norblad
Cole, N. Y.	Heselton	Oakman
Condon	Hess	O'Brien, Ill.
Cooley	Hiestand	O'Hara, Ill.
Cooper	Hillelson	O'Neill
Corbett	Hillings	Osmers
Cotton	Hinshaw	Ostertag
Coudert	Holifield	Patman
Cretella	Holmes	Patterson
Crosser	Holt	Pelly
Cunningham	Holtzman	Perkins
Curtis, Mass.	Hope	Pfost
Curtis, Mo.	Hosmer	Pilcher
Dague	Howell	Pillion
Davis, Ga.	Hyde	Poage
Dawson, Utah	Jackson	Poff
Deane	James	Polk
Delaney	Jarman	Powell
Dempsey	Javits	Price
Derounian	Johnson	Preston
Devereux	Jonas, N. C.	Priest
Prouty	Scudder	Trimble
Rabaut	Seeley-Brown	Tuck
Rains	Selden	Utt
Ray	Shelley	Vinson
Rayburn	Sheppard	Vorys
Reams	Shuford	Wainwright
Rhodes, Ariz.	Sieminski	Walter
Rhodes, Pa.	Sikes	Wampler
Richards	Simpson, Pa.	Warburton
Riehlman	Small	Watts
Riley	Smith, Miss.	Westland
Roberts	Smith, Va.	Wickersham
Robsion, Ky.	Spence	Widnall
Rodino	Springer	Wier
Rogers, Colo.	Stauffer	Williams, N. Y.
Rogers, Fla.	Steed	Wilson, Calif.
Rogers, Mass.	Stringfellow	Wilson, Tex.
Rooney	Sullivan	Wolverton
Roosevelt	Taber	Yates
Sadlak	Taylor	Yorty
St. George	Thompson, Tex.	Young
Saylor	Thornberry	Younger
Scott	Tollefson	Zablocki

NAYS—108

Abernethy	Dorn, S. C.	Norrell
Adair	Dowdy	O'Brien, Mich.
Andersen, H. Carl	Ellsworth	O'Konski
	Fisher	Passman
Andresen, August H.	Gavin	Reece, Tenn.
	Gentry	Reed, Ill.
Andrews	Golden	Reed, N. Y.
Barden	Graham	Rees, Kans.
Beamer	Gross	Robeson, Va.
Belcher	Hagen, Minn.	Rogers, Tex.
Bennett, Mich.	Hand	Schenck
Bentley	Harrison, Wyo.	Scrivner
Bentsen	Hill	Secrest
Berry	Hoeven	Shafer
Betts	Hoffman, Mich.	Sheehan
Bishop	Horan	Short
Bow	Hruska	Simpson, Ill.
Bray	Hunter	Smith, Kans.
Brooks, La.	Ikard	Smith, Wis.
Brown, Ohio	Jenkins	Talle
Brownson	Jensen	Thomas
Budge	Jonas, Ill.	Thompson, La.
Burdick	King, Pa.	Thompson, Mich.
Busbey	Krueger	
Carlyle	Laird	Van Pelt
Chenoweth	Landrum	Van Zandt
Church	Long	Velde
Clardy	Lovre	Vursell
Clevenger	McCulloch	Weichel
Cole, Mo.	McGregor	Wharton
Colmer	McVey	Wheeler
Coon	Mack, Wash.	Whitten
Crumpacker	Mason	Williams, Miss.
Curtis, Nebr.	Miller, Nebr.	Willis
Davis, Wis.	Neal	Wilson, Ind.
D'Ewart	Nelson	Winstead
Dondero	Nicholson	Withrow

ANSWERED "PRESENT"—1

Patten

NOT VOTING—41

Blatnik	Herlong	O'Brien, N.Y.
Bolling	Hoffman, Ill.	O'Hara, Minn.
Buckley	Kearney	Philbin
Bush	Kee	Phillips
Cederberg	Kilday	Radwan
Davis, Tenn.	Kirwan	Regan
Dawson, Ill.	Knox	Rivers
Dies	Lantaff	Scherer
Dolliver	McIntire	Staggers
Fino	Machrowicz	Sutton
Fogarty	Mack, Ill.	Teague
Gwinn	Martin, Iowa	Wigglesworth
Hale	Miller, Calif.	Wolcott
Harrison, Nebr.	Morrison	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Dies for, with Mr. Patten against.

Mr. Kearney for, Mr. Cederberg against.

Mr. Miller of California for, Mr. Dolliver against.

Mr. Herlong for, Mr. Hoffman of Illinois against.

Until further notice:

Mr. Scherer with Mr. Lantaff.

Mr. Wolcott with Mr. Morrison.

Mr. Wigglesworth with Mrs. Kee.

Mr. Knox with Mr. Kirwan.

Mr. McIntire with Mr. O'Brien of New York.

Mr. Martin of Iowa with Mr. Philbin.

Mr. Phillips with Mr. Rivers.

Mr. Harrison of Nebraska with Mr. Staggers.

Mr. Hale with Mr. Blatnik.

Mr. Gwinn with Mr. Fogarty.

Mr. Fino with Mr. Mack of Illinois.

Mr. Bush with Mr. Bolling.

Mr. O'Hara of Minnesota with Mr. Buckley.

Mr. Machrowicz for, Mr. Radwan against.

Mr. PATTEN. Mr. Speaker, I have a live pair with the gentleman from Texas, Mr. DIES. If he were present he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

Mr. WINSTEAD changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. VORYS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed, H. R. 5710.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

INTERSTATE COMMERCE ACT

Mr. WOLVERTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2347) to permit continued exercise, until 6 months after termination of the national emergency proclaimed December 16, 1950, of certain powers, relating to preferences or priorities in the transportation of traffic, under sections 1 (15) and 420 of the Interstate Commerce Act, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 4, after "p. 71", insert "or until such earlier date as the Congress by concurrent resolution declares that it is no longer necessary to exercise the powers continued in force and effect by this act."

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Senate amendment was concurred in.

The title was amended so as to read: "An act to permit continued exercise until 6 months after termination of the national emergency proclaimed December 16, 1950, or until such earlier date as may be established by concurrent resolution of Congress, of certain powers, relating to preferences or priorities in the transportation of traffic, under sections 1 (15) and 420 of the Interstate Commerce Act."

A motion to reconsider was laid on the table.

SECOND INDEPENDENT OFFICES APPROPRIATION BILL

Mr. CRETELLA. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. CRETELLA. Mr. Speaker, yesterday when the House voted on H. R. 5690, a bill making appropriations for independent bureaus and including the veterans' organization, I voted in favor of the Van Zandt amendment and also in favor of the Adair amendment, both of which dealt with the elimination from the bill that portion thereof dealing with non-service-connected disabilities and the authority of the Administrator of Veterans' Affairs to investigate any non-service-connected veterans' statements of inability to defray the cost of hospitalization, where reason existed to doubt the accuracy of such statement.

My reason in voting in favor of these amendments was based primarily on the fact, that in my opinion, it is legislation in an appropriation bill which is not the proper place for it.

It was suggested and stated from the floor that the Committee on Veterans' Affairs intended to take some action of its own on this issue and bring out a bill dealing with the problem of hospitalization to the non-service-connected disabled veterans.

After the vote on this bill, I had occasion to discuss the problem with several members of that committee and I am pleased to report that I was informed by the gentlewoman from Massachusetts [Mrs. ROGERS], chairman of the committee, that the Subcommittee on Hospitals, of which the distinguished gentleman from New York, General KEARNEY, is chairman, and of which committee I am a member, that hearings will be held on this matter commencing July 8.

I make this statement at this time because I heard rumblings yesterday that this committee would take no action after yesterday's vote. I am sure the subcommittee will give this matter very serious and careful scrutiny and we are hopeful that after such hearings a report can be made on which the House can then act on legislation properly presented and not appended to an appropriation bill.

ADJOURNMENT UNTIL MONDAY

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

TEXAS CITY DISASTER CASE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. THOMPSON] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMPSON of Texas. Mr. Speaker, in 1947, when what is now known as the Mutual Security Agency was beginning to function, the United States, as a part of the program, undertook to ship a chemical to the people of France. It was a product which was highly explosive. It was made by the Government in munitions plants. The original patent, held by the Hercules Powder Co., was for a blasting explosive. After the war, the patented product was found to be useful as a fertilizer, and it was for this purpose that it was being shipped to France.

This chemical had been stored in warehouses on the Texas City docks for some months pending availability of ships to transport it. On April 16, 1947, two ships were being loaded with this chemical in the port of Texas City. At approximately 9 in the morning, 1 of the ships exploded. Shortly after midnight, the second ship exploded. More than 560 persons perished, and some 3,000 were injured. The entire dock area of the thriving port was leveled, and property damage ran into millions of dollars. A substantial portion of the business district was destroyed or severely damaged. A great many residences, some located at considerable distances from the docks, were destroyed and many others badly damaged. Parts of the ships were blown as far as 6 miles.

The force of the explosion was felt 75 miles away. Windows in Galveston, 10 miles across the bay, were broken and buildings were shaken as in an earthquake.

This was a man-made disaster; it was in no sense an act of God. The fertilizer had been manufactured in Government-owned plants at the Government's order and to its specifications. It was being shipped at its direction as part of its program of foreign aid. The disaster was caused by forces set in motion by the Government, completely controlled or controllable by it. Its causative factors were far beyond the knowledge of control of the victims; they were not only incapable of contributing to it, but could not even take shelter or flight from it.

Had the chemical manufacturer and shipper been such a firm as Du Pont, or Hercules, there would have been no question of their liability and those who had suffered in the explosions on April 16 and 17, 1947, would have long since been in and out of the courts with appropriate relief. In the Texas city case, it was to the Government of the United States that the injured had to appeal for relief.

Over 300 suits were brought against the United States under the Federal Tort Claims Act, alleging that its negligence was responsible for the disaster. After consolidating the suits, the district court ordered the case of the petitioners to be tried. The parties to all of the suits, in effect, agreed that the common issue of the Government's negligence should abide the outcome of this test litigation. The Court of Appeals for the Fifth Circuit reversed the trial court's judgment in favor of the petitioners.

The case was then appealed to the Supreme Court. On June 8, 1953, the Supreme Court, in a 4-to-3 decision, sustained the decision of the circuit court.

In the majority opinion, it was stated:

> This is for the reason that as a matter of law, the facts found cannot give the district court jurisdiction of the case under the Tort Claims Act.

All courts accepted the findings of negligence of the United States district judge.

Since the Tort Claims Act does not apply, it is now necessary for the injured to seek relief from the Congress. With this in mind, I have introduced House Resolution 296 calling for an appropriate committee to make a full and complete investigation and study of the merits of all claims against the United States for compensation for property damage, personal injuries and death alleged to have been caused by the explosions which occurred at Texas City, Tex., on April 16 and 17, 1947.

It is worthy of mention as the Congress takes action on the current mutual-security bill that the explosion occurred because the United States was sending assistance to the people of France. The French had suffered a disaster through the ravages of the war. They have long since been granted every possible assistance by the United States. There still remains the obligation, legal and moral, for the United States to grant relief to its own people who were killed, injured, and damaged in the course of the granting of relief to the people of France.

BELGIAN LETTER OF APPRECIATION

The SPEAKER laid before the House the following communication which was read:

JUNE 18, 1953.

The Honorable JOSEPH W. MARTIN, JR.,
Speaker of the House of Representatives.

MY DEAR MR. SPEAKER: On February 12, 1953, the House considered and agreed to Senate Concurrent Resolution No. 12 "That the Congress on behalf of the people of the United States expresses its deep sympathy, affection, and concern for the peoples of the Netherlands, the United Kingdom, and Belgium, whose countries have been ravaged by disaster, its admiration for their courage in adversity, and its hope for the early restoration of their homes and livelihoods." At the direction of the Secretary of State, signed originals of Senate Concurrent Resolution No. 12 were presented by the American Ambassador at The Hague, London, and Brussels to the appropriate officials of the Governments of the Netherlands, the United Kingdom, and Belgium.

In my letter to you of March 24, 1953, I transmitted the statement of the Chief of Protocol of the Belgian Ministry of Foreign Affairs that he had forwarded Concurrent Resolution No. 12 to the President of the Belgian Chamber of Representatives. The following letter has been received from the President of the Chamber to our Ambassador in Brussels:

"Mr. AMBASSADOR: The Minister of Foreign Affairs has transmitted to me the text of

the resolution adopted on February 12, 1953, by the Senate and the House of Representatives of the United States of America, on the occasion of the damage caused by the floodtide on February 1, 1953.

"I have the honor to ask you kindly to express to the President of the Senate and the Speaker of the House my sincere thanks, together with the thanks of the members of the Chamber of Representatives, who have been particularly appreciative of these marks of sympathy and friendship.

"Please accept, Mr. Ambassador, the assurance of my very high consideration.

"The President:

"F. VAN CAUWELAERT."

The Department is pleased to transmit this response from the Belgian Government.

Sincerely yours,

THRUSTON B. MORTON,
Assistant Secretary
(For the Secretary of State).

AIR FORCE BUDGET

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. PRICE] is recognized for 30 minutes.

Mr. PRICE. Mr. Speaker, despite my strong personal admiration for my friend and colleague from Illinois [Mr. ARENDS], I find myself constrained to challenge statements made in his speech on June 11 in favor of the proposed reduction in the Air Force budget. The basis of the argument seemed to be that there is no man in America better qualified to make such a decision than President Eisenhower. The President's experience in military affairs is unquestioned. By the very nature of his experience, he is undoubtedly well equipped to consider the problems of our Nation's security.

National security, however, concerns all of us. Every man, woman, and child in the United States, as well as every Member in Congress, as well as the President of the United States himself. If we are to sit back and adopt the philosophy of papa knows best, we are failing in our duties as American citizens; we are failing in our duties as representatives of the American people. It is a fundamental principle of our democratic system that the Congress should pass the necessary laws to provide for the common defense and to promote the general welfare. Although the Constitution designates the President as Commander in Chief of the Army and the Navy, we Members of Congress cannot ignore our responsibility in playing a part in shaping our Nation's military-security policy.

If we are to follow the philosophy that papa knows best, there is no need for Congress. If we are to accept without question the President's recommendations in the field of military policy, there is no point in our even considering an appropriations bill for the military services. If we are to accept this philosophy, we might as well put our rubberstamp on the bill and go home.

I do not mean in any way to question the President's expert knowledge in the field of military affairs. We must remember, however, that the experts have been wrong in the past. I do not mean that we should ignore any recommendations which the President might see fit to make. I do insist, however, that the Congress of the United States should not accept the recommendations of any mortal man without question.

Let us look at the facts as they have been presented to us. Let us base our decisions on the facts rather than on opinion. Let us not give up the basic American principle that open, honest debate rather than appeals to authority will result in the best decision for the greatest number of people.

Let us take a look then at the facts which my friend and colleague from Illinois uses to justify a reduction in the Air Force budget for next year.

First he points out that a cut of $5 billion in appropriations does not mean a reduction in our country's airpower. Startling as it may seem, this fact is true. The Wilson budget does not, in fact, call for a reduction in our country's existing airpower. It calls for a reduction from the air strength which we planned to achieve in 1954, in 1955, in 1956. It is a reduction from the goals which were established as necessary to provide the minimum airpower for our Nation's security.

The gentleman from Illinois goes on to point out that "The United States Air Force is just one part or one phase of our airpower." No responsible man could disagree with this statement. On the other hand, it seems obvious that, if the United States Air Force is to be cut from its planned goals, our total airpower is to be cut from its planned goals, unless there is a corresponding increase in some other phase of our airpower. Since the present budget calls for a small cut in the naval air arm, as well as a large cut in the United States Air Force's appropriations, it is obvious that the sum of our airpower is being held back.

The argument for the budget cut goes on to point out that the Nation's commercial airpower, as well as our industrial might and our manpower and material resources form a part of our country's airpower. The truth of this statement is unquestioned. The issue before us, however, is not the issue of the Nation's airpower potential, it is instead the issue of the Air Force's combat striking power in being. The issue is, shall we provide an Air Force in being with the combat capability and retaliatory action which would give our Nation time to mobilize our potential in the event of all-out war? This the proposed budget fails to do.

It has been pointed out a number of times that 60 cents out of every dollar available for expenditure next year will be for airpower and air defense. I do not think that there is much question but that airpower is expensive. To argue, however, that we should not make 65 cents available for airpower because 60 cents will be available just does not make sense.

The gentleman from Illinois points out that the major emphasis in the revised Defense budget is on airpower, since 60 cents of every dollar will be available for airpower and air defense. Here it seems to me he is merely attempting to take advantage of the fact that the previous administration had already recognized the great emphasis that must be placed on airpower. The net effect is to reduce the emphasis on airpower.

The argument goes on to emphasize the fact that the Air Force will have available about $40 billion to spend next year. He might have gone on to point out that the Air Force is not even planning to spend $40 billion next year. This is merely a recognition of the fact of lead time. For example, aircraft to be delivered 2 years from now must be ordered now, because it takes 2 years to build the plane. As long as the Air Force is dealing in modern complicated aircraft and equipment, which takes more than a year to build, we must always expect the Air Force to have large sums of money available for expenditure. In all fairness, however, we must recognize that almost all of the money which remains available for expenditure at the end of a year has been obligated or committed. This simply means that the Air Force has placed orders with manufacturers and has promised to pay when those orders are delivered, even though the orders may not be delivered for another 2 years. Money that has already been obligated cannot be committed for another purpose unless contracts are canceled.

The gentleman from Illinois categorically states that those who are so vigorously complaining are really complaining that the budget does not allow them to spend with abandon. Such a statement is a serious reflection on the intellectual honesty of Members of Congress, as well as military personnel who have devoted their lives to the service of their country. Furthermore it does not square with the facts. It ignores the fact that the Air Force's April estimate called for a reduction of $1,600,000,000 for fiscal year 1954. The Air Force itself acknowledged that it could make such a reduction without abandoning the 143-wing goal which was considered to be the minimum necessary for national security. This action hardly bears out the contention that the objection to the proposed cut is based on the desire for free spending.

The gentleman from Illinois goes on to point out that advances in atomic technology are causing epochal changes in military matters. Like the gentleman from Illinois, I do not pretend to be enough of a military expert to figure out the impact of atomic weapons on our defense problems. Unlike him, however, I feel that we should take advantage of military opinion on the nature of this impact before we arbitrarily decide to cut the Air Force budget. If anything, it would seem to me that improvements in atomic technology would call for an increased emphasis on airpower, since airpower, including guided missiles, promises the most efficient and economical method for the delivery of nuclear weapons.

The argument goes on to state that we should not have any fixed, rigid, unchangeable defense plan. Again, no thinking person would want to disagree with this statement. That does not mean that we should be willing to accept an arbitrary budget decision which has no relation to the strategic facts of the situation. I concur heartily in the proposal that the new Joint Chiefs of Staff should take a new look at our whole defense strategy and plans. I am con-

vinced, however, we should await the results of this new look before we engage precipitously in a short-range, interim proposal such as the one before us. I think the Congress and the people also deserve some reassurance on the nature of the new look. Will this new look be an unbiased appraisal of the strategic facts, or will the new Joint Chiefs of Staff be directed to come up with recommendations within certain arbitrary limitations established by the Department of Defense?

I also feel that certain details of the revised budget need closer scrutiny. The gentleman from Illinois supporting the Department of Defense states that the new budget will produce 114 wings by next year. The Air Force generals who recently testified before Congress, however, stated that the budget would only provide 110 wings. Even Mr. Talbott, Secretary of the Air Force, and a member of the new team is not completely willing to go along with the 114 wings. He agrees that the Air Force will be able to get 110 wings, and he hopes that the Air Force may be able to get more from the revised budget.

The revised budget does plan for equipping more Air National Guard and Air Reserve units with modern aircraft. Obviously, if you decrease the number of regular units, you should be able to increase the number of units not on active duty. This argument, however, ignores the fact that the 143-wing Air Force was to be a combat-ready force equipped for immediate retaliatory action. No one would deny the importance of the Air Reserve and the Air National Guard units in our Nation's defense. The fact remains, however, that it would take time to mobilize these units upon the outbreak of a war. The new budget, however, does not provide for the mobilization reserves which would be necessary to make these units ready for combat. Thus, these units could not be mobilized until we began to receive deliveries on orders placed at the outbreak of war.

The gentleman from Illinois goes on to state that, although the Truman budget scheduled 133 wings for 1954, only 117 wings would have been attained. This statement tends to distort the facts somewhat. The Truman budget estimated that 117 wings would be equipped with first-line aircraft by 1954. An additional 16 wings would have been equipped with second-line aircraft. Obviously, the Air Force would prefer to have modern B–47's than the older B–29's and B–50's. Despite their age, however, the B–29 aircraft have been invaluable in Korea. It seems to me that we should continue to use these aircraft in our Regular Air Force units up to the time when they can be replaced with more modern aircraft.

In connection with the arguments on lead time, three points should be made. First, the reduction in lead time does not in itself cause any substantial savings in money. If, as a result of reductions in lead time, we place orders for aircraft in 1955 rather than in 1954, we are merely deferring the spending of money. We are not saving money. Money savings may accompany reductions in lead time, but both are the effect of greater production efficiency—reductions in lead time are the effect, not the cause. Second, it would seem that if lead time can be reduced, it makes more sense to apply that reduction so that we can get the aircraft sooner. The Soviet threat already exists. We should take advantage of Mr. Wilson's production experience to get the same number of aircraft sooner. Third, is the fact that we do not know that lead time will in fact be reduced according to Mr. Wilson's estimates. We must recognize the gamble we are taking with our national security if it turns out that Mr. Wilson's estimates were optimistic. It might be well to remember that industrial estimates on lead times have consistently been optimistic.

At another point, the gentleman from Illinois states that the new budget provides for only 12 troop-carrier wings, whereas the Truman budget provided for 17 troop-carrier wings for the end of fiscal year 1954. Somebody ought to tell that to the Air Force. The Air Force is planning not on 12 troop-carrier wings, but on 16 troop-carrier wings for the end of fiscal year 1954. Either both Mr. Wilson and the gentleman from Illinois have their figures wrong or they have not explained the new program to the Air Force. The gentleman from Illinois was apparently referring to a press release issued by the Department of Defense which Air Force officials indicated was prepared without their knowledge and which contained a typographical error.

The proponents of the budget cut go on to state that the new budget will provide 75 more combat aircraft during the next 2½ years than provided for by the Truman budget. It is stated that this is almost enough aircraft to equip a modern fighter wing. In connection with this statement, it is interesting to note that Secretary of the Air Force Talbott, in testimony before a Senate committee was unable to support this figure. Although he is a member of Mr. Wilson's team, the most he could say was that we hope to have more combat aircraft under the new budget. Furthermore, if we take into account the 150 B–47 aircraft which have been deferred from the program, this statement is obviously incorrect. Although these aircraft were to be used for the training of combat crews, it seems to me a pretty far stretch of the imagination to classify them as trainers. Furthermore, let us look into these figures a little more closely. The new budget calls for 114 wings in the Regular Air Force, plus 7 wings in the Air National Guard and Air Reserve. Let us assume for a moment that the 114 wings can in fact be achieved. Since 16 of these wings will be troop carrier wings, the budget thus provides for a total of 105 combat wings in the Regular Air Force and Air National Guard combined. The Truman budget called for 117 modern wings of which 17 were to be troop carrier wings, leaving 100 modern wings in the Regular Air Force. The question is this, how will the new budget provide for the equipping of an additional 5 modern combat wings if, according to Mr. Wilson, only 75 additional aircraft are to be delivered? As the press release pointed out, this is almost enough aircraft to equip one wing.

Again the proponents of the cut state that not a combat plane for combat units will be taken out of production in fiscal 1955 nor fiscal 1956 due to the lack of money. Again, this is true if we ignore the B–47's to be taken out of production. It is true if we ignore the combat aircraft for the war reserve which will not be produced.

At another point, the gentleman from Illinois states that Air Force personnel will only be reduced by 5,000. I am at a loss to understand where he gets this figure. The present strength of the Air Force is about 980,000 military personnel. The Air Force has been told that by the end of next year they will be limited to 960,000. According to my arthmetic, that makes a reduction of 20,000, not 5,000. We should also note that the figure of 980,000 already is considerably less than the number the Air Force thinks it needs to do its job properly.

I find myself in disagreement with the gentleman from Illinois on the figures on combat wings. He states that there will be two more combat wings in the Air Force next year than under the Truman budget. Apparently, he has again been misled by the Department of Defense release I referred to previously. Or perhaps he has unintentionally reversed what he intended to say. The new budget supposedly will provide the Air Force with 114 wings, including 16 troop carrier and 98 combat wings. The Truman budget would provide 133 wings, including 16 wings of second-line aircraft and 17 troop carrier wings, or 100 modern combat wings. Thus the Truman budget provided for two more modern combat wings in the Regular Air Force than the new budget, rather than the other way around. Furthermore, if we accept the Air Force estimate of 110 rather than 114, the new budget will provide us with 5 less modern combat wings for the Air Force than the former program.

I have not answered all of the various arguments posed by the gentleman from Illinois, in as much detail as I would have liked to. I confess, however, that in dealing with the arguments in favor of the cut I feel that I am opposing a hydra-headed monster. No sooner is one misleading fact disposed of than two more specious arguments rise to take its place.

It seems to me that the arguments in favor of the proposed cut were well summed up by the gentleman from Illinois: "A sound fiscal policy is in the last analysis our first line of defense." In answer, I would like to paraphrase one of his earlier statements: "Has he ever seen a sound fiscal policy fly and shoot down enemy bombers?"

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Appendix of the RECORD, or to revise and extend remarks, was granted to:

Mr. SHEEHAN.

Mr. SADLAK and to include contents of a program in connection with a festival of Lithuanian art and music.

Mr. YOUNGER and to include a speech by Mr. Lewis B. Lundberg.

Mr. HOSMER in two instances and to include extraneous material.

Mr. DOLLIVER (at the request of Mr. LECOMPTE) on the subject of trip-lease legislation.

Mr. MORANO and to include extraneous material.

Mr. MARSHALL.

Mr. ALBERT and to include a newspaper article.

Mr. LANE in three instances and to include extraneous matter.

Mr. PRICE and to include a statement with reference to Hon. H. F. Dean, father of the fluoridation process.

Mr. SELDEN.

Mr. VAN ZANDT and to include extraneous material.

Mrs. BUCHANAN and to include a statement.

Mr. COLE of New York.

Mr. WOLVERTON in 10 instances and to include extraneous matter.

Mr. BOW and to include an address by Mr. SPRINGER, of Illinois.

Mr. HILLINGS (at the request of Mr. HALLECK) in two instances and to include extraneous matter.

Mr. HUNTER (at the request of Mr. HALLECK).

Mr. O'KONSKI.

Mr. SHAFER in two instances and to include extraneous matter.

Mr. JUDD in three instances and to include extraneous matter.

Mr. BONIN in two instances and to include extraneous matter.

Mr. PERKINS and to include an article appearing in the Louisville Courier-Journal on Pakistan.

Mr. HAGEN of Minnesota in three instances and to include extraneous matter.

Mr. SHEPPARD and to include an article appearing in the Saturday Evening Post.

Mr. DAWSON of Illinois (at the request of Mr. PRIEST) and to include extraneous matter.

Mr. KERSTEN of Wisconsin and include extraneous matter.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BUSBEY, for 1 week, starting next Monday, June 22, on account of official business.

Mr. O'BRIEN of New York (at the request of Mr. ROONEY), beginning late today, on account of official business.

Mr. KEARNEY, for 10 days, on account of official business.

SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Bills and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 631. An act to permit veterans to suspend or delay their programs of education or training under the Veterans' Readjustment Assistance Act of 1952 in order to perform services as missionaries; to the Committee on Veterans' Affairs.

S. 967. An act to extend the duration of the Hospital Survey and Construction Act (title VI of the Public Health Service Act); to the Committee on Interstate and Foreign Commerce.

S. 1492. An act to require the establishment of adequate provisions relating to the appointment or retention of certain female Reserve personnel with minor or dependent children; to the Committee on Armed Services.

S. 1515. An act granting the consent of Congress to certain Western States and the Territories of Alaska and Hawaii to enter into a compact relating to higher education in the Western States and establishing the Western Interstate Commission for Higher Education; to the Committee on Education and Labor.

S. 1665. An act to amend the Federal Credit Union Act; to the Committee on Banking and Currency.

S. 1684. An act to facilitate civil-service appointment of persons who lost opportunity therefor because of service in the Armed Forces after June 30, 1950, and to provide certain benefits upon appointment; to the Committee on Post Office and Civil Service.

S. 2033. An act relating to the labeling of packages containing foreign-produced trout sold in the United States, and requiring certain information to appear on the menus of public eating places serving such trout; to the Committee on Interstate and Foreign Commerce.

S. 2097. An act to increase the amount authorized to be appropriated for the construction of the Eklutna project; to the Committee on Interior and Insular Affairs.

S. J. Res. 3. Joint resolution proposing an amendment to the Constitution of the United States relative to the taking of private property; to the Committee on the Judiciary.

S. J. Res. 37. Joint resolution to authorize the erection of a memorial to Sara Louisa Rittenhouse in Montrose Park, D. C., to the Committee on House Administration.

ENROLLED BILLS SIGNED

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1434. An act to amend the act of February 24, 1925, incorporating the American War Mothers.

H. R. 2113. An act to amend the act incorporating the American Legion so as to redefine (a) the powers of said corporation, (b) the right to the use of the name "The American Legion" and "American Legion";

H. R. 2456. An act to amend the act of October 11, 1951, authorizing the President to proclaim regulations for preventing collisions at sea, and for other purposes; and

H. R. 5069. An act to prohibit the introduction or movement in interstate commerce of articles of wearing apparel and fabrics which are so highly inflammable as to be dangerous when worn by individuals, and for other purposes.

ADJOURNMENT

Mr. HALLECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 54 minutes p. m.) the House adjourned until Monday, June 22, 1953, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

791. A letter from the Administrator, Federal Civil Defense Administration, transmitting the quarterly report on the contributions program for the quarter ending March 31, 1953, pursuant to subsection 201 (i) of the Federal Civil Defense Act of 1950; to the Committee on Armed Services.

792. A letter from the Chairman, United States Tariff Commission, transmitting the Fifth Annual Report of the United States Tariff Commission on the operation of the trade agreements program, pursuant to Executive Order 10082; to the Committee on Ways and Means.

793. A communication from the President of the United States, transmitting a proposed supplemental appropriation for the fiscal year 1954 in the amount of $150,000 for the Subversive Activities Control Board (H. Doc. No. 190); to the Committee on Appropriations and ordered to be printed.

794. A letter from the Comptroller General of the United States, transmitting a report by the Division of Audits on the audit of the Bureau of Engraving and Printing for the fiscal years 1951 and 1952, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), the Accounting and Auditing Act of 1950 (31 U. S. C. 67), and the act of August 4, 1950 (31 U. S. C. 181d); to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GROSS: Committee on Post Office and Civil Service. H. R. 5706. A bill to facilitate civil-service appointment of persons who lost opportunity therefor because of service in the Armed Forces after June 30, 1950, and to provide certain benefits upon appointment; without amendment (Rept. No. 623). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CONDON:

H. R. 5845. A bill to put into effect certain provisions of Reorganization Plan No. 6 of 1953; to the Committee on Government Operations.

By Mr. CRUMPACKER:

H. R. 5846. A bill to allow the granting of divorces from certain members of the Armed Forces who are carried on official records as deserters; to the Committee on Armed Services.

By Mr. HALEY:

H. R. 5847. A bill to amend the Perishable Agricultural Commodities Act, 1930, so as to include certain floricultural products in the commodities to which the act applies; to the Committee on Agriculture.

By Mr. PATMAN:

H. R. 5848. A bill to affirm the purpose of Congress in the laws against unlawful restraints and monopolies, familiarly called antitrust laws, which among other things prohibit price discriminations; and to aid in intelligent, fair, and effective administration and enforcement thereof; to the Committee on the Judiciary.

By Mr. HUNTER:

H. R. 5849. A bill to amend the Tariff Act of 1930, to encourage the domestic production of wool as a critical and strategic defense material; to the Committee on Ways and Means.

By Mr. FARRINGTON:

H. R. 5850. A bill to provide for the return of certain lands acquired by the Territory of Hawaii and by the several counties including the city and county of Honolulu by gift; to the Committee on Interior and Insular Affairs.

By Mr. KING of California:

H. R. 5851. A bill to increase the personal income-tax exemptions of a taxpayer for himself and his spouse, and the additional exemptions for old age or blindness from $600 to $1,000, and to increase the exemption for a dependent from $600 to $700; to the Committee on Ways and Means.

By Mr. LANE:

H. R. 5852. A bill to authorize the President to donate surplus Federal property to individuals in a major disaster area; to the Committee on Public Works.

By Mr. PERKINS:

H. R. 5853. A bill to provide pension for certain veterans of World War I and for their dependents; to the Committee on Veterans' Affairs.

H. R. 5854. A bill to amend the Railroad Retirement Act of 1937 to permit retirement at age 60 and to provide for payments of $95 per month to widows regardless of age; to the Committee on Interstate and Foreign Commerce.

By Mr. PHILBIN:

H. R. 5855. A bill authorizing the President to make permanent replacements of public facilities and public and private school buildings, damaged or destroyed in a major disaster, and for other purposes; to the Committee on Public Works.

H. R. 5856. A bill to provide for the issuance of a special postage stamp in commemoration of the 200th anniversary of Columbia University; to the Committee on Post Office and Civil Service.

By Mr. MARSHALL:

H. R. 5857. A bill providing for the construction of a highway and appurtenances thereto, traversing the Mississippi Valley; to the Committee on Public Works.

By Mr. BISHOP:

H. R. 5858. A bill to authorize the adoption of a certain rule with respect to the broadcasting or telecasting of professional baseball exhibitions in interstate commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CURTIS of Massachusetts:

H. R. 5859. A bill to amend section 2101 (f), title 28, United States Code, so as to limit the power of Justices of the Supreme Court in granting stays of execution relating to sentences of death; to the Committee on the Judiciary.

By Mrs. ST. GEORGE:

H. R. 5860. A bill to establish a postal rate-making procedure in the Post Office Department; to the Committee on Post Office and Civil Service.

By Mr. WEICHEL (by request):

H. R. 5861. A bill to amend the act approved July 8, 1937, authorizing cash relief for certain employees of the Canal Zone Government; to the Committee on Merchant Marine and Fisheries.

H. R. 5862. A bill to authorize the Panama Canal Company to transfer the Canal Zone Corrosion Laboratory to the Department of the Navy; to the Committee on Merchant Marine and Fisheries.

By Mr. FULTON:

H. R. 5863. A bill to provide for the credit, upon retirement of an officer or employee from Government service, to the individual account of such officer or employee in the civil-service retirement and disability fund of a sum representing compensation for accumulated and current accrued sick leave; to the Committee on Post Office and Civil Service.

By Mr. BAILEY:

H. J. Res. 281. Joint resolution relating to the legal limits within which the import tax applicable to crude petroleum and residual fuel oil may be increased or decreased by the President; to the Committee on Ways and Means.

By Mr. ROOSEVELT:

H. J. Res. 282. Joint resolution to establish a Joint Committee on Subversive Activities; to the Committee on Rules.

By Mr. CONDON:

H. Res. 295. Resolution declaring that the House of Representatives does not favor the Reorganization Plan No. 6 transmitted to Congress by the President on April 30, 1953; to the Committee on Government Operations.

By Mr. THOMPSON of Texas:

H. Res. 296. Resolution authorizing the Committee on the Judiciary to make an investigation of all claims arising out of the explosions at Texas City, Tex., on April 16 and 17, 1947; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to restore the gold standard and increase the price of gold; to the Committee on Banking and Currency.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARRETT:

H. R. 5864. A bill for the relief of Antonio Dahdah; to the Committee on the Judiciary.

H. R. 5865. A bill for the relief of Dr. Michael Barton; to the Committee on the Judiciary.

By Mr. CRETELLA:

H. R. 5866. A bill for the relief of Cosimo Commisso; to the Committee on the Judiciary.

By Mr. GUBSER:

H. R. 5867. A bill for the relief of Agneza Matulich; to the Committee on the Judiciary.

H. R. 5868. A bill for the relief of Sara Tringaniello; to the Committee on the Judiciary.

By Mr. JAVITS:

H. R. 5869. A bill for the relief of Ernest Tomassich and Yoko Matuso Tomassich; to the Committee on the Judiciary.

By Mr. McMILLAN:

H. R. 5870. A bill conferring jurisdiction upon the United States District Court for the Eastern District of South Carolina to hear, determine, and render judgment upon certain claims of Roderick D. Strawn; to the Committee on the Judiciary.

By Mr. MAILLIARD:

H. R. 5871. A bill for the relief of Robert V. Biednyh; to the Committee on the Judiciary.

H. R. 5872. A bill for the relief of Ernest E. and Olga V. Lommatsch; to the Committee on the Judiciary.

By Mr. O'NEILL:

H. R. 5873. A bill for the relief of Joao Rodrigues Barreira; to the Committee on the Judiciary.

By Mr. WIDNALL:

H. R. 5874. A bill for the relief of Karel Vladimir Beinhauer and Mrs. Maria Alexandra Beinhauer; to the Committee on the Judiciary.

H. R. 5875. A bill for the relief of Ardes Albacete Yanez; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

347. By Mr. BUSH: Petition of Miss Mary Sayers and members of Waynesburg (Pa.) WCTU, urging the passage of H. R. 1227, to prohibit the transportation in interstate commerce of alcoholic beverages and advertising in newspapers, periodicals, etc., and broadcasting over radio and TV; to the Committee on Interstate and Foreign Commerce.

348. By Mr. HART: Petition memorializing the Congress of the United States to exert extra pressure in support of the proposal, now before the subcommittee of the House Appropriations Committee, to appropriate the sum of $31,397,000 to cover the cost of annuity increases authorized by Public Law 555 for the fiscal year ending June 30, 1954; to the Committee on Appropriations.

349. By Mr. NORBLAD: Petition of Mrs. J. E. Johnson and 25 other citizens of Dallas, Oreg., urging the enactment of H. R. 1227, to prohibit all liquor advertising through interstate commerce and over the radio and TV; to the Committee on Interstate and Foreign Commerce.

350. By Mr. REED of New York: Petition of Mrs. Melvin Donner, corresponding secretary, Fanny O. Bailey WCTU Group, Jamestown, N. Y., and others, requesting passage of H. R. 1227, a bill to prohibit the transportation in interstate commerce of alcoholic-beverage advertising in newspapers, periodicals, etc., and its broadcasting over radio and TV; to the Committee on Interstate and Foreign Commerce.

351. By the SPEAKER: Petition of Republican Party Henderson County Executive Committee, Hendersonville, N. C., relative to stating that it is their heartfelt belief that it would be catastrophic if the so-called truce in the making in Korea would be permitted to be utilized as a springboard for the eventual recognition of the Communist regime in China; to the Committee on Foreign Affairs.

352. Also, petition of Lithuanian American Council, Racine, Wis., relative to requesting our continued aid and leadership to the democratic forces in Europe and Asia aspiring to peace, justice, and freedom, and endorsing House Resolution 231 by Mr. KERSTEN of Wisconsin; to the Committee on Foreign Affairs.

353. Also, petition of Elias Umali, Tayabas, Quezon, Philippines, relative to stating a grievance to a claim against the United States for services rendered in teaching in the Philippines; to the Committee on Post Office and Civil Service.

354. Also, petition of Mrs. Rosa Lituaña, of Paco, Manila, relative to her request for reconsideration of the casualty status of her deceased husband, Cpl. Perdo Immaculata, guerrilla under the Marking's Fil-American Troops; to the Committee on Veterans' Affairs.

SENATE

MONDAY, JUNE 22, 1953

(Legislative day of Monday, June 8, 1953)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Nathaniel C. Acton, St. Andrew's Church, College Park, Md., offered the following prayer:

Almighty God, who hast given us this good land for our heritage, we humbly bespeech Thee that we may always prove ourselves a people mindful of Thy favor and glad to do Thy will. Bless our land with honorable industry, sound learning, and pure manners. Save us from violence, discord, and confusion; from pride and arrogancy, and from every evil way. Defend our liberties, and fashion into one united people the multitudes brought hither out of many kindreds and tongues. Endue with the spirit of wisdom those to whom in Thy name we entrust the authority of government, that there may be justice and

peace at home, and that, through obedience to Thy law, we may show forth Thy praise among the nations of the earth. In the time of prosperity, fill our hearts with thankfulness, and in the day of trouble, suffer not our trust in Thee to fail; all which we ask through Jesus Christ our Lord. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., June 22, 1953.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. DWIGHT GRISWOLD, a Senator from the State of Nebraska, to perform the duties of the Chair during my absence.

STYLES BRIDGES,
President pro tempore.

Mr. GRISWOLD thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, June 18, 1953, was dispensed with.

MESSAGE FROM THE HOUSE OF REPRESENTATIVES RECEIVED DURING THE RECESS—ENROLLED BILLS SIGNED

Under authority of the order of the Senate of the 18th instant,

The following message from the House of Representatives was received by the Secretary of the Senate, on June 19, 1953:

That the Speaker of the House of Representatives had signed the following enrolled bills, and, under the authority of the order of the Senate of the 18th instant, they were signed, on June 19, 1953, by the Vice President:

H. R. 1434. An act to amend the act of February 24, 1925, incorporating the American War Mothers;

H. R. 2113. An act to amend the act incorporating the American Legion so as to redefine (a) the powers of said corporation, (b) the right to the use of the name "The American Legion" and "American Legion";

H. R. 2456. An act to amend the act of October 11, 1951, authorizing the President to proclaim regulations for preventing collisions at sea, and for other purposes; and

H. R. 5069. An act to prohibit the introduction or movement in interstate commerce of articles of wearing apparel and fabrics which are so highly inflammable as to be dangerous when worn by individuals, and for other purposes.

REPORT OF A COMMITTEE SUBMITTED DURING RECESS

Under authority of the order of the Senate of the 18th instant,

Mr. MILLIKIN, from the Committee on Finance, reported favorably, with amendments, on June 19, 1953, the bill (S. 953) for the relief of Mary Thaila Wommack Webb, and submitted a report (No. 450) thereon.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 2347) to permit continued exercise, until 6 months after termination of the national emergency proclaimed December 16, 1950, of certain powers, relating to preferences or priorities in the transportation of traffic, under sections 1 (15) and 420 of the Interstate Commerce Act.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 4233) to provide for the naturalization of persons serving in the Armed Forces of the United States after June 24, 1950.

The message further announced that the House had passed a bill (H. R. 5710) to amend further the Mutual Security Act of 1951, as amended, and for other purposes, in which it requested the concurrence of the Senate.

LEAVE OF ABSENCE

On his own request, and by unanimous consent, Mr. TOBEY was excused from attendance on the sessions of the Senate from June 23 to July 7 on official business in connection with the investigation of crime in interstate commerce by the subcommittee of the Committee on Interstate and Foreign Commerce.

CALL OF THE ROLL

The ACTING PRESIDENT pro tempore. Under the unanimous-consent agreement entered into on Thursday, June 18, 1953, there is to be a quorum call at this time.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Goldwater	Malone
Anderson	Gore	Mansfield
Barrett	Green	Martin
Bennett	Griswold	Maybank
Bricker	Hayden	McCarran
Bush	Hendrickson	McCarthy
Butler, Md.	Hennings	McClellan
Butler, Nebr.	Hickenlooper	Millikin
Byrd	Hill	Monroney
Capehart	Hoey	Morse
Carlson	Holland	Mundt
Case	Humphrey	Neely
Chavez	Hunt	Pastore
Clements	Jackson	Payne
Cooper	Jenner	Potter
Cordon	Johnson, Tex.	Purtell
Daniel	Johnston, S. C.	Robertson
Dirksen	Kefauver	Russell
Douglas	Kennedy	Saltonstall
Duff	Kerr	Schoeppel
Dworshak	Kilgore	Smathers
Ellender	Knowland	Smith, Maine
Ferguson	Kuchel	Smith, N. J.
Flanders	Langer	Smith, N. C.
Frear	Lehman	Sparkman
George	Long	Stennis
Gillette	Magnuson	Symington
Taft	Watkins	Williams
Thye	Welker	Young
Tobey	Wiley	

Mr. SALTONSTALL. I announce that the Senator from Maryland [Mr. BEALL] and the Senator from New Hampshire [Mr. BRIDGES] are necessarily absent.

The Senator from New York [Mr. IVES] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

Mr. CLEMENTS. I announce that the Senator from Mississippi [Mr. EASTLAND] and the Senator from Colorado [Mr. JOHNSON] are absent on official business.

The Senator from Arkansas [Mr. FULBRIGHT] is absent by leave of the Senate.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

The ACTING PRESIDENT pro tempore. A quorum is present.

TEMPORARY ECONOMIC CONTROLS—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1081) to provide authority for temporary economic controls, and for other purposes.

The ACTING PRESIDENT pro tempore. The unanimous-consent agreement entered into last Thursday, June 18, provided that after a quorum call this morning the Senate should resume the consideration of the conference report on Senate bill 1081, to provide authority for temporary economic controls, and for other purposes; that there should be a limitation of 2 hours of debate, to be equally divided between the proponents and the opponents, and controlled, respectively, by the Senator from Indiana [Mr. CAPEHART] and the Senator from South Carolina [Mr. MAYBANK].

(At this point Mr. FERGUSON, Mr. WILEY, Mr. LANGER, Mr. DIRKSEN, and Mr. MARTIN submitted various matters for the RECORD, all of which appear later in today's proceedings under the heading "Transaction of Routine Business.")

Mr. CAPEHART. Mr. President, I yield the floor to the able Senator from South Carolina [Mr. MAYBANK].

Mr. MAYBANK. Mr. President, I shall take only a few minutes on the pending conference report. I did not sign the conference report, and I am advised by the junior Senator from Virginia [Mr. ROBERTSON] and by the Senator from Arkansas [Mr. FULBRIGHT] that they did not sign the report either. Therefore no Democratic Senator signed the report.

I wish to make my position perfectly clear. I am in favor of small business, and always have been. I was a member of the Committee on Banking and Currency in 1942 when the Small War Plants Corporation was created. I was chairman of the committee when the present Small Defense Plants Administration was established.

I have the deepest appreciation for the chairman of my committee, the distinguished Senator from Indiana [Mr. CAPEHART], who in my judgment did a great job in handling the defense production bill which the Senate passed.

However, when the bill went to conference the House conferees were adamant in their position in favor of the bill as passed by the House, and so the bill for which the Senate had voted was, I might say, discarded. During the course of the conference the House conferees brought up a new small-business bill. In the House it was known as the Hill bill. The House tacked it on to the Defense Production Act and provided that $250 million of money in the Treasury of the United States could be loaned by a new agency, the Small Business Administration. As my good friend, the chairman of the committee knows, none of the money need be loaned for defense production. It can be loaned, as the distinguished Senator from Oklahoma [Mr. MONRONEY] stated the other day, even to hair-dressing establishments, pool rooms, or for any other purpose.

Mr. President, I do not believe it is in the interest of good government to adopt such a plan. In my judgment permanent small-business legislation should be written by a legislative committee. I believe in permanent legislation for small business, but I do not believe it to be wise to provide that the $250 million proposed to be made available to the new agency may be loaned for any purpose at all.

Mr. President, there is no way of knowing what the so-called Small Business Administration will cost but initially we are faced with the necessity of appropriating $250 million out of the Treasury. The new agency would be governed by the Secretary of the Treasury, for whom I have the greatest respect, the Secretary of Commerce, for whom I have the greatest respect, and an administrator who has not yet been appointed. They could make loans up to $250 million, $100 million of which could be loaned in any way they might see fit.

No check has been provided on the expenses of the new organization, and nothing is said as to how many officers may be appointed, or where the office of the organization shall be located.

We know that the RFC has not been abolished. There are before the committee bills introduced by the Senator from Virginia [Mr. BYRD], the Senator from Ohio [Mr. BRICKER], and other Senators to abolish the RFC.

Under the provision in the conference report the RFC would turn over to the new Small-Business Administration applications for loans of $100,000 or less. We do not know what small-business experience the members of the new organization may have. We do not know even where their office will be located. Not a line of testimony on those subjects has been taken before any Senate committee.

I have been in Congress for a short time, compared with the service of some other Members of the Senate, such as the distinguished senior Senator from Georgia [Mr. GEORGE], but I have been here since 1941, and this is the first time in my experience I have ever seen permanent legislation written in a conference report without hearings first being had on a measure. As the distinguished chairman has indicated hearings have been held on several measures but not on the provision under discussion, and the Committee on Banking and Currency has not reported any of those bills.

So I hope the Senate will not adopt the conference report. I see no savings of taxpayers' money. I can see only waste and extravagance. I can only look down the road, at least for the next year, and discover two lending organizations, because the provision in the conference report does not abolish the RFC. It abolishes nothing. It just duplicates.

I hope the Senate, consistently with its dignity and the great power it has, will not approve a conference report which was more or less forced on us by the House.

I will say for my chairman—and he can correct me if I am wrong—that he did not believe in the provision at first, because it was the Senate bill which he tried to get through conference.

I hope the Senate will not agree to the conference report.

I yield 3 minutes to the Senator from Virginia; then I shall yield to the Senator from Mississippi [Mr. STENNIS].

Mr. ROBERTSON. Mr. President, I wish to associate myself with the views expressed by the former chairman of the Committee on Banking and Currency [Mr. MAYBANK], the senior Democratic Senator on the conference committee. He, the Senator from Arkansas [Mr. FULBRIGHT], and I all refused to sign the conference report.

Mr. President, I am opposed to the Hill bill as a rider to this conference report for the following reasons:

First. The bill is pending before the Senate Banking and Currency Committee, which has had no opportunity to conduct hearings or maturely consider it. But we also have a number of somewhat similar bills before the same committee on which we have conducted hearings and which, in my opinion, are to be preferred to the Hill bill.

Second. No Government agency dealing with loans to business has been permitted to testify.

Third. The bill duplicates the expense of the RFC and places the RFC in a position where its operating expenses will be increased because it must turn over to the new agency all loans under $100,000.

Fourth. The lending powers of the new agency far exceed anything we have ever had before in Government. There is no limitation on the type of loan that can be made and the new agency can even furnish managerial advice, assistance, and so forth, which the Government has never attempted before.

Fifth. The salaries provided for the top officials are excessive and no limitation is placed upon how many new employees may be taken on.

Sixth. The agency can create many high-priced offices not subject to civil-service restrictions and no limitation is imposed on the number of jobs from $10,000 to $12,000 which the administration may create, although such a limitation is imposed by law on all departments.

Seventh. The $250 million which is authorized for the agency will be added to the public debt since the Treasury is now operating in the red.

Eighth. The agency can intrude upon the jurisdiction of other agencies with respect to qualifications of those who secure defense contracts. The agency is authorized to contract with the Government and then sublet the contract to private interests. That is an unsound principle.

It is a proposal which was contained in the Small Defense Plants Administration Act, to which the other Government agencies last year strenuously objected, and it was therefore eliminated from the bill. Incidentally, the Small Defense Plants Administration is to be permitted to expire; and the proposed Small Business Administration is to take its place. The new agency would be authorized to enter into contracts with the Government, and then to sublet such contracts to private interests. This, as I have said, is an unsound principle. Under the proposal in the conference report a defense contract might be sublet by the new agency to an agency of the Defense Department, and thus we would have the situation of one Government agency transferring a contract to another Government agency.

Mr. CAPEHART. Mr. President, will the Senator from Virginia yield to me?

Mr. ROBERTSON. I yield.

The ACTING PRESIDENT pro tempore. The time of the Senator from Virginia has expired.

Mr. JOHNSON of Texas. Mr. President, let me inquire whether the Senator from Virginia desires to have additional time.

Mr. ROBERTSON. I should like to have 1 more minute. If additional time is made available to me, I ask the Senator from Indiana to make his question brief, please.

Mr. JOHNSON of Texas. Mr. President, I yield 2 additional minutes to the distinguished Senator from Virginia.

The ACTING PRESIDENT pro tempore. The Senator from Virginia is recognized for 2 minutes more.

Mr. CAPEHART. Mr. President, I am perfectly willing to have the colloquy between the able Senator from Virginia and myself charged to the time available to me.

The able Senator from Virginia knows that the Small Business Administration, as proposed to be established under the conference report, would in general take over all the functions and all the authority the Small Defense Plants Administration now has. The able Senator from Virginia just stated that the new agency would be able to make contracts with the Government, and would be able to sublet those contracts. I point out that the Small Defense Plants Administration has had that right, and has been operating in that way, for the past

2 years. So there is nothing at all new about such a procedure; and title 2 of the conference report is word for word the same as the corresponding portion of the law under which the Small Defense Plants Administration has been operating.

In other words, the new agency will be given the authority possessed by the old one.

Mr. ROBERTSON. If the Small Defense Plants Administration ever sublet a Government contract, I never knew of it. Such a principle is unsound, and should not have been followed.

As the Senator from Indiana will recall, the Small Defense Plants Administration measure was added as a rider to the Defense Production Act at about 4 o'clock in the morning, although there had been no hearings on the proposal. Now it is proposed to make confusion worse confounded by a rider which is worse than the other one.

In the committee we considered the objections of the Secretary of Commerce and of others, and we eliminated some of the worst features of the old act. Then the Senator from Alabama [Mr. SPARKMAN] brought up the proposal in the Senate Chamber, at 3 or 4 o'clock in the morning, and submitted it as an amendment to the Defense Production Act, where it had no place to be. The proposal now before us has no place to be there, either.

Mr. President, I am sorry I have only 1 more minute, and I shall have to use it to complete the statement of my objections to the conference report.

Finally, as I stated on the floor last Thursday, this measure violates all the Republican campaign promises of last fall with respect to economy, a balanced budget, a reduction of taxes, a reduction in Government personnel, and a reversal of the trend to paternalism.

This conference report should be rejected and returned to the conferees, who then can eliminate this rider, and can report to us all that the administration asked in connection with a continuation of the Defense Production Act, namely, a continuation of the powers of allocation of strategic materials.

Mr. President, I yield back the remainder of the time allotted to me.

Mr. JOHNSON of Texas. Mr. President, I yield 5 minutes to the distinguished junior Senator from Mississippi [Mr. STENNIS].

The PRESIDING OFFICER (Mr. PAYNE in the chair). The Senator from Mississippi is recognized for 5 minutes.

Mr. STENNIS. Mr. President, whether to abolish the RFC or to continue it as a governmental lending agency, and on what scale, is a highly important and far-reaching question that should be determined only after full hearings and thorough consideration by the Congress. The pending measure for all practical purposes adopts a new policy as to governmental loans to small business, and uses, I submit, indirect methods of accomplishing this new policy. The Congress sorely needs the benefit of full hearings and more mature consideration of this question.

I strongly feel that the needs of the country require an effective "little RFC" that will be directed and operated by men who are conscious of the problems of the little-business man, and who will be primarily interested in meeting the financial needs of the little-business man in fields not served by private finance. The pending conference report makes the lending agency therein designated purely a subordinate agency whose policy is directed by an advisory board composed of men who are charged with many other varied and grave responsibilities. Their duties to this lending agency will be purely incidental to their primary duties. They will have little or no time to give it attention, and I believe this system will make the agency largely ineffective. Unless there is available an effective lending agency to which the little-business man may have recourse for valid and legitimate loans, then little business and the entire economy are bound to suffer.

For several years it was my fortunate experience to serve on the board of directors of a small-town bank. I know from personal experience that there are many sound, legitimate loans that cannot be handled by the local banks because of the necessity of long-time financing. The situation is exactly the same in many of our small cities and even in the larger cities. Thus thousands of enterprising small-business men will be absolutely cut off from an opportunity to expand their business unless there is some agency to which they can resort when they wish to procure sound, legitimate loans.

In Mississippi we have an outstanding example of an RFC loan that enabled a new industry to be started within the heart of the consuming market for the manufactured product, that is, nitrogenous fertilizer. In 1945 and 1946 natural gas was available in Mississippi. Natural gas is one of the cheapest forms of fuel and power man has yet discovered. Right in the heart of the greatest consuming area for nitrogenous fertilizer in all the world we had available that source of power, which could be used in connection with the manufacture of nitrogenous fertilizer. But our people did not have sufficient funds with which to construct a plant for that purpose.

In 1947 several hundred farmers of a large area in Mississippi, Alabama, and Louisiana put up four and one-quarter million dollars in capital stock for the erection and operation of a chemical plant to manufacture fertilizer, but they could not obtain the additional necessary operating capital from local banks nor from the large financial centers of the Nation. Finally the RFC loaned this chemical company $3,349,000. The plant has operated for 2 years, is highly successful, and is retiring its loan ahead of schedule. The name of this company is Mississippi Chemical Corp., of Yazoo City, Miss. Since that time two large, well-established manufacturers of nitrogen fertilizer have also located plants in this area, thus also bringing their source of supply of this product close to the consuming market. As a result the area has a thriving industry, the market is well supplied but not oversupplied, and the price to the consumer has been placed nearer the cost of production, with much transportation cost eliminated. This loan by the RFC can stand the closest scrutiny as to sound business principles.

Mr. President, I submit that as a classic example of a very thriving industry now serving the consumers, and using a natural product which comes out of the ground at almost the identical spot where the plant is established. That plant could not have been erected, and would not have been erected, but for the comparatively small loan which was made by the RFC.

Before that agency is either directly or indirectly abolished or curtailed, I think there should at least be extensive hearings and the most mature consideration, having in view the adoption of a proper continuing policy for the making of legitimate, sound loans of that type.

Mr. ROBERTSON. Mr. President, will the Senator from Mississippi yield to me?

Mr. STENNIS. I am glad to yield, if I have time to do so.

The PRESIDING OFFICER. The time allotted to the Senator from Mississippi has expired.

Mr. JOHNSON of Texas. Mr. President, I yield 2 additional minutes to the distinguished Senator from Mississippi.

Mr. STENNIS. I thank the Senator from Texas.

I now yield to the Senator from Virginia.

Mr. ROBERTSON. In addition to the comment made by the Senator from Mississippi about the very sound loan made by the RFC to a worthwhile plant in Mississippi, let me point out that the original RFC Act, framed by President Hoover, and enacted during his administration when the Nation was confronted with the great depression, provided definite limitations, with a view to the soundness of the loans thus made.

Is it not a fact that the RFC now has but eight categories of loans; namely, first to business enterprises—not more than 10 years, with proper security and when funds are not available from other sources; second, to railroads and airlines; third, to financial institutions—including insurance companies with approval of the Secretary of the Treasury; fourth, to municipalities or other public agencies such as school or water districts; fifth, for disaster relief—storms, floods, and so forth; sixth, for civil-defense installations recommended by Civil Defense Administration—hospitals with shelter areas, and so forth; seventh, to small business under the Defense Production Act; eighth, for defense purposes certified by the Office of Defense Mobilization as essential.

Are not those the limitations placed upon the present lending agency, which, especially during the depression years, have enabled it to render a very worthwhile service?

Mr. STENNIS. The Senator from Virginia is so well versed on this subject that I am sure he has correctly presented to the Senate the facts.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. CAPEHART. I am very happy to yield to the Senator from California.

Mr. KNOWLAND. I should like to ask the Senator from Indiana a question which I think it important to have cleared up at this point. As I under-

stand, there is a deadline of June 30 on the existing War Powers Act, unless action is taken to extend it before that time. Am I correct about that?

Mr. CAPEHART. I may say the act is not now known as the War Powers Act, but as the Defense Production Act. The deadline is midnight, June 30. In other words, the legislation must be approved by both Houses and signed by the President by midnight, June 30; otherwise, all legislation having to do with war materials, and other materials which are highly important both to the general economy and to the military, in particular, will expire.

Mr. KNOWLAND. Mr. President, will the Senator yield further?

Mr. CAPEHART. I yield.

Mr. KNOWLAND. Regarding the control of strategic materials, was there information before the committee and before the conferees to the effect that the Defense Department and other responsible agencies of the Government felt it to be essential that the controls on strategic materials be continued?

Mr. CAPEHART. Yes. The legislation under consideration has to do with title I and title II. Title I has to do with the war effort, or the defense effort, 100 percent; and it is highly important that it be continued. There has been no testimony to the contrary. I think there is not a single Senator who would not agree that it ought to be continued. Title II has to do 100 percent with the creation of a new agency, to be known as the Small Business Administration, an agency which is designed to take over the functions and authority and records of the Small Plants Administration, which Administration is to be discontinued on June 30, it having been in existence now for about 2 years.

Mr. KNOWLAND. Mr. President, if the Senator from Indiana will yield further, I have an additional question. In the event the conference report, which already has been unanimously approved by the House, should be rejected by the Senate, it would first go back to conference. The conferees might or might not agree; or they might become deadlocked and unable to report back before the expiration date of June 30. In that event, unless the Congress were to permit expiration of the law dealing with the very important extension of controls over strategic materials, I assume it would then be necessary to pass some kind of continuing legislation with respect to the existing law. If that were done, could the Senator indicate to us what additional controls would have to be extended, over and above those which appear in the conference report and in the law as it will be under the conference report.

Mr. CAPEHART. Title I, which we are now considering, covers all the legislation that is needed at the moment in connection with the military effort. Every feature of title I would have to be extended beyond June 30; otherwise, the Defense Department might find itself in a very embarrassing position since, without this legislation, it would be unable to secure the critical and strategic materials which it now needs and must have. There would be no legislation whatever on the subject.

Mr. KNOWLAND. I realize that. But the point I want to stress is that, in the event the conference report were rejected and returned to conference and the conferees were unable to agree, and the deadline came upon us, we would then either be without what the executive branch of the Government and the defense authorities feel to be essential legislation, or we would be required to pass an extension of some type.

Mr. CAPEHART. It would be necessary for us either to extend the titles and sections of the existing law covering strategic materials and other things for a period of time, or to pass title I of this particular bill. But we would in that event be confronted with the same situation as that in which we now find ourselves, namely, that the House conferees would not agree to it.

Mr. KNOWLAND. We would then be faced with the problem of honest differences of opinion which might exist in the respective Houses of Congress, resulting in the offering of amendments, and a feeling that the bill was not in the shape in which the Members of each House would like to have it, and there would be the probability that we would probably again overrun the deadline.

Mr. CAPEHART. Yes. Let me say this is the first time in the history of the Nation that an effort has been made to create a permanent agency to deal exclusively with all problems of small business. As the Senator knows, the RFC dealt with big business, municipalities, railroads, and utilities, as well as with small business. But small business was a secondary matter in respect to the functions of the RFC when it was first organized. This is the first time in the history of the Nation that it has been proposed to create an agency to deal 100 percent with all problems of small business in peacetime as well as in wartime.

The amount of loans is limited to $100,000. I am unable to understand why any Senator should be opposed to assisting small business. How could Senators on the other side of the aisle who are favorable to small business vote against this measure? It affords the first opportunity in the history of the Nation to establish an agency for the exclusive purpose of assisting all small business. What is all the argument about? Why do Senators object? The Small Defense Plants Administration has been in existence for 2 years. All the authority and responsibility of the Small Defense Plants Administration is to be vested in the new agency, and, in addition thereto, the new agency is authorized to lend up to $100,000 to the small-business men of the United States.

A statement was made today by a Senator on the other side of the aisle which is not supported by the record. I am sure the Senator had been furnished with an erroneous statement of the facts. He stated that the measure now before the Senate would require an additional appropriation of $250 million. The act which was passed by the Senate, and which is now in effect, extending the Small Defense Plants Administration for 2 years contained an authorization for $150 million. For the Small Business Administration, with which we are dealing today, there is an authorization of $250 million, or an additional $100 million. It is not $250 million additional, as Senators apparently would like us to believe. An additional $100 million is provided. I think the provision was passed unanimously by the Senate and, had the House conferees agreed, we would be authorizing $150 million under SDPA. We now take the $150 million which the Senate has already acted upon, and transfer it to SBA, the new agency, and we add thereto another $100 million. We are therefore talking only about an additional $100 million, not about $250 million; and we are talking about erecting, for the first time in the history of the Nation, an agency to deal exclusively with all problems of small business.

Another statement was made today to the effect that the new agency will have the right to take Government contracts and sublet them. That is 100 percent correct, but the Small Defense Plants Administration has had that right for the past 2 years, and it has been doing that. The only thing that is new in this proposed legislation is that we on this side of the aisle are trying to do something constructive for small business for the first time in the history of the United States, instead of merely talking about it as our friends have been doing for the past 20 years. We want to help small business and it is proposed to establish this agency for the purpose of doing that.

Mr. MAYBANK. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I wish some Senator on the other side of the aisle would tell me why Democrat Senators are opposed to this measure.

I now yield to the Senator from South Carolina.

Mr. MAYBANK. Mr. President, I was chairman of the committee for 4 years, and I should like to say that the only reason why I did not sign the report was that I thought the provision with regard to small business should be in the form of separate legislation. We did not hold extended hearings in connection with it. We took the SDPA extension to conference. The House had adopted language providing for a permanent agency to be in existence forever and ever, and to cover the loaning of $250 million. No hearings were held as to the cost of operation of the new agency or where its offices would be located. Above all, I object to the revolving-fund provision.

Mr. CAPEHART. Outside the Federal Reserve Act, I know of no legislation which Congress has passed that designated the number of offices and where they would be located.

Mr. MAYBANK. I hope Congress changes its mind with reference to this matter.

Mr. KNOWLAND. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I yield.

Mr. KNOWLAND. I should like to ask the Senator, who is chairman of the conference committee, if it is not a fact that if we do not agree to the conference report, we not only would lose what are considered to be necessary controls

over strategic materials for the war effort, but also there might be some question as to whether separate legislation could be passed with reference to the small business. I invite the attention of the distinguished Senator from Indiana to the fact that immediately following the conference report it is proposed to take up title III of the submerged-lands bill. We also have on the calendar waiting consideration the Interior Department appropriation bill and mutual-aid legislation. Furthermore, proposed housing legislation is in the immediate offing. We have to consider the civil functions appropriation bill and a whole line of appropriation bills which will follow. So a situation might arise which would jeopardize the necessary efforts for defense in connection with strategic materials, and also the first effort which has been made specifically to take care of small business.

I should like to ask the Senator from Indiana if it is not a fact that in the event some changes should be found to be necessary in the Small Business Administration provision of the report Congress subsequently could consider it, and if it wanted to make, for example, the Small Business Administrator the chairman of the board of three, rather than the Secretary of the Treasury, it could be done by subsequent legislation, and we would at least have made an effective effort for the benefit of small business?

Mr. CAPEHART. Yes. We on this side of the aisle are doing something specific. We are setting up an agency to take care of small business exclusively, to loan up to $100,000. We are doing something rather than merely talking about it.

Why anyone should object to it, I do not know. Some Senator may object on the ground that the amount should be $200,000 instead of $100,000. If that is one of the objections, an amendment can be offered to take care of it at any time. Some objection has been made to the fact that the Board consists of the Secretary of the Treasury, the Secretary of Commerce, and the Administrator. That, to my mind, is a minor matter. It is an effort to look after the affairs of small business. I do not know that we could find any more honest men than are the Secretary of the Treasury and the Secretary of Commerce. I would have felt the same way about it when Mr. Snyder was Secretary of the Treasury and Mr. Sawyer was the Secretary of Commerce.

So, Mr. President, I wish Senators would tell me what their objections are. I know they are in favor of small business, because they have been talking about it for 20 years. We are trying to establish a separate agency to help small-business men and lend them up to $100,000 each. What is the objection? Is it that Senators on the other side of the aisle do not want to help small business, or do they mean what they say? We now have an opportunity for the first time, at least, since I have been a Member of the Senate—and I have been here almost 9 years, to do something specifically for small business on a permanent basis. We are trying to establish a permanent small-business agency. Here it is. It is not tied into anything else. To what do Senators object? Is it some minor detail? If that be the case, we can correct it later. They certainly cannot object to the principle and the idea of a loaning agency to lend money to small-business men.

Mr. LANGER. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I yield.

Mr. LANGER. Is it not a fact that the average loan by RFC is approximately $25,000?

Mr. CAPEHART. I will say to the Senator that we found over 90 percent of the 63,000 loans made to business by RFC since its inception in 1932, were less than $100,000.

Mr. LANGER. It is my understanding that the average loan made by the RFC has been approximately $25,000. In my State it is impossible to go to the average bank and get a loan of $40,000, $50,000, or $75,000, because the banks are not equipped for making such loans. The present law has been of great benefit to the State of North Dakota. I wrote letters to all the leading bankers of my State at the time the distinguished Senator from Virginia [Mr. BYRD] offered a bill providing for the discontinuance of RFC. The answers were overwhelmingly in favor of keeping RFC in operation. That is why I asked the Senator on Friday what this bill would do to RFC, and the Senator stated that it did not abolish that agency.

Mr. CAPEHART. I said it would have no effect on RFC. Then, I remember, I said I had made a misstatement and that it established a new agency to take care of applications for loans to small business.

Mr. LANGER. Mr. President, will the Senator from Indiana yield further?

Mr. CAPEHART. I yield.

Mr. LANGER. It is my understanding that the RFC has been very successful, aside from half a dozen or so bad loans. It has made a profit of $600 million or more. For the life of me, I cannot understand why we are getting rid of it.

Mr. CAPEHART. We are not getting rid of it in this bill.

Mr. LANGER. A few days ago the Senator said this bill would abolish the RFC.

Mr. CAPEHART. Oh, no. The only connection between this proposed legislation and RFC is that it directs the RFC to refer to the new agency all small-business loan applications. The RFC continues. It has been in existence since 1932.

Mr. LANGER. I thank the Senator from Indiana.

Mr. CAPEHART. I shall not consume any more time at the moment. I shall be glad to yield time to any Senator who wishes to speak. I shall be glad to yield part of my time to Senators on the other side of the aisle, if they wish to accept the time and tell us just why they are opposed to the bill. I do not know how they can be opposed to it, because it is designed to help small business. They should not be opposed to it, because, I repeat, Congress is setting up, for the first time in the history of the Nation, a permanent agency to deal exclusively with small business. Just what is the objection to the measure?

Mr. President, I admit this is not a perfect bill. I have never seen any perfect legislation. I suspect that as time goes on we may wish to amend the law. It may be found that a $100,000 loan limit is not sufficient; that the amount ought to be $150,000. It may well be decided that the board created to establish the overall policies of the Small Business Administration should be composed of 5 members instead of 3. Perhaps there should be a different kind of board. But those are not reasons for voting against helping small business. Simply because Senators do not like the board is no excuse for voting against the bill. Do Senators believe that the loan limitation ought to be $150,000 instead of $100,000? What are their objections?

The Small Business Administration will take over all the responsibility and authority of the Small Defense Plants Administration, a body which Congress on two occasions has approved.

The bill provides only an additional $100 million for small business, because there is a $150 million authorization in the Small Defense Plants Administration, which may be transferred to the Small Business Administration. What are the objections to the bill?

No one is claiming that this bill eliminates the RFC. There is no provision in the bill for the elimination of RFC. What are the objections?

If Senators wish to object on the ground that they are opposed to the Government being in the direct lending business, that is something else. If they believe that the Nation should not have the RFC or any other kind of direct lending agency, that is an entirely different subject. But, if Senators believe that the Government should lend money to small business, then they should be for the bill. If they believe the Government should not be in the lending business, they will be opposed to it. But that does not seem to be the argument of our good-natured friends on the other side of the aisle.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. KNOWLAND. Is it not also the general principle of the bill that every encouragement shall be given to potential borrowers to borrow through normal channels? It would be only in unusual circumstances that borrowers would use the Government facilities.

Mr. CAPEHART. The bill specifically provides that no loan can be made to anyone if he can secure funds from any private source on reasonable terms. Furthermore, he must submit documentary proof that he was unable to secure a loan from anyone else. For example, if he makes application to a bank, and the bank turns him down, he must get a letter from the bank stating that it would not lend him the money. If he goes to 25 banks, he must get letters from the 25 banks. If he goes to an insurance company to obtain a loan, and the insurance company declines to lend, he must get a letter from the insurance company. The language of the bill protects the Government. It denies the

Government the right to make a loan except on documentary proof that the borrower cannot secure the funds from any other source. But if an application is approved, the borrower can obtain up to $100,000.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. WILLIAMS. What are the restrictions upon the RFC as to loans?

Mr. CAPEHART. For all practical purposes, the restrictions on the RFC are the same as those provided in the pending bill on the Small Business Administration. One could not obtain an RFC loan until he had satisfied its Board of Directors, and later the single Administrator. The Administrator must satisfy himself that the borrower cannot secure funds from any other source.

Mr. WILLIAMS. Am I correct in my assumption that, if the conference report is agreed to, there will be in effect two RFC's, both operating under the same rules?

Mr. CAPEHART. The Senator is correct. I have to be frank and honest enough to say that that is correct, except that under the proposed legislation the RFC must refer all loan applications from small business to the Small Business Administration. So while two agencies would be lending money, the Small Business Administration would be lending sums up to $100,000, and the RFC would be making loans of other types.

Mr. WILLIAMS. Mr. President, will the Senator yield further?

Mr. CAPEHART. I yield.

Mr. WILLIAMS. How would a situation be handled in which an applicant applied for a loan of $125,000, and the RFC decided that the applicant was worthy of receiving only $80,000? How would the RFC manage to transfer such an application to the other agency?

Mr. CAPEHART. If an application for $125,000 were made to the RFC by a small-business concern, the application then would be transferred to the new agency. There can be no question about that.

Another objection raised on the floor of the Senate is that a new organization would be created, when there is at present the Small Defense Plants Administration, which has an administrator, a great many officers, and I do not know how many employees. The bill would authorize transfer of those employees and officers of the SDPA to the new SBA.

The SDPA is 100 percent a wartime organization, twice voted for by Congress to assist small business in securing war orders.

SBA would go beyond that. It would retain the principal powers of SDPA and go one step further in that the new agency would have authority to lend money for civilian purposes and to provide other help for small-business men along civilian lines.

So I believe Senators on the other side of the aisle who are opposed to the measure ought to think twice because I am certain they do not wish to be placed in a position of voting against small business. It seems to me that anyone who is opposed to the conference report must be opposed to setting up a permanent agency to help small business exclusively.

I have been a Senator for 9 years, and constantly during that time I have heard that Congress must help small business. I agree. Now we have an opportunity to create an agency to help small business, but Senators on the other side of the aisle say, "We are not interested; we are opposed to the bill, on the ground that it has flaws." Is the objection that the bill ought to read this way or that way? That words ought to be turned around? That there ought to be a different kind of Board?

What is the reason why Senators oppose the bill? Is it because it is proposed to eliminate SDPA and establish the new SBA? If that is the reason, why not say so? What is the reason? I cannot find any reason for the objections. I can well understand Senators being opposed to any kind of agency of this type. Many honest persons believe that the Federal Government ought not lend money or be in the direct lending business. I can well understand that opposition. But I simply cannot understand why Senators who say they wish to help small business and believe there ought to be an agency to aid small business desire to vote against the pending measure.

Mr. President, unless some other Senator wishes to ask me questions or desires me to allocate him some time, I yield the floor.

Mr. JOHNSON of Texas. Mr. President, I yield 10 minutes to the distinguished Senator from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. President, the distinguished chairman of the Committee on Banking and Currency has very properly asked why Senators on the Democratic side of the aisle are opposed to the bill. Frankly, I say that we believe the bill offers only a phony patent medicine. It is Doc CAPEHART's old Indian herb tonic that is being brought forward, and it is supposed to help small business, because it says so on the label.

Mr. CAPEHART. Mr. President, I rise to a point of order. I do not believe the Senator from Oklahoma intended to refer to me as a faker. I ask that the Senator's remarks be stricken from the RECORD. I am certain the Senator did not mean to say what he did. If he did mean it, I ask that the Senator be required to take his seat.

Mr. MONRONEY. Mr. President, I did not say that the distinguished Senator from Indiana was a faker or was deceitful.

Mr. CAPEHART. The Senator said that I was dispensing patent medicine and referred to me as "Doc CAPEHART." I am frank to tell the Senator that I think that was unnecessary. I do not like it. I think the inference was that I was a faker.

Furthermore, the able Senator from Oklahoma knows that I did not write the bill. It did not originate in the Senate; it did not come from the Senate Committee on Banking and Currency. The bill was written in the House and was passed by the House. I had nothing to do with originating the proposed legislation. If it is a fake, it is a fake on the part of the House of Representatives, and the Senator ought to direct his remarks to the other House and say that the 435 Members of the House who voted for the bill, not once, but twice, are 435 fakers. Is that what the able Senator would like to say?

Mr. MONRONEY. If the distinguished Senator from Indiana wishes to withdraw any responsibility or support for the proposed legislation I am perfectly willing to withdraw my remarks. I should be perfectly willing to withdraw from my remarks the reference to him, but in answer to his question as to why some of us are not interested in the provision which he says is in behalf of small business, I will say that to the mind of the junior Senator from Oklahoma the piece of legislation which the Senator from Indiana has presented has the appearance of a patent-medicine Indian herb tonic that says it is good for small business because of what is stated on the label. I am sure the distinguished Chairman of the Senate Committee on Banking and Currency will agree, that it is the worst kind of legislation that could be brought in under a gag rule in the House of Representatives and under a gag rule in the Senate.

It was not possible to dot an "i" or cross a "t." It was not possible to do anything to it that would change the legislation as it was passed down from on high by the distinguished members of the House Committee on Banking and Currency.

In the House the parliamentary situation was such that it was not possible to do anything by way of improving the proposal, and in the Senate we are estopped from doing one thing to improve it, in spite of the study the distinguished Senator's committee has made on several bills in the interest of small business.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. MONRONEY. In a moment I will yield. I wonder why the Senate does not have the capacity and why the distinguished members of the Senate Committee on Banking and Currency have not been accorded the courtesy of acknowledging that they possess the qualifications and the judgment and genius of a coordinate body of a bicameral legislative system; surely they can draw up a satisfactory measure in behalf of small business.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. MONRONEY. If the Senator will take the time out of his time.

Mr. CAPEHART. I shall be happy to yield 3 minutes of my time to the able Senator.

Let me say, Mr. President, that "Doctor" MONRONEY is likewise dealing in some patent medicine, because "Doctor" MONRONEY knows just as well as every other Member of the Senate knows that there is nothing unusual about what is to be done with this conference report. He knows that every report must be voted up or voted down. I am sure that "Doctor" MONRONEY does not desire to leave the impression that, so far as procedure is concerned, there is any difference between this conference report and any other conference report that comes to the floor of the Senate.

If we are to deal in patent medicine, let us not do it on the floor of the Senate by making statements in an effort to leave the inference with the people that there is any difference between this conference report and any other conference report. There is no gag rule in the manner in which this conference report is being handled. The procedure is the same as in the case of every other conference report that comes to the floor of the Senate. So let us not mix patent medicine into this debate.

Mr. MONRONEY. I will say to the Senator, the "doctor" on the other side of the aisle, that what the conferees have done is to perform a major operation.

The conference has amputated, dissected, and removed all the vitals of the bill as it was passed by the Senate and approved by the distinguished Senator's committee, including the 90-day freeze to prevent inflation, among other things.

Then the "body" comes back to the Senate completely transformed. It has perhaps a few fingers or toes of the Senate bill. All the rest of the corpus delicti has been cut off in the House by a strange line of parliamentary situations.

I am sure the Senator realizes these did not permit any amendment whatsoever to be added or considered by the 435 Members of the House who the distinguished Senator says were so greatly concerned with the "body" they now have laid in front of the Senate.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. MONRONEY. I will if the Senator will yield me the time.

Mr. CAPEHART. It is to be taken out of my time. I am so bighearted and generous that I will let it be taken out of my time.

Of course, the Senator knows that the House conferees—seven of them—agreed to the particular legislative proposal now being considered, that they took it back to the House, and the House agreed. He also knows that on two occasions the House passed legislation like that which the Senate is now considering. He knows that, does he not?

Mr. MONRONEY. Will the Senator yield to me to reply?

Mr. CAPEHART. Yes.

Mr. MONRONEY. Does the distinguished Senator, the chairman of the Senate Committee on Banking and Currency, believe that the House can improve the legislation by cutting away what came from the Committee on Banking and Currency of the Senate, and from the Senate itself? I gather from his remarks that he thinks this is an improved bill, because the Senate has not been able to try its hand in helping small business.

Mr. CAPEHART. Mr. President, what I am seeking to ascertain is what there is about the report to which the Senator from Oklahoma is opposed. Every Senator has a right to question the conference report, and if Senators criticize it, and it is rejected, I, as chairman of the conferees, will be delighted to take it back to conference, and see what can be done. My point is, what is there objectionable about the provision which has been agreed to by the House of Representatives on two occasions unanimously, I believe, and if I am in error I hope someone will correct me. When the House has approved the proposed legislation twice unanimously, if the Senate does not like the measure, it can vote the conference report down and send it back to conference.

Mr. MONRONEY. I feel we would be adopting a strange system of legislating if we short circuited our own Senate committee and said that the Senate had not sufficient sense to draft a bill which would assist small business.

I also feel disappointed that the issue of fear has been raised on the floor of the Senate in an effort to cause us to buy a bottle of patent medicine in haste.

Mr. CAPEHART. We are not saying it is necessary to buy anything; we are merely trying to find out what Senators do not like about the report.

Mr. MONRONEY. First, I say it is a bad way to legislate. Are we to have a unicameral system, and abolish the Senate? I am not in favor of that.

Mr. CAPEHART. The objection the Senator has is not to the legislation, but to the way it has been handled, is it?

Mr. MONRONEY. If the Senator will hear me out, I shall be glad to come to other points of objection.

Second, I feel that the Senate should not be blackjacked into taking this patent-medicine bottle because there is left a little bit of the control act. We may have to take a microscope to find out what has been left of that act.

The third objection I have is that the bill is not a small-business bill. In the first place, it puts a limit of $250 million on the lending power of the new small-business lending facility. It puts a limit of $100,000 on a loan that can be made to small business. Assuming that small business got the maximum amount of loan, there would be available credit for only 2,500 small-business establishments in the entire United States.

I might call to the attention of the Senator from Indiana the fact that 73 percent of the loans that have been made by the RFC, on the recommendation of the Small Defense Plants Administration, have exceeded $100,000. That is why I say that since the Senator has disassociated himself from the patent-medicine contention that this is a small bottle of patent medicine——

The PRESIDING OFFICER. The time of the Senator from Oklahoma has expired.

Mr. MONRONEY. Mr. President, will the Senator from Texas yield me 3 more minutes?

Mr. JOHNSON of Texas. I yield to the Senator from Oklahoma 3 minutes.

Mr. MONRONEY. While the bill puts a ceiling of $250 million on loans to small business, it does not give small business an opportunity to go to two sources of credit. Now, small business has available $100 million in small-business loans and access also to the RFC for extra credit. So, instead of giving help to small business, we are actually withdrawing $2 billion worth of credit in RFC to which it now has access.

Mr. GORE. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. GORE. The distinguished Senator from Oklahoma has referred to the work which the Committee on Banking and Currency has done and is doing on this subject. If we close the door by adopting the conference report, will we later have the benefit of the work which the committee is doing?

Mr. MONRONEY. Mr. President, that is an excellent question, and I will say in answer to it that we have before us permanent legislation, on which we will vote at 3 o'clock today. It is highly doubtful that we will ever get around to any corrective amendments or improvements such as the distinguished chairman of the committee may wish to make.

Let me say also that, in addition to wiping out access to $2 billion worth of credit, there is an added phony in the bill. Because of the effect which will be felt by small business under the terrible stresses of greatly tightened commercial credit due to a very unwise Federal interest policy, small business will need more credit—not less credit in the months to come.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. MONRONEY. I shall be glad to yield on the Senator's own time.

Mr. CAPEHART. I believe the Senator wants the RECORD to be correct. He spoke about eliminating $2 billion worth of credit. The RFC is still in existence. It can still lend money.

Mr. MONRONEY. The junior Senator from Oklahoma stated that that would be the effect because Congress in this measure would provide that not more than $100,000 could be loaned to any one borrower. That is not the case under the present law. One is able to go through the Small Defense Plants Administration and have access to the big banker, the RFC, the one open window for credit that is available when all other commercial credit is closed to small business.

With the gathering of storm clouds, amounting to almost financial disaster, because of the rapidly ascending Government interest rates, small business will need such an open window to prevent the cries for socialization of credit which will arise before 6 months or a year have rolled around.

Mr. President, let us look at the small-business agency for which the Senator from Indiana pleads so hard. Who will be on the Board of Directors? Who will run it?

The Secretary of the Treasury is to be the Chairman. The other members are to be the Secretary of Commerce and the Administrator. I read from the bill on this Board's powers:

> Such general practices shall, among other things, provide standards for the granting or denial of financial assistance by the administration and for the exercise of power as enumerated in this act.

Who are the Board of Directors? The Chairman is the Secretary of the Treasury, Mr. Humphrey, who is the author of the tight-money policy. Who is his first assistant?

The PRESIDING OFFICER. The time of the Senator from Oklahoma has expired.

Mr. MAYBANK. I yield 2 more minutes to the Senator from Oklahoma.

Mr. MONRONEY. Who is to be his first assistant? The Secretary of Commerce, Mr. Weeks, one of the great

financial geniuses of the Boston banking field. Is that the kind of board to whose tender mercies we can submit a small war plant and have it feel that it is being heard by men of its own kind and by its friends?

What power rests in the Board of three? The only man who could conceivably be of small-business origin, and who could conceivably be there for the purpose stated on the patent-medicine bottle, namely, for the benefit of small business, is the Administrator.

I repeat, Mr. President, it is a bad bill. It is ill-considered. It represents the very worst legislative gags in the passage of legislation.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. MAYBANK. I merely wish to correct my distinguished friend the junior Senator from Oklahoma by saying it is not a bill. He said it was a bad bill. It is not a bill. It is a conference report.

Mr. MONRONEY. It is a part of the "body" that has been sent over and attached to other parts which we had sent to the House in the form of a production control measure. It is the wrong way to legislate. It will disappoint people who think Congress is doing something for small business. If the provision as to loans not exceeding $100,000 is left in the bill the agency will have authority to help 2,500 small businesses. I suggest that Dr. CAPEHART and all the other doctors on the other side of the aisle will have to do a great deal of explaining when the decision is made as to which saloons, which pool halls, which bowling alleys, and which similar businesses shall receive loans, and why not more than 2,500 businesses can get relief, and why $2 billion of credit was lost which formerly was available.

Mr. MAYBANK. Mr. President, I yield 2 minutes to the Senator from Virginia [Mr. BYRD].

Mr. BYRD. Mr. President, I desire to register my strong disapproval of title II of the pending conference report. If for no other reason, the conference report should be defeated because of the manner in which title II was placed in the bill as a rider by the House. I know of no more objectionable method of legislating than to attach a rider to a bill that has a termination date such as Senate bill 1081, which we are now considering, relating to authority for temporary economic controls, which expire on June 30, 1953.

The argument is being made that the conference report must be jammed through because of the fact that the temporary economic control bill, on which the rider was added, expires on June 30 next.

What the House has done in this instance is to attach the so-called Hill bill to the economic-control bill. The Hill bill had already passed the House, and is now pending before the Senate Committee on Banking and Currency. That committee should have an opportunity to examine the Hill bill and to decide, on its merits, whether it should be recommended to the Senate, or rejected. The committee had no opportunity to consider the Hill bill prior to the time it was attached to the House as a rider to the economic-control bill.

Title II should be defeated as well for other reasons. The title sets up a permanent loaning agency for the first time in our history. I challenge the proponents of the legislation to point to any lending agency which has ever before in the history our our country been the subject of permanent legislation, such as is being done under the proposed title II.

The RFC was established as a temporary agency and had expiration dates. It was first extended for the 1 year at a time, and then for 2 years and so on. The last extension provided for an expiration date for the powers of the RFC on June 30, 1954. The existing agency provided Federal loans to small businesses, heretofore confined to plants engaged in defense work, and likewise was established on a temporary basis, which legislation expires on June 30, 1953.

So our distinguished colleagues on the other side of the aisle are establishing for the first time a permanent agency staffed with costly personnel, the head man to be paid $17,500 a year, with deputies, each of whom shall receive $15,000 a year. The agency would have unlimited authority to employ other personnel, such as field officers, experts, and consultants, and would have the right to contract for reporting services. In other words, it can contract with some outside agency for reporting services, something which I have never seen provided for in any other bill. All of it is to be done without regard to the civil-service law or any other law.

It has been shown in the debate that under the pending legislation establishing the permanent new agency there is no question of public interest in the making of the loans. At the present time, under the law now in existence, loans to small business are made for defense purposes. In the proposed legislation there is no standard set up under which loans shall be made. As the Senator from Indiana stated the other day, they could be made to hairdressers, breweries, barrooms, or to any other business in this country, regardless of whether that business is of importance or not from the standpoint of public interest. The provision will require an appropriation of $250 million at a time when we are running a heavy deficit without and, let me say regretfully, without any immediate prospect of balancing the budget, although that was an issue in the last campaign, and the present administration pledged itself, when they came into power, to balance the Federal budget at the earliest possible date.

One remarkable provision of the legislation authorizes a direct appropriation of $100 million for the purpose of permitting the agency created under this bill, known as the Small Business Administration, to make contracts with other branches of the Government for the procurement of supplies, and then to sublet the contracts to firms as it pleases.

Mr. MAYBANK. Mr. President, I yield 3 more minutes to the Senator from Virginia.

The PRESIDING OFFICER (Mr. GOLDWATER in the chair). The Senator from Virginia is recognized for 3 minutes more.

Mr. BYRD. Mr. President, I repeat that one remarkable provision of the conference report is that it authorizes a direct appropriation of $100 million, for the purpose of permitting the agency created by means of the conference report, known as the Small Business Administration, to make contracts with other branches of the Government for the procurement of supplies; and then the Small Business Administration could sublet those contracts as it pleased. In short, a revolving fund would thus be established. A billion dollars' worth of such contracts could readily be issued in a short period of time, because when the money was returned to the revolving fund, it could be used again.

Mr. President, this is one of the most remarkable provisions I have ever known, in that one Government agency would be able to make contracts with other Government agencies to furnish supplies, and then could sublet those contracts to private industry.

Mr. CAPEHART. Mr. President, will the Senator from Virginia yield to me?

Mr. BYRD. I do not have sufficient time to yield.

Mr. CAPEHART. For that purpose I yield to the Senator from Virginia 1 minute of the time available to me.

Mr. BYRD. Very well; I yield.

Mr. CAPEHART. The Senator from Virginia has called attention to the provision whereby the new agency would have $100 million as a revolving fund. The Senator from Virginia says that is most unusual. I point out that that portion of the conference report is exactly the same as the corresponding portion of the law which has been in effect for almost 2 years. The present agency has been operating in this way for the past 2 years. When the Senate passed the bill about 3 weeks ago, that very language was included as a part of the provision relative to the Small Defense Plants Administration.

Mr. BYRD. Mr. President, the Senator from Indiana did not understand what I said. I said this will be the first time that $100 million has been specifically authorized for such a purpose.

Mr. CAPEHART. But a similar provision was contained in the bill which was enacted last year.

Mr. BYRD. No, last year's bill did not contain a specific authorization for that purpose.

Mr. MAYBANK. Mr. President, will the Senator from Virginia yield to me?

Mr. BYRD. I yield.

Mr. MAYBANK. First, Mr. President, I yield to the Senator from Virginia 1 minute of the time available to me.

Let me point out that last year's bill, as referred to, was the Defense Production Act, which had a life of 1 year.

Mr. BYRD. The bill to which the Senator from Indiana referred was, as the Senator from South Carolina has just said, the Defense Production Act. It was entirely different from the measure we are now considering. However, even the Defense Production Act did not

contain a direct authorization for such a use of funds.

The PRESIDING OFFICER. The time available to the Senator from Virginia has expired.

Mr. CAPEHART. Mr. President, I yield to the Senator from Virginia an additional minute of the time available to me.

Let me say that I hold in my hand the Defense Production Act of 1950, as amended. On page 56 the following provision appears in section 714:

> The Administration is authorized to obtain money from the Treasury of the United States, for use in the performance of the powers and duties granted to or imposed upon it by law, not to exceed a total of $50 million outstanding at any one time.

That is exactly what will be done under the conference report we are now discussing.

Mr. BYRD. That provision is for defense production purposes, and is entirely different from the authorization we are now discussing. Nothing in the authorization proposal in the pending conference report would require that the loans be solely for defense production purposes.

The PRESIDING OFFICER. The time available to the Senator from Virginia has expired.

Mr. MAYBANK. Mr. President, I yield to the Senator from Virginia an additional 2 minutes.

The PRESIDING OFFICER. The Senator from Virginia is recognized for 2 minutes more.

Mr. CAPEHART. Mr. President, will the Senator from Virginia yield further to me?

Mr. BYRD. I yield.

Mr. CAPEHART. Let me point out that there are two parts of this measure. There will be loans for civilian use and funds to let SBA take prime contracts from the Government and sublet them to small business. The $100 million authorized by this act for contracts will be handled in exactly the same way that the corresponding fund under the Small Defense Production Act of last year was handled.

Mr. MAYBANK. Mr. President, it is understood, I believe, that I have yielded an additional 2 minutes to the Senator from Virginia.

The PRESIDING OFFICER. Yes; that is understood.

Mr. BYRD. Mr. President, the Senator from Indiana has not answered my question, for I referred to the $100 million authorization, which would not be for defense-production purposes. In other words, the $100 million could be used by this agency of the Government to make contracts for any purpose, and then those contracts could be sublet, if there were need to do so.

Mr. President, I wish to repeat that the conference report opens up a new field for Government employment; it sets up a permanent agency of the Government, which would pay high salaries; and it authorities the employment of an unlimited number of experts and consultants, and authorizes contracts for reporting services without regard to the civil-service law or any other law. Other authority provided by the conference report for the new agency would soon establish it, with a costly personnel, as a permanent fixture of the Government.

So, Mr. President, I hope the Senate will reject the conference report by a substantial majority.

Mr. President, at this time I ask unanimous consent to have printed in the RECORD, as a part of my remarks, a statement explanatory of the provisions of the conference report.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BYRD

1. Section 203 defines a small business as one independently owned and operated "not dominant in its field." People, dollar volume, or just about anything else can be used as a criteria for determining this domination. In other words the definition can be anything.

2. Section 204 (a) makes this agency a permanent independent establishment with principal offices in Washington and with authority to establish branches anywhere and everywhere it chooses.

3. Section 204 (b) establishes a revolving fund of $250 million to be made available by the Treasury upon demand by the agency for the following purposes:

(a) To make loans or advances to small business to finance plant construction, conversion, or expansion, including acquisition of land, acquisition of equipment, facilities, machinery, supplies, and materials; and to supply them with working capital for manufacture of articles, equipment, supplies, and materials for defense or civilian purposes. (These loans may be made direct or in cooperation with banks, which may participate on an immediate or deferred basis.) (The sum of the loans is limited to $100,000.)

(b) This $250 million to the extent of $100 million may be used by the small-business agency itself to enter into contracts with other Government agencies for the purpose of subletting these contracts or a portion of them to small business.

This money may be used also for the purpose of providing so-called small business with technical and managerial aids through advice and counsel with respect to Government procurement, cost accounting, methods of financing, business insurance, accident control, wage incentive, and methods engineering.

4. Section 204 (c) authorizes an administrator to be appointed by the President at $17,500 a year, and 3 deputies at $15,000 a year.

5. Section 204 (d) establishes a small business advisory board composed of the Secretary of the Treasury, Secretary of Commerce, and the Small Business Administrator to establish general policies and provide standards for: (1) granting and denying financial assistance; (2) exercising the lending functions.

6. Section 205 (b) (3) authorizes the Small Business Administrator to "deal with, complete, renovate, improve, modernize, insure, rent, or sell for cash or credit any real property conveyed to or otherwise acquired by him in connection with the payment of loans."

7. Section 205 (6) authorizes unlimited temporary employment of experts, consultants, contract reporting services without regard to civil service or any other law.

8. Section 206 among other things directs Federal Reserve banks to act as depositaries, custodians and fiscal agents for the Small Business Administration.

9. Section 208 requires the RFC to obtain approval, if not other action, by the Small Business Administration on requests for loans from small business, and the definition of small business set up in this bill to be kept in mind.

10. Section 209 authorizes all Government agencies to let all contracts to the Small Business Administration whenever the Administration says it is competent to perform on the contract.

11. Section 210 (a) provides up to $5,000 fine or imprisonment for up to 2 years, or both, for willful overevaluation of security against loans by the Administration.

12. Section 211 sets up a small business FEPC. It empowers the Administration, whenever it determines to do so, to: (a) Make a complete inventory of all productive facilities of any or all small-business concerns which can be used for defense production.

13. Section 212 requires all Government departments, before issuing any orders or formulating any policies affecting small business as defined by the act, to get clearance for such orders or policies from the Small Business Administration.

14. Section 213 (a) directs coordination of all Government procurement by the Small Business Administration;

(b) Empowers Small Business Administration to obtain information from the Government's prime contractors as to the methods and practices they use;

(c) Empowers the Administration to determine within any industry which concerns, firms, persons, corporations, partnerships, cooperatives, or other business enterprises are to be designated as small business;

(d) Empowers the Administration to determine the competency of small businesses;

(e) Opens the files of all agencies of the Government to the Administration with respect to its activities related to procurement, financing of procurement, or production;

(f) Requires all suppliers of material to furnish the Administration upon its demand information pertaining to their method of filing and the bases for allocating their supply for purposes of this act;

(g) Authorizes the Administration to advise Federal agencies as to action which should be taken to "insure a fair and equitable share of materials, supplies, and equipment to small business";

(h) Empowers the Administration to advise Government agencies for insuring that small businesses receive fair and reasonable treatment; and

(i) Empowers the Administration to establish an unlimited number of advisory boards and committees to aid in the achievement of the purposes of this act. The number of these boards and committees is not only unlimited but presumably the membership of them will be determined by the Administration. The matter of compensation for these boards and committees is significant by its omission.

15. Section 214 directs Government agencies to accept and let contracts with "combines" of small businesses formed under the sponsorship of this Administration, which is the sole judge of the capacity and credit of these "combines" of small businesses.

16. Section 215 empowers the Administration to determine what awards and contracts to small businesses are in the interest of mobilizing the Nation's full productive capacity, or are in the interest of national defense, and requires that upon this determination awards and contracts shall be made to small business.

17. Section 216 requires the Administration to report semiannually the names of business concerns to which contracts have been let and for which financing has been arranged. Report "shall include also such other information and such comments and recommendations as the Administration may deem appropriate." Under this language the report could deal with these concerns individually as well as collectively with reference to the information it publishes and the comments and recommendations it makes.

18. Section 217 empowers the Administration to investigate and report on the effect of price, credit, and other controls imposed under war or defense programs in terms of discrimination or undue hardship to small business.

19. Section 218 (a, b, c, and d) provides for voluntary agreements between the President and representative concerns to "further the objectives of this bill" and excludes these agreements from both the antitrust laws and the Federal Trade Commission Act.

20. Section 219 (a and b) authorizes the President to transfer any or all functions, powers, and duties of any or all other Federal departments and agencies "relating primarily to small business problems."

21. Section 222 authorizes to be appropriated "such sums as may be necessary and appropriate" to carry out the act. This apparently includes not only the $250 million revolving fund, but also all other funds which may be "necessary and appropriate."

Mr. MAYBANK. Mr. President, how much time is still available to me?

The PRESIDING OFFICER. The Senator from South Carolina has 18 minutes remaining, and the Senator from Indiana has 25 minutes remaining.

Mr. SALTONSTALL. Mr. President, I should like to ask several questions of the Senator from Indiana.

Mr. CAPEHART. I yield 5 minutes to the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 5 minutes.

Mr. SALTONSTALL. Mr. President, I have received several telgrams and telephone calls from responsible small-business leaders in Massachusetts and in other areas of New England, who believe that title II of the conference report is not good, in that it provides for an advisory committee.

I should like to ask two questions of the chairman of the committee:

First, if the conference report is rerejected, and if a further conference is requested, but if no new legislation on this subject is enacted by July 1, what will happen to the Small Business Administration, as now proposed?

My second question is this: In the opinion of the Senator from Indiana, will the proposed advisory committee have the power to direct the Small Business Administration, or will it be only advisory, with the result that the Small Business Administration, as now proposed, will be independent?

Mr. CAPEHART. The first question is, What will happen if there is no new legislation on this subject by June 30? Of course, in that event, except for purposes of liquidation, the Small Defense Plants Administration will go out of existence on June 30, at midnight.

Mr. MAYBANK. Mr. President, will the Senator from Indiana yield to me?

Mr. CAPEHART. I yield.

Mr. MAYBANK. That will not happen if the Senate conferees insist that the agency not go out of existence. I favor the continuation of the agency, and the conferees on the part of the House also favor its continuation.

Mr. CAPEHART. But the question is, What will happen if there is no new legislation on this subject? I am trying to be factual about the matter. I say that if there is no new legislation on this subject, for all practical purposes the Small Defense Plants Administration will go out of existence at midnight on June 30, and there will be no legislation whatsoever to authorize the military authorities to proceed in the way now proposed to secure strategic materials. There will be no legislation in regard to the so-called V loans, which are loans to the military effort for production purposes.

The other question was whether the advisory board—to be composed of the Secretary of the Treasury, the Secretary of Commerce, and the Administrator—is to be solely advisory, or is to be an operating or directing board.

In all fairness I must say that the board will determine the general policies of the new agency. So the board is not to be just an advisory board.

Mr. SALTONSTALL. It is to be a directing group, is it?

Mr. CAPEHART. It is to be a directorate which will establish the policies of the Small Business Administration. Then the Administrator will follow those policies.

Mr. SALTONSTALL. If the Board does not like the way the Administrator is functioning, the Board can change his operations, can it?

Mr. CAPEHART. Yes, by a majority vote of the three members of the Board, who will be the Secretary of the Treasury, the Secretary of Commerce, and the Administrator. They will have the power to change the policies and to make new ones. They can decide the overall policies and operation of the agency.

Mr. SALTONSTALL. Is it not the opinion of the Senator from Indiana that it would be wiser to have the new Small Business Administration more independent, if it is to function in the best interests of small business?

Mr. CAPEHART. I do not know whether that is a fair question to ask the chairman of the conference committee.

I would be perfectly willing to have a different kind of Board established. I would be perfectly willing and contented to let these matters be determined by the Administrator, as is done under the present Small Defense Plants Administration statute.

However, I see nothing bad about the present proposal. I think there must be some sort of Board. I cannot think of a better Board than one composed of the Secretary of the Treasury, the Secretary of Commerce, and the Administrator. I believe those three men would be just as honest and conscientious as any other three men who might be appointed or selected.

Mr. SALTONSTALL. Will the arrangement now proposed be helpful to small business?

Mr. CAPEHART. I do not think there can be any question but that it will be helpful to small business.

Mr. SALTONSTALL. In the opinion of the chairman of the committee, is the arrangement now proposed the best that can be obtained between the two Houses of Congress?

Mr. CAPEHART. It is the best the conferees were able to obtain. I cannot say what would happen if the conference report were rejected by the Senate. I know that on two occasions the House has passed legislation of this sort.

The natural conclusion would be that, if the Members of that body twice voted that they wanted a specific piece of legislation, they had pretty well made up their minds that they wanted it.

Mr. SALTONSTALL. I thank the Senator.

Mr. KNOWLAND. Mr. President, will the Senator from Indiana yield for a question?

Mr. CAPEHART. I yield.

Mr. KNOWLAND. Is it not a fact that when this matter came before the House by way of a conference report, the House unanimously approved the report?

Mr. CAPEHART. That is correct; and all seven of the House conferees approved it.

Mr. MAYBANK. Mr. President, if the Senator will yield, I may say in justice to the House that the members wanted to accept the report, because they usually hold to the view of the majority, and the Republican majority of the House was in favor of the bill.

Mr. CAPEHART. I may say in fairness that the conferees on the part of the House, consisting of 4 Republicans and 3 Democrats, went to conference with a record behind them of the House having twice voted favorably on this legislation; once, I think, unanimously.

Mr. MAYBANK. But the Senate conferees went to conference with a recommendation from our chairman that they do the best they could. The Republican conferees finally gave up. I did not give up, and I did not sign the report.

Mr. CAPEHART. I believe the House voted twice on the legislation. If I am in error, I trust that someone will correct me.

Mr. MAYBANK. The Senator is entirely correct.

Mr. CAPEHART. Let me repeat—and again, if I am in error, I trust someone will correct me in the RECORD later—that the House passed this legislation unanimously on two different occasions.

Mr. MAYBANK. Mr. President, I yield 1 minute to the Senator from Oregon, unless he requires more than that.

Mr. MORSE. Mr. President, in the past 8 years, I have noticed, time and time again, the very interesting strategy used in the Senate, by which an attempt is made to gain the votes of Senators who know that the legislation upon which they are to vote is not good legislation. They are given the ready rationalization that, because of the pressure of time, it is the best that can be obtained, and that, if what is submitted is not taken, then an important law will expire at the end of the month. I have never been able to reconcile myself to the ethics of that kind of strategy, because I do not think it to be in the public interest. I think the Senate owes a duty to the people of the country to defeat this piece of legislation this afternoon, and to see what happens when the existing legislation expires.

Mr. President, if there is exercised in the Senate of the United States the courage which should be manifested by the doubters, those who really do not want to vote for the legislation but who are, so to speak, being blackmailed into doing so on the basis of the argument,

"If you do not vote for this, then you are not going to have anything at all," they would stand firm. I should like to hear them say, "Very well; we will wait to see what the House will do."

The PRESIDING OFFICER. The time of the Senator from Oregon has expired.

Mr. MORSE. Mr. President, will the Senator yield me another half minute?

Mr. MAYBANK. I yield further to the Senator.

Mr. MORSE. Mr. President, in that event the House would soon change its attitude in conference, and we would get a bill which we could really support in principle.

Let me make one more comment. It is in regard to another rationalization that we have heard on the floor of the Senate. The question is asked, "Do you think this would be good for small business?" Let me say, as one who is going to vote against agreeing to the conference report, I am satisfied that the little-business men of America are being taken in by this bill, and that it is not for their good. We need a small business set-up composed of men who, in the first place, know something about small business, and who have the interests of small business at heart—men who do not sit on a so-called advisory board as the stooges and the tools of big business.

With pride I shall vote against agreeing to the conference report on this bill for the reason that, in so doing, I shall know that I am voting in the interest of the small business of the country.

Mr. MAYBANK. Mr. President, I yield 3 minutes to the Senator from Delaware [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. President, I shall not support the conference report. I am opposed to establishing another RFC, or another lending agency, until we first decide what we will do with the old one. I will support the report if we strike out the loan authority granted under this bill, or if the committee will incorporate a provision terminating the old RFC at a reasonably early date.

If the Congress wishes to aid the small-business man I repeat what I said last Thursday; namely, give him more favorable tax consideration. I pointed out last Thursday that over 89 percent of all money loaned under the RFC goes to the large borrowers; with just four companies getting over one-half of the entire amount.

Mr. MAYBANK. Mr. President, I yield 5 minutes to the junior Senator from New York.

Mr. LEHMAN. I think I shall need about 8 minutes.

Mr. MAYBANK. I yield 8 minutes to the Senator from New York.

Mr. LEHMAN. Mr. President, I have been a member of the Committee on Banking and Currency of the Senate, of which the distinguished senior Senator from Indiana is chairman. He has been a fair, conscientious, and impartial chairman. We conducted hearings which lasted for many weeks, with something less than 200 witnesses, on a bill that we hoped to report favorably, a bill that would in the first place continue emergency controls, and a 90-day freeze within the sole discretion of the President of the United States. Why there should have been objection to granting that emergency power to the President of the United States I have never been able to understand. It simply does not make sense to me, when I think of the contingencies with which we may be confronted during the next 7 years, and possibly during the next 7 months, in regard to the threat of aggression on the part of our Soviet enemies. When the bill to which I refer, which was reasonably satisfactory, came to the Senate floor, it was emasculated by vote of the Senate. When it went to the House, the few remaining teeth in what was already a substantially toothless bill were extracted. So that, so far as the bill, as a means of controlling inflation and of imposing a freeze on prices, wages, and rents, during the period of emergency was concerned, it was largely useless. But there was another very great purpose in our deliberations. It was to continue the activities and the purposes of the Small Defense Plants Administration, in the protection and promotion of small business. Then, Mr. President, I know of no purpose more important to the welfare of the country and of the economy, than the protection and promotion of small business in this country. Big business can take care of itself; small business, in most cases, cannot. It was the purpose of the Committee on Banking and Currency to provide for the protection of small business, through the means which we set out in our bill. In our bill, a bill which was introduced in the Senate, we set up a small business administrator, who was to head an agency independent in character, answerable only to the President of the United States. In the conference report that has come to us from the House, all of that is completely scrapped. Yes, the term "administrator" remains, but the powers, responsibilities and duties of the administrator have been completely changed.

Mr. President, instead of having an administrator of an independent agency answerable, as I have said, only to the President of the United States, we have an administrator subject to the will of a so-called advisory committee. Mr. President, I have no objection to an advisory committee. When I was governor of my State, we had many advisory committees. When they maintain their position as advisory committees they may be very useful, but when the function of an advisory committee is changed from that of being advisory to that of being administrative, then, of course, it is bad government and it completely hamstrings and destroys the functions, responsibilities, and duties of the administrator.

This so-called advisory committee, which is not an advisory committee in a million years, consists, first, of the Secretary of the Treasury, second, the Secretary of Commerce, and, away down along the line, the Administrator. That means that the Administrator becomes nothing but a functionary. He must do the bidding of the majority members of the so-called advisory committee which is not an advisory committee at all. What makes it worse, Mr. President, is that the Secretary of the Treasury and the Secretary of Commerce have the right to deputize others to represent them on this so-called advisory committee.

So, Mr. President, the Administrator has no powers whatsoever with reference to the advisory committee. Neither the Secretary of the Treasury nor the Secretary of Commerce has shown any great interest, so far as I know, in the problems of small business. But they are paramount on the so-called advisory committee, and the Administrator, who we thought would really be in control of the administration of the agency, has virtually no power. That will completely destroy the purpose we had in mind. The agency will not be an agency for the protection of small business. Small business needs protection, fair play, and justice.

So, Mr. President, the same persons will be in control who have been interested in big business and have shown very little concern with the problems of the small-business man. Under the terms of the conference report we will withdraw credits to small business amounting to hundreds of millions of dollars. It is true that we have set up a fund of $100 million to be loaned out to small business under the edict, the veto, or the approval of the advisory committee, in lots of not over $100,000. Under the bill originally offered, Mr. President, the resources of the Reconstruction Finance Corporation could still be made available to small business.

I think the idea of agreeing to the conference report is absolutely beyond reason. It is a bad report. The proposals which are included in that report have never been considered by any committee of the Senate of the United States.

I ask my colleagues to defeat this conference report.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum, the time for the quorum call to come out of the unallocated time.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Griswold	McClellan
Anderson	Hayden	Millikin
Barrett	Hendrickson	Monroney
Bennett	Hennings	Morse
Bricker	Hickenlooper	Mundt
Bush	Hill	Neely
Butler, Md.	Hoey	Pastore
Butler, Nebr.	Holland	Payne
Byrd	Humphrey	Potter
Capehart	Hunt	Purtell
Carlson	Jackson	Robertson
Case	Jenner	Russell
Chavez	Johnson, Tex.	Saltonstall
Clements	Johnston, S. C.	Schoeppel
Cooper	Kefauver	Smathers
Cordon	Kennedy	Smith, Maine
Daniel	Kerr	Smith, N. J.
Dirksen	Kilgore	Smith, N. C.
Douglas	Knowland	Sparkman
Duff	Kuchel	Stennis
Dworshak	Langer	Symington
Ellender	Lehman	Taft
Ferguson	Long	Thye
Flanders	Magnuson	Tobey
Frear	Malone	Watkins
George	Mansfield	Welker
Gillette	Martin	Wiley
Goldwater	Maybank	Williams
Gore	McCarran	Young
Green	McCarthy	

The PRESIDING OFFICER. A quorum is present.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. How much time remains to each side?

The PRESIDING OFFICER. The Chair is informed that there are 6 minutes remaining to the Senator from Indiana [Mr. CAPEHART], and 4 minutes to the Senator from South Carolina [Mr. MAYBANK].

TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that for a period not to exceed 15 minutes there may be a morning hour, for the purpose of allowing Senators to introduce bills and joint resolutions and to make insertions in the RECORD, and transact other routine business, under the usual practice of a 2-minute limitation on speeches.

The PRESIDING OFFICER. Without objection, the Senate will proceed with a morning hour for 15 minutes.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

EXPRESSION OF THANKS BY BELGIAN CHAMBER OF REPRESENTATIVES

A letter from the Assistant Secretary of State, embodying a letter from the President, Belgian Chamber of Representatives, expressing the thanks of that Chamber for the adoption by the Congress of Senate Concurrent Resolution 12, that the Congress on behalf of the people of the United States expresses its deep sympathy, affection, and concern for the peoples of the Netherlands, the United Kingdom, and Belgium, whose countries have been ravaged by disaster, its admiration for their courage in adversity, and its hope for the early restoration of their homes and livelihoods; to the Committee on Foreign Relations.

REPORT ON OPERATION OF TRADE AGREEMENTS PROGRAM

A letter from the Chairman, United States Tariff Commission, transmitting, pursuant to law, the fifth annual report of that Commission on the operation of the trade agreements program, for the period July 1951 to June 1952 (with an accompanying report); to the Committee on Finance.

REPORT ON CONTRIBUTIONS PROGRAM BY FEDERAL CIVIL DEFENSE ADMINISTRATION

A letter from the Administrator, Federal Civil Defense Administration, transmitting, pursuant to law, a quarterly report on the Federal contributions program, for the quarter ended March 31, 1953 (with an accompanying report); to the Committee on Armed Services.

AUDIT REPORT ON BUREAU OF ENGRAVING AND PRINTING

A letter from the Comptroller General, transmitting, pursuant to law, an audit report on the Bureau of Engraving and Printing, for the fiscal years 1951 and 1952 (with an accompanying report); to the Committee on Government Operations.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A resolution of the House of Representatives of the State of Michigan; to the Committee on Public Works:

"House Resolution 41

"Resolution requesting the Federal Government to give consideration to the Hearst plan for better roads

"Whereas the construction of an adequate system of highways is America's most urgent domestic problem; and

"Whereas the Federal Government annually collects approximately $2 billion from highway users through the Federal gasoline tax and various excise taxes on vehicles, and only returns about one-fourth of this amount to the State highway departments for use in highway construction, and the remaining three-fourths is diverted to nonhighway purposes; and

"Whereas the Hearst newspapers throughout the country, including the Detroit Times, have proposed a plan for better roads, whereby the Federal Government would return all or any necessary part of these highway-tax receipts to the States for immediate improvement of the national interstate highway system, comprising those streets and roads considered vital to our economy and our defense; and

"Whereas the general purposes of this plan would pump an additional $1,500,000,000 a year into the strategic road network of the Nation, the interstate system, and by removing that system temporarily as a responsibility of State financing, would release State funds for other important highway works; and

"Whereas the general purposes of this plan proposed in the Hearst newspapers deserves the serious and immediate attention of the Federal Government and of all who have an interest in the highway problem: Now, therefore, be it

"Resolved by the house of representatives, That the members of the Michigan House of Representatives respectfully request the Federal Government to give every possible consideration to the general purposes of the Hearst plan for better roads, advanced by William Randolph Hearst, Jr., in his newspapers; and be it further

"Resolved, That copies of this resolution be forwarded to the President of the United States, to the President of the Senate and the Speaker of the House of Representatives of Congress, and to the Michigan Members in the Senate and House of Representatives of Congress."

A joint resolution of the Legislature of the State of Alabama; to the Committee on Public Works:

"House Joint Resolution 10

"Whereas the Tennessee Valley Authority has been in operation successfully for 20 years under the direct administration of the Board of Directors who have demonstrated a high degree of integrity, ability, and business acumen; and

"Whereas said direction has been highly successful in promotion of the general welfare of the people of the Tennessee Valley and of the people of Alabama; and

"Whereas said promotion is a result of allowing the Board to control the operation of the internal affairs of the Authority; and

"Whereas the President of the United States has stated that he wished the TVA to be operated to the maximum of efficiency: Now, therefore, be it

"Resolved by the Legislature of Alabama (both Houses concurring):

"1. That the Congress of the United States is hereby memorialized and petitioned to leave local control and direction of the internal affairs of the Tennessee Valley Authority to the Board of Directors of the Authority.

"2. That a duly authenticated copy of this resolution be transmitted by the Clerk of the House to the Speaker of the House of Representatives of the United States; by the Secretary of the Senate to the Senate of the United States and to the President of the United States."

A joint resolution of the Legislature of the State of Montana; to the Committee on Interior and Insular Affairs:

"Memorial to the Congress of the United States and to Dwight D. Eisenhower, President of the United States; the Honorable James E. Murray and the Honorable Mike Mansfield, United States Senators for Montana; the Honorable Wesley A. D'Ewart and the Honorable Lee Metcalf, Congressmen for Montana; the Honorable Douglas McKay, Secretary of the Interior, requesting the introduction and enactment into law of the necessary and proper legislation authorizing that sufficient approprations be provided the Bureau of Reclamation for the compensation of the Crow Indians for the dam site and storage area, and the immediate beginning of construction of Yellowtail Dam located in the Big Horn County in southern Montana

"Whereas Yellowtail Dam site is located on the Big Horn River in Big Horn County in southeastern Montana, and the Yellowtail Dam will be constructed across the Big Horn River about three-fourths of a mile above the mouth of the Big Horn Canyon about 35 miles southwest of Hardin, Mont., and 44 miles southeast of Billings, Mont.; and

"Whereas the Bureau of Reclamation was authorized by section 9 of the Flood Control Act of 1944, as an integral part of the Missouri River Basin project to prepare preliminary surveys for the construction of Yellowtail Dam; and

"Whereas the Bureau of Reclamation has completed preconstruction surveys and work necessary for full construction work, and said surveys—including those of the Bureau of Indian Affairs, the Public Power Commission, and other interested Federal agencies—are now in the hands, or are ready to be placed in the hands of the Secretary of the Interior, to be presented by him to the Congress and the President of the United States; and

"Whereas the Yellowtail powerplant, as projected, will have an installed capacity of 200,000 kilowatts with an estimated annual firm energy capacity averaging 584 million kilowatt-hours. In addition to this firm energy, the Yellowtail powerplant is expected to have an average annual nonfirm output of 163,920,000 kilowatt-hours, bringing the average total estimated production to approximately 748 million kilowatt-hours; and

"Whereas such power is urgently needed to supply existing and rapidly expanding power needs in southeastern Montana and northeastern Wyoming for irrigation pumping rural electric cooperatives, and other public bodies, and for commercial and industrial uses as well as for defense industry; and

"Whereas irrigation is one of the additional contributions Yellowtail Dam will make to the economy of the area, and that of the Nation as a whole. Approximately 45,000 acres of irrigable land will be placed under the ditch by waters made available by Yellowtail Dam. In addition, there are a number of desirable pumping units along the Big Horn, Tongue, Powder, and Yellowstone Rivers that will be made feasible by low-cost power derived from Yellowtail Dam, which will serve to irrigate some 180,000 additional acres, or an approximate total of 225,000 acres of fertile land will be brought into production of food essential to our Nation's oncoming wartime needs; and

"Whereas Montana has an immense and mostly undeveloped mineral wealth that

should be contributing to our Nation's defense program. (Herbert Hoover has stated that Montana possesses a greater mineral potential than the U. S. S. R.) The time may come, before this emergency shall pass, when Montana's minerals may be desperately needed. The low-cost power, that Yellowtail Dam will provide, will be a tremendous asset in bringing these minerals to a usable stage; and

"Whereas Yellowtail Dam, in addition to providing hydroelectric power and irrigation, will also bring a vast contribution to flood control, silt and soil control, conservation of fish and wildlife, recreational development, and other related and beneficial uses too numerous to mention for the benefit of all mankind; and

"Whereas Yellowtail Dam will be an archtype, concrete structure, towering about 500 feet above the river bed, with a crest of 1,480 feet, and a storage capacity of some 1,366,000 acre-feet, and will flood about 27 square miles of almost totally unusable land. The lake so created by Yellowtail Dam will extend for 75 miles through tortuously winding, steeply walled canyons, flooding land that is of no economic value. Yellowtail Dam will be exceeded in size only by Boulder, Shasta, Grand Coulee, and Hungry Horse in the order named, and will cost approximately $100 million which, by the sale of power, irrigation, and other benefits will be repaid to the Federal Treasury through a 50-year period; and

"Whereas the various governmental agencies, together with the Crow Indian Council representatives, have made appraisals of the value of the lands required for dam and storage sites and a general coordination of the respective appraisals has been made, but no money has been appropriated for site acquisition: Now, therefore, be it

"Resolved by the 33d Legislative Assembly of Montana of 1953, now in session (the Senate and House of Representatives concurring), That the Congress of the United States be respectfully urged and requested to make such funds immediately available that may be necessary to compensate the Crow Indians for the dam site and storage area and to start construction of Yellowtail Dam in Big Horn County in southeastern Montana at once; and be it further

"Resolved, That the Crow Tribe, upon whose lands the site of Yellowtail Dam is situated, be adequately and fairly compensated for the site at a price agreed upon by the Federal Power Commission, the Bureau of Indian Affairs, the Bureau of Reclamation, and the Crow Tribe; and be it further

"Resolved, That a copy of this memorial be transmitted by the secretary of the state of the State of Montana to the Honorable Richard M. Nixon, President of the Senate; the Honorable Joseph W. Martin, Jr., the Speaker of the House of Representatives; the Honorable Douglas McKay, Secretary of the Interior; each of the Senators and Representatives in the Congress of the United States from the States of Montana and Wyoming; the Commissioner of the Bureau of Reclamation; the Commissioner of the Bureau of Indian Affairs; the Governors of the States of Wyoming and North Dakota; and the presiding officers of both houses of the Wyoming and North Dakota Legislatures."

A resolution of the House of Representatimes of the State of California; to the Committee on Appropriations:

"House Resolution 215

"Resolution relating to adequate medical care for ill and disabled veterans

"Whereas this country called up its young men and women to give up their private lives and to take up arms to protect their country and its citizens; and

"Whereas now that the veterans have returned and are returning, to their private lives, this country should not forget the sacrifices they made but should look after those that are in need and should take special care to look after those veterans that are ill and disabled; and

"Whereas for these reasons this country should provide a sufficient number of hospitals and adequate medical treatment to those veterans that are ill and disabled and in need of such medical care; and

"Whereas it has been called to the attention of Members of the Assembly of the State of California by the American Legion that an attempt is being made to close veterans' hospitals and to reduce appropriations for medical care for veterans; and

"Whereas reduction of funds for the adequate medical care to veterans and the closing of veterans' hospitals is not consistent with the fulfillment of the country's obligations to its veterans: Now, therefore, be it

"Resolved by the Assembly of the State of California, That it respectfully requests the President and the Congress of the United States to take the necessary steps to insure that sufficient funds are appropriated to the appropriate agencies so that adequate medical care and treatment is accorded to ill and disabled veterans; and be it further

"Resolved, That the Assembly of the State of California respectfully requests the President and the Congress of the United States to take the necessary steps in insure that no more veterans' hospitals are closed until such time as there is a conclusive showing that a surplus of beds for veterans who need care exists; and be it further

"Resolved, That the chief clerk of the assembly is hereby directed to send copies of this resolution to the President and Vice President of the United States and the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Banking and Currency:

"Senate Joint Resolution 36

"Joint resolution memorializing Congress and the President of the United States to restore the gold standard and increase the price of gold

"Whereas by constitutional provision, mining was made the paramount industry of the State of California; and

"Whereas the industry and well-being of many communities in the State of California and the western United States have been seriously impaired due to the present price of gold, established in the year 1934 and since maintained regardless of the increase in the commodity price index and cost of living since the year 1939; and

"Whereas the cost of labor and all other commodities, especially such costs as enter into the production of gold, have increased 100 percent or more; and

"Whereas the purchasing power of the dollar has decreased to approximately one-half of what it was in 1939; and

"Whereas we believe that to stabilize the currency of the Nation it will be necessary to return to the gold standard, with a price for gold at a comparable dollar value; and

"Whereas our country does not have a gold standard, with gold and the dollar interchanageable at a fixed ratio; and

"Whereas the living standards of our country have been lowered and are being lowered continuously by unwarranted inflation of the country's currency; and

"Whereas the restoration of the gold standard with gold and the dollar freely interchangeable at a fixed ratio would stabilize all living costs including the cost of labor, materials and commodities as well as the operation of our Government; and

"Whereas all restrictions on the purchase, sale, and ownership of gold by American citizens should be removed, in view of the demand for and the price of gold in all foreign countries, in order that gold may seek a natural level to be ascertained by actual sales; and

"Whereas it is advisable for our Government in the best interests of our national economy to not only maintain the present price of $35 per ounce for gold, but to establish a price for gold based upon the present purchasing power of the dollar, which would indicate a price level more than double the price established in the year 1934 and the commodity price index of the year 1939: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the President and the Congress of the United States be respectfully requested to restore the gold standard at the earliest practicable time and that the price of gold be reestablished at a price consistent with its present cost of production and the purchasing power of our inflated currency dollar; be it further

"Resolved, That the secretary of the senate of the State of California be authorized and directed to transmit properly certified copies of this resolution to the President of the Senate; the Speaker of the House of Representatives and the Representatives of the State of California in the Congress of the United States."

Two joint resolutions of the Legislature of the State of California; to the Committee on Finance:

"Assembly Joint Resolution 35

"Joint resolution relative to permitting recipients of aid to the aged to earn $50 per month in addition to such aid

"Whereas in 1950 the Congress of the United States amended the social-security law to provide that the first $50 per month of income earned by a blind person shall be disregarded in computing aid to such person, thereby allowing a blind person to earn this amount in addition to his aid; and

"Whereas bills presently before the Congress would extend this same benefit to recipients of aid to the aged; and

"Whereas it is the belief of the Legislature of the State of California that there is an abundance of odd jobs and temporary employment in this State that could be capably filled by aged persons; and

"Whereas the present public assistance program discourages these aged persons from seeking such employment by requiring that any and all earnings be deducted from their aid: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the Congress of the United States to enact legislation permitting recipients of aid to the aged to earn $50 a month, such amount not to be taken into consideration in computing aid to such recipients; and be it further

"Resolved, That the chief clerk of the assembly is directed to transmit copies of this resolution to the Presiding Officer of each of the Houses of the Congress and to each Senator and Representative from California in the Congress of the United States, and that such Senators and Members of the House of Representatives from California are respectfully urged to support such legislation."

"Assembly Joint Resolution 37

"Joint resolution relative to memorializing Congress to enact H. R. 2748 providing certain benefits for veterans of the Mexican border incident

"Whereas there is pending before the Congress of the United States H. R. 2748, referred to the Committee on Veterans' Affairs; and

"Whereas H. R. 2748 would grant all the privileges, rights, and benefits granted to persons who served in the war with Spain to members of the Armed Forces of the United States who, during the period beginning December 8, 1910, and ending April 6, 1917, served in Mexico, on the borders of Mexico, or in the waters of Mexico; and

"Whereas H. R. 2748 would also grant to the widows and children of such veterans all of the privileges, rights, and benefits granted to widows and children of persons who served in the war with Spain; and

"Whereas these veterans are the courageous men who, at great personal sacrifice, rose to protect the people of our country when the Nation was in great danger from the Mexican rebels; and

"Whereas among those who voluntarily served in the Mexican crisis were 4,600 Californians, approximately 2,500 of whom have survived to this day; and

"Whereas it is altogether fitting and proper that these forgotten defenders, and their surviving widows and children, be at least granted the privileges, rights, and benefits given to veterans, and their relatives, of the war with Spain: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the Congress of the United States to enact H. R. 2748; and be it further

"Resolved, That the chief clerk of the assembly is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California (with a copy of the California Senate bill No. 1748); to the Committee on Finance:

"Senate Joint Resolution 47

"Joint resolution relative to memorializing Congress to amend the Federal income-tax laws

"Whereas medical expenses arising from childbirth are deductible expenses under the Federal income tax laws as well as under the income tax law of this State; and

"Whereas the expenses incurred in connection with the adoption of a child should be treated in the same manner as the expenses mentioned above, for tax purposes; and

"Whereas such treatment of adoption expenses would encourage adoptions and thereby aid in giving orphans and abandoned children the normal home life which is their rightful heritage; and

"Whereas the Legislature has passed Senate bill 1748, designed to accomplish these objectives: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the Congress of the United States to amend the Federal income tax laws to place an adoptive parent in the same position as a natural parent, by allowing as deductions from income the costs incurred in connection with adoption proceedings; and be it further

"Resolved, That the secretary of the senate is hereby directed to transmit copies of this resolution and of Senate bill 1748 to the President of the Senate, the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Interstate and Foreign Commerce:

"Assembly Joint Resolution 27

"Joint resolution relative to congressional committee on baseball

"Whereas the major league baseball leaders have hitherto overlooked the importance of establishing a major league on the west coast; and

"Whereas although baseball is regarded as a national sport, seven big league baseball teams are within a radius of a few hundred miles of each other while no city west of St. Louis has a major-league team; and

"Whereas several Pacific coast cities, especially Los Angeles, Oakland, and San Francisco have the facilities, drawing power in money and spectators, and enthusiasm to support a major-league franchise more profitably than many of the major-league cities; and

"Whereas it is generally known that a major league can be successfully established on the west coast; and

"Whereas the Legislature of the State of California commends the Pacific Coast League on its successful efforts to maintain baseball as a major sport on the west coast: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the Legislature of the State of California respectfully memorializes Congress that any committee of Congress which undertakes the study of baseball should take into consideration the above facts; and be it further

"Resolved, That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the President of the Senate of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Post Office and Civil Service:

"Senate Joint Resolution 44

"Joint resolution relative to memorializing Congress to cause the inscription 'In God We Trust' to be placed on postage stamps of the United States

"Whereas the coins of the United States bear the inscription 'In God We Trust,' while postage stamps do not bear such an inscription; and

"Whereas postage stamps reach into millions of foreign homes and offices in which the coinage of our country is never seen; and

"Whereas postage stamps, on which the inscription, 'In God We Trust' is printed will be a highly effective means of describing the fundamentally spiritual nature of this country to all nations of the world; and

"Whereas the Honorable MIKE MANSFIELD, a Member of the United States Senate from the State of Montana, has introduced a bill into the Senate of the United States requiring the Post Office Department to cause the inscription 'In God We Trust' to be placed on all United States postage stamps; and

"Whereas in our current struggle against the irreligious and false philosophy of communism, it is of great importance that we continually remind ourselves and the world that the debt of gratitude we owe is to God and that it is in Him that we will find the strength and perseverance to prevail: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the Congress of the United States to cause the inscription 'In God We Trust' to be placed on the postage stamps of the United States and to enact appropriate legislation to accomplish that purpose; and be it further

"Resolved, That the secretary of the senate be, and hereby is, directed to transmit copies of this resolution to the President of the Senate of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the Honorable MIKE MANSFIELD, United States Senator from the State of Montana."

Three joint resolutions of the Legislature of the State of California; to the Committee on Interior and Insular Affairs:

"Assembly Joint Resolution 29

"Joint resolution relative to Federal supervision of Indians in California

"Whereas Senator GEORGE W. MALONE, in two addresses to the Senate of the United States on September 22, 1951, and October 20, 1951, stated that in 1903 the appropriation to maintain the National Bureau of Indian Affairs totaled $10,419,490.50, that the annual appropriations have increased from year to year until in 1951 the total was $83,073,020, and that funds from other congressional appropriations averaged more than $16 million for the purpose of maintaining the functions of that Bureau; and

"Whereas at hearings of the Appropriations Committee of the United States House of Representatives it was revealed that there was appropriated in 1952 a total of $1,850,703 to the Bureau of Indian Affairs for supervision of Indians in California, and that an appropriation of $3,364,616 has been asked for this purpose for 1953; and

"Whereas the Indians in California are citizens of this State and of the United States and, as such, under the laws of this State are accorded the right to vote, to attend public schools, to assistance for the aged and indigent sick, and for orphan and half-orphan children, and have in fact the same rights and privileges accorded to other citizens of the State; and

"Whereas the Indians in California on several occasions by petitions and by personal appearance of their delegates have urged the Bureau of Indian Affairs and Congress to remove the stigma and handicap of the term "wards" and to place Indians on the same basis as other citizens of California, thereby saving the taxpayers of the State and of the United States many millions of dollars to maintain Federal supervision over Indians in California: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the Legislature of the State of California hereby memorializes the Congress of the United States to enact remedial legislation to free Indians in California from Federal supervision and control and to put them on an equal basis in all respects with other citizens of the State; and be it further

"Resolved, That the chief clerk of the assembly is directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the Secretary of the Interior, to the Commissioner of Indian Affairs, to the Chairman of the Senate Committee on Interior and Insular Affairs, to the Chairman of the House Committee on Interior and Insular Affairs, and to each Senator and Representative from California in the Congress of the United States."

"Assembly Joint Resolution 38

"Joint resolution relative to the termination of authority of the Bureau of Indian Affairs in California

"Whereas American Indians, who are citizens of the United States of America, generally remain subject to numerous restrictions on their activities, particularly with respect to land transactions, promulgated and enforced by the Bureau of Indian Affairs; and

"Whereas the Bureau of Indian Affairs has outlived its usefulness, though its employees, understandably alarmed by the prospect of unemployment, regularly engage in strenuous efforts for self-perpetuation in office; and

"Whereas the State of California is able to provide for the well-being of American Indians, as it does for other citizens, by laws of general applicability: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the President and Congress of the United States to take such steps as are necessary to effect a termination of the authority of the Bureau of Indian Affairs, particularly in the State of California; and be it further

"*Resolved*, That the chief clerk of the assembly is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

"Assembly Joint Resolution 39

"Joint resolution relative to reclamation funds

"Whereas Congress, by the act of October 17, 1940, authorized the Secretary of Interior to construct distribution systems deemed necessary in connection with the lands for which the waters are to be delivered from the Central Valley project; and

"Whereas districts for which distribution systems are constructed under this authority are permitted to repay the costs thereof without interest over a period of not to exceed 50 years pursuant to the reclamation laws; and

"Whereas although the benefits of interest-free money are substantial, they are minimized because of the high cost of construction when the work is done under the supervision and control of the Bureau of Reclamation; and

"Whereas in most cases the districts themselves could provide for the construction of adequate distribution systems under the supervision of the Districts Securities Commission and the State Engineer at a much less cost than the Bureau of Reclamation; and

"Whereas one of the principal purposes of the reclamation program—the making available of water at the lowest possible cost to the user—would be more fully effected if interest-free money was made available to districts for construction of distribution systems by the districts themselves: Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California (jointly)*, That the Congress is respectfully memorialized to enact such laws and to amend such acts pertaining to the authorization and the construction of the Central Valley project as may be necessary to make loans available directly to the districts for the construction of distribution systems approved by the Districts Securities Commission and the State Engineer, to be repaid without interest, in not to exceed 50 annual installments; and be it further

"*Resolved*, That the chief clerk of the assembly transmit a copy of this resolution to the President of the United States, the President of the Senate, the Speaker of the House of Representatives and each Senator and Representative in Congress from the State of California."

A resolution adopted by the City Council of the City of Berkeley, Calif., relating to the collection and impounding of tolls on the San Francisco-Oakland Bay Bridge, in order to construct additional crossings; to the Committee on Public Works.

A letter from the Director of Civil Defense, State of Montana, Helena, Mont., notifying the Senate that the State of Montana had entered into interstate civil defense compacts with the States of Delaware, New York, New Hampshire, Texas, New Jersey, Pennsylvania, California, Rhode Island, Arizona, Nevada, Vermont, Connecticut, Florida, South Dakota, Colorado, Oklahoma, and Wyoming (with an accompanying paper); to the Committee on Armed Services.

A resolution adopted by the City Council the City of Cambridge, Mass., favoring the enactment of legislation to reduce the time in which aliens may apply for citizenship who are veterans of the Korean war; ordered to lie on the table.

A resolution adopted by the executive committee and the national advisory committee of the Customs Brokers and Forwarders Association of America, Inc., relating to the competition between the Military Sea Transportation Service and private freight forwarders; to the Committee on Interstate and Foreign Commerce.

A letter in the nature of a petition from the Society for the Prevention of World War III, Inc., of New York, N. Y., signed by Albert Simard, secretary, and Isidore Lipschutz, treasurer, enclosing a memorandum of that society, relating to Germany as an ally and part of the defense force of the free world (with an accompanying paper); to the Committee on Foreign Relations.

AID TO WORCESTER AREA OF MASSACHUSETTS, RESOLUTIONS OF GENERAL COURT OF COMMONWEALTH OF MASSACHUSETTS

Mr. SALTONSTALL. Mr. President, on behalf of myself and my colleague, the junior Senator from Massachusetts [Mr. KENNEDY], I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, resolutions of the General Court of the Commonwealth of Massachusetts, urging the Congress to render all possible aid to the stricken Worcester area of the Commonwealth.

There being no objection, the resolutions were received, referred to the Committee on Appropriations, and, under the rule, ordered to be printed in the RECORD, as follows:

Resolutions urging the Congress of the United States to render all possible aid to the stricken Worcester area of the Commonwealth

Whereas on the evening of June the 9th, central Massachusetts, particularly the area in the vicinity of the city of Worcester, was severely hit by a tornado; and

Whereas many lives were lost and much property damage resulted from the destructive force and fury of the storm; and

Whereas many families are now homeless and many persons lie injured as a result thereof: Now, therefore, be it

Resolved, That the Senate of Massachusetts respectfully urges the Congress of the United States to do everything possible to effect a program to aid in the relief of suffering in the Worcester area of the Commonwealth of Massachusetts; and be it further

Resolved, That copies of these resolutions be sent forthwith by the Secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of the Congress, and to the Members thereof from this Commonwealth.

The ACTING PRESIDENT pro tempore laid before the Senate resolutions of the General Court of the Commonwealth of Massachusetts, identical with the foregoing, which were referred to the Committee on Appropriations.

COMMUNISM — RESOLUTION OF MOST WORSHIPFUL PRINCE HALL GRAND LODGE, F. & A. M., NEWPORT, R. I.

Mr. GREEN. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Most Worshipful Prince Hall Grand Lodge, Free and Accepted Masons, of the State of Rhode Island, in annual communication held in Newport, R. I., June 9, 1953, relating to communism.

There being no objection, the resolution was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

RESOLUTION ADOPTED BY THE MOST WORSHIPFUL PRINCE HALL GRAND LODGE, F. & A. M., OF THE STATE OF RHODE ISLAND, IN ANNUAL COMMUNICATION HELD IN NEWPORT, R. I., JUNE 9, 1953.

Be it resolved:

That we, as 100-percent Americans, and as Prince Hall Free and Accepted Masons—declaring our belief in God, in the Bible as the word of God, in the Ten Commandments as the law of God, and in civil government as divinely ordained to protect men in the enjoyment of their natural rights—after due consideration of the terrifying condition of unrest existing throughout the world today, hereby place ourselves on record as being firmly opposed to communism in every form.

That no government that denies freedom of expression to its own citizens can be expected to champion real freedom to citizens of other countries.

That proponents of communism have shown to the world at large that their methods, promises, and convictions are fallacious and antagonistic to our form of government.

That it is not only our right, but our duty to oppose in every way possible, any attempt at abridgement of our liberty and our freedom of thought, speech, and action, not only by legal means, but especially by our individual thinking, speaking, and acting.

That it is incumbent upon us as Masons to see that our people are not confused in their thinking about America's efforts to convert the world to her way of life, and about the effects of that struggle upon the fortunes of our own race.

That we must fight for the democracy in which we are privileged to share.

HARRY C. SMITH,
Grand Secretary.

FEDERAL TAXATION ON INCOME FROM MUNICIPAL BONDS—RESOLUTION OF BOARD OF ESTIMATE AND TAXATION, MINNEAPOLIS, MINN.

Mr. HUMPHREY. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Board of Estimate and Taxation of the city of Minneapolis, Minn., on June 11, 1953. The resolution opposes Federal taxation on income from municipal bonds.

There being no objection, the resolution was referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

RESOLUTION OPPOSING THE FEDERAL TAXATION ON INCOME FROM MUNICIPAL BONDS

Whereas we are informed that there is under consideration by United States Treasury Department officials a proposal that future issues of municipal bonds be made subject to Federal income taxes; and

Whereas we are of the opinion that such a measure would increase the rate of interest required to be paid on municipal-bond issues up to 1 percent; and

Whereas such increase would result in additional local taxes to meet increased local interest payments; and

Whereas the burden of property taxes in Minneapolis is already among the highest of any large city; and

Whereas the city of Minneapolis is already faced with dangerously critical problems of raising sufficient local taxes to meet rising costs and new requirements in the present emergency: Now, therefore, be it

Resolved by the Board of Estimate and Taxation of the City of Minneapolis, That we

oppose the proposal to tax municipal bonds; and be it further

Resolved, That a copy of this resolution be sent to the President of the United States and to each member of the House and Senate delegation in the United States Congress from Minnesota.

Adopted June 11, 1953.

ERIC G. HOYER,
President, Board of Estimate and Taxation.

Attest:

RICHARD D. WELCH,
Secretary.

USE OF INSCRIPTION "IN GOD WE TRUST" ON POSTAGE STAMPS—RESOLUTION OF FARGO (N. DAK.) AERIE 153, FRATERNAL ORDER OF EAGLES

Mr. LANGER. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by Aerie 153, Fraternal Order of Eagles, Fargo, N. Dak., favoring the enactment of legislation to provide for the use of the inscription "In God We Trust" on postage stamps.

There being no objection, the resolution was referred to the Committee on Post Office and Civil Service, and ordered to be printed in the RECORD, as follows:

Whereas our postage stamps do not bear the inscription "In God We Trust," while our coinage does; and

Whereas our postage stamps reach into millions of foreign homes and offices in which our coinage is never seen; and

Whereas postage stamps, on which the inscription "In God We Trust" will be printed, can be an effective means of describing the fundamentally spiritual nature of this country to all nations of the world; and

Whereas in our current struggle against the irreligious philosophy of communism, it is important that we pray to God for help; and

Whereas many foreign nations do not consider Americans basically religious; and

Whereas such postage stamps would serve to remind our own people of their debt to God; and

Whereas Hon. MIKE MANSFIELD, United States Senator from Montana, who is a member of the Fraternal Order of Eagles, has introduced a bill into the Senate instructing the Post Office Department to place the inscription "In God We Trust" on all of our postage stamps: Now, therefore, be it

Resolved, That the officers and members of Fargo Aerie, No. 153 of the Fraternal Order of Eagles in Fargo, N. Dak., hereby express their endorsement of this legislation with the recommendation that it be given speedy attention and prompt passage; and be it further

Resolved, That the officers and members of Fargo Aerie, No. 153, FOE, invite other civic, religious, patriotic, and fraternal organizations to join with them in the support of this project.

CLARENCE P. VOGEL,
Worthy President.
PETER MACARTHUR,
Secretary.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. MARTIN, from the Committee on Public Works:

H. R. 4823. A bill to convey by quitclaim deed certain land to the State of Texas; without amendment (Rept. No. 453);

H. R. 4978. A bill to repeal the act of September 30, 1950, authorizing the transfer to the State of Iowa of Fort Des Moines, Iowa; without amendment (Rept. No. 452); and

H. R. 5349. A bill authorizing the United States Government to reconvey certain lands to W. C. Pallmeyer and E. M. Cole; with an amendment (Rept. No. 451).

RETIREMENT OF EMPLOYEES IN LEGISLATIVE BRANCH—REPORT OF A COMMITTEE

Mrs. SMITH of Maine. Mr. President, from the Committee on Government Operations, I report an original bill to amend title VI of the Legislative Reorganization Act of 1946, as amended, with respect to the retirement of employees in the legislative branch, and I submit a report (No. 454) thereon.

The ACTING PRESIDENT pro tempore. The report will be received, and the bill will be placed on the calendar.

The bill (S. 2175) to amend title VI of the Legislative Reorganization Act of 1946, as amended, with respect to the retirement of employees in the legislative branch, reported by Mrs. SMITH of Maine, from the Committee on Government Operations, was read twice by its title, and placed on the calendar.

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. CARLSON, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation two lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon pursuant to law.

EXEMPTION OF CERTAIN GOVERNMENT OFFICIALS FROM ANNUAL AND SICK LEAVE ACT, 1951—CONFERENCE REPORT

Mr. CARLSON submitted a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4654) to provide for the exemption from the Annual and Sick Leave Act of 1951 of certain officers in the executive branch of the Government, and for other purposes, which was ordered to lie on the table, and to be printed in the RECORD.

(For text of conference report, see House proceedings of today's RECORD.)

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. FERGUSON:

S. 2165. A bill to authorize the issuance of a special series of stamps commemorative of the one hundredth anniversary of the founding of Michigan State College; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. FERGUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. LANGER:

S. 2166. A bill for the relief of Gertrude Rena Carlson; to the Committee on the Judiciary.

S. 2167. A bill to amend Public Law 410, 79th Congress, with regard to compensation for overtime, Sunday, and holiday work of employees of the United States Public Health Service, Foreign Quarantine Division; and

S. 2168. A bill to provide for loans to individuals for the purpose of enabling them to obtain a college or university education; to the Committee on Labor and Public Welfare.

By Mr. KEFAUVER:

S. 2169. A bill for the relief of Hermenegildo V. Santos and his family; to the Committee on the Judiciary.

By Mr. MUNDT:

S. 2170. A bill to promote the rehabilitation of the Sisseton-Wahpeton Sioux Tribe of Indians and better utilization of the resources of the Sisseton Reservation, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SMITH of New Jersey (for himself and Mr. HENDRICKSON):

S. 2171. A bill to amend section 9 (a) of the Trading With the Enemy Act, as amended; to the Committee on the Judiciary.

By Mr. CASE (by request):

S. 2172. A bill to amend the act entitled "An act to regulate the practice of veterinary medicine in the District of Columbia," approved February 1, 1907; to the Committee on the District of Columbia.

(See the remarks of Mr. CASE when he introduced the above bill, which appear under a separate heading.)

By Mr. JACKSON:

S. 2173. A bill to amend section 402 (d) of the Career Compensation Act of 1949 to raise the limitation upon the rate of disability retirement pay for certain members of the uniformed services; to the Committee on Armed Services.

By Mr. ANDERSON:

S. 2174. A bill for the relief of Rolf S. Nielsen; to the Committee on the Judiciary.

By Mrs. SMITH of Maine:

S. 2175. A bill to amend title VI of the Legislative Reorganization Act of 1946, as amended, with respect to the retirement of employees in the legislative branch; placed on calendar.

(See the remarks of Mrs. SMITH of Maine when she reported the above bill from the Committee on Government Operations, which appear under a separate heading.)

By Mr. LEHMAN:

S. 2176. A bill for the relief of Maly Braunstein and Aurelia Rappaport; to the Committee on the Judiciary.

By Mr. DANIEL (by request):

S. 2177. A bill for the relief of Charles H. Denny and Dorothy Mae Denny, his wife; to the Committee on the Judiciary.

By Mr. FERGUSON:

S. J. Res. 91. Joint resolution authorizing the recognition of the one hundredth anniversary of the founding of Michigan State College, the first agricultural college in the United States, and providing for the representation of the Government and people of the United States in the observance of such anniversary; to the Committee on the Judiciary.

(See the remarks of Mr. FERGUSON when he introduced the above joint resolution, which appear under a separate heading.)

RECOGNITION OF 100TH ANNIVERSARY OF FOUNDING OF MICHIGAN STATE COLLEGE

Mr. FERGUSON. Mr. President, I introduce for appropriate reference, a bill to authorize the issuance of a special series of stamps commemorative of the 100th anniversary of the founding of

Michigan State College, and a joint resolution authorizing the recognition of the 100th anniversary of the founding of Michigan State College, the first agricultural college in the United States, and providing for the representation of the Government and people of the United States in the observance of such anniversary. I ask unanimous consent that the bill and joint resolution, together with a statement by me be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The bill and joint resolution will be received and appropriately referred; and, without objection, the bill, joint resolution, and statement will be printed in the RECORD.

The bill (S. 2165) to authorize the issuance of a special series of stamps commemorative of the 100th anniversary of the founding of Michigan State College, introduced by Mr. FERGUSON, was received, read twice by its title, referred to the Committee on Post Office and Civil Service, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Postmaster General is authorized and directed to issue a special series of 3-cent postage stamps, of such appropriate design as he shall prescribe, in commemoration of the 100th anniversary of the founding of Michigan State College, the first agricultural college in the United States and the model for the land-grant college system established under the Morrill Act of 1862. Such stamps shall be first offered for sale to the public at East Lansing, Mich., on February 12, 1955.

The joint resolution (S. J. Res. 91) authorizing the recognition of the 100th anniversary of the founding of Michigan State College, the first agricultural college in the United States, and providing for the representation of the Government and people of the United States in the observance of such anniversary, introduced by Mr. FERGUSON, was received, read twice by its title, and referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Whereas February 12, 1955, marks the 100th anniversary of the founding of Michigan State College, the first agricultural college in the United States, and the model for the land-grant college system; and

Whereas Michigan State College and other land-grant colleges established under the Morrill Act of 1862 have improved the American standard of living, helped bring real economic prosperity to the American people, and have played an important role in the evolution and development of the American way of life to its present position of world leadership: Now, therefore, be it

Resolved, etc., That the Government and people of the United States unite with Michigan State College in a fitting and appropriate observance of the 100th anniversary of its founding, which represents the beginning of the establishment of a democratic type of education which has now spread the benefits of higher education and related services to Americans in every walk of life.

SEC. 2. There is hereby established a commission to be known as the United States Michigan State College Centenary Commission (hereafter referred to as the Commission) to be composed of 15 Commissioners as follows: The President of the United States and 4 persons to be appointed by him, the President of the Senate and 4 Members of the Senate to be appointed by him, and the Speaker of the House of Representatives and 4 Members of the House to be appointed by him.

SEC. 3. The Commission, on behalf of the United States, shall cooperate with representatives of Michigan State College, the State of Michigan, and the cities of Lansing and East Lansing, Mich., in the appropriate observance of such anniversary.

SEC. 4. The members of the Commission shall serve without compensation and shall select a Chairman from among their number, but the President of the United States shall be designated the "Honorary Chairman" of the Commission.

SEC. 5. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $ to be expended by the Commission for expenses, including actual and necessary traveling and subsistence expenses, incurred while discharging its functions under this joint resolution. The Commission shall have power to select, hire, and fix the compensation of such officers and employees as shall be necessary for the performance of its duties without regard to the provisions of other laws applicable to employment or compensation of officers or employees of the United States.

SEC. 6. Any vacancies occurring in the membership of the Commission shall be filled by the President of the United States.

The statement by Senator FERGUSON is as follows:

STATEMENT OF SENATOR FERGUSON

Looking back into history, all Michigan people should be proud of the enviable record of educational achievements made by Michigan State College. Its history is founded in the democratic idealism of the mid-19th century; its present is filled with realism in the form of never-ending services to the people of the State; its future is bright with the challenge of further greatness as one of America's leading universities.

Michigan has every reason to look with pride on the century of service by Michigan State College, an institution founded and supported by the people of the State of Michigan.

Michigan took the lead in establishing agricultural colleges in the United States. And, following the founding of Michigan Agricultural College in 1855, Michigan leaders were instrumental in extending this unique idea to the entire Nation through the Morrill Act of 1862.

For the system of higher education planted at East Lansing, Mich., and transplanted in every State and possession of the United States first brought democracy to higher education. This was a real evolution in higher education, whereby the benefits of college training were extended for the first time to great numbers of Americans instead of the comparative few.

The land-grant colleges, according to the Morrill Act, were charged to teach "such branches of learning as are related to agriculture and mechanic arts * * * in order to promote the liberal and practical education of the industrial classes in the several pursuits and professions of life." Previously reserved for the sons of the wealthy and for those training for the professions, colleges for the first time turned their attention to serving the practical needs of the common man—the farmer, the industrial worker, the merchant, and all the rest.

This practical application of scientific knowledge has helped improve the American standard of living; it has helped speed the wheels of American industrial production; it has helped bring real economic equality to the American people.

In many other ways, the land-grant college system has been an important factor in the evolution of American democracy and in the development of America to her present position of world leadership. By opening wide the doors to scientific research and development, it has been a major factor in the development of the American economic system into the most productive and beneficial to the common man the world has ever known.

Today, as Michigan State College prepares to close its first century of distinguished service, an even brighter future lies ahead. For thanks to the people of Michigan, the college has grown in stature and importance until it stands as one of the Nation's great universities.

It is to honor these achievements of the past and to focus public attention on the responsibilities of the future that Michigan State College is planning a year-round centennial celebration. The program will begin officially February 12, 1955, which marks the 100th anniversary of the act of the Michigan Legislature creating MSC. The centennial program will end December 31, 1955.

In order to provide appropriate recognition of this outstanding event in the history of American education, I am introducing a bill and a joint resolution (1) authorizing the recognition of the 100th anniversary of the founding of Michigan State College and providing for the representation of the Government and the people of the United States in the observance of such anniversary, and (2) authorizing the issuance of a special series of stamps commemorative of the 100th anniversary of the founding of MSC.

PRACTICE OF VETERINARY MEDICINE IN THE DISTRICT OF COLUMBIA

Mr. CASE. Mr. President, at the request of the Commissioners of the District of Columbia, I introduce for appropriate reference a bill to amend the act entitled "An act to regulate the practice of veterinary medicine in the District of Columbia," approved February 1, 1907.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2172) to amend the act entitled "An act to regulate the practice of veterinary medicine in the District of Columbia," approved February 1, 1907, introduced by Mr. CASE (by request), was received, read twice by its title, and referred to the Committee on the District of Columbia.

EXTENSION OF AUTHORITY FOR EXAMINATION AND REVIEW OF ADMINISTRATION OF TRADING WITH THE ENEMY ACT

Mr. DIRKSEN submitted the following resolution (S. Res. 120), which was referred to the Committee on the Judiciary:

Resolved, That the authority of the Senate Committee on the Judiciary under Senate Resolution 245, 82d Congress, agreed to March 24, 1952, and Senate Resolution 47, 83d Congress, agreed to January 30, 1953 (authorizing a full and complete examination and review of the administration of the Trading With the Enemy Act), and the time for reporting the results of its study and investigation thereunder is hereby extended to January 31, 1954.

SEC. 2. The sums previously authorized to be expended under such resolutions shall be available for the expenses of the Committee covering obligations incurred on or before January 31, 1954.

INTERIOR DEPARTMENT APPROPRIATIONS—AMENDMENTS

Mr. DOUGLAS submitted amendments, intended to be proposed by him, to the bill (H. R. 4828) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1954, and for other purposes, which were ordered to lie on the table and to be printed.

JURISDICTION OVER SUBMERGED LANDS OF OUTER CONTINENTAL SHELF—AMENDMENTS

Mr. HILL (for himself, Mr. DOUGLAS, Mr. NEELY, Mr. TOBEY, Mr. LANGER, Mr. MORSE, Mr. SPARKMAN, Mr. KEFAUVER, Mr. CHAVEZ, Mr. HUMPHREY, Mr. HENNINGS, Mr. LEHMAN, Mr. MURRAY, Mr. GILLETTE, Mr. FULBRIGHT, Mr. CASE, Mr. KILGORE, Mr. GREEN, Mr. MAGNUSON, Mr. JACKSON, Mr. MANSFIELD, Mr. PASTORE, Mr. KENNEDY, Mr. WILEY, Mr. CLEMENTS, Mr. YOUNG, Mr. MUNDT, Mr. SYMINGTON, and Mr. JOHNSON of Colorado) submitted amendments intended to be proposed by them, jointly, to the bill (S. 1901) to provide for the jurisdiction of the United States over the submerged lands of the outer Continental Shelf, and to authorize the Secertary of the Interior to lease such lands for certain purposes, which were ordered to lie on the table and to be printed.

HOUSE BILL PLACED ON CALENDAR

The bill (H. R. 5710) to amend further the Mutual Security Act of 1951, as amended, and for other purposes, was read twice by its title, and placed on the calendar.

COMMUNICATIONS STUDY (S. DOC. NO. 53)

Mr. TOBEY. Mr. President, I ask unanimous consent that a report of a subcommittee of the Committee on Interstate and Foreign Commerce, on a communications study, be printed as a Senate document.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from New Hampshire? The Chair hears none, and it is so ordered.

NOTICE BY THE COMMITTEE ON THE JUDICIARY OF POSTPONEMENT AND RESCHEDULING OF HEARINGS ON CERTAIN NOMINATIONS

Mr. LANGER. Mr. President, pursuant to order of the Committee on the Judiciary, the hearings scheduled for Tuesday, June 23, 1953, on the following nominations have been postponed until 10 a. m., Thursday, July 2, 1953, in the committee room, 424 Senate Office Building:

Arthur Wilbur Crocker, of Maryland, to be Assistant Commissioner of Patents.

Nogi A. Asp, of Washington, to be examiner in chief of the Patent Office.

William Cozart Calhoun, of Georgia, to be United States attorney for the southern district of Georgia.

Edwin R. Denney, of Kentucky, to be United States attorney for the eastern district of Kentucky, vice Claude P. Stephens, term expired.

J. Julius Levy, of Pennsylvania, to be United States attorney for the middle district of Pennsylvania, vice Arthur A. Maguire, resigned.

John W. McIlvaine, of Pennsylvania, to be United States attorney for the western district of Pennsylvania, vice Edward C. Boyle, resigning.

George H. Boldt, of Washington, to be United States district judge for the western district of Washington, vice Charles H. Leavy, retired.

Laughlin E. Waters, of California, to be United States attorney for the southern district of California, vice Edward A. Tolin, elevated.

Joseph P. Willson, of Pennsylvania, to be United States district judge for the western district of Pennsylvania, vice Owen M. Burns, deceased.

Byron H. Carpenter, of Maryland, to be examiner in chief of the Patent Office.

John Strickler, of Virginia, to be United States attorney for the western district of Virginia, vice Howard C. Gilmer, Jr., term expired.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. LEHMAN:

Jefferson-Jackson Day dinner address delivered by him at Milwaukee, Wis., June 20, 1953.

Letter from Lyman M. Tondel, Jr., published in the New York Times of June 21, 1953, and article entitled "Bricker Amendment Still Is Dangerous," written by Merlo J. Pusey and published in the Washington Post of June 21, 1953, both relating to the so-called Bricker amendment.

By Mr. WILEY:

Address delivered by him before the United World Federalist Convention at Chicago, Ill., on June 19, 1953.

Protest against Bricker amendment in magazine America.

By Mr. HUMPHREY:

Address delivered by Raymond F. Lehenney, secretary-treasurer, Union Label and Service Trades Department, American Federation of Labor.

By Mr. GOLDWATER:

Address entitled "Five Great Changes and Their Consequences," delivered by William R. Mathews, editor and publisher of the Arizona Daily Star of Tucson, Ariz., before the New Mexico Press Association at Las Vegas, N. Mex., on June 26, 1953.

By Mr. BYRD:

Statement entitled "Tightening the Federal Purse Strings," released by Mr. George E. Stringfellow, president of the New Jersey Taxpayers' Association.

By Mr. HUNT:

Report of Board of Social and Economic Relations and World Peace to the Wyoming State Conference of the Methodist Church, 1953.

By Mr. TOBEY:

Correspondence with the Surgeon General concerning infectious hepatitis, otherwise known as jaundice, and a search for the answer to the disease.

Correspondence with the Department of Agriculture concerning Bang's disease.

By Mr. CASE:

Editorial from the New York Times entitled "Sitting Bull in the News," relating to the final resting place of Sitting Bull.

By Mr. MARTIN:

Article entitled "We Must Meet Red Challenge," written by Judge Sara M. Soffel, and published in a recent issue of the Pittsburgh Sun-Telegraph.

By Mr. THYE:

Editorial from the Minneapolis Star of June 11, 1953, relating to a resolution favoring universal disarmament, together with copy of resolution.

By Mr. WELKER:

Editorial entitled "Tremors," published in the London Times of June 15, 1953, relating to the political uncertainties existing in Italy, France, and Western Germany.

By Mr. JACKSON:

Editorial entitled "Politics and Politicians," published in the Tacoma (Wash.) News Tribune, April 26, 1953.

By Mr. BUSH:

Article entitled "Humphrey Lauds Burgess in Letter to PATMAN—Reports He Has Divested Bank Stock," published in the American Banker of June 22, 1953.

SEVEN HUNDREDTH ANNIVERSARY OF THE FOUNDING OF LITHUANIA

Mr. SALTONSTALL. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a very brief statement relative to the occasion of the 700th anniversary of the founding of Lithuania.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The year 1953 marks the 700th anniversary of the founding of Lithuania and of the coronation of King Mindaugas. This seems to me a most fitting occasion to call to the attention of the people of the United States the principles of freedom for which Lithuania has stood historically and admirably. We have in this country, and particularly in Massachusetts, a good number of Americans of Lithuanian descent. Like their relatives and forebears in Lithuania itself, they have always been distinguished as hard workers, good citizens, and sturdy defenders of those freedoms which have made Lithuania and America great nations in the eyes of men down the years.

Although the country of Lithuania is today struggling against the iron yoke of a brutal oppressor, we want its people there to know that our hearts and our hopes are with them and that we have never lost sight for one moment of their plight or of their splendid aspirations.

In such trying times as these, it is most important that we in this country look to the example which Lithuania is setting us for that inspiration which will stimulate our own efforts in freedom's defense to a degree where we cannot help but be successful here and throughout the free world.

I join with my fellow citizens in paying tribute today to Lithuania—the country, the people, and the symbol. They are serving today as they have always done as freedom's stoutest sons and daughters.

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed in the RECORD a statement I have prepared relative to the 700th anniversary of the founding of the independent nation of Lithuania.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE ANNIVERSARY OF THE FOUNDING OF LITHUANIA

(By Senator DOUGLAS)

This year is the 700th anniversary of the founding of Lithuania as a united country. That is a very important landmark in the long history of the Lithuanian people. In 1253 Mindaugas, the leader of the recently united tribes of Lithuania, was crowned king by authority of the Pope. Thus came into existence the united Lithuanian nation, which has succeeded through the course of many centuries, in safeguarding and preserving its integrity, under circumstances of hardship and adversity. These stout-hearted and dauntless people, inured in warfare even before they formed a nation, fought valiantly against a number of imposing foes, including the Livonian Knights, the Teutonic Knights, and the Mongols, throughout their history their sole objective has been to preserve and maintain their national independence. In this task they have been successful most of the time. However, late in the 18th century the Lithuanians were absorbed into the empire of Czarist Russia, under the jurisdiction of which they remainded until the First World War. In 1919 they regained their lost independence, but unfortunately they lost it again when Lithuania became one of the earliest victims of the recent war. The unhappy Lithuanians have tasted the worst of both the Nazi and Communist dictatorships. Today they are suffering under the relentless regime of the Kremlin, and of course they cannot freely celebrate this anniversary. Lithuanians in all free lands, however, are able to join in commemorating the founding of Lithuania and the coronation of King Mindaugas 709 years ago.

Gladly I join you Americans of Lithuanian ancestry on this memorable occasion and express my ardent hope that the people of Lithuania will again enjoy the blessings of liberty in the not too distant future.

VETERANS' MEDICAL CARE

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement which I have prepared, together with an open letter, written by Howard Y. Williams, published in the St. Paul press of June 12, 1953.

There being no objection, the statement and letter were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUMPHREY

The present Congress has been giving considerable thought and discussion to medical care for veterans in the Veterans' Administration hospitals. Proposals have been advanced which would sharply reduce the VA medical program and at the same time drastically alter the policy which has been in effect for the past 30 years. The policy under direct attack is that of admitting veterans to the VA hospitals even though their illness may not be service connected, provided there are available beds to provide for the treatment.

The attached letter to the editor which was printed in the St. Paul Dispatch on June 12 and signed by Mr. Howard Y. Williams, of St. Paul, former director of the Minnesota Division of Soldier Welfare and an active member of the VFW, brings to light certain facts which I think should be brought to the attention of the Congress. I ask unanimous consent that this letter be printed in the body of the RECORD at this point.

Mr. Williams' letter is worth additional comment. It is generally recognized that approximately one-third of our vets cared for in the Veterans' Administration hospitals have service-connected disabilities. These men are fully entitled to all possible care and treatment. There are an even larger number of cases of the chronic type such as tuberculosis and mental disorder. It is, of course, difficult to know whether or not these cases are the result of service in the armed service. But no one has been able to calculate what toll upon the physical well-being of an individual the vigorous activity of military life plays upon the body. Men who are accustomed to civilian life and then taken into the military service, where they endure rigorous training and are called upon in many instances to combat duty, suffer great strain. While they may not suffer wounds or disability that can be ascertained at the moment, they could very well have a delayed physical reaction which makes itself known years later. This is accepted by competent medical authorities. Unusual strain and tension at an early age may well show itself years later. To the Veterans' Administration this is frequently not called a "service-connected disability."

These veterans should be treated in VA hospitals. These chronic disease victims cannot in the main pay for their own treatment. If we keep them out of VA hospitals, they would be the responsibility of county or other public institutions. I am sure we all agree that it is far preferable for the vet to receive treatment in the VA hospitals. He can be with his buddies and be given the care and consideration of the veteran organizations and service units which so diligently visit the hospitals and seek to protect the welfare of those who have served their country. Equally important, the other public hospital facilities are already overcrowded, particularly in tuberculosis and mental health cases. If the Federal Government provides the Veterans' Administration facilities for veterans, it relieves the local communities from providing additional facilities out of local taxes.

The Williams letter further points out that approximately 25 to 26 percent of the cases at the Veterans' Administration hospitals are borderline. Many of these veterans are thoroughly unable to finance their care, particularly if it is for an extended period of time. Everyone knows that medical records are all too often lost due to conditions in war. I have made a study of these matters and have found this to be true. In fact, I have introduced bills to provide for further recordkeeping so as to make much more certain the medical history of those who serve our country. In the instance of those cases that cannot be traced as service-connected disabilities, here again it is difficult to ascertain just what effect military service could have had upon the health of the individual.

In my judgment, we should operate on the presumption that when the facilities are available the veteran is entitled to medical care rather than to exhaust his meager earnings and savings and be compelled to accept public charity in a county or State institution.

I agree with Mr. Williams that the number of cases where a veteran receives Veterans' Administration medical care when he is capable of paying for it himself are extremely limited. The cost of investigating every nonservice-connecetd case would, I am sure, be more than the cost of providing medical care to those few who would seek such care, even though they were able to pay for it. The veterans' organizations are cooperating with the Government in every way possible to protect the integrity of the veterans' medical program. The least that the Congress can do is to assure the highest quality medical care and rely upon the good faith and honor of those who are veterans.

[From the St. Paul Dispatch of June 12, 1953]

VET MEDICAL CARE

SIR: For several years, as director of the Minnesota Division of Soldier Welfare, I had the opportunity of studying the types of cases being served at the VA hospitals. This leads me to comment on your editorial, "AMA Joins Fight Over Veterans' Medical Care."

The facts are that 35 percent of the veterans cared for in VA hospitals have disabilities that are service-connected. Then 37 percent more of the veterans served have nonservice tuberculosis or mental trouble. As your editorial states, there is general agreement that these men should be served by the VA hospitals. If these patients were not served in VA hospitals they would have to be taken care of in State, county, or city hospitals. Thus, there is no dispute concerning 72 percent of the admissions.

Twenty-five to twenty-six percent more of the cases are borderline in their nature. It is not certain whether they are service-connected or not. Other veterans in this group are unable to finance medical care. To get a rating as service-connected, a veteran must present evidence and affidavits before rating boards to prove that his disability is due to service in the Armed Forces.

I have aided many veterans in proving that their disability is service connected. Yet, I must say that there are many men who have been unable to make contacts with former buddies in their outfits, or their service papers have been lost, and so they cannot prove their claim. In my judgment, there was no question that in many of these cases the disability came about because of service, but it was impossible to secure the necessary affidavits to prove it. Surely an appreciative Government is not going to deny such men the hospital care they require. The balance of the patients in this 20-percent group are simply unable to finance medical care. They must either go without, or accept charity in city and county hospitals. The public must pay the cost wherever they are. Isn't it preferable to serve such men in VA hospitals where they are more at home and so progress faster, rather than in public city and county hospitals?

Consequently, only 2 percent of the patients in VA hospitals are not entitled to the same. Such men when applying for admission claim inability to pay, when really they could cover such expense themselves. All veterans' organizations protest such action and do what they can to eliminate it. Such cases are steadily decreasing.

In my opinion, the American people are not going to deny 98 percent of the veterans the service they justly need, just because a handful of men take advantage of the situation.

HOWARD Y. WILLIAMS.

ST. PAUL.

LEGISLATIVE PROGRAM

Mr. KNOWLAND. Mr. President, since questions have been asked as to the general program of the Senate for the next week or two, for the information of the Senate I should like to say that after the vote on the pending conference report, the intention is to move the consideration of Senate bill 1901, the submerged lands or so-called Continental Shelf bill.

When consideration of that bill has been concluded, the intention is to have the Senate proceed to the consideration of the Interior Department appropriation bill, H. R. 4828, which is now on the Senate Calendar, and the report on which is available.

I do not know whether by that time the Finance Committee will have reported the bill providing for a 1-year extension of the Reciprocal Trade Agreements Act, but, if so, there may be a desire to take up that bill.

There is also a housing bill which has been reported by the Committee on Banking and Currency. The Housing Act will expire on June 30, and the bill should be ready before the end of this week. There may be a desire to take the measure up in the list of bills I have mentioned.

There is also the mutual-aid bill, which, in the first place, was reported by the Committee on Foreign Relations, then referred to the Committee on Armed Services, and I understand has been reported by that committee. I am informed that copies of that bill, together with the hearings, have been sent to all Members of the Senate.

The Senate will then proceed to consider the next appropriation bill which may be ready, which will probably be the civil-functions bill, and will take up for consideration appropriation bills as rapidly as they may be made available.

I hope that the Members of the Senate, as has been their practice in the past, will cooperate with the leadership in expediting the business of the Senate, because there is still to be considered a very large military appropriation bill which will be coming along later, the Labor and Federal Security appropriation bill, and several other measures which normally require a good deal of time to have passed. The military appropriation bill and the foreign-aid appropriation bill will undoubtedly lead to considerable debate.

I shall keep the Senate advised as fully as possible about the program, and as far in advance as possible, so that Senators may know the intentions of the acting majority leader, of course assuming that the Senate agrees to the program.

It is my hope that if the Senate can during this week and next complete the work on the bills on the first list I mentioned, we will then be able to take a recess from Friday, the 3d of July, over the 4th, which will fall on Saturday. The Senate would meet again the following Monday. My hope is that the program can be worked out so that on Monday, July 6, there can be a call of the calendar for the consideration of measures to which there is no objection, and by that time there will probably be quite a list of such bills on the calendar.

I am making this statement so that the Senate may be advised that until Monday following the Fourth of July there will be no rollcall on controversial issues.

Of course, I do not know what conference reports may be brought in during the intervening days, but the acting majority leader does desire to be in the position at least to call up conference reports as they are ready, because some may involve laws as to which there are early expiration dates.

When I say there will be no rollcalls on controversial issues, I do not wish to foreclose the consideration of conference reports if any should be brought up, or if it be necessary to take them up.

Mr. JOHNSON of Texas. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. I yield to the Senator from Texas.

Mr. JOHNSON of Texas. Did I understand the Senator correctly to say that he hoped the Senate could take a recess from Thursday, July 2, to the following Monday?

Mr. KNOWLAND. Yes, over the Fourth of July.

Mr. JOHNSON of Texas. So that it is the Senator's hope that at the conclusion of business on Thursday, July 2, the Senate may take a recess until Monday?

Mr. KNOWLAND. Yes.

Mr. JOHNSON of Texas. And on Monday there will be a call of the calendar?

Mr. KNOWLAND. That is correct.

Mr. JOHNSON of Texas. And if there are conference reports ready, the Senator would feel at perfect liberty to bring them up?

Mr. KNOWLAND. Yes; and if I do so, I shall notify the minority leader or whoever is acting for him.

I might say that cutting out a session on Friday just before the Fourth of July would depend considerably on the progress it is possible to make with the general legislative program.

Mr. MAYBANK. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. I yield to the Senator from South Carolina.

Mr. MAYBANK. I am glad the Senator has brought up the question of an adjournment or recess over July 4, because we should like to have definite information as to whether we should be present on Friday the 3d. I am not suggesting we should not be present, but the only day we can be sure the Senate will not be in session is the Fourth of July, unless some satisfactory arrangement is made. Is that correct?

Mr. KNOWLAND. Yes.

Mr. MAYBANK. I thank the Senator.

TEMPORARY ECONOMIC CONTROLS—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to bill (S. 1081) to provide authority for temporary economic controls, and for other purposes.

Mr. MAYBANK. Mr. President, I ask how much time I have remaining.

The ACTING PRESIDENT pro tempore. Four minutes.

Mr. MAYBANK. Mr. President, I ask unanimous consent that I be yielded 7 minutes.

The ACTING PRESIDENT pro tempore. The Senator from South Carolina requests that he be granted 7 minutes. Is there objection? The Chair hears none, and it is so ordered.

Mr. KNOWLAND. Mr. President, I move that the Senate stand in recess for 15 minutes.

The ACTING PRESIDENT pro tempore. The Chair will state that the Senator from South Carolina has been granted 7 minutes.

Mr. MAYBANK. I understand that was satisfactory to the Senate. Perhaps another Senator may desire to speak for 3 minutes.

RECESS

Mr. KNOWLAND. Mr. President, I move that the Senate stand in recess for 15 minutes.

The motion was agreed to; and (at 2 o'clock and 21 minutes p. m., Monday, June 22, 1953) the Senate took a recess for 15 minutes.

At 2 o'clock and 36 minutes p. m. the Senate reassembled, when called to order by the Presiding Officer (Mr. GOLDWATER in the chair).

TEMPORARY ECONOMIC CONTROLS—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to bill (S. 1081) to provide authority for temporary economic controls, and for other purposes.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for a quorum call be vacated, and that further proceedings under the call be dispensed with.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California? The Chair hears none, and it is so ordered.

Mr. MAYBANK. Mr. President, I yield 3 minutes to the distinguished Senator from North Carolina (Mr. SMITH).

Mr. SMITH of North Carolina. Mr. President, not being one of the conferees on the part of the Senate on Senate bill 1081, I am not so familiar with some of the details as are other Senators. However, I wish to call attention to the fact that provision is made in the bill for the exercise of certain powers by the "Administration." I have examined the report quite carefully, and I am unable to find that it is specified anywhere as to how the Administration is to be consituted. Section 204 (a) provides for the creation of an agency to be known as "Small Business Administration", with a parenthetical clause "(herein referred to as the Administration)". Paragraph (c) contains a provision for the appointment of an administrator; but, apart from that, there is no definition or destination as to who is to constitute the Administration.

I call attention further to the fact that on page 9 of the conference report there are set forth some very great powers which are given to the Administration. I am concerned about giving powers to an administration in the absence of knowledge as to how it is to be constituted.

Subparagraph (c) of section 213 reads:

(c) to determine within any industry the concerns, firms, persons, corporations, partnerships, cooperatives, or other business enterprises, which are to be designated "small-business concerns" for the purpose of effectuating the provisions of this title.

In subparagraph (d), it is provided that the Administration shall have power to certify to Government procurement officers as to the groups entitled to be considered as possessing capacity and credit sufficient to enable them to contract with the Government. So some very extensive and arbitrary powers are conferred upon the Small Business Administration, yet we do not know how that Administration is to be constituted. The Administration is being given the power of life and death over businesses, since it may certify which groups or businesses are entitled to credit, and which ones have the necessary capacity to make contracts with the Government. I do not believe that such power ought to be given to a vaguely constituted group, certainly it is a vaguely constituted group.

I have asked Senators, as well as certain administrative assistants, to indicate how the Administration is said to be constituted. Thus far none of those whom I have consulted has been able to furnish this information, except to refer to page 4 of the conference report; but I have discovered nothing on that page that specifies how the membership of the Administration is to be constituted. I do not believe that any vaguely constituted group ought to be given the power of life and death over businesses in America, or the power to transfer businesses from one section of America to another, and to do all manner of things which this bill would authorize them to do.

The PRESIDING OFFICER. The time of the Senator from North Carolina has expired.

Mr. MAYBANK. Mr. President, I yield 1 more minute to the Senator from North Carolina.

Mr. SMITH of North Carolina. Section 213, subparagraph (b) provides for the letting of subcontracts to small-business concerns "at prices and on conditions and terms which are fair and equitable"; yet it does not specify who is to say what prices are fair and equitable. It therefore seems to me that the conference report does not contain the essential ingredients which should appear in a law designed to regulate or aid small businesses. I therefore do not believe that the bill is either fair or proper. The report contains so many defects that, for the reasons I have indicated, I submit the Senate ought not to agree to it.

Mr. MAYBANK. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator from Indiana has 6 minutes.

Mr. MAYBANK. Mr. President, I desire to reserve the remaining 3 minutes of my time since we are to vote in 15 minutes.

Mr. KNOWLAND. Mr. President, will the Senator from Indiana yield me 2 minutes?

Mr. CAPEHART. I yield 2 minutes to the Senator from California.

Mr. KNOWLAND. Mr. President, I merely wish to reiterate that we are faced with a very heavy legislative calendar. In the case of the War Production Act there is a deadline of June 30. Every executive agency charged with responsibility for the national defense program, has indicated that in its judgment the controls over strategic materials contained in title I of the bill are essential to the national defense. No one can predict with certainty what the situation would be in the event the conference report should be rejected by the Senate and the bill returned to conference. The House has already approved the conference report unanimously. If, perchance, the bill should become deadlocked in conference, we would find, on June 30, that the present law would expire, and we would not have the necessary legislation on the statute books which the Defense Department and other agencies of the Government feel to be necessary.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. KNOWLAND. I only have a limited amount of time.

Mr. MAYBANK. Mr. President, will the Senator yield, provided the time is charged to me?

Mr. KNOWLAND. I yield.

Mr. MAYBANK. I merely suggest that there is no difference of opinion between the House and the Senate on the subject of strategic materials. I have only been supporting what the Senate has done on the small-business feature. If the bill is to be recommitted, why not recommit it with instructions that, so far as the title of the bill which deals with strategic materials is concerned, it be reported back to us. I would be glad to vote for that.

Mr. KNOWLAND. The only difficulty in regard to that suggestion is that, of course, those would be instructions of the Senate; but there are no instructions by the House that the House conferees must follow the judgment of the Senate. I am merely trying to point out that a situation might arise whereby the present law would expire. As the ranking minority member of the conferees has pointed out, so far as the Senate conferees are concerned, there seems to be no great dispute regarding title I; so that the basic issue comes on title II.

Mr. MAYBANK. I am appreciative of what the Senator from California has done and of what the chairman of the committee has done. I respect both Senators, as they well know.

Mr. KNOWLAND. The controversy appears to come with respect to title II relative to the Small Business Administration. As the Senator from Indiana [Mr. CAPEHART] has pointed out, this is the first time Congress has undertaken to do something effective for small business. There may be an honest difference of opinion as to whether the Small Business Administrator should be chairman of the board of three——

The PRESIDING OFFICER. The time of the Senator from California has expired.

Mr. CAPEHART. Mr. President, I yield the Senator from California 2 more minutes.

The PRESIDING OFFICER. The Senator from California is recognized for 2 more minutes.

Mr. KNOWLAND. Mr. President, I point out to the Members of the Senate that if they have an idea that that provision should be changed, it could be amended by subsequent legislation. We would at least have on the statute books some legislation to help small business. Of course, if any Senator is fundamentally opposed to the aid of small business, or wants the problem handled in some other way, that is an entirely different matter. But even if we have separate legislation, argument for which has been made by some Senators, we will have on the books a basic policy in any event, and Congress will be able to make whatever changes may be desired subsequent to the adoption of the conference report.

I urge, Mr. President, that we not jeopardize the control of strategic materials and jeopardize legislation to help small business by sending the report back to conference. I urge that the conference report be adopted.

Mr. CAPEHART. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Indiana has 2 minutes and the Senator from South Carolina has 3 minutes.

Mr. MAYBANK. Mr. President, I ask unanimous consent that the Senator from Indiana and I divide the remaining time. The unanimous-consent agreement under which we are operating provides for a vote at 3 o'clock.

Mr. CAPEHART. I would not object, Mr. President. We have 2 minutes and the other side has 3 minutes.

Mr. MAYBANK. I would ask that the Senator from Indiana be given 1 more minute.

Mr. CAPEHART. I do not have anything further to say, Mr. President, except that I hope the Senate will accept the conference report. It has not been quite clear to me just what there is about this proposed legislation to which some Senators are opposed. I am sure they do not oppose helping small business. There must be some reason or reasons for their opposition.

I urge that the Senate accept the report.

Mr. KNOWLAND. Mr. President, with the consent of the Senator from Indiana and the Senator from South Carolina, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Duff	Hunt
Anderson	Dworshak	Jackson
Barrett	Ellender	Jenner
Beall	Ferguson	Johnson, Tex.
Bennett	Flanders	Johnston, S. C.
Bricker	Frear	Kefauver
Bush	George	Kennedy
Butler, Md.	Gillette	Kerr
Butler, Nebr.	Goldwater	Kilgore
Byrd	Gore	Knowland
Capehart	Green	Kuchel
Carlson	Griswold	Langer
Case	Hayden	Lehman
Chavez	Hendrickson	Long
Clements	Hennings	Magnuson
Cooper	Hickenlooper	Malone
Cordon	Hill	Mansfield
Daniel	Hoey	Martin
Dirksen	Holland	Maybank
Douglas	Humphrey	McCarran

McCarthy	Purtell	Stennis
McClellan	Robertson	Symington
Millikin	Russell	Taft
Monroney	Saltonstall	Thye
Morse	Schoeppel	Tobey
Mundt	Smathers	Watkins
Neely	Smith, Maine	Welker
Pastore	Smith, N. J.	Wiley
Payne	Smith, N. C.	Williams
Potter	Sparkman	Young

The PRESIDING OFFICER. A quorum is present.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent to have printed in the RECORD a statement prepared by me giving my reasons for voting against the conference report.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR JOHNSON OF TEXAS

It is seldom that the Senate is expected to act so completely in the dark.

Technically, we have before us a conference report.

Actually, this is legislation of far-reaching importance—and parts of it are brand new to the Members of this body.

No Senate committee has held complete hearings on this measure. It has not been debated previously on this floor. We have no Senate record—of any kind, shape, or form—to help us make up our minds.

If we approve this conference report, we will be signing a check made out by the House. It will be a complete abdication of our legislative responsibilities.

This bill would establish a permanent agency with broad powers over the destiny of small business. And yet, small business has not had an adequate opportunity to give the Senate its views.

Our constituents could rightly complain that this is legislation without representation.

This bill would impose drastic limitations upon the authority of the Government to help small business. And yet, even the House of Representatives did not have a chance to vote upon the specific limitations.

The measure passed the House under a closed rule—closed to everything but general debate and a simple yea-or-nay vote.

This bill would abolish the Small Defense Plants Administration. And yet, the President of the United States has asked that it be continued pending a study.

This bill would place the small-business activities of the Government under two major departments—Treasury and Commerce. And yet, practically all of us subscribe to the principle that a small-business agency cannot be effective unless it is independent.

This bill would open the door to a patronage grab cutting across civil-service rights at every level. And yet, almost every official of our Government is committed to the principle of protecting legitimate civil-service rights.

This bill is supposed to be a reconciliation of House and Senate versions of legislation previously approved. And yet, the only lines which bear any resemblance to the Senate measure are the title and the definition of national defense.

Mr. President, committees composed of some of the ablest Members of this Senate are now considering permanent small-business measures. To approve this measure—a permanent bill—in advance of their recommendations would be to repudiate their work.

Three Senate Members of the conference committee refused to sign this report. They thought—quite rightly—that the Senate should not discard every important section of its own bill and permit the House to do our legislating for us.

The Senate should not be steamrollered into accepting legislation which—as far as we are concerned—has no past and an unknown future.

This bill should be returned to conference and the conferees should stand behind the Senate measure.

Mr. KENNEDY. Mr. President, I ask unanimous consent to have printed in the RECORD a short statement which I have prepared on the conference report.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR KENNEDY

If we are going to make adequate provision for the needs of this Nation's small-business men, the conference report on S. 1081 extending the Defense Production Act must be recommitted and the Small Defense Plants Administration continued until a more satisfactory bill can be acted upon by the Senate.

The Small Business Administration which is proposed by the pending legislation is deficient in several respects. If such an agency is to be of real help to small business in providing technical assistance, long-term capital, and procurement opportunities, all of which are of primary importance in expanding the economies of New England and the United States, the following defects must be corrected:

First, such agency must be truly independent and not subject to the veto power of the Commerce and Treasury Departments. Experience has shown that such independence is necessary to give small business an effective voice in the Government.

Secondly, the proposed limit of $100,000 on the amount of assistance to be extended to any one concern must be raised or removed. Of the loans favorably recommended by the Small Defense Plants Administration and approved by the RFC, over one-third were for amounts of $100,000 or greater. The average size of these loans was $128,000. The average size of loans to manufacturing concerns was $140,000. The average size of loans for those engaged in the manufacture of primary metals, ordnance equipment, or transportation equipment was over $200,000. In terms of dollar value, 77 percent of these loans made by the RFC upon recommendation by the Small Defense Plants Administration could not have been made with a $100,000 limit. The average loan in Massachusetts was $149,131. In terms of dollar value, 83 percent of the amount loaned to Massachusetts concerns would not have been loaned under the $100,000 limitation.

Third, with only $150 million available for lending purposes from the revolving fund of $250 million, the agency proposed in the pending measure could not possibly meet all of the civilian and defense requirements of small business now being serviced by the SDPA and RFC.

Fourth, any agency which purports to take over the lending functions of the RFC, but which lacks authority to insure or guarantee small-business loans by banks, to make business and individual loans in disaster areas, and to make loans to small communities who cannot obtain credit elsewhere, should be carefully studied by the Senate. The present bill was not endorsed by this Nation's small-business organizations, such as the Smaller Business Association of New England, nor by the Small Business Committees of the Congress, and it has never been favorably reported by any Senate committee.

I am hopeful that the Congress will enact at the earliest opportunity legislation providing for an adequate program of assistance to our small-business men to enable them to compete, prosper, and expand as is so essential to a strong economy.

The PRESIDING OFFICER. The question is on agreeing to the conference report on Senate bill 1081.

Mr. KNOWLAND and other Senators requested the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. JENNER (when his name was called). On this vote I have a pair with the senior Senator from Mississippi [Mr. EASTLAND]. If the Senator from Mississippi were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I therefore withhold my vote.

The rollcall was concluded.

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr. BRIDGES] is necessarily absent.

If present and voting, the Senator from New Hampshire [Mr. BRIDGES] would vote "yea."

The Senator from New York [Mr. IVES] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

Mr. CLEMENTS. I announce that the Senator from Mississippi [Mr. EASTLAND] and the Senator from Colorado [Mr. JOHNSON] are absent on official business.

The Senator from Arkansas [Mr. FULBRIGHT] is absent by leave of the Senate.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

I announce further that, if present and voting, the Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Montana [Mr. MURRAY] would vote "nay."

The result was announced—yeas 42, nays 47, as follows:

YEAS—42

Aiken	Duff	Mundt
Barrett	Dworshak	Payne
Beall	Ferguson	Potter
Bennett	Flanders	Purtell
Bricker	Goldwater	Saltonstall
Bush	Griswold	Schoeppel
Butler, Md.	Hendrickson	Smith, Maine
Butler, Nebr.	Hickenlooper	Smith, N. J.
Capehart	Knowland	Taft
Carlson	Kuchel	Thye
Case	Malone	Tobey
Cooper	Martin	Watkins
Cordon	McCarthy	Welker
Dirksen	Millikin	Wiley

NAYS—47

Anderson	Holland	McCarran
Byrd	Humphrey	McClellan
Chavez	Hunt	Monroney
Clements	Jackson	Morse
Daniel	Johnson, Tex.	Neely
Douglas	Johnston, S. C.	Pastore
Ellender	Kefauver	Robertson
Frear	Kennedy	Russell
George	Kerr	Smathers
Gillette	Kilgore	Smith, N. C.
Gore	Langer	Sparkman
Green	Lehman	Stennis
Hayden	Long	Symington
Hennings	Magnuson	Williams
Hill	Mansfield	Young
Hoey	Maybank	

NOT VOTING—7

Bridges	Ives	Murray
Eastland	Jenner	
Fulbright	Johnson, Colo.	

So the conference report was rejected.

Mr. CAPEHART. Mr. President, I move that the Senate insist upon its disagreement to the House amendment, request a further conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Indiana.

The motion was agreed to.

Mr. CAPEHART. Mr. President, I move that the conferees on the part of the Senate be instructed in some way.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Indiana. Will the Senator from Indiana indicate what instructions the Senate conferees are to be given?

Mr. CAPEHART. I move that the Senate instruct the Senate conferees to agree to strike out title II and substitute for it the Small Defense Plants Administration provision, as originally contained in the bill before the Senate.

Mr. MAYBANK. Mr. President, who will be the conferees?

Mr. CAPEHART. Mr. President, I send to the desk a list of suggested conferees.

Mr. TOBEY. Mr. President, will the Senator from Indiana yield for a question?

Mr. CAPEHART. I yield.

Mr. TOBEY. Will the Senator accept an amendment, adding the words "hereof fail not at your peril"? [Laughter.]

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Indiana.

The motion was agreed to.

The VICE PRESIDENT appointed Mr. CAPEHART, Mr. BRICKER, Mr. BENNETT, Mr. BUSH, Mr. MAYBANK, Mr. FULBRIGHT, and Mr. ROBERTSON conferees on the part of the Senate at the further conference.

EXECUTIVE SESSION

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of executive business, for the consideration of nominations under the heading "New Reports."

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations and withdrawing the treaty of friendship, commerce, and navigation between the United States and Colombia, transmitted to the Senate on June 13, 1951, which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable report of a nomination was submitted:

By Mr. BRICKER, from the Committee on Banking and Currency:

Arthur S. Flemming, of Ohio, to be Director of the Office of Defense Mobilization.

The VICE PRESIDENT. If there be no further reports of committees, the clerk will proceed to state the nominations on the Executive Calendar, under the heading "New Reports."

DEPARTMENT OF THE NAVY

The Chief Clerk read the nomination of Raymond Henry Fogler to be Assistant Secretary of the Navy.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

FEDERAL CIVIL DEFENSE ADMINISTRATION

The Chief Clerk read the nomination of Mrs. Katherine G. Howard to be Deputy Federal Civil Defense Administrator.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

SUPERINTENDENTS OF THE MINT

The Chief Clerk read the nomination of Rae V. Biester to be Superintendent of the Mint of the United States at Philadelphia, Pa.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Ross P. Buell to be Superintendent of the Mint of the United States at San Francisco, Calif.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

ASSAYER IN THE MINT

The Chief Clerk read the nomination of Arthur C. Carmichael to be assayer in the mint of the United States at San Francisco, Calif.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

COMPTROLLER OF CUSTOMS

The Chief Clerk read the nomination of Edwin A. Leland, Jr., to be comptroller of customs with headquarters at New Orleans, La.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

COLLECTORS OF CUSTOMS

The Chief Clerk read the nomination of Jeremiah A. McGimsey to be collector of customs for customs collection district No. 26, with headquarters at Nogales, Ariz.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Theodore H. Lyons to be collector of customs for customs collection district No. 20, with headquarters at New Orleans, La.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Frank Abelman to be collector of customs for customs collection district No. 38, with headquarters at Detroit, Mich.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

IN THE ARMY

The Chief Clerk proceeded to read sundry nominations in the Army.

Mr. KNOWLAND. I ask that the Army nominations be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations in the Army are confirmed en bloc.

Mr. SALTONSTALL. Mr. President, will the acting majority leader yield to me?

Mr. KNOWLAND. I yield.

Mr. SALTONSTALL. I ask unanimous consent that the routine Army nominations lying on the clerk's desk be also approved at this time. They have lain there for two sessions.

Mr. CASE. Mr. President, what is the request? Does the request of the Senator from Massachusetts apply only to new reports? I understood the Senator from Massachusetts to say something about nominations which had been lying on the desk.

Mr. SALTONSTALL. My request related to the routine Army nominations which were lying on the clerk's desk. My request does not include nominations which have been on the calendar for some time. It applies only to new nominations, from colonel down through lieutenant.

Mr. KNOWLAND. Are they routine nominations?

Mr. SALTONSTALL. Yes.

Mr. KNOWLAND. Approximately how many are there?

Mr. SALTONSTALL. My memory is not accurate, but I think there are approximately 4,000.

Mr. KNOWLAND. This is the customary procedure, to avoid reprinting the names, is it not?

Mr. SALTONSTALL. It is.

The VICE PRESIDENT. Is there objection to the request of the Senator from Massachusetts? The Chair hears none, and the nominations are confirmed.

IN THE ARMY—NATIONAL GUARD BUREAU

The Chief Clerk read the nomination of Col. Edgar Carl Erickson, a Reserve commissioned officer of the United States and a member of the National Guard of the United States, to be Chief of the National Guard Bureau.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

UNITED STATES AIR FORCE

The Chief Clerk proceeded to read sundry nominations in the United States Air Force.

Mr. KNOWLAND. I ask that the nominations in the United States Air Force be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations in the United States Air Force are confirmed en bloc.

IN THE NAVY

The Chief Clerk proceeded to read sundry nominations in the Navy.

Mr. KNOWLAND. I ask that the nominations in the Navy be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations in the Navy are confirmed en bloc.

Mr. KNOWLAND. I ask that the President be immediately notified of all nominations confirmed this day.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. KNOWLAND. I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the concurrent resolution (S. Con. Res. 25) favoring the granting of the status of permanent residence to certain aliens, which were, on page 1, strike out lines 7 and 8, inclusive; on page 1, strike out line 11; on page 32, strike out line 18; on page 38, strike out lines 11 and 12; on page 41, strike out line 5; and on page 66, after line 2, insert:

A-7824615, Ackermann, Carolina McDowell or Carolina Peralta or Carolina Peralta McDowell or Carolina McDowell.

A-3261196, Atteyeh, Zahia Najm or Victoria Atteyeh.

A-1110134, Parada, Emil Fernandez or Emil Fernandez.

A-5890316, Johnson, Mildred Louise or Mildred Louise Stroman.

A-7145947, Robinson, Alleyne.

Mr. WATKINS. Mr. President, Senate Concurrent Resolution 25, which expresses congressional approval of the adjustment of status of certain cases of suspension of deportation pursuant to section 19 (c) of the Nationality Act of 1927, was agreed to by the Senate on May 6, 1953.

The House of Representatives amended the concurrent resolution on June 16, 1953, by making certain technical changes, chiefly with reference to the spelling of names of certain aliens embraced in the concurrent resolution.

Accordingly I move that the Senate agree to the House amendments to Senate Concurrent Resolution 25. In support of that motion I may say that I believe the House has made a further study of the names and has found that there were certain corrections to be made, and has made them. That is why the Senate should concur in the amendments of the House.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Utah.

The motion was agreed to.

JURISDICTION OVER SUBMERGED LANDS OF THE OUTER CONTINENTAL SHELF

The VICE PRESIDENT. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 1901) to provide for the jurisdiction of the United States over the submerged lands of the outer Continental Shelf, and to authorize the Secretary of the Interior to lease such lands for certain purposes.

UNITED STATES SUPPORT PRICE ON COTTONSEED

Mr. MAYBANK. Mr. President, I invite the attention of the Senate to what I consider to be a very important subject. I believe the Senators should be informed of the fact that the Secretary of Agriculture issued an order today to reduce the support price on cottonseed to 75 percent of parity. I predicted some time ago that this would happen and it would be the beginning of the end for the farmers. The base-support price for the 1953 crop was set at $54.54 a ton, as compared with last year's $66.40. It is a difference of $12 a ton for grade 100 cottonseed. I warn the wheat producers and the corn growers and the other segments of the agricultural population that this is only the beginning of the reductions.

Oh yes, we have 90 precent of parity on some selected commodities. Yet the President of the United States, when he was a candidate for office, ran on a program of 100 percent of parity, and promised that the farmer would be protected in the same way the laborer is protected. I do not know whether the President of the United States had anything to do with this reduction, but he appointed the Secretary of Agriculture who says we do not want the 100 percent of parity the President recommended in his campaign speeches. He says we do not want 90 percent, which is the law, but that we will have 75 percent on cottonseed.

Of course, 90 percent parity may apply on butter, and on some other commodities, but I warn now—and I believe it to be my duty to do so, because I have been following agricultural subjects as a member of the Subcommittee on Agricultural Appropriations—that wheat, corn, pork, and the other commodities will suffer the same reductions. Such a reduction, plus 2 percent interest is rather rough on the boy who lives on the country farm and who works from sunup to sundown and who in my humble judgment is the backbone of the country.

I ask unanimous consent to have an article from the New York Times printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNITED STATES SUPPORT PRICE ON COTTONSEED CUT—LEVEL REDUCED TO $54.50 A TON COMPARED WITH $66.40 SET FOR GRADE 100 YEAR AGO—OUT TO BAR ACCUMULATION—NEW RATE DESIGNED TO REFLECT 75 PERCENT OF PARITY AGAINST 90 IN EFFECT LAST YEAR

WASHINGTON, June 21.—The Department of Agriculture announced today a reduction in support prices for cottonseed in a move aimed at halting heavy accumulation of supplies by the Government.

The base support price for the 1953 crop was set at $54.50 a ton compared with last year's $66.40 for grade 100 cottonseed. The new rate is designed to reflect 75 percent of parity compared with last year's 90 percent.

Parity is a standard designed to be fair to farmers in relation to prices they pay.

ACTS TO SPUR COMPETITION

The Department said the new rates should make cottonseed products—such as oil, meal and linters—competitive in commercial markets with products of other oilseeds, such as soybeans, peanuts and flaxseed as well as imported vegetable oils.

Vegetable oils are used in making margarine, salad dressings and shortening. Meals are used in livestock feeds, and linters are used in making synthetic fibers and ammunition.

Officials said that because other oilseed products have been lower than those set for cottonseed products by last year's support program, more than one-half of last year's cottonseed crop has been turned over to the Department under the support program for want of markets.

SUPPORT PLAN OUTLINED

As in the past, prices will be supported by means of loans on farm-stored cottonseed and purchases of cottonseed and cottonseed products. In areas where it is not feasible to store the crop on the farm, the Department will buy at $50.50 a ton.

Other provisions of the support program, including purchase prices for cottonseed products, are being developed and will be announced later, the Department said. Officials indicated they would be little if any different from the 1952 program.

The Government's holdings of cottonseed oil are large enough, officials said, to make more than a year's supply of margarine.

PROTEST OF CONVICTION OF LABOR LEADER, JACK HALL, IN HONOLULU

Mr. SMATHERS. Mr. President, I should like to call the attention of the Senate to two news stories originating in Honolulu, which appeared in Washington newspapers on Saturday and Sunday. We learn from the newspaper accounts that 26,000 dock and plantation workers are getting ready to walkout because they protest the conviction of labor leader, Jack Hall, who heads up Harry Bridges' Union of International Longshoremen. Jack Hall and some eight other people, including the editor of the weekly newspaper Honolulu Record, were convicted by a jury as Communists who advocated the violent overthrow of the Government of the United States.

When these men, who have been found guilty of teaching the communistic doctrine of overthrowing the Government of the United States, can control and tie up the economic life of Honolulu by shutting down the sugar, the pineapple, and shipping industry, it is time that the Senate begin to sit up and take notice. Particulary is this true when we have the question of statehood for Hawaii and Alaska shortly coming before the Senate.

There has been much doubt in the minds of many people in the recent years as to the wisdom of admitting Hawaii at this time, solely because of the stranglehold which Harry Bridges and his Communist leaders have on the Territory of Hawaii. In recent months there has been mounting evidence that the Communist influence in Hawaii is increasing. In view of the United States Supreme Court having recently restored to Harry Bridges his citizenship rights and because his strength in the Territory of Hawaii remains supreme, it is not inconceivable that if Hawaii were admitted as a State in the Union, that Harry Bridges might become one of the first United States Senators.

These news stories emphasize the great need for holding complete, thorough, and public hearings on the issue of Hawaiian statehood. These news stories of the walkout of over 25,000 people protesting the conviction of Jack Hall as a Communist reemphasize the duty which is upon the Senate Interior and Insular Affairs Committee to hold hearings on the subject of Communist influence in the Hawaiian Islands.

These news stories above all make it clear that this question of Hawaiian statehood should not be jammed through the United States Senate without hearings when over one-half of the members of the present Interior Committee have never yet had the benefit of the first hearing on this subject.

If we are sincere in opposing the growth and spread of the communistic movement in the United States, let us not, in order to fulfill a political promise or in an attempt to make the Congress appear as though it is busy, open the door to the enemy and blindly and benignly invite him into our home.

I ask unanimous consent that the two news articles, both originated in Honolulu by the Associated Press, be printed in the RECORD at this point, as a part of my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

ELEVEN THOUSAND WORKERS QUIT IN PROTEST ON RED VERDICT IN HAWAII

HONOLULU, June 20.—A walkout of 11,000 workers protesting the jury's verdict in Hawaii's Communist conspiracy case tied up the Honolulu and Hilo waterfronts and idled 16 sugar plantations today.

A union source said, "Everything will be tied up by Monday" in the protest following the conviction of the organization's leader. The union has about 26,000 members on the docks, and sugar and pineapple plantations.

Sugar employers said workers left machinery going at one plantation. Truck drivers at Honokaa, in the island of Hawaii, stopped their trucks on the road and walked away. Hawaii's pineapple operations, biggest in the world, were not immediately affected because there was no weekend work on them.

Two ships sailed without filling their cargoes. Nine more were tied up in ports.

ONE BALLOT NEEDED

Most sugar plantations operate on a 5-day week so the full effect will not be felt until Monday.

The walkouts began within an hour after a racially mixed jury yesterday convicted Jack Hall, Hawaii regional director of Harry Bridges' International Longshoremen's and Warehousemen's Union. Hall and six codefendants were found guilty of conspiring to teach and advocate violent overthrow of the Government.

The trial lasted 7½ months but a juror said only 1 ballot was needed to decide. Defense Attorney Richard Gladstein said he would seek a new trial. He denounced the whole thing as a false and fraudulent witch hunt.

SPONTANEOUS REACTION

Judge Jon Wiig did not set a date for sentencing. The maximum is 5 years imprisonment and $10,000 fine.

Robert McElrath, public-relations man for ILWU, said walkouts appeared to be a spontaneous reaction to the verdict.

Some employers heard the protest walkout would go on until Tuesday.

The six convicted with Hall were Charles K. Fujimoto, former soil chemist and present chairman of the Communist Party in Hawaii; Fujimoto's wife, Eileen, a union stenographer; Dwight James Freeman, a construction worker; Koji Ariyoshi, editor of the weekly newspaper Honolulu Record; Jack D. Komoto, Honolulu Record employee, and John E. Reinecke, former school teacher.

HAWAII FACES STRIKE IN RED CONVICTIONS

HONOLULU, June 20.—Hawaii's 26,000 dock and plantation workers threatened a mass protest walkout today following the conviction of longshore labor leader, Jack Hall, and six codefendants on charges of conspiring to teach and advocate violent overthrow of the Government.

Stevedores began quitting their jobs less than an hour after the racially mixed, all-male jury returned its verdict yesterday.

Eleven ships were tied up by late afternoon.

Union sources indicated sugar and pineapple plantation workers would follow the longshoremen and unconfirmed reports said some had already left their jobs.

Hall is Hawaii regional director of Harry Bridges' International Longshoremen's and Warehousemen's Union, which embraces the dock and plantation workers.

Those convicted with him were:

Charles K. Fujimoto, former soil chemist and present chairman of the Communist Party in Hawaii; Fujimoto's wife, Eileen, a union stenographer; Dwight James Freeman, a construction worker; Koji Ariyoshi, editor of the weekly newspaper, Honolulu Record; Jack D. Kimoto, Honolulu Record employee; and John E. Reinecke, former school teacher.

EXTENSION OF WAR-RISK HAZARD AND DETENTION BENEFITS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the unfinished business, Senate bill 1901, be temporarily laid aside, and that the Senate proceed to the consideration of Senate bill 1458, calendar 450.

I have discussed this matter with the distinguished minority leader [Mr. JOHNSON of Texas], with the ranking member of the Committee on Banking and Currency [Mr. MAYBANK], and with the chairman of the Committee on Banking and Currency [Mr. CAPEHART]. I understand that the bill was unanimously reported from the Committee on Banking and Currency. So far as the acting majority leader is concerned, it is noncontroversial.

With that explanation, I ask that the Senate proceed to the consideration of the bill at this time.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. MAYBANK. I merely wish to say that I talked with the Senator from Arizona [Mr. GOLDWATER], who was authorized to report the bill after the committee had voted for it unanimously, with the understanding that the amendment of the Senator from Arizona would be adopted. Some have asked me what the amendment refers to. I understand the Senator from Arizona plans to explain the bill and the amendment. I voted for it in the committee and I intend to vote for it on the floor.

The VICE PRESIDENT. Is there objection to the request of the Senator from California?

There being no objection, the Senate proceeded to consider the bill (S. 1458) to continue the effectiveness of the act of December 2, 1942, as amended, and the act of July 28, 1945, relating to war-risk hazard and detention benefits, until July 1, 1954, which had been reported from the Committee on Banking and Currency with amendments, on page 2, after line 13, to insert:

SEC. 2. Section 101 (c) of the act of December 2, 1952 (ch. 668, 56 Stat. 1030), as amended, is hereby repealed.

SEC. 3. Section 101 (d) of the act of December 2, 1942 (ch. 668, 56 Stat. 1030), as amended, is amended by adding before the period at the end thereof a comma and the following: "or (3) who is not a citizen of the United States and who suffers an injury, disability, death, or detention by the enemy subsequent to the effective date of this amendment."

SEC. 4. Section 301 of the act of December 2, 1942 (ch. 668, 56 Stat. 1035), as amended, is amended by adding the following new subsection:

"(f) The liability under this act of a contractor, subcontractor, or subordinate contractor engaged in public work under subparagraphs (1), (2), (3), and (4) subdivision (a) of this section shall not apply with respect to any employee not a citizen of the United States who incurs an injury or death resulting in death subsequent to the effective date of this amendment."

On page 3, line 8, to change the section number from "2" to "5"; at the beginning of line 11, to strike out "and"; in line 17, after the word "conflict", to insert "This subparagraph shall not apply in the case of a person not a citizen of the United States who suffers disability, or death after capture, detention, or other restraint by an enemy of the United States after the effective date of this amendment."; and in line 22, to change the section number from "3" to "6", so as to make the bill read:

Be it enacted, etc., That section 201 of the act of December 2, 1942 (ch. 668, 56 Stat. 1033), as amended, is amended by—

(a) Deleting the words "the end of the present war" and substituting in lieu thereof "July 1, 1954";

(b) Adding the following new paragraphs at the end thereof:

"(c) The term 'enemy' means any nation, government, or force engaged in armed conflict with the Armed Forces of the United States or of any of its allies.

"(d) The term 'allies' as used in this act and as used in the statutory provisions referred to in section 101 (a) (1) of this act, means any nation, government, or force participating with the United States in any armed conflict.

"(e) The terms 'national war effort' and 'war effort' include national defense; the term 'war effort' as used in the statutory provisions referred to in section 101 (a) (1) of this act also includes national defense.

"(f) The term 'war activities' includes activities directly related to military operations."

SEC. 2. Section 101 (c) of the act of December 2, 1952 (ch. 668, 56 Stat. 1030), as amended, is hereby repealed.

SEC. 3. Section 101 (d) of the act of December 2, 1942 (ch. 668, 56 Stat. 1030), as amended, is amended by adding before the period at the end thereof a comma and the following: "or (3) who is not a citizen of the United States and who suffers an injury, disability, death, or detention by the enemy subsequent to the effective date of this amendment."

SEC. 4. Section 301 of the act of December 2, 1942 (ch. 668, 56 Stat. 1035), as amended, is amended by adding the following new subsection:

"(f) The liability under this act of a contractor, subcontractor, or subordinate contractor engaged in public work under sub-

paragraphs (1), (2), (3), and (4) subdivision (a) of this section shall not apply with respect to any employee not a citizen of the United States who incurs an injury or death resulting in death subsequent to the effective date of this amendment."

Sec. 5. Section 5 (b) of the act of July 28, 1945 (ch. 328, 59 Stat. 505), is amended by—

(a) Inserting after the words "during the present war" the words "and until July 1, 1954."

(b) Adding at the end thereof the following: "The term 'enemy' as used in this subsection means any nation, government, or force engaged in armed conflict with the Armed Forces of the United States or of any nation, government, or force participating with the United States in any armed conflict." This subparagraph shall not apply in the case of a person not a citizen of the United States who suffers disability, or death after capture, detention, or other restraint by an enemy of the United States after the effective date of this amendment.

Sec. 6. Sections 1 (a) (13) and 1 (a) (17) of the Emergency Powers Continuation Act (ch. 570, 66 Stat. 332) are repealed.

Mr. MAYBANK. Mr. President, I hope the acting majority leader will request the distinguished Senator from Arizona to explain the bill and explain his amendment, because they differ from the previous bill, to which both he and I objected.

Mr. GOLDWATER. Mr. President, I shall a little later ask unanimous consent that the Committee on the Judiciary be discharged from the further consideration of the bill (H. R. 4126) to continue the effectiveness of the act of December 2, 1942, as amended, and the act of July 28, 1945, relating to war-risk hazard and detention benefits, until July 1, 1954, and that it be considered at this time, and, furthermore, that H. R. 4126 be amended by striking out all after the enacting clause and inserting in lieu thereof the text of Senate bill 1458, as proposed to be amended.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. GOLDWATER. I yield.

Mr. MONRONEY. I ask the distinguished Senator from Arizona whether the bill has been approved by the ranking minority member of the Committee on the Judiciary.

Mr. GOLDWATER. I am informed that to be the fact, and that the Committee on Banking and Currency has no objection to the motion I shall make.

Mr. MONRONEY. Mr. President, I thank the Senator from Arizona; he has answered my questions.

Mr. GOLDWATER. Mr. President, I should like to submit a brief explanation of the bill and of the amendments proposed by the Banking and Currency Committee.

Mr. MAYBANK. I trust that the Senator from Arizona will submit an explanation, particularly of the amendments because there have been some changes in the language since the bill was introduced.

Mr. GOLDWATER. Mr. President, Senate bill 1458 extends until July 1, 1954, two temporary statutes, Public Law 784, of the 77th Congress, and Public Law 161, for the 79th Congress.

The first law, Public Law 784, 77th Congress—56th United States Statutes at Large, page 1023—extended war-risk hazard insurance to persons employed overseas by American contractors.

The second law, Public Law 161, 79th Congress—59th United States Statutes at Large, page 505—extended the same privileges, and provided for compensation of persons employed overseas who became prisoners of war of an enemy of the United States.

In considering Senate bill 1458, the Banking and Currency Committee discovered that Public Law 784 did not apply only to American citizens, but provided for war-risk hazard and detention benefits to certain persons other than American citizens who were employed outside the continental limits of the United States by contractors with the Government of the United States. The same is true of Public Law 161.

Great Britain and other nations have recognized their responsibilities to their nationals when employed outside the limits of their countries. However, we find that the United States law covering this subject covers anyone, regardless of whether a citizen of the United States, who is employed by a contractor outside the United States, under the specified circumstances.

Under the provisions of the law, as now written, a north African who was employed in the construction of a United States airbase in north Africa could receive compensation for injuries or death occurring while engaged in that work. Similarly, a person living in Formosa might, under the provisions of Public Law 161, receive benefits for detention, if he were taken prisoner by an enemy of the United States.

Mr. President, for the information of the Senate, I should like to go into some detail regarding the amounts which have been paid under these acts since 1942:

For detention benefits, the United States has paid $17,461,441.

For disability benefits, $1,973,564.

For death benefits, $3,279,001.

For medical care, $471,524.

The United States has been very fortunate in the operation of these acts, because approximately 95 percent of the payments have been made to American citizens. However, under these laws, as they are now written—we now propose that they be amended—persons other than citizens of the United States could receive the specified benefits. We wish to have the benefits limited to citizens of the United States. Some 2,000 persons have received war-risk payments under these two acts.

One of the committee amendments would amend section 301 of the act so as to exclude noncitizens of the United States from the category of persons required to be subject to coverage under the Longshoremen's and Harbor Workers' Compensation Act.

The remaining committee amendment simply calls for the correction of one word.

I shall be very happy to answer any questions which my colleagues may have in regard to the amendments.

The VICE PRESIDENT. The question is on agreeing to the amendments reported by the committee.

The amendments were agreed to.

Mr. GOLDWATER. Mr. President, I now ask unanimous consent that the Committee on the Judiciary be discharged from the further consideration of House bill 4126; that House bill 4126 be considered at this time, and that it be amended by striking out all after the enacting clause and inserting the text of Senate bill 1458, as amended.

The VICE PRESIDENT. Without objection, the Committee on the Judiciary is discharged from the further consideration of House bill 4126.

Is there objection to the request of the Senator from Arizona that the Senate now proceed to the consideration of House bill 4126?

There being no objection, the Senate proceeded to consider the bill (H. R. 4126) to continue the effectiveness of the act of December 2, 1942, as amended, and the act of July 28, 1945, relating to war-risk hazard and detention benefits, until July 1, 1954.

The VICE PRESIDENT. Without objection, and pursuant to the request of the Senator from Arizona, House bill 4126 will be amended by striking out all after the enacting clause, and by inserting in lieu thereof the text of Senate bill 1458, as it has been amended.

The House bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 4126) was read the third time and passed.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that the further consideration of Senate bill 1458 be indefinitely postponed.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MAYBANK. Mr. President, as the ranking minority member of the Banking and Currency Committee, I wish to pay my respects to the Senator from Arizona [Mr. GOLDWATER] for his success in having the bill amended so as to make it clearly understood that American citizens, not citizens of other countries, will be protected under the provisions of the bill. Without the enactment of this amendment noncitizens of the United States who might be employed for only 24 hours or less to work on certain United States Government projects overseas, would undoubtedly compete for the benefits of this law.

Mr. GOLDWATER. Mr. President, I thank the Senator from South Carolina for his kind remarks.

JURISDICTION OVER SUBMERGED LANDS OF THE OUTER CONTINENTAL SHELF

The VICE PRESIDENT. The Chair lays before the Senate the unfinished business, Senate bill 1901.

The Senate resumed the consideration of the bill (S. 1901) to provide for the jurisdiction of the United States over the submerged lands of the outer Continental Shelf, and to authorize the Secretary of the Interior to lease such lands for certain purposes.

Mr. CORDON. Mr. President, on behalf of the Committee on Interior and

Insular Affairs, I have the honor of Presenting at this time Senate bill 1901, the measure to provide for the jurisdiction of the United States over the submerged lands of the outer Continental Shelf, and to authorize the Secretary of the Interior to lease such lands for certain purposes, as amended and reported by the Senate Committee on Interior and Insular Affairs.

The bill as I introduced it on this subject matter was by way of being a worksheet for the committee. The amended bill that I am now presenting to the Senate, is, with its amendments, the committee's fulfillment of the commitment I made on behalf of the committee in connection with the passage last month of the submerged lands joint resolution. My colleagues will recall that measure, Senate Joint Resolution 13, now Public Law 31, was signed by the President on May 22.

I am mindful of the fact that at that time I said that within 2 weeks after the enactment of the submerged lands joint resolution, the committee would have before the Senate a bill providing for the administration of the area of the outer Continental Shelf seaward of State boundaries.

ADDITIONAL VIEWS FROM EXECUTIVE AGENCIES REQUIRED

The measure I am now discussing was reported on June 15, missing the deadline by several days. I apologize for the delay; but by way of extenuation, I plead the fact that we found the task even greater than anticipated. It was necessary to have further testimony and additional reports from the executive agencies, and these agencies also found they had a most difficult problem. A number of witnesses from industry and State official bodies were heard. The committee then held extensive executive sessions.

The result was greater delay than had been expected. However, I believe that the committee's improvements in the measure, based on the evidence we received and the discussion we held, justifies the delay.

Mr. LONG. Mr. President, will the Senator from Oregon yield to me?

Mr. CORDON. I yield.

Mr. LONG. I believe the RECORD should show that some Senators who were insisting that action be taken immediately on the Continental Shelf, as members of the committee joined in urging the chairman of the committee to take sufficient time to study this measure, when they saw the problems which developed.

Furthermore, only a few days before the passage of the submerged lands joint resolution a House bill dealing with the Continental Shelf was sent to the Senate and was passed on the Senate calendar, rather than being referred to the Senate Committee on Interior and Insular Affairs. So there was on the Senate Calendar, within a few days after the Senate acted on the joint resolution dealing with the submerged lands within the historic boundaries of the States, a bill dealing with the outer Continental Shelf.

Mr. CORDON. The Senator is entirely correct in that statement.

AMENDMENTS AND PROPOSALS CONSIDERED

Mr. President, the committee of necessity considered the bill which was passed by the House, H. R. 5134, although as the Senator from Louisiana has pointed out, that measure already was on the Senate calendar. We also had before us the proposal introduced by the Senator from New Jersey (Mr. HENDRICKSON), and an amendment offered by the Senator from Alabama (Mr. HILL). All these proposals and amendments, together with amendments offered by members of the committee, were given most careful consideration. The result of our efforts—and the acting chairman is not yet wholly satisfied with the results, as far as that goes—is Senate bill 1901, with some 89 committee amendments.

Mr. President, as was stated here at the beginning of the debate on Senate Joint Resolution 13, the committee early found that it had a very real and a most unusual problem before it, when the issue of the outer Continental Shelf was introduced into the consideration of the submerged lands within State boundaries as a result of the request from the Department of Justice that the problems of the continental shelf as a whole be resolved in "single package" legislation, as was stated at that time, after a fairly thorough study of the problem, and at least a recognition of most of the questions, if not a determination of their answers, it was clear to the committee that the responsibility of finding answers and embodying them in appropriate legislation for the outer Continental Shelf was a task that would take more time than the committee had to give it in our consideration of submerged lands within State boundaries. The committee determined that the matter should have separate attention from the Senate.

DUAL LEGISLATIVE APPROACH REQUIRED

I read the views of the committee, as they were set out in the report on Senate Joint Resolution 13, under Order 128, with respect to this very matter, as we presented it then to the Senate. From that report, on page 9, I read:

> The complexity of the problem presented by the assumption by the United States of jurisdiction and control over the subsoil and seabed of the outer Continental Shelf is immediately apparent from even a cursory examination of the Presidential proclamation. The declaration is limited to jurisdiction and control of the resources of the land mass; as stated in the proclamation, "the character as high seas of the waters above the Continental Shelf and the right to their free and unimpeded navigation are in no way thus affected." Clearly, we have here neither absolute sovereignty nor absolute ownership.
>
> It must follow that the interest of the United States is, from a national and an international standpoint, politically and legally, sui generis. What Federal laws are applicable; what should apply? In what court, where situated, does jurisdiction lie, or where should it be placed? Should new Federal law be enacted where existing statutes are wholly inadequate, or should the laws of abutting States be made applicable? The necessity for answering these questions is clear when we take note of the fact that the full development of the estimated values in the shelf area will require the efforts and the physical presence of thousands of workers on fixed structures in the shelf area. Industrial accidents, accidental death, peace, and order—these and many other problems and situations need and must have legislative attention.

After the passage of Senate Joint Resolution 13, your committee turned its attention to those questions, and it has tried to bring to the Senate in S. 1901 an answer to at least some of them.

Mr. President, it is my purpose, with the indulgence of the Senate, to present Senate bill 1901, section by section, insofar as the problems indicated in the quotation are concerned.

BILL A BIPARTISAN EFFORT

Before beginning my detailed presentation, I should like to say that all members of the committee worked, and worked hard, both in the hearings and in the prolonged executive sessions, in an attempt to present a reasonably comprehensive bill. This was a bipartisan effort in every sense of the word. There were, of course, different approaches, different views, and different interests. Every member of the committee worked day and night, and I can tell the Senate that we did have some night sessions.

Referring to the bill itself, Mr. President, section 1 is the usual title section, providing that the act may be cited as "the Outer Continental Shelf Lands Act."

Section 2 provides definitions for the specific terms used in the act. I wish to call attention to the definition of "outer Continental Shelf," which is the area with which we are dealing. This definition provides:

> (a) The term "outer Continental Shelf" means all submerged lands lying seaward and outside of the area of lands beneath navigable waters as defined in section 2 of the Submerged Lands Act (Public Law 31, 83d Cong., 1st session), and of which the subsoil and seabed appertain to the United States and are subject to its jurisdiction and control."

Thus, S. 1901 is legislatively joined with the Submerged Lands Act, just as the areas with which each measure deals are joined geographically and geologically. Politically they are, of course, properly separated, since the Submerged Lands Act deals with lands within State boundaries, while this bill concerns itself with the areas seaward of such boundaries.

Section 3 of S. 1901 is the general jurisdiction clause of the measure. It declares that "the subsoil and seabed of the outer Continental Shelf appertain to the United States and are subject to its jurisdiction, control, and power of disposition."

I call to the attention of the Members of the Senate the fact that the jurisdiction declared embraces the seabed and subsoil as an entity, and is not merely asserted over the natural resources of that seabed and subsoil, as was provided in the proclamation of September 28, 1945, and by section 9 of Public Law 31. This broadening of the jurisdiction asserted was made by the committee after hearing expert testimony on the national and international problems connected with the administration of the outer shelf, and after long deliberation.

NO INTERNATIONAL PROBLEMS CREATED

I can say to the Senate that the Department of State finds no objection whatever to the broader jurisdiction now asserted from the point of view of our international relations. From the point of view of domestic law and administration, it seemed an absurdity to the acting chairman and other members of the committee to assert jurisdiction only over mineral resources, but not over the land that contained the mineral resources.

Among other things, the ocean bottom will in all probability be used for the transportation of a large part of the oil and gas recovered by means of pipelines. Obviously, the United States would have to have jurisdiction over that section of the ocean bottom on which the pipelines were laid as well as those portions of the seabed and subsoil that contained the actual oil, gas, sulfur, and probably other minerals. Therefore, the committee took the necessary and logical step forward of bringing the entire area within the jurisdiction of the United States.

At the same time we were careful to provide that the jurisdiction asserted is a "horizontal jurisdiction." Subsection (b) of section 3 provides in very specific terms that—

> This act shall be construed in such manner that the character as high seas of the waters above the outer Continental Shelf and the right to navigation and fishing therein shall not be affected.

Thus, the jurisdiction asserted is only over the seabed and subsoil, not over the waters above that seabed and subsoil.

By this act, the United States is not extending its national boundaries or its national sovereignty out into the high seas to the outer edge of the Continental Shelf. Both the Department of State and representatives of the fishing industry from all sections of the United States warned the committee of the dangers of any such extension of American sovereignty into the high seas.

NO INTERFERENCE WITH FISHING OR NAVIGATION

The committee has made every effort to make clear its legislative intent that the act should in no wise be construed as such an assertion of national sovereignty over the ocean. Rather it is the plain intent of this measure to leave navigation and fishing in the outer shelf areas exactly where they now are. No change with respect to either navigation or fishing is provided or contemplated.

Section 4 might be said to be the heart of the bill legislatively and administratively. This section attempts to deal with the very complex problem of providing a body of law for the administration and development of the area over which jurisdiction and control is asserted. I may state that the committee considered several approaches to this problem. Obviously, one such approach would, of course, have been the extension of State laws and with them State boundaries to the outer edge of the shelf, thus bringing the seabed and subsoil within the boundaries of the States adjacent to it, at the same time retaining full Federal control, as in an area of Federal jurisdiction within State boundaries on the uplands.

The Members of the Senate will recall that an approach somewhat along these lines was proposed by the very able junior Senator from Texas [Mr. DANIEL] who has perhaps devoted more time and study to this problem than has any other Member of the Senate, and who is, in my opinion, unquestionably one of the foremost authorities in the world on the legal and political problems of the Continental Shelf. His bill, S. 294, would have provided for a cooperative management by the States and Federal Government of the outer shelf areas.

A generally similar solution to the problem was vigorously and ably sponsored in the committee by the distinguished Senator from Louisiana [Mr. LONG].

AREA ONE INVOLVING EXTERNAL SOVEREIGNTY

On the other hand, as pointed out in the report made by the Department of Justice on S. 1901, the area is one in which national and international problems intermingle. The outer Continental Shelf is not and never has been within the boundary of any State or Territory, and it is, therefore, uniquely an area of exclusive Federal jurisdiction and control. The report submitted on behalf of Attorney General Brownell stresses these two facts.

The Department of Justice views are set forth in the committee report on S. 1901, Report No. 411, and it is also found in the hearings on S. 1901, along with oral testimony of Mr. J. Lee Rankin, Assistant Attorney General of the United States, which begins on page 625 of the hearings. The report of the Department of Justice states in part:

> This—that is, the outer Continental Shelf—is a Federal area, outside State boundaries, and to give the States a sort of extraterritorial jurisdiction over it is unnecessary and undesirable. The situation is not comparable to that of federally owned areas within a State, as to which State law has some measure of applicability. Particularly in view of the intermingling of national and international rights in the area, it is important that the Federal Government, which has the responsibility for handling foreign relations, have the exclusive control of lawmaking and law enforcement there.

The report of the Secretary of the Interior, which begins on page 26 of the committee report, is in full accord with the views of the Department of Justice. Secretary McKay, in discussing the provisions of the House bill, H. R. 5134, which does provide for the extension of the laws of the States, declares:

> Moreover, they—that is, the provisions of H. R. 5134—appear to be inconsistent with a statement by the President dated May 22, 1953, issued by the White House on the occasion of the signing by him of the Submerged Lands Act, in which the President unqualifiedly said that the submerged lands outside of the historic boundaries of the States * * * should be administered by the Federal Government.

However, as every Member of the Senate knows, the Federal Code was never designed to be a complete body of law in and of itself. It has grown up side by side and along with State laws, and under our system of dual State-Federal sovereignty, the greater part of the conduct of everyday affairs is under State law and State administration.

APPLICATION OF MARITIME LAW CONSIDERED

The committee first attempted to provide housekeeping law for the outer shelf by applying to the structures necessary for the removal of the minerals in the area under the maritime law of the United States. This was first attempted by incorporating by reference the admiralty statutes. This solution as first seemed to be a reasonably complete answer to the immediate needs for mineral development in the area, inasmuch as the drilling platforms would have been treated as vessels. Maritime law, which applies to American vessels, would have applied under that theory to the structures themselves.

However, further consideration clearly showed that this approach was not an adequate and complete answer to the problem. The so-called social laws necessary for protection of the workers and their families would not apply. I refer to such things as unemployment laws, industrial-accident laws, fair-labor-standard laws, and so forth. It was necessary that the protection afforded by such laws be extended to the outer Shelf area because of the fact that ultimately some 10,000 or more men might be employed in mineral-resource development there. The several "social laws" were first applied by reference.

COMMITTEE DIVIDED ON ADOPTION OF STATE LAW

After a further and more thorough consideration of the overall problem, and the hearing of expert testimony from competent lawyers practicing in the field of admiralty law, the committee, by a divided vote, determined to apply to the area, first, that body of basic Federal law found in the United States Constitution. Incidentally, it was necessary to make specific provision for application of the Constitution, or it would not have been applicable. Second, it was determined to make applicable the whole body of Federal law which applies today to those areas inside the States owned by the Federal Government under exclusive Federal jurisdiction.

By the use of this particular approach, it became unnecessary to make applicable to the structures, by reference to either the maritime law or the social laws, as all those laws, so far as necessary, were made applicable by the extension of the whole body of Federal law to the area. Thus, the legal situation is comparable to that in the areas owned by the Federal Government under the exclusive jurisdiction of the Federal Government and lying within the boundaries of a State in the uplands.

As a part of the same amendment, the committee provided, first, that the laws of abutting States should become a part of the Federal law within such areas opposite the States as would have been included in the States were their boundaries extended to the edge of the Continental Shelf.

Section 4 of the bill takes care of all those provisions. The enactment as Federal law by reference of the laws of the several abutting States meets the

major constitutional objection, in that the laws so adopted are the laws as they exist at the time of the enactment of S. 1901. Only already existing State laws will become the law of the United States, and amendatory legislation by the States thereafter will not be applicable, unless made so by later Federal legislation.

FEDERAL ADMINISTRATION AND ENFORCEMENT

Section 4 also provides that the law of the United States enacted by reference, namely, the laws of the abutting States, shall be administered and enforced by appropriate officers and courts of the United States. The legal effect of such a provision is that if the bill be enacted the areas opposite each of the littoral States will be subject to the same Federal law as are Federal lands located within a State and under exclusive Federal jurisdiction.

The outer Continental Shelf will have the protection of the Constitution itself, and will have the protection and provision for conduct of affairs as given by the laws of each of the abutting States within the area immediately opposite that State.

Section 4 provides that these areas shall be described by lines fixed by the President of the United States and published in the Federal Register. This provision is made in order that there may be certainty as to jurisdiction in the whole of the area of the outer shelf.

The third paragraph of section 4, found on page 4 of the bill, contains a further provision which I desire to call to the attention of the Senate. It reads:

(a) The provisions of this section for adoption of State law as the law of the United States shall never be interpreted as a basis for claiming any interest in or jurisdiction on behalf of any State for any purpose over the seabed and subsoil of the outer Continental Shelf, or the property and natural resources thereof or the revenues therefrom.

This paragraph is self-explanatory. It is the view of the committee that the adoption as Federal law of the body of State law of each of the abutting States confers upon such State no legal right of any kind or character. The law of that State, as it is found of record, is by reference made the law of the United States as to the seabed and subsoil of the outer Continental Shelf, and the structures for mineral development on it, opposite said State and within the boundaries determined and published by the President, but such submerged lands and structures do not become a part of the State for any purpose.

This amendment was adopted by a divided vote of the committee. The acting chairman of the committee was not one of those who voted in favor of the amendment. The acting chairman has an obligation, on behalf of his committee, to present the bill as it was approved by the committee.

AMENDMENT MAY CREATE PROBLEMS

However, I feel that I would be less than candid if I tried to lead the Senate to believe that the adoption of State law as Federal law opposite the seaward boundaries of the several States will solve all the problems in the legal field of the outer Continental Shelf. Personally, I am not at all certain that the adoption of this amendment will not create more problems than it will solve. Whether that be true is not at the moment possible of proof. On the other hand, I must concede that I recognize that in the absence of the adoption of State law, there would also be some very difficult problems to be faced in conduct of operations in the area.

Speaking only for myself, I would have preferred to apply to the outer Continental Shelf the body of Federal law to the extent that it applies to Federal areas within exclusive Federal jurisdiction and within any one of the several States, and thereafter to meet the need for additional law as the need arose.

PRECEDENTS EXIST FOR ADOPTION OF STATE LAWS

I recognize that the problem has two sides. I am not prepared to argue categorically that I am right and those entertaining contrary views are wrong. It is a matter which only time can determine. I am satisfied as to the legality of what is recommended. In the history of the United States there have been instances of the application of State law by reference. There is no question in my mind as to the constitutionality of the provision. My doubts go only to its practicability.

Mr. HOLLAND. Mr. President, does the Senator prefer not to yield until he completes his remarks?

Mr. CORDON. I am happy to yield.

Mr. HOLLAND. First, I congratulate the distinguished Senator and the other members of his committee. I think they have worked not only long and hard, but most capably. I personally am deeply appreciative of the work they have done, and of the bill they have reported.

I should like to ask the distinguished Senator a question with respect to certain facts in the background of the bill. I ask him if these are not the facts. That the assets to be found and developed in the area covered are entirely Federal? That the Federal Government is wholly the proprietor? That the jurisdiction to handle the substantial questions which are involved therein must remain in the Congress? That the bill represents the considered judgment of the majority of the committee that this is the soundest approach that can be made on the basis of all the facts now available? That Congress holds and retains jurisdiction to correct, perfect, and complete the law, as experience may indicate it needs perfection? That the bill is presented against the background that Congress expects a process of perfection to follow the enactment of this, the original approach to the unique problems with which the committee has dealt? Is not that the real approach which the committee has made? Does not this Congress expect corrections, perfections, and completion of its action to take place in subsequent Congresses from time to time?

Mr. CORDON. The Senator from Florida has stated the situation better than could the Senator from Oregon.

Senators are familiar with the old saying that "the railroads were ahead of railroad law." A similar situation exists in this case. The operations on the outer shelf precede, and of necessity precede, the law. The law will come as the need for it arises.

DEVELOPMENT CAN GO FORWARD

The acting chairman of the committee feels that, in any event, there is set forth in the bill enough basic housekeeping legislation to permit the going forward of the operations for the development and removal of the presently known mineral values of the shelf.

There is no interference with the international situation with respect to the outer Continental Shelf area. There is a recognition, from cover to cover, in the bill, of the sole jursdiction and control of the seabed and subsoil by the Federal Government, but no change in the character of the waters nor with respect to fishing or navigation in them.

Mr. President, I shall not go into detail as to the specific provisions in the bill which were found necessary in order that the housekeeping requirements might be met. I refer, among other things, to jurisdiction for the purpose of providing a forum for the trial of cases or controversies, for application of the Federal law for workmen's compensation, for special jurisdiction with respect to the National Labor Relations Act and its administration, and so forth. Those are matters concerning which the committee found it necessary to particularize in the bill.

The remainder of the bill has to do with the mechanics of the leasing of the area by the Secretary of the Interior for the recovery of the minerals therein. The committee followed in the footsteps of the former administration and of the Supreme Court in providing for validation of good-faith State leases which meet certain standards and requirements. The committee did what appeared to it to be simple equity by providing for the maintenance under the Federal Government of those leases for oil and gas, and in some instances, other minerals which were made between private persons or corporations and the coastal States prior to the decisions of the Supreme Court in the Louisiana and Texas cases, found in 339th United States Reports at page 699, and 399th United States Reports, at page 707, respectively.

PROVISION FOR SULFUR LEASING

The bill also provides the power in the Secretary of the Interior to make new leases on unleased areas to persons who desire to develop the minerals in the outer shelf. After considerable testimony the committee included specific provisions with respect to the development and recovery of sulfur in the outer shelf.

In connection with the sulfur leasing provisions it was the view of the committee that there should be set as one of the standards a minimum royalty of 10 percent with respect to sulfur. Frankly, the committee did not have sufficient knowledge to be at all certain that the 10 percent fixed in the bill was the correct percentage for royalty in connection with the recovery of sulfur. We preferred to err, if at all, on the side of protecting the interests of the United States. Representations were made to the effect that a 5 percent royalty was the maximum that could be paid by

those who would use the presently known technological processes, particularly the Frasch process, for recovery of sulfur from the submerged lands.

That may be the correct percentage; but because the committee did not have the time to go into the subject at sufficient length to reach a sound, considered, and advised conclusion, it set the minimum royalty at 10 percent. In its report, it requests the Secretary of the Interior to make a continuous study of the question and, after he has reached conclusions, to submit them to the committee so that corrective action may be taken, if necessary.

Mr. LONG. Mr. President, will the Senator yield?

Mr. CORDON. I yield to the Senator from Louisiana.

Mr. LONG. As the distinguished acting chairman of the committee knows, the junior Senator from Louisiana was one of those most zealous in trying to obtain for the Government, whether it be the Federal or State government, as much revenue as possible. In the committee the junior Senator from Louisiana voted for the 10 percent royalty on sulfur. Since that time he has seen additional evidence to indicate that nowhere in any sulfur development in the United States is a 10 percent royalty paid. Five percent seems to be about the highest that is paid anywhere in the United States.

There are quite a few sulfur leases which would provide, perhaps, as much as 10 percent, but no one develops sulfur on such leases. What seems to have happened has been that a company seeking a lease for oil would obtain a lease which would include other minerals, and under that lease it would agree that if sulfur were produced, the producer would pay a royalty of 10 percent. The facts in those cases were that the leases could be held by oil and gas production without the necessity of producing any sulfur. It seems to me that most companies which accepted leases under those terms simply took the sulfur as an additional right without any requirement to develop sulfur, and therefore were willing to agree to any particular royalty for sulfur, no matter how high it might be.

The junior Senator from Louisiana finds himself in the position of questioning whether the committee, in its zeal to protect the national interest, has been so overzealous as to make it impossible to obtain any sulfur development. I am sure the acting chairman of the committee has had some information made available to him to the effect that there is no sulfur development in the United States under any leases in which persons have agreed to pay as much as 10-percent royalty.

Mr. CORDON. The acting chairman has no information that is contrary to the statement of the junior Senator from Louisiana. The trouble is that the acting chairman does not have enough information on the whole subject.

Mr. MARTIN. Mr. President, will the Senator yield?

Mr. CORDON. Surely.

Mr. MARTIN. I notice that reference is made to 12½ percent for oil and gas. Of course, that is the prevailing royalty which has been charged for many years, but it applies to ordinary operations. How much consideration did the committee give to the additional expense involved in operations such as the ones involved on the Continental Shelf? What I am getting at is, I do not want to see the royalty set so high that it will prevent operation.

Mr. CORDON. The committee had before it representatives of the industry, and discussed this subject, among many others, with them in the field of the practical application of the kind of legislation that we wanted to report. There was no objection made to the minimum of 12½ percent proposed in the bill.

ROYALTY REQUIRED BY STATE LEASES

The facts as presented to the committee are to the effect that there are several hundred leases outstanding at the present time, most of them, of course, with respect to more shallow water than in the outer Continental Shelf area. These leases carry that minimum royalty, and in addition, the bidding produced very considerable bonuses.

Mr. MARTIN. I thank the Senator very much. It seems to me that it will be a very expensive operation, and we do not want to make the royalty so high as to make it impractical to operate the property. That is what I was getting at.

Mr. DANIEL. Mr. President, will the Senator yield?

Mr. CORDON. I am happy to yield to the Senator from Texas.

Mr. DANIEL. Is it not correct to say that on all of the leases which were issued by the States on the outer Continental Shelf prior to the Supreme Court decision, a 12½ percent royalty was provided?

Mr. CORDON. That is correct.

Mr. DANIEL. The committee heard no testimony that the proposed royalty, as a minimum, would cause any less interest in the area or cause companies to refuse to bid in the area? Is that correct?

Mr. CORDON. That is correct.

Mr. LONG. Mr. President, will the Senator yield further?

Mr. CORDON. I yield.

Mr. LONG. As a matter of fact, did not the testimony of the offshore lessees inform the committee that the lessees were also able to pay the State tax in addition to a one-eighth royalty, which is a royalty of at least 12½ percent?

Mr. CORDON. That is correct.

Mr. LONG. Insofar as Louisiana leases are concerned, that would amount to payments running to almost 20 percent, when the additional royalty is added, as the bill provides, to compensate for the fact that the oil companies will not be paying the severance tax. Is that correct?

Mr. CORDON. That is correct.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. HOLLAND. Is it not correct to say that the detail to which the able Senators have just referred and about which they have asked pungent questions is but an illustration of the fact presented by my former questions, namely, that as experiences accumulate in the operation of this great unknown field, we will probably find the need for changing royalties, as we find what the cost of production will be at various depths and what the volume of production is that might be anticipated, just as we may have to change many other details in the bill by subsequent legislation?

Mr. CORDON. The Senator is correct. There is involved an area extending from a few feet in depth out to where the depth may be 500 or 600 feet. Certainly in the areas of greater depth of water the costs will be comparably higher than nearer to the shore, and as operations extend seaward, need for change in the royalty provisions may be indicated. However, experience will take care of the situation. Of course the act, like other laws, will be subject to whatever changes are necessary in order to make it effective for its purposes.

Mr. MARTIN. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. MARTIN. I was not sure, from the question of the distinguished junior Senator from Louisiana, whether the severance tax and gross sales tax which are now imposed by the States will be paid in addition to the royalties.

Mr. CORDON. The answer is yes. Paragraph (9) on page 16 of the bill reads as follows:

> (9) the holder thereof pays to the Secretary within the period or periods specified in paragraph (1) of this subsection an amount equivalent to any severance, gross production, or occupation taxes imposed by the State issuing the lease on the production from the lease, less the State's royalty interest in such production, between June 5, 1950, and the effective date of this act and not heretofore paid to the State, and thereafter pays to Secretary as an additional royalty on the production from the lease, less the United States royalty interest in such production, a sum of money equal to the amount of the severance, gross production, or occupation taxes which would have been payable on such production to the State issuing the lease under its laws as they existed on the effective date of this act.

That provision deals with a possible windfall which the lessees might get otherwise. It will make the royalty paid the Federal Government on existing leases vary between 18 and 19½ percent. That is the 12½ percent base royalty plus the State production, severance, or use taxes, which varies as between the State of Texas and the State of Louisiana. Louisiana has a slightly higher tax than does the State of Texas with respect to oil and gas operations.

Mr. MARTIN. Mr. President, will the Senator yield further?

Mr. CORDON. I yield.

Mr. MARTIN. The Senator has been developing this subject in a very able manner and has brought out the facts. I think there will be no question that it will be necessary to change the law from time to time as experience dictates.

Personally I believe the production from these lands will not in anyway be nearly as great as some of us had hoped.

The reason I am referring to these points is that I do not want to see the royalties made so high that companies will not feel like operating the lands. I would like to see the time come when America can have a full supply of oil not only for our domestic needs but also

for our defense needs. I do not wish to see the time come when, if the United States were engaged in a worldwide war, submarines could prevent the United States from obtaining the supply of oil it would need. I had hoped that the oil we need would be obtainable within our own borders.

This measure is entirely a part of that plan.

I believe the committee has done an outstanding job, and I am in entire accord with the work of the committee.

I appreciate that probably it is impossible to fix the fair royalty, and I see no reason why the States should not receive the severance taxes, under the leases they already have made, because they made them in good faith. I also believe the States should receive the gross production tax on those leases, because they were made in good faith.

I wish to point out that the committee has done an outstandingly fine job on this measure.

Mr. CORDON. Mr. President, on behalf of the committee, let me say that I am most appreciative of the statement of the Senator from Pennsylvania.

PRIOR MINERAL LEASING ACTS NOT APPLICABLE

I should like to make an additional statement regarding section 4 of S. 1901.

In applying the Federal law to the area in question, the committee's recommendation is that the mineral leasing laws of the United States which otherwise might be applicable shall not apply to the outer Continental Shelf, because the bill itself set up the leasing procedures for the outer Continental Shelf.

On page 3, in lines 19 to 22, there is the following proviso: *"Provided, however,* That mineral leases on the outer Continental Shelf shall be maintained or issued only under the provisions of this act."

Mr. DOUGLAS. Mr. President, will the Senator from Oregon yield for a question?

Mr. CORDON. I yield.

Mr. DOUGLAS. My question is directed to page 16, paragraph (9). Perhaps the Senator from Oregon would prefer to deal a little later with that portion of the bill.

Mr. CORDON. We may as well deal with it now.

Mr. DOUGLAS. Let me give an illustration: Suppose a State already has collected approximately 18 percent on (a) royalties, (b) severance taxes, and (c) bonus payments or rents. What would be the relationship of the minimum 12½ percent Federal royalty on the leases on the outer Continental Shelf, already granted by the States to private parties? Would the 12½ percent be in addition to the 18 percent, or would it be subtracted from the 18 percent, or would it be waived?

Mr. CORDON. The validity of leases on the outer shelf has been in question since the Supreme Court decisions. However, the Supreme Court in none of the three decisions required the States to account to the Federal Government as to the moneys theretofore collected. That was true both as to areas inside State boundaries and areas outside the State boundaries.

The provisions for validation of leases do not become operative until, of course, the enactment of the bill. The measure has not retroactive effect.

EQUIVALENT OF STATE TAX TO BE PAID FEDERAL GOVERNMENT

As of the time of enactment of the bill, there will thereafter be due nothing to the States; but there will continue to be due to the United States 12½ percent royalty, plus, after enactment, the equivalent of the State severence, production, or use tax in effect at the time the lease was issued.

There are various names for these State taxes, but in essence they are primarily severence taxes. There will then be payable to the United States 12½ percent royalty, plus the taxes which theretofore had been levied by the respective States, and that would gross between 18 and 19½ percent.

Mr. DOUGLAS. Would there be any rebates to the States?

Mr. CORDON. No.

Mr. DOUGLAS. There would be no rebates to the States?

Mr. CORDON. No, none.

On the other hand, neither is there in this bill any provision for the making of a claim against the States for any collections made by them prior to the time of the enactment of this measure.

Mr. DOUGLAS. In other words, the States are to receive or be allowed to retain the amounts they have received from leases in the outer Continental Shelf between the time of the decisions of the Supreme Court and the date of the enactment of this measure; and thereafter the Federal Government is to receive these amounts; is that correct?

Mr. CORDON. Yes. The date of the Louisiana and Texas decisions is June 5, 1950. It has to do with royalties, not taxes. From June 5, 1950, the date of the Texas and Louisiana decisions, the royalties have been paid to the United States under Operating Orders issued by the Secretary of the Interior to permit producing wells to continue to produce and thus prevent waste. So the United States has received those royalties.

It is also my understanding that the States have continued to levy a production tax since the decisions, and have been collecting that tax. So far as I know, no objection to such tax collections by the States has been made by the Federal Government.

Mr. LONG. Mr. President, will the Senator from Oregon yield to me at this point?

Mr. CORDON. I yield. I wish to obtain all the information on this subject I can obtain. I am not too fully advised.

Mr. LONG. In order that the RECORD may be a little more complete, it should be pointed out that in most instances the revenue to the Federal Government has not been in the form of royalties, but, rather, in the form of rentals. For example, off the coast of Texas there is no oil production in the outer Continental Shelf. There is only one small well even in the 10-mile limit off Texas. Large payments are being made to the Federal Government on rentals on those leases, in order to keep the leases in effect, in the absence of any production.

The order issued by the Supreme Court and the Secretary of the Interior forbade those oil companies to drill, in order to hold their leases by means of production. Therefore, the only way they could hold them was by making payments on the leases, by offering payments to the Federal Government, which of course the Secretary of the Interior has received perhaps without any other authority than that given him by the President to accept money offered to the Federal Government.

Off Louisiana there is some production, although at this time it is not great. Even in the case of Louisiana, by far the large percentage of the revenue received is that paid as rentals. The Louisiana leases have a standard provision to the effect that those who bid for leases make bonus payments, which may have been as much as $500,000 for 5,000 acres. The leases further provide that for the next 5 years or until minerals are produced, annual rentals in amount of one-half of the bonus payments shall be paid. In other words, if a person had paid a $500,000 bonus for a lease, he would be required to pay an additional $250,000 a year to keep his lease alive until he discovered oil or gas in paying quantities.

These payments constitute 80 to 90 percent of the total amounts received thus far from the area.

Where there is production, the Federal Government has received the royalty payments that would have to be made under the lease.

The windfall provision of the bill—namely, the provision that when the Federal Government takes over, it will collect an additional amount of royalty, which as nearly as possible will be equal to the amount of the severance tax—came about as a result of the committee's study of this matter. When the so-called windfall provision was offered, there was no particular objection in the committee. I was one of the members of the committee who felt that the States, rather than the Federal Government, should receive those funds. But all of us felt that if the Federal Government were to receive those funds, that would be preferable, rather than to have the funds not collected at all—feeling that even if the States did not receive any consideration, the payments should be collected, because the oil companies expected to pay State taxes when they obtained the leases.

I hope that statement will help clarify the situation for my colleagues.

Mr. DOUGLAS. Let me ask the Senator from Oregon about the disposition of the amounts paid as royalties, bonuses, and rents on the leases granted by States on the outer Continental Shelf, and which have been in operation between June 1950, and the present time.

Mr. CORDON. The royalties and rentals have been paid to the United States.

Mr. DOUGLAS. Is title to those sums confirmed by this bill in the United States?

Mr. CORDON. For all practical purposes, yes. There is no specific provision confirming title in so many words, but section 9 of the bill provides that all sums paid from June 5, 1950, to the date of enactment to either the Secretary of the Navy or to the Secretary of the Interior under any outer shelf lease shall be deposited in the Federal Treasury. I know of no basis upon which the Secretary of the Navy or the Secretary of the Interior could be questioned for making the payments into the Federal Treasury.

Mr. DOUGLAS. Do I correctly understand that the severance taxes have not been paid on the oil taken from the outer Continental Shelf since the Supreme Court's decisions?

Mr. CORDON. That is correct; that is my understanding.

Mr. DOUGLAS. The severance taxes have not been paid?

Mr. CORDON. They have not been paid to the United States.

Mr. DOUGLAS. Have they been paid to the States?

Mr. LONG. I believe the Senator will find that in some instances the oil companies have made payments of the severance tax to the States, and that some companies have made payments right up to the present time.

The point of view of those companies, so far as I know, has been that inasmuch as they hold State leases, it would, in effect, be inferred that their leases were not valid if they declined to pay the tax. Therefore, they felt that in order to protect their leases, they should pay to the States the severance tax.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. CORDON. I yield.

Mr. DOUGLAS. Under the bill, what happens to the amounts which the companies have paid into the State treasuries, under leases, for oil taken from the outer Continental Shelf since June 1950?

Mr. CORDON. The bill makes no provision with respect to moneys which may have been paid to the State after that date, taking the view that that is a matter between the company and the State.

Mr. DOUGLAS. There is no claim filed on behalf of the National Government for that amount. Is that correct?

Mr. CORDON. The bill provides that, irrespective of the amount the company may have paid to the State, beginning with June 5, 1950, all rentals and royalties are payable to the Federal Government.

Mr. DOUGLAS. Mr. President, may I ask another question?

Mr. CORDON. I yield.

Mr. DOUGLAS. Does that apply in those cases where the companies have not paid severance taxes to the States, and therefore no taxes have been paid, if the Federal Government now files claims equal to the amount of what the severance taxes would have been during this period?

Mr. CORDON. By the term "this period," the Senator means from June 5, 1950, does he not?

Mr. DOUGLAS. Yes.

Mr. CORDON. Let me read the provision to the Senator again, then he will have the answer to his question. The provision is:

The holder thereof—

That is, the holder of the lease—

pays to the Secretary within the period or periods specified in paragraph (1) of this subsection an amount equivalent to any severance, gross production, or occupation taxes imposed by the State issuing the lease on the production from the lease, less the State's royalty interest in such production, between June 5, 1950, and the effective date of this act and not heretofore paid to the State, and thereafter pays to the Secretary as an additional royalty on the production from the lease, less the United States royalty interest in such production, a sum of money equal to the amount of the severance, gross production, or occupation taxes which would have been payable on such production to the State issuing the lease under its laws as they existed on the effective date of this act.

Mr. DOUGLAS. I wonder whether the very learned Senator from Oregon would be willing to translate that into nontechnical language, so that the meaning would be absolutely clear; because I must admit I failed to follow after the second qualifying clause.

Mr. CORDON. The Senator from Oregon is endeavoring to be as clear as he can be.

Mr. DOUGLAS. I wonder whether a series of written questions could be propounded, which the Senator from Oregon would be willing to answer.

Mr. CORDON. Certainly, if the Senator prefers that method. I have endeavored to read the language, and to interpret it.

Mr. DOUGLAS. The Senator from Oregon has read it very accurately.

Mr. CORDON. But the language in paragraph 9, as I understand it, means that the owner of the lease, in order to have that lease maintained, must pay to the United States an amount of money equal to a severance tax that he would have had to pay to the State upon the net amount of production; and when I say "net amount of production," I mean the amount of production after deduction of the State's royalty share.

Another provision provides for Federal royalty payments. This section, section 9, goes only to the possible windfall. The section provides that a lessee shall pay the amount of the tax to the Federal Government, if he has not theretofore paid it to the State. That is as near as I can get it. He is not required to pay twice, that is, both to the State and to the Federal Government.

Mr. DOUGLAS. In other words, the windfall of the unpaid severance tax goes to the Federal Government.

Mr. CORDON. That is true.

Mr. DOUGLAS. But if the severance tax has been paid, the Federal Government does not interfere with the rights of the States to have collected these sums during the intervening period. Is that correct?

Mr. CORDON. That is the way I understand it.

Mr. DANIEL. Mr. President, will the Senator yield?

Mr. CORDON. I yield to the Senator from Texas.

Mr. DANIEL. In addition to paying the amount of any unpaid severance tax to the Federal Government, is it not true, of course, that the lessees would have to pay to the Federal Government, all rental and royalty payments due under their leases, from June 5, 1950, to the effective date of this act, before they could have leases confirmed under the terms of this act?

Mr. CORDON. That is correct.

Mr. DANIEL. In other words, they must come up to date, from June 5, 1950, and pay to the Federal Government any unpaid rentals, royalties, or unpaid severance taxes. Is that correct

Mr. CORDON. The lessees must pay to the Federal Government all of the rents and royalties due from June 5, 1950, that they have not already paid to the Federal Government. But as to State taxes, they need not pay them twice.

As I have stated in my first answer to the Senator from Illinois, there is no requirement that they pay the equivalent of the severance taxes from June 5, 1950, until the date of the enactment of this measure, if they have paid it to the State. But they must either have paid it to the State, or they must now pay it to he Federal Government; they are not relieved of it.

PRESIDENT CAN WITHDRAW AREAS FROM LEASING

Mr. President, I shall take but a few moments to complete my presentation. I call attention to the fact that this bill protects the rights of the Government in connection with any necessity for reserving a portion of the minerals in the area. This may be done by the President, and is similar to the President's powers with respect to Federal areas in the uplands.

There is provision for a reservation of uranium, thorium, and other materials of a fissionable nature, as set out in the Atomic Energy Act. There is reserved the right to extract helium. There is a provision in section 14, beginning on page 29, protecting prior rights, if any. This is exactly the same provision enacted into law in Senate Joint Resolution 13. There follows the usual separability clause; and, because of the administrative necessities in this bill, a provision in section 15 for appropriations.

PRESIDENTIAL PROCLAMATION MADE OPERATIVE

Mr. President, the bill is intended to make operative the Proclamation of the President of the United States, on September 28, 1945, and the jurisdiction asserted therein is extended to include the whole of the seabed and subsoil of the outer Continental Shelf. This area, according to the only informed estimates that have come to the attention of the Senator from Oregon, namely, those of the United States Geological Survey, contains an estimated five-sixths of the total oil and gas reserves of the whole Continental Shelf, both within and without State boundaries.

Mr. HENDRICKSON. Mr. President, I ask unanimous consent that immediately after the adoption of the committee amendments to the pending bill, my amendment, designated 6-18-53—L, be considered.

Mr. DOUGLAS. Mr. President, reserving the right to object, is the amendment to which the Senator from New Jersey refers the one which proposes to dispose of the rentals?

Mr. HENDRICKSON. That is correct.

Mr. DOUGLAS. Mr. President, I should like to reserve the right to object, because I have just filed at the desk an amendment proposed by the Senator from Alabama [Mr. HILL] and 28 other Senators providing that the funds shall be used for the national defense for an intermediate period, and then, subsequently, for the purpose of primary, secondary, and higher education, in which the method of disposition is somewhat different from that proposed by the Senator from New Jersey in his amendment. I should be reluctant to give to the Senator from New Jersey priority in the consideration of his amendment as compared to the amendment of the Senator from Alabama.

Mr. HENDRICKSON. There is nothing to prevent the Senator from Alabama from offering his amendment as a substitute for my amendment.

Mr. DOUGLAS. In the absence of the Senator from Alabama, who is attending an Appropriations Committee meeting——

Mr. HENDRICKSON. Mr. President, rather than have any controversy over the matter, both amendments being aimed at the same worthy purpose, I withdraw my request.

Mr. DOUGLAS. I appreciate the action of the Senator from New Jersey.

Mr. HENDRICKSON. I should like to say to the Senator from Illinois that the reason why I asked unanimous consent was so that I might leave the floor. I do not think any amendments will be called up tonight.

Mr. DOUGLAS. I am quite certain that probably the Senator from New Jersey will be able to catch the eye of the Presiding Officer before the Senator from Alabama will be able to do so, but I did not want to foreclose the right of the Senator from Alabama to rise to his feet and try to beat the Senator from New Jersey to the punch.

Mr. HENDRICKSON. Mr. President, let me say for the RECORD that I would not follow any course which would deprive any Senator of any right on the floor.

INTERNATIONAL TRADE AGREEMENTS

Mr. HUMPHREY. Mr. President, it had been my intention to address the Senate this afternoon on the subject of International Trade Agreements. I so notified the press by a press release. However, I shall make my address tomorrow, in view of the fact that the Senator from Oregon [Mr. MORSE] desires to address the Senate today on the issues relating to public power.

DESPERATE SITUATION OF THE CATTLE INDUSTRY

Mr. JOHNSON of Texas. Mr. President, the situation of cattlemen in Texas and the southwest generally is fast becoming desperate.

They are faced, on the one hand, with ruinously decreased prices for their cattle—on the other, with the most devastating drought that area has ever known.

Every day I receive letters and telegrams and telephone calls from Texas cattlemen about the plight in which they find themselves through no fault of their own. They need help—desperately.

Here is what a cattleman in Sabinal, Tex., writes me:

> The ranchers in Texas, both large and small, are facing a very serious situation.
>
> For 3 years we have faced high-feed prices and drouth, plus falling prices on livestock. We cannot continue without financial aid (banks have cut ranchers off several months ago) and a subsidy price set on livestock. * * *
>
> The three generations of my family have owned and operated the same land in Uvalde and Medina Counties for a total of 93 years. Never before has the outlook been so black. * * *
>
> Cattle producers in Texas are doomed without some help immediately.

That letter sums up the situation. It is typical of letters my office receives every day from Texas cattlemen.

A man from Wellington, Tex., writes as follows:

> The people generally are scared, and this is true throughout the Panhandle area of Texas. The banks have extended as much credit to the producers as they can, and, in many instances, there has been overextended credit to those who have dealt in livestock.

The Del Rio (Tex.) Chamber of Commerce, has officially requested that "the Government take the necessary steps to provide a system of credit for those engaged in agriculture in the drought-disaster area to enable them to stay in business."

And so it goes. These are not the plaints of people who are seeking something for nothing. They are cries for help from self-reliant men who have just about reached the end of their rope.

On last Saturday, a twofold program designed to bring the cattlemen some measure of relief was placed before a called meeting of directors and committee members of the American National Livestock Association in Chicago.

The program calls for the extension of additional credit facilities to cattlemen and for making emergency supplies of feed available to them.

It is expected that this program will be brought to Washington by a special committee and placed before President Eisenhower and Secretary of Agriculture Benson.

Mr. President, the cattlemen are in truly critical straits. They must have help—now.

This is not a political issue in any sense of the term. It is a problem with ramifications that affect the entire country. It is a problem that must be faced and solved.

Mr. T. E. Johnson, the able editor of the Amarillo Globe-Times, published in the cattle kingdom known as the Texas Panhandle, recently devoted his front-page editorial column to this subject. What Mr. Johnson wrote about the problem of the cattlemen is authoritative. It is based on firsthand information.

I believe all Senators would gain in understanding of this problem by reading Mr. Johnson's editorial column in the Amarillo Globe-Times of June 16. I, therefore, ask unanimous consent that it be reproduced in the body of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

"One of the most cruel statements I've ever read."

A banker from a Panhandle town was on the phone. He was describing drought conditions facing many farmers in his county.

He has some definite ideas about the need of aid on the part of many of the farmers in his area, farmers who are customers of his bank—farmers who are good, solid citizens, who've helped develop their home communities and the country, but who at this point are victims of a prolonged drought.

"If that man who referred to them as 'yapping agrarians who got their fingers scorched' could know these men as I do, he certainly wouldn't have made such a statement."

The banker, of course, was talking about a Republican leader in Amarillo—a former GOP county chairman—who had written a letter to Congressman BOB POAGE of Waco, rebuking him for having discussed in Congress the other day the need of help for Texas farmers and cattlemen who are drought victims.

Some of the other Republicans in official capacity, however, were quick to disclaim credit for the ex-chairman's letter and his views; but we haven't seen from any of them any proposals to help farmers and stockmen meet and ride out the crisis many of them face at this time.

But be that as it may, and regardless of the different views held by the different factions within the Republican Party—on farm policies as well as on many other national policies, for that matter—farmers and stockmen in the Southwest are direly in need of financial aid and sufficient feedstuffs to keep their stock alive, and should in no manner be ashamed to place their problems before governing authorities, State or Federal.

Emergency programs of government are for such purposes, and should be sponsored and administered without thought of politics.

Instead of being "yapping agrarians," they are decent, solid, law-abiding, taxpaying citizens who're trying their dead-level best to keep from going broke, and seeking ways and means of holding on to part of what they possess.

If this involves a little extra credit made possible by the Federal Government, and a little feed for their livestock from the Government's emergency rations, well—so what?

Thus, it is reassuring that there are some with definite ideas as to how help may be obtained, and who are willing to go to bat for their neighbors and friends—the farmers and cattlemen of Texas—and with politics into the discard.

Jay Taylor of Amarillo, one of the State's outstanding stockmen and bankers and member of Secretary Benson's national advisory committee, is en route to Chicago to place a program before representatives of Government and private agencies to make relief available which he believes is merited by many of his neighbors.

In the main, those needing assistance, need it in two definite forms—extended credit, and feed, and feed immediately.

It is such a program that Mr. Taylor is seeking for cattlemen—and it is a similar

program that Texas Members of Congress are seeking for the farmer.

The Panhandle's own Congressman, Representative WALTER ROGERS of Pampa, is sponsoring this type program.

He told us Monday:

If we can give our wheat surplus to India, I feel the Government can afford to let the farmer in the disaster-drought areas have some of the hay and corn surplus at a reduced cost; I also favor extended emergency credit to help the farmer hold onto what he has. This not only would help the farmer but would be of benefit to the banks in the hard-hit areas that are unable to grant the farmer further credit.

"Without these measures there will be further liquidation of livestock herds and foreclosures on farms. Most of the farmers and cattlemen deserving help will—if given some help—ride out the storm and in the end pay off all their debts.

As our banker friend said:

"All these people want and need is a chance. They're not responsible for the drought—and droughts have nothing to do with politics."

Now we expect to hear someone pipe up and say if there's any drought relief for farmers it will have to come through "channels"—political channels, that is.

We doubt such assumption, though, for we have confidence in the Government and the Government being for all the people is bigger than partisan politics.

The Government is Congress, and the President, and the people—and we think there are enough people interested in the welfare of the farmer and the general economy of the Southwest, to assure plains farmers and stockmen a helping hand in their present crisis.

THE CADILLAC CRUSADE AGAINST PUBLIC POWER

Mr. MORSE. Mr. President, the representative of the Independent Party proposes at this time to give the Independent Party's report to the people. I was unable to do so last Friday, because the Senate was not in session on that day. On the Friday before that, I gave my report in the form of a speech at a Jefferson-Jackson Day banquet in Oregon, which I shall tomorrow or the next day insert in the RECORD.

Today, Mr. President, I wish to give the next in the series of speeches on natural resources which I am dedicating to that great liberal conservationist, the late Senator Norris, of Nebraska. I have entitled my speech today, Mr. President, "The Cadillac Crusade Against Public Power."

Mr. President, the new administration's action giving away the offshore oil lands is past history. The "big grab" program has been implemented by the Secretary of the Interior's May 5 announcement on Hells Canyon Dam.

An additional giveaway is now approaching the Senate floor. For the past several weeks, I have been giving its background in a series of speeches dedicated to the late George Norris. Norris was the father of our public power policy, of the Rural Electrification Administration, and of the Tennessee Valley Authority.

Mr. President, would that we might hear the comment of the great George Norris on the unfortunate statement of the President of the United States a few days ago when, as reported in the press, he described the great TVA as an example of creeping socialism. As to that statement, Mr. President, I say, "For shame." For shame that the President of the United States has forgotten so quickly the position he took with reference to TVA in the late campaign, when, in Tennessee, he was trying to garner votes in the South. I congratulate the Senator from Tennessee [Mr. KEFAUVER] for the ready-made campaign issue which the President of the United States has handed him on a platter, because if that statement of the President of the United States does not reelect the Senator from Tennessee by an overwhelming vote, I do not know anything about the people of the State of Tennessee.

Let me tell you, Mr. President, that the people of the Tennessee Valley know how mistaken is the President of the United States when he talks about the great benefits of the Tennessee Valley Authority being an example of creeping socialism. I know of nothing that has strengthened private enterprise in a free economy in the Tennessee Valley more than has the foresight of the great father of the Tennessee Valley Authority, George W. Norris.

Mr. President, if one desires to have a clear indication of where this administration is going, so far as the natural resources of the United States are concerned, he need simply pause and ponder the unfortunate statement of the President of the United States, when he referred to the Tennessee Valley Authority as an example of creeping socialism. The fight for the Tennessee Valley Authority as against the private utility monopoly that held back the development of the great rivers of the Tennessee Valley for the benefit of the people of that valley, has been fought and won. For years the people of the Tennessee Valley knew what it meant to pay tribute to a private utility monopoly. It meant the stifling of the progress due and owed the little people of America. Now we have a President of the United States apparently so dedicated in political philosophy to American big business that he is talking about a program that protects the little people of the Tennessee Valley as an example of creeping socialism. Mr. President, I repeat: For shame!

As spokesman for the Independent Party in the United States, I adjure the people of a prosperous land not to forget that in 1954, and not to forget it in 1956. Let them rise up and make clear to the President of the United States that they are not going to tolerate his turning over of the natural resources of the United States to American monopoly and big business.

Turn out the Republicans in 1954. Turn them out in 1956. That must be the political battle cry of America. Go after the Republicans in 1954 and 1956, and turn them out, because liberalism in the Republican Party is dead, and will remain dead and stifled so long as the Government is in control of a spokesman who, as President of the United States, says it is creeping socialism to develop the Tennessee Valley Authority and have the Government operate it for the economic protection and betterment of the little people of the Tennessee Valley.

Mr. President, as I go about the country, I am satisfied that the American people are beginning to see this issue very clearly. A week ago Friday night I spoke for the first time since December in Portland, in my home State of Oregon. I am confident that the people of Oregon are beginning to see what I forewarned them about in the campaign of last fall. They are beginning to see what I forewarned them about in regard to the Boise, Idaho, pronouncement by the then candidate of the Republicans for the Presidency of the United States. In the midst of the campaign, I forewarned the people, as I read the Boise statement:

> This means encroachment upon the people's interest in a sound conservation program in the field of the natural resources of the United States.

In my comment at that time, on the Boise statement by Eisenhower, I said:

> This is a walkout on the great conservation program of Teddy Roosevelt and of Gifford Pinchot.

The people of my State are beginning to understand that. They are beginning to see that the electric-power program of the Eisenhower administration is to scuttle public power and to turn over the potential power resources of the streams of America to a private utility monopoly. The power monopoly has asked for this fight, and they are going to get it. They are going to get it in 1954 and 1956 because, in my judgment, the American people, once they come to understand the facts, will not pay tribute to a private utility monopoly which seeks the use of the power of the streams of America, that belong to all the people, not to a private utility.

The Members of the Senate will be asked shortly on at least three separate occasions to approve this latest aspect of the giveaway program. We will be asked to go along with the elimination of electric-power projects in the Interior Department appropriations bill. We will be asked to go along with the elimination of power projects from the civil-functions appropriations bill. We will be asked to slash the Tennessee Valley Authority appropriations.

These are the first legislative moves in the big power giveaway, or grab, which, when finally worked out, will cost the consumers of this Nation billions of dollars in increased electric-power bills every year. It may seriously retard our national development. It may weaken our ability to defend the Republic. But, apparently, such considerations have little weight with the administration these days.

This latest giveaway will be engineered behind a false banner of economy. The press will headline as budget savings our refusal to make investments—not expenditures, but investments—in self-liquidating projects which the Nation needs.

Because I am mindful of the privilege and responsibility of serving in the Senate as an associate guardian of the Nation's vast natural resources, I am going to discuss the specific tactics employed by the private utilities to destroy the people's power program.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from Minnesota.

Mr. HUMPHREY. Did I understand the Senator from Oregon to say that he feels that as a result of the administration's following the policy in relation to public power they have thus far pursued, the consumers of the United States will pay considerably more in power rates?

Mr. MORSE. I am perfectly willing to make this prediction, and I am confident that time will prove I am right.

Mr. HUMPHREY. The Senator from Oregon is aware also of the fact, is he not, that since the sudden jump in interest rates on Government bonds, which has reflected itself into the private credit field, all the bond and stock quotations for private utility securities have been at a much higher interest rate than, let us say, a year or 2 years ago?

Mr. MORSE. All along the line interest rates have gone up.

Mr. HUMPHREY. This is particularly true, is it not, in the field of public utilities or private utilities?

Mr. MORSE. Yes; all through that field. From whatever point of view one looks at the credit or loan situation, as a result of this administration's interest grab for the big bankers, big insurance companies, and big financial institutions of the Nation, the little people are all paying higher interest rates when they have to borrow money. What is needed is an expanding economy to meet the economic needs of the United States, not the restrictive economy of the Eisenhower administration, which threatens the economic stability of our Nation.

Mr. HUMPHREY. Is it not true that in computing rates which are charged to the public, the private utilities, which are in most instances subject to the regulatory bodies of the respective States or of the Federal Power Commission, pass on directly to the consumer their so-called carrying charges?

Mr. MORSE. Of course they are passed on, and that is one of the causes of increased consumer rates.

Mr. HUMPHREY. In many businesses, it is customary for the enterprise to be able to absorb what are called carrying charges or overhead charges, on the basis of increased productivity or efficiency. However, if I am correct in my analysis, and I certainly wish to be exceedingly careful that I am correct and conservative in this statement, from my limited study of this question in the particular field of private utilities, whether it be telephone, railroad, or electric utilities, it is my belief that the financing charges or costs are directly applicable to the cost which is passed on to the consumer, particularly where there is Federal or State regulation.

Mr. MORSE. That is true, although it is within the discretion of the regulatory bodies not to follow that course. However, the practice generally is to follow it.

As I have said, Mr. President, the latest giveaway will be engineered behind a false banner of economy. Though the opponents of public power would like to see the public domain surrendered under the Wilson plan to sell the people's multipurpose dams, they realize it would be too big a fraud to succeed in one bite. Therefore, while working on the grand strategy of turning these dams over to those who control the private utilities, they do not neglect the day-to-day harassment of specific power programs and projects.

At every step of the way their henchmen are ready with an ax to cut appropriations, to obstruct legislation, to invoke an injunction, to seize a key hydroelectric site, or otherwise get in the way of an abundant power supply for public or cooperative systems.

PRIVATE UTILITIES WANT SCARCITY

There is a great deal of evidence that the private electric industry is prepared, even in these critical times, to bring on the greatest electric power shortage in the Nation's history to help that industry regain complete dominance of the power business; and that private electric interests are prepared to stop critically needed hydroelectric dams in order to prevent public and cooperative power systems from getting adequate power supplies. Thereby, they hope to weaken and soften up their only rivals for a final takeover.

If the ultimate objective of the private power industry is achieved, it will be an American tragedy.

NATION NEEDS PLENTIFUL POWER

Abundance of electric energy is the key to our national progress and our national security. We cannot have essential industries, we cannot have an expanding economy, we cannot continue the modernization of farming through electric power devices, we cannot be militarily safe without an expanding and abundant source of electricity at all times.

The President's Materials Policy Commission, in its report to the Nation in June 1952, told us:

> To assist the economy to expand normally and to assure the national security, the United States by 1975 must have a supply of fuels and electricity roughly twice as large as it used in 1950. • • •
>
> If the Nation's supply of goods and services is to double by 1975, the total supply of primary energy drawn from coal mines, oil and gas wells, hydrosites, and imported fuels will have to almost double, rising from a level equivalent to about 1,300 million tons of bituminous coal (BCE)[1] used in 1950 to, in 1975, something like 2,600 million tons BCE. • • •
>
> In the event of all-out war, demand for all energy would rise considerably. The sharpest increase would be in liquid fuels, not only because the military forces would require tremendous amounts, but because Western Hemisphere oil sources might have to assume an extra burden to meet essential allied requirements, particularly those of Western Europe, if war cut off or impeded the flow from other more vulnerable sources. Within the United States, coal, natural gas, and hydroelectric power would have to fill the gap created by diversion of liquid fuels.

[1] BCE is used in this report as a convenient common unit of measure for all forms of energy. It represents the heat equivalent to that contained in 1 short ton of bituminous coal, which is about 26 million British thermal units.

Mr. HUMPHREY. Mr. President, will the Senator yield at that point?

Mr. MORSE. I yield to the Senator from Minnesota.

Mr. HUMPHREY. I wondered whether the distinguished Senator from Oregon intended to make note in his address—which is, indeed, a very timely and important message—of the decision of the administration to close down some of the pilot plants which were constructed for the purpose of making gasoline and oil from coal, as well as the exploration and experimentation which has been going on in connection with the shale plant in Colorado.

Mr. MORSE. In another of my speeches dedicated to the late Senator Norris I shall cover that situation, but for the purposes of this record I am so appreciative of the question raised by the Senator from Minnesota that I will make this observation in that connection:

One of the earliest acts of the Eisenhower administration, practically unnoticed by the American people, but of great significance, was the closing down not only of the pilot plant operating in the oil-shale field but of the pilot plant which was experimenting in the field of taking petroleum products from coal. Both activities were closed down.

Let me tell the Senator from Minnesota some of my fears with respect to this section of the Eisenhower administration. The Eisenhower administration must be watched all the time because its whole record since it has been in office has been to do by administrative regulation and order, without any public fanfare whatever, a great many things which are not in the public interest, but which play right into the hands of the selfish economic forces of the United States. This is an example of it. Is the Senator from Minnesota aware of the fact that there are thousands and thousands of acres of oil shale on the public domain?

Mr. HUMPHREY. Indeed I am.

Mr. MORSE. Is the Senator from Minnesota aware of the fact that the extraction of petroleum products from oil shale has been proved to be highly profitable commercially? I do not have to be hit between the eyes to see the strategy of the selfish economic forces. I know what they are up to. I take judicial notice of it.

Government operation of the pilot plants is now shut down. That is the best source of proof to the American people of the wealth which they own in the thousands upon thousands of acres of oil-shale lands, and of the fact that such operations are profitable.

I say to the American people, "Keep your eyes open for the dropping into the legislative hopper of an innocent-looking Eisenhower bill which seeks, in the name of preventing creeping socialism, to

transfer this part of the public domain back into private ownership, so that selfish interests can obtain, at a small price, tremendous wealth belonging to all the people of America."

When they start that, as I said in Portland, Oreg., the other night, the 22-hour speech which I made on the floor of the Senate against the oil grab will sound like an introductory speech compared with the fight which I shall make against that grab.

The administration and the selfish monopoly interests are asking for a fight, and they are going to get it. I repeat again today what I have been heard to say on the floor of the Senate to my liberal friends in the Senate. Never was there a greater challenge to the little band of liberals in the United States Senate than now. Never was it more important that we fight, without any consideration of our personal political fortunes, for the little people of America. We must be willing to stand up and fight against a barrage of personal attack, smear, and criticism, as liberals before us have had to do.

If we do not do it, it will not be done. If this little band of liberals in the United States Senate does not put up a fight against the Eisenhower grab program, involving the national resources belonging to all the people, the fight will not be made in the Senate. Count me in on the fight, as I know we can count the Senator from Minnesota [Mr. HUMPHREY] and the Senator from Illinois [Mr. DOUGLAS]. But we shall have to fight, without a single thought about the personal consequences to us. They do not happen to be important; but if we can awaken and arouse the American people to the seriousness of the anticonservation program of the Eisenhower administration, we shall have kept faith with Teddy Roosevelt, Pinchot, and the great George Norris.

I would rather leave that sort of record behind me; I would rather have it said that while I was here I fought as hard as I could to keep faith with those great liberals, than to have it said that I placed my personal and political fortunes above what I considered to be a great cause which needed defense and protection in the United States Senate.

Does the Senator from Minnesota wish me to yield further?

Mr. HUMPHREY. I should like to have the Senator yield further.

Mr. MORSE. I yield.

Mr. HUMPHREY. First I wish to say that the leadership of the Senator from Oregon is well known throughout the Nation. The fact that the Senator from Oregon was invited to be the main or key speaker at a great dinner held in honor and in commemoration of George Norris at Omaha, Nebr., is indicative to me that his stature and his place in the fight for liberal government and the conservation of the national resources is well known and accepted by those who have in their hearts a love and affection for the great George Norris.

Mr. MORSE. If I may interrupt the Senator at that point, I should like to say that I appreciate the kind remarks of the Senator from Minnesota. With respect to his mentioning the meeting at Omaha, Nebr., let me tell the Senator from Minnesota that the great liberal editor in Nebraska, Mr. Lawrence, of the Lincoln (Nebr.) Star, said that the banquet was the largest gathering of liberals in the State of Nebraska since the war. The people are aroused to the great danger to the natural resources program under the Eisenhower administration. They have been alerted. It was reassuring to see the spirit of liberalism in the State of Nebraska coming alive and to see the determination on the part of the thousands of people who came from all over the State, and some from Iowa as well, when they were reminded of the danger the Eisenhower administration poses to the entire natural resources program. I yield further to the Senator from Minnesota.

Mr. HUMPHREY. I do not want to interrupt the Senator too much. I should like to ask him to yield to me so that I may make an observation with reference to one of his comments.

Mr. MORSE. I yield.

Mr. HUMPHREY. It seems to me the Senator from Oregon has alerted us to the possibility—and I may say to the very probability—of actions that may be taken in the future. I know the Senator from Oregon is aware of the fact that the shale oil pilot plant in Colorado was producing 400 barrels of oil a day at a cost which was no greater than the cost of taking oil out of the ground from an oil well. That was a great development on the part of the Government of the United States for the people of the United States.

Let me digress for a moment to point out that there is already a move afoot, as I understand, to place the atomic energy program in the hands of private interests.

I should like to give the Senator from Oregon a little picture of some of the things which have happened in my State of Minnesota. The Senator has been very kind to my State, and the people there are glad to recall that he once served in our State university as an instructor. Ever since I have been in the Senate Minnesota has been fighting to have transmission lines come into the State from the Missouri River Basin. The Senator will remember that 3 years ago the junior Senator from Minnesota submitted an amendment, which the Senator from Oregon supported, to provide funds to start the construction of a transmission line to transmit high voltage, of 230 kilowatts, into Minnesota, so we could hook on to the power from Garrison Dam, which the President recently dedicated, and from Randall Dam.

Is the Senator from Oregon aware of the fact that all we have gotten to date in the budget now before Congress is a small sum of money, which was forced in over the protests of the administration to provide for a study to be made of a little spur line from Watertown, S. Dak., into Granite Falls? Is the Senator also aware of the fact that the reason the line will go to Granite Falls is that the largest private utility in the State of Minnesota has its main line coming into Granite Falls, and therefore will be able to pick up the power which in the future may be available there?

I understand that in the appropriation bill a total of $400,000 has been recommended. Whether we will get it or not, I do not know.

Mr. President, the State of Minnesota is a power-hungry State. It is within the Missouri River Basin. The people of Minnesota pay taxes with which to build the Missouri River dams, and it looks as though all we will get will be a report.

Mr. President, the situation is such as to support the belief that at least this year, and, perhaps, next year, we will not be able to get even one line—I am not referring to a grid, but to a 230-kilowatt line—even though the State of Minnesota is one of the highest paying power States in the entire Midwest.

What does it mean to the REA's and to the cities and towns of Minnesota? It means economic disadvantages. We have been deprived of an advantage because of the philosophy which the Senator from Oregon now is justly condemning. It is the philosophy which says, "We will do nothing. No new starts. No new projects." We have been left out in the cold.

Mr. MORSE. The Senator from Minnesota has described with detailed accuracy the scuttling program of the Eisenhower administration in respect to Government transmission lines. Let me give the Senator from Minnesota a few examples.

In my State, in the area of Klamath Falls, there have already been built 80 miles of a 160-mile transmission line. The right-of-way has been cleared, and the material has been distributed along the way. The item has been dropped from the House appropriation bill. In my speech to the Oregon Democrats a week ago Friday night I not only warned what the administration was up to, but I predicted that there was a great danger that what would happen would be that a private utility in that area of the State, known as Copco, would want to step in and take up at the end of the 80 miles already constructed with taxpayers' money, build the rest, and take over, and thus block the development of public power into Klamath Falls, Oreg.

That was Friday night. The Sunday papers carried a release showing that that was exactly the proposal Copco was endeavoring to negotiate with the Department of the Interior.

The Senate Appropriations Committee paid closer attention to the problem of the Chemult-Klamath Falls transmission line project than did the House. At page 8 of the Senate Appropriations Committee report of June 18, 1953, appears this language:

> With respect to item 130, "Southwest Oregon loop service," the Bonneville Power Administration has an agreement with the California-Oregon Power Co. that the company will build that portion of the Alvey-Nickel Mountain line south from Elkhead to Nickel Mountain to serve the vital defense load for

nickel production. The committee has received recent information that there is excellent prospect of working out an alternative method of serving the Nickel Mountain load, and at the same time providing for the complete utilization of the previous investment in the Bonneville 230-kilovolt line completed to Chemult. In allowing $895,000 for this item, the committee does so with the understanding that in the event additional or substitute facilities are constructed by the California-Oregon Power Co., such portion of the funds allowed to Bonneville Power Administration and not used in construction of this facility will not be otherwise obligated.

Mr. President, we might as well have the President of a private-utility association sitting in the seat of the Secretary of the Interior as to have the present Secretary sit there. In that Friday night speech I pointed out that in eastern Oregon between La Grande and Baker there is proposed to be built a Federal transmission line necessary to complete a circuit of the grid back. It has been dropped from the appropriation bill under the Eisenhower administration. I said then:

> Watch out for Idaho power seeking to come into the picture, complete the line and thereby scuttle the development and completion of a public transmission grid-back system in that area of Oregon.

The Sunday press release also carried the story that that was being contemplated by the Department of the Interior.

Mr. President, it is a sellout and a giveaway on the part of the Department of the Interior to the private utilities. It is a scuttling of the great public-power program of the great man to whom I am dedicating this series of speeches, George W. Norris.

Mr. HUMPHREY. Mr. President, will the Senator yield so that I may comment on his recent remarks?

Mr. MORSE. I yield.

Mr. HUMPHREY. The Senator from Oregon has seen some of the developments in my State. It seems that every time Minnesota gets some Federal patronage by way of an appointment in Washington, it loses a project. A year ago we tried to take care of Duluth, Minn., which is one of the great ports authorized in the so-called Truman budget. The Eisenhower budget comes along and, instead of providing for that port, we get the appointment of the Mutual Security Administrator from Minnesota.

We had in the budget an item for $4 million for transmission lines into western Minnesota. We lost the transmission lines and we got an REA administractor from Minnesota instead.

In the Truman budget we had an appropriation for flood control. Our State has suffered eight floods in 9 years, at a cost of millions of dollars in property damage. Flood-control projects have been started in the great Red River Valley of the North and along the Mississippi River, in Minnesota. However, instead of having those flood-control projects developed, one Minnesotan was made an assistant Attorney General. I wish to say that the Eisenhower administration had been kind to Minnesota in terms of appointments of deserving Republicans, but the people of Minnesota have lost every project in which they have been interested. Perhaps if the people of Minnesota are honored by having another appointment made from Minnesota, it will cost them another worthwhile improvement.

So I hope that not too many appointments are made from Minnesota, because, after all, a great deal of necessary work needs to be done in Minnesota, regardless of whether it be the construction or improvement of airports, flood-control works, or the deepening of harbors. Minnesota Members of Congress have worked for 20 years on these projects. Once the Republican administration took over, Minnesota received a considerable amount of patronage and a number of top jobs, but lost every project for which the people of Minnesota and their congressional delegation have been working. I say that is quite a price for the people of Minnesota to pay, in order to obtain recognition at long last.

Frankly, although I am happy that our State has been honored by reason of the appointments which have been made, let me say that some of those who were thus honored were not nearly so much in need of such recognition as were the people around Marshall, Minn., in need of flood-control works, or as were the people of Duluth—the steel workers and, really, all the other people of that great city—in need of having the harbor at Duluth deepened by dredging. That harbor definitely needs improvement in that way. However, it seems that if we are to wait for the Eisenhower administration to proceed along that line, the ore will have to be taken out of the harbor in canoes.

Mr. MORSE. Mr. President, I hope the Secretary of the Interior does not comment on the Minnesota flood-control problem in the way he commented on the flood-control problem existing in connection with the Columbia River and the Snake River, when he issued his statement a few weeks ago, in trying to alibi and to rationalize his inexcusable withdrawal from the hearing being conducted by the Federal Power Commission with respect to the petition of the Idaho Power Co. for permission to build a low-head dam at Oxbow, and thereby to bring to an end for all time the building of the great Hells Canyon Dam. At that time the Secretary of the Interior pointed out that the Oxbow development, as proposed, and, in fact, the entire program of the Idaho Power Co., would have very little to do with flood control. He said that, after all, floods in those rivers are infrequent.

Mr. President, think of the lack of social consciousness indicated by the Secretary of the Interior when, in effect, he said, to every person living along the banks and within the flood areas of the Snake River and the Columbia River, "After all, floods are infrequent."

As I said to the Democrats in my State the other evening, the Secretary of the Interior should be reminded of the fact that a baby drowned in one of those infrequent floods is a life lost, and a farm destroyed in one of those infrequent floods is a farm property lost. What does he mean by "infrequent"? Floods have come in historic cycles, and the Army engineers indicate that it is clear that floods will come again. We are encouraging new populations to settle in the areas which are subject to floods. I say that an administration that has the welfare of the people at heart will not use unconscionable language to the effect that floods in that area are infrequent, but will prepare to protect lives and property when the floods come. Certainly lives and property are not protected by practically giving away the greatest flood-control site available to the Federal Government for the building of a multipurpose dam on the Snake River.

Mr. President, the failure of the Eisenhower administration to recognize its duty in connection with a flood-control program relating to the Hells Canyon Dam project is a failure by the administration to carry out a public duty and trust. In 1954 and 1956 the people of the Pacific Northwest will not let the administration forget that failure.

Mr. HUMPHREY. Mr. President, will the Senator from Oregon yield further to me?

Mr. MORSE. I yield.

Mr. HUMPHREY. Does the Senator from Oregon recall that during the campaign, when the respective candidates were making their tours in the Pacific Northwest, the then President, Mr. Truman, made a speech at the site of the Hungry Horse Dam, and reminded the audience that they had better take a good look at that site, because it would be the last of the great public-works projects they might see.

I am sure the Senator from Oregon remembers that immediately following that speech the Republican National Committee sent out what it called "truth squads." Very soon I found out what those "truth squads" were after. They were looking for the truth, but they did not find it. However, they went pell-mell throughout the country, and they took after Mr. Truman as if he were public enemy No. 1. They said he had misrepresented and falsified the Republican Party's position on the public-power issue.

I think it might me well to take a little look at the record and see who was telling the truth. Perhaps the "truth squads" should become active again. They did not find the truth the last time, but perhaps they would find it this time.

Mr. MORSE. Their statements have been completely rebutted, just as Mr. Eisenhower's statement has been rebutted by the position his administration has taken regarding the Hells Canyon Dam and the various other projects which call for the use in the national interest of the Nation's natural resources.

In this connection, let me refer to the statements about "creeping socialism." which have been made. The other day I received from a constituent a letter replying to such statements by Mr. Eisenhower. My constituent suggested that "creeping socialism," as referred to

by President Eisenhower, apparently relates to anything which stands in the way of galloping monopoly. I think my constituent hit the nail right on the head.

One who fights for the people's interest in the natural resources of the Nation is charged with being a "creeping Socialist." One who tried to defend or does defend the Eisenhower administration's "sellout" to private monopoly is said to be a great defender of private enterprise—as though there were any relationship between private monopoly and private enterprise. Mr. President, private monopoly is the antithesis of private enterprise. Private monopoly is so irreconcilable with private enterprise that we always have had to recognize that private monopoly must be subjected to Government regulation and control. Yet we are told to turn over to private monopoly the people's interest in the power resources of our streams; and that is falsely urged in the name of private enterprise, as an answer to the "phony" charges of "creeping socialism."

THE POWER COMPANIES' QUEST FOR SCARCITY

Mr. President, I assert today a point I intend to argue, that the power companies want electric power scarcity. It is against the background of the most urgent need for expansion of electric power facilities that Congress is today being asked to stop Ice Harbor Dam, to stop Table Rock Dam in Missouri, to let a private power company put some small inadequate dams in the canyon where a complete gigantic Hells Canyon Dam should be built. It is also being asked to cripple the REA rural electric and telephone programs, to end the Rural Electrification Administration's source of reasonable power through their generating and transmission program, to sell the REA co-ops to their former enemies—the private utilities—and to forbid the construction of supplemental steam plants by TVA, Bonneville, or any other Government agency, to forbid the construction of transmission lines to centers where the people can buy it reasonably.

Behind this demand for national stagnation, which is what it will amount to if we do not stop it, is the private power companies' desire for an electric power scarcity, and the ability not only to force higher rates, but to make public and cooperative systems dependent on them for power supply upon terms dictated by them without the benefit of the public power yardstick of cost for comparison.

The electric power monopoly, in spite of all its advertising of expansion programs, has always been shortage minded; it has always stood in the way of national progress in the field of power. According to a release of the Edison Electric Institute, in 1940 only 8 million kilowatts had been installed within the preceding 10 years. As a result of that, during World War II, it was only the availability of power from new Government dams, planned years ahead, which enabled us to build aluminum plants to furnish the metals for airplanes, and to build the atomic energy projects which culminated in the atomic bomb.

Had the administration relied on the spokesmen of the private utilities, who fought Government power projects on the ground that we had enough capacity, the war would have been much longer and bloodier. Even so, the military had to scale down their requirements for aluminum continuously.

PRIVATE UTILITIES ALWAYS OPPOSED EXPANSION

I say the private utilities have always opposed expansion. It was in the thirties that the utilities told us that there was no need for a rural electrification administration.

Over the opposition of the private utilities, in 1935 the Rural Electrification Administration was established and in 1936 Congress passed the Rural Electrification Act, authored by Senator Norris. The act provided for a permanent REA to lend public funds and to provide technical assistance in building rural electric lines.

The private electric companies were given the first opportunity to take these low-interest loans and do the job. They rejected the opportunity. On July 24, 1935, a committee of private utility officers wrote to REA Administrator Morris L. Cooke:

> The utilities consider the immediate urge for rural electrification as a social rather than an economic problem.

Think of that, Mr. President. The utilities consider it "as a social rather than an economic problem." The modernization of the farm with electricity was a social, not an economic problem, said the private utilities in 1935. Look at the record. I ask you, Mr. President, whether it is not true that electrifying the farms of America has probably brought about the greatest economic advance in all the history of American agriculture. Of course, it has brought about great social benefits and with them economic benefits. The basic problem that faced the American farmer in 1935 was the economic problem of obtaining cheap electric power for the American farm; and the private utilities passed up the opportunity.

I quote further from the statement by the committee of private utility officers to REA Administrator Morris L. Cooke:

> There are very few farms requiring electricity for major farm operations that are not now served.

Mr. President, what were the facts in 1935? At that time, only 10.9 percent of America's farms had electricity; yet, said the private utilities, in their statement to the REA Administrator:

> There are very few farms requiring electricity for major farm operations that are not now served.

The big-lie technique is not of recent origin. That technique prevailed, for example, in 1935, when the private utilities wrote that letter to the Administrator of REA; because the records showed that only 10.9 percent of American farms had electricity at the time the statement was written. Ten years later, when 44.7 percent of America's farms had been reached by distribution lines, the utilities again advised a committee of the Congress:

> There seems to be no necessity for additional allotments (to REA) at this time.

A little later in the same year, utility executives told the House Committee on Interstate and Foreign Commerce:

> The job of extending lines to farms and nonfarms will be practically over in 1948.

The following year, when Mr. Grover C. Neff became president of the Edison Electric Institute, and 52.9 percent of the farms had been electrified, he said in his inaugural address:

> The big job of extending electric lines to the farms of this country will be completed on December 31, 1948 * * * REA has plenty of money to carry on the above-outlined construction program for the years 1946, 1947, and 1948 even if the Senate does not grant them the $250 million included in the 1947 appropriations bill.

And again 1 year later, Mr. Neff, speaking for the industry when 54.7 percent of the farms had been electrified, told a subcommittee of the House Committee on Appropriations:

> It is our opinion that REA does not need additional authorizations by Congress to complete its job.

Mr President, I say to the farmers of America from this floor today, that if the farmers had waited for the private utilities to electrify America's farms, they would still be waiting; and, if and when they ever got the electricity, they would pay rates so much higher than they have paid as the result of their own cooperative action through REA co-ops, that it would have amounted to nothing more nor less than paying tribute to a private monopoly.

Mr. President, I have no intention of ever hesitating to disclose the false propaganda of the private utilities. I know them for what they are. I know that, on the record, they have fought and fought and fought the development of a public power yardstick to check them, and the sound competitive check of a free people against the depredations of a private monopoly.

Mr. HUMPHREY. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. HUMPHREY. Mr. President, I am sure the Senator from Oregon is aware of the fact that the new tactic on the part of the private-utility industry is to divide and conquer. Let me explain that phrase a little bit. Let us consider areas of the Nation where there are no great public-power projects, such as the New England States and the State of Minnesota. The tactic now is to say that if any more public-power projects are built, industry will be taken away from the people in other areas. If we build a TVA in the Columbia River Valley we will take industry away from the New England States and from Minnesota, the private utilities say, when, in fact, all they are trying to do is to kill off that which has already been built, without offering anything else to

those areas where there is no cheap power.

I think it is about time we exposed this effort, because it is making progress. Even now, as the Senator from Oregon speaks, the former manager of the Tennessee Valley Authority is being put on the grill and interrogated on the basis that the more we build up TVA, the harder it will be on the rest of the country.

My answer to that is what the answer of the Senator from Oregon would be. Let us build up projects in the New England States, and let us use the St. Lawrence River power instead of giving it to a private utility. In the State of Minnesota I will give them an answer. We are not asking for much. We are asking for two 230-kilovolt transmission lines into the State of Minnesota. That is all.

But instead of that, propaganda goes forth to the effect, "Do not help the South; do not help the Far West, because when you help the South and the Far West with cheap power, you hurt yourselves," when everyone should know that what we need to do is to build up these resources for all the people, not restricting them to the TVA or to the Columbia River. How about the Mississippi River? That is a pretty good stream. What about the Minnesota River? What about the Connecticut River, and the St. Lawrence River?

There are hundreds of river valleys which the Senator from Oregon has discussed today and on other occasions which could be harnessed for the good of the public.

I submit, Mr. President, that the new tactic is to divide the Midwest from the Far West, to divide the New England States from the West and the South, to cut the Nation up into little bits and to cause us to fight among ourselves as representing the different sections of the country. It is the same old tactic all the time.

I received a few days ago a bulletin issued by some of the large processors of corn. They thought they had an answer to low cattle prices. They started out by saying, "You cannot feed 90 percent price-support corn." What was their answer? The answer was, "Reduce the price of corn; get rid of the 90 percent price support." They said that would help everyone, and that what should be done was to break the corn market, and then there would be lots of cheap food. Of course many persons would be thrown out of work and out of business as a result.

The Senator from Oregon knows that that is exactly the kind of division that is sought to be made. They have tried to sell a bill of goods. I have read in the newspapers in my State how good it is that we are going to sell synthetic-rubber plants, how good it is that we are closing down the pilot plants, and how much money it will save the folks in Minnesota, when, as a matter of fact, it will cost them millions of dollars in the long run.

I merely bring these observations to the attention of the Senator from Oregon, not that he does not know the facts related, but because I want his elaboration, for he has made a complete study of the subject.

Mr. MORSE. Mr. President, I associate myself with the Senator's characterization of the private-utility propaganda. Those propagandists are economic disunionists. They are working for economic disunity, playing region against region. They are economically unsound about it, but they do not recognize that fact. When we help an expanding economy in one section we help an expanding economy throughout the country.

I shall work for an expansion of our economy all over the Nation, because there is no other answer to the economic crisis which will confront us.

For Eisenhower to say that it is unsound—and I paraphrase his statement—for people in various sections of the country to pay taxes to help to develop the great TVA Authority, forgetting at the same time to tell the American people of its self-liquidating character, and forgetting to tell them that in the long run it is returning the cost to the Federal Treasury many times over, both from the standpoint of initial investment and from the standpoint of the great increase in tax revenues flowing from it—for the President of the United States to use that argument puts him in a class with the disunionists himself, because that spreads the doctrine of economic disunity. That is the point of view of dividing the people of the country, when it is an elementary economic fact, as the Senator from Minnesota is well aware, that when we create jobs and new wealth in one section of the Nation by the building, for example, of a great multipurpose dam, the economic benefits which flow from that new wealth help the entire Nation. With the economy of the country working as a totality it is a stimulation to the entire Nation.

Of course, Mr. President, if we take the point of view that we are not going to seek to help the country as a whole, but that we are going, through Government largess, to give special treatment to one section to the disadvantage of another section, there would be some merit in the argument. But that is not the program. The Senator from Minnesota knows very well that the REA program has been available to the farmers throughout the Nation. Senators have heard me say many times that I shall fight for the maximum development of the kilowatt potential of every hydroelectric resource in the Nation.

The Senator from Massachuetts [Mr. KENNEDY] some weeks ago gave the first of his series of speeches on the economic problems of the New England States, and the CONGRESSIONAL RECORD will show my colloquy with him with reference to the problems of the New England States.

As the Senator from Minnesota has pointed out, there is a need for developing the potential of the New England States. The Senator from Massachusetts pointed out some of the smaller streams of New England which would help provide cheap power which is so sorely needed in the New England States.

Mr. HUMPHREY. Mr. President, will the Senator from Oregon yield further?

Mr. MORSE. I yield.

Mr. HUMPHREY. The Senator from Oregon has been giving us a very fine discussion of the TVA and the REA. He is aware of the fact that many persons have been led to believe that REA is a sort of subsidized gratuity of the Federal Government to the farmers. The propaganda statements which have gone forth have led thousands of persons to believe that the Government is giving away something. I looked at the records of my own State recently and found that our cooperatives are $3 million ahead in the payment of interest on REA loans. Everyone in his right mind knows that the REA is essentially a Government credit agency, providing at the same time some technical and engineering assistance to the local REA cooperatives. It is a self-liquidating program. When the Government appropriates money for the REA, it is not spending the money. It is merely making available a sum of money for the purpose of long-term 35-year loans at a low rate of interest. There is no gift being handed out.

Mr. MORSE. In the eyes of the vested interests in this country it has been successful.

Mr. HUMPHREY. It put the kerosene lamps out of commission. It was rough on the kerosene lamp industry, the Senator will have to admit.

Mr. MORSE. It brought the farmers cheap power and an adequate supply when the private utilities would not do the job. That is what is wrong with REA in the eyes of the private utilities. Are we in the United States going to stand up and let the Eisenhower administration scuttle REA?

Mr. HUMPHREY. Mr. President, will the Senator yield at this point?

Mr. MORSE. In a moment. Let me tell the Senator from Minnesota that even if we are not on our guard, there is growing evidence across the land that today the farmers are on guard. They are being awakened, and if we do not guard the public interest in REA, I am satisfied the farmers will send to the United States Senate increasing numbers of men who will; and they should do so. If we do not do the job, we should be replaced.

I now yield to the Senator from Minnesota.

Mr. HUMPHREY. Again the Senator from Oregon has made comments, and very appropriately so, about the TVA and its contribution to the war effort.

On June 16, 1953, the distinguished Representative from Tennessee [Mr. PRIEST], speaking in the House of Representatives, made some very pertinent comments on this subject. He pointed out that 10 percent of all the power used in the defense program in the entire Nation came from the TVA. I think that is an important observation.

I have just noted another statement in the RECORD of the House proceedings,

this one by Representative EVINS, as follows:

The chemical nitrate plants of the TVA supplied more than 60 percent of the total phosphorous requirements of the military for bombs, fire and smoke screens during the war. The electric furnace research of TVA aided industry in producing the other 40 percent needed.

TVA power was used to build the first atomic bomb.

The Oak Ridge atomic project could not have been made a reality without the TVA—thus, TVA was the most direct contributor of any power facility of the Nation toward ending the war in Europe and Japan.

As we all know, there has been considerable discussion of how TVA is financed. I have just happened to note in the RECORD a statement by the Senate Committee on Expenditures in the Executive Departments in the 81st Congress, of which I was a member, as follows:

From the very first report submitted by the GAO for the fiscal year 1945, the auditor's opinions have been affirmative of the excellence of the corporation's affairs and there has been reported no single proceeding in violation of the law. In comparison with reports of the GAO on the affairs of other governmental corporations, this is a real tribute. With respect to each year, the corporation's own balance sheet and supporting statements have been found to present fairly the entire operations of the corporation, as reflected in accounting methods maintained in accordance with applicable law.

Maj. T. Coleman Andrews, now Commissioner of the Bureau of Internal Revenue, formerly Director of the Corporation Audits Division of the GAO, testified as follows before a congressional committee:

TVA probably has the best accounting system in the entire Government and probably one of the finest accounting systems in the entire world. It is an excellent system. There is no private enterprise in this country that has any better.

We must add to that the fact that the revenue from TVA power resources last year was about $95 million. Of that amount the TVA turned over to the Treasury of the United States, after payment of all State and local taxes, or gifts in lieu of taxes, an amount substantially above what the amount of taxes on those properties would have been. The TVA paid to the Federal Government $25 million in net profit. I believe the total amount which has been paid to the Federal Government since its inception, from power alone, is $66,-131,000. The net average income over the years has been 4.7 percent, or approximately 5 percent, on the investment. It seems to me that that is a fairly good record.

We hear much said to the effect that TVA does not pay taxes. Last year it paid to the people of the United States more than $25 million, and has paid $66 million since its inception. That has been paid into the Treasury of the United States, which is where taxes go.

Of course, many people have been sold on the proposition that TVA, because it does not pay Federal taxes, sucks millions of dollars out of the taxpayers. But the record is that the Tennessee Valley Authority, on power alone, has paid into the Treasury more than $25 million, almost 5 percent upon its investment. I do not know how such information is transmitted to the people, when we see paid advertisements telling us that the TVA does not pay taxes.

By the way, I have written to the Commissioner of Internal Revenue on other occasions about paid advertisements in dozens, yes, hundreds, of publications in the United States, talking about Government activity, Government programs, socialism; telling the American taxpayers that the Government is going socialistic. According to letters I have received from the Bureau of Internal Revenue, the cost of those advertisements is deductible as a business expense. Yet if a farmer anywhere in the country wishes to place an ad in a newspaper telling about the wonders of REA, he cannot claim the cost of such an advertisement as a tax deductible item; he simply has to spend that amount. It is like sending his mother-in-law a Mother's Day card; is is another expense.

Mr. MORSE. As I have pointed out in another speech in this series of speeches, those advertisements are paid for, in the last analysis, by consumers of products of private utilities, because the costs of their political ads are included in the rates charged the consumers.

I may say also, in response to the comments of the Senator from Minnesota with reference to the tax matter connected with TVA, that we should not forget that the great multipurpose dams would never have been built by private utilities. No one contends that they would. Private utilities are cream skimmers. They skim off the cream of the profits. They do not build dams that will promote great public services, interests, and duties, such as irrigation and flood control. That has to be done by the Government.

I have never heard a private utility exponent argue that private utilities would build any multipurpose dams. Private utilities, by and large, simply wish to build power dams, low-head power dams, from which they can get the maximum amount of profit under their cream-skimming technique. What happens? The great multipurpose dams develop industries in the economic area of the dam; they bring in a multitude of private industries and businesses that otherwise would never have come into the region if the dams of large proportions had not been built.

When we look at the difference in the relatively small amount of taxes a private utility pays on small low-head dam operation, as compared with the increased amount of taxes that accrue to the Federal Government as a result of a greater expansion of the economy of an area within the environment of a multipurpose dam, the taxes paid by private utilities pale into insignificance.

I say to the Senator from Minnesota that the great tax benefit that results from a multipurpose dam program comes from the greatly increased development of private enterprise that is made possible in the economic environment of a dam.

The private utilities are phony in their argument, even on the tax issue. People listen to the big lie technique, even on the tax issue. All we can do is have the patience and perseverance to wade through the private utility propaganda and point out the fallacies, repeating them over and over again, until the American people finally become aware of what the private utilities, working in cahoots with the Eisenhower administration, are trying to do to the public interest in the whole field of electric power development.

Returning to the position taken by the private utilities, when Mr. Neff was speaking for them at a time when 54.7 percent of the farms had been electrified, he told a subcommittee of the House Committee on Appropriations:

It is our opinion that REA does not need additional authorizations by Congress to complete its job.

What did Congress do about it?

The Senator from Minnesota will recall the appropriation battle for REA which we had in 1947 and 1948, against the propaganda of the public utilities. But we had an administration which understood the problem, and we overcame in large measure the lobbying activities of the private utilities. Congress went ahead, and today more than 88 percent of the farms are electrified.

The minions of minimum electricity are again here telling us that the job is done—very hopefully, this time—but it is not. Approximately a million farms and rural establishments remain to be reached, and a tremendous task of providing heavier lines and more generating and transmission facilities still lies ahead.

Had we followed the advice of the private utility operators there would have been no Tennessee Valley development to provide energy for aluminum and atomic plants during World War II. The private utility bosses said we could not use the energy of the Tennessee River for a century.

The private utility spokesmen argued against the Bonneville project and told us scornfully that there would be only jack rabbits as customers for that electricity. They raise the same hue and cry regarding the projects administered by the Southwestern Power Administration and various other Federal power proposals.

SHORTSIGHTEDNESS HAS LED TO SHORTAGES

These same scaremongers told us that there would be tremendous power surpluses after the war. Actually, there were power shortages.

There was a shortage in 1947. Late in 1948, the National Security Resources Board predicted that the winter of 1948–49 would be critical; and, to be sure, curtailment was the rule. Fifty percent of utilities had to reduce service. Whole industries closed down; workers were laid off; incomes were lost; farmers could not obtain power to energize their newly constructed lines; manufacturers who wanted to build plants were unable to get energy for them. Brownouts and low voltages interfered with normal activities.

When the Korean war broke out in June 1950, power, aluminum, and steel were still not even in balance with peacetime requirements. Here was a war with its needs for military production superimposed on a condition of already tight supply.

TAX AMORTIZATION

Private power again claimed that there was ample capacity to see the economy through the additional requirements. But responsible mobilization executives in Washington knew better. They looked around for some spare kilowatts to expand aluminum production without having to turn to high-cost projects which could not hope to compete in the long run. There were none.

Instead of threats, this time, because the expansion was too urgently needed, the Government soothed the sensitive profit nerve of industry by promising accelerated tax amortization. It induced the private power industry to expand to the tune of more than $4 billion. Under this rapid depreciation system, the taxpayers lose about $140 million a year in income taxes from electric plants alone. The industry receives what amounts to a tax-free loan; it gets new plants paid off in 5 years at no risk to itself.

That is Government aid. That is Government subsidy. I listen, and I can hear no one in the Eisenhower administration, from the President down, talk about that being "creeping socialism." That is private enterprise; and the taxpayers pay for the plants in the form of tax-free loans, to the tune of many billions of dollars, because we are confronted with a great scarcity of power and we need power. We need more power for the national security, so we give the profit-hungry boys a nice little handout by amortizing their taxes with a tax-free loan.

I am not quarreling with that procedure, because national security called for it. I am merely calling attention to the fiscal policy involved.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. HUMPHREY. Does the Senator recall reading very many lead editorials or feature articles about Government handouts in the form of quick amortization defense loans?

Mr. MORSE. No; I did not read any such editorials in the predominantly big-business press of America.

Mr. HUMPHREY. The Senator is aware of the fact, is he not, that these so-called tax-amortization certificates run into the billions of dollars?

Mr. MORSE. Yes.

Mr. HUMPHREY. I cannot be quite positive of the figure, but I think it is more than $25 billion.

Mr. MORSE. I do not know the exact figure, but I know that it is huge.

Mr. HUMPHREY. I have in my office a report from the Library of Congress which I am having tabulated. The array of tax certificates is fantastic. I voted for legislation which made this possible, because I believed, as does the Senator from Oregon, that there are times when we must get things done in order to defend our country. But I have often wondered how some people could complain about a farmer getting a little fertilizer for his land under the ACP program. They complain about that as being a subsidy, and a sort of "creeping socialism."

Mr. MORSE. Perhaps the farmer did not pay huge profits to some monopoly. That is why that operation is termed socialism.

Mr. HUMPHREY. We have a new definition of socialism.

Mr. MORSE. It is not socialistic at all when we, the people, through a Government which recognizes the need for expanding the power supply of the country as fast as we can, give a tax amortization program to the private utilities for an expansion of their facilities, to the tune, as I point out, of $4 billion of expanded plants.

Mr. HUMPHREY. The Senator points out that this was done for purposes of defense, which, of course, is true. He supported that program, and I supported it. Yet when a farmer is asked to increase his production because there may be need for additional supplies—as was the case with many commodities in World War II, and after Korea—and he obtains some price supports which cost the Government some money, the cry goes up throughout the land that these programs are too expensive.

That is not the only cry which goes up. There are always many people worrying about other people's moral fiber. The cry goes up that the moral fiber of the farmer is being undermined, and that the whole private-property system is being attacked.

From whom does this cry arise? It arises from the very people who are pointing with one hand at what they term an example of creeping socialism, and who have the other hand behind their backs to receive the next subsidy which comes their way.

When I held hearings on postal rates some of the large publishers came before the subcommittee. I read some very interesting editorials to certain publishers, in which editors shed crocodile tears over the moral fiber of the American people being undermined by subsidies. Yet every Member of Congress knows that we subsidize, to the tune of millions of dollars, shipment in the mails of magazines and periodicals. If the publishers had to pay postage at the same rates as are charged the ordinary person who sends a letter to his sister or brother, their rates would be greatly increased.

I am not complaining about that, either. I believe in free speech, free press, and the dissemination of information. It is well for the Government to aid the publishers of the country. I believe in it. All I say is that they ought not to come here with a "holier than thou" attitude, in an effort to make Ivory Soap look as though it were full of impurities. They come before committees of Congress worrying desperately about what is happening to other people, but apparently not at all concerned over what is happening to themselves. It would be much better if they could only see the viewpoint of the other fellow once in a while.

I submit that argument is very pertinent to the subject the Senator from Oregon is discussing. The people who are worried about creeping socialism, as the Senator points out, have had the tax amortization certificates. Their activities in providing such certificates have not been creeping, Mr. President. They have been running toward the people who wanted them and needed them.

Mr. MORSE. And they are after more.

Mr. HUMPHREY. Of course they are.

Mr. MORSE. One of the arguments advanced for adopting a program for amortizing taxes was that when the emergency was over the plants would be white elephants.

Mr. HUMPHREY. Oh, yes.

Mr. MORSE. It was argued they would be white elephants in the hands of these utilities. Of course we know what an unsound argument that is, because the expansion needs of our economy will so far outrace the productive power of the plants that for years to come we are not only going to need these plants, but more plants.

As I said at the beginning of my speech, by 1975 we will need to have doubled the energy power to run the economy of America.

Mr. President, the tax amortizing program cannot be justified on the basis that these plants will become white elephants. It can be justified—and I supported it and voted for it—on the ground of the emergency that existed from the standpoint of national security. It was a cost of defense, and it was a cost of the war. We all recognize the fact that when in time of war there is a serious supply shortage, we must pay what we have to pay in order to get what we need to protect the security of the Nation. Only on that ground did I at the time or do I now think the tax amortizing scheme sound or justified.

Mr. HUMPHREY. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. HUMPHREY. I wish to concur in the view expressed by the Senator from Oregon in reference to the tax-amortization program. I feel that it has many long-range good effects, in view of some very obvious economic conditions, which many people in our country fail to take into consideration. One is the growth of our population. That is not taken into consideration even by persons who are worried about surplus food. Mr. President, we will have in the United States 175 million people by 1960. Some may not like it, but whether they like it or not, it is a fact. The country is growing at the rate of from 2½ to 3 million people a year. By 1975 this Nation will have a population of 200 million people. There will be that many mouths to be fed; homes will have to be built for them; power will be needed to satisfy their needs, and job opportunities will have to be made available.

So, as the Senator from Oregon is pointing out, the philosophy governing America today, particularly in view of the tremendous burdens placed upon

the Nation, internationally and at home, should be a philosophy of expansionism, a philosophy of growth, a philosophy of development.

Every time I see a river or a valley or a great stream that goes unharnessed and undeveloped it appears to me as a waste of a God-given resource of this land.

I commend the Senator from Oregon for the fight he is putting up in 1953 and for the fight he has put up right along. This is nothing new to the Senator from Oregon. Ever since I have known him the Senator from Oregon has been fighting the battle for conservation and for the proper use of the public resources of this great Nation. It is a continuing fight. It has been fought ever since the time of Theodore Roosevelt, and even before his time. I am glad to note that in this Congress there is a reawakening of the spirit of Theodore Roosevelt, of Governor Pinchot, and of George Norris.

I would remind my friends on the other side of the aisle that the Republicans who are known for their contributions to America are the Republicans who fought the people's battle, namely, the George Norrises and the Theodore Roosevelts. To be sure, they had to leave their party. They did not stay too long in the Republican Party, but that is where they got their start. They left the party, if I am not mistaken, for about the same reason that the Senator from Oregon left it. They gave up hope that the Republican leadership and the Republican Party could ever be the liberal voice of the American people.

I think it is fair to say that Theodore Roosevelt, as one great American, and George Norris, as another, were sad at heart because they could not change their party into being the kind of liberal political vehicle and instrumentality they had dreamed of and had wanted it to be.

I may say with equal candor that there is plenty of room for improvement in the Democratic Party.

If the liberals in the Congress, not only in the Senate, stand together and put up the kind of fight which should be waged, we will have the people on our side, because they will not permit a program of exploitation to be accomplished.

Mr. MORSE. Mr. President, I appreciate the personal references made by the Senator from Minnesota.

Let me tell the Senator from Minnesota that I have not been standing alone in this fight. Since I have been in the Senate I have been a member of a little band of liberals, of whom the Senator from Minnesota is one of the great leaders, who are fighting to protect the interests of the people of the United States in a sound public power program. I intend to continue to fight, as I know the Senator from Minnesota intends to continue to fight. I shall be proud in 1954 to campaign to be found standing shoulder to shoulder with the Senator from Minnesota in pointing out to the people of Minnesota that the country needs the return of the Senator from Minnesota to the Senate by an overwhelming majority in 1954, because the battle of the little people and for the little people must continue in the Senate, and that without this little band of liberals it will not be continued.

Mr. President, I wish to return to the question of the tax scheme for amortizing taxes. The electric utilities are now up to a new scheme. In addition to saving themselves all this unpaid tax money, are trying to put it in a special fund, rather than calling it profit, and are asking for higher rates from the consumer. They are in fact asking the Federal Power Commission to make the rate-payer pay twice: once in higher taxes to make up for taxes not paid by the utilities, and again in higher rates on a rate base not reduced by the rapid rate of depreciation.

Mr. President, now that I have given you this brief history of the practice of the art of gentlemanly sabotage by the private power magnates, I will outline the trends in our industrial economy which have elevated electric power to a position of vital importance.

It goes without saying, but it needs to be said over and over again that electric power is essential to an expanding economy.

ELECTRIC POWER ESSENTIAL TO EXPANDING ECONOMY

In previous speeches, I have discussed electric power in relation to the Federal power policy and the wise development of natural resources for the benefit of all the people.

I want to touch on the importance of electric power in its intimate relation to economic activity, to industrial expansion, to raised productivity, to higher farm output.

In its published report last year, the President's Materials Policy Commission said:

> Our strongest weapons for fighting the threat of rising real costs in the past have been energy and technology, supported by capital investment * * * the two * * * can properly be said to be common denominators of economic progress; between them are to be found the main long-term opportunities for overcoming nature's reluctance to let mankind have an ever-expanding supply of materials with no greater human effort per unit.
>
> In the past, we have increased the output of each United States worker, while reducing his hours drastically, by giving him more and better equipment to work with and by steadily increasing the energy at his command. By such means, we created new materials * * * we opened up new resources of materials * * * we learned to use lower quality resources with equal efficiency.

The Commission then asked the crucial question:

> How well supplied are we with energy and technology * * * to support the burdens of the future?

The answer the Commission gave is disturbing. Between 1950 and 1975, we must double our output of all goods and services, the Commission said, and that means, "we must be able to double the supply of energy."

Getting down specifically to electric energy, the Commission found:

> The central problem of electric energy is how to increase the Nation's supply 2½ times during the next 25 years without running into considerably higher costs per unit.

Then the Commission described what would happen if the Nation failed to provide this vast amount of power. I would ask my colleagues to listen carefully to this statement. It is the crux of the power problem that the private utilities would have us ignore. The Commission stated categorically, and let me point out that its members were by no means men who side with public power; they merely examined the resources requirements of the economy, and found that—

> Shortages of electricity and rising real costs would impede economic growth; they could throttle national effort in the event of war.

In an earlier speech, I discussed a modern concept of resources, and I also pointed out that it is the harnessing of the nonliving energy resources of the earth to machines that accounts for our modern level of living.

Abundance of electric power at low costs means many things to many sectors of our economy, all of which are most desirable. It means conservation of labor. In the factory, the use of high-speed machines raises output per man-hour, and thus furnishes the basis for rising wages based on rising productivity. Without cheap electric power, the substitution of the light metals, aluminum and magnesium, for heavier metals could not take place on the gigantic scale we have witnessed during the last decade. The light metals, in turn, permit great savings of labor in lifting, transportation, construction, and maintenance.

In the home, electricity helps in many ways to eliminate drudgery for every member of the family.

From 1940 to 1952 the total farm labor force—both family and hired—dropped from 11.7 million to 9.8 million, a decline of 1.9 million workers. This is a drop of 16 percent, or about one-sixth of the total farm working force. Yet, during that period farm output had risen markedly.

Electricity has a special relationship to farm manpower. It contributes to the comforts of the farm. It helps to eliminate spoilage. It aids in processing products for the market. All of this adds up to greater agricultural production.

Electric power can help the farmer in his unceasing struggle with his most unpredictable enemy—the weather. Irrigation pumping can compensate for drought. Electric dryers permit early harvests, and avoid hazards of spoilage in the field. Altogether, there are over 500 farm usages of electricity.

ELECTRICITY FOR CONSERVATION

Electricity also means conservation of resources. Most directly, where hydroelectric is available, electricity can be generated without using irreplaceable mineral fuels, natural gas, oil, and coal. The energy generated in 24 hours by Grand Coulee, fully loaded, would require the burning of approximately 100,000 barrels of oil—more than the daily output of the entire State of Mississippi, or more than the daily output of the nine States of Alabama, Florida, Nebraska, New York, North Dakota, Ohio, Pennsylvania, Utah, and West Virginia; or it would require 350 railroad cars full of coal—20,000 tons.

Equally dramatic is the manner in which the use of low-cost electric power

contributes to the conservation of metals. Conservation, as here used, means the shift from less abundant materials to more abundant materials. The steel industry, for instance, is in process of opening up large deposits of low-grade iron ores because the high-grade ores which have formed the basis of the great expansion of the industry during the last 50 years are seriously declining. These low-grade ores require about 25 times as much energy to prepare them for charging into a blast furnace as do the high-grade ores used heretofore.

Still, within the steel industry the growing demand for high-quality alloy steels is leading steadily in the direction of the use of electric furnaces for the production of the ferro-alloys and also for the production of the high-quality complex alloy steels. Conservation not only occurs in the manufacturing process, but also results from the longer life of the items produced.

Low-cost electric power has brought a shift in consumption from the declining reserves of copper, lead, and zinc to the almost limitless reserves of aluminum and magnesium, in the applications where substitution is possible. But the old metals, too, are experiencing new bursts of life and often new applications. New electro-metallurgical processes not only provide magnesium from inexhaustible sea water, but yield high-purity copper and zinc from ores formerly considered useless. Similarly, in the Pacific Northwest, we hope to manufacture high-grade superphosphate fertilizer from ores too poor to be suitable for sulfuric acid treatment.

One final remark on this aspect of utilizing our resources: Many of us have heard of the new metal titanium. It has remarkable properties which make it suitable especially for complicated military and aircraft applications. The Armed Forces want it. Its ores are plentiful, but its production requires twice as much electric power as does the production of aluminum, and aluminum has the highest energy consumption for each ton of production of any structural metal. It is possible that from the point of view of national security, titanium production may soon be as high in priority as atomic energy, and the atomic energy program itself is one of the largest power-consuming projects in our economy.

What this all adds up to is that we have a power-hungry economy; and unless both the Government and private industry continue to install generating capacity at an ever-increasing pace and at the lowest possible cost, both our economic well-being and our military security will be seriously jeopardized.

OPERATION HAMSTRING,, HINDER, AND HAMPER

It is against this background that I wish to discuss the drive of the privately owned utilities to hamstring, hinder, and hamper the efforts of the Government to do its part in this vital expansion program. Their ultimate objective has become eminently clear. Mr. Wilson's earlier suggestions on public multiple-purpose dams indicated the direction. In recent weeks, Herbert Hoover's speech on private electric power revealed the grand strategy.

Even while readying the big cannon, they are engaged in daily sniper action and undermining operations. They employ all available means: the administration, the Congress, and the courts.

In 1952 the Republican presidential candidate told his audience in Boise about his impression of the Government's role in the power business. In disparaging terms he said:

> The Government will build the power dam; the Government will tell you how to distribute your power; the Government will do this and that. The Government does everything but come in and wash the dishes for the housewife.

Did he not know that post-Korean aluminum requirements made it necessary to draft the power from Bull Shoals Dam, in Arkansas, for aluminum production—power which had been promised to the rural electric cooperatives in Arkansas and adjacent States? Did not he know that about half the aluminum for the Air Force planes which he commanded in his campaign in Europe was made with low-cost power generated at Government hydroelectric plants in the Pacific Northwest, and that a substantial part of the remainder came from the TVA area?

From any examination of the production and financial records of the Government's past power operation, it is possible to draw only one conclusion, namely, that the people have provided for themselves incalculable services and benefits which they could not have obtained in any other way. This has been accomplished without detriment to the private utilities. On the contrary, they have prospered along with everyone else. They have grown, and their earnings have increased.

Now let us look at the executive departments. Their key importance in the field of public power is quite apparent.

The Department of Interior is the Government agency most closely concerned with power development. The Department of Defense, through the Army Corps of Engineers, constructs dams; but its policymaking functions are indirect. The Rural Electrification Administration originally was an independent agency. Then it was placed in the Department of Agriculture. The Federal Power Commission licenses construction of the hydro plants on the Nation's navigable rivers and regulates interstate wholesale rates.

The men who have been placed in charge of these agencies indicate the nature of the new administration's power policy.

INSIDE THE INTERIOR DEPARTMENT

What about the inside of the Interior Department, Mr. President, when we come to examine the administration's power policy? Secretary of the Interior McKay, who at one time declared his neutrality between public and private power enterprises, disclosed his real intentions soon after assuming office. On May 5, 1953, he anounced withdrawal of the Interior Department's petition of intervention against the Idaho Power Co.'s application to construct the low-head Oxbow Dam on the Snake River. In so doing, he gave the Republican administration's signal for development of our remaining water-resource potentials by private electric monopolies instead of under carefully planned multipurpose projects constructed by the Government to bring about the greatest benefits for all the people of our Nation.

If this left any doubt of the private utility bias of the new Secretary, recent developments will resolve it. Contracts are being prepared for the sale of Bonneville power to nine private utilities which, first, would undermine the public preference clause so long a signal feature of Federal power law; second, would negate the Bonneville Administrator's authority to prevent unreasonable and discriminatory rates; third, would cut back Bonneville service to private industry, thereby in part leaving them to the tender mercies of the private utilities; fourth, would prevent expansion of public utility district service to industry; fifth, would give the private utilities a veto power over additional service to industry and public bodies; and sixth, is in many more ways a bonanza to the private utilities at the expense of the public.

Mr. President, in my speech to the Democrats in Oregon a week ago Friday night, I discussed at some length one of the proposed drafts of the Department of the Interior for a power sales contract executed by the United States, Department of the Interior, acting by and through the Bonneville Power Administration, and the Portland General Electric Co. I had the contract before me because, as a lawyer, I talked on the basis of the record. It is not of any moment how I got a copy of the contract, but I had it.

I digress from my manuscript sufficiently long to say that I shall be very much surprised if the contract which is finally negotiated will not be somewhat different from the grand swindle which the Department of Interior, acting through its Bonneville Administration, first proposed in negotiations with the private utilities. Let me say at this point, Mr. President, that if there had not been some public disclosure of what they were up to, in the first announcement, for example, by Drew Pearson, to which the Secretary of Interior wrote his weasel-worded rebuttal but did not reply in fact, the American people would have suffered a loss much greater than the loss they will suffer when the final draft is negotiated, although I am still fearful that that will be bad enough.

The Senator from Tennessee, commenting upon this general problem the other day in the Senate, placed one draft of a contract in the RECORD. My draft, I am satisfied, is even prior to the one placed in the RECORD by the Senator from Tennessee; and therefore I ask that at the conclusion of my remarks tonight the draft I used in my Portland speech on May 29 be inserted in the body of the RECORD as a part of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MORSE. Mr. President, the reply to Mr. Drew Pearson, I am satisfied was written by the Under Secretary of the Interior, Mr. Tudor, because the Secretary of the Interior was not even in Washington on the day it was released; he was in Oregon. In the reply much is made of the point that the contract was being negotiated at the Portland, Oreg.-Bonneville level. But as I said in my speech, whoever wrote the reply forgot to tell in his statement that, under the language of the contract, it is perfectly clear that the terms are the responsibility of the Secretary of the Interior, and cannot become binding until approved by the Secretary of the Interior.

He forgot also to tell the story of how the officials at the Bonneville level came to enter into the negotiations. He forgot to tell that, prior to the start of negotiations, the Secretary of the Interior was not acting within a vacuum. The Secretary of the Interior was not unaware of the requests of the utilities for the negotiations.

The Secretary of the Interior was not unaware of the nature of the contract which was the exhibit on which the negotiations were being conducted. He would have liked to pass the buck, so to speak, to the Administrator of the Bonneville Administration. But, Mr. President, the responsibility is pinned clearly on the desk of the Secretary of the Interior, and in this matter he cannot pass the buck.

I assert that the descriptive term I used the other night in my Portland speech is an accurate one. Had the contract which I have heretofore obtained permission to have printed at the conclusion of my remarks, gone through, it would have resulted in a public swindle.

Had voices not been raised in the beginning, I do not know what the final form of the contract would have been; but I am satisfied that if public warning had not been issued by Drew Pearson and by some of us in this little band of liberals in the Senate of the United States, the public would have suffered a greater loss than the one I still fear they are going to suffer when the contract is finally negotiated. But in view of the protest that has been made, I am satisfied the contract in its original form was too raw even for the Eisenhower administration to try to get by with, and it must be very raw to stop this group.

When I replied to the Secretary's statement on Hells Canyon less than a month ago, I pointed out that local sentiment was heavily in favor of Hells Canyon. At that time I described a post-card campaign favoring the Federal high dam. I had received 1,782 such cards and promised I would keep my colleagues up to date.

As of this morning, 2,725 cards have been received—and many, many letters in addition. The Secretary's mail is so heavy that he is answering critics of his action by form letter. I know because a constituent sent me a copy.

The new Interior Under Secretary is Ralph Tudor of California. He apparently has been a key figure in the Hells Canyon and private utility contract giveaways. Tudor allegedly drafted McKay's propaganda reply to challenges against the contract deal. So far as I am aware, he has not disclaimed these roles.

Former Governor Fred Aandahl of North Dakota, the new Assistant Secretary, who will be in charge of the power and water activities of the Interior Department, indicated that he was openminded on public power.

However, his remarks in a recent speech before the Chamber of Commerce of the United States at its 41st annual meeting indicates that Mr. Aandahl's openmindedness in this respect leaves much to be desired. During the course of his chamber of commerce speech he talked in general terms about the advisability of the Federal Government's undertaking a multipurpose-dam project when "you find a development project that does not lend itself to private enterprise." He admitted that the idea of preference customers for federally generated electric power is sound in such cases. But almost immediately he reverted to form when he said:

> When I started to study more in detail than I ever had before the functions of the office that I now hold, I found that we had inherited a Federal power structure that was conceived with the ultimate objective in mind of a completely federalized electrical generating system that was fully monopolistic as far as the Federal Government is concerned; and as a result of that system, we find that the Bonneville Power Administration, the Bureau of Reclamation, the Southeastern Power Administration, and the Southwestern Power Administration has reached out beyond the bounds of propriety as we measure it in the light of the objectives of the present administration.

The Assistant Secretary went on to say:

> If we just break away from that concept of a Federal power wholesale monopoly, tied in to local public power, ever increasing local public power which can later easily be absorbed by the Federalized wholesale power system, if we break away from that concept, in which the organization has been administered for a number of years, administratively we can correct a good many of the evil effects that the Federal Power System has brought on our communities during the past year.

Mr. President, I invite the attention of the Senate to the fact that in one of my early speeches on this general subject I forewarned of the great danger of this administration scuttling our sound public-policy program administratively. They do not need legislation to do it. They will do some of it by legislation, but they do not need legislation to do most of it. They can enter into the kind of a contract which I have just introduced into the RECORD. They have the power to enter into such a contract, and they can do a very good job of scuttling large segments of the program. They can get around the public preference clause administratively. They do not need any law to do that. They can exercise their discretion. They can make a discretionary finding that they are entering into a certain contract because they think it is in the public interest. The effect is what, Mr. President? The effect is to give the private utilities power at the bus bar, at the site of the dam, which means, to all intents and purposes turning the dam over to private utilities.

I submit today, Mr. President, that that is their game, and that is why I have been heard to plead heretofore, as I am doing again today, that there must be constant vigilance maintained with respect to the administrative orders and administrative schemes of the present administration.

So, Mr. President, when the Assistant Secretary says in his speech before the chamber of commerce that administratively we can correct a good many of the evil effects the Federal power system has brought on our communities during the past years, he is using language which I fear indicates an attitude of mind and intention to play the private-utility game by way of administrative order and regulation.

So, I say that, apparently, Mr. Aandahl had in mind some surprising changes in favor of the private-power companies when he mentioned administrative corrections relative to the Federal power system. He gave us the hint of what he has in mind when he stated, also in his chamber of commerce speech:

> The next subject, Effect on Multiple-Purpose Projects, is not a matter of basic analysis, because whether the power that comes out of these multipurpose projects is owned and distributed and marketed by a Federal socialistic system, or is turned over to private enterprise to handle, makes little difference on the total repayment that might be available to the Federal Government. And, so we can go forward with our multipurpose projects, irrespective of the method of distributing and marketing the hydroelectric energy that is produced in the multipurpose projects.

Let all the farmers in the rural electrification system take note of Aandahl's statement.

It would seem that he believes it proper for the Federal Government to construct the multipurpose dams that private industry cannot undertake, but he is willing to let private industry handle the transmission and distribution of such federally generated power.

Obviously, Mr. Aandahl has an interesting theory of where Federal socialism starts and stops. He does not think it is socialism for the people to construct multipurpose dams which can be used for the benefit of the private power companies, but it becomes Federal socialism if they are to benefit the people.

The new Solicitor of the Interior Department, Clarence A. Davis, of Nebraska, after 16 years as counsel for the Western Public Service Co., became the general counsel of the Nebraska State Power Authority. Despite Davis' 12 years with that public power agency, Secretary McKay confided to the House Appropriations Committee that Davis "at heart is a private-ownership man." How relieved the private utilities must be to have this information about the man who will interpret the laws for the Interior Department.

Secretary Benson of the Department of Agriculture made his decision on Hells Canyon more quickly than did McKay. Shortly after he took office, he withdrew his predecessor's petition of intervention in the Oxbow proceedings. Perhaps he figured that if the fertilizer could not be produced, and if the irrigation water were not available, as they would not under the Idaho power proposal, then his problems of farm surpluses could be solved. But I do not think responsible people would adopt such a scarcity policy, when the national need, demonstrably, is for more food and more power, widely distributed.

Mr. Benson began his official duties by freezing REA's monthly loan authority to the January level—a literal enforcement of an administration suggestion.

The next step was to force the resignation of REA Administrator Claude A. Wickard. Congress, to free REA from just such political control had established a 10-year term for the Administrator. Mr. Wickard's tenure was to run until July 1955. But he has now been replaced by a Republican, Lt. Gov. Ancher Nelson, of Minnesota. Even though he has participated in REA organization in his home State, many rural electric leaders fear that Nelson will not support them on preference and generation and transmission loans.

Mr. Nelson is billed as a former vice president of the Minnesota State Association of Rural Electric Cooperatives. I have a copy of Hi-Lites, a newsletter issued by the Carlton County Co-Op Power Association in March, which characterizes Mr. Nelson as follows:

> The statewide association has for some time been dominated and its policies colored by a small group having a common political interest and a strong inclination to close association with Northern States Power Co. This group has been headed up by Lt. Gov. Ancher Nelson, who until the 12th of March was first vice president of the statewide association and who has successfully used our association for his political advancement.

The paper further reports:

> Mr. Nelson announced from the platform his personal opposition to the public power program. If he is appointed, as rumored, he will join others of like mind in the new administration, and the outlook for low-cost electric power in the rural areas of the entire country will be dimmed.

But Benson did not stop with firing Claude Wickard from an agency which Congress had stipulated should be nonpartisan. In the last few days the two ranking REA Administrators under Wickard have been told to resign, and the head of the REA telephone program has been removed from his position and made program analyst. The whole responsible administrative staff of REA under which that agency has done such a wonderful job has thus gone down under the Benson ax.

It comes as no surprise to me that the administration proposed substantial cuts in REA appropriations. The House refused to go all the way with this mislabeled economy drive. Fortunately, the Senate substantially increased the amount which the House had appropriated for REA loan authorizations. It is regrettable, however, that the reduced appropriation for REA administrative funds will make it extremely difficult to continue the REA's splendid record of servicing loans.

(At this point Mr. MORSE yielded to Mr. SCHOEPPEL, who asked and obtained unanimous consent that at the close of business today the Senate recess until 12 o'clock noon tomorrow.)

Mr. MORSE. No proponent of rapid, economic development of the Nation's hydro resources which now run waste to the sea can look at this administrative hierarchy without feeling uneasy.

For example, to date the only discernible action taken by our Interior Department quadrumvirate consists of reductions in budget requests for the construction of power facilities, which were virtually all eliminated as the Interior appropriations bill came back from the House.

Let us take a look at some specific cuts suggested by the new Interior Department: It was found unnecessary to have $833,000 to install generating facilities at the American Falls Dam in Idaho. The dam is standing, the water impounded, and unless the generators are connected, the Idaho Power Co. will be able to buy the falling water and sell power at fat profits to itself.

The Pacific Gas & Electric Co. will benefit at the taxpayers' expense from another little omission, just $60,000 for a step-down transformer to furnish Government power from the Central Valley line to a Government Army camp. Pacific Gas & Electric would like to sluice a middle-man profit out of selling Government power back to the Government with a wheeling contract.

As former Reclamation Commissioner Michael Straus described it so picturesquely:

> Our soldiers can continue to embark from Stoneman (the Government camp involved) on their great crusade to Korea safely uncontaminated by any Socialistic kilowatts which have not been properly disinfected by a ride, at a price, over P. G. & E. facilities.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a table setting forth the appropriation for the Department of the Interior for fiscal 1954.

The PRESIDING OFFICER (Mr. SCHOEPPEL in the chair). Is there objection?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE No. 1.—*Interior Department appropriations bill, fiscal 1954*

	Truman budget	Eisenhower budget	House committee recommendation	House passed	Senate committee recommendation
SOUTHEASTERN POWER ADMINISTRATION					
Construction	$6,700,000	[1] $100,000	0	0	0
Operation and maintenance	1,740,000	1,575,000	$1,060,000	$1,110,000	$1,130,000
SOUTHWESTERN POWER ADMINISTRATION					
Construction	$1,500,000	0	0	0	0
Operation and maintenance	1,900,000	$1,700,000	$1,500,000	$1,500,000	$1,700,000
Continuing fund	5,550,000	3,736,000	150,000	150,000	2,000,000
BONNEVILLE POWER ADMINISTRATION					
Construction	$35,200,000	$47,200,000	$38,300,000	$38,300,000	$44,193,000
Operation and maintenance	7,400,000	7,100,000	5,000,000	5,000,000	7,000,000
BUREAU OF RECLAMATION					
Construction and rehabilitation	$193,888,000	$145,000,000	$108,300,675	$108,305,675	$123,589,450
Operation and maintenance	24,800,000	23,200,000	18,000,000	18,000,000	21,040,000

[1] Planning fund only.

Mr. MORSE. Mr. President, in Colorado, a local power company, Colorado Public Service Co., agreed that a backbone transmission line was necessary to take Big Thompson kilowatts from Flatiron station to Valmont—but that $400,000 item was eliminated by the administration.

The Montana Power Co. unquestionably rejoiced when another transmission line, the Billings-Yellowtail line, was extinguished for "economy." Power from this line would have contributed to the construction of Yellowtail Dam, which would merely have compounded the offense. Later, on completion of that structure, power from the new dam could have been transmitted on the same $715,000 line into the Billings area, which Montana Power certainly considers its exclusive bailiwick.

The power lobby apparently has as many friends in the House Committee on Appropriations as it has in the Interior Department. The Interior Department slashed funds for power programs with vigor, but the House committee has done them one better.

As the bill came from the House committee virtually all construction funds for new power facilities had been eliminated, and the House has upheld the committee and passed one of the most ill-conceived bills in its history. The attempt of administration leaders in the House to justify its action in the sacred name of a "balanced budget" will fool nobody. This dollarwise and resource-foolish stand will not bear intelligent investigation.

That is why I asked unanimous consent a moment ago to have printed as a part of my remarks a summary of what has been done to Interior Department appropriations involving power facilities, showing the original Truman adminis-

tration budget, the Eisenhower budget, the amount recommended by the House Appropriations Committee, the sum finally approved by the House, and the amount recommended by the Senate Appropriations Committee.

The statistical table does not reflect the extent of the destruction of the public-power program involved in many of the items.

As an example of the great significance of some of the cuts which appear in the table to be quite small, let us look at the first item in the Interior Department listing above: the construction item in the Southeastern Power Administration budget. A proposed allowance of $6.7 million for investment in transmission lines was cut to $50,000 for planning only when it finally passed the House. The Senate Appropriations Committee agreed with the action of the House.

Similarly, the Southwestern Power Administration was denied construction funds of $1.5 million. The House proposed to virtually eliminate Southwestern Power Administration continuing funds. These funds are used by Southwestern Power Administration to buy and sell power to firm up its hydro output so that it can make contracts for the sale of firm power to commercial companies, municipalities, and rural electric cooperatives. The House approved only enough continuing funds to service the private-power contracts. It denied funds to serve the rural electric cooperatives—depriving them of their share of Southwestern Power Administration hydro power. Then, adding insult to injury, the House committee based this astounding act on a letter from Frank Wilkes, of Southwestern Gas & Electric Co., the spokesman for the commercial companies. Mr. Wilkes assured the House committee—in a letter after the hearings closed—that the slash in Southwestern Power Administration continuing funds would not result in the inability of any preference customer to get power on "our lines." The House committee chose to make this slash in funds, and the House upheld the committee, in defiance of the fact that a number of the cooperatives denied power are not "on our lines," that is, on Frank Wilkes and associates' private lines. Thus, the committee slashed funds for the rural electrics on the basis of a promise of the private power companies which those companies can fulfill only by forcing the rural electrics to become their customers.

Here again these "Socialist" kilowatts must be purified by an expensive ride over private monopoly's lines.

Mr. President, one ought to be able to stand on the floor of the Senate and say, "That is unbelievable." One ought to be able to stand on the floor of the Senate and say that no administration would be a party to such a scheme. Yet that is the program of this administration. It is a program to scuttle the transmission lines needed by rural electric cooperatives. It is a program which has as its clever design a scheme to turn the great public power program over to private utilities—I do not think for long, Mr. President.

It will take some time for the American people to become wise to this administration. But once they become wise to it, once they see an accumulation of facts such as I am presenting in this speech and have presented in the preceding speeches I have made on the question of power resources and the conservation of natural resources, once they become aware of such arguments as we have listened to here this afternoon by the Senator from Minnesota [Mr. HUMPHREY], once they hear the answer of the great Senator from Tennessee [Mr. KEFAUVER] to the President of the United States, who called the great TVA program "creeping socialism," once the American people come to realize that this administration is synonymous with tribute paying to private monopoly, they will turn it out of office. They are going to start doing it in 1954. Once the people in the States who are suffering the great losses being caused by this program of the Eisenhower administration in the field of power and natural resources generally, once the people become wise to this administration's program of helping private monopoly collect tribute from the little people of America, those little people will turn it out of office.

I repeat what I said earlier in this speech to the American people and the great mass of independent voters in America, whose number far exceeds the number of Republican and Democratic voters who vote the straight ticket—"Vote the Republicans out of office in 1954, because the Republican Party has become a party synonymous with exploitation of the economic rights of the little people of America, as represented by its unconscionable giveaway and grab programs in the entire field of electric power and natural resources."

I cannot understand the action of the House committee, and I cannot understand some of the recommendations of the Senate committee. I find it almost impossible to believe that any committee would slash funds for the farmers' cooperatives on the word—written or spoken—of a man who has been one of the most vigorous enemies of public and cooperative power this Nation has produced. But the committee did do this—and it cannot disguise this destructive attack upon the farmers' cooperatives as either ignorance or budget balancing. The slashing of SPA continuing funds in the House had been demanded by the private power lobby from the very beginning of the program. As far as House action is concerned, the lobby prevailed. I observe that the Senate committee has restored enough of the continuing funds to last 8 months. It is apparently the intention of the committee to free the Southwestern Power Administration to serve REA cooperatives in the future through private power company toll gates. The committee report has called for a resumption of negotiations between the Government, the REA's and the power companies, apparently mindful that the companies are demanding a Georgia-type contract which means Government sale of the power to the private utilities who in turn agree to supply, at their rates, REA and other preference customers.

That is the old tribute-collecting game. It ought to be known for what it is. It is a form of legalized robbery of the public interest.

Several of these REA cooperatives have contracts for power with the Government but apparently there is a scheme afoot to set aside these contracts, if possible, for I observe that the committee report says:

> The action of the committee is not intended to prejudge the validity of the contracts between the Southwestern Power Administration and various rural electric cooperatives, nor deemed to be a congressional interpretation of the applicable law.

One more comment on the report of the House committee on the Interior Department appropriation bill, 1954. This report, which was submitted to the House on April 23, 1953, contains the following statement on page 12:

> The committee believes that the Hoover (Boulder) Dam is an outstanding example of how Government and private enterprise can work hand in hand to mutual advantage. Here the dam, with penstocks, was built with Federal funds. The surplus power over and above direct project needs was, as provided by law, leased to private utility companies and municipalities which financed and built transmission facilities. Here the Government is receiving a reasonable return and the consumers of power are paying reasonable rates. The region being served has grown in amazing proportions.
>
> Unquestionably, in many additional cases, similar arrangements to those existing at Hoover Dam could be negotiated. Encouragement should be lent to such possibilities, with firm obligations undertaken, of course, to protect the power-consuming public.

Turning to the subject of the Army civil functions appropriations for the fiscal year 1954, the Corps of Army Engineers is building several great dams in the southeast. They involve 600,000-kilowatt capacity. These dams are not being stopped in the name of economy. There is a little stretch-out proposed in the revised Eisenhower budget. The Jim Woodruff Lock and Dam in Florida, Georgia, and Alabama was cut from $10.4 million in the Truman budget to $7.9 million in the Eisenhower budget. Buford Dam in Georgia was cut from $9.1 to $8.5 million. Clark Hill Reservoir in Georgia and South Carolina remained the same in both budgets—$2.25 million. John H. Kerr Reservoir in Virginia and North Carolina stayed at $1.45 million in both budgets.

They are not to be stopped, but transmission facilities in the southeast—the lines over which the power might be transported to REA and municipal customers—were totally knocked out in what was presented to the Nation as an economy move.

Mr. President, I digress again to say what I think they are up to. It is on this point that once more vigilance must be maintained. Appropriations for the dams in the Southeast are not cut in any substantial amount; but appropriations for transmission lines are cut out. The dams will be built, and then I say to you, Mr. President, watch their play. Their play then will be to turn the power over at busbar to the private utilities.

That is not "creeping socialism." Oh, no. That kind of handout to the private utilities is not socialism at all. I will tell you what it is, Mr. President. It is exploiting the people. That is what it is. That is why I am not a bus-bar man. That is why I have fought throughout my public career in the State of Oregon for the building of grid-back transmission lines, because it is as important that the people build those lines as it is that they build the dams. Then from the grid-back into the load center it is possible to negotiate with private utilities fair and equitable and reasonable contracts for power with which to serve their customers.

That takes them out of the position where they have a gun at your head, Mr. President. But the maneuver in this bill places a gun at the head of the American people on this issue, to speak figuratively, because after the dams are built with the taxpayer's dollars—and they are multipurpose dams—we then have nothing by way of a transmission line over which to send the power. We all know what the play will be. The play by the private utilities will be, "Oh, we will take the power. We will send it over our lines." They will be in a very advantageous bargaining position, too. Then they will sell the power at their rates, and every consumer along the line will pay tribute to the monopoly.

It is not too late to stop this scheme. We can do some stopping before 1954. I admit that our most effective way of stopping it is to turn them out in 1954, but we can do some stopping before 1954. We can stop this kind of budget cut. We can make it perfectly clear to the American people that it cannot be justified in the name of either economy or balancing the budget. It is a capital investment; it is not an operating cost; and there is returned to the Treasury of the United States many times the original outlay.

We must get that point across to the American people. As I go about the country and discuss this public issue in open forum after open forum, I can see the expression of surprise in the faces of the audience when they come to grips for the first time with the fact that it is not an operating cost, but is a capital investment of a self-liquidating nature. We are asking the American people to invest in themselves, to invest in an expanding economy, for the benefit of their children and for their grandchildren, on projects that will return to the United States Treasury many times their original cost.

Mr. President, talk about economy and balancing the budget. The Eisenhower administration, I say, is pulling the wool over the eyes of the American people on this issue. What they are really doing, as the southeastern power program shows, is asking the people to build dams and then to turn the power over at busbar. Who will profit? Not the people. They will pay tribute.

So I say, Mr. President, that the building of dams is not to be stopped. I would not fight to stop the building of any dams—but the building of transmission lines in the Southeast is to be stopped.

Appropriations for the lines over which the power might be transported to REA and municipal customers have been totally knocked out in what was presented to the Nation as an economy move.

The allowance for Port Randall Reservoir was cut more than a third from $22.7 million to $14.7 million. The allowance for The Dalles, on the Washington-Oregon border, was cut from $58.4 million to $37.4 million, as the Eisenhower administration scaled down the Truman budget requests.

A comparison of the Truman budget requests to keep these projects on schedule and the Eisenhower revisions makes interesting reading.

Mr. President, I ask unanimous consent that a table containing these figures be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE NO. 2.—*Army civil functions appropriations for fiscal 1954*

	Truman budget, 1954	Revised budget	House committee recommendation	Total capacity (kilowatts)
Blakely Mountain Reservoir, Ark	$6,000,000	$5,500,000	$5,500,000	75,000
Bull Shoals Reservoir, Ark.-Mo	2,000,000	2,000,000	2,000,000	140,000
Folsom Reservoir, Calif	14,800,000	9,800,000	8,000,000	160,000
Jim Woodruff lock and dam, Florida-Georgia-Alabama	10,400,000	7,900,000	7,000,000	30,000
Buford Dam, Ga	9,100,000	8,500,000	5,000,000	86,000
Clark Hill Reservoir, Ga.-S. C	2,250,000	2,250,000	2,250,000	280,000
Albeni Falls Reservoir, Idaho	7,700,000	7,200,000	6,000,000	42,000
Table Rock Reservoir, Mo.-Ark	10,800,000	0	0	84,000
Gavins Point, Nebr.-S. Dak	17,800,000	12,100,000	10,000,000	100,000
John H. Kerr Reservoir, Va.-N. C	1,450,000	1,450,000	1,450,000	204,000
Garrison Reservoir, N. Dak	30,000,000	31,000,000	27,000,000	240,000
Tenkiller Ferry Reservoir, Okla	300,000	200,000	200,000	34,000
Detroit Reservoir, Oreg	1,275,000	0	0	118,000
McNary lock and dam, Oregon-Washington	28,185,000	27,700,000	25,000,000	980,000
Lookout Point Reservoir, Oreg	20,375,000	20,000,000	18,000,000	129,000
The Dalles Dam, Oreg.-Wash	58,400,000	37,429,000	29,250,000	1,092,000
Fort Randall Reservoir, S. Dak	22,700,000	14,700,000	11,000,000	320,000
Oahe Reservoir, S. Dak	14,900,000	0	8,250,000	170,000
Cheatham lock and dam, Tenn	5,835,000	4,835,000	3,000,000	36,000
Old Hickory lock and dam, Ky.-Tenn	18,000,000	12,600,000	12,600,000	100,000
Chief Joseph Dam, Columbia River, Wash	30,000,000	25,000,000	23,000,000	1,024,000
Ice Harbor Dam, Wash.[1]	4,900,000	0	0	195,000

[1] New start.

Mr. MORSE. Mr. President, the Federal Power Commission is another agency in which the utilities are trying to wage their campaign against the expansion of low-cost power facilities. The Commissioner who most strongly stood up for the public interest, Thomas Buchanan, has left with the expiration of his term. His successor, Mr. Jerome K. Kuykendall, of Olympia, Wash., comes from a State utilities commission not famed for any stringency in regulatory activities. He was an appointee of Washington State's Governor Langlie, a consistent opponent of public power in the Pacific Northwest, and one of the most vigorous opponents of the building of Hells Canyon Dam.

I have, of course, already mentioned one of the biggest issues which will come before the Federal Power Commission in July—the application of the Idaho Power Co. for permission to construct the low-head Oxbow Dam, on the Snake River. If approved by the Federal Power Commission and built, the Oxbow project would kill the construction of Hells Canyon Dam by the Government, a much more far-reaching utilization of the river's potential for power, irrigation, flood control, navigation, and recreation.

The discrepancy between the proposal of the Idaho Power Co. and that of the Bureau of Reclamation is so overwhelming that I cannot really imagine that the Federal Power Commission would seriously entertain the private company's claim. The private company's proposal obviously would not provide for "optimum development of the water resources of the basin," nor be "best adapted to the comprehensive plan" for the Columbia Basin. These are the criteria of the Federal Power Act, under which the Commission operates.

TAX AMORTIZATION—ALL TAKE AND NO GIVE

Mr. President, now let me say a few words regarding a tax-amortization plan which might be characterized as "all take and no give."

The Commission has also been asked by the private utilities to give them a windfall of at least $140 million a year, according to Electrical World, a trade magazine. The question at issue involves the treatment of the savings accruing to the utilities as the result of their certificates of accelerated tax amortization. This tax allowance was supposed to be an incentive to obtain the construction of new plants for mobilization needs. Normally, powerplants are allowed depreciation of 3 to 4 percent a year. Under the special tax provision, they may deduct 20 percent a year, thus recovering their investment in 5 years, and saving the stockholders the risk.

Utility rates are set to yield a certain rate of return on the investment. If the utilities were to diminish their investment by 20 percent a year, their customers might quite legitimately save money on their electric bills as a result of reduced rates. But the utilities frown upon this suggestion—one which is embodied in a regulation by the Georgia Public Utility Commission. They want the Federal Power Commission to permit them to hold these savings in a special account so as to pay taxes after their 5-year period of depreciation has expired. And they do not want to reduce their rate base, because then their stockholders would benefit only once from the assumption by the Government of the risk for mobilization expansion, instead of twice.

Mr. President, can you beat that for audacity? Can you beat it for economic brazenness? Can you beat that for

what amounts, really, to a form of highway robbery? It is hard to believe that they would have the nerve to make such a request after they have been given that tremendous advantage—after you and I, Mr. President, and 160 million other Americans have helped make such substantial contributions to the building of their plants, a share of which cost we are all paying, because those companies are being relieved of taxes. And now they wish to have this tax saving—which is what it really amounts to—given to them twice. Of course, Mr. President, do not misunderstand me; no "creeping socialism" is connected with that! Oh, no! Certainly one is not guilty of "creeping socialism" if he supports such a program! But he is a party to an unconscionable giveaway program which is the chief economic characteristic of the Eisenhower administration. "Give it away," they say. They would give the people's wealth to the big business exploiters.

Mr. President, do you think the American people will not get wise to that? The big business interests realize that such economic data as these are very complex and complicated, and they are counting on the fact that the American people will not take time to analyze these dry statistics. However, they are wrong about that, for the American people are analyzing them. The American people are beginning to smell this one; it is becoming so rotten that its odor is spreading across the Nation, and the American people are beginning to resent this scheme of the private utilities to make what I say solemnly is an unconscionable misuse of a tax-amortization plan.

I supported a tax-amortization plan, as I said earlier in this speech, in the interest of the security of the United States. It was worth the price, because we needed the power. But I am not going to vote to give the private utilities an additional grab bag.

The Interstate Commerce Commission has already ruled against a similar railroad plea. But that did not stop the electric utilities from carrying the same issue to the Federal Power Commission.

One result of the unwillingness of Congress so far to participate fully with Canada in the construction of the St. Lawrence seaway and power project is the freezing out of the safeguards embodied in the Federal power policy. Pending before the Federal Power Commission is an application of the New York State Power Authority for development of the project. The officials of this authority have refused the plea of the American Public Power Association and the National Rural Electric Cooperative Association to give them preference in the distribution of the power to be generated. The Northeast has participated less than any other part of the country in the benefits derived from hydroelectric power expansion. It would be unfortunate if the tremendous water resources of the St. Lawrence were to be developed for the benefit of only a few private utilities.

Turning now to the legislative branch, let us see what our colleagues are doing to promote the welfare of the country and the expansion of low-cost electric power.

I find that in the very first days of the 83d Congress, the harbinger of the C. E. Wilson plan, Senate bill 106, found its way into the legislative hopper and passed the Senate. To be precise, it is not a bill which provides for the sale of all Government enterprise to private enterprise, but it is one of several bills which in effect asks Congress to study how this can be accomplished, and how the Government can be eliminated from the Rural Electrification Administration credit field.

Then there are the bills—S. 639, H. R. 2289, and H. R. 4351—to give to private utilities all the power obtained from the waters of the Niagara River. From the other end of the country, equal magnanimity is expressed in several bills which would transfer the Central Valley project to the State of California—H. R. 1716, 2262, 2291, and 3158.

On a more modest scale is another measure which would merely ask for reevaluation of all Interior Department projects, already authorized but not started, to see if the interests of economy and "changing national conditions" might not require their abandonment or at least postponement—House Joint Resolution 142.

Then there are the usual run of hamstringing bills, including the perennial one which would impose income taxes on cooperatives and on Government-owned enterprises, such as TVA, Bonneville, and so forth. Why not treat the Post Office Department in the same way? Or are the proponents of this tax afraid that then their business would receive diminished subsidies in the form of deficit raising second-class, third-class, and fourth-class postal rates?

In addition, of course, the utilities will express themselves, both directly and through their friends in Congress, on many subjects, but primarily on authorizations and appropriations for power installations. They have already made tremendous gains through the gutting of all power projects from the Interior Department appropriations bill, as it passed the House. They will have many well-meaning but deluded spokesmen to fight their battles—men and women who, exposed to utility propaganda, have been convinced that the philosophy of Lincoln, Teddy Roosevelt, and George Norris is "socialism." Have citizens of our country forgotten that they wanted to improve their economic well-being and that they sent men to Congress who pledged themselves to bring about the development of the vast power resources of our rivers for the benefit of all the people?

The projects and proposals that have survived the cold climate of the new administration are receiving a frigid reception in Congress. A few in the Congress may thaw out a little when an item of special local interest has been tossed out, but except for nonrevenue producing rivers and harbors and pork-barrel items, their colleagues soon will set them straight.

Unless those among us who fear power shortages and their threat to the economic welfare more than we fear the wolf cries of "socialism," raise our voices in this righteous cause and speak with persuasiveness of a high order, the utilities will obtain pretty much what they want.

Another arena in which the private utilities have been able to obstruct the operation of public power projects is in the courts. Their major efforts involve attacks on power arrangements between agencies of the Interior Department and rural electric cooperatives.

The reports of the State court decisions and those of the lower Federal courts contain a generous catalogue of cases in which the private utilities have resorted to court procedures, particularly those involving the use of the injunctive process, to obtain their objectives in their struggle against the public electric power program. In this fight they have borrowed a page from the sordid history of the labor injunction. They have learned the wisdom of initiating costly and long drawn-out litigation. They know the value of delay and harassment through court proceedings. They know that these methods will aid in their crusade for private monopoly in the fields of generation and distribution of electric power. They do these things with callous indifference to the public interest.

In this discussion, I have not mentioned more than a fraction of the many incidents—some tiny and some of large import—which altogether compose the crusade of attrition against the public power program.

The consequences of this program, if it succeeds, are going to be national power shortages. There will be scores of local shortages. Industrial expansion will be stopped in the Tennessee Valley, the Columbia Basin and many other areas throughout the country. There will be dimouts, brownouts, and blackouts.

False economy will supplant wise investment.

Our national strength will be sapped at a critical time in national and world history.

THE NEW NORMALCY

And now, a last word on the new normalcy.

The triple-pronged administration attack upon public power policy is not a positive program. It is not in the best interests of free enterprise which has blossomed in the economic hinterland of public power projects.

It is a negative—destructive approach which is based upon a philosophy of scarcity and high prices. That is not the way America grew to greatness.

This purge of public power is a sorry demonstration of a new "return to normalcy"—of "less government in business and more business in government."

It not merely foretells a return to the barren philosophy of the 1920's—it puts us on the low road to "boom and bust," based upon money profits not grounded on economic expansion and the creation of new real wealth.

It is not too soon to say—it is time for a change.

EXHIBIT 1

POWER SALES CONTRACT EXECUTED BY THE UNITED STATES OF AMERICA, DEPARTMENT OF THE INTERIOR, ACTING BY AND THROUGH THE BONNEVILLE POWER ADMINISTRATOR AND PORTLAND GENERAL ELECTRIC CO.

This power sales contract, executed ....., 1953, by the United States of America (hereinafter called "the Government"), Department of the Interior, acting by and through the Bonneville Power Administrator (hereinafter called the Administrator), and Portland General Electric Co. (hereinafter called the purchaser), a corporation organized and existing under the laws of the State of Oregon,

Witnesseth:

Whereas the purchaser and each of the other private utilities hereinafter specified desires to purchase its firm power requirements from the Government; and

Whereas the Administrator is authorized to dispose of electric energy generated at various Federal dams in the Northwest in accordance with the Bonneville Project Act, approved August 20, 1937, as amended, pursuant to Executive Order No. 8526, dated August 26, 1940, and the following orders of the Secretary of the Interior: No. 1994 (dated September 6, 1944), No. 2115 (dated May 8, 1948,) and No. 2563 (dated May 2, 1950); and

Whereas the Administrator desires to make available to each of said private utilities its firm power requirements but the supply of firm power available for disposition by the Administrator is now, and will be for several years, insufficient to accomplish that purpose; and

Whereas the provisions of this contract shall not be deemed to preclude the execution by the parties hereto on an agreement for sharing excess costs of electric energy generated by fuel-fired electric generating facilities in the Northwest, and the parties hereto recognize that it will be necessary to enter into agreements from time to time during the term hereof supplementing the provisions herein contained with respect to the amount of electric energy and other matters; and

Whereas the parties hereto have executed an exchange agreement (designated as contract No. Ibp–5975), which establishes an exchange energy account and points of delivery, and provides for measurement and scheduling arrangements and other matters, and the parties hereto desire to continue said exchange agreement in effect; and

Whereas the parties hereto on October 30, 1951, executed a power sales contract (designated as contract No. Ibp–8604) which, as thereafter amended and supplemented, provides for the sale of electric energy to the purchaser, and the parties desire to terminate said contract.

Now, therefore, the parties hereto, subject to all the provisions of said Bonneville Project Act, as amended, mutually covenant and agree as follows:

1. Rescission of contract: Said contract No. Ibp–8604, as amended and supplemented, is hereby rescinded effective at 12 p. m. on September 15, 1953, but all liabilities accrued thereunder shall be and are hereby preserved.

2. Term of contract: Subject to the other provisions contained herein, each of the provisions of this contract shall be effective for the term commencing at 12 p. m. on September 15, 1953, and ending at the expiration of 20 years from 12 p. m. on the date upon which this contract is executed.

3. Definitions and explanation of terms: As used herein:

(a) The term "private utilities" for any contract year shall include such of the following corporations as have executed contracts with the Administrator similar to this contract and have informed the Administrator more than 180 days before the beginning of such year that they desire portions of the available supply of energy and peaking for such year: The California Oregon Power Co.; California-Pacific Utilities Co.; Idaho Power Co.; the Montana Power Co.; Mountain States Power Co.; Pacific Power & Light Co.; Portland General Electric Co.; Puget Sound Power & Light Co.; and the Washington Water Power Co.

(b) The term "public agency requirements" for any period in the term hereof shall mean the amount of electric energy, as estimated by the Administrator, which reasonably will be required to supply the requirements in excess of the capability of their own hydroelectric generating facilities of all public bodies, cooperatives, and Federal agencies to be supplied by the Government during such period, directly over the Government's facilities or by transfer over other facilities: *Provided, however,* That in making such estimate for any period the Administrator shall not, without the purchaser's consent, include therein the amount of firm power required by any public body or cooperative, either for service to any industrial customer not being served by it at the time this contract is executed, or for additional service to an industrial customer then being served, if—

(1) such service is reasonably expected to result within a period of any 1 year in an increase of 10,000 kilowatts or more in what would otherwise be the largest contract demand, if any, but if none, in the largest measured demand, of such public body or cooperative during such year; and

(2) the Administrator has not given written notice to the purchaser at least 5 years before the beginning of such period stating that in his judgment a part of the electric energy purchased under this contract is likely to be needed for such service, or the Administrator has given such notice but such public body or cooperative has not agreed, when such notice is given to purchase such firm power.

(c) The term "industrial requirements" for any period in the term hereof shall mean the number of kilowatts of firm power shown for such period in the industrial requirements schedule in effect during such period as provided in section 4 hereof;

(d) The term "total priority requirements" for any period in the term hereof shall mean the amount of electric energy, as estimated by the Administrator, which will be required by the Government to supply—

(1) public agency and industrial requirements during such period;

(2) the amount of electric energy which the Government is obligated to supply during such period under agreements for storage of water, under exchange and transfer agreements, and under power contracts with the private utilities other than this contract and the contracts similar thereto with private utilities other than the purchaser.

(e) The term "minimum energy supply" for any period shall be the number of kilowatt-hours of electric energy shown for such period in the minimum energy supply schedule in effect during such period as provided in section 5 hereof;

(f) The term "available supply of energy" for any period shall be the number of kilowatt-hours of electric energy, as estimated by the Administrator but not less than the minimum energy supply for such period, which will be available for his disposition during such period, under water conditions equal to those of the minimum water year of record, after supplying total priority requirements during such period, but in making such estimate the Administrator shall give due regard to any geographical preference then provided by law;

(g) The term "available supply of peaking" for any month shall mean the smallest of the 30-minute integrated demands, as estimated by the Administrator, at which the Government will be able to deliver electric energy during such month after supplying total priority requirements, but in making such estimate the Administrator shall give due regard to any geographical preference then provided by law;

(h) The term "firm power requirements" of each of the private utilities for any contract year shall mean the number of kilowatts obtained by substracting from the largest computed demand (as defined in sec. 2.3 of exhibit H attached hereto) of such private utility for such year, the amount of "reserve generating capacity" taken into account in calculating such computed demand;

(i) The term "supply schedule" for the first contract year shall mean the supply schedule for 1953–54 contained in exhibit E attached hereto, and for each contract year thereafter shall mean the supply schedule prepared in accordance with the provisions of section 6 (d) hereof, and made applicable to such year as provided in section 6 (f) hereof;

(j) The term "billing limit" for any month in any contract year shall mean the number of kilowatts specified after such month in column 3 of the supply schedule for such year;

(k) The term "schedule of steam generation" for the first contract year shall mean the schedule of steam generation for 1953–54 contained in exhibit E attached hereto, and for each contract year thereafter shall mean the schedule of steam generation prepared in accordance with the provisions of section 6 (d) hereof, and made applicable to such year as provided in section 6 (f) hereof.

(l) The term "total peaking resources available to the private utilities" for any half hour shall mean the total integrated demand at which electric energy can be supplied to the private utilities during such half hour, under water conditions equal to those of the minimum water year of record—

(1) by all the generating facilities of the private utilities;

(2) under all contracts (including contracts with the Government, other than this contract and the similar contracts with the other private utilities) which provide for the delivery of firm power to any of the private utilities; and

(3) by any other resources available to the private utilities such as generating facilities of industrial consumers, generating facilities in the Dominion of Canada, resources through other interconnections, and fuel-fired generating facilities of public bodies, cooperatives, and Federal agencies other than the Department of the Interior.

(m) The term "total minimum peaking requirements of the private utilities" for any month shall mean the largest of the total 30-minute integrated demands of the systems of such utilities during such month remaining after use of the total peaking resources available to the private utilities for such half hour;

(n) The term "net reduction in load" which occurs as the result of a disposition of any portion of the distribution system of any of the private utilities shall mean the number of kilowatts obtained by subtracting from the maximum 30-minute integrated demand of such portion of such distribution system during the 12 months preceding such disposition (or for the period such electric energy was delivered if less than 12 months), the maximum 30-minute integrated demand, as determined by the Administrator, at which electric energy could be supplied under water conditions equal to those of the minimum water year of record

by any generating facilities included in such disposition:

(o) The term "settled by arbitration as provided in section 3 (o)" shall mean settlement determined in the manner provided in section 32 of exhibit I except that the private utilities as a group shall be entitled to appoint one representative to the committee and he shall be certified in writing by them as the representative chosen by them for that purpose.

4. Industrial power requirements and supply:

(a) Each industrial requirements schedule which takes effect hereunder shall remain in effect thereafter until the next numbered schedule takes effect hereunder. Industrial requirements schedule No. 1, attached hereto as exhibit C, shall take effect upon execution of this contract. A new industrial requirements schedule shall be submitted to the purchaser by the Administrator as soon as it is reasonably practicable after he determines that the industrial requirements schedule then in effect must be changed as the result of—

(1) the determination of any contract specified in such schedule, or a change in the contract demand for firm power (not including temporary reductions of contract demand in accordance with the terms of the contract) specified for such contract in such schedule, if such termination or change is to be effective before such contract expires according to such schedule;

(2) the extension of the term of any contract specified in such schedule (either by amending or supplementing such contract or replacing it with a new contract for an additional term; or

(3) the sale of firm power to an industrial consumer or industrial consumers, if the contract or contracts of sale are not included in such schedule and are authorized by the terms hereof.

The Administrator shall specify in such new schedule a list of the then existing contracts which have been, or are to be, executed by the Government and industrial consumers, together with the expiration date thereof and the contract demand or contract demands therein stated. Such new schedule shall be attached hereto and take effect hereunder when submitted to the purchaser.

(b) Except as it is otherwise provided in subsection (c) of this section, the Government will not, without the purchaser's consent, hereafter enter into any agreement which will require it to make firm power available to industrial consumers other than as specified in Industrial Requirements Schedule No. 1, during any period in the term hereof, if the Government has not agreed to supply the purchaser's firm power requirements during such period.

(c) The provisions of this contract shall not be deemed to prohibit the Government from entering into any agreement which—

(1) changes any of terms of any contract specified in the Industrial Requirement Schedule then in effect (either by amending or supplementing such contract or replacing it with a new contract), if such change does not either extend the term or increase the contract demand for firm power as specified in such contract;

(2) extends the term of any contract specified in the Industrial Requirements Schedule then in effect (either by amending or supplementing such contract or replacing it with a new contract), if such contract was entered into by the Administrator for the purpose of carrying out any geographical preference in the use of electric energy as provided by law;

(3) provides for the sale of electric energy to any industrial consumer at any time, if such agreement is entered into by the Administrator for the purpose of carrying out any geographical preference in the use of electric energy as provided by law; or

(4) extends the term of any contract specified in industrial requirements schedule No. 1 (either by amending or supplementing such contract or replacing it with a new contract), if such agreement provides that the Government will reduce its obligation to supply firm power under the contract so extended to the amount specified in subsection (d) of this section at all times when the amount of electric energy generated by the purchaser's fuel-fired generating facilities exceeds the amount specified in the schedule of steam generation: *Provided, however,* That such reduction will be made only to the extent that the industrial consumer named in the contract so extended is then able to obtain from other suppliers firm power at the average cost per kilowatt-hour of all electric energy then being generated by fuel-fired generating facilities for service to firm power customers of the private utilities; or

(5) extends the term of any contract which expires before the beginning of the first contract year hereunder according to exhibit C attached hereto (either by amending or supplementing such contract or replacing it with a new contract) if the contract demand therein stated is not increased.

(d) The reduced amount of firm power to be made available to each of the industrial customers listed in exhibit C attached hereto, upon extension of the term of their contracts as specified in said exhibit C shall be determined as provided in exhibit D which is attached hereto and hereby made a part of this contract.

(e) The Government will not, without the purchaser's consent, make interruptible power available to any industrial consumer, during any day of the period referred to in section 7 (a) (1) hereof, if the Administrator determines that as a result thereof—

(1) the Government will not have available for delivery to the purchaser during the remainder of the month the purchaser's electric energy requirements, determined in accordance with section 7 (b); or

(2) the Government would not be able to supply to the private utilities during the remainder of the contract year their electric energy requirements in excess of the estimated amount obtainable by them from the resources specified in section 3 (1) hereof.

The Administrator will normally curtail deliveries of interruptible power to industrial consumers during short peak periods when necessary to avoid placing in operation, for a short period, any fuel-fired generating plant normally on cold standby.

5. Minimum energy supply and generator schedules:

(a) Each minimum energy supply schedule and each generator schedule which takes effect hereunder shall remain in effect thereafter until the next numbered schedule takes effect hereunder. Minimum energy supply schedule No. 1, attached hereto as exhibit A, and generator schedule No. 1, attached hereto as exhibit B, shall each take effect upon execution of this contract.

(b) A new minimum energy supply schedule shall be submitted to the purchaser by the Administrator as soon as it is reasonably practicable after he determines that the amounts shown in any minimum energy supply schedule then in effect must be changed as the result of—

(1) changes in the generator schedule then in effect hereunder;

(2) changes in the industrial requirements schedule then in effect hereunder;

(3) service by the Government to any public body or cooperative for any distribution system, or portion thereof, hereafter disposed of to such public body or cooperative, by any of the private utilities;

(4) the purchase, acquisition, or exchange of electric energy by the Administrator from other suppliers;

(5) any changes in the amount of water, electric energy, or storage capacity, or in the discharge of water from a storage reservoir, used or to be used for the purpose of irrigation, navigation, or flood control, or for any other purpose permitted by law; or

(6) the expiration of 5 years, as required by applicable law, after written notice is given to the purchaser that in the judgment of the Administrator a part of the electric energy purchased hereunder is likely to be needed to satisfy the requirements of public bodies, cooperatives, and Federal agencies.

The Administrator shall specify in such new schedule his estimate of the amount of electric energy which will be available for disposition by him to the private utilities during each storage drawdown period in the remainder of the term of the contract: *Provided, However,* That for the purpose of making such estimate the term of each contract specified in the industrial requirements schedule then in effect shall be deemed to expire at the time of expiration of this contract regardless of the expiration date shown in such schedule. Such new schedule shall be attached hereto and take effect hereunder when submitted to the purchaser.

(c) A new generator schedule shall be submitted to the purchaser by the Administrator as soon as it is reasonably practicable after he determines that changes in the then existing generator schedule are necessary because of changes in the capability of the Government's system. The Administrator shall prepare such new schedule to conform with such changes, and the new schedule shall be attached hereto and take effect hereunder when submitted to the purchaser.

6. Submission of required information:

(a) At least 90 days before the beginning of the second contract year and of each contract year thereafter, the Administrator will give written notice to the purchaser specifying—

(1) the available supply of energy and peaking, respectively, as defined in section 3 (f) and 3 (g), for each month in such year; and

(2) his estimate of the firm power requirements, as defined in section 3 (h), of each of the private utilities for such year.

(b) at least 90 days before the beginning of the second contract year and of each contract year thereafter, the purchaser will give written notice to the Administrator specifying—

(1) the estimated total minimum peaking requirements for each month in such year of the private utilities, as defined in section 3 (l) hereof, and the total peaking resources available to the private utilities, as defined in section 3 (l) hereof, taken into account in estimating such requirements;

(2) the portion allocated to the purchaser for each month in such year of such total minimum peaking requirements of the private utilities as so estimated: *Provided, however,* That the total amount to be so allocated for any month shall not be less than 60 percent of the largest of such total minimum peaking requirements during such year; and

(3) a distribution among the months of such year, but not exceeding 20 million kilowatt-hours for any month, of 125 million kilowatt-hours which is the amount of fuel-generated electric energy utilized by the private utilities in normal peaking operations and before the Government would be required to supply electric energy to the purchaser pursuant to section 7 (a) (3) hereof: *Provided, however,* That, if any of the private utilities hereafter acquire additional fuel-fired electric generating facilities, or if any of the four private utilities first named in section 3 (a) hereof inform the Administrator more than 180 days before the beginning of such year that they desire portions of the available supply of energy and peaking for such year, such total amounts shall be changed before the beginning of such year to such amounts as such private utilities and the Administrator agree upon

as being the amounts utilized in normal peaking operations and before the Government would be obligated to supply electric energy to the purchaser pursuant to section 7 (a) (3) hereof, but, if they do not agree, the matter will be settled by arbitration as provided in section 3 (o) hereof: *Provided further*, That, if any portion of the distribution systems or any fuel-fired generating facilities of the private utilities are disposed of to any public body or cooperative, the above amounts will be reduced by the larger of—

(A) the ratio of the maximum 30-minute integrated demand of such portion of such system during the 12 months preceding such disposition to the sum of the maximum 30-minute integrated demands of the private utilities for the same period, or

(B) the ratio of the peaking capability of such fuel-fired generating facilities to the sum of the peaking capabilities of the fuel-fired generating facilities of the private utilities immediately before such disposition.

(c) If the purchaser notifies the Administrator, within 15 days after a notice is given pursuant to subsection (a) of this section, that the purchaser disagrees with the Administrator's estimate of any amount mentioned in subsection (a) (2), or if the Administrator notifies the purchaser, within 15 days after a notice is given pursuant to subsection (b) of this section, that he disagrees with the purchaser's estimate or distribution of any amount mentioned in said subsection (b) (1) or (b) (3) as specified in said notice, the estimate or distribution of such amount which is to be used to prepare the supply schedule, schedule of steam generation, and supplemental agreement (hereinafter referred to) for the ensuing contract year shall be such amount, if any, as is agreed upon by the parties hereto, but if such amount is not agreed upon within a period of 15 days after notification of the disagreement, the amount thereof determined by arbitration as provided in section 3 (o) hereof within 30 days after the expiration of said 15-day period shall be so used. If the purchaser's estimate of the total minimum peaking requirements of the private utilities mentioned in said subsection (b) (1) is changed as aforesaid, the purchaser will, within 5 days thereafter, give written notice to the Administrator specifying another allocation in accordance with the provisions of subsection (b) (2).

(d) If the available supply of energy specified in any notice given pursuant to subsection (a) of this section is insufficient to enable the Government to supply the total estimated firm power requirements of the private utilities (determined as provided in subsec. (a), or if necessary pursuant to subsec. (c), of this section) for the ensuing contract year, the purchaser will give to the Administrator, at least 60 days before the beginning of such year, written notice of allocation specifying therein the portions of the available supply of energy and peaking, respectively, to be made available to it during each month in such year. If the sum of the amounts specified by the private utilities does not exceed the available supply of energy or peaking, respectively, the allocation specified in the purchaser's notice shall be final. If such sum exceeds the available supply of energy or peaking, respectively, the Administrator shall allocate the amounts which are to be made available to the private utilities during each month in such year and, at least 45 days before the beginning of such year, shall give to each of such private utilities written notice of such allocation. If any of such private utilities thereafter give written notice to the Administrator specifying that they disagree with his allocation, he shall submit such allocation for reconsideration by such arbiter as is certified in writing by all such private utilities as the arbiter chosen by them for that purpose. If such arbiter gives the Administrator written notice of a revised allocation at least 5 days before the beginning of such year, and the sum of the amounts specified therein does not exceed the available supply of energy or peaking, respectively, the arbiter's allocation shall be final. If such notice is not given, the Administrator's allocation shall be final.

After an allocation to the purchaser of portions of the available supply of energy and peaking, respectively, for each month in such contract year, has become final, as provided in the first paragraph of this subsection and after allocation to the purchaser (pursuant to subsection (b), or if necessary pursuant to subsection (c), of this section) of a portion of the total minimum peaking requirements of the private utilities for each month in such year, the Administrator will prepare the supply schedule for such year which shall specify after each month in such year—

(1) in columns 1 and 2 thereof, the portions of the available supply of energy and peaking, respectively, so allocated to the purchaser for such month; and

(2) in column 3 thereof, the larger of: (A) the portion of the total minimum peaking requirements of the private utilities so allocated to the purchaser for such month; or (B) the number of kilowatts specified after such month in column 2 of such supply schedule.

After distribution among the months of such year (pursuant to subsec. (b), or if necessary pursuant to subsec. (c) of this section) of the amount of fuel-generated electric energy to be utilized by the private utilities, the Administrator will prepare the schedule of steam generation for such year which shall specify such distribution.

(e) If the available supply of energy and peaking specified in any notice given by the Administrator pursuant to subsection (a) of this section is sufficient to enable the Government to supply the total estimated firm power requirements of the private utilities for the ensuing contract year (determined as provided in subsec. (a), or if necessary pursuant to subsec. (c) of this section) no supply schedule will be prepared for such year, but the purchaser's estimated firm power requirements for such year, as so determined, shall be the purchaser's contract demand for such year.

(f) Prior to the beginning of the second contract year and of each contract year thereafter, the Administrator will, except as it is otherwise provided in subsection (g) of this section, prepare a supplemental agreement to be submitted to the parties hereto which shall make applicable to such contract year either the supply schedule or contract demand for such year, the schedule of steam generation for such year, and such other terms, if any, as have been agreed upon by the parties hereto.

(g) If the Administrator gives written notice to the purchaser in accordance with this subsection (g), the purchaser's contract demand for each month in the contract years specified in the notice shall, subject to sections 7 (c) and 8 (d), be an amount which is equal to the larger of—

(1) the purchaser's largest measured or computed demand (as defined in sections 2.2 and 2.3, respectively, of exhibit H attached hereto) during the 12 months' period ending on the last day of such month, or

(2) 80 percent of the largest contract demand of the purchaser during the period of 5 years ending on the last day of such month.

The Administrator shall not give written notice to the purchaser under this subsection (g) unless he gives a similar notice to each of the other private utilities and three or more contract years are specified in the notice. If such a notice is given, the subsections of this section 6 preceding this subsection (g) shall not apply with respect to the contract years specified in such notice.

7. Sale of power and amount sold:

(a) Subject to the other provisions contained herein, the Government will make available to the purchaser at one or more of the points of delivery described in, and subject to the applicable terms and provisions of said contract No. Ibp–5975, and the purchaser shall purchase from the Government—

(1) during each month in each contract year for which the available supply of energy is insufficient to enable the Administrator to supply the total estimated firm power requirements of the private utilities for such contract year as provided in section 6 (c) hereof, the number of kilowatt-hours of electric energy specified after such month in column 1 of the supply schedule for such year; and such electric energy will be made available during such month as requested by the purchaser except that the Government will not be obligated to deliver such electric energy during any half-hour in such month at an integrated demand for such half-hour which is in excess of the number of kilowatts specified after such month in column 2 of such supply schedule;

(2) during each other contract year firm power in the amount of the purchaser's contract demand for such year determined as provided in section 6 (e) or 6 (g) hereof; and

(3) during any day of the months referred to in subdivision (1) of this subsection, such amounts of electric energy (in addition to the amount specified after such month in column 1 of the supply schedule for such year) not exceeding (except as may be otherwise mutually agreed by the parties hereto) the amount specified in subsection (b) of this section, as the Administrator determines is available for disposition by him during such day after providing for total priority requirements; and such electric energy will be made available as requested by the purchaser except that the Administrator may restrict the integrated demand at which electric energy will be delivered under this section during any half-hour to such amount as he determines is necessary for proper operations, but such amount shall not be less than the number of kilowatts specified after such month in column 2 of the supply schedule for such year.

(b) The amount of electric energy referred to in subsection (a) (3) of this section shall be the number of kilowatt-hours obtained by subtracting from the total number of kilowatt-hours of electric energy required by the purchaser to supply the demands on its system during such day, the sum of the following kilowatt-hours which are usable to supply such demands during such day:

(1) the number of kilowatt-hours of electric energy which could be generated under prevailing water conditions by the hydroelectric generating facilities of the purchaser taking into account storage of water necessary for load protection;

(2) the number of kilowatt-hours of electric energy which the Government is obligated to make available to the purchaser pursuant to subsection (a) (1) of this section;

(3) the number of kilowatt-hours of electric energy, if any, which the Government is obligated to make available to the purchaser pursuant to all other firm power contracts executed by the parties hereto;

(4) the number of kilowatt-hours of electric energy, if any, which suppliers other than the parties hereto are obligated to make available to the purchaser pursuant to firm power contracts;

(5) the number of kilowatt-hours obtained by multiplying the ratio of the purchaser's billing limit to the sum of the billing limits of the private utilities then in effect, by the larger of: (A) all additional hydroelectric energy acquired by the private

utilities from others, or (B) all additional hydroelectric energy obtainable by the private utilities from others at a cost not in excess of the rate specified in the Bonneville Wholesale Energy Rate Schedule then in effect, a copy of such rate which is now in effect is attached hereto as exhibit M; and

(6) such part of the number of kilowatt-hours of electric energy shown after the appropriate month in the schedule of steam generation for such year as is specified by the Administrator: *Provided, however,* That the amount so specified by the Administrator shall not exceed the capability of the purchaser's station L: *Provided, further,* That the total of the amounts so specified by the Administrator for the private utilities of any month shall not exceed the amount shown after such month in such schedule of steam generation.

(c) If the purchaser disposes of any portion of its distribution system after the Government has become obligated to supply the purchaser's firm power requirements, the purchaser's contract demand then in effect shall be reduced by the net reduction in load as defined in section 3 (n) hereof, at the request of either party. If the Government becomes obligated to supply the purchaser's firm power requirements during any contract year and any customer or customers terminate service by the purchaser and commence to take service from a public body or cooperative, during such period, the purchaser's contract demand then in effect shall be reduced by such amount as is agreed upon by the parties, upon request of the purchaser, but if the parties fail to agree the matter will be settled by arbitration as provided in section 32 of exhibit I attached hereto.

8. Payment for power sold:

(a) Subject to subsection (i) of this section and the other provisions contained herein, the purchaser shall pay the Administrator for the electric energy made available hereunder during each month in each contract year specified in section 7 (a) (1) hereof at the rate of—

(1) one-twelfth of $17.50 (which is the rate specified in Bonneville wholesale power rate schedule C–4, a copy of which is attached hereto as exhibit F) per kilowatt of billing demand for energy for such month, determined as provided in subsection (b) or (c) of this section; and

(2) $0.75 (which is the demand charge specified in Bonneville wholesale power rate schedule F–4, a copy of which is attached hereto as exhibit G) per kilowatt of billing demand for peaking for such month, if any, determined as provided in subsection (c) of this section.

The purchaser shall make the payment required by this subsection in accordance with the terms of the general rate schedule provisions (effective April 1, 1948, as amended October 7, 1952, which are attached hereto as exhibit H) to the extent that they are not inconsistent with this subsection.

(b) If deliveries of electric energy to the purchaser during any month in any contract year specified in subsection (a) of this section are not restricted by the Administrator to an amount which is less than the amount specified in section 7 (a), and if there is no restriction by the Administrator of the integrated demand at which electric energy is delivered to the purchaser during any half-hour in such month to an amount which is less than the billing limit (as defined in section 3 (j) hereof) for such month, the billing demand for energy for such month shall be the billing limit for such month, and there shall be no billing demand for peaking for such month.

(c) If deliveries of electric energy to the purchaser during any month in any contract year specified in subsection (a) of this section are restricted by the Administrator to an amount which is less than the amount specified in section 7 (b), or if the integrated demand, at which electric energy is delivered to the purchaser during any half-hour in such month is restricted by the Administrator to an amount which is less than the billing limit for such month—

(1) the billing demand for energy for such month shall be the number of kilowatts determined (by using the energy delivered at scheduled demands equal to or less than the billing limit) in the manner illustrated in detail by the calculation attached hereto as exhibit K, and graphically illustrated by the chart attached hereto as exhibit L; and

(2) the billing demand for peaking for such month shall be not less than the excess of the number of kilowatts specified after such month in column 2 of the supply schedule for such year over the billing demand for energy for such month, but otherwise shall be the smallest of: (A) such billing demand for energy, (B) the excess of the billing limit for such month over such billing demand for energy, or (C) the excess over such billing demand for energy of the smallest number of kilowatts to which the integrated demand for any half-hour is so restricted during such month pursuant to said action 7 (a) (3).

(d) Subject to subsection (i) of this section and the other provisions contained herein, the purchaser shall pay the Administrator for the firm power made available hereunder during each contract year specified in section 7 (a) (2) hereof at the rate specified in said exhibit F and in accordance with the terms thereof and the terms of said exhibit H.

If a contract demand is not in effect hereunder during the immediately preceding contract year, all measured and computed demands during such immediately preceding year shall be disregarded in determining the billing demand under said exhibit H.

If additional generating capacity (including assured capacity purchased or leased from others) becomes available to the purchaser during any contract year specific in section 7 (a) (12) hereof, as the result of additional storage or otherwise, and such additional generating capacity was not included as a part of the purchaser's total generating capacity in determining the purchaser's firm-power requirements for such year pursuant to section 6 hereof, and if the purchaser has notified the Administrator of its intent to acquire such additional generating capacity at least 2 years before it becomes available to the purchaser—

(1) the purchaser's contract demand for such year shall be reduced, effective when such additional generating capacity becomes available to the purchaser, by the amount of such additional generating capacity less such reserve as is mutually agreed upon, or as is determined by arbitration in the manner specified in section 3 (o) hereof, if the parties do not agree on such reserve; and

(2) all measured and computed demands of the purchaser prior to such reduction shall, for the purpose of computing the charges due hereunder for each month after such reduction, be reduced by the amount of such reduction.

(e) The amount by which the purchaser's "30-minute system load" exceeds the "load which could have been carried by the purchaser's generating capacity" will be calculated for each of three periods in each month—

(1) in accordance with the provisions contained in section 2.3 of said exhibit H;

(2) in accordance with the principles and procedures to be followed in the calculation of computed demand, a copy of which is attached hereto as exhibit J and made a part of this contract; and

(3) by using as the "reserve generating capacity" mentioned in clause (b) of said section 2.3 of said exhibit H such percentage of the entire capacity of the purchaser's generating facilities as is mutually agreed upon, or as is determined by arbitration in the manner provided in section 3 (o) hereof, if the parties do not agree on such reserve.

The largest of the three amounts so calculated shall be the purchaser's "computed demand" for such month.

(f) In addition to the amounts to be paid by the purchaser pursuant to subsections (a) or (d) of this section, and as an adjustment for the diversity in the flow of electric energy at the several points of delivery, the purchaser will pay, for each month in the term hereof and at the time the payment for such month under subsection (a) or (d) is due, $0.01185 per kilowatt of billing demand for energy and billing demand for peaking for such month, or the purchaser's contract demand, if any, in effect during such month.

If changes in conditions hereafter occur which affect the diversity in the flow of electric energy at the several points of delivery, the charge specified in the immediately preceding paragraph shall be changed to conform with such changes in conditions. If the parties do not agree as to what constitues such a change in conditions or on the change to be made in such charge, the matter will be settled by arbitration in the manner provided in section 32 of exhibit I attached hereto.

(g) If the Government delivers electric energy to the purchaser during any half-hour in any month specified in subsection (a) of this section at an integrated demand for such half-hour which is in excess of the billing limit for such month, the number of kilowatt-hours represented by such excess (i. e., one-half of such excess integrated demand) shall be deemed to be excess energy and shall be credited to the Government in the exchange energy account established by said Contract No. Ibp–5975. Any dump or emergency energy delivered hereunder, determined as provided in section 14 of exhibit I attached hereto, shall also be credited to the Government in such exchange energy account.

(h) Pursuant to section 5 of exhibit I attached hereto, the purchaser will prepare and deliver to the Administrator within 10 days after the end of each month of each contract year specified in section 7 (a) (2) hereof, such information as may be required to enable the Administrator to calculate the purchaser's computed demand for such month.

The purchaser will also prepare and deliver to the Administrator within 10 days after the end of each month during which deliveries are restricted as provided in section 8 (c) of each other contract year a tabulation showing for each hour in such month the integrated demand on the purchaser's system, including all deliveries for the account of the Government, the integrated demand at which electric energy is delivered to each utility which is not dependent upon the purchaser for the major part of its electric energy requirements, and the amount of uncontrolled energy in each hour, which shall be the sum of the following:

(1) the amount of electric energy generated during such hour by all the purchaser's hydroelectric generating facilities from streamflows which it is estimated would otherwise be wasted;

(2) the amount of electric energy generated during such hour by such generating facilities from storage water withdrawn from the purchaser's reservoirs which it is estimated would otherwise be wasted;

(3) the amount of electric energy delivered to the purchaser during such hour and which is generated by other suppliers by using water owned by the purchaser in storage reservoirs of such suppliers and which it is estimated would otherwise be wasted;

(4) the amount of electric energy generated during such hour by steam-generating facilities of the purchaser which are being operated for a spinning reserve;

(5) the amount of electric energy delivered to the purchaser during such hour pursuant to firm purchase obligations other than that contained herein; and

(6) the amount of electric energy delivered to the purchaser during such hour by the Government to replace the electric energy delivered by the purchaser pursuant to the terms of any transfer agreement of the parties hereto.

If the Administrator does not agree that any amount, shown in the information submitted pursuant to this subsection, is correct and the parties do not thereafter agree to such amount, the matter shall be settled by arbitration in the manner provided in section 32 of exhibit I attached hereto.

(i) The purchaser shall pay the Administrator for the electric energy or firm power made available hereunder during each month in the remainder of the term hereof commencing on December 20, 1954, at the rate specified in any rate schedule available at the end of such month under new contracts for service of the class, quality, and type provided for herein, and in accordance with the terms thereof and the general rate schedule provisions incorporated or referred to in such rate schedule: *Provided, however,* That if more than one rate schedule for such service is available at the end of such month, the purchaser shall determine which of the several rate schedules shall then apply hereunder until such rate schedule is amended or suspended: *Provided, further,* That if a rate in excess of the rate in effect on December 19, 1954, becomes effective hereunder the purchaser may, by giving written notice to the Administrator at any time within 60 days from the time such increased rate becomes effective, terminate this contract at such time after said notice is given as is therein specified: *And provided, further,* That the rates in effect hereunder on December 20, 1954, shall not be increased before December 20, 1959.

9. Power factor: It will not be practicable to measure the average power factor at which electric energy is delivered to the purchaser hereunder because of the interconnection of the systems of the various privately owned utilities in the Northwest, and for billing purposes it will be assumed that electric energy has been delivered to the purchaser hereunder at an average power factor of 0.85 or more. However, during the contract years specified in section 7 (a) (1) hereof, the purchaser will use due diligence so to operate its system as to be capable of supplying its own requirements of reactive power and will do so to such extent as is consistent with the operation of the interconnected systems of the region. If the purchaser fails to supply its entire requirements of reactive power, as determined by tests made under maximum load conditions, during any period specified in said section 7 (a) (1), the Government shall not be obligated to supply the entire amounts of electric energy therein stated, but shall be obligated to supply during such period only such part thereof as is reasonably practicable (in view of the Government's obligations to deliver electric energy to other purchasers) under the then existing conditions.

10. General provisions: The general contract provisions (GCP Form POU–8), attached hereto as exhibit I, except sections 15 and 16 thereof, are hereby made a part of this contract.

11. Resale rate regulation:

(a) The purchaser shall deliver to the Administrator schedules of all its rates and charges for electric service now in effect and such alterations and changes therein as may become effective, and the Administrator shall keep them on file in his office.

(b) If the Administrator is supplying the firm power requirements of the purchaser and determines that its rates are not reasonable and nondiscriminatory, he may negotiate with the purchaser to agree on changes. If no agreement is reached, the Administrator may cancel the contract on 4 years' notice. Upon receipt of cancellation notice by the Administrator, the purchaser shall have the right to have the action of the Administrator reviewed by the United States District Court for the District of Oregon, to determine if such rates and charges are in fact unreasonable and discriminatory.

12. Resale to other utilities:

(a) The purchaser will not sell electric energy to utilities not dependent on the purchaser for the major part of their electric energy requirements, except the electric energy generated in the purchaser's fuel-fired electric generating plants in excess of the amount generated for its own use, and except electric energy generated in the purchaser's hydroelectric plants, as follows:

(1) during the months of April, May, June, and July of each year, electric energy generated from the excess of the current streamflows over those required: (A) to refill the purchaser's reservoirs on a schedule which will assure that each reservoir will be full on or before August 1 of such year, without depending on purchases of electric energy other than firm power, and (B) to generate the electric energy requirements of the purchaser's system not exceeding the equivalent of the average assured capability of the purchaser's hydroelectric plants during the period embracing all other months of the year; and

(2) during each other month of such year, electric energy generated from streamflows in excess of streamflows in the corresponding month of the 12-months' period commencing July 1, 1936, and from any accumulation of such excess streamflows then in storage in the purchaser's reservoirs or elsewhere.

(b) The amount of any electric energy sold by the purchaser in accordance with subsection (a) of this section during any month specified in section 7 (a) (2) hereof will be disregarded in determining the "purchaser's 30-minute system load" to be used in computing the charges due hereunder for such month.

(c) No part of the electric energy sold by the purchaser in accordance with subsection (a) of this section shall be delivered at such time as to increase the purchaser's maximum system demand for any month in the term hereof unless it is otherwise agreed by the dispatchers of the parties hereto.

(d) The purchaser will furnish to the Administrator, in accordance with section 5 of exhibit I attached hereto, such information as he requests and which is reasonably required to determine whether or not the purchaser is complying with the provisions of this section.

(e) If the purchaser delivers to any such utility during any month in the term hereof any electric energy other than energy available for such resale in accordance with subsection (a) of this section, the amount of electric energy so delivered shall be deemed to have been supplied by the Government to the purchaser and shall be credited to the Government in the exchange account established by said contract No. Ibp–5975.

(f) The inclusion of this section is not intended to have the effect of interfering with the construction of new generating facilities by the purchaser. Accordingly, it is the intention of the parties hereto to negotiate in good faith for the modification of this section if such modification is reasonably necessary to aid in the financing by the purchaser of additional generating facilities.

13. Joint studies and negotiations:

(a) Representatives of the parties hereto will collaborate in joint studies from time to time to forecast the power requirements of the purchaser to be supplied hereunder and to plan the facilities required to assure the most efficient mutual operations.

(b) If any statute (including the Bonneville Project Act), Executive order, or order of the Secretary of the Interior, which applies to the disposition of any electric energy by the Administrator is promulgated or amended at any time during the term hereof, the parties hereto, at the request of either, shall negotiate in good faith to amend this contract to conform it with the applicable statutes and orders as they exist after such amendment.

(c) If any power sales contract hereafter executed by the Administrator and any other customer contains more favorable terms or provisions than those contained herein, the parties hereto, at the request of the purchaser, shall negotiate in good faith to amend this contract to incorporate herein such more favorable terms or provisions: *Provided, however,* That this subsection (c) shall not be deemed to require the Administrator to negotiate regarding the inclusion of any provision which he determines cannot be performed by the Government, or which in his opinion would be inconsistent with any other contract or with the statutes, rules, and regulations governing the disposition of electric energy by him.

14. Approval of contract: This contract shall not be binding upon the parties hereto until it has been approved by the Secretary of the Interior, and until the rates and charges herein contained are approved by the Federal Power Commission, but when so approved shall be effective as of 12 p. m. on the date this contract is executed.

In witness whereof, the parties hereto have executed this agreement in several counterparts.

UNITED STATES OF AMERICA,
DEPARTMENT OF THE INTERIOR,
By ——— ———,
Bonneville Power Administrator.
PORTLAND GENERAL ELECTRIC CO.,
By ——— ———,
Attest:
——— ———,
Secretary.

EXHIBIT A

Minimum energy supply schedule No. 1

Sept. 16 to Apr. 15 of the following fiscal years:	*Thousands of Kilowatt-hours*
1953–54	401,952
1954–55	819,168
1955–56	1,531,488
1956–57	1,938,528
1957–58	2,615,232
1958–59	3,637,920
1959–60	3,551,424
1960–61	2,966,304
1961–62	2,371,008
1962–63	1,755,360
1963–64	981,984
1964–65	152,640
1965–66	0
1966–67	0
1967–68	0
1968–69	0
1969–70	0
1970–71	0
1971–72	0
1972–73	0

EXHIBIT B

Generator schedule No. 1.—United States Columbia River power system installation schedule—projects under construction Dec. 1, 1952

Project	Total nameplate rating (thousands of kilowatts) [1]	Date in service
Detroit:		
Units No. 1	80.0	June 1, 1953
Units No. 2	100.0	Oct. 1, 1953
Hungry Horse:		
2.0 million acre-feet usable storage		Sept. 1, 1953
2.98 million acre-feet usable storage		Sept. 1, 1954
Units No. 3	[2] 213.75	Aug. 1, 1953
Units No. 4	285.00	Nov. 1, 1953
Big Cliff:		
Reregulation		Oct. 1, 1953
Unit No. 1	18.0	Apr. 1, 1954
McNary:		
Units Nos. 1 and 2	140.0	Dec. 1, 1953
Unit No. 3	210.0	Mar. 1, 1954
Unit No. 4	280.0	June 1, 1954
Unit No. 5	350.0	Sept. 1, 1954
Unit No. 6	420.0	Dec. 1, 1954
Unit No. 7	490.0	Mar. 1, 1955
Unit No. 8	560.0	June 1, 1955
Unit No. 9	630.0	Sept. 1, 1955
Unit No. 10	700.0	Dec. 1, 1955
Unit No. 11	770.0	Mar. 1, 1956
Unit No. 12	840.0	June 1, 1956
Unit No. 13	910.0	Sept. 1, 1956
Unit No. 14	980.0	Dec. 1, 1956
Albeni Falls:		
Unit No. 1	14.2	Aug. 1, 1954
Unit No. 2	28.4	Dec. 1, 1954
Unit No. 3	42.6	Apr. 1, 1955

[1] Manufacturer's rating and does not necessarily represent maximum capability.
[2] 3 units.

Generator schedule No. 1.—United States Columbia River power system installation schedule—projects under construction Dec. 1, 1952—Continued

Project	Total nameplate rating (thousands of kilowatts)	Date in service
Dexter:		
Reregulation		Sept. 1, 1954
Unit No. 1	15.0	Apr. 1, 1955
Lookout Point (Meridian):		
Units No. 1 and 2	76.0	Oct. 1, 1954
Unit No. 3	114.0	Feb. 1, 1955
Chandler: Units No. 1 and 2	12.0	Sept. 1, 1955
Chief Joseph:		
Units Nos. 1, 2, and 3	192.0	Do.
Unit No. 4	256.0	Dec. 1, 1955
Unit No. 5	320.0	Mar. 1, 1956
Unit No. 6	384.0	June 1, 1956
Unit No. 7	448.0	Sept. 1, 1956
Unit No. 8	512.0	Dec. 1, 1956
Unit No. 9	576.0	Mar. 1, 1957
Unit No. 10	640.0	June 1, 1957
Unit No. 11	704.0	Sept. 1, 1957
Unit No. 12	768.0	Dec. 1, 1957
Unit No. 13	832.0	Mar. 1, 1958
Unit No. 14	894.0	June 1, 1958
Unit No. 15	960.0	Sept. 1, 1958
Unit No. 16	1,024.0	Dec. 1, 1958
The Dalles:		
Units Nos. 1 and 2	156.0	Nov. 1, 1957
Unit No. 3	234.0	Feb. 1, 1958
Unit No. 4	312.0	May 1, 1958
Unit No. 5	390.0	Aug. 1, 1958
Unit No. 6	468.0	Nov. 1, 1958
Unit No. 7	546.0	Feb. 1, 1959
Unit No. 8	624.0	May 1, 1959
Unit No. 9	702.0	Aug. 1, 1959
Unit No. 10	780.0	Nov. 1, 1959
Unit No. 11	858.0	Feb. 1, 1960
Unit No. 12	936.0	May 1, 1960
Unit No. 13	1,014.0	Aug. 1, 1960
Unit No. 14	1,092.0	Nov. 1, 1960

EXHIBIT C

Industrial requirements schedule No. 1

	Contract No.	Date of expiration of contract	Contract demand in kilowatts
Sept. 16-Nov. 30, 1953:			
Aluminum Co. of America (Vancouver)	IBP-8158	Oct. 30, 1971	136,000
Carborundum Co., The	IBP-5354	Sept. 30, 1967	9,360
Chromium Mining & Smelting Corp	IBP-6085	Nov. 15, 1958	13,080
Crown Zellerbach Corp	IBP-5433	Dec. 18, 1967	6,200
Keokuk Electro Metals Co	IBP-7851	July 26, 1963	7,300
Pacific Carbide & Alloys Co	IBP-1329	July 6, 1960	3,250
Pensylvania Salt Manufacturing Co. of Washington	IBP-6868	Feb. 3, 1969	13,600
Kaiser Aluminum & Chemical Corp. (Spokane Red.)	IBP-4960	June 30, 1963	189,000
Kaiser Aluminum & Chemical Corp. (Spokane Feb.)	IBP-4789	June 30, 1963	35,080
Kaiser Aluminum & Chemical Corp. (Tacoma Red.)	IBP-5160	Apr. 23, 1967	50,000
Rayonier, Inc	IBP-5898	Oct. 14, 1968	2,300
Reynolds Metals Co. (Longview)	IBP-7505	Oct. 2, 1970	60,000
Reynolds Metals Co. (Troutdale)	IBP-7506	Oct. 2, 1970	142,100
Electro-Metallurgical Co	IBP-2199	May 29, 1961	7,500
Victor Chemical Co	IBP-8328	Aug. 31, 1971	31,080
Total			705,660
Dec. 1, 1953-Feb. 28, 1954: Carborundum Co., The	IBP-5354	Sept. 30, 1967	10,800
Total			716,460
Mar. 1-June 30, 1954: Harvey Machine Co. of Montana (Anaconda Aluminum)	IBP-7849	Jan. 25, 1972	37,000
Total			753,460
July 1-Aug. 31, 1954:			
Hanna Nickel Smelting Co		June 30, 1962	65,000
Harvey Machine Co. of California—The Dalles	IBP-2938	Jan. 27, 1973	40,000
Total			858,460
Sept. 1, 1954-June 30, 1955: Harvey Machine Co. of Montana (Anaconda Aluminum)	IBP-7849	Jan. 25, 1972	74,000
Total			932,460
July 1, 1955-June 30, 1956: Aluminum Co. of America (Wenatchee)	IBP-8145	May 22, 1971	60,000
Total			992,460
July 1, 1956-June 30, 1957: Aluminum Co. of America (Wenatchee)	IBP-8145	May 22, 1971	30,000
Total			1,022,460
July 1, 1957-Sept. 30, 1973: Aluminum Co. of America (Wenatchee)	IBP-8145	May 22, 1971	30,000
Total			1,052,460

EXHIBIT D

FORMULA FOR DETERMINING THE REDUCED AMOUNT OF FIRM POWER TO BE MADE AVAILABLE TO THE INDUSTRIAL CUSTOMERS LISTED IN EXHIBIT L UPON AN EXTENSION OF THE TERM OF THEIR CONTRACTS

Let—

a equal the contract demand of an industrial customer under the contract listed in said exhibit L.

b equal the total contract demands of the industrial customers under the contracts listed in said exhibit L.

c equal the sum of the noncoincidental maximum system demands of the private utilities in the contract year preceding the date of expiration of the contract of such industrial customer specified in said exhibit L.

d equal the peaking capability of the major utility owned fuel-fired electric generating plants which are a part of the systems of the western group of the Northwest power pool during the contract year preceding the date of termination of the contract with said industrial customer as specified in said exhibit L; provided, however, that d shall not be less than 500,000 kilowatts.

x equals the reduced amount of firm power to be made available to said industrial customer upon the extension of the term of contract.

Then—

$$x = a - \frac{ad}{b+c}$$

ORDER FOR RECESS

During the delivery of Mr. MORSE's speech,

Mr. SCHOEPPEL. Mr. President, I ask unanimous consent that at the conclusion of the business of the Senate this afternoon, the Senate take a recess until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ORDER GIVING SENATOR HUMPHREY THE FLOOR TOMORROW MORNING

Mr. SCHOEPPEL. I understand that the distinguished junior Senator from Minnesota [Mr. HUMPHREY] desires to discuss the matter of his obtaining the floor tomorrow. Is my understanding correct?

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. SCHOEPPEL. I am glad to yield.

Mr. HUMPHREY. Would the Senator from Kansas include in his unanimous-consent request that following a quorum call tomorrow noon, and during the morning hour, the junior Senator from Minnesota may be permitted to have the floor in order to make a speech on the question of international trade? I made a request earlier today with respect to that subject.

Mr. SCHOEPPEL. I would have no objection.

Mr. HUMPHREY. Mr. President, I should like to have it understood that the morning hour will not limit me as to time.

Mr. SCHOEPPEL. It might be understood at this time that the Senator from Minnesota, following a quorum call tomorrow noon, and after a morning hour, may have the floor for the purpose of making a speech.

The PRESIDING OFFICER. The Chair informs the Senator from Minnesota that, as the Senate will meet tomorrow following a recess, there will not be a morning hour.

Mr. SCHOEPPEL. A morning hour can be provided for by unanimous consent. It is the usual practice of the acting majority leader to ask unanimous consent that the Senate may have a morning hour.

Mr. MORSE. Mr. President, I suggest that unanimous consent for a morning hour tomorrow be obtained now.

The PRESIDING OFFICER. The Chair wishes to ask the Senator from Minnesota if his request is that he be heard following a morning hour or immediately following the convening of the Senate.

Mr. HUMPHREY. My request is that following a quorum call and following the morning hour, assuming that there will be a morning hour, the junior Senator from Minnesota may be permitted to have the floor for the purpose of making his remarks on the subject of international trade.

Mr. MORSE. Reserving the right to object, in case unanimous consent for a morning hour is not granted tomorrow, I suggest that the junior Senator from Minnesota then be recognized tonight, under the unanimous-consent request.

Mr. HUMPHREY. It was my understanding that my proviso would take care of that.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Minnesota?

Mr. SCHOEPPEL. I have no objection.

The PRESIDING OFFICER. There being no objection, the unanimous-consent request is agreed to.

UNREST IN SOVIET SATELLITE COUNTRIES

Mr. HUMPHREY. Mr. President, I wish to make a comment or two upon what I consider to be a very important and continuing development, a development meriting constant appraisal and, I believe and state very frankly, approval and commendation by the Congress of the United States.

I have in my hand a press dispatch from the wire services, which reads:

BONN.—West German Chancellor Adenauer revealed he has asked the governments of the United States, Britain, and France for all possible aid in restoring the rights of man in Soviet East Germany.

He also appealed for help of the Western Allies to reunite the divided country.

In a cable message to President Eisenhower, Adenauer said:

"The people of the eastern sector of Berlin and of the Eastern Zone of Germany have arisen, unarmed and demanded their rights to freedom, despite the use against them of Soviet troops and tanks. Many paid for their courage and valor with their lives. Nothing shows better that this outcry of tormented people how untenable conditions in this part of Central Europe are.

"I address to you an urgent appeal * * * to do all possible to remove these conditions, to restore the rights of man and to give the whole German people unity and freedom, which alone can insure a permanent peaceful development in Europe."

I ask that the remainder of the dispatch be printed at this point in the RECORD.

There being no objection, the remainder of the dispatch was ordered to be printed in the RECORD, as follows:

West German Defense Minister Theodor Blank announced that he will devote much of his forthcoming visit to the United States to discussing plans for training West German noncoms and officers in the use of modern weapons in blitz courses in the United States.

Blank will leave for New York later this week from Le Havre, aboard the liner *United States*.

"The West German Government," he said, "believes with Washington that the European army offers the best possible military and political solution to the question of a German defense contribution."

Mr. HUMPHREY. Mr. President, I shall continue by reading another press dispatch, which I again think is very revealing of the great turmoil and confusion and revolt now going on behind the Iron Curtain. This is an Associated Press dispatch from Berlin:

Polish tank troops called in by the Soviet command refused to fire on rioting workers in the East German revolt, refugees disclosed today.

In war-battered Goerlitz, on the German-Polish frontier, Polish tanks rumbled into the city's main square to face a crowd of several thousand Germans demonstrating for freedom.

The senior Polish officer stepped out of his tank, faced the Germans—and saluted.

"I don't fire on German workers," he said.

The Germans returned his salute.

When the Russians saw the Poles were not going to resist the Germans, they ordered the Polish troops back across the border and sent in Russian tanks, the refugees said.

Mr. President, this indicates to me what many of us have felt for a long time, that in the so-called empire of the satellite countries the Soviet Union is having serious trouble, and that many of the forces they have mustered and much of the military strength they have listed as being available and ready for combat will not be available to the Soviet Union for purposes of aggression or of attack upon peoples who want their freedom. I only hope that our Government will take every means within its power, in pursuance of a peaceful foreign policy, to aid these valiant men and women, as well as children, in Eastern Germany, Czechoslovakia, Hungary, Poland, Rumania, Bulgaria, and Albania, and in Latvia, Lithuania, and Estonia—nations that fell to Soviet aggression early—and do everything it can to give them courage and hope.

I was very much pleased the other day to note that the President made available an additional $50 million to aid the Government of West Germany in its problems of meeting the needs of the refugees who have streamed across the border from Eastern Germany into Western Germany. I submit that every action we take now to uphold the hand of the West German Republic and to strengthen the forces of freedom in that country will be most valuable to our foreign policy and to the peace of the world.

The German people in East Germany are proving themselves to be very strong and powerful forces for freedom and independence, and I think they are setting an example which is causing loud reverberations throughout the world. The Government of the United States, in collaboration with its allies, must come out strongly for German unification, so as to make it crystal clear that we are the leaders in this struggle and not the followers.

Likewise, as Chancellor Adenauer has pointed out, it is important to increase the strength of allied defense in Western Europe, an undertaking which should never be underestimated or in any way weakened.

I say, Mr. President, that now is the time to keep the pressure on, so to speak. This is a time when the North Atlantic Treaty Organization should be strengthened. This is no time to indicate to friend and foe alike that we would weaken our own defense. The future may be very well written in the next few weeks in central Europe. I happen to believe that the situation in East Germany is so critical that it is of the utmost importance to the free world and particularly to the United States of America to have the German people and the German Government on the side of the West. Strange as it may seem, our enemies in World War II, Japan, and Germany, are right now the key in the Far East and in the West to stability in those areas.

I rise, again, as I shall every day, to commend the valiant people of East Germany for their show of courage and strength, which they are demonstrating by fighting tanks with stones and Soviet machine gunners with sticks. They have been doing so for more than a week. Each and every day the revolt and unrest becomes greater, not smaller. Today the Soviet Union, according to dispatches, has 300,000 troops in East Germany, Poland, and Czechoslovakia, trying to keep down the unrest.

I remind the Senate that the unrest and the revolt for liberation and freedom are coming from working people. I am proud to stand on the floor of the Senate today and say that in Europe as in America the first ones who raised their voices and their arms for freedom were the embattled farmers and workers, the plain, ordinary people. They are the ones who are challenging Soviet despotism at this time. Anything we can do to give them hope will save lives and may very well save the peace of the world, because the Soviet Union will never enslave the German people. The Soviet Union will never enslave the brave people of Poland and Czechoslovakia. Czechoslovakia was the cradle of democracy in Europe, and the people of Czechoslovakia today, in memory of Benes, are fighting against the tyrants who are oppressing them. They are fighting against the totalitarian despotism. They had it under Hitler and they had it under Stalin, but they want to live as free men and free women.

I believe, Mr. President, that we should do everything we can to let them know

that voices in America are being raised in their behalf. If ever any people needed help and reassurance, it is those people.

I have before me a press dispatch of this morning which reads, in part, as follows:

BERLIN.—The whip of Red terror continued tonight to lash rebellious East Germany. Thirty thousand former Wehrmacht officers were added to a gigantic list for automatic arrest.

Fearful of betrayal even by their own Volkspolizei (people's police) honor guard, panicky Communist leaders turned to Soviet tanks and machine guns to protect their homes in the Pankow district of East Berlin. The police guardsmen were suddenly transferred to routine duties elsewhere in the east sector of this divided city, gripped by martial law.

Premier Otto Grotewohl's government, still in office only by the gunpower of 300,000 Russian troops, made this desperate bid to regain civilian control:

Then the dispatch goes on to outline some of the steps in the bid for control.

The Soviet Union will never control those people. The power of the German people is now dedicated to unification, and I call upon the Government of the United States to lead that great political movement, because we need these people working with the free world on the side of the western democracies.

This is the only hope for Germany to emerge as a free nation and as a democracy. Surely, Mr. President, we want her as that kind of a nation.

What I have said with reference to East Germany goes also for those who have lifted their banner of freedom in other nations. I was deeply moved when I read that it was in the factories of Czechoslovakia that working people resisted the tyrannical methods and brute power of the Communist bosses of that country. America commends the brave people of Czechoslovakia, and we will not rest until they have thrown off their backs the burden of Communist despotism.

We in America should do everything we can to give them encouragement.

A few days ago I mentioned a program which I thought might be helpful. The least we can do is to give economic aid to the refugees, lifting some of the immigration bars in this country to let them find a home here, if in no other place, strengthening our defenses so that the Soviet Union will know that their phony so-called peace offensive has no effect whatsoever on people who are determined to become free and strong.

It is in that spirit and with that philosophy that I shall look at appropriation bills for the defense of our country, at foreign policy, and at the developments which will come about in terms of the European Defense Community and the North Atlantic Treaty Organization.

What is happening in those countries now is a result of two things: First, the fact that the West is united, and that we in this country pursued a policy of granting economic and military assistance in a political and military alliance. The policies which were set in motion a few years ago are beginning to pay dividends in putting on continued pressure and building the strength of the free world, and the Soviet Empire is beginning to feel the stress and the strain.

I think this was made manifest in the recent meetings in Moscow in October 1952.

The second reason for what is developing, Mr. President, is not the death of Stalin. The death of one man does not have that much effect on the political, economic, and social forces of a nation. The fact is that the ruthless, brutal policies pursued by the bosses in the Kremlin over people who are accustomed to freedom and liberty, but who have suffered under Soviet dictators, are now beginning to backfire. The peoples of the world want freedom, and it is up to the United States to be the champion of their freedom.

I shall work with the administration and with any group in this Nation dedicated to the proposition that the United States of America, in collaboration and in consultation and cooperation with its allies, will lead in providing for and making possible the liberation and emancipation of the people who have been enslaved by Communist despotism and dictatorship.

RECESS

Mr. KNOWLAND. Mr. President, in conformity with the prior unanimous-consent agreement, I move that the Senate now take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 7 o'clock and 59 minutes p. m.) the Senate took a recess, the recess being under the order previously entered, until tomorrow, Tuesday, June 23, 1953, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 22 (legislative day of June 8), 1953:

UNITED STATES ATTORNEYS

George Riebel Blue, of Louisiana, to be United States attorney for the eastern district of Louisiana.

Hugh K. Martin, of Ohio, to be United States attorney for the southern district of Ohio.

William M. Steger, of Texas, to be United States attorney for the eastern district of Texas.

IN THE ARMY

Maj. Gen. Cortlandt Van Rensselar Schuyler, O14905, Army of the United States (brigadier general, U. S. Army), for appointment as Chief of Staff, Supreme Headquarters, Allied Powers, Europe, with the rank of lieutenant general and as lieutenant general in the Army of the United States, under the provisions of sections 504 and 515 of the Officer Personnel Act of 1947.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 22 (legislative day of June 8), 1953:

DEPARTMENT OF THE NAVY

Raymond Henry Fogler, of New York, to be Assistant Secretary of the Navy.

FEDERAL CIVIL DEFENSE ADMINISTRATION

Mrs. Katherine G. Howard, of Massachusetts, to be Deputy Federal Civil Defense Administrator.

SUPERINTENDENTS OF THE MINT

Rae V. Biester, of Pennsylvania, to be Superintendent of the Mint of the United States at Philadelphia, Pa.

Ross P. Buell, of California, to be Superintendent of the Mint of the United States at San Francisco, Calif.

ASSAYER IN THE MINT

Arthur C. Carmichael, of California, to be assayer in the Mint of the United States at San Francisco, Calif.

COMPTROLLER OF CUSTOMS

Edwin A. Leland, Jr., of Louisiana, to be comptroller of customs, with headquarters at New Orleans, La.

COLLECTORS OF CUSTOMS

Jeremiah A. McGimsey, to be collector of customs for customs collection district No. 26, with headquarters at Nogales, Ariz.

Theodore H. Lyons, to be collector of customs for customs collection district No. 20, with headquarters at New Orleans, La.

Frank Abelman, to be collector of customs for customs collection district No. 38, with headquarters at Detroit, Mich.

IN THE ARMY

TEMPORARY APPOINTMENT

Gen. Joseph Lawton Collins, O5247, United States Army (major general, U. S. Army), for temporary appointment as general in the Army of the United States.

APPOINTMENTS IN THE ARMY OF THE UNITED STATES UNDER SECTIONS 504 AND 515 OF THE OFFICER PERSONNEL ACT OF 1947

Lt. Gen. Maxwell Davenport Taylor, O14898, Army of the United States (major general, U. S. Army), for appointment as commanding general, Eighth Army, with the rank of general and as general in the Army of the United States.

Maj. Gen. William Howard Arnold, O15558, United States Army, for appointment as commanding general, United States Forces in Austria, with the rank of lieutenant general and as lieutenant general in the Army of the United States.

Maj. Gen. Bruce Cooper Clarke, O16068, Army of the United States (brigadier general, U. S. Army), for appointment as corps commander, with the rank of lieutenant general and as lieutenant general in the Army of the United States.

TEMPORARY APPOINTMENT IN THE ARMY OF THE UNITED STATES TO THE GRADES INDICATED UNDER THE PROVISIONS OF SUBSECTION 515 (C) OF THE OFFICER PERSONNEL ACT OF 1947

To be major generals

Brig. Gen. Martin Eugene Griffin, O16537.
Brig. Gen. Joseph Howard Harper, O15083.
Brig. Gen. Armistead Davis Mead, O15767.
Brig. Gen. Robert Mitchrist Cannon, O16163.
Brig. Gen. James Francis Collins, O16819.

To be brigadier generals

Col. John Francis Cassidy, O12718.
Col. Charles Vinson Bromley, Jr., O15239.
Col. James Melvin Epperly, O16288.
Col. Cleland Charles Sibley, O15671.
Col. Edward Harold McDaniel, O16497.
Col. Raymond Earle Bell, O16897.
Col. William Jonathan Thompson, O17530.
Col. George Elial Bush, O17634.
Col. John Francis Regis Seitz, O17734.
Col. David Haytor Buchanan, O17746.
Col Paul Russell Weyrauch, O18252.
Col. Orlando Collette Troxel, Jr., O18487.
Col. Hugh Pate Harris, O18518.

APPOINTMENTS IN THE REGULAR ARMY

Appointments in the Regular Army of the United States, in the grades and corps specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), title II of the act of August 5, 1947 (Public Law 365, 80th Cong.), Public Law 408, 82d Congress, Public Law 759, 80th Congress, Public Law 36, 80th

Congress, and Public Law 625, 80th Congress, subject to physical qualification:

To be lieutenant colonel

Earl S. Hallinger, Jr., MC, O373466.

To be captains

Thomas B. Dunne, MC, O468765.
James D. Harvey, MC, O965066.
William T. Leslie, MC, O536786.
Joseph E. Molloy, MC, O469109.
Ralph L. Nicholson, MC, O1918334.
Mary E. Steinheimer, MC, K994656.

To be first lieutenants

Roderick V. Brown, JAGC, O999675.
Roy E. Daniel, DC, O808191.
Ervin W. Dickson, Jr., JAGC, O538186.
John M. Hardage, JAGC, O1032350.
Carl G. Lauterbach, MSC, O988528.
Christopher L. Mengis, MC, O1536457.
Milo R. Safar, DC, O1929024.
Walter L. Shepard, DC, O1889567.
James A. Turner, DC, O2067235.

To be second lieutenants

Emma L. Broyles, WAC, L1010646.
Barbara J. Dyson, ANC, N792822.
Betty A. Patterson, WAC, L1010653
Mildred A. Regan, WAC, L1020613.
Eleanor V. Rees, WAC, L1010635.
Alma M. Roberts, WMSC, M2916.
Martha J. Thompson, WAC, L1010651.

Appointments in the Medical Corps, Regular Army of the United States, in the grade of first lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, Eightieth Cong.), subject to completion of internship, and subject to physical qualification:

Howard G. Abbott, O1874979.
George W. Allen.
Dana D. Cox, O2019093.
Robert S. Cox, Jr., O954254.
Michael R. Ferrell, O1928867.
James F. Geiger, O1982485.
Alphonse C. Gomez, O1887613.
Homer H. Hanna, O2263987.
Benjamin K. Karas, O1928872.
Edward S. Konwinski, O1874981.
Arean P. Larson, O1880054.
Robert E. McComas, O1928863.
Jack T. Orr.
Francis W. Pedrotty, Jr., O1928322.
James W. Ransone, O1892445.
James H. Ryan, O2104780.
Paul E. Siebert, A1928880.
Paul A. Thomas, Jr., O1892461.

Appointment in the Regular Army of the United States, in the grades specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to physical qualification:

To be first lieutenants

Julian D. Farrar, O954117.
Otis W. Harrison, O1338341.
George J. Maranger, O2208008.
Frank E. McFadden, O959886.
Arthur Newell, O2202035.
Stephen J. Patrick, Jr., O2200301.
Rodman C. Rainville, O979222.
William D. Sheehan, O984154.

To be second lieutenants

Alfred Abbotts, O989524.
George H. Adams, O978832.
John T. Adams, Jr., O1340340.
Skinner E. Anderson, O2206975.
John L. Aultman, O2204082.
William C. Bascom, O2203134.
Robert D. Baumfalk, O955872.
William E. Beamer, O978245.
William H. Becker, O1874483.
David A. Bell, O2208066.
Ronald C. Berger, O2201474.
James A. Berry, O983576.
Edwin R. Breed, O978651.
Robert M. Broms, O975628.
Bruce P. Buck, O974012.
Ralph J. Canine, Jr., O1185098.
Edward F. Chandler, O978788.
James Clark, O2202185.
Philip L. Clark, O963399.
Carrell A. Clem, Jr., O991349.
James H. Cook, O1918918.
Omar D. Craig, O966454.
George D. Cram, Jr., O2201004.
Robert L. Davis, O1872599.
Alan DeYoung, O990917.
Irving Ellis, O2010717.
Leo J. Emerick, O2202961.
Curtis D. Fish, O979827.
David A. Forsythe, O2102278.
Robert C. Fox, O2201884.
Clarence D. Freberg, O2206485.
Dennis V. Gentry, Jr., O992237.
Raymond Gilchrist, Jr., O986826.
David B. Goble, O2202258.
Charles S. Graves, O1334998.
Richard J. Haas, O2205198.
Donald J. Haid, O1876496.
Robert B. Hankins, O945634.
William Hart, O1186746.
Donald P. Herndon, O1326600.
Herbert S. Holland, Jr., O960126.
Charles M. Holmes, O2201464.
Raymond A. Hopkins, O2209962.
Cleo N. Howard, Jr., O2207376.
Lonnie R. Huff, O975999.
Arthur J. Jackson, O975433.
Bernard Jacobvitz, O2041806.
George R. H. Johnson, A1915279.
Maxwell V. Jonah, A1113281.
Samuel H. Jopling, Jr., O2205709.
James E. Karo, O2021089.
Edward A. Kelley, Jr., O2203631.
Gerald B. Kersey, O1879362.
Herbert E. Knight, O1873369.
Carl A. Koffler, O1341795.
Laurence H. Krause, O983596.
James R. Mason, O1919408.
Robert F. Mayor, O1335555.
Arthur D. Moreland, O2200799.
Marcus D. Moreman, O993997.
Leo M. O'Brien, Jr., O971655.
Joseph G. Oliveira, O2041819.
Y. Y. Phillips, Jr., O1339098.
John E. Philp, O2207800.
John W. Pick, Jr., O991919.
Bobbie J. Pinkerton O2208033.
Castel L. Pittman, Jr., O1914785.
Willie G. Putnam, O989711.
Gerald C. Ray, O2041824.
Herbert H. Ray, O981274.
Howard R. Ross, O974201.
Johnnie L. Runnels, O2204181.
Warren M. Schaub, O1914554.
Harold F. Schwenk, Jr., O972628.
William J. Schworer, Jr., O2211392.
Joseph H. Slaymaker, O2200375.
Albert B. Smith, O2202611.
Gerald C. Sola, Jr., O2001800.
Joseph L. Somers, O960664.
Richard W. Stenquist, O1341054.
Lee W. Swift, Jr., O1872921.
Thomas H. Takano, O1685084.
Francis A. Thomson, O2041946.
Joe W. Uttinger, O1020224.
Robert O. Viterna, O990786.
William P. Ward, O2205447.
Gus H. Watt, O2003177.
James W. Weaver, O958115.
Lawrence H. D. Williams, O2206444.
Henry F. Zaleski, O2201730.
Robert C. Zwick, O1872449.

Appointments in the Regular Army of the United States, in the grades and corps specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), and Public Law 36, 80th Congress, subject to physical qualification:

To be captain

Frederick O. Joerns, MC, O1544710.

To be first lieutenant

Robert E. Wheatley, DC, O986702.

To be second lieutenants

Erna J. Dunn, ANC, N805449.
Eleanore G. May, ANC, N900468.
Madeleine V. Paradis, ANC, N901578.

Appointments in the Medical Corps, Regular Army of the United States, in the grade of first lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), and Public Law 408, 82d Congress, subject to completion of internship, and subject to physical qualification:

John M. Albea, O1880043.
Raymond H. Bishop, Jr., O1880042.
Wilbur H. Bittick, O1889599.
Estis G. Copen, O2263869.
Earl S. Gerard, O1893359.
Earl W. Gorby, O980811.
Eileen B. McAvoy, K999957.
Stuart B. McConkie, O1928860.
Holger Rasmussen, O1892463.

Appointments as chaplains of the Regular Army, in the grade of first lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to physical qualification:

Charles S. Burton, O514336.
Cloma A. Huffman, O931414.
Robert W. Williams, O931559.

Appointments in the Regular Army of the United States, in the grades specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to physical qualification:

To be first lieutenants

Kenneth R. Aboe, O1560306.
Domingo I. Aguilar, O2033718.
Charles E. Ahearn, O2033958.
James E. Bartlett, O1686807.
Eugene R. Bauer, O1340026.
Carl F. Bernard, O1688498.
Sidney E. Beverly, O2033692.
Virgil W. Bolton, O2208403.
James A. Brettell, Jr., O1341501.
William A. Brooks, O2206180.
Lloyd J. Brown, O979858.
Crawford Buchanan, O1341074.
Lawrence H. Bulawsky, Jr., O1340356.
Wilfred S. Burgin, O1913487.
Robert E. Campbell, O953556.
Chester M. Clark II, O1335900.
Norman W. Coates, O954467.
Larry A. Caid, O1686687.
Wayne C. Campbell, O1688763.
Richard C. Chabot, O2014715.
Thomas E. Collins, O2203060.
Hubert W. Combs, Jr., O1560532.
Wendell F. DeLaMare, O1329930
Albert V. Dixon, O1334984.
Kenneth E. Dohleman, O1340270.
Clifford R. Dorsey, O1685664.
Warren C. Eagan, O1597161.
Guy A. Eberhardt, O2033709.
Thomas D. Emery, O1058791.
Charles A. Faris, Jr., O2019442.
Elmer P. Faust, O1913202.
John V. Fitzpatrick, O2033783.
Belvin S. Freeman, O1683553.
Jack M. George, O1338812.
John F. Georger, O1340362.
Arthur B. Glenn, Jr., O2033695.
David E. Grange, Jr., O2021044.
Edmund F. Gregg, Jr., O2021058.
Lowell B. Harlan, O545971.
Ronald V. Harris, O2014490.
Victor J. Hawthorne, O2029755.
William C. Heard, O2204018.
Glenn H. Henderson, O2014583.
Joseph E. Henderson, O1946287.
Elmer R. Hermes, O2021040.
James M. Hill, O1342376.
John Hollinger, Jr., O1913485.
Irving C. Hughes, O2019594.
John L. Insani, O1332818.
Donald L. Jenkins, O589835.
Erik G. Johnson, Jr., O2014763.
Lawrence H. Johnson, Jr., O2014459.
Nelson H. Jones, O2033689.
James J. Judd, O2014602.
Harold G. Keebaugh, O958335.
Paul E. Kilpatrick, O1688765.
John E. King, O2019604.
William F. Koeckert, O1341441.
Zane V. Kortum, O1699950.
Edward L. Landry, O1342090.
Thomas A. Lawler, O2208700.
John L. Lewis, O1338350.
Marion A. Lewis, Jr., O1685029.
James R. Lindholm, O1120627.

William J. Lober, Jr., O956070.
Arthur P. Lombardi, O2007730.
Francis A. McEntee, O2018033.
Robert D. McGuire, O1336243.
John C. Mahan, Jr., O2204051.
John F. Merritt, O2206075.
Melvin Messer, O2014713.
Robert J. Meyer, O1341562.
John P. Mihoch, O1599050.
Donald W. Moreau, O2208613.
Davis O. Morris, O2014517.
Wallace W. Nelson, O2014512.
James H. Nix, O1913384.
Ronald R. Olson, O2033913.
Richard O'Shea, O1688749.
Donald C. Oswald, O1339464.
Bertram L. Parr, O2014587.
William G. Phillips, O954032.
Lewis D. Prather, O2073531.
Manfred R. Quantz, O2033742.
George M. Reed, O1341119.
William H. Rice, O1688070.
William G. Riggs, O781411.
Robert H. Robinson, O1334904.
Sam Rumore, O1897799.
John P. Schuster, O2011384.
Richard G. Shank, O2014625.
Paul M. Shanley, O955939.
Don F. Simmons, O1685032.
Dale M. Smith, O1339116.
Jerry E. Smith, O957214.
Paul T. Smith, O1944599.
Victor F. Spruill, O955118.
James M. Staigers, O1339576.
Donald E. Stewart, O2210034.
Louis S. Stickney, Jr., O1685592.
Arthur D. Stigall, O959285.
Warren C. Stone, O1688622.
James C. Struthers, O1688561.
Donald L. Taylor, O2206158.
Richard F. Taylor, O1333141.
George E. Thayer, Jr., O1186935.
James H. Thibeault, O1342403.
Aubrey O. Thornton, O2018072.
William P. Tierney, O954784.
Thorveld R. Torgersen, O1342312.
Austin F. Tussing, O1342406.
Irving K. Van Riper, O1688774.
Robert D. Vaughn, O1686666.
John L. Vestal, O1688764.
Raymond P. Wassel, O1299156.
Robert N. Weaver, O2208726.
Raymond A. Whelan, O2200120.
Harry W. Wilkinson, O1684983.
Francis P. Williams, O543780.
John R. Williams, O1658022.
Francis J. Winslow, O1540891.
Wallace H. Woods, O2210502.
Billy R. Wright, O1186657.
Albert S. Yaggi, Jr., O2020603.

To be second lieutenant

James H. Aarestad, O974736.
Franklin W. Aldenderfer, Jr., O993117.
George W. Aldridge, O974487.
John C. Allen, O1917793.
Edward S. Basanez, O2206725.
Alfred K. Baum, O2074565.
Daniel J. Benefiel, O1861615.
John J. Bilon, O991960.
Robert M. Bond, O1917656.
Morris J. Brady, O963738.
Paul F. Braim, O986212.
John F. Brandenburg, O1327806.
William R. Brown, O969291.
Baird P. Bryson, O978514.
Joseph W. Burkett, O2016843.
Lowell E. Burkholder, O2084205.
James R. Burns, O2033851.
John W. Campbell, O974737.
Ralph G. Chadbourne, O984816.
Carlyle H. Charles, O968423.
Corneille L. Church, O2103340.
Thomas C. Clary, O972670.
Leo R. Clough, O2208140.
Eldward E. Crow, O954440.
James J. Derhaag, O1876269.
Robert R. Dobson, O1330911.
Robert L. Dorman, O1924768.
Leo Drescher, O972387.
William T. Duba, O970713.
Christian F. Dubia, O1326824.
Norman Eva, Jr., O1924692.
Bill G. Evans, O975591.
Stanton E. Fisher, O1340067.
Frederick F. Flemming, O958311.
Harley C. Fox, O2021135.
Albert A. Fuerst, O985461.
Clarence H. Fuller, O1332051.
James A. Fyock, O2014773.
Rudolph M. Goffredo, O982906.
John D. Gorden, O767193.
George B. Gray, Jr., O1886314.
Bob L. Gregory, O2206787.
Frank H. Halley, O2105006.
David E. Hardy, Jr., O983135.
James M. Harlan, O783553.
Audley C. Harris, O1339442.
Howard B. Helm, O964972.
John T. Henderson, O1339443.
Jack A. Henson, O2021152.
William F. Henson, O1120584.
Ulirich Hermann, O1924527.
William W. Higgins, O1111121.
Joe R. Hooker, O986115.
Ralph R. Hoppe, O990626.
Henry C. Howells, Jr., O2201190.
William A. Hudson, O2205372.
William R. Huggins, O1119312.
Harold W. Humphrey, O2006171.
Clarence C. Igo, O1917679.
Jack J. Isler, O1339808.
Walter N. Israel, O1798579.
George T. James, O2209797.
Herman H. James, Jr., O1924676.
Daniel F. Johnson, O557982.
Keith R. Keister, O983997.
Edwin C. Kelton, Jr., O1120479.
Marvin E. Kemp, O954306.
Robert C. Kerner, O1924616.
Edward L. King, O978062.
Emory W. Kline, Jr., O967978.
Emil E. Kluever, O2091038.
Richard H. Koenig, O2201349.
Wilbur K. Kreigh, O1339178.
Bruce S. Lane, O1875591.
John R. Lauderdale, O968940.
William H. Lawler, O1057497.
Carl A. Lee, O956638.
Norman J. LeMere, O2021239.
John R. Lund, O1881532.
Francis J. Lynch, O1924558.
Thomas E. Lytle, O986725.
Norman F. McGinnis, Jr., O1331071.
John E. McGlothlin, O2019908.
George W. McIlwain, O2003087.
Leslie G. McNair, O1337985.
Jules R. Meyer, Jr., O1924051.
Woodburn J. Mickel, Jr., O1337737.
William W. Millican, O970461.
Harry L. Moore, O2033852.
Joseph E. Moore, O2204452.
Harold P. Mueller, O2033931.
Abraham F. Muscari, O993681.
Paul D. Nefstead, O1120460.
Ralph B. Osgood, Jr., O2203828.
Paul H. Otis, O2207150.
Joe M. Palmer, O545485.
John W. Park, Jr., O989775.
Rodney G. Parrish, O994385.
James C. Pennington, O1918912.
Louis Peterka, O2021241.
William I. Pippin, O2021185.
Carl Reno, O2021068.
Donald L. Roberts, O964876.
Richard A. Rooth, O2014648.
Peter W. Rose, O967137.
Robert R. Rudy, O963033.
Robert J. Saxton, O1924680.
William E. Schiller, O2206296.
Francis D. Schuyler, O959556.
James Scudder, O984157.
Leslie R. Sears, Jr., O2203922.
Eldred S. Sessions, O2021210.
Wilbur C. Shepherd, O2033856.
Athol M. Smith, O2003113.
Joseph W. Smith, O2205356.
Lewis I. Stein, O2038040.
Herbert W. Stephens, O2034064.
Cameron H. Stone, O1341918.
Robert G. M. Storey, O1120733.
John H. Talbot, O2207086.
David C. Thomas, O1334229.
Daniel G. Traver, O1924641.
William W. Waters, O1331121.
Obel H. Wells, O1924611.
Marion E. White, O918906.
Paul J. Willett, O1340243.
Charles A. Wilson, O980329.
Charles W. Yerkes, Jr., O2036575.
James O. Youngblood, O2205729.
Richard E. Zastrow, O1924714.

Distinguished military students for appointment in the Regular Army of the United States, effective June 15, 1953, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, Eightieth Congress), subject to designation as distinguished military graduates, and subject to physical qualification:

Roy A. Bledsoe, Jr.
Thomas P. Rademacher

RETIRED LIST

The following-named officers to be placed on the retired list in the grade indicated under the provisions of subsection 504 (d) of the Officer Personnel Act of 1947:

To be general

Gen. John Reed Hodge, O7285, Chief, Army Field Forces (major general, U. S. Army).

To be lieutenant general

Lt. Gen. Doyle Overlton Hickey, O10123, Army of the United States (major general, U. S. Army).

NATIONAL GUARD BUREAU

Col. Edgar Carl Erickson, O171317, a Reserve commissioned officer of the Army, member of the National Guard of the United States, to be Chief of the National Guard Bureau, with rank of major general, for a period of 4 years from date of acceptance.

TRANSFERS AND PROMOTIONS

The nominations of Lt. Col. Charles Peter West and 4 other officers for transfer in the Judge Advocate General's Corps, Regular Army of the United States; and also the nominations of Bernd Gustav Baetcke, O29497, and 3,291 other officers for promotions in the Regular Army of the United States under the provisions of sections 502 and 510 of the Officer Personnel Act of 1947, which were confirmed today, were received by the Senate on May 21, 1953, and may be found in full in the Senate proceedings of the CONGRESSIONAL RECORD for that day, under the caption "Nominations," beginning with the name of Charles Peter West, which is shown on page 5308, and ending with the name of Catherine Marjorie Owen, which appears on page 5320.

UNITED STATES AIR FORCE

VICE CHIEF OF STAFF

Lt. Gen. Thomas Dresser White, 22A (major general, Regular Air Force), United States Air Force, for appointment as Vice Chief of Staff, United States Air Force, with the rank of general, under the provisions of section 504 of the Officer Personnel Act of 1947.

The following-named officers for temporary appointment in the United States Air Force under the provisions of section 515, Officer Personnel Act of 1947:

To be major generals

Brig. Gen. Carl Brown McDaniel 65A.
Brig. Gen. John Ferral McBlain 203A.
Brig. Gen. Chester Earl McCarty, AO235959.
Brig. Gen. Walter Gelvin Bain AO290604.
Brig. Gen. Ralph Powell Swofford, Jr., 547A.
Brig. Gen. Leland Samuel Stranathan 406A.
Brig. Gen. Richard August Grussendorf 543A.
Brig. Gen. Sory Smith 573A.

To be temporary brigadier generals

Col. Alvin Louis Pachynski 325A.
Col. John Mills Sterling 328A.
Col. Ralph Edward Koon 375A.
Col. Don Zabriskie Zimmerman 443A.
Col. George Fletcher Schlatter 549A.
Col. Kurt Martin Landon 571A.
Col. Leo Peter Dahl 609A.

Col. Daniel Stone Campbell 615A.
Col. Charles Hardin Anderson 623A.
Col. Romulus Wright Puryear 637A.
Col. Edward Joseph Tracy 19037A.
Col. Richard Lee Scott 864A.
Col. John Mel Schweizer, Jr., 920A.
Col. John David Howe 909A.
Col. Stanley Joseph Donovan 1089A.
Col. John Markward Reynolds 1299A.
Col. Wayne Otho Kester 18976A.
Col. Bernard Adolf Schriever 1519A.
Col. David Wade 1582A.
Col. Charles Duncan Jones 1589A.

PROMOTION IN THE REGULAR AIR FORCE

Donald Bliss Jones to be first lieutenant.

APPOINTMENT IN THE REGULAR AIR FORCE

Burden Brentnall, graduate of the United States Military Academy, class of 1953, to be second lieutenant.

IN THE NAVY

The following-named women officers of the Navy for permanent promotion to the grade of lieutenant commander, subject to qualification therefor as provided by law:

To be lieutenant commanders

Lillian A. Arslanian — Barbara A. Conard
Sara E. Brown — Ellen M. Uren

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 22, 1953

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore, Mr. HALLECK.

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

THE SPEAKER'S ROOMS,
HOUSE OF REPRESENTATIVES,
Washington, D. C., June 22, 1953.

I hereby designate the Honorable CHARLES A. HALLECK to act as Speaker pro tempore today.

JOSEPH W. MARTIN, Jr.,
Speaker of the House of Representatives.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, we are entering upon a new week challenged by duties we cannot discharge and obligations we cannot meet and master unless we have the assurance of divine grace and guidance.

Grant that we may be emancipated from all feelings of fear and failure as we strive for the blessings of justice and peace which Thou hast ordained for mankind everywhere.

May we never withhold anything of insight and interpretation, of counsel and strength, which we may possess, that will contribute toward the right and speedy solution of our many national and international problems.

Give us a patriotism which is broad-minded and big enough to discover and recognize that the unities which underlie our diversities and differences are the important and real things to safeguard and cultivate.

Hear us in the name of the Captain of our Salvation. Amen.

The Journal of the proceedings of Friday, June 19, 1953, was read and approved.

NATURALIZATION OF PERSONS SERVING IN THE ARMED FORCES OF THE UNITED STATES AFTER JUNE 24, 1950

Mr. GRAHAM. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4233) to provide for the naturalization of persons serving in the Armed Forces of the United States after June 24, 1950, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: "That, notwithstanding the provisions of sections 310 (d) and 318 of the Immigration and Nationality Act, any person, not a citizen, who, after June 24, 1950, and not later than July 1, 1955, has actively served or actively serves, honorably, in the Armed Forces of the United States for a period or periods totaling not less than 90 days and who (1) having been lawfully admitted to the United States for permanent residence, or (2) having been lawfully admitted to the United States, and having been physically present within the United States for a single period of at least 1 year at the time of entering the Armed Forces, may be naturalized on petition filed not later than December 31, 1955, upon compliance with all the requirements of the Immigration and Nationality Act, except that—

"(a) he may be naturalized regardless of age;

"(b) no period of residence or specified period of physical presence within the United States or any State after entering the Armed Forces shall be required: *Provided*, That there shall be included in the petition the affidavits of at least two credible witnesses, citizens of the United States, stating that each such witness personally knows the petitioner to be a person of good moral character, attached to the principles of the Constitution of the United States, and well disposed to the good order and happiness of the United States;

"(c) the petition for naturalization may be filed in any court having naturalization jurisdiction regardless of the residence of the petitioner;

"(d) notwithstanding section 336 (c) of the Immigration and Nationality Act, the petitioner may be naturalized immediately if prior to the filing of the petition, the petitioner and the witnesses shall have appeared before and been examined by a representative of the Immigration and Naturalization Service; and

"(e) no fee, except that which may be required by State law, shall be charged or collected for making, filing, or docketing the petition for naturalization, or for the final hearing thereon, or for the certificate of naturalization, if issued.

Service in the Armed Forces of the United States may be proved by a duly authenticated copy of the record of the executive or military department having custody of the record of the petitioner's service, showing that the petitioner is or was during the period or periods hereinbefore described a member serving actively and honorably in such forces and, if separated from such service, that he was not separated under other than honorable conditions; or may be proved by affidavits, forming part of the petition, of at least two citizens of the United States, members of the Armed Forces of the United States, of the noncommissioned or warrant officer grade or higher (who may also be the witnesses described in subsection (b) of this section): *Provided, however*, That no period of service in the Armed Forces of the United States shall be made the basis of a petition for naturalization under this act if the applicant has previously been naturalized on the basis of the same period of service.

"SEC. 2. Any person entitled to naturalization under section 1 of this act may be naturalized while serving outside the jurisdiction of any naturalization court, upon compliance with applicable provisions of that section, without appearing before any such court. The petition for naturalization of any such person shall be made and sworn to before, and filed with a representative of the Immigration and Naturalization Service designated by the Attorney General, which representative is hereby authorized to receive such petition, to conduct hearings thereon, to take testimony concerning any matter touching or in any way affecting the admissibility of such person for naturalization, to call witnesses, to administer oaths, including the oath of the petitioner and his witnesses to the petition and the oath prescribed by section 337 of the Immigration and Nationality Act and to grant naturalization and to issue certificates of naturalization: *Provided*, That the record of any proceedings hereunder shall be forwarded to and filed by the clerk of a naturalization court in the district designated by the petitioner and made a part of the record of such court.

"SEC. 3. Any person otherwise qualified for naturalization pursuant to section 1 or 2 of this act who is or has been discharged under other than honorable conditions from the Armed Forces of the United States, or is discharged therefrom pursuant to an application for discharge made by him on the ground that he is an alien, or who is a conscientious objector who performs or performed no military duty whatever or refused to wear the uniform, shall not be entitled to the benefits of such section 1 or 2 of this act: *Provided*, That citizenship granted pursuant to section 1 or 2 of this act may be revoked in accordance with section 340 of the Immigration and Nationality Act if at any time subsequent to naturalization the person is separated from the Armed Forces of the United States under other than honorable conditions, and such ground for revocation shall be in addition to any other provided by law: *Provided further*, That for the purposes of section 340 (f) of the Immigration and Nationality Act, revocation on such ground shall be classified with revocatory action based on section 329 (c) of that act. The fact that the naturalized person was separated from the service under other than honorable conditions shall be proved by a duly authenticated certification from the executive or military department under which the person was serving at the time of separation.

"SEC. 4. When used in this act, the term 'United States' means the continental United States, Alaska, Hawaii, Puerto Rico, Guam, and the Virgin Islands of the United States."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

Mr. WALTER. Reserving the right to object, Mr. Speaker, and I shall not object, is this the bill that was passed by the House unanimously on several occasions?

Mr. GRAHAM. It is.

This is the bill that passed the House on April 1, 1953. It provides for the expeditious naturalization of certain aliens who have served, are serving, or who shall serve in the United States Armed Forces after June 25, 1950, and not later than July 1, 1955. None of the basic requirements of the Immigration and Nationality Act are waived. The aliens eligible for naturalization under this bill have to prove their good moral

character, attachment to the principles of the Constitution, their understanding of the English language, and knowledge of the history of the United States. Subversives are excluded from consideration under this bill. Conscientious objectors who perform no military duty or refuse to wear the uniform, as well as persons discharged from service under other than honorable conditions or pursuant to an application for discharge made on the ground of alienage, are prohibited from participation in the benefits granted by this bill.

The legislation has been unanimously recommended by our veteran organizations, including the American Legion and Veterans of Foreign Wars. It has also had the support of the Department of Defense and the Department of Justice.

Of course, only persons admitted lawfully into the United States are eligible for naturalization under this bill. The Senate amendment extends to 90 days the period of service required in order to qualify for the benefits under the bill. Another Senate amendment requires that a nonimmigrant alien must be in the United States for a period of 1 year before his service in the Armed Forces begins in order to be eligible for naturalization. This amendment makes this legislation fully conform to the Selective Service Act.

Mr. WALTER. I trust that the amendment will be agreed to because this legislation has been deferred for too long a time. There are upward of 5,000 aliens who are affected by it who are now exposed to the enemy, and, if captured, would suffer a very severe fate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

THE LATE HONORABLE THOMAS ALBERT CHANDLER

The SPEAKER pro tempore. The Chair recognizes the gentleman from Oklahoma [Mr. BELCHER].

Mr. BELCHER. Mr. Speaker, it is with deep regret that I announce to the Members of the House the death of the Honorable Thomas Albert Chandler, a former Member of this House. He died at his home in Vinita, Okla., this morning at 7 a. m. Bert Chandler, as he was affectionately known by his friends, represented the First Congressional District of Oklahoma in the 65th Congress—March 4, 1917, to March 3, 1919—and the 67th Congress—March 4, 1921, to March 3, 1923—the district I now represent. After leaving Congress in 1923 he resumed the practice of law and also actively engaged in the drilling and production of oil.

Mr. Chandler was a member of the Cherokee Indian Tribe and when he came to Congress the first time he still had a guardian, although he had been admitted to the bar in 1907. He was a distant relative of Oklahoma's immortal Will Rogers. He was active in Republican politics in Oklahoma since before statehood. Bert was the first Indian to have an audience with President McKinley and was influential in the allotting of Indian lands in Oklahoma. Besides being a Member of Congress he held many other positions of high public trust.

He is survived by a daughter, Mrs. Richard A. Sebastian, of Washington, D. C.; a son, Collis Paul Chandler, Evansville, Ind.; two grandchildren, and two great-grandchildren. In this hour of sorrow I offer my deepest sympathy and condolences to his survivors and many friends.

THE GI BILL OF RIGHTS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and to include two articles.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, 9 years ago the so-called GI bill of rights was passed. The measure was sponsored originally by the American Legion with a view to aid the veterans of World War II, and it was also extended to the veterans of the Korean war. One of the provisions of the bill guaranteed loans for the purchase of homes and businesses. The second was for education and training at Government expense, and the third was the readjustment allowance for the purpose of covering unemployment.

I would like to state that only one-eighth of 1 percent of the loans have returned thus far to the Veterans' Administration. They have a remarkable record of payment on their loans. Three million three hundred thousand veterans have obtained GI loans. Very many of the veterans have obtained an education, and many of them have obtained jobs as a result. The gentleman from Iowa, Judge CUNNINGHAM, the gentleman from New York, General KEARNEY, the gentleman from Illinois [Mr. BUSBEY], the gentleman from Kansas [Mr. SCRIVNER], the gentleman from Michigan [Mr. BENNETT], the gentleman from South Carolina [Mr. MCMILLAN], the gentleman from Mississippi [Mr. ABERNETHY], the gentleman from Alabama, and I were sponsors of the bill which later became the GI bill of rights—all of us were members of the committee which helped write this proposal into law. The statement of the Veterans' Administration on this ninth anniversary is very interesting:

> The GI bill for World War II veterans is 9 years old today. One of its benefits is still in full force, another is approaching the end, and a third has long since faded into history.
>
> The act, signed into law during the height of the war on June 22, 1944, in addition to other provisions furnished three major readjustment aids to veterans in their efforts to get back into the swing of civilian living.
>
> One was a program of guaranteed loans for homes, farms and businesses; another, education and training at Government expense, and the third, readjustment allowances for periods of unemployment.
>
> The GI loan program still is in effect, and has 4 more years to run. It comes to an end for nearly all World War II veterans on July 25, 1957.
>
> So far, the Veterans Administration said, some 3,300,000 veterans have obtained GI loans for homes, with VA guaranteeing or insuring about half the amount.
>
> Ninety percent of the loans have gone to veterans who wanted to buy or build homes. The remainder have been for farms and businesses.
>
> Veterans have turned out to be excellent loan risks, VA said. More than 500,000 loans already have been paid in full. And only eight-tenths of 1 percent of all loans were defaulted to the extent that VA has had to make good the guaranteed portions to the lender.
>
> The GI bill education and training program reached its cutoff point for most World War II veterans on July 25, 1951. For the most part, the only World War II veterans now in training are those who started before the cutoff date and who have remained in training since, except for interruptions beyond their control.
>
> During the 9 years of the program, a total of $7,800,000 ex-service men and women—more than half of all who served in World War II—have taken some form of training under the GI bill. All together, they spent a total of 140 million months in the classroom, at the training bench, and on the farm, or an average of about 18 months of training per veteran.
>
> Types of training ranged from 339,000 veterans who were enabled to finish grade school and high school to 2,200,000 who attended college; from 1,400,000 who trained on the job to nearly 700,000 who trained on the farm; from 361,000 who went to business school to 2,250,000 who took up trades in vocational schools. And an additional 750,000 trained in correspondence schools.
>
> The end of the World War II GI training program comes for nearly all veterans on July 25, 1956.
>
> The third major GI bill benefit—readjustment allowances for unemployment and self-employment—passed out of the picture for all but a handful of veterans in July 1949.
>
> Under the program, about 9 million veterans drew readjustment allowances that totaled $3.2 billion for unemployment and $600 million for self-employment.
>
> Although most veterans were eligible for 1 full year of the allowances, only 1 in 10 exhausted his rights to the benefit. The average veteran, VA found, went to work after being on the rolls for only a month and a half.

THE ROSENBERG CASE

Mr. LONG. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include an editorial from the Saturday Evening Post.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. LONG. Mr. Speaker, now that we have shown to the world that the United States is not a safe place for traitors, I want to commend our Supreme Court for the swiftness in which it acted in this matter in seeing that the traitors received their just desserts. And in commending our Court I would like to compliment our great President on his firm stand in this matter.

REORGANIZATION PLAN NO. 6

Mr. CONDON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. CONDON. Mr. Speaker, as you all know, Reorganization Plan No. 6 concerns the Department of Defense. Sections 1 (c) and 1 (d) of Reorganization Plan No. 6 would give further powers to the chairman of the Joint Chiefs of Staff. Many of us feel that this is a step in the direction toward the German or Prussian-type of General Staff and therefore should be opposed.

At the Government Operations Committee this morning, we approved the resolution of Mr. HOFFMAN, the distinguished chairman of our committee, House Resolution 264, which will approve Reorganization Plan No. 6, but delete therefrom subsections 1 (c) and 1 (d). That resolution is now before the Rules Committee. I am hopeful that the Rules Committee will give us a rule so that this important matter might come before the House.

In the event, however, that the Rules Committee sees fit not to give Mr. HOFFMAN a rule, I have introduced a disapproving resolution to Reorganization Plan No. 6, and also specific legislation, H. R. 5845, to accomplish the purpose of bringing the entire plan into operation with the exception of the two paragraphs which we consider objectionable. The Government operations committee today approved H. R. 5845 and it, like House Resolution 264, is now pending before the Rules Committee. In the event that the Rules Committee does not take action either on House Resolution 264 or H. R. 5845, I intend to ask the Committee on Government Operations to consider my disapproving resolution, House Resolution 295. Thereafter, I will bring my resolution, House Resolution 295, to the floor of the House, either on a motion to discharge the committee or after favorable action by the Government Operations Committee if that committee takes such action. It seems to me that this matter is of such importance that the full House should have the opportunity to consider the issue squarely.

SPECIAL ORDERS GRANTED

Mr. POWELL (at the request of Mr. HOLIFIELD) was granted permission to address the House tomorrow for 30 minutes, following the legislative program of the day and any special orders heretofore entered.

Mr. HOLIFIELD asked and was granted permission to address the House today for 30 minutes, following the legislative business of the day and any special orders heretofore entered.

Mr. MADDEN asked and was granted permission to address the House today for 15 minutes, following the legislative business of the day and any special orders heretofore entered.

PICKETING THE WHITE HOUSE

Mr. STEED. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. STEED. Mr. Speaker, now that the Rosenberg case is out of the way, and now that all of us can consider this matter in calm and considered way, and since this is also District of Columbia Day, I rise to urge as strongly as I can that this Congress take action to prohibit picketing in the vicinity of the White House.

Last week during the Rosenberg demonstration a riot was narrowly averted. Time after time, foreign agents have brought to Washington the riffraff of the slums to demonstrate with the White House as a stage, holding this national shrine up to disgrace and ridicule before the world. There has not been a single case in the last 20 years that I can remember when anyone else in America has resorted to use of the White House picketing device to serve their purposes.

Why, then, must this Congress remain silent and permit this sort of thing to continue?

I am not opposed to public demonstrations. But I am opposed to using the White House as a stage for these despicable displays.

Our colleague, the gentleman from Texas, Hon. BRADY GENTRY, has introduced a bill (H. R. 3979) to prohibit White House picketing. I urge every Member of the House, and especially the members of the District Committee, to give this legislation immediate and favorable consideration.

SPECIAL ORDER GRANTED

Mr. WHEELER asked and was given permission to have vacated the special order granted him for today, and to address the House for 1 hour on Monday next, following the legislative business and any special orders heretofore entered.

Mr. BAILEY asked and was given permission to address the House for 15 minutes on Wednesday next, following any other special orders heretofore entered.

SOME REPUBLICANS REPUDIATE HOOVER ON HOOVER COMMISSION PROPOSALS ON DEFENSE ESTABLISHMENT

Mr. BENNETT of Florida. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

[Mr. BENNETT of Florida addressed the House. His remarks appear in the Appendix.]

RESIDUAL FUEL OIL IMPORTS

Mr. BAILEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BAILEY. Mr. Speaker, I have asked this privilege of 1 minute to advise my colleagues of the House that on Friday last I introduced a joint resolution along with the senior Senator from West Virginia, declaring that part of the supplemental Venezuelan reciprocal trade agreement of 1952 that has to do with the importation of residual fuel oil null and void insofar as it applies to the rates being charged under this agreement.

I think I can prove to the Congress that former President Truman exceeded his power in fixing the rate at 5¼ cents; that the rate should be 10½ cents; and I would like to remind my colleagues on the left of the aisle that that agreement if amended will bring to the Treasury of the United States $26,250 daily based upon the average daily importation of residual fuel oil for the month of May. So I can see no reason why this resolution should not be accepted.

On Wednesday of this week I shall in a special order put some of the detail in the RECORD in order that my colleagues may be advised of the necessity of approving this resolution.

WHEAT FOR PAKISTAN

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Speaker, I am taking advantage of this means to bring to the attention of the House an important situation with regard to the bill H. R. 5659 which would provide for the transfer of price-support wheat to Pakistan. The companion bill, S. 2112, which passed the Senate last Tuesday contains a proviso that at least 50 percent of the cargoes of this wheat for Pakistan must be carried in American flag ships. The provision reads as follows:

> At least 50 percent of the gross tonnage of wheat made available under this act and transported from the United States on ocean vessels shall be so transported on United States flag vessels to the extent practicable and to the extent such vessels are available at market rates for United States flag vessels.

The bill reported out by the House Committee on Agriculture which we shall consider later today does not contain such a provision. An amendment will be offered either by myself or the Chairman or some other Member of the House Committee on Merchant Marine and Fisheries at the time this bill is read for amendment and will provide the same language as the Senate bill, to-wit, that at least 50 percent of the cargoes of this wheat must be carried in American flag vessels.

ANNUAL AND SICK LEAVE ACT OF 1951

Mr. REES of Kansas submitted a conference report and statement on the

bill (H. R. 4654) to provide for the exemption from the Annual and Sick Leave Act of 1951 of certain officers in the executive branch of the Government, and for other purposes.

LEGISLATIVE BRANCH AND JUDICIARY BRANCH APPROPRIATION BILL, 1954

Mr. ALLEN of Illinois. Mr. Speaker, I call up House Resolution 291 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5805) making appropriations for the legislative branch and the judiciary branch for the fiscal year ending June 30, 1954, and for other purposes, and all points of order against said bill or any provisions contained in said bill are hereby waived. After general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. ALLEN of Illinois. Mr. Speaker, I urge the adoption of House Resolution 291 making in order the consideration of H. R. 5805, a bill making appropriations for the legislative branch and the judiciary branch for the fiscal year ending June 30, 1954, and for other purposes.

House Resolution 291 provides for an open rule, waiving points of order and allows 1 hour for general debate on the bill itself.

Specifically this bill provides the appropriations for the House of Representatives, the Architect of the Capitol and the Botanic Garden, the Library of Congress, the Government Printing Office, and the Judiciary.

Mr. Speaker, I know of no one who is opposed to the rule and at this time I yield 30 minutes to the gentleman from Indiana [Mr. MADDEN].

Mr. MADDEN. Mr. Speaker, I yield myself 10 minutes.

(Mr. MADDEN asked and was given permission to include as a part of his remarks an Associated Press article appearing in the Washington Star; a letter from Chairman Chiperfield, of the Foreign Affairs Committee; a letter from the Department of State signed by Thruston B. Morton; and a letter from Henry Cabot Lodge, Jr., Ambassador to the United Nations.)

KATYN REPORT TO UNITED NATIONS

Mr. MADDEN. Mr. Speaker, on January 9 of this year, I filed House Resolution 63, which asked the Congress to complete the work of the special Katyn Massacre Investigating Committee by carrying out the four recommendations unanimously set out in the committee's final report.

Each member of the special Katyn Forest Massacre Committee now serving in Congress filed a resolution similar to House Resolution 63. These resolutions were referred to the House Committee on Foreign Affairs.

Since January, I have made numerous requests of the Chairman of the House Foreign Affairs Committee to consider House Resolution 63. The Congress should be given an opportunity to carry out our recommendations to submit the committee's testimony, evidence, and final report to the United States delegates at the United Nations for whatever action they see fit to take.

On June 17, the Associated Press carried the following article, which was published in a great number of papers throughout the country:

KATYN FOREST ACTION PROPOSAL DROPPED

At the request of the State Department, the House Foreign Affairs Committee has decided to shelve a resolution asking the United Nations to start action against Russia for the 1941 mass murders in the Katyn Forest.

By a vote of 19 to 4, the committee has voted not to take up the resolution, introduced early this year by Representative MADDEN, Democrat, of Indiana.

Mr. MADDEN headed a special House committee in the last Congress that investigated the mass murder of an estimated 10,000 Polish officers in Poland's Katyn Forest. The committee blamed Russia for the atrocity. Russia has blamed the German Nazis.

Thruston B. Morton, Assistant Secretary of State, told the Foreign Affairs Committee in a letter that "no useful purpose would be served by further action by the Congress on this subject," and added that the work of the Madden committee would continue to be "an extremely valuable part of the campaign of truth * * * to present to the world a vivid and accurate picture of Soviet tyranny."

After contacting a number of the members of the Foreign Affairs Committee, I am satisfied that the above article is not authentic or they have misquoted the chairman of the Foreign Affairs Committee regarding the so-called 19-to-4 vote of the committee in opposition to taking up House Resolution 63. There is no record in the files of the House Foreign Affairs Committee indicating that the question of considering the Katyn Forest resolution was at any time voted on by that committee.

In fact, a great majority of the House Foreign Affairs Committee are in favor of considering House Resolution 63 so that Congress can take final action on our final report.

As chairman of the Katyn committee, I have received numerous requests from persons and organizations not only in this country but in England and Europe, inquiring as to why action has not been taken by the Congress on the recommendations of the Katyn committee.

I know that the vast majority of the Members of the House of Representatives are very much in favor of the United States delegates to the United Nations presenting the testimony and report of our committee to all the delegates at the United Nations, including Mr. Vishinsky and the representatives of the satellite countries.

Our committee has, beyond all question of a doubt, recorded testimony and evidence which will, in the future, convince the minds of historians that the Soviet Communist leaders were guilty of one of the most barbarous massacres in all history in the Katyn Forest in the early part of 1540.

As chairman of the Katyn committee, I am again asking the chairman of the House Foreign Affairs Committee to give the members of his committee an opportunity to cast a record vote as to whether they are in favor of considering the recommendations of the Katyn committee at this session of Congress.

I also wish to incorporate with my remarks letters from the Honorable Robert B. Chiperfield, chairman of the House Foreign Affairs Committee; the Honorable Henry Cabot Lodge, Jr., Ambassador to the United Nations, and Mr. Thruston B. Morton, the Assistant Secretary of State for Congressional Relations.

The Secretary of State in the last paragraph of his letter states that the first and second recommendations of the Katyn committee have already been substantially implemented by the State Department and that there would be no useful purpose in taking up the third and fourth recommendations of our committee at the present time. Secretary Dulles seems to think that the work of the Katyn committee has been and will continue to be an extremely valuable part of the campaign of truth being waged inside and outside the United Nations to present to the world a vivid and accurate picture of Soviet tyranny.

If the House Foreign Affairs Committee and the Congress follow through with our recommendations, the United States delegates to the United Nations can present our report to the other nations of the world for consideration at their next meeting. This action would again remind the people of the world, both outside and behind the Iron Curtain, of the barbarous massacre committed by the Kremlin leaders on the helpless nation of Poland in 1940.

Secretary Dulles should not be concerned regarding the legal status of our report, testimony, and recommendations when they come before the United Nations for consideration. The legal status of our report before the United Nations is a matter for that great international body to decide and the Secretary of State or the chairman of the House Foreign Affairs Committee should not relieve them of that duty.

The Congress of the United States very properly authorized the Special Committee To Investigate the Katyn Massacre. The members of the committee very dutifully and at great personal sacrifice carried out the wishes of the Congress. The work of our committee in the Congress will not be fully completed until the results of our findings have been presented to the United Nations organization for them to consider if they see fit to do so.

From the contacts by letters and otherwise that I have had with the membership of the House Foreign Affairs Committee, I can truthfully state that, as of now, a majority of that committee's membership will vote favorably to report House Resolution 63 for further consideration on the floor of the House.

The Members of the Congress are entitled to express themselves and to vote

on House Resolution 63. I am satisfied that the Congress will recommend that our testimony, exhibits, and recommendations will be sent to the United States delegates at the United Nations with the hope that that body can see its way clear to present our findings to the delegates at their next meeting.

The Kremlin representatives at the United Nations should be given an opportunity to speak up regarding the avalanche of testimony our committee has recorded revealing the nation who was responsible for one of the most barbarous massacres in world history.

I again repeat, the legal status of our report and recommendations is one to be considered and adjudicated by that body and not by the Secretary of State or the Chairman of the House Foreign Affairs Committee.

Chairman CHIPERFIELD, of the House Foreign Affairs Committee, in his letter to me of April 1, among other things, states:

Neither has the State Department or any official of the United Nations requested action.

Apparently right now the international picture is such that it is felt best not to disturb the situation.

I do, however, feel your committee did a splendid job.

It is indeed an extraordinary admission when the chairman of the House Foreign Affairs Committee depends upon the State Department or an official of the United Nations to request action on a resolution filed by a special committee of the House.

I do not see how the international picture could be disturbed if our report was taken up by the United Nations for discussion as this would again remind the free people and also the unfortunate millions behind the Iron Curtain of the criminal minds possessed by the leaders now ruling the people of Russia and its satellites.

I am again calling upon the chairman of the House Foreign Affairs Committee to set House Resolution 63 on the committee's schedule for a hearing before this session of Congress adjourns.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., April 1, 1953.

Hon. RAY T. MADDEN,
House of Representatives,
Washington, D.C.

DEAR RAY: Thanks for your telegram indicating your continued interest in the Katyn Forest Massacre. You will recall I told you I would take this matter up with members of my committee. They have indicated they do not feel it is advisable to take action on your resolution at the present time.

Neither has the State Department or any official of the United Nations requested action.

Apparently right now the international picture is such that it is felt best not to disturb the situation.

I do, however, feel your committee did a splendid job.

Sincerely yours,
ROBERT B. CHIPERFIELD,
Member of Congress.

UNITED STATES REPRESENTATIVE
TO THE UNITED NATIONS,
New York, N. Y., May 21, 1953.

The Honorable RAY J. MADDEN,
House of Representatives.

DEAR CONGRESSMAN MADDEN: Since my return to the office from a brief absence, I have seen your inquiry of May 5 (acknowledged by Ambassador Wadsworth on May 8) concerning your resolution on the Katyn Forest massacre.

During the short time I have been here I have already taken action twice on these recommendations.

On February 10 I sent copies of the select committee's findings to the Secretary General of the United Nations for distribution to all the members. Enclosed are a copy of my letter of that date to Mr. Trygve Lie and a copy of his reply of February 25.

Again, on March 25, in a speech before the Political Committee of the United Nations General Assembly, I referred to the evidence of this crime against humanity developed by the select committee. Enclosed is a marked copy of my statement of that date.

At the moment, the General Assembly is not in session and I cannot, therefore, give an informed answer to your question. You may be assured that I shall continue to follow the question closely and shall not fail to take advantage of any opportunity to use the excellent work done by your committee as an aid in the struggle against communism.

Sincerely yours,
HENRY CABOT LODGE, Jr.

(Enclosures: 1. To Mr. Lie, February 10, 1953. 2. From Mr. Lie, February 25, 1953. 3. Statement of March 25, 1953.)

DEPARTMENT OF STATE,
Washington, May 14, 1953.

MY DEAR RAY: I am writing to you with reference to the request in your letter of May 5, 1953, for an opinion as to possible action by the Congress at this time on House Resolution 63 incorporating the recommendations of the Select Committee To Investigate the Katyn Forest Massacre.

House Resolution 63 recommends to the President the following courses of action:

"(1) to forward to the United States mission to the United Nations the testimony, evidence, and findings of the select committee, created by House Resolution 390, 82d Congress, to conduct an investigation and study the facts, evidence, and circumstances of the Katyn Forest massacre;

"(2) to instruct the United States mission to the United Nations to present the case of the Katyn Forest massacre to the General Assembly of the United Nations;

"(3) to take such steps as may be necessary to express the desire of the United States that the General Assembly of the United Nations institute action before the International Court of Justice against the Union of Soviet Socialist Republics because of the commission of mass murder in the Katyn Forest, in violation of the general principles of law recognized by civilized nations; and

"(4) to instruct the United States Mission to the United Nations to seek the establishment of an international commission to investigate other mass murders and crimes against humanity."

The foregoing recommendations center upon possible methods of utilizing the findings of the select committee concerning the Katyn atrocities within the framework of United Nations organs, particularly the General Assembly and the International Court of Justice. The State Department's comments on these recommendations, detailed below, represent many months of study within the Department as to the best ways of utilizing the valuable work of the select committee both within and outside of the United Nations. It is axiomatic that the best evidence of Soviet ruthlessness is precisely the kind of exhaustive documentation assembled by the select committee's findings to greater advantage.

The Department's general conclusions have been that the facts about Katyn could be used to maximum advantage by getting them directly before the people of Europe, those behind the Iron Curtain as well as those menaced by the Soviet threat. Accordingly, the facts found by the select committee have been widely publicized through the distribution of pamphlets and through Voice of America broadcasts. Our reports from the field indicate that these activities of the International Information Administration have had telling effect.

These facts have also been brought to world attention in the United Nations General Assembly by Ambassador Lodge in a statement before the Political Committee on March 25, 1953. It is the intention of the Department to continue to utilize these facts as appropriate in the course of General Assembly discussions of more recent Soviet violations of human rights. Utilization of the Katyn material in debates on contemporary items has seemed more advantageous than an attempt to secure formal General Assembly action on the Katyn case itself. Many governments, as distinct from peoples, are reluctant to inquire too deeply into events which took place in wartime more than a decade ago (prior, indeed, to the establishment of the United Nations), and it is the view of the Department that hesitant United Nations endorsement of the Select Committee's findings could only serve to undermine the substantial impact those findings have heretofore had.

In the light of these general observations, I shall outline below the detailed comments of the Department on House Resolution 63. For the sake of convenience, I shall number these comments in sequence corresponding to the four numbered operative paragraphs of the draft resolution:

1. The testimony, evidence, and findings of the Select Committee have already been forwarded to the United States mission to the United Nations.

2. In accordance with the Department's instructions, Ambassador Lodge has formally requested the Secretary General of the United Nations to circulate copies of the Select Committee's interim report, which contains findings on Soviet responsibility for the Katyn Forest massacre, to all permanent representatives to the United Nations, and to make the seven volumes of the committee's record available to all interested representatives. The Secretary General has complied with this request.

Furthermore, as noted above, the findings of the Select Committee have been utilized in debate by Ambassador Lodge during the seventh session of the General Assembly.

3. With reference to the proposal that the General Assembly institute action against the Soviet Union in the International Court of Justice, the Department is reluctantly compelled to conclude that there is no jurisdictional basis for compulsory litigation of the case.

As you know, only those states which have accepted the compulsory jurisdiction of the Court can be compelled to come before the Court in answer to a complaint. The Soviet Union has never accepted the compulsory jurisdiction of the Court. It is true that the Soviet Union has signed the Genocide Convention, which might be construed as covering acts akin to the Katyn massacre, and it is also true that article IX of the Genocide Convention provides for submission to the International Court of disputes as to the "interpretation, application, or fulfillment" of the Convention. However, in signing the Convention the Soviet Union attached a specific reservation denying the compulsory jurisdiction asserted in article IX; in addition, the Soviet Union has not ratified the Convention. It will be recalled that there are a number of states, including the United States, which has signed but not yet ratified the Genocide Convention.

With respect to this jurisdictional problem, the Department recognizes the theoretical possibility that the General Assembly could ask the International Court for an advisory opinion relating to the Katyn massacre. However, apart from the difficulty of getting

General Assembly support for such a request, there is a very real possibility that the International Court, following the precedent of the Permanent Court of International Justice in *The Status of Eastern Carelia* (series B, No. 5 (P. C. I. I. 1923) 28–29), might refuse to render an advisory opinion. Accordingly, the Department feels that the substantial chance of an unsatisfactory response either in the Assembly or in the Court overbalances any possible advantage which might be gained even if all went well.

4. The final operative paragraph of House Resolution 63 suggests that the United States mission "seek the establishment of an international commission to investigate other mass murders and crimes against humanity."

To the extent that House Resolution 63 may contemplate the establishment of a full-fledged tribunal capable of passing judgment, the Department wishes to call the attention of the Foreign Affairs Committee to proposals now pending in the General Assembly for the establishment of an International Criminal Court. Its proponents believe that such a Court could take appropriate action with respect to atrocities on the order of the Katyn Forest massacre. Since plans for an International Criminal Court are still in the process of formulation, the United States has not yet determined any final position with respect to these proposals.

To the extent that the Commission contemplated by House Resolution 63 would be purely investigatory, the Department feels that the desirability of such a proposal should be given considerable study before final conclusions are reached. It is evident that it would in many ways be helpful to have in existence an international agency capable of inquiring into current crimes against humanity perpetrated by the members of the Soviet bloc. On the other hand, it can be anticipated that the procedures of such a body would be systematically and continuously abused by the Soviet bloc for the airing of false charges against the Western powers and particularly the United States.

In summary, since the first and second recommendations of the committee have already been substantially implemented by the Department and since further action on the third and fourth recommendations seems undesirable for the reasons outlined above, it is the view of the Department that no useful purpose would be served by further action by the Congress on this subject at the present time. The select committee's contribution has been, and will continue to be, an extremely valuable part of the campaign of truth being waged inside and outside the United Nations to present to the world a vivid and accurate picture of Soviet tyranny.

Sincerely yours,

THRUSTON

Thruston B. Morton,
Assistant Secretary.

Mr. ALLEN of Illinois. Mr. Speaker, I yield to the gentleman from Washington [Mr. HORAN] for a unanimous-consent request.

Mr. HORAN. Mr. Speaker, I ask unanimous consent that all Members be permitted to extend their remarks on the legislative-judiciary appropriation bill, 1954, to be considered today, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. SHEEHAN], and ask unanimous consent that he be permitted to speak out of order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SHEEHAN. Mr. Speaker, I have asked for this time in order to talk with the gentleman from Indiana [Mr. MADDEN] to get the RECORD straight, because he had made some comment about there being no record in the Committee on Foreign Affairs of a vote taken on the Katyn massacre resolution which was submitted to this Congress.

The Republican members of the Katyn committee, the gentleman from Wisconsin [Mr. O'KONSKI], the gentleman from Michigan [Mr. DONDERO], and I, certainly are in favor of the Committee on Foreign Affairs taking action. However, the fact that the action has not been taken is in no way due to the chairman of the committee, the gentleman from Illinois [Mr. CHIPERFIELD]. As I understand the situation, on March 31 he submitted to each member of the Committee on Foreign Affairs a list of 25 to 30 different items which were pending before that committee, and asked that each committee member, without signing his name, indicate which of these matters he wanted to take up at the present time. The chairman of that committee then tabulated these reports. On House Resolution 63 and the allied resolutions presented by the other members of the original Katyn committee, the vote ran from 19 to 4 against taking it into consideration at the present time to 16 to 7, so there was a clear indication that the Committee on Foreign Affairs did not want to consider the Katyn resolution at the present time or in the immediate future.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. SHEEHAN. I am glad to yield to the gentleman from Michigan.

Mr. DONDERO. I might say to the House, and also for the benefit of the gentleman from Indiana [Mr. MADDEN] our former chairman of the committee, that I, too, talked to the gentleman from Illinois [Mr. CHIPERFIELD], the chairman of the Committee on Foreign Affairs on this very subject. He advised me that the matter had been submitted to his committee, and that they had overwhelmingly said, "No, we do not want to consider the matter at the present time." I know how anxious we of the committee are, who went to Europe to gather the evidence on the basis of which we rendered a unanimous decision. The guilt is on the steps of Russia and no other government whatever for what happened. I want to say further I have had other information that at the present time, and due to the conditions in the world, it was thought best not to bring it up immediately. I am in favor of having it come up at the most opportune time because I am in favor of having the matter submitted to the United Nations. I agree with my able former chairman in that regard.

Mr. MADDEN. Mr. Speaker, will the gentleman yield?

Mr. SHEEHAN. I yield.

Mr. MADDEN. I am glad to learn from my colleagues on the committee that they are optimistic in regard to our resolution being called up. Undoubtedly, however, they are not familiar with the situation that took place in the Committee on Rules on last Wednesday. When the foreign aid bill was before the Committee on Rules, I asked the chairman of the Committee on Foreign Affairs [Mr. CHIPERFIELD] and also the ranking member of the committee, the gentleman from Ohio [Mr. VORYS], about House Resolution 63, and they said that our resolution had been turned down by a vote of 19 to 4. The Associated Press carried that dispatch. I received a number of letters from all over the country asking why the Katyn resolution should be turned down by the Committee on Foreign Affairs. This press dispatch stated that the resolution had been shelved. I am glad to know that the gentlemen from Illinois and Michigan still have hopes of getting it up during this session, and I hope we can do that. I hope the Members read the letter from the Assistant Secretary of State which I have included with my remarks. He commended the work of the Katyn committee but opposes the presentation of our report and evidence to the United Nations.

Mr. SHEEHAN. The gentleman from Indiana will bear in mind that technically there was no official vote taken by the committee. The committee was polled and consequently the chairman asked whether the committee favored present or immediate consideration of the resolution. The committee turned that proposition down. If the gentleman has information that a majority of the members of the Committee on Foreign Affairs are in favor of it, I suggest that we have a talk with the chairman and he will be very glad to take it up.

Mr. MADDEN. I have been trying to get the resolution called up since the middle of January. In fact, if you will read the letter I introduced, the State Department requested that because of the international situation, it not be brought up. At the Committee on Rules meeting the other day, the gentleman from Ohio [Mr. VORYS], ranking Republican member of House Foreign Affairs Committee, told me that there was little likelihood that the resolution would be called up or the committee acting on the resolution. But I am glad to know that the gentleman from Illinois [Mr. SHEEHAN] and the gentleman from Michigan [Mr. DONDERO] have hopes of calling the resolution up for hearing.

Mr. SHEEHAN. The chairman assured me, and I think he assured the gentleman from Michigan [Mr. DONDERO] that if a majority of the members of the committee wanted it, he would bring it up.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I have no further requests for time. Does the gentleman from Indiana have any further requests for time?

Mr. MADDEN. No, Mr. Speaker.

Mr. ALLEN of Illinois. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to, and a motion to reconsider was laid on the table.

Mr. HORAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5805) making appropriations for the legislative branch and the judiciary branch for the fiscal year ending June 30, 1954, and for other purposes.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Washington.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 5805, with Mr. COLE of New York in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. HORAN. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, this subcommittee brings this bill to the floor with a unanimous agreement. We have held extensive hearings on these matters which are close to us in the legislative branch. We have also considered fully the appeals and the needs of the judiciary. As I said, we are in complete agreement. We bring this bill to you under a rule because last year in our report, we asked that a business-type budget apply to the Government Printing Office. That was considered by the Government Printing Office during the year, but no action was taken. Consequently, when it came time to write up the bill, we included the language, which has precedent, the language which applies to the Bureau of Engraving. They have had experience down there of a business-type budget. It has been useful and beneficial to them. But after consulting with the ranking minority and majority members of the Joint Committee on Printing, and also the ranking minority and majority members of the Committee on House Administration, we were given the green light and put this language in the bill.

However, since it was obviously subject to a point of order, we do bring this bill to you under a rule. However, I feel that we have reasonable agreement on this. We tried to avoid anything of a legislative nature in this appropriation bill. But since a year ago in our report we had asked for this action, we felt that we were reasonably in order in bringing this bill to you in its present form.

Other than that I do not feel that I need to take any additional time. I have no requests for time on this side.

Mr. AUCHINCLOSS. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from New Jersey.

Mr. AUCHINCLOSS. I should like to make a brief observation to the gentleman about the item on page 15, line 3 of the bill:

Terraces of Capitol Building: For reconstruction, repair, alteration, and improvement of the terraces of the Capitol Building, including expenditures for personal and other services and all other necessary items, $837,000.

As chairman of the subcommittee on Capitol Buildings and Grounds of the Committee on Public Works, I raise the question about the item for reconstruction. After talking with the Architect, I find that the word "reconstruction" may be interpreted to mean changes in the present structure, not necessarily new building.

I bring this up, Mr. Chairman, because I feel that it is very necessary in matters of this kind that proper legislative procedure be adopted and that these matters be referred to the appropriate legislative committee for authorization, if they come under their jurisdiction.

Mr. HORAN. I am delighted to reply to my colleague from New Jersey [Mr. AUCHINCLOSS]. The gentleman is exactly right in raising this point. I am only happy to be able to answer. There were two items before us under consideration, and have been for some time. One was the rebuilding of the terraces which surround the Capitol in the Mall side. That has not been used; it has not been open to the public since 1935. Prior to that time I understand it was usable space, but today it is being practically wasted. Some nine large rooms will be made available if we enter this rebuilding program. Consequently, in order that I might answer my colleagues who might raise the point, I asked the Architect of the Capitol to explain this and to give me a copy of those matters which involve points of order against such action.

I should like to quote here from David Lynn, the Architect of the Capitol, in that regard:

RECONSTRUCTION, REPAIR, ALTERATION, AND IMPROVEMENT OF THE TERRACES OF CAPITOL BUILDING

The work proposed to be done under the appropriation item "Reconstruction, repair, alteration, and improvement of terraces, Capitol Building," is simply a renewal of the roof or top portion of the terrace structure, and is a necessary repair for the preservation of the existing terrace structure. The sidewalls and foundations of the terrace structure will remain undisturbed, as will also the interior of the structure. The proposed work will cause no changes in the architectural features of the Capitol.

AUTHORIZATION

Title 40, United States Code, section 162, "The Architect of the Capitol shall perform all the duties relative to the Capitol Building performed prior to August 15, 1876, by the Commissioner of Public Buildings and Grounds."

Title 40, United States Code, section 163, supplement V: "The Architect of the Capitol shall have the care and superintendence of the Capitol."

Title 40, United States Code, section 166, supplement V: "All improvements, alterations, additions, and repairs of the Capitol Building shall be made by the direction and under the supervision of the Architect of the Capitol."

Cannon's Precedents, House of Representatives, volume 7, section 1369: "The maintenance of any physical property of the Government is in order as a continuation of a public work in progress, and express legislative authorization is unnecessary.

"The existence of a fort used in the Government service is sufficient authorization for an appropriation for its protection and preservation."

Cannon's Precedents, House of Representatives, volume 7, section 1384: "An appropriation for repairing and reconstructing the main conservatory in the Botanic Garden was held to be the continuation of a public work."

Hinds' Precedents, House of Representatives, volume 4, section 3778: "Appropriations for repairs to public buildings are admitted in general appropriation bills as in continuation of a public work."

Hinds' Precedents, House of Representatives, volume 4, section 3787: "An appropriation for current repairs and improvements in the Botanic Garden was held to be the continuation of a public work."

ACT OF FEBRUARY 14, 1902, NOT VIOLATED

The proposed appropriation text does not contain the language "without regard to the act of February 14, 1902 (40 U. S. C. 162)." No authority is requested or granted in the appropriation text to expend the appropriation without regard to that act, which prohibits changes in the architectural features of the Capitol Building except on plans approved by Congress. The appropriation text is, therefore, not in violation of the 1902 act, and the appropriation is, of itself, restricted to expenditures for reconstruction, repair, alteration, and improvement work of such nature as will cause no change in the architectural features of the building.

"Capitol Grounds: Reconstruction of plaza, driveways, roadways, walks, and drainage and sewer systems, including all necessary incidental expenses."

This language has been added to the appropriation text to enumerate the additional items provided for under the annual appropriation for 1954. The work to be done is a renewal of existing construction and constitutes a repair necessary for the proper preservation of the Capitol Grounds. The proposed work will cause no changes in the landscape features of the Capitol Grounds.

AUTHORIZATION

Title 40, United States Code, section 193a: "The United States Capitol Grounds shall comprise all squares, reservations, streets, roadways, walks, and other areas as defined on a map entitled 'Map showing areas comprising United States Capitol Grounds,' dated June 2, 1946, approved by the Architect of the Capitol and recorded in the Office of the Surveyor of the District of Columbia in book 127, page 8, and the jurisdiction and control over the United States Capitol Grounds, vested prior to July 31, 1946, by law in the Architect of the Capitol, is extended to the entire area of the United States Capitol Grounds as defined on the aforementioned map, and the Architect of the Capitol shall be responsible for the maintenance and improvement thereof.

Title 40, United States Code, section 173: "All changes and improvements in the Capitol Grounds, including approaches to the Capitol, shall be estimated for in detail, showing what modifications are proposed and the estimate cost of the same."

Cannon's Precedents, House of Representatives, volume 7, section 1365: "An appropriation for repair of a Government-owned road was held to be in continuation of a public work—in the same class with repairs for Government buildings."

Cannon's Precedents, House of Representatives, volume 7, section 1369: "The maintenance of any physical property of the Government is in order as a continuation of a public work in progress, and express legislative authorization is unnecessary.

"The existence of a fort used in the Government service is sufficient authorization for an appropriation for its protection and preservation."

Cannon's Precedents, House of Representatives, volume 7, section 1384: "An appropriation for repairing and reconstructing the main conservatory in the Botanic Garden was held to be the continuation of a public work."

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"Court of Claims buildings: Including structural alterations, additions, and other improvements to provide additional accommodations for the court."

This language has been added to the appropriation text to enumerate the additional items provided for under the annual appropriation for 1954. The proposed construction work under the 1954 appropriation is to construct an addition to the existing buildings of the Court of Claims, by adding to the existing rear building structure.

AUTHORIZATION

Cannon's Precedents, volume 7, section 1355:

"A proposition to enlarge an existing public building is in order as continuation of a public work * * *.

"The Chair ruled: '* * * An item was then offered to extend the marine barracks by the addition of a wing at the Navy Yard at Philadelphia, to which a point of order was made. The present occupant of the chair, then the occupant of the chair, overruled the point of order on the ground that to extend a building already constructed was in order'."

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from Michigan, chairman of the Committee on Public Works.

Mr. DONDERO. Mr. Chairman, the question I desire to raise is, by what law, under what authority, does your committee take charge of public buildings and grounds within the District, even including the United States Capitol? Because, under the Reorganization Act, the Committee on Public Works definitely is assigned not only the authority but the responsibility over all public buildings and grounds in the United States. There has been much discussion as to whether your committee has the right to proceed or whether that should have been given to our committee.

Mr. HORAN. I would like to say to my colleague from Michigan that I appreciate the position he is in. We tried to avoid anything that might be subject to a point of order. I might say that I have supplied a copy of the authorizations to one of the ranking Members, the gentleman from Ohio [Mr. McGREGOR], who has a copy of that which I read from here. There are 2½ pages of authorizations.

The question, of course, sometimes disturbs those of us on appropriations, not to make authorizations. We have to have them. I trust my colleague from Ohio [Mr. McGREGOR] has made a study of this and can help at this time.

Mr. DONDERO. The gentleman from New Jersey [Mr. AUCHINCLOSS], who is chairman of the subcommittee, I believe, also is apprehensive as to whether or not the Committee on Public Works has such jurisdiction. Such jurisdiction was given to it by the Reorganization Act.

Mr. HORAN. I might say that this question came up in another interesting form when we considered the possibility of $25,000 to make further studies of the extension of the east front of the Capitol, that is, the facade under the dome. We are desperately in need of additional space for offices and hearing rooms here in the Capitol Building. But going back as far as 1905, we might say, we have had disturbances regarding the extension of the east front of the Capitol.

Mr. DONDERO. As I understand, this item of $837,000 is in the bill not as an authorization but as an appropriation of money to make the repairs.

Mr. HORAN. The gentleman is correct.

Mr. DONDERO. But the question we raise is whether or not your committee should not have the authority and the authorization of the Committee on Public Works of the House before you can make appropriations. I think that is the issue.

Mr. HORAN. We went into that with the Architect of the Capitol, and we have statistics here which would indicate that this matter has been up a dozen times.

Mr. McGREGOR. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield.

Mr. McGREGOR. I want to concur in the statement made by my distinguished friend who is chairman of the Legislative Subcommittee of the Appropriations Committee. Last week he did hand me the authorization chart which was given him, I understood, by the counsel, and the Member from Ohio in turn gave it to the counsel for the Public Works Committee. They have not rendered a decision. Our counsel told me over the telephone that they thought that the counsel who had given you this information did not go back to the Reorganization Act, that the Reorganization Act made some changes. I might say to my friend, the chairman, I recall distinctly your statement relative to plans and the drawing of specifications for moving out the wings. In my humble opinion that subject definitely should come to the Public Works Committee, and I would call the chairman's attention to the fact that when we remodeled and renovated this House Chamber the authorization for this repair came to the Public Works Committee, and the Subcommittee on Public Buildings and Grounds. I want to say to my distinguished friend that we have discussed it a number of times and he certainly has shown us every consideration.

But I still raise the question that $837,000 is somewhat beyond the scope of maintenance and repair; and the word "reconstruction" is very dangerous, because reconstruction can mean—as long as you leave one brick in its original position and tear all the other bricks down, it is reconstruction. If the chairman has gone into it and he feels it is satisfactory, I am not going to raise the point of order on it.

Mr. SCOTT. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield.

Mr. SCOTT. I am not affected by this competition between committees as to who is going to do the work, because I was under the impression that there was enough work around here for everybody; but I am interested in something that I think affects all of the Members and that is, When are we going to get adequate facilities for restaurant space so that the Members will at least be able to go from here when tired and weary and hungry, and find a place where they can sit down and get something to eat without undue interference with their legislative duties? Can the gentleman enlighten me on that? Perhaps if the Public Works Committee is so anxious to get some work to do they will do something about the membership.

Mr. HORAN. That is all involved in the matter of additional space in the Capitol. We are requesting Mr. Brockwell, manager of our restaurant, to install new machinery and new equipment in the restaurant in the hope we can improve the facilities there. It is strictly a one-meal restaurant that we have. Everyone wants to eat at once and the present kitchen facilities for the crowd we have between 12 and 1:30 are just inadequate. We would have to have double the space and we do not have it. If we were to extend the east front of the Capitol we would have additional space and you would have a good restaurant.

Mr. SCOTT. I just suggest that those walls down there are not rubber. They can be expanded. Money spent on making improvements in the kitchen would not do the job. You would still not have any more space. Is there not space under the terrace that is possibly an available source for an adequate, attractive, and acceptable House restaurant? That would make the present space available for offices and they would be close to the Chamber itself.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from Virginia.

Mr. GARY. Is it not true that space for enlarging the restaurant is contained in the plan for extending the front of the building?

Mr. HORAN. That is right.

Mr. GARY. Our committee was asked for $25,000 to draw the plans for that extension. We felt that the $25,000 should not be appropriated until the project had been investigated and approved. There is a wonderful job for the Public Works Committee to start to work on immediately. It can consider that proposed project and report on it by next year so that our committee will have the benefit of the committee's recommendations.

Mr. McGREGOR. The Public Works Committee has for a number of years

been studying that very plan. But when you start to ask for more space for the restaurant you must realize that we are going to get into vast expenditures as we did in connection with the House Chamber. Right at this time some of us feel it would be ill advised to spend two or three million dollars or even $1½ million in the restaurant when we are trying to balance the budget and reduce taxes.

Mr. GARY. I am not advocating the expenditure. I am advocating a study of the proposed project to determine whether it is advisable. If that is determined, then authorizing legislation can be enacted and when the funds are available we can do the work.

Mr. SCOTT. I agree with the gentleman from Virginia. Now I am going down and stand in line at the restaurant.

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from North Carolina.

Mr. BARDEN. I am not much concerned about which committee handles the work that we have been discussing. I do want to be sure that there is not one dollar of that money going to be used to change the general architectural design of this Capitol.

Mr. HORAN. We have been assured by the Architect that the Capitol will not be altered.

Mr. BARDEN. Since the gentleman has made the statement about changing the profile of the building, filling in the front, and so forth, I would like to call to his attention the fact that this building belongs to the people of the Nation and I do not think they want the design changed. I do not think they want an office building made out of it and we just as well have someone now announce that there will certainly be a fight on that proposition. If we need an office building then we can put one over here across the street, but I do not want an office building made out of the Capitol Building of the United States.

Mr. HORAN. The action of the subcommittee does not do that. It merely improves the present architectural structure here.

Mr. BARDEN. The gentleman said "architectural structure," not the profile of the building. You can dig out under the terrace all you want to and expand under there. The thing I am concerned about is, I would certainly want more to say if there is going to be any change in the architectural design of this building on the outside.

Mr. HORAN. There will be no change whatsoever under the money contained in this bill; we have been assured of that. I wish my colleague the gentleman from Virginia [Mr. GARY] would clarify that.

Mr. GARY. Mr. Chairman, if the gentleman will yield, the situation, as I understand it is this: The proposal to extend the front of the building would correct an apparent architectural defect in the building, but it would not change the architectural structure. However, the $25,000 that was asked for the drafting of plans was refused by this committee, because this committee felt that the whole subject should be more thoroughly investigated before anything is done. This bill does not provide for any action at all with respect to the change.

Mr. BARDEN. The Architect's design may not be perfect, and it is highly possible that those who occupy the facilities may not be perfect, but I think the American people would like it to remain just as it is.

Mr. HORAN. I want to assure my colleague that there is not attempt to interfere with the Committee on Public Works, because no authorization for the extension exists today, nor will they insist until your committee has taken appropriate action.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from Michigan.

Mr. DONDERO. May I say to my good friend from North Carolina [Mr. BARDEN], that his Republican friend from Michigan joins in the sentiment he suggests about changing the front of the building. In all this discussion no decision has been made and no answer has been given as to whether or not the Committee on Public Works or some other committee should have jurisdiction of this subject. This is not the first time the Committee on Public Works has had its jurisdiction invaded. It has come from another source, and we are here protesting, in view of the fact that if we do not do something about it, our committee will be invaded and practically nullified so it has no jurisdiction over anything, and that is my protest.

Mr. HORAN. In order to dispose of this matter, may I say this: I understand a copy of the explanation by the Architect of the Capitol on justification for this matter of authorization under which we are doing this work is in the hands of the counsel of your committee.

Mr. DONDERO. I am in no way laying any blame at the door of my distinguished friend from the State of Washington.

Mr. HORAN. In order to dispose of this matter, because we have other things to do, may I say this: That if the counsel of your committee, in cooperation and consultation with the Architect of the Capitol, decide that we should not do this, that if we are not completely in our rights as members of the Committee on Appropriations on this one item, that we then take it to conference and iron it out in that way, because we do not for one whit or purpose want to invade the proper jurisdiction of any legislative committee in the House of Representatives.

Mr. HILLINGS. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from California.

Mr. HILLINGS. I would like to go back to this question of the House Restaurant. Which is the proper legislative committee having jurisdiction in the case of the House Restaurant?

Mr. HORAN. Well, that is the Committee on House Administration, as I understand it.

Mr. HILLINGS. That is what I am concerned about. I serve as a member of the House Administration Committee, but in the discussions that have taken place there the argument has been raised that the Architect of the Capitol has been given jurisdiction and control over the House Restaurant.

Mr. HORAN. The House Restaurant is under the Architect of the Capitol, but that is a very informal arrangement. I want to say this, one of the difficulties that we on the Committee on Appropriations have faced is that ours is an annual bill, that we hear old friends coming back in the shape of justifications, and sometimes, when we feel a matter should be considered, I agree with you we are tempted to take action on appropriations, but even we do not take action that affects other legislative committees.

Mr. HILLINGS. I recognize the problem the gentleman has, and I for one wish that the gentleman and his committee had been able to take more action in this case of the House Restaurant. I consider the restaurant facilities in the House of Representatives inadequate, and I do not believe that they are up to the standards set for eating facilities in any of the other agencies or departments of the Federal Government. It seems to me that something should be done to improve the quality there, and also increase the space. As far as I know, year after year this question comes up, and nothing is done. I have tried to run it down as a member of the Committee on House Administration, to see who has jurisdiction and what can be done. I have constantly been given the runaround. The Architect of the Capitol refuses to show any particular cooperation or take any responsibility, and the people on the Committee on House Administration do not seem to know whether they have any authority. It is time that this body seriously consider doing something about the situation which presently exists as to the House Restaurant.

Mr. McGREGOR. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from Ohio.

Mr. McGREGOR. I concur in the statement made by the chairman of the committee. I know he is very fair. We are perfectly willing to go along and allow the counsel to correct this situation.

As far as the House Restaurant is concerned, I deplore the situation there as much as anyone, but as a past chairman of the Committee on Public Buildings and Grounds and having had some experience in this field I know how much money it is going to cost, or approximately so, to change the restaurant. When you start that you are going to have enormous expenditures.

I should like to ask one other question. I note on reading the hearings that you are contemplating changing the width of the streets. Is that true?

Mr. HORAN. No. We denied those funds for improvement of the Capitol Grounds for several reasons. This committee considered our parking problem here extensively last year. We have no authorization for anything that will improve our parking situation here. We felt that parking should come first. We are not going to rebuild these streets without a full consideration of its impact on other things that might be wisely and necessarily done around here in the Capitol.

Mr. McGREGOR. Then that is not included in your item of $837,000?

Mr. HORAN. We denied I think in excess of $600,000.

Mr. DEANE. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from North Carolina.

Mr. DEANE. I want to follow up the point raised by the gentleman from California [Mr. HILLINGS]. For 6 years now I have been a member of the Committee on House Administration. At no time has it occurred to us after checking that we have any authority whatsoever as far as the operation or the work of the House Restaurant is concerned. It is altogether under the control of the Architect of the Capitol. It seems to me, in keeping with what some of the other Members are saying, that even though we realize we are faced with a problem there we ought to be willing to come to grips with it. It is not improving, it is getting worse year by year.

Mr. HORAN. I agree with my colleague from North Carolina. It can be solved very easily simply by the introduction and the pushing of a bill before the proper committee.

I want to read into the RECORD at this point a part of our report, appearing on page 3:

The manager of the House Restaurant informed the committee that, for efficient operations, he needs to purchase additional equipment, the installation of which would involve structural and mechanical work costing about $7,500. The bill does not provide for this specifically but the committee trusts that the Architect will be able to care for this need within the amounts included.

Mr. HOLT. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from California.

Mr. HOLT. There is an informal arrangement with the Architect of the Capitol for the running of the restaurant? Is that the way it is, it is just an informal arrangement?

Mr. HORAN. I yield to my friend from Iowa [Mr. LECOMPTE], who is chairman of the Committee on House Administration.

Mr. HOLT. I would like to know who is responsible for running the restaurant.

Mr. LECOMPTE. As the gentleman from Washington said, the restaurant is under the Architect of the Capitol. Legislation may be handled through committees, perhaps through the Committee on House Administration, but the direction of the restaurant is under the Architect of the Capitol.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from New York.

Mr. TABER. The rules provide that the House restaurant is under the jurisdiction of the House Committee on Administration. I have just checked that.

Mr. LECOMPTE. That is true as to legislation but not administration.

Mr. TABER. I think the Architect gets his authority from the Committee on House Administration.

Mr. LECOMPTE. Yes, that is right, but it has been delegated to him to run the House restaurant.

Mr. TABER. By the committee.

Mr. LECOMPTE. Possibly, but I do not recall any definite action along that line.

Now I should like to refer to another matter, if the gentleman will permit.

We had a meeting this morning of the Joint Committee on Printing. It was mentioned, it appears on page 20 of this bill, that there is legislation which might be subject to a point of order, but a rule has been adopted waiving all points of order. The question I want to submit to the chairman of the subcommittee, the gentleman from Washington [Mr. HORAN], is this: Is the Committee on Appropriations undertaking to take jurisdiction and control of the Government Printing Office away from the proper committee?

Mr. HORAN. No; not at all. I have explained that, and it is in the RECORD.

Mr. LECOMPTE. I think the information I have is that the legislation in this appropriation bill is very good, but there was a question raised as to whether legislation should not come through some other committee.

Mr. HORAN. I think that is true. We made every effort to clear it, at least with the ranking members of the committees. The gentleman must bear in mind that it was a year ago that we asked that this action be taken. We asked for it with the knowledge that the Bureau of Engraving had this type of budget installed 2 or 3 years ago, and they have been very happy with it. We think we can justify these items.

Mr. LECOMPTE. While I do not want to take up too much of the gentleman's time, he has been very generous, I do not think I would be violating any confidence when I say that the new Government Printer thinks this legislation is all right.

Mr. HORAN. We called Mr. Blattenberger up, and every effort was made to justify this.

Mr. LECOMPTE. In fact, the Government Printer thinks it is a very good thing to do.

Mr. HORAN. Yes.

Mr. LECOMPTE. I do note that in this legislation you do recognize the authority of the Joint Committee on Printing.

Mr. HORAN. It just changes the form of reporting these things.

Mr. LECOMPTE. And it provides for a little better bookkeeping.

Mr. HORAN. Yes.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield.

Mr. GARY. The fact is that this business budget gives the Congress better control of the Government Printing Office. At the present time the only expenditures of the Printing Office that we control are those made for the legislative branch of the Government. When some other agency of the Government has printing done by the Government Printing Office it is charged certain fixed amounts which are paid from the particular agencies' appropriation. The charge is determined by the Public Printer. This will not change that, but it will require the Public Printer to set up a business budget which will show those transactions, and the accounts of the Public Printer will be audited annually by the General Accounting Office. It simply puts them under an annual accounting, and gives the information to the Congress each year as to just what is going on in that department. That was done several years ago with the Bureau of Printing and Engraving. It is working very satisfactorily. They issue their balance sheets every year and their profit-and-loss statements, and the report just as an ordinary business corporation would do. Their accounts are audited annually by the Comptroller General.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield.

Mr. DONDERO. The question raised on this floor is just one. We do not question your right to appropriate when the Congress has given you the authority to do so. But where do you get the authority of law to appropriate?

Mr. HORAN. That is the reason we have this bill here under a rule. I want to assure the gentleman we first cleared it with the legislative chairman and the ranking members of the committee.

Mr. Chairman, I have no further requests for time on this side.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

For mileage and expense allowance of Members of the House of Representatives, Delegates from Territories, and the Resident Commissioner from Puerto Rico, as authorized by law, $1,273,500. The proviso under this head in Public Law 471, 82d Congress, is amended by striking out the word "two."

Mr. McCORMACK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McCORMACK: Page 2, lines 11 and 12, strike out in line 10 everything after the period, and lines 11 and 12, and in lieu thereof insert: "The proviso under this head in Public Law 471, 82d Congress is amended to read as follows: '*Provided*, That in the case of taxable years beginning after December 31, 1953, the place of residence of a Member of Congress (including any Delegate and Resident Commissioner) within the State, congressional district, Territory, or possession which he represents in Congress shall be considered his home for the purposes of section 2 (a) (1) (A) of the Internal Revenue Code'."

Mr. McCORMACK. Mr. Chairman, this amendment is the one I offered last year, and which the House unanimously adopted. It is effective after December 31, 1953. The $3,000 exemption which was legislatively abortive, was agreed on in conference with the Senate, which did not agree to the amendment.

This amendment simply gives to Members of Congress that which every other person in the country has; a determination legally that our home, where we live, is our place of residence for taxpaying purposes, instead of its being the District of Columbia. It gives us the right to deduct business expenses—that is all—in connection with the performance of our duties as Members of Congress. That is the same right that any other businessman has, and which he should have.

The purpose and the effect of this amendment is to give to Members of

Congress under the tax laws the same privileges that everybody else has.

There was an uncertainty as to the construction of the organic law some years ago. This amendment clarifies that. It seems to me to be only equity and justice that we give to ourselves what everyone else justifiably receives.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Washington.

Mr. HORAN. As the bill passed the House last year, under the able leadership of our former Member from New York City, Chris McGrath, it contained the gentleman's language.

Mr. McCORMACK. Exactly.

Mr. HORAN. In conference, however, we had considerable discussion on this and came back with a compromise, which was a $3,000 limitation on that privilege which, as the gentleman says, businessmen do enjoy.

Mr. McCORMACK. Yes.

Mr. HORAN. That is the situation. I believe the subcommittee is ready to accept the gentleman's amendment.

Mr. McCORMACK. Thank you very much.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. McCORMACK].

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

Mr. HORAN. Mr. Chairman, I ask unanimous consent that the bill be considered as read and open to amendment at any point.

Mr. WIER. Mr. Chairman, reserving the right to object, I have been sitting here this past half hour and have heard everything discussed except the legislative budget. Would the gentleman care to make known whether or not there are any changes in this bill as compared with the last bill in salaries, telephones, telegraph allowance, secretarial hire, stationery, and so forth?

Mr. HORAN. There are a few minor changes. I would refer the gentleman to the testimony of the Clerk of the House which begins on page 11 and cites the law. If there are any changes they are entirely minor. Salaries have not been increased, the stationery allowance is the same as last year; likewise telephones, stamps, and so forth.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington that the bill be considered as read and open to amendment?

There was no objection.

Mr. FORD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FORD: On page 33, after line 3 insert a new section as follows:

"SEC. 302. No funds appropriated by this act shall be used for the purchase, operation, maintenance, or repair of any passenger motor vehicle to be assigned for the use of the Architect of the Capitol or the Assistant Architect of the Capitol."

And in line 4, change "SEC. 302" to "SEC. 303."

(Mr. FORD asked and was given permission to proceed for 5 additional minutes.)

Mr. FORD. Mr. Chairman, the intent of this amendment is perfectly obvious. I would like to call to your attention the situation as I found it several weeks ago. It was called to my attention that the Architect of the Capitol through the General Services Administration had published specifications for the purchase of a new limousine or sedan. The specifications were so drafted that it amounted to a black Cadillac limousine. Let me just read what the specifications stated:

Automobile: Four-door sedan, six passenger, type 111, heavy, class V-2, 210 horsepower, equipped with clock, front and rear cigar lighters, back-up lights, windshield washer, heater, and defroster, radio with speaker in front only, oil filter, white sidewall tires. Color: Black. Cadillac, model 60-S or equal.

It is my understanding that a car of that kind would cost around $4,500.

After looking into the matter I found this fact also, that the Congress provides the Assistant Architect of the Capitol with a limousine and a driver just as they do for the Architect himself. Now let us look behind the situation just a bit.

The Architect of the Capitol gets a salary of $15,000 a year plus, as illustrated on page 14 of the bill, the sum of $3,000 for expenses of travel on official business.

The Assistant Architect of the Capitol gets a salary of $14,800 per annum. It seems to me that we frequently in this Chamber point our finger at the executive departments downtown on the basis that they have too many limousines and too many chauffeurs. It reminds me of the old saying that if you live in a glass house you should not throw stones. I suggest that in this Chamber we ought to do a little investigating and some curtailing. I can imagine no justification whatsoever for us as a legislative body to provide vehicles of this kind for the Architect of the Capitol or for the Assistant Architect of the Capitol.

The argument is going to be made that the other body has always authorized this situation when this bill is considered at the other end of the Capitol and in deference to the other body we should ignore the conditions. The answer to that is this: In the bill that we have before us today we are providing $5,747,200 for the Architect of the Capitol to spend in the next fiscal year. In other words we are appropriating funds for obligation to expenditure by the Architect of the Capitol.

I think it is good common sense for us to see that he has the same transportation facilities that we have. I can see no reason whatsoever to single him out or his assistant and to let him purchase a $4,500 4-door sedan, 6-passenger vehicle.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from New York.

Mr. ROONEY. Within the last few days I was talking to Mr. David Lynn, the Architect of the Capitol, who has been in the Architect's Office in the Capitol here for better than half a century. He told me that the Architect of the Capitol has been furnished with a conveyance ever since the pregaslight era. The Congress furnished the architect with a horse and buggy over 75 years ago. It seems to me that the action of the committee in this instance merely brings us from the pregaslight era to the 20th century.

Mr. FORD. Maybe precedents do not control perpetually and as we modernize society a bit maybe we ought to modernize a few of the traditions that have existed for a long period of years in the House of Representatives.

Mr. ROONEY. This kindly, highly distinguished and capable gentleman, David Lynn, Architect of the Capitol, is in need of this conveyance in connection with his duties. He has official duties given him by law throughout the District of Columbia beyond those which he pursues in behalf of the legislative body. He has been since 1923 a member of the District of Columbia Zoning Commission. He is responsible for the Court of Claims Building away down at 17th Street and Pennsylvania Avenue. He is responsible for the Capitol power plants which are located a mile below us here on Capitol Hill. He is responsible for the Supreme Court Building, the Library of Congress and Annex, the three House and Senate Office Buildings, and the Capitol. He has been Architect of the Capitol ever since 1923 and has been in the office of the Architect for over 50 years. He is the 7th Architect appointed since President George Washington appointed the first one. I think it would be a worthwhile tribute to venerable David Lynn if the Congress were to give him a new automobile. Those are my personal feelings with regard to this matter.

Mr. FORD. I agree with that statement that it would be a very expensive tribute for the Congress to provide a $4,500 vehicle with driver for the Architect of the Capitol.

Mr. ROONEY. The automobile he has now would be credited against a new car, so it would not cost the taxpayers more than $2,000 net. I do not know whether this is a Cadillac, but the 210-horsepower specification sounds to me like a Cadillac.

Mr. FORD. It says "Cadillac or equal."

Mr. HOFFMAN of Michigan. There is no equal.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Idaho.

Mr. BUDGE. I note on page 14 of the bill that the Architect of the Capitol is furnished with another motor vehicle. The one the gentleman is talking about would be in addition to his official car?

Mr. FORD. Yes. As I understand it, the Architect of the Capitol as well as the Assistant Architect of the Capitol have personal vehicles. In addition, they have in that office or department additional motor vehicles for the ordinary business of the day.

In my judgment, this is one case where we can act affirmatively for economy, and I can see no reason why as a legislative body we should stand aside for the other body just because it has handled this matter in the past on prece-

dent. In my judgment, if we do not take action I can assure you the other side of the Capitol will not.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. Is this not another indication that there is no real determination on the part of any of us to have a real cut so that taxes can be reduced and the budget cut?

Mr. FORD. I am sure this will make some small impression if we impose my limitation.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from New York.

Mr. ROONEY. I want to say that my distinguished friend from Kentucky is pretty near right in the statement he has just made. He should have been present at the Appropriations Committee hearing this morning in connection with the State, Justice, and Commerce Departments appropriation bill and heard the new Voice of America propose to double the money allowed for entertainment abroad. In other words, a year ago the previous administration asked for $75,000 for this purpose; they were given $50,000; but this year even $75,000 is not enough for the new Voice; they want $100,000. And so it is throughout all of these appropriation bills. There shall be a day of reckoning, and I say to the gentleman that his party is in charge of the House and they have the votes.

Mr. ROBSION of Kentucky. Would the gentleman be willing to start the day of reckoning on this automobile?

Mr. ROONEY. No; no; not at the expense of the kindly and able and efficient Mr. Lynn and make him a target on the floor here today after his career of half a century of service. No; there are better ways to start economy.

Mr. FORD. I wish to reemphasize and reiterate that what we ought to do is to start right in our own little household. This is one case where we could isolate a matter which certainly needs our immediate attention. There is no reason why we should let it go to the other body to handle, because we know they will not. I therefore strongly urge the adoption of this amendment.

Mr. CLARDY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have sat here all session and have not opened my mouth. That is all to the good, no doubt. If more of us observed that rule, the House would probably get its work done a lot sooner.

Why I rise is this: This morning I inserted something in the RECORD that is so pat with what my friend, the gentleman from Michigan [Mr. FORD] has offered, that I could not resist the temptation. I have a solution to the problem of purchasing a car for the Architect of the Capitol. Incidently, I thought the Capitol had been built and we did not need an architect, but I guess I am a little bit new to this business. But, out in my district there is an unused automobile. True, it has been sitting there for a long time in the name of the Department of Agriculture. True, all of its tires are flat and it is covered with grease and dirt, and nobody knows exactly how long it has been there. True, they are now paying about $5 a month rent to the administrator of an estate, the administrator being a friend of mine and called it to my attention. But, it would seem to me that if this gentleman who has been on the payroll for half a century, as I understand it, needs a conveyance, I would suggest that it be transported, the one in question, from Lansing, my hometown, to Washington, where it will be offered to him. The Government has it. It does not know it has it. I have just written a letter to the Department of Agriculture calling attention to the fact that it does have this car. But, so long as it is unused, and because it is unused, I doubt not but what it is in good shape. I think it would be well to adopt the amendment offered by my colleague, the gentleman from Michigan [Mr. FORD], and then if the Architect does need another car, I would be very happy to work with the Department of Agriculture in seeing that it is transported down here; in fact, I think I could get it down here without cost, because I had a client in the past who transported automobiles. So, I think, without cost to the Government, we could give him this automobile. And, perhaps, we can then begin checking up to discover how many cars we have handed out without justification. And I think it time we began thinking of saving every penny we can. This item is small—but important. We are about to dole out billions to foreign nations—we have got to begin saving at home.

Mr. HORAN. Mr. Chairman, I wonder if we could get along with this bill. We still have District Day to consider. I would like to have a vote on this amendment at this time.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield, if I have the floor.

Mr. HOFFMAN of Michigan. Can the gentleman tell me this: You want to get along with this bill today and vote on this amendment and then finish up the others?

Mr. HORAN. Yes.

Mr. HOFFMAN of Michigan. When would it be a good time to come in with a question of personal privilege this week? Has the gentleman any idea?

Mr. HORAN. I leave that to the chairman to answer.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. FORD].

The question was taken; and on a division (demanded by Mr. ROONEY) there were—ayes 47, noes 20.

So the amendment was agreed to.

Mr. BUDGE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BUDGE: On page 30, line 12, after "for", strike out the balance of line 12 and line 13 and insert in lieu thereof "maintenance expenses incurred at or near the place where a district court is regularly held and at or near which the judge performs a substantial portion of his judicial work, which is nearest the place where he maintains an actual abode in which he customarily lives."

Mr. BOW. Mr. Chairman, the committee has consulted with the minority on this matter, and the committee is going to accept the amendment offered by the gentleman from Idaho.

Mr. BUDGE. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. BUDGE. Mr. Chairman, I thank the gentleman from Ohio [Mr. BOW] for his courtesy, and I know that he is personally aware of the situation which this amendment seeks to correct. That situation simply is that some members of the Federal judiciary have been collecting $10 per day for maintenance expenses supposedly due them while in a travel status, but actually certified by them as being incurred in the city in which they maintain their usual place of residence. I am satisfied that this practice does not meet with the approval of the balance of the judiciary, and I am also satisfied that such maintenance expenses were not intended by the Congress.

While the language at first glance appears somewhat cumbersome, it is the identical language contained in the bill, H. R. 5802, introduced recently by the distinguished chairman of the Judiciary Committee, our colleague Mr. REED of Illinois, and favorably reported unanimously from the judiciary subcommittee this morning. It is my understanding that the language also has the approval of the Judicial Council.

In view of the fact that H. R. 5802 proposes to raise the per diem for maintenance from the present maximum of $10 per day to a maximum of $25 per day, it would seem that this is an appropriate time to spell out under what circumstances the per diem is to be drawn, and for that reason an amendment is offered at this time. Since many Members of both Houses of the Congress are conversant with the practices herein sought to be eliminated, I shall not go into further detail.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho.

The amendment was agreed to.

The CHAIRMAN. Are there further amendments? If not, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore, Mr. HALLECK, having resumed the chair, Mr. COLE of New York, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 5805) making appropriations for the legislative branch and the judiciary branch for the fiscal year ending June 30, 1954, and for other purposes, pursuant to House Resolution 291, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. HORAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER pro tempore. It there objection to the request of the gentleman from Washington?

There was no objection.

DISTRICT OF COLUMBIA

The SPEAKER pro tempore. This is District of Columbia day. The Chair recognizes the gentleman from Iowa [Mr. TALLE].

AMENDING SECTION 32 OF THE FIRE AND CASUALTY ACT

Mr. TALLE. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (S. 1839) to amend section 32 of the Fire and Casualty Act, so as to provide that an agent or solicitor may secure a license to solicit accident and health insurance in the District of Columbia under that act without taking the prescribed examination, if he is licensed under the Life Insurance Act, and ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 32 of the Fire and Casualty Act, as amended (D. C. Code, sec. 35–1336), is amended by inserting immediately after "prior to the effective date of this act." the following new sentence: "The examination requirement shall be waived in the case of any applicant for a license under this section who holds a license under section 26 of the Life Insurance Act (D. C. Code, sec. 35–425), if the company desiring the appointment of such applicant certifies in writing to the Superintendent that such applicant will solicit only accident and health insurance on its behalf.

With the following committee amendment:

Page 2, after line 4, insert the following:

"SEC. 2. Section 2 of such act, as amended (D. C. Code, 1951 ed., sec. 35–1303), is amended by striking therefrom the definition of the word 'superintendent' and inserting in lieu thereof the following: '"Superintendent" means the Superintendent of Insurance of the District of Columbia, or the officer or officers, agency or agencies succeeding to his functions under Reorganization Plan No. 5 of 1952'."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REGULATING LIFE INSURANCE BUSINESS

Mr. TALLE. Mr. Speaker, by direction of the Committee on the District of Columbia I call up the bill (H. R. 2582) to amend section 12 of chapter V of the act of June 19, 1934, as amended, entitled "An act to regulate the business of life insurance in the District of Columbia," and ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 12 of chapter V of the act of June 19, 1934, entitled "An act to regulate the business of life insurance in the District of Columbia," as amended (D. C. Code, 1940 edition, sec. 35–712), be amended to read as follows:

"INDIVIDUAL ACCIDENT AND SICKNESS POLICY PROVISIONS

"Filing requirements

"SEC. 12. (a) No policy of insurance against loss resulting from sickness or from bodily injury or death by accident, or both, shall be issued or delivered to any person in the District by any company organized under this, or any other law of the District, or, if a foreign or alien company, authorized to do business in the District, until a copy of the form thereof, and of the classification of risks and the premium rates appertaining thereto, have been filed with the Superintendent; nor shall it be so issued or delivered until the expiration of 30 days after it has been so filed, unless the Superintendent shall sooner give his written approval thereto. If the Superintendent shall give written notice to the company which has filed such form that it does not comply with the requirements of law, specifying the reasons for his opinion, it shall be unlawful thereafter for any such insurer to issue any policy in such form. The action of the Superintendent in this regard shall be subject to appeal and review in the form and manner prescribed in section 28, chapter II.

"Form of policy

"(b) (A) No policy of accident and sickness insurance shall be delivered or issued for delivery to any person in the District unless—

"(1) the entire money and other considerations therefor are expressed therein; and

"(2) the time at which the insurance takes effect and terminates is expressed therein; and

"(3) it purports to insure only one person, except that a policy may insure, originally or by subsequent amendment, upon the application of an adult member of a family who shall be deemed the policyholder, any two or more eligible members of that family, including husband, wife, dependent children or any children under a specified age which shall not exceed 19 years and any other person dependent upon the policyholder; and

"(4) the style, arrangement, and overall appearance of the policy give no undue prominence to any portion of the text, and unless every printed portion of the text of the policy and of any endorsements or attached papers is plainly printed in light-faced type of a style in general use, the size of which shall be uniform and not less than 10-point with a lowercase unspaced alphabet length not less than 120-point (the text shall include all printed matter except the name and address of the insurer, name or title of the policy, the brief description, if any, and captions and subcaptions); and

"(5) the exceptions and reductions of indemnity are set forth in the policy and, except those which are set forth in subsection (c) of this section, are printed, at the insurer's option, either included with the benefit provision to which they apply, or under an appropriate caption such as 'exceptions', or 'exceptions and reductions': *Provided*, That, if an exception or reduction specifically applies only to a particular benefit of the policy, a statement of such exception or reduction shall be included with the benefit provision to which it applies; and

"(6) each such form, including riders and endorsements, shall be identified by a form number in the lower left-hand corner of the first page thereof; and

"(7) it contains no provision purporting to make any portion of the charter, rules, constitution, or bylaws of the insurer a part of the policy unless such portion is set forth in full in the policy, except in the case of the incorporation of, or reference to, a statement of rates or classification of risks, or short-rate table filed with the Superintendent.

"(B) If any policy is issued by an insurer domiciled in the District for delivery to a person residing in another jurisdiction, and if the official having responsibility for the administration of the insurance laws of such other jurisdiction shall have advised the Superintendent that any such policy is not subject to approval or disapproval by such official, the Superintendent may by ruling require that such policy meet the standards set forth in paragraph (A) of this subsection and in subsection (c).

"Accident and sickness policy provisions

"(c) (A) Required provisions: Except as provided in paragraph (C) of this subsection each such policy delivered or issued for delivery to any person in the District shall contain the provisions specified in this paragraph in the words in which the same appear in this paragraph: *Provided, however*, That the insurer may, at its option, substitute for one or more of such provisions corresponding provisions of different wording approved by the Superintendent which are in each instance not less favorable in any respect to the insured or the beneficiary. Such provisions shall be preceded individually by the caption appearing in this paragraph or, at the option of the insurer, by such appropriate individual or group captions or subcaptions as the Superintendent may approve.

"(1) A provision as follows:

"'Entire contracts; changes: This policy, including the endorsements and the attached papers, if any, constitutes the entire contract of insurance. No change in this policy shall be valid until approved by an executive officer of the insurer and unless such approval be endorsed hereon or attached hereto. No agent has authority to change this policy or to waive any of its provisions.'

"(2) A provision as follows:

"'Time limit on certain defenses: (a) After 3 years from the date of issue of this policy no misstatements, except fraudulent misstatements, made by the applicant in the application for such policy shall be used to void the policy or to deny a claim for loss incurred or disability (as defined in the policy) commencing after the expiration of such 3-year period.'

"(The foregoing policy provision shall not be so construed as to affect any legal requirement for avoidance of a policy or denial of a claim during such initial 3-year period, nor to limit the application of subsection (c) (B) (1), (2), (3), (4), and (5) in the

event of misstatement with respect to age or occupation or other insurance.)

"A policy which the insured has the right to continue in force subject to its terms by the timely payment of premium (1) until at least age 50 or, (2) in the case of a policy issued after age 44, for at least 5 years from its date of issue, may contain in lieu of the foregoing the following provision (from which the clause in parentheses may be omitted at the insurer's option) under the caption 'incontestable.'

"'After this policy has been in force for a period of 3 years during the lifetime of the insured (excluding any period during which the insured is disabled), it shall become incontestable as to the statements contained in the application.'

"'(b) No claim for loss incurred or disability (as defined in the policy) commencing after 3 years from the date of issue of this policy shall be reduced or denied on the ground that a disease or physical condition not excluded from coverage by name or specific description effective on the date of loss had existed prior to the effective date of coverage of this policy.'

"(3) A provision as follows:

"'Grace period: A grace period of ------- (insert a number not less than "7" for weekly premium policies, "10" for monthly premium policies, and "31" for all other policies) days will be granted for the payment of each premium falling due after the first premium, during which grace period the policy shall continue in force.'

"A policy which contains a cancellation provision may add, at the end of the above provision,

"'subject to the right of the insurer to cancel in accordance with the cancellation provision hereof.'

"A policy in which the insurer reserves the right to refuse any renewal shall have, at the beginning of the above provision,

"'Unless not less than 5 days prior to the premium due date the insurer has delivered to the insured or has mailed to his last address as shown by the records of the insurer written notice of its intention not to renew this policy beyond the period for which the premium has been accepted.'

"(4) A provision as follows:

"'Reinstatement: If any renewal premium be not paid within the time granted the insured for payment, a subsequent acceptance of premium by the insurer or by any agent duly authorized by the insurer to accept such premium, without requiring in connection therewith an application for reinstatement, shall reinstate the policy; provided, however, that if the insurer or such agent requires an application for reinstatement and issues a conditional receipt for the premium tendered, the policy will be reinstated upon approval of such application by the insurer, or, lacking such approval, upon the 45th day following the date of such conditional receipt unless the insurer has previously notified the insured in writing of its disapproval of such application. The reinstated policy shall cover only loss resulting from such accidental injury as may be sustained after the date of reinstatement and loss due to such sickness as may begin more than 10 days after such date. In all other respects the insured and insurer shall have the same rights thereunder as they had under the policy immediately before the due date of the defaulted premium, subject to any provisions endorsed hereon or attached hereto in connection with the reinstatement. Any premium accepted in connection with a reinstatement shall be applied to a period for which premium has not been previously paid, but not to any period more than 60 days prior to the date of reinstatement.'

"(The last sentence of the above provision may be omitted from any policy which the insured has the right to continue in force subject to its terms by the timely payment of premiums (1) until at least age 50 or, (2) in the case of a policy issued after age 44, for at least 5 years from its date of issue.)

"(5) A provision as follows:

"'Notice of claim: Written notice of claim must be given to the insurer within 20 days after the occurrence or commencement of any loss covered by the policy, or as soon thereafter as is reasonably possible. Notice given by or on behalf of the insured or the beneficiary to the insurer at ------- (insert the location of such office as the insurer may designate for the purpose), or to any authorized agent of the insurer, with information sufficient to identify the insured, shall be deemed notice to the insurer.'

"In a policy providing a loss-of-time benefit which may be payable for at least 2 years, an insurer may at its option insert the following between the first and second sentences of the above provision:

"'Subject to the qualifications set forth below, if the insured suffers loss of time on account of disability for which indemnity may be payable for at least 2 years, he shall, at least once in every 6 months after having given notice of claim, give to the insurer notice of continuance of said disability, except in the event of legal incapacity. The period of 6 months following any filing of proof by the insured or any payment by the insurer on account of such claim or any denial of liability in whole or in part by the insurer shall be excluded in applying this provision. Delay in the giving of such notice shall not impair the insured's right to any indemnity which would otherwise have accrued during the period of 6 months preceding the date on which such notice is actually given.'

"(6) A provision as follows:

"'Claim forms: The insurer, upon receipt of a notice of claim, will furnish to the claimant such forms as are usually furnished by it for filing proofs of loss. If such forms are not furnished within 15 days after the giving of such notice the claimant shall be deemed to have complied with the requirements of this policy as to proof of loss upon submitting, within the time fixed in the policy for filing proofs of loss, written proof covering the occurrence, the character and the extent of the loss for which claim is made.'

"(7) A provision as follows:

"'Proofs of loss: Written proof of loss must be furnished to the insurer at its said office in case of claim for loss for which this policy provides any periodic payment contingent upon continuing loss within 90 days after the termination of the period for which the insurer is liable and in case of claim for any other loss within 90 days after the date of such loss. Failure to furnish such proof within the time required shall not invalidate nor reduce any claim if it was not reasonably possible to give proof within such time, provided such proof is furnished as soon as reasonably possible and in no event, except in the absence of legal capacity, later than 1 year from the time proof is otherwise required.'

"(8) A provision as follows:

"'Time for payment of claims: Indemnities payable under this policy for any loss other than loss for which this policy provides any periodic payment will be paid immediately upon receipt of due written proof of such loss. Subject to due written proof of loss, all accrued indemnities for loss for which this policy provides periodic payment will be paid ---------- (insert period for payment which must not be less frequently than monthly) and any balance remaining unpaid upon the termination of liability will be paid immediately upon receipt of due written proof.'

"(9) A provision as follows:

"'Payment of claims: Indemnity for loss of life will be payable in accordance with the beneficiary designation and the provisions respecting such payment which may be prescribed herein and effective at the time of payment. If no such designation or provision is then effective, such indemnity shall be payable to the estate of the insured. Any other accrued indemnities unpaid at the insured's death may, at the option of the insurer, be paid either to such beneficiary or to such estate. All other indemnities will be payable to the insured.'

"The following provisions, or either of them, may be included with the foregoing provision at the option of the insurer:

"'If any indemnity of this policy shall be payable to the estate of the insured, or to an insured or beneficiary who is a minor or otherwise not competent to give a valid release, the insurer may pay such indemnity up to an amount not exceeding $---------- (insert an amount which shall not exceed $1,000), to any relative by blood or connection by marriage of the insured or beneficiary who is deemed by the insurer to be equitably entitled thereto. Any payment made by the insurer in good faith pursuant to this provision shall fully discharge the insurer to the extent of such payment.

"'Subject to any written direction of the insured in the application or otherwise all or a portion of any indemnities provided by this policy on account of hospital, nursing, medical, or surgical services may, at the insurer's option and unless the insured requests otherwise in writing not later than the time of filing proofs of such loss, be paid directly to the hospital or person rendering such services; but it is not required that the service be rendered by a particular hospital or person.

"(10) A provision as follows:

"'Physical examinations and autopsy: The insurer at its own expense shall have the right and opportunity to examine the person of the insured when and as often as it may reasonably require during the pendency of a claim hereunder and to make an autopsy in case of death where it is not forbidden by law.'

"(11) A provision as follows:

"'Legal actions: No action at law or in equity shall be brought to recover on this policy prior to the expiration of 60 days after written proof of loss has been furnished in accordance with the requirements of this policy. No such action shall be brought after the expiration of 3 years after the time written proof of loss is required to be furnished.'

"(12) A provision as follows:

"'Change of beneficiary: Unless the insured makes an irrevocable designation of beneficiary, the right to change of beneficiary is reserved to the insured and the consent of the beneficiary or beneficiaries shall not be requisite to surrender or assignment of this policy or to any change of beneficiary or beneficiaries, or to any other changes in this policy.'

"(The first clause of this provision, relating to the irrevocable designation of beneficiary, may be omitted at the insurer's option.)

"(B) Other provisions: Except as provided in paragraph (C) of this subsection, no such policy delivered or issued for delivery to any person in the District shall contain provisions respecting the matters set forth below unless such provisions are in the words in which the same appear in this paragraph: *Provided, however,* That the insurer may, at its option, use in lieu of any such provision a corresponding provision of different wording approved by the Superintendent which is not less favorable in any respect to the insured or the beneficiary. Any such provision contained in the policy shall be preceded individually by the appropriate caption appearing in this paragraph or, at the option of the insurer, by such appropriate individual or group captions or subcaptions as the Superintendent may approve.

"(1) A provision as follows:

"'Change of occupation: If the insured be injured or contract sickness after having changed his occupation to one classified by

the insurer as more hazardous than that stated in this policy or while doing for compensation anything pertaining to an occupation so classified, the insurer will pay only such portion of the indemnities provided in this policy as the premium paid would have purchased at the rates and within the limits fixed by the insurer for such more hazardous occupation. If the insured changes his occupation to one classified by the insurer as less hazardous than that stated in this policy, the insurer, upon receipt of proof of such change of occupation, will reduce the premium rate accordingly, and will return the excess pro rata unearned premium from the date of change of occupation or from the policy anniversary date immediately preceding receipt of such proof, whichever is the more recent. In applying this provision, the classification of occupational risk and the premium rates shall be such as have been last filed by the insurer prior to the occurrence of the loss for which the insurer is liable or prior to date of proof of change in occupation with the official having supervision of insurance in the jurisdiction where the insured resided at the time this policy was issued; but if such filing was not required, then the classification of occupational risk and the premium rates shall be those last made effective by the insurer in such jurisdiction prior to the occurrence of the loss or prior to the date of proof of change in occupation.'

"(2) A provision as follows:

"'Misstatement of age: If the age of the insured has been misstated, all amounts payable under this policy shall be such as the premium paid would have purchased at the correct age.'

"(3) A provision as follows:

"'Other insurance in this insurer: If an accident or sickness or accident and sickness policy or policies previously issued by the insurer to the insured be in force concurrently herewith, making the aggregate indemnity for ---------- (insert type of coverage or coverages) in excess of $---------- (insert maximum limit of indemnity or indemnities) the excess insurance shall be void and all premiums paid for such excess shall be returned to the insured or to his estate.'

or, in lieu thereof:

"'Insurance effective at any one time on the insured under a like policy or policies in this insurer is limited to the one such policy elected by the insured, his beneficiary or his estate, as the case may be, and the insurer will return all premiums paid for all other such policies.'

"(4) A provision as follows:

"'Insurance with other insurers: If there be other valid coverage, not with this insurer, providing benefits for the same loss on a provision of service basis or on an expense incurred basis and of which this insurer has not been given written notice prior to the occurrence or commencement of loss, the only liability under any expense incurred coverage of this policy shall be for such proportion of the loss as the amount which would otherwise have been payable hereunder plus the total of the like amounts under all such other valid coverages for the same loss of which this insurer had notice bears to the total like amounts under all valid coverages for such loss, and for the return of such portion of the premiums paid as shall exceed the pro rata portion for the amount so determined. For the purpose of applying this provision when other coverage is on a provision of service basis, the "like amount" of such other coverage shall be taken as the amount which the services rendered would have cost in the absence of such coverage.'

"(If the foregoing policy provision is included in a policy which also contains the next following policy provision there shall be added to the caption of the foregoing provision the phrase '—expense incurred benefits'. The insurer may, at its option, include in this provision a definition of 'other valid coverage', approved as to form by the Superintendent, which definition shall be limited in subject matter to coverage provided by organizations subject to regulation by insurance law or by insurance authorities of this or any other jurisdiction of the United States or any province of Canada, and by hospital or medical service organizations, and to any other coverage the inclusion of which may be approved by the Superintendent. In the absence of such definition such term shall not include group insurance, automobile medical payments insurance, or coverage provided by hospital or medical service organizations or by union welfare plans or employer or employee benefit organizations. For the purpose of applying the foregoing policy provision with respect to any insured, any amount of benefit provided for such insured pursuant to any compulsory benefit statute (including any workmen's compensation or employer's liability statute) whether provided by a governmental agency or otherwise shall in all cases be deemed to be 'other valid coverage' of which the insurer has had notice. In applying the foregoing policy provision no third party liability coverage shall be included as 'other valid coverage'.)

"(5) A provision as follows:

"'Insurance with other insurers: If there be other valid coverage, not with this insurer, providing benefits for the same loss on other than an expense-incurred basis and of which this insurer has not been given written notice prior to the occurrence or commencement of loss, the only liability for such benefits under this policy shall be for such proportion of the indemnities otherwise provided hereunder for such loss as the like indemnities of which the insurer had notice (including the indemnities under this policy) bear to the total amount of all like indemnities for such loss, and for the return of such portion of the premium paid as shall exceed the pro-rata portion for the indemnities thus determined.'

"(If the foregoing policy provision is included in a policy which also contains the next preceding policy provision there shall be added to the caption of the foregoing provision the phrase '—other benefits'. The insurer may, at its option, include in this provision a definition of 'other valid coverage,' approved as to form by the Superintendent, which definition shall be limited in subject matter to coverage provided by organizations subject to regulation by insurance law or by insurance authorities of this or any other jurisdiction of the United States or any Province of Canada, and to any other coverage the inclusion of which may be approved by the Superintendent. In the absence of such definition such term shall not include group insurance, or benefits provided by union welfare plans or by employer or employee benefit organizations. For the purpose of applying the foregoing policy provision with respect to any insured, any amount of benefit provided for such insured pursuant to any compulsory benefit statute (including any workmen's compensation or employer's liability statute) whether provided by a governmental agency or otherwise shall in all cases be deemed to be 'other valid coverage' of which the insurer has had notice. In applying the foregoing policy provision no third party liability coverage shall be included as 'other valid coverage.')

"(6) A provision as follows:

"'Relation of earnings to insurance: If the total monthly amount of loss-of-time benefits promised for the same loss under all valid loss-of-time coverage upon the insured, whether payable on a weekly or monthly basis, shall exceed the monthly earnings of the insured at the time disability commenced or his average monthly earnings for the period of 2 years immediately preceding a disability for which claim is made, whichever is the greater, the insurer will be liable only for such proportionate amount of such benefits under this policy as the amount of such monthly earnings or such average monthly earnings of the insured bears to the total amount of monthly benefits for the same loss under all such coverage upon the insured at the time such disability commences and for the return of such part of the premiums paid during such two years as shall exceed the pro rata amount of the premiums for the benefits actually paid hereunder; but this shall not operate to reduce the total monthly amount of benefits payable under all such coverage upon the insured below the sum of $200 or the sum of the monthly benefits specified in such coverages, whichever is the lesser, nor shall it operate to reduce benefits other than those payable for loss of time.'

"(The foregoing policy provision may be inserted only in a policy which the insured has the right to continue in force subject to its terms by the timely payment of premiums (1) until at least age 50, or (2) in the case of a policy issued after age 44, for at least 5 years from its date of issue. The insurer may, at its option, include in this provision a definition of 'valid loss-of-time coverage,' approved as to form by the Superintendent, which definition shall be limited in subject matter to coverage provided by governmental agencies or by organizations subject to regulation by insurance law or by insurance authorities of this or any other jurisdiction of the United States or any Province of Canada, or to any other coverage the inclusion of which may be approved by the Superintendent or any combination of such coverages. In the absence of such definition such term shall not include any coverage provided for such insured pursuant to any compulsory benefit statute (including any workmen's compensation or employer's liability statute), or benefits provided by union welfare plans or by employer or employee benefit organizations.)

"(7) A provision as follows:

"'Unpaid premium: Upon the payment of a claim under this policy, any premium then due and unpaid or covered by any note or written order may be deducted therefrom.'

"(8) A provision as follows:

"'Cancellation: The insurer may cancel this policy at any time by written notice delivered to the insured, or mailed to his last address as shown by the records of the insurer, stating when, not less than 5 days thereafter, such cancellation shall be effective; and after the policy has been continued beyond its original term the insured may cancel this policy at any time by written notice delivered or mailed to the insurer, effective upon receipt or on such later date as may be specified in such notice. In the event of cancellation, the insurer will return promptly the unearned portion of any premium paid. If the insured cancels, the earned premium shall be computed by the use of the short-rate table last filed with the official having supervision of insurance in the jurisdiction where the insured resided when the policy was issued. If the insurer cancels, the earned premium shall be computed pro rata. Cancellation shall be without prejudice to any claim originating prior to the effective date of cancellation.'

"(9) A provision as follows:

"'Conformity with State statutes: Any provision of this policy which, on its effective date, is in conflict with the statutes of the jurisdiction in which the insured resides on such date is hereby amended to conform to the minimum requirements of such statutes.'

"(10) A provision as follows:

"'Illegal occupation: The insurer shall not be liable for any loss to which a contributing cause was the insured's commission of or attempt to commit a felony or to which a contributing cause was the insured's being engaged in an illegal occupation.'

"(11) A provision as follows:

"'Intoxicants and narcotics: The insurer shall not be liable for any loss sustained or contracted in consequence of the insured's

being intoxicated or under the influence of any narcotic unless administered on the advice of a physician.'

"(C) Inapplicable or inconsistent provisions: If any provision of this subsection is in whole or in part inapplicable to or inconsistent with the coverage provided by a particular form of policy the insurer, with the approval of the Superintendent, shall omit from such policy any inapplicable provision or part of a provision, and shall modify any inconsistent provision or part of the provision in such manner as to make the provision as contained in the policy consistent with the coverage provided by the policy.

"(D) Order of certain policy provisions: The provisions which are the subject of paragraphs (A) and (B) of this subsection, or any corresponding provisions which are used in lieu thereof in accordance with such paragraphs, shall be printed in the consecutive order of the provisions in such paragraphs or, at the option of the insurer, any such provision may appear as a unit in any part of the policy, with other provisions to which it may be logically related, provided the resulting policy shall not be in whole or in part unintelligible, uncertain, ambiguous, abstruse, or likely to mislead a person to whom the policy is offered, delivered, or issued.

"(E) Third party ownership: The word 'insured,' as used in this section, shall not be construed as preventing a person other than the insured with a proper insurable interest from making application for and owning a policy covering the insured or from being entitled under such a policy to any indemnities, benefits, and rights provided therein.

"(F) Filing procedure: The Superintendent may make such reasonable rules and regulations concerning the procedure for the filing or submission of policies subject to this section as are necessary, proper, or advisable to the administration of this section. This provision shall not abridge any other authority granted the Superintendent by law.

"Conforming to statute

"(d) (A) Other policy provisions: No policy provision which is not subject to subsection (c) of this section shall make a policy, or any portion thereof, less favorable in any respect to the insured or the beneficiary than the provisions thereof which are subject to this section.

"(B) Policy conflicting with this section: A policy delivered or issued for delivery to any person in the District in violation of this section shall be held valid but shall be construed as provided in this section. When any provision in a policy subject to this section is in conflict with any provision of this section, the rights, duties, and obligations of the insurer, the insured, and the beneficiary shall be governed by the provisions of this section.

"Application

"(e) (A) The insured shall not be bound by any statement made in an application for a policy unless a copy of such application is attached to or endorsed on the policy when issued as a part thereof. If any such policy delivered or issued for delivery to any person in the District shall be reinstated or renewed, and the insured or the beneficiary or assignee of such policy shall make written request to the insurer for a copy of the application, if any, for such reinstatement or renewal, the insurer shall within 15 days after the receipt of such request at its home office or any branch office of the insurer, deliver or mail to the person making such request, a copy of such application. If such copy shall not be so delivered or mailed, the insurer shall be precluded from introducing such application as evidence in any action or proceeding based upon or involving such policy or its reinstatement or renewal.

"(B) No alteration of any written application for any such policy shall be made by any person other than the applicant without his written consent, except that insertions may be made by the insurer, for administrative purposes only, in such manner as to indicate clearly that such insertions are not to be ascribed to the applicant.

"(C) The falsity of any statement in the application for any policy covered by this section may not bar the right to recovery thereunder unless such false statement materially affected either the acceptance of the risk or the hazard assumed by the insurer.

"Notice; waiver

"(f) The acknowledgment by any insurer of the receipt of notice given under any policy covered by this section, or the furnishing of forms for filing proofs of loss, or the acceptance of such proofs, or the investigation of any claim thereunder shall not operate as a waiver of any of the rights of the insurer in defense of any claim arising under such policy.

"Age limit

"(g) If any such policy contains a provision establishing, as an age limit or otherwise, a date after which the coverage provided by the policy will not be effective, and if such date falls within a period for which premium is accepted by the insurer or if the insurer accepts a premium after such date, the coverage provided by the policy will continue in force subject to any right of cancellation until the end of the period for which premium has been accepted. In the event the age of the insured has been misstated and if, according to the correct age of the insured, the coverage provided by the policy would not have become effective, or would have ceased prior to the acceptance of such premium or premiums, then the liability of the insurer shall be limited to the refund, upon request, of all premiums paid for the period not covered by the policy.

"Nonapplication to certain policies

"(h) Nothing in this section shall apply to or affect (1) any policy of workmen's compensation insurance or any policy of liability insurance with or without supplementary expense coverage therein; or (2) any policy or contract of reinsurance; or (3) any blanket or group policy of insurance; or (4) life insurance, endowment or annuity contracts, or contracts supplemental thereto which contain only such provisions relating to accident and sickness insurance as (a) provide additional benefits in case of death or dismemberment or loss of sight by accident, or as (b) operate to safeguard such contracts against lapse, or to give a special surrender value or special benefit or an annuity in the event that the insured or annuitant shall become totally and permanently disabled, as defined by the contract or supplemental contract: *Provided*, That no such supplemental contract shall be issued or delivered to any person in the District unless and until a copy of the form thereof has been submitted to and approved by the Superintendent under such reasonable rules and regulations as he shall make concerning the provisions in such contracts and their submission to and approval by him.

"Violation

"(i) Any person, partnership, or corporation willfully violating any provision of this section or order of the Superintendent made in accordance with this section, shall be punished by a fine not to exceed $_____ for each such violation, which may be recovered by a civil action. The Superintendent may also suspend or revoke the license of an insurer or agent for any such willful violation."

Effective date of act

SEC. 2. This act shall take effect on January 1, 1954. A policy, rider, or endorsement, which could have been lawfully used or delivered or issued for delivery to any person in the District immediately before the effective date of this act, may be used or delivered or issued for delivery to any such person during 3 years after the effective date of this act without being subject to the provisions of subsection (b), (c), or (d) of section 12.

With the following committee amendments:

Page 1, line 5, strike "1940", and in lieu thereof insert "1951."

Page 1, revise line 7 to read: "SEC. 12. Individual accident and sickness policy."

Page 1, line 9, insert the figure "1." before the word "filing."

Page 1, line 10, strike out the following: "SEC. 12. (a)."

Page 2, line 3, insert the words "or alien" after the word "foreign."

Page 2, line 17, insert the following in front of the word "form": "2."

Page 2, line 18, strike the letters "(b) (A)" and in lieu thereof insert the letter "(a)."

Page 3, line 23, strike the letter "(c)" and insert in lieu thereof the number "(3)."

Page 4, line 17, strike the letter "(B)" and insert in lieu thereof the letter "(b)."

Page 4, line 24, strike the letter "(A)" and insert in lieu thereof the letter "(a)."

Page 4, line 25, strike the letter "(c)" and insert in lieu thereof the number "3."

Page 5, revise line 1 to read: "3. Accident and sickness policy provisions."

Page 5, line 2, strike the letters "(c) (A)" and insert in lieu thereof the letter "(a)."

Page 5, line 3, strike the letter "(C)" and insert in lieu thereof the letter "(c)."

Page 5, line 25, strike the letter "(a)" and insert in lieu thereof the letters "(aa)."

Page 6, line 10, strike the letters "(c) (B)" and insert in lieu thereof "3 (b)."

Page 7, line 1, strike the letter "(b)" and insert in lieu thereof the letters "(bb)."

Page 14, line 10, strike the letter "(B)" and insert in lieu thereof the letter "(b)."

Page 14, line 11, strike the letter "(C)" and insert in lieu thereof the letter "(c)."

Page 23, line 25, strike the letter "(C)" and insert in lieu thereof the letter "(c)."

Page 24, line 9, strike the letter "(D)" and insert in lieu thereof the letter "(d)."

Page 24, line 10, strike the letters "(A)" and "(B)" and in lieu thereof insert the letters "(a)" and "(b)."

Page 24, line 21, strike the letter "(E)" and in lieu thereof insert "(e)."

Page 25, line 3, strike the letter "(F)" and in lieu thereof insert "(f)."

Page 25, line 9, revise to read: "4. Conforming to statute."

Page 25, line 10, strike the letters "(d) (A)" and in lieu thereof insert the letter "(a)."

Page 25, line 11, strike the letter "(c)" and in lieu thereof insert the number "(3)."

Page 25, line 15, strike the letter "(B)" and in lieu thereof insert "(b)."

Page 25, line 23, revise to read: "5. Application."

Page 25, line 24, strike the letters "(e) (A)" and in lieu thereof insert the letter "(a)."

Page 26, line 15, strike the letter "(B)" and in lieu thereof insert "(b)."

Page 26, line 21, strike the letter "(C)" and in lieu thereof insert "(c)."

Page 27, line 1, revise to read: "6. Notice; waiver."

Page 27, line 2, strike the letter "(f)."

Page 27, line 8, revise to read: "7. Age limit."

Page 27, line 9, strike the letter "(g)."

Page 28, strike all of lines 1 through 7, inclusive, and in lieu thereof insert the following:

"8. Nonapplication to certain policies

"Nothing in this section shall apply to or affect (1) any policy of group accident, group health, or group accident and health insurance; or (2) life insurance, endowment or annuity contracts,."

Page 28, strike all of line 23 through line 5 on page 29, inclusive.

Page 29, after line 5, insert the following new section:

"SEC. 2. Section 2 of chapter I of such act of June 19, 1934, as amended (D. C. Code, 1951 ed., sec. 35-302) is amended by striking therefrom the definition of the word 'Superintendent', and inserting in lieu thereof the following: ' "Superintendent" means the Superintendent of Insurance of the District of Columbia, or the officer or officers, agency or agencies succeeding to his functions under Reorganization Plan No. 5 of 1952.' "

Page 29, line 7, strike "SEC. 2." and in lieu thereof insert "SEC. 3."

Page 29, line 7, strike the date "on January 1, 1954" and in lieu thereof insert "ninety days after approval."

Page 29, line 14, strike the letters "(b), (c), or (d)" and in lieu thereof insert the numbers "2, 3, or 4."

Page 29, line 14, strike the period after the number "12", insert a comma and the following: "*Provided, however*, when any provision in such policy is in conflict with any provision of such section, the obligations of the insurer shall be governed by the provisions of such section."

The committee amendments were agreed to.

Mr. McMILLAN. Mr. Speaker, I move to strike out the last word in order to aks a question. It is not true that this bill only makes the laws governing the business of life insurance in the District of Columbia up to date and in accord with the laws of many of the States?

Mr. TALLE. The gentleman from South Carolina is correct. This is a very carefully worked out bill. It was written over a period of time with great care by the National Association of Insurance Commissioners. I may state that this bill has been enacted into law in 27 States in our country, including my own State. The form that is being used here in the District of Columbia is obsolete. The form proposed in this bill is up to date, as the gentleman from South Carolina has said. Hearings were held on the bill. It has had proper departmental clearance. I have had favorable correspondence from the best insurance companies throughout the land. There is no objection. It is of distinct advantage to the policyholders.

Mr. SIMPSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. TALLE. I yield.

Mr. SIMPSON of Illinois. The District of Columbia Committee has given its unanimous approval.

Mr. TALLE. The gentleman is correct.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

TO MODERNIZE THE CHARTER OF THE WASHINGTON GAS LIGHT CO.

Mr. TALLE. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (S. 2032) to modernize the charter of Washington Gas Light Co., and for other purposes, and ask unanimous consent that the bill may be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 3 of an act entitled "An act to incorporate the Washington Gas Light Co.," approved July 8, 1848 (9 Stat. 722), as amended, is hereby amended to read as follows:

"SEC. 3. That the stock, property, and affairs of the said corporation shall be managed and conducted by or under the direction of 7 directors, being stockholders, or such other number, not more than 15 nor less than 7, within which limitation the membership may be in any case increased or diminished, as the stockholders may from time to time determine; that the said directors shall hold their offices for 1 year, or until their successors shall be elected and shall qualify; and shall be elected at a meeting of the stockholders to be held each year at such time and place in the city of Washington as may be fixed from time to time by the stockholders of the corporation; and that notice of such annual meeting shall be given as provided in the bylaws of said corporation and shall be published in at least two of the public newspapers printed in the city of Washington, at least 14 days previous to the time of holding such annual meeting; and every such election shall be by ballot and by such of the stockholders entitled to vote who shall attend the annual meeting for that purpose either in person or by proxy; and each stockholder shall be entitled to one vote for each share of the stock held of record on the books of the corporation on the record date fixed as provided in the bylaws; and the persons having the greatest number of votes shall be the directors; and if it shall happen that two or more persons have an equal number of votes, the directors in office at the time of such election shall, by a plurality of votes, given by ballot, determine which of the persons so having an equal number of votes shall be director or directors, so as to complete the whole number to be chosen; and the directors so chosen shall, as soon as may be thereafter, proceed by ballot to elect one of their number president; and whenever any vacancy shall happen, the same shall be filled up by the remaining directors, by a plurality of votes, until the next annual meeting."

SEC. 2. There be added to said act to incorporate the Washington Gas Light Co., as aforesaid, a new section to read as follows:

"SEC. . The shares of the corporation shall be represented by certificates signed by the president or a vice president and the secretary or an assistant secretary, and sealed with the seal of the corporation. Such seal may be a facsimile. Where such a certificate is countersigned by a transfer agent other than the corporation itself or an employee of the corporation or by a transfer clerk and registered by a registrar, the signatures of the president or vice president and the secretary or assistant secretary upon such certificate may be facsimiles. In case any officer who has signed or whose facsimile signature has been placed upon such certificate shall have ceased to be such officer before such certificate is issued, it may be issued by the corporation with the same effect as if such officer had not ceased to hold such office at the date of its issue."

SEC. 3. That section 1 of an act entitled "An act making appropriations to provide for the expense of the government of the District of Columbia for the fiscal year ending June 30, 1908, and for other purposes," approved March 2, 1907 (34 Stat. 1119, 1133, ch. 2510) (D. C. Code, sec. 43-1206), be amended by deleting from the caption "Electrical Department" the proviso appearing in the paragraph designated "Lighting" and reading as follows: "*Provided*, That any association or corporation engaged in the manufacture and sale of gas for illuminating and fuel purposes in the District of Columbia, through its president or other duly authorized officer, shall make a sworn statement to Congress annually, on or before the first day of February in each year. Said report shall contain a detailed statement of the condition of the business of said association or corporation for the year ending December 31 next preceding, and such statement shall set forth the actual cost and also present value of the property of such association or corporation used in the conduct of its business, the amount of paid-up capital stock, the amount and character of the indebtedness of such association or corporation, the amount and cost of materials used in making gas, the amount of gas manufactured, the amount of gas sold, the average price per thousand cubic feet received for gas sold, the revenue from the sale of all by-products, the revenues from all other sources, the extensions and improvements made in the plant and works, the actual cost of the same, the amount expended for labor, the amount set aside for depreciation, the amount set apart for insurance and renewals, the amount paid out of earnings for betterments, the amount paid for betterments from other sources, the amount set aside and paid in interest and dividends, the surplus after paying the operating expenses and fixed charges, the statement of the operating expenses to be itemized and classified as is done by other public utility corporations, in the District of Columbia, the names of the stockholders and the amount of the stock held in such association or corporation by each of them on December 31 next preceding the date of such report."

SEC. 4. That section 6 of an act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1917, and for other purposes," approved September 1, 1916 (39 Stat. 676, 716, ch. 433) (D. C. Code, sec. 43-1207), is hereby repealed.

SEC. 5. All charters, statutes, acts and parts of acts, laws, ordinances, and regulations inconsistent with or repugnant to the provisions of this act, but only so far as inconsistent herewith or repugnant hereto, are hereby repealed.

SEC. 6. The right to alter, amend, or repeal this act is hereby expressly reserved to the Congress.

With the following committee amendment:

On page 3, line 8, after the word "SEC.", insert "12."

The committee amendment was agreed to.

The SPEAKER pro tempore. The question is on the third reading of the bill.

The bill was ordered to be read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

Mr. TALLE. Mr. Speaker, may I state that hearings were held on all three of these bills which I am presenting. There was no opposition to any of them.

COMMITTEE ON GOVERNMENT OPERATIONS

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent that

the Committee on Government Operations may have until midnight tonight to file two reports.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

COMMISSION ON AREA PROBLEMS OF GREATER WASHINGTON METROPOLITAN AREA

Mr. KEARNS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2236) for the establishment of a Commission on Area Problems of the Greater Washington Metropolitan Area; and pending that I ask unanimous consent that general debate be limited to 20 minutes on each side.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Pennsylvania.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 2236, with Mr. AUGUST H. ANDRESEN in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. KEARNS. Mr. Chairman, I yield 15 minutes to the gentleman from Virginia [Mr. BROYHILL].

Mr. BROYHILL. Mr. Chairman, no doubt exists that the transportation and traffic problems here in the Washington area are serious. This is an established fact and is not debatable. Everyone who has been charged with trying to do something toward a solution of these problems agrees that the problems exist, but they are somewhat at loggerheads in arriving at a solution on which they can all agree. Even some of the Members of Congress who live in my district and who are my temporary constituents have observed the unbearable congestion in crossing the Potomac River during the rush hour.

Another thing, Washington, being our National Capital, might be subject to an air attack. Therefore, I think the civil-defense problem comes into the picture. In the event of an attack I believe that you would all agree that the traffic facilities here, bridges, and highways, are totally inadequate for any semblance of orderly evacuation of the Nation's Capital. Then, again, I would say that our traffic and transportation problems here in Washington are not unusual. Any rapidly growing community finds that the capital improvements of that community generally fall quite a bit behind the proportionate increase in population. But aside from the general application of this rule to this area we have two additional problems: One is that Washington and the surrounding area have suffered an abnormal growth; therefore, our capital improvements such as roads, highways, and bridges are abnormally far behind; then, again, when you look at the Nation's Capital and an approach to the solution of a problem such as traffic and transportation we have to recognize that we have the Nation's Capital, the District of Columbia and the States of Virginia and Maryland, involved in the problem, and in those two States are several smaller political subdivisions; so any approach to a solution to these problems must be dealt with as a metropolitan area and we now speak of the metropolitan area as including the District of Columbia, the counties of Arlington and Fairfax, Va., the cities of Alexandria and Falls Church, also in Virginia, and the counties of Montgomery and Prince Georges, in Maryland.

No sensible and sane approach can be made to the solution of our traffic, bridge, highway, and transportation problem unless we look at this area as a metropolitan area and one unit rather than all these separate units. There again you cannot make a study and come forth with a proper solution to our traffic, bridge, highway, and transportation problems unless we take them all into consideration at one time and their relations to each other.

The number of private automobiles is increasing every day. The number of people using private conveyance rather than public transportation is increasing at an even greater ratio. Unless we can break that trend and encourage people to ride public transportation more we are going to find it pretty difficult to build adequate bridges and highways to take care of this increased traffic. Studies have been made of these problems; in fact, hundreds of thousands of dollars have been spent in those studies and some very sound plans have been developed from those studies, but there is lack of coordination between the different commissions and agencies making those studies, therefore, the plans are shelved and gather dust.

I served as a member of the Arlington County Planning Commission for 3 years. Last year I served as chairman of that commission. During that time, and for several years prior, we made extensive studies relating to traffic, highways, and transportation in that area, and plans have been developed to solve the highway and traffic problem in part, but we were always stranded in our effort to develop a final plan because we never knew what the District of Columbia or the Federal Government was going to do insofar as bridges were concerned. It would do us but little good to construct these additional roads and arteries unless we knew where the bridges were to be located so that means that eventually when these questions are settled that Arlington County will be several years behind in planning adequate approaches on that side of the Potomac. Just recently there was a rezoning in Arlington County which would permit a large apartment-house development to be constructed on a site that the District of Columbia planners always had figured would be used for approaches to the proposed E Street Bridge. Now if that bridge is ever constructed a different plan for the approaches to the bridge must be developed. So you see the difficulty that faces the people of this whole area, emphasized by this particular situation in Arlington County, in preventing our having an overall concentrated plan. We must agree that the time has come for Congress to step into the picture by the Congress taking the initiative and recognizing that this problem does exist and giving every assistance to tying in all of these political subdivisions or States, the District of Columbia, and the different planning commissions and to come forward with a coordinated overall solution to the problem.

This bill calls for a study commission. I realize that the term "study commission" is obnoxious to some Members of this body. I believe, however, that the title of the bill is somewhat deceiving. I think we can look upon this commission as a coordinating commission. They will not have to start from scratch. These studies have been made for several years and very fine studies and very fine plans have been completed. We can take those plans and try to coordinate them and find out why the National Capital Planning Commission cannot agree with the District of Columbia Board of Commissioners and why the Arlington County Board does not agree with the District of Columbia Commissioners or the National Capital Planning Commission; we can find out where the differences are in an overall approach to the problem. This commission, the presidentially appointed commission, would have the dignity, weight, and prestige to coordinate these groups and to put the plan across when it is presented to the Congress and to the President.

We have had extensive hearings on the bill and extensive debate. Everyone in the metropolitan area of Washington has agreed that this is the proper approach to it. We have the complete support of the Governor of Virginia and the Governor of Maryland who have pledged to cooperate 100 percent if this commission is established.

There has been some discussion as to the cost of the plan. I think we can say that the cost will be somewhat less because plans or studies are being made anyway. We are appropriating $90,000 for the National Capital Planning Commission to continue the same kind of studies they have had for the past few years. This Commission will take advantage of all the studies and get a plan out that will cover all of the areas that will eventually come into the picture. I do not think the cost will be very large with the exception of the per diem allowance for the members of the Commission. After quite a bit of discussion with the committee may I say that I shall introduce an amendment to reduce the per diem allowance from $50 to $25 a day. I think that is the only cost of consequence in the actions of this Commission and that it will save a lot of the costs that are now being borne by the National Capital Planning Commission, the District of Columbia Commission and various other bodies which the Federal Government subsidizes.

If the Congress will adopt this measure, and I believe it will, we can save

considerable time. This will be the first official, positive step toward arriving at a solution of all the problems that we know we are faced with in the metropolitan area of Washington.

Mr. McMILLAN. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. SMITH].

Mr. SMITH of Virginia. Mr. Chairman, this is a very desirable piece of legislation. We are in quite a muddle here about transportation and the situation is becoming more critical every day with respect to bridge transportation. I expect many of the Members here who live on the Virginia side know what happens to those bridges if somebody gets a flat tire on them during the rush hours. We have been trying for several years to reach some conclusion as to where and how a new bridge should be built.

Do not think this is a District of Columbia proposition or a Virginia proposition. This is a National Government proposition because you have already moved about half of the Federal offices over to the Virginia side and that is what is congesting the bridges. This is getting to be quite a serious thing and we are going to get nowhere unless we do go along with some sort of an organization or commission that will come back here with a definite report of cost, where and how the cost of these bridges is going to be divided.

There are some minor amendments perhaps that ought to be added to this bill. On this side we feel there should be an amendment which would put two members from each party of the Congress on the Commission. The gentleman from Massachusetts will also offer an amendment.

I hope the gentleman from Virginia [Mr. BROYHILL] will agree to these amendments which I looked over and which I think desirable.

Mr. McMILLAN. Mr. Chairman, I have no further requests for time.

Mr. KEARNS. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey [Mr. WOLVERTON].

Mr. WOLVERTON. Mr. Chairman, the Commission established by this bill, H. R. 2236, is to study the expediting of interstate traffic between the District of Columbia and adjacent areas in Maryland and Virginia, and to consider the creation of a single regulatory commission to regulate the public interstate transportation in this territory. Certainly there is need for some solution of the present problems.

I note that the jurisdiction conferred upon this Commission to study area problems is much broader than solely the area within the District of Columbia, and that the primary matters to be studied are interstate transportation, both public and private.

I will not object at this time to the bill which has been reported from the Committee on the District of Columbia, but I do wish to point out that the Committee on Interstate and Foreign Commerce has jurisdiction of the subject matter under the rules of the House, and already has held hearings upon and given consideration to several bills referred to our committee that bear upon the public transportation situation in this interstate metropolitan area. Some of them provide for studies; some of them provide for the creation of a regulatory commission with jurisdiction in this area; and one provides for both study and commission. The committee has not yet finished the hearings it proposes to hold on these several bills.

It will be assumed by our committee, therefore, that if the bill under consideration (H. R. 2236) is passed by the House, that the result of the study so far as it relates to interstate transportation will be referred to the Committee on Interstate and Foreign Commerce, which is the only committee that has jurisdiction of area transit and transportation affecting the adjoining States of Maryland and Virginia in connection with the District of Columbia. I am of the opinion that when the Commission on Area Problems thus created should make its report, there will be recommendations upon which the Committee on Interstate and Foreign Commerce will be required to pass.

In connection with this matter I call the attention of the House to an editorial which appears in this morning's Washington Post, which reads as follows:

AREA TRANSIT SOLUTION

Approval by the House today of the Broyhill bill for an area transit study should not be allowed to prejudice congressional action on the Hyde bill to establish an Area Transit Commission. A study and a commission are clearly needed. At a later point in the legislative process it may be desirable to combine the two bills. Representative HYDE already has incorporated in his measure a plan for a study by the three-man commission he would establish to regulate transit in the Washington metropolitan area. But there can be no objection to a separate study along the lines suggested by Representative BROYHILL.

It should be clear by now that a single regulatory commission is the only real solution to the area transit problem. The Senate has approved in the Johnson bill—a companion to the Hyde bill—the establishment of such a commission. Mr. HYDE now is working to perfect his bill and to win approval for it by the House Committee on Interstate and Foreign Commerce. It is not in conflict with Mr. BROYHILL's proposal for a nine-man 1-year study of the area's traffic problems and requirements. The Commission would be in a much stronger position, in fact, if it had as the basis for its work a comprehensive diagnosis by an independent group.

The more rapid rate of growth in the Washington area in recent years has been in the suburbs, yet imaginative planning of mass transportation facilities to bring suburban families into the city has been completely lacking. Private automobiles bring in an average of 1.4 persons each, thus greatly magnifying the parking and highway problems. If more attention could be given to effective mass transportation, less money might have to be spent on expensive bridges, highways, and parking areas. The Broyhill study can present a plan. The Johnson-Hyde bill provides the means for putting the plan into effect.

May I also call the attention of the House to the amendments that have already been suggested by the gentleman from Virginia [Mr. SMITH]. I am in favor of such amendments. I am inclined to feel that there are also other amendments that could properly be made. I think the Commission that is being appointed is a bit lopsided, if I may use that expression, in its provision that only one individual is to be appointed by the Speaker of the House and one by the President of the Senate. There is no possibility under such a provision for the minority to have any representation; of if representation is given to the minority, then there would be none so far as the majority is concerned.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. WOLVERTON. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. My friend from New Jersey has always been considerate, and one of the finest legislators with whom I have ever served. What he has just said is another evidence of his consideration. I may say that an amendment will be offered.

Mr. WOLVERTON. I thank the gentleman. I further feel that the power of the Speaker or of the President of the Senate should not be limited to the appointment of a member from the Committee on the District of Columbia. I feel that we should leave to the Speaker and the President of the Senate the right to appoint whomever they wish without regard to Committee membership.

Mr. SIMPSON of Illinois. I may say to the gentleman from New Jersey that I believe the amendment referred to by the gentleman from Massachusetts will be accepted.

Mr. WOLVERTON. I thank the gentleman.

Mr. KEARNS. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland [Mr. HYDE].

Mr. HYDE. Mr. Chairman, much of what I wanted to say about this has already been very ably covered by the gentleman from New Jersey. I do not see anything incompatible between this bill, which provides for a study, and the proposed legislation which is now in the Committee on Interstate and Foreign Commerce to provide for a regulatory commission. As a matter of fact, the Maryland Public Service Commission, which at the present time has jurisdiction over that part of the Washington metropolitan area transit problems that involve Maryland, has admitted that it cannot cope with the problem. It said in an opinion it handed down just last October that the problem could not be adequately handled unless some commission were established to handle the problem as a whole and not on a segregated basis as it is now handled.

I hope to have the bill that is now in the Committee on Interstate and Foreign Commerce perfected in a short time so that this House can then consider the establishment of a regulatory commission for the whole metropolitan area, because until that is done no other plan or plans we might have will be at all effective for the proper regulation and handling of the mass transportation problem in the Washington metropolitan area.

Mr. KEARNS. Mr. Chairman, as chairman of the subcommittee may I say that the hearings on this area traffic problem were most complete. All persons interested in the traffic problems of the metropolitan Washington area

were present and gave their testimony in most detailed fashion.

I have no further requests for time, Mr. Chairman.

The Clerk read as follows:

Be it enacted, etc.—

ESTABLISHMENT OF COMMISSION

SECTION 1. There is hereby established a commission to be known as the Commission on Area Problems of the Greater Washington Metropolitan Area (in this act referred to as the "Commission").

SEC. 2. (a) The membership of the Commission shall be as follows:

1. Four appointed by the President of the United States from the executive branch of the Government or from private life;

2. Two appointed by the President of the United States upon the recommendation of the Governor of the State of Virginia;

3. Two appointed by the President of the United States upon the recommendation of the Governor of the State of Maryland;

4. One appointed by the President pro tempore of the Senate from the Senate Committee on the District of Columbia;

5. One appointed by the Speaker of the House of Representatives from the House Committee on the District of Columbia;

6. Two appointed by the Commissioners of the District of Columbia.

(b) Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

ORGANIZATION OF THE COMMISSION

SEC. 3. The Commission shall elect a Chairman and a Vice Chairman from among its members.

QUORUM

SEC. 4. Seven members of the Commission shall constitute a quorum.

COMPENSATION

SEC. 5. (a) Members of the Commission who receive compensation from the Federal Government or State governments shall serve without additional compensation; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(b) Members of the Commission from private life shall each receive $50 per diem when engaged in the performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

STAFF

SEC. 6. The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable, in accordance with the provisions of the civil service laws and the Classification Act of 1949, as amended.

EXPENSES

SEC. 7. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be necessary to carry out the provisions of this act.

EXPIRATION OF COMMISSION

SEC. 8. The Commission shall cease to exist 10 days after the submission to the President of the report and recommendations provided for in section 9 (b).

DUTIES OF THE COMMISSION

SEC. 9. (a) The Commission shall study, investigate, and make recommendations pertaining to (1) highway, bridge, and traffic problems affecting the District of Columbia and the counties of Arlington and Fairfax in the Commonwealth of Virginia and the counties of Montgomery and Prince Georges in the State of Maryland for the purpose of expediting the movement of traffic in the Greater Washington metropolitan area, and (2) the integration of the public transportation system for the Greater Washington metropolitan area, and the need for additional public transportation facilities for such area. The Commission shall give consideration to the establishment of a Greater Washington Metropolitan Area Transportation Commission to regulate public transportation between the District of Columbia and the counties of Arlington and Fairfax in Virginia and the counties of Montgomery and Prince Georges in Maryland.

(b) Upon completion of its study and investigation, the Commission shall report its findings and recommendations to the President of the United States, and the President of the United States shall at his convenience submit such findings and recommendations, together with his own recommendations, to the Congress.

POWERS OF THE COMMISSION

SEC. 10. (a) The Commission, or any member thereof, may, for the purpose of carrying out the provisions of this act, hold such hearings and sit and act at such time and places, and take such testimony, as the Commission may deem advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before such member.

(b) The Commission is authorized to secure directly from any executive department, bureau or agency, board, commission, office, independent establishment and from the government of the District of Columbia, suggestions, estimates, and statistics for the purpose of this act; and each such department, bureau, agency, board, commission, office, establishment, and the District of Columbia is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman.

(c) The Commission is directed to seek the full cooperation of the governors of the States of Virginia and Maryland and to request such information, suggestions, estimates, and statistics as they may be able to furnish to assist the Commission in discharging its duties under the provisions of this act.

With the following committee amendments:

On page 2, line 3, 6, and 15, strike out the word "two" and insert in lieu thereof the word "one."

On page 2, after section 2 (a) (ending in line 16), insert a new subsection as follows and change section (b) to section (c):

"(b) In making the appointments provided in paragraph 1 of section 2 (a), the President shall seek to select persons who have had wide and well-recognized experience in at least one of the following fields and, if possible, select them so all 4 fields of experience will be available among the 4 appointees:

"(1) in the design of metropolitan transportation systems, and the construction and operation thereof; (2) in the economic and administrative phases of automotive transportation; (3) in community and metropolitan area planning generally; (4) in municipal government, including administrative problems in metropolitan areas and public utility regulatory functions. In recommending to the President the appointees provided for in paragraphs 2, 3, and 6 of section 1 (a), the Governors of Maryland and Virginia and the Commissioners of the District shall seek to recommend persons who have had experience in at least 1 of the fields set forth above. No person in the employ of, or holding any official relation to, any carrier operating in the Washington metropolitan area, only or owning stocks or bonds thereof, or who is in any manner pecuniarily interested therein, shall be appointed to or hold office as a member of the Commission."

On page 2, line 21, strike out the words "Commission shall elect" and insert in lieu thereof the words "President shall designate."

On page 3, line 2, strike out the word "Seven" and insert in lieu thereof the word "Five."

On page 3, end of line 20, strike out the period and insert the following: ": *Provided*, That the Commission may employ by contract or otherwise the services of experts and consultants for not in excess of 1 year without regard to section 3709 of the revised statutes, as amended, the civil service and classification laws, or section 15 of the act of August 2, 1946 (5 U. S. C. 55a)."

On page 4, line 4, strike out the word "ten" and insert in lieu thereof the word "sixty."

On page 4, at the end of line 6, strike the period and insert the following: ": *Provided*, That, if the President finds there is a reasonable need to extend the existence of the Commission, he may, by Executive order, continue it in full operation for an additional 60 days."

On page 4, line 11, after "Fairfax", insert the following: "and the cities of Alexandria and Falls Church."

One page 4, line 22, after "Fairfax", insert the following: "and the cities of Alexandria and Falls Church."

On page 4, at the end of section 9 (a) (ending in line 24), insert two new subsections, as follows:

"(1) In making its study the Commission shall request the cooperation of the National Capital Planning Commission and the National Capital Regional Planning Council in analyzing the problems of community development throughout the Washington metropolitan area that now have, or may in the future have, a bearing upon transportation; the Commission's proposals for a transportation system shall be coordinated with the major thoroughfare and mass transportation plans provided for in the Act of July 19, 1952, 66 Stat. 781, and with such elements of the general plan for the region, also provided for in that act. The Commission shall take into consideration, but not be limited to alternative plans for the coordination or unification of all facilities into an integrated system; technical aspects of design and construction of all types of mass transportation facilities; methods of financing; means of equalizing, standardizing and regulating rates; the integration and continuity of trips; and the most feasible means for continuously regulating and controlling the proposed system when it is made effective. The Commission shall investigate practices elsewhere.

"(2) The Commission shall submit recommendations in the form of a report containing a complete plan for a coordinated or unified system of mass transportation which will be adequate to serve best the entire Washington metropolitan area at present and in the future, and a plan for the creation of an appropriate means to regulate and control such a system when it is in existence. There shall be included in the report a brief description of the other principal plans considered by the Commission and a summary of the Commission's reasons for discarding such plans as not the best suited."

On page 5, at the end of line 5 add the following new sentence:

"Said report shall be completed within 1 year after the Commission has been implemented with the appropriations herein authorized: *Provided*, That the President, by Executive order, may extend this period for 60 days."

On page 5, line 23, strike out the words "Vice Chairman" and insert in lieu thereof the words "Acting Chairman."

The committee amendments were agreed to.

Mr. FRIEDEL. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. FRIEDEL: On page 2, strike out section 2 (a) and insert in lieu thereof the following:

"SEC. 2. (a) The membership of the Commission shall be as follows:

"1. Four appointed by the President of the United States from the executive branch of the Government or from private life; 2 of the majority party and 2 of the minority party.

"2. One appointed by the President of the United States upon the recommendation of the Governor of the State of Virginia;

"3. One appointed by the President of the United States upon the recommendation of the Governor of the State of Maryland;

"4. Two appointed by the President pro tempore of the Senate; 1 of the majority party and 1 of the minority party.

"5. Two appointed by the Speaker of the House of Representatives; 1 of the majority party and 1 of the minority party.

"6. One appointed by the Commissioners of the District of Columbia."

Mr. KEARNS. Mr. Chairman, if the gentleman will yield, we have no objection to this amendment. The amendment has been discussed here, and the distinguished member of the committee is to be complimented for making the suggestion.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland [Mr. FRIEDEL].

The amendment was agreed to.

Mr. HESELTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am in entire sympathy with the objectives of the amendment. I prepared an amendment to the proposed section 2 which would have affected the last portion of the provisions with reference to the appointments to be made by the President. I am not entirely certain as to where it would go now in the bill if the amendment is adopted. I would like to ask the chairman of the subcommittee if he does not feel the provision as to the appointments by the President being limited to those on the recommendation of the Governor of Virginia and the Governor of the State of Maryland is not a rather unusual provision, and one which limits the authority of the President to a degree which possibly was not intended. It would seem to me if the language could direct that the appointments by the President be made after consideration of the recommendations of the two governors, that would be more nearly in accord with one of the purposes of this section of the bill, which is to set up representation from the executive department. I am not prepared to submit an amendment at this time, but would like to have this in the RECORD. I wonder if the chairman would not agree with me that it is a proper subject of consideration in conference.

Mr. KEARNS. Mr. Chairman, I think the gentleman's point is well taken. I feel the committee was working on the overall proposition that the President, along with the governors, would like to come to an amicable solution of the problems and also come to a working agreement which would in no way cause any friction whatsoever between the District of Columbia and the States involved. However, I feel the gentleman's suggestion as to the wording, after consultation with my colleagues here, is a very good one, and there would be no objection on the part of the subcommittee.

Mr. HESELTON. There is another question I would like to ask the gentleman. I do not know how the amendment of the gentleman from Virginia would be affected by this. In limiting the President's appointments to 2, the provisions beginning with line 20 confine the appointments to 4 appointees having experience in 4 defined fields. The amendment offered by the gentleman from Virginia provides for 1 appointment by the President, after recommendation by the Governor of the State of Virginia, and another after recommendation of the Governor of the State of Maryland; but, obviously, you cannot have 4 appointees out of those 2, and I should imagine some attention should be paid in the conference to correct that.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. I yield to the gentleman from Iowa.

Mr. GROSS. Do I understand that the expenses of these Commissioners, if they are not State employees or State officials of some kind—do I understand that the Federal Government is going to pay the expenses of this Commission instead of the District of Columbia and the States immediately affected?

Mr. HESELTON. I do not know.

Mr. GROSS. Or the adjacent States?

Mr. HESELTON. I suggest that the gentleman address his question to the chairman of the subcommittee.

Mr. KEARNS. There is an amendment, which will be offered by the gentleman from Virginia [Mr. BROYHILL], and if the gentleman will withhold his question until then, the committee will appreciate it.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Section 3, page 3, line 22, strike out "Commission shall elect" and insert "President shall designate."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 4, line 2, strike out "Seven" and insert "Five."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 4, line 21, insert "*Provided*, That the Commission may employ by contract or otherwise the services of experts and consultants for not in excess of 1 year without regard to section 3709 of the Revised Statutes, as amended, the civil service and classification laws, or section 15 of the act of August 2, 1946 (5 U. S. C. 55a)."

The committee amendment was agreed to.

The Clerk read as follows:

Amendment offered by Mr. BROYHILL: On page 4, line 12, after the word "receive", strike "$50" and insert "$25."

The amendment was agreed to.

The Clerk read as follows:

SEC. 8. Committee amendment: Page 5, line 9, strike out "ten" and insert "sixty."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 5, line 11, following "(b):" insert the following: "*Provided*, That, if the President finds there is a reasonable need to extend the existence of the Commission, he may, by Executive order, continue it in full operation for an additional 60 days."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment:

SEC. 9. (a): On page 5, line 20, after "Fairfax", insert "and the cities of Alexandria and Falls Church."

The amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 6, line 9, after "Fairfax", insert "and the cities of Alexandria and Falls Church."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 6, line 12, insert the following paragraph:

"(1) In making its study the Commission shall request the cooperation of the National Capital Planning Commission and the National Capital Regional Planning Council in analyzing the problems of community development throughout the Washington metropolitan area that now have, or may in the future have, a bearing upon transportation; the Commission's proposals for a transportation system shall be coordinated with the major thoroughfare and mass transportation plans provided for in the act of July 19, 1952 (66 Stat. 781), and with such elements of the general plan for the region, also provided for in that act. The Commission shall take into consideration, but not be limited to alternative plans for the coordination or unification of all facilities into an integrated system; technical aspects of design and construction of all types of mass transportation facilities; methods of financing; means of equalizing, standardizing, and regulating rates; the integration and continuity of trips; and the most feasible means for continuously regulating and controlling the proposed system when it is made effective. The Commission shall investigate practices elsewhere.

"(2) The Commission shall submit recommendations in the form of a report containing a complete plan for a coordinated or unified system of mass transportation which will be adequate to serve best the entire Washington metropolitan area at present and in the future, and a plan for the creation of an appropriate means to regulate and control such a system when it is in existence. There shall be included in the report a brief description of the other principal plans considered by the Commission and a summary of the Commission's reasons for discarding such plans as not the best suited."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 7, line 23, after the word "Congress.", insert "Said report shall be completed within 1 year after the Commission has been implemented with the appropriations herein authorized: *Provided*, That the President, by Executive order, may extend this period for 60 days."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Section 10 (a), page 8, line 21, strike out "Vice Chairman" and insert "Acting Chairman."

The committee amendment was agreed to.

Mr. McCORMACK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McCORMACK: On page 8, line 9, strike out all after the period following the word "advisable," down to the period in line 11.

Mr. KEARNS. Mr. Chairman, the committee has no objection to the amendment offered by the distinguished gentleman from Massachusetts.

The amendment offered by Mr. McCORMACK was agreed to.

Mr. KEARNS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore, Mr. HALLECK, having resumed the chair, Mr. AUGUST H. ANDRESEN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 2236) for the establishment of a Commission on Area Problems of Greater Washington Metropolitan Area, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. KEARNS. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. Is a separate vote demanded on any amendment? If not, the Chair will put them en gross.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

WHEAT FOR PAKISTAN

Mr. SCOTT. Mr. Speaker, I call up House Resolution 293, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5659) to provide for the transfer of price-support wheat to Pakistan, and all points of order against said bill or any provision contained in said bill are hereby waived. After general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

CALL OF THE HOUSE

Mr. DORN of South Carolina. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Obviously a quorum is not present.

Mr. SCOTT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 61]

Abbitt	Green	Oakman
Adair	Gwinn	O'Hara, Minn.
Addonizio	Hale	O'Konski
Battle	Harrison, Nebr.	O'Neill
Becker	Hart	Osmers
Blatnik	Heller	Ostertag
Bolling	Herlong	Patterson
Bow	Hess	Philbin
Busbey	Hinshaw	Phillips
Bush	Hoffman, Ill.	Powell
Carrigg	Jackson	Price
Case	Javits	Ray
Celler	Jonas, Ill.	Regan
Chatham	Kean	Riehlman
Chelf	Kearney	Rivers
Chiperfield	Keating	Rodino
Chudoff	Kelly, N. Y.	Roosevelt
Cotton	Kersten, Wis.	St. George
Cretella	Kilday	Schenck
Curtis, Mo.	King, Pa.	Secrest
Dawson, Ill.	Klein	Seely-Brown
Dempsey	Lesinski	Small
Dies	Lucas	Stringfellow
Dingell	Lyle	Sutton
Dodd	Mack, Ill.	Taylor
Dollinger	Meader	Teague
Dolliver	Miller, Calif.	Thompson, La.
Donovan	Miller, N. Y.	Thompson, Tex.
Durham	Mollohan	Tuck
Fine	Morano	Wainwright
Fino	Morgan	Wickersham
Fogarty	Morrison	Widnall
Forrester	Moulder	Wigglesworth
Frelinghuysen	Mumma	Yates
Gamble	Nelson	Zablocki
Granahan	Norrell	

The SPEAKER pro tempore. On this rollcall 323 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

WHEAT FOR PAKISTAN

The SPEAKER pro tempore. The gentleman from Pennsylvania [Mr. SCOTT] is recognized.

Mr. SCOTT. Mr. Speaker, I yield 30 minutes to the gentleman from Virginia [Mr. SMITH].

I now yield myself 2 minutes.

Mr. Speaker, I rise to urge the adoption of House Resolution 293, making in order the consideration of the bill (H. R. 5659) to provide for the transfer of price-support wheat to Pakistan.

House Resolution 293 provides for an open rule, waiving points of order against the bill and allows for 1 hour of general debate on the bill itself.

H. R. 5659 was reported unanimously from the Committee on Agriculture and is the result of a request from the President for this legislation on June 10, 1953. The Secretary of State and the Director of Mutual Security both urge the granting of wheat to Pakistan as well as Doctor Harry Reed of Purdue University who headed a mission to Pakistan in order to investigate the food situation there.

The bill proposes to authorize the Commodity Credit Corporation to make available for Pakistan not more than 1 million tons of wheat during the period ending June 30, 1954. This bill specifies that full publicity should be given in Pakistan to the fact that it is coming from the United States and we are also given the right of observing the distribution procedure. The bill also makes mandatory the giving of wheat without discrimination to those people who cannot afford to buy it and specifies that moneys derived from the sale of wheat will be spent on projects agreed to by both the United States and Pakistan aimed at increasing food production.

I hope that the House will adopt House Resolution 293 making in order the consideration of H. R. 5659.

I reserve the balance of my time, Mr. Speaker.

Mr. SMITH of Virginia. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, this bill gives 1 million tons of your taxpayers' wheat to Pakistan. The program will cost $100 million.

I think this House of Representatives, whether you are for or against the bill, ought to have enough respect for $100 million of the taxpayers' money to give this bill a little consideration. I think the bill is too vague and indefinite as to what is going to happen to justify us in appropriating this sum without considerable amendment.

I try to be as charitable with the taxpayers' money as anybody else. I like to be charitable with the taxpayers' money but I just do not know exactly how far we ought to go with that charity. We have gone a long ways. We gave these folks our coat last week, and I do not know whether we ought to peel off our shirt or not. I want to think about this thing a good deal.

Many of the Members who were here last year will recall that we gave some wheat to India. I think that bill came out of the Foreign Affairs Committee. I do not know why we should not take it all out of the same pocket or why we should scatter it with one hand to India and with the other to Pakistan; but the fact is that this bill, strange though it may seem, this bill comes out of the Committee on Agriculture. When we gave wheat to India last year there were a lot of us who did not think too much of it.

Mr. VORYS. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. VORYS. The gentleman says the bill that came out of the Committee on Foreign Affairs last year gave the wheat to India; it was a loan.

Mr. SMITH of Virginia. The gentleman is right. I do not know what the difference is when we are dealing with these bills spreading this stuff around. There may be some theoretical difference and it does sound a little better—I like the word "loan" a lot better than the word "gift," but do not think you are going to get any money back in either case.

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. NICHOLSON. Did they pay it back?

Mr. SMITH of Virginia. I have not been advised that they have. But let me get back to the subject. I want to draw a contrast on the question of our foreign policy, because I am considerably dismayed and confused about it. Now, last year we gave about the same quantity of wheat to India. Well, I have heard tell that we have got to give wheat to Pakistan because Pakistan did not like our giving wheat to India because they did not like India.

Last year when we gave wheat to India there was a lot of opposition and a lot of discussion on the religious aspect. Over there it seems they have sacred monkeys and sacred cows in India, and it is just against their religion to keep the sacred cows and the sacred monkeys out of the feed bin; and, therefore, you have to feed the sacred monkeys and the sacred cows before you can feed the people. So some of us did not like that and we protested.

Some of you may recall that about that time Russia sold India some wheat and got the money for it, and there was a great furor in all the international papers about what a fine thing Russia had done in selling some wheat to India. Then we got around and gave them five times as much and they said nothing about it in any of the papers. I want to know and you ought to want to know that if we are going to give this stuff to these foreign nations for propaganda purposes—that is what they are doing it for—for as long as any of us have lived India has been on a starvation basis. Do you not think we ought to know and know with definite assurance that when we make this gift to these people that we are making it not to the rulers of Pakistan but that we are making it to the poor people of Pakistan, the ones who are starving to death? And they ought to know where this charity comes from, but they do not know, and that is the best information I can get. Nor do we know what they use the money for that they got from the wheat they sold to the people of India. That money went into that treasury and it probably was used for political purposes.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. BAILEY. I presume that we have this wheat in surplus; otherwise we would not be proposing to give it away. But I would like to get the reaction of the distinguished gentleman from Virginia on the proposition: Having wheat to give away should we not divert some of it to some of the devastated coal areas of the country where thousands upon thousands of the people are on relief and are hungry?

Mr. SMITH of Virginia. I get the gentleman's point, and I have sympathy with him and his coal miners, but if he had done what I suggested to him some time ago and rejoined the State of Virginia, we would be able to help him at this time.

Mr. BAILEY. We did not find anybody who wanted to help us pay back the West Virginia debt.

Mr. SMITH of Virginia. Let us get back to this wheat. In the wheat-to-India proposition we loaned the wheat or sold it to them, but we never got any money, and I do not think we got any thanks. But when we did that for India, we put it down on the seaboard and India paid the freight.

I am trying to get straight what is the present foreign policy? Under this bill we are not only giving it to Pakistan and putting it on board ships, but under the new policy we are going to take it over there and pay the freight and put it on their doorstep. Is that a change in our foreign policy? Are we going to do that for all of these folks?

Last week we gave Pakistan and India $91 million and this week we are proposing to give Pakistan $100 million. It strikes me that this is a little bit stiff for one little country when we are trying to spread this charity all over the face of the globe and in all areas of the world. Let us get down to a definite something. Before we pass this bill my suggestion to you is that we know whether we are giving one country more than we ought to give it and whether, when we give it to them, we ought to take it and deposit it on their doorstep. That is contrary to the policy pursued in the last administration. There are a lot of things I think we ought to know very definitely. How are they going to spread the $91 million we gave them last week? I wish, under our new foreign policy, and I say this in all seriousness, that you would figure it out so that we can put this thing through one funnel instead of having the Agriculture Department giving away $100 million this week and the Foreign Affairs Committee giving away $90 million to some of the same people last week. That is a serious statement. I do not mean it facetiously.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. The gentleman expresses some doubt. Might I suggest that we conservative Republicans are showing you liberal Democrats how it really should be done. Perhaps we will take it over there, maybe we will bake it for them if they want it baked, put butter on it, and make sandwiches out of it, too.

Mr. SMITH of Virginia. Is the gentleman as a Republican maintaining that his party is more efficient in giving away money than we Democrats?

Mr. HOFFMAN of Michigan. Not any more efficient. We are just wasting more than you did.

Mr. SMITH of Virginia. Let us get back to this bill for a moment. It does not say anything about paying the freight. But some agency is going to pull some money out of a hat and pay the freight in spite of the language of the bill. It specifically says that the wheat shall be delivered on board vessels at American ports, it does not say anything about paying the freight, yet when the committee comes before the Rules Committee for a rule on the bill they say that we are going to pay the freight. I do not know what they are going to pay it out of. Are we going to pay it out of the $90 million we gave them last week or out of some other pocket?

As the representatives of the taxpayers of this country, and we have made them suffer in late years, before we pass these bills we ought to know exactly what we are going to do, what these things are going to cost, and what pocket it is going to come out of.

Mr. SCOTT. Mr. Speaker, I yield 15 minutes to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Speaker, maybe it would be worth while to present a little of the background of this emergency food shortage in Pakistan which nobody likes, but which is one of the hard facts with which we are faced in the present world. I was a member of a subcommittee consisting of four Members of the Committee on Foreign Affairs which made a study of conditions in that part of the world during the Easter recess at the suggestion of the State Department and the Director of Mutual Security.

First, consider Pakistan itself. As you know, it was formed by the splitting of India in 1947, 6 years ago, when India and Pakistan were given their independence, but chose to stay within the British Commonwealth. Pakistan is a fabulous country in several respects. First, it really consists of two countries, 1,000 miles apart. There is only one thing that the people of the two parts of Pakistan have in common, and that is a common religion. They are Muslims. West Pakistan is in the northwest part of the Indian Peninsula, and East Pakistan is in the northeast part, at the head of the Bay of Bengal, further east than Calcutta.

They speak several different languages. The people in the west section speak predominantly a Sanskrit language, Urdu and those in the eastern section speak Bengali. The only language they can all speak in their Cabinet meetings is English. They speak it well, because it was taught in the schools they attended when this subcontinent was under Britain.

Their economies do not complement each other at all, although the economy of each section complements that of India. For example, Pakistan produces cotton, but it does not have many textile mills, so its cotton has to be transported down into Bombay, in India, to be processed there into textiles. Then India ships the textiles abroad and she gets the foreign exchange, even though the raw material was produced in Pakistan. In eastern Pakistan they produce jute but they do not have jute mills. So the jute is sent from East Pakistan to Calcutta, India, processed into burlap and bagging, sold abroad, and the foreign exchange again comes to India.

Pakistan has few natural resources such as minerals. There have been discovered no substantial deposits of coal or iron or oil in Pakistan although there are rich resources in India. So Pakistan has neither adequate raw materials nor manufactured goods to sell abroad in order to get foreign exchange. In a jam like the present food shortage, she has to get grain from abroad. But the countries that could supply her with grain will accept only dollars in return. She does not have the dollars, and she has no way of earning the dollars, and

we will not take her rupees. That is the basic economic background.

Pakistan, historically, has exported small quantities of grain. The Pakistanis admit with great chagrin that after partition in 1947 and during India's drought of 2 years ago, they were overconfident and instead of storing up their 2 or 3 or 4 percent of grain surplus, they exported it in order to buy foreign commodities. They did not anticipate they would be faced with anything like the present shortage.

What were the reasons for the food shortage? There are several. First, the Pakistanis on the whole are not as good farmers as those who previously farmed much of the best land, and who went to the Indian side in the partition. The main province from the standpoint of food in Pakistan is the Province of Punjab. Punjab means 5 rivers, because there are 5 rivers entering the area, 2 coming from or through India and 3 through Kashmir. They are the source of water supply for irrigation. Not a one arises in Pakistan. They all flow into Pakistan from India and Kashmir, and you know that possession of Kashmir is disputed by Pakistan and India. Part of the original Punjab province split off and went to India. The remainder is the bread basket of West Pakistan, and the best farmers there were the Sikhs, people of the Sikh religion; and the second best farmers, best in carrying on intensive cultivation of the soil, were the Hindus. In the partition, most Sikhs and Hindus left their farms and went to India. That left the Pakistanis, who previously had specialized more in grazing and in being soldiers. Most of the soldiers in the British armies of the former India were Punjabis. In the past they had not been so active as the Hindus in intensive farming.

Practical evidence of this fact was the peculiar tax system. Under the British, for decades and decades land taxes were not levied on our basis of so much per acre, they were levied on the historical amount of rice or wheat that was produced annually on a given piece of land. The taxes the British levied on the Sikhs were higher than those they levied on the Hindus, and those they levied on the Hindus were higher than those on the Pakistanis, even though their farms were just across the road. This is being changed now under the Government of Independent Pakistan. I mention the matter only to show that there was a human factor in the reduction in production of grain. The farmers who took over the land after the division were on the whole not as good as the previous farmers.

The overriding cause, however, is that beginning 2 years ago there has been an awful drought, worst in the area's history, plus locusts. Some of us were there, and we saw the condition of the land, of the animals, and of the human beings. Normally about half of their production is from irrigated land and about half they raise during the summer monsoon season and in the rainfall areas. The summer crops are sorghums and millets, but not wheat which is planted in the fall and harvested in May.

This drought began 2 years ago, and they were not too anxious at first, but before the end of last year they had to import 800,000 tons of grain. They paid for all of that except for $15 million worth, which they got as a loan from the American Export-Import Bank. They obtained 150,000 tons of wheat that way. The rest, 650,000 tons of grain, they had to pay for with such foreign exchange as they had and by bartering jute, cotton and rice for wheat. But as you all know the world price of cotton has dropped about 55 percent in the last year and a half, and of jute has dropped between 50 and 60 percent. So their means of securing imports have shriveled through forces over which they had no control.

This explains why they cannot get a loan now, as India did. Their reserves of foreign exchange were all but exhausted in getting through the drought of last year. They do not now have any reserves of grain in their granaries.

They hold about $191 million in foreign currency, total. Their paper currency has to have a reserve of $182 million to back it up. That leaves only $9 million of hard currency to play with to keep their foreign trade going, to serve as a revolving fund. They cannot reduce their holdings of foreign currency, sound currency, below $182 million, without wrecking their own local currency system, which would throw them into inflation and make their problems even more difficult.

During the drought of last year, they used what reserves of grain and foreign exchange they had and did not ask us for help, except for that loan. They thought they could carry it through. They are a proud, self-reliant people. But the drought continued—even worse this year than last year. Between 18 and 20 percent fewer acres were planted this year. They could not plow the land, and it was useless to plant the seed. When they cut down by a fifth the ground that was planted and then had a greatly reduced crop from the remainder because of the drought, you see what they are up against.

They have obtained $5 million worth of wheat from Canada and $10 million from Australia. You may well ask why we cannot give them a loan the same as we gave India. The hard fact is that they do have to get at least 700,000 tons more of wheat, and they have to get it immediately or else there will be mass starvation and riots and disorder, which will be in nobody's interest except the Kremlin's. If they had to use the little foreign currency they still have and wrecked the stability of their own currency, that would reduce their borrowing power to nothing, and they do need to retain some borrowing power if they are to do anything about the long-term problem of increasing food production. That, too, is complicated.

Perhaps I can give a more birdseye view of it. I said a moment ago there are five rivers flowing into Pakistan from areas they do not control. Two of these rivers come from or through India. India also has great dry areas that she wants to bring under cultivation through irrigation.

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. JUDD. I yield.

Mr. NICHOLSON. Is this Pakistan a new country?

Mr. JUDD. It is. It was just organized in 1947.

Mr. NICHOLSON. Is the country split? Is there an intervening space between the two parts of the country?

Mr. JUDD. The two parts of the country are 1,000 miles apart. There is no food shortage in east Pakistan, which grows and eats rice mainly. The food shortage is in west Pakistan, which grows and eats mostly wheat.

Mr. NICHOLSON. So one part of Pakistan is all right, but we are appropriating for the other part?

Mr. JUDD. Yes, this wheat is all for west Pakistan. East Pakistan does not have a food shortage.

Mr. SMITH of Virginia. Mr. Speaker, will the gentleman yield?

Mr. JUDD. I yield.

Mr. SMITH of Virginia. I wonder if the gentleman would agree with me that if we have to perform this painful operation of giving away of our substance, would it not be better if it were handled through the Committee on Foreign Affairs instead of having the Foreign Affairs Committee come in, as it did last week with a charity bill, and then the Committee on Agriculture coming in this week with another one?

Mr. JUDD. That is not in my province to determine, sir. The gentleman could discuss that with the Speaker of the House and with the Parliamentarian. I do not know why this bill was sent to the Committee on Agriculture.

Mr. SMITH of Virginia. I was just trying to get an expression of the gentleman's view on the subject.

Mr. JUDD. I was perfectly willing that it be handled by the Committee on Foreign Affairs to the best of our ability because the need is real and great. I must add that I do not regard this as a charity bill for reasons which I will try to point out.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. JUDD. I yield.

Mr. DONDERO. If the value of this wheat is reduced to dollars at the present market value of wheat, what does it amount to.

Mr. JUDD. If it is reduced to dollars as the CCC has to, in terms of what the CCC paid for it under our price-support system, it amounts to almost $100 million. At the present market value of wheat it would be 50 cents a bushel or about $18 million less.

Now, Mr. Speaker, coming back to the two rivers from India. India has lots of dry land in that area. Since these rivers rise in India or flow through India, naturally, she wants their water for her dry areas to raise more food for her own people. So one of the problems that has been in the process of negotiation between the two countries is how to divide the water in these rivers, and how to get water from alternative sources to supply the land in Pakistan that is now and has heretofore been supplied by water from

India. The International Bank has had a working party out there studying the whole Indus Basin. Their engineers have come up with an ingenious plan, which our people out there say is sound. It is to hold back water in the rainy season and build link canals to divert water from the larger rivers into riverbeds that would be dry if India took all the water from the two that flow through India.

Of the five rivers, the Indus River is the big one, carrying approximately half of the total flowage and almost half of it runs into the Indian Ocean because there are no storage dams to hold the water back. The rainfall comes during the months of July, August, and September, and not a drop during the other 9 months. They need dams to impound that floodwater in the mountains and let it come down in the canals during the dry season. But it takes money and capital and foreign exchange to build those dams. The International Bank is willing to lend them funds to build those dams and canals so that they can prevent recurrences of this crisis, so that they can develop the whole basin and get their own water and use it for their own lands. But it will make the loan only if the dispute with India is resolved, which the Bank is endeavoring to accomplish. And it cannot make the loan if Pakistan has so exhausted its reserves to take care of this immediate emergency that its credit is totally destroyed. That is the crux of the matter. We can force them to borrow the money and send them this wheat as a loan, but if we do, we make it impossible for them to cure the situation. And it is sure to be on our doorstep again. Is it not good sense to carry on a program which will enable them to become self-sufficient rather than to give this money as a loan, and then be faced with the same problem next year and the following year, and whenever there is a drought in the years to come? This is the basic reason which convinced our committee we should recommend a grant in this case rather than a loan, and it is the reason why we recommended paying the freight. It is not a matter of their being unwilling to pay the freight. They do not have the capacity to pay the freight without further imperiling the basic stability of their currency or their ability to make necessary loans for development of their irrigation system.

There are larger issues involved. One is humanitarian. These people are hungry, and the American people, whenever they have had a surplus, historically have given of their surplus to help feed hungry people. I believe our people still approve such a course. Another is strategic. I mentioned it the other day during the debate on the Mutual Security bill. If you look at the whole Middle East, on the west flank is Turkey, one bastion or anchor. On the east is Pakistan. In between there are almost 2,000 miles without a single barrier to stop the Soviet Union from moving south, except some mountains. The prize exposed by that gap includes all the oil in the Middle East, and the Suez Canal, and the land bridge across to Africa, which is strategically so important to us as we look ahead to the next 2 or 3 decades. There are only these two anchors on which we can build or depend; Turkey on that side and Pakistan on this side. It seems to me that it does not make good sense to put billions of dollars into Europe and leave this side door open in such a way that it could only tempt the Soviet Union to move into that area.

I want to make one further point—urgency. If this aid is not given quickly, so that the people of Pakistan, who have just finished, or who are just finishing their wheat harvest, know that they do not have to stretch that inadequate harvest over 12 months, but can start using now what they have, with the assurance that through the rest of the year there will be grain coming from the United States, it is certain there are going to be food riots and disorders. People riot rather than starve. With food riots, you will have either a military government and the end of this magnificent effort of a proud, heroic people to build a really democratic form of government in Asia—or you will have chaos, and only one thing can happen. People in despair will turn to those who are at their elbows every minute promising everything under the sun.

It seems to me that our purpose is not just charity. Our purpose is certainly not to try and buy good will. We have their good will. We are giving lots of aid to those whose good will we do not have. These people have only good will toward us. It seems to me that this is one of the places where our aid is most justified and can do the most good, both to them and, in the long run, to our own well-being and security.

Mr. SCOTT. Mr. Speaker, I yield such time as she may require to the gentlewoman from Ohio [Mrs. FRANCES P. BOLTON].

Mrs. FRANCES P. BOLTON. Mr. Speaker, most of the world's people do not know what it is to have too much food. When nature smiles upon the land millions of men, women, and children get just about enough food to keep them satisfied. But when a vital crop fails, as it does all too often, only the fortunate find enough to eat. Others die of starvation.

That situation is only hearsay to most of us in the United States. Very few living Americans have had the heartrending experience of watching a child waste away for want of a mouthful of bread.

We are blessed with the opposite problem: too much food. Often, especially in recent years, we have produced greater crops than we can consume. But we prefer it that way, and our Government buys up the excess quantities to be sure that our farmers will not go bankrupt when the bottom drops out of their market. We buy and store that excess food so the Nation will always have a prosperous farm community ready to produce this food when we do need it.

The problem of scarcity and the problem of surplus has a logical meeting ground.

Fortunately for those who starve, the people of this Nation have always been happy to share the bountiful fare of their table with their friends overseas. President Eisenhower is asking us to do that with a million tons of surplus wheat for the people of Pakistan. He has urged haste because a stomach can stay empty only just so long.

Wheat is the major source of food for the 75 million people in Pakistan. For 2 successive years droughts have destroyed the crop. When the crop fails starvation stalks the land unless sufficient quantities of wheat can be brought into the country. But the young Pakistan Government, faced with myriad financial problems, cannot buy enough wheat to keep its people alive. So it has turned to this Nation for help.

Mr. Speaker, I am sure there is not a Member of this House who will question the humanitarian need for this grant. But there is another issue.

Secretary of State John Foster Dulles said last month, shortly after his trip to the Middle East and south Asia, that he was firmly convinced of the desirability of this grant for strategic reasons.

He pointed out that Pakistan borders Communist China and from its northern boundary one can see the Soviet Union. It flanks Iran and the Middle East and guards the Khyber Pass, often an invasion route from the north into the subcontinent. He argued further that Pakistan and the United States have stood side by side in most United Nations debates and that Pakistan was a tower of strength on the Japanese Treaty.

After his recent visit to the Near and Middle East, Mr. Dulles stated further, and I quote:

> One of my clearest impressions was that of the outstanding and sincere friendliness which the leaders of Pakistan feel for the United States. I was greatly impressed with their understanding of world problems. I am convinced that they will resist the menace of communism as their strength permits.

I sincerely urge the Congress to bolster that strength in this time of world crisis. I urge you to vote in favor of this bill, H. R. 5659, and, by so doing, tell the people of Pakistan that we in the United States are solicitous for the welfare of our friends.

Mr. SMITH of Virginia. Mr. Speaker, I yield 10 minutes to the gentleman from Mississippi [Mr. COLMER].

Mr. MASON. Mr. Speaker, will the gentleman from Mississippi yield to me?

Mr. COLMER. I yield to the gentleman from Illinois.

Mr. MASON. I am wondering how many people in this House are interested in the financial security of our own currency and our own Nation instead of in the financial security and the imperiling of the currency in Pakistan.

Mr. COLMER. Mr. Speaker, I appreciate the remarks of the very learned and forthright gentleman from Illinois [Mr. MASON]. They are not out of line with the remarks I am about to make myself, very briefly.

Mr. Speaker, these problems are always perplexing. I think I realize as fully as anyone here that the situation in the world is so fluid that almost anything can happen. But I have long been convinced—and I repeat for the "umpteenth" time on the floor of this House—that Russia neither wants war nor peace,

but she wants to bleed us white economically and then take over in the ensuing chaos and confusion which follows the destruction of our economy.

We are continuously playing into her hands. I am not setting myself up to say that under this situation it is wrong to give this surplus wheat to Pakistan. Why, of course, the humane aspect, the objective of charity, appeals to all of us. I want to go along with that. I think I could go along, possibly, although somewhat reluctantly, with this proposal of giving away $100 million worth of wheat under the proper restrictions. And bear in mind now, you are not giving away a surplus product that you have already paid for, because this bill provides that the Commodity Credit Corporation shall be reimbursed from the United States Treasury for the most of this wheat. So you are going to give a hundred million dollars away. It is going out of the Treasury of the United States. Let us not fool ourselves about that.

In other words, we are still giving away the taxpayers' money, but further, as I understood the testimony before the Rules Committee and as the gentleman from Virginia [Mr. SMITH] referred to a moment ago, we not only propose to give the wheat but we propose to deliver it to them, transportation charges paid. Of course, we have all heard that old story—and I tell it again with no reflection upon the Pakistan Government or the people of Pakistan—the story of the old fellow who was starving to death and who was being hauled down the road in a wagon. Some good Samaritan—and we have lots of them in this House and in this country—stopped and said: "Where are you taking him?" The answer was, "I am taking him to the poorhouse; he was going to starve to death; he wanted to go, he was voluntarily going." The good Samaritan said: "That is not necessary; I have a wagonload of corn here. I will just give him some of this corn." Then the old fellow rose up from the wagon bed, you remember, and asked: "Is it shelled?"

Now we are going to "shell" it, and we are going to deliver it transportation paid. Why should we do that, Mr. Chairman? Is it not enough that we give the wheat without paying the transportation charges? I want to talk to my friends on the left, Republican side, for a moment. I have been charged with being conservative. You used to be charged with being conservative, too, but something has happened. As my learned colleague pointed out here a moment ago when we Democrats did this for India last year I stood in the well of the House—you can look it up in the CONGRESSIONAL RECORD—and said that we were setting a precedent that was going to give us trouble in the future. But the New Deal, my friends, did a horrible thing, they required the recipient country, India, to pay the transportation charges on that wheat. The new administration with a new foreign policy is going to outdo the old New Deal administration; the new administration is going to deliver the wheat to Pakistan transportation free, we are going to pay the freight charges—about $20 million. The testimony before the Rules Committee was to the effect that one of the reasons that we should pay the freight on this was so that some of our steamship companies could get something out of it. If we are going to pay the freight, even though it costs twice as much to ship it in American bottoms as it does in foreign bottoms, maybe we should go the whole way and help our own American shipping interests a little. What I am complaining about here is the proposal to further add to the national debt and deficit spending to the tune of $20 million freight charges on wheat that we are giving away. Certainly this is another new and dangerous precedent in our foreign-aid program.

At the proper time in the reading of this bill for amendment I am going to offer an amendment providing that the transportation charges shall be paid by the beneficiary and thereby we will save just a little insignificant sum of $20 million. Of course, that does not amount to anything now when we are giving away 6 billions or more annually to foreign countries.

But you know, I have some folks down in my district who think 20 million is a sizable amount of money, particularly when it is taken out of their pockets for taxes. Twenty million dollars would mean an awful lot to my taxpayers if I could be a party toward saving it for them.

Mr. Speaker, I conclude where I began, it would mean a lot to the stability of this Government if we could put the brakes on somewhere along the line and try to preserve this last haven of refuge of a free people. When you destroy the economy of these free people you have destroyed everything.

Mr. BROOKS of Louisiana. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield to the gentleman from Louisiana.

Mr. BROOKS of Louisiana. I want to ask the gentleman this question: My recollection may be faulty, but did not we vote last year to sell on terms of credit, not to give, to India? Am I at fault in my memory?

Mr. COLMER. The gentleman is technically correct. We accepted some notes to make it a little more palatable.

Mr. SMITH of Virginia. The gentleman from Mississippi will recall that the proposition first came in as this bill comes in today as a gift.

Mr. COLMER. That is my recollection and I am sure that is the recollection of the gentleman from Louisiana.

Mr. Speaker, I am not going to conclude this with any apology. I do not enjoy getting up here and opposing these things continuously, but I do feel my obligation to my people and to my own country to try to protect this country insofar as I can.

Mr. SMITH of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. FISHER].

Mr. FISHER. Mr. Speaker, the pending bill would make available to the Republic of Pakistan 37 million bushels of wheat from the Commodity Credit Corporation stocks. This will be an outright gift to a friendly nation—a nation whose troops have fought valiantly beside our own in Korea. In the committee report it is pointed out that its purpose is to provide food in a famine-stricken area which is suffering from a terrific drought. The committee reports that the CCC now has on hand 310 million bushels of wheat, acquired from price-support operations, and that we can well afford to spare the amount which it is proposed to give to Pakistan.

But while we are talking about distress resulting from droughts in foreign countries let us not forget that we have disasters caused by prolonged droughts right here in our country. Fortunately, we produce food in great abundance and we do not face famine as such. We have surpluses, not shortages, to deal with.

It seems to me, Mr. Speaker, that the time is at hand when there should be a reexamination of our basic policies with respect to use of surpluses accumulated by the Government to alleviate distress and disasters, even when they occur here at home. Are we wedded to a policy of using such surpluses to alleviate suffering only if it occurs in foreign lands? Just where is the line to be drawn on helping those who, because of no fault of their own, become victims of a disaster such as results from an extreme drought?

Let us not forget that we have droughts right here at home, within the confines of our own Nation.

Mr. HOPE. Mr. Speaker, will the gentleman yield?

Mr. FISHER. I yield to the gentleman from Kansas.

Mr. HOPE. I just wanted to say this to the gentleman. As he knows, we are giving some consideration to the drought situation in Texas. I wanted to advise him that we are having a meeting of the Committee on Agriculture on Thursday to consider especially the drought situation along the lines that he is discussing at this time.

Mr. FISHER. I appreciate the gentleman's contribution. He certainly has been most sympathetic and considerate with respect to the condition I have described. The gentleman has held meetings in the past, and I know that his understanding of the situation has been current and that he recognizes the seriousness of the situation.

Right at this time there is a considerable area in southwest Texas, for example, that is suffering from a drought condition the severity of which has not been experienced in recorded history. It is taking a terrific toll. That stricken area is located in the heart of one of the Nation's leading sheep-, goat-, and cattle-producing sections. This drought, of devastating proportions, has been going on for 4 continuous years, even longer in some spots. There are growers in that area who have been forced to feed every head of their livestock for every day of the year for a period of more than 3 years. I can give you their names and addresses.

During that period feed prices have remained high, while livestock prices have in general dropped considerably. Credit has been exhausted in many instances, and a most desperate situation has developed. It all means inevitable bankruptcy for many of the sturdiest

citizens of the land unless something is done to cushion the impact which has befallen them.

It is because of the existence of those conditions that I raise the question now of policy in the use of surpluses to alleviate such suffering; and since we are being asked to give 37 million bushels of wheat to help people who are victims of a drought in a friendly foreign country, I think this is the appropriate time to raise the question of just where the line on this type of Government benevolence is to be drawn.

The condition I have described can be alleviated, at least, to some extent. While those people are not prone to lean on a benevolent government, they find great difficulty, just as I do, in reconciling their plight with the program and the policy which is represented in this legislation.

It is true that we have a surplus of wheat. At this time it amounts to 310 million bushels, and it cost the American taxpayers $837 million. The CCC also has in storage 595 million tons of cottonseed cake and meal, also acquired from price-support operations, at a cost of $36 million. The CCC also owns 242 million bushels of corn, which cost the Government $389 million. All of this, as well as other surpluses, was paid for by our taxpayers, including those who are striving for survival in our own drought-stricken areas. It is inevitable that the Government suffer some losses from these operations.

The cottonseed products, heavy in protein values, can be acquired by our citizens. But in my own area the price is virtually prohibitive, at $59 per ton at the places of storage. The buyer must sack and transport the feed, and in some instances there is some reprocessing to be done. With the price of livestock at present levels and with most of their credit already used up, the average feeder simply cannot afford to pay the price. At the same time, these hard-pressed victims of this disaster are told that this same feed can be bought by foreigners at $52 per ton. It is explained that this is in keeping with world prices and that to reduce the cost to domestic consumers that much would break the market in this country and involve the Government in unacceptable losses on its investment in cottonseed products.

Mr. Speaker, last year the Government did go to the aid of drought-stricken areas with the hay program whereby the consumers were afforded the privilege of buying hay at lower-than-market costs, and I understand this venture cost Uncle Sam around $7 million. But what is that in comparison with the cost to us of the 37 million bushels of wheat that we are asked to give away by this bill today at a cost of nearly $100 million?

Again I say this entire disaster-relief policy needs a reexamination to determine where the line of solicitude should be drawn. If this benevolent policy is to be followed, is it to be limited only to those who suffer from droughts in foreign countries? Why not make surplus feeds available to drought victims in our own country, not on a giveaway basis but at a price in keeping with conditions that exist—at least as low as or lower than is offered to foreign buyers? And why not think about long-term credit arrangements which would enable our citizens to work and grow themselves out of the situation which this disaster has brought upon them? Actually, a realistic relief program should, over the long pull, cost the Government very little.

This legislation should serve to remind all of us that drought victims are not to be found only in Pakistan. We have victims right here at home—victims who are helping pick up the check which makes this gift to Pakistan possible.

I am delighted that the chairman of the Agriculture Committee has called a meeting on Thursday to consider this entire problem.

Mr. SCOTT. Mr. Speaker, I yield 4 minutes to the gentleman from Massachusetts [Mr. NICHOLSON].

Mr. NICHOLSON. Mr. Speaker, I do not hesitate to come up here and speak on this matter. When this matter came before the Committee on Rules, I was inclined to vote for it. Coming from a race of people, from Scotland, I would be more or less willing to give away some of the material that was supposed to support my family and my country. But, I looked up in the World Almanac where Pakistan was, and I could not find it. So I asked my chairman on the committee and he very graciously pointed out that Pakistan was over here and Pakistan was over there, and in between, 2,000 miles away, was India; I mean, both parts of Pakistan were 2,000 miles away from each other.

Then the gentleman from Virginia called your attention to it. He is a very brilliant man, in the estimation of everybody here in the House. He, like the gentleman from Mississippi, wants to know how long we can spend $167 million at a time for someone that we do not know exists and continue to pay our own freight.

I am not asking you the question; I am simply asking you if you can say in your own mind where Pakistan is. True, somebody is starving. They have been starving since the time of Christ, who said, "The poor ye have with you always." We will always have them. I would not be surprised but that Pakistan would get along all right if we did not appropriate this money. The gentleman from Minnesota said, and if I am mistaken he can correct me, that the Kremlin will take charge of it. The Kremlin did not give anything to India; it was the United States that did it. The Kremlin is not giving anything to Pakistan. As a matter of fact, all the Kremlin is doing is giving the world trouble. The Kremlin has forgotten that our Government gave them wheat when they were starving. I think it is about time we woke up to the fact that we should start looking out for the United States of America. I think it would be an awfully good thing for us to do, because we are gradually getting to the place where we will not be able to give anybody anything.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. NICHOLSON. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. The gentleman mentioned his difficulty in locating Pakistan. I would like to ask the gentleman if he knows where Cambodia is.

Mr. NICHOLSON. I have no more idea where Cambodia is than Pakistan, and I have tried to look it up.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. NICHOLSON. I yield to the gentleman from Minnesota.

Mr. JUDD. I am not sure I understood my friend correctly, but I thought he said that I had suggested that the Kremlin would supply this aid if we did not. I made no such statement, I think. I said that if there are disorder and food riots as a result of starvation in that country, the disorder will be taken advantage of by the Kremlin so that it might be able to take over the country, or more likely, the weakening of Pakistan would encourage the Kremlin to move down through the gap between Pakistan and Turkey. Starving people will go with who promises them something. The United States can deliver the aid it promises and we do deliver; the Kremlin makes headway in areas where there is unrest and confusion, because of its extravagant promises. People in dispair have no way of resisting promises that sound glittering, even though they are totally fraudulent.

Mr. NICHOLSON. I accept the apology of the gentleman from Minnesota.

Mr. SCOTT. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Speaker, I do not believe there is any Member of this House who is not deeply sympathetic toward any action that would help God's unforunates and the poverty-stricken people of the world. However, it does not seem that the committees present these cases to us in such a way that we understand what they are all about. I for one am awfully tired of hearing, every time we come up with a piece of legislation on these programs, that "Unless you acquiesce the Soviets will move in." What do we have to fear from the Soviets? Let us discontinue this talk and get down to practical, realistic humanitarian thinking on this matter.

I cannot understand why the Committee on Foreign Affairs did not bring in this appropriation in their mutual security legislation. This matter has been under consideration for some time. It rightfully belongs in the Foreign Affairs Committee and not the Agriculture Committee. If Foreign Affairs Committee recommended $71 million in the appropriations bill why did they not bring in $171 million to take care of Pakistan wheat.

Then the other question that I would like to have answered is the distribution of this wheat to Pakistan. How is it going to be handled? I presume it will be handled as it has been in the past. We will send $100 million worth of wheat over there and pay the freight and the Government of Pakistan will take over the wheat upon delivery and in turn will sell the wheat to the people. They will

then impound the money to be used for purposes of economic rehabilitation of that country, and to balance their budget and to stabilize their currency. That is what is questionable in my mind; how is this wheat to be distributed? That is why I am concerned about this matter as to whether or not the people who are hungry and starving will actually get the wheat. Whether the starving people who have no money to buy will get the wheat is what is troubling me. Certainly the American people want to help these people and also we want to be sure it will reach the hungry people for whom it is intended.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired.

Mr. SCOTT. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, this matter of trying to help out these friendly people in Pakistan has been under consideration by responsible people in the Government for a long time. It has been very carefully considered. Let me remind you that the gentleman from Minnesota [Mr. JUDD], I think, has spoken very well of the situation in Pakistan. He has clearly demonstrated their need.

It is true this bill provides for the replenishing of the money to come out of Commodity Credit Corporation, but when this matter was discussed there was question as to which agency of the Government would be charged with it, and that had to be resolved. Beyond that, and let us just be frank about it, what I am going to say here will be better said by others—but I do not want a misconception to get abroad about this matter. And possibly I should not want the people of Pakistan to think that we are giving them something that is going to go to waste anyway. But the fact is, we have wheat running out of our ears. There is scheduled to follow this measure, if we do not take up the trip-leasing bill next, a proposal to alleviate the tremendous cutback in wheat quotas. Why? Because the surplus stocks of wheat are going up by leaps and bounds. We are talking now, if we have not already done it, about putting wheat in ships on the Hudson River. You know what happens when you put wheat in a steel ship in the Hudson River. In a little while it is not going to be too good. In other words, it would not be very good public relations for this great country of ours to hold on to a tremendous surplus supply of food grain, and at the same time let a friendly people starve. That is exactly what the situation will be.

With all respect to those who talk about the fiscal situation at home, may I say I have been taking quite a bit of heat on that score as the appropriation bills have come along, and I have been willing to get up and take it. But I do not believe this bill involves that consideration because, as I say, it has to do with helping a friendly nation with a resource that we have in such quantities that we do not know what to do with it. In the final analysis, I do not believe this bill will cost us anything like $100 million. So I say we should go on with the adoption of this rule and to the enactment of this bill with such amendments as may be deemed to properly meet whatever situation exists.

Mr. SMITH of Virginia. Mr. Speaker, I yield the remaining time to the gentleman from North Carolina [Mr. BARDEN].

Mr. GAVIN. Mr. Speaker, will the gentleman yield?

Mr. BARDEN. I yield.

Mr. GAVIN. Will the gentleman try to explain to us whether this is a gift or a loan, and after this action is taken, how the wheat is going to be distributed and where they are going to collect the money, and what they are going to do with the money they collect in Pakistan after they sell the wheat? We would like to know some of these things.

Mr. BARDEN. These folks advocating this bill have been talking an hour on this subject, and they are supposed to know something about it. They have not given us that information, so how can you expect me to do it in 5 minutes? I am also interested in getting the information to which the gentleman refers.

Mr. GAVIN. I have great respect for the gentleman. I realize that he knows a great deal.

Mr. BARDEN. I thank the gentleman for the compliment.

I have listened with a great deal of interest to this matter. I have listened to Dr. JUDD, my friend from Minnesota, who is a most delightful gentleman. I must express my disagreement with him. To follow the policy outlined by him would be for us to assume responsibility for a good portion of the world and everywhere some group threatened to riot to give them millions of dollars. That, to my mind, might be construed as placing a premium on rioting.

I do not know whether this proposal is on the basis of charity or, as the distinguished majority leader says, because we have so much of everything we must give it away in order to produce some more of the same thing; nor do I know just how many have in their minds that if we do not give this wheat the Kremlin will move in. But I want to say this. I have had an urge to say it for several days around here. When I asked one of the responsible men on the Foreign Affairs Committee handling the foreign-aid bill how much a particular country was going to get under that $5 billion bill passed here Friday his reply to me was, "That was classified information." When you are giving away the American taxpayer's money, his duly elected Representative should not be given an answer of that kind. He is going to want the whole truth, and will not be satisfied with a little classified information. The term "classified information" is a high-sounding term brought up here by the State Department which in plain English means secret information. Five billion dollars is five thousand million dollars of taxpayers' money. That is no secret.

I believe I am as charitable as any man in this House. I was raised in that atmosphere. I have never changed my attitude in that regard. But I have never regarded myself as being commissioned as a Member of this body to come here to give away my folks' money in any such manner as we have been called upon to do—Friday, five billion—today, one hundred million. That is too fast and furious for me.

I do not think there is a Member in this House who does not know that there are limitations in the Constitution as to what we can levy taxes for. I think we are all aware of that.

Now, what are we going to do? We will give this away and give that away, and then pay day is coming. I have seen the time when this has happened; a lot of your taxpayers will not be able to pay the last year's taxes, because the year in which they are living has been one in which they have had reverses. And for the very money that we are giving away the tax collector will move up, foreclose that man's home, and put him and his family out in the street.

You can laugh at that, my friends, but it will not be funny when someone asks you if you took part in making that possible.

Mr. SCOTT. Mr. Speaker, will the gentleman yield?

Mr. BARDEN. I yield to the gentleman from Pennsylvania.

Mr. SCOTT. I was not laughing at the gentleman. I was wondering whether he would, if we substituted cotton for wheat, make the same speech.

Mr. BARDEN. I certainly would, and my actions and my record will prove that, sir.

Mr. SCOTT. I assure the gentleman I am glad to hear it.

Mr. BARDEN. The gentleman is not just glad to hear it; he knew it all the time, so far as that is concerned. My statements now are no different from those I have been making for the past several years.

If you are going to give away $100 million of taxpayers' money, then, all right. You can do it, but I am conscientiously opposed to it. I love the people of Pakistan and the people all over the world just as much as does anybody in this House. If we want to reach down into our own pockets and give away something that belongs to ourselves then O. K. But I will not take what belongs to someone else and give it away to foreign countries all over the world. I cannot go along with that.

The Constitution of the United States says in plain English:

> The Congress shall have power to lay and collect taxes, duties, imposts and excises, to pay the debts and provide for the common defense and general welfare of the United States.

I accept that language, I took an oath to support that language; and regardless of how much I personally would like to help Pakistan, I do not think and no one has dared argue that the purpose for which this $100 million worth of wheat is to be used comes within the limits placed upon us by the Constitution, whether we like it or not.

Mr. SCOTT. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. KERSTEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. KERSTEN of Wisconsin. Mr. Speaker, I wish to include with my remarks several communications that I have in connection with House Resolution 231. They are samples of many others that I have received.

THE ESTONIAN NATIONAL COMMITTEE IN THE UNITED STATES,
New York, N. Y., May 12, 1953.

The Honorable CHARLES J. KERSTEN,
House of Representatives,
Washington, D. C.

SIR: We have learned with great pleasure that you have submitted to the House of Representatives Resolution No. 231 asking for the creation of a committee to conduct a complete investigation of the seizure of the Baltic States by Soviet Russia.

Your resolute step is greatly appreciated by all Estonians.

Needless to say that we are willing to produce any available evidence required in this matter.

In this connection we enclose for your information a copy of our communication to the President of the United States of May 9, expressing our attitude toward the Soviet so-called peace offensive.

Respectfully,

JULIAN VASAR,
President.

UNITED LITHUANIAN RELIEF FUND OF AMERICA, INC.,
Brooklyn, N. Y., June 11, 1953.

Hon. CHARLES J. KERSTEN,
House of Representatives,
Washington, D. C.

DEAR MR. KERSTEN: Please accept our heartfelt appreciation for introducing to the 83d Congress House Resolution 231 to alleviate the suffering of the Baltic Republics.

I hope that you will succeed and carry this bill through as you did wonderful work in securing funds for escapees.

With high esteem, I am

Respectfully yours,

Rt. Rev. JOSEPH B. KONCIUS,
National President.

LATVIAN NATIONAL CENTER IN THE UNITED STATES OF AMERICA,
Boston, Mass., May 13, 1953.

Hon. CHARLES J. KERSTEN,
Fifth District, Wisconsin,
House of Representatives,
Washington, D. C.

DEAR SIR: Getting acquainted with your resolution introduced in the House of Representatives on January 14, 1953, and with your accompanying letter with comments on it, the Latvian National Center in the United States, whose principal aim is its fight against communism and the liberation of Latvia, wants to express deep appreciation, sympathy, and admiration to the unfailing strategy stressed by you in your splendid resolution.

This resolution, if passed, is a hopeful sign that the first victims of the Communist tyranny—the Baltic States—will regain their lost freedom again. Knowing communism, we are absolutely convinced that world communism can be, and must be, destroyed. Because that is the only way to freedom and peace.

Bearing this in mind and desiring to be an active member in the American Nation's fight against communism, the Latvian National Center in the United States is willing to support your resolution by all means, and hereby offers to you, sir, and to the Congress, a close cooperation.

The Latvian National Center has skilled groups in Sweden and West Germany to get in touch with the men of the Latvian underground resistance movement behind the Iron Curtain, as well as skilled persons in the United States and in other countries to further successful psychological war against communism.

We would be able to submit (1) information on events in Soviet-occupied Latvia; (2) statements and other documents concerning terror and genocide in Soviet-occupied Latvia; (3) ideas, as well as practical suggestions, to fight communism, especially in the Baltic States.

It is understood that we would be able to do all this only if we can facilitate our skilled men with necessary means, lack of which until now has been the biggest obstacle to our activities in the field of intelligence. However, we have done our best, and we hope that some day a better chance will come.

As to ideological warfare against communism, we are in full readiness to develop full-scale activities.

Very sincerely yours,

VALDEMARS LAMBERGS,
Member of Executive Board, Public Relations, Latvian National Center in United States.

COMMITTEE FOR A FREE LATVIA,
New York, N. Y., May 15, 1953.

Hon. CHARLES J. KERSTEN,
House of Representatives,
Washington, D. C.

DEAR MR. REPRESENTATIVE: With reference to Resolution 231 submitted by you to the House of Representatives to create a Select Committee To Conduct a Full and Complete Investigation and Study of the Seizure and Forced Incorporation of the Baltic States by the U. S. S. R., I have the honor on behalf of the Committee for a Free Latvia to thank you and to express our conviction that the examination will prove that Soviet claims are only a shameless assertion to cover a ruthless violation of the international law.

You may be sure that Latvians will be watching further development with true and great interest.

We will be only too glad to supply you with information and materials that are in our possession what concerns the above matter.

Yours sincerely,

Dr. VILIS MASENS,
Chairman.

Mr. SCOTT. Mr. Speaker, I yield the remainder of the time to the gentleman from Illinois [Mr. SPRINGER].

Mr. SPRINGER. Mr. Speaker, I have thought much about this thing. I believe that my record for economy during the last Congress is about as good as anybody's in the House. At least 1 national organization placed me among the 60 who had a perfect voting record for economy out of 531 Members of the House and Senate; so I am not approaching this in any light vein. To me there seems to be an interest above a purely selfish one. There is the appeal of the humanitarian interest and there is an approach from the undisputed interest of the Nation.

First of all, it seems to me that here today on this floor we have got to realize that in the Far East there are only 2 countries on which we can rely, and 1 of them is Pakistan. Whether or not you vote for this wheat today is not going to make a difference in Pakistan's love for the United States. Even though she does not get this wheat she is not going to turn against the United States, for she has gone on record and been on record as being against the Kremlin ever since the nation of Pakistan came into being.

Pakistan has a well-trained standing army that guards some of the very important passes through the mountains. Pakistan is becoming of increasing importance to the West. I say that in her you certainly have one ally on whom we can depend if we had to call on her. I am not so sure about the rest of them, but I do feel pretty sure about Pakistan.

In the second place about the question of transportation that was raised by my colleague; that is complicated by the Mutual Security Act. The Mutual Security Act requires that this food and relief material—50 percent of it must be carried in American bottoms. The Mutual Security Act is permanent legislation; it is mandatory under the act that we carry 50 percent of this wheat in American bottoms; and we must pay for it in American dollars.

Of course, Pakistan could carry it in foreign bottoms if it were necessary, but they do not have the dollars with which to pay this carrying charge. It would cost $20 million, as I understand, if this grain were carried in American bottoms, but if it were carried in foreign bottoms it would cost only about $10 million.

They do not have the dollars. They are in the sterling area and they can carry it if they pay carriage charges in sterling. But they have no dollars, and such situations have not worked very well in other similar cases in the past. Remember, again, that the Mutual Security Act makes it mandatory that 50 percent of this grain go in American bottoms. That is the problem that is presented to you, how to carry this wheat to Pakistan. They simply do not have the dollars or the exchange with which to carry it in American bottoms and pay for it in American dollars.

The SPEAKER. The time of the gentleman from Illinois has expired; all time has expired.

Mr. SCOTT. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. HOPE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5659) to provide for the transfer of price-support wheat to Pakistan.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 5659, with Mr. ELLSWORTH in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. HOPE. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, as the gentleman from Indiana [Mr. HALLECK] has already stated, this is a matter which has received a great deal of consideration in the executive branch of the Government; it has been the subject of thorough hearings in the Committee on Agriculture, and I do not believe there is reason for anyone to think that it has not been considered fully and that all aspects of it have not been thoroughly studied. The matter comes to the Congress through a message from the President of the United States asking that appro-

priate legislation be introduced to provide for the transfer of not to exceed 1 million tons of wheat to Pakistan, of which 700,000 tons is expected to be used to alleviate famine and starvation and not to exceed 300,000 tons used to build up a reserve if necessary.

The question has been raised, and I think properly, as to why this legislation comes from the Committee on Agriculture rather than the Committee on Foreign Affairs. The answer to that is that this is a measure which deals with commodities owned by the Commodity Credit Corporation and for that reason it was referred to the committee which has jurisdiction over that matter.

If you will read the bill, you will find it shows clearly what disposition will be made of this wheat and the conditions under which it is to be delivered to the people of Pakistan. As to the situation which now exists there, let me say that Pakistan is a nation normally self-sufficient so far as the production of wheat is concerned. But it has been suffering for the past 2 years from a most severe drought so that while the normal production of wheat in that country is about 147 million bushels, production was reduced this year to 115 million bushels and further reduced this year to 103 million bushels. That is a particularly serious situation because wheat constitutes the main item of diet of the people of Pakistan. Even in normal times they were just barely over the margin as far as production of wheat was concerned. With normal crops they have an exportable surplus of only 3 or 4 percent. So it can readily be seen that when we have 2 successive drought years, as has been the case in Pakistan, it very seriously and immediately affects the food supply of the country.

The question has been raised here as to whether or not this is a gift, and if so what is its purpose? I think that that question very easily can be answered by saying that it is a gift to a friendly nation, a nation which is on our side, as far as the current world situation is concerned; not a gift for the purpose of buying good will, but a gift for the purpose of strengthing an ally and a friend. The strategic position of Pakistan has been pointed out already by the gentleman from Minnesota. Others have spoken of the splendid army that they have in Pakistan—a strong Pakistan is a source of strength to the free nations of the world. But a country whose people are ravaged by famine, by shortages of food, is not a strong country or a dependable ally not because the spirit is not willing but because the flesh is weak.

Now, the provisions in this bill state very briefly the terms upon which this assistance is to be granted. It provides that no wheat shall be delivered except under certain conditions, those conditions are set out in section 3 of the bill. They provide, among other things, that this wheat must be distributed to the people of Pakistan without discrimination and it must be supplied free of cost to persons who are unable to purchase it. It provides that its distribution must be given full and continuous publicity as being assistance furnished by the people of the United States. It provides also that we may have representatives there to observe without restriction the distribution of the commodity. Then there is a further provision which will answer some of the questions that have been asked on this matter today, and that is, What is to become of the funds that are collected when this wheat is sold?

Those funds are to be deposited in a special account and they must be used in bringing about increased food production in the country. Pakistan is a country with a small amount of rainfall. Much of their agriculture is under irrigation, and it is my understanding that the purpose for which these funds will be used will be to assist in developing irrigation works and in improving methods of agricultural production in that country so as to increase their ability to produce their own food.

Certainly no more constructive way could be found for using those funds. All of this money will be used for that purpose except 5 percent which will be allocated to the Government of the United States to pay our expenses in overseeing the administration of the program in that country.

Pakistan also agrees that if this wheat is delivered that it will pursue all appropriate measures to reduce its relief needs and to increase production and supply and improve the distribution of foodstuffs so as to lessen the danger of similar emergencies in the future.

The question has been asked as to whether this is a precedent of any kind. I do not think that any of these relief measures are necessarily precedents. I think we have to deal with every one of them on the basis of the situation that exists at any particular time. In the case of Pakistan the records, if you go back many years as far as weather is concerned, show that they have never had more than 2 successive years of drought, so it is to be anticipated if we take care of this present acute situation, and if they are able to improve their system of food production and distribution, we are not likely to be called upon at any time soon for a similar emergency in Pakistan.

I said in the beginning that this measure had been very carefully considered in the executive branch of the Government. We had before us at the hearings the Secretary of State, who has only lately returned from a trip to Pakistan. We had with us Governor Stassen, the Administrator of the mutual-aid program, who accompanied Secretary Dulles to Pakistan and had an opportunity to study the situation at first hand.

We also had before us Dr. Harry Reed, of Purdue University, one of the best-versed men in agriculture in the United States, who was sent to Pakistan by our Government to personally check up on this situation and ascertain just what it might be as far as the need for wheat was concerned. Dr. Reed spent 3 or 4 weeks in that country. He was accompanied by an associate from Purdue, Dr. Volk, an eminent agronomist. Our agricultural attaché in Pakistan, who had previously made a study of the matter and recommended that we send a quantity of wheat to Pakistan, accompanied them in the study which they made of the situation. So I say that this is a matter which was studied very, very carefully before any request was made of the Congress to take any action.

Now I want to refer to the wheat surplus in this country. We will have on July 1 a wheat carryover of 575 million bushels. The June 10 estimate of wheat production in this country for 1953 calls for 1,132,000,000 bushels of wheat, which will give us a supply for the coming year of 1,700,000,000 bushels of wheat. It is expected that our normal exports and domestic consumption will take up about 1 billion bushels, so that by July 1, 1954, we will have a carryover of about 700 million bushels. Therefore, we have ample wheat, and I am glad we do, because it is a source of strength to this country. The way we use those supplies can be made a further source of strength to this country. If we do what we are proposing to do in this bill, divert those supplies to a friendly ally which is now in distress, in order to increase the strength of that ally, then I think we are making the best possible use of this bountiful supply of wheat which divine providence has made possible for this country.

Mr. MILLER of Kansas. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. MILLER of Kansas. I would like to know whether or not the storage facilities in this country are being cramped at this time, whether we need to get this wheat out of this country in order to make room for the wheat that is coming?

Mr. HOPE. Out in the gentleman's district and in my district they are piling wheat on the ground today.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman is not saying we should cure a surplus storage problem in this country by giving our wheat and corn and everything else away?

Mr. HOPE. I am saying we have a great deal of wheat in this country, and that the problem of storage is a difficult one.

Mr. GROSS. No doubt about it, but the gentleman is not advocating giving this wheat away to other countries simply because we do not have adequate storage facilities?

Mr. HOPE. I am advocating giving away wheat, of which we have an oversupply, to a friendly nation.

Mr. GROSS. Did not Pakistan sell surplus wheat?

Mr. HOPE. Pakistan has not had any surplus of wheat for 2 years. In normal times Pakistan has an exportable surplus, I understand, of four or five million bushels of wheat.

Mr. GROSS. Is it not true that Pakistan in 1950 or 1951 sold all the surplus wheat she had?

Mr. HOPE. I think they have retained surplus wheat every year.

Mr. GROSS. They retained nothing for safety purposes as against a drought.

Mr. HOPE. Perhaps they did not retain enough.

Mr. GROSS. No, they certainly did not.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from California.

Mr. JOHNSON. In the event we do not give this wheat to Pakistan, is it likely this wheat would be spoiled and have to be wasted?

Mr. HOPE. There is a question of how long we can keep wheat in storage. We have no wheat that is spoiling now but we have wheat in some pretty poor storage. We have wheat stored in boats on the Hudson River and down on the James River. I do not know how long we can keep wheat in that kind of storage. Of course, I assume the Commodity Credit Corporation is going to do the best job it can to keep that wheat in good condition.

Mr. JOHNSON. Is there not a likely chance that this wheat might spoil, if we do not give it to Pakistan?

Mr. HOPE. There is always a chance that some of our surplus supply of wheat will spoil, if it has to be kept too long. I cannot think of anything much worse than to have food spoiling in this country when there are millions of hungry people in the world.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. SPRINGER. I ask the gentleman if this is not true, just for the information of the House, that the support price on Saturday of wheat was $2.36, and it was selling on the open market at $1.83, and the day before it had been selling at $1.77 or $1.78. The reason it jumped up to $1.83 was because the Government now allows it to be stored on the ground and pays the support price. Is that not true?

Mr. HOPE. That is true.

Mr. SPRINGER. May I ask just one further question, in answer to the gentleman from Iowa, 2 years ago Pakistan had a surplus of 50,000 tons of wheat, which it offered in good neighborliness to sell to India. India at that time refused to buy it. Has it not been true that each year that Pakistan had a surplus, they have carried over some of the wheat until the next year, and also for planting purposes? Is that not true during all the years that they have had a surplus?

Mr. HOPE. That is my understanding.

Mr. SPRINGER. Is it not true it is not possible for Pakistan to carry over a large surplus into the next year because the storage facilities in Pakistan are quite inadequate?

Mr. HOPE. Yes, and also because of the weather conditions, which, I think, make it very difficult to store wheat for long periods.

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. BARDEN. I would like to get some facts on this. I understand you are giving this wheat to the Pakistan Government?

Mr. HOPE. That is correct.

Mr. BARDEN. Now, how and at what price does the Pakistan Government make it available to the people who need the wheat to eat?

Mr. HOPE. I think that figure is in the hearings. I do not recall it exactly, but they are not selling it for any purpose of making a profit as I understand it.

Mr. BARDEN. If the gentleman does not know the figures, how could he reach the conclusion that it is not being sold for a profit?

Mr. HOPE. I have seen the figures and I have reached the conclusion from the figures.

Mr. BARDEN. I am glad the gentleman is taking a little longer time because we are getting down to some information now where not a bit of information has been given to the House. You are asking Members to vote on a bill that we really do not know what it is all about.

Mr. HOPE. I am glad to give the gentleman any information I can.

Mr. BARDEN. Is there any provision for the regulation of the price that the people of Pakistan will have to pay the particular administration that happens to be in power?

Mr. HOPE. The bill provides that we are to supervise the distribution of this wheat, and also that the supplies are to be furnished free of cost to all persons who by virtue of circumstances beyond their control are unable to pay for them, and also that the supplies are to be distributed without discrimination to the people of Pakistan.

Mr. BARDEN. Does that mean that the Government sells this wheat to the needy people, or do they give it to those who are starving?

Mr. HOPE. They are giving it to the needy people who cannot afford to pay, and they will sell it to the people who can afford to pay.

Mr. BARDEN. Is there any detailed agreement collateral to this piece of legislation? Does the State Department have any contract with Pakistan that dovetails with this bill that we are passing?

Mr. HOPE. The wheat is not to be delivered to Pakistan until Pakistan enters into an agreement to comply with the conditions that are set out in the bill.

Mr. BARDEN. I will say frankly to the chairman I really think the House is entitled to some of the detailed information. We passed a $5 billion bill on Friday, and every time somone would ask a question about how much money was going where, it was called classified information.

Mr. HOPE. There is no classified information in this matter that I know of. What does the gentleman want to know?

Mr. BARDEN. I want to know how this wheat that we are parading as a great generous gift from the American people to the needy people of Pakistan is going to reach the people who actually need it. That is exactly what I want to know, and what it is going to cost us.

Mr. HOPE. I thought I had told the gentleman. My time has expired, but I will be glad, under the 5-minute rule, to go into that, if the gentleman desires.

Mr. COOLEY. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I shall, with great reluctance, support this pending measure. I intend however to support an amendment which will be offered by my colleague from Texas [Mr. POAGE], the effect of which will be to require the Pakistan Government to pay the freight, the ocean freight, on the wheat from here to Karachi.

There is something strange about this situation. I doubt if ever before this House has faced a situation in all respects similar to the one we now have before us. On the same date, June 16, 1953, these two bills were reported; one by the House Committee on Agriculture, H. R. 5659, and the other by the Committee on Foreign Affairs, H. R. 5710.

When the MSA bill was before the House last week, there was a substantial item in the bill for India and Pakistan, $94,400,000. We had a right to assume that the members of that great committee on Foreign Affairs had with great diligence and care considered all the pertinent facts and circumstances involved in the unfortunate situation in Pakistan. Actually, the report refers to the food crisis in Pakistan and it points out the fact that last year we provided aid only to the extent of a $15 million loan to Pakistan, which enabled them to weather the storm and prevent undue hardship in that country.

When the bill came before us, we were not told exactly how many millions of dollars would be available to Pakistan, but we were told that $94,400,000 would be divided in some fashion between the two countries, India and Pakistan.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield to me at that point?

Mr. COOLEY. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. The report from the Committee on Foreign Affairs states that Pakistan will get $27,500,000.

Mr. COOLEY. I think the gentleman from Minnesota, Dr. JUDD, a member of the committee, told us that it was classified information. I was told a moment ago by a member of the committee that it was $27 million, but I was still under the impression that it was classified and therefore I did not quote it for the record. It is in the report, is it?

Mr. JUDD. It is in the report, on page 13.

Mr. VORYS. There is $109,900,000 for India and $27,300,000 for Pakistan.

Mr. COOLEY. I am certainly not in error when I say that the gentleman from Minnesota [Mr. JUDD] stated before the Committee on Rules that it was classified information.

Mr. JUDD. At that time it was classified, but we got it unclassified. We are at the mercy of the people downtown who come before us and in executive session tell us that certain information is classified.

Mr. COOLEY. I am not objecting to the fact that the information was treated as classified so much as I am to the fact that this problem is, after all, a foreign-policy problem. Although it came to our committee, actually it should have gone to the Committee on Foreign Affairs and the Committee on Foreign Affairs should have been given the benefit of the testimony which was offered in our committee room.

I should like for some member of the Committee on Foreign Affairs to tell me, or to tell this House now, what it is you know about the situation in Pakistan today that you did not know on the 16th of June. At that time Mr. Dulles had returned from a 3-day trip to this far-distant country, and he and his associates are the only ones who supplied our committee with any information as to the great hardships in Pakistan.

I voted to report the bill entirely on the strength of ex parte testimony, which had been offered to our committee by Mr. Dulles, Mr. Stassen, and Dr. Harry Reed.

I know that charity is the paramount of all virtues; and actuated and prompted by the impulses of charity, I want to go along with this bill, and I am going to vote for this bill. I am following the dictates of my own conscience and leaning a little to the side of charity.

I am also aware of the fact, as was pointed out by the presiding officer a moment ago, the majority leader, that we do have wheat running out of our ears and our storage houses are bulging. It would not do for us to permit that wheat to deteriorate and to rot here while in a troubled world other people are starving. But it is rather strange that $100 million should be lopped off of the MSA bill and swung on to this bill when I know that the situation has not drastically changed in the last few days. Mr. Dulles came back. He did not see anybody starving; and I am not unmindful of the fact that they have had periods of famine, that they have had drought, that they need wheat. But I am aware of the fact that we did not give wheat to India when it was proposed by the State Department that it should be given to India. At the time we passed that Indian wheat bill the Democratic Party was accused of being the party of Santa Claus. Now, you look, here comes Santa Claus, Santa Claus brings and delivers his gifts, and that is what it is proposed here that we do, that we take this $80 million of wheat, load it into a hundred ships and send it into the port of Karachi, deliver it and pay all the freight from our storage bins to the city of Karachi. All right; if we are going to be Santa Claus, let us be Santa Claus, but do not stand here and accuse the Democratic Party of being the party of Santa Claus when in foreign affairs—and this is a clear-cut example of it—you are going us one better.

I have been criticized here for voting to pour millions of dollars down ratholes in foreign countries, and I am going to vote to put a little more wheat down another rathole, but I do so with a clear conscience knowing that we ourselves have an abundance and our allies across the sea who are currently supporting our cause are at least suffering in some degree.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. ABERNETHY. In order for us to maintain good standing with the people of India does not the gentleman agree with me that any obligations outstanding—and I understand they are all outstanding—by the Indian Government to our Government now for wheat which we let them have some time ago should be canceled?

Mr. COOLEY. I do not think anybody seriously contemplates a repayment by India.

Mr. ABERNETHY. Pakistan and India are side by side.

Mr. COOLEY. Yes; and at each other's throats. I would like to suggest to the State Department that perhaps the Secretary and his team should stay in India and Pakistan longer than 3 days.

What about the people of Kashmir? They stand between India on the one side and Pakistan on the other, and perhaps the people of Kashmir do not want to go with either. Nobody has suggested that Kashmir have an opportunity to remain as Kashmir to live side by side with the other nations around her; and I think that Kashmir could support its own economy and could occupy a place among the nations of this world, but Kashmir has not been given a chance to be left alone to run her own affairs. We are prolonging the controversy, giving to India 2 years ago, giving to Pakistan now.

When the Republicans came into power we were told that there was going to be a change. If there has been any change at all the only change that I can see is that you have changed your minds, and in the field of foreign aid you are going the Democrats one better.

Mr. SMITH of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. SMITH of Wisconsin. Was there any testimony before your committee as to the financial responsibility of the Government of Pakistan?

Mr. COOLEY. Only the statement by the team of Dulles, Stassen, and Dr. Reed to the effect that they had to use so much of their money to support their currency that if they were required to pay for the wheat it might bring them to economic instability.

Mr. DEVEREUX. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. DEVEREUX. Was there any testimony before the gentleman's committee about the great private wealth in Pakistan, the wealth of individuals, the wealth of spiritual leaders, for example, the Agha Khan who is supported to a great extent by their poor people who are now in need?

Mr. COOLEY. No; no such testimony was offered before our committee. I think that is a matter which would more appropriately come for the consideration of the Committee on Foreign Affairs. Our committee is not accustomed to dealing with matters affecting foreign affairs. This is definitely a foreign-aid program and we should have had an opportunity last week to know that we were going to be asked to give Pakistan an additional $100 million to tide them over during this emergency. Last year they got only a $15 million loan—and last week we gave them $27 million.

Mr. DEVEREUX. The gentleman made a statement about charity. Is he in accord with the belief that charity begins at home?

Mr. COOLEY. I am, and I am fully aware of the situation described here by the gentleman from Texas [Mr. FISHER] a moment ago. I have a similar situation in my own home county, where the people have had their crops completely destroyed.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. COOLEY. Mr. Chairman, I yield myself 5 additional minutes.

Mr. Chairman, there is no provision in Federal law that grants be made to my constituents for the hardships they are now undergoing.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Iowa.

Mr. GROSS. In the wheat for India bill of 1951, I believe it was, an amendment was inserted by the House that India make available to this country strategic materials.

Mr. COOLEY. Yes.

Mr. GROSS. Does the gentleman know what happened under that amendment?

Mr. COOLEY. I am not sure, but my impression is that India did make some concessions and we did receive some strategic materials to be used in connection with our atomic-energy program.

Mr. GROSS. And, of course, we paid for them.

Mr. COOLEY. I presume so.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. The gentleman is a member of the Agricultural Committee. Did anybody appearing before the committee indicate the manner in which this wheat is to be distributed, whether it is going to reach the poverty-stricken people?

Mr. COOLEY. Yes. The gentleman from Kansas [Mr. HOPE] touched on that just before he closed his statement. The Government of Pakistan shall determine who is able to pay and who is not able to pay. Those who are not able to pay will receive the wheat free of charge; those able to pay will be required to pay under such rules and regulations as may be laid down by the President of the United States when he makes the agreement providing for delivery.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from South Carolina.

Mr. RICHARDS. The gentleman keeps saying this is a matter that should be handled by the Foreign Affairs Committee.

Mr. COOLEY. It should have been.

Mr. RICHARDS. All right. Does the gentleman remember only a year or two ago when the gentleman from Texas [Mr. BURLESON] proposed that part of these materials to be furnished foreign countries come from the surplus commodities in this country and the gentleman himself opposed it because these commodities would have had to be charged to the Commodity Credit Corporation. The gentleman said then that the Agricultural Committee was the only committee that could handle those surplus commodities.

Mr. COOLEY. And I will say that if you amend this bill and charge it up to

agriculture and to the cause of agriculture now, I will vote against it and I think every member of the Agricultural Committee would do the same thing. It is not fair to saddle on the backs of the farmers this $100 million.

Mr. RICHARDS. The Commodity Credit Corporation is provided for. There is a charge there.

Mr. COOLEY. No. The bill provides that it shall be bought from the Commodity Credit Corporation, paid for and charged to foreign aid.

Mr. BROOKS of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Louisiana.

Mr. BROOKS of Louisiana. Is there anything in the bill that would prohibit the cost of this transportation being paid out of the proceeds from the sale of the wheat over there that is going to be sold in Pakistan?

Mr. COOLEY. This bill only contemplates payment by our Government of freight charges to ship side at the ports where it will be shipped out. But it does not require the Pakistan Government that receives the benefit of the wheat to pay the ocean freight.

Mr. BROOKS of Louisiana. I think the gentleman missed the point. The bill provides that some of this wheat may be given to the real people in distress, the other part of it that it can be sold to the government of Pakistan. Is there anything in the bill that would prevent the government of Pakistan from paying the freight out of the proceeds received from the sale of the part of the wheat they are giving to the people over there that have the money to buy the wheat and who can afford to pay for it?

Mr. COOLEY. There is nothing in the bill that prevents Pakistan from paying the freight, but, certainly, there is nothing in the bill that requires Pakistan to pay the freight, and we brought this bill out here after having received testimony from Mr. Stassen to the effect that the Government would pay the freight out of MSA funds.

Mr. BROOKS of Louisiana. If we adopt an amendment which requires them to pay the freight out of the sale of the wheat that they are selling to their own people that have the money, that can afford to pay for it, what is wrong with that?

Mr. COOLEY. That is going to be proposed by the gentleman from Texas [Mr. POAGE].

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Kansas.

Mr. HOPE. Of course, the people of Pakistan pay for this wheat, out of the proceeds of the sale, with rupees.

Mr. BROOKS of Louisiana. Could they not get some of the ECA dollars?

Mr. HOPE. And I do not know of any shipowners that would take their pay in rupees.

Mr. COOLEY. This contemplates also counterpart funds, and the use of the rupees will be under the direction of our Government.

Mr. HOPE. And in Pakistan that is the accepted currency.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Is it not also true, following what the gentleman from Kansas has said, that the testimony showed that it was necessary to use these funds in order to rehabilitate the agriculture of Pakistan to keep this thing from happening again?

Mr. COOLEY. That is right, and the rupees will be used under our supervision from the counterpart funds.

Mr. ALBERT. They can use those rupees even if foreign shippers would not accept them.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. The $27 million that was authorized here a few days ago in the other bill will be used for the same purpose as the counterpart funds from the sale of the wheat over in that country.

Mr. COOLEY. Probably so, but it seems to me that this is an awfully large gift for Pakistan, even though she has difficulties and she is an ally. I cannot lead myself to believe that this is not going to establish some sort of an unfortunate precedent which is going to lead to our making similar gifts to other people throughout the world.

Mr. AUGUST H. ANDRESEN. The gentleman recollects that I asked that question of the Secretary, and also Mr. Stassen, and they said it would not establish any precedent. I am not so sure about it, but I did want to get that as a matter of record.

Mr. COOLEY. Notwithstanding what they said, the fact remains that it will be a precedent.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Iowa.

Mr. GROSS. Let us take a look at this Pakistan question. In World War II India had some 4,000,000 men under arms. Pakistan made quite a contribution to that. How many men does Pakistan have in Korea today?

Mr. COOLEY. I do not know, I am sure. I am sorry I cannot answer that question.

Mr. GROSS. You can just about count them on the fingers of your hand.

Mr. COOLEY. I have every reason to believe that Pakistan is a reliable and trustworthy ally and that the people of Pakistan do not want to be ennslaved, they want to be free and will fight in defense of freedom. We are told that Pakistan has a formidable force of fighting men now guarding an important pass through which the force of aggression might some day start to march. The Nation is in a most unusual and unfortunate situation, divided into two parts with a thousand miles of the territory of India in between. Kashmir is likewise in an unfortunate situation. If the people of Kashmir are to really be considered in this controversy, it seems to me that instead of insisting that they should join either India or Pakistan, the forces of democracy and free government and the sponsors of the right of men to be free should insist that the people of Kashmir might be given an opportunity to say not only whether they want to go with India or with Pakistan, but should also be given a definite right to say whether they want to remain as Kashmir, free and unattached from either India or Pakistan. Why can't these wise men on our missions speak out for the people of Kashmir and give us information which apparently we do not now have. If this question of Kashmir can be settled, perhaps the controversy between Pakistan and India would likewise come to an early end and the people of that area of the world could go about their business unafraid.

Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Chairman, I want to make it abundantly plain that I expect to vote for this wheat to the Republic of Pakistan. I voted against the granting of 2 million tons of wheat to India. I thought that the precedent would be bad. When we voted for wheat for India I stated then that if it became necessary—if similar circumstances arose in Pakistan, I felt that Indian action would be a precedent. Now I feel that we must do for a friendly, neighboring nation, as much as we did for India. Consequently, conditions having arisen as they have in Pakistan, I expect to vote to give Pakistan 1 million tons of wheat. I think they need it. I think the Pakistanis are our friends. I think they are in a position to do us more good than anybody in that part of the world. I think the gentleman from Minnesota, Dr. JUDD, rather clearly explained the situation over there except that he did not point out that India and Pakistan have been at a point of undeclared war for about 4 or 5 years.

The Pakistanian people feel, and I am afraid with considerable justification, that our grant to India was in effect a subsidization of the Indian army. I do not think we ought to play favorites between nations. I do not think we ought to do for India more than we do for Pakistan. I know that the people of Pakistan are certainly as friendly as the people of any other nation in that part of the world. I am quite sure the people of Pakistan are as free from communism as any people in that section of the world. Therefore, let us treat Pakistan as we treated India.

That does not mean, however, that we should use a grant of wheat to hungry people as a vehicle on which to tie a gift to a group of American shipowners or a group of American seamen's unions. As a matter of fact, I believe that it tarnishes the gift that we propose to make to these people to use it as a means of covering up a grant, a direct subsidy, a gift to American shipping interests. So it is my intention when the appropriate time arrives to offer an amendment which will make it perfectly clear that the United States will not pay any part of the transportation costs beyond American ports.

In other words, say I have a pretty good watermelon patch. When I go by my neighbor's house, I suggest he come

on by and get himself a load of melons. I do not think it is an unneighborly act, because I have not told him that I am going to bring them to him, to chill them, and put them on his table. I do not think we have to mill this wheat, although the millers came before our committee and asked that we give them the job of doing it. I do not think we have to grind this into flour. I do not think we have to make this into cake. I do not think we have to put butter and honey on the bread, although both butter and honey are surplus commodities in the United States. I do not think we have to decorate the bread with tung nuts, or put a package of Camels with each biscuit we send these people. As a matter of fact, I think these people are hungry for some wheat. I think we ought to give them wheat. We ought to let them have what they need. We should not use their need as an excuse to make gifts of unknown sums to American shipping interests.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Just how are they going to pay for the transportation? The testimony is that they cannot pay it.

Mr. POAGE. The testimony was that they had the sterling balance with which to pay it, but it would be a burden upon their economy to do it. That was the undisputed testimony before our committee. There was not one single witness who would say they did not have the sterling with which to pay. They said it would burden them to pay for it. Of course it would, and it burdens the American people to pay this transportation. It burdens the American people several times more to pay for this, because if we pay for it it has to be shipped in American bottoms. All the members of our committee heard the testimony that the present going rate from here to Pakistan is approximately $26 a ton for wheat in American ships. It is less than one-half that in foreign ships. We tried to pin down the shipping interests. Our former chairman asked them if they would not make some concession because this was a charitable proposition. They said "No," they could not make a concession. We asked them for assurance that they would take $26 a ton. No, they could not give us that assurance.

As a matter of fact, the cost of ocean shipping is controlled by competition. There is no ICC of the ocean. It is perfectly plain that when we begin to move a great volume of freight of this kind to Pakistan the cost of ocean transportation is going up. It will not move for $26 a ton. There is not a man or woman in this House today who knows how much it will cost us to move that wheat by ocean shipping.

There is this further thing. Right now there are 165 tramp ships under American registry. The United States Government has 125 of those ships under charter. We know that if we begin to move this wheat in large quantities the cost of those 125 ships, the cost of transportation to Korea, of transportation to Japan, of transportation to Germany, is going to be more. Do not let anybody deceive you into thinking that you are only talking about how much you are going to put out on moving this wheat to Pakistan. If you vote for this proposition to have the United States Government still further subsidize ocean transportation, and provide that this wheat must move in American bottoms, you are going to raise the cost of all ocean transportation to your Government, and your Government today is employing several times as many ships regularly as is going to be necessary to move this wheat to Pakistan. If the American shipping interests are entitled to further subsidy, let them come in and openly tell us why and how much.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. JUDD. I merely wanted to add to what the gentleman said, when he said that the cost of transporting this wheat to Pakistan is roughly $26 per ton, that that is in dollars and in American bottoms.

Mr. POAGE. That is right, in American bottoms.

Mr. JUDD. But if it is transported in other ships that will take sterling, it will be about $12 or $13 a ton; is that not correct?

Mr. POAGE. That is right.

Mr. JUDD. Does the gentleman know of one American shipowner who will take sterling?

Mr. POAGE. No; I do not.

Mr. JUDD. Does the gentleman know any American shipowner who will take sterling let alone rupees?

Mr. POAGE. No; I do not.

I do not propose to confine this to the American shipowners. I propose to let the Pakistanians transport it any way they want to, whether it be in Japanese bottoms or whether they do it with Indian ships. They do exchange with India. They do sell jute to India and they can get Indian rupees. They can get the same transportation that India got. They can pay for it either in rupees or in sterling. When they pay for it, it will be something in the neighborhood of $12 million against an unknown astronomical figure if we have to pay for it, and carry the wheat in American bottoms.

Mr. SMITH of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. SMITH of Mississippi. Does the gentleman understand that the extra cost, if we pay for it at the normal rate for this shipping, would amount to a minimum of $5 million to the American taxpayers?

Mr. POAGE. Five million dollars. No; I understand it would be a very minimum, if rates stayed where they are today, of some $13 million for one-half the wheat. You cannot get it any lower than that even if you are able to hold ocean-shipping rates where they are today, and if you do not affect any other shipping. But I call the gentleman's attention to the fact that you are going to affect the price of every ton that moves from here to Japan. You are going to affect the price of all ocean shipping in American bottoms when you require even a part of this wheat to be carried by American ships.

Mr. SMITH of Mississippi. Further, this bill is an effort to help the people of Pakistan and not to help the American shipowners, is that not correct?

Mr. POAGE. Well, that depends on whose effort you are talking about. That is what some people have told you, and I do not blame you for understanding that. I wish I could believe that is all that is involved. I have listened to enough testimony from the shipowners to be thoroughly convinced that there are a lot of people who are more interested in what the American shipowners can get out of this than in what we can do for Pakistan.

Mr. SMITH of Mississippi. If we adopt the amendment, which the gentleman from Texas proposes to offer to the bill, we will come closer to doing something for the people of Pakistan than in providing a subsidy for the American shipowners, is that not correct?

Mr. POAGE. That is right. But if my amendment is adopted, as I hope it will be, I fear you will see a surprising loss of interest in this bill.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. JUDD. I am glad to have these recruits to this position because during the first 3 years that we had the foreign-aid bill, our former colleague the gentleman from West Virginia, Mr. Kee, and the gentleman from Ohio [Mr. VORYS], and I, for 3 years in succession combated the amendment to compel 50 percent of all our foreign aid to go in American bottoms. We thought that if we ought to have a subsidy for American shipping, we ought not to have it under the disguise of foreign aid. We were defeated every single year that the question came up until we had recruits like the gentleman from Texas who sided with us.

Mr. POAGE. If American shipping needs an additional subsidy, let us lay the cards on the table and tell the House how much of a subsidy it needs. Let us not give an unknown subsidy. Let us know how much it is. Maybe such a subsidy is justified, but let us at least decide that on its own merits. Let us not use our charity for hungry friends as an excuse to raise all ocean shipping rates.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. HARVEY].

Mr. HARVEY. Mr. Chairman, I was very much interested in the debate, particularly in the statements of my good friend, the gentleman from Texas. I want at this time also to assure him that I have confidence in his intentions. I think he is on the right track, but I also want to say I expect to support this bill. There is a great deal of reluctance, I know, in the minds of most of you as to how appropriately this action we are taking is going to be received, and whether there is an end in sight so far as we are concerned, and just how our generosity will be interpreted throughout the world. I am not going to dwell upon the principles that are at stake because they have been pretty well set forth, I

think, in the debate. I just want to talk briefly, in the limited time I have, about the question of shipping.

It seems to me that I inadvertently set off this firecracker myself in the committee when I drew the attention of the Mutual Security Director, Mr. Stassen, to the vagueness of the wording of the bill; that it was impossible to tell from the draft of the legislation who was expected to pay the shipping cost. We were very much interested, when we found from his testimony that the United States Government was expected to pay the shipping cost, in what it was going to cost. It was brought out during the course of the testimony that the cost would probably vary from $13 to $25 a ton, depending upon whether it was hauled in ships under the American flag or in those of other nations. That differential was due to the higher cost that our shipping experienced because of the higher wages that we pay to the men employed.

There is a great deal of justice, so far as the House is concerned, as I see it, in saying to the people of Pakistan, "We are going to pay for the wheat, and you folks can come and get it."

I am reminded of a little story that happened several years ago. This happened in my own town. One of my friends had the misfortune to suffer a fire loss. When the adjuster came to settle, they agreed upon the restoration of all of that part of the home that had been destroyed but he said in conclusion, "Now, we are not going to pay for the paint, because your house needed paint anyway." The fellow remonstrated, and said, "The paint is scorched, it looks bad, and it will have to be painted."

"Well," he said, "My insurance company will not pay for painting it."

The fellow scratched his head a minute, and he turned around to the adjuster and said, "Let me say this. When you get the bill for this restoration, you are not going to see the paint in the bill, but I can assure you, my friend, that the paint is going to be in the bill."

I am going to say to you Members of the House—and this is my own opinion—that regardless of what action you take here today, when it is finally finished the paint is going to be in our bill.

As I view it, it is a matter purely of policy. Actually, there are some physical factors involved. I doubt very much, due to the urgency with which this wheat must be delivered, that we can be adamant and say that it must all go in either non-American flag ships or in American flag ships. As Mr. COOLEY, I think it was, stated, there are about 100 ships going to be involved. But that would be in case they could take a full load. None of these ships, probably, should take a full load, or could. So several hundred ships inevitably are going to be involved.

There is urgency in getting this wheat to Pakistan. I do not believe the House should take hasty action. I believe that we should have, when we resume this bill tomorrow, and I expect as one Member to attempt to have, more definite information as to the possibility concerning what we can provide or what will be provided by way of shipping facilities to get this wheat there.

That is the No. 1 objective, to get the wheat there. I think it ill becomes the House to argue too deeply the question who is going to haul the wheat, if in the meantime the people over there do not get the wheat. To me that is the paramount issue. Other things are secondary.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOPE. I yield the gentleman 1 additional minute, Mr. Chairman.

Mr. HARVEY. So I say before we jump over the deep end so far as this amendment is concerned, let us have all the facts and information that are available and make sure in drafting and amending this legislation that we are not going to set up some impossible provisions that will negate the entire usefulness of what we do, and it will also have the great probability of undoing the great good that this humanitarian motive has behind it. Again I say to you that I expect to support this bill and I feel that when the House has concluded its deliberations the majority of you will agree that it is a thing that we need to do and should do.

Mr. COOLEY. Mr. Chairman, I yield the balance of my time, 4 minutes, to the gentleman from Georgia [Mr. WHEELER].

Mr. WHEELER. Mr. Chairman, when I come to the well of the House it is usually to ask questions; I do not feel much of the time that I can tell you anything, but I do like to ask some questions sometimes.

It appears to me insofar as the pending measure is concerned that if there is any justification on this globe for our giving anybody anything it is to give wheat to Pakistan, one of the leaders of the Moslem world. We succeeded not too many years ago in completely antagonizing about 400 million Moslems. We did that largely because the Moslem's enemies have kinfolks who vote in the United States elections and we sided with their enemies. But regardless of reasons for our doing that we did succeed in antagonizing roughly 400 million Moslems. Now, if we have wheat, and the testimony shows that we do have, that is going to waste, I feel that rather than do as we did in the case of potatoes—we made them unusable—that we can be justified perhaps in making this wheat available here in the United States for them to come get. The testimony shows that if they do pay for the transportation that they must use money that is acceptable in the sterling area. Perhaps if we give them some wheat for the ships that use sterling to haul, that those ships then can haul some of our wheat to Pakistan instead of hauling Red troops to Korea to kill our men.

There are a couple of questions I want to ask about this. One of the more serious questions has to do with policy. I was told originally, and there are some who still tell me, that the major consideration of this measure is a humanitarian one, that we are feeding starving people and that we are picking and choosing the starving people we feed in that we proposed to feed the starving who happen to be friendly to us. That was the assumption that I was proceeding upon until a witness speaking for the administration who had been head of the mission that was sent into Pakistan to examine into the need for this measure was establishing before the committee the humanitarian need for this legislation. I asked him if it was the administration policy to feed hungry people. He said, "Yes." I asked if it was the policy to feed hungry people, Communist or non-Communist. He said, "Yes." I said, "In or outside of Russia?" He said, "Yes.."

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

Mr. WHEELER. I yield.

Mr. HARVEY. I would just like to say in that respect that the gentleman to whom the gentleman now speaking referred was part of the commission that went over there, was head of the experimental staff at Purdue University and was not in any event charged with the determination of State Department policies.

Mr. WHEELER. Was I under a misapprehension? I was led to believe that he was speaking for the proponents of this amendment.

Mr. HARVEY. I just wish to correct the gentleman.

Mr. BELCHER. Mr. Chairman, if the gentlemen yields, I think if the gentleman will check up the hearings he will find that that gentleman said:

> I do not purport to speak for this policy of the State Department. As an individual I would.

I think you will find that is correct.

Mr. WHEELER. Perhaps that is true. I was given that information and until I check it my impression is that the policy now is to feed the hungry people regardless of their political ideology.

In conclusion, if we make this available, if it is a choice between making it available at American ports and letting the Pakistanians come and get it I will go along with that rather than dump it in the Hudson River.

Mr. HOPE. Mr. Chairman, I yield the remaining time on this side to the gentleman from Kentucky [Mr. GOLDEN].

Mr. GOLDEN. Mr. Chairman, when this bill was before our committee all the members on both sides of the aisle voted to report it out. In the debate so far there is an agreement in the minds of the Members of this body that some wheat should be given to Pakistan. There was no evidence in our committee opposing this bill. The sum total of the evidence can be found in the report where President Eisenhower states that the Pakistan nation is facing a famine and that they have called upon the people of America to avert that disaster.

I am not disturbed about making this gift to a starving people. We should do it. That is the primary reason for voting this bill out today. However, I am tremendously disturbed about the cost in addition to the giving of the wheat. The bill properly provides for adequate measures to supervise the distribution of this wheat and to see to it that the needy people of Pakistan get it. Your committee has written into the bill a provision that any person in Pakistan who needs it and cannot pay for it will

get it nevertheless and it also provides that there shall be adequate supervision on the part of the Pakistan Government by representatives of the United States to see that this wheat is properly distributed without any discrimination. The bill provides that the people of this country are to get credit for making this very magnanimous gift of practically $100 million to a needy people and a friendly people. They are our friends and they have proven to be our friends. We need their friendship in this great worldwide struggle. But if we go along and permit the Administrator of Mutual Security to pay for all of the transportation of this wheat across the seas, then that is another proposition.

It is true we now have 310 million bushels of surplus wheat. On July 1 we will have 500 million bushels and a year from this July we will have 700 million bushels. We have a great abundance of wheat, but we do not have an abundance of cash. If we adopt this measure, and I hope we will—I intend to vote for it—we have got to pay the expenses of gathering this wheat from the storage bins in America and placing it in shipping facilities either on the Atlantic or the Pacific coast. That is going to cost some money. If we also permit the Mutual Security Administrator to pay for the transportation to Pakistan, the evidence before our committee shows that we will have let ourselves in for another from $15 to $25 million. I think it is all right to give these people that wheat. I think it is a good thing also to get rid of some of our surplus. But I am going to go along with some of the members of this committee that think that the cost of transportation ought to be borne by the Pakistanian Government and the people that are getting the benefit of this great gift of $100 million worth of wheat.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. GOLDEN. I yield to the gentleman from North Carolina.

Mr. COOLEY. I would just like to ask the gentleman if he did not sponsor an amendment in committee which lost by a 9-to-9 vote dealing with this very matter we are discussing.

Mr. GOLDEN. Yes.

Mr. COOLEY. I would like to point that out so that the Members may know that that was in the minds of the members of the committee.

Mr. GOLDEN. I made that motion in committee and there were 9 for it and 9 against it. I think that if we give them the $100 million of wheat, they will manage some way to carry it over there.

The CHAIRMAN. The time of the gentleman from Kentucky has expired. All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That, notwithstanding the provisions of any other law, the Commodity Credit Corporation is authorized and directed to make available to the President out of wheat stocks acquired through price-support operations not to exceed 1 million long tons of wheat, during the period ending June 30, 1954, for transfer to the Government of Pakistan upon such terms and conditions as the President determines appropriate, of which 700,000 tons may be made available in order to alleviate starvation and mass suffering threatened by famine conditions in Pakistan and not to exceed 300,000 tons to provide such reserve supply as he may determine to be a necessary supplement to such emergency assistance. Commodity Credit Corporation shall deliver the wheat on board vessels in United States ports as directed by the President.

Mr. HOPE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore, Mr. HALLECK, having assumed the chair, Mr. ELLSWORTH, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 5659) to provide for the transfer of price-support wheat to Pakistan, had come to no resolution thereon.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate disagrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1081) entitled "An act to provide authority for temporary economic controls, and for other purposes."

The message also announced that the Senate further disagrees to the amendment of the House to the above-entitled bill and asked a further conference with the House on the disagreeing votes of the two Houses thereon, and ordered, that Mr. CAPEHART, Mr. BRICKER, Mr. BENNETT, Mr. BUSH, Mr. MAYBANK, Mr. FULBRIGHT, and Mr. ROBERTSON be the conferees on the part of the Senate.

SPECIAL ORDER GRANTED

Mr. PATMAN asked and was given permission to address the House today for 10 minutes, following any special orders heretofore entered.

H. R. 2236

Mr. BROYHILL. Mr. Speaker, I ask unanimous consent that the Clerk, in engrossing the bill H. R. 2236 be authorized to make the following change:

On page 4, line 2, change "5" to "6."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

ATOMIC ENERGY COMMISSION PROPOSALS ON ATOMIC POWER

The SPEAKER pro tempore. Under previous order of the House, the gentleman from California [Mr. HOLIFIELD] is recognized for 30 minutes.

Mr. HOLIFIELD. Mr. Speaker, Chairman Gordon Dean, of the Atomic Energy Commission, recently announced in a speech before the Edison Electric Institute, a trade association of private utilities, that an atomic breeder reactor had been successfully demonstrated. Members of the Joint Committee on Atomic Energy have known of this development since October 1952. While the announcement was hailed as a forward step in civilian power production from atomic energy, the journey toward that goal is still long and arduous.

Application of the breeder principle to practical use is extremely complicated and will require several years of further development. The breeder reactor, when finally perfected, will help solve the problem of hard-to-get, expensive source materials for atomic fission. By producing more atomic fuel than is burned, the breeding process ultimately will lessen our dependence on limited uranium ores, now largely imported, as the basic source of fissionable materials. However, the complex engineering and mechanical problems of converting heat energy, released by atomic fission, into economically usable electric power, still remain. And the crucial issues of public policy posed by industrial applications of atomic power likewise remain.

On June 1 I presented to the House a detailed analysis of atomic energy developments in relation to proposals for atomic power production by private industry. I urge the Members to read these remarks carefully, if they have not already done so. They will find that the possibilities of atomic power have been greatly exaggerated for self-serving ends.

Today I direct attention to policy statements on atomic power formulated by the Atomic Energy Commission. These have been mentioned frequently in recent newspaper accounts. They merit careful examination.

The Atomic Energy Commission has prepared for the consideration of other Government agencies and the Joint Congressional Committee on Atomic Energy certain policy statements and a draft of proposed new legislation in the atomic-energy field. These documents consist of, first, Preface to Statement of Policy on Nuclear Development; second, Statement of Policy on Nuclear Power Development; third, Description of Proposed Legislation; and, fourth, draft of an act to encourage the early development of the peacetime uses of atomic energy. Following are a summary and analysis of the above-listed policy statements. The proposed legislation will be analyzed in subsequent remarks.

PREFATORY STATEMENT SUMMARIZED

The preface to statement of policy contains five points:

First. Atomic power is technically feasible and there is widespread confidence as to its ultimate commercial practicability.

Second. Nuclear power, in the present state of technology, could not compete with conventional sources such as coal, oil, and hydropower; however, nuclear research to date has emphasized military needs, and if the specific aim of producing economic power is adopted, there is considerable optimism that it can be attained in a few years.

Third. The Commission judges it is time to announce a positive policy designed to recognize the development of economic nuclear power as a national objective; an important element of this policy is to promote and encourage free competition and private investment in development work, with the Government accepting certain responsibilities for furthering technical progress to provide a necessary basis for such development.

Fourth. Concluding that atomic power has not yet been developed to the point of economic use and that a report under section 7 (b) of the Atomic Energy Act is not timely, the Commission believes it imperative to create a favorable atmosphere to hasten that day. The United States should continue leadership in peacetime applications of atomic energy and not wait until circumstances force practical realization on a short-time scale. Note: Section 7 (b) of the Atomic Energy Act requires the Commission to report to the President and the Congress when the industrial uses of atomic energy are practical, such report to estimate the social, political, economic, and international effects of such use and to give the Commission's recommendations for necessary or desirable supplemental legislation.

Fifth. To this end, the Commission has endorsed a statement of policy as a basis of discussion with the executive agencies and the Congress.

POLICY STATEMENT SUMMARIZED

The Statement of Policy on Nuclear Power Development contains six points:

First. The Commission believes the attainment of economically competitive nuclear power to be a goal of national importance; this goal seems achievable in the foreseeable future if the Nation continues to support a strong development effort. To let leadership in nuclear power development slip out of American hands would be a major setback.

Second. Accordingly, the Commission recognizes its responsibility to continue research and development in atomic energy and to promote construction of experimental reactors advancing the power reactor art and leading to the design of economic units.

Third. The Commission also is convinced that progress toward nuclear power can be further advanced through participation of qualified outside groups in the development program.

Fourth. Recognizing the need for reasonable incentives to encourage wider participation, the Commission proposes seven moves: (a) Interim legislation to permit ownership and operation of nuclear power facilities by groups other than the Commission; (b) interim legislation to permit lease or sale of fissionable material under adequate security safeguards; (c) interim legislation permitting owners of reactors to use and transfer fissionable and byproduct materials not purchased by the Commission, subject to regulation in the interest of security and public safety; (d) such research and development work in Commission laboratories on specific power projects deemed warranted in the national interest; (e) more liberal patent rights as may seem appropriate to the Commission and consistent with existing law; (f) consideration of a progressively adjusted code for safety and exclusion area requirements; (g) progressively liberalized information policy in the power reactor field.

Fifth. The objective of this policy is to further the development of nuclear plants which are economically independent of Government commitments to purchase weapons-grade plutonium.

Sixth. The next few years are viewed as a development period looking toward the realization of practical nuclear power; therefore it is concluded that the time is not yet at hand for the report called for in section 7 (b) of the Atomic Energy Act.

COMMENTS ON AEC POLICY STATEMENTS

These policy statements prepared by the Atomic Energy Commission to explain why new legislation is being proposed are disarming. Taken at face value they seem moderate and eminently reasonable. Agencies or individuals not well acquainted with the Atomic Energy Act and Commission policies would be inclined to give them ready acceptance.

Careful perusal of the policy statements justifies the conclusion that they are lacking in candor. The highly controversial nature of the proposed legislative changes and the extremely difficult problems these would pose in practical operation are not even suggested. The outsider gets no inkling that a drastic redirection of national policy in atomic energy is implicit in the proposals.

The Commission speaks disarmingly of wider participation in nuclear-power development, but it does not come right out and say that it proposes to let private companies own fissionable materials and facilities for production of such materials, privileges now reserved by law to the Government. Fissionable materials are elements that go into the making of atomic weapons. Thus the proposed legislation would have the effect of putting private enterprise into the atom-bomb business.

The policy statements nowhere touch upon the exact relationship of fissionable material for weapons and fissionable material for atomic power. The Commission knows full well that nuclear reactors designed solely for the production of atomic power are too costly to be built now and for many years to come. In other words, atomic power cannot pay its own way. All proposals to date made by private utility or industrial companies for the development of atomic power offer only one avenue of feasibility—dual-purpose reactors producing plutonium for atomic weapons and byproduct power from the energy released in the fission process. These private companies want the law changed so that they can produce the plutonium in their own facilities, sell it profitably to the Government at set prices in a guaranteed market, and use this assured source of income to bring atomic power within economic reach.

Without explaining that private enterprise is demanding a Government-supported plutonium market as the condition for atomic-power development, the policy statement glibly avers that the Commission's objective is to make nuclear-power plants economically independent of Government commitments to purchase such plutonium. Here is a fine touch of dissimulation. The Commission is proposing changes in the law to make possible that which it disavows.

AEC HAS DISJOINTED POSITION

There is something remarkably disjointed in its position when the Commission asserts on the one hand that the time has come for declaring a positive policy on atomic power development and on the other hand that the time has not yet arrived for practical application of atomic energy in industrial fields. Why the sudden rush to formulate a new policy and to propose far-reaching changes in the legislation when economically feasible atomic power is still a fancy and not a fact? The blunt truth is that the Atomic Energy Commission is capitulating to the overzealous demands of industrial and utility spokesmen who seek special concessions to private industy in atomic affairs.

The Congress, anticipating that atomic energy ultimately would have practical value in industrial and other fields, specifically laid down a course of action to be taken by the Atomic Energy Commission when that time arrived. According to section 7 (b) of the Atomic Energy Act of 1946, the Commission, whenever it believes that any industrial, commercial, or other nonmilitary use of fissionable material or atomic energy has been sufficiently developed to be of practical value, shall prepare a report to the President and the Congress stating all the facts with respect to such use, estimating the social, political, economic, and international effects and making recommendations for necessary or desirable supplemental legislation. This same section provides that before the Commission can issue any license for manufacture, production, export, or use of atomic energy equipment or materials, a report must be submitted to the Congress 90 days in advance.

AEC SIDESTEPS CONGRESSIONAL INTENT

The congressional intent in section 7 (b) of the Atomic Energy Act is plain. Legislative changes would be considered when the practical value of atomic energy had been demonstrated and its economic and social effects more clearly indicated. The Commission sees fit to sidestep the procedures prescribed in this section by proposing far-reaching legislative changes far in advance of practical application. Furthermore the proposed new legislation would repeal the requirement that Congress be permitted to review the granting of licenses for industrial uses of atomic energy.

No one will disagree with the assertion that nuclear power development should be vigorously pushed and that the United States should maintain its leadership in this field. In announcing this laudable objective, however, the Commission artfully ties it to changes in the law sought by certain segments of private industry. The erroneous impression is given that the present law is holding back this development; that United States leadership will be lost unless legislative changes are made to give more incentives to private entry into the field of atomic power.

The fact of the matter is that the atomic energy legislation now on the statute books is fully adequate to promote industrial participation in atomic power development. Private firms can and do perform nuclear reactor research, design, and construction for the Government under contract, thereby acquiring valuable experience and know-how in atomic technology. They can undertake certain atomic activities on their own, if

licensed by the Commission. They are not required to have a license from the Commission to carry on private research or development relating to the manufacture of atomic equipment or the utilization of fissionable material.

As the law now stands, private firms cannot own fissionable material or the facilities—with certain exceptions—in which such material is produced. The Congress decided from the very start of the atomic program that the awful destructive power of the atom made exclusive Government ownership and control of bomb-making materials and facilities a necessity. No private individual or organization could be allowed to possess this means of mass destruction. National defense and security are still the paramount considerations in atomic energy development. Why, then, should this program be thrown off the track? Why should atomic progress be interrupted by tossing a monkey wrench of drastic amendment into the legislative machinery?

The Atomic Energy Commission has been criticized by some for not giving proper attention to the industrial possibilities of atomic energy. Whether this criticism is sound, whether the priority necessarily given to military defense requirements left no alternative, can be debated at another time. I emphasize here the fact that the atomic energy legislation under which the Commission operates, sets up no roadblocks to atomic power development. No provision of the law bars the Commission from proceedings with reactor research, design, and construction, by contract with private firms or through its own facilities, looking to the development of atomic power for industrial uses.

Indeed the Commission has contracted with a score of private firms on various phases of reactor development. The lessons learned in this experimental work will have great value and direct application in developing reactors for atomic powers. When the atomic-powered submarine becomes a reality in a few years, our scientists and engineers will know considerably more about the technology of atomic powerplants. Experiments on atomic-powered aircraft carriers and airplanes, if not halted by shortsighted budget cuts, likewise will contribute to progress in the atomic power field.

In sum, continued advance in reactor technology is not dependent on changes in the basic legislation but in full and vigorous use of the opportunities created by that legislation. Legislative wisdom consists in ready response to public problems that press for solution, not in veering from the proven course to chart the unknown future. When atomic power comes to the point of proving its practical use, there will be time enough to decide what new legislation is needed.

AEC DETOURS FROM PUBLIC ISSUES

In yielding to the clamor for legislative amendments at this time, the Atomic Energy Commission not only sidesteps the procedures prescribed in the Atomic Energy Act to govern consideration of the industrial uses of atomic energy; more important, it takes a detour from crucial issues of public policy in atomic power. If certain segments of private industry can preempt this field before the issues will have been carefully debated and resolved, then the public interest will suffer and the Atomic Energy Commission will have done a disservice to the country. Of course the Congress will be the final arbiter of the need for new legislation; nevertheless it has delegated to the Commission a continuing responsibility to guide atomic-energy development for the national welfare and to recommend legislative changes whenever necessary to more effectively carry out the objectives of the Atomic Energy Act. The Commission cannot evade its responsibility by dumping on the congressional table a hasty concoction of legislative ingredients served up to satisfy some of its clientele in private industry.

What are some of these issues of public policy from which the Atomic Energy Commission detours? We start with the fundamental fact that the $12 billion invested to date in the atomic program came entirely from the Public Treasury. Private industry along with all other groups and elements comprising the American public is entitled to a return from that investment. A cardinal principle of public investment is that the benefits must be distributed widely throughout the economy. What policies shall be formulated to guarantee an equitable distribution of the benefits of atomic power? The Commission has nothing to offer, except to open the door early in the game to private industry.

When the Federal Government undertook to make large investments in multipurpose projects for navigation, flood control, land reclamation and hydroelectric power, the Congress wrote into various laws the principle of wide distribution of benefits. The people of the United States did not propose that their Government build great power dams, for example, merely to benefit the managers and stockholders of private utilities. They were interested in reducing the costs of electricity to consumers, in bringing power to farms and homes in rural areas, in creating incentives for new power-using industries to spring up and expand job opportunities. In the TVA Act, in the Bonneville Act, in the Flood Control Act of 1944 and in other basic statutes the Congress formulated policies for the wide distribution of hydroelectric power.

Atomic energy development, also financed by the public, has no such guidelines. In future years, when atomic power becomes a reality and private industry a factor in atomic power generation and distribution, legislative safeguards to protect the public interest will be necessary. Private utilities, which never looked kindly on the development of public power resources, doubtless would prefer to foreclose that future by getting control of atomic power still unborn. In any event, the Atomic Energy Commission completely ignores the public interest considerations in atomic power policy. It blithely asks private industry, which would mean in practical effect a few big corporations, to do the job.

The Government now owns huge and costly facilities to produce plutonium for the atomic bomb stockpile. Under existing law the Government could proceed to develop atomic power in conjunction with plutonium production. By using such power to operate atomic installations or selling it to industrial users, the Government could lower the heavy costs of atomic weapons and lessen the tremendous drain of energy that atomic operations make on the economy.

Consider now the anomalous position which the Atomic Energy Commission takes in atomic power development. Instead of moving toward the production of atomic power in Government-owned plutonium plants, it proposes to let private companies take over the manufacture of plutonium, to be bought back by the Government, in order that these private companies might exploit the atomic power possibilities. Here is a case of the tail wagging the dog, and to attain this peculiar end the Commission proposes to turn the animal completely around.

The Commission speaks modestly of "interim legislation," as if the legislative changes it proposes are immediately necessary pending a comprehensive consideration of permanent legislation. More properly, these proposals could be dubbed "softening up" legislation. By permitting private ownership, use and transfer of fissionable materials and the facilities for producing them, the Commission's proposals would give selected private firms a strategic hold on atomic energy development. Then subsequent legislation loosening the patent provisions of the present law would follow as a matter of course.

I can only conclude that the Atomic Energy Commission has shown a startling lack of perspective in its legislative proposals for atomic power development. These proposals range so far ahead of the prospects for atomic power that we must seek their motivation in sources other than the desire to meet problems of pressing importance.

(Mr. HOLIFIELD asked and was given permission to revise and extend his remarks and include extraneous matter.)

EXTENSION OF DEFENSE PRODUCTION ACT—VERY IMPORTANT VOTE COMING UP

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 10 minutes.

Mr. PATMAN. Mr. Speaker, a few days ago the House adopted the conference report agreeing to an extension for 2 years of the Defense Production Act. As a part of that report, one provision includes the creation and establishment of a Small Business Administration. I opposed that part of the bill as it passed the House for the reason that the Small Business Administration was a new agency which was intended to take the place of two existing agencies, the Small Defense Plant Administration and the Reconstruction Finance Corporation; and that the agency proposed, the Small Business Administration, was entirely too weak in the amount of capital stock provided for it, and insofar as the provision

is concerned with reference to the total amount of loan that an applicant could receive to be effective in helping the small-business concerns of the United States.

The other body this afternoon refused, by a vote of 47 to 42, to adopt the same conference report that the House adopted last week, and asked that new conferees be appointed on the part of the House. The Senate conferees are instructed to vote to strike out the proposed Small Business Administration and to provide instead an extension of the Small Defense Plant Administration.

SENATE PROPOSAL SHOULD BE ADOPTED—PREFERENTIAL MOTION TO BE MADE

It is my considered opinion that the Senate's proposal should be adopted. The message came over from the Senate about 30 minutes ago, and I assume that the question will be taken up tomorrow, or very soon. When it is, I expect to offer a preferential motion to instruct the House conferees to agree to the Senate proposal. I sincerely hope that the House will adopt that motion, because the small business concerns all over this country deeply resent the action of the House in passing such ill-considered legislation to take the place of such good organizations as the Small Defense Plant Administration and the RFC. The other body I think is exactly right about it and I hope that this preferential motion will prevail.

LITTLE MAN BACKBONE OF COUNTRY

I think the little man in this country is receiving too little consideration. After all, it is the little people who really build this country in time of peace. It is the little people who furnish the manpower to save our country in time of war. It is the little people in every community and every town and every city who support the civic, the religious, the patriotic, and all other constructive organizations. They build the little community, or the town, or the city. They are the backbone of American life and the backbone of the American economy. We cannot get along without them, and we should not discourage the little man; we should give him every proper aid and encouragement.

NO SPECIAL FAVORS ASKED FOR THE LITTLE MAN

We should not fail to give him the consideration that he is entitled to receive. The little man is not asking for any special privileges or any special favors or any special advantages. The little man is asking for equality of opportunity only, just equal rights and equal privileges.

He is asking that the supplier of manufactured goods who sells to him, the little man, and who sells to his big competitor across the street—he is asking that that supplier, who has selected him as a customer, to sell the supplier's goods in that locality, be required to give him—that little man—the same price, under the same circumstances, for the same quantity, that he is giving to the big man across the street under similar and like circumstances. That is all in the world the little man in America is asking for. Certainly that is not asking for too much.

Who would want to give him less than that? That is all in the world he wants.

NOT FIGHTING THE BIG MAN

He does not want any advantage over the big man; he is not fighting the big man; I am not fighting the big man. I know there is a place in America for big business and little business too, but there is no place in America to allow a big man because he is big to be a racketeer or Captain Kidd in business and industry and ruthlessly destroy his honest legitimate little competitor whether in manufacturing or distribution. There is no place in America for these few Captain Kidds in industry and we should restrain them. The little man is entitled to that protection.

POLITICAL APPEAL SHOULD BE DISREGARDED

I hope that when this question comes up that you will vote with the little man and agree to the Senate provision, because it is in the interest of the little man. I appreciate the great appeal made to our colleagues, the distinguished Members on the Republican side, to vote against the Senate amendment because if they create a new agency there will be a lot of new jobs to fill. Patronage enters into this thing, patronage enters into it. But do not sacrifice the little man on the altar of patronage. I hope you do not do it. That is doubtless the reason in the minds of some, in and out of Government for creating a new agency now instead of extending the Small Defense Plants Administration or the RFC: So there will be lots of jobs and lots of new appointments.

ALWAYS BIPARTISAN HERETOFORE

The small business legislation in the House of Representatives has always been on a bipartisan basis supported by both Democrats and Republicans, and I hope that bipartisanship continues. The distinguished gentleman from Indiana [Mr. HALLECK], who is now presiding as Speaker of this House and who is the majority leader of this House has had a lot to do with the passage of constructive legislation for the little man. For a period of years it has been my privilege and pleasure to work with him, and we have placed upon the statute books a number of good laws, not on a partisan basis, but on a bipartisan basis. The Small Defense Plants Administration law was placed upon the statute books by reason of a bill sponsored by the gentleman from Indiana and myself. We asked others to join with us in sponsoring it, and more than a majority of the Members of this House joined with us in sponsoring that bill; and every bill that has been passed for the last fifteen or more years, to my knowledge, to help small business concerns has been passed on a bipartisan basis. So I hope that now when really the plight of the small businessman is great—it is terrible—we shall not sacrifice that bipartisan sponsorship and go on to a partisan political patronage basis. I do not believe that the distinguished Members on the Republican side will do that. I believe they will continue on a nonpartisan basis as they have in the past in helping us pass a law that will be beneficial and helpful and in accordance with what the small business concerns are entitled to have.

PARAMOUNT QUESTION, THE LITTLE MAN

If this comes up tomorrow, or whenever it comes up, I hope the Members of this House will consider a paramount question, the little man, small business, and vote strictly on what will be best for the little man and not consider for a moment the sordid suggestion that there are a lot of jobs in this new agency and that the Republican Members should vote for the new agency because they can have a lot of jobs to be filled. We do not want to sacrifice the little man for jobs. I do not believe our good friends on the Republican side are going to do it either; I hope not.

(Mr. PATMAN asked and was given permission to revise and extend his remarks and include extraneous matter.)

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Appendix of the RECORD, or to revise and extend remarks, was granted to:

Mr. SMITH of Wisconsin in two instances and to include extraneous matter.

Mr. BENTLEY and to include a newspaper article.

Mr. CLARDY in two instances and to include extraneous matter.

Mr. DORN of New York.

Mr. FARRINGTON in three instances and to include extraneous matter.

Mr. BOW and to include extraneous matter.

Mr. HILLINGS in five instances and to include extraneous matter.

Mr. YOUNGER and to include a speech by Mr. Lewis B. Lundberg, notwithstanding the fact that the additional cost will be $189.

Mr. RODINO (at the request of Mr. HOLIFIELD).

Mr. THOMPSON of Texas and to include an editorial.

Mr. SMITH of Mississippi in four instances and to include extraneous matter.

Mr. MADDEN and to include an editorial.

Mr. DORN of South Carolina and to include an editorial from the Times-Herald on Gen. Charles B. Summerall.

Mr. HIESTAND in three instances, in each to include extraneous matter.

Mr. DAVIS of Wisconsin and to include extraneous matter.

Mr. LAIRD in two instances and to include extraneous matter.

Mr. BURDICK in three instances and to include an address by the commander of the American Legion, a resolution of the American Legion, and a newspaper column in reference to the Honorable SAM RAYBURN.

Mr. MCCULLOCH.

Mr. WOLVERTON in eight instances and to include extraneous matter.

Mr. ALLEN of Illinois and to include an address by Hon. JOSEPH W. MARTIN, JR., Speaker of the House of Representatives, at the commencement exercises of the Babson Institute of Business Administration.

Mrs. ROGERS of Massachusetts and to include a brief statement regarding the progress of hearings of the Subcommittee on Veterans' Hospitalization of the Committee on Veterans' Affairs.

Mr. RADWAN and to include an editorial.

Mr. CANFIELD and to include a letter and a statement.

Mr. MAILLIARD (at the request of Mr. ARENDS) and to include extraneous matter.

Mr. BENDER in five instances.

Mr. THOMPSON of Louisiana (at the request of Mr. WILLIS).

Mr. SIEMINSKI in two instances and to include extraneous matter.

Mr. O'BRIEN of Illinois and to include extraneous matter.

Mr. KLUCZYNSKI and to include extraneous matter.

Mr. MULTER (at the request of Mr. BARRETT).

Mr. GARMATZ (at the request of Mr. BARRETT).

BILLS PRESENTED TO THE PRESIDENT

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 1434. An act to amend the act of February 24, 1925, incorporating the American War Mothers;

H. R. 2113. An act to amend the act incorporating the American Legion so as to redefine (a) the powers of said corporation, (b) the right to the use of name "The American Legion" and "American Legion";

H. R. 2456. An act to amend the act of October 11, 1951, authorizing the President to proclaim regulations for preventing collisions at sea, and for other purposes; and

H. R. 5009. An act to prohibit the introduction or movement in interstate commerce of articles of wearing apparel and fabrics which are so highly flammable as to be dangerous when worn by individuals, and for other purposes.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. WIGGLESWORTH (at the request of Mr. HESELTON) for 1 week, on account of illness.

Mr. CHARLES A. WOLVERTON, chairman of the House Committee on Interstate and Foreign Commerce, requests leave of absence of Mr. PETER F. MACK, JR., and Mr. ROBERT HALE, from June 17, 1953, indefinitely on account of attendance at Brighton, England, as representatives of the United States at the annual meeting of the supreme body of International Civil Aviation Organization, known as ICAO, being the seventh session of the assembly, an organization which deals with policy problems regarding ICAO's technical, economic, and administrative work.

ADJOURNMENT

Mr. CANFIELD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 21 minutes p. m.) the House adjourned until tomorrow, Tuesday, June 23, 1953, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

795. Under clause 2 of rule XXIV, a letter from the Comptroller General of the United States, transmitting a report on the audit of Veterans Canteen Service for the fiscal year ended June 30, 1952, pursuant to the act of August 7, 1946 (38 U. S. C. 13f) (H. Doc. 191); referred to the Committee on Government Operations, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. REES of Kansas: Committee of Conference. H. R. 4654. A bill to provide for the exemption from the Annual and Sick Leave Act of 1951 of certain officers in the executive branch of the Government, and for other purposes (Rept. No. 629). Ordered to be printed.

Mr. KEATING: Committee on the Judiciary. H. R. 116. A bill to amend title 18, United States Code, so as to prohibit the transportation of fireworks into any State in which the sale of such fireworks is prohibited; with amendment (Rept. No. 632). Referred to the House Calendar.

Mr. HOFFMAN of Michigan: Committee on Government Operations. House Joint Resolution 264. Joint resolution providing for the taking effect of Reorganization Plan No. 6; without amendment (Rept. No. 633). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOFFMAN of Michigan: Committee on Government Operations. H. R. 5645. A bill to put into effect certain provisions of Reorganization Plan No. 6 of 1953; without amendment (Rept. No. 634). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CELLER: Committee on the Judiciary. H. R. 3631. A bill for the relief of Dorothy Sonya Goldschmidt; without amendment (Rept. No. 630). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. House Concurrent Resolution 110. Concurrent resolution favoring the granting of the status of permanent residence to certain aliens; without amendment (Rept. No. 631). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HAGEN of Minnesota:

H. R. 5876. A bill to provide for the construction of flood-control and hydroelectric dams on the Red Lake River, Minn.; to the Committee on Public Works.

By Mr. JENKINS:

H. R. 5877. A bill to amend certain administrative provisions of the Tariff Act of 1930 and related laws, and for other purposes; to the Committee on Ways and Means.

By Mr. LONG:

H. R. 5878. A bill to provide more efficient dental care for veterans entitled to receive dental benefits under laws administered by the Veterans' Administration; to the Committee on Veterans' Affairs.

By Mr. LOVRE:

H. R. 5879. A bill to promote the rehabilitation of the Sisseton-Wahpeton Sioux Tribe of Indians and better utilization of the resources of the Sisseton Reservation, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SIKES:

H. R. 5880. A bill relating to the tax treatment to be afforded under section 117 (j) (3) of the Internal Revenue Code in certain cases involving the sale, exchange, or conversion of land with unharvested crops thereon; to the Committee on Ways and Means.

By Mr. SMITH of Mississippi:

H. R. 5881. A bill to repeal the manufacturers' excise tax on rebuilt automotive parts and accessories; to the Committee on Ways and Means.

By Mr. MARTIN of Iowa:

H. R. 5882. A bill to amend section 24 (c) of the Internal Revenue Code so as to allow certain deductions for expenses incurred and interest accrued; to the Committee on Ways and Means.

By Mr. REED of Illinois:

H. R. 5883. A bill to amend section 2680 (j) of title 28, United States Code, so as to permanently exclude claims arising out of combatant activities from the Federal Tort Claims Act and the jurisdiction of the United States district courts; to the Committee on the Judiciary.

By Mrs. CHURCH:

H. Res. 297. Resolution opposing the admission of Communist China to membership in the United Nations; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By Mrs. CHURCH: Memorial of the 68th General Assembly of the State of Illinois urging that the United States Congress remove the excise tax from stencil-cutting machines due to the fact that such tax has put an unfair burden on the salability of this machine which must compete with other forms of freight marking on which there is no excise tax; to the Committee on Ways and Means.

By Mr. HESELTON: Resolutions of the State Senate of Massachusetts urging the Congress of the United States to render all possible aid to the stricken Worcester area of the Commonwealth; to the Committee on Appropriations.

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to permitting recipients of aid to the aged to earn $50 per month in addition to such aid; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Montana, memorializing the President and the Congress of the United States relative to transmitting an authenticated copy of an interstate civil defense compact between the State of Montana and the States of Delaware, New York, New Hampshire, Texas, New Jersey, Pennsylvania, California, Rhode Island, Arizona, Nevada, Vermont, Connecticut, Florida, South Dakota, Colorado, Oklahoma and Wyoming; to the Committee on Armed Services.

Also, memorial of the Legislature of the State of Montana, memorializing the President and the Congress of the United States requesting the enactment of the necessary legislation for the appropriation of funds for the Bureau of Reclamation for the compensation of the Crow Indians for the dam site and storage area, and the immediate beginning of the construction of the Yellowtail Dam located in Big Horn County in Southern Montana; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOGGS:

H. R. 5884. A bill for the relief of Alberto Hugo Landry; to the Committee on the Judiciary.

By Mrs. CHURCH:

H. R. 5885. A bill for the relief of John G. Johnson; to the Committee on the Judiciary.

By Mr. SIMPSON of Illinois:

H. R. 5886. A bill to amend the act entitled "An act to incorporate the American University," approved February 24, 1893, so as to vest supervision of the American University in the board of education of the Methodist Church, and for other purposes; to the Committee on the District of Columbia.

By Mr. WALTER:

H. R. 5887. A bill for the relief of George Michael Jabour; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

355. By Mr. SMITH of Wisconsin: Resolution of the Estonian, Latvian, and Lithuanian Americans of the city of Racine, Wis., that an appeal be made to the Government of the United States and to the Members of Congress to respond to the demands of our times by giving coordinate leadership to the democratic forces in Europe and Asia aspiring to peace, justice, and freedom; and that House Resolution 231 submitted by Hon. CHARLES KERSTEN be used as a powerful weapon in the psychological warfare against international communism and finally that gratitude be expressed to the Government of this country for maintaining diplomatic relations with the Governments of Estonia, Latvia, and Lithuania and for favorable attitudes toward the causes of the independence of these nations; to the Committee on Foreign Affairs.

356. By the SPEAKER: Petition of Rev. Oswald Blumit and others, Wollaston, Mass., relative to the Soviet Communist terrorist movement in Latvia, Estonia, and Lithuania whereby they arrested thousands of men, women, and children and deported them to Siberia and other remote parts of Arctic Russia, and stating that any peace settlement without restoration of liberty and independence for them would be a travesty on international morality, law, and justice; to the Committee on Foreign Affairs.

357. Also, petition of the National Assembly, Republic of Korea, relative to stating in the name of the Korean people their denouncement of the conditions of the truce being concluded without achieving the purpose of the United Nations forces; to the Committee on Foreign Affairs.

SENATE

TUESDAY, JUNE 23, 1953

(Legislative day of Monday, June 8, 1953)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal God, whose glory the heavens and the earth declare and whose garments vast and white we touch in all truth, all beauty, all goodness: We are grateful that Thou dost bend so close to our frail mortality that at the altar of prayer spirit with spirit may meet. Though our upturned faces are shadowed by earth's tragedy, we lift them in faith to the light that no darkness can put out. Praying for grace to make us worthy of so momentous a time, our intercession rises for our Nation, its President, the Congress and all who influence its policies, and for the whole body of the people, that the fearful sacrifice now being poured out to preserve freedom may not end in the disillusionment of mankind's hopes and the despair of our children after us. Give to us peace in our time, O Lord, a just and a righteous peace. We ask it in the dear Redeemer's name. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., June 23, 1953.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. PRESCOTT BUSH, a Senator from the State of Connecticut, to perform the duties of the Chair during my absence.

STYLES BRIDGES,
President pro tempore.

Mr. BUSH thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Monday, June 22, 1953, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 1839. An act to amend section 32 of the Fire and Casualty Act, so as to provide that an agent or solicitor may secure a license to solicit accident and health insurance in the District of Columbia under that act without taking the prescribed examination, if he is licensed under the Life Insurance Act; and

S. 2032. An act to modernize the charter of Washington Gas Light Co., and for other purposes.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 2236. An act for the establishment of a Commission on Area Problems of the Greater Washington Metropolitan Area;

H. R. 2582. An act to amend section 12 of chapter V of the act of June 19, 1934, as amended, entitled "An act to regulate the business of life insurance in the District of Columbia"; and

H. R. 5805. An act making appropriations for the legislative branch and the judiciary branch for the fiscal year ending June 30, 1954, and for other purposes.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore of the Senate:

H. R. 2347. An act to permit continued exercise until 6 months after termination of the national emergency proclaimed December 16, 1950, or until such earlier date as may be established by concurrent resolution of Congress, of certain powers, relating to preferences or priorities in the transportation of traffic, under sections 1 (15) and 420 of the Interstate Commerce Act; and

H. R. 4238. An act to provide for the naturalization of persons serving in the Armed Forces of the United States after June 24, 1950.

LEAVE OF ABSENCE

On his own request, and by unanimous consent, Mr. POTTER was excused from attendance on the sessions of the Senate for the remainder of the week.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. KUCHEL, and by unanimous consent, the Committee on Foreign Relations was authorized to meet during the session of the Senate today.

On request of Mr. CASE, and by unanimous consent, the Committee on Interior and Insular Affairs was authorized to meet today during the session of the Senate.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that immediately following the quorum call, and prior to the operation of the unanimous-consent agreement which was entered into yesterday, there may be a morning hour to permit Senators to introduce bills and joint resolutions and to transact other routine business, under the usual practice of a 2-minute limitation on speeches.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

CALL OF THE ROLL

Mr. KNOWLAND. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Clements	Green
Anderson	Cooper	Griswold
Barrett	Cordon	Hayden
Beall	Daniel	Hendrickson
Bennett	Dirksen	Hennings
Bricker	Douglas	Hickenlooper
Bridges	Duff	Hill
Bush	Dworshak	Hoey
Butler, Md.	Ellender	Holland
Butler, Nebr.	Ferguson	Humphrey
Byrd	Flanders	Hunt
Capehart	Frear	Jackson
Carlson	George	Jenner
Case	Gillette	Johnson, Tex.
Chavez	Goldwater	Johnston, S. C.

Kefauver	McCarthy	Smathers
Kennedy	McClellan	Smith, Maine
Kerr	Millikin	Smith, N. J.
Kilgore	Monroney	Sparkman
Knowland	Morse	Stennis
Kuchel	Mundt	Symington
Langer	Neely	Taft
Lehman	Pastore	Thye
Long	Payne	Tobey
Magnuson	Potter	Watkins
Malone	Purtell	Welker
Mansfield	Robertson	Wiley
Martin	Russell	Williams
Maybank	Saltonstall	Young
McCarran	Schoeppel	

Mr. SALTONSTALL. I announce that the Senator from New York [Mr. IVES] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

Mr. CLEMENTS. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from Tennessee [Mr. GORE], and the Senator from Colorado [Mr. JOHNSON] are absent on official business.

The Senator from Arkansas [Mr. FULBRIGHT] is absent by leave of the Senate.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

The Senator from North Carolina [Mr. SMITH] is necessarily absent.

The ACTING PRESIDENT pro tempore. A quorum is present.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following communication and letters, which were referred as indicated:

PROPOSED SUPPLEMENTAL APPROPRIATION, DISTRICT OF COLUMBIA (S. Doc. No. 54)

A communication from the President of the United States, transmitting a proposed supplemental appropriation for the District of Columbia, fiscal year 1954, in the amount of $32,615, in the form of an amendment to the budget for said fiscal year (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

REPORT ON SOIL SURVEY AND LAND CLASSIFICATION, KENNEWICK DIVISION, YAKIMA PROJECT, WASHINGTON

A letter from the Assistant Secretary of the Interior, reporting, pursuant to law, that an adequate soil survey and land classification has been made of lands to be served by the Kennewick Division, Yakima project, Washington (with an accompanying paper); to the Committee on Interior and Insular Affairs.

AUDIT REPORT ON VETERANS' CANTEEN SERVICE

A letter from the Comptroller General, transmitting, pursuant to law, an audit report on the Veterans' Canteen Service for the fiscal year ended June 30, 1952 (with an accompanying report); to the Committee on Government Operations.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. KNOWLAND, from the Committee on Appropriations:

H. R. 5376. A bill making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1954, and for other purposes; with amendments (Rept. No. 456).

AMENDMENT OF NATIONAL HOUSING ACT—REPORT OF A COMMITTEE (REPT. NO. 455)

Mr. CAPEHART. Mr. President, from the Committee on Banking and Currency, I report favorably, with an amendment, the bill (S. 2103) to amend the National Housing Act and other laws relating to housing. The bill was unanimously ordered reported. I ask unanimous consent that the committee may have up to midnight tonight to submit the report.

The ACTING PRESIDENT pro tempore. The bill will be placed on the calendar; and, without objection, the committee is given until midnight tonight to submit the report.

ADDITIONAL EXPENDITURES BY COMMITTEE ON APPROPRIATIONS—REPORT OF A COMMITTEE

Mr. BRIDGES, from the Committee on Appropriations, reported an original resolution (S. Res. 121) authorizing additional expenditures by the Committee on Appropriations; and, under the rule, the resolution was referred to the Committee on Rules and Administration, as follows:

Resolved, That the Committee on Appropriations hereby is authorized to expend from the contingent fund of the Senate, during the 83d Congress, $10,000 in addition to the amount, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES, RELATING TO CONTROL OF COLLECTION AND USE OF FOREIGN CURRENCIES BY FEDERAL AGENCIES

Mr. BYRD. Mr. President, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I request unanimous consent to insert in the body of the RECORD a brief report on the subject of Control of Collection and Use of Foreign Currencies by Federal Agencies.

I believe Members of Congress and the public generally will find this report to be extremely interesting. The factual material on which it is based is to be found in the three appendix tables following the conclusion of the text.

The magnitude of the sums involved is summarized in appendix A on page 4. It shows that in the fiscal year beginning next month Federal agencies will collect currencies totaling the equivalent of $966.6 million—includes an $84.6-million carryover—and will spend the equivalent of $2.2 billion in foreign currencies. The deficiency would be purchased with American tax dollars.

The same table shows that under practices of the past $858.7 million of these expenditures would be made outside of budgetary control and without consideration by the Appropriations Committees. Congress last year, in section 1415 of the 1953 Supplemental Appropriation Act, adopted the policy of submitting these expenditures to the Appropriations Committees for approval and subjecting them to budgetary control. Effort has been made this year in both the January budget recommendations and in the subsequent budget revisions to implement this policy.

Appendix B shows the various agencies which collect foreign currencies, the sources of foreign currency receivables, and the estimated amounts to be collected in the coming fiscal year.

Appendix C shows the various agencies which have been spending foreign currencies outside of appropriation and budgetary control, the programs under which such expenditures have been made, the source of the currencies, and the amount which would be spent outside of control during the coming year unless the new policy is applied.

The figures in these tables were submitted to the Bureau of the Budget by the agencies involved for the development of the 1954 budget recommendations.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

CONTROL OF COLLECTION AND USE OF FOREIGN CURRENCIES BY FEDERAL AGENCIES

The purpose of this report by the Joint Committee on Reduction of Nonessential Federal Expenditures, under authority of section 601 of the Revenue Act of 1941 (55 Stat. 726), is to present as factually as possible the budgetary aspects of the collection and use of foreign currencies and credits owned to and owned by the United States Government.

SUMMARY

The contents of the report may be summarized as follows:

1. Collection and use of foreign currencies are not new to budgetary consideration, but their importance has been vastly increased by expansion incident to World War II and postwar foreign assistance programs;

2. Under recent practice and confusion collections have been bypassing the Treasury and expenditures have been made outside of budgetary, appropriation, and accounting controls, with the result that payments on receivables due the United States from foreign nations cannot be accurately accounted for, maximum utilization of the currencies available in conformance with international agreements and the national policy cannot be assured, and unnecessary expenditure of American tax dollars is being required to purchase foreign currencies to meet authorized needs; and

3. Fiscal, budgetary, and accounting control over collection and use of foreign currencies are the objectives of a policy adopted by Congress a year ago and the recommendations to implement it which characterized both the January 1953 budget presentation and the subsequent revisions.

GROWTH AND CONTINUATION

Prior to World War II, transactions in foreign currencies by the United States Government were limited to expenditures from the Treasury to purchase them for defraying expenses abroad of diplomatic establishments, and the collection of consular fees abroad which, converted into dollars, were deposited in the Treasury as miscellaneous receipts.

War requirements tremendously increased the Government's foreign-currency transactions, and now in terms of dollars it is estimated that postwar foreign assistance programs in fiscal year 1954, beginning July 1, 1953, will require the use of foreign currencies totaling more than $2.2 billion.

This vast expansion in the Government's use of foreign currencies started with the Lend-Lease Act of 1941, and was continued by later war requirements, the Surplus Property Act of 1944, the Foreign-Aid Acts of 1947, the Economic Cooperation Act of 1948, the Mutual Security Acts of 1952 and 1953, along with other postwar foreign-assistance programs, such as the Greek-Turk, etc.

Current Federal programs will require not only continuing use of foreign currencies by United States agencies abroad, but also the collection of them in large volume.

REVENUE AND EXPENDITURE

As of June 30, 1952, amounts due the United States from foreign nations under programs to that date totaled $784 million. The amounts due now are greater. Collections on these receivables, during fiscal years 1953, 1954, and subsequently, are fiscal assets of this Nation which are just as valid as receivables due the Government from any other source of revenue.

Since foreign currencies collected by all Government agencies represent real Government receipts, comparable to receipts from any other source, they properly should be subject to the same fiscal and budgetary controls which govern normal dollar receipts to the Federal Treasury. By the same token, normal budgetary, appropriation, and accounting controls should be applied to their use [expenditures].

OUTSIDE NORMAL CONTROLS

Under practices and confusion concerning these foreign currencies and credits which have developed in recent years, they have been both collected and spent in large measure outside budgetary and accounting control. Until all of these funds are processed through the Treasury and subjected to normal budgetary, appropriation, and accounting control, there can be neither an accounting of the payments by foreign nations to the United States in compliance with their agreements, nor assurance that they are used in conformance with either the specific international agreements involved or the policies of the United States in general.

In this situation the real value of receipts from these sources frequently has been discounted, and they have been used to finance activities abroad in a manner to bypass the standard requirements for deposit of revenue in the Treasury and the orthodox procedures for justifying appropriations for expenditure. For example: according to the report of the Comptroller General of the United States of March 4, 1953, foreign currencies collected in the name of the United States were used to pay for maid services provided in some of the military and civilian quarters abroad.

TAXES FINANCE DEFICIENCY

Actually, in the present world situation, the United States has important program requirements for more of these foreign currencies than are available to it through current collections under its foreign programs. This means it will be necessary to purchase the deficiency with taxpayers' dollars. With the current necessity for deficit financing, the need for holding the use of tax revenue for this purpose to a minimum, and the most provident use of available foreign currencies, subject to all normal budget control, is obvious.

INADEQUACY OF RECORDS

Due to lack of control and completely inadequate documentation of both collections and use of foreign currencies, it is now impossible for Federal agency records to estimate accurately foreign currencies available at any time. Figures in this report and its appendixes must be regarded with this qualification in view, but they have been compiled from the best agency data available to indicate volume.

Subject to this qualification, appendix A indicates foreign currencies available during fiscal year 1954, beginning July 1, 1953, from past and present United States programs will total approximately $1 billion; requirements for use of foreign currencies under 1954 program projections will total approximately $2¼ billion; and the deficiency to be purchased with American tax dollars will be approximately $1.3 billion.

POLICY AND IMPLEMENTATION

Both the budget recommendations submitted in January and the subsequent revisions were designed to implement the policy adopted by Congress in section 1415 of the Supplemental Appropriation Act of 1953. The objectives of the policy and the implementation were to recognize foreign currencies and credits owed to and owned by the United States as fiscal assets of the Government; to establish adequate fiscal and budgetary control over their collection and expenditure; and to assure maximum utilization for approved program use.

This would require that foreign currencies, when collected, be deposited in the Treasury just as all other receipts of the Government, and that expenditures requiring the use of foreign currencies be authorized in accordance with usual dollar appropriation procedures.

Agencies using foreign currencies in lieu of dollars for settlement of accounts abroad would purchase the currencies from the Treasury with appropriations enacted by Congress for this purpose.

EFFECT ON DEFICIT

While this procedure might technically increase the so-called total of "appropriations" enacted by Congress, it would not increase the estimated deficit because appropriations for this purpose would become Treasury receipts of equal amount when the currencies are purchased.

Reduction in the estimated deficit, as a result of this procedure, would be determined by the extent to which budget recommendations for foreign-currency-use programs are rejected, just as in any other recommendations.

DETAIL IN APPENDIXES

More detailed information with respect to collection and use of foreign currencies follows in appendix A, Foreign Currency Availability and Requirements, Fiscal Year 1954; appendix B, Estimated Collections of Foreign Currencies During Fiscal Year 1954, by Collecting Agencies and Major Sources; and appendix C, Estimated Program Requirements Previously Financed by Foreign Currencies Without Purchase From Dollar Appropriations, Outside of Budgetary Control, Fiscal Year 1954.

APPENDIX A

Foreign currency availability and requirements, fiscal year 1954

[Expressed in terms of United States dollars]

EXCLUSIVE OF TRUST TRANSACTIONS

Balance on hand at start of year available to meet program requirements (July 1, 1953	$84,617,239
Estimated collection of foreign currencies during the year (appendix B):	
Department of Defense: Intergovernmental defense agreements	674,645,597
Mutual security program agencies	141,097,238
Treasury Department: Sales of surplus property abroad	57,170,300
All other	9,068,868
Total collections	881,982,003
Total availability	966,599,242
Estimated program requirements previously financed by foreign currencies without purchase from dollar appropriations, outside of budgetary control (appendix C):	
Department of Defense	674,645,597
Mutual Security Program	141,097,238
Department of State	36,759,791
All other	6,228,000
Total	858,730,626
Additional estimated requirements for foreign currencies previously acquired by purchase from dollar appropriations subject to budgetary control	1,382,732,687
Total estimated program requirements	2,241,463,313
Excess of program requirements over total availability	1,274,864,071

APPENDIX B

Estimated collections of foreign currencies during fiscal year 1954, by collecting agencies and major sources

[Expressed in terms of United States dollars]

Collecting agency	Source	Amount
Treasury Department	Collections of receivables due from foreign nations for aid granted under the Lend-Lease Act of 1941	2,050,000
	Payments pursuant to settlements under the Surplus Property Act of 1944, as amended	57,170,300
	Interest payments on deposits with banks in foreign countries	98,528
State Department	Consular fees	3,523,225
	Income from governmental operations in occupied areas of Germany and Austria	3,397,115
Department of Defense	Contributions of foreign nations in accordance with intergovernmental defense agreements (e. g. Germany and Japan)	674,645,597
Mutual security program agencies	Economic cooperation 10 percent counterpart payments under authority of sec. 115 (b) (6) of the Economic Cooperation Act of 1948	141,097,238
	Contributions of foreign nations for military assistance	
	Contributions of foreign nations for economic and technical assistance	
Total		881,982,003

APPENDIX C

Estimated program requirements previously financed by foreign currencies without purchase from dollar appropriations, outside of budgetary control, fiscal year 1954

[Expressed in terms of United States dollars]

Agency and program	Statutory authority for use	Source	Amount
State Department:			
International information and educational activities.	Public Law 843 (64 Stat. 1048) approved Sept. 27, 1950.	Economic cooperation 10 percent counterpart payments.	
Acquisition of buildings abroad (Foreign Service building fund).	Public Law 33 (59 Stat. 53) approved Apr. 19, 1945, amended Public Law 186 (44 Stat. 403), approved May 7, 1946, by adding new par. 9.	Sales of Foreign Service real property and buildings abroad.	
Educational exchange	Public Law 457 (58 Stat. 765) approved Oct. 3, 1944, sec. 32 (b) as amended by Public Law 584 (60 Stat. 754) approved Aug. 1, 1946, sec. 2; further amended by title IV of Public Law 152 (63 Stat. 397), approved June 30, 1949, secs. 401, 402, and 403; and Public Law 400 (66 Stat. 141), approved June 20, 1952, amending Public Law 457.	Payments pursuant to settlements under Surplus Property Act of 1944, as amended.	28, 850, 791
Government in occupied areas (e. g. Austria and Germany).	Public Law 759 (64 Stat. 761) approved Sept. 6, 1950; Public Law 253 (65 Stat. 749), approved Nov. 1, 1951; and Public Law 547 (66 Stat. 650), approved July 15, 1952 (and similar provisions in other statutes).	Economic cooperation 10 percent counterpart payments. Currencies contributed by foreign nations. Currencies collected from commercial activities operated abroad under this program. Sale of surplus property	27, 000, 000
Mutual security program:			
Defense assistance	Public Law 329 (63 Stat. 714), Oct. 6, 1949, sec. 408 (b) and (d) as amended by Public Law 621 (64 Stat. 373), July 26, 1950.	Contributions of foreign nations for military assistance.	
Economic assistance	Public Law 472 (62 Stat. 137) approved Apr. 3, 1948, sec. 115 (b) (6); Public Law 793 (62 Stat. 1055) approved June 28, 1948, title I; Public Law 47 (63 Stat. 53), approved Apr. 19, 1949, amending Public Law 472; Public Law 535 (64 Stat. 201), approved June 5, 1950, amending Public Law 472; Public Law 165 (65 Stat. 373), approved Oct. 10, 1951, amending Public Law 472; Public Law 400 (66 Stat. 141), approved June 20, 1952, amending Public Law 472.	Economic cooperation 10 percent counterpart payments. Contributions of foreign nations for economic and technical assistance.	141, 007, 228
Department of Defense: Intergovernmental defense.	Public Law 431 (66 Stat. 313), approved June 30, 1952, ch. 6, title 4	Contributions of foreign nations in accordance with intergovernmental defense agreements (e. g. Germany and Japan).	674, 645, 597
American Battle Monuments Commission:			
Salaries and expenses Construction of memorials and cemeteries.	Public Law 455 (66 Stat. 394), approved July 5, 1952, title I, (p. 2)	Foreign currencies or credits owed to or owned by the U. S. Government (from all sources).	6, 228, 000
Total, estimated program requirements previously financed by foreign currencies without purchase from dollar appropriations, outside of budgetary control, fiscal year 1954.			858, 730, 626

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BRIDGES:

S. 2178. A bill to amend the Railroad Retirement Act of 1937, as amended; to the Committee on Labor and Public Welfare.

By Mr. CAPEHART:

S. 2179. A bill for the relief of Yusuf Musa Ali Khalaf; to the Committee on the Judiciary.

By Mr. BEALL:

S. 2180. A bill to authorize the Federal National Mortgage Association to exchange mortgages held by it for Government bonds; to the Committee on Banking and Currency.

(See the remarks of Mr. BEALL when he introduced the above bill, which appear under a separate heading.)

By Mr. POTTER:

S. 2181. A bill for the relief of Prem Lall (Peter) Sarup; to the Committee on the Judiciary.

By Mr. KILGORE:

S. 2182. A bill for the relief of Roy Lee Smith (Kazuo Abe) and Betty Louis Smith; to the Committee on the Judiciary.

By Mr. ANDERSON:

S. 2183. A bill to amend the cotton marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. ANDERSON when he introduced the above bill, which appear under a separate heading.)

By Mr. KENNEDY:

S. 2184. A bill for the relief of Agnes V. Walsh, the estate of Margaret T. Denehy, and David Walsh;

S. 2185. A bill for the relief of Manuel Bentes Robalo; and

S. 2186. A bill for the relief of Julio de Assis Martiniano; to the Committee on the Judiciary.

By Mr. HILL:

S. 2187. A bill for the relief of Kimon Lambrakis; to the Committee on the Judiciary.

By Mr. TAFT:

S. 2188. A bill for the relief of Martin A. Olsen;

S. 2189. A bill for the relief of Winifred Phillips Wootten; and

S. 2190. A bill for the relief of Mariko (Hirohuju) Willis; to the Committee on the Judiciary.

By Mr. CARLSON:

S. 2191. A bill to authorize the withholding, upon request, from compensation of Federal employees, of amounts for the payment of rates and premiums of voluntary prepayment plans and insurance for hospital and medical care; to the Committee on Post Office and Civil Service.

By Mr. HENNINGS:

S. 2192. A bill for the relief of Rosa Veronika Schenk; to the Committee on the Judiciary.

By Mr. SALTONSTALL (by request):

S. 2193. A bill to amend section 2680 (j) of title 28, United States Code, so as to permanently exclude claims arising out of combatant activities from the Federal Tort Claims Act and the jurisdiction of the United States District Courts; to the Committee on the Judiciary.

S. 2194. A bill to authorize the sale of Army, Navy, and Air Force stores at military establishments to civilian employees of the Government, and for other purposes.

S. 2195. A bill to amend section 87 of the National Defense Act of June 3, 1916, as amended (32 U. S. C. 47), to relieve the States from pecuniary liability for property lost, damaged, or destroyed through unavoidable causes and to authorize the States to be relieved from accountability in any case except where it shall appear that the loss, damage, or destruction of the property was due to carelessness or negligence or could have been avoided by the exercise of reasonable care;

S. 2196. A bill to amend section 61 of the National Defense Act of June 3, 1916, as amended (32 U. S. C. 194), to permit the States to organize military forces or cadres thereof, other than as parts of their National Guards; and

S. 2197. A bill to amend the National Defense Act with respect to the system of courts-martial for the National Guard and the Air National Guard not in Federal service and not on active State duty; to the Committee on Armed Services.

(See the remarks of Mr. SALTONSTALL when he introduced the above bills (by request), which appear under a separate heading.)

By Mr. FREAR:

S. 2198. A bill for the relief of (Sister) Jane Stanislaus Riederer; to the Committee on the Judiciary.

By Mr. SALTONSTALL (for himself and Mr. KENNEDY):

S. 2199. A bill to allow State and local governments during major disasters to use or distribute certain surplus equipment and supplies of the Federal Government; to the Committee on Public Works.

By Mr. LANGER:

S. 2200. A bill for the relief of Guiseppi Castrogiovanni, his wife and child; to the Committee on the Judiciary.

EXCHANGE OF MORTGAGES HELD BY FEDERAL NATIONAL MORTGAGE ASSOCIATION FOR GOVERNMENT BONDS

Mr. BEALL. Mr. President, I introduce for appropriate reference a bill to authorize the Federal National Mortgage Association to exchange mortgages held by it for Government bonds. I ask unanimous consent that I may speak for not more than 2 minutes on the bill.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the Senator from Maryland may proceed.

The bill (S. 2180) to authorize the Federal National Mortgage Association to exchange mortgages held by it for Government bonds, introduced by Mr. BEALL, was received, read twice by its title, and referred to the Committee on Banking and Currency.

Mr. BEALL. Mr. President, the bill I have introduced would permit the Government to reduce the national debt by about $2½ billion. Also, it would enable the Government to liquidate the Federal National Mortgage Association, popularly known as Fanny May, and thereby save approximately $3,500,000 per year in administrative overhead.

The provisions of the bill are quite simple and would accomplish what the Federal National Mortgage Association desires. That is to dispose of the portfolio of mortgages it now holds.

The Association was created in 1938 for the purpose of promoting and making more acceptable the loan program of the Federal Housing Administration. During the last 15 years, that purpose has been fulfilled, and the Association should put the mortgages back into banks, savings and loan associations, and so forth, to whom the Association pays at the rate of one-half of 1 percent for servicing.

At this time, the Association is selling mortgages at the rate of about $3 million per month, and it would like to sell more. To all intents and purposes, it is out of the mortgage-buying business, except for defense, disaster, and military mortgages.

The Association at the end of May 1953 held 344,287 mortgages valued at $2,477,268,000, and under the provisions of the bill introduced the Association could—and it should be noted that this bill, if enacted, would not make it mandatory—the Association could exchange these mortgages for Government bonds. The terms of the exchange would be worked out by the Association with the approval of the Secretary of the Treasury.

The Association would then transfer the bonds to the Secretary of the Treasury, and the Secretary would cancel out a corresponding amount of the indebtedness of the Association to the Treasury.

If the bill is passed and the program of exchanging mortgages for bonds successful, we will have retired the national debt by over $2 billion and enabled the Government to get out of the mortgage business.

AMENDMENT OF COTTON MARKETING QUOTA PROVISIONS OF AGRICULTURAL ADJUSTMENT ACT OF 1938

Mr. ANDERSON. Mr. President, the farmers of my State of New Mexico participated in a meeting in Fort Worth, Tex., some time ago along with producer representatives from all of the other interested cotton-producing States throughout the country. As a result of these deliberations, I introduce for appropriate reference a bill to amend the cotton marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended.

The bill is not designed to be the final answer to the cotton-allotment problem but gives legislative form to the results of the Fort Worth meeting, which I believe is a good point from which to begin discussing the cotton-allotment problem.

The bill does not attempt to vary the present formula in the Agricultural Adjustment Act for breaking down the national allotment to the States. Undoubtedly before final legislation on this subject is enacted, serious consideration will have to be given to this problem. However, until the producer groups get together on the subject and give us the benefit of their deliberations, we should begin to focus our attention on those phases of the problem in which they are in substantial agreement.

There are two problems on cotton acreage limitations currently needing attention. One is the division of the national allotment among the States. This bill does not attempt to change existing law on that subject. The other is the proper distribution of the State allotments among the counties and farms. This bill would make clear the intentions of the Congress so there can be no administrative misunderstanding of how reserves are to be utilized and also alters the use of a historic base to control allotments to individual farms.

I ask unanimous consent that the bill, together with an explanation of the bill be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and explanation will be printed in the RECORD.

The bill (S. 2183) to amend the cotton marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, introduced by Mr. ANDERSON, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 344 of the Agricultural Adjustment Act of 1938, as amended, is amended as follows:

1. Subsection (b) is amended by adding at the end thereof a proviso as follows: ": *Provided*, That the Secretary may reserve not to exceed 1 percent of the national acreage allotment which shall be used by the State committee (1) for adjusting county acreage allotments for counties having farms for which new farm allotments were established, or for which allotments were established under subsection (h) of this secton, during the base period used in apportioning the State allotment to counties, and (2) for increasing the acreage reserved by the State committee for new and small farms pursuant to subsection (e) of this section."

2. Subsection (e) is changed to read as follows:

"(e) The State acreage allotment for cotton shall be apportioned to counties on the same basis as to years as the national acreage allotment is apportioned to the State under subsection (b): *Provided*, That the State committee may reserve not to exceed 5 percent of the State acreage allotment (10 percent if the State's 1948 planted acreage was in excess of 1 million acres and less than half its 1943 allotment) which shall be (1) used to make adjustments in county allotments for trends in acreage, incomplete and inaccurate basic county data, and abnormal conditions adversely affecting plantings, and (2) made available, together with the acreage received from the national reserve for new and small farms, for the county committee to use in establishing or adjusting allotments for new and small farms but no such acreage for new and small farms shall be available to the county unless (i) a minimum of 10 percent of the county allotment is reserved pursuant to subsection (f) (3) and used as specified therein or (ii) the State committee has determined that a smaller acreage reserve will provide for fair and reasonable allotments to be established in the county on the basis of the allotment factors enumerated in paragraph (3) (A) of subsection (f)."

3. Subsection (f) is changed to read as follows:

"(f) (1) The county acreage allotment, less the acreage reserved under paragraph (3) of this subsection, shall be apportioned to farms on which cotton has been planted in any 1 of the 3 years immediately preceding the year for which such allotment is determined, on the basis of the acreage planted to cotton on the farm in such 3-year period, adjusted for abnormal conditons adversely affecting plantings during such 3-year period.

"(2) Except as provided herein, no farm acreage allotment established under the provisions of paragraph (1) of this subsection shall exceed an acreage in excess of 50 percent of the acreage on the farm during the preceding year which, as determined under regulations prescribed by the Secretary, is tilled annually or in regular rotation in the preceding year, excluding from such acreage the acreage devoted to the production of extra long staple cotton; sugarcane for sugar; sugar beets for sugar; wheat, tobacco, or rice for market; peanuts picked and threshed; wheat or rice for feeding to livestock for market; or lands determined to be devoted primarily to orchards or vineyards, and nonirrigated lands in irrigated areas: *Provided*, That if the county acreage allotment exceeds 50 percent of the adjusted tilled acreage for all cotton farms in the county, as determined above, the percentage which the county allotments is of such tilled acreage shall be substituted for such 50 percent limitation: *Provided further*, That any part of the county acreage allotment not apportioned under paragraph (1) of this subsection by reason of the initial application of the applicable limitation above shall be added to the county acreage reserve under paragraph (3) of this subsection and shall be available for any purpose specified therein.

"(3) The county committee shall reserve an acreage not to exceed 15 percent of the acreage apportioned to the county under subsection (e) which shall be used (A) for making such adjustments in the farm allotments established under paragraph (1) as may be necessary to provide allotments which the county committee determines are fair and reasonable in relation to land, labor, and equipment available for the production of cotton, past acreage of cotton on the farm, and crop-rotation practices; (B), together with the acreage received for small farms from the National and State reserves, for making adjustments in allotments for small farms, taking into consideration the factors specified in (A) of this paragraph and the acreage in other cash crops on the farm; and (C), together with the acreage received for new farms from the National and State reserves, for establishing allotments for farms on which cotton is to be planted in the calendar year for which the allotment is determined but on which cotton was not planted in any one of the previous 3 years, on the basis of the applicable factors specified in (A) of this paragraph: *Provided*, That the acreage reserve available to the county committee under this paragraph may be used to increase farm acreage allotments in excess of the applicable limitation provided for in

paragraph (2) of this subsection if such adjustments are necessary to provide fair and reasonable farm allotments on the basis of the allotment factors enumerated in (A) of this paragraph.

"(4) Notwithstanding any other provision of law, all acreage planted to cotton in 1950 within the farm acreage allotment shall be taken into account in establishing future State, county, and farm acreage allotments."

4. Subsection (g) is amended by striking out paragraph (2) and redesignating paragraph (3) as paragraph (2).

The explanation presented by Mr. ANDERSON is as follows:

EXPLANATION OF PROPOSED BILL TO AMEND SECTION 344 OF THE AGRICULTURAL ADJUSTMENT ACT OF 1938, AS AMENDED

The cotton-allotment provisions of the Agricultural Adjustment Act of 1938 were revised in 1949 in anticipation of the 1950 cotton program. Application of the revised law resulted in so many difficulties and hardships that Congress found it desirable to enact emergency legislation authorizing adjustments after the allotments had been made. This emergency legislation applied only to 1950; therefore, the law is the same now as it was when the 1950 difficulties arose. In view of this experience and the fact that reserves were not used as I believe the Congress intended, it is more than likely that similar difficulties can be expected to arise if allotments are necessary in 1954. There is general agreement among cotton farmers and the administrative officials of the Department of Agriculture that it is desirable to have a clarification and a modification of the present law in order to assist in bringing about satisfactory cotton allotments, should they be necessary.

The proposed bill is designed to amend the existing law so as to prevent a reoccurrence of the difficulties which developed in 1950.

This proposal deals primarily with the distribution of State allotments to counties and county allotments to farms. It makes no change in the existing formula for the distribution of the national allotment to the States except to authorize the Secretary of Agriculture to establish a national reserve of not to exceed 1 percent for certain types of adjustments. At the State and county levels the bill proposes to revise the existing law so as to insure the effective use of the National, State, and county reserves. The bill also provides that farm allotments shall be made upon the basis of farm history with the adjustments necessary to insure fair and reasonable allotments rather than on the relationship of the county allotment to the adjusted cropland on cotton farms in the county. In lieu of the present provisions for the establishment of minimum allotments for small farms, the bill provides for the use of acreage from the National, State, and county reserves for adjustments to assure fair and equitable allotments for small farms.

A detailed analysis of the proposed bill follows:

Paragraph 1 provides that the Secretary may reserve not to exceed 1 percent of the national acreage allotment for use by the State committees to adjust county acreage allotments for counties having farms for which allotments were established during the allotment base period and for increasing the acreage reserved by the State committee for adjustments in the allotments for new and small farms. Under this provision the Secretary would consider the application of State committees for acreage from the national reserve and would apportion reserve acreage on the merits of the various committee requests. A committee receiving acreage from the national reserve would be required to use it for the purposes specified in its application. In other words, the State committee could not obtain acreage from the national reserve for general distribution.

Paragraph 2 revises the present law with respect to State reserves. Under the present law each State committee is allowed to set aside a State reserve of not to exceed 10 percent (15 percent in the case of Oklahoma). The establishment of the proposed 1 percent national reserve and the provisions of the proposed bill which are designed to insure a more effective use of State and county reserves reduce the need for such a large State reserve; therefore, the proposed bill provides that each State committee may reserve not to exceed 5 percent (10 percent in the case of Oklahoma) of the State allotment. The State reserve is to be available not only for adjustments in county allotments but also for adjustments in individual farm allotments. The latter, of course, would be made by the county committee with the approval of the State committee. In 1950 the Department of Agriculture held that acreage from the State reserves could not be used to make adjustments in individual farm allotments. As a result, the county committees which received acreage from the State reserves were forced to distribute this acreage to all cotton farmers in the county instead of using it to adjust hardship cases. This was one of the real causes of the difficulties experienced with the 1950 program. The proposed bill makes it clear that State reserve acreage can be used by the county committees to make adjustments in individual farm allotments. In order to prevent abuses the proposed bill provides that a county committee shall not be eligible to receive State reserve acreage for individual farm allotments unless it has established a county reserve of at least 10 percent for such adjustments or has satisfied the State committee that it was justified in establishing a smaller county reserve.

Paragraph 3 changes the basis for the distribution of the county allotment to individual farms. Under the present law each farm receives an initial allotment equal to the smaller of (A) five acres, or (B) the highest acreage grown in any one of the 3 immediately preceding years. The remainder of the county allotment is distributed to farms other than those qualifying under (B), by applying a uniform percentage factor to the adjusted tilled acreage on the farm; however no farm may receive an allotment larger than the highest acreage grown in any one of the preceding 3 years. In computing the adjusted tilled acreage for each farm the county committee is required to exclude land that is not suitable for the production of cotton and land which is devoted to certain other cash crops.

The proposed bill provides that the county allotments shall be apportioned to the farms on which cotton has been planted in any one of the immediately preceding 3 years on the basis of the acreage planted in such 3 years with adjustments for abnormal conditions affecting plantings. The idea of relating allotments to the farm's adjusted tilled acreage is retained as an upper limit on the size of individual allotments. No farm is to get an allotment in excess of 50 percent of its adjusted tilled acreage unless the county acreage allotment exceeds 50 percent of the adjusted tilled acreage of all cotton farms in the county, in which case the percentage the county allotment of such tilled acreage is to be substituted for the 50-percent limitation. Acreage not apportioned by reason of this limitation is to be added to the county reserve. Paragraph 3 follows the present law by providing for a county reserve of not to exceed 15 percent. The language relative to the use of the county reserve acreage is revised to take account of the changes noted above. The county reserve is to be used (a) for making such adjustments in farm allotments as the county committee determines are necessary to provide fair and reasonable allotments in relation to the land, labor, and equipment available for the production of cotton, past acreage of cotton on the farm, and croprotation practices; (b) together with the acreage received for small farms from the National and State reserves for making adjustments in allotments for such small farms; (c) together with the acreage received for new farms from the National and State reserves for establishing allotments for such new farms. Reserve acreage may also be used to increase individual farm allotments above the level indicated by the tilled acreage limitation provisions described above where the committee determines that such adjustments are necessary to provide fair and reasonable allotments.

This paragraph also provides that the acreage planted to cotton in 1950 under the provisions of the law which granted emergency increases in allotments in hardship cases shall be taken into account in establishing future State, county, and farm allotments. Under the present law such acreage cannot be taken into account.

Paragraph 4 of the proposed bill proposes to repeal a provision of the existing law which provides for the establishment of administrative areas. The purpose of this provision was to facilitate the distribution of county allotments on the basis of the adjusted tilled acreage in counties where conditions were not uniform. Administrative areas will not be needed if allotments are made on a farm history basis as proposed in this bill.

ARMED FORCES LEGISLATION

Mr. SALTONSTALL. Mr. President, I introduce for appropriate reference a series of five bills relating to the Armed Forces. Two of the bills are recommended by the Department of Defense and are accompanied by letters of transmittal from the Department explaining the purpose of the bill in each case. Introduction of the other three bills was requested by the National Guard Association of the United States.

I ask that the accompanying letters in each case be printed in the RECORD immediately following the listing of bills introduced.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letters will be printed in the RECORD, as requested by the Senator from Massachusetts.

The bills introduced by Mr. SALTONSTALL (by request) were received, read twice by their titles, and referred as indicated:

S. 2193. A bill to amend section 2680 (j) of title 28, United States Code, so as to permanently exclude claims arising out of combatant activities from the Federal Tort Claims Act and the jurisdiction of the United States district courts; to the Committee on the Judiciary.

The letter to accompany Senate bill 2193 is as follows:

OFFICE OF THE SECRETARY OF DEFENSE,
Washington, D. C., June 17, 1953.

Hon. LEVERETT SALTONSTALL,
Chairman, Committee on Armed Services, United States Senate.

DEAR MR. CHAIRMAN: There is forwarded herewith a draft of legislation "To amend section 2680 (j) of title 28, United States Code, so as to permanently exclude claims arising out of combatant activities from the Federal Tort Claims Act and the jurisdiction of the United States district courts."

This proposal is a part of the Department of Defense legislative program for 1953 and the Bureau of the Budget has advised that there is no objection to the transmittal of the proposal to the Congress for its consideration. The Department of Defense recommends that it be enacted by the Congress.

PURPOSE OF THE LEGISLATION

The purpose of the proposal is to amend section 2680 (j) of title 28 of the United States Code, so as to make effective at all times the exclusion of claims arising out of combatant activities from the jurisdiction of the United States district courts under 28 U. S. C. 1346 (b) and from administrative adjustment under the Tort Claims Act. The present exclusion is limited to time of war, and was extended to April 1, 1953, by section 1 (a) (32) of the Emergency Powers Continuation Act. By Public Law 12, 83d Congress, the date of April 1, 1953, was extended to July 1, 1953.

Although claims arising in foreign countries are excluded from the operation of the Tort Claims Act, it is felt that provision should exist for exclusion of claims which might arise from combatant activities in the United States or its possessions in the absence of an actual declared war. History records innumerable cases of armed conflicts without benefit of declarations of war of which Korea is a current example. Clearly there is a need to continue the authority to exclude these claims during the present tense international situation and as indicated, it is believed that authority to exclude this type of claim should always be available. Accordingly, rather than continually burden the Congress with requests for extension of this authority, the proposal would make the exclusion permanent by the deletion of the words "during time of war" from the basic statute.

DEPARTMENT OF DEFENSE ACTION AGENCY

The Department of the Air Force has been designated as the representative of the Department of Defense for this legislation.

Sincerely yours,

JOHN G. ADAMS,
General Counsel, Acting.

S. 2194. A bill to authorize the sale of Army, Navy, and Air Force stores to civilian employees of the Government, and for other purposes; to the Committee on Armed Services.

The letter accompanying Senate bill 2194 is as follows:

OFFICE OF THE SECRETARY OF DEFENSE,
Washington, D. C., April 14, 1953.

Hon. LEVERETT SALTONSTALL,
Chairman, Committee on Armed Services, United States Senate.

DEAR MR. CHAIRMAN: There is forwarded herewith a draft of legislation to authorize the sale of Army, Navy, and Air Force stores at military establishments to civilian employees of the Government, and for other purposes.

This proposal is part of the Department of Defense legislative program for 1953 and the Bureau of the Budget has advised that there is no objection to the transmittal of the proposal to the Congress for its consideration. The Department of Defense recommends that it be enacted by the Congress.

PURPOSE OF THE LEGISLATION

The purpose of this proposal is to authorize the Secretaries of the military departments to procure and sell stores to civilian officers and employees of the United States and such other persons specifically authorized by the Secretary concerned at military facilities outside the United States or in Alaska, and at military facilities within the United States when the Secretary of the department concerned finds that it is impracticable for those persons to procure stores at private agencies without impairing the efficient operation of the military activity. The legislation would also repeal so much of the act of March 3, 1909 (35 Stat. 753), as amended (34 U. S. C. 533), as authorizes the Secretary of the Navy to grant those privileges at naval stations and post exchanges outside the continental United States or in Alaska at all times and at similar places within the United States in time of war and not exceeding 6 months thereafter. This authority was extended to not later than July 1, 1953, by section 1 (a) (14) of the Emergency Powers Continuation Act (Public Law 450, 82d Cong., 2d sess.), as amended.

In addition to facilities located outside the United States, the military departments operate some facilities which are located at isolated places within the continental United States. Due to the lack of readily accessible private agencies, it is necessary for the efficient operation of those facilities that the departments concerned have authority to permit civilian officers and employees to purchase stores at station commissaries and post exchanges. If enacted, the authority contained in this legislation will be used to permit the sale of necessary foods and household necessities, such as soaps, polishes, brooms, and lamp bulbs. In addition, it is considered essential that the Secretaries of the military departments have authority to grant these privileges to certain other persons at installations within as well as outside the continental United States. Included in this group of persons are those who, because of the type of employment at various facilities, must be available for unusually protracted periods to render the services required by such employment. There are only a few individuals to whom such privileges would be granted. Experience, however, has indicated that efficient operation of the facilities where they are employed warrants extending to them the permission to purchase the stores.

Under the jurisdiction of the Department of the Navy there are two isolated stations which illustrate the need for this legislation. One is the Naval Ordnance Test Station at Inyokern, China Lake, Calif., which is located in a remote section of the Mojave Desert, 160 miles north of Los Angeles. The surrounding area is sparsely populated and desolate. The other station is the Naval Ammunition Depot, Crane, Ind. There are 12 civilian employees who have been granted permission under the present temporary authority to purchase stores. Inasmuch as the nearest city is approximately 30 miles away the civilian employees would be unable to procure stores from private agencies without impairing the efficient operation of the depot.

In addition to the civilian officers and employees of the United States at stations of the type mentioned above who are authorized to purchase stores, there are a few other civilian employees who have been specifically authorized to make purchases. These include such persons as fire fighters at out-of-the-way stations, contract surgeons at air bases, and personnel employed at fuel oil facilities whose presence on the stations is needed for several days and nights at a time.

The need for this legislation in the situations noted above will be present irrespective of the existence of an actual state of war. So long as these isolated stations and stations overseas are in operation, the need for authority to grant permission to civilian officers and employees attached to them to procure stores will continue to exist. In view of the present world situation and the probability that the United States will continue to maintain these isolated home and overseas facilities for a considerable time in the future, it is believed that permanent legislation dealing with this subject should be enacted.

DEPARTMENT OF DEFENSE ACTION AGENCY

The Department of the Navy has been designated as the representative of the Department of Defense for this legislation.

Sincerely yours,

ROGER KENT,
General Counsel.

S. 2195. A bill to amend section 87 of the National Defense Act of June 3, 1916, as amended (32 U. S. C. 47), to relieve the States from pecuniary liability for property lost, damaged, or destroyed through unavoidable causes and to authorize the States to be relieved from accountability in any case except where it shall appear that the loss, damage, or destruction of the property was due to carelessness or negligence or could have been avoided by the exercise of reasonable care;

S. 2196. A bill to amend section 61 of the National Defense Act of June 3, 1916, as amended (32 U. S. C. 194), to permit the States to organize military forces or cadres thereof, other than as parts of their National Guards; and

S. 2197. A bill to amend the National Defense Act with respect to the system of courts-martial for the National Guard and the Air National Guard not in Federal service and not on active State duty; to the Committee on Armed Services.

AMENDMENT OF MUTUAL SECURITY ACT OF 1951—AMENDMENTS

Mr. BRIDGES submitted amendments intended to be proposed by him to the bill (S. 2128) to further amend the Mutual Security Act of 1951, as amended, and for other purposes, which were ordered to lie on the table and to be printed.

JURISDICTION OVER SUBMERGED LANDS OF OUTER CONTINENTAL SHELF—AMENDMENTS

Mr. ANDERSON submitted amendments intended to be proposed by him to the bill (S. 1901) to provide for the jurisdiction of the United States over the submerged lands of the outer Continental Shelf, and to authorize the Secretary of the Interior to lease such lands for certain purposes, which were ordered to lie on the table and to be printed.

Mr. LONG submitted an amendment intended to be proposed by him to Senate bill 1901, supra, which was ordered to lie on the table and to be printed.

Mr. LONG (for himself and Mr. ELLENDER) submitted amendments intended to be proposed by them, jointly, to Senate bill 1901, supra, which were ordered to lie on the table and to be printed.

Mr. BYRD submitted an amendment intended to be proposed by him to Senate bill 1901, supra, which was ordered to lie on the table and to be printed.

Mr. DANIEL submitted amendments intended to be proposed by him to Senate bill 1901, supra, which were ordered to lie on the table and to be printed.

HOUSE BILLS REFERRED OR PLACED ON CALENDAR

The following bills were severally read twice by their titles, and referred or placed on the calendar, as indicated:

H. R. 2236. An act for the establishment of a Commission on Area Problems of the Greater Washington Metropolitan Area; to the Committee on Interstate and Foreign Commerce.

H. R. 2582. An act to amend section 12 of chapter V of the act of June 19, 1934, as amended, entitled "An act to regulate the business of life insurance in the District of Columbia; placed on the calendar.

H. R. 5605. An act making appropriations for the legislative branch and the Judiciary branch for the fiscal year ending June 30, 1954, and for other purposes; to the Committee on Appropriations.

EXTENSION OF AUTHORITY FOR AN EXAMINATION AND REVIEW OF ADMINISTRATION OF TRADING WITH THE ENEMY ACT—CHANGE OF REFERENCE

Mr. DIRKSEN. Mr. President, on yesterday I submitted a resolution (S. Res. 120) extending the authority for an examination and review of the administration of the Trading With the Enemy Act, which was referred to the Committee on the Judiciary. I have conferred with the chairman of that committee, and it is agreeable to him that I ask unanimous consent that the Committee on the Judiciary be discharged from the further consideration of the resolution and that it be referred to the Committee on Rules and Administration.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Illinois? The Chair hears none, and it is so ordered.

NOTICE OF POSTPONEMENT OF HEARING ON S. 1106 AND S. 1444, RELATING TO RENDITION OF MUSICAL COMPOSITIONS ON COIN-OPERATED MACHINES

Mr. WILEY. Mr. President, by order of the Judiciary Committee and on behalf of the Standing Subcommittee on Patents, Trademarks, and Copyrights of the Committee on the Judiciary, I desire to give notice that the public hearing on Senate bill 1106 and Senate bill 1444, relating to the rendition of musical compositions on coin-operated machines, scheduled for Tuesday, June 30, 1953, at 10 a. m., in room 424, Senate Office Building, has been postponed.

ADDRESSES, EDITORIALS, ARTICLES, ETC, PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. BUTLER of Maryland:

Address delivered by Senator DANIEL on June 20, 1953, at the banquet of the annual meeting of the Maryland State Bar Association.

By Mr. KILGORE:

Address delivered by Gov. William C. Marland, of West Virginia, at the West Virginia Young Democratic Club convention and banquet held at Huntington, W. Va., on June 20, 1953.

By Mr. HILL:

Address entitled "Aviation in the Cold War," delivered by former Senator O'Mahoney, of Wyoming, before the Aviation Writers Association, at Washington, D. C., on June 10, 1953.

World broadcast entitled "The New Statesmanship To End Confusion," delivered by Dr. Frank N. D. Buchman, from London, England, on June 4, 1953.

By Mr. CAPEHART:

Biographical sketch entitled "A Closeup of President Clements," referring to the president of the United States Savings and Loan League, written by William B. O'Connell, and published in the Savings and Loan News of December 1952.

By Mr. WILEY:

Editorials with relation to the recent action taken by Wisconsin State Republican convention on the so-called Bricker constitutional amendment.

By Mr. MARTIN:

Editorial entitled "Justice Is Done in Rosenberg Case," published in the Philadelphia Inquirer of June 20, 1953.

By Mr. KENNEDY:

Letter received by him from Ambassador S. Amjad Ali, of Pakistan, extending sympathy to the victims of the recent tragic tornado in Worcester.

Editorial entitled "We Lose a Guide," on the death of Arthur A. Bright, Jr., published in the Boston Sunday Herald, of May 17, 1953.

Statement issued at the manifestation of Americans of Ukrainian descent commemorating those who died in the Ukraine in the famine of 1932–33.

Editorial entitled "Halfway on Subsidies," relating to the air-mail subsidies, published in the Washington Post of June 15, 1953.

By Mr. FLANDERS:

Release by the Bolivian Embassy, announcing an agreement for full compensation of the owners of certain mining properties in Bolivia; and an editorial entitled "The Problem of Bolivia," published in the New York Times.

By Mr. LEHMAN:

Letter from Frank Altschul, of Stamford, Conn., to the editor of the New York Times, and published in that newspaper on June 21, 1953, under the heading "Our National Conduct."

By Mr. FREER:

Editorial entitled "The 'Post Mark'd West,'" dealing with the Mason-Dixon Line.

By Mr. DANIEL:

Resolution adopted by the Texas Senate commending the Dallas Morning News for its fight for the submerged lands bill.

SEVEN HUNDREDTH ANNIVERSARY OF THE FOUNDING OF LITHUANIA

Mr. LEHMAN. Mr. President, I ask unanimous consent that I may address the Senate for not more than 2 minutes.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, the Senator from New York may proceed.

Mr. LEHMAN. Mr. President, this year marks the 700th anniversary of the founding of Lithuania and the emergence of that nation as one of the great forces of freedom in the Western World.

Our Nation's Capital was fortunate the past weekend in being host to an outstanding festival of Lithuanian art and music. As a result of this great cultural festival, we are again reminded of the fierce love of freedom which burns in the hearts of Lithuanians, not only among Americans of Lithuanian descent and those in other lands who have managed to escape from the tyranny of Soviet rule, but also those who still live in Lithuania and dream of the day when they can again live free and unafraid.

We in America must do all we can to keep the hope of freedom alive in Lithuania, as well as to extend the hand of welcome and compassion to those who flee from behind the Iron Curtain.

Mr. President, the program for the festival for Lithuanian art and music contained a most interesting history of the Lithuanian people as a nation. I ask unanimous consent that this historic statement be printed at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Men with the light of freedom in their eyes and courage in their hearts. Men of many races, drawing their strength from ancestral roots as varied as the winds. Of such is the pride and might of this America.

THIS AMERICA

They gathered under freedom's banner. They beat a wilderness into shape. They threw their brains and their brawn into the struggle, each man and each race giving full measure to the great experiment.

And from the jumble of many voices, the mixing of many bloods, the desperate struggles against common enemies, emerged a new and dominant figure on the stage of history; the American.

He towers on the world scene as the symbol of free man, living proof that each man can speak his mind and shape his destiny and yet forge a government which works. There is confidence and pride in the set of his shoulders, in the cock of his head: He is an American.

No small part of the pride Americans feel is the knowledge of the contributions their ancestors made to the construction and culture of this Nation. More than 1 million Americans of Lithuanian descent share that proud emotion.

The origins of the Lithuanian race are lost in the mists of time. Since the language has been linked to Sanskrit, it seems probable the tribe was one of the Aryan groups which left a cradle of the human race deep in the Himalayan Mountains of northern India thousands upon thousands of years ago.

The Lithuanians settled on the broad and rolling plains along the shore of the Baltic Sea, a land of rich earth and heavy forests, wide rivers, and many lakes. Their country—in modern times a heart-shaped land of 33,000 square miles—lay between Russia and Germany, like a walnut in the jaws of a nutcracker.

All of the evidence of archeology and ethnology indicates the Lithunanians were firmly settled in their land by 1500 B. C., an independent and warlike people who were to markedly change the history of Europe.

THE MISTS OF TIME

Time and again the Tatar hordes swept out of the east, determined to overwhelm Europe. And as many times the Lithuanians rallied from their small farms and their hunting parties to beat back the invaders.

Still another constant threat came from the Huns and other Germanic tribes to the west. These attacks, too, were repulsed and with each battle the Lithuanians came closer to establishing a national government.

This strange tribe, which remained apart from the Teuton and Scandinavian, the Finn and the Slav, were a song-loving people with a highly developed culture from earliest days. Their folksongs, known as Dainos, are rich in historical material, and their earliest burial pits have yielded finds of iron knives, chisels, sickles, spears, swords, bronze bridles, spurs, bracelets, buckles, clasps, glass beads, and gold and silver ornaments.

Along with most of Europe in the first centuries after the birth of Christ, the Lithuanians worshiped a pagan mythology; Perkunas, god of thunder and lightning; Zemininkas, god of the earth; Patela, god of the underworld; Gabija, god of fire; Bangputys, god of the four winds; Vieshpats, god of life; and a host of others. The pagan priests were known as Vaidilas who were aided by vestal virgins called Vaidilutes.

Throughout these early centuries the Lithuanians were governed by the clan and

tribal patriarchs, with the various tribes rallying to defend jointly their land whenever danger threatened from without.

Gradually this loose form of government tightened under the pressure of enemy attacks. The tribal heads took the title of duke, although all of the adult males of each tribe apparently had a voice in the selection of the leader.

While the Lithuanians asked only to be left alone in their land of plenty, by the year A. D. 1200 it was apparent their powerful neighbors—the Teutons and the Russians—were intent on conquest. To meet this crisis arose one of the tribal dukes, Mindaugas.

THEN KING MINDAUGAS

A powerful man who was a diplomat, statesman, and military genius, Mindaugas succeeded in gathering the other Lithuanian dukes under his banner.

He, his wife, Martha, and their 2 sons were baptized in the Christian faith in A. D. 1251, and 2 years later in the summer of 1253—700 years ago—he was crowned King of Lithuania by Bishop Henry of Colonia.

For nearly 300 years the fierce legions of Lithuania held the balance of power in eastern Europe, a period known as the golden age of Lithuanian history. Lithuanian power extended through all of Poland, deep into Germany, and beyond Moscow in Russia.

With the death of King Vytautas in A. D. 1430, the Lithuanian Government weakened. The Polish throne was given up in A. D. 1572, and in 1795 the country was overwhelmed by the legions of Russia.

Historians record that freedom was never very far below the surface in any Lithuanian. Caught in mighty tides of diplomatic intrigue, Napoleonic wars, and the oppression of the czars, the Lithuanians refused to accept their conquerors.

FREEDOM SMOLDERED

In 1812, 1831, 1863, and again in 1904–05, the Lithuanians revolted. Each time they were overwhelmed but each time the fury of their fighting won them some concessions from the Russians.

Shortly before 1800 they founded the University at Vilnius, the capital city, a center of learning which was to become famous throughout Europe. Despite Russian edicts the language and culture was kept intact, waiting for the time the Lithuanians knew would come: The time of freedom.

In 1918 on the heels of World War I the moment came. Lithuania was again free—free to form her own government and take her place in the family of nations.

FREEDOM BLAZED

The Lithuanians with the example of the United States of America before them chose to form an independent republic with three divisions—legislative, executive, and judicial, with a constitution as the supreme law. The preamble read:

"In the name of Almighty God, the Lithuanian people, thankfully recalling the glorious efforts and noble sacrifices of its sons, made to deliver the motherland, having recreated its state independence and desiring to extend the firm democratic foundations of its independent life, to develop conditions of justice and equity, to guarantee the equality, freedom, and well-being of all citizens, and suitable state protection for human labor and morality, through its authorized representatives, convened in the constituent assembly August 1, 1922, has adopted the following constitution of the Lithuanian Republic."

The time in which to work was short, but the Lithuanians, unaware that a Second World War was to again submerge their nation, drove ahead with their task.

By 1937 this nation of 3½ million people had increased its primary schools from 877 at the time of freedom to 2,696; and they had built 100 secondary schools (including 2 years of college) for more than 20,000 youngsters. There was the great University of Vytautas at Kaunas for 4,000 advanced students. There were special schools for music, art, and ballet.

Industry and commerce flourished. The great majority of the people owned their own homes and farms. Virtually every city of more than 5,000 population supported an opera season during which the world's great operas—many of them translated into Lithuanian—were given.

TODAY

Today Lithuania is again ruled by a conqueror, absorbed by the U. S. S. R., cut off from the Western World by the Iron Curtain with her fate as uncertain as that of a pawn on a chessboard.

Soviet troops seized control of the small republic on June 14–15, 1940. The German war machine rolled over her from 1941 to 1944, when the Russians again entered.

The western countries, including the United States, have not recognized the Russian annexation of Lithuania. As a republic, Lithuania lives only in the art and music of her sons, in the hearts of freemen everywhere who know, in the words of Herbert Spencer, "No one can be perfectly free till all are free."

MILITARY LAW—EXCERPT FROM ARTICLE BY PROF. JAMES V. THORNTON

Mr. GREEN. Mr. President, I ask unanimous consent to have printed in the body of the RECORD the first paragraph of an article entitled "Military Law," written by Prof. James V. Thornton, of New York University School of Law, and first printed in the 1952 Annual Survey of American Law. It is complimentary of the administration and the Justices of the United States Court of Military Appeals.

The whole article by Mr. Thornton will, I know, be of interest to the Members of the Senate; and I hope the paragraph I am inserting in the RECORD will whet their appetite for more.

There being no objection, the excerpt from the article was ordered to be printed in the RECORD, as follows:

MILITARY LAW

(By James V. Thornton)

Preliminary evaluation can now be made of the revised military law system brought into being by the Uniform Code of Military Justice, which became effective May 31, 1951. The newly established Court of Military Appeals, the "supreme court" of the revised system, has done a thoroughly commendable job. The court seems determined to equate military and civilian justice as far as possible. Time after time its opinions refer to this as the objective of the Code, and cite Federal and State civilian decisions as authorities. On numerous occasions it has reversed for prejudicial error, even in the absence of record objection by defense counsel, something which is relatively rare in civilian criminal courts. On the other hand, it has wisely refused to place undue emphasis on technical errors, and has declined to reverse in the absence of prejudice. One is impressed also with the combined scholarly and practical character of the court's opinions. Their high caliber is particularly remarkable since the court has only three members and disposes of a tremendous volume of litigation. In a little more than a year this bench has demonstrated that it deserves to be ranked with the elite of Federal and State appellate tribunals.

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. By unanimous-consent agreement entered into on yesterday, the Senator from Minnesota [Mr. HUMPHREY] is to have the floor at the conclusion of morning business.

Mr. KNOWLAND. Mr. President——

The ACTING PRESIDENT pro tempore. In the absence of the Senator from Minnesota, the Senator from California is recognized.

Mr. KNOWLAND. Mr. President, my purpose in rising at this time is to refer to the unanimous-consent agreement entered into yesterday by which it was agreed that the Senator from Minnesota [Mr. HUMPHREY] would have the floor today, following the conclusion of the morning hour.

I understand that the Senator from Delaware [Mr. WILLIAMS] has discussed with the Senator from Minnesota the possibility of working out an arrangement by means of which the Senator from Delaware may speak at this time. Such an arrangement is agreeable to the Senator from Minnesota, I understand.

I have discussed this matter with the distinguished minority leader.

I now ask unanimous consent that the previous unanimous-consent agreement be modified to the extent that the Senator from Delaware [Mr. WILLIAMS] may now be permitted to speak, and that thereafter the original unanimous-consent agreement may take effect.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. WILLIAMS obtained the floor.

EXEMPTION OF CERTAIN GOVERNMENT OFFICIALS FROM ANNUAL AND SICK LEAVE ACT OF 1951—CONFERENCE REPORT

Mr. KNOWLAND. Mr. President, at this time I should like to ask the distinguished Senator from Delaware if he will yield to me.

Mr. WILLIAMS. I yield.

Mr. KNOWLAND. Mr. President, there is at the desk a privileged matter—a conference report—which I am assured is noncontroversial. I have discussed the question of its consideration with both the Senate conferees and the ranking minority member of the committee and also the distinguished minority floor leader.

The conference report has come to us from the House of Representatives. It is on House bill 4654, which deals with exempting certain Government officials from the Annual and Sick Leave Act of 1951.

With that explanation, Mr. President, I move that the Senate now proceed to consider the report.

There being no objection, the Senate proceeded to consider the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4654) to provide for the exemption from the Annual and Sick Leave Act of 1951 of certain officers in the executive branch of the Government, and for other purposes.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the report.

Mr. KNOWLAND. Perhaps at this time we may have a brief explanation of the report.

Mr. CARLSON. Mr. President, I shall be glad to explain the provisions of the report; or I shall be glad to submit, for printing in the RECORD, a statement on the report, if there is no request for an explanation.

The ACTING PRESIDENT pro tempore. Is an explanation desired? If not, and in the absence of objection, the statement will be printed in the RECORD.

Mr. CARLSON'S statement is as follows:

STATEMENT BY SENATOR CARLSON

As agreed upon by the conferees, H. R. 4654 does the following:

Section 1 removes the 400 to 500 top officials of the Government from the 1951 Leave Act. By terminating their future right to annual leave, they automatically lose any rights to lump-sum payments arising out of periods of service in the future. Additionally section 1 settles two basic problems: First, officers who are exempted from the 1951 Leave Act retain their personal freedom to absent themselves from duty but they lose the unwarranted added right to leave and payment therefor upon separation and, second, officers who are not exempted lose their present freedom with respect to hours of work but retain their statutory rights to leave and lump-sum payments for any such unused leave, within the limits established, upon their separation from the service.

Section 2 deals with the accumulated and accrued unused annual leave now standing to the credit of many of the four to five hundred top officials being taken out from under the 1951 Leave Act. This section provides in effect that all such leave be placed in a frozen state until (A) the officer leaves the Federal service in which case it will be paid for at the rate of pay he was receiving when his leave was frozen or (B) he leaves his position as an exempted officer to serve in a nonexempt position in which event his frozen leave will be recredited to him for subsequent use.

Section 3 reduces the accumulation limit on annual leave from 60 to 30 days for employees in the United States and in the Foreign Service of the Department of State and from 90 to 45 days for other employees overseas. Foreign Service employees of the Department of State are treated the same as employees in this country because they recieve a special home leave allowance not enjoyed by other employees overseas. Employees who, at the beginning of the current leave year, had accumulations in excess of these new 30 and 45 days limits are permitted to retain the excess for later use in kind or as the basis for a lump-sum payment in the event of death or separation.

Section 4 amends the act of December 21, 1944, so that lump-sum payments will no longer be possible in the case of an employee transferring from a position under one leave system to a position under a different leave system. Further, it amends the act of 1944 to require a refund from an employee who has received a lump-sum payment and is reemployed—under the same or different leave system—before expiration of the period covered by the lump-sum payment. Additionally, it amends the 1944 act to limit lump-sum payments to an amount covering a period of not in excess of 30 days except in the case of (a) officials being taken out from under the 1951 leave act who had more than 30 days' unused leave to their credit at the time of their exemption, and (b) employees who had more than 30 days' unused leave to their credit at the beginning of the current leave year. In these two instances the excess leave remains to the employee's credit for use in kind or as the basis for a lump-sum payment in the event of separation.

Section 5 amends the act of August 3, 1950, to establish the same limits on lump-sum payments to the estate of employees who die in the service with unused leave to their credit as established under section 4 in the case of employees who are separated.

Section 6 directs the heads of departments and agencies to take positive action toward reducing the backlog of leave standing to the credit of employees. This section requires the Civil Service Commission to include in its annual report to Congress a statement of the progress made in this respect.

Section 7 repeals section 401 of the Independent Offices Appropriation Act, 1953.

Section 8 establishes the effective date.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the report.

Mr. JOHNSTON of South Carolina. Mr. President, inasmuch as I am one of the conferees, I wish to state to the Senate that the conference report is not exactly what the Senate wished to have provided in the case of this measure, but the report is a great deal better than we anticipated at one time.

Mr. CARLSON. Mr. President, will the Senator from South Carolina yield to me?

Mr. JOHNSTON of South Carolina. I yield.

Mr. CARLSON. I wish to state that the distinguished Senator from South Carolina was very helpful in working out the conference report. As he has stated, although we were not entirely happy about the result, nevertheless the report does constitute a solution of a very difficult problem.

Mr. JOHNSTON of South Carolina. Yes; and the solution is agreeable to both the House conferees and the Senate conferees.

Mr. President, I urge the adoption of the report.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

(For text of report, see p. 7498 of the House proceedings in CONGRESSIONAL RECORD of June 22, 1953.)

EXECUTIVE SESSION

Mr. KNOWLAND. Mr. President, will the Senator from Delaware yield, to permit me to make a unanimous-consent request?

Mr. WILLIAMS. I yield.

Mr. KNOWLAND. Mr. President, there is only one new report on the Executive Calendar. In order to expedite the handling of executive business—and let me say I have discussed this matter with the minority leader—I now ask unanimous consent that the Senate proceed to the consideration of executive business, to consider the new report.

Mr. JOHNSON of Texas. Mr. President, we have no objection to the requested procedure.

The ACTING PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. TOBEY, from the Committee on Interstate and Foreign Commerce:

Louis S. Rothschild, of Missouri, to be a member of the Federal Maritime Board, vice Adm. Edward L. Cochrane, resigned.

By Mr. WILEY, from the Committee on Foreign Relations:

L. Corrin Strong, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary to Norway;

M. Robert Guggenheim, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary to Portugal;

James S. Kemper, of Illinois, to be Ambassador Extraordinary and Plenipotentiary to Brazil; and

John C. Baker, of Ohio, to be the representative of the United States of America to the 16th session of the Economic and Social Council of the United Nations.

By Mr. HENDRICKSON, from the Committee on the Judiciary:

William F. Tompkins, of New Jersey, to be United States attorney for the district of New Jersey, vice Grover C. Richman, resigning.

The ACTING PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the new report on the Executive Calendar.

OFFICE OF DEFENSE MOBILIZATION

The legislative clerk read the nomination of Arthur S. Flemming, of Ohio, to be Director of the Office of Defense Mobilization.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the President be notified forthwith of this confirmation.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. KNOWLAND. Mr. President, I now move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

DISAPPEARANCE OF TREASURY AGENT'S REPORT ON TAX DELINQUENCIES OF JOHN LA ROCCO

The ACTING PRESIDENT pro tempore. Under the unanimous-consent agreement, as modified, the Senator from Delaware is now recognized.

Mr. WILLIAMS. Mr. President, today I wish to discuss how a Treasury agent's report on a notorious Pittsburgh racketeer has "mysteriously" disappeared from the Treasury Department's files.

The report in question was filed on December 14, 1943, by Treasury Agent Andrew J. Susce, working out of the Pittsburgh office.

Allegedly it not only contained evidence of tax delinquencies on the part of John LaRocco et al., but also contained

serious charges of payoffs by racketeers to many public officials.

Not only has this report mysteriously disappeared from the Treasury files, but also the record shows that the Treasury agent who prepared the report was fired because when the district office failed to take any action, he submitted to the top officials in Washington the charge that the Treasury officials in the Pittsburgh area were suppressing his report and requesting that he cooperate in its destruction.

As the case stands today the agent has been fired, the report has disappeared, and thus far no record of any prosecution of those mentioned in the report has been found.

In order that we may have a clear understanding of the unusual manner in which this case has been handled, I shall review the record from the beginning of the investigation.

In my statement I am making no effort to appraise the validity of the allegations contained in the report, nor am I passing any opinion upon the allegations that the racketeers were making payments to various public officials.

The important point in this case is not, would the allegations have stood up in court, but why is the report not in the Treasury Department files, and why was the Treasury agent who warned the Washington bureau that the report was headed for destruction fired?

The chronological record of the case is as follows:

In April 1943, information was submitted to the FBI containing certain allegations regarding the financial operations and possible tax delinquencies of John La Rocco, a notorious Pittsburgh racketeer.

Under the established policy, this information was automatically referred to the Treasury Department, and subsequently, in that same month, an investigation was ordered by the Pittsburgh office.

Mr. Andrew J. Susce, zone deputy collector of the Pittsburgh office, was selected by Mr. William P. O'Malley, United States Chief Deputy of the Internal Revenue Bureau in Pittsburgh, and given instructions to investigate the case.

Upon receipt of his instructions, Mr. Susce suggested that this was a case for the Intelligence Unit rather than a case for a regular agent. However, Mr. O'Malley insisted that he take the case and proceed.

Shortly after beginning work on the case, Mr. Susce became further convinced that this was a case involving fraud; and, first in July and again on August 7, 1943, he renewed his request that either a special agent be given the case or that one be assigned to assist him; and on each of these occasions he explained how, in the course of the investigation, he had obtained a confession from Joseph Brusco, alias Joseph Brish, a La Rocco associate, and that this confession along with other important information which he had gathered clearly indicated fraud and the need of handling by a special agent.

Each time his request was refused, and he was told to continue the investigation as ordered.

On December 14, 1943, 8 months after having been assigned the responsibility of investigating this case, the record shows that Mr. Susce submitted his report to Collector Stanley Granger. The receipt of that date for the report was signed by Mr. Granger's secretary, Miss Clara B. Hoppman.

According to a statement dated June 22, 1944, which was filed by Mr. Susce with the Intelligence Unit, he was called to the office of Mr. Granger, collector of internal revenue in Pittsburgh, first on January 14, 1944, and again on February 21, 1944, on which occasions he was told that his report was not acceptable in its present form and that it should be either destroyed or rewritten omitting certain references.

Mr. Susce refused to change his report or cooperate in its destruction.

Evidence that Mr. Susce officially filed his charge that he had been requested to destroy the report is supported by the Treasury Department's letter dated June 23, 1944, file No. SI–RWC–eh, signed by Mr. Robert W. Corey of the Intelligence Unit of Pittsburgh, in which he acknowledged receipt of Mr. Susce's charges. I quote from that letter:

> There are herewith returned the papers which you left with me yesterday, June 22, and which you identified as your original contemporaneous memoranda dated January 14, February 18, February 21, and May 26, 1944.

Two of the memoranda referred to above, namely, those of January 14 and February 21, contain specific charges not only that Mr. Susce had been requested to destroy the report but also that his report was still being suppressed.

Apparently Mr. Susce also reported his charges directly to Washington because, under date of July 5, 1944, there appears a letter in the Treasury Department files, signed by Mr. W. H. Woolf, Chief of the Intelligence Unit, Bureau of Internal Revenue, Washington, D. C., in which Mr. Woolf acknowledged receipt of a letter from Mr. Susce wherein Mr. Susce had requested to come to Washington and present his charges in person.

To this request Mr. Woolf replied:

> Receipt is acknowledged of your letter of July 2, 1944, in which you indicate your desire to come to Washington concerning a matter mentioned in your communication.
>
> The matter is being gone into very carefully and there is no occasion for you to come to this city in connection therewith.

Further evidence that this case was reported to Washington by Mr. Susce is contained in two other letters found in the same files. In the first letter, dated July 14, 1944, signed by Mr. Harold N. Graves, Acting Commissioner, and addressed to Mr. Susce, the Treasury Department confirms receipt of similar charges from Mr. Susce, and promises that his complaint will be considered.

The second letter in the files, dated July 18, 1944, file No. SI–RWC–mm, signed by Mr. Robert W. Corey, special agent, Pittsburgh, and addressed to Mr. Susce, reads as follows:

> It is noted from your letter dated July 17, 1944, that you state your diary records the dates, places, and names of racketeers who from time to time offered you money.
>
> If your diary notations were made at the time and are in sufficient detail to enable you to testify concerning such offers and the expressed purpose for which the offers were made, I would be interested in seeing them. Can you bring, or mail, them in at some convenient time? They will, of course, be returned to you?

The foregoing correspondence clearly demonstrates that the Treasury Department was officially put on notice by Mr. Susce that the report was being suppressed, and that an effort was being made to destroy it.

As a result of these charges, an investigation was conducted by the Treasury Department, and a decision was rendered that Mr. Susce's charges were not substantiated; following which, on August 29, 1944, Mr. Stanley Granger called Mr. Susce to his office and stated that, upon the request of the Commissioner of Internal Revenue, who at that time was Joseph D. Nunan, his resignation was demanded. Apparently Mr. Susce refused to resign, because on that same afternoon he was presented with the following notice:

> AUGUST 29, 1944.
>
> Mr. ANDREW JOSEPH SUSCE,
> *Pittsburgh, Pa.*
>
> DEAR SIR: Confirming my conversation with you, this date, when I submitted to you a resignation based upon the request of the Commissioner of Internal Revenue and your rejection of the same, I am now notifying you again of your discharge from this service, effective at the close of business on October 11, 1944, your last day of service being today (August 29, 1944).
>
> Yours very truly,
>
> STANLEY GRANGER,
> *Collector.*

The records of the Civil Service Commission in Washington show the following notation in Mr. Susce's files explaining his dismissal:

> Removal: False accusations reflecting upon the integrity of superior officer.

The record shows that following his dismissal on August 29, 1944, Mr. Susce still continued pressing his charges that his report on John La Rocco et al., was being suppressed and that he had been unjustly fired for refusing to agree to its destruction.

His first complaint was forwarded to Mr. W. H. Woolf, Chief of the Intelligence Unit, under date of August 29, 1944, which complaint was acknowledged by Mr. Woolf under date of September 2, 1944.

According to the Civil Service Commission records, on the same date, August 29, 1944, Mr. Susce filed with the Commission in Washington, D. C., a complaint regarding what he described as his improper dismissal.

Receipt of that complaint by the Civil Service Commission was acknowledged by Mr. William C. Hull, executive assistant—File No. PC:ERA:ART:AAS. In this letter Mr. Hull told Mr. Susce that a resignation was purely a voluntary act and that no one could force him to resign; however, it should be noted that Mr. Susce had been fired nearly a month before upon his refusal to resign. Mr. Hull also acknowledged the appeal which Mr. Susce then had pending before the

Board of Review for the Treasury Department.

Apparently Mr. Susce's appeal was denied, since his Civil Service files today carry the notation:

Removed October 16, 1944: False accusations reflecting upon the integrity of superior officer.

However, in the same Civil Service files there also appears another interesting memorandum, which was prepared by the Civil Service Commission in reply to an inquiry received in 1945 from a Member of Congress who had raised a question as to the reason for Mr. Susce's dismissal.

In reply, a letter was sent to the Member of Congress, which explained the case as follows:

Inquiry developed that after agent declined the opportunity to resign he was removed on charges on October 16, 1944. The Bureau of Internal Revenue conducted their own investigation and concluded that he did not successfully refute charges which brought about the removal. These charges included allegations which Mr. Susce made against the official conduct of his superior which proved to have had no basis in fact. He also made allegations against other employees and a large number of persons whom he accused of being members of a syndicate which controlled operations of a numbers racket in the vicinity of Pittsburgh, Pa.

A most interesting point in the above is the notation:

The Bureau of Internal Revenue conducted their own investigation and concluded that he did not successfully refute charges which brought about the removal.

Just why the Civil Service Commission, which was supposed to be acting upon Mr. Susce's appeal, delegated authority to the Treasury Department to investigate itself as to Mr. Susce's dismissal, is something that cannot be reconciled under the established civil service rules of procedure.

This point is significant because it represents only the beginning of the evidence which shows that throughout this entire procedure the Treasury Department had complete control over any investigation of its activities.

That Mr. Susce appealed his case and outlined his charges regarding the suppression of his report direct to the President of the United States is evidenced by a Treasury Department letter dated November 6, 1944, and signed by Mr. Charles S. Bell as Administrative Assistant to the Secretary of the Treasury.

Again, it is significant that Mr. Susce's complaint filed with the President regarding the conduct of officials in the Treasury Department was automatically referred to the Treasury Department to prepare its own answer, which it did under date of November 6, 1944.

The letter of that date is as follows:

TREASURY DEPARTMENT,
Washington, November 6, 1944.

Mr. ANDREW J. SUSCE,
Pittsburgh, Pa.

DEAR MR. SUSCE: Reference is made to your letter of September 21, 1944, addressed to the President, regarding your discharge from the position of zone deputy collector in the 23d collection district of Pennsylvania, Pittsburgh, Pa.

Your discharge from the service, effective October 16, 1944, has been approved by the Department as the result of an investigation by the Intelligence Unit of the Bureau of Internal Revenue, during the course of which you were presented with written charges that you had made false accusations reflecting upon the integrity of your superior officer. Your answer did not refute the charges preferred against you and, under the circumstances, your separation was authorized in accordance with the regulations of the Civil Service Commission governing the removal of employees in the classified civil service.

Very truly yours,

CHARLES A. BELL,
Administrative Assistant to the Secretary.

Again on December 12, 1944, there appears in the Treasury Department files another letter signed by Mr. Paul McDonald, Acting Administrative Assistant to the Secretary of the Treasury, in which he too acknowledged receipt of a letter from Mr. Susce under date of November 18, 1944.

Mr. McDonald replied by reiterating that the Treasury Department's decision had been made. I quote from that letter:

Your separation was approved by the Department, to take effect at the close of business October 16, 1944. * * *

After careful consideration of all the facts which made it necessary to terminate your employment, you are advised that it is not possible to change the action already taken.

Following his failure to obtain a satisfactory investigation of the conditions in the Pittsburgh office, on January 11, 1945, Mr. Susce, through his attorney Mr. Harry Alan Sherman, in Pittsburgh, filed a petition with the Attorney General, Francis Biddle, asking that a special grand jury be appointed to investigate the alleged income-tax evasion by racketeers, politicians, and public officials in the Pittsburgh area. In that petition Mr. Susce repeated his charge of the attempted destruction of his report on Mr. La Rocco and others.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point a newspaper article appearing in the Pittsburgh Sun-Telegraph of Friday, January 12, 1945, describing this petition.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RACKET TAX QUIZ URGED—FIRED REVENUE MAN DEMANDS BIDDLE ACT ON INCOMES HERE OF POLITICIANS, LOTTERIES

The United States Attorney General today was called upon to appoint a special grand jury to investigate alleged income-tax evasion by racketeers, politicians, and public officials in Pittsburgh and Allegheny County.

The petition mailed to Attorney General Francis Biddle asks also that a special United States attorney be appointed to handle the investigation which is reported to involve more than twoscore politicians, racketeers, and public officials.

Attorney Harry Alan Sherman, representing Andrew J. Susce, of Oakland, makes the demand, stating that Susce, until recently an internal-revenue agent, has knowledge of income-tax evasions on the gross income derived from illegal lotteries running into millions of dollars.

FIRED BY GRANGER

Susce was fired here last August by Internal Revenue Collector Stanley Granger, who said Susce was not handling his work properly. Susce said he was fired in violation of his civil-service rights and because he insisted that some action be taken on the 175-page report he had submitted on rackets and racketeers.

Susce states that he never has been afforded a hearing on his discharge and that no action has been taken on his appeals to civil-service boards.

Copies of the petition were also sent to Secretary of the Treasury Morgenthau and Chairman RAMSPECK, of the House Committee on Civil Service.

Susce said that in April of 1943 he was assigned to check on a tax delinquent and obtain information which had been requested by John Edgar Hoover, of the FBI. He said he did obtain the information and, further, completed a 175-page report, along with sworn affidavits and confessions, which he submitted to Granger.

PROTECTION FEES CITED

Several weeks ago Granger admitted that Susce had submitted a report, but denied that it was important, and added that evidence contained in it had been acted upon in the proper manner.

Susce, in the petition to Biddle, states that his report made reference to political protection fees, including names of the recipients, the amounts paid, and the dates and places of payment included.

Susce said that Granger, after receiving the report in December of 1943, sought to have it withdrawn, destroyed, or suppressed, but he spurned the requests.

This was denied by Granger, who insisted that everything submitted by Susce went through the proper channels.

Susce's petition adds that he has informed the United States Commissioner of Internal Revenue in Washington of the reports he has submitted here, but he, too, has taken no action.

Last June, Susce states, all copies of the records and reports were submitted to the Intelligence Unit of the revenue district and that he was called personally for questioning by unit representatives.

The petition further states that the case against the racketeer whom he first investigated never was pushed, although a criminal proceeding has been started.

PETITION FOR PROBE

In asking for a special attorney to handle the probe, the petition states:

"Because of the close political affiliations of the aforesaid Treasury Department officials with other departments of the Government in western Pennsylvania, especially with the office of the United States attorney for the said district, appropriate remedial action cannot be expected to ensure the filing of criminal information.

"Wherefore, petitioner prays that an investigation of the practices, policies, and administration of the several offices of the Treasury Department under the Collector of Internal Revenue for the 23d District be immediately undertaken and that appropriate steps be taken to insure the proper administration of the internal revenue laws and the civil service laws relevant thereto. And it is further prayed that the Honorable Attorney General of the United States appoint a special Deputy Attorney General with proper authority to convene a special Federal grand jury to investigate the violations of the Federal laws herein set forth and to indict and prosecute the violators of the said laws."

Mr. WILLIAMS. Mr. President, the records of the Department of Justice indicate that, while the petition referred to in the above newspaper article was filed under date of January 11, 1945, nevertheless all the Department of Justice did was to refer the charge back to the Treasury Department.

I quote the letter of February 8, 1945, to Mr. Susce, which was signed by Mr. James P. McGranery, who at that time

was the assistant to the Attorney General:

DEPARTMENT OF JUSTICE,
Washington, February 9, 1945.

Mr. ANDREW JOSEPH SUSCE,
Pittsburgh, Pa.

SIR: This refers to your communication dated January 11, 1945, in which you request an investigation of the practices, policies, and administration of the office of the 23d internal revenue collection district of Pennsylvania.

An examination of the charges which you make indicates that the matter involves the administration within the Treasury Department of the offices of collectors of internal revenue. Accordingly your statement is being referred to that Department.

Very sincerely,
JAMES P. MCGRANERY,
The Assistant to the Attorney General.

Once again I point out that significant phrase wherein the petition to the Department of Justice, as were the other petitions, charging that a Treasury agent's report involving a notorious racketeer and his connections with various public officials was merely referred to the department which was under suspicion.

Evidently the Treasury Department had blanket authority to investigate itself and render its own decision as to whether or not it felt it should be prosecuted.

On February 21, 1945, the Treasury Department, I suppose after what they would call a rather "meticulous" investigation of itself, rendered its decision to Mr. Susce in which they told him again that a careful review of his petition under date of January 11, 1945, disclosed that there was nothing contained therein bearing on matters within the Treasury Department which had not previously been presented and upon which appropriate action had not already been taken. They concluded with the statement that—

Under the circumstances, your case is regarded as closed.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point, as a part of my remarks, the full text of the Treasury Department's letter signed by Mr. Paul McDonald, Acting Administrative Assistant to the Secretary of the Treasury, under date of February 21, 1945.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

TREASURY DEPARTMENT,
Washington, February 21, 1945.

Mr. ANDREW J. SUSCE,
Pittsburgh, Pa.

DEAR MR. SUSCE: Receipt is acknowledged of petition executed by you under date of January 11, 1945, in connection with your previous employment as a zone deputy collector in the 23d district, internal revenue service.

A careful review of your petition discloses that there is nothing contained therein bearing on matters within the jurisdiction of the Treasury Department which has not previously been presented by you and concerning which appropriate action has not been taken. Under the circumstances your case is regarded as closed.

The enclosures which accompanied your petition are returned herewith.

Very truly yours,
PAUL MCDONALD,
Acting Administrative Assistant to the Secretary.

Mr. WILLIAMS. Mr. President, what I have said constitutes a review of the Susce case from 1943 through 1945.

Then in 1951 and 1952 came the exposures of many other incidents of corruption in the Tax Bureau.

Mr. Joseph D. Nunan, who had been the Commissioner of Internal Revenue during the period involved and upon whose instructions Mr. Susce had been fired, was himself indicted, along with scores of many other public officials who had forgotten that their public office was a public trust. In the midst of those disclosures Mr. Susce's case was brought to my attention.

My informant outlined the record of Mr. Susce's dismissal, describing how Mr. Susce had been fired because he had presented to the officials in Washington the charge that his superior officers in Pittsburgh were suppressing a report which had been prepared by him and which involved many racketeers and their connections with certain public officials.

He also pointed out that the Treasury Department, upon receipt of these charges, had conducted an investigation and rendered a decision that they found them to be unsubstantiated, following which Mr. Susce was separated.

However, he did not stop with that statement. He continued by making the flat charge that after the Treasury Department had gotten rid of Mr. Susce they had then, instead of processing his report in a normal manner, ordered its destruction.

I recognized that if this report of Mr. Susce's involving these racketeers and certain public officials had been destroyed, it meant that there was some basis for Mr. Susce's accusations back in 1945.

To determine the accuracy of this serious charge that a Treasury agent's report had been destroyed, my first step was to report this case to the full Senate Finance Committee. At that time I told the committee that this was one case which should be examined by the special investigating committee which I was then asking them to authorize. However, as Senators know, it later developed that the Finance Committee refused to authorize such a subcommittee unless they could retain a veto over any disclosures.

Failing to get the investigating committee started, I then placed an inquiry with the Honorable T. Coleman Andrews, the new Commissioner of Internal Revenue, requesting a copy of the Susce report.

On April 7, 1953, I receive a reply from Mr. Andrews expressing his regret that under the rules he was not permitted to furnish investigative reports to anyone outside the Bureau except as they were furnished to an authorized committee of Congress.

At this point I ask unanimous consent to have incorporated in the RECORD a copy of Mr. Andrew's letter of April 7, 1953.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES
TREASURY DEPARTMENT,
COMMISSIONER OF INTERNAL REVENUE,
Washington, April 7, 1953.

Hon. JOHN J. WILLIAMS,
United States Senate,
Washington, D. C.

DEAR SENATOR WILLIAMS: Sometime ago you wrote requesting that you be allowed to read a copy of a report which you are advised was sent in by Mr. Andrew Susce, relating to certain conditions in the collector's office in Pittsburgh.

I appreciate your calling our attention to this report, but I regret that under the present procedure we are not permitted to furnish investigative reports to anyone outside of the Bureau, since, as you will realize, such a report is purely an ex parte statement.

I can assure you that a thorough investigation will always be made of any well-founded comment or criticism, but until the particular matter is finally disposed of we are not permitted to disclose statements or comments by an individual who participates in the investigation.

Sincerely yours,
T. COLEMAN ANDREWS,
Commissioner.

Mr. WILLIAMS. Mr. President, this letter was received on April 10, and I immediately called Mr. Andrews and told him that my interest in the case was not so much a desire to read the report as it was to establish the accuracy of a charge which had been given to me that the report was not even in existence, it having been destroyed during the previous administration.

On that occasion I requested that Mr. Andrews call for the report to be placed upon his desk for a personal examination over the week end. I explained that in this manner we could definitely establish whether or not the report was in existence or had been destroyed as my informant had claimed.

Later that same afternoon I received a call from Mr. Andrews confirming the fact that they were unable to locate the report anywhere in the Treasury Department's files, and he said that there were strong indications that the allegations that the report had been destroyed were well founded.

Upon assurance that a thorough examination would then be made for the missing report, I waited until May 14, 1953, and then upon further confirmation that the report was still missing I directed the following letter to Mr. Andrews:

UNITED STATES SENATE,
Washington, D. C., May 14, 1953.

Hon. T. COLEMAN ANDREWS,
Commissioner of Internal Revenue,
Department of the Treasury,
Washington, D. C.

DEAR MR. ANDREWS: I refer to my letters of March 5 and March 17, 1953, in which I requested from your Department a copy of a certain report which had been prepared around 1943 or 1944 by Mr. Andrew Susce, a special agent of the Treasury Department, and your reply thereto of April 7, 1953, in which you stated that under the present procedure you were not permitted to furnish me copies of such investigative reports.

Prior to this correspondence I had identified the report to the Senate Finance Committee as one that should be promptly examined by the investigating committee

which I was then asking them to authorize. When they refused to grant the authority for this investigating committee I then wrote you direct.

Following this exchange of correspondence, on April 10, 1953, I called your office and explained that according to my information this report could not be furnished even to an authorized committee since it had been destroyed sometime prior to your taking over the control of the Bureau, and I pointed out that this statement if true would mean that those who were currently in your employ and who assisted in the preparation of your reply to my correspondence had misled you in that they had apparently summarized a report which was nonexistent. In order to verify this allegation I requested that you call for this report to be placed upon your desk for your personal study, which you agreed to do.

Late that same afternoon you called my office and advised me that my information regarding the destruction of this report was substantiated. You also confirmed the allegation that the agent, Mr. Susce, who had written the report, had been fired from the Government service following his refusal to cooperate in the destruction of the records.

This report was one which involved John La Rocco, a prominent Pittsburgh racketeer, and contained many allegations regarding the payoff by Mr. La Rocco and other prominent members of the underworld to public officials.

This report was brought from the Pittsburgh, Pa., office to Washington, D. C., and apparently reviewed by top Treasury and Justice officials, following which it was determined to be too hot to handle and ordered destroyed.

Will you please furnish me with a list of every Treasury Department employee as well as any in the Department of Justice, either in the Pittsburgh or in the Washington area, who took part in this conspiracy to destroy these records?

I appreciate very much your cooperating in helping to establish the responsibility for the irregular manner in which this racketeer's case has been handled. Once we can demonstrate that under the new administration the guilty parties will be exposed I am hopeful that I can persuade my informant to relate to you direct the shocking story as it was told to me.

Yours sincerely,

JOHN J. WILLIAMS.

Mr. President, I received the following reply from Mr. Andrews dated May 19, 1953:

UNITED STATES
TREASURY DEPARTMENT,
OFFICE OF COMMISSIONER
OF INTERNAL REVENUE,
Washington, May 19, 1953.

Hon. JOHN J. WILLIAMS,
United States Senate,
Washington, D. C.

DEAR SENATOR WILLIAMS: This is in response to your request of the 14th. It may take a little time to get the information that you requested, but I will get someone started on it right away and I will forward the information as it is compiled.

Respectfully,

T. COLEMAN ANDREWS,
Commissioner.

Mr. President, another month has passed and still the Treasury Department is unable either to find the report or to place the responsibility upon the officials who cooperated in its destruction. That it has been destroyed or deliberately sidetracked must be accepted as a fact in light of the strange circumstances surrounding the case from the very beginning.

I have every confidence that Mr. Andrews, the new Commissioner of Internal Revenue, is making a thorough examination of this case and that he is determined to place the responsibility where it belongs. However, he is handicapped in that there are still in his department those who are more interested in protecting the past administration than they are in developing the true facts. That is evidenced by a recent tendency on the part of some of these top officials to advance the explanation that the Susce report as such, never existed, or that if it did exist, it was accidentally misfiled.

I refuse to accept the explanation that a report so embarrassing as this one no doubt would be not only to the racketeers involved, but also to many public officials, was lost or forgotten. That explanation is particularly hard to accept in this case when we remember that the agent preparing this report was fired because he had made the charge that his superiors were trying to do that which has apparently happened; namely, destroy the records.

As I pointed out at the beginning of my remarks, what was in the report is now only secondary to what happened to the report. In the first place the statute of limitations has rendered the report practically useless so far as concerns criminal prosecution being made on any charges it contained, but fortunately, the statute of limitations cannot prevent us from exposing those who are responsible for its mishandling—nor can the statute of limitations prevent the report from being used by the Department of Justice as a background for developing a new case.

While I am not in a positon at this time to state exactly who in the Department was responsible for the destruction of this report, I am in a position to explode the second theory that such a report never existed. Before it was destroyed an individual who anticipated some such action had the foresight to see that a copy was made.

I have here on my desk a photostatic copy of the Susce report.

Those responsible for what happened to the report overlooked the fact that for every crooked Government employee there are thousands who are honest, even to the extent that many of them will gamble the security of their jobs to cooperate in the exposure of corruption in their department.

Mr. MARTIN. Mr. President, will the Senator yield for a question?

Mr. WILLIAMS. I yield to the Senator from Pennsylvania.

Mr. MARTIN. Who was Mr. Susce?

Mr. WILLIAMS. Mr. Susce was the revenue agent working out of the Pittsburgh office, who, back in 1943 and 1944, filed the report in question. He was the agent who was fired for reporting to officials in Washington the charge that his superiors in the Pittsburgh area were suppressing his report, and that he had been requested to cooperate in its destruction.

Mr. MARTIN. Does the distinguished Senator from Delaware know the duties of Mr. Susce in the Pittsburgh office?

Mr. WILLIAMS. Does the Senator mean at that time?

Mr. MARTIN. At the time Mr. Susce was dismissed.

Mr. WILLIAMS. At the time, Mr. Susce was a regular revenue agent working out of the Pittsburgh office. He was not with the intelligence unit. When he began investigating the case and filed a complaint with his superiors, the basis of his complaint was that he felt the case was one which should have been handled by members of the intelligence unit or by special agents. On several occasions he requested that the case be assigned to a special agent, or that a special agent be assigned to work with him. That request was refused, which only indicated further the lack of interest on the part of his superiors in having the case developed in the first place.

Mr. MARTIN. Mr. President, will the Senator yield further?

Mr. WILLIAMS. I yield.

Mr. MARTIN. I shall take only a little time; but, as the incident occurred in my own district, I am very much interested.

Do I understand correctly that from an official standpoint the record never has been found?

Mr. WILLIAMS. That is correct; that was my last information from the Department. The Department has not found the records. That report was confirmed by Mr. Andrews about 6 weeks ago. He then requested an opportunity to examine the files, to make sure that the records had not been simply misplaced, but they still have not been found. That is the last information I have.

In talking with one of the officials in the Department, not Mr. Andrews, but one of his subordinates, the theory was advanced that perhaps such a report never existed. That is the reason why I felt it might be necessary to prove that such a report did exist. For that reason I produced a photostatic copy of it.

Mr. MARTIN. Did Mr. Susce's report make charges against employees of the Bureau of Internal Revenue in the Pittsburgh district?

Mr. WILLIAMS. The report contains many charges. I would rather not go into specific details as to who is involved in the charges for the reason, and I think the Senator from Pennsylvania will agree with me, that I am not willing to accept an agent's report as being factual until the accused have had an opportunity to reply to the charges. Until the charges have been answered by the individuals named, I think it would be improper to publish the report. That is the reason why I am not incorporating the report in the RECORD today.

What I am complaining about now is that the report, which contained these allegations, was not acted upon. I find no record showing that the report was even reviewed with the intentions of taking any action. No statement is found showing, for example, that it was decided that the allegations would not stand up in court, or that there was not sufficient evidence. Apparently the report was not sidetracked on that basis. It was ordered destroyed or rewritten—no action was taken upon it.

Mr. MARTIN. Mr. President, I should like to make a brief comment. I think

the distinguished Senator from Delaware has been very fair and proper in his conclusions, as he always has been. I do not think this report should be made public until the accused have had the opportunity, in a proper procedure, to answer the charges. What I should like to bring out is that, as I understand, after almost 9 years seemingly there has been no effort on the part of the Department to ascertain the guilt or innocence of those accused.

Mr. WILLIAMS. I fail to find evidence of any such effort whatever. In fact, I fail to find any evidence showing that charges have been presented against any of the individuals named in the report. I find no evidence of any effort to prosecute such charges. I fail to find any evidence anywhere that the department has tried to investigate the allegations in the report, to determine whether or not they would stand up.

The only record of action I find is that from the very beginning a determined effort was made to get rid of the agent who wrote the report. To show the background of this agent, and prove that he is a reputable individual, let me say that I understand he is now employed by Dun & Bradstreet, and that he has worked for them practically ever since he left the Government. He holds a responsible position and is recognized as one of their most responsible employees. We all know that Dun & Bradstreet is an agency which does not hire men who do not have the highest qualifications.

Mr. MARTIN. Where is he now employed?

Mr. WILLIAMS. I understand he is still employed by Dun & Bradstreet.

Mr. MARTIN. Where?

Mr. WILLIAMS. I am not certain. I think it is in the Ohio area.

Mr. MARTIN. Mr. President, a very formal petition, which evidently had been very carefully prepared by the attorney for Mr. Susce, was filed, asking that the charges be investigated. Has the Senator from Delaware found any record showing that any effort was made as a result of that petition?

Mr. WILLIAMS. The only record I can find is that after the petition was filed in Washington it was acknowledged by an Assistant Attorney General, Mr. James P. McGranery. There is a letter in the files which Mr. McGranery wrote to Mr. Susce, in which he told him that his charges were being referred to the Treasury Department for investigation, since it involved the Treasury Department. Apparently the only conclusion we can reasonably draw is that the Department of Justice was not in the least interested in any possible law violations, or in any wrongdoing on the part of public officials, or on the part of racketeers. The case was referred by the Department of Justice to the Treasury Department, and the Treasury Department was asked to investigate itself.

If the Treasury Department had finally decided to prosecute the case, I suppose the Department of Justice could have been informed, and perhaps it might have been persuaded to take action. However, the Bureau of Internal Revenue under Mr. Joseph D. Nunan, who has himself since been indicted on numerous counts involving similar activities, decided that it did not want to prosecute itself. The decision was made to fire the agent, which was done. That was the manner in which the case was handled. I fail to find any evidence that the Department expressed the slightest interest in the allegations contained in the report.

The root of all this evil centers around the policy of allowing each agency to investigate itself and render its own decisions. That is a policy still in practice and one which I have been urging to be changed for some time.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had further insisted upon its amendment to the bill (S. 1081) to provide authority for temporary economic controls, and for other purposes, disagreed to by the Senate; agreed to the further conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. WOLCOTT, Mr. GAMBLE, Mr. TALLE, Mr. KILBURN, Mr. SPENCE, Mr. BROWN of Georgia, and Mr. PATMAN were appointed managers on the part of the House at the further conference.

A CALL FOR INTERNATIONAL TRADE

Mr. HUMPHREY. Mr. President, I intend to speak today on the problem of reciprocal trade. I wish to set forth the reasons why a broader, more lenient, more stable United States trade policy is imperative for our economic welfare and our ultimate national security. I want to set forth the dangers in undermining the reciprocal trade program, as the Simpson bill would do.

I wish to explore the difficulties, as well as the benefits, of a more liberal trade policy. I want to urge on this body a consideration of American trade policy which places our world trade in what I believe is its proper perspective in the midst of our international and domestic economic problems. Finally, I want to urge certain specific needs of American trade policy.

I shall begin with a review of the chief reasons for believing that a broader trade policy is essential to American security and welfare. But let me first make one observation, which I hope the Senate will bear in mind as I discuss the arguments for expanding American trade.

That observation lies behind everything I shall say today; and it is this: The decision we make on American trade policy this year will actually be a decision on world trade policy—and it will likely be irrevocable.

First our decision will profoundly affect world trade because American trade today totals 35 percent of world trade. Our decision cannot help but affect the trade and economics of the entire world, including the Soviet bloc, which is watching us carefully. The free world, and to a large extent the entire world, is an economic unit today. This means that our decision will not be a decision of this moment alone. It will bind us and affect us for years to come. The effects of commerce are endless and the consequences far-reaching. They will return to us again and again.

Secondly, our decision will likely be irrevocable. For the past year, particularly, the other commercial nations of the world have been watching our leadership, waiting for our lead. If we do not ourselves lay the foundations on which stability of trade can be built, they will reluctantly turn elsewhere to trade. Such nations will make adjustments in their economies. These adjustments will be fundamental. So let me say soberly that the markets we lose will not be easily regained. They may never be regained. Many of our trading partners feel that it is now or never for them. If they are to adjust to new avenues of trade they must do it now.

We will have to consider our future trade policy dispassionately and soberly. But there is also a sense of urgency behind our decision; for this may be a real turning point in world trade.

Let me now take up, point by point, the main broad reasons for a more liberal trade policy between the United States and the other free nations of the world.

I. OUR NEED FOR EXPORTS

Much of American industry today depends heavily upon continued exports of manufactures and finished products. In 1951, 52 percent of American exports consisted of manufactures and finished products, exclusive of military items. Manufactures today represent the heaviest percentage of American exports. These exports of finished goods were worth $10.2 billion in 1951, and represented heavy percentages of the total output of many American industries.

The automobile industry has long favored lower tariffs and higher trade.

Textile machinery, machine tools, agricultural implements, printing, oilfield machinery, diesel engines, trucks, and tractors are among our more important manufactured exports. Clearly, the industries which manufacture these goods are vital, capital goods industries—the industries upon which our economy ultimately depends. They are the industries which are generally the first to feel the effects of depressions, next to the milling and fabricating and construction industries.

Let us bear in mind the fact that the industries which I have mentioned are of critical importance to the whole American economy, and that any slackening in international trade which would affect them would have a very serious effect upon that economy.

These industries today are in a highly significant degree, dependent upon export markets. It is clear, therefore, that so is much more of our economy; including primarily those even more basic industries which supply them with steel and other basic products.

II. OUR NEED FOR RAW MATERIALS

Mr. President, let me now direct my remarks to our need for raw materials.

Many of these basic industries are heavily dependent upon imports for crude and raw materials. In 1951, roughly 54 percent of American imports consisted of crude and semimanufactured materials. These are vital to

American industry and they are vital to American security.

Today, 40 of the 72 minerals listed by our Government as "strategic and critical" are obtained chiefly through imports.

I should like to underscore that particular statistical fact. It is something the American people need to know. If they do know it, they will appreciate all the more the importance of foreign commerce and international trade.

The fact is that the United States is steadily becoming less self-sufficient, due to the growth of our population and consumption of finished goods, and the depletion of our natural resources. As the report of the Paley Commission, a distinguished nonpartisan commission established to study our resources, put it:

> By the midpoint of the 20th century we had entered an era of new relationships between our needs and resources; our national economy had not merely grown up to its resource base, but in many important respects had outgrown it. We had completed our slow transition from a raw-materials-surplus Nation to a raw-materials-deficit Nation.

The Paley Commission went on to point out that by the year 1975, our mineral requirements will be 90 percent higher than they are today, and that we will have to look abroad for these minerals.

It is true that, for the most part, American tariffs on raw materials are rather low today. It is not likely that we will need to lower many duties further. But we should be in a position to guard against the raising of duties, and this calls for the extension of the Reciprocal Trade Agreements Act. We should not forget that a small increase in the cost of basic raw materials to manufacturers, means a much larger increase in the prices of finished products. It has been said that an increase of 2 cents a pound in the average cost of our basic metals would increase the national bill by about $2.5 billion each year.

The fact is that we cannot hope for self-sufficiency in our raw materials today. The requirements of our economy are such that there is little danger of discouraging domestic production of key minerals, even if we lower the tariffs on foreign goods. We should continue to encourage imports, and should be stockpiling against an emergency when we would have to rely upon domestic production.

Mr. President, I digress to say that in the Committee on Foreign Relations I recommended the inclusion in the Mutual Security Act of a new title which would empower the President of the United States to utilize our surplus agricultural production for the purpose, among other purposes, of trading for critically needed materials, which could be stockpiled in the United States. Such materials could be so stockpiled that they would in no way affect the market conditions. In other words, they could be held in reserve, for the security and defense of the United States, thereby not being placed upon the market, which in turn might break a price or cause some disastrous economic result.

It seems to me a very wise proposal that a nation which is burdened with untold surpluses of food, in a world which is starving, might very well exchange some of its food surpluses for critically needed materials, particularly minerals, which are so essential to the national security of the United States and our allies.

I repeat that it could be done without in any way upsetting normal market relationships in the American economy or in the free world's economy.

At the proper time, during the debate and before the vote is taken on the Mutual Security Act, I shall offer such an amendment, which will, in my mind, strengthen the President's hand as the leader of America in international relations. The amendment provides that at any time when the President deems it wise and necessary for the security of the United States and for the effectuation of our foreign policy, he may exchange, sell, or give away American surplus agricultural products, which in turn would be utilized for our national good and national well-being in our relationships with our allies.

Mr. MANSFIELD. Mr. President, will the Senator from Minnesota yield to me?

The PRESIDING OFFICER (Mr. PURTELL in the chair). Does the Senator from Minnesota yield to the Senator from Montana?

Mr. HUMPHREY. I yield.

Mr. MANSFIELD. The Senator from Minnesota has referred to the amendment he offered in the Foreign Relations Committee.

Mr. HUMPHREY. That is correct.

Mr. MANSFIELD. That amendment was originally suggested by the American Farm Bureau Federation, I believe.

Mr. HUMPHREY. That is correct.

Mr. MANSFIELD. Is it not true that after considerable discussion in the committee and after the calling of additional witnesses, it was decided that the so-called Humphrey amendment had a great deal of merit and should be given most serious consideration, but preferably should be handled by means of a separate measure?

Mr. HUMPHREY. That was my understanding from the testimony of the administration witnesses; namely, that although they agreed with the substance and purpose of the amendment, they felt it would be desirable to have it brought forward as a separate measure, and not be included in the Mutual Security Act.

Mr. MANSFIELD. Mr. President, I think the Senator from Minnesota is to be congratulated for being one of the foremost in the advancement of this idea, and for trying to have the amendment included in the Mutual Security Act, and, if that cannot be done, to have the proposal handled as separate legislation.

Mr. HUMPHREY. I thank the Senator from Montana.

Mr. President, I wish to say to my colleagues who have just entered the Chamber that today I am directing my attention to what I consider to be one of the most critical areas of our foreign policy, namely, our foreign trade. For the moment I am reciting portions of the report of the Paley Commission.

I regret that the Paley Commission's report has not been widely known throughout the country.

The Paley Commission's report tells the American people that we are sorely in need of minerals and other strategic materials; that we are suffering from a kind of economic anemia which at the moment may not have reached the pernicious stage, but is fast approaching it.

The report states that by 1975—22 years from today—the people of the United States will have to consume 90 percent more minerals than are presently being utilized in United States industrial plants, and that the greatest possible source of those minerals is in the area of international trade. Thus, we see all the more vividly why areas of the world such as southeast Asia, Africa, Latin America, and perhaps the entire Western Hemisphere are so important to the well-being and security of our Nation. This situation may offer some insight into the reasons why our Government took such strong action in terms of coming to grips with Communist aggression.

I may say that, to my mind, one purpose of the Communist effort in Korea was a drive down the Korean Peninsula, and thereby move the hammer and sickle that much farther into southeast Asia, and thereby enable the Communists or Soviets to extend their control into southeast Asia and into China and thus be able to exploit the tremendous resources there. That idea is not new. The Japanese tried to do that before 1940 and also during World War II.

The richest area of the world, in terms of some of the strategic minerals and other commodities, and an area that is more vital to the security of the United States than is almost any other area in the world happens to be in southeast Asia. The other area in that category—and it is a little-known one—happens to be in Africa. Those two areas, about which we have the least information, are the two areas of the world in which the entire future of the United States standard of living and of our economic well-being and of our security will be tested; and if we fail there, they may well be jeopardized.

Mr. MANSFIELD. Mr. President, will the Senator from Minnesota yield further to me?

Mr. HUMPHREY. I yield.

Mr. MANSFIELD. I have been following with interest the great speech being made by the Senator from Minnesota. I think he is hitting the nail on the head, so far as concerns the difficulties which confront us. He has mentioned the possibility that we will have to import a great proportion of the minerals used by our people in the years ahead. I know he speaks with first-hand knowledge, because in his own State of Minnesota the great Mesabi Range is practically depleted of good iron ore, and at present the low-grade or taconite ore is being worked.

Mr. HUMPHREY. That is correct.

Mr. MANSFIELD. Does the Senator from Minnesota realize that so far as copper is concerned—and I note in the Chamber at this time a Senator from one of the copper-producing States—in

25 years there will not be a copper camp operating in the United States, except the one at Butte, Mont.? That situation indicates how dependent we shall be upon imports, not only in the case of copper, but also in the case of iron, uranium, and other minerals and commodities which are important to our security.

So I think the Senator from Minnesota is not overemphasizing the importance of such minerals to our welfare, and the critical situation facing us because of the lack of such minerals, and, therefore, the necessity of our going along with the rest of the world, whether we like it or not, if we wish to live.

Mr. HUMPHREY. I thank the Senator from Montana for his very pertinent observations. He, too, comes from an area that has many minerals and other materials which are critically needed for our security. He also knows about our problems in terms of the long-range duration of the supplies of those minerals.

Mr. President, I was pointing out that an examination of a list of strategic and critical minerals, published by our Government, discloses that 40 of the 72 on the list are obtained chiefly from imports. So the subject of international trade becomes much more than one for an academic discussion; and the problems of our trade relationships must receive our careful and studious attention. I am frank to say that those problems are not simple, and I am not attempting to outline any simple formula for their solution. My colleagues will observe as I progress in my remarks that I do not believe these problems are easily solved. On the contrary, I believe they are complex problems, but their solution is basic to the long-range security of our Nation.

I was pointing out what I consider to be our need for raw materials.

III. FARM EXPORTS

Mr. President, let me refer for a moment to the subject of farm exports. The effect of reciprocal trade upon the American farmer is not all one way; but certain segments of our farm economy are highly dependent upon it. In 1951 our agricultural exports totaled $4 billion, or one-eighth of the total cash receipts of American farmers. Of this, exports of wheat and cotton were each one-third of the total crop, and exports of several other grains were not far behind.

The nations of Western Europe have had to rely increasingly upon imports of food from the dollar area since the last war. Population increases in onetime colonial areas, plus the gradual industrialization of those areas, have meant that these areas no longer export as much food as they used to. This is a permanent and continuing situation. Western Europe knows now that it must look elsewhere for food.

We can continue to sell food and agricultural products to Western Europe—and thus relieve our own surpluses and maintain the prices of certain of our agricultural products—so long as we are willing to reduce other trade barriers so as to allow Europe to sell other goods in our markets.

In other words, there is a mutuality of interest. We cannot sell United States products abroad if we are not willing to buy some of the products of foreign countries. I wish to point out what I consider the alternatives to be.

But if Europe cannot sell finished and semifinished goods in our markets, then she will have to buy grains and other foods elsewhere. At this moment the British are negotiating with the Russians for large grain imports, which otherwise Britain would obtain from the United States.

Already Europe is developing alternative sources for the agricultural goods she has been buying from America. Australia, Africa, and Turkey are making a real bid to replace the United States in our traditional farm export markets. If this new pattern of trade is established, the American farmer will be hard hit.

This is the choice we face: We can lower certain tariffs and accept more European goods, or we can sacrifice our agricultural exports to high tariffs. For the most part, the American farmer is able to compete in world markets. So, for the most part, is American industry, but we are sometimes reluctant to recognize that American industry can compete. This costs our farmers plenty.

The traditional argument against low tariffs is that they make it possible for America to be flooded with goods made by cheap labor from the low-cost producing foreign countries. In the main, in the majority of instances, that argument does not hold water, because American industry is so much more efficient, the workers are so much more efficient, the management is so much more efficient, and the capital outlay for plant equipment and modern tools is greater than the capital outlay of similar manufacturing plants anywhere in the world, that American business not only can compete with foreign competition, but it also can undersell it. This is particularly true when American business has put its mind to the job of meeting competition. This involves no lowering of American wage standards, no lowering of American quality; it involves merely the improvement of American technique, which is being shown today.

Actually, European countries are sending their industrialists and labor leaders to America to study the methods adopted in the United States which give our industry preeminence. American technological know-how is not a myth, it is a fact. We might well pause for a moment to consider that capital investment on the part of American entrepreneurs and American industries generally, is a basic and integral part of the American productive system. It is impossible to have high production without high capital outlay; and therefore the stockholders, the investors in American industry, have made a most significant contribution to our ability to compete, and to compete on very successful terms.

Mr. MANSFIELD. Mr. President, will the Senator yield for a question at that point?

Mr. HUMPHREY. I yield.

Mr. MANSFIELD. If our industries improve the technological processes, is it not true that in so doing they will also have to find ever-increasing markets for the goods so produced?

Mr. HUMPHREY. That is correct.

Mr. MANSFIELD. Is it not true also that within recent months, in Cleveland or Toledo, Ohio, the Ford Motor Co. has introduced a new type of machine which can be operated by 3 or 4 people, whereas in the making of the particular Ford car there manufactured formerly the machine required 54 or 55 workers? Very well, we have this increased efficiency; we can make more cars cheaper and with less labor. What is to be done to get rid of this product, unless the market is expanded so that purchasers can be found to take the products as they come off the assembly line?

Mr. HUMPHREY. The Senator from Montana has pointed up what I consider to be a most compelling argument as to the importance of American foreign policy being designed to create expanding markets. It should not be contented with merely saying that we want to sell more, but should be motivated by a desire to aid other peoples to increase their income very greatly so that we can sell to them much of what we produce.

We find ourselves in a peculiar situation, because of our scientific and technological know-how and our tremendous capital investment in modern plants. Our factories are so equipped and so well tooled that we can produce far beyond what anyone ever dreamed was possible, and we can supply a much larger market. That again constitutes a kind of economic compulsion necessitating that the whole policy of American Government and American industry and American labor, indeed, the entire American community, be based on the idea of expanding world markets. No other country has so much to lose as has the United States of America in a restrictive world economy. We have everything to gain in a much broadened and much enlarged economic well-being throughout the world.

Mr. KENNEDY and Mr. LONG addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Minnesota yield; and, if so, to whom?

Mr. HUMPHREY. I yield first to the Senator from Massachusetts, after which I shall be pleased to yield to the Senator from Louisiana.

Mr. KENNEDY. As I understand the Senator from Minnesota, the very able speech he is now making is an argument for free trade. Is that correct?

Mr. HUMPHREY. I am making an argument for the extension of reciprocal trade, and as I come to the conclusion of my remarks, I shall make some general recommendations about what I believe the new Commission that is being established ought to do in its study and analysis.

Mr. KENNEDY. Does not the Senator feel, however, that as the dollar gap between the United States and Western Europe, for example, is slightly over $2 billion, and that dollar gap has been widened by the extension of economic assistance since the end of the war, if we were to withdraw our assist-

ance, and were to expect the Europeans to get along by an increase in imports to the United States, which would build up their dollar pool, that increase in the amount of dollars could be gained only by dislocations of American industries? Therefore is not the basic question before us the question of whether we shall accept that dislocation of over $2 billion, or shall continue our economic assistance as a subsidy to the marginal domestic industries which might be put out of business if we were to lower our tariff barriers? It is not a completely easy problem to solve. We have to be willing to face up to that basic question, do we not?

Mr. HUMPHREY. I think the Senator from Massachusetts has pointed up what I consider to be the extreme difficulty of our policy decisions in respect to foreign trade. It is the opinion of the junior Senator from Minnesota—and I add only my opinion—that as we approach the problem of leveling out or evening up the so-called dollar gap, which means the shortage of dollars Europeans have with which to pay for American goods they may need, we must approach it, not with an early and definite cut-off date, but we must phase it out, so to speak. I do not think we can simply stop a program such as an aid program, whether military or economic, because its cessation would have its impact on the economy overnight. If we were to act precipitately, it could be very disastrous. In fact, I believe we stopped certain programs immediately after World War II a little bit too quickly. I refer to such programs as lend-lease, which could have been used a little bit longer in order to tide over some of the foreign countries in their great period of distress.

The Senator from Massachusetts is pointing out, and very rightly so, that when we discuss our foreign trade policy for the long pull, we must remember that we have periods of adjustment at home and that we shall have to act very methodically and very carefully, and may have to continue for a considerable period of time at least a modicum—and I would hope it would be a reduced modicum at all times—of economic assistance.

I might also say that the recent report of the Bell committee—for the Public Advisory Board of the Mutual Security Agency—raises much the same question as does the distinguished Senator from Massachusetts. That is the question of whether we will have to have subsidies at home, if we attempt to end subsidies abroad through more liberal trade. The Bell committee made some solid suggestions on this issue. I am not ready to accept all of them, but I agree with the Senator from Massachusetts that this is a tortuous policy question.

One of my reasons for having been a supporter of reciprocal trade is that each reciprocal trade agreement is arrived at after much discussion and deliberation as to the effects of the trade agreement upon the respective economies. Such an agreement is not something that merely comes about by legislative fiat, such as the levying of a tariff duty. It is something that comes about after careful technical research. I am not saying that all the agreements have been as good as I would have wanted them to be. But at least what I have set forth is an approach which I think makes much sense. I now yield to the Senator from Louisiana.

Mr. LONG. I wonder whether the Senator from Minnesota will agree that in the long run there can be no policy based on a so-called favorable balance of trade, because in the long run other nations cannot trade with a great nation such as ours, unless the amount we import tends to equal the amount we export.

Mr. HUMPHREY. In the long run that is true. If in the long run we are expecting to have a large favorable balance of trade, what it means is that we are simply drawing something out of one well, more than ought to come out, and putting it into another. In other words, we draw dollars away from one area of the world that is already short of dollars, in order to pile up dollars here. Then the only thing we can do is to hand the dollars back, so that we can do business. It is like a card game. When all the players except one run out of chips, that one man ends up with all the chips, and the game is over. If we want to keep the game going, we must have some rules to provide a reasonable chance for everyone.

Mr. LONG. That brings up an additional problem. This Nation can produce most of the things it needs. However, we have many allies who are not able to produce all the things they need. They can produce a surplus of some things. If we wish to see them stand as free nations and as allies in world affairs, we need to recognize their problems and to make arrangements, where it is possible for us to do so, to trade with them, although in many instances we can produce to an extent fully to satisfy our needs commodities which we may permit them to export to this country.

Mr. HUMPHREY. Those are not merely economic decisions. They have to be political decisions. Much along the same line I have argued with respect to the family-size farm in the United States. It may be argued that a farm of several hundred acres will produce more crops and greater profits, if it is highly mechanized than a smaller farm; but, on the basis of political and social decisions, Congress has said that, for the good of the social and political structure of the Nation, for the good of the community, for the good of the family unit, for the good of the whole mental, psychological, and social health of the country, the small family-size farm shall be maintained. It is not an economic decision alone; it is also a political and social decision.

The same argument obtains in reference to America's free-enterprise system. Some persons might contend that a thoroughly monopolistic structure would be more capable of getting goods more readily distributed. But we believe in a wide number of outlets in connection with production, retailing, and wholesaling. We recognize the competitive market because of its political and social value. I think we have to consider those things in our whole attitude toward trade.

Mr. LONG. I think the Senator from Minnesota will agree that, for example, we should have a merchant marine because in time of war we would have to have one, anyway, therefore, although we would not necessarily ship all our goods in our own ships, we should have an active, vigorous merchant marine capable of helping us to implement our foreign policy in the event we find ourselves in an emergency.

Mr. HUMPHREY. I believe we should, even though it costs us money. I am not one who believes that, strictly from an economic standpoint, we must sacrifice the merchant marine. I believe it has political and international implications. We should have a merchant marine that will fit into our economic structure.

Mr. LONG. I think the Senator will agree with me that this Nation should not put itself in such a situation that it could not, in an emergency, manufacture and produce the things necessary to preserve our economic life and our defense.

Mr. HUMPHREY. I agree with the Senator. Some of the basic raw materials which we so desperately need must be imported. We have created the kind of an industrial plant that depends upon a rather free flow of goods amongst the nations of the world.

We have perfected motors and other electrical equipment, all kinds of building materials; we have need for all kinds of minerals which are not indigenous to America or even to the Western Hemisphere. We have to depend on supplies of such materials coming from far-off areas. Therefore, a policy which takes into account those things is a wise state policy.

Mr. LONG. Of course, we have to consider these problems in terms of importing materials that we cannot produce in this country. In order that some nations may be able to trade with us it is important for us to import from them things which we may be fully capable of producing for ourselves.

Mr. HUMPHREY. I think that is correct.

I wish to comment briefly on east-west trade which I am sure is important in the consideration of this subject.

IV. EAST-WEST TRADE

Since the war, and since the Communist coups in Eastern Europe, the whole pattern of prewar European trade has been disrupted. Western Europe must find a way to make up for this loss of trade with East Europe—and the large American market is virtually the only adequate place left.

I found out on my very short trip in Europe that this fact was emphasized by the problem of coal. Denmark used to get coal from Poland, and that normal flow of coal was vital to Denmark's industry. The supply was cut off, so that Denmark had to get coal from the United States. British coal production was not capable of taking care of the needs of other nations. I think this is a classic example of what happens when the total economy is disrupted. There have been many such disruptions.

If I were to attempt to point out one of the basic causes of world unrest today it would be in connection with the matter of foreign trade, because once a Benito Mussolini, an Adolf Hitler, a Josef Stalin, and a Lenin started to set up false economics in an effort to produce self-sufficiency, although there was no hope of self-sufficiency in some of the nations. Quotas and other restrictions were established. This is what we have been suffering from ever since 1914. The world today is in difficulty which is largely due to the distortion of the normal flow of trade.

Mr. MANSFIELD. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. MANSFIELD. The Senator was speaking a moment ago with reference to coal obtained by Denmark. Does the Senator recall the price of that coal per ton?

Mr. HUMPHREY. I believe it was $16 or $17.

Mr. MANSFIELD. I think it will be found that the price was $20 or $22.

Mr. HUMPHREY. I stand corrected. I believe the Senator is correct.

Mr. MANSFIELD. Where did Denmark get the dollars with which to pay for that coal?

Mr. HUMPHREY. From the United States.

Mr. MANSFIELD. How did Denmark obtain the money?

Mr. HUMPHREY. Through the Mutual Security Agency or the economic-aid program.

Mr. MANSFIELD. It is at least another indication of the interdependence which exists among the nations of the Western World. Is it not true that if other peoples cannot reinstate their normal relationship tradewise, they must find markets somewhere else in order to make dollars to spend in this country to buy our goods?

Mr. HUMPHREY. The Senator is correct. I will give this kind of an opinion on my part. Nations may live quietly, but they do not die that way. Before a nation will suffocate from the lack of economic air in which to live, which is its trade, it will usually go into some form of convulsion which generally means violence.

Before any country will die as a people, as a nation, as an economy, it will make desperate efforts to live. The more world economy is restricted, the more pressure is built up within it, the sooner it bursts out at some place in open violence.

Mr. MANSFIELD. If the people of the Western European nations do not find new markets, they must look eastward, must they not?

Mr. HUMPHREY. That, it seems to me, involves the new strategy with which we are faced in terms of the Soviet today. I shall move into that subject very shortly in discussing what I consider to be the real Soviet threat to the free world, and particularly to the United States of America.

In this situation, the consequences of a high tariff policy in the United States are tremendous. A recent survey by the United Nations shows that, while the Communist satellite states are by and large meeting the goals of their 5-year plans, the economy of Western Europe is slumping badly. As a recent New York Times article pointed out—

> This is not because recovery in Western Europe has been illusory • • • but because the deterioration in Europe's position in the world economy has been far greater than was appreciated when the postwar recovery plans were established. • • •
>
> The failure of Western Europe to develop alternative sources for dollar supplies of food and raw materials, the unwillingness of the United States to offer Europe larger and steadier markets for manufactured goods, and • • • the vast misdirection of investment in such areas as Australia, Latin America and dependent overseas territories, have all contributed to worsening Western Europe's capacity to maintain its standard of living and employment of its people.

I do not agree with every word of the New York Times statement. I only point out that here is the considered view and report of their foreign trade personnel, men who have spent a good deal of time studying Western European conditions. The article in the New York Times continues:

> The survey also points out that the choice for Europe implies a choice for the United States also. The United States can accept more imports or accept a cut in its farm and industrial exports.

That is the conclusion of the New York Times.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. DOUGLAS. Is it not true that over a 5-year period approximately two-fifths of our wheat crop, three-eighths of our cotton crop, and one-fourth of our tobacco crop normally have been exported?

Mr. HUMPHREY. That is a very accurate estimate or evaluation of our export trade in those commodities.

Mr. DOUGLAS. Is it not true that Europe has in part been able to pay for these commodities because of the special credits which we have provided under the Marshall plan?

Mr. HUMPHREY. Yes, indeed; and particularly since the World War that is the way the countries of Europe have paid for the great bulk of what they have imported.

Mr. DOUGLAS. As our economic aid to Europe tapers off, if we are not willing to accept European commodities, is it not true that the ability of Europe to purchase cotton, wheat, and tobacco from the United States will greatly diminish?

Mr. HUMPHREY. That is my opinion, and I think the opinion is justified by economic facts which are at hand for our review.

Mr. DOUGLAS. As European markets for these three basic crops are cut off or are greatly narrowed, will not the result be that larger quantities will be thrown upon the domestic market, with consequent catastrophic price falls?

Mr. HUMPHREY. I believe we are now faced with that situation. Some of our exports of wheat and cotton have been dropping this year. Wheat exports are down very considerably. The more our exports drop, the more our surplus grows. In fact, the price of wheat on the American market fell 12 cents in 10 days.

Mr. DOUGLAS. Therefore, is it not to the interest of wheat, cotton, and tobacco farmers that we continue to have international trade?

Mr. HUMPHREY. The Senator from Illinois is correct. That is not only true of the producers of the three basic crops of wheat, corn, and cotton, but it applies also to animal producers and producers of fats and oils, because many of those products are involved in the whole process of exporting for foreign trade.

Mr. DOUGLAS. If we could get the European countries to grant us reciprocal favors in return for tariff concessions we might make, could we not also expand our exports of agricultural machinery, automobiles, and trucks?

Mr. HUMPHREY. Yes. I pointed out early in my address today that automobiles, tractors, trucks, and farm machinery are some of our great manufactured export items. In fact, a good deal of the business of the companies which produce those articles depends upon export trade. At least, a good deal of what I may call their profit business depends on export trade. As the European countries fall short in their supply of dollars, because of their inability to trade with us, so they will fall short in their ability to purchase tractors, trucks, and farm implements.

Mr. DOUGLAS. Is it not also true that the European countries should grant us reciprocal favors in return, which they have not always been willing to do?

Mr. HUMPHREY. I believe that is imperative. I am having an analysis made of all the tariff barriers, embargoes, and currency management tricks that go on in Western European countries. Many of the people in those countries have had to live by their wits, particularly since World War I. Believe me, they have come up with some very fancy, peculiar devices in order to hold their markets.

One of the reasons why some Members of Congress, and I hope the majority, have worked for European economic unification, one of the reasons why some of us felt so pleased about developments in the so-called coal and steel community of the central European nations, is that it means a greater market, an increased productivity in Europe, a lifting of their own standards of living, and a breaking down of their trade barriers.

Mr. Monnet, the present director of the European Steel and Coal Community, established as a result of the Schuman plan, testified before the Senate Committee on Foreign Relations. My colleague, the junior Senator from Alabama [Mr. SPARKMAN] who is now in the Chamber, was present at the hearing, and I believe he will agree with me that Mr. Monnet gave one of the most encouraging bits of testimony we have had. Mr. Monnet said that the beginning of the European Steel and Coal Community, with its pooling of the coal and steel resources of Germany, France, Belgium, Luxembourg, Holland, and Denmark, has opened up new markets, broken down tariff barriers and embar-

goes, and has created a greater area in which to develop.

One of the real problems in Europe is the geographical problem, the sheer geographical situation of little states and small nations, with all of their embargoes, tariffs, passports, visas, and customs regulations. Once that problem is solved, and economic unity is promoted in Europe, then political unity will be closer.

While I realize that many people talk loudly about the necessity for a European political federation, I am one Member of the Senate who is of the opinion that a European political federation will be approached only when the pace is set for it by European economic unity and federation.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. HUMPHREY. I yield.

Mr. DOUGLAS. Is it not true that the unification of Germany proceeded on precisely the lines which the Senator from Minnesota has outlined? First, there was a tariff union, a zollverein, as it was called, which promoted free trade among the many separate German States; and as the German States were more closely knitted together by trade, then later political unification merely sealed what was already an accomplished economic fact.

Mr. HUMPHREY. The Senator is correct. I think we can develop this point to an even more fundamental conclusion. The closer the economic relationship between the United States and its allies, the more solid our basis of alliance and the more meaningful our alliance becomes, the more firm and stable it becomes.

By the same token, let us consider the reverse side of the coin. If the Western European nations are compelled—because of our failure and their failure, since this would have to be a mutual plan—to develop a foreign trade policy, then there is only one place to which Western Europe can turn. It will turn to the siren's call from the east, the call from Moscow. Once the Soviet Union gets the Western European countries to become dependent upon her economically, once the Soviet Union draws into the orbit of Soviet economics the trade of Western Europe, it is just as certain as that dawn follows night that the Western European nations will be sucked into the satellite system of the Soviet Union, not only economically, but politically, and they will then find themselves enslaved. I intend to speak to this point a bit later.

It may be asked why anyone in his right mind would want that to happen. No one in his right mind does want it to happen. But when a nation begins to suffer because of its inability to live and trade, and its people find they cannot even have the bare necessities of life, they then act in desperation. Men and nations who experience dire necessities are faced with the question of survival or destruction.

The point I wish to develop as I proceed with my address is what I consider to be a trap into which we may be permitting ourselves and all of Western Europe to fall, rather than the argument between Western Europe and the United States as to who is right and who is wrong on the question of trade. We are confronted with a question of mutual survival, because the United States of America cannot survive alone.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. JOHNSTON of South Carolina. I gather from what the Senator from Minnesota is saying that when we touch an individual's pocketbook he reacts immediately. Is that true?

Mr. HUMPHREY. That is about as profound a way as could be found of saying what I have been saying in much more extensive phrases.

Mr. JOHNSTON of South Carolina. The same is true when we touch a nation's pocketbook.

Mr. HUMPHREY. The Senator is so right.

Mr. JOHNSTON of South Carolina. Is it not also true that every one of the big wars can be traced to economic instability, so far as trade between nations is concerned?

Mr. HUMPHREY. I have never been a full economic determinist. I have only said that if there is any one factor which stands out in complete relief through the history of the modern world as a major contributing cause of war, it is the economic relationship between nations in the struggle for markets, the struggle for colonial areas, and the struggle for trade. I think this factor is highlighted by the fact that the two nations which in recent years have precipitated the nations of the world into war, namely, Germany and Japan, were both late to come into national sovereignty, late in their unification as modern nations, both late in their quest for territories and colonies, both late in their economic development. The older nations of the world had pretty well established their set patterns. Japan and Germany were new nations—new in the sense of their government and technology. When they tried to break into the established world order they came barging in with violence and desperate measures in an effort to gain what they called their place in the sun. I do not want to see that happen again. I think history definitely teaches one thing, as the Senator from South Carolina has indicated. If there is any one thing that drives nations and men to desperate measures, it is economic disputes. Revolution is often born of economic disputes.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. SPARKMAN. I was interested in the discussion between the able Senator from Minnesota and the able Senator from South Carolina [Mr. JOHNSTON] regarding the economic situation on a worldwide basis, and particularly in the remarks of the Senator from Minnesota as to the relationship between economic conditions and the beginning of trouble between nations. Was not that factor recognized in one of the statements in the Atlantic Charter, when the first assurance was given to the nations of the world that there might be an equitable—if that is the correct word—access to raw materials throughout the world?

Mr. HUMPHREY. I believe the Senator is absolutely correct. That point was made as one of the first points.

Mr. SPARKMAN. Its importance was recognized in the beginning of the great document we entered into with England, even before we were in the war.

I wish to go back a little in the discussion of the Senator from Minnesota. He was speaking about the importance of exports so far as our agricultural production is concerned. The Senator mentioned cotton. Of course, it is a well-known fact that the prosperity of the cotton farmer has always depended upon his ability to sell cotton in foreign markets. Whenever the foreign market was cut off, the price of cotton went to the bottom. We must export approximately 40 percent of our cotton crop. Is not that true?

Mr. HUMPHREY. I think the Senator from Illinois [Mr. DOUGLAS] pointed out that fact. He said that it was necessary to export about three-eighths of the cotton crop.

Mr. SPARKMAN. That is correct.

I am sure the Senator is aware of the fact that the movement of American cotton into foreign markets today is less than half what it was a year ago.

Mr. HUMPHREY. I have just been reading the bulletins in regard to our export trade. I see from those bulletins that exports of both wheat and cotton, two of our great agricultural exports, have been slumping very badly.

Mr. SPARKMAN. Of course, that is reflected in the prices of both products here at home.

Mr. HUMPHREY. Indeed.

Mr. SPARKMAN. The price of cotton has been rather stable for several months, at the support level. If it were not for the support program with respect to cotton, in my opinion, it would be selling for less than 20 cents a pound; and today farmers cannot grow cotton at 20 cents a pound. Wheat fell to $1.88 last week. I do not recall offhand what the support price is for wheat, but I think it is above $2.

Mr. HUMPHREY. That is correct.

Mr. SPARKMAN. The producers cannot find places to store the wheat. Another bumper crop is coming on, which complicates the problem, which the Senator has so well pointed out. It is necessary to have an export market for our leading agricultural products.

Mr. HUMPHREY. What I have tried to indicate is that this problem is far beyond what I call a political discussion or an argument over free trade or not-so-free trade. It is a matter of economic life.

Mr. SPARKMAN. It is a matter of economic necessity.

Mr. HUMPHREY. That is correct.

Mr. SPARKMAN. The able Senator from South Carolina [Mr. JOHNSTON], who is a member of the Committee on Agriculture and Forestry, calls to my mind the fact that the support price for wheat at the present time—that is, 90 percent of parity—is $2.25. Yet in spite of that, the price of wheat fell to $1.88 last week because of two things—first,

the lack of export markets; and second, the lack of storage space at home.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. DOUGLAS. One dollar and eigthy-eight cents was the price in Chicago?

Mr. SPARKMAN. Yes.

Mr. DOUGLAS. So the price on the farm would be very much less than that?

Mr. SPARKMAN. Yes; it would be less by the amount of the shipping costs from the farm—probably 8 or 10 cents a bushel.

Mr. HUMPHREY. It would be 16 or 17 cents in the Midwest.

Mr. SPARKMAN. The Senator from Minnesota was instrumental in offering an amendment to the mutual security bill in the committee. I do not know what his intention may be when that measure reaches the floor for discussion, but I felt that his amendment was a very fine amendment, and should have been agreed to. I refer to the program which has been devised and supported by the American Farm Bureau Federation, proposing that the President be authorized to sell surplus farm commodities to countries in which we are operating the mutual-security program, allowing those countries to pay for such products in their own currencies. Then we, in turn, could use such currencies for the purpose of carrying on our mutual-aid program and making such purchases as we might need to make.

The Senator will remember that when that amendment was offered and when it was outlined it was apparent that it would be adopted. I certainly think it would have been adopted. I am sure that the majority of the members of the committee spoke in favor of it.

Mr. HUMPHREY. I think there were nine members of the committee present.

Mr. SPARKMAN. And everyone was for it.

Mr. HUMPHREY. Everyone was for it.

Mr. SPARKMAN. Then the administration sent to the committee the Director of the Budget; also Mr. Davis, the head of the Commodity Credit Corporation or the Production and Marketing Administration.

Mr. HUMPHREY. Mr. Davis, of the Commodity Credit Corporation.

Mr. SPARKMAN. And other officials of the Government. They assured us that if we would leave that amendment out of the mutual security bill they would prepare and present to the Congress general legislation to carry out this program. Is not that correct?

Mr. HUMPHREY. The Senator is correct. The Senator from Alabama was one of the most vigorous spokesmen for the amendment. Earlier I had been talking with the Senator from Alabama, as well as the Senator from Georgia [Mr. GEORGE], about the amendment.

Mr. SPARKMAN. Also the Senator from Arkansas [Mr. FULBRIGHT].

Mr. HUMPHREY. The Senator from Montana [Mr. MANSFIELD] and the Senator from Arkansas [Mr. FULBRIGHT]. We had all been discussing this problem at various times. I recall that on the day when I offered the amendment I asked, "Is this a good place to offer it?" I was told that it was; and we thought we had it in the bill. However, as the Senator from Alabama points out, we were asked—I say "we" because we were all together—to withhold it, because it was said that general legislation would be prepared.

Mr. SPARKMAN. Rather than handling the problem by way of an amendment to the mutual security bill, it was said that general legislation would be prepared. I am very much interested in this question. I think it would be a terrible mistake for this session of Congress not to enact some such legislation as that before we adjourn.

Can the Senator from Minnesota tell me whether or not such general legislation has yet been brought forward? My understanding is that it would go to the Committee on Agriculture and Forestry.

Mr. HUMPHREY. I consulted with the distinguished chairman of the Committee on Agriculture and Forestry [Mr. AIKEN] about a week ago, and at that time it had not been presented.

Mr. SPARKMAN. Does not the Senator believe that we ought to check on that situation very closely and find out, before the mutual security bill comes to the floor of the Senate, what the prospects are of getting that kind of general legislation reported and acted upon. We should take no chances about it, but should be prepared to propose such an amendment to the mutual security bill unless we are definitely assured that action will be taken on the proposal at this session of Congress. I do not mean next year, and I do not mean the appointment of a commission, or something of that kind. We have been told that general legislation would be prepared and sponsored at this session of Congress. Therefore, does not the Senator from Minnesota believe we ought to make certain that this vehicle, which is a good vehicle—namely, the mutual security bill—should be perfected by the adoption of such an amendment unless we know quite definitely that separate legislation will be acted upon during this session of Congress, this year?

Mr. HUMPHREY. I will say to the Senator from Alabama that I definitely believe we ought to make certain first of all that a careful study is made of the situation to determine the fact that separate legislation will come before Congress. If it does not come to the Senate before the mutual security authorization bill is acted upon, I would propose that those of us who believe strongly in the program offer such an amendment to the mutual security bill. I believe it to be a part of the mutual-security program.

Mr. SPARKMAN. I believe that is the proper place for it, because it is geared into the mutual-aid program. When the Senator says "When separate legislation comes before Congress," I hope he will couple that thought with the request that it be acted on during this session of Congress.

Mr. HUMPHREY. I thank the Senator for his statement, because it is one thing to suggest legislation, but quite another to have it acted upon. I would be less than frank if I did not say I was very much disappointed that the administration did not back the proposal which we had before the committee. The RECORD should be made very clear that the amendment which I presented to the committee, after an exchange of correspondence with the Mutual Security Administration, had been prepared by the Mutual Security Administration, in fulfilling the request I had made. As the representative of the Mutual Security Administration testified, it had been cleared by the Administration and by the Bureau of the Budget.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. SPARKMAN. Mr. President, if the Senator from Minnesota will yield one more time I know he will then be glad to yield to the Senator from South Carolina.

Let me say to the Senator from Minnesota that we went along with the Administration's request. I must say rather frankly I am regretful that we did not add the amendment to the bill. I certainly felt that the proposed legislation would be reported the next day or the following day. I was exceedingly regretful to learn that it was not. I believe we certainly ought to be ready to add the amendment to the mutual security bill. After all, that is a good vehicle for such an amendment. It ties right in with the mutual-security program, even as separate legislation would do.

Mr. HUMPHREY. I agree with the Senator from Alabama, and I thank him very much for his explanation of this item in the program. I believe we ought to prepare ourselves to offer such an amendment. I now wish to yield to my good friend the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Mr. President, along the same line, I wish to say that the Senator from Alabama injects a thought which should be considered at this time. I believe the amendment of the Senator from Minnesota ought to be submitted on the floor of the Senate. The reason for my statement is that, as a member of the Committee on Agriculture, I am fully convinced the administration is not going to offer anything at this session of Congress. Its attitude seems to be, "Let us investigate. Let us look into the matter. Let us see what we can do."

I predict that nothing on the subject will be reported to the Senate. So we had better do something on the floor if we want anything done.

Mr. HUMPHREY. I thank the Senator from South Carolina. I would say tentatively it is our feeling that such an amendment will be offered. I know I will have the help of the distinguished Senator from South Carolina and the distinguished Senator from Alabama [Mr. SPARKMAN], and the other members of the committee.

Mr. President, I was directing my attention to the problem of the East-West trade.

If European production is not encouraged, in part through provision for expanded export markets, the total production of the Soviet Union and its satellites is expected to be superior to that of Western Europe within 10 years.

Mr. President, we become excited when we hear the story of a Communist here or a Communist there. However, when we read in a reputable paper the statement of a reputable analysist that within 10 years, in 1960, the Soviet Union and its satellites will be outproducing all of Western Europe, it seems to me we ought to be awakened to the critical nature of the problem that will exist at that time.

I am one of those Senators who happen to believe that the Soviet Union does have some target dates it is shooting for. They are dates on which they will be fully equipped and prepared to launch any kind of attack they wish to launch. Nothing could be more foolish on our part than to assume other than that.

We must look upon the Soviet Union and her tactics as a constant threat to the stability and security of the free world. To go on hoping everything will be just fine is to live in a fool's paradise. I submit we have had sufficient experience with this kind of misguided direction in the past 20 years to be sure that we do not want it to happen again.

As a part of our mutual security program, we have embargoed a large part of Western Europe's trade with Eastern Europe. Communist Eastern Europe has embargoed some more of it. But the Communists are now ready to trade with Western Europe even if they have to make sacrifices to do it. It is a part of their long-range plan to stir up trade wars between the western nations, and to split off certain Western European countries economically from the rest of the free world. There can be no doubt that continued high tariffs in this country help that plan directly.

Let us make no mistake about it—the Soviet Union will make big concessions in order to get the pattern of world trade started in her direction.

Once the Soviet Union has twisted Western European economy in the direction of the Soviet Union, she will have within her grasp that great area of the world in Western Europe.

Why is it that we Americans, who understand these policies so well, cannot seem to come to grips with the reality of the situation?

It is a common trade practice in American retail establishments to offer what are called lead items. They are items which are literally given away in order to get someone to come into the store. What the Soviet Union is preparing to do—and I will produce evidence to show that they are already doing it—is to offer unbelievable economic concessions to the rest of the world, in an effort to establish trade relationships, and in due time win the Western European countries away from the United States of America. She will make concessions which, for the moment, are uneconomic from her point of view. But these concessions will pay off politically in the long run. They will assist her in the process of splitting the free world apart.

We are going to have to counter the Soviet bid—either that, or find ourselves economically, politically, and militarily isolated in the not-too-distant future.

Mr. President, at this point I wish to make available for the RECORD certain newspaper clippings which I have taken from the press of the country. I shall discuss them as I proceed. These clippings give the economic headlines, not the military headlines.

I caution the Congress to study the economic headlines, not merely the military headlines, because, after all, the strength of our country is determined by its economics.

I hold in my hand an article entitled "Soviet Shrewdly Capitalizes on Wests' Trade Troubles." The subhead is "Improves Its Terms as Europeans Show Growing Frustration Over United States Policy."

The article is by the noted correspondent Michael L. Hoffman, and is a special dispatch to the New York Times, from Geneva, where the meeting on international trade problems was recently held.

The article begins as follows:

Even the slight improvement in the terms under which Communist Europe is prepared to trade with non-Communist Europe has further weakened the already loose cohesion of the Atlantic group of nations in matters of trade and economic policy.

As more details of last week's trade consultations here between nonpolitical officials of eastern and western European governments became available, evidence has accumulated that the Russians and their allies are now playing a shrewd game designed to capitalize on the growing frustration in Western Europe over the United States trade policy.

Mr. President, let me say that the failure of the Government of the United States of the present administration and the Congress to act expeditiously upon our trade policy is playing right into the hands of the Soviet Union. We are giving the Soviet Union the time they need for their propaganda and their deals. I cannot understand it. I have heard so much about our taking the initiative, but we did not even have an Ambassador in Russia at the time when Stalin died. We do not know what to do about the riots in East Germany, and we have not made up our mind what we are going to do about trade policy, which is the lifeblood of the entire world. We are still arguing over whether another Republican member shall be placed on the Federal Tariff Commission, and we are still arguing about whether to continue the Reciprocal Trade Agreements Act. In the meantime, one of the outstanding newspapers in the United States has published an article, which carries the headline "Soviet Shrewdly Capitalizes on West's Trade Troubles."

Mr. President, I ask unanimous consent that the entire article be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times of April 28, 1953]

SOVIET SHREWDLY CAPITALIZES ON WEST'S TRADE TROUBLES—IMPROVES ITS TERMS AS EUROPEANS SHOW GROWING FRUSTRATION OVER UNITED STATES POLICY

(By Michael L. Hoffman)

GENEVA, April 27.—Even the slight improvement in the terms under which Communist Europe is prepared to trade with non-Communist Europe has further weakened the already loose cohesion of the Atlantic group of nations in matters of trade and economic policy.

As more details of last week's trade consultations here between nonpolitical officials of Eastern and Western European governments became available evidence has accumulated that the Russians and their allies are now playing a shrewd game designed to capitalize on the growing frustration in Western Europe over the United States' trade policy.

Instead of forcing the Western Europeans into line with the United States by trying bluntly to squeeze out of them goods that flagrantly violate the common western rules about shipping strategic items to Communist countries, they are concentrating on precisely those items on which the United States tariffs are highest. Almost without exception the attraction to western officials of these discussions and the eighty-odd formal trade negotiations that are to follow consists in the fact that outlets for products that cannot be exported to the non-Communist world are becoming dimly visible in the East.

OUTRAGED BY DAM CASE

If the Russians read, as they very probably did, the spate of outraged comments in responsible western papers during the last week of the Geneva trade talks over the rejection of a British bid for construction of a powerplant for Chief Joseph Dam in Washington State their confidence in their new tactics must have received quite a stimulus.

Of all the comments the one that perhaps most aptly expresses the true effects of President Eisenhower's support of protectionist forces in this case on the climate of government and business opinion in which the Russian negotiators can now operate appeared in Wednesday's Manchester Guardian. "The next (American) businessman who comes here to tell us that we must be more willing to compete will be making himself a laughing stock," the paper said. "Willing to compete indeed."

FRENCH-RUSSIAN TIE NEAR

Perhaps the best concrete case of the effect of the changed Russian approach is that of the French-Russian trade relations. For nearly a year efforts to conclude a trade agreement between France and Russia have been bogged down because Russia insisted that France supply rubber, tin, and tankers. These items are not only about as strategic as can be, they are not even among France's normal exports and tin and rubber are hardly produced at all in any French territories.

In Geneva at the first meeting the French wearily asked the Russians if they still insisted on tin, rubber, and tankers. The Russians said in effect, "Let's just forget about those items and see what you would like to sell us." As a result the French now have high hopes of making a modest but valuable trade agreement in the next few weeks.

Trade with Eastern Europe is no substitute for trade with the United States. Western Europe needs both, more eastern trade and more trade with the United States. Nor is the prospect of becoming heavily dependent on the supplies from the East that could and probably would be cut off as a means of political pressure under certain circumstances appeal to Western Europe.

The news from Washington keeps adding to the pressure on Western European officials to make the best of a situation they cannot basically change and this is making them put a higher value on the slight softening of the Russian position than would have seemed possible even a few weeks ago.

Mr. KEFAUVER. Mr. President, will the Senator from Minnesota yield for a question?

Mr. HUMPHREY. I yield.

Mr. KEFAUVER. Extension of the reciprocal trade agrements program

seems to me to be one matter about which the Senate and the House of Representatives should be substantially unanimous, for all segments of our economy—manufacturers, those engaged in agriculture, labor, both the CIO and the A. F. of L., and others—have recommended immediate extension of the Reciprocal Trade Agreements Act, and extension of that act for a longer period of time, without crippling amendments, so that under that program we can take the initiative in this very important endeavor for peace. Does not the Senator from Minnesota agree that that is the case?

Mr. HUMPHREY. Let me say to the Senator from Tennessee, who has been a champion of the reciprocal-trade policy and of a more enlightened and liberal trade policy ever since he first served in the Congress, that for the Government of the United States to fail to equip itself with authority to initiate a bold, liberal trade program is for the Government to tie its hands behind its back. We cannot have a strong nation if our Nation's right arm of military strength is ready to strike, but if it's left arm of economic strength is tied behind its back. Both arms of the Soviet Union are ready to strike.

So the Congress of the United States should authorize the President to proceed along economic lines in the way that we proceed along political and military lines.

Mr. KEFAUVER. I certainly agree with the Senator from Minnesota.

Is it not true that enlightened manufacturers, industrialists, and representatives of agricultural and labor organizations realize the importance of this program not only from the viewpoint of our domestic economy but also from the most important viewpoint of trying to hold together the nations of the free world and to take an affirmative step in the interest of peace?

Mr. HUMPHREY. Certainly that is the case.

Mr. KEFAUVER. Then why is it that we have not proceeded further with renewal and extension of this very important part of our program for peace?

Mr. HUMPHREY. I wish I knew why we had not proceeded further with it. I am of the opinion that if we are to have what we call a bold foreign policy, with initiative, imagination, and all the other desirable attributes and adjectives, firm leadership is required. It is my opinion that firm leadership in the economic field is just as important as in the military field.

Until now we have been trying to make some compromises about foreign trade. I believe the American people are being led to believe that we are going to extend the reciprocal-trade program. Such statements are made on the political front porch, of course. However, deep down in the basement we find being resurrected the Smoot-Hawley Tariff Act through an attempt to revise the Federal Tariff Commission. Thus an attempt is being made to bring back the Smoot-Hawley tariff by underhanded means—by bringing it from its tomb, although apparently it is not dead, and carrying it through the back door.

If the administration really believes in trade, not aid; if the administration really believes in that program, and considers it as something more than a slogan, and if it really regards that program as a necessity, then I say to my colleagues that persistent and determined efforts must be made in the Senate, not only by the Democratic Members, but also by the Republican leadership and Republican Members, to kill this monstrosity, this adulteration of policy, this attempt to pack the Federal Tariff Commission. Certainly it is just as bad to pack the Federal Tariff Commission as it is to pack the Supreme Court. In this instance it might even be worse. Let us not think for a moment that our friends in Western Europe, and also our enemies, do not know what we are up to. We are not even kidding ourselves, much less them.

Mr. KEFAUVER. Does the Senator from Minnesota know of any good reason why the membership of the Federal Tariff Commission should be increased, as proposed by the House bill? Is it not true that the present Commission has rendered good service, even though I must say its service has been a little on the conservative side, in restricting trade in some instances when I think it should be expanded. However, does the Senator from Minnesota know of any good reason why the membership of the Federal Tariff Commission should be increased as a prerequisite to our extending this very vital peace effort?

Mr. HUMPHREY. I know of no good reason. However, I understand that the reason for the attempt is that it is the price the President must pay in order to have the Reciprocal Trade Agreements Act extended. However, I point out that it is not a price; it is a sellout. It is sheer economic and political hypocrisy to talk in one breath about extending the Reciprocal Trade Agreements Act, and in the next breath to talk about loading or packing the Federal Tariff Commission. Certainly we are not fooling anyone.

Mr. DOUGLAS. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield.

Mr. DOUGLAS. Is it not true that the administration had to pay a further price, namely, that Secretary Dulles had to promise that there would be no additional reciprocal-trade agreements during the coming year, if the Reciprocal Trade Agreements Act were to be extended for 1 year?

Mr. HUMPHREY. The Senator from Illinois is absolutely correct.

Let me say to both the Senator from Illinois and the Senator from Tennessee that all this is done in the fact of the reports we are receiving from Europe. Those reports come not only from government officials there, but also from objective, impartial representatives of the American public— from representatives of our press, industry, and labor.

I have in my hand an article entitled "Reds Bid High for Trade," written by Sylvia F. Porter, and published in the New York Post on May 25, 1953. Miss Porter is a very competent economic writer. She was in Vienna recently. Miss Porter says:

> Russia's peace offensive may be a vicious phony—and after these days I've spent on the rim of the Iron Curtain, I have a horrible feeling it may well be just that.
>
> But Russia's trade offensive against the West is not a phony.
>
> It's terrifyingly real. It was launched in earnest at the International Chamber of Commerce congress in Vienna last week.
>
> It was greeted by every nation of the West except us with emotions ranging from relief to delight.

This is what we read in the American press.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. KEFAUVER. Of course, we know that measures dealing with appropriations and tariffs are supposed to originate in the House of Representatives; but I think the Senator will agree that since no bill has come to the Senate from the House, it is high time that we begin a discussion of the matter on the floor of the Senate.

I certainly wish to compliment the Senator from Minnesota for bringing up this matter for discussion this afternoon. I introduced a bill to renew the reciprocal trade agreement program, of which the Senator from Minnesota, the Senators from Illinois, and other Senators were cosponsors. The bill was introduced in the hope that it would generate some discussion. I am glad the Senator from Minnesota has an amendment which he proposes to offer, around which some discussion of this subject can be centered. Does not the Senator feel that in view of the lack of time we ought to start immediately to give this matter full consideration, and to try to take some action on it in the Senate?

Mr. HUMPHREY. I do. I say to my friend from Tennessee that I think the discussion of trade policy is as important as the discussion of our total position on national defense, because it is my opinion that there can be no real defense of America or of the free world merely by military means alone. The economic program is as vital as the military program. We must realize that; but we also know that it is easy in the present Congress, and easy in any Congress, apparently, literally to frighten us in the name of defense into making vast outlays of public funds, billions and billions of dollars, beyond comprehension by the human mind. All that is needed is to say to the Congress "It is for national defense." But when we come to discuss a trade policy, we are told, "Well, now, let us wait. We will discuss that next year. We will appoint a commission. We will look into that." In the meantime, the Soviet Union is pinning down one trade agreement after another. I have in my hand, for example, an article from the New York Times of May 18, 1953, under the headline "Bonn," referring to the Bonn government of West Germany, "in Touch With Soviet on Reopening of Trade Ties—Direct Official Contacts Made To Resume Relations After 12 Years—Move Was Started at U. N. Talks in Geneva."

Another headline reads "United States Trade Is Reduced by West Germany."

Mr. LONG. Mr. President, will the Senator yield?

Mr. HUMPHREY. First, let me read the headline: "Red Asia Presses Its Bid To Wean Japan From West."

Another headline, from the New York Times of May 24, reads: "Soviet Trade Lure for West Germans—Reopening of Commercial Ties Might Have Important Bearing on Political Alinement."

Another headline from the New York Times of January 25, 1953: "1952 Trade Decline Alarms Japanese—War Surplus Gives Rise to False Economy."

Another headline: "Japan Sees a Slump if Korean War Ends."

Not long ago there was a great international meeting at Vienna, Austria, of the International Chamber of Commerce, where the leaders of Western Europe and of the free world assembled, as well as men from behind the Iron Curtain, and in every move that has taken place we have lost position and strength. In every single deal that has been made, the Soviet Union has been tying down one country after another in a trade agreement. The other day it was Norway; 2 weeks ago it was Argentina; a few weeks ago it was Central American countries. The Soviet Union is moving with great strides and rapidity in the field of economic trade.

What is the United States doing? We are compromising. We extend the Reciprocal Trade Act for 1 year, which is a nice way of saying that we are to go along with an enlightened trade policy. Then through the back door comes a proposal to pack the Federal Tariff Commission.

It may be possible to please someone who has supported you in a campaign with talk of that kind. But it is not fooling the peoples of the world, who have to live by trade. They see this as American duplicity. If the President wants an extension of the Reciprocal Trade Agreements Act without any compromising, without selling out by increasing the membership of the Tariff Commission, and without having his Secretary of State come to the Congress to promise that, even though we extend the Reciprocal Trade Act, we will not negotiate any agreements under it, he can get it.

The Democratic side of the aisle has been delivering a great many votes for the Eisenhower foreign policy, when it is a policy; but I do not intend, as one Member of the Senate, to be trapped into the position of supporting a reciprocal trade extension in a bill which has with it a sellout of trade policy. That is exactly what the Simpson bill involves. It needs to be exploded, it needs to be explored, and it needs to be revealed to the American public for the fraud and the hypocrisy and, I may say, the danger inherent in it. I think we can point out that it is a dangerous thing in actual terms of security.

If we pursue the two policies of cutting off reciprocal-trade agreements prematurely and of closing the doors to trade, it means simply turning over to the Soviets a vastly improved industrial plant. If we wanted to do that, we should have done it before the nations of Western Europe rebuilt their industries. If at this late date, by our economic trade policies, we permit Western Europe to go to the Soviets by default, I suggest we should have pursued that course before 1945, when the Soviet would have had the job of rebuilding. Instead of that, we have poured billions of dollars into Western Europe.

Mr. DOUGLAS. Mr. President, will the Senator from Minnesota yield for a question?

Mr. HUMPHREY. I yield.

Mr. DOUGLAS. Is it not true that the present administration, with all its good intentions, is able to promise us only that conditions will not become much worse, whereas, what we want is a bold, forward-looking program which will increase the volume of trade between the United States and Western Europe?

Mr. HUMPHREY. I wish to say to the Senator from Illinois that what I am hoping, praying, and pleading for is that the Government of the United States will put into high gear a constructive, liberal, economic program which will extricate us from the retreat in which we now find ourselves. Make no mistake about it, instead of our relationships with the rest of the world being better today, they are worse. Instead of our position in Western Europe being stronger today, it is in difficulty. All we need to do is to read the headlines in order to find that out. If we read the fine print we shall find how much worse it really is. It is time to strike out with a bold policy. I want to support a bold policy. It is my desire to support the President of the United States to the hilt in an effective, forward-looking foreign policy such as that which we have been promised.

Mr. KERR. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. KERR. I understand the Senator from Minnesota is addressing himself to the development of our own economic structure, its potentialities, and capabilities, in accordance with the opportunities which are available.

Mr. HUMPHREY. That is correct.

Mr. KERR. I have just seen on the ticker in the cloakroom a report with reference to what a high Agricultural Department official told the lawmakers of a farm State with reference to the business administration under which we are operating at this time. I should like to read it to my distinguished colleague, and then ask him a question:

A high Agriculture Department official told farm State lawmakers they apparently don't appreciate the "good ordinary business procedure" of the "businessmen" now running the Department.

I wonder if the Senator will tell me whether he thinks he may be lacking in appreciation of the good ordinary business procedure of the businessmen now running the foreign affairs responsibilities of our Government, as the Department of Agriculture official seemed to feel badly about those criticizing what the Department had done with reference to certain agricultural matters.

Mr. HUMPHREY. I believe I still have those qualities of appreciation which would be quite normal to a human being, but I would point out that appreciation has two sides to it, both pleasure and pain.

Mr. KERR. Would the Senator state whether it also includes understanding?

Mr. HUMPHREY. Painful understanding.

Mr. KERR. And painful realization?

Mr. HUMPHREY. I appreciate that correction. It is much more direct.

Mr. KERR. Reading further from the report which appeared on the ticker:

Howard H. Gordon, Production and Marketing Administrator, testified before a House Agriculture Subcommittee. The subcommittee is investigating the negotiated sale of the Department's entire west coast holdings of 80,000 tons of surplus dried peas to 3 buyers at a cut rate price of $30 a ton 8 weeks ago.

Subcommittee Democrats have criticized the transaction on grounds that other buyers—who had been buying the peas in small lots at $50 a ton—were not notified in advance that they could have the entire lot for $30 a ton.

Gordon said he and Elwood L. Chase, Department official who negotiated the sale, "acted honestly" and "have no apology to make."

"Chase and I have a business background, and proceeded on the basis of good ordinary business procedure," he added. "It seems that doesn't meet with the approval of the powers that be."

In that connection, I should like to ask the Senator if he thinks there is a possibility that the people may not be as aware as they should be of the business background of those now running our Government, and that by reason of that peculiar fact it may be that there are advantages to what is being done which we have not been able to appreciate.

Mr. HUMPHREY. That is very possible. I must confess that my insight into some of these matters, such as that which the Senator from Oklahoma is reciting, is somewhat limited.

Mr. KERR. In regard to the sale which is referred to in the dispatch I have in my hand, I would ask the Senator if he is aware of the fact that the Department of Agriculture in this transaction entered into a contract with three dealers on the west coast whereby there were sold at $30 a ton approximately 80,000 tons of peas which had been bringing approximately $60 a ton, and that in the contract the Department of Agriculture agreed that no one else would be permitted to buy any of the peas so as to compete in supplying the market in that area with the 3 purchasers who bought the 80,000 tons.

Mr. HUMPHREY. I was not aware of all the details of that rather unique contract, but I may say that it sort of fits the pattern of some developments I have noted.

Mr. KERR. Is not that about the way in which the General Motors Co. operates in giving an exclusive franchise in a particular area for the sale of any designated product?

Mr. HUMPHREY. From my limited knowledge of the operations of the General Motors Co.—I drive one of their products—that would be about the way I understand it.

Mr. KERR. I appreciate the Senator's permitting this interruption.

Mr. HUMPHREY. It is not an interruption; it is an education.

Mr. KERR. I thank the Senator.

Mr. HUMPHREY. I am grateful to the Senator from Oklahoma.

I am very much interested in that unique kind of contract. It sort of smacks of the way in which public power may be disposed of where one utility company can get current at the bus bar. I notice there is a development in business ethics of not dealing with too many folks. After all, if we can have a deal with one or two, it seems so much more cozy.

Mr. KERR. On the basis of an exclusive franchise?

Mr. HUMPHREY. Yes; it is exclusive. That exclusive atmosphere becomes somewhat contagious. It enters into Government up and down the line.

Mr. KERR. I congratulate the Senator for bringing to the country the information he is presenting. But, knowing his very friendly attitude and his purpose to refrain from any kind of criticism unless it is not only indicated but justified, I thought I would remind him that it is entirely possible that he and I perhaps should "bone up" on our knowledge of "good, ordinary, business procedure" of the "businessmen" now running the Government, and that if we should do so it might be that we would learn that the policy in regard to trade with Western Europe might be a new order and a new kind consistent with "good, ordinary business procedure" of the "businessmen" now running the Government, and that it may have advantages of which we have not been aware.

Mr. HUMPHREY. Yes, I would say that it may be well for both of us to look into that situation with careful analysis and observation. However, I should say that many of the businessmen with whom I have associated in private life are those who would subscribe to the policy which I have enunciated today, of exchanging in friendly fashion exports and imports among the countries, and not engaging in trade of the exclusive character which as the Senator from Oklahoma has poined out, is now becoming a part of the business relationships within the present governmental structure.

Mr. KERR. If I might use the words of the Department of Agriculture official, he describes it by saying that they apparently do not appreciate the "good, ordinary business procedure of the businessmen now running the department."

Mr. HUMPHREY. The only word I would ask to have deleted from that sentence is the word "ordinary," because it seems to be a somewhat extraordinary procedure that is being followed.

Mr. KERR. I would evidently agree with the conclusion of the distinguished Senator from Minnesota, but I say to him that I doubt if either he or I, or both of us, could persuade the spokesman of the administration to delete the word.

Mr. HUMPHREY. I thank the Senator. Up to now we have not been too persuasive. Occasionally we have tried to be informative, and, in an odd moment or two, we have at least attempted to be eloquent. However, as to the quality of persuasiveness, up to now, I must confess, there has not been too big a score on our side. But we shall continue.

Right now I should like to persuade the administration to fulfill its announcements to the public. I want an administration that emphasizes the word "boldness" to be bold. I want an administration that emphasizes the word "initiative" to take the initiative. I want an administration that emphasizes the word "courageous" to be courageous. I want them to be courageous in the foreign policy of the Government, particularly in the economic trade policy of the Government.

I must confess that up to now, rather than the policy being bold, it is as old as the Smoot-Hawley Act. Rather than taking the initiative, the administration is doing literally the reverse of what we have been trying to do for 20 years, since the days of Cordell Hull. Rather than its policy being courageous, it has been outrageous in the matter of economic policy.

Mr. KERR. Mr. President, will the Senator yield for another question?

Mr. HUMPHREY. I yield.

Mr. KERR. Can there be bold, courageous leadership without leadership?

Mr. HUMPHREY. I was working on that point a little earlier, before the Senator from Oklahoma interrogated me. I said then, and I repeat now, that one of the privileges and responsibilities of leadership is to lead. Indeed, I recall the Senator from Illinois [Mr. DOUGLAS] saying, "Lead, kindly light." I say that one of the privileges and responsibilities of leadership is to lead firmly.

My appeal to the President and to his Cabinet officers is that when they come before Congress in behalf of a policy which is vital to the security of the country, they should lead firmly. If the administration will fight as hard for a sensible, liberal trade policy as it fights to reduce the size of the Air Force——

Mr. KERR. Or to increase the interest rate on the public debt.

Mr. HUMPHREY. Or to increase the interest rate on Government bonds, we will get it done.

Mr. KERR. I thank the Senator kindly.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. DOUGLAS. Is not the tragedy of the situation that in the case of foreign affairs the administration is extremely well meaning?

Mr. HUMPHREY. Indeed, it is.

Mr. DOUGLAS. And also that there is a section of its party that is equally well meaning?

Mr. HUMPHREY. I would be the last Member of Congress to say that there are not members of the Republican Party who are strongly committed to a program of international cooperation and a very constructive program. I believe the statements of the President are good.

Mr. DOUGLAS. Is it not unfortunately true that as a result of 135 years of mistaken policy and of bad education, a number of our friends across the aisle still believe in the Smoot-Hawley Act? And, likewise, is it not true that the administration is torn between those two vitally divergent groups, and hesitates to take a step which may alienate the backward looking sections of its party?

Mr. HUMPHREY. I have heard of 2-headed calves, but I have never heard of 2-headed elephants. I must say with respect to foreign policy that what I see coming forth today with respect to foreign trade is a kind of political freak. It really is, but it is a tragic figure. Here is a policy of reciprocity that has been developed over the years. To be sure, it has been whittled at with peril points and escape clauses. But at least a framework of a sound structure of foreign trade was still intact, and there were those who were working on it, to repair it and make it stronger.

We get another talk, in which we are told we must be strong. The Secretary of State says we must continue to build NATO. NATO is not built by reports to the people of the United States or to the Committee on Foreign Relations. It is built by hard substance and a realistic trade policy and economic strength. Instead of our foreign policy being dynamic, it has become rheumatic. It has begun to slip. It is beginning to creak a little. This is not a laughing matter; it is a tragic matter, particularly in respect to economic policies.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. DOUGLAS. Is not what is needed a realization on the part of the administration and the progressive elements within the Republican Party that on this side of the aisle lies their strength, so far as their foreign policy is concerned, so that we may make an alliance against backward looking elements in the majority party?

Mr. HUMPHREY. The Senator from Illinois is absolutely correct. The President of the United States knows that he can depend upon the vast majority of Senators on this side of the aisle and the Independent from the State of Oregon. He knows that he can depend upon us for the foreign policy of the country to proceed as the speeches call for it to proceed. He understands that. He does not need to seek recruits in the Democratic Party. If any conversion or soul saving needs to be done, there is a lot of work to be done on the other side of the aisle. I think that is a kindly statement.

If the President puts priority upon unity on foreign policy in the Republican Party, if he is going to try to compromise in order to get everybody in the Republican fold into one boat at the same time, he is going to have to sacrifice unity of the Western nations of the world, because it is not possible to put all the various and divergent elements of opinion and attitude, honestly held, but I think wrongly so, into one political package or political ship of state, and not have it rock and be battered around to a point where our allies will say, "We can have no part of this."

These are not just my own conclusions. For example, I wish to read what was said by Under Secretary of State Walter Bedell Smith when he addressed the United States Chamber of Commerce. The headline is, "Moves To Bar Free Trade Delight Russians, Bedell Smith Warns United States Chamber Session."

The article begins as follows:

Gen. Walter Bedell Smith, Under Secretary of State, yesterday told the United States Chamber of Commerce that Russians would like nothing better than to see this country embroiled in a trade war with other nations of the free world.

In the new administration's sharpest blast to date against high tariff bills pending in Congress, General Smith declared that the Communists would give enthusiastic approval to erection of new trade barriers between the free nations.

The article says, too, that the members applauded.

But, Mr. President, what has been happening? So long as there is the peril point in the escape clause, any extension of the Reciprocal Trade Act is at best symbolic. I would say it would be best not to expand it, but I think we should go as far as we can.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MORSE. Mr. President, I have asked the Senator from Minnesota to yield for two purposes.

First, I wish to compliment the Senator from Minnesota for making a speech on the floor of the Senate today which has needed to be made for a long time at this session of Congress. It is a very important speech and is entitled to the reflection and consideration of the American people.

Second, I wanted the Senator to yield to me long enough to register a very mild dissent or modification with respect to an observation upon which I think both he and my good friend from Illinois [Mr. DOUGLAS] seemed to agree. I refer to the talk about the need for bold and courageous leadership in the administration. I have no objection to the use of those words if we are very careful to link them to the type of program with respect to which we think we need to be led.

I am not one who would say that this administration has not been following a bold and courageous policy. However, it is a policy to which I object. I think the President of the United States has been bold. In fact, it seems to me he has been very brash and brazen in the economic program he has been following with his giveaway programs, turning the economy of the country over to selfish big business. Such action as that requires a great deal of boldness. It demonstrates a quality of courage; but I will tell the Senate what it does not demonstrate. It does not demonstrate a full appreciation on the part of the President of the United States of his responsibility to follow a course of economic action, both on the domestic scene and the international scene, which will best protect the interests of America.

We had better be thinking about the history of America. We had better be thinking about where we are going. We had better have a greater demonstration from the President of the United States that he recognizes that, after all, the end of our political function is not political expediency. He had better recognize, before it is too late, that the American people have the right to look to him to implement what he led them, during the campaign, to believe was to be his foreign policy.

Instead, starting with his inaugural speech, followed by his state of the Union speech, followed by his major public utterances since those two speeches, what has he demonstrated? He has demonstrated that he is following a program of compromising principle in the field of domestic and foreign economic policy.

That is why it is necessary for the Senator from Minnesota to make the type of speech he is making on the floor of the Senate this afternoon. We shall be led into serious international economic problems if the President of the United States does not recognize before it is too late that the backward areas of the world are in economic revolt, and that they will continue in economic revolt until their millions of people, who so far outnumber the white man, are given the better way of life to which, as human beings, they are entitled.

What this administration lacks, in my judgment, is a sense of history. What this administration lacks is an understanding of what is going on in the world. The Senator from Minnesota has brought out very clearly the progress which the lying, vicious technique of the Russians is making in the field of international economics.

The time has arrived for courageous and bold leadership in relation to a change of policy on the part of this administration. The time has come for the Secretary of State to make up his mind which way he is going. He cannot walk in two diametrically opposed directions at once. He cannot come before the Foreign Relations Committee, as he did earlier in the session, and take one position, and then come back later and modify that position. Nor can he go along with what I say is a fence-riding position with regard to the entire subject of reciprocal trade and the relationship of the Tariff Commission and the organization of that Commission to a reciprocal trade policy.

What the American people need from the Eisenhower administration is some definiteness in the entire matter of economic policy. Would that we could get them to forget, for at least a little while, in the national interest, what amounts to a program of political expediency.

Mr. HUMPHREY. Mr. President, I will say to the Senator that his views on the relationship of the administration to our foreign policy are to my mind very sound, and I concur in them.

I believe that one of the primary tasks confronting us is that of doing the job which needs to be done, so that we can keep our allies and stand together as nations, at the same time keeping the American people reasonably well informed as to the policies which are being followed.

I regret to say that there has been a great deal of emphasis upon public relations at home, without very much concern over public relations abroad. That was true when the Secretary of State went abroad and said, "We are going to sign up the European defense community pacts, and ratify them." What happened? I was sitting in the Foreign Relations Committee room when I was told that those pacts would have to be ratified by April. They were not ratified by April, or by May. Those countries resented being told what they must do.

I can recall other instances of statements being made which were good for local consumption, which the American people liked to hear, but which did not produce results.

V. TRADE OR AID?

I wish to continue with the subject of "trade or aid?" because it is a slogan which has been bandied about a great deal.

The Western European economy is vital to our own security. By 1955, at the end of the current Soviet 5-year plan, the production of Western Europe may well spell the difference between our victory and our defeat in the cold war. We have two choices—we can continue to pour aid into Western Europe, in order to keep their economies artificially afloat; or we can lower tariffs, encourage trade, and thus assist the European economies to find their way without American subsidies. There is, of course, a third choice, and that is to let these nations trade with the Soviet, become economically dependent upon the Soviet, and eventually to lose the productive capacity of Western Europe to the Soviet. I trust the third alternative will be rejected. It could be disastrous to the free world, and, of course, to the United States. I think I should say that what is happening, at least to a degree, is the alternative of letting the Soviets more or less set the pace. I am trying to set off the alarm today, to alert the Congress and the public as to what the threat and the dangers may be. It seems to me far more sensible to develop normal trade relationships.

It has been well demonstrated in the past that lowering tariffs alone will not mean flooding American markets with European specialty items. The fact is that while these items may compete in price with American-made items, they still have to be sold to Americans. In a high-powered market like ours, price is not always the major factor in competition in many items. Salesmanship is often equally important. We can expect American enterprise, which has developed salesmanship far beyond the industry of any other nation, to hold its own, even with lower tariffs. Lower tariffs will only open the door to European industry. It will still be up to Europeans to get their foot in the door and sell to Americans.

If Americans fail to permit the Europeans at least to get their foot in the door and attempt to sell to the people of the United States, we shall have to continue to subsidize Europe through the American taxpayer. This is not fair to the American taxpayer, or the American consumer. And neither will the Europeans like it. Perhaps some may decide that there is little to choose between the dole and the more certain way of doing business with the Soviet. For the Europeans it is a question of survival.

VI. STANDARD OF LIVING AND EMPLOYMENT

Foreign trade is vitally important to our own standard of living, and is of considerable consequence to high employment in the United States.

Trade is vital to the standard of living of any nation for the simple reason that it promotes more efficient production. It does this for two reasons: First, it means that we can concentrate on those goods which we produce most efficiently because of local or historical factors; and second, it promotes competition. Such competition need not be ruinous; it can be controlled, for nobody wants to eliminate tariffs altogether. But it is important that we gain the benefits of the specialized and most efficient production of other nations, and thus be able to concentrate on that production which we ourselves accomplish most efficiently.

Trade is also important to high employment. In the first place, we know that high employment in a free economy is attained when the standard of living is rising; and trade raises the standard of living through promoting efficient production.

Secondly, trade is vital to high employment because, under our present pattern of production and industry, the American economy is highly dependent upon certain imported goods for many of its products. If we were unable to obtain these imports, we would be unable to produce at our present quality or quantity many of the things we now produce. Thus, if we were unable to obtain these imports, American industry would have to undergo vast readjustments. The consequences of these readjustments would be to lower our standard of living, with severe effects upon employment.

Yet, if we do not expand our trade through lowering some tariffs, we may lose the very imports upon which we now depend, for those countries from which we import may set up their trade relationships elsewhere, since their sales to us are restricted by tariffs.

Or, further, our refusal to trade may lead once again to the type of economic nationalism which prevailed between the wars—World War I and World War II—and which would mean severe retaliations upon our trade, perhaps cutting us off from vital imports and forcing our level of employment and our standard of living down.

VII. THREAT TO FREE ENTERPRISE

At this point I wish to discuss what I consider to be the threat to free enterprise from a restrictive trade policy.

I want to follow this subject a bit further. Today our exports represent 20 percent of all the world's trade; our imports 15 percent of that trade. The effects of our trading policies are thus severe in their capacity for good or harm to the world economy. The refusal of the United States to trade on a sufficient scale would probably lead to the drying up of world trade and a reversion of world trade to the old interwar pattern. That pattern was characterized by regimentation and controls—by the substitution of politics for economics as the paramount element in world trade. It meant that governments, rather than businessmen, negotiated in the world market, and this meant that every business deal between governments was a major political event—an event which vitally affected and often weakened the political peace of the world.

The clogging of the channels of world trade must lead to this, for foreign businessmen will go to their governments for protection and for aid in retaliation against our tariffs. Governments will then take over world trade, at first through tariffs, import quotas, exchange controls, and blocked accounts, and later through simply doing the trading themselves.

The enforced stagnation of world trade thus means increased government control over trade. It means the regimentation which we Americans abhor. If we are interested in more free enterprise in Europe, we can promote it by promoting world trade. State socialism has stemmed in the past from the breakdown of that trade.

I will say to Senators that if they want free enterprise in Europe, or free trade, or if they want free enterprise in the development of competitive enterprise in Europe, and higher productive levels and standards, they must vote for a more liberal world-trade policy.

Mr. LEHMAN. Mr. President, will the Senator from Minnesota yield for a question?

Mr. HUMPHREY. I yield.

Mr. LEHMAN. Mr. President, undoubtedly the Senator from Minnesota has already emphasized this point, but unfortunately I was not on the floor throughout his address. Is it not a fact that there has been coined a slogan "Trade, not aid"; and is it not impossible to develop trade as a substitute for aid unless we encourage trade with the other countries of the world, and allow them to trade with us, and unless we trade with them on a reciprocal basis that will be of benefit both to those who export and to those who import?

Mr. HUMPHREY. The Senator from New York is absolutely correct. The slogan "Trade, not aid," is nothing more than a slogan unless it is implemented. Trade requires movement, and movement requires the expenditure of some energy and requires a sense of direction, or else the movement may be in the wrong direction.

So in my remarks today I am pointing out and emphasizing the importance of the trade problems confronting us. Those problems are difficult and complex, to be sure. However, I am also emphasizing the urgency of establishing, on the part of the Government of the United States, a liberalized trade program throughout the world.

Let me warn further that American businessmen and farmers may not, unfortunately, escape regimentation and socialism, for in a period of world insecurity, the American economy will have to make drastic adjustments if it is deprived of essential imports. It will be necessary to get production of essential items immediately, and this is going to mean Government regimentation.

What this means is that the problems of capitalism and freedom of enterprise are international, just as our political problems are international. Let us hope that politics can be kept out of enterprise and world trade. But they cannot if world trade fails.

In a moment I shall refer to the problem of the Soviet Union. But let me say now that the situation I have painted is the situation the Kremlin waits for; and we have the word of the Communists for that, beginning with Karl Marx, and ending with Stalin and Malenkov.

VIII. OUR INVESTMENTS

We have huge investments in the economic well-being of the rest of the world. Since World War II we have spent over $41 billion on foreign aid. We have also invested considerable sums in the World Bank and the International Monetary Fund, not to mention the United Nations and its associated agencies. It seems only sensible to protect those investments, and they can best be protected by an expanded world trade policy. In fact, in the absence of an expanded trade, those investments may well be forfeited. For it is perfectly plain that without expanded trade we cannot expect continued economic recovery in Europe, where most of our foreign-aid investments are.

In the past 2 or 3 years, economic recovery in most of the Western European nations has slowed sharply. There have been several reasons for this, including the failure of much of Western European industry to adjust to new needs and demands. This has been in part because of inertia, in part because of misdirected investments, and in part because of inflation which has misdirected essential investments. But there has been another reason for the slowdown in economic recovery, and it is the failure of world trade to live up to expectations. The chief reason for this has been the stringent conditions of trade with the United States. High tariffs, complex customs regulations—and I emphasize the fact that many an importer simply refuses to continue to import because of troublesome customs regulations—and the uncertainty of tariff reductions under the recent peril-point provisions, have made it terribly difficult for Europeans to trade with us. In consequence, our investments in European recovery have been severely jeopardized.

Let us not forget that those investments are something more than mere altruism or philanthropy. They are investments in our own self-interest, in the future markets which American business and American farmers need now, and may well need even more in the future. We shall lose those markets for the future if we do not trade now, and we shall thus lose our gigantic investments in European economic recovery and in the economic development of many other areas of the world.

Neither can we expect continued economic development from the backward areas of the world, or strong and continued resistance to communism from those areas, unless they are able to trade. Our point 4 investments are also at stake.

IX. COMMUNIST GOALS

These, in outline, are the trading needs of the United States and of the free world. I do not believe they can be separated; it is as clear as can be that

our trade needs concern not only ourselves alone, but the entire free world. Not only our immediate needs are concerned, but also our future markets, our future strategic imports, and our future national security, viewed in the light of the economic stability of the entire free world. If we starve our allies we shall only starve ourselves in the long run. This is the economic position of the free world, and it is a position of mutual dependence.

This becomes even clearer when we look at the announced theories and intentions of the other half of the world. Let me say a few words about this.

The problem of the extent to which the leaders of world communism are bound by their own dogma is probably an insoluable one for us. No doubt they do not make every decision by consciously asking themselves what Marx, Engels, Lenin, and Stalin had to say on the problem at hand. But, nevertheless, all Soviet decisions take place in the light of past decisions and planning, and all these are to some extent based on the Marxist dogma. And certainly the announced plans of the Kremlin are important for us to bear in mind when we make our own decisions on foreign policy.

The Communists have always looked for trade wars within the free world; they have always viewed the free world as an economic unit which they should attempt at all costs to divide. This point of view dates from the period of the Russian revolution, when communism acquired a basis of power in the world. It had its beginning in Lenin's "Imperialism," written shortly before the revolution. In that work Lenin set forth the view that capitalism had reached the stage of monopoly and finance capitalism. In this stage, he said, domestic markets become saturated, and giant trusts seek to divide world markets among themselves. He predicted that the great capitalist powers would inevitably quarrel over world markets, and that wars would inevitably follow. Communists have thus looked upon both world wars as capitalist wars and as wars which further break down the system of free enterprise, weaken the free part of the world, and prepare the way for world communism.

Stalin himself has always followed this theory. He wrote that "the free world was one entire capitalist system, the various nations of which are interdependent." Capitalism, for Stalin, existed on a world scale, and this thinking conditioned all his strategy.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from New York.

Mr. LEHMAN. I merely want to say that I think the Senator from Minnesota is rendering an extremely valuable service in making this speech and in pointing out that one of the fundamental purposes of the Soviet totalitarian government is to inspire and encourage economic warfare between the capitalist countries. I agree with the Senator from Minnesota that that is completely misunderstood by the American people. They have little or no conception of that fact. They look on the struggle against Soviet aggression as being merely against possible military aggression when, as a matter of fact, it has been established, as the Senator from Minnesota has pointed out, that from the very first day of Marx on through Lenin and Stalin and the present regime, one of the fundamental and most powerful weapons the Soviets have in their arsenal is the purpose to inspire economic warfare between the capitalist countries, between the United States and our traditional friends and allies, and to induce a fight for trade advantage between and among them. We should strain in every way to circumvent and stop that effort, because, unless we do, we will find ourselves in a completely weakened condition.

So I again congratulate the Senator from Minnesota upon bringing out so clearly this highly important point.

Mr. HUMPHREY. I am very grateful to the Senator from New York. I appreciate his comments. I am going to develop now the very point the Senator from New York has so clearly stated. I may say the development will be from the historical record. We do not need to engage in conjecture or prophecy if we but look at the record.

The key objective in Stalin's revolutionary theory has been to attack world capitalism at its weakest link.

There were, for Stalin, two main points of attack on the free world. One of these was the colonies. Stalin believed that colonialism resulted in one contradiction of the capitalist system—it gave rise to colonial revolts, by which communism could benefit. Hence the Communist wars and trouble making in Indochina, Iran, and other areas. The second point of attack was to be through rivalry for trade and markets between advanced free capitalist nations—what Stalin called the second contradiction of capitalism. It has been a long-time Communist objective to split certain nations away from the free world, wherever they could do so.

In the light of this background, it is not so difficult to understand the recent Communist peace offensive. In April of 1952 the Communists held their much-publicized International Economic Conference in Moscow. At this conference they made every effort to bid for trade with the Western World, and to wean away from the Western World those nations who had cast their economic and trading lot with the United States.

I digress, Mr. President, only to point out that I have talked with and visited representatives who were at the conference in Moscow at the wish of our Government, and who were cleared by our Government. They were men of good faith and good reputation. All I can say, Mr. President, is that what I was told as a result of the interview and conversation was enough to shock me and literally to frighten me in terms of asking this Government to be more vigilant and more enlightened in its policy.

We read in the American press all too little about that conference of April 1952. We were led to believe it was a fiasco. Yet there is information which will reveal that the April 1952 conference in Moscow was anything but a fiasco. The Soviets made conciliatory overtures to Western European industrialists and merchants. They offered incredible inducements in order to stimulate trade with Western Europe. I can say that many of the representatives of the free nations of the world were there as observers.

The Congress of the United States, if it is going to have any function in connection with our foreign policy—and this goes for Democrats and Republicans alike, for this administration and the previous administration—if the Congress is going to share in foreign policy it must share on a mature basis, not by exposing someone in order to get a headline; not by having members of the Government of the United States brought before committees to be harassed and badgered. It is time we became mature, grownup people, working out something for the common good of the Republic and the free nations of the world. There is too little of that being done.

One thing of which I should like to have an analysis is what happened in Moscow in 1952. If we do not know, why do we not know? We must have had some intelligence officers over there. What happened in Moscow in April 1952? We do not know what day Stalin died. All we know is what the Soviet Union said. We have no assurance that he died on the 5th day of March. We are not sure whether the reports were accurate as to his sickness.

I am saying, Mr. President, that there is great room for improvement. When a government is appropriating $70 billion a year it is a pretty good idea to get the facts. We should have a reasonably good idea what we are spending that money for. We should also know whether the expenditure of funds is going to do the job or whether there is a reasonable hope that it will do the job. It may be that by a change in policy we could spend much less and get much better results. I am not prepared to say as to that. All I am prepared to do at the moment is to ask the question, because, as one Member of the Senate—maybe other Members of the Senate have been taken into the confidence of those in high places—and as a member of the Foreign Relations Committee, I have not heard anything in that committee which I cannot read in the newspapers. I am beginning to wonder when we will get the information.

In October of 1952, as I have said, the Russian Communist Party held its 19th party congress. It was for this congress that Stalin himself produced his first major theoretical work in several years—a work that hinted broadly at a coming change in Soviet foreign policy. Just before the congress, Stalin published an article in Bolshevik—the major theoretical journal of the Communist Party.

There are several interesting things about this article. The significant thing for Americans, and the thing which skilled western observers quickly noted, was that in two chapters of this work Stalin laid down the line for a change in the tactics of Soviet foreign policy. Why did we have to wait for the death of Stalin to find out that there was going to be a change in Soviet foreign policy?

I read in an analysis of the Soviet 19th congress, 3 months before Stalin died, that there was a change forthcoming, I asked members of our Government who appeared before the Foreign Relations Committee what their comment was upon the impending change, before the peace offensive started. They had no comment.

Why is it that when Stalin writes a major work and tips his hand, we sit here blindly? Hitler told the world what he was going to do, and we said, "Oh, that man is crazy." Of course he was crazy, but he was in power while he was crazy, too. He wrote a book in which he stated what he intended to do.

In the late summer and early fall of 1952 Josef Stalin and Mr. Malenkov, who spoke for 5½ hours on the Soviet policy, outlined every change of tactics the Russians are now following. It was as much of a surprise as Ben Franklin's Almanac, if we really wanted to look into it; but we did not, because we had some other things to do. We were very busy. We were so busy when Stalin died that we did not get an Ambassador to Russia for approximately 4 weeks. When the big show was on, we were not even at the ticket window; we did not even get to the popcorn stand. We were looking in the advertisements to see what show was taking place. The major nation of the world, the greatest free nation in the world, found itself without information at the time of one of the great events of history.

In the chapters to which I have referred Stalin made two main points. The first was that war between communism and capitalism was not inevitable—immediately, at least. Communism could still look for competition for markets between the capitalist nations, and for the trade wars and shooting wars which follow this competition, according to the Marxist theory. Stalin also stated that the economic war waged by the west upon the Iron Curtain countries had in fact brought the Communist world closer together, and, he said, expanded their economies.

Stalin's second point followed from the first—Soviet foreign policy, he said, should seek to aggravate the economic differences of the western world in order to split off certain areas from it. The areas which Stalin mentioned specifically were western Europe and Japan. Soviet foreign policy, he said, should seek to isolate the United States from its allies.

Mr. HILL. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. HILL. What was the date of that article?

Mr. HUMPHREY. About August 1952. It was really brought to public knowledge in October 1952.

Mr. HILL. Then it was available to us?

Mr. HUMPHREY. It was printed in October 1952. It could not be found in most American bookstores. I have forgotten where I obtained a copy of it, but I have a copy on my desk. I must confess that when some of my constituents came in and saw on my desk the Economic Problems of Socialism, by Joseph Stalin, they became a little concerned. But I do not believe we are going to find out what Joseph Stalin and Malenkov were thinking about until we read what they have said—not what their propagandists say, but what they say. When we read it, it is pretty obvious.

The same was true of Hitler. He said what he was going to do. Everybody said that no one in his right mind would do what he had in mind, and that was true. Hitler was not in his right mind, but he tried to do what he had said he would do. We have to assume that occasionally someone who is of distorted mentality will get into a key position. That has happened too often.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. LEHMAN. Is it not a fact that even though the speech was made and delivered by Stalin, the knowledge of what Stalin said with regard to the plotting, scheming, and policy of the Soviet Government, if known to the American people, would have been of great help to them, as it would be of great help now, to have an understanding of what is in the minds of the heads of the Soviet Government?

Mr. HUMPHREY. I may have been a bit venturesome in my thinking with respect to this matter. I must confess that I have been criticized by some of my friends and associates for being too venturesome. But, after having read and studied this article, I made the public statement that there would be a truce in Korea. I say there will be a truce in Korea because the Soviet Government wants a truce in Korea, not because the military situation has changed, but because Korea has become too expensive for the Soviet Union.

So long as the Korean war continues, there will be no trade between Japan and China. What Russia wants more than anything else is to give Communist China an opportunity to trade in the world, because the Soviet Union is not prepared to fulfill its economic commitments to Red China. The only place from which Red China can get goods is from a neighboring nation that is hungry to sell its goods. What nation is that? Japan. Japan's normal trade relationship has been with China. Despite American aid, Japan's trade ran hundreds of millions of dollars behind last year. The Japanese people are bursting at the seams in an effort to trade. The British have monopolized a good deal of the market in southeast Asia. Japan is going to trade somewhere. The United States is not buying her materials. The British will not allow her to trade in southeast Asia, if they can help it. Japan will be kept out of the commonwealth. The Soviet Union knows that.

The Soviet Union is aware that there is one way in which Red China can be rebuilt. The Soviet cleaned out all the factories from Manchuria. The Soviet literally milked the country dry. When the treaties were signed by the Soviet Union with the Chinese Communist Government, the Soviet Union promised deliveries of certain economic goods, manufactured goods, such as locomotives, which they have not been able to deliver. Where will the Government of Communist China get those goods? From Japan.

So long as the war continues in Korea, Japan cannot well trade with Red China. But the minute the war is ended, I predict that trade relationships will be resumed, and the United States cannot prevent them, because the 80 million people of Japan must eat. Until we are prepared to trade with her, Japan will have to search for and find another market.

There are not original thoughts, by a long shot. Every Member of the Senate knows of these matters.

A while ago I read some headlines which indicate that the top economic writers of the Western World are dealing with this subject. Here is special dispatch from Tokyo to the New York Times, published last January 25. The headline reads: "1952 Trade Decline Alarms Japanese—United States War Purchases Give False Flush to Economy—New Techniques Are Urged."

The article reads, in part, as follows:

> But while the Ministry's figures indicate that both exports and imports decreased in value last year, a disappointing factor for the shaky Japanese economy is that Japan sold 6.2 percent less goods abroad than in 1951 and cut her foreign currency imports by only 1 percent.
>
> WAR'S END WOULD POSE PROBLEMS
>
> What would happen should the Korean war come quickly to an end or a Soviet "peace offensive" cause a slackening in world rearmament programs outside the Iron Curtain is a question to which no answer, or only partial answers, are given. Some Japanese expect that this Nation would be given a major share in funds expended by the United States or the United Nations for the rehabilitation of the war-wrecked Korean Republic.
>
> But few expect that such expenditures would even nearly approximate the nearly $1 billion sent here since the Korean conflict began. Nor is there any evidence that in the state of strained relations between the two countries Korea would welcome Japan as a major partner in rebuilding the Republic.

The article continues:

> As a corollary, new pressures may be developing upon the generally Western-oriented Japanese Government for the removal of restrictions on trade with Communist China—a source of wealth which, though believed by some experts to be overhauled, yet remains a glittering bait to many sections of Japanese industry.
>
> As a result of the trade situation with its concomitant movement for a closer business relationship with the Communists, the strongly western-minded government of Premier Shigeru Yoshida may be expected this year to urge the democratic nations to make certain concessions permitting an expansion of Japanese trade, without recourse to such dealings with the Communist mainland.

Mr. President, I ask unanimous consent that the entire article may be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

1952 TRADE DECLINE ALARMS JAPANESE—UNITED STATES WAR PURCHASES GIVE FALSE FLUSH TO ECONOMY—NEW TECHNIQUES ARE URGED

TOKYO, January 19.—The Finance Ministry now has made public the figures of Japan's

foreign trade in 1952, causing considerable worry among those Japanese who realize that these small, overpopulated islands must import and export to live.

The totals, as expected, again show an unfavorable balance—with imports of 729,987,000,000 yen ($1,274,000,000) and exports of 271,477,000,000 yen ($2,027,000,000) for a deficit of $753,000,000. Actually the unfavorable trade balance is more than covered by Japan's "invisible exports," the goods and services sold here in support of the Korean war, the United States security forces, and the mutual security program.

But while the Ministry's figures indicate that both exports and imports decreased in value last year, a disappointing factor for the shaky Japanese economy is that Japan sold 6.3 percent less goods abroad than in 1951 and cut her foreign currency imports by only 1 percent. Thus the Ministry's account of the year's foreign trade again has emphasized the great dependence of the newly sovereign Japan on American purchasing—mostly in the military field.

WAR'S END WOULD POSE PROBLEMS

What would happen should the Korean war come quickly to an end or a Soviet peace offensive cause a slackening in world rearmament programs outside the Iron Curtain is a question to which no answer, or only partial answers, are given. Some Japanese expect that this nation would be given a major share in funds expended by the United States or the United Nations for the rehabilitation of the war-wrecked Korean Republic.

But few expect that such expenditures would even nearly approximate the nearly $1 billion spent here since the Korean conflict began. Nor is there any evidence that in the state of strained relations between the two countries Korea would welcome Japan as a major partner in rebuilding the Republic.

Thus far the Finance Ministry indicates only a rather minor start has been made toward the development of new markets and new sources of raw materials in southeast Asia to offset the loss of the Japanese trading sphere that existed before the Pacific war. At the same time, some Japanese fear that new tariff walls and new discriminatory trade practices are coming into being around Japan at the instigation of competitors with no desire to cede their markets to a newly emerged Japan.

As a corollary, new pressures may be developing upon the generally western-oriented Japanese Government for the removal of restrictions on trade with Communist China—a source of wealth which, though believed by some experts to be overvalued yet remains a glittering bait to many sections of Japanese industry.

As a result of the trade situation with its concomitant movement for a closer business relationship with the Communists, the strongly western-minded government of Premier Shigeru Yoshida may be expected this year to urge the democratic nations to make certain concessions permitting an expansion of Japanese trade, without recourse to such dealings with the Communist mainland.

Mr. HUMPHREY. Mr. President, I have here another article, this one by William J. Jorden, a special dispatch to the New York Times, from Tokyo, dated April 9, 1953. The headline is: "Japan Sees Slump if Korea War Ends."

The article points out exactly the possibility of trade relationships according to the Red theory.

Mr. President, I ask unanimous consent that this article may be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JAPAN SEES SLUMP IF KOREA WAR ENDS—WIDE ECONOMIC AND POLITICAL IMPACT FEARED—PRESSURE FOR RED TRADE TIE GAINS

(By William J. Jorden)

TOKYO, April 9—Government and business circles here are giving close attention to the far-reaching economic and political problems that are expected to arise in Japan if a peace settlement of the Korean war is realized.

Behind their concern, which is increasing, is the undeniable fact that the Korean war, subsequent to large scale spending in Japan by the United States forces, has kept this nation's economy stable. Moreover, it is generally accepted that the end of the Korean war, particularly if it led to a general easing of East-West tension, would necessitate the overhauling of Japan's foreign policy. The latter is especially true of Japan's relations with her Communist Chinese neighbors.

The Communist field commander's acceptance of the United Nations plan to immediately exchange ailing war prisoners had a deep impact on Japan. Stock prices on the Tokyo and Osaka exchanges plunged immediately. The biggest losers were the heavy industrials but other issues reflected the general feeling of pessimism.

Behind the near panic that gripped many of Japan's economic leaders were a number of hard facts. Last year Japan imported about $2 billion worth of goods and sold only $1,250,000,000 worth abroad. The huge trade deficit was more than made up by an estimated total of $800 million spent here by the Armed Forces and other American agencies and individuals.

FLOW OF AMERICAN DOLLARS

The flow of dollars went into the widest possible range of goods and services, most of it in support of the Korean war. In addition, the troops stationed here, or sent from Korea for rest leaves, are turning dollars into Japanese yen at a rate of more than $30 million a month.

It was this bonanza—and the problem is how to make up for it if it is eliminated by a Korean peace—that the Japanese had in mind when the Communist peace feelers began to circulate.

The "rationalization" of industry, which was a much used phrase before the Korean war, began to be heard again. To the Japanese that means to increase efficiency, modernize equipment, and eliminate unnecessary personnel. Of equal importance in the drive to cut production costs was the necessity of seeking out sources of cheaper raw materials.

For many Japanese, that means increased trade with Red China, and the Soviet Union, where they hope they can buy coal, iron ore, and other raw materials at prices far below those they are now forced to pay in the United States and other distant sources.

The expected economic plight has also raised a number of delicate political questions. If, as many Japanese economists expect, the end of the Korean war will mean, at the least, a mild depression for Japan, it will be embarrassing for any administration then in power. The drive for lower prices would adversely affect many producers. "Rationalization" would throw additional thousands of workers into the already glutted labor market.

Diplomatically, the problems facing the new government to be elected this month, will be equally difficult. Although Japan is now firmly facing the West, Foreign Office sources say they expect increasing pressure for a move more nearly toward a middle course between the United States and the Communist world, particularly China.

GESTURES FROM PEIPING

Peiping has already made a number of conciliatory gestures toward Japan, obviously aimed at influencing public opinion, if not the Government. The Chinese Communists have promised to return an estimated total of 30,000 Japanese stranded on the mainland since World War II and have already sent back the first 5,000. They have also been releasing the fishing boats and crews seized in recent months.

Of course, many Japanese feel that the money that heretofore has been spent by the allies for war goods will go into goods and services for the rehabilitation of battered South Korean Republic. Others see in the rearmament of Japan herself, a solution to the problem. Still others would like to see Japan increase her trade with Southeast Asia and play a significant role in any program of economic assistance in that area.

Now, in the midst of a national election campaign, most of Japan's politicians thus far have not taken any stand on the problems about which economic circles are so concerned. The leftist Socialists and the Communists, however, have begun to use world events of the past fortnight to support their platform against rearmament and for closer ties with Red China.

Mr. HUMPHREY. Mr. President, earlier today I quoted from a special article written by Michael L. Hoffman. It is contained in a special dispatch to the New York Times, dated April 8. The headline is: "Washington's Tariff Freeze Is Seen as Likely to Hamper Japan's Trade—Western Nations Are Reported Reluctant to Lower Barriers for Tokyo Unless United States Makes Some Concessions."

Mr. Hoffman says:

Whether, in the face of combined political and economic pressure and of indefinite postponement of admission as a member of the western trading system, any Japanese Government can resist the temptation to see on what terms the country might get into the Communist trading system is a matter on which trade experts as such do not feel competent to pass.

At Geneva western observers find that Japan is being enticed to trade with Communist China.

I have in my hand an article dated June 14, 1953. It is headed "China Trade Drive To Follow Truce," and is written by Harry Schwartz, of the New York Times. I believe Mr. Schwartz is considered a reliable and authoritative source of information with respect to Communist policy. The subhead is: "United States officials fear pressure to ease commerce barriers may split western allies."

This is what the Senator from Minnesota has been directing attention to today. Harry Schwartz has this to say:

Conclusion of a truce in Korea will greatly increase pressure on the United States to permit expanded trade with the Communist world, particularly China, Government officials believe, and the issue poses the danger of further dividing the United States and its allies.

Last weekend's announcement of a $23 million trade agreement between a group of French businessmen and Communist China is regarded as the forerunner of a drive by Mao Tse-tung's regime to expand commerce with the non-Soviet world. Comment in some western European business publications indicates that such an effort will receive a warm response from some European business circles which see in Communist China a potential source of profit.

I ask unanimous consent that the entire article be printed in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CHINA TRADE DRIVE TO FOLLOW TRUCE—UNITED STATES OFFICIALS FEAR PRESSURE TO EASE COMMERCE BARRIERS MAY SPLIT WESTERN ALLIES

(By Harry Schwartz)

Conclusion of a truce in Korea will greatly increase pressure on the United States to permit expanded trade with the Communist world, particularly China, Government officials believe, and the issue poses the danger of further dividing the United States and its allies.

Last weekend's announcement of a $28 million trade agreement between a group of French businessmen and Communist China is regarded as the forerunner of a drive by Mao Tse-tung's regime to expand commerce with the non-Soviet world. Comment in some Western European business publications indicates that such an effort will receive a warm response from some European business circles, which see in Communist China a potential source of profit.

A United Nations resolution adopted in May 1951, called on all nations to ban the shipment of strategic commodities to Communist China, following the participation of Chinese Communist volunteers in the Korean war. Although this resolution has on the whole been well observed, cessation of fighting in Korea, even before the conclusion of a peace, will encourage those in Europe and Asia who wish to trade with Communist China to call for weakening or eliminating barriers.

Communist China appears primarily interested in importing machine tools, production machinery, transportation equipment and similar goods needed for rapid industrialization under the 5-year plan begun this year. These commodities are generally considered strategic materials under the terms both of the United Nations resolution and of the United States Battle Act, which prohibits the transfer of American economic aid to countries exporting strategic goods to the Soviet bloc.

The pressure for increased and liberalized trade with Communist China is likely to be strongest in Japan, Britain, and Germany, observers believe. Japan's economic relations with China have traditionally been close and extensive. To the extent that a truce in Korea will reduce Japanese receipt of United States funds for activities in support of the Korean war, Japan's need for and desire to participate in trade with Communist China is likely to increase.

Britain's interest in expanding Chinese trade has at least two causes: (1) Hong Kong has suffered economically from the embargo and many of its merchants are eager to renew their old trade with the Chinese mainland. (2) Chinese trade has long been important in overall British trade. Comment in British publications suggests that many British businessmen have not given up hope that such trade, even with the Communists, can play an important future economic role.

Businessmen in West Germany, reports from there indicate, are also eager to benefit from increased trade with China and are concerned that their old rival, Britain, may get a headstart. West Germany is being tempted by offers from the Soviet Union promising substantial profit if trade is expanded, and these offers may give the Germans a bargaining point in negotiations with the Western allies regarding trade with China.

The United States Government regulates trade with Communist China under the Trading With the Enemy Act, which in effect prohibits exports to Communist China and admits imports only under licenses issued for strategic goods that increase United States strength. How long these stringent regulations will be continued following a truce is uncertain.

HONG KONG EXPORTS SOAR

HONG KONG, June 13.—Hong Kong exports to Communist China increased 179 percent in the first 5 months of 1953 compared with the same period last year, it was announced today.

The Hong Kong Department of Commerce and Industry said imports from China in the same period rose 37 percent.

For the first 5 months of this year the visible trade for imports and exports was worth $540 million.

Meantime a group of 18 British businessmen left here on an unofficial mission to Peiping to discuss prospects of promoting trade with Communist China.

The businessmen, representing about 50 British concerns, may arrange trade worth $140 million without infringing United Nations embargoes on the export of strategic goods to Communist countries, reliable sources said here.

Mr. HUMPHREY. What the junior Senator from Minnesota is pointing out is that what is now transpiring, what is as evident as anything could possibly be, was predicted, outlined, and charted by Stalin himself almost a year ago.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. LEHMAN. Does the Senator know whether the article by Stalin last October or November was ever brought to the attention of the Foreign Relations Committee?

Mr. HUMPHREY. Yes; it was. It was discussed in the Foreign Relations Committee. General Gruenther, who succeeded General Ridgway in command of NATO, pointed out that this article was highly significant. He said that it was very apparent in Western Europe that the thesis established in the article was being followed, and that the strategy was being applied and carried out.

Mr. LEHMAN. I ask that question because I feel that it is important to emphasize, as the junior Senator from Minnesota is doing, the facts about this matter, so that not only the American people, but the people of other free countries of the world, our allies, may really understand the strategy which is now being followed by the Soviets, and which was clearly implied in the statement issued several months ago. I think it is most important to continue to emphasize it.

Mr. HUMPHREY. I thank the Senator from New York.

Mr. President, I do not intend to refer at much greater length on the Japanese and the German situations, but I feel that, in view of some of the developments today, they are worthy of a little further comment.

Two months ago Mr. Ferdinand Kuhn, of the Washington Post—recently returned from a study of Japan—wrote the following:

If the Korean war ended tomorrow, the Japanese economy would fall flat on its face. The apparent prosperity of present-day Japan, the beehive activity in its cities and towns, is little more than a flush of health produced by American dollars.

Mr. President, I should like to make Mr. Kuhn's perceptive article a part of the RECORD. I therefore ask unanimous consent that the article be printed in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JAPAN'S PROBLEMS—AND OURS

(By Ferdinand Kuhn)

PRECARIOUS PROSPERITY

If the Korean war ended tomorrow, the Japanese economy would fall flat on its face. The apparent prosperity of present-day Japan, the beehive activity in its cities and towns, is little more than a flush of health produced by American dollars.

Last year, for example, the United States poured close to $700 million into Japan for goods and services needed in Korea and Indochina. This year, Japanese factories will earn at least $200 million in filling defense orders from the United States, not counting other hundreds of millions that will be spent in Japan for supplying the Korean war.

It would not be fair or true to say that the Japanese have been charity patients since the surrender. They have worked like beavers since 1945 to rebuild their cities, to reequip and revive their export industries, to grow the last possible ounce of rice from their tiny farms.

But no one has yet been clairvoyant enough to see how the 85 million people of Japan can feed themselves and earn a living in the long run, crammed into an area smaller than California and with less farmland than in the State of Virginia. And their numbers are growing at the rate of a million a year.

The danger of communism in Japan comes neither from the neutralism of its people nor from the possibility of a Soviet airborne invasion. The real threat is economic.

Let a depression hit Japan, and its shaky new democracy may crumble; and there is no telling what evil "ism," communism or authoritarianism or some other, might take the place of the present friendly and cooperative regime.

A collapse of world prices, a drying up of world trade, the raising of new tariff barriers and quotas against Japanese goods, any of these might deal a fatal blow to the emerging Japanese-American partnership in the Far East.

Japan's economic prospects are, of course, darker than ever since the Iron Curtain clanged down upon China. In prewar days, Manchuria and China used to supply more than a fifth of Japan's raw materials and buy a third of all her exports.

There was a time, not long ago, when Japan objected to the American-imposed restrictions on trade with the Communist mainland. But not now. Most Japanese officials and businessmen now reconcile themselves to doing without substantial trade with China for many years to come.

This is a new development in Japanese economic thinking. The change did not come until the British had to withdraw their businessmen from Communist China in 1951. The Japanese now concede that if the British couldn't do business with China, they themselves can't hope to.

"Even if all the barriers were lifted tomorrow," a high official in Tokyo told me, "Japan probably would not be able to buy or sell appreciable amounts in China." His reasons were, first, Communist China's hostility to foreigners, and, second, the reduction of purchasing power and other changes that have occurred under the Communist regime.

Where, then, can Japan earn a living? The market for cotton textile exports has shrunk since the war, because India and other developing countries are becoming self-sufficient. Nylon has replaced silk in world markets, which means that another great Japanese resource is disappearing.

One answer is to diversify exports, to shift from textiles to machinery, chemicals, and

shipbuilding. Up to now, the Japanese have failed to take advantage of their temporary prosperity to make such changes. But their changed position also requires new sources of raw materials as well as new markets abroad. The Japanese will be especially dependent on southeast Asia, India, and Pakistan, and on countries like the Philippines where wartime hatreds still persist.

This will mean making friends of former enemies, for trade cannot flourish without friendship and trust. For this reason, it is encouraging to see that the Japanese Government will start reparations negotiations with the Philippines next month. Foreign Minister Okazaki has also promised new efforts to settle difficulties with other countries ravaged by Japan in the war.

If Japan makes a serious effort to win the confidence of the free peoples of Asia, she will have a better prospect of buying the raw materials she needs, and of selling enough to earn a decent living.

Mr. HUMPHREY. Already the Japanese have become seriously alarmed over a marked decline in foreign trade in 1952. In 1952, Japan—a nation which has always had to live by trade—had an unfavorable trade balance, by a deficit of $753 million. So far, that deficit has been covered by invisible imports from the United States—imports which are a result of the Korean war, and which will stop when peace comes to Korea. Since the Korean war began, the United States has spent a billion dollars in Japan. There is the beginning of an alarming trend in the Japanese economy. As I pointed out earlier, in 1952, Japan sold 6.2 percent less goods abroad than in 1951, and cut her imports by only 1 percent.

On January 25 of this year an article in the New York Times reported that—

> Thus far the [Japanese] Finance Ministry indicates that only a rather minor start has been made toward the development of new markets and new sources of raw materials in southeast Asia to offset the loss of the Japanese trading sphere that existed before the Pacific war. At the same time, some Japanese fear that new tariff walls and new discriminatory trade practices are coming into being around Japan at the instigation of competitors with no desire to cede their markets to a newly emerged Japan.
>
> As a corollary, new pressures may be developing upon the generally western-oriented Japanese Government for the removal of restrictions on trade with Communist China.

Since that article was written, Mr. President, the Japanese trade situation has become more critical as the prospect of an end of the war in Korea comes closer. Japan will have to obtain tariff concessions from the West if she is to keep her economy afloat—but many western European competitors of Japan are objecting to such tariff concessions, and it seems unlikely that they will be made this year. A recent article by Mr. Michael L. Hoffman, of the New York Times, points this out very well. I have already had the article incorporated in the RECORD.

Meanwhile the Communist world has intensified its overtures to Japan. Two months ago Mr. Sulzberger, of the New York Times, reported the offer of large Communist trade contracts to Japan, and since that time Red China has repatriated 30,000 Japanese who had been detained in China since the war. Mr. Sulzberger's article concluded:

> It would thus seem as if Moscow and Peiping had resolved on three basic principles of the moment:
>
> 1. To warn the United Nations against an offensive by threatening heavy bombing attacks on their rear.
>
> 2. To try to neutralize Japan through a combination of menaces and commercial offers.
>
> 3. To try to hamper any potential efforts at blockading the Chinese coast by expanding trade with Japan and opening ports to Japanese shipping.

Mr. President, the danger to Japan is all too clear, and it has been magnified by the recent instability of Japanese politics. The Communist peace offensive in Korea will undoubtedly be followed by an all-out attempt to split Japan from the West. It will take the most extreme care and planning in the field of international trade and economics if we are to keep Japan on our side.

Our alternatives are to put the Japanese on a foreign-aid dole from the United States, or to lose the important industrial and military potential of Japan to communism.

I would warn that if we lose Japan's industry to communism we will have lost a factor in the strength of the free world which will take years and years to replace, if it is possible to replace it at all.

Stalin mentioned the importance of separating Germany. I again pay tribute to the people of East Germany. I remind the Senate that the people in East Germany who are throwing rocks at tanks and are using clubs against machine guns are the working people—the farmers and the workers of East Germany. They are showing they want liberty and independence. They are making no deals. They are not willing to knuckle under. I pay tribute to the heroism and courage and audacity and militant spirit of the peoples of East Germany and of Czechoslovakia, and, yes, of all those lands in which the people are resisting the Communist tyrant.

Mr. President, make no mistake about it. The Soviet Union knows Germany is very important, and there is nothing that she would rather do than neutralize Germany and turn her from the West, unless it be to get Germany into her own power and within her own orbit.

Mr. LONG. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. LONG. My question is not directly to the subject, but can the Senator from Minnesota explain to me what the impediment is which would prevent our country from helping to arm the Germans? Do we have an agreement with the French, or perhaps a treaty with the French, which prevents our arming the Germans without the consent of the French?

Mr. HUMPHREY. My own understanding is—and this is only my opinion—that in what is called the compact there is a provision which provides that Germany shall not be armed except under certain conditions, and those conditions have not been met. One of the conditions is the establishment of the defense community, which would integrate the German forces with the French. It is a result of an agreement, as I understand.

Mr. LONG. In view of what has happened in East Germany, the point that occurs to me is that the pressure and drive and sentiment for the unification of Germany will be so much stronger as the result of what has happened in East Germany that it might be even more difficult to establish a European Defense Community; and in that event perhaps we should undertake to help arm the Germans, in order that they may do what the other countries in the North Atlantic area have done, namely, undertake to defend themselves and associate themselves with people of like mind.

Mr. HUMPHREY. Mr. President, I for one am convinced that it is of the utmost importance for the security of Western Europe and for our own security and stability that Germany, with its tremendous resources and vitality and strength, be oriented to the West—to our side, so to speak—and that she be brought into an alliance with the nations of the West.

I believe if she is not, we will have real difficulties to face, because if Germany stays a so-called neutral, inevitably, because of her history and her past, she will play the East off against the West. That would not be a good development. If she is oriented to the East, she will give such a preponderance of power to Russia that we would have reason to be terrified every morning of our lives.

I submit the alternative is the only one we can accept, namely, to have with a friendly people military relationships, in the form of an alliance or treaty, backed up with economic ties.

Germany has always occupied a key role in Russian foreign policy. The Russians have always understood—for they have learned through centuries of experience—that whoever controls Germany controls the chief invasion route into Russia. What is equally important, today the Russians understand full well the role of Germany in the Western defense system. They know that, could Germany be neutralized today, the European Defense Community, and European political and economic unity would collapse overnight.

The Soviet Union knows that the neutralization of Germany would set off a sort of chain reaction—that France would immediately cut down sharply on defense, and that many of the other Western European nations would follow suit.

There is ample reason in German political history and in the course of German politics today to encourage a Russian attempt to neutralize Germany. The only question is, will it be worth the price which the Russians will have to pay?

In the period between the war, Germany balanced precariously between East and West. It was a fundamental principle of German foreign policy to avoid full-scale commitment to either. Yet, significantly, those Germans who were most anxious for German military

recovery—men like General von Seekt, for instance—advocated a German foreign policy which was eastern oriented. These men were joined by industrialists enjoying historic markets in the East, and whose future largely depended on trade with those nations which are now the Soviet satellites. In 1922 Germany signed the treaty of Rapallo with Soviet Russia—the first postwar German pact with any nation. And it was not until impending economic collapse in Germany made necessary a rapprochement with the West, that Stressemann reversed the eastern policy and alined Germany with the West. Yet, let me read the words of Stressemann in 1925—words which many Germans today think applicable to Germany today:

> The question of a choice between East and West does not follow from our entrance into the League of Nations. One can make such a choice only if he has military power at his disposal. In our case, unfortunately, that is lacking. We can neither become a continental dagger for England • • • nor can we trust ourselves to a German-Russian alliance. I warn against the utopia of flirting with Russia. Once the Russians are in Berlin, the Red flag will fly from the castle; and in Russia they will be satisfied with having bolshevized Europe to the Elbe and will allow the rest of Germany to be gobbled up by the French. On the other hand, we are perfectly willing to deal with the Russians on another basis in order to prevent selling ourselves to the West. • • • The most important (task of German foreign policy) is the liberation of Germany from any occupying force. We must get the stranglehold off our neck. On that account German policy will be one of finassieren and of avoiding the great decisions.

That was in 1925. It sounds very similar to some statements that can be read today.

The German situation today, of course, is not precisely similar to that of the twenties, nor to that of 1939, the year of the Nazi-Soviet pact. For one thing, the world today is much more sharply divided, and it may be more necessary for Germans to make a choice between East and West. And, for another thing, the issue of the unification of divided Germany overshadows all other political issues in Germany today. Yet the Russians may be ready to oppose both of these factors in an effort to neutralize Germany.

Russia may be willing to meet German demands for unification by agreeing to free all-German elections. There is no doubt that communism will lose badly in East Germany, even though the Russians have stifled all opposition parties and have set up the usual Communist dummy parties in their place.

The Russians have even more than this to lose, for they know that we will make an Austrian peace treaty a condition of any negotiations on German unity. This would mean that there will be no legal excuse for Soviet armies to occupy Austria and East Germany, and that the Soviet armies will have to retreat to the Soviet borders.

But we should also remember that when the Soviet armies retreat the fundamental division of Europe will be less apparent, and particularly in the light of the markets to be gained for Germany in Eastern Europe. So Russia also has much to gain. She will gain trade with Germany and she will gain the revival of the great latent sentiment within Germany for an independent German orientation between East and West. Germany will be demilitarized, and we may have lost the German defense line, the German Army, the vast productivity of the Ruhr, and the whole European Defense Community. For the Russians, this game, though risky, may well be worth the risk.

For the Russians are aware of political realities in Germany today. They are aware of the opposition of the Social Democrats to EDC. They are aware that the Social Democratic Party, as well as the rightwing parties in Germany—including the rightwing of Chancellor Adenauer's own Christian Democratic Party—will support almost any offer which includes German unification. They know that those same political forces will favor trade with Eastern Europe—the Social Democrats because they believe that workers' well-being depends upon it and because they regard themselves as part owners in German industry and the rightwing parties because they represent large elements who want to trade with the East and who desire an independent course for Germany. Some of those elements have not given up the Nazi dream of a German-dominated "new order in Europe."

There are many sincere anti-Communists in Germany. There are many who, like Chancellor Adenauer, believe that Germany's future lies with the West, and who fear that a Germany which tries to pursue a middle course will forsake democracy. But we cannot forget that Chancellor Adenauer's political position in Germany is precarious, and that the Soviets have the power to make it more precarious, if not untenable.

Mr. President, in order to document some of this argument, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, an article entitled "Bonn in Touch With Soviet on Reopening of Trade Ties," by Drew Middleton, and published in the New York Times of May 18, 1953.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BONN IN TOUCH WITH SOVIET ON REOPENING OF TRADE TIES—"DIRECT OFFICIAL CONTACTS" MADE TO RESUME RELATIONS AFTER 12 YEARS—MOVE WAS STARTED AT U. N. TALKS IN GENEVA

(By Drew Middleton)

BONN, GERMANY, May 17.—Western Germany has established "direct official contacts" with the Soviet Union with the intention of resuming trade relations for the first time in 12 years.

Experts from the Federal Ministry of Economics and private industry are studying lists of goods that the Soviet Union would like to export and import. These lists were presented by Soviet representatives at a trade meeting arranged by the United Nations Economic Commission for Europe in Geneva last month.

At the same time West Germany presented similar lists to delegates from the Eastern bloc.

The revival of interest in this traditional area of German economic expansion may explain the proposal for lifting all economic barriers between the Federal Republic and the nations of east and southeast Europe made yesterday by Dr. Hermann Ehlers, president of the Bundestag and vice chairman of the Christian Democratic Union, the largest political party in the Federal Republic.

The Soviet Union does not recognize the legality of the Federal Republic, and it has been the policy of the Bonn Government to restrict economic and other relations to a minimum.

But there are a number of political leaders who favor the gradual restoration of Germany's lucrative economic relationships with the nations of the Soviet bloc. They see in these both a means of easing tension between East and West and thus preparing the ground for the eventual reunification of Germany, and reinsurance for West German economy against any reduction of demand in Middle Eastern, South American, and West European markets.

These political forces represent the industrial and commercial interests of north Germany, who strongly support plans for the export of machinery and consumer goods to Eastern Europe.

The difficulty of the Federal Government, as allied experts see it, is that although Germany is primarily interested in the purchase of agricultural products from the eastern nations, it must proceed gingerly because of the political power wielded by farmers in the Christian Democratic Union.

It is accepted "as a matter of course," one official declared, that while trying to fill Soviet orders the Federal Republic will live up to its commitments to the United States not to deliver strategic goods to the Soviet Union or its satellites.

But, this official added, there is "room enough for the traditional mutual exchange of the goods of nature bought by the Soviet Union to the great benefit of German economy in the 1930's."

According to an official Government bulletin, the exchange of lists of products for export and import is to be followed by direct Soviet-German negotiations aimed at the conclusion at first of "simple bilateral trade agreements," and ultimately at the conclusion of a formal trade agreement between the two countries.

The good atmosphere that prevailed at the Geneva Conference was the result of the different attitude displayed by the Soviet Union toward the Western World since the death of Stalin, one source said.

The initial result of this atmosphere was the conclusion of a good-will trade deal between Rumania and the Federal Republic, which is to be followed, it is hoped, by a formal trade agreement.

Official trade relations already exist between Federal Germany and four other satellites—Bulgaria, Poland, Czechoslovakia, and Hungary.

Last year's exports of machine tools and machines accounted for 21.2 percent of all exports.

FIVE HUNDRED AND SEVENTY THOUSAND WORKMEN EMPLOYED

The Government bulletin said that the machine-tool and machine-construction industry had become second in size after the textile industry in terms of number of workers. According to official report, the machine-tool and machine-construction industry employs 570,000 persons, 50 percent of whom are skilled workmen.

In terms of tonnage, production today exceeds that of 1936 in the then united Germany. Last year 2,200,000 tons of machine tools and machines were produced in West Germany, compared with 2 million tons for the entire country in 1936.

Machine tools and machines are being exported today to 60 countries, which take between 20,000 to 30,000 types of equipment from West German manufacturers. The principal exports included machine tools, printing and paper machines, heavy tractors for haulage, textile machines, electric-power units, and construction-work machinery.

The bulletin reported that almost the entire production last year was based on home-produced raw materials. Although exports totaled 3,600,000,000 deutschemarks, the machine-tool and machine-construction industry had to import only 80 million deutschemarks worth of raw materials.

Absorption of almost two-thirds of last year's production in the West German economy helps explain its great rise in all around industrial production, but the bulletin said that the industrial modernization program was only in its early phase. In United States terms, West German industry has still a long way to go before its equipment matches that in the United States.

The domestic requirements for modern machine tools and machines are still very great, but the bulletin said that lack of capital was the principal factor in failing to satisfy local demands.

Mr. HUMPHREY. Mr. President, I also ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, an article entitled "Soviet Trade Lure for West Germans." The subhead is "Reopening of Commercial Ties Might Have Important Bearing on Political Alinement." The article is also by Drew Middleton, and was published in the New York Times of May 24, 1953.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SOVIET TRADE LURE FOR WEST GERMANS—REOPENING OF COMMERCIAL TIES MIGHT HAVE IMPORTANT BEARING ON POLITICAL ALINEMENT

(By Drew Middleton)

BONN, May 23.—With the Soviet Union trying hard to carry out the unfamiliar dual role of honest trader and good neighbor, and German industrial and commercial interests considering the effects of closed American markets or a possible general western economic slump on this country's business boom, the first stirrings toward resumption of Germany's old trade relations with the nations of East and Southeast Europe became evident this week.

This trade was never as rewarding as it is remembered now by German merchants. But in 1936, trade with Russia, Poland, Hungary, Rumania, Bulgaria and Czechoslovakia amounted to 12.1 percent of all German imports and 11.6 percent of all exports. Later, when war or the approach of war, scared away other traders, Germany was handling close to 50 percent of the total trade of Bulgaria; and in the years immediately preceding 1939, trade figures with Eastern Europe showed a steady rise.

EXPANSION IS POSSIBLE

Today's German trade with the Soviet Union and its satellites (including East Germany) is minute in comparison. In the first 3 months of 1953 it was about 2.5 percent of German imports and 3.5 percent of German exports. From a strictly economic viewpoint, there is, therefore, room for expansion.

The Russians are being accommodating. Their approach was made at the trade meeting arranged by the United Nations Economic Commission for Europe in Geneva last month. There Russians and Germans exchanged commodity lists, and the Federal Republic established direct official contacts with the intention of resuming trade relations.

An announcement to this effect in the official bulletin of the German Government was accompanied by appeals from a number of politicians representing parties of the center and right, for the lifting of the economic barriers between Germany and the nations of Eastern Europe, and by the demand of the Federal Association of German Industries for resumption of normal trade with the East.

The Russians on their side surprised and pleased the Germans by asking for a list of consumers' goods available for export to the Soviet Union, although this request should not be accepted as a firm commitment that such goods are what Russia is really after.

A Western official of long experience in the Soviet Union remarked recently that, in considering Russia's trade drive or peace offensive, it might be dangerous to rely too heavily on lessons of the East. In trade and in politics, he indicated, the Soviet Union had torn up the cards with which Stalin played and has a new deck. Values and estimates useful in dealing with Stalin's Russia, he said, may turn out to be useless in dealing with the Soviet Union of today.

IMPORTANCE OF THE TREND

The importance of the movement toward a renewal of the old trade between East and West in Germany lies in the fact that the strengthening of trade ties between the Federal Republic and the Soviet Union and its satellites will have the political result of creating an atmosphere in which Russia and Germany are much more liable to talk than they are at present.

Neither the stubborn anticommunism of the West Germans nor Chancellor Adenauer's loyalty to the United States policy of integration of the Federal Republic in Western Europe should be taken as a guaranty that such negotiations are impossible. Day by day such problems as this country's reunification and a final settlement of the eastern frontier weigh more heavily on German politics. Even Dr. Adenauer has mentioned the possibility of negotiation with the Soviet Union or Poland on the eastern frontier.

At the same time, there is a large and powerful group of north German industrialists and merchants who consider it to be absolutely essential that West Germany reestablish its old trade relationships with the East.

This attitude is justified by three considerations: The first is that trade with the East represented a margin of profit for a great many of the smaller industries of the Ruhr. The second is that, although Germany has exported heavily to South America, the Middle East, Western Europe, and South Africa since the start of the present boom, these markets are not so attractive for the Germans as they once were.

Finally, the industrialists and merchants and the politicians who represent them argue that only through keeping trade lines open to the East can Germany exert any influence on the Soviet Union for the protection of the people of East Germany, and for the eventual unification of the country. Extensive trade, they assert, will create an atmosphere in which political decisions beneficial to Germany can be carried out.

ADENAUER'S ROLE

Chancellor Adenauer is not as ingenious as some of the Ruhr industrialists, who have a tendency to believe that they can "handle Russia," and it is unlikely that the Federal Republic would walk into a Soviet trade trap so long as he is Chancellor. But because of the strength of the forces seeking increased trade with the East, it is unlikely that Dr. Adenauer can prevent some expansion. If the Russians are willing to continue to play the honest trade for some time, this can have political results much more consequential than those envisaged by the industrialists.

Once the Soviet economy became enmeshed with that of Germany—that is, once Russia's raw materials and agricultural products began to move westward again in exchange for German machines, chemical products, and consumer's goods—the Soviet Union's influence on German economy, and through it on the German Government, would be far greater than it is today.

Mr. HUMPHREY. Mr. President, finally, I ask unanimous consent to have printed at this point in the RECORD, also as a part of my remarks, an article entitled "United States Trade Reduced by West Germany." The article was published in the New York Times of June 14, 1953.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNITED STATES TRADE REDUCED BY WEST GERMANY—AMERICAN SALES TO THAT NATION OFF NEARLY 50 PERCENT IN FIRST QUARTER OF YEAR

(By M. S. Handler)

BONN, GERMANY, April 13.—West German imports from the United States declined almost 50 percent during the first quarter of this year because of restrictive American trade practices, according to W. M. Menne, president of the Association for the Promotion of German-American Trade.

A result of this sharp decline, the Deutsche Industrie Institut reported today, was that West Germany closed its dollar gap in April for the first time since the war with an export balance of $2,000,000.

The Deutsche Industrie Institut also reported that April imports from dollar area reached an all-time low while exports to the same area established a postwar high.

FEAR OF PROTECTIONISM GROWS

In a meeting with a delegation from the National Manufacturers Association, Herr Menne and Fritz Berg, president of the German Industry Federation, indicated to the Americans that if the United States were to continue its restrictive trade practices West Germany would have to look elsewhere for its industrial raw materials and food imports. Herr Menne's views reflected the growing demand among West German industrialists for a return to East and Southeast European sources of raw materials if the United States did not modify its trade practices and permit a greater volume of exports to the American market.

It was regarded as unfortunate that fear of American protectionism should be growing at a time when the Soviet Government has proceeded with a series of moves to relax controls in the east zone as an inducement to West Germans to turn their attention away from the West. Observers of German affairs have long believed that the industrialists would be among those elements most susceptible to Soviet courtship under certain conditions.

American observers point out that industrialists and bankers are among the strongest supporters of Chancellor Konrad Adenauer's coalition and that any defection in their ranks could have serious consequences.

These groups have supported the status quo against the extremists on the ground that the Federal Government's free economy policies have contributed greatly to the economic reconstruction and recovery of West Germany.

The question asked in Bonn is: How long would the industrialists and bankers favor the status quo if economic conditions were to undergo a change?

RECARTELIZATION URGED

It is clear that these groups have been giving serious thought to the possibility of changed economic conditions. One of the indications in this direction has been the strong pressure brought to bear on the Government and its supporters in Parliament to enact a law permitting the recartelization of German industry and business in the event of a depression. A recartelization bill was blocked in the parliamentary committees and will be resubmitted next autumn.

The campaign of recartelization has now been succeeded by a campaign still in low gear, demanding the same access to eastern

and southeastern markets as enjoyed by the British and the French. It is believed not improbable that the Soviet moves in East Germany and the declining trade with the United States may result in throwing the campaign into high gear.

The trade offers made by the Soviet and satellite delegations at the recent Geneva meeting of United Nations Economic Commission for Europe have given West German industrialists a basis for prosecuting their campaign for greater East-West trade should they so decide.

Mr. HUMPHREY. Mr. President, I have taken almost too much time in discussing Germany and Japan, but the solution of the problems confronting those countries is basic to the solution of the overall world problems. I am deeply concerned lest in connection with our foreign and economic policies we do not give proper attention to the problems of those two great countries, whose welfare may mean the difference between victory and defeat for our own foreign policy and security.

X. THE SOVIET ECONOMY

Mr. President, at this time I should like to say a few words about the Soviet economy. Last fall, at the 19th Communist Party Congress, the Soviet Union launched a new 5-year plan. In that connection, the then general secretary of the Communist Party and now Premier, Georgi Malenkov, gave a 5½-hour speech, in which he reviewed the state of the Soviet economy.

The Soviet economy today is at the highest point in its history. In the 7 years since the war, Russia has tripled production of pig iron, steel, electric power. It has doubled its production of coal, and has increased its production of petroleum by 15 percent above that of 1945. It seems likely that heavy industrial output in the Soviet Union today is roughly double that of 1940.

Mr. President, the final date for the Soviet 5-year plan of military preparedness will come between November 1955 and January 1956. I, for one, am not happy that the foreign policy of the United States is not directed toward what I consider to be that critical date. To be sure, various crises occur from time to time. However, what further evidence do we need than the fact that the Soviet Union has outlined its 5-year plan, which is to be completed at the end of 1955?

This vast expansion of Soviet production was achieved at considerable sacrifice in consumer goods, however. Production of shoes and cotton textiles increased only 20 percent and 30 percent in the same period, and food production increased hardly at all. Yet, at the same time, the Soviet population has increased nearly 10 percent. Obviously, the consumer's sacrifices have been severe. Experts believe that Soviet military production today may very well exceed United States military production. There can be no doubt as to the direction of the Soviet economy. Under the new 5-year plan, the Russian economy will turn still more sharply to military production.

Two months ago Fortune magazine published an extremely valuable and revealing account of this plan—a 5-year plan of which 2 years are retroactive, and which is scheduled to end in 1955.

This article reveals that the Soviet Union plans "to increase military expenditure until it at least doubles that of 1950, and surpasses the heaviest Soviet World War II outlay." It reveals that the Soviet plans an army of perhaps double the size of the American Army today. It reveals that the Soviet plans to increase gross industrial output by 70 percent over 1950. It reveals that the satellites are to double their output over 1950. The article also reveals that the Soviet plan for greatly expanded industrial and military production cannot be carried out without some severe strains. The Russian plan has led to extreme conflict between the need for military goods and consumers' goods in the Soviet Union. Given more time, Russia might settle this conflict.

Mr. President, at this time let me say that I pay tribute to the foreign policy of the United States up to date, until this year. As a result of that foreign policy, pressure has been put upon the Soviet system, and defects in that system have begun to become apparent. Tensions and strains have developed there; and now, at last, some revolts have occurred.

The Soviet transportation system is seriously inadequate, especially while Russia has to supply China and the Far East with arms and industrial output. Given more time, Far Eastern industrial potential could be improved; and given peace in Korea, China could trade with Japan.

Present production plans in the satellite states call for wasteful duplication of industrial development among those states. Given time, some of these economies could be more fully integrated. Just at this time there is some duplication.

Russia is short of somé essential raw materials, such as tin, nickel, rubber, and oil. The satellites are much worse off for several raw materials. If they are to fulfill their production plans, they will have to get raw materials and labor from somewhere. But where?

The answer is, trade with the West if such trade can be made possible. The East European countries, in particular, miss the trade which they have historically carried on with Germany. Communist China also has suffered from the loss of historic Chinese trade ties with Britain and Japan. Russia is caught in a squeeze in trying to supply both Eastern Europe and the Far East, and she finds her transportation system unable adequately to bridge the vast distances between industrial western Russia and her Chinese dependent.

Communist trade with the West can help the Soviet solve her difficulties. And what is more important, Communist trade with the West can be the Communists' most effective weapon of economic warfare.

If this analysis is correct—and I say it is documented by Stalin's and Malenkov's statements and plans—then communism will now seek, by every means at its command—and there are many—to promote disunity among the free nations. This means, primarily, economic warfare.

XI. A PROGRAM TO COUNTER THE SOVIET

Mr. President, what is the program to counter this? I give this description of Communist policy simply to show that the problems of the free world—and of the free enterprise world—are in fact international. They are international because all of the free nations are dependent upon others not only for markets, but for essential raw materials. They are international, in the second place, because the Kremlin makes them so—the Soviet will keep the pressure on, and will try its best to split us from our allies. In doing so, it will rely heavily upon economic inducements.

In the middle of April, Mr. President, you may remember the United Nations sponsored a series of economic conferences between East and West at Geneva. At these conferences, the Russians followed up their new line of foreign policy with some very solid inducements to the West. I should like to read a few lines from a report on this conference by Michael Hoffman, the economics expert of the New York Times, under the title "Soviet Shrewdly Capitalizes on West's Trade Troubles." I read:

As more details of last week's trade consultations (in Geneva) between nonpolitical officials of eastern and western European governments became available, evidence has accumulated that the Russians and their allies are now playing a shrewd game designed to capitalize on the growing frustration in Western Europe over the United Nations trade policy. "Instead of forcing the western Europeans into line with the United States by trying bluntly to squeeze out of them goods that flagrantly violate the common western rules about shipping strategic items to Communist countries, they are concentrating on precisely those items on which the United States tariff is highest. Almost without exception the attraction to western officials of these discussions consists in the fact that outlets for products that cannot be exported to the non-Communist world are becoming dimly visible in the east.

I ask unanimous consent that the article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SOVIET SHREWDLY CAPITALIZES ON WEST'S TRADE TROUBLES—IMPROVES ITS TERMS AS EUROPEANS SHOW GROWING FRUSTRATION OVER UNITED STATES POLICY

(By Michael L. Hoffman)

GENEVA, April 27.—Even the slight improvement in the terms under which Communist Europe is prepared to trade with non-Communist Europe has further weakened the already loose cohesion of the Atlantic group of nations in matters of trade and economic policy.

As more details of last week's trade consultations here between nonpolitical officials of eastern and western European governments became available, evidence has accumulated that the Russians and their allies are now playing a shrewd game designed to capitalize on the growing frustration in Western Europe over the United States trade policy.

Instead of forcing the western Europeans into line with the United States by trying bluntly to squeeze out of them goods that flagrantly violate the common western rules

about shipping strategic items to Communist countries, they are concentrating on precisely those items on which the United States tariffs are highest. Almost without exception the attraction to Western officials of these discussions and the eighty-odd formal trade negotiations that are to follow consists in the fact that outlets for products that cannot be exported to the non-Communist world are becoming dimly visible in the East.

OUTRAGED BY DAM CASE

If the Russians read, as they very probably did, the spate of outraged comments in responsible Western papers during the last week of the Geneva trade talks over the rejection of a British bid for construction of a powerplant for Chief Joseph Dam in Washington State, their confidence in their new tactics must have received quite a stimulus.

Of all the comments the one that perhaps most aptly expresses the true effects of President Eisenhower's support of protectionist forces in this case on the climate of government and business opinion in which the Russian negotiators can now operate appeared in Wednesday's Manchester Guardian. "The next (American) businessman who comes here to tell us that we must be more willing to compete will be making himself a laughing stock," the paper said. "Willing to compete indeed."

FRENCH-RUSSIAN TIE NEAR

Perhaps the best concrete case of the effect of the changed Russian approach is that of the French-Russian trade relations. For nearly a year efforts to conclude a trade agreement between France and Russia have been bogged down because Russia insisted that France supply rubber, tin, and tankers. These items are not only about as strategic as can be, they are not even among France's normal exports and tin and rubber are hardly produced at all in any French territories.

In Geneva at the first meeting the French wearily asked the Russians if they still insisted on tin, rubber, and tankers. The Russians said in effect "Let's just forget about those items and see what you would like to sell us." As a result the French now have high hopes of making a modest but valuable trade agreement in the next few weeks.

Trade with Eastern Europe is no substitute for trade with the United States. Western Europe needs both more Eastern trade and more trade with the United States. Nor is the prospect of becoming heavily dependent on the supplies from the East that could and probably would be cut off as a means of political pressure under certain circumstances appeal to Western Europe.

The news from Washington keeps adding to the pressure on Western European officials to make the best of a situation they cannot basically change and this is making them put a higher value on the slight softening of the Russian position than would have seemed possible even a few weeks ago.

Mr. HUMPHREY. Mr. President, the lesson of Soviet economic policy for the west is that the problems of free enterprise are truly international—that our security and survival depend upon our working out solutions for these problems together with the other nations of the free world.

One way we can do this is through a more liberal trade policy. If we close our doors to trade, the nations of Western Europe may have to turn to the east for markets, food, and raw materials. If we close our doors to trade, the nations of Asia—in whom we have invested millions in foreign aid, and on whom we depend for strength on the borders of communism—these nations may have to turn to their Soviet neighbor for trade, and they will then be swallowed up.

Let us further remember that those nations who have to depend upon trade with the Soviet will have to conduct much of their trade through their governments. Eventually, this means government controls, and eventually, government ownership. How better could the Soviet subvert free enterprise? And how can we better make free enterprise thrive than to open our doors to trade?

Free enterprise, from the days of Adam Smith, has always been international. The United States, as the leading business nation of the world, and the political leader of the free world, should recognize this fact.

During this period of the Soviet peace offensive our foreign-trade policy is an absolutely vital aspect of our entire security program. I ask that it be treated as such, and not as an adjunct or as a sort of addendum to the security program of this Nation. The trade policy of our country is as vital to its security as is its military policy or diplomatic policy. It is impossible to separate them. They need to be so regarded. An adequate foreign-trade policy and adequate provision for our military defense should be the twin arms of our foreign policy. This is so because the two main arms of Soviet policy are economic warfare, and vast military expansion. We must counter the Soviet at these points.

XII. AN IMMEDIATE PROGRAM

Mr. President, what is our immediate program? I lay no claim to any expert knowledge, but this has been a question on which I have concentrated for a long time. I intend to speak from time to time on the matter of our foreign policy, particularly our trade policy, because I believe it to be very important. Therefore, when I direct my attention to a particular program of Government, I am not saying that is the program which the country must follow. I offer it as a suggestion in the conflict and competition of ideas which occur in the Senate. There are Members of this body who are experts in this field and who have had a lifetime of service.

I see in the Senate my distinguished colleague and friend, the great Senator from Georgia [Mr. GEORGE], who has been for years a member of the Senate Committee on Foreign Relations, and a strong advocate of a liberal trade policy. I am happy he has taken the time to listen to some of my remarks, and I shall value his counsel.

I see present the Senator from Alabama [Mr. HILL], who has been a member of the Military Affairs Committee. He knows the importance of foreign policies. I see the distinguished Senator from Oregon [Mr. MORSE], who has again and again brought to our attention the importance of military and economic policies.

I see the distinguished Senator from Florida [Mr. HOLLAND], who has stood with us for an enlightened policy in our trade relations.

I see the Senator from Louisiana [Mr. LONG], the Senator from Texas [Mr. DANIEL], and the Senator from South Carolina [Mr. JOHNSTON].

I also see the distinguished Senator from California [Mr. KNOWLAND], upon whose shoulders rests a great responsibility in connection with the policy we are to pursue with regard to an enlightened trade program.

I know he will carry out the wishes of the President, and I ask the privilege of joining with him in for once and for all putting at rest any program which would in any way weaken American leadership in the field of foreign trade. I feel it is absolutely essential that the compromise package which was passed in the House of Representatives, namely, the packing of the Tariff Commission, be done away with. I cannot concede that it is politically sound or economically justified.

In the light of the importance of world trade to American security and American welfare, what are our needs at this moment? What can the Congress do now, and what should we do to prepare for the future?

Let me look briefly at our trade situation with our principal allies today. Protectionists among us are saying that the average of American tariffs today is 12½ percent. This is true, of course; but an average tariff is not very meaningful. What counts, to those nations who must trade with us, is how high the tariffs are on those goods they have to sell.

The average tariff on Great Britain's main exports to this country today is about 35 percent, and the same thing is true of the principal exports of other Western European nations to this country. An average tariff of 12½ percent does not mean much to them, for our high tariffs are directed against their goods.

This is part of the story. The rest of the story is that European exporters and world trade suffer badly from our complex and outdated customs regulations. There is no need for me to describe the terrible state of our customs laws. They are, in fact, indescribable. The basic act dates from 1930 and is hopelessly out of date. Today it often takes years to clear goods through United States customs and our Customs Court is so clogged with litigation that cases take years to settle. At present, as I am informed, the court has a backlog of 80,000 cases. Many exporters simply decide not to bother trying to sell in our country and many American importers lose thousands of dollars in every year because of this hopeless tangle in our customs setup.

So there are two immediate things to do. We can extend the Reciprocal Trade Agreements Act for at least another year, so as to leave the door open for tariff negotiations and so as to maintain confidence and stability in world trade. By the same token we should reject such a proposal as the packing of the Tariff Commission and should not countenance a refusal and denial on the part of the Government to conduct any further negotiations under the reciprocity program.

The second thing we must do is enact a customs-simplification bill. These

two measures will answer the immediate needs of world trade and American security.

What can we do to prepare for the future? We can establish the proposed Commission to study our foreign economic policies. I strongly urge the Congress to breathe life into this proposal, although I am not uncritical of the proposal as it stands. Later, in another speech, I shall have more to say about the proposed Commission. For the present, let me make the most constructive suggestions I can regarding it.

The scope of the proposed Commission is broad. I am afraid it is too broad, as it stands. I do not believe that an adequate study of a field so broad as our entire foreign trade can be made in a year. My main criticism is that the time afforded is not sufficient to give the Commission the opportunity it needs.

The only way for us to get an adequate and manageable study before the Congress by next year will be for the Commission to emphasize certain immediate problems, and to devote the bulk of its work to those problems.

What are those problems? These, I believe, are the chief ones:

First, I hope the Commission will emphasize a concrete study of just what goods the United States should and can import. What products do we need most? What imports will not put American industry at a real disadvantage?

I might point out that this was one of the very purposes of the Reciprocal Trade Agreements Act. This is how Cordell Hull described the operation of that Act:

> The Trade Agreements Committee * * * surveyed the foreign-trade field to see which countries offered the best prospects for negotiations. It set up a number of "country committees." Each country committee was assigned a specific foreign nation. It studied our trade with that nation, to see which imports from her could receive lower duties without competing unfairly or injuriously with our own domestic industry or agriculture, and which of our exports should receive lower duties from her by way of compensation. It studied the tariff system and the quota or exchange control arrangements, if any, of that country. Finally it made its recommendations * * * (Memoirs, I 366-367).

In its study over the coming year, the administration will be able to do for our foreign trade as a whole what was done for particular nations under the Reciprocal Trade Agreements Act. I would hope that the administration's commission will come up with recommendations just as specific.

Second. There is something else this commission could do, and that is to study actual methods of rewriting our tariff law. Certainly it is time that the law was rewritten. But to do so is a tremendous task. Many of us will have read the statement of the late Senator Vandenberg, that:

> Tariff rate-making in Congress is an atrocity. It lacks any element of economic science or validity. I suspect the 10 members of the (present) Senate, including myself, who struggled through the 11 months it took to write the last congressional tariff act, would join me in resigning before they would be willing to tackle another general congressional tariff revision (CONGRESSIONAL RECORD, vol. 94, pt. 6, p. 8049).

That statement was quoted in the Report of the Bell Committee. That Committee recommended that Congress pass a broad statute, setting up standards within which the President, acting through a commission, could more scientifically revise the tariff law. I am not sure I am willing to accept this recommendation, though it has much to recommend it. I should like to see the administration itself, through the Commission which the President intends to appoint, further consider this problem of revising our tariff laws. Give them a full review and study.

Third. I hope the Commission will make a thorough study of the operations of the Tariff Commission, and will suggest to the Congress more definite standards by which the Commission might operate.

There is ample precedent for Congress' writing firmer standards into the operations of an independent commission. As we consider these standards, perhaps we shall give more intelligent thought to the problem of where the responsibility for our foreign trade policy should rest. Should it be chiefly with the Congress? With the President? To what extent should it rest in the Tariff Commission? We know that our foreign economic policy is vital to the whole of our foreign policy. Let us now give some thought to the problem of who is to make that policy.

Partisanship in the Tariff Commission is not the answer—for partisanship can cut both ways. It destroys the stability of our foreign trade policy, and we know that foreign trade requires stability. I would rather we faced the issue of foreign trade squarely than to try to place the responsibility in a nonelective body. Let us at least decide where the responsibility will lie. I submit that the President's commission can do a great deal in the area which may be assigned to it.

To sum up, let us extend reciprocal trade for a year and give the free world a chance to trade and an assurance that we will trade. The uncertainty of United States trade policy today is weakening our position in the world and is strengthening the efforts of the Soviet Union and her satellites to divide the free nations.

In the meantime, to the same end, let us revise and simplify our customs laws. Let us also have a commission that will give our foreign economic policy the broad view it deserves, a commission that will view our foreign trade in the light of our foreign policy and our world responsibilities.

Mr. President, before yielding the floor, I ask unanimous consent to have printed at this point in the RECORD a statement of the Northwest World Trade Club, forwarded to me by Mr. M. A. Hoenecke, chairman of the legislative committee.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF NORTHWEST WORLD TRADE CLUB, MINNEAPOLIS, MINN.

The Northwest World Trade Club represents many diversified industries and businesses operating in the Twin City area as well as in Minnesota and neighboring Northwest States. These businesses and industries investments extend throughout the world and these businesses have long been concerned with world peace and security as well as world trade. Approximately 400 Minnesota manufacturers claim to have an export market, some export regularly as much as 40 percent of their production. It is estimated Minnesota exports total about $200 million annually of which at least $75 million is basic farm commodities. Many other concerns in the Northwest area as well as the large number employed by those concerns are dependent to a large extent on the purchasing power generated by the exporting industries in Minnesota and Northwest areas.

Export-minded men in our organization as well as in other organizations throughout the country are aware that in the last 3 consecutive years our exports have exceeded our imports by $5 billion anually and this, in effect, is deficit spending by the foreign buyers and will definitely result in a reduction in United States exports restrictions and discriminations against American exports, driving further those present allies into trade with countries behind the Iron Curtain. It is recognized by our organization that there is a definite and urgent need for a new United States trade and tariff policy recognizing that a trade and tariff policy in the national interest must be placed in effect rather than one designed merely to protect small groups of domestic producers from competition abroad.

The Northwest World Trade Club of Minneapolis recognizes its own responsibility to voice its views in connection with those matters that relate to foreign trade. In recognizing our responsibility we believe that our policy that fosters and encourages a relatively free world trade, will work toward the establishment of a healthy world economy. The Simpson bill, H. R. 4294, is an example of legislation contrary to the position taken by the Northwest World Trade Club of Minneapolis. If this country wants a constructive solution to the payment problems, then its barriers to trade must be reduced. We cannot expect private investment abroad or Government aid abroad to work if positive steps are not taken to reduce the restrictive measures against foreign produce flowing into our markets, to allow our allies to earn dollars with which to pay for our export produce. So great is the need for our unified effort to reach as many willing ears that we join with other organizations interested in the promotion of world trade on a sound economic basis which will lead toward free exchange of goods, better world living conditions, surer developments of allies, and a complete encirclement of those countries behind the Iron Curtain.

In view of the foregoing, it was resolved by the membership of the Northwest World Trade Club in a meeting of April 8 that the following outline be transmitted to you:

"GENERAL PRINCIPLES

"We of the Northwest World Trade Club, of Minneapolis, believe in free trade as an ultimate objective. We also believe that the United States has developed beyond the point where high protective tariffs, illogical subsidies of the world consumption of American products is, in fact, not to the best interest of labor, the consumer, or industry. We further believe that the world trade is a two-way street in which we must buy foreign products if we are to continue to sell our products to the nations who today are our allies. Failure to meet this condition will serve only to impoverish our peoples, lower our standards of living, and deplete our natural resources.

"We further believe that immediate attention is to be directed to the three following acts: (1) The Buy-American Act, (2)

the Reciprocal Trade Agreement Act, (3) the Customs-Simplification Act.

"The Buy-American Act: The Northwest World Trade Club (of Minneapolis) fully realizes that the Buy-American Act is illogical and indefensible under today's conditions. This act was born in times of depression when unemployment was prevalent and has long since passed its point of usefulness in terms of original intent. Considerable additional material can be furnished to support our views on this matter, but in general the Northwest World Trade Club believes that this act should be repealed.

"The Reciprocal Trade Agreement Act: The Northwest World Trade Club (of Minneapolis) supports the reciprocal trade agreement program with the reservation that the periodic reenactment of the legislation makes it difficult for businessmen both abroad and at home to engage in long-range planning. Therefore, it is recommended by the Northwest World Trade Club (of Minneapolis) to extend the Reciprocal Trade Act for a period of 4 years to coincide with the President's term, instead of the 2-year period. In addition, it is recommended that section 3 of the act be repealed or struck out. This section deals with peril points. Also it is recommended that sections 6 and 7 dealing with the escape clause be repealed and struck out.

"Customs Simplification Act: The Northwest World Trade Club (of Minneapolis) recommends a complete review of the Customs Tariff Act of 1930 as amended in 1943. The Customs Simplification Act of 1951 is, in our opinion, inadequate inasmuch as it does not cover all the inequities contained in the customs regulations at the present time. First and foremost we would recommend that the application of duties be entirely eliminated on items on which we are dependent and on which we are in short supply where the importation will not affect our consumer market but would aid same.

"We would further recommend a complete revision of the entry procedure, including the elimination of consular invoices, so as to simplify the entrance of the imported products into our commerce.

"It is further recommended that the Daniel C. Bell report be taken into consideration as to his recommendations in regard to this particular bill. One of the most important points to consider in the revision would be the valuation provision of the Customs Tariff Act and the placing of a time element on which valuations can be achieved and eliminations of such restrictive measures as quotas with the possible exception of penal institute products."

M. A. HOEHECKE,
Legislated Committee Chairman pro tempore.

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an editorial entitled "Eisenhower's Trade Zigzags," published in the Washington Post of June 18, 1953. I consider this to be an excellent editorial, describing some of the problems that confront us on the subject of trade relations.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

EISENHOWER'S TRADE ZIGZAGS

The administration's record to date in its trade liberalization attempts has been one of slowly losing ground. One day the President will take a stand against the protectionist leaders, but the next he will be driven into a compromise or a retreat.

Last week the President turned down a Tariff Commission recommendation that he increase the tariff on women's screen-printed silk scarves; but at the same time he ordered a quota imposed on the import of filbert nuts. In another move, which was an attempt to escape from the arbitrary import quotas imposed by section 104 of the Defense Production Act, the President established quotas of a similar nature by Executive order. He thus persuaded Congress to drop section 104, the so-called "cheese amendment," but he paid a high price to obtain greater flexibility of action.

Perhaps the most serious backward step was the tariff increase on wool tops from Uruguay. Domestic wool producers brought great pressure to bear on the administration. And since Uruguay had allegedly given a bonus to wool top exporters in the form of preferential exchange rates, an excuse was at hand. Yet a year ago both the State and Treasury Departments assured Uruguay that its exchange rate action was not regarded as a bounty. To confuse matters further, Argentina was not penalized for taking similar exchange action.

House approval of the Trade Extension Act was an important psychological victory, even though it will not mean any change in tariff rates. But a big concession has been made in the amendment to increase the size of the Tariff Commission. Altogether it is impossible for advocates of liberalized trade to gain much reassurance from the contradictory performance to date.

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an editorial entitled "Packing the Tariff Commission," published in the New York Journal of Commerce of June 4, 1953. I commend the reading of this editorial to every Member of Congress.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PACKING THE TARIFF COMMISSION

However good the intentions of those who agreed to the compromise Trade Agreements Extension Bill, the effect of that compromise would be to create a Tariff Commission packed in much the same way that President Roosevelt sought to pack the Supreme Court in 1938.

It might, of course, be said that some progress has been achieved through the agreement to drop the provisions severely curbing the President's powers to negotiate new concessions and to exercise fully his judgment on cases involving relief for domestic producers. But this gain is deprived of significance by the administration's promise to refrain from using these powers for the next year, at least as they relate to new tariff reductions.

There remains only one real gain for the foreign trade community. That is in the decision to drop the new protectionist measures proposed by Representative SIMPSON, including the curbs on imports of oil and certain metals. Is this worth the price of a packed Tariff Commission? Unless the means of increasing the number of Commission members are changed, we doubt it.

What reason is there for increasing the number of commissioners from 6 to 7?

A valid reason certainly can be found for increasing the Commission's personnel. Its staff at present is admittedly inadequate to the tasks and responsibilities that beset it. Ironically, the size of this staff was reduced in the postwar years just as its workload began to increase in earnest. The Commission, always a small agency, has less than 200 employees today, as against 239 in 1940. It is no longer able to provide the wealth of statistical information on commodities moving in foreign trade that it formerly made available.

It is, indeed, barely able to keep abreast of the cases on its docket.

There are a number of reasons for this. One is the unwise provision in the Tariff Law that requires the Commission to undertake a full dress investigation of each and every complaint of injury filed by domestic producers, whether the Commission thinks the complaints justified or not. This compels the Commission to waste much valuable time on complaints that are plainly invalid and cannot be substantiated by any real evidence.

The other is the progressive reduction in appropriations by Congress. Part of the blame here rests squarely on the Truman administration for its failure to fight for adequate funds. Part rests with Congress, which has reduced the Commission's effectiveness in the name of economy.

But it is one thing to increase the Commission's staff and quite another to increase the number of Commissioners from an even to an odd number.

There was a good reason for setting the number of Commissioners at 6, rather than at 5 or 7, and Representative SIMPSON is as aware of it as anyone else. The reason was to establish a truly bipartisan Commission, divided equally between Republicans and Democrats. Only from such a group, it was reasoned, could unbiased information and nonpolitical decisions be obtained.

If the number of Commissioners is now raised to seven, the Tariff Commission can be made to reflect the opinions of the majority party, which could mean of the Democratic Party in a future administration as well as of the Republican Party today. Do the Republicans really want this? We would think not.

But what other motive can possibly be ascribed to this compromise? If the need is for more Commissioners, why not 8 of them evenly divided between the 2 parties? Or 10? Or even 12? And if this need is urgent, why not an appointment to fill the vacancy that has existed on the Commission ever since President Eisenhower was inaugurated? And why not a move to increase the Commission's working staff, where personnel is needed most?

If the compromise had followed these lines, we could believe in the sincerity of the motives of Mr. SIMPSON and his associates. As it is, this is most difficult.

The President, and those in Congress who subscribe to his views on the need for a less restrictive foreign-trade policy, would do well to consider carefully this one thought: It is not only the United States tariff that acts as a deterrent to trade. It is the vast degree of uncertainty and apprehension abroad as to the actual direction of United States foreign economic policy. It is not so much what is happening now, as what may happen next.

To shift now from a bipartisan to a political or near-political Tariff Commission would greatly increase these apprehensions and add one more discouragement to overseas producers who, given any reasonable chance of success, are courageous enough to have a try at the American market. This is likely to be the case even if the President fills the remaining vacancies with the best of appointments. And it would be all the more regrettable for this reason.

ORDER FOR RECESS

During the delivery of Mr. HUMPHREY'S speech,

Mr. KNOWLAND. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. HUMPHREY. I yield.

Mr. KNOWLAND. I ask unanimous consent that when the Senate completes its business this evening it stand in recess until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

MODERNIZATION OF CHARTER OF WASHINGTON GAS LIGHT CO.

During the delivery of Mr. HUMPHREY's speech,

The PRESIDING OFFICER (Mr. HENDRICKSON in the chair). The Chair lays before the Senate the amendment of the House of Representatives to the bill (S. 2032) to modernize the charter of Washington Gas Light Co., and for other purposes, which is on page 3, line 8, to strike out "SEC. —. The" and insert "SEC. 12. The."

The Chair will take the liberty of saying that the amendment is merely a perfecting amendment, to correct a printer's error. That is all it does. Without objection, the amendment of the House will be concurred in. The Chair hears no objection.

AMENDMENT OF SECTION 32 OF DISTRICT OF COLUMBIA FIRE AND CASUALTY ACT

During the delivery of Mr. HUMPHREY's speech,

The PRESIDING OFFICER (Mr. BUTLER of Maryland in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 1639) to amend section 32 of the Fire and Casualty Act, so as to provide that an agent or solicitor may secure a license to solicit accident and health insurance in the District of Columbia under that act without taking the prescribed examination, if he is licensed under the Life Insurance Act, which was, on page 2, after line 4, insert:

SEC. 2. Section 2 of such act, as amended (D. C. Code, 1951 ed., sec. 35-1303), is amended by striking therefrom the definition of the word "superintendent" and inserting in lieu thereof the following: " 'Superintendent' means the Superintendent of Insurance of the District of Columbia, or the officer or officers, agency or agencies succeeding to his functions under Reorganization Plan No. 5 of 1952."

Mr. CASE. Mr. President, I move that the Senate concur in the House amendment.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. CASE. I yield.

Mr. KNOWLAND. I have just returned from the Appropriations Committee. Has this matter been taken up with the minority?

Mr. CASE. The clerk advises me that it has. All the amendment does is to define the word "superintendent."

Mr. KNOWLAND. Is it purely a clerical amendment?

Mr. CASE. It is practically only a clerical amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Dakota.

The motion was agreed to.

LEAVE BENEFITS AND SEVERANCE PROTECTION FOR FEDERAL EMPLOYEES

Mr. JOHNSTON of South Carolina. Mr. President, the time has come when the Congress of the United States must stop "dilly-dallying" with leave policies and adopt a positive and forthright program of leave benefits and severance protection for our Federal employees. The present leave system has "just growed like Topsy" and has so confused our Federal workers and the public generally that the once wide-attraction that leave benefits had in recruiting and holding employees in the Government service has been reduced to a liability to be overcome.

Senators will recall that last January 7 I introduced a bill, S. 189, entitled "A bill to provide severance pay to certain officers and employees of the Federal Government." I hope that the proposed legislation will be enacted at this session. With thousands of Federal employees losing their jobs with the closing of emergency agencies, and with the cutback in defense expenditures, we in Congress must provide some protection to those fine people who have served their Government. The proposal I introduced would provide severance pay in the amount of 1 day's compensation for each month of active Federal service under certain conditions.

Mr. President, this legislation is essential to the welfare and security of Federal employees. They are now in a position of far less security than are workers for private employers. Federal employees are not entitled to unemployment insurance, nor do they receive separation pay as do employees in private industry. Neither are their leave benefits sufficient to provide a cushion against abrupt layoffs.

We in Congress might as well recognize the fact that the Government is rapidly finding it more difficult to recruit and retain the type of personnel needed to perform Federal functions efficiently and economically. The "shifting" leave policies and the failure to provide severance pay and protection are widely to blame. Many of the workers who are on the Federal rolls today will actually suffer upon separation by lack of severance pay. In this respect, we are years behind private industry.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement by the Government Employees' Council of the American Federation of Labor entitled "Federal Workers Need Unemployment Insurance Now," and I recommend that all Members of the Senate study it. Indeed, I hope that their study of this statement will provide the interest we need in order to formulate and develop a comprehensive leave system and severance pay policy for Federal employees.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FEDERAL WORKERS NEED UNEMPLOYMENT INSURANCE NOW

The Government Employees' Council of the American Federation of Labor has repeatedly gone on record in favor of unemployment insurance for Federal employees. Representatives of the council and its affiliated organizations have testified at hearings of the House Ways and Means Committee and have contacted individual Representatives and Senators in support of legislation covering Federal workers under State unemployment insurance laws. We have maintained that Federal Government employees have the same need for unemployment insurance as workers in private industry; that Uncle Sam should provide unemployment insurance protection for his own employees just as he requires private employers to do for their workers. Our position has been clear and emphatic on unemployment insurance for Federal workers.

If there was ever a time when Congress should pass legislation extending coverage to Federal employees under the existing State unemployment insurance laws, that time is here and now. Between January 1 and April 30, 1953, there was a decrease in Federal employment in continental United States (excludes Alaska and Canal Zone) of 54,000, of which 31,000, or nearly 60 percent, were wage-board employees, i. e., mechanics, such as electricians, machinists, etc., helpers, and laborers. On every hand there is striking evidence of further declines in May and June, and especially for the coming fiscal year of July 1, 1953–June 30, 1954. Congressional cuts in appropriations for the fiscal year of 1954 mean sharp cuts in Federal employment of white-collar workers, as well as blue-collar employees in navy yards, arsenals, and Air Force installations.

In previous years, workers separated from Federal jobs could depend upon their accrued annual leave, or upon withdrawals from the United States civil-service retirement fund, while looking for work. Today, however, Federal employees, as a result of the Whitten and Thomas riders, and the graduated scale of annual leave, have little to fall back on when they are separated from Federal employment. Because of the Whitten rider and an Executive order Federal employees who have been hired or rehired since September 30, 1950, have indefinite appointments and are covered under the Social Security Act amendments of 1950. Payments made under this act cannot be withdrawn by separated employees. Under the Thomas rider, Federal employees have had to use up all their annual leave of a calendar year before June 30 of the following year. Consequently, when they lose their jobs, they have little, if any, accrued annual leave. Finally, as a result of the graduated scale of annual leave, only those with 15 or more years of service receive 26 days of annual leave, as was the case formerly for all Federal employees. Those with 3 to 15 years of service now get 20 days, while those with less than 3 years of service are entitled only to 13 days of annual leave. Hence, even if the Thomas rider should be abolished, employees with less than 3 years of service will still have little chance to accumulate any leave.

It is because a great many Federal workers have now practically nothing to fall back on when they lose their jobs that the Congress should pass legislation at this session extending coverage to Federal employees under State unemployment insurance laws. The Congress should do this at the same time that it is making drastic cuts in the appropriations for Federal agencies.

Unemployment insurance is rightly regarded as one of the first and main defenses against a depression. The truce in Korea will cause readjustments in our economy. Unemployment insurance can be relied upon to smooth that readjustment for the unemployed worker, the community in which he lives, and the businesses dependent upon his purchasing power. Unemployment insurance is sound in a period of readjustment in private industry; it is also just as sound in a period of retrenchment in the case of the Federal Government. Unemployed Federal workers are entitled to the same consideration as those in private industry when deprived of their livelihood through no fault of their own. The communities in which Federal workers live and the businesses dependent upon their purchasing power are equally entitled to consideration. If unemployment insurance is sound for workers in private industry, it is equally sound for workers for the Federal Government.

JURISDICTION OVER SUBMERGED LANDS OF THE OUTER CONTINENTAL SHELF

The Senate resumed the consideration of the bill (S. 1901) to provide for the jurisdiction of the United States over the submerged lands of the outer Continental Shelf, and to authorize the Secretary of the Interior to lease such lands for certain purposes.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BEALL in the chair). The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded, and that further proceedings under the call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CORDON. Mr. President, I believe it would be helpful in the consideration of the pending measure, in connection with which there are some eighty-odd amendments, most of them perfecting or clarifying in character, if the bill, as proposed by the committee to be amended, might be considered as the original text of the bill, and so be subject to amendment without having any question raised as to the degree of amendment. I therefore ask unanimous consent that the bill as proposed to be amended, and as reported from the committee, may be considered as the original text of the bill for purposes of amendment and final passage.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HENDRICKSON. Mr. President, on behalf of the Senator from South Dakota [Mr. CASE] and myself, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from New Jersey on behalf of himself and the Senator from South Dakota will be stated.

The CHIEF CLERK. On page 25, beginning with line 20, it is proposed to strike out all through line 25 and insert in lieu thereof the following:

SEC. 9. Disposition of revenues: (a) All rentals, royalties, and other sums paid under any lease on the outer Continental Shelf for the period from June 5, 1950, to date, and thereafter shall be deposited by the Secretary and the Secretary of the Navy in the Treasury of the United States. Such rentals, royalties, and other sums received during the present national emergency shall be held in a special account in the Treasury, and until the Congress provides otherwise, shall be used, except for the payment of refunds under the provisions of section 10 of this act, only for such urgent developments essential to the national defense and national security as the Congress may determine.

(b) Except for amounts paid out as refunds under the provisions of section 10 of this act such rentals, royalties, and other sums received after the termination of such national emergency shall be paid by the Secretary of the Treasury within 90 days after the termination of the fiscal year in which received, to the several States and Territories of the United States and the District of Columbia in an amount to each such State and Territory and the District of Columbia which bears the same ratio to the total of such rentals, royalties, and other sums received during such year (less the total of such refunds during such year) as the total number of individuals enrolled in the schools in such State or Territory or the District of Columbia according to the latest Federal census bears to the total number of individuals enrolled in the schools in all such States and Territories and the District of Columbia according to such census. Payments received under the provisions of this section shall be used by such States and Territories and the District of Columbia solely for the purposes of primary, secondary, and higher education.

On page 26, lines 11 and 12 it is proposed to strike out "any moneys not otherwise appropriated" and insert in lieu thereof "money paid into the Treasury under the provisions of section 9 of this act."

Mr. HENDRICKSON. Mr. President, my remarks this afternoon will be addressed to the amendment which has just been read by the clerk. As is well known, it is proposed to Senate bill 1901, the so-called outer Continental Shelf bill. I am happy to say that the junior Senator from South Dakota [Mr. CASE] has joined me in offering the amendment.

The junior Senator from New Jersey first proposed a similar amendment to the distinguished Committee on Interior and Insular Affairs a few months ago when, under the splendid leadership of the senior Senator from Oregon, its acting chairman, the submerged-lands resolution was before it for consideration.

The amendment was informally proposed at that time to the committee because it was my understanding that a separate bill, dealing with the development of the outer Continental Shelf, would be offered following the so-called tidelands measure, and it was not my purpose to bring to a vote on the Senate floor my amendments which dealt exclusively with the development of the outer shelf and the revenues derived therefrom.

My original amendment, Mr. President, called for exclusive Federal control and development of those submerged lands lying seward of the States' historic boundaries in the outer Continental Shelf.

Secondly, my original amendment would vary the aid to education amendment offered by the Senator from Alabama [Mr. HILL].

The variation is an important one, in my opinion, Mr. President.

I intend to explain it in more detail in just a few moments.

As I said, the original amendment was not offered for the purpose of a vote at the time the submerged lands resolution was before the Senate.

Now, however, since Senate 1901 is pending business, and since it spells out Federal development rights in the outer Continental Shelf, the subject of the first portion of my amendment is no longer necessary, and my original amendment was altered so that on June 18—last Thursday—on behalf of the Senator from South Dakota [Mr. CASE] and myself, an amendment to section 9 of the Cordon bill was offered dealing with disposition of revenues derived from this outer shelf concerning which we are now in debate.

Mr. President, I was an original cosponsor of the Holland bill and supported Senate Joint Resolution No. 13 all the way down the line.

I supported the States' rights position in this case because I believed in it—I believed that what the States brought with them into the Union still belonged to them, and for the Federal Government to come along after 160 years of legal lethargy and seek to strip them of those areas within their historic boundaries was, in my opinion, dead wrong.

At the same time, Mr. President, I see no justification in the extension of State sovereignty and earning power into the lands lying seaward of those historic boundaries for which the coastal States fought so long, so valiantly, and so successfully.

Those lands, in my judgment, are for the Federal Government to control in all respects because there are no States rights in the area which is now before us today.

I do not intend to argue the basic position of S. 1901 because I know that there are others on the committee and elsewhere who are better prepared to discuss this bill than am I.

But, Mr. President, to fully insure that no interest but the Federal interest be claimed in this outer-shelf area, it is my opinion that the funds derived from the development of the natural resources therein be earmarked for a specific purpose.

The junior Senator from New Jersey will not take the time of the Senate to go over the same ground covered so exhaustively by the proponents of the Hill amendment during the late and unlamented tidelands debate.

At that time the Senator from Alabama and his colleagues fully explained the drastic need for additional assistance for our school systems and the state of disrepair in which our whole educational system has increasingly found itself.

Our amendments, which I am asking the Senate to adopt to Senate bill 1901, earmark these funds for the purpose of easing our educational systems out of their present plight.

But the amendments specifically negate the possibility of Federal dictation to these State school systems. They remove from the troublesome area of Federal aid to education the disposal of these great resources.

The amendment sponsored by the Senator from Alabama, in my opinion, leaves for future legislation the decision about the manner in which the Federal Government shall parcel out to the school systems the vast wealth of the outer Continental Shelf.

Mr. President, I have great respect for the Senator from Alabama [Mr. HILL] and his colleagues who have joined him in sponsoring his amendment, but I should like to suggest that I think he is putting the cart before the horse.

The problem of Federal aid to education has vexed the Congress for years, and it remains unsolved. It also vexes the States. I believe that the variation proposed by the amendments of the junior Senator from South Dakota [Mr. CASE] and myself to the basic amendment of the Senator from Alabama will do away with that problem. It will apportion these funds to the State school systems on the basis of the school population. I do not know of any other method by which the apportionment could be handled more fairly.

Mr. LONG. Mr. President, will the Senator from New Jersey yield to me?

Mr. HENDRICKSON. I yield.

Mr. LONG. The Senator from New Jersey says he knows of no fairer method of distributing the funds to the schools. However, did not the aid-for-education bill which was passed by the Senate in the 81st Congress contain a formula by which the funds would have been distributed primarily on the basis of need? Only as a secondary matter would any of the funds have been distributed to the States on the basis of population.

Mr. HENDRICKSON. That is substantially correct. But if the Senator from Louisiana will consider the subject a little further, I think it will occur to him that for the most part the greatest need exists in the densely populated areas.

Mr. LONG. The facts available at that time showed that the State which would benefit the most on the basis of need was Mississippi, where the per capita income is only about one-third of that of the State of New Jersey for example. The State of Mississippi, which at that time needed aid the most, would have received the most help, because of the economic condition of its people, who were unable to provide for adequate education of their children, although the people of that State were taxing themselves at a very high rate for the purpose of education, considering what little they had to provide for that purpose.

Mr. HENDRICKSON. Mr. President, I recognize the merit of the argument of the Senator from Louisiana, but I believe all the factors he has in mind have been considered in connection with other programs.

The amendment of the Senator from South Dakota [Mr. CASE] and myself provides a new and different program.

Mr. LONG. Mr. President, will the Senator from New Jersey yield further to me?

Mr. HENDRICKSON. I gladly yield.

Mr. LONG. When I was a senior in high school, I was able to become a member of the debating team. All that year we debated the question of Federal aid to education. During that time the affirmative always based its case upon the fact that there were some States which, because of the poverty of many of their people, were unable adequately to provide for the education of their children.

It was only recently that it was proposed that the wealthier States should receive Federal aid for education. Historically, the whole idea of Federal aid for education has been to help areas in which the people were not able adequately to provide for the education of their children.

Mr. HENDRICKSON. I can understand the Senator's point of view.

Mr. President, as I have said, I feel that the apportionment of this aid to the State school systems on the basis of population is the fairest way of solving the problem.

The amendment sponsored by the Senator from South Dakota [Mr. CASE] and myself avoids rigid formulas, prevents the Federal Government from exerting a dominant control over the standards to which States must comply in order to qualify for these funds, and removes from controversy the question of Federal aid to education.

Under the amendment which I am sponsoring, together with the Senator from South Dakota [Mr. CASE], the Federal Government will become merely a clearinghouse for these sources of revenue. No new legislation would be required in order finally to resolve the problem which affects school children everywhere in the United States.

Section 9 (a) of our amendment is similar to the Hill proposal, in that this section provides that these Federal funds shall first be used for defense, during the present national emergency, unless the Congress provides otherwise. Thereafter the funds are to revert to the States, for educational purposes.

Under our amendment, it is true, the most populous States will receive the greater contributions because they have more schoolchildren.

But, Mr. President, these are not tax moneys; they are derived from national resources accruing to the entire country. If we are to assist our schoolchildren and at the same time if we are to remove the issue from politics, we must adopt a proposal which will prevent Federal dictation in the traditional State field of education.

Mr. President, the great majority of us supported Senate Joint Resolution 13 because we believed in the moral principle involved. There was much hue and cry over that measure. From a practical standpoint, I believe that by far the greater amount of natural wealth lies in the submerged lands seaward of the historic State boundaries.

In order to earmark these revenues so that they will be able to do the most good for the youth of the Nation, I urge the passage of Senate bill 1901, as amended by the amendment I have submitted, and in which the junior Senator from South Dakota [Mr. CASE] has joined.

Mr. CASE. Mr. President, I think the Senator from New Jersey has presented this issue to the Senate in the way it should be considered. In other words, we now have the simple issue of whether we should dedicate to the cause of education some of the revenues from the last of the public domain.

Historically, the United States has given aid to education by means of land cessions to the States at the time when they were admitted to the Union. Now it is proposed that it be recognized that the Federal Government has a primary interest in the outer Continental Shelf.

In my opinion, the Senator from New Jersey has presented this issue to the Senate in the simplest possible way of getting it before us. The method he has proposed is certain to be understood, for it does not involve complicated formulas and questions of Federal aid to education.

The way in which the Senator from New Jersey has presented the amendment is quite analogous to the way in which I once offered a similar proposal in the House of Representatives, namely, to have the distribution of funds made on a per capita basis according to the school populations of the several States. In that way we shall avoid the various problems which arose at the time of the debate on Federal aid to education and the control of education.

So, Mr. President, as a result of the submission of the amendment by the Senator from New Jersey, the issue is simple and clear cut. I sincerely hope the amendment will be adopted.

In this connection, I may say that I have supported the proposal for Federal aid to education by means of the dedication of the income from this part of the public domain, in whatever form that issue has been presented, because I think it is a paramount issue. At the same time, I believe this program will receive the most widespread acceptance by the public if we proceed without involving complicated formulas or the possibility of control of education by the Federal Government or the possibility of dictation by the Federal Government to the States, in an effort to tell the States what they shall do with the funds. Let us turn over the funds to the States, and let us permit them to apportion the funds among the schools, for the benefit of the schoolchildren, on the same basis that the States handle their State revenues. Then the Federal Government will avoid any possibility of being charged with dictation in education, and will permit all educational matters to be handled by the people of the local communities, where such matters can best be handled under our public-school system.

Mr. KNOWLAND. Mr. President, it is the intention of the acting majority leader to move a recess of the Senate, but I understand the distinguished Senator from Texas [Mr. DANIEL] has an amendment in the nature of a substitute he desires to offer, and I yield to him for that purpose.

Mr. DANIEL. Mr. President, I had asked recognition for that purpose. I send to the desk an amendment in the nature of a substitute for the pending amendment, and ask that it be read.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 25 of the bill, line 25, it is proposed to strike out the words "credited to miscellaneous receipts" and insert in lieu thereof the following: "applied to the payment of the principal of the national debt, except for the sums required for the payment of refunds under the provisions of section 10 of this act", and on page 26, lines 11 and 12, it is proposed to strike out "any moneys not otherwise appropriated" and insert in lieu thereof "money paid into

the Treasury under the provisions of section 9 of this act."

The PRESIDING OFFICER. The last portion of the amendment, on page 26, lines 11 and 12, is identical with the amendment submitted by the Senator from New Jersey [Mr. HENDRICKSON].

Mr. HENDRICKSON. Mr. President, I am sorry, I was conferring with the Senator from South Dakota, and I did not hear the amendment read, so I am not prepared to comment on it.

Mr. CASE. Mr. President, will the Senator from Texas yield for a question?

Mr. KNOWLAND. Mr. President, I believe I have the floor. I yielded to the Senator from Texas. I shall be glad to yield to the Senator from South Dakota for the purpose of his asking a question of the Senator from Texas.

Mr. CASE. Mr. President, by courtesy, then, of the distinguished acting majority leader, I should like to ask the Senator from Texas, is it not true that the substitute which the Senator from Texas has offered embraces the text of the Hendrickson amendment, but adds thereto a provision which reserves a portion of the revenues to take care of certain refunds due to claimed receipts earned up to this time?

Mr. DANIEL. No; that is not the purpose of the amendment. The Hendrickson amendment also takes care of the funds for payment of refunds. I simply follow the Hendrickson amendment, employing the same words, saying that any payment of refunds under this bill shall be made first from the revenues received from leases under this bill.

The purpose of my amendment is to apply all the revenues received from leases under this bill to the principal of the national debt; and that is the way in which my amendment differs from the amendment offered by the distinguished Senators from New Jersey and South Dakota. Instead of the money going for federal aid to education as under the pending amendment, my substitute would provide that it should go to the payment of the principal of the national debt.

Mr. HENDRICKSON. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield to the Senator from New Jersey for the purpose of a question.

Mr. HENDRICKSON. Under the amendment of the distinguished Senator from Texas, the revenues would go entirely and solely to meet the payments on the national debt. Is that not correct?

Mr. DANIEL. That is correct, except as to refunds of overpayments that must be returned to lessees under the provisions of the bill. With respect to the refunds that must be made, I follow the Senator's language.

Mr. HENDRICKSON. The Senator is referring to the outstanding and existing obligations, is he not?

Mr. DANIEL. That is correct. In other words, in the amendment of the Senator from New Jersey, it is provided that any repayments or refunds should be made first before any aid goes to education, rather than paying the refunds out of the general revenue; and I follow exactly the proposal of the Senator from New Jersey as to the source from which refunds or repayments shall be made, but provide that the balance shall be applied on the principal of the national debt.

Mr. HENDRICKSON. I thank the Senator.

Mr. KNOWLAND. Mr. President, does the Senator from Texas desire to make a further explanation at this time?

Mr. DANIEL. I should like to make a further explanation, at a little more length, but I shall ask to be recognized for that purpose tomorrow.

LEGISLATIVE PROGRAM

Mr. KNOWLAND. Mr. President, a number of Senators have asked what the general program is to be.

I should like to point out to Members of the Senate that if we are to complete the rather limited program before the weekend of the 4th of July we shall have to make greater progress on legislation than we have made today.

It is the intention of the acting majority leader, for the remainder of this week, to have the Senate remain in session until a later hour than has been the custom. I do not mean by that, of course, an all-night session or a midnight session, but I believe that Senators should adjust their schedules so as to be prepared to be in attendance and to vote in sessions lasting until 9 or 10 o'clock.

If we are to complete the program, we shall have to make greater progress. It is the intention of the acting majority leader to continue moving ahead in connection with the pending legislation until it is disposed of by the Senate one way or the other. When the pending bill is out of the way, we shall take up the Interior Department appropriation bill. There has also been reported from the Committee on Appropriations the civil functions appropriations bill. I think the Senate should dispose of both of those bills before preparing for a Fourth of July weekend.

Furthermore, I should like to invite the attention of the minority leader and the minority Members to the fact that we were requested in the Policy Committee today to take up and consider Calendar Nos. 410, 411, and 412, being, respectively, Senate bill 1237, House bill 3853, and House bill 2313. I understand that with respect to all three bills there is an expiration date of June 30. Some of the bills deal with war powers legislation. I am informed that they do not entail major controversies. I hope not. In any event, those bills should be taken up and disposed of before the 30th of June.

If by chance the Senate Finance Committee should report a measure providing for the extension for 1 year of the Reciprocal Trade Agreements Act, I hope that measure can be acted upon before the Fourth of July recess. Then it is proposed to proceed to the consideration of the mutual security bill.

There would be no intention, of course, to conclude consideration of the mutual security bill before the Friday preceding the Fourth of July. However, if the Senate could make that much progress, the acting majority leader would be prepared to move on Thursday evening, July 2, that the Senate take a recess until Monday, July 6.

On the 6th of July it is my purpose to have the Senate consider the calendar of unobjected-to bills, beginning at the point where we left off on the last call of the calendar, with the understanding that there will be no vote on Monday, July 6, on whatever may happen to be the unfinished business on that day. In other words, assuming that the mutual security bill will be the unfinished business on that day, we will not take up amendments on the mutual security bill on Monday for the purpose of voting on them on that day.

I wish to reiterate that as routine conference reports come to the Senate—and such conference reports are privileged—the acting majority leader wants to be prepared to keep the business of the Senate moving along in an orderly procedure.

That would bring us to Tuesday. From Tuesday on I hope we will make sufficient progress so that votes may be expected at any time. From then to the end of the session every Senator should be on notice that on any day of the week the Senate may vote on either amendments or the bills themselves, by the yeas-and-nays or otherwise, and Senators should govern themselves accordingly.

I believe with such a general program in mind we will be able to reach the approximate adjournment date, or target date, which we have set, and to have made a substantial record of accomplishment in the first session of the 83d Congress for which both sides of the aisle, I believe, will be entitled to a fair amount of credit.

I have made this announcement because insofar as possible Senators should be advised of what the program of the Senate will be. We will, of course, take up as rapidly as they are ready, the subsequent appropriation bills, which must be passed before Congress adjourns, namely, the appropriation bills for Labor and Federal Security, the District of Columbia, Foreign Aid, Military, and Legislative. They will be taken up as they are reported by the committee and are ready for consideration.

Mr. KNOWLAND subsequently said: Mr. President I have been asked, in connection with my prior statement, whether the Senate would meet on Friday of this week.

The Senate will meet on Friday of this week. The Friday to which I had reference was the Friday of the weekend of the Fourth of July.

Unless the Senate makes considerable progress, in addition to having night sessions during this week, to which I have already referred, the Senate may also have a Satuday session this week. I want Senators to be on notice, in the event we have not made sufficient progress.

Mr. HENDRICKSON. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. I yield.

Mr. HENDRICKSON. I ask the distinguished majority leader whether he

contemplates having an evening session tomorrow.

Mr. KNOWLAND. Yes; I contemplate evening sessions, running to perhaps eight or nine o'clock or a little later, for the remainder of the week.

Mr. HENDRICKSON. Does the Senator from California contemplate that any vote will be had during the session tomorrow evening?

Mr. KNOWLAND. I would say that we are apt to have votes at any time the Senate is in session, except this afternoon, because we did not give advance notice, and I did not intend that the Senate should be held in session tonight.

Mr. HENDRICKSON. Would the distinguished majority leader say that it might be inadvisable for the Senator from New Jersey to go to New Jersey tomorrow evening?

Mr. KNOWLAND. I would say that any Senator who absents himself will do so at his peril, so far as votes may be concerned.

Of course, the Senator from New Jersey understands that I cannot predict when votes will occur. It might be that the voting on the bill dealing with the outer Continental Shelf will be out of the way by the time the Senator from New Jersey desires to be absent.

Mr. HENDRICKSON. Let me say that it is very seldom that I ever leave when the Senate is in session. However, I have an engagement of long standing, for tomorrow night, in New Jersey. I should like to know what risk I shall be taking if I fulfill that obligation, which I entered into very solemnly.

Mr. KNOWLAND. I say sincerely that I know of no Member of the Senate who has a better attendance record, in connection with the handling of the public business, than has the distinguished junior Senator from New Jersey.

However, in view of the fact that not much progress has been made thus far on the bill dealing with the outer Continental Shelf, I feel that in order to complete the program, so that it will be possible to take a recess over the weekend of the Fourth of July, we must hold evening sessions; and I cannot give assurance that no votes will be taken.

Mr. HENDRICKSON. I thank the Senator from California.

RECESS

Mr. KNOWLAND. Mr. President, if there is no further business to come before the Senate, I move, pursuant to the prior unanimous-consent agreement, that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 46 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until tomorrow, Wednesday, June 24, 1953, at 12 o'clock meridian.

CONFIRMATION

Executive nomination confirmed by the Senate June 23 (legislative day of June 8), 1953:

OFFICE OF DEFENSE MOBILIZATION

Arthur S. Flemming, of Ohio, to be Director of the Office of Defense Mobilization.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 23, 1953

The House met at 12 o'clock noon.

The Reverend Edward L. R. Elson, D. D., offered the following prayer:

Almighty God, we thank Thee for this good land, for our natural resources, for our human resources, and for our freedom under Thy divine sovereignty. We thank Thee for this day and for Thy mercies which are new every morning, and for the privilege of serving Thee in church and Nation. Direct, we beseech Thee, the deliberations of this body to the end that the Members thereof may correct what is wrong and espouse what is right. Make us, we pray Thee, as a people strong enough and great enough and good enough for the obligations and the privileges of this age. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4126. An act to continue the effectiveness of the act of December 2, 1942, as amended, and the act of July 28, 1945, relating to war-risk hazard and detention benefits, until July 1, 1954.

DISPOSAL OF GOVERNMENT-OWNED RUBBER FACILITIES

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 298, Rept. No. 635), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5728) to authorize the disposal of the Government-owned rubber-producing facilities, and for other purposes, and all points of order against said bill or any provisions contained in said bill are hereby waived. After general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

DEFENSE HOUSING

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 299, Rept. No. 636), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 1376) to amend section 508 of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

POST OFFICE DEPARTMENT

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 300, Rept. No. 637), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5302) to provide for an additional Assistant Postmaster General in the Post Office Department. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Post Office and Civil Service, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

DISTRICT OF COLUMBIA ANTI-SEGREGATION ACT

Mr. JAVITS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Speaker, I am today introducing the District of Columbia antisegregation bill, which would eliminate racial segregation and discrimination presently imposed by law in the Nation's Capital.

This legislation will implement the Republican Party's 1952 platform pledge of "appropriate action to end segregation in the District of Columbia." The recent decision of the Supreme Court in the Thompson Restaurant Case validating an 1872 statute enacted by the District of Columbia Legislative Assembly makes the way clear for the administrative action by the District of Columbia

Commissioners necessary to eliminate racial segregation and I have already noted assurances from Hon. Samuel Spencer, president of the Board of Commissioners, that preparations are in progress so that local governmental officials may implement the Republican Party's campaign pledge. But the Commissioners cannot deal with all District of Columbia segregation, since there are still on the statute books laws enacted during the last century which impose racial segregation in the District of Columbia. Only the Congress can remedy this and it is up to the Congress to see that these laws are repealed. This my bill does. It codifies in appropriate form the necessary legislative repealers.

The bill eliminates racial segregation and discrimination imposed by statute, first, in the educational facilities of the District of Columbia public schools; second, among the faculty and school officers of the District of Columbia public school system; third, in the school census; fourth in the Columbia Institution for the Deaf and in the education of deaf mutes; fifth, in the National Training School for Girls; and sixth, in all other provisions of law inconsistent with this act. The measure is designed to take effect as of September 1, 1953, this date being selected as just prior to the commencement of the new school year.

Great savings will accrue in the conduct of the District of Columbia Government if this bill is adopted, as much of the duplication in school facilities, school officials, and other personnel inherent in the present dual educational system could be eliminated.

Washington, as our National Capital, is the showplace of the Nation and what we do here is interpreted throughout the world as indicative of our national attitude and policy. The lying Communist propaganda has for a long time been seeking to use to its advantage with the colored peoples of the world statutes which I seek to repeal relating to segregation in the District of Columbia. This lying propaganda has been used in Korea and areas of south and southeast Asia in which the Soviet and its satellites are the aggressors. As an essential measure in the defense of the free world and to validate our own Constitution, Congress should do its best in eliminating segregation in the District of Columbia.

SPECIAL ORDER GRANTED

Mrs. ROGERS of Massachusetts asked and was given permission to address the House for 5 minutes today, following the legislative program and any special orders heretofore entered.

SUBCOMMITTEE ON FLOOD CONTROL OF THE COMMITTEE ON PUBLIC WORKS

Mr. DONDERO. Mr. Speaker, I ask unanimous consent that the Subcommittee on Flood Control of the Committee on Public Works may sit any time today during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

SPECIAL ORDER GRANTED

Mr. KERSTEN of Wisconsin asked and was given permission to address the House for 15 minutes on today and tomorrow, following the legislative program of the day and the conclusion of any special orders heretofore entered.

NATIONAL MILITARY UNITS FROM COMMUNIST COUNTRIES AND THE LIBERATION POLICY

Mr. KERSTEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KERSTEN of Wisconsin. Mr. Speaker, I think current events show that President Eisenhower when he spoke before the American Legion last summer in August and advocated a policy of liberation, and when Secretary Dulles wrote an article in Life magazine last May entitled "A Bold New Foreign Policy" calling for a policy of liberation, were right at that time and such a policy is demanded now. If there have been influences brought to bear on our Government to curb this policy of liberation, those influences should not be heeded at this time. Now, more than ever, our policy should be to support the movements of resistance behind the Iron Curtain. Such a policy is the only one that will bring us peace eventually. A provision of the mutual security law which is now on our books provides for the setting up of national military units composed of escapees from behind the Iron Curtain. It should be implemented now because such national military units will bear directly upon the Communist armed forces and will unloose the forces of defection and escape to freedom from the Communist armed forces.

These military units should have their own distinctive uniforms or markings and should carry their own national flags of freedom.

Once they are set up they will tend to paralyze the Soviet military potential because sizable elements of the Communist armed forces are as desirous of fighting for freedom rather than tyranny just as the workers would rather work for freedom than for tyranny.

FIVE BILLION OVERSEAS—HOW ABOUT A DROP IN THE BUCKET AT HOME?

Mr. KRUEGER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and insert telegrams from the Governor of North Dakota and other sources therewith.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. KRUEGER. Mr. Speaker, after our great concern over the plight of our friends abroad, 1 million tons of wheat to Pakistan, and our generosity with nearly $5 billion of the taxpayers' money, could not we give a little consideration to some of our food producers' needs right here at home?

At least 20,000 acres of grain and sugar beets were lost last week in the fertile valley of the Red River of the North. Torrential rains have put the tributaries over the banks. Completely lost for the crop year, the damage to these lands will be at least $5 million. These folks are not asking for relief or rehabilitation. They are asking for assistance in improving the channels of the Rush and Maple Rivers in this flat, level territory to speed up the runoff to prevent recurrence of these floods.

The North Dakota Legislature paved the way for local cooperation and maintenance.

Here is the word that comes to me from the folks back home, and I quote telegrams from the Governor of our State and the Maple-Sheyenne River Flood Control Association:

JUNE 22, 1953.

OTTO KRUEGER,
House Office Building:

Flood damage to crops in the Rush River, Swan Creek, and Maple River watersheds will reveal several million dollars additional appropriations for these projects now will help prevent recurrence in later years. Work to eliminate future damage can only be done in fall of the year.

NORMAN BRUNSDALE,
Governor of North Dakota.

FARGO, N. DAK., *June 19, 1953.*

OTTO KRUEGER,
Congressional Office Building,
Washington, D. C.:

"RESOLUTION MEMORIALIZING THE PRESIDENT OF THE UNITED STATES AND THE 83D CONGRESS OF THE UNITED STATES TO DISCONTINUE, CURTAIL, AND OTHERWISE HOLD IN ABEYANCE ANY AND ALL ACTION IN CONNECTION WITH THE PROPOSED SWAN CREEK PROJECT LOCATED IN THE COUNTY OF CASS AND STATE OF NORTH DAKOTA AND IN LIEU THEREOF TAKE THE NECESSARY AND PROPER STEPS IN ORDER TO MAKE IMPROVEMENTS ON THOSE RIVERS UPON WHICH SAID SWAN CREEK IS A TRIBUTARY

"Whereas the recent heavy rains coupled with the drainage of the water thereof from the fields throughout the entire central area of Cass County extending to a point 30 miles west of the Red River of the North have completely overflowed the banks of the riverbeds in which it is supposed to flow thereby causing great and terrible damage to the farms, livestock, and grain throughout the entire area in which damage is estimated to be at least $5 million to the farmers of this section;

"Whereas said condition could be greatly alleviated if, instead of carrying out at the present time the proposed Swan Creek project, a thorough and complete drainage could be made of the rivers upon which said Swan Creek is a tributary thereby according the flowage from said Swan Creek, as well as the flowage from the rivers thereafter, a free and clear access to the Red River of the North;

"Whereas there is presently pending before the Senate of said 83d Congress of the United States provisions containing the Red River Valley of the North Authority, which, if properly amended and added to could relieve the present hardship on the farmers of the Northwest, namely, amend said provisions to include the following: channel and improvement work on the Maple River commencing at the mouth of Swan Creek on said Maple River, thence to the mouth of said Maple River on the Sheyenne River, thence on said Sheyenne River to the mouth of the Rush River, otherwise known as the Rush River flood-control district, thence continue on said Sheyenne River to its mouth on the Red River of the North; thence northward on

said Red River of the North as provided for in said authority: Be it further

"*Resolved*, That copies of this resolution be properly authenticated by the board of directors of said association, and sent to United States Senator WILLIAM LANGER, United States Senator MILTON R. YOUNG, Congressman USHER L. BURDICK, and Congressman OTTO KRUEGER, the Vice President of the United States, as Presiding Officer of the Senate, and to each Member of the Senate of the United States."

The foregoing resolution was adopted by the newly organized Maple-Sheyenne River Flood Control Association at a meeting Thursday evening, June 18, 1953, in the community hall, Mapleton, N. Dak., at which meeting over 160 local farmers and residents were present.

Eighty-two families present estimated their personal damage at over $850,000; the board of directors of said association estimated damage in the Maple River watershed to be conservatively at $5 million; list of individuals damaged as well as aerial and ground photos of disaster follow by mail; general consensus of opinion is it is utterly foolish to speed the flow of the headwaters (Swan Creek) and fail to clear the choked sections downstream.

MARK ANDREWS, *President*.

SPECIAL ORDER GRANTED

Mr. JACKSON asked and was given permission to address the House on Thuraday, July 23, for 90 minutes, following the legislative program of the day, and the conclusion of special orders heretofore entered.

EFFECT OF HARD MONEY POLICIES

Mr. HAYS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HAYS of Ohio. Mr. Speaker, a few days ago I made a statement on the floor that the so-called hard money policies could very easily lead to a major depression in this country; and I received from the left side of the aisle some rather tolerant smiles.

I would just like to report that the Wall Street Journal of today says that truck production in this country has been cut back 40 percent.

ANNULLING RATES UNDER TRADE AGREEMENTS ACT

Mr. BAILEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BAILEY. Mr. Speaker, I have asked for this time in order to advise my collegues of the House that on Friday last I introduced a joint resolution providing for annulling the rates under the Supplemental Recripocal Trade Agreements Act with Venezuela in 1952, because the President exceeded his authority in applying his delegated authority to reduce or increase rates.

I want to say to my collegues that I have asked for and secured a special order for tomorrow, after the close of the regular business, when I shall put all of the details in support of this resolution and all of the facts pertaining thereto in the RECORD for the information of the individual Members of the House.

SPECIAL ORDER GRANTED

Mr. PATMAN asked and was granted permission to address the House on today and tomorrow for 15 minutes, and to revise and extend his remarks, and to include extraneous material following the legislative business of the day and any special orders heretofore entered.

CREEPING INCREASES

Mr. FRIEDEL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. FRIEDEL. Mr. Speaker, yesterday the Esso Standard Oil Co. announced for the second time in 10 days a price boost of gas and fuel oil. This increase was followed today by other major oil companies.

Several weeks ago the price of steel went up. The effect of that increase will not be felt by the consumer for several months to come, but the gas increase takes additional money out of his pocket starting right now. He uses his automobile daily, not as a luxury, but as an absolute necessity in everyday life.

When the Congress decided to abandon controls, we were told by big business that competition would take care of any trend toward inflation. The advice is working in reverse.

In just 10 days the cost of gasoline and fuel oil has been raised twice. I would hate to think that this is a precedent of what we can expect when rent controls are terminated next month.

The Treasury Department officials have voiced concern several times about inflation. Here is an example of why not only the Treasury, but the Congress, as well, should be alarmed.

Mr. Speaker, I call this to the attention of my colleagues, and ask, where will the prices be by Christmas should these creeping increases be allowed to continue?

TEMPORARY ECONOMIC CONTROLS

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill S. 1081, an act to provide authority for temporary economic controls, and for other purposes, with a House amendment thereto, further insist on the House amendment and agree to a further conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. PATMAN. Reserving the right to object, Mr. Speaker, and I shall not object, I make this reservation to state that I have given notice that I expected to offer a motion to instruct conferees, but after examining and evaluating the situation and talking to different members of the committee, including the distinguished gentleman from Michigan [Mr. WOLCOTT], I shall not do that.

I hope the bill goes to conference and that we shall work out the very best agreement we can work out.

The SPEAKER. Is there objection to the request of the gentleman from Michigan? The Chair hears none and appoints the following conferees: Mr. WOLCOTT, Mr. GAMBLE, Mr. TALLE, Mr. KILBURN, Mr. SPENCE, Mr. BROWN of Georgia, and Mr. PATMAN.

CALL OF THE HOUSE

Mr. HOFFMAN of Michigan. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred fifty-four Members are present, not a quorum.

Mr. ARENDS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 62]

Adair	Hart	Philbin
Becker	Harvey	Phillips
Biatnik	Herlong	Powell
Bolling	Hoffman, Ill.	Prouty
Busbey	Kearney	Regan
Bush	Kelly, N. Y.	Riehlman
Chatham	Lesinski	Roosevelt
Chudoff	Lucas	St. George
Dies	McVey	Sheppard
Dolliver	Mack, Ill.	Taylor
Donovan	Meader	Thornberry
Fogarty	Miller, Calif.	Velde
Frelinghuysen, Jr.	Morrison	Vursell
	Nelson	Wigglesworth
Gamble	O'Hara, Minn.	Wilson, Calif.
Green	O'Konski	Yates
Hale	Ostertag	

The SPEAKER. On this rollcall 377 Members have answered to their names; a quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

WHEAT FOR PAKISTAN

Mr. HOPE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 5659) to provide for the transfer of price-support wheat to Pakistan.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 5659, with Mr. ELLSWORTH in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the Clerk had read the first section of the bill.

Are there any amendments to the first section?

Mr. POAGE. Mr. Chairman, I offer an amendment.

Mr. FULTON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FULTON. Mr. Chairman, when is it in order to offer an amendment to the title of the bill? I have such an amendment to offer.

The CHAIRMAN. Titles to bills are amended after the bill is considered in the House for passage.

Mr. WEICHEL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WEICHEL. Mr. Chairman, I have an amendment to the first section of the bill. The amendment was filed with the Clerk yesterday and I should like recognition to offer the amendment.

The CHAIRMAN. The gentleman will be recognized at the appropriate time. Under the rules of the House, members of the committee are recognized first to offer amendments.

Mr. BAILEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BAILEY. Mr. Chairman, I have an amendment to the first section of the bill, at the top of page 2, the end of the paragraph. Will I be recognized on that amendment after the amendment of the gentleman from Texas [Mr. POAGE] is disposed of?

The CHAIRMAN. The gentleman will be recognized at the appropriate time.

The Clerk will report the amendment offered by the gentleman from Texas [Mr. POAGE].

The Clerk read as follows:

Amendment offered by Mr. POAGE: On page 2, line 6, after the period insert "The United States assumes no further obligation in regard to the wheat and no agency of the United States shall have authority to pay any ocean transportation or other further costs with respect to the wheat."

Mr. POAGE. Mr. Chairman, I have tried to analyze the two different viewpoints that are involved in this bill. I believe it is fair to say that one of the viewpoints is the good-neighbor viewpoint. That is the viewpoint I am trying to express this morning. If we have a patch of watermelons and our neighbor has none, he is invited to come get some with no charge—purely a good-neighbor act. We tell him to come in and help himself. I think that is a good-neighbor policy; I think it is a sound policy.

On the other hand, we are confronted with what I have chosen to call the Santa Claus policy; and, indeed, it is a Santa Claus policy going much further than we have gone before. We not only say that we are going to make you a gift but because Santa Claus drives his reindeer around the world we are going to deliver it to you, just as if Uncle Sam could ship this wheat by reindeer. But Uncle Sam does not have any reindeer and there is no way we can deliver that wheat to them except through high-priced American-flag shipping.

I would call your attention further to the fact that we cannot make this delivery by reindeer. We cannot follow this Santa Claus policy and simply say that we give you this wheat. In addition, we are going to have to pay not thirteen to twenty-five million dollars for shipping this wheat; we have got to go way above that. If you are willing to play Santa Claus, you must then be prepared to be willing to raise the cost of all the ocean shipping for which the United States pays. I presented these figures yesterday. They are from the Military Sea Transport Service of the United States and they are dated June 22, 1953.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. COOLEY. There is some controversy as to the accuracy of the figures the gentleman has used. Will the gentleman please indicate from the communication that he has before him the date and the source so that we can be certain of the figures?

Mr. POAGE. Yes; that is exactly what I am going to do. I am reading from this letter dated June 22, 1953, signed by Vice Adm. F. C. Denebrink. He says that at the present time there are approximately 165 vessels in the United States-flag fleet, of which 125 are under charter to the Military Sea Transport Service.

The current daily rate now being paid is $1,700. He then goes on and says:

In my opinion, if the Mutual Security Agency undertook to move the bulk of the Pakistan wheat within a period of 2 or 3 months and was required to use American bottoms for at least half of it, it would have an effect of raising the charter rates offered to the Military Sea Transport Service.

I am reading you what the Military Sea Transport Service of the United States says. They are employing the great bulk of our transport vessels. They are engaged in hauling war materials to Korea; they are engaged in getting military equipment to Japan, to Germany, and to other distant points of the world. The United States Government is today paying $1,700 per day per ship.

This letter does not say it, but the Military Sea Transport Service anticipates that if a substantial portion of this wheat is to be moved by United States ships, they would probably have to pay $2,400 a day.

You just figure it up; $2,400 a day on 125 ships and you do not know for how long. You are not talking about a small amount; you are not talking about a fractional amount of the cost of the wheat; you are talking about figures that run far greater than the total cost of the wheat. The total cost of the wheat is about $84 million. You are talking about something that may well run over a hundred million dollars. You are setting a policy; not only are you fixing the price to transport this wheat, but you are also fixing the additional transportation costs of all the goods that the United States Government has to transport, and our Government is the greatest shipper of goods in all this world.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. COOLEY. Will the gentleman discuss the comparative freight rates between foreign ships and our own merchant ships?

Mr. POAGE. Yes.

The CHAIRMAN. The time of the gentleman from Texas has expired.

(On request of Mr. COOLEY, and by unanimous consent, Mr. POAGE was allowed to proceed for 5 additional minutes.)

Mr. POAGE. I think it is fair to say that representatives of the shipping interests came before our committee to see how much business they could get out of this committee, how much grant they could get rather than how much help Pakistan could get. They told us that the present going rate was $26 a ton from here to Pakistan for wheat. They told us that foreign ships were operating for approximately one-half of that amount and figures varying from $10 to $13 per ton were quoted for foreign shipping. In other words, the Pakistanian Government could move all of this wheat for less money than the United States would have to put out to move half of it.

Is it good business for the United States to come along and say: We are going to ship half of this wheat in American bottoms and pay more money for shipping than half that Pakistan would have to pay to ship the entire amount of wheat? Is it good business for the United States to say that because we want to give to the shipping companies of America an additional bonus, an additional subsidy, over and above what we have given them throughout the years, we are now going to hand them an unknown sum of money? I say to you, Mr. Chairman, if the shipping interests of this country are in such condition and they are entitled to a subsidy, let the proper committee, the Committee on Merchant Marine and Fisheries, bring in a bill which will tell us just how much they are entitled to have. Let them come before us and tell us why our shipping interests are entitled to a subsidy. Let them tell us how much that subsidy should be or will be. Do not leave an open end beyond which we will not know how far we are going.

Mr. COOLEY. I would like to ask the gentleman if it is not a fact that when the milling industry was before our committee the representative of that industry was asked a question if they would be willing to grind this wheat into flour and to make some concession and if he did not reply that the milling industry would be glad to do it at actual cost?

Mr. POAGE. Yes; they did.

Mr. COOLEY. We asked the shipping industry if they would make any concessions and the representative of that industry said he was in no position to discuss the matter.

Mr. POAGE. That is right. Both of the industries came before our committee to see what they could get out of it. The milling industry said: We will make concessions. We want to keep our people at work, we want to keep or mills running, we do not want to shut down and we will do it at cost. When the former chairman asked the representative of the shipping interests if he would do likewise, he said: "No, I cannot promise you that. I cannot promise you we will not raise the rates." In fact, we know they will raise the rates, because he testified that ocean shipping rates are fixed by competition on the basis of the law of supply and demand, that if there are more goods to be shipped the rates are going up. Consequently, if we are

going to provide some 50 ships to move this wheat, of course the rates are going up, not only for wheat but all the rates on all ocean shipping in which the United States is involved are going up.

That, Mr. Chairman, is the most serious thing about this. If you do not remember anything else I have said this morning, remember we are not simply talking about the shipping rates on this wheat. When you talk about guaranteeing a portion of this shipment to American bottoms we are talking about a proposition that involves all ocean rates that the United States Government has to pay and the United States is the biggest shipper in the world, using something like four-fifths of all the American tramp ships today.

Mr. LYLE. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Texas.

Mr. LYLE. Did the gentleman's committee take into consideration the $4,800,000,000 authorization which we handled last week when you considered this additional $100 million bill?

Mr. POAGE. Our committee was not advised at that time. I cannot say we did take it into consideration. Of course, we knew there was going to be a foreign-aid bill.

Mr. LYLE. I cannot help but observe that under the Fair Deal we sold wheat to India and took notes, however worthless they may be, and they paid the freight on the wheat. Under the No Deal we give it to them, then pay the freight on it. I am wondering if it would not be better to have a Little Deal here.

Mr. POAGE. Yes. This is a proposition not only to give the wheat away, but to deliver it and hang it on a Christmas tree. Maybe we should have put some red bells on it, too. Again the present administration has proven that it can do all the New Deal did and when it comes to giving something away that it can give it away more freely.

I just wonder why we can not for once consider the effect of our action on the welfare of the American taxpayer.

Mr. HOPE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think this is a matter in which we ought to try to find a reasonable solution, and it is also a matter to which a great deal of thought and study has been given by the executive departments which will handle it.

I have before me a letter from the Director of Mutual Security, Mr. Harold E. Stassen, on this subject, and also on the question of carriage in American ships. Of course, if we adopt the amendment proposed by the gentleman from Texas, we might just as well not pass the bill because Pakistan does not have the shipping, nor does it have the dollars or the pounds that would enable it to pay the freight on all these shipments. It is thought Pakistan may be able to pay a part of the ocean freight in sterling, and it is the intention of the Mutual Security Administration to ask that Pakistan pay what it can pay on the shipping charges.

I want to insert in the RECORD, after the Committee goes into the House, the entire letter from Mr. Stassen, but I want to at this time read some excerpts from it:

In the present case Pakistan has almost no holdings of sterling, dollars, or gold other than a relatively small amount needed to back its currency. It would be an extreme hardship for Pakistan to attempt to pay any dollar shipping costs and undesirable from the point of view of our interest in Pakistan's stability to require it to do so.

It has been the general practice of the Congress to require that, insofar as practicable, at least 50 percent of the tonnage of commodities made available with United States assistance be shipped in American flag vessels to the extent such vessels are available at market rates for United States flag vessels.

In view of all the circumstances, it is the intention of the executive branch to ask Pakistan to pay the portion of the shipping costs in sterling which Pakistan is able to pay and that the United States will pay the portion of the shipping costs which are in dollars. Unexpended funds already appropriated under the Mutual Security legislation for fiscal year 1953 will be used for this purpose. No new appropriations will be necessary. It is my belief that Pakistan may draw on its meager sterling reserves to pay for ocean transportation for approximately one-half of the wheat to be shipped and that the remainder will be dollar costs paid for by the Director of Mutual Security.

Thus if we adopt no amendments to this bill on either of these two subjects, that is the way the matter will be handled according to the Director of Mutual Security. It seems to me that this is a sound way to handle it. It is in accordance with the policies that Congress has laid down in the past. It is in accordance with Pakistan's ability to pay. Certainly we would be doing a reckless and a foolish thing if we should pass legislation now that Pakistan could not take advantage of or, if it did by some possible chance take advantage of, would leave it in a weakened financial condition, so that a year from now we might be called upon to give a greater measure of relief than it is necessary for us to give at this time. This amendment should be voted down.

The full text of the letter from Mr. Stassen is as follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF THE DIRECTOR FOR MUTUAL SECURITY,
Washington D. C., June 19, 1953.

HON. CLIFFORD R. HOPE,
Chairman, Committee on Agriculture,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN HOPE: I understand that following my testimony before your committee on the Pakistan wheat bill, some discussion has arisen concerning the arrangements to be made for the transportation of the wheat and how the transportation is to be paid for. I should like to explain the position of the executive branch on these matters.

As you know, substantially all foreign-aid legislation has specifically or implicitly authorized the United States to pay for the costs of delivery of foreign-aid goods as part of the assistance granted. In the case of our relief assistance to Europe after the war, in our later relief and rehabilitation assistance to Europe, the Near East, and the Far East, in our military assistance program, and in such special legislation as relief to Yugoslavia, the United States has recognized that the financial position of the countries we have helped has made it necessary for us not only to make the goods available but to pay all or a portion of the costs of transportation to the ports of the receiving country. The one major exception to this practice has been the wheat loan to India. In that case, India had funds available to cover transportation and had stated its intention to do so.

In the present case Pakistan has almost no holdings of sterling, dollars, or gold other than a relatively small amount needed to back its currency. It would be an extreme hardship for Pakistan to attempt to pay any dollar shipping costs and undesirable from the point of view of our interest in Pakistan's stability to require it to do so.

It has been the general practice of the Congress to require that, insofar as practicable, at least 50 percent of the tonnage of commodities made available with United States assistance be shipped in American-flag vessels to the extent such vessels are available at market rates for United States-flag vessels.

In view of all the circumstances, it is the intention of the executive branch to ask Pakistan to pay the portion of the shipping costs in sterling which Pakistan is able to pay, and that the United States will pay the portion of the shipping costs which are in dollars. Unexpended funds already appropriated under the mutual-security legislation for fiscal year 1953 will be used for this purpose. No new appropriation will be necessary. It is my belief that Pakistan may draw on its meager sterling reserves to pay for ocean transportation for approximately one-half of the wheat to be shipped, and that the remainder will be dollar costs paid for by the Director for Mutual Security.

In view of the discussion which has arisen concerning a requirement that Pakistan pay all shipping costs, I should like to repeat that, although Pakistan's financial condition would permit the payment in sterling of transportation of approximately half of the wheat, it would be effectively impossible for Pakistan to pay the dollar costs for the transportation of the other half. To compel Pakistan to find sterling vessels for all transportation would not only be a great strain upon Pakistan's sterling resources, but would, of course, deprive United States vessels of any share in the ocean transportation of the wheat.

Sincerely yours,

HAROLD E. STASSEN,
Director for Mutual Security.

Mr. BOGGS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am in opposition to this amendment.

I listened on yesterday and again today to the argument made here by the gentleman from Texas [Mr. POAGE]. I am convinced that he has not followed this overall program, otherwise he would not make the statements he has made. Actually, when the Congress first adopted the ECA program some years ago we wrote into the law a provision which has been continued in the law since that time, that 50 percent of these cargoes should be moved in American bottoms. Under that provision millions and millions and millions of tons of freight, various types of cargo, have been moved all over the world. In the authorization adopted here last week for the Mutual Security Administration, calling for four and a half or five billion dollars, that provision was again adopted.

Now we are confronted with the gentleman from Texas offering an amendment and giving us as a basis for it that if we adopt the same policy on a bill which involves $100 million, not $5 billion, oceangoing freight rates will be

increased on all shipments by the American Government.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. BOGGS. No; I have only 5 minutes.

Mr. POAGE. The gentleman is talking about me.

Mr. BOGGS. I have not said anything unkind about the gentleman.

Mr. POAGE. The gentleman did not state correctly what I said. The gentleman is wrong.

Mr. BOGGS. That is the way I understood the gentleman. Maybe my ears are failing me, but my interpretation of what the gentleman said was that unless we adopt his amendment, and if we use some American bottoms to transport this grain, we will up the cost of ocean shipping for every ton of American freight moved under other programs.

If you have a $5 billion program and you come along with a $100 million program, it is ridiculous to assume that the $100 million program is going to have any noticeable effect when you have a major program involving almost $5 billion.

What was the original reason for adopting this amendment in the first place? The American merchant marine is an integral part of the Defense Establishment of the United States of America. Anybody who has studied the history of the American merchant marine realizes that time and time again we have had statements similar to the one made by the gentleman from Texas about subsidies, misinformation given to the Members of this body so that as the result invariably between national emergencies we have abandoned our American fleet, and come a new emergency we have been called upon to spend billions and billions and billions of dollars to rebuild and rehabilitate that fleet.

If the alternative meant substantial savings in funds, maybe there might be some justification for the type of amendment the gentleman from Texas offers, but let us look at it.

In response to a question from the gentleman from Texas [Mr. LYLE] the gentleman from Texas [Mr. POAGE] said that Pakistan could pay for this out of the $90 million we voted them last week in the Mutual Security Administration program bill. In other words, we are supposed to take the Mutual Security Administration funds that we authorized last week and turn around and use those funds to subsidize foreign competition against the American merchant fleet.

As the gentleman from Kansas so ably pointed out a moment ago, Pakistan has no ships. It has no merchant fleet. Therefore, the effect of the adoption of the amendment offered by the gentleman from Texas would mean we would use MSA funds to subsidize other lines competing with American lines.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent that the gentleman's time may be extended for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. BOGGS. I am glad to yield to the gentleman.

Mr. McCORMACK. It seems to me we have a meritorious case here. Charity calls for this action. It is directed toward a great people who are friendly to us. That is an additional circumstance. So far as I am concerned, I have never placed any restrictions upon charities, and I do not think it is wise for us to place any restrictions on this occasion by compelling the Government of Pakistan to pay the transportation. I thoroughly agree with the position taken by my friend, the gentleman from Louisiana.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. BOGGS. I yield.

Mr. JUDD. I wish to make two brief comments. One is that there was $27,500,000 for Pakistan in the bill last week and not $71 million or $90 million or other figures that have been given.

The second is that the amendment offered by the gentleman from Texas would make it impossible to use those funds for ocean freight even if they were allocated for that purpose because his amendment says no funds from this or any other appropriation can be used to pay ocean freight. So the argument that Pakistan is getting money from us in other appropriations like MSA that it can use for this purpose falls of its own weight.

Mr. BOGGS. It seems to me that the observation of the gentleman from Minnesota is not necessarily correct. If you make available in credits to the government $27 million or whatever the figure is, you necessarily free certain other funds for that purpose. If you do not make $27 million available, then they would have to use their own funds. In other words, you may not be able to use the $27 million to pay the cost of that ocean freight but by using the $27 million for some other purposes, let us say irrigation or public works, then you have other funds available that you do use to pay the freight made possible by the $27 million.

Mr. JUDD. But the fact is that Pakistan has only about $4 million worth of gold, American currency, and about $150 million in sterling. She has to have more than that to back her own currency with a 30-percent reserve. Her rupees will not pay for any shipping, and as the gentleman said, she has no ships of her own so no matter how much she gets in other appropriations, she will still be unable to mobilize enough foreign currency to buy transportation from the ships of the world.

Mr. BOGGS. I trust the gentleman from Minnesota is opposed to the amendment offered by the gentleman from Texas.

Mr. JUDD. I certainly am.

Mr. BOGGS. That is splendid.

Mr. KEOGH. Mr. Chairman, will the gentleman yield?

Mr. BOGGS. I yield.

Mr. KEOGH. Mr. Chairman, I should like to commend the gentleman on his typically intelligent approach to this problem. I should like to ask him if he does not agree with me that this is, in fact, no Santa Claus program nor even is it charity, but is another step in the program we have laid down for our own best interest.

Mr. BOGGS. I certainly think so.

Mr. KEOGH. Is it not a fact that it is generally agreed the forces of communism thrive mostly when people are hungry?

Mr. BOGGS. I think that has been demonstrated time and time again.

Mr. Chairman, I think the House should thoroughly understand what is involved here. It is very easy to talk about subsidies. It is very easy to get up and condemn a great American industry. It is very easy to shed something other than light on a matter which has been discussed in this body time and time again. The American merchant marine is private enterprise. It is one of the few merchant marines in the world that is in that condition. Talk about subsidy—why practically every other fleet that sails the ocean is owned and operated by their government.

Mr. TOLLEFSON. Mr. Chairman, will the gentleman yield?

Mr. BOGGS. I yield.

Mr. TOLLEFSON. In speaking of subsidies, is it not true that the American tramp ship fleet is not subsidized by the Government?

Mr. BOGGS. As a matter of fact, I just do not believe there is a word which has been more carelessly used over a period of time than the word "subsidy" as applied to the American shipping industry. I am quite sure the members of this great Committee on Agriculture do not know as much about this subject as other Members who have studied this problem. I would rather follow the advice of the gentleman from North Carolina [Mr. BONNER], the gentleman from Ohio [Mr. WEICHEL], and the gentleman from New York [Mr. KEOGH], and the gentleman from Texas [Mr. THOMPSON], men who have studied this problem year in and year out than any of my friends, the distinguished members of the Committee on Agriculture. I admire them and respect them; but I say, with all due respect to them, that they have not studied this problem of the American merchant marine, and it is ridiculous to get up here and talk about subsidies.

Mr. BONNER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am sure the gentleman from Texas [Mr. POAGE] does not want to have remain in the RECORD some of the statements he made on yesterday and today. I went to the Committee on Agriculture of the House and got a copy of the transcript of the hearings on this bill and find that only one person, so far as I could learn from the record, who knew anything about the American Merchant Marine, testified. That was Mr. Fraser Bailey, who is executive secretary of the subsidized flag lines.

On page 184 of the hearings, Mr. POAGE asked Mr. Bailey, "What would be the transportation cost?"

Mr. Bailey replied, "$15 to $25 per ton."

It must be remembered that this is a bulk-cargo transaction. This is not a cargo that will go on primarily berth

liners or regular ships that sail on regular schedule.

Again, in Mr. POAGE's statement on page 7027 of the RECORD, he said:

If you vote for this proposition to have the United States Government still further subsidize ocean transportation and provide that this wheat must move in American bottoms, you are going to raise the cost of all ocean transportation.

On the face of it, that statement is simply ridiculous. These American flag vessels that are not on regular schedule, which are subsidized, carry the bulk of our American commerce around the world. They are in a conference with all foreign operators, operators of flag vessels of foreign nations. They have conference rates and schedules. So the matter of hauling this freight on tramp vessels will not affect the flag-run vessels and will not affect the freight that we are now hauling to Korea or to Japan. At the time when we were shipping coal and other things and the tramp rate became high, the MSTS broke out of the reserve fleet a great number of our Liberty- and Victory-type vessels and put them under charter so as to hold freight rates down.

Mr. Chairman, due to the limited and infrequent movement of United States freight to Pakistan, American flag service is provided by only two or possibly three companies. These companies will only handle parcels of this cargo. This inevitably results generally in higher level freight rates than obtain to other areas of the world where there is less flag service to an area.

Pakistan normally is not a grain importing nation and seldom, if ever, uses berth rate via conference freight lines. American foreign flag service is $24 per ton on flag runs. By comparison, the berth rate to German ports by conference lines is $6 to $7; $8 to $9 to Italy; and Greece, $12 to $13.

The American flag tramp rates are calculated as of today—this is the report I got today from the association that deals with making rates in tramp shipping—at $18.50 a ton; and the foreign flag tramp operator rate is $10.50 a ton today. Naturally these are estimates; these cargoes fluctuate, and the negotiation of the freight fluctuates.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

(By unanimous consent, Mr. BONNER was allowed to proceed for 5 additional minutes.)

Mr. BONNER. Mr. Chairman, it is impossible to substantiate the statement that the effect of a 50 percent carriage by the American flag lines would in addition to the alleged excess expenditures referred to above result in substantial increase in world rates.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. BONNER. In just a minute—In the case of Korea, Japan, and the Chinese continent, the area to which our Government is presently shipping, admittedly supply and demand always have some effect on the measure of tramp rates, foreign rates as well as American flag rates. However, American flag participation along with foreign flag participation is a proven stabilizing factor in preventing skyrocketing rates; and anyone who has looked into the history of international shipping will find that statement to be true.

Now I yield to the gentleman from Mississippi.

Mr. ABERNETHY. As I understood the remarks made by the gentleman from Louisiana who preceded the gentleman from North Carolina, unless we defeat the Poage amendment the merchant marine of this country is going to be left in very, very bad condition. Now, suppose we did not pass the bill where would the merchant marine be?

Mr. BONNER. No; the merchant marine would not be in bad position. The ships that would carry this cargo are not subsidized.

Mr. ABERNETHY. They would be just as well off as they are now if we decided not to deliver the wheat to Pakistan.

Mr. BONNER. It is an essential part of the industry of America to keep these American tramp flagships sailing. If you want to take the tramp ships which have been the backbone of our national defense in emergency off of the ocean, then fix it so when time and opportunity offer freight on the high seas that they cannot participate in it.

Mr. ABERNETHY. May I ask one other question: Are we not setting the precedent that any time hereafter we decide to give somebody on the other side of the world something they cannot even come and get if they want to, but that we must send it to them ourselves?

Mr. BONNER. I do not know whether Congress establishes a precedent by an act that we might do today; it can be changed in the next Congress. In answer let me say to the gentleman that 50 percent of the wheat we sent to India was carried in American bottoms.

Mr. ABERNETHY. The gentleman knows more about that than I. Of course, India is supposed to have bought the wheat they got from us.

Mr. BONNER. I care not whether it was bought or given to them; we have two nations here that are living side by side.

Mr. ABERNETHY. That was a cheaper deal than this one.

Mr. BONNER. We help one of them to get wheat which help we deny to the other, and then there is the religious question which has been spoken of. We have been blessed by God Almighty with bounteous crops; our granaries are overrunning. The Agriculture Committee and the Congress have helped the farmers; we are all getting along well; we have more grain than we can possibly use. Where can we sell it? Here are people destitute. As the minority leader of the House said, this is a charity matter.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. BONNER. I yield.

Mr. HOPE. Along the line of precedents, I would like to point out that in the case of the wheat that was sent to Yugoslavia we paid the freight. In the case of billions of dollars' worth of goods that were sent all over the world by UNRRA, for which we paid practically all the cost, following the war years, we not only paid the ocean freight but we paid the cost of distribution in the countries. So, no matter what we do here as far as paying the freight is concerned, we are not setting any precedent.

Mr. ABERNETHY. Maybe that was the reason for UNRRA folding up.

Mr. BONNER. Mr. Chairman, I conclude with this statement—and it is properly debatable—but it is my opinion, knowing just a little something about the American merchant marine, if this provision is written into the bill, it will cost Pakistan or the United States Government or somebody if this wheat is to be delivered to Pakistan far more than if we ship 50 percent of it in American tramp vessels because it will be a balance and a check, one on the other.

I hope the pending amendment will be defeated.

Mr. JONES of Missouri. Mr. Chairman, I rise in support of the pending amendment.

Mr. Chairman, I shall support the amendment. I regret that this discussion about the American merchant marine gets into the argument stage. I am supporting this amendment because I believe that the United States, which is making a gift of this wheat, should not be called upon to spend an additional twenty some-odd-million dollars in paying the freight on it.

I may say that if Pakistan was not deriving some money from the sale of a portion of the wheat, and a sufficient amount of money to pay the freight on the entire amount of wheat, I would probably not be opposing this amendment.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. JONES of Missouri. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. May I say that I am not too impressed with the argument that has been made regarding the need of the merchant marine. If they need a subsidy, the thing for them to do is to come before the proper committee of the Congress and ask for it. That is the proper way to get it.

Mr. JONES of Missouri. I thank the gentleman. May I give my further reasons for supporting this amendment.

I do not think that the representatives of the MSA were completely honest with the committee when they appeared before it. They realized that this bill made no reference to the delivery of the wheat or who should pay for the cost of transportation. The Administrator did say that they were coming before our committee with this bill to gain authority to give the wheat. He also intimated that they might use funds which MSA has for buying wheat, but, in effect, they were getting additional money by this bill. As I said before, Pakistan will realize enough money from the sale of wheat from those who can pay to pay for this freight.

Another thing, Mr. Stassen did not tell us that Pakistan would be asked to pay any part of this bill. Again I say, I do not believe the MSA was entirely frank with the committee.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. JONES of Missouri. I yield to the gentleman from Kansas, the chairman of our committee.

Mr. HOPE. I simply want to point out to the gentleman that no matter how much Pakistan derives from the sale of this wheat in rupees, there are no ships in the world today, outside of the few Pakistanian ships, that can be hired for rupees. Of course if they could sell it for dollars or sterling to their own people they could get money from the sale of the wheat which they could use in hiring the ships; but as long as it is in rupees they cannot possibly hire any shipping.

Mr. JONES of Missouri. Well, if the rupee is the medium of exchange there in Pakistan, evidently they have some provision for making some exchange because they do carry on commerce with other parts of the world, and they can arrange for some money. I am saying that the Pakistan Government will be selling enough of this wheat in the medium of exchange of their own country sufficient to pay the entire transportation cost.

Mr. Chairman, I think we should not become confused about this shipping matter at all. I am sorry it has been injected. I regret it, and I do not think it is going to hurt the American shippers so far as that is concerned, with this apparently small sum. I would have felt much better if the MSA had come before this committee and said, "Now, we are going to ask for authority to have this wheat taken from the surplus stocks, and then we are going to ask for an additional authority or an appropriation of, say, $5 million," I would go along with that, "to pay for part of this transportation." But when you talk about what we are talking about here today, and concur in the amendment offered in the Senate, you are going to add another $25 million or $26 million to this bill, and that is the thing I am opposed to. I am for giving the wheat, and I think that is fine.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. SPRINGER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, let me say this in the beginning that I think everybody in this controversy over whether or not this amendment should be adopted is sincere. I heard a great deal of the testimony before the Committee on Agriculture, and I testified myself on this bill. I think most of the interpretations that have been made here have been interpretations as these men have understood the facts to be. However, may I say in answer to the gentleman from Texas [Mr. POAGE]—and he made a very able argument for his position here a few minutes ago. This, if we are going to save a lot of money I would kindly ask him and some of the others who argue here today if they would be willing also for us to appropriate the money and to purchase this wheat at $1.83 instead of $2.46, which is the loan value which was taken by the Commodity Credit Corporation on this wheat which is now being transferred to Pakistan. Now, it would be possible, if we wanted to take the subsidy out of it, to perhaps effect a saving of $23 million by buying it at $1.83. But I do not think the gentleman from Texas would be willing to make that sacrifice.

I do not believe it is reasonable to ask that the shipping industry here should be willing to make the same kind of a sacrifice any more than he would be willing to make on Texas wheat. I think it would be just as reasonable for them to ask us people to knock off 50 cents a bushel as it would be for us to take the subsidy out of ships which we might need in the next war. I think it is just as reasonable to assume one as the other. That would be my answer to the question of shipping 50 percent of this in American bottoms.

I am afraid that we are losing sight of the important issue, as I see it here, and that is that we are here attempting to do something in favor of a friendly ally. If we are going to ask them to take so much of their money and to put it in the form of transportation, are we in any way going to ask them to risk their own economic condition, which we are attempting to cure? I think we are, because it has been repeatedly pointed out that that would be the result. But, what I think we are losing sight of in the House is this important feature. That if we ask them to do that, we are taking out from under their economy certain moneys that are needed in backing up their currency. Whether you call it dollars or rupees I do not think is important. They certainly do not have any dollars which they could do this job with. The lowest figure that they could transport this is about $12 million. If they take all of the dollars they have—and they only have about $7 million—if you take all of that, why you would be short $5 million if you take every single dollar they have available to pay for the cost of the transportation in dollars. If you take it in rupees as the distinguished chairman of the House Committee on Agriculture has pointed out, there is not an American shipping company that would be willing to accept pay in rupees. Now, I do not know whether you would be able to find other world shipping that would be willing to take it or not. The important problem is not to undermine the economy of Pakistan at the same time that we are trying to give them the benefit of our generosity.

In answering the gentleman here, I certainly do not want in my own area to pull the support price out from under wheat, which it would be necessary to do if we appropriated money and purchased this wheat on the market at the lowest dollar market we could find.

In the second place, I believe that we do want to accomplish the purpose for which this bill was introduced, and that is to do a friendly act for a friendly ally and at the same time not undermine the economy of that country.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Indiana.

Mr. HALLECK. I commend the gentleman on the statement he has made, because he has demonstrated a grasp of the true facts that are involved. He has certainly presented a case that ought to bring about the defeat of this amendment. I want to associate myself with what the gentleman has said.

In other words, it has already been established that we have the wheat. We have more wheat than we know what to do with. I am afraid a lot of it is going to be spoiling one of these days. Here is a friendly people that we can help with this great resource of which we have such an abundance. To undertake to give it to them and then require them to pay would result in my opinion in one of two things happening. Either they would have to forego the acceptance of the gift of wheat because they do not have the money or, if they pay their last dollars, or sterling, or gold, or whatever they have, to transport the wheat, then we would bring down economic disaster on the country, which in the long run would do them more harm than good.

Mr. SPRINGER. I thank the majority leader.

Mr. CELLER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am opposed to this amendment because I think it would be a departure from the precedent we set when we made the gift of wheat to India. You cannot make fish of one and fowl of the other. We cannot discriminate in favor of India as against Pakistan.

This bill generally involves a million long tons of wheat, 37 million bushels, now held by the Commodity Credit Corporation. That Corporation holds 475 million bushels of surplus wheat, or 13 million long tons, valued at about a billion dollars. That surplus wheat hangs like the Damoclean sword over the surplus wheat market.

The observation was made by the gentleman from Texas that this gift of wheat to Pakistan is a Santa Claus offer. To my mind, that comment is as cruel as it is tragic. It is sort of turning our back upon human misery. We dare not, we cannot approach this problem with any kind of smug security or with any apathy. The Pakistanis are in distress. We cannot shun them. We send this wheat in an enlightend self-interest. It is not mere charity. Rich dividends will be yielded to us—dividends of friendship and good will.

Pakistan is a stanch ally. Goodness knows we need allies all over the world. Her growing strength contributes to democratic world stability. It is a case of long-range, economic strategy—the sending of this wheat—and it will reward us handsomely.

I speak not only as a Member of this House but also as a member of the board of trustees of the India League, founded to cement relations of amity and accord between the United States and India. Pakistan has been beset with troubles. She has gone from one crisis to another, yet her people have shown the wisdom, steadfastness, industry, and courage that enabled her to survive those crises.

First, you may remember, she was compelled to override the sad loss of her founding father, Jinnah. Then she had to overcome the tragic assassination of Jinnah's greatest disciple, Liaquat Ali Khan.

She has built up new industries, encouraged technical education, and she has above all exercised good sense, common sense, in all her international affairs. On many an occasion when the United States needed the vote of Pakistan at the United Nations, that vote was forthcoming. Now she is in the grip of a food shortage and famine threatens to stalk the land. Remember there are many fanatical Moslem groups in India who will take advantage of this economic difficulty, and take advantage of this misery and suffering, and demagogs are bound to whip-scourge the illiterate people into a frenzy and fury against the government. The starving, you know, are easy prey to the political agitator. There is difficulty in the relations between India and Pakistan, and famine with the resulting demagogic speeches that may be made will exacerbate those relations between India and Pakistan. We need rest—not unrest in that part of the world. I can assure you that Pakistan requires more than mere kind words and kindly observations if she is to overcome her lack of food. You know an empty stomach is not a good adviser. Those who have empty stomachs are easily preyed upon by the mischief makers. I think it was Homer who once said, "The belly is the commanding part of the body."

The mind is indeed subservient to a hungry stomach. No one knows this better than the rabble rousers. Going back to the unfortunate disputes between Pakistan and India, I point out that the 4 rivers of the Punjab are a source of trouble between the 2 countries. The headwaters of these streams are controlled by India. Pakistan needs these waters as well as India. Charges and countercharges are made. This strife gives additional impetus to the extremists who clamor for a showdown with India over Kashmir and over other issues. We need peace and amity in this part of the world. Peace there is in our interest. The giving of wheat to India has helped the cause of good will and peace. This bill for Pakistan will again further peace by stifling the strident voices of fanatics.

Mr. Chairman, in the interest of friendship and in view of the fact that our bins are bulging with surplus stocks of wheat, all logic and common sense and humanity requires that we send forth this wheat.

I quote from a dispatch of the New York Herald Tribune as being symptomatic or indicative of the keen friendship which exists between the United States and Pakistan:

> The exuberantly pro-American sentiments of Pakistan's new premier, Mohammed Ali, came under sniping today during his first regular press conference, but the former Ambassador at Washington remained steadfast in expressing warm friendship for the United States—

Said a dispatch from Karachi by Homer Bigart in the New York Herald Tribune of April 24.

In addition to the vast quantity of wheat which the Government owns, there are large stocks of corn valued at $410 million, vast numbers of bales of cotton, tons of butter. Certainly, we who have should not withhold from those who have not.

It is interesting to note that Malcolm Johnson has just completed a series of articles, published by the New York Journal American and other Hearst newspapers, urging that our surplus food stocks be used to relieve the misery of people in famine areas. At the end of my speech I include herewith a statement of Malcolm Johnson's concerning wheat to Pakistan. The New York Journal-American is to be commended for publishing this article.

IKE BACKS WHEAT LOAN TO PAKISTAN—SENDING OF UNITED STATES FOOD OVERSEAS HELD VITAL WEAPON AGAINST REDS

(By Malcolm Johnson)

The value of United States food donations as a powerful weapon against communism was emphasized today by private American welfare agencies now urging the Government to release more of its huge and mounting surplus food stores for the relief of hungry millions overseas.

Agency officials also stressed the great advantage of their policy in distributing foreign aid on a people-to-people basis, with a minimum of redtape, so that the recipients know it is a voluntary expression of friendship and good will direct from the American people.

After a White House conference with GOP congressional leaders yesterday, the Eisenhower administration promised to support legislation to lend 1 million tons of wheat to famine-stricken Pakistan.

House Speaker MARTIN, of Massachusetts, said the wheat bill would be introduced later this week. Details of the loan, including the price to be charged for the wheat, will be worked out later.

TRAGEDY SEEN

Commenting on the growing United States food surplus problem, as the Government continues to acquire tons of food under the farm-price-support program, Paul French, executive director of CARE, the nonsectarian relief agency, said:

"It would be a major tragedy if any of the millions of tons of surplus food now held by the Government should be permitted to go to waste or rot, while private agencies, such as CARE, have been trying for 3 years to release it where it will do the most good—in the starving areas of the world."

As an example of what can be done, French cited CARE's job in distributing some $30 million worth of Government-donated food in Yugoslavia in 1950–51.

POLITICAL VALUE

CARE distributed the food among some 4 million of Yugoslavia's needy, and they were aware that it was a voluntary act of friendship from the American people.

As a result, French said, Marshal Tito volunteered the comment that it would now be "most difficult" to persuade the people of Yugoslavia to become "anti-American."

While the political value of such action cannot be overlooked, especially in view of Communists' attempts to exploit the United States food surplus situation, relief agency officials observed:

"For the hungry man with a hungry family in India, say, it is not enough to tell him that the United States is appropriating X billions of dollars for foreign aid.

"All he knows is that he and his family are still hungry. It will mean much more to him personally to give him food on a direct, personal basis. That's exactly what the private welfare agencies are doing overseas."

Mr. JAVITS. Mr. Chairman, I rise in opposition to the amendment.

I have the honor of being cosponsor of this measure with the chairman of the Committee on Agriculture and my colleague, the gentleman from Minnesota [Mr. JUDD].

Mr. Chairman, I think one thing we ought to get very clear in this situation, and which dictated my own interest in it last April when I introduced a resolution expressing it, as the sense of the Congress that Pakistan should be helped in her famine crisis. We have heard in eloquent words our colleagues here talking about the friendship between the people of Pakistan and the people of the United States. We have heard our colleagues speak of the humanitarian principles involved, and about our surplus wheat, and about the problems of our shipping industry. But may I submit to the committee that this bill raises a question of high statecraft and of high policy.

It is not every nation in the world concerning which the President sends us a message asking for special assistance to deal with food needs. The President sent us a message on this Pakistan crisis, and for a very important reason, for when our people came back from the Middle East, our Secretary of State and our Mutual Security Administrator, it was clear to them, and it was made clear to the whole country that the two strongest bastions of the defense of the free world in the whole Middle East, which is an extremely vulnerable area, are Turkey and Pakistan.

One of the keys to its capability to be such a bastion is Pakistan's general financial condition and her general ability to go forward with her own development program. Pakistan is normally a solvent country. Normally Pakistan's balance of payments is good and it holds its own. Normally Pakistan feeds itself. She has had two very bad years which have not only imperiled her in terms of food production, but imperiled, as my colleague, the gentleman from Illinois [Mr. SPRINGER] so eloquently explained, her financial situation.

Let us understand very clearly, then, the basic reason for opposition to this amendment. Certainly it is very material in the foreign policy of the United States that we should do everything we can to strengthen Pakistan's position, not to weaken it, or not to look at it in strictly commercial terms. Because, in strictly commercial terms, a strong posture of defense as the bastion on the east of the whole line of the free world in a tremendously vulnerable area, in the Middle East, far exceeds in value anything that is involved in the amount we will have to pay for transporting this wheat.

Looking at it in that way, let us not vitiate the effect of what we are doing to help the people of Pakistan by this amendment. And I deeply believe this amendment will vitiate it.

One other point. One of the things that hurts Communists worst in the Middle East—and we certainly like to see that—is that they made India pay on the barrelhead for less than a hundred thousand tons of wheat at a time when India very badly needed help, and at very high prices. This vitiated every pretense the Communists made about helping the people of that area of the world. Let us not be guilty of the same mistake for what is, relatively speaking, considering the stakes we have that are

involved, small amounts of money. Let us not vitiate the impact of this gift upon the whole Moslem world, of which Pakistan is the leader. Let us remember that Pakistan defends 800 miles of the strategic border along Lukiang of Communist China, at a time of great danger from Communist China as far as the free world is concerned.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Minnesota.

Mr. JUDD. The Communists hurt themselves, not only in India but all through southeast Asia, when the facts were known about the high price they set on the wheat for India, more than by anything else they have done. They did themselves more damage and they lost more standing in that area of the world by their own act than by anything our whole information program has ever done.

Mr. JAVITS. Exactly. By making India pay on the barrelhead and treating this as a commercial transaction, the Communists, we were glad to see, vitiated their own position. Let us not be guilty of the same mistake.

Mr. LONG. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I have listened with a good deal of interest to some of my colleagues saying that there are very few people who are qualified to talk on this subject. I do not feel altogether qualified to talk on it. But then, as a businessman, there are a few things I feel I ought to say.

In the first place, we have already given Pakistan enough money to pay the freight. That is out. There is no argument about that. But they will not pay it.

To be brief, who is going to help the United States bolster its economy? Our bonds are down to 90 today. Who is going to help us?

It looks like a lot of foolishness to me—all this argument. This all comes from one place. The big shipping interests want us to pay the freight, because they can get more from us than they can get from Pakistan. That is the whole story.

Let us get down to just a little business in this proposition. They are going to sell this wheat, some of it. Some of that money can be used; they can use their own money at home and take this money that we are going to give them and pay the freight. They will still have just as much money to be used at home, to bolster their own economy.

It seems foolish to me to give a product to people, which they are going to sell, and have enough money to pay the freight, and then bother about who should pay the freight. Let us say to them this: Here is the wheat. Come and get it. That is what we have done before. That is what I think we ought to say now.

Who is going to bolster the economy of the United States of America if we keep up this giveaway business?

Mr. HAYS of Arkansas. Mr. Chairman, this is not two problems, it is one problem. It is not a problem of what to do about surplus wheat, and what to do about freight rates; the problem is what America will do for a free nation in trouble. That has been well stated by the gentleman from Illinois [Mr. SPRINGER]. This Nation has never renounced its humanity, and we are not going to renounce it in this situation; but it would be a grave mistake for us to believe that we are accomplishing anything if we say: "Here the wheat is, come and get it." It is not that simple for the people of Pakistan or the Government of Pakistan. The gentleman from Kansas [Mr. HOPE] was convincing on that point. It would be better not to attempt it at all than to do it in a way that leaves the task unaccomplished.

Some years ago my State was the victim of a terrible drought. The people of South Dakota hearing of our disaster—and there was real hardship and hunger and privation, there was genuine suffering, the people of South Dakota sent us a trainload of grain. They did not send word to Arkansas that the grain was there, that we should come and get it; they sent carloads of grain and they paid the freight on it; and I have a deep feeling of friendship today toward South Dakota, a deeper feeling perhaps because they came to the rescue of my State in time of famine.

Now, we want to be businesslike about it, and we must be businesslike. The gentleman from Kansas [Mr. HOPE], if I might remind the House, stated it. That part of the freight that Pakistan can pay will be paid under the terms of the bill as written. If the amendment offered by my friend the gentleman from Texas is adopted that money could not even come out of funds we provided in the mutual-security bill the other day.

So I hope that the House in its good judgment, much as we appreciate the earnest efforts of the gentleman from Texas [Mr. POAGE] will leave this bill intact so that the Mutual Security Administration can determine just what can be paid by the Government of Pakistan and how we can carry out the essential purpose of this legislation.

Mr. RAYBURN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, as a usual thing on matters in the House I follow my good friend from Texas [Mr. POAGE]. I find him on agricultural matters very sound. But I do just want to take a moment to say this: If somebody gives you something and you know they give it grudgingly, you cannot appreciate the gift. It is an idle gesture to say you are going to let Pakistan have a million tons of wheat and they not being able to avail themselves of it because in all probability they do not have the money to pay the freight. So it looks to me like when we have the wheat, when we have the ships, it is a little thing for us to do to make millions of people feel kindly to this great country of ours, because, let me repeat, as I have said so many times, with the world in the turmoil that it is today, looking to us for leadership and wanting many of them to go with us, if there was ever a time in this Nation's history when we need friends it is now.

If we are going to give the wheat to Pakistan let us not allow the impression to go out that we give it grudgingly, that any strings are tied to it.

Mr. EBERHARTER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I wholeheartedly agree with what our distinguished former Speaker said with respect to giving this freely and generously; it is the only way in which it should be given, and I am heartily in agreement with what the gentleman from New York [Mr. JAVITS] said, that this is a question of high policy, a question of high statesmanship. We need friends all over the world.

Mr. Chairman, may I say that perhaps our right hand does not know what our left hand is doing. Last month by a stroke of the pen, the Secretary of the Treasury of the United States impaired the economy of one of our friends in South America. Why did he do this? He did it simply to satisfy the wishes, the wants and the desires of a few people in this country who are interested in wool. By this action, the economy of a friendly country in South America, the friendly country of Uruguay, will be seriously hampered, a country which buys annually from us much more than we buy from them, a country which has always been friendly to the United States. By his action the Secretary of the Treasury has created a suspicion in the minds of every country in South America as to what our future policy may be with respect to trade and tariffs.

Mr. Chairman, the action which we will likely take this afternoon on the one hand indicates we are a generous people, and that we want to help our friends; but the action which the Secretary of the Treasury last month took indicates just the opposite. This Congress ought to emphatically reject the action of the Secretary last week, and I propose to offer such measures so as to accomplish that purpose.

If we say on the one hand that an executive officer of our Government can hurt the economy of a friendly country in South America, a near neighbor, and create suspicion in the minds of other friends of ours all over the world, what is the use of making this kind of a generous gesture today? Aid to Pakistan is an important matter, as our former Speaker has well said. We need friends all over the world. Mind you, Mr. Chairman, this action of the Treasury Secretary was unprecedented, never taken before under the same circumstances by this country.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield to the gentleman from West Virginia.

Mr. BAILEY. I would like to know if the distinguished gentleman from Pennsylvania is still of the opinion that the President should have the authority that he has under the Reciprocal Trade Agreements Act to do what the gentleman says he has done?

Mr. EBERHARTER. In answer to the question asked by the gentleman from West Virginia, the Secretary of the Treasury should not have the power by a stroke of the pen to alienate the friends of the United States. This to me is a very serious matter. I tried to correct it by a motion in committee, but I was not successful.

It is my intention, Mr. Chairman, and I give notice to the Members of the House, that I expect to follow this effort through. If we are going to have a good

neighbor policy for our South American friends, let us have a good neighbor policy. Let us not give in to the wishes of a few people who are interested in the wool market of the United States. It seems to me this is an appropriate time to prevent the United States being shown up to the world in a double capacity, on the one hand as friendly and generous, seeking friends, and on the other hand as alienating our friends by action that will make enemies and drive our friends from us.

Mr. ROONEY. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, I realize we are all now ready to vote on the pending amendment and I shall take but a minute of the time allotted me. I do want to associate myself with the remarks and opinions of the distinguished minority leader; the distinguished gentleman from Louisiana [Mr. BOGGS], the distinguished gentleman from New York [Mr. JAVITS], and the distinguished majority leader. I think their views are the views that will be followed on this vote and I am sure that right and reason will prevail and that the pending amendment will be defeated.

I wish at this time to point out the parliamentary situation. Upon defeat of the pending Poage amendment, and I am confident it will be defeated, there will be offered by the distinguished chairman of the Committee on Merchant Marine and Fisheries, the gentleman from Ohio [Mr. WEICHEL], an amendment which will provide that at least 50 percent of these wheat cargoes for Pakistan shall be carried in American-flag vessels. As has heretofore been pointed out, exactly the same provision has been adopted in every mutual security bill since the inception of the Marshall plan in 1948. It is now contained in the companion wheat for Pakistan bill, S. 2112, which has already been passed by the other body. Mr. Chairman, I am confident that this House today will defeat the Poage amendment and adopt the Weichel amendment which will follow.

Mr. MILLER of Kansas. Mr. Chairman. I move to strike out the last word.

Mr. Chairman, members of the committee, it seems to me that in the consideration of this bill there are more questions involved than appear at first sight. On most of them there is little or no disagreement. Let us look briefly at what we are proposing to do. On the one hand is a nation, newly formed, carved out of another nation that has existed as an organized society longer than any other nation on earth, save possibly her great neighbor on the north.

This has been proverbially a peaceful people. Other nations have flourished more than they, have established great dynasties, conquered many peoples, and have gone into oblivion. The people of Pakistan tilled their soil, reared their children, lived and died in their homeland since the time of Belshazzar and Cyrus the Great. They were a nation overrun by the armies of Alexander and yielded to power of the Macedonian phalanx, but they have continued to live on as a nation long after the Macedonian Empire has crumbled to dust. They carried on through the Roman Republic, through the Roman Empire, and today the living representatives of that ancient people can view the crumbling pantheons and arches of triumph of all the great nations of history right down to our own time.

Now a segment of that great people is in distress. They have not bled themselves white in bloody wars. Their workmen have not builded great pyramids under the lash of a task master. They have not erected great temples while the people lived in hovels. No, their want has arisen because nature, not in the providence of God, but in the course of the immutable laws of the universe, has denied them the rainfall essential to produce the food necessary to their living.

This is a panorama of the people whose distress we are considering today. I have heard it said a number of times in the course of remarks on this floor that these people are our friends, that if we help they will help us, or at least they will not turn against us. Therefore, it is a good policy to help them. In other words, we can trade them wheat for their support. Yet we want to call it a gift. That cannot be. There can be no gift where something is expected in return. Where there is a quid pro quo there is no gift. It is plain barter. If any payment is expected, it is a barter and nothing else.

We call ourselves a Christian Nation, and I sincerely hope that we are, but before we boast too loudly of our Christianity, let us first find out what Christianity is. Jesus of Nazareth was the founder of Christianity. I think we will all agree on that. He ought to know what the "way of life," as He put it, is intended to mean. The report has it that in the latter day of His short 2 years of teaching, fearing that He would be misunderstood, He set out just what his teaching should mean in human conduct. He drew before His hearers a word picture of the Judgment Day. He pictured a man who had held high office in the church, who professed to have cast out devils and to have done many wonderful works in the name of Jesus. Yet the Master and Judge said unto him:

> Depart from me ye worker of iniquity; I never knew you—I was an hungered and ye gave me no meat, thirsty and ye gave me no drink, naked and ye clothed me not, sick and imprisoned and ye visited me not.

And in answer to the question of the condemned man, the Master replied:

> Inasmuch as ye did it not unto the least of these my brethren, ye did it not to me.

In that exemplification is embodied the sum total of Christianity. It lays down the law that man is his brother's keeper, a question which man has raised, and a law which he has tried to avoid ever since he developed enough brain to have a sense of right and wrong.

By that law of Christianity, no man can see a fellow man in distress and fail to come to his aid and yet call himself a Christian. If one of those people living in Pakistan were a next-door neighbor, not a Member of this body would take one swallow until he had furnished him food. We know that. Every Member here knows that. It is only simple human kindness and that is the essence, in my opinion, the sum total of Christianity.

The question then is this: "Shall we act as a Nation on the same high plane as we expect of ourselves as individuals? Is there a double standard of Christian conduct? One for the individual and another for the Nation?"

Members of Congress, we, as Christians, have no choice. We cannot, even if we would, shirk our responsibility as a Nation without compromising ourselves as individuals. We must not, and we cannot do it. We intend to meet the wants of our fellow men in Pakistan. There is no doubt as to that. It is only a question of the spirit in which we shall do it. Members of Congress, let us give this relief, not because the people of Pakistan are our friends, not because they are in a position to return the favor. Let us not give even as a matter of duty. Let us give it because they are fellow human beings. Let us put our action today on a high plane, a plane worthy to be called Christian—on a plane worthy, as nearly as may be, of Him who gave his life, not for his friends, but for his enemies. Then will both the giver and the receiver be blessed. Then will be exemplified the truth of the beautiful words of a great American poet and statesman:

> He gives nothing but worthless gold
> Who gives from a sense of duty.
> But he who gives but a slender mite
> And gives to that which is out of sight,
> The hand cannot hold the whole of his alms.
> The heart outstretches its eager palms
> And a God goes with it and makes it store
> To a soul that was starving in darkness before.

Mr. THOMPSON of Texas. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have been listening to the debate on this Pakistan relief measure. I heard the discussion in the Agriculture Committee and now I have sat here through it all, up to this point, in the Committee of the Whole House. It seems to me that the problem is a very simple one unless we want to make it complicated. The basic question in my mind is whether or not we are to contribute to the relief of starving people in a friendly nation. The President on the recommendations of his Secretary of State and the Administrator of the mutual security program comes to us with the recommendation that we ship whatever wheat is needed to Pakistan. Canada and Australia, according to my information, have already made just such a contribution.

If the people of Pakistan need the help, they need it now, and if we are to believe what the President has told us, it is necessary to deliver it to them.

I like the example used by my distinguished colleague from Texas [Mr. POAGE] when he told about a custom that we who have lived in the country know very well. He spoke of how, if we had a surplus of watermelons we would tell our neighbors who did not have any to come on over and get whatever they needed. You can carry that old country custom just a little further. When the neighbors are truly distressed and sick and need some help, the first one to

take a basket of food over to them would be my distinguished colleague; and if he and his family were distressed and unable to go and get help they needed, I think you will agree that his neighbors would come over bright and early in the morning to see what was needed and to deliver it to the door.

It seems to me that in this debate we have gone far afield. I have been a little confused as to whether this is all an attack on the merchant marine or whether it is an excuse for somebody to take some shots at my distinguished friend and colleague, the gentleman from Texas, BOB POAGE. I particularly resent some of the things that have been whispered in my ears about the author of this amendment. I want to say to you that anybody that ever criticizes my colleague from Texas and his motives, where his heart lies, simply does not know him. His thoughts are his own and his actions are his own, but whatever he does, he is moved by what he believes to be right.

We are not talking about luxuries, watermelons, and whatnot in the Pakistan case. Those people are either hungry and need the help which the President has asked for or they do not need anything. If I were convinced that the request was a phony and it was not based on absolute necessity, I would not vote for the bill at all.

As to whether or not the wheat should be delivered to the distressed neighbor, I am perfectly willing to accept the judgment of Governor Stassen, Secretary of State Dulles, and President Eisenhower.

It may be that some of our colleagues who are so bitterly opposed to the American merchant marine and to the men who operate it, see in this bill an opportunity to take another shot at American shipping. They have been doing it ever since I have been in Congress, and I recall the fights that we have had every time it was proposed that half of our shipments abroad should go in American bottoms.

Now, let us take a quick look at the American merchant marine and see if you want to fight it or not.

There is only one reason for the American merchant marine and that is as an essential arm of our national defense. That is why we have it, and that is why we maintain it. That is also the reason why we subsidize it.

It was stated yesterday that if we require half of the Pakistan wheat to be shipped in American bottoms, it is a form of subsidy. If you want to take that position, go ahead, but remember that if the shipping of wheat in any ship is a subsidy, then we have a choice of subsidizing our own ships or of subsidizing the ships of Great Britain, or Greece, or Panama, or some other foreign nation. Pakistan does not have the ships to do the job. If you are worried about the subsidy that we pay to the American merchant marine, bear in mind that all we do is keep the workmen on our own vessels on substantially the same plane as the workers in other lines of endeavor—railroads, mines, steel mills, and so forth. If you are still worried about subsidies, you might bear in mind that every merchant marine in the world is subsidized. If you want to make a comparison of costs, you might bear in mind that it costs the American taxpayers about half as much to subsidize the American merchant marine as it costs to subsidize agricultural produce. Certainly it seems to me that there is something wrong with this whole argument, and we are getting far afield from the basic purpose of the bill, which is to feed a hungry neighbor.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. POAGE].

The amendment was rejected.

Mr. WEICHEL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WEICHEL: On page 2, line 6, after the words "directed by the President", insert "at least 50 per centum of the gross tonnage of wheat made available under this act and transported from the United States on ocean vessels shall be so transported on United States flag vessels to the extent practicable and to the extent such vessels are available at market rates for United States flag vessels."

Mr. WEICHEL. Mr. Chairman, you have heard considerable discussion about the carriage of relief and aid cargo. I do not desire to burden you further but I do want to remind you that during the past war we built the greatest merchant fleet in the world to carry men, cargo, supplies, and munitions of war, to protect the United States. And during the postwar period of rehabilitation to assist nations to again take their places in the economy of the world, we have given aid to the countries of the world and our great fleet was used in carrying this aid. It has been an established policy of the Congress for many years past that at least half of this cargo should be carried in American flag ships when practicable. It is the opinion of the Committee on Merchant Marine and Fisheries that we should maintain this fleet for our own security. It is desirable that we give this fleet something to haul, therefore, with this in mind and with the view of the Congress that we should do all the things necessary with this merchant marine fleet so that it will insure our security, and the members of the Merchant Marine Committee desiring that the amendment be offered to the pending legislation whereby one-half of this wheat to Pakistan should be carried in American ships, I have offered this amendment.

I urge you to adopt this amendment, in view of the speeches made here today with reference to the bill and our own security.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr. WEICHEL. I yield to the gentleman from Missouri.

Mr. JONES of Missouri. In view of the statement made by Governor Stassen and reported by the chairman of the committee, does the gentleman think that this amendment is necessary; and would it not be done under the legislation which is now in effect which has been sponsored by the Mutual Security Administrator?

Mr. WEICHEL. Surely; it is desirable. The Senate thought it was well to put it in the bill.

Mr. JONES of Missouri. I do not think the fact that they have done it means it is all right. I do not agree with the gentleman on that. I asked the gentleman if he did not think it would be anyway, even if this amendment were not approved.

Mr. WEICHEL. I think it is desirable to have this amendment, so there cannot be any misunderstanding.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. WEICHEL. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. I listened with interest to the gentleman's argument. If I understood him correctly, it would be a fine thing for our own vessels to do this. But why not go all the way and, instead of shipping half this wheat in ships flying the American flag, ship all of it in that sort of ship?

Mr. WEICHEL. Maybe they will. Would the gentleman object to that?

Mr. ABERNETHY. No; I would be in favor of that; in view of the action the House took just a moment ago, I think that is what we ought to do.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. WEICHEL. I yield to the gentleman from North Carolina.

Mr. COOLEY. A representative of the maritime industry told us that it was doubtful that they would even have enough ships available to transport one-half of the wheat. He has definitely said that they could not transport all of it. He made no request that they be permitted to transport all of the wheat.

With reference to the suggestion made by my colleague from Missouri [Mr. JONES] as to the necessity for this amendment, I hardly see why it would be necessary, because the MSA people did not ask that this amendment be incorporated in the bill. This bill we reported from our committee only provides for the delivery of the wheat at ship side in our own port cities. Mr. Stassen told our committee that the freight would be paid from MSA funds. The MSA law provides that 50 percent of it shall be shipped in American ships. So it hardly seems necessary to have this provision.

Mr. WEICHEL. This is not straight MSA, is it?

Mr. COOLEY. That is correct; it is not straight MSA. That is the reason the amendment offered by the gentleman from Texas [Mr. POAGE] with reference to payment of the freight did not come into the category of MSA appropriations at all, because this comes more or less in the category of the shipments that were made to India, when we required India to pay the freight.

Mr. WEICHEL. But this is desirable.

Mr. COOLEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. KEOGH. Mr. Chairman, will the gentleman yield to me?

Mr. COOLEY. I yield to the gentleman from New York.

Mr. KEOGH. I understand that the Mutual Security Administrator has indicated his intention to use American-flag ships for the carrying of at least 50 percent of this cargo. I wonder why, if that

is his intention, he would have any objection to this body's writing it into the law.

Mr. COOLEY. Does the gentleman mean whether I would have any objection?

Mr. KEOGH. No, the mutual Security Administrator.

Mr. COOLEY. I do not think the Mutual Security Administrator has any objection, but the fact that he has not asked for it indicates that he does not think it is necessary. He was frank enough and forthright enough to say that they would pay the freight with MSA funds.

Mr. KEOGH. It is necessary to write it into the law; but he is not writing the law, we are.

Mr. COOLEY. Then it is up to the Congress to say whether we want to transport 50 percent of this wheat in American ships, when you know that it is going to cost twice as much to move the wheat that way than if you move it in foreign ships.

Mr. KEOGH. No; we recognize——

Mr. COOLEY. Do not say no; that is the testimony of the men who came before our committee. And the gentleman from North Carolina [Mr. BONNER] made the statement here that flag-ship rates were one thing and tramp-ship rates were another. Now the statement is clear that this wheat is going to be moved in flag ships, and therefore under flag-ship rates.

Mr. KEOGH. I recognize that the costs of American-flag ship operations are greater than the costs of other ships.

Mr. COOLEY. That is right.

Mr. KEOGH. We all recognize that. I do not want to labor this point with the gentleman. I know he is not going to oppose this amendment.

Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD immediately following those of the gentleman from North Carolina.

The CHAIRMAN. Is there objection? There was no objection.

Mr. BONNER. If the gentleman will yield to me, Mr. Chairman, perhaps I can clear this up.

There are berth liners that are American-flag ships. Then there are tramp, cargo carriers, bulk carriers. That is distinction that I was trying to make. The berth liner is more or less a package express cargo carrier.

Mr. COOLEY. The gentleman knows far better than I that the American Merchant Marine is not now unemployed.

Mr. BONNER. The cargo carrier, the tramp ship, is not subsidized. The berth liner is subsidized.

Mr. COOLEY. Before the gentleman finished his remarks he said that this wheat would move in American-flag ships, not in American tramp ships.

Mr. BONNER. They are all American-flag ships.

Mr. COOLEY. The gentleman means that tramp ships fly the American flag.

Mr. BONNER. Yes.

Mr. COOLEY. The gentleman also made the statement that to hold the rates down our Government had chartered certain ships. They were chartered to foreign governments; were they not?

Mr. BONNER. No, no.

Mr. COOLEY. We put them under charter.

Mr. BONNER. We charter to American operators.

Mr. COOLEY. All right; there is no misunderstanding about that. I think the issue has been well debated, and that everybody understands that we are going to force, as far as practicable, the American merchant marine to haul this grain so that the American merchant marine can make a profit and be employed. The fact is that the American merchant marine is not now unemployed, and Pakistan has some ships they can send here. The gentleman from Louisiana [Mr. BOGGS] said it was an interior nation. I want to know, then, how ships are going to get to Karachi.

Mr. BOGGS. Possibly there was a mistake in that statement.

Mr. COOLEY. We are giving them the wheat and you want to send it over there. If you want to do that, that is all right.

Mr. ROONEY. Mr. Chairman, will the gentleman yield for a question?

Mr. COOLEY. I yield to the gentleman from New York.

Mr. ROONEY. I should like to ask my distinguished friend, the ranking minority member and former chairman of the Committee on Agriculture, whether or not it is the fact that the language of this pending amendment now offered by the gentleman from Ohio [Mr. WEICHEL] was never considered in the Committee on Agriculture at the time the Pakistan wheat bill was considered?

Mr. COOLEY. May I suggest to the gentleman that the amendment was offered and then the matter was discussed just as the freight provision was discussed; and the particular amendment, which was defeated here a moment ago overwhelmingly, failed in the committee.

There is a strange situation here, Mr. Chairman, involving all foreign-aid programs. This is the first time that our committee has been asked to consider and to report anything in the way of a foreign-aid program. If you are going to keep the bookkeeping right so that the American people will know what is being done, then this $100 million must be added to the foreign-aid bill we authorized last week.

One other thing: I asked the question yesterday, What is it that anyone on the floor of this House now knows about the horrible situation that we hear so much about in Pakistan which we did not know on the 16th day of June when the MSA bill came from the Foreign Affairs Committee? They brought it out and the Congress gave them $27 million. Then they handed us this bill and want us to give them $100 million—and do it as a gift. All right; if the House wants to do it, all right. I am going to vote for the bill but I am going to vote against this amendment.

Mr. KEOGH. Mr. Chairman, we must be certain that all American interests are protected to the greatest extent possible. This interest includes the American cargo and ship brokers.

Early in the war Congress passed the Bland Act, which became section 217 of the Merchant Marine Act of 1936, which provided for "the maintenance and development of present and postwar foreign trade, and the preservation of forwarding facilities and services for the postwar restoration of foreign commerce."

This measure was necessary to correct the anomalous situation which resulted from foreign nations receiving American aid but designating nationals of their own country as recipients of American dollars for the privilege of arranging or supervising shipping space, even on American-flag vessels.

The legislative history of the Bland Act shows clearly that it was the intent of Congress that the practices which excluded American freight forwarders and brokers from handling lend-lease shipments and other cargo purchased in this country must be eliminated.

Following the war, legislative and administrative provision was made for the full participation of American brokers in the various relief programs. For instance, during discussion in the Senate of the European recovery program, Senator Vandenberg stated:

> It is our position that ERP cargo should in all cases be handled in accordance with the purpose of section 217 of the Merchant Marine Act of 1936.

Insofar as the various executive agencies of the United States Government have administered the various relief and recovery programs and have had control over the transportation services incidental thereto, the established ship brokers have been protected. However, in certain instances where the recipient foreign governments have procured their own transportation, there has been a tendency toward various abuses. In some instances, brokerage was paid foreign ship brokers who had no duties to perform whatsoever. Another example is the situation where the foreign government appointed an exclusive broker in the United States who allocated shares in the brokerage to foreign brokers.

The proposed grant of wheat to the people of Pakistan is essentially a gift, and the transportation arrangements in connection with the wheat should be directed by the United States Government. Therefore, the arrangements for such transportation should be under the supervision of one of the agencies of the United States Government, and not only should 50 percent of the cargo be carried in American-flag vessels, but the charter arrangements to be made should be handled through established American brokers rather than through foreign brokers, who in most cases would be nationals of countries other than Pakistan, which is not a dominant shipping nation.

For the above-mentioned reasons, it should be clear legislative intent that the shipments of wheat to Pakistan shall be handled through the normal American commercial channels.

Mr. TOLLEFSON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think the members of the committee would like to know some

of the facts in connection with the operation of the American merchant marine. I rise in support of the amendment offered by the gentleman from Ohio which seeks to place in this bill a provision which is similar to that which was put into all other similar bills in the past. I have particular reference, of course, to our mutual security program.

This amendment is in keeping with the policy which this House and this Congress has already adopted; it is also in keeping with a policy adopted by the Congress when it passed the 1936 Merchant Marine Act. That act recognized the necessity for maintaining and keeping an adequate American merchant marine as the fourth or fifth arm of our national defense.

We must recognize that without Government aid we could have no American merchant marine. There has been some confusion here in connection with this subsidy matter. This wheat we are talking about is carried as bulk cargo and will not be carried in very great quantities by what we call our berth operators which are the subsidized lines. This cargo will be carried mostly by tramp shipping, and the tramp shippers are not subsidized at all.

You will be interested, while we are speaking about the welfare of the American merchant marine that in 1946 or soon after the end of World War II there were 1,000 tramp ships flying the American flag. Today there are 165 or 175 according to whose figures you take. Admiral Denebrink says there are 165. The representative of the tramp fleet operators before our committee testified that there were 175; but that does not make much difference. The figures do indicate that between 1946 and today we have lost better than 800 American-flag tramp ships.

You will be interested to know also that in 1946 about 65 percent of American cargo was carried in American-flag ships. Last year that dropped down to 35 and a fraction percent. In the past few months the figure has dropped again to 24 percent. Obviously if only 24 percent of the American cargo is going to be carried in American-flag ships, and particularly does this apply to tramp operators, they are going to drop out of business because they cannot exist carrying cargo only one way. They have to carry cargo both ways. If we want to carry out the specified policy of our 1936 act, if we want to carry out the policy adopted in our mutual security program, this amendment should be adopted.

I grant it is in the nature of a subsidy and someone has suggested that these operators should come before the Congress and present their problem. May I say to the Members that the operators have come before our committee. They are presently before the Senate committee, presenting their problem to that committee and in time it may come to the floor of the House. In the meantime, we are considering this bill. Here is an opportunity to stabilize somewhat the operations of the American merchant marine.

I trust that the committee will adopt the amendment offered by the gentleman from Ohio.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield?

Mr. TOLLEFSON. I yield to the gentleman from Connecticut.

Mr. SEELY-BROWN. Does the gentleman have any figures which would indicate exactly how much of this wheat is going to be carried by our tramp operators?

Mr. TOLLEFSON. No; I do not have the exact figures. All I can say is that the bulk of it will be carried by American operators.

Mr. SEELY-BROWN. That is a very important thing for the House to recognize.

Mr. TOLLEFSON. In connection with the tramp operators who appeared before our committee, we asked their representative what they expected would happen to their tramp-shipping operations if the aid program came to an end. They said they would probably go out of business altogether.

Mr. PELLY. Mr. Chairman, will the gentleman yield?

Mr. TOLLEFSON. I yield to the gentleman from Washington.

Mr. PELLY. I thought I understood the gentleman from Texas to say that this amendment would help the American merchant marine. Do you think we should apologize if we are helping our merchant marine, whether we be farmers, cotton growers, or anyone else?

Mr. TOLLEFSON. No. The important thing is not so much that we help the individual farmers, the individual ship operators, the sailors, the ship chandlers, and all their employees, but the important thing is that we help the economy and welfare of the United States.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. TOLLEFSON. I yield to the gentleman from Massachusetts?

Mr. McCORMACK. My interpretation would be that instead of a subsidy this in connection with the carrying out of the act is a justifiable consideration of an important segment of American business.

Mr. TOLLEFSON. I thank the gentleman for his contribution. He is correct.

Mr. VORYS. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, ever since 1948 I have fought a consistent but losing battle trying to keep these foreign-aid measures from becoming subsidy measures for various phases of American business. If our merchant marine is in such shape that it needs additional subsidies, I am perfectly willing to have that great Committee on Merchant Marine and Fisheries consider that matter and bring it here on its own merits. But all through this so-called foreign-aid program it has been burdened down with this 50-percent shipping language which means that hundreds of millions of dollars of subsidies to American ships have come out of moneys that the Congress and the people thought they were spending for foreign relief or foreign aid.

Mr. KEOGH. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from New York.

Mr. KEOGH. The point I want to make is, as I understand, the American-flag operator is not crying poverty. I am simply trying to have written into this bill the long-established objective of having American-flag ships carry half of the trade in and out of this country.

Mr. VORYS. The objective is quite clear. It is to require that part of this foreign aid, that could be carried cheaper otherwise, be carried the more expensive way by American ships, by a requirement imposed by law.

Your Committee on Foreign Affairs did not propose any basic revision of the 50–50 shipping requirement in the mutual security law, so that of the $4.9 billion authorized the other day, one-half of whatever is appropriated to be shipped out of the country will be carried in American shipping, when it might have been hauled more cheaply.

But, I make this plea on this item today that is supposed to be really for aid to a starving country. It seems to me you could let the aid funds have a vacation from a shipping subsidy, and let it at least this time go by without writing in this requirement. If you put in a specific requirement like this, there will be a question whether this is for relief of Pakistan or of American shipping. If this is a relief from starvation proposition, suppose there is not an American ship, then do people over there starve while waiting for American ships? It seems to me, under the assurance given by the Mutual Security Administrator, we could be safe in leaving this out this time and not deliberately loading this particular item up with a number of millions of dollars' worth of subsidy to American shipping in a bill under the guise of relief to some stricken country.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. We read in the papers about a threat of the merchant marine men going on a strike. How long that strike will last, if it begins, no one knows.

Mr. VORYS. If there is a strike so that American ships cannot move, then those folks face starvation, if this amendment is adopted.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from New York.

Mr. ROONEY. I would like to ask the distinguished gentleman from Ohio how it is, since he was in charge of the bill only last week in behalf of the majority authorizing an appropriation for $4.9 billion for the mutual security program, that he did nothing to carry out his viewpoint on this subject insofar as that bill was concerned, and particularly since the law in regard to mutual security shipments in American vessels is identical with the language which is now contained in the amendment offered by the gentleman from Ohio [Mr. WEICHEL]? Why did not the gentleman from Ohio do something about that last week?

Mr. VORYS. I will answer if you give me a chance. I attempted to answer.

We did not desire to change the fundamental structure of the mutual security law in that regard. That means that we did not recommend any changes in that part of it, and therefore there will be hundreds of millions of dollars going to American shippers under the program authorized the other day. However, that certainly did not bar anyone of us from saying, "Please, do not load this special emergency relief bill up with relief money for American shippers."

Mr. HOPE. Mr. Chairman, I wonder if we could have some understanding as to time to close debate on this particular amendment and all amendments thereto? Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

Mr. SMITH of Virginia. Mr. Chairman, reserving the right to object, this is a matter, as I observed yesterday, that involves $100 million. I have not spoken on the bill, and I would like to have 5 minutes.

Mr. HOPE. We are on the first section of the bill now, and there will be plenty of opportunity for the gentleman to discuss it fully under some other section. I was hoping we could complete debate on this particular amendment and then proceed to other sections of the bill.

Mr. SMITH of Virginia. I noticed you have been quite lenient this morning, some Members having been given 10 minutes. Now some of us would like to have 5 minutes. But I make no complaint about that.

Mr. BAILEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BAILEY. Do I understand the proposal of the gentleman from Kansas would preclude debate beyond 15 minutes on all amendments to this section, or will it be confined to the Weichel amendment and amendments thereto?

The CHAIRMAN. The Chair understands the request of the gentleman to apply only to the pending amendment and all amendments thereto.

Mr. HOPE. That is correct.

The CHAIRMAN. That, of course, would not foreclose the offering of further amendments.

Is there objection to the request of the gentleman from Kansas?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Chairman, this amendment was not considered in the executive session of the Committee on Agriculture at which the bill was approved. However, there was testimony before the committee on the part of Mr. Dulles, representing the State Department, that he had no objection to an amendment identical with this, which was adopted in the Senate bill. Mr. Stassen expressed himself to the same effect. In the letter from Mr. Stassen, which I read earlier in the day, it was stated that it was the expectation that approximately 50 percent of these cargoes would be carried in American ships.

I, therefore, see no objection to the amendment and personally I expect to support it. I am not in a position to say that the committee accepts it, but I do not see that the amendment would in any way affect the program, and since what it proposes is going to be done anyway, and it might prevent taking the bill to conference, I see no reason why the amendment should not be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. CLARDY].

Mr. CLARDY. Mr. Chairman, as one member of the Committee on Merchant Marine and Fisheries, I want to go on record as opposing this amendment. There are a lot of things I should like to say about the bill, but I shall not take the time to do so now.

Mr. DORN of New York. Mr. Chairman, will the gentleman yield?

Mr. CLARDY. I yield.

Mr. DORN of New York. The gentleman says he speaks as one member of the Committee on Merchant Marine and Fisheries. Is it not true that all the other members of that committee are on record as favoring this amendment?

Mr. CLARDY. I will take the gentleman's word for it, but I am used to being a lone wolf.

This amendment is no more than a subsidy for shipowners. If adopted, I certainly cannot vote for this bill. We have already paid out about a billion dollars to transport the giveaway program cargoes. How long can we continue this without going broke? Who will come to our rescue if a depression hits us? Let us think of ourselves for a while.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia [Mr. SMITH].

(By unanimous consent, the time allotted to Mr. BAILEY and to Mr. COUDERT was given to Mr. SMITH of Virginia.)

Mr. SMITH of Virginia. Mr. Chairman, I just wanted to say, and I guess I could have said it in a minute and a half, but there is not much to it any way. I talked about this bill a little bit yesterday when we were considering the rule because I was puzzled—I was deeply puzzled. I did not know what it was all about. I wondered why we were making India pay the freight and then giving it to these folks, and saying that we had to deliver this wheat at their doorstep and perhaps mill it, and grind it and bake it for them. I have found out now what this bill is all about. It has the wrong title. You Members can sit around here boasting about your charity, as you have done yesterday and today, and with all these high-flown sermons that we have been listening to about charity. There is not any charity in this bill so far as a number of the Members here are concerned. You ought to change the title of this bill. You have sat here all through today during this debate and heard a debate not over whether you were going to be charitable and give some wheat to Pakistan, but you have sat here and listened to a debate, a selfish debate, about whether you were going to spend $100 million of the people's money in order to further subsidize to the extent of $10 or $12 million the shipowners of America. Is that not what you have been doing? Who is going to say "nay" to that? Gentlemen, let us not talk about charity. If the underlying motive here is that these folks who have got hold of the merchant marine, which belonged to the United States, for little or nothing, and who have made great fortunes out of it, are to be subsidized to the extent of another $10 or $12 million by giving away $100 million in the process, why do you not say so honestly and be frank about it? Let us change the title of this bill and say it is a bill for relief for Pakistan and the merchant-ship owners of the United States. That is what you are doing.

Mr. Chairman, I had expected to go along on this bill because I thought surely this House would say as long as India had to come and get it, Pakistan should come and get it. You have defeated that amendment, and I just do not feel like going ahead with this when you are not only to give them the wheat but carry it to their doorstep. Mr. Chairman, that is about all I have to say.

Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. COUDERT. The gentleman made a very proper reference to one element of the relief factor in this bill. Is not the bill also for the relief of the wheat farmer in that it makes the taxpayer pay twice for this wheat?

Mr. SMITH of Virginia. There was some discussion about that yesterday. Maybe it is all right—I do not know. We are giving all this money to Europe, Asia, Africa, and India, and maybe we ought to give some of it to the shipowners and the wheat growers.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. HELLER].

Mr. HELLER. Mr. Chairman, there has been a great deal of talk about our merchant marine. I am of the view, we must do everything possible to encourage the growth and the further development of our merchant marine. This is an important segment of our economy and of invaluable significance to our national security. Only recently Rear Adm. R. E. Wilson told a subcommittee of the Senate Interstate and Foreign Commerce Committee, it is imperative for the United States to build up a merchant marine which is substantially greater than its present strength because of international uncertainties.

We must take heed of this warning and advice while we can and utilise every opportunity to help our merchant marine.

I was very much impressed with the speech made by the very able gentleman from Louisiana [Mr. BOGGS]. In substance, he said, "Let us not take our merchant marine for granted." I repeat, let us not take our merchant marine for granted until war cracks around our heads and then find ourselves running around like mad trying to repair our neglect and carelessness. It happened during the last two wars and it is apparent to me that some here have not

learned a lesson. We are the guardians of the merchant marine. President Eisenhower has said it is the fourth arm of our national defense, ranking with, but after the Army, Navy, and Air Force. Let us not treat it, however, as a step-child. The Government has played just this role with our merchant marine for too long instead of pressing it to its bosom in appreciation for past performances. I say we must give it equitable consideration with other elements in our economy. It is about time we appreciated how vital it is in peace and war. You can help to encourage and develop our merchant marine—you can do it by voting in favor of the Weichel amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Connecticut [Mr. SEELY-BROWN].

Mr. SEELY-BROWN. Mr. Chairman, I rise merely to answer one of the statements made by the gentleman from Ohio [Mr. VORYS] who indicated that the adoption of the Weichel amendment might cripple the program by delaying—I believe those were his words—by delaying the shipment of needed wheat because of the lack of shipping space. The amendment specifically takes care of that situation by providing "to the extent practicable." In other words, if it is practicable to send the wheat, then it will be shipped as is indicated by the amendment and not otherwise.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. SEELY-BROWN. I yield.

Mr. VORYS. How long is practicable? How long would they have to wait for an American ship?

Mr. SEELY-BROWN. When people are starving, the time factor is vital. "To the extent practicable" would in this case mean at the earliest possible moment. Should any long delay be involved then other than American ships would be utilized.

Mr. TOLLEFSON. Mr. Chairman, will the gentleman yield?

Mr. SEELY-BROWN. I yield to the gentleman from Washington.

Mr. TOLLEFSON. Does not the testimony before our committee indicate that there are a number of tramp vessels available almost immediately to carry this bulk cargo?

Mr. SEELY-BROWN. The testimony presented before our committee indicated the general availability of tramp vessels.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. SHELLEY].

(By unanimous consent Mr. ROONEY and Mr. DORN of New York yielded their time to Mr. SHELLEY.)

Mr. SHELLEY. I thank the gentlemen for yielding me their time.

Mr. Chairman, I think the time has come when we should review a little history about why this policy was first established.

After World War II, this country had a great number of vessels and we put some of those vessels up for sale and we sold them. At that time the foreign countries did not have a great number of vessels. There was a dearth of foreign vessels, because they had been lost during the war; and a great many of ours also had been lost. Just as in World War I, during World War II everybody—the people from Texas, the people from Mississippi, the people from Ohio—who had sons and who were themselves going and who had relatives going abroad in the armed services, resented the fact that at times they had to sail in foreign vessels, whose standards were not up to American vessels. They did not have the sanitary or safety facilities, or anything else that we have in American ships in keeping with American standards.

We spent billions of dollars to build American vessels, manned by trained and competent American people, qualified to serve in the Reserve forces of the United States Navy, to transport our young men to foreign places. We recognized that during those periods we needed an American merchant marine.

As a result of our experiences after World War I, when we saw the merchant marine go down, Congress made a study and wrote the Merchant Marine Act of 1936, which Congress has supported since, and which says that we need a merchant marine. But we cannot have a merchant marine and have young Americans man those ships if they are going to receive pay at foreign standards, food at foreign standards, and live under foreign conditions. So, therefore, we must subsidize that service, so that we may have ships in time of emergency, American ships upon which we can depend and not foreign vessels the use of which we could not depend upon in dangerous times.

So we agree we need a merchant marine. Since we agree we need a merchant marine, the people in that industry, American merchants and the American Government, have fought consistently through all the years to see that some American goods were carried in the American vessels, so that they would have something to do. It does not make sense for us to start the building of them, to subsidize the operation of them, and then give them nothing to carry.

When we started foreign aid there was a movement, and people in the State Department encouraged the movement, for the use of foreign vessels. They said, "Let us help friendly nations who are in the maritime trade and use their vessels," and we started laying our vessels up. That was after we had paid to build them and while we were paying to subsidize their operation. There was no freight for the merchant marine we all agreed we should have for our security.

So, as a result, the policy was established that at least 50 percent of this material that we give to these countries, or lend to them, such as under the Marshall plan or under mutual security, should go in our vessels so that we would not be wasting the money that we spent to build them and the money we paid to subsidize the operation of them; so that we could keep them alive and keep them going. The Weichel amendment simply continues that policy.

Why is it offered here today?

Because the wheat-for-Pakistan bill comes to the floor under the management of the Committee on Agriculture whereas previous aid bills have heretofore been heard and handled by the Committee on Foreign Affairs. The latter committee has recognized the justice of the 50-percent shipping provision for some years and would probably, I feel, have included the provision. The Committee on Agriculture, well informed as they may be on agricultural matters, are not informed, evidently, on maritime matters. That is evidenced by the amendment offered by the gentleman from Texas [Mr. POAGE], and some of the statements concerning rates, availability of vessels, and the resultant market effect of shipping this wheat.

The Weichel amendment might never have been brought to the floor today if it had not been for the threat to the American merchant marine underlying the Poage amendment, and some of the uninformed statements on these matters which we members of the Merchant Marine Committee have heard yesterday and today. With this threat to the established principle of 50-percent carriage in American-flag vessels we could not stand by. When we hear the 50-percent provision attacked as a subsidy to the American merchant marine we of the Merchant Marine Committee who work with the problem daily and know and understand the situation find ourselves at a loss to understand why such a charge should be made. It seems particularly strange to us that the gentlemen from the Agriculture Committee, who have the support of most of us from the big shipping centers on their frequent requests for agriculture subsidy funds, should be attacking it even if it were a subsidy, which it decidedly is not. I find it hard to believe that they are saying, "Give our farmers a subsidy, but don't give it to any other branch of the American economy. Give it to the farmers but don't give support, or assistance, or call it what you will, to any other industry." I would like to call the House's attention to the simple fact that through the last 6 years—since 1946—the net losses on American farm price-support programs—the cost to the taxpayer of subsidizing farm production—have amounted to $1,150 million. During approximately the same period the net cost to the Government of all maritime-subsidy programs has been only a little over $268 million. Why is subsidy all right in one case and not in the other? Does the mere fact of living inland make an American workman, no matter what his occupation, any more deserving of Government help than a seaman engaged in an equally vital occupation?

The question of American shipping rates has been raised. It has been said that they are high, out of all proportion to what they should be. The rates paid by those who ship aboard American vessels certainly cannot be called a subsidy. No matter what flag a vessel is flying, the shipper must pay freight charges—and in regular berth liner service, foreign or American, where ships have regularly scheduled sailings, the rates are

set by international conference and are identical. Let us hope that clears up some of the misconceptions on that point. If the cargoes are to move in tramp vessels, which go where the cargo takes them, there is a world market and there are world market quotations which the American tramp operator must meet on a competitive basis if he is to get any cargo. The only differences between American rates and foreign rates are due to the differences between American wage and living standards and foreign standards. I trust that our friends from the Agriculture Committee are not trying to say that they want support for American living standards for the farmer but that they do not want to support those standards for the man who goes to sea.

Right here and now is the time to straighten out this question of comparative rates and comparative costs as between American and foreign shipping. We have heard a discussion of the problem quoting Admiral Denebrink, head of the Military Sea Transportation Service of the Navy. With all due respect for the admiral, whom I regard very highly as an exceedingly able naval officer, I do not consider him an authority on the merchant marine. The admiral's job is to operate the Navy's supporting fleet of merchant-type vessels, and I might add that the Merchant Marine Committee at this time is going into the operations of his organization because of the fact that they have spread their operations beyond what they were set up to do and are competing directly with the American merchant marine.

Instead of consulting Admiral Denebrink, I have checked with Mr. Charles Maguire, head of the National Shipping Authority in the Maritime Administration—the agency which has handled our previous aid shipment cargoes and who is in a position to know more about shipping conditons, availability of vessels, and shipping rates than anyone else I can think of. Mr. Maguire advises me that it is his best estimate, based on his sound knowledge of present and probable future conditions within the next 6 months when this grain will be shipped, that regardless of what flag the vessels will fly, availability of ships will dictate that about 250,000 tons, one-quarter of the wheat will have to be carried on berth liners—regularly scheduled ships—and about 750,000 tons on tramps. He also gives it as his best estimate that the berth liner rates, regardless of the flag they fly, will be about $18 per ton, averaging out the rates from the various ports at which the grain will be loaded. He gives as his best estimate of foreign-tramp rates a quotation of $14 per ton. He gives as his best estimate of American tramp rates a price of $21 per ton.

Now, using these figures as a base, and assuming that 50 percent of the wheat is carried aboard Amelcan vessels and 50 percent aboard foreign vessels, which will be the approximate situation if the Weichel amendment is approved to conform with the Senate bill, the total cost of shipment will be $17,625,000. Using these same figures, if all the wheat was carried aboard foreign vessels the total cost would be $15 million. I say that the $2,625,000 difference is a small price to pay to assure an actively operating American merchant marine in the interests of national security.

Incidentally, the bogey which Admiral Denebrink raises about a sharp rise in rates if this provision carries is strictly that. If he were as familiar with the American merchant marine as Mr. Maguire or as the members of the Merchant Marine Committee, he would know that there is a very effective way, used in past aid cargo shipments, to prevent that happening. The National Shipping Authority, if rates threaten to get out of line, can simply bring a few ships out of the layup fleet, operate them under general agency agreements, and by that device keep the rates where they should be. After that statement was made on the floor yesterday, although I knew it was an uninformed opinion, to say the least, I checked with the National Shipping Authority. I was assured—and the figures quoted to me by Mr. Maguire on anticipated rates bear this out—that past experience indicated no such likelihood. The charter market is subject to normal fluctuations, but it is not anticipated that the 1,000,000-ton wheat shipment will affect it to any substantial degree.

Mr. Chairman, to sum up, I want to come back to the point I made in the earlier part of my remarks when I dwelt on the importance of the American merchant marine as a national safeguard. Those who continually snipe at the merchant marine through such tactics as the Poage amendment just do not know what they might be doing to our national security should their tactics work. We cannot fight a war without a going merchant fleet at its outbreak any more than the Pakistanians will be able to exist without this wheat, nor any more than this country could keep its people alive without the farm crops which we now pay such a high price to support. When we measure the national security against the $2,626,000 the Weichel amendment might cost, it is a very small price, indeed, and I urge my colleagues who have the national interest and not a phoney economy at heart to support the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. JENSEN] for 1¼ minutes.

Mr. JENSEN. Mr. Chairman, I yield back my time.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield back my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. WEICHEL].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to this section?

Mr. BAILEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BAILEY: Page 2, line 6, after the word "President" and after the period insert "*Provided*, That the President acting through the Commodity Credit Corporation shall set aside 1 ton of wheat for every 100 tons allocated to Pakistan under this act to be held in reserve for distribution, on application by proper State and local officials, to areas within the continental United States that are presently in need. The distribution, payment, and delivery to be on the same terms and conditions as are deliveries to Pakistan."

Mr. BAILEY. Mr. Chairman, I sincerely hope that none of my colleagues will infer from this amendment that I am opposed to the basic idea of extending it to Pakistan. It will be recalled that I supported during the 82d Congress the proposal to grant emergency grain to India. I did it in the well of the House, and I remember making the statement there which it might be well for my colleagues to ponder today. I said: "Mr. Speaker, when I go back and face my constituents in the coming campaign"—that was the campaign of 1952—"about the best explanation I will have for supporting the emergency grant of grain to India will be the same excuse offered by my friend Sam who was brought up one time before the magistrate and charged with throwing a brick through a plate glass window. The justice asked him: 'Sam, why did you do that?' Sam said: 'Your Honor, at the time I thought it was the proper thing to do.'" Probably it is the proper thing to do to support this amount of grain for Pakistan with some extenuating circumstances, and there is one of them I want to call your attention to in support of this amendment.

I do not want to hear, and I do not want to use, the threadbare phrase: Charity begins at home; I want you to look upon this as a well-thought-out plan, a businesslike approach, if you please. What I am asking in this amendment is that when we grant Pakistan 100 tons of wheat we set aside in a reserve 1 ton that may be consumed in the future, not alone in my State of West Virginia but in any area that is presently in need of assistance. There is such a condition in the State of West Virginia today not brought about by the State of West Virginia but brought about by the Federal Government through the operation of the reciprocal trade agreements program. In our coal mines there are 42,000 miners out of employment; consequently, 11,000 or 12,000 railroad men who man the trains which haul the coal are out of employment. Over 11,000 of those men have drawn all of their unemployment compensation funds. There are areas in the State of West Virginia, the largest coal producing State in the Union, in which there are towns up to 2,000 population where the mine is closed, the company store is closed, three-quarters of the people are on relief.

I want to make it possible for the Department of Public Assistance of the State of West Virginia when the State of West Virginia funds are exhausted to be able to requisition wheat which may be exchanged for flour to feed those hungry miners. It is just that simple. It could apply to any other section of the country or to any other industry than the mining industry if the occasion arises. I can see no basic reasonable argument against the plan to set up this reserve for future emergencies.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Virginia.

Mr. SMITH of Virginia. I would not be surprised if the gentleman from West Virginia would not be willing to pay the freight on it, too.

Mr. BAILEY. If the gentleman will note the last sentence of my amendment, I said the distribution and the servicing of it shall be on the same terms as the delivery to Pakistan. If we are going to pay the freight on the Pakistan shipments, then we will pay the freight into the mining area just the same as we would pay the transportation cost to Pakistan. It is that simple. I can see no reason why there would be any justifiable argument against an arrangement of that kind. It looks like it is a good business proposition and foresight. I certainly hope that the committee will seriously consider the amendment and offer no objection to it.

Mr. HOPE. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment close in 3 minutes and that those 3 minutes be allotted to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. HOPE. Mr. Chairman, I am sure that the amendment offered by the gentleman from West Virginia was offered in good faith and in the belief that we do not have any provisions of law now which would permit the distribution of commodities held by the Commodity Credit Corporation to charitable institutions. There is a law now in existence which provides that under certain conditions all of our surplus commodities—not alone wheat but all of our surplus commodities—may be distributed to charitable organizations, such as school-lunch programs and nonprofit institutions. I believe that law will take care of the situation which the gentleman mentions to a better extent and a greater degree than his amendment would do.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from West Virginia.

Mr. BAILEY. May I remind the gentleman from Kansas that when you contact the surplus commodities department of the Agriculture Department they want to know who is going to arrange to pay the freight on it. That is the way you get your help. I do not want to make the miners of West Virginia the subject of charity by asking them to pay the freight on wheat. We are not asking the Red Cross to pay it to Pakistan.

Mr. HOPE. Has the gentleman made a request of the Department of Agriculture?

Mr. BAILEY. I have made inquiry and I have been so advised. I have been getting help for some of my school districts and some of my State institutions. But somebody has to pay the freight and the miners do not have any money to pay it. If they had they would not be in the situation they are in at the present time. They would not be on relief. I still can see no objection to the amendment.

Mr. HOPE. The gentleman understands that on the school-lunch programs the State pays the freight and I have little doubt but what the State of West Virginia would be glad to pay the freight on the commodities. There are, no doubt, commodities in the gentleman's State that could be used.

Mr. BAILEY. My State legislature has been in extra session and one of the things they did in that special session—their regular session adjourned in January—was to transfer an additional million dollars to the department of public assistance in order to help carry this proposition. Why should my State of West Virginia be asked to raid its treasury and make available for relief something for which the State is not responsible? The Federal Government through the enactment of the reciprocal trade agreement let the coal markets down by permitting the shipping in of this residual oil. That is where the blame lies for this situation. Why should we raid our treasury to make good on something that is directly chargeable to the Federal Government?

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia [Mr. BAILEY].

The question was taken; and on a division (demanded by Mr. BAILEY) there were—ayes 57, noes 69.

Mr. BAILEY. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. HOPE and Mr. BAILEY.

The Committee again divided; and the tellers reported that there were—ayes 58, noes 91.

So the amendment was rejected.

Mr. SUTTON. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. SUTTON moves to strike out all after the enacting clause.

Mr. SUTTON. Mr. Chairman, this is not any underhanded way to defeat the bill. It is a straightforward motion to strike out all after the enacting clause.

Much discussion about American ships, American bottoms, to carry the wheat to Pakistan, and so forth, has been indulged in this afternoon, but I think first of all it should be decided whether or not we are going to give this $122 million worth of wheat with the transportation to Pakistan.

Before our Committee on Agriculture it was brought out that 30 percent of this was to go to charity and 70 percent was to be sold, the money to be derived from that sale to go to the Government of Pakistan. So the talk of charity and famine is out of the question as far as I am concerned because only 30 percent of it will go for that.

To me, charity begins at home. You do not have to walk two blocks from this Nation's Capitol to find people that are starving right now.

As far as the famine in Pakistan is concerned, last year they had a famine also. We did not give them any wheat; we lent them $15 million. They got by all right on $15 million. This year under the Mutual Security Act we gave them $27,500,000, which is more than they had last year, when they did not starve. Now we come along and want to give them $122 million.

To me, it is asinine, in the words of a former President of the United States. Our national debt is $265 billion. Are we going to give the country completely away?

They say because we have a surplus of wheat we should do something with it. In the last few years we have been blessed with a bountiful crop of wheat, that is true, but we do not know how soon we may have another drought and need the wheat we have now. We do not know how soon the Secretary of Agriculture may impose agricultural allotments and quotas, and as a result we will not have the crop we have today.

As far as I am concerned, Mr. Chairman, I for one want to go on record as not giving the United States away.

Let me say also, since it has been brought up that Pakistan is such a good ally of ours and that we need them in the United Nations, that the other day before the Committee on Agriculture when Governor Stassen mentioned the fact that they were such swell allies of ours and doing so much to help us and the United Nations, I ask him how many of their troops were in Korea helping the American boys. He said not one. If they are such great allies, why are they not over in Korea helping our boys? Why are they not over in Korea helping the United Nations?

As far as I am concerned, if they need this wheat, let us do as we did with India, let us lend it to them, because they say they need only 30 percent to give away. If you want it to go to charity, give them 30 percent of this. If you want to keep the Pakistan Government up, you can do that, but I for one am not in favor of doing it.

Mr. Chairman, I hope this motion will be agreed to, that we will strike out all after the enacting clause, because I am sincere in hoping that this Congress will get back to normalcy and get back to the American way of life and quit giving the American taxpayers' money away.

Mr. HOPE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think this subject has been pretty well covered. I want to point out, however, that this is not merely an effort to give away some wheat. It is a part of our foreign policy, and if that policy means anything at all, it means strengthening our allies and building them up so that they will be strong and able to be of assistance to us, if we need them. All of the evidence which was before the committee was to the effect that Pakistan is today facing food shortages and starvation. Wheat constitutes almost two-thirds of the normal diet of the people of Pakistan. This year they are in the second year of famine, and their crop is only about two-thirds of the amount that is necessary to sustain their population. The people of Pakistan were able last year in the face of a serious drought that confronted them, to secure some wheat from other nations. We loaned then $15 million for that purpose. Furthermore, their wheat deficit was not as great at that time as it is this year. But this

year they are confronted with the situation where they do not have the foreign exchange in dollars or sterling to purchase wheat. They do not have the necessary shipping with which to transport it. They have asked us in a dignified way to make available to them certain amounts of wheat and it has been the decision of our President and the Department of State after careful investigation that we should meet that request made to us by a friendly nation, an ally. That is all that is involved here today. It is a matter of giving away a surplus which we have in this country, to a country which needs it. I do not know of any better way to use our surpluses than to give them to people who are hungry. I can think of nothing that will bring down upon us the condemnation of the world to a greater extent than to have food spoiling in this country while people are going hungry in other parts of the world.

The CHAIRMAN. The question is on the motion of the gentleman from Tennessee [Mr. SUTTON]

Mr. SUTTON. Mr. Chairman, on that I demand tellers.

Tellers were refused.

The motion was rejected.

Mr. BONNER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BONNER: On page 2, line 6, strike out the period and insert a colon and the following: "*Provided, however*, That the wheat herein given Pakistan on reaching that country shall be processed or packed in 5 or 10 pound containers clearly marked 'Gift of the U. S. A.' and distributed to the needy citizens of Pakistan through a Pakistan agency approved by the American Ambassador."

Mr. BONNER. Mr. Chairman, this amendment is clear and understandable to all. It has been my opportunity to go with certain committees visiting European countries whom we have been aiding. I was terribly disappointed and surprised to see charitable gifts sent by this Government with no marking and no understanding that this Government was giving the aid. The point here is to let the rank and file of the people know that the American Government and the American people are interested in them, interested in their plight, interested in their suffering, and desire to do something about it. Heretofore, many of our gifts of this kind have been received by countries, processed by them and sold to the people. I believe this amendment puts the spark in the bill and takes it to the very point that has been discussed so often and so much here today; giving it to hungry people, giving it to needy people, and seeing that it gets to the people without cost and without profit to some intermediary.

I cannot understand why in any way that would be embarrassing to the Pakistan Government; why in any way we, as American people, would not have the right to send that message to the Pakistan people, that we are doing this for needy people; that we recognize that we should do it.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. BONNER. I yield to the gentleman from North Carolina.

Mr. COOLEY. I am sure the gentleman realizes that all of this wheat certainly will not go to needy people. It is contemplated that only a small part of it will go to needy people. The rest of it will be sold.

Mr. BONNER. The entire debate, I will say, has been along the line that the reason for this bill is that people are starving, people are hungry, and need this. Does the gentleman mean to tell me that we are going to carry out the same policy of sending something to a nation, letting the nation sell it to processors, and letting the processors sell it to the people whom we have been talking about?

Mr. COOLEY. That is exactly what I am saying; and, if the gentleman will look on page 3 of the bill, he will see exactly what I am talking about. On line 6 we did strengthen that provision.

Mr. BONNER. Then I will say to the gentleman, have the provision apply to that part of the wheat that they are going to give away.

Mr. COOLEY. Very well; I see the thought the gentleman has in mind, but I would like to call his attention to the language in the bill which says, "to give full and continuous publicity in Pakistan to the assistance furnished by the people of the United States."

There the thought is to differentiate between the people and the Government of the United States.

Mr. BONNER. The intent is splendid, but when I receive a Christmas present I usually receive a little note with it from my friend who sent it, and I appreciate it so much more than I would to just receive a package from some person and not know from whom it was sent.

Mr. COOLEY. Some member of the committee wanted to strike out that provision because he thought we should not be bragging about this.

Mr. BONNER. We are not bragging about this one iota. I do not want to do anything to hurt this bill. I am interested in seeing some of our surplus go to the people who need it.

Mr. COOLEY. If we are not going to let the people of Pakistan know the donor's name, we might as well put a picture of Santa Claus on it and send this over to them.

Mr. BONNER. In the bill you have the language, but the person receiving it will not know that this is a gracious gift from the people who are interested in them.

Mr. COOLEY. The gentleman must realize that this would involve a substantial cost.

Mr. BONNER. If they give this wheat to the people in Pakistan, they have got to put it in some sort of container. They cannot give a person 10 pounds of grain in his hand. It has got to be put in a bag or a box or in something else.

I just think that this will appeal to the membership of this House, but if it does not, that is perfectly all right. But I think it is only fair and proper to let the peoples of the world know that we are doing this, that we are sorry for their plight. We are not bragging about it at all, but we have this gracious gift to give them and we want to see that it gets to the people who need it.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. BONNER. I yield.

Mr. HAYS of Ohio. I would like to support the gentleman's amendment. I think it is sound. I was on his committee when we found many instances where people did not know from whom these things came. I think if the gentleman would strike out the language concerning 5 and 10 pounds, and let them package it in whatever size containers they please, I should go along with the amendment.

Mr. BONNER. I will agree to any sound amendment to my proposal.

Mr. Chairman, I ask unanimous consent to modify my amendment by striking out the words "five or ten pounds" and changing it to read:

In such package or container as may be deemed advisable by the agency distributing the wheat.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

Mr. HOPE. Mr. Chairman, I have no objection to the gentleman's amendment if it is in some form so we can understand it, but I object to it in the present form.

The CHAIRMAN. Objection is heard.

Mr. HARVEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I want first of all to say that while the idea has a great deal of merit behind it, it is impractical. A great deal of this wheat will become a storage problem. I think it should be recognized that of the 1 million tons, 30 percent, or 300,000 tons, are to be placed in storage over there as a sort of backlog for future needs, and it will be necessary to store it for a period varying from several days to several months in storage facilities. The committee went into that very thoroughly. It will need to be stored in bulk over there.

The people of Pakistan use whole wheat; they do not buy it ground as we do here; they use it whole; they take it directly into their homes where it is cracked or crushed. They use whole wheat and little else, and it is distributed through village centers. The committee had every assurance that this wheat would be properly labeled and the information as to its source would be properly relayed to the people. Let me interject right here that in Pakistan a great deal of it will have to be done by word of mouth; but the donor will be properly identified, we will be given proper credit.

Much as I am in favor of the idea I feel that it is impractical and I think the committee should reject the proposal.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield.

Mr. HAYS of Ohio. The gentleman will admit that when he was on the committee with the gentleman from North Carolina [Mr. BONNER] and myself, we did find many instances where the people did not know that the United States had

anything to do with the aid they were getting. The gentleman will recall that.

Mr. HARVEY. I agree with the gentleman. That was in Europe. It is my belief—I have not visited in Pakistan, but I was in the Far East last fall—that the condition he complains of in Europe will not prevail in Pakistan.

Mr. HAYS of Ohio. If the gentleman will yield further, I feel that while we may not need to be as careful in Pakistan as we may have had to be with UNICEF in Poland or Czechoslovakia or Yugoslavia—and we did send aid there, and the Communist governments sort of misrepresented and the people thought they were getting it from their Communist overlords in some instances, but I do not think it would do any harm if there were some way to get our message across by the printed word on a container. It would not hurt our international relations at all.

Mr. HARVEY. I may say to the gentleman and repeat what I said before, that I feel that there is no doubt that the United States should be given credit for their generosity. I believe, however, that the type of amendment offered by the gentleman from North Carolina will not achieve that purpose and will not only enormously complicate the task of our agencies over there working with the Pakistan Government, but will also increase the cost unnecessarily.

Mr. WHITTEN. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, as one Member of the House who, along with many others, has been vitally interested in the farm program, I am somewhat disturbed at the course followed here. I am afraid of starting off with what might appear to be a gift of a considerable amount of wheat, the production of which has had Government price support, because I do not want this type of action to become a part of any long-range farm program; to overproduce and give away what you produce. I believe firm price supports of basic commodities is highly essential under present conditions, but I also know we cannot maintain such supports unless we restrain ourselves from overproduction. However, it is not intended here to underwrite overproduction. I have therefore concluded that we should support this measure. If we are to help the people of this country who are now in distress, I think the proposal offered by the gentleman from North Carolina should be adopted so the people we are to help will know we did help them.

I would like to point out why, in my opinion, we should go along with the bill as written with this amendment. In the first place, during World War II, and for a time afterward, most of us in this House went along with a foreign-aid program because we felt it was absolutely essential, though even then, in many respects, I thought we were not handling the problem in the best way. I supported the Turkish-Greek loan. After that many of us came to the conclusion that we had not handled this program in the right way and have opposed such programs since. Last week, once again a majority of this House provided for another year of foreign economic aid.

In that program, I have believed we should not have provided money. I have thought that we should help foreign countries in a way that we could afford, which heretofore we have not done. In this bill we do what we can afford, for this wheat is surplus to our needs. Why do we have it? The American farmers were asked to produce it for national defense. Our farmers are the only segment of our economy that we have asked to produce far beyond normal needs for the security of this country. With farmers there was no firm contract to take what they produced and no assurance that they were going to get even cost of production, but there has been a support price of 90 percent of the comparative purchasing power they had in 1909–14. Answering the call of our country the farmers have produced far beyond what we normally use. That is the reason we have these surpluses. However, even here, on all farm commodities our national investment is only a few billions of dollars as compared with $129 billion of expenditures for military preparedness.

Now, having these surpluses, this is one way that we can afford to help foreign countries.

Another mistake, as I see it, in our foreign-aid program has been this: When we went beyond the gift of things that we have in abundance, we should have helped by an extension of credit to rehabilitate such country through the Export-Import Bank where, as we extended that credit, we could have controlled the use of our money toward really rehabilitating those countries instead of granting funds many times to be spent as they wished.

Instead of extending such credit, too frequently we have been giving them the money and in many instances since World War II those countries have used our money to buy from us things which were in short supply and which did very little to rehabilitate those countries. In this instance we are doing what we can well afford to do. We have the wheat and we do not need it. Again, the reason we have it is because we have gotten our farmers to produce beyond our needs in the name of national security without any firm contract or any assurance of cost of production.

I opposed the economic aid provisions of the bill passed last week, however it was passed. We are committed to it. Now if we do pass this bill or similar measures of this kind, when the appropriation bill from the Appropriations Committee reaches the floor we should take such gifts into consideration and we should reduce the amount of money appropriated. Also, if we are going to furnish this wheat to Pakistan out of the charity of our hearts, out of a feeling of sympathy for these people, if we are going to do it for the peoples of other countries, certainly the amendment offered by the gentleman from North Carolina is sound. Heretofore it has been a common and usual practice in foreign-aid programs that the money has been used to purchase commodities which in turn have been sold by the local governments to the people for high prices in numerous instances without the people themselves knowing even where it came from and with a feeling on the part of many people who did know that the American Government, the United States of America, was making a financial profit out of it and that there was really no charity involved in it. There is one way and one way only to let the people know, and that is to mark it clearly on the package "gift."

I think the gentleman's amendment should be agreed to.

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to my friend, the gentleman from Indiana.

Mr. HARVEY. Does the gentleman have any estimate of what the probable cost would be to package this wheat in 5- or 10-pound packages?

Mr. WHITTEN. I understand an amendment will be offered to change that provision on type of packages. However, having passed last week an authorization for approximately $5 billion in foreign aid, against my vote I may say, and now that you are providing that this wheat shall be hauled in American ships at much higher costs, and in view of the huge foreign-aid program that we have heretofore indulged in, while I have the highest regard for the gentleman from Indiana, if the cost of a penny postcard in a sign on the package will give to the American people proper credit, it ill behooves anyone to raise a question at this time as to what such minor cost will be.

Mr. HARVEY. I think the gentleman will find it will cost at least $20 million to do it.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. BONNER. Mr. Chairman, I ask unanimous consent that I may modify my amendment and that the Clerk read it as modified.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. BONNER: On page 2, line 6, strike out the period and insert a colon and the following: "*Provided, however*, That the wheat herein given Pakistan, whenever distributed on reaching that country, shall be processed or packed in containers clearly marked 'Gift of the U. S. A.' and distributed to needy citizens of Pakistan through a Pakistan agency approved by the American Ambassador."

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the good old give-away merry-go-round is about to go into operation again this afternoon.

Yesterday the distinguished majority floor leader, the gentleman from Indiana [Mr. HALLECK] took the floor to make an appeal for the passage of this legislation.

When the wheat for India bill was before the House on May 23, 1951, the gentleman from Indiana also spoke on that measure—CONGRESSIONAL RECORD, volume 97, part 4, page 5761—and I should like to quote briefly from his remarks at that time, as follows:

We want to help people who need food, but we must recognise that America is not a bottomless barrel to be tapped by everybody at any time or for any sort of purpose that

might strike somebody's fancy. We must recognize, as I see it, that as we go along helping other people we ought to try to get them to help us as much as they can, whether it is fighting in Korea or getting the materials we need here at home to maintain ourselves, making it possible for us to go on trying to be a potential force in the world to help free peoples who look to us for guidance and support.

I laud the gentleman; I did 2 years ago, for that statement. I laud him for that statement today.

How has India voted in the United Nations? I should like to have a compilation of the number of votes that they have cast against the United States in the United Nations in the last 2 years. What is the United Nations doing to provide wheat for this famine stricken area, if it is a famine stricken area, and how many troops—the question raised by the gentleman from Tennessee—has Pakistan or India provided for the war in Korea?

Here is a publication from the United Nations giving the percentage of contributions by nations in the United Nations of combat troops, and your bifocals are better than mine if you find India or Pakistan having contributed a single combat soldier to Korea.

Now then, the gentleman from Minnesota [Mr. JUDD], yesterday, raised a plaintive cry about the financial condition of Pakistan. Here is a copy of Pakistan Affairs, published by the Pakistan Embassy in Washington. I assume every Member of the House got one of them. I saved mine. It is dated April 1, 1953, and is headed "Pakistan's Sixth Surplus Budget."

The article says in part:

The honorable Mr. Mohamad Ali, Pakistan's Finance Minister, presented his country's sixth surplus budget to Parliament in Karachi on March 14, 1953.

Here is another copy of Pakistan Affairs, dated April 15, 1953, and headed "Pakistan's Five Astonishing Years." In this article the New York Times comments on the excellent financial situation of Pakistan. Is anyone bragging about the fine financial situation of the United States?

Now then, I would like to call your attention to something else. I call your attention to a report a few days ago by Attorney General Brownell who said that in 1951 a gentleman by the name of Dean Acheson, or rather, his law firm—I want to correct that—his law firm in Washington collected nearly $127,000 for legal fees for representing the Pakistan Government in Washington. I wonder, Mr. JUDD, how the Acheson law firm in Washington was paid in 1951, the same year we were giving India $190 million worth of wheat. I wonder if the Acheson law firm was paid in Indian rupees, or dollars. I did not discover any rupees in circulation in Washington in 1951.

Mr. JUDD. Mr. Chairman, if the gentleman will yield, is the gentleman talking about India or Pakistan?

Mr. GROSS. I am talking about Pakistan.

Mr. JUDD. We did not give any wheat to Pakistan in 1951.

Mr. GROSS. No; but you say that Pakistan cannot pay us either for the wheat or transportation as proposed here.

Mr. JUDD. I would like to follow through on the gentleman's remarks.

Mr. GROSS. You are going to give Pakistan some wheat here and you say they have nothing to pay for it.

Mr. JUDD. Let us talk about what the gentleman said about me, and about Mr. Acheson getting some money from Pakistan. The gentleman asked, What were they paying in return for the wheat we sent them?

Mr. GROSS. You said Pakistan cannot afford to pay.

Mr. JUDD. Is the gentleman sure he is talking about Pakistan or India? I want to make sure about that.

Mr. GROSS. I stated that the Acheson law firm represented Pakistan in 1951, and for that representation drew $127,000.

Mr. JUDD. The gentleman also said that we sent them $190 million in 1951, which is not the case. In 1951 the Pakistan Government had some foreign exchange. They were selling jute and they were selling cotton. As the gentleman knows, the world price of those commodities has dropped 60 percent.

Mr. GROSS. And they are still selling it.

Mr. JUDD. No; they exhausted their foreign exchange, as I tried to point out yesterday, in importing 800,000 tons of wheat last year. They did not ask for any foreign aid or loans or anything else as long as they had reserves. They do not have any reserves now.

Mr. GROSS. In 1952 they paid the Acheson law firm nearly $68,000.

Mr. JUDD. I do not know about that, but they imported 800,000 tons of wheat last year and paid for it.

Mr. GROSS. Yes; and they allegedly had a famine in Pakistan last year. If they could find the funds to pay the Acheson law firm, they have money. Let them buy this wheat.

Mr. HAYS of Ohio. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I rise to support the amendment offered by the gentleman from North Carolina [Mr. BONNER], but before I talk about that I would like to ask my good friend from Iowa not to be too hard on the majority leader. I like the majority leader, and he is trying to do his job. He is working under difficulties. I heard someone here today say that last fall the President said he was in favor of things like TVA, that they had done great good for the country. Last week he said it is creeping socialism. The thing you have to know is, What does he think about it today? The gentleman from Indiana [Mr. HALLECK] is under that difficulty, too. He is trying to follow the gyrations down there, and he is working under difficulties. I give him credit. He is trying to do his job.

Mr. GROSS. If the gentleman had followed my statement he should know I was not being hard on the gentleman from Indiana. I lauded his statement.

Mr. HAYS of Ohio. The gentleman is sympathetic with him like I am, I think.

Mr. OLIVER P. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from Ohio.

Mr. OLIVER P. BOLTON. Is the gentleman in favor of the bill?

Mr. HAYS of Ohio. I am in favor of the bill and I am in favor of the amendment offered by the gentleman from North Carolina. I would like to elaborate on that and get a little bit serious.

I happen to be on a committee of which the gentleman from North Carolina was chairman in 1949, and, believe it or not, in 1949 we were giving aid to such nations as Poland, Czechoslovakia, and Yugoslavia in the form of assistance to the United Nations Children's Emergency Fund. This committee was able to get behind the Iron Curtain and take a look at some of those operations. In some of these countries they were giving these children milk, all right, but they were convincing them through propaganda that they would not have gotten the milk if it had not been for the Communist government in that country; that the great glory of the Communist government was that they were able to procure milk for them. They did not tell them where it came from.

I visited a schoolroom in one of those countries in which the kids got up when they got their milk and sang a little song in which they praised the Communist leader of that country for providing the milk for them. I made some remarks about that the next year and I was criticized for being against hungry children. I am not against hungry children. I am not against giving this wheat to Pakistan. I think we ought to give it to them. I do not think we ought to pat ourselves on the back too much when we do it and talk about how charitable we are.

When you get right down to it, it is either give it to them or let the weevils eat it up. Right in Kansas now, or the States just south of Kansas, they are storing wheat on the ground in the open. How long is that wheat going to be usable? I am in favor of giving it to them. Certainly no nation could justify letting wheat lie out in the weather, in the storms, the sun, and the rain, and spoil, while people were going hungry. But let us not get too self-righteous about it.

I think the gentleman's amendment makes sense, because if we are going to create good will for the United States we are not going to do it with some government that may be changed tomorrow, we are not going to do it with the leaders of the country; where you breed good will is when you get the good will of the people of the country, the average man and woman. I want to say further in answer to the argument that it is going to cost too much that this wheat is going to have to be packaged. As the gentleman said, they cannot come and get it in their two hands. I do not know if they will put it in paper bags, cotton bags, jute bags, barrels, or what, but whatever they put it in, it is going to cost a very negligible amount of money to stamp on those containers "This is given through the generosity of the people of the United States" or words of similar import. I think it will do more for international relations with a program like that than you would with a lot of programs that we have voted on.

I might say a little facetiously, it will do a lot for weevil control by getting this wheat out of the country so that the weevils will not have a place to live and eat.

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield.

Mr. HARVEY. I just would like to say I think the amendment offered by the gentleman from North Carolina, in its present form, is a great improvement over the original amendment. I think the objections which I voiced to it in its original form largely have been eliminated as it is presently constituted.

Mr. HAYS of Ohio. I appreciate the gentleman's statement. I made the suggestion that we change it so that it would be acceptable to the House.

Mr. JUDD. Mr. Chairman, I oppose this amendment for three main reasons. First, it would be totally impracticable and would make almost impossible the effective distribution of this grain. Second, it would greatly increase the cost. Third, it is not necessary as a means of making sure the people of Pakistan know where this wheat comes from. Let us look at the first reason. How is this grain to be distributed? Why, it is put right into the rationing system in Pakistan. They have a very tight rationing system, trying to stretch out such wheat as they have in order to make sure it is equitably distributed, especially to the people who are in direst need. Besides, if this amendment in its amended form were to pass, it would cost more money, not less, than in the original form because apparently the wheat would have to be put up in 1-, 2-, or 3-pound packages.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. JUDD. Not at the moment.

Mr. Chairman, the Library of Congress yesterday estimated that if this wheat were to be packaged in 100-pound bags, it would cost $7 million more dollars. If we insist it be put up in 1-pound or 2-pound or 5- or 10-pound packages, how much more would that cost? We would have to get the Library of Congress to find out how many additional millions of dollars that would amount to.

Again, consider the additional cost in manpower which it would involve. It would require the setting up of a whole bureaucracy of people to handle all this complicated system of packages. How would they do it? Would each person have to have two rationing cards—one to get one third of his wheat in the packages which come from us, and another to get the two-thirds of his wheat which comes from their own supplies?

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield for a question?

Mr. JUDD. Mr. Chairman, I must decline to yield until I finish my statement, and then I shall be glad to answer the gentleman's question, if I can. The gentleman had 5 minutes, and I think that is as much time as I am supposed to have.

Mr. Chairman, this amendment would not only greatly increase the cost, it would greatly increase the difficulty of distribution. It would be an almost impossible extra burden for a country which is already in difficulty because of an inadequacy of trained civil servants. This Pakistan Government is only 6 years old for the sixth largest population in the world. Think what it would involve to find and employ enough qualified people to take on the job of handling all these packages outside the rationing system.

The way it will be handled under the committee bill is that the wheat is landed at Karachi and sent in freight cars to larger centers, then transported in trucks or animal-drawn carts to the smaller centers where their own grain supply is being rationed out to the people. These freight cars and trucks or other vehicles, whatever they are, will be labelled—or so it was done in India. The wheat distributed out to the villages in wheelbarrows or on the back of donkeys or buffaloes, is also marked. It provides in the bill that they first have to enter into an agreement with our Government that they will give full and continuous publicity to the assistance furnished by us, and that our people can observe without restriction, the distribution of this wheat in Pakistan. Actually this amendment, while it sounds all right, and while the purpose is completely laudable, will be recognized as totally impracticable of operation, if you examine it for a moment.

Mr. JAVITS. Mr. Chairman, will the gentleman yield just so that I may point out that if the wheat were put up in 5-pound packages, it would amount to 400 million bags? That is what we are talking about.

Mr. JUDD. May I in passing mention another point of confusion. It has been stated here that the wheat all goes to needy people. Then somebody has objected it does not all go to poor people. A distinction should be made between the word "needy" and the word "poor." It all goes to needy people. There is not enough grain to go around in Pakistan, so they all need grain. But a lot of people there—it is estimated 70 percent of them can pay for it in their own currency, if this wheat is available. They are needy in the sense that there is not enough wheat for them, but not poor in the sense that they do not have Pakistan currency with which they can pay under their own rationing system.

My third reason against the amendment is that it is not necessary in order to have the source of the aid known. It has been said that the people in some of the European countries, both Western Europe and the Communist countries in Eastern Europe, did not know that aid we furnished them came from us. That is unquestionably true. I hold no brief for it and such a result was inexcusable. But Pakistan's situation is very different; it is not like some of the countries in Western Europe which have been "top dogs" so long that it is understandably difficult for them to have to admit to their people that they are compelled to get vast assistance from the United States of America. That is a matter of their pride, which "goeth before a fall" and lives on long after it.

The eastern European countries are Communist dominated. Naturally these satellite governments did not want to have their people know that their grain or other aid they received was coming from capitalistic, or even free, United States of America.

These provisions might have been justified in dealing with those countries. But Pakistan is a country that is eager to let every one of its people know by our deeds that it is an ally of the United States and that the United States is standing behind it. It gains strength thereby. It does not lose prestige or standing with its people by being associated with the United States of America. I assure you that people in Asian countries, even though without our means of communication, soon know by word of mouth what is going on, even better than our people sometimes do.

We do not have to try to buy the good will of these people. We have their good will. Let us not be so foolish as to go in with a proposition that would increase their burdens and jeopardize the great good will and friendship toward our country that we now have at the top, in the middle, and all the way down to the poorest and neediest people in Pakistan.

I hope the amendment will be defeated.

Mr. HOPE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, if I understood the gentleman's amendment when it was read, it would require that all wheat be distributed free of charge. Am I correct in my understanding?

Mr. BONNER. If the gentleman is yielding to me, no; that portion of what we are sending to the needy people be so handled in this way. And since the gentleman has yielded to me, I want to say to the gentleman from New York [Mr. JAVITS], since he raised this point, that the amendment now reads that the size of the packages can be decided upon after the wheat gets there. Certainly it is reasonable to believe that we ought to sign our name to this generous gift in some way, so that the public will know something about it.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I would like to know if actually all this wheat is not a gift insofar as the United States of America is concerned; whether the country which gets the wheat in turn gives it to the people is another story. But to put it all in containers labeled "Gift of the American people" would be factually honest, would it not?

Mr. HOPE. I am just trying to get an interpretation of the amendment so we will understand what its purpose is. The point I was going to make is if it is contended that all of this has to be given to the people and none of it can be sold that would utterly destroy the program of using the funds for which this wheat is sold to build up the agriculture of Pakistan so this calamity will not occur again. That was my purpose in asking the gentleman whether it was intended that all of this wheat should be given away, because I can think of no greater perversion of what is intended here than to say that all of this wheat must be given away.

Mr. BONNER. My intent is only to apply this amendment to that portion that will be given in charity and the balance of it that is to be given to improve the economic condition of the country they can do with as they please.

But all of the debate here has been with respect to the needy people, the hungry people, that portion of the wheat that you are going to give to the needy and the hungry people and the people in distress, which should be given to them in this way, I think. Otherwise, let us hide our charity.

Mr. HOPE. In view of what the gentleman from Mississippi [Mr. WHITTEN] has said—and I think there is a great deal in what he has said—why does the gentleman want to differentiate between that which is distributed free of charge and that for which the people pay, because, after all, they both should know where it comes from, should they not?

Mr. BONNER. I certainly do not want them to sell that portion which we intend shall go to charity, to the needy people.

Mr. HOPE. We are sending it to them to make it available to save those people from starvation.

Mr. BONNER. Somebody is going to make a profit on it.

Mr. HOPE. No; no one is going to make a profit on it.

Mr. BONNER. How does the gentleman know?

Mr. HOPE. It is going to be sold by the Pakistan Government at the same rate that they sell the wheat that they produce in Pakistan. It is going to be rationed in exactly the same way as they ration their own wheat. It will be distributed through their ration boards and their village councils. The money goes into the counterpart fund which is used to build up the agriculture of Pakistan.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. BONNER. I have great respect for the gentleman from Kansas and I assure him that there is no desire on my part to confuse the bill. I am for the bill; I am going to vote for it with or without the amendment, but I do hope that the amendment in regard to that portion of the wheat that we are going to give away will be agreed to.

Mr. HOPE. Notwithstanding what the gentleman says, and I know he has no desire to confuse the bill, his amendment does have that effect.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. ALBERT. Does the gentleman recall that we had evidence before our committee about the distribution system that would show that such a proposal as this would not be practical at all?

Mr. HOPE. All the evidence we have had I think indicates that it would not be practical.

Mr. ALBERT. That is my understanding. If a man came with a wheelbarrow of his own and backed up to the warehouse for some of this wheat would they have to stop and package it and stamp it before they could deliver it to him?

Mr. HOPE. The gentleman is exactly correct.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. BAILEY. Let me remind the gentleman from Kansas that in speaking against my amendment some minutes ago the gentleman referred to Section 416 of the Agriculture Act and said that it provided for the payment of transportation costs. Now, that does not apply to wheat; it applies to perishable. Of course, wheat will deteriorate, but it is not generally considered a perishable article. I think in all fairness, since the evident impression is created that it provided for the payment of transportation costs on such things as wheat that the gentleman from Kansas should in an extension of remarks set out section 416 in the RECORD so there will remain no doubt as to what the law actually does provide.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. COOLEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I will not trespass too long on your patience, but I do want to call the attention of the House to the fact that the bill itself contains provisions which I think are adequate with regard to publicity. I, of course, agree with the sentiment expressed by my friend from North Carolina. I assume all of us are anxious for the recipients to know the name of the donor of this great gift, to wit, the American people.

In the committee an amendment was offered to line 7, so amending it as to include the word "people," to make the provision read:

> To give full and continuous publicity in Pakistan to the assistance furnished by the people of the United States.

In the very next paragraph, line 8, section (c) there is the provision:

> To permit persons designated by the Government of the United States to observe without restriction the distribution in Pakistan of supplies made available under authority of this act.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. In just a moment.

Then going back to the beginning of section 23 I call attention to the fact that the agreement contemplated by this act will be entered into "by the President of the United States on the part of the people of the United States"; and in that agreement he will make provision for necessary publicity and necessary supervision. It seems to me it would be rather cumbersome to require the Government of Pakistan to package this wheat in packages of any size or quantity.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Oklahoma.

Mr. ALBERT. And does not the gentleman remember that we were given assurances by Governor Stassen and Secretary Dulles both that that provision would be carried out?

Mr. COOLEY. The gentleman is entirely correct.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. GAVIN. The gentleman will recall that when we had UNRRA we were given all kinds of assurances that the generosity of the American people would be credited for our efforts to help unfortunate people. Notwithstanding the fact that we poured billions of dollars into UNRRA, every country on the globe got credit for distribution of foodstuffs and other materials to the poverty-stricken of the war-torn countries of the world except the United States. Now, we should in some way—and that is the argument I brought up here when we first started the debate—insure that America should be credited as the donor of this wheat to the people of Pakistan. I asked how the wheat was to be distributed to the people, the poverty-stricken, hungry people of Pakistan, so we could be certain that they get the wheat to the people for whom it is intended. I think that the gentleman's amendment is right, because UNRRA of several years ago should be an experience to us of maladministration of our materials to war-torn countries of the world.

Mr. COOLEY. I agree that the objective of the gentleman's amendment is grand and laudable; but you told the people last November you were going to bring about a change. Are you not willing to leave this up to the President in the White House and the people who will help him administer the law?

Mr. GAVIN. I want it specifically written into the bill as to how it is going to be distributed and who is going to get it.

Mr. COOLEY. Does not the gentleman think that President Eisenhower will carry out this proposal in a proper manner?

Mr. GAVIN. Certainly I have every confidence in the President. I am for the bill and I shall vote for the bill and I want the record to show that we want this wheat to reach the hungry people of Pakistan.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Ohio.

Mr. VORYS. My estimate would be from the best information I can find that probably not 1 out of 20 of the poor people, the ones who cannot pay at all, can read at all; therefore we would be doing under this amendment a very beautiful job of fancy packaging and printing for people who could not read the label on the package. It seems to me that there must be other means of letting those people who cannot read know about our American generosity rather than through the package system which might work fine in an American community but will not work at all where most of the people cannot read at all.

Mr. GAVIN. Certainly I think the people will be intelligent enough to understand that this wheat is coming from Uncle Sam if it is properly packaged and explained to them.

Mr. HOPE. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment now close.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. BONNER].

The question was taken; and on a division (demanded by Mr. BONNER) there were—ayes 52, noes 108.

So the amendment was rejected.

Mr. FULTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FULTON:

Page 1, line 8, strike out the words "upon such terms and conditions as the President determines appropriate", and insert these same words "upon such terms and conditions as the President determines appropriate" at the end of line 10 on page 1.

Page 2, line 4, strike out the period and add the following: "on credit terms as the President may determine, including payment by transfer to the United States (under such terms and in such quantities as may be agreed to between the President and the Government of Pakistan) of materials required by the United States as a result of deficiencies, actual or potential, in its own resources, for the purpose that as far as the President shall determine practicable and possible there shall be obtained for the United States the immediate and continuing transfer of substantial quantities of such materials, particularly those found to be strategic and critical."

Mr. NICHOLSON. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. NICHOLSON. I make the point of order that this is legislation on an appropriation bill.

The CHAIRMAN. The Chair would have to inform the gentleman that this is not an appropriation bill, and in the opinion of the Chair the amendment is in order.

Mr. FULTON. Mr. Chairman, this amendment is for the purpose of conforming our foreign policy in respect to Pakistan to the existing United States policy in respect to India. Under the bill, aid is provided for 700,000 long tons for emergency famine relief. Of course that should be given to Pakistan by grant. But under the bill there is a working reserve to be set up in Pakistan of 300,000 long tons which should be sold on credit. My amendment puts that amount on credit just as the bill to India did and as the present act to India now provides. Unless we have reason for distinguishing between this aid to Pakistan and the Indian aid, we will in the future have to come in here and relieve India of $190 million worth of credit that has been given to them on the same basis. So that unless this amendment is passed it will be a cost to the United States taxpayers later on the India bill of $190 million.

If we cannot come up with a foreign aid bill that fits in with previous policy in an area, then we must make the present foreign policy as represents the other country, for example, India, conform. There is no doubt that Pakistan, for 6 years, has balanced its budget and has a surplus, which is more than this Government has been able to accomplish. There is no doubt, likewise, if Pakistan cannot pay in cash, under my amendment she can pay in materials, and preferably strategic materials, if she has any. In the India aid act you will find this same provision at the very beginning, that India is permitted to pay in materials and resources to make up our United States deficiencies, actual or potential.

To me, Pakistan should do the buying on credit for any amount that is not outright relief for famine aid but is simply to be put in their own granaries and in their own treasury as an operating fund to operate as a reserve in the future. On the 300,000 tons for reserve, my amendment states that the President in his discretion shall sell it to Pakistan under credit terms with the right to pay either in money or, as the President shall determine, in materials, and preferably in strategic materials.

In addition, if this amendment passes, I would have another amendment at the end of the bill, just as we had it for India, which is as follows:

Amendment offered by Mr. FULTON: Page 4, after line 7, insert:

"SEC. 4. (a) Any sums payable by the Government of Pakistan under the terms agreed to between the Government of the United States and the Government of Pakistan on or before January 1, 1959, as interest or principal of any debt incurred under this act, and not to exceed a total of $5 million, shall, when paid, be placed in a special deposit account in the Treasury of the United States, notwithstanding any other provisions of law, to remain available until expended. This account shall be available to the Department of State for the following uses:

"(1) Studies, instruction, technical training, and other educational activities in the United States and in its Territories or possessions (A) for students, professors, other academic persons, and technicians who are citizens of Pakistan, and (B) with the approval of appropriate agencies, institutions, or organizations in Pakistan, for students, professors, other academic persons, and technicians who are citizens of the United States to participate in similar activities in Pakistan, including in both cases travel expenses, tuition, subsistence, and other allowances and expenses incident to such activities; and

"(2) The selection, purchase, and shipment of (A) American scientific, technical, and scholarly books and books of American literature for higher educational and research institutions of Pakistan; (B) American laboratory and technical equipment for higher education and research in Pakistan; and (C) the interchange of similar materials and equipment from Pakistan for higher education and research in the United States.

"(b) Funds made available in accordance with the provisions stated above may be used to defray costs of administering the program authorized herein.

"(c) Disbursements from the special deposit account shall be made by the Division of Disbursement of the Treasury Department, upon vouchers duly certified by the Secretary of State or by authorized certifying officers of the Department of State."

Renumber remaining sections accordingly.

This amendment states that $5 million worth of the Pakistan payments to the United States shall be used for student exchange, technical assistance, and scientific and technical books of that type. Then we would have a bill that would include a grant for famine aid of 700,000 tons, which the President in his discretion may give to them as a grant. As to the 300,000 tons which are proposed for the working reserves within the country, they should be sold on long-term credits are over a period of years. Under my proposal, we are not making paupers out of these people, we are letting them stand on their own feet. In addition, you are conforming this Pakistan bill specifically to the India aid bill. I believe this is necessary in order to save the $190 million that will have to be given back to India otherwise.

Secondly, in this particular area, every country within the area should be treated alike. I cannot see the reason why, if we treat India one way, we do not treat Pakistan the same way. Many have complained of certain actions by India, but for example, all actions of Pakistan are not just to the good. May I ask this committee, has this committee checked on the number of Pakistan ships that have been trading with Communist China? To my information, Pakistan has sent 21 shiploads of material to Communist China within the past year or so.

Under those circumstances, I believe you need some portion of this wheat to be sent on credit, so that the Pakistan Government will have some responsibilities too. I believe we still need some hold on them more than simply an outright gift. Just as I said on Yugoslavia earlier, let us keep a little hold on some of these things we are doing. Let us provide the aid, but let us have it conform to the foreign policy right straight through, and that is the American foreign policy for the security of this country.

It is surprising to me to find myself voting so much among the conservatives of this Congress the past weeks of this session, but a complete give-away program is too much for me to take in the interests of the hard pressed American taxpayer. In all justice, where these foreign countries are able to pay, they should pay for assistance, rather than throwing the entire burden on our United States taxpayers. Our obligation as Congressmen in this session is to balance the budget, and start to reduce taxes as we promised, and I fully intend to make my word good, and fulfill such campaign promises in honesty and good faith.

Mr. POWELL. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by my colleague from Pennsylvania. Unless I am misinformed by him, and I have no reason to judge that on the basis of past and present experience, his amendment merely makes Pakistan and India operate under the same formula. Is that correct?

Mr. FULTON. As to the aid which is not outright relief aid in Pakistan but is for their reserve requirements, that is, the 300,000 long tons, it puts India and Pakistan on the same basis. That is correct.

Mr. POWELL. I think this amendment therefore is elementary. I am sure there is no one that can object to it. It will, as pointed out by the gentleman from Pennsylvania, come back to haunt us when the aid-to-India bill comes up again.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. POWELL. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Knowing my distinguished friend's mind as I think I do

and to some extent how we meet with one another so frequently mentally, may I say that I have always felt that we made a mistake in the case of India. Why should we make another mistake and put Pakistan in the same category? Why not bring India back to this level?

Mr. POWELL. If my distinguished minority whip can get the acceptance of the majority leader to the proposal, that when the India bill comes up we will apply to India the formula which is now written into this bill, I am sure the gentleman from Pennsylvania [Mr. FULTON] and I will agree. But we have seen too many agreements broached on this floor fail to come up at some future date.

I think we made a great mistake a few minutes ago when we did not adopt the amendment offered by the gentleman from North Carolina, that every container should be labeled "Gift of the U. S. A."

We have another amendment coming up from the gentleman from South Carolina [Mr. DORN] that this grain be distributed by the American Red Cross and the Pakistan Red Cross. I am in favor of that.

We might as well make up our minds, especially those of us who have gone around the world in the past few months, that we are losing this fight. We are losing the fight despite the fact that we are spending billions of dollars, because we are just not selling the United States of America.

If this amendment, offered by the gentleman from Pennsylvania is not carried, we will gain friends in Pakistan and we will lose friends in India. The people of India will resent the fact that we have forced on them terms that we are not giving to the people of Pakistan, and rightfully so.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. POWELL. I yield.

Mr. HOPE. It is my understanding when the request came from India, it was a request to purchase rather than a request for a grant.

Mr. POWELL. That was advisable. But do you mean we have to adapt our legislation according to requests. When we look at a country like Pakistan that has a surplus and we have a debt of $250 billion, I do not think we should blindly accept any request. They are in need of grain. That is paramount. They also have a surplus, or if not a surplus, then they are close to having a surplus, that is fact number two. Why not give dignity to Pakistan by putting them on their feet rather than making paupers and recipients of charity out of them. It would be better for their country if it were done that way. Let them purchase the grain as did India.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. POWELL. I yield.

Mr. JUDD. Pakistan has a budgetary surplus in rupees, but they cannot purchase foreign grain with that. India had currency and resources which were convertible into dollars. We did not force any terms on India. We gave her what she asked for. She asked for a loan. Our people in India said she would be able to service that loan. Pakistan said it could not handle a loan and asked for a grant. Our people out there examined the situation and said they could not service a loan for wheat without unduly jeopardizing their financial condition and their capacity to get credits for developing their food-growing capacity. So the two countries were treated differently because the two situations are quite different.

Mr. POWELL. The situations are not different. You will increase discord between these two States. The gentleman from Pennsylvania does not say in his amendment that Pakistan shall pay us back in dollars. He says they shall pay us back in whatever material that they have.

Mr. JUDD. I would like to know what materials they have.

Mr. POWELL. That does not matter. Whatever materials they do have can be used to pay us back. They must have some. How could they have a surplus in their economy and we a national debt?

Mr. JUDD. I would like to know what the materials are.

Mr. POWELL. Maybe they may have materials which we can use.

Mr. JUDD. India had a great many materials which we could use and needed. But Pakistan has nothing we need but raw jute. We do not want raw jute.

Mr. POWELL. Why not? We can trade raw jute on the world market, and get dollars with it.

Let us proceed.

Mr. Chairman, for years we have been told and every assurance has been given us, that what we wanted would be carried out, that the United States of America would receive full publicity as the giver and donor. I am tired of getting assurances on each bill which never become actualities when the bill becomes law. I think it is time we stopped looking for assurances and promises from the various administrators whether of my own party of the preceding administration, or of the Republican Party, the present administration. Let us write specifically into these bills that what we give is given in the name of the United States of America and so labeled. One Communist with a 50-cent paint brush and a dollars worth of red paint can go through the streets of a village writing on the walls "peace and bread" and undo in one night the good of the billions of dollars that we vote here in the House of Representatives.

Mr. HOPE. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Pennsylvania.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. COOLEY. I wonder if we could not come to some agreement on limiting debate on this amendment?

Mr. HOPE. What would the gentleman's suggestion be?

Mr. COOLEY. Suppose debate close in 5 minutes?

Mr. HOPE. Does the gentleman suggest that all debate close in 5 minutes?

Mr. COOLEY. That all debate close in 5 minutes on the amendment pending and all amendments thereto.

Mr. HOPE. Mr. Chairman, I have no objection to that.

Mr. COOLEY. There are no requests for time and debate can be concluded immediately after the gentleman from Kansas finishes his statement.

Mr. HOPE. Mr. Chairman, at the suggestion of the gentleman from North Carolina, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. HOPE. I think it would be a great mistake to adopt the amendment offered by the gentleman from Pennsylvania. If you look at the bill, it does not say that any of this wheat is to be a grant. It does not say what the arrangement is going to be, but it has been explained in the committee hearings that it was expected the first 700,000 tons would be a grant. As to what the remainder would be, that was left open because we do not know what the situation will be at the time this 300,000 tons may be required. It is to go, if it goes at all—and it may not go at all—as a reserve. It is expected that the 700,000 tons will take care of the immediate situation. If at the end of this year it should appear that weather conditions in Pakistan are such that there may be another short wheat crop, or if estimates of production and consumption should turn out to be inaccurate, then it would be important to furnish these 300,000 tons. If those conditions exist then, in all probability, it would have to go as a grant, just as the 700,000 tons will go. But I believe the thing to do is to trust our President so that he can deal with the situation when it arises in the way that seems best as far as the foreign policy of this country is concerned.

Mr. FULTON. Mr. Chairman, will the gentleman yield for a question?

Mr. HOPE. I yield to the gentleman from Pennsylvania.

Mr. FULTON. The former minority leader from Massachusetts had said that he favored—and he made the statement on the floor—giving India the same terms; that is, relieving India of the $190 million obligation that they now owe the United States Government for the wheat that had been given them in 1951.

May I ask the gentleman on the floor whether he likewise will sponsor the $190 million grant to India, rather than a loan if my amendment does not pass, so that for that area, too, you will have the same foreign policy? Otherwise, unless you have the 300,000 tons working reserve, which Pakistan admittedly will not use now, unless you have that paid for on credit, just as India got it, we should have on the floor a statement that we will then give India back the $190 million, because we certainly are not treating India as we are treating Pakistan.

Mr. HOPE. I am not prepared to say what the policy should be as far as India is concerned. As I recall it we gave them what they asked for at the time they made the request, and I assume they are still satisfied with the way that transaction was handled. I do not think we could make any greater mistake than to say that because we gave one country a grant that we have to treat every other country exactly like that, because we

have to deal with the circumstances as they exist at any particular time.

As far as India is concerned, she is able to borrow from the International Bank. She has vast natural resources. She has minerals. She has cotton and manufactured jute and other commodities that she can export, if necessary. The situation with India and Pakistan is entirely different, because India can get dollars. But all the evidence is that Pakistan cannot get dollars. Pakistan is a poor country, without great natural resources, without great wealth. It is a different situation and we should treat it in a different way.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Pennsylvania [Mr. FULTON].

The queston was taken; and on a division (demanded by Mr. FULTON) there were—ayes 31, noes 91.

So the amendment was rejected.

The Clerk read as follows:

SEC. 2. For the purpose of making payment to the Commodity Credit Corporation for commodities disposed of hereunder, there are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, such sums as are equal to the Corporation's investment in such commodities, including handling costs, plus the costs incurred in making deliveries hereunder. Any funds or other assets available to the Commodity Credit Corporation may be used, in advance of such appropriation or payments, for carrying out the purposes of this act.

SEC. 3. No assistance under authority of this act shall be made available until an agreement is entered into between Pakistan and the United States containing the following undertakings, and any others the President may determine to be desirable to carry out the purposes of this act, on the part of Pakistan:

(a) To distribute the supplies made available under this act, as well as similar supplies obtained locally or imported from outside sources by the Government of Pakistan, among the people of Pakistan without discrimination.

(b) To give full and continuous publicity in Pakistan to the assistance furnished by the United States.

(c) To permit persons designated by the Government of the United States to observe without restriction the distribution in Pakistan of supplies made available under authority of this act.

(d) To deposit in a special account amounts of the currency of Pakistan equivalent to the amounts of such currency accruing to the Government of Pakistan from the import and sale of commodities furnished as a grant hereunder, this account to be utilized as may be agreed upon by the United States and the Government of Pakistan for the benefit of the people of Pakistan in programs to increase food production and in other projects and programs in the mutual interest of the United States and Pakistan.

(e) To allocate to the use of the Government of the United States 5 percent of the local currency account established in subsection (d) for use, in accordance with applicable United States laws, for local currency requirements of the United States, including administrative and operating expenses in Pakistan in connection with assistance supplied by the United States.

(f) To pursue all appropriate measures to reduce its relief needs and to increase production and supply and improve distribution of foodstuffs within Pakistan so as to lessen the danger of similar emergencies in the future.

SEC. 4. All or any part of the assistance provided hereunder shall be terminated by the President whenever he, or Congress by concurrent resolution, determines that because of changed conditions continuation of assistance is unnecessary or undesirable. Termination of assistance to Pakistan under this section may include the termination of deliveries of all supplies scheduled under this act and not yet delivered.

SEC. 5. Nothing contained in this act shall affect the applicability of section 1415 of the Supplemental Appropriation Act, 1953, or other provisions of law to the local currency allocated to the use of the United States in accordance with the agreement provided for in section 3.

Mr. HOPE (interrupting the reading). Mr. Chairman, I ask unanimous consent that the bill may be considered as read and that it may be open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. JONES of Missouri. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONES of Missouri: On page 2, lines 8 and 12, and page 3, line 15, strike out the word "commodities", where it appears and substitute the word "wheat;" and further amend the bill on page 2, line 23; page 3, lines 3 and 10, and page 4, line 14, by striking the word "supplies", where it appears and substituting the word "wheat."

Mr. JONES of Missouri. Mr. Chairman, this is a bill to provide for the transfer of price support wheat to Pakistan, but it seems that when the Mutual Security Administration—they, I presume are the ones who fixed the bill up in the first place—when they got ready to draft the bill they reached into various drawers and pulled out the sections of the bill together, and they failed to refer to wheat. In section 2, line 8, we call it "commodities" and we call it "commodities" in line 12. Then when we get down to line 23 we call it "supplies;" and on page 3 we call it "supplies—supplies" down to line 15 where it again becomes "commodities."

I think if we are going to deal in wheat we ought to deal in wheat.

Mr. HOPE. It means wheat in every case, does it not?

Mr. JONES of Missouri. I do not know. Mr. Chairman, I am a little leery of the people in Mutual Security because in their appearance before our committee they would tell us some things when we asked for information but would leave other things unsaid, as came out on the floor today. I would rather be specific because wheat is all we are dealing in, or at least that is what I presume we are dealing in. If we do not say "wheat" it then leaves the bill open so they could come in at some time later and say that under section 2, page 2, we used the word "commodities" and it covers other different things.

Now, if it is wheat we are talking about let us make it wheat throughout.

Mr. SUTTON. Mr. Chairman, will the gentleman yield?

Mr. JONES of Missouri. I yield.

Mr. SUTTON. Perhaps they wanted to give a pound of butter with every package of wheat so they could buy some other commodities too.

Mr. JONES of Missouri. I think the amendment speaks for itself, Mr. Chairman.

I yield back the balance of my time and ask for the adoption of the amendment.

Mr. HOPE. Mr. Chairman, I simply want to point out that the only part of the bill which makes provision for the transfer of any commodity is section 1, and the only authority is to transfer wheat; so very obviously the language does refer to wheat wherever it appears in the bill.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. JONES of Missouri. Can the gentleman tell me any objection to my amendment?

Mr. HOPE. There is this objection to it, if no other: If we adopt the amendment we would have to take the bill to conference, and I am hoping that we can pass the bill today and get this wheat on its way.

Mr. JONES of Missouri. Have we got a bill so sacrosanct we cannot amend it?

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. GROSS. Is there any Canadian wheat in this bill? We have been importing a lot of Canadian wheat into this country. Is there any Canadian wheat in the bill? And if so ought we not to make some provision for giving the Canadians credit too?

Mr. HOPE. This is to be taken from the Commodity Credit price-support program stocks, and it is American wheat.

Mr. GROSS. What did we do with all the Canadian wheat we bought?

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. JONES].

The question was taken; and on a division (demanded by Mr. JONES of Missouri) there were—ayes 38, noes 75.

So the amendment was rejected.

The CHAIRMAN. The Clerk will report the committee amendments in the bill.

The Clerk read as follows:

Committee amendments:

Page 2, line 24, strike out the words "as well as similar supplies obtained locally or imported from outside sources by the Government of Pakistan."

Page 3, line 2, strike out the word "discrimination." and insert: "discrimination; and to provide such supplies free of cost to persons who, by virtue of circumstances beyond their control, are unable to pay for them."

Page 3, line 7, after the words "by the" insert: "people of the."

The committee amendments were agreed to.

Mr. DORN of South Carolina. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DORN of South Carolina: On page 3, after line 5, insert:

"(B) To request the American Red Cross, the Pakistan Red Cross, their agents or employees to aid, assist, and supervise the distribution to those unable to pay for the supplies made available under authority of this act; to further request the American Red

Cross and the Pakistan Red Cross to aid in determining those unable to pay, in accordance with agreements entered into between these organizations, the President, and the Government of Pakistan."

Renumber the paragraphs that follow accordingly.

Mr. DORN of South Carolina. Mr. Chairman, I have become awfully alarmed in the past few years about the tendency on the part of this country, the Government of this country, to send the taxpayers' money and commodities to the governments of other countries to sell as they see fit, often finding their way into black market operations and much going to benefit world communism. It is injuring the prestige of the United States abroad. I believe that there is a way out of this situation.

I have offered an amendment to this bill, and I hope the members of this committee will consider it carefully, which simply states that the American Red Cross and the Red Cross of Pakistan shall be requested to aid and assist in the distribution of this grain and in determining who the people are who are unable to pay for this grain.

I conferred this morning with the president of the American Red Cross, Hon. Roland Harriman, at the Statler Hotel. He told me that they are trained and equipped to do this job and they would be delighted to do it, but that they could not indulge or conspire in any way in the sale of any grain. He said they would be pleased to offer their assistance, their advice and supervision in seeing that the people who actually need this grain get it.

I think the most marvelous job done in the field of foreign relief was done by the Herbert Hoover Commission following World War I with the advice, aid, and consent of the Red Cross. The Red Cross during World War II handled the expenditure of $172 million in all sections of the world. It handled relief in Spain in 1937. It did a marvelous job in Greece in 1940, and in the Moldavia Province of Rumania, along with General Scyler of the United States military mission in 1947, it did a fine job of distributing $3½ million of relief to this drought area.

Now I want to say this, that I have visited in Pakistan; I have been to Karachi and to India. I think we are going to lose friends in this area unless we see that this grain reaches the people who actually need it. About 18 months ago I was in Calcutta, India, months after passage of that grain bill in the United States Congress. I was told there that only one person out of a thousand in India had ever heard about the American grain bill being passed in the United States. Why? As the gentleman from Minnesota [Mr. JUDD], certainly should know, the people in this area of the world are about 90 percent illiterate. They have no communication systems of any kind, and contrary to what the gentleman from Minnesota said, they do not carry grain in Pakistan on donkeys and water buffalos. The means of transportation there principally is the camel. We saw the camel markets there. I think that we certainly should let the Red Cross, with its agents and employees trained in the administration of this very type of work, do it free to the taxpayers of this country. They have the organization.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. DORN of South Carolina. I yield to the gentleman from Iowa.

Mr. GROSS. Does the gentleman from South Carolina know that there presently are between 75 and 100 flunkies of 1 description or another sent over by the United Nations, and does he not think if the Red Cross is designated—and I am for his amendment—that their feelings are going to be hurt?

Mr. DORN of South Carolina. It makes no difference if they are. I have been to so many of these countries and I have seen so many representatives of the United Nations and of the United States who know so awfully, woefully little about the administration of this type of program that it is just sad to see them, and I think it is time to get some people abroad who know somehing about the administration of this sort of a program.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. DORN of South Carolina. I yield to the gentleman from North Carolina.

Mr. COOLEY. If the services of the Red Cross are needed, is it reasonable to assume that the Red Cross would be ready to assume such responsibilities as are needed in the distribution of this food?

Mr. DORN of South Carolina. Certainly. They have the organization and facilities already in Pakistan. The president of the American Red Cross assured me this morning that they would be delighted to do so. My amendment stipulates that they be requested to lend their services.

Mr. COOLEY. Why would you want to request them to render their services or tender their services unless Pakistan feels the need of the American Red Cross?

Mr. DORN of South Carolina. The American Red Cross would work only in cooperation with the Pakistan Red Cross. The amendment further states "in cooperation with the Government of the United States and the Government of Pakistan." The Government of Pakistan would welcome the assistance of this great organization which has done so much to relieve suffering humanity all over the world.

Mr. COOLEY. The legislation before us contemplates an agreement to be written by the President.

Mr. DORN of South Carolina. My amendment only provides that the Government of the United States and the Government of Pakistan request the assistance of the Red Cross in distributing the grain in Pakistan. If this amendment is adopted I am sure these Governments, with Red Cross participation, can do a better job.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

(By unanimous consent, Mr. DORN of South Carolina was permitted to proceed for 5 additional minutes.)

Mr. DORN of South Carolina. Mr. Chairman, I think it appropriate to give you an example of just what is going on all over the world. I walked into the Imperial Hotel in Tokyo some months ago and there I met a Member of this House who had just returned from a visit to the Prime Minister of India, Mr. Nehru. Mr. Nehru said this to that Member of the House: "I do not like America. They are too dollar-minded. They seem to think things can be done in terms of dollars." He continued, "Even when I visited the United States, where did they take me? They took me to Wall Street and showed me the corporations and talked in terms of how many millions of dollars this corporation represented and how many hundreds of millions of dollars that individual represented." Mr. Nehru did not see the grassroots of America. He did not see what makes America tick.

The gentleman from North Carolina, who came up here a few minutes ago and submitted his very able amendment, was with me on that occasion. He was with me in India, where we saw bodies being hauled off the streets of Calcutta as the result of starvation after the American grain bill had been in operation for some months, simply because the poor people did not have the money to buy any of the grain.

Where did the grain go in India? It went to the millionaire merchants of Calcutta. It went to the political henchmen of those in power in government. If you want to know the truth, it did more harm than good. And I charge here this afternoon that this bill will do this country more harm than good. Look at that clause in there about publicity. That shows you how much the people who drew up this bill know about conditions over there. Eighty-five or ninety percent of the people in Pakistan cannot read or write. Only about one out of every thousand has a radio set. How are they going to know that the grain came from the United States or the people of this country?

I remember 6 years ago I stood here and asked the distinguished present Governor of Massachusetts, your great Governor Herter—and he was considered by all to be an authority on foreign relief—how much of the aid we were sending to China at that time was reaching the interior and going to the people who actually needed it. Look in the RECORD. Do you know what his answer was? Only 2 percent. Percentagewise, in reaching the needy people all of these bills that come before this House are little better.

I have as much feeling in my heart for the underprivileged as anyone. I gave food to the Germans in Germany after the war, when the United States Army, under the Morgenthau plan, had orders to throw all the garbage in the river over there and to keep the starving people from getting it. I believe in charity. I do think charity is something of the heart. It is something that should be administered from one brother to another in a spirit of love and understanding, not this high-handed method of voting the taxpayers' money of one country to the government of another, and then you write out in the bill a provision permitting them to sell it. In

other words, you encourage that they sell the grain. Sell it to whom? To those people who, in turn, want to sell it again and make money out of it. I do not think that is right. I think this great organization, the Red Cross, is capable of administering, aiding, and assisting. Under my amendment, we do not direct that they take charge of it, only aid and assist in the administration of this program. They certainly would see to it that the people who really need this grain get it.

What about the people at Flint, Mich., where they were struck by the tornado? What about the people in Massachusetts? The Red Cross moved in in a very few minutes and did a marvelous job. All I am asking here is that they aid and assist in the distribution of this grain, in determining those who are unable to pay for it. Under this bill, you say that some of them are going to get aid because they cannot pay for it, but who is going to determine that factor? The Government of Pakistan, of course. The Government of this country would not send relief to the mayor of any American city. You would turn it over to some organization that is trained and equipped to do that very job.

I think it is high time that we as representatives of the people of this great country do something about these programs which recur constantly, and, of my own personal observation, have done more harm than good in foreign countries.

Mr. HOPE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am wholly sympathetic to the idea of the gentleman from South Carolina as far as the purpose that he seeks to accomplish is concerned, but I am sure the amendment he offers would only serve to confuse the situation and make it almost impossible to administer this program. Certainly it would be an infringement upon the sovereignty of Pakistan if it were put in the bill.

Mr. COOLEY. Mr. Chairman, will the gentleman yield for a unanimous-consent request?

Mr. HOPE. I yield to the gentleman from North Carolina.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that all debate on this particular amendment conclude at the end of the gentleman's remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Minnesota.

Mr. JUDD. I hope everybody will take a good look at this amendment before he votes on it. To send in a private foreign agency, even as respected a one as the American Red Cross, to supervise any government's operations would be, in my opinion, as unjustified and properly resented an act of imperialism as almost anything one can think of, and it would be especially unwise in a country which fought for 200 years to get out from under white men's control. I know that is not the purpose of the gentleman from South Carolina, as is perfectly obvious, but his language is not just "aid and assist" but "aid, assist, and supervise." Surely the gentleman does not want either an official agency or a private agency from one country to go into another country and to supervise the carrying on of that government's own government operations.

Mr. DORN of South Carolina. It would be done upon request and upon an agreement between the Government of Pakistan and the Government of the United States.

Mr. JUDD. I would suggest that the gentleman withdraw his amendment, and after this bill is passed, try to get the Mutual Security Agency to offer in its negotiations with the Government of Pakistan that if the latter needs such assistance, the American Red Cross and other American experts in this field of furnishing food relief will be glad to assist them. But to require by statute that a friendly government's operations be supervised by a private American agency seems to me to be an unnecessary, unjustifiable and gratuitous insult. I hope very much the gentleman will not press his amendment.

Mr. DORN of South Carolina. If the gentleman will yield permit me to ask the distinguished gentleman from Minnesota what is point 4 aid?

Mr. HOPE. No; I cannot yield further at this time. The gentleman had 10 minutes to discuss his amendment.

Mr. DORN of South Carolina. This is the first 10 minutes I have ever had on this floor except the few minutes I had last week.

Mr. HOPE. I will yield to the gentleman later, if I have the time.

Mr. DORN of South Carolina. This is the first amendment I have ever introduced in the House of Representatives and this is my third term as a Member of the House. I feel the House would like to hear something about this. As the gentleman said a moment ago, this is confusing. If there is anything more confusing than this bill, I would like to see it.

Mr. HOPE. Let me show how the gentleman's amendment would confuse the administration of this program. The program is going to be administered in the villages through the rationing boards. All food is rationed in Pakistan as I understand it. I know that wheat is rationed. If we are going to put in the bill that representatives of the Red Cross are going to supervise the rationing procedures in a sovereign country like Pakistan, it will not only be confusing but it would, of course, be an infringement upon their sovereignty. It could not help but interfere seriously with the administration of the program.

Mr. Chairman, I ask that the amendment be voted down.

The CHAIRMAN. The time of the gentleman from Kansas has expired. All time has expired.

The question is on the amendment offered by the gentleman from South Carolina [Mr. DORN].

The question was taken; and on a division (demanded by Mr. DORN of South Carolina) there were—ayes 51, noes 91.

So the amendment was rejected.

Mr. SMITH of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Wisconsin: On page 3, line 5, strike out the period and insert a comma and add the following: "and provided further that no part of the wheat furnished hereunder shall be sold by the Government of Pakistan."

Mr. SMITH of Wisconsin. Mr. Chairman, I do not know who is being fooled by this bill. It is not a bill to alleviate starvation and mass suffering of the people in Pakistan. Through the backdoor we have another economic aid bill. Seventy percent of the funds provided in this bill will be used to improve economic conditions in Pakistan. Only 30 percent of it will go to the poor and suffering people in that country. Is that what you want? That is what you are getting. This is a double package, make no mistake about it.

I think it is a fraud not only on the taxpayers of this country but upon the starving people in Pakistan.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. Ninety percent of the argument in favor of this bill is that this wheat is being shipped to Pakistan for the purpose of relieving hunger. The fact remains that 7 out of every 10 bushels of it is going to be sold when it gets there.

Mr. SMITH of Wisconsin. That is right. Those seven bushels will be used strictly as a commercial transaction.

Mr. JUDD. Why should it not be?

Mr. SMITH of Wisconsin. Because you say it is a bill for the relief of starving people and it is not.

Mr. JUDD. It is a relief bill for Pakistan.

Mr. SMITH of Wisconsin. Yes, but primarily for economic relief but not for starving people. Only a very small part of it will go to the people who are starving?

Mr. JUDD. Why should not we get the maximum benefit from the grant that is being given by having those people, who can pay, pay for it, so that that money can be used to improve their canals, seed selection, fertilization and other agricultural practices? Why should they and we not get all of the benefit that we can for the long-term future for the people of Pakistan?

Mr. SMITH of Wisconsin. Because the temptation of the Government of Pakistan will be to deprive those who need it and to invest the proceeds in public improvements.

Mr. JUDD. I do not believe there will be that temptation, or that the Government of Pakistan would yield to it. The last thing it wants is to have hunger, unrest, and perhaps chaos among its own people.

Mr. SMITH of Wisconsin. I am concerned—and I think the majority of the members of this committee are concerned, as was the gentleman from Pennsylvania [Mr. GAVIN] yesterday, when he raised the question as to how we are going to be assured that this relief is going to get down to the grassroots. I am for doing something to alleviate the suffering and the famine in Pakistan.

But I am not willing to give this to the Government of Pakistan, to use 70 percent of it for improving their economic conditions. And I do not think that the American people are for it either.

I want to raise another question in connection with this bill. I would like to know why the House Foreign Affairs Committe did not get it? I have a suspicion why we did not get it; because I think that the Department knew, that our committee would be just a little bit tougher on this proposition, as we were a year ago on the India relief bill.

Mr. SUTTON. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield to the gentleman from Tennessee.

Mr. SUTTON. The MSA bill was in the amount of $4,998,000,000, which sounds a lot better than $5 billion. This amount of $122 million would run it over $5 billion. So it was better to have it at $4,998,000,000 than it would have been at $5 billion. As a result we, in the Committee on Agriculture, got your foreign-affairs bill, and we should not have.

Mr. SMITH of Wisconsin. I think the point we want to remember—and we are about to vote on this bill in a few minutes—is that it is not a measure designed to alleviate famine conditions in Pakistan. We are just going to give the Pakistan Government 70 percent of these dollars to use in any way that they want.

I am for helping the poor, starving individual down at the village level; but there is no assurance in this bill that he is going to get any kind of relief.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. Has this Congress ever had a report on the wheat appropriation that we made to India? Have we ever heard anything about how the money was spent, who received it, what money was recovered from it, or anything as to whether the poverty-stricken people of India received it? You have never heard a word about it. When this bill is passed today, you will never hear another word about this $100 million. That will be the end of it.

Mr. SMITH of Wisconsin. The thing that I fear about this bill is this, that somebody has made a promise to the Government of Pakistan that, "We are going to give you some more aid, but we are going to have to do it this way and not directly," because, if it were economic aid directly, then the House Committee on Foreign Affairs should have considered it in the MSA bill and not in this way. This is a sly back-door operation.

Mr. DORN of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield to the gentleman.

Mr. DORN of South Carolina. The gentleman has a very humanitarian and logical amendment to this bill. The gentleman asked what is going to happen to the grain. Exactly what happened to it in India. The millionaire merchants are going to get it and they will make more profit out of it, and the people who need it will not get it at all.

Mr. Chairman, I ask unanimous consent that the gentleman be allowed to proceed for 5 additional minutes.

Mr. SMITH of Wisconsin. Mr. Chairman, I ask unanimous consent to proceed for an additional 3 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SMITH of Wisconsin. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. I would like to refresh the minds of the committee that about an hour and a half ago we voted down an amendment which would require Pakistan to pay freight on the wheat from this country to their own country, and it was voted down subsequent to an argument to the effect that we were sending wheat over there to relieve hunger and suffering.

The facts are that 70 percent of this wheat is going to be sold by the Pakistan Government. Every single dollar on that 70 percent will be used there, yet we are to pay the freight on that portion of it from here to their own country.

Mr. SMITH of Wisconsin. And the chances are it will be used for some kind of project over which we will have no control.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield.

Mr. JUDD. I would like to have somebody substantiate the charges that the wheat to India was used by millionaire merchants to make profits and that the people of India did not know where it came from.

I categorically deny that statement. I have been there. The people, the rank and file, do know that that wheat came from the United States. There is no evidence—and I asked about it from their government officials and our Government representatives and from American missionaries—that it was misused or that people profited on it or that the people did not know it came from America. I would like to have something to substantiate such reckless and unsupported charges against the Government of India.

Mr. SMITH of Wisconsin. One further statement and I am through. As I said a moment ago, we heard the arguments for and against and the question is, Are we going to vote relief for the starving people in Pakistan or are we going to give additional assistance to the Government of Pakistan to use the money as it sees fit over the 30 percent? If it is a matter of outright charity—and I am for that and will vote for the bill if it is for that, also, but I am not going to be a party and I hope you will not be either to giving 70 percent of this authorization to the Government of Pakistan for projects that are not contemplated in this legislation. As the bill now stands it is a fraud upon the taxpayers of this country and I shall vote against it because it does not provide wheat for starving people in Pakistan.

Mr. SUTTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I agree with the gentleman from South Carolina: We are in a state of confusion; in fact, it is a great understatement when we say we are in a state of confusion. We have heard statements made this afternoon that in India millionaires got the money, that we are in worse shape today than we were before we let them have the money to purchase grain. Then we have another Member who challenges that statement, plus the fact that we heard our good friend from Pennsylvania [Mr. FULTON] say that the Pakistan fleet has been hauling materials to Communist Russia. No one has denied that. Then we have had contradictory statements, one saying this is charity, the other saying it is not charity; one saying it goes for the relief of the Government of Pakistan, and the other saying it goes to the hungry and starving people of Pakistan. We are in a state of utter confusion just like it was on the Committee on Agriculture when the bill came up there. I was not there when it was voted out because the TVA bill was being debated on the floor at the time. I would have voted against it and it would not have come out unanimously had I been there; so that is the reason why this bill came out of the Committee on Agriculture by a unanimous vote, because PAT SUTTON of Tennessee was on the floor of the House attending to a TVA matter—as I was greatly interested in the discussion of TVA.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. SUTTON. I yield.

Mr. GAVIN. The gentleman from Minnesota made the statement—and he may correct me if I am wrong—that it would be an insult to Pakistan if we asked the American Red Cross, an international organization, to supervise the distribution of this wheat, so that the poverty-stricken people of Pakistan would receive it. I cannot understand why you make that statement.

Mr. SUTTON. I think it is an insult to the integrity and to the pocketbook of the American people to give this $122 million away. This last week we passed a bill providing $4,900,000,000 for the Mutual Security Administration of which $27½ million in economic aid went to Pakistan. Now, instead of asking this Congress for $5 billion—they did not do that—they asked for the $4.9 billion, then come in through the back door, to our Committee on Agriculture, and request $122 million of foreign aid through, shall we say, wheat? To me that is just a backhanded method for asking $5 billion for foreign spending.

How much longer is the American taxpayer going to have to dig down in his pocket to provide for the economic welfare of countries throughout the world? How much longer are you going to continue to tax the American people for that purpose? To me it seems asinine, as much in debt as we are, as high as taxes are. No wonder we cannot get the Reed bill out. The Congress is responsible, however it will not vote against these Santa Claus programs, and close Uncle Sam's gift shop.

For 20 years you have been saying that the Democratic Party is the "Santa Claus Party," the one that is giving this country away. I for one have not been guilty of that practice. I thought last

November when you Republicans won there would be a change. You said we would have a change. But what happens? Now the leadership of the Democratic Party and the leadership of the Republican Party join together in a Santa Claus coalition party. As far as this Democrat is concerned, I am for the American people, I am for reducing taxes, balancing the budget, and to cease giving money away to foreign governments.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. SUTTON. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. It took the gentleman a long time to find that out.

Mr. SUTTON. Not me. I have consistently opposed our huge give-away program.

Mr. HOFFMAN of Michigan. That the Republican and the Democratic leaderships have joined together. That is what I mean. It took you a long time to find that out.

Mr. SUTTON. We thought after November there would be a radical change. Right here I want to call to the attention of Congress a news bulletin dated Friday, June 19, and prepared by Mr. Paul O. Peters. The bulletin reads as follows:

MR. CONGRESSMAN, NOW IS THE TIME TO CLOSE UNCLE SAM'S INTERNATIONAL GIFT SHOP

Mutual Security Agency's press release No. 332, dated June 15, 1953, summarizes the funds allotted to Western European countries and the European Payments Union during the fiscal year which ends June 30, less than 2 weeks from now, as follows:

Austria	$35,000,000
Denmark	[1] 6,000,000
France	[1] 397,500,000
Germany	23,787,000
Greece	80,000,000
Iceland	5,450,000
Italy	102,000,000
Netherlands	[1] 1,500,000
Norway	[1] 21,200,000
Turkey	54,000,000
United Kingdom	[1] 409,000,000
Yugoslavia	121,750,000
European Payments Union	227,000
Total allocated	1,257,414,000

[1] Includes funds for the promotion of productivity as follows: Denmark, $1,500,000; France, $30 million; Italy, $22 million; Netherlands, $1,500,000; Norway, $4 million; United Kingdom, $9 million.

The appropriations for Mutual Security Agency for fiscal 1953 was in the amount of $5,904,055,223.48 according to the Treasury records.

After deducting the amounts allocated to the western European nations, and the relatively small amounts for Formosa and the far eastern countries the unallocated balance of the current year's appropriation is over $4,500,000,000. It also is disclosed by the Treasury statement for June 15, 1953, that the total of unexpended balances to the credit of the Mutual Security Agency on that date was $10,504,091,437.

What Member of Congress, being possessed of his right mind and recognising the responsibilities attached to his office will go along and appropriate more billions to continue the operations of Uncle Sam's international gift shop, knowing that the money is not now needed and cannot be spent in fiscal 1954?

Let's close up our foreign charities and bring our own budget in balance.

The American people are not to be fooled into total bankruptcy by the internationalists who want to give away our money and resources.

PAUL O. PETERS.

I congratulate Mr. Peters sincerely and trust that this Congress will take heed.

Mr. HOPE. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, the amendment offered by the gentleman from Wisconsin, strikes at the very heart of the bill because if this bill is going to accomplish anything the transactions thereunder will have to be handled in the manner set out in the bill. The terms of the bill provide that we furnish "such supplies free of cost to persons who, by virtue of circumstances beyond their control are unable to pay for them." That is expected to take care of any of the people in Pakistan who do not have local currency and therefore cannot purchase these supplies. Wheat distributed under that part of the bill will be handled the same as wheat which is sold as far as distribution is concerned. By that I mean it will all be handled by local boards.

If we were to provide that all wheat we send over there shall be given free to the people of Pakistan, it seems to me it would be quite demoralizing. If the Government is going to give everyone a handout of free wheat, why should anybody work, especially when wheat constitutes two-thirds of the diet of the people of Pakistan? There would be nothing more demoralizing than to carry out that part of the program in the manner suggested by this amendment. Furthermore if we carried out the program in that way we would be doing only half of what we attempt to do under this legislation because the rupees that are paid in by those who purchase the wheat go into a special fund. This special fund is to be used in improving the agriculture of the country, including the construction of irrigation works, so that this calamity will not occur again. We are going to help them build up their agriculture through their own funds collected from the sale of this wheat. That would be impossible if we compelled the Government of Pakistan to give it all away.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Minnesota.

Mr. JUDD. Is it not true that, if the amendment offered by the gentleman from Wisconsin is adopted, we would be inviting a recurrence of the same food shortage and the same problem might again be on our doorstep in the future? For we would be depriving the Pakistan Government of some $70 million in rupees which it otherwise, under the bill as written, can obtain and use to develop its agricultural productive capacity in order to prevent recurrence by increasing its production of wheat? Why, even under the impulse of charity, should we ask these people to continue in a situation where they may remain dependent upon our further charity?

Mr. HOPE. I agree 100 percent with the statement which the gentleman has made and which so well covers the point.

Mr. WILLIAMS of Mississippi. Mr. Chairman, I move to strike out the last word.

Mr. HOPE. Mr. Chairman, will the gentleman yield for a unanimous-consent request?

Mr. WILLIAMS of Mississippi. Not if it comes out of my time.

Mr. HOPE. Mr. Chairman, I ask unanimous consent that the request I am about to make not be taken out of the gentleman's time.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. HOPE. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

Mr. BENDER. I object, Mr. Chairman.

Mr. WILLIAMS of Mississippi. Mr. Chairman, the great shows of compassion that we have witnessed on the floor this afternoon for the poor, starving people of Pakistan have not been without their effect. I thought that I was impervious to such arguments, but even I am ready to admit that there is a great deal of merit in this legislation, surely from its humanitarian aspect. I am willing to concede that there is great need in Pakistan for this wheat. I recognize also that this wheat is going to be used for the high purpose of relieving human suffering, and yet I am constrained to oppose the legislation.

Now you may say that this is being inconsistent. It is not, and I am going to tell you why. It is simply because I regard my responsibility under my oath as a Member of the Congress as being greater than my obligation to vote charity abroad. It might be heresy to mention the Constitution of the United States and the Congress in these days and times, but I am going to do it.

For 7 years I sat in this House and watched you vote billions and billions of dollars overseas for the benefit of foreign countries, and only once or twice have I heard anyone raise the question of whether or not such action comes within the limitation of powers delegated to the Congress by the Constitution.

So, this morning I got out that document and I read it over again. I reread the enumeration of powers delegated to Congress under the Constitution. You will find Congress' powers listed and specifically set out in article I, section 8. Generally, it states that the Congress shall have the power to lay and collect taxes, duties, imposts and excises, to pay the debts, and provide for the common defense and general welfare of the United States. You can read the section that enumerates the powers of the Congress, and nowhere in it will you find that Congress is given the power to take the people's tax moneys for the purpose of carrying on world philanthropies—unless it can be shown that it promotes the general welfare of the United States.

And, you know that the general welfare clause has been stretched so far out of shape that some people in the United States do not even know that there are any limitations on the powers of Congress. Have we really given serious thought as to whether or not we have the authority to ship this wheat abroad as a gift? You have said it was charity. It is charity. Certainly it is charity. Do we have the authority to use the people's money for foreign charity. I think not.

I consider us as the trustees of the people's tax money, with the authority to spend it in the manner and within the scope of our powers as enumerated in the Constitution of the United States. If the occasion ever arises where we feel we should spend their money in such a manner as is not authorized by the Constitution of the United States, then we should submit it to the people for their approval and in the way the Constitution provides. I hope that before this debate ends someone will address himhimself to the point of the bill's constitutionality.

Mr. COLE of Missouri. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield.

Mr. COLE of Missouri. No doubt the constitutionality of this proposition is the very reason the rule provided that all points of order against the bill were waived.

Mr. WILLIAMS of Mississippi. Possibly; I do not know. But where there is a doubt, I, for one, am ready to resolve that doubt in favor of the Constitution. That is the reason I intend to vote against this measure, no matter how meritorious it may be otherwise, because I do not feel that the Congress properly has the authority under the Constitution to act in such a manner with the people's money.

I feel as Abraham Lincoln did many years ago, when he stated what I think should be the creed of every man who serves in Congress. He said: "No man can conscientiously vote for what he believes to be an unconstitutional measure, no matter how expedient he might consider it." With that I must agree.

Mr. HOPE. Mr. Chairman, I ask unanimous consent that all debate on the bill and all amendments thereto close in 10 minutes.

Mr. CURTIS of Missouri. I object, Mr. Chairman.

Mr. HOPE. Mr. Chairman, I move that all debate on this bill and all amendment thereto close in 10 minutes.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. CURTIS].

Mr. CURTIS of Missouri. Mr. Chairman, I am sorry that debate has been cut off on this bill and that I have only 1½ minutes to try to persuade the House not to divest itself of its appropriation powers as it is doing in this bill. I have an amendment that I thought was going to accomplish the same purposes the gentleman from Wisconsin [Mr. SMITH] had in mind. The thing I am concerned about is that this bill bypasses the Appropriations Committee. Far from appropriating $100 million, it actually is going to hit the United States for about $200 million, because we have about $100 million in wheat we are giving away, and then we are tying the hands of the Appropriations Committee where they are going to have to appropriate another $100 million for the Commodity Credit Corporation, plus the $20 million that will be used for shipping this wheat abroad.

Turn to page 3 of the bill and you will see that what is going to happen in this matter is that there is going to be turned over to the counterpart fund, one of those funds where the Congress loses control over the expenditures, anywhere up to $100 million. The amendment I am going to offer is at page 3, line 20, to add:

Provided, That all appropriations for such programs and projects must be approved by the Congress of the United States.

I call your attention to the language in line 18 on page 3 where it says that not only can these funds be used to increase food production but "for other projects and programs." In other words, it is a complete blank check for about $100 million, and I think the Congress should maintain control over it.

The foregoing is the extent of what I was able to say on the floor of the House in the 1½ minutes allotted to me to speak.

I appreciate the fact that it was 5 o'clock in the afternoon when we reached the part of the bill where it was appropriate for me to offer the amendment I had in mind. I further appreciate that the membership of the House was tired of listening to the debate on the bill and had pretty well resigned themselves to voting for it without amendment regardless of what else was to be said on the floor of the House.

However, I cannot refrain from stating that it is a pretty sorry commentary on the interest in the principle of the separation of powers and the independence of the legislative branch of Government when the legislative branch without debate can so quickly divest itself of 1 of the 2 basic powers it possesses, the power to appropriate money, in this instance, to the tune of $200 million. I can well understand why the chairman of the committee and the leadership were so anxious to ring down the curtain on this sorry episode. The less discussion on these matters the better. The less discussion on the very vital question presented by the gentleman from Mississippi, Is this constitutional?, the better.

I want to say to the leadership, both of the House and in the White House, that this is the second time on the floor of the House the question has been raised about the constitutionality of a certain bill where the majority of the Members privately conceded that in their opinion the bill was unconstitutional, but no one from the leadership in either party dared take the floor to state why, in their opinion, the bill was constitutional.

So far, indeed, have we gone from our oaths of office. So far, indeed, have we departed from a responsible Government looking to the future, in exchange for a fearful shortsighted organization of men who feel that every problem of their day is so unusual, so baffling, so momentous that that problem must be decided upon the basis of that problem alone—it must be decided upon expediency—on emergency.

Well, I dare suggest that until we face up to the fact that, though the problems of today are hard, they must be decided upon the basis of principle we will continue to flounder. And, indeed, we will continue to be unable to lead other nations in the world. Surely, we should have learned by the past few years' experience that we cannot lead with either bullets or dollars or wheat.

What we had today was an appropriation on a legislative bill. This is just as bad and just as subject to a point of order as legislation on an appropriation bill. I regret to state that I was the only Member who thought this matter was important enough to call it to the attention of the House albeit I had only a minute and a half in which to try to do it.

The leadership knew this was irregular procedure, and I trust they knew it was bad procedure inasmuch as the rules of the House outlawed it. That is the reason a rule was obtained from the Rules Committee waiving points of order. I asked the chairman of the Appropriations Committee if he had been notified that this appropriation bill was being brought on the floor out of the Agriculture Committee and he stated, "No." I would have thought that at least the chairman of the Appropriations Committee might have been notified when his committee was being bypassed, particularly when the sum amounted to around $200 million.

I want to briefly discuss the amount of the appropriation. In this bill we made three appropriations:

First. We appropriated wheat which had cost $100 million of taxpayers' money and gave it to the Government of Pakistan.

Second. We said that the Commodity Credit Corporation which was accountable for the wheat would get $100 million from the taxpayers in lieu of the wheat. Of course, the Appropriations Committee will actually have to appropriate this money, but I ask anyone under such circumstances does the Appropriations Committee have any alternative?

Third. We appropriated $20 million, I presume from CCC funds, the amount to cover the transportation of the wheat. This too is to be replaced by appropriating the money from the taxpayer.

Now it is argued that inasmuch as the $100 million which will replace the taken wheat will be used to buy more surplus, presumably wheat, the net loss to the taxpayer is only the $120 million. However, I suggest as far as the Appropriations Committee is concerned it is the Agriculture Committee which has in effect extended the CCC program for another $100 million, not the Appropriations Committee. In other words this bill has actually had the say of where $100 million of wheat is to go and $120 million of cash.

The wheat will be converted to cash in Pakistan and the State Department will

have up to $100 million more to play with for point 4 and, indeed, for other projects and programs with no limitation at all to point 4 purposes. This is where the State Department gets free funds to play the lady bountiful with, completely at its discretion, with no control vested in the Congress. It is from bills like this that we get the contingent liabilities which so plague the Appropriations Committee.

This bill amounts almost to a fraud. It comes clothed as a charity donation to the starving people of Pakistan and yet 360,000 tons are definitely for a reserve and we learn that 70 percent of the remaining tonnage will be sold and the proceeds put in counterpart funds. And $20 million is earmarked for private enterprise which will transport the wheat.

If the purpose was as stated why was not the matter processed in accordance with proper legislative procedure? Indeed I might further state why is the Federal Government so insistent in moving into the fields which formerly belonged to private charities and our churches? The proper and constitutional method of demonstrating our good will and interest in our brother abroad is through these agencies.

I might further suggest if we would go back and follow the constitutional and proper procedure for aiding unfortunate peoples abroad we would be able to escape the telling propaganda of Russia which accuses the United States Government of suporting some of the rottenest governments in history on the backs of the people.

If we permitted our churches and our other private organizations to handle the job there could be no such accusations. Furthermore, I am satisfied we would get more real charity per dollar. Finally we would get good will and not questionable will which our Government dollars seem to buy.

We see here one further evidence of the ineffectiveness of Socialist government, of Socialist missionary work, Socialist charity instead of private missionary work and private charity. Someday I hope we will learn that government does not perform well or efficiently in the field of private enterprise. That government's proper sphere is supervision and regulation, not performance.

I am afraid until we do learn this we run the continued risk of not having friends abroad and the continued risk of national insolvency.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. SMITH].

The question was taken; and on a division (demanded by Mr. SMITH of Wisconsin) there were—ayes 65, noes 110.

So the amendment was rejected.

Mr. HOFFMAN of Michigan. Mr. Chairman, I offer a preferential motion, but I ask first whether that would come out of the 10 minutes?

The CHAIRMAN. The time would have to come out of the 10 minutes.

Mr. HOFFMAN of Michigan. Then, Mr. Chairman, I will wait until the 10 minutes have expired and will not offer the preferential motion at this time.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JENSEN: On page 1, line 6, strike out "one million" and insert "900,000" and after the word "wheat" on line 7 insert "100,000 long tons of grade A corn meal."

Mr. JENSEN. Mr. Chairman, my amendment as just read speaks for itself. As everyone knows, there is no better food, there is no more nourishing food, there is no more tasty food than cornbread or corn mush or corn pone. Certainly the people of Pakistan would like to have a choice as to whether they want to eat all wheat bread or balance their diet with cornbread or corn pone or corn mush. As all of you know, in the House restaurant where delicious Iowa tall-corn bread has been on the menu during the last session of Congress and this session the restaurant runs out of that fine food most every day, because of the great demand for this wonderful food. America has a surplus of corn. We are going to have considerable trouble in finding storage space for this year's crop.

Mr. DORN of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield.

Mr. DORN of South Carolina. I think my distinguished colleague, the gentleman from Minnesota made a wonderful speech last week on the foreign-aid bill. But if he wants to know where I got my information about the conditions in India, and about these people, may I inform him I did not get it from the cocktail diplomats or from the ECA mission which gets up with a big blackboard and goes to great lengths with a whole lot of carefully prepared figures for visiting Congressmen.

I got it from the representatives of American business who have to know the real conditions in a country in order to succeed in business. Also, many of our Government representatives admitted off the record that the India grain bill did not reach the people who needed it most.

Mr. JENSEN. Mr. Chairman, I would like to proceed. I have offered a very important amendment and I would like to use all my time to explain it.

Mr. SUTTON. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield to my friend Mr. SUTTON.

Mr. SUTTON. Mr. Chairman, I ask unanimous consent that my time be given to the gentleman from Iowa [Mr. JENSEN].

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. JENSEN. Cornbread, corn mush, and corn pone is the cheapest of all foods and it is good. Without taking more time of the House, I am sure every Member will recognize the justification of my request and will vote for my amendment which provides that 100,000 long tons of grade A cornmeal be included in this legislation and supplied to the hungry people of Pakistan and in accordance with the other provisions in the bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. JENSEN].

The amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentlewoman from Illinois [Mrs. CHURCH].

Mrs. CHURCH. Mr. Chairman, I came on the floor of the House this afternoon with the full and honest intention of voting for this bill, as I voted 2 years ago for wheat for India, to indicate my interest in helping starving people anywhere and in proof of what I hold is the good, old-fashioned tradition of showing loving kindness and mercy.

I admit that I am a bit confused and I am talking a minute and a half here to ask this question, either of Dr. JUDD or of Mr. HOPE, the chairman of the committee.

Has any estimate been made by either of the committees, or has any information been offered by the Ambassador from Pakistan which would show how much of this wheat is apt to be sold and how much is really a gift?

Mr. HOPE. I will be glad to say to the gentlewoman from Illinois that the testimony before our committee by Dr. Reed, who was sent over by the American Government to investigate the situation, was that approximately 70 percent would probably be sold and 30 percent would be given to needy people.

Mrs. CHURCH. In other words, then, I would say that 30 percent is a gift and 70 percent might become a commercial transaction.

Mr. HOPE. It will be handled by the Government of Pakistan and sold just as they sell all their wheat.

Mrs. CHURCH. I reiterate that I would be glad to vote the entire 100 percent if it were to relieve suffering. I am beginning to have some doubt about the 70 percent that we are going to treat in that way.

Mr. JUDD. Mr. Chairman, will the gentlewoman yield?

Mrs. CHURCH. I yield to the gentleman from Minnesota.

Mr. JUDD. The people who are able to pay in rupees for this grain but who cannot get it unless this bill is passed are in as great need of wheat as are those who are unable to pay.

Mrs. CHURCH. Certainly. But could not that 70 percent be used to pay back what we are paying for the wheat?

Mr. JUDD. No, unless you can get the American Government or the Commodity Credit Corporation to take Pakistan rupees; but that currency is not convertible into dollars. That is the whole nubbin of the trouble.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. JUDD].

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from North Carolina.

Mr. COOLEY. I would like to ask the gentleman to explain the counterpart fund that is contemplated by the provision in the present act. I think that would help to clear up the situation.

Mr. JUDD. The counterpart fund that is provided for in paragraph (d) on page 3 is the same provision that we have in all of our various foreign-aid acts.

Whenever we give commodity assistance to countries which are not able to get our commodities because of their lack of dollars, it has been provided that where the goods could be sold to its people by the recipient government in exchange for local currency from those who ultimately used the aid, the funds went into a so-called counterpart fund to be controlled jointly by the government of the recipient country and the Government of the United States. Neither side could use it without the agreement of the other. It was to be used in ways that were approved by both and were for the benefit of that country. That is the provision in this bill also. When some 70 percent of the wheat is sold to those with the capacity to pay for it in rupees, the receipts to be used by Pakistan and ourselves for the economic and agricultural development of the country.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. ABERNETHY].

Mr. ABERNETHY. Mr. Chairman, last week we passed a mutual security bill, and according to my recollection the Pakistan Government or country received the exact number of dollars which the State Department recommended that they should receive in the way of economic aid.

It has been disclosed that this bill will in a sense be an economic aid bill inasmuch as 70 percent of the wheat which will be transported to Pakistan will be sold by the Pakistan Government and the proceeds amounting from anywhere from $50 million to $75 million or $80 million—$80 million, I believe it is—will go into the treasury of the Pakistan Government. Inasmuch as the Pakistan Government is going to profit to the extent of millions upon millions I certainly feel that it should be required to pay the freight on the wheat from this country to Pakistan, and therefore, after all debate has been concluded, if the Chair will recognize me it will be my purpose to offer a motion to recommit the bill with instructions to report it back forthwith with an amendment which in all respects is the equivalent of the Poage amendment to require them to pay the freight on this wheat.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. HOPE] to close the debate.

Mr. HOPE. Mr. Chairman, I have no desire to use further time.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. WHITTEN. I would just like to have it made clear, if I may, that insofar as the United States is concerned all of this wheat is a gift, that the part that might not be a gift is from the Pakistan Government to the people of Pakistan, but insofar as the United States is concerned the whole amount is a gift. Is that not correct?

Mr. HOPE. Yes, that is correct.

Mr. CURTIS of Missouri. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CURTIS of Missouri: Page 3, line 20, after "Pakistan", change the period to a semicolon and add the following: "*Provided*, That all appropriations for such programs and projects must be approved by the Congress of the United States"; and on page 4, line 3, after "United States", change the period to a semicolon and add: "*Provided*, That all appropriations for such programs and projects must be approved by the Congress of the United States."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. CURTIS].

The question was taken; and on a division (demanded by Mr. CURTIS of Missouri) there were—ayes 52, noes 123.

So the amendment was rejected.

Mr. HOFFMAN of Michigan. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. HOFFMAN of Michigan moves that the Committee do now rise and report the bill to the House with the recommendation that the enacting clause be stricken.

Mr. COOLEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Michigan yield for a parliamentary inquiry?

Mr. HOFFMAN of Michigan. I yield, Mr. Chairman.

Mr. COOLEY. Mr. Chairman, I want to inquire if that motion is in order?

The CHAIRMAN. The committee amendments were adopted.

Mr. HOFFMAN of Michigan. Mr. Chairman, I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Chairman, this time is taken now only because of requests that have come to me for information. Some time ago the President sent up Reorganization Plan No. 6 designed to reorganize the Department of Defense. Hearings were held by the Committee on Government Operations. Those hearings will be printed tonight and will be ready and available tomorrow morning.

Yesterday the committee reported Resolution 264 which accepts the plan as offered by the President with the exception of two sections (c) and (d) which have but one purpose. That purpose is to give the Chairman of the Joint Chiefs of Staff authority to disapprove members of the Joint Chiefs, some 210 of them, and to direct the activities of the staffs. Other than that the resolution reported out yesterday approves of the plan, although there were other objections.

We asked the Committee on Rules for a hearing and I was advised this morning that we would not get it. That is the privilege of that committee. Tomorrow at 10 o'clock the committee will vote on a proposition to give the House an opportunity to debate plan No. 6.

The CHAIRMAN. The question is on the motion offered by the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Chairman, I ask unanimous consent to withdraw my preferential motion.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ELLSWORTH, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 5659) to provide for the transfer of price-support wheat to Pakistan, pursuant to House Resolution 293, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. ABERNETHY. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. ABERNETHY. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. ABERNETHY moves to recommit the bill to the Committee on Agriculture with instructions to report the same back to the House forthwith with the following amendment: Page 2, line 6, after the word "President", strike out the period and insert "without further cost to the United States or its agencies."

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Mississippi [Mr. ABERNETHY].

The question was taken; and on a division (demanded by Mr. ABERNETHY) there were—ayes 84, noes 175.

Mr. WILLIAMS of Mississippi. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

So the motion was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. SMITH of Wisconsin. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 310, nays 75, not voting 45, as follows:

[Roll No. 63]

YEAS—310

Abbitt	Ayres	Bolling
Addonizio	Baker	Bolton,
Albert	Barrett	Frances P.
Allen, Calif.	Bates	Bolton,
Allen, Ill.	Battle	Oliver P.
Andersen,	Beamer	Bonin
H. Carl	Belcher	Bosch
Andresen,	Bender	Bow
August H.	Bennett, Fla.	Boykin
Andrews	Bennett, Mich.	Bramblett
Angell	Bentley	Bray
Arends	Berry	Brooks, Tex.
Ashmore	Betts	Brown, Ga.
Aspinall	Boggs	Brown, Ohio
Auchincloss	Boland	Brownson

Broyhill	Hoeven	O'Brien, Mich.
Buchanan	Hess	O'Brien, N. Y.
Budge	Hiestand	O'Hara, Ill.
Burdick	Hill	O'Neill
Byrd	Hillelson	Osmers
Byrne, Pa.	Hillings	Ostertag
Byrnes, Wis.	Hinshaw	Patman
Camp	Hoeven	Patterson
Campbell	Holifield	Pelly
Canfield	Holmes	Perkins
Cannon	Holt	Pfost
Carnahan	Holtzman	Pilcher
Carrigg	Hope	Pillion
Case	Horan	Poage
Cederberg	Hosmer	Poff
Celler	Howell	Polk
Chelf	Hruska	Powell
Chenoweth	Hunter	Preston
Church	Hyde	Price
Condon	Jackson	Priest
Cooley	James	Prouty
Coon	Jarman	Rabaut
Cooper	Javits	Radwan
Corbett	Jenkins	Rains
Cotton	Jensen	Ray
Cretella	Johnson	Rayburn
Crosser	Jonas, N. C.	Reams
Crumpacker	Jones, Ala.	Reece, Tenn.
Cunningham	Judd	Rees, Kans.
Curtis, Mass.	Karsten, Mo.	Rhodes, Ariz.
Curtis, Nebr.	Kean	Rhodes, Pa.
Dague	Kearns	Richards
Davis, Tenn.	Keating	Riehlman
Davis, Wis.	Kee	Riley
Dawson, Ill.	Kelley, Pa.	Roberts
Dawson, Utah	Kelly, N. Y.	Robsion, Ky.
Deane	Keogh	Rodino
Delaney	Kersten, Wis.	Rogers, Colo.
Derounian	Kilburn	Rogers, Mass.
Devereux	Kilday	Rooney
D'Ewart	King, Calif.	Roosevelt
Dingell	King, Pa.	Sadlak
Dodd	Kirwan	Saylor
Dollinger	Klein	Schenck
Donohue	Kluczynski	Scherer
Dorn, N. Y.	Knox	Scott
Doyle	Kruger	Scudder
Durham	Laird	Seeley-Brown
Eberharter	Lane	Shelley
Edmondson	Lanham	Sheppard
Elliott	Lantaff	Sieminski
Ellsworth	Latham	Sikes
Evins	LeCompte	Small
Fallon	Lesinski	Smith, Miss.
Feighan	Lovre	Spence
Fenton	McCarthy	Springer
Fernandez	McConnell	Staggers
Fine	McCormack	Steed
Forand	McCulloch	Sullivan
Ford	McDonough	Talle
Frazier	McGregor	Teague
Friedel	McIntire	Thompson, Tex.
Fulton	McMillan	Tollefson
Gamble	Machrowicz	Trimble
Garmatz	Mack, Wash.	Tuck
Gary	Madden	Utt
Gathings	Magnuson	Van Zandt
Gavin	Mahon	Vorys
George	Mailliard	Vursell
Goodwin	Marshall	Wainwright
Gordon	Martin, Iowa	Walter
Graham	Matthews	Wampler
Granahan	Merrill	Warburton
Grant	Merrow	Watts
Gregory	Metcalf	Weichel
Gubser	Miller, Kans.	Westland
Gwinn	Miller, Md.	Whitten
Hagen, Calif.	Miller, Nebr.	Wickersham
Hagen, Minn.	Miller, N. Y.	Widnall
Halleck	Mills	Wier
Harden	Mollohan	Williams, N. Y.
Hardy	Morano	Wilson, Calif.
Harrison, Nebr.	Morgan	Wilson, Ind.
Harrison, Va.	Moss	Wolcott
Harrison, Wyo.	Moulder	Wolverton
Harvey	Multer	Yorty
Hays, Ark.	Mumma	Young
Hays, Ohio	Neal	Younger
Hébert	Norblad	Zablocki
Heller	O'Brien, Ill.	

NAYS—75

Abernethy	Cole, N. Y.	Gentry
Alexander	Colmer	Gross
Bailey	Coudert	Haley
Barden	Curtis, Mo.	Hand
Bentsen	Davis, Ga.	Harris
Bishop	Dempsey	Herlong
Bonner	Dondero	Hoffman, Mich.
Brooks, La.	Dorn, S. C.	Jonas, Ill.
Burleson	Dowdy	Jones, Mo.
Carlyle	Engle	Jones, N. C.
Clardy	Fisher	Landrum
Clevenger	Forrester	Long
Cole, Mo.	Fountain	Lyle
Mason	Selden	Thompson, Mich.
Murray	Shafer	Van Pelt
Nicholson	Sheehan	Velde
Norrell	Short	Wharton
Passman	Shuford	Wheeler
Patten	Simpson, Ill.	Williams, Miss.
Reed, Ill.	Smith, Kans.	Willis
Reed, N. Y.	Smith, Va.	Wilson, Tex.
Rivers	Smith, Wis.	Winstead
Robeson, Va.	Sutton	Withrow
Rogers, Fla.	Taber	
Rogers, Tex.	Thomas	
Scrivner	Thompson, La.	

NOT VOTING—45

Adair	Golden	O'Hara, Minn.
Becker	Green	O'Konski
Blatnik	Hale	Philbin
Buckley	Hart	Phillips
Busbey	Hoffman, Ill.	Regan
Bush	Ikard	St. George
Chaham	Kearney	Secrest
Chiperfield	Lucas	Simpson, Pa.
Chudoff	McVey	Stauffer
Dies	Mack, Ill.	Stringfellow
Dolliver	Meader	Taylor
Donovan	Miller, Calif.	Thornberry
Fino	Morrison	Vinson
Fogarty	Nelson	Wigglesworth
Frelinghuysen	Oakman	Yates

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Frelinghuysen for, with Mr. Dies against.

Mr. Thornberry for, with Mr. Hoffman of Illinois against.

Mrs. St. George for, with Mr. McVey against.

Until further notice:

Mr. Wigglesworth with Mr. Morrison.
Mr. Taylor with Mr. Chatham.
Mr. Stringfellow with Mr. Fogarty.
Mr. Simpson of Pennsylvania with Mr. Buckley.
Mr. Bush with Mr. Chudoff.
Mr. Becker with Mr. Blatnik.
Mr. Adair with Mr. Hart.
Mr. Stauffer with Mr. Green.
Mr. Kearney with Mr. Secrest.
Mr. Fino with Mr. Ikard.
Mr. Dolliver with Mr. Lucas.
Mr. Oakman with Mr. Yates.
Mr. Nelson with Mr. Vinson.
Mr. Chiperfield with Mr. Regan.
Mr. Golden with Mr. Mack of Illinois.
Mr. Hale with Mr. Miller of California.
Mr. O'Hara of Minnesota with Mr. Philbin.
Mr. Phillips with Mr. Donovan.

The result of the vote was announced as above recorded.

Mr. HOPE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table for immediate consideration the bill (S. 2112) to provide for the transfer of price-support wheat to Pakistan, which is similar to the bill just passed. If this consent is granted I shall offer an amendment to make the bills identical.

The SPEAKER. Is there objection to the present consideration of the Senate bill?

There was no objection.

The Clerk read the title of the bill.

The Clerk read as follows:

Be it enacted, etc., That, notwithstanding the provisions of any other law, the Commodity Credit Corporation is authorized and directed to make available to the President out of wheat stocks acquired through price-support operations not to exceed 1 million long tons of wheat, during the period ending June 30, 1954, for transfer to the Government of Pakistan upon such terms and conditions as the President determines appropriate, of which 700,000 tons may be made available in order to alleviate starvation and mass suffering threatened by famine conditions in Pakistan and not to exceed 300,000 tons to provide such reserve supply, as he may determine to be a necessary supplement to such emergency assistance. Commodity Credit Corporation shall deliver the wheat on board vessels in United States ports as directed by the President. At least 50 percent of the gross tonnage of wheat made available under this act and transported from the United States on ocean vessels shall be so transported on United States flag vessels to the extent practicable and to the extent such vessels are available at market rates for United States flag vessels.

SEC. 2. For the purpose of making payments to the Commodity Credit Corporation for commodities disposed of hereunder, there are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, such sums as are equal to the Corporation's investment in such commodities, including handling costs, plus the costs incurred in making deliveries hereunder. Any funds or other assets available to the Commodity Credit Corporation may be used, in advance of such appropriation or payments, for carrying out the purposes of this act.

SEC. 3. No assistance under authority of this act shall be made available until an agreement is entered into between Pakistan and the United States containing the following undertakings, and any others the President may determine to be desirable to carry out the purposes of this act, on the part of Pakistan:

(a) To distribute the supplies made available under this act among the people of Pakistan without discrimination and to provide such supplies free of cost to persons who, by virtue of circumstances beyond their control, are unable to pay for them.

(b) To give full and continuous publicity in Pakistan to the assistance furnished by the United States.

(c) To permit persons designated by the Government of the United States to observe without restriction the distribution in Pakistan of supplies made available under authority of this act.

(d) To deposit in a special account amounts of the currency of Pakistan equivalent to the amounts of such currency accruing to the Government of Pakistan from the import and sale of commodities furnished as a grant hereunder, this account to be utilized as may be agreed upon by the United States and the Government of Pakistan for the benefit of the people of Pakistan in programs to increase food production and in other projects and programs in the mutual interest of the United States and Pakistan.

(e) To allocate to the use of the Government of the United States 5 percent of the local currency account established in subsection (d) for use, in accordance with applicable United States laws, for local currency requirements of the United States including administrative and operating expenses in Pakistan in connection with assistance supplied by the United States.

(f) To pursue all appropriate measures to reduce its relief needs and to increase production and supply and improve distribution of foodstuffs within Pakistan so as to lessen the danger of similar emergencies in the future.

SEC. 4. All or any part of the assistance provided hereunder shall be terminated by the President whenever he, or Congress by concurrent resolution, determines that because of changed conditions continuation of assistance is unnecessary or undesirable. Termination of assistance to Pakistan under this section may include the termination of deliveries of all supplies scheduled under this act and not yet delivered.

SEC. 5. Nothing contained in this act shall affect the applicability of section 1415 of the Supplemental Appropriation Act, 1953, or other provisions of law to the local currency allocated to the use of the United States in

accordance with the agreement provided for in section 3.

Mr. HOPE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOPE: Page 3, line 9, after the words "furnished by the" insert "people of the."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

By unanimous consent, the proceedings whereby the bill H. R. 5659 was passed were vacated and that bill was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Ast, one of its clerks, announced that the Senate agrees to the amendments of the House to bills and a joint resolution of the Senate of the following titles:

S. 2032. An act to modernize the charter of Washington Gas Light Co., and for other purposes;

S. 1839. An act to amend section 32 of the Fire and Casualty Act, so as to provide that an agent or solicitor may secure a license to solicit accident and health insurance in the District of Columbia under that act without taking the prescribed examination, if he is licensed under the Life Insurance Act; and

S. Con. Res. 25. Concurrent resolution favoring the granting of the status of permanent residence to certain aliens.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4654) entitled "An act to provide for the exemption from the Annual and Sick Leave Act of 1951 of certain officers in the executive branch of the Government, and for other purposes."

TENNESSEE VALLEY AUTHORITY

Mr. GAVIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a newspaper story and an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GAVIN. Mr. Speaker, recently in the debate on the appropriation for the TVA, my very good and able friend, Mr. ABERNETHY, of Mississippi, whom I greatly admire, called to the attention of the House what President Eisenhower had to say before the election about the TVA.

At that time I questioned my good friend and stated that I was quite certain President Eisenhower did not talk about any steam power plants for the TVA.

Recently the Courier-Journal in Louisville ran a story on this matter and here are the headlines, "Ike Calls Plan To Expand TVA Creeping Socialism."

I am placing this news article in the RECORD so all can read just how President Eisenhower feels about this matter:

[From the Louisville Courier-Journal of June 18, 1953]

IKE CALLS PLAN TO EXPAND TVA CREEPING SOCIALISM

(By Robert L. Riggs)

WASHINGTON, June 17.—President Eisenhower said today he regards the proposal to spend more Federal money to expand the Tennessee Valley Authority as an example of creeping socialism.

The President emphasized at his news conference that he is not out to destroy TVA. But he said we have reached this curious point in socialistic theory that all the Nation should provide funds for one region so that it can take industries away from other sections of the country.

Eisenhower's views, given in response to a reporter's question, came as the House of Representatives was engaged in a 2-day struggle over the very point he discussed—whether funds shall be appropriated for steam plants to expand the electric-power potential of the TVA.

CITES "OBLIGATION" ARGUMENT

The President pointed out that someone—identified only as "they"—had argued that the Federal Government had an obligation to spend more money for power production in the region.

"They" contended, he said, that since the Federal Government had seized and was creating a monopoly in power there, it was impossible for that locality to expand unless the Federal Government gave the agency more money.

"They" argued, the President said, that the region needed more power because industries from New England and other sections wanted to move into the Tennessee Valley to get cheap power, but couldn't do so unless the supply were increased.

CALLED AN EXPERIMENT

It seems to him, Eisenhower said, that we have to have some kind of reevaluation of all these things. He recalled that he has said a thousand times that he is not out to destroy TVA.

He described it as an experiment, but said that if it is repeated in other areas of the country, he wants the local people to have a greater interest and greater voice in it.

That attitude, he said, is what he calls the middle-of-the-road trend, in opposition to the socialistic idea that the central government is the controlling factor in every one of these great economic things.

Although the President gave no clue to who "they" were who made the TVA arguments to him, the principal advocate who pleaded recently with Eisenhower for power expansion in that region was Kentucky's Republican Senator, JOHN SHERMAN COOPER.

COOPER declined today to comment on Eisenhower's press conference statement about creeping socialism, but he did outline the arguments he presented to the President at a breakfast conference in the White House May 12.

HAD CUT $30 MILLION

At the time COOPER made his breakfast visit, Eisenhower's Budget Director had cut from ex-President Truman's proposed budget for TVA $30 million for a steam plant at Fulton, Tenn., 30 miles from Memphis. The budget director had cut out funds for an additional unit at the Kingston steam plant, though leaving in money for another unit at the John Sevier steam plant.

COOPER believes it was his exposition that caused the President to put back in the budget the money for the Kingston unit. The House Appropriations Committee agreed with the President in turning down the new plant at Fulton and in providing funds for the additional units at Kingston and John Sevier.

The House this afternoon rejected a move to give the TVA $30 million extra to start work on the Fulton plant. Members also turned down a countermove to cut TVA funds of $17.8 million and thus block plans to build additional steam-generating units at the Kingston and John Sevier plants.

SAYS HE PRESENTED ARGUMENT

COOPER said it was he who presented to Eisenhower the argument that the Federal Government has an obligation to expand the power-production facilities of the TVA.

"I took this position on TVA," COOPER said. "It's established—it's there. By authority of the Congress, in 1939, the TVA became a monopoly when it bought up all the privately owned public-utilities companies of the area—those represented by Wendell Willkie.

"The effect of that purchase of the companies was to take away from the area any chance for expansion by privately owned utilities. So the people of the region have a right to look to Congress for a normal expansion, just as people in other areas look to privately owned companies to expand when they need more power.

"The President, by approving the Kingston and John Sevier units, recognized my point that Congress, having created the power monopoly in the valley, has an obligation to expand the power production.

"WHAT SHALL LIMITS BE?

"The problem facing the President and the rest of us is: what shall the limits of the area be? You could keep on expanding indefinitely. If you had eight such valley authorities in the country, and all expanded without limit, you soon would have all the Nation supplied by Federal authorities and no more privately owned utilities.

"I'm not for that. I think we might have one more valley authority out West, to serve as another experimental workshop, to serve as TVA has—as a comparison. TVA has kept rates low and given a demonstration in a difficult field.

"It's a question in my mind whether the Fulton steam plant near Memphis would represent normal expansion. I urged the President to include it. But I believe he may have been wise to omit it for the time being.

"If, in another year, normal expansion appears to call for the new plant at Fulton, we can advocate its construction."

SMOTHERED WITH LOVE

Representative NOBLE J. GREGORY, a Democrat from Mayfield, in the heart of the TVA region of Kentucky, who was largely responsible for construction of Kentucky Dam at Gilbertsville, put his reaction to the President's remarks in one sentence.

Told that Eisenhower had said he was for TVA, but against the creeping socialism that would go with expanding it, GREGORY said:

"The President is smothering TVA with his love."

Cooper's Democratic fellow Senator from Kentucky, EARLE C. CLEMENTS, said:

"It's very disturbing to me to find anyone in the Government who would want to take any action which would retard the industrial development of the TVA region, of which Kentucky is a part."

[From the Nashville Tennessean of June 20, 1953]

COME AND SEE, MR. PRESIDENT

Although Mr. David Lilienthal has won prominence in recent years as a defender of bigness in business, TVA is his first love, and he is still ready to defend it with his old-time effectiveness.

With all the vigor that marked his service as chairman of the TVA board, he has taken issue with President Eisenhower's bland

statement that he considers TVA as a shining example of what is meant by "creeping socialism."

The trouble with the President, Mr. Lilienthal observes, is that he doesn't know what he is talking about. And the best way to get the facts is to visit the region and study the workings of the great experiment which, in Mr. Lilienthal's opinion, is about as socialistic as the Panama Canal.

At last reports the Republican national administration had launched upon no campaign to ruin the effectiveness of the canal, which resulted from vigorous leadership of an earlier Republican President, and ultimately turn it over to private industry.

President Eisenhower talks a good deal about decentralization of Federal functions away from Washington in a partnership with State, county, and local communities.

But if you were looking for a better example of such a program, says Mr. Lilienthal, you would find it in the TVA.

"In that region," he adds, "the President will find about the finest example of individualism and individual enterprise to be found anywhere."

And he might have reminded that "free enterprise" in the Valley region stands firmly in support of that which the Republican leader condemns.

President Eisenhower clearly needs to be informed about the subject he discusses on so many occasions and in such a confusing and conflicting manner, and there is perhaps no better man for the role of educator than Mr. Lilienthal himself. Having begun the process of enlightenment, he will serve the South and the Nation well by a continuing course of instruction.

WHY BOTTLE UP IN THE RULES COMMITTEE A MORAL COMMITMENT, H. R. 1, AND THEN INSIST ON REPORTING AN IMMORAL PROPOSAL, THE EXCESS-PROFITS TAX?

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Speaker, I again call to the attention of the Members of the House that each promised a reduction of individual income taxes to his constituents if they would vote for him to represent them in the House of Representatives. This was last November 1952. Each of you sought the ballots of the sovereign citizens in your congressional district on your solemn promise. Not one of you would be here as a Representative in the greatest legislative body in the world had you promised your constituents not to reduce taxes and not to reduce expenditures.

To make sure that the Republican Party and all candidates whether Republican or Democrat would have an early opportunity to reduce taxes and keep their pledge, I introduced H. R. 1 on the opening day of this 83d Congress.

It was introduced with the approval of the Speaker of the House of Representatives as the No. 1 bill, H. R. 1. It was referred to the Ways and Means Committee. Without delay the committee reported the bill favorably by a vote of 21 to 4. I asked the chairman of the Rules Committee in writing for a rule to bring H. R. 1 to the floor for a vote. I received no reply. Again I asked in writing to be heard for a rule to bring H. R. 1 to the floor for action. A reply in writing came refusing my request.

These steps were taken by me as chairman of the Ways and Means Committee by direction and motion of the committee. The prompt enactment of H. R. 1 raises a high moral obligation. To repudiate and dishonor the promise to reduce the income taxes is to obtain office under false pretense. Failure to honor promises made to get votes raises the question of national security.

How far can sovereign citizens trust their liberties to the hands of those who are false to the promises made to obtain power?

The bill, H. R. 1, to reduce individual income taxes, 11 percent, now held in the Rules Committee, which by its terms would become effective on July 1, 1953, will, if not enacted into law by July 1, deprive 30 million taxpayers subject to the withholding tax of 11 percent tax reduction on that date.

We hear offered as an excuse for not passing H. R. 1 that the benefit of tax reduction will come automatically on December 31, 1953. This means that by political chicanery 50 million taxpayers will be swindled out of $1,500,000,000. Instead of our taxpayers being relieved of this crushing burden, this amount with other funds will go to enable Great Britain to further lower her taxes. This sum so lost to our taxpayers can never be regained.

Now then, what does the leadership of the House propose instead of a tax reduction in discharge of a moral obligation? It urges the enactment of a tax increase by means of an immoral, inquitous excess-profits tax, which has been indicted, condemned, as a vicious tax by every Secretary of the Treasury since June 30, 1919, until approved and urged by the present Secretary of the Treasury.

This proposed excess-profits tax is destructive to the life and expansion of our economy as a cancer eating at the vitals of a human body.

The excess-profits tax acts as a cutthroat to small business, knifes every business that tries to expand, destroys potential payrolls, promotes extravagance and waste and penalizes the well managed and efficient industry.

To pass the excess-profits tax to obtain the insignificant revenue it would produce if any would be as senseless and immoral as to license a bootlegger to operate on condition that he divide the profits with the Treasury.

Here is what past Secretaries of the Treasury have had to say about the excess-profits tax.

Secretary of the Treasury Glass in his report for the fiscal year ending June 30, 1919, after the end of World War I, made the following statement:

> The Treasury's objections to the excess-profits tax, even as a war expedient * * * have been repeatedly voiced before the committees of the Congress. Still more objectionable is the operation of the excess-profits tax in peacetimes. It encourages wasteful expenditures, puts a premium on overcapitalization, and a penalty on brains, energy, and enterprise, discourages new ventures, and confirms old ventures in their monopolies.

Secretary Houston in his report for the fiscal year ended June 30, 1920, urged the repeal of the excess-profits tax:

> The reason for the repeal of the excess-profits tax should be convincing even to those who, on grounds of theory or general political philosophy, are in favor of taxes of this nature. The tax does not attain in practice the theoretical end at which it aims. It discriminates against conservatively financed corporations and in favor of those whose capitalization is exaggerated; indeed, many overcapitalized corporations escape with unduly small contributions. It is exceedingly complex in its application and difficult to administer, despite the fact that it is limited to one class of business concerns—corporations.

Secretary Mellon in a letter sent in 1921 to Hon. Joseph W. Fordney, chairman, Committee on Ways and Means, said:

> The excess-profits tax is artificial and troublesome. Taxes of this extreme character are clogs upon productive business.

Secretary Vinson in the hearings before the Committee on Finance in the Revenue Act of 1945 said:

> Since the basic objective of the tax reduction at this time is to achieve and maintain a high level of employment and national income, our primary concern must be the removal of obstacles to the rapid reconversion and steady expansion of business enterprise. I consider the excess-profits tax to be a particularly important obstacle to business expansion, and I suggest its outright repeal effective January 1, 1946, instead of retention until January 1, 1947, as provided in the House bill.
>
> The excess-profits tax was necessary during the war, not so much as a source of revenue—although the yield has been large—but rather as a control measure to prevent war profiteering. It is the fixed policy of this administration that every war control over American business and American life shall be dropped as soon as conditions make it possible to do so. A long list of controls has already been dropped and many more are going day by day.

Here is what President Eisenhower has had to say about tax policy.

In his state of the Union message, the President said:

> We must develop a system of taxation which will impose the least possible obstacle to the dynamic growth of the country. This includes particularly real opportunity for the growth of small business. Many readjustments in existing taxes will be necessary to serve these objectives and also to remove existing inequities.

In his message to Congress on May 20, 1953, the President said:

> Though the name suggests that only excessive profits are taxed, the excess-profits tax actually penalizes thrift and efficiency and hampers business expansion. Its impact is especially hard on successful small businesses which must depend on retained earnings for growth. These disadvantages of the tax are now widely recognized. I would not advocate its extension for more than a matter of months. However, under existing circumstances the extension of the present law is preferable to the increased deficit caused by its immediate expiration or to any short-term substitute tax.

Here is what leading impartial business analysts and economists say about

the revenue-producing capacity of the excess-profits tax.

Lionel D. Edie:

This is how the high EPT rate diminishes revenue from other sources.

From personal tax on dividends.

From inducing business to shift into 1953, expenses which would normally occur in 1954.

From hardship to small business.

From the flat rate on corporations because of lack of incentive to economy, higher prices paid for materials, and the high cost of borrowing.

How much does all this amount to? A precise estimate cannot be made until one sees what the testimony brings out. As a preliminary opinion, this study believes at a minimum the case will show that the net difference to the budget picture is not more than half the $800 million figure, the official estimate now being used of gain in revenue by 6-month's extension. At a maximum, the case might show that the net difference to the budget is nominal. Either way, the hearings will tend to challenge the view that EPT extension is essential to a balanced budget. One says this objectively and without trying to preach or criticise.

Dr. William H. Peterson:

The administration claims that the expiration of EPT would mean a severe revenue loss of $800 million in fiscal 1954. This claim, I submit, is open to question.

While EPT, as a source of revenue, would be nonexistent if the present law is allowed to expire, it does not follow that the Government would be out $800 million. As we have witnessed in the case of the recent whisky excise increase to $10.50 a gallon with its resulting falling off of that excise revenue, it is my contention that EPT has long since operated under the law of diminishing returns, that the EPT law has destroyed far more potential revenue than it has brought it.

Impressive evidence has already accumulated before this committee attesting to the heavy depressant effect of EPT upon investment and industrial expansion, which in turn reduces Government receipts from regular corporate returns.

Here are some of the grounds on which witnesses before the Committee on Ways and Means urged that the excess-profits tax should be allowed to expire on June 30, 1953, as scheduled:

First. The excess-profits tax is a tax of 30 percent on earnings in excess of a taxpayer's base-period earnings—in the case of most taxpayers. The base period is the years 1946–49. The base period 1946–49 has become entirely obsolete.

Second. The excess-profits tax is premised on the theory that a business can have a normal income during a certain base period and that if a business make more money now then it did in that period it is fair to impose a special tax, presumably because the increase in profits resulted from the Korean war. This theory does not make sense. In fact, a business never has a normal income. Furthermore, the overwhelming majority of businessmen are not war profiteers, and it is grossly unfair to tax them as if they were. If there are any war profits they can be taken care of by renegotiation.

Third. By the device of basing the tax upon earnings during an arbitrary and obsolete base period, the law prevents needed business expansion. The law says to the businessman: You will be penalized if, by making more goods available to more people at lower prices and by creating more job opportunities, you increase your profits. The tax is thus diametrically opposed to the traditional American goals of increased production, increased employment, and a higher standard of living for all.

Fourth. Whatever justification for the tax there might have been in a period of total mobilization, there is no justification whatsoever in a period of partial mobilization which will admittedly last for the foreseeable future. Vital to the security of the Nation, is continued expansion of productive facilities. The best guaranty of peace is America's superiority of productive capacity over her enemies. The excess-profits tax is an important factor militating against increased productivity. America's enemies would be sorry to see it go.

Fifth. The excess-profits tax encourages waste and extravagance. With the combined income and excess-profits tax rates as high as 82 percent, the dollars spent for purposes chargeable against income are 18-cent dollars. Under these circumstances, holding down costs becomes relatively unimportant. Corporations are encouraged to spend a full dollar on unproductive publicity stunts rather than save 18 cents for future business expansion or for dividends. A large corporation subject to the tax recently chartered an ocean liner and gave 130 guests an 8-day cruise to the Caribbean to show them newly acquired mining properties.

Sixth. Because it makes it extremely difficult for businesses to accumulate reserve funds, the tax weakens their resistance to economic recession.

Seventh. At the same time as it weakens the ability of a business to resist economic recession the tax makes such recession more likely, since it is a serious deterrent to business expansion.

Eighth. The excess-profits tax shackles growing corporations. It tends to favor old and well-established businesses with large earnings experience in the period 1946–49. Growing businesses are penalized despite palliatives in the law.

Ninth. The excess-profits tax tends to discriminate against the efficient business which is growing, and in favor of the inefficient business which is merely holding its own, or actually losing its market. It thus penalizes efficiency and runs absolutely counter to one of the basic principles of the free-enterprise system.

Tenth. The excess-profits tax tends to discriminate against the small business in favor of the large business. A large corporation can obtain additional funds in the securities market. This may have the effect of increasing its invested capital credit and thus of reducing its excess-profits tax. A small corporation finds it difficult to increase its capital by selling securities and thus to reduce its excess-profits tax since investors generally are reluctant to invest in the stocks of small companies which are not nationally known.

Eleventh. The excess-profits tax slows down the introduction of new and better labor-saving machinery, and blocks the rise of wages.

Twelfth. The excess-profits tax fosters monopoly. Today, it is almost impossible for a small business to reach a size where it can effectively challenge a large and monopolistic competitor.

Thirteenth. The excess-profits tax is grossly unfair to many companies which, due to special circumstances, had earnings in the period 1946–49 below those of many of their competitors. The conditions causing this lack of comparability between the profits of various firms in the base period are too varied to handle satisfactorily, either by statute or administratively.

Fourteenth. The excess-profits tax statute is the most complicated tax law ever enacted in this country or anywhere else. In many cases it is so difficult to understand that compliance is almost impossible. It is extremely difficult and expensive to administer. It is noteworthy that 54,000 appeals were made from the Government's interpretations of the provisions of the World War II excess-profits tax. Under the present law a relatively greater number of protests is arising.

Fifteenth. The excess-profits tax constitutes a major deterrent to the expansion of private investment which is necessary if the present level of business activity is to be maintained and increased. Not only are corporations unwilling to make the investments they otherwise would if taxes are to take 82 percent of their return, but individuals are deterred from investing in corporations which are subject to an 82-percent tax, especially when they have to pay additional taxes on any dividends.

Sixteenth. The argument that the pernicious effect of the tax will continue even though it is allowed to expire on June 30 because the tax will continue to be applicable at half the full rate to all this year's business income is not entirely accurate. In the first place, even for those corporations whose income remains subject to the tax throughout the calendar year 1953, the evil effects of the tax will be substantially reduced because the rate will, in effect, be reduced. In the second place, corporations with fiscal years starting on or after July 1, 1953, would be freed from the tax liability if it expire as scheduled. In the third place, the fact that the evils of the tax linger on to some extent after its termination makes it even more important to allow the tax to die as soon as possible. If it is extended to December 31, 1953, it will be plaguing American enterprise into fiscal 1955.

Seventeenth. In estimating receipts for the next fiscal year, the President's message states that, in the interest of prudence, some relaxation of the extremely high rate of activity now existing must be allowed for. If there is a danger of such relaxation, the expiration of the excess-profits tax on June 30, 1953, is absolutely mandatory in order to avoid a recession. This factor becomes of increasing importance as plant and equipment expansion begins to taper off after having caught up with the backlog in demand for facilities created by World War II and the Korean war.

Eighteenth. It was also pointed out that an extension of the excess-profits tax would be particularly dangerous at

this time for the following reason. The tax has stimulated loan demand in at least three ways: first, loans made to raise the exemption base; second, loans forced on business to meet a working capital shortage caused by high tax accruals for EPT; third, loans resulting from the incentive to make expenditures that would not normally be deemed prudent. No one knows exactly how much loan demand has been stimulated by the excess-profits tax. In any case the figure is believed to be not less than $2 billion and more likely in the neighborhood of $4 to $5 billion. This makes the tax a big factor in tight money. It happens that this next 6 months' period represents not only the culmination of the great cycle of private credit expansion since Korea started, but also the autumn seasonal peak in loans. Also, it happens that this particular 6 months represents a peak in Treasury demand for money. There are big refunding or rollover operations. There is probably over $7.5 billion of new money to be raised in the form of tax anticipation notes or equivalent—largely a result of the Mills plan. There is about $3 billion of new money required that is real deficit financing. All this occurs in the 6 months of the proposed excess-profits tax extension. If the tax is extended the two great peaks—that of private loan demand and that of Government loan demand—will coincide.

INQUIRING INTO EFFECT ON THE WEATHER OF CERTAIN ATOMIC-BOMB EXPLOSIONS

Mr. SHORT. Mr. Speaker, by direction of the Committee on Armed Services I call up a privileged resolution (H. Res. 279, H. Rept. No. 646) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That the Secretary of the Army is hereby directed to furnish to the House of Representatives at the earliest practicable date full and complete information with respect to whether there is any connection between the tornadoes which have recently occurred in the United States and the recent explosions of atomic bombs in the United States.

Mr. SHORT. Mr. Speaker, inasmuch as the information is contained in the report, I move to lay the resolution on the table.

The motion was agreed to.

Mr. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that the report be printed at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

(The report referred to follows:)

INQUIRING INTO THE EFFECT ON THE WEATHER OF CERTAIN ATOMIC-BOMB EXPLOSIONS

Mr. SHORT, from the Committee on Armed Services, submitted the following adverse report:

The Committee on Armed Services, to whom was referred the resolution (H. Res. 279) directing the Secretary of the Army to furnish to the House of Representatives full and complete information about the effect on the weather of certain atomic-bomb explosions, having considered the same, report unfavorably thereon without amendment and recommend that the resolution do not pass.

DEPARTMENT OF THE ARMY,
OFFICE OF THE CHIEF OF LEGISLATIVE LIAISON,
Washington, D. C., June 17, 1953.

Memorandum for: The General Counsel, Office of the Secretary of Defense.

Information to: Rear Adm. Ira H. Nunn, Judge Advocate General, Department of the Navy; Maj. Gen. Robert E. L. Eaton, Director of Legislation and Liaison, Department of the Air Force.

Subject: House Resolution 279, 83d Congress, a resolution directing the Secretary of the Army to report on the connection between tornadoes and explosions of atomic bombs in the United States.

1. Pursuant to informal discussion and request, Mr. Saymon, OSD, Major Loveless, and Major Virant, OCLL, the Department of the Army submits the following comments on the subject resolution as the basis for a proposed report thereon.

2. The Department of the Army has made no effort, to date, to determine any effects of atomic explosions on continental weather. The Department of the Army is interested in the determination of the most suitable weather conditions for firing atomic weapons and of methods of detection of atmospheric storms, including tornadoes.

3. An exacting determination of any relationship between atomic explosions and weather extremes, such as recent tornadoes in the United States, would be an expensive and lengthy investigation. It is not possible to obtain a "control" condition of the weather for reference purposes, since the exact condition of the atmosphere rarely repeats itself, if ever. Therefore, any experiments to determine the specific changes in the atmosphere due to explosions or other unnatural phenomena can only be obtained through lengthy and difficult statistical procedures which yield information in terms of probabilities rather than proven facts. The Department of the Army has made no effort to conduct such a program.

4. A review of extreme weather conditions such as of low temperatures, storms, precipitation, cyclones, or tornadoes shows that such conditions occur frequently but without any regular recurrence or specific association with man-made activities involving the release of large amounts of energy. These weather extremes occur in many different areas of the world. Their explanation has usually been made in the light of existing weather conditions after the fact rather than an examination of prevailing phenomena before the fact. There are no established scientific facts from which to conclude that the unusual prevalence of tornadoes resulted from recent atomic energy explosions.

WILLIAM J. FLYNN,
Colonel, JAGC, Chief, Legislative Division.
(For the Chief of Legislative Liaison).

INQUIRING INTO EFFECT ON THE WEATHER OF CERTAIN ATOMIC-BOMB EXPLOSIONS

Mr. SHORT. Mr. Speaker, by direction of the Committee on the Armed Services, I call up a privileged resolution (H. Res. 281, H. Rept. No. 647) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That the Secretary of the Navy is hereby directed to furnish to the House of Representatives at the earliest practicable date full and complete information with respect to whether there is any connection between the tornadoes which have recently occurred in the United States and the recent explosions of atomic bombs in the United States.

Mr. SHORT. Mr. Speaker, inasmuch as the information is contained in the report, I move to lay the resolution on the table.

The motion was agreed to.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that the report be printed at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

Mr. SHAFER. Mr. Speaker, reserving the right to object, how much is it going to cost the people to print this report in the RECORD?

Mr. SHORT. It is very short.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

(The report referred to follows:)

INQUIRING INTO THE EFFECT ON THE WEATHER OF CERTAIN ATOMIC-BOMB EXPLOSIONS

Mr. SHORT, from the Committee on Armed Services, submitted the following adverse report:

The Committee on Armed Services, to whom was referred the resolution (H. Res. 281) directing the Secretary of the Navy to furnish the House of Representatives full and complete information about the effect on the weather of certain atomic bomb explosions, having considered the same, report unfavorably thereon without amendment and recommend that the resolution do not pass.

DEPARTMENT OF THE NAVY,
OFFICE OF THE JUDGE ADVOCATE GENERAL,
Washington 25, D. C., June 17, 1953.

Memorandum for: The General Counsel, Office of the Secretary of Defense.
(Attention: Director, Legislative Services.)

Subject: House Resolution 281, directing the Secretary of the Navy to furnish to the House of Representatives full and complete information about the effect on the weather of certain atomic bomb explosions.

1. Reference is made to your oral request for comment on which to base a report on House Resolution 281.

2. A study of the generally known effects of atomic explosions and of the mechanics of tornado formation has not led to the postulation of any mechanism capable of explaining a cause and effect relationship. It should be noted that the tornadoes in question have occurred over a widespread area in the eastern one-half of the United States and that the atomic bombs were exploded within a single small area. Thus the problem is not one of local effect. Further, it should be noted that the natural variability of weather parameters is known to be great and often produces pronounced anomalies.

3. This Department has not been previously consulted with respect to any possible connection between tornado occurrences and atomic explosions.

4. The Department of the Navy is of the opinion that there is no cause-and-effect relationship between the recent tornadoes which have occurred in the United States and the recent explosion of atomic bombs in the United States.

By direction of the Judge Advocate General.

J. R. CARNES,
Commander, United States Navy,
Director, Legislative Division.

INQUIRING INTO EFFECT ON THE WEATHER OF CERTAIN ATOMIC-BOMB EXPLOSIONS

Mr. SHORT. Mr. Speaker, by direction of the Committee on the Armed

Services, I call up a privileged resolution (H. Res. 282, H. Rept. No. 648) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That the Secretary of the Air Force is hereby directed to furnish to the House of Representatives at the earliest practicable date full and complete information with respect to whether there is any connection between the tornadoes which have recently occurred in the United States and the recent explosions of atomic bombs in the United States.

Mr. SHORT. Mr. Speaker, inasmuch as the information is contained in the report, I move that the resolution be laid on the table.

The motion was agreed to.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that the report be printed at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

Mr. SHAFER. Mr. Speaker, reserving the right to object, how long is this report?

Mr. SHORT. They are all very brief.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

(The report referred to follows:)

INQUIRING INTO THE EFFECT ON THE WEATHER OF CERTAIN ATOMIC-BOMB EXPLOSIONS

Mr. SHORT, from the Committee on Armed Services, submitted the following adverse report:

The Committee on Armed Services, to whom was referred the resolution (H. Res. 282) directing the Secretary of the Air Force to furnish to the House of Representatives full and complete information about the effect on the weather of certain atomic-bomb explosions, having considered the same, report unfavorably thereon without amendment and recommend that the resolution do not pass.

DEPARTMENT OF THE AIR FORCE,
OFFICE OF THE SECRETARY,
Washington, June 16, 1953.

Memoranudum for: The General Counsel, Office of the Secretary of Defense.

Information to: Maj. Gen. Miles Reber, Chief of Legislative Liaison, Department of the Army; Rear Adm. Ira H. Nunn, Judge Advocate General, Department of the Navy.

Subject: House Resolution 282, 83d Congress, a resolution dealing with the effect of atomic explosions on weather.

Reference is made to your request for comments on subject resolution.

As a part of its research and investigation into the various effects of atomic explosions, the Department of the Air Force has endeavored, since 1949, to determine if there are any unusual effects of atomic-bomb bursts on the weather. The effects of all atomic tests in the United States are completely documented. In the immediate vicinity of the test site, detailed and complete visual and photographic observations indicate that there are no unusual effects, even such as local rainstorms.

In addition, the path of material which is carried high into the atmosphere by an atomic explosion and moves with the winds is carefully tracked for thousands of miles. A careful study of the weather along these paths and in the areas covered by them has not revealed any relationship between the locations and paths of atomic-explosion debris and the occurrence of intense storms or other unusual weather phenomena.

From these studies it is the conclusion of the Department of the Air Force that there is no connection between atomic explosions and the occurrence of unusual weather conditions.

W. HIGHTOWER SMITH,
Colonel, USAF, Acting Chief, Legislative Division.

CONGRESSMEN AND VETERANS' LEADERS AGREE ON VETERANS' ADMINISTRATION APPROPRIATIONS FOR 1954

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

[Mr. VAN ZANDT addressed the House. His remarks appear in the Appendix.]

SPECIAL ORDERS GRANTED

Mr. HARDY asked and was given permission to address the House on tomorrow for 30 minutes, following any special orders heretofore entered.

Mr. McCORMACK asked and was given permission to address the House for today for 10 minutes, following any special orders heretofore entered and to revise and extend his remarks.

DISCHARGE PETITIONS ON BILLS H. R. 169 AND H. R. 170

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. POWELL] is recognized for 30 minutes.

Mr. POWELL. Mr. Speaker, I am placing on the Clerk's desk today discharge petitions for two of my bills, H. R. 169 and H. R. 170.

H. R. 169 is a bill "to assure to all persons within the District of Columbia full and equal privileges of places of public education, accommodation, resort, entertainment, and amusement, and for other privileges."

H. R. 170 is a bill "to prohibit discrimination in employment because of race, color, religion, national origin, or ancestry." It is entitled "The Federal Equality of Opportunity in Employment Act."

I am filing these discharge petitions, not so much for the advancement of minorities, because we now have segregation on the run, but rather for the moral good of the Republican Party, to strengthen the integrity of this party, and to enable the United States to walk before the congress of the nations of the earth with self-respect and dignity.

The great gap between our professions and our practices must be closed. This is the one great contributing factor to the increasing lack of respect by the American citizenry for the United States Congress, and of world citizenry for the United States leadership.

As we plunge deeper into the second half of the 20th century, we find that not a single civil-rights bill has passed the United States Congress under the leadership of the Republican or of the Democratic Party, except the provision which I was successful in inserting in the Federal school-lunch program. The hour has arrived to remedy this situation for the good of our country as a whole.

Our Nation is the least-liked nation in the world today, in Anglo-Saxon Europe and amongst the 2 billion peoples of the colored races of the rest of the world. We are least liked—despite the billions that we have squandered under various aspects of the Marshall plan—for many reasons, but the major reason that I have found, as a result of many months of travel throughout the world, is that the world knows we are trying to get them to follow a kind of democracy that we are not practicing at home.

THE CIVIL RIGHTS BILL FOR THE DISTRICT OF COLUMBIA

President Eisenhower's leadership is way ahead of the Republican legislators' followship. If it was left to the Republicans in the United States Congress, his program to date would have been completely scuttled. In other words, we Democrats have been trying to maintain the moral leadership of the Republican President. This is a sorry reflection on the legislators of the Republican Party, one that will not only cost them many votes in the forthcoming election but, more than that, one that will gnaw increasingly at their self-respect.

President Eisenhower, clearly and repeatedly during his campaign, called for the abolition of segregation in the District of Columbia. When I attempted to follow his leadership, by introducing an amendment recently in this House, only five Republicans voted to follow their President.

This is the capital of democracy, the capstone of the land of the free, the hub of world liberty, the pivot of the fight of the common man for freedom. Yet the very people we are trying to enlist as our allies, under the Marshall plan and point 4 aid to backward nations, if their skin happened to be dark and they came to Washington, D. C., would suffer all types of humiliation. This city has become a moral cesspool of world democracy. In no other national capital this side of the Iron Curtain would people feel the bitter lash of communistic suppression and repression as much as in Washington, D. C. I, even though a United States Congressman, am still being refused at many of the hotels within the shadows of our Capitol. The Congressional Hotel and the Carroll Arms Hotel refuse to rent me a room. Outside of the theaters managed by that pioneer in integration, Mr. Gerald Wagner, and one owned by Mr. Roth, I, a Congressman, cannot go to a single downtown moving picture place. There are still playgrounds, swimming pools, and other entertainment places that will not let me in. Do you call this democracy? Freedom? Is this what we are offering the world as the answer to communism?

As far as civil-rights matters are concerned, the United States Congress might as well never have met. We have abdicated our own special province to the United States Supreme Court.

One of the major reasons why the Republican Party cannot get top Negroes to take posts in Washington, D. C., is be-

cause they are refusing to come from their native cities and expose their children and their families to segregation in the schools and elsewhere.

FEDERAL EQUALITY OF OPPORTUNITY IN EMPLOYMENT ACT

We are trying to fight communism with material labeled "Jim Crow." We are trying to get the peoples of Asia and Africa, through our material aid, to follow our leadership, when that material is reaching their countries labeled "Made by white only."

For going on 10 years I have introduced the former FEPC bill, and now this new bill, which is not FEPC but which is called Federal Equality of Opportunity in Employment Act. I do this to try to rescue our Government from the morass of hypocrisy.

Federal equality of opportunity is the only civil-rights bill that has ever been the law of the land. It became the law of the land under Executive Order 8802, and functioned north and south, east and west, with editorials in papers all over the country similar to the one written in the Montgomery, Ala., Press, praising its results. Farsighted corporations, such as the International Harvester and the General Cable Corp., are defying southern customs and laws right now in the Deep South, with Negro and white working side by side on an integrated basis. The A. F. of L., CIO, and United Mine Workers likewise are doing the same thing. So no one can say it cannot work, because it has worked and it is working. To pass this bill during the 83d session of Congress would be of much more value than the five-billion-dollars-plus that we have appropriated to try to buy friends throughout the world.

The Marshall plan, the European recovery program, the Economic Cooperation Act, and the mutual security program have all been flops. Our allies in Italy are now less than 50 percent of the voting population. No majority on the side of America is in control of France. We have lost the colored people of the Union of South Africa because in the midst of their bitter fight for our kind of democracy we have donated scores of millions of dollars to the government which is the exact opposite in philosophy to that of the Founding Fathers of this Nation. We have continued to ally ourselves all over the world with corrupt, repressive, unpopular, and antidemocratic regimes. We stand today without friend or ally. We stand branded—by our pretenses and our practices—as hypocrites.

We think we are great and all-powerful, because of our material possessions, scientific achievements, and industrial know-how, but that which made America great—and ever will make any nation, large or small, great—is its moral and spiritual leadership. This we have lost. This I am striving to recover. No single thing will assure the peoples of the earth that we are resuming the greatness that once was ours, in terms of the spirit and in terms of ethical values, than to let them know that Washington, D. C., is one place in America where any human being can have the right to live as a free citizen—let them know that America is a place where each and every citizen, regardless of his color, creed, national origin or ancestry, can have the right to exercise the talents God has given him and the training that he has accomplished.

We cannot continue to endure as a Nation with loud professions and little deeds. We cannot continue as a first-class power as long as we have second-class citizens. Our foreign policy is valueless unless our domestic policy undergirds it.

Therefore, today I file these discharge petitions, and ask you to assume greatness, to cast off your mantles of provincialism, selfishness, intolerance, and bigotry. The great crusade of right against wrong demands that we do even that which individually we do not agree with, but which corporately we are certain is for the best of our land, and our world.

THE BOSTON POST

The SPEAKER. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 5 minutes.

Mrs. ROGERS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article appearing in the Boston Post.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, our great country has been fortunate during the history of our progress and development to possess a number of excellent newspapers. Down through the years these newspapers have brought before the people all sides of the important strategic issues facing the Nation. The force and power of this honest and forthright press within the country has had a great deal to do with the moulding and forming of the strength that is America.

One of these great newspapers is the Boston Post. For many, many years the people of Boston and New England considered the Post a necessity. In every informed household it was just as necessary at the breakfast tables as eggs and bacon. In the long years of its existence, the Boston Post has done its part in presenting to the people the great issues of our times. In its position in regard to these matters, naturally there has been room for differences in point of view. It can be said, however, and must be said, that the editorial policy of the Boston Post has approached the problems of the hour and the time with honesty, intelligence and a genuine desire to aid in the development of our great Nation.

The new owner of the Boston Post is Mr. John Fox of Boston. According to his own statements, Mr. Fox is not an experienced newspaper man. He is not an experienced editor. But certainly anyone who knows Mr. Fox or knows anything about him certainly knows of his deep and sincere and forceful Americanism. The question then arises, "Why should an energetic businessman take on the added responsibilities of the management of a great newspaper?" It appears that Mr. Fox himself believed the people may have this question in mind, and in view of this fact, Mr. Fox has written a series of articles entitled "Why I Bought the Post." This series of articles is extremely well written. They are pungent. They are right to the point. They bring out in vivid focus the great problem that not only faces America today, but faces the whole of the free world.

As a Member of Congress from the New England area, I consider it my duty to ask to have these articles reprinted in the CONGRESSIONAL RECORD in order that they might have as great a circulation as is possible. In the publication of these articles, Mr. Fox has not only adequately answered "Why I Bought the Post," but he has also presented to the people of America and the free world the enormous task they must face. He has outlined the battlefield. He has shown the way and the method of the sinister force that is striving to annihilate the free way of life and our great civilization. I recommend to every Member of Congress the reading of this series of articles.

In closing, in this public way I wish to extend my congratulations to Mr. John Fox for a job well done. As never before, our country and the free world needs the Boston Post and similar great newspapers.

Following is the first two articles of this series. In the next issue of the CONGRESSIONAL RECORD will appear another article, and in the following issues of the CONGRESSIONAL RECORD will appear other articles.

[From the Boston Post of June 14, 1953]

WHY I BOUGHT THE POST

(By John Fox)

In April 1951, I attended the annual meeting of the shareholders of Western Union Telegraph Co., which was held in the company's building on Hudson Street in New York City. The only person in the management whom I knew was the President of Western Union, whom I had met once or twice. I had no part of management, directly or indirectly, and wanted none. As far as I was concerned, I had bought Western Union simply as an investment, and attended the meeting of its shareholders for the same reasons and in the same manner as any other shareholder.

During the course of the meeting, a man who identified himself as Joseph P. Selly, requested the right to address the stockholders. His request was granted by Mr. Marshall, who, as President of the company, was presiding over the meeting, whereupon Mr. Selly identified himself as international president of the American Communications Association (which we shall hereafter call ACA) which was, and is, one of the 2 principal unions representing Western Union employees. Its operations are confined principally to the New York City area.

HARANGUES MEETING

He then proceeded, for the next 30 minutes, to harangue the meeting in a manner which caused me to be increasingly disturbed. I rose to a point of order, interrupted Mr. Selly, and asked him the single question: "Are you a Communist?" Mr. Selly, who, it must be remembered, was not under oath, without hesitation replied, "No." I was to learn later that that was not how he would answer questions of similar tenor on a subsequent occasion when he was under oath. In such other circumstances, his answer was to be, "I refuse to answer that question on the

grounds that my answer might tend to incriminate me."

Mr. Selly's answer was immediately met by a cacophony of catcalls, boos, and other unpleasant and derisive sounds made by a group of employees of Western Union who were attending the meeting. These employees, I learned later, were members of another union, the Commercial Telegraphers Union, an affiliate of the A. F. of L., which was not Communist-dominated nor in sympathy with Communism. I was to have confirmed later what seemed to me to be apparent then—that the A. F. of L. members considered the ACA union to be Communist-dominated and therefore held it in contempt.

It was a very disturbing thing to contemplate that there was even a bare possibility that communications of the United States Government and the branches thereof, including the Army, Navy, Air Corps, and State Department, might be available to enemy spies and agents. It would be a dreadful thing, in view of the fact that the United States was then at war, if such things actually were happening, or could be happening. More than the possibility, the very fact itself, had to be faced and acknowledged if it could be established that Communists had really wormed their way into vital spots in the Western Union Telegraph Co., the Radio Corp. of America and other communication companies. The infiltration of such companies by enemy agents is even more dangerous than if the same thing were to happen in the case of the American Telephone Co. because of the nature of the communications transmitted by them, which are in printed form and constitute, therefore, a permanent record. It would be necessary for an enemy spy only to pocket the tape on which any message which he wanted to steal was printed.

At the time of the annual meeting of Western Union in April 1951, I did not know that the American Communications Association and its president, Mr. Selly, as well as many of its other officers, had been the subjects of an intensive investigation by various departments of the Federal Government. I did not know that in the following 2 months, Joseph P. Selly, president of the ACA; Joseph F. Kehoe, its international secretary-treasury; Dominick Panza, its international vice president; Louis Siebenberg, member of it international executive board; Charles L. Silberman, publicity director and editor of its newspaper, ACA News; Alfred Doumar, secretary-treasurer of its local No. 40, which represents Western Union employees in New York City, and Mrs. Mollie Townsend, recording and corresponding secretary of local No. 40, were to be subpenaed and questioned under oath concerning his or her membership in the Communist Party. I did not know in April 1951 that their answers under oath to questions concerning their Communist affiliation would sicken any loyal American.

TERRIBLE THREAT TO UNITED STATES

I did not know at the meeting of Western Union share holders when I asked Mr. Selly, "Are you a Communist?" to which he replied, "No," that the American Communications Asociation of which he was president also represented certain employees of Radio Corp. of America, which is engaged, among other things, in the international transmission of messages by wireless to points all over the world, including the Far East, where we were at that very moment engaged in a war against communism.

I did know that if there were Communists in Western Union, their very presence constituted a terrible threat to the United States. I did know, as anyone possessed of any common sense at all knew, that if the Kremlin had been able to plant Communists in high places in American communication companies, there was nothing at all to prevent confidential and even top-secret messages, perhaps from the White House itself, from being laid on the desk of Stalin or Malenkov perhaps even before their receipt by those to whom they were addressed. I did know a great deal about communism, and I was completely aware that whether or not he himself knew it, Mr. Selly's harangue to the shareholders of the Western Union Telegraph Co. at their annual meeting bore a very strong resemblance to what I recognized as Communist Party propaganda.

Then, and for a long time earlier, we had been at war with the forces of communism in Korea. There were disturbing reports that Russian-made airplanes were better than ours; that Russian tanks were better than ours; that Russian heavy artillery was better than ours; that the Russians had learned how to make atomic bombs. The trial of the Rosenbergs had taken place, disclosing that the unbelievable and world-embracing network of Soviet espionage had threads, part of that network which had reached into such places as our plants where atom bombs were being constructed; places the very existence of which had not been supposed to be known to some of the highest officers of our military forces.

OUR LOSSES IN KOREA

Our fighting forces had not done well in Korea. Thousands of Americans had been taken prisoner, most of them never to be seen again. Thousands had been killed and thousands more wounded. Our economic strength and assets were being dissipated. Despite the price that we were paying in blood, work, money and, perhaps what was most important of all, in our loss of respect in the eyes of a great part of the world, we were getting nowhere. Was it possible that the Kremlin, in addition to the information that it was getting through the infiltration of our Government itself, was, through the very simple device of planting agents inside Western Union, and the other communication companies whose employees were represented by the A. C. A., obtaining top secret and confidential information not only from the administrative branches of the United States Government, but from the military divisions thereof as well?

The implications of this were dreadful, horrible, and ghastly. Nevertheless, they were there. Once the situation, with all its implications, is conceived, the question is inevitable: "Has the Kremlin infiltrated our great communication systems?" And once the question is asked, the man who could be content to let it remain unanswered is surely "a clod, a stone, a worse than senseless thing."

The question had been asked by some of the best minds and most patriotic men in our Government in the persons of members of a subcommittee of the United States Senate, the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws. These Senators are entitled to a place on any honor roll of patriotic Americans: Pat McCarran, James Eastland, Herbert O'Conor, Willis Smith, Homer Ferguson, William Jenner, and Arthur Watkins.

Three members of the foregoing committee, Senators SMITH, MCCARRAN, and JENNER, were made members of a Subcommittee To Investigate Subversion in the Telegraph Industry.

This Senate subcommittee had access to and used intelligently and ably a great mass of factual material which had been amassed by various agencies of the Federal Government, presumably the FBI in particular, at a succession of hearings which were held in the summer of 1951. The result was their recommendation that a copy of the proceedings be sent to the Attorney General "for his consideration in conjunction with prosecution for perjury in connection with the signing of non-Communist affidavits * * * by those officers named as Communists by witnesses before the subcommittee."

In plain words, the committee recommended that the Attorney General of the United States prosecute for perjury a number of individuals who were officers of the American Communications Association because the committee had decided they were Communists who had sworn under the penalty of perjury that they were not Communists.

NO INDICTMENT MADE

Ever since, Western Union and RCA and the other organizations serviced by members of the American Communications Association have continued to transmit top-secret and confidential messages. No indictment has ever been made of any of the individuals who were the subject of the foregoing recommendation.

Since then our boys have continued to fight and die in Korea.

Communist professors and teachers have continued to exercise their influence over the minds of our youth in schools and colleges all over the land, pulling about academic freedom whenever their feelings are outraged by the necessity of having to answer under oath that if they told the truth it might make them criminals as traitors to the United States so that in the alternative they have no recourse except to decline to answer at all.

The expression, "McCarthyism," which had its birth in the columns of the Communist publication, the Daily Worker, has continued to be used by Communist stooges, conscious and unconscious, aware and unaware, all over the Nation as though it were a kind of literary gem.

Senator JENNER, as a reward for being a great, patriotic, intelligent, and courageous American, has become an increasing target for the filthy smears of enemies of the United States. We mean the Communists and Communist-sympathizing press in general and our cowardly advocates of academic freedom in particular. We say cowardly because they are not able to screw their courage to the sticking point of answering the simple question, "Are you now or were you ever a Communist?"

LITHUANIA AND THE 700TH ANNIVERSARY OF ITS FOUNDING

The SPEAKER. Under previous order of the House, the gentleman from Massachusetts [Mr. MCCORMACK] is recognized for 10 minutes.

Mr. McCORMACK. Mr. Speaker, during most of the Middle Ages nearly all of Europe was under the jurisdiction of the Holy Roman Empire. However, there were territories in northeastern and eastern Europe which were outside the pale of the Empire. This fringe outside the Empire included the entire Baltic area, where there were no organized authorities, and no unifying governments. Each clan and tribe, led by its chief, was, so to speak, master of its own destiny. In the 12th and 13th centuries, when the Lithuanian tribes were threatened on many sides by the Livonian Knights, the Mongols, and the Teutonic Knights, the tribal chiefs united among themselves and in a certain degree succeeded in staving off the intruders. In a short time they learned the value of uniting their forces under a single authority, and in 1253 their outstanding leader, Mindaugas, was crowned King of Lithuania by authority of the papacy. This historic year makes a real turning point in Lithuanian history. It marks the founding of Lithuania as a unified country under a strong, centrally administered government. The year 1253 is the birth date of modern Lithuania.

Since that date Lithuania's long and turbulent history has followed a rather uneven course, has had many ups and downs. That history is marked by greatness and glory during the first few centuries, while misfortune and misery claim a large role in the lives of the Lithuanians during most of the last 200 years. During the 14th and 15th centuries Lithuania became one of the most powerful states in all eastern and northern Europe. In the 16th century, when Poland and Lithuania united under the King of Lithuania, the area of the combined countries extended all the way from the Baltic to the Black Sea. From then on, however, Lithuania was fated to follow the path opened before her by Poland. Late in the 18th century, when Poland lost her independence and most of that country was incorporated in Czarist Russia, Lithuania shared the same fate. For almost a century and a half the stalwart and stouthearted Lithuanians suffered under the unrelenting Russian regime, but not for a moment did they lose sight of the prime objective they had as their common goal: the attainment of national political independence.

At the end of the First World War, when Russia's Czarist regime was no more, and the new Bolshevik regime had not yet shown its ugly strength, the Lithuanians proclaimed their independence. They set up a republic, and a truly democratic form of government was instituted which governed the new state for 2 decades. During those 2 decades Lithuania made great strides; in the task of reviving their country and reshaping their destiny the Lithuanians were helped by their friends everywhere, especially by Americans of Lithuanian descent. Then came World War II and the woes of Lithuanian began to multiply. Little Lithuania was one of the earliest victims of the war. In 1940 the country was taken over by the Soviet Union. In mid-1941 Nazi forces came, expelled the heartless Communists, and stayed there almost to the end of the war. Then the Communists returned once more with increased fury and insolence, and there they remain today. No wonder that Lithuanians cannot celebrate this day in their homeland, for every trace of democratic freedom has been stamped out. We, in this country, by availing ourselves of the opportunity presented by the celebration of this memorable event, hope to encourage the idea of freedom and independence which still burns brightly in the minds and hearts of all Lithuanians.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Appendix of the RECORD, or to revise and extend remarks, was granted to:

Mr. OSMERS and to include extraneous matter.

Mr. JAVITS in two instances and to include extraneous matter.

Mr. PROUTY and to include a sermon by Dr. Elson.

Mr. BENTLEY and to include extraneous matter.

Mr. SMITH of Wisconsin and to include extraneous matter.

Mr. MASON on the subject, Which: Ike's Promises or Ike's Popularity? and to include therein extracts from a letter along the same line.

Mr. KERSTEN of Wisconsin in eight instances in each to include extraneous material.

Mr. JACKSON and include an article and a resolution.

Mr. DAGUE and to include a letter from a constituent.

Mr. BONIN and to include extraneous matter.

Mr. MARSHALL and to include the remarks of the gentleman from Montana [Mr. METCALF].

Mr. BOGGS and to include extraneous material.

Mr. LANE in four instances and to include extraneous material.

Mr. HAYS of Ohio and to include newspaper articles.

Mr. DEMPSEY.

Mr. HELLER in two instances and to include extraneous material.

Mr. FINE (at the request of Mr. HOLTZMAN).

Mr. O'NEILL and to include a newspaper article.

Mr. METCALF in two instances and to include extraneous material.

Mr. CONDON.

Mr. STEED and to include two letters.

Mr. HOPE the remarks he made in Committee today and to include a letter from Harold E. Stassen, Director, Mutual Security Administration.

Mr. HORAN (at the request of Mr. HOPE) and to include extraneous matter.

Mr. D'EWART and to include extraneous matter.

Mr. WILSON of California and to include extraneous material.

Mr. PATTEN and to include a speech given yesterday noon at the Air Club by Gen. Hoyt Vandenberg.

Mr. YORTY in six instances and to include extraneous matter.

Mr. LYLE (at the request of Mr. PRIEST) and to include extraneous matter.

Mr. PRIEST and to include an address by Col. D. Harold Byrd.

Mr. SIEMINSKI in two instances and to include extraneous matter.

Mr. FULTON to revise and extend his remarks made in Committee and include extraneous matter.

Mr. ROGERS of Colorado (at the request of Mr. MCCORMACK) and to include an editorial.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. PHILBIN (at the request of Mr. LANE), for the rest of the week, on account of death in the immediate family.

ENROLLED BILLS SIGNED

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 2347. An act to permit continued exercise until 6 months after termination of the national emergency proclaimed December 16, 1950, or until such earlier date as may be established by concurrent resolution of Congress, of certain powers, relating to preferences or priorities in the transportation of traffic, under section 1 (15) and 420 of the Interstate Commerce Act; and

H. R. 4233. An act to provide for the naturalization of persons serving in the Armed Forces of the United States after June 24, 1950.

BILLS PRESENTED TO THE PRESIDENT

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 2347. An act to permit continued exercise, until 6 months after termination of the national emergency proclaimed December 16, 1950, of certain powers, relating to preferences or priorities in the transportation of traffic, under sections 1 (15) and 420 of the Interstate Commerce Act; and

H. R. 4233. An act to provide for the naturalization of persons serving in the Armed Forces of the United States after June 24, 1950.

ADJOURNMENT

Mr. HALLECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 6 minutes p. m.) the House adjourned until tomorrow, Wednesday, June 24, 1953, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

796. A letter from the Secretary of State, transmitting the ninth report to the Congress of the United States on the administration of the Yugoslav emergency relief assistance program from December 16, 1952, through March 15, 1953, pursuant to section 6 of Public Law 897, 81st Congress (H. Doc. No. 193); to the Committee on Foreign Affairs and ordered to be printed.

797. A letter from the Assistant Secretary of the Interior, transmitting a supplemental certification as to adequacy of soil survey and land classification as required by the 1953 appropriation act, Kennewick Division, Yakima project, Washington, (Public Law 470, 82d Cong.); to the Committee on Appropriations.

798. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting a list of cases involving suspension of deportation, and requesting that they be withdrawn from those before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 298. Resolution for consideration of H. R. 5728, a bill to authorize the disposal of the Government-owned rubber-producing facilities, and for

other purposes; without amendment (Rept. No. 635). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 299. Resolution providing for the consideration of S. 1376, an act to amend section 503 of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended; without amendment (Rept. No. 636). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 300. Resolution for consideration of H. R. 5302, a bill to provide for an additional Assistant Postmaster General in the Post Office Department; without amendment (Rept. No. 637). Referred to the House Calendar.

Mr. ARENDS: Committee on Armed Services. S. 1078. An act to authorize the use of certificates by officers of the Armed Forces of the United States, in connection with certain pay and allowance accounts of military and civilian personnel; without amendment (Rept. No. 642). Referred to the Committee of the Whole House on the State of the Union.

Mr. JOHNSON: Committee on Armed Services. S. 1644. An act to amend the Act of May 27, 1940 (54 Stat. 223), as amended, and the Act of February 14, 1931 (46 Stat. 1111), to remove the limitation upon the rank of the Director of Music, the leader of the Military Academy Band, and to remove the limitation upon the pay of the leader of the United States Naval Academy Band, and to authorize the appointment of Lt. Comdr. Charles Brendler, United States Navy, to the permanent grade of commander in the Navy; with amendment (Rept. No. 643). Referred to the Committee of the Whole House on the State of the Union.

Mr. JOHNSON: Committee on Armed Services. H. R. 2272. A bill to authorize the Secretaries of the Army, the Navy, and the Air Force, with the approval of the Secretary of Defense, to cause to be published official registers for their respective services; without amendment (Rept. No. 644). Referred to the Committee of the Whole House on the State of the Union.

Mr. JOHNSON: Committee on Armed Services. H. R. 5258. A bill to authorize the sale of Army, Navy, and Air Force stores at military establishments to civilian employees of the Government, and for other purposes; with amendment (Rept. No. 645). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 127. A bill to quitclaim interest of the United States to certain land in Placer County, Calif.; with amendment (Rept. No. 638). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. Senate Concurrent Resolution 26. Concurrent resolution favoring the suspension of deportation of certain aliens; with amendment (Rept. No. 639). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. Senate Concurrent Resolution 33. Concurrent resolution favoring the suspension of deportation of certain aliens; with amendment (Rept. No. 640). Referred to the Committee of the Whole House.

ADVERSE REPORTS

Under clause 2 of rule XIII,

Mr. SHORT: Committee on Armed Services. House Resolution 280. Resolution directing the Federal Civil Defense Administrator to furnish to the House of Representatives, full and complete information about the effect on the weather of certain atomic bomb explosions; without amendment (Rept. No. 641). Ordered to be printed.

Mr. SHORT: Committee on Armed Services. House Resolution 279. Resolution directing the Secretary of the Army to furnish to the House of Representatives full and complete information about the effect on the weather of certain atomic bomb explosions (Rept. No. 646). Ordered to be printed.

Mr. SHORT: Committee on Armed Services. House Resolution 281. Resolution directing the Secretary of the Navy to furnish to the House of Representatives full and complete information about the effect on the weather of certain atomic bomb explosions (Rept. No. 647). Ordered to be printed.

Mr. SHORT: Committee on Armed Services. House Resolution 282. Resolution directing the Secretary of the Air Force to furnish to the House of Representatives full and complete information about the effect on the weather of certain atomic bomb explosions (Rept. No. 648). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COOLEY:

H. R. 5888. A bill to authorize the transfer of certain lands to the State of North Carolina, and for other purposes; to the Committee on Agriculture.

By Mr. CRUMPACKER:

H. R. 5889. A bill to authorize the establishment of an Inventive Contributions Awards Board within the Department of Defense, and for other purposes; to the Committee on Armed Services.

By Mr. HELLER:

H. R. 5890. A bill to amend the Internal Revenue Code to provide a deduction for certain expenses paid by a taxpayer for the education of his children; to the Committee on Ways and Means.

By Mr. JAVITS:

H. R. 5891. A bill relating to the segregation of persons, on account of race, color, or creed, in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mrs. ROGERS of Massachusetts (by request):

H. R. 5892. A bill to increase the amount of Federal aid to State or Territorial homes for the support of disabled soldiers, sailors, and airmen of the United States; to the Committee on Veterans' Affairs.

H. R. 5893. A bill to liberalize procedures relating to furnishing medical and hospital care to persons retired from the Armed Forces of the United States; to the Committee on Veterans' Affairs.

By Mr. SIMPSON of Pennsylvania:

H. R. 5894. A bill to amend the Trade Agreements Extension Act of 1951 and certain other provisions of law to provide adequate protection for American workers, miners, farmers, and producers; to the Committee on Ways and Means.

By Mr. FINE:

H. R. 5895. A bill to amend title II of the Social Security Act to provide that those monthly insurance benefits which under present law are not payable until age 65 shall hereafter be payable at age 60 in the case of men and at age 55 in the case of women; to the Committee on Ways and Means.

By Mr. O'BRIEN of New York:

H. R. 5896. A bill to amend section 9 (a) of the Trading With the Enemy Act, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. PRICE:

H. R. 5897. A bill to amend the Social Security Act to provide that, for the purpose of old-age and survivors insurance benefits, retirement age shall be 60 years in the case of certain disabled individuals; to the Committee on Ways and Means.

By Mr. KEAN:

H. R. 5898. A bill to extend until December 31, 1953, the period with respect to which the excess-profits tax shall be effective; to the Committee on Ways and Means.

By Mr. SADLAK:

H. R. 5899. A bill to extend until December 31, 1953, the period with respect to which the excess-profits tax shall be effective; to the Committee on Ways and Means.

By Mr. GWINN:

H. Con. Res. 121. Concurrent resolution commending the President of the Republic of Korea for the action which he has taken in freeing the North Koreans detained in the Republic of Korea as prisoners of war; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By Mr. GOODWIN: Memorial of the Massachusetts Legislature urging the Congress of the United States to render all possible aid to the stricken Worcester area of the Commonwealth; to the Committee on Public Works.

By Mr. LANE: Memorial of the Senate of Massachusetts urging the Congress of the United States to do everything possible to effect a program to aid in the relief of suffering in the Worcester area of the Commonwealth of Massachusetts; to the Committee on Public Works.

By Mrs. ROGERS of Massachusetts: Memorial of the Senate of Massachusetts urging the Congress of the United States to render all possible aid to the stricken Worcester area of the Commonwealth of Massachusetts; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AYRES:

H. R. 5900. A bill for the relief of Vincenzo Di Nota; to the Committee on the Judiciary.

By Mrs. BUCHANAN:

H. R. 5901. A bill for the relief of Giuseppe Cosentino; to the Committee on the Judiciary.

By Mr. CUNNINGHAM:

H. R. 5902. A bill for the relief of Mary Sears; to the Committee on the Judiciary.

H. R. 5903. A bill for the relief of Carl E. Edwards; to the Committee on the Judiciary.

By Mr. HOLT (by request):

H. R. 5904. A bill for the relief of Lazara Camargo Bernoudy; to the Committee on the Judiciary.

By Mr. LATHAM:

H. R. 5905. A bill for the relief of Sam Poulos; to the Committee on the Judiciary.

By Mr. PHILBIN:

H. R. 5906. A bill for the relief of Anni Marjatta Makela and son, Markku Paivio Makela; to the Committee on the Judiciary.

By Mr. POWELL:

H. R. 5907. A bill for the relief of Mrs. Prudence Hicks; to the Committee on the Judiciary.

By Mr. SHELLEY:

H. R. 5908. A bill for the relief of George Guido Wittsack; to the Committee on the Judiciary.

By Mr. THOMPSON of Texas:

H. R. 5909. A bill for the relief of Lilli Weiser Sommerfreund; to the Committee on the Judiciary.

By Mr. BARRETT:

H. Res. 301. Resolution authorizing payment of salary due to James M. Haslett, deceased; to the Committee on House Administration.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

358. By Mr. CANFIELD: resolutions of the Independent Calabrese Club, of Paterson, N. J., urging Congress to empower the Secretary of Agriculture to release surplus foods now on hand and subject to spoilage to the starving people of the world; to the Committee on Agriculture.

359. By Mr. SCOTT: Resolution of the Federation of American Citizens of German Descent of Greater New York and endorsed by the national office of the federation in Philadelphia, in behalf of the allotment, under the foreign aid program, of surplus food for free distribution among suffering people; to the Committee on Foreign Affairs.

SENATE

WEDNESDAY, JUNE 24, 1953

(Legislative day of Monday, June 8, 1953)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal Spirit, without whose guidance our wisdom is but folly, keep us this day in serenity and confidence as our hearts and minds are stayed on Thee. May we guard our words with the seal of understanding charity. Save us from being embittered by ingratitude, pettiness, or meanness, and from turning coward in the day of battle. May we be satisfied with nothing less than our best, however difficult, and testing the duty before us. May the voice of the past warn us from paths which lead to national disaster. May the voice of the present call us to be prophets of good will in today's crisis. Yet save us from trying to purchase a spurious good will by bartering moral principles or the right of men to make their own choices. May the voice of the future challenge us to a golden day when earth's dismal deserts shall blossom into gladsome gardens. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, June 23, 1953, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed the bill (S. 2112) to provide for the transfer of price-support wheat to Pakistan with an amendment in which it requested the concurrence of the Senate.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. KNOWLAND, and by unanimous consent, the Committee on Finance was authorized to meet today during the session of the Senate.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that immediately following the quorum call there may be the customary morning hour, to permit Senators to introduce bills and joint resolutions, to make insertions in the RECORD, and transact other routine business, under the usual 2-minute limitation on speeches.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask that the order for the quorum call be rescinded, and that further proceedings under the call be dispensed with.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON ADMINISTRATION OF YUGOSLAV EMERGENCY RELIEF ASSISTANCE PROGRAM

A letter from the Secretary of State, transmitting, pursuant to law, a report on the administration of the Yugoslav emergency relief asistance program, for the period December 16, 1952, through March 15, 1953 (with an accompanying report); to the Committee on Foreign Relations.

READJUSTMENT OF POSTAL RATES

A letter from the Postmaster General, transmitting a draft of proposed legislation to readjust postal rates, and for other purposes (with an accompanying paper); to the Committee on Post Office and Civil Service.

SUSPENSION OF DEPORTATION OF ALIENS—WITHDRAWAL OF NAMES

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the names of sundry aliens from reports relating to aliens whose deportation had been suspended, heretofore transmitted to the Senate (with accompanying papers); to the Committee on the Judiciary.

ADDITIONAL EXPENDITURES BY COMMITTEE ON APPROPRIATIONS

Mr. JENNER. Mr. President, from the Committee on Rules and Administration I report favorably, without amendment, Senate Resolution 121, and ask unanimous consent for its present consideration.

The VICE PRESIDENT. The resolution will be stated by title for the information of the Senate.

The CHIEF CLERK. A resolution, Senate Resolution 121, authorizing additional expenditures by the Committee on Appropriations.

Mr. JENNER. Mr. President, this resolution provides the regular $10,000 additional appropriation for the Appropriations Committee.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 121) reported by Mr. BRIDGES from the Committee on Appropriations on June 23, 1953, was considered and agreed to, as follows:

Resolved, That the Committee on Appropriations hereby is authorized to expend from the contingent fund of the Senate, during the 83d Congress, $10,000 in addition to the amount, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

EXTENSION OF AUTHORITY FOR EXAMINATION AND REVIEW OF ADMINISTRATION OF TRADING WITH THE ENEMY ACT

Mr. JENNER. Mr. President, from the Committee on Rules and Administration I report favorably, without amendment, Senate Resolution 120, and I submit a report (No. 457). I ask unanimous consent for the present consideration of the resolution.

The VICE PRESIDENT. The resolution will be stated by title for the information of the Senate.

The CHIEF CLERK. A resolution (S. Res. 120) extending authority for examination and review of administration of the Trading With the Enemy Act.

Mr. JENNER. Mr. President, this resolution provides for no appropriation. It provides merely an extension of authority under the Trading With the Enemy Act, the authority to expire January 31 next year.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 120), submitted by Mr. DIRKSEN on June 22, 1953, was considered and agreed to, as follows:

Resolved, That the authority of the Senate Committee on the Judiciary under Senate Resolution 245, 82d Congress, agreed to March 24, 1952, and Senate Resolution 47, 83d Congress, agreed to January 30, 1953 (authorizing a full and complete examination and review of the administration of the Trading With the Enemy Act), and the time for reporting the results of its study and investigation thereunder is hereby extended to January 31, 1954.

SEC. 2. The sums previously authorized to be expended under such resolutions shall be available for the expenses of the committee covering obligations incurred on or before January 31, 1954.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LANGER:

S. 2201. A bill to provide that pensions shall be extended to the widows and children of deceased World War II veterans on the same conditions as they are now extended to the widows and children of deceased World War I veterans; to the Committee on Finance.

S. 2202. A bill for the relief of Mary Beck;

S. 2203. A bill for the relief of certain Palestinian Arab refugees;

S. 2204. A bill to provide that United States commissioners who are required to devote full time to the duties of the office may be allowed their necessary office expenses;

S. 2205. A bill for the relief of certain Palestinian Arab refugees;

S. 2206. A bill for the relief of certain Palestinian Arab refugees; and

S. 2207. A bill for the relief of certain Palestinian Arab refugees; to the Committee on the Judiciary.

By Mr. BRIDGES:

S. 2208. A bill for the relief of Oton Franges; and

S. 2209. A bill for the relief of Roland E. Jenkins and Harvey V. Harrison; to the Committee on the Judiciary.

By Mr. MARTIN:

S. 2210. A bill for the relief of Frank (Franz) Homolka, Olga Homolka (nee Mandel), Adolf Homolka, Helga Maria Homolka, and Frieda Homolka; to the Committee on the Judiciary.

By Mr. MILLIKIN (for himself and Mr. JOHNSON of Colorado):

S. 2211. A bill conferring jurisdiction upon the United States District Court for the District of Colorado to hear, determine, and render judgment upon the claim of J. Don Alexander against the United States; to the Committee on the Judiciary.

By Mr. ANDERSON:

S. 2212. A bill for the relief of Alma S. Wittlin-Frischauer; to the Committee on the Judiciary.

By Mr. McCARRAN:

S. 2213. A bill to provide for the conveyance, upon completion of the payment of construction charges, of the Newlands project, including lands and works, to the Truckee-Carson Irrigation District, Fallon, Nev.; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. McCARRAN when he introduced the above bill, which appear under a separate heading.)

By Mr. HOEY:

S. 2214. A bill for the relief of Peter James Copses, Beatrice Copses, Victoria Copses, and James Peter Copses; to the Committee on the Judiciary.

By Mr. KERR:

S. 2215. A bill for the relief of Thomas D. Hanly; to the Committee on the Judiciary.

By Mr. DIRKSEN:

S. 2216. A bill for the relief of Vasilios Demetriou Kretsos and his wife Chrusea Thomaidou Kretsos; to the Committee on the Judiciary.

CONVEYANCE OF NEWLANDS RECLAMATION PROJECT TO TRUCKEE-CARSON IRRIGATION DISTRICT, FALLON, NEV.

Mr. McCARRAN. Mr. President, I introduce for appropriate reference a bill that is designed to return to the people of my State of Nevada the ownership and control of the country's first federally financed reclamation project now that the Federal Government has been almost repaid all construction, operational, and maintenance costs plus accrued interest.

I ask unanimous consent that the bill, together with a statement by me, be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the bill and statement will be printed in the RECORD.

The bill (S. 2213) to provide for the conveyance, upon completion of the payment of construction charges, of the Newlands project, including lands and works, to the Truckee-Carson Irrigation District, Fallon, Nev., introduced by Mr. McCARRAN, was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed, upon the completion of the payment, either in installments or in lump sum at any time after the date of the enactment of this act, of construction charges (as defined in the Reclamation Project Act of 1939) due the United States with respect to any land, works, or other property authorized to be transferred under this act, to convey by quitclaim deed, subject to the condition in section 2 of this act, to the Truckee-Carson Irrigation District, Fallon, Nevada, all of the right, title, and interest of the United States in and to the Newlands Project, including the lands described in section 3 of this act and all dams, reservoirs, buildings, distribution and drainage systems, pipe lines, power distribution lines, telephones and telephone lines, local records, files, maps, and data pertaining to such project, and any other works, equipment, or improvements which are a part of such project.

SEC. 2. Such conveyance shall be subject to the condition that all leases, permits, agreements, easements, and licenses with respect to such lands or works or the use thereof, which are in effect at the time of such conveyance and to which such district is not a party at such time, shall continue in effect, subject to compliance with the terms and conditions set forth in such leases, permits, agreements, easements, and licenses, until terminated in accordance with the provisions thereof.

SEC. 3. The lands to be conveyed under the provisions of this act are described as follows:

MOUNT DIABLO MERIDIAN

T. 15 N., R. 17 E., That part of section 7 beginning at a point on the west boundary of the northeast quarter of the northwest quarter, situate 450 feet south from the northwest corner thereof and running thence south 2,190 feet, more or less, to the south line of the northwest quarter of said section; thence east 1,978.8 feet, more or less, to the meander line of Lake Tahoe; thence with meander line north 19° 00' west 110.1 feet; north 12° 30' east 165 feet; north 8° 15' east 237.5 feet; thence north 40° 04' west 1,062.8 feet; thence north 51° 00' west 463 feet to a point 20 feet easterly from the easterly bank of the Truckee River; thence south 52° 00' west 463 feet, more or less, to the south boundary of the northeast quarter of the northwest quarter of said section 7; thence west along said south boundary of the northeast quarter of the northwest quarter of section 7, 204 feet; thence north 870 feet; then west 400 feet to the place of beginning; being the property deeded to the United States of America by the Mercantile Trust Company of San Francisco by deed dated the ninth day of August, 1904, and recorded in Book 86, at page 23, Records of Deeds, Placer County, California, containing sixty-four (64) acres, more or less; less existing rights-of-way for public highways;

T. 16 N., R. 28 E., sections 1 through 4, inclusive, and sections 9 through 12, inclusive;

T. 16 N., R. 29 E., sections 1 through 7, inclusive;

T. 16 N., R. 30 E., sections 5 and 6;

T. 17 N., R. 25 E., section 1, S½, S½NW¼, NW¼NW¼, and SW¼NE¼; section 2, all; section 3, N½ and NW¼SW¼; section 4, E½ and NW¼; section 11, S½SE¼ and E½NE¼; sections 12 through 14, inclusive; section 15, S½SE¼ and NE¼SE¼; section 22, NE¼, N½NW¼, and SE¼NW¼; sections 23 through 26, inclusive; section 27, SE¼, E½NE¼, and S½SW¼;

T. 17 N., R. 26 E., sections 1 and 2; section 3, S½; section 4, all; section 5, S½; sections 6 through 8, inclusive; section 9, S½ and NE¼; sections 10 through 36, inclusive;

T. 17 N., R. 27 E., section 1;

T. 17 N., R. 28 E., section 2, W½; sections 3 through 10, inclusive; section 11, W½; section 14, W½; sections 15 through 22, inclusive; section 23, W½ and W½E½; section 24, all of E½ south and east of Carson Lake meander line; sections 25 through 34, inclusive; section 35, SE¼, SW¼, and NW¼; section 36, all;

T. 17 N., R. 29 E., sections 1 and 2; section 3, SE¼, S½NE¼, and S½SW¼; second 9, SE¼, E½NE¼, SE¼SW¼, and those parts of the SW¼NE¼, SW¼SW¼, and NE¼SW¼ lying south and east of Carson Lake meander line; sections 10 through 16, inclusive; section 17, SE¼ and those parts of the NE¼, SW¼, and NW¼ lying south and east of Carson Lake meander line; sections 19 through 36, inclusive;

T. 17 N., R. 30 E., sections 5 through 8, inclusive; sections 17 through 20, inclusive; sections 29 through 32, inclusive;

T. 18 N., R. 25 E., sections 2, 4, 6, 8, 10, 12, 14, and 16; sections 17, S½SE¼ and SE¼SW¼; sections 18, 20, 21, and 22; section 23, S½ and SW¼NW¼; section 24, all; section 25, N½NE¼; section 26, all; section 27, W½NW¼ and NE¼NE¼; section 28, all; section 29, S½SE¼, NE¼SE¼, and SE¼NE¼; sections 30, 32, 33, and 34; section 35, SW¼ and SW¼SE¼; section 36, all;

T. 18 N., R. 26 E., section 2, all; section 4, W½NW¼ and NW¼SW¼; section 6, all; section 8, NW¼, W½NE¼, N½SW¼, SW¼SW¼, and NW¼SE¼; sections 10 and 12; section 16, NE¼ and SE¼NW¼; section 18, all; section 20, E½, S½SW¼, and NE¼SW¼; sections 22, 24, 26, 28, 30, 32, 34, and 36;

T. 18 N., R. 27 E., sections 1, 2, 4, 6, and 8; section 9, S½; sections 10 through 16, inclusive; section 18, all; section 19, S½; sections 20 through 28, inclusive; sections 33 through 36, inclusive;

T. 18 N. R. 28 E., section 5, SE¼SE¼, NW¼SW¼, and SW¼NW¼; section 6, W½, SE¼, S½NE¼, and NW¼NE¼; section 7, all; section 8, all except NW¼NE¼; section 9, SE¼SW¼ and E½SE¼; section 15, S½SW¼, NE¼SW¼, SE¼NW¼, and NW¼NW¼; sections 16 through 21, inclusive; section 22, SW¼, E½NW¼, and E½W½NW¼; section 27, SW¼ and W½NW¼; sections 28 through 33 inclusive; section 34, W½ and S½SE¼; section 35, SW¼SW¼, SW¼SE¼, E½SW¼, and SE¼NW¼;

T. 18 N., R. 29 E., section 1, all except SW¼SW¼; section 2, NE¼, N½SE¼, and NE¼NW¼; section 3, NE¼NW¼, NW¼NE¼, S½SW¼, and NW¼SW¼; section 4, SW¼NE¼, NE¼SE¼, and those parts of the SE¼SE¼ and NW¼SE¼ north of "LK" Lateral; section 6, N½SE¼; section 9, E½W½ and SE¼; section 12, NE¼, S½SE¼, SE¼SW¼, and that part of the NW¼ north of L Line Canal; section 13, S½, S½NW¼, and N½NE¼; section 16, NE¼ and N½SE¼; section 18, SE¼SE¼; section 21, SE¼; section 24, N½SW¼, SW¼SW¼, NW¼SE¼, NW¼, W½NE¼, and NE¼NE¼; section 25, SW¼SE¼ and SE¼SW¼; section 26, N½N½; section 35, S½SE¼;

T. 18 N., R. 30 E., sections 1 through 10, inclusive; sections 16 through 18, inclusive; section 19, E½, E½W½, and NW¼NW¼; sections 20 and 29; section 30, E½, E½W½, and W½SW¼; section 31, E½, SW¼, and N½NW¼; section 32, all;

T. 19 N., R. 23 E., sections 2, 4, 6, 8, 10, 12, 14, 16, 18, 20, 22, 24, 26, 28, 30, 32, 34, and 36;

T. 19 N., R. 24 E., sections 2, 4, 6, 8, 10, 12, 14, 16, 18, 20, 22, 24, 26, 28, 30, 32, 34, and 36;

T. 19 N., R. 25 E., sections 2, 4, 6, 8, 10, 12, 14, 16, 18, 20, 22, 24, 26, 28, 30, 32, 34, and 36;

T. 19 N., R. 26 E., section 2, all; section 4, E½E½, W½W½, NE¼NW¼, NW¼NE¼, SE¼SW¼, and SW¼SE¼; sections 6, 8, 10, 12, 14, 16, 18, 20, and 22; section 24, N½, SW¼, and NW¼SE¼; section 26, N½, SW¼, and NW¼SE¼; sections 28, 30, 32, and 34; section 36, all except NW¼NW¼;

T. 19 N., R. 27 E., section 2, all except S½SE¼ and N½SW¼; section 4, all; section 6, all except S½SE¼; section 8, E½SE¼, NE¼, and NE¼NW¼; section 10, all except SW¼SE¼; section 12, all except SW¼NW¼; section 14, N½ and N½SW¼; section 16, all; section 18, N½NW¼, SW¼-NE¼, E½SW¼, W½SE¼, and SE¼SE¼; section 20, N½ and NE¼SE¼; section 22, SE¼, E½SW¼, SW¼SW¼, and NW¼NW¼; section 24, SW¼SW¼; section 26, all; section 28, all except NW¼NW¼; section 30, all except NW¼NW¼; sections 32, 34, 35, and 36;

T. 19 N., R. 28 E., sections 1 and 2; section 3, E½; section 4, all except SW¼SW¼; section 6, SE¼, S½SW¼, and S½N½; section 8, SE¼, W½NE¼, and that part of the E½NE¼ lying north and east of Soda Lake meander line; section 10, all except SW¼-NW¼ and NW¼SW¼; sections 11 and 12; section 13, N½N½ and SE¼NE¼; section 14, NW¼, NE¼, N½SW¼, SW¼SW¼, and NW¼SE¼; section 15, N½, N½S½, SW¼-SW¼, and SE¼SE¼; section 16, SE¼, NE¼NE¼, S½SW¼, NE¼SW¼ and E½-NW¼; section 17, W½W½, E½NW¼, NE¼-SW¼, N½SE¼, and S½S½SE¼; section 18, SE¼ and N½SW¼; section 20, E½W½, NW¼NW¼, SW¼SW¼, NE¼NE¼, SW¼-NE¼, and NW¼SE¼; section 21, NE¼, E½-NW¼, SW¼NW¼, N½SW¼, SW¼SW¼, W½SE¼, and SE¼SE¼; section 22, SW¼NW¼, NW¼, and NE¼NE¼; section 23, NE¼SE¼; section 24, NW¼NE¼; section 26, N½NW¼; section 30, W½SW¼; section 31, W½ and W½SE¼;

T. 19 N., R. 29 E. section 1, all; section 2, SE¼, S½SW¼, and SE¼NE¼; section 3, S½; section 4, SE¼; section 5, W½; section 6, all; section 7, all except SE¼SE¼; section 8, NW¼, W½-NE¼, N½SW¼, and NW¼SE¼; section 9, E½; sections 10 through 14, inclusive; section 15, S½, NE¼, and E½NW¼; section 16, N½NW¼, and SW¼NW¼; section 17, SE¼SE¼; section 18, E½NW¼ and NE¼-SW¼; section 20 E½, E½SW¼, SW¼SW¼, and SE¼NW¼; sections 21 and 22; section 23, NW¼, W½SW¼, NE¼SW¼, W½NE¼, and NE¼NE¼; section 24, N½NW¼ and NW¼NE¼; section 27, NW¼; section 28, N½; section 29, N½ except SW¼NW¼; section 36, S½S½.

T. 19 N., R. 30 E., section 2, NW¼ and W½NE¼; section 3, W½ and NE¼; sections 4 through 7, inclusive; section 8, W½ and NE¼; section 18, N½ and W½SW¼; section 23, NE¼NW¼; section 24, S½, E½NW¼, and W½NE¼SE¼NE¼; section 25, all; section 26, SE¼ and S½NE¼; section 27, SE¼SW¼ and W½NW¼; section 28, W½, W½SE¼, SE¼SE¼, and E½NE¼; section 29, all; section 30, E½SE¼ and S½SW¼; section 31, S½, W½NW¼, and E½NE¼; sections 32 through 36, inclusive.

T. 19 N., R. 31 E., sections 1 through 3, inclusive; section 4, E½, E½W½, and SW¼SW¼; section 6, N½NW¼; section 8, S½SE¼; sections 9 through 11, inclusive; sections 14 through 16, inclusive; section 17, E½, SW¼, and NE¼NW¼; section 18, E½SE¼; section 19, S½, E½NW¼, and NE¼NE¼; sections 20 through 22, inclusive; sections 27 through 34, inclusive;

T. 20 N., R. 23 E., section 20, S½; section 22, S½; sections 24, 26, 28, 30, 32, 34, and 36;

T. 20 N., R. 24 E., section 10, NW¼; section 12, W½NE¼ and N½NW¼; section 16, all; section 18, S½SE¼, NE¼SE¼, NW¼NE¼, and NW¼; sections 20 and 22; section 24, SW¼ and SW¼NW¼; sections 26, 28, 30, 32, 34, and 36;

T. 20 N., R. 25 E., sections 2, 4, 6, 8, 10, 12, 14, and 16; section 18, S½NE¼ less railroad right-of-way; section 22, S½SW¼; section 24, NE¼ and NE¼NW¼; sections 26, 28, 30, 32, 34, and 36;

T. 20 N., R. 26 E., sections 4, 6, 8, 16, 18, and 20; section 26, N½, SE¼, and NW¼SW¼; sections 28 and 30; section 32, all except E½NE¼NE¼; section 34, SE¼, E½SW¼, SW¼SW¼, SW¼NW¼, and SE¼NE¼; section 36, all;

T. 20 N., R. 27 E., sections 2, 10, 12, 14, 16, 18, 20, 22, 24, 26, 28, 30, 32, 34, and 36;

T. 20 N., R. 28 E., sections 2, 4, 6, 8, 10 12, 14, 16, 18, 20, 22, 24, 25, 26, 28, and 30; section 32, E½, NE¼NW¼, W½SW¼, and SE¼SW¼; section 34, all; section 35, S½; section 36, all;

T. 20 N., R. 29 E., sections 4, 6, and 8; section 10, W½NW¼, NE¼NW¼, SE¼NE¼, SE¼, E½SW¼, and SW¼SW¼; section 12, all; section 13, S½, NE¼, NE¼NW¼, and SW¼NW¼; section 14, E½, E½SW¼, SW¼SW¼, SE¼, NW¼, and NW¼NW¼; section 15, NE¼, N½NW¼, SE¼NW¼, NE¼SW¼, NW¼SE¼, and SE¼SE¼; section 16, W½; sections 18 and 20; section 21, W½; section 22, N½NE¼ and E½NW¼; sections 23 through 26, inclusive; section 27, E½E½, SW¼NE¼, S½NW¼, and N½SW¼; section 28, W½; sections 29 through 32, inclusive; section 33, all except NE¼NE¼; section 34, E½NE¼; section 35, NW¼, NE¼, and N½SE¼; section 36, all.

T. 20 N., R. 30 E., sections 1 through 5, inclusive; section 6, E½, S½SW¼, S½NW¼, and NE¼NW¼; sections 7 through 17, inclusive; section 18, N½, SE¼, and NE¼SW¼; section 19, all except NW¼NW¼; sections 20 through 25, inclusive; section 26, NW¼ and SE¼; sections 27 through 33, inclusive; section 34, NW¼, SW¼, and SE¼; section 35, all; section 36, NW¼, SW¼, and N½SE¼;

T. 20 N., R. 31 E., section 1, all; section 2, W½, E½SE¼, W½NE¼, and NE¼NE¼; sections 3 and 4; section 5, W½NW¼, E½, SE¼SW¼, and NW¼SW¼; section 6, all; section 7, NW¼, W½NE¼, W½SW¼, NE¼-SW¼, and NW¼SE¼; section 8, all except NW¼NW¼; section 9, all; section 10, NW¼, SW¼, and NE¼; section 11, E½, SE¼NW¼, E½SW¼, and SW¼SW¼; sections 12 through 14, inclusive; section 18, W½W½; section 22, E½; sections 23 through 26, inclusive; section 27, all except NW¼NW¼; section 28, E½SE¼; section 30, W½W½; section 31, E½SW¼; section 33, E½, SW¼, and SE¼NW¼; sections 34 through 36, inclusive;

T. 20 N., R. 32 E., sections 3 through 10, inclusive; sections 16 through 21, inclusive; sections 29 and 30;

T. 21 N., R. 25 E., sections 12, 14, 24, 26, 28, 34, and 36;

T. 21 N., R. 26 E., sections 4, 6, 8, 18, 20, 28, 30, and 32;

T. 21 N., R. 27 E., section 36, all;

T. 21 N., R. 28 E., sections 12, 14, 22, 24, 26, 28, 32, 34, and 36;

T. 21 N., R. 29 E., sections 2, 4, 6, 8, 10, 12, 14, 16, 18, 20, 22, 24, 26, 28, 30, 32, 34, and 36;

T. 21 N., R. 30 E., sections 2, 4, 6, 8, 10, 12, 14, 16, 18, 20, 22, 24, 25, 26, 28, 30, 32, 34, 35, and 36;

T. 21 N., R. 31 E., sections 1, 2, 4, and 6; sections 8 through 36, inclusive;

T. 21 N., R. 32 E., sections 2 through 11, inclusive; sections 14 through 23, inclusive; sections 27 through 34, inclusive;

T. 22 N., R. 26 E., sections 2, 4, 10, 12, 14, 22, 24, 26, 28, 30, 32, 34, and 36;

T. 22 N., R. 29 E., sections 2, 4, 6, 8, 10, 12, 14, 16, 18, 20, 22, 24, 26, 28, 30, 32, 34, and 36;

T. 22 N., R. 30 E., sections 2, 4, 6, 8, 10, 12, 14, 16, 18, 20, 22, 24, 26, 28, 30, 32, 34, and 36;

T. 22 N., R. 31 E., sections 2, 4, 6, 8, 10, 12, 14, 16, 18, 20, 22, 24, 26, 28, 30, 32, 34, and 36;

T. 22 N., R. 32 E., sections 1, 2, 4, 6, and 8; section 9, E½; sections 10 through 16, inclusive; sections 18 and 20; sections 22 through 36, inclusive;

T. 22 N., R. 33 E., sections 6, 7, and 18;

T. 23 N., R. 26 E., sections 26, 34, and 36;

T. 23 N., R. 29 E., sections 24, 26, 32, 34, and 36;

T. 23 N., R. 30 E., sections 8, 10, 12, 14, 16, 18, 20, 22, 24, 26, 28, 30, 32, 34, and 36;

T. 23 N., R. 31 E., sections 2, 4, 6, 8, 10, 12, 14, 16, 18, 20, 22, 24, 26, 28, 30, 32, 34, and 36;

T. 23 N., R. 32 E., sections 2, 4, 6, 8, 10, 12, 14, 16, 18, 20, 22, 24, 26, 28, 30, 32, 34, 35, and 36;

T. 23 N., R. 33 E., sections 30 and 31;

T. 24 N., R. 31 E., sections 24, 26, 32, 34, and 36;

T. 24 N., R. 32 E., sections 20, 22, 26, 28, 30, 32, and 34.

The statement by Mr. McCARRAN is as follows:

STATEMENT BY SENATOR MCCARRAN

I am the first to appreciate the landmark effect this legislation might well have across the length and breadth of this country. It is my firm conviction that the Federal Government when it has been repaid every dollar of its investment, should divest itself of ownership and control. Those responsibilities, and the advantages and disadvantages inherent in them, should be placed in the farmers who have paid in their hard-earned dollars on repayment contracts. That is the basic purpose of this bill.

If I might take several minutes, I would like to turn back the pages of history on federally financed reclamation development in this country. One of my late distinguished predecessors who represented the State of Nevada in both Houses of the Congress was the Honorable Francis G. Newlands, popularly called the father of reclamation development in the United States.

He introduced the first reclamation act in 1901 while a Member of the House of Representatives. He worked against great odds for the passage of this act in 1902. President Theodore Roosevelt paid him the highest of compliments for his foresight and understanding at the time the act was signed into law.

One year later the country's first reclamation project was authorized by the Congress in the State of Nevada and work estimated to cost $8 million was begun. In 1919 this development was named the Newlands' project in honor of Senator Newlands.

I need not recount what reclamation has meant to the Nation and especially the West in developing natural resources, irrigating untold thousands of acres of farmlands, harnessing water power, and building industrial empires.

Originally the Newlands' project was designed to place under cultivation some 20,000 acres of arid Nevada land in addition to providing hydroelectric power in the Truckee-Carson River Basins. Today that project has 53,458 acres under cultivation, and carrying out the prophecy of the late Senator Newlands, the desert has bloomed.

The project includes storage facilities at Lake Tahoe on the Nevada-California border and Boca Reservoir on the Truckee River and the Lahontan Reservoir on the main Carson River. In addition there are many miles of canals, a powerplant at Lahontan Dam, distribution and drainage systems, pipelines, power-distribution lines, telephones and telephone lines, and some buildings, in addition to the land involved.

I might point out that the farmers on the Newlands' project have been the victims of multiple mistakes which experience has

given the Reclamation Bureau a better perspective and guidance from which the country has benefited. It was a trial-and-error operation by necessity, but the farmers of Nevada paid for those mistakes. Now they believe they have earned the right to own and control the project which their labors have purchased.

The Truckee-Carson irrigation district contracted with the Federal Government in December 1926, to become the operating agency of the Newlands' project and a repayment program was begun. Today the farmers have an outstanding indebtedness of less than $300,000 owing to the Federal Government.

At a time in the near future when these farmers have repaid every dollar of the Government's investment, I believe those farmers should be given full ownership. Such would be to the best interests of the Federal Government. It would be divested of future expenses and the criteria of private enterprise from governmental investment would be served.

This legislation is not a Department of Interior bill although I am most hopeful that the Department will sanction its passage. My bill merely restates the demands of the people of my State.

I believe this bill truly represents democracy at work where the farmers themselves by their initiative and years of toil have repaid construction and interest costs to a Federal Government which envisioned the need for great reclamation development and used the State of Nevada and its farmers as the trial stage.

I believe it wholly consistent that Nevada as the site of the first reclamation project should also be the site of the first such project that the Federal Government returns to ownership and control of the people it was designed to serve.

JURISDICTION OVER SUBMERGED LANDS OF OUTER CONTINENTAL SHELF—AMENDMENTS

Mr. DANIEL submitted an amendment intended to be proposed by him to the bill (S. 1901) to provide for the jurisdiction of the United States over the submerged lands of the outer Continental Shelf, and to authorize the Secretary of the Interior to lease such lands for certain purposes, which was ordered to lie on the table and to be printed.

Mr. LONG submitted an amendment intended to be proposed by him to Senate bill 1901, supra, which was ordered to lie on the table and to be printed.

Mr. CASE (for himself and Mr. McCLELLAN) submitted an amendment intended to be proposed by them, jointly, to Senate bill 1901, supra, which was ordered to lie on the table and to be printed.

Mr. ELLENDER (for himself and Mr. LONG) submitted amendments intended to be proposed by them, jointly, to Senate bill 1901, supra, which were ordered to lie on the table and to be printed.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT TO CIVIL FUNCTIONS APPROPRIATION BILL

Mr. KNOWLAND submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 5376) making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1954, and for other purposes, the following amendment, namely: On page 4, line 23, after the matter stricken out, insert the following: ": *Provided further*, That funds appropriated herein may at the discretion and under the direction of the Chief of Engineers be used in payment to the accounts of the Confederated Tribes of the Yakima Reservation; the Confederated Tribes of the Warm Springs Reservation; the Confederated Tribes of the Umatilla Reservation; or other recognized Indian tribes, and those individual Indians not enrolled in any recognized tribe, but who through domicile at or in the immediate vicinity of the reservoir and through custom and usage are found to have an equitable interest in the fishery, all of whose fishing rights and interests will be impaired by the Government incident to the construction, operation, or maintenance of the Dalles Dam, Columbia River, Wash. and Oreg., and must be subordinated thereto by agreement or litigation."

Mr. KNOWLAND also submitted an amendment intended to be proposed by him to House bill 5376, making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1954, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

NOTICE OF CONSIDERATION OF CERTAIN NOMINATIONS BY COMMITTEE ON FOREIGN RELATIONS

Mr. WILEY. Mr. President, the Senate received today the nominations of Irving Salomon, of California, to be a Representative of the United States of America to the Second Extraordinary Session of the General Conference of the United Nations Educational, Scientific, and Cultural Organization, and Mrs. Elizabeth E. Heffelfinger, of Minnesota, to be the Alternate Representative of the United States of America to the Second Extraordinary Session of the General Conference of the United Nations Educational, Scientific, and Cultural Organization. I give notice that these nominations will be considered by the Foreign Relations Committee after 6 days have expired in accordance with the committee rule.

WHEAT FOR PAKISTAN

The VICE PRESIDENT. The Chair is about to lay before the Senate the amendment of the House of Representatives, in which the concurrence of the Senate is requested, to Senate bill 2112, providing for the transfer of price-support wheat to Pakistan.

Mr. KNOWLAND. Mr. President, although that is a privileged matter, I prefer not to have it called up until I have had a chance to notify the distinguished minority leader. Although the amendment of the House of Representatives itself makes no basic change in the bill, but is purely clarifying, I wish to give the minority leader an opportunity to look over the amendment.

The VICE PRESIDENT. Very well.

Mr. KNOWLAND subsequently said:

Mr. President, I ask unanimous consent that the Senate proceed to the consideration of a privileged matter, which is Senate bill 2112, to provide for the transfer of price-support wheat to Pakistan, which has been amended by the House. It is noncontroversial, involving merely the matter of accepting the House amendment which adds only three words to the bill.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 2112) to provide for the transfer of price-support wheat to Pakistan, which was, on page 3, line 9, after "the", where it appears the second time, insert "people of the."

Mr. AIKEN. Mr. President, the House has deliberated on this bill in the past 2 days and passed it yesterday with an amendment which adds three words to the bill. On page 3, paragraph (b), instead of reading "to give full and continuous publicity in Pakistan to the assistance furnished by the United States," the amendment would make it read, "to give full and continuous publicity in Pakistan to the assistance furnished by the people of the United States."

The administration has no objection to the amendment, and I know of no objection to it. I, therefore, move that the Senate concur in the House amendment.

The motion was agreed to.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. WILEY:

Address delivered by him before American Veterans of World War II convention in Beloit, Wis., June 20, 1953.

Commencement address delivered by Senator CARLSON at Springfield College, Springfield, Mass., June 14, 1953.

By Mr. BUTLER of Maryland:

Article entitled "New Dealers' Fifth Column Wired to Jobs," written by Walter Trohan and published in the Washington Times-Herald of January 11, 1953, relating to socialistic thinking and attitudes among certain Government employees.

By Mr. MONRONEY:

Statement prepared by him entitled "Circulation Building Through Smear."

By Mr. KEFAUVER:

Resolution adopted by the Memphis and Shelby County Council of Civic Clubs and an editorial from the Memphis Commercial Appeal of June 10, regarding the importance of keeping TVA in operation at maximum efficiency.

CONTINUED HIGH TAXES NECESSARY TO BALANCE BUDGET

Mr. BYRD. Mr. President, the deficit for the year ending June 30, 1953, was estimated at $5.9 billion. I confidently predict, however, that next week, when the books of the Government close for the fiscal year, the deficit will be close to $9 billion, an increase of $3 billion above the estimate.

This will result from the alarming decline in revenue. Receipts for the current fiscal year were estimated at $63.7 billion. They will actually be around $66 billion, a reduction of $2.7 billion or more.

On the expenditure side, I estimate the expenditures for this fiscal year will be about the same as the estimate of $74.6 billion. The deficit of $8.6 billion-plus for this fiscal year will be our largest deficit, except at times when this country was engaged in a war authorized by Congress.

This situation, whereby the deficit is much larger than anticipated, dramatically emphasizes the necessity for continuing the excess profits tax, which expires July 1.

I want to repeat what I have said so often before, that after 21 years of deficits our number 1 job at home is to achieve a balanced budget. Our taxes are burdensome, but high taxes are better than insolvency. I, therefore, think it is imperative that we continue our present level of income from taxation until the budget is balanced; then we can look forward with certainty to a general tax revision which will give relief to the overburdened taxpayers.

We have been on a spending spree for 20 years. In the sobering-up process, we must continue the burdens of high taxes until expenditures are reduced to permit a balance between income and outgo.

The VICE PRESIDENT. Morning business is concluded.

JURISDICTION OVER SUBMERGED LANDS OF THE OUTER CONTINENTAL SHELF

The Senate resumed the consideration of the bill (S. 1901) to provide for the jurisdiction of the United States over the submerged lands of the outer Continental Shelf, and to authorize the Secretary of the Interior to lease such lands for certain purposes.

The PRESIDING OFFICER (Mr. KUCHEL in the chair). The question is on agreeing to the amendment offered by the Senator from Texas [Mr. DANIEL], striking out on page 25, line 25, the words "credited to miscellaneous receipts," and inserting in lieu thereof certain other words.

Mr. DANIEL obtained the floor.

Mr. KNOWLAND. Mr. President, will the Senator from Texas yield for a unanimous-consent request? I assure the Senator that it has been cleared with the minority leader [Mr. JOHNSON of Texas]. I do not believe it will require very long.

Mr. DANIEL. I yield for that purpose.

EXECUTIVE SESSION

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of executive business for the consideration of new reports on the Executive Calendar.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. KUCHEL in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. MILLIKIN, from the Committee on Finance:

George F. Jameson, of Oregon, to be collector of customs for customs collection district No. 29, with headquarters at Portland, Oreg.

The PRESIDING OFFICER. If there be no further reports of committees, the nominations on the Executive Calendar, under the heading "New Reports," will be stated.

UNITED NATIONS

The legislative clerk read the nomination of John C. Baker, to be representative of the United States of America to the 16th session of the Economic and Social Council of the United Nations.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk read the nomination of James S. Kemper to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Brazil.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of L. Corrin Strong to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Norway.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of M. Robert Guggenheim to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Portugal.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

FEDERAL MARITIME BOARD

The legislative clerk read the nomination of Louis S. Rothschild to be a member of the Federal Maritime Board for the remainder of the term expiring June 30, 1956.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES ATTORNEY

The legislative clerk read the nomination of William F. Tompkins to be United States attorney for the district of New Jersey.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the President be notified of the nominations confirmed today.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE BUSINESS

Mr. KNOWLAND. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

CONTINUATION OF PROVISIONS OF TITLE II OF FIRST WAR POWERS ACT, 1941

Mr. KNOWLAND. Mr. President, yesterday, as the acting majority leader, I gave notice that today I would like to have the unfinished business temporarily laid aside and the Senate proceed to the consideration of Calendar Nos. 410, 411, and 412, which, respectively, are Senate bill 1237, House bill 3853, and House bill 2313. I have discussed the bills with the minority leader, and he has stated that there is no objection to the procedure proposed.

With respect to Calendar No. 411, H. R. 3853, I understand an amendment has been offered to that bill by the Senator from Minnesota [Mr. THYE], on behalf of the Committee on Small Business, but that he has agreed to withdraw the amendment. I have also cleared the procedure with the chairman of the Committee on the Judiciary. I am assured that, so far as these Senators know, the bills are noncontroversial.

Therefore, Mr. President, I ask unanimous consent that the unfinished business, Senate bill 1901, be temporarily laid aside, and that the Senate proceed to the consideration of Senate bill 1237.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (S. 1237) to amend the act of January 12, 1951, as amended, to continue in effect the provisions of title II of the First War Powers Act, 1951.

Mr. BUTLER of Maryland. Mr. President, when the calendar was called on Thursday, June 18, I had a colloquy with the Senator from Minnesota [Mr. THYE] in connection with the pending bill. At that time he offered an amendment to the bill, which, I understand, he now has agreed to withdraw. The Senator from Minnesota is not on the floor, but he has agreed to withdraw the amendment. I have discussed the matter with the Department of Defense, and they have assured the Senator from Minnesota and me that failure to pass the pending bill immediately would very seriously interfere with ammunition procurement and other procurement programs of the Department of Defense. I therefore ask that the bill be passed.

The PRESIDING OFFICER. Without objection, the amendment offered by the Senator from Minnesota [Mr. THYE] will be withdrawn.

There is an identical House bill on the calendar, H. R. 2557. Without objection, the House bill will be considered. The clerk will state the House bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 2557) to amend the act of January 12, 1951, as amended, to continue in effect the provisions of title II of the First War Powers Act, 1941.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be offered the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

Mr. THYE subsequently said: Mr. President, earlier today while I was attending a hearing, Calendar 410, Senate bill 1237, a bill to amend the act of January 12, 1951, as amended, to continue in effect the provisions of title II of the First War Powers Act, 1941, was passed.

I wish to mention the fact that question about the bill was raised with me this morning by representatives of the Armed Forces, who urged the necessity of its prompt passage. So I agreed that I would withdraw my amendment. I am as much concerned with the importance of my amendment as I ever was, but I realize that the bill should be passed, and I wanted it to pass. I so advised the Senator from Maryland [Mr. BUTLER].

I am concerned with the amendment, however, and I ask unanimous consent to have printed in the body of the RECORD a statement which I prepared in explanation of the amendment which I offered to the bill. I discussed the subject with members of the Committee on Government Operations, and it is my understanding that that committe will give serious consideration to the legislative policy embodied in my amendment. In due time we should receive a report on the legislative proposal embodied in my amendment. Because I have been unable to get a report, I endeavored to amend Senate bill 1237, continuing the First War Powers Act. I express the hope that the Committee on Government Operations will give us a report on the proposed amendment.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR THYE CONCERNING AMENDMENT TO S. 1237 AND H. R. 2557

I desire to make a brief statement in explanation of the amendment which I have offered to S. 1237 (Calendar Order No. 410) and which I would likewise offer to the identical bill passed by the House of Representatives H. R. 2557 (Calendar Order No. 446). The purpose of these bills is to continue in effect the provisions of title II, of the First War Powers Act, 1951, as amended, until June 30, 1954.

The title in question now reads as follows:

"SEC. 201. The President may authorize any department or agency of the Government exercising functions in connection with the national defense, in accordance with regulations prescribed by the President for the protection of the interests of the Government, to enter into contracts and into amendments or modifications of contracts heretofore or hereafter made and to make advance, progress, and other payments thereon, without regard to the provisions of law relating to the making, performance, amendment, or modification of contracts whenever he deems such action would facilitate the national defense: *Provided*, That nothing herein shall be construed to authorize the use of the cost-plus-a-percentage-of-cost system of contracting: *Provided further*, That nothing herein shall be construed to authorize any contracts in violation of existing law relating to limitation of profits: *Provided further*, That all acts under the authority of this section shall be made a matter of public record under regulations prescribed by the President and when deemed by him not to be incompatible with the public interest: *Provided further*, That all contracts entered into, amended, or modified pursuant to authority contained in this section shall include a clause to the effect that the Comptroller General of the United States or any of his duly authorized representatives shall have access to and the right to examine any pertinent books, documents, papers, and records of the contractor or any of his subcontractors engaged in the performance of and involving transactions related to such contracts or subcontracts."

The authority contained in title II, First War Powers Act, 1941, was utilized by the defense agencies during World War II to enable those agencies to amend contracts where such amendments would "facilitate the prosecution of the war." Regulations promulgated by the military departments during World War II provided for amendments which would result in the following:

"(1) obtaining continued operations by contractors engaged in national defense production;

"(2) encouraging greater diligence on the part of contractors;

"(3) protecting contractors from the consequences of unforeseen or unexpected events; or

"(4) adjusting contracts to new conditions and circumstances, including those created by the rules, orders, instructions and determinations of Government departments."

In December 1950 representatives of the Department of Defense urgently requested the Congress to reenact the provisions of title II. Public Law 921 of the 81st Congress, enacted January 12, 1951, amended the original law by striking the phrases "prosecution of the war effort" and "prosecution of the war" and substituting the words "national defense."

Public Law 921 provided that title II powers should not remain in force beyond June 30, 1952. Public Law 426, 82d Congress, enacted June 30, 1952, extended the operations of title II powers until June 30, 1953. The pending legislation provides for a further 1-year extension.

The Senate Committee on Government Operations (formerly the Committee on Expenditures in the Executive Departments), which considered the bill which became Public Law 921, submitted a report to the 81st Congress in which it stated that the main objective of the legislation was "not to prevent losses on Government contracts because of increased costs except in extreme hardship cases, but to afford relief to small-business firms who might otherwise be prevented from completing deliveries on such contracts because of increased costs."

Joint regulations promulgated by the three military departments under date of February 21, 1951, authorized the granting of an amendment to a contract without consideration under title II powers "where an actual or threatened loss on a defense contract, however caused, will impair the productive ability of a contractor whose continued operation as a source of supply is found to be essential to the national defense. * * *"

At hearings conducted by the Senate Small Business Committee in February 1952, it was found that many small concerns had suffered extreme hardship under fixed-price defense contracts as a result of rising costs and material shortages resulting from Korea. It was also found that the Department of Defense was utilizing title II powers to protect "essential" military sources of supply but that it was refusing to afford relief to businesses incurring heavy losses except where they could be shown to be "essential." The practical effect of the regulation was that regardless of the severity of the hardship, a contractor was unable to obtain relief except in a situation where he was a sole source of supply or one of a very few sources of supply at the time his application for relief was being considered by the Department of Defense.

In a report on the administration of Public Law 921 (S. Rept. 1459, 82d Cong.), the Senate Small Business Committee recommended an amendment to the regulations to delete the requirement as to essentiality. In its report recommending the extension of title II powers until June 30, 1953 (S. Rept. 1498, 82d Cong.), the Senate Committee on Government Operations endorsed the conclusions of the Senate Small Business Committee and stated, "It is the conviction of the Committee on Government Operations that where a defense contractor has suffered extreme financial hardship due to rising costs, material shortages, or other economic factors beyond his control, and not within his contemplation at the time he accepted a fixed-price contract, such a contractor should be entitled to the relief the Congress intended title II to afford."

After the filing of the report of the Committee on Government Operations and after Senate approval of the bill extending title II powers until June 30, 1953, the Department of Defense advised the Senate Small Business Committee that it was reluctant to amend its regulations in the absence of new legislation. This advice was received June 6, in the closing days of the 82d Congress, and title II powers were not amended but were simply extended until June 30, 1953.

On March 4 I introduced S. 1175, a bill to amend and extend the provisions of title II of the First War Powers Act of 1941 giving authority to the defense agencies to adjust contracted prices. Ten of my associates on the Small Business Committee joined me in sponsoring the bill, which was referred to the Committee on Government Operations. This committee had previously stated its conclusions in a report to the Senate "that the present policy of the Department of Defense should be broadened so that proper consideration may be given to the defense contractor or subcontractor, who, because of economic factors completely beyond his control, faces severe financial hardship or bankruptcy, as was intended under the original act."

The Government Operations Committee has not as yet been able to report on the new bill, but some studies, in addition to those on which previous reports were based, have been made during the past several months.

The bill now on the Senate Calendar was reported out by the Senate Judiciary Committee which has not dealt with this problem over the past 3 years. S. 1237 was approved by the Judiciary Committee and sent to the floor without public hearings or extensive studies. I do not say this in any way to be critical of that committee, but to point out that it may not have been aware of all the issues involved or of the comprehensive work which has been done by the Small Business Committee and the Government Operations Committee.

The amendment which is now before the Senate with relation to the extension of title II of the First War Powers Act contains the same provisions as S. 1175. The language in the first portion of the proposed amendment, to line 21 on page 2 as printed is the same as Public Law 921, with the following exceptions:

1. The counterpart of line 4 of page 2 in the World War II legislation and the public laws extending it contained the phrase "whenever he deems such action * * *." The proposed amendment as noted in line 4 of page 2 would delete the words "he deems" in order to indicate that the standards proposed in the bill should control in the promulgation of regulations.

2. Lines 10 through 12 of page 2 contain a proviso bringing the functions of the bill under the provisions of section 3 of the Administrative Procedure Act. The purpose of the language is to remove any doubt that may exist as to the applicability of this section of the Administrative Procedure Act. While the military departments have in the past generally complied with the contemplated publication of procedures, forms and instructions, there has been a failure to publish, or make available for public inspection, the final decisions or opinions of the Contract Adjustment Boards. It has been the practice, moreover, to refuse to show to an applicant for an amendment without consideration a copy of the opinion in his particular case. Adherence to section 3 of the Administrative Procedure Act will correct this situation. At the same time, the public interest will be protected inasmuch as information "required for good cause to be held confidential" is excepted from the operation of the section.

The remainder of the amendment, as printed, beginning with the phrase "As used in this section," in line 21 of page 2, constitutes new matter.

First, it is to be noted that Public Laws 921 and 426 contain the following language:

"SEC. 3. Nothing in this act shall prejudice anything heretofore done under the said title II of the First War Powers Act, 1941, or the continuance in force of any action heretofore taken thereunder."

This would not be included if the amendment is adopted.

Beginning on line 21 of the amendment to S. 1237 as printed, the new language to be added to the present provisions of title II would be as follows:

"As used in this section, the term 'facilitate the national defense' shall be deemed to include, but without limitation thereto, the following:

"(1) obtaining continued operations by contractors engaged in national defense production;

"(2) affording relief to contractors incurring extreme financial hardship on fixed-price contracts due to factors beyond their anticipation or control; or

"(3) adjusting contracts to new conditions and circumstances, including those created by the acts, rules, orders, instructions, or determinations of Government departments and agencies.

"This section shall also apply to a contractor who has suffered extreme financial hardship after June 24, 1950, regardless of the fact that final payment on the contract has been received prior to the enactment of this sentence or that relief has been denied prior thereto: *Provided, however,* That such a contractor must file an application for relief within 6 months after the date of enactment of this section."

This language is designed to incorporate in the law the clear intent of the Congress not only to keep key suppliers in business but also to afford relief to contractors suffering extreme financial hardship because of circumstances beyond their control.

This language spells out the standards to be utilized by the defense agencies. It will be noted that the numbered standards incorporate the substance of the World War II regulations but that the language has been amended to encompass the congressional intent as noted in the reports of the Senate Committee on Small Business and the Senate Committee on Government Operations.

In brief, as I have previously stated to the Senate, the amendment is designed to render practical justice to small business. I believe that it merits the support of the Senate, since it is in accordance with the intent expressed by Congress on various past occasions and following extensive study of the problem by two Senate committees.

The PRESIDING OFFICER. Without objection, Senate bill 1237 is indefinitely postponed.

CRIMES AND CRIMINAL PROCEDURE

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of House bill 3853.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California?

Mr. KNOWLAND. After consultations with the minority leader, the Senator from Texas [Mr. JOHNSON], I understand that an amendment is to be proposed to the bill, and his approval of the bill was contingent upon the amendment being adopted.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 3853) to amend title 18 of the United States Code, entitled "Crimes and Criminal Procedure," with respect to continuing the effectiveness of certain statutory provisions until 6 months after the termination of the national emergency proclaimed by the President on December 16, 1950, which had been reported from the Committee on the Judiciary with amendments.

Mr. BUTLER of Maryland. Mr. President, I send to the desk certain amendments, including three amendments to committee amendments. These amendments have been agreed to by the Department of Defense, and they have been drawn up by the Senator from Nevada [Mr. MCCARRAN] in consultation with the Department of Defense and with myself.

The PRESIDING OFFICER. The committee amendments will be stated.

The first amendment of the Committee on the Judiciary was on page 2, line 4, after "(66 Stat. 333)," to insert "as further amended by Public Law 12, 83d Congress."

The amendment was agreed to.

The next committee amendment was, in line 10, after "(Proc. 2912, 3 C. F. R., 1950 Supp., p. 71)," to insert "or such earlier date as may be prescribed by joint resolution of the Congress."

Mr. BUTLER of Maryland. Mr. President, I send to the desk an amendment to the committee amendment, and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment to the amendment.

The LEGISLATIVE CLERK. In the committee amendment on page 2, line 11, after the word "by", it is proposed to strike out "joint" and insert in lieu thereof "concurrent."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment of the committee was, on page 3, line 10, after "(66 Stat. 333", to insert "as further amended by Public Law 12, 83d Congress."

The amendment was agreed to.

The next amendment of the committee was, on page 3, line 16, after "(Proc. 2912, 3 C. F. R., 1950 Supp., p. 71)", to insert "or such earlier date as may be prescribed by joint resolution of the Congress."

Mr. BUTLER of Maryland. I offer an amendment to the amendment of the committee, on page 3, line 17, after the word "by", to strike out "joint" and to insert "concurrent."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment of the committee was, on page 4, line 10, after "(66 Stat. 333)", to insert "as further amended by Public Law 12, 83d Congress."

The amendment was agreed to.

The next amendment of the committee was on page 4, line 16, after "(Supp., p. 71)", to insert "or such earlier date as may be prescribed by joint resolution of the Congress."

Mr. BUTLER of Maryland. Mr. President, I move to amend the amendment of the committee on page 4, line 17, after the word "by", by striking out the word "joint" and inserting the word "concurrent."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

Mr. BUTLER of Maryland. Mr. President, I offer an amendment, which I ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 2, line 11, after the word "acts", it is proposed to strike out "of the kind giving" and to insert in lieu thereof "which would give."

The amendment was agreed to.

Mr. BUTLER of Maryand. Mr. President, I offer another amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, after line 16, it is proposed to strike out lines 17 to 23 inclusive, as follows:

(b) Effective for the period above provided for, the words "conduct of war" as used in section 2151 are extended to include defense activities.

(c) Effective for the period above provided for, the words "carrying on the war" as used in section 2153 and 2154 are extended to include defense activities wherever they appear therein.

And in lieu thereof to insert:

(b) Effective in each case for the period above provided for, title 18, United States Code, section 2151, is amended by inserting the words "or defense activities" immediately before the period at the end of the definition of "war material", and said sections 2153 and 2154 are amended by inserting the words "or defense activities" immediately after the words "carrying on the war" wherever they appear therein.

The amendment was agreed to.

Mr. BUTLER of Maryland. Mr. President, the next amendment I offer is on page 3, line 17, after the word

"acts", to strike out "of the kind giving" and to insert "which would give."

The amendment was agreed to.

Mr. BUTLER of Maryland. Mr. President, my next amendment is on page 4, line 17, after the word "acts", to strike out "of the kind giving" and to insert "which would give."

The amendment was agreed to.

Mr. BUTLER of Maryland. Mr. President, I ask unanimous consent to have inserted in the RECORD at this point, as a part of my remarks, an explanation of the amendments which have just been agreed to.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BUTLER OF MARYLAND

The following three amendments to committee amendments have as their purpose a reservation to Congress of the right to terminate the period during which the extended penalties and offenses provided under this bill shall be in force.

The committee amendment purports to reserve such a right to the Congress, to be exercised by joint resolution. But this is in fact no reservation at all, since the Congress at any time, by an act approved by the President, could effectuate this result. By changing the word "joint" to "concurrent," it would be provided that the Congress might effectuate this termination by concurrent resolution, which would not require approval of the President.

In this connection, it should be noted, as a part of the legislative history, that this is not a case where Congress is attempting to reserve to itself the right to accomplish a legislative act by some process less than legislation. This is only a situation in which Congress is providing for a contingency which shall mark the termination of a temporary period.

The accompanying three amendments are identical in language, but would be made at different places in the bill.

The purpose of these amendments is to eliminate uncertainty with respect to what would constitute an offense under one of the provisions of the bill. The present language of the bill is borrowed from the emergency powers continuation act. However, that act dealt with continuation of a large number of different statutory enactments, and there was, therefore, some justification for using general language in that act. The present bill deals specifically with two sections of the criminal code. To provide that acts of the kind giving rise to legal consequencies and penalties under these sections shall themselves be criminal is to be so lacking in clarity and exactness as to run the risk of having the penalty provision declared ineffective and void for lack of certainty. The proposed amendments do not change the intent of the bill in any way, but do entirely eliminate the danger of having the sections declared void for lack of certainty.

This amendment accomplishes the purpose of the language contained in the bill as reported but eliminates the uncertainty inherent in the reported language. This amendment accomplishes the extension of the section to defense activities in the same manner that was used in the Emergency Powers Extension Act, that is, by direct amendment of the sections affected, rather than by indirect amendment as proposed by the present language of the bill.

The PRESIDING OFFICER. The bill is open for further amendment. If there be no further amendment, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

INSPECTION AND AUDIT OF PLANTS, BOOKS, AND RECORDS, OF DEFENSE CONTRACTORS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of House bill 2313.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill (H. R. 2313) to continue the effectiveness of the act of March 27, 1942, as extended relating to the inspection and audit of plants, books, and records of defense contractors, for the duration of the national emergency proclaimed December 16, 1950, and 6 months thereafter was considered, ordered to a third reading, read the third time, and passed.

Mr. ELLENDER subsequently said: A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator from Louisiana will state it.

Mr. ELLENDER. Has Calendar No. 412, H. R. 2313 been passed?

Mr. KNOWLAND. It has been passed.

Mr. ELLENDER. I desired to ask a question with reference to it.

Mr. BUTLER of Maryland. I am glad to yield to the Senator from Louisiana for the purpose of answering his question.

Mr. ELLENDER. What does the bill do other than extend the time?

Mr. BUTLER of Maryland. It does nothing other than extend the time.

Mr. KNOWLAND. I discussed the bill with the distinguished minority leader.

Mr. ELLENDER. I understand.

Mr. BUTLER of Maryland. It does nothing other than extend the time.

Mr. ELLENDER. I thank the Senator.

JURISDICTION OVER SUBMERGED LANDS OF THE OUTER CONTINENTAL SHELF

The Senate resumed the consideration of the bill (S. 1901) to provide for the jurisdiction of the United States over the submerged lands of the outer Continental Shelf, and to authorize the Secretary of the Interior to lease such lands for certain purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Texas [Mr. DANIEL] striking out on page 25, line 25, the words "credited to miscellaneous receipts," and inserting in lieu thereof certain other words.

The Senator from Texas is entitled to the floor.

THE TENNESSEE VALLEY AUTHORITY

Mr. KEFAUVER. Mr. President, will the Senator from Texas yield to me to permit me to make a brief address?

Mr. DANIEL. I should like to inquire how much time the Senator's address will require.

Mr. KEFAUVER. I do not think it will require more than 7 or 8 minutes.

Mr. DANIEL. Mr. President, with the understanding that I shall not lose my right to the floor, I yield 8 minutes to the Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee is recognized, with that understanding.

Mr. DANIEL. Mr. President, do I have unanimous consent to yield to the Senator from Tennessee without losing my right to the floor?

The PRESIDING OFFICER. If there is no objection, it is so ordered.

Mr. KEFAUVER. I appreciate the courtesy of the Senator from Texas.

Mr. President, the Senate soon will begin considering the TVA appropriations, which are part of the independent offices appropriation bill.

It has been highly gratifying to me to have a number of my fellow Senators ask me what is involved in this issue. In other words, they are already giving it consideration. Therefore, although the Senate committee hearings have not yet been completed, I should like to take advantage of this opportunity to make a very brief summary of the principal issues regarding TVA, for the consideration of my fellow Senators. The issues will be debated fully upon the Senate floor at a later date. My effort today will be merely to present basic information concerning the TVA and to refer to some of the questions on which the debate will turn.

THE TVA IDEA

Mr. President, throughout the Tennessee Valley this year we are holding a series of celebrations to mark the 20th anniversary of the Tennessee Valley Authority. It was just 20 years ago that TVA was established in a region which then was at the bottom of the wheel economically. Today the picture is entirely different, and it is this difference that we set out to observe with appropriate celebrations all over the valley's seven States.

Our observance of this anniversary, however, is tinged with an increasing amount of forebodance, for during the past few months it has become increasingly evident that neither the idea nor the results nor the basic needs of this most successful of all Government operations are fully appreciated at the seat of Government today.

TVA is sometimes thought of as a Government power operation. It is that, but it is much more than that. Therefore, Mr. President, at the risk of being elemental to some, I should like to take just a few minutes to explain the TVA idea.

Francis Bacon wrote:

In order to master nature, we must first obey her.

The TVA idea was to take a river and a valley where nature frequently went on rampage and seek to master her. In order to do that, the entire region had to have a unified development program, for the rampages of nature do not result

from any single cause, nor are they confined to any one spot or to any one time. In order to control nature, it also was necessary to correct some of the mistakes that had been made in the past—to remove some of the man-made offenses against nature.

TVA ACT

Therefore, TVA was not set up as a power program only. The basic provisions of the TVA Act provided that its responsibility is the unified development of all of the resources of the watershed of the Tennessee River and its tributaries. TVA was directed to improve the navigability and to provide for the flood control of the Tennessee River; to provide for the reforestation and the proper use of marginal lands in the Tennessee Valley; to provide for the agricultural and industrial development of the valley and to provide for the national defense.

Mr. President, do you see how logical is this program?

Take the matter of flood control, for instance. It is a good illustration of how man must understand nature and work with nature in order to control nature.

Floods do not just suddenly occur. They start with the rainfall or the melting snows and ice in the headwaters of a stream. They build up to flood proportions as the waters rush through the stream and are added to along its course.

In the beginning, nature itself prevented such headlong rushes, for the forests and brush and growth slowed the waters before they reached the stream. But the axmen denuded the valley forests, as they wastefully did many other forests in the United States. Therefore, as part of its flood control program, TVA seeks reforestation and conservation measures in the region. TVA seeks to correct this offense to nature.

THE POWER PROGRAM

Therefore, the power development program, for which TVA is most generally known in the United States, is just one phase of its total development program. Power is a natural by-product of the TVA dams, which serve also for flood control and navigation.

Mr. President, you have heard of, and you will hear of, many misconceptions about TVA power. You will hear, among other things, that the rest of the Nation is subsidizing cheap power for the benefit of the valley residents. This simply is not true.

Every cent of money invested by the Government in the TVA power program is being paid back over a 40-year period. In addition, the profit made by TVA from its power program belongs to the Government.

Last year the average investment in TVA's power program was $555 million. On that investment, TVA returned to the Government earnings of nearly 4¾ percent. The year before it was 5½ percent. For the 19 years since 1933, the return has averaged 4¼ percent.

Where can the Government get a better investment than that?

Yes, but TVA does not pay taxes, you will hear.

Let me give you the facts on that, Mr. President. In fiscal year 1952, TVA made—in lieu of tax payments—payments to States and counties of $3,036,207. During the same year distributors of TVA power made payments of $4,333,240. This total payment of $7,369,447 is well over twice as much as the property taxes paid on private power property prior to its acquisition by TVA and by private power distributors, prior to their acquisition, and on all reservoir land later acquired by TVA.

But that does not include income taxes paid by the private power, you will hear.

No, it does not, Mr. President; instead, every cent made by the TVA belongs to the Government; and as I said a moment ago, its return on the total investment last year was 4¾ percent. Just the other day, TVA paid $10 million into the Federal Treasury.

For the full 19 years of operation, TVA's net income before interest totaled $216 million. Interest at 2 percent during the entire period would have amounted to almost exactly $100 million. The remaining $116 million is the Government's margin over and above all operating and maintenance expense, depreciation, payments in lieu of State and local taxes, and interest.

It is, in fact, slightly insulting to us of the valley to be told that we are seeking subsidization at the hands of the rest of the Nation.

Just as insulting, and just as false, is the charge that we use this power to pirate industry from other sections of the country. It is a hard charge to answer because it is rare that those who make it will give an example. During the House debates this year one example was given, and after a thorough check had been made, it was found that the industry cited moved to the valley in 1931, 2 years before TVA came into being.

No, Mr. President, we are not pirating industry from anyone. We are building our own industry. Some firms located elsewhere are establishing branches in the valley, which they feel are entirely justified, because TVA, which is the best friend private enterprise ever had, has so expanded the local markets for many products that they need branches to keep up with their orders.

As a matter of fact, the TVA is helping industry in all parts of the United States. In the construction and operation of the dams, generators and other equipment are purchased by the Tennessee Valley Authority in every State of the Union. I have before me a statement listing by States the amounts of the purchases from 1934 to 1952, which I ask to have printed in the RECORD at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TVA procurement sources, 1934–52, by States listed in order of amounts

Tennessee	$249,823,813
Pennsylvania	193,238,427
New York	91,987,911
Kentucky	90,906,401
Alabama	85,760,467
Ohio	78,651,764
Illinois	77,163,959
Wisconsin	45,258,618
Massachusetts	30,210,506
New Jersey	28,193,864
Missouri	20,182,041
Georgia	20,143,317
Indiana	16,949,808
Michigan	13,696,026
North Carolina	12,256,545
Delaware	10,361,242
Louisiana	7,204,601
Virginia	7,171,042
California	6,902,997
Mississippi	6,563,450
Minnesota	5,978,716
Maryland	4,991,780
Florida	4,779,965
Connecticut	4,437,467
Texas	3,189,900
West Virginia	2,840,235
Utah	2,772,706
Idaho	2,301,474
District of Columbia	2,102,167
South Carolina	1,617,160
Oregon	1,377,251
Washington	1,193,915
Iowa	1,099,732
Rhode Island	1,026,433
Oklahoma	909,542
New Hampshire	904,983
Arkansas	897,190
Colorado	824,179
South Dakota	696,353
Kansas	453,125
Nebraska	380,895
Montana	161,598
Nevada	133,503
Vermont	85,944
Arizona	70,752
North Dakota	53,126
Maine	42,604
New Mexico	36,267
Wyoming	28,625

Mr. KEFAUVER. Mr. President, in addition to the purchase of generators, turbines, and things of that kind by the Tennessee Valley Authority itself, TVA assists industries in all other sections, since the refrigerators and other electrical equipment, including farm equipment, such as tractors, which the farmers and other users of electricity are able to buy in the Tennessee Valley, are manufactured in other States of the Nation. The industries themselves will tell any inquirer that their sales of equipment within the TVA area have increased greatly, and that it is one of the best markets for their products.

THE POWER ISSUE

The power program may be an issue before this body, because the Budget Bureau cut out of the budget funds for a proposed new steam plant near Memphis, Tenn., and the House passed the appropriation in that form.

Mr. President, we are very earnestly asking the Appropriations Committee of the Senate to restore the appropriation of $30 million for the commencement of the Fulton steam plant. It is essential that funds be provided to start that new plant, and we hope that the Senate Appropriations Committee will restore them. Although the Budget Bureau cut approximately $61 million from TVA's power program, we shall not complain about $31 million of that cut, but we certainly shall complain about the $30 million necessary to begin construction on this new plant.

Our reason for urging the Appropriations Committee to grant these funds is because 3 years are required for the building of a steam plant. Orders must

be placed with manufacturers for boilers, generators, and other items of large equipment needed in the plant. Unless the plant is started now, there will be a power shortage in the Tennessee Valley by 1956.

Mr. President, my word need not be taken for that statement, since I am not an engineer, but the word of the TVA can be taken, and TVA has a record of being more nearly accurate than any power company in its estimates of demand, but still on the conservative side my word need not be taken for that, either. It is a matter of record.

Following are the estimates filed with Congress by TVA for the years 1950, 1951, and 1952, during appropriation hearings, along with the actual demands that developed:

[Millions of kilowatts]

Year	Estimated demand	Actual demand
1950	2.7	3.2
1951	2.9	3.8
1952	3.5	4.2

A review of 2-year forecasts reported by TVA to the Federal Power Commission for years preceding 1950 provide this additional information:

[Millions of kilowatts]

Year	Estimated by TVA 2 years in advance	Actual demand
1947	1.8	2.2
1948	2.2	2.5
1949	2.5	2.7

POWER FOR DEFENSE

Mr. President, we of the valley have been more than generous in making power available to the Nation for national defense. By far the greater part of the new generating capacity which TVA plans to put into operation between now and the fall of 1956 will supply power vital to the defense of our Nation. More than half of it is required to help power the new and expanded atomic-energy installations at Oak Ridge and Paducah, Ky.; other parts will supply industries producing vital defense materials, large power-consuming industries supplied directly by TVA, and a large number of smaller industries served by the municipal and cooperative distributors of TVA power.

Surely, it is not the purpose of this Administration to tell us of the valley that we who are giving so generously and so happily of this power for the Nation's uses will get in return only a rationing and blackout for our homes and for our farms.

RESOURCE DEVELOPMENT

The other phase of TVA which may be an issue before this body is the resource-development program. The budget in its original form asked for $2,377,000 for these activities. In the special budget review this was reduced to $2,209,000. Then the House eliminated it altogether. It was reduced to zero. Again we hope that these funds will be restored by the Appropriations Committee and approved by the Senate.

Chairman Gordon Clapp said in testimony before the Senate committee:

Although resource-development activities account for about 1 percent of the 1954 appropriation request, in many ways they constitute the heart of the regional program as set out in the TVA Act.

Resource development activities bind together into a joint approach to the development of the Tennessee Valley what otherwise might be separate Federal and State efforts.

I ask that a summary table be included in the RECORD to show what is involved in the resource development.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Summary table

Agricultural resource development	$244,000
Forest resource development	654,000
Tributary watershed development	705,000
Mineral resource development	8,000
Reservoir development	286,000
Industrial development assistance	33,000
Topographic mapping	300,000
Analysis of regional business and Government activities	147,000
Total, original budget	2,377,000
Less reduction made in budget review	168,000
Revised budget	2,209,000
Eliminated by the House	2,209,000

Mr. KEFAUVER. Mr. President, what has happened under this resource development phase of the TVA plan is perhaps the most thrilling part of the TVA story. It is the very essence of democracy. It represents a tremendous return on dollar investment.

Take the agricultural program for example. There are more than 300,000 farms in the Tennessee Valley. TVA experts met with the local farmers and in agreement they set up farm programs designed to conserve the soil, to rebuild the denuded land that had been left by flood waters of the past, and to help prevent floods of the future. In forestry, TVA provides the technical know-how, advice and encouragement, and the seven Valley States themselves are developing the effective forestry organizations that do the job. Stream pollution is controlled, not by TVA, which simply offers technical advice and assistance, but by the States which spent some $366,000 on stream sanitation in 1950. They are doing the work.

Mr. President, I could go on talking on this subject for hours, but the purpose of my short address today is simply to point up the fields in which the fight over TVA may occur, for the benefit of the many Senators who have asked me about it.

Therefore, I shall conclude these remarks with one additional word. We have heard much about the centralization of Government in Washington. Let me say that Congress in creating TVA took the greatest single step it has ever taken to decentralize Government. There is no large TVA office here. There is one official, who has three office assistants.

Congress organized TVA on the regional level, returning the authority and the initiative to the region. On a regional basis the States, the local governments, and the local people were given the opportunity and the challenge to reassert themselves, and were given the tools with which they, not the Government, could on a regional basis, lick the problems which beset them.

The result is one of the most thrilling success stories since Horatio Alger, but, unlike Alger's stories, this one is true. Let us not in this Congress and in this administration give that story an unhappy ending.

Mr. President, I had expected to amplify some of the questions and answers concerning the Tennessee Valley Authority which were prepared by the Tennessee Valley Public Power Association, which is not a TVA organization. It is an association of municipal authorities and rural cooperatives distributing TVA power. It is an association which is financed in no way by the TVA, but it is very much interested in the subject. That association prepared a number of questions and answers relative to facts which I know all Senators would like to have, if they do not already have them, and I therefore ask unanimous consent to have printed in the RECORD as a part of my address the questions and answers prepared by the Tennessee Valley Public Power Association relative to the Tennessee Valley Authority.

There being no objection, the questions and answers were ordered to be printed in the RECORD, as follows:

QUESTIONS AND ANSWERS ABOUT TVA

Question. What do the letters TVA stand for?

Answer. Tennessee Valley Authority.

Question. What is TVA?

Answer. TVA is an independent corporate agency of the Federal Government.

Question. When was TVA created?

Answer. In May, 1933.

Question. How was TVA created?

Answer. By a law or act approved by the Congress and the President.

Question. What are the basic provisions of the Act creating TVA?

Answer. TVA is to provide for the unified development of all resources of the watershed of the Tennessee River and its tributaries, i. e., to improve the navigability and to provide for the flood control of the Tennessee River; to provide for reforestation and the proper use of marginal lands in the Tennessee Valley; to provide for the agricultural and industrial development of said valley and to provide for the national defense.

Question. What area comprises the Tennessee Valley?

Answer. The drainage basin of the Tennessee River and its tributaries, an area of 40,910 square miles.

Question. Through what States does the Tennessee River System flow?

Answer. Virginia, Tennessee, North Carolina, Georgia, Alabama, Mississippi, and Kentucky.

Question. Where are the offices of TVA located?

Answer. Muscle Shoals, Alabama; Knoxville and Chattanooga, Tennessee. A small liaison staff is located in Washington and

other offices are at various points within the valley.

Question. How is TVA financed?

Answer. Appropriations by the Federal Government and revenues from the sale of power and fertilizer. TVA's power operations are self-supporting; in fact, the net income in fiscal year 1952 represented a 4.7 percent return on the power investment.

Question. By whom are the TVA financial statements examined?

Answer. The United States General Accounting Office.

Question. By whom are top affairs of TVA administered?

Answer. Board of directors and general manager.

Question. Who are the present TVA directors?

Gordon R. Clapp, chairman; Dr. Harry A. Curtis, and Dr. Raymond Ross Paty.

Question. How are TVA directors chosen?

Answer. They are appointed for 9-year terms by the President and confirmed by the United States Senate.

Question. How many employees in TVA?

Answer. As of April 1, 1953, the number of TVA employees totaled 21,311.

Question. What was peak employment by TVA?

Answer. 40,801 on September 30, 1942.

Question. What is the population of the Tennessee Valley counties?

Answer. Approximately 3,544,500 inhabitants (1950 census). Area served with TVA power: 5,900,000 estimated population.

Question. What is the rainfall in the valley area?

Answer. Rainfall averages 52 inches a year.

Question. Where are the headwaters of the Tennessee River and its tributaries?

Answer. In the Unaka, Iron, Blue Ridge, and Great Smoky Mountains and national forests of Virginia, North Carolina, Tennessee, and Georgia.

Question. Where does the Tennessee River begin?

Answer. Four and four-tenths miles above Knoxville (Gay Street Bridge) at the junction of the Holston and French Broad Rivers.

Question. Where does the Tennessee River enter the Ohio?

Answer. Paducah, Ky.

Question. TVA dams are called multiple-purpose dams. Why?

Answer. To serve the interests of flood control, navigation, and electric power production.

Question. What is the useful storage capacity of TVA dams for flood control and other purposes?

Answer. Total storage capacity of TVA dams is more than 22 million acre-feet of water, of which 14,500,000 acre-feet is useful storage.

Question. What is the area of lakes impounded by TVA dams?

Answer. Six hundred and two thousand acres.

Question. Do TVA dams provide a deep-water commercially usable channel on the Tennessee River?

Answer. Yes; from its mouth at the Ohio River to Knoxville, Tenn., a sailing distance of 627 miles.

Question. Do all TVA dams have navigation locks?

Answer. No. Only 9, all of which are located on the main Tennessee River between Knoxville and the Ohio River.

Question. How many major dams are located on tributaries of the Tennessee?

Answer. Twenty-one, of which five are owned by the Aluminum Co. of America. Alcoa and TVA have a contract under which TVA directs releases of water from these dams.

Question. What are the principal TVA dams visited by the public?

Answer. Kentucky, Pickwick, Wilson, Wheeler, Guntersville, Chickamauga, Watts Bar, Fort Loudoun, Hiwassee, Norris, Fontana, Douglas, Cherokee, South Holston, Watauga, and Boone.

Question. Do all TVA dams have electric-generating stations?

Answer. Yes. Two of these, Nottely and Chatuge, were being installed in 1953.

Question. Are the various dams of TVA accessible by automobile?

Answer. Yes.

Question. What is the minimum depth of the improved Tennessee River channel created by TVA dams?

Answer. Eleven feet, suitable for boats and tows drawing up to 9 feet of water.

Question. What were limiting channel depths prior to TVA?

Answer. Four feet from the mouth of the river to Wilson Dam, Ala., a distance of 259 miles; 3 feet for the next 45 miles; 2 feet for the next 160 miles; and 1½ feet for the next 188 miles at headwaters in Knoxville, Tenn.

Question. Compare river traffic on the Tennessee in 1933 and today.

Answer. River traffic in the 1952 calendar year was approximately 800 million ton-miles, compared with 33 million ton-miles in 1933. (A ton-mile is 1 ton of freight moved 1 mile.)

Question. What are the principal products shipped on the Tennessee River?

Answer. Automobiles, coal and coke, grain, petroleum products, chemicals, forest products, pig iron, and steel.

Question. How many barge lines operate on the Tennessee?

Answer. At the present time there are about 24 barge lines operating on the Tennessee River, most of which are for hire.

Question. Where are the principal public-use freight terminals on the Tennessee?

Answer. At Knoxville, Harriman, and Chattanooga, Tenn., and at Guntersville, Decatur, and Sheffield, Ala.

Question. How many private-use terminal facilities have been constructed on the Tennessee River?

Answer. Forty-six. These are all designed to handle the specific traffic of their owners, and for the most part handle only such bulk commodities as petroleum, coal, or grain.

Question. What is the integrated TVA power system?

Answer. The integrated power system includes major hydroelectric plants at 31 dams, 13 major steam-electric-generating stations (of which 6 were under construction in 1953), and a number of minor plants. It includes the dams of the Aluminum Co. of America. The power output of Army Corps of Engineers on the Cumberland River is disposed of by TVA.

Question. What is the installed generating capacity of the integrated TVA system?

Answer. 4,941,885 kilowatts as of April 15, 1953.

Question. What is the net generation?

Answer. 19,701,930,000 kilowatt-hours (fiscal year 1952).

Question. What area is served by TVA power?

Answer. Practically all of Tennessee, substantial portions of Alabama and Mississippi, and smaller parts of Georgia, Kentucky, North Carolina, and Virginia. The power service area covers 80,000 square miles.

Question. How many miles of high voltage transmission lines serve this area?

Answer. 8,300 miles.

Question. What is TVA's net income from sale of power?

Answer. $25,100,000 for fiscal year 1952.

Question. Who distributes TVA power?

Answer. TVA power is being distributed under TVA rates by 97 municipalities, 51 cooperatives, and 3 private companies.

Question. How many consumers of TVA power?

Answer. 1,273,000 as of March 1, 1953.

Question. What is average TVA rate for residential use?

Answer. 1.33 cents per kilowatt-hour.

Question. What is the average rate for residential use in United States?

Answer. 2.76 cents per kilowatt-hour.

Question. Compare average use of electricity in TVA service area with that in the United States as a whole.

Answer. The residential consumers of TVA power used an annual average of 4,106 kilowatt-hours for which they paid $54.61; the residential consumers in the United States used an average of about 2,170 kilowatt-hours for which they paid $59.89.

Question. Compare the number of electric-power consumers in TVA service area today with the number prior to TVA.

Answer. There are over 1¼ million consumers today, about 4 times the number served by the private utility companies in the area in 1933, the year TVA was created.

Question. Compare the percentage of farms with electricity today with that prior to TVA.

Answer. Ninety percent of farms in the valley States have electricity today whereas in December 1932 only 3.5 percent were electrified.

Question. What was net income of the municipal and cooperative distrbutors of TVA power in 1952?

Answer. Combined net earnings amounted to $17,412,129.

Question. How were the municipal and cooperative distributors financed?

Answer. The municipal systems were financed principally through the issuance of electric system revenue bonds. Many cooperatives borrowed funds from the Rural Electrification Administration.

Question. What is the annual return on TVA's average power investment?

Answer. Five percent for fiscal years 1948–52.

Question. What is TVA investment assignable to power program?

Answer. Average depreciated investment in facilities assignable to power, including working capital, $555 million, fiscal year 1952.

Question. How is TVA's total investment allocated?

Answer. Power, 67.8 percent; flood control, 17.2 percent; navigation, 15 percent.

Question. Must TVA repay the Federal Government the cost of power investment?

Answer. Yes; TVA is required to pay into the United States Treasury out of its power revenues, within 40 years from 1948, an amount equal to the funds which the Government has advanced for the power program. Similar payments over 40-year periods are required against appropriations for projects going into service after 1948.

Question. Do States and counties benefit financially from TVA power program?

Answer. Yes. In fiscal year 1952 TVA made, in lieu of tax, payments to States and counties of $3,036,207. During the same year distributors of TVA power made payments of $4,333,240. The total payments of $7,369,447 compare with $3,233,792, which represents all former property taxes paid on private power property prior to acquisition by TVA or distributors and on all reservoir land acquired by TVA.

Question. What are the principal crops and livestock?

Answer: Corn, cotton, tobacco, small grains, and hay are principal crops; livestock includes beef and dairy cattle, hogs, sheep, and poultry.

Question. What is the average size farm in Tennessee Valley?

Answer. 77 acres as of 1953.

Question. To what peacetime use has TVA adapted the World War I constructed chemical plants at Muscle Shoals, Ala.?

Answer. To the experimental production of fertilizers, primarily highly concentrated phosphates, and for research relating to

various mineral raw materials in the valley and for other purposes.

Question. How were the plants utilized during World War II?

Answer. In accordance with plans worked out with the War Department, TVA rehabilitated and modernized the facilities of the plant to produce ammonia and ammonium nitrate for explosives, elemental phosphorus for war purposes, and calcium carbide for use in the manufacture of synthetic rubber. The plant also produces phosphatic and nitrogenous fertilizers important in the production of foods.

Question. How did TVA acquire the chemical plants?

Answer. They were turned over to TVA in 1933 by the War Department.

Question. How many farms are testing and demonstrating TVA manufactured fertilizers in actual farming operations?

Answer. 2,451 farms in 21 States in 1953.

Question. How many of these farms are located in the seven Tennessee Valley States?

Answer. 1,805.

Question. Who selects the farms to test and demonstrate the TVA fertilizers?

Answer. The farmers in each community in cooperation with TVA and the extension division of the State universities. Those chosen become test-demonstration farmers.

Question. Who sponsors the test-demonstration activities?

Answer. TVA and the extension division of the State universities.

Question. How much of the Tennessee Valley is in forests and farm woodlands?

Answer. Fourteen million acres, or 54 percent.

Question. What are the principal types of timber?

Answer. Hardwoods, mixed types of hardwoods, and conifers.

Question. What is the ownership of the forest land?

Answer. Eighty-three percent is privately owned and 17 percent is publicly owned.

Question. What is the valley's estimated annual income from timber and wood products?

Answer. Three hundred fifty million dollars. Under sound forest development and management this annual income could be increased many times.

Question. What is the length of the shoreline created by TVA lakes?

Answer. Ten thousand miles.

Question. Does TVA operate any recreation facilities for the public on its properties?

Answer. No. All public parks and commercial recreation facilities are operated by private business, concessioners, or by public agencies other than TVA.

Question. What recreation facilities have been built on the lakeshore?

Answer. Recreation facilities on the lakes include parks, boat docks, swimming beaches, camps, summer cabins, resort centers, and vistas for sightseeing.

Question. How many public parks and boat docks are located on TVA lakes?

Answer. Fifty-two parks and 230 boat docks as of January 1, 1953.

Question. Does TVA exercise control of private operations on leased lands?

Answer. Only to a very limited extent. Structures are not permitted where they will be damaged by floods. State and local laws and regulations apply.

Question. How does one acquire or lease property from TVA?

Answer. Leases are handled through the Division of Reservoir Properties, Knoxville, and purchases are handled through the Division of Property and Supply, Chattanooga.

Question. What is the investment in recreation facilities located on the lakes?

Answer. Approximately $38 million as of January 1, 1953.

Question. How many pleasure craft are in use on the lakes?

Answer. Nearly 2,200 inboard boats, ranging from cabin cruisers to runabouts and nearly 21,000 smaller craft, as of April 1, 1953.

Question. What fish are caught in TVA lakes?

Answer. Game fish chiefly are bass, walleye, sauger, and crappie.

Question. What is the catch and number of fishing trips on TVA lakes?

Answer. The number of individual, 1-day fishing trips on TVA waters is estimated at 2 million per year. The catch on all TVA waters exceeds 10 million pounds annually.

Question. Is there a closed season on fishing on TVA lakes?

Answer. No. (Note: The State temporarily closes newly impounded lakes.)

Question. What is the area developed for game refuges?

Answer. To date approximately 140,000 acres have been developed for State and Federal controlled game refuges.

Question. Are TVA dams open to the public?

Answer. Most of the dams are open to visitors except during emergency conditions. TVA Public Safety Service Officers on duty escort visitors through the powerhouses.

Question. What is TVA's highest dam?

Answer. Fontana Dam, 480 feet high.

Question. How many persons have visited TVA dams?

Answer. An estimated 40 million.

Question. What have the benefits of upstream storage of TVA dams been on floods in Chattanooga?

Answer. During the past 18 years damages estimated at over $45 million have been prevented.

Question. What damage would be caused at Chattanooga if floods equal to that of 1867 were to come and there were no TVA dams?

Answer. Loss would be $100 million. With today's regulation the loss would be cut to $12,300,000. With local protection works recommended by TVA there would be no loss.

Question. What is the effect on the Mississippi Valley of flood protection furnished by TVA dams?

Answer. Existing dams in the Tennessee Valley are capable of reducing floods at Cairo, Ill., by 2 to 4 feet and lesser amounts downstream. This will provide security from flood to 6 million acres of Mississippi Valley productive land and will reduce the frequency of flooding on an additional 4 million acres.

Question. Does TVA aid in reducing malaria in the Tennessee Valley?

Answer. Yes. Twenty years ago some areas showed as high as 30 percent malaria incidence. In the same areas today there has been no evidence of locally transmitted malaria for several years. TVA's malaria-control operations are correlated with State regulations, and the States participate in surveys, studies, and the planning and selection of control practices.

Question. How long does it take to "lock" a boat through a TVA dam?

Answer. It varies with the dams. Kentucky, Pickwick, Chickamauga, Wheeler, and Watts Bar each take 40 minutes; Fort Loudoun, 45 minutes; Guntersville and Hales Bar, 35 minutes; Wilson (2 locks), 60 minutes.

Question. Does TVA carry on its operations alone?

Answer. By no means. Dams and chemical plants are operated by TVA, but most of the program is carried on in close cooperation with about 100 public and private agencies, with whom TVA has working agreements.

Question. How may one obtain additional information of TVA and its activities?

Answer. Write to the Director of Information, TVA, Knoxville, Tenn.

Mr. HOLLAND. Mr. President, will the Senator from Tennessee yield?

Mr. KEFAUVER. I shall be happy to yield to my good friend from Florida for a question.

The PRESIDING OFFICER. The Senator from Texas has the floor.

Mr. HOLLAND. Mr. President, I ask unanimous consent that the Senator from Tennessee may be permitted to yield for a limited number of questions, without the Senator from Texas losing his right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLAND. Mr. President, first, I congratulate the distinguished Senator from Tennessee for placing this information in the RECORD. I have two questions which I should like to ask him. I note in particular the contribution he has made by showing the great distribution of the purchasing or procurement of the many kinds of assets which have been used by the TVA as such.

Mr. KEFAUVER. I thank the distinguished Senator from Florida.

Mr. HOLLAND. In connection with that, I think it will be of great interest to a manufacturing State, such as is Pennsylvania, to realize that $193 million in procurement purchases have been made in that great State. Similarly, in the great State of New York nearly $92 million have been expended in connection with TVA construction activities.

I should like to ask the distinguished Senator from Tennessee, with reference to the State of Florida, if he knows what commodities are represented by the purchase in that State of $4,779,000 worth of articles or products used by TVA. Does it mostly represent phosphate rock purchased from the State of Florida?

Mr. KEFAUVER. I may say to the able Senator from Florida that, unfortunately, I do not have a breakdown of precisely what is represented by purchases of the TVA from various States. My understanding of the table which was submitted is that it represents purchases by the TVA which have gone into its installations. I would not know what was purchased from the State of the distinguished Senator, but Florida makes so many articles that we of Tennessee like to have and which are necessary in the TVA system, that they may take a very wide range.

Mr. HOLLAND. I thank the distinguished Senator.

If I may make a suggestion, I believe it would be helpful to Senators who want to get the full picture clearly to ask the TVA to furnish a breakdown of the procurements from their particular States.

Mr. KEFAUVER. I think that would be useful, and I appreciate the Senator's suggestion. I shall ask the TVA to give me a breakdown of the principal things purchased in various States.

I should like to point out to the distinguished Senator from Florida that the list which has been placed in the RECORD represents only a small part of the total purchases from various States resulting from the operations of the Tennessee Valley Authority. It represents only things purchased by the TVA itself. It does not represent the tremendous

amount of purchases by the distribution systems of copper, steel, and other products which the distribution systems must buy. It does not represent purchases by the people living in the Tennessee Valley, such as television sets, and all kinds of electrical equipment which are largely manufactured outside the valley. The purchases of fishing equipment in connection with the recreational features of the Tennessee Valley have added much to the business of manufacturing such equipment in various areas of the Nation.

Mr. HOLLAND. There is one other comment I should like to make, if I may, and that is that in traversing the area, which I frequently do, I have noted the immense improvement in conditions and the great degree of prosperity which prevails there, but I have not noticed any difference in that respect between the two congressional districts of the great State of Tennessee which I understand are traditionally Republican, and those districts which are Democratic. My question is this: Has there been any difference in the degree of support and of belief in TVA and its usefulness, from the political point of view, in Tennessee, between the persons who belong to one of the great parties and those who belong to the other great party?

Mr. KEFAUVER. The Senator has asked a question which I am glad to have an opportunity to answer. Anyone who has ever visited the TVA region will agree that the TVA is one Federal agency in which political consideration has never played any part whatsoever. The TV Act provides that there shall be no political consideration, and the Board has scrupulously followed that procedure.

Mr. HOLLAND. Have not the headquarters of the TVA been located at Knoxville, which is not notable for its adherence to the Democratic cause?

Mr. KEFAUVER. That is correct. The headquarters are located in Knoxville—and properly so—in the Second District, which, ever since the War Between the States, has been represented in the Congress by a Republican as is the case with some parts of Virginia and of North Carolina. I think the unanimous opinion in favor of the Tennessee Valley Authority is shared equally by Democrats and Republicans in the area. Representatives REECE and BAKER of Tennessee and other Republicans have been just as vigorous in their support of TVA as have the Democrats.

Although the TVA employs a great many persons, I do not believe any Senator or Representative from the TVA area ever receives more than an occasional letter from a constituent asking any assistance in trying to help him secure employment with the Tennessee Valley Authority, because we know and they know that it is not operated on the basis of patronage in any sense.

Mr. HILL. Mr. President, will the Senator from Tennessee yield?

Mr. KEFAUVER. Mr. President, I ask unanimous consent——

Mr. DANIEL. Mr. President, do I have the floor?

The PRESIDING OFFICER. The Senator from Texas has the floor.

Mr. KNOWLAND. Mr. President, will the Senator from Texas yield?

Mr. DANIEL. I yield.

Mr. KNOWLAND. Mr. President, I have not raised the point of order, and I do not want to do so at this time. I understood, however, that the Senator from Texas yielded to the distinguished Senator from Tennessee for a few minutes; but quite a substantial amount of time has been taken. I did not want to raise the point, but I was going to make an inquiry as to what the unanimous-consent request was which the Senator was about to make.

Mr. KEFAUVER. Mr. President, I ask unanimous consent that I may yield to the distinguished Senator from Alabama for a question without the Senator from Texas losing the floor.

Mr. KNOWLAND. Mr. President, I should like to have some kind of understanding about the length of time desired by the Senator from Tennessee, because a number of inquiries have been made as to when the Senate would resume consideration of the unfinished business.

Mr. KEFAUVER. Mr. President, the Senator from Alabama assures me that his questions will be brief, and I give assurance that my answers will be brief.

Mr. HILL. Mr. President, the Senator from Tennessee referred to the fact that there had been no politics in TVA. I was the Member of the House who introduced the TVA bill in that body, just as the late Senator Norris introduced the TVA bill in the Senate. I was a member of the committee of conference between the Senate and the House. One provision in the bill about which I had the greatest skepticism was the one prohibiting politics in TVA. Frankly, I did not know whether under our American democratic system there could be a Government agency entirely free of politics. However, 20 years' experience with TVA has demonstrated that there can be such an agency, because, surely, as the Senator from Tennessee has so well said, there has been no politics in any way, shape, fashion, or form in the TVA. The officers and employees have been hired, have been promoted, and have been kept in their offices, solely on the basis of merit, without any consideration whatsoever of politics. Likewise, the decisions and policies of the Board have been entirely free of politics.

I thank the Senator from Tennessee.

Mr. KEFAUVER. I thank the able Senator from Alabama for his statement. He is entirely correct. I believe that in both the Senate and the House TVA has very substantial support from the Republican side of the aisle. The TVA is considered on a nonpartisan basis.

The Senator from Florida [Mr. HOLLAND] a few minutes ago asked if there was any difference in the treatment by TVA as between Republican and Democratic districts in Tennessee. The fact is that there are more dams and other installations in the two Republican districts than there are in any other part of the State. That is because those districts are the logical locations for them.

The TVA is a great agency, which has done much for the people of the Tennessee Valley, for the cause of national defense, and for the Nation. It is a great asset of the United States. It is a great example to the world of what a democracy can do.

I hope that the Committee on Appropriations will not stifle TVA or reduce funds for its development.

I appreciate the courtesy of the Senator from Texas [Mr. DANIEL] in yielding to me.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 4126) to continue the effectiveness of the act of December 2, 1942, as amended, and the act of July 28, 1945, relating to war-risk hazard and detention benefits, until July 1, 1954.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 1839. An act to amend section 32 of the Fire and Casualty Act, so as to provide that an agent or solicitor may secure a license to solicit accident and health insurance in the District of Columbia under that act without taking the prescribed examination if he is licensed under the Life Insurance Act; and

S. 2032. An act to modernize the charter of Washington Gas Light Co., and for other purposes.

JURISDICTION OVER SUBMERGED LANDS OF THE OUTER CONTINENTAL SHELF

The Senate resumed the consideration of the bill (S. 1901) to provide for the jurisdiction of the United States over the submerged lands of the outer Continental Shelf, and to authorize the Secretary of the Interior to lease such lands for certain purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Texas [Mr. DANIEL], striking out, on page 25, line 25, the words "credited to miscellaneous receipts" and inserting in lieu thereof certain other words.

Mr. DANIEL. Mr. President, I shall take only a few minutes to explain the amendment now pending before the Senate.

Mr. KNOWLAND. Mr. President, would the Senator be willing to yield for the purpose of my suggesting the absence of a quorum?

Mr. DANIEL. I thank the distinguished majority leader, but my remarks will be brief.

Mr. President, I believe that any revenues derived from the Continental Shelf adjacent to coastal States should be divided, at least to some extent, with the coastal States. The coastal States need revenues with which to carry on their services to companies and to individuals who reside on shore but who work on the outer Continental Shelf. Oil companies operate trucks over our

highways and roads, and the employees likewise use our highways. The children of oil company personnel attend our schools; their aged employees receive old age pensions; and some of their employees receive hospitalization under certain conditions. The States render many valuable and expensive services on shore to those engaged in outer-shelf operations.

I believe that in all fairness the States should receive some percentage of the revenues, or at least have the right to tax the private lessees who operate on the outer Continental Shelf. However, I realize that is not the sentiment of a majority of the Members of Congress, and is not the sentiment of the President of the United States. Therefore, if revenues received from leases on the outer Continental Shelf are to be earmarked, I think there could be no better purpose for which they could be dedicated than for the payment on the principal of the national debt.

I realize that the proposals of the Senator from New Jersey [Mr. HENDRICKSON] and the Senator from Alabama [Mr. HILL], as also of Senators who have associated themselves with the Senator from Alabama, are for a worthy cause. They provide that these funds shall be used for national defense purposes during the present emergency, and then for Federal aid to education. However, as I understand, the House of Representatives has never agreed upon a Federal aid to education bill. There has always been controversy about that subject. In the Senate there have been 2 or 3 different proposals as to how these funds should be applied to Federal aid to education. To say the least, there is considerable controversy as to how a Federal aid to education program should be handled, and a vast amount of legislation would be required to settle that controversy.

I think we would be helping the schoolchildren of the United States just as much if we were to begin paying some dollars on the national debt, instead of leaving that debt for them and their children to pay. The United States has a tremendous national debt, larger than the national debts of all the other nations of the world combined. In my opinion, this may be the only opportunity the United States Senate will have at this session to begin paying some money on the principal of the national debt. That is what my amendment would do. It would provide that all revenues received from leases on the outer Continental Shelf shall be applied to payment of principal of the national debt.

Mr. HILL. Mr. President, I offer an amendment to the pending Daniel amendment.

The PRESIDING OFFICER. The clerk will report the amendment to the amendment.

The LEGISLATIVE CLERK. The Senator from Alabama [Mr. HILL], for himself and other Senators, proposes, in lieu of the language proposed to be inserted by the Daniel amendment, to insert the following: "held in a special account and, except for the payment of refunds under the provisions of section 10 of this act, such moneys shall be appropriated exclusively as grants-in-aid of primary, secondary, and higher education: *Provided, however*, That during the present national emergency, but not for more than 3 years, the moneys in such special account may be appropriated for such urgent developments essential to the national defense as the Congress may determine."

On page 26, lines 11 and 12, strike out of subsection (a) of section 10 the words "not otherwise appropriated" and insert in lieu thereof the following: "in the special account established under section 9 of this act."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alabama, for himself and other Senators, to the amendment offered by the Senator from Texas [Mr. DANIEL].

Mr. HILL obtained the floor.

Mr. HENDRICKSON. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. HILL. I yield for that purpose.

The PRESIDING OFFICER. The Senator will state his parliamentary inquiry.

Mr. HENDRICKSON. Am I correct in my understanding that the amendment offered by the Senator from Texas [Mr. DANIEL] is a perfecting amendment?

The PRESIDING OFFICER. The Senator is correct.

Mr. HENDRICKSON. Then, if the amendment or the substitute offered by the Senator from Alabama fails, the vote comes on the perfecting amendment?

The PRESIDING OFFICER. The vote would come on the amendment of the Senator from Texas.

Mr. HENDRICKSON. That is my understanding. Do I understand correctly that following that, the vote would come on my amendment?

The PRESIDING OFFICER. If no other perfecting amendment were proposed, that would be the procedure.

Mr. HENDRICKSON. I thank the Senator from Alabama for yielding.

The PRESIDING OFFICER. The Senator from Alabama may proceed.

Mr. HILL. Mr. President, I have offered my amendment for myself and for Mr. DOUGLAS, Mr. NEELY, Mr. TOBEY, Mr. LANGER, Mr. MORSE, Mr. SPARKMAN, Mr. KEFAUVER, Mr. CHAVEZ, Mr. HUMPHREY, Mr. HENNINGS, Mr. LEHMAN, Mr. MURRAY, Mr. GILLETTE, Mr. FULBRIGHT, Mr. CASE, Mr. KILGORE, Mr. GREEN, Mr. MAGNUSON, Mr. JACKSON, Mr. MANSFIELD, Mr. PASTORE, Mr. KENNEDY, Mr. WILEY, Mr. CLEMENTS, Mr. YOUNG, Mr. MUNDT, Mr. SYMINGTON, Mr. JOHNSON of Colorado, Mr. AIKEN, Mr. JOHNSTON of South Carolina, Mr. GEORGE, Mr. MONRONEY, and Mr. MCCLELLAN.

The amendment has the endorsement and strong support of the National Education Association, the American Council on Education, the American Federation of Teachers, the American Library Association, the American Vocational Association, the National Grange, the National Farmers' Union, the Co-op League of the United States, the American Federation of Labor, the Congress of Industrial Organizations, 23 of the railroad brotherhood organizations, and many other fine organizations. Altogether, some 40 great national organizations endorse the amendment and urge its adoption by the Senate.

The amendment recognizes the vital importance from the standpoint of the strength and security of our country, of meeting today's crisis in American education by providing that income from the development of outer Continental Shelf lands shall be appropriated as grants-in-aid to primary, secondary, and higher education. In other words, following the precedent set many times in the past of using the returns from the public domain for education in the States and throughout the United States, the amendment proposes that the revenue derived from submerged lands, a part of the great public domain, be used for educational purposes, for primary, secondary, and higher education.

With a consciousness of the present critical world situation, we have provided in our amendment that during the present national emergency, but not to exceed a period of 3 years, the funds may be appropriated for such urgent developments essential to the national defense as Congress may determine.

We could make no greater contribution toward the payment of the national debt than by meeting the present crisis in American education, by providing better opportunities for education, more nearly equal opportunities, greater opportunities for our children. Such a program would increase the productive capacity and enlarge and strengthen the economy of our country in direct proportion to what we do to provide better training and education for our children, the future citizens of America. We can make no greater contribution toward the payment of the public debt than by educating and training our children, by training more engineers, more scientists, and more technicians of every kind, of which there is such a terrible shortage today. This would increase the productive capacity of the country, strengthen the economy, and make it more possible to pay the public debt.

Mr. President, I have said many times that it may be very difficult, if not impossible, for the free world to match the Communist world in terms of manpower. Of course, we all pray for the time when, without global war and by peaceful means, we may witness the liberation of those who are held in the bondage of totalitarian communism, but such a day may be long in coming, and as the struggle proceeds for the minds of men we must pit quality against quantity. The basic strength of the free world lies in the fact that free institutions, unlike the institutions of dictatorships, are capable of developing men and women with intelligence, with initiative, with originality, with discrimination, and with inquiring and adventurous minds.

OUR HERITAGE OF EDUCATION

That we have in so many respects outstripped the world technically and managerially is due in large part to our system of free education developed under free institutions. This was the essence of the American dream as it matured in

the great creative mind of Thomas Jefferson, and along with it grew and developed the traditional American policy of dedicating the proceeds of our public lands to the cause of education, a policy which we would now follow in dedicating the submerged lands under the sea to the cause of education.

Thomas Jefferson declared "that nation which expects to be ignorant and free in a state of civilization expects that which never was and never will be."

At various times on the floor of the Senate I have tried to indicate that our precious heritage of education for all our people was in danger of becoming a myth. I have cited the dilapidated condition of our schools, the huge increases in our child population, and the alarming exodus of our inadequately paid teachers from the teaching profession into better paying pursuits.

THE CRISIS IN EDUCATION

Our education system today faces a severe crisis.

The measures which we have taken to meet the crisis are not adequate. Competition with industry and defense-related jobs has taken many of the best teachers from the classrooms. Many communities are scraping the bottom of the barrel to get even inadequately prepared teachers. Too few young men and women today are going to our teachers colleges to prepare themselves for teaching, because they know that teachers are the lowest-paid group in the United States. Last year our teachers colleges and other colleges graduated less than 40 percent of the number of teachers needed to fill new teaching positions in our schools. Schools are not being built fast enough to meet the needs of a rapidly expanding enrollment. More than a million additional children entered the public schools last fall as compared with the year before. This rate of increase will continue for at least the next 6 years as the 1952 birthrate was the all-time high. For 6 years we shall have each year an influx of 1 million additional children in our schools.

The education of 4 million children is being impaired because of inadequate buildings, poorly trained teachers, and double sessions or part-time instruction.

SHORTAGE OF SCHOOL BUILDINGS SEVERE

Now let us consider for a moment the shortage of school buildings.

In community after community, classrooms are so overcrowded as to make effective teaching almost impossible. School basements, apartment house basements, empty stores, garages, churches, and even trailers are being utilized to take care of the overflow. In one community, children were found to be attending class in a morgue. What a pleasant memory they will have of their alma mater. Even with the use of such facilities, many communities are having to resort to half-day and even third-day sessions to carry the load.

NEEDS OF HIGHER EDUCATION

We are also facing a critical situation in the field of higher education.

Almost all our 1,900 institutions of higher learning are in financial trouble, whether they are State institutions, land-grant colleges, the large private universities, or the small colleges. A recent New York Times survey shows that 1 out of every 3 of our liberal-arts colleges is operating in the red.

Income from gifts and endowments is off sharply, as is student enrollment. Faculties have been reduced in many institutions. Some of them have begun to lower academic standards to keep their campuses open.

Completely aside from the question of the necessity for preparing our young men and women to be good citizens and to earn a livelihood, we are here posed with the question of providing for the future military security of our Nation, and the crisis in our educational system is already imperiling that security.

I shall not at this time review for the Senate the story of what happened when the Selective Service Act was put into effect during World War II, or what has happened in connection with the recent mobilization of armed forces for the Korean war. We know that during World War II more men were rejected for educational deficiencies by the selective service than the number of men who fought in combat divisions in the entire Pacific area during the period of World War II.

Even in the case of the mobilization for the Korean war, educational deficiencies have caused more rejections than all other disqualifying factors combined. In fact, in the very first year following the outbreak of hostilities in Korea more than 300,000 men were rejected because of illiteracy and educational deficiencies. Since that time the number has climbed higher and higher and higher.

The cold fact is that all the people in the United States are but 6 percent of the world population, and we cannot afford to neglect the education of a single person who is capable of receiving an education.

EDUCATION AND MOBILIZATION

The plain fact is that we need more specialists of every kind—more scientists, more chemists, more physicists, more doctors, more professional and business leaders, more agriculturists and more engineers and skilled workers.

The shortage of engineers and scientists is a source of growing anxiety for defense mobilization officials.

Defense officials have declared that to bring the United States to maximum military strength, there must be a tremendous acceleration in the training of scientists and engineers. They point out that a speedup in research and industrial technology is an integral part of the defense program and that, therefore, scientific development which normally would have been spread over a decade has had to be telescoped into less than half that time.

The Director of Defense Mobilization reports that—

> Acute shortages are continuing among highly skilled professional, scientific, and technical workers needed in defense and essential civilian industries. Under full mobilization, the lack of such workers would be critical. There are now 61 occupations on the critical list for which demand is greater than supply. The numbers now enrolled in college courses or taking other types of training are not sufficient to meet future needs.

The Engineering Manpower Commission of the Engineers Joint Council has warned that industrial production and expansion which the council said had been hampered for the past 2 years by a serious shortage of engineers and scientists will continue to be held back this year and will fail to attain full output of civilian and defense materials.

Voicing the same concern over the shortage of engineers, Mr. Maynard M. Boring, personnel manager of the General Electric Co. and a member of the American Society for Engineering Education, recently told an Armed Forces conference that, if the shortage in industry continues, defense contracts might have to be extended or canceled.

He said that a survey group in studying demand had questioned 357 industrial companies and Government agencies and found that the country was short about 40,000 engineers.

To understand the tremendously increased demand for engineers, we have but to note, for example, that the construction of a B–17 bomber in World War II took 350,000 engineer man-hours, whereas today the construction of a B–36, which is not our latest, but is perhaps our largest bomber, takes exactly 10 times as many man-hours, namely 3,500,000 man-hours.

Mr. KNOWLAND. Mr. President, will the Senator from Alabama yield?

Mr. HILL. I am glad to yield to my distinguished friend.

Mr. KNOWLAND. Mr. President, I should like to ask the distinguished Senator from Alabama to yield so that I may suggest the absence of a quorum, with the understanding that he will not lose his right to the floor.

Mr. HILL. I am very glad to yield to the Senator from California for that purpose.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BARRETT in the chair). The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gore	Maybank
Anderson	Green	McCarran
Barrett	Griswold	McCarthy
Beall	Hayden	McClellan
Bennett	Hendrickson	Millikin
Bricker	Hennings	Monroney
Bush	Hickenlooper	Mundt
Butler, Md.	Hill	Murray
Butler, Nebr.	Hoey	Neely
Byrd	Holland	Pastore
Capehart	Hunt	Payne
Carlson	Jackson	Purtell
Case	Jenner	Robertson
Chavez	Johnson, Colo.	Russell
Clements	Johnson, Tex.	Saltonstall
Cooper	Johnston, S. C.	Schoeppel
Cordon	Kefauver	Smathers
Daniel	Kennedy	Smith, Maine
Dirksen	Kerr	Smith, N. J.
Douglas	Kilgore	Sparkman
Duff	Knowland	Stennis
Dworshak	Kuchel	Symington
Ellender	Langer	Taft
Ferguson	Lehman	Thye
Flanders	Long	Watkins
Frear	Magnuson	Welker
George	Malone	Wiley
Gillette	Mansfield	Williams
Goldwater	Martin	Young

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr.

BRIDGES], and the Senator from Oregon [Mr. MORSE] are necessarily absent.

The Senator from Michigan [Mr. POTTER] is absent on official committee business.

The Senator from New Hampshire [Mr. TOBEY] is absent by leave of the Senate.

The Senator from New York [Mr. IVES] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

Mr. CLEMENTS. I announce that the Senator from Mississippi [Mr. EASTLAND] and the Senator from Minnesota [Mr. HUMPHREY] are absent on official business.

The Senator from Arkansas [Mr. FULBRIGHT] is absent by leave of the Senate.

The Senator from North Carolina [Mr. SMITH] is necessarily absent.

The VICE PRESIDENT. A quorum is present.

VISIT TO THE SENATE BY FORMER PRESIDENT TRUMAN

The VICE PRESIDENT. The Chair has learned that a distinguished visitor has arrived at the Capitol, the former President of the United States and former Senator from the State of Missouri, Mr. Truman.

The Chair appoints the acting majority leader, the Senator from California, and the minority leader, the Senator from Texas, as a committee to escort our distinguished visitor to his former seat in the Senate.

Without objection, the Senate will stand in recess, subject to the call of the Chair.

Thereupon, at 1 o'clock and 40 minutes p. m., the Senate took a recess subject to the call of the Chair.

The committee appointed by the Vice President escorted Mr. Truman to his former seat in the Senate and he was greeted with prolonged applause, Senators and occupants of the galleries rising.

The VICE PRESIDENT. On behalf of Members on both sides of the aisle, the Chair desires to extend a very warm welcome to the former President of the United States and our former colleague in this body. The Chair would like to say, incidentally, he is sure that our distinguished visitor, upon his return to Washington, has noted many changes. Some of those changes he may not like so well as some of the others of us may like them. The Chair is certain, however, he will agree that on this June day the weather man has done one of the best jobs of recent history. At least in that respect there has been an improvement. [Applause.]

The Chair is sure, too, that all Members of the Senate would like to have a word of greeting from our former colleague and the former President of the United States; and, consequently, if he will so favor us, we would like to have it at this time. [Applause.]

Mr. TRUMAN. Mr. President, distinguished Members of the greatest legislative body in the world, with one exception, the House, which is on a par with the Senate, I am highly pleased that the distinguished occupant of the chair and Senators are so cordial and so courteous to me. I did not expect to have the privilege of the floor of this great legislative body when I came to the Capitol for lunch with the minority, but I appreciate it very much.

I think I have told you before that the happiest 10 years of my life were spent on the floor of the Senate. I used to sit in this seat; and I had a seat here for the simple reason that, when the going became too rough, there was always a way to get out. [Laughter.]

This body, of course, has great responsibilities. Its Members do not need to be told that by a former Senator. But it is up to this body to help keep the peace of the world. My ambition has always been to see peace in the world for all nations; and if that happens, it means peace and prosperity for our own Nation.

I have had a most wonderful experience in driving across the country as a chauffeur in an automobile—a privilege which I had not enjoyed for about 8 years. I had a very excellent governor in the car—not on it. [Laughter and applause.] Mrs. Truman watched the speedometer very carefully, and we arrived safely.

I express sincere appreciation for the courtesy which this body has extended to me. I have enjoyed it very much. [Applause, Senators rising.]

At 1 o'clock and 50 minutes p. m., the Senate reassembled on being called to order by the Vice President.

JURISDICTION OVER SUBMERGED LANDS OF THE OUTER CONTINENTAL SHELF

The Senate resumed the consideration of the bill (S. 1901) to provide for the jurisdiction of the United States over the submerged lands of the outer Continental Shelf, and to authorize the Secretary of the Interior to lease such lands for certain purposes.

Mr. HILL. Mr. President, when I offered my pending amendment, I called attention to the fact that there were 34 sponsors of the amendment, whose names I read. I now wish to add, as the 35th sponsor, the name of the distinguished Senator from Mississippi [Mr. STENNIS].

Mr. President, when the Senate paused in its labors to greet the former President of the United States, the Honorable Harry S. Truman, I was speaking of the fact that we could make no greater contribution looking to the payment of the public debt than through the education and training of our children, because through their education and training we may hope to have, and we shall have, scientists, chemists, engineers, business, and professional people, agriculturalists, technicians, and skilled workers of all kinds who will give us greater productive capacity and an ever-expanding economy. Our best assurance of paying the debt is by having greater productive capacity and an expanding economy. I also addressed myself, Mr. President, to the question of the vital necessity of education to our national security and our national defense. I invited attention to the recent report of the Director of Defense Mobilization made not many days ago, in which he said:

> Acute shortages are continuing among highly skilled professional, scientific, and technical workers needed in defense and essential civilian industries. Under full mobilization, the lack of such workers would be critical. There are now 61 occupations on the critical list for which demand is greater than supply. The numbers now enrolled in college courses or taking other types of training are not sufficient to meet future needs.

Then, Mr. President, I invited attention to the fact that the Engineering Manpower Commission of the Engineers Joint Council has warned that industrial production and expansion, which the council said had been hampered for the past 2 years by a serious shortage of engineers and scientists, will, for the same reason, continue to be held back this year and will fail to obtain full output of civilian and defense materials.

Voicing the same concern over the shortage of engineers, Mr. Maynard M. Boring, personnel manager of the General Electric Co. and a member of the American Society for Engineering Education, recently told an Armed Forces conference that, if the shortage of such personnel in industry continues, defense contracts might have to be extended or canceled. He said that a survey group in studying demand had questioned 357 industrial companies and Government agencies and had found that the country was short approximately 40,000 engineers.

To understand the enormously increased demand for engineers, we have but to note, for example, that construction of a B–17 bomber—the bomber which we used over Japan and over Germany in World War II—took 350,000 engineer man-hours, whereas today a B–36 takes exactly 10 times as many man-hours—3,500,000. That gives us an idea of the terrific increase in the need and demand for engineers and technicians of all kinds.

Senators will recall the deep concern over our waste of manpower that was so recently voiced by Dr. John K. Norton, head of the department of educational administration, Columbia University, and former chairman of the Educational Policies Commission when President Eisenhower and Dr. Conant of Harvard were members of the Commission. Dr. Norton declared:

> We have about a 50 percent educational system in the products it turns out and in the support it receives today.

He said further in his testimony before the committee:

> More than half of the children who enter the first grade fail to finish high school. Perhaps even more important in terms of its effects upon our preparedness is the fact that only half of our top talent, those who get high marks in high school, who pass intelligence tests, who it is generally agreed could do college work and do it well, actually do so.
>
> We are wasting one-half of our top talent in terms of giving them substantial professional, technical, or vocational training.

Mr. President, in the face of our failure to capitalize upon half the talent of our youth, to make the most of the talent

which God Almighty has given our people, we know that ever since World War II, which has been 8 years, our intelligence sources have told us that Russia and her satellites have been working feverishly to train large numbers of scientists, engineers, technicians, and skilled workers of all kinds.

Doubtless the report of the extent of the Red educational effort is subject to the usual discounting, but Dr. Alan T. Waterman, Director of the National Science Foundation, in his recent testimony before the House Appropriations Committee, warned that Russia is outstripping us in the training of scientists and engineers. Dr. Waterman told the committee:

> In the year 1955 the estimate is that 50,000 engineering graduates will be produced in the Soviet Union, compared to some 17,000 in the United States. A similar situation exists in the United States with respect to the production of trained scientists of all types.

Dr. Waterman also said to the committee:

> Our output of young scientists and engineers is now dropping to nearly one-third of the output in 1950, at a time when our research and development effort has approximately trebled.

I think Senators can well understand why there has been the great drop to one-third of the output in 1950. It is because the GI bill of rights has expired for the great bulk of the veterans of World War II. That means that many of our young people are not able to go to college. They are not in our colleges or universities. They are not able to educate or prepare themselves to be engineers, scientists, or technical workers.

The appalling waste of our human resources because of poor education or none at all is graphically pictured in a recent progress report of Columbia University's great research project known as the Conservation of Human Resources. Motivated by his wartime experience with manpower wastage in World War II, President Eisenhower initiated the project shortly after he became president of Columbia University.

The report is based on an exhaustive study of the poorly educated in military and civilian life. Let me read from it:

> From the viewpoint of public policy, one general conclusion is unmistakable. If the United States wants to strengthen its military arm, if it desires to contribute to the heightened productivity of the economy—

I might interpolate: If we wish to pay off our national debt—

> If it wants to buttress the foundations of American democracy, then it is incumbent upon the country to work for the eradication of illiteracy among the population. Its major attack must be directed toward the source which means the strengthening of elementary education, particularly in the poorer States.

The report concludes with this serious challenge to the Nation:

> Only recently have we seen the problem for what it is. In the struggle in which the United States and the other free nations are currently engaged to maintain their way of life, our strength lies in the quality of our human resources—in the competence, imagination, and dedication of the population—not in sheer numbers. We can no longer ignore the wastage of our human resources which results either from our failure to develop all latent potentials to the full or our failure to utilize them fully after they have been developed. For the welfare and security of the United States, in fact of the free world, have come to depend upon granting every individual citizen the opportunity for the full development and utilization of his human potentialities.

Let me conclude this portion of my statement by referring to the findings of another great body of experts on manpower resources—another body that was established by President Eisenhower himself while president of Columbia University—another action that was motivated by President Eisenhower's wartime experience with manpower shortages. President Eisenhower, while he was president of Columbia University, was so impressed, and, I may say, so challenged, by the crisis in education now facing our country that he not only appointed the commission to which I have just referred, but he appointed also a second commission, the National Manpower Council, composed of 17 members from among the Nation's foremost men and women in the fields of business, industry, labor, science, education, health, and government. The Council carried on its work at Columbia University with a grant from the Ford Foundation.

The objective of the exhaustive study by the Council was the evaluation of manpower problems of crucial concern in the United States in this period of continuing emergency.

All of us know that we are in a period of continuing emergency. Surely no one can say how long it may last. No one knows how many years it may continue or how long we may be under the threat, the danger, and the challenge that presents itself today, a challenge that goes to the very heart of the preservation of our country and its institutions.

It was 4 weeks ago yesterday that the National Manpower Council made its latest report and presented it to President Eisenhower, formerly president of Columbia University, now the Chief Executive of our Nation. Among other things, that report warns that our national security is now threatened because of our failure to build the full strength of our human resources, and the consequent severe shortages of engineers, scientists, teachers, doctors, nurses, and others with special skills.

The Council reported that the shortages of scientists and engineers—that are growing steadily more critical—have, in the Council's own words, "delayed defense production, slowed progress on research and development projects vital to our security and resulted in the production of some military items costly to operate and maintain."

In other words, we have failed to provide many of the essentials for our defense; and with respect to some of the things we have obtained, we have experienced great waste because we did not have trained, competent, adequate manpower to do the job.

The Council declared that our national security is weakened and our progress retarded by failure to provide proper education and training for "a vast reservoir of highly intelligent young people."

As evidence of our waste of brainpower, the Council revealed that less than half of those capable of acquiring a college degree enter college, and 40 percent of those who start college—many with superior ability—do not graduate. The Council reported that "for every high school graduate who eventually earns a doctoral degree, there are 25 others who have the intellectual ability to achieve that degree but do not." They do not have the opportunity to do so.

Calling for more intensified efforts to improve elementary and secondary education, as well as education at the college level, and in the universities, the Council declared:

> There is a hidden reservoir of brainpower that is composed of capable individuals who achieve low scores in tests of intellectual ability, primarily because of serious deficiencies in their early schooling.

They never get the foundation upon which to build.

The Council cited the tremendous demands of our research in atomic energy and electronics, and declared that in this age of science and technology "the security and progress of the country depend as never before upon the nurturing of creative minds that can push back the frontiers of the unknown."

We are reminded that several years ago Mr. Winston Churchill ascribed the fact that we had peace in the world to the atomic bomb. Where would we be today if we did not have the atomic bomb? How could we ever have got the bomb if we had not trained men to be physicists, chemists, engineers, and scientists, who could produce the bomb for us? Anyone who stops to think of the atomic bomb, or who rides in an airplane which takes him from Washington to Atlanta, Ga., the capital of the State of our good friend from Georgia [Mr. GEORGE] in 2 hours and 50 minutes; or anyone who sees a television program originating thousands of miles away, cannot help but know that we are living in an age of science. There is nothing more vital to our future and security and the preservation of our institutions than that we shall keep ahead of the game, keep ahead of our enemies. The only way we can do that is by training and preparation, by capitalizing upon the intellectual capacity which God Almighty has given to our children.

The Council made the basic observation that scientists and professional persons cannot be stockpiled like commodities against future shortages, and declared that "only a purposeful and sustained effort can insure that the United States will have adequate resources of scientific and professional manpower to meet its needs."

The reservoir of undeveloped brain power and intellect—the latent genius that lies in the minds and hearts of American boys and girls—the reservoir to which the Council called the attention of the President, is precisely the same as that of which Dr. Norton spoke when, in testifying before the committee,

he declared that "we are wasting one-half of our top talent in terms of giving them substantial technical and vocational training."

The Council in its report to President Eisenhower referred to the "historic leadership of the Federal Government in the field of education." Let me read one paragraph from the report of the Council. It deals with the Morrill Act, the great land grant act of 1862. The Council said:

> The most important, single governmental step in connection with the training of scientific and professional personnel was the Morrill Act of 1862, which laid the basis for the country's extensive State college and university system. This measure provided for grants of public land or land script to the States for the support of "at least one college where the leading object shall be, without excluding other scientific and cultural studies, and including military tactics, to teach such branches of learning as are related to agriculture and the mechanic arts * * * to promote the liberal and practical education of the industrial classes."

That is a quotation from the language of the Morrill Act. If we were writing it today we would perhaps use language a little more nearly in terms of the atomic bomb and the other great inventions with which our distinguished friend from Colorado [Mr. JOHNSON], former chairman of the Committee on Interstate and Foreign Commerce, is so familiar.

The Council continues:

> The State universities and land-grant colleges have provided low-cost education, have contributed to the supply of specialized manpower, and have stimulated by their example the development of other scientific, technological, and graduate schools.

Despite the record amount spent for schools this year, in terms of 1953 dollars, the percentage of national income which goes for public elementary and secondary schools is considerably lower than it was 20 years ago. We are spending for such schools less today than we spent 20 years ago, before we moved into the great technological and scientific age, with all its dangers, threats, and challenges. With this record can we honestly say that our pride in education, our respect for the teaching profession, our concern for our children, and our zeal to preserve our freedom, are all that we claim them to be?

I wish to emphasize that the pending amendment, the oil-for-education amendment, sponsored now by 35 Members of this body, proposes no new departure into uncharted seas. It is simply a continuation of one of our oldest and wisest national policies—the use of public lands and the revenues therefrom for educational purposes, for the benefit of the entire Nation.

Benefits accruing to the Nation from this fruitful and far-sighted policy of educational endowment have been great beyond measure. The grant of 175 million acres for primary, secondary, and higher education has been called the "endowment magnificent."

Indeed, it has given us the intellectual and scientific competence by which our Nation solves its productive problems to a degree never approached by any other nation.

Dr. Norton, chairman of the Educational Policies Commission when President Eisenhower was a member of that commission, declared that the land grants constituted "the greatest gift to the development of education in the history of the whole world."

Then he went on to say that enactment of legislation of the type proposed by the pending amendment "would represent an exhibition of statesmanship equivalent to what was done in 1785, 1787, 1862, and the other great landmarks in the leadership of the Federal Government in developing education in this country."

We do not suggest that the oil-for-education proposal will prove a cure-all for every ill and every need that vexes our educational institutions, but we do feel that the revenues which will eventuate from the development of these resources can contribute importantly to meeting the needs—to giving to our "50 percent" school system a degree of perfection hitherto undreamed of.

Here is a windfall for easing the financial straits of our elementary and secondary schools, for providing more and better paid and better trained teachers, and for building desperately needed classrooms.

Here is an opportunity, a bonanza for relieving the agonizing difficulties of colleges and universities, medical schools, dental schools, nursing schools, technological schools, and research institutions with scholarships and grants-in-aid for specific training and research projects. The possibilities challenge the imagination.

Let us recall the words of that great Frenchman, L'Enfant, whose genius turned a swamp into the most beautiful of all American cities—the city of Washington. We remember that he said:

> Make no little plans; they have no magic to stir men's blood.

The use of public lands resources set us on the road to realizing the dream of Washington, Jefferson, Madison, Monroe, John Quincy Adams, and other statesmen of our early history of a great system for the dissemination of knowledge. The challenge to this generation and to this committee is that we have the wisdom to use similar resources to give to that system the high standards of quality that they envisioned.

Let us not be less wise and foresighted than those early statesmen, who seized similar opportunities with respect to the then great public domain, and let us dedicate these great remaining natural resources to the furtherance of education, for the benefit of our country and of succeeding generations, as well as our own generation.

Here we have a magnificent opportunity to carry on the great American tradition of providing for the education of our children, of strengthening the wellsprings of our democracy, of following the policy established by the Founding Fathers, of dedicating great natural resources for the development of our precious human resources, the children of the Nation, and of building America strong that we may keep America free.

Mr. JACKSON. Mr. President, will the Senator from Alabama yield for a question?

Mr. HILL. I yield to the Senator from Washington for a question.

Mr. JACKSON. I wish to take this opportunity of congratulating the distinguished Senator from Alabama for making such a fine statement on the floor of the Senate this afternoon on behalf of the great human resources of America, namely, its schoolchildren. I do not know of a better purpose to which we could put our natural resources than to use them to help preserve, conserve, and better the human resources of America.

I commend the distinguished senior Senator from Alabama for the long fight he has waged over the years in behalf of the program of utilizing a portion of the Nation's natural resources in behalf of the schoolchildren of America.

Mr. HILL. Mr. President, I thank the distinguished Senator from Washington, than whom no one has been more devoted or more active in his support of the pending amendment, the oil-for-education amendment. From the very beginning he has been one of the most enthusiastic and one of the most devoted supporters of this amendment.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. HILL. I yield to the distinguished Senator from Georgia.

Mr. GEORGE. Mr. President, I congratulate the Senator from Alabama on what I believe he is doing through this amendment, if the resources in these submerged lands prove highly profitable, and that is, in putting first things first.

There is no way to pay the national debt or to maintain the vast and specific character of government which we have developed in this country, from necessity or otherwise, except through a constantly expanding economy. There is no way to keep it constantly expanding except through the education of the people, from the ground up. I think that is especially true in a period when we are, if not exhausting, certainly diminishing our natural resources, and when skilled and highly technically trained men and women are the real future hope of this Nation.

Mr. HILL. Mr. President, I thank the senior Senator from Georgia for his very kind and generous words. We all know the authority with which he speaks. We all recognize and appreciate his great wisdom, his unwavering devotion to the public welfare, and his magnificent leadership, and we also recognize him as the author of one of the great landmarks in educational legislation in the history of our country, that great piece of legislation, the George-Dean Act, providing for Federal encouragement and assistance for vocational education. I thank the Senator.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. MONRONEY. Mr. President, I wish to compliment the distinguished senior Senator from Alabama for his eloquent and moving address in behalf of devoting the proceeds from the oil, which we hope will come from the underseas territory, to the great use of educa-

tion. The long and earnest fight he has made to devote the proceeds of this last frontier, perhaps, of public lands to better the education of the children of the Nation will long be remembered in our history. I am proud to be associated with the distinguished Senator from Alabama in the fight he is making for this amendment.

Mr. HILL. Mr. President, I thank the distinguished Senator from Oklahoma, and I am proud to be associated with him in the sponsorship of the oil-for-education amendment. I know how faithfully he has worked for and how loyally he has supported the amendment. I, for one, have deep appreciation for the fine support he has given to this amendment.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. HILL. I yield.

Mr. DOUGLAS. Mr. President, I should like to join my colleagues in expressing my appreciation to the Senator from Alabama for the magnificent work he has done in promoting this cause. The Senator from Alabama took hold of the issue some years ago when no one thought it had a chance of success. It has been because of his devotion and his intelligent direction that it has been brought so close to success, with the vote today largely determining what the precise issue shall be.

The whole country is indebted to the Senator from Alabama. I know I express the feelings of a very large portion of the heartland of America when I say we are very grateful.

There is one other feature I should like to mention about which the Senator from Alabama has been very careful. I refer to the fact that the Senator from Alabama, who has been so active in furthering the cause of education, appreciates the complexity of this issue and realizes there is no simple formula by which Federal funds may be distributed. He realizes that the relative needs of the localities should be taken into account. He also realizes the importance of the public and private school issue and that we should be fair to both groups.

So I wish to commend the Senator from Alabama for the mixture of daring and caution which has always characterized his political life and which he evidences in very high degree this afternoon. I hope we may follow him, not only in his devotion but also in his caution.

Mr. HILL. Mr. President, I thank the distinguished Senator from Illinois. I only hope that in some small degree I may measure up to his very generous words.

He is one of the original sponsors of the amendment. Time and again he and I have worked together; we have spoken together; we have spoken on the radio and on television in behalf of this proposal. For the past 2 years we have done all we could to assure the adoption of the amendment. No one could be more devoted or more active in behalf of the amendment than the Senator from Illinois has been.

Mr. LEHMAN. Mr. President, will the Senator from Alabama yield to me for a question?

Mr. HILL. I yield.

Mr. LEHMAN. In a moment I shall seek recognition in my own right, in order to make some remarks on this subject; but I cannot refrain from expressing my extreme gratitude to the distinguished Senator from Alabama, not only for the magnificent speech he has just delivered, but for his leadership during the years. I have had the privilege of knowing the senior Senator from Alabama for a very long time, both in the Senate and for years before I came to the Senate. I think he is generally recognized in the Senate and in the country at large as the leader in the fight for the development of education, the development of research, the development of health services and facilities, and in connection with many of the collateral issues. He has done a magnificent job for all those things. I wish him to know that I am proud and happy to recognize, as I have for the 4 years I have been a Member of the Senate, his wise and inspirational leadership in all these fields. I intend to continue to follow him in that leadership.

Mr. HILL. Mr. President, I thank the Senator from New York for his very kind and gracious words. Let me say that he was almost an Alabamian; all his brothers and sisters were born in my home city in Montgomery, Ala.; and certainly through no fault of his own, his very eminent father and good mother left Montgomery and went to New York. But for that untoward circumstance, he and I would be fellow Montgomerians and fellow Alabamians.

Let me also say that the distinguished Senator from New York was one of the original sponsors of the amendment. No one has done more to bring about the adoption of the amendment than has the distinguished Senator from New York.

Mr. President, in a moment I shall yield the floor.

At the beginning of my remarks, I stated I would place in the RECORD the names of some 40 organizations, including the National Education Association, the American Council on Education, the American Federation of Teachers, the American Library Association, the American Vocational Association, the National Grange, the National Farmers' Union, the Cooperative League of the United States of America, the American Federation of Labor, the Congress of Industrial Organizations, and many other fine organizations. I now ask unanimous consent that the list of organizations be printed at this point in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

The National Education Association; the American Council on Education; the American Federation of Teachers; the American Library Association; the American Vocational Association; the National Grange; the National Farmers Union; the Co-op League of the United States of America; the American Federation of Labor; the Congress of Industrial Organizations; the Oil Workers International Union; the Communications Workers of America; the Textile Workers Union of America; the United Mine Workers; the United Automobile Workers; the Friends Committee on National Legislation; Americans for Democratic Action; Students for Democratic Action; the Consumers Cooperative Association; the Brotherhood of Maintenance of Way Employees; Switchmen's Union of North America; the Order of Railroad Telegraphers; Brotherhood of Railway Clerks; American Train Dispatchers' Association; International Association of Machinests; International Brotherhood of Boilermakers; International Brotherhood of Blacksmiths; Brotherhood Railway Carmen of America; Sheet Metal Workers' International Association; International Brotherhood of Electrical Workers; International Brotherhood of Firemen and Oilers; Brotherhood of Railroad Signalmen of America; Railroad Yardmasters of America; Brotherhood of Sleeping Car Porters; Hotel and Restaurant Employees' and Bartenders' International Union, National Organization Masters, Mates, and Pilots of America; National Marine Engineers' Association; International Longshoremen's Association; the Order of Railway Conductors; the Brotherhood of Locomotive Firemen and Enginemen; and the United Rubber, Cork, Linoleoum, and Plastics Workers.

Mr. KEFAUVER. Mr. President, will the Senator from Alabama yield for a question?

Mr. HILL. I yield.

Mr. KEFAUVER. Before asking my question, I wish to join in paying the very highest tribute to the Senator from Alabama for his enlightened leadership in the cause of doing something substantial for education in the Nation.

Several persons to whom I have talked about the amendment fear that even if in the beginning the funds are earmarked for education, later demand might be made to have the funds used for some other purpose, and the funds might gradually be whittled away, by being taken from the cause of education and used for some unrelated purpose.

Has not it been the experience under the Morrill Act that there has been strict use of the funds coming from the sale of public lands for the purposes set forth in that act, and does not the Senator believe the funds we are now dealing with would follow the same course?

Mr. HILL. I feel confident they would follow the same course. There has been no deviation at all from the dedications which have been made not only in the Morrill Act but in many other acts even before there was a Federal Union—for instance, in 1785 and 1787. Whenever there has been a dedication of funds for education, that dedication has been scrupulously observed and carried out by Congress. So I am certain that Congress will continue to take that attitude.

Furthermore, the Senator from Tennessee knows that the people at home, whom we have the honor and privilege of representing here, are very conscious of the importance of this matter.

Mr. KEFAUVER. Mr. President, will the Senator from Alabama yield further to me?

Mr. HILL. I yield.

Mr. KEFAUVER. Does not the fact that there has been no deviation from the dedication of funds for education,

bear testimony to the support that dedication of public funds for education has received from the people, and to the wisdom of such dedication, for if it were not a wise dedication, there would be considerable agitation for diversion of the funds to some other use. Is not that correct?

Mr. HILL. That is entirely correct.

Mr. President, I wish to call attention to the fact that the Senator from Tennessee is one of the original sponsors of the amendment, and certainly he has been undeviating in his loyalty to the amendment and in his support of it. I thank the Senator from Tennessee.

Mr. President, during my remarks I referred to the testimony of Dr. John K. Norton, head of the department of educational administration, of Columbia University, and chairman of the Educational Policy Commission when President Eisenhower and Dr. Conant were members of the Commission. I now ask unanimous consent to have printed in the RECORD, following my remarks, excerpts from the testimony of Dr. Norton.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

STATEMENT OF JOHN K. NORTON, HEAD OF THE DEPARTMENT OF EDUCATIONAL ADMINISTRATION, COLUMBIA UNIVERSITY

Dr. NORTON. Mr. Chairman and members of the committee, I want to make it clear first that I am not a lawyer and do not feel competent to go into these legal questions which have been discussed in such an interesting manner here this morning. I want to speak, rather, to a question of general policy, which is involved in a part of the Hill amendment here, in which certain of these funds might eventually be used as grants-in-aid of primary, secondary, and higher education.

I realize that there are a large number of considerations that enter into the decision affecting policy in this matter. I want to speak only as it affects education, the possible relationship of this whole question to the proper financing and operation of education in a period of national danger, and, furthermore, to point out the relation of good schools to national preparedness and national security.

I do not think I need to dwell upon the matter which we are more and more recognizing, that this is a dangerous period in which we live. I will merely say that it behooves all of us, the whole Nation, to be strong, strong internally and strong with reference to ability to resist outside aggression, or, we hope, even to prevent outside aggression.

I would suggest that one of the essential ingredients of that strength, both internal strength and strength to resist or prevent aggression, is good education for everybody.

The fact is that we do not have good education for everybody in this country today. If I were to make the best estimate I could—and this is on the basis of over 30 years of very careful study and intimate association with public education in this country—I think I would say that we have about a 50-percent educational system in the products it turns out and in the support which it receives today. I will give you some facts on that in just a moment.

May I add, parenthetically, I do not think we can any longer afford the luxury of a 50-percent educational system in the kind of world we live in.

What are some of the facts behind this statement, which may be startling to some of you, that we have a 50-percent educational system in this country? I will point out first the continuing—and I emphasize "continuing"—high rate of rejections of men called up in the draft. This has happened already in 3 wars since 1917. I suspect one of the reasons I am here testifying today is a most disillusioning experience which I had as a young man in the summer of 1917, when I went to one of the great Army camps and the men began coming into that camp. We were to examine them and classify them. At that time that particular camp consisted of some open fields and piles of lumber, and I might say complete disorganization for a good period of time. Some of you gentlemen remember that. Then the men began coming in, and I would not have believed what passed before my eyes day after day, week after week, month after month. Hundreds of thousands of young men, presumably at the age of the prime of life, completely illiterate, unable to write a letter home, unable to read a newspaper. That made an impression on me that I have never forgotten.

May I point out that something very similar happened in World War II. Apparently we learned very little from that experience. And the same thing is happening right now today.

May I point out, according to the figures for the last year available, 1950–51, 1,521,000 men were examined under selective service or the draft; 586,000, or 38.2 percent, were sent home as incompetent to defend their country. Those rejections were for various reasons.

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I want to deal next only with the rejections for educational reasons. As I have just said, Senator, these over one-third rejections were due to every cause—physical, mental, educational. I want next to deal just with the clean-cut cases that were purely due to lack of education, denial of educational opportunity.

Under that head, we know that at least 16 percent or perhaps nearly 20 percent, certainly 16 percent, were rejected for the purely educational reason that they could not pass the Armed Forces qualification test, the AFQ, the same test which was formerly called the Army general classification test. This particular test is not a test of physique or mental stability. It is a test of having had an educational opportunity or of not having had an educational opportunity.

We know from the studies that have been made over recent years and recently that men with little or no schooling generally fail this test. The fact is that a considerable number of our children get no schooling in this country still. We know also that if they had a reasonable amount of schooling they nearly always pass the test.

We know, second, that the men from States with the better-supported, better-organized school systems have a very small number of rejections, and the States that have the school systems that are far below a reasonable level of support have a very high percentage of rejections.

For example, the seven States with the poorest provision of education had over half of their men rejected in connection with selective service during World War II.

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"FACTS CONCERNING MEN REJECTED FOR ALL CAUSES DURING WORLD WAR II, FOR ONE PERIOD SINCE WORLD WAR II, AND FOR EXPENDITURES FOR PUBLIC SCHOOLS

"The figures for the United States for the men examined under selective service and for rejectees as of August 1945 are: Examined, 17,684,700; rejected, 5,349,200.

"In the following States the rate of rejection for men examined under selective service for certain periods of time during World War II ran from 50 to 55 percent: Alabama, Florida, Louisiana, Mississippi, North Carolina, South Carolina, and Virginia.

"The foregoing 7 States ranked as follows among the 48 States as to expenditure per pupil for public schools in 1939–40 (48 being the State with lowest expenditure per pupil).

Alabama	46
Florida	37
Louisiana	39
Mississippi	48
North Carolina	43
South Carolina	45
Virginia	40

"The rejections for the foregoing States during the total period from November 1940 through December 1944 averaged between 40 and 50 percent.

"Data for a recent 18-month period, from July 1950, through December 1951, show that rejections of selective-service men ran from 48.2 to 62.3 percent for these States: Alabama, Arkansas, Georgia, Louisiana, Mississippi, and South Carolina.

"The foregoing figures for rejections are affected by a great variety of factors. For example, in some cases they tend to underrate the percentage of rejections under selective service since they relate only to pre-induction rejections. Some men are eliminated after induction. On the other hand, these rejection figures refer only to men examined under selective service and do not take account of men who enlisted.

"The Research Division of the NEA recently reported a study of the correlation between expenditures per pupil and rejection for failure to meet educational standards as follows (note that this study is concerned only with rejections for failure to meet education standards as opposed to the figures above which deal with rejection for all reasons):

" 'The expenditure per pupil for the current operating costs of schools is a single, simple measure of what the States are doing in the way of providing educational opportunity for children. A study by the American Teachers Association showed a high coefficient of correlation (r=0.86) between the amount of money a State spent for education and the rate of rejections of registrants for failure to meet minimum education standards for military service in World War II.'

"(As indicated in the foregoing a correlation of 0.86 is high. If the correspondence between expenditures and rejections was perfect the correlation would be 1.00.)

"Sources of figures

"1. Periodic Reports of Physical Examinations. Summary and Detailed Reports, National Headquarters, Selective Service System.

"2. Summary of Registrant Examinations for Induction, Department of the Army, Office of Surgeon General, Medical Statistics Division.

"3. Statistics of State School Systems, 1939–40, United States Office of Education, Federal Security Agency.

"4. Implications of Armed Forces Qualification Test Results for Education in the United States. Compiled by the Research Division, National Education Association, October 1952."

Dr. NORTON. I do not want to go into technical statistics, but the fact is that there is a 0.87 correlation—1.00 would be perfect—between level of support provided by the States and rejections or acceptance.

Putting it another way, a State that has a low level of educational support is nearly always, in fact always, found high in rejections, and vice versa. I will give you some general statistics. I took the five States that spend least for education, their average expenditure. All of them spend less than $125 a year per pupil; some spend as little as $80 to $85. Considering just those 5 States at the bottom in educational support, there was not a 16 percent rejection, which is the national fig-

ure on this educational test, but a 42.2 percent rejection.

Let us look at the other level—the five States that spend most on education. All of them spend more than $260; some up to $300 or more. What is their rejection rate on the educational test alone; remember—7.1 percent. In other words, the rejections in the States with the least adequately financed schools are 6 times as high as the 5 States at the top with the best-financed schools.

During World War II, furthermore, the Army found that it was possible to salvage the functionally illiterate soldiers that it took on. They installed programs of education and 85 percent of the men who came in who were illiterate were sufficiently qualified in terms of ability to read and write so that they remained in the service.

A recent experience has been similar. I will come back to that point in a moment.

Furthermore, some improvement in education—very spotty, but some improvement in education—between the two wars permitted us to raise our score in education from being a fifth-grade nation to a seventh-grade nation. However, I do not think many of us would agree that that is adequate. I am speaking now in terms of averages. In the kind of world we live in we had better be better than a seventh-grade nation.

What are some of the causes back of this situation I have been describing—the fact that literally hundreds of thousands, millions, of young men show up at our Army camps almost completely lacking in mere ability to read and write and have missed practically all educational opportunity? I would say the first thing is that in this country as a whole we have never adequately supported education. At the present time the expenditures on the average for the whole country are about $225 per pupil.

Our researches show that if you want to get a really good school system—even one that just barely goes on beyond the three R's and which gets all the children in school instead of just a part of them—you have to spend somewhere around $400 per pupil. In fact, I suspect some of you gentlemen know what the typical private school charge is. Its rate typically begins at $400 or $500 and goes up to about $1,000 when people really want good education.

I do not want to go into the details of our researches. I could cite a book recently issued by the Larson committee, the National Commission for Public Education, a chapter which reviews all the researches, which shows the relationship between the level of support and the quality of education. They show those researches universally, every one of them, show there is a very important relationship; and furthermore, that the majority of our schools in this country have not got to the place where they provide a first-rate education system.

The CHAIRMAN. Doctor, can you give a reason for that?

Dr. NORTON. I will give you some in just a moment. There is a whole series of reasons.

I will go back 20 years. During the depression we said we could not afford to educate our children, and we cut school support and school programs generally. To my mind, that was one of the most stupid decisions that we as a people ever made. We paid for it later, paid through the nose. We had to pay extra to educate many of these uneducated people during World War II.

Then came World War II. We had to put all of our resources into the winning of the war. I suppose we did. Anyway, we could not afford good schools because we were fighting a major war.

Then after World War II, we let inflation outrun school-supporting regularly. The adjustments made for changing economic conditions were 2 or 3 years behind, as it affected the financing of education.

Now we are being told that with the enormous bill for preparedness—I guess we will all agree that it is enormous, and whether it is too much or not, I am not saying—we cannot afford schools.

In other words, in this period we have found easy excuses for shortchanging our children.

Now I want to go back to some of the other facts that bear on the statement that we have not adequately financed these schools.

There has been not only generally inadequate support, but the most unevenness and inequality of support, involving extreme inadequacy in many areas. I am not arguing that every State or every locality should spend the same amount for education, but I am willing to stand on the proposition that every American child, every child born in the United States or who comes into this country, should have an opportunity for at least a reasonable education. We are not providing that opportunity. I will give you the latest figures.

The CHAIRMAN. What do you call reasonable, Doctor?

Dr. NORTON. I would say any child who gets less than a $200 education per year is being seriously shortchanged today.

The CHAIRMAN. The point I am trying to make is, do you mean that they should finish the 8th grade or the 12th grade, or where, in the educational system?

Dr. NORTON. I would say at least the 8th grade, but I would rather state it this way; I think every American child—of course, I leave out the very small percentage of institutional cases—but every normal American child, and 98 or 97 percent would be in that category, should be able to read and write. Every normal American child should have some understanding of the great heritage of this country, our freedoms, how they were won, the great men who established our country, and how we won the freedoms.

Every American child should have either some vocational education or at least some prevocational education given either in schools or else in cooperation with industry and labor.

I could go on and say that these minima in terms of qualifying as a citizen in a great country that has many problems to deal with, all of these should be provided every child. I state a low figure when I say $200 per pupil.

Let me give you the figure as to what is really happening.

There were in 1949–50, the latest figures that I could get for the Nation as a whole and they are relatively about the same today, 200,000 children who are being educated in schools costing $35 per pupil per year. In fact, there are 35,000 children being educated in schools costing $6 and less per year.

Look at what this means. Suppose you have 30 children in a class; $6 per pupil per year, $180, with which to pay a teacher, to buy books, and supplies, to keep the school building up.

Do I need argue with you gentlemen that you cannot get anything like a decent educational opportunity for such a figure?

At the other extreme, we have tens of thousands of children who are getting an education costing $400 a year and up.

One of the startling facts is that in this country, in which we make a lot of fine speeches about equality of opportunity—and I am for equality of opportunity—the fact is that our educational system is characterized by the greatest extremes in educational opportunity, ranging all the way from excellent school systems—I could name some that are costing $600 or $700 a year—down to situations in our educational slums where maybe children hardly ever get into a school or, if they do, they go just a brief period of a few months for a few years and end up as functional illiterates.

This situation goes back to some of the things which we mentioned earlier when the Senator asked the questions, our easy complacency, but it also goes back to radical or sharp differences, disparities in ability to finance education. Within States those disparities are enormous, but as between States they are large. The poorer States have about one-half to one-third as much ability to finance education as the richer States.

So whatever you give as the causes—and there are others that could be mentioned—the fact is that we are short-changing millions of American children in what I would like to think is their fight to get a satisfactory educational opportunity, satisfactory in the terms which we mentioned just above.

That is the first point with reference to this 50 percent school system. I want to make a second point and point out a condition which again justifies this statement, which was perhaps startling to you, that we have a 50 percent school system.

I refer to the premature leaving, elimination from school. More than half of the children who enter at the first grade are eliminated before they get through high school. Perhaps even more important in terms of its effects on our preparedness is the fact that only half of our top talent, those who get high marks in high school, who pass intelligence tests and who it is generally agreed could do college work and do it well, actually go on.

There are various reasons for that, but one of the prime reasons is that their families are not able to finance the expensive college education. And college education is still expensive. Studies have been made in one State after another that confirm this fact.

Do we have too much well-trained manpower today? I would like to read you a paragraph from the report of the Director of Defense Mobilization dated January 1, 1953:

"Acute shortages are continuing among highly skilled professional, scientific, and technical workers needed in defense and essential civilian industries. Under full mobilization, the lack of such workers would be critical. There are now 61 occupations on the critical list for which demand is greater than supply. The numbers now enrolled in college courses or taking other types of training are not sufficient to meet future needs."

That, in a situation in which we are wasting one-half of our top talent in terms of giving them substantial professional, technical, or vocational training. In the future we will need those men, even if we assume continued peace or this cold war. If the worst should come, we would need them immediately and we would need them mightily.

If I may, I would like to point out a third factor which justifies the statement that we have a 50-percent school system.

Senator BARRETT. We are pretty close to the noon hour, Dr. Norton, and this might be a good point for us to recess, if it is agreeable to you.

Senator HILL. Mr. Chairman, may I ask, how long does the committee expect to recess?

Senator BARRETT. We will be in recess until 2:15 this afternoon.

(Whereupon, at 12 o'clock noon, a recess was taken until 2:15 p. m., of the same day.)

After recess

Senator BARRETT (presiding). The committee will come to order.

You may proceed, Dr. Norton.

STATEMENT OF JOHN K. NORTON, HEAD OF THE DEPARTMENT OF EDUCATIONAL ADMINISTRATION, COLUMBIA UNIVERSITY—RESUMED

Dr. NORTON. Mr. Chairman and members of the committee, you will remember this morning I had pointed out that many millions of the rank and file of our children are

getting something less than an adequate educational opportunity. I had also pointed out that we were capitalizing only about 50 percent of our top talent, and that all of these people are needed in this kind of world.

I want now to point out briefly some of the results, what I think can properly be called a period of financial malnutrition of education growing out of these circumstances we mentioned this morning, in which we always find a good excuse for doing something for education 10 or 15 years in the future.

One of them is the chronic shortage of qualified teachers. I don't know whether I need dwell upon that. We hear a lot about it, but, like Mark Twain's weather, we do very little about it. Back of that is the fact that teachers' salaries lost out seriously during a period of rising prices and inflation. While teachers' salaries only a little bit more than doubled between 1939 and 1952, wages in general went up 2½ times. The average income of physicians, to select a professional group, went up 3.18.

The result is that in 1939, teachers on the average, with a salary of $1,420, were 11 percent above the average wage of all wage and salary workers. They were not too much above, 11 percent, but they definitely were above the rank and file of workers in the country. By 1951, they were definitely below. Teachers were getting $3,190 a year, and all wage and salary workers were getting $3,253. Teachers were 2 percent below.

That has had a tremendous effect on our ability to hold good teachers and to recruit young people to come into the profession. This is not the only factor. There are some others that are very important.

In 1939, we were operating in a market where there was not nearly as high a rate of employment as there is now. We are now operating in a market of relatively full employment, as you know. Furthermore, one calling after another that did not use to be open to women is opening up to them. Teaching was about the only opportunity that women had some 20 or 30 years ago. Now they are going into one profession after another. The profession of nursing is developing. I do not need to develop that point.

Bright young women, to put it bluntly, can go other places to get recognition professionally and to get a good working wage.

Furthermore, another factor which came into the situation: Previous to 1939, teachers were exempt from the Federal income tax. I am not arguing that they should be. I always believe teachers should be full-fledged citizens. But the fact is that previous to 1939 they did not pay it; now they pay it. That is another differential against recruiting people into this calling.

The result of all this is that we have what is commonly called a shortage of 100,000 qualified teachers. Frankly, gentlemen, that is a complete underestimate, because the reason we have only a 100,000 shortage of qualified teachers is that so many States have dropped their standards down so low and by dropping their standards down low they can get some kind of person, frequently not very well qualified, to go in and hold down the classroom.

In this whole picture, really it is not the teachers that suffer. A lot of very good teachers have left the profession. A lot of bright young people who normally would have come into it have not come into it. Our teachers' colleges have a far smaller number of people than is needed to staff the teaching profession in the years just ahead. It is the children who are suffering, and that seems to me to be a matter that we cannot take lightly.

Now I will point out another illustration or result of this general financial malnutrition and finding good excuses for always putting education down low in the list of priorities. That is the lack of school buildings and other facilities. As you doubtless know, we have had a great increase in school population, and it is growing every year. We put off building new school buildings in the 1930's. We could not build them in the war for reasons that you know. We are barely keeping up to the point where we were a few years ago by building as rapidly as we can today.

The result is many double sessions, where schoolhouses operate from 7 or 8 o'clock in the morning until 5 o'clock at night, and frequently oversized classes are necessary because there are not enough classrooms. You can always presumably stick in a few more chairs. You have 30 or 35 children already in a classroom. They come crowding in. You can shove in a few more until you have 40 or more. The effect of this, once again, on children is tragic.

I would like to read 3 or 4 lines from a recent report of the Educational Policies Commission, which represents the NEA and the American Council on Education, which is one of the chief representatives of higher education. It says:

"Overcrowded schools, with their part-time classes, overworked teachers, mass instruction, and watered-down programs produce effects which are not always immediately observable, but are nonetheless serious. Pupils do not learn the things they should, and they master less well the things they do learn. Relations between home and school are weakened."

A teacher with 40 children just cannot keep contact with the home. She just cannot treat each individual pupil as an individual. She has to teach them in masses.

"Relations between home and school are weakened, and the well-balanced development of children is prevented. Ingenious administrative arrangements to utilize every building to the limit are helpful, but they are no substitute for the careful ministration of a teacher who has time to teach each child well. Fitness for freedom is not mass produced."

So we would emphasize that the shortage of teachers, the shortage of buildings and other facilities, is a major problem standing in the way of making our schools 100-percent effective.

Furthermore, the present prospects are that things will get worse before they get better. As you probably know, the annual crop of children, the seed corn of our Nation, is now about 4 million a year. It was 2½ million in the 1930's. This increased birthrate began shortly after 1940. I do not need to go into the reasons. It is a fact. That crop of children at a 4-million level as opposed to about 2½ million is about halfway up through the schools. It is at about the fifth, sixth, and seventh grades now. In the next 5, 6, or 7 years it is going clear through high school.

Incidentally, the high-school cost per pupil is higher than elementary. We are going to have the same pressure on teachers at the high-school level, the same need for more teachers there, the same need for new high-school buildings, that we are now feeling so severely at the secondary-school level.

Furthermore, the result of building so very few buildings from about 1930 to about 1945 is that many buildings are becoming obsolescent.

Furthermore, we have a very mobile population. The mobility of our population has greatly increased. It would be nice if we could use some of our partly empty school buildings, but frequently they are 10 or 20 or 30 miles away from where the children are. Many people, as you know, are leaving the great cities and going into the outer fringes of the cities. You have to make the choice between building new school buildings or transporting the children great distances, which is not desirable, and at considerable expense.

I mention these factors that I have described are not being corrected. They are actually becoming worse. Under present circumstances, they will become still worse in the next 5 or 6 years.

Now I want to go into a fourth factor bearing on this 50-percent school system that I mentioned. We recognize the necessity of military preparedness, but may I point out that full preparedness is more than just military preparedness. The worst thing we could do in this country would be to develop a Maginot-line psychology, with the idea if we get just enough bombs or tanks or battleships or planes, everything is all right. In fact, if we look back on the history of the world, it has been more often internal weaknesses rather than outside invasions that have resulted in the overthrow of great peoples.

I want to mention just one additional factor. I cannot develop this at great length. The economic factor. Wars are fought with the economy today quite as much as with armies. May I point out, second, that one of the crucial factors, one of the crucial ingredients of a strong nation economically is first-rate education.

I have a colleague at Columbia University who has literally visited, in the last 20 or 25 years, some 54 different countries to study the relation of education to the economic strength and well-being. The result of his studies—recently some of them were published on the front page and in other sections of the New York Times—shows 2 or 3 very striking things. One is that technology and education are the crucial factors in a strong, high level of productivity, a strong economy. Natural resources run a poor third.

If you will look around the world today, you will find many areas that are tremendously wealthy in natural resources in which the people are living in abject poverty. On the other hand, I could name countries which have relatively few, limited natural resources which, through the development of their economy and through the development of education throughout their people, technical education and all of that, have developed very high level economies. When you put the three together, when you apply science to industry, which is another way of expressing technology, when you give everybody education, good education, or a fairly good education and then if in addition you have natural resources, you get the United States, which has about twice as high an income per capita as even the wealthiest other nations.

We have capitalized education in this country to a certain extent, more than other countries, but still we have to come back to the conclusion that we have capitalized it only about 50 percent, even in this area, for reasons that I have given already.

We know that in our own country, once again it is not the States that are richest in natural resources that have the highest income. It is the States which over the century or century and a half that had the high education. If you look around the world you will not find any country that has achieved a strong economy without a lot of good education.

Instead of approaching this negatively, what would we do in our country if we made education 100 percent efficient economically in building up this essential ingredient of strength, of preparedness? Please understand, I know there is much more to education than a strong economy, but it is one important thing.

In the first place, we would give every child first-rate vocational and educational guidance. We would not be satisfied with just a bare elementary school education for anybody. We would send him on a considerable distance into high school. We would give him some acquaintance with his capacity in terms of what he could take in technical or professional education or education that only went part way or maybe all the way through high school. We would give him some knowledge of occupational trends,

where the overcrowding is and where there is a shortage.

I am ashamed to tell you that the typical youth who leaves our high school today does not get this at all. We give him some definite vocational training, or at least prevocational training, either in school or perhaps preferably in cooperation between the school and industry and labor, as is done in a few outstanding school systems. We would have a program for the smooth transition of youth from full-time school attendance to full-time occupational life.

Most communities have no such program. They shove the children out and let them sink or swim and, as you know, one of the high ages of juvenile delinquency is the years just after they are shoved out and are frequently marked as failures by our high schools.

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I want to get to the point of the place where the Federal Government has been sticking its nose into education in a way that alarms me very seriously. I refer to the establishment in every one of the armed services of a substantial program of straight education. I am not limiting myself to military training, but every one of the armed services—listen to the radio, look at the enlistment posters, and let me read to you, if I may, from a recent report from an officer at one of our great Army cantonments. This is quoted verbatim:

"With draft laws in effect throughout the United States the Army is discovering that a considerable number of personnel have been brought into the service who are unable to absorb military training because of their inability to read and write English and to do simple arithmetical problems. For these men who have not had the opportunity for a formal education"—I am still quoting—"For these men who have not had the opportunity for a formal education the Army's Information and Education Section has instituted a basic educational program designed to relieve this situation."

So I will not be misunderstood, I am not criticizing the Army at all. I am just pointing out a fact.

Here I am quoting:

"Classes are held either morning or afternoon, Mondays through Fridays, for a period of 4 hours a day over a period of 25 days. At the end of this time the students take a United States Armed Forces Institute examination which covers their period of instruction."

Then it goes ahead and says if they don't pass it, they get a little more schooling.

Here is another very interesting paragraph, and I will quote it in the light of something we said a moment ago:

"Only top instructors are selected to give the instruction in the basic subjects, reading, writing, and arithmetic. Instructors are all State-certified teachers and experienced in adult-education problems."

Then it goes on again:

"Some idea of the vastness of this program may be grasped from the statistics of an experimental period."

Then it goes ahead and analyzes a number of youth being educated under this program.

As I said, I do not blame the Army, or the Navy, or the Air Force, or the Coast Guard in the least when they find young men who have not had a chance to get an education to give it to them. If I were in any of these services, I would do the same thing. But I urge upon you gentlemen that there is something wrong with a situation where that is necessary. This is not only Federal control of education, it is Federal operation of education. And far more, it is military administration of education. It is Federal education; it is military administration.

Let me point out if you were going to pick out any one part of our Federal Government, the last one that should administer education is the armed services.

Why do I say that? Not that I have anything against military or naval men, but it is the one service that takes the men away from the locality. We think it is a good thing to keep education in the locality, to keep it in the States. But it takes them away from their homes. How do we know what goes on? It is probably all right, but look at it from the long-term point of view. Do we want as a permanent policy in this country to have the military services begin to pick up the pieces because of the inadequacy of the support and inadequacy of our educational program? I think you know the answer.

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Dr. NORTON. I think this whole development or trend—and please do not misunderstand me, I am making no argument against necessary military training. I think we would be completely foolish not to have military training in a period like this. But that is quite a different thing from an educational program under the military. It is not only bad general policy; if you will look up the figures and find out the cost per man of the education of these men who come into the service unprepared, you will find it is very expensive.

So I propose that there is a far better approach to this whole problem of dealing with our 50-percent educational system. I will sketch it briefly.

We ought to put a floor of support under all education. It should be impossible from the financial point of view for any child to live in a community where there is not enough money to educate him. We ought to have a program to capitalize the full possibilities of education in the field of vocational and technical training, and all of the other areas of education.

This would involve a pretty substantial thinking of the relation of education to our Nation in a period of great crisis and stress, a period that is not going to end tomorrow, from anything that we can see today. This program should be administered under State and local control.

Now, I am going to get into an argument, but I am going to say it without any qualification. This should be a cooperative program, financially and otherwise, that would involve the three levels of Government, the major control and management at the local level, some overall control from the State level, and no control from the Federal level but some Federal help.

May I point out that there is a justification for such a proposal. I want to give you just a few of the major justifications.

First, it would vastly increase our national security in terms of manpower, in terms of the quality of manpower. I do not think I need dwell on that further.

Second, it would be in accord with the historic American tradition as it concerns the very important role of leadership and financial help that the Federal Government has given to education since the very beginning of our Government.

Let us look at that just a moment. It is a noble tradition. We sometimes lose sight of the relation of the Federal Government to education. May I point out that Washington, Jefferson, Madison, Franklin, and many other great statesmen recognized the inescapable relationship between a society of freemen in a republic, the kind of government we were setting up, and education for everybody. They all made individual contributions. The program of education that Jefferson proposed we are just beginning to catch up with. You know, on that monument halfway up Monticello, he forgets to put on his epitaph that he was President of the United States, but he does put on it that he was the founder of the University of Virginia.

These great founders—and they were a remarkable group of men—the founders of our Republic did not just talk about it. They did something about it. When it was being decided in the Continental Congress how we should deal with the great lands to the west, the first decision was that they were under the jurisdiction of the Federal Government. The next thing that was decided was that they should be surveyed, and it was then decided that a part of the land in every township should be used for the development of a system of public education. Then this was repeated in the famous Ordinance of 1877, one of the noblest statements ever made. You find there:

"Religion, morality, and knowledge being necessary to good government and the happiness of mankind, schools, and the means of education shall forever be encouraged"—they did not say just encouraged by the State and locality—"encouraged by the Federal Government."

Let me read from a significant study that was made, I would say the outstanding study of this whole period, Mr. Taylor's. He says:

"The national land grants were the very foundation of public education in the United States."

At another place he says:

"In some respects the policy of national grants for higher education was the most significant of our early land ordinances and established higher education in this country."

They not only said those fine things that I have quoted, but when the first State was admitted in 1802, they put that fine statement into operation, and the 16th section in every township was set aside for education.

A little later they added the 32d section. A little later they began to give funds, too.

* * * * *

If I may go a step further, in 1862 President Lincoln signed another historic act, bill, making it a law, which established eventually 69 A. and M. colleges that we have today. They not only established them, but they gave lands and later hard cash for the development of those colleges.

May I suggest that one of the reasons why we are the great agricultural Nation as well as industrial nation, that we are today is the vision that was represented by the Federal Government in establishing this great system of rural education, agricultural education, whatever you want to call it. It was expanded by the Hatch Act in 1887 to provide experimental stations, research, the famous Smith-Lever Act of 1914 for the extension service.

Once again we have in this action on the part of these various acts the greatest single illustration in the history of the world of the development of higher education. You cannot point to anything like it anywhere else in the history of the whole world that is equal to the leadership of the Federal Government in establishing 69 higher educational institutions, giving it a little money to start with, and then the States and localities took hold, and you know what a very important factor they are in our educational system.

I want to come to another great landmark in the leadership of the Federal Government. In 1917 there was passed what was commonly called the Smith-Hughes Vocational Education Act. At that time, although we had had some vocational education in this country, the amount was extremely limited. You know something about that act. It was later developed further under the George-Dean Act, and the George-Barden Act. But suffice it to say for the first time a considerable number of our high schools, under the encouragement and financial help of this act, began to take the technical and vocational training of our youth seriously. It was a fortunate thing they did, because when we came into World War II, in spite of the very fine work that had been done under the

Smith-Hughes Act, the matching and overmatching of funds by the States and localities, we still found we were lamentably short of trained persons. Some of you remember that the two kinds of buildings that you saw with lights burning in them 24 hours a day were the war factories and the schoolhouses, because many of them ran three 8-hour shifts in order to get enough trained people to carry on a great war.

So, we have here the establishment of one of the greatest programs of vocational education in the history of the world by the leadership of the Federal Government and with some financial help.

The States and localities have taken hold of that. They now put considerably more than the Federal Government puts into it, and they have virtual control over that, as they do of our public schools, as they do of the land-grant colleges. In other words, I have only hit, as you know, a few of the high points. There are some 44 major enactments of the Federal Government in the history of its relation to education. I have picked out only a few. I will sum it up in just a few words.

We really have a great tradition in the statesmen who have sat in our Congress who have seen that, whereas education is properly a matter of State control and local control, there is also a national interest in education. We are all weakened when a child is denied education, whether he lives in Maine or California or Florida or Washington or somewhere in between. We cannot afford to have 35 percent of our youth rejected for physical and educational deficiency. We cannot afford even to have 16 percent rejected for educational deficiency. We cannot afford to give education only to a half of our top talent. Maybe we could have afforded that luxury in the easy days when we thought the oceans protected us, but let us remember that we will be the first to be attacked if war ever breaks out again.

Let us remember, further, that we are a sort of little island of freedom in a world of hungry and illiterate people. One person in 16 in the world is an American. The totalitarian, the slave societies, outnumber us 8 to 1. May I suggest that this is something we need to think about: that every one of our sons, when he reaches 17, 18, 19, should be fully prepared, as far as good education will prepare him, for all of the duties of peace or war; that we ought to hand over to our military services not some good men plus a lot of illiterates and physical incompetents. We ought to hand over 100 percent of men to our military services, as near to 100 percent as we can make it, through good education.

So, I end this portion by saying I see in this situation a great opportunity for statesmanship, a great opportunity for leadership. Look back and see what our great forebears did even before we had our Constitution in 1785, 1787. Look what Lincoln and the great leaders did in 1862. Look what subsequent people did in developing the Morrill Acts. Look at what we did under Wilson's administration in 1917, and compare it, frankly, gentlemen, with what we are doing today for education.

* * * * *

Dr. NORTON. Mr. Chairman, Could I add one point about our historical policy. When the Continental Congress and then the Federal Congress was confronted with this great issue of what to do with these public lands, I think we know that it took charge of their distribution and use, and wisely, as should have happened, most of them have passed into the hands of the States or into the hands of individuals, but there was one great act of statesmanship in that transfer which essentially founded our system of public elementary and secondary education and a good many of our State universities were started out of special land grants.

Against that background and without going into the legalities of this whole situation, I cannot look at a bill that is concerned with a great natural resource, the value of which we really do not know, although we can get estimates. I in no way wish to impugn what you said, Senator KUCHEL, but we really do not know in the long pull how much resource there is there.

Against the background of our policy, I must come to you at this time and say, Let us take time to look at this thing. Let us make no snap judgments. Let us consider all the questions of educational policy that are involved here as well as other questions. If you do that, I am perfectly willing to leave it to you gentlemen to decide it.

Senator BARRETT. Dr. Norton, you mentioned a moment ago that you had a colleague up at Columbia who was very interested in oceanic farming.

Dr. NORTON. That is right.

Senator BARRETT. Would that be Professor Clark?

Dr. NORTON. Yes, it would be; Prof. Harold Clark.

Senator BARRETT. He testified before this committee last week, and I might say to you that he went much further than any witness we have had before this committee by contending that not only submerged lands within the historic boundary of these States but, in addition to that, all of the lands beyond and out on the Continental Shelf should be surrendered to the States.

So it looks as if you and Professor Clark are in complete disagreement in that respect, anyway.

By the way, he, among all of these witnesses, assumes that there is terrific wealth in the lands in question, so he does not mean to say he is just giving away something of little or no value, because he thinks there is wealth far beyond the anticipations of all of the members of this committee.

Dr. NORTON. I know Professor Clark quite well, and I know his viewpoint on this. I would add, incidentally, that one of the characteristics of a great university is people who honestly try to look at the facts and then draw their own conclusions. Dr. Clark has done some very interesting work. I admire a great deal of his work.

Senator BARRETT. He made a very fine statement, I will say.

Dr. NORTON. I disagree with a number of the points he made in his testimony the other day. He happened to be enamored of the great State of TEXAS, and I do not blame him. It is a great State. He comes up here and he talks just like a Texan. [Laughter]

Senator BARRETT. I might say to you he is not a Texan. He is from the State of Kentucky.

Dr. NORTON. I can tell you his history. He goes as fast as he can get away at vacation time, just as hotfooted as he can, to San Antonio, where his wife lives, and where he has lived when he had any free time ever since he married that charming lady.

Senator BARRETT. He told this committee that his own home State of Kentucky got all of the public domain within its borders when it came into the Union. That, of course, is a fact?

Dr. NORTON. Upon decision of the Federal Government at the right time, yes.

* * * * *

Dr. NORTON. May I say just one thing to deal with this question positively. I would be very happy to see the Federal Government in its ultimate disposition of the public lands in the West follow a policy which is as wise and statesmanlike as it has done in dealing with the public lands up to date.

* * * * *

Without repeating myself, I would point out that we have had a kind of Federal legislation affecting education that has been of tremendous value and significance, the early land grants, the Morrill Acts, the Smith-Hughes Act, and others. You notice there is no control connected with any of those. That leadership with some financial help has been a major factor in shaping our great educational system.

I might surprise you by telling you that I am equally worried by and against the kind of piecemeal emergency, "hurry up, do something quick" legislation that this Congress—not this Congress, but Congress in general—has now been passing for some 20 or 25 years. We have waited until some pressure group, perhaps with needs that they think are significant, rushes in and asks for some kind of emergency legislation.

I could tell you about the story when I was first invited down here—I was invited only once—by Mr. Hopkins and Aubrey Williams. As soon as they found out I was for the kind of legislation that I thought was sound, I never was invited again. But we had the NYA. I said that is not the way to do it. It will not do anything for secondary education. Where is NYA now?

You can take one thing after another that I could mention in detail, and there have been 30 or 40 of them passed.

I am suggesting that the time is to stop, look, and listen. There is a great opportunity for just one piece of legislation that this Congress can pass that will have effects as great and tremendous as the original land grants, as the Morrill acts, and all these other acts.

That legislation in a few words would be something like this: What is an acceptable minimum of education for every American child? Let us keep our eye on the individual child. Let us not be led astray by specious arguments that the States ought to do it or any other argument. I have been hearing that argument for 35 years. Let us say we want every American child to have an opportunity.

The Federal Government has a relationship to that matter, which is a matter of national interest. It therefore sets up a minimum. It says to every State, "Contribute toward that minimum in terms of your capacity, and the Federal Government will supply the rest," a perfectly sound principle, as has been developed in our State financing and in even some of our Federal financing.

If we would do that, we could do education more good at less cost than all of these fly-by-night piecemeal, emergency bits of legislation that Congress has been playing with for the last 20 or 25 years.

Senator GOLDWATER. Do you believe the responsibility for this rests with the Federal Government or the States?

Dr. NORTON. I believe the responsibility for education is a joint and cooperative one. It is a matter of distribution of function. The major responsibility for management, the actual running of the schools, should be with the locality. I think that is one of the great strengths of our educational system. The trouble is that our localities just do not have the wealth to do it alone.

Another important overall responsibility should be exercised by the States, and they are more and more doing that. Some 45 percent of all school support today comes from the States as opposed to the localities. But under present situations we have reached the point of diminishing returns. We can somewhat hold the line with this 50-percent educational system that I mentioned, but to go on and develop the kind of educational system that this world crisis calls for once again calls for an act of great vision on the part of the Federal Government, one that is equal to that of our forefathers in the late 1700's, equal to that of the statesmen of 1862 when Lincoln signed the Morrill Act and the others that I have mentioned.

If the Federal Government would pass one bit of sound legislation equivalent in its general pattern and structure to those pieces of legislation, we would indefinitely improve

education in this country at a reduced total cost.

* * * * *

Dr. NORTON. * * * If it was a shortage of available manpower, a lack of human resources that was in the way, it would be really serious, but we have just thousands of capable young people that we know can take the training; and many of them are quite anxious to take the training, but their families are poor or they have younger children that they have to help through college. There are all kinds of financial obstacles that stand in the way of their getting that training, including those who for one reason or another never get through high school. There are areas in this country where high schools are too far away, some of our slum areas need education. That being the situation, there is every reason why we should make every effort to capitalize all of our human resources, far more than any other time in our history.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for a quorum call be vacated, and that further proceedings under the call be dispensed with.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California? The Chair hears none, and it is so ordered.

Mr. CORDON obtained the floor.

Mr. McCARRAN. Mr. President, would it be convenient to the Senator from Oregon to yield to me at this time for about 7 or 8 minutes? If not, I will not request him to yield.

Mr. CORDON. Mr. President, I would like to go forward with the measure pending before the Senate, if the Senator can wait; otherwise, I will yield to him.

Mr. McCARRAN. If preferable to the Senator, I shall wait.

Mr. CORDON. I appreciate that very much.

Mr. President, I first want to add my words of congratulation and appreciation to the words addressed by other Senators to the Senator from Alabama, for his most eloquent plea for further educational advantages for the youth of America. I sincerely appreciate the evangelism which he has shown in this cause, and which has extended over a number of years. I regret that I must rise at this time in opposition to his amendment to Senate bill 1901, though I say I am not rising in opposition to any sound system of aid for education, State or Federal.

HILL PROPOSAL NOT EFFECTIVE

I agree with the Senator from Alabama that one of the greatest forward steps ever taken by any nation was that taken by the United States when certain sections of the public lands were earmarked, as it were, and granted to the newly admitted States for the benefit of education. I certainly cannot stand here and validly criticize the dedication of net receipts from the outer Continental Shelf for the benefit of education, and I do not want to be understood as doing that. I doubt, however, the wisdom of the approach which is here made. I do doubt that this approach can be at all effective in achieving the result which has been so eloquently set forth as the target by the Senator from Alabama.

Mr. President, I have heretofore voted against Federal aid for education. I voted against it because I was fearful that involved in any such legislation was a possibility that the Federal Government, by virtue of holding the purse-strings for educational purposes, might influence and control the educational processes. That has been the danger which free peoples have faced through the centuries. I have always believed in a free public school. I believe in it now. I believe the public school system should be wholly under the control of the States and not under the control of the Federal Government.

STATE CONTROL OF FUNDS

However, Mr. President, if the net receipts from these lands were dedicated to public schools and the sole obligation of the Federal Government was that of an administrator receiving the money and allocating and prorating it to the States to be then expended under the direction of the States, the objection I have heretofore advanced would not be pertinent.

Mr. HENDRICKSON. Mr. President, will the Senator from Oregon yield?

Mr. CORDON. I yield.

Mr. HENDRICKSON. Is it not true that the amendment which I offered accomplishes that by making the Federal Government the administrator?

Mr. CORDON. That is unquestionably a fact. The amendment offered by the Senator from New Jersey, and which was considered by the Senate Interior Committee, does not carry any strings which might be pulled by an overzealous Federal Government in anywise to influence education. The point which bothers me is, to speak quite frankly, that I cannot understand how the amendment of the Senator from Alabama could have been offered again and again and again and still have within it such fatal deficiencies to achieve the purpose which it is sought to achieve, as we have heard the idea advanced by the Senator from Alabama. That is what bothers me, Mr. President. That is why I am on my feet at this time.

NO CERTAINTY IN PROPOSAL

I invite attention, Mr. President, to the fact that so far as the Hill amendment is concerned, if it were adopted and if this bill were passed and signed, there would be no certainty that any student in the elementary schools, in the high schools, or in the colleges would ever get a nickel of money from this source. That bothers me, Mr. President.

I hope the Senator from Alabama, when I finish, or, at least, before the debate is concluded, will advise the Senate as to his thinking in presenting an amendment with the fatal deficiencies which are now included in it.

For the benefit of Members of the Senate now on the floor, let me read the amendment. It is short.

On page 25, line 25, it is proposed to strike out the words "credited to miscellaneous receipts" and to insert in lieu thereof the following—and this is the amendment: "held in a special account and, except for the payment of refunds under the provisions of section 10 of this act, such moneys shall be appropriated exclusively as grants-in-aid of primary, secondary, and higher education: *Provided, however,* That during the present national emergency, but not for more than 3 years, the moneys in such special account may be appropriated for such urgent developments essential to the national defense as the Congress may determine."

The remainder of the amendment is of no consequence. It is perfecting only.

Mr. President, the amendment provides, in substance, that all receipts from the outer Continental Shelf shall be applied, first, to pay back any moneys which may have been overpaid or paid twice by those who are conducting oil operations on the Shelf, and that thereafter, after 3 years, all funds received may be used for national defense purposes. At the end of 3 years or sooner, should the emergency cease, the funds shall be "appropriated exclusively as grants in aid of primary, secondary, and higher education."

NO STANDARDS FOR DISTRIBUTION

That is the meat of the amendment. Appropriated, Mr. President, by whom? Appropriated, Mr. President, to whom? Appropriated, Mr. President, in what amount, in what percentages? Appropriated to primary education as distinguished from secondary education, or secondary education as distinguished from higher education, or higher education as distinguished from either of the other two? What yardstick is to measure the appropriation as between the classes of education, as between the beneficiaries, whether they be State, county, or school districts?

Where in the amendment are there any standards, any directions, any provisions of any kind or character by which 1 red cent could ever get out of the Federal Treasury and go to the benefit of anyone for any kind of education? I cannot find it. It is not there.

Mr. President, I can only assume that those who have studied this matter, who have been responsible for offering this amendment, are fully aware of the fact that heretofore, time after time, the Congress has endeavored to do something in the way of granting, from the Federal Treasury, aid to education. Never since the passage of the Land Grant Act—and that was not a grant of money, but a grant of land to the several States without strings, except that the money was for the use of the common schools—never since that time has there been any grant directly from the Federal Treasury to the aid of the common schools.

Since I have been a Member of the Senate, on at least two occasions the question has come before the Senate. Bills, I believe, in both instances were passed by the Senate, but died in the House. In each instance there was interminable debate revolving around two major questions:

First. How should the money be allocated as between States?

Second. How should the money be expended on the part of the beneficiary

States? Should it be held solely for public schools, or should it be divided in some way between public and private schools? On those two rocks, the ship of Federal aid to education has been wrecked every time.

PROPOSAL MAY BE SPRINGBOARD

Mr. President, it may be that those who have presented this amendment, having in mind the record of failure in this field, have felt that if they could take one little toddling step first, that is, if they could sequester funds, such a step might be a springboard from which they could go on the rest of the way. If so, I have never heard the matter presented on the floor of the Senate. I have heard of some references to the perplexities and complexities of the situation, but no one ever has brought the skeleton out into the open and rattled its bones. I think the time has come to do just that.

During the debate on the submerged lands bill, Senate Joint Resolution 13, the same proposal was discussed at length. There is nothing in those debates to indicate that the adoption of an amendment such as the one now pending would mean or could mean the use of any money in aid of any education until Congress had taken further action and had provided yardsticks and an administrative body to handle that distribution. I believe the RECORD ought to be clear with reference to the amendment. I have spoken to the author of the amendment about the matter. I have urged that the bill contain standards and that it be at least self-executing if enacted. I again urge that that approach be taken.

So far as we are concerned today, the adoption of the Hill amendment and the enactment thereafter of the bill would, in legal contemplation, mean only that such funds as were available for a maximum period of 3 years might be used for the running expenses of the Government in the field of national defense. Thereafter, for time unending, all the receipts would be sequestered in the Federal Treasury and would be absolutely useless for any purpose until Congress provided by additional law for their disposition.

The Senate has before it two amendments on the subject covered by the Hill amendment. The other amendment has been offered by the Senator from New Jersey [Mr. HENDRICKSON]. That amendment, at least, has the virtue of providing a yardstick for allocation and providing authority for distribution. We may differ with respect to the yardstick for allocation.

In the Hendrickson amendment it is provided that the money shall be divided on a pro rata basis among the States according to the percentage of school children in each State as compared with all the school children of the United States. It would be a per capita school-child distribution.

PRO RATA BASIS OF DISTRIBUTION

That is one method of distribution that heretofore has been debated on the floor, one as to which serious objection has been raised, because the other group have felt that the division should be not on a pro rata basis, but upon some basis of financial need in the areas. Pro rata distribution would be possible at any time, predicated on the most recent census. Any distribution on the basis of need can be had only after the need has been ascertained in some way, and such ascertainment can be had only when there are agents of the Government who are empowered to make it and to act upon it. Nothing of that character is found in the Hill amendment.

I hope that if it be the view of the Senate that the net receipts from the outer Continental Shelf should be dedicated to education, we may have presented a proposal which, if enacted, would accomplish the desired purpose. Let us not simply make a gesture in favor of education.

NO PROVISION FOR ADMINISTRATION

Marvelous as was the speech of the Senator from Alabama [Mr. HILL], sincere as he unquestionably is in his support of education, his speech cannot be cashed in dollars from receipts of income derived from the outer Continental Shelf. Legislation would be required to do that. It would take a mandate to do it. It would take machinery of Government to do it. None of those requirements are provided in the Hill amendment.

Mr. HILL. Mr. President, will the Senator from Oregon yield?

Mr. CORDON. I yield.

Mr. HILL. The Senator from Oregon is correct in his statement. What the amendment does is to dedicate the revenues from the outer Continental Shelf to a purpose, to a cause—to the specific cause of education. Once such a dedication is made in this bill, Congress can then consider the question raised by the Senator from Oregon.

Mr. CORDON. Why should it not be raised and considered now?

Mr. HILL. It should not be considered now for the reason that the proper committee to deal with educational legislation should study the matter. That committee should hold hearings, should weigh proposed legislation, and then bring in a bill. The Senator knows that his committee, fine and as splendid as it may be, is a committee that deals with an entirely different subject than the matter of education.

The Senator from Oregon knows full well that there was neither the opportunity nor, I may say, the disposition on the part of his committee to go into a long hearing, such as should be had, to determine the methods of allocation, standards, and such other questions connected with the distribution of funds. But once Congress dedicates the funds, we may be sure that Congress will come forward with the next step, which will be to provide the mechanics for the distribution of the funds.

Mr. ROBERTSON. Mr. President, will the Senator from Oregon yield?

Mr. CORDON. I yield to the Senator from Virginia.

Mr. ROBERTSON. The distinguished Senator from Oregon has made a splendid speech on the questions raised in the amendment, and in his remarks I fully concur.

Is it not true that, in addition to what the Senator has said up to this point, such an amendment as is proposed, whether the Hill amendment or the Hendrickson amendment, would be merely a gesture, and would not mean the granting of any Federal funds to education until Congress enacted a full scale Federal aid to education bill? On the other hand, is it not true that the greatest relief that could be given to school children would be by balancing the budget, reducing Federal expenditures, curbing inflation, and then reducing Federal taxation, in order that the parents of school children, who have the primary responsibility for local and State taxation for school programs, may have something left in their pockets to do the job for which they are primarily responsible?

Mr. CORDON. The Senator from Virginia presents a cogent and sound argument. Of course, in the last analysis the only possible value that can accrue from action of this kind is in the field of evangelism. The Senator from Alabama is well equipped in that field. There is only sincerity in my mind and heart when I say that. He is not only well equipped, but he has done an outstanding job in arousing throughout the United States a very great enthusiasm for early and adequate Federal aid to education.

Mr. LONG. Mr. President, will the Senator yield?

Mr. CORDON. I shall be glad to yield in a moment.

To the extent that this amendment has been the vehicle upon which that crusade might travel, it has been valuable. From the standpoint of representing any answer to the crusade, it is not valuable.

Mr. LONG. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. LONG. The Senator is familiar with the fact that the junior Senator from Louisiana has an amendment to require the Secretary of the Treasury to report to the Congress the amount of money which is being realized from the Continental Shelf, is he not?

Mr. CORDON. That is correct.

Mr. LONG. I believe the Senator from Oregon also knows that thus far the only production on the Continental Shelf of any revenue consists entirely of production off the State of Louisiana. Is the Senator familiar with that fact?

Mr. CORDON. That is the testimony before the committee.

Mr. LONG. Is the Senator familiar with the fact that the revenues therefrom would be only $1, $2, or perhaps $3 million a year, based upon the present rate of production in that area?

Mr. CORDON. The amount is not large. I assume that that figure is approximately correct.

Mr. LONG. Is the Senator familiar with the further fact that the lowest estimate we have had as to what we ought to provide for Federal aid to education—not in all branches, but Federal aid to primary education—when the Senate passed the Federal aid to education bill, that it would require at least $100 million to make any appreciable start on Federal aid to education?

Mr. CORDON. The Senator from Oregon does not recall the figure, but it was a figure of considerable size.

Mr. LONG. It is my recollection that the Bureau of the Budget at the time when the administration of President Truman asked us to undertake the program, estimated that it would require about $200 million as a first installment on Federal aid to education for 1 year. Does the Senator recall a figure of that nature—perhaps around $200 million?

Mr. CORDON. It seems to me that that was solely in the construction field, without going into the operating field.

Mr. LONG. The point the junior Senator from Louisiana has in mind is that this amendment, which seeks to commit the Congress to a program of Federal aid to education, proposes to relate it to a source of revenue which will be very small for a long period of time, when we consider the enormous amount of money which the program would require. Therefore, this amendment would commit the Congress to a course of action in aiding education in all the States which would be far more expensive than any return we could hope to realize in the next several years from the production of oil and gas on the Continental Shelf. So it would actually commit us to a spending program far greater than any revenues we could hope to realize from the outer Continental Shelf in the immediate future.

Mr. LEHMAN and Mr. ROBERTSON addressed the Chair.

The PRESIDING OFFICER (Mr. BEALL in the chair). Does the Senator from Oregon yield; and, if so, to whom?

Mr. CORDON. I yield first to the Senator from New York.

Mr. LEHMAN. Mr. President, the Senator from Oregon apparently agrees with the thesis of the Senator from Louisiana. There is no assurance of any particular amount, and no mention of any particular amount. The amendment reads in part as follows:

Provided, however, That during the present national emergency, but not for more than 3 years, the moneys in such special account may be appropriated for such urgent developments essential to the national defense as the Congress may determine.

Does the Senator from Oregon see anything in that language that makes any representations or gives any assurance as to a specific amount to be used?

Mr. CORDON. There is nothing, of course, that gives any idea with respect to a specific amount, or holds out any representation as to a specific amount being probable. Neither did the Senator from Louisiana suggest that there was. As I understood the Senator from Louisiana, he was simply calling attention to what he felt were the probabilities of the future with respect to funds accruing from that source. He predicated his remarks upon a comparison between the estimated need for Federal aid to education and the probable answer which could be found from funds accruing from the Continental Shelf.

Mr. LEHMAN. Is there anything in the Hill amendment which in the slightest degree mentions a specific amount, or seeks to commit the Federal Government to the use or setting aside of any specific amount? Of course we all realize that the amount of revenues which will come from these rich oil lands is problematical; but certainly there is nothing new in the history of government in earmarking certain contingent revenues for specific purposes. Every State and every municipality has been doing that for as long a time as I can remember.

Mr. CORDON. I appreciate the remarks of the Senator from New York. Of course, there is nothing in the amendment which suggests any specific amount, or which suggests any use for the amount which could be made available under the terms of the amendment. That is its weakness.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. CORDON. I yield to the Senator from Virginia.

Mr. ROBERTSON. Is it not true that when the first Holland bill was before us the statement was made on the floor of the Senate that we were proposing to give away from $50 billion to $300 billion?

Mr. CORDON. It seems to me that I recall something to that effect.

Mr. ROBERTSON. Some educators were led to believe that there was a perfect bonanza there if we would only pass the Hill amendment and earmark the funds for public education.

In line with the questions asked by the junior Senator from Louisiana as to the prospective costs to the Federal Government if we should take an initial step which might lead the States to believe that eventually they could unload on the Federal Government both construction costs and maintenance and operating costs, the junior Senator from Virginia made an inquiry about 4 years ago of the office of Education, as to the total construction costs if every State were to get every new schoolhouse it indicated it would like to have. The answer was $10 billion.

The junior Senator from Virginia recalls, as possibly the senior Senator from Oregon may recall, that on a previous occasion, when there was before the Senate a straight bill for Federal Aid to Education, which at that time was vigorously opposed by the senior Senator from Ohio [Mr. TAFT], who subsequently changed his position on the issue, the Senator from Ohio predicted that if we started with such a program it would eventually mean an annual cost to the Federal Government of $3 billion. Does the Senator recall those facts?

Mr. CORDON. The Senator from Oregon does not recall them clearly, but evidently the Senator from Virginia does.

Mr. HILL. Mr. President, will the Senator yield to me?

Mr. CORDON. I yield.

Mr. HILL. The last Federal aid to education bill considered by the Senate was passed by an overwhelming majority. I think the distinguished Senator from Virginia was one of 19 Senators who voted against that bill. The vote, as I recall, was 59 to 19, the Senator from Virginia being one of the 19 Senators who voted against the bill. It was the Taft bill which we passed, a bill introduced and championed by the great Senator from Ohio.

Mr. ROBERTSON. As the Senator from Arizona once told me, if one is on both sides of a question he cannot be more than 50 percent wrong. [Laughter.]

Mr. CORDON. Mr. President, I cannot follow two speakers at the same time.

Mr. HILL. Let me say this in connection with being on both sides of a question: A very wise man, Abraham Lincoln, once said it was a mighty dumb man who did not have more sense today than he had yesterday. I hope that tomorrow the Senator from Virginia will leave the 19 Senators with whom he stood against the Taft bill, and join those of us who feel as did the Senator from Ohio [Mr. TAFT] when he introduced his bill, in supporting Federal aid to education.

Mr. ROBERTSON. The Senator from Virginia would vote today as he has always voted. He considers this proposal to be unsound, and he does not want any part of it.

Mr. HILL. Mr. President, I did not express that hope for the Senator from Virginia for today. I said on tomorrow I hoped he would be a wiser man.

Mr. CORDON. Mr. President, I ask for the regular order.

The PRESIDING OFFICER (Mr. BUTLER of Maryland in the chair). The Senator from Oregon declines to yield.

Mr. CORDON. Inasmuch as it seems I am unable to have my friends direct questions to the bill, I decline to yield at all.

Mr. HILL. Mr. President, will the Senator from Oregon yield for one more question?

Mr. CORDON. I yield to the Senator from Alabama for a question.

Mr. HILL. Mr. President, did not the testimony before the committee show that about 80 percent of the oil and gas resources are on the outer Continental Shelf?

Mr. CORDON. That is correct.

Mr. HILL. They are the resources we are now dealing with in the pending bill?

Mr. CORDON. That is correct.

Mr. HILL. Of course the estimates, ranging from $40 billion to $50 billion, up to $270 billion and $300 billion, not only contemplated the oil on the outer Continental Shelf, but also the oil in the areas covered by the Holland bill.

Mr. CORDON. That is correct.

Mr. McCLELLAN, Mr. HOLLAND, and Mr. LONG addressed the Chair.

Mr. CORDON. The estimates referred to included the proceeds from the so-called give-away that was so eloquently paraded before the American people. These estimates include the income from five-sixths of the resources which are still to be sequestered and placed in the Treasury of the United States., so far as the United States can get the royalties, rentals, and bonuses.

Mr. LONG. Mr. President, will the Senator yield?

Mr. CORDON. I first yield to the Senator from Arkansas.

Mr. McCLELLAN. Mr. President, is the figure which both the Senator from Alabama and the Senator from Oregon

have just quoted accurate, namely, that approximately 80 percent of the known oil reserves are in the area which is now being dealt with, not within the territorial or historic boundaries of the several coastal States?

Mr. CORDON. It is only an estimate. The Senator from Oregon knows that it could not be anything except a speculative estimate. It was estimated that five-sixths of the reserves in the lands lying seaward from inland waters out to the edge of the Shelf were outside the State boundaries, in what is here described as the outer Continental Shelf.

Mr. McCLELLAN. Mr. President, will the Senator yield further?

Mr. CORDON. I yield further to the Senator from Arkansas.

Mr. McCLELLAN. If the so-called exaggerated statements that were made are not exaggerated statements, and if $300 million worth of oil is involved, then only one-sixth of it was involved in the so-called Holland bill, and we are now dealing with five-sixths, or with three hundred or four hundred billion dollars. Is that correct?

Mr. CORDON. The amount would be one-sixth as against five-sixths. Of course, this statement must be made about it, namely, that the one-sixth represents more nearly proven oil and oil that can be obtained at much less cost.

Mr. DOUGLAS. Mr. President, will the Senator from Oregon yield?

Mr. CORDON. I yield to the Senator from Illinois for a question.

Mr. DOUGLAS. Without wishing to ruffle the dovecotes, nevertheless, is it not true that if a man kidnaps 6 children and returns 5 of them, but keeps 1 in his custody, he is still a kidnaper?

Mr. CORDON. Mr. President, at one time or another the Senator from Oregon would expect to be asked that kind of question. The Senator from Oregon will answer any question that is even remotely pertinent to the issue, but he will leave the subject of kidnaping until the Senate takes up the criminal field.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. McCLELLAN. If a kidnaper has kidnaped 5 children and he tries to kidnap another one, he is still a kidnaper; is he not?

Mr. CORDON. The Senator from Oregon is not going to go into that kidnaping case either.

Mr. LONG. Mr. President, will the Senator from Oregon yield?

Mr. CORDON. I yield to the Senator from Louisiana.

Mr. LONG. Mr. President, the junior Senator from Louisiana would like to ask if there is not some peril to the Senators who are offering the pending amendment. They stood on the floor of the Senate for 6 weeks and stated that $300 billion was involved. If their amendment should be adopted, and the public should find that there are available revenues of only about $2 million a year, which is less than one-thousandth of the money which they represented was involved, some embarrassment might come to them in trying to explain to the people of America where the billions of dollars went. Is that correct?

Mr. CORDON. I have found that explanations can be made, but that the facts sometimes do not have too much to do with the explanations.

Mr. LONG. Mr. President, will the Senator from Oregon yield further?

Mr. CORDON. I yield further to the Senator from Louisiana.

Mr. LONG. On the other hand, if there were actually $300 billion worth of revenue to be realized, as the public was led to believe there might be, and five-sixths of it is outside the historic boundaries of the States, that would be just about the amount needed to pay off the national debt. Is that correct?

Mr. CORDON. Of course, anyone who has paid attention to the facts recognizes that, at least under existing techniques and leasing provisions and practices, 12½ percent is the most that would come to the Treasury of the United States, plus a few scattering dollars from rentals, and the like; and that amount, of course, would have to be offset against administrative costs, and the like.

However, when one gets into flights of oratory, when one engages in an educational seminar on the floor of the Senate, and when the Ivy League is in full swing, facts cease to be of moment.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. CORDON. I yield for a question—a pertinent question, the Senator from Oregon hopes.

Mr. DOUGLAS. Yes. Is it not correct to say that it was Dr. Pratt, the former vice president of the Standard Oil Company of New Jersey, who estimated that the oil reserves offshore from the coasts of the United States amounted to probably 100 billion barrels?

Mr. CORDON. The answer is yes. It was on that basis that the $300 billion figure was reached. There was no background for it except a speculative estimate. The only study that was made was the study conducted by the United States Geological Survey of the Department of the Interior. However, the Senator from Oregon understands the extravagence that comes from eloquence improperly controlled.

Getting back to the case at hand, which is the amendment now before the Senate, the Senator from Alabama has suggested a proposal providing the administrative machinery could not be made complete until it had consideration by the appropriate committee of the Senate, with long hearings, and so forth.

LARGE AMOUNT OF INFORMATION AVAILABLE

There is logic in the contention. The Senator from Oregon recognizes that fact. The Senator from Oregon, however, feels that the subject has been before Congress a long time, and that all hearings necessary to properly implement this sort of amendment could have been had upon a bill comprehending the provisions of this amendment, or in a bill providing for aid to education.

As a matter of fact, there are few subjects of great interest to the United States on which there is more available data immediately at hand than in the field of education.

We have agencies of the Federal Government and of the States which have been concerned with the subject for many years. All of the information necessary could have been made available. The matter could have been presented in such a way that the Senate could have acted, and the House could have acted, upon an amendment which would have done the job this amendment is held out as doing, but does not do. That is the complaint of the Senator from Oregon with respect to the Hill amendment.

Again I call attention to the fact that the amendment of the Senator from New Jersey at least can be said to have the merit of being workable, if it is adopted and enacted into law. At least it provides that, at a definite time, a specific agent of the Government shall pay specific funds in specific percentages to the beneficiary States, to be used for educational purposes in the United States. In that way there would be a chance for some aid to be given to education if the bill including that amendment could be passed.

PROPOSAL WILL RESULT IN DELAY

However, in my humble opinion the bill will not be passed with that amendment in it. Again we shall encounter the same situation we have had to fight time after time after time; and when we do, the result will be to tie up this measure in the way that other measures have been tied up. In the end we shall have to deal with the problem at hand, which is the implementation of the recovery of minerals from the outer Continental Shelf—period. That is all we should do here.

If the Senator from Alabama will work out a sound legislative proposal that is complete in itself and that will do the job that he has suggested, and will do it in such a way that the money that accrues from the outer Continental Shelf will be divided among the States of the United States, with the Government of the United States retaining no right to require, in any way at all, what is to be done with the funds in the field of education, but permitting those decisions to be made by the States, who thus will be able to use in their own way the funds for education, I shall be glad to support that proposal, despite the fact that we now have a national debt of more than $260 billion.

I agree with the Senator from Georgia who said that in the last analysis, the only way we shall be able to take care of that debt, and thus save the economy of the United States, is to have an ever-broadening economy. I agree, and I will go forward with such a proposal, and I will join in that kind of a measure.

But, Mr. President, I will not support a measure which I know amounts only to a gesture.

Mr. McCLELLAN. Mr. President, will the Senator from Oregon yield to me?

Mr. CORDON. I yield.

Mr. McCLELLAN. As I interpret the amendment, it simply provides that the money be placed in a pool and be held there until Congress takes future action. Is not that all the amendment would do?

Mr. CORDON. That is correct.

Mr. McCLELLAN. Before the schools or education or anything else would ever

receive any benefit from any of these revenues, there would have to be further legislation. Is not that correct?

Mr. CORDON. That is correct.

Mr. HILL. Mr. President, will the Senator from Oregon yield?

Mr. CORDON. I yield for a question.

Mr. HILL. Is it not true that the amendment dedicates these funds to education? Congress would subsequently provide the machinery and mechanics for the allocation and distribution of the funds; but the amendment does dedicate these funds to education, does it not?

Mr. CORDON. That is correct, in that the funds could only be appropriated exclusively as grants-in-aid of primary, secondary, and higher education; but to what agency, in what amount when, by whom, and for what purpose the amendment is silent. Not only is there no certainty that there ever would be implementation, but we have a record against it.

Mr. President, let us consider aid-for-education proposals on which we can vote, so that the House can either accept or reject them. Then, and then only, will such funds be available for education.

Mr. ANDERSON. Mr. President, will the Senator from Oregon yield to me?

Mr. CORDON. I yield.

Mr. ANDERSON. I think the Senator from Oregon said something extremely important when he urged that we reach a vote on this measure and that we proceed.

Mr. CORDON. I certainly believe that is what we should do.

Mr. ANDERSON. As the Senator from Oregon knows, I have some amendments about which I could talk, and I could talk for several hours about the bill itself. The Senator from Oregon knows my long interest in this subject. However, is it not a fact that the most important job for us to do is to reach a vote on these issues as quickly as we can?

Mr. CORDON. Mr. President, I am so fully in agreement that I now yield the floor.

Mr. LEHMAN. Mr. President, in view of the statement made by my distinguished friend, the Senator from New Mexico, and in view of my own disposition, I shall speak only very briefly.

I believe everyone knows my position on this question. I spoke for many hours on the submerged-lands resolution and the Hill amendment when they were before the Senate a month or so ago. So I shall speak very briefly today regarding the Hill amendment, of which I am very proud to be a cosponsor.

Of course it is trite to state that our young people are our greatest asset and that their education is of the highest importance. I think the statement made by the great senior Senator from Georgia [Mr. GEORGE] summed up the situation about as well as it could be summed up, when he stated on the floor of the Senate, an hour or so ago, that at a time of diminishing natural resources in the United States—and unfortunately they are diminishing—we must utilize to the greatest possible extent the skills of our people. I may be paraphrasing the statement made by the Senator from Georgia, but I believe I state the gist of his remarks. Certainly what he said is true.

I have heard it said that many persons who have had little or no education have risen to great heights. An example of that was my good friend, the late Al Smith, of New York, one of my predecessors in the governorship of New York. Another example is Henry Ford. Of course there are scores of others. However, these men were exceptions. Generally speaking, in the case of the vast majority of the people there is no substitute for a sound education. I believe that is fully realized by everyone. Yet, despite the great gains we have made in the field of education, we still lag far behind what we should be doing.

I believe that is best illustrated by the fact that in the examinations held under the Selective Service System, in connection with the recent wars in which we have been engaged, a very substantial percentage of our young men who appeared for examination were found deficient in education or were found mentally deficient because of a lack of education. Certainly there was no justification for that situation, in a country so resourceful, so wealthy, and so powerful as the United States of America.

Mr. President, our failure to provide adequately for education affects every branch of education. It affects the elementary schools, the high schools, the colleges and universities, and the graduate schools. Today we need, more than we ever have needed in the entire history of our country, well-educated men and women in every walk of life, regardless of whether they live in urban areas or in rural areas. In this connection, the place of their residence makes no difference. The problems and difficulties and opportunities are much the same.

I wish to have the opportunities for education equalized among all the 160 million people of the United States. Education is needed in business, on the farms, in the professions—in medicine, nursing, dentistry, engineering, and the sciences.

We are particularly in need of better education for teachers—the men and women who instruct our young people in various educational lines, and help them to become sound and responsible citizens of our country.

There is no question at all in the mind of anyone who listened to the debate some weeks ago that the teachers of America are tragically underpaid. I believe the salaries paid to teachers in New York State are probably the highest of any teachers' salaries paid in the entire Union; but even in New York State the salaries paid the teaching staff are completely inadequate, when we realize that those men and women, in order to prepare themselves for the teaching profession, have to spend many years in studying to become adequate preceptors of the youth of our land. There is little encouragement for well qualified men and women to engage in the teaching profession. If that is true in New York, it is certainly true also that teachers' salaries are completely inadequate, tragically inadequate, in many other States of the Union which, through no fault of their own, are less well situated in a material way than my own State of New York.

Mr. President, as I have said, in New York, inadequate as their compensation is, higher salaries are paid to teachers than in any other State in the Union. In many instances the salaries of teachers are less than those paid to garbage collectors, vermin exterminators, washroom attendants, and unskilled household workers. Certainly we cannot hope to enlist the interest and the support and the wholehearted skillful efforts of men and women on the basis of such inadequate pay.

Education is of equal interest to all the States of the Union. What difference does it make whether a boy or girl lives in Georgia, in Mississippi, in Arizona, in South Dakota, in Alabama, or in New York? They are all American citizens, they are all part of our great Nation, and in many cases they claim relationship to many States. My own family, after having lived in Louisiana, went to Alabama, and from there to New York, where it remained. There are today hundreds of thousands of citizens and residents of New York who have come from all the States of the Union, and they are good, loyal, productive citizens. On the other hand, many residents of New York go to Georgia, North Carolina, South Carolina, California, Washington, Oregon, Arizona, and other States, to build their lives there.

What difference does it make in which State a boy or girl is born? It is to the interest of New York, it is to the interest of Mississippi, and Florida, and Arizona, to have well-educated citizens. It is to the interest of those States to have well-educated and well-trained boys and girls who may become teachers in the States of the Northeast, the Southeast, the Northwest, and the Southwest.

Mr. President, in my opinion the pending amendment is a sound one. The distinguished Senator from Oregon [Mr. CORDON], who, I regret, is no longer on the floor, raised the question of what return there would be from oil revenues. I do not know what the return would be. We have estimated the value of the oil in the ground underlying the submerged bands at between $50 billion and $300 billion, royalties of 12½ percent on which would accrue to the States, in the case of lands within the historic boundaries of the States, and to the Federal Government, on the outer shelf. If the return were only $50 billion, the royalties which could be used for education would amount to more than $6 billion. Let us say the return is $100 billion: the royalties of 12½ percent would amount to $12.5 billion. If the return were only $1 billion, the royalties would amount, nonetheless to $120 million; and, of course, I do not believe the return would be that small; I believe it would be 100 or 200 times that.

There is nothing in the amendment, as implied by some of the speakers who have preceded me, which would involve the Federal Government's taking over the responsibility of education. There is not a word, not an implication, not

a suggestion to that effect. All we are proposing is to set aside and earmark for the purpose of education the funds to be derived from oil and gas produced on the Continental Shelf which will come into the Treasury of the United States, and to give such funds to all the States of the Union, under rules and regulation and provisions to be determined by the Congress of the United States. There is no suggestion or intimation that the Federal Government will assume the responsibility for education in the States. The funds, when they flow into the Treasury, will be used to supplement the educational funds of the States, and certainly money will flow into the Treasury in large amounts, though the amounts may be less than have been predicted.

So, Mr. President, I strongly urge that the amendment of the Senator from Alabama and his associates be agreed to. It will be of tremendous assistance to many of the States; but, what is much more important, it will be of very great benefit to the entire Nation, to every citizen of the United States who has a boy or a girl, as well as to every citizen who is interested in the welfare and advancement of the interests of the country. I appeal to my fellow Senators to vote for the Hill amendment.

The PRESIDING OFFICER (Mr. COOPER in the chair). The question is on the amendment offered by the Senator from Alabama [Mr. HILL] and other Senators, to the amendment offered by the Senator from Texas [Mr. DANIEL].

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gore	McClellan
Anderson	Green	McCarthy
Barrett	Griswold	McClellan
Beall	Hayden	Millikin
Bennett	Hennings	Monroney
Bricker	Hickenlooper	Mundt
Bush	Hill	Murray
Butler, Md.	Hoey	Neely
Butler, Nebr.	Holland	Pastore
Byrd	Hunt	Payne
Capehart	Jackson	Purtell
Carlson	Jenner	Robertson
Case	Johnson, Colo.	Russell
Chavez	Johnson, Tex.	Saltonstall
Clements	Johnston, S. C.	Smathers
Cooper	Kefauver	Smith, Maine
Cordon	Kennedy	Smith, N. J.
Daniel	Kerr	Sparkman
Dirksen	Kilgore	Stennis
Douglas	Knowland	Symington
Duff	Kuchel	Taft
Dworshak	Langer	Thye
Ellender	Lehman	Watkins
Ferguson	Long	Welker
Flanders	Magnuson	Wiley
Frear	Malone	Williams
George	Mansfield	Young
Gillette	Martin	
Goldwater	Maybank	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Alabama [Mr. HILL] for himself and other Senators, to the amendment offered by the Senator from Texas [Mr. DANIEL].

Mr. KNOWLAND. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. MALONE (when his name was called). I have a pair with the junior Senator from Oregon [Mr. MORSE], who is necessarily absent. If he were present and voting, he would vote "yea"; if I were permitted to vote, I would vote "nay." Therefore, I withhold my vote.

Mr. MAYBANK (when his name was called). On this vote I have a pair with the junior Senator from Arkansas [Mr. FULBRIGHT]. If he were present and voting, he would vote "yea"; if I were permitted to vote, I would vote "nay." I therefore withhold my vote.

The rollcall was concluded.

Mr. LONG (after having voted in the negative). On this vote I have a pair with the junior Senator from Minnesota [Mr. HUMPHREY]. If he were present and voting, he would vote "yea"; if I were permitted to vote, I would vote "nay." Therefore, I withdraw my vote.

Mr. SALTONSTALL. I announce that the Senator from Michigan [Mr. POTTER] and the Senator from Kansas [Mr. SCHOEPPEL] are absent on official committee business. If present and voting the Senator from Michigan [Mr. POTTER] would vote "nay."

The Senator from New Hampshire [Mr. BRIDGES] and the Senator from New Jersey [Mr. HENDRICKSON] are necessarily absent.

On this vote the Senator from New Jersey [Mr. HENDRICKSON] is paired with the Senator from Kansas [Mr. SCHOEPPEL]. If present and voting the Senator from New Jersey [Mr. HENDRICKSON] would vote "yea," and the Senator from Kansas [Mr. SCHOEPPEL] would vote "nay."

I also announce that the Senator from New Hampshire [Mr. TOBEY] is absent by leave of the Senate. If present and voting, the Senator from New Hampshire [Mr. TOBEY] would vote "yea."

I further announce that the Senator from New York [Mr. IVES] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

Mr. CLEMENTS. I announce that the Senator from Mississippi [Mr. EASTLAND] and the Senator from Minnesota [Mr. HUMPHREY] are absent on official business.

The Senator from Arkansas [Mr. FULBRIGHT] is absent by leave of the Senate.

The Senator from North Carolina [Mr. SMITH] is necessarily absent.

The result was announced—yeas 45, nays 37, as follows:

YEAS—45

Aiken	Hennings	McClellan
Anderson	Hill	Monroney
Case	Hunt	Mundt
Chavez	Jackson	Murray
Clements	Johnson, Colo.	Neely
Cooper	Johnson, Tex.	Pastore
Douglas	Johnston, S. C.	Russell
Duff	Kefauver	Smathers
Dworshak	Kennedy	Smith, Maine
Frear	Kerr	Sparkman
George	Kilgore	Stennis
Gillette	Langer	Symington
Gore	Lehman	Welker
Green	Magnuson	Wiley
Hayden	Mansfield	Young

NAYS—37

Barrett	Butler, Md.	Cordon
Beall	Butler, Nebr.	Daniel
Bennett	Byrd	Dirksen
Bricker	Capehart	Ellender
Bush	Carlson	Ferguson
Flanders	Kuchel	Saltonstall
Goldwater	Martin	Smith, N. J.
Griswold	McCarran	Taft
Hickenlooper	McCarthy	Thye
Hoey	Millikin	Watkins
Holland	Payne	Williams
Jenner	Purtell	
Knowland	Robertson	

NOT VOTING—14

Bridges	Ives	Potter
Eastland	Long	Schoeppel
Fulbright	Malone	Smith, N. C.
Hendrickson	Maybank	Tobey
Humphrey	Morse	

So the amendment offered by Mr. HILL, for himself and other Senators to Mr. DANIEL's amendment, was agreed to.

Mr. HILL. Mr. President, I move to reconsider the vote by which my amendment was agreed to.

Mr. DOUGLAS. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Illinois.

Mr. BUSH. Mr. President, what is the question?

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Illinois [Mr. DOUGLAS] to lay on the table the motion of the Senator from Alabama [Mr. HILL] to reconsider the vote by which the Hill amendment to the Daniel amendment was agreed to. The motion is not debatable.

Mr. DOUGLAS' motion to lay on the table was agreed to.

Mr. HILL. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, at an appropriate place in the debate on the outer Continental Shelf bill, a statement by the Senator from Minnesota [Mr. HUMPHREY], relating to the oil-for-education amendment.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUBERT H. HUMPHREY ON OIL FOR EDUCATION

Mr. President, I want to address myself in support of the Hill oil-for-education amendment, of which I am proud to be a cosponsor. Not so long ago I worked hard for the adoption of this amendment, together with the Anderson bill, as an alternative to the submerged lands act. Now, I urge adoption of the amendment in connection with S. 1901. I urge that the far-sighted principle of providing for the education of American citizens out of the revenues from the rich Federal oil reserves in the Continental Shelf be attached to the bill which provides for the development of those mineral reserves.

What is the oil-for-education amendment? It simply provides that the royalties from oil in the Continental Shelf be set aside in an independent fund. The moneys in this fund shall be used for purposes of national defense during the present emergency. As soon as Congress decides, then they shall be apportioned among the States to help meet the growing costs of education.

There is nothing of political or Federal intervention in education involved in this proposal. The money will be distributed on an established ratio among the States. The fund which will be established will be independent of politics and the money will be dedicated by law to national defense and to education. There can be no political meddling with it. Neither can there be any question of the Federal Government tying strings to the money or interfering in any way in the educational standards or philosophies of the States. The States are to

use the money as they wish, so long as it is used for education.

Now, Mr. President, I want to devote the balance of my comments to the crying financial needs of education in our country today, to the importance to our national progress and security of an adequate educational system, and to the historical precedents for such measures as the pending Hill amendment.

The oil-for-education amendment is the answer to a desperate need on the part of American education. Testifying before the Interior and Insular Affairs Committee for this amendment, Mr. Benjamin Fine, the educational expert of the New York Times, had this to say about the present critical financial situation in education:

"Crisis is an overworked term. When it is used often enough it loses its impact. We just shrug our shoulders and accept it. The impact is no longer there. Yet we must be realistic. We cannot, ostrichlike, bury our heads in the sand and do nothing.

"Is there a crisis in education? I could spend hours giving a firsthand picture—conditions that I saw with my own eyes as I have visited schools in the North, South, East, or West—that would convince you, if further evidence is needed, that our schools and colleges need help.

"Said President Truman: 'Our public-school system faces the greatest crisis in its history.'

"Said the American Federation of Teachers: 'The Nation's schools face their most severe crisis in our country's history.'

"Said the American Federation of Labor: 'A financial crisis exists in the schools and colleges of this country.'

"Said United States Commissioner of Education Dr. Earl J. McGrath: 'The tidal wave of children bearing down on our schools bids fair to overwhelm us.'

"I could go on and on, citing testimonials. But I won't. I don't think they are really necessary. I think that anyone who has visited our public schools and our colleges in many sections of the country have seen at firsthand—as I have—that the educational system is sick."

There is a large number of immediate and pressing problems in American education today. One of these is the shortage of qualified elementary and high school teachers. It is estimated by the New York Times that this country will need at least 105,000 new elementary school teachers annually over the next 10 years to meet the present and future increases in enrollment. Yet, teachers' colleges are now supplying only 35,000 teachers annually. The shortage of high school teachers is not so acute, yet we need 48,000 more high school teachers annually to replace those who leave teaching. By 1960 we shall need 70,000 new high school teachers.

Dr. Earl McGrath, United States Commissioner of Education, has warned:

"The blunt fact is, unless we do something drastic, and immediately, to relieve the teacher shortage, a whole generation of American boys and girls will be shortchanged in their right to obtain a fundamental education.

"The thinner you stretch your available teaching staff to cover the unprecedented and inexorably increasing enrollments in our public schools, the less chance there is for a teacher to do a competent job of teaching. It is the child who inevitably suffers. And when the child suffers, the Nation suffers."

Part of the demand for new teachers comes from present and anticipated increases in school enrollment. Elementary school enrollment today is increasing by 1,000,000 children a year. Elementary and high schools together this year enrolled 1,700,000 more children than they did in the last school year. Clearly, if teaching is to be adequate, the teaching force will have to be increased.

Yet, there are other reasons why school teachers are in short supply. Dedicated as many of our school teachers are to their work, they often find that they simply cannot make ends meet financially on the salaries which teachers are paid at present. Men and women with families often have to drop out of teaching and take up other professions. Many school teachers have to eke out their small incomes by working part time at other jobs. Often, this work impairs their teaching. Certainly it must tend to impair their enthusiasm for teaching; and this enthusiasm is vital to the teaching function.

A recent survey by the New York Times found many public school teachers' salaries to be utterly inadequate. Six States, the IMTES discovered, pay teachers less than $20 a week, on an average. Ten others pay a minimum of from $20 to $25 a week. The average American school teacher earns about $60 a week.

It is certainly no wonder that the teacher shortage is acute. It is no wonder that people leave teaching for better-paying jobs, in defense work and the other professions. It is no wonder that many teachers, in many States, are poorly qualified to teach—that the total number of fully qualified teachers needed right away comes to 87,000. Neither is it any wonder—though it is a terribly alarming fact, that our best students no longer plan to become teachers, and do not enter teaching colleges or take training for teaching.

A report of the Educational Testing Service, the organization which conducts the College Board Examinations throughout the country, recently demonstrated that men who are preparing for the teaching profession have the lowest grades and are the poorest students of all our college and university students.

Of the 600,000 elementary schoolteachers in the United States today—according to the National Education Association—300,000 do not hold college degrees. To quote the New York Times further, "Of this number, the National Education Association says, at least 100,000 are so inadequately prepared as to make their continued presence in the classroom dangerous to the mental and emotional growth of America's youth."

Now low pay is only one reason for this drastic teacher shortage. Poor training facilities, poor working conditions, as well as a lack of public respect for the teaching profession, are other reasons why we do not have the schoolteachers we so desperately need. No doubt, lack of public respect for the teaching profession is based partly on the fact that our teachers are a low-income group. And partly, perhaps, on the fact that in some States they are not really prepared for their jobs.

Higher salaries will meet part of the problem. But they will not meet all of it. We will have to improve working conditions. And we will have to do this, not only for the sake of our teachers, but primarily for the sake of our students.

School building programs in the United States are terribly behind the need for new facilities. One out of five schools in the United States is now obsolete. Many children go to school in two or more shifts a day, under conditions more like factories than schools. Many children attend school in buildings which are not school buildings at all. Simply as an indication of this dire condition, let me read once again from the New York Times report of its survey of American education.

"Our understaffed, badly housed schools faced an unprecedented period of shortage. It is doubtful that even half of the 80,000 classrooms needed in 1952 will be constructed. School systems everywhere are sending out SOS signals. They are utilizing every conceivable space to keep school open. It is not unusual to find children attending school in private homes, church basements, store lofts or in one case observed by this writer, a section of an undertaker's parlor. Supplies, equipment, and textbooks are lacking in many schools.

"State after State reports impaired educational facilities because of inadequate buildings. In Illinois, for example, the lack of steel and other critical materials is preventing the construction of a number of school buildings. Approximately 13,000 students in Illinois are enrolled in schools where double sessions are necessary, while 7,500 are attending schools in buildings that are definitely inadequate.

"Pennsylvania likewise reports a serious building shortage, even though $35 million was spent for new buildings during the 1950-51 school year, and $50 million will be spent during 1951-52. In this State it is estimated that 8,500 pupils will suffer an impairment in school this year because of double sessions or part-time instruction."

Dr. McGrath, the United States Commissioner of Education, has said:

"Additional floor space equal to a one-story building, 52 feet wide extending from New York City to San Francisco, Calif., is needed adequately to house the Nation's public elementary and secondary school population."

My own State of Minnesota needs a total amount of $165,959,000 to meet its needs for school construction. Yet Minnesota, like most other States, is short of funds. We do not feel that we can tax people much more. Localities are at their limits for bond issues for education. The situation is truly desperate.

The estimated cost of building the necessary schools to meet the Nation's needs is $10.7 billion. Under present State and local laws and conditions it will only be possible to raise $5.8 billion, if every resource is tapped. That leaves a deficit of nearly $5 billion. The oil-for-education amendment is made to order for this emergency, as well as for the emergency shortages in teachers, and the low standards of teachers' training and teachers' salaries.

Nor is higher education in this country facing a less serious financial problem. The New York Times reports that 1 out of every 3 liberal arts colleges in this country is currently operating in the red. Many other colleges are beginning to lower their standards so as to meet financial pressures and stay in the black.

The usual college incomes from grants, bequests, and endowments have fallen off sharply. Colleges have suffered from the rapid fluctuations in enrollment during the war, postwar, and present periods. Since most men have now used up their GI money, college enrollments have once again fallen off sharply.

These problems are increased by inflation, which, as the Commission on Financing Higher Education last year reported, has reduced the purchasing power of the colleges' dollar by nearly 50 percent. Meanwhile, the need to build new plants, new laboratories, and research facilities to keep up with the fast pace of development in scientific research has forced colleges to spend far more.

We must rely upon higher education to supply us with the professional, business, and scientific talent which our country desperately needs if it is to keep pace with economic and scientific developments in the rest of the world. If we fail to produce trained men in these fields we can look forward to dependence upon other nations for military and industrial research. And we can look forward to being outdistanced in these vital fields by the Soviet Union, which places a high priority on training for careers in these fields. If we are outdistanced by the Soviet Union in these fields we shall forfeit our scientific and industrial leadership of the world. And we shall then forfeit our safety, and perhaps our freedom.

Nor is training in the humanities and the social sciences any less vital than scientific

and professional training today. We have no better weapon with which to combat communism as a doctrine and ideology, than the education of our people. The United States will be free so long as our people are educated to freedom. We shall lead the free world so long as our people are educated to know and understand the world and its tremendous problems. If our education deteriorates, we will be in danger of deteriorating as a Nation.

The revenues from offshore oil can be used to stay the critical financial situation of American education. We will be short-sighted indeed, if we let such an opportunity slip by us. We are not likely to find another such opportunity very soon. We may not find it soon enough to save our educational system.

The oil for education amendment will provide for the most pressing needs of education without increasing our tax burden. And there is, moreover, ample historical precedent for this proposal.

Many of the American colonies used funds from public lands to provide for schools. After the Revolution, many of the States pressed claims to our territories west of the Appalachian Mountains. Congress, however, did not cede these lands to the States, but in 1780 passed a resolution to the effect that these lands would be used for the benefit of all the people.

The Northwest Ordinances of 1785 and 1787, were landmarks in the history of American education. These ordinances set aside every 16th section of the public lands of the Northwest Territory, for purposes of schools and education. As States were formed from the Territory, Congress set aside lands for the support of their school systems, as well as funds to establish and support the 'land-grant colleges' which are among our greatest centers of learning today as State universities.

The Morrill Land-Grant Act of 1862 continued this tradition. It gave to every State 30,000 acres of land, or land scrip, for each Senator or Representative of that State in the Congress. More land-grant colleges throughout the country were established and supported by this act, including Cornell University, the Massachusetts Institute of Technology, and many others. The Second Morrill Act of 1900 provided permanent support for the lang-grant colleges. And the Homestead Act of 1900 provided that where land revenues were insufficient to support land-grant colleges and agricultural experiment stations, other Federal funds could be used.

This is the tradition which has given the United States the most extensive, the most democratic, higher education system in the world. It is the tradition which has helped many American universities which have pioneered in much scientific, industrial, and military research—research to which we likely owe our victory in the last war.

The oil for education amendment, now before the Senate, stands squarely in this tradition. It is an opportunity for us to continue that tradition, and to expand it, at a time when our educational needs are desperate. If we are wise, I submit we shall make the most of this opportunity.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (S. 2112) to provide for the transfer of price-support wheat to Pakistan, and it was signed by the Vice President.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 24, 1953, he presented to the President of the United States the following enrolled bills:

S. 2032. An act to modernize the charter of Washington Gas Light Co., and for other purposes; and

S. 2112. An act to provide for the transfer of price-support wheat to Pakistan.

JURISDICTION OVER SUBMERGED LANDS OF THE OUTER CONTINENTAL SHELF

The Senate resumed the consideration of the bill (S. 1901) to provide for the jurisdiction of the United States over the submerged lands of the outer Continental Shelf, and to authorize the Secretary of the Interior to lease such lands for certain purposes.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. What is the pending question?

The PRESIDING OFFICER. The question now recurs on agreeing to the amendment offered by the junior Senator from Texas [Mr. DANIEL], as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question now recurs on the amendment offered by the Senator from New Jersey [Mr. HENDRICKSON] as a substitute for section 9, as amended.

Mr. ANDERSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ANDERSON. Would that involve the readoption of the Hill amendment, or is this another amendment?

The PRESIDING OFFICER. The adoption of the Hendrickson amendment, as a substitute, would mean that it would take the place of the language of section 9, as amended.

Mr. ANDERSON. If the question should come to a yea-and-nay vote, if I desired to vote for the continuance of the Hill amendment would I do so simply by voting "yea"?

The PRESIDING OFFICER. The Senator should vote "nay" in that event.

Mr. ANDERSON. I thought the Chair stated that it was a substitute.

Mr. HILL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HILL. If a Senator favors the amendment to which the Senate has just agreed, the amendment offered on behalf of 34 other Senators and myself, he should vote against the substitute. He should vote "nay" on the Hendrickson amendment.

The PRESIDING OFFICER. The statement of the senior Senator from Alabama is correct.

Mr. ANDERSON. I thank the Chair.

Mr. CASE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CASE. Does the Senator from South Dakota correctly understand that the vote now comes on the amendment offered by the Senator from New Jersey [Mr. HENDRICKSON] for himself and me?

The PRESIDING OFFICER. The Senator is correct.

Mr. CASE. The Senator from South Dakota believes that a statement should be made as to the difference between the two proposals.

I regret that the Senator from New Jersey is unable to be present at this time.

Mr. President, the Senator from New Jersey [Mr. HENDRICKSON] some weeks ago made a commitment to speak at an niversary ceremonies in his State. He had hoped that the vote on his amendment would come before he had to leave the Chamber or after he had returned.

I wish he were here to make the statement which I feel impelled to make at this time.

Essentially the difference between the amendment on which the Senate will now vote and the amendment which has been adopted is in the method of distribution.

The Senate has voted for the principle of applying the revenues from the Continental Shelf to the cause of education. The amendment which was offered by the Senator from Alabama [Mr. HILL], for himself and several other Senators, including myself, provides that the money "shall be appropriated exclusively as grants-in-aid of primary, secondary, and higher education; provided, however, that during the present national emergency, but not for more than 3 years, the moneys in such special account may be appropriated for such urgent developments essential to the national defense as the Congress may determine."

The main issue was, of course, whether the receipts should be dedicated to the cause of education. The amendment which the Senate had adopted makes them available as grants-in-aid of primary, secondary, and higher education without specification as to the method of the distribution for that purpose.

There is only one issue involved, and that is whether or not the money shall be dedicated, without any specification as to the method of distribution, but simply paid for grants-in-aid to primary, secondary, and higher education, or whether the method of such payment shall be determined by Congress and should be determined in this manner; namely, that "within 90 days after the termination of the fiscal year in which received" it shall be paid "to the several States and Territories of the United States and the District of Columbia in an amount to each such State and Territory and the District of Columbia which bears the same ratio to the total of such rentals, royalties, and other sums received during such year (less the total of such refunds during such year) as the total number of individuals enrolled in the schools in such State or Territory or the District of Columbia according to the latest Federal Census bears to the total number of individuals enrolled in the schools in all such States and Terri-

tories and the District of Columbia according to such Census. Payments received under the provisions of this section shall be used by such States and Territories and the District of Columbia solely for the purposes of primary, secondary, and higher education."

Mr. President, personally I favor the amendment offered by the Senator from New Jersey [Mr. HENDRICKSON], as spelling out the method of distribution.

The Senate has already voted that these receipts, after 3 years, shall be dedicated to the cause of primary, secondary, and higher education.

The Hendrickson amendment spells it out by saying that the distribution shall be on the ratio of the school census. Personally I favor that method, because it seems to me to eliminate any controversy over the control of education. If the distribution is based upon a per capita basis, determined by the school census, there is eliminated to the maximum extent possible any controversy over the question of whether the Federal Government is entering into and dictating to the States in the field of education. It makes the money available to the States, and each State then can distribute the money within the State on the basis of the standards used by the State for the distribution of its own school funds.

Mr. PASTORE. Mr. President, will the Senator from South Dakota yield?

Mr. CASE. I yield.

Mr. PASTORE. Would the Federal census include the school population of private schools?

Mr. CASE. Yes. The language of the bill reads: "As the total number of individuals enrolled in the schools in such State or Territory or the District of Columbia, according to the latest Federal census," and so forth.

Mr. PASTORE. I should like to have a categorical answer. Is it a fact that all students in private schools would be considered in the formula to be used in respect to the amount of money that would be paid to each State, to be spent by it according to its own law?

Mr. CASE. Yes; it would be the equivalent of a school census in the various States of the students enrolled in the schools of the States. The distribution within the State would depend upon the State law. In my own State, in the distribution within the State, we use the formula stated in the pending bill in determining the apportionment of the money that comes from the endowment law. We have some lands in our State which were granted to the State of South Dakota when it was admitted into the Union, and the proceeds from the leasing of those lands and the income from the invested funds received from the sale of those lands go into the school fund, and the school fund is apportioned to the school districts of the State on the basis of the number of children of school age within each school district. Every year we take an annual census of children of school age, and each school district has an entitlement in proportion to the number of children within the school district to the total number of children of school age within the State.

Mr. AIKEN. Mr. President, will the Senator from South Dakota yield?

Mr. CASE. I yield.

Mr. AIKEN. Am I correct in understanding that the difference between the amendment which the Senator from South Dakota and the Senator from New Jersey [Mr. HENDRICKSON] offer and the amendment of the Senator from Alabama [Mr. HILL], which has been adopted, lies in the fact that the Hill amendment provides merely for setting the money aside, awaiting further action in regard to its distribution among the States, whereas the Case amendment provides for the actual distribution of the funds among the States, and does not require any further legislative action?

Mr. CASE. That is correct.

Mr. AIKEN. If the Case amendment should be adopted, the States would immediately begin to benefit from the law the year following the receipt of any income?

Mr. CASE. That is correct.

Mr. AIKEN. Whereas, under the Hill amendment it would be necessary for Congress to provide some means of distribution before the States could actually begin to share in the benefits?

Mr. CASE. That is correct. In order to avoid confusion, perhaps we should refer to the pending amendment as the Hendrickson amendment.

Mr. AIKEN. Very well. I did not notice which name was appended to it. As this money is distributed to the States, it will be used by the States in the same manner they use their own school funds. Is that correct?

Mr. CASE. That would be up to the States. The money would go to the States and Territories and the District of Columbia solely for the purpose of primary, secondary, and higher education. Those are the same words that are used in the Hill amendment.

Mr. AIKEN. But in the same way as the States spend their own funds?

Mr. CASE. That would be up to the States. Presumably that would be so.

Mr. AIKEN. It is in accord with the method which was twice approved by this body during recent years, each time by a vote of 58 to 13, as I recall.

Mr. CASE. I believe that is correct.

Mr. MUNDT. Mr. President, will the Senator yield for a question?

Mr. CASE. I yield.

Mr. MUNDT. Under the terms of the pending amendment, is it perfectly clear and definite that Indian children will be included in the school census and in the totals which are arrived at for each State? As I read the language, I believe that is the intent, but I should like to have it written into the RECORD at this point, because in legislative matters Indians have the unhappy faculty of finding themselves on the sidelines. Therefore I should like to have incorporated in the debate the clear statement that they are to be included in the school census.

Mr. CASE. I am glad to have my distinguished colleague bring up that point, but there can be no misunderstanding about it. Line 17 on page 2 of the bill reads: "As the total number of individuals enrolled in the schools in such State or Territory or the District of Columbia," and so forth. Certainly Indians are individuals enrolled in the schools.

Mr. MUNDT. I am convinced of it. However, while people sometimes think Indians are not citizens, I hope no one will allege that they are not individuals, and as such would be included in the school census.

Mr. CASE. They very definitely would be included.

Mr. FERGUSON. Mr. President, will the Senator from South Dakota yield?

Mr. CASE. I yield.

Mr. FERGUSON. I wish to find out the real distinction between the two amendments. As I understood, the Hill amendment provides for a general allocation of the income, if any, grants-in-aid of primary, secondary, and higher education. In the opinion of the Senator from South Dakota, will the grants-in-aid require matching in any way?

Mr. CASE. The amendment does not so provide. Probably the Senator from Alabama should give an authoritative answer on that point. I shall be glad to have him make answer.

Meantime, I point out that beginning at the bottom of page 1 of the Hill amendment, the following appears:

> Such moneys shall be appropriated exclusively as grants-in-aid of primary, secondary, and higher education.

So that matter would have to be handled by means of an appropriation bill or other legislation in the future.

Mr. HILL. Mr. President, if the Senator from South Dakota will permit me to do so, I should like to respond to the question of the Senator from Michigan.

Mr. CASE. Certainly; I yield for that purpose.

Mr. FERGUSON. I was asking whether further action would be required in connection with the grants-in-aid, as provided by the Hill amendment.

Mr. HILL. Congress would have to determine what future action should be taken. Under our amendment, these funds are dedicated to education. Congress would have to enact subsequent legislation providing a means of allocating the funds. This amendment is merely a dedication of the funds to education, and subsequently there would have to be enabling legislation.

Mr. FERGUSON. If Congress did not make arrangements for the distribution of the funds, no distribution would be made under the Hill amendment. Is that correct?

Mr. HILL. Yes; Congress would have to act. The amendment itself does not provide for the allocation.

Mr. FERGUSON. The Hill amendment uses the words "grants-in-aid."

Mr. HILL. They must be grants-in-aid to primary, secondary, and higher education; but the means or basis of the distribution would have to be determined by Congress by means of subsequent legislation.

Mr. FERGUSON. Does the Senator from Alabama also agree that the Hendrickson-Case amendment would permit such a distribution to be made at once?

Mr. HILL. I agree that it would attempt to have the distribution made at once, but I believe it would result in having the distribution made in the wrong way.

Mr. FERGUSON. Does not the Senator from Alabama agree to the method for the distribution proposed by that amendment?

Mr. HILL. I do not. I am very much opposed to the Hendrickson-Case amendment for that reason. In a moment I shall speak on that point.

Mr. FERGUSON. I shall await the Senator's remarks.

Mr. CORDON. Mr. President, will the Senator from South Dakota yield to me?

Mr. CASE. I yield.

Mr. CORDON. Is not the amendment of the Senator from New Jersey and the Senator from South Dakota the only amendment before us which provides that the net receipts from the outer Continental Shelf shall be paid to the several States for primary, secondary, and higher education?

Mr. CASE. The Senator from Oregon has made a valid point, and he has quoted practically verbatim from the amendment, because it provides, in part:

After the termination of such national emergency shall be paid by the Secretary of the Treasury, within 90 days after the termination of the fiscal year in which received.

Mr. CORDON. Mr. President, will the Senator from South Dakota yield further?

Mr. CASE. I yield.

Mr. CORDON. Is not the so-called Hendrickson-Case amendment the one amendment which on its face guarantees that there will not be any interference by the Federal Government in connection with the payment of such funds? In other words, is not the amendment in itself complete?

Mr. CASE. That is true. Personally, my position is that I have been in favor of dedicating to education the revenues from these mineral resources. My position on that point was determined and established several years ago, before I became a Member of the Senate. I have consistently voted for amendments which worked in that direction. I voted for, and am a sponsor of, the Hill amendment because I believed it worked in that direction.

However, after some study of the question, I reached the conclusion that we should not leave the distribution to the vagaries of different Congresses, if we could possibly avoid doing so; we should not leave to the passing whims of different Congresses the determination of which of the various methods of appropriation and distribution, in various degrees, should be used or followed. Certainly I do not believe the Federal Government should tell the States how to use the money or how to divide it as between primary, secondary, and higher education.

I believe the money should be turned over to the States, and the States should be permitted to decide how it would be used for education, inasmuch as the States are nearer to the educational problems. The States themselves should be permitted to determine how much of the money they wished to devote to primary education, how much to secondary education, and how much to higher education.

That is why I have favored, and now favor, the method of apportioning the funds, that is provided by the so-called Hendrickson-Case amendment, so as to permit the States to determine how the funds shall be apportioned, and so as to permit the control of education to rest in the States, where it now rests.

Mr. CORDON. Is it not true that the so-called Case-Hendrickson amendment is the only amendment before the Senate which provides any yardstick or standard for allocation of the funds among the several States?

Mr. CASE. That is true, and the amendment does so on the simple basis of the number of students enrolled in the schools.

Mr. CORDON. Without that standard or some other standard, obviously the funds could not be apportioned. Is that not correct?

Mr. CASE. That is correct. Otherwise, every time the appropriation came up, the Federal Government could establish a different method of distributing the funds, and again we would be faced with the question of Federal control of education.

Although I am wholly in sympathy with the idea of having these funds used for education, and have consistently voted for such use, both when I served in the House of Representatives and during my service in the Senate, I believe we should firmly decide about this matter, or should firmly "nail it down," if possible, and should do so on the self-evident basis and the fair basis of the ratio between the total number of individuals enrolled in the schools of a particular State or Territory and the total number of individuals enrolled in the schools of all States and Territories and the District of Columbia, according to the Census.

Mr. FREAR. Mr. President, will the Senator from South Dakota yield to me?

The PRESIDING OFFICER (Mr. PURTELL in the chair). Does the Senator from South Dakota yield to the Senator from Delaware?

Mr. CASE. I yield.

Mr. FREAR. If the Hendrickson-Case amendment prevails, what control will the Federal Government have over education in the States?

Mr. CASE. None whatever—no more than the Federal Government has today.

Mr. FREAR. What students would be included and how would a census be made?

Mr. CASE. The amendment provides:

Individuals enrolled in the schools in such State or Territory or the District of Columbia according to the latest Federal census.

Mr. FREAR. Will both private and public schools be included?

Mr. CASE. Yes.

Mr. FREAR. Do the words "higher education" include colleges and universities?

Mr. CASE. Yes; because later the amendment states: "solely for the purposes of primary, secondary, and higher education."

The amendment also refers to "the total number of individuals enrolled in the schools in such State or Territory or the District of Columbia."

Mr. FREAR. Suppose a student from Delaware entered a college in Pennsylvania. Which State would receive remuneration for him?

Mr. CASE. The allocation would be made on the basis of the location of the school. If a student from the District of Columbia entered a school in Delaware, Delaware would receive credit for that student.

Mr. FREAR. I thank the Senator from South Dakota.

Mr. GEORGE. Mr. President, I should like to ask a question.

Mr. CASE. I yield.

Mr. GEORGE. This question may have been covered heretofore. However, under the amendment, the State of New Jersey would receive all the money for the students at Princeton University, would it not?

Mr. CASE. Yes.

Mr. GEORGE. So under the amendment, the inevitable consequence would be that the larger portion of the funds would be given to the larger and richer States. Is not that true?

Mr. CASE. I think one would have to have the enrollment figures, in order to determine that.

Mr. GEORGE. Yes; but would not the inevitable result of the amendment be that it would give the greater proportion of the funds to the larger States, and therefore the richer States?

Mr. CASE. That would not necessarily be so. I think we would have to analyze the figures, in order to reach a determination on that point.

Mr. GEORGE. At any rate, New Jersey would be given credit for all the students at Princeton University, and Massachusetts would be given credit for all the students at Harvard University. Is not that true?

Mr. CASE. Yes.

Mr. HUNT. Mr. President, will the Senator from South Dakota yield to me?

Mr. CASE. I yield.

Mr. HUNT. I should like to ask the distinguished Senator from South Dakota if it is not true that practically every State has some rich and some poor school districts. In other words, some school districts have a high valuation, and some have a low valuation. Does not every State, in order to equalize the educational opportunities, allocate the funds under a so-called equalization method, in the case of the common-school funds? Is the Senator familiar with that?

Mr. CASE. In my State of South Dakota there is an equalization fund for the very purpose which the Senator mentioned.

Mr. HUNT. Let me ask the Senator does not that work very splendidly in equalizing educational opportunities?

Mr. CASE. It seems to work very well. In fact, we have maintained the practice for a number of years.

Mr. HUNT. Then does not the Senator agree with me that, instead of the Federal Government attempting to direct how the money shall be expended by

each individual State, we should allow the State legislatures and the State departments of public education to apply it in the best way, where it will do the most good?

Mr. CASE. That is exactly my contention.

Mr. KEFAUVER. Mr. President, will the Senator yield for a question?

Mr. CASE. I yield to the Senator from Tennessee.

Mr. KEFAUVER. In view of the fact that the only matters relating to this subject considered by the committee, and the only testimony given in the hearings, had to do with the disposition of the revenues from oil and gas on the outer Continental Shelf, and the purpose to which the funds would be devoted—that is, grants-in-aid to the States, or the reduction of the national debt—I wondered whether the Senator from South Dakota did not feel that the question of how the funds should be divided among the States ought to await further hearings and further consideration, in view of the many questions that have been raised here this afternoon.

Mr. CASE. Mr. President, the Senator from South Dakota presented that matter during the debate on the original so-called tidelands bill. The Senator from New Jersey [Mr. HENDRICKSON] spoke on the issue at that time. At page 5796 of the RECORD of June 1 appears a statement by the Senator from New Jersey, in which is incorporated a letter which the Senator from New Jersey addressed to the Senator from Oregon, the chairman of the Committee on Interior and Insular Affairs. So, this matter is not new. It has been presented before, and this particular issue was developed in the committee.

Mr. KEFAUVER. Does not the Senator feel that the question raised by the distinguishd Senator from Georgia, as to what State should be charged with responsibility for a student residing in one State but going to school in another State, and many other questions of that sort, should be inquired into and detailed testimony taken before a decision is reached? I cannot find any such testimony in the hearings on the pending bill.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. CASE. I yield to the Senator from Vermont.

Mr. AIKEN. The question of the distribution of funds under Federal-aid-to-education proposals has been the subject of testimony before committees of this body for weeks and months, during the past few years. To boil it all down, the method of distributing the funds according to enrolled school population is very fair. I do not have the figures for this year, but 3 or 4 years ago I think New York would have received about 20 percent of the money based on the number of enrolled school children. The larger States, which pay greater amounts in taxes, would get more of the money. New York State pays about 23 percent of the Federal tax. Other States pay varying percentages. But let me state where the difference arises.

The amendment of the Senator from South Dakota would allocate the money according to the number of children in each State who are attending school. During the past few years we have had proposals to allocate the funds according to the number of children of school age; and there is a difference between those criteria, because some States are more assiduous in requiring school attendance than are other States. It is true that the States that require all their children to attend school, and enforce their truancy laws, would fare better under the amendment of the Senator from South Dakota than would those that are lax in enforcing the truancy laws, and do not require such regular attendance. That is the difference. But if we boil it down and go through the figures, as we have gone through reams of them within the past few years, it will be found that distribution on the basis of actual school attendance is a pretty fair method of distribution. If we try to require funds to be distributed in any way other than that in which each State uses its own school funds, we shall then get into difficulties. We shall be beset by lobbyists for this group and that.

As I stated earlier, the Senate has twice passed bills providing for Federal aid to education. We passed each of the bills by a vote of 58 to 13; and each time the bill provided that each State should spend the money in the same manner in which it spent its own money. But there is a difference between allocating the money on the basis of children of school age, and allocating it on a basis of school attendance; and I think there ought to be a difference.

Mr. CASE. That is correct.

Mr. AIKEN. There should be an incentive to send children to school.

Mr. CASE. I may say to the Senator that there is some argument for that position. In my own State, we found that when we apportioned our funds on that basis, the people in the several districts manifested more assiduity in seeing that their children were enrolled. It helps to create respect for the truancy law.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. CASE. I shall yield to the Senator from Kentucky in a moment, but before doing so, I wish to make one change in the amendment. I make this change on my own responsibility, not having had an opportunity to confer with the Senator from New Jersey about it.

My original understanding of the amendment was that the enrollment would apply to the primary and secondary schools, up to the 12th grade. Until the question of the Senator from Georgia was asked, and until I answered that question, I would have had that understanding, but when I examined the amendment, I observed that when reference was made to enrollment in the schools, it would include by implication all classes of schools, primary, secondary, and the higher classes, which I may refer to as higher education.

My intent in discussing the amendment with the Senator from New Jersey [Mr. HENDRICKSON] was that the enrollment should apply to those who were enrolled in the primary and secondary schools.

So, Mr. President, under what I understand to be my right as a cosponsor of the amendment, and spokesman for the Senator from New Jersey, I would modify the amendment, so that in line 17, on page 2 it would read, "As the total number of individuals enrolled in the primary and secondary schools in such State and Territory or the District of Columbia according to the ratio that the latest Federal census bears to the total number of individuals enrolled"; and at that point to strike out the word "the" and insert "such", so that it would read, "enrolled in such school."

The question raised by the Senator from Georgia about counting the students who are enrolled in higher institutions of learning would then be avoided. Such students would not be counted. The distribution would be based upon enrollment of the students in primary and secondary schools. That would avoid the fear of overweighting it in favor of a State in which there was a large university attended by students from outside the State. Is that perfectly clear?

Mr. President, am I within my right in so modifying the amendment.

The PRESIDING OFFICER. The Senator is within his rights, and may modify the amendment accordingly.

Mr. CASE. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. CASE. I yield to the Senator from Kentucky.

Mr. COOPER. Mr. President, I should like to ask the distinguished Senator from South Dakota whether one effect of his amendment, if it should be adopted, would be to nullify the idea upon which Federal aid-to-education bills have been based; namely, that out of the sums of money set aside for aid to education——

Mr. KNOWLAND. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. I make the point of order that the Senate is not in order. We are unable to hear all of the debate.

The PRESIDING OFFICER. The Senate will be in order. The Senator from Kentucky may now proceed.

Mr. COOPER. I voted for the Hill amendment, and, also, when I was a Member of the Senate before, I was a cosponsor with the distinguished Senator from Ohio [Mr. TAFT] and other Senators of the Federal aid-to-education bill. I should like to ask the Senator from South Dakota if it is not a fact that those bills were based upon the idea that out of appropriations there should be allocated to the States, whose educational standards were below a certain minimum, funds in varying amounts, determined by need and other standards, to provide in those States a minimum expenditure for each schoolchild? I am certain the Senator is familiar with the principle and the philosophy upon which those bills were based.

Is it not true, worthy as the Senator's proposal may be, that if his amendment should be adopted, it would in effect

nullify the principle upon which the Federal aid-to-education bills were based; namely, the principle of giving aid to those States where a minimum educational opportunity has not been provided, upon the basis of need? Would it not be true that, to a degree, it would freeze present inequalities of educational opportunity among the States?

Mr. CASE. Mr. President, I could not accept that statement as being the complete story. I think it is perhaps true that some bills have been predicated on the idea of giving aid to the States with small economic resources. There have been different formulas. But that very fact points up the weakness in the Hill amendment, namely, that it makes subject to perpetual review the amount which will go to the various States. When we make grants-in-aid we base them upon that point.

I once had that kind of formula in a bill which I introduced in the House of Representatives, but after receiving protests from school superintendents and from persons who saw some possibility of the Federal Government's securing a controlling hand over the kind of education which would be offered by the schools in the various States to which aid might be granted, I abandoned it in favor of a per capita distribution, because it seemed to me that it kept the long arm of the Federal Government out of control of the little red schoolhouse. It seemed to me that it was more desirable to preserve local control over education in the States.

As the Senator from Wyoming [Mr. HUNT] has so well pointed out, the problem of schools with lesser opportunities or with smaller resources is a problem within the States, and the States can take care of it and place the money where it is most needed, without the Federal Government reaching the long arm of Washington's bureaucracy into the administration of local schools.

Mr. COOPER. A great many of the States have the so-called equalization principle. The very purpose of that principle is to allocate to areas within a State additional funds so that there may be educational equality of opportunity within the States. The Federal aid-to-education bills, as I remember, were bottomed on that idea. The Federal Government, in an effort to give aid or greater aid to areas which do not possess sufficient taxable wealth to provide educational funds, had in mind the equalization of educational opportunity throughout the country. That was the purpose of the Federal Government's entering into the field of education. The point I am raising—and, of course, I am aware that the Senator's amendment does make funds available to the States—is that the amendment kills the idea of the allocation of funds for the purpose of equalizing educational opportunity throughout the Nation.

Mr. CASE. I am glad the Senator has raised the issue. The amendment does kill the idea of the Federal Government's endeavoring to equalize, but it does not kill the idea of equalizing educational opportunity within the States. That is reserved to the States. Members of the Senate who believe in States' rights, who believe in retaining for the States and local school districts the determination of courses of study under the laws of the States, should be in favor of this amendment, because it does not destroy the idea of helping the districts which are a little behind or which are handicapped. It permits the States to make the determination, and not the Federal Government.

One thing which has entered into the whole discussion about Federal aid to education is the great fear which has been voiced by lay and clerical leaders, that when we have Federal aid to education we raise the specter of Federal controls of education. We try to reserve that power to the States and, through the States, to the local school districts.

Mr. DOUGLAS. Mr. President, is the Senator from South Dakota about to yield the floor?

Mr. CASE. I shall be glad to yield the floor at this time.

Mr. DOUGLAS. Mr. President, I rise to oppose the amendment of the Senator from New Jersey [Mr. HENDRICKSON] and the Senator from South Dakota [Mr. CASE]. For while I appreciate the good motives and fine intentions of these Senators, their amendment involves a matter of delusive simplicity in dealing with one of the most complicated questions that can be presented.

The amendment proposes that the funds available for education be allocated between the States according to the relative number of enrolled pupils in all schools, public and private, in primary and secondary institutions.

Mr. President, there are many weaknesses in this formula, and they have been touched upon during the debate. In the first place, while the Senator from South Dakota [Mr. CASE] has somewhat reduced the weakness of his formula by striking out higher institutions of learning from the basis of allocation, nevertheless, there is also a sectional element in connection with secondary education. There are many students from the West and Middle West who go to eastern and northern primary and secondary schools.

Therefore, this formula, while it is not quite so bad as that which was originally advanced, does discriminate against States where children of well-to-do families go East and North for their secondary education.

In the second place——

Mr. HUNT. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. HUNT. Having a great admiration for the knowledge possessed by the Senator from Illinois with reference to school and college matters, I should like to say to him, following the statement with a question, that we are at the present time in the throes of organizing a compact between 11 Western States with reference to higher education as it pertains to the professions of medicine and dentistry. I should like to ask the Senator from Illinois if he thinks the pending amendment would work disadvantageously to my State of Wyoming with reference to education in medicine and dentistry.

Mr. DOUGLAS. I would say that under the modification which the Senator from South Dakota has attached, it would not do so in the case just cited because, as I understand, he has now ruled out students in higher institutions of learning, so that the issue is simply as to the relative numbers in primary and secondary schools.

Mr. HUNT. Then, I understand the Senator to say that in the particular situation of which I speak, in which we contemplate making up the additional costs of education over and above tuition—and let me say that instruction in medicine and dentistry costs a student approximately from $3,000 to $3,600 a year—we would receive, under the pending amendment, an amount much smaller than our expense in educating boys in medicine and dentistry.

Mr. DOUGLAS. The former amendment would have discriminated against Wyoming; but now that it has been modified there is no discrimination on this point. But to the degree that Wyoming boys go to Groton or St. Marks or St. Paul, or to some school in California, there would be discrimination. Massachusetts and California would get the money for the Wyoming boys.

In the second place, as the Senator from Vermont mentioned, average attendance is a much better unit of measurement for allocating funds than enrollment. If the mere numbers enrolled were to be considered, it would be to the advantage of a State to have a large number of children enrolled, but not to enforce the attendance laws.

Senators who have been governors—and I suppose that about a third of the membership of the Senate are former governors—will realize the importance of this factor in dealing with a distribution formula within a State. Average attendance is a much better formula than total enrollment. This is true between, as well as within, States.

In the third place there is the very vexing question of the relationship of private educational institutions to public educational institutions. This is the most difficult issue with which we have to deal, and we should be fair to both groups. I can only say that a very large and thoroughly patriotic section of the American community believes that a formula which is used simply to turn money over to States on the basis of total enrollment in all schools is an unfair formula.

Connected with that issue are all kinds of subsidiary issues, such as the financing of the transportation of pupils, health care, school books, and the maintenance and construction of the schools themselves. This democracy of ours will have to work out a solution of these problems. I think a solution can be worked out in time, but I am quite certain that the formula here proposed is not the solution. I believe that if it is persisted in, it will not only set back the cause of education, but will also create cleavages in our society, which we do not wish to have.

Finally, the formula has no relationship to the taxing ability of the various States to support education. While there are vast differences within States

there are also great differences between States. I hope my friends from the South will not object if I say that, on the whole, the per capita income, or average income, per school child is appreciably lower in the South than it is in the North. Figures for the late 1940's indicated that the taxable income, or income per school child, was approximately one-third in Mississippi what it was in Connecticut or New York. That difference is being narrowed, thank the Lord. Perhaps now the ratio is nearer one-half than one-third, but the differences are very appreciable.

I am well aware of the fact that my own State of Illinois would get a larger total sum of money in a distribution made according to school population than if the need factor were taken into account. Nevertheless, I have discussed the issue with people in my State, and I think the general sentiment is that areas of the country which are in greater need should be helped to bear their burdens. An examination of the figures will disclose that the Southern States spend a larger fraction of their income for education than do most of the Northern and Western States. There is nothing wrong with the South in their readiness to support education. They simply do not have a large per capita income which they can tax. It is lack of means and not lack of will which holds them back.

I submit that this is a national issue, and that those of us who come from wealthier States should help bear this burden, for two reasons. In the first place, many issues with which Congress deals are national issues. From the standpoint of national defense and a wise citizenry it is to the advantage of us all that young Americans everywhere should have good health and a decent minimum of education. I believe it is the national responsibility, not to have an absolute equality of educational opportunities, but to give at least a minimum of educational opportunities to all—a minimum below which no citizen will fall. I may say that this can be achieved without any Federal control whatsoever of the context of education. I would be opposed to that.

Mr. CASE. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. May I first finish my statement? Then I shall be glad to yield for a question.

Secondly, there is a migration of labor from the South to the North, and now to the West, so that States which bear the burden of educating children do not necessarily inherit the citizens whom they train. That has been one of the great difficulties of the counties in the Appalachian Mountain area, so to speak, which runs through so many States. The children from those counties must be educated by the counties, but when the children become adults, they go North and West, and there is an erosion of population. I say that in no invidious sense whatsoever. Therefore, the States which inherit this population should help bear the burden of educating the population which comes to them. Believe me, that is no theoretical issue for us in Illinois. I shall not go further into that matter, but Senators, by using their imagination, can understand what I mean.

Therefore, while it would be to the narrow economic advantage of my State to have the formula proposed by the Senator from South Dakota, I do not believe it would be in the national interest, and in the long run I do not believe it would be in the interest of Illinois or of the wealthier States.

I do not wish to finish by piously quoting Scripture, if it is not appropriate to do so. However, it is certainly true that within our Nation the principle is correct that we should "bear one another's burdens," at least within limits. The low income of the South is not the fault of the South; it has been the result, partly, of historical accident, and also of high tariffs and high railroad rates that the North has imposed upon the South. If there is to be a reconciliation of the sections of the country, it is about time we swept away those impediments, on the one hand, and assumed some national responsibility for sectional difficulties which have been created by forces beyond sectional control.

I yield now to the Senator from South Dakota.

Mr. CASE. The Senator from Illinois is a great economist, and is so recognized on the basis of his studies. Would he say that larger families occur among people of high income, or is it not true that larger families are found among people of relatively lesser income?

Mr. DOUGLAS. Certainly that was true up until 10 years ago. Of course, there is now a tendency for those with higher incomes to have more children than they did formerly.

Mr. CASE. Is it not possible that that fact would modify the fear that the Senator has expressed, that the South would not fare a little better under this amendment, if it is based upon school population?

Mr. DOUGLAS. It may be that those forces will work themselves out in the long run. However, in the short run the fact is that Southern incomes per schoolchild are, say, half what the average incomes are in the wealthier Northern States, and somewhat below the national average. As I say, that is not the fault of the South. It is simply a matter of fact. In view of that fact, I think that we in the North and the West should assume some degree of national responsibility.

Mr. STENNIS. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I yield.

Mr. STENNIS. I wish to commend the Senator from Illinois for one of the finest statements I have ever heard on this subject from a national viewpoint. He has not only accurately stated the facts with reference to this matter, as I see them, but has also stated them fairly.

My State of Mississippi is frequently pointed to as being at the bottom of the low-income group. However, a few years ago my State voted the highest proportion of its taxable dollar to education of any State in the Nation. It is now not far from the top in that category.

We are not particularly asking for aid to our educational programs. Certainly we are not begging for aid. I am very glad to support the Hill amendment, because I believe it will be worked out on a proper basis by the time the money gets to the individual schools.

I wish especially to commend to all Senators the excellent statement made by the Senator from Illinois [Mr. DOUGLAS] with respect to the problem and the facts in connection with what I believe to be a sound national course to pursue.

Mr. DOUGLAS. I thank the Senator from Mississippi. He is one of the finest and most considerate gentlemen I have known. All of us should understand that the Hill amendment does not commit Congress to any formula. It does provide time in which to work out a formula. The issue is so complicated that we need time in which to consider it and to try to reconcile the various groups. We should not hurriedly vote into effect the delusively simple formula of the Senator from South Dakota [Mr. CASE], which, upon examination, is seen to have so many unfairnesses in it.

Mr. AIKEN. Mr. President, we have a very clear question before us this afternoon. I am not impressed with the argument against the Case amendment. I am not impressed with the statement of the Senator from Illinois [Mr. DOUGLAS] that we need more time—more time—more time. We have held hearings on the question of Federal aid to education lasting literally over months. At last we have an opportunity to show to those interested in schools and education whether we really favor Federal aid to education or whether we have seized upon the Hill amendment as a fat, juicy political issue which can be used over and over again for the next 10, 20, or 30 years. I say that the vote we take this afternoon on the Case amendment will show definitely whether or not we are sincere in voting for the Hill amendment.

We know all the little matters—and they are big matters to some people—which arise in a hearing. We know the religious issue which will be injected, and which has killed Federal aid to education more than once up to this time. We know the arguments which will be made for giving this State more, or that State more, or this type of school more, and the arguments as to what grades we should support.

The manner in which the Senator from South Dakota proposes to settle this problem is the only way that, within the next generation, we can succeed in giving any Federal aid to education. Do we believe in States' rights? If we do, let the States spend this money as they spend their own money, and not try to bind them by intricate formulas so that the Federal Government will tell them how to operate each and every school, from the primary grades up to the colleges.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. CORDON. I agree 100 percent with the Senator from Vermont.

Mr. AIKEN. I thank the Senator from Oregon.

This is an opportunity to show the country where we stand on this issue. We have an opportunity to do it. If we do not do it now, we shall not do it for perhaps the next generation, if ever; or if we do, we may do it in such a way that we shall sincerely regret our action.

What is the use of saying that we are going to give the States some money for education, and then limiting them so that they cannot obtain a cent of money? Let us give it to them if we are going to give it to them.

The proposal of the Senator from South Dakota is eminently fair. There is no such thing as an absolutely fair formula for the distribution of these funds; and any law we enact will be subject to ironing out the inequities through subsequent legislation. But if we want to provide money for education—and God knows, every school in the country, from the primaries through the universities, is desperately in need of funds—we shall never have a better opportunity to do it than we have now.

The proposal of the Senator from South Dakota might give one State a little more under this formula than it would receive under some other formula. However, as I have stated, no formula is exactly correct. The extension service is based upon rural population. I have heard no complaints as to the workings of that system. This proposal is based upon school enrollment. As the Senator from Illinois has said, school attendance would probably be a better measure in the long run. We can change the formula later. But let us show the country today that the Congress actually favors desperately needed Federal aid to education, and is not simply shadowboxing by enacting legislation which will not give the States a single dollar until we wrangle through the next 10 or 20 years deciding how to apportion it.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. HICKENLOOPER. Am I correct in my view that the Hill amendment does not give anything to the schools?

Mr. AIKEN. Not a cent. I voted for it as a first step.

Mr. HICKENLOOPER. I voted against it, because I do not think it would accomplish anything.

Does the Senator agree with me that under the Hendrickson-case amendment there is an opportunity for those who have talked the most, and occupied the most time in the Senate asserting their desire to aid the schools, to provide an assurance that if there are to be any revenues from the Continental Shelf oil lands they will go to the schools? This is an opportunity for positive action along that line, is it not?

Mr. AIKEN. The Senator is entirely correct.

It has been said that we should study the contributions for health, the contributions for transportation, and the contributions for this, that, and the other. I maintain that that is not the business of the Congress. That is the business of each individual State. The States should use the Federal money in exactly the same way they use their own State money. If they spend State money transporting Catholic children to parochial schools, as some States do, or if they pay tuition to Methodist schools, as some States do, they should be permitted to do the same thing with this money. If we really want to maintain States' rights, certainly we must maintain them first in the field of education.

Mr. HICKENLOOPER. Mr. President, will the Senator further yield?

Mr. AIKEN. I yield.

Mr. HICKENLOOPER. Does it not seem to the Senator from Vermont to be rather inexplainable, or at least incompatible, that those who have talked the most about actually doing something for schools, and who now have an opportunity, are fighting the Case amendment, which would accomplish something?

Mr. AIKEN. I do not know that it is inexplainable or incompatible, but I think it is entirely indefensible.

Mr. HILL. Mr. President, I think the amendment offered by the distinguished Senator from New Jersey [Mr. HENDRICKSON] and the disinguished Senator from South Dakota [Mr. CASE], however sincere they may be, and however earnest they may be, about trying to get some Federal aid for our schools, would be very unfair. It would count all children in all schools—both in the public schools, the nonpublic schools, and all private schools—but only the public schools would get the benefit. It would mean that the States which have many private schools would be receiving money on the basis of the enrollment in those private schools, but no money would go to the private schools.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. AIKEN. Does the Senator contend that any State should be deprived of the right to pay tuition to a private school?

Mr. HILL. The Senator knows that most of the States have provisions in their State constitutions that public funds shall not go to private schools.

Mr. AIKEN. Not most of them.

Mr. HILL. Yes. If the Senator will look at the History of Education, by Coverly, he will find a long list of them.

The Senator also knows that the Supreme Court of the United States said in the Everson case that public funds should not go to private schools.

Mr. AIKEN. Mr. President, will the Senator yield for another question?

Mr. HILL. I yield.

Mr. AIKEN. Does the Senator believe that by postponing this issue, the question of actually allocating the funds to the States, and continuing to quibble and quarrel over the method of distribution for the next 20 or 30 years, we shall be promoting the cause of education?

Mr. HILL. The Senator has gone into the field of imagination with all kinds of exaggerations.

Mr. AIKEN. It is not exaggeration.

Mr. HILL. I do not believe that it will require 20 years. I have full faith in the Congress. I believe that if we dedicate the funds, as provided by the amendment just adopted, the Congress will meet its duty and responsibility and enact legislation providing a method and machinery for fair and equitable allocation of the funds.

The Case amendment provides that during the present national emergency the funds shall be used only for such urgent developments essential to the national defense and national security as the Congress may determine.

We do not know how long the national emergency may continue. Under the amendment which the Senate has just adopted, an amendment sponsored by some 35 Members of the Senate, and which I had the honor to offer, it is provided that for the period of the next 3 years the funds may be used for urgent developments essential to the national defense and the national security as the Congress may determine.

The Senate should know, and does know, that there are no funds immediately available. It will require time to bring about the development of the areas of the Continental Shelf. It will be some time before there will be any considerable funds. The Congress could not give the States any money from this source today, because the funds are not available. Time will be required to bring about development.

Mr. KERR. Mr. President, will the Senator yield?

Mr. HILL. I yield to my friend from Oklahoma.

Mr. KERR. The Senator from Vermont [Mr. AIKEN] has indicated that the adoption of the Case amendment is necessary to lodge in the respective States the authority to disburse the money as each State sees fit. Is it not a fact that the Case amendment would determine how much of the money a State would get, not how the State would spend what it did get?

Mr. HILL. The Senator is exactly right. Whenever the Senate has acted on the subject—and the last time was on the Taft bill, sponsored by the distinguished majority leader—the Senate has left it entirely to the States as to how the money shall be spent. We provided merely that the money shall be allocated to the States on a fair and equitable basis; so fair and equitable, that the vote on the bill was 59 in favor of it, as against 19 opposed to it, I believe.

What the amendment offered by the Senator from New Jersey [Mr. HENDRICKSON] and the Senator from South Dakota [Mr. CASE] would do would be to give the money to the States on what I think would be a wholly unfair basis, and it would be wholly unfair to the States.

It would be unfair to small States. The States with many private schools would get the bulk of the money, even though none of the money would be given to the private schools. If the Senator from Oklahoma sent his son to one of those secondary schools—and we know there are many of them in some States, such as Exeter, Groton, and others—his son would be counted against the money that would be given to the State of Oklahoma.

Mr. KERR. Mr. President, will the Senator yield further?

Mr. HILL. I yield.

Mr. KERR. Then it is a fact, is it not, that the defeat of the Hendrickson-Case amendment would not change the situation one iota with respect to the States still having full authority to disburse the money on the basis they saw fit to establish, and without any control by the Federal Government?

Mr. HILL. The Senator is exactly right.

I do not wish to delay the Senate, and I do not wish to labor this question.

The Senator from Georgia [Mr. GEORGE] put his hand on the crux of the whole thing when he asked the question about Princeton University. The Senator from South Dakota [Mr. CASE] modified his amendment, but he did not change the purpose at all, because so far as secondary and elementary schools are concerned, they are still used as the basis. The children in all secondary and elementary schools, including those in private and nonpublic schools, are used as a basis in distributing the money to the States, but the money is expended only for the children in the public schools. Not one dollar can be given to the private schools. Those schools, nevertheless, are included in the basis. Many of the private schools are splendid schools, as we know, but only a few of them are located in the smaller States.

The Senator from Illinois [Mr. DOUGLAS] spoke about the question of equalization. And the Senator from Kentucky [Mr. COOPER] asked a question about it. I do not wish to labor the point, but I should like to call the attention of the Senate to a few words spoken by Mr. William G. Carr, executive secretary, National Education Association. He bases his statement on the study that had been made by a commission appointed by President Eisenhower when the latter was president of Columbia University. This is what Mr. Carr said:

> One and one-half million young men out of 18 million registered for the Armed Forces during the last war presented a serious educational problem. The same report of The Uneducated—

That is the Eisenhower Commission report—

> shows that this problem is closely related to the availability of good schools. The 12 States with the highest educational expenditure a decade earlier had a rejection rate during the war of 1.3 percent. That is rather low. The 12 States with the lowest educational expenditure a decade earlier had a rejection rate during the war of 9.1 percent. The same study declares, and I quote:
>
> "It is beyond argument that the Armed Forces were handicapped in the scale and speed of their mobilization in World War II by being forced to make a series of special adjustments to cope with the very large number of illiterate and poorly educated persons in the draft eligible ages."

In other words, the States that did not have great taxable wealth had nine times as many rejectees as the wealthier States, even though the evidence, as given before the Committee on Labor and Public Welfare, shows that the low-income States are devoting a greater part of their income and taxable wealth to education than are the high-income States.

As the Senator from Kentucky has so well said, what better evidence do we need that the Case amendment should not be agreed to than the fact that the Senator has been forced on the floor of the Senate to change his amendment? It has not been carefully considered or thought through. Any legislation providing for the distribution of these funds should be considered by the appropriate committee and should be carefully weighed and considered.

Mr. President, we know that in the early years these funds may not be large. It may not be to the national interest to spread them too thin. This afternoon I called attention to the fact that Dr. Waterman, the Chairman of the National Science Foundation, in testifying before the House Committee on Appropriations a few days ago, declared that in 1955 Russia would be turning out 50,000 engineers and we in the United States would be turning out fewer than 20,000 engineers. It may be wise from the standpoint of national defense—and, after all, Congress has no greater responsibility under the Constitution than to provide for the defense—in the early years, when the funds are small, to use them for a special purpose, such as the training of engineers, for example, who are vital to the defense of our country. We could not, in my judgment, do a more unwise thing and a more unfortunate thing than to adopt the Hendrickson-Case amendment.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. McCLELLAN. I should like to ask the distinguished Senator from Alabama—and I should like to ask the distinguished Senator from South Dakota [Mr. CASE] if he will give me his attention also—if we are seriously to consider the Hendrickson-Case amendment, making provisions for the distribution of the funds, whether the Senator from Alabama would agree with me, if we are to go into that phase of the subject in this proposed legislation, it would be wise to amend the pending amendment by inserting as subparagraph (c) at the end of the second page of the amendment, following line 25, the language which constitutes the policy provision or policy section of the Federal education bill, which the Senate has passed twice heretofore. It reads as follows:

> Nothing contained in this act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over, or to prescribe any requirements with respect to any school, or any State educational institution or agency, with respect to which any funds have been or may be made available or expended pursuant to this act, nor shall any term or condition of any agreement or any other action taken under this act, whether by agreement or otherwise, relating to any contribution made under this act to or on behalf of any school, or any State educational institution or agency, or any limitation or provision in any appropriation made pursuant to this act, seek to control in any manner, or prescribe requirements with respect to, or authorize any department, agency, officer, or employee of the United States to direct, supervise, or control in any manner, or prescribe any requirements with respect to, the administration, the personnel, the curriculum, the instruction, the methods of instruction, or the materials of instructions, nor shall any provision of this act be interpreted or construed to imply or require any change in any State constitution prerequisite to any State sharing the benefits of this act.

Mr. President, that provision was written into the Federal-aid-for-education bill. I offered that provision as an amendment to the first Federal-aid-for-education bill which came before the Senate after I became a Member of the Senate. At that time the amendment was adopted. It has been included in every subsequent Federal-aid-to-education bill which has been introduced, so far as I know, or certainly in every such bill which has been passed by the Senate during that time.

In my opinion that provision not only is incidental to but is inseparable from any provision for the distribution of such funds. I am not willing to vote for any formula for the distribution without having that provision included or without having an even stronger one included, if a stronger one can be worded properly.

Mr. HILL. Mr. President, as the Senator from Arkansas has said, that provision has been included in every Federal-aid-to-education bill.

Mr. McCLELLAN. Mr. President, I have read from the 1949 bill. Certainly that provision or an even stronger one, if one can be worked out from the point of view of States rights, is absolutely essential as a part of any measure by means of which we legislate in connection with the distribution of these funds.

Mr. HILL. That provision has been included in all such bills.

Mr. President, I yield the floor.

Mr. CASE. Mr. President, I believe that clarifies the matter. The amendment of the Senator from Alabama needs such a provision. The amendment offered by the Senator from New Jersey and myself does not need it. That is the whole point. Of course, I have no objection to having that provision included.

Mr. McCLELLAN. Mr. President, the Hill amendment does not provide for the distribution of the funds.

Mr. CASE. That is why it needs such a guaranty.

Mr. McCLELLAN. This provision is an indispensable part of any measure undertaking to make a distribution of the funds, whether it is undertaken under the Hill amendment or under the Hendrickson-Case amendment. If we are to protect the States and if we are to make certain that there will not be Federal control, such a provision must be included in the bill.

Mr. CASE. But the amendment of the Senator from New Jersey and myself provides that the funds shall be paid, and no condition is attached.

Mr. McCLELLAN. The provision I have stated seeks to make certain that no conditions can be attached.

I say to the Senator from South Dakota that if a satisfactory formula is worked out and is accompanied by these provisions, so as absolutely to protect

against any encroachment upon States rights, I would be inclined to go along with such a measure.

Mr. CASE. Personally, Mr. President, I have no objection to the inclusion of such a provision. I think it could very well be included in either amendment. Certainly such a provision needs to be included as a part of the Hill amendment.

Mr. McCLELLAN. Mr. President, will the Senator from South Dakota accept this provision as an addition to or modification of his own amendment?

Mr. CASE. Certainly. I shall be glad to have it added to the amendment.

The PRESIDING OFFICER. At this time the Senator from South Dakota cannot modify his amendment, inasmuch as the yeas and nays have been ordered, unless unanimous consent is given for that purpose.

Mr. CASE. But by means of unanimous consent, such a modification could be made, could it not?

The PRESIDING OFFICER. Yes.

Mr. FERGUSON. Mr. President, will the Senator from South Dakota explain what he is trying to accept as a modification of his amendment?

Mr. CASE. I have said that I am perfectly willing to have the so-called McClellan amendment added as a part of or a modification of the so-called Hendrickson-Case amendment.

The PRESIDING OFFICER. The Senator from South Dakota can modify his amendment at this time, if unanimous consent is given.

Mr. FERGUSON. Mr. President, will the Senator from South Dakota yield to me?

Mr. CASE. I yield.

Mr. FERGUSON. What would the McClellan amendment do?

Mr. CASE. That amendment by very firm language attempts to state that no condition shall be attached to the use of the money, when it is distributed to the States.

Mr. FERGUSON. I hope the Senator from South Dakota will accept such a modification of his amendment.

Mr. CASE. Mr. President, I ask unanimous consent that the so-called McClellan amendment may be added as a modification of the so-called Hendrickson-Case amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Dakota for that modification of the so-called Hendrickson-Case amendment, which is offered as a substitute for section 9 of the bill, as amended?

Hearing no objection, the modification will be made.

Mr. LONG. Mr. President, before the vote is taken, I wish to suggest an additional amendment.

Mr. CASE. Mr. President, I shall be glad to yield in a moment.

Let me say that the issue was never better stated than when it was stated by the distinguished Senator from Oklahoma [Mr. KERR], who referred to the so-called Hill amendment as it compares with the so-called Hendrickson-Case amendment.

Both amendments provide that the purpose of granting the funds shall be for primary, secondary, and higher education. The Senator from Oklahoma asked the Senator from Alabama whether it is true that the Hendrickson-Case amendment determines how much each State will receive, and not how each State shall spend the money. That is true, Mr. President.

Our amendment merely provides how much of the fund each State shall receive. Our amendment does not attempt to determine how the money shall be spent by the States.

The weakness and difficulty of the Hill amendment is that it attempts to reserve to Congress the right to say how the States shall spend the money. Certainly we should determine only how much help the Federal Government will give the States, and not how the States shall spend the money they receive. We should only provide the broad purposes for which the money shall be used.

Mr. KERR. Mr. President, will the Senator from South Dakota yield for a question?

Mr. CASE. I yield.

Mr. KERR. Is it not a fact that defeat of the Hendrickson-Case amendment would not in any way result in directing how the States shall spend the money, when and if they finally get any of it?

Mr. CASE. Mr. President, if the Senator from Oklahoma is merely interested in defeating the amendment because it happens to be offered by the Senator from New Jersey [Mr. HENDRICKSON] and myself, I reply that that would accomplish that purpose. The condition applying to the grant of these funds for the benefit of education has been established by a vote without regard to party alinement. I have voted for every amendment which has been offered, either to this bill or to the preceding bill, which had the purpose of making some of these revenues available in aid of education. The Senate is now on record, by reason of the votes of Senators on both sides of the aisle; and we should not speak in terms of defeating an amendment in order to accomplish a purpose.

Mr. KERR. Mr. President, will the Senator from South Dakota yield for a question?

Mr. CASE. I yield.

Mr. KERR. I wish to say to my distinguished friend from South Dakota that no Member of the Senate would be more persuasive to me by reason of being the author of an amendment. The Senator from Vermont, as I understand him, made an argument in favor of the amendment of the Senator from South Dakota and the Senator from New Jersey, on the ground that the adoption of the amendment is necessary in order to free the States of Federal control of their educational operations under the benefits accruing from the provisions of this bill.

My question was only for the purpose of making it clear that under the amendment offered by the distinguished Senator from South Dakota and his colleague from New Jersey, the main purpose is to provide a formula for determining what percentage of this money a State shall receive rather than to provide that each State shall be free from Federal control of its educational operations in connection with the expenditure of the money.

I submit to my good friend that in so doing, certainly no reflection was cast upon the amendment by reason of its authors, because so far as I am concerned, just the opposite would be the case.

Mr. CASE. I appreciate very much the statement the Senator from Oklahom has made.

Mr. KERR. But I feel that this is not the time or the place—here on the floor of the Senate—to try to work out the formula. I call the attention of the Senate to the fact that, as I understood it, the sole purpose of the amendment was to determine the percentage which an individual State would receive of the total amount, not to fix it so that it would be any more free of Federal control than it would be in the absence of the adoption of the amendment of the distinguished Senator.

Mr. CASE. Mr. President, we do have the purpose of trying to avoid the question of determining how the States shall spend the money. The amendment clearly says that the money shall be paid to the States—period. It ends there. It does not say we will set up a system of grants-in-aid, with the conditions of the grants-in-aid to be determined later; it says the money shall be paid to the States, and it winds it up there.

What the Hill amendment proposes is to reserve to the Congress the question of determining later on how the money shall be spent, and what the conditions for the grants-in-aid shall be. I submit to the Senate that that we ought not to consider on the floor of the Congress of the United States the question of determining how the States shall spend the money after they get it. I yield the floor.

Mr. COOPER. Mr. President, I assure Senators that I shall not speak for more than a few moments. I shall not have time to discuss each of the points that have been raised in the debate. I have been interested in this subject for a long time, and, when I was in the Senate for a short period, in the 80th Congress, I joined, with the distinguished Senator from Vermont [Mr. AIKEN] and the distinguished Senator from Ohio [Mr. TAFT] in the introduction of the Federal aid-to-education bill, which was passed by the Senate during the 80th Congress. Similar bills have passed the Senate.

I should like to make my position on this question clear. It has been suggested that those who have said they were interested in providing educational aid to the State would deny that interest if they oppose the amendment proposed by the distinguished Senators from South Dakota and New Jersey. To me there is a distinct difference in principle between the amendment proposed by my good friend from South Dakota [Mr. CASE] and the amendment of the distinguished Senator from Alabama [Mr. HILL]. The amendment of the Senator from Alabama [Mr. HILL] dedicates the proceeds of the royalty from the Continental Shelf to education, but does not

prescribe the method of allocation to the States. It holds the possibility of an allocation by the Congress to the States upon the basis of their need. The Case amendment does not consider the relative needs of the States but allocates to all on the same formula, needy or not. There is controversy about all these Federal-aid proposals. Some arise from the 1st amendment of the Constitution, made applicable to the States by the 14th amendment. There is also a fear of control by the Federal Government—a fear which most of us share.

It has always seemed to me that the best reason for appropriation of money by the Federal Government to the States in aid of education was to equalize educational opportunities among the States. The fact is that many States—and not through any fault of theirs but because of the lack of taxable wealth—have not been able to provide the funds necessary for adequate teaching, teachers' salaries, and for minimum educational standards for the children living within their boundaries. It has been said—and it is true—that if the Hendrickson-Case amendment is adopted, and if any money should be derived from the oil and other resources in the Continental Shelf, that at least some funds would be provided these needier States. But if this is done, we shall have adopted its formula and a principle which will not be later changed. It will preclude the application of the principle which has been the basis of the whole idea of Federal aid to education—the principle of variable allocations to the States, based on need.

There are many who do not agree with the principle. I am one of those who believe that it is the only method of providing a measure of educational equality throughout the country, a way of raising educational minimum standards in States of less taxable wealth. The principle of equalization between sections within a State has been adopted, as the Senator from South Dakota has said, by most of the States. The same principle of equalization between the States is the basis of the idea of Federal aid to education.

I would like to say, before I close, that while I voted against the Holland bill when it was considered heretofore, and while I voted for all amendments which would give aid to education within the States, I never believed that any great sums of money would become immediately available. I must say I was surprised, at times, by the exaggerated claims which were made as to the sums which would become available. But certainly some amounts will be available; I must say that, if we adopt the principle of the Hendrickson-Case amendment, worthy as it may be, so far as it provides some funds for education, it would deny and defeat the idea for which my good friend from Vermont [Mr. AIKEN] fought, which the Senator from Ohio [Mr. TAFT] fought, and for which many of us in the 80th Congress fought. That was to provide a formula which would in reality move toward equality of educational opportunity between the States, rather than merely a windfall to the States.

The PRESIDING OFFICER. The question is on agreeing to the modified amendment offered by the Senator from New Jersey [Mr. HENDRICKSON], for himself and the Senator from South Dakota [Mr. CASE], as a substitute for section 9, as amended.

Mr. CASE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, after consultation with the Senator from South Dakota [Mr. CASE], who suggested the absence of a quorum, and with his approval, I ask unanimous consent that the order for a quorum call be rescinded, and that further proceedings under the call be dispensed with.

The PRESIDING OFFICER (Mr. BENNETT in the chair). Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. Am I correct in my understanding that the yeas and nays have been ordered on the pending amendment, which is the Hendrickson-Case amendment, as modified?

The PRESIDING OFFICER. The yeas and nays have been ordered.

The question is on agreeing to the modified amendment offered by the Senator from New Jersey [Mr. HENDRICKSON] for himself, and the Senator from South Dakota [Mr. CASE], as a substitute for section 9, as amended. The yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. BARRETT. Mr. President, I have a pair with the senior Senator from New Jersey [Mr. HENDRICKSON]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I therefore withhold my vote.

Mr. LONG (after having voted in the negative.) I have a pair with the junior Senator from Minnesota [Mr. HUMPHREY]. If he were present and voting, he would vote "nay." Inasmuch as I have voted "nay," I permit my vote to stand.

Mr. SALTONSTALL. I announce that the Senator from Michigan [Mr. POTTER] is absent on official committee business.

The Senator from New Hampshire [Mr. BRIDGES], the Senator from New Jersey [Mr. HENDRICKSON], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from Ohio [Mr. TAFT], and the Senator from Oregon [Mr. MORSE] are necessarily absent.

If present and voting, the Senator from Wisconsin [Mr. MCCARTHY] would vote "yea," and the Senator from Oregon [Mr. MORSE] would vote "nay."

The Senator from New Hampshire [Mr. TOBEY] is absent by leave of the Senate. If present and voting, the Senator from New Hampshire [Mr. TOBEY] would vote "yea."

The Senator from New York [Mr. IVES] is absent by leave of the Senate, having been appointed a delegate to attend the International Labor Organization Conference at Geneva, Switzerland.

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Iowa [Mr. GILLETTE], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Oklahoma [Mr. KERR], and the Senator from Nevada [Mr. MCCARRAN] are absent on official business.

The Senator from Arkansas [Mr. FULBRIGHT] is absent by leave of the Senate.

The Senator from North Carolina [Mr. SMITH] is necessarily absent.

I announce further that, if present and voting, the Senator from Arkansas [Mr. FULBRIGHT], and the Senator from Oklahoma [Mr. KERR] would vote "nay."

The result was announced—yeas 37, nays 42, as follows:

YEAS—37

Aiken	Dworshak	Mundt
Beall	Ferguson	Payne
Bennett	Flanders	Schoeppel
Bricker	Goldwater	Smith, Maine
Bush	Griswold	Smith, N. J.
Butler, Md.	Hickenlooper	Thye
Butler, Nebr.	Jenner	Watkins
Capehart	Knowland	Welker
Carlson	Kuchel	Wiley
Case	Langer	Williams
Cordon	Malone	Young
Dirksen	Martin	
Duff	Millikin	

NAYS—42

Anderson	Hoey	Maybank
Chavez	Holland	McClellan
Clements	Hunt	Monroney
Cooper	Jackson	Murray
Daniel	Johnson, Colo.	Neely
Douglas	Johnson, Tex.	Pastore
Ellender	Johnston, S. C.	Purtell
Frear	Kefauver	Robertson
George	Kennedy	Russell
Gore	Kilgore	Saltonstall
Green	Lehman	Smathers
Hayden	Long	Sparkman
Hennings	Magnuson	Stennis
Hill	Mansfield	Symington

NOT VOTING—17

Barrett	Hendrickson	Morse
Bridges	Humphrey	Potter
Byrd	Ives	Smith, N. C.
Eastland	Kerr	Taft
Fulbright	McCarran	Tobey
Gillette	McCarthy	

So the modified amendment offered by Mr. HENDRICKSON, for himself and Mr. CASE, as a substitute for section 9, as amended, was rejected.

"SMEAR IMPEACHMENT" TELEGRAMS

Mr. WILEY. Mr. President, I have been waiting all afternoon to get a statement into the RECORD of a personal nature. I shall not trespass upon the time of the Senate very long, but I have a very distinct feeling that I must make this statement.

Mr. President, I am speaking today on the issue of a dastardly smear attack made against me.

It was made by an unidentified individual who sent a series of smear telegrams on Saturday, June 13, 1953, the day of the Wisconsin State Republican convention in Madison.

The telegrams were sent, as from a stealthy thief in the night, at 3:39 a. m., from Milwaukee, Wis., to 40 Republican county chairmen.

The substance of those telegrams was revealed by the first sentence: "Prepare resolution to impeach WILEY now for violating oath to defend and protect Constitution."

The telegrams went on to condemn me for opposing the Bricker amendment and for serving as a cosponsor of Senate bill 1917, the President's immigration bill.

CENSURE RESOLUTION RESULTED

The effect of the telegrams was to inflame sentiment at the Republican convention, and to contribute further to an attitude of hysteria, emotionalism, and hatred.

This attitude resulted, late that afternoon, in the success of a tiny, articulate minority at the convention in securing the adoption of a resolution of censure against me.

The telegrams were signed "Committee for Constitutional Government."

This committee—from its national office—has for weeks and months been flooding the Nation, and particularly attorneys in Wisconsin, with a series of underhanded and misleading statements regarding the Bricker amendment, and smearing the opposition to the amendment.

TELEGRAMS REPUDIATED

The 40 telegrams were, however, too much even for the Committee for Constitutional Government in New York to stomach. Even before it could receive a protest from me, Edward Rumely, executive secretary, wrote, repudiating the telegrams and saying they had not been authorized by his committee or, to their knowledge, by anyone connected with it.

The repudiation is not satisfactory, however, for a great many reasons, which I have spelled out in a subsequent letter to him.

One of the reasons is that the committee has subsequently unleashed another propaganda barrage in which it takes credit, in effect, for the stab in the back, made at the Wisconsin Republican convention.

I have pointed out that the committee itself adopts the self-contradictory policy of (a) piously repudiating the telegrams, and

(b) then impiously crowing about the very effects which the telegrams were designed to produce, namely, the stab in the back.

The committee will have to make up its mind what its attitude will be. It cannot show two contradictory faces to the world—or can it?

WHO IS BENJAMIN COLEMAN?

Let me point out, Mr. President, that Western Union records reveal that the sender of the wires identified himself as a "Benjamin Coleman," of Minneapolis, Minn.

No such individual has been located. Apparently Mr. Coleman exists only in the inflamed imagination of some member of what has been aptly described by some as the "lunatic fringe."

Is it coincidence, however, that he chose to identify the wire under the name "Committee for Constitutional Government"? Did he select the name out of a clear sky?

Any reasonable man would doubt that because, actually, the wire apparently fits into a pattern of attack which the national Committee for Constitutional Government has followed on the Bricker issue.

The story of exposure of this diabolical deed—these smear wires—has only therefore begun.

If any individual of any organization can get away with this sort of blow "below the belt," American politics will be dragged further into the gutter and people will be sending anonymous wires under fictitious names on all sorts of other issues in the foulest of manners.

FBI ASKED TO INVESTIGATE

I have asked the FBI to investigate the wires. They were not sent in interstate commerce. On various counts, the matter of applicability of Federal laws is questionable. Nevertheless, the fullest investigation must and will be made of this issue.

COME OUT OF THE WOODWORK

I call now upon "Benjamin Coleman." Come out of the woodwork, "Benjamin Coleman," wherever and whatever you are.

Come out and identify yourself. Show your face to the world. Show if you have any guts at all, to fight in the open.

COMMITTEE MEMBERS SHOCKED

I have been in contact with certain prominent members who have identified themselves with the Committee for Constitutional Government on this and other issues. These individuals say they are shocked at the wire. One such individual wrote:

> I am checking to determine who may have been responsible for the wire, and if it is found that the Committee for Constitutional Government was responsible, I certainly intend to resign and withhold any future support.

The Committee for Constitutional Government is currently soliciting vast sums of money to carry on its propaganda campaign for the Bricker amendment.

It has a right to collect such money.

If any individual is sucker enough to contribute funds to advance such a dangerous proposal, he is welcome to do so.

I suggest, however, that the Committee for Constitutional Government is doing itself and its country a serious disservice by this campaign.

One of the previous occasions on which the committee engaged in a very big propaganda effort was when it opposed the Court-packing plan of the 1930's. I presume it did so, as I opposed that plan, because it rightly did not want to see the judicial branch of our Government destroyed.

Now, however, it is collecting money so as to help destroy the executive branch of our Government in its most crucial role in the atomic age—the spearheading of American foreign policy against worldwide communism.

"SUBCOMMITTEE FOR UNCONSTITUTIONAL MISGOVERNMENT"

The Committee for Constitutional Government might, therefore, if it wants to carry on this campaign, set up an autonomous "Subcommittee for Unconstitutional Misgovernment."

This subcommittee could appoint as its honorary chairman, Georgi Malenkov. Why? Because no one will be helped more by the destruction of our President's foreign policy than Mr. Malenkov and his Kremlin cronies.

"HELLO, SUCKER!"

I suggest that this subcommittee place on its stationery the appropriate motto used by Texas Guinan in the 1920's: "Hello, Sucker!"

Why "sucker"? Because of these facts. Businessmen or others who contribute their funds for the passage of a constitutional amendment which could wreck American foreign policy are helping unwittingly to destroy the most precious system of checks and balances devised in the history of man.

One has to be a pretty big sucker to throw away his own birthright.

Such contributors think that they are advancing a "conservative" proposal.

It is a fact that the amendment is supported by a great many fine conservatives, among whom I number some very dear friends. It is supported by fine, but misguided, patriots.

But the amendment is actually the most radical proposal for amendment to the Constitution which has been seriously considered in 165 years. It is radical because it could utterly shatter the system of separation of powers between the three separate and coequal branches of Government.

NOT ANTI-SOCIALIST, ACTUALLY PRO-COMMUNIST

Contributors think that they are anti-Socialist in making their contributions.

Actually, the results are not only not anti-Socialist, but actually pro-Communist. I do not want to be misunderstood. I am speaking now of results and not of the reasons advanced, nor of membership, nor of sympathies or fundamental patriotism. I am speaking only in terms of effects.

What could be more procommunistic than to incapacitate the President of the United States and the Secretary of State and the Secretary of Defense in such matters, for example, as negotiating secret agreements for American bomber bases throughout the world, bases which constitute one of the greatest single deterrents against Soviet aggression?

Contributors think that they are defending the Constitution. Actually, they are helping to destroy the Constitution.

Contributors think that they are being good Republicans, whereas actually they are passing a vote of no confidence in a Republican President and his Republican Cabinet. They are showing their distrust of a great leader who was just elected last November by one of the greatest mandates in American history.

This, then, would be and is the role of the Subcommittee for Unconstitutional Misgovernment or of its parent organization.

I HAVE AGREED WITH COMMITTEE ON SOME ISSUES

I want to make it perfectly clear that, in all fairness and frankness, I am commenting upon the Committee for Constitutional Government in relation to this one issue alone. I am not discussing its other policies or positions. I am not re-

flecting on its personalities or its associates.

Whether I agree or disagree with them on other positions is irrelevant at this point.

The fact of the matter is, however, that I do agree with the committee on many issues. But my agreement with it in the past or even with some of its present policies does not mean that it is going to have any immunity from being condemned for the actions which it has taken on this issue.

In the past, I have, for example, opposed, as it has opposed reckless Government expenditures. I have favored strengthening the Taft-Hartley law. I have favored combatting the subversive menace in our country to the fullest extent of the law. And I have taken a stand on other isues, as have my colleagues, paralleling the stand which this committee has taken.

But that is wholly aside from Senate Joint Resolution 1.

I should like to reiterate further, as a matter of record, that the committee was apparently so disturbed by the backfiring of these wires that it acted subsequently very promptly and very politely, if not completely.

Mr. President, my mail runs 9 or 10 to 1 condemning that action.

As I have indicated, it sent me a letter of repudiation of the wires even before I had communicated with it. As soon as it received my demand that it send the repudiation throughout the Nation, it did so.

It has now sent the repudiation to all the newspapers of Wisconsin and to all the county chairmen.

But what does the previous record show?

It shows that long ago, the Committee for Constitutional Government had singled me out for attack by a long series of releases which it flooded into the State of Wisconsin. It did so deliberately, and no doubt, knowing full well exactly the sort of inflamed reaction which it wanted to produce.

One release which it sent out stated: "Senator WILEY is on the spot." And it wanted to keep him on the spot. Now, it is on the spot. It said he was an "internationalist." It said that Senator WILEY, because of his position, could play a decisive role in determining whether or not the amendment would pass or fall in the Senate.

CENSURE RESOLUTION UNREPRESENTATIVE

The effect of these weeks of inflamation was foreseeable. It raised the emotions of a small, articulate minority in Wisconsin to fever pitch. The result was the dastardly action at the Republican convention.

In no way of course, does that action represent the voice of either the Republican Party or the people of Wisconsin. A great many members of the convention had already gone home. Nevertheless, the resolution was brought up. Many voted against the resolution. But the plain fact of the matter is that the resolution passed. Damage was done.

Numerous individuals in Wisconsin who supported openly or tacitly the resolution now find themselves trying to get back from the long, long limb on which they placed themselves and our party. It is as if they have now woken up from a binge. They are now suffering the hangover, trying to figure out just what conceivable justification they can give for a Republican convention censuring a Republican Senator for supporting the Republican President and the Republican administration—one of the most idiotic Republican resolutions conceivable!

THE LYNCHING TOOK PLACE

But, I repeat, damage has been done. The situation might be compared to a lynching. For weeks, known provocateurs aroused the feelings of the population. Then, when the emotions of a small fanatic handful were at their peak, an unknown provocateur—"Benjamin Coleman"—crawled on to the scene. And by an inflammatory action—the wires—he sent the mob on its way. The lynching took place. The censure resolution was passed. Then the known provocateurs who for weeks had been inciting to riot, try to backtrack and wash their hands of the deed. They shed crocodile tears, as if the lynching were not their fault, but the fault of the unknown provocateur—Benjamin Coleman.

Well, the fact of the matter is that the smear telegrams merely capped the climax of the long process of inflammation. The people of Wisconsin know it, and the Committee for Constitutional Government knows it. It knows its own guilt for a diabolic action which has caused such grave embarrassment to the entire Republican Party of Wisconsin and the Nation.

What a laughing stock these few primitive-minded Republicans who engineered the resolution have made of themselves.

But as for the lynch "victim," I am still very much alive. And I am fighting back. The tide has turned against the Stone Age minds.

As for the Committee for Constitutional Government, to me, it is one of the great ironies that an organization with its particular name should be contributing to the wretched results I have mentioned.

COMMITTEE IGNORANT OF CONSTITUTION

It is ironic that an organization which has distributed vast numbers of copies of the Constitution and of interpretations of the Constitution should now show such abysmal ignorance of the most basic principles of the Constitution.

Incidentally, I personally was glad to give my support to distribution of the copies of the Constitution distributed by this organization.

Apparently, the persons who should have been reading the copies of the Constitution most are the persons associated with the Committee for Constitutional Government.

I think it is a great irony, that many individuals in America who have shown themselves to be so anti-British have now acted to have the people of the United States adopt the basic feature of the British Constitution, namely, the centralization of all power in one branch of the Government.

It is well known that under the old English system the King was the great executive. He had supreme power. But he has lost it. The House of Lords once had power, but they have lost it. Now all the power is centered in one House. If the Bricker amendment is adopted, the same thing will happen in this country. We have a government of checks and balances. It is up to us to maintain it.

STAMPEDING FOR A CURE-ALL

It is one of the great ironies, too, that the people throughout our land who always fought against the efforts of the New Deal, which tried to stampede the Congress into passing "must" and "rush" legislation for cure-alls, have now been hysterically trying to whoop up a stampede on behalf of the Bricker amendment.

In any event, by these remarks today, I am showing that I no longer intend to sit by and tolerate the abuse which the Committee for Constitutional Government has directed against me for weeks and months.

I am not a man to single out organizations, because I believe in debating issues; and I am certainly not one to single out personalities. But I personally was singled out. The committee asked for a fight; and it is getting it.

It recklessly started a series of actions. Now it finds itself caught in a buzzsaw. It might have expected that when it got into a fight with an exlumberjack.

INSERTIONS IN RECORD

I send to the desk now several items which I should like to have printed at this point in the RECORD. I am not including all of the items which might go in, because I do not want to consume excessive space. The items are self-explanatory, and are as follows:

First. Excerpts from letters from lawyers protesting against the committee's propaganda barrage.

Second. The original smear telegram.

Third. My letter of June 19 to the committee.

Fourth. Its press release of repudiation, which includes its repudiation letter of June 15.

Fifth. A supplementary memo by myself on the immigration bill to which Benjamin Coleman objected.

I ask unanimous consent that all these items be printed at this point in the RECORD.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM ATTORNEYS' LETTERS TO SENATOR WILEY

From Ashland: "In today's mail I received a jam-packed envelope full of scurrilous propaganda from the Committee for Constitutional Government, Inc., which apparently has been circularizing the attorneys of the United States. Among the numerous instruments contained in this letter was a mimeographed memorandum directed to the citizens of Wisconsin urging that we, as attorneys, write you as Chairman of the Senate Judiciary Committee to support the Bricker Amendment.

"As a young attorney and one interested in progressive government, I cannot too strongly urge that you vigorously oppose the Bricker amendment."

From Amery: "I received a letter this morning from the Committee for Constitutional Government urging me to write to you

in favor of the so-called Bricker American Bar Association Amendment to the Constitution, and also for the proposed amendment to the Constitution that would limit the power of Congress to impose income taxes to 25 percent.

"Although I doubt very much if the majority of lawyers are in favor of either of these amendments, I assume that this well-financed lobbying organization is circulating the whole American Bar Association, and all non-member lawyers besides, and will be able to promote a considerable volume of mail favoring said amendments.

"I understand that you are opposing both of said amendments, and this letter is merely to inform you that I, as one of your constituents, am very much in favor of your position thereon."

From Hamilton, Ohio: "This morning I was bombarded by the Committee for Constitutional Government, Inc., with propaganda favoring the Bricker amendment (S. J. Res. 1). This material suggests that we write to Senators who have not committed themselves on this bill and tell that 'that you, your family, and those whom you have aroused to the overriding importance of this issue will never forget how they voted on this question.'

"I am writing you as the most influential uncommitted Senator because of your position on the Foreign Relations Committee to urge you to vote against this resolution. In my opinion, the proposed legislation is not directed toward preserving the Constitution of the United States which already protects our citizens but is directed against the United Nations."

THE SMEAR TELEGRAM

MILWAUKEE, WIS., *June 13, 1953.*

CHAIRMAN, JEFFERSON COUNTY REPUBLICAN PARTY,
Madison, Wis.:

Prepare resolution to impeach WILEY now for violating oath to defend and protect Constitution. He does not intend reelection and alined himself with enemies of America. He opposes Bricker amendment, seeing harm in amendment but no harm in Constitution being set aside. He sponsors legislation to admit 240,000 additional aliens which is subterfuge to make legal that many aliens now in New York refused admittance under present laws and to admit Reds putting on act of fleeing Iron Curtain only to gain admittance and become leftist voters.

COMMITTEE FOR CONSTITUTIONAL GOVERNMENT.

JUNE 19, 1953.

MR. EDWARD A. RUMELY,
Executive Secretary, Committee for Constitutional Government,
New York, N. Y.

DEAR MR. RUMELY: Your letter of June 15 is at hand.

It is by no means satisfactory.

I advise you that the investigation of the scurrilous telegrams sent through the Milwaukee Western Union office has only begun.

Those wires were sent—characteristically, as from a stealthy thief in the night—at 3:39 a. m. on the morning of Saturday, June 13, in one of the most treacherous, underhanded assaults against a Senator which I have seen in 14 years in this body.

I want to know specifically and in detail—

1. Whether the Committee for Constitutional Government or any of its affiliates have any information on a Benjamin Coleman of Minneapolis, Minn., who was listed as the sender of the telegram.

2. Whether you are taking steps to ask your Milwaukee Associates specifically whether one of them is actually Benjamin Coleman.

3. Precisely, what is the procedure whereby an individual in Milwaukee, Minneapolis, or anywhere else outside your New York office is authorized to use the name of the Committee for Constitutional Government, if at all, in sending a message.

4. What steps the Milwaukee Associates of the Committee for Constitutional Government have taken, if any, publicly to repudiate the smear telegram, in addition to repudiating it in messages to all their members.

5. What detailed contact is being made, if any, with the Republican county chairmen who received the telegram to convey to their attention the repudiation which you made in your letter of June 15?

6. What comprehensive—I emphasize—comprehensive steps the Committee for Constitutional Government is taking nationally to repudiate the telegram and to inform the people of the 48 States, to whom you have flooded out pro-Bricker amendment propaganda, your repudiation of that smear telegram?

Obviously, simply sending a letter of repudiation of the wire to me hardly mitigates the effects of that wire. Moreover, "burying the repudiation" in one line in a lengthy release, as you have recently done, hardly satisfies the cause of honor and equity. You might just as well have buried it by printing the repudiation in microscopic type, and you know it.

Now, in effect, in your latest release you are actually informing the Nation that you are proud of the role which the Committee for Constitutional Government played in the stab in the back which took place at the Wisconsin State Republican convention.

You take major credit, apparently, for that stab in the back, even though the angry reaction against that stiletto attack is now pouring forth in a tidalwave from Wisconsin.

What you do not seem to realize, or don't care about at all, is that you are taking credit for a slap in the face at the President of the United States, his Secretary of State, his Attorney General, and his Secretary of Defense, among others.

How can you possibly square (a) your letter of June 15 to me in which you try to disassociate yourself from the smear telegram, and (b) your subsequent news releases in which you take credit for precisely the sort of results which the sender of those smear telegrams urged?

Either your organization believes in stabs in the back or it does not. Who are you trying to fool—the public or me or everybody, including yourselves?

What do you intend to tell the recipients of your releases across the Nation? Do you intend to turn one face toward me and another face toward the Nation and tell us two contradictory tales?

You have a perfect right to present any point of view whatsoever to the readers of those releases, of course. I have agreed in the past with many of your releases. But you have an obligation to present the facts, now and always, and to present them with some consistency.

Moreover, your organization will have to square in its own mind why it singles out for attack a man who has fought for the Constitution all his life, simply because he is now trying to protect the Constitution, as he interprets it. It will have to square in its own mind the fact that it, presumably anti-New Deal in its approach, is attacking a man who has fought against the New Deal since he came to the Senate, and why? Because he now refuses to be stampeded in the same manner the New Dealers used to try to stampede the Nation into passing some socialistic cure-alls which would actually prove infinitely worse than the so-called condition it is trying to cure.

It will have to square in its own mind the fact that it is not simply attacking the senior Senator from Wisconsin; it is attacking some of the other most conservative Members of the Senate, including men from the Southland who have told me personally that they regard the Bricker amendment in its original and/or revised form as utterly repugnant to the tradition of separation of powers under the United States Constitution.

Now, with regard to the smear telegram itself, I have already taken steps in connection with the Federal Bureau of Investigation and I am taking additional steps, as may be necessary, in relation to other law-enforcement bodies of our Government involved.

If you expect to get away with implying that someone snatched the name of the Committee for Constitutional Government out of the clear sky and arbitrarily tacked it on to the telegram, your suggestion is as implausible as the reasoning of your pro-Bricker amendment releases.

Lastly, if your releases were intended to scare me off from my fight to protect my country and its Constitution, be assured that you have now achieved an exactly opposite effect.

What do you think Americans are made of? Do you think that they run from a fight when they have been smeared even though they know in their hearts that they are fighting for this Republic against losing it to world communism?

Do you think that I am going to quit in my efforts to make sure that the President of the United States is not handcuffed in his constitutional effort to help preserve his Republic from the greatest international danger in its history?

Guess again.

Sincerely yours,

ALEXANDER WILEY.

[Issued by the Committee for Constitutional Government, Inc., New York, N. Y.]

It was a matter of deep regret to this committee that, wholly without its knowledge or authorization, directly or indirectly, the name of this committee was attached to a telegram sent from Milwaukee on June 13 to the Republican county chairmen of Wisconsin, attacking Senator WILEY.

Despite our efforts, we have been unable to locate the identity of the sender and/or who paid for the telegrams.

We immediately wrote Senator WILEY, sending copies to leaders of the Republican State organization in Wisconsin, as follows:

"The AP dispatch yesterday in the New York Times made reference to an antagonistic telegram sent from Milwaukee to Republican county chairman of Wisconsin, bearing the name of the Committee for Constitutional Government.

"The first knowledge of this that we had was in the press dispatch. We did not know of it and have not yet been able to ascertain who filed it and we did not authorize in any way, directly or indirectly, the use of the name of the Committee for Constitutional Government.

"While arguing the merits of the Bricker resolution, we, of course, would never countenance such a telegram. It has been suggested to us that possibly leftist forces filed the telegram in order to muddy the waters.

"In any event, we are making best efforts to ascertain the facts. In the meantime you should know that the committee had nothing whatever to do with the filing of this telegram.

"Of course, members of our committee know of your interest and support of many issues upholding constitutional government, including the mass distribution of Judge Thomas J. Norton's book, The Constitution of the United States: Its Sources and Its Application."

The foregoing is released for immediate publication.

This committee fights hard to uphold its viewpoint but never has and never will stoop to striking a low and unfair blow like that of the telegram with the forged use of our committee's name.

MEMO ON IMMIGRATION BILL

What about the immigration bill which "Benjamin Coleman" did not like?

It just so happens that this humanitarian bill, S. 1917, was recommended by the President of the United States.

Should not Benjamin Coleman, therefore, following his idiotic train of thought, have demanded impeachment of the President?

It just so happens that this bill was introduced at the request of the President by Senator WATKINS, chairman of the Immigration Subcommittee. Yet this very same Senator WATKINS, who is, incidentally, a conscientious man of deep religious faith, is the very sponsor by request of Senate Joint Resolution 43, which has now become, in effect, the revised Bricker amendment, Senate Joint Resolution 1.

In other words, Benjamin Coleman has demanded that I be impeached because I oppose Senator BRICKER's bill (which is really now the Watkins bill, or the American Bar Association bill). But in the next breath Benjamin Coleman lays his absurd basis for impeachment of Senator WATKINS himself because he introduced, at the President's request, the immigration bill.

This proves the utter ridiculousness to which the Benjamin Colemans of this country have gone.

In the next place, the bill is cosponsored by numerous other Senators who are at the same time cosponsors of the Bricker amendment. No doubt they, too, should be impeached, according to the inane judgment of Benjamin Coleman.

The cosponsors include some of the greatest names in the United States Senate, including our majority leader, ROBERT A. TAFT. There is no abler, finer, more devoted servant of this Republic than the senior Senator from Ohio. Is he now to be impeached?

Shall Senator EVERETT DIRKSEN be impeached?

Shall Senator WALLACE BENNETT, the past president of the National Association of Manufacturers, be impeached? Senator HOMER FERGUSON, Senator FRANK CARLSON, and all of the other cosponsors of S. 1917?

I think that I have made my point clear. We have seen the ultimate degree to which distorted thinking, poisoned emotions, reckless talk can go.

But what about S. 1917 itself?

This bill is far from perfect. No one claims that it is perfect. It is in the process of being redrafted.

I think that most of us who joined as cosponsors on it really endorsed simply its fundamental principles and objectives. We did not commit ourselves to all the details.

We hope the fundamental principles and objectives can be accomplished and in this particular session of the Congress. We hope the details of the bill can be worked out to the fullest satisfaction of all the men who have specialized in the immigration field.

I refer in particular to the senior Senator from Nevada [Mr. MCCARRAN]. No legislator in the Senate or House has worked harder, longer and more earnestly on behalf of immigration legislation which he feels is appropriate for the best interests of our country. I am hoping that the doubts which PAT MCCARRAN has on S. 1917 can be successfully and speedily resolved.

Remember, the bill is recommended by the three great religious faiths of our country. It is supported by many of our finest organizations.

I am personally particularly interested in it as a crucial element in American foreign policy. We all know that there are many lands across the seas which have deep grievances against our immigration laws.

But I too want to make sure that this or any other bill protects the best interests of our own country, first, last, and always, and I believe it does and will.

Several prominent organizations oppose the bill. They include many fine patriotic groups. I hope their doubts can be resolved soon.

But I am sure that these groups, these responsible sources would be the first to condemn the poisoned thinking of the treacherous Benjamin Colemans of the Nation. Behind that thinking is a venom-filled wellspring, I believe of anticatholicism, anti-Semitism, and of other wretched concepts totally alien to the American way of life.

The Benjamin Colemans of this country deserve no respect on our part. Fairminded criticism does deserve respect in the American way.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. KNOWLAND, and by unanimous consent, the Subcommittee on Immigration of the Committee on the Judiciary was authorized to meet tomorrow during the session of the Senate.

JURISDICTION OVER SUBMERGED LANDS OF THE OUTER CONTINENTAL SHELF

The Senate resumed the consideration of the bill (S. 1901) to provide for the jurisdiction of the United States over the submerged lands of the outer Continental Shelf, and to authorize the Secretary of the Interior to lease such lands for certain purposes.

Mr. ANDERSON. Mr. President, I desire to call up my amendments designated "6–23–53–A."

The VICE PRESIDENT. The amendments offered by the Senator from New Mexico will be stated.

The LEGISLATIVE CLERK. On page 3, line 25, in the committee amendment it is proposed to strike out the word "hereinafter" and substitute in lieu thereof the word "hereafter."

Mr. ANDERSON. Mr. President, I think it would save time if we were to take up these amendments individually. I think the Senator from Oregon [Mr. CORDON], in charge of the bill, will agree to most of them. This is one of them. It is only to correct a typographical error.

The VICE PRESIDENT. Without objection, the amendment is agreed to.

The next amendment of the Senator from New Mexico will be stated.

The LEGISLATIVE CLERK. On page 4, line 9, it is proposed to strike out the words "the lines defining each such area" and substitute in lieu thereof the words "such projected lines extending seaward and defining each such area."

Mr. ANDERSON. Mr. President, with respect to this amendment, I have had an opportunity to discuss it with the Senator from Oregon, and I hope this language is satisfactory to him.

I will say to the distinguished senior Senator from Oregon that this amendment deals with the committee amendment on page 4, line 9, and covers a very important point. We all recognize that it is very difficult to deal with the area referred to. While I believe the language in the bill reported by the Senator from Oregon is probably sufficient, many of us would feel safer if the language proposed in my amendment were adopted. If he has no objection to the language, I would appreciate his accepting the amendment.

Mr. CORDON. Mr. President, as the Senator from New Mexico has stated, the amendment on page 4, line 9, is merely different language, used to describe the lines to be projected in order to divide the area in which the particular laws of a particular State is to be adopted. Perhaps it is clearer language than the language used in the bill. Certainly I have no objection to the clarifying language.

Mr. LONG. Mr. President, will the Senator from New Mexico explain what his amendment would accomplish?

Mr. ANDERSON. The original provision permitted the Secretary of the Interior, and a later change authorized the President of the United States to project the lines into the new area, that is, the lines beyond the historic boundaries of the States. The language read:

> The President shall determine and publish in the Federal Register the lines defining each such area,

That language might have been construed to mean the historic boundaries of the States, which was obviously not the intention. We have tried to deal with the extension of the lines projected out into the Continental Shelf. The language is solely designed to make sure it is understood that these are lines projected out into the Continental Shelf, and do not interfere with the historic boundaries of the States.

Mr. LONG. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. LONG. The junior Senator from Louisiana is somewhat concerned about the way in which the boundaries would be projected at the point where the seaward line reaches a State's historic boundary. It has always seemed to the junior Senator from Louisiana that we should not attempt in this legislation to limit the power of the President, if he must have the power, to project the lines insofar as the direction of the lines are concerned.

For example, with respect to the State of Mississippi, if its law were made applicable, the State of Mississippi would find itself wedged in between Louisiana and Alabama, if the lines were projected at the angle at which they run at the point at which they reach the historic boundaries.

It might be more important that each State's line should be extended in a parallel fashion, or in a fashion which would give each State an amount of area on the Continental Shelf corresponding to the amount of coast line the State has, rather than to direct the lines at an angle.

Another situation occurs with regard to the States of Louisiana and Texas. The line at which the boundary runs where it reaches the coast is determined by a jetty which was built at the mouth of the Sabine River. Because the jetty happens to run in one direction for a certain number of yards does not mean that the State boundary should extend in that direction, if we are to extend the line for jurisdictional purposes.

Is the Senator from New Mexico attempting to limit the discretion of the President in trying to determine where the lines should be?

Mr. ANDERSON. No. I am sure the Senator from Oregon will agree with me that all we have tried to do is to make sure that some agency will be able to reach out into that area and draw a line. We are perfectly satisfied that the President of the United States should do it. Undoubtedly he will do it on the recommendation of the Secretary of the Interior or some other responsible official. We are willing to leave it to his discretion. We are willing to leave to his discretion the manner in which the lines shall be projected seaward beyond the historic boundaries of the States.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. STENNIS. The Senator from Louisiana has stated the physical situation with reference to the lines between Louisiana and Mississippi. A similar problem exists on the east side of the State of Mississippi with reference to Alabama, where a continuation of those lines, Louisiana going eastward, and Alabama going westward, would preclude Mississippi altogether.

As I understand, the Senator from New Mexico does not, in the first place, try to alter the historic boundaries in any way by this amendment.

Mr. ANDERSON. That is correct.

Mr. STENNIS. In the second place, this is merely discretionary power, to be used by the President of the United States, based on equitable lines and equitable considerations, rather than mere technical points. Is that correct?

Mr. ANDERSON. The real point is, I would say to the Senator from Mississippi, that the language in section 4 provides that Federal laws and regulations shall be applicable in the area, but that where there is a void, the State law may be applicable in the area that is on the Continental Shelf. Obviously someone must decide where the jurisdiction shall lie. Therefore, we feel the Secretary of the Interior would probably make the recommendations, but the President of the United States should have the authority to draw the line and promulgate it.

Mr. STENNIS. Mr. President, will the Senator yield further?

Mr. ANDERSON. I yield.

Mr. STENNIS. The Senator's amendment applies only to the bottom of the sea, so to speak, or whatever may be under the water, but has nothing to do with the fishing rights or regulations of the States, now or hereafter. Is that correct?

Mr. ANDERSON. That is my understanding. Does the Senator from Oregon [Mr. CORDON] agree? I am sure that is true. It is not an attempt to decide the fishing rights or anything of that nature.

Mr. President, I stated that the adoption of the amendment would relate only to the seabed, and would not in any way affect fishing rights. Does the Senator from Oregon agree?

Mr. CORDON. The Senator from New Mexico is entirely correct. The lines would represent a necessary administrative action in order to adopt for the seabed and subsoil of the outer shelf the laws of the adjacent State. These laws, by the terms of the act, are enacted as Federal law. None of the law so adopted or enacted in this measure applies to the waters above the seabead, nor in any way to the fishing rights.

Mr. STENNIS. Mr. President, will the Senator from New Mexico yield, so that I may address a question to the Senator from Oregon?

Mr. ANDERSON. I am glad to yield.

Mr. STENNIS. As the Senator from Mississippi understands—and I want to be certain that the Senator from Oregon understands it the same way—the proposed amendment would have nothing to do with the existing fishing rights, as they now exist under the laws of the States, or as they may be hereafter adjusted by law or regulation.

Mr. CORDON. The Senator is exactly correct.

Mr. STENNIS. I thank the Senator from Oregon and the Senator from New Mexico.

The PRESIDING OFFICER (Mr. CARLSON in the chair). The question is on agreeing to the amendment offered by the Senator from New Mexico [Mr. ANDERSON] on page 4, line 9.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment offered by the Senator from New Mexico [Mr. ANDERSON].

The CHIEF CLERK. On page 20, between lines 6 and 12, it is proposed to strike out all of subparagraph (a) and on line 13 to strike out "(b)."

Mr. CORDON. Mr. President, I have no particular objection to the elimination of the language proposed to be stricken by the amendment. The language was contained in the original measure presented to the Senate last year in Senate Joint Resolution 20, the O'Mahoney-Anderson measure in the 82d Congress, and again by the bill introduced in this Congress by the able Senator from New Mexico himself, S. 107.

Those measures granted to the Secretary of the Interior, upon approval of the Attorney General, the power to declare that any particular leased area was inside or outside the inland waters, using substantially the same language that the Senator now proposes to strike.

When the language was adopted to the pending bill, S. 1901, it gave the same authority to the Secretary of the Interior, on the approval of the Attorney General, stating:

> The Secretary is authorized, with the approval of the Attorney General of the United States and upon the application of any lessor or lessee of a mineral lease issued by or under the authority of a State, its political subdivision, or grantee, on submerged lands, to certify that the area covered by such lease does not lie within the outer Continental Shelf.

The purpose of the language is to give to someone in authority the right to certify, in cases where there was no real controvery between the States on the one hand and the Federal Government on the other, with respect to the location of a given leased property inside a State's seaward boundary. Thus, it would permit development of such an area.

Objection has been raised by the Senator from New Mexico with reference to the granting of this power to the Secretary of the Interior.

S. 1901 is a sound measure, in my opinion, either with or without that language.

Mr. ANDERSON. The language was included originally under greatly different conditions than those with which we are now dealing in the outer-shelf bill. It was proposed because of the situation in California; we were trying to deal with the situation in the Long Beach area, where there is a well-defined harbor and a bay, and therefore, inland water. But I do not believe that language really belongs in this bill for the outer Continental Shelf, which is something quite different.

I appreciate having the Senator from Oregon include it, from Senate bill 107, which I introduced; but I think all of us would feel that it would be safer if that provision were not included in this measure at this time. At least, I am of that opinion.

Mr. LONG. Mr. President, will the Senator from New Mexico explain the amendment? I do not understand the difference between the bill with the amendment and the bill without the amendment.

Mr. ANDERSON. First, in my opinion the provision is not needed in order to make S. 1901 a sound measure.

Second, there is a possibility that the Secretary of the Interior could—I am not accusing him of having such an intention, because I have the highest respect for him—but he might, if he desired to do so, begin certifying that the United States had no claim to areas seaward of the 3-mile or 3-league limit. He would have blanket authority to decide that certain areas were within navigable waters, and hence owned by the States. He might in that way dispose of Federal property.

I am certain that Texas and Louisiana will be better protected if such a determination is reached in the courts, and is not arrived at by an executive official.

Although that determination might not be made, yet it seems to me it could be made. Therefore, I believe a provision such as this one in a measure respecting the outer shelf is a bad one.

Mr. LONG. Do I correctly understand that in the case of a bay or a sound, if a Federal official contended that the inland waters began at one place, and, hence, that the Continental Shelf began some miles beyond that point, the amendment of the Senator from New Mexico would make it unlawful for the Secretary of the Interior or the Attorney General to agree among themselves about where the coastline would be and, therefore, where the outer Continental Shelf would begin?

Mr. ANDERSON. No; just the reverse.

The next subsection provides that if there is a controversy between the United States and a State, it may be settled by agreement. The original provision would leave out the State, entirely.

It was my feeling that it would be safer to require an agreement between the Secretary of the Interior and the State, rather than to permit the Secre-

tary of the Interior by himself to make the certification.

Mr. CORDON. Mr. President, will the Senator from New Mexico yield to me?

Mr. ANDERSON. I am glad to yield.

Mr. CORDON. I know the Senator from New Mexico wishes to be exact in citing the provisions of the bill. The provision we are discussing would also permit of a decision upon the application of a lessor. A State could also petition for a certification by the Secretary under the present language.

Mr. ANDERSON. That is correct.

Mr. ELLENDER. Mr. President, will the Senator from New Mexico yield to me?

Mr. ANDERSON. I yield.

Mr. ELLENDER. Would this language apply only to existing leases previously granted by the States?

Mr. ANDERSON. No; it will apply to areas outside the historic boundaries of the States.

Mr. ELLENDER. I understand that; but it would apply to the existing leases that have been granted by the States, would it not?

Mr. ANDERSON. No; it will apply all the way through.

Mr. ELLENDER. Then it would apply to leases now existing and to those to be granted in the future.

Would not this provision, as written, give the Secretary of the Interior authority to fix the boundaries or limits seaward from the shoreline of a State?

Mr. ANDERSON. I do not say it would.

Mr. ELLENDER. As I understand, it would give him such authority.

Mr. ANDERSON. I think it could or might. But I thought it would be much better if the measure guarantees that States have a voice in the matter.

Mr. ELLENDER. I am in agreement with the Senator from New Mexico, and I hope the language will be stricken.

Mr. DANIEL. Mr. President, will the Senator from New Mexico yield for a question?

Mr. ANDERSON. I yield.

Mr. DANIEL. As I understand, if this particular subsection is stricken, there would be nothing to prevent the Attorney General of the United States or the Secretary of the Interior, in the performance of the normal duties of their particular offices; from making a decision as to whether the area covered by a lease is within the outer Continental Shelf or is within the historic State boundaries. Is that correct?

Mr. ANDERSON. If he were to deal with an area which would be regarded as controversial, I think he would have to deal with the State before he could proceed. Nothing in this amendment would jeopardize the operations of the Secretary of the Interior or the rights of a State, because of the elimination of this subsection.

Mr. DANIEL. I understand that all the Senator from New Mexico has in mind is to remove the provision for an official certification procedure.

Mr. ANDERSON. That is correct. Provision for that procedure was included in the O'Mahoney-Anderson measure last year and in my bill this year in order to cover a particular area of California, previously covered by a stipulation.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Mexico.

The amendment was agreed to.

The PRESIDING OFFICER. The next amendment of the Senator from New Mexico will be stated.

The CHIEF CLERK. On page 18, in line 10, after the word "such", and before the word "regulations", it is proposed to insert "rules and."

Mr. ANDERSON. Mr. President, the amendment is continued on the second page of the printed amendments, and I ask to have that part of the amendment stated in connection with the other part.

The PRESIDING OFFICER. The second part of the amendment will be stated.

The CHIEF CLERK. On page 13, in line 11, it is proposed to strike out "under section 5 of this Act" and to insert "from time to time"; and to strike out the words "within ninety"; and in line 12, to strike out the word "days."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Mexico.

Mr. ANDERSON. Mr. President, I have had further opportunity to discuss this matter with the distinguished Senator from Oregon [Mr. CORDON]. I believe he feels that the original language is preferable. The junior Senator from Washington and I were trying to make sure only that the Secretary of the Interior was not limited to 90 days in his ability to promulgate rules for this area.

After consultation with the Senator from Oregon, if he can state for the legislative record his understanding of that section, and perhaps can discuss it with the Senator from Washington, who had originally suggested this language, I think we could clear up the matter in that way, rather than to have the amendment adopted.

I yield now to the Senator from Oregon.

Mr. CORDON. Mr. President, it must first be kept in mind that the language appearing on page 18 has to do with the conditions precedent to a decision by the Secretary of the Interior to permit continuance or maintenance of a lease which had been granted by one of the abutting States. In connection with the provisions—and there are a number of them; some 11 or more—regarding the conditions precedent, it was deemed that the Secretary of the Interior should have the power, when a lease meets these conditions, to amend the terms of the lease itself, in order to make the provisions of the federally-validated leases conform to Federal leases issued under the general Mineral Leasing Act. That is, he could provide additional regulations, and amend existing terms, in the State-issued lease, but only during a 3-month period from the time such a lease qualified for Federal validation.

We must keep in mind that a lease granted by a State is subject to the laws and regulations of the State, but it may not include all the pertinent and necessary provisions which would be required to be included under the provisions of this act.

So the language which was proposed to be stricken provides that the lease may be validated or maintained under the provisions of the lease itself or as authorized by the lease and by "such regulations as the Secretary of the Interior may under section 5 of this act prescribe within 90 days after making his determination that such lease meets the requirements of subsection (a) of this section."

The regulations referred to there are the ones the Secretary of the Interior may find it necessary to establish as conditions precedent to the modification of the lease which is to be validated by the Federal Government and maintained under this act. The provision and language does not refer to the rules and regulations "in order to provide for the prevention of waste and conservation of the natural resources of the outer Continental Shelf, and the protection of correlative rights therein," and so forth, as that provision is set forth in section 5 on page 10, where we find the following committee amendment:

> The Secretary shall administer the provisions of this act relating to the leasing of the outer Continental Shelf, and shall prescribe such rules and regulations as may be necessary to carry out such provisions. The Secretary may at any time prescribe and amend such rules and regulations as he determines to be necessary and proper in order to provide for the prevention of waste and conservation of the natural resources of the outer Continental Shelf, and the protection of correlative rights therein—

I call particular attention to the following words—

> and, notwithstanding any other provisions herein, such rules and regulations shall apply to all operations conducted under a lease issued or maintained under the provisions of this act.

That was the provision which I am sure the Senator was fearful might in some way be amended by the language in question in section 6 (b). I am satisfied that, after careful consideration, he is in agreement with the Senator from Oregon that such is not the case.

Mr. JACKSON. Mr. President, will the Sentor from New Mexico yield so that I may ask a question of the Senator from Oregon?

Mr. ANDERSON. I ask unanimous consent that I may yield to the Senator from Washington for the purpose of addressing a question to the Senator from Oregon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON. Mr. President, I may state to the senior Senator from Oregon that the Senator from New Mexico [Mr. ANDERSON] and I worked out the amendment now being considered, and the Senator from New Mexico offered the amendment for both of us.

Mr. CORDON. I understood that.

Mr. JACKSON. The amendment was offered because it was felt that the language presently contained in the bill, starting in line 10 on page 18, might unintentionally restrict the Secretary of the Interior to a specified period of 90 days in his issuance and amendment of general rules and regulations to prevent waste, conserve resources, and protect

correlative rights, as applied to these State-initiated leases.

It is my understanding, in view of what has taken place here in the colloquy on the floor, that the 90-day limitation clearly does not take effect until the Secretary determines that the other conditions precedent have been complied with and the Secretary, in effect, is ready to have the lease validated, and to bring it under Federal jurisdiction.

Mr. CORDON. That is correct.

Mr. JACKSON. I also understand that the Secretary of the Interior has within his own discretion the power to fix the time when the determination of compliance with the statutory requirements is made. And thereafter he has 90 days to prescribe regulations affecting the terms of such leases. So he can in effect fix the time when such leases may be maintained under Federal authority.

Mr. CORDON. That is correct.

Mr. JACKSON. But as a practical matter, I take it, that regulations which would in effect bring about amendments to the prior written instrument, referring now to the lease previously granted by one of the States, would probably be made contemporaneously with the determination that the requirements of this law have been met.

Mr. CORDON. As a practical proposition, I am reasonably sure they would be; it would be necessary that a determination be made as to exactly what the rights of the lessee and the new lessor, that is, the Federal Government, were, perhaps, before the holder of the lease would be prepared to expend more money.

Mr. JACKSON. And, as the senior Senator from Oregon has pointed out, the general rules and regulations referred to in section 5 on page 10 of the bill which relate to the prevention of waste, the conservation of natural resources and the protection of correlative rights, could be promulgated and amended either in connection with the validation of the State leases, or at any other time.

Mr. CORDON. Yes; they could be amended at any time.

Mr. JACKSON. They could be amended at any time and are in no way subject to the 90-day limitation in section 6 (b). In other words, there is no attempt by clause (2) of subsection (b) found on page 18, line 10, to treat the State-originated leases in any different manner and in a different way from that in which the new leases which are authorized by this legislation and which would be issued subsequent to the enactment of this legislation, would be treated. Is that correct?

Mr. CORDON. The Senator is entirely correct, and that is precisely spelled out.

Mr. JACKSON. In other words, all leases in this area are to be treated the same, for all purposes, within the law and are subject to the same powers of the Secretary to prescribe and amend rules and regulations at any time under section 5. The leases that have been issued already by the States and the new Federal leases to be issued later, which the Secretary would have authority to issue under the pending bill, would all be treated on the same basis.

Mr. CORDON. Precisely so.

Mr. JACKSON. In view of the colloquy which has taken place, and the legislative history which has been made by the colloquy on the floor of the Senate, I see no need for this amendment, and I assume that the junior Senator from New Mexico will withdraw it.

Mr. ANDERSON. Mr. President, in view of the excellent explanation we have had by the senior Senator from Oregon, I ask unanimous consent to withdraw the amendment.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

Mr. ANDERSON. Mr. President, I ask unanimous consent that I may yield to the distinguished majority leader for the purpose of propounding a unanimous-consent agreement.

The PRESIDING OFFICER. Is there objection? The Chair hears none and the Senator from California is recognized.

Mr. KNOWLAND. Mr. President, after consultation with Senators on both sides of the aisle, I should like to propose a unanimous consent request. Prior to stating the request, I may say that if the agreement can be made the acting majority leader plans to move to recess the Senate until 10 o'clock tomorrow morning.

The unanimous consent request is that on any amendment each Senator may have 20 minutes; that on the bill itself there be 3 hours of debate, the time to be equally divided, and to be controlled on one side by the distinguished Senator from Oregon, and the other side by the minority leader, and to be allocated according to the requests that may be made; and that all amendments be germane. That is the substance of the unanimous-consent request.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. KNOWLAND. I yield.

Mr. LONG. Do I correctly understand that the Senator from California is asking that each Senator be permitted to speak as long as 20 minutes on each amendment?

Mr. KNOWLAND. Not to exceed 20 minutes on each amendment.

Mr. LONG. Then, if four Senators should desire to discuss an amendment, they could conceivably talk for an hour and 20 minutes, under the agreement. Is that correct?

Mr. KNOWLAND. They could conceivably do so, if they wanted to do it.

Mr. LONG. I have no objection.

Mr. JACKSON. Is it contemplated that there will be any rollcalls this evening?

Mr. KNOWLAND. If the unanimous-consent agreement is made, there will not be. If there are any more technical amendments to be offered, I would hope that we might get them out of the way this evening.

Mr. JACKSON. But any amendment requiring the call of the roll will go over until tomorrow, I understand.

Mr. KNOWLAND. Yes; any amendment requiring a rollcall.

Mr. ANDERSON. Mr. President, I am anxious to agree with the acting majority leader. I hope that, after his unanimous-consent request is agreed to, he will allow me to finish with the technical amendments, two in number, to which there can be no possible objection.

Mr. KNOWLAND. That is what I had in mind, that the Senate would remain in session until action was taken on technical amendments.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request proposed by the Senator from California? The Chair hears none, and it is so ordered.

ORDER FOR RECESS UNTIL 10 O'CLOCK A. M. TOMORROW

Mr. KNOWLAND. Mr. President, will the Senator from New Mexico yield for one additional request?

Mr. ANDERSON. I am happy to yield.

Mr. KNOWLAND. I ask unanimous consent that, when the Senate completes its business this evening, it take a recess until 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California? The Chair hears none, and it is so ordered.

JURISDICTION OVER SUBMERGED LANDS OF THE OUTER CONTINENTAL SHELF

The Senate resumed the consideration of the bill (S. 1901) to provide for the jurisdiction of the United States over the submerged lands of the outer Continental Shelf, and to authorize the Secretary of the Interior to lease such lands for certain purposes.

Mr. CASE. Mr. President, will the Senator from New Mexico yield to me for the purpose of submitting an amendment?

Mr. ANDERSON. Mr. President, I ask unanimous consent that I may yield to the Senator from South Dakota for that purpose.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASE. Mr. President, in order that it may be printed, I submit an amendment which is identical with the text of the amendment which the Senator from Arkansas [Mr. McCLELLAN] read earlier today, and which was accepted in connection with the amendment offered by the Senator from New Jersey [Mr. HENDRICKSON] and myself. It should appear as a new section on the last page of the bill, immediately prior to the section relating to appropriations. I submit the amendment so that it may be printed for the information of Members of the Senate, and be called up tomorrow.

Mr. McCLELLAN. Mr. President, will the Senator from New Mexico yield, so that I may ask the Senator from South Dakota a question?

Mr. ANDERSON. I ask unanimous consent that I may yield for that purpose.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Mr. McCLELLAN. Mr. President, I should like to ask the privilege of joining with the distinguished Senator from

South Dakota as a cosponsor of the amendment.

Mr. CASE. I appreciate the Senator's suggestion, and I should have included the request that the amendment be received as an amendment on behalf of myself and the Senator from Arkansas.

The PRESIDING OFFICER. The amendment will be received and printed, and lie on the table.

Mr. ANDERSON. Mr. President, I have one minor amendment.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 12, line 13, it is proposed to strike out "(1)" and insert "(j)."

The amendment was agreed to.

Mr. ANDERSON. There is another amendment, on page 15, line 2.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 15, line 2, after the word "that" it is proposed to insert the word "it."

The amendment was agreed to.

Mr. WATKINS. Mr. President, one of the sections of the bill provides for exploiting and developing the Continental Shelf in the field of production of sulfur. The bill provides:

In order to meet the urgent need for further exploration and development of the oil and gas deposits of the submerged lands of the outer Continental Shelf, the Secretary is authorized to grant to the highest responsible qualified bidder by competitive bidding—

And so forth. That states the objective. During emergencies such as we have had in the past, it has been very difficult for agriculture and other lines of activity to obtain sufficient sulfur to take care of the need. Particularly, the fruit growers were unable to get a sufficient quantity of sulfur to use in the combination of lime and sulfur for spraying purposes. In my State we had such difficulty in both world wars, and it has occurred in recent times also.

My State is interested in seeing to it that there is an ample production of sulfur. I am glad the measure contains a provision with respect to sulfur leasing. I am, however, very apprehensive over the figure which has been set, a 10 percent royalty to be exacted from producers or lessees in this particular field of activity. I feel that the subject should be given considerable study.

Evidence has come to my attention that one of the things on which we were relying in the committee was the so-called minimum requirement in the States of Louisiana and Texas with respect to sulfur leases. I have found that what we were informed was the actual fact is rather inaccurate. In other words, the material was not up to date.

In that connection, Mr. President, I have before me two affidavits, one signed by C. J. Bonnecarrere, secretary of the State mineral board of the State of Louisiana, and the other by Bascom Giles, commissioner of the General Land Office of the State of Texas. I shall not offer an amendment to change the limit, but I ask unanimous consent to have these two affidavits printed in the RECORD as a part of my statement.

There being no objection, the affidavits were ordered to be printed in the RECORD, as follows:

STATE OF LOUISIANA:

Parish of East Baton Rouge:

Before me, the undersigned authority personally came and appeared, C. J. Bonnecarrere of the full age of majority and a resident of the Parish of East Baton Rouge, who being by me duly sworn did depose and say:

That he is the secretary of the State Mineral Board of the State of Louisiana, that he has been connected with said Board since 1940, and that in his present capacity he receives bids submitted to the State mineral board in response to application for bids for mineral leases by the State of Louisiana covering public lands, and that he keeps the minutes of the State mineral board covering all transactions of said board including the official records of all leases awarded by the State mineral board.

That all mineral leases covering State owned land or water bottoms and/or public lands are executed by the State mineral board on behalf of the State of Louisiana and cover and affect the exploration for and production of oil, gas, sulfur, potash, and other gaseous or liquid hydrocarbons; and that to the best of his knowledge and belief, since he has been connected with the State mineral board, no mineral lease has ever been granted by the State of Louisiana covering sulfur alone.

That 1,926 mineral leases have been executed by the State mineral board from October 22, 1938, to June 10, 1953, covering State-owned land or water bottoms and/or public lands; that the sulfur royalty provided in each of these leases has varied, but the royalty on sulfur can be summarized as follows:

1. Seven hundred and ninety-eight leases (or 41.48 percent) provided for a royalty of $0.75 per long ton of sulfur produced and sold.

2. Three leases (or 0.16 percent) provided for a royalty of $0.80 per long ton of sulfur produced and sold.

3. One lease (or 0.05 percent) provided for a royalty of $0.85 per long ton of sulfur produced and sold.

4. One lease (or 0.05 percent) provided for a royalty of $0.95 per long ton of sulfur produced and sold.

5. Four hundred and sixty-four leases (or 24.09 percent) provided for a royalty of $1 per long ton of sulfur produced and sold.

6. Three leases (or 0.16 percent) provided for a royalty of $1.10 per long ton of sulfur produced and sold.

7. One lease (or 0.05 percent) provided for a royalty of $1.15 per long ton of sulfur produced and sold.

8. Two leases (or 0.10 percent) provided for a royalty of $1.25 per long ton of sulfur produced and sold.

9. One lease (or 0.05 percent) provided for a royalty of $1.40 per long ton of sulfur produced and sold.

10. One hundred and forty-nine leases (or 7.74 percent) provided for a royalty of $1.50 per long ton of sulfur produced and sold.

11. Five leases (or 0.26 percent) provided for a royalty of $1.75 per long ton of sulfur produced and sold.

12. Four hundred and sixty-seven leases (or 24.20 percent) provided for a royalty of $2 per long ton of sulfur produced and sold.

13. Eighteen leases (or 0.93 percent) provided for a royalty of $2.50 per long ton of sulfur produced and sold.

14. Three leases (or 0.16 percent) provided for a royalty of $3 per long ton of sulfur produced and sold.

15. One lease (or 0.05 percent) provided for a royalty of $4.25 per long ton of sulfur produced and sold.

16. Nine leases (or 0.47 percent) were court orders or unitization agreements, in which royalties were not a factor.

That there has been sulfur production in the State of Louisiana under only three State leases, none of which cover water bottoms in the Gulf of Mexico, to wit:

State lease No. 124 and dated August 26, 1924, and covering the bed of Lake Peigneur from which sulfur was produced and royalty was paid to the State of Louisiana from 1932 to 1936 at the rate of 75 cents per long ton produced and sold.

State lease No. 199, dated March 26, 1928, and covering, among other lands and water bottoms, the bed of Bay St. Elaine from which sulfur has been and is presently being produced with royalty payments to the State of Louisiana since November 1952 at the rate of 75 cents per long ton produced and sold.

State lease No. 212, dated July 18, 1928, and covering the bed of Lake Grand Ecaille from which sulfur has been and is presently being produced with royalty payments to the State of Louisiana since 1934 at the rate of 75 cents per long ton produced and sold.

That it is expected that sulfur production will result from operations now being conducted under State lease No. 214, dated September 13, 1928, and covering, among other land and water bottoms, Garden Island Bay. When sulfur is produced under said lease, royalty will be paid to the State of Louisiana at the rate of 75 cents per long ton produced and sold.

That Louisiana Revised Statutes of 1950 (title 30, sec. 127) prescribes the minimum royalty on sulfur to be 75 cents per long ton produced and sold, but that by resolution of the members of the then existing State mineral board dated August 29, 1951 (and reaffirmed by the present mineral board), the State mineral board indicated to all interested parties leasing State-owned lands that they favor a royalty on sulfur of not less than $2 per long ton.

That, as a consequence of the mineral board resolution, most recent applicants for mineral leases have incorporated in their bids a royalty on sulfur of $2 per ton, but it should be noted that almost all of the successful bidders for State mineral leases were individuals or corporations who were primarily engaged in exploration for oil and gas.

That, in considering competing bids for mineral leases, the members of the State mineral board consider both the amount of the cash bonus and the royalty offered the State of Louisiana, and after consultation with the State geologist and after carefully weighing all factors, the State mineral board awards the lease to the bidder whose bid they believe to be the most favorable to the State of Louisiana.

That, in an effort to make their bids as competitive as possible, individuals or corporations which are primarily interested in oil and gas production, may offer royalty on sulfur substantially in excess of that which would make exploration for, and production of, sulfur commercially feasible, and that thus, the sulfur royalty provided in recent leases may have no bearing on the royalty which, at present sulfur prices, would encourage exploration for, and production of, sulfur, particularly from the Continental Shelf in the Gulf of Mexico.

That practically all State mineral leases covering water bottoms owned or claimed by the State of Louisiana and located on the Continental Shelf in the Gulf of Mexico, were issued by the State of Louisiana between the years 1945 and 1949, and most of these leases provide for a royalty on sulfur of less than $2 per long ton produced and sold.

That no sulfur has been produced under a State lease covering State-owned water bottoms on the Continental Shelf in the Gulf of Mexico.

That the State mineral board in granting mineral leases covering State-owned water

bottoms on the Continental Shelf has taken into consideration the immense difficulty in conducting exploratory and development operations on the Continental Shelf and consequently has accepted bids carrying in some cases a lesser royalty than would be expected from leases covering dry land and/or more accessible and protected water bottoms.

Further the deponent sayeth not.

C. J. BONNECARRERE.

Sworn to and subscribed before me this 17th day of June 1953.

Mrs. ROSEMARY TORBET BROUSSARD,
Notary Public in and for the Parish of East Baton Rouge.

STATE OF TEXAS:
County of Travis:

Before me, the undersigned authority, on this day personally appeared Bascom Giles, a credible person, who, after being by me duly sworn, on oath deposes and says:

I am, and for many years have been, commissioner of the general land office of the State of Texas.

Numerous leases were granted by the State of Texas on State owned lands in the Gulf of Mexico during the period 1931 to 1947, all of which covered not only oil and gas but also sulfur and other nonmetallic minerals, in accordance with the leasing statutes in force during such period. Practically all of these leases have expired, only 8 being still in force by reason of oil or gas operations or extensions or suspensions as provided by existing statutes; but there has never been any sulfur royalty paid to the State of Texas under the terms of any of such mineral leases.

In 1947 the State legislature passed a law amending the prior statutes insofar as they pertained to the granting of leases on State owned lands in the Gulf of Mexico covering oil, gas, sulfur and all other nonmetallic minerals in the same lease, and providing for the granting of leases on such lands for oil and gas only and for the separate leasing of such lands for other nonmetallic minerals, including sulfur.

Since the passage of the 1947 statute providing for the separate leasing of State-owned lands in the Gulf of Mexico for sulfur, no such lease has been granted by the State; nor has the State at any time ever granted a lease covering sulfur only in lands in the Gulf of Mexico.

Under the Texas laws, the royalty on sulfur under any mineral leases covering sulfur granted on State-owned lands in the Gulf of Mexico is one-eighth of the gross production of sulfur or the value thereof.

There have been many leases granted by the State of Texas covering oil, gas, and certain other minerals, including sulfur, on State-owned lands other than lands in the Gulf of Mexico which leases provide for a one-eighth royalty on sulfur; however, there has never been any sulfur royalty paid to the State of Texas under the terms of any such mineral leases.

As of this date, according to the records in the office of the commissioner of the General Land Office of the State of Texas, there are now in force approximately 198 of the leases covering oil, gas, and certain other minerals, including sulfur, previously granted on State-owned lands other than lands in the Gulf of Mexico.

The records of the office of the commissioner of the General Land Office of the State of Texas do not reflect that any attempt has ever been made to produce sulfur from any of the lands covered by such leases, neither do such records reflect the nature of any such attempt; nor do I have any knowledge of any attempt ever having been made by any lessee to produce sulfur from any of the lands covered by any of such leases.

Many mineral awards (mining claims) have been granted on lands sold by the State with the reservation of all minerals thereunder, and many of such mineral awards have been subsequently patented under the terms of presently existing statutes. Many of these awards are still in force, and a great many more have been patented, all of which are subject to the royalty reserved by the State. Such awards granted since 1935 (and patents issued thereon) reserved to the State of Texas a royalty of 6¼ percent on all minerals covered thereby, including sulfur produced from such lands. So far as the records of this office show, no royalties have been paid to the State of Texas on account of production of sulfur from these lands within the past 20 years, although prior to that period the State may have received some small royalty payments from this source.

Furthermore, according to information from the records of gross-receipts taxes in the office of the comptroller of the State of Texas, payment of such taxes has been made on sulfur produced in the State, but the State has made no mineral awards, mineral award patents, or leases in the areas covered by these reports.

BASCOM GILES.

Sworn to and subscribed by Bascom Giles before me this 17th day of June 1953.

REVA S. JACKSON,
Notary Public in and for Travis County, Tex.

Mr. LONG. Mr. President, I send to the desk an amendment to the pending bill, and ask that it be printed and lie on the table.

The PRESIDING OFFICER. The amendment offered by the Senator from Louisiana will be received, printed, and lie on the table.

RECESS

Mr. KNOWLAND. Mr. President, if there be no further business to be transacted, I move that, pursuant to the previous unanimous-consent agreement, the Senate now take a recess until 10 o'clock tomorrow morning.

The motion was agreed to; and (at 6 o'clock and 56 minutes p. m.) the Senate took a recess, the recess being under the order previously entered, until tomorrow, Thursday, June 25, 1953, at 10 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate, June 24 (legislative day of June 8), 1953:

UNITED NATIONS

Irving Salomon, of California, to be a representative of the United States of America to the second extraordinary session of the General Conference of the United Nations Educational, Scientific, and Cultural Organization.

Mrs. Elizabeth E. Heffelfinger, of Minnesota, to be the alternate representative of the United States of America to the second extraordinary session of the General Conference of the United Nations Educational, Scientific, and Cultural Organization.

POST OFFICE DEPARTMENT

The following-named persons to be members of the Advisory Board for the Post Office Department:

Consuelo Northrop Bailey, of Vermont.
Richard Berlin, of New York.
John Coleman, of Michigan.
Richard J. Gray, of Ohio.
Rowland Jones, Jr., of South Dakota.
Curtis McGraw, of New Jersey.
Charles White, of Ohio.

ATOMIC ENERGY COMMISSION

Lewis L. Strauss, of Brandy Station, Va., to be a member of the Atomic Energy Commission for a term of 5 years expiring June 30, 1958, vice Gordon Dean, term expiring.

UNITED STATES ATTORNEYS

Charles W. Atkinson, of Arkansas, to be United States attorney for the western district of Arkansas.

Harry Richards, of Missouri, to be a United States attorney for the eastern district of Missouri, vice George L. Robertson, resigned.

John C. Crawford, Jr., of Tennessee, to be United States attorney for the eastern district of Tennessee.

Millsaps Fitzhugh, of Tennessee, to be United States attorney for the western district of Tennessee, vice John Brown, term expired.

UNITED STATES MARSHALS

James L. May, of Alabama, to be United States marshal for the southern district of Alabama, vice Vernon P. Burns, term expired.

Frank O. Bell, of California, to be United States marshal for the northern district of California, vice John A. Rosen, resigning.

Thomas J. Lunney, of New York, to be United States marshal for the southern district of New York.

Roy A. Harmon, of North Carolina, to be United States marshal for the western district of North Carolina, vice Jacob C. Bowman, term expired.

Harold Sexton, of Oregon, to be United States marshal for the district of Oregon.

Howard S. Proctor, of Rhode Island, to be United States marshal for the district of Rhode Island.

IN THE AIR FORCE

The following-named officers for promotion in the Regular Air Force under the provisions of sections 502, 508, and 509 of the Officer Personnel Act of 1947 and section 306 of the Women's Armed Services Integration Act of 1948. Those officers whose names are preceded by the symbol (×) are subject to physical examination required by law. All others have been examined and found physically qualified for promotion.

To be major

CHAPLAIN

×Willis, Charles Francis, 18796A.

To be captains

AIR FORCE

Jackson, Stuart Lee, 17076A.
×Larkin, Harold Joseph, 17078A.
×Stukas, Robert Russel, 17169A.
Thomas, Rex O., 17293A.
Lamp, Richard Earl, 17416A.
×Butler, Jerome Frederick, 17497A.
Mason, William Henderson, 17508A.
White, Charles Reuben, 17533A.
Howell, Philip Vann, Jr., 17534A.
Sanders, Stephen John, 17535A.
Schweizer, George J., Jr., 20038A.
Davis, Homer Sims, 17536A.
Turner, Joseph Harry, 17537A.
Krieger, Thomas Bert, 17538A.
×Adams, Harry Jones, 17539A.
Peebles, Thomas Nathaniel, 17540A.
Steorts, Ward Arnold, 17541A.
Harmon, William Alexander, 21438A.
Dillard, George Edward, 17542A.
×Reiss, Leonard, 21439A.
Ricketts, James Ellsworth, Jr., 17543A.
Vidmer, Richards, Jr., 17544A.
Garlington, Arthur Roe, Jr., 17545A.
×Boehm, Paul Francis, 17546A.
Hartsell, Richard Athey, 17547A.
Like, Delbert Odell, 17548A.
Latshaw, Robert Thomas, Jr., 17549A.
Hudlow, Richard Jolly, 17550A.
Arave, William Lloyd, 17551A.
×Scruton, Albert Marshall, 21786A.
×Yeager, Randall Gerald, Jr., 17552A.
×Gaines, Edmund Pendleton, Jr., 17558A.
Everette, John Bernard, 17559A.
Harris, Roy Lee, Jr., 17560A.
Sadler, Robert Edward, 17561A.

Bassett, John Kenneth, 17562A.
Fox, George Arthur, 17563A.
Leuchtmann, Robert Louis, 17564A.
Edge, Robert Lancer, 17565A.
×Trabb, Ralph 19792A.
×Lewis, Henry Stanley, Jr., 19794A.
×Hand, F. Ned, 19789A.
×Montour, Gilbert Ernest, 19790A.
×Cleary, John Eugene, 19793A.
Wine, Joseph Raymond, Jr., 19788A.
Krysakowski, Joseph Edward, 19791A.
Warren, Foster Gage, Jr., 17566A.
×Milner, Carl William, 21440A.
×Bunge, Howard Thomas, 17567A.
×Dingeldein, Robert, 17568A.
Hallenbeck, Alva Merle, 17569A.
Knight, Jack, 20039A.
×Case, Richard Deering, 20040A.
×Rang, Norman O., 21441A.
×Kahn, Leroy, 21787A.

MEDICAL

Shum, Lyle Marvin, 24663A.
×Rudolph, Robert Lee, 21597A.
×Krivit, William, 20849A.
×Logue, John Terrell, 20848A.
Beyer, David Henry, 20846A.
×Melvin, Walter Willis, Jr., 24126A.
×Archdeacon, John Robert, 23068A.
De Minico, Charles Paul, 21598A.
×Ballinger, Edwin Ray, 21692A.

DENTAL

×Sture, Vernon Julian, 20554A.
×Jaeger, Clarence Paul, 20060A.
×Shelton, John Paul, Jr., 23175A.

VETERINARY

Hornickel, Edward Palmer, 21606A.

CHAPLAIN

×Bonner, Harold William, 21865A.
Shinn, Benjamin Judson, 24680A.

To be first lieutenants

AIR FORCE

Canfield, John Oren, 24415A.
Schoning, William Max, 23819A.
Branan, William Columbus, 23820A.
Cleland, David Ira, 24768A.
Hepler, Robert Glen, 23821A.
Norton, Charles Wesley, Jr., 24416A.
Skelton, Richard Eugene, 20786A.
×Larsson, Alfred John, Jr., 20772A.
Bloss, Stuart Marens, 20787A.
×Wead, Arthur Denice, 20773A.
×Clendening, Roger Dell, 20776A.
Wise, Harvey Earl, 20778A.
Clark, Virgil Scoville, 20779A.
×Styron, Hilton Gray, 20780A.
Murphy, Cecil Ray, 20775A.
Crabbe, William Merwin, Jr., 20781A.
Merkling, Richard Edwin, 20782A.
Miller, Edward Anthony, Jr., 20785A.
×Glover, Robert Milton, 20777A.
×Daniel, Plummer Alston, 20774A.
Woodworth, Gene Harold, 20783A.
Old, Robert Quentin, 24417A.
Hart, Allen Christopher, 24418A.
Hunter, John Franklin, 24419A.
Cunnion, Francis Joseph, 20805A.
Rectum, Abraham Albert, 21586A.
Smithson, Clyde Spruill, Jr., 24769A.
Chard, Hobart T., 20788A.
Primrose, Robert Lloyd, 20790A.
Nicholson, Will Faust, Jr., 20789A.
Bryce, Paul Walker, Jr., 23822A.
×Smothers Robert William, 22849A.
Green, Albert Henry, 20796A.
Glass, Heath Thurman, Jr., 20797A.
Ryder, Dale Delbert, 23823A.
Dukes, Sterling Walter, 24420A.
Henry, Andrew, 24771A.
Watry, Charles Andrew, 24770A.
×Hollway, Donald Wilson, 21674A.
Hammock, Frank Marlin, 23824A.
Dickinson, Joe Thomas, 24421A.
×Kemp, Bertram, 22850A.
Burke, Walter Hubert, 23825A.
Thorp, Howard Richard, 24422A.
Poston, George Preston, 24423A.
Russell, Floyd Herold, 24772A.
Toomay, John Crawford, 23826A.
×Mebane, Robert McNair, 20799A.
×Snavely, Ralph Albert, Jr., 20800A.
×Sinquefield, H. B., Jr., 21652A.
Postero, Howard Frank, 23827A.
Robinson, Ray Albert, Jr., 23828A.
Goodrich, John Winston, 21525A.
Livesay, Crawford Patterson, Jr., 21531A.
×Youman, William Leslie, 21534A.
Robinson, Wallace Noble, 3d, 21546A.
Maglione, Ralph John, Jr., 21535A.
Carson, James Owen, 21532A.
Prince, Robert Eugene, 21536A.
Adams, James Asa, Jr., 21537A.
Dennerlein, Kenneth Neil, 21548A.
Gleoggler, James Kremer, 21544A.
Davey, John James, 21527A.
Wilke, Robert Arthur, 21545A.
Reinker, George Richard, 21539A.
Clark, Ralph Peter, 21540A.
Frye, Eugene, 21530A.
Anna, Lloyd Peter, 21528A.
×Kulaas, Robert Henning, 21529A.
Nuchols, James Fleming, 21538A.
Fetzer, William McKinnon, 21533A.
Smith, Frederick Harold, 23832A.
Viering, Francis Donald, 23830A.
Jolley, John Elonzo, Jr., 23829A.
Lavaude, Louis Francis, 23831A.
×Francis, Albert Hall, 24424A.
Copp, William Hamilton, 24773A.
Saye, Robert Newton, Jr., 24774A.
Tourtellot, George Piatt, 24775A.
Irwin, John Patrick, 23833A.
Hines, Thomas Fraser, 24425A.
Truett, Herbert Winters, 24446A.
Showers, Clarence Ellsworth, 24776A.
Johnson, Marvin Wayne, 22848A.
Hopkins, Gene, 22851A.
Shoemaker, Robert Charles, 24777A.
×Sankey, William Charles, Jr., 20806A.
Arpke, Charles Kenneth, 23834A.
Lobell, Alfred Zeb, 24778A.
×Swenson, Homer Wessel, 21653A.
Britton, Thomas Craig, 23835A.
Rutledge, Robert Dela, Jr., 23836A.
Sehon, Raymond Neil, 24779A.
Boehne, Gerald Paul, 23837A.
Spalding, Thomas Benedict, 24449A.
×Benigno, Benjamin Benedict, 24780A.
×Eck, Raymond Otto, 20809A.
×Seymour, Robert Louis, 20813A.
×Anderson, Joe, 20814A.
×Ogle, Quentin John, 20808A.
Morin, Robert Paul, 20810A.
Giddings, Charles Robert, 3d, 20807A.
Coyle, Robert Charles, 20815A.
Clauson, Curtis Sutherland, 20812A.
Bryant, Eugene Cranford, 23840A.
MacFarren, Donald James, 23838A.
Wheeler, Lewis Edgar, Jr., 23839A.
Pipher, Robert Wilson, 24426A.
Chu, Earl Massey, 23841A.
Miller, Bernard Paul, 23842A.
Gardner, G. C., Jr., 23844A.
Hickson, Dick, Jr., 24427A.
Holland, Charles Duke, 24781A.
×Belinski, Edward Joseph, 21721A.
Cronin, John Bernard, 23845A.
×Alderman, James Othell, 21526A.
Bolt, Thomas Bruce, 23847A.
×Holaway, Robert Owen, 21587A.
Modisette, James Oliver, Jr., 23849A.
Davison, Peter Hal, 23848A.
Moyle, Thomas Dowling, 24782A.
Underwood, Elbert Maurice, 24783A.
Hatcher, Dwight Joel, 21654A.
Pishney, John Carl, Jr., 23851A.
Box, Moses Richard, 21746A.
Brewington, Russell Dumas, 23852A.
Kirkpatrick, Herman Leonard, 23853A.
Wright, Robert Craig, 24428A.
×Urie, Thomas Eugene, 20885A.
Plant, Kenneth Albert, 23855A.
Reed, William, 23854A.
Skiles, William Blair, 20886A.
×Millspaugh, Robert Edward, 20887A.
Mook, William Rouch, 20888A.
×Esser, George Edward, 24785A.
Kimbrough, Duke Shouse, 24784A.
Voudouris, Arthur Costas, 24786A.
Pinson, Jay Dee, 21665A.
×Gabriels, Alexander, Jr., 24429A.
Priestley, Gilbert Alden, 23856A.
Keen, Robert Harley, 20889A.
McConnell, Carlton Harper, 22853A.
×Beard, William Joseph, 24787A.
Coen, Charles Clair, 24788A.
Miller, William Stanley, 22854A.
Hayes, Jack Austin, 22429A.
Bellizzi, Anita Marie, 22428W.
Rave, Frank Harlan, 22431A.
Washington, Miles Standish, Jr., 22433A.
×Torraco, Pasquale, 22432A.
Watts, William George, Jr., 23857A.
Egginton, Jack Hardy, 24430A.
Davis, Albert Paul, 24432A.
Risner, Hurl, 24789A.
Schoppe, John Cushman, 23858A.
Bull, Willard Stanley, Jr., 23859A.
Brady, Eugene Lorne, 22855A.
×Hartsfield, William Wylie, 20892A.
×Brown, William Randall, 20890A.
×Keleher, Robert Jerome, 20891A.
Nunnally, Frank Warren, 24433A.
Ford, Francis Meredith, 23860A.
Lanham, William Taylor, 23861A.
Woldt, Willard Emerson, 24434A.
Campbell, Stanley Jean, 23862A.
Eanes, Edwin Coley, 24435A.
Johnson, James Gordon, 24436A.
Walker, Clarence William, Jr., 24437A.
×Poor, Arthur Reginald, 20894A.
×Enright, Joseph Kenneth, 24790A.
Boyer, Kenneth Guy, 21571A.
Pawelek, Edmund Theodore, 21576A.
Schmidt, Paul Phillip, 21581A.
Bretzius, William Franklin, 3d, 21585A.
Scarff, Edwin Jerome, 21578A.
Del Do, Louis Joseph, 21572A.
Rabbitt, Kent William, 21573A.
Podoll, William Gene, 21575A.
×Bancroft, Earl Frank, 21583A.
Ammerman, David Shearer, 21584A.
×Simons, Walter, Jr., 21577A.
Hills, John Russell, 21579A.
Williams, Wesley Warren, 21574A.
Davis, Harry Bazelle, 21570A.
Head, Edward Martin, 24438A.
Brunsman, George Edward, 24439A.
Mace, Theodore Nelson, 24792A.
Matecko, George, 24791A.
Van Huss, George Dewey, Jr., 24794A.
Humphreys, Francis Aldridge, Jr., 24793A.
McClurkin, Samuel Preston, 23863A.
Reaver, William Paul, 24440A.
Baker, Henry Daniel, Jr., 23864A.
Harpster, John Stanley, 24441A.
Goldfogle, Richard Arnold, 24442A.
Martin, Baird Mankin, 21664A.
Luttrell, Donald Allen, 24443A.
Smith, John Richard, 24444A.
Ward, Marion Haggard, 23865A.
Bergstrom, Airus Evan, 23866A.
×Mixson, Donald McRae, 21551A.
Clark, William Ainsworth, 21554A.
Clark, Robert Louis, 21555A.
Luke, William Thomas, 19888A.
Laski, Joseph Stanley, 23869A.
Clouse, James Buchanan, 23870A.
Hawk, Robert Gordon, 21589A.
×Conner, Henry Hoop, Jr., 21590A.
Michaud, Richard Earl, 21588A.
Nicholson, William Lloyd, 3d, 24447A.
Waters, William Forrest, 21668A.
Graham, Irwin Patton, 23871A.

MEDICAL SERVICE

×Weiss, Frank, 23078A.
Kelly, John Allen, 23225A.
Stauch, John Edward, 23079A.
Jonas, Ralph Buel, 23226A.
Kelley, Robert Gerard, 23227A.
×Ansley, Ben Aubrey, 23080A.

The following-named officers for promotion in the Regular Air Force under the provisions of section 107 of the Army-Navy Nurses Act of 1947, as amended by Public Law 514, 81st Congress. Those officers whose names are preceded by the symbol (×) are subject to physical examination required by law.

To be first lieutenants

NURSES

×Kennedy, Elizabeth Marie, 21713W.
×Kessler, Doris Mae, 21711W.
×Evans, Bertha Elizabeth, 21717W.

WOMEN'S MEDICAL SPECIALIST

×Ertwine, Jean Mackey, 21719W.

NOTE.—Dates of rank of all officers nominated for promotion will be determined by the Secretary of the Air Force.

REGULAR AIR FORCE

The following-named person for reappointment to the active list of the Regular Air Force, in the grade of major, from the temporary disability retired list, under the provisions of section 407, Public Law 351, 81st Congress (Career Compensation Act of 1949):

Jack L. McCluskey, 3924A.

The following-named persons for appointment in the Regular Air Force, in the grades indicated, with dates of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, 80th Congress (Officer Personnel Act of 1947); title II, Public Law 365, 80th Congress (Army-Navy-Public Health Service Medical Officer Procurement Act of 1947); and section 307 (b), Public Law 150, 82d Congress (Air Force Organization Act of 1951), with a view to designation for the performance of duties as indicated:

To be majors, USAF (Medical)

Lester S. Greider, AO1695156.
Joseph M. Quashnock, AO536596.

To be captains, USAF (Medical)

Claude D. Baker, AO2212879.
Norman C. Bos, O977418.
Victor H. Esch.
Charles E. Guice, AO1864475.
Gerald I. Maas, AO2212529.
Robert E. Pierce, AO976811.
Lyman J. Scripter, AO1906218.

To be captains, USAF (Dental)

Robert G. Bowman, AO1907110.
Robert L. Lindberg, AO1776178.
Henry R. Potts, AO2241056.
Joseph G. Runco, AO2240280.

To be first lieutenants, USAF (Medical)

Ray M. Balyeat, AO690032.
Max B. Brallier, AO2212178.
Neil E. Crow.
Garth B. Dettinger, AO798904.
Anthony J. DiGiovanni, AO794780.
Francis S. Gardner, Jr.
Paul M. Grissom, AO2240365.
Herbert C. Haynes.
Howard H. Johnson, Jr.
Earl J. Kolb, Jr., AO2240658.
William R. LaRosa.
Gilbert B. Maestas, AO2240378.
Edmund J. Manogue, AO1541394.
William F. Nicol, AO2240370.
John B. Norton, AO1181973.
Leo C. Partyka, AO2240371.
William H. Peniston, 310904 USNR.
Gerald H. Reams.
Eli Richard, AO561895.
Basil M. Yates, AO2212873.

To be first lieutenants, USAF (Dental)

Elmer T. Duncan, AO2239956.
Farns W. Logan, AO860855.
Emil A. Mellow, AO702135.
Wayne A. Peer, AO857111.
Daniel B. Stanton, AO2240714.
Luie D. Stewart, AO753451.
James L. Vander Berg, O1646956.
Rene D. Varrin, AO1906197.

To be first lieutenants, USAF (Chaplain)

John H. Allman, AO2236160.
William A. Boardman, AO944218.
Thomas N. Shaddox, Jr., AO2235854.

To be first lieutenants, USAF (Judge Advocate)

Roy D. Adcock, AO662851.
Duane R. Bernard, AO1856716.
Richard C. Bocken, AO2099173.
Robert Burns, AO2235974.
John C. Chew, AO731461.
Harold C. Detling, AO2247462.
John W. Fahrney, AO1854024.
William T. Griffith, AO1866173.
Warren H. Jolly, AO830005.
Daniel G. Joyce, AO662062.
Eugene E. Kelly, AO1856605.
Otto Kratochvil, AO1859532.
Mayo L. Mashburn, AO2216332.
Giles J. McCarthy, AO659066.
Ralph H. Moberley, Jr., AO1847089.
Basil S. Norris, AO2216350.
Norman R. Prusa, AO840192.
Virgil M. Rochester, AO2235848.
Everett E. Sloop, AO1864303.
Charles S. Steinhardt, AO2233759.
James Taylor, Jr., AO2236214.
James R. Thorn, AO664276.
Fielding L. Washington, AO701663.
Thomas L. White, AO888862.
Robert F. Williams, AO876230.
David C. Yeoman, AO411285.
Keith J. Yoder, AO930009.
Rush L. Young, AO664456.

The following-named persons for appointment in the Regular Air Force, in the grades indicated, with dates of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, 80th Congress (Officer Personnel Act of 1947):

To be first lieutenants

Stanley L. Anderson, AO818801.
Maurice D. Bach, AO591617.
John J. Baleski, Jr., AO665372.
Leonard N. Beardsley, AO2099090.
Richard S. Becker, AO1908494.
Tommie D. Benefield, AO1904565.
David B. Bogle, AO1847843.
Anthony W. Brunetti, AO590543.
Vincent K. Buck, Jr., AO1908885.
William P. Calmes, AO684136.
James L. Cameron, Jr., AO766417.
William E. Carson, AO1910366.
Robert L. Clark III, AO620956
Paul E. Coke, AO781525.
Joseph D. Cooper, AO779795.
Emery J. Crane, AO1910368.
Leonard D. Craun, AO688741.
Robert W. Denomy, AO2075850.
George T. Dwyer, AO2063254.
John T. A. Ely, Jr., AO876903.
Richard A. Emmons, AO668558.
Robert E. Flynn, AO960919.
Ivan R. Frey, AO781544.
William R. Graham, AO1847728.
Francis C. Grundy, AO2096970.
Kenneth R. Hales, AO1909047.
William E. Haynes, AO2084297.
Robert R. Heaton, AO2081454.
Paul B. Henderson, AO815899.
Charles C. Hyre, Jr., AO717442.
Frank J. Jowdy, AO2056079.
Frank Z. Kamer, AO782753.
Paris N. Keriakou, AO2075968.
Russell E. Klinginsmith, AO715237.
Thomas E. Lamb, AO779163.
Joe V. Lane, AO790749.
Roger P. Larivee, AO796843.
Floyd D. Mahl, AO712415.
William J. Mahon, AO723647.
Edwin J. Mattingly, AO700619.
David C. McDaniel, AO703262.
James V. Merritt, AO820299.
George L. Miller, AO2063080.
Junior D. Murfield, AO531651.
Allen L. Myller, AO1904209.
Edward R. Nacey, AO707540.
William R. Nelson, AO747057.
Henry L. Nixon, AO833192.
Alfred R. Novak, AO814122.
Grover C. Oakley, Jr., AO2069568.
John H. Oliphint, AO674390.
John H. Parrott, Jr., AO816566.
Robert H. Perry, AO719725.
Morris B. Pitts, AO799633.
Alan G. Pound, AO775545.
Andrew Pringle, Jr., AO1910407.
Walter W. Rogers, AO1046628.
Charles G. Romine, AO705992.
Jerome A. School, AO1847211.
William C. Slattery, AO1910344.
Oswald D. Tolley, AO2101832.
Constantine J. Tringas, AO1856785.
Carl M. Turbyfill, Jr., AO627086.
Jack E. Turner, AO1849276.
Charles L. Wald, AO933268.
Paul E. Williams, AO794733.

To be second lieutenants

Gordon J. Allen, AO2232168.
Jesse J. Anderson, AO1911917.
Harry M. Archuleta, AO939271.
Leonard E. Baltzell, AO1854669.
Samuel L. Bertic, AO930401.
Donald D. Brown, AO2221740.
Julius W. Brown, Jr., AO2080983.
Franklin M. Charette, AO2222225.
Edward B. Clark, AO944417.
Arthur S. Cole, AO1858008.
Gerald E. Cooke, AO2093169.
Robert E. Crawford, AO872200.
Gerald B. Custer, AO785768.
Gerald R. Dahl, AO1912066.
Charlie B. Davis, Jr., AO2221578.
Frederick C. Dietz, AO631138.
Dale E. Downing, AO1858101.
Robert G. Elliott, AO2063809.
Harold D. Farris, AO819778.
Rodney D. Fauida, AO938184.
Joseph Fischle, AO1851094.
Philip Fiorio, Jr., AO2218666.
Billy G. Halbert, AO705386.
Harold C. Hall, AO715198.
Richard A. Heard, AO2092182.
William V. Hughes, AO721094.
Joseph D. Jefferis, AO698563.
Billy M. Jones, AO839024.
Henry L. Jones, AO1907316.
Jacob A. Joppa, Jr., AO1912093.
Thomas J. Killion, Jr., AO838111.
Charles E. Koeninger, AO1856403.
Harold P. Leatherby, AO1910749.
Robert H. McIntire, AO2084949.
John A. McMillan, AO1905997.
John R. McQuillen, AO2221853.
William S. O'Leary, AO1863063.
Lawrence M. Olson, AO942128.
George E. Omley, AO786451.
Foster A. Post, AO2221914.
Henry D. Rauchenstein, AO555231.
Herbert H. Reynolds, AO2218770.
Charles C. Runnels, Jr., AO1856421.
Charles C. Runyan, Jr., AO788260.
Charles R. Schifferdecker, AO723695.
Richard J. Schimberg, AO1861099.
Wilbur C. Watson, AO2221574.
Mark A. Welsh, Jr., AO784638.
Charles L. Wilson, AO2058327.
George G. Yeager, Jr., AO838462.

The following-named persons for appointment in the Regular Air Force, in the grade indicated, with dates of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, 80th Congress (Officer Personnel Act of 1947); and section 301, Public Law 625, 80th Congress (Women's Armed Services Integration Act of 1948):

To be second lieutenants

Elizabeth W. Collins, AL2218637.
Virginia R. Rathburn, AL1910777.
Mary A. Sawyer, AL2218781.

The following-named distinguished officer candidates for appointment in the Regular Air Force in the grade indicated, with dates of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, 80th Congress (Officer Personnel Act of 1947):

To be second lieutenants

Robert A. Schultz, AO2220327.
Joseph C. Stehlin, Jr., AO2220350.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 24 (legislative day of June 8), 1953:

UNITED NATIONS

John C. Baker, of Ohio, to be representative of the United States of America to the

16th session of the Economic and Social Council of the United Nations.

DIPLOMATIC AND FOREIGN SERVICE

James S. Kemper, of Illinois, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Brazil.

L. Corrin Strong, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Norway.

M. Robert Guggenheim, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Portugal.

FEDERAL MARITIME BOARD

Louis S. Rothschild, of Missouri, to be a member of the Federal Maritime Board for the remainder of the term expiring June 30, 1956.

UNITED STATES ATTORNEY

William F. Tompkins to be United States attorney for the district of New Jersey.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 24, 1953

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou who art the guiding intelligence in the life of men and nations, wilt thou gird our minds and hearts with a courageous and cheerful spirit as we seek to do what Thou dost desire and demand.

We humbly confess that we do not know how to rightly read and interpret the signs of the times, but may we believe that it is our highest wisdom to put our trust in Thy divine providence and not be afraid.

Grant that we may never allow the multitude and magnitude of our tasks and responsibilities to pall on us and fill us with a sense of futility and frustration.

Show us how we may strengthen the bonds of fraternity and friendship among all the members of the human family and may it be our constant and controlling purpose to establish peace on earth.

In Christ's name we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

THE LATE HARRY P. O'NEILL

Mr. CARRIGG. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CARRIGG. Mr. Speaker, it is my sad duty to announce the unexpected passing of our late colleague, Harry P. O'Neill, who, during the sessions of the 81st and 82d Congresses represented the 10th District of Pennsylvania in this House.

Those of us who remember Mr. O'Neill, remember him as a quiet, unassuming, and kindly gentleman, one who went about his work here as a Representative without fanfare or ostentation.

I am sure that those of us who have been associated with him in the past will miss his kind friendship in the days to come.

I know I express the wish of this House when I say to his family that they have our deepest sympathy. I know that the House joins with me in the prayer that Almighty God will grant him and to those who have departed, the former Members of this House, everlasting peace and comfort in the world to come.

Mr. WALTER. Mr. Speaker, will the gentleman yield to me?

Mr. CARRIGG. I yield to the distinguished gentleman from Pennsylvania.

Mr. WALTER. I join my distinguished friend in extending to the family of our beloved colleague our deepest sympathy. Harry O'Neill was a family man first, and I am sure that his passing will be a great blow to his fine family. It has lost a devoted husband and father, and the community in which he resided has lost a fine public servant who contributed much to the welfare of all of the people he represented so unselfishly as a representative in the General Assembly of Pennsylvania and in the Congress of the United States. Harry O'Neill will be missed by all who were privileged to know him.

Mr. SAYLOR. Mr. Speaker, will the gentleman yield to me?

Mr. CARRIGG. I yield to the gentleman from Pennsylvania.

Mr. SAYLOR. It was with a sense of deep personal loss that I learned this morning of the passing of my friend and former colleague from Pennsylvania, Harry O'Neill. It was my distinct privilege to serve with Harry O'Neill as a member of the House Committee on Interior and Insular Affairs. Since he and I came from Pennsylvania, and sat on opposite sides in that committee, it was always a pleasure to discuss the legislation before us. His great wealth of legislative knowledge gained from 20 years' experience in the Pennsylvania Legislature was helpful to all who asked him for help. It was always interesting to note that Harry placed his country's interests above any party interest in every matter of legislation that came before Congress while he was a Member.

In traveling on committee business I got to know him very well. I know that he was a family man, a good father, a dutiful husband, a Christian gentleman, and a loyal American. I know that he was loved by his family; that he was always interested in the welfare of his country; and I know that his family will miss him. To his wife and his family, I join with his many friends in extending to them my sympathy.

His passing will be a great loss not only to them, but to his community and to his country.

Mr. JAMES. Mr. Speaker, will the gentleman yield?

Mr. CARRIGG. I yield to my colleague from Pennsylvania.

Mr. JAMES. Mr. Speaker, I am shocked and deeply moved by the notice I received just a few minutes ago of the passing of a very dear friend, Harry O'Neill.

It was my privilege to serve in the General Assembly of the Commonwealth of Pennsylvania with Harry O'Neill. When I entered that body as a new representative, Harry was even then the dean of the Democratic delegation in the general assembly. Harry was more than a friend to me for although we sat on opposite sides of the aisle, I was at all times able to secure his valuable advice, and in many ways he helped make my tenure of 8 years in the legislature pleasant, much happier, and more useful than might have been if he were not among those who were so cooperative.

I know the people in Pennsylvania who are aware of Harry's long and faithful service in the body in which he served so long so well will deeply regret his passing. I know he will be mourned by many in public life in the State of Pennsylvania.

I wish to extend my most profound sympathy to the members of his family. I join with my colleagues in the certain knowledge that Harry will meet his Maker, and his Maker will say to him, "Well done, thou good and faithful servant."

Mr. ENGLE. Mr. Speaker, will the gentleman yield?

Mr. CARRIGG. I yield to the gentleman from California.

Mr. ENGLE. Mr. Speaker, I am distressed to learn of the death of my old friend and associate on the Committee on Interior and Insular Affairs, Harry O'Neill. It was my privilege to serve with him on that committee and to travel throughout the country with him on several occasions, which gave me an opportunity to get acquainted with him and to know him, and from which I formed a deep and friendly attachment to him.

I do not know of a man in this House who was more kindly, more friendly, or had a sweeter disposition. He was a conscientious public servant. He wanted to do his work and he wanted to do it well. He was an experienced and able legislator. He was a wonderful family man. He took great pride in his family, and I know his passing is a grievous loss to them.

His passing is going to be a great loss to all of us who knew him and served with him on the Committee on Interior and Insular Affairs.

I especially want to join in expressing my sympathy to Mrs. O'Neill, whom I knew very well, and in expressing my sympathy to all members of his family and to the people of his community. He was a fine citizen, a great American, and an able Congressman.

Mr. GRAHAM. Mr. Speaker, will the gentleman yield?

Mr. CARRIGG. I yield to my colleague from Pennsylvania.

Mr. GRAHAM. Mr. Speaker, in the passing of Harry O'Neill we in the Pennsylvania delegation have lost a fine friend. It is true he is not with us as a Member, Mr. CARRIGG having taken his place, but during his occupancy of this House as a Representative from his district he served his people well. He

was a kindly gentleman and very solicitous of his people, and very considerate of his family and friends.

We shall miss him, and we extend to his family our sincere sympathy and deep regret at his passing.

Mr. D'EWART. Mr. Speaker, will the gentleman yield?

Mr. CARRIGG. I yield to the gentleman from Montana.

Mr. D'EWART. I would like to join with my colleagues in paying my respects to Harry O'Neill. I served with him on the same committee and traveled throughout the West in studying various problems connected with that committee. He was on the opposite side from me, and I have a high regard for him.

I extend my sympathy to his family in their great loss. It is not only their loss alone, but also the loss of the country as a whole.

Mr. SCOTT. Mr. Speaker, it was with a great deal of regret that I learned this morning of the passing away of my friend, former Congressman Harry P. O'Neill, of Scranton, Pa.

The people of Scranton have lost a valued friend in the death of Harry O'Neill. He was unsparing in his devotion to the welfare of the people of his district.

For myself, I have only the happiest of memories of my associations with Harry P. O'Neill.

I join with the other Members from Pennsylvania in extending my sincere sympathy to the family of Mr. O'Neill.

Mr. ASPINALL. Mr. Speaker, it is not our privilege to get to know well each of the many Members who serve in this honorable body even though the many associations we have are warm and treasured. So it is that we are the more touched when death comes to one of the many fine personalities here with whom we have been privileged to have a more intimate association. I am grieved today because of the passing of our former colleague, Harry P. O'Neill, surely as fine and noble a man as ever represented his great State. He came to Congress the same year as I did, that was for the 81st Congress. He had had a long and successful career in the State House of Representatives before coming to Congress.

Mr. O'Neill and I were assigned to the same committee, Interior and Insular Affairs. We sat next to each other for 4 years. On that committee, I learned more about this gentleman from Pennsylvania, learned of his seven fine children and how all of his sons served in World War II. I met his charming wife and learned of their beautiful and companionate home life. I learned of his humble background and of his early struggle and yet of the progress he made through the efforts of himself, his loyal family and host of friends. Yes, I learned all this and much more about Harry O'Neill, a credit to his Nation and to this body. Naturally, I missed him when, as such things will occur, he failed of reelection for this present Congress.

I have seen Harry O'Neill but once since this Congress convened but this does not lessen the loss which I today feel. My thoughts, though with him in memory, turn mostly to his fine family, to those he has started on life's road and to them, I offer my most sincere condolences. I speak only that they might know that Harry O'Neill, a fine and lovable gentleman, has not been forgotten here in Congress where he served so well. Those of us who were privileged to walk with him for a while are the better because of our travels together.

VETERANS' ADMINISTRATIONS IN REPUBLIC OF THE PHILIPPINES

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 302, Rept. No. 650) which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3884) to extend the authority of the Administrator of Veterans' Affairs to establish and continue offices in the Republic of the Philippines. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Veterans' Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

HOME AND FARMHOUSE LOAN AUTHORITY OF VETERANS' ADMINISTRATION

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 303, Rept. No. 651) which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6456) to extend to June 30, 1954, the direct home and farmhouse loan authority of the Administrator of Veterans' Affairs under title III of the Servicemen's Readjustment Act of 1944, as amended, to make additional funds available therefor, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Veterans' Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

SUPPORT OF RESISTANCE MOVEMENTS BEHIND IRON CURTAIN AND SET UP NATIONAL MILITARY UNITS FROM ESCAPEES FROM IRON CURTAIN COUNTRIES

Mr. KERSTEN of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KERSTEN of Wisconsin. Mr. Speaker, I wish to call the attention of the House this morning to the great speech made yesterday by Chancellor Adenauer in Germany concerning the death of those heroic persons who rose against the Communist police state in Eastern Germany and who were killed by the Soviets in the current uprising. In his speech Chancellor Adenauer called for the unification of Germany under the free government. The Soviets, we know, are calling for the unification of Germany under the hammer and sickle.

Mr. Adenauer stated that the West Germans would support the East Germans in their resistance to communism, and I think that should be the position of the free governments of the world. I think that we should support wherever we can movements of resistance in the other countries behind the Iron Curtain, Poland, Hungary, Czechoslovakia, and the other countries under the Communists, particularly to the point of implementing that portion of the law that provides for the setting up of national military units to be attached to the armed forces of the Western nations so as to be magnets of defection to the armed forces behind the Iron Curtain, because many elements of the armed forces under the Communists would defect and want to fight against their Red masters.

REDUCTION OF INCOME TAX

Mr. HELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HELLER. Mr. Speaker, when the people of this country voted last November to change administrations, one of the factors which prompted them to do so was the burden of taxation. The new administration, which made this an issue, is now in control nearly 6 months, but as yet the promise to cut taxes remains unfulfilled.

Nothing has been done to show the people that that promise will be kept this year. The bill, H. R. 1, introduced by the gentleman from New York [Mr. REED], has made no headway, so that its sponsor was forced to place a discharge petition on the Speaker's desk in the hope that a sufficient number of Members will sign the petition to bring the bill before this House for prompt action.

Mr. Speaker, yesterday I signed that petition. I signed it because the people are getting impatient about this matter. They are impatient because prices of food and other necessities are high and they find it difficult to meet the high cost of living. They are also impatient when they see the efforts to eliminate

the excess-profits tax for the rich, while nothing is being done for the poor.

Mr. Speaker, there is an old proverb which says: "Saying and doing are two different things." As my distinguished colleague, the gentleman from New York [Mr. REED] has repeatedly stated on the floor of the House to his Republican colleagues: "You said it during the campaign"—I say, "Do it now."

SPECIAL ORDER GRANTED

Mr. PERKINS asked and was given permission to address the House for 10 minutes today, following any special orders heretofore granted.

REORGANIZATION PLAN NO. 6

Mr. SHORT. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SHORT. Mr. Speaker, I wish to call to the attention of the Members of the House, because of the possibility of not being able to get much time when Reorganization Plan No. 6 is brought to the floor, a speech that I am inserting at this point in the RECORD and one that I wish I might have delivered in person to the Members of this body. I do trust that all Members on both sides of the aisle will find time to read and study this explanation of Reorganization Plan No. 6, which most vitally affects our Defense Department and the security of our Nation.

Mr. Speaker, let me make one point clear before I get to the details of this reorganization plan and the resolution to reject it, introduced by Mr. CONDON.

These comments are mine only. They do not commit any other member of the Committee on Armed Services, but reflect, I believe, the views of a majority. I am speaking for myself alone and not as chairman of the committee.

I wanted to make that statement because the Armed Services Committee has not considered this plan officially, and I do not know, personally, but believe most members of the committee are in favor of the plan.

You may also wish to receive testimony or views from some of the other members of the Armed Services Committee. Most of them have an excellent background on the questions involved in this proposal.

Now, I am not going to belabor you with long and involved arguments. The plan is simple. Its provisions are clear. The issues it raises are uncomplicated and easily explained. The history of the provisions brought into question is well known, I believe, to all—or almost all—of the Members of the House.

I know of only one phase of the plan that occasions any particular concern among any of us. That is the part that relates to the Joint Chiefs of Staff. The balance of the plan rearranges the civilian functions of the office of Secretary of Defense and—I think all of us agree—is likely to result in substantial improvement of and heightened efficiency in that office.

I like particularly the abolition of the Munitions and Research and Development Boards, because they have been administrative headaches ever since shortly after their creation in 1947—and the Armed Services Committee has found time after time that the main purpose of these Boards seemed to degenerate into accomplishment of delay, diffusion of responsibility, and increase in cost of the armed services.

Also I like the idea of giving the top policy people in the office of the Secretary and Deputy Secretary of Defense the same civilian title and pay. It ought to make a more efficient, more cooperative, more stable Defense team, and providing Senate confirmation for these men as Assistant Secretaries, as the plan does, will make these positions more attractive to men of large capacity and vision.

The new Assistant Secretary for applications engineering—whose functions, I am sure, have already been fully explained to you—has especially attracted my attention and interest, because, frankly, I did not suspect previously that this type of management function should be provided for, and because I share the enthusiasm of the Secretary of Defense for the type of duties he will perform.

It is my expectation that if this man is given his head, and if a really outstanding man is put into this new post, then we ought to find ways and means for accomplishing savings in defense expenditures dwarfing those heretofore proposed by anyone—and without the slightest impairment of the combat capabilities of the Armed Forces. For a long time we have had an acute need for someone with clear-cut responsibility in the Pentagon to get common sense into service weapon design and research. This is the position calculated to do it, and I think it is a great step forward for defense and for rationality in this important field.

Now, about these Joint Chiefs of Staff provisions, I want first to make it clear that I am in full support of the provisions of the plan and, therefore, in opposition to rejection of the plan or any proposal to approve the plan with the proviso that the heart of these provisions be plucked out.

Bear this in mind as I proceed.

I have been, for some years, in the forefront of the fight in the House and in conference with the Senate against the creation of a military chief of staff over all of the military forces. I have been one of the most outspoken opponents of the Armed Forces general staff concept. I have been no blind follower of merger, which some think—mistakenly, in my opinion—should be the end result of unification.

The point is, I am no storm trooper devotee seeking to foist upon the Nation a military man with gargantuan powers, who can issue ukases and fiats, who can utter the last word on all military matters, who can know all and do all in relation to our national defense, overwhelming the President and the Congress with his tyranny over all our military.

Quite the contrary.

With my good friend and our respected and beloved colleague, CARL VINSON—who has forgotten more about this subject than most of us will ever find out—I played a forthright and vigorous part in delimiting the powers of the Chairman of the Joint Chiefs of Staff and imposing certain fetters upon the Secretary of Defense.

So, Mr. Speaker, this is no evangelist, no impractical dreamer, who is now before you urging approval of this plan.

But, my friends, we are getting to the point where we are seeing ghosts, ghouls, and goblins in these matters—we are getting to where we are afraid to legislate on certain aspects of national defense for fear that later on we might do something else wholly unacceptable today. We are acting emotionally about a subject that requires, above just about all others, the most crystal clear, most objective, most reasoned commonsense and judgment.

About this Chairman of the Joint Chiefs, just what is he under the law?

First, he is a military man. He holds four stars by virtue of this position. He gets the same pay as the other members of the Joint Chiefs of Staff, all of whom have the duty of strategic planning for our country.

Second, he has precedence over the other members of the Joint Chiefs of Staff. And why? So he can walk in front of them and at official functions, take the lead. When we wrote this into the law in 1949 we did so because, mainly, the Chairman would have looked mighty peculiar following the others around and taking a back seat at this and that function—then going back to the Pentagon and presiding over their meetings.

Third, he works under the Secretary and Deputy Secretary of Defense. The law says he is under their direction and authority. This means, if language means anything, that he is completely under their thumb. Also, as a member of the Joint Chiefs of Staff, he is also under the Secretary of Defense, for that body works under the Secretary.

Fourth, he has three duties that we gave him in 1949.

He writes up the agenda for the Joint Chiefs of Staff.

He presides over their meetings.

He advises the Defense Secretary and the President when the Joint Chiefs cannot agree.

These duties are in addition to his function as serving as a member of the Joint Chiefs of Staff.

And, as all of you know, he has no vote in the Joint Chiefs of Staff meetings.

So, all in all, he is a mighty closely confined officer, mainly having the function of helping the Joint Chiefs get their work done efficiently and in a reasonable time. That is about all he can do under the law.

Now, what have we here before us in this plan?

It does one thing only in respect to the Chairman.

It gives him the management of the Joint Staff, which heretofore, under the law, has worked under the Joint Chiefs of Staff.

Well, Mr. Speaker, some of my good friends look upon this as some devilish scheme to get a single Chief of Staff over all four of the Armed Forces—some indirect, covert device that will do indirectly what we have prohibited by law.

Let me say, in the first place, that I, for one at least, do not buy any such argument, because I know to my full satisfaction that President Eisenhower does not deal in this kind of indirection. I am told, in fact, that these provisions are in the plan simply to insure that there can be no misunderstanding about what is being attempted here. There is little doubt that the President and the Secretary of Defense could accomplish this result by means of the present law without coming to Congress about it. However, the intent of the law is involved, so these provisions are before us simply to keep all of this entirely open and aboveboard.

And, in the second place, fears about this are absurd if you have any reasonable understanding of the law, because the law contains provisions so flatly prescribing a single Chief of Staff and an overall Armed Forces general staff, that it simply cannot be done under this plan, directly or indirectly.

Look how the law ties this down.

The Chairman cannot vote in Joint Chiefs of Staff meetings.

He has no duties other than those prescribed in the law; in other words, he cannot float around accumulating all kinds of duties; he can do only those things prescribed for him.

He exercises no command, so he cannot tell the other Joint Chiefs what to do.

He cannot usurp the duties of the Joint Chiefs of Staff because, by law, all four of them hold these duties.

He cannot act as the prime military man because all four of the Joint Chiefs are, by law, the principal military advisers—not just the Chairman—to the President, the National Security Council, and the Congress.

In the face of all this—not to mention the fact that the Chairman also remains totally under the thumb of the Secretary of Defense, the President, and cannot escape the probing influence of the Congress—I can find little justification for alarm about his riding rough shod around the Pentagon and assuming functions and powers not in keeping with the law.

This Joint Staff—I just wonder how many of us know much about it. Certainly few of us have given much thought to it in the last 4 years.

It consists of 210 officers—70 from each military service. Actually it has never had more than 129 officers. These men are selected by the Joint Chiefs of Staff. The law prescribes that they work under the direction of a Director, who historically has held three stars. Its duties—and the Director's duties—are not spelled out in the law. They are just expected to do what the Joint Chiefs of Staff want them to do.

Now, this plan puts this group under the Chairman instead of under the Joint Chiefs of Staff, except that the Chairman still has to pick his men from lists provided by the other three Joint Chiefs—he cannot go down into each service and find his men himself.

Now, I have heard some Members of the House express grave perturbation about this—something to the effect that the Chairman might throw off of the staff someone who does not agree with him, or that he might make the staff report only what he wants it to be and thereby hamstring the Joint Chiefs of Staff. Others seem to think this is the genesis of the Armed Forces general staff.

Well, here are goblins again.

The staff is, speaking comparatively, a tiny group; 210 officers are simply nothing to get wrought up over. All they can do is to make studies for the Joint Chiefs, and even that cannot amount to much more than briefing studies worked out in great detail by the huge staffs of the Army, Navy, Air Force, and Marine Corps. It is physically impossible for it to suddenly blossom into an Armed Forces general staff unless we take off the statutory limit on the number, and we do not propose doing that. Remember there actually has never been more than 129 officers on it.

Bear in mind that the Chairman holds the statutory responsibility for providing an agenda for the Joint Chiefs. But, under present law, he has absolutely no staff to help him work up the necessary papers for this. I guess he is expected to just dream it up. Actually, I think we missed an important point here when we drafted up the 1949 amendments to the National Security Act, because I fail to see how any chairman, of any group—even of our own committees, Mr. Speaker, can work up a worthwhile agenda for important meetings unless we have a staff of some sort to do the spade work.

So this ought to make for better work by the Chairman, and the work of the Joint Chiefs altogether ought to be better. And also, this ought to make it possible for the Chairman to shed from the Joint Chiefs much minutiae and some of the detail now cluttering up their work, so they can get down to business on the important planning as they are supposed to do under the law.

Now, let me say here that all of us missed the boat about the Director of the Joint Staff.

In 1949 we put him under the Joint Chiefs of Staff. But then, we neglected to give him any duties, except to say that he will do what the Joint Chiefs of Staff tell him to do.

The result is that he works away just about as he pleases, because you and I know very well that each of the Joint Chiefs of Staff is so terribly burdened by tremendous problems incident to running the military forces and working on JCS business—and coming up here on the Hill all hours of the day—that they are not going to trouble themselves about running this little 210-man staff that is supposed to take care of JCS detail and make studies for them.

So, here we have a director—a vice admiral or a lieutenant general—running this little staff more or less as his private empire. I have not heard anyone complaining about that before. I have not heard anyone express great fears that he would abuse the Joint Staff by making it report only what he wanted, although I hardly see why he could not get this done if he happened to be unscrupulous.

And as for firing the members of the Joint Staff, everyone of us knows that if a bad apple gets on this staff, whether from the Army, the Navy, or the Air Force, he will be gotten off, even if it requires that the Director go through the Chairman of the Joint Chiefs to the Secretary of Defense.

So what is being done under the plan is making this Joint Staff far more responsible than it has been before, and I think that is a great improvement. Especially do I think that when I talk, as I have, with some of my fellow members on the Armed Services Committee and discover that hardly any of them know who has been the Director of the Joint Staff in the past, neither do they know what he did while he was the Director. I just wonder, Mr. Speaker, why this proposal should raise so many hackles when this other situation has gone along for 6 years without generating any of these biases and phobias.

I far prefer having this staff under some widely respected officer like Admiral Radford, who as Chairman will be looked at, checked on, cross-examined, and cross-checked on everything he even thinks about doing, than to have it entirely in the grasp of some unknown three-star officer whom we never see and do not know very much about.

So, without flogging this dead horse much longer—

We need not fear the single chief of staff from this plan; it is impossible under the law.

We need not fear the Prussian general staff under this plan; it is impossible under the law.

We need not fear that the Chairman is going to do something dastardly with this tiny Joint Staff, because the Chairman would get eaten alive by the other Chiefs, by the Secretary, by the President, or by the Congress, if he tried to get away with something, and because he has to do everything out in public and stand the consequences. We have more occasion for fear if we leave this setup in the hands of the mysterious and anonymous Director as provided under present law.

Since this new arrangement ought to make for a more efficient, more responsible Joint Chiefs of Staff organization, and since it does not warrant any fears, I support the provisions of the plan relating thereto and, Mr. Speaker, I therefore oppose the resolution to reject or any resolution to affirm the plan without all the provisions in it.

Incidentally, do not let anyone lead you astray with the idea that this is just another drop of water wearing away the stone—that through this plan we are well on our way to the single Chief of Staff and Prussian staff system.

It just is not so.

It cannot be so until certain specific, precise, deliberate changes are made in

the law, and I cannot see any likelihood that the Congress will ever approve any such changes.

We would have to remove the numerical limit on the Joint Staff.

We would have to give the Chairman command over the other three Chiefs of Staff.

We would have to give the Chairman a vote in the Joint Chiefs of Staff organization, or abolish the organization entirely.

We would have to give the Chairman a higher rank than the other Chiefs.

We would have to give the Chairman duties now belonging to all four of the Joint Chiefs of Staff.

We would have to remove separate administration of the military departments so the Chairman could have command over all the forces in a merged organization.

If you, my friends, anticipate that the Congress will buy a bill of goods like that, then I say that you simply have no appreciation of the attitudes of the Congress. So I say to you that we have no occasion to get into this psychoneurosis about a Prussian general staff and overall Chief of Staff.

Mr. Speaker, I like Ike—I am going to support Ike, not blindly, but when I think he is right. He is right in this instance. I believe in the integrity and good judgment of Ike—and I am not going to hold one hand behind my back on this reorganization plan that he has asked the Congress to approve. I say give him the support he has asked. Give the new Secretary and Deputy Secretary of Defense the support they have asked, and let us get on down the road leading to a better, more economical Defense Establishment. This plan will give more civilian control over the military and restore some dignity, authority, importance, and prestige to the Secretaries of all three Departments of Defense who under present law and practices have been relegated almost to oblivion.

I hope the plan becomes law without change.

Thank you.

THE FITNESS OF TOM LYON TO HEAD UNITED STATES BUREAU OF MINES

Mr. PERKINS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. PERKINS. Mr. Speaker, Tom Lyon has been selected by Secretary McKay and nominated by President Eisenhower to head the United States Bureau of Mines. As such, he will be responsible for the enforcement of the mine-safety law which he readily admits he opposes in principle. His lack of qualifications for this position has been dramatically pointed up by no less authority than John L. Lewis, president of the United Mine Workers of America. Mr. Lewis insists that his selection is a political deal which could be reflected in the maiming or killing of coal miners. His mining experience, if any, has been limited to an office job for the Anaconda Copper Co., which has retired him on a pension of $5,000 per year.

Even if he had actual experience as a hard-rock miner, he would lack the practical knowledge of the dangers and problems of coal mining, which has consistently taken the largest annual toll of lives. This sacrifice of human lives can be substantially reduced by the enforcement of proper safety regulations.

Tom Lyon is to be congratulated for his frankness in his testimony to the Senate committee, but more to be pitied for his lack of feeling toward his fellow man. He is quoted as testifying that he would not hesitate for a minute to close down a mine violating a mine-safety law. "It's the law," he said, although he added that he did not think it "should have been enacted." His statement that 99 percent of the mine accidents are caused by individual miners can be readily refuted by an inspection of the records on casualties in the coal-mining industry. Since the States, and finally the Federal Government 1 year ago, enacted mine-safety laws, there has been a steady decline in the number of mine disasters. He may argue that this decline is a result of safety precautions instituted by the mine operators, but the facts are that such precautions have always been inadequate except when enforced by a law with teeth in it. We all know that the officials charged with the enforcement of such acts can readily extract the teeth and generally do when they are not in sympathy with the principles of the law which they are enforcing.

Mr. Lyon expressed his attitude when asked if a human life does not "come before a material matter." "You'd think so," Lyon replied, "but life appears to be becoming very cheap on the globe."

This country owes a debt of gratitude to John L. Lewis and others who insist that human lives should be more important than profits.

THE EFFECT OF THE ST. LAWRENCE SEAWAY ON THE STATE OF WEST VIRGINIA

Mr. BAILEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BAILEY. Mr. Speaker, I have asked for this time in order to protest the action of the House Public Works Committee in reporting favorably, as it did today, on construction of the St. Lawrence seaway. My colleagues in this House will appreciate the difficulty I am having in the State of West Virginia in the way of unemployment due to the operation of the reciprocal trade agreement. The construction of the St. Lawrence seaway will be the final straw to break the camel's back. The construction of that seaway will permit tankers to bring in residual fuel oil from Saudi Arabia and Venezuela to the lake ports. If there are no refineries up there, they will set up their own refineries to take care of this residual oil. That means that the market of West Virginia, so far as 80 percent of its coal production is concerned, will be taken away by the importation of this cheap residual fuel oil.

We might then just as well turn the State of West Virginia back to the Indians, because 68 percent of the entire economy of West Virginia is lodged in the coal industry. This will be the final action. In the past we have been the stepchildren in practically every governmental activity. Now you are proposing to make us a distant cousin, probably a second or third cousin.

INDIA

Mr. POWELL. Mr. Speaker I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. POWELL. Mr. Speaker, beginning with the debate on the mutual security bill and concluding with the action of the House yesterday on the bill involving grain for Pakistan, many statements were made concerning the country of India.

I have checked very carefully concerning these statements and I have found that there are many inaccuracies. In order that the record may be straight I ask for a special order today to cover the entire situation.

SPECIAL ORDER GRANTED

Mr. POWELL asked and was given permission to address the House for 10 minutes today, following the legislative program and any special orders heretofore entered.

REDUCTION IN TAXES

Mr. KLEIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KLEIN. Mr. Speaker, I am very happy that the gentleman from New York [Mr. REED], chairman of the Committee on Ways and Means of the House, is present. Perhaps he can help me out of a dilemma. I do not know who to believe. The House leadership says that the excess profits tax will be extended; the gentleman from New York says it will not be. I want to serve notice here, and I think I speak for a considerable number of northern Democrats, that if the excess profits tax is not extended, if you are going to extend tax relief to the big corporations of this country I shall, and I hope my colleagues will follow me, sign the petition of the gentleman from

New York. This petition, if signed by a majority of Members, would bring H. R. 1 before the House for a vote. This would reduce taxes.

Let us give tax relief to everybody in the county, if we give it to some. I oppose reduction of taxes unless the budget is balanced. But let us treat all our people alike.

Let us not give benefits to the big corporations alone. If you do not want to extend the excess profits tax then the only fair thing would be to sign the discharge petition, and give tax relief to all the people of this country, particularly to those in the lower brackets.

THE BUDGET

Mr. SCOTT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SCOTT. Mr. Speaker, in line with the so often announced intention of the minority to cooperate with the administration, we have heard here again today the howls of pain, accompanied by the slings and arrows of the outrageous fortune squanderers, who, for 20 years, have kept this country in a bucket and who cannot understand why, in 5 months, the present administration has not been able to set everything right all at once. I would suggest that the proper way to secure tax relief to this country is to cut down the spending, first of all, and that is being done and will be done this year, I am told, to the extent of about $8 billion. I am told also, and I believe, that tax relief should be given to the taxpayers of this country at the earliest possible moment. I, myself, think that tax relief should be extended to business concerns, to help employers and employees, and to the individual taxpayer at the same time. But the important thing is to cut the expenses of this Government and the next thing is to support the recommendations of the President of the United States, for whom all the members of the majority did a lot of cheering and a lot of talking; support him in his tax program; support him in his effort to balance the budget; support him in the request that he makes that we make tax relief an accomplishment of the 83d Congress, but that we do it by first paying our bills, then by saving money, so that as soon as it costs less to run the Government there will be more for the taxpayer to keep in his pockets or use to improve his standard of living.

FIRST INDEPENDENT OFFICES APPROPRIATION BILL

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, we all know that there is a great deal of work pressing upon the House before adjournment. For that reason, it seems to be quite unnecessary to continue delaying action on measures already before us.

On April 22, this House passed H. R. 4663, the first independent offices appropriation bill for 1954 and sent it to the Senate. The Senate passed this measure on May 20, and appointed conferees to resolve its differences with the House. Yet, despite this lapse of 2 months since House action and 1 month since Senate action, the House has not yet appointed its conferees.

I recognize how difficult it is for the Congress to make appropriations in the absence of an Executive budget; especially where Executive guidance has not gone beyond a categorical spirit to cut essential services and to offer a piecemeal approach to the total cost of Government.

Mr. Speaker, all of the Members are very appreciative of the fact that the various subcommittees of the Committee on Appropriations have worked hard and long during this session of the Congress, but as we approach the end of the sixth month of the session, only two appropriation bills have reached the President and these were supplemental appropriations for fiscal 1953. How can the agencies of Government plan their operations when some 6 days before the beginning of the next fiscal year, the Congress has either not acted or when they have acted, the House has not even appointed conferees.

The Senate and House version of the first independent offices appropriation bill contained differences involving the following agencies: Civil Service Commission, Federal Communications Commission, Federal Power Commission, Federal Trade Commission, General Accounting Office, General Services Administration, Housing and Home Finance Agency, Indian Claims Commission, Interstate Commerce Commission, National Advisory Committee for Aeronautics, National Capital Planning Commission, National Science Foundation, Renegotiation Board, Securities and Exchange Commission, Smithsonian Institution, Subversive Activities Control Board, Tariff Commission, Tax Court of the United States, War Claims Commission.

In addition to all of the administrative problems which these agencies face because of our failure even to attempt to resolve the differences between the respective bodies of the Congress, there is the all-important question of the 35,000 urgently needed public-housing units. The Senate very commendably made provision for the construction of these units, yet the response of the House has been nothing but reprehensible delay.

Is it possible that we are preventing the proper planning and functioning by all of these executive agencies of the Government because the House would rather dodge this crucial issue of public housing than to deal with it forthrightly?

I call upon the House to recognize that it is imperative that these executive agencies be granted their necessary funds and that they appoint conferees so that we may get out of this artificial state of suspended appropriation.

NIAGARA POWER PROJECT

Mr. NEAL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. NEAL. Mr. Speaker, as a member of the Public Works Committee I rise to correct the impression that was made by my colleague from West Virginia a few minutes ago. I am sure it was not intentional on his part. He referred to the decision of the Committee on Public Works to report out the St. Lawrence seaway bill. The full committee acted not on that bill but on the Niagara power project this morning.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. NEAL. I yield to the gentleman from West Virginia.

Mr. BAILEY. I acknowledge that the information I received was misleading. It was gotten across to me that they had acted on the seaway proposal. I have since been informed by my colleague from West Virginia [Mr. NEAL] that action was taken only on the power project. Is that correct?

Mr. NEAL. That is correct.

Mr. BAILEY. I indeed regret that I put that information in the RECORD. I was misinformed about it.

HOW AMERICAN AID IS RECEIVED BY THE COMMUNIST GOVERNMENT OF YUGOSLAVIA

Mr. FULTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FULTON. Mr. Speaker, the question has come up of the policy of giving aid to the Government of Yugoslavia and to its dictator, Tito. I would like to explain how the Yugoslav Government feels about that aid.

In connection with the American aid to the Communist Government of Yugoslavia, at a reception for the railroad workers on January 11, 1951, Tito said:

> Every machine which enters our country helps to build socialism. We saw how right the Bolsheviks were when they asserted that socialism can be built with the aid of capitalistic states. The American engineers built the largest power combine, Magnitogorsk, for the Russians and it never occurred to anyone to question their loyalty to communism. The aid of the western capitalists to us has exactly the same value.

That is Tito's feeling on American aid. In addition, on December 30, 1950, the official Belgrade radio on its Hour of

Humor, had this to say of American aid in an amusing couplet:

Those who to us aid do send
See no further than their noses' end.

Then another example: At a preelection meeting at Sarajevo, Yugoslavia, November 26, 1950, the Premier of the People's Republic of Bosnia and Herzegovina, a member of the Central Committee of the Yugoslav Communist Party Ljuro Pucar stated that the cooperation between Yugoslavia and America and the West in general was necessary in order to facilitate the completion of the 5-year plan and the building of socialism.

That is where American dollars are going today.

WAR-RISK HAZARD AND DETENTION BENEFITS

Mr. REED of Illinois. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4126) to continue the effectiveness of the act of December 2, 1942, as amended, and the act of July 28, 1945, relating to war-risk hazard and detention benefits, until July 1, 1954, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That section 201 of the act of December 2, 1942 (ch. 668, 56 Stat. 1033), as amended, is amended by—

"(a) Deleting the words 'the end of the present war' and substituting in lieu thereof 'July 1, 1954';

"(b) Adding the following new paragraphs at the end thereof:

"'(c) The term "enemy" means any nation, government, or force engaged in armed conflict with the Armed Forces of the United States or of any of its allies.

"'(d) The term "allies" as used in this act and as used in the statutory provisions referred to in section 101 (a) (1) of this act, means any nation, government, or force participating with the United States in any armed conflict.

"'(e) The terms "national war effort" and "war effort" include national defense; the term "war activities" as used in the statutory provisions referred to in section 101 (a) (1) of this act also includes national defense.

"'(f) The term "war activities" includes activities directly related to military operations'.

"SEC. 2. Section 101 (c) of the act of December 2, 1952 (ch. 668, 56 Stat. 1030), as amended, is hereby repealed.

"SEC. 3. Section 101 (d) of the act of December 2, 1942 (ch. 668, 56 Stat. 1030), as amended, is amended by adding before the period at the end thereof a comma and the following: 'or (3) who is not a citizen of the United States and who suffers an injury, disability, death, or detention by the enemy subsequent to the effective date of this amendment'.

"SEC. 4. Section 301 of the act of December 2, 1942 (ch. 668, 56 Stat. 1035), as amended, is amended by adding the following new subsection:

"'(f) The liability under this act of a contractor, subcontractor, or subordinate contractor, engaged in public work under subparagraphs (1), (2), (3), and (4) subdivision (a) of this section shall not apply with respect to any employee not a citizen of the United States who incurs an injury or death resulting in death subsequent to the effective date of this amendment'.

"SEC. 5. Section 5 (b) of the act of July 28, 1945 (ch. 328, 59 Stat. 505), is amended by—

"(a) Inserting after the words 'during the present war' the words 'and until July 1, 1954'.

"(b) Adding at the end thereof the following: 'The term "enemy" as used in this subsection means any nation, government, or force engaged in armed conflict with the Armed Forces of the United States or of any nation, government, or force participating with the United States in any armed conflict.' This subparagraph shall not apply in the case of a person not a citizen of the United States who suffers disability, or death after capture, detention, or other restraint by an enemy of the United States after the effective date of this amendment.

"SEC. 6. Sections 1 (a) (13) and 1 (a) (17) of the Emergency Powers Continuation Act (ch. 570, 66 Stat. 332) are repealed."

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

REORGANIZATION PLAN NO. 6

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, the House Committee on Government Operations this morning voted to report out a resolution on Reorganization Plan No. 6, which has to do with the reorganization of the National Defense Department.

Because the situation is somewhat confusing permit a brief statement.

The President's Reorganization Plan No. 6 of 1953—exhibit A—came to the committee on April 30, 1953.

Hearings were held. Three witnesses testified in favor of the plan as written. Seven witnesses were opposed to the plan unless subsections (c) and (d) of section 1 were stricken. Three individuals filed statements to that effect—see exhibit B of report, or page 265 of the printed hearings.

While there were minor objections to the plan as written, major opposition centered upon the deletion of subsections (c) and (d) of section 1.

On June 22, 1953, by a vote of 14 to 12, the committee voted out House Joint Resolution 264, approving the plan with subsections (c) and (d) of section 1 deleted.

The committee instructed the chairman to ask for a rule. That request was made and, on June 23, 1953, denied, hearings before the Rules Committee being refused.

THE RESOLUTION BEFORE THE COMMITTEE

On June 24, 1953, by a vote of 16 to 14:

The Committee on Government Operations, having considered the resolution (H. Res. 295) providing that the House of Representatives does not favor Reorganization Plan No. 6 of 1953, reorganizing the Department of Defense, submitted by the President to the Congress on April 30, 1953, report thereon, recommending that the resolution do not pass.

A Member who votes in favor of the resolution on the floor of the House will be casting his vote against Reorganization Plan No. 6. A Member who votes against the resolution on the floor of the House will be casting his vote in favor of Reorganization Plan No. 6.

Two issues were before the committee.

The first of these issues was whether House Resolution 295 to disapprove the plan be reported out at all.

The second issue, assuming that the resolution would be reported out, was whether it should be reported favorably or unfavorably.

From the stenographic report of the committee meeting, it is fair to assume that, because of the parliamentary situation then confronting the committee members, some of the members of the committee who are in favor of Reorganization Plan No. 6, nevertheless voted against reporting out unfavorably House Resolution 295, because they were opposed at that time to voting out any resolution at all.

On the other hand, because of that same parliamentary situation, a majority of those members of the committee who are opposed to the Reorganization Plan No. 6 and accordingly in favor of House Resolution 295 nevertheless voted to report out House Resolution 295 unfavorably, because they wished the House and the Members of the House to be given an opportunity to express their views on the RECORD and to vote upon the adoption or rejection of the plan.

If the parliamentary situation is correctly understood, a Member desiring to cast his vote in favor of Reorganization Plan No. 6, when the vote on House Resolution 295 comes up, should vote "nay." A Member who is opposed to Reorganization Plan No. 6 as written should, when the vote is taken—if he desires to express his opposition to plan No. 6—vote "yea."

The hearings on House Joint Resolution 264, which sought approval of the plan with subsections c and d stricken, have been printed, and with a report which I beg you to read, are available.

GUARANTEEING INVESTMENTS IN YUGOSLAVIA

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GROSS. Mr. Speaker, in connection with the remarks of the gentleman from Pennsylvania [Mr. FULTON], made a few minutes ago, I call your attention to the fact that about 3 weeks ago, there was passed in this House a bill creating a $100 million fund guaranteeing exporters, and big banks that

loan money to exporters, against loss through expropriation of property in foreign lands, and that includes Yugoslavia which, as the gentleman from Pennsylvania [Mr. FULTON] just pointed out to us, will have no hesitation in seizing or expropriating any property that comes within that domain.

I opposed that special treatment and subsidy for a special few, and I believe the RECORD will show that I was the only Member of the House to do so.

TRIP-LEASING BILL

Mr. CHENOWETH. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 272 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3203) to amend the Interstate Commerce Act in order to prohibit the Interstate Commerce Commission from regulating the duration of certain leases for the use of equipment by motor carriers, and the amount of compensation to be paid for such use. After general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. CHENOWETH. Mr. Speaker, I yield 30 minutes to the gentleman from Virginia [Mr. SMITH].

I yield myself such time as I may require.

Mr. Speaker, this resolution makes in order the consideration of H. R. 2303, which has been commonly known as the trip-leasing bill. This bill amends the Interstate Commerce Act and prohibits the Interstate Commerce Commission from regulating the duration of certain leases for the use of equipment by motor carriers and the amount of compensation to be paid for such use.

Mr. Speaker, this bill has received considerable publicity. I think the Members of the House are familiar with the purpose of this legislation, which is to prevent the Interstate Commerce Commission from putting into effect an order which forbids the leasing of motor vehicles for less than 30 days. I understand the principal interest in this bill comes from agricultural areas where the truck leasing system has been in effect for some time. The bill comes to us today from the Committee on Interstate and Foreign Commerce after extensive hearings. I do not wish to take the time of the House at this time to go into the details of this measure because it will be fully explained by the members of the committee.

This bill comes to the House under an open rule with 2 hours of general debate, to be divided equally between the Chairman and the ranking minority member of the Committee on Interstate and Foreign Commerce.

Mr. SMITH of Virginia. Mr. Speaker, as stated by the gentleman from Colorado [Mr. CHENOWETH] this brings up the so-called trip leasing bill. There are 2 hours of general debate on the bill.

I have no requests for time on this side. There is one area and only one area of disagreement on the measure.

Mr. CHENOWETH. Mr. Speaker, I have no requests for time.

I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

CALL OF THE HOUSE

Mr. HESELTON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently there is no quorum present.

Mr. CHENOWETH. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 64]

Bentsen	Javits	Robsion, Ky.
Buckley	Kearney	Scherer
Busbey	King, Calif.	Secrest
Bush	Lucas	Shelley
Chatham	McConnell	Sheppard
Coudert	McVey	Spence
Dies	Mack, Ill.	Stringfellow
Dingell	Miller, Calif.	Taylor
Dolliver	Morrison	Thornberry
Eberharter	Moulder	Tuck
Fogarty	Nelson	Velde
Hale	O'Konski	Wainwright
Hinshaw	Philbin	Wigglesworth
Hoeven	Phillips	Yates
Hoffman, Ill.	Prouty	Young
Holifield	Rayburn	
Hosmer	Regan	

The SPEAKER. On this rollcall 378 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

COMMITTEE ON BANKING AND CURRENCY

Mr. KILBURN. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may sit during general debate while the House is in session this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

SUBCOMMITTEE ON FLOOD CONTROL

Mr. DONDERO. Mr. Speaker, I ask unanimous consent that the Subcommittee on Flood Control may sit during general debate while the House is in session this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

TRIP-LEASING BILL

Mr. WOLVERTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3203) to amend the Interstate Commerce Act in order to prohibit the Interstate Commerce Commission from regulating the duration of certain leases for the use of equipment by motor carriers, and the amount of compensation to be paid for such use.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 3203, with Mr. JUDD in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. WOLVERTON. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, I desire first to call attention to certain misinformation that seems to be so prevalent in the House. The membership is being told that the amendment to be offered will clear up all opposition to the bill. That is not true. The amendment to be offered would wreck the bill reported by the committee now before us. Never have I experienced such an insidious, deceptive, and untruthful way of working on the membership of this House as to legislation now before it. I was astounded this morning when I came to the floor of the House to be advised that certain interests were stating that an amendment had been agreed to which removed all objection to the bill. I tell you no such agreement has ever been made. The committee is presenting the bill, as it was reported, without amendment other than the committee amendment which substitutes a bill for that which was originally introduced. I call this to your attention for the reason that I want no one to be influenced by the statement there is no opposition to the amendment to be offered.

Mr. Chairman, today we have before us a question the correct solution of which is fundamental to the future welfare not only of producers of agriculture products, livestock, fish and shell fisheries, and horticultural products, but, also to the maintenance of an efficient and adequate transportation system by motor vehicles.

REASON FOR TRIP-LEASING BILL

The situation that brings before us the question that necessitates an amendment of the Motor Carrier Act of 1935, arises through the action of the Interstate Commerce Commission in promulgating an order on May 8, 1951, and now a later one effective September 1 next, which among other things, would require that any lease for use of a motor vehicle, under the Motor Carrier Act, must be for not less than 30 days. This in practical effect, would abolish a practice, which has been lawful in the regulated motor-carrier industry for many years, known as trip-leasing.

WHAT IS A TRIP LEASE?

The so-called trip lease takes its name from a practice, quite generally followed by motor carriers engaged in transport-

ing exempt farm products, livestock, fish and shell fisheries, and horticultural products, and, under certain conditions nonexempt property as well, in interstate commerce. This practice, or, as it is now an established custom, consists of utilizing a lease arrangement for the use of a motor vehicle for a single or round trip, hence the term "trip lease."

ORDER OF ICC DESTROYS TRIP LEASING

Until the making of the aforementioned order it had been deemed legal, as well as appropriate, in promoting efficient and economical transportation by motortruck to use this trip-leasing arrangement. However, the said order was undoubtedly designed, and, had for its purpose, the elimination of this practical and sensible device that all through the years has worked so satisfactorily in reducing costs of transportation, as well as promoting efficiency, in the transportation particularly of the so-called exempted farm and other products set forth in the Motor Carrier Act of 1935. Whether this was, or was not, the preconceived intention of the Interstate Commerce Commission, the fact remains that the order would have such effect. The best evidence as to what would be the effect of the order can be judged by the apparent desire of the railroad interests to sustain the order of the Commission and prevent the passage of this legislation that seeks to limit the power of the ICC in this respect. The railroads can readily see, as can anyone else who considers the matter, that the requirement to lease for not less than 30 days would in most cases preclude the farmer, or any other person who owned an available truck, from entering into such a long term contract in place of a hiring for a single trip. Thus, if trip leasing could be discontinued as it would be by the ICC order, then, it would provide an additional opportunity for the railroads to get additional business, even though it is generally recognized it would mean higher costs to the producer, the shipper, and the consuming public, and, with less satisfactory service to all. Much as they might desire to do so the railroads are not equipped for, nor is it possible for them to meet the needs of this form of traffic. If they had been able to do so then there would have been no field of activity in this respect for the trucks and the practice of trip leasing would never have been inaugurated.

NATIONAL TRANSPORTATION POLICY GIVES RECOGNITION TO ALL

There is no one who would not want to be helpful to the railroad industry, but, within the recognized limits of its ability to serve the public, and, not at a loss to the proper sphere within which the trucking industry, farmers, and shippers operate, nor, to the disadvantage of the consuming public. Each form of transportation, rail, truck, air, and water deserve consideration in matters of regulation consistent with and not detrimental to the advantages inherent in each. This is the very basis of our national transportation policy adopted by Congress when it passed the act of 1940. That policy is set forth in the following language:

NATIONAL TRANSPORTATION POLICY

It is hereby declared to be the national transportation policy of the Congress to provide for fair and impartial regulation of all modes of transportation subject to the provisions of this act, so administered as to recognize and preserve the inherent advantages of each—

And so forth. There is room for all forms of transportation to meet our ever expanding needs. We cannot afford to discard the advantages of any one form when it meets the needs of our people better than some other form.

WHY THE NECESSITY FOR SUCH HASTE BY ICC?

The present order that adversely affects trip-leasing becomes effective September 1, 1953. The time that has intervened since the original order and the present revised order has been utilized in litigation. The Supreme Court has decided that the Interstate Commerce Commission has authority to issue regulations, but, did not decide the merit of the regulation to which objection has been made. It can be assumed that the ICC will persevere in its intention to require compliance with its order on September 1, next. This apparent hurry on the part of the Commission to carry out its order, while Congress is giving consideration to the matter of limiting the power of the Commission indicates a disregard of what may be adopted as a different policy of Congress, or, a desire to make the Commission's will effective before Congress can act. This is a rather unusual attitude, even for a bureau of Government directly responsible to Congress. It would seem that it would have been far more respectful if the Commission had given Congress at least a reasonable time within which to act or otherwise display its will. Certainly, no harm could be done by the ICC withholding action until Congress has acted, especially in view of fact that the practice of trip-leasing has been carried on ever since the Motor Carrier Act was adopted in 1935.

PRINCIPAL PURPOSE OF THIS LEGISLATION

The purpose of this legislation—H. R. 3203—is to vacate or eliminate that portion of the Commission's order which prohibits leases of less than 30 days' duration, and to prevent the Commission exercising any power to issue orders which would seek to fix the duration of leases of motor vehicles. The net result of this bill in this respect would be to permit the same practices and customs for trip leasing as now exist, and have always existed heretofore.

The testimony presented to the committee during its hearings on the bill leaves no doubt that the order to require leases of 30 days' duration, if permitted to become effective, would prove highly detrimental to the best interests of agriculture, livestock, fish and shell fisheries industry, and horticulture production. It would also prove harmful to the general motortrucking industries. Some of the impelling reasons that justify this legislation as set forth in the committee report are as follows:

First. Would put out of business a substantial number of truckers, largely those engaged in hauling agricultural commodities;

Second. Would thus deprive the farmers of this Nation of a highly flexible motor-transportation service which is available to them at the places where it is needed at the time it is needed, both for the handling of peak loads and at other times;

Third. Would thus impair the existing means for efficient and economical distribution of livestock, fish, and agricultural products, including grain and highly perishable seasonal commodities, to consumers' markets; and

Fourth. Would in consequence have the effect of impairing the agricultural exemption provided for in section 203 (b) (6) of the Interstate Commerce Act.

The bill reported by the committee would also, as did the introduced bill, deny to the Commission the power to regulate the amount of the compensation to be paid by a regulated motor carrier for the use of a motor vehicle not owned by such carrier, since through such regulation the Commission might be able in effect to abolish trip leasing.

The committee recognizes that there are conditions growing out of motor-carrier use of leased vehicles which may need to be regulated. In the Commission's order above referred to, which is set forth in full in appendix A of the report, there are provisions, other than the 30-day-lease rule, which are aimed at correcting these conditions, and no substantial objection has been made to these provisions. The committee is convinced that if these provisions of the Commission's order—not including the 30-day-lease requirement — are adequately enforced, much can be accomplished correcting the evils which the Commission has found to exist.

However, in order that the Commission will not be lacking in power adequately to control the situation, the bill as reported by the committee would confer on the Commission express statutory authority, which heretofore has been lacking, to deal with these problems.

EFFECT OF 30-DAY LEASING RULE ON REGULATED MOTOR CARRIERS AND SHIPPERS

Aside from the catastrophic effect which the 30-day leasing rule would have on agriculture, this rule would also impose unduly burdensome restrictions on the practices of regulated motor carriers in the leasing of equipment. These restrictions, in my opinion, would effectively nullify the provisions of sections 208 and 209 of the Interstate Commerce Act which prohibit the Commission from imposing any terms, conditions, or limitations which shall restrict the right of common and contract carriers by motor vehicle to add to their equipment and facilities as the development of their business and the demands of the public shall require.

The vehicles of exempt commodity truckers, itinerant owner-operators, and private motor carriers provide a pool of equipment available to regulated motor carriers, even those owning a substantial number of vehicles, during periods of emergency and peak demand, for which no investment is required and for which no maintenance facilities need be provided, thereby saving the regulated motor carriers from making investments in

additional equipment which would not be used except at seasonal peaks. The use of such equipment reduces the empty mileage not only of private carriers and itinerant owner-operators but also of regulated motor carriers. With respect to the haulers of agricultural commodities, particularly perishables, a substantial business has been developed dependent on such haulers obtaining a return load of general commodities. Such single-trip-leasing arrangements have proved to be highly satisfactory and economical both to the lessor and lessee of such vehicles.

Obviously if a motor carrier is required to lease equipment for a period of not less than 30 days, the one-way or round-trip lease, a practice which has been in use for many years, would have to cease altogether. Exempt commodity haulers, itinerant owner-operators, and private carriers cannot afford to turn over to a regulated motor carrier the full direction, control, and responsibility for their equipment for a 30-day period. Nor does the motor carrier desire to undertake the responsibility and expenses involved in leasing a vehicle for a 30-day period when he needs such vehicle for a one-way trip. The inevitable result of the 30-day minimum lease rules must be the complete abolition of the economical and efficient trip-leasing arrangements to the detriment of the lessor and lessee of such equipment. Many thousands of itinerant owner-operators who depend on trip leasing for a livelihood will be forced out of business. The pool of motor vehicles now available to regulated motor carriers during periods of emergency and peak demand will disappear completely. Regulated motor carriers will have to buy additional equipment at an expenditure of hundreds of thousands of dollars for which they may have only a limited need, in order to replace the pool of equipment now obtained under trip-leasing arrangements. The empty mileage of motor vehicle equipment will rise substantially, because nearly all vehicles which now obtain return loads under trip-leasing arrangements will have to return empty. Accidents on our highways are likely to increase because it has been demonstrated conclusively that an empty vehicle on the road is more dangerous than a loaded vehicle. The operating costs of motor carriers will rise, resulting in an eventual increase in rates and charges to shippers and the public in general.

ICC ORDER IS A DETRIMENT TO NOT ONLY FARMER AND OTHER EXEMPT PRODUCERS, BUT ALSO TO REGULAR CERTIFICATED AND LICENSED MOTOR CARRIERS

The widespread detrimental effect of the Commission order even reaches the certificated carrier in its common-carrier operations and the licensed carrier in its operations as a contract carrier. Frequently, it is thought that the order of the Commission only affected the exempt agricultural producers, the fish and shell-fisheries industry and the horticulturist, but, it also adversely affects the above-mentioned authorized, certificated, and licensed carriers. This is plainly set forth in the report of the committee. There is no denial of the fact.

Ever since the enactment of part II of the motor-carrier section of the Interstate Commerce Act in 1935, it has been a common practice of the authorized common and contract motor carriers of property to perform the services covered by their certificates, or permits through the use—under leasing or similar arrangements—of motor vehicles owned by other persons, and in many cases such arrangements include the services of a driver. Such arrangements have never been considered to be unlawful, and have become an accepted part of the motor-transportation system of the country.

Such arrangements are made under a great variety of circumstances, in some cases covering a period of months or years. The type of arrangement with which this legislation is particularly concerned is that of trip leasing for a single one-way haul or round trip. Virtually all large motor carriers occasionally trip lease a truck with driver to handle peak loads, and there are some motor carriers who own a limited number of motor vehicles or none at all, who make very substantial use of vehicles under trip leases. The order of the Commission would seriously interfere with this practice and in all probability result in its discontinuance.

COMMITTEE BILL WILL CORRECT AND ENABLE ICC TO CONTROL ANY ABUSES ALLEGED TO EXIST

The leasing practices of authorized motor carriers have, in the opinion of the Interstate Commerce Commission, created problems that should be corrected. The Committee on Interstate and Foreign Commerce concurs in the views of the Commission that some abuses may have existed because of failure upon the part of some to observe and practice all the rules and regulations of the Commission. But the committee is of the opinion that many, and it may be all, of the alleged abuses could have been stopped if there had been adequate prosecution of its rules by the Commission against the offending carrier. However, this does not seem to have been done as efficiently as might have been. Furthermore, the offenders were exceptional. The great and overwhelming majority observed the rules and regulations. The Commission is in no position to claim that drastic changes such as suggested is necessary to cure the alleged evils when it has not utilized the means that are at its disposal. In other words, the Commission adopts measures to kill before it has attempted to cure.

The bill proposed by the committee takes cognizance of every possible abuse that has been or might be practiced by a carrier seeking to evade the requirements determined by the Commission, and grants all necessary power to regulate such and make whatever additional rules and regulations may be necessary to provide proper and effectual administration of part II of the Interstate Commerce Act.

There is only one thing that the Commission provides for in its newest order that cannot be done if this bill is adopted, namely, require that leases shall be for a 30-day duration. This the committee has found unnecessary for the purpose of obtaining proper and effectual regulation, and that it would in fact be highly destructive of the rights now possessed, and that have been used by the interested parties since the Motor Carrier Act was adopted in 1935. The bill seeks to prevent the loss and damage that would result to legitimate business if the 30-day lease clause is permitted to remain.

The following is the exact wording of the powers conferred by the pending bill:

That section 204 of the Interstate Commerce Act, as amended (49 U. S. C., sec. 304), is amended by adding at the end thereof the following subsection:

"(e) The Commission is authorized to prescribe, with respect to the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property—

"(1) regulations requiring that any such lease, contract, or other arrangement shall be in writing and be signed by the parties thereto, shall specify the period during which it is to be in effect, and shall specify the compensation to be paid by the motor carrier, and requiring that during the entire period of any such lease, contract, or other arrangement a copy thereof shall be carried in each motor vehicle covered thereby; and

"(2) such other regulations as may be reasonably necessary in order to assure that while motor vehicles are being so used the motor carriers will have full direction and control of such vehicles and will be fully responsible for the operation thereof in accordance with applicable law and regulations, including the requirements prescribed by or under the provisions of this part with respect to safety of operation and equipment; but nothing * * * shall be construed to authorize the Commission to regulate the duration of any such lease, contract, or other arrangements for the use of any motor vehicle, or the amount of compensation to be paid for such use."

Could any more specific right, power and authority be given to carry out the objectives of enforcing the leasing, safety, and other necessary features of the Motor Carrier Act? If the ICC cannot make rules and regulations under that law that will adequately carry out the necessary objectives of the act, and provide means of effective enforcement, then we had better look for a new Commission.

As the committee sees the problem, it is essentially one of imposing and enforcing adequate requirements to insure that authorized motor carriers of property are held to the same standards, and to the same degree of responsibility, in performing service with trip leased vehicles that they must meet in performing service with their own vehicles. This is accomplished by the committee bill.

ICC SEEMS DETERMINED TO CUT DOWN, CHANGE, OR BYPASS THE CONGRESSIONAL INTENT IN THE MOTOR CARRIER ACT

Never has there been a clearer demonstration of a bureau of government endeavoring to impose its will over Congress and, set aside congressional intent for its own, than in the attitude of the Interstate Commerce Commission to-

ward the subject of the exemptions provided in the Motor Carrier Act for the haulers of agricultural commodities, livestock, fish and shell fisheries, and horticultural products. I regret to say this. I have such a high regard for the fine service the Commission has rendered over a long period of time, but, the fact remains I believe this criticism justified.

This has been true from the time the Motor Carrier Act was adopted and up to the present time. During the time this bill has been before the Committee on Interstate and Foreign Commerce the Commission has made some changes in the order of May 8, 1951, but, nothing that was in any way consequential. It might seem that some concession has been made to agriculture, but examine the matter and you will find from a practical standpoint the change is more fanciful than real.

Through the years that have intervened the Commission has tried in every conceivable manner to cut down, whittle away and change the exemptions of the subject matter of this legislation, as provided in the Motor Carrier Act. The Commission has sought to change it by amendment of the law, by interpretations of the intent of Congress, and, now most recently have sought to kill the provision by rules and regulations. This latter method seems a more effectual or more plausible method.

Let me illustrate just a few instances of how it has been attempted by the method of interpretation. Time does not permit me to give the whole story, but, just a few to illustrate my point:

First. Commodities held to be manufactured products, hence not within the exemption:

(a) By the Commission, division 5: Cottage cheese; clean rice, rice bean; pasteurized milk; fresh cut vegetables in cellophane bags or boxes; fruits and vegetables, quick frozen; peanuts, shelled; poultry, killed and picked, though not drawn; leaf tobacco, redried.

(b) By the Bureau of Motor Carriers: Barley, rolled; butter, cottonseed meal and hulls; beans, packaged, dried artificially or packed in small containers for retail trade; dried fruits; peaches, peeled, pitted, and so forth, and placed in cold storage in unsealed containers; strawberries, capped, in sirup, in unsealed containers and placed in cold storage; cucumbers, packed in salt water as a preservative; milk, condensed, skim; buttermilk, pasteurized; feathers; rice, cleaned or coated; tobacco, dried with stems pulled and leaf chopped up.

And, now another class of commodities held by the Bureau of Motor Carriers not to be agricultural commodities and hence not within the exemption: Flowers, or ornamental plants; gladiolus bulbs; grass sod; hides, green—salted or unsalted; logs; mushroom spawn; shrubs, cut flowers and other nursery stock; seeds, which have received special attention and handling for marketing such as those prepared by seed houses and placed in packages for distribution by merchants; soil, top; and, trees, including Christmas trees.

It is interesting to note that it was necessary for Congress to actually pass legislation to include the horticultural commodities above named in the exempt agricultural class. Even with this display of congressional intent the Commission expressed the opinion that the language of the horticultural act was not sufficient in the language used to exempt nursery stock, bulbs, and so forth. And, that it was only because the report of the committee included such that it would be held that it was included. Never has there been a greater display of bureaucratic intent to set aside Congress intent for its own ideas.

If time permitted I would make specific references to suggested changes in the law, opinions expressed on bills introduced and with respect to which reports were made, statements contained in opinions filed, and, in briefs submitted to courts or statements made in open court by the representatives of the Commission. One that is most interesting and certainly illustrates my point is the reference to a colloquy during the trial in the district court of the case of *American Trucking Associations* v. *United States et al.* (decided Jan. 12, 1953, vol. 344 U. S., No. 3, p. 298).

In the dissenting opinion of Justice Black, page 331, we find the following with reference to the above:

> The Commission reported that this rule would completely prohibit trip leasing. A very large part of all trip leasing takes place between regulated carriers and truckers who are exempt because they carry farm products. An illustration can be found in the carriage of Florida citrus fruits. On delivering fruit in northern States the practice of these exempt truckers has been to lease their motor vehicles to regulated carriers for the transportation of goods to Florida. Unless vehicles that bring citrus fruits north can make such arrangements they must go back to Florida empty. "Empty or partially loaded trucks on return trips may well drive the enterprise to the wall." (*United States* v. *Carolina Carriers Corp.*, 315 U. S. 475, 488.) The Commission's rules make it impossible for these exempt carriers of agricultural products to get the advantage of a lease for a return haul. The result is destruction for a large part of that business.
>
> The reason the Commission has adopted a rule so destructive of the agricultural exemption Congress granted is apparent from a colloquy which took place in the district court. The attorney for the Commission was asked if it was wasteful for a truck to go back to Florida empty. With commendable candor he said: "It does seem uneconomical in requiring it to go back empty, but they can—the difficulty comes, I think, in letting it come up in the first place." In other words the "difficulty comes" because Congress agreed to exempt these farm products. This congressionally created "difficulty" is being cleared up by the Commission. Its new rules against trip leasing will force these agricultural carriers to raise their rates high enough to frustrate purposes underlying the agricultural exemption.

WIDESPREAD SUPPORT FOR COMMITTEE BILL

The demand for this legislation has come from all sections of the Nation, from all types of businesses and activities, in addition to the so-called agricultural, livestock, fish and shell fisheries, and horticultural activities. From shippers, cooperatives, motor carriers, both common and contract, small individual and private truckers.

It would astound you to see how numerous, varied, and extensive the list of those favoring this legislation. The following is only a partial list but sufficient to demonstrate the truth of the statement I have just made:

American Farm Bureau Federation, Washington, D. C.

The National Grange, Washington, D. C.

National Farmers Union, Washington, D. C.

National Council of Farmer Cooperatives, Washington, D. C.

United Fresh Fruit and Vegetable Association, Washington, D. C.; Western Growers Association, Los Angeles, Calif.; Idaho Shippers Association, Idaho Falls, Idaho.

Northwest Horticultural Council, Yakima, Wash.; Washington State Apple Commission; Winter Pear Control Committee; Hood River Traffic Association; Rogue River Valley Traffic Association; Wenatchee Valley Traffic Association; Yakima Valley Traffic Association.

International Apple Association, Washington, D. C.

National Fisheries Institute, Inc., Washington, D. C.

Growers and Shippers League of Florida, Orlando, Fla.

National Live Stock Producers Association, Chicago, Ill.; American National Cattlemen's Association; National Wool Growers Association; Texas and Southwestern Cattle Raisers Association; Texas Sheep and Goat Raisers Association.

Motor Carriers Leasing Conference, Indianapolis, Ind.

Milton E. Diehl, attorney, Washington, D. C.

Middle Atlantic Transportation Co., Inc., New Britain, Conn.

Maxwell W. Wells, attorney, Orlando, Fla.

American Association of Nurserymen, Inc., Washington, D. C.

Private Carrier Conference, American Trucking Associations, Inc., Washington, D. C.

California Grape and Tree Fruit League, San Francisco, Calif.

Dairy Industry Committee, Washington, D. C.

Florida Fruit and Vegetable Association, Orlando, Fla.

Georgia Peach Industry, Macon, Ga.

Vegetable Growers Association of America, Inc., Sparrows Point, Md.—KARL C. KING, Member of Congress, State of Pennsylvania.

Missouri Farmers Association, Columbia, Mo.

National Association of Commissioners, Secretaries, and Directors of Agriculture.

National Association of Hothouse Vegetable Growers, Terre Haute, Ind.

National Council of Private Motor Truck Owners, Washington, D. C.

National Onion Association, Kenton, Ohio.

Salem County (N. J.) Board of Agriculture, Salem, N. J.

Texas Citrus and Vegetable Growers and Shippers, Harlingen, Tex.

Texas Farm Bureau Federation, Waco, Tex.

Armour & Co., Chicago, Ill.

AAA Transportation, Inc., Indianapolis, Ind.

Peter A. Berancki, freight broker, Philadelphia, Pa.

Bolton Broiler, Inc., Commerce, Ga.

Safeway Truck Lines, Inc., and others, Chicago, Ill.

Super Trucking Co., Inc., Minneapolis, Minn.

Hon. KIT CLARDY, Member of Congress, Michigan.

Hon. JOHN J. DEMPSEY, Member of Congress, State of New Mexico.

Karl D. Loos, Solicitor, United States Department of Agriculture, on behalf of Secretary of Agriculture.

The statements made by the parties I have just named, and the letters and telegrams received from hundreds of interested parties, if read here would be exceedingly convincing. It would demonstrate without any question whatsoever that the judgment of the committee in proposing this legislation is acting in the public interest and for the welfare of our people.

The Solicitor of the Department of Agriculture, in his testimony before the committee, stated that the inevitable result of the Commission's order "will be to force from the highways of our country many of the agricultural truckers hauling exempt agricultural commodities to consuming areas by depriving them of their right to trip-lease their equipment and requiring that all leases be for not less than 30 days."

If these haulers are unable to survive the farmers of the country will be deprived of a flexible and economical type of transportation, particularly adapted to meeting their needs, especially in peak seasons, which they have come to depend on over the year.

It is not necessary nor just to put out of business thousands of these truckers and thereby bring financial ruin to them, handicap our farmers, and curtail the useful service rendered by our authorized motor carriers.

It is to avoid these consequences that the committee believes it is necessary to enact into law the provisions of the bill now before us which would deny to the Commission the authority to regulate the duration of leases or the amount of the compensation payable thereunder, since this authority could be very easily used to abolish trip leasing.

The adoption of this bill by the committee will preserve intact a type of transportation service that has proved beneficial to the farmer, the shipper, the common and contract carriers by motor vehicle, and to the public in general. I ask that you support the bill without any amendments that may be proposed to weaken its effectiveness.

Mr. HARRIS. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, as usual we have from our Committee on Interstate and Foreign Commerce today a bill that on its face appears to be somewhat complicated and technical. However, when you consider it, it is, in fact, a very simple proposition. I should like to give you just a little background of the problem and some explanation as to how the committee has endeavored to reach a solution.

In the first place the Motor Carrier Act was passed in 1935. It was considered at that time that the motor transport industry was in such a chaotic condition that something should be done about it.

So, it became part 2 of the Interstate Commerce Act.

The question of exemption from regulation by the Interstate Commerce Commission arose during the consideration of the act at that time by the Congress. The Congress, as a policy, exempted from regulation the transportation of agricultural products. That is the first thing to remember in conection with this problem, the establishment of a policy by the Congress.

Another important policy was established, and that is, the two classes of carriers, which have been referred to here today as authorized carriers, that is, common carriers and contract carriers, would have no restrictions whatsoever in leasing or otherwise augmenting their equipment in order to carry out the responsibilities which they assumed when a permit by the Interstate Commerce Commission was given.

Now those were two things this Congress provided in the Motor Carrier Act of 1935 which established a very definite policy. Two important provisions of the act relating to agriculture transport.

Under those provisions during these years a procedure has developed; a procedure which is called trip leasing. That means that the farmer or the trucker engaged in transporting agricultural products would transport produce to the market, and under the provisions of the act he would be exempted from regulation by the Interstate Commerce Commission.

The practice that has developed over these many years has been that after the product was transported to the market the trucker would lease his equipment to an authorized carrier, a regulated carrier, who was authorized to transport regulated, manufactured products, for a back haul or a haul to some other locality.

In other words, a truck engaged in transporting agricultural produce may take a load of vegetables from Virginia to New York. This trip is exempted under the Motor Carriers Act. Under present procedure, it is leased to an authorized carrier and may take a load of manufactured produce back to or in the vicinity from where he started. This helps him to meet his expense and therefore, affords cheaper transport rate of the agriculture commodity.

Now if this truck which transported the vegetables to New York had any reason to go back to the vicinity of Virginia but was needed in Maine to pick up a load of potatoes, it would be leased to the authorized carrier, perhaps to take a load of regulated commodities under the permit to Maine. Then in Maine, he would get his load of potatoes and be on his way to the market again.

This truck engaged principally in agriculture transport may be needed in various localities as the harvest demands and thus the practice as explained to permit the cheaper rates for agriculture transport.

There are thousands of such trucks which are needed and are engaged in such transport. They are necessary because they are engaged in the transportation of perishables which must be taken to the market when they are ready.

This is what is referred to as flexibility of agriculture transportation and is essential in our agriculture economy.

That is the problem we have here today. It is just as simple as that.

How did this problem arise? In the first place, virtually all of the authorized carriers in the United States occasionally have engaged and do engage in trip leasing. It has been considered as authorized under the act. The Interstate Commerce Commission has never been in sympathy with this policy of the Congress. That cannot be questioned because we have the volumes of the record made before the Interstate Commerce Commission in connection with the case that went to the Supreme Court. It was clearly shown that the Interstate Commerce Commission did not in the first place approve of this exemption. We did not have to wait until this came up in 1951 because prior to that time the Interstate Commerce Commission endeavored to regulate carriers who engaged under certain conditions in transporting these exempted products. Their position was challenged. It was carried to a circuit court of appeals, I believe of the southeast district. The circuit court of appeals ruled against the Commission.

That was the first approach by the Commission to indicate that they were not in sympathy with this policy and provision which the Congress provided as a part of the Motor Carriers Act.

About 1940, I believe it was, the Interstate Commerce Commission decided that they would undertake an investigation, and they started an investigation, in my opinion, with one thing in mind, to bring about a procedure where they could nullify the policy of the Congress by administrative action.

The war came on. It is a very significant fact, I think, in connection with this problem, that when we needed the transportation, when all facilities, railroads, waterways, the motor carriers, and all other forms of transportation in this country were called upon, the Interstate Commerce Commission recognized that to be a fact and, realizing that it would interfere with the flexibility of transportation, called off the investigation. It was perfectly all right then because they needed it.

This investigation continued after the the war. After the war when things, as everybody thought—including the Congress—were going to be all right from then on, the Interstate Commerce Commission said, "Well, we will pick up where we left off back some 7 years ago." They started their investigation again throughout the United States, requiring

their fieldmen to make certain reports—for one purpose. Read the record before the Commission. It is clearly shown that they had their fieldmen to report—what? To report information that would permit them to change the law by administrative act.

So, after extensive hearings, the examiner in the case issued a report. This report went to Division 5. Division 5 handles the Motor Carrier Division in the Interstate Commerce Commission. It is interesting that Division 5 did not approve the recommendation of the examiner with reference to the 30-day leasing requirement or the compensation requirement. Division 5 unanimously recommended the other provisions of the proposed recommendation of the examiner. That was, in fact, to get at some abuses that were admittedly present in connection with the administration of the regulated transport industry. But when Division 5—these three commissioners reported it to the full Commission, the Commission accepted the recommendation of Division 5, and, in addition, would require 30-day leasing of equipment and compensation restriction. That puts your agricultural trucks out of business insofar as backhaul movements are concerned, or insofar as leasing their property to regulated carriers to transport regulated products.

Consequently, the effect would be to increase—and it is not denied—to increase the cost of transportation of agricultural commodities to market and thus increase consumer cost. It cannot have any other effect. So the entire Commission made these requirements, but Commissioner Lee of Division 5 wrote a separate opinion concurring in part—that is concurring in the recommendation that they had made but dissenting on the two important requirements here that are the troublesome points, in my opinion. Commissioner Rogers, Commissioner Mitchell, and Commissioner Knudson did not participate. In other words, there were seven commissioners who proposed to put this lengthy rule into effect.

There you have briefly the history of the problem. That is what we have here today. It is to say then to the Commission that you cannot by administrative action, knowing that you are opposed to the policy of the Congress of the United States, nullify what the Congress has done.

A very simple bill was drawn, sponsored unanimously by all the farm organizations throughout the country. The truckers of the United States are divided. It is like the fox question. You have some on one side and some on the other. So the American Truckers Association refrained from taking any position. The railroads are against interfering with the action of the Interstate Commerce Commission to put this rule into effect. Therefore, it becomes as usual, which is wholesome in this country, another example of the keen competition in the transportation industry of the country. The problem was brought to us of the abuses that have been referred to as itinerant carriers or as some refer to them, the gypsy carriers. Abuses have been practiced. A windfall permitted them to do certain things which everyone of us realized should not be permitted. And so our committee made a very special effort to reach both objectives at the same time. We prevailed upon all the interested parties, with these two objectives in mind, to come in and help us work something out. We did not get anywhere with that, so the committee has worked out a bill of its own. What we propose to do is to sustain the action of the Congress in 1935 and continue this exemption provision for the transportation of agricultural commodities.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. HARRIS. I yield myself 2 additional minutes, Mr. Chairman.

This is to prevent the Commission from interfering with an authorized carrier with reference to the compensation paid for and the leasing of equipment. At the same time we make an affirmative approach to all of the other five questions involved, directing the Commission that they shall put them into effect, which, consequently, would have the effect of approaching the other problem, the abuses that were referred to.

Perhaps I should explain the contents of the proposed leasing rules as was given to us by a member of the Commission. It is a somewhat complicated instrument containing four pages of typewritten material but it proposes to do several things which are as follows:

(a) That the lease shall be duly executed in writing;

Shall be operative for a specific period of time, not less than 30 days;

Shall provide that the authorized carrier exercise exclusive possession, control, and use of the equipment and assume complete responsibility therefor without the option of subleasing and that the lease shall specify the compensation to be paid without such compensation being computed on the basis of any division or percentage of the applicable rates or the revenues earned by the vehicle.

(b) That appropriate receipts be issued each shipment, for such equipment;

(c) That the vehicle be inspected for compliance with the Commission's safety regulations by a qualified representative of the carrier;

(d) That the vehicle be properly placarded with the carrier's name;

(e) That the carrier assure itself that the driver of other than the regular carrier employee is physically and otherwise qualified under our safety regulations; and

(f) That appropriate records of the use of such equipment shall be prepared and maintained.

This committee bill would not affect any of these proposals except the 30-day leasing requirement and the provision with reference to compensation. Everything else within the proposed rule may be effectuated, that is, with reference to receipts, compliance with safety regulations, and so forth, appropriate records kept and other requirements.

Now we propose here to go even further than the Commission thus far. We authorize the Commission to prescribe regulations requiring that any such lease contract, and so forth, shall be in writing and signed by the parties thereto. That it shall specify a period during which it is to be in effect and the compensation paid. Also, to require that during the entire period of such lease, the copy thereof shall be carried in each motor vehicle.

Then we say that the Commission shall prescribe such other regulations as may be reasonably necessary to assure that during the terms of the lease the motor carriers will have full direction and control over such vehicles and fully responsible for its operation.

In other words, we take an affirmative approach authorizing the Commission to use the authority within the policy of the Congress to get at these abuses complained of.

We do not permit the Commission, however, to repeal the exemption as to agricultural transport by requiring a minimum of 30 days for any equipment leased or specifying the compensation that must be paid.

The Supreme Court has passed on this question as to the power and authority of the Interstate Commerce Commission. The Court did not interpret the Commission's actions as to these specific provisions of the act. The Court said the Commission had such authority to make these rules under the broad powers of the Interstate Commerce Act.

Thus, we think, Mr. Chairman, that we have done about the best job we could in meeting this problem. For that reason I am supporting this bill as recommended to the House, and ask for its approval. I, with the other members of our committee, commend it to you.

The Agriculture Department is for this bill. Talk about the Government agencies—of course, the Interstate Commerce Commission is not for it. And there we have the agencies involved expressing their views. We have heard all phases of it, all sides of it, an expression of views of everyone we could get. Consequently we have come to you with something that I think is the best possible approach, from the information we have.

Mr. WOLVERTON. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. YOUNGER].

Mr. YOUNGER. Mr. Chairman, in 1935 this Congress enacted the Motor Carrier Act. It was recommended at that time by the Committee on Interstate and Foreign Commerce, and the distinguished minority leader [Mr. RAYBURN] was at that time chairman of the committee.

The Congress, in its wisdom, granted certain exemptions, which have already been referred to by our chairman and by our colleague the gentleman from Arkansas [Mr. HARRIS]. They did that for a very well known purpose.

I have had the pleasure of reviewing the debates that occurred on the adoption of the Motor Carrier Act. There is no question as to what the intent was on the part of the Congress at the time they passed that act. They granted exemptions to the transportation of agricultural products, fish, shellfish, and

horticultural products. The record is full, ever since 1935, of attempts both in Congress and on the part of the ICC to nullify the acts of Congress. Now we come to this year and we have the Interstate Commerce Commission promulgating their Rule M–43 which does whittle away to a greater or lesser degree the exemptions granted by the Congress in the Motor Carriers Act. I want to read from the hearings of the committee a part of the testimony of one of the Commissioners of the Interstate Commerce Commission, Mr. Knudson. I asked him this question:

Now, pursuing some other questions here, practically all the testimony that we have, and most of the testimony that you gave this morning was to the effect that the enforcement of MC–43 will to a lesser or greater degree eliminate the agricultural exemptions granted by Congress.

Now, "to a lesser or greater degree," we have had various degrees in answer to that question. I think you answered this morning that you thought part of the exemptions would be whittled away.

Commissioner KNUDSON. I hope I am consistent, and I hope I always am; the determination of this committee on this bill will have a great deal to do with the right of the carrier to haul, or the right of the farmer to seek a carrier, to haul his goods under the agricultural exemptions that appear in section 203 (b) (6) of the act, and the livestock exemption.

Mr. YOUNGER. Wait a minute. Let us go back to M–43. If you had M–43 and if you enforced it today, in all of the testimony I think without exception, there was no one who testified that the enforcement of that order would not to some degree take away the agricultural exemptions. I think earlier this morning you said yes, it probably would, some of it.

Commissioner KNUDSON. I said to some degree. If I remember my statement correctly, it would take away from use by farmers some owner-operators who have been serving them and who could no longer serve them because they could not or would not comply with the 30-day rule under our leasing rules, and to that extent the farmers would be injured.

Mr. YOUNGER. Now, let us get back to the point. To a greater or lesser degree.

And finally after badgering him all that time he came forth and he said: "Yes, to a lesser degree."

Now you have the cold-blooded admission on the part of a member of the Interstate Commerce Commission before a committee of this House stating that he and his Commission have promulgated a rule which nullifies an act of Congress. This bill that we have before us today is just that simple: Whether you are going to adopt the philosophy of government that a regulatory body created by this Congress as an arm of the Congress has the right by regulation to nullify the acts of the Congress.

Mr. HARRIS. Mr. Chairman, I yield 13 minutes to the gentleman from Florida [Mr. ROGERS].

Mr. ROGERS of Florida. Mr. Chairman, we are considering today what, in my opinion, is a most important bill to the economy of this Nation, not only so far as the farmers are concerned but as far as the consumers of vegetables, citrus fruit, fish, and other foodstuffs are concerned. Perhaps we can best get the idea of what we are trying to do here by looking at the original intent of the Motor Vehicle Act and see what the Congress had in mind when this act was originally passed.

In 1935 the Congress put these particular provisions in the bill which showed it was giving certain concessions to the producers of the foodstuffs of this Nation. These are the exemptions that applied when the act was originally enacted and which contains the policy that this Congress promulgated, the provisions and benefits that would flow to the farmers.

First, there was what was known as the farmer exemption, section 203 (b) (4a) (1):

Motor vehicles controlled and operated by any farmer when used in the transportation of his agricultural commodities and products thereof, or in the transportation of supplies to his farm.

The second was cooperative association exemptions section 203 (b) (5):

(2) Motor vehicles controlled and operated by a cooperative association or a federation of such cooperative associations.

The third, which is of particular importance in this bill is the agricultural commodities exemption, section 203 (b) (6):

(3) Motor vehicles used in transporting ordinary livestock, fish, or agricultural commodities.

Any truck that hauls to market for the farmer, for the fisheries, or for citrus fruit grower is exempt from the jurisdiction of the Interstate Commerce Commission. That Commission has absolutely no control over them with the possible exception of the safety feature and the State laws take care of that.

Here is the policy that the Congress wrote into the bill when the act was passed, showing it was the intent of the Congress at that time that these exemptions shall be granted to the truck haulers that haul these commodities for the farmers.

The ICC in May, 1951, came forth with an order which changed the policy laid down by the Congress. It changed that policy so that these truck owners, these haulers, who hauled commodities to the various markets of the country could not take a return trip load unless they agreed to lease their truck or motor vehicle for a period of 30 days.

Are we as Members of Congress, who are supposed to determine the policy in transportation, to sit here and be derelict in our official duty so far as prescribing policy is concerned, allowing the Interstate Commerce Commission to change that policy so that the farmers and food-producing men of this country cannot continue to operate under the provisions as contained in the original act?

Now what do you mean by "trip leasing"? It just merely means this. Inasmuch as the State of Florida ships a great deal of vegetables in the wintertime, inasmuch as it ships citrus fruits, inasmuch as it ships a lot of fish and products of various other kinds, I will take that as an example. When a truck hauler carries that exempted property, we will say, to the State of New York, and he delivers it, does it not seem foolish to the Members of the Committee why he should be required to come back with an empty load, unless he enters into a contract to lease the truck for a period of 30 days? When they do that it means that whatever certificated or contract motor carrier makes that lease, he can absolutely control that truck for a period of 30 days. To me such an act as that is uneconomical. Here is what it means. It means one of two things. It means that the farmer must pay a higher rate of transportation in getting his foodstuffs or his agricultural commodities to market. It means he has to pay a higher price because of the fact that he cannot haul for less than the contract carrier unless he can get a return load.

Now do you know how he gets a return load? He does not go out and destroy the rate that is promulgated by the Interstate Commerce Commission. If he picks up a load, do you know what he has to do? He cannot go to Mr. Jones and say, "I want to carry a load of your produce or your commodity down to Florida, and I will carry it at a lesser rate than you can get from an authorized certificated motor carrier." No; he cannot do that. But he has to go to that authorized carrier or certificated motor carrier and make a deal with him, and he charges the same rate. He must charge the sender of that freight the exact rate that the certificated motor vehicle carrier who permits him to carry the load back would charge. Now this little farmer that goes up there wanting to get a little something to take back home, cannot do it under the regulations, but he has to go to that certificated motor carrier and make a contract with him before he can even bring a little load back to wherever he came from. It seems to me that this is a great restriction to put on him. It is uneconomical. There are thousands and thousands of trucks, as was said by my good friend, the gentleman from New Jersey [Mr. WOLVERTON] who move produce to market, and we ought to give them every encouragement instead of strangling them. I want to tell the Membership of this Committee that if you allow this situation to continue, you will strangle the interests of the farmers who are sending their produce to market.

Mr. MATTHEWS. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Florida. I yield to the gentleman from Florida.

Mr. MATTHEWS. I would like to say to my distinguished friend and colleague from Florida, with whom I served in the Florida State Legislature in 1935, that I thank him for this very intelligent statement that he has made. Representing another great agricultural district in Florida I want to say that my people are very much interested in this matter, and I certainly hope this bill as reported by the committee passes.

Mr. ROGERS of Florida. I thank the gentleman.

Now, let us go a little further. All of the farm bureaus are for it; not a single one is against it. We had the gentleman

from Pennsylvania [Mr. KING], a Member of this House, who is engaged in producing food and who is engaged in hauling food all over this country, before our committee. He made a splendid statement with reference to it, and one of the things he brought out, when I questioned him, was the fact that unless we pass this bill not only will the interest of the farmers be hurt, but the consumers will be hurt as well. That is what he said about it.

I asked the gentleman from Pennsylvania [Mr. KING] this question:

> You take the position then, that the benefits from this bill would flow to the consumer as well as to the small trucker?
>
> Mr. KING. Certainly, the consumers are greatly benefited by the continuation of the present system of produce hauling in this country, because it is the most economical. It is not a system that is subject to close regulation and direction, because of the shifting nature of it. The trucking business is shifting in nature simply because produce production is shifting in its nature.

Why should there be any objection to granting any farmer or any hauler of farm commodities the right to enter into a lease with a certificated or authorized motor carrier?

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Florida. I yield to the gentleman from Florida.

Mr. SIKES. I want to say to my colleague that he is exactly right in the statement he is making. This is an important bill, important to the farmer and important to the consumer. It is fair to all segments of industry. It corrects an unsound situation. The bill should be passed in the same form that the committee has brought it to the House, and I certainly hope it will pass without crippling amendments. I am glad that my distinguished and able colleague from Florida has given the measure such vigorous support. I know in addition that he has long seen a need for this measure and that he has been helpful in bringing it to the floor. It is a highly meritorious measure.

Mr. ROGERS of Florida. I thank the gentleman very much.

If you are against the interests of the farmers and if you are against the interests of the consumers then do not vote for this bill, because if you do not pass this bill you will hurt both of them. You will hurt the farmers of this country and you will hurt the consumers of this country, because otherwise to get these commodities to market the farmers are going to have to pay a higher rate of transportation, and in addition, when the commodities get there, the consumers will have to pay a higher price for their produce.

I do not ask you to do anything that is not in the interest of the economy of this Nation. I do not ask you to do anything that you do not think is right. I say to you that this Congress would be derelict in permitting the Interstate Commerce Commission to void the policy this Congress has set out. If this Congress does not pass this bill, they can issue an order and prescribe a 30-day lease before you can enjoy the benefits of a return trip; you must lease your vehicle for a period of 30 days. I do not believe the Members of this House will stand for such a procedure as that.

Mr. WOLVERTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Michigan [Mr. FORD].

Mr. FORD. Mr. Chairman, H. R. 3203 which is before the committee for consideration today involves and has to do with a rather important amendment to the Interstate Commerce Act. Specifically it will amend section 204 of that act by adding at the end of that section a new subsection (e).

In a large measure the economic development of this country has been possible because of our constantly improving transportation facilities and, more recently, the development of transportation of freight by motor vehicle. Long prior to the Congress taking control of the interstate operation of motor vehicles in the transportation of freight, a practice had developed on the part of the operators of motor vehicles of leasing certain of their equipment from time to time as the growing needs for this type of transportation indicated. The primary reason for the leasing of equipment, rather than to own it, in all instances is to assure maximum use of available transportation facilities and the most economical service to the public by the elimination of empty mileage. That purpose is not only in line with but is required by the declared policy of the Congress as enunciated in the preamble of the Interstate Commerce Act, which in part reads as follows:

> It is hereby declared to be the national transportation policy of the Congress to provide for fair and impartial regulation of all modes of transportation subject to the provisions of this act, so administered as to recognize and preserve the inherent advantages of each.

The flexibility of motor-carrier service and the ability of such service to reach out to points not served by other modes of transportation has been responsible for the development of this type of transportation. The growing tendency of industry to depart from the large centers of trade in the congested city areas and to locate in smaller communities and, in fact, many suburban centers, has come hand in hand with the development of the service afforded by motor carriers.

As early as 1940 the Bureau of Motor Carriers launched an investigation with respect to the operating practices of certificated common carriers by motor vehicle. This investigation culminated in a statistical report by the Bureau of some magnitude in 1943. However, because of the necessity of maximum use of transportation facilities during the war, any further action by the Bureau of Motor Carriers was postponed, the postponement continuing until 1947. In fact, by a general order of the Office of Defense Transportation which was set up at the beginning of the conflict, motor carriers were required to enter into full leasing, interchange, and other similar practices which had theretofore been the subject of the Bureau's investigation. The purpose of this requirement was to accomplish as nearly as possible full usage of motor-vehicle transportation facilities and equipment.

In 1947 the Director of the Bureau of Motor Carriers reinstituted discussions and had suggested regulations drafted respecting the custom and practice of many motor carriers in leasing, in whole or in part, the equipment used in carrying on their business. Hearings were held and witnesses were called upon to testify here in Washington and in other parts of the country, and on May 8, 1951, the Commission's report, known as *Ex parte* No. MC–43, was filed. Accompanying the report and as a part of it was annexed appendix E, the final rules prescribed by the Commission governing the practices of authorized carriers of property by motor vehicle in interstate commerce in, first, augmenting their equipment by temporary leasing, second, interchanging of equipment with other licensed common carriers, and third, renting vehicles or equipment to private carriers or shippers.

Two primary features of the regulations, as promulgated by the Commission, met with immediate and sharp challenge by a large sector of certificated common carriers over the country generally. These two features which have come so sharply into focus can be briefly stated as follows:

First, a provision that a certificated common carrier could not for the purpose of temporarily augmenting its fleet to meet the changing demands of the shipping public, lease such a piece of equipment for a period of less than 30 days, and this regardless of the fact that it might economically be needed for only 1 day or 1 trip. Freight moves in all directions but it is not always a balanced movement and a certificated motor carrier may have, for instance, a heavy movement into a point such as St. Louis or Chicago and a much lesser movement out of such point. Therefore, by employing the entirely practical system of temporary leasing of available equipment, such a motor carrier is enabled to minimize his empty mileage. Again, in certificating common carriers by motor vehicle, the Commission has seen fit in many instances to restrict the points between which a common carrier may offer its services and, more to the point, restrict the commodities which the carrier may haul. The trip leasing of equipment, therefore becomes a substantial necessity if the certificated motor carriers are to perform an adequate service for the shipping public in the most economical and efficient manner which requires the elimination to the greatest extent possible of empty mileage. It is the position of the motor carriers that their equipment can move over the highways as safely, or more safely, under load than they can if required to move many miles empty.

The second objectionable feature of the rules, as promulgated, is an attempt on the part of the Commission to dictate to the certificated motor carrier the manner in which he shall compensate

the owner of the leased vehicle for the use of such vehicle. The question of what compensation should be paid to the owner of leased equipment, and the method of computing such compensation, is and should be a matter within the province of management of the motor carrier industry. The action of the Commission in this regard constitutes a direct invasion of the right of contract, and evidences a tendency on the part of the Commission, under the guise of safety regulations, to usurp the power of private management in the field of contract and substitute therefor its bureaucratic judgment.

It is the contention of a large number of the certificated motor carriers that the Commission's attempt to regulate such carriers with respect to the time during which they may trip lease a vehicle and the manner of paying for the use of the same is directly contrary to the present Motor Carrier Act. Section 208 of the act, as it now stands, in part provides, and I quote:

> That no terms, conditions or limitations shall restrict the right of the carrier to add to his or its equipment and facilities over the routes, between the termini, or within the territory specified in the certificate, as the development of the business and the demands of the public shall require.

Section 203 (b) (6) of the act, as amended, exempts from the provisions of the act motor vehicles used in carrying property consisting of ordinary livestock, fish, or agricultural commodities—not including manufactured products thereof—if such motor vehicles are not used in carrying any other property or passengers for compensation.

The proposed administrative regulation by ICC will cause serious hardship to haulers of farm products. Under the present regulations, unmanufactured farm products have been exempt from regulations. Evidence points to the fact that trucking rates for farm products are lower than most of those products regulated by ICC. This saving according to reliable authorities is the direct result of using the trip-leasing method of operation. The new ruling will mean that haulers of farm products will have to return empty from any point of destination rather than trip lease to haul goods back to the point of origin.

The proposed regulation can only mean a waste of manpower and equipment. In addition the regulation will provide no adequate substitute in transportation equipment. Agricultural haulers, whether they be farmers or commercial truckers, hauling processed farm products, would be prevented from getting the maximum use of their equipment. I am certain Members of the House will agree that such waste and inefficiency can only result in higher prices and increased inflation. The ultimate consumer will again suffer the consequences.

Under the practice as indulged in prior to the promulgation of the new Commission rules, haulers of exempted products, such as oranges, out of the State of Florida, could and did bring their products into the Northern States by a fast expedited service and then, in order to return again to Florida, would trip lease their equipment to a certificated motor carrier for the haulage by that carrier of general freight back to the point of origin. Obviously, this was and is an arrangement of great value to both the haulers of the exempted freight on the one hand, and to the common carrier who has substantial movements of freight into the State of Florida and little freight other than the exempted products out of that State. This same condition exists in many parts of the country, and agriculture and livestock have been largely moved in a most economical and practical manner by the employment of this system. If the new rule becomes effective, this salutary practice will be substantially, if not completely, eliminated. While the Commission has amended its regulations since this bill was introduced, its amendment would permit the trip leasing only by the producer of the exempted commodities. In point of fact, such producers rarely transport their own products to the markets and are not equipped so to do.

The basis for adoption of the regulations by the Commission is to further the public safety on the highways. With our present highway system being inadequate to meet the public needs, safety of operations is an all-important matter and the common carriers are the first to concede this. It may be noted that the regulated common carriers operate only about 10 percent of the trucks using the highways today. While the objective of the Commission is a proper one, it does not appear that the two objectionable features of the Commission's regulations bear any reasonable relation to safety of operations by the regulated common carriers. If the proposed bill is passed, the Commission will be deprived of none of its power concerning safety of operations, but would be prevented from placing an unreasonable burden upon the flexibility of motor carrier operations and from invading the province of management in fixing the compensation for the use of leased equipment.

I, therefore, urge the passage of the proposed bill without amendment.

Mr. WOLVERTON. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. BEAMER].

Mr. BEAMER. Mr. Chairman, my colleagues who have preceded me in the well of the House have clearly and very well, I feel, explained to you the purpose of the trip-lease bill, the history behind the entire legislation and the intent of this particular piece of legislation that is before you. I would like to emphasize or stress, if I may, several features. I think you probably realize that the trip-leasing procedure originated primarily during World War II, at which time there was a great demand, as has been explained, for additional transportation facilities. I do not think it is necessary to describe to you the purpose of the work of the itinerant or trip-lease trucker. I am a farmer myself and I know the man down the road has a truck with which he would haul our livestock to market. By permissive legislation, he returned with a load which made it possible for him to operate in an economical fashion, and also probably to make a few pennies of profit for his endeavors.

The reason this particular legislation is before you, and why it is necessary, is due to the fact that the Interstate Commerce Commission had issued, as you have been told, regulation MC–43 which was to become effective on September 1 of this year, and which regulated the leasing practice of these authorized motor carriers. One of the provisions of this MC–43 regulation would have required that these itinerant truckers would be required to have a 30-day lease with whatever certificated carrier they worked for and to whom they were responsible. Concern has been expressed by many groups, and especially of course as you have been told, by agricultural groups, and I am quite sure we want to respect all of the people who are concerned, the railroads as competitors, the farmers as users, and the general public—and I am speaking mostly for the general public.

I would like to quote just a few things to express something that has happened in this country. I am referring to the additional authority that is being assumed by so many of the executive agencies in the Federal Government. They have assumed an authority today which was supposed to have been part of the authority granted in the past to this Congress. One of the witnesses made this statement, and I want to read it:

> My support of this legislation is based upon the belief that the Interstate Commerce Commission should be prevented by law from pursuing the course that they are embarked upon. I believe that course to be evident. I believe it to be one which can and will accomplish nothing except placing restrictions and regimentation around the operations of interstate trucking companies and that its imposition constitutes a wholly unwarranted, unnecessary, and useless invasion of the field of management.

Mr. Chairman, I realize that we need regulatory bodies. That is a part of the Republic of the United States. It is a part of our constitutional form of government, but I am asking you how far dare these organizations extend their authority, and how far dare these different regulatory bodies go in prescribing regulations that have statutory effect and which do the things that you and I are supposed to do here in the Halls of Congress?

One of the other witnesses made this significant statement. He says:

> It may appear a bit strange that the proposed legislation which we are supporting seeks to place a positive ban upon the regulation of certain leasing practices of motor carriers by the Interstate Commerce Commission in view of the fact that nowhere in the existing law may be found any section specifically conferring such authority upon the Commission.

In other words, we are called upon here to pass some additional legislation that says to the Interstate Commerce Commission, "You can go only so far in

making a regulation, and there must be some limitations in your power to make regulations."

It has been a pleasure to work on the Committee on Interstate and Foreign Commerce because so many different agencies of the Federal Government come before our committee. At the same time, it has been something to be deplored, to say the least, to find so many of these agencies today that are going beyond the intent of the Congress in the promulgation and the setting up of regulations, and also even acting as courts of justice. So I suggest to you that the purpose of H. R. 3203 is to preserve the practice of trip leasing, not for the benefit of the truck operators who are engaged in the movement of livestock and agricultural products, fish, and so on, exempt under section 302 (b) (6) of the Motor Carrier Act, but, at the same time, to provide certain safeguards and regulations for the operation of such trucks.

May I repeat, in the opinion of many of us, the important consideration is the extent of the authority that may be assumed by the ICC. I believe that the railroads would appreciate less regulation, and it is a reasonable assumption that all transportation companies would be in a better financial condition with less interference from Federal agencies.

Mr. HARRIS. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. KLEIN].

Mr. KLEIN. Mr. Chairman, I hate to inflict myself upon the House and disturb all the sweetness and light that we have had here. It would appear that there is almost complete unanimity in support of this measure, but nothing could be further from the fact. I felt it was incumbent upon me to advise the membership of the House that the entire committee is not unanimous on this. I think, however, we are unanimous in the idea that something ought to be done about this matter, and I want to compliment our chairman and the members of the committee for the very strenuous effort that has been made to get the different groups together and attempt to get them all to agree, and arrange some compromise which would please everybody and still accomplish what we thought ought to be accomplished.

Unfortunately, as I believe the gentleman from New Jersey [Mr. WOLVERTON] told us—and the gentleman from Arkansas [Mr. HARRIS] mentioned it—we just could not get all these diverse groups together.

I might point out that there will be an amendment offered by the gentleman from California [Mr. HINSHAW], which in my opinion will resolve those differences, which will meet the views of the different groups, and the agricultural groups specifically, and permit them to continue this practice of trip leasing. It would retain the policy of this Congress, which is to exempt agricultural commodities. And, in my opinion, under this amendment it will be.

After the Members of the House hear the amendment, and after you listen to the debate, I hope that you will agree with me that that amendment will accomplish the very purpose we are trying to achieve. But this is not the way to do it.

What are we doing here? We are taking an order of one of the executive agencies, the Interstate Commerce Commission today—I believe the gentleman from New Jersey [Mr. WOLVERTON] said that maybe we ought to do away with them, or words to that effect. Maybe we should. But it is the Interstate Commerce Commission today; it may be the SEC tomorrow; it may be the FCC another day, and other agencies on other days.

I certainly do not want to take anything away from the power of the Congress. I believe that these agencies should be guided by the policy that is set by Congress. But I certainly do not believe—and I hope you gentlemen will agree with me—that it is our job or our province to come in here every time one of these agencies issues a regulation that we do not like, to pass a law setting aside that regulation or setting aside that order. That is what we are being asked to do here.

I might call the attention of the House to the fact that this order was promulgated in 1950 or 1951. It went to the United States Supreme Court and was sustained by that Court. The gentleman from New Jersey [Mr. WOLVERTON] talked about the unseemly haste. All that time intervened and the Interstate Commerce Commission did not put this order into effect. I think it was ill-advised for the Commission, during the course of our hearings, to issue an order stating that this particular order would go into effect on September 1, without waiting to see what action Congress would take.

This is not just an agricultural problem. I think my good friend from Florida said that this bill is good for the consumer. I am, therefore, in the position, the unjustified position, of talking here against the consumers and against the farmers. I do not know whom I am for. I might point out that the railroads are opposed to this bill, and I am not usually a spokesman for the railroads. But the unions are also all opposed to it. The American Federation of Labor is opposed to this bill in its present form, the Teamsters' Union testified before our committee against this bill, so there is a considerable segment of our people who oppose the bill. I would say again that it is not just an agricultural problem. Let me read just one sentence from the minority report.

Mr. WOLVERTON. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield.

Mr. WOLVERTON. The gentleman has just said that the American Federation of Labor was opposed to this bill. I was not aware of it. I did understand that the Teamsters' Union was against it, and they always have been against the farmers, judging by the treatment that has been accorded to them in my area.

Mr. KLEIN. May I say to my beloved chairman that during debate on the Hinshaw amendment I will read from the letter received from the American Federation of Labor.

Mr. WOLVERTON. There was never any debate on the Hinshaw amendment because it was never presented during the deliberations of the committee and before the present bill had been adopted and reported.

Mr. KLEIN. I mean at the time the Hinshaw amendment is offered and the debate that will take place under the 5-minute rule.

Mr. WOLVERTON. Then you anticipate you will have support in the form of a letter?

Mr. KLEIN. I have the letter; yes.

Mr. WOLVERTON. This is the first time I have been advised of it.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield.

Mr. HARRIS. The gentleman I think has pointed out a question here of some importance in saying that the American Federation of Labor is against the bill and at the same time referring to the Hinshaw amendment. Of course, the A. F. of L. did not appear. Is that the gentleman's understanding?

Mr. KLEIN. That is correct.

Mr. HARRIS. And there is nothing in the record now as to their position?

Mr. KLEIN. That is correct.

Mr. HARRIS. Do I understand the gentleman then to imply that the American Federation of Labor has decided that it would be against this bill unless the Hinshaw amendment to which he referred were adopted? Is it the Hinshaw amendment they are for, and are against the bill?

Mr. KLEIN. Let me put it this way, I will read the letter of the American Federation of Labor stating their position. If the Hinshaw amendment is adopted this bill will be satisfactory to the American Federation of Labor—I do not know, frankly, what their position is on the bill without the amendment. I would think, however, that they oppose the bill without the amendment, as I do.

Mr. YOUNGER. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield.

Mr. YOUNGER. Just to correct the record, the gentleman mentioned the Hinshaw amendment and he implied that that would reconcile all of the differences, implying that the farm groups would be for the Hinshaw amendment. Does the gentleman want the RECORD to show that?

Mr. KLEIN. No, I do not think I said that; if I did I want to correct it to the extent that it is my information that there is evidence—because in all fairness to the chairman I will say that he made a definite attempt even after he knew about the contents of this amendment to try and resolve the differences and apparently he was not able to, so obviously they are not in favor of it. But I believe, that the adoption of this amendment would result in continuing this practice which the agricultural interests have enjoyed all these years.

Mr. YOUNGER. Does the gentleman know that many farm groups have studied the amendment and they have sent

letters to the Members of Congress in opposition to the amendment? Does the gentleman know that?

Mr. KLEIN. Maybe the farmers do not talk to me; I have not heard from them.

Mr. YOUNGER. Farm groups, I mean.

Mr. KLEIN. Yes.

Mr. YOUNGER. They are in favor of the bill as it is written now.

Mr. KLEIN. The gentleman is a comparatively new Member. For his information I might say that the only farmers in my district are those whose gardens are in boxes on the window sills, and they have not written to me about the bill.

Mr. HESELTON. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield.

Mr. HESELTON. I wonder if the gentleman would comment on the possibility of enforcing the law if the so-called Hinshaw amendment were adopted? In other words, the problem arises in connection with that amendment, as I understand, that every single one of these operators who operates under lease would have to have inspectors inspect his truck on every one of its movements.

Mr. KLEIN. They would as well under the bill as it is presently written. I think that the way this bill is written it is impossible of enforcement, the main reason being that the ICC has so few inspectors who would have to inspect these hundreds of thousands of trucks which would be affected.

I am sorry I do not have very much time at my disposal but there are one or two things I want to refer to, one in particular. I want to read a sentence from our minority report because the impression seems to have gotten around that if you vote against this bill you are voting against the farmers. Certainly it is a larger problem than just one that affects the farmers. Let me read from the report:

> It should not be overlooked that the single-trip leasing practice is by no means confined to return movements following haulage of exempt products to market. Such movements are but a small fraction of what is involved. Trip leasing is a nationwide practice which has given birth to the itinerant owner-truck operator.

They have been called gypsies, by the industry. They are absolutely unregulated.

> And there are several hundred thousand of such individuals—who leases himself and his vehicle for a single trip to a certificated carrier for a division of the revenue and who operates under the shelter of the lessee's certificate without himself qualifying as a common carrier under the requirements of the law—and this practice extends into all fields of motor-carrier operation. Viewed realistically, what is involved is not a lease of a vehicle to supplement the equipment of an authorized carrier, but rather a lease for a single trip to an itinerant truckowner of a certificated carrier's operating authority.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. HARRIS. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. KLEIN. Mr. Chairman, this is a great problem. It is not a question of the farmer against the consumer. I have said here many times that the economy of this country is interrelated. What is good for the farmer is good for the consumer. You cannot say that you are against the farmer and for the consumer or vice versa, because that is ridiculous.

The ICC has been set up to regulate the operation of these trucks on the highway. Mind you, I believe that the agricultural producer should have this exemption and I believe they will have it under this amendment, but do not, under the guise of trying to help the farmer, take all of these itinerant truck operators from under the act because that is why we passed the ICC Act. That is in the interest of safety, keeping prices down, and there are various other phases.

Mention has been made here of the fact that the Department of Agriculture is for this bill and also the fact the ICC is against it. I may also point out that the Department of Commerce is opposed to it. The minority report contains the report of both the ICC and the Department of Commerce and I would like to read one sentence from the Department of Commerce letter opposing the legislation. They state as follows:

> We therefore oppose the enactment of H. R. 3203, which would deny to the ICC flexible authority in this important area of motor-carrier regulation in its present form.

I might also point out that 17 or 18 States in the United States today have regulations similar to this order of the ICC. They affect this trip-lease practice.

The chairman of our committee [Mr. WOLVERTON], made the statement here that a story had gotten out that there was complete agreement on the amendment. I do not know who he was referring to. I never made that statement. I have said before, and in all fairness to the chairman I will say now, we tried to get some agreement and I realized we could not.

Mr. WOLVERTON. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield to the gentleman from New Jersey.

Mr. WOLVERTON. I would like to have the record clear. I had no information, nor did I have the thought, that the gentleman from New York who is now addressing us or that the gentleman from California [Mr. HINSHAW] were responsible for the rumors that have gone around this House. They came from agents of the forces that are working insidiously against this bill. It is they who have been making those untrue statements.

Mr. KLEIN. I am glad to hear that. I am one of the forces who is working against it, but not insidiously.

Mr. WOLVERTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Washington [Mr. PELLY].

Mr. PELLY. Mr. Chairman, under leave to extend my remarks in the RECORD, as one who in committee voted against reporting this bill favorably, I associate myself with the gentleman from New York [Mr. KLEIN]. No one who has spoken so far in favor of the bill has denied the evils that exist in the trucking industry which the Interstate Commerce Commission has attempted to regulate, but which this trip-leasing bill would prevent the Commission from regulating. Referring to the record of the hearings, there is full testimony to the effect that the so-called itinerant truck operator has flagrantly broken rules and regulations which are designed for highway safety.

This bill, in my opinion, came into being from committee resentment from the attempt of the Interstate Commerce Commission to thwart the will of the Congress. The will of the Congress was to exempt farmers from regulation. This bill would protect the farmer, but, at the same time would free the approximately 100,000 itinerant truckowners which should come under regulation.

I oppose the bill as it is presently written. However, I understand that an amendment will be offered which would protect farmers and the hauling of agricultural products and, at the same time, bring itinerant truckers under regulation. If this amendment is offered and agreed to by the committee, I will support the bill. Meanwhile, it should be pointed out to the committee that my chairman, the gentleman from New Jersey [Mr. WOLVERTON], demonstrated throughout all the hearings, a great sense of fairness. He has the patience of Job. He did everything in his power to bring about a compromise between the opponents and the proponents of this legislation. It is only with deep sense of regret that I find myself in opposition to my chairman and the majority of the committee.

Mr. WOLVERTON. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Chairman, I think I would be stating pretty much the truth if I said that the language of the bill down to the last line on page 2 is nothing but eyewash. That language which is contained prior to that point is already something which the Interstate Commerce Commission is authorized to do without this legislation.

The real nub of the legislation comes in the proviso which says, "but nothing in this part shall be construed to authorize the Commission to regulate the duration of any such lease, contract, or other arrangement for the use of any motor vehicle, or the amount of compensation to be paid for such use."

Now, that is the effective part of the legislation. The rest of it amounts to nothing. That is the part which effectively repeals the order of the Interstate Commerce Commission requiring that any truck lease must be for a period of 30 days.

I grant you that the Committee on Interstate and Foreign Commerce is upset over the fact that the Commission would issue such an order. I, myself, do not agree with the order. But there

has to be some form of regulation which can control these itinerant or so-called gypsy truckers. There are about 100,000 of them or so on the road. Nobody knows just how many there are. Many of them have no home; they live in their trucks and go from one place to another as the load may afford.

Now, we are not talking about farmers. Farmers are already authorized to carry their loads of farm produce without regulation. They are not subject to regulation. A farmer can carry a load of nonexempt products, such as iron and steel or sewing machines, back from town and still be exempt from regulation under subsection 6, section 203, I think it is, of the Interstate Commerce Act. That may not be the exact number, but it is close to it. They can carry occasional loads of nonexempt products back home.

It has nothing to do then with the farmer as such or the farmer who owns a truck. It has to do with the gypsy operator—that itinerant fellow.

Now, 18 States have already issued laws or regulations which in effect prohibit the activities of so-called trip leasing in intrastate commerce. Of course, that is intrastate and not interstate. But 18 States have issued regulations which in effect prevent trip leasing within those States. Those States are: Arizona, Arkansas, Colorado, Connecticut, Kentucky, Michigan, Minnesota, Mississippi, Montana, Nebraska, New Mexico, North Dakota, Oregon, Pennsylvania, Texas, Virginia, Washington, and West Virginia. You cannot do trip leasing in those States in intrastate commerce. The regulations vary all the way from making it extremely difficult for such a thing to take place to prohibiting the activity.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Iowa.

Mr. GROSS. Does that include farmers in those States?

Mr. HINSHAW. Yes; it includes everyone.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. HARRIS. Mr. Chairman, I yield 5 minutes to the gentleman from California.

Mr. HINSHAW. I thank the gentleman from Arkansas.

What are we dealing with? Let me read a letter from Mr. Blanning, the Director of the Bureau of Motor Carriers, Interstate Commerce Commission:

> In connection with the consideration of H. R. 3203, a member of your committee staff requested that I advise you how many motor carriers holding authority from this Commission own no motor equipment and the total revenues of such carriers.
>
> The report of the Commission in Ex Parte MC-43, prescribing leasing regulations, contains a statement that in the year 1947 there were 298 carriers which reported that they used owner-operators exclusively.

Mind you, here is a class of certificated carrier who owns no trucks. You might think a man in the trucking business was supposed to own a truck, but these people do not own any, they deal exclusively with these so-called trip leasers.

In addition to that, there are approximately 4,000 certificated carriers who deal more or less with these so-called trip leasers and own a portion of their equipment but not all of it.

The total revenues from that sort of business that are reported to the Interstate Commerce Commission amount to $154 million a year, according to that report. So this is not peanuts that we are talking about, this is big business. You can talk about the little fellow all you want to, but this thing adds up to big business, $154 million, and that is a big chunk out of the trucking business.

Certainly no one wants to do any harm to the agricultural interests of the country in the provision of trucks for hauling and, mind you, this is interstate trucking, this is not intrastate trucking. This is interstate, going from one State to another. Within the State they are subject to the State laws, if any, in respect to trip leasing or any other operation of trucks. This is interstate. This is from one State to another, Florida to New York, New York to Chicago, Chicago to Denver, Denver to Los Angeles, Los Angeles to Dallas, and so forth.

The reason why these people are exercised and the reason why the railroads are exercised and railroad labor is exercised and trucking labor and the American Federation of Labor are exercised is that most of these people who do this kind of itinerant trucking travel hither and yon and everywhere, and most of these people do not obey the safety rules of the Interstate Commerce Commission. Most of them, I suppose, although I have no way of proving it, disobey the rules as far as hours of work and hours of sleep are concerned. They have been proved to be a hazard in many respects upon the highways.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Arkansas.

Mr. HARRIS. Is it not a fact that the so-called itinerant or the truck equipment the gentleman mentioned a moment ago can be leased only to an authorized carrier?

Mr. HINSHAW. Yes.

Mr. HARRIS. Consequently, when the truck is leased, it does become subject to regulation during that trip?

Mr. HINSHAW. That is right, but try and catch it on the one trip. That has nothing to do with the rates to the shipper. The certificated carrier charges the shipper those rates which are specified in the rate manual so he does not save a dime on this thing, but that authorized carrier can trip lease a job to one of these itinerant carriers from anywhere to 40 to 80 percent of the tariff and thereby obtain a windfall, if you please, of a large amount of cash for not doing any work except operating a telephone and a desk. Now that is his business.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. HARRIS. Mr. Chairman, I yield 2 minutes to the gentleman from California.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. BAILEY. I have been advised that the gentleman from California, now addressing the committee from the well of the House, is contemplating at the proper time to offer an amendment designed to remove the objections of the agricultural people to this legislation. Is that true?

Mr. HINSHAW. No, that is not true. It does not remove the objections of the agricultural organizations to the legislation. As a matter of fact, I might say to the gentleman that the agricultural organizations as such, as far as I know, object to any regulation of trucks—any whatsoever. So anything that you would put in that would regulate trucks, they object to. They cannot agree to any such thing at all.

Mr. Chairman, I hope it will appeal to the farmers because it permits a trip to town, to New York, or to Chicago, or to Denver, or to Los Angeles, or anywhere, carrying agricultural products, and they can carry anything in the world that they want to back to their home place again and be exempt from regulation under this amendment. The itinerant trucker can do the same thing as long as he alternates between carrying agricultural products and nonexempt products, which are the manufactured goods.

Mr. Chairman, I do not want to go any further into this at this time. I hope to obtain time enough to talk about the amendment later. But that is a description that I hope will serve to indicate to you that there is something more to this trucking business than merely running around the country with a certificate. There are those who are in the business under a certification and who own no trucks. There are some 4,000 who are in the business and who own some trucks. Most of the rest of them who are in favor of the amendment I propose to offer are really in the trucking business.

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. WOLVERTON. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. KING], and there is no one better qualified to speak on this subject than the gentleman.

Mr. KING of Pennsylvania. Mr. Chairman, this bill should be passed without amendment. Its passage should be supported by votes representing every section of the country and particularly by votes representing the big consumer centers in the cities. Consumers, as well as producers, have a vital interest in the preservation of an economical and efficient system of transporting produce from the producers to the consuming centers.

As a produce grower, it has been my experience to closely watch, during the last 30 years, the rapid development of the great industry which has made fresh fruits and vegetables available to most

all consumers the year around. No little credit for the general health of our people is given to this constant variety of fresh fruits and vegetables. No other segment of American agriculture has grown percentagewise as fast as the produce industry.

This rapid growth has been concurrent and closely related to the development of the motor truck. Producing areas 30 years ago were largely confined to suburban areas surrounding the big cities which supplied them only on a seasonal basis. But, with the development of the motor truck, we now find all the big cities supplied from producing areas scattered to the most distant limits of our country as well as nearby and intermediate sections.

The pertinence of this bill to the maintenance of this widespread industry lies in the fact that many of these producing sections have developed as the motor truck has developed and are now almost entirely dependent upon motor trucks for fast movement to consumers. Yet, almost none of these producing sections has any shipping period long enough to warrant producer ownership of trucks.

The shifting nature of shipping points can be illustrated by the potato deal which starts in midwinter at Homestead Florida. A month or so later the Hastings, Fla., deal has supplanted the Homestead deal. And it, in turn, is crowded out of the picture by the Charleston deal. Charleston is followed by New Bern, N. C., and Norfolk, then the Eastern Shore, then Jersey and Long Island, until the potato source has shifted all the way up to Pennsylvania, New York, and Maine. Every perishable crop moves from the extreme South to the extreme North and back again to the South, following the seasons of the year.

It has been quite natural, therefore, that motor trucks have fitted well into this scheme, for their mobility and their freedom from restriction of routes has enabled them to move with the crops in this ever-shifting industry.

Many of these trucks are owned by farmers who, nevertheless, in making good use of the equipment, follow deals other than their own. But more of these trucks are owned by individuals who have set themselves up as small-business men in the transportation field, primarily to follow the produce business.

This was plainly seen when the Congress exempted agricultural products from the provisions of the Motor Carrier Act of 1935. Since that time merchandise not specifically excluded has been under the regulation of the Interstate Commerce Commission with rights to haul being on a grant basis, so that in the field of regulated merchandise the rights to haul have become valuable possessions of those carriers who could get them.

Up to this year there has been no stipulation by the ICC that the holder of these rights had to own his own equipment sufficient to carry all his tonnage.

Mr. HESELTON. Mr. Chairman, will the gentleman yield?

Mr. KING of Pennsylvania. I yield to the gentleman from Massachusetts.

Mr. HESELTON. I think the Members of the House realize that the gentleman who is speaking to us has a very large farm operation in Pennsylvania where about a dozen very perishable crops are raised. I understand he operates a substantial fleet of trucks and still finds it absolutely essential to use these additional trucks at the peak season.

Mr. KING of Pennsylvania. My farm operation happens to use more than a hundred motor trucks but we do, in our rush season, have to have still additional trucks, and they are of this type that we are speaking about. They come into our section following the produce deals northward.

It has been quite natural that motor trucks have fitted well into produce transportation, for their mobility and their freedom from restriction of routes has enabled them to move with the crops in this ever-shifting industry.

Many of these trucks are owned by farmers who, nevertheless, in making good use of the equipment, follow deals other than their own. But more of these trucks are owned by individuals who have set themselves up as small businessmen in the transportation field, primarily to follow the produce business.

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Up to this year there has been no stipulation by the ICC that the holder of these rights had to own his own equipment sufficient to carry all his tonnage. Consequently, it is a perfectly natural development that these holders of rights should trip-lease extra equipment when their tonnage exceeded their own capacity. And, of course, it was perfectly natural in the competitive struggle for efficiency that the nonregulated produce haulers should look to this trip leasing for back hauls so that they might move loaded a large percentage of their time.

While regulated merchandise moves in all directions and the regulated carriers can easily load both ways, produce generally is a one-way movement from country shipping sections into the big cities. Trucks involved in this business, therefore, have been particularly dependent upon the trip-leasing privilege of hauling general merchandise back toward produce producing sections. By the very nature of the business they have become so largely dependent upon this privilege that any cancellation of this privilege now would be ruinous to the truck operators and their demise would leave many produce producing sections stranded for the lack of trucks.

ICC action in prohibiting single-trip leasing would, in my opinion, immediately put 20,000 trucks out of the produce hauling business and increase the rates on a one-way haul by at least 25 percent.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. WOLVERTON. Mr. Chairman, I yield 2 additional minutes to the gentleman.

Mr. KING of Pennsylvania. The prohibition of single-trip leasing would, in effect, cancel the agricultural exemption provided in the Motor Carrier Act. Perhaps that is what ICC and other big transportation interests want. No doubt they would welcome the opportunity to regulate rates and routes for all transportation moving over the highways. But that would again give us an example of Government regulation forcing bigness, to the detriment of small business. This has already happened in the transport of general merchandise.

The cancellation of single-trip leasing would increase costs to city consumers because it would destroy the present flexible system of transport which is especially needed by the perishable industry.

And let me say here, I make no apologies for the kind of trucks now involved in the business. Even though they are often referred to as "gypsies," "itinerants," and "tramps," I have seen no records to prove that produce haulers are not as safe and dependable as other trucks generally. Certainly the insurance companies do not consider them as a class more hazardous.

Now, this is a very simple bill which simply says that the Commission shall not regulate the duration of any lease or the compensation to be paid for lease use. It, therefore, preserves an essential right for the many thousands of independent truck operators who have, under this privilege over the years, built an efficient transportation system for an industry which has become an essential part of our national welfare.

This bill is supported, so far as I know, by every farm organization in the country. It would be supported by every consumer organization in the country if they understood the full implications of the pending order prohibiting trip leasing.

And this bill should be supported without amendment because I know the committee has pursued every idea presented to them, looking for a way to correct abuses claimed by the ICC without disaster to agricultural transportation.

This is, as stated by a previous speaker, big business. I am glad that was mentioned, but you should realize that it is a big business which still is largely in the hands of small operators, and the effect of the ICC action under the amendment here would be to destroy those small operators. As regulation is imposed more and more bigness is forced into one of those remaining businesses which is still in the hands of small operators.

Certainly this bill should be passed and the effectiveness of the bill should not be destroyed by amendment.

Mr. WOLVERTON. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. CLARDY].

Mr. CLARDY. Finally we have gotten around to a subject on which I at least ought to know something. At the time the act with which we are now dealing was before the Congress I was chairman of the Public Utilities Committee for the State of Michigan and assisted in the draft of the statute. As some of you here, including the chairman of the committee, well know, I have had a considerable practice before the Commission. Perhaps after my remarks today if I am not returned next term I may not have any practice, but seems to me that the question before this House is a simple one.

My good friend from California pointed out some things that I want to discuss briefly. He says, and correctly I think, that the language which he read is the heart of the act and that part which says that nothing in this act shall authorize the Commission to regulate the duration of any such lease or terms under which it shall be made. Let me read you the act against which this amendment is directed, because it is significant and it points up the entire argument. I think there is a question of general policy involved, that is, whether or not the bureaus which we create shall have the right and authority to change the laws as enacted by the Congress. The original act states—and the committee of which I was chairman was in conference with the beloved Joe Eastman—and this is the language that is vitiated by the issuance of the M–43 order. The language of the original act reads:

Provided, That no terms, conditions, or limitations shall restrict the right of the carrier to add to his or its equipment and facilities * * * as the development of the business and the demands of the public shall require.

Notwithstanding that absolute prohibition against interfering with that right to add to equipment they have effectively stopped it by the order in MC–43. And may I correct my friend from California. I drafted the rules and regulations under which motor carriers operate in the State of Michigan a number of years ago. They have been revised and changed and all that, but we made no effort in our State to prevent the addition of equipment by carriers under certificate.

Let me make another point. He says there must be some sort of regulation of these gypsy carriers. Well, the Commission has all the power under the sun. The only power that this Congress gave them was the right and duty to regulate in the public interest from the standpoint of safety and safety alone. That is all that the State of Michigan and most of these other States did and that is all the Interstate Commerce Commission should do.

My primary objection is that in the field of private enterprise this Congress has permitted, to my regret, too many invasions by bureaucratic Government officers and officials into the field of private enterprise. It seems to me that the time has come to call a halt.

When you say to a carrier that no matter how desperate the circumstances requiring the transportation of badly needed commodities may be, for example to an automobile plant—forget the farmers for a moment because this is much broader than that—he shall be deprived of acquiring that transportation by means of a trip lease. You are saying to that carrier he shall not have the right to transport, you are saying to that factory it shall not have the right to operate, and that has happened. That has happened under rules already in effect and put into effect by the Interstate Commerce Commission.

It seems to me, therefore, that this whole idea of the Commission is not only unfair to the Congress, not only unfair to the carrier, but it is also unfair to the public because again, I must differ with my good friend from California. It does increase rates because the moment that you deprive him of using the most economical method of acquiring the things you need to transport, you automatically increase costs. My experience over a period of years commenced back in 1935 and 1936 when this act went on the books, primarily before the Interstate Commerce Commission in representing carriers of all kinds. I happen to own the controlling interest in one that does not lease equipment because it is not necessary to do so. Therefore, I am speaking against the interest of my own company if it had any interest at all.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. CLARDY. I yield to the gentleman from California.

Mr. HINSHAW. The statement included by Mr. Knutson says:

The Commission has interpreted this rule to include trip leasing between authorized carriers only, and the Commission does not permit authorized carriers to trip-lease vehicles of unauthorized owner-operators.

That is the State of Michigan.

Mr. CLARDY. The gentleman speaks about the State of Michigan. He is speaking about an interpretation by one of the bureaucrats down here at the other end of Pennsylvania Avenue. I am the man who drafted the original rules and regulations, and I tell the gentleman that you can lease equipment. I have done so for the benefit of clients that I represent. It is true there are regulations.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. WOLVERTON. Mr. Chairman, I yield the gentleman 1 additional minute, and may I call to the attention of the committee in connection with what has been said about the State of Michigan that I have had a study made of the so-called 18 States that are alleged to have legislation opposed to trip leasing. There is no justification for any such statement to be made.

Mr. CLARDY. Mr. Chairman, if I may sum up briefly, the important point is this: The will of the Congress has been deliberately overriden in MC–43. I had something to do with the trial of that matter, not as a paid attorney but as an observer, because I was interested in it from the public standpoint.

The Congress spoke. Its word has been reversed by bureaucratic order. In addition to that, unless this proposed bill is adopted without further amendment, unless the bill goes through as is, you better not pass it at all because you would succeed in doing one thing—confirming the Commission in the unlawful act it took when it issued the MC–43 order.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. HARRIS. Mr. Chairman, I yield 5 minutes to the gentleman from North Carolina [Mr. CARLYLE].

Mr. CARLYLE. Mr. Chairman, first of all I should like to commend very highly our able and efficient chairman, the gentleman from New Jersey [Mr. WOLVERTON], who afforded the members of our committee every opportunity to become familiar with this subject and to those connected with industry and agricultural activities he gave every opportunity for them to come before the committee and give to us the benefit of their views.

I know of no segment of our industry that is affected by this legislation that did not have a full and complete opportunity to express their thoughts before the committee, and I think I may safely say that the consumers generally, and those interested in producing agricultural products—of course, including fruits, vegetables, and flowers—are interested in this bill which was fully considered and which has been returned to this House as a committee bill.

I am concerned by reason of the fact that the Interstate Commerce Commission undertook by one stroke of the pen to rescind and invalidate a wholesome and useful provision of law that was adopted by the Congress, which expressly provided that unprocessed fish and farm commodities should be exempt while moving in trucks in interstate commerce. That has been the law in this country, as I understand it, for more than 15 years. It has proven beneficial to the consumers, highly beneficial to those who are dependent upon efficient transportation, and for the Commission then to come in with a provision that a trip lease should be of 30 days' duration, I think has the effect of removing to a large extent the wholesome provision that has been afforded agricultural interests and, of course, also as it relates to unprocessed fish.

Now, then, what do we have here at this time? We have a highly important subject for consideration, but it is not difficult for us to understand what we are now considering. The committee bill will put into effect the wholesome provisions of law that Congress passed more than 15 years ago to allow agricultural commodities to move freely in trucks in interstate commerce without so many hampering regulations by the Commission. Of course, our bill provides that the Interstate Commerce Commission may regulate these trucks as to safety although they are carrying exempt commodities. So, then, to a large extent some of the complaints relative to the necessity of Interstate Commerce regulations are resolved, and

the safety regulations, of course, are left with the Interstate Commerce Commission.

Now, let us consider the return trip. Where a farmer produces vegetables, fruits, and other commodities to be shipped to a distant market, of course, he is interested in knowing that the trucker can give him a price for that transportation that will be based upon the knowledge that the trucker will have a backhaul and will not be forced to return with an empty truck. This exemption which has been in force for more than 15 years allows that trucker, after he has delivered his exempt commodity, to obtain a load and return to the area from which he started thus, of course, making these vegetables and these farm commodities considerably less expensive to the consumer than they would have been had the trucker been forced to return with an empty truck. I am interested in this subject because it is wholesome and beneficial legislation. I ask this committee to support the committee bill.

Mr. WOLVERTON. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Chairman, it has already been said many times in the course of this discussion that this is a matter of vital interest to agriculture, and it is. When this measure was introduced early in this session representatives of the leading farm organizations contacted me and other members of the Committee on Agriculture and asked if we would not have a meeting of our committee so that they might present the interest of agriculture in this particular measure. Of course, what we had was a purely informal meeting of our committee, and at that meeting were representatives of all the four great national farm organizations in this country, the American Farm Bureau Federation, the National Grange, the National Farmers Union, and the National Association of Farmer Cooperatives. The views of all of them were unanimously in favor of the measure. Of course, it is not always that the farm organizations get together on measures. They have differences of opinion, but on this question they were unanimous, and they very forcefully presented the great interest of agriculture in this legislation.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I asked the chairman of the Committee on Agriculture to yield to me to point out here that I think the action of this committee is most wholesome and greatly needed. I know the gentleman from Kansas is familiar with the fact that those of us handling agricultural appropriations for many years have had to recommend and get through Congress an appropriation to the Department of Agriculture to make a fight on behalf of agriculture in the courts of this country to prevent the Interstate Commerce Commission repeatedly by strained interpretations of the law from doing the very thing this committee is trying to prevent here with regard to trucks. We have had a continuing problem, which appeared to us to be brought about by a strained interpretation so as to circumvent the intent of Congress in the first instance, and such a program is carried on now because the Department of Agriculture has had to come into the courts itself in an effort to hold back the Interstate Commerce Commission from doing things, certainly, the Congress was not in sympathy with, just because they did not write the law to start with apparently to suit the Commission.

Mr. HOPE. I am very appreciative of the fact the gentleman has brought that matter to the attention of the committee, because he states what all of us who have been familiar with the subject know, that this has been a continuing fight, and his committee has been very generous and very practical in the appropriations it has made to enable the Department of Agriculture to carry on this fight in behalf of the farmers of this country.

May I point out that one of the important features of the Agricultural Act of 1938, which is the basic Agricultural Act under which we are operating in this country, is a provision which authorizes the Department of Agriculture to set up an agency in the Department to study freight rates and to represent the farmers of this country in securing lower transportation rates.

I do not want to say anything more about the interest of agriculture in this matter, because I think that is taken for granted. In the remaining time I have I do want to point out that the interest of the consumers in this legislation is even greater than the interest of the farmers, because if there is any one thing that has occurred in recent years to improve the standard of diet and of living in this country it has been the fact that the people of our great cities have had fresh fruits and vegetables made available to them in and out of season. All the dieticians and the physicians will tell you that this has resulted in a great contribution to the health of the people of this country. That has been made possible in a very large measure because we have developed efficient and competitive transportation, which has not only reduced the cost of carrying these fresh fruits and vegetables and other agricultural products to our large cities but has made them available to an extent never before known. I think that as representatives of both farmers and consumers we should seek to preserve this advantage which the consumers of this country have today. I commend the great Committee on Interstate and Foreign Commerce for bringing this bill to the House and I urge its passage without amendment.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. HARRIS. Mr. Chairman, I yield the balance of the time on this side to our distinguished colleague, the gentleman from Tennessee [Mr. PRIEST].

Mr. PRIEST. Mr. Chairman, I believe the provisions of the pending bill have been adequately explained by others who have preceded me. I simply want to emphasize one or two points: First of all, the consistent effort of the committee, under the leadership of our chairman, to bring parties with great interest in this matter into some sort of an agreement. That was done, as I say, consistently and persistently—without success.

The committee in facing this question brought up by the proposed issuance of order M-43, I think had two points in mind, two objectives to be met by the legislation. One was to protect adequately the shipper of agricultural products and along with that, following what the gentleman from Kansas has said, the consumer of agricultural products. And the other objective was to continue as effectual regulation of what we refer to as the itinerant trucker as is possible. That is, of course, not an easy matter to reach both objectives and have everybody on both sides of the question happy.

I believe the bill reported by the committee is a positive and affirmative approach, and, in effect, brings about a situation in which the itinerant trucker is much more effectually regulated than has been true in the past. The bill, as you know, authorizes the Commission to prescribe certain regulations with reference to the operation by motor carriers or certificated carriers, of trucks which they do not own. And to state it in simplified form, such regulations consist largely of requiring that a copy of the lease or agreement or arrangement between the certificated carrier and the man who owns the truck shall be in writing, signed by both parties to the contract; that a copy of the contract be carried in the cab of the truck; that the terms and conditions be fully set forth in the contract; and that the operator of the truck, the man who is running the truck on the highways and is hauling whatever he might be carrying under the terms of the lease, be in effect an agent of the certificated carrier and subject to all of the regulations of the Interstate Commerce Commission, which would apply if the certificated carrier owned the truck.

The part of the bill, as reported, on the bottom of page 2 and on the top of page 3 deals directly with the trip-lease question. It provides that the Commission shall not issue regulations with reference to the duration of one of these leases nor with reference to the compensation paid under the terms of the lease, as has already been explained by other members of the committee, the tariff paid by the shipper under this bill will be the published tariff.

I will agree with the gentlemen from California that in many respects there is the possibility of a pretty nice windfall to the certificated carrier who leases the truck, charges the shipper the full amount of the tariff, and then makes whatever agreement he can with the trucker. At the same time, insofar as the regulation of the Interstate Commerce Commission of that intinerant trucker is concerned, under the bill re-

ported by the committee, the only reason that the Commission might not be able to regulate effectually, is the matter of personnel. And let us be frank about it. That is a question in the picture.

I think the gentleman from California, and perhaps the gentleman from New York [Mr. KLEIN] brought out that fact in their discussions before the committee. We must recognize, as the gentleman from New York [Mr. KLEIN] stated, that this is not altogether just a simple problem of agricultural shipping. There are other factors involved and we must face up to them and do the best we can.

A majority of the committee believes that the bill reported by the committee represents the best approach under the circumstances toward the objectives the committee had in mind.

Let me say very frankly, that I wish the Hinshaw amendment had been presented to the committee at the time of the hearings. I think it is an approach that has some merit, but I for one cannot be certain as to its full effect.

Mr. WOLVERTON. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. SCHENCK].

Mr. SCHENCK. Mr. Chairman, it is a very real privilege to serve on this committee; and while this is my first year, I want to take this opportunity to express my appreciation to the chairman and the other members of the committee who have made these complete hearings possible, to understand the various items in the bill.

There are 2 or 3 things I would like to point out very briefly, and they are these; that in the consideration of this bill there was the question of agency raised, whether or not the certificated carrier had any responsibility for the actions of these trucks that he has leased. There was some doubt as to whether or not it was an independent contract or agency.

I would like to call the attention of the committee to page 2, beginning on line 18, which sets out in very simple language that the company, the certificated carrier, is responsible for all the acts of the trucks that he leases. I would also like to point out that while there has been the item of agricultural products and the item of consumer interest in this, the item of industrial employment has not yet been brought out. That has been brought to my attention by a truckline in my district that stated this; they have a fleet of trucks which they own, which hauls manufactured products in various stages of fabrication from one plant to another. They cannot afford to have a large enough fleet of trucks to meet the peak needs of industrial employment, and so they need the opportunity from time to time and the right to sublease some trucks on a trip basis, in order to move these fabricated items and thus maintain industrial employment and industrial production. So the truck owners in my district have asked me to support this bill.

Mr. WOLVERTON. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. HESELTON].

Mr. ROBERTS. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. I yield to the gentleman from Alabama.

Mr. ROBERTS. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD following the statement of the gentleman from Massachusetts [Mr. HESELTON].

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. HESELTON. Mr. Chairman, I regard the committee bill as legislation which is both necessary and essential in the interest of the farmers and fishermen of this country, in the interest of a substantial segment of the trucking industry as it has been established over a long period of time, and in the ultimate interest of consumers who will have to pay the bill, if the so-called Hinshaw amendment should be adopted.

Let me say, in connection with the Hinshaw amendment, that it should be made unanimously clear that all of the farm organizations are definitely and absolutely on record in opposition to that amendment. The chairman of our committee placed in the RECORD during the last 2 or 3 days letters from each of these organizations to that effect. That should be convincing evidence of the unsoundness of the argument that the Hinshaw amendment would be helpful to agriculture.

I want to repeat what the chairman said when he began the discussion of this measure: There is a rumor going around the floor here and off the floor to the effect that our committee has agreed upon the amendment and, consequently, that everybody is in accord. That is not so. The chairman so stated at the outset of this debate. A substantial majority of the members of the committee on both sides stand exactly on the bill as reported by the committee.

I would like to call attention of those on the floor to a parliamentary situation which makes it very important for all of us who are here and who believe in this bill to remain here and vote on this amendment. This is a committee amendment. If this amendment which is to be introduced by our colleague from California [Mr. HINSHAW], should be adopted here in the Committee there is absolutely no way by which we can get a separate vote when we return to the House; in other words, it is vitally important for all of us who are interested in this legislation to remain here. I believe that will be the only point at issue when the bill is read for amendment.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. I yield.

Mr. HARRIS. Is it not a fact that the committee reported an amendment to the bill?

Mr. HESELTON. That is right.

Mr. HARRIS. And should the proposed Hinshaw amendment to the committee amendment be adopted and then the House were to vote down the amendment, as a result there we would have the original bill which was introduced?

Mr. HESELTON. That is right. It adds to the compelling reasons for supporting the amendment reported favorably by the committee.

Mr. ROBERTS. Mr. Chairman, in order to understand the purposes of H. R. 3203, the trip-leasing bill, it is necessary to know a little bit about the history of the orders of the Interstate Commerce Commission. Effective September 1, 1953, the Interstate Commerce Commission issued an order—MC-43—which regulated the leasing practice of authorized motor carriers. This order provided that leases of trucks by authorized carriers must be for at least 30 days. In effect, this order terminated a long-established practice of trip leasing. It has been a practice in this country for certain agricultural commodities and fish to be exempted from regulations of the ICC. This was the intent of Congress, as it was clearly expressed in the Motor Carrier Act of 1935.

This practice was arrived at because of the fact that the transportation by authorized carriers, including railroads and trucks, is usually not flexible enough nor equipped to meet the loading problems of areas which produce fruits, vegetables, livestock, and so forth, on a seasonal basis; they cannot fan out nor meet peak periods of seasonal crops. The practice has grown up whereby the farmers do their own hauling or are served by itinerant truckers who pick up a farm commodity either in the orange grove, the apple orchard, peach orchard, or livestock at the farmer's barn or pasture, haul it to some distant point to the market, and then, in order to make the trip profitable, this farmer or itinerant operator contacts an authorized carrier and hauls a general commodity back to the point of origin; or he may make an intermediate trip or several such trips before getting back to his point of origin. This practice has given the farmers of this country an efficient method of marketing. It represented a practice which has been very important to livestock producers, dairy farmers, apple growers, citrus growers, and others. The effect of the order by the ICC, namely, MC-43, requiring a minimum of a 30-day lease would, in the opinion of the farm organizations, destroy the practice of trip-leasing. This, in turn, would penalize the farmers of this Nation, diminish production, and result in higher prices to the consuming public. The Wolverton bill, introduced by the distinguished gentleman from New Jersey, which was amended in the committee and reported out by a vote of 15 to 4, was, I think, a piece of legislation which would have satisfied the farm interests and at the same time would have given the ICC a measure of limited control which would have protected the public but at the same time would not have destroyed what many people believe to be a valuable and worthwhile practice.

I supported this bill in the committee and, in fact, firmly believe that this bill is not only in the interest of the farmers, the producers of fruits and vegetables, but also results in lower prices to the

consumers, particularly in the great metropolitan centers of the country. The farm organizations, and I speak of the following, the American Farm Bureau Federation, the National Grange, and the National Council of Farmer Cooperatives, join in their support of this bill and believe that the Wolverton bill as reported by the committee should be adopted without amendment.

Under date of June 12, 1953, I received a letter from these organizations, as follows:

JUNE 12, 1953.

Re H. R. 3203, trip-leasing bill.
Hon. KENNETH A. ROBERTS,
House Office Building,
Washington, D. C.

DEAR MR. ROBERTS: We respectfully urge you to support the enactment of H. R. 3203, scheduled for House consideration within the next few days.

The Interstate Commerce Commission has issued an order (MC-43) effective September 1, 1953, regulating the leasing practices of authorized motor carriers. One of the provisions of this order is that leases of trucks by authorized carriers must be for at least 30 days, thus terminating the long-established practice of trip leasing.

This prohibition of trip leasing would increase the cost of hauling farm products and reduce the efficiency of agricultural marketing. Many trucks which now return to their destination loaded would have to return empty, thus adding to highway congestion, compelling wasteful use of gasoline, equipment and manpower, and requiring agricultural haulers to increase their rates for hauling farm products. The increased costs would be borne by the producer or the consumer, or both, thus increasing the spread between farm and consumer prices.

The 30-day restriction would put out of business many exempt haulers that provide a flexible and personalized service that cannot in many circumstances be rendered by any other form of transportation. Exempt haulers reach many markets not served by common carriers. They provide a pool of transportation that may be readily shifted to meet seasonal and emergency situations.

The Commission's 30-day leasing restrictions would in effect substantially nullify the agricultural commodities exemption and thus reverse a policy established by Congress in the Motor Carrier Act of 1935.

H. R. 3203 would give the Commission specific statutory authority to require common carrier responsibility with respect to leased equipment, but without regulation of the duration of leases.

Your support of this important measure will be appreciated.

Sincerely yours,

A. B. KLINE,
President, American Farm Bureau Federation.

HERSCHEL D. NEWSOM,
Master, the National Grange.

HOMER L. BRINKLEY,
Executive Vice President, National Council of Farmer Cooperatives.

The CHAIRMAN. All time for general debate has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That section 203 of the Interstate Commerce Act is amended by inserting at the end thereof the following:

"(d) Nothing in this part shall be construed to authorize the Commission to regulate the duration of any lease, contract, or other arrangement for the use of any motor vehicle by a motor carrier in providing transportation, or the amount of compensation to be paid for such use."

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That section 204 of the Interstate Commerce Act, as amended (49 U. S. C., sec. 304), is amended by adding at the end thereof the following subsection:

"'(e) The Commission is authorized to prescribe, with respect to the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property—

"'(1) regulations requiring that any such lease, contract, or other arrangement shall be in writing and be signed by the parties thereto, shall specify the period during which it is to be in effect, and shall specify the compensation to be paid by the motor carrier, and requiring that during the entire period of any such lease, contract, or other arrangement a copy thereof shall be carried in each motor vehicle covered thereby; and

"'(2) such other regulations as may be reasonably necessary in order to assure that while motor vehicles are being so used the motor carriers will have full direction and control of such vehicles and will be fully responsible for the operation thereof in accordance with applicable law and regulations, including the requirements prescribed by or under the provisions of this part with respect to safety of operation and equipment; but nothing in this part shall be construed to authorize the Commission to regulate the duration of any such lease, contract, or other arrangement for the use of any motor vehicle, or the amount of compensation to be paid for such use.'"

Mr. HINSHAW. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. HINSHAW: On page 3, line 4, strike out the period, insert a comma and the following: "Where the movement immediately preceding was of ordinary livestock, fish (including shellfish), or agricultural (including horticultural) commodities (not including manufactured products thereof) exempt under the provisions of section 203 (b) (6)."

Mr. HINSHAW. Mr. Chairman, the amendment which I am offering to the bill is in effect, after the words "where the movement was immediately preceding," quoted from the agricultural exemption that is presently contained in the act; in other words, the amendment provides that where the movement preceding was of agricultural products, the current movement can be exempt from regulation as to duration and price; in other words, again, it provides for that movement of agricultural products to market and a return trip anywhere in the United States, if you please. It does not have to return to the place of origin, but haul to any place in the United States exempted products such as sewing machines, steel, or any other thing that the truck can carry. That should have satisfied the farm groups; it should have satisfied them. But, no; they are not satisfied with any regulation whatsoever.

We have tried and tried hard to come to an agreement or a compromise, if you please, that would satisfy all parties to this measure, but it was impossible to do so.

This amendment brings the itinerant trucker who chooses to go all over the United States and may never carry farm products—he might have nothing to do with farm products except occasionally—to the position where he must come in under the act and be regulated because he is only unregulated so long as the movement immediately preceding is of agricultural products. That is very simple. I do not know what more can be offered, how much closer the farmers can be appeased, if you please.

With reference to the statement of the gentleman from Michigan, let me say that he made the statement that the Interstate Commerce Commission in adopting this regulation was doing something not authorized by law. But that matter was carried to the Supreme Court of the United States and the Supreme Court decided it was authorized by law, despite the gentleman from Michigan.

Mr. CLARDY. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Michigan.

Mr. CLARDY. That Court also had on it at that time a Justice against whom impeachment proceedings have been begun?

Mr. HINSHAW. Yes, but that is a wholly different matter. The gentleman is entirely erroneous in his statement.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. As I understand the proposition, if your farmer hauls a load of farm produce to the market rather than return with an empty truck he may pick up anything whatsoever and take it anywhere for one trip without being under any regulation whatsoever.

Mr. HINSHAW. That is right. Furthermore, and in a general way, let me point out that the trucker does not pick up a load. He offers his services to a certificated carrier. That certificated carrier gets him the load. He makes the deal with the shipper and he charges the shipper the current rate out of the rate book for the shipment. He makes the deal, then he hires that itinerant trucker for maybe 40, 50, or 90 percent of the tariff, depending on the availability of the trucks.

Mr. LANDRUM. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Georgia.

Mr. LANDRUM. If the operation immediately preceding was one of hauling processed poultry or frozen citrus fruit, he would not be exempt?

Mr. HINSHAW. No. He is not exempt under the act at the present time. Whether or not this bill is passed he comes under the act and is regulated.

Mr. LANDRUM. The gentleman is telling the committee that these products we are talking about, frozen citrus

products and processed poultry, have ceased to be agricultural products?

Mr. HINSHAW. That is right.

The CHAIRMAN. The time of the gentleman from California has expired.

(On request of Mr. PRIEST, and by unanimous consent, Mr. HINSHAW was given 5 additional minutes.)

Mr. HINSHAW. I will be glad to answer questions now.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Arkansas.

Mr. HARRIS. That we may understand the situation, in reply to the question of the gentleman from Georgia, the gentleman says he would not be exempted under the present procedure. Under the present procedure he is not affected at all. He is permitted to transport frozen fruit to the market and then go to an authorized carrier and trip lease his truck for a return movement.

Mr. HINSHAW. If the gentleman will pardon me, I am not sure whether frozen fruit, and so forth, is an exempted product or nonexempted product. I do not know.

Mr. HARRIS. Frozen fruit is not an exempted agricultural product as I understand under the interpretation of the Interstate Commerce Commission.

Mr. HINSHAW. It is not considered an agricultural product. It is processed. That is under the present law as it stands on the books today.

Mr. LANDRUM. The gentleman's amendment would prevent the transportation of frozen food?

Mr. HINSHAW. No.

Mr. HARRIS. The gentleman overlooks the fact that under another exemption in the act this man who transports his own frozen fruit does not come under the regulations. He is exempted from them.

Mr. HINSHAW. Well, not if he transports his own, no.

Mr. HARRIS. That is what I understood the gentleman to ask.

Mr. HINSHAW. This is a somewhat complicated subject. If the gentleman will deal with something besides frozen food, which I do not know too much about, I will be happy to answer.

Mr. HARRIS. Mr. Chairman, if the gentleman will yield further, I would like to remind the gentleman that, as I understand his amendment, it includes the language of 203 (b) 6.

Mr. HINSHAW. Yes.

Mr. HARRIS. I would like to remind the gentleman that there are two other exemption provisions under 203 (b). The gentleman does not reach those provisions of agricultural exemptions, and consequently a cooperative movement by the co-ops would be caught under the gentleman's amendment. Furthermore, the farmer who transports his own processed product to market would likely be caught. Will the gentleman explain why he left those two provisions out?

Mr. HINSHAW. The farmer transporting his own merchandise to market is transporting processed food, if you please, and he comes under another part of the act.

Mr. HARRIS. Let us not misunderstand what the facts are. If you read the exemption provision, a farmer who kills his beef and transports it to market is exempt under the provisions of the act now, but if the gentleman's amendment is adopted, as he has offered it here, he would not be exempt insofar as trip leasing his truck back to his own yard.

Mr. HINSHAW. Well, the gentleman has made a statement and I presume that he understands what he is talking about better than the gentleman from California, and he may be correct.

Mr. HESELTON. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Massachusetts.

Mr. HESELTON. In connection with the gentleman's amendment and his statement, will he tell me whether this would happen? Suppose a load of oranges was trucked from Florida to New York, and then the trucker was able to obtain a load back to Philadelphia but not back to Florida, would he be obliged to return empty, under the amendment, from Philadelphia to his home base in Florida?

Mr. HINSHAW. If he so chose to return to his home base in Florida he would, but he certainly would not pick up a load for Philadelphia if he were going back to Florida; he would pick up a Florida load.

Mr. HESELTON. In other words, the gentleman would restrict him under his amendment to getting a load back to Florida if he wants to utilize his equipment.

Mr. HINSHAW. No; I do not do that. He might take a load of stuff to anywhere in the United States. It is the gypsy trucker at which this amendment is aimed.

Mr. HESELTON. How is he going to get back to Florida?

Mr. HINSHAW. If he wants to go back to Florida he can go back light.

Mr. KING of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Pennsylvania.

Mr. KING of Pennsylvania. Does the gentleman realize that a trucker out of Florida only a small part of the time gets a load all the way back to Florida? It is quite customary that they come back to Florida in two hitches, hauling regulated merchandise, perhaps, first to Atlanta, and then, perhaps, from Atlanta on into Florida. And, there are several other intermediate points where that thing happens quite regularly in the present transportation system. Your bill would prevent that.

Mr. HINSHAW. It would be prohibited under my amendment. I believe that the business of transportation by regulated carriers under a rate system is a correct system, and if people are going to engage in that kind of business they should come under regulations.

Mr. KING of Pennsylvania. Does not the gentleman realize that that would put thousands of truckers out of business?

Mr. HINSHAW. Yes, but there are hundreds of thousands of truckers that will stay in business.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. WOLVERTON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, preceding my original statement today with reference to this bill I took occasion to call to the attention of the House the fact that an insidious, deceptive, and untruthful propaganda was being carried on by representatives of special interests who are opposed to this bill. They are opposed to what this bill would do. They have been opposed from the time the Motor Carrier Act first went into effect. They opposed it at that time and they have opposed it on every occasion since when they could get an opportunity to be heard.

I do not object to these interests presenting to the membership of the House their views with respect to this legislation. That is their privilege and it is their right. But what I do object to is their representatives going around the halls of this Capitol whispering in the ears of the Members of this House that an amendment has been agreed to that removes all possible objection to this bill.

Time and again today I have had Members of this House come to me and tell me that statement was made to them, and asking if it is true. On the floor of this House in the remarks I made in opening debate and in private conversations whenever approached by Members of the House, I have answered to every one that it is absolutely untrue.

Furthermore, have in mind that this proposed amendment is not the amendment that was referred to in the minority report which five members of the committee filed. The Hinshaw amendment is an entirely different one. In my 26 years of experience in this House, I say to you that I have never seen an amendment more adroit, or smarter in its draftsmanship, than this particular amendment. If you read it hastily, or unless you gave it careful thought and inquired into its meaning, you would think that agriculture was being protected. The people who drew this amendment are not interested in agriculture having the privileges that this Congress gave them when they passed the Motor Carrier Act.

The worst part of it is this, that if you withdraw these privileges, so called, which have been utilized so effectually and so beneficially through all of these years and even before the Motor Carrier Act had been adopted, it would only be, then, that you would be doing what some of these people want.

This is not an amendment, this is a repeal measure. The purpose of this amendment is to repeal and set at naught what the bill now before us seeks to accomplish. It is so prepared that it has a little sugar as bait to make it appear that it is helpful to agriculture. But do not be deceived, the hook is there. No

man who gives it study could come to any other conclusion than it destroys the intent of Congress when it passed the Motor Carrier Act. In the form presented it is deceptive and conceived to destroy rather than to help agricultural and other exemptions long established by the Motor Carrier Act. I resent the remarks of our distinguished colleague, a member of our committee, characterizing the bill reported by our committee as simply eyewash. The committee has reported a bill of great merit, arrived at after long hearings and serious consideration. What have we presented? The bill I introduced went right to the point. It took away from the Commission the power which the Commission utilized in making order MC–43, that would have the effect of destroying the rights and privileges now enjoyed by agricultural and others, including cooperatives, common carriers, contract carriers, and private carriers.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. HESELTON. Mr. Chairman, I ask unanimous consent that the gentleman from New Jersey [Mr. WOLVERTON] may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. WOLVERTON. Thank you, Mr. Chairman. During the consideration of this measure, arguments have been made that it was absolutely necessary to have a limitation of 30-day leases in order to provide the safety, and in order to enable the Commission to enforce part 2 of the Interstate Commerce Act. If the members of the committee will read the hearings, you will see it pointed out time and time again. The fact is that the act already gave that power to the Commission. It was the knowledge of this fact that prompted me to say today in connection with this bill that if the Commission cannot control the abuses they allege exist under a law such as we are giving to them, then we better look for some new commissioners who know how to do the job. I did not ask for the abolishment of the Interstate Commerce Commission as someone said here in debate today. I realize they have rendered splendid service in many instances. It is hard for me to understand why they have arrived at the conclusion that they have in this matter, and seem so unnecessarily anxious to destroy the benefits that have resulted from the practice of trip leasing.

What did the committee do? So that there could be no reason on the part of anyone to say that this bill, which we introduced, was for the purpose of taking away any necessary power from the Commission we inserted in the bill language which would carry into effect every single provision of order 43 which the Commission says was made to correct existing abuses. I asked Mr. Knudson, an ICC Commissioner, when he testified before our committee to look at order 43. The order consists of four pages of closely-typed material. It was supposed by the Commission to contain everything necessary to control this situation. I said, "Will you look at that order and tell me what part of it would be destroyed or eliminated by this bill which the committee has before it? What was his reply? After examining it carefully, after examining four pages of typewritten material, he said, "There is only one provision that it would upset and that is the 30-day leasing provision." That, my friends, is all this bill does. Then, so that there could be no misunderstanding that our committee wanted the Commission to have all the authority it needs to provide proper and effectual regulations and particularly to provide for safety and all the other provisions that are in their order, including full responsibility of the lessee, we not only included in our bill the language taken out of the Commission's order, but in addition we included these words at the end of the paragraph granting the Commission power and authority:

> Such other regulations as may be reasonably necessary in order to assure that while motor vehicles are being so used, the motor carriers will have full direction and control of such vehicles and will be fully responsible for the operation thereof in accordance with applicable law and regulations, including the requirements prescribed by or under the provisions of this part of the act—

And so forth. I say again: Could any more power—unlimited power—be given to a commission to administer an act than we have provided in this bill?

I repeat it again for of this I am firmly convinced: If the Commission does not have the ability within its membership to make provision for the effectual administration of this act by using the powers we give to it, then we had better look for some new material that will have a better understanding of the matter than those who are now administering the act would seem to have.

Mr. Chairman, a statement has been made here that 18 States have legislation which prohibits trip leasing. I caused a study of that to be made. As a result I was informed that the statement was not in accord with the facts. There may be 4 or 5 States that have the power to do it, but when you look at the laws or regulations now effective in those States you will find that they have not exercised any such power in the manner of the ICC order MC–43. The gentleman from Michigan [Mr. CLARDY] answered that fully and effectually with respect to his own State of Michigan where he served so long and honorably on its utility commission, having jurisdiction in such cases. And the statement he made with respect to Michigan applies to all the other States.

The opponents of this bill say that labor is exercised over it. Labor has been always exercised—a certain portion of it—over what has been done by farmers in bringing their products to market in their own trucks or by exempt motor carriers.

(By unanimous consent (at the request of Mr. HESELTON), the time of the gentleman from New Jersey was extended 3 minutes.)

Mr. WOLVERTON. I live in the State of New Jersey. That is a garden State which sends its wide variety of agricultural products into the New York market. It also sends them into the Philadelphia market. Time and again it has come to my attention as a Member of Congress from an agricultural district, as well as an industrial district, that these New Jersey farmers, carrying their products into the markets of Philadelphia as well as New York, have at times been beaten, knocked down, and almost killed. Their trucks have been turned over. Milk has been spilled over the highways. By whom? By the union that is exercised over the passage of this bill, a union that is so anxious to organize that it will not let even a farmer drive into the city of New York or into the city of Philadelphia without being beaten up and brought almost to the point of death because he is not a member of the union.

I ask you to look at the letters, telegrams, statements, and messages that I put in the Appendix of the RECORD on Friday last and on Monday of this week, and you will see not only all the farm and other organizations, but motor carriers, contract and common, and private, as well as itinerant and all others affected by this bill are in favor of this legislation and against the pending or any other amendment of a crippling character.

I think you know by this time who are opposed to this bill and why they are opposed to it. We must never let ourselves be brought to the point under our national transportation policy that says that each form of transportation must be given its inherent rights, of saying that this particular form of transportation that has meant so much to our agricultural and to our business sections should not be protected. Trip leasing is an integral and important part of our transportation system. It deserves to be protected and not destroyed as it would be by order MC–43, or the pending amendment.

Today it was reported to me that in the State of Michigan, where they use motor transportation at times for the shipment of automobiles to different parts of the country that they had found it necessary to utilize trip leasing in the peak seasons when peak loads are being handled. Certainly, the same is true with respect to our crops in every section of this country.

This is a bill that is for the benefit of the people of this Nation and not for any particular class. We all benefit by it. If this bill is repealed by the adoption of this amendment, we will go back to a situation where there will be a loud cry go up for relief.

Now, let us see what this proposed amendment by the gentleman from California [Mr. HINSHAW] really would do.

This amendment would exempt a truck from the Commission's 30-day minimum lease regulation only if such truck hauled, on "the movement immediately preceding," commodities exempt under the provisions of section 203 (b) (6) of the Interstate Commerce Act. This amendment, in my opinion, is even

more damaging than any substitute or amendment yet offered.

This proposed amendment would—

First. Restrict the flexibility of the movement of trucks available to shippers of agricultural products.

Second. Would abolish the trip leasing of trucks which did not carry agricultural commodities on "the movement immediately preceding."

Third. If this amendment is adopted, trucks that handle agricultural commodities would refuse to trip lease to areas other than crop-moving areas in order to qualify for the next return movement of regulated commodities.

Fourth. The availability and flexibility of truck transportation, which is so vital to an orderly distribution of farm produce would be seriously restricted.

Fifth. It would raise serious administrative problems for the Interstate Commerce Commission, which would have to determine in each instance whether or not a truck being trip leased by a regulated motor carrier had transported on the immediately preceding movement commodities exempted under section 203 (b) (6) of the act.

Sixth. The enforcement of this proposal would require an army of ICC inspectors and would involve endless red tape.

Seventh. It would, under the guise of protecting agriculture, either completely abolish trip leasing or would encourage wholesale violations of the law.

Eighth. This proposal would also completely abolish the trip leasing of the trucks of farmers exempted under section (b) (4a) of the act.

Ninth. The trucks of cooperative associations exempted under section 203 (b) (5) of the act.

Tenth. The trucks of itinerant owner-operators and private carriers, unless such trucks handled commodities exempted under section 203 (b) (6) of the act on the immediately preceding haul.

Eleventh. The proposal would, moreover, prohibit successive trip leases of movements of regulated commodities when such successive leasing arrangements are made in order to bring the truck to the area where a load of exempted agricultural commodities may be obtained.

Twelfth. Agricultural organizations are unanimous in their opposition to this proposal.

Those who are interested in preserving trip leasing as a helpful and efficient part of our transportation are opposed to the adoption of this amendment. This amendment represents, and would carry out in large measure, the intent and purpose of those opposed to trip leasing. It cannot be adopted without doing great injury to the whole system of transportation as carried on ever since the adoption of the Motor Carrier Act of 1935.

The following communications set forth some of the reasons that justify opposition to the amendment. The first letter that follows is of special significance because it expresses the views of J. Roy Jones who is chairman, Transportation Committee for the National Association of Commissioners, Secretaries, and Directors of Agriculture and also, Commissioner of Agriculture for South Carolina. His letter and telegram read as follows:

STATE OF SOUTH CAROLINA,
DEPARTMENT OF AGRICULTURE,
Columbia, S. C., June 17, 1953.

The Honorable CHARLES A. WOLVERTON,
Chairman, Interstate and Foreign Commerce Committee,
The House of Representatives,
Washington, D. C.

DEAR MR. WOLVERTON: Not being sure that a letter would reach you before House action on H. R. 3203, I sent you a telegram today regarding an amendment which I understand will be offered to the bill.

I feel sure your committee which had an opportunity to study this bill will immediately recognize the amendment as one that will virtually restore all the objectionable restrictions in the original motor-carrier order of the Interstate Commerce Commission. We fear, however, that some of the Congress will be led to believe that there should be added restrictions and this simple amendment will do no harm to agriculture.

The bill as drawn by your committee provides rules and regulations by the ICC for orderly endorsement and now it is merely a matter of carrying out the provisions of law in your bill.

We see in this House amendment restricted flexibility and the curtailment of trucks available to shippers of agricultural products. It is not unreasonable to foresee exempt trucks refusing return loads to other than crop-moving areas so that they can qualify for the next trip lease under the provision "movement immediately proceeding" of exempt products under 203 (b) (6).

In two or more areas with crop movement it is reasonable to believe that the area consuming the larger percentage of manufactured products would be flooded with trip-lease trucks. This system of distribution would result in cut-rate policies in the area with ample carriers and in higher rates in others.

Availability and flexibility of the carrier, vital to orderly distribution of farm produce, would certainly be restricted.

It is also possible that it would take an army of inspectors to verify that the exempt truck's "movement immediately preceding" was exempt products of agriculture.

We see nothing in this amendment but penalizing our farmer and the consuming public, and we hope you and your committee that have done a fine job so far will continue to fight these restrictions.

Kind personal regards and best wishes.

Your sincerely,

J. ROY JONES,
Commissioner of Agriculture for South Carolina and Chairman, Transportation Committee for the National Association of Commissioners, Secretaries, and Directors of Agriculture.

COLUMBIA, S. C., *June 17, 1953.*

Hon. CHARLES A. WOLVERTON,
Chairman, Interstate and Foreign Commerce Committee, House of Representatives, Washington, D. C.:

Understand amendment to section 2 of H. R. 3202 will be offered as follows: "Where the movement immediately preceding were of ordinary livestock (including shellfish, or agricultural (including horticultural) commodities (not including manufactured products thereof)) exempt under the provisions of section 203 (B) (GY)." This amendment will restrict both flexibility of carrier and his availability to shippers of agricultural products with resulting rate increases to the farmer and higher prices to consumers. Acting in behalf of all commissioners, secretaries, and directors of agriculture as their chairman of transportation committee and as Commissioner of Agriculture for South Carolina ask that you oppose this amendment.

J. ROY JONES,
Commissioner of Agriculture, South Carolina; Chairman Transportation Committee for National Association of Commissioners of Agriculture.

Now, listen to what the National Fisheries Institute, Inc., through its chairman of the traffic committee, has to say:

I wish to voice objection to the amendment. It appears designed solely for the purpose of limiting if not entirely avoiding exemptions provided in H. R. 3203. Specifically, it would prohibit trucks from obtaining a second load in instances where the first load was consigned to a point intermediate to their ultimate return destination. Furthermore, it would prohibit trucks enroute to producing points for loading of exempt commodities from obtaining outbound loads. The amendment serves no constructive purpose; it is damaging to our interests. Your support is requested toward defeating this amendment.

Now, this message from the president of the Fresh Water Fish Wholesalers Association:

Amendment to H. R. 3203 is of nuisance value only and would unnecessarily hamper exempt trucking of fish—no compromise warranted.

Listen, to the protest of the vegetable growers:

Your opposition to proposed amendment to H. R. 3203 will be appreciated because this amendment would destroy the original intent of Congress concerning the free movement of perishable agricultural commodities. Vegetable growers favor H. R. 3203 as reported by the House Interstate and Foreign Commerce Committee on June 8. Won't you please support H. R. 3203 for the 735,000 commercial vegetable growers and millions of consumers?

The American Farm Bureau adds its protest against the proposed amendment in these words:

The sponsors of the amendment intend to terminate the operations in interstate commerce—to many concerns for any hauling that may be available.

The amendment misses its target and instead hits responsible and legitimate businesses who provide an important transportation service.

The proposed amendment would prevent cooperatives who merchandise a processed and therefore nonexempt commodity and who operate their trucks under the provisions of section 206 (b) (5) of the Interstate Commerce Act from obtaining a back haul. For example, a cooperative producing cheese, which it transports to various markets in its own trucks, would be prohibited from trip leasing its trucks for a return haul and would therefore be required to return empty.

In our opinion, the proposed amendment is harmful to the general interest and should be defeated.

What is the attitude of the Grange toward the amendment? Listen:

NATIONAL GRANGE,
Washington, D. C., June 17, 1953.

We have learned that attempts will be made to amend H. R. 3203 on the floor. One proposal, we understand, would assure the continuance of trip leasing only in those instances where the immediately preceding

load was an exempt agricultural product or fish. Sometimes when an agricultural trucker moves from one part of the country to another he may trip lease between several points to get there. Secondly, during slow periods of the year, as in winter, agricultural truckers need the opportunity to earn money by helping meet the trucking needs of industry through trip leasing. Without this right, some agricultural truckers would have to raise rates on farmers or go out of business. In other words, it would be difficult for agricultural truckers to stay in business if they were restricted to agriculture during all periods of the year.

We of the Grange do not defend H. R. 3203 solely on the basis of preserving the agricultural exemption. Trip leasing is fundamentally sound for the whole Nation and the Grange can never approve any action by the Interstate Commerce Commission which creates economic waste in truck transportation, strengthens the monopoly position of some carriers, and which seeks to drive small owner-operator truckers out of business. These truckers have in many cases been denied certificates and permits by the ICC so they have to trip lease and share their revenue with big trucking companies which have an ICC certificate.

We of the Grange believe in letting small independent truckers inject some competition into the transportation industry, for it spurs progress and efficiency. We do not believe the ICC was set up as an agency to hold down or retard competition, but rather to regulate in lieu of competition because at that time competition was lacking. We believe we should now welcome the competition that small independent truck operators can inject into the entire transportation industry.

Trip leasing not only reduces the number of trucks running empty but common motor carriers would need to have considerable equipment standing idle some of the time in order to meet peak periods or peak days if there were not a fluid and flexible supply of vehicles they could lease.

As a final word, we again urge that H. R. 3203 be passed as reported out of committee, not only to preserve the agricultural exemption but also in the interest of a sound national transportation policy that seeks to promote efficiency in the use of equipment, allows freedom of enterprise, and relies on competition to a greater degree in determining what rates are fair for shippers and haulers alike. All of us must be concerned constantly with the continued and persistent increase in the spread between prices received by farmers and those paid by consumers. The effect of the proposed amendment to H. R. 3203 would speed that increase.

MOTOR CARRIERS LEASING CONFERENCE,
Washington, D. C., June 19, 1953.

We believe that the proposed amendment will unduly restrict the free interchange of equipment; for example, if a trucker arrives in New York from Florida with a load of produce, then leases his equipment to a carrier for a movement to Norfolk, Va., of regulated commodities, he will then be required to deadhead from Norfolk, Va., to Florida. Similar examples could be given covering all parts of the country. Furthermore, as to enforcement of the proposal, we believe that 1 of 2 things could happen: First, the ICC would be required to establish some type of enforcement program which could lead to endless redtape to the extent conceivably where no carrier would be safe in trip-leasing any piece of equipment, thereby, in effect, abolishing the practice completely. Secondly, we fear there might be a temptation presented to disregard or violate the regulations. We sincerely hope that you will do your utmost to oppose the proposed amendment and pass the bill as reported by your committee.

NATIONAL MILK PRODUCERS ASSOCIATION,
Washington, D. C., June 22, 1953.

We believe that the proposed amendment is unduly restrictive and that it would substantially reduce the protection to agricultural transportation which H. R. 3203 is intended to provide. We urge you to oppose the adoption of the amendment.

NATIONAL COUNCIL OF PRIVATE MOTOR TRUCK OWNERS, INC.,
Washington, D. C., June 19, 1953.

The National Council of Private Motor Truck Owners on April 13, 1953, filed a statement with your committee in support of H. R. 3203, as originally introduced, reciting the makeup of the organization as one of private (not for hire) motortruck owners and operators, a classification embracing some 85 percent of the total of all property carrying motor vehicles, and setting out our belief in the inequity of the present law as now interpreted by the Interstate Commerce Commission, and the need for change in the law as proposed by the bill. The amendment upon which we now comment seems to us more damaging than almost any other change which could be made in the bill. Certainly more damaging than other substitute provisions which were considered by your committee during the course of the hearings.

The limitation to an immediately preceding movement is of like detrimental effect. Certainly there is no logic in the requirement for an immediately preceding rather than an immediately succeeding movement of such exempt commodities, and in practical transportation practices each would be of equal importance. This tie-in with immediately preceding transportation also would have the effect of unduly limiting origin and destination areas. For example, an exempt movement from Boston to Chicago, could not be followed by 2 leased movements, one from Chicago to Buffalo and another from Buffalo to Boston, even though the latter might be highly desirable from the standpoint of economical transportation.

The council reiterates its support and urges the passage of the bill as reported by your committee and strongly condemns the proposed amendment.

GROWERS AND SHIPPERS LEAGUE OF FLORIDA,
Orlando, Fla., June 19, 1953.

Understand there may be proposal to amend by adding "or movement preceding was of" commodities "exempt under the provisions of section 203 (b) (6)." Our industry desires that such amendment to H. R. 3203 be not adopted for several reasons, including undesirable limitation possible from interpretation of "movement immediately preceding" which may eliminate presently existing practice whereby citrus trucks enjoy more than one lease on southbound trip. That is, lease for part return then subsequent lease on same southbound trip for remainder or portion of return movement also exemption of section 203 (b) is broader than would be included in restrictive amendment. Urge enactment of bill as reported and without amendment.

PRIVATE CARRIER CONFERENCE OF AMERICAN TRUCKING ASSOCIATIONS, INC.,
Washington, D. C., June 19, 1953.

We refer to proposed amendment to H. R. 3203 which we understand is being advocated by railroads and which would severely restrict trip leasing by agricultural haulers and also unduly restrict trip leasing by agricultural haulers and also unduly restrict trip leasing of all vehicles. We reiterate our support of H. R. 3203 as now written and as approved by your committee and we strongly oppose on behalf of thousands of private carriers, members of this association, any crippling amendments to the bill as now reported to the House.

VEGETABLE GROWERS ASSOCIATION OF AMERICA,
Preston, Md.

Your opposition to proposed amendment to H. R. 3203 will be appreciated because this amendment would destroy the original intent of Congress concerning the free movement of perishable agricultural commodities.

Vegetable growers favor H. R. 3203 as reported by House Interstate and Foreign Commerce Committee on June 8. Won't you please support H. R. 3203 for the 735,000 commercial vegetable growers and millions of consumers? Your reply will be appreciated.

NATIONAL COUNCIL OF FARMER COOPERATIVES,
Washington, D. C., June 17, 1953.

The wording of the proposed amendment might make it appear at first reading that it is intended to preserve to agriculture the full use of trip leasing and other short-term leasing of motor vehicles as presently practiced. A careful examination of the wording, however, and consideration of how this amendment would apply to some of the practical operating situations involved in marketing the food and fiber of the Nation, will readily show that this amendment will narrow the effective value of the "agricultural commodities exemption" in the Motor Carrier Act, and on further analysis might prove even more injurious to agriculture and our total economy than some of the other restrictive amendments which have been proposed, considered by your committee, and rejected.

There are literally thousands of trucks owned by farmers or associations of farmers, which derive their exemption from Federal regulation under section 203 (b), (4a) and (5) of the Interstate Commerce Act rather than section 203 (b) (6) as referred to in the proposed amendment. It is certain that this amendment could and probably would be interpreted so that such trucks could not be leased for a return trip from market even when the forward movement to the market consisted of agricultural commodities.

Under the proposed amendment, trucks could not be utilized for a return movement under lease even though the movement immediately preceding involved items such as fertilizer, insecticides, feed, farm machinery, and other similar items so essential for production of agricultural commodities and so closely tied in with farming operations.

The proposed amendment would prohibit successive trip-leases no matter how essential in order to facilitate a movement of agricultural commodities. To illustrate, a truck owned by Trucker A hauls a load of tobacco from a point in Tennessee to Richmond, Va. At Richmond he leases his truck to an authorized carrier for a load of general freight to Asheville, N. C. At Asheville, N. C., rather than return empty to Tennessee, his home base, Trucker A has an opportunity to lease his truck to an authorized carrier for a load to his area of origin in Tennessee. Under the proposed amendment, the truck could not be leased just for the trip from Asheville, N. C., to the Tennessee point because "the movement immediately preceding" was not of exempt cargo as described in the amendment. Therefore the truck must return empty from

Asheville, N. C., to Tennessee. The practice of engaging in more than one trip-lease operation in returning to the area of origin is very common and essential in implementation of the "agricultural commodities exemption."

Under the proposed amendment, trucks which normally operate under the exemption in section 203 (b) (6) of the Interstate Commerce Act could not be leased for a single trip or other short periods by authorized carriers for hauling manufactured products during those offseason periods when such trucks were not needed for the hauling of agricultural commodities.

The above objections deal only with points wherein the proposed amendment is basically unsatisfactory from the point of view of agriculture. There are, we believe, objections to the proposed amendment of even more far-reaching importance from the standpoint of sound public policy. I shall refer to only two of these matters.

We do not believe that the amendment can be justified on the basis of principle, equity, or the interests of the public generally, including all groups.

Finally, the amendment would provide a wide area for administrative abuse by those demonstrated to be unsympathetic to the policy established by Congress in the agricultural commodities exemption; would result in a new line of cases before the Commission and in the courts costly to shippers, carriers, and the Government; and would practically invite wholesale violations since obviously neither the Commission nor any agency of the Federal Government could be provided with the personnel to make any pretense at determining whether the movement immediately preceding the movement of trucks under lease, was a movement of any of the types of commodities specified in the amendment.

We believe the above reasons provide sufficient justification to request that the proposed amendment be rejected and the bill as reported by your committee be adopted.

NATIONAL APPLE ASSOCIATION,
Washington, D. C., June 19, 1953.

With the limiting of trip leasing to trucks operating under the section 203 (b) (6) exemption, what of trucks of farmers exempt under sections 203 (b) (4a) and trucks of cooperative associations under section 203 (b) (5)?

You may say, "But the agricultural hauler will be exempt under the amendment," and that is quite true. Nevertheless, should he pick up two nonexempt loads consecutively on a return trip, he would automatically come under the 30-day leasing provision of ICC regulations.

There are periods when agricultural commodities are not available for movement and when the itinerant trucker must turn to other fields to earn his livelihood. To tie him up for a period as long as 30 days may remove him from the agricultural hauling field when he is desperately needed.

The practice of trip leasing is an economically sound one since it utilizes transportation facilities to the fullest extent. During the war, ICC encouraged, even demanded, the fullest use of every mile a truck moved on grounds that an empty truck was an economic waste. While tires and gasoline are no longer in short supply, there is still no reason to bring about economic waste through Government regulations.

We again urge passage of H. R. 3203 as reported out from your committee and without amendment.

In conclusion, I ask you to defeat this amendment, because it is so unfair, so unjust, and so unreasonable—and adopt the committee bill as reported without crippling amendments.

Mr. KLEIN. Mr. Chairman, I rise in support of the amendment.

Mr. CROSSER. Mr. Chairman, I ask unanimous consent that the gentleman from New York [Mr. KLEIN] may proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. KLEIN. Mr. Chairman, I had some little to do with the drafting of the minority report which some of you may have before you. It is true, as the chairman of the committee, the gentleman from New Jersey [Mr. WOLVERTON], stated, that no reference was made there to the Hinshaw amendment or to an amendment in that form. I stated in the report that we intended to present at this time an amendment which we felt might go some way toward obviating the outcry by the agricultural groups that the order of the ICC which would prohibit this trip leasing would have the effect of increasing their expenses and thus, of course, increasing the cost of farm products to the ultimate consumer. So I thought that possibly we could get around it by offering an amendment which would permit the farmer or the trucker who carries the farm products to the city markets to return to the farm from which he came with any type of load. They have said that if they had to return empty then, of course, the expense would go up and that would add to the cost to the consumer.

Mr. O'HARA of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I am indeed happy to yield to the gentleman from Minnesota. I am glad to see his health is improved, and I hope he stays around here with us for a long time.

Mr. O'HARA of Minnesota. As the gentleman knows, I have been in the hospital.

Mr. KLEIN. I realize that; that is what I had in mind.

Mr. O'HARA of Minnesota. Of course, the gentleman has had agricultural experience. Would he define the term "ordinary livestock?" What is the difference between ordinary livestock and livestock?

Mr. KLEIN. May I ask what the gentleman is reading from?

Mr. O'HARA of Minnesota. I am reading the amendment which the gentleman is supporting.

Mr. KLEIN. May I say, somewhat facetiously, I think all livestock is ordinary. The gentleman knows that I have some farmers in my district, as I said before, but all they know about farming is what they raise in flowerpots on their window sills, but those farmers do not raise any livestock.

Mr. PELLY. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield.

Mr. PELLY. I think the gentleman could perhaps tell us something about the conditions, the evils that exist among itinerant drivers and trucks; I do not think that has been sufficiently brought out in this discussion.

Mr. KLEIN. I believe they have.

Mr. PELLY. Drivers who drive up to 76 hours at a stretch. The record is full of instances of lack of maintenance and other evils that exist which no one yet has emphasized in this discussion.

Mr. KLEIN. I think they were mentioned; and I might point out, of course, that those very evils would continue and would in fact grow if all these itinerant truckers were taken out from control of the ICC. Obviously that was the purpose of the law; we wanted that phase of the transportation industry controlled; we intended it that way. This bill would remove not only the farm groups which I have said I believe are protected by this Hinshaw amendment, but they would also remove every type of trucker; hundreds of thousands of trucks would be taken out from regulation. Do we want that?

Mention has been made here of the fact that labor organizations, the labor unions, are opposed to this. The labor unions, of course, do not speak for all labor; neither do the farm organizations speak for all the farmers. I can be kidded and I can take it about the fact that I represent farmers—of course, I do not—but I believe, as I said here before, that our economy is an integrated one. Whether we are for the consumer or for the farmer, if things are bad for the farmer they must be bad for the consumer; and, conversely, if they are bad for the consumer then they must be bad for the farmer as well.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I am indeed glad to yield to the gentleman; he is an authority on farming.

Mr. COOLEY. The gentleman said that thousands and thousands of trucks would be taken out from under the regulation of the ICC. The gentleman means only with regard to tariffs. Certainly they would be under the safety rules and regulations of the ICC; but the itinerant trucker would under this law as proposed be out from under the tariff regulation.

Mr. KLEIN. That is one of the main things.

Mr. COOLEY. The only danger about which the gentleman is apprehensive is the effect this might have on the tariff structure which governs the tariff on the common carrier; is not that actually it?

Mr. KLEIN. Well, that is part of it. I do not think that is it entirely. I think that takes him out from under all the other regulations as well.

Mr. COOLEY. What other regulations?

Mr. KLEIN. I yielded to the gentleman because I thought he would help me out on who is a farmer and who is not. As I said before, I am not a spokesman for the farmers, I am not a spokesman for the railroads, but I think I am a spokesman for the labor unions and laboring people. That is why I wanted to mention specifically as I did in general debate, first, that the Teamsters Union opposes this bill as drawn and as reported to the House. I believe that organization would go along with the bill if the Hinshaw amendment were

adopted. Second, the railroad brotherhoods oppose this. It is rather rare indeed that the railroad brotherhoods and the railroads agree, but they agree in this case. They are both opposed to this bill. I cannot say what the railroads would do, but I know that the railroad brotherhoods would be content with this bill if it had the Hinshaw amendment in it. Third, last, but not least, the A. F. of L. is for this amendment. Let me read a letter I received from the American Federation of Labor on this subject:

AMERICAN FEDERATION OF LABOR,
Washington, D. C., June 19, 1953.

Hon. ARTHUR G. KLEIN,
House Office Building,
Washington, D. C.

DEAR REPRESENTATIVE KLEIN: I shall appreciate your supporting the attached amendment proposed to be offered on the floor to the pending bill H. R. 3206 which will come up early next week.

As reported, as perhaps you know, this bill is unacceptable, but will be more palatable with the amendment which I also understand will detract in no way from what the American Farm Bureau Association desires to accomplish. I am sure the hearings will give you a clear presentation of where our unions stand on the "gypsy" features of the legislation.

Thanking you for your consideration in this matter and with best wishes, I am,

Sincerely,

GEORGE D. RILEY,
Member, National Legislative Committee, American Federation of Labor.

Mr. Chairman, the purpose of the bill as reported is to preserve the practice of trip leasing for the benefit of truck operators engaged in the movement of livestock, agricultural products and fish, which is exempt under section 203 (b) (6) of the Motor Carrier Act. But the bill goes far beyond its purpose and would prevent any limitation upon the duration of any truck lease whatever, whether or not the truck be engaged in the movement of exempt products.

The Hinshaw amendment retains all the provisions of the reported bill and fully preserves the trip lease for truckers engaged in the movement of exempt products. Under the proposed amendment a trucker hauling exempt products will be free to trip lease, without limitation upon the commodity to be hauled or its destination. He would not be confined to a return movement.

The only effect of the amendment would be to confine the provisions of the bill to truckers engaged in the movement of agricultural or other exempt products. It would thus accomplish the purpose of the bill without removing from regulation the practice of trip leasing at large, where no movement of exempt products is involved.

The trouble with the bill as reported is that it would entirely eliminate any authority in the Interstate Commerce Commission to regulate the duration of truck leases. The Commission is of the opinion that without some measure of control over the duration of these leases it cannot effectively administer part II of the Interstate Commerce Act.

The CHAIRMAN. The time of the gentleman from New York has expired.

(By unanimous consent, Mr. KLEIN was allowed to proceed for 3 additional minutes.)

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I would like to ask the gentleman if this is a statement from the Interstate Commerce Commission?

Mr. KLEIN. It is not.

Mr. AUGUST H. ANDRESEN. The gentleman claims he is not the author of it.

Mr. KLEIN. I did not claim that at all.

Mr. AUGUST H. ANDRESEN. I beg the gentleman's pardon.

Mr. KLEIN. This is the first mention I made of this statement.

Mr. AUGUST H. ANDRESEN. It is not the ICC.

Mr. KLEIN. No.

Mr. MILLER of Kansas. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield to the gentleman from Kansas.

Mr. MILLER of Kansas. This discussion seems to turn upon the question of the farmer and the laboring man. I am wondering why there should be any difference between the interest of the farmer and the interest of the laboring man. I would like to ask the gentleman this question: Does union labor consume any farm products?

Mr. KLEIN. Of course it does; I made that point. There is no distinction. The interests of the farm groups and the interest of the labor organizations are identical, and that is why the labor unions are opposed to this legislation, but would favor the Hinshaw amendment.

Mr. CROSSER. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield to the gentleman from Ohio.

Mr. CROSSER. As a matter of fact, this would extend more protection to the farmer and laborer than without it.

Mr. KLEIN. There is no doubt about that, that the passage of the Hinshaw amendment would help the farmer.

Mr. CROSSER. As the bill originally stood, would not the Commission be practically without personnel to enforce the safety regulation?

Mr. KLEIN. Yes. I think there are but 18 inspectors employed by the ICC at the present time.

Mr. CARLYLE. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield to the gentleman from North Carolina.

Mr. CARLYLE. I wish the gentleman would tell us how the Hinshaw amendment would aid the farmer in any respect.

Mr. KLEIN. It would aid him in this respect: The cry has been that the ICC has been opposed to the exemption of agricultural groups. If he wants to make a trip lease, this would permit him to do it, provided he has been engaged in the hauling of agricultural products.

Mr. CARLYLE. Does not the gentleman know that it would hinder him in obtaining a truck and obtaining a back haul all of the distance back home?

Mr. KLEIN. Not at all. He can go any place he wants to. There is no limitation on where he can go under the Hinshaw amendment.

Mr. CARLYLE. Suppose a truckload of oranges is sent from Florida to Boston. That is an exempt commodity.

Mr. KLEIN. Right.

Mr. CARLYLE. In Boston the trucker is unable to obtain a load of exempt commodities, so he obtains a truckload of, we will say, automobile tires, but he is unable to get a shipment all the way to Florida. So he accepts that trip load of automobile tires to Baltimore. Now, what is he going to do from Baltimore down to Florida except return with an empty truck?

Mr. KLEIN. He will do exactly the same thing he would do if this bill were passed.

Mr. CARLYLE. Oh, no. This bill says that the trip immediately preceding must contain exempt commodities, according to the amendment.

The CHAIRMAN. The time of the gentleman from New York has again expired.

(Mr. KLEIN asked and was given permission to proceed for 2 additional minutes.)

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield to the gentleman from North Carolina.

Mr. COOLEY. In the situation that the gentleman from North Carolina has mentioned, after the man had discharged his cargo of industrial commodities that he picked up in Boston, then he naturally would look around for an agricultural cargo because he would then be able to trip lease on that trip and thereafter.

Mr. KLEIN. Of course, he would, under the Hinshaw amendment.

Mr. COOLEY. To that extent it might encourage these truckers to haul more agricultural products, even at a less price. That is the argument that the gentleman is making in behalf of the Hinshaw amendment.

Mr. KING of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield to the gentleman from Pennsylvania.

Mr. KING of Pennsylvania. It surely should be obvious to anyone who knows the movement of produce that during that time, when Florida oranges are moving to Boston, that he would not be able to pick up a load of produce at Baltimore for movement on down to Florida. The direction of the flow at that time of the year is in the opposite direction.

While I am on my feet I would like to ask the gentleman if in his committee the committee received any proof that the itinerant truckers were a greater road hazard than the regulated truckers, other than just general statements? Were there any actual figures or proof in the way of insurance rates, and so forth, that would substantiate the conclusion that itinerant truckers are not more hazardous on the highways than the regulated truckers?

Mr. KLEIN. I do not believe we have had any testimony to that effect.

Mr. KING of Pennsylvania. I do not think there is any, either.

Mr. KLEIN. I might say to the gentleman that he is a farmer, and he certainly knows more about farming than I do. The fact that I have been talking here for 15 minutes does not make me a farmer or an expert on farming. I do not pretend to be that, but I do say that it is my desire to see that all elements of our economy are treated alike, and I honestly believe that the adoption of the Hinshaw amendment would give the farm group as great a benefit as they could get under the passage of this bill.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. May I ask the gentleman if this is not just a safety measure; that the farmers and fishermen do not enter into it at all; it is just a safety measure?

Mr. KLEIN. The gentleman refers to the Hinshaw amendment?

Mr. NICHOLSON. Yes; the bill.

Mr. KLEIN. It is a safety measure, because we feel that if these trucks remained under the supervision of the Interstate Commerce Commission they would be better regulated and better inspected than they would be if they did not have those regulations.

Mr. NICHOLSON. So far as safety is concerned?

Mr. KLEIN. Safety as well as every other way. I want to make the point to the gentleman, which I may have failed to make, that the Hinshaw amendment would do as much for the farmers of this country as would the passage of this bill without the amendment.

Mr. HARRIS. Mr. Chairman, I rise in opposition to the amendment.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Mississippi.

Mr. WHITTEN. May I point out, having served on the Agriculture Appropriations Committee, that the Government for a number of years has had to spend a considerable amount of money each year in its efforts to keep the Interstate Commerce Commission by its interpretation from practically eliminating exemptions written into the law by Congress. They have done it even by holding that spinach when it was washed became a manufactured product. They held that when you took the insides out of fish so they would not spoil they then became a processed product. They have held many ridiculous things. We are having to spend money now trying to prevent that encroachment by a Government agency on an exemption written by Congress. This amendment would do just what has been pointed out, but in addition, judging by the record of the Interstate Commerce Commission in the past and its interpretations, they would stretch this amendment twice as far as it reads in an effort absolutely to stop it.

I am glad the gentleman has given me a chance to say that because it is a matter of record.

Mr. HARRIS. I thank the gentleman. The gentleman is certainly informed, based on the experience he has had as a member of the Appropriations Committee.

Let us not misunderstand just what this problem is and what the effect of the amendment would be. Let no one be deluded by the statement that this is an amendment to benefit the farmer in transporting his product to the market.

In the first place, our committee made every effort to get the various groups together before we reported out a bill, as has been said here. The proponents of the amendment we have here before us were opposed to the bill. The gentleman who proposes the amendment now was opposed to the bill. He was opposed to any action whatever to start the bill. Those proposing at that time that the Interstate Commerce Commission be sustained in their rule had the same views as have been expressed by the parties and by the author of this amendment. If I am wrong, I yield to the gentleman from California now to correct me.

Mr. HINSHAW. The gentleman is not altogether correct. He can make any statement about my position that he chooses. I made no statement in the committee one way or the other.

Mr. HARRIS. Was the gentleman opposed to the bill as originally introduced?

Mr. HINSHAW. No; I have not been opposed to the bill. I was opposed to the idea of trip leasing an itinerant trucker. I thought he ought to come under regulation for safety purposes certainly, and probably for economic regulation.

Mr. HARRIS. I accept the correction.

In an effort to try to get this matter resolved, we had an amendment proposed. I was informed that the author of this amendment, or those who were responsible for it, was the author of an amendment which was proposed for our committee's consideration before the committee took any action. But those responsible for it were around saying, "Do not be mistaken. We are against it, and if what we are presenting here is to be interpreted as having our support, it is a mistake for we are not." Consequently, nothing was done, and our committee wrote this bill. We amended the original proposal. We amended it to reach the objectives that have been complained of as to the itinerant or so-called gypsy operations. It was after we had taken this action, and after we had reported it to the House, before anyone ever heard of the amendment offered here today. I do not know the ultimate effect of this proposal, and I doubt seriously that the gentleman from California knows or the gentleman from New York. In fact, I feel quite sure that they do not know. Why? Let me refer you to some very interesting items. The amendment proposed refers to the exemption under the provision of 203 (b) 6. In the same paragraph, 203 (b) 6, is another exemption, which is 4A with reference to motor vehicles controlled and operated by any farmer when used in the transportation of his agricultural commodities and products thereof. But this amendment does not reach that phase of the exemption. So, consequently, what is proposed is to exempt the commercial truckers of agricultural commodities. The farmer who produces is caught in the squeeze—he cannot carry his cheese or his butter. He cannot carry his beef, after he kills it, in his own truck and then lease it to help pay for some of the cost of that transportation by return movement. That is an exemption provision under the Interstate Commerce Act itself.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. HINSHAW. The gentleman knows perfectly well that a farmer can always carry his own produce.

Mr. HARRIS. Not after it is in the processed state—no, and then he is permitted to lease for return haul.

Mr. HINSHAW. He can always carry his own produce in his own truck ad lib—without limit, in other words.

Mr. HARRIS. Under this exemption to be sure—that is what I am talking about. And the gentleman's amendment does not reach it.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. HINSHAW. Mr. Chairman, I ask unanimous consent that the gentleman may have 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HINSHAW. Of course, anybody can carry his own products in his own truck and not be under any regulation whatever, is that not true?

Mr. HARRIS. That is true, but we are talking about trip leasing back home now.

Mr. HINSHAW. He can carry manufactured products, if he manufactures them.

Mr. HARRIS. No, he cannot.

Mr. HINSHAW. Yes, he can.

Mr. HARRIS. The act says, "occasionally." Who knows what occasionally is?

Mr. HINSHAW. The gentleman is talking about trip leases.

Mr. HARRIS. No; I am talking about transporting the commercial or manufactured product after he has carried his produce to market.

Mr. HINSHAW. He can carry manufactured goods. What do you suppose the machine shop does but carry its own stuff in its own truck? What do you suppose anybody does that owns his own truck?

Mr. HARRIS. That is if he takes it back for his own use.

Mr. HINSHAW. He can carry anything he wants to for his own use.

Mr. HARRIS. That is for his own use.

Mr. HINSHAW. Certainly.

Mr. HARRIS. But he cannot carry regulated products back except for his own use.

Mr. HINSHAW. He cannot carry somebody else's products.

Mr. HARRIS. He cannot carry regulated products back unless he uses it

himself and it is for the use of the farmer himself. So the farmer, himself, gets caught in the squeeze here too.

Now here is another thing. No. 5: Motor vehicles controlled and operated by cooperative associations as defined in the Agricultural Marketing Act approved June 15, 1929.

You do not reach that exemption. So you have the problem met halfway insofar as this is concerned, and consequently when you talk about helping the farmer—it does not help the farmer. Let us go a little further with this.

I hold in my hand an interpretation of the Interstate Commerce Commission which was issued back in 1951. This is just one of many hundreds and hundreds of such orders giving an interpretation of what is an agricultural commodity and what is not. They take up fresh, cut-up vegetables; fruits and vegetables; peanuts, if they are shelled; poultry, killed, if it is picked; leaf tobacco, if it is redried, and so forth. You take peanuts and you transport them in the shell, that is all right; that is exempt. But you shell those peanuts and you have a different commodity.

There are hundreds of these examples. Here is one for the book, it is a pretty important one, just to show you how the Interstate Commerce Commission makes these interpretations.

Mr. WHITTEN. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. After I conclude this, I will yield.

The crux of this is in the interpretation by the Interstate Commerce Commission as to just what is regulated or unregulated produce. I mentioned some of these things. Take spinach; that is referred to. Also certain types of feathers; and if they are on the chicken, that is a different proposition. But if you take them off the goose, that becomes something else. I have the record to which I want to refer.

The Commission went into this matter, had hearings on it and the examiner made a recommendation from which the Commission acted on pelts and skins, green and salted, hides, wool, and mohair, including that scoured; manure—all unmanufactured agricultural commodities.

They finally get down here and say that the rail carriers contend that manure from pens and feed lots, which is dried and dehydrated, pulverized and packaged, is not an agricultural commodity, since it is not produced on the farm.

We do not agree with that reasoning.

That is what the Commission says. This is their interpretation.

Manure, in its natural state, unquestionably comes within the partial exemption, but the evidence is not sufficiently comprehensive to enable us to make a determination of the point at which the commodity becomes a manufactured product.

Well, that is what the farmers have got to put up with. You take an apple in a basket, you can haul it on your truck. That is perfectly all right. But you cut it up into slices, and then it is a different product. It comes under a different category. You do not have one; you have thousands of those kinds of examples. I think we had better watch ourselves before we go off on one of these amendments that you say is in the interest of the farmers.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I hate to interrupt the gentleman when he is making such a fine presentation, but I would like to point out the other side of this matter, and that concerns the consumer. The consumer is going to pay the farmer's cost of production, plus the cost of handling. If the farmer charges up to his commodity only the trip from Florida to New York, it means cheaper commodities. But, if that farmer has got to charge up the cost of going to New York and then back to Florida, you have increased the cost to the consumer.

Mr. HARRIS. That is right.

Mr. HESELTON. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Massachusetts.

Mr. HESELTON. In addition to the farmer, I think in all fairness we should bring in the fisherman, because the Commission is engaged in deciding that a beheaded shrimp is not in fact a shrimp.

Mr. HARRIS. I understand the interpretation is if you cut the head off the shrimp then it becomes something else.

Mr. ROGERS of Florida. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman.

Mr. ROGERS of Florida. This is a restrictive amendment, as the gentleman has argued.

Mr. HARRIS. That is true.

Mr. ROGERS of Florida. Let me give you an example and see if this is not the true intent of the amendment. Suppose, for instance, a truck is carrying a load of oranges from Orlando, Fla., up to New York City. Suppose he were able to get a nonexempt cargo back to Washington but not to Florida. After he has delivered that load to Washington, he cannot get another load to carry to Florida; therefore, he has got to go as an empty truck from Washington to his point of origin; is that not true?

Mr. HARRIS. That is true.

Mr. ROGERS of Florida. That is an unfair limitation.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

(By unanimous consent, Mr. HARRIS was allowed to proceed for 2 additional minutes.)

Mr. HARRIS. In all seriousness, Mr. Chairman, our committee has gone into this technical problem very very carefully. We have had several propositions before us on which we have tried to resolve this and think we have done a pretty good job in requiring the copy of contracts to be with the truck movement. He then becomes subject to regulation because he has his equipment leased to an authorized carrier; he has got to abide by the safety regulations; he must operate under the carrier and the carrier must be responsible for his actions, for everything that he does.

So far as the agricultural movement is concerned you have got to have flexibility of transport or they cannot get their produce to the market. There was a time in the peach orchards in my State when the trains moved the peaches, but we do not have the trains there any more. There are no regulated trucks that come in there. If we do not have the flexibility of transport to go into places like that, into these vegetable-producing areas where you do not have any other kind of transport, how are they going to get it to the market? It cannot be done, and the gentleman's amendment will have one very definite effect and that is running a great part of that kind of operation completely off the road, and there will be available no kind of transport regardless of what it is.

I say we had better be very careful before we grab hold of an amendment here on the basis that it is going to do something for the farmers when it is going to do just the opposite.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. GAVIN. The gentleman read a regulation a few moments ago. When was that regulation issued? Was it under a Democratic administration?

Mr. HARRIS. Nineteen hundred and fifty-one, I will say to the gentleman, this particular one.

Mr. GAVIN. I think they will do better under a Republican administration.

Mr. WOLVERTON. Mr. Chairman, in an effort to try to bring this debate to a conclusion, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 15 minutes.

Mr. COOLEY. Mr. Chairman, reserving the right to object, I was on my feet seeking recognition. I wonder if the gentleman would not make it 20 minutes and let me have my 5 minutes.

Mr. WOLVERTON. I will make it 20 and I would request that the last 5 minutes be reserved to the Committee.

Mr. BARDEN. Mr. Chairman, reserving to right to object, when did the gentleman say he wanted the debate to close?

Mr. WOLVERTON. In 20 minutes.

Mr. BARDEN. I would like some time, not 5 minutes, but at least 2 or 3.

Mr. WOLVERTON. I will yield the gentleman some of my time.

The CHAIRMAN. Fifteen Members have risen. The gentleman from New Jersey asks unanimous consent that all debate on this amendment and all amendments thereto close in 20 minutes, 5 minutes to be reserved to the gentle-

man from North Carolina and 5 minutes to the Committee.

Is there objection?

There was no objection.

Mr. COOLEY. Mr. Chairman, as a member of the Committee on Agriculture of the House, I have given this matter serious consideration for some months. Probably 12 months ago it was first called to the attention of the members of our committee and off and on from that time until this day members of our committee have given consideration to it because it is a very important matter affecting the welfare of agriculture.

As I view the situation at the moment there is merit on both sides of the question. The only apprehension that I have about the trip-leasing provision or the right to trip lease is it might be abused to the extent that it could ultimately impair the integrity of the rate structure which governs the operation of the common carriers. Of course, all of us appreciate the necessity of having well regulated transportation facilities available at all times and to all people. The Interstate Commerce Commission is the agency charged with this grave responsibility.

A moment ago a question was asked whether these silly regulations and interpretations were made during a Republican administration or Democratic administration. I do not think that question is very important here since the Republican Party will hereafter take over the Interstate Commerce Commission under the reorganization plan which gives them the right to name a majority of the members of that important Commission.

Mr. Chairman, if this proposition is adopted, this amendment is approved, the common carriers will gain exactly half of what they want to gain. That is, they do not want these trip leases and they have prevailed upon the Interstate Commerce Commission to issue this 30-day rule which prohibits trip leasing within that period of time. But if the Hinshaw amendment is adopted it means that to trip lease an itinerant carrier will have to have a cargo of agricultural commodities on every other trip. It does mean after he has hauled initially a carload of agricultural commodities followed immediately by a cargo of industrial commodities, he must then look around for another cargo of agricultural commodities or he will not thereafter be permitted to trip lease. To that extent the sponsors of the amendment contend it will encourage itinerant truckers to look around for agricultural commodities to haul; to that extent it will increase the availability of trucks and to that extent it will decrease the cost to the farmer.

After considering all phases of the matter I have concluded I shall support the bill reported by the committee because I do not want to impair the effect or prevent the proper enforcement of the agricultural provisions now in effect.

Mr. SHEPPARD. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from California.

Mr. SHEPPARD. Who is going to be charged with the responsibility of policing the inequations of these hauls?

Mr. COOLEY. That, of course, presents a great problem. I am sure we will have to employ numerous people, perhaps hundreds of people, to police the enforcement of the law if we are going to make it effective, but that is a matter of slight importance when it is compared with the overall aspects of the problem with which we are dealing.

Mr. SHEPPARD. In accordance with the comments of one of the gentlemen a few moments ago about the Republican administration and the Democratic administration, if we are going to have a reduction in the operation of Government, it seems incompatible that we will have this kind of an exaggerated police operation.

Mr. COOLEY. It is a little incompatible.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. Many sins have been committed in the name of agriculture and the farmer. But is this not just as vital to the consumers of the country as it is to agriculture?

Mr. COOLEY. It is. That is one of the troubles with our distribution system, it is too expensive. It is by far the greatest, the most expeditious and the best distribution system on earth, but it is also the most expensive. If we can keep down the cost of food, of course, it is beneficial to the consumers of the Nation.

Now, in conclusion, I can see, I think, the viewpoint of both those who oppose this amendment and those who propose the amendment, and I intend to vote against the amendment and to vote for the bill as reported by the committee.

Our common carriers of both freight and passengers have rendered and are rendering a great service to the people of our Nation. They are strictly regulated by law. In their operations they are required by law to meet certain minimum standards and to meet certain requirements, to pay certain wages and to work employees only certain hours. The rates charged by common carriers are fixed by law. Only by law may these rates be lowered or lifted, and certainly none of us would want to do anything that might be calculated to destroy the rate structure which has been established according to law. I have concluded that the agricultural exemptions allowed will not do violence to this rate structure which governs the operations of our common carriers, but will mean much to both the producers and the consumers of our Nation. I, therefore, urge the defeat of the pending amendment and the passage of the bill as reported by the committee.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. CLARDY].

Mr. CLARDY. Mr. Chairman, just a few, brief words. There has been considerable discussion that would imply that unless this amendment is adopted the trucks would be out from under regulation. That is an incorrect statement. I have been living with this thing for 17 years and I know that that is not true. People seem to think that unless this amendment offered by the gentleman from California is adopted, they will be without regulation. That is absolutely untrue, because every piece of leased equipment is subject to the same rules and conditions as a carrier-owned piece of equipment, and the carrier who owns a certificate is exactly as much responsible for the safety of that equipment as if he owned it himself. There was some suggestion that the safety provisions with respect to these trucks would not be carried out. There is absolutely nothing to that. I can testify to that from my own personal knowledge.

Mr. HERLONG asked and was given permission to yield the time allotted to him to Mr. CARLYLE.)

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. CARLYLE].

Mr. CARLYLE. Mr. Chairman, there is no reason for us to be deceived or misled as to the purpose of the Hinshaw amendment. Its sole purpose is to cut the heart out of the bill that has been well considered and brought to you by this committee. We know that it is necessary to have not only transportation, but to have it when it is needed, when fruit is ripe, and when vegetables are ready to be transported to market. Then is the time, and, of course, at all other times when the transportation is needed.

We know that in some of the rural areas of this country there is less rail transportation than we had perhaps 10, 20, 30, or 40 years ago, and think of the rural areas that have these fresh fruits and vegetables and farm commodities to transport. How can they be expected to move to market unless the trucks are available and are available at the time that they are needed? I say that this bill that the committee has studied for perhaps 2 weeks represents the kind of a bill that is needed. It does not provide one thing that we have not experienced in this country under the regulations and exemptions under which we have been working and living for 15 long years. The amendment should be defeated. The committee bill should be passed.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. KING].

(Mr. AUGUST H. ANDRESEN asked and was given permission to yield the time allotted to him to Mr. KING of Pennsylvania.)

Mr. KING of Pennsylvania. Mr. Chairman, if this amendment is made effective 20,000 trucks will be put out of the agricultural hauling business, either by causing them to go broke or to transfer to the higher-rated, regulated industry. This would leave many produce

areas stranded for the lack of transportation.

It has been said that the farm organizations are not only against this amendment but against all regulation. I would say that is perhaps true if you mean restrictive regulation which interferes with the free movement of this industry which has developed in the produce industry on a strictly free competitive basis and is now serving the country well, and, of course, serving the consumers as well as the producers.

These are really a good bunch of trucks, not to be slighted by just calling them gypsies. They are well manned with owner-drivers, largely. The farm organizations would all be against any interference with that enterprise because it would destroy that segment of our transportation system that is still in the hands of individual, free, and independent operators.

Mr. Chairman, I hope the amendment will be defeated because its restrictions on the free movement of itinerant trucks are almost as bad as those provided in the original ICC order.

The amendment is impractical in its restriction of trip leasing and impractical from an administrative standpoint.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. BARDEN].

(Mr. HESELTON, Mr. SCHENCK, and Mr. WOLVERTON asked and were given permission to yield time allotted to them to Mr. BARDEN.)

Mr. BARDEN. Mr. Chairman, I wish to thank these gentlemen for the additional time. I hope I will be able to use it well. The chairman of the Interstate and Foreign Commerce Committee has been wrestling with this problem for quite a long time. I think his action was perfectly proper in bringing it to the attention of the House. His committee has been studying it for a long time, and his action came about as the result of a real existing need.

If there is anybody in this House that has had trouble over truck transportation, I think I can qualify. We sometimes make the mistake of legislating according to the way the picture looks on Front Street. Perishable commodities, agricultural commodities, truck crops, seafood, and fruits, are not grown either on or near Front Streets. They are not grown up and down Highway 301. They are grown back in the back country.

I happen to live in an area where there is not a fast train in many, many miles. They go around us. Therefore, the farmers have to depend upon truck transportation. There are no large centers where trucks gather and are available for these crops. Therefore, it is quite a problem; and a very expensive problem. It reflects itself in the markets where these products are placed on the market. You can always count on this, that the transportation cost, be it large or small, will be present on the price tag when the product is placed on the market.

I heard someone mention the Interstate Commerce Commission's ruling on the fish and oyster proposition. It so happens that the present Comptroller General, Lindsay Warren, when he was a Member of this House, and our good friend Judge Bland, of Virginia, and I and several others were interested in putting that exception in the law. We had no more gotten it into the law before some pressure from somewhere caused the Interstate Commerce Commission to place a perfectly silly interpretation upon it—that an oyster hauled in the shell qualified, but if you removed the oyster from the oyster shell, then it did not qualify. That would be funny if they had not sent their inspectors and agents down into my State and into my district and arrested men. Then, it was not so funny. Do you wonder that those of us who have had those experiences want to be careful about giving this power of interpretation to the Interstate Commerce Commission? Why, certainly not.

I do not know just what this amendment does. I do not know, and I am not quite satisfied as to how it will affect the exemptions already in the law. I have not the slightest idea in the world what interpretation the Interstate Commerce Commission will put upon the term "immediately preceding." This I do know, that it is not in the interest of the folks that normally this House is concerned with, and that is the average American who is handling his produce and trying to support the type of economy we generally like to support.

If we are going to put this limitation in the bill, you are simply cutting down at least 50 percent, if not more of the benefits anticipated. He has listened to all this amendment talk. The committee listened to it. When the man came to me and brought me this amendment—the first time I ever saw it the other day, well then I began to wonder if it would ever build up much force on the floor. I do not think it has.

Mr. Chairman, I hope this amendment is defeated. It would take 30 minutes to go into the details and ramifications as to just what effect it would have upon the outlying areas where the trucks have to go out of the normally main-traveled lines sometimes 50, 75, or 100 miles away to load. There is no question about the fact that under this amendment, with a liberal interpretation, they would stop them dead in their tracks and if they went to New York or Philadelphia and brought back a load of paint to Richmond, and then a load of farm machinery back to the agricultural area from which they started they would be in violation. You know that they are going to be stopped. That is what the amendment is intended to do—to stop them.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield.

Mr. AUGUST H. ANDRESEN. If the Interstate Commerce Commission had interpreted the law according to the intent of Congress, when we passed the original act, there would have been no need for this legislation.

Mr. BARDEN. The gentleman is absolutely correct. I want to say to the gentleman that as a result of my many years of dealing with them, I do not think they give a rap about the intent of Congress. They have demonstrated it. Their own record will prove it beyond any shadow of a doubt. You do not have to do anything but read or hear such silly interpretations as have been pointed out to you today. There can be no question about that.

Mr. AUGUST H. ANDRESEN. That has been a common practice for many years.

Mr. BARDEN. Of course it has, and I regret to state that in my opinion they have done great injury to the confidence the Congress once had in the Commission. I hope this amendment will be defeated. I think that is the safest course to pursue.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. YOUNGER].

(By unanimous consent, the time allotted to Mr. GUBSER was given to Mr. YOUNGER.)

Mr. YOUNGER. Mr. Chairman, there has been quite a bit of discussion here today as to whether or not the Interstate Commerce Commission has a right under the present act to supervise and regulate the itinerant trucker. We had that case up, and they brought up a very serious accident case in New Jersey. They brought up the violations. On page 468 of the committee hearings, Mr. Knudson pointed out the violations of the regulations. I asked him this question:

> Here is a case where you have pointed out a lot of violations of existing rules and regulations. Now, if you cannot enforce those, and if you do not take direct steps immediately to see that this incident is not repeated again, and that this particular lessee does not make another trip under the same circumstances, and that this lessee does not repeat his evils, how can you enforce M-43?

Mr. Knudson's answer is very enlightening. He said:

> I think your point is very well taken. I think to preserve our integrity we will have to take some of these cases and investigate and do something about them.

They have at the present time the right, law, and regulation that they want, if they want it to regulate the trip leaser. That is not their point. Their point is one thing, and that is to take away from agriculture their exemption granted by Congress. If they wanted to do the other, they have all of the rights under the present law, and they admit it right here in the hearings.

Mr. WOLVERTON. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. WAINWRIGHT].

Mr. WAINWRIGHT. Mr. Chairman, I must impose myself upon this committee to inform them that the people of my district on Long Island need freedom to select a cheap, safe method of getting their crops to market. The ICC

has tended, from time to time, to hamstring our people. We have been discriminated against more than once.

This bill would correct some of the inequity and I hope it passes.

Mr. WOLVERTON. Mr. Chairman, I yield such time as she may desire to the gentlewoman from New York [Mrs. ST. GEORGE].

Mrs. ST. GEORGE. Mr. Chairman, it seems evident that those favoring the amendment do protest their love for the farmer with a little too much vehemency.

The truck farmers and fruit growers of my district are all in favor of this bill and it is evident that if it is not passed it will cause them great expense and may even put some out of business.

The idea that these trucks are not strictly regulated is sheer poppycock. They not only are regulated, they have many harassments in the city of New York imposed through union regulations.

As the Representative of a great agricultural district in the State of New York, I hope this amendment is defeated and the bill passed as written.

Mr. HARRIS. Mr. Chairman, I ask unanimous consent that all Members who have spoken on this bill may have the right to revise and extend their remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. JAVITS. Mr. Chairman, what the House is trying to effect in this bill is to give enough latitude so that small truckers can compete with the large concerns in an effective way, and it is my position to proceed in support of the bill in pursuance of this principle. We have here an opportunity to aid small business in the vast trucking industry.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. HINSHAW] to the committee amendment.

The question was taken; and on a division (demanded by Mr. HINSHAW) there were—ayes 38, noes 136.

So the amendment to the committee amendment was rejected.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. JUDD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 3203) to amend the Interstate Commerce Act in order to prohibit the Interstate Commerce Commission from regulating the duration of certain leases for the use of equipment by motor carriers, and the amount of compensation to be paid for such use, pursuant to House Resolution 272, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. KLEIN. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. KLEIN. I am.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion.

The Clerk read as follows:

Mr. KLEIN moves to recommit the bill to the Committee on Interstate and Foreign Commerce.

Mr. WOLVERTON. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion was rejected.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

The title was amended so as to read: "A bill to amend the Interstate Commerce Act, with respect to the authority of the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property."

A motion to reconsider was laid on the table.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Ast, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 2318. An act to continue the effectiveness of the act of March 27, 1942, as extended, relating to the inspection and audit of plants, books, and records of defense contractors, for the duration of the national emergency proclaimed December 16, 1950, and 6 months thereafter; and

H. R. 2557. An act to amend the act of January 12, 1951, as amended, to continue in effect the provisions of title II of the First War Powers Act, 1941.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 2112. An act to provide for the transfer of price-support wheat to Pakistan.

HOUR OF MEETING TOMORROW

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

PROGRAM FOR JUNE 25

Mr. HALLECK. Mr. Speaker, I wish to announce that the bill dealing with the disposal of the rubber-producing facilities will be called first tomorrow. We hope that can be disposed of quickly. Then we will proceed to the consideration of a bill from the Committee on Agriculture having to do with marketing quotas on wheat.

COMMITTEE ON GOVERNMENT OPERATIONS

Mrs. ST. GEORGE. Mr. Speaker, I ask unanimous consent that the Committee on Government Operations may have until midnight tonight to file a report on House Joint Resolution 295.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

PERMISSION TO SIT DURING SESSION OF HOUSE

Mr. COLE of Missouri. Mr. Speaker, I ask unanimous consent that the subcommittee of the Committee on Post Office and Civil Service, which has under consideration the bill (H. R. 573) prohibiting lithographing or engraving on envelopes sold by the Post Office Department, be permitted to sit until noon tomorrow notwithstanding the session of the House. We have 15 witnesses who have come from a long distance to be heard.

The SPEAKER. Has the gentleman discussed it with the majority leader?

Mr. COLE of Missouri. Until just a moment ago I did not know that the House was to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

REORGANIZATION PLAN NO. 6

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, in view of the announcement made by the majority leader as to the program for tomorrow, my understanding was that the legislation proposed by him will be finished tomorrow night so that on Friday the resolution on Reorganization Plan No. 6 may be considered. Is that right?

Mr. HALLECK. We have other measures here. I have been here all afternoon. The gentleman I think had some discussion with the Speaker about when Reorganization Plan No. 6 might be considered, but as far as I am concerned I had had no word as to when those who have charge of that resolution wanted to call it up.

Mr. HOFFMAN of Michigan. I asked the Speaker and I assumed it was all right. If I cannot be assured that we are going to be allowed to take it up on Friday I am going to ask to have it called up tomorrow.

Mr. HALLECK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HALLECK. Are the rules of the House such that the gentleman from Michigan may call up the resolution at any time he wants to?

The SPEAKER. They are, because it is a highly privileged motion.

Mr. HOFFMAN of Michigan. I have tried to go along with the leadership. If it cannot be considered on Friday as I understood it would be I am ready to act, I thought it was coming up Friday.

The SPEAKER. The gentleman is agreeable to having it come up Friday?

Mr. HOFFMAN of Michigan. Yes.

COMMITTEE ON BANKING AND CURRENCY

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may have until midnight tonight to file a report on the bill H. R. 5667.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

WILBUR AND ORVILLE WRIGHT

Mr. WOLVERTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk House Concurrent Resolution 92 and its immediate consideration.

The Clerk read the House concurrent resolution, as follows:

Whereas the year 1953 is the 50th anniversary year of the first successful controlled powered flight by Wilbur and Orville Wright in a heavier-than-air craft at Kitty Hawk, N. C., on December 17, 1903; and

Whereas in the 50 years which have passed since that great event, the women of America have made substantial contribution to the development of aviation; and

Whereas the women of America now are assuming an increasingly important role in the field of aviation; and

Whereas the many opportunities which exist for women in the field of aviation are constantly increasing; and

Whereas the organization of women pilots generally known as the "Ninety-Nines, Inc.," symbolizes the participation of women in the development of aviation; and

Whereas in tribute to the accomplishment of Wilbur and Orville Wright and to the swift progress which has been made in the field of aviation in the past 50 years, such organization has sponsored a transcontinental air race on July 3, 1953, from Lawrence, Mass., to Long Beach, Calif., in which more than 50 women pilots will participate; and

Whereas such transcontinental air race is the first east-west flight competition by resourceful and courageous women who are following the great tradition of Amelia Earhart; and

Whereas such transcontinental air race in the year of the 50th anniversary of the first successful controlled powered flight symbolizes the important role of women in the field of aviation: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That, in this 50th anniversary year of the first successful controlled powered flight in heavier-than-air craft by Wilbur and Orville Wright, at Kitty Hawk, N. C., on December 17, 1903, the Congress hereby—

(1) expresses its high esteem of and great regard for the important part played by women in the development of aviation in the past 50 years;

(2) expresses the hope that women will continue to take an increasingly important part in the field of aviation in the future; and

(3) extends its best wishes for the success of the first east-west transcontinental air race on July 3, 1953, from Lawrence, Mass., to Long Beach, Calif., under the sponsorship of the organization of women pilots generally known as the "Ninety-Nines, Inc.," in commemoration of the 50th anniversary of the first successful controlled powered flight in heavier-than-air craft.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey [Mr. WOLVERTON]?

There was no objection.

The concurrent resolution was agreed to, and a motion to reconsider was laid on the table.

IMPORTATION OF CERTAIN CRUDE OIL

The SPEAKER. Under special order heretofore entered, the gentleman from West Virginia [Mr. BAILEY] is recognized for 15 minutes.

Mr. BAILEY. Mr. Speaker, as the author of Joint Resolution 281, the intent of which is to declare null and void existing rates in the Venezuelan reciprocal-trade agreement, I promised my colleagues in the House that the basic facts in connection with this situation and the reasons for stating that these rates are improper and illegal, that former President Truman exceeded his authority in applying the rates he did, I desire at this time to read into the RECORD during the next 15 minutes some of the basic reasons in support of Concurrent Resolution 281.

I. THE ISSUE

During the hearings before the United States Tariff Commission on October 2, 3, and 4, 1951, certain witnesses, including representatives of importing companies, recommended that the import tax applicable to crude petroleum, topped crude petroleum, and fuel oil be reduced to 5¼ cents per barrel.

I believe that the recommendation to reduce the import tax to 5¼ cents per barrel stems from an erroneous interpretation of the legal limits within which the President of the United States may increase or decrease the import tax on crude petroleum, topped crude petroleum, and fuel oil; and that the recommendation is bottomed upon the fallacious assumption that the Mexico agreement, now canceled and ineffective, is determinative of the President's authority. It is my position that the base rate which controls the limits of the President's authority is set by the Venezuela agreement, not by the Mexico agreement.

In 1932 Congress established an import tax on crude petroleum, topped crude petroleum, and fuel oil of 21 cents per barrel. In 1939 the Venezuela agreement established a tariff quota—5 percent of the crude processed in refineries in continental United States during the preceding calendar year. The tariff quota established on these products was 10½ cents per barrel. All imports of these products above the quota continued to be subject to the full base rate of 21 cents.

This was the situation until the Mexico agreement of 1943, which removed the tariff quota and provided a flat rate of 10½ cents per barrel on all imports of these products. The 10½-cent rate continued to be the effective rate until the Mexico agreement was terminated, December 31, 1950.

The IPAA's position is that under the law, as applied to the trade agreements involved, the cancellation of the Mexico agreement had the effect of abrogating the base rate of the nullified agreement and of restoring the base rate set by the Venezuela agreement.

It is submitted that the precise effect of the cancellation of the Mexico agreement is to be found in the Trade Agreements Act and in the intent of Congress expressed in the legislative history of that law.

II. THE LAW AND CONGRESSIONAL INTENT

In support of this position, the following analysis of the Trade Agreements Act and legislative history of the law is submitted.

The original Trade Agreements Act—Public Law 316, 73d Congress, 2d session—became effective June 12, 1934.

To carry out the purposes of the act the Congress authorized the President of the United States—

(1) To enter into foreign trade agreements with foreign governments or instrumentalities thereof; and (2) to proclaim such modifications of existing duties and other import restrictions, or such additional import restrictions, or such continuance, and for such minimum periods, of existing customs or excise treatment of any article covered by foreign trade agreements, as are required or appropriate to carry out any foreign trade agreement that the President has entered into hereunder.

The President's authority, limited to 3 years, to proclaim changes in duties was circumscribed by the further limitation that—

No proclamation shall be made increasing or decreasing by more than 50 percent any existing rate of duty.

The Trade Agreements Act was renewed by Congress in 1937, 1940, and 1943. No substantive changes, pertinent to the issue here, were made in these three extensions of the original law.

When the act was renewed by Congress in 1945 it was amended in important respects. The amendments adopted have a bearing upon the issues presented here and, it is submitted, embody the legal basis for the position herein presented.

The 50 percent limitation on the President's authority to increase or decrease duties was modified by the 1945 amend-

ments which provided that the 50 percent limitation on increases or decreases was to be applied against the rate of duty existing on January 1, 1945. But, despite the literal language of the limiting provision in fixing January 1, 1945, as the control date, the Congress made specific exceptions to the rate in effect on January 1, 1945, as being controlling. The exceptions prescribed by Congress are specified in paragraphs (1) and (2) of subsection (d) of section 1 of the Trade Agreements Act. These exceptions are:

(1) When a rate for the duration of the emergency, although actually in effect on January 1, 1945, is terminated, the revived rate shall control.

(2) When in a foreign trade agreement the United States has the optional right to terminate or modify a rate, after the war or emergency, the rate to be considered in effect on January 1, 1945 is not the actual rate in effect on that date, but is the rate that was effective prior to said agreement.

In addition to these two exceptions the Congress, in paragraph (3) of subsection (d) of section 1, spelled out its intent that the base rate of a terminated agreement does not survive; that an agreement which has been terminated is not to be controlling. Here the Congress dealt with the situation involving the cancellation of an agreement. The mandate of Congress is clear. As to a terminated agreement the base rate therein is not to be used as the basis for further reductions. It is not to be assumed that the base rate in a canceled agreement is to continue alive and effective just as if the agreement were not canceled. It follows, therefore, that it is the intent of Congress that the base rate in effect prior to the consummation of the terminated agreement is to be revived and restored and is to be controlling.

In this act, as in all laws, the Congress dealt with conditions then existing and events which had taken place as of the time of enactment of the law. It did not attempt, as it could not, to anticipate all eventualities of the future. It did not anticipate that the Mexico agreement would be canceled, and did not prescribe the specific base rate applicable to crude petroleum, topped crude, and fuel oil in the event it was canceled.

It is submitted, however, that the intent of Congress is so clear that the results flowing from the cancellation of the Mexico agreement compel to the conclusions that—

First. The base rate of the Mexico agreement did not survive the termination of the agreement.

Second. The base rate of the Venezuela agreement was revived and restored upon termination of the Mexico agreement and is now controlling.

The congressional intent reflected in the action of Congress in spelling out these expressed exceptions and the manner of special treatment of canceled agreements in determining the control rate to be considered in effect on January 1, 1945, embodies the crux of the contention that the base rate now determinative of the limitations on the President's authority is not in every case the actual rate in effect on January 1, 1945. In some situations, Congress has said, the determinative rate is the constructive rate, not the actual rate. The language used by Congress is not to be accepted precisely and literally in each and every situation and in disregard of the clear congressional intent to the contrary. The base rate which sets the limits on the President's authority must be constructed or ascertained by applying the law in a manner that gives effect to congressional intent and in the light of eventualities, such as cancellation of the Mexico agreement.

The 1945 amendments are so important in resolving the issue that they are set forth below, in context with the full language of the sections of the act involved. The language of the act deleted by the 1945 amendments is enclosed within double parentheses and the new language added is in italics.

TARIFF ACT OF 1930

PART III—PROMOTION OF FOREIGN TRADE

SEC. 350. (a) For the purpose of expanding foreign markets for the products of the United States (as a means of assisting in the present emergency in restoring the American standard of living, in overcoming domestic unemployment and the present economic depression, in increasing the purchasing power of the American public, and in establishing and maintaining a better relationship among various branches of American agriculture, industry, mining, and commerce) by regulating the admission of foreign goods into the United States in accordance with the characteristics and needs of various branches of American production so that foreign markets will be made available to those branches of American production which require and are capable of developing such outlets by affording corresponding market opportunities for foreign products in the United States, the President, whenever he finds as a fact that any existing duties or other import restrictions of the United States, or any foreign country are unduly burdening and restricting the foreign trade of the United States and that the purpose above declared will be promoted by the means hereinafter specified, is authorized from time to time—

(1) To enter into foreign trade agreements with foreign governments or instrumentalities thereof; and

(2) To proclaim such modifications of existing duties and other import restrictions, or such additional import restrictions, or such continuance, and for such minimum periods, of existing customs or excise treatment of any article covered by foreign trade agreements, as are required or appropriate to carry out any foreign trade agreement that the President has entered into hereunder. No proclamation shall be made increasing or decreasing by more than 50 per centum any ((existing rate of duty)) *rate of duty, however, established, existing on January 1, 1945 (even though temporarily suspended by Act of Congress)*, or transferring any article between the dutiable and free lists. The proclaimed duties and other import restrictions shall apply to articles the growth, produce, or manufacture of all foreign countries, whether imported directly, or indirectly: *Provided*, That the President may suspend the application to articles the growth, produce, or manufacture of any country because of its discriminatory treatment of American commerce or because of other acts (including the operations of international cartels) or policies which in his opinion tend to defeat the purposes set forth in this section; and the proclaimed duties and other import restrictions shall be in effect from and after such time as is specified in the proclamation. The President may at any time terminate any such proclamation in whole or in part.

(b) Nothing in this section shall be construed to prevent the application, with respect to rates of duty established under this section pursuant to agreements with countries other than Cuba, of the provisions of the treaty of commercial reciprocity concluded between the United States and the Republic of Cuba on December 11, 1902, or to preclude giving effect to an exclusive agreement with Cuba concluded under this section, modifying the existing preferential customs treatment of any article the growth, produce, or manufacture of Cuba: *Provided*, ((That the duties payable on such an article shall in no case be increased or decreased by more than 50 percent of the duties now payable thereon)) *That the duties on such article shall in no case be increased or decreased by more than 50 percent of the duties, however established, existing on January 1, 1945 (even though temporarily suspended by Act of Congress)*.

(c) as used in this section, the term "duties and other import restrictions" includes (1) rate and form of import duties and classification of articles, and (2) limitations, prohibitions, charges, and exactions other than duties, imposed on importations or imposed for the regulation of imports.

(d) *(1) When any rate of duty has been increased or decreased for the duration of war or an emergency, by agreement or otherwise, any further increase or decrease shall be computed upon the basis of the postwar or postemergency rate carried in such agreement or otherwise.*

(2) Where under a foreign trade agreement the United States has reserved the unqualified right to withdraw or modify, after the termination of war or an emergency, a rate on a specific commodity, the rate on such commodity to be considered as "existing on January 1, 1945" for the purpose of this section shall be the rate which would have existed if the agreement had not been entered into.

(3) No proclamation shall be made pursuant to this section for the purpose of carrying out any foreign trade agreement the proclamation with respect to which has been terminated in whole by the President prior to the date this subsection is enacted.

Although the law states that "no proclamation shall be made increasing or decreasing by more than 50 percent any rate of duty, however established, existing on January 1, 1945," it is clear from other provisions of the law and from the legislative history that this language is not to be accepted literally and is not to be controlling in every situation.

First, the specific exceptions provided in paragraphs (1) and (2) of subsection (d), discussed hereinabove, must be recognized as conveying a congressional intent that the base rate in effect on January 1, 1945 does not always control.

Second, the specific manner of treatment of cancelled agreements prescribed by Congress in paragraph (3) of subsection (d) must be accepted as a clear expression of intent of Congress as to the effect to be accorded the base rate of a canceled agreement. This provides a specific expression of intent of Congress as to a situation involving the termination of an agreement.

In subsection (d) of the 1945 amendments the Congress dealt with specific situations. It is proper and reasonable to use these expressions of Congress as a guide in ascertaining the intent of Congress.

IV. THE LIMITS OF PRESIDENTIAL AUTHORITY UNDER THE VENEZUELA AGREEMENT

The Venezuela agreement established a tariff quota on crude petroleum, topped crude petroleum, and fuel oil, of 10½ cents per barrel on imports up to 5 percent of crude runs to refineries in continental United States during the preceding calendar year. All imports in excess of the 5-percent tariff quota continued to be subject to the base rate of 21 cents. The Venezuela agreement did not change the base rate. The base rate continued as 21 cents. This conclusion is supported by the fact that in the Mexico agreement, which was consummated later, the import tax was reduced only to a flat 10½-cent rate on all imports. The tariff quota rate of 10½ cents was not reduced to 5¼ cents. This indicates that 21 cents was considered to be the overall base rate. Under the act there is no limit on the President's authority to impose quotas or other restrictions except the 50-percent limitation on the authority to increase or decrease the duty. A tariff quota, therefore, is not limited by the law except that the rate of duty that may be applied to the tariff quota must be within the 50-percent limit on the authority to adjust the base rate. In the Venezuela agreement the establishment of the tariff quota did not have the effect of altering the base rate of 21 cents. That base rate of 21 cents continued to be the effective base rate after the Venezuela agreement. It reasonably and logically follows that a tariff quota does not have the effect of establishing two base rates, as for example in the Venezuela agreement one at 10½ cents and another at 21 cents, since the maximum limit of the lower base would be 15¾ cents which would be in conflict with the 21-cent base.

It is submitted therefore, that even though a tariff quota was established in the Venezuela agreement, the base rate continued at 21 cents and the lower limit of the President's authority continued at 10½ cents, the upper limit continuing at 31½ cents.

V. THE LIMITS OF PRESIDENTIAL AUTHORITY UNDER THE MEXICO AGREEMENT

The Mexico agreement removed the tariff quota of the Venezuela agreement on crude petroleum, topped crude petroleum and fuel oil and established a flat rate of 10½ cents on these products.

It follows, therefore, that during the life of the Mexico agreement the base rate on crude petroleum, topped crude petroleum and fuel oil, was 10½ cents per barrel. There would be no argument had this proceeding occurred prior to cancellation of the Mexico agreement under which agreement the lower limit of adjustment of the rate would have been 5¼ cents. It must be borne in mind, however, that under the Mexico agreement the upper limit of adjustment of the rate was 15¾ cents.

It is basically unsound to argue, as do those who recommend a reduction to 5¼ cents, that the lower limit is 5¼ cents while a rate of 21 cents is being applied, as is the case today. This argument obviously contains inconsistencies which reveal its fallacy.

VI. PRESIDENTIAL INTERPRETATION AND ACTION SUPPORTS POSITION OF IPAA

The President, in proclamation 2901, published in Federal Register, volume 15, No. 175, Saturday, September 9, 1950, proclaimed that crude petroleum, topped crude petroleum, and fuel oil in excess of an aggregate quantity of such products equal to 5 percent of the total quantity of crude petroleum processed in refineries in continental United States during the preceding calendar year "shall be subject to import tax at the rate of one-half cent per gallon."

Through this action the President thereby adjusted the base rate on crude petroleum, topped crude petroleum, and fuel oil from 10½ cents, which had been in effect under the Mexico agreement, to 21 cents per barrel. This action was taken, of course, in full recognition and understanding of the legal limits imposed upon the President by the Trade Agreements Act which, under the 1945 amendments, provides that "no proclamation shall be made increasing or decreasing by more than 50 percent any rate of duty, however established, existing on January 1, 1945." This action by the President in restoring the rate to 21 cents was taken, although as a matter of fact, on January 1, 1945, under the Mexico agreement, the applicable rate was 10½ cents per barrel, which would have limited the President's authority, under a literal interpretation of the language of the law, to an increased tax of 15¾ cents per barrel. It is obvious that the President did not consider the 10½-cent rate of the Mexico agreement to be the base rate with an upper limit of 15¾ cents.

The President's authority is limited under the law to a 50-percent increase or decrease. It follows, therefore, that the President could not have imposed a 21-cent rate if the base rate in effect at the time was 10½ cents.

A literal interpretation of the language of the law, which is the essence of the argument of the advocates of the 5¼-cent rate, would have limited the President's authority for increasing the import tax on crude petroleum, topped crude, and fuel oil to 15¾ cents per barrel. The President, however, did not accept this literal interpretation but obviously gave effect and respect to the intent of Congress expressed and reflected in the 1945 amendments wherein the Congress made clear that the rate in effect on January 1, 1945, was not to be accepted and controlling in every situation, and particularly, that the base rate of a terminated agreement was not to survive.

The President, in issuing proclamation 2901, reasonably interpreted the congressional intent as applied to the situation resulting from the cancellation of the Mexico agreement. His action can be justified only on the conclusion that the Mexico agreement no longer provides the base rate limiting the authority of the President to increase or decrease the import tax.

VII. BASE RATE OF IMPORT TAX REVERTS TO VENEZUELA AGREEMENT

It is my position that the termination of the Mexico agreement had the effect of reviving or restoring the Venezuela agreement as determinative of the base rates applicable to imports of crude petroleum, topped crude petroleum, and fuel oil.

For the reasons hereinabove presented, Congress made clear in the 1945 amendments to the Trade Agreements Act that the base rates in a canceled agreement are not to be used as the base for future reductions. It is submitted, therefore, that the canceled Mexico agreement does not set the base for reduction to be made at this time. The base rate now controlling the President's authority to make adjustments is the rate provided in the Venezuela agreement.

VIII. CONCLUSION

It is submitted, therefore, that under the Trade Agreements Act, as applied to the trade agreements involving petroleum and the Presidential proclamation nullifying the Mexico agreement, that the base rate now in effect and controlling upon the authority of the President of the United States to increase or decrease the import tax on crude petroleum, topped crude petroleum, and fuel oil is established in the Venezuela agreement; that with respect to crude petroleum, topped crude petroleum, and fuel oil this base rate is 21 cents per barrel. The lower limit, therefore, of the President's authority is 10½ cents and the upper limit is 31½ cents.

(Mr. BAILEY asked and was given permission to revise and extend his remarks and include certain data.)

SPECIAL ORDER GRANTED

Mr. PATMAN asked and was given permission to address the House for 20 minutes on Friday next, following the legislative business of the day and the conclusion of special orders heretofore entered, and also to revise and extend his remarks and include certain extraneous matters therein.

SURVIVORS' BENEFITS FOR MEMBERS OF THE ARMED SERVICES

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Virginia [Mr. HARDY] is recognized for 30 minutes.

Mr. HARDY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include certain explanatory tables at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. HARDY. Mr. Speaker, during the 82nd Congress the Subcommittee on Government Operations, of which I was

then chairman, conducted a thorough study into the operations and fiscal cost of the national service life insurance program as administered by the Veterans' Administration. The study resulted in issuance of House Report No. 2761, which set forth our findings and recommendations.

The responsibility for the staff work in connection with the national service life insurance study was assigned to Mr. Stephen D. Carnes, whose graduate studies at the University of Virginia in the field of insurance and investments equipped him well to perform an unusually fine service in gathering and analyzing the data which formed the background for the subcommittee's report.

Subsequent to the conclusion of the subcommittee's work on national service life insurance, Mr. Carnes established an investment banking business in Suffolk, but kept himself available to the subcommittee for staff work on matters of insurance and related subjects. During the latter part of last year the subcommittee contemplated a study of benefits payable to survivors of the personnel of our armed services who die while on active duty. Certain preliminary studies of this subject were made for the subcommittee by Mr. Carnes, but following the election last November, since no comprehensive study could be completed, it was decided to discontinue the subcommittee's work in that field.

My personal interest in the matter has continued, so in January, notwithstanding the fact that I was no longer on the Government Operations Committee, I requested Mr. Carnes to assist me in the further assembling of data concerning various benefits available to the survivors of military personnel. This inquiry which we have made is not a comprehensive and diligent study, or searching inquiry into the broad general area of survivors benefits with its many significant social, economic, and political aspects, but rather a general presentation of existing applicable statutes fiscally interpreted.

This limited study points up a number of different sources of benefits from which payments may be made to survivors. It points up also the confused legislative situation and shows that authorizing legislation is handled by at least five different congressional committees. If the survivors of our Armed Forces personnel are to be provided for in a manner which will give these men a sense of security and peace of mind, and at the same time the appropriate committees of the Congress, as well as the Congress as a whole, are to judiciously legislate in this field, then it becomes apparent that a knowledge of existing legislation, including a fiscal interpretation thereof, be compiled and continually available on a current basis. At the present time no such compilation is immediately available. In part this presentation will attempt to fill that void.

As I proceed with this discussion it will become obvious to you that there are many inequities in the existing program. I feel certain that many families of deceased servicemen are unaware of the benefits available to them, and I feel equally certain that many Members of the Congress who serve on committees having legislative jurisdiction are unaware of the extent to which legislation reported from their committees, and approved by the Congress, affects legislation handled by some other committee. At best the existing system is a hodgepodge, with survivors receiving payments, or eligible to receive payments, from a number of different funds, thus the duplication of administrative burden becomes obvious and it must be confusing to the beneficiaries themselves.

EXISTING SURVIVORS' BENEFITS

At the present time there are five major sources of survivor-benefit payments. They are:

First. Six-month death gratuity: A 6-months' gratuity, the amount of which is the equivalent of the deceased's base pay, including special pays—that is, flight and submariners—is paid to the widow or dependent children or certain designated beneficiaries. This gratuity is paid by the respective services within the Department of Defense. Except in the case of widows and minor children, dependency is a prerequisite for this payment.

Second. Veterans' Administration compensation and pensions: Death compensation—the term applicable to the payment for a service-connected death—is payable under laws administered by the Veterans' Administration to the surviving widow, child or children, and dependent parents of deceased ex-servicemen. The monthly rates for wartime service-connected death and death resulting from service on or after June 27, 1950—Korean conflict—are as follows: widow, with no child, $75 per month; widow with 1 child, $121, with $29 for each additional child; no widow, 1 child, $67; no widow, 2 children, $94, equally divided; no widow, three children, $122 equally divided, $23 for each additional child, total amount equally divided; 1 parent, $60; 2 parents, $35 each. Peacetime rates are 80 percent of the specified wartime rates. Wartime rates are payable in peacetime cases where the death results from injury or disease received in line of duty as a direct result of armed conflict or while engaged in extra-hazardous service, including such service under conditions simulating war. The dependency of parents is generally held to exist when monthly income from sources proper to consider does not exceed $80 for mother or father—not living together—or $135 for mother and father—living together—plus $35 for each additional dependent member of family.

Death pension—the term applicable to the payment for a non-service-connected death—is payable under laws administered by the Veterans' Administration only to surviving widows and children of veterans with wartime service or service on or after June 27, 1950—Korean conflict. The amounts payable monthly to survivors of veterans of World War I, World War II, and the Korean conflict for non-service-connected death are as follows: widow, no child, $48; widow, 1 child, $60, each additional child, $7.20; no widow, 1 child, $26; no widow, 3 children, $52 equally divided, each additional child, $7.20, total amount equally divided. The amounts of pension payable to widows and children of veterans of the Indian Wars, Civil War, and Spanish-American War, for non-service-connected death are in certain cases less, and in others greater, than the above amounts.

Payment of death pension may not be made in World War I, World War II, or Korean cases, however, to any widow without child, or a child, whose annual income exceeds $2,600. Further, death pensions payable to the widows and children of World War II veterans and of persons who serve on or after June 27, 1950—Korean conflict—only if at the time of the non-service-connected death the veteran was receiving or entitled to receive compensation or retirement pay for disability incurred in service in line of duty or had a disability due to service for which compensation would be payable if 10 percent or more in degree. There is no income limitation governing the payment of pension to widows and children of veterans of the Indian Wars, Civil War, War with Spain, Philippine Insurrection, and Boxer Rebellion. However, in certain cases it must be shown that the widow is dependent.

Remarriage terminates the right of a widow to compensation or pension and generally such right may not be revived, except under certain circumstances in the case of widows of veterans of the Indian Wars, Civil War, and Spanish-American War group. Payment of compensation and pension to children of deceased veterans ceases upon marriage or generally at age 18. However, payments are continued after age 18 where the child is pursuing a course of instruction in an approved educational institution and until completion of education and training but not after age 21. Payments may be continued for life where the child prior to reaching age 18 becomes permanently incapable of self-support by reason of mental or physical defect.

The determination of eligibility for survivorship benefits is made and this program administered by the Veterans' Administration.

Third. Federal Employees Compensation Act benefit payments: Eligible applicants are survivors of all Reserve personnel on active or training duty. The amount of survivor payments is determined by the number of dependents and the amount of compensation of the deceased.

Eligible beneficiaries receive survivorship payments based on compensation of the deceased at time of death including base pay and all allowances, including special pays. A widow with no children would receive 45 percent of the total compensation of the deceased. A widow with minor children would receive for herself 40 percent of the total compensation of the deceased and additional 15 percent for each child up to

aggregate payments of 75 percent of deceased total compensation, not to exceed $525 per month. Dependent parents or other dependents are entitled to benefits of varying amounts under this program, total payments not to exceed 75 percent of deceased total compensation.

If the deceased has obtained a rate above the three lowest enlisted grades, then survivors, especially widows with minor children, are eligible to receive considerably higher survivorship payments under this program than are provided by the Veterans' Administration.

It should be emphasized that only Reserves are covered under the Federal Employees Compensation Act. Regulars, National Guardsmen, and inductees, are not eligible for FECA benefits and therefore their beneficiaries do not have the election between FECA and VA benefits afforded Reserves. This creates an inequity which, I suspect, few members of the Congress realize.

At no time are FECA and VA compensation simultaneously paid. However, FECA and OASI benefits are simultaneously paid along with the VA gratuitous indemnity of $10,000, and the 6-month death gratuity. But for an eligible survivor to get these benefits they must file papers and negotiate with four different Government agencies.

Determination as to eligibility for FECA payments is made and this program administered by the Bureau of Employees Compensation, Department of Labor.

Fourth. Ten thousand dollars gratuitous indemnity: Permitted classes of beneficiaries receiving gratuitous indemnity payments in the maximum amount of $92.90 per month for a period of 10 years, or 120 monthly payments; however, the principal sum of the indemnity is reduced by the amount of any Government insurance in force at the time of death. Benefits are payable over a 10-year period in equal monthly installments and beneficiaries may not elect payments under this program in any other manner. The indemnity was instituted in lieu of Government insurance for Armed Forces personnel. This payment is made to a rather liberal classification of beneficiaries. Dependency is no prerequisite for participation in this program.

Determination as to eligibility is made and this program is administered by the Veterans' Administration.

Fifth. Social security: Under the Social Security Act amendments of 1950 and 1952—Public Law 734, 81st Congress and Public Law 590, 82d Congress—wage credits based on assumed earnings of $160 a month are provided under the OASI system for each month of military service between September 16, 1940, and December 31, 1953. Such wage credits may not be used if the Military Service is used under any other Federal Government or survivorship benefit system other than the VA.

Under the old-age and survivors insurance system, persons with 6 or more quarters of coverage out of the last 13, whether from military service or OASI-covered employment, have OASI currently insured status entitling their widows with children to benefits. In addition, for those with fully insured OASI status, dependent parents, and widows without children are eligible at age 65 for benefits.

OASI-insured status continues for a certain period even though the individual is no longer in employment covered by OASI or is not obtaining military service wage credits. Pursuant to the 1950 amendments, the duration of insured status for persons no longer in OASI-covered employment is determined by the length of time elapsing after 1950, or the date an individual reached age 21, whichever is later. Fully insured status is retained by all those who have 6 quarters in OASI-covered employment, and at least 1 quarter of coverage for each 2 quarters elapsing after 1950 or after the quarter in which the individual reached 21, if later. Currently insured status for survivorship benefits requires only 6 quarters of coverage out of the last 13. In computing insured status, covered employment or military-service credits acquired before as well as after January 1, 1951, are counted.

Thus, generally speaking military personnel with at least 1½ years of service between September 16, 1940, and December 31, 1953, are eligible for OASI-survivorship benefits after January 1, 1951, for up to twice as long as their period of military service. For example, a serviceman separated on December 31, 1953, after 6 quarters of military service will have insured OASI status until the third quarter of 1955 if he was over 21 in 1950 and beyond this if he was under 21. A serviceman with 5 years of military service will have benefit rights until 1961, or longer, depending on his age. Furthermore, under the law those individuals with 40 quarters of coverage under the system are fully insured for life and will be eligible also for retirement benefits at age 65. However, the amount of benefits payable gradually declines, subject to the statutory minimum, the longer the period after 1950 the individual is not in employment covered by the OASI system.

These OASI wage credits were provided without charge to military service personnel, and no provision was, or has been, made for meeting the additional costs arising from these wage credits out of the general Treasury, so that as a result this additional cost is borne by the trust fund.

To provide these military wage credits under OASI, Mr. Robert J. Myers, Chief Actuary for the Social Security Administration, informs me that the estimated cost in the foreseeable future will perhaps exceed three-quarters of a billion dollars.

Already more than $85 million has been disbursed to survivors, as a result of rights accruing because of military wage credits granted servicemen under the OASI system. And let me restate, gentlemen, that no provision has been made for reimbursing the OASI trust fund for these expenditures.

Determination as to eligibility is made and the payment of social-security benefits is administered by the Social Security Administration of the Department of Health, Education, and Welfare.

Wage credits similar to those of social security are granted for specified periods to railroad workers for military service and their beneficiaries are eligible for survivor benefits on account of such credits. However, survivors of workers who had less than 10 years of railroad service are eligible for survivor benefits under the social-security system, while survivors of workers who had completed 10 or more years of railroad service are eligible for survivor benefits under the railroad-retirement system. A provision of the Railroad Retirement Act guarantees that the total of monthly benefits payable under the Railroad Retirement Act, together with the benefits—if any—payable under the Social Security Act may in no case be less than the benefits that would be payable under the Social Security Act if railroad employment were credited as social-security employment. This illustrates the complex problems existing in this area of survivors benefits. In the financing of the railroad retirement military service wage credits, the Government has appropriated $166,852,000 for such military credits granted railroad and former railroad workers. Subsequent to these appropriations the payment of benefits to survivors of railroad workers with less that 10 years' service was shifted to the OASI system by Public Law 234, 82d Congress. This legislation also provides for the transfer of funds from the railroad-retirement system to the OASI trust fund in order to reimburse the trust fund for payment of benefits by the social-security system resulting from the provisions of Public Law 234.

The Department of Health, Education, and Welfare determines eligibility and administers OASI benefits as well as benefits for railroad workers with less than 10 years of railroad employment. The Railroad Retirement Board administers benefits for railroad workers with more than 10 years of covered railroad service, and provides information to the Federal Security Agency regarding those with less than 10 years of service.

SCOPE OF SURVIVOR BENEFIT PROGRAMS

It is estimated that there are now approximately 65 million persons in the United States who could conceivably benefit from existing legislation providing survivorship benefits for military service. However, I have not been able to secure any accurate figures on the actual number who are receiving such benefits. To the veteran, his family and dependents, the wage credits granted under social security, the VA compensation, pension, and indemnity benefits, and FECA benefits under certain conditions, could mean the difference between economic security and insecurity, and I am confident that it is

the will of this body that these survivors should be adequately cared for.

Estimates supplied by the various Federal agencies indicate the cost of providing survivorship benefits for members and former members of our Armed Forces for fiscal 1952 were approximately $634 million—or, more than two-thirds of a billion dollars. In addition to this actual cash expenditure the Government in fiscal 1952 by virtue of deaths and existing survivorship statutes assumed an obligation to make subsequent survivorship payments over a protracted period which will approximate an additional $510 million.

To make clear my point, let me restate that in fiscal 1952 to provide survivorship benefits the actual cost to the Federal Government was more than two-thirds of a billion dollars. At the same time, by virtue of deaths occurring in fiscal 1952, anticipated survivorship claims which must be paid will aggregate $510 million. It seems unlikely that these costs will diminish in the foreseeable future. Considering the present large number of men in the Armed Forces serving under conditions simulating war, and considering the numbers entering and leaving active duty, the number of new survivorship claims added annually may exceed the number of cases where benefits are terminated for various reasons such as time expirations, remarriage, or death of the recipient.

A more realistic appraisal can be made of our present survivorship programs when Armed Forces deaths are analyzed. In 1952 there were an estimated 12,835 deaths within the armed services. It is reasonable to assume that in excess of 95 percent of the beneficiaries of these deceased servicemen received the 6 months' death gratuity in a lump sum, such payments averaging more than $1,200 per death. In addition, most of these beneficiaries received the $10,000 gratuitous indemnity. Further, many of these beneficiaries also receive survivorship payments from either the VA, FECA, or social security.

An expert on this subject has estimated that beneficiaries of Armed Forces personnel, on an average, receive gratuitous benefits which, if computed on a present cash value basis, are worth in excess of $26,000.

COMPARATIVE STATISTICS

Based upon a sampling of 100 cases, where some degree of dependency existed, it was found that among survivors of enlisted personnel, many beneficiaries—perhaps in excess of 70 percent—were eligible to receive more compensation during the first 10-year period as a survivor than was the total base pay and allowance of the deceased.

In cases where a survivor—widow—has minor children, the amount of eligible beneficiary payments in the aggregate will frequently exceed 100 percent, and in some instances approximate 150 percent, of the base pay and allowances of the deceased. It should be remembered, however, that this would be reduced after 10 years when the death gratuity expires, and further reduced when the children reach age 18.

Let me comment briefly on the background of these various programs.

With the exception of VA compensation and pension and the $10,000 gratuitous indemnity, there is a paucity of legislative history on the various other programs of survivor benefits provided servicemen and veterans.

Six months' death gratuity: The 6 months' death gratuity became law in 1908. A perusal of the records indicates that from time to time various committees of the Congress have made the observation, when survivor benefit payments were being increased and/or new programs added, that perhaps there was no longer any real need or justification for continuing the 6 months' death gratuity. The continuation of this particular survivor benefit has been based on the premise that this payment provides the beneficiary with a small lump-sum payment soon after the deceased's death and serves as a financial buffer until such time as other monthly survivor benefits begin to accrue.

The observation should be made that when the 6 months' death gratuity first became law servicemen's pay was less than one-half what it is today. No Government insurance program was provided, and with the exception of veterans' compensation payments, none of the current survivor benefit programs were in existence.

FECA benefit payments: Benefits of the Federal Employees Compensation Act were first extended Reserve components of the Armed Forces by section 14 of the Naval Reserve Act of February 28, 1925. On July 15, 1939, the Federal Employees Compensation Act was extended so as to provide certain compensation and survivor benefits to Army Reserves ordered to active or training duty. The act of July 18, 1940 (5 U. S. C. 798), gave retrospective coverage to Army Reserves for permanent disability and for death resulting from injury sustained between February 28, 1925, and July 15, 1939. Accordingly permanent disability and death coverage was provided for all reservists from February 28, 1925.

Reserves on active or training duty in peacetime are not entitled to certain benefit payments afforded regulars, thus the need for FECA coverage. However, once a state of war exists, then Reserves and Regulars are on a par insofar as pay, allowance, and other compensations are concerned. When the Federal Employees Compensation Act was first extended so as to include Reserve personnel there is no evidence that this proposed expansion of the act was seriously considered. At the time there were comparatively few Reserves on active duty and therefore the extent of the coverage and the resultant cost was small. This is not true today, however, as many servicemen engaged in the Korean conflict are members of the Reserves.

An act of August 7, 1946, declared that a state of war no longer existed in the United States. This declaration reinstated Federal employees' compensation coverage for reservists serving on active duty effective September 8, 1945.

At this point, I would like to state that the status of various reserve components of the Armed Forces has been frequently confused and often in conflict with regard to interpretation of FECA benefits. It was not until April 1952 that FECA coverage was extended to Navy and Marine Corps Reserves. Moreover, Navy and Marine Corps Reserves even now are covered only for death resulting from injury as contrasted to Army and Air Force Reserves who are covered for deaths resulting from either injury or disease.

The reinstatement of FECA coverage for Reserves on active duty held no special significance at the time inasmuch as beneficiaries of Reserves could elect between FECA or VA compensation payments. In 1946 there were only minor differences in the amounts of survivorship payments provided under VA or FECA legislation. In a large percentage of the cases VA benefits were slightly more liberal, and thus elected.

On June 20, 1949, Congress enacted Public Law 108. This act had the purpose of equalizing disability and death benefits for Reserves and Regulars. This act continued to permit an election between VA and FECA benefits which were generally lower than VA benefits, but on October 4, 1949, FECA benefits were substantially increased. Because of these increased FECA benefits it soon became apparent that if the deceased were in the higher 4 enlisted pay grades, or an officer, and the survivor had 1 or more minor children, survivorship payments under the FECA were considerably more liberal than benefits paid survivors by the Veterans' Administration.

Since October 4, 1949, new attention has been focused by the military on FECA benefits, as survivors of Regulars in the Armed Forces are eligible to receive only VA survivorship payments while survivors of Reserves can choose between FECA and VA benefits, and obviously will choose the more remunerative benefit.

Although this disparity, or inequity, has existed since 1949, no action has been taken by the Congress to correct this condition.

Social security: During World War II more than 16 million persons served in the Armed Forces, the average tour of duty per individual being over 2 years. It is estimated that nine to ten million of those who served, prior to their induction were under the social-security program.

Inasmuch as survivorship payments under social security are in part predicated upon the period of coverage and the dollar amount of contribution, it was the sentiment of some that men serving in the Armed Forces should be given social security wage credits for that period of time served on active duty with any branch of the Armed Forces.

As a legislative expression of this sentiment, Congress, on August 10, 1946,

enacted Public Law 719, which provided that any World War II servicemen who died during the period of 3 years after separation from active service were to have fully insured status under the OASI system, with an assumed average wage of $160 a month. For this purpose military service between September 16, 1940, and July 25, 1947, was recognized as in World War II. The Government was required to reimburse the OASI trust fund for the cost of military service benefits under Public Law 719.

Subsequently, Public Law 734, August 28, 1950, broadened the military-service credits under the OASI system for World War II service. In addition to retaining the 3-year-insured status provisions of Public Law 719, it provided OASI wage credits on a month-to-month basis for World War II service. As a consequence, OASI benefits were extended to both veterans and military personnel on active service. Public Law 734 also removed the requirement that the Government reimburse the OASI trust fund for the cost of the 3-year military service benefits and it did not provide for reimbursements for the additional month-for-month wage credits.

In the 2d session of the 82d Congress similar legislation granting social-security wage credits at the rate of $160 per month was enacted for all men serving in the Armed Forces of the United States between July 25, 1947, and December 31, 1953. It is anticipated that the Congress will be requested to extend this coverage beyond its present expiration date.

GENERAL OBSERVATIONS

At the beginning of this discussion I stated that this survey is not the product of a diligent study or searching inquiry into the broad general area of survivor benefits with its many significant social, economic, and political aspects. But even a cursory inquiry into this broad general area leads to certain inescapable observations. Here are a few which appear significant:

First. At the present time five major survivor benefit programs exist. Four of these programs are administered by different Government agencies. They are:

1. Six months death gratuity: Administered by the Department of Defense.

2. VA compensation and pension: Administered by the Veterans' Administration.

3. Federal employees compensation: Administered by the Bureau of Employees Compensation, Department of Labor.

4. Gratuitous indemnity: Administered by Veterans' Administration.

5. Social security: Administered by the Social Security Administration, Department of Health, Education, and Welfare.

Second. In order for survivors to receive payments to which they are legally entitled, such survivors must negotiate with several Government agencies. A general observation frequently made is that a considerable number of beneficiaries entitled to survivorship payments are not receiving, and will never receive, such payments because of their lack of knowledge of the existence of such benefits or their inability to overcome the administrative maze to which one is subjected. It is quite likely that those who need the financial assistance most, because of their lack of education and administrative ability, are not receiving the assistance to which they are entitled.

Third. Survivors of a large number of our military personnel are eligible to receive more income as survivors than was provided when the deceased was on active duty drawing base pay and allowances.

Fourth. In many cases beneficiaries of Reserve personnel through the Federal Employees Compensation Act are entitled to greater survivorship payments than are Regulars, National Guard men, and inductees whose beneficiaries qualify only for Veterans' Administration survivorship payments. This creates a situation which offends the sense of equity.

Fifth. It is acknowledged that to provide survivorship protection for Armed Forces personnel and veterans is, and will continue to be, a costly program. However, under the existing House rules jurisdiction is spread over a number of committees, each treating phases of it but without authority to consider other phases. If any thorough study is to be accomplished a special committee will be required. Only in this manner can an adequate and equitable program of survivor benefits for men of our Armed Forces be worked out and proper administration be provided for.

Sixth. In providing existing survivor benefits it is obvious that much of the legislation currently in force has been handled in a piecemeal manner where inadequate consideration was given to existing legislation in the same general area. This is understandable, in view of the fact that 5 or 6 different legislative committees are involved in this field.

To illustrate some of the points that I have made, there is printed herewith a few tables of specimen cases setting forth the survivorship benefits available under varying circumstances. In reviewing the dollar equivalent values set forth in these tables, full cognizance of the footnotes should be taken so as to avoid any misrepresentation of the facts. Further, I might observe that all of the benefits set forth in these tables come to the recipient tax exempt.

It should be borne in mind that the scope of this discussion and the tables herewith submitted cover only benefits available to survivors of military personnel who are killed or die while on active duty.

As you study the tables I call particular attention to the fact that there are two lines of totals. For practical purposes, it may be stated that members of Reserve components have the option of selecting benefits from either of the two totals, whereas, under existing conditions, members of the Regulars are not eligible for FECA benefits and, consequently, do not have that option.

Mr. Speaker, when I first became interested in this subject of survivorship benefits I was almost overcome by its complexity. From the oversimplified presentation which I have made, I believe that every Member of the House must be convinced of the need for a thorough analysis of the entire subject. Such analysis should point the way toward correcting existing inequities, providing reasonably adequate protection to the survivors of military personnel and better administration with reduced costs. Additionally, it should be helpful to eligible beneficiaries in securing the benefits to which they are entitled by law.

To these ends I will offer a resolution to establish a special committee to deal with this subject. A special committee is needed because no existing committee has the authority to bring together all of the different aspects of this subject. I hope that my resolution will receive early and favorable action.

Enlisted man—Rating E3 (2 years' service)

WIFE ONLY DEPENDENT

	Monthly income paid to serviceman while alive	1-time payments	Monthly income paid to survivors of serviceman			
			1st 6 months	From 7 through 120 months	From 121 months through age 65	After 65 and for life
A. Alive:						
1. Basic pay (Public Law 340)	$107.00					
2. Quarters allowance (Public Law 340)	51.30					
3. Subsistence	36.00					
Total	194.33					

Enlisted man—Rating E3 (2 years' service)—Continued

WIFE ONLY DEPENDENT

	Monthly income paid to serviceman while alive	1-time payments	Monthly income paid to survivors of serviceman: 1st 6 months	From 7 through 120 months	From 121 months through age 65	After 65 and for life
B. Deceased (paid to survivors):						
1. 6 months' death gratuity		$642.12				
2. Servicemen's indemnity (Public Law 23)			$92.90	$92.90		
3. VA compensation, widow [1]			75.00	75.00	$75.00	$75.00
4. VA burial and funeral allowance [2]		150.00				
Total veteran benefits		792.12	167.90	167.90	75.00	75.00
5. OASI benefits: [3]						
Lump-sum death payment		192.00				
Widow						48.00
Total if FECA benefits not elected		984.12	167.90	167.90	75.00	123.00
6. Federal Employees' Compensation Act Benefits: Widow [4]					87.44	87.44	87.44
Total if FECA benefits elected		984.12	92.90	180.34	87.44	135.44

DRAWING FLIGHT PAY—WIFE ONLY DEPENDENT

A. Alive:						
1. Basic pay (Public Law 346)	$107.02					
2. Flight pay	45.00					
3. Quarters allowance (Public Law 346)	51.30					
4. Subsistence	36.00					
Total	239.32					
B. Deceased (paid to survivors):						
1. 6 months' death gratuity		$912.12				
2. Servicemen's indemnity (Public Law 23)			$92.90	$92.90		
3. VA compensation, widow [1]			75.00	75.00	$75.00	$75.00
4. VA burial and funeral allowance [2]		150.00				
Total, veteran benefits		1,062.12	167.90	167.90	75.00	75.00
5. OASI benefits: [3]						
Lump-sum death payment		192.00				
Widow						48.00
Total if FECA benefits not elected		1,254.12	167.90	167.90	75.00	123.00
6. Federal Employees' Compensation Act benefits: Widow [4]				107.69	107.69	107.69
Total if FECA benefits elected		1,254.12	92.90	200.59	107.69	155.69

Enlisted man—Rating E4 (4 years' service)

WIFE AND 1 CHILD, AGE 5

	Monthly income paid to serviceman while alive	1-time payments	Monthly income paid to survivors of serviceman: 1st 6 months	From 7 through 120 months	From 121 through 156 months	From 157 months to age 65	After 65 and for life
A. Alive:							
1. Basic pay (Public Law 346)	$137.59						
2. Quarters allowance (Public Law 346)	77.10						
3. Subsistence	36.00						
Total	250.69						
B. Deceased (paid to survivors):							
1. 6 months' death gratuity		$825.54					
2. Servicemen's indemnity (Public Law 23)			$92.90	$92.90			
3. VA compensation: [1]							
Widow			75.00	75.00	$75.00	$75.00	$75.00
Child			46.00	46.00	46.00		
4. VA burial and funeral allowance [2]		150.00					
Total veterans' benefits		975.54	213.90	213.90	121.00	75.00	75.00
5. OASI benefits: [3]							
Lump-sum death payment		192.00					
Widow			48.00	48.00	48.00		48.00
Child			48.00	48.00	48.00		
Total if FECA benefits not elected		1,167.54	309.90	309.90	217.00	75.00	123.00
6. Federal Employees' Compensation Act benefits: [4]							
Widow				100.28	100.28	112.81	112.81
Child				37.60	37.60		
Total if FECA benefits elected		1,167.54	188.90	326.78	233.88	112.81	160.81

See Footnotes at end of tables.

Enlisted man—Rating E5 (2 years' service)

WIFE AND 2 CHILDREN, AGES 5 AND 8

	Monthly income paid to serviceman while alive	1-time payments	Monthly income paid to survivors of serviceman: 1st 6 months	From 7 through 120 months	From 121 through 156 months	From 157 months to age 65	After 65 and for life
A. Alive:							
1. Basic pay (Public Law 346)	$183.86						
2. Quarters allowance (Public Law 346)	96.90						
3. Subsistence	35.00						
Total	285.78						
B. Deceased (paid to survivors):							
1. 6 months' death gratuity		$917.28					
2. Servicemen's indemnity (Public Law 23)			$92.90	$92.90			
3. VA compensation: [1]							
Widow			75.00	75.00	$75.00	$75.00	$75.00
Child, 8 years of age			46.00	46.00			
Child, 5 years of age			29.00	29.00	46.00		
4. VA burial and funeral allowance [2]		150.00					
Total veteran benefits		1,067.28	242.90	242.90	121.00	75.00	75.00
5. OASI benefits: [3]							
Lump-sum death payment		192.00					
Widow			48.00	48.00	48.00		48.00
Child, 8 years of age			40.00	40.00			
Child, 5 years of age			40.00	40.00	48.00		
Total if FECA benefits not elected		1,259.28	370.90	370.90	217.00	75.00	123.00
6. Federal Employees' Compensation Act benefits: [4]							
Widow				114.31	114.31	128.60	128.60
Child, 8 years of age				42.87			
Child, 5 years of age				42.87	42.87		
Total if FECA benefits elected		1,259.28	220.90	430.95	253.18	128.60	176.60

Enlisted man—Rating E3 (2 years' service)

NO DEPENDENTS—SURVIVING BROTHER

	Monthly income paid to serviceman while alive	1-time payments	Monthly income paid to survivors of serviceman: For 120 months	
A. Alive:				
1. Basic pay (Public Law 346)	$107.02			(In this illustration the 6 months' death gratuity, VA compensation payments, and social-security and FECA survivor benefits are not payable inasmuch as dependency is a requirement.)
2. Subsistence	36.00			
Total	143.02			
B. Deceased (paid to survivors):				
1. Servicemen's indemnity (Public Law 23)			$92.90	
2. VA burial and funeral allowance		$150.00		
Total veteran benefits		150.00	92.90	
3. OASI benefits: Lump-sum death payment		192.00		
Total		342.00	92.90	

Officer—Rank of O–2 (8 years' service)

WIFE AND 1 CHILD, AGE 5

	Monthly income paid to serviceman while alive	1-time payments	Monthly income paid to survivors of serviceman: 1st 6 months	From 7 through 120 months	From 121 through 156 months	From 157 months to age 65	After 65 and for life
A. Alive:							
1. Basic pay (Public Law 346)	$318.64						
2. Quarters allowance (Public Law 346)	94.20						
3. Subsistence allowance (Public Law 346)	47.88						
Total	460.72						
B. Deceased (paid to survivors):							
1. 6 months' death gratuity		$1,911.84					
2. Servicemen's indemnity (Public Law 23)			$92.90	$92.90			
3. VA compensation: [1]							
Widow			75.00	75.00	$75.00	$75.00	$75.00
Child			46.00	46.00	46.00		
4. VA burial and funeral allowance [2]		150.00					
Total, veteran benefits		2,061.84	213.90	213.90	121.00	75.00	75.00
5. OASI benefits: [3]							
Lump-sum death payment		192.00					
Widow			48.00	48.00	48.00		48.00
Child			48.00	48.00	48.00		
Total, if FECA benefits not elected		2,253.84	309.90	309.90	217.00	75.00	123.00
6. Federal Employees' Compensation Act benefits: [4]							
Widow				184.29	184.29	207.32	207.32
Child				69.11	69.11		
Total, if FECA benefits elected		2,253.84	188.90	442.30	349.40	207.32	255.32

See Footnotes at end of tables.

Officer—Rank of O–3 (8 years' service)

WIFE AND 2 CHILDREN, AGES 5 AND 8

	Monthly income paid to serviceman while alive	1-time payments	Monthly income paid to survivors of serviceman: 1st 6 months	From 7 through 120 months	From 121 through 156 months	From 157 months to age 65	After 65 and for life
A. Alive:							
1. Basic pay (Public Law 346)	$370.50						
2. Quarters allowance (Public Law 346)	102.60						
3. Subsistence allowance (Public Law 346)	47.88						
Total	520.98						
B. Deceased (paid to survivors):							
1. 6 months' death gratuity		$2,223.00					
2. Servicemen's indemnity (Public Law 23)			$92.90	$92.90			
3. VA Compensation: [1]							
Widow			75.00	75.00	$75.00	$75.00	$75.00
Child, 8 years of age			46.00	46.00			
Child, 5 years of age			29.00	29.00	46.00		
4. VA burial and funeral allowance [2]		150.00					
Total, veteran benefits		2,373.00	242.90	242.90	121.00	75.00	75.00
5. OASI benefits: [3]							
Lump-sum death payment		192.00					
Widow			48.00	48.00	48.00		48.00
Child, 8 years of age			40.00	40.00			
Child, 5 years of age			40.00	40.00	48.00		
Total, if FECA benefits not elected		2,565.00	370.90	370.90	217.00	75.00	123.00
6. Federal Employees' Compensation Act benefits: [4]							
Widow				208.39	208.39	234.44	234.44
Child, 8 years of age				78.15			
Child, 5 years of age				78.15	78.15		
Total, if FECA benefits elected		2,565.00	220.90	585.59	382.54	234.44	282.44

DRAWING FLIGHT PAY—WIFE AND 2 CHILDREN, AGES 5 AND 8

	Monthly income paid to serviceman while alive	1-time payments	Monthly income paid to survivors of serviceman: 1st 6 months	From 7 through 120 months	From 121 through 156 months	From 157 months to age 65	After 65 and for life
Alive:							
1. Basic pay (Public Law 346)	$370.50						
2. Flight pay	120.00						
3. Quarters allowance (Public Law 346)	102.60						
4. Subsistence allowance (Public Law 346)	47.88						
Total	640.98						
ceased (paid to survivors):							
1. 6 months' death gratuity		$2,943.00					
2. Servicemen's indemnity (Public Law 23)			$92.90	$92.90			
3. VA compensation: [1]							
Widow			75.00	75.00	$75.00	$75.00	$75.00
Child, 8 years of age			46.00	46.00			
Child, 5 years of age			29.00	29.00	46.00		
4. VA burial and funeral allowance [2]		150.00					
Total veteran benefits		3,093.00	242.90	242.90	121.00	75.00	75.00
5. OASI benefits: [3]							
Lump-sum death payment		192.00					
Widow			48.00	48.00	48.00		48.00
Child, 8 years of age			40.00	40.00			
Child, 5 years of age			40.00	40.00	48.00		
Total if FECA benefits not elected		3,285.00	370.90	370.90	217.00	75.00	123.00
6. Federal Employees' Compensation Act benefits: [4]							
Widow				256.39	256.39	288.44	288.44
Child, 8 years of age				96.14			
Child, 5 years of age				96.14	96.14		
Total if FECA benefits elected		3,285.00	220.90	669.57	448.53	288.44	336.44

THE FOLLOWING FOOTNOTES APPLY TO EACH OF THE PRECEDING CHARTS

[1] This amount accrues to the survivor as a result of wartime or peacetime combat death, while 80 percent of such amount accrues in the case of a peacetime death (Public Law 2, 73d Cong., Mar. 20, 1933, and the Veterans Regulations promulgated pursuant thereto, as amended (38 U. S. C. ch. 12 note).)

[2] Payable only toward actual expenses of funeral and burial incurred by survivors.

[3] Under the Social Security Act Amendments of 1950 and 1952 (Public Law 734, 81st Cong., and Public Law 590, 82d Cong.) wage credits based on assumed earnings of $160 a month are provided under the OASI system for each month of military service between Sept. 16, 1940, and Dec. 31, 1953. A minimum of 6 quarters of coverage is required to obtain insured status under the OASI system. Pursuant to the new-start provision of the 1950 amendments persons with a minimum of 6 quarters of recent military service or OASI-covered employment now have OASI-insured status entitling them to survivor benefits. The OASI credits are provided without charge to military personnel and the Government to date has made no appropriation to the OASI trust fund for this purpose.

[4] Pursuant to present laws and regulations, the Federal Employees Compensation Act covers Reserve military personnel on active or training duty. The monthly FECA benefits are in lieu of VA compensation benefits and cannot be paid until the 6 months' death gratuity provided by the Department of Defense terminates. Lump-sum FECA benefits are payable for actual expenses of burial up to $400 with an offset for any VA burial benefits. No offset is made for the VA death indemnity or the OASI benefits received simultaneously. The widow will receive higher FECA benefits than indicated if the serviceman was receiving combat or other special pays.

MERITORIOUS SUPPORT BY INDIA OF THE UNITED NATIONS IN KOREA

The SPEAKER pro tempore (Mr. SHEEHAN). Under previous order of the House, the gentleman from New York [Mr. POWELL] is recognized for 10 minutes.

Mr. POWELL. Mr. Speaker, I take this opportunity to clear up a few misstatements that have been made during the course of the debate last week in connection with the Mutual Security Act and the debate of this week in connection with grain for Pakistan.

It has been said on the floor of the House that the country of India is not supporting and has not supported the United Nations conflict in Korea. That is a misstatement, a complete inaccuracy, and I stand here today to give the truth, the facts. That statement was used by some of my colleagues in an effort to strike out 50 percent of the appropriation for India under the Mutual Security Act. If my colleague had followed his formula to its logical conclusion he would have struck out aid to 37 other nations of the United Nations who are our allies but who do not have a single man in Korea in any capacity whatsoever. If his formula had been followed it would have meant that only 1 nation in all of South America out of the 21 nations would have helped, for 20 nations in South America are not actively cooperating directly or indirectly in the Korean conflict. I do not, in listing the names of these nations, list them to make any charges against them, because I am sure they have ample reason internally for not sending troops to support the United Nations armies in Korea. But I am going to list them so that you will see that India is doing more than her share compared with 37 nations that we are assisting through the Mutual Security Act.

The following nations received funds from our Government under the Mutual Security Act and have not and are not supporting the Korean conflict:

Afghanistan, Argentina, Bolivia, Brazil, Burma, Chile, China, Costa Rica, Denmark, the Dominican Republic, Ecuador, Egypt, El Salvador, Haiti, Honduras, Iceland Indonesia, Iran, Iraq, Israel, Lebanon, Mexico, Liberia, Nicaragua, Norway, Pakistan, Panama, Paraguay, Peru, Saudi Arabia, Sweden, Syria, Uruguay, Venezuela, Yemen, and Yugoslavia.

What is the truth concerning India? It has been said that India is not and has not been supporting the Korean conflict. In fact, it was stated that not a single Indian is in Korea. That is a complete inaccuracy, and the facts are now before me.

Drawn from the plains and hills of India, men of the 60th Indian Field Ambulance Unit are serving with distinction at the side of other United Nations units on the Korean front. The 60th Indian Field Ambulance was one of the very few detachments, from any country, to undergo a second rigorous Korean winter but plans are now being made to institute a rotation system.

The unit is truly an all-India group. In its ranks are plainsmen from Mysore and Uttar Pradesh, hillmen from Garhwal and Madhya Bharat, Sikhs from the Punjab; and men from the Assam jungles, from the coastal areas of Bombay and Madras and from Bengal, Bihar, and Travancore. There have been casualties. One was killed in an accident, another lost both legs when his ambulance hit a mine.

All officers and men have had 5 days' leave in Japan, the only time they have been out of Korea since their arrival 1½ years ago. Morale is excellent.

The Indian Field Ambulance Unit, consisting of 17 officers, 10 junior commissioned officers, and 298 other ranks took everything by way of equipment and supplies with it from India, by ship—everything, including ambulances, operating tables, medicines, and tents. It is self-sufficient in food except in fresh meat and vegetables.

India came to Korea with 800,000 rupees in medicines, which under the current value of 21 cents per rupee means $165,000 worth. India is supporting this unit at an expense of 42,000 rupees per month, which means so far it has cost India $250,000. What have the 37 others done?

I would like finally to read the citation given the Indian detachment by General Van Fleet, coming from the Headquarters of the Eighth United States Army in Korea:

HEADQUARTERS, EIGHTH UNITED STATES ARMY, KOREA (EUSAK),
OFFICE OF THE COMMANDING GENERAL, APO 301,
July 25, 1951.

General orders No. 586.

MERITORIOUS UNIT COMMENDATION

By direction of the Secretary of the Army, under the provisions of AR 360–15, the Meritorious Unit Commendation is awarded to the following unit for exceptionally meritorious conduct in the performance of outstanding service during the period indicated. The citation reads as follows:

The 60th Indian Field Ambulance is cited for exceptionally meritorious conduct in the performance of outstanding services in Korea in support of combat operations during the period from November 1950 to May 1951. During this period the 60th Indian Field Ambulance has rendered medical support to the American, British, Canadian, and other elements of the United Nations forces in a superior manner. The sick and wounded were speedily and efficiently cared for and treated with superior professional care, which saved many a life and aided materially the war effort. When an airborne regimental combat team was ordered to land at Munson behind enemy lines, this unit volunteered its service as medical support. Although the services of the entire unit were not needed, a surgical team was selected and rendered exceptional service. In spite of the many difficulties of transportation, weather, supply, and numerous movements of this organization caused by the tactical situation, the medical mission was always expeditiously and skillfully accomplished. The spirit of cooperation, devotion to duty, and the unfailing excellence of the work of all members of this unit as well as their determined policy of remaining as far forward as possible and remaining forward far longer than is normally expected of a unit of this type have contributed essentially to the immediate combat effectiveness and to the general morale of the units it supported. The 60th Indian Field Ambulance displayed such outstanding devotion and superior performance of exceptionally difficult tasks as to set it apart and above other units with similar missions. The individual and collective professional standards and conscientious achievements of members of this organization reflect the highest credit on themselves, their homeland, and the military service of the United Nations.

By command of Lieutenant General Van Fleet.

LEVEN C. ALLEN,
Major General, United States Army,
Chief of Staff.

Official:
R. L. BUTT, Jr.,
Lieutenant Colonel, AGD, Assistant AG.

When we had United Nations Day in Washington, D. C., last year, members of this unit were flown from Korea to march down the streets of Washington. They were one of the delegations of the 17 nations out of 54 that are supporting the U. N. in Korea.

So I hope this will clear up the misstatements and the inaccuracies that were mentioned on this floor during the debate of the past few days.

India is our bastion of democracy in the Far East. We are proud to have her on our side.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. POWELL. I yield.

Mr. BAILEY. During the presentation of your brief, you listed in the several countries that were not contributing to the war effort in Korea the Republic of Venezuela. Does the gentleman from New York think that in view of this situation, the Venezuelan Government and the Venezuelan people were entitled to special consideration in the form of a reduction of our import duties on oil imported from their country?

Mr. POWELL. No, I do not feel that way, may I say to my esteemed colleague and friend from West Virginia. In fact, I do not want to get involved in any particular discussion about these various nations. I just wanted to list those who were doing less than nothing; that is all.

Mr. BAILEY. Will the gentleman agree with me that the new reciprocal trade agreement was drawn up and approved not in the interest of the Venezuelan people as such, but in the interest of several of our large oil importing companies?

Mr. POWELL. Most definitely the gentleman and I are in agreement on that. That is an extension of the tidelands oil grab beyond the tides and into the mountains of Venezuela.

Mr. BAILEY. They certainly got into the mountains of West Virginia and got mixed up with our coal.

Mr. POWELL. I know just how the gentleman feels about that.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Appendix of the RECORD, or to revise and extend remarks was granted to:

Mr. DAGUE and to include a newspaper article.

Mr. JACKSON and to include an editorial.

Mr. LANE in four instances, in each to include extraneous matter.

Mr. ENGLE in two instances and to include extraneous matter.

Mr. MILLER of Nebraska and to include an editorial.

Mr. O'BRIEN of Michigan and to include a newspaper article.

Mr. CARNAHAN and to include extraneous matter.

Mr. CLARDY and to include extraneous matter.

Mr. JONES of Missouri and to include a newspaper article.

Mr. JUDD in four instances and to include extraneous matter.

Mr. WOLVERTON and to include extraneous material.

Mr. DONOHUE and to include a resolution.

Mr. KELLEY of Pennsylvania in two instances and to include extraneous matter.

Mr. ADDONIZIO and to include a letter.

Mr. FISHER in two instances and to include extraneous matter.

Mr. WOLVERTON to revise and extend the remarks he made in the Committee of the Whole today and to include extraneous matter.

Mr. SMITH of Wisconsin in two instances, in each to include extraneous matter.

Mrs. ROGERS of Massachusetts and to insert certain articles from the Boston Post for 5 successive days.

Mr. PERKINS and to include a story from the Louisville Courier-Journal entitled "As to the Charge That TVA Represents Creeping Socialism."

Mr. MULTER (at the request of Mr. POWELL) and to include extraneous matter.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1639. An act to amend section 32 of the Fire and Casualty Act, so as to provide that an agent or solicitor may secure a license to solicit accident and death insurance in the District of Columbia under that act without taking the prescribed examination, if he is licensed under the Life Insurance Act;

S. 2032. An act to modernize the charter of the Washington Gas Light Co., and for other purposes; and

S. 2112. An act to provide for the transfer of price-support wheat to Pakistan.

ADJOURNMENT

Mr. KERSTEN of Wisconsin. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 34 minutes p. m.), under its previous order, the House adjourned until tomorrow, Thursday, June 25, 1953, at 11 a. m.

EXECUTIVE COMMUNICATIONS, ETC.

799. Under clause 2 of rule XXIV, a letter from the Postmaster General, transmitting a draft of proposed legislation entitled, "A bill to readjust postal rates, and for other purposes"; to the Committee on Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BISHOP: Joint Committee on the Disposition of Executive Papers. House Report No. 649. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 302. Resolution providing for the consideration of H. R. 3884, a bill to extend the authority of the Administrator of Veterans' Affairs to establish and continue offices in the Republic of the Philippines; without amendment (Rept. No. 650). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 303. Resolution providing for the consideration of H. R. 5456, a bill to extend to June 30, 1954, the direct home and farmhouse loan authority of the Administrator of Veterans' Affairs under title III of the Servicemen's Readjustment Act of 1944, as amended, to make additional funds available therefor, and for other purposes; without amendment (Rept. No. 651). Referred to the House Calendar.

Mr. HOFFMAN of Michigan: Committee on Government Operations. House Resolution 295. Resolution declaring that the House of Representatives does not favor the Reorganization Plan No. 6 transmitted to Congress by the President on April 30, 1953; without amendment (Rept. No. 652). Referred to the Committee of the Whole House on the State of the Union.

Mr. WOLCOTT: Committee on Banking and Currency. H. R. 5667. A bill to amend the National Housing Act and other laws relating to housing; with amendment (Rept. No. 653). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CHELF:

H. R. 5910. A bill to amend sections 1651 (b) and 2101 (f) of title 28, United States Code; to the Committee on the Judiciary.

By Mr. CLARDY:

H. R. 5911. A bill to authorize the issuance of a special series of stamps commemorative of the 100th anniversary of the founding of Michigan State College; to the Committee on Post Office and Civil Service.

By Mr. GRANAHAN:

H. R. 5912. A bill to provide assistance in acquiring housing for disabled veterans who periodically require the use of braces, crutches, canes, or a wheelchair for locomotion; to the Committee on Veterans' Affairs.

By Mr. HAGEN of Minnesota:

H. R. 5913. A bill to simplify the handling of postage on newspapers and periodicals; to the Committee on Post Office and Civil Service.

By Mr. MACK of Illinois:

H. R. 5914. A bill to amend the Air Commerce Act of 1926, as amended, to authorize navigation of foreign, nontransport, civil aircraft in the United States through reciprocity and under regulations of the Civil Aeronautics Board; to the Committee on Interstate and Foreign Commerce.

By Mr. SCRIVNER:

H. R. 5915. A bill to exempt States and political subdivisions thereof from the tax on conveyances, and for other purposes; to the Committee on Ways and Means.

By Mr. FINE:

H. R. 5916. A bill to amend the Internal Revenue Code to provide a deduction for certain expenses paid by a taxpayer for the education of his children; to the Committee on Ways and Means.

By Mr. RADWAN:

H. R. 5917. A bill to amend the Social Security Act to provide disability insurance benefits for totally disabled individuals, and for other purposes; to the Committee on Ways and Means.

H. R. 5918. A bill to amend the Social Security Act to provide that in the case of women the term "retirement age" shall mean age 60; to the Committee on Ways and Means.

By Mr. ROGERS of Texas:

H. R. 5919. A bill to amend section 2 (a) of the act of April 6, 1949, so as to authorize the Secretary of Agriculture to make loans to farmers or stockmen to assist in orderly marketing, and for other purposes; to the Committee on Agriculture.

By Mr. UTT:

H. R. 5920. A bill to authorize the construction of shore protective works in the vicinity of Anaheim Bay Harbor, Calif.; to the Committee on Public Works.

By Mr. MULTER:

H. R. 5921. A bill to authorize the coinage of 50-cent pieces to commemorate the tercentennial of the foundation of the city of New York; to the Committee on Banking and Currency.

By Mr. SHELLEY:

H. R. 5922. A bill to amend section 901 of the Merchant Marine Act, 1936, as amended; to the Committee on Merchant Marine and Fisheries.

By Mr. CLARDY:

H. J. Res. 283. Joint resolution authorizing the recognition of the 100th anniversary of the founding of Michigan State College, the first agricultural college in the United States, and providing for the representation of the Government and people of the United States in the observance of such anniversary; to the Committee on the Judiciary.

By Mr. FRIEDEL:

H. J. Res. 284. Joint resolution to restore and preserve the frigate *Constellation* at a berth in Baltimore Harbor, and for other purposes; to the Committee on Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BYRD:

H. R. 5923. A bill for the relief of Giuseppe Laddomoda, Antonietta Laddomada, and children, Concetta and Paolo Laddomada; to the Committee on the Judiciary.

By Mr. COUDERT:

H. R. 5924. A bill to confer jurisdiction on the Court of Claims of the United States to hear, determine, and render judgment upon

the claims of Trent Trust Co., Ltd., Honolulu, T. H.; to the Committee on the Judiciary.

By Mr. FULTON:

H. R. 5925. A bill for the relief of Allesandro or Alexander Bastianini; to the Committee on the Judiciary.

By Mr. HELLER (by request):

H. R. 5926. A bill for the relief of Abraham Gluck; to the Committee on the Judiciary.

H. R. 5927. A bill for the relief of Mrs. Atamant Chantikian and her child, Kosrof Chantikian; to the Committee on the Judiciary.

By Mr. JACKSON:

H. R. 5928. A bill for the relief of Yvette Sassoon Safdeye; to the Committee on the Judiciary.

By Mr. KERSTEN of Wisconsin:

H. R. 5929. A bill for the relief of George John Bounos; to the Committee on the Judiciary.

By Mr. MORANO:

H. R. 5930. A bill for the relief of Daoud Salem Shamoun; to the Committee on the Judiciary.

H. R. 5931. A bill for the relief of Heskel Saleh Michael; to the Committee on the Judiciary.

H. R. 5932. A bill for the relief of Jack Khedour Soffer; to the Committee on the Judiciary.

By Mr. PILCHER:

H. R. 5933. A bill for the relief of Herschel D. Reagan; to the Committee on the Judiciary.

By Mr. SHELLEY:

H. R. 5934. A bill for the relief of William C. Jayne, Sr.; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

350. By Mr. CANFIELD: Resolution adopted by the Passaic County Medical Society, Paterson, N. J., endorsing H. R. 10, which provides for the establishment of a restricted retirement fund trusteed by a bank, or purchase of a restricted retirement annuity, the amounts contributed in a taxable year to be deductible for income-tax purposes from gross income up to 10 percent of earned net income or $7,500 whichever is the lesser; to the Committee on Ways and Means.

361. By Mr. LANE: Petition of the city council of the city of Worcester resolving that congressional delegation from Massachusetts be requested to make a united effort to bring to Worcester and the surrounding devastated area financial aid; to the Committee on Appropriations.

362. By the SPEAKER: Petition of Mrs. Arthur Pond and others, St. Petersburg, Fla., requesting passage of H. R. 2446 and H. R. 2447, social-security legislation known as the Townsend plan; to the Committee on Ways and Means.

363. Also, petition of K. Masuda and 150 others, Kumamoto Junior College, Kumamoto, Japan, requesting release of the Japanese people who are serving prison terms as war criminals; to the Committee on Foreign Affairs.